United States Department of the Interior
GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY
REFER TO:

August 24, 1984

Memorandum

To: Branch of Financial Reports

From: Chief, Office of Minerals Exploration

Subject: Recording of realized loss under OME contracts

Write-off of realized loss on the contract listed below is hereby authorized:

Contract	Docket	Operator	Write-off Amt.
2313	6885	Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corp.	$16,254.86

J. William Hasler

J. William Hasler

JWH:js

cc: Glenn H. Alcott
C. H. Thorman
H. A. Tourtelot

United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY
REFER TO:

August 24, 1984

Mr. Charles H. Turner
P.O. Box 395
Montrose, Colorado 81402

Re: OME 6885 (silver/gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Under the terms of OME contract 2313 and the Certification of Possible Production dated August 19, 1977, all minerals mined or produced from June 17, 1974 to June 17, 1984 were subject to the Government's royalty as stated in the contract.

As the period during which production was subject to royalty has now expired, the Government, according to its present records, retains no claims or lien against the property subject to the contract or any production therefrom. We therefore are closing our books and records on this contract.

Sincerely yours,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

JWHasler:js

copies to: Glenn H. Alcott
Robert Edwards
C. H. Thorman
H. A. Tourtelot

United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY
REFER TO:

August 24, 1984

Memorandum

To: Chief, Central Mineral Resources

From: Chief, Office of Minerals Exploration

Subject: OME 6885 (silver/gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

A final field inspection of the subject property was made by me, accompanied by Charles H. Turner, the operator, on August 8 and 9, 1984.

This contract was executed on June 17, 1974 and exploration work was terminated under the terms of the contract on March 17, 1977. The contract was certified as it was hoped the operators could mine and process the ore at a local mill; however, this did not occur.

No ore was processed after the certification of discovery and the royalty period ended on June 17, 1984. Periodic inspections have been made on the property during the royalty period. The Government has realized its loss and is writing off the contract and closing its books on this contract,

J. William Hasler

J. William Hasler

JWH:js

Montrose, Colo Realty Estate

Chandler Turner OME 6885
Contact 2113

((8-303-249-7887))

30 properties
Royalty Activities

Anna Z. Fernandez 6/17/84
Turner

June 1984 $16,254.86 Joan
Joan

78th 9th

Outlaw Motel

Ouray, Colo.
8-303-325-4589

7th

((John Wise

((Joan Christopher
Cortez, Colorado))

Stanley Reed Norwood
British Columbia 1X1 3

OME 6885 (silver/gold)
Charles H. Turner and
Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

MS 270
Edwards

6/17/84
Write off

July 1984 16,
#291 16, 254.86

8-928-6121
Edwards -

File

Recd 5/2/84 OME

United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

April 23, 1984

Re: OME 6885 (silver-gold)
Charles H. Turner and
Anne Z. Turner d/b/a/
Hamilton Resources Corporation
Contract 2313

Mr. Charles H. Turner
P.O. Box 395
Montrose, Colorado 81402

Dear Mr. Turner:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since May 12, 1983, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since May 12, 1983, has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore	None		
Concentrates			
Other			

3. Since May 12, 1983, has any production been transported through workings (*see of contract*)? Yes ☐ No ☒

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Hamilton Resources Corp. Charles H. Turner Chas H Turner	*Title* Owner
Address P.O. Box 395 Montrose, CO 81402,	*Date* April 27, 1984

United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY
REFER TO:

August 24, 1984

Memorandum

To: Chief, Central Mineral Resources

From: Chief, Office of Minerals Exploration

Subject: OME 6885 (silver/gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

A final field inspection of the subject property was made by me, accompanied by Charles H. Turner, the operator, on August 8 and 9, 1984.

This contract was executed on June 17, 1974 and exploration work was terminated under the terms of the contract on March 17, 1977. The contract was certified as it was hoped the operators could mine and process the ore at a local mill; however, this did not occur.

No ore was processed after the certification of discovery and the royalty period ended on June 17, 1984. Periodic inspections have been made on the property during the royalty period. The Government has realized its loss and is writing off the contract and closing its books on this contract,

J. William Hasler

J. William Hasler

JWH:js

United States Department of the Interior
GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY
REFER TO:

August 24, 1984

Mr. Charles H. Turner
P.O. Box 395
Montrose, Colorado 81402

Re: OME 6885 (silver/gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Under the terms of OME contract 2313 and the Certification of Possible Production dated August 19, 1977, all minerals mined or produced from June 17, 1974 to June 17, 1984 were subject to the Government's royalty as stated in the contract.

As the period during which production was subject to royalty has now expired, the Government, according to its present records, retains no claims or lien against the property subject to the contract or any production therefrom. We therefore are closing our books and records on this contract.

Sincerely yours,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

JWHasler:js

copies to: Glenn H. Alcott
Robert Edwards
C. H. Thorman
H. A. Tourtelot

United States Department of the Interior
GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY
REFER TO:

August 24, 1984

Memorandum

To: Branch of Financial Reports

From: Chief, Office of Minerals Exploration

Subject: Recording of realized loss under OME contracts

Write-off of realized loss on the contract listed below is hereby authorized:

Contract	Docket	Operator	Write-off Amt.
2313	6885	Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corp.	$16,254.86

J. William Hasler

J. William Hasler

JWH:js

cc: Glenn H. Alcott
C. H. Thorman
H. A. Tourtelot

File

Recd 5/2/84 OME

United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 939
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

April 23, 1984

Re: OME 6885 (silver-gold)
Charles H. Turner and
Anne Z. Turner d/b/a/
Hamilton Resources Corporation
Contract 2313

Mr. Charles H. Turner
P.O. Box 395
Montrose, Colorado 81402

Dear Mr. Turner:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since May 12, 1983, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since May 12, 1983, has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore	None		
Concentrates			
Other			

3. Since May 12, 1983, has any production been transported through workings (*see of contract*)? Yes ☐ No ☒

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Hamilton Resources Corp. Charles H. Turner Chas H Turner	*Title* Owner
Address P.O. Box 395 Montrose, CO 81402,	*Date* April 27, 1984

United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 933
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

May 9, 1983

Re: OME 6885 (silver/gold)
Charles H. Turner and
Anne Z. Turner d/b/a/
Hamilton Resource Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Mr. Charles H. Turner
P.O. Box 395
Montrose, Colorado 81402

Dear Mr. Turner:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since April 13, 1982, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

2. Since April 13, 1982, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since April 13, 1982, has any production been transported through workings (*see* *of contract*)? Yes ☐ No ☑

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	Title
Charles H. Turner	President
Address P.O. Box 395 Montrose, CO 81402	Date May 12, 1983

United States Department of the Interior
GEOLOGICAL SURVEY
BOX 25046 M.S. 933
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

April 8, 1982

Re: OME 6885 (silver-gold)
Charles H. and Anne Z. Turner
d/b/a/ Hamilton Resources Corp.
San Juan Mine
San Miguel County, Colorado
Contract 2313

Mr. Charles H. Turner
P.O. Box 395
Montrose, CO 81402

Dear Mr. Turner:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since Febr. 3, 1981, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

2. Since Febr. 3, 1981, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings (*see* , has any production been transported through *of contract*)? Yes ☐ No ☑

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name CHARLES H. TURNER	*Title* President
Address ~~P.O.BOX 393~~ MONTROSE, CO 81402	*Date* 13 April '82

MEMORANDUM

2-12-81

TO: File

FROM: Chief, Office of Minerals Exploration

SUBJECT: OME 6885 (silver-gold) - Charles H. and Anne Z. Turner
Contract 2313 d/b/a/ Hamilton Resources Corp.
San Juan Mine
San Miguel County, Colo.

The owner, Charles H. Turner, has moved to Montrose, Colorado, P.O. Box 395.

Bell Telephone lists a Charles Turner at 200 South 4th St., telephone (FTS) 8-303-249-7887.

In reply to my inquiry of January 26, 1981, Mr. Turner informed this office that there has been no change in ownership and that there has been no production from the property since exploration work was completed.

A certification of possible production was issued on August 19, 1977 based partly on the probability of future production in drifting along the San Juan vein and also due to the fact that the Ophir mill is in close proximity to the ~~XXXX~~ San Juan mine. The operator planned on the fact that several producing mines in the vicinity of the mill could produce enough mill feed to keep the Ophir mill in production.

Charles H. Turner
Mining Engineer

P.O. Box 395
Montrose CO 81401

February 3, 1981

Mr. J. William Hasler, Chief
Office of Minerals Exploration
Box 25046, M.S. 933
Denver Federal Center
Denver CO 80225

Re: OME 6885 (Ag-Au)
San Juan Mine
San Miguel County, Colo.
Contract 2313

Dear Mr. Hasler:

I have your letter of January 26, 1981, regarding the above referenced Contract.

Please be advised that there has been no ore production from the mine since work was completed.

There has been no change in ownership of the mine.

Please note my new mailing address.

Very truly yours

HAMILTON RESOURCES CORP.

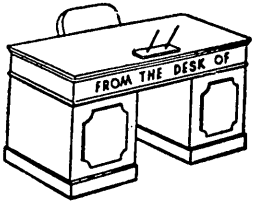
Charles H. Turner

Charles H. Turner

8-303 249-7887 ?

200 So. 4th Street.
Montrose, Colo

Telluride Colo. at mine
8-303-728-4139



Charles H. Turner

1-3-81

Dear Bill:

Alan Shafer, of United Nuclear, visited the mine on January 26th.

He said he would be going to the Convention in Denver, and would try to look you up.

Although I gave him maps, assays, etc., he would like to have your opinion.

I have had a number of nibbles, but none has amounted to anything.

I note that you are now the Chief. My congratulations!

Best regards.

Charlie

FTS-1150

9-1-555-1212

9-1-

9-303-555-1212

8

24

234 45

Hamilton Resources Corp.
Box 395
Montrose CO 81401

MONTROSE, CO
FEB 3
PM
1981
81401

Mr. J. William Hasler, Chief
Office of Minerals Exploration
Box 25046, MS 933
Denver Federal Center
Denver CO 80225

July 21, 1977

Memorandum

To: Chief, OME

From: Field Officer Region III

Subject: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is a final field report on the subject property by J. William Hasler. A cost review is recommended. It is also recommended that the royalty obligations due from any production remain in effect as stipulated in Amendment No. 2 Item 3.(d), and that the operator be so notified.

The operator plans some sort of a joint operation involving several adjoining properties in order to supply a local mill with ore. Should this be accomplished the government's interest should be protected and royalty payments should be made.

J. William Hasler
J. William Hasler
Field Officer Region III

cc: 6885
OME Chron
Hasler Chron

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Stop 932

IN REPLY REFER TO:

August 29, 1977

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P. O. Box 3224 Hi Mar Station
Boulder, Colorado

Re: OME 6885 (Silver - Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed is a copy of a Cost Review on the above referenced contract which was made by the Office of Audit and Investigation during July 1977.

The request was made at the request of the Chief, Office of Minerals Exploration (OME).

I have reviewed the report and concur in the facts included in it.

Please review the report and if you concur in the facts retain the copy. If for any reason you do not concur, the report should be returned to this office with appropriate comments.

Sincerely yours,

J. William Hasler
Field Officer, Region III
Office of Minerals Exploration

cc: OME 6885
Chief OME
OME file
Hasler Chron.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

JWH 7/14/77

July 12, 1977

Memorandum

To: Supervisory Auditor, Contract and Grant
Office of Audit and Investigation

From: Chief, Office of Minerals Exploration
Geological Survey, 953 National Center, Reston, Va.

Subject: Request for Cost Review

Please prepare a Report of Cost Review on the following OME contract:

Docket No.	Contract No.	Operator
OME-6885	2313	Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation

The docket will be furnished upon request. Please call 860-6681.

Harold Kirkemo

Harold Kirkemo

cc: Region III

OME Rdg.
OME Files
Kirkemo file

United States Department of the Interior

GEOLOGICAL SURVEY
Box 25046
Denver Federal Center
Denver, Colorado 80225
Stop 932

IN REPLY REFER TO:

August 29, 1977

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P. O. Box 3224 Hi Mar Station
Boulder, Colorado

Re: OME 6885
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

Enclosed is a Certification of Possible Production under an Exploration Contract Pursuant to Article 7 of the referenced contract, as amended.

The Government based the certification on the reserves discovered as a result of the amount of exploration work completed, as well as upon the fact that a neighboring mill may be operated if ore can be mined from the San Juan Mine and several adjoining properties. This would give the Government an opportunity to receive royalty on any ore produced at the San Juan Mine.

Should you produce any ore from the San Juan Mine between June 17, 1974, to June 17, 1984, please follow the instructions given in the accompanying Certification of Possible Production.

It has been a pleasure to have been of assistance to you in the exploration project.

Sincerely yours,

J. William Hasler
Field Officer, Region III
Office of Minerals Exploration

cc: OME 6885
Chief OME
OME file
Hasler Chron.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

UNITED STATES OF AMERICA
CERTIFICATION OF POSSIBLE PRODUCTION
UNDER AN EXPLORATION CONTRACT

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Pursuant to Article 7 of the referenced contract, as amended, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work completed under the contract at the San Juan mine.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from June 17, 1974, to June 17, 1984, or until the total amount, $16,255, contributed by the Government under the contract is fully repaid with interest at the rate of 9-3/4 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

Royalty payments should be made in favor of the U.S. Geological Survey and mailed or delivered to the Field Officer, Office of Minerals Exploration, Region III, U.S. Geological Survey, Box 25046, Mail Stop 932, Denver Federal Center, Denver, Colorado 80225. Each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the date of sale, name of the purchaser, the quantity and grade of production sold, the price per unit, and the gross proceeds and allowable deductions therefrom. The purchaser should be notified of the Government's royalty on production and directed to pay the royalty, computed as provided in the contract, directly to the Government.

The Field Officer should be promptly notified upon the commencement of any production and upon any extended cessation thereof. Production unsold or unused six months after extraction from the ground should be reported promptly to the Field Officer.

Attention is specifically invited to the provisions of Article 2(c) of the Contract referring to the preservation of the Government's royalty rights. Two true copies of any instrument transferring, surrendering, or encumbering any of your rights in the lands embraced in the contract shall be furnished to this office.

Dated this 19th day of August, 1977.

THE UNITED STATES OF AMERICA

Harold Kirkemo

Chief, Office of Minerals Exploration
U.S. Geological Survey

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 19, 1977

Memorandum

To: Field Officer, Region III
Office of Minerals Exploration

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the Field Officer's and Operator's copies of the Report of Cost Review issued in August 1977, on the subject contract, Memorandum to The Record, and a Certification of Possible Production.

Please review these and if you concur in the facts in the audit report, and if you still believe that the Certification should be issued, copies of both documents should be sent to the Operator. Please send us two copies of your transmittal letter.

Harold Kirkemo

Harold Kirkemo

Enclosures

P.S. If you believe that the Operator would be concerned about your conflicting recommendations regarding certification, a copy of the enclosed Memorandum to The Record could accompany the Operator's copy of the Report of Cost Review.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 19, 1977

Memorandum

To: The Record

From: Chief, Office of Minerals Exploration

Subject: Recommendation for certifying the subject contract.
OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

The docket file provided to the Auditor for preparing the Cost Review of this contract included a memorandum dated July 1, 1977, from the Field Officer, OME Region III, to the Chief, OME, recommending not to issue a certification of possible production for this contract. While the audit was in preparation, the Field Officer learned of the possibility that a neighboring mill may be operated if ore could be obtained from the San Juan mine and several adjoining properties. If so, the Government would have an opportunity to receive royalty on any ore produced at the San Juan mine. The Field Officer, therefore, recommended on July 21, 1977, that the Government's rights to royalty on production be continued under authority of Item 3(d) in Amendment No. 2 to the Contract.

Because of the possiblity of production of ore from the San Juan mine, and the payment of royalty to the Government, a Certification of Possible Production will be issued pursuant to Article 7(a) of the Contract rather than to Item 3(d) in Amendment No. 2 to the Contract.

Harold Kirkemo

Harold Kirkemo

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

UNITED STATES OF AMERICA
CERTIFICATION OF POSSIBLE PRODUCTION
UNDER AN EXPLORATION CONTRACT

Mr. Charles H. Turner and
Ms. Anne Z. Turner d/b/a
Hamilton Resources Corporation
P.O. Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Pursuant to Article 7 of the referenced contract, as amended, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work completed under the contract at the San Juan mine.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from June 17, 1974, to June 17, 1984, or until the total amount, $16,255, contributed by the Government under the contract is fully repaid with interest at the rate of 9-3/4 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

Royalty payments should be made in favor of the U.S. Geological Survey and mailed or delivered to the Field Officer, Office of Minerals Exploration, Region III, U.S. Geological Survey, Box 25046, Mail Stop 932, Denver Federal Center, Denver, Colorado 80225. Each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the date of sale, name of the purchaser, the quantity and grade of production sold, the price per unit, and the gross proceeds and allowable deductions therefrom. The purchaser should be notified of the Government's royalty on production and directed to pay the royalty, computed as provided in the contract, directly to the Government.

The Field Officer should be promptly notified upon the commencement of any production and upon any extended cessation thereof. Production unsold or unused six months after extraction from the ground should be reported promptly to the Field Officer.

Attention is specifically invited to the provisions of Article 2(c) of the Contract referring to the preservation of the Government's royalty rights. Two true copies of any instrument transferring, surrendering, or encumbering any of your rights in the lands embraced in the contract shall be furnished to this office.

Dated this 19th day of August, 1977.

THE UNITED STATES OF AMERICA

Harold Kirkemo

Chief, Office of Minerals Exploration
U.S. Geological Survey

E-C-DC-OME-1(b)-77

United States Department of the Interior

OFFICE OF THE SECRETARY
OFFICE OF AUDIT AND INVESTIGATION
EASTERN REGION
Ballston Towers #1
800 N. Quincy Street, Room 401
Arlington, Virginia 22217

AUG 4 1977

Memorandum Audit Report

To: Director, Geological Survey

From: Regional Audit Manager

Subject: Contract No. 2313
Docket No. OME-6885 (Silver-Gold)
Hamilton Resources Corporation
San Miguel Co., Colorado

At the request of the Chief, Office of Minerals Explorations (OME), we have reviewed the records maintained by OME of the costs applicable to the subject contract. Our desk review of the contract records was made in July 1977.

Contract No. 2313 (Contract) was awarded June 17, 1974, for a maximum allowable cost of $32,940 with OME participating to a maximum of $24,705. Work under the Contract was to begin on or before September 15, 1974, and was to be completed within 12 months of the Contract date or when allowable costs exceeded $32,940. Subsequent amendment extended the completion time to 33 months from the contract date.

The Contractor was to explore the San Juan mine for gold, silver, copper, and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A tunnel level, in igneous rocks associated with the Ophir stock.

Repayment of disbursed Federal funds, with simple interest at 9-3/4 percent, was to be made on the basis of established royalties on all commodities produced from the land during the exploration operations and for a period of 12 years from the date of the Contract should a certification of possible production be issued by OME.

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

On June 23, 1977, the operator submitted a final report and on July 1, 1977, the Region III Field Officer recommended that a discovery not be certified and that the Contract be terminated and closed out.

The Contractor submitted six vouchers showing costs incurred of $22,059 of which OME accepted $21,673 and reimbursed the operator $16,255 for OME participation.

The units of work authorized and approved under the Contract are summarized on the attached exhibit. In our opinion, the costs accepted by OME were properly incurred and are allowable under the terms of the Contract.

Frank V. Pasuch

EXHIBIT

Cost Review of Contract No. 2313
Docket No. OME-6885 (Silver-Gold)
Hamilton Resources Corporation
San Miguel Co., Colorado
June 17, 1974, through March 17, 1977

Allowable Cost	Amount Accepted by OME and Approved by Audit
Category:	
(1) Independent Contracts	$825
(7) Miscellaneous	306
Fixed Unit Costs:	
Drifting	14,181
Supervisor	4,500
Outside Consultant	125
Transportation for Consultant	25
Office and Accounting Expense	150
Payroll Taxes, F.I.C.A., Insurance	1,561
Total Allowable Costs	21,673
Government Participation	16,255

July 21, 1977

Memorandum

To: Chief, OME

From: Field Officer Region III

Subject: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is a final field report on the subject property by J. William Hasler. A cost review is recommended. It is also recommended that the royalty obligations due from any production remain in effect as stipulated in Amendment No. 2 Item 3.(d), and that the operator be so notified.

The operator plans some sort of a joint operation involving several adjoining properties in order to supply a local mill with ore. Should this be accomplished the government's interest should be protected and royalty payments should be made.

J. William Hasler
J. William Hasler
Field Officer Region III

cc: 6885
OME Chron
Hasler Chron.

STOP 932

July 1, 1977

MEMORANDUM

TO : Chief, OME

FROM : Field Officer, Region III

SUBJECT: OME 6885 (Silver-Gold)
Charles H. and Anne I. Turner
d/b/a Hamilton Resources Corp.
San Juan Mine
San Miguel Co., Colorado
Contract 23/3

Transmitted herewith is an original and one copy of the Operator's final report, including a geologic, assay and ore reserve map, which was received in this office June 27, 1977. I have retained one copy of the final report.

The report is brief and probably satisfactory, the base essentials are here. I think we would not receive a more detailed report if I would ask for more.

Under the present circumstances, considering the operator, and the current difficulties confronting, mining, milling and marketing from a property this size, I would not certify a discovery in this particular case, and therefore recommend that the contract be terminated, and closed out. My report will be transmitted shortly.

cc: OME 6885
OME File
Hasler Chron.

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By J. William Hasler

July 19, 1977

1. OME 6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Operator: Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
P.O. Box 3224 Himar Station
Boulder, Colorado 80303

Property: The land, including all rights pertaining thereto, referred to in Article 2 of the contract consists of two (2) patented lode mining claims and a mill site in Sections 4 and 5, T. 41 N., R. 9 W., NMPM, Trout Lake Mining District, San Miguel County, Colorado. These claims are shown in figure 1, titled "S. B. Kenrick and San Juan Claims" which is attached and made a part hereof.

The mining claims are identified as:

Name	U.S. Survey No.
San Juan	1167A
S. B. Kenrick	2683
San Juan Millsite	1167B

Ownership: The Operator is in possession of these claims by virtue of an Indenture dated April 23, 1973, between Charles H. Turner and Anne Z. Turner, and Hamilton Resources Corporation, a Colorado corporation.

2. Purpose of Project: The purpose of the project is to explore the San Juan Mine for gold, silver, copper and lead ore bodies by drifting northeastward on the San Juan vein in the No. 2 drift, A tunnel level, in igneous rocks associated with the Ophir stock.

3. Contract: Date June 17, 1974 for a period of 12 months. Original contract amount $32,940.00. Government participation 75 percent $24,705.00.

Amendment No. 1

It is agreed this 21st day of May, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective May 30, 1975, as follows:

1. The time fixed by Article 1(a) of the Contract for completion of the work is extended from twelve (12) to eighteen (18) months from the date of the Contract, or until December 17, 1975.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Amendment No. 2

It is agreed this 18th day of December, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator", that Exploration Contract 2313 (OME-6885) dated June 17, 1974, as amended effective November 1, 1975, as follows:

1. (a) Work under the Contract may be suspended during the period beginning November 1, 1975, and ending no later than June 1, 1976.

(b) The Government shall not contribute to any costs incurred during the period of suspension.

(c) The Government shall not contribute to or be liable for any costs of rehabilitation or repair or any other costs which would not have occurred if there had been no suspension of work, or which may arise out of this suspension.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

Amendment No. 2--Continued

2. The date fixed by Article 1(a) of the Contract as amended by Amendment No. 1 for completion of the work is extended from eighteen (18) months to twenty-seven (27) months from the date of the Contract, or until September 17, 1976.

3. It is the essence of this amendment that the work shall be resumed on or before the termination of the period herein fixed for suspension; and if not so resumed, the following provisions shall thereupon become effective:

(a) The Contract and all obligations of the parties thereunder except as hereinafter otherwise provided, shall be and are hereby terminated effective November 1, 1975, if work on the Contract has not been recommenced on or before June 1, 1976.

(b) The Government will contribute only to allowable costs incurred prior to the date set forth in 3(a) above.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the Contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the Contract as amended herein as if a certification of possible production had been made, such certification of possible production, percentage royalty and liens to secure payment thereof, reports (including the preservation of Operator's record), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract, except as provided for in this Amendment No. 2.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Amendment No. 3

It is agreed this 21st day of September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government," and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator," that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective September 17, 1976, as follows:

1. The time fixed by Article 1(a) of the Contract as amended by Amendment No. 2 for completion of the work is extended from twenty-seven (27) to thirty-three (33) months from the date of the Contract, or until March 17, 1977.

2. The maximum period for payment of royalty set forth in Article 7(b) of the Contract, and for the lien to secure payment thereof set forth in Article 7(e) of the Contract is extended from ten (10) to twelve (12) years from the date of the Contract, or until June 17, 1986.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

4. Project Work: Started July 3, 1974, terminated March 17, 1977 under provisions of the Contract as amended.

Cost Items Fixed Unit Costs	Unit	Authorized Rate Rate	Amount	Completed Units	Amount
Drifting - crosscutting[1/]	250 ft	$ 87.00/ft	$21,837.00	163 ft	$14,181.00
Long hole drilling	800 ft	1.50/ft	1,200.00	--	--
1 Supervisor	3 mo	1,500.00/mo	4,500.00	3 mo	4,500.00
1 Outside Consultant	3 days	125.00/day	375.00	1 day	125.00
Per diem, Outside Consultant	3 days	25.00/day	75.00	--	--
Transportation for Consultant	2,042 miles	.12/mi	245.00	210 mi	25.20
Office and accounting expense	3 mo	50.00/mo	150.00	3 mo	150.00
Payroll Taxes, F.I.C.A. insurance @	15%		1,958.00		1,561.44
Total Fixed Unit Costs			$30,340.00		$20,542.64

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies.

Actual Costs

Category (1) Independent contracts					
Bulldozing[1/]	30 hrs	$ 27.50/hr	$ 825.00	30 hrs	$ 825.00
Category (7) Miscellaneous					
Assaying 151 samples (rounded)			1,775.00	26 samples	305.50
Gold, silver, copper	8.50/s				
Lead	3.25/s				
Total Actual Costs			$ 2,600.00		$ 1,130.50
Total Estimated Costs of the Project			$32,940.00	Total Cost	$21,673.14
Government Participation	75%		$24,705.00	Gov't Participation	$16,254.86

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies. The government retains no equity in any of the equipment or materials used.

Efficiency of Operation

The project began July 3, 1974.

July voucher - Bulldozed access road to mine portal - 30 hrs required.

Completed road work; hauled ballast for road drainage and grading completed, but work was impeded by frequent heavy rains.

December 1974

1. Portal supporting timbers stolen requiring rehabilitation and re-timbering portal.

2. Compliance with new Colorado State Bureau of Mines safety regulation concerning storage of explosives required extensive new work.

3. Adequate and experienced manpower was in short supply throughout summer and fall. Despite several winter storms installation of diesel power plant, pipe lines, vent tubing was completed and drifting on the San Juan vein was begun.

January 1975: Thirty-one feet of drifting was completed. The work was hampered by the supply of unreliable labor, caving ground, continued severe winter storms, and sub-zero temperatures.

March 1975: Total drifting 21 feet for January and February. Vein split and 14 feet of drifting was used to follow the apparently stronger footwall split. Task of competent help still hampered project work as did continued heavy winter storms.

June 1975: No work during April or May due to heavy winter storms and exceptionally heavy inflow of underground water in mine. Completed 36 feet of drifting on vein, total 127 feet.

May 19 - Field Officer recommended an amendment extending completion date of work from June 17, 1975 to December 17, 1975. Amendment No. 1 executed May 23, 1975.

May 23 - 91 feet of vein averaged 23 inches in width.

October 1975: A disastrous rock slide closed the portal early in July and most of the summer was required to reopen it (middle of Sept.). Work to improve the ventilation was required. Thirty-six feet of drifting on the vein was completed. Labor problems still hampered progress.

Interim inspection made October 2 and 3, 1975. A total footage of 139 feet.

November 28, 1975: Operator requested Amendment to recess contract to June 1, 1976. Contract work to be completed not later than September 17, 1976. Amendment No. 2 executed. August 1976 - financing failed.

September 7, 1976: Amendment No. 3 recommended to set completion date to March 17, 1977. Amendment No. 3 was executed but no further drifting was completed due to a compressor failure and vital parts were irreplaceable for the 20-year-old unit.

The Operator's final report was submitted June 23, 1977, that contained a narrative, geologic map, assay map, and a cross section showing ore reserves discovered as a result of the exploration work.

At my request, the Operator itemized costs of the project that were over and above the estimated cost of the project, as I knew they were excessive.

There have been very few OME exploration contracts that had such excessive costs. Many of these, I believe, could have been averted. As a result, the project was most inefficiently run.

Effectiveness of the Work

The objective of the work was to explore the northeast-trending San Juan vein, in the No. 2 drift for new gold, silver, copper, and lead ore bodies in igneous rocks associated with the Ophir Stock for a distance of at least 251 feet.

The vein was explored for a distance of 163 feet from the OME starting point. The estimated time to complete the 251 feet, based on a rate of five feet per shift, was three months. This should have been ample time in which to complete the work; however, the Operator was consistently hampered the first fall and winter by having to comply with some new Colorado State safety regulations concerning storage of explosives, coupled with labor shortages and replacement of portal timbers, and an unusually heavy winter. His attempt to remain open throughout the winter months of 1974-1975 resulted in an additional expenditure of $19,520.00 for rehabilitation of the mine tunnel, snow removal, and removal of massive caving at the portal. This additional work extended well into the summer months of 1975. The contract was amended three times to enable the Operator to complete the required drifting. He was unable to complete the 251 feet of drift before March 17, 1977, the completion specified in Amendment No. 3 of the subject contract. The Operator expended an additional $15,400.00 for installation of electric power, and an attempt to rebuild an old electric compressor, plus snow removal totalling $34,940.00. The Operator was most ineffective in guiding the work prescribed in the subject contract.

5. Reports:

Operator Final Report - An acceptable final geologic and engineering report was received in this office June 27, 1977.

Cost Review - A report of review is requested by the Field Officer, Region III.

Royalty Review - There has been no production of metals from the mine since the contract was terminated; consequently there will be no request for a Royalty Review by the Field Officer, Region III, OME.

6. Project Results: The project work resulted in the discovery of minable gold, silver, copper, and lead ore. Maps and assay data were attached to the monthly vouchers. Ore reserves estimated by the Operator as of June 23, 1977 and were included in his final geologic and engineering report.

The Operator estimates a reserve of 2,866 tons discovered by the OME drifting having gross value within a range of $49.00 to $62.00 per ton, at current prices. He would have to maintain a grade in excess of $50.00 ore in order to make a profit, and that may not be possible, at least for the present.

The Operator calculates an additional tonnage of ore from work completed prior to the execution of the subject contract totalling 2,820 tons. Any ore shipped now from the San Juan and S. B. Kenrick claims would be subject to Royalty payments, as stipulated in Amendment No. 2, paragraph 3(d). The Operator's total tonnage estimate of 5,686 tons, contains material averaging .04 oz Au, 8.0 oz Ag, 1.00% Cu and 0.30% Pb per ton. At current metal prices this material will gross $56.26 per ton for a total value of $319,894.36.

Unless some very selective mining is done to materially decrease the dilution of rock to ore the Operator cannot mine under the present or even a much improved system. He can in no way keep his mining and milling costs under $50.00 per ton--including the possibility of milling locally. Shipping raw ore to a smelter is out of the question. Under present conditions the Operator could mine only 10 to 30 tons per day. He would need at least five working faces to maintain a 50 ton per day operation, and this will take some doing on his part.

The Operator's reserves are conservative and I would not differ greatly with him on a total reserve of 5,686 tons. Should he mine now, all ore within the San Juan and S. B. Kenrick would be subject to royalty payment by virtue of the lien and subordination agreement, and Amendment No. 2, Item 3(d) of the subject contract as follows:

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer

(for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty provided for in the Contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the Contract as amended herein as if a certification of possible production, percentage royalty and liens to secure payment thereof, reports (including the preservation of Operator's record), accounts, audits, and the right to recover any overpayments are hereby preserved.

The provisions of the Contract as amended requires royalty payments by the Operator should he fail to retain his interest in the land. I recommend that the stipulation in Amendment No. 2, Item 3(d) serve as a certification of discovery of possible production, as the Operator indicates that there may be some joint operation of several properties to assure enough production to supply a neighboring mill with enough feed to make the operation possible.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

March 21, 1977

Mr. Charles H. Turner
President
Hamilton Resources Corporation
P.O. Box 3224, HiMar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

OME Contract 2313 terminated on March 17, 1977, under provisions of the contract, as amended, and a final report is due on the OME project work that was done. The report need not duplicate the detail presented in the monthly reports but it should include summaries of work and expenditures on the individual items set forth in the contract.

Because no work under the contract was done since November 1, 1975, the date of the last voucher submitted, the Government will not contribute to any costs incurred since then, and reserves the right to issue a certification of possible production within six months of receipt of your final report and account.

We regret that you were unable to complete work on the contract, but we hope that you will be able to arrange financing to complete the exploration work originally planned.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Sept. 25, 1976

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

Please find enclosed three copies of proposed Amendment No.3 to the subject Contract, signed for the Operator by its President and Secretary.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

encls.

Mail Stop 953

September 23, 1976

Mr. Charles H. Turner
Hamilton Resources Corporation
Box 3224 HiMar Station
Boulder, Colorado 80307

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed are the original and three copies of proposed amendment No. 3 (one page) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with proposed changes for consideration.

Sincerely yours,

J. William Hasler

J. William Hasler
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: Chief OME
OME Chron.
Mr. Hasler
OME 6885

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

September 21, 1976

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of proposed Amendment No. 3 (one page) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for Field use.

If the proposed amendment is satisfactory to you and the Operator, the four copies should be signed by Mr. and Mrs. Turner and distributed as indicated on the copies.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Please note that the period for payment of royalty on production has been extended from ten to twelve years from the date of the contract. This will cover the additional time granted by the three amendments to the contract for completion of the work.

In arranging additional financing, has the Operator retained control of the property? If not, we may have a problem with respect to continuing the contract.

Harold Kirkemo

Harold Kirkemo

Enclosures

tra Copy for Field Officer

EXPLORATION CONTRACT
CHARLES H. TURNER and ANNE Z. TURNER d/b/a
HAMILTON RESOURCES CORPORATION
OME-6885

AMENDMENT NO. 3

It is agreed this 21st day of September, 1976, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government," and Charles H. Turner and Anne Z. Turner d/b/a Hamilton Resources Corporation, hereinafter called the "Operator," that Exploration Contract 2313 (OME-6885) dated June 17, 1974, is amended effective September 17, 1976, as follows:

1. The time fixed by Article 1(a) of the Contract as amended by Amendment No. 2 for completion of the work is extended from twenty-seven (27) to thirty-three (33) months from the date of the Contract, or until March 17, 1977.

2. The maximum period for payment of royalty set forth in Article 7(b) of the Contract, and for the lien to secure payment thereof set forth in Article 7(e) of the Contract is extended from ten (10) to twelve (12) years from the date of the Contract, or until June 17, 1986.

This amendment shall not be construed to increase the estimated cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed-unit cost of any item of work.

Except as herein amended, Exploration Contract 2313 (OME-6885), dated June 17, 1974, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Chief, Office of Minerals Exploration

Charles H. Turner
Anne Z. Turner d/b/a
HAMILTON RESOURCES CORPORATION

By_____
Title_____

By_____
Title_____

Mail Stop 953

Memorandum September 7, 1976

To : Chief, Office of Minerals Exploration

From : Field Officer, Region III

Subject: OME 6885 (Silver-Gold)
Charles H. and Anne Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

The operator, in a letter dated August 23, 1976 stated that little work had been accomplished since he reopened the mine after a winter recess due to a lack of funds. He indicated that there was a private placement of the company's stock in progress and that funds would be available within a week or ten days.

Mr. Turner, the operator, was in this office today and informed me that they now are assured of funding, and can complete the balance of footage remaining under the subject contract. He has requested that the contract be amended to extend the completion date of the work from September 17, 1976, as fixed by Amendment No. 2, (2) dated December 18, 1975, to February 15, 1977.

It is recommended that the contract be amended to extend the completion date for a period of six (6) months from the completion date, or to March 17, 1977. The remaining footage, some 88 feet, will be driven in conjunction with a ventilation raise that is required by the Colorado State Division of Mines, consequently the six months extension should be plenty of time for the operator to complete the work. It will be to the Government's advantage to explore as much of the vein in the San Juan mine as it possibly can.

The operator has replaced the diesel equipment with electrical power, where possible, and work can begin immediately.

Enclosed is the operator's request to extend the contract.

J. William Hasler

J. William Hasler
Field Officer, Region III
Office of Minerals Exploration

cc: OME 6885
OME Chron.
Mr. Hasler Chron.

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Sept. 4, 1976

RECEIVED
SEP 7 - 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

We refer to our letter of August 23, 1976, in regard to the Private Placement offering of our common stock.

Our Broker has advised that the initial sale has been made, and that funds should be received at our Boulder office on or about Septermber 8, 1976.

This will enable us to resume operations immediately.

In view of this, we hereby request that the above contract be extended from September 17, 1976 to February 15, 1977.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

August 23, 1976

RECEIVED
AUG 26 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885, (Silver-Gold)
Charles H. and Anne Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

This is to advise that work under the above contract has not been possible this summer, due to lack of sufficient financing.

A private placement of the Company's common stock is currently in progress, and our broker feels that first funds should be available within a week or ten days.

Diesel equipment at the mine has been replaced with electric power wherever possible, and the operation can be resumed almost immediately, as soon as funds are received.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

P. O. Box 25046 - Building 53 - Mail Stop 953

June 4, 1976

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-gold)
Charles A. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Enclosed is a copy of a letter from the applicant dated May 28, 1976 notifying us that exploration work under the subject contract was resumed before June 1, 1976.

Amendment No. 2 to the subject contract allowed for a suspension of contract work beginning November 1, 1975 and ending no later than June 1, 1976, due to inclement weather during the winter months at elevations above 10,000 feet, where exploration work is being done.

There is a surplus of miners in the general area at the present time due to a number of lay-offs at neighboring mines as a result of low metal prices, consequently, the Operator should not be plagued by not being able to find competent miners this summer.

The Operator's letter was received in this office today as it went to the U. S. Bureau of Mines first. I'll make certain that the operator is aware of our mail stop number is 953, and that it is on the next letter from him.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: OME chron
Mr. Hasler chron
OME-6885

HAMILTON RESOURCES CORPORATION

P.O. BOX 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

May 28, 1976

RECEIVED
JUN 4 1976
REGIONS I AND III
OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

This is to advise that work under the above contract has been resumed.

Some caving occurred during the winter months, but no serious delays are anticipated.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

OME 6885
Correspondence file

SKYLINE LABS, INC.
SPECIALISTS IN EXPLORATION GEOCHEMISTRY
12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033 • TEL.: (303) 424-7718

REPORT OF ANALYSIS

Job No. M-3624
November 25, 1975

William Hasler
U.S. Geological Survey
Office of Minerals Exploration
Building 53, Mail Stop 953
Denver Federal Center
Denver, Colorado 80225

Analysis of 4 Rock Chip Samples

Item	Sample No.	Fire Assay Au (oz/T)	Ag (oz/T)	Cu (%)	Pb (%)
1.	OME 6885 E + 20	.50	8.77	1.1	.24
2.	E + 40	.022	2.68	.285	.088
3.	E + 58A	.010	.57	.29	.070
4.	OME 6885 E + 58B	.011	2.26	.80	.26

Charles E. Thompson
Chief Chemist

SKYLINE LABS, INC.

SPECIALISTS IN EXPLORATION GEOCHEMISTRY
12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033
TEL.: (303) 424-7718

INVOICE

INVOICE NO.: 8439
JOB NO.: M-3624
P. O. NO.:

DATE: November 25, 1975

TERMS: NET 30 DAYS

SOLD TO: William Hasler
U.S. Geological Survey
Office of Minerals Exploration
Building 53, Mail Stop 953
Denver Federal Center
Denver, Colorado 80225

Analysis of 4 Rock Chip Samples

4 Gold & Silver (Fire Assay) @ $5.50	$ 22.00
4 Copper (Assay) @ $2.00	8.00
4 Lead (Assay) @ $2.00	8.00
4 Samples crushed, split and pulverized @ $1.00	4.00
TOTAL	$ 42.00

INVOICE COPY

P. O. Box 25046 - Building 53 - Mail Stop 953

January 5, 1976

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed is the Government's copy and the Branch of Financial Management's copy of Amendment No. 2 (2 pages) to the subject contract. Both copies have been signed by the Government and by the Operator (two signatures). The Operator retained the Operator's copy and I am retaining the Field Office copy in my files.

The Operator will notify us in writing when exploration work is resumed this spring at the San Juan Mine.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME-6885
OME chron
Mr. Hasler

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

Dec. 30, 1975

Mr. J. William Hasler
Field Officer, Region III
Office of Minerals Exploration
Denver Federal Center
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

Please find enclosed three copies of proposed Amendment No.2 to the subject contract, signed for the Operator by its President and Secretary.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner
President

Encls.

P. O. Box 25046 - Building 53 - Mail Stop 953

December 29, 1975

Mr. Charles H. Turner
Hamilton Resources Corporation
Box 3224 - Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Dear Mr. Turner:

Enclosed are the original and three copies of proposed amendment No. 2 (two pages) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval the original and all copies are to be returned to this office together with proposed changes for consideration.

Sincerely yours,

J. William Hasler

J. William Hasler
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: Chief, OME
OME chron
Mr. Hasler
OME-6885 ✓

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

December 23, 1975

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of proposed Amendment No. 2 (two pages) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for Field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by Mr. and Mrs. Turner and distributed in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Harold Kirkemo

Harold Kirkemo

Enclosures

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

P. O. Box 25046 - Building 53 - Mail Stop 953

December 4, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: DMA-1447X (Tungsten)
Cold Springs Tungsten, Inc.
Cold Springs Mine
Boulder County, Colorado
Contract Idm E-54

Cold Springs Tungsten, Inc., through their President, Mr. Boris Pregel will request duplication of geologic material especially assay data from exploration work completed under the subject contract.

Mr. Charles Turner who is also with Cold Springs Tungsten, Inc. was in the office Tuesday, December 2nd requesting the information. I reviewed both the Operator's final report, by R. L. Ridland and the DMA's joint final report by D. R. McLaren (USGS), and R. L. Bolmer (USBM) to see what information should be made available to them.

The Ridland report contains assay results, both sludge and core, as does the DMA report. The Operator could be given copies of Tables II, III, VII, VII and IX from the DMA joint report without any trouble.

The joint final report by McLaren and Bolmer is excellent and detailed. Portions of this report could be made available, however there are a number of pages that include statements as to the Operator's poor execution of the work, the dismal picture concerning the possibility of discovering tungsten ore reserves at depth, or at least below the 7th level. Perhaps it would be best not to duplicate the joint report, although pages 6 through 39 give a much more thorough accounting than Ridland's report. The company seems to have lost the Ridland report and some of the maps, especially assay maps.

Mr.Turner came into the Cold Springs Tungsten, Inc. some time after the completion of the DMA work so is not responsible for any of the boondoggling that seems to have taken place during the course of the contract. As I recall C. G. Ridland was not too competent an engineer anyway. Lots of luck.

cc: OME chron
Mr. Hasler
OME-6885

J. William Hasler

J. William Hasler,
Field Officer, Region III, OME

P. O. Box 25046 - Building 53 - Mail Stop 953

December 3, 1975

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Ag-Au)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2131

The Operator, in a letter dated November 28, 1975, (enclosed), has requested that the work on the subject contract be recessed until June 1, 1976 due to inclement weather at the mine which is at an elevation of 9,675 feet above sea level.

Because of early snowstorms, the loss of another experienced minor, plus other difficulties the operator cannot complete the remaining footage allowable under the contract by the time fixed for the completion of the work of December 17, 1975.

The San Juan vein has maintained an average width of 2.5 feet for a distance of some 278 feet, and has an average value of 0.03 oz. Au, 7.61 oz. Ag, 0.86% Cu and 0.85% Pb. Since the San Juan vein remains strong and contains considerable values in silver and gold, it is recommended that the subject contract be further amended to allow for a winter recess so that the full footage allowed under the contract be completed.

I recommend that the time fixed by article 1(a) of the contract for completion of the work be extended from (18 months) to (27) months from the date of the contract or until September 17, 1976.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

cc: OME chron
Mr. Hasler
OME-6885

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

Nov. 28, 1975

OME Region III
RECEIVED
DEC 2 - 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: Docket OME 6885
Contract 2313
Silver-Gold
San Juan Mine

Dear Mr. Hasler:

Due to the early start of winter, and the difficult operating conditions under which the work must be carried on during the winter months, we hereby request that the above contract be recessed until June 1, 1976.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

Building 53 - P. O. Box 25046 - Mail Stop 953

October 31, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for October, 1975 with accompanying narrative, maps, assay costs, and determinations, etc., recommended for payment.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME-6885
OME chron
Mr. Hasler

P. O. Box 25046 - Building 53 - Mail Stop 953

October 8, 1975

Mr. Robert A. Larson
Consulting Geologist
P. O. Box 85
Ouray, Colorado 81427

Subject: OME-6885 (Ag-Au)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Bob:

Enclosed is a copy of an updated Geologic Map of the A-Level of the San Juan Mine, San Miguel County, Colorado. I took the mine workings off Mr. Turner's latest transit survey and adapted the geology to the new survey. There was a prominent steeply dipping structure coming into the vein on the footwall side that looked like it might offset the vein, however there was very little shearing or gouge developed along it, so I don't think it will do too much to the vein.

The vein remains strong from the face near station E, where we last saw it together on May 13th. It will average 2.5 feet in width and assay data shows the vein to contain an average of 0.03 oz. Au, 7.61 oz. Ag, 0.86% Cu, and 0.85% Pb. The last few samples shows the vein to be increasing in copper values from .30 to as high as 1.74%.

Mr. Turner said he would contact you should the footwall structure interrupt the course of the vein.

The San Juan vein has now been explored for a total of 278 feet on the A Level. This includes work completed prior to the advent of OME funds.

Turner's rate of progress should improve as soon as the power is installed on the property especially if the good weather will only hold and he can keep his present crew intact.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: Mr. Kirkemo, Chief

cc: OME-6885
OME chron
Mr. Hasler

P. O. Box 25046 - Building 53 - Mail Stop 953

October 8, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Ag-Au)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

An interim inspection of the subject mine was made on October 2 and 3, 1975 by the Field Officer, Region III in company with the Operator, Mr. Charles H. Turner.

The Operator is continuing to drift on the San Juan vein and had completed a total of 139 feet. Some 20 feet of this total was utilized in a stub drift, driven because of split in the vein. Actual drifting on the main vein totals 118 feet. The contract allows for a total drift footage of 251 feet, leaving a balance of 112 feet.

During early July the portal was closed by a landslide caused by melting snow and additional heavy rains. The portal was not reopened until the middle of September, and drifting was begun September 22nd.

The San Juan vein has been drifted on, for a distance of 118 feet under OME participation. The vein containing chalcopyrite, pyrite galena, and sphalerite continues strong and to date (10/2/75) maintains an average width of 2.5 feet, with values averaging 0.03 oz. Au, 7.61 oz. Ag, 0.86% Cu and 0.85% Pb. Gross value of the ore at current metal prices (10/2/75) totals $51.73.

The San Juan vein has been explored for a distance some 278 feet on the A level drift, and will be explored for a total distance of 390 feet by the time the exploration work is completed.

The operator is presently having electric power installed on the property. He has purchased an electric powered tugger and hopes to be using the electric power within the next week or two. This should increase the efficiency of the operation immeasurably.

The drift dimensions are not less than 6 by 8 feet in cross section, and no timbering has been required. The operator has attempted to mine by resuing, that is, removing the wallrock on the hanging wall side of the vein then mining the vein material separately to insure a higher grade product, however the vein does not withstand this method. Because of the shattered nature of the vein material the back slabs off rather badly. The operator will possibly have to resort to some kind of sorting method.

The operator is investigating the use of heap leaching on several of the old dumps from the San Juan vein in order to obtain some form of cash flow.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: OME-6885
OME chron
Mr. Hasler

Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

July 9, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for June, 1975 with accompanying narrative, maps, assay costs, and determinations, etc., recommended for payment.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

cc: OME 6885
OME chron
Mr. Hasler

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

July ~~June~~ 7, 1975

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

Dear Mr. Hasler:

I am enclosing the original and three copies of the following:

1. Monthly Voucher for June 1975.
2. Operator's Narrative Report.
3. Invoice from Root & Simpson, Assayer.
4. Invoices (2) from C.D.C. Associates, Assayers.
5. Assay map to June 30.
6. Progress map to June 30.
7. Monthly time sheet for June, 1975.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

encls.

Building 53 - Northwest Wing - 2nd floor
E-2400

June 20, 1975

Mr. Charles H. Turner
Hamilton Resources Corporation
Box 3224 Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Turner:

Enclosed is a sample voucher for your June costs itemized as shown in the contract, and tabulated as to Fixed Unit Costs and Actual Costs (Category 1), and items under Category (7) Miscellaneous.

I have tentatively placed question marks under items that may be added in for the month of June.

I will be back during the first week of July and any questions you may have, I will assist you then.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: OME-6885
OME chron
Mr. Hasler

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OPERATOR'S MONTHLY VOUCHER For Month of JUNE 1975

Docket No. OME- 6885
Contract 14-08-0001 2313
Contract Amount $ 32,940.00
Gov't. Participation % 75 $ 24,705.00

Operator's Name Charles + ANNE TURNER d/b/a Hamilton Resources CORPORATION
Address BOX 3224 Hi Mar Station, Boulder, Co. 80303

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
Fixed Unit Costs		$		$		$		$
Drifting + Crosscutting	35?		126?	10,962.00?				
Long Hole Drilling								
Supervisor			3	4,500.00				
Outside Consultant	?	?	2(?)	? 250.00?				
Per Diem Consultant								
Transportation Consult	210?	25.20?	420	50.40?				
Office + accounting			3	150.00				
Payroll Taxes, FICA		398.00?	4	1,530.80?				
Total Fixed Unit Costs								
ACTUAL COSTS Category 1								
Bull Dozing			30	825.00				
Category (7) Miscell.								
Assaying	2?	?	15?	?				
Total Actual Costs								
TOTALS		$		$ (?)		$		$

SAMPLE VOUCHER

I certify that the above bill is correct and just and that payment therefor has not been received.

Date _____ *Payee _____

Per _____ Title _____

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature _____ OME Field Officer _____ Date

Approved for: $ _____
(SUBJECT TO AUDIT)

Signature _____

Date _____ Vou. No. _____

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

Building 53 - Northwest Wing - 2nd floor
E-2400

May 27, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 313

Transmitted herewith is the Government's copy, and the Branch of Financial Management's copy of Amendment No. 1 (one page) to the subject contract signed for the Government and by the Operator.

The Operator retained the Operator's Copy, and I am retaining the Field Office's copy for the Region III files.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME-6885 ✓
OME chron
Mr. Hasler

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

May 23, 1975

OME Region III
RECEIVED
MAY 27 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Dear Mr. Hasler:

Enclosed are the original and two copies of proposed Amendment No.1 (one page) to the subject contract, signed for the Operator by its President and Secretary.

Very truly yours,

HAMILTON RESOURCES CORPORATION

Charles H Turner

Charles H. Turner
President

encls.

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Building 53 - Northwest Wing - 2nd floor
E-2400

May 23, 1975

Mr. Charles H. Turner
Hamilton Resources Corporation
P. O. Box 3224 - Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel Co., Colorado
Contract 2313

Dear Mr. Turner:

Enclosed are the original and three copies of proposed Amendment No. 1 (one page) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval the original and all copies are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

Building 53 - Northwest Wing - 2nd floor
E-2400

May 23, 1975

Mr. Charles H. Turner
Hamilton Resources Corporation
P. O. Box 3224 - Hi Mar Station
Boulder, Colorado 80303

Re: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel Co., Colorado
Contract 313

Dear Mr. Turner:

Enclosed are the original and three copies of proposed Amendment No. 1 (one page) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all four copies should be signed by both you and Mrs. Turner. Retain the "Operator's Copy" for your files and return the other copies to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

J. William Hasler

Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME-6885
OME chron
Mr. Hasler

United States Department of the Interior

GEOLOGICAL SURVEY
12201 SUNRISE VALLEY DRIVE
RESTON, VIRGINIA 22092

May 21, 1975

OME Region III
RECEIVED
MAY 23 1975
Denver, Colorado

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of proposed Amendment No. 1 (one page) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for Field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by Mr. and Mrs. Turner and distributed in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Harold Kirkemo

Harold Kirkemo

Enclosures

United States Department of the Interior

GEOLOGICAL SURVEY
12201 SUNRISE VALLEY DRIVE
RESTON, VIRGINIA 22092

May 21, 1975

OME Region III
RECEIVED
MAY 23 1975
Denver, Colorado

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313
Justification for Amendment No. 1

The Field Officer, OME Region III, is sending to this office in the next few days a recommendation to extend by six months the completion date for this contract. The Operator and Field Officer had discussed this earlier and had agreed on the period of extension.

The Operator has experienced frustrating delays in pursuing work on this contract. The major problem was the construction of an explosives storage facility to comply with new safety regulations. Scarcity of experienced miners, theft of installed mine timbers, washed out access road, and inadequate sources of supplies have caused delays in the work.

The extension to December 17, 1975, should permit adequate time to complete the contract if present progress can be maintained. I concur in the Field Officer's recommendation to extend the contract.

Harold Kirkemo

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
J. W. Hasler, F.O. R. III

HKirkemo/gpw

Building 53 - Northwest Wing - 2nd floor

E-2400

May 21, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a/Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is a request, dated May 20, 1975, from the Operator, that the subject contract be amended to extend the completion date of the contract another six months or until December 17, 1975.

The completion date for work to be done under the contract is June 17, 1975. The operator has been subjected to operational difficulties, caused by a long and severe winter, as well as a critical shortage of competent help, consequently the specified work under the contract could not be completed by June 17, 1975.

I recommend that the contract be amended as requested by the Operator. Work completed to date has been encouraging in that the vein/and/or vein zone that is being explored contains considerable mineral content, as described in my interim inspection report dated May 19, 1975.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

cc: OME-6885
OME chron
Mr. Hasler

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HIMAR STATION BOULDER, COLORADO 80303 (303) 499-3330

Mine Office - (303) 728 4139

May 20, 1975

OME Region III
RECEIVED
MAY 21 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
OME, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: Docket: OME 6885
Contract 2313
Silver-Gold
San Juan Mine

Dear Mr. Hasler:

Due to operating difficulties caused by an exceptionally long and severe winter, and a critical shortage of competent help, it appears that the above contract will not be completed by June 17, 1975, as specified.

Therefore, we hereby request that the contract be amended to extend the completion date, six months, to December 17, 1975.

Very truly yours,

HAMILTON RESOURCES CORP.

Charles H. Turner

Charles H. Turner
President

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

May 20, 1975

5/22/75

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. & Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juna Mine
San Miguel County, Colorado
Contract 2313

The four vouchers processed to date on this contract have not separated Cost Items into Fixed Unit Costs and Actual Costs as set forth under Estimated Costs of the Project, in Exhibit A of the Contract. In order to avoid a lengthy revision of the final voucher at the end of this contract, please ask the Operator to compile on his next voucher all items and costs under the two headings - Fixed Unit Costs and Actual Costs.

Harold Kirkemo

Harold Kirkemo

Building 53 - Northwest Wing - 2nd floor
E-2400

May 19, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

An interim inspection of the subject mine was made by the Field Officer, Region III on May 13 and 14th, 1975, in company with the Operator, Mr. Charles H. Turner and his consulting geologist, Mr. Robert Larson, Ouray, Colorado.

The Operator has driven along the San Juan vein zone in the micrograno-gabbro of the Ophir stock for a distance of 91 feet. Some 16 feet of this footage was used to follow a vein that appeared strong enough to possibly be the main vein, however, in a couple of rounds the vein pinched out and disappeared. The vein in the hanging wall was also followed and it became stronger vein and widened to as much as two feet and averaged 18 inches in width. This vein also contains very good values, varying from .001 to as much as .075 ounces of gold, and from 0.16 ounces to as much as 23.12 ounces of silver to the ton, in fact the vein over a distance some 70 feet averaged 23 inches in width and averages .021 oz. Au, 6.27 oz. Ag, 0.60% Pb and 0.37% copper, per ton.

The vein is much fractured and shattered for a distance of some 15 to 20 feet, and becomes more of a zone. Several sets of joint fractures in the country rock are coated with pyrite in the stub drift to the north. The joints dip steeply southward and strike nearly east-west. The vein in the present face is 18 inches wide and contains pyrite, galena, chalcopyrite, and tetrahedrite in a gangue of quartz, calcite, and some barite. Because of the shattered nature of the vein zone we may be dealing with a number of steeply dipping veins that intertwine

and may aggregate to form a wider zone, the faulting present does not offset the vein too much. The shattered portion of the vein is as wide as 3 feet and the shattered material contains considerable pyrite and some galena.

During the interim inspection the operator was urged to have enough steel for long hole drilling to test the foot and hanging walls of the main vein for possible splits when advisable. When the vein split before, the Operator did not have enough long hole steel at the mine, as some of it had been stolen. Long-hole drilling is provided under the contract, and should be used. Mr. Turner stated that he will obtain the required steel for long hole drilling and have it available for use when it is needed.

Mr. Turner has obtained the services of Stanley Reed, an experienced miner, who at one time leased the mine and worked in the upper levels, He was to begin work this week.

Mr. Turner was in the act of purchasing a Young Buggy to facilitate the mining operation. Weather at the mine area is now improving and the exploration work should be completed September 15, 1975 barring any additional unforseen operational problems.

The Operator was advised to request that the contract be amended to allow a completion date of December 17, 1975, as the termination date. The contract termination date is now June 17, 1975. A six months extension date from June 17, 1975 certainly should be sufficient time in which to complete the contract work. I am expecting that the Operator's request for an amendment to the contract will arrive within the next few days.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: OME-6885
OME chron
Mr. Hasler

Building 53 - Northwest Wing - 2nd floor
E-2400

April 18, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for March 1975 with an accompanying narrative report, maps, assay results, assay costs and consulting geologist's statement.

I recommend payment for the costs incurred during March. An administrative suspension statement for disallowed costs during January, is enclosed, the amount is being reclaimed for payment with accompanying monthly time sheets for January as well as for March 1975. Total amounts claimed for payroll taxes, etc. is reflected in the total costs claimed to date.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME chron
OME-6885
Mr. Hasler

Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

February 27, 1975

Mr. Charles Turner
P. O. Box 973
Telluride, Colorado 81835

Dear Mr. Turner:

I need your Individual Payroll Record for the month of January 1975 to show how you arrived at a total cost of $386.25 for payroll taxes, insurance, etc. before Washington will pay them. It is just like the payroll record you submitted for December if you will remember we talked about it on the phone after you left your December 1974 voucher with me. Please send me four copies of the January 1975 Individual Payroll Record, so I can send it to Washington.

I understand from Mrs. Turner that you are about to begin working on a two-shift basis.

We also need an assay map showing location of samples, thickness of vein and sample etc. etc. I would like to inspect your project work as soon as possible.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: OME-6885 ✓
OME chron
Mr. Hasler

Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

February 21, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for ~~January~~ June, 1975 with accompanying narrative, maps, assay costs, and determinations, etc., recommended for payment.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

cc: OME-6885
OME chron
Mr. Hasler

FROM THE DESK OF

Charles H. Turner

2-15-75

Bill:

Sorry these are late. I have been snowed-in for almost a week. Almost got opened-up to-day, but it is starting to snow again.

Hope to have the assay map ready when the next batch of results arrive.

The enclosed assays from the December work are from successive faces. No.4 follows No.3 from the hangingwall side of the vein. The vein assays were better than expected, since it hadn't made the expected turn under the stope above. January samples look better.

I have located a second crew, and hope to speed the work if we ever get out of these snow banks.

When the snow stops, and the road to the portal is open, I'll give you a call by phone. Will try to give you a few days notice.

Don't give up hope.

Chas

Office Region 1
RECEIVED
FEB 20 1975
Eureka, California

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

Feb. 15, 1975

FILED
FEB 20 1975
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg. 53
Denver, Colorado 80225

Re: OME 6885 (Silver-Gold)
Hamilton Resources Corp.
San Juan Mine

Dear Mr. Hasler:

I am enclosing the original and three copies of the following:

1. Monthly Voucher Form 9-1648, for January 1975.
2. Operator's Narrative Report.
3. Invoice from Root & Simpson, Inc., Assayers.
4. Assay Report re drifting done in December, 1974.
5. Sketch map showing drifting in January, 1975.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

encls.

Office of Minerals Exploration
Building 53 - Northwest Wing — 2nd Floor

January 13, 1975

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith is an original and two copies of the Operator's Monthly Voucher for December, 1974 with accompanying narrative (on reverse side of Form 9-1648), map and supporting labor costs, recommended for payment.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME-6885
OME chron
Mr. Hasler

Office of Minerals Exploration
Bldg. 53 Room 28

August 14, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME 6885 (Silver-Gold)
Charles H. Turner and Anna Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Transmitted herewith are an original and two copies of the Operator's Monthly Voucher for the month of July, 1974 with accompanying data substantiating the bulldozer work completed during that period. The Operator's narrative is short and written on the reverse side of the voucher under "Operator's Remarks." This much narrative is adequate for the amount of work completed.

The costs are in order and payment is recommended.

The operator is having difficulty receiving equipment ordered. Also, there have been frequent rains that have slowed his progress, especially during the bulldozing of the access road.

J. William Hasler

J. William Hasler
Field Officer Region III
Office of Minerals Exploration

Enclosures

cc: OME 2313
Chron
Hasler

Office of Minerals Exploration
Building 53 Room 28

July 12, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Ag-Au)
C. H. and Anne Z. Turner d/b/a
Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2312

Enclosed is a letter from the Operator on the subject contract informing this office that work was begun under the terms of the contract on July 3, 1974, consisting of bulldozing the access road to the San Juan Mine portal.

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

cc: OME-6885
OME chron
Mr. Hasler

HAMILTON RESOURCES CORPORATION

P.O. Box 3224 HiMar Station Boulder, Colorado 80303 (303) 499-3330

OME Region III
RECEIVED
JUL 12 1974
Denver, Colorado

July 9, 1974

Mr. J. William Hasler
Field Officer, Region III
O M E, USGS
Denver Federal Center, Bldg.53, Room 28
Denver, Colorado 80225

Re: OME-6885 (Silver-Gold), Contract 2313
Charles H. Turner and
Anne Z. Turner
San Juan Mine
San Miguel County, Colorado

Dear Mr. Hasler:

This is to advise that work was started, under the above Contract, on July 3, 1974.

Very truly yours,

HAMILTON RESOURCES CORP.

Chas H Turner

Charles H. Turner
President

Office of Minerals Exploration

June 28, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

The original and three copies of a proposed contract to explore the San Juan vein arrived in this office on June 20, 1974. The proposed contract consists of MME Form 51 (seven pages), Annex I (one page), the Indenture (one page), Exhibit A (three pages), Exhibit B-1 (one page to be inserted after signature by Applicant) and two maps (Figures 1 and 2). The original and three copies of the subject contract have been signed by the Government.

The applicant picked up the Operator's Copy, the Government's Copy, the Office of Financial Management's copy, and the Field Office's copy, in person on June 21, 1974, reviewed them and returned them to the office, signed, on June 27, 1974.

Each partner, Mr. Charles Turner and Anne Z. Turner signed the contract as requested by Washington inasmuch as they are both doing business as Hamilton Resources Corporation, Boulder, Colorado.

The Operator was instructed as to the manner in which the contract work is to be performed and also as to how the Operator's Monthly Vouchers are to be prepared and submitted.

The Operator was also advised that the 9-3/4 percent interest accrues from the dates on which individual payments are made by the Government, and like the principal, is repayable from royalty on production. The Operator intends to begin work on the exploration project near July 1, 1974.

Enclosed is the Government's and the Office of Financial Management's copy of the subject contract executed by the Government and the Operator. The contract consists of MME Form 51 (seven pages), Annex I (one page), the Indenture (one page), Exhibit A (three pages), Exhibit B-1 (one page to be inserted after signature by Applicant), and two maps (Figures 1 and 2).

The date for commencement of the work is September 15, 1974. That date has been inserted.

The Operator has retained the Operator's Copy, I am retaining the Field Office's Copy executed by both the Government and the Operator as well as the Extra Copy for the Field Office.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: OME-6885
OME chron
Mr. Hasler

United States Department of the Interior

GEOLOGICAL SURVEY
12201 SUNRISE VALLEY DRIVE
RESTON, VIRGINIA 22092

June 17, 1974

Region III
RECEIVED
JUN 20 1974
Denver, Colorado

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado
Contract 2313

Enclosed are the original and three copies of a proposed contract to explore the San Juan Mine. The contract consists of MME Form 51 (seven pages), Annex I (one page), the Indenture (one page), Exhibit A (three pages), Exhibit B-1 (one page to be inserted after signature by Applicant), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. An extra copy of the contract is enclosed for field use.

If the proposed contract is satisfactory to you and the Applicants, the four copies should be signed by Charles H. Turner and Anne Z. Turner and distributed as usual. They should also sign both copies of Exhibit B-1, retain one for the Operator's copy of the contract, and return the other with the Government's copy of the contract.

Please advise the Applicants that the 9-3/4 percent interest accrues from the dates on which individual payments are made by the Government, and like the principal, is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicants, the original and all copies should be returned to this office together with the proposed changes for consideration.

Harold Kirkemo/gpw

Harold Kirkemo

Enclosures

Office of Minerals Exploration
Building 53 Room 28

June 5, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6885 (Silver-Gold)
Charles H. Turner and Anne Z. Turner
d/b/a Hamilton Resources Corporation
San Juan Mine
San Miguel County, Colorado

Enclosed herewith is a revised estimated cost breakdown for the proposed contract pursuant to our telephone conversation Tuesday, June 4th. The costs are those I gave you on the telephone today, after having conferred with Mr. Turner in my office.

You indicated that our share at 75% participation would total $24,700.00, or a total estimated cost of $32,933.00, consequently I proposed only 250 feet of drifting so as to include some long hole drilling to test the footwall and the hanging wall for possible splits in the vein or any parallel structures. The Applicant also thought it wise to include prices for lead assays as well as for gold, silver and copper.

Even though the maximum footage of proposed drifting is reduced, the three month time in which to complete the work should remain the same and as you suggested allow a year from the date of the contract in which to complete the proposed exploration work, due to probable breakdowns or other delays that are inherent in mine exploration, projects at high elevations in the Rocky Mountains.

cc: OME-6885 ✓
Mr. Turner
OME chron
Mr. Hasler

J. W. Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Estimated Costs of the Work

Fixed Unit Costs 1/ 2/

Drifting, including timbering, 250 feet at $87.00/ft	$21,750.00	
Long-Hole Drilling 800 feet at $1.50/ft	$1,200.00	
Supervision, 3 months at $1,500.00 per month	$4,500.00	
Outside Consultant, 3 days at $125.00	$375.00	
Per Diem, consultant, 3 days at $25.00	$75.00	
Transportation for consultant 2,167 miles at 0.12¢/mile	$260.00	
Office, Reporting and Accounting 3 months at $50.00/month	$150.00	
Payroll taxes 15% of $13,050.00	$1,958.00	
	$30,268.00	$30,268.00

Actual Costs

Bulldozing, D-7 caterpillar 30 hours at $27.50/hr.	$825.00	
Assaying and sampling		
150 samples (Au, Ag, Cu) $8.50/sample	$1,275.00	
150 samples (Pb) at $3.25/sample	$487.50	
	$2,587.50	$2,587.50

Total Estimated Cost of the Work $32,855.00

Government Participation at 75% $24,641.25

Operator's Participation at 25% $8,213.75

1/ Includes all costs whatsoever such as mobilization and demobilization, labor, equipment, materials and supplies, and services.

2/ The Government retains no equity in any of the equipment or materials used.