MME Form 7
(2/63)

OFFICIAL FILE C

Date	Surname
2/19/68	[illegible]
2/19/68	Kirkemo
"	Altman
2/21	Kilgoore
2/21	[illegible]

Memorandum

To: The File

From: Roscoe M. Smith

Subject: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

FEB 23 1968

Justification for Denial of Application

The purpose of the $62,725.00 project proposed by the Applicant is to explore on the lowest (No. 7) adit level of the Blue Light (Silverado) Mine by 1000 feet of crosscutting and drifting for silver-gold-copper-bearing lead-zinc ore bodies 300 feet below the deepest stopes (No. 5 adit level) along the Blue Light quartz-calcite vein which occupies a bedding-plane fault in quartzite of the Bedford Canyon formation of Triassic age.

The seven ore bodies mined in the upper workings ranged from a few inches to 6 feet in width, 20 to 100 feet in strike length, and were mined as much as 200 feet down the 30° dip. Total production probably does not exceed 10,000 tons averaging 0.06 oz. gold and 25 oz. silver per ton, 4% lead, and 13% zinc. Total value may have been about $200,000 which would have little more than paid the total costs of previous exploration, development, mining, milling, and marketing the ore.

At the level of proposed exploration the silver content is expected to be less and the zinc content more than the average of the ore mined, judging from conditions at the Old Dominion Mine about 10 miles distant.

The target of the proposed work is in one of two projected locations depending on whether or not the vein has been faulted. No direct evidence is available but the Applicant considers faulting to be probable and has designed the project on that premise without any allowance for an additional 200 feet of crosscutting to the unfaulted projection.

The Applicant has indicated orally and by letter that he is not interested in a less costly drilling program, a more informative revised drifting program, or a less extensive drifting program.

Bids for the proposed work indicate that rehabilitation costs will exceed the Applicant's estimate.

Considering the small size of the known ore bodies, their low silver and gold content, the expected decrease of silver and increase of zinc at the depth of proposed exploration, and the tenuous geological evidence for the projected position of the vein, I concur in the Field Officer's conclusion that the probability of a discovery of silver-gold ore commensurate in value with the high exploration costs is poor.

R.M. Smith

Roscoe M. Smith

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Smith

RMSmith/bsl 2/19/68

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6669

Application
- [x] Denied
- [x] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 2/12/68
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

November 14, 1967

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 16 1967

INITIALS	CODE

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer, Region II

Subject: New Application (Silver)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Enclosed is an application for exploration assistance from Mr. Clinton C. Jenkins, 378 South 1100 East, Springville, Utah received in the Field Office on November 13, 1967.

The application is fairly well prepared but lacks Consent to Lien and Subordination Agreements, or a statement that the owner will sign an agreement if a contract is approved. About half of the work proposed is rehabilitation of old workings, and this proportion (to the new work) would need adjustment, if a contract is approved. The deposit appears to be similar to that at the nearby Old Dominion Mine, OME-6517, although it has a higher production. A geologic report is lacking.

H. K. Stager

Enclosure

MME Form 40
Jan. 65

Budget Bureau No. 42-R1308
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

Clinton C. Jenkins
378 South 1100 East
Springville, Utah 84663

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6669
DATE RECEIVED: 11/16/67
REGION: II
DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [X]
- CORPORATION [ ]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: silver - lead - zinc

ESTIMATED COST OF PROJECT: $ 62,725.00

PROPERTY NAME: Blue Light Silver Mine

LOCATION COUNTY: Orange, STATE: California

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington, D.C. or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

November 4, 1967
DATED

Clinton C. Jenkins
BY (Signature)

Applicant - Lessee
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U.S. Code, Title 18, Sec. 1001

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings for *each item of work*. Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof, (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Applicant: Clinton C. Jenkins
378 South 1100 East
Springville, Utah

1. Financial Eligibility:

(a) Enclosed herewith, are two separate letters of request for credit to be extended to me for the purpose of financing the development of the Blue Light Silver Mine.

Exhibit No. 1: my letter to the Central Bank & Trust Company of Springville, Utah, requesting the loan of funds; and their reply.

Exhibit No. 2: my letter to the First Security Bank of Utah of Provo, Utah, requesting the loan of funds; and their reply.

(b) Not applicable.

(c) I have commitments from a group of associates, which ensures the aggregate amount of $15,000.00 to be available for the proposed development project, at such time as I have OME approval for the participating amount of $45,000.00.

2. Applicant's Rights in Land:

(a) The property associated with and pertinent to this mine development project, consists of three patented and twelve unpatented lode claims. Said claims comprise the entire property of the Blue Light Silver Mines Company, and will, upon approval of this application, be under lease and option to purchase, to Applicant.

Exhibit No. 3, enclosed herewith, is a copy of the 'Lease and Option To Purchase Agreement' which will be in effect, upon approval of this application.

(b) The above mentioned lode mining claims are situated in Section 14, T 5 S, R 7 W, SBB&M, Santa Rosa Mining District, Orange County, California.

Patented Claims:

Dunlap Bluelight Mine: Lot No. 37; Patented August 20, 1879.
Flanagan Bluelight Mine: Lot No. 38; Pat. November 30, 1880.
Thistlewaite & Harvey Bluelight Mine: Lot No. 39; Patented April 5, 1893.

Unpatented Claims:

Bluelight Ext. No. 1
Bluelight Ext. No. 2
Ironclad No. 1
Ironclad No. 2
Silverado No. 1
Silverado No. 2
Silverado No. 3
Silverado Eastern No. 1
Silverado Eastern No. 2
Silverado Eastern No. 3
Blanchard Mining Claim
Judge Mining Claim

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Applicant: Clinton C. Jenkins
378 South 1100 East
Springville, Utah

All of the aforementioned umpatented claims, excepting the last five named, are surveyed and recorded in Book two (2), page forty-six (46) (Records of Surveys) in the Orange County Court House, Santa Ana, California.

The last five claims named, are recorded in Book twenty-five (25), pages 318 and 319 (Miscellaneous Records).

(c) Not applicable.

3. Physical Description:

(a) Exhibit No. 4, enclosed herewith, is a plan of the under-ground workings on the property described in this application. As is evident, all ore production has come from the workings on the Dunlap Bluelight Mine claim. There are no useable production facilities on the property, at the present time.

(b) All development and production, to-date on subject property, has been accomplished by the Blue Light Silver Mines Co., excepting one car of ore (42.756 tons), which I shipped in 1954.

(c) Past production of subject property has been estimated at approximately 25,000 tons of crude ore. Exhibit No. 5, enclosed herewith, is a compilation of smelter returns over an eleven year period and a copy of my 1954 smelter return. Totals 1572.265 tons

(d) There are no known ore reserves on the property, that have been delineated by underground development.

(e) As per excerpts from the 'California Journal of Mines and Geology', April, 1943, edition; and 'The Counties of California Mineral Resources and Mineral Production', during the year 1947, quote: "Lead, zinc, silver, and copper ore are found in a mineralized zone on the west slope of the Santa Ana Mountains. This two mile wide belt extends for a distance of about 10 miles from Santiago Creek, north to Silverado Canyon. The ore is found in the argillites and quartzites of the Bedford Canyon formation (Triassic), the andesites of the Santiago Peak volcanics (Jurrassic), and in small intrusive bodies."

At the Blue Light Mine, "Two parallel lodes, known as the Blue Light lode and the Dike vein, occur in the metamorphic rocks. The Blue Light vein has been the most productive and has been extensively developed along its outcrop for a considerable distance. The vein has a width of 2 feet to 6 feet. The ore is silver-bearing galena, associated with zincblende and pyrite. Seven known orebodies have been developed on the Blue Light lode. The Blue Light vein strikes N 16° E and dips 30° to 40° East. The vein, developed by seven tunnels, has an average width of 4 feet. At an elevation

of 3000 feet, No. 2 tunnel has been driven south on the vein 350 feet. No. 3 tunnel, which is 50 feet in elevation below No. 2 tunnel, is a cross-cut 200 feet to the vein. No 4 tunnel is located on south workings at an elevation of 2700 feet. A cross-cut tunnel, driven east 700 feet, at 400 feet from portal, cuts vein. No. 5 tunnel, at an elevation of 2764 feet, was driven south on the vein for 1200 feet. There is a raise from No. 5 tunnel level, in ore, to No. 3 tunnel level. The orebody developed is 4 to 6 feet in width, and is reported to assay 0.25 oz. in gold, 25 to 50 oz. in silver, 3 percent lead, with 10 percent zinc. The orebody is developed 60 to 100 feet in length; average width 4 feet. No. 7 tunnel, which is in Pine Canyon at an elevation of 2460 feet, is driven 1200 feet south on Blue Light vein. The No. 7 tunnel level is 300 feet in elevation below No. 5 level. At 1200 feet from the portal, an incline raise is being driven to connect with crosscut from No. 5 tunnel level. The raise is now up 60 feet. Three short shoots of ore have been developed on No. 7 tunnel level. The ore extracted is reported to assay 0.06 oz. in gold, 12 to 20 oz. in silver, 4 percent in lead, and 13 percent in zinc", end of excerpt.

My considered appraisal of this property, is that the mineralization is assocaiated with shear zones in the quartzite which are essentially parallel to the bedding planes and, that there are at least two major horizons inwhich deposition has occured. Blue Light and Dike vein?

(f) Exhibit No. 6, enclosed herewith, is a section of the mine workings (taken from A to A', at right angle to the strike of the ore zone).

It is my contention that the 700 level is not properly positioned to intersect the probable extension of the main ore zone, as mined down to the 500 level.

I have been unable to find a stratum on the property that would serve as a reliable marker bedding, so as to be able to properly identify ones relative position in the geologic section. In the absence of such a bedding, I have deduced that the ore encountered in the raise from the 700 to the 500 level, probably is the faulted section of the main ore zone and is off-set as noted on Exhibit No. 6. ?

The entire underground development plan, as hereinafter set forth, is based upon the premise that:

(a) The 25,000 tonnage and $ grade of ore, mined to-date on this property, is sufficient to catagorize said property as a potential producer. ?

(b) The fact that no significant ore bodies were encountered on the 700 level, is not of any moment, because it appears very improbable that said level is properly positioned to intersect the main ore zone, as mined down to the 500 level. Summary?

As can be seen on the map of the workings (Exhibit No. 4), the 700 level was first run-in 100 feet on a bearing of S 66° W. Upon not finding ore, a cross-cut was driven 100 feet S 24° E, where a thin bed of ore was encountered. The location of this ore apparently was interpreted as indicating the correct ore zone and the 700 level, thereafter, was driven along its general strike. Is this the Dike vein?

In my opinion, it is very significant that ore was encountered in the raise from the 700 to the 500 level, and serves as the most reliable indicator of the extension of the 500 level ore bodies.

(g) Please refer to (e) above.

4. Accessibility of Property:

(a) At such time that an OME representative wishes to examine subject property, I (the Applicant) will make myself available and meet said representative at the Standard Service Station in Silverado.

The property is accessible (normally) by any vehicle, however, at the present time (due to some road repair being necessary) it will require a 4-wheel drive vehicle. The mine is located just one and one half miles off the paved highway.

The immediate surface development at the South Workings and the No. 700 level, back to 800 feet in from the portal, are the only parts of the mine workings that are presently accessible (either due to caving and or water).

(b) The shipping point for ore from the mine is The Atchison, Topeka & Santa Fe Railway depot at Santa Ana. It is located approximately 22 miles from the mine.

Supplies and mine equipment are readily available in Santa Ana and or Los Angeles.

5. Exploration Work:

(a) Please refer to Exhibit No. 4 (the plan map of all underground workings) to trace the course of the planned development.

1. The object of said development is to initially reach a point (as well as can be determined at this time) approximately 150 feet S 57° E of the raise which connects the 700 level with the 500 level. This is the expectable locus of the extension of the 500 level ore zone.

From a position 800 feet in from the portal of the 700 level, the target area can be reached by either of two alternate routes: one being that of mucking out and retimbering the 700 level back to said raise (400') and — drill? then crosscutting to the ore zone (150'), or driving a drift diagonally from said 800 foot position, directly to the target area (420'). why not xc 70' then drift 400

In my opinion the first-mentioned route would be the most desirable, if practical, however, if undue trouble was encountered on said course, the second-mentioned course could be initiated, at whatever position it appeared infeasible to advance in the existing drift.

It is anticipated that after reaching the target area, up to 500 feet of long-holing will have to be done to adequately satisfy oneself of being in the proper zone and to prospect the surrounding area.

After accomplishing the aforementioned work (whether in ore, or not), it is planned to continue drifting south-westerly along the ore zone for approximately 580 feet, so as to prospect the entire zone where ore extentions from the upper levels of the mine might be encountered.

During, or at the conclusion of the last-mentioned footage (approximately 580 feet), it is anticipated that an additional 500 feet of long-holing would be desirable in order to more thoroughly explore and define the ore bearing potential of the ground that had been opened up.

In my opinion any development, short of that recommended above, would jeopardize the success of the venture, and materially increase the risk of any monies expended; in addition to increasing the unit cost of development because of the initial set-up cost.

The entire drift, aforedescribed, should be dimensioned to approximately 5' x 7' in the clear.

(b) Exhibit No. 7, enclosed herewith, indicates the location of the existing access road to the mine.

It will be necessary to install two CMP culverts; one at position 'A' and one at position 'B', in addition to grading the entire road, to make same serviceable.

(c) If an OME contract is executed, work on the property could begin within 30 days and probably be finished within 6 to 12 months thereafter.

It is anticipated that an average of a 5 foot advance could be made per shift. If one shift were worked per day; 10 months would be required for the drifting. Two shifts per day would accomplish the drifting in 5 months.

6. Experience:

My mining experience is as follows:

1947 & 1948	Conducted geophysical surveys for New Park Mining Company at Keetly, Utah.
1949 to 1952	Operated the Privateer Mine, Juab County, Utah.
1954	Shipped one car of ore from the Blue Light Silver Mine at Silverado, California.
1955 to 1960	Operated the Privateer Mine, Juab County, Utah.

I intend to contract the work, described in this application, to a reliable underground mine development company. At such time as the OME executes a contract for said development, I will furnish all desired credentials for the contracting firm.

Clinton C. Jenkins
378 South 1100 E
Springville, Utah

7. Estimate of Costs:

(a) Independent contracts:

1. Placement of two 15' x 48" dia. CMP culverts and road grading to the No. 700 level portal.... $ 500.00

2. Laying 25# rail (18" gage track) from the dump area to the No. 700 level portal.....75'@$5.00/ft. 375.00

3. Mucking out and timbering the No. 700 level portal..... 100.00

4. Cleaning up the No. 700 level, from the portal to a point 800 feet in from said portal. Also, furnishing and installing 850 feet of new 1½" water line and new 4" air line.....850'@$5.00/ft. 4,250.00

5. Mucking out existing No. 700 level drift, timbering same, extending 1½" water line and 4" air line.....400'@$40.00/ft.16,000.00

Total Rehab 21,225

6. Cross-cutting 150 feet to the initial target area, extending 1½"water line, 4" air line and 25# track.....150'@$50.00/ft. 7,500.00

7. If, while advancing in the No. 700 level drift, areas are encountered requiring only minor clean-up, timbering, and extension of the air and water line..... $20.00/ft.

8. Drifting through virgin ground, extending 1½" water line, 4" air line and 25# track.....580'@$50.00/ft. 29,000.00

9. Long-holing.....1000'@$2.00/ft. 2,000.00

(b) Personal services:

1. Supervision (Applicant: includes travel, lodging, and misc. expenses)..... 24 days @$75/day 1,800.00

2. Geological Consultant (independent)..... 12 days@$100/day 1,200.00

$62,725.00 41,500

(c) Not applicable

(d) Not applicable

(e) Not applicable

(f) Not applicable

(g) Not applicable

It is recognized that of the two routes available for reaching the initial target area, from a position 800 feet in from the portal of the 700 level, the first mentioned will entail an estimated expenditure of $23,500.00 (maximum) with the chance of some savings if the entire drift is not caved. The final figure will probably be comparable with the estimated cost of $21,000.00, required for the alternate route (420 feet at $50.00 per foot). In the final analysis, it appears that a capital outlay of $60,000.00 will be sufficient to cover the cost of subject development.

EXHIBIT NO. 1
with letter from bank

Clinton C. Jenkins
378 South 1100 East
Springville, Utah
Phone 489-4389
Oct. 31, 1967

Central Bank & Trust Co.
212 South Main
Springville, Utah

Dear Sir:

I am herewith submitting for your consideration, a request for a loan in the amount of sixty thousand dollars ($60,000.00).

Said amount will be required to do sufficient underground development at the Blue Light Silver Mine, in Silverado, California, to properly ascertain its potential for production.

The following facts are pertinent to your appraisal of the merits of the property and my request for a loan, to enable further development of same:

(a) A 'Leasehold and Option To Purchase' agreement on the Blue Light Silver Mines Company's property, has been pledged upon the producing of evidence to the effect that I have secured capital for development of same.

(b) Said company owns3 patented and 12 unpatented lode mining claims; all of which would be included in the above-mentioned agreement.

(c) The Company mine is estimated to have produced in excess of 25,000 tons of crude ore, having an average tenor of 0.05 oz. gold, 20 oz. silver, 2% lead and 10% zinc.

(d) In my opinion, approximately 1000 feet of drifting, off the existing No. 700 level, will be required to properly evaluate the future production potential of the mine. Said drifting, in combination with preparation work and 1000 feet of long-holing, in aggregate, will cost approximately $60,000.00.

I would be unable to secure the loan with collateral and a schedule for repayment of the loan would have to be predicated upon a royalty on smelter returns from production.

Up to 12 months will be required to complete the abovedescribed development, after same is started.

It is reasonable to assume that in the process of doing the out-lined development work, ore will be encountered and that production will start at the conclusion of development operations. However, the possibility also exists that said development will not encounter a commercial ore body or bodies, and that in such case I will be unable to repay the loan and the bank will have no position to effect repayment of subject loan.

hurt demand

Your earnest consideration of my request for a loan of funds will be greatly appreciated, and if additional data is desired to enable you to make a decision, please advise and I will certainly satisfy your request.

Awaiting your reply to this letter, I remain:

Respectfully yours,

Clinton C. Jenkins

Clinton C. Jenkins

CENTRAL BANK & TRUST COMPANY

202 SOUTH MAIN STREET, SPRINGVILLE, UTAH 84663

PROVO OFFICE
75 NORTH UNIVERSITY AVE.
PROVO, UTAH

November 1, 1967

Clinton C. Jenkins
378 South 1100 East
Springville, Utah

Dear Mr. Jenkins:

We received your request for a loan in the amount of $60,000.00 for the purpose of mine development at the Blue Light Silver Mines property, in Silverado, California.

We appreciate and value you as a customer of our bank. We cannot, however, grant you the loan requested in your letter of October 31, 1967.

Sincerely Yours,

F. Calvin Packard

F. Calvin Packard, Vice Pres.

fcp/cw

Member: Federal Reserve System

Give us a chance to say Yes!

EXHIBIT NO. 2
with letter from bank

Clinton C. Jenkins
378 South 1100 East
Springville, Utah
Phone 489-4389
November 2, 1967

First Security Bank of Utah NA
92 North University Ave.
Provo, Utah

Dear Sir:

I am herewith submitting for your consideration, a request for a loan in the amount of sixty thousand dollars ($60,000.00).

Said amount will be required to do sufficient underground development at the Blue Light Silver Mine, in Silverado, California, to properly ascertain its potential for production.

The following facts are pertinent to your appraisal of the merits of the property and my request for a loan, to enable further development of same:

(a) A 'Leasehold and Option To Purchase' agreement on the Blue Light Silver Mines Company's property, has been pledged upon the producing of evidence to the effect that I have secured capital for development of same.

(b) Said company owns 3 patented and 12 unpatented lode mining claims; all of which would be included in the above-mentioned agreement.

(c) The Company mine is estimated to have produced in excess of 25,000 tons of crude ore, having an average tenor of 0.05 oz. gold, 20 oz. silver, 2% lead and 10% zinc.

(d) In my opinion, approximately 1000 feet of drifting, off the existing No. 700 level, will be required to properly evaluate the future production potential of the mine. Said drifting, in combination with preparation work and 1000 feet of long-holing, in aggregate, will cost approximately $60,000.00.

I would be unable to secure the loan with collateral and a schedule for repayment of the loan would have to be predicated upon a royalty on smelter returns from production.

Up to 12 months will be required to complete the abovedescribed development, after same is started.

It is reasonable to assume that in the process of doing the out-lined development work, ore will be encountered and that production will start at the conclusion of development operations. However, the possibility also exists that said development will not encounter a commercial ore body or bodies, and that in such case I will be unable to repay the loan and the bank will have no position to effect repayment of subject loan.

Your earnest consideration of my request for a loan of funds will be greatly appreciated, and if additional data is desired to enable you to make a decision, please advise and I will certainly satisfy your request.

Awaiting your reply to this letter, I remain:

Respectfully yours,

Clinton C. Jenkins

Clinton C. Jenkins

First Security Bank of Utah
NATIONAL ASSOCIATION
PROVO OFFICE
PROVO, UTAH

November 2, 1967

Clinton C. Jenkins
378 South 1100 East
Springville, Utah

Dear Mr. Jenkins:

Relative to your inquiry for a $60,000.00 loan, we regret to advise that for the reasons explained to you verbally, we are unable to consider your application at this time.

NG Reasons for denial explained

Should you be unable to arrange your loan through some other source, and if conditions affecting this type of financing become more favorable, we would at that time welcome your further inquiry.

Yours truly,

Glen M. Carlson
Assistant Vice President

GLM:mt

EXHIBIT NO. 3

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 17 1967
INITIALS | CODE
COMPANY,
JENKINS,

LEASE AND OPTION TO PURCHASE

AGREEMENT

THIS LEASEHOLD AGREEMENT AND OPTION TO PURCHASE, made and entered into this ____ day of _____, 19 ___, between the BLUELIGHT SILVER MINES COMPANY, a corporation of Arizona, hereinafter called the Lessor, and CLINTON C. JENKINS, of 378 South 1100 East, Springville, Utah, hereinafter called the Lessee,

WITNESSETH:

That the said Lessor, for and in consideration of the royalties, covenants and agreements hereinafter reserved and contained, and by the said Lessee to be paid, kept and performed, has leased unto the said Lessee all that portion of the mining property of said Lessor situated in the Santa Rosa Mining District, County of Orange, State of California, more particularly described as follows:

Patented Claims

DUNLAP BLUELIGHT MINE: Lot No. 37; Patented August 20, 1879.

FLANAGAN BLUELIGHT MINE: Lot No. 38; Patented November 30, 1880.

THISTLEWAITE & HARVEY BLUELIGHT MINE; Lot No. 39; Pat. April 5, 1893.

Unpatented Claims

BLUELIGHT EXT. NO. 1

BLUELIGHT EXT. NO. 2

IRONCLAD NO. 1

IRONCLAD NO. 2

SILVERADO NO. 1

SILVERADO NO. 2

SILVERADO NO. 3

SILVERADO EASTERN NO. 1

SILVERADO EASTERN NO. 2

SILVERADO EASTERN NO. 3

BLANCHARD MINING CLAIM

JUDGE MINING CLAIM

Together with the right to use such existing working and appurtenances connected therewith as shall be mutually agreed upon between the parties hereto, and which shall tend to assist in the work to be done under this lease; provided, however, and upon the express condition and understanding that the Lessee accepts the same in their present state and condition and agrees to maintain the

same in good order and repair during the continuance of this lease, without cost or expense to the Lessor, and that the Lessor is to be in no manner responsible by reason of the condition thereof for Lessee's use or that of his employees or agents of such workings and appurtenances; and provided further that the present Mill may, at the option of the Lessee, be dismantled and so leveled as to avoid a hazard, with the understanding that any portions of the Mill or the machinery therein which are usable in the operations of the Lessee shall be included in the appurtenances mentioned in this paragraph and that non-usable equipment may be sold by Lessee, proceeds to be credited against the expense of the leveling of the Mill, any excess over such actual expense to be paid to the Lessor.

TO HAVE AND TO HOLD the said demised premises unto the Lessee for a term commencing with the date hereof and continuing for a period of five years, to expire not later than _____ ___, 19___, at noon on that day unless the same shall be sooner terminated by the violation of any covenant herein or by the surrender of this LEASE AND OPTION TO PURCHASE AGREEMENT, by said Lessee.

IN CONSIDERATION OF THE SAID LEASE AND OPTION TO PURCHASE, the Lessee Covenants and Agrees with the Lessor as follows, to-wit:

I

To immediately take possession of said property and in a good and workman-like manner begin the development thereof, at such place and in such manner as in the Lessee's judgment will bring about the best results from a mining and financial standpoint.

Lessee will pay to the Lessor a royalty on the net smelter returns from ore sold by the Lessee, as hereinafter set forth.

(a) It is understood that net smelter returns shall mean the amount owing to the shipper by the custom mill/or smelter, after there has been paid all transportation, sampling and smelting or milling charges.

(b) The following royalties shall be paid to the Lessor by the Lessee:

	PERCENTAGE
Net Smelter returns from concentrates, derived from milling at the mine.....	7½%
Net Smelter returns derived from ores shipped directly from the mine to a custom mill or smelter:	
$ 1.00 to $30.00	10%
$30.00 to $40.00	12½%
$40.00 to $50.00	15 %
$50.00 to $60.00	17½%
$60.00 and above	20 %

II

To personally supervise the work and assist in the performance thereof, and to spend not less than Fifteen Hundred Dollars ($1,500.00) each and every calendar year during the life of this lease or any extension thereof, in the development of the above described property. On or before the first day of May of each year the Lessee shall submit to the Lessor a list of all expenditures made by the Lessee upon the property in such development, including the location of any such work, it being understood that it is the intent of both parties hereto that the rights of the Lessor in the property shall be fully protected to the best of Lessee's ability.

III

The Lessee may assign this lease or any interest herein, or sublet the same or any part thereof without obtaining the written consent of said Lessor, except that the Lessor shall have the right of first refusal on the purchase of said rights on terms which would be satisfactory to the Lessee in transferring the same to any other party.

IV

The Lessee is hereby given the right at any time, before the expiration of this lease or any extension thereof, as long as the same is kept active by the proper observance of its terms, to purchase the property hereinabove described for the sum of Fifty Thousand Dollars ($50,000.00). This right shall be exercised by the payment of not less than Ten Thousand Dollars ($10,000.00) and agreement, properly secured, to pay the balance within not more than ten years, in installments of not less than $1,000.00 each year for the first five years, and not less than $2,500.00 each year for the next four years, the entire balance remaining being due at the end of the 10th year. All deferred payments shall bear interest at the rate of six percent (6%) per annum, payable semi-annually.

Upon receipt of the first Ten Thousand Dollars ($10,000.00), the Lessor agrees to make and execute its certain mine deed to the above described property and to place the same, together with a copy of this agreement, in escrow with the Orange County Title Company of Santa Ana, California. It is understood that, in the event that the Lessee shall fail to carry out the terms of this Section IV, any sums paid by the Lessee shall become the property of the Lessor and all rights of the Lessee under this lease and purchase agreement shall terminate.

When any ore, concentrate or other mineral product shall be developed and shipped from the property, during the term of any such installment purchase, and while any portion of the purchase price shall remain unpaid, there shall be paid to the Lessor a royalty on the net smelter returns as set forth in Section I hereof. Any amount so received by the Lessor shall be credited against the principal sum due at final maturity. So long as any balance upon the full purchase price or any interest due thereon shall remain unpaid, the Lessee agrees to carry out all the terms of this Lease, particularly those set forth in Section II and Section VI hereof.

V

The Lessee hereby agrees to the following:

(a) To pay all taxes of any and all kind, including social security, Workman's compensation and other protective assessments properly levied against such property and further to hold Lessor free and harmless from any and all liability whatsoever as a result of Lessee's tenacy under this lease.

(b) To allow to remain on the leased ground and to revert to the Lessor at the termination of the Lease, all track, pipe, chutes, timber, additions and improvements, except machinery which Lessee has himself placed thereon and therefore may remove.

(c) To deliver up to the said Lessor and the said leased premises, with all appurtenances connected therewith, XXX all fixed improvements in good order and condition, without demand or further notice at the expiration of the term hereof, or sooner if the Lessee's rights have failed under the terms hereof.

It is hereby particularly understood and agreed between the parties hereto, that insofar as this lease is concerned, the Lessee is independent of and is not an employee of the Lessor, nor has such Lessor any obligation to provide Workman's compensation or insurance of any type or nature for the benefit of said Lessee or his agents, employees or assigns.

It is the intent of the parties hereto and a principal consideration of this Agreement, that the Lessee will protect, with all reasonable diligence the rights and interest of the Lessor, including the securing to the Lessor of all proper rights to ore bodies which may be developed by the operations of the Lessee upon the demised premises but which may not now be under claim by the Lessor, and if the Lessee should elect not to complete the term of this Lease or the Purchase Agreement as set forth herein, it is specifically agreed between

the parties hereto, that any mineral rights which the Lessee may have secured by reason of the operations upon the demised premises, shall be transferred to the Lessor without cost to the Lessor.

Lessee further agrees herewith that at no time prior to the termination of this lease, any extension thereof, or within a period of five (5) years after the termination of this lease, shall lessee ever hold or claim adversely to the title or rights of the Lessor herein and further, that any right title or interest in or to any adjacent property which may be acquired by Lessee during the hereinabove mentioned period, shall automatically be deemed to innure to the benefit of the Lessor herein, should Lessee not exercise his option to purchase as outlined in Section IV above.

VI

The Lessee, at any time prior to the expiration of the first five (5) year period provided for herein, is also granted an Option to continue and extend this lease for an additional period of five (5) years by giving to the Lessor, written notice of intention to do so in writing at least sixty (60) days prior to termination of this lease and making a payment of not less than Two Thousand Five Hundred Dollars ($2,500.00), which amount may, at the option of the Lessee, be credited against the $10,000.00 required as down payment as provided in Section IV hereof, it being agreed that if this lease or any extension thereof shall terminate without exercise of the right of purchase by the Lessee as evidenced by the payment of not less than Seven Thousand Five Hundred Dollars ($7,500.00) additional, the said Two Thousand Five Hundred Dollars ($2,500.00) shall remain the property of the Lessor as consideration for the extension of this lease.

VII

If default or breach be made in any of the covenants herein contained and the same shall not be corrected within thirty (30) days after written notice thereof has been given to the Lessee at 378 South 1100 East, Springville, Utah, by the Lessor, the Lessor shall have the right to take possession of said demised premises and every part thereof, and hold the same in its first and former estate.

Each and every clause and covenant under this agreement and lease shall extend to the assigns, successors, hiers, executors and administrators of all parties hereto.

IN WITNESS WHEREOF, the parties have hereunto signed their names in duplicate the day and year aforesaid.

Clinton C. Jenkins, LESSEE

Clinton C. Jenkins

BLUE LIGHT SILVER MINES CO., LESSOR

_____
President

_____ T
Secretary

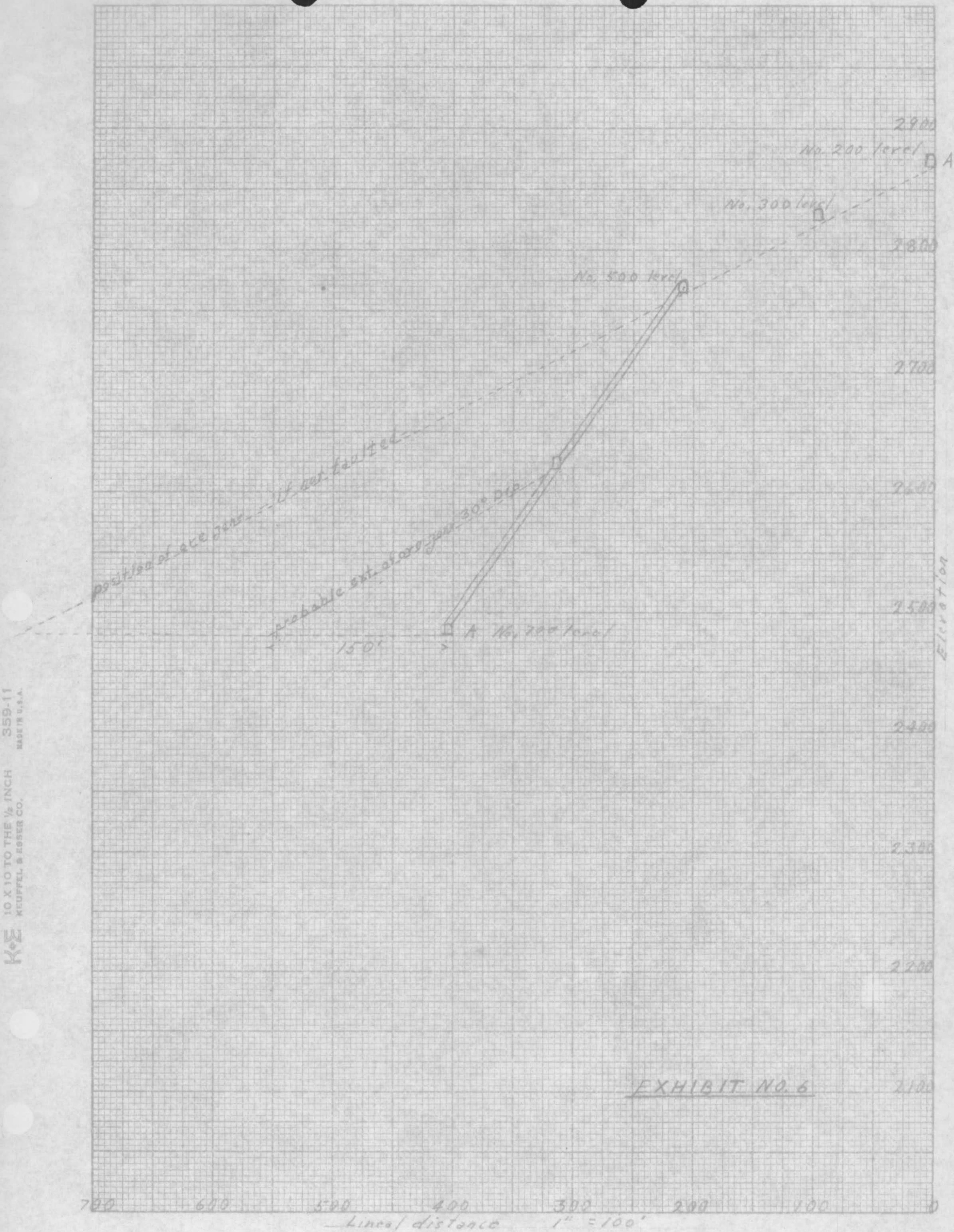


EXHIBIT NO. 6

K&E 10 X 10 TO THE ½ INCH KEUFFEL & ESSER CO. 359-11 MADE IN U.S.A.

Rec'd	Lot	Dry Tons	AU	AG	CU	PB	Insol.	FE	ZN	SUL.	CaO	AG Pr.	PB Pr.	ZN Pr.	Pr. Ton	Net Pro
7/31/35	1	49.173	.0525	101.38	.2	14.0	22.7	10.2	12.5	16.2	6.7	$0.77	$4.15		$71.30	$3040.10
9/12/35	1-a	6.503	.2675	174.25	.15	23.9	12.2	11.4	16.3	22.6	3.0	.77	4.35		137.72	846.33
9/12/35	2	45.471	.05	98.2	.10	8.1	34.2	10.5	8.65	13.0	7.6	.77	4.35		36.33	1342.53
10/13/35	3	2.654	.19	104.25	.35	24.53	15.05	9.35	15.15	20.3	3.6	.77	4.55		129.40	322.41
10/13/35	4	56.237	.07	32.4	.15	4.45	27.4	9.5	11.35	14.45	10.3	.77	4.55	$4.375	20.18	810.75
11/ 6/35	5	3.427	.1625	127.45	.35	16.75	16.2	8.1	21.35	20.95	4.6	.77	4.50		94.72	291.64
11/ 6/35	6	40.523	.08	24.9	—	3.4	Milled		12.6			.77	4.50	4.85	16.13	418.70
11/27/35	7	10.687	.18	64.33	.4	9.0	9.9	24.95	10.65	34.1	2.3	.77	4.50		48.50	449.10
11/27/35	8	47.732	.0725	21.75		2.85	Milled		10.1			.77	4.50	4.85	12.50	333.71
1/ 3/36	9	3.036	.0775	114.15	.2	20.8	17.6	8.65	13.15	16.7	7.1	.77	4.50		86.81	233.60
1/ 3/36	10	6.222	.30	169.8	.5	23.4	18.5	6.75	16.25	17.4	4.3	.77	4.50		135.28	785.00
1/3 /36	11	30.388	.0825	25.28	.15	3.5	Milled		10.3			.77	4.50	4.85	15.72	282.33
2/10/36	12	1.063	.365	222.45	.5	33.7	8.6	7.85	16.3	19.55	2.7	.77	4.50		183.43	174.35
2/10/36	13	9.303	.0625	99.60	.2	14.05	20.5	10.5	13.35	17.6	6.7	.77	4.50		71.16	629.21
2/10/36	14	26.017	.0675	25.65	.2	3.35	Milled		9.6			.77	4.50	4.85	15.60	215.65
4/18/36	15	6.851	.29	149.0	.4	22.45	8.5	13.45	18.2	26.9		.77	4.60		120.42	754.37
4/18/36	16	13.342	.065	37.45	.3	7.35	Milled		12.85			.77	4.60	4.90	24.23	195.39
6/26/36	17	2.224	.255	152.2	.4	28.4	9.2	7.15	20.35	21.2	2.9	.77	4.60		124.54	222.35
6/15/38	18	4.205	.1875	161.7	.3	23.4	12.8	9.5	16.1	22.8	3.0	.64	4.60		104.44	361.64
6/20/39	19	8.510	.17	89.5	.25	16.05	9.6	5.5	35.65	9.1	3.0	" "	4.76		57.89	493.45
6/20/39	20	29.482	.075	32.20		5.3	Milled		13.0			"	"	4.50	17.54	336.75
11/25/39	21	9.591	.05	103.25	.25	14.35	9.7	7.1	14.4	15.5	11.4	.70	5.5		71.25	557.33
11/25/39	22	3.582	.1875	256.1	.8	36.1	3.2	6.5	20.75	23.2	1.3	"	5.5		193.92	628.17
11/25/39	23	3.804	.12	84.25	.4	11.7	8.4	8.5	31.15	24.43	3.9	"	5.5	6.50	55.26	144.64
1/ 3/40	24	3.278	.22	205.25	.5	26.75	8.3	7.25	21.7	20.3	2.8	"	5.5		153.19	422.16
1/ 3/40	25	9.675	.105	50.25	.5	6.2	Milled		26.2			"	5.5	6.00		250.78
2/ 5/40	26	4.712	.1575	173.35	.32	30.6	7.0	10.15	18.75	24.05	2.2	"	5.31		136.05	579.48
2/ 5/40	27	17.191	.1075	49.6	.25	7.3	10.65	11.0	28.4	24.9	4.0	"	5.31		29.06	308.60
3/ 8/40	28	5.046	.315	173.65	.92	27.4	7.55	7.6	23.45	24.35	2.2	"	5.25		134.55	557.47
3/ 8/40	29	5.021	.14	77.3	.52	12.1	17.1	6.35	27.35	21.6	4.2	"	"		51.44	191.94
3/ 8/40	30	5.705	.195	53.4	.49	7.9	6.9	10.6	34.9	28.9	2.5	"	"		35.22	131.32
3/29/40	31	5.508	.225	37.95	.46	5.55	3.6	14.3	35.75	33.1	1.8	"	5.13		24.48	62.51
3/29/40	32	9.444	.265	86.95	.62	14.25		8.25	27.2	24.0	3.4	"	5.12		63.77	518.81
3/29/40	33	21.293	.08	67.35	.28	10.3	12.9	7.9	17.55	19.05	10.6	"	"		42.42	746.52
5/ 7/40	34	3.009	.1375	52.5	.37	7.25	10.2	6.7	37.5	25.7	3.0	"	5.1		31.69	43.59
5/ 7/40	35	4.138	.1575	54.15	.51	7.05	9.6	10.3	31.35	27.6	3.6	.706	5.1		33.50	83.15
5/ 7/40	36	8.767	.32	210.25	1.24	33.1	5.2	7.6	19.9	24.15	1.7	"	"		163.38	563.88
5/ 7/40	37	10.497	.08	50.1	.23	7.5	14.9	7.4	15.4	15.4	12.0	"	"		29.10	200.42
7/15/40	38	5.908	.1625	63.0	.46	7.45	8.8	6.6	39.9	25.95	.36	"	5.0	6.25	54.31	224.74
7/15/40	39	1.374	.20	202.70	1.84	29.6	3.6	7.3	23.4	24.8	1.6	"	"		151.76	184.84
7/15/40	40	6.135	.13	68.25	.76	8.4	6.9	6.8	39.5	26.55	.2	"	"	6.25	55.85	238.62
7/15/40	41	17.171	.0625	38.70	.10	5.0	16.8	7.3	16.0	15.35	11.5	"	"		14.58	280.03

EXHIBIT NO. 5

Date	Log	Dia. Tons	Au	Ag	Cu	Pb	Zn	Fe	As	Sb	Bi	Co	Ni	Mn	Ba	Ca	Mg	Sr	Ba	Rec	Res
9/15/40	42	3.331	.2425	200.5	1.0	29.45	5.1	10.2	24.3	23.75				50.706	64.00					156.47	3424.[illegible]
9/15/40	43	8.239	.136	53.33	.28	6.4	9.4	8.5	36.3	24.35			"		"		86.82			35.33	375.[illegible]
9/16/40	44	6.607	.085	112.4	.21	15.75	16.9	7.1	17.9	17.65	7.8		"		"					74.50	395.40
11/25/40	45	2.989	.30	185.15	.43	25.6	7.25	10.15	21.15	25.75	2.43		"		9.4					142.50	3[illegible].16
11/25/40	46	3.501	.11	57.6	.37	6.45	12.3	5.95	35.9	25.4	3.3		"		"		7.25			45.93	119.[illegible]
2/24/41	47	6.014	.29	168.15	.4	20.0	11.4	6.9	20.75	21.65	1.0		"		5.65					129.98	700.[illegible]
2/24/41	48	10.089	.1175	42.70	.38	5.7	17.85	4.95	33.5	21.45			"		"		7.25			32.04	206.[illegible]
2/24/41	49	5.409	.0875	51.1	.08	9.7	13.15	8.85	16.05	16.25	11.2		"		"		"			34.93	121.30
3/31/41	50	5.443	.094	29.08	.08	4.2	Milled		17.05				"		5.76		"			23.10	64.[illegible]
3/31/41	51	10.865	.106	38.7	.32	6.33	12.1	6.4	38.9	25.35			"		"		"			37.79	27[illegible].03
3/31/41	52	4.965	.218	136.1	.70	32.45	9.3	8.45	39.9	22.4			"		"					113.65	490.[illegible]
4/12/42	53	3.037	.27	94.68	.75	24.1	8.4	8.45	21.7	22.0			"		6.5					31.67	205.[illegible]
4/12/42	54	2.409	.152	2.6	.28	1.25	9.6	20.5	15.3	29.4			"		"		8.25			2.40	14.[illegible]
4/12/42	55	10.719	.1330	28.1	.37	6.6	7.65	6.75	40.0	27.2			"		6.50		"			35.94	272.62
4/29/42	56	51.038	.06	40.7	.2	4.6	Milled		12.48				"		"		"			28.22	1125.[illegible]
4/20/42	57	62.141	.0525	37.5	.25	4.35	Milled		10.55				"		"		"			25.40	1313.48
5/12/42	58	56.083	.0575	41.85	.2	5.15	Milled		10.80				"		"		"			28.12	1254.77
5/25/42	59	54.046	.0575	37.5	.26	4.15	Milled		11.62				"		"		"			25.87	1079.[illegible]
6/21/42	60	72.276	.0825	29.15	.33	3.15	Milled		11.02				"		"		"			21.27	1097.[illegible]
7/12/42	61	71.597	.135	17.88	.33	1.25	Milled		10.6				"		"		"			13.07	54[illegible]
7/21/42	62	69.943	.1325	16.95	.34	.95	Milled		9.7				"		"		"			12.49	490.07
8/11/42	63	72.389	.1025	12.3	.38	1.4	Milled		9.0				"		"		"			11.02	442.16
9/27/42	64	74.027	.1075	20.65	.4	1.6	Milled		8.93				"		"		"			13.00	620.66
12/10/42	65	74.836	.075	21.9	.27	2.95	Milled		10.05				"		"		"			13.21	770.[illegible]
1/ 2/43	66	72.814	.075	17.1	.16	3.15	Milled		10.62				"		"		"			14.4	629.[illegible]
8/15/43	67	72.401	.13	23.25	.32	3.1	Milled		14.3				"		"		"			20.[illegible]	1064.[illegible]
4/17/46	68	75.081	.12	23.10	.26	2.35	Milled		13.9				"		"		"			19.78	964.[illegible]
6/ 8/46	69	77.247	.085	17.45	.15	2.1	Milled		11.8				.707	7.55			"			15.45	745.41
	P.2	970.137	.05-.365	4.65-256.1		0.95-36.1			8.65-40.0												
	P.1	559.372																			
		1529.509																			
	10/7/54	42.756																			
		1572.265																			

```
559372*
      *
  3231
  6286
  6607
  2989
  3801
  6014
 10059
  5409
  5643
 10865
  4965
  3037
  2409
 10719
 51038
 68161
 56083
 54046
 72276
 71597
 69943
 73389
 74027
 72814
 72401
 75081
 77247

970137*

559372
970137

1529509*
  42,756
1572,265
```

```
 49173
  6503
 45471
  2654
 56237
  3427
 40523
 10687
 47732
  3036
  6222
 30388
  1063
  2803
  7000
 26017
  6851
 13342
  2224
  4205
  8510
 29482
  9591
  3582
  3804
  3278
  9675
  4712
 17191
  5046
  5021
  5705
  5508
  9444
 21293
  3009
  4138
  3767
 10497
  5908
  1347
  6135
 17171
```

FORM C.O. 77-2

UNITED STATES SMELTING REFINING AND MELTING COMPANY

NINTH FLOOR NEWHOUSE BUILDING

PROVISIONAL S TILE # 1630-8

Salt Lake City, Utah, October 7, 1954

Purchased From Clinton C. Jenkins

Pay Clinton C. Jenkins, 309 North Palm Street, Anaheim, California

Pr Santa Ana, California

Ore Crude (Blue Light Silver) Lot No. 1 Gold License No.

Sampled by U.S.S.Co. Received 9-27-54 Sampled 9-28-54 Assayed 9-30-54

Metal Quotations—Gold 34.9325 Silver 90.0 Copper, N. Y. Lead, N. Y. 14.75 Zinc 11.50

ASSAYS	GOLD OZS. PER TON	SILVER OZS. PER TON	PER CENT COPPER WET	PER CENT LEAD	PER CENT INSOLUBLE	PER CENT IRON	PER CENT ZINC	PER CENT SULPHUR	PER CENT LIME	PER CENT
U. S. S. R. & M. Co.				1.9			12.1			
Umpire										
Non-Sulphide				.2			.23			
Settlement Assay	.105	16.0	.20	1.7	26.0	10.5	11.87	15.0	9.7	

CAR NOS.	WET WEIGHT	METAL VALUE			WORKING CHARGE		
ATESF 169002 ATSF 169002		Gold 40% @ 22.4643		94	Treatment Base 30% Lead		
		Silver 94% @ 90.0	17	35	Credit Acc't Over 30% Pb.		
		Copper			Debit Acc't Under 30% Pb.		
		Lead	3	63	Insoluble		
		Zinc	9	50	Zinc Charge, excess over 6%		
					Sulphur Charge, excess over 2%		
					Arsenic Charge, excess over 2%		
Total Wet Weight							
Sacks					Total Debit		
Net Weight	86430	Gross Value	26	22	Iron Credit		
Less H.O. 1.05%	908	Less Working Charge	4	00	Net Working Charge		

Dry Weight, lbs. 85522 Payment for 42.756 tons @ 22 22 per ton $940.04

Freight advanced @ $7.49 per ton		
Treas. Purchase 2%	18.81	
Asso. Chgs. Federal Tax 3%	28.21	
Sampling or Weighing Charges	47.77	
Hauling Charges		
Royalty payments to be paid by shipper		
Sampling in transit charge	8.76	
Treas. Purchase 2%	3.32	
Federal Tax 3%	.30	139.47
Total Net Proceeds		510.57
Amount Withheld Pending Receipt of Silver Affidavit		27.36
NET PROCEEDS FROM FINAL SETTLEMENT		483.21

This denial is made without prejudice to the property. If you do additional work which indicates that the principal mineral ~~sought~~ is eligible for OME assistance, or, alternatively, that exceptionally large amounts of silver and gold might be discovered, and that the geologic probability of a significant discovery is borne out by the available evidence, we shall be pleased to consider a new application

37
180 11
960 160
37 .84
36.00

complex ore — 7 ore bodies — 1572,265 tons
pockety - Vein 2'-6' wide — 2 veins

	Au	Ag	Pb	Zn	
1572,265 T	0.1 ±	30 ±	4 ±	12 ±	
	0.25	25-57	3	10	
	.06	12-20(16)	4:80	13:260	2500 T.
	2.10	28.80	11.20	$35.00	$77.20
					$19,300.00

No marker beds
Faulted continuation of Blue Light
vein assumed from ore in raise
Insufficient evidence of a target (of other faults)
No fault mapped - No data on directions
If there is a reverse fault, explore 500L
If there is a normal fault, explore 700L
Where is the other vein? Dike vein

Why not XC 70' at cave - then drift 400'

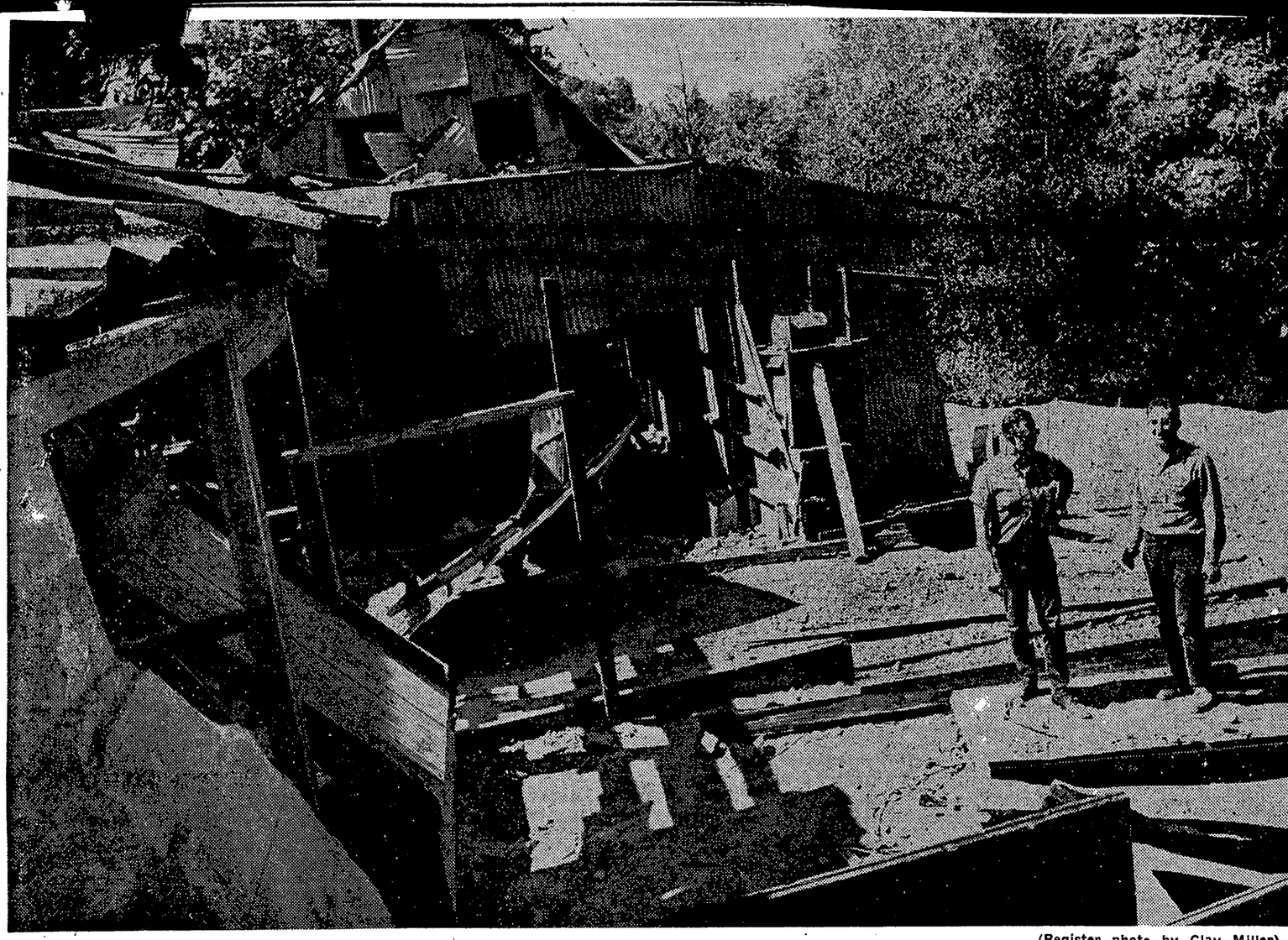
700L should cut inferred faulted continuation
about 300' from portal.
A geol. map would show this

Rehab 34%
4" airline — salvage — too big — Birds

Kenkemo

File in
OME
6669

Denied & redenied



(Register photo by Clay Miller)

NEW ENTERPRISE STIRS WEATHERED AND BATTERED REMAINS OF THE BLUE LIGHT MINE IN SILVERADO
Harry Weiss, Left, And Frank Gottlob Represent Utah Concern Which Is Reopening Silver Workings

Old Silverado Mine Reopens, Echoing OC's Wild West Days

By CLIFF BLACKBURN, Register Staff Writer

SILVERADO — While excited rumors of a rich silver strike above the old Blue Light Mine sweep through this quiet community, the clank of machinery can be heard in the canyon as exploration work begins.

Officials of the Miracle Mining & Development Co. of Salt Lake City hauled tons of equipment up a rugged trail Tuesday to tunnel deeper into the south slope of the canyon in a search for silver.

As citizens in Cabinland, Shadybrook and Mine Tract gossip about the "rich new vein of silver" unearthed recently by a bulldozer operator, Harry Weiss, general manager of the mining company, and Frank Gottlob, his mine foreman, quietly work.

Weiss explained that his firm has been hired by Clinton Jenkins, a mining operator from Springville, Utah, to "rehabilitate 800 feet of the original Blue Light Mine tunnel and extend it 550 feet further."

Also, his men will use diamond drills to take core samples from the tunnel walls for assay and analysis.

The 42-year-old mining company official smiled slightly as he listened to the rumors about the rich silver strike.

"There have been several encouraging prospects on the surface," was all that Weiss would say.

Weiss and Gottlob arrived in Silverado Canyon Monday night after a caterpiller tractor operator spent a week stripping the surface above the mine over the old vein.

Jenkins, who leased the mine property from the Chapman Ranch five years ago, left Monday night after supervising the stripping operations.

Tuesday, the residents of the canyon gaped as a strange looking truck loaded with mining equipment clattered up the trail toward the Blue Light.

To the citizens of the canyon all of these facts add up to just one thing — a bonanza.

This sleepy canyon community was once one of the wildest and wooliest mining towns in the old West.

Two Santa Ana bear hunters, Hank Smith and William Curry, wandered into the isolated canyon one day late in 1877. They found some chunks of rock which even to their inexperi-

(Turn To Page A4, Column 7)

he Senate."

The debate was expected to art Monday and last three or ur days before Senate Democratic Leader Mike Mansfield oves to stop it.

The vote on cloture—a etition to stop debate—will be e decisive test whether the enate refuses for the first time nce George Washington's day confirm a President's choice r the highest judicial office in e land.

Sen. Robert P. Griffin, R-ich., leader of Fortas' Senate pponents, said there might be actual majority of senators ho would oppose cloture, thus ermitting debate to ramble to the waning hours of the th Congress. With a full house 100 senators, it would take 34 block a confirmation vote.

Mansfield has expressed oubts he has the necessary o-thirds vote to end debate. e has indicated that if the oture vote fails by a bstantial margin—more than half-dozen or so senators—he ould abandon the fight, thus ermitting the nomination to e.

Warren made his retirement Chief Justice contingent on

The committee voted in a private, half-hour session after nearly three months of bitter contention over the timing of President Johnson's appointment, Fortas' own liberal record as an associate justice since 1965 and his continuing close ties with Johnson while sitting on the Supreme Court.

Voting to approve the nomination were Hart and Sens. Thomas J. Dodd, D-Conn.; Edward M. Kennedy, D-Mass.; Birch Bayh, D-Ind.; Quentin Burdick, D-N.D.; Joseph D. Tydings, D-Md.; George A. Smathers, D-Fla.; Everett M. Dirksen, R-Ill.; Edward V. Long, D-Mo.; Roman L. Hruska, R-Neb., and Hugh Scott, R-Pa.

Opposed were Sens. John L. McClellan, D-Ark; Sam J. Ervin, D-N.C.; Hiram L. Fong, R-Hawaii; Strom Thurmond, D-S.C.; Howard Baker, R-Tenn., and Eastland.

The only appointee as Chief Justice to be rejected by the Senate was John Rutledge of South Carolina, who received a recess appointment from President Washington and served on the bench for four months in 1795 until his confirmation was voted down Dec. 15 that year.

Gls Destroy Nearly Half Of Red Battalion

SAIGON (AP) — U.S. soldiers lding an artillery camp in bber plantation country north-

diers of the 25th and 101st Airborne Division skirmished in the sector.

Tuesday afternoon, a force of 25th Division infantrymen killed 11 enemy troopers seven miles southeast of Tay Ninh City, the main provincial city in the northwest corridor. They had killed 117 in the area Sunday and Monday while losing nine men.

In the past 24 hours B52 bombers have also stepped up raids in the area. Of 10 heavy raids throughout the country, half went into the northwest corridor—a total of about 750,000 pounds of bombs.

In another ground action, about 500 North Vietnamese regulars overwhelmed a battalion of weary government rangers Tuesday, but another South Vietnamese unit avenged the defeat in a bloody day-long battle 10 miles south of Da Nang.

Proposition 6 Opposer Named

LOS ANGELES — Dr. Arnold O. Beckman, chairman of the board of Beckman Instruments, Inc., of Fullerton, has been named Southern California chairman of the "Vote Yes on Proposition 6" movement.

The proposition, which will appear on the Nov. 5 ballot, would end the tax on the retirement programs of teachers and other employes of independent colleges, universities and scientific institutions in th

civilian astronaut, entered Apollo 7 shortly before noon to complete the final hours of a mock countdown in preparation for an 11-day earth orbital flight next month.

The exercise, called a countdown demonstration test, was completed successfully at 3:20 p.m.

The three astronauts are officially scheduled to blast off Oct. 11, but a variety of pesky problems with launch pad equipment delayed completion of the test more than one day and may force the space agency to delay the Apollo 7 launch target date.

Meanwhile, a three-stage Delta rocket was poised to blast off at 8:09 p.m., EDT today to orbit the most powerful commercial communications satellite ever built, Atlantic 3, for telecasting the 1968 Olympic games and to more than double transatlantic satellite telephone and television links.

The drum-shaped spacecraft, first of a series of six satellites ordered under a $32 million contract by the International Telecommunications Satellite Consortium—INTELSAT—is to settle in a stationary orbit 22,300 miles above the equator, just east of Brazil.

Atlantic 3 is five times more powerful than any of four previous commercial communications satellites orbited by the 63-member- nation INTELSAT. Two are on station over the Atlantic and two over the Pacific.

Volcano Erupts In Costa Rica

SAN JOSE, Costa Rica, (AP) — Renewed activity by the Arenal volcano in northwest Costa Rica sent a cloud of ashes boiling up 10,000 feet Tuesday, prompting evacuation of nearby villages.

The eruption followed two strong tremors recorded in the area Monday night. Authorities feared there would be more from the volcano whose eruptions last July killed more than 90 persons and caused heavy

daughter and housekeeper who were unaware of the stabbing,

reason, knows."

★ ★

Housekeeper Thinks Slaying An Accident

Barbara Crusha, widow of Terry Laverne Chrusha, described Edwin Garic, suspected slayer of her husband, as a sympathetic man.

Asked during an interview with a Register reporter on what she based her opinion, she replied it was just from having known him and from what her husband had told her about him.

"My husband had known Garic for several years and liked him, and although he (Crusha) was not the man who hired him, he was instrumental in getting Garic a job with Pacific Fabrication.

"The whole thing is very hard for me to believe," she said in reference to her husband's death and Garic's arrest.

She added she knew of no jealousy between the two men and had no reason to suspect any.

Pam Chandler, 40-year-old housekeeper - secretary to George W. Hillyard in whose home the death occurred, said it "could not be anything but an accident because they (Terry Crusha and Edwin Garic) were such great friends."

She told a Register reporter she was upstairs watching TV when the incident occurred.

Miss Chandler said Crusha, the victim, and Garic, the murder suspect, came to the Hillyard residence about 9 p.m.

She said they sat down and ate some leftovers and then began playing cards with Hillyard.

"I could hear them laughing and talking together," she said.

And then about 1:15 a.m. today, she said, Hillyard came running up the stairs to her room, asking her what the house number was.

"I asked him what was wrong," she reported, "and he (Hillyard) told me not to go downstairs."

She said Hillyard told her later that when Crusha and Garic were ready to leave for the evening, he went to the den to turn off the television set.

Miss Chandler quoted Hillyard as saying that before he got to the set Garic yelled at him to call the police.

She said Hillyard told her he ran into the room where the trio had been playing cards and found Garic giving Crusha mouth-to-mouth resuscitation.

LBJ Confirms Strong Support Of

WASHINGTON (UPI) —President Johnson Tuesday issued his first ringing endorsement of Hubert H. Humphrey for President. He urged the Democratic Party to "win this one for America" by electing Humphrey to succeed him.

Johnson's declaration that Humphrey's victory in the presidential campaign might "mean the difference between world order and world chaos" was his first public partisan word since he routinely congratulated the nominees after the Democratic National Convention.

"Hubert Humphrey is a fighter and a patriot," Johnson said. "I stood beside him in the battles of 20 years. I have watched him give his courage, common sense and compassion to the cause of America."

The President said nothing about Richard M. Nixon, Humphrey's Republican rival.

The President's statement came while Humphrey was portrayed in several national polls as dragging behind in his race with Nixon and, in one poll, even trailing George C. Wallace in electoral votes.

The White House issued the text of a telegram the President

Santa Ana, Cal
Register (morning edition)
(Cir. D. 25,886 - Sun. 90,402)
SEP 18 1968
Allen's P.C.B. Est. 1888

Old Silverado Mine

(Continued From Page A1)

enced eyes looked rich in silver. They were right. An assayer checked it out at $60 a ton.

In short time, 300 silver miners were swinging picks all over the canyon. The roaring and rowdy town of Silverado came into existence almost overnight.

It was such a lively community that a deputy U.S. marshal named J.D. Dunlap arrived to keep order. But the silver fever seized him and he threw away his badge and became a miner.

Dunlap found the Blue Light Mine but three years later the vein petered out and in 1883, Silverado was a ghost town.

In 1921, Orville Pember came here for his health and reopened the mine on a scientific basis. But mining operations stopped after World War II as labor and material costs were too high for the grade of ore.

The last time anyone was really interested in the Old Blue Light was in 1962 when representatives of the 11th Naval District thought its mine shaft might make a good fallout shelter.

Weiss said that the recent upsurge in silver prices had a lot to do with the decision to start mining operations again.

Early next week, blasting will begin at the mine tunnel high on the canyon wall in the Cleveland National Forest.

And the muffled roars will be music to the ears of the canyon residents.

They have seen their community rise like the mythical Phoenix from the ashes. But they have seen their hopes of silver, coal and oil in the canyon dashed to the ground many times.

Before Weiss and Gottlob could truck their equipment to the mine, five men from this community applied for jobs.

One of them, Chris Schrowe, 19, of Shadybrook, trudged up the trail to the old process mill to ask for work.

"I heard last night at the Alpine Inn about you hitting that rich new vein," he said, wiping the prespiration from his face. "Sure would like to work with you.

If Chris gets a job, he won't swing a pick like the prospectors in the canyon almost a century ago. Part of the development company's equipment is a power shovel that moves 20 tons of earth each hour.

"We're pretty well mechanized," Weiss said. "We should know in four months what we have here. The theory is that the original vein split and we think we know where it is now. We think it is back deeper in the original tunnel."

But the people of Silverado grin when they hear this.

They just know for certain it is a rich new vein.

Costa Mesa, Calif.
Westminster Daily Pilot
(Cir. 5-W. 32,611)
SEP 19 1968
Allen's P.C.B. Est. 1888

Is There Silver In Them Hills?

SILVERADO — Reactivation of the Blue Light Mine in remote Silverado Canyon in eastern Orange County was stirring interest among mountain residents today.

Officials of the Miracle Mining and Development Co. of Salt Lake City called equipment to the mine site Tuesday to tunnel deeper into the canyon wall in search of silver.

Harry Weiss, general manager of the mining company, said they had been hired by Clinton Jenkins of Utah to rehabilitate 800 feet of the original Blue Light Mine tunnel and extend it 550 feet.

Activity was evidently spurred by surface indications of additional silver lode. The surface area above the old vein has been stripped of vegetation.

The mine was first developed in 1877 yielding ore worth $60 a ton. Within three years the boom was over.

In 1921 Orville Pember opened the mine and continued operations through World War II. That was the last time anyone worked the Blue Light.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/25/68	Smith	120
3/25/68	Kiehemo	120
		110
		220

MAR 25 1968

AIRMAIL

Mr. Clinton C. Jenkins
378 South 1100 East
Springville, Utah 84663

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Jenkins:

We have carefully reviewed your letter of February 29, 1968, in which you propose a revised project to explore the referenced mine.

By eliminating the drifting, the revised project reduces the total estimated costs, but it also reduces the probability of discovering a minable ore shoot. The application was denied because the probability of making a significant discovery is not sufficiently promising to justify Government participation in the proposed work. Inasmuch as the revised proposal does not increase this probability, we regretfully must confirm the denial.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME docket
OME Reading File
OME Region II
Mr. Smith
130

RMSmith/gla 3-22-68

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 18 1968

INITIALS	CODE
	130
	120
	110
	120

Memorandum March 14, 1968

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

I have completely reviewed the subject application, and the revised proposal offered by the applicant as a result of the denial, and find no justification for changing my previous recommendation.

No new geologic evidence has been presented and it appears that the applicant has done little more than place all of his eggs in one basket and is now gambling that a minable ore body will be found by 500 feet of long-hole drilling at the end of a 420-foot crosscut through barren ground. He infers the faulted position of the vein without any direct evidence of faulting, and if the vein has not been faulted the crosscut will lack about 200 feet of reaching the target. The revised proposal does not offer to do the same work at less cost; it merely eliminates 580 feet of drifting on the vein and 500 feet of long-hole drilling, thereby reducing the probability of discovering a minable ore shoot by more than half. The cleanup costs for 850 feet of old workings has been increased from $5.00 per foot to $6.50 per foot. Drifting has been eliminated and crosscutting increased from 150 feet to 420 feet with only a slight reduction in cost per foot (from $50.00 per foot to $47.50 per foot). Long-hole drilling has been reduced from 1,000 feet to 500 feet but the cost estimate increased from $2.00 per foot to $2.50 per foot.

About 2,000 feet of old workings on the 700 level, most of which consisted of drifting on the ore-bearing structure, failed to discover minable ore. It is not probable that a new 420-foot crosscut and 500 feet of drilling will find a minable ore shoot, but if a shoot of the average size and grade mined in the old upper workings (about 2,000 tons) is found, the value at today's metal prices would be about $80 per ton, or a total of about $160,000.00. After freight (to Salt Lake City, Utah),

and milling and smelting charges, this ore would have a net value subject to OME royalties of about $50 per ton. From this ore OME might receive royalties of about $2.50 per ton, or a total of about $5,000.00. The proposed revised project would cost about $30,000.00, or $22,500.00 in Government participation.

Ore mined by the applicant in 1954 had a gross value of about $26 per ton and, after deductions of $14 per ton for freight, milling, and smelting, yielded about $12 per ton which probably did not cover the cost of mining and resulted in a net loss to the operator. Mining costs, in the mine area today, probably would exceed $20 per ton and ore with a value of less than $50 per ton would not pay its way.

All of the items listed in the Justification for Denial of Application (dated February 19, 1968), except for the applicant's interest in a less costly program, are still valid and I recommend that the revised proposal also be denied.

H. K. Stager

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/7/68	[illegible]	120
3/7/68	Kirkham	120
		110
3/7	cal	220
		120M

Memorandum

To: Field Officer, Region II MAR 7 1968

From: Chief, Office of Minerals Exploration

Subject: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Enclosed is a copy of the Applicant's letter of February 29, 1968, acknowledging our denial letter of February 23 and requesting our consideration of a revised proposal to do the same work at less than half the cost. Also enclosed is a copy of the Justification for Denial of Application.

Inasmuch as two of the reasons for our denial were (1) the low probability of a discovery commensurate in value with the high exploration costs and (2) the Applicant's unwillingness to consider less costly alternatives, the revised proposal warrants reconsideration.

Please let us have your views and recommendations on the revised proposal. If you request additional information from the Applicant it may be advisable to re-emphasize that the probability of discovery large enough to repay the Government's share of the costs is a valid guideline but is not a requirement or prerequisite to approval of a contract.

If you recommend a contract, each of the paragraphs in the Justification for Denial should be evaluated in relation to the revised proposal. In addition please comment on Item 5 in our letter of November 24, 1967 to the Applicant. It still appears to us that a crosscut nearly parallel with the vein is amateurish.

FRANK E. JOHNSON

Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Smith
130

RMSmith/bsl 3/7/68

Copy to R-II

February 29, 1968

Clinton C. Jenkins
378 South 1100 East
Springville, Utah

United States Dept. Of The Interior
Geological Survey
Attn: F..E. Johnson, Chief, OME
Washington, D. C. 20242

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 4 1968
INITIALS | CODE
130
120
140
120 S Rmd

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Johnson:

I received your letter of February 23rd, informing me that my application for exploration assistance funds for the above-captioned project is denied.

This advisement was very disquieting, as my evaluation of the proposed development and probable results thereof, do not seem incongrous.

I phoned Mr. Stager today and inquired if he knew why said application was denied. He informed me that to the best of his knowledge, the denial was based on the premise that approximately one million dollars worth of ore would have to be mined in order to ensure the government retrieving their share of the development costs, and the consensus of opinion was that this was not a probability.

stager said this is a guideline, not a requirement

I am not entirely in agreement with the above-stated premise, however, if this view is held, I would appreciate your consideration of the fact that the compilation of smelter returns, as submitted with subject application, represents returns for an eleven year period when lessors operated the property. Production, prior to this period, had little in common with said period, in tonnage or the general tenor of ore mined.

Your consideration of the following would be appreciated. I would like to amend my original application as follows:

7. Estimate of Costs: page 6

(a) Independent contracts:

1. Placement of two 15' x 48" dia. CMP culverts and road grading to the No. 700 level portal.... $ 500.00

2. Laying 18" gage track from the dump area to the No. 700 level portal and mucking out and timbering said portal..... 325.00

3. Cleaning up the No. 700 level, from the portal to a point 800 feet in from said portal. Also, furnishing and installing 850 feet of $1\frac{1}{2}$" water ling and 4" air line..... 850'@$6.50/ft. 5,525.00

Crosscutting

4. Drifting on a diagonal heading 420 feet to the initial target area, extending $1\frac{1}{2}$" water line, 4" air line and 18" gage track..... 420'@$47.50/ft. 19,950.00

5. Long-holing..... 500'@$2.50/ft. 1,250.00

(b) Personal services:

1. Supervision (Applicant: includes travel, lodging and misc. expenses)..... 12 days@$75/day 900.00

2. Geological Consultant (independent)..... 6 days@$100/day 600.00

$29,050.00

The above estimate reflects the following changes from the original schedule:

(a) The initial target area will be reached by the most direct route (420 feet through virgin ground).

(b) Item 8 (original) has been deleted to effect a cost reduction in the amount of $27,550.00.

(c) Personal Services- Applicants and Consultant Geologish have been cut in half, thus effecting a cost reduction of $1,500.00.

Note: the above unit costs reflect those submitted by Miracle Mining and Development Company.

My considered opinion, at this time, is that upon reaching the initial target area and accomplishing 500 feet of long holing, if ore is encountered (the development will have been successful), if ore is not encountered (the expenditure of additional development funds would be ill-advised).

Your reappraisal of my application, as per the foregoing ammendment, will be greatly appreciated.

Respectfully yours,

Clinton C. Jenkins

Clinton C. Jenkins
Applicant

CCJ/bj

February 24, 1968

Clinton C. Jenkins
378 South 1100 East
Springville, Utah

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 27 1968
INITIALS | CODE
JEJ | 110
bell | 120 M
gla | 130
RHS | 120 S

United States Dept. Of The Interior
Geological Survey
Attn: F. E. Johnson, Chief, OME
Washington, D. C. 20242

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Johnson:

220

In your letter of February 7, 1968, you stated that when your review of my APPLICATION was completed, I would be notified promptly of the results.

During the past two weeks I have received a number of inquiries from the two contractors submitting bids for the mine development, relative to the disposition of my application.

They represent that it would be desirable for them to know of the acceptance or rejection of the application, at the earliest date possible, so as to enable planning their operations for the next six months.

If you can advise me of a date that I might reasonably expect to know of the disposition of said application, I would greatly appreciate being informed accordingly.

Respectfully yours,

Clinton C. Jenkins

Clinton C. Jenkins - Applicant

CCJ/bj

Denial letter mailed Feb 23, 1968

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/19/68	[illegible]	120
"	Kisberg	120
"	Johnson	110
2/21	Kidwell	220
2/20	[illegible]	
		220
		1200

FEB 23 1968

AIRMAIL

Mr. Clinton C. Jenkins
378 South 1100 East
Springville, Utah 84663

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Jenkins:

Careful study of your application for financial assistance in exploring the property referenced above, and of other information available to us indicates that the probability of disclosing significant silver-gold ore reserves is not sufficiently promising to justify Government participation in the proposed exploration. Accordingly, we regret to inform you that your application for exploration assistance is denied.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Smith
Region II

RMSmith/bsl 2/19/68

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

February 12, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 14 1968
INITIALS | CODE
Jla | 130
Bal | 120
RJ | 110
RMS | 120 S

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Enclosed is an Application Report on the subject property recommending that the application be denied on the basis that the geologic probability of discovering sufficient ore reserves to repay the Government's contribution is too small. The high costs of rehabilitating the old mine workings and of driving the new exploratory workings are greatly in excess of the probable value of any ore that may be discovered.

H. K. Stager

H. K. Stager

Enclosure

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

Region II

REPORT OF EXAM.

APPLICATION REPORT

OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

By

H. K. Stager
Field Officer
OME, Region II

February 12, 1968

CONTENTS

	Page
INTRODUCTION	1
SUMMARY	1
RECOMMENDATIONS	2
LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES	2
PROPERTY	3
History and Production	3
Ownership	3
Financial Eligibility	4
Development	5
GEOLOGY	5
Geologic Setting	5
Ore Deposits	5
Sampling	6
Ore Reserves	7
EXPLORATION	7
Applicant's Proposal	7

ILLUSTRATIONS

Figure 1. Index map of mine area.

INTRODUCTION

Mr. Clinton C. Jenkins, 378 South 1100 East, Springville, Utah 84663, applied to the Office of Minerals Exploration for Government assistance in an exploration project, Docket OME-6669, to explore for silver at the Blue Light Silver Mine, Orange County, California. The applicant infers the presence of minable silver-bearing ore shoots along a fault cutting quartzite and wishes to explore for these ore shoots by rehabilitating old mine workings and driving a new crosscut and drift.

A field examination was requested by the Office of Minerals Exploration and was made by H. K. Stager, Field Officer, on January 19, 1968, accompanied by the applicant. The applicant's maps, cross sections, and assay data were examined and compared with exposures on the property. All of the upper levels of the mine and most of the lowest level, from which exploration was planned, were caved and inaccessible. Although partly caved and flooded, about 800 feet of the lower adit was accessible for study and sampling. Three samples were taken and the assays are included in this report.

SUMMARY

The Blue Light Silver Mine contains several small to medium-sized shoots of dense, fine-grained, silver-lead-zinc ore along a fault cutting quartzite. The results of the examination indicate that the ore shoots at the level of the planned exploration are smaller, lower in silver content, and higher in zinc content than the ore shoots mined from the upper levels of the mine. The applicant proposes to explore for the downward continuation of ore shoots mined on the upper levels by rehabilitating about 1,200 feet of old workings, driving 730 feet of new crosscut and drift, and drilling about 1,000 feet of long holes, at a total cost of about $62,725.00.

The eligibility of the planned exploration, on the basis of the probable silver content of the ore that might be discovered, is questionable and the probability of discovering sufficient reserves to repay the Government's contribution is low.

RECOMMENDATIONS

It is recommended that the application be denied on the basis that the geologic probability of discovering sufficient ore reserves to repay the amount of the Government's contribution is too low.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Blue Light Silver Mine is in sec. 14, T. 5 S., R. 7 E., SBBM, Santa Rosa mining district, Orange County, Calif. (Fig. 1), on the west flank of the Santa Ana Mountains, at an altitude of about 3,000 feet.

To reach the property, that is about 15 miles east of Orange (the closest major town), drive 11 miles east on the Silverado-Modjeska Road to Silverado Canyon, turn left (east) and drive up Silverado Canyon about 4 miles to the end of the paved road at Pine Canyon, then turn south up Pine Canyon on a steep mine access road about 1 mile to the property. All but the last half a mile of road is passable to ordinary passenger cars, and the drive from Orange required about 30 minutes. The last half a mile of road requires a four-wheel drive vehicle as there are several bridges out and much of the road is steep, sloughed in, and overgrown with vegetation.

Mail and telephone services are available in the small settlement of Silverado (3 miles) and all other services, supplies, labor, and materials are available in the nearby cities of Orange and Santa Ana. Ample water is available from streams and flooded mine workings on the property. Assay services are available in Los Angeles (40 miles).

PROPERTY

History and Production

The Blue Light Mine, formerly known as the Silverado Mine, was discovered in the 1870's and the first two claims were patented in 1879 and 1880. The mine was operated by the Western Zinc Mining Company from 1906 to 1908. A mill was built and six cars of lead and zinc concentrates were shipped. The property was idle until 1913 when it was acquired by W. H. Thorpe of Los Angeles, who installed a 50-ton-per-day flotation plant and operated the property until 1919. A total of five cars of lead and zinc concentrates were shipped in 1917. The Blue Light Silver Mines Company, the present owners, purchased the property in 1919. During the period 1935-1946 about 1,600 tons of ore was shipped that yielded about $35,000 in net proceeds. The applicant leased the property for a short period in 1954 and shipped one car of ore (42 tons) that yielded $510 in net proceeds. The property has been idle since 1954. Total production has probably not exceeded 10,000 tons of ore. $22/ton X 22 = $220,000 @1935-45 prices

Ownership

The property consists of 3 patented and 12 unpatented lode claims as follows:

Claim Name	Lot No.
Patented	
Dunlap Bluelight Mine	37
Flanagan Bluelight Mine	38
Thistlewaite & Harvey Bluelight Mine	39

Ownership--Contd

Claim Name	Book	Page
Unpatented		
Bluelight Extension No. 1	2	46
Bluelight Extension No. 2	2	46
Ironclad No. 1	2	46
Ironclad No. 2	2	46
Silverado No. 1	2	46
Silverado No. 2	2	46
Silverado No. 3	2	46
Silverado Eastern No. 1	25	318-319
Silverado Eastern No. 2	25	318-319
Silverado Eastern No. 3	25	318-319
Blanchard Mining Claim	25	318-319
Judge Mining Claim	25	318-319

These claims are recorded in the Orange County records at Santa Ana, California. The claims are owned by the Blue Light Silver Mines Company, and if a contract is approved would be under lease and option to purchase to the applicant.

Financial Eligibility

The applicant furnished copies of letters to two banks requesting loans for the proposed work and also copies of letters from the banks denying the loans. The applicant proposed to furnish his share of the exploration costs in cash that he stated would be available from a group of associates.

Development

@1935-46 costs @$10.00/ft = $60,000 + raises + stoping + 50 ton mill

The Blue Light Mine has been developed by 7 adits with about 6,000 feet of drifts and crosscuts on 5 levels connected by raises and winzes. Except for about 800 feet of drift on the 700 level, all of the underground workings are inaccessible because of caving. There are no surface or underground facilities or equipment in useable condition. The old 50-ton-per-day mill and flotation plant is a fire hazard, and the machinery has no value except as scrap iron. The roads to the adit portals are washed out, sloughed in, and overgrown by vegetation.

GEOLOGY

Geologic Setting

The mine is in an area of high relief and the surface is almost completely covered by dense brush. The rocks exposed in the vicinity of the mine are chiefly thin-bedded quartzite and other metasedimentary rocks of the Bedford Canyon Formation of Triassic age. These rocks strike about northeast and dip 20°-50° SE.

The metasedimentary rocks are cut by several bedding-plane shears or faults that dip from 30° to 45° SE. It is along these faults that the silver-lead-zinc ore bodies occur.

Ore Deposits

The ore bodies that have been mined occur in veins of silver-lead-zinc-bearing material that is localized along the principal faults. The Blue Light vein has been the most productive and has been explored for a length of 4,500 feet along a strike of N. 16° E. and down a dip of about 30° SE. for about 700 feet. The ore ranges from a few inches to 6 feet in

thickness and, where mined, has averaged about 4 feet. Ore shoots range in length from 20 to 100 feet and have been mined down dip as much as 200 feet. Seven ore shoots are reported to have been mined from the Blue Light vein. A second ore-bearing structure, known as the Dike vein, is parallel to the Blue Light vein and has yielded some ore from workings in the south end of the mine. Ore minerals are argentiferous galena and sphalerite. Gangue minerals are pyrrhotite, pyrite, quartz, and some calcite. The ore, in general, is dense and fine-grained. Average grade of the ore mined from the upper levels is reported to be about 0.06 ounce of gold and 25 ounces of silver per ton, 4 percent lead, and 13 percent zinc. Samples taken during the field examination of mineralized material exposed on the 700 level indicate an average content of 0.08 ounce of gold and 4.2 ounces of silver per ton, 0.7 percent lead, and 12 percent zinc.

Sampling

Three samples were taken of mineralized material exposed on the 700 level. Assays of these samples are as follows:

Sample Number	Ounces per ton Gold	Silver	Percent Lead	Zinc	Description
BL-1	0.09	1.60	None	6.75	Chip sample across 2' vein 450' from portal, in small stope 700 level
BL-2	0.07	6.10	0.45	13.30	Chip sample across 2' vein at foot of raise, 130' from portal, 700 level
BL-3	0.07	4.95	1.50	14.90	Chip sample across 2' vein at foot of raise, 100' from portal, 700 level

Ore Reserves

The applicant stated that there are no known ore reserves on the property that have been delineated by underground development. Areas of the old upper workings, from which ore has been mined, are inaccessible and therefore no estimate of indicated reserves could be made during the field examination. No minable ore is exposed in the accessible part of the 700 level and the mineralized material sampled indicates the shoots are small and low grade. It is reasonable to infer that downward continuations of ore shoots, mined in the upper levels, have been faulted into the area indicated by the applicant and that these ore shoots may be about equal in tonnage to these already mined (about 10,000 tons), but past experience in the district indicates that the grade of the ore may be much lower with more zinc and less lead and silver. This ratio of low silver and lead to high zinc is also indicated by assays of samples taken during the field examination.

EXPLORATION

Applicant's Proposal

The applicant proposed to explore the Blue Light Mineby rehabilitating 1,200 feet of old workings on the 700 level, crosscutting 150 feet to the projected position of a faulted segment of the vein, drifting 580 feet on the vein, and drilling 1,000 feet of long holes. Total cost was estimated at $62,725.00. Bids by two mining contractors were submitted after the field examination and indicate that the original estimates were low and that the cost would be considerably higher. The applicant stated his unwillingness to undertake any less extensive project than that proposed.

Figure 1.-- Location Map

120 Smith
120 Lichtenwa
110
220
120M

FEB 7

AIRMAIL

Mr. Clinton C. Jenkins
378 South 1200 East
Springville, Utah 84663

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Jenkins:

Your letter of January 24, 1968, enclosing two bids for the exploratory work proposed in the referenced application, and requesting a blank copy of an OME contract has been referred to this office for reply. The blank form is requested on behalf of the owner so that he can evaluate the ramifications of the Lien and Subordination Agreements, should they be required. Accordingly, we are enclosing a copy of the "Short Form" type of contract commonly used for projects where "Fixed Unit Costs" can be estimated in advance.

When our review of your application is completed, you will be notified promptly of the results.

Consequently, nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Smith
Region II RMSmith/bsl 2/7/68

Clinton C. Jenkins
378 South 1100 East
Springville, Utah
January 26, 1968

Office of Minerals Exploration
USGS Office Building 2
Attn: Mr. Staeger
345 Middlefield Road
Menlo Park, California

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 2 1968

INITIALS	CODE
	130
bal	120
	140
Rmd	120

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Staeger:

Enclosed herewith are two separate bid proposals for the development at the Blue Light Mine. It appears that the Miracle Mining and Development Company's bid is somewhat less than the Cloyd Nelson & Associates bid.

Mr. Chapman, President of Blue Light Silver Mines Company (owner of the mine) asked if I could procure a copy of an agreement, similar to that which I would have with the OME if a contract were awarded, so that he could more properly evaluate the ramifications of the Lien and Subordination Agreement.

If it is possible for you to send me such a copy, I would greatly appreciate this accommodation.

Respectfully yours,

Clinton C. Jenkins

Clinton C. Jenkins,
Applicant

CCJ/bj

RECEIVED
JAN 29 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Cloyd Nelson and Associates
331 Wilson Lane
Murray, Utah

Clinton C. Jenkins
378 South 1100 East
Springville, Utah

Dear Mr. Jenkins:

As per your request, I am submitting a bid to you for development work at the Blue Light Silver Mine, situated near Silverado, California.

It is my understanding that you plan to supervise the access road clean-up and install two culverts, therefore I will not include this item in this bid.

The following is based on your representation that the following items and work is to be accomplished:

1. Muck out and retimber the #700 level portal, and lay track (18" gage-20 lb. rail) from the portal to the dump area. $400.00

2. Clean up the first 800 feet of the #700 level and install 850 feet of new or as serviceable as new 4" aluminum air line and 1½" water line. (850' x $6.00 per foot) $5,100.00

3. Muck out caved sections of #700 level (from point located approx. 800 feet in from portal). Approx. 400 ft.

$42.50 per lineal foot (where timbering is not needed)

$50.00 per lineal foot (where timbering is needed)

$60.00 per lineal foot (where timbering & spiling is needed)

$18.00 per lineal foot (if sections of the drift are encountered that require only minor clean up).

4. Running new drift in virgin ground and extending 18" gage - 20# track, 4" airline and 1½" water line. (It being represented that approximately 730 feet will be required.

$50.00 per lineal foot (where timbering is not needed)

$57.50 per lineal foot (where timbering is needed)

5. Longholing as directed by you or a representative.

(1000 feet ~~XXXXXX~~ $2.50 per foot) $2,500.00

It is my understanding that: from the initial point of large scale caving (approximately 800 feet in from the portal of the #700 level) the contractor shall continue advancing in the existing drift for approximately 400 feet, unless unforseen hazards areencountered or costs become prohibitive. If either of these factors arise the contractor , with your concurrence, reserves the right to initiate drifting through virgin ground to reach the initial target area.

We, the contractor, agree to the following:

(a) to commence work within 30 days after notification of being awarded this contract.

((b) to comply with the laws of California regarding liens for labor, materials, labor and etc., and to indemnify and save harmless the Operator against all claims pertaining to said work.

(c) to comply with all State and Federal laws relating to Employers Liability, Workmans Compensation and Workmans Insurance.

Date of bid: January 24, 1968.

Cloyd Nelson and Associates

Cloyd Nelson

by Cloyd Nelson, Agent

Original

BID PROPOSAL

TO: CLINTON C. JENKINS
378 S. 1100 E.
SPRINGVILLE, UTAH

REGARDING: BLUE LIGHT SILVER MINE
ORANGE COUNTY, CALIFORNIA

Job consists of mucking out and timbering 700 level portal and laying 18" gauge track to dump area. Rehabilitating and cleaning up existing drift and mucking out a caved section and timbering same if necessary. Furnishing and installing 4" air and 1½" water lines to a point where a new drift will be started. Driving 730 ft. of new drift and drilling 1000 ft. of long holes as directed by the operator

Having carefully considered the physical area and map on Jan.20 1967 Miracle Mining and Development Co. Box 2005 Salt Lake City, Utah Harry H. Weiss, Owner and Manager, hereinafter referred as "the Contractor" proposes to do all the work hereinafter specifically set forth and to furnish the Equipment, Materials, Tools and Labor necessary for the full completion of said work in a first class and miner-like manner for the sums and amounts as follows, to wit :

ITEM -1- Mucking out and timbering of 700 level portal and laying 18" gauge track to dump area.

TOTAL: $ 325.00

ITEM -2- Cleaning up 700 level, timbering where necessary and installing 850 ft new or in new condition 4 inch aluminum air and 1½ inch black steel water lines to a point approximately 800 ft. from portal. Work performed under this sub paragraph shall be done at the rate of $ 6.50 per linear foot for a maximum total of 800 feet.

ITEM -3- Mucking out existing 700 level drift starting at a point approximately 800 ft. from portal where drift is badly caved.

A. - If timber is nor required	$ 37.50 per linear ft
B. - If timber is required	$ 47.50 per linear ft
C. - If spiling is required	$ 57.50 per linear ft

Above prices include 4" air and 1½" water lines.

However if ground caving is encountered at points which are not presently accessible and conditions exist which cause it to be unwise to proceed in the direction of the existing drift, Contractor will have the option of starting a new drift in a direction designed to intersect the target area. All drifting in virgin ground will be considered "new drift" and will be paid for at the rate governed by provision of Item 5.

ITEM. -4-If in the prosecution of Item 3 it is found that after mucking out the caved area a portion of drift remains which requires only minor clean up, work performed under this sub paragraph shall be done at the rate of $ 20.00 per linear ft

Above prices include 4 inch air and 1½ inch water lines.

ITEM -5- Drifting through virgin ground to target point 730 feet minimum

A. - If timber is not required $ 47.50 per linear ft.

B. - If timber is required $ 57.50 per linear ft.

Above prices include 20 lb. rail, 4 inch air and 1½ inch water lines.

ITEM -6- 1000 feet of longholing along the new drift as designated by the operator or his representative

$ 2.50 per linear ft.

It is agreed that said work will commence within ten days after Contractor has been notified by Operator that said work is to be undertaken with said completion date approximately six (6) months after date of beginning, save and except a reasonable extention shall be granted said Contractor for additional work, in the event of unusual or extreme work conditions, act of God or weather.

The Contractor will comply with the laws of the State in which the work is performed regarding liens for labor, material and supplies furnished for said work and shall indemnify and hold harmless, help less Operator against any and all claims pertaining to above mentioned work.

The Contractor shall be subject to and operate under all applicable Federal and State laws regarding Employers Liability, Workmans Compensation and Workmans Insurance.

The Contractor shall procure and keep in effect during the life of this agreement:

A. - Workmans Compensation and Employers Liability Insurance.

B. - Contractors Public Liability and Property Damage Insurance.

The Policies provide minimum limits as follows:

$ 25.000 for any one person

$100.000 for any one occurence.

Operator shall have the right to make such changes in the character of the work to be done hereinunder as may be required in the interest of the objectives to be obtained. However if such changes cause Contractor to work under conditions sufficiently different so as not to be considered normal shall be considered " extra work " and shall be covered by a separate agreement in writing at the time when such work will become available.

DATED THIS 23 DAY OF JANUARY 1968

CONTRACTOR AND BIDDER

MIRACLE MINING AND DEVELOPMENT COMPANY

BY _____

APPROVED AND ACCEPTED_____

Clinton C. Jenkins
378 South 1100 East
Springville, Utah
January 26, 1968

Office of Minerals Exploration
USGS Office Building 2
Attn: Mr. Staeger
345 Middlefield Road
Menlo Park, California

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Staeger:

Enclosed herewith are two separate bid proposals for the development at the Blue Light Mine. It appears that the Miracle Mining and Development Company's bid is somewhat less than the Cloyd Nelson & Associates bid.

Mr. Chapman, President of Blue Light Silver Mines Company (owner of the mine) asked if I could procure a copy of an agreement, similar to that which I would have with the OME if a contract were awarded, so that he could more properly evaluate the ramifications of the Lien and Subordination Agreement.

If it is possible for you to send me such a copy, I would greatly appreciate this accommodation.

Respectfully yours,

Clinton C. Jenkins

Clinton C. Jenkins,
Applicant

CCJ/bj

RECEIVED
JAN 29 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Original

BID PROPOSAL

TO: CLINTON C. JENKINS

378 S. 1200 E.

SPRINGVILLE, UTAH

REGARDING: BLUE LIGHT SILVER MINE

ORANGE COUNTY, CALIFORNIA

Job consists of mucking out and timbering 700 level portal and laying 18" gauge track to dump area. Rehabilitating and cleaning up existing drift and mucking out a caved section and timbering same if necessary. Furnishing and installing 4" air and 1½" water lines to a point where a new drift will be started. Driving 730 ft. of new drift and drilling 1000 ft. of long holes as directed by the operator.

Having carefully considered the physical area and map on Jan.20 1967 Miracle Mining and Development Co. Box 2005 Salt Lake City, Utah Harry H. Weiss, Owner and Manager, hereinafter referred as "the Contractor" proposes to do all the work hereinafter specifically set forth and to furnish the Equipment, Materials, Tools and Labor necessary for the full completion of said work in a first class and miner-like manner for the sums and amounts as follows, to wit :

ITEM -1- Mucking out and timbering of 700 level portal and laying 18" gauge track to dump area.

TOTAL: $ 325.00

ITEM -2- Cleaning up 700 level, timbering where necessary and installing 850 ft new or in new condition 4 inch aluminum air and 1½ inch black steel water lines to a point approximately 800 ft. from portal. Work performed under this sub paragraph shall be done at the rate of $ 6.50 per linear foot for a maximum total of 800 feet.

ITEM -3- Mucking out existing 700 level drift starting at a point approximately 800 ft. from portal where drift is badly caved.

A. - If timber is nor required	$ 37.50 per linear ft
B. - If timber is required	$ 47.50 per linear ft
C. - If spiling is required	$ 57.50 per linear ft

Above prices include 4" air and 1½" water lines.

However if ground caving is encountered at points which are not presently accessible and conditions exist which cause it to be unwise to proceed in the direction of the existing drift, Contractor will have the option of starting a new drift in a direction designed to intersect the target area. All drifting in virgin ground will be considered "new drift" and will be paid for at the rate governed by provision of Item 5.

ITEM. -4-If in the prosecution of Item 3 it is found that after mucking out the caved area a portion of drift remains which requires only minor clean up, work performed under this sub paragraph shall be done at the rate of $ 20.00 per linear ft

Above prices include 4 inch air and 1½ inch water lines.

ITEM -5- Drifting through virgin ground to target point 730 feet minimum

A. - If timber is not required $ 47.50 per linear ft.

B. - If timber is required $ 57.50 per linear ft.

Above prices include 20 lb. rail, 4 inch air and 1½ inch water lines.

ITEM -6- 1000 feet of longholing along the new drift as designated by the operator or his representative

$ 2.50 per linear ft.

It is agreed that said work will commence within ten days after Contractor has been notified by Operator that said work is to be undertaken with said completion date approximately six (6) months after date of beginning, save and except a reasonable extention shall be granted said Contractor for additional work, in the event of unusual or extreme work conditions, act of God or weather.

The Contractor will comply with the laws of the State in which the work is performed regarding liens for labor, material and supplies furnished for said work and shall indemnify and hold harmless, help less Operator against any and all claims pertaining to above mentioned work.

The Contractor shall be subject to and operate under all applicable Federal and State laws regarding Employers Liability, Workmans Compensation and Workmans Insurance.

The Contractor shall procure and keep in effect during the life of this agreement:

A. - Workmans Compensation and Employers Liability Insurance.

B. - Contractors Public Liability and Property Damage Insurance.

The Policies provide minimum limits as follows:

$ 25.000 for any one person

$100.000 for any one occurence.

Operator shall have the right to make such changes in the character of the work to be done hereinunder as may be required in the interest of the objectives to be obtained. However if such changes cause Contractor to work under conditions sufficiently different so as not to be considered normal shall be considered " extra work " and shall be covered by a separate agreement in writing at the time when such work will become available.

DATED THIS 23 DAY OF JANUARY 1968

CONTRACTOR AND BIDDER

MIRACLE MINING AND DEVELOPMENT COMPANY

BY Harry H. Miles

APPROVED AND ACCEPTED _____

Cloyd Nelson and Associates
331 Wilson Lane
Murray, Utah

Clinton C. Jenkins
378 South 1100 East
Springville, Utah

Dear Mr. Jenkins:

As per your request, I am submitting a bid to you for development work at the Blue Light Silver Mine, situated near Silverado, California.

It is my understanding that you plan to supervise the access road clean-up and install two culverts, therefore I will not include this item in this bid.

The following is based on your representation that the following items and work is to be accomplished:

1. Muck out and retimber the #700 level portal, and lay track (18" gage-20 lb. rail) from the portal to the dump area. $400.00

2. Clean up the first 800 feet of the #700 level and install 850 feet of new or as serviceable as new 4" aluminum air line and 1½" water line. (850' x $6.00 per foot) $5,100.00

3. Muck out caved sections of #700 level (from point located approx. 800 feet in from portal). Approx. 400 ft.

$42.50 per lineal foot (where timbering is not needed)

$50.00 per lineal foot (where timbering is needed)

$60.00 per lineal foot (where timbering & spiling is needed)

$18.00 per lineal foot (if sections of the drift are encountered that require only minor clean up).

4. Running new drift in virgin ground and extending 18" gage - 20# track, 4" airline and 1½" water line. (It being represented that approximately 730 feet will be required.

$50.00 per lineal foot (where timbering is not needed)

$57.50 per lineal foot (where timbering is needed)

5. Longholing as directed by you or a representative.

(1000 feet ~~XXXXXX~~ $2.50 per foot) $2,500.00

It is my understanding that: from the initial point of large scale caving (approximately 800 feet in from the portal of the #700 level) the contractor shall continue advancing in the existing drift for approximately 400 feet, unless unforseen hazards areencountered or costs become prohibitive. If either of these factors arise the contractor , with your concurrence, reserves the right to initiate drifting through virgin ground to reach the initial target area.

We, the contractor, agree to the following:

(a) to commence work within 30 days after notification of being awarded this contract.

((b) to comply with the laws of California regarding liens for labor, materials, labor and etc., and to indemnify and save harmless the Operator against all claims pertaining to said work.

(c) to comply with all State and Federal laws relating to Employers Liability, Workmans Compensation and Workmans Insurance.

Date of bid: January 24, 1968.

Cloyd Nelson and Associates

Cloyd Nelson

by Cloyd Nelson, Agent

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/12/67	RMSmith	120
12/13/67	Kirkemo	120
		110
		220
		120M

AIRMAIL

1967

Mr. Clinton C. Jenkins
378 South 1100 East
Springville, Utah 84663

Re: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Jenkins:

Thank you for your letter of December 2, 1967, furnishing additional information, including a financial statement, requested in our letter of November 24.

The referenced application is now being referred to Mr. H. K. Stager, Field Officer, Region II, Office of Minerals Exploration, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025.

Mr. Stager will notify you if he requires additional information and to arrange for an on-site examination, if necessary.

Sincerely yours,

Harold Kirkemo

For: Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME docket
OME Reading File
OME Region II
Mr. Smith

RMSmith/gla 12-12-67

23263

MME Form 7
(2/63)

12/12/67

OFFICIAL FILE COPY

Date	Surname	Code
12/12/67	RMSmith	120
12/12/67	Kishimoto	120
		110
		220
		120M

AIRMAIL

DEC 14 1967

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

We are referring the subject application to you for review, a field examination if warranted, and recommendations. Enclosed are copies of the Applicant's letter and financial statement, both dated December 2, 1967.

Questions in our letter of November 24 to the Applicant are answered satisfactorily in his reply except for No. 3 and No. 5. Question 3 relates to geologic evidence of faulting on which the probability of a discovery depends. A description of the extent and pattern of faulting in the mine or mine area would permit a better evaluation of his premise that ore in the No. 7 Raise is a faulted continuation rather than a separate unimportant stringer. Question 5 relates to the method and plan of conducting the work. The Applicant's proposed alternative plan of a 330-foot (420?) crosscut almost parallel with the projected position of the vein seems to us to be potentially less informative than a shorter crosscut followed by a somewhat longer drift. The plan actually to be followed we shall leave to your good judgment and concurrence therein by the Applicant.

If you recommend a contract, please explain to the Applicant the procedure for reimbursing an operator and obtain his assurance that he can finance his share of the costs.

Harold Kishimoto

For: Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Mr. Smith
130

RMSmith/gla 12-12-67

23263

Clinton C. Jenkins
378 South 1100 East
Springville, Utah
Dec. 2, 1967

United States Dept. Of The Interior
Geological Survey
c/o Frank E. Johnson
Chief, Office of Minerals Exploration
Washington, D. C. 20242

OFFICIAL COPY
O. M. E.
RECEIVED
DEC 8 1967
INITIALS | CODE
~~130~~
BLK 120 M
~~JRJ 140~~
120 S

Re: OME - (Silver - Gold) 6669
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Johnson:

I am in receipt of your letter of November 24, 1967, in which you request additional information in order to continue processing the abovecaptioned application. Following hereafter is the data requested:

1. Financial Eligibility:

As you state, it is probably true that my request for mine development funds, to two banks, offered terms that would be unacceptable to any bank. Unfortunately I am unable to furnish sufficient collateral to cover the loan requested, and I am not financially positioned to guarantee repayment. I represented the risk involved, honestly, and was forthright in stating the logical circumstances that would permit repayment of said loan.

The statement by the First Security Bank of Utah, to the effect that my further inquiry would be welcome if I were unable to arrange a loan elsewhere and if conditions effecting this type of financing become more favorable, constitutes little more than a good will gesture and I am quite sure you are sufficiently aware of bank lending policies to appreciate this.

Enclosed herewith are two copies of a financial statement which reflects my present financial position.

2. Applicant's Rights in Land:

A Lien and Subordination Agreement can and will be obtained from the Lessor, in the event a contract is approved.

3. Physical Description:

During the year 1954, prior to major caving in the mine, I made a fault plane observation which I deemed pertinent to the termination and possible continuation of the No. 500 level ore bodies. Said fault plane observation was made in the No. 500 level adit, approximately 70 feet northerly from the collar of the raise which connects the No. 700 level with the No. 500 level. The strike of the fault plane was observed to be approximately N 20° E and dip about 70° easterly. Striations on the hanging wall of the fault were nearly vertical.

Copy to OME R-II

Due to the inaccessability of the greater part of the existing mine workings, because of water and or caving, it is not possible to furnish additional fault movement data which would enhance ones understanding of the problem at hand. Some planes of movement are exposed in the No. 700 level adit, however I do not feet they are close enough to the area in question to be regarded as reliable guides to dislocations within the area ear-marked for exploration.

In formulating the hypothesis that the ore in the No. 700 level raise is a faulted continuation of the ore mined down to the No. 500 level, I took into consideration the following:

Ore appears to have been mined from two distinct horizons on the No. 500 level. This is evidenced by the existence of a stope (Mexican Winze) off the No. 500 level workings, situated approximately 150 feet northerly of the collar of the raise which connects the No. 700 level with the No. 500 level; and a stope also mined from the No. 500 level, located approximately 130 feet N 30° W from the intersection of said Mexican Winze, with the No. 500 level. These two ore occurrences could be synonymous with the ore shoot exposed on the No. 700 level (near the raise to the No. 500 level) and the ore exposed in the raise (approximately mid-way between the two levels). The horizontal distance between the two ore occurrences on the No. 500 level is in reasonable agreement with that on the No. 700 level, if the ore between the two levels is projected down to the elevation of the No. 700 level.

Relative to your inquiry concerning the location of the Blue Light and Dike veins; the Blue Light Vein is related to the number 200, 300, 400 and 500 levels. The Dike Vein is associated with the South Workings, which encompasses those workings at elevation 2835 feet (above and approximately 260 feet S 40° E of the No. 400 level adit portal).

5. Exploration Work:

I fail to see the merits of your suggestion, namely, that at coordinate 600 S - 400 E, a crosscut be driven 70 feet S 45° E; thence drifting 370 feet to the initial objective.

1st reason: this ground has already been explored by the old No. 700 level drift and holds no reasonable expectation for ore discovery, as the No. 500 level in this area was barren. No

2nd reason: either of the routes outlined in my application will cross-cut the formations in an area that has been productive on and above the No. 500 level and therefore constitutes sound judgment. In addition I can see no savings in costs, as related to subject suggestion. More info, not less cost

Relative to the merits of diamond drilling; in my opinion, if diamond drilling were to be considered, holes at least 400 feet in length would have to be planned. Never is one hole conclusive, therefore if four or five holes were drilled in an effort to define the ore-bearing potential of the initial target area, at $10.00 per foot one would have expended enough money to drive the drift, as planned. I cannot see any virtues in diamond drilling, in this particular instance. 1 hole ought to prove existance or absence of a vein

7. Estimate of Costs:

You suggest that rehabilitation costs might be reduced by eliminating Item 5.

Would you please review my application as follows:

Re: 5. Exploration Work: (page - 4 -)
3rd paragraph - beginning "From a position

Said paragraph indicates two routes that might be taken to reach the initial target area. Route No. 1 (first-mentioned) entails a 400 foot advance in the existing No. 700 level adit (which is now caved) and then a cross-cut of 150 feet to the target area.

Item 5, under 7. Estimate of Costs: indicates 400 feet at $40.00/ft. - $16,000.00 to cover said item.

The last paragraph of my application, page - 7 - , draws a comparison of costs, if the alternate route is taken. I believe a review of the above will clarify this matter. It is not a rehabilitation item. It is a development item.

Relative to comparative costs of airline pipe; I offer the following:

2½ " black pipe costs approximately	$0.92/lineal foot with couplings.
2½ " galvanized pipe costs approx.	$1.07/ " " " "
4 " aluminum pipe costs approx.	$1.10/ " " " "

If your departmental policy will not permit the 4" aluminum pipe, please choose that allowable and I will meet the difference.

It will be difficult to get firm bids from contractors on the development work outlined in subject application because of the variables inherent in this particular operation, however, I will solicit same, at such time as they are needed.

Please advise if additional information is required.

Sincerely yours,

Clinton C. Jenkins

Clinton C. Jenkins

CCJ/cw

Name Clinton C. Jenkins Occupation Highway Materials Engr.

INDIVIDUAL OR PARTNERSHIP STATEMENT TO CENTRAL BANK AND TRUST CO.

For the purpose of obtaining credit with you from time to time, I herewith submit the following as being a fair and accurate statement of my financial condition on December 2, 19 67

ASSETS		LIABILITIES	
Cash on hand and in bank	$ 480.00	Notes payable to banks	$ 600.00
Notes Receivable (State security of any)		Other Notes payable	900.00
		Open accounts payable	none
		Chattel Mortgages on	none
		due , 19	
Accounts Receivable		Home Mortgage	14,000.00
Saleable Merchandise			
Stocks and Bonds (List on reverse side)			
Livestock:			
@			
@			
@			
@			
@			
Estimated Value growing crop on acres of			
TOTAL QUICK ASSETS		TOTAL CURRENT DEBTS	15,500.00
Real Estate (List on reverse side)		Mortgages or Liens on Real Estate, due , 19	
Machinery and Tools (Actual value)		Other indebtedness, give full details on reverse side	
Other Assets			
1962 Cheverolet Station Wagon	750.00		
1956 GMC Truck (pick-up)	400.00		
Household Furniture	4,000.00		
Home	24,000.00	Total Liabilities	15,500.00
		Net Worth	14,130.00
TOTAL	$ 29,630.00	TOTAL	$

Liability as endorser for others $ none Are any of above assets pledged to secure indebtedness? Titles on Autos to Credit Union Mortgage on home.

Life Insurance carried $ 41,000.00 payable to Darlene Jenkins (wife)

Fire Insurance on personal property $ 5,000.00 on ~~building~~ Home $ 14,000.00 Do you carry Employers' Liability Ins. ? no

Are any suits or litigation pending either for or against firm? none

Details

Signed Clinton C. Jenkins

OVER

C240—acpco5m666

(Continued)
Statement of Clinton C. Jenkins 378 South 1100 East Springville, Utah

DESCRIPTION OF REAL ESTATE

LOCATION	IMPROVEMENTS	In Whose Name Is Title Held	Value of Land and Improvements	Amount of Mortgages or Liens	When Due
Home		C.C.Jenkins	$24,000.00	$14,000.00	17 years left on contract.
			$	$	
			$	$	
			$	$	

DESCRIPTION OF STOCKS AND BONDS OWNED

DESCRIPTION OF OTHER INDEBTEDNESS

State Employees Credit Union $ 900.00

Central Bank & Trust Co. 600.00

Income from salary $830.00 per month per year 9,960.00

Income from investments

Miscellaneous Income 200.00 per month (approx.) 2,400.00

TOTAL Annual Income 12,360.00

Personal history

Present Address 378 South 1100 East - Springville How Long 3 years

Former Address 211 South 300 East - Springville, Utah

Age 45 Wife's Age 38 No. of Dependents 6

References Utah State Department of Highways (George Jones - Materials Department)

Central Bank & Trust Co. (George Bird - Cashier)

Please give an expression of your opinion regarding the character, financial standing, business ability, and habits of pay and of your experience with the borrower

Cashier

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/22/67	RMSmith	120
11/22/67	Kirkmo	120
		110
11/24	cal	220
		120M

Mr. Clinton C. Jenkins
378 South 1100 East
Springville, Utah 84663

Re: SME-6669 (Silver-Gold)
Clinton C. Jenkins
Blue Light Silver Mine
Orange County, California

Dear Mr. Jenkins:

A preliminary review of your application for financial assistance in exploring the referenced mine indicates that additional information is needed to continue its processing. The following comments refer to the numbered items on the back of the application form.

1. Financial Eligibility:

Your letters to the two banks request terms that would be unacceptable to any bank, in spite of which the First Security Bank of Utah indicates that your further inquiry would be welcome if you are unable to arrange a loan elsewhere and if conditions affecting this type of financing become more favorable. In these circumstances we require a recent financial statement to determine your financial eligibility.

2. Applicant's Rights in Land:

A Lien and Subordination Agreements is not required at this time, but will you please inform us whether or not it could be obtained from the lessor in the event a contract is approved. If it cannot be obtained would you be willing to furnish a Performance Bond of Standard Form 25 (copy enclosed) in the amount of the Government's contribution to the costs of the work?

23263

3. Physical Description:

The purpose of the proposed project is to explore for the faulted continuation of the Blue Light ore zone, but no faults are shown on the maps or mentioned in the text. Although your deduction may be valid that ore in the No. 7 Raise is a faulted continuation, the hypothesis might be strengthened by a description of the strikes, dips, and directions of displacement of known faults in the mine or in the mine area.

Two parallel veins, the Blue Light and the Bike vein, are mentioned but the location of the Bike vein is not described. Please illustrate its position on Exhibit 6.

5. Exploration Work:

On Exhibit 4 the proposed drifting which is labeled "2nd stage of development" bears S 32° W. If this bearing is projected NE, it intersects the 700 level adit about 350 feet from the portal and 800 feet from the "initial objective." While we do not suggest drifting 800 feet, please give us your views on the possible merits of crosscutting 70 feet S 45 E from 600 S - 400 E and then drifting 370 feet to the initial objective.

Considering that there is little geologic evidence of a target, would it be prudent first to core drill a hole or two from the 700 level? In view of the apparent rake of the ore zones, where might the drill holes be located?

7. Estimate of Costs:

Under the OME program extensive rehabilitation in proportion to new exploration is not normally allowable. Rehabilitation costs might be reduced by eliminating your item 5 if this is feasible. In any case an OME contract would allow only those items necessary to do the exploration work itself. For example, you could put in any size airline you wish but the Government would contribute only to the cost of a 2" or 2-½" line.

Inasmuch as an independent contractor would perform the work, three bids if possible should be submitted. These bids need not be submitted immediatly, however, but could accompany the Lien and Subordination Agreements and signed copies of the Lease when and if it appears from your replies to the foregoing questions that an OME contract may be warranted.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the further processing of your application until the requested data are received.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Region II - Mr. Smith
11/22/67
RMSmith/bsl

November 17, 1967

Mr. Clinton C. Jenkins
378 South 1100 East
Springville, Utah 84663

Subject: OME-6669

Dear Mr. Jenkins:

Your application for exploration assistance, dated November 4, 1967, submitted to our office at Menlo Park, California, has been assigned Docket No. OME-6669.

Please identify all future correspondence relating to your application by this docket number.

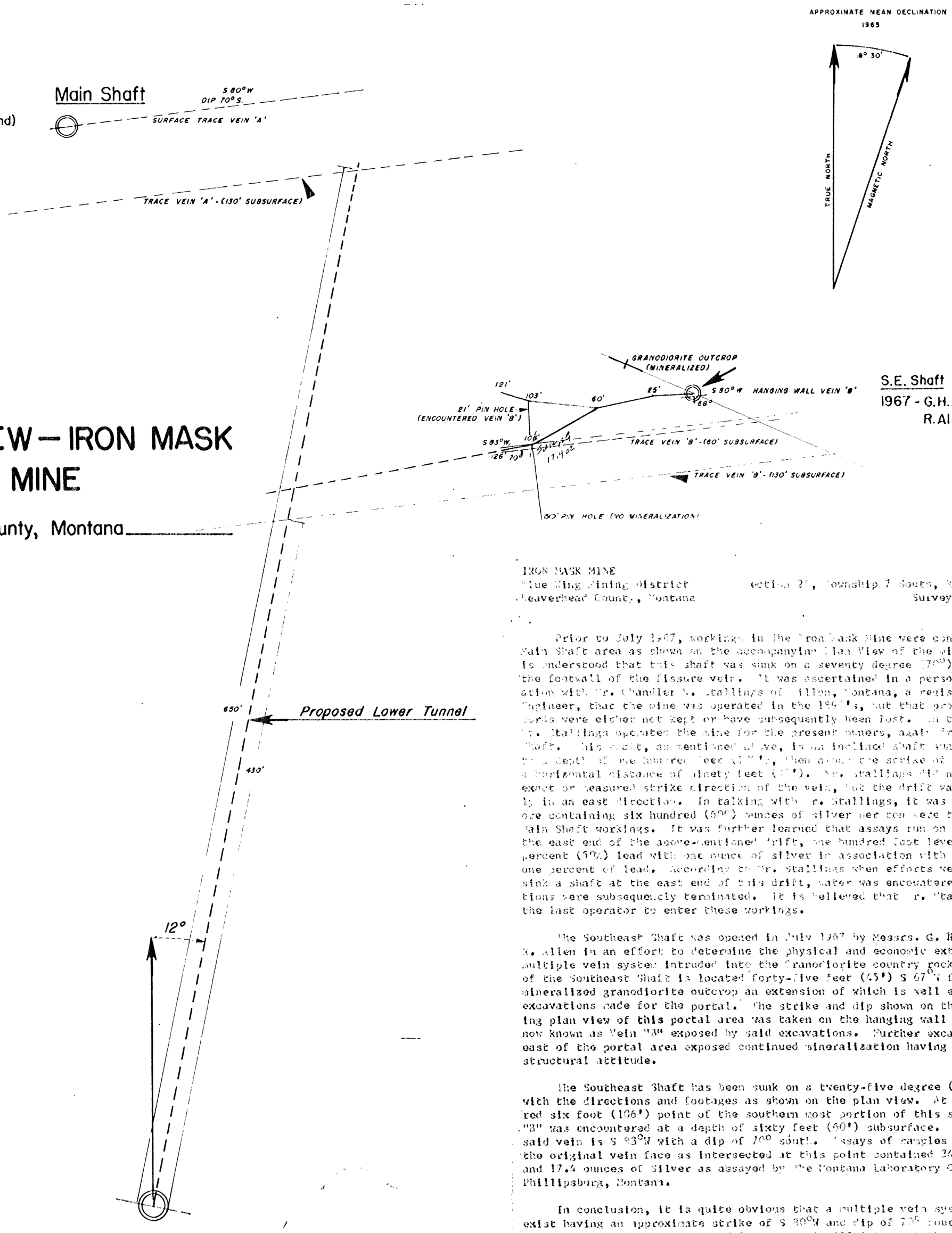
Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region II

PLAN VIEW — IRON MASK MINE

Beaverhead County, Montana



IRON MASK MINE
Blue Wing Mining District — Section 2?, Township 7 South, Range 11 West
Beaverhead County, Montana — Survey Number 7383

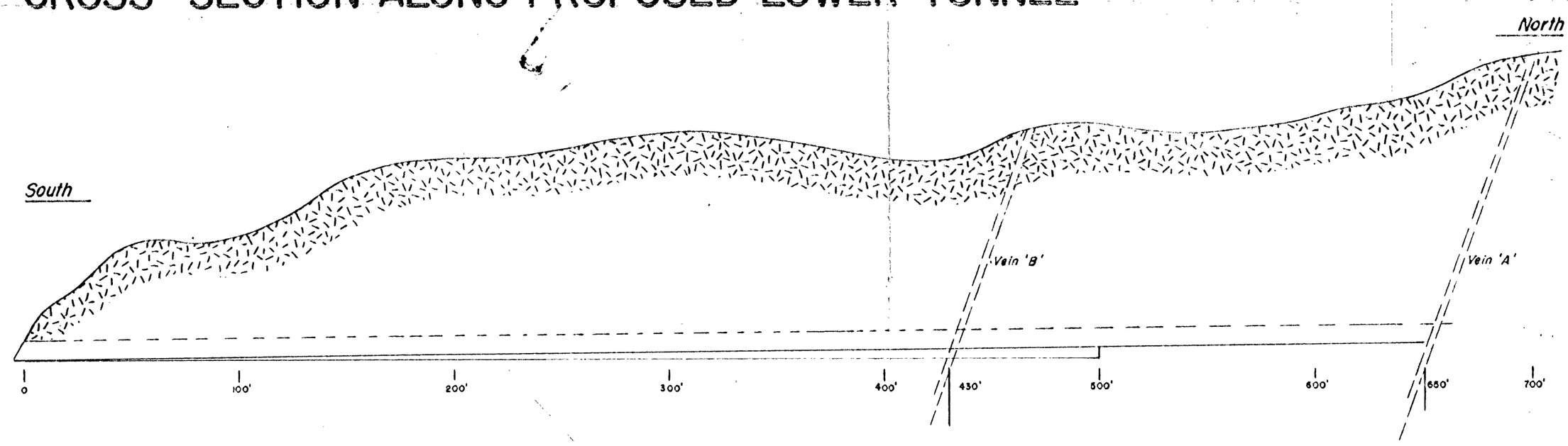
Prior to July 1967, workings in the Iron Mask Mine were confined to the Main Shaft area as shown on the accompanying Plan View of the mine area. It is understood that this shaft was sunk on a seventy degree (70°) angle down the footwall of the fissure vein. It was ascertained in a personal communication with Mr. Chandler W. Stallings of Dillon, Montana, a registered Mining Engineer, that the mine was operated in the 1890's, but that production reports were either not kept or have subsequently been lost. In the 1930's, Mr. Stallings operated the mine for the present owners, again from the Main Shaft. This shaft, as mentioned above, is an inclined shaft sunk on the vein to a depth of one hundred feet (100'), then along the strike of said vein for a horizontal distance of ninety feet (90'). Mr. Stallings did not recall the exact or measured strike direction of the vein, but the drift was approximately in an east direction. In talking with Mr. Stallings, it was learned that ore containing six hundred (600) ounces of silver per ton were taken from the Main Shaft workings. It was further learned that assays run on the vein at the east end of the above-mentioned drift, one hundred foot level, ran fifty percent (50%) lead with one ounce of silver in association with it for each one percent of lead. According to Mr. Stallings when efforts were made to sink a shaft at the east end of this drift, water was encountered and operations were subsequently terminated. It is believed that Mr. Stallings was the last operator to enter these workings.

The Southeast Shaft was opened in July 1967 by Messrs. G. H. Allison and R. Allen in an effort to determine the physical and economic extent of the multiple vein system intruded into the Granodiorite country rock. The portal of the Southeast Shaft is located forty-five feet (45') S 67° W from a heavily mineralized granodiorite outcrop an extension of which is well exposed in the excavations made for the portal. The strike and dip shown on the accompanying plan view of this portal area was taken on the hanging wall of what is now known as Vein "B" exposed by said excavations. Further excavation to the east of the portal area exposed continued mineralization having a similar structural attitude.

The Southeast Shaft has been sunk on a twenty-five degree (25°) incline with the directions and footages as shown on the plan view. At the one-hundred six foot (106') point of the southern most portion of this shaft, Vein "B" was encountered at a depth of sixty feet (60') subsurface. The strike of said vein is S 83°W with a dip of 70° south. Assays of samples taken from the original vein face as intersected at this point contained 34.95 % Lead and 17.4 ounces of Silver as assayed by The Montana Laboratory Company at Phillipsburg, Montana.

In conclusion, it is quite obvious that a multiple vein system does exist having an approximate strike of S 80°W and dip of 70° south. It is further believed that the proposed lower tunnel will intersect these two veins as indicated, and quite probably others.

CROSS-SECTION ALONG PROPOSED LOWER TUNNEL



1" = 50'