DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 870

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Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

Loan

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	SUPPLY DIVISION	Date	AUG 14 1951
To:	Reports + Records	Date	Aug. 14, 1951
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CONTROLLED DOCUMENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 17 1951

Q.E.C.

Re: DMA 870
Frank L. Ross
Twentieth Century claim
Ophir district, Colorado
Straight loan, $250,000
Lead, zinc, copper

Memorandum

To: Reports and Records Unit
Administrative Management Division

From: Lead-Zinc Branch

Subject: Denial of loan

Project for $250,000 was originally denied as a straight loan because the applicant's claim of large base metal reserves at depth was based on analogy with other mines in the San Juan district rather than on any proof of ore. Workings high on the hill were in gold-silver ore, and were mined out at an early date. The proposal was to drive a 3,000 foot tunnel to intersect the veins at depth. Applicant, in a letter of May 15, argues that the DMA is in error in questioning the occurrence of commercial bodies of base metals below the precious metal croppings. His argument is summarized in the following sentence: "Nature reliable, as a tree, leaves above, etc., means roots, carrots, onions or other vegetables below ground, so gold tops in the mines should prove sulfide ores below."

He requests that if DMA will not allocate the full 100 percent for his venture, that it consider a 75%-25% basis; and if this isn't acceptable, then a 50%-50% basis. Thus, he is in effect applying for an exploration loan, although no indication is given as to how he will match funds other than to say that he will try to raise the money through interesting some people that he knows.

The following facts are pertinent to consideration as an exploration proposal:

Applicant owns the Twentieth Century claim which extends from drainage level at Ophir to a considerable height on Silver Hill. The next adjacent claim on the mountain, along the line of the proposed deep tunnel, he does not own (original application requested funds to purchase it), but he has a part interest in the next claim, The Single Standard. The last two claims, extending to the top of the hill, he proposes to purchase, again with funds borrowed from the Government.

The line of claims supposedly extends along a vein which applicant labels as the Single Standard vein. There are surface workings on most of these claims, as shown on a diagrammatic cross section along the

line of the tunnel. They are described as gold-silver workings. The ore taken out is reported to have come at the intersection of the Silver Standard vein with cross veins, and it evidently occurred in isolated pipes. The cross-section sketch is on uncertain scale, but the proposed deep level tunnel along the Single Standard vein appears to be 500-600 feet below the lowest of the surface workings. Applicant's letter of May 15 at one place suggests the interval is 400 feet, but this is not definite.

A report on the Ophir district by J. S. Vhay will shortly be published by the Geological Survey. Mr. Vhay has reviewed this docket and questions the existence of the Single Standard vein, although he corroborates the occurrence of some of the ore pipes on veins with a cross trend. He points out that driving a long drift along the line of the proposed tunnel would be at best a long shot gamble on the chance of picking up values at depth in some of the veins in the two recognized systems that would trend across the line of this tunnel. He concludes, however, that the proposition is a poor one, and too long a gamble to be worthy of Government participation.

It is recommended that the denial of the application for a direct loan be reaffirmed, and that the proposal for an exploration loan also be denied, and that the attached letter be sent to the applicant.

Returned herewith are a copy of original application on NSRB form 146; originals and copies of applicant's 2 letters dated May 15, 1951; carbon copy of the historical outline of the "Fross mine"; letter of July 16, 1951 from E. T. McKnight to J. S. Vhay; and Vhay's reply of August 3.

T. P. Billings by R.E.J.
T. P. Billings, Chief
Lead-Zinc Branch

Approved: Tom Lyon
Director, Supply Division

FILE COPY
SURNAME:
350

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 17 1951

McKnight
O'Leary
(Expires)
Johnson

Re: DMA 870
Frank L. Ross
Twentieth Century claim
Ophir district, Colorado
Straight loan, $250,000
Lead, zinc, copper

Memorandum

To: Reports and Records Unit
Administrative Management Division

From: Lead-Zinc Branch

Subject: Denial of loan

Project for $250,000 was originally denied as a straight loan because the applicant's claim of large base metal reserves at depth was based on analogy with other mines in the San Juan district rather than on any proof of ore. Workings high on the hill were in gold-silver ore, and were mined out at an early date. The proposal was to drive a 3,000 foot tunnel to intersect the veins at depth. Applicant, in a letter of May 15, argues that the DMA is in error in questioning the occurrence of commercial bodies of base metals below the precious metal croppings. His argument is summarized in the following sentence: "Nature reliable, as a tree, leaves above, etc., means roots, carrots, onions or other vegetables below ground, so gold tops in the mines should prove sulfide ores below."

He requests that if DMA will not allocate the full 100 percent for his venture, that it consider a 75%-25% basis; and if this isn't acceptable, then a 50%-50% basis. Thus, he is in effect applying for an exploration loan, al though no indication is given as to how he will match funds other than to say that he will try to raise the money through interesting some people that he knows.

The following facts are pertinent to consideration as an exploration proposal:

Applicant owns the Twentieth Century claim which extends from drainage level at Ophir to a considerable height on Silver Hill. The next adjacent claim on the mountain, along the line of the proposed deep tunnel, he does not own (original application requested funds to purchase it), but he has a part interest in the next claim, The Single Standard. The last two claims, extending to the top of the hill, he proposes to purchase, again with funds borrowed from the Government.

The line of claims supposedly extends along a vein which applicant labels as the Single Standard vein. There are surface workings on most of these claims, as shown on a diagrammatic cross section along the

line of the tunnel. They are described as gold-silver workings. The ore taken out is reported to have come at the intersection of the Silver Standard vein with cross veins, and it evidently occurred in isolated pipes. The cross-section sketch is on uncertain scale, but the proposed deep level tunnel along the Single Standard vein appears to be 500-600 feet below the lowest of the surface workings. Applicant's letter of May 15 at one place suggests the interval is 400 feet, but this is not definite.

A report on the Ophir district by J. S. Vhay will shortly be published by the Geological Survey. Mr. Vhay has reviewed this docket and questions the existence of the Single Standard vein, although he corroborates the occurrence of some of the ore pipes on veins with a cross trend. He points out that driving a long drift along the line of the proposed tunnellwould be at best a long shot gamble on the chance of picking up values at depth in some of the veins in the two recognized systems that would trend across the line of this tunnel. He concludes, however, that the proposition is a poor one, and too long a gamble to be worthy of Government participation.

It is recommended that the denial of the application for a direct loan be reaffirmed, and that the proposal for an exploration loan also be denied, and that the attached letter be sent to the applicant.

Returned herewith are a copy of original application on MSRB form 146; originals and copies of applicant's 2 letters dated May 15, 1951; carbon copy of the historical outline of the "Fross mine"; letter of July 16, 1951 from E. T. McKnight to J. S. Vhay; and Vhay's reply of August 3.

Gunnard Johnson B J 8/17

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Tom Lyon

Director, Supply Division

ETMcKnight:jr
G: 8/13/51

cc: Files
J. H. East, Jr. (2)
E. T. McKnight
Chief, Lead-Zinc Br.
R. H. Mote
D r. Reading, Rm. 4212, GSA
Br. Reading, Rm. 4212, GSA

AUG 17 1951

Re: DMA 070
Frank M. Ross
Twentieth Century claim
Ophir district, Colorado
Straight loan, $250,000
Lead, zinc, copper

Memorandum

To: Reports and Records Unit
Administrative Management Division

From: Lead-Zinc Branch

Subject: Denial of loan

Project for $250,000 was originally denied as a straight loan because the applicant's claim of large base metal reserves at depth was based on analogy with other mines in the San Juan district rather than on any proof of ore. Workings high on the hill were in gold-silver ore, and were mined out at an early date. The proposal was to drive a 3,000 foot tunnel to intersect the veins at depth. Applicant, in a letter of May 15, argues that the DMA is in error in questioning the occurrence of commercial bodies of base metals below the precious metal croppings. His argument is summarized in the following sentence: "Nature reliable, as a tree, leaves above, etc., means roots, carrots, onions or other vegetables below ground, so gold tops in the mines should prove sulfide ores below."

He requests that if DMA will not finance to the full 100 percent for his ventures, that it consider a 75-25% basis; and if this isn't acceptable, then a 50-50% basis. Thus, he is in effect applying for an exploration loan, although no indication is given as to how he will match funds other than to say that he will try to raise the money through interesting some people that he knows.

The following facts are pertinent to consideration as an exploration proposal:

Applicant owns the Twentieth Century claim which extends from drainage level at Ophir to a considerable height on Silver Hill. The next adjacent claim on the mountain, along the line of the proposed deep tunnel, he does not own (original application requested funds to purchase it), but he has a part interest in the next claim, the Single Standard. The last two claims, extending to the top of the hill, he proposes to purchase, again with funds borrowed from the Government.

The line of claims supposedly extends along a vein which applicant labels on the Single Standard veins. There are surface workings on most of these claims, as shown on a diagrammatic cross section along the

line of the tunnel. They are described as gold-silver workings. The ore taken out is reported to have come at the intersection of the Silver Standard vein with cross veins, and it evidently occurred in isolated pipes. The cross-section sketch is on uncertain scale, but the proposed deep level tunnel along the Single Standard vein appears to be 500-600 feet below the lowest of the surface workings. Applicant's letter of May 15 at one place suggests the interval is 400 feet, but this is not definite.

A report on the Phir district by J. B. Whay will shortly be published by the Geological Survey. Mr. Whay has reviewed this docket and questions the existence of the Single Standard vein, although he corroborates the occurrence of some of the ore pipes on veins with a cross trend. He points out that driving a long drift along the line of the proposed tunnelwould be at best a long shot gamble on the chance of picking up veins at depth in some of the veins in the two recognized systems that would trend across the line of this tunnel. He concludes, however, that the proposition is a poor one, and too long a gamble to be worthy of Government participation.

It is recommended that the denial of the application for a direct loan be reaffirmed, and that the proposal for an exploration loan also be denied, and that the attached letter be sent to the applicant.

Returned herewith are a copy of original application on BMRS form 1165; originals and copies of applicant's letters dated May 15, 1951; carbon copy of the historical outline of the "Cross mine"; letter of July 16, 1951 from L. T. McNight to J. B. Whay; and Whay's reply of August 5.

Gunnard Johnson

A. J. Billings, Chief
Geologic Branch

Approved:

Tom Lyon Tom Lyon
Director, Supply Division

LTMcNight:jr
G: 8/13/51

cc: Files
J. H. Best, Jr. (2)
L. T. McNight
Chief, Lead-Zinc Br.
R. C. Kate
Mr. Heading, Rm. 1212, GSA
Mr. Heading, Rm. 1212, GSA

Re: DMA 870
Frank L. Rose
Twentieth Century claim
Ophir district, Colorado
Straight loan, $250,000
Lead, zinc, copper

Memorandum

To: Reports and Records Unit
Administrative Management Division

From: Lead-Zinc Branch

Subject: Denial of loan

Project for $250,000 was originally denied as a straight loan because the applicant's claim of large base metal reserves at depth was based on analogy with other mines in the San Juan district rather than on any proof of ore. Workings high on the hill were in gold-silver ore, and were mined out at an early date. The proposal was to drive a 3,000 feet tunnel to intersect the veins at depth. Applicant, in a letter of May 15, argues that the DMA is in error in questioning the occurrence of commercial bodies of base metals below the precious metal croppings. His argument is summarized in the following sentence: "Nature reliable, as a tree, leaves above, etc., means roots, carrots, onions or other vegetables below ground, so gold tops in the mines should prove sulfide ores below."

He requests that if DMA will not allocate the full 100 percent for his venture, that it consider a 75%-25% basis; and if this isn't acceptable, then a 50%-50% basis. Thus, he is in effect applying for an exploration loan, although no indication is given as to how he will match funds other than to say that he will try to raise the money through interesting some people that he knows.

The following facts are pertinent to consideration as an exploration proposal:

Applicant owns the Twentieth Century claim which extends from drainage level at Ophir to a considerable height on Silver Hill. The next adjacent claim on the mountain, along the line of the proposed deep tunnel, he does not own (original application requested funds to purchase it), but he has a part interest in the next claim, The Single Standard. The last two claims, extending to the top of the hill, he proposes to purchase, again with funds borrowed from the Government.

The line of claims supposedly extends along a vein which applicant labels as the Single Standard vein. There are surface workings on most of these claims, as shown on a diagrammatic cross section along the

line of the tunnel. They are described as gold-silver workings. The ore taken out is reported to have come at the intersection of the Silver Standard vein with cross veins, and it evidently occurred in isolated pipes. The cross-section sketch is on uncertain scale, but the proposed deep level tunnel along the single Standard vein appears to be 500-600 feet below the lowest of the surface workings. Applicant's letter of May 15 at one place suggests the interval is 400 feet, but this is not definite.

A report on the Ophir district by J. B. Shaw will shortly be published by the Geological Survey. Mr. Shaw has reviewed this decret and questions the existence of the Single Standard vein, although he corroborates the occurrence of some of the ore pipes on veins with a cross trend. He points out that driving a long drift along the line of the proposed tunnel would be a long shot gamble on the chance of picking up veins at depth in some of the veins in the two recognized systems that would trend across the line of this tunnel. He concludes, however, that the proposition is a poor one, and too long a gamble to be worthy of Government participation.

It is recommended that the denial of the application for a direct loan be reaffirmed, and that the proposal for an exploration loan also be denied, and that the attached letter be sent to the applicant.

Returned herewith are a copy of original application on dead form 1162; originals and copies of applicant's 2 letters dated May 15, 1951; carbon copy of the historical outline of the "Rose mine" letter of July 16, 1951 from J. T. McNight to J. B. Shaw; and Shaw's reply of August 3.

Gunnard Johnson

[illegible] Billings, Chief
Lead-Zinc Branch

Approved:
Tom Lyon

Director, Supply Division

Attachments
Dr. 8/13/51

cc: Files
J. W. Trout, Dr. (2)
J. T. McNight
Chief, Lead-Zinc Br.
R. T. Moore
Dr. Reading, Ore. 1213, [illegible]
Dr. Reading, Ore. 1212, [illegible]

350 FILE COPY
SURNAME:

McKnight
O'Leary
Gregmore
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 17 1951

Re: DMA-870

a. E. C.

Mr. Frank Ross
3516 St. Paul Street
Denver, Colorado

Dear Mr. Ross:

In reference to your letter of May 15 in which you ask us to reconsider your request for a loan of $250,000 to open up the Twentieth Century mine in the Ophir district of San Miguel County:

In a new review of your application, we have been able to consult a geological report on the Ophir district that is being prepared for publication by the Geological Survey, and in addition we have sought the advice of the geologist who is familiar with the district. From the information available to us, we must conclude that the chances of finding significant tonnages of lead, zinc and copper ore by the exploration and development work that you propose are not promising enough to justify an expenditure of public funds, whether on a full or 50 percent participating basis. I regret, therefore, that we must reaffirm the original decision to deny your application.

Your interest in the problem of increasing domestic supply of strategic minerals is appreciated.

Very truly yours,

B J 8/17

Tom Lyon

Tom Lyon, Director
Supply Division

ETMcKnight:jr
G: 8/13/51

cc: Files
J. H. East, Jr. (2)
Chief, Lead-Zinc Br.
E. T. McKnight
R. H. Mote
Reports and Records
Dir. Reading, Rm. 4212, GSA
Br. Reading, Rm. 4212, GSA

AUG 17 1951

Re: DPA-670

Mr. Frank Hess
3516 St. Paul Street
Denver, Colorado

Dear Mr. Hess:

In reference to your letter of May 15 in which you ask us to reconsider your request for a loan of $250,000 to open up the Twentieth Century mine in the Ophir district of San Miguel County:

In a new review of your application, we have been able to consult a geological report on the Ophir district that is being prepared for publication by the Geological Survey, and in addition we have sought the advice of the geologist who is familiar with the district. From the information available to us, we must conclude that the chances of finding significant tonnages of lead, zinc and copper ore by the exploration and development work that you propose are not promising enough to justify an expenditure of public funds, whether on a full or 50 percent participating basis. I regret, therefore, that we must reaffirm the original decision to deny your application.

Your interest in the problem of increasing domestic supply of strategic minerals is appreciated.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

RTMcknight:jr
G: 8/13/51

cc: Files
J. H. East, Jr. (2)
Chief, Lead-Zinc Br.
R. T. McKnight
K. H. Hots
Reports and Records
Mr. Reading, Rm. 4212, GSA
Mr. Reading, Rm. 4212, GSA

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

August 3, 1951

Mr. E. T. McKnight
U. S. Geological Survey
Washington 25, D. C.

Dear Mac:

With regard to Frank Ross' application for exploration of the Twentieth Century mine, I must agree with Wilbur that "the proposition is a poor one." I do not have that mine on my map, and moreover I strongly doubt if there is any vein zone trending up NNW in the direction of the claims (Mon BiJou, El Mundo, Single Standard, Little Eva, and Twentieth Century) which he has colored in. It is true that the Osceola, Gertrude (on Boot Jack Claim) and Little Eva Mines worked on northeast-trending veins, the Geneva claim lines up with a NNE trending zone, and the Arlington claim lies along some of the WNW trending veins between the Alta and Palmgra zones.

It might be a very long shot gamble to drive a long drift NNW on the chance of picking up values at depth in some of the NE and WNW trending zones, but I think the best bet along this line would be to extend the Badger tunnel, if an outfit could tie up all the ground between the Badger tunnel and the St. Louis-Palmgra zone, which would probably be an almost impossible task.

In summary then, I think that the proposed work from the Twentieth Century claim is much too long a gamble for the Government to fool around with, even on a 50-50 basis. Sorry, because I'd like to see a deep tunnel driven northwards from the Ophir Valley sometime.

Yours sincerely,

Jack

John S. Vhay

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 16, 1951

Airmail

Mr. J. S. Vhay
Geological Survey
South 157 Howard Street
Spokane 8, Washington

Dear Jack:

We have an application from an old timer in Denver named Frank Ross, requesting a loan of $250,000 to mine ore from the Twentieth Century Mine in the Ophir District, Colorado. There are no proven reserves and, hence, the application for a direct loan was denied.

Mr. Ross has come back with a protest on the denial (see his letter of May 15) by stating that if we will not give him a direct loan, he will go along on a 50-50 loan. His application and letters are very impractical and rambling and I think have no merit or practicability. However, the proposition of 50-50 participation on an exploration loan has been proposed by the applicant, so we have to consider his application on that basis.

Wilbur Burbank thinks the proposition is a poor one, but he suggested that I send the application to you for a quick review inasmuch as you know the property better than anyone. His (Ross') application for $250,000 is, of course, unappropriate under the exploration program, but in reconsidering his application we would be obliged to point out that an exploration application for considerably less than his original application could be considered, if the property has merit. If the property holds no promise of a worth-while lead-zinc discovery because of narrowness of the veins or low grade, then we could deny the application as an exploration proposal which would dispose of it for good.

Will you please give me your slant on these properties owned by Ross as an exploration proposition. Note that he does not yet have some of the properties on which he is requesting exploration funds, but it seems probable he could get a lease on them; if they have any merit we should consider their exploration possibilities.

Very truly yours,

Mac

Edwin T. McKnight
Geologist

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

June 15, 1951

Mr. Frank L. Ross
3516 St. Paul Street
Denver 5, Colorado

Subject: DMA-870X
Re: Exploration Loan
Twentieth Century and
Single Standard

My dear Mr. Ross:

Receipt is acknowledged of your application and attachments of May 15, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-870X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on May 28, 1951.

In any future correspondence relating to your application, kindly refer to DMA-870X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
Files
Herres
Lyon

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Memorandum L. F. Strobel May 7, 1951

To: Executive Secretary, D.M.A.

From: Lead-Zinc Branch, D. M. A.

Subject: Denial of exploration loan
Frank L. Ross
Twentieth Century Mine
Ophir District
San Miguel County, Colorado

Re: Docket DMA-870

Commodity: Lead-zinc

The application submitted by Frank L. Ross has been reviewed by the Lead-Zinc Branch. The review reveals the following pertinent facts:

The original proposal was for a loan og $250,000, to be used for driving a lower tunnel 3,000 feet to develop and open for production lead, zinc, and copper ores below mined out gold-silver stopes. Acquisition of additional properties and construction of a mill.

Data on this area indicated that the known ore reserves were inadequate to support the proposed program. The project was classified as "exploration" by the reviewers. A letter was sent to the applicant inquiring if he would participate in the matching fund exploration program. His reply indicates that he is unable to provide his share of funds and submits Forms MF-103, MF-200, requesting 100% as the Government's share.

The covering letter reaffirms the applicant's belief that the proven ore reserves are sufficient to amortize the proposed loan.

The Lead-Zinc Branch recommends that the application be denied for a direct mining loan. The applicant has failed to substantiate that enough proven ore is present to support such a loan. The applicant's interpretation of "proven ore" is not one accepted by geologists and mining engineers. "Proven ore" is not based on analogy with ore in other mines as is done by the applicant. The available data in the Government files and a familiarity with the district by U. S. Geological Survey geologists indicates that the applicant's claims for ore ore not based on conclusive evidence.

The reserves for this particular mine should be in the "inferred ore" category.

It is further recommended that since the applicant is unable to provide his share of funds for an exploration project that the application made for this purpose also be denied.

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

ALBrokaw:emp
G 5/7/51

Copies to: J. H. East, Jr., Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
T.Lyon
Files

Tom Lyon

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

ALBrokaw
McMurray
Mott
Herres

May 7, 1951

Mr. Frank L. Ross
3516 St. Paul Street
Denver, Colorado

Re: Docket DMA-870

Dear Mr. Ross:

Your application for a loan of $250,000 for a mining operation at the Twentieth Century mine has been reviewed by the Defense Minerals Administration. The review also covered the documents submitted by you on April 24, 1951.

The documents supporting your application do not substantiate that there are proven ore reserves adequate to amortize the loan you request. The reserves of "proven ore" as described in your application would come under the accepted definition for "inferred ore". In order for a property to qualify for a direct mining loan it is necessary that the quantity of known reserves be sufficient to assure the recovery of the investment. Under these circumstances we do not feel it would be a justifiable expenditure of public funds to allocate money for the type of project you propose.

In your letter of April 24 you have indicated that you are unable to provide fifty per cent of the funds for an exploration program, therefore we cannot consider your application further since by the rules of the program it is mandatory that the applicant match funds with the Government on an equal basis.

We wish to thank you for bringing this property to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

ALBrokaw:emp
G 5/7/51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
T. Lyon
Files

a.E.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

May 7, 1951

Memorandum

To: Executive Secretary, D.M.A.

From: Lead-Zinc Branch, D. M. A.

Subject: Denial of exploration loan
Frank L. Ross
Twentieth Century Mine
Ophir District
San Miguel County, Colorado

Re: Docket DMA-870

Commodity: Lead-zinc

The application submitted by Frank L. Ross has been reviewed by the Lead-Zinc Branch. The review reveals the following pertinent facts:

The original proposal was for a loan of $250,000, to be used for driving a lower tunnel 3,000 feet to develop and open for production lead, zinc, and copper ores below mined out gold-silver stopes; acquisition of additional properties and construction of a mill.

Data on this area indicated that the known ore reserves were inadequate to support the proposed program. The project was classified as "exploration" by the reviewers. A letter was sent to the applicant inquiring if he would participate in the matching fund exploration program. His reply indicates that he is unable to provide his share of funds and submits Forms MF-103, MF-200, requesting 100% as the Government's share.

The covering letter reaffirms the applicant's belief that the proven ore reserves are sufficient to amortize the proposed loan.

The Lead-Zinc Branch recommends that the application be denied for a direct mining loan. The applicant has failed to substantiate that enough proven ore is present to support such a loan. The applicant's interpretation of "proven ore" is not one accepted by geologists and mining engineers. "Proven ore" is not based on analogy with ore in other mines as is done by the applicant. The available data in the Government files and a familiarity with the district by U. S. Geological Survey geologists indicates that the applicant's claims for ore are not based on conclusive evidence.

The reserves for this particular mine should be in the "inferred ore" category.

It is further recommended that since the applicant is unable to provide his share of funds for an exploration project that the application made for this purpose also be denied.

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

Approved:

Tom Lyon

Tom Lyon, Director, Supply Division

dma 870

May 15th, 1951.

Re: Docket DMA -870.

U. S. Department of the Interior,
Defense Minerals Administration,
Washington, 25, D. C.
Attention: Mr. Tom Lyon, Director, Supply Div.

COPY

Gentlemen:

Yours of May 7th, saying I have not made sufficient showing of "proven ore" to justify loan on 100% basis, &c., received, and as I feel an error has been made, I therefore desire

1st; To ask re-consideration, and permission to make addition showing; Or

2nd; A loan upon the 75%-25% basis, recently explained by your circulars and the news-paper articles, where owner may be permitted to apply labor, equipment rental or cost, supplies, &c., as part of his 25%; Or

3rd; Loan upon the 50%-50% basis, if I cannot get one of foregoing; Or

4th; Financial aid upon such terms and basis as you may feel proper.

The metals are in Silver Mountain; they are needed for the war effort; we should all do whatever necessary and proper to open them up for use, and it is up to me, as well as for those in governmental service, to do whatever is proper.

Trusting a reconsideration will give me the 100% loan; yet will try to get results upon whatever basis you may finally determine as proper.

In attached letters, and Maps, am presenting more in detail. Advise me if there is further data or information I can present.

Very truly,

Frank L Ross
3516 St Paul St
Denver. Colo

May 15th, 1951.

Re: Dicket DMA - 870.

U. S. DEPARTMENT OF THE INTERIOR,
Defense Minerals Administration,
Washington, 25, D. C.

Attention: Mr. Tom Lyon, Director, Supply Division.

Gentlemen:

I strongly feel that in drawing the distinction as between "proven ore" and "inferred ore" you are making an error of being too stringent or technical, but of course as you have the say-so, will have to accept the situation. But feel entitled to a further re-consideration of the matter, so enclosing another outline map outlining the ore bodies as they deepen, showing there are five ore-chutes ahead, each of which should contain lead-zinc-copper ore at the depth of the tunnel.

In the San Juan District, this should almost be considered as proven for an outline of practically every mine in that district looks on the map as the same outline of these--differences in size, and sometime in richness being the only differences. The Pennsylvania Tunnel made the Smuggler-Union Mine under the Sheridan, Mendota, and other old-time gold ore producers. At Silverton, the Chase Tunnel made the Shenandoah-Dives under the old-time North Star of King Solomon and old time Dives. The U. S. provided funds for the Idarado (Sunshine People) to run that tunnel over a mile to get under the out-croppins on the mountain top. The Gold King; the Sunny-Side, the Carbonero; the Alta and all the rest proved this changing to sulphide ores with depth.

While we cannot see, yet Nature works in such a way that the Government loans to the farmers when seed in planted--sure that nature will mature the grain; and in all other lines accepts as a proven principle what Nature does at one place will be done at another where conditions similar. There should be no question but that there are sulphide ores in these ore chutes--at the Twentieth Century our assay on sample taken from the bottom of upper workings show 10.40% lead and 27.50% lead. We have that under us in upper levels, surely we are justified in feeling about 400 feet deeper there will be lead. Same condition exists on each of the other mines along the line of the tunnel--they all had high-grade shipping ore in upper levels, which changed to sulphide with depth. With gold and silver paid for by the ounce, they could

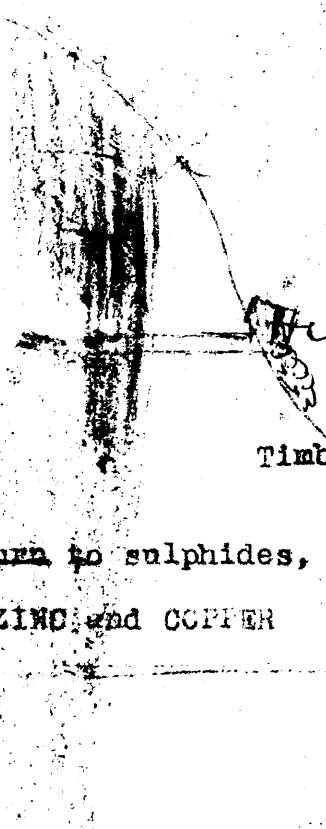
OUTLINE of a SAN JUAN (COLO)

ORE CHUTE, as generally

Found, when opened.

Top (11,500 foot elevation or above) practically always high-grade ores, gold and silver values mostly.

Vary in size, width and richness, but character ore same.



High Grade Ore
Ship Grade

Timberline (about 11,900 foot elevation)

Ores turn to sulphides,

LEAD, ZINC and COPPER

Mill Grade

Examples:
Sunnyside,
Gold King,
Gold Prince,
North Star,
Silver Lake,
and others at Silverton;
Camp Bird,
Revenue, and others Ouray
~~at Silverton~~;
Sheridan, Mendota and Union
(Now Smuggler-Union)
Tom Boy, and other near Telluride;
Carbonero, Alta,
and other near Ophir.

Where we have five proven tops--each sufficient size to produce shipping ores of value, it would seem that there is sufficient proof that

1, Ore Chutes will remain about same size, and
2, That lead, zinc and copper sulphide ores can be assured.

Nature reliable, as a tree, leaves above, &c., means roots, carrots, onions or other vegetables below ground, so gold ters in the mines should prove sulphide ores below.

COPY

operate and ship crude ores, but with lead-zinc and copper, where payments based on "units" 20 lbs., conditions are different. Under the other two clauses, they sunk into the lead, zinc and copper zone, so all are "proven" from the top at least. With other experience in the business I feel we should consider them "proven" as much as anything can be proven. The Carbonero nearby proved the veins carried their zinc and mineralization went down with depth, and so did the Alta and many, many other mines operations on the District.

Risk, of course there is some risk--in Korea and at the front they take risks, so we have to take some risks to back them up with metals. A large bomber represents a risk of over $200,000 every time it goes forth, as well as risk to personnel. They cannot win "over there" unless we risk something over here, and it is up to you fellows there in Washington to decide when and where to take some risk.

I do not ask you to be reckless, but I do ask you to take this risk with me, for after all, you have an obligation and duty to do your part, and you cannot do it by being overly conservative--fear in Washington is just as out of place as fear in Korea. Also, with me, I do not want to take too much risk - I would not take this risk if I thought it was a reckless one, for after all I am pretty well experienced along this line, I have done a lot of mining - I have walked off of and left more mines than most people ever see - I think I know what a mine is--what it requires to produce ore, so when I say this is what I think that place where you can produce more metals at lower costs than anywhere I know of in Colorado, I am talking with considerable experience behind me, altho I might be wrong. But the fellow on the front line also has to make decisions and say when to shoot, and when to take to cover, so when I say I will take the risks and be responsible for opening this mine, with expectation of producing metals needed, I have to say "let us go", and I feel you have to rely upon someone, so better rely upon someone who has had the experience and who ought to know at least. You have to--and will--make loans--it takes judgment and experience to decide to loan and for what - think you better rely some on fellows like myself who ought to know. When I say there is metal for you in Silver Mountain--believe you better rely more on such fellows like I am may say than what some others may present in more fancy dress, with clear write-ups and geological reports of experts. You want METAL - we old codgers know where the Metals are.

If you desire, send some of your men down there and look at it; in Washington there you have experts who have examined that

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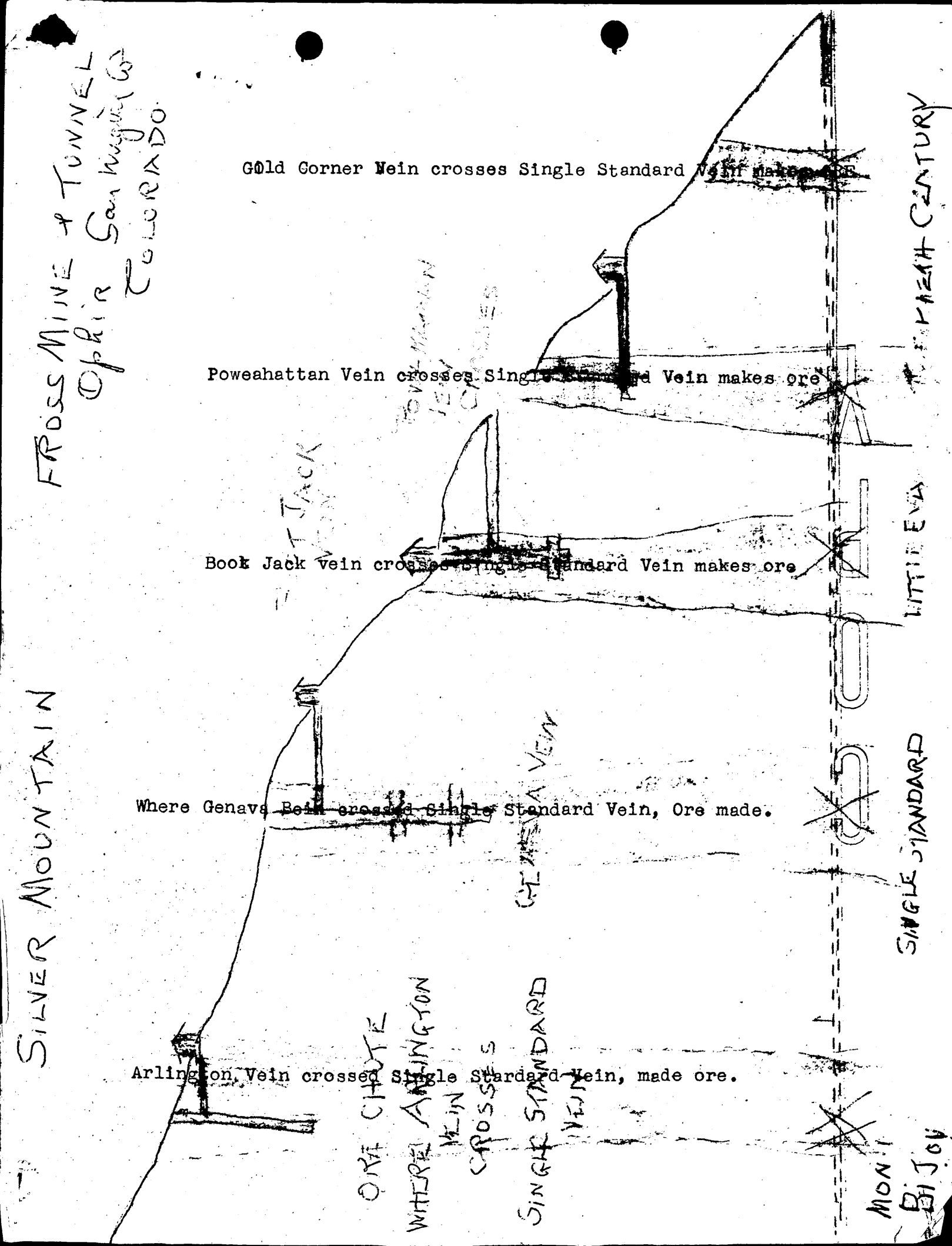

FROSS MINE & TUNNEL
OPHIR
SAN MIGUEL CO
COLORADO
SILVER MOUNTAIN
GOld Corner Vein crosses Single Standard Vein makes ore
Poweahattan Vein crosses Single Standard Vein makes ore
Book Jack vein crosses Single Standard Vein makes ore
Where Genava Vein crossed Single Standard Vein, Ore made.
Arlington Vein crossed Single Stardard Vein, made ore.
ORE CHUTE
WHERE ARLINGTON VEIN CROSSES SINGLE STANDARD VEIN
GENEVA VEIN
BOOK JACK
POWEAHATTAN
GOLD CORNER
TWENTIETH CENTURY
LITTLE EVA
SINGLE STANDARD
MONT BIJOU

section and written their reports. These reports we present to investors that they will aid us drive the Lower tunnels to get the ores below the upper outcroppings, &c., and we find these re reports are reliable, and it seems the Government itself should accept these reports, and aid in doing the work at times when the needs are great but private investors unable to do ahead.

For instance, if you, yourself, or Mr. Burbank, or any other Washington or Governmental Expert, could say that these ores did not go down and that I am mistaken in my opinion that they do--then I might be satisfied to let matters go and the ores to remains as they are until after the war is over. May be I am the one in the wrong when I think these ores ought to be opened up now and the metals made available now. In a way, you have to decide that. It is your duty and responsibility to get the metals--Congress has proved the funds--if you can get them elsewhere cheaper--if you are satisfied that you have done your duty with the same risk that the fellow on the front rank has when he says "let's go" -- I have to be content. All I can do is to tell you where the metals are and be willing to do my part. I know Colorado - I know the mines in Colorado - some are good - but I do not know of any better place to get the metals at less cost than here. I am willing to risk my credit and reputation to back up these statements, but of course that means a risk for you - you might be backing a loser -but you cannot win in this world without taking some risk, unless you are willing to be just one of the ordinary fellows, content to eat, live and die reading the "fine print" before you cross the street. There are a lot of people in the world; lots of boys in the army; lots there in Washington; but only a few are known. They hang no wreaths of laurel, and pin no medals on those who are too careful to take some risks.

Excuse me--guess have written too much--but would like to take responsibility of opening this metal, if I can get the aid needed, to do it quickly as I could if I can get the 100% loan.

But if I cannot get the 100% loan--then I believe I can do it with a 75-25% loan, by getting some help, putting in a small and cheaper machinery installation, and using more hand-work, &c., so make that kind of a loan, so I can get the metals to market. A little slower but I can make it.

Or I will try with a 50-50% loan, as I will try to interest some people I know, who may aid. Also, expect some royalties this season, later, that I could use to help. Will be slower.

Or any plan you may think best, will see what I can do.

Veru truly, Frank Ross

COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1951
LANDON F. STROBEL
Executive Secretary

This is an Application for a LOAN or LINE OF CREDIT of $250,000.00, to be provided as needed (altho $50,000.00 may be sufficient if first ore bodies opened are sufficient to carry from then on):

1st;	For installing electric power, compressor, blacksmith shop, drills, equipment and build ings at portal of tunnel,	$25,000.00
2nd;	For driving tunnel 1,000 feet, thru Twentieth Century Claim, with up-raises, cutting out stoping and preparing the first couple ore bodies for production,	25,000.00
3rd;	For acquisition of additional properties, the Little Eva, Boot Jack and additional properties desired along line of tunnel, (options, or leases have been offered on reasonable basis by the heirs and others who hold the present titles)	35,000.00
4th;	For driving tunnel 2,000 feet thru Little Eva and Single Standard, with up-raises and cuttingout stopes for the ore bodies, as opened,	40,000.00
5th,	For acquisition of additional properties, the El Muno and Mon Bijou if desired,	25,000.00
6th;	For construction of a 200 ton Mill and Concentrating Plant when tonnage opened justifies,	100,000.00
	Total requested (as and if needed) (It is possible much ;ess may be required but asking full amount that might be needed to complete the work outlined.)	$ 250,000.00

Respectfully submitted,

Frank L Ross

Applicant,

P. O. Address:
3516 St. Paul St., Denver, Colorado.

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. Dma - 870X

Date received 5/1/51

Frank L. Ross
3616 St. Paul Street,
5 Denver, Colorado.

Name and address of applicant

Date April 24, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (a) What are the chief mine, mill, or smelter products? Lead, Zinc and Copper;
   (b) What are the byproducts, if any? Silver and Gold.
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (a) Linear feet of shafts. Some underhand stoping in old upper works,
   (b) Linear feet of drifts and crosscuts. About 600 on Twentieth Century,
   (c) Linear feet of tunnels or adits. , others ,000 feet
   (d) Linear feet of other mine openings (explain briefly). Upper tunnel produced, lower tunnel
   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity. 60 Ft. Raise,
3. For each operation listed above supply the following:
   (a) Distance and direction from nearest town and shipping point. Half a mile
   (b) Mining district. Telluride-Ophir, San Juan District
   (c) Township, Section, Range.
   (d) County, State. San Miguel County, Colorado
4. (a) State whether or not property is now in operation, and if in operation, by whom operated. Idle now
   (b) Are you operating this property as:
   ☐ Owner. As owner Twentieth Century, except secure others needed
   ☐ Lessee. as lessee under contracts of purchase, most of the
   ☐ Contractor. purchase price to be paid from production.
5. Number of years in production Old time mines, off and on as Gold and silver mines
   If not in production or operation, estimated date when production will begin Can open and start producing Lead, zinc and copper in six months.
6. Experience of operators: 50 years, raised in that District.
   Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who manage the project. As a Boy worked in Telluride Mines; then became a lawyer;
7. History: moved to Silverton, practiced law and mined, operated smelter
   (a) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation. 1893 demonitization of silver, and later
   (b) State briefly the known history and production of adjoining and neighboring properties. Same depth of
   (c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

16—63792-1

See Governmental Reports on District.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

See attachment

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)	100,000		$15.00		$10.00

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. Good Reeshape

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Good

15. Power:

State amount of power used, rate per hour, and source thereof. As needed

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities: Same as available other operating mines

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By Frank Ross
(Signature of authorized official)

(Date)

Owners
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma-870 X

Date received 5/1/51

Participation

Frank L. Rose,
8610 St. Paul Street,
6, Denver, Colorado.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application March 21, 1951,

Estimated cost 210,000.00

Mineral or metal Gold, also Copper, some gold and silver, possibly some Rare Metal.

Percentage of Government participation 100%.

Location of mine Rose Spur, San Miguel Co., Colorado.

In San Juan District, SW Colorado.

Date of filing MF-100 March 21, 1951

DMA Docket Number, if available DMA 870

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Individual

*2. If a partnership, state names and addresses of partners.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.

*4. Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who will manage the project. Block in that Juan District, 30 years experience.

*5. Are you the owner or the lessee of the property? Owner, and expect secure adjoining.

6. If owner, state what claims, liens, or encumbrances, if any, are against the property None

7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement None now.

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5) None for the work, already in considerable.

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See original application and maps attached.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any. Prosa MINE (formerly Brewster's)

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. See map attached to application.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. Small stream State amount of power to be used, rate per hour or other cost, and source. Regular rates.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. Use to build new building and install machinery.

15. State in detail how the ore could be shipped and how and where milled. To local custom mill and by railroad to smelters.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations. See original application.

(*b*) State briefly the known history and production of adjoining and neighboring properties. All similar

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining	Formerly high grade gold; then gold and silver and later some gold, silver, lead smelter grade ores.			
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.) No recent operations.

(*a*) Describe the ore or mineral deposits briefly. See application.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves. Probably 100 to 200 tons per lead-zinc.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. Twentieth Century Mine.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Lead-zinc

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. 1000 foot tunnel

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. Regular San Juan

(*b*) Supervisors, by numbers and positions, with salaries of each. wage scale.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. 24,000.00

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. Included in the above 26,000.00

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above. Regular San Miguel rate

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. Will take about ninty days to install machinery, buildings, &c. (and then start tunnel work.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company) By (Signature of authorized official)

For further details see original application.

(Date) (Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

April 24, 1951.

DEFENSE MINERALS ADMINISTRATION,
U. S. Department of the Interior,
Washington, D. C.

Gentlemen: Re: DMA 870

Replying to yours of 14th inst., would like to but am unable to provide the 50%; feel this property is suffuciently proven so the word "exploratory" hardly applies, altho all mining enterprises to some extent by too strict an interpretation might be called exploratory. The Object of Congress, the Government and those executing the law was and should be to aid those who needed aid--if I or anyone had ores blocked out, &c., no aid needed.

In the San Juan District there are many--practically all the large mines--with practically the same history and conditions as my property, viz:

Gold in upper surface zone;
Gold and Silver lower in depth;
Zinc, Lead and Copper deeper.

To one side (southerly) the Carbonero proved this stratification; to the other (northerly) Mr. Silfley proved it; the Silk proved it, and prior production and operation proved we have the veins of width and size; they contained the gold, silver, and with depth the lead and copper--so we can be or should be assured that when we open them up deeper, we will find the same character, class and values of ores as the other did. If I had the tunnel run so I could block out the ores and show them, then would not need the aid. When we open several cans of tomatoes and find they contain tomatoes, it is practically certain the other cans will also contain tomatoes, and it is not exploratory when we open the remaining cans. Nature works pretty well to pattern and does things about the same, so when we find lead, zinc and copper under some 1 to 10 other gold topped ore chutes, which had same origin and geology, believe it certain we will find the same ores under the Twentieth Century, Boot Jack, Little Eva and Single Standard ore chutes. Each was worked down to depth where gold gave way to other metals, and lead, zinc and copper came in, the same as other properties in the District. As high grade gold mines they could be profitably operated alone, but they must be consolidated, developed and ores combined for milling and concentrating purposes.

The ores, values and metal contents are practically assured; while cannot be seen by naked eye as yet, still believe experience

almost permits me to say "proven", or you governmental officials can class as so near proven as to not limit it to exploratory alone as to fail to provide the 100% needed. I cannot secure the 50%--so unless I can get the 100% I see no way to get these metals to market for present emergency.

The work is not complicated; can be done quickly; cheaply; with as little money producing as much or more metal than anyplace elsewhere that I know of. $50,000 will open the 2 or 3 ore bodies on the TWENTIETH CENTURY--if there are not good we will not go further or spend more. If they are good, then we need the balance to make a really large producer--we will have tonnage enough for its own mill, instead of shipping to a custom mill as we will have to do with the first tonnages.

As to the 50/50, &c., where could I get that? If I go to the A. M. & R., or to the American Zinc; or to a broker; or a promoter or anyone, then I have to organize a corporation; issue some stock; incur some --possibly a lot of promotional expense--have to give them control to some extent. You men there know the trouble, difficulties and expenses of raising money for mining under present conditions; you know it costs a lot. If I have to go to that expense, trouble and arrangements with other, possibly they could get me all the money as easy as half of it. But I am financially unable to carry the costs of any financing plan at this time; have spent what I had getting the properties, protecting them and preparing for operations.

Another objection is the expense under such a plan, as all interested will have to expect some compensation; officers, directors; printing; organization; advertising; travelling; brokerage and commissions--even they will feel entitled to participate in the U. S. funds as they make it possible to secure such funds, &c., &c., you all know the situation when an individual mine-owner gets into such a situation. The TOP EARNINGS of that plan could cover the costs of many, many feet of tunnel--better we drive the tunnels and get the ores first, then from production organize, &c., &c.

It is not and should not be the intention or aim of the government to drive or compel the smaller mine owners to go into the arms of the larger or moneyed people or corporations, or brokers or promoters, or others. The aim is, and should be to help those who need help. You men there have had experience enough,

or seen others have experience enough to know that if I have to raise the 50% thru usual money-raising plans, the proposition cannot be carried through to completion. I simply cannot provide the expense moneys needed for financing purposes.

Am executing and enclosing the various forms you enclosed, altering to suit the situation as it is. I want to aid; I have the metals needed; I can probably get some metals to market quicker than most of the others being presented; spring is opening up down there and can get the machinery placed during good weather, as summer is best time down there to work--especially out-door work--the power line is near--about a half mile or less--roads, quarters for hired help; good roads in and out of section; railroad station near. With the 1.0% plan of loan, I can get the work started and possibly reach the first ore body before I could get someone interested enough to start to get the 50%.

Expenses, also, minimum, as I ask no salary (nothing but expenses while working) no supervisors, superintendents, as I would give a contract for most of the drilling; little over-head; I would not speed as I could not get no compensation at all after I got production under way; it is my credit that is at stake so you can be sure I would see it was paid off as fast as conditions permit.

While I am not an expert, yet I do know mining; especially in the San Juan section; I know what can be done and how to do it; I once upon a time operated the Silverton smelter and a number of mine properties, so the money will be economically spent and not wasted. The Government will have its inspectors and check up, aiding me if I need their aid and advice. The first 50,000 would give us considerable production of lead, zinc and copper ores, and then we could decide upon the further work, or need of additional funds. I could hardly expect the remaining monies unless the U. S. Mon after they see the area and work on the Twentieth Century.

Hoping your Department will authorize the loan upon the 1.0% basis, and will provide as soon as possible the first credit for the first $10,000. I remain,

Yours very truly,

dma 870

FRANK L. ROSS
Attorney and Counselor at Law
3516 ST. PAUL STREET
DENVER, COLORADO

May 15th, 1951.

Re: Docket DMA -870.

U. S. Department of the Interior,
Defense Minerals Administration,
Washington, 25, D. C.
Attention: Mr. Tom Lyon, Director, Supply Div.

Gentlemen:

Yours of May 7th, saying I have not made sufficient showing of "proven ore" to justify loan on 100% basis, &c., received, and as I feel an error has been made, I therefore desire

1st; To ask re-consideration, and permission to make addition showing; Or

2nd; A loan upon the 75%-25% basis, recently explained by your circulars and the news-paper articles, where owner may be permitted to apply labor, equipment rental or cost, supplies, &c., as part of his 25%; Or

3rd; Loan upon the 50%-50% basis, if I cannot get one of foregoing; Or

4th; Financial aid upon such terms and basis as you may feel proper.

The metals are in Silver Mountain; they are needed for the war effort; we should all do whatever necessary and proper to open them up for use, and it is up to me, as well as for those in governmental service, to do whatever is proper.

Trusting a reconsideration will give me the 100% loan; yet will try to get results upon whatever basis you may finally determine as proper.

In attached latters, and Maps, am presenting more in detail. Advise me if there is further data or information I can present.

Very truly,

Frank L. Ross

5

FRANK L. ROSS
Attorney and Counselor at Law
3516 ST. PAUL STREET
DENVER, COLORADO

May 15th, 1951.

Re: Dicket DMA - 870.

U. S. DEPARTMENT OF THEINTERIOR,
Defense Minerals Administration,
Washington, 25, D. C.

Attention: Mr. Tom Lyon, Director, Supply Division.

Gentlemen:

I strongly feel that in drawing the distinction as between "proven ore" and "inferred ore" you are making an error of being too stringent or technical, but of course as you have the say-so, will have to accept the situation. But feel entitled to a further re-consideration of the matter, so enclosing another outline map outlining the ore bodies as they deepen, showing there are five ore-chutes ahead, each of which should contain lead-zinc-copper ore at the depth of the tunnel.

In the San Juan District, this should almost be considered as proven for an outline of practically every mine in that district looks on the map as the same outline of these--differences in size, and sometime in richness being the only differences. The Pennsylvania Tunnel made the Smuggler-Union Mine under the Sheridan, Mendota, and other old-time gold ore producers. At Silverton, the Chase Tunnel made the Shenandoah-Dives under the old-time North Star of King Solomon and old time Dives. The U. S. provided funds for the Idarado (Sunshine people) to run that tunnel over a mile to get under the out-croppins on the mountain top. The Gold King; the Sunny-Side, the Carbonero; the Alta and all the rest proved this changing to sulphide ores with depth.

While we cannot see, yet Nature works in such a way that the Government loansto the farmers when seed is planted--sure that nature will mature the grain; and in all other lines accepts as a proven principle what Nature does at one place will be done at another where conditions similar. There should be no question but that there are sulphide ores in thse ore chutes--at the Twentieth Century our assay on sample taken from the bottom of upper workings show 10.40% lead and 27.50% lead. We have that under us in upper levels, surely we are justified in feeling about 400 feet deeper there will be lead. Same condition exists in each of the other mines alone the line of the tunnel--they all had high-grade shipping ore im upper levels, which changed to sulphide with depth. With gold and silver paid for by the ounce, they could

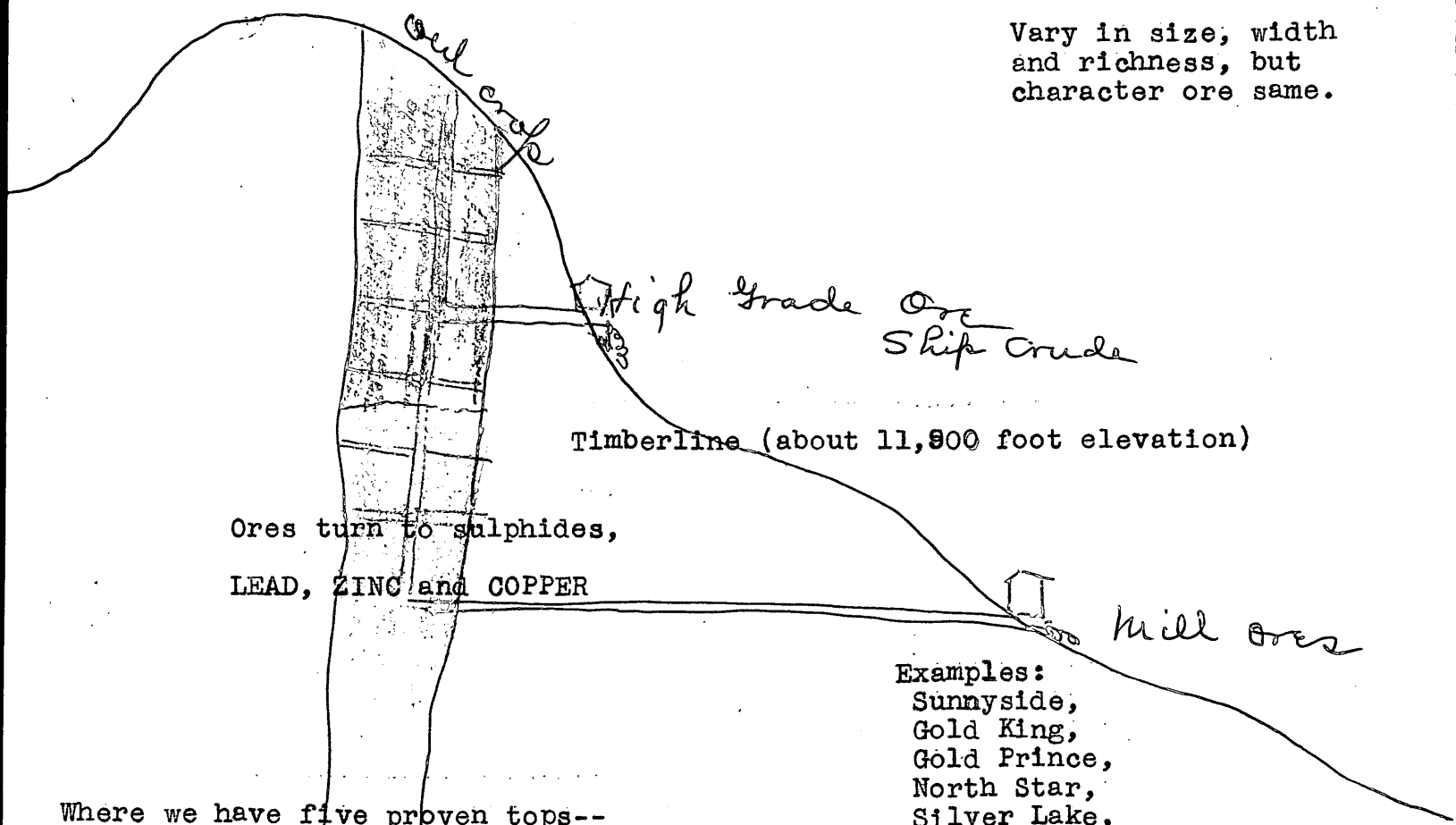
OUTLINE of a SAN JUAN (COLO)

ORE CHUTE, as generally

Found, when opened.

Top (11,500 foot elevation or above) practically always high-grade ores, gold and silver values mostly.

Vary in size, width and richness, but character ore same.



Timberline (about 11,800 foot elevation)

Ores turn to sulphides,

LEAD, ZINC and COPPER

Examples:
Sunnyside,
Gold King,
Gold Prince,
North Star,
Silver Lake,
and others at Silverton;
Camp Bird,
Revenue, and others at ~~Silverton~~ Ouray;
Sheridan, Mendota and Union (Now Smuggler-Union)
Tom Boy, and other near Telluride;
Carbonero, Alta, and other near Ophir.

Where we have five proven tops--each sufficient size to produce shipping ores of value, it would seem that there is sufficient proof that

1, Ore Chutes will remain about same size, and
2, That lead, zinc and copper sulphide ores can be assured.

Nature reliable, as a tree, leaves above, &c., means roots, carrots, onions or other vegetables below ground, so gold tops in the mines should prove sulphide ores below.

FRANK L. ROSS
Attorney and Counselor at Law

DENVER, COLORADO

operate and ship crude ores, but with lead-zinx and copper, where payments based on "Units" 20 lbs., conditions are different. Under the other ore chutes, they sank into the lead, zinc and copper zone, so all are "proven" from the top at least. With other experience in the San Juan I feel we should consider them "proven" as much as anything can be proven. The Carbonero nearby proved the veins carried their size and mineralization went down with depth, and so did the Alta and many, many other mines operations on the District.

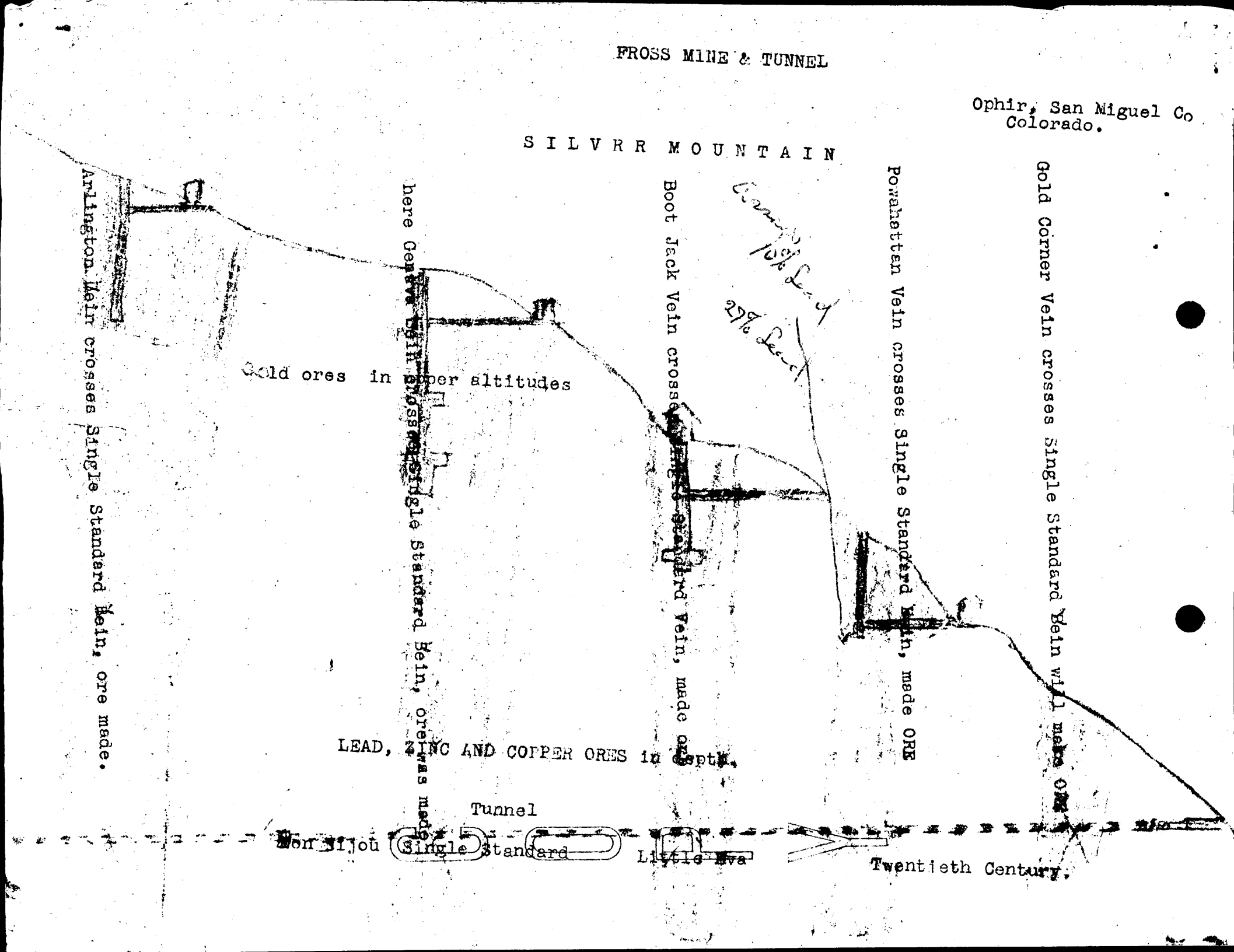
Risk, of course there is some risk--in Korea and at the front they take risks, so we have to take some risks to back them up with metals. A large bomber represents a risk of over $250,000 every time it goes forth, as well as risk to personnel. They cannot win "over there" unless we risk something over here, and it is up to you fellows there is Washington to decide when and where to take some risk.

I do not ask you to be reckless, but I do ask you to take this risk with me, for after all, you have an obligation and duty to do your part, and you cannot do it by being overly conservative--fear in Washington is just as out of place as fear in Korea. Also, with me, I do not want to take too much risk - I would not take this risk if I thought it was a reckless one, for after all I am pretty well experienced along this line, I have done a lot of mining - I have walked off of and left more mines than most people ever see - I think I know what a mine is--what it requires to produce ore, so when I say this is what I think the place where you can produce more metals at lower costs than anywhere I know of in Colorado, I am talking with considerable experience behind me, altho I might be wrong. But the fellow on the front line also has to make decisions and say when to shoot, and when to take to cover, sowhen I say I willtake the risks and be responsible for opening this mine, with expectation of producing metals needed, I have to say "Let us go", and I feel you have to rely upon someone, so better rely upon someone who has had the experience and who ought to know at least. You have to--and will-make loans--it takes judgment and experience to decide to whom and for what - think you better rely some on fellows like myself who ought to know. When I say there is metal for you in Silver Mountain--believe you better rely more on what a fellow like I am may say than what some others may present in more fancy shape, with nicer write-ups and geological reports of experts. You want METAL - we old codgers know where the Metals are.

If you desire, send some of your men down there and look at it; in Washington there you have experts who have examined that

FROSS MINE & TUNNEL

Ophir, San Miguel Co
Colorado.



FRANK L. ROSS
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3516 ST. PAUL STREET
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section and written their reports. These reports we present to investors that they will aid us drive the Lower Tunnels to get the ores below the upper outcroppings, &c., and we find these reports are reliable, and it seems the Government itself should accept these reports, and aid in doing the work at times when the needs are great but private investors unable to do ahead.

For instance, if you, yourself, or Mr. Burbank, or any other Washington or Governmental Expert, would say that these ores did not go down and that I am mistaken in my opinion that they do--then I might be satisfied to let matters go and the ores to remains as they are until after the war is over. May be I am the one in the wrong when I think these ores ought to be opened up now and the metals made available now. In a way, you have to decide that. It is your duty and responsibility to get the metals--Congress has provided the funds--if you can get them elsewhere cheaper--if you are satisfied that you have done your duty with the same risk that the fellow on the front rank has when he says "let's go" -- I have to be content. All I can do is to tell you where the metals are and be willing to do my part. I know Colorado - I know the mines in Colorado - some are good - but I do not know of any better place to get the metals at less cost than here. I am willing to risk my credit and reputation to back up those statements, but of course that means a risk for you - you might be backing a loser -but you cannot win in this world without taking some risk, unless you are willing to be just one of the ordinary fellows, content to eat, live and die reading the "fine print" before you cross the street. There are a lot of people in the world; lots of boys in the army; lots there is Washington; but only a few are known. They hang no wreaths of Laurel, and pin no medals on those who are too careful to take some risks.

Excuse me--guess Have written too much--but would like totake responsibility of opening this metal, if I can get the aid needed, to do it quickly, as I could if I can get the 100% loan.

But if I cannot get the 100% loan--then I believe I can do it with a 75-25% loan, by getting some help, putting in a small and cheaper machiery installation, and using more hand-work, &c., so make that kind of a loan, soI can get the metals to market. A little slower but I can make it.

Or I will try with a 50-50% loan, as I will try to interest some people I know, who may aid. Also, expect some royalties this season, later, that I could use to help. Will be slower.

Or any plan you may think best, will see what I can do.

Veru truly,
Frank L. Ross

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1951
LANCON F. STROBEL
Executive Secretary

dmd 870

Form NSRB-146
(Nov. 1950)

UNITED STATES GOVERNMENT

FORM APPROVED
BUDGET BUREAU NO. 25-R002

AMOUNT OF LOAN REQUESTED

TERMS OF LOAN REQUESTED

DATE OF APPLICATION

APPLICATION FOR GOVERNMENT LOAN UNDER SEC. 302 OF DEFENSE PRODUCTION ACT OF 1950

NAME AND ADDRESS OF APPLICANT (Street, City, Zone, State)

Frank L. Ross
3516 St. Paul Street,
5, Denver, Colorado.

TO BE FILLED IN BY DELEGATE AGENCY

(DATE RECEIVED)

COMM.

AGRIC.

INT.

D.T.A.

FILE NO.

INSTRUCTIONS

Application should be filed with the Department of Commerce, Department of Agriculture, Department of Interior, or the Defense Transport Administration, whichever has the primary interest in the facilities, products, or processes involved. However, for convenience of the applicant, he may file with any government agency with which he has contract or other pertinent relationships and such agency will arrange for the transmittal of the application to the appropriate office.

Submit four (4) signed copies of the application. Name and address of applicant should be stamped or typed for identification of each sheet of the application and all accompanying papers. When a question is inapplicable, this should be so stated on the form. Additional sheets may be attached in answering any questions or in providing other supporting information.

1. PURPOSE OF LOAN

Give a brief general statement of the purpose of the loan requested, including in the table below estimated amounts for such major purposes as land acquisition, building construction, purchase of plant, purchase of equipment, working capital, repayment of debt, etc. Statement should make clear whether funds will be used for expansion of capacity, development of technological processes, or production of essential materials.

General Statement

To drive a Lower Tunnel to develope and open for production the lead, zinc and copper ores below the former high grade gold and silver ores.

All the large producers in the San Juan Section now produce the lead, zinc and copper ores about or below timberline - about 11,500 feet elevation.

Histories similar.

NATURE OF EXPENDITURE	AMOUNT
Portal buildings, machinery, &c.,	$ 25,000.00 out
Driving 1000 feet and opening ore,	25,000.00
Acquisition additional properties,	35,000.00 out
Driving tunnel 2000 feet,	40,000.00
Acquisition properties beyond, if desired,	25,000.00 out
Construction of Mill, if desired,	100,000.00 out
Total, as needed, and if needed,	250,000.00
Production might reduce amount needed. Total amount applied for	250,000.00

2. **PROPOSED METHOD FOR REPAYMENT OF LOAN**

State sources of funds, and proposed schedule of repayment

From production - Suggest 15% of production be applied toward the repayment of the advancements.

3. **NATURE OF BUSINESS AND DESCRIPTION OF PROJECT**

Describe fully the business activity for which the funds are intended. In so doing, identify the materials and services to be produced, describe the facilities and processes involved, and explain in detail any research activity and the nature of the results expected. Attach blueprints and specifications, if available, and furnish other technical details to the extent that they are not covered elsewhere in the application.

Mining - opening for production the lead, zinc and copper ores below the former higher grade gold-silver ores.

Interesting feature - the uranium and other rare metals found along the San Miguel River probably at some time came from veins at the head of the stream, and this property is one of the most prominent veins at the head of that River. Considerable interest is being taken along this line.

4. **Relationship to National Defense.** Explain carefully how the expenditure of the funds will contribute to national defense. As a part of such explanation, the following questions should be answered to the extent possible:

(a) What evidence exists as to current shortages of the materials or services to be produced?

General reports, as wellas fact that U. S. is making this c lass of loans and encouraging mines owners to act.

(b) What evidence exists as to future shortages of the materials or services to be produced?

There is a shortage of lead, zinc and copper now, and will be for considerable time to come.

(c) Are such shortages, if any, regional or national in scope?

National - possibly world-wide.

(d) In what respects will the use of the funds aid directly in expediting the carrying out of government defense contracts? (A listing of defense contracts, if any, held by applicant is required in item 8 below.)

No war contracts in which I am interested, except general defense. As I have these metals, I want to get them into production.

4. Relationship to National Defense - Continued

(e) In what respects will the use of the funds aid indirectly in expediting the carrying out of government defense contracts or related operations?

Produce Lead, Zinc and Copper, with possibilities of other rare metals.

(f) Are there available alternative methods or facilities to accomplish the same purpose as that for which these funds are intended? (For instance, unused capacity, possibility of multiple shift operations, idle facilities, readily convertible equipment, sub-contracting?) If answer is yes, explain why alternatives are not used.

No.

5. Maximum Designed Production

List separately materials or services identified in item 3 (a)	Unit of measure (b)	Maximum designed production with existing facilities (c)	Average percentage of maximum designed production used in quarter preceding filing of application (d)	Maximum designed production including use of funds applied for (e)
~~Could produce about 100 ton of ore daily from the New Century when open the ore bodies there;~~				
~~Could increase to at least 200 tons per day under Little Eva, and should get 300 tons or more when open under the Single Standard.~~				

6. Employment

(a) Number currently employed at location(s) where funds are to be used. (Use pay period ending nearest 15th of month preceding filing of application.)

None

(b) Maximum feasible employment with existing facilities.

(1) Single shift operation.

None

(2) Multiple shift operation (specify how many shifts).

(c) Estimated additional employees required by the use of the funds applied for.

Would require 15 men to start with, and increase up to 50 for three shifts in tunnel work, and when ores opened increase to 100.

7. Timing

(a) On what date(s) are the requested funds needed?

Snows going rapidly in spring, so could start about June 1st.

(b) On what expected date(s) will applicant begin to use such funds and obtain output from the use of such funds? Wherever possible, give planned schedule of output.

Can start getting in supplies, ordering machinery, &c., anytime after May 1st; start installation about June 1st; should be able to reach first ore chute and have some production within six months thereafter; will take about a year to get mine fully opened up and capacity production. The first ores could go to custom mill.

8. Output from the use of funds applied for will be for the following purposes:
a. For the following principal prime defense contracts (if any) with the United States Government:

Date of contract (a)	Contracting Government Agency (b)	Program symbol (2 digits) or other contract identification (c)	Materials or services (d)	Delivery date(s) (e)	Amount (Dollars) (f)
~~The Metals would go to open market; Smelters at Leadville,~~					
~~Colorado; Salt Lake City, Utah, and Amarillo, Texas.~~					

b. For the following subcontracts (if any) with U.S. Government prime defense contractors:

Date of contract (a)	Materials or services (b)	Supplied to (Give name and address of firm) (c)	Delivery date(s) (d)	(e) Government agency receiving end product or services / (f) Program symbol (2 digits) or other contract identification	Amount (Dollars) (g)
Lead, Zinc and Copper in general demand; open Market.				(e) / (f)	
				(e) / (f)	
				(e) / (f)	

c. For the following classes or types of customers not covered by contracts listed above (list materials or services to be provided and, wherever possible, also indicate final product use):

General Market for Metals at all times.

9. **Feasibility**

(a) Estimate anticipated requirements for manpower, equipment, raw materials, energy, fuel, transportation facilities, water supply, housing, community facilities, and other factors of production, for (1) preparation of the facilities and (2) actual operation thereof. (The estimates may be limited to those factors of substantial significance to the preparation and operation of the facilities for which the funds are intended.)

Will require an Air compressor; drills and tools; a small compressor house and blacksmith shop;
About a half mile Power Line, electric power avaliable;
Cars, trackage and pipe;

There is housing nearby in Ophir, as well as boarding houses, stores, &c.

Roads already there. Telephone serviee available. Mail facilities at Ophir.

(b) Discuss and evaluate the availability of each of the above factors in the area(s) where the funds will be used.

The situation favorably, as little money will have to go into buildings for personnel; they can walk to work; roads good, so trucks can go right to mouth of tunnel-- no steep grades or long up-hill pulls so usual around mining work;

Practically all money will go into equiment and actual mining work.

10. The following applications for necessity certificates for tax amortization (Under Section 124A of the Internal Revenue Code) for facilities at the location(s) covered by this application have been filed since January 1, 1950.

Date of application (a)	Government file number (b)	(Estimated) Total of facilities in dollars on each application (c)	(d) If final action has been taken, give date of	
			Issuance	Denial
None.				

11. **Recent Efforts to Obtain Credit**

(a) Banks— List names and addresses of all Banks of Deposit of Applicant within the last 5 years: *(Mark with an asterisk (*) bank or banks in which deposits are now kept)*

I went East coupld times to try to interest someone in the financing but unable to secure results; recently been corresponding with a number but mining issues seem to have to interest for them.
Unless I can get some aid from a governmental loan, see no way to get these metals opened. Believe this is a place where more metal can be secured for as little money as anywhere.
Others are asking for loans for properties which in my judgment have less possibilities of production than I have.
There is no profit for me, unless the work is successful.

11. **Recent Efforts to Obtain Credit** - Continued

(b) State efforts to obtain credit, within 60 days preceding date of application, from banks, the Reconstruction Finance Corporation, or other sources, results, and reasons if refused. (NOTE.- Section 302 of the Defense Production Act of 1950 states that a loan may be extended "only to the extent that it is not otherwise available on reasonable terms." Accordingly, Applicant should show that it has applied to each bank named in (a) above, or explain the reason for not doing so. The fact that a loan of the particular maturity and terms applied for is refused by a bank or banks is not sufficient to comply with the statute, if credit on reasonable terms is available. State whether a bank will participate in the loan, and if so, state name of bank and amount of participation. Full particulars must be given.) List the names and addresses of banks and other lending institutions to which applications for credit have been made, and in each case state date of application, amount of credit available, if any, maximum term for which credit is available, what consideration, if any, was given to possible guarantee of loan under Federal Reserve Regulation V, and reason for refusal or reason loan was not obtained. Indicate whether or not application was definitely refused for further credit on any basis.

Have been unable to get anyone to undertake the financing, have not asked any Bank aid for this purpose, and know of no back or finance company that could or would provide the funds needed.

12. What other forms of government financial assistance, if any, have been received or requested by the applicant in connection with the purposes of the loan herein applied for? If applicant plans to request such assistance in the future, give details.

None

13. **HISTORY, MANAGEMENT, LEASED AGREEMENTS, INSURANCE, ETC.** (See attached statements)

These subjects should be fully covered in statements attached hereto. Outline past management experience or other basis for showing competence of the Applicant to perform in accordance with expressed purpose of the application. If plant was purchased, state price, form and terms of payment, date of purchase, from whom and under what circumstances purchase was made. If it is proposed to construct or acquire new facilities (including equipment), state estimated cost and basis of such estimate, form and terms of payment, and from whom purchases of facilities will be made. State whether Applicant, or the business or plant, has been in receivership, bankruptcy, Chapter X, XI or XII, in hands of creditors, committee, or whether Applicant has effected a compromise with creditors, and if so, discuss fully. Indicate whether business is conducted in leased premises and whether any facilities are leased from others and describe terms of any lease agreements. List type and amount of insurance carried on plant property. Describe briefly any pending or threatened litigation affecting Applicant.

14. NAMES AND ADDRESSES OF OFFICERS, DIRECTORS, OR PARTNERS, AND IN ADDITION THERETO, THE FIVE LARGEST STOCKHOLDERS IF A CORPORATION.

Owned individually

NAME AND ADDRESS (a)	Official title (If officer is also director indicate by "D") (b)	Total of annual salary, commissions, bonuses, etc., received from Applicant and affiliates during last fiscal year (c)	Estimated net worth outside of Applicant (d)	Number of shares held in applicant: Common (e)	Number of shares held in applicant: Preferred (f)	Life insurance carried for benefit of Applicant: Amount (g)	Life insurance carried for benefit of Applicant: Net cash surrender value after loans (h)
	Total		x x x x x			x x x	x x x

15. CAPITAL STOCK ISSUES

Individual ownership. For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par value (c)	Number of shares outstanding (d)	Dividend rate last paid (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

16. PURCHASE AND SALES RELATIONS WITH OTHERS

Does Applicant buy from, sell to, or use the services of, any concern or partnership in which an officer, director, large stockholder, or partner of the Applicant has a substantial interest? If not, so state. If so, give names of such officers, directors, stockholders, and partners, and names of such concerns or partnerships.

Individual ownership.

Does any officer, director, large stockholder, or partner of Applicant receive any commission, bonus, or other payment in cash or services from any concern or partnership with which Applicant has business dealings? If not, so state. If so, give names of such officers, directors, stockholders, or partners and amounts of such commissions, bonuses, or payments.

17. COMPENSATION SCHEDULE

INSTRUCTIONS: The schedule shall show the amount of compensation being paid to all employees of Applicant receiving compensation at a rate in excess of $10,000 per annum, including employees paid on a part-time basis where the rate of compensation exceeds $10,000 per annum computed on a full-time basis. If Applicant is a corporation, the schedule should show the compensation, regardless of amount, being paid to all officers, directors, and such stockholders as have an interest in Applicant's business of 10 percent or more. If Applicant is a partnership, the schedule should show the compensation being paid to, or being withdrawn by, all partners for their personal use. If Applicant is an individual, the schedule should show the amount being withdrawn by Applicant for his personal use. In each case the listed person's connection with the business should be indicated (i.e., whether an officer, director, stockholder, partner, owner, etc.). The calendar basis for the compensation should likewise be shown. Attorneys or firms of attorneys on a regular retainer or salary basis should be included. The schedule should include a separate notation indicating the source and amount of any compensation being paid by a company or firm directly or indirectly controlling, affiliated with, or controlled by, Applicant. If the space provided herein is insufficient, the schedule should be continued on the reverse side or appropriate continuation sheets should be attached.

No salary--just actual expenses travelling, and meals, lodging and expenses while away from home, looking after the work at the mine.

17. **COMPENSATION SCHEDULE** - Continued

The term "compensation", as used herein and such schedule, shall include all salaries, fees, bonuses, commissions, retainers, regular drawing accounts, and other payments, direct or indirect, in money or otherwise, for personal services.

Name (a)	Position (b)	Compensation paid during previous fiscal year (c)	Present compensation (d)
No arrangements made as yet.			

18. **COLLATERAL**

(a) The applicant offers the following described collateral as security for repayment of the loan applied for.

Description (a)	Date acquired (b)	Cost (c)	Book Value (Net) (d)	Appraised* value (e)
Property now held: The Twentieth Century and the interest in the Single Standard, and whatever additional property rights acquired in adjoining properties.				
To be acquired: LittleEva and other rights or properties hereafter acquired.				

* This column need be filled in only if a recent appraisal has been made. If so, identify appraiser below.

Name (a)	Title (b)	Date (c)

(b) Describe existing liens, if any, on property listed above.

None.

EXHIBIT A - CURRENT FINANCIAL STATEMENT

As of _____
(Date not more than 30 days prior to date of application)

ASSETS

CURRENT ASSETS

1. Cash..... Mines, and property Rights. ..... $ _____
2. Notes receivable..... $ _____
   Less reserve for doubtful notes..... _____
3. Accounts receivable:
   Current..... $ _____
   Past due not over 4 months..... _____
   Past due over 4 months..... _____ $ _____
   Less reserve for doubtful accounts..... _____
4. Inventories:
   Raw materials..... $ _____
   Work in process..... _____
   Finished goods..... _____ $ _____
   Less reserve for inventory losses..... _____
5. Other current assets (describe) _____

TOTAL CURRENT ASSETS..... $ _____

FIXED AND OTHER ASSETS

6. Plant used in business:
   Land..... $ _____
   Buildings..... _____
7. Machinery..... _____
8. Equipment, furniture, and fixtures..... _____ $ _____
   Less reserve for depreciation..... _____
9. Investments—stocks and bonds.....
10. Investments in affiliated companies.....
11. Receivables due from affiliated companies.....
12. Real estate not used in business.....
13. Due from officers, directors, employees, stockholders.....
14. Deferred charges.....
15. Other assets.....

TOTAL ASSETS..... $ _____

LIABILITIES

None

CURRENT LIABILITIES

16. Notes payable (see schedule 1, page 10):
    Banks..... $ _____
    Trade creditors..... _____
    Officers, stockholders, relatives..... _____
    Insurance companies..... _____ $ _____
17. Accounts payable.....
18. Other current liabilities:
    Delinquent taxes { Real estate..... $ _____
    Delinquent taxes { Federal..... _____
    Wages and salaries..... _____
    Due officers..... _____
    Accrued interest, rent, taxes, wages, etc..... _____

TOTAL CURRENT LIABILITIES..... $ _____

FIXED AND OTHER LIABILITIES

19. Machinery liens..... A new enterprise.
20. Mortgage debts (see schedule 2, page 10).....
21. Bonds or debentures (see schedule 2, page 10).....
22. Other liabilities.....

NET WORTH

23. Common stock (if Applicant is incorporated)..... $ _____
24. Preferred stock (if Applicant is incorporated)..... _____
25. Surplus (if Applicant is incorporated)..... _____
26. Capital and Surplus Account (if Applicant is partnership or individual).....

TOTAL LIABILITIES..... $ _____

27. Contingent liabilities (explain) _____ $

NOTE.— Submit copy of last available audit or of financial statement at close of last fiscal period (if such date differs from date of above statement).

SCHEDULE I - Notes Payable (in detail)

Name and address	Maturity	Amount	State amount and character of collateral	Name of guarantor(s) and/or endorser(s)
None				

SCHEDULE 2 - Mortgage Debt (real estate and/or chattels) or Bond Issue

Names and addresses of holders	Date of maturity	Interest rate	Unpaid principal amount	Date to which interest is paid
None, on Twentieth Century, or Single Standard; To acquire Little Eva and others, would require some negotiations; parties secured interests by inheritance; dislike paying taxes; have always expressed willingness to take reasonable amount, probably glad to get it from production.			$	
TOTAL	XXXXXXXX	XXXXXX	$	XXXXXXXXXXXXXXXXXX

If mortgage secures a bond issue, state whether bonds are principally held by management and/or stockholders or by others, and attach copy of mortgage indenture.

EXHIBIT B - CONDENSED COMPARATIVE STATEMENT OF INCOME AND EXPENSES

For years ended _____
(Insert date of end of fiscal year)

(000.00 omitted)

None	(Figures for 3 preceding years) 19	19	19	Current year as of date of Exhibit A
1. Net sales				
2. Cost of goods sold				
3. Gross profit on sales (line 1 minus line 2)				
4. Other income (itemize)				
5. Total (line 3 plus line 4)				
6. Salaries (officers or partners)*				
7. Selling and all other expenses				
8. Total of lines 6 and 7				
9. Profit or loss before depreciation and Federal taxes (line 5 minus line 8)				
10. Depreciation				
11. Federal Income and Excess Profits Taxes				
12. Net profit or loss (line 9 minus lines 10 and 11)				
ANALYSIS OF SURPLUS				
13. Total surplus at beginning of period				
14. Net profit or loss for period				
15. Line 13 plus line 14 if profit; line 13 minus line 14 if loss				
Add:				
16. Surplus paid in during period				
17. Surplus resulting from revaluation of assets				
18. Other additions to surplus (itemize)				
19. Total of lines 15 to 18, inclusive				
Deduct:				
20. Dividends				
21. Other charges to surplus (itemize)				
22. Total of lines 20 and 21				
23. Surplus at end of period (line 19 less line 22), MUST AGREE WITH SURPLUS AS SHOWN IN BALANCE SHEETS				

* To include all payments of any kind (commissions, bonuses, withdrawals) to officers or partners.

NOTE—If years included in the above tables are not adequately representative of applicant's financial experience, information may be submitted for additional years.

Form NSRB-146 (Nov. 1950) | Name and Address Frank L. Ross, Denver Colorado. | Page 11 of 12 pages

EXHIBIT C - CONDENSED COMPARATIVE STATEMENT OF CONDITION

For years ended December 31 1950
(Insert date of end of fiscal year)

(000.00 omitted. Use figures to nearest thousand. For instance, the figure $3,489.36 should be written as 3; the figure $3,689.36 should be written as 4)

ASSETS	(Figures for 3 preceding years) 19	19	19	Current year as of date of Exhibit A
CURRENT ASSETS:				
1. Cash	No statement available, as my assets consist			
2. Receivables (after deducting reserves)				
3. Inventories	of mining and oil interests - at present no			
4. Other current assets:	way to estimate valuations.			
TOTAL CURRENT ASSETS				
FIXED AND OTHER ASSETS:				
5. Plant accounts (before depreciation):	Have this Twentieth Century Mining claim and 1/16 of the Single Standard at Ophir; have St. Paul Mine in Red Mountain District, ~~(not productive now) and a productive interst in Galtie Boy Mine in San Juan County. A little~~ oil royalties, and some undrilled oil acreage. also some rare metal 120 acres ~~in Utah--unproven as yet. (Cash income about $100.00 per month under present situations)~~			
Machinery, equipment, etc.				
Delivery equipment				
Real estate and buildings used in business				
6. Other assets (as investments, real estate not used in business, etc.):				
TOTAL ASSETS				
LIABILITIES				
CURRENT LIABILITIES:				
8. Notes payable	~~Nothing, except current expenses.~~			
9. Accounts payable				
10. Accrued liabilities				
11. Other current liabilities:				
TOTAL CURRENT LIABILITIES	~~Am Mine Poor, &c., so need help to get some of them started. I once upon a time operated the Silverton Smelter, so became familar with mining and ore production; thought I knew what it took to make a good mine; those I have I think are good, but under recent mining conditions, have only been able to hold on and wait-- believe this loan will help everyone, as well as aid in production of the metals so sorely needed.~~			
FIXED AND OTHER LIABILITIES:				
12. Mortgage debts				
13. Debentures				
14. Other fixed liabilities:				
RESERVES:				
15. Reserve for depreciation				
16. Other reserves:				
NET WORTH:				
17. Common stock (issued) (if Applicant is incorporated)				
18. Preferred stock (issued) (if Applicant is incorporated)				
19. Surplus (if Applicant is incorporated)				
20. Capital and surplus account (if Applicant is partnership or individual)				
TOTAL LIABILITIES				

NOTE— If years included in the above table are not adequately representative of applicant's financial experience, condition statements may be submitted for additional years.

EXHIBIT D

AGREEMENT AS TO COMPENSATION FOR SERVICES RENDERED OR TO BE RENDERED TO APPLICANT IN CONNECTION WITH APPLICATION AND/OR LOAN

To induce the United States Government and its agencies to make a loan under Sec. 302 of the Defense Production Act of 1950 to Frank L. Ross (hereinafter called "Applicant") and in consideration of the making of a loan to Applicant, the undersigned, having been retained by Applicant for the purpose of rendering professional or other services in connection with its application for a loan or loans, hereby represents, warrants, and agrees that the undersigned has not been paid, has not made any agreement with the Applicant to be paid, and has not procured any person to pay or agree to pay, and will not, directly or indirectly, charge or receive any bonus, fee, or commission in any form in connection with the said application for, or the obtaining of, the loan applied for by the Applicant, or any compensation in any form for services rendered or to be rendered in connection therewith except for the services and in the amounts stated below:

Name	Description of services	Amount paid	Amount to be paid
No one	As I am doing the work myself, and paying for the plats, printing and other expenses.	$	$

To induce the making of the loan and the employment of the undersigned by Applicant, the undersigned hereby further warrants, covenants and agrees, upon the consideration herein specified, and in consideration of the employment of the undersigned by Applicant, as above recited, that if the amount of compensation stated above for any such services shall not be deemed reasonable by any agency of the United States Government, the undersigned will reduce the charge for such services to such amount as shall be deemed reasonable by such agency, and will not, directly or indirectly, charge or collect from the Applicant or any other person, any sum in excess of the amount so deemed reasonable; and that if the undersigned has heretofore collected, from the Applicant or any other person, as compensation for any such services, any amount deemed by such agency to be unreasonable, the undersigned will refund to Applicant or such other person such sums as are in excess of the amount deemed reasonable. The undersigned further warrants, covenants and agrees that if the amount of the compensation for any such services is not determinable at the date of application, or is not stated above, it will not collect or charge any sum as compensation for such services without the prior written approval of the Government agency with which this application is officially filed as to the nature of the services for which such compensation is to be paid and the amount of such compensation.

Frank L Ross

Witness: _____

Address of witness: _____

Dated March 21, 1951

NOTE—Corporations must execute foregoing certificate in corporate name, by duly authorized officer, and seal must be affixed and duly attested; partnerships must execute in firm name, together with signature of a general partner. If no compensation is paid or to be paid for services rendered in connection with application or loan, this should be so stated and the Applicant should sign this Exhibit.

CERTIFICATION

The Applicant hereby certifies that the statements made in the foregoing application, and all exhibits and documents submitted in connection therewith, are true and correct statements to the best of Applicant's information and belief and are submitted as a basis for credit. The Applicant agrees to reimburse any agency of the United States Government upon demand for any expenses incurred in connection with or arising out of this application or any loan made pursuant hereto.

Dated March 21, 1951

Witness: _____

(For individual applicants)

Frank L Ross

(Signature)

Witness: _____

(For partnership applicants)

_____

(Full name of firm)

By _____, a general partner.

(Signature)

(For corporate applicants)

(CORPORATE SEAL)

_____

(Full corporate name of Applicant)

Attest: By _____

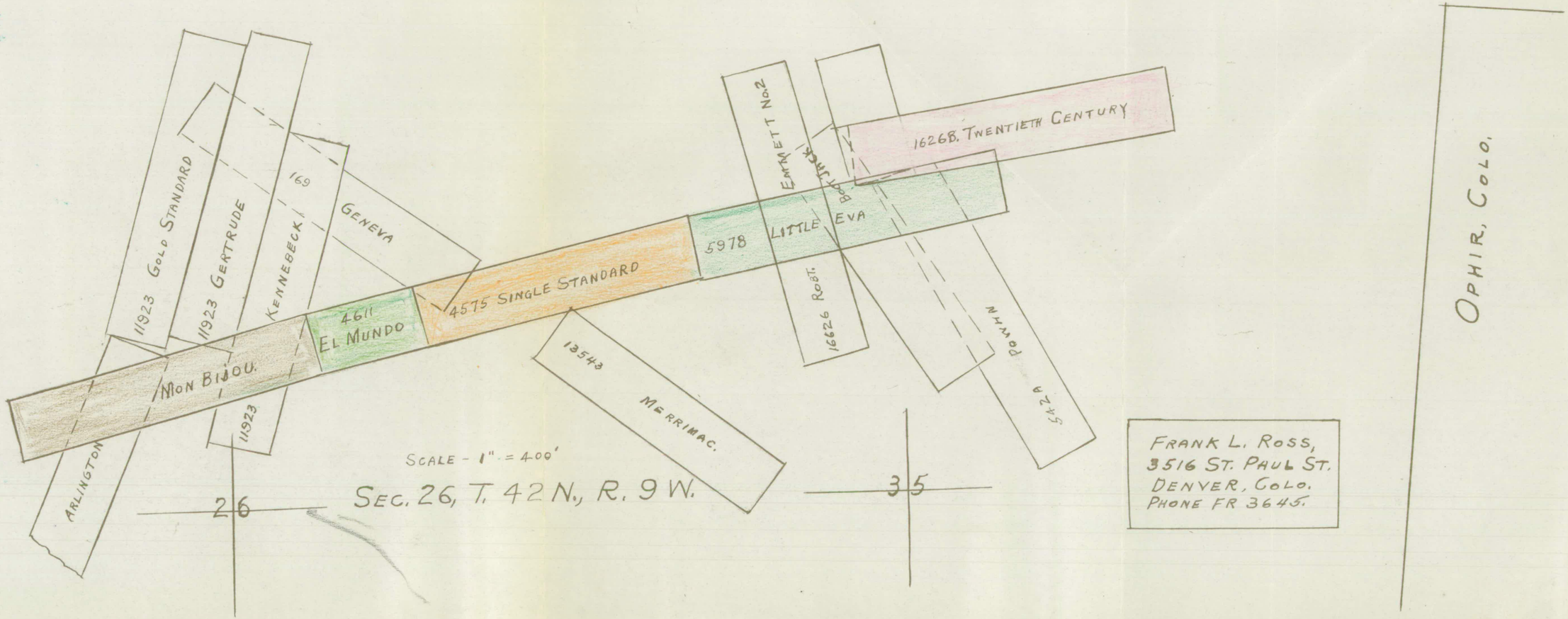
(Signature) (Title)

_____, _____

(Signature) (Title)

The United States Criminal Code, 18 U.S.C., Sec. 1001, makes it a criminal offense to make a willfully false statement or representation to any Department or Agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE: 1950 O - 916171



FRANK L. ROSS,
3516 ST. PAUL ST.
DENVER, COLO.
PHONE FR 3645.

May 15th, 1951.

Re: Docket DMA -870.

U. S. Department of the Interior,
Defense Minerals Administration,
Washington, 25, D. C.
Attention: Mr. Tom Lyon, Director, Supply Div.

Gentlemen:

Yours of May 7th, saying I have not made sufficient showing of "proven ore" to justify loan on 1[illegible]% basis, &c., received, and as I feel an error has been made, I therefore desire

1st; To ask re-consideration, and permission to make addition showing; Or

2nd; A loan upon the 75%-25% basis, recently explained by your circulars and the news-paper articles, where owner may be permitted to apply labor, equipment rental or cost, supplies, &c., as part of his 25%; Or

3rd; Loan upon the 50%-50% basis, if I cannot get one of foregoing; Or

4th; Financial aid upon such terms and basis as you may feel proper.

The metals are in Silver Mountain; they are needed for the war effort; we should all do whatever necessary and proper to open them up for use, and it is up to me, as well as for those in governmental service, to do whatever is proper.

Trusting a reconsideration will give me the 1[illegible] loan; I will try to get results upon whatever basis you may finally determine as proper.

In Attached letters, and Maps, am presenting more in detail. Advise me if there is further data or information I can present.

Very truly,

Frank L Ross

3516 St Paul St.
Denver Colo

COPY

May 15th, 1951.

Re: Dicket DMA - 870.

U. S. DEPARTMENT OF THE INTERIOR,
Defense Minerals Administration,
Washington, 25, D. C.

Attention: Mr. Tom Lyon, Director, Supply Division.

Gentlemen:

I strongly feel that in drawing the distinction as between "proven ore" and "inferred ore" you are making an error of being toostringent or technical, but of course as you have the say-so, will have to accept the situation. But feel entitled to a further re-consideration of the matter, so enclosing another outline map outlining the ore bodies as they deepen, showing there are five ore-chutes ahead, each of which should contain lead-zinc-copper ore at the depth of the tunnel.

In the San Juan District, this should almost be considered as proven for an outline of practically every mine in that district looks on the map as the same outline of these--differences in size, and sometime in richness being the only differences. The Pennsylvania Tunnel made the Smuggler-Union Mine under the Sheridan, Mendota, and other old-time gold ore producers. At Silverton, the Chase Tunnel made the Shenandoah-Dives under the old-time North Star of King Solomon and old time Dives. The U. S. provided funds for the Idarado (Sunshine people) to run that tunnel over a mile to get under the out-croppins on the mountain top. The Gold King; the Sunny-Side, the Carbonero; the Alta and all the rest proved this changing to sulphide ores with depth.

While we cannot see, yet Nature works in such a way that the Government loans to the farmers when seed in planted--sure that nature will mature the grain; and in all other lines accepts as a proven principle what Nature does at one place will be done at another where conditions similar. There should be no question but that there are sulphide ores in these ore chutes--at the Twentieth Century our assay on sample taken from the bottom of upper workings show 10.40% lead and 27.60% lead. We have that under us in upper levels, surely we are justified in feeling about 400 feet deeper there will be lead. Same condition exists in each of the other mines along the line of the tunnel--they all had high-grade shipping ore in upper levels, which changed to sulphide with depth. With gold and silver paid for by the ounce, they could

OUTLINE of a SAN JUAN (COLO)

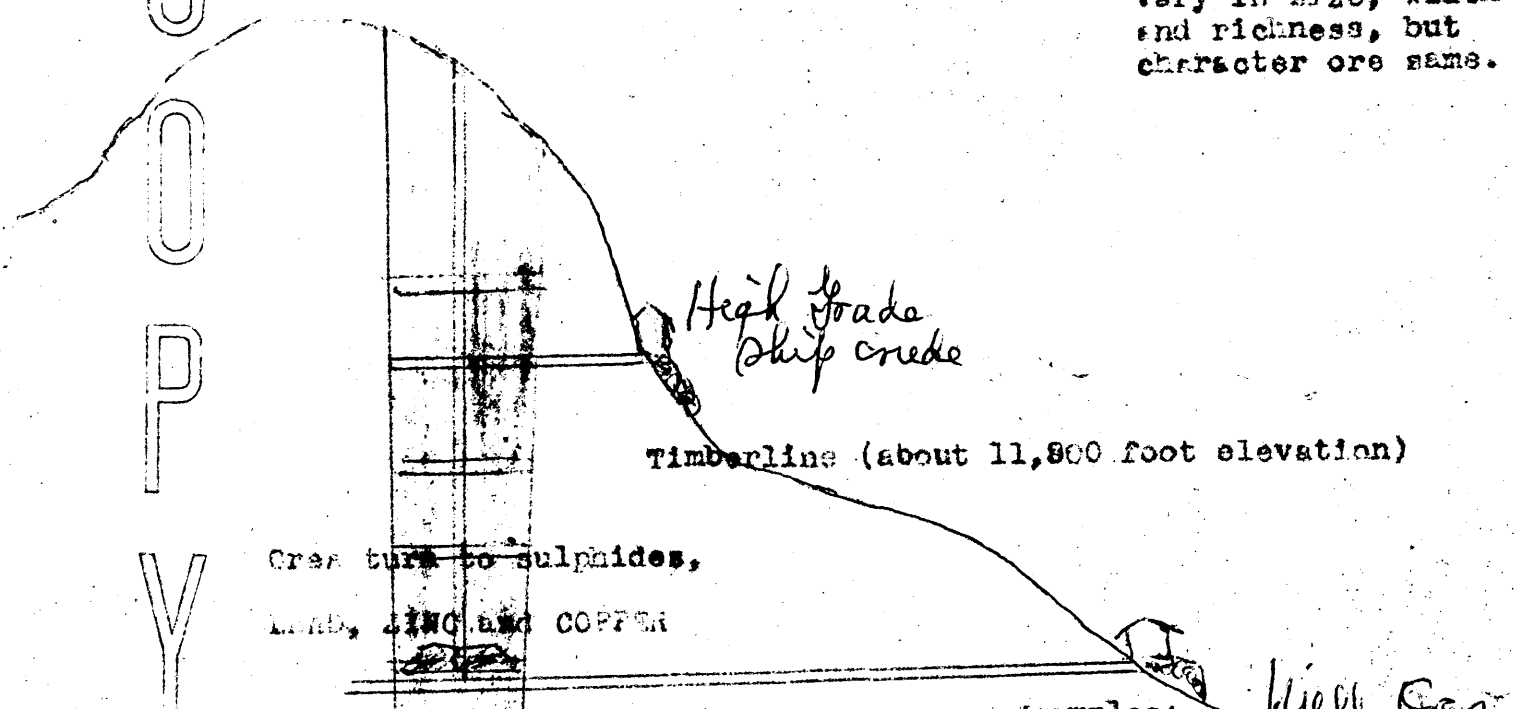
ORE CHUTE, as generally

Found, when opened.

COPY

Top (11,500 foot elevation or above) practically always high-grade ores, gold and silver values mostly.

Very in size, width and richness, but character ore same.



Ores turn to sulphides,

LEAD, ZINC and COPPER

Examples:
Sunnyside,
Gold King,
Gold Prince,
North Star,
Silver Lake,
and others at Silverton;
Camp Bird,
Revenue, and others
at Silverton;
Sheridan, Wendota and Union
(Now Smuggler-Union)
Tom Boy, and other near
Telluride;
Carbonero, Alta,
and other near Ophir.

Where we have five proven tops--each sufficient size to produce shipping ores of value, it would seem that there is sufficient proof that

1, Ore Chutes will remain about same size, and

2, That lead, zinc and copper sulphide ores can be assured.

Nature reliable, as a tree, leaves above, &c., means roots, carrots, onions or other vegetables below ground, so gold [illegible] in the mines should prove sulphide ores below.

operate and ship crude ores, but with lead-zinx and copper, where payments based on "Units" 20 lbs., conditions are different. Under the other ore chutes, they sank into the lead, zinc and copper zone, so all are "proven" from the top at least. With other experience in the San Juan I feel we should consider them "proven" as much as anything can be proven. The Carbonero nearby proved the veins carried their size and mineralization went down with depth, and so did the Alta and many, many other mines operations on the District.

Risk, of course there is some risk--in Korea and at the front they take risks, so we have to take some risks to back them up with metals. A large bomber represents a risk of over $250,000 every time it goes forth, as well as risk to personnel. They cannot win "over there" unless we risk something over here, and it is up to you fellows there is Washington to decide when and where to take some risk.

I do not ask you to be reckless, but I do ask you to take this risk with me, for after all, you have an obligation and duty to do our part, and you cannot do it by being overly conservative--fear in Washington is just as out of place as fear in Korea. Also, with me, I do not want to take too much risk - I would not take this risk if I thought it was a reckless one, for after all I am pretty well experienced along this line, I have done a lot of mining - I have walked off of and left more mines than most people ever see - I think I know what a mine is--what it requires to produce ore, so when I say this is what I think the place where you can produce more metals at lower costs than anywhere I know of in Colorado, I am talking with considerable experience behind me, altho I might be wrong. But the fellow on the front line also has to make decisions and say when to shoot, and when to take to cover, sowhen I say I willtake the risks and be responsible for opening this mine, with expectation of producing metals needed, I have to say "Let us go", and I feel you have to rely upon someone, so better rely upon someone who has had the experience and who ought to know at least. You have to--and will-make loans--it takes judgment and experience to decide to whom and for what - think you better rely some on fellows like myself who ought to know. When I say there is metal for you in Silver Mountain--believe you better rely more on what a fellow like I am may say than what some others may presente in more fancy shape, with nicer write-ups and geological reports of experts. You want METAL - we old codgers know where the Metals are.

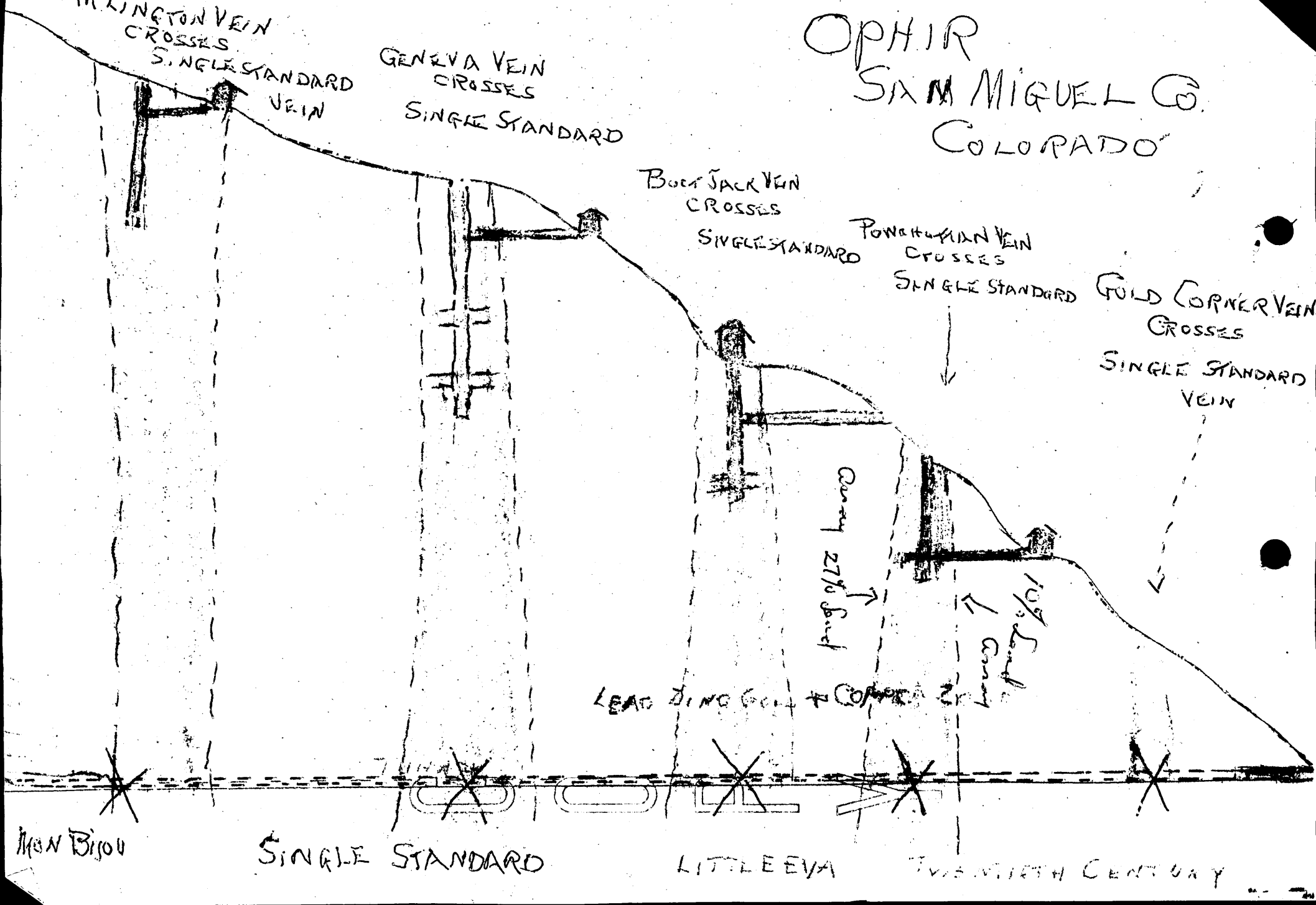
If you desire, send some of your men down there and look at it; in Washington there you have experts who have examined that

COPY

SILVER MOUNTAIN

FROSS MINE & TUNNEL

OPHIR
SAN MIGUEL CO.
COLORADO



section and written their reports. These reports we present to investors that they will aid us drive the Lower Tunnels to get the ores below the upper outcro pings, &c., and we find these rep reports are reliable, and it seems the Government itself should accept these reports, and aid in doing the work at times when the needs are great but private investors unable to do ahead.

For instance, if you, yourself, or Mr. Burbank, or any other Washington or Governmental Expert, would say that these ores did not go down and that I am mistaken in my opinion that they do--then I might be satisfied to let matters go and the ores to remains as they are until after the war is over. May be I am the one in the wrong when I think these ores ought to be opened up now and the metals made available now. In a way, you have to decide that. It is your duty and responsibility to get the metals--Congress has provided the funds--if you can get them elsewhere cheaper--if you are satisfied that you have done your duty with the same risk that the fellow on the front rank has when he says "let's go" -- I have to be content. All I can do is to tell you where the metals are and be willing to do my part. I know Colorado - I know the mines in Colorado - some are good - but I do not know of any better place to get the metals at less cost than here. I am willing to risk my credit and reputation to back up those statements, but of course that means a risk for you - you might be backing a loser -but you cannot win in this world without taking some risk, unless you are willing to be just one of the ordinary fellows, content to eat, live and die reading the "fine print" before you cross the street. There are a lot of people in the world; lots of boys in the army; lots there is Washington; but only a few are known. They hang no wreaths of Laurel, and pin no medals on those who are too careful to take some risks.

Excuse me--guess Have written too much--but would like totake responsibility of opening this metal, if I can get the aid needed, to do it quickly as I could if I can get the 100% loan.

But if I cannot get the 100% loan--then I believe I can do it with a 75-25% loan, by getting some help, putting in a small and cheaper machinery installation, and using more hand-work, &c., so make that kind of a loan, sol can get the metals to market. A little slower but I can make it.

Or I will try with a 50-50% loan, as I will try to interest some people I know, who may aid. Also, expect some royalties this season, later, that I could use to help. Will be slower.

Or any plan you may think best, will see what i can do.

Veru truly, Frank L. Dorr

COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 2 1 1951
LANDON F. STROBEL
Executive Secretary

a.e.c

May 7, 1951

Re: Docket DMA-870

Mr. Frank L. Ross
3516 St. Paul Street
Denver, Colorado

Dear Mr. Ross:

Your application for a loan of $250,000 for a mining operation at the Twentieth Century mine has been reviewed by the Defense Minerals Administration. The review also covered the documents submitted by you on April 24, 1951.

The documents supporting your application do not substantiate that there are proven ore reserves adequate to amortize the loan you request. The reserves of "proven ore" as described in your application would come under the accepted definition for "inferred ore". In order for a property to qualify for a direct mining loan it is necessary that the quantity of known reserves be sufficient to assure the recovery of the investment. Under these circumstances we do not feel it would be a justifiable expenditure of public funds to allocate money for the type of project you propose.

In your letter of April 24 you have indicated that you are unable to provide fifty per cent of the funds for an exploration program, therefore we cannot consider your application further since by the rules of the program it is mandatory that the applicant match funds with the Government on an equal basis.

We wish to thank you for bringing this property to our attention.

Very truly yours,

ALBrokaw:emp
5/7/51

Copies to: J. H. East, Jr. Re Docket DMA, Director
Chief, Lead-Zinc Br. Supply Division
E. T. Mekright 4204 CS
L. Dakeon
R. B. Mote
L. F. Strobel
K. Lyon
Files

F. Strobel

G.E.C.

May 7, 1951

Memorandum

To: Executive Secretary, L.M.A.

From: Lead-Zinc Branch, L.M.A.

Subject: Denial of exploration loan — Re: Docket DMA-070
Frank L. Ross
Twentieth Century Mine — Commodity: Lead-zinc
Ophir District
San Miguel County, Colorado

The application submitted by Frank L. Ross has been reviewed by the Lead-Zinc Branch. The review reveals the following pertinent facts:

The original proposal was for a loan of $250,000, to be used for driving a lower tunnel 3,000 feet to develop and open for production lead, zinc, and copper ores below mined out gold-silver stopes. Acquisition of additional properties and construction of a mill.

Data on this area indicated that the known ore reserves were inadequate to support the proposed program. The project was classified as "exploration" by the reviewers. A letter was sent to the applicant inquiring if he would participate in the matching fund exploration program. His reply indicates that he is unable to provide his share of funds and submits terms N-103, N-200, requesting 100% as the Government's share.

The covering letter reaffirms the applicant's belief that the proven ore reserves are sufficient to amortize the proposed loan.

The Lead-Zinc Branch recommends that the application be denied for a direct mining loan. The applicant has failed to substantiate that enough proven ore is present to support such a loan. The applicant's interpretation of "proven ore" is not one accepted by geologists and mining engineers. "Proven ore" is not based on tonnage with ore in other mines as is done by the applicant. The available data in the Government files and a familiarity with the district by U. S. Geological Survey geologists indicates that the applicant's claims for ore are not based on conclusive evidence.

The reserves for this particular mine should be in the "inferred ore" category.

It is further recommended that since the applicant is unable to provide his share of funds for an exploration project that the application made for this purpose also be denied.

[illegible]

[illegible] Hanna, Chief
Lead-Zinc Branch

A Brokawinsmp
3 5/7/51

Copies to: J. M. [illegible], Jr., Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 420, GSA
L. B. Moon
R. M. Mote
L. F. Strobel
[illegible] Lyon
Files

Moon [illegible]

DM - 1

UNITED STATES
DEPARTMENT OF THE INTE[illegible]
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 5/2/51

REFERRED TO:

1. Mr. Thaul
2.
3.
4.

FOR:

_____Action

_____Approval

_____Comment

_____Recommendation

_____Reply for signature of_____

_____Your information

REMARKS: For files

Check (X) before the items needing attention.

Stuckel GH
Initials of sender.

Interior - Bureau of Mines, Pittsburgh, Pa.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. 870 X

Date received 5/1/51

Participation

Frank L. Ross,
3616 St. Paul Street,
5, Denver, Colorado.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application March 21, 1951,

Estimated cost $10,000.00

Mineral or metal Lead, zinc & copper, gold and silver, possibly some Ferro metal.

Percentage of Government participation 100%.

Location of mine Rose Ophir, San Miguel Co., Colorado.
in San Juan District, SW Colorado.

Date of filing MF-100 March 21, 1951/

DMA Docket Number, if available IMA 870

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Individual
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who will manage the project. Lifetime in San Juan District, 30 years experience.
*5. Are you the owner or the lessee of the property? Owner, and expect secure adjoining.
6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. None now.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? Yes for the work, already in considerable.

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

Docket 870 (Exp.)

836

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See original application and maps attached.
(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any. PROSS MINE (formerly Brewster's)
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. See maps attached to application.
*13. State source and quantity of water available for operations and its sufficiency at all seasons. Small stream
State amount of power to be used, rate per hour or other cost, and source. Regular rates.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. Want to build new building and install machinery.
15. State in detail how the ore could be shipped and how and where milled. To local custom mill and by railroad to smelters.
*16. History:
(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations. See original application.
(*b*) State briefly the known history and production of adjoining and neighboring properties. All similar
(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling	Formerly high grade gold; then gold and silver and later some gold, silver, lead smelter grade ores.			
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.) No recent operations.
(*a*) Describe the ore or mineral deposits briefly. See application,
(*b*) Submit available maps and assay data. 5% to 10% lead, and 5% to 10% zinc.
(*c*) Give estimated tonnage and grade of each class of ore reserves. Probably 100,000 tons 8%
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.
Twentieth Century alone.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Lead-zinc
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. 1000 foot tunnel

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. Regular San Juan
(*b*) Supervisors, by numbers and positions, with salaries of each. wage scale.
(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. $25,000.00
(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. Included in the above $25,000.00
(*f*) Cost of rental for equipment which the operator proposes to rent.
(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
(*i*) Cost of power, water, utilities, and any other items not provided for above. Regular San Miguel rates
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. Will take about sixty days to install machinery, buildings, &c., and then start tunnel work.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company) By Frank K. Ross (Signature of authorized official)

For further details see original application. (Date) (Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—04067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. 870 X

Date received 5/1/51

Name and address of applicant

Date [illegible]

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).
   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   ☐ Owner.
   ☐ Lessee.
   ☐ Contractor.
5. Number of years in production
   If not in production or operation, estimated date when production will begin
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

16—63792-1

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

Re Applicant

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)	100,000		$15.00		$10.00

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. Good See Maps

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Good

15. Power:

State amount of power used, rate per hour, and source thereof. as needed

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities: Same as available other operating mines

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By Frank Ross
(Signature of authorized official)

(Date)

(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

April 24, 1951.

DEFENSE MINERALS ADMINISTRATION,
U. S. Department of the Interior,
Washington, D. C.

Gentlemen: Re: DMA 170

Replying to yours of 14th inst., would like to but am unable to provide the 50%; feel this property is sufficiently proven so the word "exploratory" hardly applies, altho all mining enterprises to some extent by too strict an interpretation might be called exploratory. The Object of Congress, the Government and those executing the law was and should be to aid those who needed aid--if I or anyone had ores blocked out, &c., no aid needed.

In the San Juan District there are many--practically all the large mines--with practically the same history and conditions as my property, viz:

Gold in upper surface zone;
Gold and Silver lower in depth;
Zinc, Lead and Copper deeper.

To one side (southerly) the Gertenero proved this stratification; to the other (northerly) Mr. Hilfley proved it; the ABC proved it, and prior production and operation proved we have two veins of width and size; they contained the gold, silver, and with depth the lead and copper--so we can be or should be assured that when we open them up deeper, we will find the same character, class and values of ores as the other did. If I had the tunnel run so I could block out the ores and show them, then would not need the aid. When we open several cans of tomatoes and find they contain tomatoes, it is practically certain the other cans will also contain tomatoes, and it is not exploratory when we open the remaining cans. Nature works pretty well to pattern and does things about the same, so when we find lead, zinc and copper under some 1 to 10 other gold topped ore chutes, which had same origin and geology, believe it certain we will find the same ores under the Twentieth Century, Boot Jack, Little Eva and Single Standard ore chutes. Each was worked down to depth where gold gave way to other metals, and lead, zinc and copper came in, the same as other properties in the District. As high grade gold mines they could be profitably operated alone, but they must be consolidated, developed and ores combined for milling and concentrating purposes.

The ores, values and metal contents are practically assured; while cannot be seen by naked eye as yet, still believe experience

almost permits me to say "proven", or you governmental officials can close up now proven as to not limit it to exploratory alone as to fail to provide the 100% needed. I cannot secure the 50%--or a lease I can get the 100% I am ready to get these metals to market for present emergency.

The work is not complicated; can be done quickly; cheaply; with an little money producing an value 4 or more metal than anyplace elsewhere that I know of. $50,000 will open the 4 or 5 ore bodies on the TECHNICAL CERTAINTY--if those are not good we will not go further or spend more. If they are good, then we need the balance to make a really large producer--we will have tonnage enough for its own mill, instead of shipping to a custom mill as we will have to do with the first tonnages.

As to the 50/50, etc., where could I get that? If I go to the N. Y. S. E. or to the American Mine; or to a broker; or a promoter or anyone, then I have to organize a corporation; issue some stock, have some--possibly a lot of promotional expense--have to give them control to some extent. You men there know the trouble, difficulties and expenses of raising money for mining under present conditions; you know it costs a lot. If I have to go to that expense, trouble and arrangements with other, possibly they could get me all the money as easy as half of it. But I am financially unable to carry the costs of any financing plan at this time; have spent what I had getting the properties, protecting them and preparing for operations.

Another objection is the expense under such a plan, as all interested will have to expect some compensation; officers, directors; printing; organization; advertising; travelling; brokerage and commissions--even they will feel entitled to participate in the U. S. funds as they make it possible to secure such funds, etc., etc., you all know the situation when an individual mine-owner gets into such a situation. The TOP PROCEEDS of that plan would cover the costs of many, many feet of tunnel--better we drive the tunnels and get the ores first, then from production organize, etc., etc.

It is not and should not be the intention or aim of the government to drive or compel the smaller mine owners to go into the arms of the larger or moneyed people or corporations, or brokers or promoters, or others. The aim is, and should be to help those who need help. You men there have had experience enough,

or seen others have experience enough to know that if I have to raise the 50% thru usual money-raising plans, the proposition cannot be carried through to completion. I simply cannot provide the expense moneys needed for financing purposes.

Am executing and enclosing the various forms you enclosed, altering to suit the situation as it is. I want to add; I have the metals needed; I can probably get some metals to market quicker than most of the others being presented; spring is opening up down there and can get the machinery placed during good weather, as summer is best time down there to work--especially out-door work--the power line is near--about a half mile or less--roads, quarters for hired help; good roads in and out of section; railroad station near. With the 100% plan of loan, I can get the work started and possibly reach the first ore body before I could get someone interested enough to start to get the 50%.

Expenses, also, minimum, as I ask no salary (nothing but expenses while working) no supervisors, superintendents, as I would give a contract for most of the drilling; little over-head; I would get speed as I could expect no compensation until after I get production under way; it is my credit that is at stake so you can be sure I would see it was paid off as fast as conditions permit.

While I am not an expert, yet I do know mining; especially in the San Juan Section; I know what can be done and how to do it; I once upon a time operated the Silverton Smelter and a number of mine properties, so the money will be economically spent and not wasted. The Government will have its inspectors and check up, giving me if I need their aid and advice. The first $50,000 would give us considerable production of lead, zinc and copper ores, and then we could decide upon the further work, or need of additional funds. I could hardly expect the remaining monies unless the U. S. even after they see the ores and work on the Twentieth Century.

Trusting your Department will authorize the Loan upon the 100% basis, and will provide as soon as possible the first credit for the first $50,000. I remain.

, fully approve.

Yours very truly,

Frank L. Rose

April 24, 1961.

DEFENSE MINERALS ADMINISTRATION,
U. S. Department of the Interior,
Washington, D. C.

Gentlemen: Re: DMA 470

Replying to yours of 14th inst., would like to but am unable to provide the 50%; feel this property is sufficiently proven so the word "exploratory" hardly applies, altho all mining enterprises to some extent by too strict an interpretation might be called exploratory. The Object of Congress, the Government and those executing the law was and should be to aid those who needed aid--if I or anyone had ores blocked out, &c., no aid needed.

In the San Juan District there are many--practically all the large mines--with practically the same history and conditions as my property, viz:

Gold in upper surface zone;
Gold and Silver lower in depth;
Zinc, Lead and Copper deeper.

To one side (southerly) the Gardeneers proved this stratification; to the other (northerly) Mr. Milfley proved it; the ALCA proved it, and prior production and operation proved we have two veins of width and size; they contained the gold, silver, and with depth the lead and copper--so we can be or should be assured that when we open them up deeper, we will find the same character, class and values of ores as the other did. If I had the tunnel run so I could block out the ores and show them, then would not need the aid. When we open several cans of tomatoes and find they contain tomatoes, it is practically certain the other cans will also contain tomatoes, and it is not exploratory when we open the remaining cans. Nature works pretty well to pattern and does things about the same, so when we find lead, zinc and copper under some 1.. to the other gold topped ore chutes, which had same origin and geology, believe it certain we will find the same ores under the Twentieth Century, Boot Jack, Little Eva and Single Standard ore chutes. Each was worked down to depth where gold gave way to other metals, and lead, zinc and copper came in, the same as other properties in the District. As high grade gold mines they could be profitably operated alone, but they must be consolidated, developed and ores combined for milling and concentrating purposes.

The ores, values and metal contents are practically assured; while cannot be seen by naked eye as yet, still believe experience

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The work is not complicated; can be done quickly; cheaply; with as little money producing as much or more metal than anyplace elsewhere that I know of. $50,000 will open the 2 or 3 ore bodies on the TUNNEL COUNTY--if those are not good we will not go further or spend more. If they are good, then we need the balance to make a really large producer--we will have tonnage enough for its own mill, instead of shipping to a custom mill as we will have to do with the first tonnages.

As to the 50/50, etc., where could I get that? If I go to the R. F. C., or to the American Mine; or to a broker; or a promoter or anyone, then I have to organize a corporation; issue some stock, incur some--possibly a lot of promotional expense--have to give them control to some extent. You men there know the trouble, difficulties and expenses of raising money for mining under present conditions; you know it costs a lot. If I have to go to that expense, trouble and arrangements altogether, possibly they could get me all the money as easy as half of it. But I am financially unable to carry the costs of any financing plan at this time; have spent what I had getting the properties, protecting them and preparing for operations.

Another objection is the expense under such a plan, as all interested will have to expect some compensation; officers, directors; printing; organization; advertising; travelling; brokerage and commissions--even they will feel entitled to participate in the R. F. C. funds as they make it possible to secure such funds, etc., etc. You all know the situation when an individual mine-owner gets into such a situation. The R.F.C. funds of that plan could cover the costs of many, many feet of tunnel--better we drive the tunnels and get the ores first, then from production organize, etc., etc.

It is not and should not be the intention or aim of the government to drive or compel the smaller mine owners to go into the arms of the larger or moneyed people or corporations, or brokers or promoters, or others. The aim is, and should be to help those who need help. You men there have had experience enough

or seen others have experience enough to know that if I have to raise the 50% thru usual money-raising plans, the proposition cannot be carried through to completion. I simply cannot provide the expense moneys needed for financing purposes.

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Expenses, also, minimum, as I ask no salary (nothing but expenses while working) no supervisors, superintendents, as I would give a contract for most of the drilling; little over-head; I would get speed as I could expect no compensation until after I get production under way; it is my credit that is at stake so you can be sure I would see it was paid off as fast as conditions permit.

While I am not an expert, yet I do know mining; especially in the San Juan Section; I know what can be done and how to do it; I once upon a time operated the Silverton Smelter and a number of mine properties, so the money will be economically spent and not wasted. The Government will have its inspectors and check up, giving me if I need their aid and advice. The first 100,000 would give us considerable production of lead, zinc and copper ores, and then we could decide upon the further work, or need of additional funds. I could hardly expect the remaining monies unless the U. S. Men after they see the ores and work on the Twentieth Century.

, fully approve.

Trusting your Department will authorize the Loan upon the 100% basis, and will provide as soon as possible the first credit for the first 100,000. I remain.

Yours very truly,

Frank L. Rose

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. 870X

Date received 5/1/51

Participation

Frank L. Ross,
3516 St. Paul Street,
5, Denver, Colorado.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application March 21, 1951,

Estimated cost $250,000.00

Mineral or metal Lead, zinc & Copper, some gold and silver, possibly some rare metal.

Percentage of Government participation 100%.

Location of mine Near Ophir, San Miguel Co., Colorado.
in San Juan District, SW Colorado.

Date of filing MF-100 March 21, 1951/

DMA Docket Number, if available IMA 870

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Individual

*2. If a partnership, state names and addresses of partners.

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Raised in San Juan District, 50 years experience.

*5. Are you the owner or the lessee of the property? Owner, and expect secure adjoining.

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. None now.

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? None for the work, already in considerable.

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See original application and maps attached.
(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any. FROSS MINE (formerly Brewster's)

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. See maps attached to application.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. Small stream
State amount of power to be used, rate per hour or other cost, and source. Regular rates.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. Want to build new building and install machinery.

15. State in detail how the ore could be shipped and how and where milled. To local custom mill and by railroad to smelters.

*16. History:
(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations. See original application.
(*b*) State briefly the known history and production of adjoining and neighboring properties. All similar
(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

Formerly high grade gold; then gold and silver and later some gold, silver, lead smelter grade ores.

*18. Ore or mineral reserves: (If property is or has been operating.) No recent operations.
(*a*) Describe the ore or mineral deposits briefly. See application,
(*b*) Submit available maps and assay data.
(*c*) Give estimated tonnage and grade of each class of ore reserves. 5% to 10% lead, and 5% to 10% zinc. Probably 100,000 tons on Twentieth Century alone.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Lead-zinc

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. 1000 foot tunnel

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. Regular San Juan
(*b*) Supervisors, by numbers and positions, with salaries of each. wage scale.
(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. $25,000.00
(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. Included in the above $25,000.00
(*f*) Cost of rental for equipment which the operator proposes to rent.
(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
(*i*) Cost of power, water, utilities, and any other items not provided for above. Regular San Miguel rates

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. Will take about sixty days to install machinery, buildings, &c., and then start tunnel work.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By Frank K Ross
(Signature of authorized official)

For further details see original application.
(Date)

Owner & Applicant
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. 870 X

Date received 5/1/51

Name and address of applicant

Date

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)	100,000		$15.00		$10.00

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. Good See Maps

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Good

15. Power:

State amount of power used, rate per hour, and source thereof. as needed

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. Same as other operating mines

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By Frank R Ross
(Signature of authorized official)

(Date)

Owner
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

April 24, 1951.

DEFENSE MINERALS ADMINISTRATION,
U. S. Department of the Interior,
Washington, D. C.

Gentlemen: Re: DMA 870

Replying to yours of 14th inst., would like to but am unable to provide the 50%; feel this property is suffuciently proven so the word "exploratory" hardly applies, altho all mining enterprises to some extent by too strict an interpretation might be called exploratory. The Object of Congress, the Government and those executing the law was and should be to aid those who needed aid--if I or anyone had ores blocked out, &c., no aid needed.

In the San Juan District there are many--practically all the large mines--with practically the same history and conditions as my property, vis:

GOLD in upper surface zone;
Gold and Silver lower in depth;
Zinc, Lead and Copper deeper.

To one side (southerly) the Carbonero proved this stratification; to the other (northerly) Mr. Wilfley proved it; the ALTA proved it, and prior production and operation proved we have the veins of width and size; they contained the gold, silver, and with depth the lead and copper--so we can be or should be assured that when we open them up deeper, we will find the same character, class and values of ores as the other did. If I had the tunnel run so I could block out the ores and show them, then would not need the aid. When we open several cans of tomatoes and find they contain tomatoes, it is practically certain the other cans will also contain tomatoes, and it is not exploratory when we open the remaining cans. Nature works pretty well to pattern and does things about the same, so when we find lead, zinc and copper under some 18 to 20 other gold topped ore chutes, which had same origin and geology, believe it certain we will find the same ores under the Twentieth Century, Boot Jack, Little Eva and Single Standard ore chutes. Each was worked down to depth where gold gave way to other metals, and lead, zinc and copper came in, the same as other properties in the District. As high grade gold mines they could be profitably operated alone, but they must be consolidated, developed and ores combined for milling and concentrating purposes.

The ores, values and metal contents are practically assured; while cannot be seen by naked eye as yet, still believe experience

almost permits me to say "proven", or you governmental officials can class as no more proven as to not limit it to exploratory alone as to fail to provide the 100% needed. I cannot secure the 50%--so unless I can get the 100% I see no way to get these metals to market for present emergency.

The work is not complicated, can be done quickly; cheaply; with as little money producing as much or more metal than anyplace elsewhere that I know of. $50,000 will open the 4 or 5 ore bodies on the property fully--if these are not good we will not go further or spend more. If they are good, then we need the balance to make a really large producer--we will have tonnage enough for our own mill, instead of shipping to a custom mill as we will have to do with the first tonnages.

As to the 50/50, etc., where could I get that? If I go to the R. F. C., or to the American Zinc; or to a broker; or a promoter or anyone, then I have to organize a corporation; issue some stock; incur some --possibly a lot of promotional expense--have to give them control to some extent. You men there know the trouble, difficulties and expenses of raising money for mining under present conditions; you know it costs a lot. If I have to go to that expense, trouble and arrangements with other, possibly they could get me all the money as easy as half of it. But I am financially unable to carry the costs of any financing plan at this time; have spent what I had getting the properties, protecting them and preparing for operations.

Another objection is the expense under such a plan, as all interested will have to expect some compensation; officers, directors; printing; organization; advertising; travelling; brokerage and commissions--even they will feel entitled to participate in the R. F. C. funds as they make it possible to secure such funds, etc., etc., you all know the situation when an individual mine-owner goes into such a situation. The R. F. C. funds of that plan would cover the costs of many, many feet of tunnel--better we drive the tunnels and get the ores first, then from production organize, etc., etc.

It is not and should not be the intention or aim of the government to drive or compel the smaller mine owners to go into the arms of the larger or moneyed people or corporations, or brokers or promoters, or others. The aim is, and should be to help those who need help. You men there have had experience enough,

or seen others have experience enough to know that if I have to raise the 50% from usual money-raising plans, the proposition cannot be carried through to completion. I simply cannot provide the expense moneys needed for financing purposes.

Am sending and enclosing a few various forms you enclosed, altering to suit the situation as it is. I want to aid; I have the metals needed; I can probably get some metals to market quicker than most of the others being presented; spring is opening up down there and can get the machinery placed during good weather, as summer is a slack time down there to work--especially out-door work--the power line is near--about a half mile or less--roads, quarters for hired hands; good roads in and out of section; railroad station near. With the 1% plan or loan, I can get the work started and possibly reach the first ore body before I could get someone interested enough to start to get the 50%.

Expenses, also, minimum, as I ask no salary (nothing but expenses while working) no supervisors, superintendents, as I would give a contract for most of the drilling; little overhead; I would get ahead as I could and not be committed until after I get production under way; it is my credit that is at stake so you can be sure I would run it and pay off as fast as conditions permit.

While I am not an expert, yet I do know minerals; especially in the San Juan section; I know what can be done and how to do it; I once upon a time operated the Silverton Smelter and a number of mine properties, so the money will be economically spent and not wasted. The Government will have its inspectors and check up, aiding me if I need their aid and advice. The first 150,000 would give us considerable production of lead, zinc and copper ores, and then we could decide upon the further work, or need of additional funds. I could hardly expect the remaining monies unless the U.S. then after they see the ores and work on the Twentieth Century.

, fully approve.

Trusting your Department will authorize the loan upon the 1% basis, and will provide as soon as possible the first credit for the first 150,000, I remain.

Yours very truly,

Fred

dma-870 X

FRANK L. ROSS
Attorney and Counselor at Law
3516 ST. PAUL STREET
DENVER, COLORADO

April 24, 1951.

DEFENSE MINERALS ADMINISTRATION,
U. S. Department of the Interior,
Washington, D. C.

Gentlemen: Re: DMA 870

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FRANK L. ROSS
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3516 ST. PAUL STREET
DENVER, COLORADO

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It is not and should not be the intention or aim of the government to drive or compel the smaller mine owners to go into the arms of the larger or moneyed people or corporations, or brokers or promoters, or others. The aim is, and should be to help those who need help. You men there have had experience enough,

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3516 ST. PAUL STREET
DENVER, COLORADO

DMA 870 - 3

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Trusting your Department will authorize the Loan upon the 100% basis, and will provide as soon as possible the first credit for the first $50,000.00 I remain.,

Yours very truly,

Frank L. Ross

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. Dma-870X

Date received 5/1/51

Participation

Frank L. Ross,
3516 St. Paul Street,
5, Denver, Colorado.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application March 21, 1951, Estimated cost $250,000.00

Mineral or metal Lead, zinc & Copper, some gold and silver, possibly some rare metal. Percentage of Government participation 100%.

Location of mine Near Ophir, San Miguel Co., Colorado.
in San Juan District, SW Colorado.

Date of filing MF-100 March 21, 1951/ DMA Docket Number, if available IMA 870

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Individual
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Raised in San Juan District, 50 years experience.
*5. Are you the owner or the lessee of the property? Owner, and expect secure adjoining.
6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. None now.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? None for the work, already in considerable.

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See original application and maps attached.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any. FROSS MINE (formerly Brewster's)

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. See maps attached to application.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. Small stream
State amount of power to be used, rate per hour or other cost, and source. Regular rates.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. Want to build new building and install machinery.

15. State in detail how the ore could be shipped and how and where milled. To local custom mill and by railroad to smelters.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations. See original application.

(*b*) State briefly the known history and production of adjoining and neighboring properties. All similar

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining	Formerly high grade gold; then gold and silver and later some gold, silver, lead smelter grade ores.			
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.) No recent operations.

(*a*) Describe the ore or mineral deposits briefly. See application,

(*b*) Submit available maps and assay data. 5% to 10% lead, and 5% to 10% zinc.

(*c*) Give estimated tonnage and grade of each class of ore reserves. Probably 100,000 tons on Twentieth Century alone.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Lead-zinc

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. 1000 foot tunnel

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. Regular San Juan wage scale.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. $25,000.00

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. Included in the above $25,000.00

(*f*) Cost of rental for equipment which the operator proposes to rent.

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(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

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24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. Will take about sixty days to install machinery, buildings, &c., and then start tunnel work.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

For further details see original application.
(Date)

By Frank E. Ross
(Signature of authorized official)

Owner & Applicant
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)	100,000	–	15¢		$70.00

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads. Good See map

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Good

15. Power:

State amount of power used, rate per hour, and source thereof. As needed

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities: Same as available other operating properties

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By Frank L Ross
(Signature of authorized official)

(Date)

Owner
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. Dma-870 X

Date received 5/1/51

Frank L. Ross
3516 St. Paul Street,
5 Denver, Colorado.

Name and address of applicant

Date April 24, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? Lead, Zinc and Copper;
   (*b*) What are the byproducts, if any? Silver and Gold.
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts. Some underhand stoping in old upper works,
   (*b*) Linear feet of drifts and crosscuts. About 600 on Twentieth Century,
   (*c*) Linear feet of tunnels or adits. " " , others 2,500 feet
   (*d*) Linear feet of other mine openings (explain briefly). Upper tunnel produced, lower tunnel started
   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity. No water to handle,
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point. Half a mile
   (*b*) Mining district. Telluride-Ophir, San Juan District
   (*c*) Township, Section, Range.
   (*d*) County, State. San Miguel County, Colorado
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. Idle now
   (*b*) Are you operating this property as:
   ☐ Owner. As owner Twentieth Century, expect secure others needed
   ☐ Lessee. as lessee under contracts of purchase, most of the
   ☐ Contractor. purchase price to be paid from production.
5. Number of years in production Old time mines, off and on as Gold and silver mines
   If not in production or operation, estimated date when production will begin Can open and start producing Lead, zinc and copper in six months.
6. Experience of operators: 50 years, raised in that District.
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project. As a Boy worked in Telluride Mines; then became a lawyer;
7. History: moved to Silverton, practiced law and mined, operated smelter
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation. 1893 demonitization of silver, and later
   (*b*) State briefly the known history and production of adjoining and neighboring properties. Same death of owner
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
   See Governmental Reports on District.

16—63792-1

MF-200
(April 1951)

Docket No. DMA 870 X
Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 24 day of April, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Frank L. Ross

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Colorado, County of San Miguel described as follows: [3]
FROSS MINE

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: _____

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within sixty days from the date of this contract shall commence work on a project of exploration for [5] lead, zinc & copper; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] One Year from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract. See Application.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

Provide initial $2,500 to start and thereafter

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 100 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $50,000.00, which is 100 percent of the agreed estimated total cost of this project, $50,000 to develope for production ores on Twentieth Century and later as additional work is outlined and agreed upon.

12. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

Frank L. Ross
Owner (Operator)

By 3516 St Paul St
Denver, Colo

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

MF-201

MORTGAGOR'S SUBORDINATION AGREEMENT

None.

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the owner is the holder of a mortgage, claim, lien, or encumbrance dated ----------, ----------, recorded in Book ----------, page ----------, of the records of the county of ----------, State of ----------, upon that certain parcel of ground described in a certain Exploration Project Contract dated ----------, 195__, between ----------, the owner of said property and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all of his right, title, and interest in said mortgage, claim, lien, or encumbrance to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights under the provisions of said mortgage, claim, lien, or encumbrance; and

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

None as I am owner of Trentieth Century where first work will be done. Later, get options of adjoining if desired.

Dated this 24 day of April, 1951

Frank Ross

Owner.

U. S. GOVERNMENT PRINTING OFFICE 940767

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of San Miguel, State of Colorado, described in a certain Exploration Project Contract dated March 21, 1951, between Frank L. Ross, as Owner, ~~the Lessee~~ of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as ~~Lessor~~ Owner of said property ~~under lease dated~~ _____, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 24th day of April, 1951.

Frank L. Ross

U. S. GOVERNMENT PRINTING OFFICE 940768

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

APR 12 1951

In reply please refer to DMA-870

Copy McKnight Herres Mote

Mr. Frank L. Ross
3516 St. Paul Street
Denver, Colorado

Dear Mr. Ross:

One of the purposes of the Defense Production Act of 1950 is the encouragement of exploration, development and mining of strategic minerals and metals. Where an applicant has proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances.

The program recently approved for encouragement of exploration of stratetic materials calls for participation on the part of the applicant. For zinc and lead deposits it will be necessary to match Government funds on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid of the exploration is profitable, but to be canceled if unsuccessful. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, are enclosed.

A review of your application (DMA-870) for financial aid in constructing a mill and driving two tunnels on your property in San Miguel County, Colorado, indicates part of your proposal may be considered under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation, but as a preliminary appraisal, we believe that the program will apply to $90,000.00 of your proposal.

Before we can proceed further with consideration of your application, which may or may not require a field examination, please indicate your willingness to provide your share of the funds needed to carry out the proposed exploration. Any modification of your original proposal that you may wish to make will be considered, but you should be specific concerning the work you wish to undertake.

Very truly yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

EJLyons:emp G 4/2/51
Copies to: 2 copies to J.H.East
Region IV
Chief, Lead-Zinc Br.
E.T.McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel C. O. Mittendorf Files

FILE COPY
SURNAME:

Strobel

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

March 27, 1951

Mr. Frank L. Ross
3516 St. Paul Street
Denver 5, Colorado

Subject: DMA-870

My dear Mr. Ross:

Receipt is acknowledged of your application of March 21, for a Government loan under the Defense Production Act of 1950.

The application was assigned docket number 870 and referred to Mr. Otto Herres, Chief, Lead and Zinc Branch, on March 27.

In any future correspondence relating to your application, kindly refer to DMA - 870.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:BL

Copy to: Mr. Lyon
Mr. Herres
Mr. Strobel (2)
Files

Donna 870

856

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION IV

OFFICE OF
REGIONAL DIRECTOR

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

March 23, 1951

Dr. James Boyd
Administrator
Defense Minerals Administration
Interior Building
Washington 25, D. C.

Dear Doctor Boyd:

We are enclosing three copies of the application for Government loan from Frank L. Ross, 3516 St. Paul Street, Denver, Colorado.

This is the twentieth package of reports forwarded to Washington from Region IV.

Sincerely yours,

J. H. East, Jr.
Regional Director

Enclosures

BUREAU OF MINES
WASHINGTON, D.C.
MAR 26 10 39 AM '51

March 20th, 1951.

PROS & MINE.

(Historical Outline)

The PROS MINE consists of the TWENTIETH CENTURY, U. S. Sur. No. 16206; an undivided one-sixteenth interest in the Single Standard, U. S. Sur. No. 4572, and such other interests as may be obtained in the adjoining and nearby claims, near Ophir, San Miguel County, Colorado.

About 1876, a man by the name of Brewster, from Missouri, and a man by the name of Ross, went to Ophir, Colorado; met; their families became acquainted; both moved to Montrose, Colorado, for education of children. The elder Brewster always claimed he made over $10,000 from his interest in the Single Standard, and other properties. On his death the Single Standard title passed to a son, Arthur Brewster, who located the same vein lower on the Mountain, calling it the Twentieth Century. He opened some good shipping ores, shipping in crude. At time of his death, after several years illness, he had over $10,000.00 in cash--pretty good for a prospector and small operator.

On death of Arthur Brewster, title passed to a Sister, Grace Brewster, who has sold and transferred the title to Frank L. Ross, who now holds the ownership. Shipments have been from upper levels, which is the GOLD area in the San Juan District. It is at about timberline, (11,500 foot elevation usually. Below timberline the veins and ores become more sulphide, with LEAD, ZINC and COPPER. Practically all mines in the San Juan Section have same historical outline. The ores below timberline are more of a concentrating ore, needing mills and machinery to make it into a commercial quantity or quality. The Smuggler-Union (Telluride) Mine of to-day is under the old-time Sheridan, Candota and Union. The Shenandoah-Dives of to-day is from ores under the old North Star of King Solomon and the Dives. So with practically all large producers. Brewster intended to do this, but never got to it. Now, I want to do it, as I am confident the tonnage, values and metals are there. I know the mines of the San Juan; at one time I operated a Smelter at Silverton; think I know what it takes to make a good mine, and confident I can make a large one here.

Desire to call it the FROSS MINE. Would not risk my name unless I was pretty certain it would be a success. Have been unable to promote or finance it in usual way--may be I am a poor salesman, or possibly brokers and promoters were not in humor to act. So I hope to get some federal assistance, as the metals needed are there.

So I make, and present this application, under the present laws and regulations. The present owners of the adjoining properties are heirs and descendants, long removed from that vicinity. Have communicated with most of them; they seem willing to take any reasonable offers; they are tired of paying taxes, so encourage me to try to do something for them. I am confident I can secure the Little Eva, the other interests in the Single Standard and other adjoining properties upon reasonable and favorable basis, as well as secure rights-of-way or leases for the asking.

Believe there is the making of a really large Mine there. Being close to Ophir, a lot of usual expense, such as bunk houses, boarding houses and other accomodations for workmen, can be saved. All the money can go into mine work, machinery for mining, powder, power and actual mining expenses. Supervising, overhead and management expenses will be held to a minimum. Even my Compensation must come from production (except actual expenses away from Denver).

I can refer to Mr. A. C. Wilfley, or any other reputable mining man, or official, for reference or recommendation. Mr. Wilfley operates the Silver Bell Mine one way, and is examining the Carbonero on the other side, so knows the District.

Trusting my Application will receive favorable attention, and the loan be granted, I remain,

Very respectfully,

Frank L. Ross

3516 St. Paul Stre et,
Denver, Colorado.
Tel. FR 3645.

March 20th, 1951.

FROST MINE.

(Historical Outline)

The FROST MINE consists of the TWENTIETH CENTURY, U. S. Sur. No. 10268; an undivided one-sixteenth interest in the Single Standard, U. S. Sur. No. 4076, and such other interests as may be obtained in the adjoining and nearby claims, near Ophir, San Miguel County, Colorado.

About 1876, a man by the name of Brewster, from Missouri, and a man by the name of Rose, went to Ophir, Colorado; met; their families became acquainted; both moved to Montrose, Colorado, for education of children. The elder Brewster always claimed he made over $10,000 from his interest in the Single Standard, and other properties. On his death the Single Standard title passed to a son, Arthur Brewster, who located the same vein lower on the Mountain, calling it the Twentieth Century. He opened some good shipping ores, shipping it crude. At time of his death, after several years illness, he had over $10,000.00 in cash--pretty good for a prospector and small operator.

On death of Arthur Brewster, title passed to a Sister, Grace Brewster, who was sold and transferred the title to Frank L. Ross, who now holds it in ownership. Shipments have been from upper levels, which is the GOLD area in the San Juan District. It is all about timberline, (11,500 foot elevation usually. Below timberline the veins and ores become more sulphide, with LEAD, ZINC and COPPER. Practically all mines in the San Juan section have same historical outline. The ores below timberline are more of a concentrating ore, needing mills and machinery to make it into a commercial quantity or quality. The Smuggler-Union (Telluride) Mine of to-day is under the old-time Sheridan, Wandota and Union. The Shenandoah-Dives of to-day is from ores under the old North Star of King Solomon and the Dives. So with practically all large producers. Brewster intended to do this, but never got to it. Now, I want to do it, as I am confident the tonnage, values and metals are there. I know the mines of the San Juan; at one time I operated a Smelter at Silverton; think I know what it takes to make a good mine, and confident I can make a large one here.

Desire to call it the FROSS MINE. Would not risk my name unless I was pretty certain it would be a success. Have been unable to promote or finance it in usual way--may be I am a poor salesman, or possibly brokers and promoters were not in humor to act. So I hope to get some federal assistance, as the metals needed are there.

So I make, and present this application, under the present laws and regulations. The present owners of the adjoining properties are heirs and descendants, long removed from that vicinity. Have communicated with most of them; they seem willing to take any reasonable offers; they are tired of paying taxes, so encourage me to try to do something for them. I am confident I can secure the Little Eva, the other interests in the Single Standard and other adjoining properties upon reasonable and favorable basis, as well as secure rights-of-way or leases for the asking.

Believe there is the making of a really large Mine there. Being close to Ophir, a lot of usual expense, such as bunk houses, boarding houses and other accomodations for workmen, can be saved. All the money can go into mine work, machinery for mining, powder, power and actual mining expenses. Supervising, overhead and management expenses will be held to a minimum. Even my Compensation must come from production (except actual expenses away from Denver).

I can refer to Mr. A. G. Wilfley, or any other reputable mining man, or official, for reference or recommendation. Mr. Wilfley operates the Silver Bell Mine one way, and is examining the Carbonero on the other side, so knows the District.

Trusting my Application will receive favorable attention, and the loan be granted, I remain,

Very respectfully,

3513 St. Paul Street,
Denver, Colorado.
Tel. FR 3645.

EL FIDEL HOTEL

JOHN FIDEL
MANAGING DIRECTOR

Largest in New Mexico

~~ALBUQUERQUE, N.M.~~

Grants, New Mexico.
October 28, 1947.

Mr. Frank L. Ross,
Attorney at Law,
P.O.Box 2126, Denver Colo.

Dear Mr. Ross:

Am just in receipt of your letter of Oct. 21st., which was forwarded to me here from Ophir. I am twenty-seven miles out from Grants mining fluorspar and do not get my mail very regularly.

You ask me about Arthur Brewster and the Twentieth Century Lode which he owned. I first met Brewster when I went to Ophir in 1909 to work in the old Suffolk mill. At that time he was driving his Little Eva cross-cut to cut that portion of the Shumaker vein which he had covered with his Twentieth Century claim. The Shumaker was a producer of high-grade free milling gold ore. I left Ophir in 1910 and did not return until 1917. Between those two dates, he had cut the vein, driven an up-raise and extracted a considerable amount of gold ore. He has held the property ever since, paying taxes on it and thought well enough of it to fight a law-suit over it, which he won. He came into that country when he was a young fellow, he and his family being one of the first to cross the Ophir Pass from Silverton to Ophir. After spending some time in the Paradox country, he returned to Ophir to engage in mining and was connected with that game in one way or another until he died. He was a good reliable, conscientious fellow and a good miner. As to the present value of the Twentieth Century property, it would be hard to assess now until some work was done on it but it is on a gold producing hill which was the scene of several profitable gold producers in the early days and undoubtedly will produce more in the future.

My family are all well, thank you. My youngest son, the one you met at Ophir, received his discharge shortly after he went back to the hospital as his leg had healed up while at Ophir. He is now in Colorado, has a car with all the gadgets on the stearing wheel and gets around pretty well for a fellow with only one good limb out of four. At least he has not lost any of his spirit. Wishing you the best of good luck, I am,

Yours Very Truly,

C. L. Brown

C. L. Brown.

Norwood, Colorado, Octo. 23, 1947

Mr. Frank L. Ross,
Denver, Colorado.

Dear Sir:

I lived in Ophier many years, and still interested in some mining operations there. It is a gold producing district, the scene of much activity in early days. The ores are found near vein intersections, and in the higher altitudes are good gold values. Deeper, there are sulphides carry more lead, copper and zinc with some gold and silver.

Mr. Arthur Brewster was a ~~firmed~~ friend for many years, and he was good experienced miner, who knew the district well. He located, patented and started development work on the Twentieth Century Lode. He cut some ore and shipped from the property some smelter grade ores, running well in gold. Illness in later years prevented his completing the work he planned.

The property is well located, inside the mineralized section, and ores when found should be good grade, with much having value sufficient to ship direct to the smelter.

My recommendation would be that you complete the development work, and I think you can make a valueable and profitable mine there.

Yours truly,

J. M. L. Beirsle

Form NSRB-146
(Nov. 1950)

UNITED STATES GOVERNMENT

APPLICATION FOR GOVERNMENT LOAN
UNDER SEC. 302 OF
DEFENSE PRODUCTION ACT OF 1950

FORM APPROVED
BUDGET BUREAU NO. 25-R002

AMOUNT OF LOAN REQUESTED

TERMS OF LOAN REQUESTED

DATE OF APPLICATION

NAME AND ADDRESS OF APPLICANT (Street, City, Zone, State)

Frank L. Ross
3516 St. Paul Street,
Denver, Colorado.
5,

TO BE FILLED IN BY DELEGATE AGENCY

(DATE RECEIVED)

COMM.

AGRIC.

INT.

D.T.A.

FILE NO.

INSTRUCTIONS

Application should be filed with the Department of Commerce, Department of Agriculture, Department of Interior, or the Defense Transport Administration, whichever has the primary interest in the facilities, products, or processes involved. However, for convenience of the applicant, he may file with any government agency with which he has contract or other pertinent relationships and such agency will arrange for the transmittal of the application to the appropriate office.

Submit four (4) signed copies of the application. Name and address of applicant should be stamped or typed for identification of each sheet of the application and all accompanying papers. When a question is inapplicable, this should be so stated on the form. Additional sheets may be attached in answering any questions or in providing other supporting information.

1. PURPOSE OF LOAN

Give a brief general statement of the purpose of the loan requested, including in the table below estimated amounts for such major purposes as land acquisition, building construction, purchase of plant, purchase of equipment, working capital, repayment of debt, etc. Statement should make clear whether funds will be used for expansion of capacity, development of technological processes, or production of essential materials.

General Statement

To drive a Lower Tunnel to develope and open for production the lead, zinc and copper ores below the former high grade gold and silver ores.

All the large producers in the San Juan Section now produce the lead, zinc and copper ores about or below timberline - about 11,500 feet elevation.

Histories similar.

NATURE OF EXPENDITURE	AMOUNT
Portal buildings, machinery, &c.,	$ 25,000.00
Driving 1000 feet and opening ore,	25,000.00
Acquisition additional properties,	35,000.00
Driving tunnel 2000 feet,	40,000.00
Acquisition properties beyond, if desired,	25,000.00
Construction of Mill, if desired,	100,000.00
Total, as needed and if needed,	250,000.00
Total amount applied for (Production might reduce amount needed)	250,000.00

This is an Application for a LOAN or LINE OF CREDIT of $250,000.00, to be provided as needed (altho $50,000.00 may be sufficient if first ore bodies opened are sufficient to carry from then on):

1st;	For installing electric power, compressor, blacksmith shop, drills, equipment and build ings at portal of tunnel,	$25,000.00
2nd;	For driving tunnel 1,000 feet, thru Twentieth Century Claim, with up-raises, cutting out stoping and preparing the first couple ore bodies for production,	25,000.00
3rd;	For acquisition of additional properties, the Little Eva, Boot Jack and additional properties desired along line of tunnel, (options, or leases have been offered on reasonable basis by the heirs and others who hold the present titles)	35,000.00
4th;	For driving tunnel 2,000 feet thru Little Eva and Single Standard, with up-raises and cuttingout stopes for the ore bodies, as opened,	40,000.00
5th,	For acquisition of additional properties, the El Muno and Mon Bijou if desired,	25,000.00
6th;	For construction of a 200 ton Mill and Concentrating Plant when tonnage opened justifies,	100,000.00
	Total requested (as and if needed) (It is possible much less may be required but asking full amount that might be needed to complete the work outlined.)	$ 250,000.00

Respectfully submitted,

Frank L. Ross
Applicant,

P. O. Address:
3518 St. Paul St., Denver, Colorado.

2. PROPOSED METHOD FOR REPAYMENT OF LOAN

State sources of funds, and proposed schedule of repayment

From production - Suggest 15% of production be applied toward the repayment of the advancements.

3. NATURE OF BUSINESS AND DESCRIPTION OF PROJECT

Describe fully the business activity for which the funds are intended. In so doing, identify the materials and services to be produced, describe the facilities and processes involved, and explain in detail any research activity and the nature of the results expected. Attach blueprints and specifications, if available, and furnish other technical details to the extent that they are not covered elsewhere in the application.

Mining - opening for production the lead, zinc and copper ores below the former higher grade gold-silver ores.

Interesting feature - the uranium and other rare metals found along the San Miguel River probably at some time came from veins at the head of the stream, and this property is one of the most prominent veins at the head of that River. Considerable interest is being taken along this line.

4. **Relationship to National Defense.** Explain carefully how the expenditure of the funds will contribute to national defense. As a part of such explanation, the following questions should be answered to the extent possible:

(a) What evidence exists as to current shortages of the materials or services to be produced?

General reports, as well as fact that U. S. is making this class of loans and encouraging mine owners to act.

(b) What evidence exists as to future shortages of the materials or services to be produced?

There is a shortage of lead, zinc and copper now, and will be for considerable time to come.

(c) Are such shortages, if any, regional or national in scope?

National - possibly world-wide.

(d) In what respects will the use of the funds aid directly in expediting the carrying out of government defense contracts? (A listing of defense contracts, if any, held by applicant is required in item 8 below.)

No war contracts in which I am interested, except general defense. As I have these metals, I want to get them into production.

EXHIBIT C - CONDENSED COMPARATIVE STATEMENT OF CONDITION

For years ended December 31, 1950
(Insert date of end of fiscal year)

(000.00 omitted. Use figures to nearest thousand. For instance, the figure $3,489.36 should be written as 3; the figure $3,689.36 should be written as 4)

ASSETS	(Figures for 3 preceding years) 19	19	19	Current year as of date of Exhibit A
CURRENT ASSETS:				
1. Cash	No statement available, as my assets consist			
2. Receivables (after deducting reserves)				
3. Inventories	of mining and oil interests - at present no			
4. Other current assets:				
	way to estimate valuations.			
TOTAL CURRENT ASSETS	Have this Twentieth Century Mining			
FIXED AND OTHER ASSETS:	Claim and 1/16 of the Single Standard			
5. Plant accounts (before depreciation):	at Ophir; have St. Paul Mine in Red			
Machinery, equipment, etc.	Mountain District (not productive now)			
Delivery equipment	and a productive interest in Celtic Boy			
Real estate and buildings used in business	Mine in San Juan County. A little			
6. Other assets (as investments, real estate not used in business, etc.):	oil royalties, and some undrilled acreage.			
	Also some rare metal 120 acres in Utah--			
	unproven as yet.			
	(Cash income about $100.00 per month			
TOTAL ASSETS	under present situations.			
LIABILITIES				
CURRENT LIABILITIES:				
8. Notes payable	Nothing, except current expenses.			
9. Accounts payable				
10. Accrued liabilities				
11. Other current liabilities:	Am Mine Poor, &c., so nice help to			
	get some of them started. I once			
	upon a time operated the Silverton			
	Smelter, so became familiar with			
TOTAL CURRENT LIABILITIES	mining and ore production; thought I			
FIXED AND OTHER LIABILITIES:	knew what it took to make a good mine;			
12. Mortgage debts	those I have I think are good, but			
13. Debentures	under recent mining conditions, have			
14. Other fixed liabilities:	only been able to hold on and wait--			
	believe this loan will help everyone, as			
	well as aid in production of the			
	metals so sorely needed.			
RESERVES:				
15. Reserve for depreciation				
16. Other reserves:				
NET WORTH:				
17. Common stock (issued) (if Applicant is incorporated)				
18. Preferred stock (issued) (if Applicant is incorporated)				
19. Surplus (if Applicant is incorporated)				
20. Capital and surplus account (if Applicant is partnership or individual)				
TOTAL LIABILITIES				

NOTE— If years included in the above table are not adequately representative of applicant's financial experience, condition statements may be submitted for additional years.

4. Relationship to National Defense - Continued

(e) In what respects will the use of the funds aid indirectly in expediting the carrying out of government defense contracts or related operations?

Produce Lead, Zinc and Copper, with possibilities of other rare metals.

(f) Are there available alternative methods or facilities to accomplish the same purpose as that for which these funds are intended? (For instance, unused capacity, possibility of multiple shift operations, idle facilities, readily convertible equipment, sub-contracting?) If answer is yes, explain why alternatives are not used.

No.

5. Maximum Designed Production

List separately materials or services identified in item 3 (a)	Unit of measure (b)	Maximum designed production with existing facilities (c)	Average percentage of maximum designed production used in quarter preceding filing of application (d)	Maximum designed production including use of funds applied for (e)
Could produce about 100 tons of ore daily from the New Century when open the ore bodies there;				
Could increase to at least 200 tons per day under Little Eva, and should get 300 tons or more when under the Single Standard.				

6. Employment

(a) Number currently employed at location(s) where funds are to be used. (Use pay period ending nearest 15th of month preceding filing of application.)

None.

(b) Maximum feasible employment with existing facilities.

(1) Single shift operation.

None

(2) Multiple shift operation (specify how many shifts).

(c) Estimated additional employees required by the use of the funds applied for.

Would require 15 men to start with, and increase up to 50 for three shifts in tunnel work, and when ores opened increase to 100.

7. Timing

(a) On what date(s) are the requested funds needed?

Snows going rapidly in spring, so could start about June 1st;

(b) On what expected date(s) will applicant begin to use such funds and obtain output from the use of such funds? Wherever possible, give planned schedule of output.

Can start getting in supplies, ordering machinery, &c., anytime after May 1st; start installation about June 1st; should be able to reach first ore chute and have some production within six months thereafter; will take about a year to get mine fully opened up and capacity production. The first ores could go to custom mill.

8. Output from the use of funds applied for will be for the following purposes:
a. For the following principal prime defense contracts (if any) with the United States Government:

Date of contract (a)	Contracting Government Agency (b)	Program symbol (2 digits) or other contract identification (c)	Materials or services (d)	Delivery date(s) (e)	Amount *(Dollars)* (f)
~~The metals produced would go to open market; Smelters at Leadville,~~					
~~Colorado; Salt Lake City, Utah, and Amarillo, Texas.~~					

b. For the following subcontracts (if any) with U.S. Government prime defense contractors:

Date of contract (a)	Materials or services (b)	Supplied to *(Give name and address of firm)* (c)	Delivery date(s) (d)	(e) Government agency receiving end product or services / (f) Program symbol (2 digits) or other contract identification	Amount *(Dollars)* (g)
Lead, Zinc and Copper in general demand; open market.				(e) / (f)	
				(e) / (f)	
				(e) / (f)	

c. For the following classes or types of customers not covered by contracts listed above (list materials or services to be provided and, wherever possible, also indicate final product use):

General Market for Metals at all times.

9. **Feasibility**

(a) Estimate anticipated requirements for manpower, equipment, raw materials, energy, fuel, transportation facilities, water supply, housing, community facilities, and other factors of production, for (1) preparation of the facilities and (2) actual operation thereof. (The estimates may be limited to those factors of substantial significance to the preparation and operation of the facilities for which the funds are intended.)

Will require an Air Compressor, drills and tools; a small compressor house and blacksmith shop; About half a mile Power Line; electric power available; Cars, trackage and pipe.

There is housing in Ophir, as well as boarding houses, stores, &c.

Roads already there. Telephone service available. Mail facilities at Ohpri.

(b) Discuss and evaluate the availability of each of the above factors in the area(s) where the funds will be used.

The situation favorably, as little money will have to go into buildings for personnel; they can walk to work; roads good, so trucks can go right to the mouth of tunnel-- no steep grades or long up-hill pulls so usual around mining work.

Practically all money will go into equipment and actual mining work.

10. The following applications for necessity certificates for tax amortization (Under Section 124A of the Internal Revenue Code) for facilities at the location(s) covered by this application have been filed since January 1, 1950.

Date of application (a)	Government file number (b)	(Estimated) Total of facilities in dollars on each application (c)	(d) If final action has been taken, give date of	
			Issuance	Denial
None				

11. **Recent Efforts to Obtain Credit**

(a) Banks—List names and addresses of all Banks of Deposit of Applicant within the last 5 years: *(Mark with an asterisk (*) bank or banks in which deposits are now kept)*

I went East couple times to try to interest someone in the financing but unable to secure results; recently been corresponding with a number but mining issues seem to have no interest for them. Unless I can get some aid from a governmental loan, see no way to get these metals opened. Believe this is a place where more metal can be secured for as little money as anywhere. Others are asking for loans for properties which in my judgment have less possibilities of production than I have. There is no profit for me, unless the work is successful.

11. **Recent Efforts to Obtain Credit** - Continued

(b) State efforts to obtain credit, within 60 days preceding date of application, from banks, the Reconstruction Finance Corporation, or other sources, results, and reasons if refused. (NOTE.— Section 302 of the Defense Production Act of 1950 states that a loan may be extended "only to the extent that it is not otherwise available on reasonable terms." Accordingly, Applicant should show that it has applied to each bank named in (a) above, or explain the reason for not doing so. The fact that a loan of the particular maturity and terms applied for is refused by a bank or banks is not sufficient to comply with the statute, if credit on reasonable terms is available. State whether a bank will participate in the loan, and if so, state name of bank and amount of participation. Full particulars must be given.) List the names and addresses of banks and other lending institutions to which applications for credit have been made, and in each case state date of application, amount of credit available, if any, maximum term for which credit is available, what consideration, if any, was given to possible guarantee of loan under Federal Reserve Regulation V, and reason for refusal or reason loan was not obtained. Indicate whether or not application was definitely refused for further credit on any basis.

Have been unable to get anyone to undertake the financing, have not asked any Bank aid for this purpose; and know of no bank or finance company that could or would provide the funds needed.

12. What other forms of government financial assistance, if any, have been received or requested by the applicant in connection with the purposes of the loan herein applied for? If applicant plans to request such assistance in the future, give details.

None

13. **HISTORY, MANAGEMENT, LEASED AGREEMENTS, INSURANCE, ETC.**

These subjects should be fully covered in statements attached hereto. (See attached statements) Outline past management experience or other basis for showing competence of the Applicant to perform in accordance with expressed purpose of the application. If plant was purchased, state price, form and terms of payment, date of purchase, from whom and under what circumstances purchase was made. If it is proposed to construct or acquire new facilities (including equipment), state estimated cost and basis of such estimate, form and terms of payment, and from whom purchases of facilities will be made. State whether Applicant, or the business or plant, has been in receivership, bankruptcy, Chapter X, XI or XII, in hands of creditors, committee, or whether Applicant has effected a compromise with creditors, and if so, discuss fully. Indicate whether business is conducted in leased premises and whether any facilities are leased from others and describe terms of any lease agreements. List type and amount of insurance carried on plant property. Describe briefly any pending or threatened litigation affecting Applicant.

14. NAMES AND ADDRESSES OF OFFICERS, DIRECTORS, OR PARTNERS, AND IN ADDITION THERETO, THE FIVE LARGEST STOCKHOLDERS IF A CORPORATION.

Owned individually

NAME AND ADDRESS (a)	Official title (If officer is also director indicate by "D") (b)	Total of annual salary, commissions, bonuses, etc., received from Applicant and affiliates during last fiscal year (c)	Estimated net worth outside of Applicant (d)	Number of shares held in applicant: Common (e)	Number of shares held in applicant: Preferred (f)	Life insurance carried for benefit of Applicant: Amount (g)	Life insurance carried for benefit of Applicant: Net cash surrender value after loans (h)
	Total		x x x x x			x x x	x x x

15. CAPITAL STOCK ISSUES

~~Individually ownership.~~

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par value (c)	Number of shares outstanding (d)	Dividend rate last paid (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

16. PURCHASE AND SALES RELATIONS WITH OTHERS

Does Applicant buy from, sell to, or use the services of, any concern or partnership in which an officer, director, large stockholder, or partner of the Applicant has a substantial interest? If not, so state. If so, give names of such officers, directors, stockholders, and partners, and names of such concerns or partnerships.

Individual ownership.

Does any officer, director, large stockholder, or partner of Applicant receive any commission, bonus, or other payment in cash or services from any concern or partnership with which Applicant has business dealings? If not, so state. If so, give names of such officers, directors, stockholders, or partners and amounts of such commissions, bonuses, or payments.

17. COMPENSATION SCHEDULE

INSTRUCTIONS: The schedule shall show the amount of compensation being paid to all employees of Applicant receiving compensation at a rate in excess of $10,000 per annum, including employees paid on a part-time basis where the rate of compensation exceeds $10,000 per annum computed on a full-time basis. If Applicant is a corporation, the schedule should show the compensation, regardless of amount, being paid to all officers, directors, and such stockholders as have an interest in Applicant's business of 10 percent or more. If Applicant is a partnership, the schedule should show the compensation being paid to, or being withdrawn by, all partners for their personal use. If Applicant is an individual, the schedule should show the amount being withdrawn by Applicant for his personal use. In each case the listed person's connection with the business should be indicated (i.e., whether an officer, director, stockholder, partner, owner, etc.). The calendar basis for the compensation should likewise be shown. Attorneys or firms of attorneys on a regular retainer or salary basis should be included. The schedule should include a separate notation indicating the source and amount of any compensation being paid by a company or firm directly or indirectly controlling, affiliated with, or controlled by, Applicant. If the space provided herein is insufficient, the schedule should be continued on the reverse side or appropriate continuation sheets should be attached.

No salary - just actual expenses travelling, and meals, lodging and expenses while away from home, looking after the work at the mine.

17. **COMPENSATION SCHEDULE** - Continued

The term "compensation", as used herein and such schedule, shall include all salaries, fees, bonuses, commissions, retainers, regular drawing accounts, and other payments, direct or indirect, in money or otherwise, for personal services.

Name (a)	Position (b)	Compensation paid during previous fiscal year (c)	Present compensation (d)
No arrangements made as yet.			

18. **COLLATERAL**

(a) The applicant offers the following described collateral as security for repayment of the loan applied for.

Description (a)	Date acquired (b)	Cost (c)	Book Value (Net) (d)	Appraised* value (e)
Property now held: The Twentieth Century and the Interest in the Single Standard, and whatever additional property rights acquired in adjoining properties.				
To be acquired: Little Eva, and other rights or properties hereafter acquired.				

* This column need be filled in only if a recent appraisal has been made. If so, identify appraiser below.

Name (a)	Title (b)	Date (c)

(b) Describe existing liens, if any, on property listed above.

None.

EXHIBIT A - CURRENT FINANCIAL STATEMENT

As of _____

(Date not more than 30 days prior to date of application)

ASSETS

CURRENT ASSETS

1. Cash ..... Mines, and property Rights. ..... $ _____
2. Notes receivable ..... $ _____
   Less reserve for doubtful notes ..... _____
3. Accounts receivable:
   Current ..... $ _____
   Past due not over 4 months ..... _____
   Past due over 4 months ..... _____ $ _____
   Less reserve for doubtful accounts ..... _____ _____
4. Inventories:
   Raw materials ..... $ _____
   Work in process ..... _____
   Finished goods ..... _____ $ _____
   Less reserve for inventory losses ..... _____ _____
5. Other current assets (describe) _____ _____

TOTAL CURRENT ASSETS ..... $ _____

FIXED AND OTHER ASSETS

6. Plant used in business:
   Land ..... $ _____
   Buildings ..... _____
7. Machinery ..... _____
8. Equipment, furniture, and fixtures ..... _____ $ _____
   Less reserve for depreciation ..... _____ _____
9. Investments—stocks and bonds ..... _____
10. Investments in affiliated companies ..... _____
11. Receivables due from affiliated companies ..... _____
12. Real estate not used in business ..... _____
13. Due from officers, directors, employees, stockholders ..... _____
14. Deferred charges ..... _____
15. Other assets ..... _____

TOTAL ASSETS ..... $ _____

LIABILITIES

CURRENT LIABILITIES

16. Notes payable (see schedule 1, page 10): None
    Banks ..... $ _____
    Trade creditors ..... _____
    Officers, stockholders, relatives ..... _____
    Insurance companies ..... _____ $ _____
17. Accounts payable ..... _____
18. Other current liabilities:
    Delinquent taxes { Real estate ..... $ _____
    Delinquent taxes { Federal ..... _____
    Wages and salaries ..... _____
    Due officers ..... _____
    Accrued interest, rent, taxes, wages, etc. ..... _____
    _____ _____ _____

TOTAL CURRENT LIABILITIES ..... $ _____

FIXED AND OTHER LIABILITIES

19. Machinery liens ..... _____
20. Mortgage debts (see schedule 2, page 10) ..... _____
21. Bonds or debentures (see schedule 2, page 10) ..... A new enterprise. ..... _____
22. Other liabilities ..... _____

NET WORTH

23. Common stock (if Applicant is incorporated) ..... $ _____
24. Preferred stock (if Applicant is incorporated) ..... _____
25. Surplus (if Applicant is incorporated) ..... _____ _____
26. Capital and Surplus Account (if Applicant is partnership or individual) ..... _____

TOTAL LIABILITIES ..... $ _____

27. Contingent liabilities (explain) _____ $

NOTE.— Submit copy of last available audit or of financial statement at close of last fiscal period (if such date differs from date of above statement).

SCHEDULE I - Notes Payable (in detail)

Name and address	Maturity	Amount	State amount and character of collateral	Name of guarantor(s) and/or endorser(s)
None				

SCHEDULE 2 - Mortgage Debt (real estate and/or chattels) or Bond Issue

Names and addresses of holders	Date of maturity	Interest rate	Unpaid principal amount	Date to which interest is paid
None on Twentieth Century, or Single Standard; To acquire Little Eva and others, would require some negotiations; parties secured interests by inheritance; dislike paying taxes; bave always expressed willingness to take reasonable amount, probably glad to get it from production.			$	
TOTAL	XXXXXXX	XXXXXX	$	XXXXXXXXXXXXXXXXX

If mortgage secures a bond issue, state whether bonds are principally held by management and/or stockholders or by others, and attach copy of mortgage indenture.

EXHIBIT B - CONDENSED COMPARATIVE STATEMENT OF INCOME AND EXPENSES

For years ended _____

(Insert date of end of fiscal year)

(000.00 omitted)

None.	(Figures for 3 preceding years) 19	19	19	Current year as of date of Exhibit A
1. Net sales				
2. Cost of goods sold				
3. Gross profit on sales (line 1 minus line 2)				
4. Other income (itemize)				
5. Total (line 3 plus line 4)				
6. Salaries (officers or partners)*				
7. Selling and all other expenses				
8. Total of lines 6 and 7				
9. Profit or loss before depreciation and Federal taxes (line 5 minus line 8)				
10. Depreciation				
11. Federal Income and Excess Profits Taxes				
12. Net profit or loss (line 9 minus lines 10 and 11)				
ANALYSIS OF SURPLUS				
13. Total surplus at beginning of period				
14. Net profit or loss for period				
15. Line 13 plus line 14 if profit; line 13 minus line 14 if loss				
Add:				
16. Surplus paid in during period				
17. Surplus resulting from revaluation of assets				
18. Other additions to surplus (itemize)				
19. Total of lines 15 to 18, inclusive				
Deduct:				
20. Dividends				
21. Other charges to surplus (itemize)				
22. Total of lines 20 and 21				
23. Surplus at end of period (line 19 less line 22), MUST AGREE WITH SURPLUS AS SHOWN IN BALANCE SHEETS				

* To include all payments of any kind (commissions, bonuses, withdrawals) to officers or partners.

NOTE—If years included in the above tables are not adequately representative of applicant's financial experience, information may be submitted for additional years.

EXHIBIT D

AGREEMENT AS TO COMPENSATION FOR SERVICES RENDERED OR TO BE RENDERED TO APPLICANT IN CONNECTION WITH APPLICATION AND/OR LOAN

To induce the United States Government and its agencies to make a loan under Sec. 302 of the Defense Production Act of 1950 to Frank L. Ross (hereinafter called "Applicant") and in consideration of the making of a loan to Applicant, the undersigned, having been retained by Applicant for the purpose of rendering professional or other services in connection with its application for a loan or loans, hereby represents, warrants, and agrees that the undersigned has not been paid, has not made any agreement with the Applicant to be paid, and has not procured any person to pay or agree to pay, and will not, directly or indirectly, charge or receive any bonus, fee, or commission in any form in connection with the said application for, or the obtaining of, the loan applied for by the Applicant, or any compensation in any form for services rendered or to be rendered in connection therewith except for the services and in the amounts stated below:

Name	Description of services	Amount paid	Amount to be paid
No One	As I am doing the work myself, and paying for the plats, printing, and other expenses.	$	$

To induce the making of the loan and the employment of the undersigned by Applicant, the undersigned hereby further warrants, covenants and agrees, upon the consideration herein specified, and in consideration of the employment of the undersigned by Applicant, as above recited, that if the amount of compensation stated above for any such services shall not be deemed reasonable by any agency of the United States Government, the undersigned will reduce the charge for such services to such amount as shall be deemed reasonable by such agency, and will not, directly or indirectly, charge or collect from the Applicant or any other person, any sum in excess of the amount so deemed reasonable; and that if the undersigned has heretofore collected, from the Applicant or any other person, as compensation for any such services, any amount deemed by such agency to be unreasonable, the undersigned will refund to Applicant or such other person such sums as are in excess of the amount deemed reasonable. The undersigned further warrants, covenants and agrees that if the amount of the compensation for any such services is not determinable at the date of application, or is not stated above, it will not collect or charge any sum as compensation for such services without the prior written approval of the Government agency with which this application is officially filed as to the nature of the services for which such compensation is to be paid and the amount of such compensation.

Frank L Ross

Witness: _____

Address of witness: _____

Dated March 21, 1951

NOTE—Corporations must execute foregoing certificate in corporate name, by duly authorized officer, and seal must be affixed and duly attested; partnerships must execute in firm name, together with signature of a general partner. If no compensation is paid or to be paid for services rendered in connection with application or loan, this should be so stated and the Applicant should sign this Exhibit.

CERTIFICATION

The Applicant hereby certifies that the statements made in the foregoing application, and all exhibits and documents submitted in connection therewith, are true and correct statements to the best of Applicant's information and belief and are submitted as a basis for credit. The Applicant agrees to reimburse any agency of the United States Government upon demand for any expenses incurred in connection with or arising out of this application or any loan made pursuant hereto.

Dated March 21, 1951

Witness: _____

(For individual applicants)

Frank L Ross
(Signature)

Witness: _____

(For partnership applicants)

_____
(Full name of firm)

By _____, a general partner.
(Signature)

(For corporate applicants)

(CORPORATE SEAL)

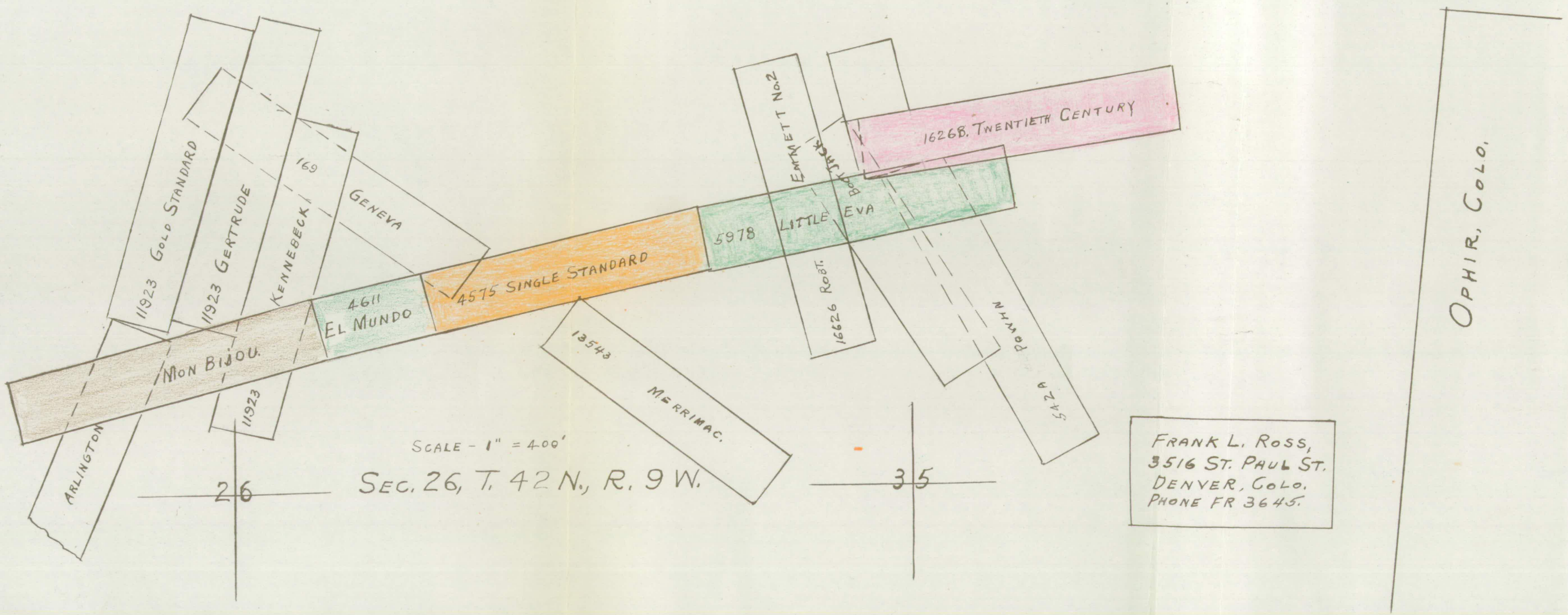
_____
(Full corporate name of Applicant)

Attest: By _____
(Signature) (Title)

_____, _____
(Signature) (Title)

The United States Criminal Code, 18 U.S.C., Sec. 1001, makes it a criminal offense to make a willfully false statement or representation to any Department or Agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE: 1950 O - 916171



FRANK L. ROSS,
3516 ST. PAUL ST.
DENVER, COLO.
PHONE FR 3645.

Norwood, Colorado, Octo. 23, 1947

Mr. Frank L. Ross,
Denver, Colorado.

Dear Sir:

I lived in Ophier many years, and still interested in some mining operations there. It is a gold producing district, the scene of much activity in early days. The ores are found near vein intersections, and in the higher altitudes are good gold values. Deeper, there are sulphides carry more lead, copper and zinc with some gold and silver.

Mr. Arthur Brewster was a ~~firmed~~ friend for many years, and he was good experienced miner, who knew the district well. He located, patented and started development work on the Twentieth Century Lode. He cut some ore and shipped from the property some smelter grade ores, running well in gold. Illness in later years prevented his completing the work he planned.

The property is well located, inside the mineralized section, and ores when found should be good grade, with much having value sufficient to ship direct to the smelter.

My recommendation would be that you complete the development work, and I think you can make a valueable and profitable mine there.

Yours truly,

J M L Beesley

EL FIDEL HOTEL

JOHN FIDEL
MANAGING DIRECTOR

Largest in New Mexico

~~ALBUQUERQUE, N.M.~~

Grants, New Mexico.
October 28, 1947.

Mr. Frank L. Ross,
Attorney at Law,
P.O.Box 2126, Denver Colo.

Dear Mr. Ross:

Am just in receipt of your letter of Oct. 21st., which was forwarded to me here from Ophir. I am twenty-seven miles out from Grants mining fluorspar and do not get my mail very regularly.

You ask me about Arthur Brewster and the Twentieth Century Lode which he owned. I first met Brewster when I went to Ophir in 1909 to work in the old Suffolk mill. At that time he was driving his Little Eva cross-cut to cut that portion of the Shumaker vein which he had covered with his Twentieth Century claim. The Shumaker was a producer of high-grade free milling gold ore. I left Ophir in 1910 and did not return until 1917. Between those two dates, he had cut the vein, driven an up-raise and extracted a considerable amount of gold ore. He has held the property ever since, paying taxes on it and thought well enough of it to fight a law-suit over it, which he won. He came into that country when he was a young fellow, he and his family being one of the first to cross the Ophir Pass from Silverton to Ophir. After spending some time in the Paradox country, he returned to Ophir to engage in mining and was connected with that game in one way or another until he died. He was a good reliable, conscientious fellow and a good miner. As to the present value of the Twentieth Century property, it would be hard to assess now until some work was done on it but it is on a gold producing hill which was the scene of several profitable gold producers in the early days and undoubtedly will produce more in the future.

My family are all well, thank you. My youngest son, the one you met at Ophir, received his discharge shortly after he went back to the hospital as his leg had healed up while at Ophir. He is now in Colorado, has a car with all the gadgets on the stearing wheel and gets around pretty well for a fellow with only one good limb out of four. At least he has not lost any of his spirit. Wishing you the best of good luck, I am,

Yours Very Truly,

C. L. Brown

C. L. Brown.

(Copy)

Ouray, Colo.,

June 4, 1947

Mr. Frank Ross:

Your letter of June 1.

Glad I got to meet you at Silverton, and am writing you about a old friend of mine, Art Brewster. I have known Art Brewster 40 years and to my opinion he was as good a prospector as I ever was out with.

I was with him at his mine, the 20th Century, at Ophir the year of 1916, and we took some wonderful ore out the short time I was there, as he had a bad cold, and at that time I was just visiting with him, so I got him to go to Paradox to spend the winter, and I always wanted to go back but never knew who owned it after Mr. Brewster died, and as a prospector and miner I give that property a good recommendation.

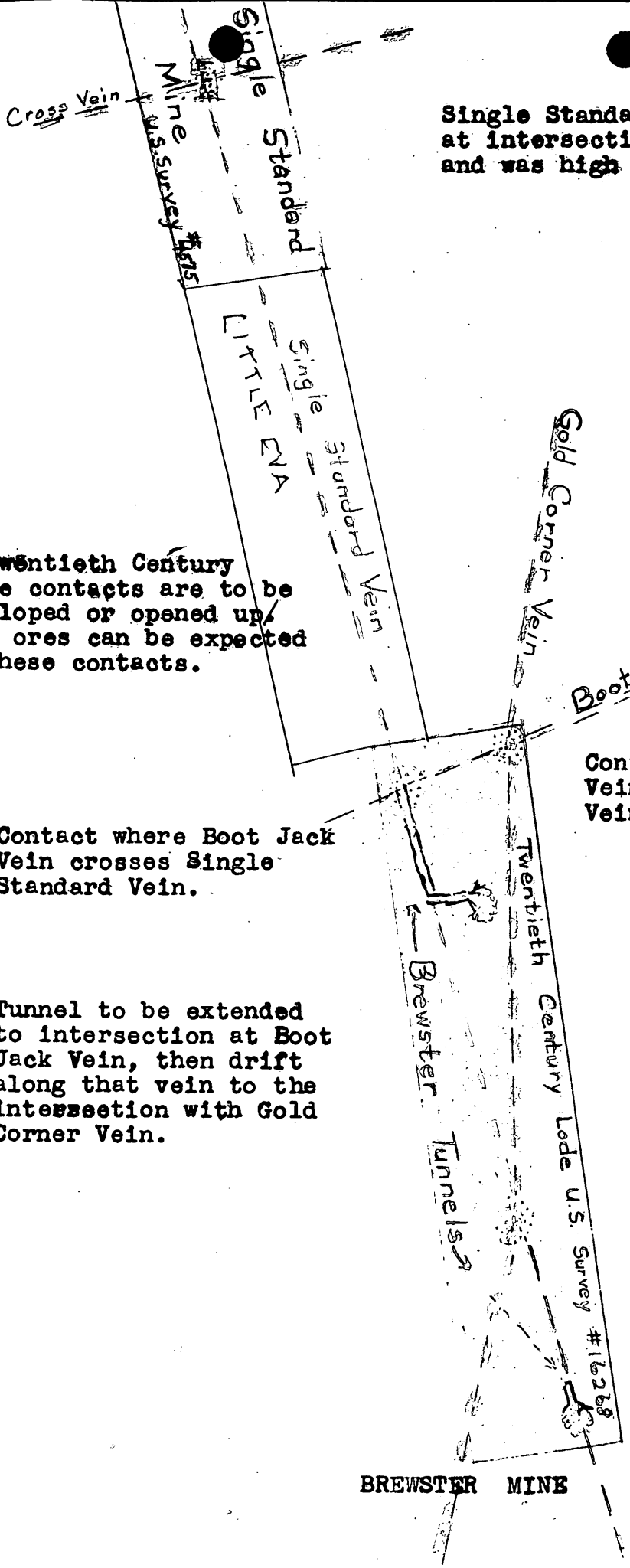
If you want to check on my knowledge, write H. W, Bosley of Moab, or Jake Lewis of Gateway, Colo.

Hoping you success, am as ever,

L. H. Couchman,
Montrose, Colo.
General Del.

- - - - - - - - - - - - - -

(Note by Mr. Ross)
Have same opinions by
Jimmy Noise, Ophir, Colo., Jim Barlile, Norwood, Colo.,
T. T. Brown, Ophir, Colo.



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Contact where Boot Jack Vein crosses Gold Corner Vein.

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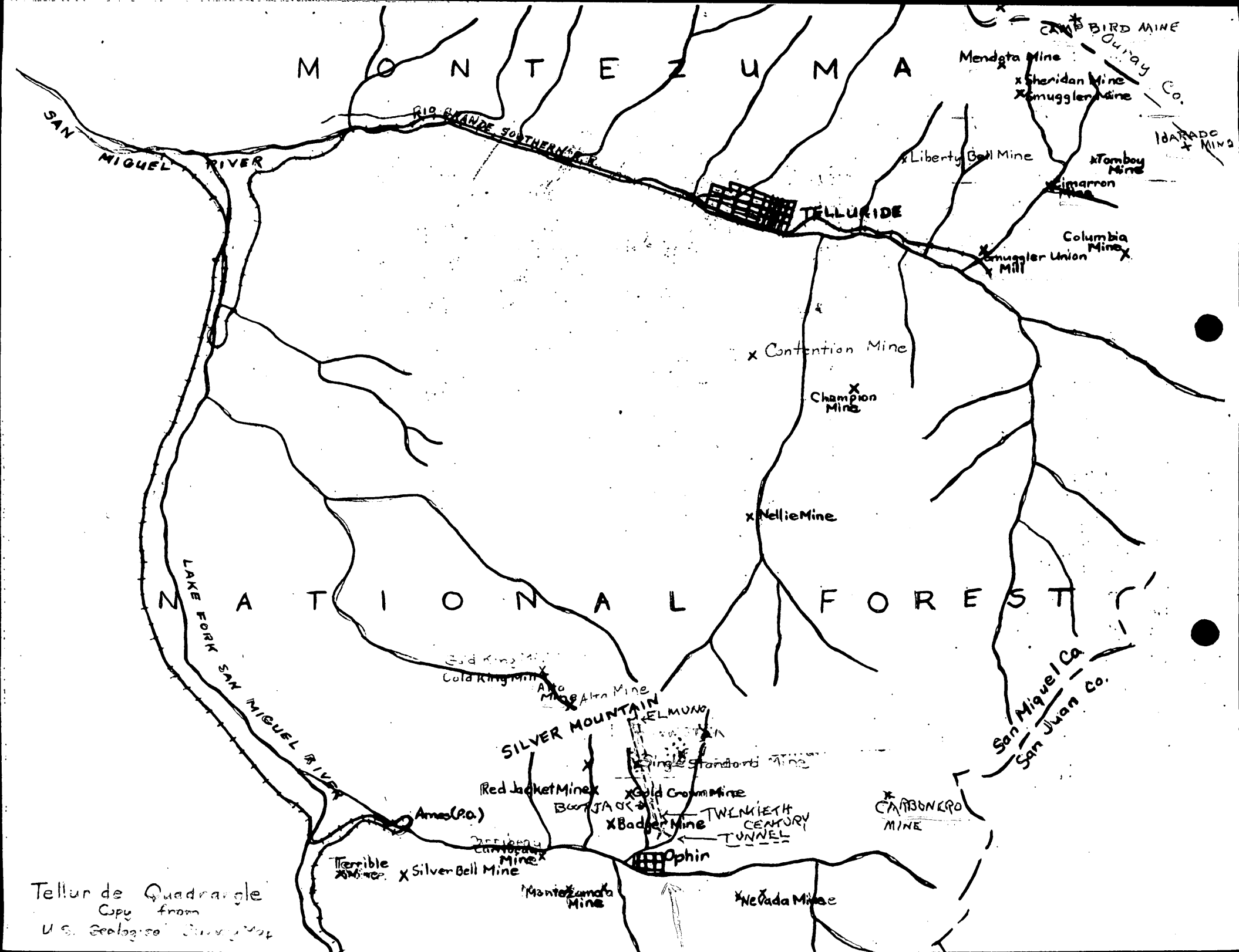
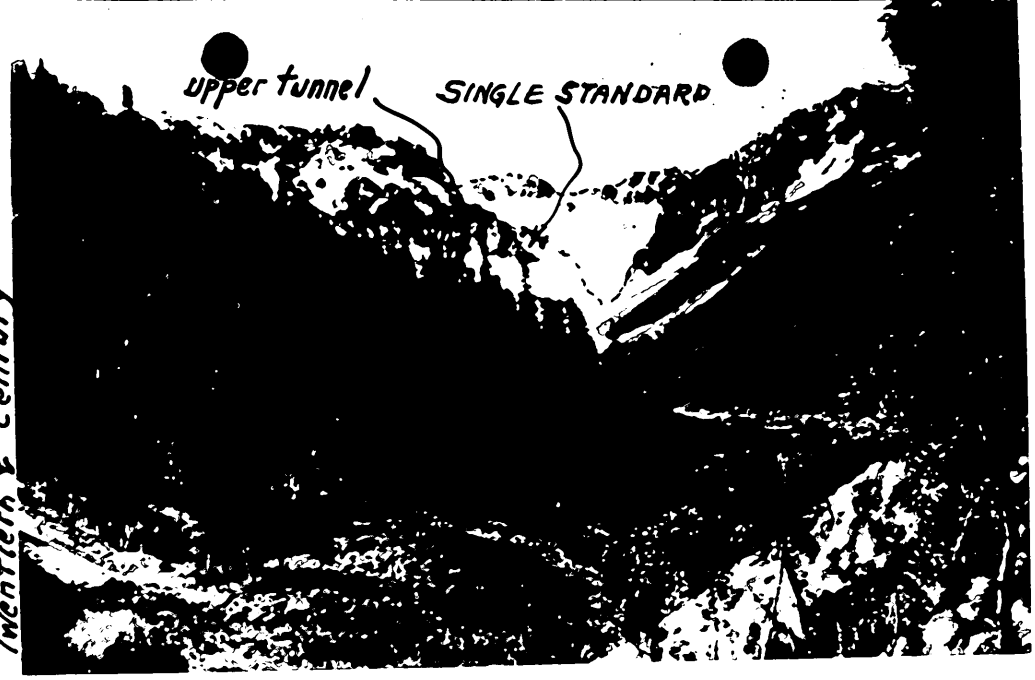
Tunnel to be extended to intersection at Boot Jack Vein, then drift along that vein to the intersection with Gold Corner Vein.

Contact where Gold Corner Vein crosses Single Standard Vein.

Brewster's Tunnels are to be extended to reach the contact.

BREWSTER MINE


MONTEZUMA
NATIONAL FOREST
SAN MIGUEL RIVER
RIO GRANDE SOUTHERN R.R.
TELLURIDE
BIRD MINE
Ouray Co.
Mendota Mine
Sheridan Mine
Smuggler Mine
Idarado Mine
Liberty Bell Mine
Tomboy Mine
Cimarron Mine
Columbia Mine
Smuggler Union Mill
Contention Mine
Champion Mine
Nellie Mine
LAKE FORK SAN MIGUEL RIVER
Gold King Mine
Alta Mine
SILVER MOUNTAIN
ELMUNO
Single Standard Mine
Red Jacket Mine
Gold Crown Mine
BOOM JACK
Badger Mine
TWENTIETH CENTURY TUNNEL
CARBONERO MINE
Ames (P.O.)
Terrible Mine
Silver Bell Mine
Montezuma Mine
Ophir
Nevada Mine
San Miguel Co.
San Juan Co.
Tellur de Quadrangle
Copy from
U.S. Geological Survey Map



2040 BROADWAY — ESTABLISHED, 1866 — TELEPHONE TAbor 3615

WALTER E. BURLINGAME

CHEMIST—ASSAYER—ENGINEER

DENVER, COLORADO

FOLIO 502

Frank L. Ross — DATE Oct 23 1947

We Hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	SILICA PER CENT			VALUE PER TON
Ross #1	0.08	4.50		10.40						27.65
Ross 2	0.08	22.30		27.50						77.87
Ross 3	3.30	7.10								121.89
Ross 4	0.08	1.00								3.70

GOLD AT 35 PER OUNCE — COPPER AT ____ PER UNIT

SILVER AT .90 PER OUNCE — ZINC AT ____ PER UNIT

LEAD AT 2.00 PER UNIT

Charges $ ~~8.00 Paid~~

WALTER E. BURLINGAME

FROSS MINE - OPHIR, COLORADO

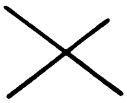
This is a drawing (slightly enlarged) of the ore taken by the elder Brewster and associates from the one chute they opened up and worked. It shows how the minerals, in this case gold, is deposited in the silicious rock as it is formed to fill the crevices.

A Little Geology.

A vein is a crack in the earth's crust like this:

A cross vein is a crack at a different angle, like this:

An intersection or contacts is a crossing of veins, like this:



As time passes geologically the tremors and tremblings of the formation causes the four sharp points to grind away and erode, so the waters and gasses remove the sands and gravels slowly but surely, until the intersections look like this:

But Nature does not permit a vacuum, so as these erosions open space, the silica and sediment in the waters and gasses form a new kind or rock, a quartz or quartzite to fill the space. In this new stock (vein filling) whatever minerals the waters or gasses carried are dropped and impregnated into this new rock filling, so what are known as ore lenses, chutes and mineral deposits are formed.

But I have none of this kind of ore <u>opened up</u>; the elder Brewster and his associates took out all they could find in the ore lenses they opened up; this is one of the few specimens remaining of that old ore body. But the younger Brewster followed the vein along until he found a couple of places where it was crossed by other veins; he located this and it is to get at the mill grade ores, carrying LEAD, ZINC and COPPER, as well as some gold and silver, that I am to use the money for from this Loan.

(Production figures from Office of State Commissioner of Mines)

Tomboy Mine	From 6/7/1899 to 6/30/1924			$22,235,883.00
Smuggler-Union	From 1882 through 1924			60,000,000.00 (gross)
Liberty Bell	From 1898 through 1924			19,000,000.00 (16,000,000.00(net) (3,000,000.00(dividends)
CampbBird	Through 1924			26,000,000.00(net) (16,000,000.00(dividends)
	1926			33,572.00
	1927	Gold and silver bullion		8,160.00
		Concentrates	121 tons	
		Milling ore	2340 tons	
	1928	Gold and silver bullion		108,750.00
		Concentrates	478 tons	
		Milling ore	6511 tons	
Silver Bell	1922	Concentrates	232 tons	
	1923	"	426 tons	
		Crude ore	118 tons	
	1924	"	23 tons	
	1926	"	59 tons	
	1928			8,220.00
	1934			190.02
Alta	1917	Milling ore	25000 tons	
		Concentrates	1800 tons	
	1918	"	500 tons	
	1919	"	1350 tons	
		Milling ore	27000 tons	
	1920	"	14180 tons	
		Concentrates	986 tons	
	1921	Crude ore	69 tons	
		Concentrates	1090 tons	
	1922	"	2801 tons	
		Crude ore	51 tons	
	1923	Concentrates	2190 tons	
	1926	Milling ore	1500 tons	
		Crude ore	200 tons	
		Concentrates	250 tons	
	1928	"	235 tons	
	1937			42,383.00
	1938			176,609.00
	1939			264,181.00
	1943			118,275.00
	1945			127,000.00
King Lease (Camp Bird)	1929	Crude ore		140,273.00
		Concentrates		84,159.00
	1930 through 1945	"		2,535,443.91
		(Gold and silver bullion were also sold to U. S. Mint from this property but we do not have the figures.)		
Virginius	No information			

(Early day high grade gold production in Ophir District was produced before time when reports made or records kept)

(Production figures from Office of U. S. Mining Department)

SAN MIGUEL COUNTY, Colorado.

Grand Total thru 1945

	GOLD	$ 73,352,427
	SILVER	37,257,717
	COPPER	3,218,767
	LEAD	14,320,333
	ZINC	2,281,351
	Total values of metals,	130,430,595
1946	All metals	1,634,943
		$ 132,065,538

- - - - -

In MINERAL MARKET REPORT, Issued January 10, 1947, it says:

San Miguel County.-- Production of all metals in San Miguel County increased in 1946 over 1945. The total gross value of these metals rose 29 percent. The production from the Idarado Mining Co. property was credited to San Miguel County. The Company continued to develop its Black Bear property through the 12,000-foot Treasury Tunnel, with its portal in Ouray County and to make additions to its 300-ton selective-flotation mill located at the tunnel portal. Lead, zinc and copper concentrates were produced. The Telluride Mines, Inc., operated the Smuggler-Union, Montana, Blck Eagle, and Cimarron mines, treating the ore in the Company 550-ton amalgamation and gravity-and flotation-concentration mill at Pandora. The company continued to drive a 3-mile, 9-by9-foot, tunnel in the sediments at the mill level to connect with the Pandora and Smuggler-Union veins. The Alta Mines, Inc., continued to operate its Alta-St. Louis mine and 100-ton flotation mill. The Silver Bell Mines Co. completed a new 150-ton flotation plant at Ophir to treat ore from the Silver Bell mine; actual production was started late in the year.

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Suggestion by Mr. Ross:

Let us open the lead-zinc-copper ores under the upper gold and silver chutes, the same as they did at the other mines--the Smuggler-Union, the Shenandoah-Dives, Alta and those that have been producing during the past twenty years or more.

FRANK L. ROSS
Attorney and Counselor at Law
3516 ST. PAUL STREET
DENVER, COLORADO

March 20th, 1951.

FROSS MINE.

(Historical Outline)

The FROSS MINE consists of the TWENTIETH CENTURY, U. S. Sur. No. 16268; an undivided one-sixteenth interest in the Single Standard, U. S. Sur. No. 4575, and such other interests as may be obtained in the adjoining and nearby claims, near Ophir, San Miguel County, Colorado.

About 1876, a man by the name of Brewster, from Missouri, and a man by the name of Ross, went to Ophir, Colorado; met; their families became asquainted; both moved to Montrose, Colorado, for education of children. The elder Brewster always claimed he made over $50,000 from his interest in the Single Standard, and other properties. On his death the Single Standard title passed to a son, Arthur Brewster, who located the same vein lower on the Mountain, calling it the Twentieth Century. He opened some good shipping ores, shipping it crude. At time of his death, after several years illness, he had over $10,000.00 in cash--pretty good for a prospector and small operator.

On death of Arthur Brewster, title passed to a Sister, Grace Brewster, who has sold and transferred the title to Frank L. Ross, who now holds the ownership. Shipments have been from upper levels, which is the GOLD area in the San Juan District. It is at about timberline, (11,500 foot elevation usually. Below timberline the veins and ores become more sulphide, with LEAD, ZINC and COPPER. Practically all mines in the San Juan Section have same historical outline. The ores below timberline are more of a concentrating ore, needing mills and machinery to make it into a commercial quantity or quality. The Smuggler*Union (Telluride) Mine of to-day is under the old-time Sheridan, Mandota and Union. The Shenandoah-Dives of to-day is from ores under the old North Star of King Solomon and the Dives. So with practically all large producers. Brewster intended to do this, but never got to it. Now, I want to do it, as I am confident the tonnage, values and metals are there. I know the mines of the San Juan; at one time I operated a Smelter at Silverton; think I know what it takes to make a good mine, and confident I can make a large one here.

FRANK L. ROSS
Attorney and Counselor at Law
3516 ST. PAUL STREET
DENVER, COLORADO

Desire to call it the FROSS MINE. Would not risk my name unless I was pretty certain it would be a success. Have been unable to promote or finance it in usual way--may be I am a poor salesman, or possibly brokers and promoters were not in humor to act. So I hope to get some federal assistance, as the metals needed are there.

So I make, and present this application, under the present laws and regulations. The present owners of the adjoining properties are heirs and descendants, long removed from that vicinity. Have communicated with most of them; they seem willing to take any reasonable offers; they are tired of paying taxes, so encourage me to try to do something for them. I am confident I can secure the Little Eva, the other interests in the Single Standard and other adjoining properties upon reasonable and favorable basis, as well as secure rights-of-way or leases for the asking.

Believe there is the making of a really large Mine there. Being close to Ophir, a lot of usual expense, such as bunk houses, boarding houses and other accomodations for workmen, can be saved. All the money can go into mine work, machinery for mining, powder, power and actual mining expenses. Supervising, overhead and management expenses will be held to a minimum. Even my Compensation must come from production (except actual expenses away from Denver).

I can refer to Mr. A. C. Wilfley, or any other reputable mining man, or official, for reference or recommendation. Mr. Wilfley operates the Silver Bell Mine one way, and is examining the Carbonero on the other side, so knows the District.

Trusting my Application will receive favorable attention, and the loan be granted, I remain,

Very respectfully,

Frank L Ross

3516 St. Paul Street,
Denver, Colorado.
Tel. FR 3645.

(Copy)

Ouray, Colo.,

June 4, 1947

Mr. Frank Ross:

Your letter of June 1.

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General Del.

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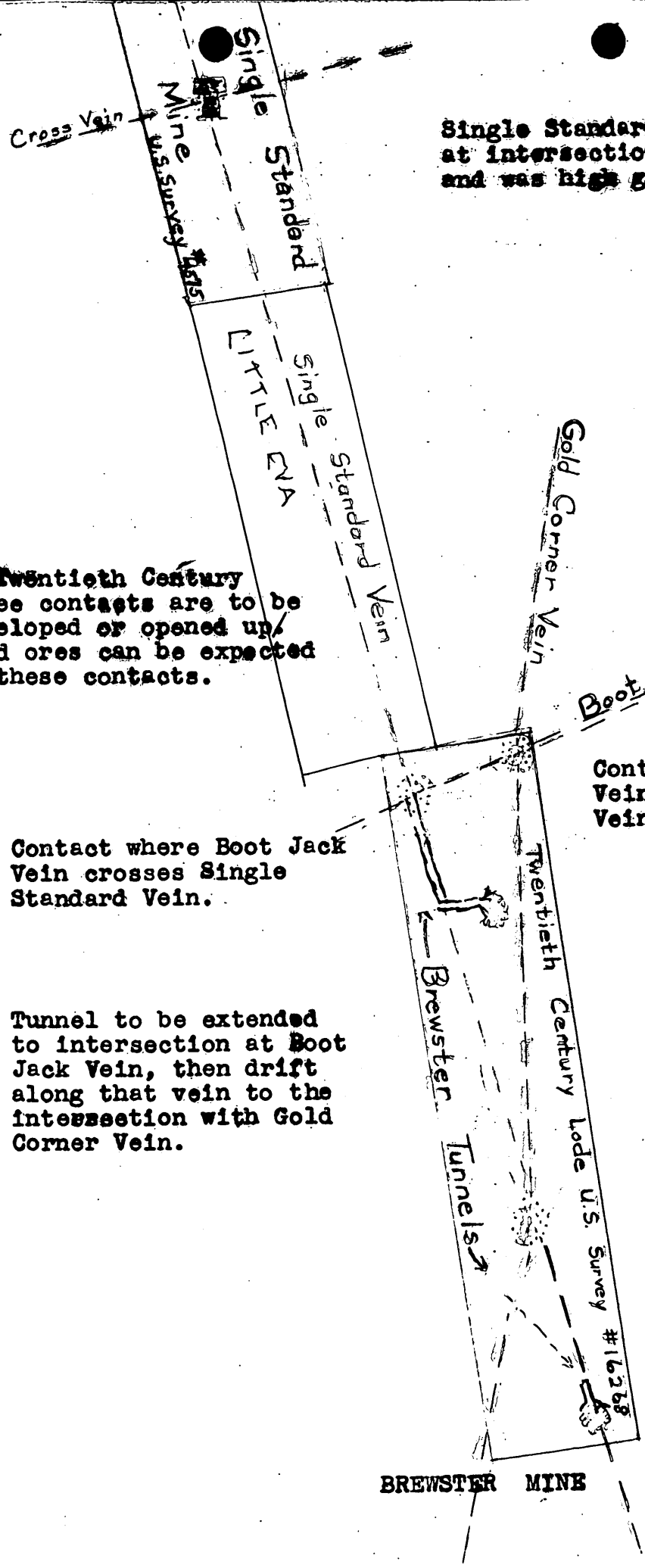

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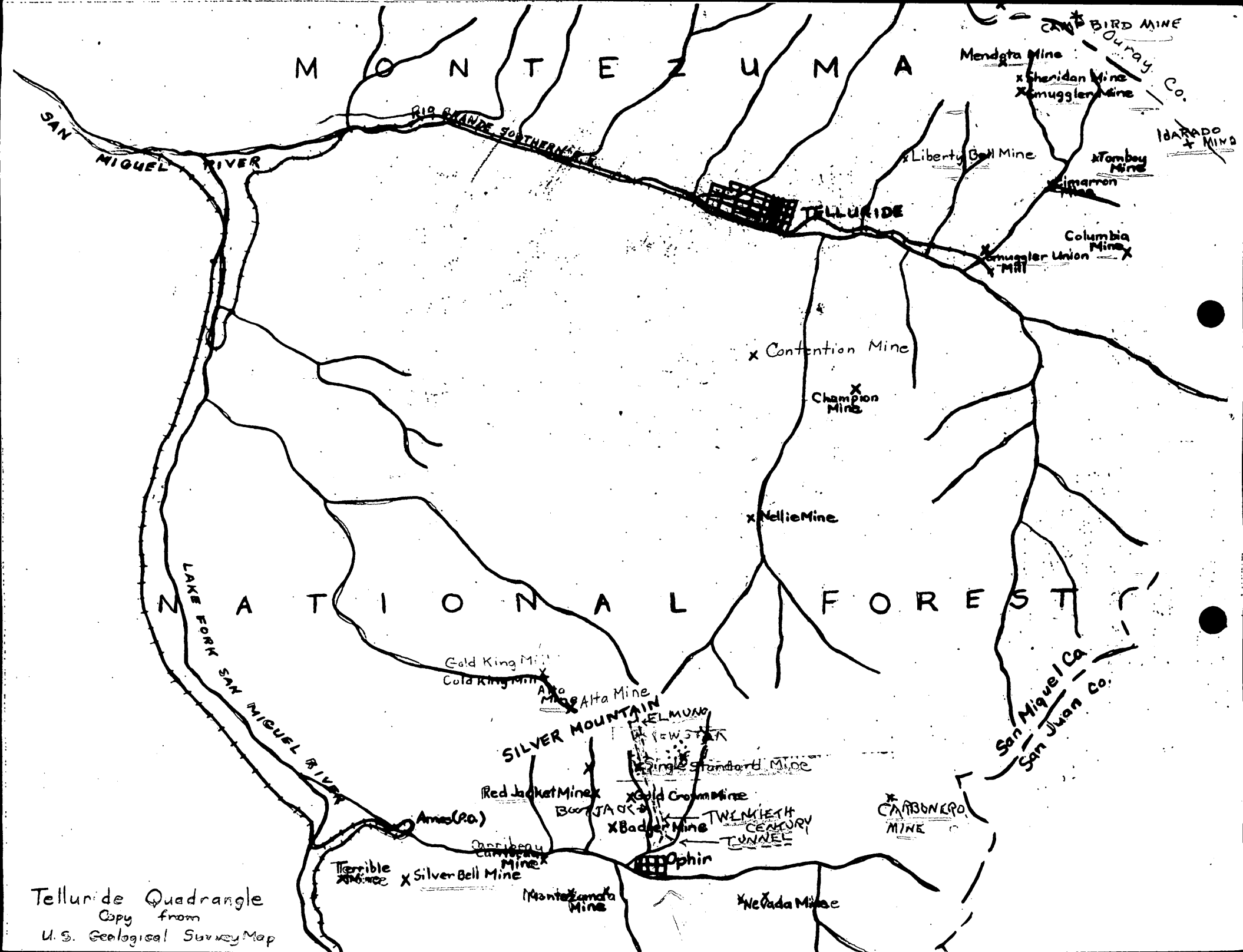
BREWSTER MINE



Telluride Quadrangle
Copy from
U.S. Geological Survey Map

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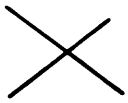

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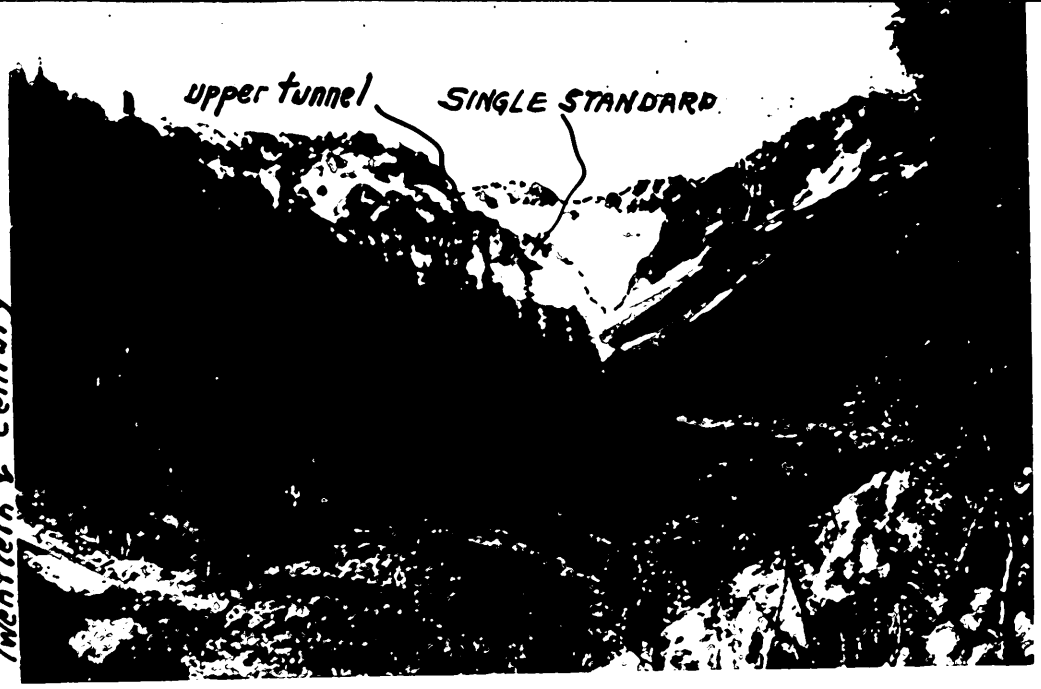

2040 BROADWAY | ESTABLISHED, 1866 | TELEPHONE TAbor 3615

WALTER E. BURLINGAME

CHEMIST—ASSAYER—ENGINEER

DENVER, COLORADO

FOLIO 502

Frank L. Loss

DATE Oct 23 1947

We Hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	SILICA PER CENT			VALUE PER TON
Cross #1	0.08	4.50		10.40						$27.65
Cross 2	0.08	22.30		27.50						77.87
Cross 3	3.30	7.10								121.89
Cross 4	0.08	1.00								3.70

GOLD AT 35 PER OUNCE COPPER AT ____ PER UNIT

SILVER AT .90 PER OUNCE ZINC AT ____ PER UNIT

LEAD AT 2.00 PER UNIT

Charges $~~8.00 Paid~~

WALTER E. BURLINGAME

FROSS MINE - OPHIR, COLORADO

(Production figures from Office of State Commissioner of Mines)

Tomboy Mine	From 6/7/1899 to 6/30/1924			$22,235,883.00
Smuggler-Union	From 1882 through 1924			60,000,000.00 (gross)
Liberty Bell	From 1898 through 1924			19,000,000.00 (16,000,000.00(net) (3,000,000.00(dividends)
CampbBird	Through 1924			26,000,000.00(net) (16,000,000.00(dividends)
	1926			33,572.00
	1927	Gold and silver bullion		8,160.00
		Concentrates	121 tons	
		Milling ore	2340 tons	
	1928	Gold and silver bullion		108,750.00
		Concentrates	478 tons	
		Milling ore	6511 tons	
Silver Bell	1922	Concentrates	232 tons	
	1923	"	426 tons	
		Crude ore	118 tons	
	1924	"	23 tons	
	1926	"	59 tons	
	1928			8,220.00
	1934			190.02
Alta	1917	Milling ore	25000 tons	
		Concentrates	1800 tons	
	1918	"	500 tons	
	1919	"	1350 tons	
		Milling ore	27000 tons	
	1920	"	14180 tons	
		Concentrates	986 tons	
	1921	Crude ore	69 tons	
		Concentrates	1090 tons	
	1922	"	2801 tons	
		Crude ore	51 tons	
	1923	Concentrates	2190 tons	
	1926	Milling ore	1500 tons	
		Crude ore	200 tons	
		Concentrates	250 tons	
	1928	"	235 tons	
	1937			42,383.00
	1938			176,609.00
	1939			264,181.00
	1943			118,275.00
	1945			127,000.00
King Lease (Camp Bird)	1929	Crude ore		140,273.00
		Concentrates		84,159.00
	1930 through 1945	"		2,535,443.91
		(Gold and silver bullion were also sold to U. S. Mint from this property but we do not have the figures.)		
Virginius	No information			

(Early day high grade gold production in Ophir District was produced before time when reports made or records kept)

(Production figures from Office of U. S. Mining Department)

SAN MIGUEL COUNTY, Colorado.

Grand Total thru 1945

	GOLD	$ 73,352,427
	SILVER	37,257,717
	COPPER	3,218,767
	LEAD	14,320,333
	ZINC	2,281,351
	Total values of metals,	130,430,595
1946	All metals	1,634,943
		$ 132,065,538

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In MINERAL MARKET REPORT, Issued January 10, 1947, it says:

San Miguel County.-- Production of all metals in San Miguel County increased in 1946 over 1945. The total gross value of these metals rose 29 percent. The production from the Idarado Mining Co. property was credited to San Miguel County. The Company continued to develop its Black Bear property through the 12,000-foot Treasury Tunnel, with its portal in Ouray County and to make additions to its 300-ton selective-flotation mill located at the tunnel portal. Lead, zinc and copper concentrates were produced. The Telluride Mines, Inc., operated the Smuggler-Union, Montana, Blck Eagle, and Cimarron mines, treating the ore in the Company 550-ton amalgamation and gravity-and flotation-concentration mill at Pandora. The company continued to drive a 3-mile, 9-by9-foot, tunnel in the sediments at the mill level to connect with the Pandora and Smuggler-Union veins. The Alta Mines, Inc., continued to operate its Alta-St. Louis mine and 100-ton flotation mill. The Silver Bell Mines Co. completed a new 150-ton flotation plant at Ophir to treat ore from the Silver Bell mine; actual production was started late in the year.

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Suggestion by Mr. Ross:

Let us open the lead-zinc-copper ores under the upper gold and silver chutes, the same as they did at the other mines--the Smuggler-Union, the Shenandoah-Dives, Alta and those that have been producing during the past twenty years or more.

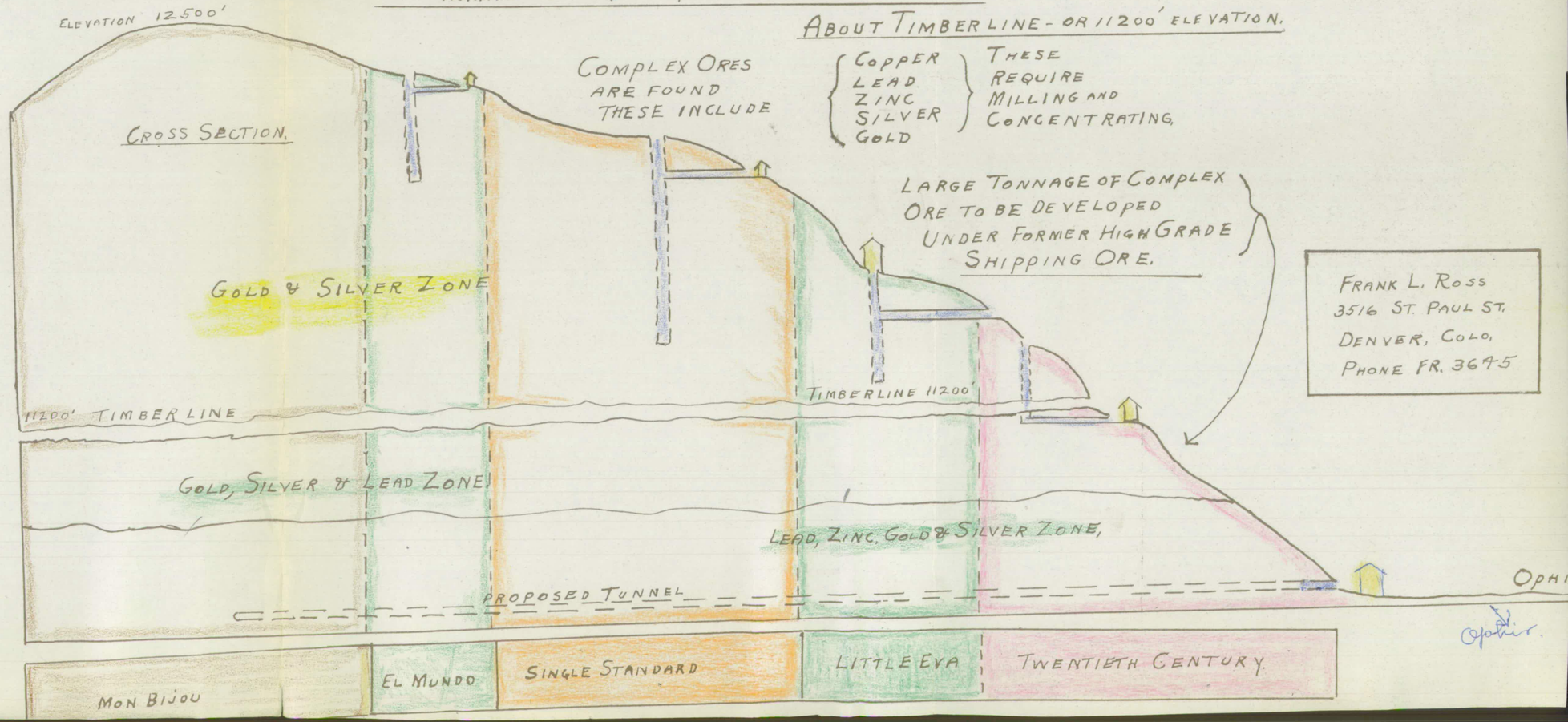
CROSS SECTION OF OPHIR DISTRICT. — SAN MIGUEL COUNTY, COLO.

EARLY DAY MINES WERE

MON BIJOU
ELMUNO
SINGLE STANDARD
BOOT JACK
EMMET

} GOLD AND SILVER, HIGH GRADE, SHIPPED CRUDE ORE.

LATER BREWSTER OPENED TWENTIETH CENTURY.
WORKED AS DEEP AS PROFITABLE.



FRANK L. ROSS
3516 ST. PAUL ST.
DENVER, COLO.
PHONE FR. 3645

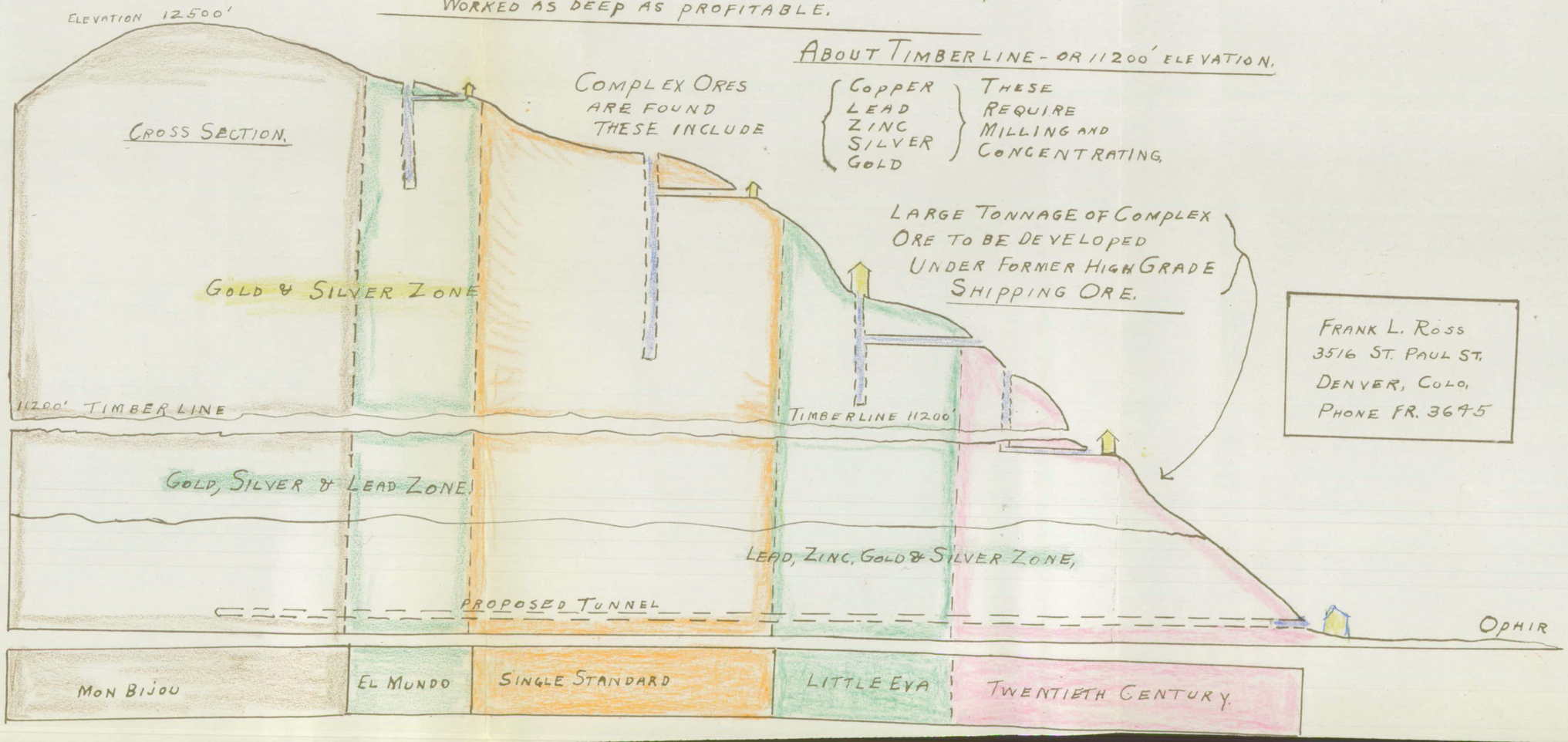
Ophir.

Cross Section of Ophir District. — San Miguel County, Colo.

Early Day Mines were

Mon Bijou Elmuno Single Standard Boot Jack Emmet	Gold and Silver, High Grade, Shipped Crude Ore.

Later Brewster Opened Twentieth Century.
Worked as deep as profitable.



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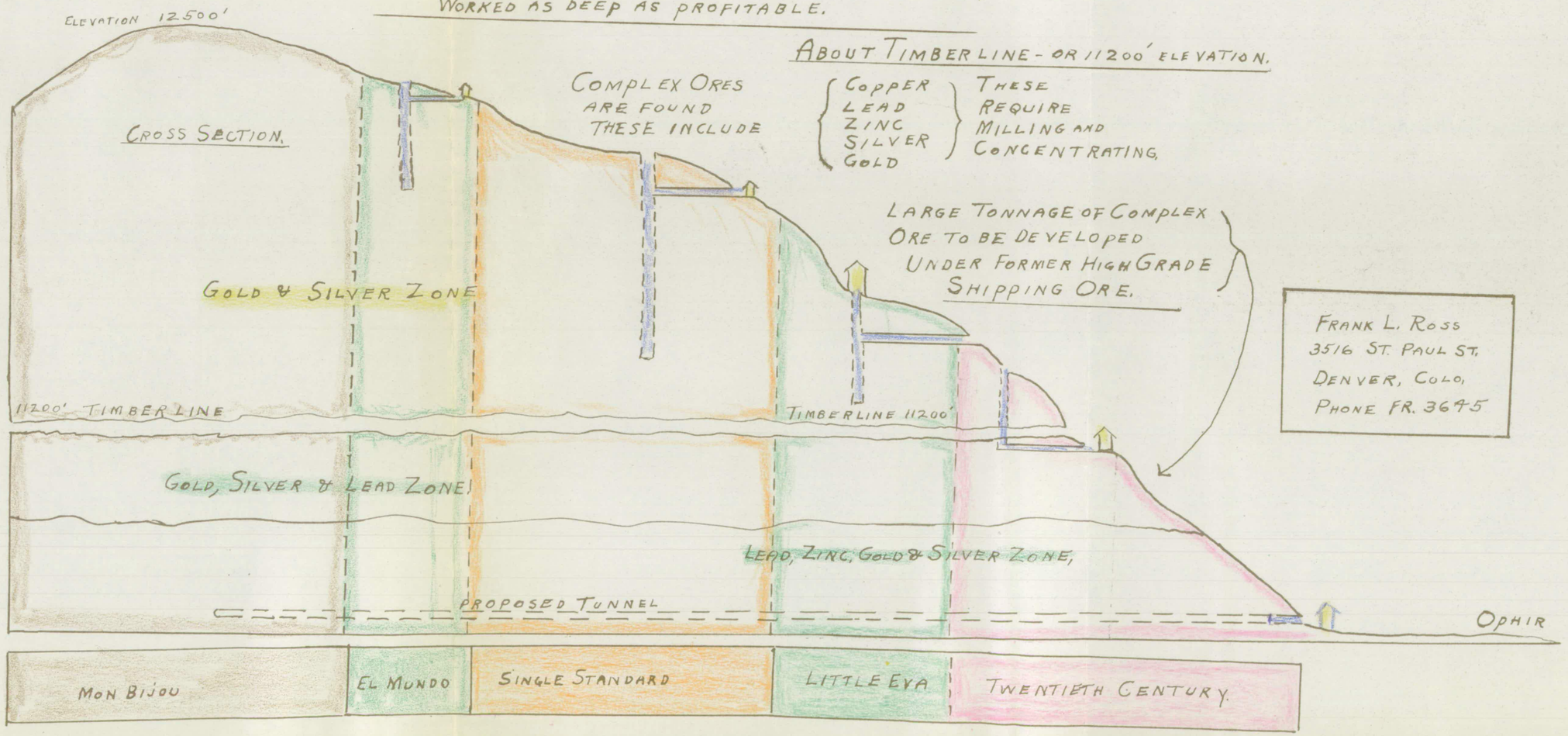
CROSS SECTION OF OPHIR DISTRICT. — SAN MIGUEL COUNTY, COLO.

EARLY DAY MINES WERE

MON BIJOU ELMUNO SINGLE STANDARD BOOT JACK EMMET	GOLD AND SILVER, HIGH GRADE, SHIPPED CRUDE ORE.

LATER BREWSTER OPENED TWENTIETH CENTURY.
WORKED AS DEEP AS PROFITABLE.



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