CONSOLIDATED CARIBOU SILVER MINES, INC.

STATEMENT OF UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

As of December 31, 1950

	Expenditures to December 31, 1949	Additions During 1950	Expenditures to December 31, 1950
DEVELOPMENT, MAINTENANCE AND REHABILITATION EXPENSES:			
Salaries and wages	$314,399.59	$112,402.86	$426,802.45
Assayers', engineers' and other consultants' fees	27,553.29	9,120.04	36,673.33
Materials, tools and supplies	119,545.69	33,450.39	152,996.08
Depreciation (Note 2)	23,584.35	16,179.41	39,763.76
Insurance	13,068.71	4,343.63	17,412.34
Taxes	14,081.80	5,863.69	19,945.49
Light, power and fuel	34,404.75	14,852.73	49,257.48
Transportation of men, supplies and ore	47,616.50	15,612.89	63,229.39
Traveling	4,932.89	660.36	5,593.25
Postage, stationery and supplies	619.41	6.12	625.53
Telephone and telegraph	1,839.99	915.46	2,755.45
Loss on disposal of equipment (accumulated depreciation $1,431.43)	570.42	(271.84)	298.58
Miscellaneous	4,360.97	79.19	4,440.16
	606,578.36	213,214.93	819,793.29
MINE ADMINISTRATIVE EXPENSES:			
Salaries	12,389.99	5,281.15	17,671.14
Rent	1,855.00	780.00	2,635.00
Depreciation (Note 2)	26.54	28.58	55.12
Taxes	296.42	304.65	601.07
Traveling	2,275.32	601.26	2,876.58
Postage, stationery and supplies	1,042.93	564.02	1,606.95
Telephone and telegraph	3,207.45	1,226.05	4,433.50
Miscellaneous	3,280.28	2,237.99	5,518.27
	24,373.93	11,023.70	35,397.63
	630,952.29	224,238.63	855,190.92
LESS PROCEEDS FROM SALE OF EXPERIMENTAL ORE, AND REIMBURSEMENT OF DEVELOPMENT COSTS BY U. S. GOVERNMENT AGENCY (Note 5)	77,866.75	80,852.59	158,719.34
	553,085.54	143,386.04	696,471.58
GENERAL ADMINISTRATIVE EXPENSES:			
Salaries	21,432.00	5,525.47	26,957.47
Legal and professional fees	30,865.16	15,619.19	46,484.35
Rent	1,000.00	1,154.00	2,154.00
Depreciation (Note 2)	7.14	10.18	17.32
Taxes	7,973.01	5,013.72	12,986.73
Interest and discount on loans	643.33	3,643.33	4,286.66
Traveling	11,209.38	7,920.66	19,130.04
Postage, stationery and supplies	3,166.04	881.35	4,047.39
Telephone and telegraph	2,634.59	2,007.33	4,641.92
Miscellaneous	2,635.47	3,389.42	6,024.89
	81,566.12	45,164.65	126,730.77
TOTAL	$634,651.66	$188,550.69	$823,202.35

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

LIABILITIES

CURRENT LIABILITIES:		
Notes payable to promoter		$ 20,000.00
Accounts payable		32,699.90
Accrued salaries and wages		3,931.23
Accrued taxes (including $1,028.03 employees' payroll deductions)		3,232.55
Accrued interest and insurance		3,503.71
TOTAL CURRENT LIABILITIES		63,367.39
NOTES PAYABLE TO STOCKHOLDER (due November 26, 1952):		
Secured by deed of trust on real and personal property in Boulder County, Colorado (Notes 1 and 4)	$200,000.00	
Unsecured	50,000.00	250,000.00
EQUIPMENT PURCHASE CONTRACT (payable in 8,000 shares of common stock at $1.25 per share) (Note 4)		10,000.00
CAPITAL STOCK (Notes 3 and 4):		
Preferred stock, 4% noncumulative, par value $100.00 per share (redeemable at option of board of directors at $105.00 per share). Authorized 10,000 shares; issued and outstanding 4,687½ shares	468,750.00	
Common stock, no par value. Authorized 2,000,000 shares; issued and outstanding 1,084,285 shares	361,918.75	830,668.75
CONTINGENT LIABILITY (Note 5)		
		$1,154,036.14

was elected a director and president of the company at the same meeting. Additional options were outstanding at December 31, 1950 to purchase 210,000 shares of common stock at $1.25 per share, including an option to purchase 200,000 shares given in connection with the $200,000.00 note payable to stockholder referred to in Note 1 hereof.

In November, 1950, the company entered into an informal contract for the purchase of a bulldozer and agreed to pay therefor 8,000 shares of common stock, which at the public offering price of $1.25 per share would amount to $10,000.00. The equipment has been received, but as of December 31, 1950 the stock had not been issued in payment therefor.

Note 5 — Contingent Liability

On August 28, 1950, the company entered into a contract with the United States Atomic Energy Commission for certain exploration work in the Caribou Mine, pursuant to which the Commission reimbursed the company for the cost of such work to the extent of $16,500.00. In the event that within a period of five years the company receives payments as a result of the sale of uranium-bearing ores from the mine, it is required by the terms of the contract to pay the Commission a royalty of 7½% of the net settlement returns from the sale of such ores until the royalties so paid equal the amount received under the contract.

On April 3, 1951, an additional contract for exploration work in the Caribou Mine, to the extent of $77,000.00, was entered into between the company and the United States Atomic Energy Commission. This contract also provides for the payment to the Commission of a royalty of 10% of the net settlement returns from the sale by the company of uranium-bearing ores from the Caribou Mine. Such royalty payments are to commence after the settlement by the company of its obligation under the contract of August 28, 1950 and continue until April 1, 1958 or until sums received under the contract are repaid.

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

CURRENT ASSETS:		
Cash in banks and on hand		$ 35,028.37
Accounts receivable — trade		7,369.13
Due from employee		600.00
Prepaid insurance		2,481.05
TOTAL CURRENT ASSETS		45,478.55
OTHER ASSETS:		
Mine and mill supplies — at approximate cost	$ 13,693.73	
Utility deposit	1,000.00	14,693.73
FIXED ASSETS — AT COST, LESS DEPRECIATION (Notes 1 and 2):		
Mines and mining claims	102,015.40	
Land (mill site)	3,500.00	
Buildings	23,051.48	
Machinery and equipment	90,190.91	
Automotive equipment	4,924.39	
Furniture and fixtures	535.17	
	224,217.35	
Less Allowance for depreciation of buildings, machinery and equipment	38,404.77	185,812.58
DEFERRED CHARGES:		
Unrecovered promotional, exploratory and development costs, per accompanying statement (Note 2)	823,202.35	
Expenses incurred in connection with public offering of common stock (Note 3)	83,737.67	
Organization expense	1,111.26	908,051.28
		$1,154,036.14

See accompanying "Notes Forming Part of Financial Statesments."

Note 1 — Fixed Assets

The real and personal property owned by the company in Boulder County, Colorado, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing the note payable to stockholder in the amount of $200,000.00

Note 2 — Depreciation, Depletion and Amortization

Depreciation of buildings, machinery and equipment, charged to unrecovered promotional, exploratory and development costs, has been provided at rates calculated to amortize the cost of the assets over their estimated useful lives. The mining properties were not in commercial production at December 31, 1950, and no provision has been made for depletion of mines and mining claims, nor for the depletion and/or amortization of unrecovered promotional, exploratory and development costs.

Note 3 — Public Offering of Common Stock

On January 10, 1950, the company made a public offering of 800,000 shares of its common stock at $1.25 per share, pursuant to which 60,535 shares were sold at a price to the company, net of commission, of $1.00 per share. No provision has been made for the amortization of expenses incurred in connection with the offering and sale of said stock.

Note 4 — Unissued Common Stock Reserved for Options, Etc.

At a special meeting of the board of directors on March 1, 1950, a two-year option to purchase 60,000 share of the unissued common stock of the company at the public offering price of $1.25 per share was given to Mr. Donald M. Nelson, who

ACCOUNTANTS' REPORT

To the Board of Directors,
Consolidated Caribou Silver Mines, Inc.:

We have examined the balance sheet of Consolidated Caribou Silver Mines, Inc. as of December 31, 1950. Our examination for the year then ended was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet presents fairly the financial position of Consolidated Caribou Silver Mines, Inc. at December 31, 1950, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

Los Angeles, California
April 11, 1951

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EXPERIENCE RECORD OF ELMER HETZER

Mr. Elmer Hetzer completed his formal education in Boulder, Colorado in June, 1916, and after serving from July, 1916 to October, 1919 with the U.S. Navy, he returned to Boulder and operated a tungsten mining lease to June, 1922. Following this, and to June, 1924, he worked on the construction of the Moffat Tunnel. He then worked for the following companies, doing construction work, which included quarry, tunnel and other rock excavation jobs, the building of power plants and irrigation canals in New Endlang, the West Coast and Mexico:

California - Oregon Power Company
Oakdale Irrigation Company
New England Light and Power Company
J.G. White Construction Company

In 1930, for six months, he was mine superintendent at the Benbow Chromium Mine at Dean, Montana. From Montana, he went to Duncan, Arizona where he supervised the unwatering of the Carlisle Mine and a diamond drilling program. From Arizona in April, 1931, he went to northern British Columbia as mine superintendent for the Atlin-Ruffner Mine.

Mr. Hetzer returned to Boulder from British Columbia in January, 1932, and since that time and to the present he has been conducting operations for various mining companies and his own operations. From January 7, 1936 to January, 1944, he was Boulder County Commissioner.

Since October, 1946, he has been mine superintendent for the applicant, the Consolidated Caribou Silver Mines, Inc., at the Caribou Mine and will be in charge of the proposed exploration project.

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SILVER MINES, INC.
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Detailed cost estimate of cross-cutting and drifting on the 1200 Level:

	Per Foot
Labor	$ 11.12
Power	1.54
Explosives	3.91
Steel and bits	1.57
Track	.87
Equipment Repair	.87
	$ 19.88

Diamond drilling:

Can be contracted @ $6/ft.

24. Time schedule:

Project	Time (months)	Cost ($)
Sinking Caribou shaft to 1200 Level, 180' @ $160/ft.	3	28,800
Cross-cutting from shaft to Poorman vein, 100' @ $20/ft.	1	2,000
Drifting W on Poorman vein to Nelson vein, 150' @ $20/ft.	1.5	3,000
Drifting NE on Nelson vein 300' @ $20/ft.	3	6,000
Drifting SW on Nelson vein 300' @ $20/ft.	3	6,000
Drifting E on Poorman vein from cross-cut, 150' @ $20/ft.	1.5	3,000
Drifting W on Poorman vein from Nelson vein, 150' @ $20/ft.	1.5	3,000
Diamond drilling 5000' @ $6/ft.	Concurrently with above	30,000
Totals	14.5	81,800

CONSOLIDATED CARIBOU
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(c) Repairs to existing facilities: None

(d) Installation and additional facilities:

Preparation for sinking (1040)
180' X $18/ft. = $3240

(e) Sinking Hoist, motor and controller = $1950
Cable, sheave wheel, misc. = 300
$2250

(f) Cost of rental for equipment which operator proposes to rent: None

(g) 4 drills @ $ 35/month each = $140/mo.
1 compressor @ $125/month = $125/mo.

(h) Hose, Bits, Steel and Timber $3,132
(17.40/ft. for 180')

(i) Power, Equipment Repair, and Incidentals $1,053
(5.85/ft. X 180')

Detailed cost estimate of extending Caribou shaft, including station and pocket at 1200 Level:
(Two compartments, 7' X 13' in the clear, timbering to be stulls, posts and wall plates. Lacing to be used where needed. Present mine operation to be maintained.)

	Per Foot
Labor	$ 88.30
Power	4.20
Explosives	9.10
Bits and steel	2.95
Supplies	14.10
Equipment Repair	2.75
1200 Level station	4.85
1200 Level pocket (70 tons of ore and 70 tons of waste)	17.80
1200 Level sump	.95
Preparation for sinking (on 1040 Level)	15.00
	$160.00

180 feet at $160/ft. = $28,800.00

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The structure, or structures, below the creek may be expected to parallel the Nelson at a distance of approximately 1000 feet to the northwest. The extremity of the 1040-D7 drift (Figure 1) is already 200 feet northwest of the Nelson vein, hence, is 800 feet from the above objective. Several 900 foot diamond drill holes to the northwest from 1040-D7 are recommended to test this promising area.

Diamond drill holes drilled by the company from stations in the vicinity of the Caribou shaft, 1040 Level, detected mineralized veins to the northwest, (1040-D6, D8 and D9, Figure 2) has opened up the Nelson vein for a length of 380 feet showing commercial assay values in lead, zinc, silver, and gold. Development of this ore body has continued with four raises from the D8 and D9 drifts (Figure 3). Exploration of the structure on the 920 horizon by cross-cutting and drifting is now underway (Figure 4). A series of 6 diamond drill holes has been drilled from the vicinity of survey station 1084 (Figures 2 and 5) into the Nelson ore body. Diagrams showing the location and sections of the holes, and assay results of mineralized core are enclosed in the pocket (Figures 6, 7, 8, 9, and 10). The assay results from these holes, particularly holes 1040-21 and 1040-22, drilled below the 1040 Level, are indicative of continued mineralization at depth. Hence, diamond drill information and assay results* of the D8 and D9 drifts are believed to warrant exploration of this structure on the 1200 foot horizon by the sinking of the Caribou shaft to the new, 1200-foot Level and cross-cutting and drifting as outlined in section 21.

THE REQUIREMENTS AND COSTS

23. (a) Wages:

Miners	(4)	@	$1.75/hr.
Muckers	(4)	@	1.50/hr.
Hoistmen	(2)	@	1.75/hr.
Timbermen	(2)	@	1.75/hr.

(b) Supervisors:

1 on each shift for 3 hours @ $10.30/day

* Note: Zinc is usually not reported. It averages 50% of the lead assay.

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(8) Diamond drill a total of 5,000 feet from the face (drill station to be cut out) of the 1040-D7 drift.

Time: Concurrently with the above cross-cutting and drifting programs (500 feet per month, 10 months)

Approximate total time for all 8 items: 15 months.

22. Geological basis of the project:

From a detailed study of the surface and underground geology and from the success obtained from exploration already conducted on the 920 and 1040 Levels of the Caribou mine, the applicant has good reason to believe that the deeper horizons to the northwest of the Caribou shaft hold excellent promise for the discovery of additional lead-zinc ores.

The collar of the Caribou shaft is located on the rounded north slope of Caribou Hill. Six hundred feet north of the shaft the outcropping monzonite drops off under an overburden-filled basin mantled with peat and brush. Caribou Creek begins at a point approximately one mile west of the Caribou shaft and flows straight northeast through the swampy basin across the northwest part of the Caribou property. It is a topographic feature that suggests the existance of one or more major northeast-trending ore-bearing structures below the creek bed.

The east-west veins, an example of which is the Poorman, were the most productive above the 500 Level of the Caribou mine; the northeast system, to which the No Name and Nelson belong, yielded longer and wider ore bodies below the 500 Level. Neither system is too easily recognizable at the surface on Caribou Hill, but, of the two, the northeast system is more easily discernable. The fact that the northeast system is expressed topographically more positively in the basin to the northwest than on Caribou Hill, and the fact that, on the lower levels, the northeast veins are the most productive, is evidence that the ground at depth and to the northwest is exceptionally favorable for exploration.

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THE EXPLORATION

20. The applicant is requesting aid to explore for lead and zinc ores in the lower levels of the mine northwest of the Caribou shaft.

21. The project is designed to explore the Poorman and Nelson veins below the 1040 Level and to search for similar veins northwest of the known veins. Specifically, the program includes:

(1) Sink the Caribou shaft 160 feet from the 1040 Level to the 1200 Level.

Time: 3 months

(2) Drive cross-cut from shaft to the Poorman vein, 1200 Level, a distance of 100 feet.

Time: 1 month

(3) Drive drift west along Poorman vein, 1200 Level, to the Nelson vein, a distance of 150 feet.

Time: 1 1/2 months

(4) Drive drift northeast along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(5) Drive drift southwest along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(6) Drive drift east along Poorman vein, 1200 Level, from cross-cut a distance of 150 feet.

Time: 1 1/2 months

(7) Drive drift west along Poorman vein, 1200 Level, from the Nelson-Poorman intersection a distance of 150 feet.

Time: 1 1/2 months

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18. (a) Description of the mineral deposits:

The ore bodies of the Caribou mine are contained in a slightly foliated, gray-colored, medium-grained quartz monzonite. The monzonite is a large, north-south elongated igneous stock extending beyond the boundaries of the Caribou property and east, south and west sides by the Idaho Springs biotite schist, on the north by the Boulder Creek granite. The quartz monzonite is recognized by the U.S.G.S. as Upper Cretaceous and the Idaho Springs schist and Boulder Creek granite as pre-Cambrian is age. The Caribou property and its ore deposits are entirely within the quartz monzonite. Fractures in the monzonite are filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite, and complex silver-lead bearing sulphide minerals. Pitchblende occurs in two of the veins below the 920 Level and northeast of the Caribou shaft.

The veins of the Caribou property are of two systems; one striking approximately east-west; the other, northeast-southwest. The dips of the veins are generally steep.

(b) Maps and assay data accompany this application in the pocket.

(c) Ore reserves as of December 31, 1950, are estimated as follows:

	Tons	Oz. Gold	Oz. Silver	% Lead	% Zinc*	$/ton*
In place	36,952	0.063	21.20	1.75	0.88	24.50
Broken	41,114	0.030	9.83	.45	0.23	10.50
Total	78,066			Average Value:		17.12

* The value of zinc has not been included in the value of the ore due to the fact that the mill in its present set-up does not separate a zinc concentrate and no value is received for zinc at the Leadville smelter.

19. The applicant knows of no conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

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17. Production:

(1 & 2) Mined and milled (Average of production from January through June, 1951.)

Tons Per Day	Average Grade					Cost Per Ton	Net Value Per Ton
	Lead	Zinc	Copper	Au.	Ag.		
31.65	1.013	0.477	0.053	0.043	20.57	$24.00	Loss 4.21

(3) Concentrates shipped from January through June, 1951.

Dry Tons	Contents of Concentrates				
	Pounds			Ounces	
	Lead	Zinc	Copper	Gold	Silver
139.307	78,897.6	37,168.0	4,418.4	167.8	76,554
Average grade per ton	28.32	13.34	1.49	1.205	549.5

NOTE: Cost per ton:

Includes direct mining, development, milling, metallurgical loss and overhead.

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During the driving of the Idaho Tunnel, an ore body, the Samson, was accidentally intercepted and stoping operations have been carried along this ore body for a horizontal distance of 70 feet. This ore has been milled in the Company's mill and the concentrates sold to the Leadville smelter.

The following development has been done: on the 500 Level, a total of 1,181 feet of drifting, 470 feet of cross-cutting and 3,352 feet of diamond drilling; on the 920 Level, a total of 246 feet of drifting; on the 1040 Level, 1,362 feet of drifting, 120 feet of cross-cutting, 110 feet of raising, 90 feet of sinking, and 6,693 feet of diamond drilling.

As a result of the development work on the 1040 Level west and north of the Caribou shaft, the Nelson ore body was discovered and developed on the 1040 Level. The Company is now engaged in exploring and developing the Poorman and Nelson veins on the 920 Level.

Pitchblende has been found in the No Name and Radium veins on the 1040 Level north and east of the Caribou shaft. The Company drove a raise in the pitchblende ore from the 1040 Level to the 920 Level and sank the winze to the 1140 Level and began drifting on the 1140 Level when a contract was entered into with the United States Atomic Energy Commission in August, 1950, for certain exploration work on the 1140 and 1040 Levels in the vicinity of the pitchblende occurrences. This work is still in progress.

Part of the cost of the Company's development work has been defrayed by the milling and sale of development ores and production from the Samson ore body, stope fills from the 860 and 920 Levels, surface dump ores, and, recently, the Poorman and Nelson ore bodies on the 1040 Level. The profit from the Nelson ore body production, now underway, is barely financing the exploration work on the 920 Level; hence the reason for this application for aid.

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"In the winter of 1875-76 the Dutch Company operating the Caribou mine failed, causing a temporary setback that was offset in a measure by the completion at Caribou of a new mill, operated on the same principle as that at Nederland, for the treatment of ore from the Native Silver mine.

"The silver ores yielded by the camp in early days were very rich...

"Up to July, 1880, the total yield of the Caribou mine is said to have been about $1,168,000."

On the basis of information which cannot be confirmed, the property enjoyed a continuous scale of production until it was closed in 1888. In 1912, 8,764 tons of dump are reported to have been shipped which yielded 6.17 ounces of silver per ton. In 1916 the mine was reopened and produced, through 1917, $65,000 worth of silver ore. After the property changed hands in 1917 it was reported to have yielded an additional $185,000 before finally closing in 1928.

The 1888 and 1928 closures can be traced to rapid declines in the price of silver at those periods.

(b) History of exploration and development, operation and production of property since begun by applicant in November, 1946:

The company began by rehabilitating the old Idaho Tunnel, the portal of which is located 3,260 feet southeast from, and approximately 500 feet vertically below, the collar of the Caribou shaft, and extended the 1,500-foot tunnel to the Caribou shaft, a distance of 2,136 feet. This drained the mine to the Idaho Tunnel level and the workings below were then pumped dry by June, 1948. An underground ore pocket, cable way and hoist room were constructed at the point where the tunnel and shaft meet. The hoist was installed and ready for operation on March 1, 1949.

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"showed that both veins contained large amounts of silver, and before winter a wagon load of ore had been mined and sent to the smelter at Blackhawk. In the succeeding summer (1870) a wagon road was constructed to the mine and regular shipments were begun to Blackhawk, 20 miles away. The success of these ventures caused a rush to the district and resulted in the discovery of numerous other veins, including the Boulder County, Idaho, Sherman, No Name, and Seven-Thirty, and led to the founding of the town of Caribou, which in November, 1870, had about 30 houses and 125 voters. The great development of mining at Caribou may be said to date from the completion in 1871 of a mill at Nederland (then called Middle Boulder) for the treatment of the silver ores from the Caribou mine. This mill was built by A. D. Breed, who had purchased the western portionof the Caribou lode from its discoverers.

"The essential features of the milling process were chloridizing roasting in Bruchner cylinders, followed by pan amalgamation, and the capacity of the works was 18 to 20 tons per day. The bullion recovered had a fineness of silver of 0.850 to 0.950. Shortly after the completion of this mill Breed obtained control of the whole Caribou lode and sold it to a Dutch company for the exorbitant amount of $3,000,000. According to Raymond Caribou was very active in 1875, its gross production amounting to $450,000, an increase of more than $100,000 over the figures for 1874. The Caribou mine was the largest producer, other mines operated being the Sherman, No Name, Poor Man, Grand View, Native Silver, Seven-Thirty, Idaho, Potosi, and Sovereign People.

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Rollinsville, 5.0 miles by paved road south of Nederland. Rollinsville is on the Moffat Tunnel route of the Denver and Rio Grande Western Railroad running between Denver and Salt Lake City.

13. The Caribou shaft makes approximately 43.7 gallons per minute of water. This water is pure and is adequate at all seasons for all mining purposes. Electric power is supplied by the Public Service Company of Colorado and is available in any required quantity. At the present time the average monthly power consumption is 25,000 K.W.H. at an average monthly cost of $600.00. Hence average rate is approximately 0.024 per K.W.H.

14. The Caribou mine is operating and is adequately equipped with buildings and machinery all of which will be devoted to the exploration work.

15. The company at the present time is mining ore and shipping it to its own mill located 3.5 miles by first-class gravel road north of Nederland. Concentrates produced at the company's mill are hauled by a trucking contractor and sold to the American Smelting and Refining Company's smelter at Leadville, Colorado.

16. (a) History of operation and production of the property prior to the beginning of the current operation:

Judging by the evidence now existing on and below the surface on the various mines and mining claims now consolidated into a single property of the Company, the history is long and complex. The following general account is given by authors Edson S. Bastin and James M. Hill in U.S. Geological Survey Professional Paper 94, page 177.

> "Some prospecting for gold had been done in the Caribou, or Grand Island district (as it was called in the early sixties), but the early prospectors were not on the lookout for silver ores and it was not until 1869 that the presence of this metal was recognized. In that year Samuel Conger discovered the outcroppings of a vein which he called the Poor Man; and William Martin and George Lytle found a lode a little farther up the hill which they named the Caribou. Assays

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UNPATENTED CLAIMS

Lode Mining Claim	Date of Location	Location Certificate Recorded In		Amended Location Certificate Recorded In	
		Book	Page	Book	Page
Radium # 1	10-19-45	774	403	816	83
Radium # 2	10-19-45	774	404	816	84
Radium # 3	10-19-45	774	405	816	85
Radium # 4	10-19-45	774	406	816	86
Radium # 5	10-19-45	774	407	816	87
Radium # 6	10-19-45	774	408	816	88
Radium # 7	10-19-45	774	409	816	89
Radium # 8	10-19-45	774	410	816	90
Radium # 9	10-18-45	774	411	816	91
Radium #10	10-18-45	774	412	816	92
Radium #11	10-18-45	774	413	816	93
Radium #12	10-18-45	774	414	816	94
Radium #13	10- 4-47	816	95		
Radium #14	8-10-49	853	173		
Radium #15	7-23-49	853	174		
Radium #17	7-27-49	853	175		
Radium #18	7-25-49	853	176		
Radium #19	8- 4-49	853	177		
Radium #20	8- 3-49	853	178		
Radium #21	8-25-49	853	179		

All located in Sections 5 and 8, T. 1S., R. 73 W. of the 6th P.M.

11. The Caribou mine today is a consolidation of a group of mines formerly known as the Caribou, No Name, Spencer, Sherman, Arizona, Grand Island, Grant County, Poorman, Silver Dollar, Seven-thirty, Socorro and Carry mines.

12. The property is located on Caribou Hill, Boulder County, Colorado. Caribou Hill is in the Front Range of the Colorado Rocky Mountains, 4 1/2 miles west of the town of Nederland which is 31 miles northwest of Denver. Nederland is connected to Denver by two paved routes approximately 50 miles each in length. A 5.4 mile gravel road runs west of Nederland to the property. It is in good condition at all times of the year and is maintained by the county. The nearest railroad station is at

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
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PATENTED CLAIMS

NAME OF CLAIM	U. S. Survey Lot Number
Caribou Lode	37
Kalamazoo Lode	76
No Name Lode	77
Federal Lode	91
Sherman Lode	93
Socorro Lode	104
Hidden Treasure Lode	105
Columbia Lode	167
Spencer Lode	168
Non Pareil Lode	6853
Brazilian Lode	13367A
Brazilian Mill Site	13367B
Easterly 500 feet of Arizona Lode	54
Grand Island Lode	61
Grant County Lode	115
Jay Lode	169
Undivided 10/12ths interest of Isabella Lode	170
Lost Lode	56
Southerly 500 feet of Ontario Lode	55
Douglas Lode	47
Golconda Lode	192
Barablas Lode	15588
Poorman Lode	42
Silver Dollar Lode	654
Grand View Lode	297
Seven-thirty Lode	71
Fannie Lode	659
Carry Lode	660
California Lode	20483
North Park Lode	20483
Candia Lode	20483
Toledo Lode	20483

CONSOLIDATED CARIBOO
SILVER MINES, INC.
BOULDER, COLO.

9. Applicant is prepared to invest $39,950 in proposed project. It is sufficient to pay the applicant's cost of the project as detailed in Section 25 of this application.

THE PROPERTY

10. (a) The real property involved in the exploration project is the property owned by the applicant containing the Caribou mine which consists of the three-compartment Caribou shaft, reaching an inclined depth of 1040 feet, with an outside dimension of 5' X 15'. The shaft is equipped with an electric hoist at the 500 Level and is not in use above the 500 Level. Levels are established below the 500 Level at 530, 600, 740, 800, 920, 980, and 1040. It is connected to the surface on the 500 Level by a 3,636-foot long transportation tunnel. This tunnel, called the Idaho Tunnel, is electrically lighted and equipped with 30-pound, 24-inch gauge railway track, a ditch to drain the water pumped from the Caribou shaft, and an adequate fleet of ore cars and storage battery locomotives.

The portal of the Idaho Tunnel is protected by a snow shed. Adjacent to the portal is a 72' X 23' building containing the compressor room, shop, storage and change room. Beyond the portal on the edge of the dump is a building housing a sorting belt and ore bins.

Compressed air is generated by 3 compressors driven by electric motors with a total of 250 H.P. furnishing 1600 c.f.m. at a pressure of 105 lbs. per sq. in. (Elevation approximately 10,000 feet.)

The property and mining operation are adequately equipped with drills, accessories and small tools, trucks, etc.

(b) The property in (a) is the same as in (b). Legal description follows:

CONSOLIDATED CARBON
SILVER MINES, INC.
DENVER, COLO.

4. General and mining experience of

(a) Applicant:

The Consolidated Caribou Silver Mines, Inc. was organized on July 15, 1946, under the laws of the State of Delaware for the purpose of the acquisition, exploration and development of the Caribou mine and adjacent mining properties situated in the State of Colorado. In the fall of 1946, the company began the rehabilitation and extension of the Idaho Tunnel (1,500 feet long) a distance of 2,136 feet to connect with the Caribou shaft at the 500 Level. The company has continued to the present time the rehabilitation of the old workings of the Caribou mine and a program of development and partial production. The company purchased an old mill and has operated the mill since 1947 on surface dump, stope fill and development ores sporadically producing a bulk flotation concentrate which has been sold to the A. S. & R. smelter at Leadville, Colorado. Approximately 25 men have been employed continuously in the mine and 4 men in the mill since the operation began in 1946.

(b) Persons managing the property:

Mr. Donald M. Nelson, president, Mr. Matthew Ollsen, manager, and Mr. Elmer Hetzer, mine superintendent. A biography of Mr. Elmer Hetzer, who will be in charge of executing the project, accompanies this application.

5. The company owns in fee simple the mining property to be explored. Title to the property is insured.

6. The real and personal property owned by the company, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing a note payable to a stockholder in the amount of $200,000.00.

7. Does not apply.

8. Latest financial statement and profit and loss statement is attached.

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

THE APPLICANT

1. The applicant is a corporation.

2. Does not apply.

3. Officers and Directors:

Donald M. Nelson, President,
Treasurer and Director
9033 Briarcrest Lane
Beverly Hills, California

R. J. Reynolds, Vice-President
and Director
1206 Reynolds Building
Winston Salem, North Carolina

Samson Selig, Secretary
and Director
80 Broad Street
New York 4, New York

Joseph B. Keenan, Director
Woodward Building
Washington, D. C.

Five largest Stockholders:

Boris Pregel
630 Fifth Avenue
New York 20, New York

Alexander Pregel
630 Fifth Avenue
New York 20, New York

Alice Doscher
575 Fifth Avenue
New York, New York

R. J. Reynolds, address above

Samson Selig, address above

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
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ILLUSTRATIONS

Figure 1	Plan of 920 Level, 1040 Level, and proposed D.M.A. exploration project.
Figure 2	Plan of 1040 Level showing assays on 1040-D8 and 1040-D9 (Nelson vein).
Figure 3	Assay section 'C' 1040 Level (Nelson vein).
Figure 4	Assay plan of 920 Level. Plan No. 2.
Figure 5	Plan showing diamond drill holes drilled from station near 1084.
Figure 6	Section 'A', Diamond Drill Holes #1040 - 13 and 14
Figure 7	Section 'B', Diamond Drill Holes #1040 - 15 and 16
Figure 8	Section 'C', Diamond Drill Holes #1040 - 17 and 18
Figure 9	Section 'D', Diamond Drill Holes #1040 - 19, 20, 21, and 22

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

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.

Consolidated Caribou Silver Mines, Inc By [signature]
(Name of company) (Signature of authorized official)

July 19, 1951 Donald M. Nelson, President
(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

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 1887

Date received 7-26-51

Participation

Consolidated Caribou Silver
Mines, Inc.
1406 Pearl Street
Boulder, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 26 1951
L. ... F. STROBEL
Executive Secretary

Date

Name and address of applicant

FILL IN THIS BLOCK

Date of application July 19, 1951

Estimated cost $81,800

Mineral or metal Lead-zinc

Percentage of Government participation 50%

Location of mine near Nederland
Boulder County, Colorado

Date of filing MF-100 Pending

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?
*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

CONSOLIDATED CARIBOU SILVER MINES, INC.

STATEMENT OF UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

As of December 31, 1950

	Expenditures to December 31, 1949	Additions During 1950	Expenditures to December 31, 1950
DEVELOPMENT, MAINTENANCE AND REHABILITATION EXPENSES:			
Salaries and wages	$314,399.59	$112,402.86	$426,802.45
Assayers', engineers' and other consultants' fees	27,553.29	9,120.04	36,673.33
Materials, tools and supplies	119,545.69	33,450.39	152,996.08
Depreciation (Note 2)	23,584.35	16,179.41	39,763.76
Insurance	13,068.71	4,343.63	17,412.34
Taxes	14,081.80	5,863.69	19,945.49
Light, power and fuel	34,404.75	14,852.73	49,257.48
Transportation of men, supplies and ore	47,616.50	15,612.89	63,229.39
Traveling	4,932.89	660.36	5,593.25
Postage, stationery and supplies	619.41	6.12	625.53
Telephone and telegraph	1,839.99	915.46	2,755.45
Loss on disposal of equipment (accumulated depreciation $1,431.43)	570.42	(271.84)	298.58
Miscellaneous	4,360.97	79.19	4,440.16
	606,578.36	213,214.93	819,793.29
MINE ADMINISTRATIVE EXPENSES:			
Salaries	12,389.99	5,281.15	17,671.14
Rent	1,855.00	780.00	2,635.00
Depreciation (Note 2)	26.54	28.58	55.12
Taxes	296.42	304.65	601.07
Traveling	2,275.32	601.26	2,876.58
Postage, stationery and supplies	1,042.93	564.02	1,606.95
Telephone and telegraph	3,207.45	1,226.05	4,433.50
Miscellaneous	3,280.28	2,237.99	5,518.27
	24,373.93	11,023.70	35,397.63
	630,952.29	224,238.63	855,190.92
LESS PROCEEDS FROM SALE OF EXPERIMENTAL ORE, AND REIMBURSEMENT OF DEVELOPMENT COSTS BY U. S. GOVERNMENT AGENCY (Note 5)	77,866.75	80,852.59	158,719.34
	553,085.54	143,386.04	696,471.58
GENERAL ADMINISTRATIVE EXPENSES:			
Salaries	21,432.00	5,525.47	26,957.47
Legal and professional fees	30,865.16	15,619.19	46,484.35
Rent	1,000.00	1,154.00	2,154.00
Depreciation (Note 2)	7.14	10.18	17.32
Taxes	7,973.01	5,013.72	12,986.73
Interest and discount on loans	643.33	3,643.33	4,286.66
Traveling	11,209.38	7,920.66	19,130.04
Postage, stationery and supplies	3,166.04	881.35	4,047.39
Telephone and telegraph	2,634.59	2,007.33	4,641.92
Miscellaneous	2,635.47	3,389.42	6,024.89
	81,566.12	45,164.65	126,730.77
TOTAL	$634,651.66	$188,550.69	$823,202.35

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

LIABILITIES

CURRENT LIABILITIES:		
Notes payable to promoter		$ 20,000.00
Accounts payable		32,699.90
Accrued salaries and wages		3,931.23
Accrued taxes (including $1,028.03 employees' payroll deductions)		3,232.55
Accrued interest and insurance		3,503.71
TOTAL CURRENT LIABILITIES		63,367.39
NOTES PAYABLE TO STOCKHOLDER (due November 26, 1952):		
Secured by deed of trust on real and personal property in Boulder County, Colorado (Notes 1 and 4)	$200,000.00	
Unsecured	50,000.00	250,000.00
EQUIPMENT PURCHASE CONTRACT (payable in 8,000 shares of common stock at $1.25 per share) (Note 4)		10,000.00
CAPITAL STOCK (Notes 3 and 4):		
Preferred stock, 4% noncumulative, par value $100.00 per share (redeemable at option of board of directors at $105.00 per share). Authorized 10,000 shares; issued and outstanding 4,687½ shares	468,750.00	
Common stock, no par value. Authorized 2,000,000 shares; issued and outstanding 1,084,285 shares	361,918.75	830,668.75
CONTINGENT LIABILITY (Note 5)		
		$1,154,036.14

was elected a director and president of the company at the same meeting. Additional options were outstanding at December 31, 1950 to purchase 210,000 shares of common stock at $1.25 per share, including an option to purchase 200,000 shares given in connection with the $200,000.00 note payable to stockholder referred to in Note 1 hereof.

In November, 1950, the company entered into an informal contract for the purchase of a bulldozer and agreed to pay therefor 8,000 shares of common stock, which at the public offering price of $1.25 per share would amount to $10,000.00. The equipment has been received, but as of December 31, 1950 the stock had not been issued in payment therefor.

Note 5 — Contingent Liability

On August 28, 1950, the company entered into a contract with the United States Atomic Energy Commission for certain exploration work in the Caribou Mine, pursuant to which the Commission reimbursed the company for the cost of such work to the extent of $16,500.00. In the event that within a period of five years the company receives payments as a result of the sale of uranium-bearing ores from the mine, it is required by the terms of the contract to pay the Commission a royalty of 7½% of the net settlement returns from the sale of such ores until the royalties so paid equal the amount received under the contract.

On April 3, 1951, an additional contract for exploration work in the Caribou Mine, to the extent of $77,000.00, was entered into between the company and the United States Atomic Energy Commission. This contract also provides for the payment to the Commission of a royalty of 10% of the net settlement returns from the sale by the company of uranium-bearing ores from the Caribou Mine. Such royalty payments are to commence after the settlement by the company of its obligation under the contract of August 28, 1950 and continue until April 1, 1958 or until sums received under the contract are repaid.

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

CURRENT ASSETS:		
Cash in banks and on hand		$ 35,028.37
Accounts receivable — trade		7,369.13
Due from employee		600.00
Prepaid insurance		2,481.05
TOTAL CURRENT ASSETS		45,478.55
OTHER ASSETS:		
Mine and mill supplies — at approximate cost	$ 13,693.73	
Utility deposit	1,000.00	14,693.73
FIXED ASSETS — AT COST, LESS DEPRECIATION (Notes 1 and 2):		
Mines and mining claims	102,015.40	
Land (mill site)	3,500.00	
Buildings	23,051.48	
Machinery and equipment	90,190.91	
Automotive equipment	4,924.39	
Furniture and fixtures	535.17	
	224,217.35	
Less Allowance for depreciation of buildings, machinery and equipment	38,404.77	185,812.58
DEFERRED CHARGES:		
Unrecovered promotional, exploratory and development costs, per accompanying statement (Note 2)	823,202.35	
Expenses incurred in connection with public offering of common stock (Note 3)	83,737.67	
Organization expense	1,111.26	908,051.28
		$1,154,036.14

See accompanying "Notes Forming Part of Financial Statesments."

Note 1 — Fixed Assets

The real and personal property owned by the company in Boulder County, Colorado, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing the note payable to stockholder in the amount of $200,000.00

Note 2 — Depreciation, Depletion and Amortization

Depreciation of buildings, machinery and equipment, charged to unrecovered promotional, exploratory and development costs, has been provided at rates calculated to amortize the cost of the assets over their estimated useful lives. The mining properties were not in commercial production at December 31, 1950, and no provision has been made for depletion of mines and mining claims, nor for the depletion and/or amortization of unrecovered promotional, exploratory and development costs.

Note 3 — Public Offering of Common Stock

On January 10, 1950, the company made a public offering of 800,000 shares of its common stock at $1.25 per share, pursuant to which 60,535 shares were sold at a price to the company, net of commission, of $1.00 per share. No provision has been made for the amortization of expenses incurred in connection with the offering and sale of said stock.

Note 4 — Unissued Common Stock Reserved for Options, Etc.

At a special meeting of the board of directors on March 1, 1950, a two-year option to purchase 60,000 share of the unissued common stock of the company at the public offering price of $1.25 per share was given to Mr. Donald M. Nelson, who

ACCOUNTANTS' REPORT

To the Board of Directors,
Consolidated Caribou Silver Mines, Inc.:

We have examined the balance sheet of Consolidated Caribou Silver Mines, Inc. as of December 31, 1950. Our examination for the year then ended was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet presents fairly the financial position of Consolidated Caribou Silver Mines, Inc. at December 31, 1950, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

Los Angeles, California
April 11, 1951

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EXPERIENCE RECORD OF ELMER HETZER

Mr. Elmer Hetzer completed his formal education in Boulder, Colorado in June, 1916, and after serving from July, 1916 to October, 1919 with the U.S. Navy, he returned to Boulder and operated a tungsten mining lease to June, 1922. Following this, and to June, 1924, he worked on the construction of the Moffat Tunnel. He then worked for the following companies, doing construction work, which included quarry, tunnel and other rock excavation jobs, the building of power plants and irrigation canals in New England, the West Coast and Mexico:

California - Oregon Power Company
Oakdale Irrigation Company
New England Light and Power Company
J.G. White Construction Company

In 1930, for six months, he was mine superintendent at the Benbow Chromium Mine at Dean, Montana. From Montana, he went to Duncan, Arizona where he supervised the unwatering of the Carlisle Mine and a diamond drilling program. From Arizona in April, 1931, he went to northern British Columbia as mine superintendent for the Atlin-Ruffner Mine.

Mr. Hetzer returned to Boulder from British Columbia in January, 1932, and since that time and to the present he has been conducting operations for various mining companies and his own operations. From January 7, 1936 to January, 1944, he was Boulder County Commissioner.

Since October, 1946, he has been mine superintendent for the applicant, the Consolidated Caribou Silver Mines, Inc., at the Caribou Mine and will be in charge of the proposed exploration project.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
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Detailed cost estimate of cross-cutting and drifting on the 1200 Level:

	Per Foot
Labor	$ 11.12
Power	1.54
Explosives	3.91
Steel and bits	1.57
Track	.87
Equipment Repair	.87
	$ 19.88

Diamond drilling:

Can be contracted @ $6/ft.

24. Time schedule:

Project	Time (months)	Cost ($)
Sinking Caribou shaft to 1200 Level, 180' @ $100/ft.	3	28,800
Cross-cutting from shaft to Poorman vein, 100' @ $20/ft.	1	2,000
Drifting W on Poorman vein to Nelson vein, 150' @ $20/ft.	1.5	3,000
Drifting NE on Nelson vein 300' @ $20/ft.	3	6,000
Drifting SW on Nelson vein 300' @ $20/ft.	3	6,000
Drifting E on Poorman vein from cross-cut, 150' @ $20/ft.	1.5	3,000
Drifting W on Poorman vein from Nelson vein, 150' @ $20/ft.	1.5	3,000
Diamond drilling 5000' @ $6/ft.	Concurrently with above	30,000
Totals	14.5	81,800

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

(c) Repairs to existing facilities: None

(d) Installation and additional facilities:

Preparation for sinking (1040)
180' X $18/ft. = $3240

(e) Sinking Hoist, motor and controller = $1950
Cable, sheave wheel, misc. = 300
$2250

(f) Cost of rental for equipment which operator proposes to rent: None

(g) 4 drills @ $ 35/month each = $140/mo.
1 compressor @ $125/month = $125/mo.

(h) Hose, Bits, Steel and Timber $3,132
(17.40/ft. for 180')

(i) Power, Equipment Repair, and Incidentals $1,053
(5.85/ft. X 180')

Detailed cost estimate of extending Caribou shaft, including station and pocket at 1200 Level:
(Two compartments, 7' X 13' in the clear, timbering to be stulls, posts and wall plates. Lacing to be used where needed. Present mine operation to be maintained.)

	Per Foot
Labor	$ 88.30
Power	4.20
Explosives	9.10
Bits and steel	2.95
Supplies	14.10
Equipment Repair	2.75
1200 Level station	4.85
1200 Level pocket (70 tons of ore and 70 tons of waste)	17.80
1200 Level sump	.95
Preparation for sinking (on 1040 Level)	15.00
	$160.00

180 feet at $160/ft. = $28,800.00

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

The structure, or structures, below the creek may be expected to parallel the Nelson at a distance of approximately 1000 feet to the northwest. The extremity of the 1040-D7 drift (Figure 1) is already 200 feet northwest of the Nelson vein, hence, is 800 feet from the above objective. Several 900 foot diamond drill holes to the northwest from 1040-D7 are recommended to test this promising area.

Diamond drill holes drilled by the company from stations in the vicinity of the Caribou shaft, 1040 Level, detected mineralized veins to the northwest, (1040-D6, D8 and D9, Figure 2) has opened up the Nelson vein for a length of 380 feet showing commercial assay values in lead, zinc, silver, and gold. Development of this ore body has continued with four raises from the D8 and D9 drifts (Figure 3). Exploration of the structure on the 920 horizon by cross-cutting and drifting is now underway (Figure 4). A series of 6 diamond drill holes has been drilled from the vicinity of survey station 1084 (Figures 2 and 5) into the Nelson ore body. Diagrams showing the location and sections of the holes, and assay results of mineralized core are enclosed in the pocket (Figures 6, 7, 8, 9, and 10). The assay results from these holes, particularly holes 1040-21 and 1040-22, drilled below the 1040 Level, are indicative of continued mineralization at depth. Hence, diamond drill information and assay results* of the D8 and D9 drifts are believed to warrant exploration of this structure on the 1200 foot horizon by the sinking of the Caribou shaft to the new, 1200-foot Level and cross-cutting and drifting as outlined in section 21.

THE REQUIREMENTS AND COSTS

23. (a) Wages:

Miners	(4)	@	$1.75/hr.
Muckers	(4)	@	1.50/hr.
Hoistmen	(2)	@	1.75/hr.
Timbermen	(2)	@	1.75/hr.

(b) Supervisors:

1 on each shift for 3 hours @ $10.30/day

* Note: Zinc is usually not reported. It averages 50% of the lead assay.

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(8) Diamond drill a total of 5,000 feet from the face (drill station to be cut out) of the 1040-37 drift.

Time: Concurrently with the above cross-cutting and drifting programs (500 foot per month, 10 months)

Approximate total time for all 8 items: 15 months.

22. Geological basis of the project:

From a detailed study of the surface and underground geology and from the success obtained from exploration already conducted on the 920 and 1040 Levels of the Caribou mine, the applicant has good reason to believe that the deeper horizons to the northwest of the Caribou shaft hold excellent promise for the discovery of additional lead-zinc ores.

The collar of the Caribou shaft is located on the rounded north slope of Caribou Hill. Six hundred feet north of the shaft the outcropping monzonite drops off under an overburden-filled basin mantled with peat and brush. Caribou Creek begins at a point approximately one mile west of the Caribou shaft and flows straight northeast through the swampy basin across the northwest part of the Caribou property. It is a topographic feature that suggests the existance of one or more major northeast-trending ore-bearing structures below the creek bed.

The east-west veins, an example of which is the Foorman, were the most productive above the 500 Level of the Caribou mine; the northeast system, to which the No Name and Nelson belong, yielded longer and wider ore bodies below the 500 Level. Neither system is too easily recognizable at the surface on Caribou Hill, but, of the two, the northeast system is more easily discernable. The fact that the northeast system is expressed topographically more positively in the basin to the northwest than on Caribou Hill, and the fact that, on the lower levels, the northeast veins are the most productive, is evidence that the ground at depth and to the northwest is exceptionally favorable for exploration.

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THE EXPLORATION

20. The applicant is requesting aid to explore for lead and zinc ores in the lower levels of the mine northwest of the Caribou shaft.

21. The project is designed to explore the Poorman and Nelson veins below the 1040 Level and to search for similar veins northwest of the known veins. Specifically, the program includes:

(1) Sink the Caribou shaft 160 feet from the 1040 Level to the 1200 Level.

Time: 3 months

(2) Drive cross-cut from shaft to the Poorman vein, 1200 Level, a distance of 100 feet.

Time: 1 month

(3) Drive drift west along Poorman vein, 1200 Level, to the Nelson vein, a distance of 150 feet.

Time: 1 1/2 months

(4) Drive drift northeast along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(5) Drive drift southwest along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(6) Drive drift east along Poorman vein, 1200 Level, from cross-cut a distance of 150 feet.

Time: 1 1/2 months

(7) Drive drift west along Poorman vein, 1200 Level, from the Nelson-Poorman intersection a distance of 150 feet.

Time: 1 1/2 months

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18. (a) Description of the mineral deposits:

The ore bodies of the Caribou mine are contained in a slightly foliated, gray-colored, medium-grained quartz monzonite. The monzonite is a large, north-south elongated igneous stock extending beyond the boundaries of the Caribou property and east, south and west sides by the Idaho Springs biotite schist, on the north by the Boulder Creek granite. The quartz monzonite is recognized by the U.S.G.S. as Upper Cretaceous and the Idaho Springs schist and Boulder Creek granite as pre-Cambrian in age. The Caribou property and its ore deposits are entirely within the quartz monzonite. Fractures in the monzonite are filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite, and complex silver-lead bearing sulphide minerals. Pitchblende occurs in two of the veins below the 920 Level and northeast of the Caribou shaft.

The veins of the Caribou property are of two systems; one striking approximately east-west; the other, northeast-southwest. The dips of the veins are generally steep.

(b) Maps and assay data accompany this application in the pocket.

(c) Ore reserves as of December 31, 1950, are estimated as follows:

	Tons	Oz. Gold	Oz. Silver	% Lead	% Zinc*	$/ton*
In place	36,952	0.063	21.20	1.75	0.38	24.50
Broken	41,114	0.030	9.83	.45	0.23	10.60
Total	78,066			Average Value:		17.12

* The value of zinc has not been included in the value of the ore due to the fact that the mill in its present set-up does not separate a zinc concentrate and no value is received for zinc at the Leadville smelter.

19. The applicant knows of no conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

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17. Production:

(1 & 2) Mined and milled (Average of production from January through June, 1951.)

Tons Per Day	Average Grade					Cost Per Ton	Net Value Per Ton
	Lead	Zinc	Copper	Au.	Ag.		
31.65	1.013	0.477	0.053	0.043	20.57	$24.00	Loss 4.21

(3) Concentrates shipped from January through June, 1951.

Dry Tons	Contents of Concentrates				
	Pounds			Ounces	
	Lead	Zinc	Copper	Gold	Silver
139.307	78,897.6	37,168.0	4,418.4	167.8	76,554
Average grade per ton	28.32	13.34	1.49	1.205	549.5

NOTE: Cost per ton:

Includes direct mining, development, milling, metallurgical loss and overhead.

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During the driving of the Idaho Tunnel, an ore body, the Samson, was accidentally intercepted and stoping operations have been carried along this ore body for a horizontal distance of 70 feet. This ore has been milled in the Company's mill and the concentrates sold to the Leadville smelter.

The following development has been done: on the 500 Level, a total of 1,181 feet of drifting, 470 feet of cross-cutting and 3,352 feet of diamond drilling; on the 920 Level, a total of 246 feet of drifting; on the 1040 Level, 1,362 feet of drifting, 120 feet of cross-cutting, 110 feet of raising, 90 feet of sinking, and 6,693 feet of diamond drilling.

As a result of the development work on the 1040 Level west and north of the Caribou shaft, the Nelson ore body was discovered and developed on the 1040 Level. The Company is now engaged in exploring and developing the Poorman and Nelson veins on the 920 Level.

Pitchblende has been found in the No Name and Radium veins on the 1040 Level north and east of the Caribou shaft. The Company drove a raise in the pitchblende ore from the 1040 Level to the 920 Level and sank the winze to the 1140 Level and began drifting on the 1140 Level when a contract was entered into with the United States Atomic Energy Commission in August, 1950, for certain exploration work on the 1140 and 1040 Levels in the vicinity of the pitchblende occurrences. This work is still in progress.

Part of the cost of the Company's development work has been defrayed by the milling and sale of development ores and production from the Samson ore body, stope fills from the 860 and 920 Levels, surface dump ores, and, recently, the Poorman and Nelson ore bodies on the 1040 Level. The profit from the Nelson ore body production, now underway, is barely financing the exploration work on the 920 Level; hence the reason for this application for aid.

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"In the winter of 1875-76 the Dutch Company operating the Caribou mine failed, causing a temporary setback that was offset in a measure by the completion at Caribou of a new mill, operated on the same principle as that at Nederland, for the treatment of ore from the Native Silver mine.

"The silver ores yielded by the camp in early days were very rich...

"Up to July, 1880, the total yield of the Caribou mine is said to have been about $1,168,000."

On the basis of information which cannot be confirmed, the property enjoyed a continuous scale of production until it was closed in 1888. In 1912, 3,764 tons of dump are reported to have been shipped which yielded 6.17 ounces of silver per ton. In 1916 the mine was reopened and produced, through 1917, $65,000 worth of silver ore. After the property changed hands in 1917 it was reported to have yielded an additional $185,000 before finally closing in 1928.

The 1888 and 1928 closures can be traced to rapid declines in the price of silver at those periods.

(b) History of exploration and development, operation and production of property since begun by applicant in November, 1946:

The company began by rehabilitating the old Idaho Tunnel, the portal of which is located 3,260 feet southeast from, and approximately 500 feet vertically below, the collar of the Caribou shaft, and extended the 1,500-foot tunnel to the Caribou shaft, a distance of 2,130 feet. This drained the mine to the Idaho Tunnel level and the workings below were then pumped dry by June, 1948. An underground ore pocket, cable way and hoist room were constructed at the point where the tunnel and shaft meet. The hoist was installed and ready for operation on March 1, 1949.

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"showed that both veins contained large amounts of silver, and before winter a wagon load of ore had been mined and sent to the smelter at Blackhawk. In the succeeding summer (1870) a wagon road was constructed to the mine and regular shipments were begun to Blackhawk, 20 miles away. The success of these ventures caused a rush to the district and resulted in the discovery of numerous other veins, including the Boulder County, Idaho, Sherman, No Name, and Seven-Thirty, and led to the founding of the town of Caribou, which in November, 1870, had about 30 houses and 125 voters. The great development of mining at Caribou may be said to date from the completion in 1871 of a mill at Nederland (then called Middle Boulder) for the treatment of the silver ores from the Caribou mine. This mill was built by A. D. Breed, who had purchased the western portionof the Caribou lode from its discoverers.

"The essential features of the milling process were chloridizing roasting in Bruchner cylinders, followed by pan amalgamation, and the capacity of the works was 18 to 20 tons per day. The bullion recovered had a fineness of silver of 0.850 to 0.950. Shortly after the completion of this mill Breed obtained control of the whole Caribou lode and sold it to a Dutch company for the exorbitant amount of $3,000,000. According to Raymond Caribou was very active in 1875, its gross production amounting to $450,000, an increase of more than $100,000 over the figures for 1874. The Caribou mine was the largest producer, other mines operated being the Sherman, No Name, Poor Man, Grand View, Native Silver, Seven-Thirty, Idaho, Potosi, and Sovereign People.

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Rollinsville, 5.0 miles by paved road south of Nederland. Rollinsville is on the Moffat Tunnel route of the Denver and Rio Grande Western Railroad running between Denver and Salt Lake City.

13. The Caribou shaft makes approximately 43.7 gallons per minute of water. This water is pure and is adequate at all seasons for all mining purposes. Electric power is supplied by the Public Service Company of Colorado and is available in any required quantity. At the present time the average monthly power consumption is 25,000 K.W.H. at an average monthly cost of $600.00. Hence average rate is approximately 0.024 per K.W.H.

14. The Caribou mine is operating and is adequately equipped with buildings and machinery all of which will be devoted to the exploration work.

15. The company at the present time is mining ore and shipping it to its own mill located 3.5 miles by first-class gravel road north of Nederland. Concentrates produced at the company's mill are hauled by a trucking contractor and sold to the American Smelting and Refining Company's smelter at Leadville, Colorado.

16. (a) History of operation and production of the property prior to the beginning of the current operation:

Judging by the evidence now existing on and below the surface on the various mines and mining claims now consolidated into a single property of the Company, the history is long and complex. The following general account is given by authors Edson S. Bastin and James M. Hill in U.S. Geological Survey Professional Paper 94, page 177.

> "Some prospecting for gold had been done in the Caribou, or Grand Island district (as it was called in the early sixties), but the early prospectors were not on the lookout for silver ores and it was not until 1869 that the presence of this metal was recognized. In that year Samuel Conger discovered the outcroppings of a vein which he called the Poor Man; and William Martin and George Lytle found a lode a little farther up the hill which they named the Caribou. Assays

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UNPATENTED CLAIMS

Lode Mining Claim	Date of Location	Location Certificate Recorded In		Amended Location Certificate Recorded In	
		Book	Page	Book	Page
Radium # 1	10-19-45	774	403	816	83
Radium # 2	10-19-45	774	404	816	84
Radium # 3	10-19-45	774	405	816	85
Radium # 4	10-19-45	774	406	816	86
Radium # 5	10-19-45	774	407	816	87
Radium # 6	10-19-45	774	408	816	88
Radium # 7	10-19-45	774	409	816	89
Radium # 8	10-19-45	774	410	816	90
Radium # 9	10-18-45	774	411	816	91
Radium #10	10-18-45	774	412	816	92
Radium #11	10-18-45	774	413	816	93
Radium #12	10-18-45	774	414	816	94
Radium #13	10- 4-47	816	95		
Radium #14	8-10-49	853	173		
Radium #15	7-23-49	853	174		
Radium #17	7-27-49	853	175		
Radium #18	7-25-49	853	176		
Radium #19	8- 4-49	853	177		
Radium #20	8- 3-49	853	178		
Radium #21	8-25-49	853	179		

All located in Sections 5 and 8, T. 1S., R. 73 W. of the 6th P.M.

11. The Caribou mine today is a consolidation of a group of mines formerly known as the Caribou, No Name, Spencer, Sherman, Arizona, Grand Island, Grant County, Poorman, Silver Dollar, Seven-thirty, Socorro and Carry mines.

12. The property is located on Caribou Hill, Boulder County, Colorado. Caribou Hill is in the Front Range of the Colorado Rocky Mountains, 4 1/2 miles west of the town of Nederland which is 31 miles northwest of Denver. Nederland is connected to Denver by two paved routes approximately 50 miles each in length. A 5.4 mile gravel road runs west of Nederland to the property. It is in good condition at all times of the year and is maintained by the county. The nearest railroad station is at

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PATENTED CLAIMS

NAME OF CLAIM	U. S. Survey Lot Number
Caribou Lode	37
Kalamazoo Lode	76
No Name Lode	77
Federal Lode	91
Sherman Lode	93
Socorro Lode	104
Hidden Treasure Lode	105
Columbia Lode	167
Spencer Lode	168
Non Pareil Lode	6853
Brazilian Lode	13367A
Brazilian Mill Site	13367B
Easterly 500 feet of Arizona Lode	54
Grand Island Lode	61
Grant County Lode	115
Jay Lode	169
Undivided 10/12ths interest of Isabella Lode	170
Lost Lode	56
Southerly 500 feet of Ontario Lode	55
Douglas Lode	47
Golconda Lode	192
Barablas Lode	15588
Poorman Lode	42
Silver Dollar Lode	654
Grand View Lode	297
Seven-thirty Lode	71
Fannie Lode	659
Carry Lode	660
California Lode	20483
North Park Lode	20483
Candia Lode	20483
Toledo Lode	20483

CONSOLIDATED CARIBOU
SILVER MINES, INC.
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9. Applicant is prepared to invest $39,950 in proposed project. It is sufficient to pay the applicant's cost of the project as detailed in Section 25 of this application.

THE PROPERTY

10. (a) The real property involved in the exploration project is the property owned by the applicant containing the Caribou mine which consists of the three-compartment Caribou shaft, reaching an inclined depth of 1040 feet, with an outside dimension of 5' X 15'. The shaft is equipped with an electric hoist at the 500 Level and is not in use above the 500 Level. Levels are established below the 500 Level at 530, 600, 740, 800, 920, 980, and 1040. It is connected to the surface on the 500 Level by a 3,636-foot long transportation tunnel. This tunnel, called the Idaho Tunnel, is electrically lighted and equipped with 30-pound, 24-inch gauge railway track, a ditch to drain the water pumped from the Caribou shaft, and an adequate fleet of ore cars and storage battery locomotives.

The portal of the Idaho Tunnel is protected by a snow shed. Adjacent to the portal is a 72' X 20' building containing the compressor room, shop, storage and change room. Beyond the portal on the edge of the dump is a building housing a sorting belt and ore bins.

Compressed air is generated by 3 compressors driven by electric motors with a total of 250 H.P. furnishing 1600 c.f.m. at a pressure of 105 lbs. per sq. in. (Elevation approximately 10,000 feet.)

The property and mining operation are adequately equipped with drills, accessories and small tools, trucks, etc.

(b) The property in (a) is the same as in (b). Legal description follows:

CONSOLIDATED CARIBOU
SILVER MINES, INC.
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4. General and mining experience of

(a) Applicant:

The Consolidated Caribou Silver Mines, Inc. was organized on July 15, 1946, under the laws of the State of Delaware for the purpose of the acquisition, exploration and development of the Caribou mine and adjacent mining properties situated in the State of Colorado. In the fall of 1946, the company began the rehabilitation and extension of the Idaho Tunnel (1,500 feet long) a distance of 2,136 feet to connect with the Caribou shaft at the 500 Level. The company has continued to the present time the rehabilitation of the old workings of the Caribou mine and a program of development and partial production. The company purchased an old mill and has operated the mill since 1947 on surface dump, stope fill and development ores sporadically producing a bulk flotation concentrate which has been sold to the A. S. & R. smelter at Leadville, Colorado. Approximately 35 men have been employed continuously in the mine and 4 men in the mill since the operation began in 1946.

(b) Persons managing the property:

Mr. Donald M. Nelson, president, Mr. Matthew Ollsen, manager, and Mr. Elmer Hetzer, mine superintendent. A biography of Mr. Elmer Hetzer, who will be in charge of executing the project, accompanies this application.

5. The company owns in fee simple the mining property to be explored. Title to the property is insured.

6. The real and personal property owned by the company, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing a note payable to a stockholder in the amount of $200,000.00.

7. Does not apply.

8. Latest financial statement and profit and loss statement is attached.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
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APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

THE APPLICANT

1. The applicant is a corporation.

2. Does not apply.

3. Officers and Directors:

Donald M. Nelson, President,
Treasurer and Director
9033 Briarcrest Lane
Beverly Hills, California

R. J. Reynolds, Vice-President
and Director
1206 Reynolds Building
Winston Salem, North Carolina

Samson Selig, Secretary
and Director
80 Broad Street
New York 4, New York

Joseph B. Keenan, Director
Woodward Building
Washington, D. C.

Five largest Stockholders:

Boris Pregel
630 Fifth Avenue
New York 20, New York

Alexander Pregel
630 Fifth Avenue
New York 20, New York

Alice Doscher
575 Fifth Avenue
New York, New York

R. J. Reynolds, address above

Samson Selig, address above

CONSOLIDATED CARIBOO
SILVER MINES, INC.
DENVER, COLO.

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ILLUSTRATIONS

Figure 1	Plan of 920 Level, 1040 Level, and proposed D.M.A. exploration project.
Figure 2	Plan of 1040 Level showing assays on 1040-D8 and 1040-D9 (Nelson vein).
Figure 3	Assay section 'C' 1040 Level (Nelson vein).
Figure 4	Assay plan of 920 Level. Plan No. 2.
Figure 5	Plan showing diamond drill holes drilled from station near 1084.
Figure 6	Section 'A', Diamond Drill Holes #1040 - 13 and 14
Figure 7	Section 'B', Diamond Drill Holes #1040 - 15 and 16
Figure 8	Section 'C', Diamond Drill Holes #1040 - 17 and 18
Figure 9	Section 'D', Diamond Drill Holes #1040 - 19, 20, 21, and 22

CONSOLIDATED CARIBOO
SILVER MINES, INC.
BOULDER, COLO.

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.

Consolidated Caribou Silver Mines, Inc. By [signature]
(Name of company) (Signature of authorized official)

July 19, 1951 Donald M. Nelson, President
(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

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 1887

Date received 7-26-51

Participation

Consolidated Caribou Silver
Mines, Inc.
1406 Pearl Street
Boulder, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 26 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application July 19, 1951

Estimated cost $81,800

Mineral or metal Lead-zinc

Percentage of Government participation 50%

Location of mine near Nederland
Boulder County, Colorado

Date of filing MF-100 Pending

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?
*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

CONSOLIDATED CARIBOU SILVER MINES, INC.

STATEMENT OF UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

As of December 31, 1950

	Expenditures to December 31, 1949	Additions During 1950	Expenditures to December 31, 1950
DEVELOPMENT, MAINTENANCE AND REHABILITATION EXPENSES:			
Salaries and wages	$314,399.59	$112,402.86	$426,802.45
Assayers', engineers' and other consultants' fees	27,553.29	9,120.04	36,673.33
Materials, tools and supplies	119,545.69	33,450.39	152,996.08
Depreciation (Note 2)	23,584.35	16,179.41	39,763.76
Insurance	13,068.71	4,343.63	17,412.34
Taxes	14,081.80	5,863.69	19,945.49
Light, power and fuel	34,404.75	14,852.73	49,257.48
Transportation of men, supplies and ore	47,616.50	15,612.89	63,229.39
Traveling	4,932.89	660.36	5,593.25
Postage, stationery and supplies	619.41	6.12	625.53
Telephone and telegraph	1,839.99	915.46	2,755.45
Loss on disposal of equipment (accumulated depreciation $1,431.43)	570.42	(271.84)	298.58
Miscellaneous	4,360.97	79.19	4,440.16
	606,578.36	213,214.93	819,793.29
MINE ADMINISTRATIVE EXPENSES:			
Salaries	12,389.99	5,281.15	17,671.14
Rent	1,855.00	780.00	2,635.00
Depreciation (Note 2)	26.54	28.58	55.12
Taxes	296.42	304.65	601.07
Traveling	2,275.32	601.26	2,876.58
Postage, stationery and supplies	1,042.93	564.02	1,606.95
Telephone and telegraph	3,207.45	1,226.05	4,433.50
Miscellaneous	3,280.28	2,237.99	5,518.27
	24,373.93	11,023.70	35,397.63
	630,952.29	224,238.63	855,190.92
LESS PROCEEDS FROM SALE OF EXPERIMENTAL ORE, AND REIMBURSEMENT OF DEVELOPMENT COSTS BY U. S. GOVERNMENT AGENCY (Note 5)	77,866.75	80,852.59	158,719.34
	553,085.54	143,386.04	696,471.58
GENERAL ADMINISTRATIVE EXPENSES:			
Salaries	21,432.00	5,525.47	26,957.47
Legal and professional fees	30,865.16	15,619.19	46,484.35
Rent	1,000.00	1,154.00	2,154.00
Depreciation (Note 2)	7.14	10.18	17.32
Taxes	7,973.01	5,013.72	12,986.73
Interest and discount on loans	643.33	3,643.33	4,286.66
Traveling	11,209.38	7,920.66	19,130.04
Postage, stationery and supplies	3,166.04	881.35	4,047.39
Telephone and telegraph	2,634.59	2,007.33	4,641.92
Miscellaneous	2,635.47	3,389.42	6,024.89
	81,566.12	45,164.65	126,730.77
TOTAL	$634,651.66	$188,550.69	$823,202.35

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

LIABILITIES

CURRENT LIABILITIES:		
Notes payable to promoter		$ 20,000.00
Accounts payable		32,699.90
Accrued salaries and wages		3,931.23
Accrued taxes (including $1,028.03 employees' payroll deductions)		3,232.55
Accrued interest and insurance		3,503.71
TOTAL CURRENT LIABILITIES		63,367.39
NOTES PAYABLE TO STOCKHOLDER (due November 26, 1952):		
Secured by deed of trust on real and personal property in Boulder County, Colorado (Notes 1 and 4)	$200,000.00	
Unsecured	50,000.00	250,000.00
EQUIPMENT PURCHASE CONTRACT (payable in 8,000 shares of common stock at $1.25 per share) (Note 4)		10,000.00
CAPITAL STOCK (Notes 3 and 4):		
Preferred stock, 4% noncumulative, par value $100.00 per share (redeemable at option of board of directors at $105.00 per share). Authorized 10,000 shares; issued and outstanding 4,687½ shares	468,750.00	
Common stock, no par value. Authorized 2,000,000 shares; issued and outstanding 1,084,285 shares	361,918.75	830,668.75
CONTINGENT LIABILITY (Note 5)		
		$1,154,036.14

was elected a director and president of the company at the same meeting. Additional options were outstanding at December 31, 1950 to purchase 210,000 shares of common stock at $1.25 per share, including an option to purchase 200,000 shares given in connection with the $200,000.00 note payable to stockholder referred to in Note 1 hereof.

In November, 1950, the company entered into an informal contract for the purchase of a bulldozer and agreed to pay therefor 8,000 shares of common stock, which at the public offering price of $1.25 per share would amount to $10,000.00. The equipment has been received, but as of December 31, 1950 the stock had not been issued in payment therefor.

Note 5 — Contingent Liability

On August 28, 1950, the company entered into a contract with the United States Atomic Energy Commission for certain exploration work in the Caribou Mine, pursuant to which the Commission reimbursed the company for the cost of such work to the extent of $16,500.00. In the event that within a period of five years the company receives payments as a result of the sale of uranium-bearing ores from the mine, it is required by the terms of the contract to pay the Commission a royalty of 7½% of the net settlement returns from the sale of such ores until the royalties so paid equal the amount received under the contract.

On April 3, 1951, an additional contract for exploration work in the Caribou Mine, to the extent of $77,000.00, was entered into between the company and the United States Atomic Energy Commission. This contract also provides for the payment to the Commission of a royalty of 10% of the net settlement returns from the sale by the company of uranium-bearing ores from the Caribou Mine. Such royalty payments are to commence after the settlement by the company of its obligation under the contract of August 28, 1950 and continue until April 1, 1958 or until sums received under the contract are repaid.

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

CURRENT ASSETS:		
Cash in banks and on hand		$ 35,028.37
Accounts receivable — trade		7,369.13
Due from employee		600.00
Prepaid insurance		2,481.05
TOTAL CURRENT ASSETS		45,478.55
OTHER ASSETS:		
Mine and mill supplies — at approximate cost	$ 13,693.73	
Utility deposit	1,000.00	14,693.73
FIXED ASSETS — AT COST, LESS DEPRECIATION (Notes 1 and 2):		
Mines and mining claims	102,015.40	
Land (mill site)	3,500.00	
Buildings	23,051.48	
Machinery and equipment	90,190.91	
Automotive equipment	4,924.39	
Furniture and fixtures	535.17	
	224,217.35	
Less Allowance for depreciation of buildings, machinery and equipment	38,404.77	185,812.58
DEFERRED CHARGES:		
Unrecovered promotional, exploratory and development costs, per accompanying statement (Note 2)	823,202.35	
Expenses incurred in connection with public offering of common stock (Note 3)	83,737.67	
Organization expense	1,111.26	908,051.28
		$1,154,036.14

See accompanying "Notes Forming Part of Financial Statements."

Note 1 — Fixed Assets

The real and personal property owned by the company in Boulder County, Colorado, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing the note payable to stockholder in the amount of $200,000.00

Note 2 — Depreciation, Depletion and Amortization

Depreciation of buildings, machinery and equipment, charged to unrecovered promotional, exploratory and development costs, has been provided at rates calculated to amortize the cost of the assets over their estimated useful lives. The mining properties were not in commercial production at December 31, 1950, and no provision has been made for depletion of mines and mining claims, nor for the depletion and/or amortization of unrecovered promotional, exploratory and development costs.

Note 3 — Public Offering of Common Stock

On January 10, 1950, the company made a public offering of 800,000 shares of its common stock at $1.25 per share, pursuant to which 60,535 shares were sold at a price to the company, net of commission, of $1.00 per share. No provision has been made for the amortization of expenses incurred in connection with the offering and sale of said stock.

Note 4 — Unissued Common Stock Reserved for Options, Etc.

At a special meeting of the board of directors on March 1, 1950, a two-year option to purchase 60,000 share of the unissued common stock of the company at the public offering price of $1.25 per share was given to Mr. Donald M. Nelson, who

ACCOUNTANTS' REPORT

To the Board of Directors,
Consolidated Caribou Silver Mines, Inc.:

We have examined the balance sheet of Consolidated Caribou Silver Mines, Inc. as of December 31, 1950. Our examination for the year then ended was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet presents fairly the financial position of Consolidated Caribou Silver Mines, Inc. at December 31, 1950, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

Los Angeles, California
April 11, 1951

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EXPERIENCE RECORD OF ELMER HETZER

Mr. Elmer Hetzer completed his formal education in Boulder, Colorado in June, 1916, and after serving from July, 1916 to October, 1919 with the U.S. Navy, he returned to Boulder and operated a tungsten mining lease to June, 1922. Following this, and to June, 1924, he worked on the construction of the Moffat Tunnel. He then worked for the following companies, doing construction work, which included quarry, tunnel and other rock excavation jobs, the building of power plants and irrigation canals in New England, the West Coast and Mexico:

California - Oregon Power Company
Oakdale Irrigation Company
New England Light and Power Company
J.G. White Construction Company

In 1930, for six months, he was mine superintendent at the Denbow Chromium Mine at Dean, Montana. From Montana, he went to Duncan, Arizona where he supervised the unwatering of the Carlisle Mine and a diamond drilling program. From Arizona in April, 1931, he went to northern British Columbia as mine superintendent for the Atlin-Ruffner Mine.

Mr. Hetzer returned to Boulder from British Columbia in January, 1932, and since that time and to the present he has been conducting operations for various mining companies and his own operations. From January 7, 1936 to January, 1944, he was Boulder County Commissioner.

Since October, 1946, he has been mine superintendent for the applicant, the Consolidated Caribou Silver Mines, Inc., at the Caribou Mine and will be in charge of the proposed exploration project.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
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Detailed cost estimate of cross-cutting and drifting on the 1200 Level:

	Per Foot
Labor	$ 11.12
Power	1.54
Explosives	3.91
Steel and bits	1.57
Track	.87
Equipment Repair	.87
	$ 19.88

Diamond drilling:

Can be contracted @ $6/ft.

24. Time schedule:

Project	Time (months)	Cost ($)
Sinking Caribou shaft to 1200 Level, 180' @ $160/ft.	3	28,800
Cross-cutting from shaft to Poorman vein, 100' @ $20/ft.	1	2,000
Drifting W on Poorman vein to Nelson vein, 150' @ $20/ft.	1.5	3,000
Drifting NE on Nelson vein 300' @ $20/ft.	3	6,000
Drifting SW on Nelson vein 300' @ $20/ft.	3	6,000
Drifting E on Poorman vein from cross-cut, 150' @ $20/ft.	1.5	3,000
Drifting W on Poorman vein from Nelson vein, 150' @ $20/ft.	1.5	3,000
Diamond drilling 5000' @ $6/ft.	Concurrently with above	30,000
Totals	14.5	81,800

CONSOLIDATED CARIBOU
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(c) Repairs to existing facilities: None

(d) Installation and additional facilities:

Preparation for sinking (1040)
180' X $18/ft. = $3240

(e) Sinking Hoist, motor and controller = $1950
Cable, sheave wheel, misc. = 300
$2250

(f) Cost of rental for equipment which operator proposes to rent: None

(g) 4 drills @ $ 35/month each = $140/mo.
1 compressor @ $125/month = $125/mo.

(h) Hose, Bits, Steel and Timber $3,132
(17.40/ft. for 180')

(i) Power, Equipment Repair, and Incidentals $1,053
(5.85/ft. X 180')

Detailed cost estimate of extending Caribou shaft, including station and pocket at 1200 Level:
(Two compartments, 7' X 13' in the clear, timbering to be stulls, posts and wall plates. Lacing to be used where needed. Present mine operation to be maintained.)

	Per Foot
Labor	$ 88.30
Power	4.20
Explosives	9.10
Bits and steel	2.95
Supplies	14.10
Equipment Repair	2.75
1200 Level station	4.85
1200 Level pocket (70 tons of ore and 70 tons of waste)	17.80
1200 Level sump	.95
Preparation for sinking (on 1040 Level)	15.00
	$160.00

180 feet at $160/ft. = $28,800.00

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The structure, or structures, below the creek may be expected to parallel the Nelson at a distance of approximately 1000 feet to the northwest. The extremity of the 1040-D7 drift (Figure 1) is already 200 feet northwest of the Nelson vein, hence, is 800 feet from the above objective. Several 900 foot diamond drill holes to the northwest from 1040-D7 are recommended to test this promising area.

Diamond drill holes drilled by the company from stations in the vicinity of the Caribou shaft, 1040 Level, detected mineralized veins to the northwest, (1040-D6, D8 and D9, Figure 2) has opened up the Nelson vein for a length of 380 feet showing commercial assay values in lead, zinc, silver, and gold. Development of this ore body has continued with four raises from the D8 and D9 drifts (Figure 3). Exploration of the structure on the 920 horizon by cross-cutting and drifting is now underway (Figure 4). A series of 6 diamond drill holes has been drilled from the vicinity of survey station 1084 (Figures 2 and 5) into the Nelson ore body. Diagrams showing the location and sections of the holes, and assay results of mineralized core are enclosed in the pocket (Figures 6, 7, 8, 9, and 10). The assay results from these holes, particularly holes 1040-21 and 1040-28, drilled below the 1040 Level, are indicative of continued mineralization at depth. Hence, diamond drill information and assay results* of the D8 and D9 drifts are believed to warrant exploration of this structure on the 1200 foot horizon by the sinking of the Caribou shaft to the new, 1200-foot Level and cross-cutting and drifting as outlined in section 21.

THE REQUIREMENTS AND COSTS

23. (a) Wages:

Miners	(4)	@	$1.75/hr.
Muckers	(4)	@	1.50/hr.
Hoistmen	(2)	@	1.75/hr.
Timbermen	(2)	@	1.75/hr.

(b) Supervisors:

1 on each shift for 3 hours @ $10.30/day

* Note: Zinc is usually not reported. It averages 50% of the lead assay.

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(3) Diamond drill a total of 5,000 feet from the face (drill station to be cut out) of the 1040-57 drift.

Time: Concurrently with the above cross-cutting and drifting programs (600 feet per month, 10 months)

Approximate total time for all 3 items: 15 months.

22. Geological basis of the project:

From a detailed study of the surface and underground geology and from the success obtained from exploration already conducted on the 920 and 1040 Levels of the Caribou mine, the applicant has good reason to believe that the deeper horizons to the northwest of the Caribou shaft hold excellent promise for the discovery of additional lead-zinc ores.

The collar of the Caribou shaft is located on the rounded north slope of Caribou Hill. Six hundred feet north of the shaft the outcropping monzonite drops off under an overburden-filled basin mantled with peat and brush. Caribou Creek begins at a point approximately one mile west of the Caribou shaft and flows straight northeast through the swampy basin across the northwest part of the Caribou property. It is a topographic feature that suggests the existance of one or more major northeast-trending ore-bearing structures below the creek bed.

The east-west veins, an example of which is the Poorman, were the most productive above the 500 Level of the Caribou mine; the northeast system, to which the No Name and Nelson belong, yielded longer and wider ore bodies below the 500 Level. Neither system is too easily recognizable at the surface on Caribou Hill, but, of the two, the northeast system is more easily discernable. The fact that the northeast system is expressed topographically more positively in the basin to the northwest than on Caribou Hill, and the fact that, on the lower levels, the northeast veins are the most productive, is evidence that the ground at depth and to the northwest is exceptionally favorable for exploration.

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THE EXPLORATION

20. The applicant is requesting aid to explore for lead and zinc ores in the lower levels of the mine northwest of the Caribou shaft.

21. The project is designed to explore the Poorman and Nelson veins below the 1040 Level and to search for similar veins northwest of the known veins. Specifically, the program includes:

(1) Sink the Caribou shaft 160 feet from the 1040 Level to the 1200 Level.

Time: 3 months

(2) Drive cross-cut from shaft to the Poorman vein, 1200 Level, a distance of 100 feet.

Time: 1 month

(3) Drive drift west along Poorman vein, 1200 Level, to the Nelson vein, a distance of 150 feet.

Time: 1 1/2 months

(4) Drive drift northeast along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(5) Drive drift southwest along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(6) Drive drift east along Poorman vein, 1200 Level, from cross-cut a distance of 150 feet.

Time: 1 1/2 months

(7) Drive drift west along Poorman vein, 1200 Level, from the Nelson-Poorman intersection a distance of 150 feet.

Time: 1 1/2 months

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18. (a) Description of the mineral deposits:

The ore bodies of the Caribou mine are contained in a slightly foliated, gray-colored, medium-grained quartz monzonite. The monzonite is a large, north-south elongated igneous stock extending beyond the boundaries of the Caribou property and east, south and west sides by the Idaho Springs biotite schist, on the north by the Boulder Creek granite. The quartz monzonite is recognized by the U.S.G.S. as Upper Cretaceous and the Idaho Springs schist and Boulder Creek granite as pre-Cambrian in age. The Caribou property and its ore deposits are entirely within the quartz monzonite. Fractures in the monzonite are filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite, and complex silver-lead bearing sulphide minerals. Pitchblende occurs in two of the veins below the 920 Level and northeast of the Caribou shaft.

The veins of the Caribou property are of two systems; one striking approximately east-west; the other, northeast-southwest. The dips of the veins are generally steep.

(b) Maps and assay data accompany this application in the pocket.

(c) Ore reserves as of December 31, 1950, are estimated as follows:

	Tons	Oz. Gold	Oz. Silver	% Lead	% Zinc*	$/ton*
In place	36,952	0.063	21.20	1.75	0.33	24.50
Broken	41,114	0.030	9.83	.45	0.23	10.50
Total	78,066			Average Value:		17.12

* The value of zinc has not been included in the value of the ore due to the fact that the mill in its present set-up does not separate a zinc concentrate and no value is received for zinc at the Leadville smelter.

19. The applicant knows of no conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CONSOLIDATED CARIBOU
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17. Production:

(1 & 2) Mined and milled (Average of production from January through June, 1951.)

Tons Per Day	Average Grade					Cost Per Ton	Net Value Per Ton
	Lead	Zinc	Copper	Au.	Ag.		
32.65	1.013	0.477	0.055	0.043	20.57	$24.00	Loss 4.21

(3) Concentrates shipped from January through June, 1951.

Dry Tons	Contents of Concentrates				
	Pounds			Ounces	
	Lead	Zinc	Copper	Gold	Silver
139.307	73,897.6	37,168.0	4,418.4	167.8	76,554
Average grade per ton	28.32	13.34	1.49	1.205	549.5

NOTE: Cost per ton:

Includes direct mining, development, milling, metallurgical loss and overhead.

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During the driving of the Idaho Tunnel, an ore body, the Samson, was accidentally intercepted and stoping operations have been carried along this ore body for a horizontal distance of 70 feet. This ore has been milled in the Company's mill and the concentrates sold to the Leadville smelter.

The following development has been done: on the 500 Level, a total of 1,181 feet of drifting, 470 feet of cross-cutting and 3,352 feet of diamond drilling; on the 920 Level, a total of 246 feet of drifting; on the 1040 Level, 1,362 feet of drifting, 120 feet of cross-cutting, 110 feet of raising, 90 feet of sinking, and 6,693 feet of diamond drilling.

As a result of the development work on the 1040 Level west and north of the Caribou shaft, the Nelson ore body was discovered and developed on the 1040 Level. The Company is now engaged in exploring and developing the Poorman and Nelson veins on the 920 Level.

Pitchblende has been found in the No Name and Radium veins on the 1040 Level north and east of the Caribou shaft. The Company drove a raise in the pitchblende ore from the 1040 Level to the 920 Level and sank the winze to the 1140 Level and began drifting on the 1140 Level when a contract was entered into with the United States Atomic Energy Commission in August, 1950, for certain exploration work on the 1140 and 1040 Levels in the vicinity of the pitchblende occurrences. This work is still in progress.

Part of the cost of the Company's development work has been defrayed by the milling and sale of development ores and production from the Samson ore body, stope fills from the 860 and 920 Levels, surface dump ores, and, recently, the Poorman and Nelson ore bodies on the 1040 Level. The profit from the Nelson ore body production, now underway, is barely financing the exploration work on the 920 Level; hence the reason for this application for aid.

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"In the winter of 1875-76 the Dutch Company operating the Caribou mine failed, causing a temporary setback that was offset in a measure by the completion at Caribou of a new mill, operated on the same principle as that at Nederland, for the treatment of ore from the Native Silver mine.

"The silver ores yielded by the camp in early days were very rich...

"Up to July, 1880, the total yield of the Caribou mine is said to have been about $1,163,000."

On the basis of information which cannot be confirmed, the property enjoyed a continuous scale of production until it was closed in 1888. In 1912, 3,764 tons of dump ore reported to have been shipped which yielded 6.17 ounces of silver per ton. In 1916 the mine was reopened and produced, through 1917, $65,000 worth of silver ore. After the property changed hands in 1917 it was reported to have yielded an additional $185,000 before finally closing in 1923.

The 1888 and 1923 closures can be traced to rapid declines in the price of silver at those periods.

(b) History of exploration and development, operation and production of property since begun by applicant in November, 1946:

The company began by rehabilitating the old Idaho Tunnel, the portal of which is located 3,260 feet southeast from, and approximately 500 feet vertically below, the collar of the Caribou shaft, and extended the 1,500-foot tunnel to the Caribou shaft, a distance of 2,130 feet. This drained the mine to the Idaho Tunnel level and the workings below were then pumped dry by June, 1948. An underground ore pocket, cable way and hoist room were constructed at the point where the tunnel and shaft meet. The hoist was installed and ready for operation on March 1, 1949.

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"showed that both veins contained large amounts of silver, and before winter a wagon load of ore had been mined and sent to the smelter at Blackhawk. In the succeeding summer (1870) a wagon road was constructed to the mine and regular shipments were begun to Blackhawk, 20 miles away. The success of these ventures caused a rush to the district and resulted in the discovery of numerous other veins, including the Boulder County, Idaho, Sherman, No Name, and Seven-Thirty, and led to the founding of the town of Caribou, which in November, 1870, had about 30 houses and 125 voters. The great development of mining at Caribou may be said to date from the completion in 1871 of a mill at Nederland (then called Middle Boulder) for the treatment of the silver ores from the Caribou mine. This mill was built by A. D. Breed, who had purchased the western portionof the Caribou lode from its discoverers.

"The essential features of the milling process were chloridizing roasting in Bruchner cylinders, followed by pan amalgamation, and the capacity of the works was 18 to 20 tons per day. The bullion recovered had a fineness of silver of 0.850 to 0.950. Shortly after the completion of this mill Breed obtained control of the whole Caribou lode and sold it to a Dutch company for the exorbitant amount of $3,000,000. According to Raymond Caribou was very active in 1875, its gross production amounting to $450,000, an increase of more than $100,000 over the figures for 1874. The Caribou mine was the largest producer, other mines operated being the Sherman, No Name, Poor Man, Grand View, Native Silver, Seven-Thirty, Idaho, Potosi, and Sovereign People.

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Rollinsville, 5.0 miles by paved road south of Nederland. Rollinsville is on the Moffat Tunnel route of the Denver and Rio Grande Western Railroad running between Denver and Salt Lake City.

13. The Caribou shaft makes approximately 43.7 gallons per minute of water. This water is pure and is adequate at all seasons for all mining purposes. Electric power is supplied by the Public Service Company of Colorado and is available in any required quantity. At the present time the average monthly power consumption is 25,000 K.W.H. at an average monthly cost of $600.00. Hence average rate is approximately 0.024 per K.W.H.

14. The Caribou mine is operating and is adequately equipped with buildings and machinery all of which will be devoted to the exploration work.

15. The company at the present time is mining ore and shipping it to its own mill located 3.5 miles by first-class gravel road north of Nederland. Concentrates produced at the company's mill are hauled by a trucking contractor and sold to the American Smelting and Refining Company's smelter at Leadville, Colorado.

16. (a) History of operation and production of the property prior to the beginning of the current operation:

Judging by the evidence now existing on and below the surface on the various mines and mining claims now consolidated into a single property of the Company, the history is long and complex. The following general account is given by authors Edson S. Bastin and James M. Hill in U.S. Geological Survey Professional Paper 94, page 177.

> "Some prospecting for gold had been done in the Caribou, or Grand Island district (as it was called in the early sixties), but the early prospectors were not on the lookout for silver ores and it was not until 1869 that the presence of this metal was recognized. In that year Samuel Conger discovered the outcroppings of a vein which he called the Poor Man; and William Martin and George Lytle found a lode a little farther up the hill which they named the Caribou. Assays

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UNPATENTED CLAIMS

Lode Mining Claim	Date of Location	Location Certificate Recorded In		Amended Location Certificate Recorded In	
		Book	Page	Book	Page
Radium # 1	10-19-45	774	403	816	83
Radium # 2	10-19-45	774	404	816	84
Radium # 3	10-19-45	774	405	816	85
Radium # 4	10-19-45	774	406	816	86
Radium # 5	10-19-45	774	407	816	87
Radium # 6	10-19-45	774	408	816	88
Radium # 7	10-19-45	774	409	816	89
Radium # 8	10-19-45	774	410	816	90
Radium # 9	10-18-45	774	411	816	91
Radium #10	10-18-45	774	412	816	92
Radium #11	10-18-45	774	413	816	93
Radium #12	10-18-45	774	414	816	94
Radium #13	10- 4-47	816	95		
Radium #14	8-10-49	853	173		
Radium #15	7-23-49	853	174		
Radium #17	7-27-49	853	175		
Radium #18	7-25-49	853	176		
Radium #19	8- 4-49	853	177		
Radium #20	8- 3-49	853	178		
Radium #21	8-25-49	853	179		

All located in Sections 5 and 8, T. 1S., R. 73 W. of the 6th P.M.

11. The Caribou mine today is a consolidation of a group of mines formerly known as the Caribou, No Name, Spencer, Sherman, Arizona, Grand Island, Grant County, Poorman, Silver Dollar, Seven-thirty, Socorro and Carry mines.

12. The property is located on Caribou Hill, Boulder County, Colorado. Caribou Hill is in the Front Range of the Colorado Rocky Mountains, 4 1/2 miles west of the town of Nederland which is 31 miles northwest of Denver. Nederland is connected to Denver by two paved routes approximately 50 miles each in length. A 5.4 mile gravel road runs west of Nederland to the property. It is in good condition at all times of the year and is maintained by the county. The nearest railroad station is at

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
FM - 103

PATENTED CLAIMS

NAME OF CLAIM	U. S. Survey Lot Number
Caribou Lode	37
Kalamazoo Lode	76
No Name Lode	77
Federal Lode	91
Sherman Lode	93
Socorro Lode	104
Hidden Treasure Lode	105
Columbia Lode	167
Spencer Lode	168
Non Pareil Lode	6853
Brazilian Lode	13367A
Brazilian Mill Site	13367B
Easterly 500 feet of Arizona Lode	54
Grand Island Lode	61
Grant County Lode	115
Jay Lode	169
Undivided 10/12ths interest of Isabella Lode	170
Lost Lode	56
Southerly 500 feet of Ontario Lode	55
Douglas Lode	47
Golconda Lode	192
Barablas Lode	15588
Poorman Lode	42
Silver Dollar Lode	654
Grand View Lode	297
Seven-thirty Lode	71
Fannie Lode	659
Carry Lode	660
California Lode	20483
North Park Lode	20483
Sandia Lode	20483
Toledo Lode	20483

CONSOLIDATED COMPANY
SILVER MINES, INC.
BOULDER, COLO.

9. Applicant is prepared to invest $39,950 in proposed project. It is sufficient to pay the applicant's cost of the project as detailed in Section 25 of this application.

THE PROPERTY

10. (a) The real property involved in the exploration project is the property owned by the applicant containing the Caribou mine which consists of the three-compartment Caribou shaft, reaching an inclined depth of 1040 feet, with an outside dimension of 5' X 15'. The shaft is equipped with an electric hoist at the 500 Level and is not in use above the 500 Level. Levels are established below the 500 Level at 530, 600, 740, 800, 920, 980, and 1040. It is connected to the surface on the 500 Level by a 3,636-foot long transportation tunnel. This tunnel, called the Idaho Tunnel, is electrically lighted and equipped with 30-pound, 24-inch gauge railway track, a ditch to drain the water pumped from the Caribou shaft, and an adequate fleet of ore cars and storage battery locomotives.

The portal of the Idaho Tunnel is protected by a snow shed. Adjacent to the portal is a 72' X 28' building containing the compressor room, shop, storage and change room. Beyond the portal on the edge of the dump is a building housing a sorting belt and ore bins.

Compressed air is generated by 3 compressors driven by electric motors with a total of 250 H.P. furnishing 1600 c.f.m. at a pressure of 105 lbs. per sq. in. (Elevation approximately 10,000 feet.)

The property and mining operation are adequately equipped with drills, accessories and small tools, trucks, etc.

(b) The property in (a) is the same as in (b). Legal description follows:

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
MP - 103

4. General and mining experience of

(a) Applicant:

The Consolidated Caribou Silver Mines, Inc. was organized on July 15, 1946, under the laws of the State of Delaware for the purpose of the acquisition, exploration and development of the Caribou mine and adjacent mining properties situated in the State of Colorado. In the fall of 1946, the company began the rehabilitation and extension of the Idaho Tunnel (1,500 feet long) a distance of 2,136 feet to connect with the Caribou shaft at the 500 Level. The company has continued to the present time the rehabilitation of the old workings of the Caribou mine and a program of development and partial production. The company purchased an old mill and has operated the mill since 1947 on surface dump, stope fill and development ores sporadically producing a bulk flotation concentrate which has been sold to the A. S. & R. smelter at Leadville, Colorado. Approximately 25 men have been employed continuously in the mine and 4 men in the mill since the operation began in 1946.

(b) Persons managing the property:

Mr. Donald M. Nelson, president, Mr. Matthew Ollsen, manager, and Mr. Elmer Hetzer, mine superintendent. A biography of Mr. Elmer Hetzer, who will be in charge of executing the project, accompanies this application.

5. The company owns in fee simple the mining property to be explored. Title to the property is insured.

6. The real and personal property owned by the company, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing a note payable to a stockholder in the amount of $200,000.00.

7. Does not apply.

8. Latest financial statement and profit and loss statement is attached.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
MF - 103

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

THE APPLICANT

1. The applicant is a corporation.

2. Does not apply.

3. Officers and Directors:

Donald M. Nelson, President,
Treasurer and Director
9033 Briarcrest Lane
Beverly Hills, California

R. J. Reynolds, Vice-President
and Director
1206 Reynolds Building
Winston Salem, North Carolina

Samson Selig, Secretary
and Director
80 Broad Street
New York 4, New York

Joseph B. Keenan, Director
Woodward Building
Washington, D. C.

Five largest Stockholders:

Boris Pregel
630 Fifth Avenue
New York 20, New York

Alexander Pregel
630 Fifth Avenue
New York 20, New York

Alice Doscher
575 Fifth Avenue
New York, New York

R. J. Reynolds, address above

Samson Selig, address above

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
MP - 103

ILLUSTRATIONS

Figure 1	Plan of 920 Level, 1040 Level, and proposed D.M.A. exploration project.
Figure 2	Plan of 1040 Level showing assays on 1040-D8 and 1040-D9 (Nelson vein).
Figure 3	Assay section 'C' 1040 Level (Nelson vein).
Figure 4	Assay plan of 920 Level. Plan No. 2.
Figure 5	Plan showing diamond drill holes drilled from station near 1084.
Figure 6	Section 'A', Diamond Drill Holes #1040 - 13 and 14
Figure 7	Section 'B', Diamond Drill Holes #1040 - 15 and 16
Figure 8	Section 'C', Diamond Drill Holes #1040 - 17 and 18
Figure 9	Section 'D', Diamond Drill Holes #1040 - 19, 20, 21, and 22

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.

Consolidated Caribou Silver Mines, Inc. By [signature]
(Name of company) (Signature of authorized official)

July 19, 1951 Donald M. Nelson, President
(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

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 1887

Date received 7-26-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 26 1951
LANDON F. STROBEL
Executive Secretary

Consolidated Caribou Silver
Mines, Inc.
1406 Pearl Street
Boulder, Colorado

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application July 19, 1951

Estimated cost $81,800

Mineral or metal Lead-zinc

Percentage of Government participation 50%

Location of mine near Nederland
Boulder County, Colorado

Date of filing MF-100 Pending

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?
*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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE OF
REGIONAL DIRECTOR

REGION IV

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

July 23, 1951

Memorandum

To: Landon Strobel, Executive Secretary, Defense Minerals Administration

From: Executive Officer, Defense Minerals Administration, Region IV

Subject: Application for Exploration Project, Consolidated Caribou, Silver Mines, Inc., Caribou Mine, Boulder County, Colorado

Enclosed herewith, in quadruplicate, is the above application for an exploration loan of $81,800 for lead and zinc at the Caribou Mine.

It is to be noted that pitchblende has been found on the 1040 level of the Caribou Shaft, and that exploration of this is now in progress under a contract with the Atomic Energy Commission.

J. H. East, Jr.

J. H. East, Jr.

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 26 1951
LANDON F. STROBEL
Executive Secretary

FILE COPY
SURNAME:

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

July 30, 1951

Mr. Donald M. Nelson, President
Consolidated Caribou Silver
Mines, Incorporated
1406 Pearl Street
Boulder, Colorado

Subject: DMA-1887
Re: Exploration Loan -
Caribou

My dear Mr. Nelson:

Receipt is acknowledged of your application and attachments of July 19, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1887 and referred to Mr. Thomas Billings, Chief, Lead-Zinc Branch on July 27, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1887.

Sincerely yours,

SIGNED JF 7/30

Robert E. Adams
Chief, Reports & Records Unit

R. E. Adams:jc
cc: Adams
File
Billings
Lyon

CONSOLIDATED CARIBOU SILVER MINES, INC.

STATEMENT OF UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

As of December 31, 1950

	Expenditures to December 31, 1949	Additions During 1950	Expenditures to December 31, 1950
DEVELOPMENT, MAINTENANCE AND REHABILITATION EXPENSES:			
Salaries and wages	$314,399.59	$112,402.86	$426,802.45
Assayers', engineers' and other consultants' fees	27,553.29	9,120.04	36,673.33
Materials, tools and supplies	119,545.69	33,450.39	152,996.08
Depreciation (Note 2)	23,584.35	16,179.41	39,763.76
Insurance	13,068.71	4,343.63	17,412.34
Taxes	14,081.80	5,863.69	19,945.49
Light, power and fuel	34,404.75	14,852.73	49,257.48
Transportation of men, supplies and ore	47,616.50	15,612.89	63,229.39
Traveling	4,932.89	660.36	5,593.25
Postage, stationery and supplies	619.41	6.12	625.53
Telephone and telegraph	1,839.99	915.46	2,755.45
Loss on disposal of equipment (accumulated depreciation $1,431.43)	570.42	(271.84)	298.58
Miscellaneous	4,360.97	79.19	4,440.16
	606,578.36	213,214.93	819,793.29
MINE ADMINISTRATIVE EXPENSES:			
Salaries	12,389.99	5,281.15	17,671.14
Rent	1,855.00	780.00	2,635.00
Depreciation (Note 2)	26.54	28.58	55.12
Taxes	296.42	304.65	601.07
Traveling	2,275.32	601.26	2,876.58
Postage, stationery and supplies	1,042.93	564.02	1,606.95
Telephone and telegraph	3,207.45	1,226.05	4,433.50
Miscellaneous	3,280.28	2,237.99	5,518.27
	24,373.93	11,023.70	35,397.63
	630,952.29	224,238.63	855,190.92
LESS PROCEEDS FROM SALE OF EXPERIMENTAL ORE, AND REIMBURSEMENT OF DEVELOPMENT COSTS BY U. S. GOVERNMENT AGENCY (Note 5)	77,866.75	80,852.59	158,719.34
	553,085.54	143,386.04	696,471.58
GENERAL ADMINISTRATIVE EXPENSES:			
Salaries	21,432.00	5,525.47	26,957.47
Legal and professional fees	30,865.16	15,619.19	46,484.35
Rent	1,000.00	1,154.00	2,154.00
Depreciation (Note 2)	7.14	10.18	17.32
Taxes	7,973.01	5,013.72	12,986.73
Interest and discount on loans	643.33	3,643.33	4,286.66
Traveling	11,209.38	7,920.66	19,130.04
Postage, stationery and supplies	3,166.04	881.35	4,047.39
Telephone and telegraph	2,634.59	2,007.33	4,641.92
Miscellaneous	2,635.47	3,389.42	6,024.89
	81,566.12	45,164.65	126,730.77
TOTAL	$634,651.66	$188,550.69	$823,202.35

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

LIABILITIES

CURRENT LIABILITIES:		
Notes payable to promoter		$ 20,000.00
Accounts payable		32,699.90
Accrued salaries and wages		3,931.23
Accrued taxes (including $1,028.03 employees' payroll deductions)		3,232.55
Accrued interest and insurance		3,503.71
TOTAL CURRENT LIABILITIES		63,367.39
NOTES PAYABLE TO STOCKHOLDER (due November 26, 1952):		
Secured by deed of trust on real and personal property in Boulder County, Colorado (Notes 1 and 4)	$200,000.00	
Unsecured	50,000.00	250,000.00
EQUIPMENT PURCHASE CONTRACT (payable in 8,000 shares of common stock at $1.25 per share) (Note 4)		10,000.00
CAPITAL STOCK (Notes 3 and 4):		
Preferred stock, 4% noncumulative, par value $100.00 per share (redeemable at option of board of directors at $105.00 per share). Authorized 10,000 shares; issued and outstanding 4,687½ shares	468,750.00	
Common stock, no par value. Authorized 2,000,000 shares; issued and outstanding 1,084,285 shares	361,918.75	830,668.75
CONTINGENT LIABILITY (Note 5)		
		$1,154,036.14

was elected a director and president of the company at the same meeting. Additional options were outstanding at December 31, 1950 to purchase 210,000 shares of common stock at $1.25 per share, including an option to purchase 200,000 shares given in connection with the $200,000.00 note payable to stockholder referred to in Note 1 hereof.

In November, 1950, the company entered into an informal contract for the purchase of a bulldozer and agreed to pay therefor 8,000 shares of common stock, which at the public offering price of $1.25 per share would amount to $10,000.00. The equipment has been received, but as of December 31, 1950 the stock had not been issued in payment therefor.

Note 5 — Contingent Liability

On August 28, 1950, the company entered into a contract with the United States Atomic Energy Commission for certain exploration work in the Caribou Mine, pursuant to which the Commission reimbursed the company for the cost of such work to the extent of $16,500.00. In the event that within a period of five years the company receives payments as a result of the sale of uranium-bearing ores from the mine, it is required by the terms of the contract to pay the Commission a royalty of 7½% of the net settlement returns from the sale of such ores until the royalties so paid equal the amount received under the contract.

On April 3, 1951, an additional contract for exploration work in the Caribou Mine, to the extent of $77,000.00, was entered into between the company and the United States Atomic Energy Commission. This contract also provides for the payment to the Commission of a royalty of 10% of the net settlement returns from the sale by the company of uranium-bearing ores from the Caribou Mine. Such royalty payments are to commence after the settlement by the company of its obligation under the contract of August 28, 1950 and continue until April 1, 1958 or until sums received under the contract are repaid.

CONSOLIDATED CARIBOU SILVER MINES, INC.

BALANCE SHEET

As of December 31, 1950

ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

CURRENT ASSETS:		
Cash in banks and on hand		$ 35,028.37
Accounts receivable — trade		7,369.13
Due from employee		600.00
Prepaid insurance		2,481.05
TOTAL CURRENT ASSETS		45,478.55
OTHER ASSETS:		
Mine and mill supplies — at approximate cost	$ 13,693.73	
Utility deposit	1,000.00	14,693.73
FIXED ASSETS — AT COST, LESS DEPRECIATION (Notes 1 and 2):		
Mines and mining claims	102,015.40	
Land (mill site)	3,500.00	
Buildings	23,051.48	
Machinery and equipment	90,190.91	
Automotive equipment	4,924.39	
Furniture and fixtures	535.17	
	224,217.35	
Less Allowance for depreciation of buildings, machinery and equipment	38,404.77	185,812.58
DEFERRED CHARGES:		
Unrecovered promotional, exploratory and development costs, per accompanying statement (Note 2)	823,202.35	
Expenses incurred in connection with public offering of common stock (Note 3)	83,737.67	
Organization expense	1,111.26	908,051.28
		$1,154,036.14

See accompanying "Notes Forming Part of Financial Statesments."

Note 1 — Fixed Assets

The real and personal property owned by the company in Boulder County, Colorado, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing the note payable to stockholder in the amount of $200,000.00

Note 2 — Depreciation, Depletion and Amortization

Depreciation of buildings, machinery and equipment, charged to unrecovered promotional, exploratory and development costs, has been provided at rates calculated to amortize the cost of the assets over their estimated useful lives. The mining properties were not in commercial production at December 31, 1950, and no provision has been made for depletion of mines and mining claims, nor for the depletion and/or amortization of unrecovered promotional, exploratory and development costs.

Note 3 — Public Offering of Common Stock

On January 10, 1950, the company made a public offering of 800,000 shares of its common stock at $1.25 per share, pursuant to which 60,535 shares were sold at a price to the company, net of commission, of $1.00 per share. No provision has been made for the amortization of expenses incurred in connection with the offering and sale of said stock.

Note 4 — Unissued Common Stock Reserved for Options, Etc.

At a special meeting of the board of directors on March 1, 1950, a two-year option to purchase 60,000 share of the unissued common stock of the company at the public offering price of $1.25 per share was given to Mr. Donald M. Nelson, who

ACCOUNTANTS' REPORT

To the Board of Directors,
Consolidated Caribou Silver Mines, Inc.:

We have examined the balance sheet of Consolidated Caribou Silver Mines, Inc. as of December 31, 1950. Our examination for the year then ended was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet presents fairly the financial position of Consolidated Caribou Silver Mines, Inc. at December 31, 1950, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

Los Angeles, California
April 11, 1951

DMA Form
MF - 103

EXPERIENCE RECORD OF ELMER HETZER

Mr. Elmer Hetzer completed his formal education in Boulder, Colorado in June, 1916, and after serving from July, 1916 to October, 1919 with the U.S. Navy, he returned to Boulder and operated a tungsten mining lease to June, 1922. Following this, and to June, 1924, he worked on the construction of the Moffat Tunnel. He then worked for the following companies, doing construction work, which included quarry, tunnel and other rock excavation jobs, the building of power plants and irrigation canals in New Endlang, the West Coast and Mexico:

California - Oregon Power Company
Oakdale Irrigation Company
New England Light and Power Company
J.G. White Construction Company

In 1930, for six months, he was mine superintendent at the Benbow Chromium Mine at Dean, Montana. From Montana, he went to Duncan, Arizona where he supervised the unwatering of the Carlisle Mine and a diamond drilling program. From Arizona in April, 1931, he went to northern British Columbia as mine superintendent for the Atlin-Ruffner Mine.

Mr. Hetzer returned to Boulder from British Columbia in January, 1932, and since that time and to the present he has been conducting operations for various mining companies and his own operations. From January 7, 1936 to January, 1944, he was Boulder County Commissioner.

Since October, 1946, he has been mine superintendent for the applicant, the Consolidated Caribou Silver Mines, Inc., at the Caribou Mine and will be in charge of the proposed exploration project.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

Detailed cost estimate of cross-cutting and drifting on the 1200 Level:

	Per Foot
Labor	$ 11.12
Power	1.54
Explosives	3.91
Steel and bits	1.57
Track	.87
Equipment Repair	.87
	$ 19.88

Diamond drilling:

Can be contracted @ $6/ft.

24. Time schedule:

Project	Time (months)	Cost ($)
Sinking Caribou shaft to 1200 Level, 180' @ $160/ft.	3	28,800
Cross-cutting from shaft to Poorman vein, 100' @ $20/ft.	1	2,000
Drifting W on Poorman vein to Nelson vein, 150' @ $20/ft.	1.5	3,000
Drifting NE on Nelson vein 300' @ $20/ft.	3	6,000
Drifting SW on Nelson vein 300' @ $20/ft.	3	6,000
Drifting E on Poorman vein from cross-cut, 150' @ $20/ft.	1.5	3,000
Drifting W on Poorman vein from Nelson vein, 150' @ $20/ft.	1.5	3,000
Diamond drilling 5000' @ $6/ft.	Concurrently with above	30,000
Totals	14.5	81,800

CONSOLIDATED CARIBOO
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(c) Repairs to existing facilities: None

(d) Installation and additional facilities:

Preparation for sinking (1040)
180' X $18/ft. = $3240

(e) Sinking Hoist, motor and controller = $1950
Cable, sheave wheel, misc. = 300
$2250

(f) Cost of rental for equipment which operator proposes to rent: None

(g) 4 drills @ $ 35/month each = $140/mo.
1 compressor @ $125/month = $125/mo.

(h) Hose, Bits, Steel and Timber $3,132
(17.40/ft. for 180')

(i) Power, Equipment Repair, and Incidentals $1,053
(5.85/ft. X 180')

Detailed cost estimate of extending Caribou shaft, including station and pocket at 1200 Level:
(Two compartments, 7' X 13' in the clear, timbering to be stulls, posts and wall plates. Lacing to be used where needed. Present mine operation to be maintained.)

	Per Foot
Labor	$ 88.30
Power	4.20
Explosives	9.10
Bits and steel	2.95
Supplies	14.10
Equipment Repair	2.75
1200 Level station	4.85
1200 Level pocket (70 tons of ore and 70 tons of waste)	17.80
1200 Level sump	.95
Preparation for sinking (on 1040 Level)	15.00
	$160.00

180 feet at $160/ft. = $28,800.00

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The structure, or structures, below the creek may be expected to parallel the Nelson at a distance of approximately 1000 feet to the northwest. The extremity of the 1040-D7 drift (Figure 1) is already 200 feet northwest of the Nelson vein, hence, is 800 feet from the above objective. Several 900 foot diamond drill holes to the northwest from 1040-D7 are recommended to test this promising area.

Diamond drill holes drilled by the company from stations in the vicinity of the Caribou shaft, 1040 Level, detected mineralized veins to the northwest, (1040-D6, D8 and D9, Figure 2) has opened up the Nelson vein for a length of 380 feet showing commercial assay values in lead, zinc, silver, and gold. Development of this ore body has continued with four raises from the D8 and D9 drifts (Figure 3). Exploration of the structure on the 920 horizon by cross-cutting and drifting is now underway (Figure 4). A series of 6 diamond drill holes has been drilled from the vicinity of survey station 1084 (Figures 2 and 5) into the Nelson ore body. Diagrams showing the location and sections of the holes, and assay results of mineralized core are enclosed in the pocket (Figures 6, 7, 8, 9, and 10). The assay results from these holes, particularly holes 1040-21 and 1040-22, drilled below the 1040 Level, are indicative of continued mineralization at depth. Hence, diamond drill information and assay results* of the D8 and D9 drifts are believed to warrant exploration of this structure on the 1200 foot horizon by the sinking of the Caribou shaft to the new, 1200-foot Level and cross-cutting and drifting as outlined in section 21.

THE REQUIREMENTS AND COSTS

23. (a) Wages:

Miners	(4)	@	$1.75/hr.
Muckers	(4)	@	1.50/hr.
Hoistmen	(2)	@	1.75/hr.
Timbermen	(2)	@	1.75/hr.

(b) Supervisors:

1 on each shift for 3 hours @ $10.30/day

* Note: Zinc is usually not reported. It averages 50% of the lead assay.

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(8) Diamond drill a total of 5,000 feet from the face (drill station to be cut out) of the 1040-D7 drift.

Time: Concurrently with the above cross-cutting and drifting programs (500 feet per month, 10 months).

Approximate total time for all 8 items: 15 months.

22. Geological basis of the project:

From a detailed study of the surface and underground geology and from the success obtained from exploration already conducted on the 920 and 1040 Levels of the Caribou mine, the applicant has good reason to believe that the deeper horizons to the northwest of the Caribou shaft hold excellent promise for the discovery of additional lead-zinc ores.

The collar of the Caribou shaft is located on the rounded north slope of Caribou Hill. Six hundred feet north of the shaft the outcropping monzonite drops off under an overburden-filled basin mantled with peat and brush. Caribou Creek begins at a point approximately one mile west of the Caribou shaft and flows straight northeast through the swampy basin across the northwest part of the Caribou property. It is a topographic feature that suggests the existance of one or more major northeast-trending ore-bearing structures below the creek bed.

The east-west veins, an example of which is the Poorman, were the most productive above the 500 Level of the Caribou mine; the northeast system, to which the No Name and Nelson belong, yielded longer and wider ore bodies below the 500 Level. Neither system is too easily recognizable at the surface on Caribou Hill, but, of the two, the northeast system is more easily discernable. The fact that the northeast system is expressed topographically more positively in the basin to the northwest than on Caribou Hill, and the fact that, on the lower levels, the northeast veins are the most productive, is evidence that the ground at depth and to the northwest is exceptionally favorable for exploration.

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THE EXPLORATION

20. The applicant is requesting aid to explore for lead and zinc ores in the lower levels of the mine northwest of the Caribou shaft.

21. The project is designed to explore the Poorman and Nelson veins below the 1040 Level and to search for similar veins northwest of the known veins. Specifically, the program includes:

(1) Sink the Caribou shaft 160 feet from the 1040 Level to the 1200 Level.

Time: 3 months

(2) Drive cross-cut from shaft to the Poorman vein, 1200 Level, a distance of 100 feet.

Time: 1 month

(3) Drive drift west along Poorman vein, 1200 Level, to the Nelson vein, a distance of 150 feet.

Time: 1 1/2 months

(4) Drive drift northeast along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(5) Drive drift southwest along Nelson vein, 1200 Level, a distance of 300 feet.

Time: 3 months

(6) Drive drift east along Poorman vein, 1200 Level, from cross-cut a distance of 150 feet.

Time: 1 1/2 months

(7) Drive drift west along Poorman vein, 1200 Level, from the Nelson-Poorman intersection a distance of 150 feet.

Time: 1 1/2 months

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18. (a) Description of the mineral deposits:

The ore bodies of the Caribou mine are contained in a slightly foliated, gray-colored, medium-grained quartz monzonite. The monzonite is a large, north-south elongated igneous stock extending beyond the boundaries of the Caribou property and east, south and west sides by the Idaho Springs biotite schist, on the north by the Boulder Creek granite. The quartz monzonite is recognized by the U.S.G.S. as Upper Cretaceous and the Idaho Springs schist and Boulder Creek granite as pre-Cambrian is age. The Caribou property and its ore deposits are entirely within the quartz monzonite. Fractures in the monzonite are filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite, and complex silver-lead bearing sulphide minerals. Pitchblende occurs in two of the veins below the 920 Level and northeast of the Caribou shaft.

The veins of the Caribou property are of two systems; one striking approximately east-west; the other, northeast-southwest. The dips of the veins are generally steep.

(b) Maps and assay data accompany this application in the pocket.

(c) Ore reserves as of December 31, 1950, are estimated as follows:

	Tons	Oz. Gold	Oz. Silver	% Lead	% Zinc*	$/ton*
In place	36,952	0.063	21.20	1.75	0.88	24.50
Broken	41,114	0.030	9.83	.45	0.23	10.50
Total	78.066			Average Value:		17.12

* The value of zinc has not been included in the value of the ore due to the fact that the mill in its present set-up does not separate a zinc concentrate and no value is received for zine at the Leadville smelter.

19. The applicant knows of no conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

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17. Production:

(1 & 2) Mined and milled (Average of production from January through June, 1951.)

Tons Per Day	Average Grade					Cost Per Ton	Net Value Per Ton
	Lead	Zinc	Copper	Au.	Ag.		
31.65	1.013	0.477	0.053	0.043	20.57	$24.00	Loss 4.21

(3) Concentrates shipped from January through June, 1951.

Dry Tons	Contents of Concentrates				
	Pounds			Ounces	
	Lead	Zinc	Copper	Gold	Silver
139.307	78,897.6	37,168.0	4,418.4	167.8	76,554
Average grade per ton	28.32	13.34	1.49	1.205	549.5

NOTE: Cost per ton:

Includes direct mining, development, milling, metallurgical loss and overhead.

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During the driving of the Idaho Tunnel, an ore body, the Samson, was accidentally intercepted and stoping operations have been carried along this ore body for a horizontal distance of 70 feet. This ore has been milled in the Company's mill and the concentrates sold to the Leadville smelter.

The following development has been done: on the 500 Level, a total of 1,181 feet of drifting, 470 feet of cross-cutting and 3,352 feet of diamond drilling; on the 920 Level, a total of 246 feet of drifting; on the 1040 Level, 1,362 feet of drifting, 120 feet of cross-cutting, 110 feet of raising, 90 feet of sinking, and 6,693 feet of diamond drilling.

As a result of the development work on the 1040 Level west and north of the Caribou shaft, the Nelson ore body was discovered and developed on the 1040 Level. The Company is now engaged in exploring and developing the Poorman and Nelson veins on the 920 Level.

Pitchblende has been found in the No Name and Radium veins on the 1040 Level north and east of the Caribou shaft. The Company drove a raise in the pitchblende ore from the 1040 Level to the 920 Level and sank the winze to the 1140 Level and began drifting on the 1140 Level when a contract was entered into with the United States Atomic Energy Commission in August, 1950, for certain exploration work on the 1140 and 1040 Levels in the vicinity of the pitchblende occurrences. This work is still in progress.

Part of the cost of the Company's development work has been defrayed by the milling and sale of development ores and production from the Samson ore body, stope fills from the 860 and 920 Levels, surface dump ores, and, recently, the Poorman and Nelson ore bodies on the 1040 Level. The profit from the Nelson ore body production, now underway, is barely financing the exploration work on the 920 Level; hence the reason for this application for aid.

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"In the winter of 1875-76 the Dutch Company operating the Caribou mine failed, causing a temporary setback that was offset in a measure by the completion at Caribou of a new mill, operated on the same principle as that at Nederland, for the treatment of ore from the Native Silver mine.

"The silver ores yielded by the camp in early days were very rich...

"Up to July, 1880, the total yield of the Caribou mine is said to have been about $1,168,000."

On the basis of information which cannot be confirmed, the property enjoyed a continuous scale of production until it was closed in 1888. In 1912, 8,764 tons of dump are reported to have been shipped which yielded 6.17 ounces of silver per ton. In 1916 the mine was reopened and produced, through 1917, $65,000 worth of silver ore. After the property changed hands in 1917 it was reported to have yielded an additional $185,000 before finally closing in 1928.

The 1888 and 1928 closures can be traced to rapid declines in the price of silver at those periods.

(b) History of exploration and development, operation and production of property since begun by applicant in November, 1946:

The company began by rehabilitating the old Idaho Tunnel, the portal of which is located 3,260 feet southeast from, and approximately 500 feet vertically below, the collar of the Caribou shaft, and extended the 1,500-foot tunnel to the Caribou shaft, a distance of 2,136 feet. This drained the mine to the Idaho Tunnel level and the workings below were then pumped dry by June, 1948. An underground ore pocket, cable way and hoist room were constructed at the point where the tunnel and shaft meet. The hoist was installed and ready for operation on March 1, 1949.

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"showed that both veins contained large amounts of silver, and before winter a wagon load of ore had been mined and sent to the smelter at Blackhawk. In the succeeding summer (1870) a wagon road was constructed to the mine and regular shipments were begun to Blackhawk, 20 miles away. The success of these ventures caused a rush to the district and resulted in the discovery of numerous other veins, including the Boulder County, Idaho, Sherman, No Name, and Seven-Thirty, and led to the founding of the town of Caribou, which in November, 1870, had about 30 houses and 125 voters. The great development of mining at Caribou may be said to date from the completion in 1871 of a mill at Nederland (then called Middle Boulder) for the treatment of the silver ores from the Caribou mine. This mill was built by A. D. Breed, who had purchased the western portionof the Caribou lode from its discoverers.

"The essential features of the milling process were chloridizing roasting in Bruchner cylinders, followed by pan amalgamation, and the capacity of the works was 18 to 20 tons per day. The bullion recovered had a fineness of silver of 0.850 to 0.950. Shortly after the completion of this mill Breed obtained control of the whole Caribou lode and sold it to a Dutch company for the exorbitant amount of $3,000,000. According to Raymond Caribou was very active in 1875, its gross production amounting to $450,000, an increase of more than $100,000 over the figures for 1874. The Caribou mine was the largest producer, other mines operated being the Sherman, No Name, Poor Man, Grand View, Native Silver, Seven-Thirty, Idaho, Potosi, and Sovereign People.

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Rollinsville, 5.0 miles by paved road south of Nederland. Rollinsville is on the Moffat Tunnel route of the Denver and Rio Grande Western Railroad running between Denver and Salt Lake City.

13. The Caribou shaft makes approximately 43.7 gallons per minute of water. This water is pure and is adequate at all seasons for all mining purposes. Electric power is supplied by the Public Service Company of Colorado and is available in any required quantity. At the present time the average monthly power consumption is 25,000 K.W.H. at an average monthly cost of $600.00. Hence average rate is approximately 0.024 per K.W.H.

14. The Caribou mine is operating and is adequately equipped with buildings and machinery all of which will be devoted to the exploration work.

15. The company at the present time is mining ore and shipping it to its own mill located 3.5 miles by first-class gravel road north of Nederland. Concentrates produced at the company's mill are hauled by a trucking contractor and sold to the American Smelting and Refining Company's smelter at Leadville, Colorado.

16. (a) History of operation and production of the property prior to the beginning of the current operation:

Judging by the evidence now existing on and below the surface on the various mines and mining claims now consolidated into a single property of the Company, the history is long and complex. The following general account is given by authors Edson S. Bastin and James M. Hill in U.S. Geological Survey Professional Paper 94, page 177.

> "Some prospecting for gold had been done in the Caribou, or Grand Island district (as it was called in the early sixties), but the early prospectors were not on the lookout for silver ores and it was not until 1869 that the presence of this metal was recognized. In that year Samuel Conger discovered the outcroppings of a vein which he called the Poor Man; and William Martin and George Lytle found a lode a little farther up the hill which they named the Caribou. Assays

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UNPATENTED CLAIMS

Lode Mining Claim	Date of Location	Location Certificate Recorded In		Amended Location Certificate Recorded In	
		Book	Page	Book	Page
Radium # 1	10-19-45	774	403	816	83
Radium # 2	10-19-45	774	404	816	84
Radium # 3	10-19-45	774	405	816	85
Radium # 4	10-19-45	774	406	816	86
Radium # 5	10-19-45	774	407	816	87
Radium # 6	10-19-45	774	408	816	88
Radium # 7	10-19-45	774	409	816	89
Radium # 8	10-19-45	774	410	816	90
Radium # 9	10-18-45	774	411	816	91
Radium #10	10-18-45	774	412	816	92
Radium #11	10-18-45	774	413	816	93
Radium #12	10-18-45	774	414	816	94
Radium #13	10- 4-47	816	95		
Radium #14	8-10-49	853	173		
Radium #15	7-23-49	853	174		
Radium #17	7-27-49	853	175		
Radium #18	7-25-49	853	176		
Radium #19	8- 4-49	853	177		
Radium #20	8- 3-49	853	178		
Radium #21	8-25-49	853	179		

All located in Sections 5 and 8, T. 1S., R. 73 W. of the 6th P.M.

11. The Caribou mine today is a consolidation of a group of mines formerly known as the Caribou, No Name, Spencer, Sherman, Arizona, Grand Island, Grant County, Poorman, Silver Dollar, Seven-thirty, Socorro and Carry mines.

12. The property is located on Caribou Hill, Boulder County, Colorado. Caribou Hill is in the Front Range of the Colorado Rocky Mountains, 4 1/2 miles west of the town of Nederland which is 31 miles northwest of Denver. Nederland is connected to Denver by two paved routes approximately 50 miles each in length. A 5.4 mile gravel road runs west of Nederland to the property. It is in good condition at all times of the year and is maintained by the county. The nearest railroad station is at

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PATENTED CLAIMS

NAME OF CLAIM	U. S. Survey Lot Number
Caribou Lode	37
Kalamazoo Lode	76
No Name Lode	77
Federal Lode	91
Sherman Lode	93
Socorro Lode	104
Hidden Treasure Lode	105
Columbia Lode	167
Spencer Lode	168
Non Pareil Lode	6853
Brazilian Lode	13367A
Brazilian Mill Site	13367B
Easterly 500 feet of Arizona Lode	54
Grand Island Lode	61
Grant County Lode	115
Jay Lode	169
Undivided 10/12ths interest of Isabella Lode	170
Lost Lode	56
Southerly 500 feet of Ontario Lode	55
Douglas Lode	47
Golconda Lode	192
Barablas Lode	15588
Poorman Lode	42
Silver Dollar Lode	654
Grand View Lode	297
Seven-thirty Lode	71
Fannie Lode	659
Carry Lode	660
California Lode	20483
North Park Lode	20483
Candia Lode	20483
Toledo Lode	20483

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9. Applicant is prepared to invest $39,950 in proposed project. It is sufficient to pay the applicant's cost of the project as detailed in Section 25 of this application.

THE PROPERTY

10. (a) The real property involved in the exploration project is the property owned by the applicant containing the Caribou mine which consists of the three-compartment Caribou shaft, reaching an inclined depth of 1040 feet, with an outside dimension of 5' X 15'. The shaft is equipped with an electric hoist at the 500 Level and is not in use above the 500 Level. Levels are established below the 500 Level at 530, 600, 740, 800, 920, 980, and 1040. It is connected to the surface on the 500 Level by a 3,636-foot long transportation tunnel. This tunnel, called the Idaho Tunnel, is electrically lighted and equipped with 30-pound, 24-inch gauge railway track, a ditch to drain the water pumped from the Caribou shaft, and an adequate fleet of ore cars and storage battery locomotives.

The portal of the Idaho Tunnel is protected by a snow shed. Adjacent to the portal is a 72' X 28' building containing the compressor room, shop, storage and change room. Beyond the portal on the edge of the dump is a building housing a sorting belt and ore bins.

Compressed air is generated by 3 compressors driven by electric motors with a total of 250 H.P. furnishing 1600 c.f.m. at a pressure of 105 lbs. per sq. in. (Elevation approximately 10,000 feet.)

The property and mining operation are adequately equipped with drills, accessories and small tools, trucks, etc.

(b) The property in (a) is the same as in (b). Legal description follows:

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4. General and mining experience of

(a) Applicant:

The Consolidated Caribou Silver Mines, Inc. was organized on July 15, 1946, under the laws of the State of Delaware for the purpose of the acquisition, exploration and development of the Caribou mine and adjacent mining properties situated in the State of Colorado. In the fall of 1946, the company began the rehabilitation and extension of the Idaho Tunnel (1,500 feet long) a distance of 2,136 feet to connect with the Caribou shaft at the 500 Level. The company has continued to the present time the rehabilitation of the old workings of the Caribou mine and a program of development and partial production. The company purchased an old mill and has operated the mill since 1947 on surface dump, stope fill and development ores sporadically producing a bulk flotation concentrate which has been sold to the A. S. & R. smelter at Leadville, Colorado. Approximately 25 men have been employed continuously in the mine and 4 men in the mill since the operation began in 1946.

(b) Persons managing the property:

Mr. Donald M. Nelson, president, Mr. Matthew Ollsen, manager, and Mr. Elmer Hetzer, mine superintendent. A biography of Mr. Elmer Hetzer, who will be in charge of executing the project, accompanies this application.

5. The company owns in fee simple the mining property to be explored. Title to the property is insured.

6. The real and personal property owned by the company, constituting all of the fixed assets except certain furniture and fixtures, is subject to a deed of trust securing a note payable to a stockholder in the amount of $200,000.00.

7. Does not apply.

8. Latest financial statement and profit and loss statement is attached.

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ILLUSTRATIONS

Figure 1	Plan of 920 Level, 1040 Level, and proposed D.M.A. exploration project.
Figure 2	Plan of 1040 Level showing assays on 1040-D8 and 1040-D9 (Nelson vein).
Figure 3	Assay section 'C' 1040 Level (Nelson vein).
Figure 4	Assay plan of 920 Level. Plan No. 2.
Figure 5	Plan showing diamond drill holes drilled from station near 1084.
Figure 6	Section 'A', Diamond Drill Holes #1040 - 13 and 14
Figure 7	Section 'B', Diamond Drill Holes #1040 - 15 and 16
Figure 8	Section 'C', Diamond Drill Holes #1040 - 17 and 18
Figure 9	Section 'D', Diamond Drill Holes #1040 - 19, 20, 21, and 22.

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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.

Consolidated Caribou Silver Mines, Inc. By Donald M. Nelson
(Name of company) (Signature of authorized official)

July 19, 1951 Donald M. Nelson, President
(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

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 1887

Date received 7-26-51

Participation

Consolidated Caribou Silver
Mines, Inc.
1406 Pearl Street
Boulder, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 26 1951
LANDON F. STROBEL
Executive Secretary
Date

Name and address of applicant

FILL IN THIS BLOCK

Date of application July 19, 1951

Estimated cost $81,800

Mineral or metal Lead-zinc

Percentage of Government participation 50%

Location of mine near Nederland
Boulder County, Colorado

Date of filing MF-100 Pending

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?
*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.

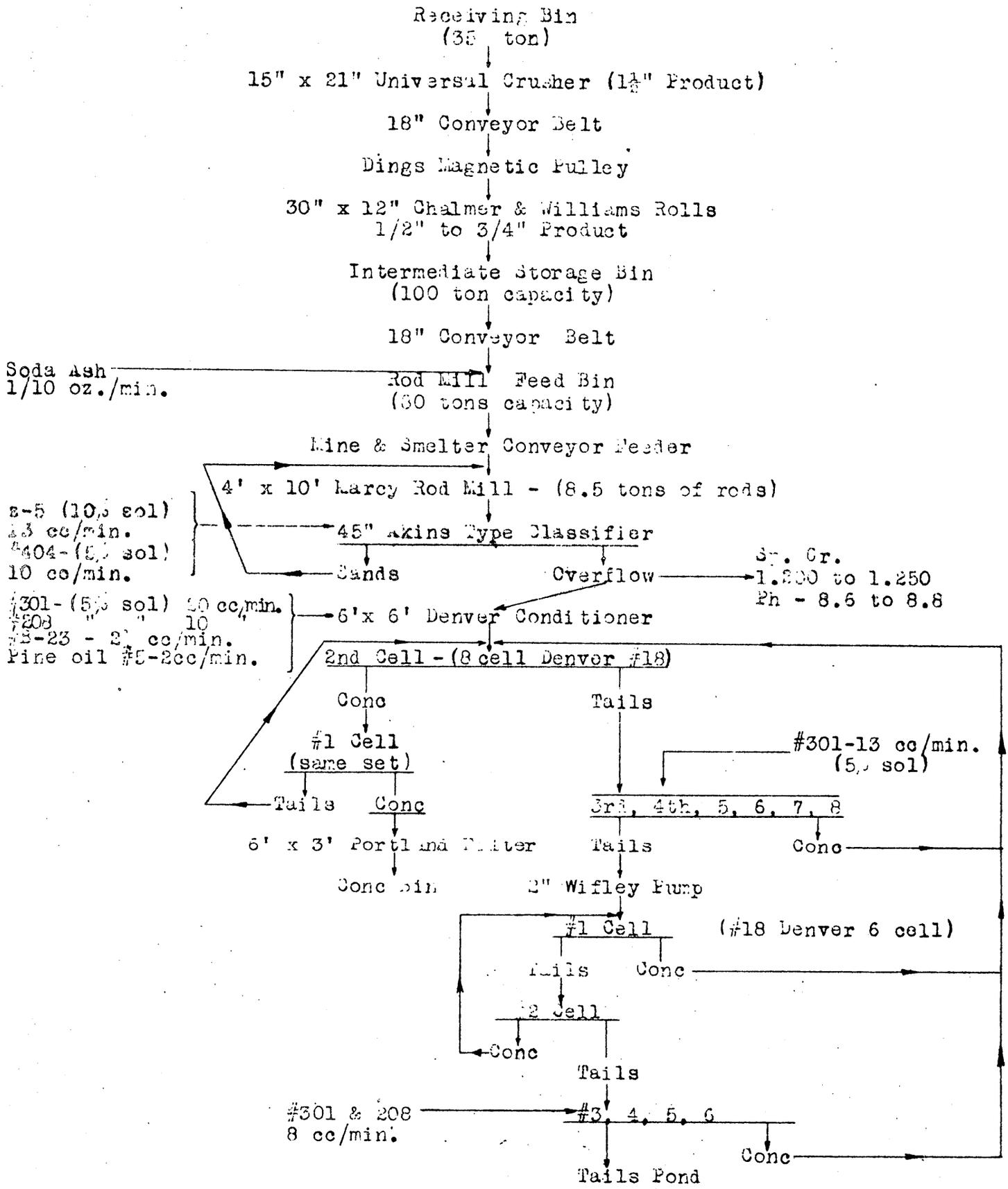
8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance 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

CONSOLIDATED CARIBOU SILVER MINES, INC.
NEDERLAND, COLORADO
MAY 13, 1948

FLOW SHEET OF 100 TON MILL AS ON CARIBOU DULP ORE



CONSOLIDATED CARIBOU SILVER MINES, INC. BOULDER, COLO.

10. 3 Underground Pumps - Capacity 350 q.p.m.

All the above equipment is in good condition.

(b) Equipment at Mill

See Flow Sheet

18. None

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite and complex silver-lead bearing sulphide minerals. Pitchblende occurs in two of the veins below the 920 Level and northeast of the Caribou shaft.

(b) See Form 100

13. 21 miles to Boulder, Colorado, population 25,000, good, all-year road.

14. Mine supply is from underground, adequate all seasons.

Mill supply is from No. Boulder Creek, adequate all seasons.

15. 40,000 KWHrs per month at mine
22,000 KWHrs per month at mill

Average cost is 0.024¢ per KWHr.
Public Service Company of Colorado.

16. Miners - 17
Helpers - 12
Millmen - 5

17. (a) Equipment at Mine:

1. Compressor House, Shop and Change Room
2. Sorting Plant and 60 ton bin
3. 2-ton Locomotive, 36 1-ton cars
4. 3 Compressors - Total Capacity is 1100 c.f.m.
5. Underground Hoist - 1000' Cap.
6. Underground Storage Pocket - 200 tons Ore and 200 tons waste
7. 2 Drilling Jumbos - with I.R.DA35 Drifters
8. 3 Mucking Machines
9. 7 Stoper Drills

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

"The silver ores yielded by the camp in early days were very rich...

"Up to July, 1880, the total yield of the Caribou mine is said to have been about $1,168,000."

On the basis of information which cannot be confirmed, the property enjoyed a continuous scale of production until it was closed in 1888. In 1912, 8,764 tons of dump are reported to have been shipped which yielded 6.17 ounces of silver per ton. In 1916 the mine was reopened and produced, through 1917, $65,000 worth of silver ore. After the property changed hands in 1917, it was reported to have yielded an additional $185,000 before finally closing in 1928.

The 1888 and 1928 closures can be traced to rapid declines in the price of silver at those periods.

(b) Unknown

(c) None

8. See Form MF 100

9. See Form MF 100

10. See Form MF 100

11. No change immediately.

12. (a) Description of the mineral deposits:

The ore bodies of the Caribou mine are contained in a slightly foliated, gray-colored, medium-grained quartz monzonite. The monzonite is a large, north-south elongated igneous stock extending beyond the boundaries of the Caribou property and east, south and west sides by the Idaho Springs biotite schist, on the north by the Boulder Creek granite. The quartz monzonite is recognized by the U.S.G.S. as Upper Cretaceous and the Idaho Springs schist and Boulder Creek granite as pre-Cambrian in age. The Caribou property and its ore deposits are entirely within the quartz monzonite. Fractures in the monzonite are

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

"to the mine and regular shipments were begun to Blackhawk, 20 miles away. The success of these ventures caused a rush to the district and resulted in the discovery of numerous other veins, including the Boulder County, Idaho, Sherman, No Name, and Seven-Thirty, and led to the founding of the town of Caribou, which in November, 1870, had about 30 houses and 125 voters. The great development of mining at Caribou may be said to date from the completion in 1871 of a mill at Nederland (then called Middle Boulder) for the treatment of the silver ores from the Caribou mine. This mill was built by A.D. Breed, who had purchased the Western portion of the Caribou lode from its discoverers.

"The essential features of the milling process were chloridizing roasting in Bruchner cylinders, followed by pan amalgamation, and the capacity of the works was 18 to 20 tons per day. The bullion recovered had a fineness of silver of 0.850 to 0.950. Shortly after the completion of this mill Breed obtained control of the whole Caribou lode and sold it to a Dutch company for the exorbitant amount of $3,000,000. According to Raymond Caribou was very active in 1875, its gross production amounting to $450,000, an increase of more $100,000 over the figures for 1874. The Caribou mine was the largest producer, other mines operated being the Sherman, No Name, Poor Man, Grand View, Potosi, and Sovereign People.

"In the winter of 1875-76 the Dutch Company operating the Caribou mine failed, causing a temporary setback that was offset in a measure by the completion at Caribou of a new mill, operated on the same principle as that at Nederland, for the treatment of ore from the Native Silver mine.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

5. 5 years under present management.

6. (a) Consolidated Caribou Silver Mines, Inc., a Delaware Corporation, was formed in November, 1946, for the purposes of exploration and mining. This company has operated since that date.

(b) Management consists of:

Matthew Ollsen, General Manager
Mr. Ollsen has been manager of the present operation since its start. Prior to that he has been engaged in plant management for over 25 years.

Elmer Hetzer, Mine Superintendent
Mr. Hetzer has been actively engaged in the mining industry for the last 30 years.

7. (a) History of operation and production of the property prior to the beginning of the current operation:

Judging by the evidence now existing on and below the surface on the various mines and mining claims now consolidated into a single property of the company, the history is long and complex. The following general account is given by authors Edson S. Bastin and James M. Hill in U.S. Geological Survey Professional Paper 94, page 177.

"Some prospecting for gold had been done in the Caribou, or Grand Island district (as it was called in the early sixties), but the early prospectors were not on the lookout for silver ores and it was not until 1869 that the presence of this metal was recognized. In that year Samuel Conger discovered the outcroppings of a vein which he called the Poor Man; and William Martin and George Lytle found a lode a little farther up the hill which they named the Caribou. Assays showed that both veins contained large amounts of silver, and before winter a wagon load of ore had been mined and sent to the smelter at Blackhawk. In the succeeding summer, (1870) a wagon road was constructed

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
MF - 100

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

This form is for the purpose of obtaining a SERIALIZATION NUMBER for use in buying materials.

GENERAL TECHNICAL DATA

1. (a) Silver, Lead, Zinc, Copper, Gold and Uranium

   (b) None

2. Caribou, Poorman and No Name Mines. Underground mines, operated through one adit (Idaho Tunnel) and one shaft (Caribou).

   (a) 1,130 feet

   (b) 12,000 feet

   (c) 3,900 feet

   (d) None

   Mine is unwatered. Pumps average 50 g.p.m. Productive capacity at present is 130 tons per 24-hour day. Company Mill - Flotation, 100 tons per day.

3. (a) Mine is 5 miles west of Nederland, Colorado, 26 miles west of Boulder, Colorado.

   Mill is 5 miles north of Nederland, Colorado.

   The mine is located in:

   (b) The Grand Island Mining District.

   (c) Sections 5 and 8, Twp. 1S. R73W.

   (d) Boulder County, Colorado.

4. (a) Property is in operation, by Consolidated Caribou Silver Mines, Inc.

   (b) Owner

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

(b) If deposit is other th[illegible] 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)	3,652	Au 0.08 ozs./ton Ag 39.76 ozs./ton Pb 2.27 %	$45.07	$40.00	$24.00
Indicated (probable)	32,728	Au 0.043 ozs/ton Ag 20.57 ozs/ton Pb 1.01 %	20.57	18.51	24.00

(c) If placer:

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

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

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

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

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

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

13. Access Roads:

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

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.

Consolidated Caribou Silver Mines, Inc. By M. Ollsen
(Name of company) (Signature of authorized official)

MATTHEW OLLSEN

Sept 24. 1951 Gen. Mngr.
(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

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation. Five largest stockholders numbered 1 through 5.

	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 M. Nelson Beverly Hills, Calif.	D Pres., Tres.	0	This information not available to writer.	Option on 150,000			
1	R.J. Reynolds Winston Salem, N.C.	V.P., D.	0		78,750	937½		
2	Samson Selig New York, N.Y.	Sec., D.	0		23,280	180		
	J.B. Keenan New York, N.Y.	D	0		0			
3	Boris Pregel New York, N.Y.		0		248,125	563		
4	A.J. Pregel New York, N.Y.		0		72,875	187		
5	Mrs. Alice Doscher New York, N.Y.		0		88,125	625		
		Total		x x x x x	661,155	2,492	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	$ -	$ -	$ No par	1,023,750	None
Preferred stock	$ 1,000,000	$ 468,750	$ 100	4,675½	

*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.) Short ton	Ore	3,566	15,00304	7,605	1500
2. Quantity of product processed (specify unit of measure and type of process) Short ton	"	" "	"	"	1500
3. Quantity and grade of product sold or shipped (specify units of measure) Short ton			186.38T @ $315.65/T	154.22T@ $405.12/T	

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

12. Ore or Mineral Reserves:

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

Form DMF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

Billings

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma 13-87

Date received

Consolidated Caribou Silver
Mines, Inc.
1406 Pearl Street
Boulder, Colorado

Name and address of applicant

Date July 23, 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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) 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:

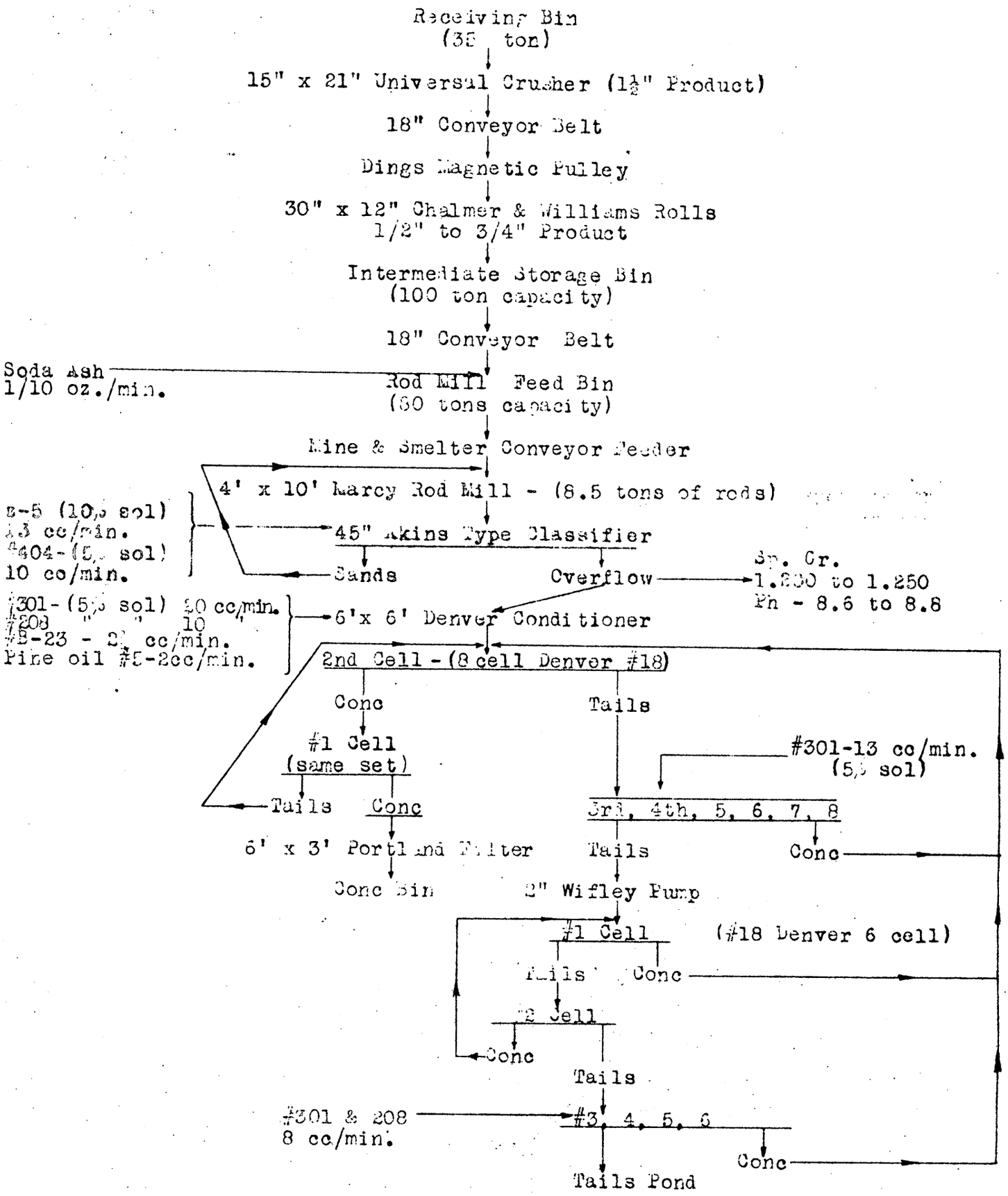
1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, 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.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

16—63792-2

CONSOLIDATED CARIBOU SILVER MINES, INC.
NEDERLAND, COLORADO
MAY 13, 1948

FLOW SHEET OF 100 TON MILL AS ON CARIBOU DUMP ORE



CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

10. 3 Underground Pumps - Capacity 350 g.p.m.

All the above equipment is in good condition.

(b) Equipment at Mill

See Flow Sheet

18. None

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite and complex silver-lead bearing sulphide minerals. Pitchblende occurs in two of the veins below the 920 Level and northwest of the Caribou shaft.

(b) See Form 100

13. 21 miles to Boulder, Colorado, population 25,000, good, all-year road.

14. Mine supply is from underground, adequate all seasons.

Mill supply is from No. Boulder Creek, adequate all seasons.

15. 40,000 KWHrs per month at mine
22,000 KWHrs per month at mill

Average cost is 0.024¢ per KWHr.
Public Service Company of Colorado.

16. Miners - 17
Helpers - 12
Millmen - 5

17. (a) Equipment at Mine:

1. Compressor House, Shop and Change Room

2. Sorting Plant and 60 ton bin

3. 2-ton Locomotive, 36 1-ton cars

4. 3 Compressors - Total Capacity is 1100 c.f.m.

5. Underground Hoist - 1000' Cap.

6. Underground Storage Pocket - 200 tons Ore and 200 tons Waste

7. 2 Drilling Jumbos - with I.R.DA35 Drifters

8. 3 Mucking Machines

9. 7 Stoper Drills

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

"The silver ores yielded by the camp in early days were very rich...

"Up to July, 1880, the total yield of the Caribou mine is said to have been about $1,168,000."

On the basis of information which cannot be confirmed, the property enjoyed a continuous scale of production until it was closed in 1888. In 1912, 8,764 tons of dump are reported to have been shipped which yielded 6.17 ounces of silver per ton. In 1916 the mine was reopened and produced, through 1917, $65,000 worth of silver ore. After the property changed hands in 1917, it was reported to have yielded an additional $185,000 before finally closing in 1928.

The 1888 and 1928 closures can be traced to rapid declines in the price of silver at those periods.

(b) Unknown

(c) None

8. See Form MF 100

9. See Form MF 100

10. See Form MF 100

11. No change immediately.

12. (a) Description of the mineral deposits:

The ore bodies of the Caribou mine are contained in a slightly foliated, gray-colored, medium-grained quartz monzonite. The monzonite is a large, north-south elongated igneous stock extending beyond the boundaries of the Caribou property and east, south and west sides by the Idaho Springs biotite schist, on the north by the Boulder Creek granite. The quartz monzonite is recognized by the U.S.G.S. as Upper Cretaceous and the Idaho Springs schist and Boulder Creek granite as pre-Cambrian in age. The Caribou property and its ore deposits are entirely within the quartz monzonite. Fractures in the monzonite are

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

"to the mine and regular shipments were begun to Blackhawk, 20 miles away. The success of these ventures caused a rush to the district and resulted in the discovery of numerous other veins, including the Boulder County, Idaho, Sherman, No Name, and Seven-Thirty, and led to the founding of the town of Caribou, which in November, 1870, had about 30 houses and 125 voters. The great development of mining at Caribou may be said to date from the completion in 1871 of a mill at Nederland (then called Middle Boulder) for the treatment of the silver ores from the Caribou mine. This mill was built by A.D. Breed, who had purchased the Western portion of the Caribou lode from its discoverers.

"The essential features of the milling process were chloridizing roasting in Bruchner cylinders, followed by pan amalgamation, and the capacity of the works was 18 to 20 tons per day. The bullion recovered had a fineness of silver of 0.850 to 0.950. Shortly after the completion of this mill Breed obtained control of the whole Caribou lode and sold it to a Dutch company for the exorbitant amount of $3,000,000. According to Raymond Caribou was very active in 1875, its gross production amounting to $450,000, an increase of more $100,000 over the figures for 1874. The Caribou mine was the largest producer, other mines operated being the Sherman, No Name, Poor Man, Grand View, Potosi, and Sovereign People.

"In the winter of 1875-76 the Dutch Company operating the Caribou mine failed, causing a temporary setback that was offset in a measure by the completion at Caribou of a new mill, operated on the same principle as that at Nederland, for the treatment of ore from the Native Silver mine.

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

5. 5 years under present management.

6. (a) Consolidated Caribou Silver Mines, Inc., a Delaware Corporation, was formed in November, 1946, for the purposes of exploration and mining. This company has operated since that date.

(b) Management consists of:

Matthew Ollsen, General Manager
Mr. Ollsen has been manager of the present operation since its start. Prior to that he has been engaged in plant management for over 25 years.

Elmer Hetzer, Mine Superintendent
Mr. Hetzer has been actively engaged in the mining industry for the last 30 years.

7. (a) History of operation and production of the property prior to the beginning of the current operation:

Judging by the evidence now existing on and below the surface on the various mines and mining claims now consolidated into a single property of the company, the history is long and complex. The following general account is given by authors Edson S. Bastin and James M. Hill in U.S. Geological Survey Professional Paper 94, page 177.

"Some prospecting for gold had been done in the Caribou, or Grand Island district (as it was called in the early sixties), but the early prospectors were not on the lookout for silver ores and it was not until 1869 that the presence of this metal was recognized. In that year Samuel Conger discovered the outcroppings of a vein which he called the Poor Man; and William Martin and George Lytle found a lode a little farther up the hill which they named the Caribou. Assays showed that both veins contained large amounts of silver, and before winter a wagon load of ore had been mined and sent to the smelter at Blackhawk. In the succeeding summer, (1870) a wagon road was constructed

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

DMA Form
MF - 100

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

This form is for the purpose of obtaining a SERIALIZATION NUMBER for use in buying materials.

GENERAL TECHNICAL DATA

1. (a) Silver, Lead, Zinc, Copper, Gold and Uranium

   (b) None

2. Caribou, Poorman and No Name Mines. Underground mines, operated through one adit (Idaho Tunnel) and one shaft (Caribou).

   (a) 1,130 feet

   (b) 12,000 feet

   (c) 3,900 feet

   (d) None

   Mine is unwatered. Pumps average 50 g.p.m. Productive capacity at present is 130 tons per 24-hour day. Company Mill - Flotation, 100 tons per day.

3. (a) Mine is 5 miles west of Nederland, Colorado, 26 miles west of Boulder, Colorado.

   Mill is 5 miles north of Nederland, Colorado.

   The mine is located in:

   (b) The Grand Island Mining District.

   (c) Sections 5 and 8, Twp. 1S, R73W.

   (d) Boulder County, Colorado.

4. (a) Property is in operation, by Consolidated Caribou Silver Mines, Inc.

   (b) Owner

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

Billings

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. idma 1887

Date received

Consolidated Caribou Silver
Mines, Inc.
1406 Pearl Street
Boulder, Colorado

Name and address of applicant

Date July 23, 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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

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

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

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

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

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

16—63792-2

CONSOLIDATED CARIBOU
SILVER MINES, INC.
BOULDER, COLO.

July 30, 1951

Mr. Donald M. Nelson, President
Consolidated Caribou Silver
Mines, Incorporated
1406 Pearl Street
Boulder, Colorado

Subject: DMA-1887
Re: Exploration Loan -
Caribou

My dear Mr. Nelson:

Receipt is acknowledged of your application and attachments of July 19, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1887 and referred to Mr. Thomas Billings, Chief, Lead-Zinc Branch on July 27, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1887.

Sincerely yours,

Robert E. Adams
Chief, Reports & Records Unit

R. E. Adams:jc
cc: Adams
File
✓Billings
Lyon

1. Sink [illegible] shaft 1,[illegible] feet to 1200 level	12,000.00
2. [illegible] drift [illegible] Bonanza vein, 1,[illegible] ft.	7,000.0
3. Drift east on Bonanza vein to Nelson vein 150 feet	3,000.00
4. Drift northwest on Nelson vein 200 feet	6,000.00
5. Drift southwest on Nelson vein 100 feet	6,000.00
6. Drift east on [illegible] vein 150 feet	[illegible]
7. Drift east on [illegible] vein 150 feet	3,000.00
8. Diamond drill 3 holes, each 1,[illegible]0 feet and [illegible] drift at 1000 - [illegible] 7 drift	30,000.00
Total	$ [illegible],000.00

[illegible] geologic probability of discovery at depth and [illegible] northwest of the Bertha Bonanza are quite favorable. It is believed that such discoveries will be mainly silver ores and that they will not be significant producers of lead and zinc.

The work-line branch, therefore, recommends that the application be denied, and that the attached letter be sent to applicants.

Enclosed herewith are:

[illegible] sets of [illegible] maps
[illegible] sets of [illegible] figures
[illegible] copy of [illegible] letter

Gunnard Johnson

Ivor Billings, Chief
Lead-Zinc Branch

Approved:

Tom Lyon

Director, Grants Division

Wilder:leeve:emp
[illegible]-20-51

Copies to: [illegible] East, Dr. Region IV (2)
Chief, Lead-Zinc Br.
[illegible] Hornight 4204 GSA
R. [illegible] Cote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

orts & Records

AUG 2 4 1951

Memorandum

To: Reports & Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: [illegible]

Ref: [illegible]-1057
Consolidated Caribou Silver Mines, Inc.
Caribou Mine, Boulder County, Colorado
Exploration loan, [illegible],000
Lead-zinc

The project file [illegible] has been reviewed by the Lead-Zinc Branch. The following [illegible] pertinent to the loan proposal.

The Caribou Mine is noted primarily for its silver production from veins in a quartz monzonite portion of a porphyry stock. There are two sharply defined veins, which follow the certain almost [illegible], and are trend-northeasterly [illegible] the principal fracture [illegible]. The [illegible] are filled [illegible] walls are slightly replaced by quartz-carbonate veins [illegible], and are [illegible] in, mainly galena, sphalerite, [illegible] lesser amounts of base metal sulfide minerals. Pitchblende occurs [illegible] the Caribou shaft".

[illegible] available, but assuming [illegible] probably more than [illegible], mainly in silver. [illegible] average of [illegible] ounces, [illegible]. The average grade of this [illegible] silver, [illegible].

Recent exploration and development on the [illegible] level, north and west of the Caribou shaft led to the discovery of the northwest [illegible] veins. The [illegible] are now exploring and developing the [illegible] veins on the [illegible] level. The [illegible] just north of the Caribou, is perhaps the second most important source of silver in the district. The average mill run of the ore in the early days was said to be 500 ounces of silver to the ton. The vein was about [illegible] feet wide, but the part containing the high grade ore was rarely more than [illegible] inches wide.

The [illegible] purposes to explore the fourth and [illegible] veins below the [illegible] level on [illegible]

1.	Sink Caribou shaft 100 feet to 1200 level	$26,000.00
2.	Crosscut from shaft to Poorman vein, 100 ft.	2,000.00
3.	Drift west on Poorman vein to Nelson vein 150 feet	3,000.00
4.	Drift northeast on Nelson vein 300 feet	6,000.00
5.	Drift southwest on Nelson vein 300 feet	6,000.00
6.	Drift east on Poorman vein 150 feet	3,000.00
7.	Drift west on Poorman vein 150 feet	3,000.00
8.	Diamond drill 5 holes, each 1,000 feet from station at face of 1040 - D 7 drift	30,000.00
	Total	$ 81,000.00

Although the geologic probability of discovery at depth and to the northwest of the Caribou shaft appears quite favorable, it is believed that such discoveries will be high silver ores and that they will not be significant producers of lead and zinc.

The Lead-Zinc Branch, therefore, recommends that the application be denied, and that the attached letter be sent to applicant.

Returned herewith are:

4 copies of MF-103 with attachments
3 sets of 9 figures
1 copy of MF-100 with attachments.

T. P. Billings by JJF
T.P. Billings, Chief
Lead-Zinc Branch

Approved:
Tom Lyon
Director, Supply Division

BGildersleeve:emp
G 8-20-51

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

FILE COPY
SURNAME:

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

AUG 24 1951

S. Blackburn
McKnight
O'Leary
(for more)
Johnson

Memorandum

To: Reports & Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of loan

Re: DMA-1887
Consolidated Caribou Silver Mines, Inc.
Caribou Mine, Boulder County, Colorado
Exploration loan, $81,800
Lead-zinc

The subject docket has been reviewed by the Lead-Zinc Branch. The following are facts pertinent to the loan proposal.

The Caribou mine is noted principally for its silver production from veins in a quartz monzonite portion of a porphyry stock. There are two steeply dipping vein systems one striking almost east, and one trending northeast. According to the applicant "fractures in the monzonite are filled and the walls are slightly replaced by quartz-carbonate veins containing, in places, sulphide ore minerals, mainly galena, sphalerite, and complex silver-lead bearing sulphide minerals. Pitchblende occurs below the 920 level and northeast of the Caribou shaft".

There are no complete production figures available, but starting well before 1880, the mine has produced probably more than $2,000,000, chiefly in silver. The applicant mined and milled an average of 31.65 tons per day during the period January-June, 1951. The average grade of this ore was: lead, 1.013; zinc, 0.477; copper, 0.053; gold, 0.043; silver, 20.57.

Recent exploration and development on the 1040 level, north and west of the Caribou shaft led to the discovery of the northeast trending Nelson vein. The applicant is now exploring and developing the Poorman and Nelson veins on the 920 level. The Poorman, just north of the Caribou, is perhaps the second most important source of silver in the district. The average mill run of the ore in the early days was said to be 300 ounces of silver to the ton. The vein was about 3 feet wide, but the part containing high-grade ore was rarely more than 6 to 8 inches wide.

The applicant proposes to explore the Poorman and Nelson veins below the 1040 level as follows:

AUG 24 195

Ref: [illegible]-1057

Mr. Donald G. Nelson, President
Consolidated Virginia Silver Mines, Inc.
1106 Pearl Street
Boulder, Colorado

Dear Mr. Nelson:

The Defense Minerals Administration has reviewed your application [illegible] for exploration assistance on the Caribou Mine.

Under the defense minerals exploration program, government aid is available only for projects which offer possibilities of increase in the development of strategic and critical minerals. The review of your application indicates that your property is primarily a producer of silver and that no significant production of lead and zinc can be expected. We are not, therefore, in a position to approve an expenditure of public funds for the exploration of the property.

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

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

Wildersleeve:emp
8-24-51
Copies to: J. H. West, Jr. Region IV (2)
Chief, Lead-Zinc Branch
[illegible] McKnight [illegible]
[illegible]
Reports & Records
Directors r. file [illegible]
Mr. r. file [illegible]
Files

FILE COPY
SURNAME:

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

AUG 24 1951

Re: DMA-1887

a.e.e.

Mr. Donald M. Nelson, President
Consolidated Caribou Silver Mines, Inc.
1406 Pearl Street
Boulder, Colorado

Dear Mr. Nelson:

The Defense Minerals Administration has reviewed your application (DMA-1887) for exploration assistance at the Caribou mine.

Under the Defense Minerals Administration program, Government aid is available only for projects which offer possibilities of increasing the development of strategic and critical minerals. The review of your application indicates that your property is primarily a producer of silver and that no significant production of lead and zinc can be expected. I regret, therefore, that we cannot approve an expenditure of public funds for the exploration that you propose.

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

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

JF 8/24

BGildersleeve:emp
G 8-20-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Branch
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

1.	Sink Caribou shaft 180 feet to 1200 level	$28,000.00
2.	Crosscut from shaft to Poorman vein, 100 ft.	2,000.00
3.	Drift west on Poorman vein to Nelson vein 150 feet	3,000.00
4.	Drift northeast on Nelson vein 300 feet	6,000.00
5.	Drift southwest on Nelson vein 300 feet	6,000.00
6.	Drift east on Poorman vein 150 feet	3,000.00
7.	Drift west on Poorman vein 150 feet	3,000.00
8.	Diamond drill 5 holes, each 1,000 feet from station at face of 1040 - D 7 drift	30,000.00
	Total	$ 81,800.00

Although the geologic probability of discovery at depth and to the northwest of the Caribou shaft appears quite favorable, it is believed that such discoveries will be high silver ores and that they will not be significant producers of lead and zinc.

The Lead-Zinc Branch, therefore, recommends that the application be denied, and that the attached letter be sent to applicant.

Returned herewith are:

4 copies of MF-103 with attachments
3 sets of 9 figures
1 copy of MF-100 with attachments.

T. P. Billings by W.G.
T.P. Billings, Chief
Lead-Zinc Branch

Approved:
Lon Lyon
Director, Supply Division

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

AUG 24 1951

Memorandum

To: Reports & Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of loan

Re: DMA-1887
Consolidated Caribou Silver Mines, Inc.
Caribou Mine, Boulder County, Colorado
Exploration loan, $81,800
Lead-zinc

The subject docket has been reviewed by the Lead-Zinc Branch. The following are facts pertinent to the loan proposal.

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There are no complete production figures available, but starting well before 1880, the mine has produced probably more than $2,000,000, chiefly in silver. The applicant mined and milled an average of 31.65 tons per day during the period January-June, 1951. The average grade of this ore was: lead, 1.013; zinc, 0.477; copper, 0.053; gold, 0.043; silver, 20.57.

Recent exploration and development on the 1040 level, north and west of the Caribou shaft led to the discovery of the northeast trending Nelson vein. The applicant is now exploring and developing the Poorman and Nelson veins on the 920 level. The Poorman , just north of the Caribou, is perhaps the second most important source of silver in the district. The average mill run of the ore in the early days was said to be 300 ounces of silver to the ton. The vein was about 3 feet wide, but the part containing high-grade ore was rarely more than 6 to 8 inches wide.

The applicant proposes to explore the Poorman and Nelson veins below the 1040 level as follows:

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1887

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

APPLICATION FOR EXPLORATION PROJECT

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:	Lead-zinc Branch	Date	7/27/51
To:	Supply Division	Date	8/22/51
To:	REPORTS AND RECORDS	Date	AUG 24 1951
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
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DO NOT DETACH

CONTROLLED DOCUMENT