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

224 New Customhouse
Denver 2, Colorado

March 4, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMA Docket 1699X, (Copper) Thomas Conway, Gold Nugget Claims, La Plata County, Colorado.

Enclosed are four copies of the final report on the subject docket, two copies of Form 3b and a copy of the letter of denial to the applicant.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

HMC:cwm

cc: WMTraver w/copy of final report
AHKoschmann w/copy of final report
Mining Division w/copy of final report
DMA Final Report
Subject
Chron.
Koschmann (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

March 4, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 1699X, (Copper) Thomas Conway, Gold Nugget Claims, La Plata County, Colorado.

Enclosed are eight copies of the final engineering report on the subject docket.

The examining engineer recommends denial of the application because of the low grade of the copper deposit, the isolation, the inability of the applicant to finance his share of the exploration costs, and the inexperience of the applicant.

We concur in this recommendation.

W. H. King

W. H. King

Enclosures

Mining Division
Date Rec'd
FEB 26 1953
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 25, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMA 1699X (Copper), Gold Nugget Nos. 1 and 2 claims, Thomas Conway, La Plata County, Colorado

Please find enclosed the original and eight copies of the "Summary, Conclusions, and Recommendations", by E. N. Harshman and R. L. Bolmer, and Bolmer's memorandum report on the engineering phase of the loan request.

The report has been abbreviated for obvious reasons.

In view of the low grade of the Gold Nugget copper deposit, its isolation, the small likelihood of the applicant's being able to finance his share of the exploration cost, and his inexperience in mining and consequent inability to operate a project satisfactorily, the examining engineer recommends denial of the loan application.

I concur with his recommendation.

Also enclosed is the brochure furnished by the Region IV Field Team with instructions to make a field examination.

W. M. Traver

W. M. Traver

enclosures

cc 8
DMA 1699X
DMEA Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

November 7, 1952

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 1699X, Gold Nugget No. 1 and 2, La Plata County, Colorado.

Attached are 8 copies of the geological report by E. N. Harshman covering DMA Docket 1699X, Gold Nugget No. 1 and 2, La Plata County, Colorado.

The applicant proposes to explore a quartz vein, containing sparse copper sulfides, by a 100-foot shaft and a 200-foot drift at an estimated cost of $12,000.

Low grade copper mineralization occurs along pegmatitic quartz veins and along the hanging wall of a granite porphyry dike in the pre-Cambrian Vallecito conglomerate. Both primary and secondary copper sulfide minerals are present as scattered grains. Without exception the deposits are very low grade. The presence of secondary copper minerals in the shallow exploratory pits indicates that a zone of secondary enrichment exists at or near the surface and that at greater depth an even lower copper content can be expected. Harshman, therefore, recommends that an exploration loan be denied.

I concur in this recommendation.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 1699X, Thomas Conway

Gold Nugget Nos. 1 and 2 Claims

La Plata County, Colorado

Copper

E. N. Harshman, Geologist
Geological Survey

R. L. Bolmer, Mining Engineer
Bureau of Mines

February 24, 1953

DMEA 1699X

THOMAS CONWAY
GOLD NUGGET NOS. 1 AND 2 CLAIMS
LA PLATA COUNTY, COLORADO

Summary, Conclusions, and Recommendations

By E. N. Harshman
Geologist
Geological Survey

and

R. L. Bolmer
Mining Engineer
Bureau of Mines

DMEA 1699X

THOMAS CONWAY
GOLD NUGGET NOS. 1 AND 2 CLAIMS
LA PLATA COUNTY, COLORADO

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By E. N. Harshman and R. L. Bolmer

It is recommended that the application by Thomas Conway, of Durango, Colo., for governmental assistance in a $12,000.00 copper exploration program at the Gold Nugget Nos. 1 and 2 claims, Needle Mountain District, La Plata County, Colo., (DMA 1699X) be denied.

It is concluded from an examination of the property and from conversation with the applicant that exploration of the property for copper is not feasible due to (1) the low grade and geological nature of the copper occurrence, (2) the isolation and inaccessibility of the property, (3) the fact that the applicant is unable to finance 50 percent of the exploration cost, and (4) the apparent inability of the applicant because of inexperience to operate an exploration project in a satisfactory manner.

GOLD NUGGET NO. 1 AND 2

LA PLATA COUNTY, COLORADO

DMA DOCKET 1699X

Geologic Report

By E. N. Harshman
U. S. Geological Survey

GOLD NUGGET NO. 1 AND 2
LA PLATA COUNTY, COLORADO

INTRODUCTION

Mr. Thomas Conway, P. O. Box 311, Durango, Colorado, has applied for government assistance to explore for copper on the unpatented Gold Nugget No. 1 and 2 lode mining claims, Needle Mountain Mining District, La Plata County, Colorado. The claims, owned by the applicant, are located about 22 miles (airline) northeast of Durango, Colorado, in T. 37 N., R. 6 W., New Mexico Principal Meridian.

The applicant proposes to explore a quartz vein, containing sparse copper sulfides, by a 200 foot drift and a 100 foot shaft. His estimated cost of the project is $12,000.

From the end of a Forest Service road, about 12 miles north of Vallecito Dam, the property is reached by 4 miles of trail, 3½ miles of which is well graded and maintained by the Forest Service.

The property was examined on October 7, 1952, in company with R. L. Bolmer, U. S. Bureau of Mines; Thomas Conway, the applicant; and J. C. MacLachlan, U. S. Geological Survey.

It is concluded that exploration on the claims will not lead to the discovery of copper deposits of minable grade and denial of the application is recommended.

GEOLOGY

The claims are underlain by the pre-Cambrian Vallecito conglomerate. This rock is metamorphosed, indurated, and sheared. It is composed of

small, well rounded, quartz, schist, and quartzite pebbles in a fine grained sandy matrix. Although somewhat contorted, the general strike of the formation is northeast and the dip is southeast. Cross and Howe (1905) estimated the thickness of the conglomerate to be at least 2000 feet.

The sediments have been intruded by dikes of a fine-grained, porphyritic, light colored rock, megascopically classified as a granite-porphyry. The dikes range in width from a few inches to at least 50 feet; those observed in the area transect the bedding in the Vallecito conglomerate.

Low grade copper mineralization occurs along pegmatitic quartz veins and along the contact between a granite-porphyry dike and the Vallecito conglomerate.

The vein deposit, which the applicant proposes to explore, outcrops on the steep east wall of the Vallecito Creek canyon, at an elevation of about 9000 feet (500 feet above the river). It crops out over a slope distance of several hundred feet and a vertical interval of about 50 feet. Exploration by a small open cut has exposed the vein to a depth of 8 feet below the surface. At this point it is 4 to 5 feet wide, strikes N. 45° E., and dips 65° N. The hanging wall of the vein is a very definite sharp contact, but the foot wall is irregular. It is possible that the deposit may be more closely related to a pegmatite than to a true fissure vein.

Both primary and secondary copper sulfide minerals are present as scattered grains, somewhat concentrated in bands near the hanging and foot walls of the vein. Pyrite and chalcopyrite were the only primary sulfide minerals recognized in the exposure. Secondary copper minerals are covellite and bornite. Malachite staining occurs along many of the joints.

A selected sample of the highest grade part of the vein, representing less than 25% of the total width, was assayed by the U. S. Bureau of Mines. The results of those assays follow:

	% Cu	oz. Au
Selected sample of highest grade streaks - total width about 1 foot	0.42	0.03

About the turn of the century, the contact deposit was developed by a 200 foot drift, a 40 to 50 foot winze, and several short adits and shallow pits, all located on the hanging wall contact of a 50 foot wide granite-porphyry dike and the Vallecito conglomerate. A zone of weak silicification, 6 inches to 12 inches wide, and containing pyrite, chalcopyrite, bornite, covellite, gold, and an insignificant amount of sheelite is exposed. Little or no alteration of either the dike rock or the conglomerate was noted in any of the exposures. Post mineral faulting has offset the contact deposit but displacements are small (fig. 2).

U. S. Bureau of Mines assays of one sample cut across this mineralized zone follow:

	% Cu	oz. Au
Contact deposit - across 10 inches of silicified dike rock	0.25	0.75

No exploration on the contact deposit is proposed in the application for exploration assistance. It was examined, and a brief description is included in this report, because of its bearing on mineral deposition in the area. It is probable that the applicant will request exploration assistance on the contact deposit.

CONCLUSIONS AND RECOMMENDATIONS

Sulfide minerals, gold, and quartz have been deposited along fracture zones in conglomerate and along the hanging wall side of a granite-porphyry

dike. Without exception the deposits are very low grade and even with careful hand sorting, none of the material can be mined at a profit.

The presence of bornite and covellite in the shallow exploratory pits indicates that a zone of secondary enrichment exists at or near the surface and that at greater depth an even lower copper content can be expected.

It is recommended that the application for exploration assistance, DMA Docket 1699X, be denied.

REFERENCE

Cross, Whitman; Howe, Ernest; Irving, J. D.; and Emmons, W. H.; Needle Mountains, Colorado, U. S. Geological Survey, Folio 131, 1905.

DEPARTMENT OF INTERIOR
UNITED STATES GEOLOGICAL SURVEY

DMA 1699X

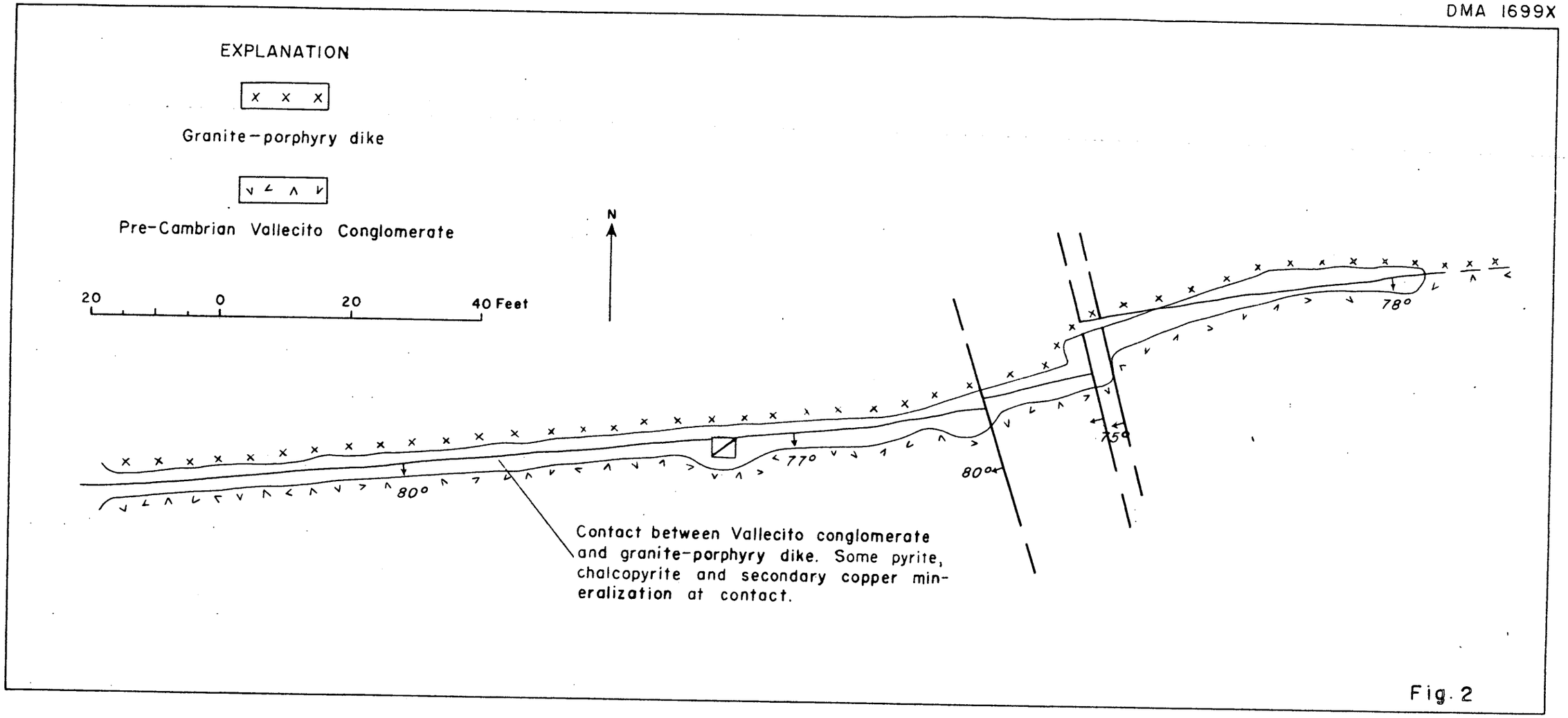

Fig. 2

E.N. Harshman Oct. 1952

GEOLOGIC PLAN, GOLD NUGGET NO.2 ADIT, LA PLATA COUNTY, COLORADO

DMEA 1699X

THOMAS CONWAY
GOLD NUGGET NOS. 1 AND 2 CLAIMS
LA PLATA COUNTY, COLORADO

Engineering Report

By R. L. Bolmer
Mining Engineer
Bureau of Mines

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 24, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: R. L. Bolmer

Subject: DMA 1699X (Copper), Gold Nugget Nos. 1 and 2 claims, Thomas Conway, La Plata County, Colorado

Introduction

Thomas Conway, P. O. Box 311, Durango, Colo., made application May 21, 1951, for governmental assistance to explore for copper his unpatented Gold Nugget Nos. 1 and 2 claims in the Needle Mountain District, La Plata County, Colo. Conway proposed to explore a copper-bearing vein by 200 feet of tunnel and 100 feet of shaft at an estimated cost of $12,000.00. The application, DMA 1699X, was referred to the Region IV Field Team for examination, October 17, 1951. Because of snow conditions, the property was inaccessible at that time. The applicant was contacted May 17, 1952, but stated that before proceeding with the application for assistance he wished to do some additional work at the property at his own expense. Conway was contacted again September 9, 1952; he indicated a desire to proceed with his application. The property was examined October 7, 1952, with Conway and with E. N. Harshman and J. C. MacLachlan, of the Geological Survey.

As a result of the examination and from conversation with the applicant, it was concluded that exploration of the property for copper was not feasible due to (1) the low grade and the geological nature of the copper occurrence, (2) the isolation and inaccessibility of the property, (3) the inability of the applicant to finance 50 percent of the exploration cost, and (4) the applicant's apparent inexperience and lack of knowledge necessary to operate an exploration project satisfactorily.

Location

The Gold Nugget claims are in T. 37 N., R. 6 W., New Mexico principal meridan, La Plata County, Colo., a rugged wilderness area of the San Juan National Forest north of Vallecito Reservoir (fig. 1). Vallecito Reservoir is accessible from Durango through Bayfield, via Colorado State Highway 284. The property is accessible by a 4-mile trail up Vallecito Creek, commencing from the end of a Forest Service road several miles north of Vallecito Dam. The claims are at an altitude of 9,000 feet on the steep slope of Vallecito Canyon, about 1/4 mile east of the trail.

Description of Deposit

The vein that the applicant proposes to explore crops out for several hundred feet up the steep canyon slope. The single small cut he has opened exposes a 4- to 5-foot quartz vein dipping

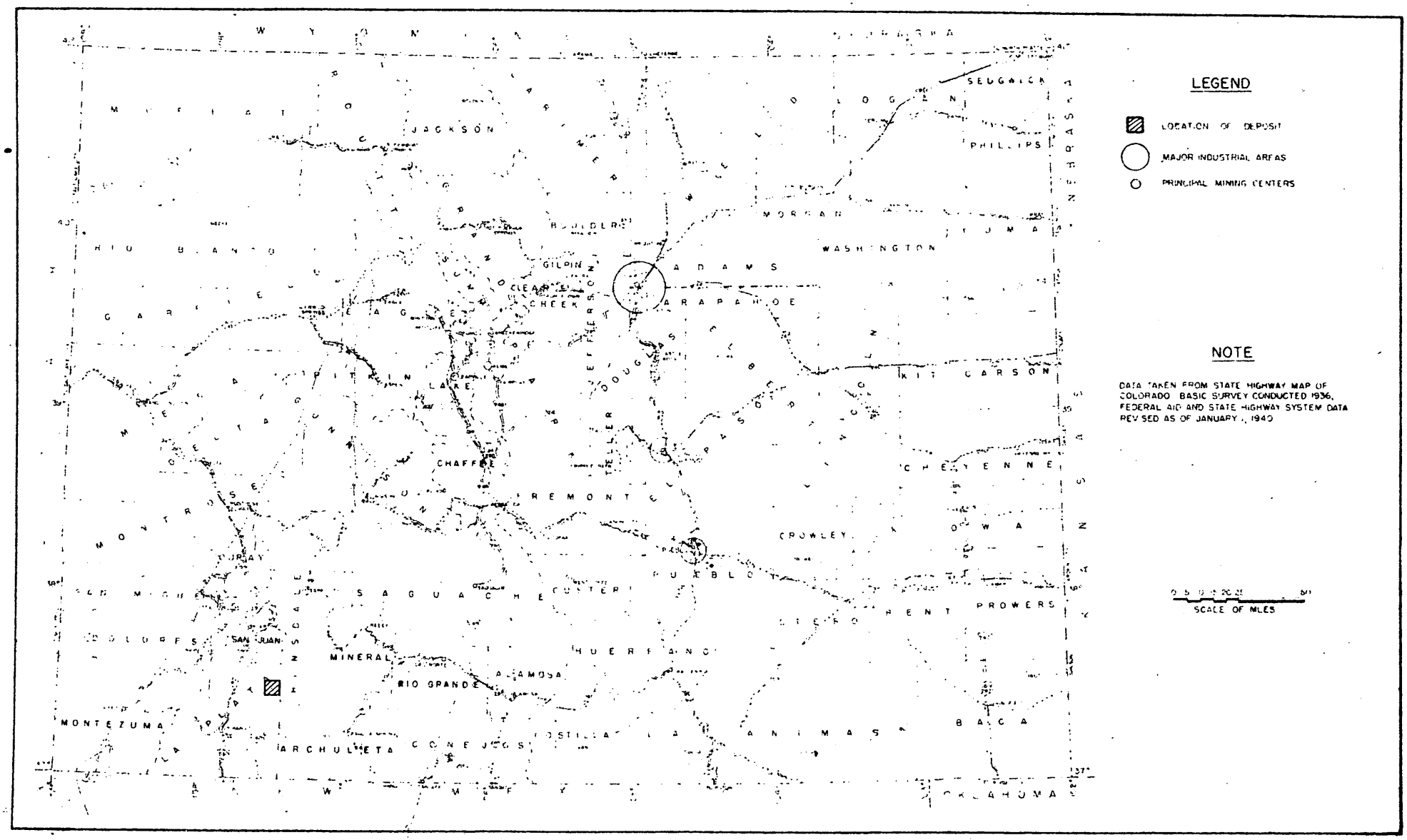

Fig. 1 - LOCATION MAP, GOLD NUGGET NO. 1 AND 2 CLAIMS, NEEDLE MT. DISTRICT, LA PLATA CO., COLO. — DMA 1699X

steeply in the Vallecito conglomerate. For the most part, the vein quartz is barren of mineralization but near the hanging wall contact does contain small scattered grains of pyrite, chalcopyrite, bornite, and covellite. The copper mineralization appears more extensive due to copper staining along tight vein fractures. A chip sample, taken of the stained and mineralized spots occurring over the vein area in the cut, assayed 0.42 percent copper. The vein over widths of 4 to 5 feet probably would average not more than one-fourth as much in copper.

Facilities

The property includes a good, livable cabin. The only mining equipment evident at the property, other than small hand tools, was a Foster and Hosler "Granite" 6-inch by 6-inch compressor, powered by a Ford Model "A" engine. Neither the compressor nor the engine appeared to be in operating condition. The outcrop is about 500 feet above Vallecito Creek, the nearest water source for mining purposes. The trail from the creek to the claims is unimproved and traverses heavy timber and underbrush.

At his home in Durango, the applicant has an old model jackhammer and an Oro Line Model G 2-cylinder compressor without engine. It is guessed that the capacity of both the applicant's compressors would be required to operate one jackhammer efficiently. The second compressor would have to be disassembled and transported to the property by pack animal, as would other necessary operating equipment and supplies.

Conclusions and Recommendations

The copper occurrence on the applicant's property is too low-grade to be commercial and there is no indication that the grade would improve through exploration laterally or with depth. Even if higher grade copper could be anticipated, the isolation of the property from highways, supply centers, copper mills, and smelters would be sufficient reason for not considering an exploration project. An exploration program probably could be undertaken at high cost and unusual difficulties, but only copper concentrates in limited quantities could be taken from the property by pack animal should a discovery be made. The property has no milling facilities and, even if permission for road construction could be obtained, the terrain is so rugged as to make the cost prohibitive.

The applicant is a laborer for the Denver and Rio Grand Western Railroad in Durango. His income, at best, is only moderate. He intends to finance one-half of the proposed program by his labor on the project. He has no apparent assets other than a modest home in Durango, an old model automobile, the two claims with the improvements described, and the mining equipment mentioned. His current monthly income would cease while working on the project. He did not indicate how his family would be supported during the duration of the project. It is evident that the applicant cannot finance satisfactorily 50 percent of an exploration program of any amount. There, also, is some doubt as to the applicant's experience at mining. It is questionable whether he is qualified to manage an exploration project and carry it to a successful conclusion.

It is recommended that the application for exploration assistance be denied.

R. L. Bolmer
Mining Engineer

RLB/cb

cc 8

Mining Division
Region IV

March 4, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMA Docket 16992, (Copper) Thomas Conway, Gold Nugget Claims, La Plata County, Colorado.

Enclosed are eight copies of the final engineering report on the subject docket.

The examining engineer recommends denial of the application because of the low grade of the copper deposit, the isolation, the inability of the applicant to finance his share of the exploration costs, and the inexperience of the applicant.

We concur in this recommendation.

W. H. King
W. H. King

Enclosures

HMConnor:cwm

cc: A. H. Koschmann (2)
Subject
Chron.

224 New Customhouse
Denver 2, Colorado

March 4, 1953.

Re: DMA Docket 1699X

Mr. Thomas Conway
P. O. Box 311
Durango, Colorado

Dear Mr. Conway:

Reference is made to your application for Government aid on the Gold Nugget claims.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding material of acceptable grade, and in quantities that will significantly improve the mineral supply position for the National Defense Program.

A careful study of your property and data available to this agency, reveals that the probability of disclosing mineable reserves of copper by your proposed exploration program is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

W. H. King

W. H. King
Field Team, Region IV

W.H.K.

A. H. Koschmann

A. H. Koschmann
Field Team, Region IV

HMC:cwm

cc: Administrator (DMEA)
WMTraver
Subject
Chron.
Koschmann (2)

224 New Customhouse
Denver 2, Colorado

March 4, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMA Docket 1699X, (Copper) Thomas Conway, Gold Nugget Claims, La Plata County, Colorado.

Enclosed are four copies of the final report on the subject docket, two copies of Form 3b and a copy of the letter of denial to the applicant.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

WHK

Enclosures

HMC:cwm

cc: WMTraver w/copy of final report
AHKoschmann w/copy of final report
Mining Division w/copy of final report
DMA Final Report
Subject
Chron.
Koschmann (2)

DMEA Form 3b
(Revised)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTROLLED DOCUMENT
Revised Abstract

DMA ~~DMEA~~ Docket No. 1699X

Name of Applicant Thomas Conway

Change:	From		To		
	III 1	☐	III 1	☐	
	III 2	☐	III 2	☒	2-27-53
	III 3	☐	III 3	☐	
	III 4	☒	III 4	☐	
	III 5	☐	III 5	☐	
			III 6	☐	
			III 7	☐	

Add:

II 7 $ 12,000.00

II 8 $ None

II 8a % _____

II 9 $ _____

Remarks:

Initials of person preparing sheet HMC

Date sheet prepared 2-27-53

33978

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 25, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMS 1699X (Copper), Gold Nugget Nos. 1 and 2 claims, Thomas Conway, La Plata County, Colorado

Please find enclosed the original and eight copies of the "Summary, Conclusions, and Recommendations", by E. E. Harshman and R. L. Bolmer, and Bolmer's memorandum report on the engineering phase of the loan request.

The report has been abbreviated for obvious reasons.

In view of the low grade of the Gold Nugget copper deposit, its isolation, the small likelihood of the applicant's being able to finance his share of the exploration cost, and his inexperience in mining and consequent inability to operate a project satisfactorily, the examining engineer recommends denial of the loan application.

I concur with his recommendation.

Also enclosed is the brochure furnished by the Region IV Field Team with instructions to make a field examination.

W. M. Traver

W. M. Traver

enclosures

cc 3
DMS 1699X
DMS Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 1699X, Thomas Conway

Gold Nugget Nos. 1 and 2 Claims

La Plata County, Colorado

Copper

E. N. Harshman, Geologist
Geological Survey

R. L. Bolmer, Mining Engineer
Bureau of Mines

February 24, 1953

DMEA 1699X

THOMAS CONWAY
GOLD NUGGET NOS. 1 AND 2 CLAIMS
LA PLATA COUNTY, COLORADO

Summary, Conclusions, and Recommendations

By E. N. Harshman
Geologist
Geological Survey

and

R. L. Bolmer
Mining Engineer
Bureau of Mines

DMEA 1699X

THOMAS CONWAY
GOLD NUGGET NOS. 1 AND 2 CLAIMS
LA PLATA COUNTY, COLORADO

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By E. N. Harshman and R. L. Bolmer

It is recommended that the application by Thomas Conway, of Durango, Colo., for governmental assistance in a $12,000.00 copper exploration program at the Gold Nugget Nos. 1 and 2 claims, Needle Mountain District, La Plata County, Colo., (DMA 1699X) be denied.

It is concluded from an examination of the property and from conversation with the applicant that exploration of the property for copper is not feasible due to (1) the low grade and geological nature of the copper occurrence, (2) the isolation and inaccessibility of the property, (3) the fact that the applicant is unable to finance 50 percent of the exploration cost, and (4) the apparent inability of the applicant because of inexperience to operate an exploration project in a satisfactory manner.

DMEA 1699X

THOMAS CONWAY
GOLD NUGGET NOS. 1 AND 2 CLAIMS
LA PLATA COUNTY, COLORADO

Engineering Report

By R. L. Polmer
Mining Engineer
Bureau of Mines

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 24, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: R. L. Bolmer

Subject: DMA 1699X (Copper), Gold Nugget Nos. 1 and 2 claims, Thomas Conway, La Plata County, Colorado

Introduction

Thomas Conway, P. O. Box 311, Durango, Colo., made application May 21, 1951, for governmental assistance to explore for copper his unpatented Gold Nugget Nos. 1 and 2 claims in the Needle Mountain District, La Plata County, Colo. Conway proposed to explore a copper-bearing vein by 200 feet of tunnel and 100 feet of shaft at an estimated cost of $12,000.00. The application, DMA 1699X, was referred to the Region IV Field Team for examination, October 17, 1951. Because of snow conditions, the property was inaccessible at that time. The applicant was contacted May 17, 1952, but stated that before proceeding with the application for assistance he wished to do some additional work at the property at his own expense. Conway was contacted again September 9, 1952; he indicated a desire to proceed with his application. The property was examined October 7, 1952, with Conway and with E. N. Harshman and J. C. MacLachlan, of the Geological Survey.

As a result of the examination and from conversation with the applicant, it was concluded that exploration of the property for copper was not feasible due to (1) the low grade and the geological nature of the copper occurrence, (2) the isolation and inaccessibility of the property, (3) the inability of the applicant to finance 50 percent of the exploration cost, and (4) the applicant's apparent inexperience and lack of knowledge necessary to operate an exploration project satisfactorily.

Location

The Gold Nugget claims are in T. 37 N., R. 6 W., New Mexico principal meridan, La Plata County, Colo., a rugged wilderness area of the San Juan National Forest north of Vallecito Reservoir (fig. 1). Vallecito Reservoir is accessible from Durango through Bayfield, via Colorado State Highway 234. The property is accessible by a 4-mile trail up Vallecito Creek, commencing from the end of a Forest Service road several miles north of Vallecito Dam. The claims are at an altitude of 9,000 feet on the steep slope of Vallecito Canyon, about 1/4 mile east of the trail.

Description of Deposit

The vein that the applicant proposes to explore crops out for several hundred feet up the steep canyon slope. The single small cut he has opened exposes a 4- to 5-foot quartz vein dipping

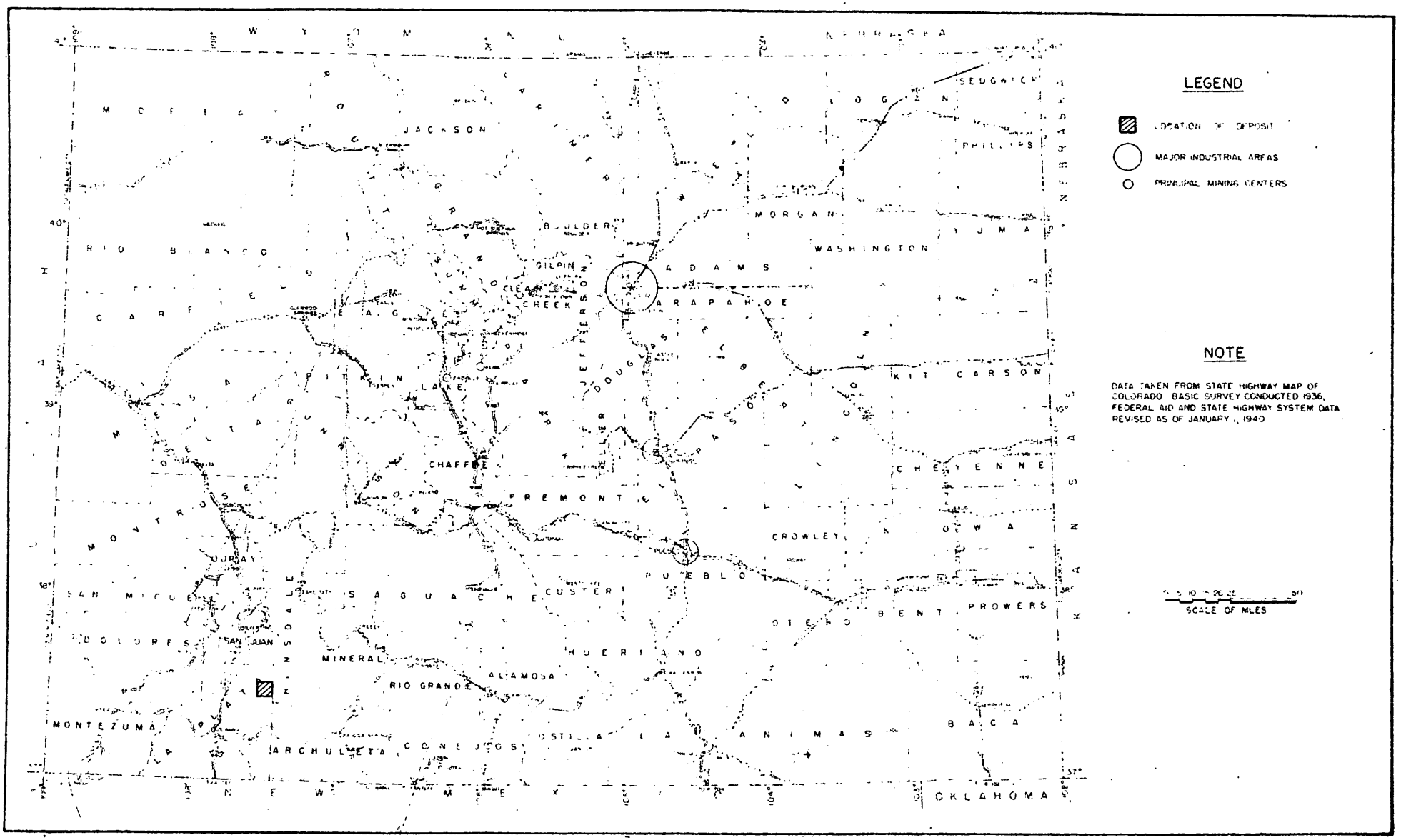

Fig. 1 - LOCATION MAP, GOLD NUGGET NO. 1 AND 2 CLAIMS, NEEDLE MT. DISTRICT, LA PLATA CO., COLO. — DMA 1699X

steeply in the Vallecito conglomerate. For the most part, the vein quartz is barren of mineralization but near the hanging wall contact does contain small scattered grains of pyrite, chalcopyrite, bornite, and covellite. The copper mineralization appears more extensive due to copper staining along tight vein fractures. A chip sample, taken of the stained and mineralized spots occurring over the vein area in the cut, assayed 0.42 percent copper. The vein over widths of 4 to 5 feet probably would average not more than one-fourth as much in copper.

Facilities

The property includes a good, livable cabin. The only mining equipment evident at the property, other than small hand tools, was a Foster and Hosler "Granite" 6-inch by 6-inch compressor, powered by a Ford Model "A" engine. Neither the compressor nor the engine appeared to be in operating condition. The outcrop is about 500 feet above Vallecito Creek, the nearest water source for mining purposes. The trail from the creek to the claims is unimproved and traverses heavy timber and underbrush.

At his home in Durango, the applicant has an old model jackhammer and an Oro Line Model O 2-cylinder compressor without engine. It is guessed that the capacity of both the applicant's compressors would be required to operate one jackhammer efficiently. The second compressor would have to be disassembled and transported to the property by pack animal, as would other necessary operating equipment and supplies.

Conclusions and Recommendations

The copper occurrence on the applicant's property is too low-grade to be commercial and there is no indication that the grade would improve through exploration laterally or with depth. Even if higher grade copper could be anticipated, the isolation of the property from highways, supply centers, copper mills, and smelters would be sufficient reason for not considering an exploration project. An exploration program probably could be undertaken at high cost and unusual difficulties, but only copper concentrates in limited quantities could be taken from the property by pack animal should a discovery be made. The property has no milling facilities and, even if permission for road construction could be obtained, the terrain is so rugged as to make the cost prohibitive.

The applicant is a laborer for the Denver and Rio Grand Western Railroad in Durango. His income, at best, is only moderate. He intends to finance one-half of the proposed program by his labor on the project. He has no apparent assets other than a modest home in Durango, an old model automobile, the two claims with the improvements described, and the mining equipment mentioned. His current monthly income would cease while working on the project. He did not indicate how his family would be supported during the duration of the project. It is evident that the applicant cannot finance satisfactorily 50 percent of an exploration program of any amount. There, also, is some doubt as to the applicant's experience at mining. It is questionable whether he is qualified to manage an exploration project and carry it to a successful conclusion.

6-303
(March 1947)

cc: Wm. H. King
W. M. Traver, Jr.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Salt Lake City, Utah

No. 2

1699X

Report to Mr. R. L. Bolmer

Chemical Laboratory Report

Date received Oct. 14, 1952

Date reported Oct. 20, 1952

Serial No.	DESCRIPTION	No.	Au	Cu
	Gold Nugget Nos. 1 and 2 claims, Needle Mountain District, La Plata County, Colorado - DMA 1699X			
6548	Quartz vein	1	0.03	0.42
49	H W D KF	2	0.75	0.25

Bureau Of Mines
Denver Colorado
OCT 2 1952
Mining Division
Date Rec'd

U. S. GOVERNMENT PRINTING OFFICE 16—33553-3

Signed H. G. Peterson

Colorado Branch

Date Rec'd
SEP 2
BUREAU OF
Denver, Colorado

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

DIST. ENGR.	
EXAMINATION	
DIST. CLERK	
PERSONNEL	
FILES	

OFFICE
REGION IV
OCT 22 1951
BUREAU OF MINES
DENVER, COLORADO

OCT 17 1951

Mr. Thomas Conway
Post Office Box 311
Durango, Colorado

Re: Docket No. DMA-1699X

Dear Mr. Conway:

This is to inform you that your application for exploration aid, Docket DMA-1699X has been referred to the Regional office at 224 New Customhouse Building, Denver 2, Colorado. You may expect a representative of the DMA Field Team to call on you in the near future to discuss your application.

Very truly yours,

Tom Lyon, Director,
Supply Division

JBGowen:ex
10/12/51
Copy to: Administrator's Reading File
Executive Officer, Region IV, Mr. J. H. East, Jr. 224 New Customhouse
Denver 2, Colorado
D.MacLaren
J.B.Gowen
C.H.Johnson
Files - DMA Docket

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6/19/51

REFERRED TO:

1. Damen
2.
3. Rec. 6/20/51
4.

FOR:

✓ Action	Recommendation
Approval	Record of
Comment	Referring to
Conference	Reply for signature of
Consideration	Rewriting
Filing	Signature
Instructions	Suggestions
Investigation	Your information
Initials	
Mailing	
Previous correspondence	

REMARKS:

Check (X) before the items needing attention.

LANDON F. STROBEL

Initials of sender.

GPO 16—63815-1

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-1699X

Date received 6/18/51

Participation

No MT Ld earth Rights

Thomas Conway
Post Office Box 311
Durango, Colorado.

Name and address of applicant

Date May 21, 1951

FILL IN THIS BLOCK

Date of application May 21, 1951

Estimated cost $ 12,000.00

Mineral or metal Copper

Percentage of Government participation 50 Per cent

Location of mine near Vallecito River, approximately 12 miles on up the Vallecito River above the Vallecito Reservoir, in northeastern part of La Plata County, in the State of Colorado.

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Statement attached.

*5. Are you the owner or the lessee of the property? Owner of property. Unpatented claims.

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. No liens against claims.

7. If lessee, attach a copy of the lease and state if it is in good standing. Owner by virtue of Location Certificate.

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. Attached.

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)? $ 200.00. Not sufficient to pay his part of costs.

*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. Attached.

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

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. Attached.

*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. Attached.

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

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

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

*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: Not in production.

	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.) No mineral reserves blocked out at all.

(*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? Copper.

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

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. 2 miners at $1.50 per hour

(*b*) Supervisors, by numbers and positions, with salaries of each. None

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings. Roof repairs $100.00

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. $ 500.00

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. None so far as is now known.

(*f*) Cost of rental for equipment which the operator proposes to rent. None.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work. $ 16.00 per day.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each. Steel and powder $2000.00

(*i*) Cost of power, water, utilities, and any other items not provided for above. Gas and oil $ 500.00

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. Property to be worked continuously by applicant and another miner until tunnel and shaft are completed if at all possible.

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.

May 21, 1951 (Name of company)

By Thomas Conway (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.

*Same as footnote on page 1.

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

Thomas Conway
Post Office Box 311
Durango, Colorado

4. Applicant has had approximately three years of experience working in quartz mines and approximately one month as actual miner in coal mine. Applicant plans to obtain the services of an experienced hard rock miner to work with applicant on the property. Apllicant plans to manage the mine with the advise and suggestions of the miner to be employed.

8. Financial Statement-- Assets

House and 4 lots owned jointly with wife--Ida Conway located at 640 East 31st Street, Durango, Colorado	$ 4,000.00
Automobile	300.00
Mining Equipment	400.00
Cash for qdditional euipqment	200.00
Wages due from D. and R. G. RR	140.00
Improvements on mining claims	1,500.00
Total assets	$ 6,540.00

Liabilities

Balance owed on house	$ 875.00
Notes payable-- Burns National Bank of Durango	75.00
Misellaneous accounts payable	100.00
Total Liabilities	$ 1,050.00
Net Worth	$ 5,490.00

10. The Gold Nugget No. 1 Lode Mining Claim, located in the Needle Mountain Mining District, the location certificate for which is recorded under reception number 199926 of La Plata County, Colorado, records, and was filed for record December 4, 1948, and recorded in Book 246 at Page 142 of La Plata County reords.

The Gold Nugget No. 2 Lode Mining Claim, located in the Needle Mountain Mining District, the location certificate for which is recorded under reception number 199925 of La Plata County, Colorado, records, and was filed for record December 4, 1948, and recorded in Book 246 at Page 141 of La Plata County records.

11. Present names are: Gold Nugget No. 1 and Gold Nugget No. 2 Lode Mining claims, anf were formerly known as the Bobby Group of claims numbered 1 to 6 inclusive.

12. The properties are located approximately four miles from the U. S. Forest Service road, however the Forest Service is building a first class trail about 500 feet from the cabin on the claims. Approximately 2½ miles thence along the Forest Service road to Colorado Highway 219, thence approximately 28 miles to the City of Durango over Colorado Highway 219.

14. There is a cabin located on the property for living quarters, adequate fuel and drilling equipment to be transported to the property.

15. There is copper smelter located at Salt Lake City, Utah, to which the ore may be shipped either by rail or truck from Durango, Colorado, where the ore may be smelted and the copper obtained.

Thomas Conway
Post Office Box 311
Durango, Colorado.

16. Little past history is known or available as to these properties however good commercial roes have been shipped from properties about two miles north and five miles east from this property.

No available production records from past operations. An assay taken August 24, 1949, of surface rock showed 1.25 per cent of copper (wet) and on September 19, 1949 an assay made of surface rock showed .38 per cent copper (wet) while a second assay taken the same day of surface rock showed 2.25 per cent copper (wet).

21. Propose to drive a tunnel approximately 200 feet on the vein and to sink a shaft approximately 100 feet in depth. The work is estimated to take approximately one year.

22. Several geologists have in the past examined this property and have appraised it as having good possibilities, however none has ever made a written report upon this area. The U. S. Geololical Survey is reported to have made an inspection of the area and to have reported that the area had good possibilities, however nor copy of any such report seems to be available to applicant.

200' x $30 = 6000
100' x $60 = 6000
$ 12000.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

~~WESTERN REGION~~

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado

October 10, 1952

Memorandum

To: Chief, Metallurgical Division, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: Sample shipment

We are shipping to you today via insured parcel post one sack containing two ore samples taken from the Gold Nugget No. 1 and 2 claims, Needle Mountain District, La Plata County, Colorado. Form 7353, in triplicate, indicating the assays desired is enclosed.

Inasmuch as these are DMEA samples, your usual prompt attention will be appreciated.

W. M. Traver, Jr.

Enclosures

dd/baw

cc 1
WHKing-2
DMA 1699X
DMEA General
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

XXXXXXXXXXXXXXXX

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado

October 10, 1952

Mining Division
Denver

OCT 1 1952

BUREAU OF MINES
Denver, Colorado

Memorandum

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From: Chief, Colorado Branch, Mining Division, Region IV

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W. M. Traver, Jr.

Enclosures

dd/baw

cc 1
WHKing-2
DMA 1699X
DMEA General
DMEA Chron.

224 New Customhouse
Denver 2, Colorado

September 23, 1952

Memorandum

To: W. M. Traver, Jr.

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA 1699X, Thomas Conway

Enclosed are two copies of a letter dated September 19, 1952, from Thomas Conway stating that the property may be inspected at any time.

W. H. King

W. H. King

Enclosures

JFS:jp
cc Subject
Chron
AHKoschmann (2)

Durango Colo
Sept 19 1952

Mr W H King
Executive Officer
Field team Region IV
Docket No 1699X

Dear Sir

In reply to your letter of Sept 9 I am still interested in obtaining a loan

You may send a field man to inspect the Gold nugget Mining Claims any time

You may let me know when you will inspect the property by letter or by Phone my Phone number is 972W

Your Very truly
Thomas Conway
Box 311
Durango

Mining Division
Date Rec'd.
SEP 22 1952
BUREAU OF MINES
Denver, Colorado

1699X

Brochure sent Trovea

9-26-52

224 New Customhouse
Denver 2, Colorado

September 9, 1952

Mr. Thomas Conway
P. O. Box 311
Durango, Colorado

Re: DMA Docket 1699X

Dear Mr. Conway:

Please inform this office within the next 30 days as to what you plan regarding your request for exploration assistance under Docket No. DMA 1699X. Otherwise it will be assumed that you are no longer interested and the file will be closed.

Very truly yours,

W. H. King

W. H. King
Executive Officer
Field Team, Region IV

JFS:jp
cc Subject
Chron
Secretary to the Operating Committee (2)
WMTraver
AHKoschmann (2)

Mining Division
Date Rec'd.
AUG 25 1952
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
August 22, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMA 1699X (Copper), Thomas Conway, applicant; Gold Nugget No. 1 and 2 claims, La Plata County, Colorado

Attached are the original and one copy of S. W. Hazen, Jr.'s memorandum regarding the subject DMA application to keep you informed of its status.

I agree with Hazen that Conway should be given 30-day notice of cancellation unless he signifies his intention with regard to the application and advises when he wishes an examination made. As you know from previous memorandums, he virtually admits inability financially to participate.

W. M. Traver, Jr.

W. M. Traver, Jr.

Enclosures

WMT/bam

cc WHKing
DMA 1699X
Chron.

Letter sent 9-8-52

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
August 22, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Hazen, Jr.

Subject: DMA 1699X (Copper), Thomas Conway, applicant; Gold Nugget No. 1 and 2 claims, La Plata County, Colorado

R. D. Berkenkotter and Scott W. Hazen, Jr., attempted to contact Mr. Thomas Conway at his home in Durango, Colorado, on August 16, 1952, to discuss the subject examination request. Mr. Conway was not at home at the time and we were informed by his daughter that he was at the mine doing some work. I requested the daughter to tell her father to write to the Executive Officer of the Region IV DMEA Field Team and signify his intention either to notify the Field Team when an examination could be made or that he did not intend to continue with the work and desired to withdraw the application.

Conway was contacted in the fall of 1951 at which time it was too late to make an examination of the property because of winter weather, and he was again contacted on May 17, 1952. At that time Conway stated he desired to do some additional work on the property himself at his expense to determine if the copper content of the vein increased in depth. If it did not, he would do no further work and would withdraw his application. If the content did increase, and he wanted to continue with the work, he agreed to notify the Executive Officer of the Field Team to that effect and state when an examination could be made. Conway has not written or made any notification about an examination or a withdrawal. Due to the location of the property, examination must be made within the next two months, and the summer has progressed too far now to permit any work during 1952. It is suggested that Conway be notified that, unless he signifies within thirty days either to withdraw the application or to arrange for an examination, the application will be placed on inactive file.

Scott W Hazen Jr

Scott W. Hazen, Jr.,
Mining Engineer

SWH:dd
cc WHKing
DMEA 1699X, Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
August 22, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

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W. M. Traver, Jr.

W. M. Traver, Jr.

Enclosures

WMT/bam

cc WHKing
DMA 1699X
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
August 22, 1952

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To: Chief, Colorado Branch, Mining Division, Region IV

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Scott W. Hazen Jr.
Scott W. Hazen, Jr.,
Mining Engineer

SWH:dA
cc WHKing
DMEA 1699X, Chron.

224 New Customhouse
Denver 2, Colorado

February 19, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration

From: Field Team, Region IV

Subject: Docket DMEA 1304X, Shattuck Denn Mining Corporation, Kay Copper Mine, Yavapai County, Arizona, and Docket DMA 1699X, Thomas Conway, Durango, Colorado (Copper) Mining Claims in Laplata County. Your memorandum of February 12, 1952.

In accordance with the request contained in a letter dated November 14, 1951, from Mr. Thomas Bardon, President, Shattuck Denn Mining Company, DMA Docket 1304X, Kay Copper Mine, Yavapai County, Arizona, was placed in our inactive files. A copy of Mr. Bardon's letter is attached for your files.

Our Colorado field office was informed by telephone on October 30, 1951, by Mr. Thomas Conway that his property, Docket DMA 1699x, was inaccessible because of early snow at extremely high altitude. Mr. Conway also stated that he could not participate financially to the extent required by the application. He stated that he would inform Mr. Tom Lyons of the situation, but we have no information to indicate that he has done so.

The docket was placed in our inactive files pending further information or request by the applicant.

W. H. King
W. H. King, for J. H. East, Jr.

A. H. Koschmann
A. H. Koschmann

Enclosure

MHK:lk

-1699x

cc: Denbet, Conway, Koschmann

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
DENVER, COLORADO

Mining Division
Date Rec'd.
NOV 14 1951
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
November 13, 1951

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA-1699X, Thomas Conway, Gold Nugget Nos. 1 and 2, Copper Claims, La Plata County, Colorado

Reference is made to the several memorandums on the above docket, especially the one of November 1, 1951, from Regional Director East to C. O. Mittendorf.

Inasmuch as the last paragraph of Director East's memorandum states the application is to be placed in the inactive files by the Field Team it is believed better that the brochure be in their custody rather than ours. Accordingly, we are returning it herewith.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosure

224 New Customhouse
Denver 2, Colorado

November 1, 1951

Memorandum

To: C. O. Mittendorf

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Docket 1699X, Thomas Conway, Gold Nugget No. 1 & 2, Copper Claims, La Plata County, Colorado

It is impossible to make an examination of this application because this property is inaccessible due to snow conditions. Mr. Conway was contacted by telephone yesterday, and he has agreed to a postponement until the spring of 1952.

It is doubtful if the applicant will be able to furnish the finances for his share of the contract. We are placing the application in our inactive file. This letter is written for your records.

J. H. East, Jr.

JHE:oj
cc: WMTraver
PTAllsman
DMA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
DENVER, COLORADO

Region IV

Mining Division
Date Rec'd
OCT 31 1951

Building 20
Denver Federal Center
October 31, 1951

Memorandum BUREAU OF MINES
Denver, Colorado

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA-1699X, Thomas Conway, Gold Nugget Nos. 1 and 2 Copper Claims, La Plata County, Colorado

Anticipating from the location of the subject property that even at this early date it would be inaccessible due to snow conditions, the applicant, Thomas Conway, was contacted by telephone yesterday.

Conway advised that in his opinion a satisfactory examination could not be made before the spring of 1952 and agreed to postponement until that time.

He also stated that at present he is unable to raise but a small part of his share of the loan and by next spring he doubted if he would have more than $500.00 actual cash available. It is his understanding that he is allowed to furnish most of his share of the loan with labor and equipment. It developed he has very little of the latter.

His past correspondence has been with Tom Lyon, Director, Supply Division, in Washington, and he promised to write Mr. Lyon acknowledging and outlining our agreement regarding postponement of the examination and also advise him of his financial ability to participate in the loan.

The docket will be placed in the Colorado Branch inactive file pending further instructions from the Field Team.

pt W. M. Traver, Jr.
W. M. Traver, Jr.

WMT pt
gss

WMT/amh

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining
Date Rec'd.
OCT 31 1951
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
October 31, 1951

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA-1699X, Thomas Conway, Gold Nugget Nos. 1 and 2 Copper Claims, La Plata County, Colorado

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W. M. Traver, Jr.

W. M. Traver, Jr.

cc: PTAllsman (3)
AHKoschmann
DMA 1699X
DMA Chron.

WMT/amh

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Div.
Date Rec'd
OCT 31 1951
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
October 31, 1951

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

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W. M. Traver, Jr.
W. M. Traver, Jr.

cc PTAllsman (3)
AHKoschmann
DMA 1699X
DMA Chron.

WMT/amh

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Date Rec'd.
OCT 31 1951
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
October 31, 1951

Memorandum

To: Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division

Subject: DMA-1699X, Thomas Conway, Gold Nugget Nos. 1 and 2 Copper Claims, La Plata County, Colorado

Anticipating from the location of the subject property that even at this early date it would be inaccessible due to snow conditions, the applicant, Thomas Conway, was contacted by telephone yesterday.

Conway advised that in his opinion a satisfactory examination could not be made before the spring of 1952 and agreed to postponement until that time.

He also stated that at present he is unable to raise but a small part of his share of the loan and by next spring he doubted if he would have more than $500.00 actual cash available. It is his understanding that he is allowed to furnish most of his share of the loan with labor and equipment. It developed he has very little of the latter.

His past correspondence has been with Tom Lyon, Director, Supply Division, in Washington, and he promised to write Mr. Lyon acknowledging and outlining our agreement regarding postponement of the examination and also advise him of his financial ability to participate in the loan.

The docket will be placed in the Colorado Branch inactive file pending further instructions from the Field Team.

W. M. Traver, Jr.

W. M. Traver, Jr.

cc PTAllsman (3)
AHKoschmann
DMA 1699X
DMA Chron.

228 New Customhouse
Denver 2, Colorado

October 30, 1951

Mr. Thomas Conway
P. O. Box 311
Durango, Colorado

Dear Mr. Conway:

This will acknowledge your letter of October 25, 1951, regarding your application, DMA 1699X.

The information concerning the docket is at our Field Office and engineers from the U. S. Geological Survey and the Bureau of Mines may call you by telephone from Silverton during the latter part of next week. If after the telephone conversation, they consider it advisable to call you in Durango, they will make the necessary arrangements.

Yours very truly,

r. T. Allsman, for
J. H. East, Jr.
Executive Officer
DMA Field Team, Region IV

WHK:ld

cc: DMA docket, chron.
Kuschmann
Traver

Durango Colo
Oct 25 1951

Defense Minerals Administration
Regional office
224 new Customs Blg Denver 2 Colo

Dear Sir

I recieved a letter from the D.M.A. office at washington D.C. stating that a representative would call on me to discuss application Docket DMA 1699X
The D.M.A. Field representative will find me at "640 East 31 St" Durango Colo

very truly Yours
Thomas Conway
Box 311
Durango Colo

REGIONAL DIRECTOR'S OFFICE
REGION IV
OCT 29 1951
BUREAU OF MINES
DENVER, COLO.

224 New Customhouse
Denver 2, Colorado

October 25, 1951

Memorandum

To: A. H. Koschmann (with brochure)

(Through Chief, Mining Division, Region IV)

W. M. Traver (with brochure)

From: DMA Field Team, Region IV

Subject: DMA Docket 1699X, Thomas Conway, applicant, Gold Nugget No. 1 & 2, Copper Claims, La Plata County, Colorado

Enclosed herewith is application of the subject docket and a review by the Coordinating Committee for an exploration loan of $12,000.

The proposed work consists of driving a 200-foot adit on the vein and sinking a 100-foot shaft.

The geological probability of discovery, the feasibility of the project, and the ability of the applicant to furnish his share of the loan requires field investigation. Possibly an interview with the applicant will be sufficient.

J. H. East, Jr.

A. H. Koschmann

Enclosure

WDM:oj
cc: DMA subject and chron.
AHKoschmann

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

WASHINGTON 25, D. C.

October 25, 1951

Memorandum

To: A. H. Koschmann (with brochure)

(Through Chief, Mining Division, Region IV)

W. M. Traver (with brochure)

From: DMA Field Team, Region IV

Subject: DMA Docket 1699X, Thomas Conway, applicant, Gold Nugget No. 1 & 2, Copper Claims, La Plata County, Colorado

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J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Enclosure

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

REGIONAL DIRECTOR'S OFFICE REGION IV
OCT 22 1951
BUREAU OF MINES DENVER, COLORADO

OCT 17 1951

Mr. Thomas Conway
Post Office Box 311
Durango, Colorado

Re: Docket No. DMA-1699X

Dear Mr. Conway:

This is to inform you that your application for exploration aid, Docket DMA-1699X has been referred to the Regional office at 224 New Customhouse Building, Denver 2, Colorado. You may expect a representative of the DMA Field Team to call on you in the near future to discuss your application.

Very truly yours,

signed

Tom Lyon, Director,
Supply Division

JBGowen:ez
10/12/51
Copy to: Administrator's Reading File
Executive Officer, Region IV, Mr. J. H. East, Jr. 224 New Customhouse
Denver 2, Colorado
D.MacLaren
J.B.Gowen
C.H.Johnson
Files - DMA Docket

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

OCT 17 1951

~~Mr. Thomas Conway~~
~~Post Office Box 311~~
~~Durango, Colorado~~

Mr. J. H. East, Jr.
224 New Custom House Bldg.
Denver, Colorado

REGIONAL DIRECTOR'S OFFICE
REGION IV
OCT 22 1951
BUREAU OF MINES
DENVER, COLORADO

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. 1669X

Commodity Copper

Applicant Mr. Thomas Conway, Post Office Box 311, Durango, Colorado

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Tom Lyon

Chairman
Coordinating Committee

Lowell B. Moon
For the Bureau of Mines

Olaf P. Rose
For the Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 1699X

Commodity COPPER

Total Amount $12,000.00

Govt. Participation $6,000.00

1. Name and Address of Applicant THOMAS CONWAY
POST OFFICE BOX 311, DURANGO COLORADO

2. Location of Property NEEDLE MOUNTAIN MINING DISTRICT,
LA PLATA COUNTY, COLORADO

3. Mineral or metal COPPER Is it listed in Section 9 of MO-5? YES

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination ✓ (at least, contact Applicant)

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? YES OWNER
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? —

Does the lease have sufficient time to run to cover a future

productive period? —

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? —

b) MF-202 —

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower YES

b) Equipment and supplies YES
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* No

d) Water (question 13)* YES

e) Power (question 13)* YES

Is a field check needed on any of these points? YES - ROAD

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* No-but he is going to hire an experienced person.

Is a field check needed on this point? ~~No~~ Yes - "experienced" person to be hired.

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? NOT QUITE

If not, are there sufficient data given so that you can describe the project? YES If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? YES

If not, what part of it is? —

Is this part a worthwhile exploration project? —

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? YES Partially If so, attach a draft.

e) Are the cost estimates reasonable? YES

f) Should more information be requested from applicant? YES - Maps number of work days per week figures breakdown costs

g) Is a field examination necessary to complete Exhibit A? YES

11. Exhibit B (question 23-d)*

a) Is it applicable? YES

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? YES

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? e & f NOT g. IS

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? Don't know what the proposes to rent

d) Is a field check needed? YES

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed? Don't know number of days per week of work

c) Is the schedule excessive for the work proposed? SAME

d) Are the proposed wages and salaries reasonable? YES

e) Is a field check needed? YES - Number of days per week of work.

DMA-1699X

EXHIBIT A.

21. The applicant proposes to drive a tunnel approximately 200 feet on the vein and to sink a shaft approximately 100 feet in depth - One year.

LABOR - 2 MINERS @ $1.50/HR. ($24.00/day - how many days?)	
ROOF REPAIRS	100.00
STRUCTURE	500.00
RENTAL OF EQUIPMENT OWNED BY APPLICANT $16/DAY	
EQUIPMENT	2000.00
SUPPLIES	$ 500.00
	$ 3,100.00

23. d. INSTALLATION OR CONSTRUCTION	$500.00
e. NOT APPLICABLE	
f. NO APPLICABLE	
g. RENTAL OF EQUIPMENT OWNED BY APPLICANT @ $16/DAY (how many days?)	
h. STEEL & POWDER	$2000.00
i. GAS & OIL	500.00
a. LABOR - 2 MINERS @ $1.50/HR.	
b. NO SUPERVISORS	
C. ROOF REPAIRS	100.00
	$ 3,100.00

14. Exhibit E (question 23-c)*

a) Is it applicable? YES

b) Sufficient data? YES

c) Reasonable? YES

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Can't judge

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Check on Geology and feasibility of project. Work out a deal where the applicant can apply his labor towards his share of the aid since he does not have enough money. Have applicant clarify total labor and total rental cost estimates

Note: This is a case where an examination is not clearly justified, but it is doubtful that the applicant is capable of furnishing a good enough description of the project to enable us to decide. We therefore request that an engineer or geologist contact the applicant when in the Durango district and talk with him to decide whether whether an examination is justified.

Reviewed by: R. Wangh
D.H. Wachman
C.J. Hynes
J.R. Gowen

Date 10/11/51

INT.-DUP. SEC., WASH., D.C. 99009

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-1699X

Date received 6/18/51

Participation

N. Mt Weekly Report

Thomas Conway
Post Office Box 311
Durango, Colorado.

Name and address of applicant

Date May 21, 1951

FILL IN THIS BLOCK

Date of application May 21, 1951

Estimated cost $ 12,000.00

Mineral or metal Copper

Percentage of Government participation 50 Per cent

Location of mine near Vallecito River, approximately 12 miles on up the Vallecito River above the Vallecito Reservoir, in northeastern part of La Plata County, in the State of Colorado.

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Statement attached.

*5. Are you the owner or the lessee of the property? Owner of property. Unpatented claims.

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. No liens against claims.

7. If lessee, attach a copy of the lease and state if it is in good standing. Owner by virtue of Location Certificate.

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. Attached.

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)? $ 200.00. Not sufficient to pay his part of costs.

*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. **Attached.**

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

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. **Attached.**

*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. **Attached.**

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

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

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

*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: **Not in production.**

	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.) **No mineral reserves blocked out at all.**

(*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? **Copper.**

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

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. **2 miners at $1.50 per hour**

(*b*) Supervisors, by numbers and positions, with salaries of each. **None**

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings. **Roof repairs $100.00**

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. **$ 500.00**

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. **None so far as is now known.**

(*f*) Cost of rental for equipment which the operator proposes to rent. **None.**

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work. **$ 16.00 per day.**

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each. **Steel and powder $2000.00**

(*i*) Cost of power, water, utilities, and any other items not provided for above. **Gas and oil $ 500.00**

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. **Property to be worked continuously by applicant and another miner until tunnel and shaft are completed if at all possible.**

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.

May 21, 1951 (Name of company) By Thomas Conway (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.

*Same as footnote on page 1.

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

Thomas Conway
Post Office Box 311
Durango, Colorado

4. Applicant has had approximately three years of experience working in quartz mines and approximately one month as actual miner in coal mine. Applicant plans to obtain the services of an experienced hard rock miner to work with applicant on the property. Apllicant plans to manage the mine with the advise and suggestions of the miner to be employed.

8. Financial Statement-- Assets

House and 4 lots owned jointly with wife--Ida Conway located at 640 East 31st Street, Durango, Colorado	$ 4,000.00
Automobile	300.00
Mining Equipment	400.00
Cash for qdditional euipqment	200.00
Wages due from D. and R. G. RR	140.00
Improvements on mining claims	1,500.00
Total assets	$ 6,540.00

Liabilities

Balance owed on house	$ 875.00
Notes payable-- Burns National Bank of Durango	75.00
Miscellaneous accounts payable	100.00
Total Liabilities	$ 1,050.00
Net Worth	$ 5,490.00

10. The Gold Nugget No. 1 Lode Mining Claim, located in the Needle Mountain Mining District, the location certificate for which is recorded under reception number 199926 of La Plata County, Colorado, records, and was filed for record December 4, 1948, and recorded in Book 246 at Page 142 of La Plata County records.

The Gold Nugget No. 2 Lode Mining Claim, located in the Neelde Mountain Minin g District, the location certificate for which is recorded under reception number 199925 of La Plata County, Colorado, records, and was filed for record December 4, 1948, and recorded in Book 246 at Page 141 of La Plata County records.

11. Present names are: Gold Nugget No. 1 and Gold Nugget No. 2 Lode Mining claims, anf were formerly known as the Bobby Group of claims numbered 1 to 6 inclusive.

12. The properties are located approximately four miles from the U. S. Forest Service road, however the Forest Service is building a first class trail about 500 feet from the cabin on the claims. Approximately 2½ miles thence along the Forest Service road to Colorado Highway 219, thence approximately 28 miles to the City of Durango over Colorado Highway 219.

14. There is a cabin located on the property for living quarters, adequate fuel and drilling equipment to be transported to the property.

15. There is copper smelter located at Salt Lake City, Utah, to which the ore may be shipped either by rail or truck from Durango, Colorado, where the ore may be smelted and the copper obtained.

Thomas Conway
Post Office Box 311
Durango, Colorado.

16. Little past history is known or available as to these properties however good commercial rocs have been shipped from properties about two miles north and five miles east from this propeyy.

No available production records from past operations. An assay taken August 24, 1949, of surface rock showed 1.25 per cent of copper(wet) and on September 19, 1949 an assay made of surface rock showed .38 per cent copper(wet) while a second assay taken the same day of surface rock showed 2.25 per cent copper(wet).

21. Propose to drive a tunnel approximately 200 feet on the vein and to sink a shaft approximately 100 feet in depth. The work is estimated to take approximately one year.

22. Several geologists have in the past examined this property and have appraised it as having good possibilities, however none has ever made a written report upon this area. The U. S. Geolelical Survey is reported to have made an inspection of the area and to have reported that the area had good possibilities, however nor copy of any such report seems to be available to applicant.

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-1699X

Date received 6/18/51

Participation

Thomas Conway
Post Office Box 511
Durango, Colorado.

Name and address of applicant

Date May 21, 1951

FILL IN THIS BLOCK

Date of application May 21, 1951

Estimated cost $ 12,000.00

Mineral or metal Copper

Percentage of Government participation 50 Per cent

Location of mine near Vallecito River, approximately 12 miles on up the Vallecito River above the Vallecito Reservoir, in northeastern part of La Plata County, in the State of Colorado.

Date of filing MF-100

DMA Docket Number, if available

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

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. Statement attached.

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7. If lessee, attach a copy of the lease and state if it is in good standing. Owner by virtue of Location Certificate.

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

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(*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.

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(*a*) If mine is in production, furnish the following information: **Not in production.**

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(*b*) Supervisors, by numbers and positions, with salaries of each. **None**

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings. **Roof repairs $100.00**

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(*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. **None so far as is now known.**

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(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work. **$ 16.00 per day.**

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each. **Steel and powder $2000.00**

(*i*) Cost of power, water, utilities, and any other items not provided for above. **Gas and oil $ 500.00**

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. **Property to be worked continuously by applicant and another miner until tunnel and shaft are completed if at all possible.**

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.

May 21, 1951 (Name of company) By Thomas Conway (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.

*Same as footnote on page 1.

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

Thomas Conway
Post Office Box 311
Durango, Colorado

4. Applicant has had approximately three years of experience working in quarts mines and approximately one month as actual miner in coal mine. Applicant plans to obtain the services of an experienced hard rock miner to work with applicant on the property. Apllicant plans to manage the mine with the advise and suggestions of the miner to be employed.

8. Financial Statement-- Assets

House and 4 lots owned jointly with wife--Ida Conway located at 640 East 31st Street, Durango, Colorado	$ 4,000.00
Automobile	300.00
Mining Equipment	400.00
Cash for qdditional euipqment	200.00
Wages due from D. and R. G. RR	140.00
Improvements on mining claims	1,500.00
Total assets	$ 6,540.00

Liabilities

Balance owed on house	$ 875.00
Notes payable-- Burns National Bank of Durango	75.00
Miscellaneous accounts payable	100.00
Total Liabilities	$ 1,050.00
Net Worth	$ 5,490.00

10. The Gold Nugget No. 1 Lode Mining Claim, located in the Needle Mountain Mining District, the location certificate for which is recorded under reception number 199926 of La Plata County, Colorado, records, and was filed for record December 4, 1948, and recorded in Book 246 at Page 142 of La Plata County records.

The Gold Nugget No. 2 Lode Mining Claim, located in the Needle Mountain Minin g District, the location certificate for which is recorded under reception number 199925 of La Plata County, Colorado, records, and was filed for record December 4, 1948, and recorded in Book 246 at Page 141 of La Plata County records.

11. Present names are: Gold Nugget No. 1 and Gold Nugget No. 2 Lode Mining claims, anf were formerly known as the Bobby Group of claims numbered 1 to 6 inclusive.

12. The properties are located approximately four miles from the U. S. Forest Service road, however the Forest Service is building a first class trail about 500 feet from the cabin on the claims. Approximately 2½ miles thence along the Forest Service road to Colorado Highway 219, thence approximately 28 miles to the City of Durango over Colorado Highway 219.

14. There is a cabin located on the property for living quarters, adequate fuel and drilling equipment to be transported to the property.

15. There is copper smelter located at Salt Lake City, Utah, to which the ore may be shipped either by rail or truck from Durango, Colorado, where the ore may be smelted and the copper obtained.

Thomas Conway
Post Office Box 511
Durango, Colorado.

16. Little past history is known or available as to these properties however good commercial ores have been shipped from properties about two miles north and five miles east from this property.

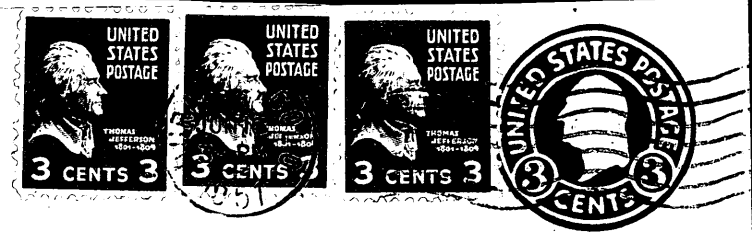
No available production records from past operations. An assay taken August 24, 1949, of surface rock showed 1.25 per cent of copper(wet) and on September 19, 1949 an assay made of surface rock showed .35 per cent copper(wet) while a second assay taken the same day of surface rock showed 2.25 per cent copper(wet).

21. Propose to drive a tunnel approximately 200 feet on the vein and to sink a shaft approximately 100 feet in depth. The work is estimated to take approximately one year.

22. Several geologists have in the past examined this property and have appraised it as having good possibilities, however none has ever made a written report upon this area. The U. S. Geololical Survey is reported to have made an inspection of the area and to have reported that the area had good possibilities, however nor copy of any such report seems to be available to applicant.

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
FILE
JUN 18 1951
LANDON R. STROBEL
Executive Secretary

Thomas Conway
Post Office Box 311
Durango, Colorado



DEFENSE MINERALS ADMINISTRATION
Department of the Interior
WASHINGTON, 25, D. C.

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

REGIONAL DIRECTOR'S OFFICE
REGION IV
SEP 17 1951
BUREAU OF MINES
DENVER, COLO.

Mr. Thomas Conway
Box 311
Durango, Colorado

Re: DMA Docket No. 1699X

Dear Mr. Conway:

This is to acknowledge your letter of September 6, 1951 requesting information on the status of your application. It has been referred to the Copper Branch, Defense Minerals Administration for reply.

Your application is being processed at present. Since there are various steps and offices through which applications must go to be fully processed plus the fact that there is a shortage of personnel, it takes a little time before applicants are notified as to the progress of their projects.

Your enclosed sample report from the Colorado School of Mines will be included with your file.

Very truly yours,

J. B. Gowen

J. B. Gowen, Chief
Copper Branch

RVWaughtex
9/13/51
Copy to: Adm. Reading File
Executive Officer, DMA Field Team IV
Copper Branch
Files - DMA Docket

JTB-

JME

Durango, Colorado

September 1951

Defense Minerals Administration
Washington 25, D. C.

DMA 1699X
Exploration Loan
Gold Nugget No. 1 & 2
Lode Mining Claims

I am writing in regard to exploration loan number DMA-1699X I havn't heard since June 21, from the DMA.

I have my drilling equipment set up and am ready to start work I am enclosing a sample report from the Colorado School of Mines. I wish I could hear from the DMA as to what they intend to do about this loan.

Sincerely yours,

/s/ Thomas Conway

Box 311 Durango, Colorado

COPY