DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

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DMEA ~~EMAX~~ Docket No. 2287 Tungsten Colo

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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.

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FEB 15 19

Galtie Bay Mines, Inc.
210 Mercantile Building
Denver 2, Colorado

Re: Docket No. DMEA 2297X - Tungsten
Galtie Bay Mine
San Juan County, Colorado

Gentlemen:

Your application for an exploration loan and other information concerning the Galtie Bay Mine available to us in Washington have been carefully reviewed.

The project, as you have presented it, consists of cleaning out old workings and preparing for mining ore from reported reserves. According to the regulations of the Defense Minerals Exploration Administration, such work cannot be considered as exploration, and we cannot justify Governmental participation in the proposed loan. We regret, therefore, to inform you that your application is denied.

We wish to thank you for your interest in the Defense Minerals Program, and for your efforts in this respect.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

GLBrewer'lm
2/5/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. IV
G. C. Selfridge
G. L. Brewer

February 5, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration

From: Iron and Ferro-Alloy Division, Defense Minerals Exploration Administration

Subject: Denial of exploration project in the amount of $41,317.00
Docket No. DMEA 2287X - Tungsten
Celtic Boy Mine
San Juan County, Colorado

The subject application was denied by this Division for the following reasons:

1. The application is for preparation for mining and not for exploration.

2. The application is for the rehabilitation of old workings allegedly containing unmined ores, and, as such, is not an "unknown or unexplored source of strategic ore" as specified in MO-5.

3. The subject property has heretofore been denied for an exploration loan under a former application, DMA 393X. This previous application was denied as a source of tungsten and of lead and zinc, on the grounds that it is primarily a gold and silver property, and that it contains insufficient lead and zinc to warrant an exploration loan.

No information has been added by DMEA 2287X to that previously submitted under DMA 363X, and our further study at this time leads only to concurrence with the former denial.

QLBrewer'lm
2/5/52

cc: Admn. Reading File
Docket
G. C. Selfridge
Q. L. Brewer

G. C. Selfridge, Acting Chief
Iron and Ferro-Alloy Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

G-ID-DML

January 29, 1952

Memorandum

To: George Selfridge, DMEA

From: D. M. Lemmon, USGS

Subject: Caltie Boy Mines, Inc. DMEA 2287 - Tungsten
210 Mercantile Building
Denver 2, Colorado

Property: Caltie Boy mine
Red Mountain Mining District
Sec. 20, T. 42 N., R. 8 W., New Mexico P. M.
7 miles north of Silverton
San Juan County, Colorado

Previous applications:

The following lead-zinc applications were received from U. S. Oil and Development Corporation, Caltie Boy Mines, Inc., or Carl H. Peterson, all of whom have identical backers:

DMA 363 - Caltie Boy mine
" 606 - Henrietta mine
" 1870 - Joe and John mine
" 1871 - Hercules mine

An exploration contract was signed for DMA 606 (Henrietta mine) in August 1951.

Previous action on Caltie Boy mine:

DMA 363 was filed in January with the Lead-Zinc branch as a request for $55,687 to provide equipment for reopening the Caltie Boy tunnel which was last worked in 1907.

On February 12, Mr. Peterson requested that the application be transferred to the Tungsten Branch and considered for tungsten. Informal discussion with the Tungsten Branch resulted in return of docket to Lead-Zinc.

On March 28, a letter to Mr. Peterson from the Lead-Zinc Branch stated that the proposed work could be financed only on a participation basis, under an exploration loan for lead, zinc, and copper. It was also stated that the tungsten occurrences are so spotty as to make exploration for tungsten alone unwarranted.

bladed crystals 3 inches or less in length, and can be sorted to high-grade ore containing 10 percent of WO_3.

No information is available about the tungsten veins in the Galtie Bay tunnel. Sorted ore containing 270 units of WO_3 was taken from various dumps of the Galtie Bay group in 1941.

It appears that the only exploration in the Silverton area that can be justified for the tungsten alone will consist of small projects aimed at opening tungsten veins discovered by projects for lead, zinc, and copper. If a fairly large project such as the Galtie Bay renovation were granted on the basis of tungsten, many similar proposals could be anticipated from this district to take advantage of the increased Government participation.

The geologic possibility of uncovering significant quantities of zinc, lead, and copper in the Galtie Bay tunnel appears to be good.

Recommendation:

It is recommended that the application be denied for tungsten. However, it may merit reconsideration as a project for zinc and lead.

The review made August 8, 1951 by Messrs. McKnight and Hanson gives a clear statement of the geologic justification for a lead-zinc project, and also analyses the proposed costs. Copies of this review are attached for your use.

Don Lemmon

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 11, 1952

Memorandum

To: George Selfredge, [illegible]

From: R. W. Geehan, Bureau of Mines

Subject: Exploration Application. [illegible]41,317.
Gabbie Petroleum, Inc.
210 [illegible] Building
Denver 2, Colorado

Property: Gabbie No. [illegible]
[illegible]
[illegible]
San Juan County, Colorado

Subject application is for a production lease and in effect is so stated by the applicant. Perhaps the applicant is using the same docket to cover both exploration and production If so, he can be asked to supply proper data for the exploration phase.

CKatlin:elk

cc: R. W. Geehan
Ferrous M&A
Files
Mr. Katlin
Mr. Selfredge

Robert W. Geehan

Defense Minerals Administration 6/5/51

Review of Application for Exploration Assistance

Docket No. 363x

Commodity Lead-Zinc-Copper

Total Amount $43,822.00 ($20,752 recommended)

Govt. Participation $21,911.00 ($10,376 rec.)

1. Name and Address of Applicant Galtie Boy Mines, Incorporated

211 Mercantile Building, 1031 - 15th Street, Denver, Colorado

2. Location of Property Galtie Boy group of claims, seven miles due north of

Silverton, San Juan County, Colorado

3. Mineral or metal Lead-Zinc-Copper Is it listed in Section 9 of MO-5? yes

If not, application will be rejected.

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

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

a) Good Favorably reported by U. S. Burbank

b) ~~fffff~~ See attached draft by E. T. McKnight of USGS

c) None

d) Don't know—needs field examination

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

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

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

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

productive period? Yes.

*question numbers are those of MF-103

4. (a) This property is essentially a lead-zinc-copper-silver-gold property, and application was originally presented for a direct loan on the basis of the lead-zinc-copper content. The claim also has a little tungsten which is reported to occur in a vein separate from the base metal veins. When the exploration program was announced, applicant attempted to convert his application to a tungsten project in order to get the higher Government participation for tungsten, in spite of the fact that he had been previously told by the Lead-Zinc Branch (letter of March 25, 1951) that the main proposal would have to be considered as a lead-zinc-copper proposition. When the Tungsten Branch turned the 75-25 proposition down, applicant in letter of May 29, 1951 to J. H. East, agreed to convert the application to a lead-zinc-copper proposition with the possibility of considering a minor project that might be presented later for exploring the tungsten vein when the property was sufficiently opened up.

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Galtie Boy dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Galtie Boy vein and an additional 179,560 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Galtie Boy obviously in the early 1900's, gives 1-2.3% lead and 6.8-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to W. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible. It will require the expenditures requested in order to open up the ore for inspection. The project appears worthy of consideration as a lead-zinc-copper exploration, not on the basis of what is given in the application, which is very poorly presented, but on the basis of what is independently known of the mineral deposits of this general area.

According to Mr. Burbank, the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. The chances of locating rich chimneys of ore by exploration are good enough to justify the proposed exploratory opening of the mine that is here recommended; or the alternative is large tonnages of lower grade zinc-lead vein deposits. The veins occur in volcanic breccias and flows of Tertiary andesite, typical of the San Juan mountains.

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202? Attached.

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

a) Available manpower Yes.

b) Equipment and supplies Yes.
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes, but needs 3/4 mi. access road.

d) Water (question 13)* Yes.

e) Power (question 13)* Yes.

Is a field check needed on any of these points? No, except possibly access road.

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes. See answer to Question 4 and item 6 in letter dated December 13, 1950.

Is a field check needed on this point? No.

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

a) Is the project adequately described? Yes. See answer to Sec. 21 of MF-103.

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

b) Is there an adequate map or sketch of the proposed work? Sketch of mine on illustration labelled 3-a-2 and on loose blue-line print accompanying application.

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes, but it is inevitable that reopening an old mine of unknown mineral possibilities will include some preparations for mining.

If not, what part of it is? _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Poorly.

Can they be summarized, as on page 2 of Procedural Instruction 5-A, ~~from the available data?~~ _____ ~~If so, attach a draft.~~ Recommended revised cost schedule attached is proposed for the exploration.

e) Are the cost estimates reasonable? See revision attached.

f) Should more information be requested from applicant? No.

g) Is a field examination necessary to complete Exhibit A? No.

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes.

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

c) Is a field check needed? No. See attached draft.

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

a) Is it applicable? See attached draft.

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable? See attached draft.

d) Is a field check needed? No.

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

a) Are there sufficient data? No. See attached draft.

b) Is the schedule adequate for the work proposed? *

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

d) Are the proposed wages and salaries reasonable? *

e) Is a field check needed? No.

11. Exhibit "B" (question 23-d of Form MF-103). Cost of necessary installation or construction of additional facilities, structures and buildings.

Only two items of applicant's list are considered applicable to this classification. One is for lumber for building to cost $1,500.00. No itemization is given, but it can be assumed that the amount of lumber intended is about 10 M. board feet. This would be approximately sufficient for small storage sheds for supplies, gasoline and oil, switch house for power installation, platform support for transformers, etc. It would not provide enough tor permanent housing for office, living and cooking quarters, storehouse.

It is recommended that the following be included in Exhibit "B"

For construction of storage sheds	$1,500.00
For construction of 3/4 mile, power line	1,500.00
Total cost	$3,000.00

12. Exhibit "C". (questions 23 (e) (f) (g) of Form MF-103). Cost of items of equipment which must be purchased at a cost of $50 or more each. The applicant proposed to lay track consisting of 30# rail. This is unnecessarily heavy for the loading and tramming equipment needed for the project. 20# rail is adequate for a small locomotive and loading machine. The proposal to use an air trammer is inadvisable since it would require a special high-pressure compressor to supply the necessary power. The small storage-battery locomotive is more economical in the long run, though the first cost is high. However, no locomotive would be required or justifiable until the work had progressed at least 500 feet. Since the amount of materials, supplies and waste rock to be transported is likely to be small, it is recommended that no provision for motive power be provided for herein.

As to cars, rock drills, compressor, hoses, and automotive equipment, it appears the applicant has planned not only for opening his adit but for mining ore as well. The proposed compressor is unnecessarily large for the small quantity of air likely to be required, and for this project, a small one- or two-drill compressor is recommended. Such a machine can be rented and will require no permanent installation.

It is recommended that the following list be adopted for Exhibit "C" in the contract.

Cost of items of equipment to be purchased:

8	long tons 20-lb. rail at $90	$680.00
4	only mine cars 18 cu. ft. (1-ton capacity)	600.00
1	" mine car loader, shovel type	3,000.00
1	" jackhammer rock drill	350.00
1	" ventilation blower with 5 HP motor	450.00
1	only pickup truck for hauling supplies	2,000.00
1	" 3/4" hose with couplings for water	50.00
1	" 1" " " " " air	65.00
500	feet of 1" black iron pipe	81.00
500	" " 2" " " "	152.00
1,000	" " ½" " " "	80.00
1,000	" " 1¼" " " "	192.00
1,300	" " 8" ventilating pipe	780.00
	Total	$8,480.00

Applicant has made no provision for transformers and switch gear to step down his power voltage and since the voltage requirements are not known to this reviewer, no provision is made for such equipment herein. However, the power requirement for this project will probably not exceed a transformer capacity of 15 k.v.a., hence the cost of transformers will be small.

The cost figures above are approximately in line with the current cost of new equipment, but applicant will no doubt save his own money by purchasing some used equipment.

Cost of rental for equipment to be rented by applicant:

	Rental cost one month	Rental cost four months
1 portable compressor, 160 cu. ft.	$212.00	$848.00
15 miners cap lamps, electric	18.00	72.00
Total		$920.00
Rental value of items of equipment owned by operator		None

Other items in applicant's list should be included as

Cost of materials and supplies, including items of equipment costing less than $50 each:

4 track switches at $25	$100.00
500 track ties at 50 cents	250.00
400 lbs. track spikes for 20-lb. rail	40.00
144 pairs splice bars " " " "	65.00
200 lbs. track bolts " " " "	18.00
Explosives; dynamite, fuse, caps	80.00
Tools such as pick, shovel, ax	100.00
Valves and fittings for pipe lines	78.00
Timber for 10 drift sets 3200 bd. ft.	416.00
	$1,147.00

13. Exhibit "D". (questions 23-a, b of Form MF-103)

For discussion of time element, see Section 15 of this review.

Cost of labor for this project should be as follows:

		Per month	Four months
2 miners at 12.75/day	359.12	$718.25	$2,873.00
1 trammer at 12.25/day		345.04	1,380.16
1 laborer at 12.00/day		338.00	1,352.00
Supervision and trucking		400.00	1,600.00
			$7,205.16

15. Applicant states in answer to question 21 of form MF-103 "this project should not take one year to complete". In answer to question 24, he states "the tunnel can be opened in from four to six months depending on the amount of material," etc. The two statements are inconsistent.

Assuming that five percent of the adit will require close timbering, and that the remainder will be found relatively free of cave-ins and will require only clean-up, laying track and installing pipe lines for compressed air, water and ventilation, it is inconceivable to this reviewer that the job should require more than four months using only one shift. This estimate is based on the employment of two men for the inside work, one man for tramming waste rock, timber and other materials, one man outside for general surface labor, running compressor, etc., and one man for supervision including trucking of supplies. This program would require an advance of only thirteen feet per day as an average.

It is recommended that the cost of labor and supervision for exhibit "A" of the exploration contract be set up as shown in Section 13 of this review.

16. The project has been approved by the USGS on the basis of geologic probability.

From the engineering standpoint this reviewer recommends approval of the following exhibits for the exploration contract.

Exhibit "A"

Time Schedule	Months
Clean up in vicinity of portal, retimber portal, lay track to dump, set up equipment or storage sheds. 100 feet advance in adit.	1
Clean out, repair and retimber 1200 feet of adit, including advance of pipe lines and track.	3
Total	4

Estimated Cost of Project

Construction and installation of additional facilities, Exhibit "B"		$3,000.00
Cost of equipment, Exhibit "C"		
To be purchased	$8,480.00	
To be rented by operator	920.00	9,400.00
Rental of operator's equipment	none	
Cost of labor and supervision, Exhibit "D"		7,205.00
Cost of materials and supplies, per list Section 12,		1,147.00
Total cost of project		$20,752.00
Government share		$10,376.00

14. Exhibit E (question 23-c)*

a) Is it applicable? No.

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? See draft attached.

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: F. W. Hanson, DMA

E. T. McKnight, USGS

Date 8/8/51

10ma 2287

Memorandum

February 16, 1952

To: Mr. Howard Young
Deputy Administrator
Defense Materials Procurement Agency

From: C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration

During the past few days we have found it necessary to deny three applications for exploration assistance. In each case the decision was based on the opinion that the work proposed was essentially for preparation to mine known ore reserves. Copies of our letters to the applicants are attached hereto for your information.

You will note that in only one of the three cases did we suggest that the applicant contact your agency. In that case we felt that the project had merit and that you might be willing to consider it should the applicant make an application for a production loan or a procurement contract.

In the other two cases the work proposed was not only preparation for mining reported orebodies, but the properties themselves were essentially gold and silver mines with very minor amounts of base metals. I did not consider that any useful purpose would be served by suggesting that the applicants contact your agency.

It will be my purpose to keep you fully informed of our denials in this manner.

C. O. Mittendorf

Attachments

C.Mittendorf/fw
cc: Operating Committee
Mr. Hedges
Mr. Thayer
Mr. F.E.Johnson
Admr. Reading File
Docket file

BL

Memorandum February 14, 1952

To: Operating Committee

From: C. O. Mittendorf
Acting Administrator

Subject: St. Regis Mining Co. - DMPA-1909
Galtie Bay Mines, Inc. - DMPA-2287
Paragon Mines, Inc. - DMPA-[illegible]

In accordance with previous arrangements, I discussed these three cases with Assistant Secretary Ross on Tuesday afternoon. Mr. Ross concurred in the recommendations of the Committee.

It had been my impression, as well as that of Mr. Ross, that these three cases were denied by DMPA and formally transmitted to DMEA for consideration as an exploration project. Our assumptions were erroneous, for the dockets contained no evidence that the cases were formally transmitted to us by Larson, but, on the contrary, were ordinary requests for reconsideration of previous denials. In the circumstances, Mr. Ross felt it would be unnecessary to discuss the cases in the presence of Howard Young. It was his opinion that we should not transmit the dockets to DMPA and inform the applicant accordingly, but that we should mention to the applicant that his case might be a suitable subject for a production loan and that, if he so desired, he could make application to DMPA. It was agreed that copies of our letters of denial in these cases should be furnished to DMPA.

Since your previous minutes state that these cases are being held in abeyance pending the outcome of the stated meeting, and that therefore the final action is suspended, it would probably be in order to make some notation in the next minutes to the effect that formal denials have been made.

C. O. Mittendorf

COMittendorf/fw
cc: Mr. Hedges
Mr. Thayer
Admr. Reading File

Mr. F. E. Johnson
Docket file
Mr. Howard Young, DMPA

N.A. 2-18-52 400

FILE COPY
SURNAME:

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

Brewer
Selfridge
~~Hedges~~
Thayer

Galtie Boy Mines, Inc.
210 Mercantile Building
Denver 2, Colorado

Re: Docket No. DMEA 2287X - Tungsten
Galtie Boy Mine
San Juan County, Colorado

Gentlemen:

Your application for an exploration loan and other information concerning the Galtie Boy Mine available to us in Washington have been carefully reviewed.

The project, as you have presented it, consists of cleaning out old workings and preparing for mining ore from reported reserves. According to the regulations of the Defense Minerals Exploration Administration, such work cannot be considered as exploration, and we cannot justify Governmental participation in the proposed loan. We regret, therefore, to inform you that your application is denied.

We wish to thank you for your interest in the Defense Minerals Program, and for your efforts in this respect.

Sincerely yours,

C. O. Mittendorf (fw) 2/15/52

Acting Administrator
Defense Minerals Exploration
Administration

QLBrewer'lm
2/5/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. IV
G. C. Selfridge
Q. L. Brewer

OK

FILE COPY
SURNAME:

Brewer
Selfridge

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

February 5, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration

From: Iron and Ferro-Alloy Division, Defense Minerals Exploration Administration

Subject: Denial of exploration project in the amount of $41,317.00
Docket No. DMEA 2287X - Tungsten
Galtie Boy Mine
San Juan County, Colorado

The subject application was denied by this Division for the following reasons:

1. The application is for preparation for mining and not for exploration.

2. The application is for the rehabilitation of old workings allegedly containing unmined ores, and, as such, is not an "unknown or unexplored source of strategic ore" as specified in MO-5.

3. The subject property has heretofore been denied for an exploration loan under a former application, DMA 393X. This previous application was denied as a source of tungsten and of lead and zinc, on the grounds that it is primarily a gold and silver property, and that it contains insufficient lead and zinc to warrant an exploration loan. 363X

No information has been added by DMEA 2287X to that previously submitted under DMA 363X, and our further study at this time leads only to concurrence with the former denial.

QLBrewer'lm
2/5/52

2/19/52

G. C. Selfridge, Acting Chief
Iron and Ferro-Alloy Division

cc: Admn. Reading File
Docket
G. C. Selfridge
Q. L. Brewer

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

February 5, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration

From: Iron and Ferro-Alloy Division, Defense Minerals Exploration Administration

Subject: Denial of exploration project in the amount of $41,317.00
Docket No. DMEA 2287X - Tungsten
Galtie Boy Mine
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G. C. Selfridge.

G. C. Selfridge, Acting Chief
Iron and Ferro-Alloy Division

IN REPLY REFER TO:

G-MD-DML

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

January 29, 1952

Memorandum

To: George Selfridge, DMEA

From: D. M. Lemmon, USGS

Subject: Galtie Boy Mines, Inc. DMEA 2287 - Tungsten
210 Mercantile Building
Denver 2, Colorado

Property: Galtie Boy mine
Red Mountain Mining District
Sec. 20, T. 42 N., R. 8 W., New Mexico P. M.
7 miles north of Silverton
San Juan County, Colorado

Previous applications:

The following lead-zinc applications were received from U. S. Oil and Development Corporation, Galtie Boy Mines, Inc., or Carl H. Peterson, all of whom have identical backers:

DMA 363 - Galtie Boy mine
" 606 - Henrietta mine
" 1870 - Joe and John mine
" 1871 - Hercules mine

Copy returned to [illegible]

An exploration contract was signed for DMA 606 (Henrietta mine) in August 1951.

Previous action on Galtie Boy mine:

DMA 363 was filed in January with the Lead-Zinc branch as a request for $55,687 to provide equipment for reopening the Galtie Boy tunnel which was last worked in 1907.

On February 12, Mr. Peterson requested that the application be transferred to the Tungsten Branch and considered for tungsten. Informal discussion with the Tungsten Branch resulted in return of docket to Lead-Zinc.

On March 28, a letter to Mr. Peterson from the Lead-Zinc Branch stated that the proposed work could be financed only on a participation basis, under an exploration loan for lead, zinc, and copper. It was also stated that the tungsten occurrences are so spotty as to make exploration for tungsten alone unwarranted.

On April 6, at the request of Senators Johnson and Millikin, the application was referred to the Denver Field Office, Region IV, for consultation with the applicant.

A revised application for $43,822 was received in DMA on May 4, 1951.

On August 8, 1951, a careful review of the proposal was prepared by E. T. McKnight and F. W. Hanson for transmittal to Production Expansion Division from Supply Division. It was recommended that a loan be made to re-open the adit at a total cost not to exceed $21,911.

On September 5, a memo from C. O. Mittendorf of Production Expansion Division recommended to the Director, Supply Division, that the application be denied.

On November 6, the Lead-Zinc Branch agreed not to contest the denial. On November 8, the application was denied on the basis that the proposal was not exploration, and that the property is primarily a gold-silver mine.

Present application on Galtie Boy (DMEA 2287)

The new application, received December 13, 1951 in DMEA, requests $41,317, on a 75-25 participation, for equipment purchases to re-open the Galtie Boy tunnel. This application does not differ in any important respects from revised DMA 363 filed on May 5 and rejected.

The proposed expenditures are in large part for equipment to be used in production. It appears likely that the adit could be re-opened economically without use of much of this equipment.

Geologic appraisal:

The geologic probability of making significant discoveries of tungsten ore in the San Juan area is poor. The total quantity of tungsten produced from the district in the past is about 6,000 units of WO_3 in the period 1900-1945. Of this, 4,189 units were produced by Colorado Metals Co. in 1916.

No milling facilities for tungsten exist in the district. Unless sufficient ore is found to justify a mill, all small lots must be shipped to Boulder County, Colorado for concentration.

Huebnerite-bearing veins are reported from 14 mines in the district. The huebnerite streaks are commonly 1 to 6 inches wide and not more than 20 feet long. In a few veins, maximum widths of 18 inches and lengths of 100 feet are reported. Much of the huebnerite is in large

bladed crystals 3 inches or less in length, and can be sorted to high-grade ore containing 10 percent of WO_3.

No information is available about the tungsten veins in the Galtie Boy tunnel. Sorted ore containing 270 units of WO_3 was taken from various dumps of the Galtie Boy group in 1941.

It appears that the only exploration in the Silverton area that can be justified for the tungsten alone will consist of small projects aimed at opening tungsten veins discovered by projects for lead, zinc, and copper. If a fairly large project such as the Galtie Boy renovation were granted on the basis of tungsten, many similar proposals could be anticipated from this district to take advantage of the increased Government participation.

The geologic possibility of uncovering significant quantities of zinc, lead, and copper in the Galtie Boy tunnel appears to be good.

Recommendation:

It is recommended that the application be denied for tungsten. However, it may merit reconsideration as a project for zinc and lead.

The review made August 8, 1951 by Messrs. McKnight and Hanson gives a clear statement of the geologic justification for a lead-zinc project, and also analyses the proposed costs. Copies of this review are attached for your use.

Enclosure

Dwight M. Lemmon

Defense Minerals Administration 6/5/51

Review of Application for Exploration Assistance

Docket No. 363x

Commodity Lead-Zinc-Copper

Total Amount $43,822.00 ($20,752 recommended)

Govt. Participation $21,911.00 ($10,376 rec.)

1. Name and Address of Applicant Galtie Boy Mines, Incorporated

211 Mercantile Building, 1031 - 15th Street, Denver, Colorado

2. Location of Property Galtie Boy group of claims, seven miles due north of Silverton, San Juan County, Colorado

3. Mineral or metal Lead-Zinc-Copper Is it listed in Section 9 of MO-5? yes

If not, application will be rejected.

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

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

a) Good Favorably reported by W. S. Burbank

b) ~~Poor~~ See attached draft by E. T. McKnight of USGS

c) None

d) Don't know—needs field examination

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

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

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

Does the lease have sufficient time to run to cover a future productive period? Yes.

*question numbers are those of MF-103

4. (a) This property is essentially a lead-zinc-copper-silver-gold property, and application was originally presented for a direct loan on the basis of the lead-zinc-copper content. The claim also has a little tungsten which is reported to occur in a vein separate from the base metal veins. When the exploration program was announced, applicant attempted to convert his application to a tungsten project in order to get the higher Government participation for tungsten, in spite of the fact that he had been previously told by the Lead-Zinc Branch (letter of March 25, 1951) that the main proposal would have to be considered as a lead-zinc-copper proposition. When the Tungsten Branch turned the 75-25 proposition down, applicant in letter of May 29, 1951 to J. H. East, agreed to convert the application to a lead-zinc-copper proposition with the possibility of considering a minor project that might be presented later for exploring the tungsten vein when the property was sufficiently opened up.

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Galtie Boy dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Galtie Boy vein and an additional 179,560 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Galtie Boy obviously in the early 1900's, gives 1-2.3% lead and 6.8-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to W. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible. It will require the expenditures requested in order to open up the ore for inspection. The project appears worthy of consideration as a lead-zinc-copper exploration, not on the basis of what is given in the application, which is very poorly presented, but on the basis of what is independently known of the mineral deposits of this general area.

According to Mr. Burbank, the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. The chances of locating rich chimneys of ore by exploration are good enough to justify the proposed exploratory opening of the mine that is here recommended; or the alternative is large tonnages of lower grade zinc-lead vein deposits. The veins occur in volcanic breccias and flows of Tertiary andesite, typical of the San Juan mountains.

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202? Attached.

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

a) Available manpower Yes.

b) Equipment and supplies Yes.
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes, but needs 3/4 mi. access road.

d) Water (question 13)* Yes.

e) Power (question 13)* Yes.

Is a field check needed on any of these points? No, except possibly access road.

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes. See answer to Question 4 and item 6 in letter dated December 13, 1950.

Is a field check needed on this point? No.

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

a) Is the project adequately described? Yes. See answer to Sec. 21 of MF-103.

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

b) Is there an adequate map or sketch of the proposed work? Sketch of mine on illustration labelled 3-a-2 and on loose blue-line print accompanying application.

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes, but it is inevitable that reopening an old mine of unknown mineral possibilities will include some preparations for mining.

~~If not, what part of it is?~~

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? **Poorly.**

Can they be summarized, as on page 2 of Procedural Instruction 5-A, **Recommended revised cost schedule attached is proposed for the exploration.** ~~from the available data?~~_____ ~~If so, attach a draft.~~

e) Are the cost estimates reasonable? **See revision attached.**

f) Should more information be requested from applicant? **No.**

g) Is a field examination necessary to complete Exhibit A? **No.**

11. Exhibit B (question 23-d)*

a) Is it applicable? **Yes.**

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

c) Is a field check needed? **No. See attached draft.**

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

a) Is it applicable? **See attached draft.**

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable? **See attached draft.**

d) Is a field check needed? **No.**

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

a) Are there sufficient data? **No. See attached draft.**

b) Is the schedule adequate for the work proposed? **"**

c) Is the schedule excessive for the work proposed? **"**

d) Are the proposed wages and salaries reasonable? **"**

e) Is a field check needed? **No.**

11. Exhibit "B" (question 23-d of Form MF-103). Cost of necessary installation or construction of additional facilities, structures and buildings.

Only two items of applicant's list are considered applicable to this classification. One is for lumber for building to cost $1,500.00. No itemization is given, but it can be assumed that the amount of lumber intended is about 10 M. board feet. This would be approximately sufficient for small storage sheds for supplies, gasoline and oil, switch house for power installation, platform support for transformers, etc. It would not provide enough tor permanent housing for office, living and cooking quarters, storehouse.

It is recommended that the following be included in Exhibit "B"

For construction of storage sheds	$1,500.00
For construction of 3/4 mile, power line	1,500.00
Total cost	$3,000.00

12. Exhibit "C". (questions 23 (e) (f) (g) of Form MF-103). Cost of items of equipment which must be purchased at a cost of $50 or more each. The applicant proposed to lay track consisting of 30# rail. This is unnecessarily heavy for the loading and tramming equipment needed for the project. 20# rail is adequate for a small locomotive and loading machine. The proposal to use an air trammer is inadvisable since it would require a special high-pressure compressor to supply the necessary power. The small storage-battery locomotive is more economical in the long run, though the first cost is high. However, no locomotive would be required or justifiable until the work had progressed at least 500 feet. Since the amount of materials, supplies and waste rock to be transported is likely to be small, it is recommended that no provision for motive power be provided for herein.

As to cars, rock drills, compressor, hoses, and automotive equipment, it appears the applicant has planned not only for opening his adit but for mining ore as well. The proposed compressor is unnecessarily large for the small quantity of air likely to be required, and for this project, a small one- or two-drill compressor is recommended. Such a machine can be rented and will require no permanent installation.

It is recommended that the following list be adopted for Exhibit "C" in the contract.

Cost of items of equipment to be purchased:

8 long tons 20-lb. rail at $90	$680.00
4 only mine cars 18 cu. ft. (1-ton capacity)	600.00
1 " mine car loader, shovel type	3,000.00
1 " jackhammer rock drill	350.00
1 " ventilation blower with 5 HP motor	450.00
1 only pickup truck for hauling supplies	2,000.00
1 " 3/4" hose with couplings for water	50.00
1 " 1" " " " " air	65.00
500 feet of 1" black iron pipe	81.00
500 " " 2" " " "	152.00
1,000 " " ½" " " "	80.00
1,000 " " 1¼" " " "	192.00
1,300 " " 8" ventilating pipe	780.00
Total	$8,480.00

Applicant has made no provision for transformers and switch gear to step down his power voltage and since the voltage requirements are not known to this reviewer, no provision is made for such equipment herein. However, the power requirement for this project will probably not exceed a transformer capacity of 15 k.v.a., hence the cost of transformers will be small.

The cost figures above are approximately in line with the current cost of new equipment, but applicant will no doubt save his own money by purchasing some used equipment.

Cost of rental for equipment to be rented by applicant:

	Rental cost one month	Rental cost four months
1 portable compressor, 160 cu. ft.	$212.00	$848.00
15 miners cap lamps, electric	18.00	72.00
Total		$920.00
Rental value of items of equipment owned by operator		None

Other items in applicant's list should be included as

Cost of materials and supplies, including items of equipment costing less than $50 each:

4 track switches at $25	$100.00
500 track ties at 50 cents	250.00
400 lbs. track spikes for 20-lb. rail	40.00
144 pairs splice bars " " " "	65.00
200 lbs. track bolts " " " "	18.00
Explosives; dynamite, fuse, caps	80.00
Tools such as pick, shovel, ax	100.00
Valves and fittings for pipe lines	78.00
Timber for 10 drift sets 3200 bd. ft.	416.00
	$1,147.00

13. Exhibit "D". (questions 23-a, b of Form MF-103)

For discussion of time element, see Section 15 of this review.

Cost of labor for this project should be as follows:

		Per month	Four months
2 miners at 12.75/day	359.12	$718.25	$2,873.00
1 trammer at 12.25/day		345.04	1,380.16
1 laborer at 12.00/day		338.00	1,352.00
Supervision and trucking		400.00	1,600.00
			$7,205.16

15. Applicant states in answer to question 21 of form MF-103 "this project should not take one year to complete". In answer to question 24, he states "the tunnel can be opened in from four to six months depending on the amount of material," etc. The two statements are inconsistent.

Assuming that five percent of the adit will require close timbering, and that the remainder will be found relatively free of cave-ins and will require only clean-up, laying track and installing pipe lines for compressed air, water and ventilation, it is inconceivable to this reviewer that the job should require more than four months using only one shift. This estimate is based on the employment of two men for the inside work, one man for tramming waste rock, timber and other materials, one man outside for general surface labor, running compressor, etc., and one man for supervision including trucking of supplies. This program would require an advance of only thirteen feet per day as an average.

It is recommended that the cost of labor and supervision for exhibit "A" of the exploration contract be set up as shown in Section 13 of this review.

16. The project has been approved by the USGS on the basis of geologic probability.

From the engineering standpoint this reviewer recommends approval of the following exhibits for the exploration contract.

Exhibit "A"

Time Schedule	Months
Clean up in vicinity of portal, retimber portal, lay track to dump, set up equipment or storage sheds. 100 feet advance in adit.	1
Clean out, repair and retimber 1200 feet of adit, including advance of pipe lines and track.	3
Total	4

Estimated Cost of Project

Construction and installation of additional facilities, Exhibit "B"		$3,000.00
Cost of equipment, Exhibit "C"		
To be purchased	$8,480.00	
To be rented by operator	920.00	9,400.00
Rental of operator's equipment	none	
Cost of labor and supervision, Exhibit "D"		7,205.00
Cost of materials and supplies, per list Section 12,		1,147.00
Total cost of project		$20,752.00
Government share		$10,376.00

14. Exhibit E (question 23-c)*

a) Is it applicable? **No.**

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? **See draft attached.**

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: **F. W. Hanson, DMA**

E. T. McKnight, USGS

Date **8/8/51**

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

C-ID-DEL

January 29, 1952

Memorandum

To: George Selfridge, DMEA

From: D. M. Lemmon, DMEA

Subject: Caltie Boy Mines, Inc. DMEA 2287 - Tungsten
210 Mercantile Building
Denver 2, Colorado

Property: Caltie Boy mine
Red Mountain Mining District
Sec. 20, T. 42 N., R. 8 W., New Mexico P. M.
7 miles north of Silverton
San Juan County, Colorado

Previous applications:

The following lead-zinc applications were received from U. S. Oil and Development Corporation, Caltie Boy Mines, Inc., or Carl H. Peterson, all of whom have identical backers:

DMEA 363 - Caltie Boy mine
" 606 - Henrietta mine
" 1870 - Joe and John mine
" 1871 - Hercules mine

An exploration contract was signed for DMEA 606 (Henrietta mine) in August 1951.

Previous action on Caltie Boy mine:

DMEA 363 was filed in January with the Lead-Zinc branch as a request for $55,687 to provide equipment for reopening the Caltie Boy tunnel which was last worked in 1907.

On February 12, Mr. Peterson requested that the application be transferred to the Tungsten Branch and considered for tungsten. Informal discussion with the Tungsten Branch resulted in return of docket to Lead-Zinc.

On March 28, a letter to Mr. Peterson from the Lead-Zinc Branch stated that the proposed work could be financed only on a participation basis, under an exploration loan for lead, zinc, and copper. It was also stated that the tungsten occurrences are so spotty as to make exploration for tungsten alone unwarranted.

On April 6, at the request of Senators Johnson and Millikin, the application was referred to the Denver Field Office, Region IV, for consultation with the applicant.

A revised application for $43,822 was received in DMA on May 4, 1951.

On August 8, 1951, a careful review of the proposal was prepared by E. T. McKnight and F. W. Hanson for transmittal to Production Expansion Division from Supply Division. It was recommended that a loan be made to re-open the adit at a total cost not to exceed $21,911.

On September 5, a memo from C. O. Hittendorf of Production Expansion Division recommended to the Director, Supply Division, that the application be denied.

On November 6, the Lead-Zinc Branch agreed not to contest the denial. On November 8, the application was denied on the basis that the proposal was not exploration, and that the property is primarily a gold-silver mine.

Present application on Galtie Bay (DMEA 2287)

The new application, received December 13, 1951 in DMEA, requests $41,317, on a 75-25 participation, for equipment purchases to re-open the Galtie Bay tunnel. This application does not differ in any important respects from revised DMA 363 filed on May 5 and rejected.

The proposed expenditures are in large part for equipment to be used in production. It appears likely that the adit could be re-opened economically without use of much of this equipment.

Geologic appraisal:

The geologic probability of making significant discoveries of tungsten ore in the San Juan area is poor. The total quantity of tungsten produced from the district in the past is about 6,000 units of WO_3 in the period 1900-1945. Of this, 4,189 units were produced by Colorado Metals Co. in 1916.

No milling facilities for tungsten exist in the district. Unless sufficient ore is found to justify a mill, all small lots must be shipped to Boulder County, Colorado for concentration.

Huebnerite-bearing veins are reported from 14 mines in the district. The huebnerite streaks are commonly 1 to 6 inches wide and not more than 20 feet long. In a few veins, maximum widths of 18 inches and lengths of 100 feet are reported. Much of the huebnerite is in large

bladed crystals 3 inches or less in length, and can be sorted to high-grade ore containing 10 percent of WO_3.

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It appears that the only exploration in the Silverton area that can be justified for the tungsten alone will consist of small projects aimed at opening tungsten veins discovered by projects for lead, zinc, and copper. If a fairly large project such as the Galtie Boy renovation were granted on the basis of tungsten, many similar proposals could be anticipated from this district to take advantage of the increased Government participation.

The geologic possibility of uncovering significant quantities of zinc, lead, and copper in the Galtie Boy tunnel appears to be good.

Recommendation:

It is recommended that the application be denied for tungsten. However, it may merit reconsideration as a project for zinc and lead.

The review made August 8, 1951 by Messrs. McKnight and Hanson gives a clear statement of the geologic justification for a lead-zinc project, and also analyzes the proposed costs. Copies of this review are attached for your use.

Enclosure

Don Lemmon

Defense Minerals Administration 6/5/51

Review of Application for Exploration Assistance

Docket No. 363x

Commodity Lead-Zinc-Copper

Total Amount $43,822.00 ($20,752 recommended)

Govt. Participation $21,911.00 ($10,376 rec.)

1. Name and Address of Applicant Cattle Boy Mines, Incorporated

211 Mercantile Building, 1031 - 15th Street, Denver, Colorado

2. Location of Property Cattle Boy group of claims, seven miles due north of Silverton, San Juan County, Colorado

3. Mineral or metal Lead-Zinc-Copper Is it listed in Section 9 of MO-5? yes

If not, application will be rejected.

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

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

a) Good Favorably reported by U. S. Burbank

b) ~~Fair~~ See attached draft by B. T. McKnight of USGS

c) None

d) Don't know—needs field examination

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

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

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

Does the lease have sufficient time to run to cover a future productive period? Yes.

*question numbers are those of MF-103

4. (a) This property is essentially a lead-zinc-copper-silver-gold property, and application was originally presented for a direct loan on the basis of the lead-zinc-copper content. The claim also has a little tungsten which is reported to occur in a vein separate from the base metal veins. When the exploration program was announced, applicant attempted to convert his application to a tungsten project in order to get the higher Government participation for tungsten, in spite of the fact that he had been previously told by the Lead-Zinc Branch (letter of March 25, 1951) that the main proposal would have to be considered as a lead-zinc-copper proposition. When the Tungsten Branch turned the 75-25 proposition down, applicant in letter of May 29, 1951 to J. H. East, agreed to convert the application to a lead-zinc-copper proposition with the possibility of considering a minor project that might be presented later for exploring the tungsten vein when the property was sufficiently opened up.

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Galtie Boy dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Galtie Boy vein and an additional 179,560 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Galtie Boy obviously in the early 1900's, gives 1-2.3% lead and 6.8-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to W. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible. It will require the expenditures requested in order to open up the ore for inspection. The project appears worthy of consideration as a lead-zinc-copper exploration, not on the basis of what is given in the application, which is very poorly presented, but on the basis of what is independently known of the mineral deposits of this general area.

According to Mr. Burbank, the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. The chances of locating rich chimneys of ore by exploration are good enough to justify the proposed exploratory opening of the mine that is here recommended; or the alternative is large tonnages of lower grade zinc-lead vein deposits. The veins occur in volcanic breccias and flows of Tertiary andesite, typical of the San Juan mountains.

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202? Attached.

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

a) Available manpower Yes.

b) Equipment and supplies Yes.
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes, but needs 3/4 mi. access road.

d) Water (question 13)* Yes.

e) Power (question 13)* Yes.

Is a field check needed on any of these points? No, except possibly access road.

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes. See answer to Question 4 and item 6 in letter dated December 13, 1950.

Is a field check needed on this point? No.

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

a) Is the project adequately described? Yes. See answer to Sec. 21 of MF-103.

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

b) Is there an adequate map or sketch of the proposed work? Sketch of mine on illustration labelled 3-a-2 and on loose blue-line print accompanying application.

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes, but it is inevitable that reopening an old mine of unknown mineral possibilities will include some preparations for mining.

If not, what part of it is?

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Poorly.

Can they be summarized, as on page 2 of Procedural Instruction 5-A, ~~from the available data?~~ _____ ~~If so, attach a draft.~~ Recommended revised cost schedule attached is proposed for the exploration.

e) Are the cost estimates reasonable? See revision attached.

f) Should more information be requested from applicant? No.

g) Is a field examination necessary to complete Exhibit A? No.

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes.

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

c) Is a field check needed? No. See attached draft.

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

a) Is it applicable? See attached draft.

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable? See attached draft.

d) Is a field check needed? No.

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

a) Are there sufficient data? No. See attached draft.

b) Is the schedule adequate for the work proposed? "

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

d) Are the proposed wages and salaries reasonable? "

e) Is a field check needed? No.

11. Exhibit "B" (question 23-d of Form MF-103). Cost of necessary installation or construction of additional facilities, structures and buildings.

Only two items of applicant's list are considered applicable to this classification. One is for lumber for building to cost $1,500.00. No itemization is given, but it can be assumed that the amount of lumber intended is about 10 M. board feet. This would be approximately sufficient for small storage sheds for supplies, gasoline and oil, switch house for power installation, platform support for transformers, etc. It would not provide enough tor permanent housing for office, living and cooking quarters, storehouse.

It is recommended that the following be included in Exhibit "B"

For construction of storage sheds	$1,500.00
For construction of 3/4 mile, power line	1,500.00
Total cost	$3,000.00

12. Exhibit "C". (questions 23 (e) (f) (g) of Form MF-103). Cost of items of equipment which must be purchased at a cost of $50 or more each. The applicant proposed to lay track consisting of 30# rail. This is unnecessarily heavy for the loading and tramming equipment needed for the project. 20# rail is adequate for a small locomotive and loading machine. The proposal to use an air trammer is inadvisable since it would require a special high-pressure compressor to supply the necessary power. The small storage-battery locomotive is more economical in the long run, though the first cost is high. However, no locomotive would be required or justifiable until the work had progressed at least 500 feet. Since the amount of materials, supplies and waste rock to be transported is likely to be small, it is recommended that no provision for motive power be provided for herein.

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It is recommended that the following list be adopted for Exhibit "C" in the contract.

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The cost figures above are approximately in line with the current cost of new equipment, but applicant will no doubt save his own money by purchasing some used equipment.

Cost of rental for equipment to be rented by applicant:

	Rental cost one month	Rental cost four months
1 portable compressor, 160 cu. ft.	$212.00	$848.00
15 miners cap lamps, electric	18.00	72.00
Total		$920.00
Rental value of items of equipment owned by operator		None

Other items in applicant's list should be included as

Cost of materials and supplies, including items of equipment costing less than $50 each:

4 track switches at $25	$100.00
500 track ties at 50 cents	250.00
400 lbs. track spikes for 20-lb. rail	40.00
144 pairs splice bars " " " "	65.00
200 lbs. track bolts " " " "	18.00
Explosives; dynamite, fuse, caps	80.00
Tools such as pick, shovel, ax	100.00
Valves and fittings for pipe lines	78.00
Timber for 10 drift sets 3200 bd. ft.	416.00
	$1,147.00

13. Exhibit "D". (questions 23-a, b of Form MF-103)

For discussion of time element, see Section 15 of this review.

Cost of labor for this project should be as follows:

		Per month	Four months
2 miners at 12.75/day	359.12	$718.25	$2,873.00
1 trammer at 12.25/day		345.04	1,380.16
1 laborer at 12.00/day		338.00	1,352.00
Supervision and trucking		400.00	1,600.00
			$7,205.16

15. Applicant states in answer to question 21 of form MF-103 "this project should not take one year to complete". In answer to question 24, he states "the tunnel can be opened in from four to six months depending on the amount of material," etc. The two statements are inconsistent.

Assuming that five percent of the adit will require close timbering, and that the remainder will be found relatively free of cave-ins and will require only clean-up, laying track and installing pipe lines for compressed air, water and ventilation, it is inconceivable to this reviewer that the job should require more than four months using only one shift. This estimate is based on the employment of two men for the inside work, one man for tramming waste rock, timber and other materials, one man outside for general surface labor, running compressor, etc., and one man for supervision including trucking of supplies. This program would require an advance of only thirteen feet per day as an average.

It is recommended that the cost of labor and supervision for exhibit "A" of the exploration contract be set up as shown in Section 13 of this review.

16. The project has been approved by the USGS on the basis of geologic probability.

From the engineering standpoint this reviewer recommends approval of the following exhibits for the exploration contract.

Exhibit "A"

Time Schedule	Months
Clean up in vicinity of portal, retimber portal, lay track to dump, set up equipment or storage sheds. 100 feet advance in adit.	1
Clean out, repair and retimber 1200 feet of adit, including advance of pipe lines and track.	3
Total	4

Estimated Cost of Project

Construction and installation of additional facilities, Exhibit "B"		$3,000.00
Cost of equipment, Exhibit "C"		
To be purchased	$8,480.00	
To be rented by operator	920.00	9,400.00
Rental of operator's equipment	none	
Cost of labor and supervision, Exhibit "D"		7,205.00
Cost of materials and supplies, per list Section 12,		1,147.00
Total cost of project		$20,752.00
Government share		$10,376.00

14. Exhibit E (question 23-c)*

a) Is it applicable? No.

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? See draft attached.

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: F. W. Hanson, BMA

E. T. McKnight, USGS

Date 8/8/51

January 29, 1952

Memorandum

To: George Selfridge, DMEA

From: D. F. Lemmon, USGS

Subject: Galtie Bay Mines, Inc. DMEA 2287 - Tungsten
210 Mercantile Building
Denver 2, Colorado

Property: Galtie Bay mine
Red Mountain Mining District
Sec. 20, T. 42 N., R. 8 W., New Mexico P. M.
7 miles north of Silverton
San Juan County, Colorado

Previous applications:

The following lead-zinc applications were received from U. S. Oil and Development Corporation, Galtie Bay Mines, Inc., or Carl H. Peterson, all of whom have identical backers:

DMA 363 - Galtie Bay mine
" 606 - Henrietta mine
" 1870 - Joe and John mine
" 1871 - Hercules mine

An exploration contract was signed for DMA 606 (Henrietta mine) in August 1951.

Previous action on Galtie Bay mine:

DMA 363 was filed in January with the Lead-Zinc branch as a request for $55,687 to provide equipment for reopening the Galtie Bay tunnel which was last worked in 1907.

On February 12, Mr. Peterson requested that the application be transferred to the Tungsten Branch and considered for tungsten. Informal discussion with the Tungsten Branch resulted in return of docket to Lead-Zinc.

On March 28, a letter to Mr. Peterson from the Lead-Zinc Branch stated that the proposed work could be financed only on a participation basis, under an exploration loan for lead, zinc, and copper. It was also stated that the tungsten occurrences are so spotty as to make exploration for tungsten alone unwarranted.

On April 6, at the request of Senators Johnson and Millikin, the application was referred to the Denver Field Office, Region IV, for consultation with the applicant.

A revised application for $43,822 was received in DMA on May 4, 1951.

On August 8, 1951, a careful review of the proposal was prepared by E. T. McKnight and F. W. Hanson for transmittal to Production Expansion Division from Supply Division. It was recommended that a loan be made to re-open the adit at a total cost not to exceed $21,911.

On September 5, a memo from C. O. Mittendorf of Production Expansion Division recommended to the Director, Supply Division, that the application be denied.

On November 6, the Lead-Zinc Branch agreed not to contest the denial. On November 8, the application was denied on the basis that the proposal was not exploration, and that the property is primarily a gold-silver mine.

Present application on Geltie Bay (DMEA 2287)

The new application, received December 13, 1951 in DMEA, requests $41,317, on a 75-25 participation, for equipment purchases to re-open the Geltie Bay tunnel. This application does not differ in any important respects from revised DMA 363 filed on May 5 and rejected.

The proposed expenditures are in large part for equipment to be used in production. It appears likely that the adit could be re-opened economically without use of much of this equipment.

Geologic appraisal:

The geologic probability of making significant discoveries of tungsten ore in the San Juan area is poor. The total quantity of tungsten produced from the district in the past is about 6,000 units of WO_3 in the period 1900-1945. Of this, 4,189 units were produced by Colorado Metals Co. in 1916.

No milling facilities for tungsten exist in the district. Unless sufficient ore is found to justify a mill, all small lots must be shipped to Boulder County, Colorado for concentration.

Huebnerite-bearing veins are reported from 14 mines in the district. The huebnerite streaks are commonly 1 to 6 inches wide and not more than 20 feet long. In a few veins, maximum widths of 18 inches and lengths of 100 feet are reported. Much of the huebnerite is in large

bladed crystals 3 inches or less in length, and can be sorted to high-grade ore containing 10 percent of WO_3.

No information is available about the tungsten veins in the Galtie Boy tunnel. Sorted ore containing 270 units of WO_3 was taken from various dumps of the Galtie Boy group in 1941.

It appears that the only exploration in the Silverton area that can be justified for the tungsten alone will consist of small projects aimed at opening tungsten veins discovered by projects for lead, zinc, and copper. If a fairly large project such as the Galtie Boy renovation were granted on the basis of tungsten, many similar proposals could be anticipated from this district to take advantage of the increased Government participation.

The geologic possibility of uncovering significant quantities of zinc, lead, and copper in the Galtie Boy tunnel appears to be good.

Recommendation:

It is recommended that the application be denied for tungsten. However, it may merit reconsideration as a project for zinc and lead.

The review made August 8, 1951 by Messrs. McKnight and Hanson gives a clear statement of the geologic justification for a lead-zinc project, and also analyses the proposed costs. Copies of this review are attached for your use.

Enclosure

Don Lemmon

Defense Minerals Administration 6/5/51

Review of Application for Exploration Assistance

Docket No. 363x

Commodity Lead-Zinc-Copper

Total Amount $43,822.00 ($20,752 recommended)

Govt. Participation $21,911.00 ($10,376 rec.)

1. Name and Address of Applicant Cattle Boy Mines, Incorporated

211 Mercantile Building, 1031 - 15th Street, Denver, Colorado

2. Location of Property Cattle Boy group of claims, seven miles due north of Silverton, San Juan County, Colorado

3. Mineral or metal Lead-Zinc-Copper Is it listed in Section 9 of MO-5? yes

If not, application will be rejected.

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

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

a) Good Favorably reported by C. E. Durlunk

b) ~~Poor~~ See attached draft by E. T. McNight of USGS

c) None

d) Don't know—needs field examination

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

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

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

Does the lease have sufficient time to run to cover a future productive period? Yes.

*question numbers are those of MF-103

4. (a) This property is essentially a lead-zinc-copper-silver-gold property, and application was originally presented for a direct loan on the basis of the lead-zinc-copper content. The claim also has a little tungsten which is reported to occur in a vein separate from the base metal veins. When the exploration program was announced, applicant attempted to convert his application to a tungsten project in order to get the higher Government participation for tungsten, in spite of the fact that he had been previously told by the Lead-Zinc Branch (letter of March 25, 1951) that the main proposal would have to be considered as a lead-zinc-copper proposition. When the Tungsten Branch turned the 75-25 proposition down, applicant in letter of May 29, 1951 to J. H. East, agreed to convert the application to a lead-zinc-copper proposition with the possibility of considering a minor project that might be presented later for exploring the tungsten vein when the property was sufficiently opened up.

Mine has not been worked since 1907 except for periods in 1935 and 1941 when about 180 units of tungsten were produced from the Galtie Boy dump.

Reserves claimed to have been developed prior to 1907 were 92,000 tons on the Galtie Boy vein and an additional 179,560 tons on other veins on the property. Data supplied with this application fail to give any suitable indication of the nature and grade of the reserves. A list of 56 samples taken from the Galtie Boy obviously in the early 1900's, gives 1-2.3% lead and 6.8-12.4 oz. silver. In all these samples the gold assays are given in decimals ranging from 0.49-0.71. It certainly would be nearer the truth if these are intended to represent dollar values rather than ounces. If not, the samples are obviously unrepresentative, according to W. S. Burbank of the Geological Survey. No zinc is mentioned in the application. Mr. Burbank believes that zinc content might be higher than lead in some of these shoots, but the specific ore bodies are not now accessible. It will require the expenditures requested in order to open up the ore for inspection. The project appears worthy of consideration as a lead-zinc-copper exploration, not on the basis of what is given in the application, which is very poorly presented, but on the basis of what is independently known of the mineral deposits of this general area.

According to Mr. Burbank, the ores of this general area are quartz veins commonly high in pyrite, with scattered bodies or chimney-like shoots of higher grade base metal sulfides with silver and gold. The ores are complex and may locally predominate in lead, zinc, copper, or tungsten. The chances of locating rich chimneys of ore by exploration are good enough to justify the proposed exploratory opening of the mine that is here recommended; or the alternative is large tonnages of lower grade zinc-lead vein deposits. The veins occur in volcanic breccias and flows of Tertiary andesite, typical of the San Juan mountains.

7. Are subordination agreements necessary? Yes.

a) MF-201? _____

b) MF-202? Attached.

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

a) Available manpower Yes.

b) Equipment and supplies Yes.
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes, but needs 3/4 mi. access road.

d) Water (question 13)* Yes.

e) Power (question 13)* Yes.

Is a field check needed on any of these points? No, except possibly access road.

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes. See answer to Question 4 and Item 6 in letter dated December 13, 1950.

Is a field check needed on this point? No.

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

a) Is the project adequately described? Yes. See answer to Sec. 21 of MF-103.

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

b) Is there an adequate map or sketch of the proposed work? Sketch of mine on illustration labelled 3-c-2 and on loose blue-line print accompanying application.

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes, but it is inevitable that reopening an old mine of unknown mineral possibilities will include some preparations for mining.

If not, what part of it is? _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Poorly.

Can they be summarized, as on page 2 of Procedural Instruction 5-A, ~~from the available data?~~ _____ ~~If so, attach a draft.~~ Recommended revised cost schedule attached is proposed for the exploration.

e) Are the cost estimates reasonable? See revision attached.

f) Should more information be requested from applicant? No.

g) Is a field examination necessary to complete Exhibit A? No.

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes.

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

c) Is a field check needed? No. See attached draft.

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

a) Is it applicable? See attached draft.

b) Sufficient data? _____ If so, attach a draft.

c) Are rents and charges reasonable? See attached draft.

d) Is a field check needed? No.

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

a) Are there sufficient data? No. See attached draft.

b) Is the schedule adequate for the work proposed? _____

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

d) Are the proposed wages and salaries reasonable? _____

e) Is a field check needed? No.

11. Exhibit "B" (question 23-d of Form MF-103). Cost of necessary installation or construction of additional facilities, structures and buildings.

Only two items of applicant's list are considered applicable to this classification. One is for lumber for building to cost $1,500.00. No itemization is given, but it can be assumed that the amount of lumber intended is about 10 M. board feet. This would be approximately sufficient for small storage sheds for supplies, gasoline and oil, switch house for power installation, platform support for transformers, etc. It would not provide enough ter permanent housing for office, living and cooking quarters, storehouse.

It is recommended that the following be included in Exhibit "B"

For construction of storage sheds	$1,500.00
For construction of 3/4 mile, power line	1,500.00
Total cost	$3,000.00

12. Exhibit "C". (questions 23 (e) (f) (g) of Form MF-103). Cost of items of equipment which must be purchased at a cost of $50 or more each. The applicant proposed to lay track consisting of 30# rail. This is unnecessarily heavy for the loading and tramming equipment needed for the project. 20# rail is adequate for a small locomotive and loading machine. The proposal to use an air trammer is inadvisable since it would require a special high-pressure compressor to supply the necessary power. The small storage-battery locomotive is more economical in the long run, though the first cost is high. However, no locomotive would be required or justifiable until the work had progressed at least 500 feet. Since the amount of materials, supplies and waste rock to be transported is likely to be small, it is recommended that no provision for motive power be provided for herein.

As to cars, rock drills, compressor, hoses, and automotive equipment, it appears the applicant has planned not only for opening his adit but for mining ore as well. The proposed compressor is unnecessarily large for the small quantity of air likely to be required, and for this project, a small one- or two-drill compressor is recommended. Such a machine can be rented and will require no permanent installation.

It is recommended that the following list be adopted for Exhibit "C" in the contract.

Cost of items of equipment to be purchased:

8 long tons 20-lb. rail at $90	$680.00
4 only mine cars 18 cu. ft. (1-ton capacity)	600.00
1 " mine car loader, shovel type	3,000.00
1 " jackhammer rock drill	350.00
1 " ventilation blower with 5 HP motor	450.00
1 only pickup truck for hauling supplies	2,000.00
1 " 3/4" hose with couplings for water	50.00
1 " 1" " " " " air	65.00
500 feet of 1" black iron pipe	81.00
500 " " 2" " " "	152.00
1,000 " " ½" " " "	80.00
1,000 " " 1¼" " " "	192.00
1,300 " " 8" ventilating pipe	780.00
Total	$8,480.00

Applicant has made no provision for transformers and switch gear to step down his power voltage and since the voltage requirements are not known to this reviewer, no provision is made for such equipment herein. However, the power requirement for this project will probably not exceed a transformer capacity of 15 k.v.a., hence the cost of transformers will be small.

The cost figures above are approximately in line with the current cost of new equipment, but applicant will no doubt save his own money by purchasing some used equipment.

Cost of rental for equipment to be rented by applicant:

	Rental cost one month	Rental cost four months
1 portable compressor, 160 cu. ft.	$212.00	$848.00
15 miners cap lamps, electric	18.00	72.00
Total		$920.00
Rental value of items of equipment owned by operator		None

Other items in applicant's list should be included as

Cost of materials and supplies, including items of equipment costing less than $50 each:

4 track switches at $25	$100.00
500 track ties at 50 cents	250.00
400 lbs. track spikes for 20-lb. rail	40.00
144 pairs splice bars " " " "	65.00
200 lbs. track bolts " " " "	18.00
Explosives; dynamite, fuse, caps	80.00
Tools such as pick, shovel, ax	100.00
Valves and fittings for pipe lines	78.00
Timber for 10 drift sets 3200 bd. ft.	416.00
	$1,147.00

13. Exhibit "D". (questions 23-a, b of Form MF-103)

For discussion of time element, see Section 15 of this review.

Cost of labor for this project should be as follows:

		Per month	Four months
2 miners at 12.75/day	359.12	$718.25	$2,873.00
1 trammer at 12.25/day		345.04	1,380.16
1 laborer at 12.00/day		338.00	1,352.00
Supervision and trucking		400.00	1,600.00
			$7,205.16

15. Applicant states in answer to question 21 of form MF-103 "this project should not take one year to complete". In answer to question 24, he states "the tunnel can be opened in from four to six months depending on the amount of material," etc. The two statements are inconsistent.

Assuming that five percent of the adit will require close timbering, and that the remainder will be found relatively free of cave-ins and will require only clean-up, laying track and installing pipe lines for compressed air, water and ventilation, it is inconceivable to this reviewer that the job should require more than four months using only one shift. This estimate is based on the employment of two men for the inside work, one man for tramming waste rock, timber and other materials, one man outside for general surface labor, running compressor, etc., and one man for supervision including trucking of supplies. This program would require an advance of only thirteen feet per day as an average.

It is recommended that the cost of labor and supervision for exhibit "A" of the exploration contract be set up as shown in Section 13 of this review.

16. The project has been approved by the USGS on the basis of geologic probability.

From the engineering standpoint this reviewer recommends approval of the following exhibits for the exploration contract.

Exhibit "A"

Time Schedule	Months
Clean up in vicinity of portal, retimber portal, lay track to dump, set up equipment or storage sheds. 100 feet advance in adit.	1
Clean out, repair and retimber 1200 feet of adit, including advance of pipe lines and track.	3
Total	4

Estimated Cost of Project

Construction and installation of additional facilities, Exhibit "B"		$3,000.00
Cost of equipment, Exhibit "C"		
To be purchased	$8,480.00	
To be rented by operator	920.00	9,400.00
Rental of operator's equipment	none	
Cost of labor and supervision, Exhibit "D"		7,205.00
Cost of materials and supplies, per list Section 12,		1,147.00
Total cost of project		$20,752.00
Government share		$10,376.00

14. Exhibit E (question 23-c)*

a) Is it applicable? No.

b) Sufficient data?

c) Reasonable?

d) Field check needed?

15. In your judgment, can the proposed work be done in the proposed time? See draft attached.

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: R. L. Hanson, USA

B. S. McKnight, USGS

Date 6/8/51

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 15, 1952

Memorandum

To: George Selfredge, D.M.E.A.

From: R. W. Geehan, Bureau of Mines

Subject: Exploration Application. $41,317.
Galtie Boy Mines
210 Mercantile Building
Denver 2, Colorado

DMEA-2287
Tungsten

Property: Goltie Boy Group
Sec. 20, T.42N., R.8.W., New Mexico P. M.
Red Mountain Mining District
San Juan County, Colorado

Subject application is for a production loan and in effect is so stated by the applicant. Perhaps the applicant is using the same docket to cover both exploration and production. If so, he can be asked to supply proper data for the exploration phase.

Robert W. Geehan
Robert W. Geehan

Copy retained
by 2 + 7A

EXPLORATION

Subject: DMEA-2287
Re: Exploration Loan
Galtie Boy Group

Mr. Carl H. Peterson, Secretary
Galtie Boy Mines, Inc.
210 Mercantile Building
Denver 2, Colorado

My dear Mr. Peterson:

This will acknowledge receipt of your application dated December 11, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2287 and referred to the Iron & Ferro-Alloys Branch.

Kindly refer to DMEA-2287 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

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. DMEA-2287

Date received 12-13-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

DEC 13 1951

Galtie Boy Mines Inc.
210 Mercantile Building
Denver 2, Colorado

Name and address of applicant

Date December 11 1951

FILL IN THIS BLOCK

Date of application December 11 1951

Estimated cost $41,317.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Silverton, San Juan County, Colorado

See attached sheets for detailed answers to these questions.

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

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

6. If owner, state what claims, liens, or encumbrances, if any, are against the property.

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

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

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

16—64067-1

THE PROPERTY

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

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

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

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

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

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

CERTIFICATION

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

GALTIE BOY MINES INC
(Name of company)

By Carl H. Peterson
(Signature of authorized official)

December 11 1951
(Date)

Secretary
(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

Galtie Boy Mines Inc.,
205-11-16 Mercantile Building,
Denver 2, Colorado.

Loan Application No. DMA-363X December 13, 1951.

We have made application for a 25-75 participation Tungsten loan. We have also signed a landowner subrogation Agreement.

In this form we are asking for priorities or allocations of mining equipment, maintenance, repairs and operating equipment.

1. Materials produced.

   (a) Tungsten

   (b) Other products. Copper, lead and zinc.

2. Galtie Boy Group.

Dawn of Day	U.S. Sur. No. 18636
Camp Bird	U.S. Sur. No. 18636
Dry Gulch	U.S. Sur. No. 18636
Last Chance	U.S. Sur. No. 18636
Little Maud	U.S. Sur. No. 18636
Little Mack	U.S. Sur. No. 18636
Minnesota	U.S. Sur. No. 18636
Ohio	U.S. Sur. No. 18636
Sunshine	U.S. Sur. No. 18636
Gold Dollar	U.S. Sur. No. 18636
Galtie Boy	U.S. Sur. No. 18636
Boycotter	U.S. Sur. No. 18950
Boycotter Extension	U.S. Sur. No. 18950
Cement Creek	U.S. Sur. No. 18945
Del Mino	U.S. Sur. No. 18950
Gold Standard	U.S. Sur. No. 18950
J. C. Bell	U.S. Sur. No. 18950
Keystone	U.S. Sur. No. 18950
Mill	U.S. Sur. No. 18950
Sibley	U.S. Sur. No. 18950
Wetzel	U.S. Sur. No. 18950
Prospect Gulch Placer	U.S. Sur. No. 18949

Type - Tunnel type. There is some 1500 feet of tunnel on the Gold Dollar, Galtie Boy and Camp Bird which is known as the Galtie Boy Tunnel. There is also some sizeable tunnels on the Sunshine, Dawn of Day, Ohio and Minnesota. We do not have the exact footage in crosscuts etc., but please refer to the attached report written by Louis Schaefer, M.E. sometime about 1907. We are unable to get the maps and other information referred to in this report. The mine is not flooded.

3. (a) The Galtie Boy mines are about 6-1/2 to 7 miles almost due north of Silverton, Colorado.

   (b) In the Red Mountain Mining District.

   (c) Section 20, Township 42 North, Range 8 West, New Mexico P.M.

   (d) San Juan County, Colorado.

4. (a) This property is not in operation at the present time and has not been operated since about 1907.

(b) We are operating this property under a lease and purchase agreement and are now making regular Tungsten shipments from adjoining claims belonging to this group of claims - see last page.

5. See engineer's report attached. We expect to begin work opening up the Galtie Boy tunnel just as soon as equipment can be obtained. We estimate it will take from 90 to 120 days to get into production after work is commenced.

6. (a) The present operators operated the Lark mine, which is within about a mile of the Galtie Boy, for a period of three years producing about 27,000 tons of ore.

(b) John Ost, the consulting engineer, has had about 15 years experience with Anaconda Copper Company.

John Ost will be the resident engineer. He is a man 41 years old with 18 years of experience. He is a graduate of the Montana School of Mines.

7. (a) See the attached statement which was written by Louis F. Schaefer, M.E. about 1907.

(b) This property was closed down at the time of the 1907 panic or depression and the mill referred to in this report was never built, nor the property ever opened up since that date. Practically all the ore referred to in this report is in place except some tungsten which we have taken out of the Sunshine, Dawn of Day, Ohio and Minnesota tunnels during World War I and II in 1951.

(c) See attached report.

8. Officers of the Galtie Boy Mines Inc. are as follows:

President - Walter A. Falk
Vice-President - C. M. Peterson
Secretary - Carl H. Peterson, 4307 Tejon, Denver, Colorado
Treasurer - W. R. Green, 1243 Columbine, Denver, Colorado

Directors.

Walter A. Falk
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James S. Henderson, 209 Equitable Building, Denver, Colorado.
Carl H. Peterson, 4307 Tejon, Denver, Colorado.
R. C. Brown, 4307 Tejon, Denver, Colorado.
Walter A. Falk

9. Capital Stock issues.

Common: Authorized $50,000; Outstanding $50.
Par value $1.00, shares outstanding 50.
No dividend rate paid.

Preferred: Authorized - none, Outstanding - none.
Par value - none; shares outstanding - none.
No dividend rate paid.

10. Does not apply.

11. This mine has not been operated. We have no way of knowing the production but we are assured by Frank Ross who bought and paid $40,000 cash for the mine in 1905. Says no ore was ever taken out only more ore developed as he bought the mine for backlog ore for his smelter.

12. Ore and Mineral reserves.

(a) See attached report.
(b) See attached report.
(b-2) See attached report.

Total ore or mineral reserves. See attached report.

(c) Does not apply.

13. Access Roads.

The road distance to Silverton is about 6-1/2 miles. About 5-3/4 miles of this road is in fair shape and is used by several different mines in this district. About 3/4ths to one mile of additional access road will have to be built to the portal of the Galtie Boy mine.

We have made application for this road to be constructed under the Access Mine Roads program.

14. Water Supply. There is ample water supply at all periods of the year in Dry Gulch Canon, and also in Cement Creek and Prospect Gulch which runs through these claims.

15. Power. The power line passes within a mile of the portal of the Galtie Boy tunnel and can be had by extending the line of the tunnel. We do not have the exact rates but it can be had at the prevailing rates of this section.

16. Labor: 6 hard rock miners @ 1.75 5 days
1 mechanic 2.00 hr
1 unskilled laborer 1.50

17. Equipment and facilities.

The following is the machinery, equipment and facilities needed to place the Galtie Boy Mine in production, and for which we are asking a loan, to purchase same, from the Defense Production Act through the U. S. Bureau of Mines. We are also asking for priority on same.

26 tons 30 lb. rails @ $80	$ 3,120.00
4 Switches @ $25 each	100.00
600 Ties @ 50¢ each	300.00

Rail spikes for 1800 feet	$ 50.00
1 Air trammer, complete	1,800.00
Cars (1 or 2 ton) $30 per car	800.00
Mucking machine	2,812.00
1 Swedish jack hammer	625.00
Mine timber	3,000.00
Lumber for building	1,500.00
220 Cubic feet compressor	4,800.00
40 Box loads (boxes) powder	760.00
Fuse	200.00
Caps	60.00
3/4ths Mile electric power line	1,500.00
15 Lamps, $18 per months, 4 months	72.00
Small tools	500.00
5 H.P. Fan	450.00
2600 Ft. 8-inch air pipe @ $60	1,560.00
8 Miners or 208 shifts per month, 3 months or 624 man days at $12.00 per day	7,488.00
1 Carryall or Ambulance for transportation	2,000.00
Freight and trucking estimated	2,000.00
Tax paid	4,000.00
6 Air hose @ $75	450.00
6 Water hose @ $65	390.00
3/4ths mile road construction, estimated	5,000.00
	$41,317.00

18. There are no buildings available for us on this property but a cook house and bunk houses are available on the Lark property which is some 2 to 2-1/2 miles by road from the Galtie Boy tunnel. These facilities can be had for a small rental until buildings can be constructed on the Galtie Boy property.

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.

GALTIE BOY MINES INC. BY _____

C. H. PETERSON

December 13, 1951 SECRETARY

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. DMEA-2287

Date received 12-13-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 13 1951

Galtie Boy Mines Inc.
210 Mercantile Bldg.
Denver 2, Colorado

Name and address of applicant

Date December 11 1951

FILL IN THIS BLOCK

Date of application December 11 1951

Estimated cost $41,317.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Silverton, San Juan County, Colorado

See attached sheets for detailed answers to these questions.

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

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

6. If owner, state what claims, liens, or encumbrances, if any, are against the property.

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

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

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

16—64067-1

THE PROPERTY

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

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

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

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

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

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

CERTIFICATION

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

GALTIE BOY MINES INC
(Name of company)

By Carl H. Peterson
(Signature of authorized official)
Carl H. Peterson

December 11 1951
(Date)

Secretary
(Title)

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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.

GALTIE BOY MINES INC. BY _____
C. H. PETERSON

December 13, 1951 SECRETARY

DMEA -2287

Mr. J. A. East.,
Regional Director,
Bureau of Mines,
Region IV,
224 New Customs Building,
Denver 2, Colorado.

Dear Mr. East:

1. The following list of exhibits has been made in conformity with from MF-105 as issued from your office which is an application for exploration project loan pursuant to Mineral Order 5 under Defense Production Act of 1950.

Loan application for Galtie Boy group of mines in Prospect Basin, San Juan County, Colorado, by:

Galtie Boy Mines Inc.,
211 Mercantile Building,
1031 - 15th Street,
Denver 2, Colorado.

This application was formerly made by Walter W. Bentley, W. R. Green and Carl H. Peterson.

3. Shows the corporation's officers, directors and largest stockholders.

4. Walter W. Bentley who will be the consulting engineer has had wide experience in the mining field. He was with Anaconda Copper Company 20 years, and with U.S. Bureau of Mines 4 years, and was with American Smelter & Refining Company for one year as resident engineer for Colorado.

5. Galtie Boy Mines Inc., are the lessees with purchase agreement. See the assignment from Walter W. Bentley, W.R. Green and Carl H. Peterson to the Galtie Boy Mines Inc; also leases from Mrs. E. M. Bacon and Frank L. Ross which has been assigned by Walter W. Bentley W. R. Green and Carl H. Peterson.

7. The lease and purchase agreement from Mrs. E. M. Bacon and Frank L. Ross are in good standing.

8. The Galtie Boy Mines Inc., was incorporated on April 27th 1951 with a capital stock of $50,000 worth of common stock with a par value of $1.00 per share.

10(a) The attached Federal land plats Survey No.18950 and No.18636 shows the claims covered by the leases and purchase agreements. All the claims belonging to the lease are colored in green, except one which is the Cement Creek claim which joins the Prospect Gulch Placer claim Survey No.18949.

10(b) The exploration will consist of cleaning out the sloughed material and some slight cave ins and laying new track, new air line, water line and ventilating line in the Galtie Boy tunnel for a distance of approximately 1300 feet. The Galtie Boy tunnel is shown in red on plats Mineral Survey No. 18636 and starts on the Gold Dollar running across the Galtie Boy and ending on the Little Mack.

11. As far as we have been able to ascertain this group of mines has always been knon as the Galtie Boy Mines.

12. The Galtie Boy Mines are located almost due north of Silverton Colorado about 7 miles;going from Silverton you go up the Cement Creek highway which runs approximately one mile from the portal of the Galtie Boy tunnel. There will have to be about 3/4ths of a mile of new road or rebuilding an old road which exists in order to get the ore to the highway from Galtie Boy Mine. Application has been made to Bureau of Mines under the Mine Access Road Provision.

13. There is an abundance of water in Dry Gulch canon, also Cement Creek and Prospect Gulch. This water is plentiful at all seasons of the year. The Southern Colorado Power Company's high line runs about a mile from the portal of the Galtie Boy Tunnel. We do not anticipate any difficulty in getting the power company to run a power line to the mine for us. Of course we will have to pay for the cost of the power line.

14. As this mine has not really been operated since 1907 there are no buildings on the property that can be occupied, however we will be able to lease the cook house, dining room and some of the bunk houses at the Lark mine which is only about 2-1/2 miles by truck road at a very nominal cost.

15. The nearest tungsten mill to the property is the Teal Milling Company of Boulder. We expect to jigg and reduce the ore as much as possible at the mine and haul it to Boulder by truck.

16(a)(b)(c) The references furnished in the application are self explanatory and complete.

17. We have no information on which to base production estimates, however we do know that a sizeable vein of tungsten was cut in the Galtie Boy tunnel as Mr. Frank Ross, H. E. Walby and Harold O. Williams have examined the vein of tungsten in the Galtie Boy tunnel and advise that there is a sizeable vein of tungsten.

18(a) Attached to this application is a report by J. E. Baxter, M.E. also one by Louis F. Schaefer, M.E. which covers these claims.

(18(b) Also Map Survey No.18950 and No.18636 which covers the entire group of claims leased by the Galtie Boy Mines Inc. Also there is a map showing the relative location of these two surveys to each other. Also profile map of Galtie Boy vein, Last Chance, Camp Bird and Little Maud veins; also the Leslie, Ohio, Wetzel, Boycotter and Sunshine; also map showing the relative positions of these veins to each other.

19. As stated in the application we have made application for the construction of access road to the Galtie Boy tunnel portal.

20. This exploration will be conducted to produce tungsten.

21. Refer to item 10 of this letter.

22. Refer to item 18(a) 18(b) of this letter.

23. See itemized list of equipment and supplies and labor needed to complete this project.

24. If this loan is allowed within the next few days and a D.O. order for equipment and supplies are allowed at the same time we feel we can get started in a very short time. If equipment and supplies are available we would be able to complete this project within from four to six months.

GALTIE BOY MINES INC.

By Earl T. Peterson

Secretary

April 4, 1951.

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. DMEA - 2287

Date received 12-13-51

Participation

Galtie Boy Mines Inc
210 Mercantile Building
Denver 2, Colorado

Name and address of applicant

Date December 11 1951

DEPARTMENT OF THE INTERIOR
DEC 13 1951

FILL IN THIS BLOCK

Date of application December 11 1951

Estimated cost $41,317.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Silverton, San Juan County, Colorado

See attached sheets for detailed answers to these questions.

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

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

16—64067-1

THE PROPERTY

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

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

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

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

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

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

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

CERTIFICATION

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

GALTIE BOY MINES INC
(Name of company)

By Carl H. Peterson
Carl H. Peterson
(Signature of authorized official)

December 11 1 951
(Date)

Secretary
(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

Galtie Boy Mines Inc.,
205-11-16 Mercantile Building,
Denver 2, Colorado.

Loan Application No. DMA-363X December 13, 1951.

We have made application for a 25-75 participation Tungsten loan. We have also signed a landowner subrogation Agreement.

In this form we are asking for priorities or allocations of mining equipment, maintenance, repairs and operating equipment.

1. Materials produced.

   (a) Tungsten

   (b) Other products. Copper, lead and zinc.

2. Galtie Boy Group.

Dawn of Day	U.S. Sur. No. 18636
Camp Bird	U.S. Sur. No. 18636
Dry Gulch	U.S. Sur. No. 18636
Last Chance	U.S. Sur. No. 18636
Little Maud	U.S. Sur. No. 18636
Little Mack	U.S. Sur. No. 18636
Minnesota	U.S. Sur. No. 18636
Ohio	U.S. Sur. No. 18636
Sunshine	U.S. Sur. No. 18636
Gold Dollar	U.S. Sur. No. 18636
Galtie Boy	U.S. Sur. No. 18636
Boycotter	U.S. Sur. No. 18950
Boycotter Extension	U.S. Sur. No. 18950
Cement Creek	U.S. Sur. No. 18945
Del Mino	U.S. Sur. No. 18950
Gold Standard	U.S. Sur. No. 18950
J. C. Bell	U.S. Sur. No. 18950
Keystone	U.S. Sur. No. 18950
Mill	U.S. Sur. No. 18950
Sibley	U.S. Sur. No. 18950
Wetzel	U.S. Sur. No. 18950
Prospect Gulch Placer	U.S. Sur. No. 18949

Type - Tunnel type. There is some 1500 feet of tunnel on the Gold Dollar, Galtie Boy and Camp Bird which is known as the Galtie Boy Tunnel. There is also some sineable tunnels on the Sunshine, Dawn of Day, Ohio and Minnesota. We do not have the exact footage in crosscuts etc., but please refer to the attached report written by Louis Schaefer, M.E. sometime about 1907. We are unable to get the maps and other information referred to in this report. The mine is not flooded.

3. (a) The Galtie Boy mines are about 6-1/2 to 7 miles almost due north of Silverton, Colorado.

   (b) In the Red Mountain Mining District.

   (c) Section 20, Township 42 North, Range 8 West, New Mexico P.M.

   (d) San Juan County, Colorado.

4. (a) This property is not in operation at the present time and has not been operated since about 1907.

(b) We are operating this property under a lease and purchase agreement and are now making regular Tungsten shipments from adjoining claims belonging to this group of claims - see last page.

5. See engineer's report attached. We expect to begin work opening up the Galtie Boy tunnel just as soon as equipment can be obtained. We estimate it will take from 90 to 120 days to get into production after work is commenced.

6. (a) The present operators operated the Lark mine, which is within about a mile of the Galtie Boy, for a period of three years producing about 27,000 tons of ore.

(b) John Ost, the consulting engineer, has had about 15 years experience with Anaconda Copper Company.

John Ost will be the resident engineer. He is a man 41 years old with 18 years of experience. He is a graduate of the Montana School of Mines.

7. (a) See the attached statement which was written by Louis F. Schaefer, M.E. about 1907.

(b) This property was closed down at the time of the 1907 panic or depression and the mill referred to in this report was never built, nor the property ever opened up since that date. Practically all the ore referred to in this report is in place except some tungsten which we have taken out of the Sunshine, Dawn of Day, Ohio and Minnesota tunnels during World War I and II in 1951.

(c) See attached report.

8. Officers of the Galtie Boy Mines Inc. are as follows:

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Vice-President - C. W. Peterson
Secretary - Carl H. Peterson, 4307 Tejon, Denver, Colorado
Treasurer - W. R. Green, 1243 Columbine, Denver, Colorado

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W. R. Green, 1243 Columbine, Denver, Colorado.

Largest Stockholders.

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James S. Henderson, 209 Equitable Building, Denver, Colorado.
Carl H. Peterson, 4307 Tejon, Denver, Colorado.
R. C. Brown, 4307 Tejon, Denver, Colorado.
Walter A. Falk

9. Capital Stock issues.

Common: Authorized $50,000; Outstanding $50.
Par value $1.00, shares outstanding 50.
No dividend rate paid.

Preferred: Authorized - none, Outstanding - none.
Par value - none; shares outstanding - none.
No dividend rate paid.

10. Does not apply.

11. This mine has not been operated. We have no way of knowing the production but we are assured by Frank Ross who bought and paid $40,000 cash for the mine in 1905. Says no ore was ever taken out only more ore developed as he bought the mine for backlog ore for his smelter.

12. Ore and Mineral reserves.

(a) See attached report.
(b) See attached report.
(b-2) See attached report.

Total ore or mineral reserves. See attached report.

(c) Does not apply.

13. Access Roads.

The road distance to Silverton is about 6-1/2 miles. About 5-3/4 miles of this road is in fair shape and is used by several different mines in this district. About 3/4ths to one mile of additional access road will have to be built to the portal of the Galtie Boy mine.

We have made application for this road to be constructed under the Access Mine Roads program.

14. Water Supply. There is ample water supply at all periods of the year in Dry Gulch Canon, and also in Cement Creek and Prospect Gulch which runs through these claims.

15. Power. The power line passes within a mile of the portal of the Galtie Boy tunnel and can be had by extending the line of the tunnel. We do not have the exact rates but it can be had at the prevailing rates of this section.

16. Labor: 6 hard rock miners
1 mechanic
1 unskilled laborer

17. Equipment and facilities.

The following is the machinery, equipment and facilities needed to place the Galtie Boy Mine in production and for which we are asking a loan, to purchase same, from the Defense Production Act through the U. S. Bureau of Mines. We are also asking for priority on same.

26 tons 30 lb. rails @ $80	$ 3,120.00
4 Switches @ $25 each	100.00
600 Ties @ 50¢ each	300.00

Rail spikes for 1300 feet	$ 50.00
1 Air trammer, complete	1,800.00
Cars (1 or 2 ton) $30 per car	800.00
Mucking machine	2,812.00
1 Swedish jack hammer	625.00
Mine timber	3,000.00
Lumber for building	1,500.00
220 Cubic feet compressor	4,800.00
40 Box loads (boxes) powder	760.00
Fuse	200.00
Caps	60.00
3/4ths Mile electric power line	1,500.00
15 Lamps, $18 per months, 4 months	72.00
Small tools	500.00
5 H.P. Fan	450.00
2600 Ft. 8-inch air pipe @ $60	1,560.00
8 Miners or 208 shifts per month, 3 months or 624 man days at $12.00 per day	7,488.00
1 Carryall or Ambulance for transportation	2,000.00
Freight and trucking estimated	2,000.00
Tax paid	4,000.00
6 Air hose @ $75	450.00
6 Water hose @ $65	390.00
3/4ths mile road construction, estimated	5,000.00
	$41,317.00

18. There are no buildings available for us on this property but a cook house and bunk houses are available on the Lark property which is some 2 to 2-1/2 miles by road from the Galtie Boy tunnel. These facilities can be had for a small rental until buildings can be constructed on the Galtie Boy property.

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.

GALTIE BOY MINES INC. BY _____

G. N. PETERSON

December 13, 1951 SECRETARY

Extracts from

R E P O R T

Of

LOUIS F. SCHEAFER, M.E.

To:

Mr. Timothy Ross, President.

Pursuant to your instructions, we have made an examination and sampled the veins and workings of the Galtie Boy, Leslie and Wetzel Mines . . . Attached you will find plats, maps and assay results, to show the results obtained...

The two main purposes were to estimate the tonnage of mill ores available, with its probable value as mined and extracted in mill quabtities ....

As I am advised, the Pittsburgh Office and yourself have requested the Silverton Office for information on three points,

1st, Have tonnages enough been developed to justify or require the building of a mill:

2nd, What is the average values of the ores, and

3rd, The kind and size of such a mill, if one should be provided.

The first two questions only were referred to me for consideration, and while this report may necessarily refer to other mills and milling methods, such references are only for purpose of comparison of values required, tonnages needed and usual requirements for milling operations, ... in this district.

The property consists of three groups of mining claims, the Galtie Boy, the Leslie and the Wetzel groups, consisting of . . . . on the easterly slope of Red Mountain, mostly in the Dry Gulch drainage side of the mountain, extending over into the Prospect Gulch slopes and crossing the Cement Creek valley, in San Juan County, Colorado.

The properties are in the Cement Basin, across the Gulch and on opposite mountain from the Gold King Mine, with theSunnyside Mine just across the ridge or top of Bonita Mountain in the adjoining Basin. In Cement Basin are the Big Colorado, Grand Mogul, Queen Anne and other mines, which with the Gold King and Sunnyside enable a study of comparative geology, for purposes of estimating permanancy of the veins, ores occurences, steadiness of values and the expectancies of future ore development. The various mines are at different stages of development or operation, and a study of these other mines, coupled with a careful examination of the workings, geology and ores of the Galtie Boy, Leslie and Wetzel groups, all aid in determining what may be reasonably expected from future operations at your properties.

Generally speaking, the geology is practically the same in all these properties, as they are all true fissure veins, in the Silverton series of Andecites, and probably the mineralizationprocesses with ore depositions were all made in similar manner and at same geological periods. The veins may, and do, vary in widths, lengths, relative richness of ore lenses and many minor particulars, but in the main the characteristics are similar . . . . . .

The technical geology, as outlined in the Governmental Reports and by many engineers, need not be repeated in this report, as you are familiar with it . . . .

Referring specifically to the properties in your groups, I would say there appears to be a localized volcanic disturbed area on the west side of Dry Gulch, somewhat similar in character to other volcanic areas in the Silverton Quandrangle in the near vicinity of some of the larger mining areas, and this disturbance undoubtedly has in part caused or affected the various veins that apparently radiate or vut through that section, probably giving those veins part of their values, especially the gold values which appear from the sampling.

Five large and many small veins cut through this area, varying in directions but all leading into the central part of Red Mountain. The most mineralized, or at least the most disturbed and shaken up apart of the area is near the west ends of the Galtie Boy, Camp Bird, Last Chance and Minnesota claims. Probably here, or near this point, was the center of the local volcanic action, and the various veins may centralize there.

This localized volcanism is an encouraging feature, as similar areas are near the Sunnyside, Silver Lake, Camp Bird, in Savage Basin, and at other points in the San Juan Section where some of the larger producers have been found. . . . .

Five of the larger veins have been developed and our sampling and measurements were confined to the workings on these five veins, which are the Galtie Boy, Last Chance, Leslie, Boycotter and Wetzel. . . . . .

The GALTIE BOY Vein, which has received the most attention and been developed to a greater extent than the others, is the larger as well as the richer vein. It is a strong, continuous fissure, many places ten to fifteen feet in width, but usually five to six. Its ore should run from $14.00 to $20.00 and it could produce 100 tons per day with very little preparatory work. There is not much more that can be done in the way of development, as enough is already opened up to justify milling operations at least to the extent of determining whether it will mill successfully or not. If what is already developed should for anyreason not produce satisfactory results, no good could be accomplished by opening additional tonnage.

The LAST CHANCE Vein, which crosses the Galtie Boy, is also on the Galtie Boy group, and is similar in character and mineralization. It is not quite as wide and possibly not as high in value, but it should produce a good tonnage of ore running from $12.00 to $16.00.

The LELSIE-OHIO VEIN is a somewhat similar vein, probably four feet in average width, which also is opened up with workings sufficient to justify starting the production of mill tonnage. In addition to the gold and silver values, it carries hubernite (tungsten) which has attracted some considerable attention to it. This willcadd an interesting feature to this property, and any mill should provide for concentrating and separating this tungsten product from the other minerals. The ores should run from $12.00 to $15.00 with whatever tungsten values are additional . . . . The Boycotter Vein is a strong, promising vein, and may prove to be the largest tonnage producer of the future, but the amount of work is not sufficient to more than prove its value, size and permanency. It will be best developed and operated through the Wetzel Tunnel, when that tunnel is extended to the intersection of the veins, and then the Boycotter vein should be followed to its probably intersections with the Leslie, Last Chance and Galtie Boy veins or into the volcanic central area, if it leads there. . . .

The WETZEL VEIN is opened at a lower level than the others, and its lower tunnel, when extended, will probably be the main operating working for the entire group. It will cut the other veins at greater depths than they can be opened from other workings. The Wetzel vein itself is a strong fissure, with various branchings and parallel streaks of quartz, vein matter and waste. It is opened enough to produce a steady tonnage of mill ores, which should run from $8.00 to $14.00, with some bunches of high grade occasionally . . . . .

There is a good site for mill, on the Prospect Gulch Placer, alongside the railroad tracks, with the power lines nearby. There is an abundance of water for milling purposes, from Prospect Creek, with Dry Gulch Creek or even Cement Creek waters for use in needed. . . . .

A tramway should be built to connect the mill with the Galtie Boy lower workings, with an intermediate station for handling the Leslie ores. The Wetzel tonnage can be transported directly to the mill. ....

As to milling methods, I can see from such examinations and study that I have made, no reason for milling difficulties. . . . . .

The same methods of treatment used by the other properties of the district, especially at the Sunnyside Mine and the Gold King Mine, should give the same results with this ore . . . . . .

Altho the gold values predominate, there are sufficient silver, lead and copper to be of appreciable value, so any mill should contemplate the saving of these various metals. . . The Huberite (tungsten) should be also segregated and separated, so as to make a commercial product of it . . . .

Milling methods used in the district very greatly, and considerable experimental work is being carried on in an endeavor and with the expectation of increasing the percentage of saving, as well as secure the separation of the metals. . . into more commercial products. . . . .

Conclusions:

The Galtie Boy, Leslie and Wetzel properties, and workings, will produce a sufficient tonnage of ore to operate a mill of from 150 to 200 tons per day.

We estimate there is a developed tonnage of over 250,000 tons, of an average value of $12.00 per ton or more.

At least 500,000 tons additional ore reserves can be secured by extending the lower tunnels of the Galtie Boy and Leslie properties, (Gold Dollar, Camp Bird and Dawn of Day Tunnels), and by extending the Wetzel Tunnel all veins will be cut at greater depth, adding more than 1,500,000 tons.

With this tonnage and these values available, a mill should be provided. . .

Further development work should be postponed until the mill is built, so production can carry future development as incidental to ore production.. . . . .

Louis F. Sheafer,

(NOTE: The oil flotation process was discovered several years after this report was prepared).

EXTRACT FROM

U. S. G. S.

BULLETINS 181-182
1901

In Dry Gulch hubnerite occurs in a strong lode, on which have been located the dawn of Day, Sunshine, and Minnesota claims. This lode has a course of about S. 60° E. and dips southwest at 65°. Several prospecting openings have been made on it on the south side of the gulch, One of these shows a solid vein of quartz 3 or 4 feet wide in Silverton andesite. The hubnerite occurs in the quartz in two or three small streaks, from 1 to 3 inches wide, and in small isolated bunches. The crystals are smaller than those in the Adams lode,

Owing to its wieght (sp. gr., 7.2) and its occurrence in otherwise nearly barren quartz and fluorite, the hubnerite of Cement Creek can be readily and cleanly concentrated. Some 5n tons of concentrates have been produced from the Dry Gulch claims; but whether the material occurs in sufficient abundance and in sufficiently continuous bodies to pay for mining is a question not yet decided.

In its occurrence the hubnerite is purely a vein mineral occurring in a quartz or quarts and fluorite gangue, as do galena, pyrite, and other ore minerals of the region.

Galtie Bay Mines Inc.,
205-11-16 Mercantile Building,
Denver 2, Colorado.

Loan Application No. DMA-101K December 13, 1951.

We have made application for a 25-75 participation Tungsten loan. We have also signed a Landowner Subrogation Agreement.

In this form we are asking for priorities or allocations of mining equipment, maintenance, repairs and operating equipment.

1. Materials produced.

   (a) Tungsten

   (b) Other products. Copper, lead and zinc.

2. Galtie Bay Group.

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Gold Dollar	U.S. Sur. No. 18636
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Prospect Gulch Placer	U.S. Sur. No. 18949

Type - Tunnel type. There is some 1500 feet of tunnel on the Gold Dollar, Galtie Bay and Camp Bird which is known as the Galtie Bay Tunnel. There is also some miscable tunnels on the Sunshine, Dawn of Day, Ohio and Minnesota. We do not have the exact footage in stoestacks etc., but please refer to the attached report written by Louis Schaefer, M.E. sometime about 1907. We are unable to get the maps and other information referred to in this report. The mine is not flooded.

3. (a) The Galtie Bay mines are about 6-1/2 to 7 miles almost due north of Silverton, Colorado.

   (b) In the Red Mountain Mining District.

   (c) Section 20, Township 42 North, Range 8 West, New Mexico P.M.

   (d) San Juan County, Colorado.

4. (a) This property is not in operation at the present time and has not been operated since about 1907.

(b) We are operating this property under a lease and purchase agreement and are now making regular Tungsten shipments from adjoining claims belonging to this group of claims - see last page.

5. See engineer's report attached. We expect to begin work opening up the Galtie Boy tunnel just as soon as equipment can be obtained. We estimate it will take from 90 to 120 days to get into production after work is commenced.

6. (a) The present operators operated the Lark mine, which is within about a mile of the Galtie Boy, for a period of three years producing about 27,000 tons of ore.

(b) John Ost, the consulting engineer, has had about 15 years experience with Anaconda Copper Company.

John Ost will be the resident engineer. He is a man 41 years old with 18 years of experience. He is a graduate of the Montana School of Mines.

7. (a) See the attached statement which was written by Louis F. Schaefer, M.E. about 1907.

(b) This property was closed down at the time of the 1907 panic or depression and the mill referred to in this report was never built, nor the property ever opened up since that date. Practically all the ore referred to in this report is in place except some tungsten which we have taken out of the Sunshine, Dawn of Day, Ohio and Minnesota tunnels during World War I and II in 1951.

(c) See attached report.

8. Officers of the Galtie Boy Mines Inc. are as follows:

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Vice-President - C. W. Peterson
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9. Capital Stock issues.

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Preferred: Authorized - none, Outstanding - none.
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10. Does not apply.

11. This mine has not been operated. We have no way of knowing the production but we are assured by Frank Ross who bought and paid $40,000 cash for the mine in 1905. Says no ore was ever taken out only more ore developed as he bought the mine for backlog ore for his smelter.

12. Ore and Mineral reserves.

(a) See attached report.
(b) See attached report.
(b-2) See attached report.

Total ore or mineral reserves. See attached report.

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13. Access Roads.

The road distance to Silverton is about 6-1/2 miles. About 5-3/4 miles of this road is in fair shape and is used by several different mines in this district. About 3/4ths to one mile of additional access road will have to be built to the portal of the Galtie Boy mine.

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1 unskilled laborer

17. Equipment and facilities.

The following is the machinery, equipment and facilities needed to place the Galtie Boy Mine in production and for which we are asking a loan, to purchase same, from the Defense Production Act through the U. S. Bureau of Mines. We are also asking for priority on same.

26 tons 30 lb. rails @ $80	$ 3,120.00
4 Switches @ $25 each	100.00
600 Ties @ 50¢ each	300.00

Rail spikes for 1800 feet	$ 50.00
1 Air hammer, complete	1,800.00
Cars (1 or 2 ton) $30 per car	800.00
Mucking machine	2,812.00
1 Swedish jack hammer	625.00
Mine timber	3,000.00
Lumber for building	1,500.00
220 Cubic feet compressor	4,800.00
40 Box loads (boxes) powder	760.00
Fuse	200.00
Caps	60.00
3/4ths Mile electric power line	1,500.00
15 Lamps, $18 per months, 4 months	72.00
Small tools	500.00
5 H.P. Fan	450.00
2600 Ft. 6-inch air pipe @ $60	1,560.00
8 Miners or 208 shifts per month, 3 months or 624 man days at $12.00 per day	7,488.00
1 Carryall or Ambulance for transportation	2,000.00
Freight and trucking estimated	2,000.00
Tax paid	4,000.00
6 Air hose @ $75	450.00
6 Water hose @ $65	390.00
3/4ths mile road construction, estimated	5,000.00
	$40,317.00

18. There are no buildings available for us on this property but a cook house and bunk houses are available on the Lark property which is some 2 to 2-1/2 miles by road from the Galtie Boy tunnel. These facilities can be had for a small rental until buildings can be constructed on the Galtie Boy property.

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.

GALTIE BOY MINES INC. BY G. N. PETERSON

December 13, 1951 SECRETARY

EXTRACT FROM

U. S. G. S.

BULLETINS 181-182
1901

In Dry Gulch hubnerite occurs in a strong lode, on which have been located the Dawn of Day, Sunshine, and Minnesota claims. This lode has a course of about S. 60° E. and dips southwest at 85°. Several prospecting openings have been made on it on the south side of the gulch. One of these shows a sold vein of quartz 3 or 4 feet wide in Silverton andesite. The hubnerite occurs in the quartz in two or three small streaks, from 1 to 3 inches wide, and in small isolated bunches. The crystals are smaller than those in the Adams lode.

Owing to its weight (sp. gr., 7.2) and its occurrence in otherwise nearly barren quartz and fluorite, the hubnerite of Cement Creek can be readily and cleanly concentrated. Some 5 tons of concentrates have been produced from the Dry Gulch claims, but whether the material occurs in sufficient abundance and in sufficiently continuous bodies to pay for mining is a question not yet decided.

In its occurrence the hubnerite is purely a vein mineral occurring in a quartz or quartz and fluorite gangue, as do galena, pyrite, and other ore minerals of the region.

No. 799. ASSIGNMENT OF MINING LEASE.—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, Denver.

ASSIGNMENT OF MINING LEASE

THIS INDENTURE, made this 4th day of May, A. D. 19 51, between Walter W. Bentley, W. R. Green, and Carl H. Peterson

the assignors and Galtie Boy Mines Inc. a Colorado corporation, the assignees,

WITNESSETH, That in consideration of One Dollar and other good and valuable considerations ~~DOLLARS~~ to the said assignors paid by the said assignees, the receipt whereof the said assignors hereby acknowledge, the said assignors hereby assign to the said assignee its executors, administrators and assigns all their right, title and interest in and to that certain mining leases between Frank L. Ross, and Mrs. E. M. Bacon, Lessors and Walter W. Bentley, W. R. Green, and Carl H. Peterson, Lessees, dated September 11, A. D. 19 50, and recorded in the records of the Clerk and Recorder of the County of San Juan, State of Colorado, in Book 175 at Page 535, of certain property situate in the County of San Juan, State of Colorado, to-wit: as shown on Federal Plats No.18950, the following claims Gold Standard, Keystone, Del Mino, Wetzel, Sibley, Mill, J.C.Bell, Boycotter and Boycotter Extension lodes; and Mineral Survey No.18636 Little Maud, Little Mack, Gold Dollar, Galtie Boy, Last Chance, Dry Gulch, Camp Bird, Minnesota, Ohio, Dawn of Day and Sunshines Lodes.

for the term of 16 ~~years~~ months of which term there now remains the unexpired residue of 8 months ~~years~~ or until January 1st 1952 with an annual extensions.

TO HOLD the same unto the said assignees, executors, administrators and assigns for the unexpired term of 8 months ~~years~~, subject, nevertheless, to the rents, royalties, covenants, conditions and provisions therein contained.

The assignors for themselves their executors, administrators and assigns, hereby covenant with the said assignee for itself, its executors, administrators and assigns, that the covenants and agreements in said mining leases contained on the part of the lessee to be observed and performed have been up to the date hereof duly observed and performed, and that the said assigned premises are now free and clear of all liens and encumbrances, grants, leases, taxes and assignments whatsoever, made or suffered by said lessee.

The assignee for itself, its executors, administrators and assigns, covenants with the said assignors their executors, administrators and assigns, that the said assignee, its executors, administrators and assigns will during the residue of said term of 8 months ~~years~~ pay the rents or royalties reserved by, and perform the covenants contained in the mining leases herein assigned and will at all times hereafter indemnify the said assignors, their executors, administrators and assigns from and against the non-payment of the rents or royalties and the non-performance of the said covenants or any of them.

WITNESS our hands and seal this 4th day of May, A. D. 19 51.

Walter W. Bentley
Walter W. Bentley,
W. R. Green
W. R. Green,
Carl H. Peterson
Carl H. Peterson

CONSENT TO ~~ASSIGNMENT~~

, Lessor named in the mining lease referred to and assigned in the above written assignment, hereby consents to the assignment of said mining lease.

Lessor.

No. 90B. MINING LEASE AND OPTION—Short Form.
—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824 Stout St., Denver, Colo.

THIS INDENTURE, Made this 11th day of September in the year of our Lord one thousand nine hundred and Fifty between

MRS. E. M. Bacon

of the first part, and

WALTER W. BENTLEY, W.R. GREEN, CARL H. PETERSON

of the second part, WITNESSETH, that the said party of the first part, for and in consideration of the rents, covenants and agreements hereinafter expressed to be paid, kept and performed by the said parties of the second part, has leased, let and demised, and by these presents does lease, let and demise unto the said parties of the second part, the following described premises, situate, lying and being in Red Mountain Mining District, in the County of San Juan and State of Colorado, to-wit: All of her right, title and interest in and to the Dawn of Day Lode Mining Claim, U.S. Sur. No. 18636; Camp Bird Lode Mining Claim, U.S. Sur. No. 18636; Dry Gulch Lode Mining Claim, U.S. Sur. No. 18636; Last Chance Lode Mining Claim, U.S. Sur. No. 18636; Little Maud Lode Mining Claim, U.S. Sur. No. 18636; Little Mack Lode Mining Claim, U.S. Sur. No. 18636; Minnesota Lode Mining Claim, U.S. Sur. No. 18636; Ohio Lode Mining Claim U.S. Sur. No. 18636; Sunshine Lode Mining Claim, U.S. Sur. No. 18636; Gold Dollar Lode Mining Claim, U.S. Sur. No. 18636; Galite Boy Lode Mining Claim, U.S. Sur. No. 18636; Boycotter Lode Mining Claim, U.S. Sur. No. 18950; Boycotter Extension Extension Lode Mining Claim, U.S. Sur. No. 18950; Cement Creek Lode Mining Claim, U.S. Sur. No. 18945; Del Mino Lode Mining Claim, U.S. Sur. No. 18590; Gold Standard Lode Mining Claim, U.S. Sur. No. 18950; J.C. Bell Lode Mining Claim, U.S. Sur. No. 18950; Keystone, Mill, Sibley and Wetzel Lode Mining Claims, all U.S. Sur. No. 18950; K. & G. No. 1 and K. & G. No. 2 Placer Claims, U.S. Sur. No. 14300; and Prospect Gulch Placer Mining Claim, U.S. Sur. No. 18949.

TO HAVE AND TO HOLD THE SAME, for the purpose of mining, for the term of Sixteen months, or until January 1st, 1952; with annual extensions as hereinafter provided, from the date hereof, unless sooner terminated under any of the provisions herein contained, with no power to assign this lease or any interest thereunder, or to sublet the whole or any part of said premises except upon the written consent of the party of the first part ~~except parties of the second part may transfer to a suitable corporation for operational purposes.~~

And the said parties of the second part, for and in consideration of the leasing of said premises, covenant and agree with said party of the first part to commence work on said premises ~~within a reasonable time~~ and thereafter to work the same continuously, in a thorough and workmanlike manner, employing ~~at least~~ ~~some~~ men underground,

and working at least.....one hour below.....shifts each calendar month; to keep the same securely timbered, drained and clear of loose rock and rubbish; to keep accurate accounts, and to render .....statements to the said party..... of the first part, his.....agent or attorney, showing the amount and character of work done, and to pay to said party..... of the first part, ...his..... agent or attorney, as rental for said premises royalty upon all ore taken and sold therefrom as follows, to-wit: One and one-half per cent, or $100.00, annually of all ore taken, sold, mined and sold from all ores and minerals produced and sold from said premises, payable to be made by partners clerk to the party of first part, from time to time, as sales are made.

And it is expressly understood and agreed by and between the parties hereto, that the said party..... of the first part reserves the property and right of property in and to all ores extracted from said premises during the term hereof, and that all settlements for royalty shall be made upon the assay value of the mineral in the ore that may be taken from said premises less the actual cost of railroad transportation and treatment; and the sampling works, mill, smelter, or ore buyer purchasing any such ore shall retain the amount of the royalty herein stated and shall pay the same to the party..... of the first part at each settlement for ore purchased.

And the said party..... of the second part furthermore covenant..... and agree..... that the said party..... of the first part.....his.....agent or attorney, shall have the right at any and all times to enter upon and descend into any and all parts of said premises to inspect the same, make surveys thereof, or take samples therefrom, and that the said party.....of the second part will render to.....his..... all the assistance in.....his.....power in so doing. And the said party.....of the second part furthermore covenant..... and agree..... to occupy and hold all side veins, spurs, feeders, cross-lodes, parallel lodes, or mineral deposits of any kind which may be discovered by the said party.....of the second part or by any person working under.....his.....in any manner, by working within or from the aforesaid premises, as the property of the said party..... of the first part and as part of the premises demised, and to not allow any person not in privity with the parties hereto to take or hold possession of said premises or any part thereof under any pretense whatever, and to pay in due season all taxes and assessments levied against said demised premises on account of the production of ore under this lease.

And the said part.....of the second part furthermore covenant..... and agree..... that in case..... fail..... in any respect to keep and fulfill any one or more of the covenants or agreements herein expressed or implied, then, and in that case it shall be lawful for the said part..... of the first part, ... agent or attorney, to declare said term ended, and with or without process of law to enter upon and take possession of said premises, and in such case, and also at the expiration of this lease by limitation, said part..... of the second part agree..... to surrender, yield and deliver to said part..... of the first part quiet and peaceable possession of said premises in good condition, and that time shall be of the essence hereof, and that all of the covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and lawful assigns of the respective parties hereto.

If payment received by party of first part during 1928, either from royalties or in cash, amount to $2,000 or over, this lease and the option to buy shall be extended from January 1st, 1928, for an additional year, and thereafter annually if $2,000 or more is received by party of the first part, on extension of one year in this is provided, with such fee as further of the second part may desire to terminate the option by paying the balance due and rendering a clear deed.

And in consideration of the part.....of the second part having fully complied with all of the terms and provisions hereof, the said part.....of the second part is hereby given the right to purchase said property for the sum of.....Five Thousand and no/100.....

.....Dollars, payable as follows..... by applying the royalties and any cash installments provided for as a part of each purchase price

.....and all royalties that are received by the part..... of the first part hereunder are to be applied upon the said purchase price and upon payment in full, the part..... of the first part will make, execute, acknowledge and deliver a good and sufficient.....

.....deed..... conveying said property to the part.....of the second part, free and clear of all encumbrances except.....none.....

.....

.....as shown by abstracts of title therefor to be furnished by the part..... of the first part to the part.....of the second part. In the event that this lease be forfeited, surrendered or terminated for any cause, the right to purchase shall thereafter cease and if the part..... of the second part does not make payment as hereinbefore mentioned at or before the time when the same ought to be made according to the terms hereof, the part..... of the first part may at any time after such failure to pay declare this lease and option forfeited and terminated and shall have the right to retain any and all payments that may be made hereunder as liquidated damages.

IN WITNESS WHEREOF, The parties hereto have executed these presents the day and year first above written.

Mrs. E. M. Bacon

Mrs. E. M. Bacon
Party of the First Part.

Walter W. Bentley .....[SEAL]

Walter W. Bentley .....[SEAL]

W. R. Green .....[SEAL]

Geo. H. Peterson .....[SEAL]

Geo. H. Peterson .....[SEAL]

Parties of the Second Part.

MINING LEASE

FROM

.....

TO

.....

STATE OF COLORADO,
County of..... } ss.

I hereby certify that this instrument was filed for record in my office, at..... o'clock..... M., on the..... day of ....., A. D. 19....., and is duly recorded in book....., page.....

.....
Recorder.

By .....
Deputy.

Fees, $.....

7-45 THE BRADFORD-ROBINSON PTG. CO., DENVER

No. 90B. MINING LEASE AND OPTION—Short Form.
—The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824 Stout St., Denver, Colo.

THIS INDENTURE, Made this 11th day of September in the year of our Lord one thousand nine hundred and Fifty between FRANK L. ROSS

of the first part, and WALTER W. BENTLEY, W. R. GREEN, CARL H. PETERSON

of the second part, WITNESSETH, that the said party of the first part, for and in consideration of the rents, covenants and agreements hereinafter expressed to be paid, kept and performed by the said parties of the second part, has leased, let and demised, and by these presents does lease, let and demise unto the said parties of the second part, the following described premises, situate, lying and being in Red Mountain Mining District, in the County of San Juan and State of Colorado, to-wit: All of his interests (being seven and one-half percent of net production) from, of and in the Dawn of Day Lode Mining Claim, U.S. Sur. No. 18636; Camp Bird Lode Mining Claim, U.S. Sur. No. 18636; Dry Gulch Lode Mining Claim, U.S. Sur. No. 18636; Last Chance Lode Mining Claim, U.S. Sur. No. 18636; Little Maud Lode Mining Claim, U.S. Sur. No. 18636; Little Mack Lode Mining Claim, U.S. Sur. No. 18636; Minnesota Lode Mining Claim, U.S. Sur. No. 18636; Ohio Lode Mining Claim, U.S. Sur. No. 18636; Sunshine Lode Mining Claim, U.S. Sur. No. 18636; Gold Dollar Lode Mining Claim, U.S. Sur. No. 18636; Galtie Boy Lode Mining Claim, U.S. Sur. No. 18636; Boycotter Lode Mining Claim, U.S. Sur. No.18950; Boycotter Extension Lode Mining Claim, U.S. Sur. No. 18950; Cement Creek Lode Mining Claim, U.S. Sur. No. 18945; Del Mino Lode Mining Claim, U.S. Sur. No. 18950; Gold Standard Lode Mining Cliam, U.S. Sur. No. 18950; J.C. Bell Lode Mining Claim, U.S. Sur. No. 18950; Keystone, Mill, Sibley and Wetzel Lode Mining Claims, all U.S. Sur. No. 18950; K & G. No. 1 and K. & G. No. 2 Placer Claims, U.S. Sur. No. 14300 and Prospect Gulc Placer Mining Claim, U.S. Sur. No.18949.

TO HAVE AND TO HOLD THE SAME, for the purpose of mining, for the term of Sixteen Months, or until January 1st. 1952; with annual extension, as hereinafter provided. from the date hereof, unless sooner terminated under any of the provisions herein contained, with no power to assign this lease or any interest thereunder, or to sublet the whole or any part of said premises except upon the written consent of the party of the first part except parties of second part may transfer to a suitable corporation for operational purposes.

And the said parties of the second part, for and in consideration of the leasing of said premises, covenant and agree with said party of the first part to commence work on said premises within a reasonable time and thereafter to work the same continuously, in a thorough and workmanlike manner, employing ~~sixteen~~ some men underground,

and working at least see terms below shifts each calendar month; to keep the same securely timbered, drained and clear of loose rock and rubbish; to keep accurate accounts, and to render semi-annual statements to the said party of the first part, his agent or attorney, showing the amount and character of work done, and to pay to said party of the first part, his agent or attorney, as rental for said premises royalty upon all ore taken and sold therefrom as follows, to-wit: Seven and one-half percent of all net smelter, mill, mint and sales returns for all ores and mineral produced and sold from said properties, payments to be made by purchasers direct to the party of the first part, from time to time, as sales are made.

And it is expressly understood and agreed by and between the parties hereto, that the said party of the first part reserves the property and right of property in and to all ores extracted from said premises during the term hereof, and that all settlements for royalty shall be made upon the assay value of the mineral in the ore that may be taken from said premises less the actual cost of railroad transportation and treatment; and the sampling works, mill, smelter, or ore buyer purchasing any such ore shall retain the amount of the royalty herein stated and shall pay the same to the party of the first part at each settlement for ore purchased.

And the said parties of the second part furthermore covenant and agree that the said party of the first part, his agent or attorney, shall have the right at any and all times to enter upon and descend into any and all parts of said premises to inspect the same, make surveys thereof, or take samples therefrom, and that the said parties of the second part will render to them all the assistance in their power in so doing. And the said parties of the second part furthermore covenant and agree to occupy and hold all side veins, spurs, feeders, cross-lodes, parallel lodes, or mineral deposits of any kind which may be discovered by the said parties of the second part or by any person working under them or in any manner, by working within or from the aforesaid premises, as the property of the said party of the first part and as part of the premises demised, and to not allow any person not in privity with the parties hereto to take or hold possession of said premises or any part thereof under any pretense whatever, and to pay in due season all taxes and assessments levied against said demised premises on account of the production of ore under this lease.

And the said parties of the second part furthermore covenant..... and agree..... that in case they fail..... in any respect to keep and fulfill any one or more of the covenants or agreements herein expressed or implied, then, and in that case it shall be lawful for the said party..... of the first part, his..... agent or attorney, to declare said term ended, and with or without process of law to enter upon and take possession of said premises, and in such case, and also at the expiration of this lease by limitation, said parties of the second part agree..... to surrender, yield and deliver to said party of the first part quiet and peaceable possession of said premises in good condition, and that time shall be of the essence hereof, and that all of the covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and lawful assigns of the respective parties hereto.

If payments received by party of first part, either from royalties or in cash, amount to $1200.00 or over, this Lease and the Option to Buy shall be extended from January 1st, 1952, for an additional one year period, and thereafter annually if $1200.00 or more is received by party of first part an extension of one year in time is permitted, until such time as parties of second part may desire to terminate the option by paying the balance due and receiving a Deed.

And in consideration of the parties of the second part having fully complied with all of the terms and provisions hereof, the said parties of the second part is hereby given the right to purchase said property for the sum of Twenty-five Thousand and no/100 ..... Dollars, payable as follows by applying the royalties and payments herein provided for aspart of such purchase price, ... and all royalties that are received by the party..... of the first part hereunder are to be applied upon the said purchase price and upon payment in full, the party of the first part will make, execute, acknowledge and deliver a good and sufficient ..... deed..... conveying said property to the parties of the second part, free and clear of all encumbrances except taxes ..... as shown by abstracts of title therefor to be furnished by the party of the first part to the parties of the second part. In the event that this lease be forfeited, surrendered or terminated for any cause, the right to purchase shall thereafter cease and if the parties of the second part does not make payment as hereinbefore mentioned at or before the time when the same ought to be made according to the terms hereof, the party..... of the first part may at any time after such failure to pay declare this lease and option forfeited and terminated and shall have the right to retain any and all payments that may be made hereunder as liquidated damages.

IN WITNESS WHEREOF, The parties hereto have executed these presents the day and year first above written.

Frank L. Ross [SEAL]
Frank L. Ross

[SEAL]

Walter W. Bentley [SEAL]
Walter W. Bentley

W. R. Green [SEAL]
W. R. Green

Carl H. Peterson [SEAL]
Carl H. Peterson

[SEAL]

MINING LEASE

FROM

Frank L. Ross

TO

Walter W. Bentley
W. R. Green
Carl H. Peterson

STATE OF COLORADO,
County of ..... } ss.

I hereby certify that this instrument was filed for record in my office, at ..... o'clock ..... M., on the ..... day of ....., A. D. 19....., and is duly recorded in book ....., page .....

.....
Recorder.

By .....
Deputy.

Fees, $.....

7-45 THE BRADFORD-ROBINSON PTG. CO., DENVER

Extracts from

REPORT

of

J. E. BAXTER, M. E.

Mr. W. W. Zimmerman,

Have visited the San Juan Mining District, and examined the operations and properties of the Ross Mining & Milling Company. . . .

The Silverton Smelter, which the Company is operating . . . . . .

The gold properties at Dry Gulch, on Cement Creek, about a mile below Gladstone, were inspected and there is undoubtedly the makings of a large milling proposition there.

Several strong prominent veins have been opened up at various places and sufficient development work completed to furnish a tonnage to run a mill for several years. Additional tonnage can be secured by extending the tunnels as ores are extracted from the ore bodies now opened up. . . .

The mineral contents are about the same as the operating properties of the District, such as the Gold King, Sunnyside and Telluride properties. The ores should run from $10.00 to $15.00 per ton, of which gold is the predominate value. . .

With depth the other metals may increase but

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the first operations should give special attention to the gold. . . .The tungsten ores (hubuerite) on the Leslie property are interesting and attractive. . .

A mill will be required, as there are not sufficient copper contents or mineral values to justify shipping the crude ores to your Smelter at Silverton. . The lead contents would be lost at the pyritic furnace, so the lead concentrates would have to be shipped to some outside smelter, but there may be copper and iron content enough to produce a concentrate which would be valuable to the smelter operations. . . .

As to what the proper milling methods should be, is a matter which should be given considerable study. . . .

J. E. Baxter,

Mining Engineer.

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Extracts from REPORT on the

SAN JUAN QUEEN Group of MINES

By

W. Z. KINNEY, Mine Operator.

The formation of Treasur, Mountain is the same general formation as the gold bearing belt of San Juan, Ouray, San Miguel and Hinsdale Counties, being andecite and volcanic breccia, the lead casings usually being porphyry. The formation is the same as is seen in the Gold King, Sunnyside and Sunnyside Extensions, which are the best known gold properties in this county. . . .

Taking the property as a whole, including the water rights, situate as it is for practical development, it is one of the best mining propositions in the county to-day. The San Juan Queen tunnel will cut the leads at the apex of the mountain at a depth of at least 1000 feet, opening vast ore reserves. The history of all the mines in San Juan County is that the ore gets better with depth. . there is no question but that there will be an ore supply sufficient to keep an 100 ton mill running for many years to come. . . .

I would recommend that the San Juan Queen Tunnel be driven under all of the properties, that the leads cut in the tunnel be opened up systematically, when there is every reason to believe that the property will take its place as one of the leading properties on the San Juan.

W. Z. Kinney.

- - - - -

NOTE:

Mr. Kinney was Manager of the Gold King Mine and of Sunnyside Extens on (now part of Sunnyside itself) for many years.

His report is interesting and quoted for its reference to geology of district and its assurance of ore tonnage and values at depth. The San Juan Queen is near the Gold Gulch in similar geological formation.

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(COPY)

The Shaw Mines Corporation
Mines at Middleton,
San Juan County
Colorado

Office of
Superintendent.
Silverton, Colo. April 11, 1930

Mr. W. Z. Kinney,
414 Cooper Building,
Denver, Colorado.

My dear Mr. Kinney:

Referring to our conversation via 'phone to-day, I wish to write a little more detail. . . .

The new strike at greater depth on the Sunnyside property is of vast importance to mining in this state and also to you, because of the adjoining holdings of the Gold King claims.

Approximately 300 feet below the "Terry Tunnel" workings the Sunnyside M. & M. Co. have opened up solid vein matter of sulphide ore from 20 to 30 feet in width. The ore values at this greater depth run 50% better than any of their ore developed during the past two years-this in itself is remarkable. Besides being great values in lead and zinc, the ore also contains much free gold. I saw one specimen which came from this new depth and it was excellent. It seemed like old times to see again free gold from depth. On account of the values found in the new development at this unusual depth . . . . . the management decided to sink 600 feet below the present lower levels and develope this lower ore body of which they have apparently only touched the apex. . .. You can readily see and understand the magnitude and importance of such development to all mine owners in San Juan and it is of special importance to you and your interests in the adjoining group of Gold King claims. I again congratulate you on your foresight when you started the No. 7 level at the Gold King mill which would develope those claims at great depth and was the proper method even though at that time mining men were a little doubtful of the outcome.

I firmly believe that we are to see an era of deep mining in San Juan and that greater values will be developed than at any time in the history of this camp, for we have only scratched our ore bodies in the past and the future managements will follow up what a few pioneers like yourself had the faith and convictions to start. . . .

H. R. Shaw.

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2-1

FRANK L. ROSS
ATTORNEY AND COUNSELOR AT LAW
3816 ST. PAUL STREET
DENVER, COLORADO

1941 TUNGSTEN SHIPMENTS FROM THE GALTIE BOY GROUP.

1941	Wt.	Assay	Acid	Price	Returns	
Sept. 5,	1152.5 lbs	@ 57.20%	- 659.58 #	@ $1.35	- $890.43	
	248.5 "	" 45.29	- 112.79 "	" 1.27½	143.81	
					1034.23	
	Royalty,	$890.43	@ 10%	$ 89.04		
		143.81	" 15%	21.57		$110.61
Oct. 6,	284 "	" 36.59%	- 103.91 "	" .977	- 101.52	
	787 "	" 62.07	- 488.49 "	" 1.175	- 573.97	
					675.49	
	Royalty,	To Ross,		36.30		36.30
		o Rutheford,		36.30		
Nov. 1,	727.5 "	" 58.52	- 425.73 "	" 1.12	- 476.82	
	Royalty,	To Ross,		23.84		23.84
		To Rutheford,		23.84		
Nov. 7,	538 "	" 62.40	- 522.91 "	" 1.15	- 601.35	
	Royalty,	To Ross		45.10		45.10
		To Rutheford,		15.03		
	407 "	" 59.36	- ~~69.36~~ 241.60 "	" 1.12	- 270.59	
	Royalty,	To Ross,		20.29		20.29
		To Rutheford,		6.76		
Dec. 6,	116 "	" 57.52	- 66.72 "	" 1.09	-	
			(72.72 less $5. Sampling leaving net		67.72	
	Royalty,	To Ross,		3.38		3.38
		To Rutheford,		3.38		
						$239.52
		To Rutheford,		$85.31		

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2-1

GEORGE H. TEAL
MINING ENGINEER - GEOLOGIST
BOULDER, COLORADO

P.O. Box 37

October 6, 1941

SETTLEMENT SHEET
ON
TUNGSTEN CONCENTRATES

ROYALTIES DUE FRANK L. ROSS - from ore shipped by H. O. Williams.

LAB NO	GROSS WT	TARE	NET WT	% WO_3	LBS WO_3	UNITS WO_3	PRICE PER UNIT	TOTAL
Lot # 95								
9-478	286#	2#	284#	36.59%	103.91	5.1955	$ 19.54	$ 101.52
			Royalty due F. L. Ross - 7.5% - $ 7.61					
Lot # 98								
-595	791#	4#	787#	62.07%	488.49	24.4245	$ 23.50	$ 573.97
			Royalty due F. L. Ross - 5% - $ 28.69					673.49

TOTAL ROYALTY DUE:

Lot # 95 - $ 7.61
Lot # 98 - $ 28.69
$ 36.30

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GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

FERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No.

Shipped By Gomer Stearling Vendor

SETTLEMENT SHEET

October 23, 1941 19

Date of Sale

Nederland, Colo. Residence of Vendor

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Minnesota	M-2564	853	2%	838	62.40	522.91	1.15	601.35		
						7½% F. L. Ross		45.10		
								556.25		
					2½% Jack Rutherford			15.03		
								541.22		

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

VENDOR

2-1

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GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

PERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No.

Shipped By Joner Sterling
Vendor

SETTLEMENT SHEET

November 7, 1 1 19

Nederland, Colo.
Residence of Vendor

Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Minnesota	B-2572	411	12	407	59.36	241.60	1.12	270.59		
					7½ F. L. Rose			20.29		
								250.30		
					2½ Jack Rutherford			6.76		
								243.54		

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

VENDOR

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GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

FERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No.

Shipped By WILLIAMS & WALBY
Vendor

SETTLEMENT SHEET

Nederland, Colo.
Residence of Vendor

December 6, 1941 19
Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Ohio	M-2579	117	1%	116	57.52	66.72	1.09	$72.72	5.00	67.72
						5%	Royalty	Frank Ross		3.38
										64.34
						5%	Jack Rutherford			3.38
										60.96

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

VENDOR

2-1

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GOLD, SILVER AND TUNGSTEN, INC.

BUYER OF TUNGSTEN ORES

BOULDER, COLORADO

PHONE 2171

PURCHASER

FERBERITE, HUBNERITE
SCHEELITE AND WOLFRAMITE

No.

Shipped By Harold Williams, Vendor

SETTLEMENT SHEET

Nederland, Colo. Residence of Vendor

Nov. 1, 1941 19 Date of Sale

SHIPPED FROM Source from which vendor obtained same	LOT NO.	GROSS WEIGHT	Per Cent Moisture	NET WEIGHT	ASSAY	TUNGSTIC ACID	PRICE PER LB.	GROSS VALUE	SAMPLING AND ASSAY	NET VALUE
Chio	M-2567	734.5	1%	727.5	58.52	425.73	1.12	476.82		
						5% H. L.	Ross	23.84		
								452.98		
						5% Jack Rutherford		23.84		
								429.14		

2-1

The above MEMORANDUM OF SALE contains a true statement of 1—the date of sale; 2—residence of vendor; 3—the nature and amount of the article sold; 4—the source from which the vendor obtained same; and 5—the consideration actually paid; receipt of which, in full, as shown by the "Net Value" above, is hereby acknowledged.

VENDOR

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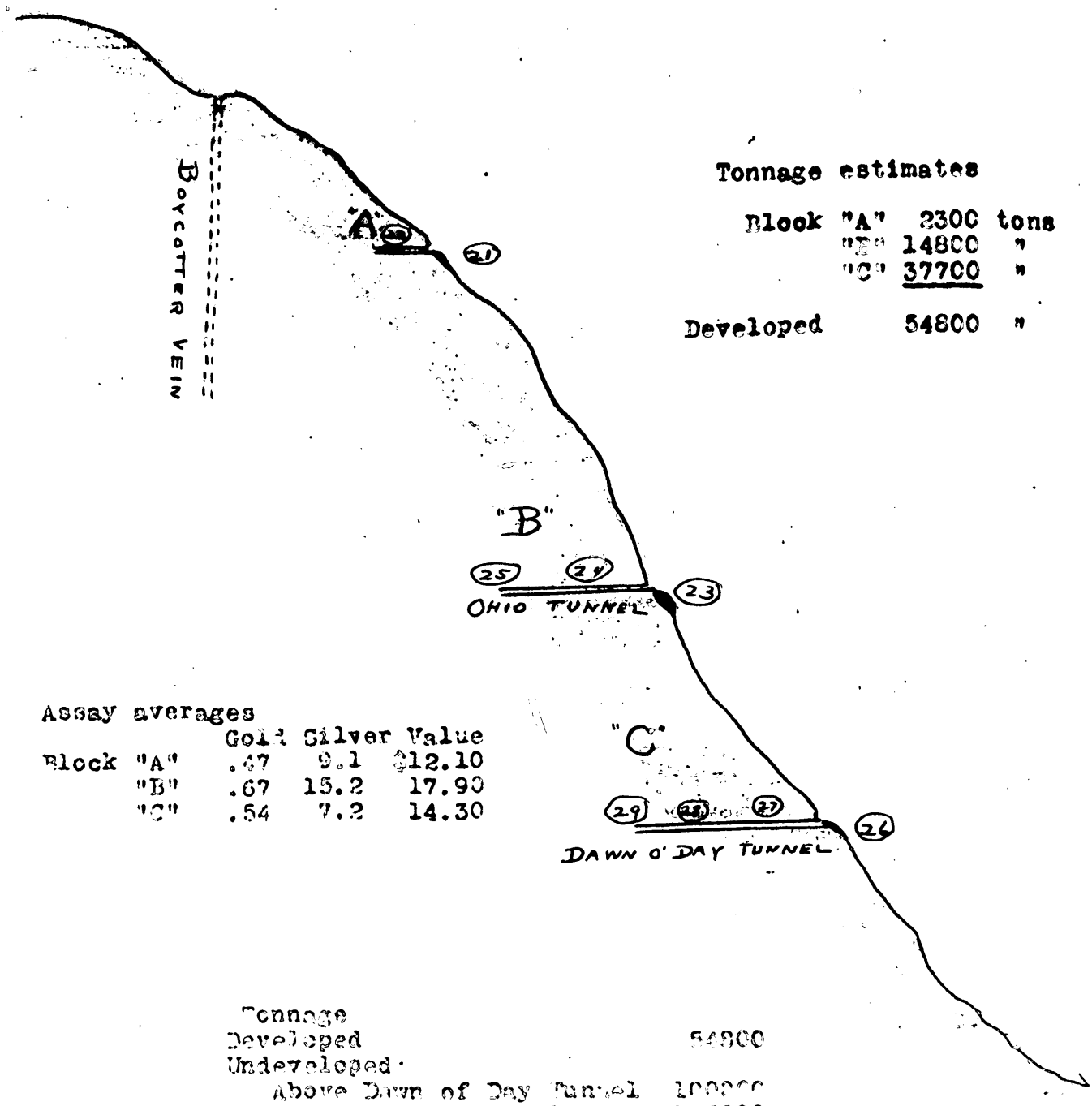
Profile of workings on

LESLIE-OHIO VEIN.



Tonnage estimates

Block	"A"	2300	tons
	"B"	14800	"
	"C"	37700	"
Developed		54800	"

Assay averages

	Gold	Silver	Value
Block "A"	.47	9.1	$12.10
"B"	.67	15.2	17.90
"C"	.54	7.2	14.30

Tonnage	
Developed	54800
Undeveloped:	
Above Dawn of Day Tunnel	100000
" Wetzel Tunnel	175000
Vein should produce over	325000 tons of $12.00 ore

Wetzel Tunnel Level

Scale
250 ft - 1 in.

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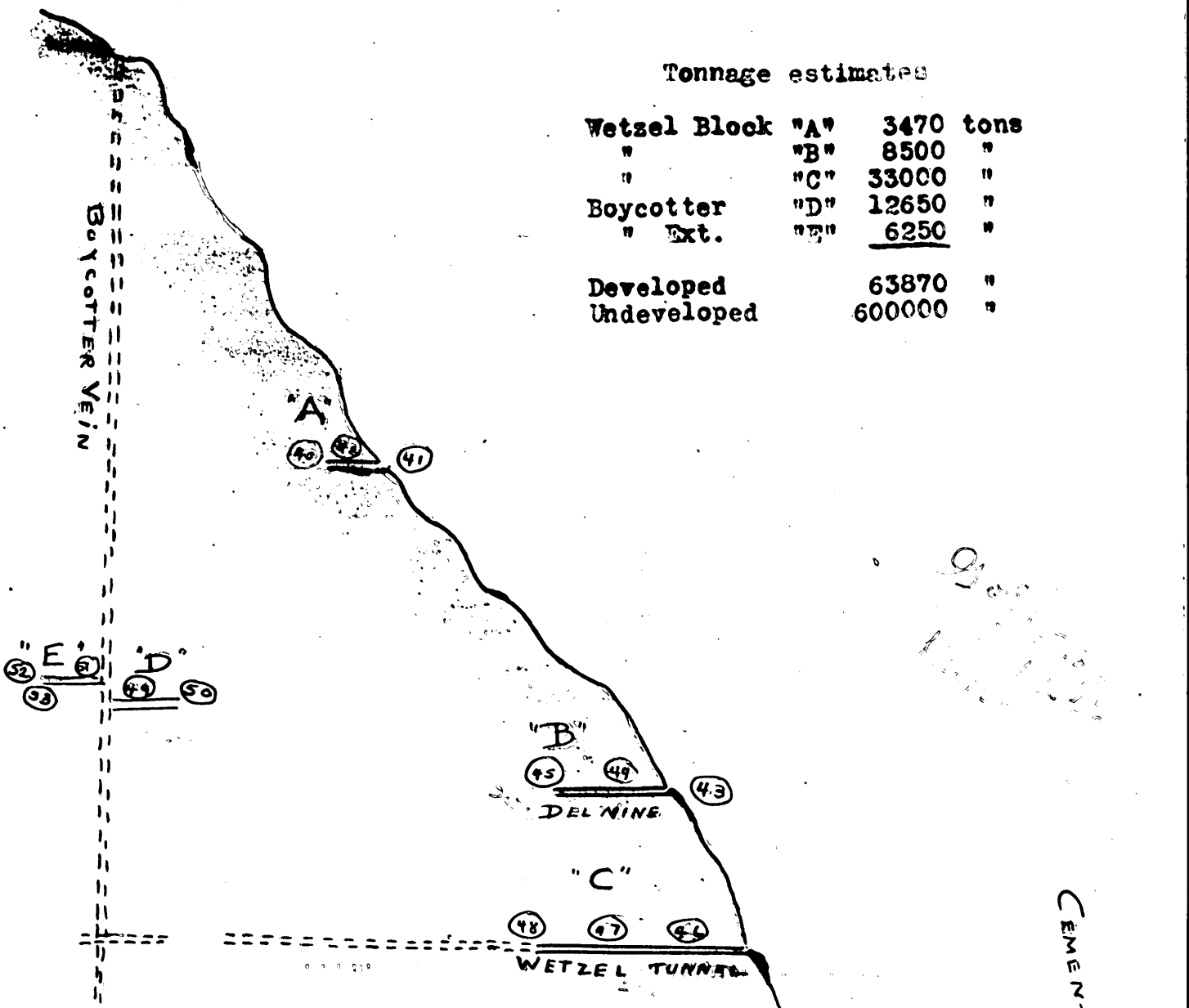
Amended in Kornhauser & later Reports.

Profile of Workings on

WETZEL-BOYCOTTER VEINS

Tonnage estimates

Wetzel Block	"A"	3470	tons
"	"B"	8500	"
"	"C"	33000	"
Boycotter	"D"	12650	"
" Ext.	"E"	6250	"
Developed		63870	"
Undeveloped		600000	"



Scale
250 ft - 1 in.

Assay averages

	Gold	Silver	Value
Block "A"	.74	5.2	16.50
"B"	.51	7.4	13.70
"C"	.37	5.6	9.08
"D"	.49	7.8	12.14
"E"	.43	8.3	11.09

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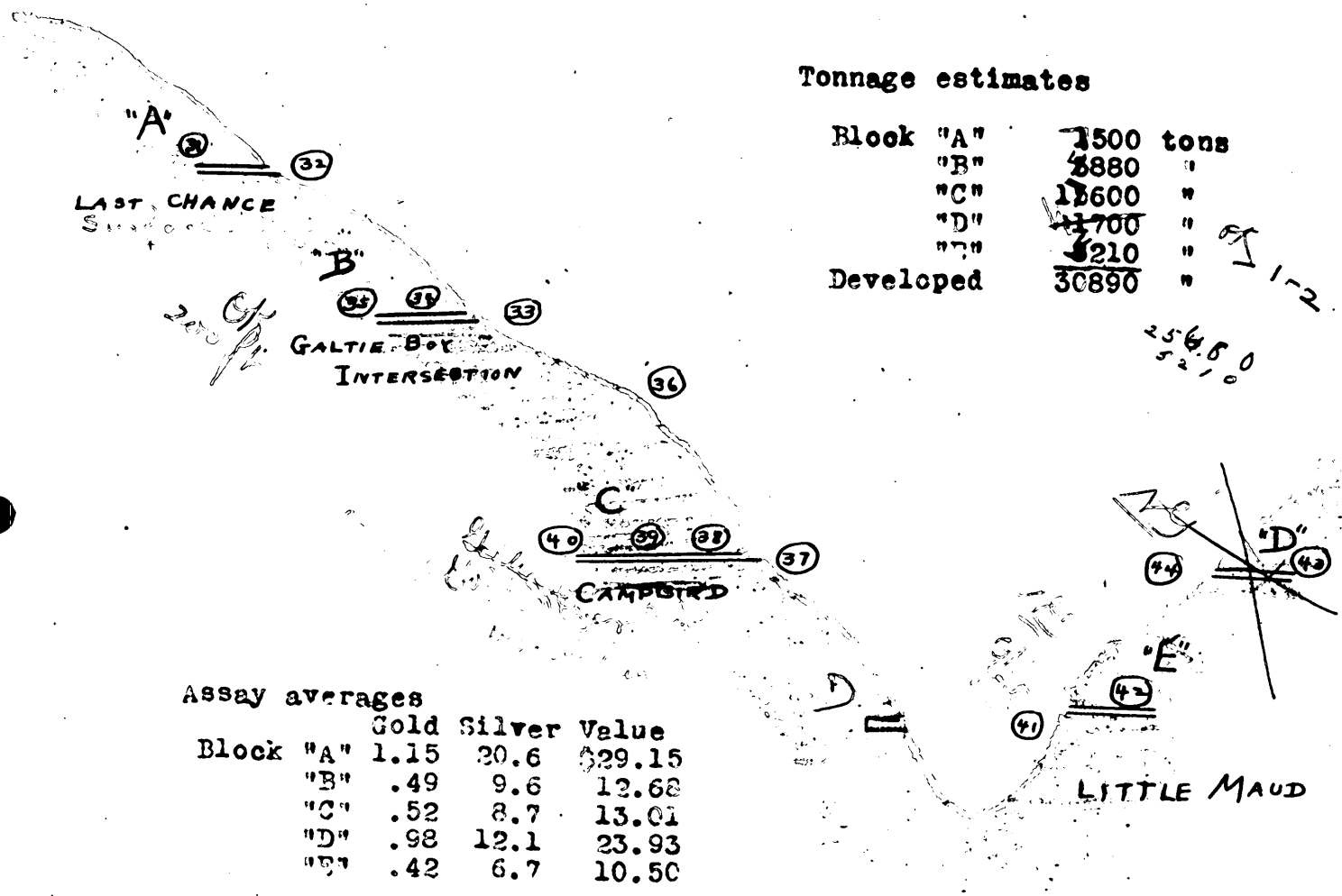
Change

Position

Profile of Workings on
Campbird
LAST CHANCE - LITTLE MAUD VEIN.



Tonnage estimates

Block	"A"	1500	tons
	"B"	3880	"
	"C"	12600	"
	"D"	11700	"
	"E"	1210	"
Developed		30890	"

of 1-2

25650
52100

Assay averages

		Gold	Silver	Value
Block	"A"	1.15	20.6	$29.15
	"B"	.49	9.6	12.68
	"C"	.52	8.7	13.01
	"D"	.98	12.1	23.93
	"E"	.42	6.7	10.50

Scale
250 ft. - 1 in.

Developed tonnage	30890
Undeveloped	
Above Campbird and Little Maud tunnels,	120000
Above Wetzel Tunnel,	375000
Vein should produce	500000 tons of $12.00 ore

Wetzel tunnel level

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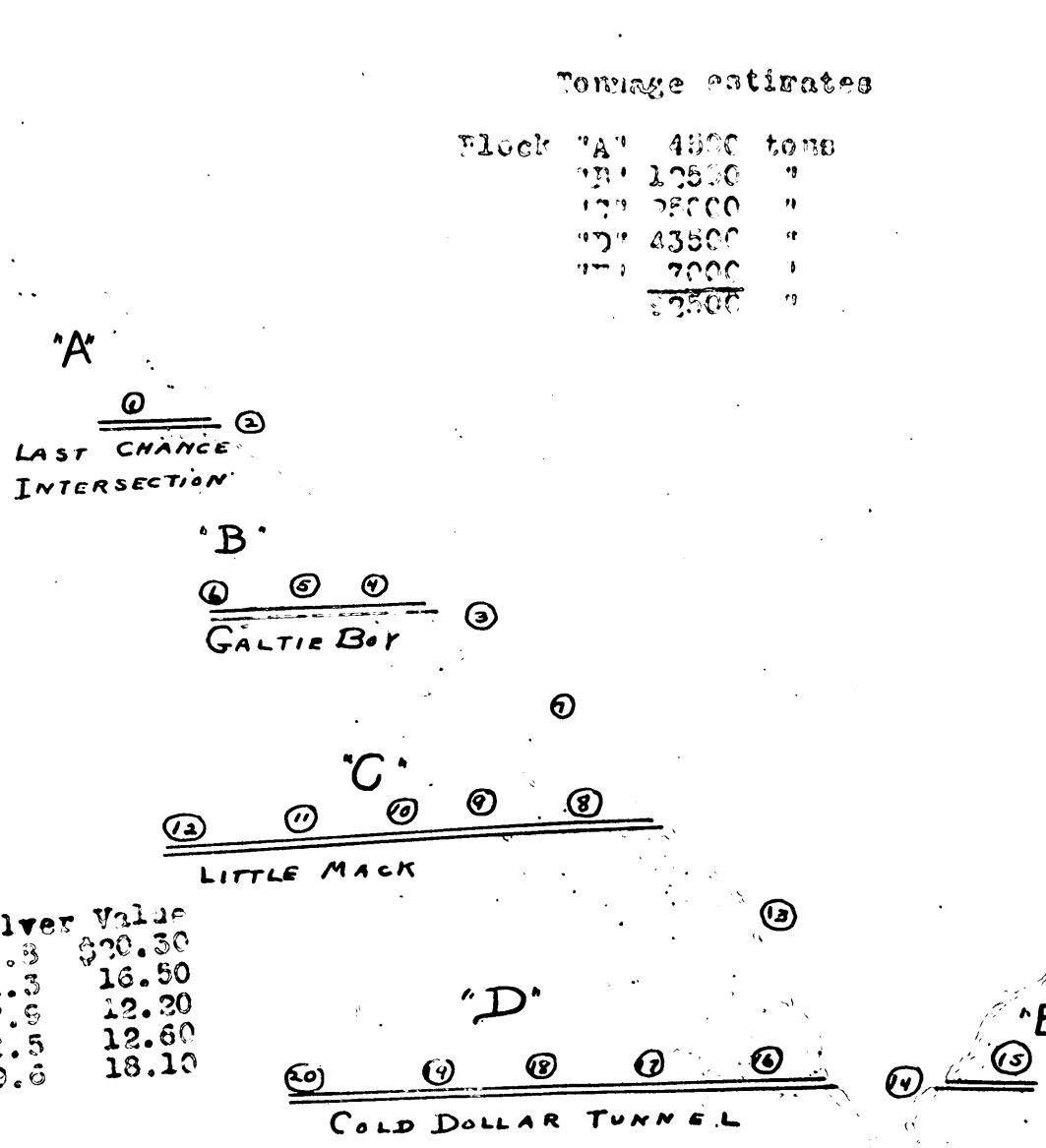
Profile of Workings on

GALTIE BOY VEIN

Tonnage estimates

Block	"A"	4500	tons
	"B"	12500	"
	"C"	25000	"
	"D"	43500	"
	"E"	7000	"
		92500	"

Gable
220 ft - 1 in.



Assay averages

	Gold	Silver	Value
Block "A"	.81	14.8	$20.30
"B"	.66	11.3	16.50
"C"	.48	7.9	12.20
"D"	.48	10.5	12.60
"E"	.77	9.6	18.10

Developed tonnage	92500	tons
Undeveloped "		
Above Gold Dollar Tn'l when extended	225000	tons
" Wetzel Tunnel " "	300000	"
Vein should produce of $12.00 ore over	600000	"

Wetzel Tunnel
[illegible]

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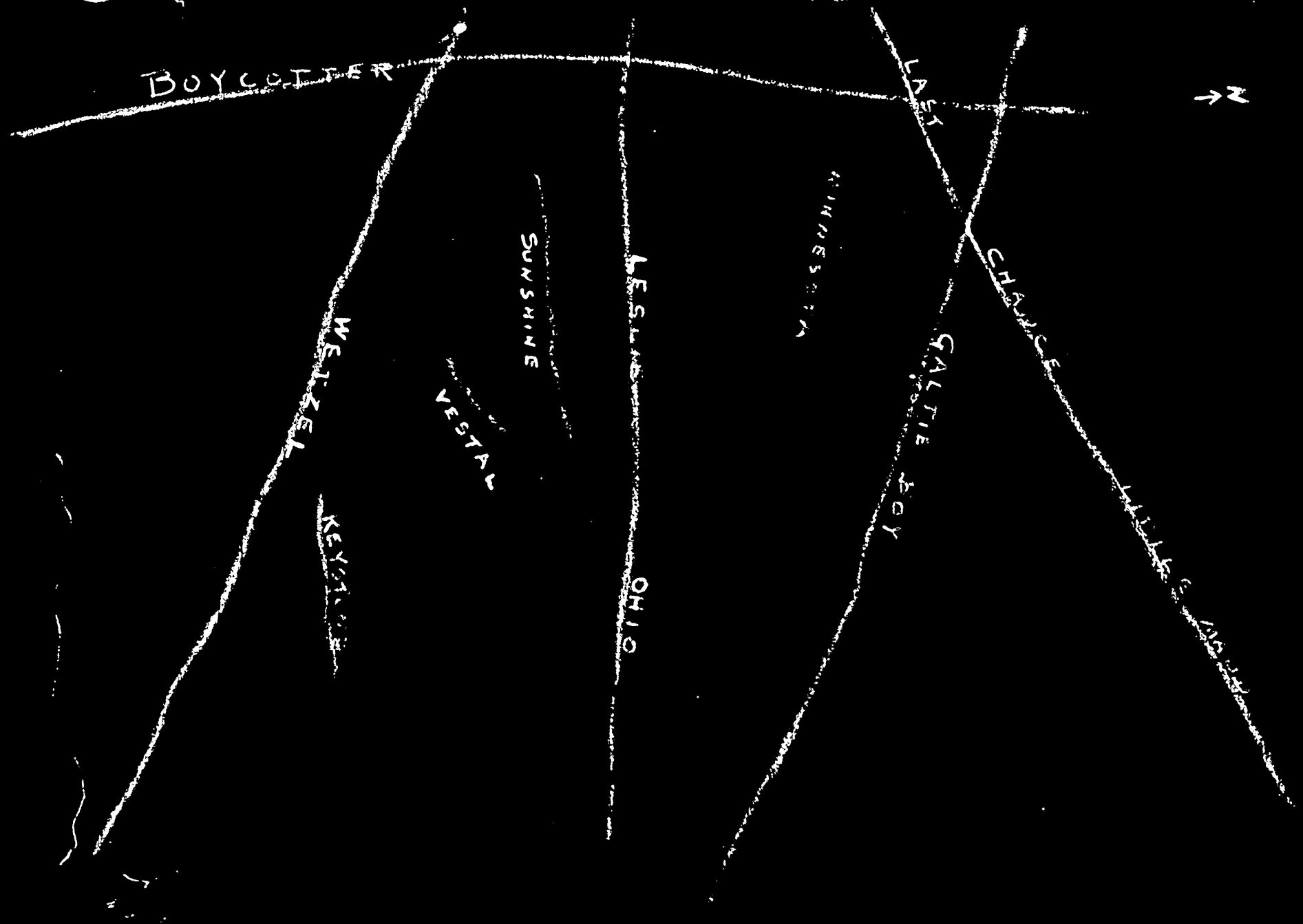


GOLD GULCH VEIN SYSTEM

Galtie Boy ~~7~~ Dup 363

7 mi N of Silverton, 1 mi from County highway - on Cement Crk
1 mi from Powderville -
no Equipment or Bldgs on property
Opened prior to 1907 in several places, but altho
item 16 drifts were run for development, no ore was ~~shipped~~ mined
on ocit Policy '07.
Tungsten comes from a separate vein where the little Mack
vein is intersected by the Galtie Boy tunnel, which is
approximately 50 feet from the Galtie Boy vein

during 1941 - Tungsten veins of the Ohio, Dawn of Day,
and Minnesota, and shipped ore, and owners
at present leased to HO Williams & He Walby
Also under lease for Tungsten on the Dry gulch
and Minnesota to Theron Olson + Geo Litsey

3/4 mile of truck road to rebuild -

Proposed to reopen 1300 ft of tunnel, the Coved Portal

Produced 270 units - 1941
Fissures, complex lodes + chimney s
56 samples taken prior to 1907 shows
1 to 2.3 % Pb ; 6.8 to 12.4 oz Ag
Claimed ore: - 179,560 Developed 1,700,000 Inferred
Value of strategic minerals is indeterminate

50%, being based upon an application for lead and zinc, primarily.

~~We offer this proposal to the applicant because he is not seeking for unknown ores, yet does not have the facts necessary to establish a basis for a production loan. With assay maps and accurate measurements a definite tonnage of known metal content can be ascertained~~

~~It is apparent from a review of the voluminous data in our files on DMA 293 and DMA 2287 that the applicant has been basing his applications on unsubstantiated statements and opinions made by various engineers about 40 years more than 40 years ago under much different economic conditions. A present day sampling~~

Access Rd Rept? ✓
see weekly - (May 29 3)

Sent to field from - (see PED notes + cost breakdown on a 21,752.00 project which includes 5,000.00 for Road)

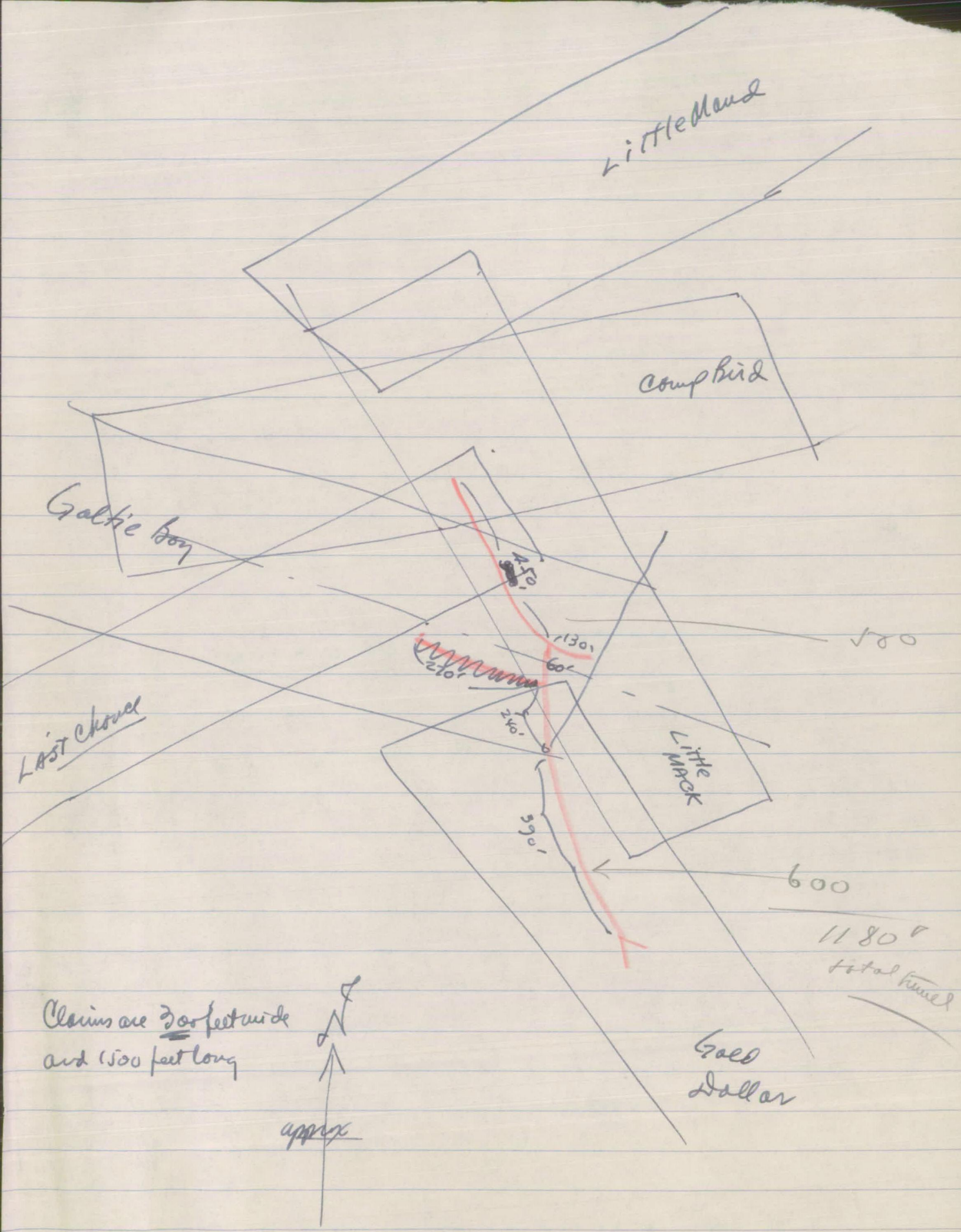
Copy submitted May 29 - that tungsten app would not suffice to open tunnel. /

This application is for preparation for mining and for production rather than exploration, as the applicant has cited his knowledge and submitted ~~as~~ reports to show both the values and the tonnage of the ore reserves as well as maps to show their location.

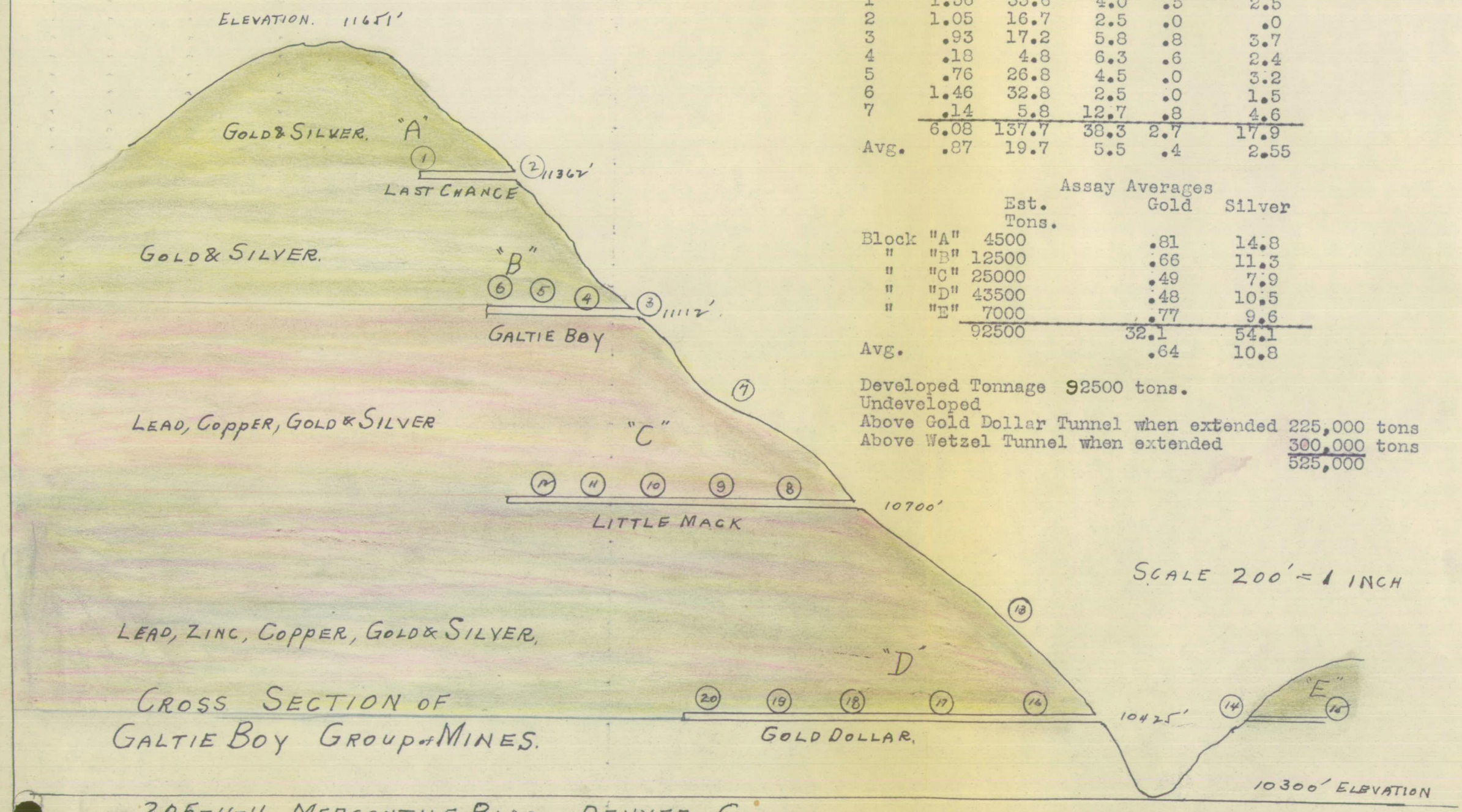
Since the Galtie Boy Tunnel is still open (See applicants answer to question 21, M7.103 - DMA 363) and the location of ~~the~~ a tungsten bearing ~~tod~~ vein is known (See answer to question 16, M7103 - DMA - 363) it would appear appropriate to consider ~~an~~ an exploration loan solely "for access and sampling" This, we believe, would be within the province of "Exploration" since it will be ~~all~~ ~~[illegible]~~ analytical determination of the lead, zinc, copper, silver, gold, and tungsten content of a known ore-occurrence. ~~This work can be undertaken in the summer months by a 3 or 4 man crew~~ From a study of DMA 393 and DMA 2287 it appears that this work could be undertaken during the summer months, using a 3 or 4 man crew under the guidance of an engineer who will supervise sampling and prepare adequate maps of the tunnels, ~~showing~~ the location of samples and their width and assay values. ~~The lower, or "Gold Dollar" tunnel, approximately 1300 feet long should be so~~

The sampling program should include the lower or "Gold Dollar" tunnel 1300 feet long ~~the~~ and the upper or "Galtie Boy" tunnel 200 feet long.

The total cost of such an "access and sampling program" should not exceed $10,000 of which the Government share would be


Little Maud
Comp Bird
Galtie Boy
Last Chance
Little Mack
Gold Dollar
450'
1130'
60'
270'
240'
390'
580
600
1180' total tunnel
Claims are 300 feet wide and 1500 feet long
N
approx

Mr Park



CROSS SECTION OF
GALTIE BOY GROUP of MINES.

Samples taken at various times in Galtie Boy Mines on which load, zinc and copper assays were run.

	Gold	Silver	Lead	Copper	Zinc
1	1.56	33.6	4.0	.5	2.5
2	1.05	16.7	2.5	.0	.0
3	.93	17.2	5.8	.8	3.7
4	.18	4.8	6.3	.6	2.4
5	.76	26.8	4.5	.0	3.2
6	1.46	32.8	2.5	.0	1.5
7	.14	5.8	12.7	.8	4.6
	6.08	137.7	38.3	2.7	17.9
Avg.	.87	19.7	5.5	.4	2.55

Assay Averages

		Est. Tons.	Gold	Silver
Block	"A"	4500	.81	14.8
"	"B"	12500	.66	11.3
"	"C"	25000	.49	7.9
"	"D"	43500	.48	10.5
"	"E"	7000	.77	9.6
		92500	32.1	54.1
Avg.			.64	10.8

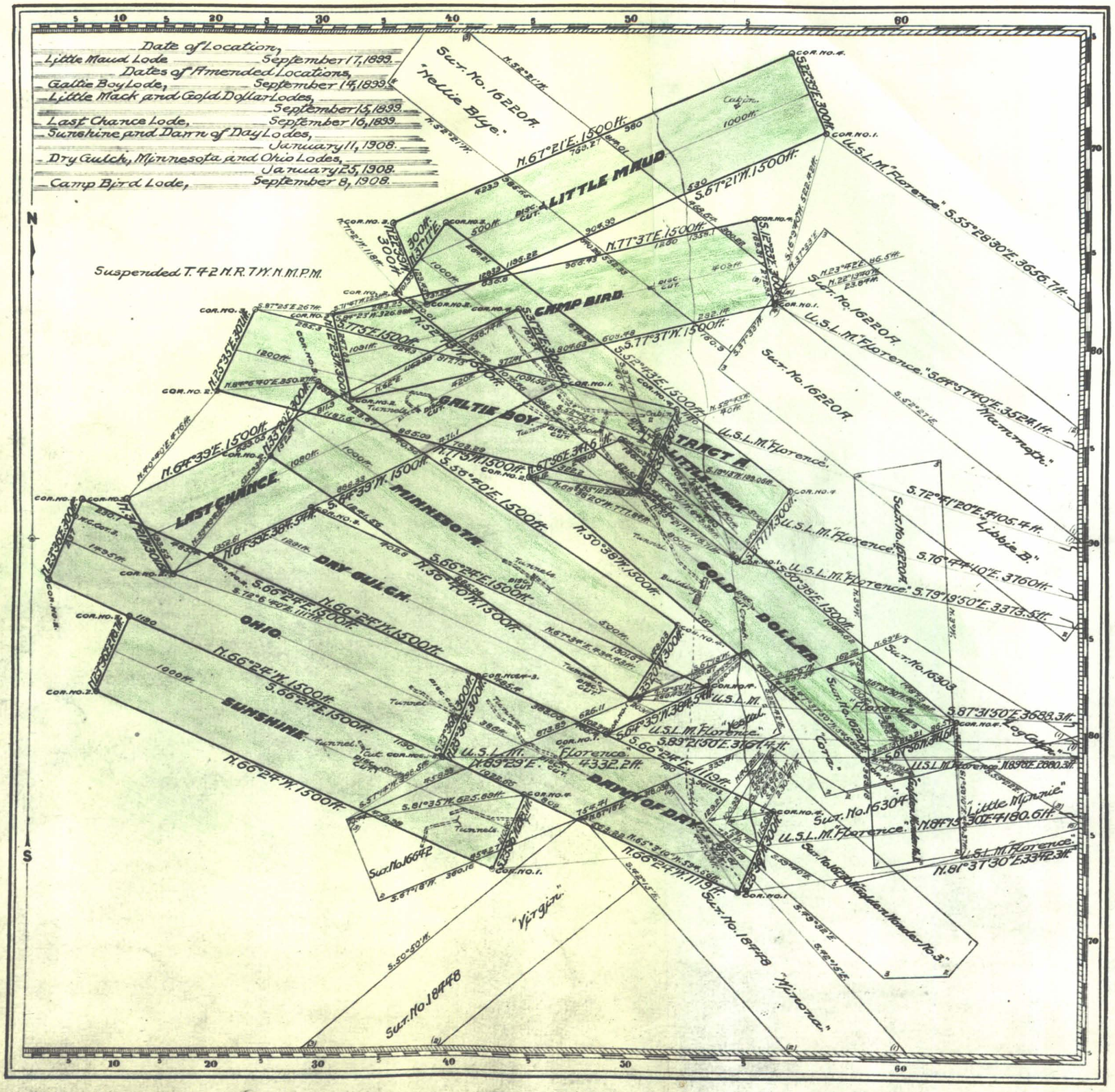
Developed Tonnage 92500 tons.
Undeveloped
Above Gold Dollar Tunnel when extended 225,000 tons
Above Wetzel Tunnel when extended 300,000 tons
525,000

205-11-16 MERCANTILE BLDG. DENVER, COLO.

Received S.G.O. June 20, 1908.
" " " " August 19, 1908.
" " " " September 22, 1908.
" " " " September 23, 1908.
" " " " October 12, 1908.

(4-675)

DMEA-2287 - GALTIE BOY



Claim Located 190

Mineral Survey No. 18636

L.O.T. No.

Durango Land District.

PLAT

OF THE CLAIM OF

THE ROSS MINING & MILLING COMPANY,

KNOWN AS THE

LITTLE MAUD, LITTLE MACK, GOLD DOLLAR, GALTIE BOY, LAST CHANCE, DRY GULCH, CAMP BIRD, MINNESOTA, OHIO, DAWN OF DAY AND SUNSHINE LODES,

IN EUREKA AND RED MOUNTAIN MINING DISTRICTS,
SAN JUAN COUNTY, COLORADO.

Containing an Area of 83.533 Acres.

Scale of 1" = 300 Feet to the inch.

Variation 14° 30' East

SURVEYED September 21, 1908 BY

Alfred W. Harrison, U.S. Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of The Ross Mining & Milling Company, known as the Little Maud, Little Mack, Gold Dollar, Galtie Boy, Last Chance, Dry Gulch, Camp Bird, Minnesota, Ohio, Dawn of Day and Sunshine Lodes, from which this plat has been made under my direction, have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant or its grantors, and that said improvements consist of twelve cuts and ten tunnels, as appears by the affidavit of the mineral surveyor, that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office.
Denver, Colorado, October 20, 1908.

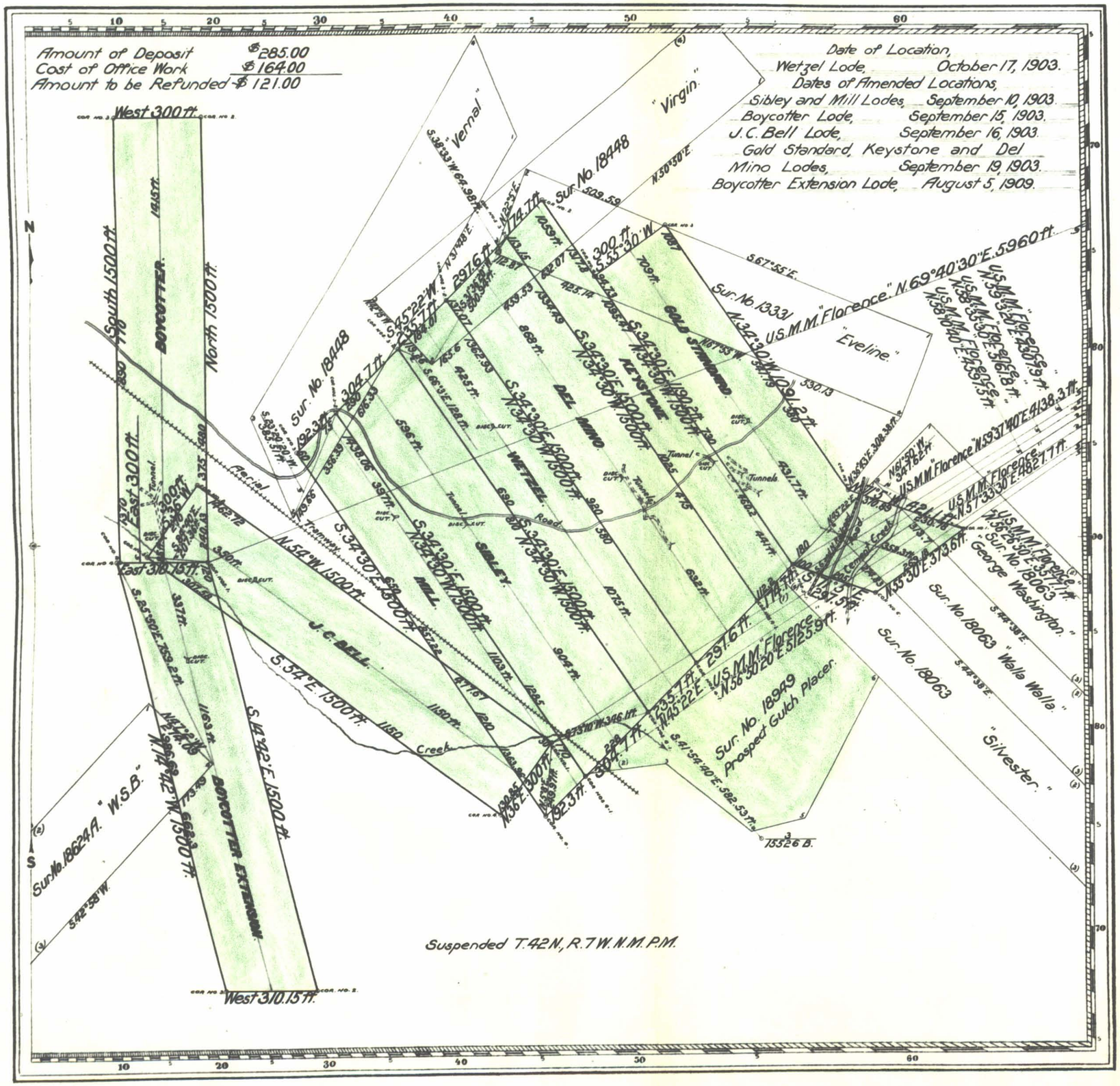
R. G. Lewis.
U.S. Surveyor General for Colorado.

(4-675)

Received S.G.O. October 4-1909.
" " " " October 26-1909.
" " " " November 9-1909.
" " " " November 13-1909.
DMEA-2287 -SALTIE R O V

54

F.E.F.-L.E.R.S.
S.S.
L.L.
M.H.L.
M.H.L.



Claim Located _____ 190

Mineral Survey No. 18950

Lot No. _____

Durango _____ Land District.

PLAT

OF THE CLAIM OF

THE ROSS MINING AND MILLING COMPANY,

KNOWN AS THE

GOLD STANDARD, KEYSTONE, DEL MINO, WETZEL, SIBLEY, MILL, J.C. BELL, BOYCOTTER AND BOYCOTTER EXTENSION LODES,

IN RED MOUNTAIN MINING DISTRICT,
SAN JUAN COUNTY, COLORADO.
Containing an Area of 80.175 Acres.
Scale of 300 feet to the inch.
Variation 14°30' East.
SURVEYED September 30, 1909, BY

Alfred W. Harrison, U.S. Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of The Ross Mining and Milling Company, known as the Gold Standard, Keystone, Del Mino, Wetzel, Sibley, Mill, J.C. Bell, Boycotter and Boycotter Extension Lodes,

from which this plat has been made under my direction have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant or its grantors, for the benefit of each of the locations embraced in, and that said improvements consist of nine cuts and seven tunnels, as appears by the affidavit of the mineral surveyor,

that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements or interest has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office.
Denver, Colorado,
November 30, 1909.

W. G. Lewis
U.S. Surveyor General for Colorado.