DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1201

DO NOT DETACH THIS SLIP

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

DEVELOPMENT 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	JUL 31 1951
To:	Reports + Records	Date	8-1-51
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CONTROLLED DOCUMENT

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September, 14, 1951

Prize Mining & Milling Co

My dear Mr. Russell:

I was pleased to receive your letter of August 18, 1951, concerning your request of the Defense Minerals Administration to reconsider the development loan in the amount of $75,000.

After an investigation of your application, I regret that the Defense Minerals Administration was compelled to deny your request for a loan. As explained in Mr. Lyon's letter of July 31, 1951, the basis for this denial is that the work you propose to do is not the development of proven tonnage, but is rather the exploration of unproved ground. Under these circumstances, Federal aid can only be given on a participating basis and under the other conditions indicated in Mr. Lyon's letter.

In your letter you refer to a loan of $20,000 as having been made on a Eureka mine nearby. There appears to be some misunderstanding. At the time the Supply Division of the Defense Minerals Administration received your letter of July 21, the only Eureka mine in the Gilpin Boulder County area that had received an exploration loan was the tungsten mine mentioned in their letter of July 31 to you. Announcement had already been made to the press about the granting of this loan and the surmise was that this was the mine referred to.

It now seems probable that you had reference to a mine on which an application was presented to the Defense Minerals Administration by the United Mining and Leasing Corporation under the name of Gilpin Eureka mine. Final approval of the application on this mine was still pending in August, hence any information you had at the time of your earlier letter was based upon a presumption on the part of the applicant that his application had received favorable consideration that amounted to approval. His proposal was for a small exploration project on a zinc-lead ore shoot on which he was willing to match funds needed.

If I can be of further assistance to you, please call upon me.

Sincerely yours,

Secretary of the Interior

D. L. Russell
e Mining and Milling Company
l City, Colorado

cc: Administrator
DMA Docket File 1201
J. H. East, Jr. Region IV 224 New Curtomhouse, Den. 2, Colo.
Secretary's office copy
Mote
McKnight
Billings
T. Lyons

TPBILLINGS:ks

REPORTS AND RECORDS 1312

PRIZE MINE

CENTRAL CITY, COLORADO

Aug. 18, 1951

INTERIOR DEPT.
☆ RECEIVED ☆
AUG 20 1951
☆ OFFICE OF ☆
THE SECRETARY

NOTED
J.C.

Hon. Oscar L. Chapman
Secretary of the Interior
Washington, D.C.

INTERIOR DEPT.
SEP - 4 1951
UNDER SECRETARY

INTERIOR DEPT.
SECRETARY'S
MAIL CENTER
AUG 20
RECEIVED

My dear Mr. Secretary:-

There will never be another "Pinky". Before she passed away she gave me your most gracious reply to her letter. She kindly advised to write you in reference to Mining Loan DMA-1201X which has been refused.

I asked MR. Tom Lyon to reconsider because a mine near by received a loan of $20,000. This mine cannot compare in work accomplished, buildings, machinery, tools, ore showing or possibilities. Mr. Lyons writes that they qualified on a matching fund basis and because promice of Tungsten.

As for the "matching fund" these people still owe me money from the last examination. This region can boast of Uranium, lead, zinc, copper, gold, silver and other metals and minerals but no Tungsten.

The difficult problems of state are far more important - but if you have a moment - wont you please cut through the technicalities and the red tape and give the one mine that has a chance to revive Gilpin County a loan.

Most sincerily yours

Don L. Russell

D. L. Russell, C.E., E.M.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
SEP 7 8 43 AM '51

SEP 7 1951

OFFICE OF
THE SECRETARY OF THE INTERIOR

September 4

Mr. Shooshan

Draft of reply should be prepared for "Signature of the Secretary only."

W. H. McCrillis

SEP 6 2 14 PM '51
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

August 24, 1951

Dear Mr. Russell:

Inasmuch as Secretary Chapman is out of the city and not expected to return to Washington before September 4, I am acknowledging receipt of your letter of August 18.

I will be glad to see that this is called to his attention immediately upon his return to the office.

Sincerely yours,

Office of the Secretary

Mr. L. L. Russell
Prize Mine
Central City, Colorado

:Locke

Copy to: Miss Bond

Alpha
Subj
Chron
Geog

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Mr. D. L. Russell
Prize Mining and Milling Company
East First High Street
Cen tral City, Colorado

July 31, 1951
Re: DMA-1201X

Dear Mr. Russell:

This will acknowledge your letter of July 21, in which you point out that your application was for the Government to advnace the full amount, $75,000, needed for the development of at least 25,000 tons and possibly nearer 50,000 tons of ore.

Your answer to question 20 states that the proposed exploration is to prove up zinc, lead and copper, and your proposed drift on the 800 level is an exploration into unproved ground. Thus, the work that you propose to do, including the diamond drilling, is exploration and is eligible for Federal aid only on the participating basis explained in Mineral Order 5, and with no allowance for expenditures previously made by the applicant (see Mineral Order 5, attached).

To be eligible for a development loan in the full amount needed, it must be demonstrated that the applicant has a sufficient proven tonnage of strategic metals to secure the loan. The zinc, lead, and copper content of the Prize vein below the 650 level has not been sufficiently proven by the descriptions at the two exposures cited (A and B of the isometric map accompanying your application) to warrant a loan from funds appropriated to strengthen national defense. The Prize vein is narrow, and chiefly of value for gold and silver. Descriptions of the vein at one of the two points that you cite (Point A) show that the vein is thin and is a pyritic gold-silver vein with only a small amount of copper. As the geologic conditions are not favorable for occurrence of any significant tonnage of zinc, lead or copper, we do not consider that the showing at the top of the raise from the Argo warrants application to the block of ore that you consider to be blocked out; nor do we consider the chances of finding new zinc-lead-copper ore by exploration to be favorable enough to justify additional exploration of this ground with Federal funds.

The Eureka mine qualified for an exploration loan on a matching fund basis because the proposed exploration has promise of finding new ore of a metal that is particularly strategic at the present time, namely, tungsten. In a program financed by appropriations for national defense, the possibility of finding strategic minerals must be the deciding factor rather than the merits of a mine as a profitable business undertaking.

Very truly yours,

Tom Lyon, Director
Supply Division

C
O
P
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PRIZE MINE
CENTRAL CITY
COLORADO

July 21, 1951

Re: DMA 1201X
Lead-zinc-copper

Mr. Tom Lyon, Director Supply Division
Defense Minerals Administration
Washington (25), D. C.

Dear Mr. Lyon:

Your notice denying my request for a loan on the basis that my proposal was to have the government advance $75,000. which would be 45% of what had been already expended on the property is a misunderstanding.

Please examine page 19, paragraph 23 of my application. You will find that $75,000 was for the development of at least 25,000 tons of ore- in fact it would be nearer 50,000 tons. The itemized expenditures in the paragraph mentioned and the amount of loan asked I fully submit to your discretion. The fact that this mine is fully equipped and ready for exploration work to start at once seems to be a hindrance rather than a help at this point. The loan, itself, I expected to be based on the physical aspects of the property, i. e., claims, buildings, machinery, power line and tools which have a value of more than $75,000. and not the work already performed.

It is difficult for me to understand why the near Eureka Mine were granted a loan of $20,000. and the Prize refused. From the beginning these people engaged me as their consultant so I am well qualified to make a comparison between the two properties. They too applied for a larger loan than received.

Between the two mines, there is no comparison as to machinery, tools, buildings and the number of claims. There is no comparison as to the amount of work accomplished. The Eureka will have to accomplish 30 times more work before than can approach the Prize. The Prize has eliminated the water problem which is more than apt to close the Eureka. As to the ore showing there is no comparison. As to the mine supervision- which is more than essential to the success of a mine, I wish to state that I have such men as Prof. Arthur Taggart of the Columbia School of Mines as advisers. The mine is located in the midst of past great producers that may again be started from the Prize. The Eureka is on the edge of this region. Indeed, the Prize is the one mine so equipped, so developed, and so located that it has the potentialities of opening up Gilpin County to its past productivity.

Please review my application in view of the above. If I get started I will be able to get private capital to carry on.

Very truly yours,

s/ DONATO L. RUSSELL
t/ D. L. Russell, C.E., E.M.

REPORTS AND RECORDS 1512

PRIZE MINE

CENTRAL CITY, COLORADO

Aug. 18, 1951

INTERIOR DEPT.
RECEIVED
AUG 20 1951
OFFICE OF
THE SECRETARY

NOTED
D. J.
SECRETARY

Hon. Oscar L. Chapman
Secretary of the Interior
Washington, D.C.

DIVISION DEPT.
SEP - 4 1951
UNDER SECRETARY

INTERIOR DEPT.
SECRETARY
MAIL CENTER
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Billings
9-7-51
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Most sincerily yours

Don L. Russell

D. L. Russell, C.E., E.M.

WASH. WASH D C
FEB 5 PM 1.21

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

Q. E. C.

July 31, 1951

Memorandum

Re: DMA-1201X
Prize Mining and Milling Co.
Central City, Colorado
Development loan $75,000
Zinc, lead, copper

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of direct loan.

Subject docket came in originally on form MF-103, with estimated cost of $75,000. The answer to question 20 states: "Exploration is to prove up zinc, lead and copper ore bodies". The proposed exploration was 1000 feet of drifting on the vein 150 feet below an old drift which had been too low grade to mine for gold and silver in the early days, and was based upon a showing of zinc at the mouth of this proposed drift. Additional exploration included 2000 feet of core drilling from the surface. The application looked like a normal exploration proposal except that in the space designating percentages of Government participation, the entry was worded "45% of amount already expended". The application was denied as an exploration loan on the basis that the Government could not match funds already expended.

Letter of reply from applicant (July 21, 1951) states that the $75,000 requested was for the development of at least 25,000 tons of ore, or in fact nearer 50,000 tons. Thus he meant it as a request for a development loan in the full amount of $75,000. He states that the value of the claims, buildings, machinery, power line and tools have a value of more than $75,000, and he evidently implies that this value is his collateral for the loan. The application, therefore, has to be reappraised as a direct mining loan.

Mine consists of old workings made in 1863-87 to a depth of 860 feet on the Prize shaft, with stoping to the 550 level and an unworked drift at the 650 level; and an upraise made in 1914-1931 from the Argo deep tunnel (1600 feet below the surface), connecting with the bottom of the old Prize shaft. Workings are on a vein in granite gneiss and schist.

The ore that the applicant claims to have proven up is on the Prize vein in the block west of the upraise from the Argo deep tunnel, and below the 650 level. All records of the character of the ore in the old workings at the top of the mine are given in dollars of gold and silver and are valueless in establishing base metal character. The

establishment of base metal values in the vein in the unmined block below rest on observations cited by the applicant at 3 points.

The first point is where the vein is crossed by the Argo deep tunnel (1600 ft. level). Applicant quotes U.S. Geological Survey Prof. Paper 94 to prove base metal character of this exposure, as follows: "The ore body at point A in the Argo tunnel is described. . . in Prof. Paper 94 of the U. S. Geological Survey as from 1 to 4 feet thick, carrying from 1/2 to 2 ounces of gold, 3 to 16 ounces silver, and 4 1/2 per cent copper". This is a very distorted quotation of the report in order to make a case for copper occurrence. The report says "A lateral from the Newhouse (Argo) tunnel has been run on what is supposed to be the Prize vein [the later upraise proved that it was] for a few hundred feet, exposing 1 to 4 feet of crushed altered granite gneiss and schist carrying disseminated pyrite and cut by stringers of course pyrite 3 1/2 inches and less across. The ore carries from 0.5 to 2 ounces gold and from 3 to 16 ounces silver a ton. Some assays show as high as 4.5 per cent copper though most of the ore appears to have no copper of value". That the vein at point A is indeed narrow is shown by the observations quoted in the Chase (1917) report submitted by the applicant. Mr. Chase was commissioned to look over and sample the lower workings of the Prize mine. His examination was confined to a winze on the Prize vein sunk to a depth of 83 feet below the Argo tunnel level and located 36 feet east of the tunnel. He reported on 32 samples from the vein in this winze that averaged 7 inches across and had an average value of $44 in gold and silver - with no mention of copper, zinc, or lead.

The second point cited to establish base metal character is at the top of the upraise, where it joins the bottom of the Prize shaft. A report (1929) by John Wellington Finch submitted by applicant states that, in completing the connection on the 800 ft. level between the upraise from the Argo tunnel and the old workings, "an entirely new discovery of ore was made just west of the top of the old raise in a vein which was not followed up from the Argo Tunnel when the raise was driven. It is nearly parallel with the vein in the raise but it is uncertain whether it is structurally a part of this vein, an entirely new one, or a downward continuation of a vein lying to the west of the Prize vein in workings above the 700 level. I am inclined to believe that the possibility last stated will prove to be the fact.

"This is a good showing of ore; 1 foot or more of solid sulphides with associated stringers of ore. It is a large vein for this district and the ore-body promises continuity. I cannot form this conclusion from the actual developments now made upon it, but from the behavior of ore-bodies which have been extracted from other veins of similar size and structure near at hand at this and greater depths.

"A shipment of about 19-1/8 tons to the Argo mill assayed: gold 0.66 ounces per ton ($13.20); silver 2.44 ounces (about $1.46); zinc 14.5% (about $8.50). . ."

A more detailed description of this vein on the 800 foot level at the top of the upraise is given by the applicant. He shows that when it was followed 20 feet east, it pinches to 1 inch, but 10 feet west (the extent of the workings) it increases to 54 inches. There is no description given as to what is contained within the 54 inches. It could be mostly crushed country rock. It is not made clear in the application whether Finch saw this 10 feet of drifting, or whether his "one foot or more of solid sulfides" was reported at the shaft where the applicant shows 3 feet of vein.

The third point cited to establish base metal character of the Prize vein is the adjacent Hubert mine west of the Prize mine and according to applicant, on the same vein. The evidence cited by the applicant is contained in the following sentence: "The vein in the Hubert was 20 feet wide in places with approximately the same assay values as the Prize 800 foot level vein". However, there was only one of these wide bodies, on the far side of the Hubert, which formed a chimney with a stope length of about 50 feet. For the rest, the main vein in this mine was thin, one of the best orebodies, on the 950 level being 27 inches thick, of which 6 inches was solid sphalerite and chalcopyrite, and 18 inches was granite gneiss traversed by 1/16" to 1/8" stringers of sphalerite (U.S. Geological Survey Prof. Paper 94, p. 219). When mined and hand cobbed for shipping, this type of ore ran high in zinc or lead or both, but the shipments were characteristically low in tonnage.

In summary, the only exposure in the mine indicating a possible body of base metal ore is on the 800 level at the top of the long upraise. A 10 foot cut to the west on the vein at this level shows the vein to increase from 36 inches to 54 inches but, in the absence of a description of the vein, it is evident that the full thickness is not sulfide. The best description of it, by Finch, says the sulfide is "one foot or more" thick, with associated stringers, and is "a large vein for this district". A 19 1/8 ton shipment assayed 14.5% zinc with high gold and silver. The fact that this deposit was not worked when found in 1928 suggests that the shipment was hand cobbed. In spite of the fact that one observer (Finch) does not believe this exposure to be on the Prize vein, the applicant has applied this assay to a block of ground 800 feet long, 800 feet deep, and 3 feet thick on the Prize vein, giving 144,000 tons "that is expected to be developed" by his proposed project. Elsewhere in his application (question 23) he is more conservative and estimates the work will "develop at least 25,000 tons of $60.00 ore, provided that the ore body comes up to expectations".

It is obvious from the evidence presented in the foregoing that this tonnage of base metal ore is not proven nor even indicated, and therefore, the applicant cannot qualify for a direct loan in the full

amount to develop this ore.

We furthermore believe that, in spite of a possibly good showing of zinc at one point, the general thinness of veins in the Central City district, the unfavorable geologic environment for significant tonnages of base metals, and the history of insignificant base metal production from the district, make any encouragement of exploration for zinc, lead and copper on this property unwise, and, hence, the applicant is not invited to try and raise funds for a matching project.

It is recommended that the revised application for a direct loan be denied and that the attached letter be sent to the applicant.

Returned herewith are: Reports and Records Unit file on this docket, also applicant's letter of July 21, requesting a direct loan.

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Director, Supply Division

FILE COPY 350
SURNAME:

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

McKnight
Billings
Clapp
(Fr ~ Mote)

July 31, 1951

Memorandum

Re: DMA-1201X
Prize Mining and Milling Co.
Central City, Colorado
Development loan $75,000
Zinc, lead, copper

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of direct loan.

Subject docket came in originally on form MF-103, with estimated cost of $75,000. The answer to question 20 states: "Exploration is to prove up zinc, lead and copper ore bodies". The proposed exploration was 1000 feet of drifting on the vein 150 feet below an old drift which had been too low grade to mine for gold and silver in the early days, and was based upon a showing of zinc at the mouth of this proposed drift. Additional exploration included 2000 feet of core drilling from the surface. The application looked like a normal exploration proposal except that in the space designating percentages of Government participation, the entry was worded "45% of amount already expended". The application was denied as an exploration loan on the basis that the Government could not match funds already expended.

Letter of reply from applicant (July 21, 1951) states that the $75,000 requested was for the development of at least 25,000 tons of ore, or in fact nearer 50,000 tons. Thus he meant it as a request for a development loan in the full amount of $75,000. He states that the value of the claims, buildings, machinery, power line and tools have a value of more than $75,000, and he evidently implies that this value is his collateral for the loan. The application, therefore, has to be reappraised as a direct mining loan.

Mine consists of old workings made in 1863-87 to a depth of 860 feet on the Prize shaft, with stoping to the 550 level and an unworked drift at the 650 level; and an upraise made in 1914-1931 from the Argo deep tunnel (1600 feet below the surface), connecting with the bottom of the old Prize shaft. Workings are on a vein in granite gneiss and schist.

The ore that the applicant claims to have proven up is on the Prize vein in the block west of the upraise from the Argo deep tunnel, and below the 650 level. All records of the character of the ore in the old workings at the top of the mine are given in dollars of gold and silver and are valueless in establishing base metal character. The

establishment of base metal values in the vein in the unmined block below rest on observations cited by the applicant at 3 points.

The first point is where the vein is crossed by the Argo deep tunnel (1600 ft. level). Applicant quotes U.S. Geological Survey Prof. Paper 94 to prove base metal character of this exposure, as follows: "The ore body at point A in the Argo tunnel is described. . . in Prof. Paper 94 of the U. S. Geological Survey as from 1 to 4 feet thick, carrying from 1/2 to 2 ounces of gold, 3 to 16 ounces silver, and 4 1/2 per cent copper". This is a very distorted quotation of the report in order to make a case for copper occurrence. The report says "A lateral from the Newhouse (Argo) tunnel has been run on what is supposed to be the Prize vein the later upraise proved that it was for a few hundred feet, exposing 1 to 4 feet of crushed altered granite gneiss and schist carrying disseminated pyrite and cut by stringers of course pyrite 3 1/2 inches and less across. The ore carries from 0.5 to 2 ounces gold and from 3 to 16 ounces silver a ton. Some assays show as high as 4.5 per cent copper though most of the ore appears to have no copper of value". That the vein at point A is indeed narrow is shown by the observations quoted in the Chase (1917) report submitted by the applicant. Mr. Chase was commissioned to look over and sample the lower workings of the Prize mine. His examination was confined to a winze on the Prize vein sunk to a depth of 83 feet below the Argo tunnel level and located 36 feet east of the tunnel. He reported on 32 samples from the vein in this winze that averaged 7 inches across and had an average value of $44 in gold and silver - with no mention of copper, zinc, or lead.

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amount to develop this ore.

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It is recommended that the revised application for a direct loan be denied and that the attached letter be sent to the applicant.

Returned herewith are: Reports and Records Unit file on this docket, also applicant's letter of July 21, requesting a direct loan.

T.P.B.

T. P. Billings, Chief
Lead-Zinc Branch

Approved:
Tom Lyon

Director, Supply Division

ETMcKnight:emp
G 7-31-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Branch
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records Unit
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

July 31, 1951

Memorandum

No: [illegible]-12011
Frisco Mining and Milling Co.
Central City, Colorado
Development loan $75,000
Zinc, lead, copper

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Loan-Line Branch

Subject: Denial of direct loan.

Subject docket came in originally on form [illegible]-103, with estimated cost of $75,000. The answer to question 23 states: "exploration is to prove up zinc, lead and copper ore bodies". The proposed exploration was 1000 feet of drifting on the vein 150 feet below an old drift which had been too low grade to mine for gold and silver in the early days, and was based upon a showing of zinc at the mouth of this proposed drift. Additional exploration included 2000 feet of core drilling from the surface. The application looked like a normal exploration proposal except that in the space designating percentage of Government participation, the entry was worded "45% of amount already expended". The application was denied as an exploration loan on the basis that the Government could not waive funds already expended.

Letter of reply from applicant (July 21, 1951) states that the $75,000 requested was for the development of at least 25,000 tons of ore, or in fact nearer 50,000 tons. Thus he meant it as a request for a development loan in the full amount of $75,000. He states that the value of the claims, buildings, machinery, power line and tools have a value of more than $75,000, and he evidently implies that this value is his collateral for the loan. The application, therefore, has to be reappraised as a direct mining loan.

Mine consists of old workings made in 1863-67 to a depth of 360 feet on the Frisco shaft, with stoping to the 550 level and an unworked drift at the 650 level; and an upraise made in 1914-1931 from the Argo deep tunnel (1600 feet below the surface), connecting with the bottom of the old Frisco shaft. Workings are on a vein in granite gneiss and schist.

The ore that the applicant claims to have proven up is on the Frisco vein in the block west of the upraise from the Argo deep tunnel, and below the 650 level. All records of the character of the ore in the old workings at the top of the mine are given in dollars of gold and silver and are valueless in establishing base metal character. The

establishment of base metal values in the vein in the unmined block below rest on observations cited by the applicant at 3 points.

The first point is where the vein is crossed by the Argo deep tunnel (1600 ft. level). Applicant quotes U.S. Geological Survey Pref. Paper 94 to prove base metal character of this exposure, as follows: "The ore body at point A in the Argo tunnel is described. . . in Pref. Paper 94 of the U. S. Geological Survey as from 1 to 4 feet thick, carrying from 1/2 to 2 ounces of gold, 3 to 16 ounces silver, and 4 1/2 per cent copper". This is a very disturbed quotation of the report in order to make a case for copper occurrence. The report says "A lateral from the Newhouse (Argo) tunnel has been run on what is supposed to be the Prize vein the later upraise proved that it was for a few hundred feet, exposing 1 to 4 feet of crushed altered granite gneiss and schist carrying disseminated pyrite and cut by stringers of coarse pyrite 3 1/2 inches and less across. The ore carries from 0.5 to 2 ounces gold and from 3 to 16 ounces silver a ton. Some assays show as high as 4.5 per cent copper though most of the ore appears to have no copper of value". That the vein at point A is indeed narrow is shown by the observations quoted in the Jones (1917) report submitted by the applicant. Mr. Chase was commissioned to look over and sample the lower workings of the Prize mine. His examination was confined to a winze on the Prize vein sunk to a depth of 53 feet below the Argo tunnel level and located 36 feet east of the tunnel. He reported on 38 samples from the vein in this winze that averaged 7 inches across and had an average value of $14 in gold and silver - with no mention of copper, zinc, or lead.

The second point cited to establish base metal character is at the top of the upraise, where it joins the bottom of the Prize shaft. A report (1929) by John Wellington Finch submitted by applicant states that, in completing the connection on the 800 ft. level between the upraise from the Argo tunnel and the old workings, "an entirely new discovery of ore was made just west of the top of the old raise in a vein which was not followed up from the Argo Tunnel when the raise was driven. It is nearly parallel with the vein in the raise but it is uncertain whether it is structurally a part of this vein, an entirely new one, or a downward continuation of a vein lying to the west of the Prize vein in workings above the 700 level. I am inclined to believe that the possibility last stated will prove to be the fact.

"This is a good showing of ore; 1 foot or more of sulphides with associated stringers of ore. It is a large vein for this district and the ore-body promises continuity. I cannot form this conclusion from the usual speculations made upon it, but from the behavior of ore-bodies which have been extracted from other veins of similar size and structure near at hand at this and greater depths.

"A shipment of about 19-1/8 tons to the Argo mill assayed: gold 0.00 ounces per ton ($13.20); silver 2.[illegible] ounces (about $1.46); zinc 1[illegible] (about $[illegible]). . ."

A more detailed description of this vein on the 500 foot level at the top of the upraise is given by the applicant. He shows that when it was followed 20 feet east, it pinches to 1 inch, but 10 feet west (the extent of the workings) it increases to 34 inches. There is no description given as to what is contained within the 34 inches. It could be mostly crushed country rock. It is not made clear in the application whether such was this 13 feet of drifting, or whether his "one foot or more of solid sulfides" was reported at the shaft where the applicant shows 3 feet of vein.

The third point cited to establish beyond doubt connection of the Prize vein is the adjacent Hubert mine west of the Prize mine and according to applicant, on the same vein. The evidence cited by the applicant is contained in the following sentence: "The vein in the Hubert was 20 feet wide in places with approximately the same assay values as the Prize 600 foot level vein". However, there was only one of these wide bodies, on the far side of the Hubert, which formed a chimney with a stope length of about 50 feet. For the rest, the main vein in this mine was thin, one of the best orebodies, on the 450 level being 27 inches thick, of which 6 inches was solid sphalerite and chalcopyrite, and 18 inches was granite gneiss traversed by 1/16" to 1/8" stringers of sphalerite (U.S. Geological Survey Prof. Paper 94, p. 210). When mined and hand cobbed for shipping, this type of ore was high in zinc or lead or both, but the shipments were characteristically low in tonnage.

In summary, the only exposure in the mine indicating a possible body of ore certainly is on the 500 level at the top of the long upraise. A 13 foot cut in the roof of the vein at this level shows the vein to increase from 36 inches to 54 inches but, in the absence of a description of the vein, it is evident that the full thickness is not sulfide. The sole description of it by Finch, stating the sulfides as "one foot or more" thick, with several sulfide stringers, was in "a large vein for this district". A 2/3 ton shipment reportedly made from this with high gold and silver. The [illegible] the applicant did not assay also [illegible] in spite of the fact the applicant was hand cobbed in spite of the fact [illegible] observed [illegible] inch, [illegible] 14 [illegible] This exposure is on the Prize vein, the applicant [illegible] easy to a [illegible] ground [illegible] long, [illegible] feet deep, [illegible] feet thick on the Prize vein, giving [illegible] cubic feet of exposure [illegible] developed by the proposed project. [illegible] are in the application (question 23) he is more conservative and estimates the ore will "develop at least 2,000 tons of sulfide ore, provided [illegible] the [illegible] up to expectations".

[illegible] as [illegible] value for [illegible] wide as presented in the foregoing, that [illegible] type of [illegible] sets are [illegible] proven nor even indicated, and therefore, the applicant cannot qualify for a direct loss in the full

means to develop this ore.

We furthermore believe that, in spite of a possibly good showing of zinc at one point, the general thinness of veins in the Central City district, the unfavorable geologic environment for significant tonnages of base metals, and the history of insignificant base metal production from the district, make any encouragement of exploration for zinc, lead and copper on this property unwise, and, hence, the applicant is not invited to try and raise funds for a matching project.

It is recommended that the revised application for a direct loan be denied and that the attached letter be sent to the applicant.

Returned herewith are: Reports and Records Unit file on this docket, plus applicant's letter of July 21, requesting a direct loan.

TPB

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Tom Lyon

Director, Supply Division

EMcKnight:cmp
G 7-31-51
Copies to: J. H. East, Jr. Region IV (P)
Chief, Lead-Zinc Branch
E. T. McKnight 4214 GSA
W. M. Mote
Reports & Records Unit
Director's r. file 4214 GSA
Dr. r. file 4214 GSA
Files

350

FILE COPY
SURNAME:

McKnight
Billings
O'Leary
(For more)

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

July 31, 1951

Re: DMA-1201X

Mr. D. L. Russell
Prize Mining and Milling Company
East First High Street
Central City, Colorado

Dear Mr. Russell:

This will acknowledge your letter of July 21, in which you point out that your application was for the Government to advance the full amount, $75,000, needed for the development of at least 25,000 tons and possible nearer 50,000 tons of ore.

Your answer to question 20 states that the proposed exploration is to prove up zinc, lead and copper, and your proposed drift on the 800 level is an exploration into unproved ground. Thus, the work that you propose to do, including the diamond drilling, is exploration and is eligible for Federal aid only on the participating basis explained in Mineral Order 5, and with no allowance for expenditures previously made by the applicant (see Mineral Order 5, attached).

To be eligible for a development loan in the full amount needed, it must be demonstrated that the applicant has a sufficient proven tonnage of strategic metals to secure the loan. The zinc, lead, and copper content of the Prize vein below the 650 level has not been sufficiently proven by the descriptions at the two exposures cited (A and B of the isometric map accompanying your application) to warrant a loan from funds appropriated to strengthen national defense. The Prize vein is narrow, and chiefly of value for gold and silver. Descriptions of the vein at one of the two points that you cite (Point A) show that the vein is thin and is a pyritic gold-silver vein with only a small amount of copper. As the geologic conditions are not favorable for occurrence of any significant tonnage of zinc, lead or copper, we do not consider that the showing at the top of the raise from the Argo warrants application to the block of ore that you consider to be blocked out; nor do we consider the chances of finding new zinc-lead-copper ore by exploration to be favorable enough to justify additional exploration of this ground with Federal funds.

The Eureka mine qualified for an exploration loan on a matching fund basis because the proposed exploration has promise of finding new ore of a metal that is particularly strategic at the present time, namely, tungsten. In a program financed by appropriations for national defense,

the possibility of finding strategic minerals must be the deciding factor rather than the merits of a mine as a profitable business undertaking.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

ETMcKnight:emp
G 7-30-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

Prize Mining + Milling Corp. Billings

PRIZE MINE

CENTRAL CITY, COLORADO

July 21, 1951

Re: DMA 1201X
Lead- zinc-copper

Mr. Tom Lyon, Director Supply Division
Defense Minerals Administration
Washington (25), D. C.

Dear Mr. Lyon:-

Your notice denying my request for a loan on the basis that my proposal was to have the goverment advance $75,000. which would be 45% of what had been already been expended on the property is a misunderstanding.

Please examine page 19, paragraph 23 of my application. You will find that $75,000 was for the development of at least 25,000 tons of ore - in fact it would be nearef 50,000 tons. The itemized expenditures in the paragraph mentioned and the amount of loan asked I fully submit to your discretion. The fact that this mine is fully equipped and ready for exploration work to start at once seems to be a hindrance rather than a help at this point. The loan, itself, I expected to be based on the physical aspects of the property, i.e. claims, buildings, machinery, power line and tools which have a value of more than $75,000. and not the work already performed.

It is difficult for me to understand why the near Eureka Mine were granted a loan of $20,000. and the Prize refused. From the begining these people engaged me as their consultant so I am well qualified to make a comparison between the two properties. They too applied for a larger loan than received.

Between the two mines, there is no comparison as to machinery, tools, buildings and the number of claims. There is no comparison as to the amount of work accomplished, The Eureka will have to accomplish 30 times more work before they can approach the Prize. The Prize has eliminated the water problem which is more than apt to close the Eureka. As to the ore showing there is no comparison. As to the mine supervision - which is more than essential to the success of a mine, I wish to state that I have such men as Prof. Arthur Taggart of the Columbia School of mines as advisers. The mine is located in the midst of past great producers that may again be started from the Prize. The Eureka is on the edge of this region. Indeed, the Prize is the one mine so equipped, so developed, and so located that it has the potetialities of opening up Gilpin County to its past productivity.

Please review my application in view of the above. If I get started I will be able to get private capital to carry on.

Very truly yours

Donald L. Russell

D. L. Russell, C.E., E.M.

Acknowl. 7-31-51

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 31951
LANDON F. STROBEL
Executive Secretary

JUL 24 1951

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

a. E. C.

July 2, 1951

Memorandum

Re: DMA-1201X
Prize Mining and Milling Co.
Lead-zinc, copper

To: Executive Secretary, D. M. A.

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

Subject: Denial of application of Prize Mining and Milling Company for Government participation to extent of $75,000.

Cutting of a raise on the property between 1914 and 1931 cost $120,000, and an additional $45,000 has since been spent to re-equip the mine with tools, machinery, power line, repairs to shaft, new hoisting cable and repairs to the shaft house and other dwellings. All of these costs are supported by vouchers in the files of the company.

Applicant proposes to have the Government match the above expenditures with $75,000, which is 45% of the amount already spent.

Because it is not permissible under the regulations of the exploration program for the Government to match funds already spent by an applicant, it is recommended that the loan be denied and that the attached letter be sent to applicant.

Because the vein proposed for exploration is not believed to be a favorable prospect for base metals, being a pyritic-gold-silver vein with only a small amount of copper, in Gilpin County, Colorade, the applicant has not been invited to propose a matching of new funds under the exploration program.

Returned herewith are two stapled copies of the complete docket as assembled and stapled by applicant.

Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

Attachments

Approved:

Director, Supply Division

a. E.C

July 2, 1951

Memorandum

Re: [illegible]A-17018
Prise Mining and Milling Co.
Gilpin, Colorado, copper

To: Executive Secretary, [illegible]

From: Chief, Metals Branch, [illegible]

Subject: Denial of application of Prise Mining and Milling Company for Government participation to extent of $75,000.

Mining of a raise on the property between 1944 and 1951 [illegible] $[illegible],000, and an additional [illegible],000 has since been spent to re-equip the mine with tools, machinery, power lines, repairs to shaft, new hoisting cable and repairs to the mill house and other dwellings. All of these costs are supported by vouchers in the files of the company.

Applicant proposes to have the Government match the above expenditures with $75,000, which is [illegible]% of the amount already spent.

Because it is not permissible under the regulations of the exploration program for the Government to match funds already spent by an applicant, it is recommended that the loan be denied and that the attached letter be sent to applicant.

Because the main prospect for exploration is not believed to be a reversible prospect for base metals, being a pyritic-gold-silver vein with only a small amount of copper, in Gilpin County, Colorado, the applicant has not been invited to propose a matching of new funds under the exploration program.

Returned herewith are two stapled copies of the complete dossier as assembled and stapled by applicant.

Otto Herres

Otto Herres, Chief
Metals Branch

Attachments
Approved:

Tom Lyon
Director, Supply Division

Attach DIRT:amp
[illegible]7-[illegible]-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
R. F. McKnight 4204 GSA
R. H. Kate
[illegible] Strobel
Directors r file 4214 GSA
Br. r file 4214 GSA

FILE COPY
SURNAME:

McKnight
Brokaw
Horres

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

July 2, 1951

Re: DMA 1201X
Lead-zinc-copper

G.E.C.

Mr. D. L. Russell
Prize Mining and Milling Company
East First High Street
Central City, Colorado

Dear Mr. Russell:

Your application for a loan to explore the Prize vein has been reviewed by the Defence Minerals Administration.

Your proposal is to have the Government advance $75,000 which will be only 45% of the $165,000 already expended on the property. I regret to inform you that according to the regulations of the exploration program (Mineral Order No. 5, Sec. 13) costs incurred before the date of an exploration contract cannot be allowed as costs of the project in which the Government will participate. It is, therefore, necessary to deny your request for the loan.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

ETMcKNIGHT:emp
G 7-2-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

FILE COPY
SURNAME:

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

McKnight
Brockway
Herres

July 2, 1951

Memorandum

Re: DMA-1201X
Prize Mining and Milling Co.
Lead-zinc, copper

To: Executive Secretary, D. M. A.

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

Subject: Denial of application of Prize Mining and Milling Company for Government participation to extent of $75,000.

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Applicant proposes to have the Government match the above expenditures with $75,000, which is 45% of the amount already spent.

Because it is not permissible under the regulations of the exploration program for the Government to match funds already spent by an applicant, it is recommended that the loan be denied and that the attached letter be sent to applicant.

Because the vein proposed for exploration is not believed to be a favorable prospect for base metals, being a pyritic-gold-silver vein with only a small amount of copper, in Gilpin County, Colorado, the applicant has not been invited to propose a matching of new funds under the exploration program.

Returned herewith are two stapled copies of the complete docket as assembled and stapled by applicant.

Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

Attachments

Approved:

Tom Lyon

Director, Supply Division

ETMcKNIGHT:emp
G 7-2-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
L. F. Strobel
Directors r file 4214 GSA
Br. r file 4214 GSA

FILE COPY
SURNAME:

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

Herres
McKnight
Note
Lyon
Bga

Lead-Zinc Br.

623

1951

My dear Mrs. Wayne:

I was pleased to receive your letter of May 15 concerning your activities in Central City and particularly to learn of your interest in endeavoring to restore some of the mining properties in Gilpin County to a producing basis.

The application filed by Mr. D. L. Russell for assistance to the Prize Mining and Milling Corporation under the mineral exploration program of Defense Minerals Administration was received by the Lead-Zinc Branch of DMA on May 21 and assigned DMA Number 1201x. You may be assured that this application will be given prompt and careful consideration. In accordance with your suggestion I will emphasize the request for investigation of the property and the project which has been submitted.

It will be a source of great satisfaction to me if our mineral exploration program is successful in restoring some of the important Colorado mining properties of the past again to operation.

Sincerely yours,

(Sgd.) Oscar L. Chapman

Secretary of the Interior

Mrs. Frances Belford Wayne
Central City
Colorado

CHERRES:ks
5/28/51

cc: Secretary's Reading File
Administrator
Executive Secretary
Mr. Herres
Mr. Note
Mr. McKnight
Files

RETURN TO THE CITY OF DENVER

5-31

BUREAU OF MINES
WASHINGTON, D. C.
JUN 13 12 42 PM '51

LANDON F. STROBEL

623

Central City, Colorado
May 15, 1951

INTERIOR DEPT. SECRETARY'S MAIL CENTER
MAY 21 1951

INTERIOR DEPT. ☆ RECEIVED ☆ MAY 21 1951 ☆ OFFICE OF ☆ THE SECRETARY

Hon. Oscar L. Chapman
Secretary of the Interior
Washington, D. C.

My dear Mr. Secretary:

Trusting that the hand of time has not brushed me and our many past activities together from your memory, I am asking your generous consideration for a proposal regarding this region.

When I left the Denver Post, I came to Central City, took over my father's old home, became Associate Editor of the ancient Register-Call, and with a newspaper reporter's curiosity began to study the area - its needs and possibilities. As you know, vast fortunes have been taken from the hills round about. A slump in the value of silver and gold meant the closing of 99% of the mines. Payrolls ceased, the place became a deserted village. Recently came a demand from government and industry for the new metals uncovered here in quantities. Lacking money to explore, owners have been anticipating and waiting for the Mineral Exploration program. Among these is Donato L. Russell, husband of my niece, Frances Belford, President and General Manager of the Prize Mining and Milling Corporation. They have formed a company and with adequate facilities, mining machinery and the like, are waiting to push development.

5/22 Letter Promise Reply: Chap Mineral Staff Ans 5/28

Mr. Russell, graduate mining engineer of Columbia University, so confident of success as development proceeds, has made application for an exploration loan and has written Dr. James Boyd who knows of the property. And now I am asking if you will emphasize the request for an investigation of the property and loan request by the government agency which is backing such projects in all parts of this country.

I follow your activities thru the press and hope when you come again to Colorado you will, like Senator Milliken, journey here where we could renew acquaintances.

Accompanying is a copy of Mr. Russell's letter to Dr. Boyd, to whom he sent report-applications for the Prize Mine. What it has been, what it is, what it may become again, is all outlined.

With thanks for your time and any interest you may turn this way to help restore values to Gilpin County, I am

Sincerely yours,

Frances B. Wayne

Frances Belford Wayne

FBW/r
Enc. letter

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1951
LANDON F. STROBEL
Executive Secretary

FILE COPY
SURNAME:

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

May 24, 1951

Mr. Donato L. Russell
President
Prize Mining and Milling Corporation
Central City, Colorado

Subject: DMA-1201X
Re: Exploration Loan
Prize Mine

My dear Mr. Russell:

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

The application was assigned Docket Number DMA-1201X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on May 18, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1201X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:Mab
cc: Strobel-2
Files
Herres
Lyon

Prize 1201

~~LANDON F. STROBEL~~
Bequest
Dennis

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1951
LANDON F. STROBEL
Executive Secretary

DMA 1201 X Research 5/21/51
623

Central City, Colorado
May 15, 1951

INTERIOR DEPT.
☆ RECEIVED ☆
MAY 21 1951
☆ OFFICE OF ☆
THE SECRETARY

R DEPT.
ARY'S
ENTER
1 1951
NES

Hon. Oscar L. Chapman
Secretary of the Interior
Washington, D. C.

Prize mine
Gilpin Co.

My dear Mr. Secretary:

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Mr. Russell, graduate mining engineer of Columbia University, so confident of success as development proceeds, has made application for an exploration loan and has written Dr. James Boyd who knows of the property. And now I am asking if you will emphasize the request for an investigation of the property and loan request by the government agency which is backing such projects in all parts of this country.

I follow your activities thru the press and hope when you come again to Colorado you will, like Senator Milliken, journey here where we could renew acquaintances.

Accompanying is a copy of Mr. Russell's letter to Dr. Boyd, to whom he sent report-applications for the Prize Mine. What it has been, what it is, what it may become again, is all outlined.

With thanks for your time and any interest you may turn this way to help restore values to Gilpin County, I am

Sincerely yours,

Frances B. Wayne

Frances Belford Wayne

FBW/r
Enc. letter

MAY 23 1951

May 14, 1951

623

Mr. James Boyd
Defense Minerals Administrator
Department of the Interior
Washington (25), D. C.

DMA 120/X

Dear Mr. Boyd:

I do hope you recall examining the Prize Mine at Nevadaville, Colorado with Mr. Ben Parker back in 1941. I need not say it is a good mine with considerable merit - but I wish to state its potentialities:

First of all, I consider it the only mine in Gilpin County with real possibilities of success for the following reasons (a) water problem, which has wrecked good mines here, is non-existent in the Prize; (b) through connection with the Argo Tunnel the air problem is also eliminated; (c) all of the equipment and expensive work of a mine is of the past; (d) where other producers have been worked to around 1,700', which was the economic depth of that period, the Prize was worked to only a 500' depth and for about one-third of the vein length; (e) I believe we're on the edge of an ore shoot, whereas other mines still have to look for ore; (f) most important, however, the success of the Prize mine would encourage private capital to come into the region again. One going-project of this sort would open the whole region to producing metals so rely needed by the country.

I know you may think me presumptious in addressing this letter to you personally, but I do so because of your personal knowledge of the property through your examination of it. I am hoping you will give the application for a loan, mailed under separate cover to you direct, your personal attention because of the great possibilities of opening up this whole dormant region.

My personal Best Wishes to you and your family.

Very sincerely yours,

[illegible], C.E., E.M.

[illegible]/b

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-1201 X

Date received 5/17/51

Participation

PRIZE MINING & MILLING CORP.
Central City, Colo.

D. L. Russell, C.E., E.M.
Central City, Colo.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application April 15, 1951

Estimated cost $75,000.00

Mineral or metal Metal - zinc, lead and copper

Percentage of Government participation 45% of amount already expended.

Location of mine Sec. 11, T. 3S, R. 73W., Gilpin County, Colo.

Date of filing MF-100 April 15, 1951

DMA Docket Number, if available DMA-1201 X

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?
*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.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
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.
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)?

*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.
    (*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.

*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.

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

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*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.
    (*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.

*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				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

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?

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

    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.
    (*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.
    (*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.
    (*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.

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.

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.

PRIZE MINING & MILLING CORP.
(Name of company)

By Donald L. Russell
(Signature of authorized official)

April 15, 1951
(Date)

President and General Manager
(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. dma-1201 X

Date received 5/17/51

[illegible] & [illegible] Co.
Central City
Colorado

Donato L. Russell, C.E., E.M.
East First High Street
Central City, Colo.

Name and address of applicant

Date April 16, 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?
   (*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)
[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	
[illegible]				[illegible]		[illegible]	
[illegible]				[illegible]		[illegible]	
[illegible]				[illegible]		[illegible]	
[illegible]				[illegible]		[illegible]	
[illegible]				[illegible]		[illegible]	
	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 "B" stock	$[illegible]	$[illegible]	$[illegible]/share		[illegible]
Preferred stock "A" stock	$[illegible]	$ 6,050.	$[illegible]/share		[illegible]

*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.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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. [illegible]

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. [illegible]

(*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)					

(*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.

14. Water Supply:

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

15. Power:

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

16. Labor: 125 HP - Public Service Company of Colorado

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

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 (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

TO: [illegible] MINERALS [illegible]ATION
Department of the Interior
Washington (25), D. C.

FROM: PRIZE MINING & MILLING [illegible],
Central City, Colorado

GENERAL TECHNICAL DATA

1. Materials produced:
   (a) The chief mine product is ZINC, followed by LEAD and COPPER.
   (b) By-products are GOLD and SILVER.

2. Name and type of mine - old names of property - extent of workings:
   This is a lode mine. The ore occurs in true fissure veins.

   Previous operators and names: The Commonwealth Mining Co., - owners of the Prize Vein - 1862 - 1878;
   The Seuderberg Co., - owners of the Seuderberg Vein (1862 - 1878);
   J. W. Bostwick & Co., - purchased both of above veins - 1878 - 1935;
   The Prize Consolidated [illegible] Mining Co., - bought out Bostwick - 1935 - 1945;
   The present corporation - 1945 - 1951;
   (a) 1600' shaft on Prize and about 250' shaft on the Grand Old Man;
   (b) Approximately 2600' drifts and cross cuts;
   (c) The portal of the Argo Tunnel is 3 1/2 miles from the Prize shaft; Tunnel is 1600' below shaft collar;
   (d) The Post Hole shaft and the Seuderberg shaft are now caved;

   The mine waters drain through the Argo Tunnel, 1600' below the shaft collar.

3. For each operation listed above supply the following:

   (a) Nearest shipping point is Rollinsville, Colorado - 12 miles north of Central City, Colorado;
   (b) Nevada Mining District;
   (c) Sec. 11, T. 3 [illegible], R. 73 [illegible];
   (d) Gilpin County, Colorado.

4. State whether property is now in operation....

   (a) Property is now closed down.
   (b) The property has been incorporated in the State of Colorado under the name of PRIZE MINING & MILLING CORPORATION.

5. The mine produced from 1862 to 1937. Production is estimated to begin 6 months from the time work commences.

6. T. I. Russell, B.S., [illegible], E.M., graduate of both Columbia College and the Columbia School of Mines, is President and manager; he has been in engineering since 1[illegible]; has been gainfully employed by The New Jersey Zinc Company, Anaconda Copper [illegible], Phelps Dodge, and was chief engineer for the Bahia Corp., Bahia, Brazil; he has spent 7 years in Gilpin County preparing the Prize Mine for production as well as in the study of the region. He has followed all the mining projects and studied the causes of failure. At present he is employed by the Sterns-Roger Manufacturing Co. in the Mining Division.

From: PRIZE MINING & MILLING CORP.,

Form: MP-100

7. History: (a) The Commonwealth Mining Company and the Seuderberg Company started mining on parallel veins in 1865. The two veins joined at the 450 foot level resulting in serious litigation which was ended in 1878 when J. S. Bostwick & Company purchased both companies. Mr. Bostwick operated the properties profitably, selling out to the Prize Consolidated & Mining Company of New York in 1883. Two years later the Prize stopped production and dividends. The vein split into the north and south vein, neither yielding any ore. Interest in the Prize as a producer was revived in 1910. The Newhouse drainage tunnel, now known as the Argo Tunnel, intersected the Prize vein 1600' below the shaft collar. U. S. Professional Paper No. 94, p.221, describes this vein as from one to four feet thick carrying from 1/2 to 2 oz. gold, 5 to 16 oz. silver, and 4 1/2% copper. The Prize Consolidated & Mining Company started work in 1914 with O. B. Hillmarth of Georgetown, Colorado as manager. The plan was to upraise from the Tunnel to the bottom of the Prize shaft - a distance of 800'. The upraise would prove whether this was the Prize vein - which was doubted by many - provide drainage through the Tunnel, ventilation, and a cheap means of mining, for the ore was to have been dropped into the Tunnel and taken to the Argo mill at the portal. Work on the upraise continued until lack of labor and materials, due to World War I, closed the mine in 1917, and not until 1928 was work resumed to complete the upraise. After a few months' work, O. B. Hillmarth, the manager, wrote: "One fact is certain - we shall be putting a considerable amount of ore down through our upraise when it is in working order. It may be 30 to 60 days more, but it is as certain as our existence." Misfortune followed this report - previous work had caved and it took two years to repair the damage when the absentee owners, who never once visited the property, ordered the manager to close down. The manager protested that with very little more work they would be shipping ore. He received a wire to close down regardless. The mine closed in 1931 after an expenditure of $125,000 with never an effort made to mine the ore in sight. The upraise still drains the mine waters, and it proved that the vein intersected at the Argo level was the Prize vein. The upraise further proved that the vein which split at the 450' level into the north and south vein rejoined at the 800' level forming a 'horse'.

In 1939, D. L. Russell, C.E., E.M., examined the mine, repaired the ladderways so that the ore body at the 800' level could be examined. Mr. Russell entered into partnership with the then owners. Plans to reopen the mine were never realized due to the death of his partner. Mr. Russell then obtained full ownership and by 1948 the shaft had been repaired, the mine equipped with power line, machinery, tools, and a great deal of repair work was accomplished. In 1948 the Prize Mining & Milling Corporation was formed. Abstracts of the property are ready, and today the mine stands ready to block out ore.

Although it is known that considerable ore still remains in the upper levels, operations would begin at the 800' level. Here the vein changes from a southerly dip to a northerly. It is the point where the split vein reunited forming a 'horse'.

FROM: THE PRIZE MINING & MILLING CORP.,

From: MF-100

7. History (b) The Prize Mining & Milling Corporation property is surrounded by great producers of the past. Less than one-half mile southwest is the KIRK MINE which supplied the pitchblende from which Madame Curie extracted the first radium. Affixed view shows location of great producers, all worked to an average of around 1700' whereas the Prize has been worked to around 300'.

7. (c) Copy of Mining Engineer's report

Denver, Colorado,
July 30, 1904

Prize Consolidated Mining & Milling Companies Properties Situated in Nevada Mining District, County of Gilpin, Colo. U.S.A.

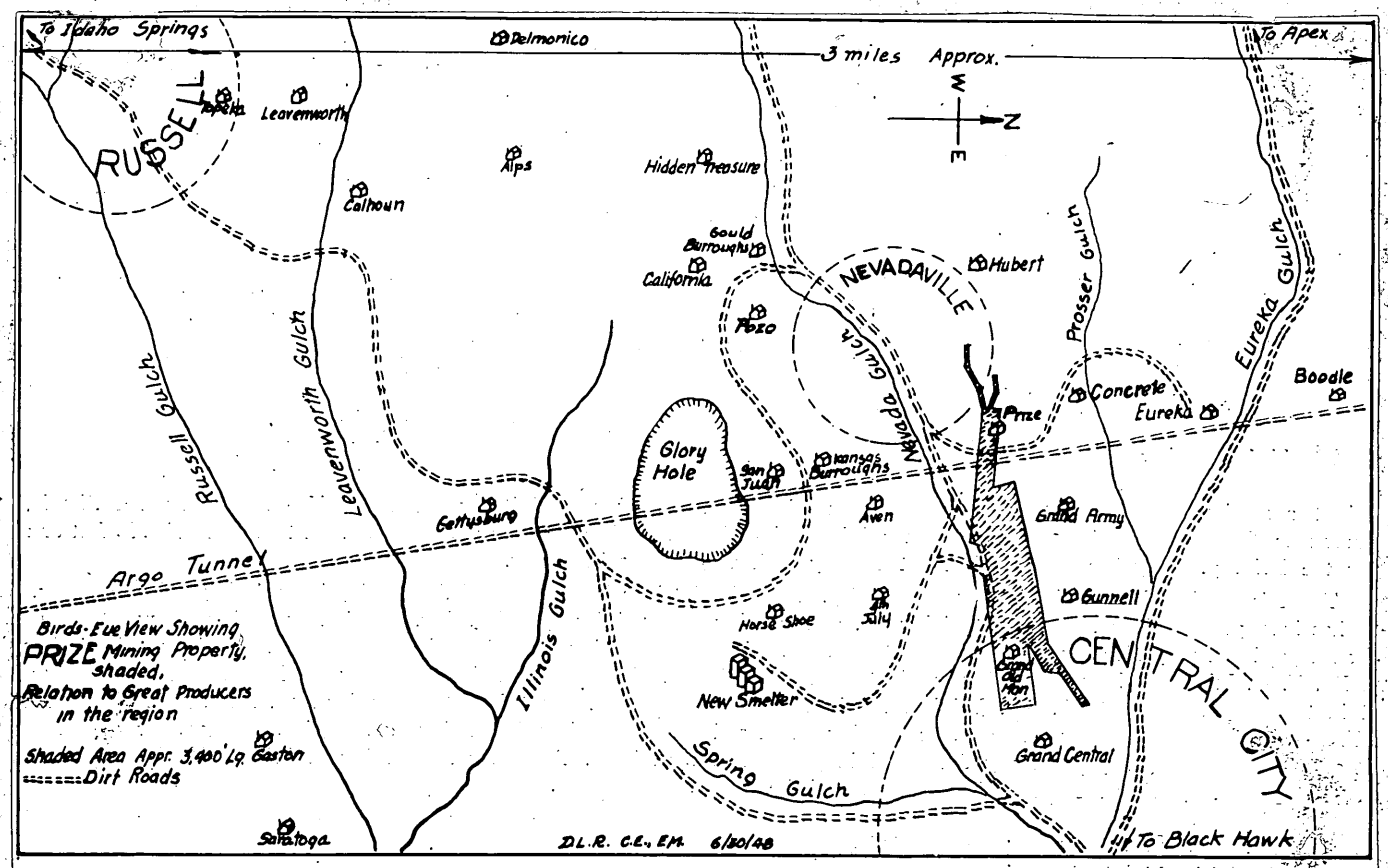
To the President and Board of Directors of the Prize Con. Mining and Milling Co.

Gentlemen:

According to your request, I have examined the properties owned and controlled by your Company, and submit to you the following report:

The mining properties are developed by four shafts, viz: A main working shaft; the Sauderberg No. 1 shaft; the Sauderberg No. 2 shaft, and the Post Hole Shaft.

Through my investigation, I found all the shafts in a very bad condition, save the main working shaft. This shaft, however, has to be



PRIZE Property shaded. Showing its relation to other great producers.

From: THE PRIZE MINING & MILLING CORP.

Form: MP-100

7. (e) cont'd.

repaired in various parts to make it safe for anyone to descend, however, taking into consideration the length of time the mines have shut down, I must confess that the works are in better state of preservation than I had anticipated.

The Sauderberg shafts and the Post Hole development are to the contrary in a most dilapidated condition, and in consequence made my endeavor to make a thorough examination a most hazardous undertaking, and by the most careful work I have completed the undertaking without serious results, save two small accidents to my assistants.

The developments on the property consists of shafts, drifts, cross cuts, winzes and uprises. The lateral working consists of four thousand four hundred feet (4,400') and the vertical workings one thousand eight hundred feet (1,800'), not considering the stopes.

ORE RESERVES

Regarding the ore still in reserve, I beg leave to state that there is quite a good sized tonnage of fair grade of ore in various parts in the mines. I have taken altogether three hundred and twenty five samples in the workings. Three hundred of these samples show an average value of $9.95 per ton of 2,000 lbs. $7.75 is gold and 2.20 is silver. Twenty samples show an average value of $42.50 per ton of 2,000 lbs. of which $38.00 is gold and $4.50 is silver, and five samples show an average value of $55.00 per ton of 2,000 lbs. $50.00 of this value is gold and $5.00 is silver.

These ore reserves are located as follows: $33.00 ore, 5 samples in No. 1 Sauderberg shaft, 150 feet from the surface west side, 3 inches thick, 30 feet high. No further development being done in consequence no estimate of reserves could be made.

$42.50 ore, twenty samples, main working shaft, west side, 6 inches thick, 60 x 185 feet, 35,550 cu. ft.

$15.88 ore, thirty samples, main shaft, east side, 12 inches thick, 50 x 175 feet, 8,750 cu. ft.

$12.43 ore, thirty samples, 300 foot level, west main shaft, 18 inches thick, 75 x 200 feet, 22,500 cubic feet.

$3.93 ore, thirty samples, 350 foot level, west of main shaft, cross cut, new vein 36 inches wide, 200 x 175 feet, 105,000 cubic feet.

$8.00 ore, thirty samples, 450 foot level, east of main shaft, 14 inches thick, 150 x 100 feet, 20,000 cubic feet.

$9.03 ore, thirty samples, 450 feet level, main shaft cross-cut south, new vein eight (8) feet thick, ore streak 3 1/2 feet thick, 300 x 175 feet, 70,750 cubic feet.

FROM: THE PRICE MINING & MILLING CORP.

Form: MF-100

7. (e) cont'd.

$7.20 ore, thirty samples, 450 foot level, west of main shaft, [illegible] feet thick, 175 x 150 feet, 131,250 cubic feet.

$13.60 ore, thirty samples, 500 foot level, west of main shaft, foot wall 2 1/2 feet thick, 150 x 175 feet, 65,625 cubic feet.

$9.45 ore, thirty samples from the vein with south dip from 450 level to the 500 foot level in main shaft [illegible] 1/2 feet thick, 75 x 100 feet, 18,750 cubic feet.

$12.45 ore, thirty samples from vein with north dip, 650 foot level west, 4 inches thick, 375 x 275 feet, 32,708 cubic feet.

$10.40 ore, thirty samples, same vein as the foregoing, on the same level, east, 6 inches thick, 375 x 125 feet, 23,437 cubic feet.

TONNAGE OF ORE IN RESERVE AND GROSS VALUE

[illegible]	cubic	feet	396	tons	@	$42.50	$16,632.00
[illegible]	"	"	625	"	"	13.88	8,675.00
22,500	"	"	1,607	"	"	12.45	[illegible],975.00
105,000	"	"	7,500	"	"	5.95	[illegible],475.00
20,000	"	"	1,420	"	"	9.60	13,641.00
78,750	"	"	5,625	"	"	9.03	50,795.75
131,250	"	"	9,375	"	"	7.20	67,500.00
65,625	"	"	4,687	"	"	18.60	84,366.00
18,750	"	"	1,339	"	"	9.45	12,653.55
32,708	"	"	2,336	"	"	12.45	29,083.20
23,437	"	"	1,674	"	"	10.40	17,409.60
512,270	"	"	36,584	"	"	$ 9.55	$365,194.00
Deduct 40% of the gross value for the mining of the ore							146,076.00
Deduct $1.50 per ton for extracting precious metals by cyanide process							55,876.00
Deducting 5% losses in extraction of assay values per ton							18,292.00
Leaves profit of							$144,950.00

a 100 ton cyanide plant will cost	$30,000.00		
Interest at 5% of $30,000.00	1,500.00		
Wear and tear on machinery 5%	1,500.00		
	$33,000.00	Deducting NET PROFIT	$33,000.00
			$111,950.00

The main dump contains 40,000 tons of screenings which have a value of $4.32 per ton or a gross value of	$173,200.00
Less $1.50 per ton cyaniding	60,000.00
Deducting 15% for screening and losses	25,980.00
leaving a net profit for the dump of	$ 87,220.00
TOTAL PROFIT FOR THE MINE THAT IS	$19[illegible],170.00

7. (c) cont'd.

GENERAL REMARKS

By the foregoing, I do however not state that the amount of ore in reserve is the extent of the ore in the mine. I am fully convinced of the fact that by intelligent exploitation of the properties, rich ore bodies will result.

As far as I was able to examine the mines, very little exploitation has been done, outside of the regular vein systems, and I am creditably informed that the same is the case below the 650 foot level, or the water level.

The water has materially increased since the plant of the Gunnell mine was destroyed by fire some three months ago, and it will be some time before that syndicate will be able to resume pumping water. The Gunnell companies lower workings are 300 feet below the lowest workings of the Prize mine.

I can conscientiously state that the Prize mine has been worked in a very hap-hazard way. It is very deplorable indeed that such has been the case, for I am of the opinion that your mines are very good property, and again can be made a great producing mining enterprise.

The adjoining properties, particularly the Hubert, now the Von Roni, and Old Colony, have not extracted any ore from your territory, unless it has been the Hubert, below the 650 foot level, which I doubt.

With reference to your mill near the Town of Black Hawk, I beg leave to state that what is left of the former plant consists of the frame of the engine. All the attachments of the engine have been stolen and broken off where it was impossible to unscrew the fittings.

There is also an old water heater on the ground, about 30 feet of shafting and pulleys, 30 feet of iron pipe, a 5 battery stamp mill, consisting of 5 stamps to each battery, the framework in which the stamps are set, a fly wheel, six dies and shoes.

I have traced a smoke stack to a certain foundry belonging to Mr. McFarlane. There is also a safe somewhere in Black Hawk which I will trace shortly. The entire building of the mill is gone, not even a board is left. A little house stands to the right of the road and is occupied by a family.

SUGGESTION AND ADVICE

In order to keep the Prize properties from going to ruin, I should advise the necessary repairs to be made, the main shaft in particular requires immediate attention unless some serious cave-in will occur and through such occurance it may ruin the shaft to such an extent that it might become beyond repair. Cave-ins have also taken place in some of the lower workings, and should such weak places not be released at once by timber, serious consequences might be the result throughout the workings, but in order to overcome all future damage, I strongly recommend to you the resumption of operations of the mines, since a property of such magnitude and promise should not be jeopardized through neglect. It will not take over $10,000

7. (e) cont'd.

remains in the Mfenst today. I shall have it assayed, though, of course. I do not suggest pay-ore to prevail with so little work west, but it shows that our ground west from the Argo Tunnel offers inducements which would warrant a little exploratory work there. If you would let me spend $1,000.00 on that west drift I might open pay-ore in a satisfactory manner. Will you let me do so?

You remember that about September last I sent you Kimball assay certificate showing sample No. 9 representing a conservative average across [illegible] ore in the top of the Spanish at floor of 400 level. As hanger Kimball cut such sample I took one of the ends, similar to the one he assayed, to Assayer Alex Scott at Idaho Springs recently and he found over twice as much gold, adding gold values alone of $11.60 per ton.

I herewith show such assay returns as follows:

KIMBALL CERTIFICATE

Ounces GOLD	Ounces SILVER	% COPPER	% LEAD	% ZINC	% IRON
6.30	2.30	0.20	1.30	35.10	16.30

Values per ton: $[illegible].62

ALEX SCOTT ASSAY

GOLD	SILVER	COPPER	LEAD	ZINC	IRON
1.05	3.32	1.10	2.80	28.40	23.40

Such values would make such ore well worth over $50.00 per ton in value, and please bear in mind that such sample was most conservative of such values as I took large proportionate parts of low grade ore and small proportionate parts of high grade ore and thus reduced all such values by throwing in about 30% of worthless country rock, as no mining of ore can be performed without including some waste.

One fact is certain, we shall promptly be putting a considerable amount of pay-ore down through our connection with the Argo Tunnel and into the Argo Mill just as soon as such connection through from the surface is in working order. It may take some 30 or 60 days more to be getting such returns, but they are as certain as our existence, and I shall expedite such work to the utmost.

Awaiting word from you regarding permission to spend $1,000.00 on drift west from the Argo Tunnel, from which point ore could be immediately milled when encountered. I remain

Very truly yours,

C. Barlow Kilmarth, Gen'l. Mgr. (signed)

P.S. I shall soon be mailing you Alex Scott assay certificate showing values as

for entire sample No. 9 as above mentioned. On same you will find a couple of highlighted sample representations merely covering samples which I take of doubtful ground so as to not accidentally pass up any real values. Pay attention therefore only to sample No. 9X. There is no accounting for such difference in assays as the samples were supposed to be identical but both assayers are known for good work and the Alex Dent assay is as likely to be correct as the Kimball assay. O.E.W.

REPORT OF EDWI. L. CHAFF, E.M. & Son

Denver, Colorado
September 13, 1917

The Prime Mining Co.
New York, N. Y.

Dear Sirs:-

Complying with your instructions I have looked over and sampled the lower workings of your Prime Mine, with the following results, which will be made clear from Sample attached map. My examination was confined to a certain stope mark to a depth of 65 feet below the large Tunnel level and located in the Prime vein drift at 36 feet east of said tunnel. This stope has been full of water for several years but has recently been cleared out for my examination.

I remember now that the existence of the stope had been mentioned to me in past years but I never knew that it contained ore of any value, or otherwise I might have recommended its investigation long ago.

The ground above the stope has been stoped out and allows say a length of 120 feet and a height of 140 feet, I am informed, but this working is now shattered up and inaccessible. It must have been pay ore, otherwise it would not have been stoped, and from the entry values in the stope, it may readily be inferred it paid well. The 83 ft. stope was sampled by your supt. Mr. O. E. Wilmarth in 1913, when it was more accessible for sampling than at present, as he then was engaged in mining it. His assay results and with the ore are given on map in red figures, figuring gold at the smelter price of $20. per oz. and silver at $.90, the present market price being around $1.00.

I visited the mine on the 14th inst. and took one sample of the best looking ore I could find at such places as was safe to cut out the timbers. The values ranged from $.90 to $17.70. As Mr. Wilmarth had obtained some values as high as $113. (from three times the number of samples, however), we both thought it would be more satisfactory all around to take out more timbers and expose more ore and take some further samples. This was done and I went up to the mine again on the 17th inst. taking eight additional samples, all my assay being done by Mr. V. L. Shaffer of Idaho Springs, the same man that did Mr. Wilmarth's assaying in 1913.

As happen to strike a much better line of samples on the second trip, and as they range fully as high as those of Mr. Wilmarth, I am perfectly willing to accept his as correct, for gold is always "spotty" and a true average can only be obtained from a large number of samples. This gives us then 32 samples from the stope, as follows: from the top down:

[illegible]

Form [illegible]

7.1e, cont'd.

Width, Inches	Value
1?	?.00
5	[illegible]
6	17.[illegible]
4	1?.[illegible]
4	[illegible]
[illegible]	[illegible]
[illegible]	51.00
[illegible]	66.00
12	45.00
8	17.00
14	36.00
7	17.[illegible]
10	77.00
1?	11.10
[illegible]	[illegible]
[illegible]	79.00
8	[illegible]
Av. 7.?	[illegible]

Width, Inches	Value
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
1	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
6	[illegible]
1?	[illegible]
1?	[illegible]
[illegible]	[illegible]
9	[illegible]
6	[illegible]
6	[illegible]
Av. [illegible]	[illegible]

Average of all samples in 7 [illegible] silver at [illegible] ore [illegible] good [illegible] out and [illegible] ore, or [illegible] through the mill, [illegible] of [illegible] original [illegible] vein [illegible] run through the mill, [illegible] value in case it [illegible] found [illegible] practicable to strip [illegible] milling ore. It would be better [illegible] milling ore [illegible] run [illegible] the vein [illegible] represented by the samples.

[illegible] only [illegible] producer's [illegible] to [illegible] in the premises. 7 inches [illegible] tackle [illegible] time [illegible] not [illegible] possibly [illegible] 170 feet, or [illegible] in fact [illegible] drifts [illegible] under the ore, [illegible] also if [illegible] at [illegible] value [illegible] actually [illegible] side of the winze [illegible] is no preference [illegible] to which direction to drift, [illegible] to the eye the [illegible] rather better [illegible] ore [illegible] in [illegible] direction.

I [illegible] certainly [illegible] surprised at finding such a good [illegible] in [illegible] for the fact [illegible] ever been done except to sink the winze [illegible] to [illegible] found in it and had I known there [illegible] when [illegible] long ago. It is of course premature to [illegible] sinking [illegible] drifting [illegible] at least be [illegible] on the tunnel level [illegible] fair [illegible] of [illegible] worth of [illegible] winze [illegible] 110 feet [illegible] just [illegible] tunnel [illegible] must be [illegible] in going thru the workings at the request [illegible] Manager.

7 (continued)..

Their ore varies from nothing up to 4 feet in width, and there are plenty of places in the heart of the ore shoot where a [illegible] in much that would show much less than the first shipment so you should have no hesitation in opening up this ground below the tunnel level [illegible] to [illegible] good [illegible] paying venture.

In order to [illegible] not be [illegible] I would endorse Mr. Gilbert's suggestion that [illegible] of [illegible] requested [illegible] may not be required to put the mine in shape, it would be available to guard against any contingencies.

[illegible] to practical [illegible] the [illegible] to [illegible] your own [illegible] or [illegible] the [illegible] to Mr. Gilbert, who knows the [illegible] of the system better than I do. There are many complaints that [illegible] is [illegible] pressure and other facilities which is [illegible] to be considered. All I [illegible] to [illegible] to [illegible] greater extent [illegible] in actually [illegible] in [illegible] and [illegible].

[illegible]fully,

[illegible] (Signed).

[illegible]

[illegible]
Denver, Colorado

[illegible] York, N. Y.
[illegible]ry [illegible], 19[illegible].

Prize Mines, Inc.
170 Broadway
New York, N.Y.

Gentlemen:

[illegible] I inspected recent developments at your mine in Gilpin County, Colorado, accompanied by your manager, Mr. [illegible]. I was already in possession of considerable information upon the development and production history of nearby properties, derived from examinations made on the ground and from my office files. I had also the use of the [illegible] for you by [illegible] Chase in 1917. This information led me to confirm my [illegible] value of ore in your incline shaft, in the [illegible] the top of the [illegible] from [illegible] tunnel.

FROM: THE TRIBE MINING & MILLING CO.

Report [illegible]-10C

[illegible](e) cont'd.

Report [illegible]. You are thoroughly familiar with these except possibly those made in the process of connecting the raise with the incline shaft. The bottom of the shaft was unsurveyed, and had been extended to a depth of about 800 feet. For the last 100 feet it had turned to the east on a minor vein. A crosscut about 75 feet long, east from the top of the raise was necessary, therefore, to make the connection with the shaft. To complete a proper timber connection it became necessary to drive upward from the top of the raise and curve over into the shaft at a point about 40 feet below the 700 level.

The cross-section herewith shows this work as it stands on October 2, 1[illegible]. At the time of my visit the connection had been made through and timbering of the buckets, [illegible] the new route was nearing completion.

Ore Data. In the process of cutting out for the upward continuation of the raise at the 800 level an entirely new discovery of ore was made that west of the top of the [illegible] raise is a vein which was not followed up when the large tunnel which the raise was driven. It is nearly parallel with the vein in the raise, but it is uncertain whether it is structurally a part of this vein, an entirely new vein, or a lateral continuation of a vein lying to the east of the raise vein in workings above the 700 level. I am inclined to believe that the possibility that another vein will prove to be the fact.

This is a good showing of ore, 1 foot or [illegible] more of solid sulphides with no isolated stringers of ore. It is a large vein for this district and the ore-body promises continuity. I cannot form this conclusion from natural developments made upon it, but from the behavior of ore-bodies which have been exhausted from other veins of similar size and structure near at hand and at this and greater depths.

A shipment of about 15-17 tons to the Argo Mill returned gold 0.66 ounces per ton ([illegible]), silver [illegible] ounces (about [illegible]), zinc 14.5% (about 38.30). Deducting mill, smelter and freight charges, [illegible] metallurgical losses, you should have received for this about $11. net per ton.

Other Work. Mr. Chase's reports show a fine body of ore in the winze from the drift west of the Argo Tunnel, principally on the raise vein. He also shows pillars and small blocks of ore in upper levels that are capable of yielding a profit, but they may be made to do so after your [illegible] have put into good operating conditions down to Argo Tunnel.

Possibilities. The discovery of the ore here described at a depth of 300 feet and of the ore in the Argo Tunnel raise create the expectation that drifts driven upon this vein and other known veins at depths between the Argo Tunnel and the 300 level may disclose important bodies of commercial ore.

Recommendations. The blocking out of pillars now blocking part of the raise from the tunnel should be first to test the raise may be made into an operating raise all the way to the tunnel and thereby reduce the cost of delivering ore [illegible] to the surface.

7 (c) cont'd.

A cross-cut should then be driven west from the raise 100 feet below the [illegible] level to find the probable downward continuation of the new ore. Then drifts should be driven east and west on the vein as long as there is a continued showing of ore.

If at the latter new level good ore is found, another level should be opened 100 feet deeper and drifts also driven.

No other work should be done for the present except upon this one vein and that for the purpose of finding it at regular level intervals downward and open it up with drifts to expose it sufficiently so that your ore production may continue uninterrupted, notwithstanding the inevitable variations in the ore-body. After an adequate fund has been built up from production, developments may be extended upon other veins.

EQUIPMENT & ETC. Practically no new mining equipment is required. I assume that all reconstruction above the 500 level is completed and all work can now be concentrated upon clearing the raise to the tunnel. Although I have no means of knowing the exact conditions which will be encountered, I should estimate that this work can be done for 75,000. If the ore-body continues downward, as I believe it will, an additional 150,000 should open up new levels as first production profits will soon return this amount and provide for future extension of developments. I, therefore, recommend that a total development fund of $225,000. be provided for immediate use.

Yours very truly,

John Wellington Finch (signed)

Questions 8 to 12 (b) inclusive, Geological technical data, is covered on Form

12 (b)

C. An estimate of new tonnage (1,000 lb. ton) that is expected to be developed is as follows: Based on three points, A, B, and C, shown on Isometric map on Page 14, the ore found at point A in the Argo tunnel is described on Page 221 of Professional Paper No. 94 by U. S. Geological Survey as from one to four feet thick carrying from 1/2 to 7 ounces gold, 3 to 16 ounces silver, and 4 1/2% copper. Point B is at the 300' level where a 54" vein is exposed. Settlement on a 19 ton shipment was for 14 1/2% zinc, .56 ounces gold, and 7.4 ounces of silver. At point C, or the western boundary, is the Hubert mine on the same vein as the Prize. The vein in the Hubert was 10 feet wide in places with approximately the same assay values as the Prize 500' level vein. A conservative estimate of the ore between these three points is to use a three-foot average width running the same values as settlement made on 19-ton shipment = 3' thick x 300' width x 300 lin. ft. x 13 cu. ft./cu. ft. = 351,000 lbs / 2,000 = 175.5 tons

On the mine claim map, also attached, it will be noted that the mine workings extend from Pendarvis 1/4 on line 2-3 to the end 3-4 of Pendarvis 1/3 and the parallel vein system thereof 1/4 on Price 404. There were the original claims owned by the Prize Consolidated Milling Co. The Circuit, Great Old Iron, High Grade, Great Reward, Shafer and Prize extension were not confirmed until after 1 10. To this day these claims remain unexplored and should be explored with a core drill. On the Great Old Iron there is a

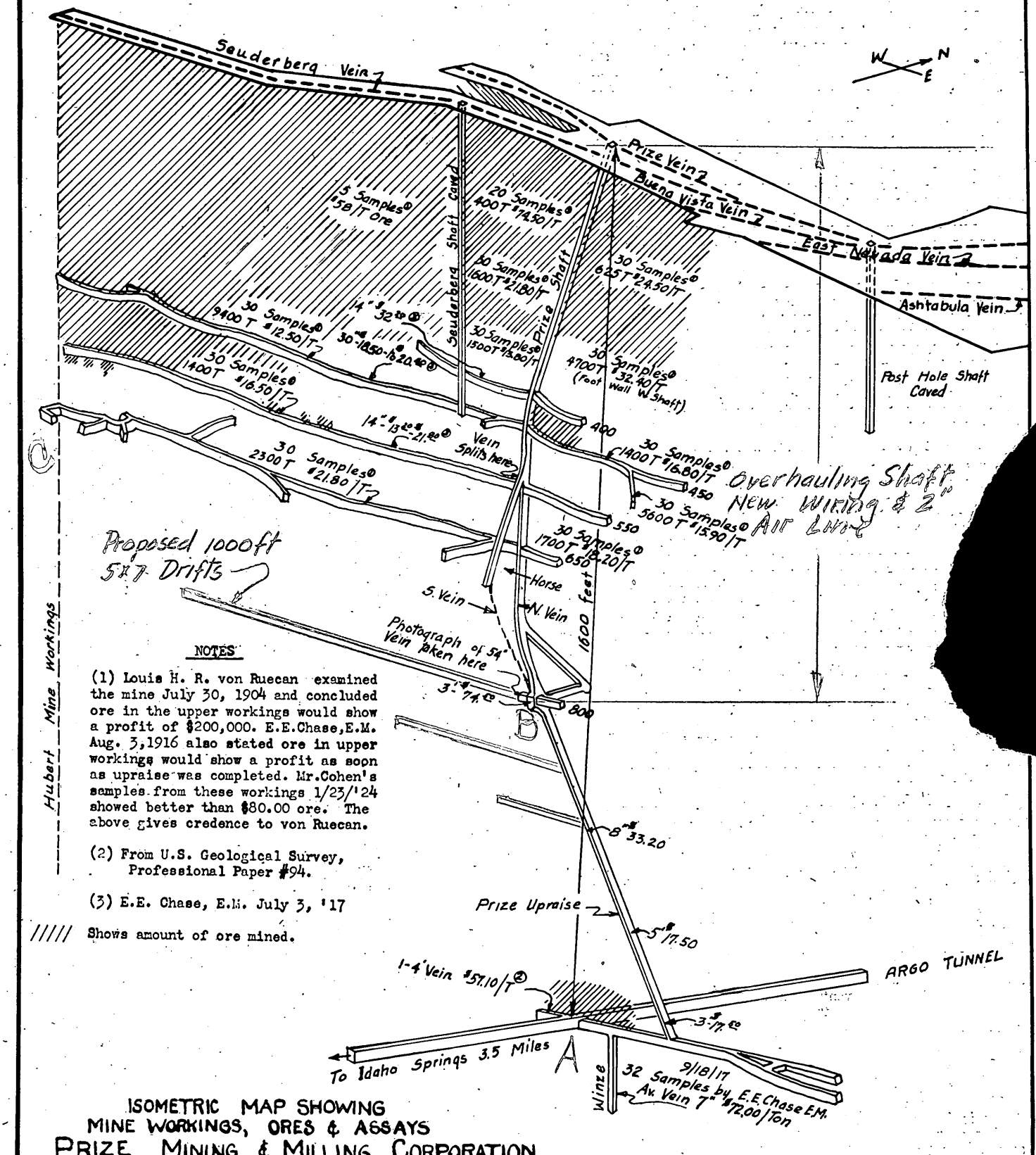
15 (b) - 2. (cont'd)

shaft house with a shaft about 700' deep. Good lead ore is still in the shaft house, but between the 600' and the 800' line 1-[illegible] of the Grand Clu[illegible]an, as well as the deep levels and the drains, considerable ore is expected to be found. No work has been performed on these claims, but exploration with a core drill should reveal 500,000 tons above the 800' level of zinc and lead ore running around [illegible]% per ton.

Questions 16 through 21 answered with 15 (a) 1, including answered on form.

17. The mine is equipped with 75 HP Nelson Hoist; 75 HP Gardner Compressor; 1 HP Sample Grinder, 1 HP Furnace, blower, assaying equipment and chemicals; all small tools, saws, [illegible], picks, shovels, etc; 2 drifters; 1 stopers; 1 jack hammers.

Large shaft house with two small buildings, iron covered - good condition. Shaft house on [illegible] is in bad repair. Four houses for living quarters - one in in excellent condition, one in fair condition, and two in very bad condition.



NOTES

(1) Louis H. R. von Ruecan examined the mine July 30, 1904 and concluded ore in the upper workings would show a profit of $200,000. E.E.Chase,E.M. Aug. 3,1916 also stated ore in upper workings would show a profit as soon as upraise was completed. Mr.Cohen's samples from these workings 1/23/'24 showed better than $80.00 ore. The above gives credence to von Ruecan.

(2) From U.S. Geological Survey, Professional Paper #94.

(3) E.E. Chase, E.M. July 3, '17

///// Shows amount of ore mined.

ISOMETRIC MAP SHOWING
MINE WORKINGS, ORES & ASSAYS
PRIZE MINING & MILLING CORPORATION

D.L.R., C.E., E.M. 7/14/48

Past Production and Histor

The Seuderberg and the Prize, located around 1862, are approximately parallel and united at about 450 feet below the surface. This caused considerable bitter feeling between the owners as to ownership at the intersection of the veins. Eight years of strife ended only after J. W. Bostwick & Co. bought both properties in 1878.

Production records are lacking, but the literature of the times gives an excellent estimate. Speaking of the Seuderberg in his "Colorado" of 1879, p. 322, Fossett states, "In two or three years the yield exceeded $250,000. This was one of the richest ore bodies found in Gilpin County. The amount of high grade smelting ore sold was great. There was over five feet of milling ore that yielded from six to twelve ounces of gold per cord (Scales were rare so a box 4'x4'x8'=128 cu. ft.=1 cord, was the unit for estimating haulage and mining contracts. This volume varied from four to ten tons in weight, depending on the type of ore). After the ore was exhausted, Richard Mackay took out $75,000." A total of $325,000. for the Seuderberg up to 1878.

The production at the Prize for the same period is given in the "History for Colorado," Vol. 1, p. 261 by Stone as $650,000.

From 1878 - '83 these two properties produced $400,000 according to the "Colorado Mining Directory" of 1883 p. 299. The Rocky Mountain News of Dec. 9, 1885, gives the production at $230,000 from '83 to '85, after which the properties were sold to the Prize Consolidated & Milling Co. of New York in 1885. During this period, the Rocky Mountain News carried monthly items, showing that the mill dirt yielded on the average of 900 ounces of gold per month, exclusive of the smelting ores and that the average dividend payment was $10,000 per month.

Herbert S. Auerback, E. M., A. M., reported on h 24, 1908 that the Prize Consolidated & Milling Co. d the property two years, paying out $700,000 in s before they closed down in 1887. Production for properties up to 1887, when the last dividend was totals $2,305,000.00.

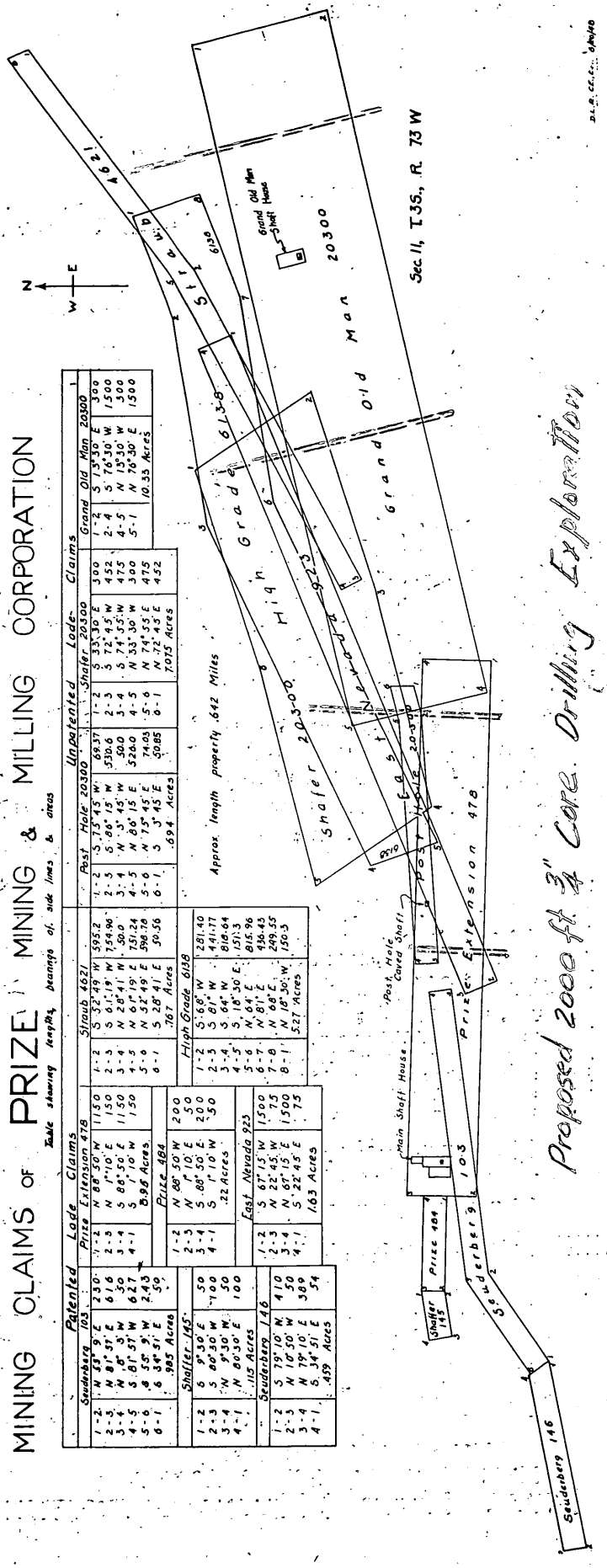
ve examine the map on p. 4 we see the reason why ased to pay dividends. The vein split just above and neither branch could be mined at a profit. o time, money was raised to dewater the mine, ft and to prospect for ore—to no avail. The mine roductive. The 550 and the 650 drifts were blasted of ore in 1893.

nuary 1904, Samuel Newhouse started what is Tunnel. Its object was to intersect many of the s of the district at depths considerably greater eepest mine workings. This would decrease the cost mining by furnishing cheap and rapid transportation mills and R. R. at Idaho Springs and give natural drainage to the troublesome water that is a serious problem in the mines of the region.

Early in 1910, 3½ miles from the portal, the Prize Vein was intersected 1,600 feet below the shaft collar. Professional Paper No. 94, p. 221, describes this vein at this depth as from one to four feet thick, carrying from .5 to 2.0 oz. gold and from 3 to 16 oz. silver per ton. Some assays showed as high as 4½% copper though most of the ore appeared to have no copper of value.

The mine would have been reopened and work commenced immediately after the discovery of this vein but doubt existed that it was the Prize vein. In 1914 work was started to upraise from the tunnel to the bottom of the old shaft that was some 800 feet deep. This not only proved it was the Prize vein but provided good ventilation and permitted the mine waters to drain out through the tunnel. The U. S. entry into World War I caused the mine to shut down due to lack of labor and materials. Not until 1927 was work resumed to complete the upraise and mine ore. The faith of the owners was so great that they added the lode claims: the East Nevada, the Straub, the High Grade, the Shafer, the Post Hole, and Grand Old Man to their holdings between 1917 and 1929. Nothing is known about these properties as no prospecting work has ever been done. The Grand Old Man shaft, which is some 250 feet deep shows what appears to be good lead ore.

Work commenced April 10, 1928 and 170 days later it was estimated that for $15,000.00 and in from 30 to 60 days ore would be flowing to the mill and dividends coming forth



FROM: PRIZE MINING & MILLING CORP.

Form: MF - 103

(6)
Does not apply

(7)
Does not apply

(8)
ASSETS

Mining Property - - - - - - - - - - - - - - - -	$300,000.00
Development and Organization - - - - - - - -	15,500.00
Total Assets - - - - - - - - - - -	$315,500.00

LIABILITIES

Accounts Payable - - - - - - - - - - - - - -	$ 5,600.00
Class A Stock - - - - - - - - - - - - - - -	5,000.00
Class B Stock - - - - - - - - - - - - - - -	300,000.00
Total Liabilities - - - - - - - - -	$310,500.00

(9)
Up to this date, records in the files show an expenditure of $120,000.00 to build the opening from the Adam Tunnel to the bottom of the old Prize Shaft. An additional $40,000.00 has been spent to re-equip the Mine with tools, machinery, power line, repairs to the shaft, new hoisting cable and repairs to the shaft house and other dwellings.

(10 a & b)
Both are the same.

Page 15 shows the mine claims with the length of the side lines. Operating large Shaft House is over the Prize Shaft. Shaft House over the Grand Old Man Shaft is in need of repair. Mill Site #11 is in Black Hawk, adjacent to the Gilpin Eureka Mill. This is the only tailings pond this mill can use.

(15)

The mined ore is dumped into trucks and hauled down hill to the Gilpin Eureka Mill, 2.3 miles from the shaft collar and there milled.

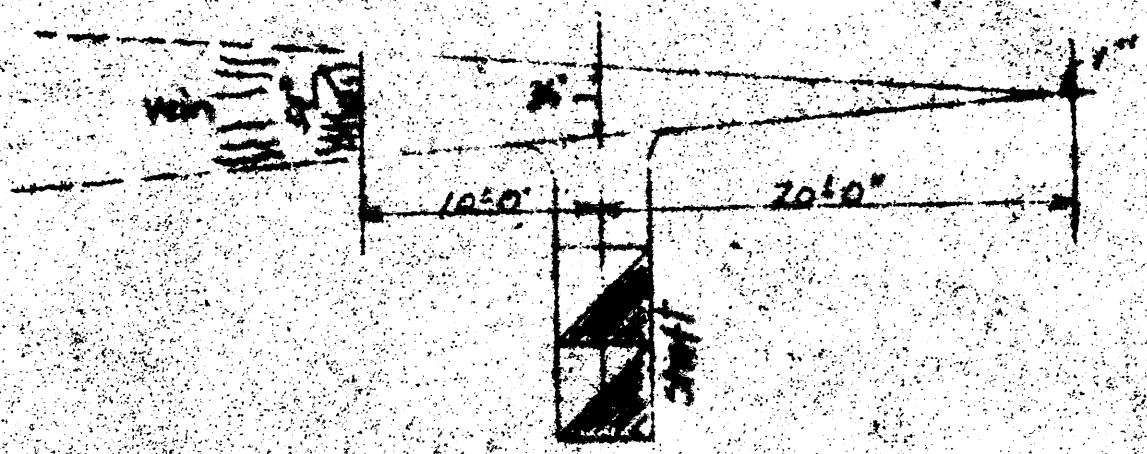
(19)

A description of the ore body at the 200 level, where operations are to begin, is of great importance. We must not forget that the North and the South, shown on the isometric map (p 14), vein rejoin here forming a horse. This is also the point where the Northerly dip of the vein becomes a southerly dip. Geologically this is of great importance for it is the point where ore is usually found in abundance. A plan of the vein is given below. Where the vein was first intersected, North of the shaft, the vein was 36" thick. A drift 20 feet East, showed the vein to decrease to one inch. When the vein was followed West for ten feet it increased to 38". The increase in the vein is 23 inches per ten feet in a westerly direction. This is IMPORTANT. The uniform rate of increase in the vein is consistent with the properties of ore shoots. If we can use the knowledge gained by experience in the adjacent Hubert Mine, where ore shoots were found to be 30 feet thick, a 50 foot drift on this vein should reveal a sizable ore body.

TO: DEFENSE MINERALS ADMINISTRATION

FROM: PRICE WEBSTER & WILLIAMS CORP.

FORM: MP - 105



TRIAL OF THE ALMADEN MINE.

(20)

Explorations to be power by ZINC, LEAD, and COPPER are active. Reports are in hand Thompson Ruhm and Jay Stanley.

(21)

The proposed work can be followed on the Locatrix Map p. 34.

(1) Strengthening Mine Shaft from the collar to the 300' to insure safety.
(2) Erecting shaft for lights, signals, and power.
(3) Replacing 8" air line to 500 Level.
(4) Drifting east at the 500, if the ore continues the drifts will be continued on down by the end lines.
(5) Repairing houses for labor.
(6) On p. 34, showing the mine claims, it is proposed to 1/8" core drill as per red lines. The drilling is possible from the Quick mine which is considerably lower than other surface. By drilling at about 45° angle, the veins can be intersected approx. 300 feet below the surface. This drilling is expected to reveal the existence of 100,000 tons or more of good lead, zinc and copper ore. The above work is expected to take less than six months time.

(22)

Past History of the Prime Mine, U. S. Geological Professional Paper 94, with the attached letter, p.35, from Dr. Ben Parker and Dr. James Hall, two eminent Geologists, leaves no doubt as to the success of this project.

COLORADO SCHOOL OF MINES

GOLDEN, COLORADO

DEPARTMENT OF GEOLOGY

FRANCIS M. VAN TUYL, PROFESSOR OF GEOLOGY
J. HARLAN JOHNSON, ASSOCIATE PROFESSOR OF GEOLOGY
W. A. WALDSCHMIDT, ASSOCIATE PROFESSOR OF GEOLOGY
JAMES BOYD, ASSOCIATE PROFESSOR OF GEOLOGY
BEN H. PARKER, ASSOCIATE PROFESSOR OF GEOLOGY

E. H. STEVENS, ASSISTANT PROFESSOR OF GEOLOGY
JOHN C. HAFF, ASSISTANT PROFESSOR OF GEOLOGY
PAUL H. KEATING, INSTRUCTOR IN GEOLOGY
W. S. LEVINGS, INSTRUCTOR IN GEOLOGY
J. W. VANDERWILT, SPECIAL LECTURER IN GEOLOGY

March 13, 1941

Mr. D. L. Russell
G-15 Tennis Apartments
Forest Hill, Long Island
New York

Dear Mr. Russell:

Thank you for your letter of February 24 together with the sketches showing the workings of the Prize Mine.

Doctor Boyd and I are inclined to agree with you that this property shows sufficient merit to justify some development. We expect to discuss this proposition with some of our clients in the near future, and you may be assured that we will advise you concerning their reaction as soon as these parties have had an opportunity to consider this material.

Sincerely yours,

Ben H. Parker

BHP:JL

FROM: FRIZZ MINING & MILLING CO.

Form: MT-103

THE REQUIREMENTS AND COSTS

23. Herewith expenditures and work cost to develop at least 25,000 tons of 160.00 ore - PROVIDED THAT THE [illegible] OF [illegible] EXPENDITURES:

Insurance - turning on power, taxes, and current bills	$ 5,000.00
Overhauling mine shaft to insure safety	3,000.00
Rewiring shaft - new signals and lights, 25 ea line to 200' level	1,500.00
Replacing 800' 2" air line	[illegible].00
1000 ft. 5 x 7 drifts @ $30./ft.	30,000.00
6 second-hand mine cars @ $75.00/car	450.00
2,000 ft. second-hand mine rails, cross ties, splice bars and bolts	500.00
Construction of 10 ore pockets @ $75./pocket	750.00
2,000 ft. 3/4" core drill holes @ $3.50/ft.	7,000.00
Building repair to house labor	6,000.00
Contingencies and working capital	20,000.00
Total	$ 75,000.00

The success of this project will lead the way to opening up the entire region to private capital development of the zinc, lead, copper, uranium, and other strategic metals.

23 (a). 6 muckers @ $1.75/hr; 3 miners @ $1.50/hr; 3 hoistmen @ $1.25/hr; 3 foremen @ $1.75/hr (when the mine is developed).

23 (b). 1 superintendent @ $650.00 per month.

23 (c). Overhauling shaft; rewiring shaft; replacing 2" air line; repairing dwellings and shaft house, will take from three weeks to one month. As soon as shaft is ready, blocking out of ore will commence. Ore pulled out will be stockpiled until a steady tonnage of 25 tons per day is assured.

23 (d). No additional facilities required.

23 (e). No new equipment required.

23 (f). Does not apply.

23 (g). Hoist, compressor, drifters, muckers, assaying plant and equipment, all tools that go with the operation, and lots of square sets [illegible] timbers, pipe, valves, et cetera. Applicant is unfamiliar with what retail costs may be.

23 (h). Powder, fuses, electrical conduits and 7 KV transformer, $5,000.00. This item is taken into consideration in costs of drifting.

23 (i). Electrical power is approximately $100/mo for the mine.

24. Six months from time loan is made it is expected that the mine will be producing from 25 to 35 tons daily. The costs of operating the mine are expected to be around $6,000.00 per month after it gets started. The net income is expected to be around $25,000.00 per month. An expenditure of $25,000.00 is expected in the first six months of operation.

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-1201X

Date received 5/17/51

Participation

PRIZE MINING & MILLING CORP.
CENTRAL CITY, COLO.

D. L. Russell, C.E., E.M.
Central City, Colo.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application April 15, 1951

Estimated cost $75,000.00

Mineral or metal Metal - zinc, lead and copper

Percentage of Government participation 45% of amount already expended

Location of mine Sec. 11, T. 3S, R. 73 W., Gilpin County, Colo.

Date of filing MF-100 April 15, 1951

DMA Docket Number, if available Dma-1201X

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?
*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.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
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.
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)?

*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.
    (*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.

*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.

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

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*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.
    (*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.

*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				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

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?

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

    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.
    (*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.
    (*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.
    (*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.

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.

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.

PRIZE MINING & MILLING CORP.
(Name of company)

By Donald L. Russell
(Signature of authorized official)

April 15, 1951
(Date)

President and General Manager
(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. Dma - 1201 X

Date received 5/17/51

THE PRIZE MINING & MILLING CORP.
Central City
Colorado

Donato L. Russell, C.E., E.M.
East First High Street
Central City, Colorado
Name and address of applicant

Date April 16, 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?
   (*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)
Donato L. Russell, C.E.,E.M. Central City, Colorado	Pres. & Gen'l. Mgr.(D)	None		1 share 'B' stock	None	None	
John C. Jenkins, Jr. Central City, Colorado	Vice Pres. (D)	None	$50,000	1 share 'B' stock	None	None	
Frances Belford Russell Central City, Colorado	Sec'y.-Treas. (D)	None		5,000 shares 'B' Stock	None	None	
Mrs. Lucy Pagano 5 Whittelsey Ave. Wallingford, Conn.				249,595 shares 'B' stock	None	None	
Marion LeClair Rocamora 424 Beirut Ave., Pacific Palisades, Calif.				25,000 shares 'B' stock	None	None	
Gertrude S. Tenderich Park Lane Hotel Denver, Colorado				14,000 shares 'B' stock	3,500 shares 'A'		
Benjamin Jessup Teetor et al Hagerstown, Indiana				3,000 shares 'B' stock	None		
	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 "B" Stock	$ 300,000	$ 300,000	$ 1.00/share		none
Preferred stock "A" stock	$ 200,000	$ 6,050.	$ 1.00/share		none

*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.) Prior to 1887 it is estimated 100,000 tons yielded	$2,305,000	None	None	None	None
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. 700 tons per month was approximate past production. It is expected that 1500 tons of ore will be produced monthly.

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. "Economic Geology of Gilpin County," U. S. Geological Survey, Professional Paper No. [illegible], state briefly: Granitic formation and veins are true fissures, varying from one to twelve feet, the average being three feet. Ores are usually free milling.

(*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. Von Ruecan report (Pps. 4&5) gives measured ore and assays above the 500' level, as do Chase, Finch and Willmarth's (Pps. 7-12, inclusive)

(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) See von Ruecan, Chase, Finch and Willmarth reports and assays					
Indicated (probable) See page 13 this application					

(*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.

Does not apply

(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. Roads are good; there is residence on property or in Central City, 1.3 miles from shaft house. Rollinsville is nearest R.R. station; Denver is 41 miles over good roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Drinking water available on property - water for milling must be developed.

15. Power:

State amount of power used, rate per hour, and source thereof. New power line has recently been installed. 125 HP - Public Service Company of Colorado.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. 5 men - three miners and two muckers were last employed.

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. See P. 13A of application.

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.

PRIZE MINING & MILLING CORPORATION
(Name of company)

By _____
(Signature of authorized official)
President

April 16, 1951
(Date)

President and General Manager
(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

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.
    (*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.

*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.

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

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*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.
    (*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.

*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				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

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?

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

    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.
    (*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.
    (*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.
    (*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.

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.

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.

PRIZE MINING & MILLING CORP.
(Name of company)

By Donald H. Russell
(Signature of authorized official)

April 15, 1951
(Date)

President and General Manager
(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-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-1201 X

Date received 5/17/51

Participation

PRIZE MINING & MILLING CORP.
Central City, Colorado

Donato L. Russell, C.E., E.M.
Central City, Colo.
Name and address of applicant

Date April 15, 1951

FILL IN THIS BLOCK

Date of application April 15, 1951

Estimated cost $75,000.00

Mineral or metal Metal - zinc, lead and copper

Percentage of Government participation 45% of amt. already expended.

Location of mine Sec. 11, T. 3S, R. 73 W., Gilpin County, Colorado

Date of filing MF-100 April 15, 1951

DMA Docket Number, if available Dma-1201X

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?
*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.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
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.
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)?

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

16—64067-1

MAY 21 1951

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-1261 X

Date received 5/17/51

Donato L. Russell, C.E., E.M.
East First High Street
Central City, Colorado
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)
[illegible]	[illegible]	[illegible]		[illegible]			
[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]		[illegible]		[illegible]	[illegible]	[illegible]	
[illegible]				[illegible]			
[illegible]				[illegible]			
[illegible]				[illegible]			
[illegible]				[illegible]			
[illegible]				[illegible]			
[illegible]				[illegible]			
	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 [illegible]	$[illegible]	$[illegible]	$[illegible]		[illegible]
Preferred stock [illegible]	$[illegible]	$[illegible]	$[illegible]		[illegible]

*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.)		[illegible]	[illegible]	[illegible]	[illegible]
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. [illegible]

12. Ore or Mineral Reserves:

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

Ores are usu-

(*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)					

(*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.

14. Water Supply:

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

15. Power:

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

16. Labor:

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

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 (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

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-1201X

Date received 5/17/51

Participation

PRIZE MINING & MILLING CORP.
Central City, Colorado

Donato L. Russell, C.E., E.M.
Central City, Colorado

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application April 15, 1951

Estimated cost $75,000.00

Mineral or metal Metal - zinc, lead and copper

Percentage of Government participation 45% of amount already expended.

Location of mine Sec. 11, T.3S, R. 73 W., Gilpin County, Colo.

Date of filing MF-100 April 15, 1951

DMA Docket Number, if available dma-1201X

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?
*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.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
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.
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)?

*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.
    (*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.

*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.

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

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*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.
    (*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.

*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				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

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?

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

    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.
    (*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.
    (*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.
    (*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.

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.

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.

PRIZE MINING & MILLING CORP.
(Name of company)

By Donald L. Russell
(Signature of authorized official)

April 15, 1951
(Date)

President and General Manager
(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. dma-1201 X

Date received

THE PRICE MINING & MILLING CORP.
Central City
Colorado

Donato L. Russell, C.E., E.M.
East First High St.,
Dentral City, Colorado
Name and address of applicant

Date April 16, 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?
   (*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)
Donald F. Russell, C.P.A., P.O. Box [illegible] Central City, Colorado	Treas. & Gen'l. Mgr. (D)	None		1 share D'stock	None	None	
John C. Jenkins, Jr. Central City, Colorado	Vice Pres. (D)	None	[illegible]	1 share D'stock	None	None	
Francis Bolford Russell Central City, Colorado	Sec'y.-Treas. (D)	None		[illegible] share D'stock	None	None	
Mrs. Judy Rogers [illegible], Colo.				[illegible] share D'stock	None	None	
Marion Leclair Rogers [illegible] Ave., Berkeley, Calif.				[illegible] share D'stock	None	None	
Gertrude C. Fredrich Denver, Colorado				[illegible] share D'stock	None		
Mordecai Joseph Rogers [illegible] Bangkok, Indiana				[illegible] share D'stock	None		
	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 "B" stock	$00,000.	$00,000.	$1.00/share		none
Preferred stock "A" stock	$00,000.	$ 6,050.	$1.00/share		none

*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.) Prior to 1942 [illegible] it is estimated 100,000 tons which [illegible]		None	None	None	None
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. [illegible] rate of [illegible] production. It is anticipated that 100 tons or [illegible] will be produced monthly.

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. "Geologic Map of Gilpin County" U.S. Geological Survey, Professional Paper No. 94, [illegible] briefly: Pyritic [illegible] veins are [illegible] Airborne, varying from one to twelve feet, the average being three feet. Ores are usually free milling.

(*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. See Recon report [illegible] ore reserves are [illegible]

(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: [illegible] (inclusive)

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)					
See von Rheeon, Chase, Finch and Allbarth reports and assays					
Indicated (probable)					
See page 13 this application					

(*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.

Does not apply

(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. Roads are good; [illegible] on property or in central City, 1.3 miles from Chest House. Gilliamville [illegible] Railroad [illegible] section. [illegible] over 15 or 16 miles over good roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year. Milling water available on property - water for milling must be developed.

15. Power:

State amount of power used, rate per hour, and source thereof. New power line has recently been installed. 125 HP - Public Service Company of Colorado

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period. [illegible] and two muckers were last employed.

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. See p. 13A of application.

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.

[illegible] (Name of company)

By _____ (Signature of authorized official)

President

April 1, 1961 (Date)

President and Director [illegible] (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

of above veins - 1878 - [illegible];
The Prize Consolidated [illegible] Mining Co., -
bought out Bostwick - 1935 - 1945;
The present corporation - 1945 - 1951;
(a) 1600' shaft on Prize and about 250' shaft on the Grand Old Man;
(b) Approximately 2600' drifts and cross cuts;
(c) The portal of the Argo Tunnel is 5 1/2 miles from the Prize shaft; Tunnel is 1600' below shaft collar;
(d) The Fort Hole shaft and the Sauderberg shaft are now caved;
(e) The mine waters drain through the Argo Tunnel, 1600' below the shaft collar.

TO: DEVER [illegible]
Department [illegible]
Washington [illegible]

FROM: PRIZE MINING & MILLING CO.,
Central City, Colorado

GENERAL TECHNICAL DATA

1. Materials produced:
   (a) The chief mine product is ZINC, followed by LEAD and COPPER.
   (b) By-products are GOLD and SILVER.

2. Name and type of mine - old names of property - extent of workings:
   This is a lode mine. The ore occurs in true fissure veins.

   Previous operators and names: The Commonwealth Mining Co., - owners of the Prize Vein - 1862 - 1878;
   The Sauderberg Co., - owners of the Sauderberg Vein (1862 - 1878);
   J. S. Bostwick & Co., - purchased both of above veins - 1878 - 1935;
   The Prize Consolidated [illegible] Mining Co., - bought out Bostwick - 1935 - 1945;
   The present corporation - 1945 - 1951;
   (a) 1600' shaft on Prize and about 250' shaft on the Grand Old Man;
   (b) Approximately 2600' drifts and cross cuts;
   (c) The portal of the Argo Tunnel is 5 1/2 miles from the Prize shaft; Tunnel is 1600' below shaft collar;
   (d) The Fort Hole shaft and the Sauderberg shaft are now caved;

   The mine waters drain through the Argo Tunnel, 1600' below the shaft collar.

3. For each operation listed above supply the following:

   (a) Nearest shipping point is Rollinsville, Colorado - 15 miles north of Central City, Colorado;
   (b) Nevada Mining District;
   (c) Sec. 11, T. 3 S., R. 73 W.
   (d) Gilpin County, Colorado.

4. State whether property is now in operation....

   (a) Property is now closed down.
   (b) The property has been incorporated in the State of Colorado under the name of The PRIZE MINING & MILLING CORPORATION.

5. The mine produced from 1862 to 1937. Production is anticipated to begin 6 months from the time work commences.

6. [illegible] Mansfield, [illegible], graduate of both Columbia College and the Columbia School of Mines, is President and manager; he has been in engineering since 1925; he has been gainfully employed by The New Jersey Zinc Company, Anaconda Copper Co., Phelps Dodge, and was chief engineer for the Rehis Corp., Brazil, he has spent 7 years in Gilpin County preparing the Prize Mine for production as well as in the study of the region. He has followed all the mining projects and studied the causes of failure. At present he is employed by the Stearns-Roger Manufacturing Co. in the Mining Division.

From: PRIZE MINING & MILLING CORP.,

Form: MP-100

7. History: (a) The Commonwealth Mining Company and the Souderberg Company started mining on parallel veins in 1863. The two veins joined at the 450 feet level resulting in serious litigation which was ended in 1878 when J. W. Bostwick & Company purchased both companies. Mr. Bostwick operated the properties profitably, selling out to the Prize Consolidated & Mining Company of New York in 1885. Two years later the Prize stopped production and dividends. The vein split into the north and south vein, neither yielding any ore. Interest in the Prize as a producer was revived in 1910. The Newhouse drainage tunnel, now known as the Argo Tunnel, intersected the Prize vein 1600' below the shaft collar. U. S. Professional Paper No. 94, P.221, describes this vein as from one to four feet thick carrying from 1/2 to 2 oz. gold, 5 to 16 oz. silver, and 4 1/2% copper. The Prize Consolidated & Mining Company started work in 1914 with O. B. Willmarth of Georgetown, Colorado as manager. The plan was to upraise from the Tunnel to the bottom of the Prize shaft - a distance of 800'. The upraise would prove whether this was the Prize vein - which was doubted by many - provide drainage through the Tunnel, ventilation, and a cheap means of mining, for the ore was to have been dropped into the Tunnel and taken to the Argo mill at the portal. Work on the upraise continued until lack of labor and materials, due to World War I, closed the mine in 1917, and not until 1928 was work resumed to complete the upraise. After a few months' work, O. B. Willmarth, the manager, wrote: "One fact is certain - we shall be putting a considerable amount of ore down through our upraise when it is in working order. It may be 30 to 60 days more, but it is as certain as our existence." Misfortune followed this report - previous work had caved and it took two years to repair the damage when the absentee owners, who never once visited the property, ordered the manager to close down. The manager protested that with very little more work they would be shipping ore. He received a wire to close down regardless. The mine closed in 1931 after an expenditure of $125,000 with never an effort made to mine the ore in sight. The upraise still drains the mine waters, and it proved that the vein intersected at the Argo level was the Prize vein. The upraise further proved that the vein which split at the 450' level into the north and south vein rejoined at the 800' level forming a 'horse'.

In 1939, D. L. Russell, C.E., E.M., examined the mine, repaired the ladderways so that the ore body at the 800' level could be examined. Mr. Russell entered into partnership with the then owners. Plans to reopen the mine were never realized due to the death of his partner. Mr. Russell then obtained full ownership and by 1948 the shaft had been repaired, the mine equipped with power line, machinery, tools, and a great deal of repair work was accomplished. In 1948 the Prize Mining & Milling Corporation was formed. Abstracts of the property are ready, and today the mine stands ready to block out ore.

Although it is known that considerable ore still remains in the upper levels, operations would begin at the 800' level. Here the vein changes from a southerly dip to a northerly. It is the point where the split vein reunited forming a 'horse'.

7. History (b) The Prize Mining & Milling Corporation property is surrounded by great producers of the past. Less than one-half mile southwest is the NINE MINE which supplied the pitchblende from which Madame Curie extracted the first radium. Affixed view shows location of great producers, all worked to an average of around 1700' whereas the Prize has been worked to around 500'.

7. (c) Copy of Louis Cole van Riecom report on the Property

Denver, Colorado
July 30, 1904

Prize Consolidated Mining & Milling Companies Properties
Situated in Nevada Mining District, County of Gilpin, Colo. U.S.A.

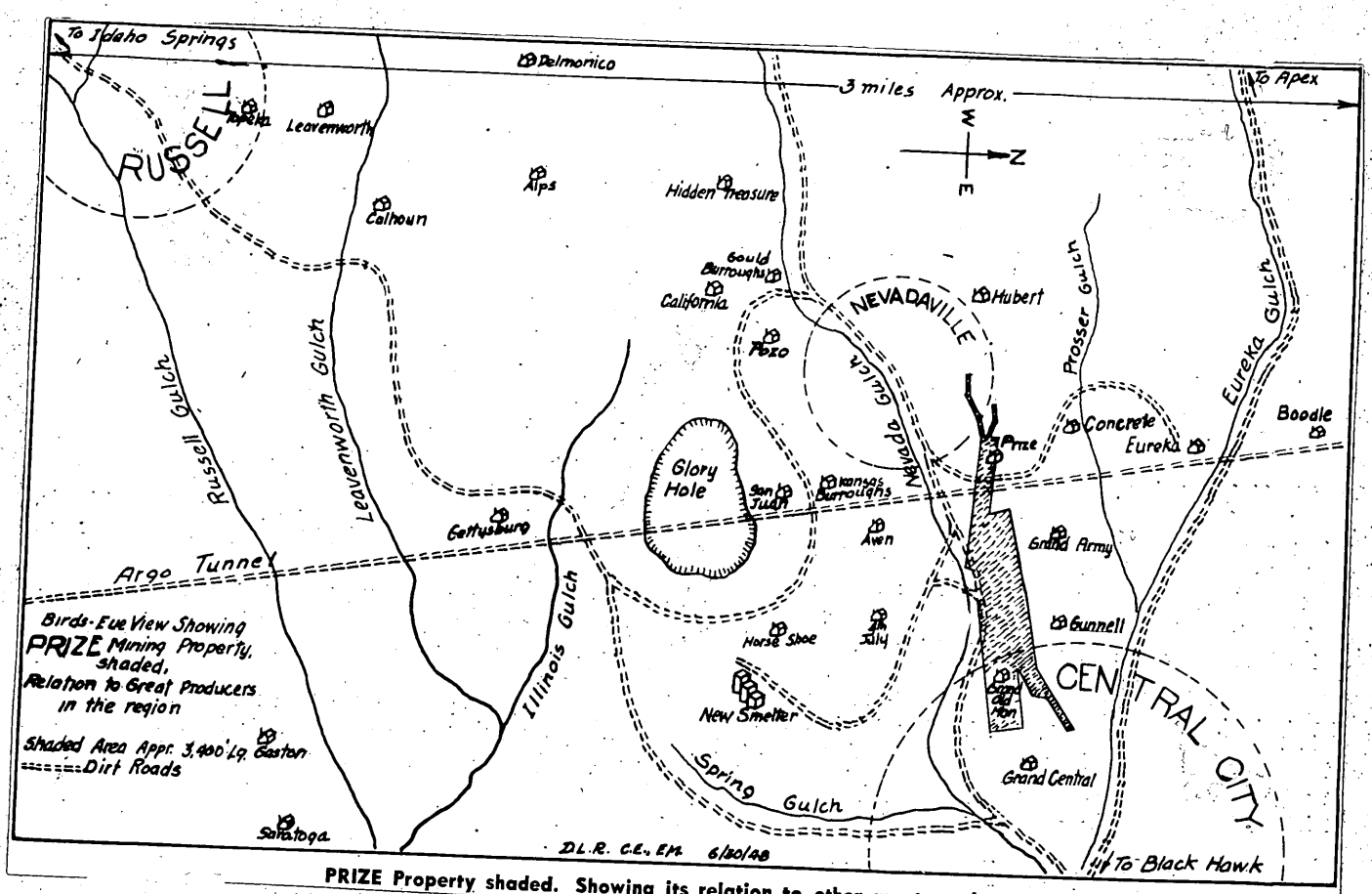
To the President and Board of Directors of the Prize Con. Mining and Milling Co.

Gentlemen:

According to your request, I have examined the properties owned and controlled by your Company, and submit to you the following report:

The mining properties are developed by four shafts, viz: A main working shaft; the Seuderberg No. 1 shaft; the Seuderberg No. 2 shaft, and the Post Hole Shaft.

Through my investigation, I found all the shafts in a very bad condition, save the main working shaft. This shaft, however, has to be



PRIZE Property shaded. Showing its relation to other great producers.

From: THE PRIZE MINING & MILLING CORP.

Form: MP-100

7. (a) cont'd.

repaired in va rious parts to make it safe for anyone to descend, however, taking into consideration the length of time the mines have shut down, I must confess that the works are in better state of preservation than I had anticipated.

The Souderberg shafts and the Post Hole development are to the contrary in a most dilapidated condition, and in consequence made my endeavor to make a thorough examination a most hazardous undertaking, and by the most careful work I have completed the undertaking without serious results, save two small accidents to my assistants.

The developments on the property consists of shafts, drifts, cross cuts, winzes and uprises. The lateral working consists of four thousand four hundred feet (4,400') and the vertical workings one thousand eight hundred feet (1,800'), not considering the stopes.

ORE RESERVES

Regarding the ore still in reserve, I beg leave to state that there is quite a good sized tonnage of fair grade of ore in various parts in the mines. I have taken altogether three hundred and twenty five samples in the workings. Three hundred of these samples show an average value of $9.95 per ton of 2,000 lbs. $7.75 is gold and 2.20 is silver. Twenty samples show an average value of $42.50 per ton of 2,000 lbs. of which $38.00 is gold and $4.50 is silver, and five samples show an average value of $55.00 per ton of 2,000 lbs. $50.00 of this value is gold and $5.00 is silver.

These ore reserves are located as follows: $55.00 ore, 5 samples in No. 1 Souderberg shaft, 150 feet from the surface west side, 3 inches thick, 50 feet high. No further development being done in consequence no estimate of reserves could be made.

$42.50 ore, twenty samples, main working shaft, west side, 6 inches thick, 60 x 185 feet, $5,550 cu. ft.

$13.88 ore, thirty samples, main shaft, east side, 12 inches thick, 50 x 175 feet, 8,750 cu. ft.

$12.43 ore, thirty samples, 300 foot level, west main shaft, 18 inches thick, 75 x 200 feet, 22,500 cubic feet.

$5.93 ore, thirty samples, 350 foot level, west of main shaft, cross cut, new vein 36 inches wide, 200 x 175 feet, 105,000 cubic feet.

[illegible] ore, thirty samples, 450 foot level, east of main shaft, 14 inches thick, 150 x 100 feet, 20,000 cubic feet.

$9.03 ore, thirty samples, 450 foot level, main shaft cross-cut [illegible], new vein eight (8) feet thick, ore streak 3 1/2 feet thick, 500 x 175 feet, 78,750 cubic feet.

FROM: THE PRIZE MINING & MILLING CORP.

Form: MF-100

7. (e) cont'd.

$7.20 ore, thirty samples, 450 foot level, west of main shaft, 5 feet thick, 175 x 150 feet, 131,250 cubic feet.

$18.60 ore, thirty samples, 500 foot level, west of main shaft, foot wall 2 1/2 feet thick, 150 x 175 feet, 65,625 cubic feet.

$9.45 ore, thirty samples from the vein with south dip from 450 level to the 500 foot level in main shaft 2 1/2 feet thick, 75 x 100 feet, 18,750 cubic feet.

$12.45 ore, thirty samples from vein with north dip, 650 foot level west, 4 inches thick, 375 x 275 feet, 32,708 cubic feet.

$10.40 ore, thirty samples, same vein as the foregoing, on the same level, east, 6 inches thick, 375 x 125 feet, 23,437 cubic feet.

TONNAGE OF ORE IN RESERVE AND GROSS VALUE

5,550	cubic	feet	396	tons @	$42.50=		$16,632.00
88,750	"	"	625	" "	13.88=		8,675.00
22,500	"	"	1,607	" "	12.43=		19,975.00
105,000	"	"	7,500	" "	5.95=		44,475.00
20,000	"	"	1,420	" "	9.60=		13,641.00
79,750	"	"	5,625	" "	9.05=		50,795.75
131,250	"	"	9,375	" "	7.20=		67,490.00
65,625	"	"	4,687	" "	18.60=		84,366.00
18,750	"	"	1,339	" "	9.45=		12,655.55
32,708	"	"	2,336	" "	12.45=		29,083.20
23,437	"	"	1,674	" "	10.40=		17,409.60
512,270	"	"	36,584	" "	$ 9.95=		$365,194.00
Deduct 40% of the gross value for the mining of the ore							146,076.00
Deduct $1.50 per ton for extracting precious metals by cyanide process							55,876.00
Deducting 5% losses in extraction of assay values per ton							18,292.00
Leaves profit of							$144,950.00

a 100 ton cyanide plant will cost	$30,000.00		
Interest at 5% of $30,000.00	1,500.00		
Wear and tear on machinery 5%	1,500.00		
	$35,000.00	Deducting	$ 33,000.00
		NET PROFIT	$111,950.00

The main dump contains 40,000 tons of screenings which have a value of $4.33 per ton or a gross value of	$173,200.00
Less $1.50 per ton cyaniding	60,000.00
Deducting 15% for screening and losses	25,980.00
Leaving a net profit for the dump of	$ 87,220.00
TOTAL PROFIT FOR THE MILL TALK IS	$199,170.00

7. (c) cont'd.

GENERAL REMARKS

By the foregoing, I do however not state that the amount of ore in reserve is the extent of the ore in the mine. I am fully convinced of the fact that by intelligent exploitation of the properties, rich ore bodies will result.

As far as I was able to examine the mines, very little exploitation has been done, outside of the regular vein systems, and I am creditably informed that the same is the case below the 650 foot level, or the water level.

The water has materially increased since the plant of the Dunnell mine was destroyed by fire some three months ago, and it will be some time before that syndicate will be able to resume pumping water. The Dunnell companies lower workings are 300 feet below the lowest workings of the Prize mine.

I can conscientiously state that the Prize mine has been worked in a very hap-hazard way. It is very deplorable indeed that such has been the case, for I am of the opinion that your mines are very good property, and again can be made a great producing mining enterprise.

The adjoining properties, particularly the Hubert, now the Von Doni, and Old Colony, have not extracted any ore from your territory, unless it has been the Hubert, below the 650 foot level, which I doubt.

With reference to your mill near the Town of Black Hawk, I beg leave to state that what is left of the former plant consists of the frame of the engine. All the attachments of the engine have been stolen and broken off where it was impossible to unscrew the fittings.

There is also an old water heater on the ground, about 80 feet of shafting and pulleys, 30 feet of iron pipe, a 5 battery stamp mill, consisting of 5 stamps to each battery, the framework in which the stamps are set, a fly wheel, six dies and shoes.

I have traced a smoke stack to a certain foundry belonging to Mr. McFarlane. There is also a safe somewhere in Black Hawk which I will trace shortly. The entire building of the mill is gone, not even a board is left. A little house stands to the right of the road and is occupied by a family.

SUGGESTION AND ADVICE

In order to keep the Prize properties from going to ruin, I should advise the necessary repairs to be made, the main shaft in particular requires immediate attention unless some serious cave-in will occur and through such occurance it may ruin the shaft to such an extent that it might become beyond repair. Cave-ins have also taken place in some of the lower workings, and should such weak places not be released at once by timber, serious consequences might be the result throughout the workings, but in order to overcome all future damage, I strongly recommend to you the resumption of operations of the mines, since a property of such magnitude and promise should not be jeopardized through neglect. It will not take over $10,000

7. (c) cont'd.

to place the property in excellent condition and open larger and richer reserves

Louis H. R. von Suecan, E.M. (signed)

Letter from C. Barlow Hillmarth, General Manager

September 28, 1923

Prize Mines, Inc.,
Suite 2936-40
120 Broadway
New York, N. Y.

Gentlemen:

Your telegram of September 26th duly arrived and after making complete tour of inspection yesterday, returning too late to wire you, I sent you day letter today as follows: "Work progressing nicely bad ground caused trouble west from Argo level but conquered now Expect making good report next week Unexpectedly found interesting ore showings after slight drilling while cleaning west drift Argo level Have temporarily rented and installed small portable compressor at surface to expedite completion upraise Letter follows."

When we reached the Breast of the Drift west from the Argo Tunnel a few days ago, we found that we were prevented from drawing the edge of the large Argo Tunnel stope because large scales from the walls had fallen and the expense would be greater than to blast a few rounds farther west in such Drift and then raise a few rounds in safe ground at the edge of such stope.

We have completed such drifting and are now timbering for such small upraise work. It will only take a few rounds of such small Upraise to put us up into such old stope where we can cross to the main Upraise to the surface and at which point we expect to be able to remove the fallen timbers and logs which prevent our putting pipe line through to the surface workings.

In the meantime we have rented a small portable compressor and are installing pipe line down from the surface so as to quickly complete the Upraise connections from the 880' level.

At the end of September, I shall have surveys and blueprints made so as to show you exact progress.

When we reached the Breast of the Drift west from the Argo Tunnel, it was as we left it ten years ago and no ore showing in the Prize Vein at such point. The first round of blasting exposed about 4 in. of ore having value of about $5.00 per ton. It would not be pay-ore, but is more interesting than nothing. The next round caused the foot wall to completely cut off such vein at the bottom, but the next round brought in a vein looking better than ever in that drift with mineral scattered across 8 in. I did not have it assayed as the last breast shot occurred last night. If such ore

FROM: THE PRIZE MINING & MILLING CORP.

FORM; MF-100

7. (e) cont'd.

remains in the bfeast today, I shall have it assayed, though, of course, I do not expect pay-ore to prevail with so little work west, but it shows that our ground west from the Argo Tunnel offers inducements which would warrant a little exploratory work there. If you would let me spend $1,000.00 on that west drift I might open pay-ore in a satisfactory manner. Will you let me do so?

You remember that about September 1st I sent you Kimball assay certificate covering sample No. 9 representing a conservative average across 3 feet of ore in the top of the Upraise at floor of 850 level. As Assayer Kimball cut such sample I took one of the cuts, similar to the one he assayed, to Assayer Alex Best at Idaho Springs recently and he found over twice as much gold, adding gold values alone of $11.60 per ton.

I herewith show such assay returns as follows:

KIMBALL CERTIFICATE

Ounces GOLD	Ounces SILVER	% COPPER	% LEAD	% ZINC	% IRON
0.50	2.50	0.20	1.30	23.10	16.50

Values per ton: $42.62

ALEX BEST ASSAY

GOLD	SILVER	COPPER	LEAD	ZINC	IRON
1.00	3.52	1.10	2.80	22.40	18.40

Such values would make such ore well worth over $50.00 per ton in value, and please bear in mind that such sample was most conservative of such values as I took large proportionate parts of low grade ore and small proportionate parts of high grade ore and then reduced all such values by throwing in about 20% of worthless country rock, as no mining of ore can be performed without including some waste.

One fact is certain, we shall promptly be putting a considerable amount of pay-ore down through our connection with the Argo Tunnel and into the Argo Mill just as soon as such connection through from the surface is in working order. It may take some 30 or 60 days more to be getting such returns, but they are as certain as our existence, and I shall expedite such work to the utmost.

Awaiting word from you regarding permission to spend $1,000.00 on drift west from the Argo Tunnel, from which point ore could be immediately milled when encountered. I remain

Very truly yours,

G. Barlow Wilkerth, Gen'l. Mgr. (signed)

P.S. I shall soon be mailing you Alex Best assay certificate showing value as

per extra sample No. 9 as above mentioned. On same you will find a couple of insignificant sample representations merely covering samples which I take of doubtful ground so as to not accidently pass up any real values. Pay attention therefore only to sample No. 9A. There is no accounting for such difference in assays as the samples were supposed to be identical but both assayers are famous for good work and the Alex Rent assay is as likely to be correct as the Kimball assay. C.B.F.

REPORT OF ERNEST A. CRABB, E.M. & Son

Denver, Colorado
September 12, 1917

The Prize Mining Co.
New York, N. Y.

Dear Sirs:-

Complying with your instructions I have looked over and sampled the lower workings of your Prize Mine, with the following results, which will be made clear from hereto attached map. My examination was confined to a certain winze sunk to a depth of 85 feet below the Argo Tunnel level and located in the Prize vein drift at 56 feet east of said tunnel. This winze has been full of water for several years but has recently been cleaned out for my examination.

I remember now that the existence of the winze had been mentioned to me in past years but I never knew that it carried ore of any value, or otherwise I might have recommended its investigation long ago.

The ground above the winze has been stoped out and milled for a length of 120 feet and a height of 140 feet, I am informed, but this working is now timbered up and inaccessible. It must have been pay ore, otherwise it would not have been stoped, and from the assay values in the winze, it may readily be imagined it paid well. The 85 ft. winze was sampled by your supt. Mr. G. R. Willmarth in 1915, when it was more accessible for sampling than at present, as he then was engaged in sinking it. His assay results and widths of ore are given on map in red figures, figuring gold at the smelter price of $20. per oz. and silver at $.50, the present market price being around $1.00.

I visited the mine on the 14th inst. and took six samples of the best looking ore I could find at such places as was safe to cut out the timbers. The value ranged from $.90 to $17.30. As Mr. Willmarth had obtained some values as high as $113. (from three times the number of samples, however), we both thought it would be more satisfactory all around to take out more timbers and expose more faces and take more further samples. This was done and I went up to the mine again on the 17th inst. taking eight additional samples, all my assay being done by Mr. J. L. Shaffer of Idaho Springs, the same man that did Mr. Willmarth's assaying in 1915.

As happen to strike a much better line of samples on the second trip, and as they range fully as high as those of Mr. Willmarth, I am perfectly willing to accept his as correct, for gold is always "spotty" and a true average can only be obtained from a large number of samples. This gives us then 32 samples from the winze, as follows: from the top down.

[illegible]

[illegible]

Form 17-100

[illegible]

West Side			East Side		
Hole	Inches	Value	Hole	Inches	Value
1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
11	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
12	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
14	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
15	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
16	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
17	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
18	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
19	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
20	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
21	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Av.	[illegible]	[illegible]	Av.	[illegible]	[illegible]

Average [illegible] all assays in 7 inches of $44.00, based on [illegible] 7 [illegible] silver at [illegible] C. [illegible] ore as [illegible] pay ground [illegible] out and [illegible] ore, or by running it all through the mill, for 7 inches of [illegible] ore [illegible] feet [illegible] of [illegible] ore in the [illegible] ran through the mill, [illegible] four times [illegible] value [illegible] found it practicable to [illegible] it and [illegible] only a [illegible] ore. It would be better [illegible] to figure it all as mill ore for there are other [illegible] in the [illegible] value [illegible] of the coli [illegible] represented by the [illegible]

It would hardly seem necessary to wait for any engineer's advice as to what to do in the premises. 7 inches of [illegible] ore is something that any mining man could be glad to handle any time and I can only say that every [illegible] possible, work the mines to [illegible] feet, or preferably 15 feet and then start drifting each way under the ore, continuing the mining of the ore also if conditions warrant it. You will notice the value ever so much richer on the south side of the winze so there is no preference as to which direction to drift, either to the east or west looks rather better and the best ore may lie in that direction.

I am certainly most emphatically convinced that finding such a good showing in this mine for the first prospecting having ever been done except to sink the winze caused me to pay particular importance and [illegible] I know there is any more ore than I would have advised sinking there [illegible]. It is of course [illegible] to figure how much ore will be disclosed in sinking and drifting but it seems reasonable that there must at least be some ore on the tunnel level with a fair chance of such greater length. The tunnel vein [illegible] less than [illegible] feet north of the prince [illegible] ore [illegible] feet [illegible] the tunnel vein must be [illegible] record [illegible] feet [illegible] the working at the request of Mr. [illegible], the [illegible] tunnel [illegible] longer.

[illegible]

[illegible]

(c) cont'd.

Their ore reserve [illegible] to a fact [illegible] are [illegible] of pieces in the heart of the ore [illegible] time could be sure that [illegible] such low [illegible] price since so you would have no hesitation in [illegible] up this [illegible] level [illegible] you have no reason to expect [illegible] results and [illegible] trying to [illegible].

[illegible] to give a clear [illegible] of it and [illegible] for [illegible] I would [illegible] [illegible] suggestion that a sum of $50,000.00 should be raised which may or may not be required. [illegible] the [illegible] in [illegible], but should be available to [illegible] [illegible] contingencies.

[illegible] to [illegible] not [illegible] out of the [illegible] and [illegible] your own [illegible] or [illegible] it [illegible] the Argo Company [illegible] left [illegible] Hillsdale, who [illegible] the [illegible] working [illegible] the system better than I do. There are many complaints that the tunnel is low in [illegible] [illegible] or air pressure and other facilities which [illegible] to be considered. All I could say is that [illegible] $50,000.00 to be great enough extent as possible in equally proving up [illegible] is likely to be one heavily and profitable.

[illegible] sincerely,

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] York, N. Y.
[illegible]

[illegible] Inc.
[illegible]
[illegible] York, N. Y.

Gentlemen:

In January [illegible] I inspected recent developments on your mine in Gilpin County, Colorado, accompanied by your engineer, [illegible] Hillsdale. I was [illegible] in possession of considerable information upon the development and production history of many properties, derived from examinations made on the ground and from my office files. I have [illegible] the use of the [illegible] for you by Mr. [illegible] in 1937. This information [illegible] to confine my study to the veins as shown in your incline shaft, in the Argo Tunnel [illegible] and the top of the [illegible] from Argo Tunnel.

From: MF-100

7. History (b) The Prize Mining & Milling Corporation property is surrounded by great producers of the past. Less than one-half mile southwest is the KIRK MINE which supplied the pitchblende from which Madame Curie extracted the first radium. Affixed view shows location of great producers, all worked to an average of around 1700' whereas the Prize has been worked to around 500'.

7. (c) Copy of Louis H.R. von Ruecan report

Denver, Colorado
July 30, 1904

Prize Consolidated Mining & Milling Companies Properties
Situated in Nevada Mining District, County of Gilpin, Colo. U.S.A.

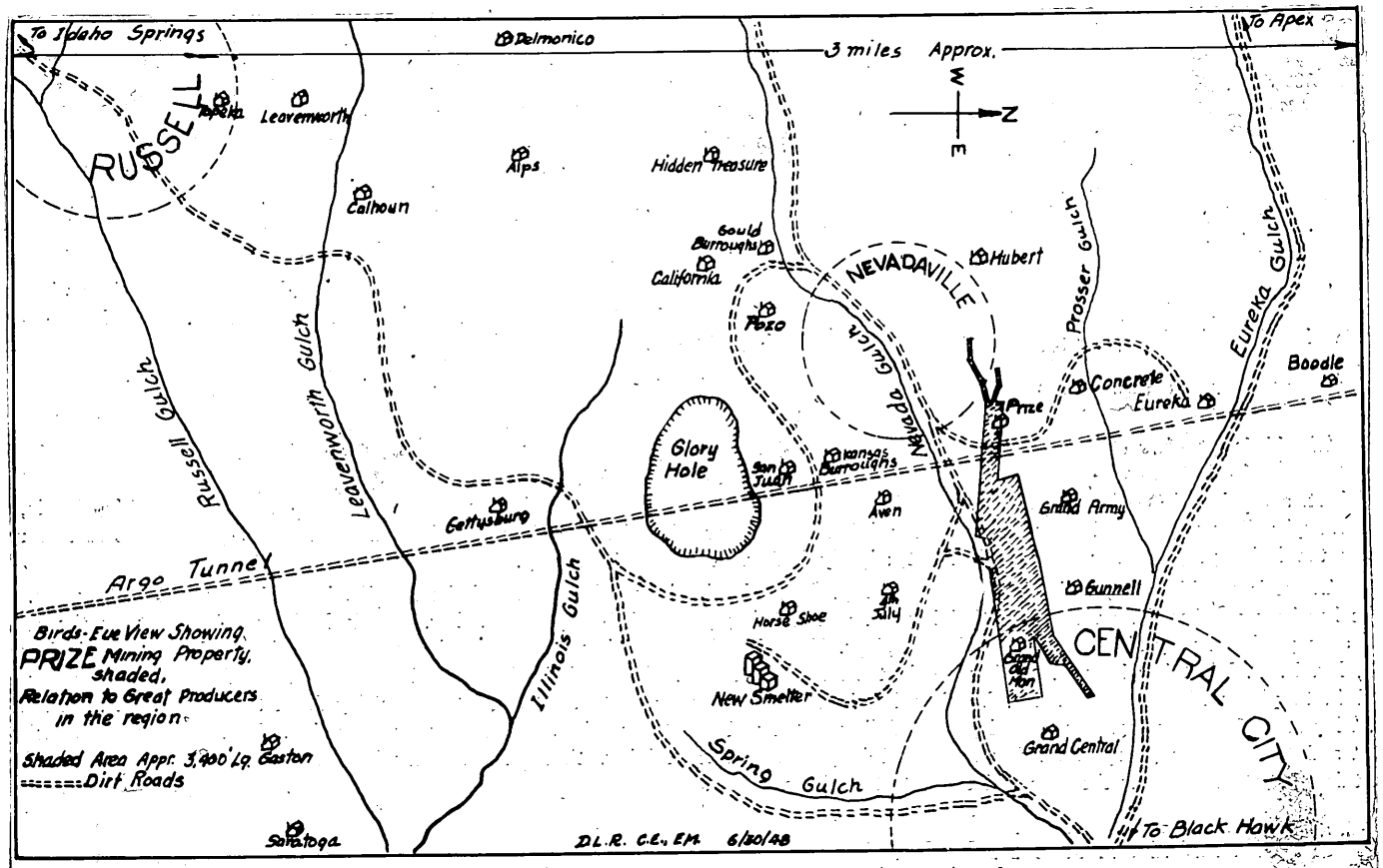
To the President and Board of Directors of the Prize Con. Mining and Milling Co.

Gentlemen:

According to your request, I have examined the properties owned and controlled by your Company, and submit to you the following report:

The mining properties are developed by four shafts, viz: A main working shaft; the Seuderberg No. 1 shaft; the Seuderberg No. 2 shaft, and the Post Hole Shaft.

Through my investigation, I found all the shafts in a very bad condition, save the main working shaft. This shaft, however, has to be



PRIZE Property shaded. Showing its relation to other great producers.

7. (c) cont'd.

repaired in va rious parts to make it safe for anyone to descend, however, taking into consideration the length of time the mines have shut down, I must confess that the works are in better state of preservation than I had anticipated.

The Seuderberg shafts and the Post Hole development are to the contrary in a most dilapidated condition, and in consequence made my endeavor to make a thorough examination a most hazardous undertaking, and by the most careful work I have completed the undertaking without serious results, save two small accidents to my assistants.

The developments on the property consists of shafts, drifts, cross cuts, winzes and uprises. The lateral working consists of four thousand four hundred feet (4,400') and the vertical workings one thousand eight hundred feet (1,800'), not considering the stopes.

ORE RESERVES

Regarding the ore still in reserve, I beg leave to state that there is quite a good sized tonnage of fair grade of ore in various parts in the mines. I have taken altogether three hundred and twenty five samples in the workings. Three hundred of these samples show an average value of $9.95 per ton of 2,000 lbs. $7.75 is gold and 2.20 is silver. Twenty samples show an average value of $42.50 per ton of 2,000 lbs. of which $38.00 is gold and $4.50 is silver, and five samples show an average value of $53.00 per ton of 2,000 lbs. $50.00 of this value is gold and $3.00 is silver.

These ore reserves are located as follows: $33.00 ore, 5 samples in No. 1 Seuderberg shaft, 150 feet from the surface west side, 3 inches thick, 50 feet high. No further development being done in consequence no estimate of reserves could be made.

$42.50 ore, twenty samples, main working shaft, west side, 6 inches thick, 60 x 185 feet, $5,550 cu. ft.

$13.88 ore, thirty samples, main shaft, east side, 12 inches thick, 50 x 175 feet, 8,750 cu. ft.

$12.43 ore, thirty samples, 300 foot level, west main shaft, 18 inches thick, 75 x 200 feet, 22,500 cubic feet.

$5.93 ore, thirty samples, 350 foot level, west of main shaft, cross cut, new vein 36 inches wide, 200 x 175 feet, 105,000 cubic feet.

$9.60 ore, thirty samples, 450 foot level, east of main shaft, 14 inches thick, 150 x 100 feet, 20,000 cubic feet.

$9.03 ore, thirty samples, 450 foot level, main shaft cross-cut south, new vein eight (8) feet thick, ore streak 3 1/2 feet thick, 300 x 175 feet, 78,750 cubic feet.

FROM: THE PRIZE MINING & MILLING CORP.

Form: MF-100

7. (c) cont'd.

$7.20 ore, thirty samples, 450 foot level, west of main shaft, 5 feet thick, 175 x 150 feet, 131,250 cubic feet.

$18.60 ore, thirty samples, 300 foot level, west of main shaft, foot wall 2 1/2 feet thick, 150 x 175 feet, 65,625 cubic feet.

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TONNAGE OF ORE IN RESERVE AND GROSS VALUE

35,550	cubic	feet	396	tons	@	$42.50=	$16,632.00
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20,000	"	"	1,420	"	"	9.60=	13,641.00
78,750	"	"	5,625	"	"	9.03=	50,793.75
131,250	"	"	9,375	"	"	7.20=	67,490.00
65,625	"	"	4,687	"	"	18.60=	84,366.00
18,750	"	"	1,339	"	"	9.45=	12,653.55
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512,270	"	"	36,584	"	"	$ 9.95=	$365,194.00

Deduct 40% of the gross value for the mining of the ore	146,076.00
Deduct $1.50 per ton for extracting precious metals by cyanide process	55,876.00
Deducting 5% losses in extraction of assay values per ton	18,292.00
Leaves profit of	$144,950.00

a 100 ton cyanide plant will cost	$30,000.00		
Interest at 5% of $30,000.00	1,500.00		
Wear and tear on machinery 5%	1,500.00		
	$35,000.00	Deducting	$ 33,000.00
		NET PROFIT	$111,950.00

The main dump contains 40,000 tons of screenings which have a value of $4.33 per ton or a gross value of	$173,200.00
Less $1.50 per ton cyaniding	60,000.00
Deducting 15% for screening and losses	25,980.00
Leaving a net profit for the dump of	$ 87,220.00
TOTAL PROFIT FOR THE MINE THEN IS---	$199,170.00

7. (c) cont'd.

GENERAL REMARKS

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As far as I was able to examine the mines, very little exploitation has been done, outside of the regular vein systems, and I am creditably informed that the same is the case below the 650 foot level, or the water level.

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I can conscientiously state that the Prize mine has been worked in a very hap-hazard way. It is very deplorable indeed that such has been the case, for I am of the opinion that your mines are very good property, and again can be made a great producing mining enterprise.

The adjoining properties, particularly the Hubert, now the Von Domi, and Old Colony, have not extracted any ore from your territory, unless it has been the Hubert, below the 650 foot level, which I doubt.

With reference to your mill near the Town of Black Hawk, I beg leave to state that what is left of the former plant consists of the frame of the engine. All the attachments of the engine have been stolen and broken off where it was impossible to unscrew the fittings.

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7. (c) cont'd.

to place the property in excellent condition and open larger and richer reserves

Louis H. R. von Ruecan, E.M. (signed)

Letter from O. Barlow Willmarth, General Manager

September 28, 1928

Prize Mines, Inc.,
Suite 2936-40
120 Broadway
New York, N. Y.

Gentlemen:

Your telegram of September 26th duly arrived and after making complete tour of inspection yesterday, returning too late to wire you, I sent you day letter today as follows: "Work progressing nicely bad ground caused trouble west from Argo level but conquered now Expect making good report next week Unexpectedly found interesting ore showings after slight drilling while cleaning west drift Argo level Have temporarily rented and installed small portable compressor at surface to expedite completion upraise Letter follows."

When we reached the Breast of the Drift west from the Argo Tunnel a few days ago, we found that we were prevented from drawing the edge of the large Argo Tunnel stope because large scales from the walls had fallen and the expense would be greater than to blast a few rounds farther west in such Drift and then raise a few rounds in safe ground at the edge of such stope.

We have completed such drifting and are now timbering for such small upraise work. It will only take a few rounds of such small Upraise to put us up into such old stope where we can cross to the main Upraise to the surface and at which point we expect to be able to remove the fallen timbers and logs which prevent our putting pipe line through to the surface workings.

In the meantime we have rented a small portable compressor and are installing pipe line down from the surface so as to quickly complete the Upraise connections from the 850' level.

At the end of September, I shall have surveys and blueprints made so as to show you exact progress.

When we reached the Breast of the Drift west from the Argo Tunnel, it was as we left it ten years ago and no ore showing in the Prize Vein at such point. The first round of blasting exposed about 4 in. of ore having value of about $5.00 per ton. It would not be pay-ore, but is more interesting than nothing. The next round caused the foot wall to completely cut off such vein at the bottom, but the next round brought in a vein looking better than ever in that drift with mineral scattered across 8 in. I did not have it assayed as the last breast shot occurred last night. If such ore

7. (c) cont'd.

remains in the bfeast today, I shall have it assayed, though, of course, I do not expect pay-ore to prevail with so little work west, but it shows that our ground west from the Argo Tunnel offers inducements which would warrant a little exploratory work there. If you would let me spend $1,000.00 on that west drift I might open pay-ore in a satisfactory manner. Will you let me do so?

You remember that about September 1st I sent you Kimball assay certificate covering sample No. 9 representing a conservative average across 3 ft. of ore in the top of the Upraise at floor of 850 level. As Assayer Kimball cut such sample I took one of the cuts, similar to the one he assayed, to Assayer Alex Best at Idaho Springs recently and he found over twice as much gold, adding gold values alone of $11.60 per ton.

I herewith show such assay returns as follows:

KIMBALL CERTIFICATE

Ounces GOLD	Ounces SILVER	% COPPER	% LEAD	% ZINC	% IRON
0.50	2.50	0.20	1.30	23.10	16.50

Values per ton: $42.62

ALEX BEST ASSAY

GOLD	SILVER	COPPER	LEAD	ZINC	IRON
1.08	3.32	1.10	2.80	22.40	18.40

Such values would make such ore well worth over $50.00 per ton in value, and please bear in mind that such sample was most conservative of such values as I took large proportionate parts of low grade ore and small proportionate parts of high grade ore and then reduced all such values by throwing in about 20% of worthless country rock, as no mining of ore can be performed without including some waste.

One fact is certain, we shall promptly be putting a considerable amount of pay-ore down through our connection with the Argo Tunnel and into the Argo Mill just as soon as such connection through from the surface is in working order. It may take some 30 or 60 days more to be getting such returns, but they are as certain as our existence, and I shall expedite such work to the utmost.

Awaiting word from you regarding permission to spend $1,000.00 on drift west from the Argo Tunnel, from which point ore could be immediately milled when encountered. I remain

Very truly yours,

O. Barlow Willmarth, Gen'l. Mgr. (signed)

P.S. I shall soon be mailing you Alex Best assay certificate showing value as

per extra sample No. 9 as above mentioned. On same you will find a couple of insignificant sample representations merely covering samples which I take of doubtful ground so as to not accidently pass up any real values. Pay attention therefore only to sample No. 9X. There is no accounting for such difference in assays as the samples were supposed to be identical but both assayers are famous for good work and the Alex Best assay is as likely to be correct as the Kimball assay. O.B.W.

REPORT OF EDWIN E. CHASE, E.M. & Son

Denver, Colorado
September 18, 1917

The Prize Mining Co.
New York, N. Y.

Dear Sirs:-

Complying with your instructions I have looked over and sampled the lower workings of your Prize Mine, with the following results, which will be made clear from hereto attached map. My examination was confined to a certain winze sunk to a depth of 83 feet below the Argo Tunnel level and located in the Prize vein drift at 36 feet east of said tunnel. This winze has been full of water for several years but has recently been cleaned out for my examination.

I remember now that the existence of the winze had been mentioned to me in past years but I never knew that it carried ore of any value, or otherwise I might have recommended its investigation long ago.

The ground above the winze has been stoped out and milled for a length of 120 feet and a height of 140 feet, I am informed, but this working is now timbered up and inaccessible. It must have been pay ore, otherwise it would not have been stoped, and from the assay values in the winze, it may readily be imagined it paid well. The 83 ft. winze was sampled by your supt. Mr. O. B. Willmarth in 1915, when it was more accessible for sampling than at present, as he then was engaged in sinking it. His assay results and widths of ore are given on map in red figures, figuring gold at the smelter price of $20. per oz. and silver at $.90, the present market price being around $1.00.

I visited the mine on the 14th inst. and took six samples of the best looking ore I could find at such places as was safe to cut out the timbers. The value ranged from $.90 to $17.30. As Mr. Willmarth had obtained some values as high as $115. (from three times the number of samples, however), we both thought it would be more satisfactory all around to take out more timbers and expose more faces and take some further samples. This was done and I went up to the mine again on the 17th inst. taking eight additional samples, all my assay being done by Mr. W. L. Shaffer of Idaho Springs, the same man that did Mr. Willmarth's assaying in 1915.

We happen to strike a much better line of samples on the second trip, and as they range fully as high as those of Mr. Willmarth, I am perfectly willing to accept his as correct, for gold is always "spotty" and a true average can only be obtained from a large number of samples. This gives us then 32 samples from the winze, as follows: from the top down.

7 (c) cont'd.

West Side

Width, inches	Value
18	$ 91.00
5	46.00
6	17.30
4	130.00
4	97.00
4	65.00
3	81.00
6	68.00
12	48.00
8	13.60
12	39.00
7	17.30
10	27.00
12	11.10
6	0.90
5	29.00
2	6.00
Av. 7.3	$45.40

East Side

Width, inches	Value
3	$ 115.00
8	96.20
2	35.00
1	60.00
6	51.00
6	97.00
8	99.00
6	5.00
6	18.00
12	42.00
10	25.00
6	4.50
9	6.00
6	16.00
6	8.50
Av. 6.3	$42.50

Average of all samples is 7 inches of $44.00, based on gold at $20.00 and silver at $0.90. Any such ore as this would pay a good profit, either by sorting it out and shipping as smelting ore, or by running it all through the mill, for 7 inches of $44.00 ore would mean 2.5 feet width of $11.00 ore if the whole vein was broken down and run thru the mill, making four times the tonnage at 1/4 the value in case it was found impracticable to strip it and ship the 7 inches only as smelting ore. It would be better possible to figure it all as mill ore for there are other smaller streaks in the vein carrying value outside of the solid smelting streak represented by the samples.

It would hardly seem necessary to wait for any engineer's advice as to what to do in the premises. 7 inches of $44.00 ore is something that any mining man would be glad to tackle any time and I can only say get busy soon as possible, sink the winze to a depth of 120 feet, or preferably 150 feet and then start drifts each way under the ore, continuing the sinking of the winze also if conditions warrant it. You will notice the value average up about equally well on each side of the winze so there is no preference as to which direction to drift, altho to the eye the west end looks rather better and the best ore may lie in that direction.

I am certainly most agreeably surprised at finding such a good showing in this winze for the fact of nothing having ever been done except to sink the winze caused me to suppose nothing of importance was found in it and had I known there was any such ore as this I would have advised work there long ago. It is of course premature to figure how much ore will be disclosed in sinking and drifting but it would seem reasonable that the ore shoot should at least be as long as on the tunnel level with a fair chance of much greater length. The Gunnel vein which lies less than 200 feet north of the Prize has an ore shoot 1100 feet in length just below the Argo Tunnel and must be making a fine record judging from what I saw in going thru the workings at the request of Mr. Schirmer, the Argo Tunnel general manager.

TO: DEFENSE MINERALS ADMINISTRATION
Department of the Interior
Washington (25), D. C.

FROM: PRIZE MINING & MILLING CO.,
Central City, Colorado

GENERAL TECHNICAL DATA

1. Materials produced:
   (a) The chief mine product is ZINC, followed by LEAD and COPPER.
   (b) By-products are GOLD and SILVER.

2. Name and type of mine - old names of property - extent of workings:
   This is a lode mine. The ore occurs in true fissure veins.

   Previous operators and names: The Commonwealth Mining Co., - owners of the Prize Vein - 1862 - 1878;
   The Seuderberg Co., - owners of the Seuderberg Vein (1862 - 1878);
   J. H. Eastwick Co., - purchased both of above veins - 1878 - 1885;
   The Prize Consolidated & Mining Co., - bought out Eastwick - 1885 - 1945;
   The present corporation - 1945 - 1951;

   (a) 1600' shaft on Prize and about 250' shaft on the Grand Old Man;
   (b) Approximately 2630' drifts and cross cuts;
   (c) The portal of the Argo Tunnel is 3 1/2 miles from the Prize shaft; Tunnel is 1600' below shaft collar;
   (d) The Post Hole shaft and the Seuderberg shaft are now caved;

   The mine waters drain through the Argo Tunnel, 1600' below the shaft collar.

3. For each operation listed above supply the following:

   (a) Nearest shipping point is Rollinsville, Colorado - 18 miles north of Central City, Colorado;
   (b) Nevada Mining District;
   (c) Sec. 11, T. 3 S., R. 73 W.
   (d) Gilpin County, Colorado.

4. State whether property is now in operation....

   (a) Property is now closed down.
   (b) The property has been incorporated in the State of Colorado under the name of THE PRIZE MINING & MILLING CORPORATION.

5. The mine produced from 1862 to 1887. Production is estimated to begin 6 months from the time work commences.

6. F. L. Russell, B.S., E.M., S.M., graduate of both Columbia College and the Columbia School of Mines, is President and manager; he has been in engineering since 1905; has been gainfully employed by The New Jersey Zinc Company, Anaconda Copper Co., Phelps Dodge, and was chief engineer for the Bahia Corp., Benin, Brazil. He has spent 7 years in Gilpin County preparing the Prize Mine for production as well as in the study of the region. He has followed all the mining projects and studied the causes of failure. At present he is employed by the Stearns-Roger Manufacturing Co. in the Mining Division.

7. History: The Commonwealth Mining Company and the Sauderberg Company started mining on parallel veins in 1863. The two veins joined at the 450 foot level resulting in serious litigation which was ended in 1878 when J. F. Bostwick & Company purchased both companies. Mr. Bostwick operated the properties profitably, selling out to the Prize Consolidated & Mining Company of New York in 1885. Two years later the Prize stopped production and dividends. The vein split into the north and south vein, neither yielding any ore. Interest in the Prize as a producer was revived in 1910. The Newhouse drainage tunnel, now known as the Argo Tunnel, intersected the Prize vein 1600' below the shaft collar. U. S. Professional Paper No. 94, p.221, describes this vein as from one to four feet thick carrying from 1/2 to 2 oz. gold, 3 to 16 oz. silver, and 4 1/2% copper. The Prize Consolidated & Mining Company started work in 1914 with C. B. Gillmarth of Georgetown, Colorado as manager. The plan was to upraise from the Tunnel to the bottom of the Prize shaft - a distance of 800'. The upraise would prove whether this was the Prize vein - which was doubted by many - provide drainage through the Tunnel, ventilation, and a cheap means of mining, for the ore was to have been dropped into the Tunnel and taken to the Argo mill at the portal. Work on the upraise continued until lack of labor and materials, due to World War I, closed the mine in 1917, and not until 1925 was work resumed to complete the upraise. After a few months' work, C. B. Gillmarth, the manager, wrote: "One fact is certain - we shall be putting a considerable amount of ore down through our upraise when it is in working order. It may be 30 to 60 days more, but it is as certain as our existence." Misfortune followed this report - previous work had caved and it took two years to repair the damage when the absentee owners, who never once visited the property, ordered the manager to close down. The manager protested that with very little more work they would be shipping ore. He received a wire to close down regardless. The mine closed in 1931 after an expenditure of $125,000 with never an effort made to mine the ore in sight. The upraise still drains the mine waters, and it proved that the vein intersected at the Argo level was the Prize vein. The upraise further proved that the vein which split at the 450' level into the north and south vein rejoined at the 800' level forming a 'horse'.

In 1936, S. L. Russell, C.E., E.M., examined the mine, repaired the ladderways so that the ore body at the 800' level could be examined. Mr. Russell entered into partnership with the then owners. Plans to reopen the mine were never realized due to the death of his partner. Mr. Russell then obtained full ownership and by 1940 the shaft had been repaired, the mine equipped with power line, machinery, tools, and a great deal of repair work was accomplished. In 1948 the Prize Mining & Milling Corporation was formed. Abstracts of the property are ready, and today the mine stands ready to block out ore.

Although it is known that considerable ore still remains in the upper levels, operations would begin at the 800' level. Here the vein changes from a southerly dip to a northerly. It is the point where the split vein reunited forming a 'horse'.

FROM: THE PRIZE MINING & MILLING CORP.,

From: MF-100

7. History (b) The Prize Mining & Milling Corporation property is surrounded by great producers of the past. Less than one-half mile southwest is the KING MINE which supplied the pitchblende from which Madame Curie extracted the first radium. Affixed view shows location of great producers, all worked to an average of around 1700' whereas the Prize has been worked to around 500'.

[illegible]

[illegible] Work on the Property

7. (c) Copy of Louis H.R. von Rueesan report

Denver, Colorado
July 30, 1904

Prize Consolidated Mining & Milling Companies Properties
Situated in Nevada Mining District, County of Gilpin, Colo. U.S.A.

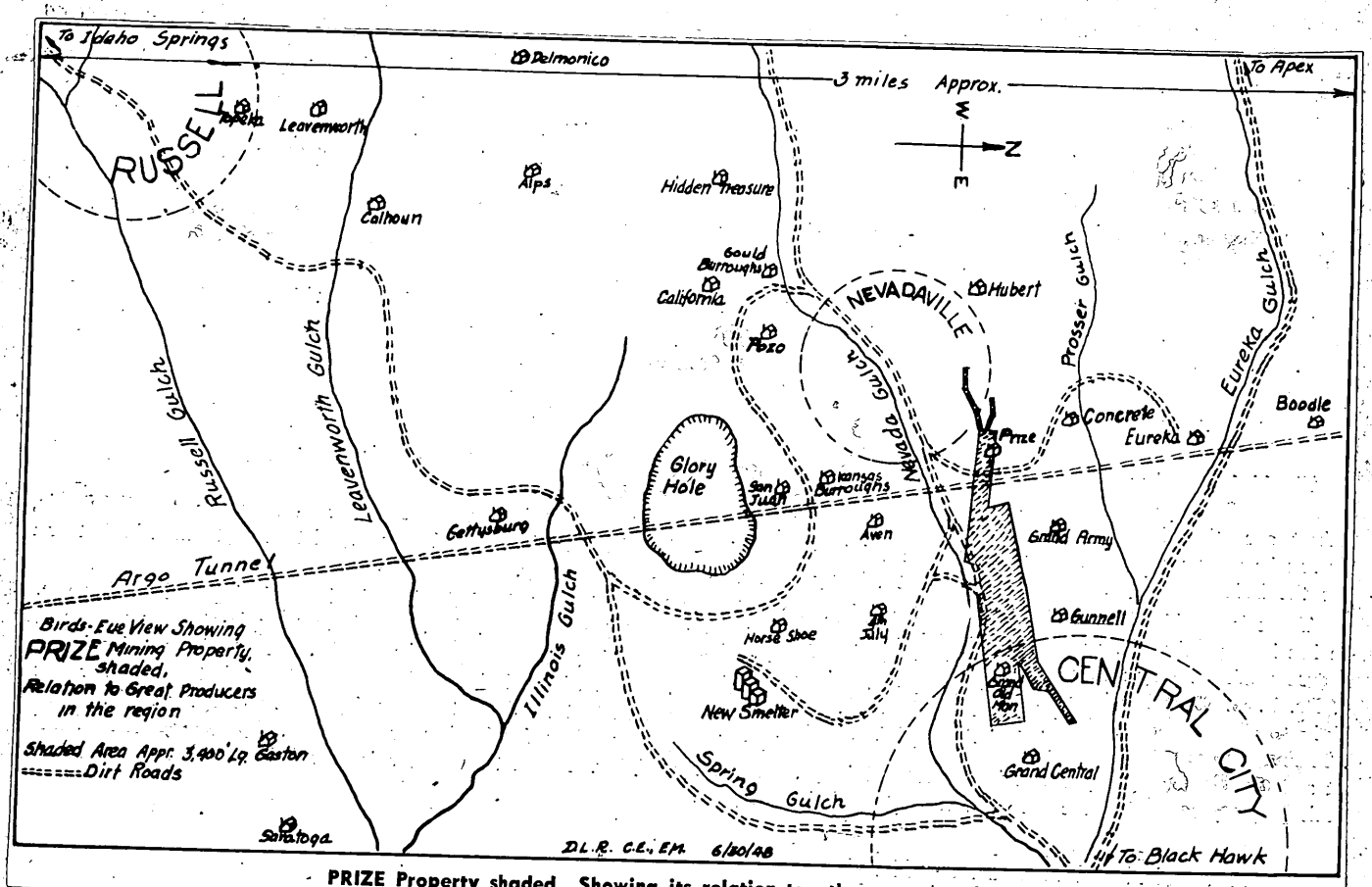
To the President and Board of Directors of the Prize Con. Mining and Milling Co.

Gentlemen:

According to your request, I have examined the properties owned and controlled by your Company, and submit to you the following report:

The mining properties are developed by four shafts, viz: A main working shaft; the Seuderberg No. 1 shaft; the Seuderberg No. 2 shaft, and the Post Hole Shaft.

Through my investigation, I found all the shafts in a very bad condition, save the main working shaft. This shaft, however, has to be



PRIZE Property shaded. Showing its relation to other great producers.

7. (e) cont'd.

required in various parts to make it safe for anyone to descend, however, taking into consideration the length of time the mines have shut down, I must confess that the works are in better state of preservation than I had anticipated.

The Seuderberg shafts and the Post Hole development are to the contrary in a most dilapidated condition, and in consequence made my endeavor to make a thorough examination a most hazardous undertaking, and by the most careful work I have completed the undertaking without serious results, save two small accidents to my assistants.

The development on the property consists of shafts, drifts, cross cuts, winzes and uprises. The lateral working consists of four thousand four hundred feet (4,400') and the vertical workings one thousand eight hundred feet (1,800'), not considering the stopes.

ORE RESERVES

Regarding the ore still in reserve, I beg leave to state that there is quite a good sized tonnage of fair grade of ore in various parts in the mines. I have taken altogether three hundred and twenty five samples in the workings. Three hundred of these samples show an average value of $9.95 per ton of 2,000 lbs. $7.75 is gold and 2.20 is silver. Twenty samples show an average value of $42.30 per ton of 2,000 lbs. of which $38.00 is gold and $4.30 is silver, and five samples show an average value of $55.00 per ton of 2,000 lbs. $50.00 of this value is gold and $5.00 is silver.

These ore reserves are located as follows: $55.00 ore, 5 samples in No. 1 Seuderberg shaft, 150 feet from the surface west side, 3 inches thick, 30 feet high. No further development being done in consequence no estimate of reserves could be made.

$42.30 ore, twenty samples, main working shaft, west side, 6 inches thick, 60 x 185 feet, $5,550 cu. ft.

$13.83 ore, thirty samples, main shaft, east side, 12 inches thick, 50 x 175 feet, 8,750 cu. ft.

$19.43 ore, thirty samples, 300 foot level, west main shaft, 18 inches thick, 75 x 200 feet, 22,500 cubic feet.

$8.95 ore, thirty samples, 350 foot level, west of main shaft, cross cut, new vein 36 inches wide, 200 x 175 feet, 105,000 cubic feet.

$8.68 ore, thirty samples, 450 foot level, east of main shaft, 14 inches thick, 150 x 150 feet, 29,500 cubic feet.

$9.03 ore, thirty samples, 450 foot level, main shaft cross-cut chamb, new vein eight (8) feet thick, ore streak 3 1/2 feet thick, 300 x 175 feet, 73,750 cubic feet.

FROM: THE PALMS MINING & MILLING CORP.

Form: MP-100

7. (a) cont'd.

$7.20 ore, thirty samples, 450 foot level, west of main shaft, [illegible] feet thick, 175 x 150 feet, 151,250 cubic feet.

$18.60 ore, thirty samples, 300 foot level, west of main shaft, foot wall 2 1/2 feet thick, 150 x 175 feet, 65,625 cubic feet.

$9.45 ore, thirty samples from the vein with south dip from 450 level to the 300 foot level in main shaft 2 1/2 feet thick, 75 x 100 feet, 18,750 cubic feet.

$12.45 ore, thirty samples from vein with north dip, 650 foot level west, 4 inches thick, 375 x 275 feet, 32,708 cubic feet.

$10.40 ore, thirty samples, same vein as the foregoing, on the same level, east, 6 inches thick, 375 x 175 feet, 23,437 cubic feet.

FORMAT OF ORE IN RESERVE AND GROSS VALUE

[illegible]	cubic	feet	356	tons	@	$42.50	$16,630.00
[illegible]	"	"	625	"	"	13.88	8,675.00
22,500	"	"	1,607	"	"	12.43	19,975.00
105,000	"	"	7,500	"	"	5.95	44,475.00
20,000	"	"	1,420	"	"	9.60	13,641.00
78,750	"	"	5,625	"	"	9.05	50,795.75
151,250	"	"	9,375	"	"	7.20	67,490.00
65,625	"	"	4,687	"	"	18.60	84,366.00
18,750	"	"	1,339	"	"	9.45	12,655.55
32,708	"	"	2,336	"	"	12.45	29,083.20
23,437	"	"	1,674	"	"	10.40	17,409.60
512,270	"	"	36,584	"		[illegible].95	$565,194.00

Deduct 40% of the gross value for the mining of the ore	146,076.00
Deduct $1.50 per ton for extracting precious metals by cyanide process	55,876.00
Deducting 5% losses in extraction of assay values per ton	18,292.00
Leaves profit of	$144,950.00

a 100 ton cyanide plant will cost	$30,000.00		
Interest at 5% of $30,000.00	1,500.00		
Wear and tear on machinery 5%	1,500.00		
	33,000.00	Deducting	33,000.00
		NET PROFIT	$111,950.00

The main dump contains 40,000 tons of screenings which have a value of $4.33 per ton or a gross value of	$173,200.00
Less $1.50 per ton cyaniding	60,000.00
Deducting 15% for screening and losses	25,980.00
Leaving a net profit for the dump of	$ 87,220.00
TOTAL PROFIT FOR THE MINE THEN IS	$199,170.00

7. (c) cont'd.

GENERAL REMARKS

By the foregoing, I do however not state that the amount of ore in reserve is the extent of the ore in the mine. I am fully convinced of the fact that by intelligent exploitation of the properties, rich ore bodies will result.

As far as I was able to examine the mines, very little exploitation has been done, outside of the regular vein systems, and I am creditably informed that the same is the case below the 650 foot level, or the water level.

The water has materially increased since the plant of the Gunnell mine was destroyed by fire some three months ago, and it will be some time before that syndicate will be able to resume pumping water. The Gunnell companies lower workings are 300 feet below the lowest workings of the Prize mine.

I can conscientiously state that the Prize mine has been worked in a very hap-hazard way. It is very deplorable indeed that such has been the case, for I am of the opinion that your mines are very good property, and again can be made a great producing mining enterprise.

The adjoining properties, particularly the Hubert, now the Von Domi, and Old Colony, have not extracted any ore from your territory, unless it has been the Hubert, below the 650 foot level, which I doubt.

With reference to your mill near the Town of Black Hawk, I beg leave to state that what is left of the former plant consists of the frame of the engine. All the attachments of the engine have been stolen and broken off where it was impossible to unscrew the fittings.

There is also an old water heater on the ground, about 80 feet of shafting and pulleys, 30 feet of iron pipe, a 5 battery stamp mill, consisting of 5 stamps to each battery, the framework in which the stamps are set, a fly wheel, six dies and shoes.

I have traced a smoke stack to a certain foundry belonging to Mr. McFarlane. There is also a safe somewhere in Black Hawk which I will trace shortly. The entire building of the mill is gone, not even a board is left. A little house stands to the right of the road and is occupied by a family.

SUGGESTION AND ADVICE

In order to keep the Prize properties from going to ruin, I should advise the necessary repairs to be made, the main shaft in particular requires immediate attention unless some serious cave-in will occur and through such occurance it may ruin the shaft to such an extent that it might become beyond repair. Cave-ins have also taken place in some of the lower workings, and should such weak places not be released at once by timber, serious consequences might be the result throughout the workings, but in order to overcome all future damage, I strongly recommend to you the resumption of operations of the mines, since a property of such magnitude and promise should not be jeopardized through neglect. It will not take over $10,000

7. (c) cont'd.

to place the property in excellent condition and open larger and richer reserves

Louis H. R. von Gussar, E.M. (signed)

Letter from D. Barlow Millarth, General Manager

September 28, 1928

Prime Mines, Inc.,
Suite 2036-40
120 Broadway
New York, N. Y.

Gentlemen:

Your telegram of September 26th duly arrived and after making complete tour of inspection yesterday, returning too late to wire you, I sent you day letter today as follows: "Work progressing nicely bad ground caused trouble west from Argo level but conquered now Expect making good report next week Unexpectedly found interesting ore showings after slight drilling while cleaning west drift Argo level Have temporarily rented and installed small portable compressor at surface to expedite completion upraise letter follows."

When we reached the breast of the drift west from the Argo Tunnel a few days ago, we found that we were prevented from drawing the edge of the large Argo Tunnel stope because large scales from the walls had fallen and the expense would be greater than to blast a few rounds farther west in such drift and then raise a few rounds in safe ground at the edge of such stope.

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7. (c) cont'd.

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Very truly yours,

C. Barlow Willmarth, Gen'l. Mgr. (signed)

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REPORT OF EDWIN E. CHASE, E.M. & Son

Denver, Colorado
September 18, 1917

The Prize Mining Co.
New York, N. Y.

Dear Sirs:-

Complying with your instructions I have looked over and sampled the lower workings of your Prize Mine, with the following results, which will be made clear from hereto attached map. My examination was confined to a certain winze sunk to a depth of 83 feet below the Argo Tunnel level and located in the Prize vein drift at 36 feet east of said tunnel. This winze has been full of water for several years but has recently been cleaned out for my examination.

I remember now that the existence of the winze had been mentioned to me in past years but I never knew that it carried ore of any value, or otherwise I might have recommended its investigation long ago.

The ground above the winze has been stoped out and milled for a length of 120 feet and a height of 140 feet, I am informed, but this working is now timbered up and inaccessible. It must have been pay ore, otherwise it would not have been stoped, and from the assay values in the winze, it may readily be imagined it paid well. The 83 ft. winze was sampled by your supt. Mr. O. B. Willmarth in 1915, when it was more accessible for sampling than at present, as he then was engaged in sinking it. His assay results and widths of ore are given on map in red figures, figuring gold at the smelter price of $20. per oz. and silver at $.90, the present market price being around $1.00.

I visited the mine on the 14th inst. and took six samples of the best looking ore I could find at such places as was safe to cut out the timbers. The value ranged from $.90 to $17.30. As Mr. Willmarth had obtained some values as high as $125. (from three times the number of samples, however), we both thought it would be more satisfactory all around to take out more timbers and expose more faces and take some further samples. This was done and I went up to the mine again on the 17th inst. taking eight additional samples, all my assay being done by Mr. W. L. Shaffer of Idaho Springs, the same man that did Mr. Willmarth's assaying in 1915.

We happen to strike a much better line of samples on the second trip, and as they range fully as high as those of Mr. Willmarth, I am perfectly willing to accept his as correct, for gold is always "spotty" and a true average can only be obtained from a large number of samples. This gives us then 32 samples from the winze, as follows: from the top down.

FROM: [illegible] MINING & MILLING CO.

Form: MP-100

7 (e) cont'd.

West Side Width, inches	Value	East Side Width, inches	Value
10	11.00	3	11.00
5	46.00	3	35.00
6	17.30	2	35.00
3 4	12.00	1	60.00
4	57.00	6	61.00
4	65.00	6	97.00
[illegible]	81.00	3	59.00
	68.00	6	15.00
12	48.00	6	18.00
6	13.60	12	4.00
12	39.00	10	25.00
7	17.30	6	4.50
10	37.00	6	6.00
12	11.10	6	10.00
6	0.90	6	8.30
5	25.00		
2	6.00		
Av. 7.3	$35.40	Av. 6.3	$28.50

Average of all samples is 7 inches of $44.00, based on gold at $35.00 and silver at $1.00. Any such ore as this would pay a good profit, either by sorting it out and shipping the smelting ore, or by running it all through the mill, for 7 inches of $44.00 ore would gear 2.5 feet width of $11.00 ore if the whole vein was broken down and run thru the mill, which four times the tonnage at 1/4 the value in case it was found impracticable to strip it and ship the 7 inches only as smelting ore. It would be better possible to figure it all as mill ore for there are other smaller stringers in the vein carrying value outside of the solid smelting stream represented by the samples.

It could hardly seem necessary to wait for any engineer's advice as to what to do in the premises. 7 inches of $44.00 ore is something that any mining man would be glad to tackle any time and I can only say get busy soon as possible, sink the winze to a depth of 120 feet, or preferably 150 feet and then start drifts each way under the ore, continuing the sinking of the winze also if conditions warrant it. You will notice the value average up about equally well on each side of the winze so there is no preference as to which direction to drift, altho to the eye the west end looks rather better and the best ore may lie in that direction.

I am certainly most agreeably surprised at finding such a good showing in this mine for the fact of nothing having ever been done except to sink the winze caused me to anticipate not much of importance was found in it and had I known there was any such ore as this I would have advised work there long ago. It is of course premature to figure how much ore will be sloped in sinking and drifting but it would seem reasonable that the ore shoot should at least be as long as on the tunnel level with a fair chance of much greater length. The Tunnel vein which lies less than 200 feet north of the Prize has an ore shoot 1100 feet in length just below the Argo Tunnel and must be having a fine record judging from what I saw in going thru the workings at the request of Mr. Schirmer, the Argo Tunnel general manager.

7 (c). cont'd.

Their ore varies from nothing up to 4 feet in width and there are plenty of places in the heart of the ore shoot where a stope could be sunk that would show much less than the Prize mine so you should have no hesitation in opening up this ground below the tunnel level and you have good reason to expect good results and a paying venture.

In order to make a clean job of it and not be hampered for funds I would endorse Mr. Villmarth's suggestion that a sum of $50,000.00 should be raised which may or may not be required to put the mine in a shape, but should be available to guard against any contingencies.

As to practical working out of the enterprise and whether to make your own power or secure it from the Argo Company I think can be left to Mr. Villmarth, who knows the inner workings of the system better than I do. There are many complaints that the Tunnel Co. is lax in supplying proper air pressure and other facilities which is something to be considered. All I would say is to apply this $50,000.00 to as great an extent as possible in actually proving up ground that is likely to be ore bearing and profitable.

Respectfully,

Edwin L. Chase & Son (signed)

REPORT ON PRIZE MINE.
by
JOHN WALLINGTON FINCH
Denver, Colorado

New York, N. Y.
February 27, 1929.

Prize Mines, Inc.
120 Broadway
New York, N. Y.

Gentlemen:

On January 24th and 25th I inspected recent developments at your mine in Gilpin County, Colorado, accompanied by your Manager, Mr. C. Harlow Villmarth. I was already in possession of considerable information upon the development and production history of nearby properties, derived from examinations made on the ground and from my office files. I had also the use of the map made for you by Mr. Edwin L. Chase in 1917. This information led me to confine my study to the veins as shown in your incline shaft, in the Argo Tunnel and around the top of the upriss from Argo Tunnel.

FROM: THE PRIME MINING & MILLING CORP.

Form [illegible]-100

(c) cont'd.

MINE DEVELOPMENT. You are thoroughly familiar with these except possibly those made in the process of connecting the raise with the incline shaft. The bottom of the shaft was unsurveyed, and had been extended to a depth of about 800 feet. For the last 100 feet it had turned to the East on a minor vein. A cross-cut about 75 feet long, west from the top of the raise was necessary, therefore, to make the connection with the shaft. To complete an operating connection it became necessary to drive upward from the top of the raise and curve over into the shaft at a point about 40 feet below the 700 level.

The cross-section herewith shows this work as it stood September 7, 1923. At the time of my visit the connection had been broken through and timbering of the bucket-way by the new route was nearing completion.

NEW ORE. In the process of cutting out for the upward continuation of the raise at the 800 level an entirely new discovery of ore was made just west of the top of the old raise in a vein which was not followed up when the Argo Tunnel when the raise was driven. It is nearly parallel with the vein in the raise, but it is uncertain whether it is structurally a part of this vein, an entirely new vein, or a downward continuation of a vein lying to the west of the Prime vein in workings above the 700 level. I am inclined to believe that the possibility last stated will prove to be the fact.

This is a good showing of ore, 1 foot or more of solid sulphides with associated stringers of ore. It is a large vein for this district and the ore-body promises continuity. I cannot form this conclusion from actual developments now made upon it, but from the behavior of ore-bodies which have been extracted from other veins of similar size and structure near at hand at this and greater depths.

A shipment of about 19-1/2 tons to the Argo mill assayed: gold 0.66 ounces per ton ($13.20); silver 2.44 ounces (about $1.46); zinc 14.5% (about $8.00). Deducting mill, smelter and freight charges, and metallurgical losses, you should have received for this about $11. net per ton.

OTHER KNOWN ORE. Mr. Chase's reports show a fine body of ore in the winze from the drift west of the Argo Tunnel, presumably on the Prime vein. He also shows pillars and small blocks of ore in upper levels now not capable of yielding a profit, but they may be made to do so after your shaft has been put into good operating condition down to Argo Tunnel.

POSSIBILITIES. The discovery of the new ore described at a depth of 800 feet and of the ore in the Argo Tunnel winze presents the expectation that drifts driven upon this vein and other known veins at depths between the Argo Tunnel and the 800 level may disclose important bodies of commercial ore.

[illegible]. The clearing out of debris now blocking part of the raise from the tunnel should be done first so that the raise may be made into an operating shaft all the way to the tunnel and thereby reduce the cost of delivering ore and waste to the surface.

Form 1[illegible]

¶ 7 (e) cont'd.

A cross-cut should then be driven west from the raise 100 feet below the 800 level to find the probable downward continuation of the new ore. Then drifts should be driven east and west on the vein as long as there is a continued showing of ore.

If at the latter new level good ore is found, another level should be opened 100 feet deeper and drifts also driven.

(f) No other work should be done for the present except upon this one vein and then for the purpose of finding it at regular level intervals downward and open it up with drifts to expose it sufficiently so that your ore production may continue uninterrupted, notwithstanding the inevitable variations in the ore-body. After an adequate fund has been built up from production, developments may be extended into other veins.

EQUIPMENT COSTS. Practically no new mining equipment is required. I assume that all reconstruction above the 800 level is completed and all work can now be concentrated upon clearing the raise to the tunnel. Although I have no means of knowing the exact conditions which will be encountered, I should estimate that this work can be done for $5,000. If the ore-body continues downward, as I believe it will, an additional $10,000. should open up new levels so that production profits will soon return this money and provide for future extension of developments. I, therefore, recommend that a total development fund of $15,000. be provided for immediate use.

Yours very truly,

John Wellington Finch (signed)

Questions 8 to 12 (a) 1, inclusive, Control Control rin, is answered on form

1. (a)

2. An estimate of raw tonnage [illegible],000 lb. ton, that is expected to be developed is as follows: Based on three points, A, B, and C, shown on Isometric map on Page 14, the ore body at point A in the Argo Tunnel is described on Page 221 of Professional Paper No. 54 by U. S. Geological Survey, as from one to four feet wide carrying from 1/2 to 2 ounces gold, 3 to 10 ounces silver, and 4 1/2% copper. Point B is at the 300' level where a 34" vein is exposed. Settlement on a 10 ton shipment was for 14 1/2% zinc, .60 ounces gold, and 2.44 ounces of silver. At point C, or the western boundary, is the Hubert Mine on the same vein as the Prize. The vein in the Hubert was 20 feet wide in places with approximately the same assay values as the Prize 300' level vein. A conservative estimate of the ore between these three points is to use a three-foot average width running the same value as settlement made on 10-ton shipment = 3' thick x 300' depth x 200 lb./cu.ft. x 12¢/cu.ft. = [illegible] Tons
2.0

In the mine claim map, also attached, it will be noted that the mine workings extend from Leuderberg 146 one line 2-3 to the end 3-4 of Leuderberg 103 and the parallel vein system Shaffer 143 on Prize 484. These were the original claims owned by the Prize Consolidated Milling Co. The Stroub, Grand Old Man, High Grade, East Kennda, Shaffer and Prize Extension were not acquired until after 1910. To this day these claims remain unexplored and should be explored with a core drill. On the Grand Old Man there is a

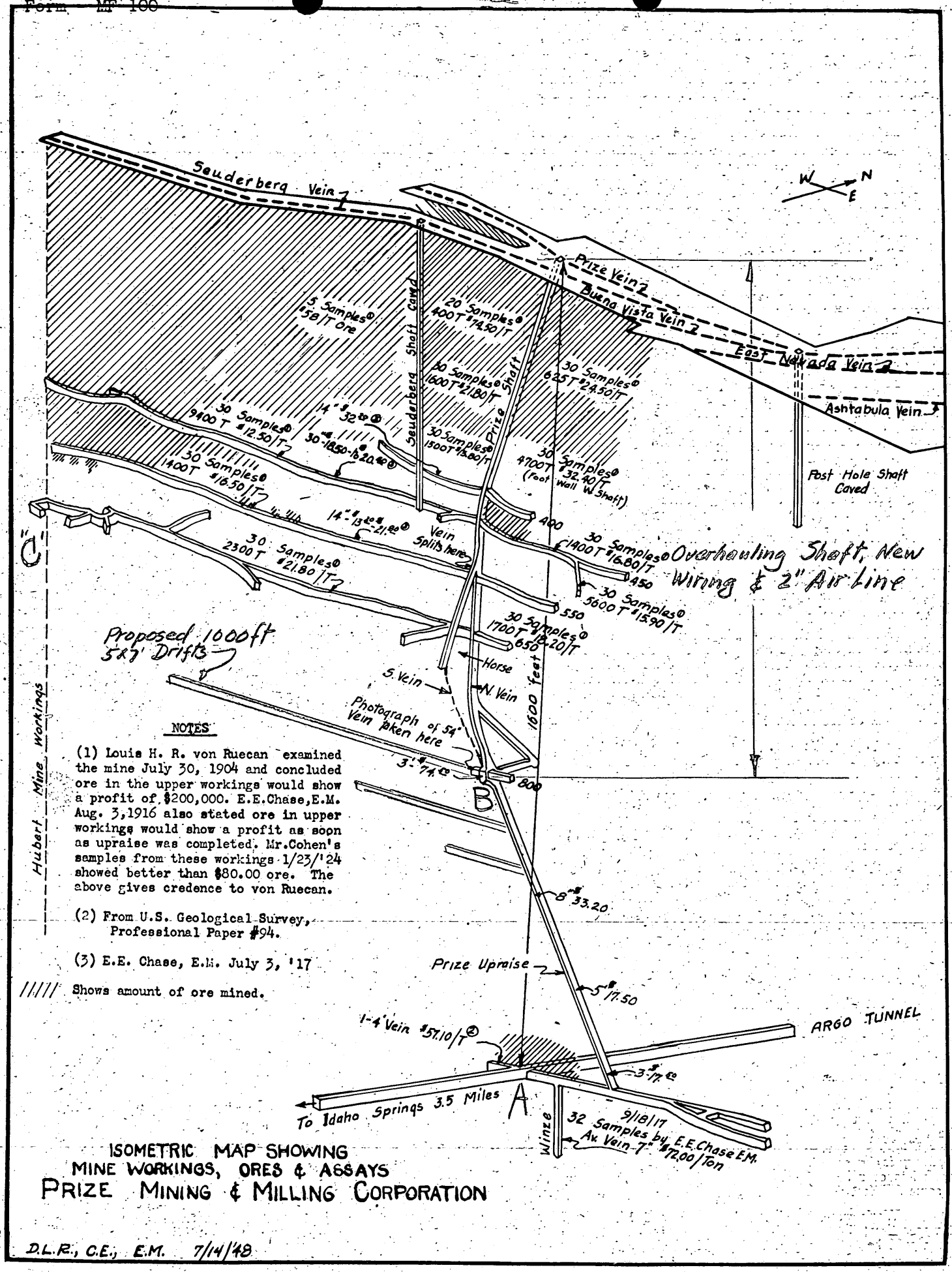
12 (b) - 2. (cont'd)

shaft house with a shaft about 200' deep. Good lead ore is still in the shaft house, but between the Prize workings and the end line 1-2 of the Grand Old Man, as well as the East Nevada and the Straub, considerable ore is expected to be found. No work has been performed on these claims, but exploration with a core drill should reveal 500,000 tons above the 500' level of zinc and lead ore running around $50.00 per ton.

Questions in General Technical Data 13 through 17, inclusive answered on form.

17. The mine is equipped with: 75 HP Vulcan Hoist; 35 HP Gardner Compressor; 2 HP Sample Crusher, 1 HP Furnace, blower, assaying equipment and chemicals; all small tools, saws, hammers, axes, picks, shovels, etc; 2 drifters; 2 stopers; 2 Jack Hammers.

Large shaft house with two small buildings, iron covered - good condition. Shaft house on Grand Old Man is in bad repair. Four houses for living quarters - one is in excellent condition, one in fair condition, and two in very bad condition.



NOTES

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(2) From U.S. Geological Survey, Professional Paper #94.

(3) E.E. Chase, E.M. July 3, '17

///// Shows amount of ore mined.

ISOMETRIC MAP SHOWING
MINE WORKINGS, ORES & ASSAYS
PRIZE MINING & MILLING CORPORATION

D.L.R., C.E., E.M. 7/14/48

Past Production and Histo

The Seuderberg and the Prize, located around 1862, are approximately parallel and united at about 450 feet below the surface. This caused considerable bitter feeling between the owners as to ownership at the intersection of the veins. Eight years of strife ended only after J. W. Bostwick & Co. bought both properties in 1878.

Production records are lacking, but the literature of the times gives an excellent estimate. Speaking of the Seuderberg in his "Colorado" of 1879, p. 322, Fossett states, "In two or three years the yield exceeded $250,000. This was one of the richest ore bodies found in Gilpin County. The amount of high grade smelting ore sold was great. There was over five feet of milling ore that yielded from six to twelve ounces of gold per cord (Scales were rare so a box 4'x4'x8'=128 cu. ft.=1 cord, was the unit for estimating haulage and mining contracts. This volume varied from four to ten tons in weight, depending on the type of ore). After the ore was exhausted, Richard Mackay took out $75,000." A total of $325,000. for the Seuderberg up to 1878.

The production at the Prize for the same period is given in the "History for Colorado," Vol. 1, p. 261 by Stone as $650,000.

From 1878 - '83 these two properties produced $400,000 according to the "Colorado Mining Directory" of 1883 p. 299. The Rocky Mountain News of Dec. 9, 1885, gives the production at $230,000 from '83 to '85, after which the properties were sold to the Prize Consolidated & Milling Co. of New York in 1885. During this period, the Rocky Mountain News carried monthly items, showing that the mill dirt yielded on the average of 900 ounces of gold per month, exclusive of the smelting ores and that the average dividend payment was $10,000 per month.

Herbert S. Auerback, E. M., A. M., reported on March 24, 1908 that the Prize Consolidated & Milling Co. operated the property two years, paying out $700,000 in dividends before they closed down in 1887. Production for these two properties up to 1887, when the last dividend was paid, then totals $2,305,000.00.

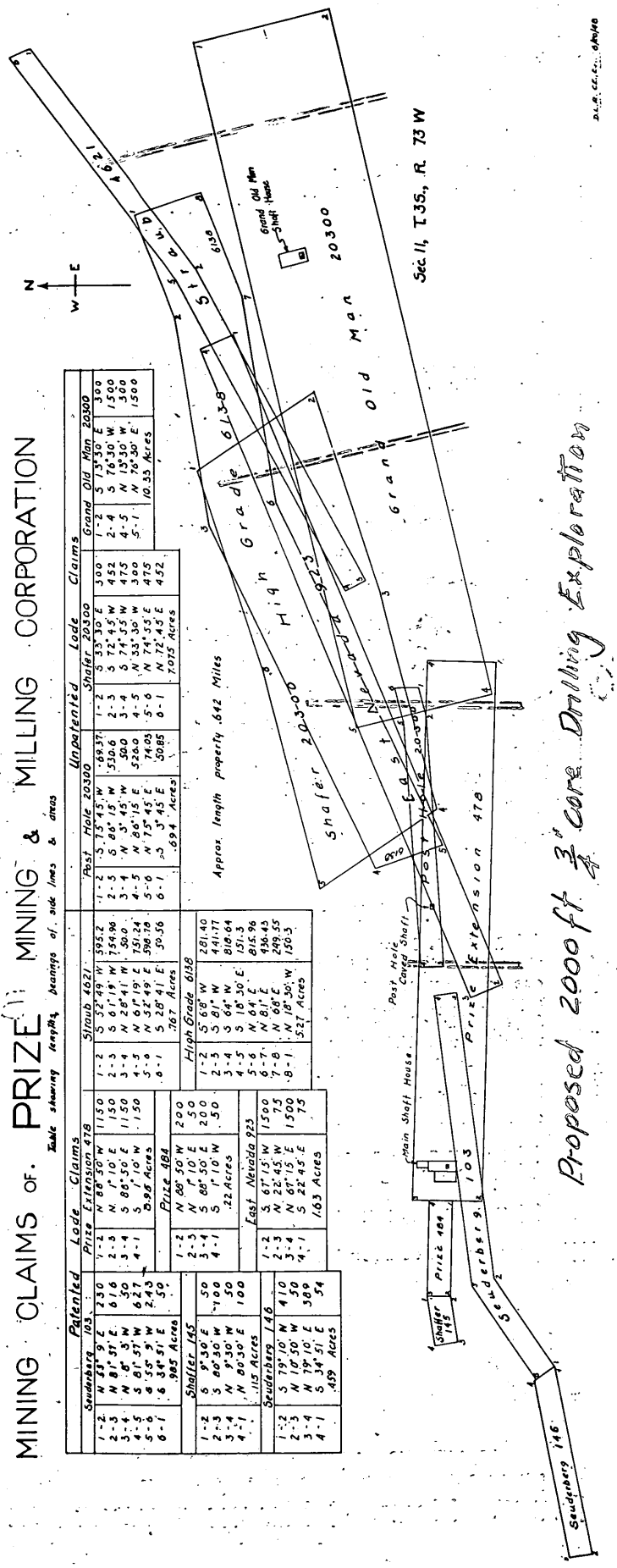
If we examine the map on p. 4 we see the reason why the mine ceased to pay dividends. The vein split just above the 550 level and neither branch could be mined at a profit. From time to time, money was raised to dewater the mine, repair the shaft and to prospect for ore—to no avail. The mine remained unproductive. The 550 and the 650 drifts were blasted in the search of ore in 1893.

In January 1904, Samuel Newhouse started what is now the Argo Tunnel. Its object was to intersect many of the largest veins of the district at depths considerably greater than the deepest mine workings. This would decrease the cost of deep mining by furnishing cheap and rapid transportation to the mills and R. R. at Idaho Springs and give natural drainage to the troublesome water that is a serious problem in the mines of the region.

Early in 1910, 3½ miles from the portal, the Prize Vein was intersected 1,600 feet below the shaft collar. Professional Paper No. 94, p. 221, describes this vein at this depth as from one to four feet thick, carrying from .5 to 2.0 oz. gold and from 3 to 16 oz. silver per ton. Some assays showed as high as 4½% copper though most of the ore appeared to have no copper of value.

The mine would have been reopened and work commenced immediately after the discovery of this vein but doubt existed that it was the Prize vein. In 1914 work was started to upraise from the tunnel to the bottom of the old shaft that was some 800 feet deep. This not only proved it was the Prize vein but provided good ventilation and permitted the mine waters to drain out through the tunnel. The U. S. entry into World War I caused the mine to shut down due to lack of labor and materials. Not until 1927 was work resumed to complete the upraise and mine ore. The faith of the owners was so great that they added the lode claims: the East Nevada, the Straub, the High Grade, the Shafer, the Post Hole, and Grand Old Man to their holdings between 1917 and 1929. Nothing is known about these properties as no prospecting work has ever been done. The Grand Old Man shaft, which is some 250 feet deep shows what appears to be good lead ore.

Work commenced April 10, 1928 and 170 days later it was estimated that for $15,000.00 and in from 30 to 60 days ore would be flowing to the mill and dividends coming forth



To: DEFENSE MINERALS ADMINISTRATION (16)

FROM: PRIZE MINING & MILLING CORP.

Form: MF - 103

(6)
Does not apply

(7)
Does not apply

(8)
CONTD

Mining Property - - - - - - - - - - - - - - - -	$300,000.00
Developement and Organization - - - - - - - -	15,500.00
Total Assets - - - - - - - - - - - -	[illegible]

LIABILITIES

Accounts Payable - - - - - - - - - - - - - -	$ [illegible]
Class A Stock - - - - - - - - - - - - - - -	[illegible]
Class B Stock - - - - - - - - - - - - - - -	[illegible]
Total Liabilities - - - - - - - - -	[illegible]

(9)

Up to this date, records in the files show an expenditure of $120,000.00 to build the upraise from the Argo Tunnel to the bottom of the old Prize Shaft. An additional $40,000.00 has been spent to re-equip the Mine with tools, machinery, power line, repairs to the shaft, new hoisting cable and repairs to the shaft house and other dwellings.

(10 a & b)
Both are the same.

Page 15 shows the mine claims with the length of the side lines. Operating large Shaft House is over the Prize Shaft. Shaft House over the Grand Old Man Shaft is in need of repair. Mill Site Mill is in Black Hawk, adjacent to the Gilpin Tunnel Mill. This is the only tailings pond this mill can use.

(15)

The mined ore is dumped into trucks and hauled down hill to the Gilpin Tunnel Mill, 2.5 miles from the shaft collar and there milled.

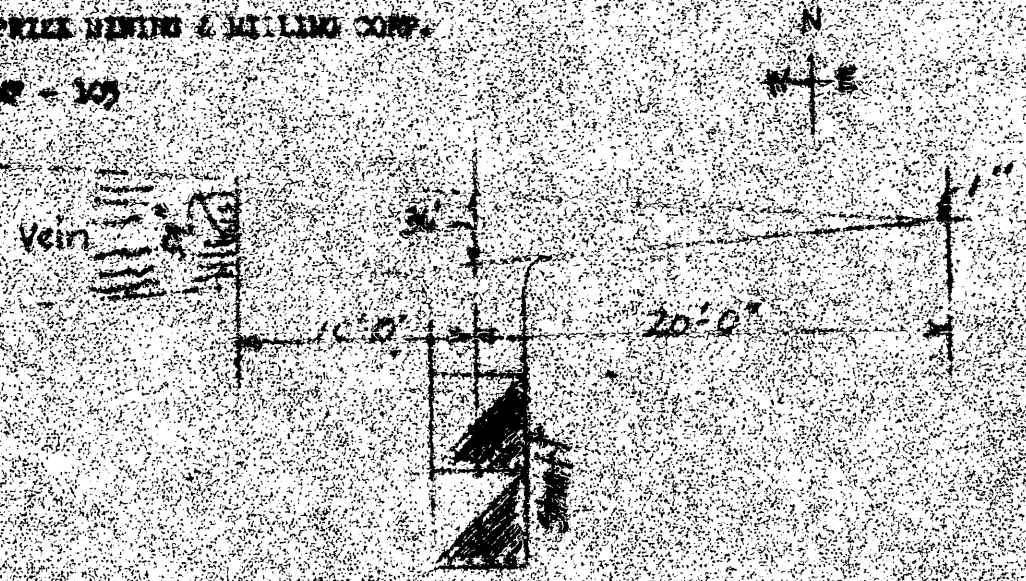
(19)

A Description of the ore body at the 800 level, where operations are to begin, is of great importance. We must not forget that the North and the South, shown on the Isometric map (p.14), vein rejoin here forming a horse. This is also the point where the northerly dip of the vein becomes a southerly dip. Geologically this is of great importance for it is the point where ore is usually found in abundance. A plan of the vein is given below. Where the vein was first intersected, North of the shaft, the vein was 30" wide. A drift 30 feet East, showed the vein to increase to one inch. Then the vein was followed West for ten feet it increased to 8". The increase in the vein is 30 inches per ten feet in a westerly direction. This is ENORMOUS. The uniform rate of increase in the vein is consistent with the properties of ore shoots. If we can use the knowledge gained by experience in the adjacent Robert Mine, where ore shoots were found to be 50 feet thick, a 50 foot drift on this vein should reveal a sizable ore body.

TO: DEPUTY MINERALS ADMINISTRATION

FROM: PRIZE MINING & MILLING CORP.

FORM: MP - 103



PLAN OF WORK AT 500 LEVEL

(20)

Exploration is to prove up ZINC, LEAD, and COPPER ore bodies. Deposits are in true fissure veins and are steeds.

(21)

The proposed work can be followed on the Lometric map p. 14.

(1) Overhauling mine shaft from the collar to the 500 to insure safety.
(2) Repairing shaft for lights, signals, and power.
(3) Replacing 2" air line to 500 level.
(4) Drifting West at the 500, if the ore continues the drifts will be continued as shown by the red lines.
(5) Repairing houses for labor.
(6) On p. 13, showing the mine claims, it is proposed to 3/4" core drill as per red lines. The drilling is possible from the Duluth side which is considerably lower than claim surface. By drilling at about 45° angle, the veins can be intersected approx. 500 feet below the surface. This drilling is expected to reveal the existence of 100,000 tons or more of good lead, zinc and copper ore. The above work is expected to take less than six months time.

(22)

Past History of the Prize Mine, U. S. Geological Professional Paper 74, with the attached letter, p.15, from Mr. Ben Parker and Dr. James Boyd, two eminent Geologists, leaves no doubt as to the success of this project.

COLORADO SCHOOL OF MINES

GOLDEN, COLORADO

DEPARTMENT OF GEOLOGY

FRANCIS M. VAN TUYL,
PROFESSOR OF GEOLOGY

J. HARLAN JOHNSON,
ASSOCIATE PROFESSOR OF GEOLOGY

W. A. WALDSCHMIDT,
ASSOCIATE PROFESSOR OF GEOLOGY

JAMES BOYD,
ASSOCIATE PROFESSOR OF GEOLOGY

BEN H. PARKER,
ASSOCIATE PROFESSOR OF GEOLOGY

E. H. STEVENS,
ASSISTANT PROFESSOR OF GEOLOGY

JOHN C. HAFF,
ASSISTANT PROFESSOR OF GEOLOGY

PAUL H. KEATING,
INSTRUCTOR IN GEOLOGY

W. S. LEVINGS,
INSTRUCTOR IN GEOLOGY

J. W. VANDERWILT,
SPECIAL LECTURER IN GEOLOGY

March 13, 1941

Mr. D. L. Russell
G-15 Tennis Apartments
Forest Hill, Long Island
New York

Dear Mr. Russell:

Thank you for your letter of February 24 together with the sketches showing the workings of the Prize Mine.

Doctor Boyd and I are inclined to agree with you that this property shows sufficient merit to justify some development. We expect to discuss this proposition with some of our clients in the near future, and you may be assured that we will advise you concerning their reaction as soon as these parties have had an opportunity to consider this material.

Sincerely yours,

Ben H. Parker

Ben H. Parker

BHP:JL

[illegible]

Form [illegible]-103

[illegible]

23. Herewith expenditures and estimated to develop at least 20,000 tons of 160.00 ore - FOR ALL IN THAT THE [illegible] CURRENT TIMES:

Insurance - tonning on power, taxes, [illegible] bills	$ 5,000.00
Overhauling mine shaft to insure safety	3,000.00
Repairing shaft - new circuits and lights, [illegible] line to [illegible] level	1,500.00
Replacing 500' 2" air line	[illegible]
800 ft. 3 x 7 drifts @ $30./ft.	24,000.00
6 second-hand mine cars @ $75.00/car	450.00
2,000 ft. second-hand [illegible] rails, cross ties, splice bars and bolts	[illegible]
Construction of 10 ore pockets @ $75./pocket	750.00
2,000 ft. 5/8" core drill holes @ $3.50/ft.	7,000.00
Building repairs to house labor	[illegible]
Contingencies and working capital	[illegible]
Total	45,000.00

The success of this project will lead the way to operations in the entire region to permit the essential development of the zinc, lead, copper, [illegible], and other strategic metals.

23 (a). 6 miners @ $1.25/hr; 2 miners @ $1.00/hr; 3 muckers @ [illegible]/hr; 3 foremen @ $1.15/hr (when the mine is developed).

23 (b). 1 superintendent @ $[illegible] per month.

23 (c). Overhauling shaft; repairing shaft; repairing air line; repairing ceilings and shaft house, will be from [illegible] to [illegible]. As soon as shaft is ready, blocking out ore will commence. Ore pulled out will be stockpiled until a steady tonnage of 25 tons per day is secured.

23 (d). No additional facilities required.

23 (e). No new equipment required.

23 (f). Does not apply.

23 (g). Hoist, compressor, drifters, stopers, sampling [illegible], all tools but [illegible] with the exception of square rods and tipters, pipe, valves, etc. [illegible] applicant is [illegible] with a [illegible] vault.

23 (h). Motor, fuses, electrical outlets and 7 KV transformer, [illegible]. This item is taken into consideration in costs of drifting.

23 (i) Electrical power is approximately $100/mo for the mine.

24. Amount of time lost in order it is expected that the mine will be producing from 20 to 25 tons daily. From a rate of operating the mine are expected to be around 24,000.00 per month after it gets started. The net income is expected to be around $23,000.00 per month. The expenditure of $45,000.00 is expected in the first six months of operation.

From: [illegible]

Form: MF-1[illegible]

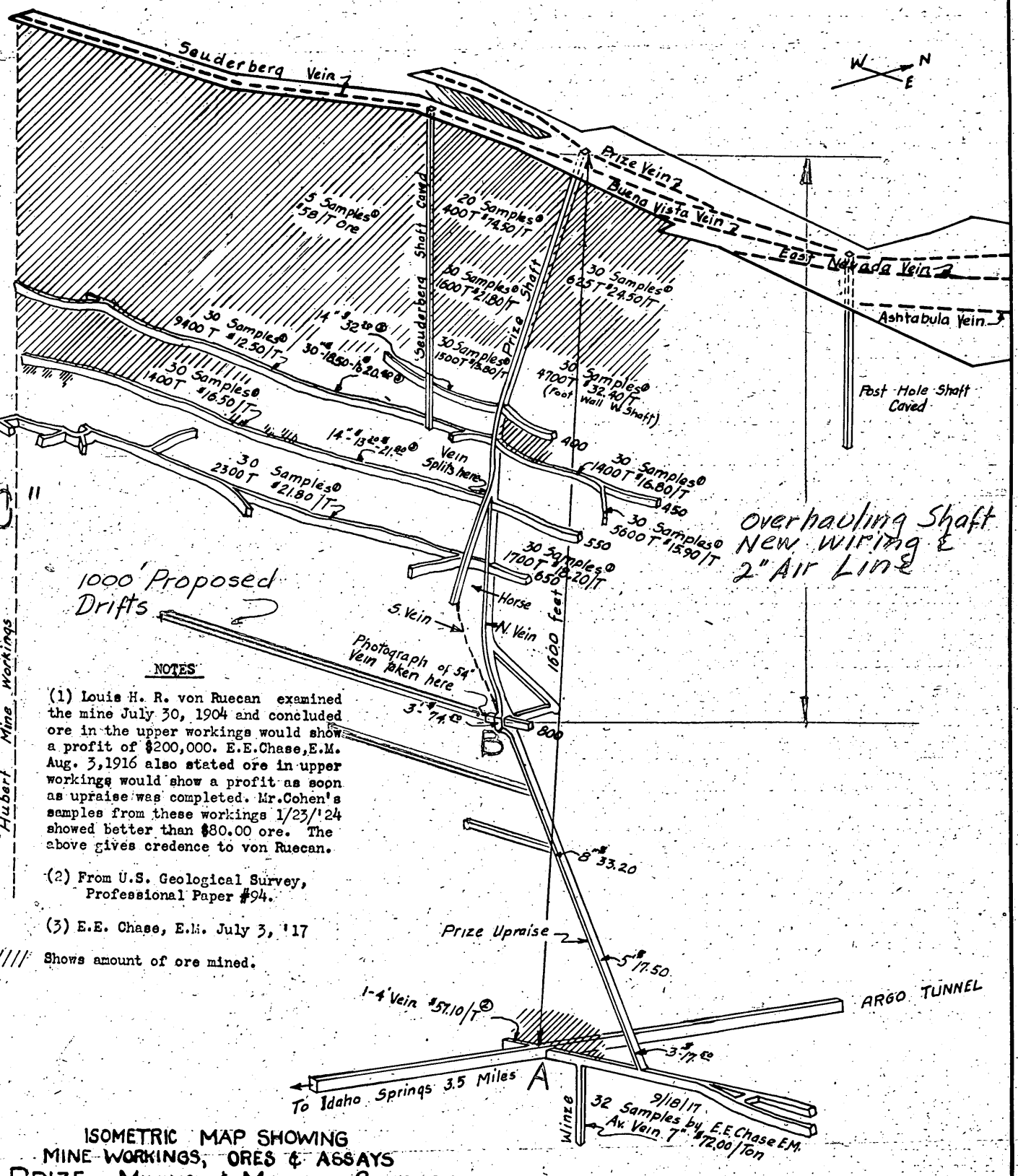
15 (5) - C. (cont'd)

shaft house with [illegible] lead ore in stall in the shaft house, but between the [illegible] of the [illegible] sold on the last level [illegible], considerable ore is expected to be found. No work has been performed on these claims, but exploration with a core drill should reveal [illegible] tons above the [illegible] level of zinc and lead ore running around [illegible] per ton.

[illegible]

17. [illegible] mine is equipped with [illegible] hoist; [illegible] compressor; [illegible] grinder, 1 [illegible] furnace, blower, [illegible] equipment [illegible]; [illegible] tools, [illegible], [illegible], shovels, etc.; [illegible] drifters; [illegible] stopers; [illegible]

Large shaft house with two small buildings, iron covered - good condition. [illegible] is in bad repair. Four houses for living quarters - one in [illegible] condition, one in fair condition, and two in very bad condition.



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(2) From U.S. Geological Survey, Professional Paper #94.

(3) E.E. Chase, E.M. July 3, '17

///// Shows amount of ore mined.

ISOMETRIC MAP SHOWING
MINE WORKINGS, ORES & ASSAYS
PRIZE MINING & MILLING CORPORATION

D.L.R., C.E., E.M. 7/14/48

Past Production and History

The Seuderberg and the Prize, located around 1862, are approximately parallel and united at about 450 feet below the surface. This caused considerable bitter feeling between the owners as to ownership at the intersection of the veins. Eight years of strife ended only after J. W. Bostwick & Co. bought both properties in 1878.

Production records are lacking, but the literature of the times gives an excellent estimate. Speaking of the Seuderberg in his "Colorado" of 1879, p. 322, Fossett states, "In two or three years the yield exceeded $250,000. This was one of the richest ore bodies found in Gilpin County. The amount of high grade smelting ore sold was great. There was over five feet of milling ore that yielded from six to twelve ounces of gold per cord (Scales were rare so a box 4'x4'x8'=128 cu. ft.=1 cord, was the unit for estimating haulage and mining contracts. This volume varied from four to ten tons in weight, depending on the type of ore). After the ore was exhausted, Richard Mackay took out $75,000." A total of $325,000. for the Seuderberg up to 1878.

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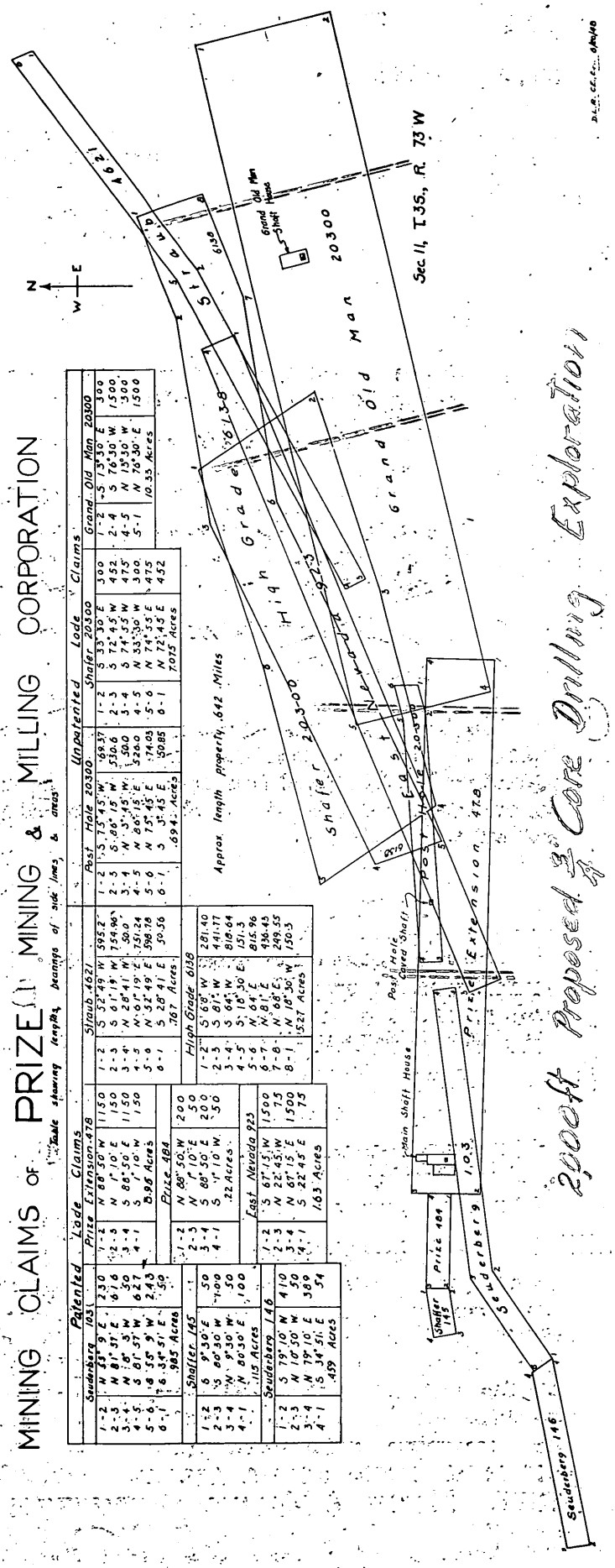
Work commenced April 10, 1928 and 170 days later it was estimated that for $15,000.00 and in from 30 to 60 days ore would be flowing to the mill and dividends coming forth



To: DEFENSE MINERALS A[illegible] ADMINISTRATION (16)

FROM: PRIZE MINING & MILLING CORP.

Form: MP - [illegible]

(6)

Does not apply

(7)

Does not apply

(8)

ASSETS

Mining Property - - - - - - - - - - - - - - - - - -	$[illegible]
Development and Organization - - - - - - - -	[illegible]
Total Assets - - - - - - - - - - - - - -	$[illegible]

LIABILITIES

Accounts Payable - - - - - - - - - - - - - -	$ [illegible]
Other A Stock - - - - - - - - - - - - - - - -	[illegible]
Other B Stock - - - - - - - - - - - - - - - -	[illegible]
Total Liabilities - - - - - - - - - - - -	$[illegible]

(9)

Up to this date, [illegible] in the Mine over an expenditure of $[illegible] to build the operation from the tage tunnel to the bottom of the old Prize Shaft. An additional $[illegible] has been spent to recondition the Mine with tools, machinery, power lines, repairs to the shaft, new hoisting cable and repairs to the shaft house and other buildings.

(10 a. & b)

Both are the same.

Page 25 shows the mine claims with the length of the mine Mines. Operating large Shaft House to over the Prize Shaft. Shaft House over the tunnel that has [illegible] in kind of regard, will also FIX to in Shaft Pole, adjacent to the Slight Smelter Mill. This is the only buildings and this mill are new.

(10)

The mined ore is dropped from hoists and hauled down hill to the Slight Smelter Mill, 2.5 miles from the shaft collar and there milled.

(19)

A description of the ore body at the [illegible] shaft operations are to begin, is of great importance. It must not forget that the Bulk and the Bulk shown on the Inventory map (p. 3), with regard here Shaft, [illegible] is also the point where the Inventory dip of the vein between [illegible] dip, particularly will be of great importance for [illegible] is the point where we [illegible] in conclusion, a plan of the vein in cross information, the vein was first intersected, north of the shaft, the vein was 30' wide. A depth 20 feet below, showed the vein to measure 40 wide. When the vein was followed back for ten feet it measured to 60'. The footwall in the vein is 35 inches per ten feet in a uniform direction. This is important. The uniform rate of increase in the vein is consistent with the properties of ore deposit. If we can use the knowledge gained by experience in the adjacent Miner's Ring, where ore shoots were found to be 70 feet wide, a 50 foot depth on this vein should reveal a sizable ore body.

[illegible]

N
W
X
Y
Y'
X'
O
Y'
X'
Y
X

COLORADO SCHOOL OF MINES

GOLDEN, COLORADO

DEPARTMENT OF GEOLOGY

FRANCIS M. VAN TUYL, PROFESSOR OF GEOLOGY
J. HARLAN JOHNSON, ASSOCIATE PROFESSOR OF GEOLOGY
W. A. WALDSCHMIDT, ASSOCIATE PROFESSOR OF GEOLOGY
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E. H. STEVENS, ASSISTANT PROFESSOR OF GEOLOGY
JOHN C. HAFF, ASSISTANT PROFESSOR OF GEOLOGY
PAUL H. KEATING, INSTRUCTOR IN GEOLOGY
W. S. LEVINGS, INSTRUCTOR IN GEOLOGY
J. W. VANDERWILT, SPECIAL LECTURER IN GEOLOGY

March 13, 1941

Mr. D. L. Russell
G-15 Tennis Apartments
Forest Hill, Long Island
New York

Dear Mr. Russell:

Thank you for your letter of February 24 together with the sketches showing the workings of the Prize Mine.

Doctor Boyd and I are inclined to agree with you that this property shows sufficient merit to justify some development. We expect to discuss this proposition with some of our clients in the near future, and you may be assured that we will advise you concerning their reaction as soon as these parties have had an opportunity to consider this material.

Sincerely yours,

Ben H. Parker

BHP:JL

[illegible] (1)

[illegible]

Form [illegible]

[illegible]

23. [illegible] expenditures and work cost to develop [illegible] is at [illegible] tons of [illegible] ore - [illegible]

Insurance - [illegible] copper, taxes, [illegible] bills	[illegible]
Geophysical mine shaft to insure safety	[illegible]
Sinking shaft - [illegible] level	[illegible]
Replacing 500' 2" air line	800.00
100' ft. 3 x 7 drifts @ 330./ft.	[illegible]
6 secondhand mine cars @ [illegible]/car	[illegible]
[illegible] ft. secondhand mine rails, cross ties, [illegible] bars and bolts	[illegible]
Construction of 10 ore pockets @ 75./pocket	750.00
[illegible] ft. 3/8" core drill holes @ 35.00/ft.	[illegible]
Mill and repair to house labor	[illegible]
Contingencies and working capital	[illegible]
Total	[illegible]

[illegible] success of this project will lead the way to operating [illegible] region to private capital [illegible] of the ring, lead, copper, [illegible] other [illegible] details.

23 (a). 6 muckers @ $1.75/hr; 3 [illegible] @ $1.75/hr; 3 [illegible] @ $1.75/hr; 3 [illegible] @ $1.75/hr (when the mine is developed).

23 (b). 3 experienced men @ $60.00 per month.

23 (c). [illegible] shaft requires [illegible] air lines, repairing drifting and shaft work, will take [illegible] time [illegible] shaft is [illegible] ore will be [illegible] out will be stockpiled until a steady tonnage of 25 tons per day is secured.

23 (d). No additional facilities required.

23 (e). No new equipment required.

23 (f). [illegible] only.

23 (g). [illegible], compressor, drifters, stopers, [illegible] all [illegible] square [illegible] valves, [illegible]

23 (h). [illegible], fuses, electrical circuits and 7 kW transformer, [illegible]. This item is taken into consideration in case of critical.

23 (i). Electrical power is approximately [illegible] a i.e.

24. [illegible] is [illegible] to [illegible] expected to be [illegible] 25,000 [illegible] after [illegible] starts. The [illegible] is expected to be around 25,000 per month. The expenditure of 55,000 is expected in the first six months of operation.

COLORADO SCHOOL OF MINES

GOLDEN, COLORADO

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BHP:JL

TO: DEFENSE MINERALS ADMINISTRATION (19)

FROM: PRIZE MINING & MILLING CORP.

Form: MF-103

THE REQUIREMENTS AND COSTS

23. Herewith expenditures and work cost to develop at least 25,000 tons of $60.00 ore - PROVIDED THAT THE ORE BODY COMES UP TO EXPECTATIONS:

Insurance - turning on power, taxes, and current bills	$ 5,000.00
Overhauling mine shaft to insure safety	3,000.00
Rewiring shaft - new signals and lights, 25 HP line to 800' level	1,500.00
Replacing 800' 2" air line	800.00
1000 ft. 5 x 7 drifts @ $30./ft.	30,000.00
6 second-hand mine cars @ $75.00/car	450.00
2,000 ft. second-hand mine rails, cross ties, splice bars and bolts	500.00
Construction of 10 ore pockets @ $75./pocket	750.00
2,000 ft. 3/4" core drill holes @ $3.50/ft.	7,000.00
Building repair to house labor	6,000.00
Contingencies and working capital	20,000.00
Total	$ 75,000.00

The success of this project will lead the way to opening up the entire region to private capital development of the zinc, lead, copper, uranium, and other strategic metals.

23 (a). 6 muckers @ $1.25/hr; 3 miners @ $1.50/hr; 3 hoistmen @ $1.25/hr; 3 foremen @ $1.75/hr (when the mine is developed).

23 (b). 1 superintendent @ $650.00 per month.

23 (c). Overhauling shaft; rewiring shaft; replacing 2" air line; repairing dwellings and shaft house, will take from three weeks to one month. As soon as shaft is ready, blocking out of ore will commence. Ore pulled out will be stockpiled until a steady tonnage of 25 tons per day is assured.

23 (d). No additional facilities required.

23 (e). No new equipment required.

23 (f). Does not apply.

23 (g). Hoist, compressor, drifters, stopers, assaying plant and equipment, all tools that go with the operation, supplies of square sets and timbers, pipe, valves, et cetera. Applicant is unfamiliar with what rental costs would be.

23 (h). Powder, fuses, electrical conduits and 7 KV transformer, $5,000.00. This item is taken into consideration in costs of drifting.

23 (i). Electrical power is approximately $100/mo for the mine.

24. Six months from time loan is made it is expected that the mine will be producing from 25 to 35 tons daily. The costs of operating the mine are expected to be around $6,000.00 per month after it gets started. The net income is expected to be around $25,000.00 per month. An expenditure of $35,000.00 is expected in the first six months of operation.

7 (c). cont'd.

Their ore varies from nothing up to 4 feet in width and there are plenty of places in the heart of the ore shoot where a winze could be sunk that would show much less than the Prize winze so you should have no hesitation in opening up this ground below the tunnel level and you have good reason to expect good results and a paying venture.

In order to make a clean job of it and not be hampered for funds I would endorse Mr. Willmarth's suggestion that a sum of $50,000.00 should be raised which may or may not be required to put the mine in shape, but should be available to guard against any contingencies.

As to practical working out of the enterprise and whether to make your own power or secure it from the Argo Company I think can be left to Mr. Willmarth, who knows the inner workings of the system better than I do. There are many complaints that the Tunnel Co. is lax in supplying proper air pressure and other facilities which is something to be considered. All I would say is to apply this $50,000.00 to so great an extent as possible in actually proving up ground that is likely to be ore bearing and profitable.

Respectfully,

Edwin E. Chase & Son (signed)

REPORT ON PRIZE MINES, INC.
by
JOHN WELLINGTON FINCH
Denver, Colorado

New York, N. Y.
February 20, 1929.

Prize Mines, Inc.
120 Broadway
New York, N. Y.

Gentlemen:

On January 24th and 25th I inspected recent developments at your mine in Gilpin County, Colorado, accompanied by your manager, Mr. O. Barlow Willmarth. I was already in possession of considerable information upon the development and production history of nearby properties, derived from examinations made on the ground and from my office files. I had also the use of the map made for you by Mr. Edwin E. Chase in 1917. This information led me to confine my study to the veins as shown in your incline shaft, in the Argo Tunnel and around the top of the uprise from Argo Tunnel.

7 (c) cont'd.

RECENT DEVELOPMENTS. You are thoroughly familiar with these except possibly those made in the process of connecting the raise with the incline shaft. The bottom of the shaft was unsurveyed, and had been extended to a depth of about 800 feet. For the last 100 feet it had turned to the East on a minor vein. A cross-cut about 75 feet long, east from the top of the raise was necessary, therefore, to make the connection with the shaft. To complete an operating connection it became necessary to drive upward from the top of the raise and curve over into the shaft at a point about 40 feet below the 700 level.

The cross-section herewith shows this work as it stood September 2, 1928. At the time of my visit the connection had been broken through and timbering of the bucket-way by the new route was nearing completion.

NEW ORE. In the process of cutting out for the upward continuation of the raise at the 800 level an entirely new discovery of ore was made just west of the top of the old raise in a vein which was not followed up from the Argo Tunnel when the raise was driven. It is nearly parallel with the vein in the raise, but it is uncertain whether it is structurally a part of this vein, an entirely new one, or a downward continuation of a vein lying to the west of the Prize vein in workings above the 700 level. I am inclined to believe that the possibility last stated will prove to be the fact.

This is a good showing of ore; 1 foot or more of solid sulphides with associated stringers of ore. It is a large vein for this district and the ore-body promises continuity. I cannot form this conclusion from actual developments now made upon it, but from the behavior of ore-bodies which have been extracted from other veins of similar size and structure near at hand at this and greater depths.

A shipment of about 19-1/8 tons to the Argo mill assayed: gold 0.66 ounces per ton ($13.20); silver 2.44 ounces (about $1.46); zinc 14.5% (about $8.50)." Deducting mill, smelter and freight charges, and metallurgical losses, you should have received for this about $11. net per ton.

OTHER KNOWN ORE. Mr. Chase's reports show a fine body of ore in the winze from the drift west of the Argo Tunnel, presumably on the Prize vein. He also shows pillars and small blocks of ore in upper levels now now capable of yielding a profit, but they may be made to do so after your shaft has been put into good operating condition down to Argo Tunnel.

POSSIBLE ORE DEVELOPMENTS. The discovery of the new ore described at a depth of 800 feet and of the ore in the Argo Tunnel winze prompts the expectation that drifts driven upon this vein and other known veins at depths between the Argo Tunnel and the 800 level may disclose important bodies of commercial ore.

DEVELOPMENT AND OPERATION RECOMMENDED. The cleaning out of debris now blocking part of the raise from the tunnel should be done first so that the raise may be made into an operating shaft all the way to the tunnel and thereby reduce the cost of delivering ore and waste to the surface.

7 (c) cont'd.

A cross-cut should then be driven west from the raise 100 feet below the 800 level to find the probable downward continuation of the new ore. Then drifts should be driven east and west on the vein as long as there is a continued showing of ore.

If at the latter new level good ore is found, another level should be opened 100 feet deeper and drifts also driven.

No other work should be done for the present except upon this one vein and that for the purpose of finding it at regular level intervals downward and open it up with drifts to expose it sufficiently so that your ore production may continue uninterrupted, notwithstanding the inevitable variations in the ore-body. After an adequate fund has been built up from production, developments may be extended into other veins.

DEVELOPMENT COSTS. Practically no new mining equipment is required. I assume that all reconstruction above the 800 level is completed and all work can now be concentrated upon clearing the raise to the tunnel. Although I have no means of knowing the exact conditions which will be encountered, I should estimate that this work can be done for $5,000. If the ore-body continues downward, as I believe it will, an additional $10,000. should open up new levels so that production profits will soon return this money and provide for future extension of developments. I, therefore, recommend that a total development fund of $15,000. be provided for immediate use.

Yours very truly,

John Wellington Finch (signed)

Questions 8 to 12 (b) 1, inclusive, General Technical Data, is answered on Form

12 (b)

2. An estimate of new tonnage (2,000 lb. ton) that is expected to be developed is as follows: Based on three points, A, B, and C, shown on Isometric map on Page 14, the ore body at point A in the Argo Tunnel is described on Page 221 of Professional Paper No. 94 by U. S. Geological Survey as from one to four feet thick carrying from 1/2 to 2 ounces gold, 3 to 16 ounces silver, and 4 1/2% copper. Point B is at the 800' level where a 54" vein is exposed. Settlement on a 19 ton shipment was for 14 1/2% zinc, .66 ounces gold, and 2.44 ounces of silver. At point C, or the western boundary, is the Hubert Mine on the same vein as the Prize. The vein in the Hubert was 20 feet wide in places with approximately the same assay values as the Prize 800' level vein. A conservative estimate of the ore between these three points is to use a three-foot average width running the same value as settlement made on 19-ton shipment = $\frac{3'\text{thick} \times 800'\text{depth} \times 800 \text{ lin.ft.} \times 150\#/\text{cu.ft.}}{2,000} =$ 144,00 Tons

On the mine claim map, also attached, it will be noted that the mine workings extend from Seuderberg 146 end line 2-3 to the end 3-4 of Seuderberg 103 and the parallel vein system Shaffer 145 and Prize 484. These were the original claims owned by the Prize Consolidated & Milling Co. The Straub, Grand Old Man, High Grade, East Nevada, Shafer and Prize Extension were not acquired until after 1910. To this day these claims remain unexplored and should be explored with a core drill. O n the Grand Old Man there is a

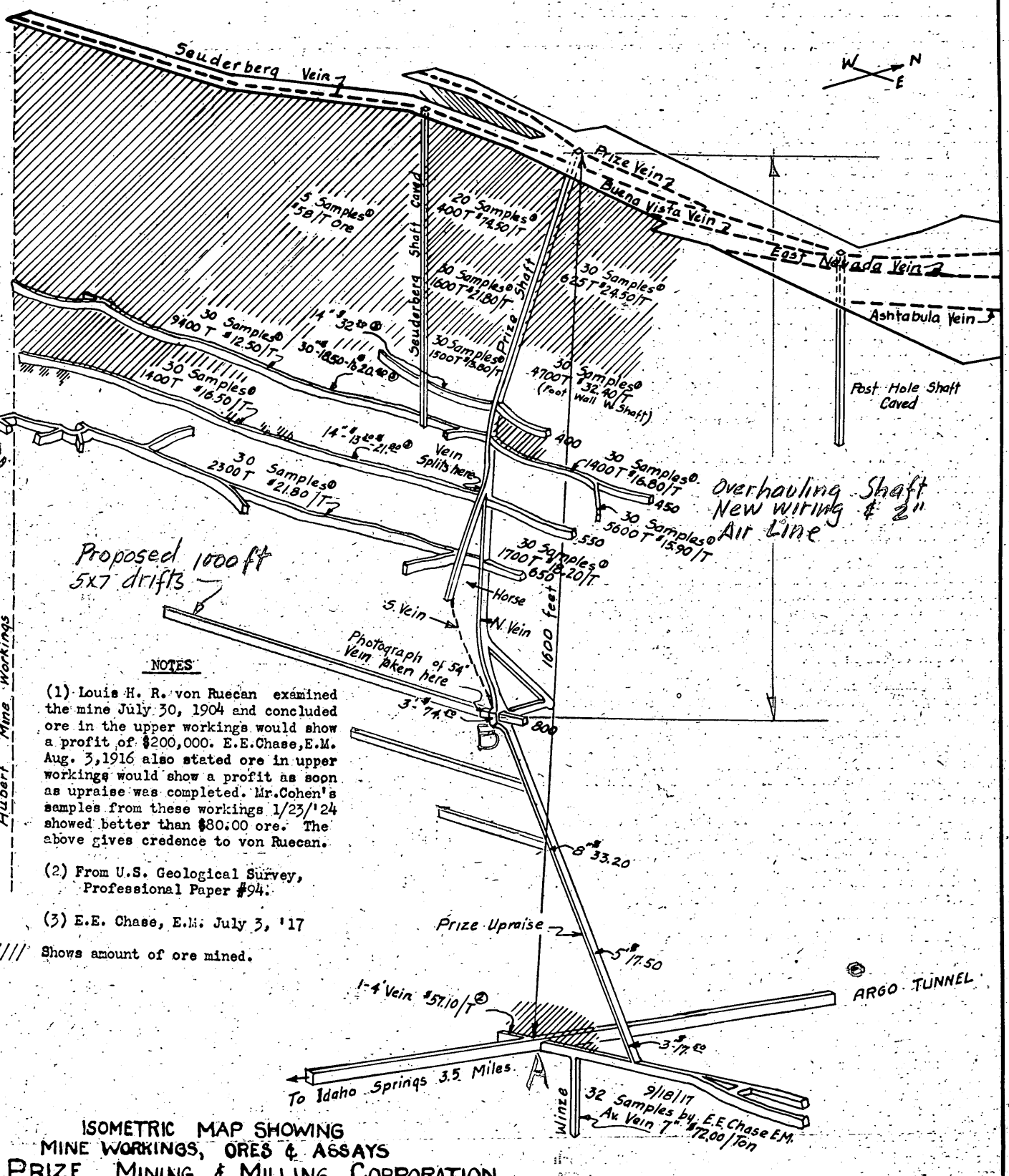
12 (b) - 2. (cont'd)

shaft house with a shaft about 200' deep. Good lead ore is still in the shaft house, but between the Prize workings and the end line 1-2 of the Grand Old Man, as well as the East Nevada and the Straub, considerable ore is expected to be found. No work has been performed on these claims, but exploration with a core drill should reveal 500,000 tons above the 500' level of zinc and lead ore running around $30.00 per ton.

Questions in General Technical Data 13 through 16, inclusive answered on form.

17. The mine is equipped with 75 HP Vulcan Hoist; 35 HP Gardner Compressor; 2 HP Sample Grinder, 1 HP Furnace, blower, Assaying equipment and chemicals; all small tools, saws, hammers, axes, picks, shovels, etc; 2 drifters; 2 stopers; 2 Jack Hammers.

Large shaft house with two small buildings, iron covered - good condition. Shaft house on Grand Old Man is in bad repair. Four houses for living quarters - one is in excellent condition, one in fair condition, and two in very bad condition.



NOTES

(1) Louis H. R. von Ruecan examined the mine July 30, 1904 and concluded ore in the upper workings would show a profit of $200,000. E.E.Chase,E.M. Aug. 3,1916 also stated ore in upper workings would show a profit as soon as upraise was completed. Mr.Cohen's samples from these workings 1/23/'24 showed better than $80.00 ore. The above gives credence to von Ruecan.

(2) From U.S. Geological Survey, Professional Paper #94.

(3) E.E. Chase, E.M. July 3, '17

///// Shows amount of ore mined.

ISOMETRIC MAP SHOWING
MINE WORKINGS, ORES & ASSAYS
PRIZE MINING & MILLING CORPORATION

D.L.R., C.E., E.M. 7/14/48

Past Production and History

The Seuderberg and the Prize, located around 1862, are approximately parallel and united at about 450 feet below the surface. This caused considerable bitter feeling between the owners as to ownership at the intersection of the veins. Eight years of strife ended only after J. W. Bostwick & Co. bought both properties in 1878.

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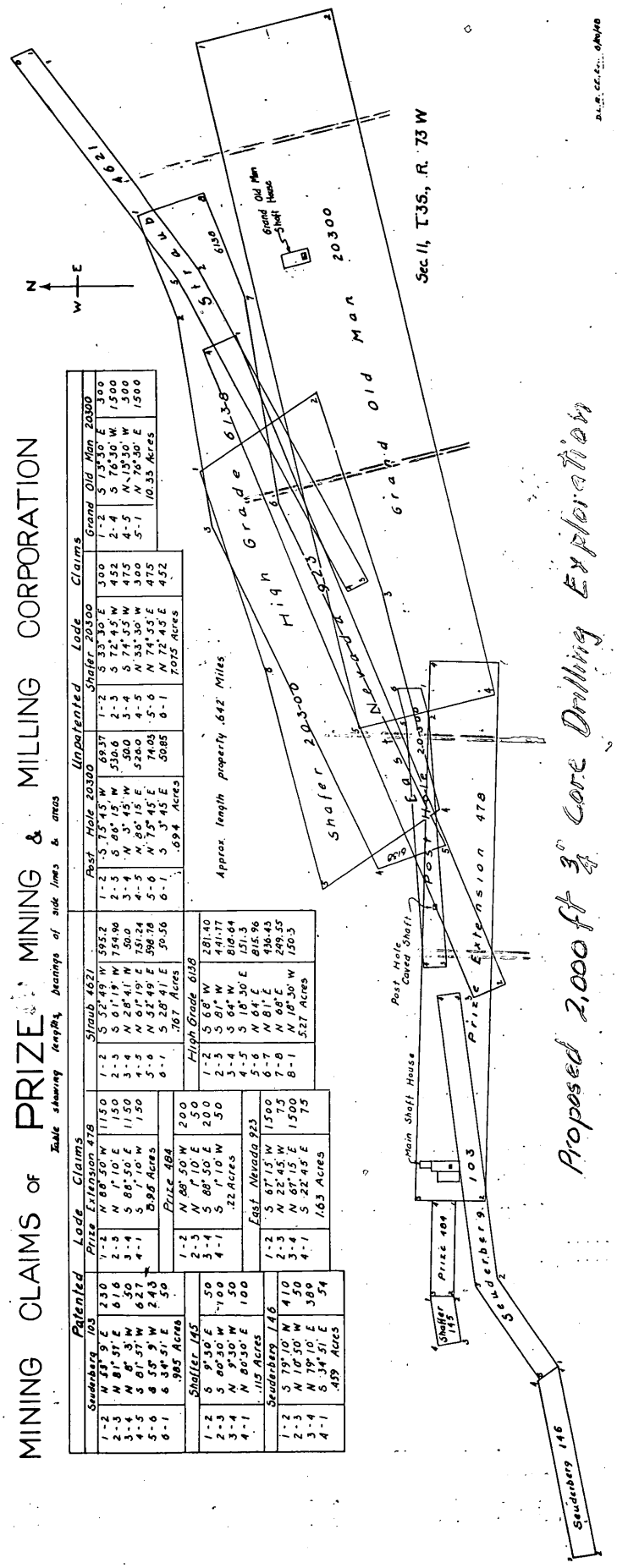


To; DEFENSE MINERALS ADMINISTRATION (16)

FROM: PRIZE MINING & MILLING CORP.

Form: MF - 103

(6)
Does not apply

(7)
Does not apply

(8)
ASSETS

Mining Property - - - - - - - - - - - - - - - -	$300,000.00
Developement and Organization - - - - - - - -	15,500.00
Total Assets - - - - - - - - - - - -	$315,500.00

LIABILITIES

Accounts Payable *- - - - - - - - - - - - - -	$ 9,600.00
Class A Stock - - - - - - - - - - - - - - - -	5,900.00
Class B Stock - - - - - - - - - - - - - - - -	300,000.00
Total Liabilities - - - - - - - - -	$315,500.00

(9)

Up to this date, vochers in the files show an expenditure of $120,000.00 to build the upraise from the Argo Tunnel to the bottom of the old Prize Shaft. An additional $45,000.00 has been spent to re-equip the Mine with tools, machinery, power line, repairs to the shaft, new hoisting cable and repairs to the shaft house and other dwellings.

(10 a & b)
Both are the same.

Page 15 shows the mine claims with the length of the side lines. Operating large Shaft House is over the Prize Shaft. Shaft House over the Grand Old Man Shaft is in need of repair. Mill Site #11 is in Black Hawk, adjacent to the Gilpin Eureka Mill. This is the only tailings pond this mill can use.

(15)

The mined ore is dumped into trucks and hauled down hill to the Gilpin Eureka Mill, 2.3 miles from the shaft collar and there milled.

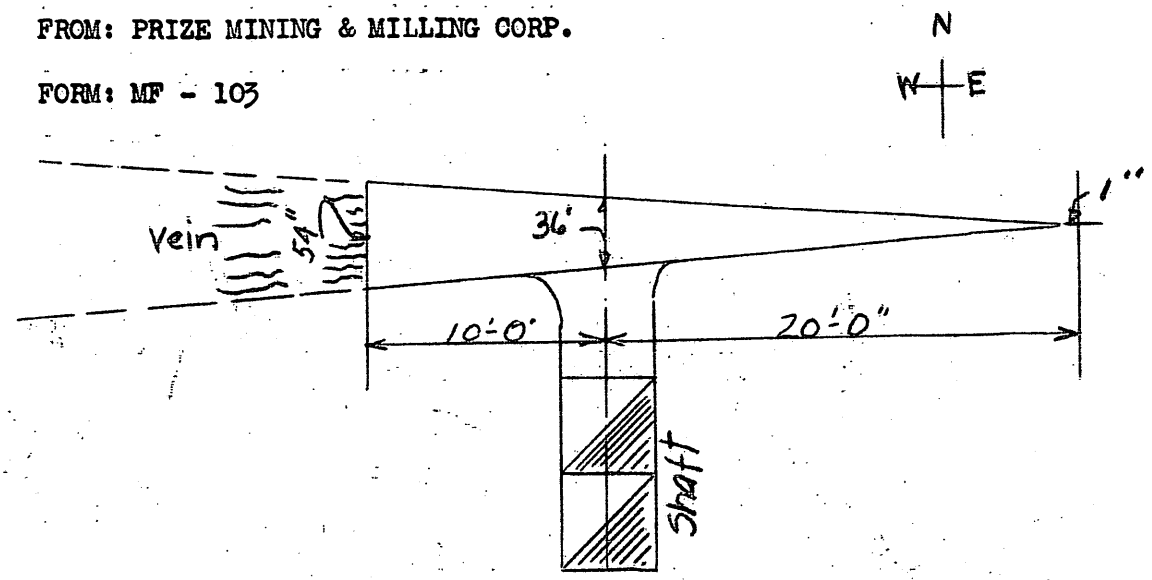
(19)

A discription of the ore body at the 800 level, where operations are to begin, is of great importance. We must not forget that the North and the South, shown on the Isometric map (p 14), vein rejoin here forming a horse. This is also the point where the Northerly dip of the vein becomes a southerly dip. Geologically this is of great importance for it is the point where ore is usually found in abundance. A plan of the vein is given below. Where the vein was first intersected, North of the shaft, the vein was 36" thick. A drift 20 feet East, showed the vein to decrease to one inch. When the vein was followed West for ten feet it increased to 54". The increas in the vein is 18 inches per ten feet in a westerly direction. This is IMPORTANT. The uniform rate of increase in the vein is consistant with the properties of ore shoots. If we can use the knowledge gained by experience in the adjacent Hubert Mine, where ore shoots were found to be 30 feet thick, a 50 foot drift on this vein should reveal a sizable ore body.

TO: DEFENCE MINERALS ADMINISTRATION

FROM: PRIZE MINING & MILLING CORP.

FORM: MF - 103



PLAN OF VEIN AT 800 LEVEL

(20)

Exploration is to prove up ZINC, LEAD, and COPPER ore bodies. Deposits are in true fissure veins and ore shoots.

(21)

The proposed work can be followed on the Iometric Map p. 14.

(1) Overhauling Mine Shaft from the collar to the 800 to insure safety.
(2) Rewiring shaft for lights, signals, and power.
(3) Replacing 2" air line to 800 level.
(4) Drifting West at the 800, if the ore continuous the drifts will be continued as shown by the red lines.
(5) Repairing houses for labor.
(6) On p. 15, showing the mine claims, it is proposed to 3/4" core drill as per red lines. The drilling is possible from the Gulch side which is considerably lower than claim surface. By drilling at about 45° angle, the veins can be intersected approx. 300 feet below the surface. This drilling is expected to reveal the existance of 100,000. tons or more of good lead, zinc and copper ore. The above work is expected to take less than six months time.

(22)

Past History of the Prize Mine, U. S. Geological Professional Paper 94, with the attached letter, p.18, from Dr. Ben Parker and Dr. James Boyd, two eminent Geologists, leaves no doubt as to the success of this project.

(e) cont'd.

PROGRESS DEVELOPMENTS. You are thoroughly familiar with these except possibly those made in the process of connecting the raise with the incline shaft. The bottom of the shaft was timbered, and had been extended to a depth of about 500 feet. For the last 100 feet it had turned to the east on a minor vein. A crosscut about 45 feet long, east from the top of the raise was necessary, therefore, to make the connection with the shaft. To complete an operating connection it became necessary to drive upward from the top of the raise and cross over into the shaft at a point about 40 feet below the 700 level.

The cross-section herewith shows this work as it stood September 2, 1929. At the time of my visit the connection had been broken through and timbering of the bucket-way by the new route was nearing completion.

[illegible] In the process of cutting out for the upward continuation of the raise at the 600 level we entirely missed discovery of ore the cross fault cuts off the top of the ore raise in a vein which was not followed up from the Arga Tunnel from the raise was driven. It is nearly parallel with the vein in the raise, but it is uncertain whether it is structurally a part of this vein, or entirely independent of a former continuation of a vein lying to the west of the raise vein in workings above the 700 level. I am inclined to believe that the possibility that it will prove to be the fact.

This is a good showing of ore; 1 foot or more of solid sulphides with associated stringers of ore. It is a large vein for this district and does indicate primary continuity. I cannot form this conclusion from actual developments made above 16, but from the behavior of ore-bodies which have been exhausted from [illegible] veins of similar size and structure near at hand at this or greater depth.

A shipment of about 19-1/2 tons to the Arga Mill averaged: gold 0.06 ounces per ton ($1.20); silver 2.44 ounces (about 1.46); zinc 14.5% (about $[illegible]). Deducting mill, smelter and freight charges, and metallurgical losses, you should have received for this about $11. net per ton.

OTHER DEVELOPMENTS. Mr. Shaw's report shows a fine body of ore in the winze from the drift west of the Arga Tunnel, presumably on the raise vein. He also shows pillars and small blocks of ore in upper levels now not capable of yielding a profit, but they may be made to do so after your shaft has been put into good operating condition down to Arga Tunnel.

POSSIBILITIES FOR FUTURE DEVELOPMENT. The discovery of the new ore described at a depth of 500 feet and of the ore in the Arga Tunnel since prompts the expectation that drifts driven upon this vein and other known veins at depths between the Arga Tunnel and the 800 level may disclose important bodies of commercial ore.

[illegible] The clearing out of debris now blocking part of the raise from the tunnel should be done first so that the raise may be made into an operating shaft all the way to the tunnel and thereby reduce the cost of delivering ore and waste to the surface.

[illegible] WORKING & DRILLING DONE.

[illegible]

7 (c) cont'd.

A crosscut should then be driven west from the raise [illegible] feet below the [illegible] to find the probable downward continuation of the ore zone. [illegible] should be driven east and west on the vein as long as there is a continuous showing of ore.

If at the [illegible] level [illegible] is found, another level should be opened [illegible] feet deeper and drifts also driven.

No other work should be done for the present except upon this one vein [illegible] the purpose of finding it at regular level intervals downward and open it up [illegible] to expose it sufficiently so that good ore production may continue without [illegible] considering the inevitable variations in the ore-body. After an adequate [illegible] has been built up from production, development may be extended [illegible] other veins.

DEVELOPMENT COSTS. Practically no new mining equipment is required. I advise that all recommendations above the 300' level is completed and all work done to some [illegible] upon clearing the raise to the tunnel. Although I have no means of knowing the [illegible] conditions which will be encountered, I should anticipate that this work can be done for $[illegible]. If the ore-body continues downward, as I believe it will, an additional [illegible] spent on new levels on this promising prospect will soon return this [illegible] and provide for future extension of development. I, therefore, recommend that [illegible] be provided for immediate use.

Yours very truly,

John Bellingham Trust (signed)

Questions 8 [illegible] (a), 1 [illegible] 9, Geologist [illegible] 1 [illegible] is answered on Page [illegible]

1 (b)

[illegible] an estimate of ore tonnage [illegible] that is expected to be developed in the follower. Based on three points, A, B, and C shown on location [illegible] page 14, the ore body at point [illegible] the 300 tunnel is described on page 221 of Professional Paper [illegible] by the U. S. Geological Survey as from one to four feet thick averaging from 1/[illegible] to [illegible] ounces gold, 3 to 10 ounces silver, and 4 1/2% copper. Point B is at the 300' level where 98' was in ground. Settlement [illegible] shipment was for 14 1/2' wide, [illegible] ounces gold, and [illegible] ounces of silver. At point C, on the western boundary, is the Albert Mine on the same vein as the Prince. The vein in the Albert was 30 feet wide in places with approximately the same average values as the Prince 300' level vein. A conservative estimate of the ore between these three points is to use a three-foot average width making the ore value a settlement made on [illegible] shipment [illegible]

[illegible] 2,076

On the mine elevation map, also attached, it will be noted that the mine workings extend from [illegible] on line [illegible] to the east 5% of [illegible] 103 and the parallel vein system [illegible] 1/3 and Prince 6C4. These were the original claims owned by the Prince Consolidated Mining Co. The Grand, Grand Old Man, High Grade, Great Scott, Dexter and Prince Dexter were not acquired until after 1910. To this day these claims remain unexplored and should be explored with a core drill. On the Grand Old Man there is a

TO: DEFENSE MINERALS ADMINISTRATION
Department of the Interior
Washington (25), D. C.

FROM: PRIZE MINING & MILLING CORP.,
Central City, Colorado

GENERAL TECHNICAL DATA

1. Materials produced:
   (a) The chief mine product is ZINC, followed by LEAD and COPPER.
   (b) By-products are GOLD and SILVER.

2. Name and type of mine - old names of property - extent of workings:
   This is a lode mine. The ore occurs in true fissure veins.

   Previous operators and names: The Commonwealth Mining Co., - owners of the Prize Vein - 1862 - 1878;
   The Seuderberg Co., - owners of the Seuderberg Vein (1862 - 1878);
   J. W. Bostwick & Co., - purchased both of above veins - 1878 - 1885;
   The Prize Consolidated & Mining Co., - bought out Bostwick - 1885 - 1945;
   The present corporation - 1945 - 1951;

   (a) 1600' shaft on Prize and about 250' shaft on the Grand Old Man;
   (b) Approximately 2650' drifts and cross cuts;
   (c) The portal of the Argo Tunnel is 3 1/2 miles from the Prize shaft; Tunnel is 1600' below shaft collar;
   (d) The Post Hole shaft and the Seuderberg shaft are now caved;

   The mine waters drain through the Argo Tunnel, 1600' below the shaft collar.

3. For each operation listed above supply the following:

   (a) Nearest shipping point is Rollinsville, Colorado - 18 miles north of Central City, Colorado;
   (b) Nevada Mining District:
   (c) Sec. 11, T. 3 S., R. 73 W.
   (d) Gilpin County, Colorado.

4. State whether property is now in operation....

   (a) Property is now closed down.
   (b) The property has been incorporated in the State of Colorado under the name of THE PRIZE MINING & MILLING CORPORATION.

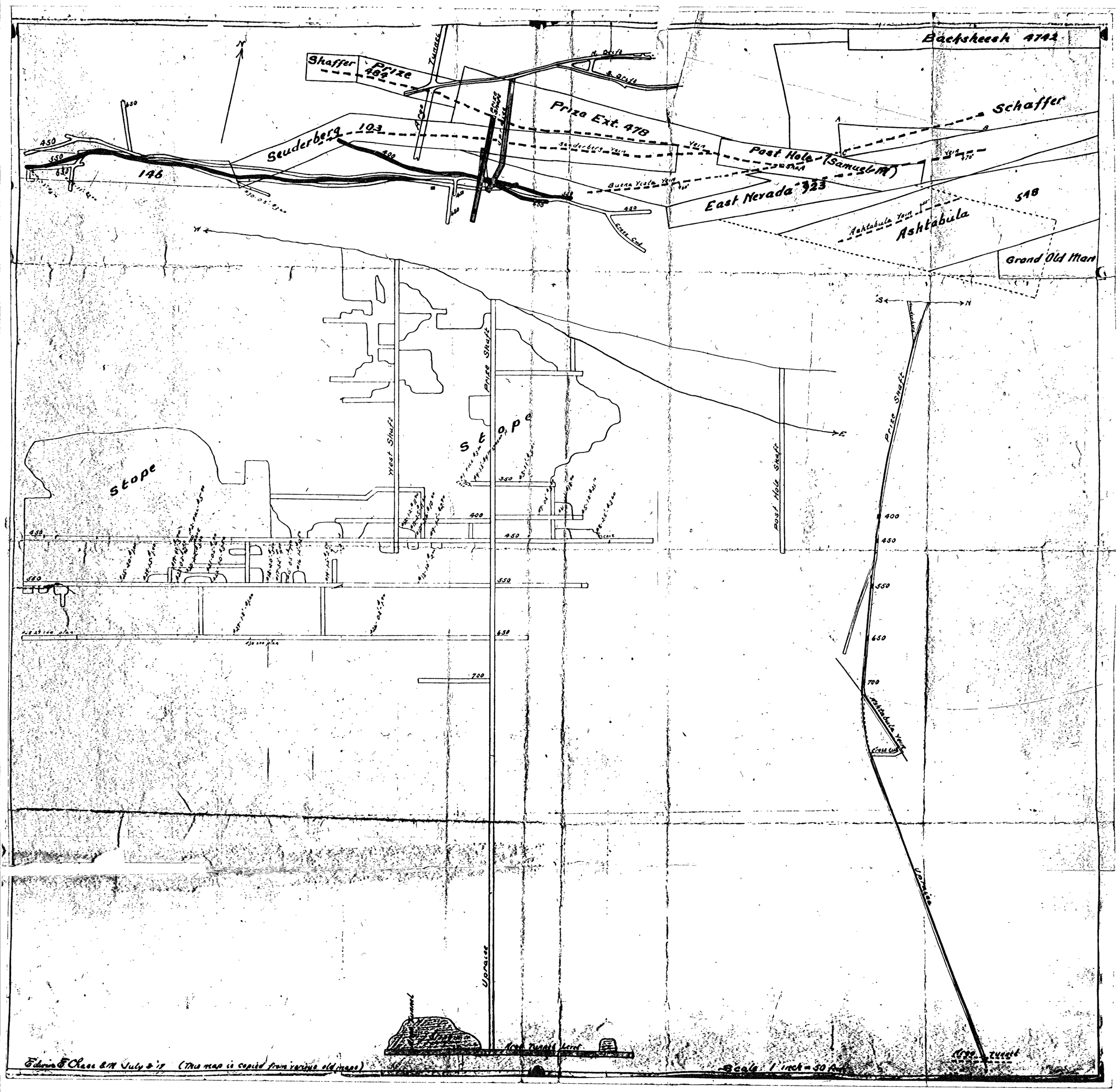
5. The mine produced from 1863 to 1887. Production is estimated to begin 6 months from the time work commences.

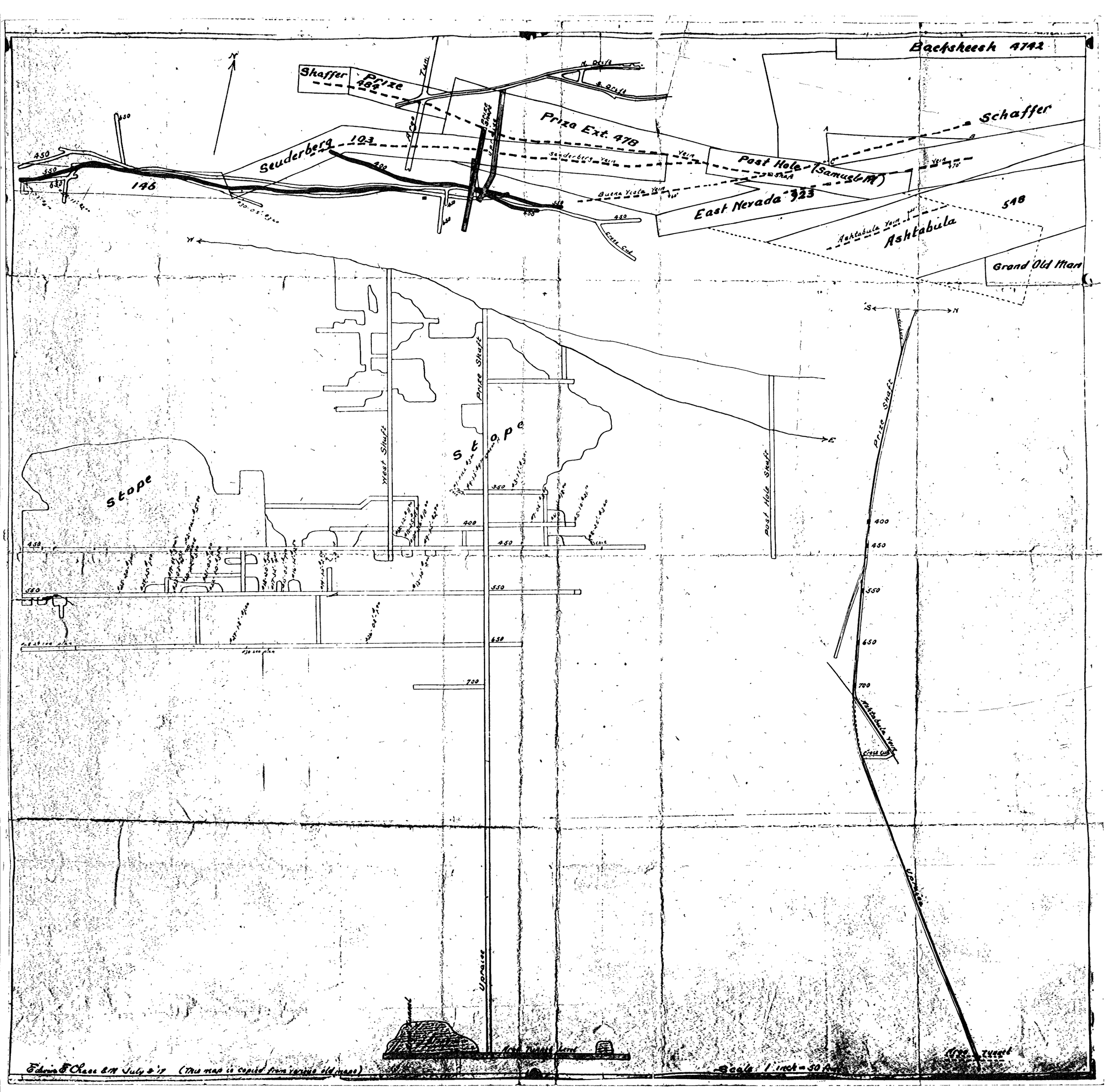
6. D. L. Russell, B.S., C.E., E.M., graduate of both Columbia College and the Columbia School of Mines, is President and manager; he has been in engineering since 1925; has been gainfully employed by The New Jersey Zinc Company, Anaconda Copper Co., Phelps Dodge, and was chief engineer for the Bahia Corp., Bahia, Brazil; he has spent 7 years in Gilpin County preparing the Prize Mine for production as well as in the study of the region. He has followed all the mining projects and studied the causes of failure. At present he is employed by the Stearns-Roger Manufacturing Co. in the Mining Division.

7. History: (a) The Commonwealth Mining Company and the Seuderberg Company started mining on parallel veins in 1863. The two veins joined at the 450 foot level resulting in serious litigation which was ended in 1878 when J. W. Bostwick & Company purchased both companies. Mr. Bostwick operated the properties profitably, selling out to the Prize Consolidated & Mining Company of New York in 1885. Two years later the Prize stopped production and dividends. The vein split into the north and south vein, neither yielding any ore. Interest in the Prize as a producer was revived in 1910. The Newhouse drainage tunnel, now known as the Argo Tunnel, intersected the Prize vein 1600' below the shaft collar. U. S. Professional Paper No. 94, P.221, describes this vein as from one to four feet thick carrying from 1/2 to 2 oz. gold, 3 to 16 oz. silver, and 4 1/2% copper. The Prize Consolidated & Mining Company started work in 1914 with O. B. Willmarth of Georgetown, Colorado as manager. The plan was to upraise from the Tunnel to the bottom of the Prize shaft - a distance of 800'. The upraise would prove whether this was the Prize vein - which was doubted by many - provide drainage through the Tunnel, ventilation, and a cheap means of mining, for the ore was to have been dropped into the Tunnel and taken to the Argo mill at the portal. Work on the upraise continued until lack of labor and materials, due to World War I, closed the mine in 1917, and not until 1928 was work resumed to complete the upraise. After a few months' work, O. B. Willmarth, the manager, wrote: "One fact is certain - we shall be putting a considerable amount of ore down through our upraise when it is in working order. It may be 30 to 60 days more, but it is as certain as our existence." Misfortune followed this report - previous work had caved and it took two years to repair the damage when the absentee owners, who never once visited the property, ordered the manager to close down. The manager protested that with very little more work they would be shipping ore. He received a wire to close down regardless. The mine closed in 1931 after an expenditure of $125,000 with never an effort made to mine the ore in sight. The upraise still drains the mine waters, and it proved that the vein intersected at the Argo level was the Prize vein. The upraise further proved that the vein which split at the 450' level into the north and south vein rejoined at the 800' level forming a 'horse'.

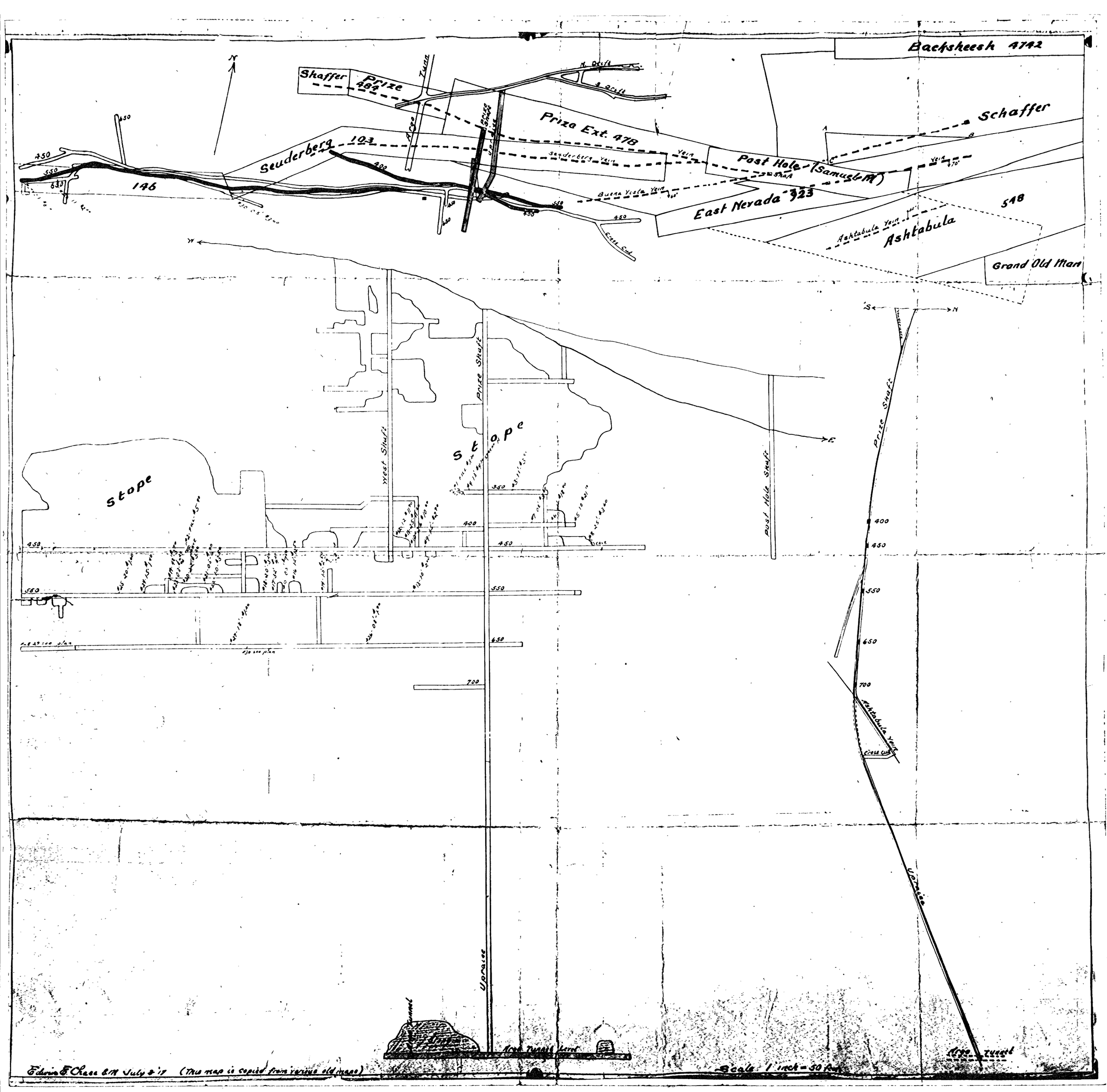
In 1939, D. L. Russell, C.E., E.M., examined the mine, repaired the ladderways so that the ore body at the 800' level could be examined. Mr. Russell entered into partnership with the then owners. Plans to reopen the mine were never realized due to the death of his partner. Mr. Russell then obtained full ownership and by 1948 the shaft had been repaired, the mine equipped with power line, machinery, tools, and a great deal of repair work was accomplished. In 1948 the Prize Mining & Milling Corporation was formed. Abstracts of the property are ready, and today the mine stands ready to block out ore.

Although it is known that considerable ore still remains in the upper levels, operationswould begin at the 800' level. Here the vein changes from a southerly dip to a northerly. It is the point where the split vein reunited forming a 'horse'.

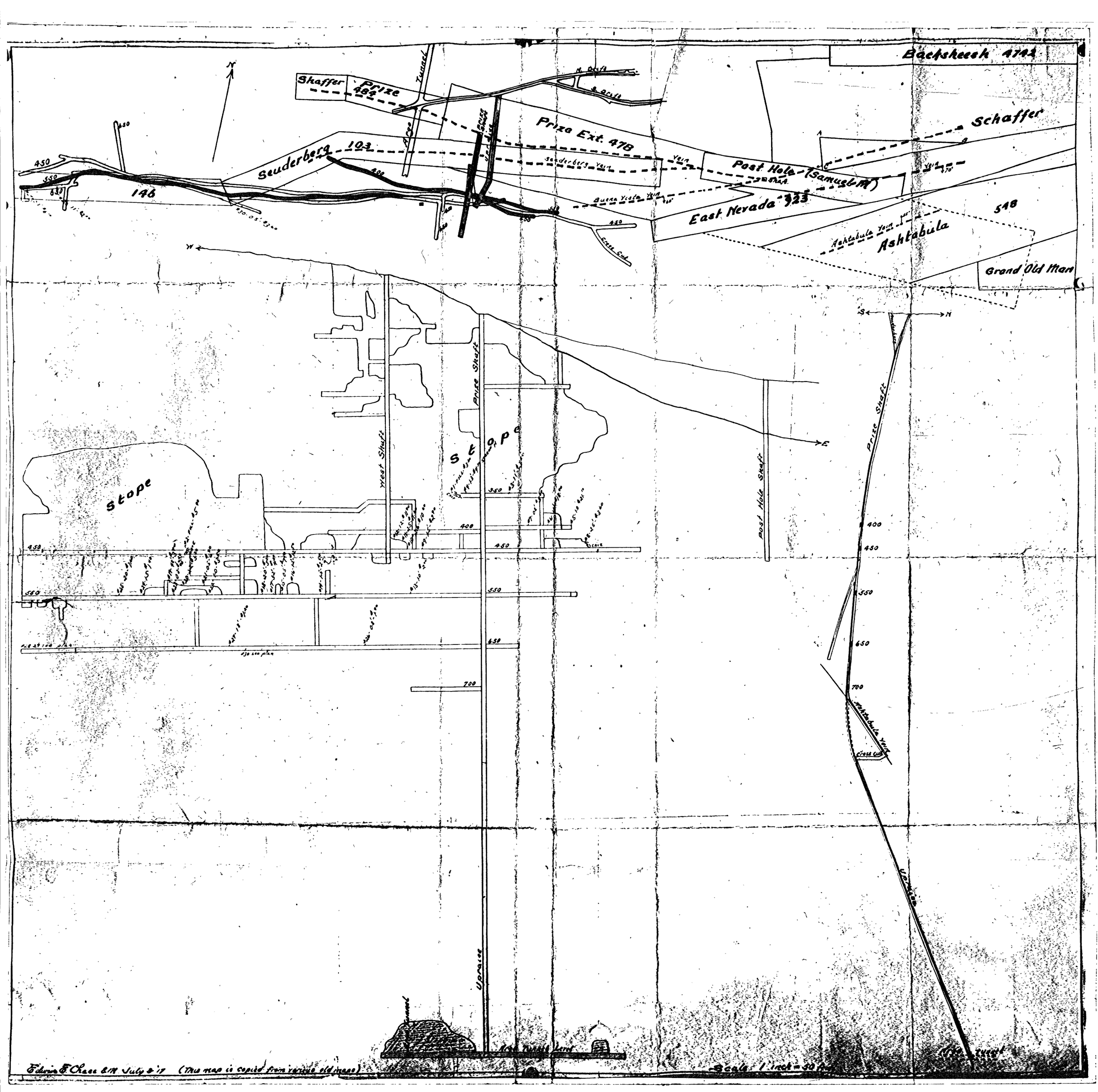

Backsheesh 4742
Shaffer
Prize 484
Prize Ext. 478
Seuderberg 103
146
Post Hole (Samuels M)
East Nevada 323
548
Schaffer
Ashtabula
Grand Old Man
Stope
Stope
West Shaft
Prize Shaft
Post Hole Shaft
Prize Shaft
Ashtabula Vein
Upraise
Upraise
Cross cut
Cave
Edwin E. Chase 8/11 July 3 '17 (This map is copied from various old maps)
Scale 1 inch = 50 feet



Edwin F. Chase & M July 2 '17 (This map is copied from various old maps)



Edwin F. Chase & M July 8 '17 (This map is copied from various old maps)


Backsheesh 474
Shaffer
Prize 484
Prize Ext. 478
Seuderberg 103
146
Post Hole (Samuels M)
East Nevada 323
Schaffer
548
Ashtabula
Grand Old Man
Stope
West Shaft
Prize Shaft
Post Hole Shaft
Upraise
Ashtabula Vein
Edwin E. Chase C.E. July 2 '17 (This map is copied from various old maps)
Scale 1 inch = 50 ft.

MAP SHOWING RESULTS OF A SURVEY OF A PORTION OF THE NW1/4 OF SECTION 1, T7N, R5W, G&SR. B&M MARICOPA COUNTY, ARIZONA

FOR CONSUMER DEVELOPEMENT COPANY

BY B. A. WILLMOTH
REG. ENG'R

CERTIFICATE OF SURVEY

This is to certify that the survey of the property described and platted hereon was made by me during the month of April 1950.

B. A. Willmoth

B. A. WILLMOTH
REG. ENG'R

REGISTERED HIGHWAY ENGINEER
CERTIFICATE EXPIRES
PERL A. WILLMOTH
DEC 31, 1950
APACHE, U.S.A.

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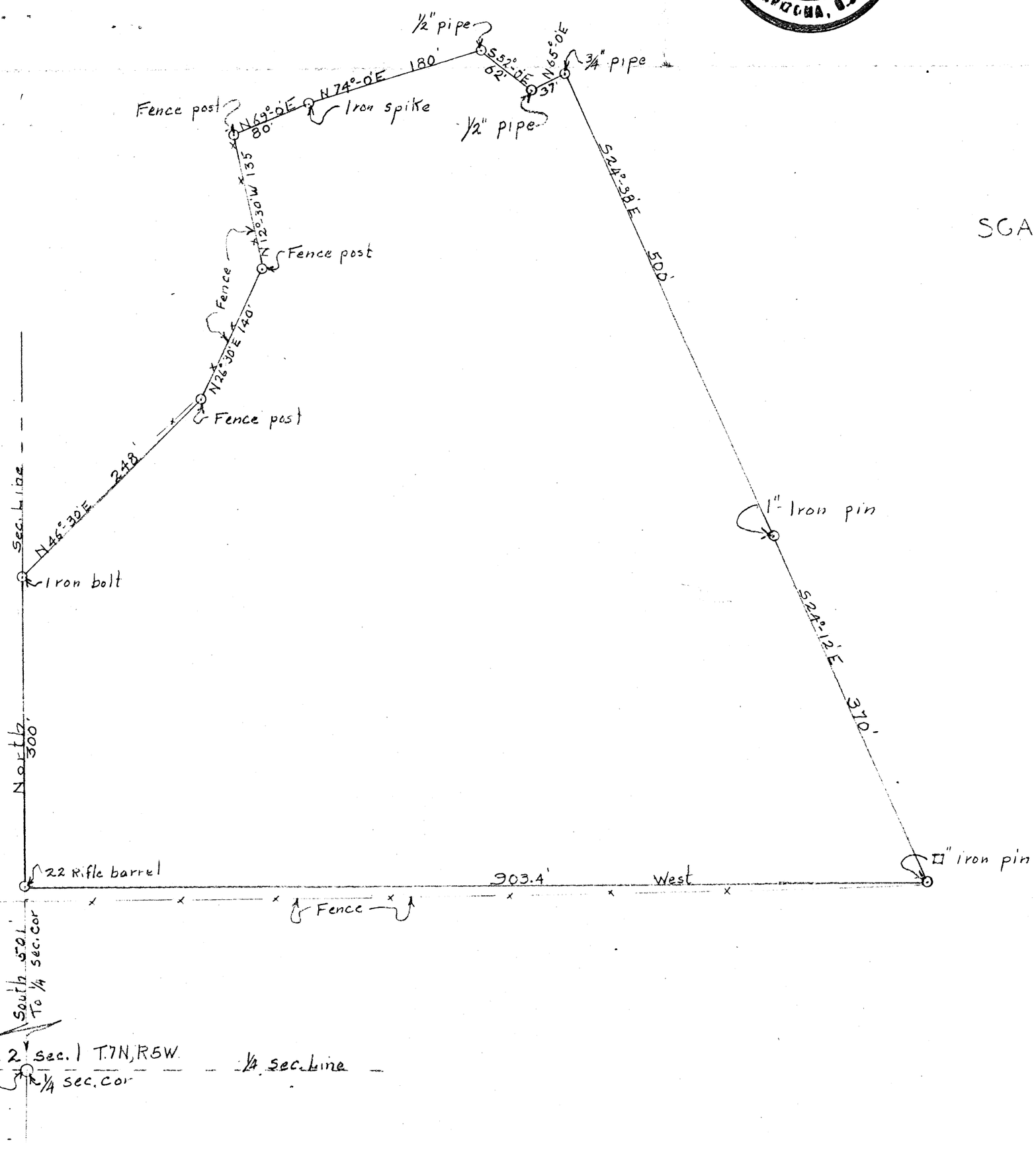
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