IMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

IMEA NO. 4464

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) ✓ Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9775

Independent Contracts

Bulldozing access road and site leveling
24 hours @ $12.50/hr. ✓ $300.00

Surface & Underground Preparation

Surface

Surface trench 200' @ $0.75/ft.		150.00
Installation of tugger hoist or windlass	✓	25.00
		175.00

West Adit

Rehabilitation 90' @ $1.00/ft		90.00
Lay track to face 90' @ $0.75/ft.	✓	67.50
Timber for Portal 500 f.B.m. @ $85.00		42.50

East Adit

Clearing and rehabilitation of portal		100.00
Rehabilitation of adit 50 feet @ $1.00/ft		50.00
Lay track to adit face, 50 feet @ $0.75/ft.	✓	37.50
Timber for Portal 500 f.b.m. @ $85.00		42.50
		430.00
140' @ 3.07/ft. =		429.80

400/108 = 3.7'/day

Drilling

Labor and Supervision

1 working foreman 4 months @ $450.00	1800.00
2 miners @ $2.00/hr - 6 days a week and 1½ time for 6th day - 18 weeks	3,744.00
	$5544.00

for 400' of drilling $13.86/ft.

Operating Materials & Supplies.

Explosives @ $3.25/ft.	$1300.00
650 feet of 3/4" water pipe @ $0.16/ft.	104.00
700 feet of 2" air line @ $0.50/ft.	350.00
780' track complete @ $1.30/ft. (new cost)	1,014.00
2-50'-1" air hoses @ $45.21	90.42
2-50'-½" water hoses @ $25.82	51.64
1 air 15 hr/day 96 days @ $9.14/gal	245.00
Drill steel - 24-6' drill rods @ $16.00 (0.96/ft.)	384.00
Small tools	100.00
	$3,639.06

for 400' of drilling $9.10 per foot.

Operating Equipment.

165-210 cfm. Compressor

@ $300.00/mo. rental for 5 months. $1,500.00

Jackhammer + Headleg rental 5 mos. @ $100.00/mo. 500.00

1 Jeep or pickup 5 mos @ $100/mo fuel + repairs. 500.00

2 mine cars @ $10.00/mo. each and 5 months. 100.00

No timber trucks necessary.

1-1000# to 1500# Jigger hoist 5 mos @ 90.00/mo. 450.00

$3,050.00

for 400' of driving $7.625 per foot

Miscellaneous

Accounting + Office Supplies 5 mos @ 50.00 — $250.00

Payroll taxes and insurance 6% Labor + Super. — 332.60

Equipment repairs 5 mos @ $50.00/mo. — 250.00

$832.60

for 400' of drifting — $2.08 per foot.

New Buildings & Improvements

8'x14' Compressor & tool house ✓ — $160.00

80 samples assayed for Au, Ag, Pb, Zn. — 280.00

@ Pb $1.00, Zn $1.00, Au+Ag $1.50 = $3.50 ea

Timbering

100' Timbering 5x7' in clear 8x8" sets. where necessary @ $6.00/ft. — $600.00

Summary

Independent Contracts

Bulldozing. 24 hrs @ $12.00/hr. ✓ $300.00

New Fixed Improvements

8'x14' Compressor + Toolhouse ✓ 160.00

Surface Preparation.

Surface trans 200' @ $0.75/ft. ✓ 150.00

Installation of Tugger Hoist or windlass ? 25.00

175.00

Underground Rehabilitation

140' Cleaning + Rehabilitation including 2 portal sets in each portal and work of laying track and timber for the sets, @ $3.07/ft. (rounded to) 430.00

Fixed Unit Costs

400' Drifting 5'x7' in clear @ $33.00 X 13,200.00

100 feet of timbering 8"x8" timber 5'x7' in clear @ $6.00/ft. 600.00

80 samples to be assayed for Pb, Zn, Au+Ag @ 3.50/sample 280.00
(Pb $1.00, Zn $1.00, Au+Ag $1.50)

Total $15,145.00

Final Estimate of Cost

DMEA-4464

Mirikens-Olson & Associates.

Total track needed 200' + 90' + 50' + 200 = 540' + 40' extra = 580' (1½)
+ 200' extra for more driving = 780'

Independent Contracts.

Bulldozing access road and site leveling
24 hours @ $12.50/hr. $300.00

Surface and Underground Preparation

Surface

Surface tram 200' @ $0.75/ft.	$150.00
200' of tracks @ $0.65/ft.	130.00
Installation of Jugger Hoist or Windlass	25.00
160' of 2" airline @ $0.50/2 per foot salvage value	40.00
110' of 3/4" water line @ $0.16/2 per foot salvage value	8.80
Labor cost for pipe installation 2 men 1 day	32.00
	$385.80

Assuming tracks (16 mil), ties, etc, etc. = $1.30/ft.
Assuming 50% salvage value $0.65/ft for tracks.
Assuming 2 men can lay 150' per shift @ $32.00 labor cost.
then $\frac{32.00}{150}$ = $0.21 per foot for laying.
Total cost per foot Labor + materials = $0.88/foot.

West Adit

Rehabilitation 90' @ $1.00/ft.	$90.00
90 Steel + laying @ $0.88/ft.	79.20
Timber for portal 2-6"x8" posts	42.50
90' – 2" air lines @ $1.50/2 per foot salvage value	22.50
90' – 3/4" water line @ $0.16/2 " " " "	7.20
Labor for pipe installation	8.00
	$249.40

East Adit.

Cleaning & Rehabilitation of portal	$100.00
Rehabilitation of 50 feet of adit @ $1.00/ft.	50.00
Laying track & cost thereof 50' @ $0.88/ft.	44.00
Timber for portal 500' BM @ $85.00	42.50
50' – 2" air line @ $0.50/2 per foot salvage value	12.50
50' – 3/4" water " @ $0.16/2 " " " "	4.00
Labor 4' for pipe installation	8.00
	$261.00

Drilling

400 feet in 18 weeks of 6 days each = 108 days.

advance/day = $\frac{400}{108}$ = 3.7' per day

Labor & Supervision

1 Working foreman 4 months @ $450.00	$1,800.00
2 miners @ $2.00/hr. – 6 days a week and time and a half for the 8th day. = 18 weeks	3,744.00
	$5,544.00

for 400' of driving $13.86/ft.

Operating Materials & Supplies

Explosives @ $3.25/foot × 400'	$1,300.00
400' of 3/4" water pipe @ $0.16/½ per foot salvage value	32.00
400' of 2" air line @ $0.50/½ per foot salvage value.	100.00
400' of track complete @ $1.30/½ per foot salvage value	260.00
400 days - 15 gal/day @ $0.17/gal.	255.00
2 - 50' - 1" air hose @ $45.21 salvage value	90.42
2 - 50' - ½" water hose @ $25.82 salvage value	51.64
Drill steels - 24 - 6' Chisel bits @ $16.00 (0.96/ft.)	384.00
Small tools	100.00
	$2,573.06
for 400' of driving.	$6.43 per foot

Operating Equipment

165-210 c.f.m. compressor @ $300.00/mo. per month for 5 months	$1,500.00
Jackhammer & Leadleg rental for 5 mos. @ $100.00/mo.	500.00
1 - Jeep or pickup 5 mos @ $100.00/mo. fuel & Deprec.	500.00
2 mine cars @ $10.00/mo. each for 5 months	100.00
1 - Jugger hoist @ $90.00/mo rental for 5 months	450.00

400' of driving

" " " $7.63/foot. $3,050.00

Miscellaneous

Accounting and office supplies 5 mos @ $50.00/mo.	$250.00
Payroll taxes and Insurance 6% labor & supervision	332.60
Equipment repairs 5 mos @ $50.00/mo.	250.00
	$832.60

for 400' of driving $2.08 per foot.

New Buildings & Improvements

8'x14' Compressor House 160.00/2 [illegible]	$ 80.00

Sampling & Assaying.

80 Samples assayed for Au, Ag, Pb, Zn. @ Pb $1.00, Zn $1.00, Au & Ag $1.50 = 3.50 ea	$280.00

Timbering

100' Timbering 5'x7' in clear 8"x8" sets where necessary @ $6.00/foot.	$600.00

Summary

Independent Contracts

Bulldozing access road and site leveling
24 hours @ $12.50/hr. — $300.00

New Building & Improvements
8'x14' compressor House — $ 80.00

Surface and Underground Preparation

Surface	$385.80
West Adit	349.40
East Adit	261.00
	$510.40

Drifting

Labor and Supervision	$13.86/ft.	5,544.00
Operating Materials & Supplies	6.43/ft.	2,573.06
Operating Equipment	7.63/ft.	3,050.00
Miscellaneous	2.08/ft.	832.60
		$11,999.66

for 400' of drifting — $30.00 per foot.

Sampling & Assaying

80 samples assayed for Au, Ag, Cu, Zn.
@ Au-$1.00, Zn-$1.00, Au-Ag-$1.50, $3.50 ea. — $280.00

Timbering

100' timbering 5x7' in drift 8x8' in stope @ $6.00/foot — $600.00

Total cost/foot over 400 feet: ($35.39/foot) — $ 14,155.86

RECEIVED		
DATE		CODE
DMEA		

224 New Customhouse
Denver 2, Colorado

February 14, 1957

Memorandum

To: Secretary to the Operating Committee,

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minikus-Olson and Associates (Silver Falls, Whale and T-Boy Tunnel Site claims) Summit County, Colorado

Enclosed are the original and five copies of the executed Consent To Lien and Subordination Agreement for the subject docket.

Mr. Fred G. Minikus informs us that the easement needed to complete the application has been requested from the owners of the Reserve Lode Claim. The instrument will be forwarded to you upon receipt by this office.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

MMM:eh
cc: Marshman
Shaw (2)
Docket 4464
Townsend
Chron.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA-[redacted]
Contract No. Idm-E
Contract Date

RECEIVED FEB 18 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of [redacted] State of Colorado, described as follows: 2/ [redacted]

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

[redacted]

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 4th day of February, 1957.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

Alhambra Gold Mining Company By John Evans Jr. [Seal] _____ [Address]

I, R. A. Yaggy certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that John Evans, Jr. who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

R. A. Yaggy [Corporate Seal]

EXTRA COPY DMEA		
RECEIVED [illegible] 1957		
DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

February 14, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minikus-Olson and Associates (Silver Falls, Whale and T-Boy Tunnel Site claims) Summit County, Colorado

Enclosed are the original and five copies of the executed Consent To Lien and Subordination Agreement for the subject docket.

Mr. Fred G. Minikus informs us that the easement needed to complete the application has been requested from the owners of the Reserve Lode Claim. The instrument will be forwarded to you upon receipt by this office.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

MMM:eh
cc: Harshman
Shaw (2)
Docket 4464
Townsend
Chron.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA-[redacted]
Contract No. Idm-E
Contract Date

RECEIVED FEB 18 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Summit State of Colorado, described as follows: 2/ [redacted]

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 4th day of February, 1957.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

Alhambra Gold Mining Company

_____ [Seal] By John Evans Jr. [Address]

I, R. A. Yaggy certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that John Evans, Jr. who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

R. A. Yaggy

R. A. Yaggy [Corporate Seal]

EXTRA COPY, DMEA		
RECEIVED FEB 18 1957		
DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

February 14, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minikus-Olson and Associates (Silver Falls, Whale and T-Bay Tunnel Site claims) Summit County, Colorado

Enclosed are the original and five copies of the executed Consent To Lien and Subordination Agreement for the subject docket.

Mr. Fred G. Minikus informs us that the easement needed to complete the application has been requested from the owners of the Menarva Lode Claim. The instrument will be forwarded to you upon receipt by this office.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

MM:eh
cc: Harshman
Shaw (2)
Docket 4464
Townsend
Chron.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Minikus-Olson & Associates
Docket No. DMEA- 4464
Contract No. Idm-E
Contract Date

RECEIVED FEB 18 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Summit State of Colorado, described as follows: 2/ Two patented lode mining claims:

Silver Falls Lode - U. S. Survey No. 466 and the Whale Lode U. S. Survey No. 469.

The unpatented T-Boy Tunnel Site recorded in Book 32, Page 157 at the office of the County Clerk and Recorder of Summit County in Breckenridge, Colorado.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

NONE

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: NONE (State "None" or "See Annex No.____")

Dated this 4th day of February, 1957.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

Alhambra Gold Mining Company

_____ [Seal] By John Evans Jr. [Address]

I, R. A. Yaggy certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that John Evans, Jr. who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

R. A. Yaggy [Corporate Seal]

R. A. Yaggy

EXTRA COPY DMEA		
RECEIVED FEB 1957		
DATE	INITIALS	CODE
DMEA		

[illegible] New Customhouse
Denver 2, Colorado

February 14, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minimus-Olson and Associates (Silver Falls, Whale and T-Bar Tunnel Site claims) Summit County, Colorado

Enclosed are the original and five copies of the executed Consent To Lien and Subordination Agreement for the subject docket.

Mr. Fred G. Minimus informs us that the consent needed to complete the application has been requested from the owners of the Reserve Lode Claim. The instrument will be forwarded to you upon receipt by this office.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

MMM:ch
cc: Merriman
Shaw (2)
Docket 4464
Townsend
Chron.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Minikus-Olsen & Associates use
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E
Contract Date

RECEIVED FEB 18 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Summit, State of Colorado, ~~Two patented lode mining claims~~ described as follows: 2/ Silver Falls Lode - U. S. Survey No. 466 and the Whale Lode U. S. Survey No. 469. ~~The unpatented T-Boy Tunnel Site recorded in Book 32, Page 157 at the office of the County Clerk and Recorder of Summit County in Breckenridge, Colorado.~~

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

NONE

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: NONE (State "None" or "See Annex No.____")

Dated this 4th day of February, 1957.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

Alhambra Gold Mining Company

_____ [Seal] By John Evans Jr. [Address]

I, R. A. Yaggy certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that John Evans, Jr. who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

R. A. Yaggy [Corporate Seal]

EXTRA COPY, DMEA		
RECEIVED FEB 18 1957		
DATE	INITIALS	CODE

[illegible] New Customhouse
Denver 2, Colorado

February 14, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minikus-Olson and Associates (Silver Falls, Wanie and T-Bar Tunnel Site claims) Summit County, Colorado

Enclosed are the original and five copies of the executed Consent to Lien and Subordination Agreement for the subject docket.

Mr. Fred G. Minikus informs us that the assessment needed to complete the application has been requested from the owners of the Reserve Lode Claim. The instrument will be forwarded to you upon receipt by this office.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

MEM:ch
cc: Harshman
Shaw (2)
Docket 4464
Townsend
Chron.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Minerals-Olson & Associates
Docket No. DMEA- 4464
Contract No. Idm-E
Contract Date

RECEIVED FEB 18 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Summit, State of Colorado, described as follows: 2/ Two patented lode mining claims; Silver Falls Lode - U. S. Survey No. 466 and the Whale Lode U. S. Survey No. 469. The unpatented T-Bar Tunnel Site recorded in Book 32, Page 157 at the office of the County Clerk and Recorder of Summit County in Breckenridge, Colorado.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

NONE

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: NONE (State "None" or "See Annex No.____")

Dated this 4th day of February, 1957.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

Alhambra Gold Mining Company

By John Evans Jr.

_____ [Seal] _____ [Address]

I, R. A. Yaggy certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that John Evans, Jr. who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

R. A. Yaggy

R. A. Yaggy [Corporate Seal]

Klug

Pending

WPKlugescheid/ar Rm 4442, Ext. 2690

DMEA - Base Metals Division

1414401(01) Revolving Fund, Defense Production Act, Interior (allocated Working Fund to Office of Secy.)

TELETYPE

XXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX XXXXXXXXXX
XXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: Mr. W. M. Traver, Executive Officer, DMEA Field Team, Region III, Denver, Colorado

Re Docket DMEA-4444, Minikus-Olson & Associates. To what use is tugger hoist to be put and why is rental so high?

George C. Selfridge

Chairman, Operating Committee

WRKlugescheid/er 2/12/57
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

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

EXTRA COPY DMEA RECEIVED FEB 12 1957		
DATE	INITIALS	CODE

February 12, 1957

Re: DMEA ~~4464, Lead-Zinc~~
Minikus-Olson & Associates
Silver Falls, et al claims
Summit County, Colorado

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, Branch of Base Metals

Subject: Supplement of January 31, 1957 to field team report of examination, received February 7, 1957.

Since receipt of the DMEA operating committee letter of January 18, 1957, the field team (apparently with cognizance of the applicant) has determined that the 50 feet of raising planned for Stage II should be replaced with 100 feet of additional drifting in each adit.

This change would indicate a somewhat greater total expenditure and will prove or disprove a greater strike length of the vein on the level.

I recommend the revision be incorporated in the contract when it is prepared.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
Files

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

EXTRA COPY DMEA RECEIVED FEB 12 1957		
DATE	INITIALS	CODE

February 12, 1957

Re: DMEA 4464; Lead-Zinc
Minikus-Olson & Associates
Silver Falls, et al claims
Summit County, Colorado

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

EXTRA COPY
DMEA
RECEIVED FEB 12 1957

DATE	INITIALS	CODE

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O. M. Bishop

Copy to: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
Files

February 11, 1957

Re: DMEA 4464
Minikus-Olson and Associates
Silver Falls, etc. Claims
Summit County, Colorado

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of supplemental report of examiners dated January 30, 1957

With the examiners and the Field Team I accept and recommend the changes, proposed by the Operating Committee, in the cost of hose, assaying, and the substitution of 200 feet of drifting for 50 feet of raising and for drifting.

N. E. Nelson

N. E. Nelson

cc: O. M. Bishop, Rm. 3617
DMEA (3)
Chron. File
Director's file
Branch reading, 4212
Docket file
NENelson/mm

EXTRA COPY
DMEA
RECEIVED FEB 12 1957

DATE	INITIALS	CODE

February 11, 1957

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Minikus-Olson and Associates
Silver Falls, etc. Claims
Summit County, Colorado

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EXTRA COPY
D M E A
RECEIVED FEB 12 1957

DATE	INITIALS	CODE

February 11, 1957

Re: DMEA 4464
Minikus-Olson and Associates
Silver Falls, etc. Claims
Summit County, Colorado

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Docket file
NENelson/mm

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

EXTRA COPY
DMEA
RECEIVED 3 1957

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

January 25, 1957

Mr. Fred G. Minikus
3965 West Arizona Avenue
Denver 19, Colorado

Re: Docket DMEA 4464 (lead-zinc)
Minikus-Olson & Associates
(Silver Falls, Whale, & T-Boy
Tunnel Site Claims) Summit
County, Colorado.

Dear Mr. Minikus:

Enclosed are the original and seven copies of Consent to Lien and Subordination Agreement forms to replace the ones we forwarded you with our letter of December 17, 1956, copy of which is attached.

When we receive the easement on the Manerva lode and the executed copies of the Consent to Lien, we will continue to process your application.

Yours very truly,

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

HMC:ytl
cc
Sec. Op. Comm. (2)
Harshman
Shaw (2)
Docket 4464
Chron.

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

EXTRA COPY DMEA RECEIVED JAN 25 1957		
DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

January 22, 1957

Reading

Mr. Fred G. Minikus
Minikus-Olson & Associates
Dillon, Colorado

Re: Docket DMEA 4464 (lead-zinc)
Minikus-Olson & Associates
(Silver Falls, Whale, and
T-Boy Tunnel Site Claims)
Summit County, Colorado

Dear Mr. Minikus:

The contemplated road to your proposed exploration project crosses the Manerva lode, U. S. Survey 1141A, on which you hold no present rights. It will be necessary for you to obtain an easement from the present owners of the Manerva claim and submit two copies of the easement to this office.

On December 17, 1956 we forwarded you Consent to Lien forms covering the Silver Falls lode, Whale lode, and the unpatented T-Boy Tunnel site. The executed copies of the Consent to Lien have not as yet been returned to this office.

When we receive the easement on the Manerva lode and the executed copies of the Consent to Lien, we will continue to process your application.

Yours very truly,

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

HMC:ytl
cc
Sec. Op. Comm. (2)
Harshman
Docket 4464
Shaw (2)
Townsend
Chron.

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

EXTRA COPY DMEA RECEIVED JAN 25 1957		
DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

January 22, 1957

Memorandum

To: E. N. Harshman
J. F. Shaw (2)

From: DMEA Field Team, Region III

Subject: Docket DMEA 4464 (lead-zinc) Minikus-Olson & Associates (Silver Falls, Whale, and T-Boy Tunnel Site Claims) Summit County, Colorado

Enclosed is a copy of a letter from the Chairman of the Operating Committee, dated January 18, 1957, together with copies of memoranda on the subject application by N. E. Nelson and O. M. Bishop.

May we have your thoughts in this matter, so that we may reply to the Chairman's letter.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

W. M. Traver
By Executive Officer

Enclosures

HMC:ytl
cc
Chairman, Operating Comm. (2)
Docket 4464
Chron.

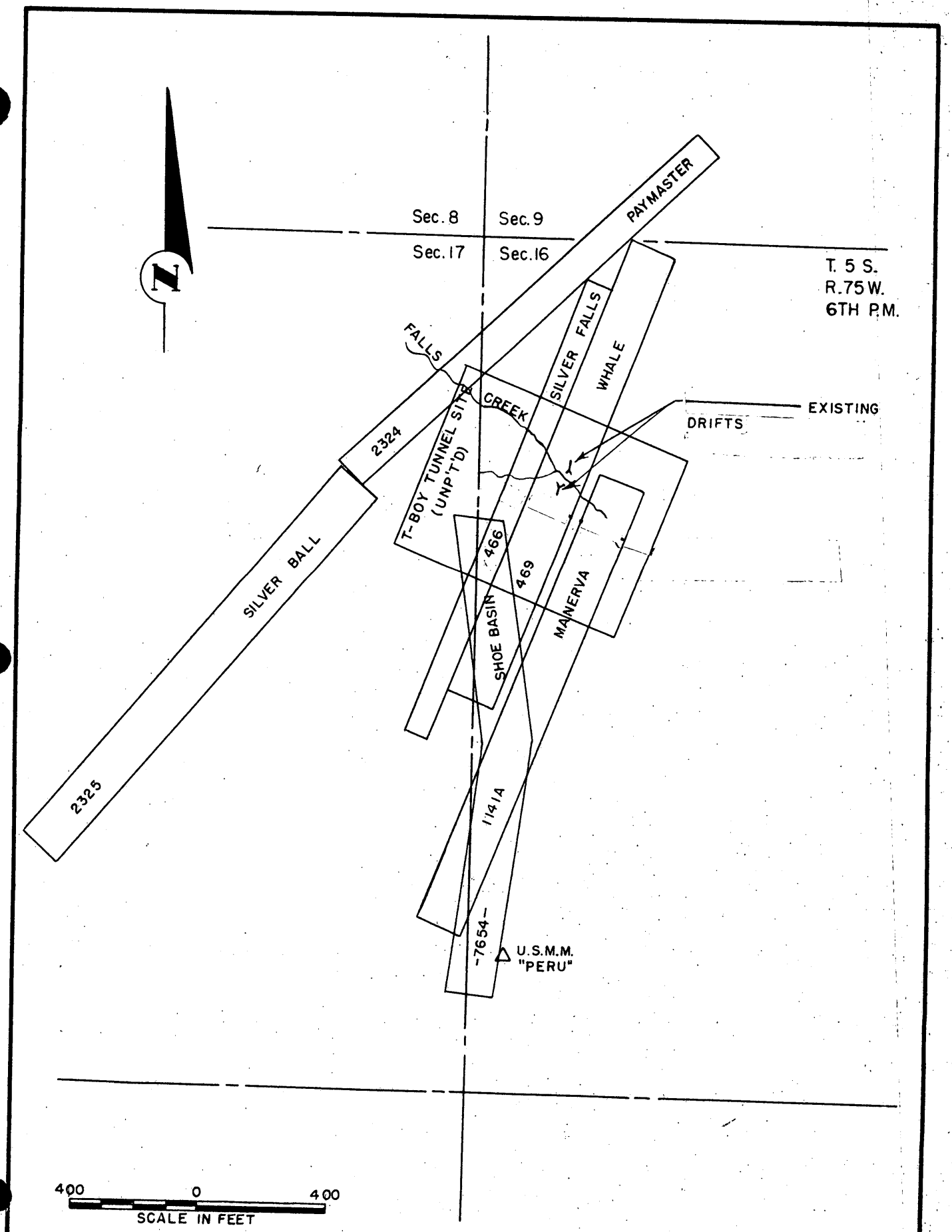
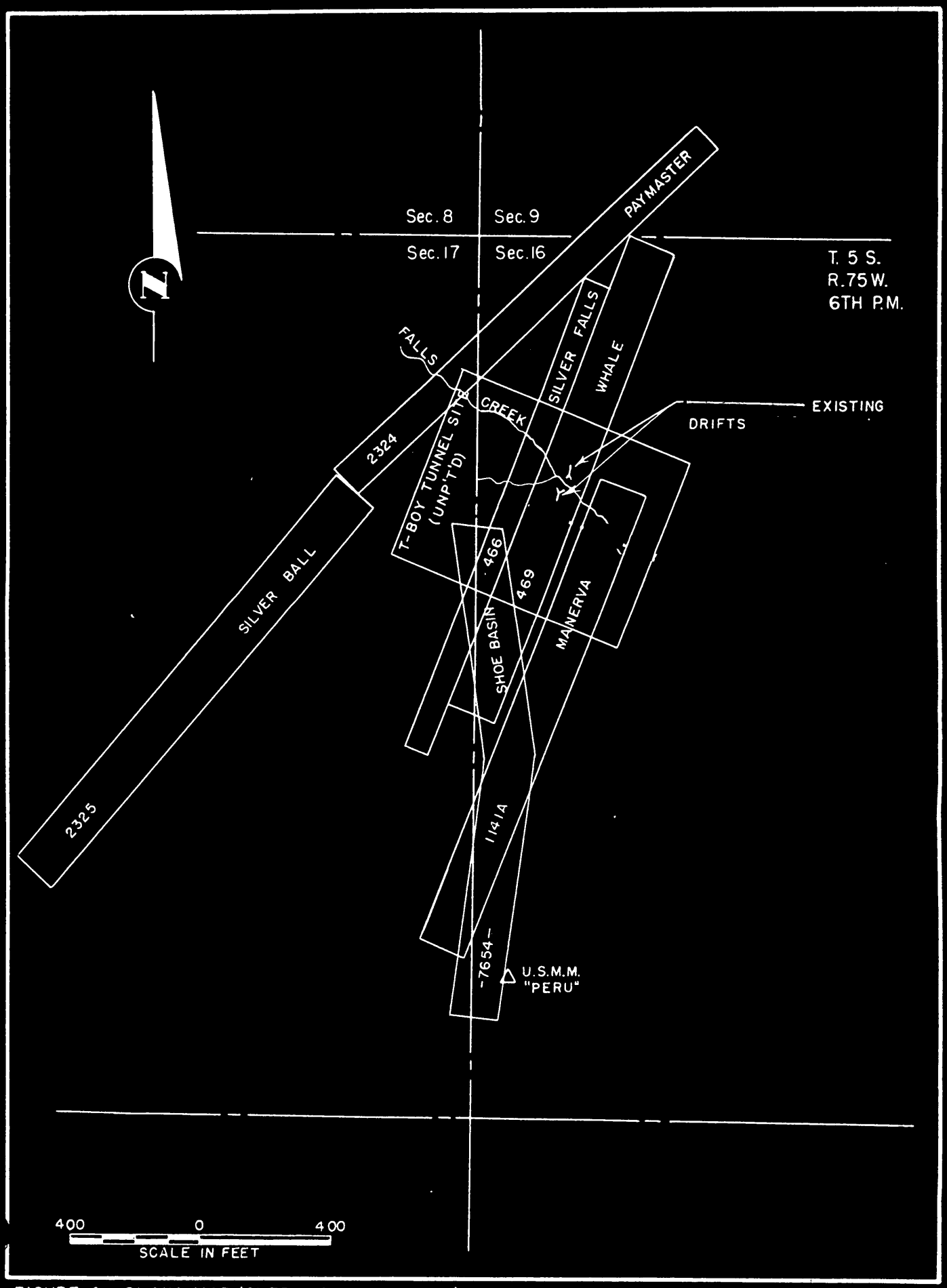


FIGURE 4 - CLAIM MAP (OVER U.S.B.L.M. PLAT) MINIKUS-OLSON AND ASSOCIATES, SILVER FALLS, WHALE, T-BOY TUNNEL SITE, SUMMIT COUNTY, COLO. DMEA 4464

RECEIVED
DEC 20 1956
D.M.E.A.



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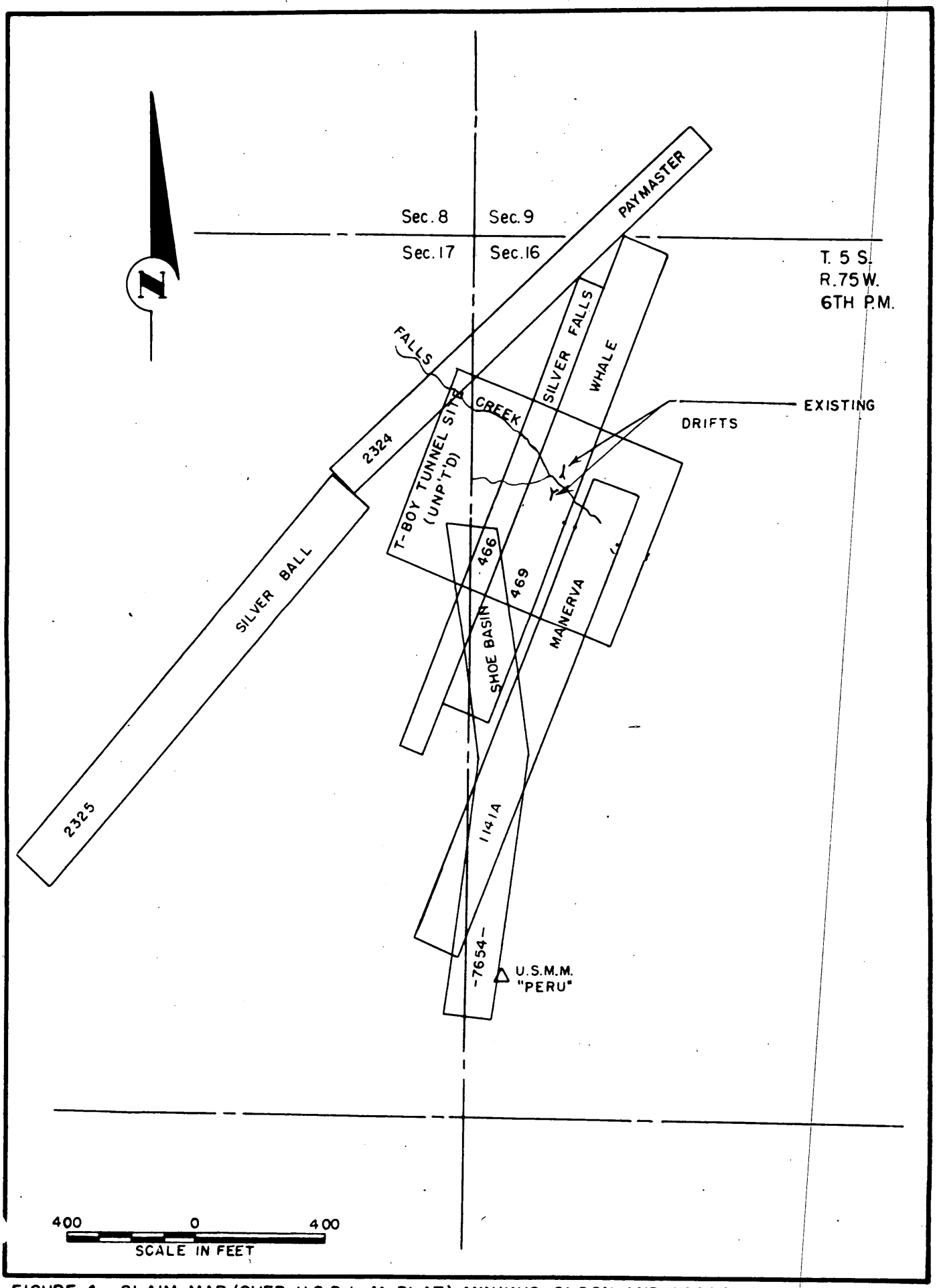

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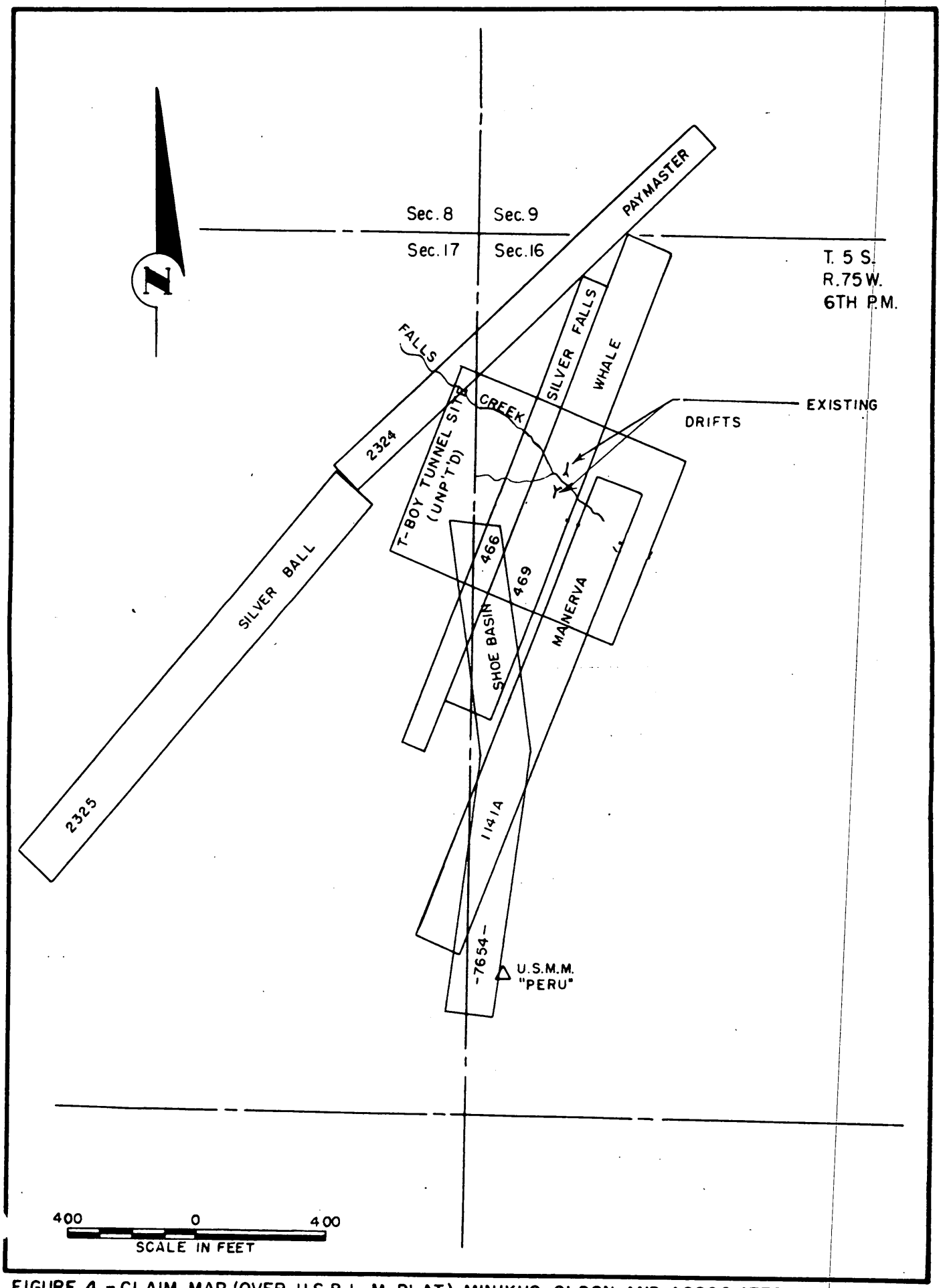

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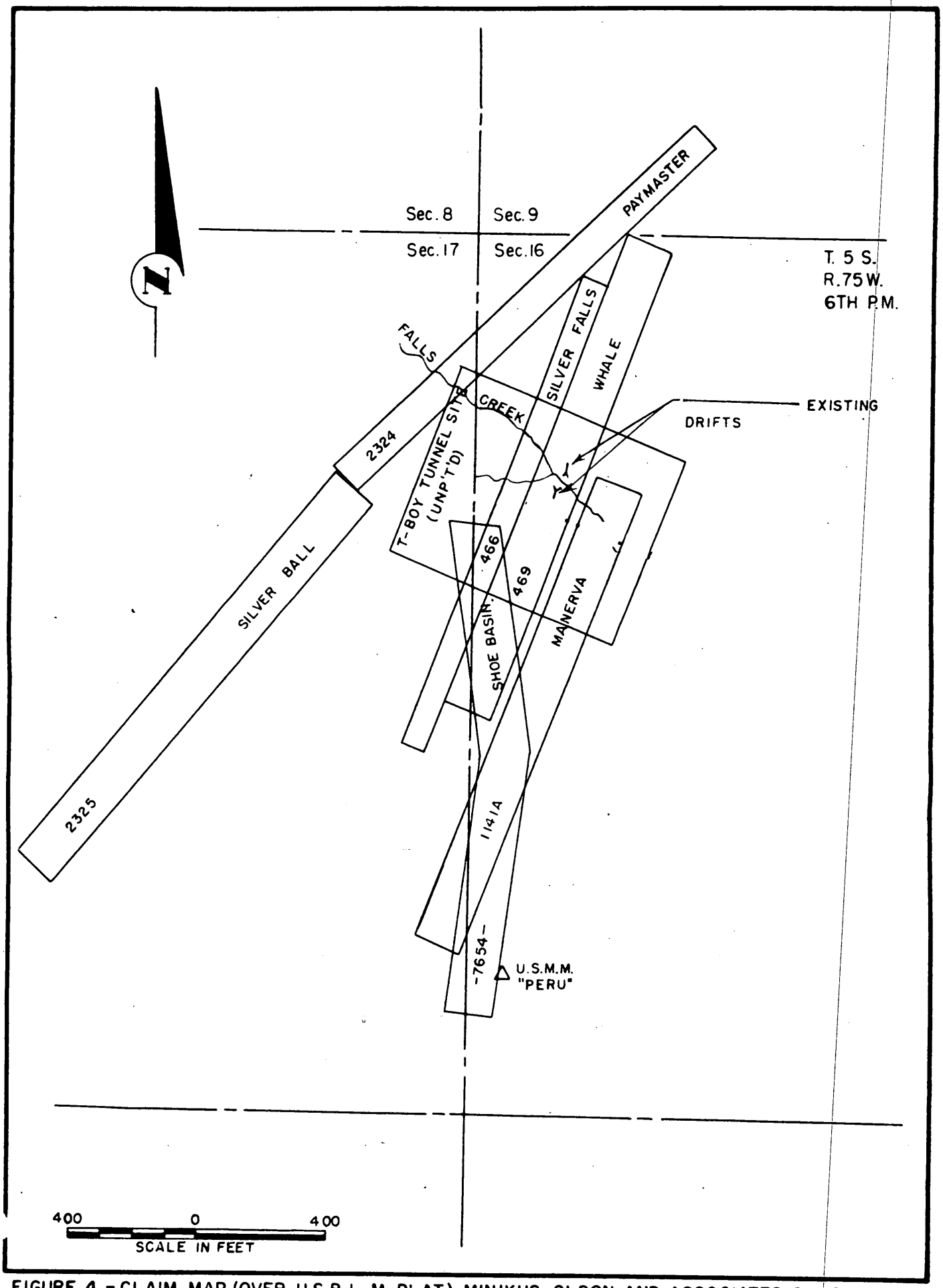

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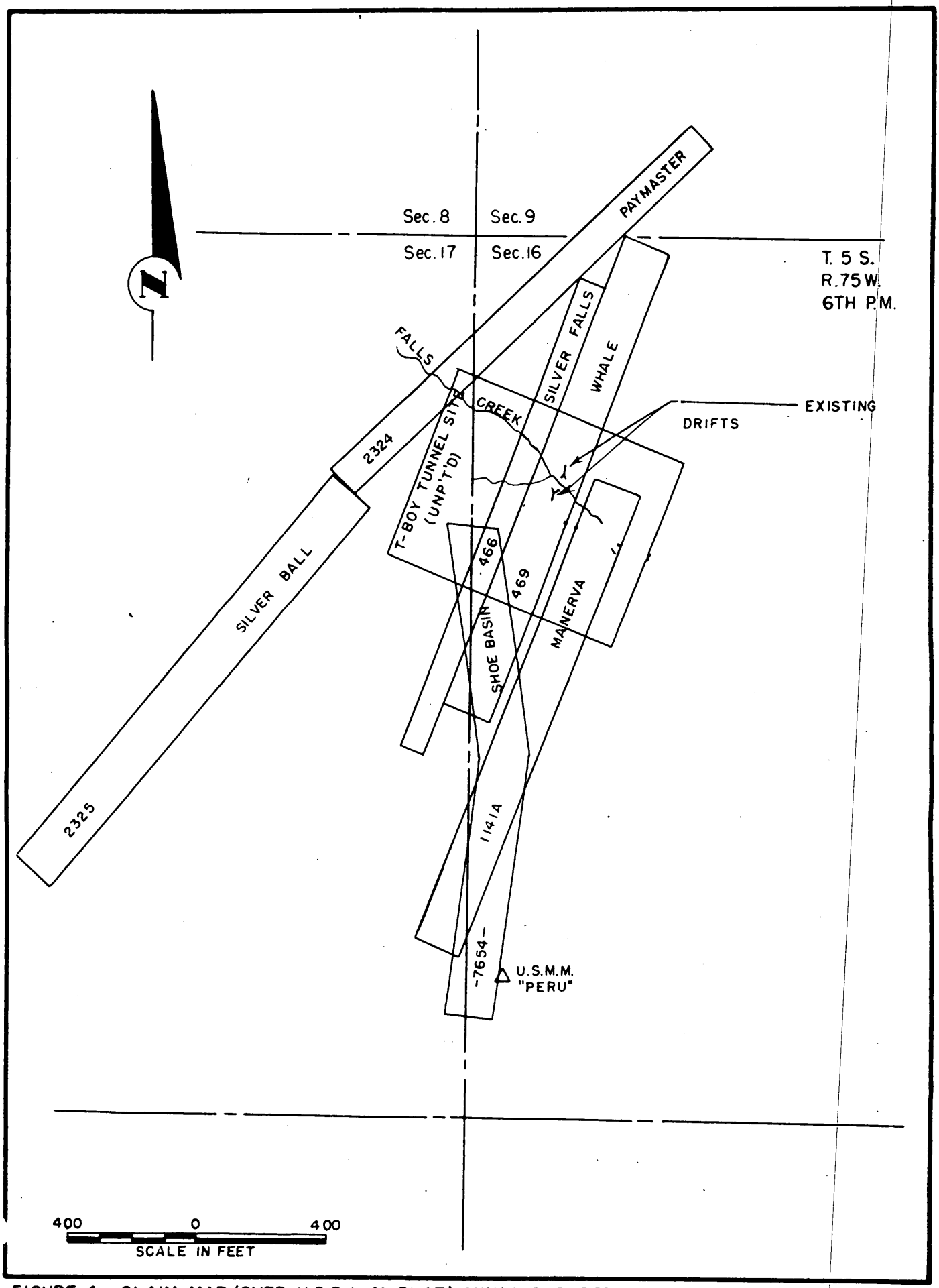

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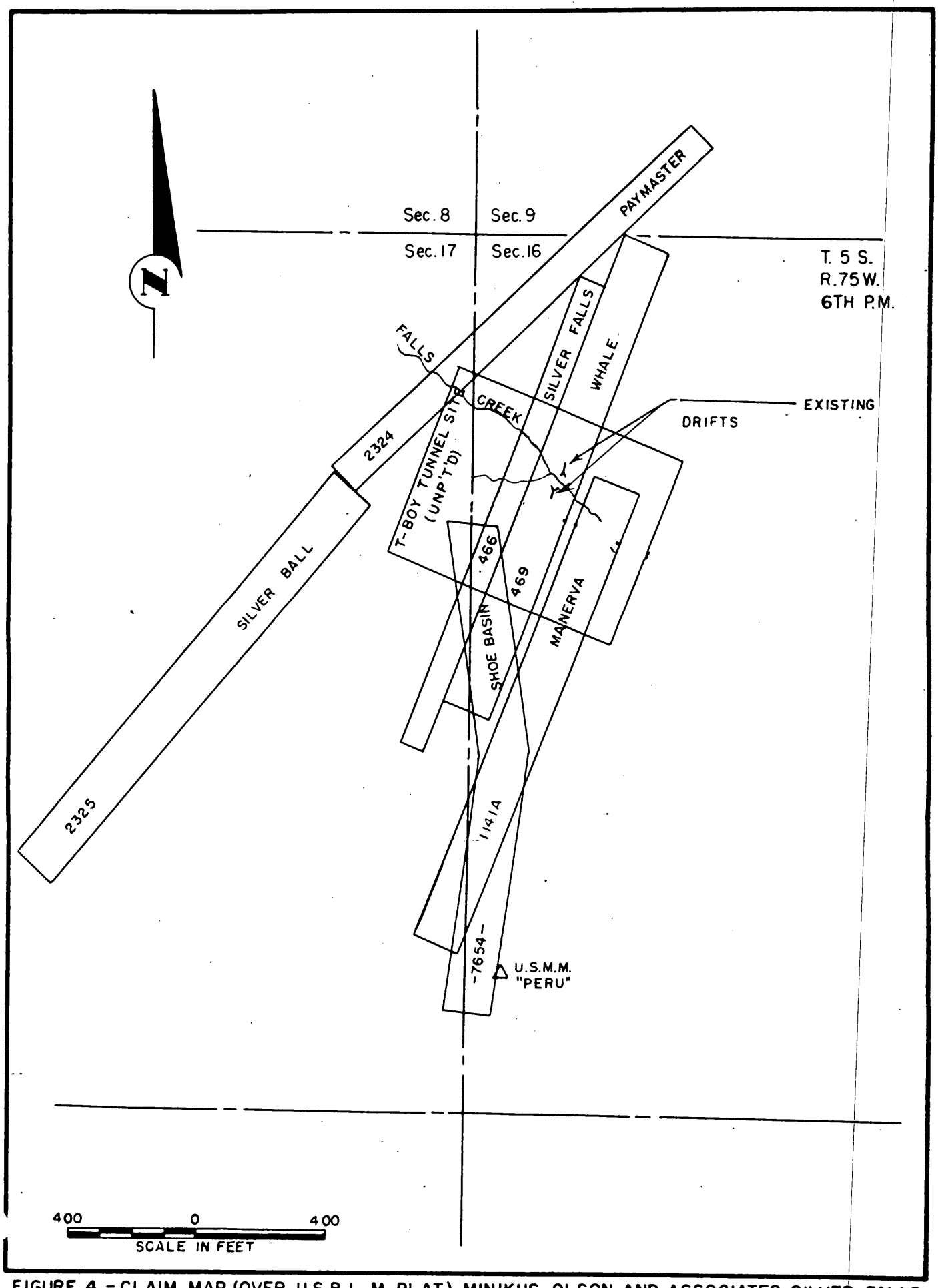

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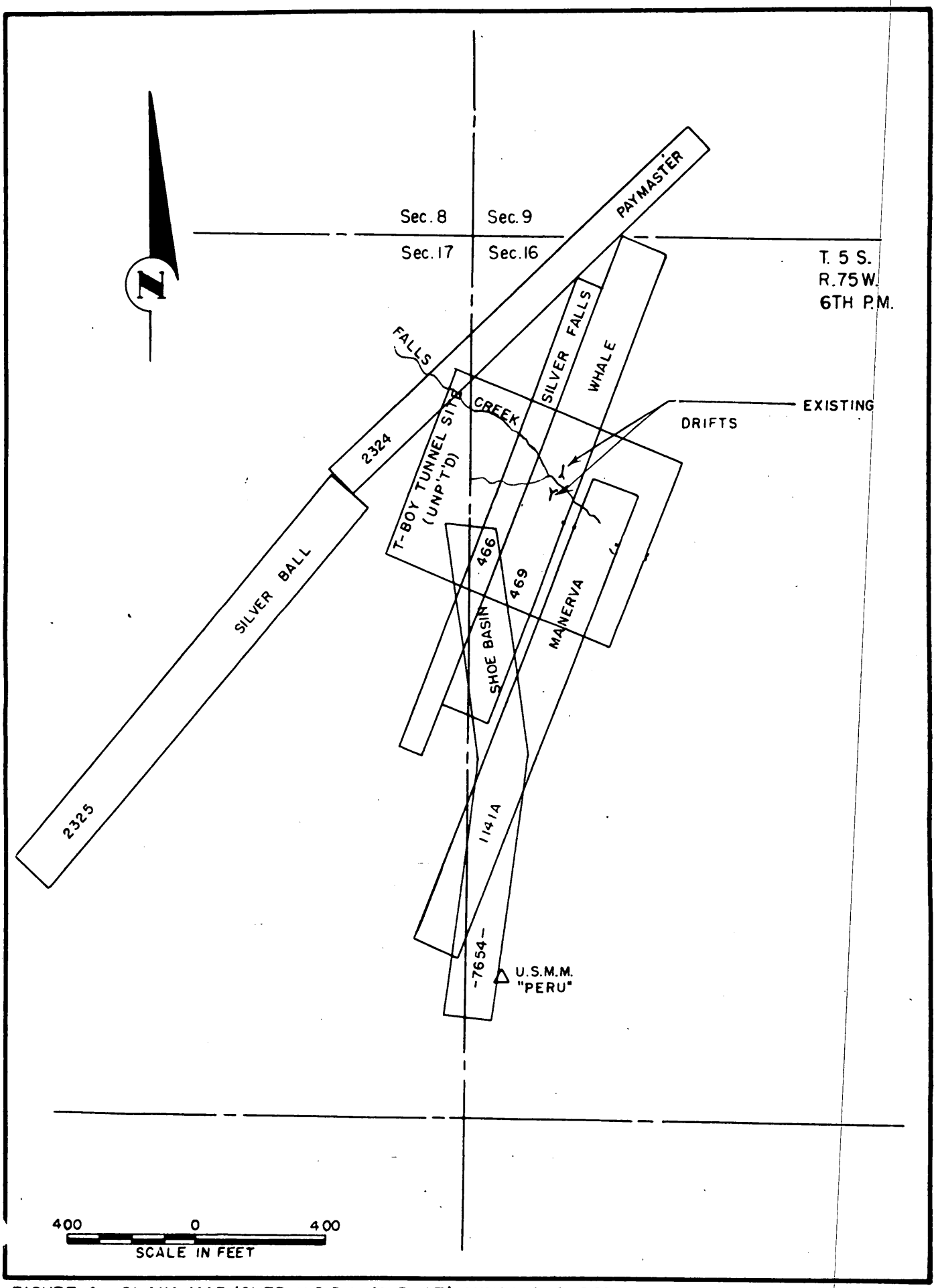

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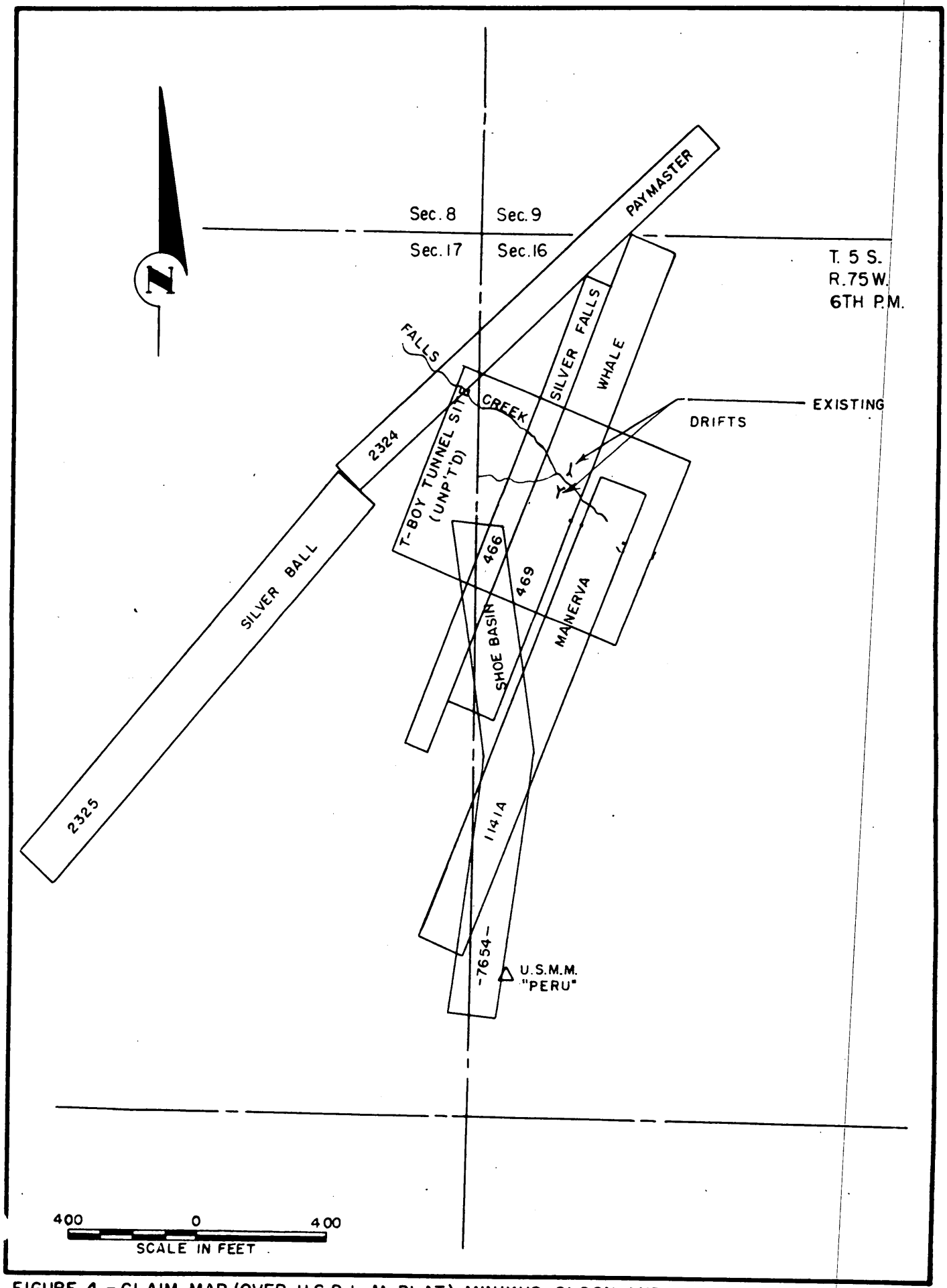

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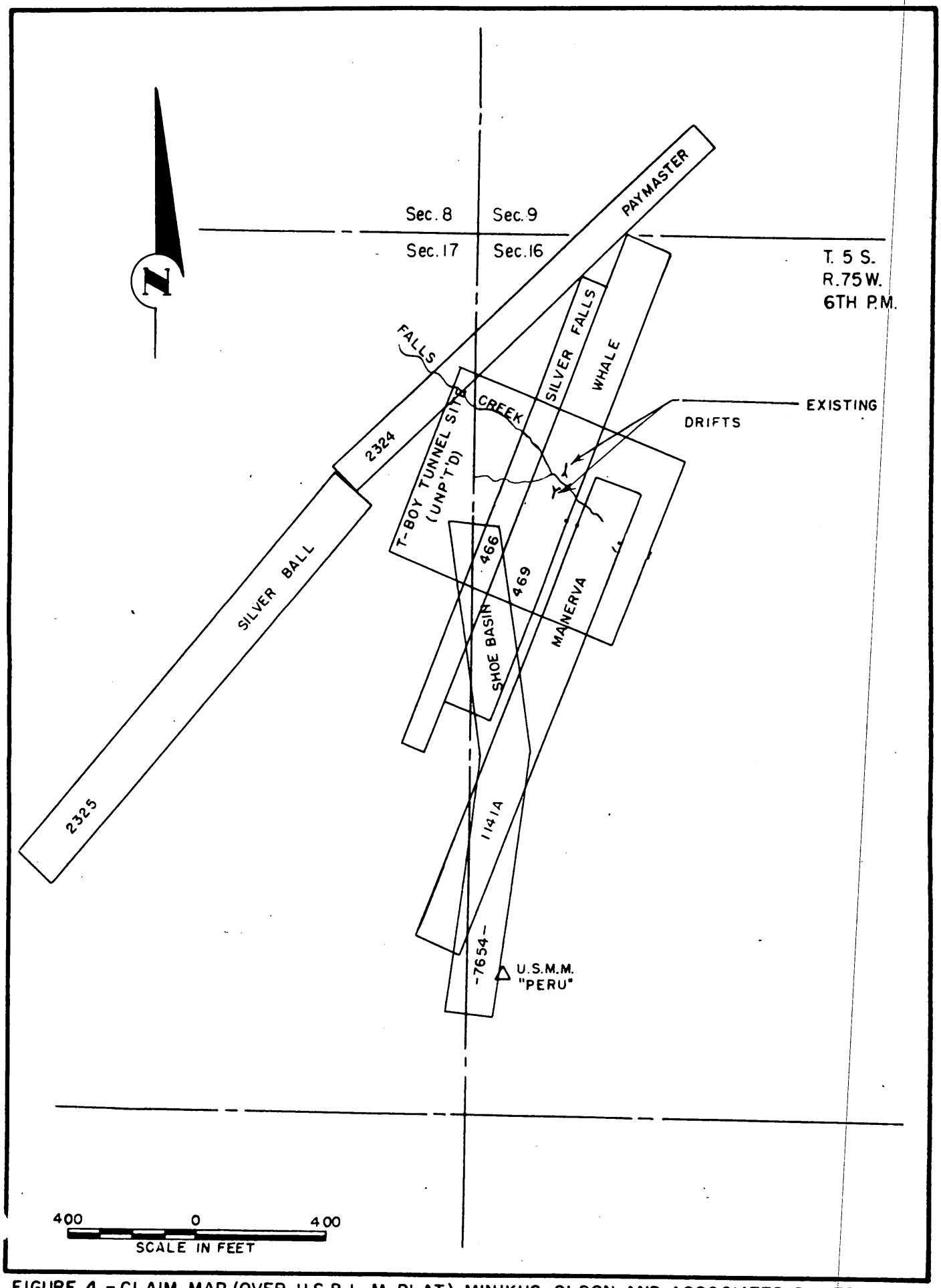

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MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Minikus-Olson & Associates
Docket No. DMEA- 4464
Contract No. Idm-E
Contract Date

RECEIVED FEB 18 1957 DMEA

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Summit, State of Colorado, described as follows: 2/Two patented lode mining claims; Silver Falls Lode - U. S. Survey No. 466 and the Whale Lode U. S. Survey No. 469. The unpatented T-Boy Tunnel Site recorded in Book 32, Page 157 at the office of the County Clerk and Recorder of Summit County in Breckenridge, Colorado.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

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5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: NONE (State "None" or "See Annex No.____")

Dated this 4th day of February, 1957.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

Alhambra Gold Mining Company By John Evans Jr.
_____ [Seal] _____ [Address]

I, R. A. Yaggy certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that John Evans, Jr. who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

R. A. Yaggy [Corporate Seal]

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

RECEIVED SEP 14 1956

224 New Customhouse
Denver 2, Colorado

September 12, 1956

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Application for DMEA aid (Lead-Zinc), Minikus, Olson and Associates, (Silver Falls and Whale claims), Summit County, Colorado

Enclosed are three copies of the subject application in the amount of $16,557.50. One copy of the application is being retained in our file.

Since this property is located at a very high altitude and has a heavy winter snowfall, the early release of this application for a field examination this fall would be greatly appreciated by the applicant.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED
SEP 14 1956

APPLICATION FOR AID IN AN DMEA EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

DEPARTMENT OF THE INTERIOR
SEP 12 1956
REGION III
DENVER, COLORADO

Not to be filled in by applicant

Project No. 4464
Metal or Mineral Lead-Zinc
Date Received 9-14-956
Estimated Cost $16,557.50
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Minikus-Olson & Associates, partnership, Colorado
Fred G. Minikus, Dillon, Colorado Contact in Denver WE5-9986
M. B. Olson, Frisco, Colorado
John Evans, Jr. c/o Evans Investment Co., 1624 Tremont Place, Denver, Colo.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
See Attached

(*b*) State any mine name by which the property is known. See Attached

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
See Attached

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Attached

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. See Attached

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. See Attached

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. See Attached

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Attached

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. See Attached

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Lead and Zinc

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. See Attached

(*c*) The work will start within ..... days and be completed within ..... months from the date of an exploration project contract. See Attached

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. See Attached

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project: See Attached

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). None

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. See Attached

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. See Attached

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. See Attached

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. None

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. See Attached

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. See Attached

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs. See Attached

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [X] Other

Explain in detail on acompanying paper. See Attached

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated September 12, 1956, 195...

MINIKUS-OLSON & ASSOCIATES
(Applicant)

By Fred G. Minikus
Fred G. Minikus

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

3. (a) Patented mining claims located in Section 16, Township 5 South, Range 75 West, including Silver Falls Lode, Patent No. 466, and Whale Lode, Patent No. 469. Unpatented tunnel site located in Section 16, Township 5 South, Range 75 West, known as T-Boy Tunnel Site, located August 25, 1956, and entered in Book 32, Page 157 at Summit County Courthouse, Breckenridge, Colorado.

(b) Silver Falls, Whale and T-Boy Tunnel Site.

(c) Partnership has lease on both patented claims and unpatented tunnel site from Alhambra Gold Mining Co., 1624 Tremont Place, Denver, Colorado.

4. (a) All workings on Silver Falls and Whale Lodes were made in the period 1866 to 1875. They consist of several prospect holes and cuts on the Silver Falls and Whale and two short drifts on the Whale. Both drifts are accessable although not completely open.

(b) There is no past production record of the Silver Falls or Whale, the ore reserves cannot be estimated at this time, the grade of the ore, as present in the numerous prospect holes and cuts, is a good grade milling ore running between 10% and 40% lead and Between 4% and 15% zinc.

(c) The property lies in what is known as the Argentine District. This district has been described as a belt of mineralized fissures about a mile wide and eight miles long. (U.S.G.S. Professional Paper No. 223.) Some of the productive mines of the area have been the Pennsylvania, Santiago, Independence, Peruvian, Baker and Stevens. The Whale and Silver Falls Lodes lie along and parellel to a ledge or bench about 200 feet in heighth from the portal of the proposed tunnel. In a cut eroded by a small stream down the face of this bench, there are numerous outcrops and exposures of galena and sphalerite in strong fissure veins. It is our belief that these fissures are either extensions of or part of the same system that made up the Shoe Basin Group which included the Peruvian and the Manerva.

(d) A short access road to the tunnel site would have to be built. This road would be over fairly flat ground and about 750 feet long. Another three-quarter mile is fairly rough dirt road but has been used for ore haulage from the Manerva Mine in the past five years. The balance of the road is all county or state maintained. The distance to the A.S. & R. lead smelter in Leadville is 56 miles. All mining supplies can be purchased in Denver, Colorado, a distance of 75 miles, and delivered by local truck line. Both partners live within 15 miles of the property and many local miners are available and live in the county. Water is abundant on the property.

(e) See (d) No. 4.

5. (a) Lead and zinc.

(b) We believe that a crosscut driven from the base of the bench crossing the Slaims at right angles would intersect at least four strong fissure veins of good milling ore at a depth of at least 200 feet. This crosscut would be located ideally as far as accessibility, dump space, ore bin space and general convenience. The portal of the proposed tunnel would be at the base of the ledge or bench and approximately 270 feet from the east sideline of the Whale Lode. The proposed tunnel should be at least 500 feet long so that it would completely cross both the Whale and Silver Falls Lodes. (See attached map).

(c) The work can begin about June 1, 1957, and will be completed within 8 months.

(d) Fred G. Minikus has had 7 years mining experience driving drift, timbering and all other phases of mining both by contract and for wages. M. B. Olson has worked at Climax Molybdenum Company for the past 7 years, contracting all types and all phases of mining. Both partners have for the past two years been developing the National Treasury Lode located in the same district and leased from the same company. This claim is now shipping ore.

6. (a) None.

(b)

Labor -- Three men at $16 per shift, 6 shifts per week, time and one half for sixth shift, $312 per week for 22 weeks --	$6864.00
Supervision -- One man at $500 per month for 5 months ----	2500.00
Total	$9364.00

(c)

Dynamite -- 100 boxes at $12.00 ----------	$1200.00
Rail -- 1000 ft. 16 lb at $100 per ton ----------	275.00
Pipe -- 500 ft. 2 inch at $.52 per foot ----------	260.00
500 ft. 1/2 inch at $.13 per foot----------	65.00
Track ties -- 200 at $.25----------	50.00
Track spikes -- 100 lb.----------	25.00
Electric primers -- 2000 at $.30 ----------	600.00
Copper lead wire -- 50 rolls at $1.00 ----------	50.00
Fuel -- 15 gallons per day, 150 days at $.17 gal. --------	382.50
Portal timber -- 2000 ft. at $65.00	170.00
Drill steel -- 25 six foot with chisel bit at $16.00	400.00
	$3477.50

(d)

Compressor -- 210 Diesel at $365 per month ----------	$1825.00
Jackhammer and feed leg ----------	700.00
Air hose -- 100 ft. at $1.00 ft.----------	100.00
Water hose -- 100 ft. at $.35 ft.----------	35.00
	$2660.00

(e) None.

(f) Combination compressor house, dry room and tool shack.

1000 ft. one inch sheeting - - - - - - - - - - - - - - - -	$85.00
250 ft. 2x4 studding----------	22.00
6 rolls roofing at $4.00 ----------	24.00
Door hardware, windows, nails, etc.	20.00
	$151.00

(g) Compensation and liability insurance computed on approximately 7% of total wages paid ---------- $655.00

(h) Contingencies ---------- $250.00

Total anticipated cost of proposed tunnel 33.11/ft. $16557.50

7. (b) The partnership is financially sound, has sufficient capital to furnish necessary equipment and initial supplies. The partnership is also prepared to furnish all labor and supervision.

The applicant would prefer the unit cost contract over the actual cost type contract.

ALHAMBRA GOLD MINING COMPANY
1624 TREMONT PLACE
DENVER 2, COLORADO

RECEIVED
SEP 14 1956

September 11, 1956

Defense Minerals Exploration Administration
United States Department of the Interior
New Custom House
Denver 2, Colorado

Gentlemen:

In connection with application being made by Minikus-Olson & Associates for D.M.E.A. loan for work on the Silver Falls Lode (U. S. Survey #466) and the Whale Lode (U.S. Survey #469) located in Peru Mining District, Summit County, Colorado, which claims are owned by this Company, we hereby agree to a lien upon said properties not to exceed 5% of gross production therefrom (as defined in D.M.E.A. regulations) for a period of 10 years from the date of your contract with Minikus-Olson & Associates or until the U. S. Government's contribution is repaid whichever shall occur first.

ALHAMBRA GOLD MINING COMPANY

By John Evans Jr.
President

JEJr/jm

RECEIVED
SEP 14 1956

ALHAMBRA GOLD MINING COMPANY

1624 TREMONT PLACE

DENVER 2, COLORADO

August 27, 1956

Minikus-Olson & Associates
Dillon, Colorado

Gentlemen:

This letter will serve to modify that certain lease dated June 21, 1954, by and between Alhambra Gold Mining Company, as Lessor, and Fred G. Minikus, as Lessee, said lease having previously been modified on November 30, 1955, to extend its term to June 21, 1960, and said lease having been assigned by Fred G. Minikus on May 25, 1956, to Minikus-Olson & Associates.

The above referred to lease is hereby modified only in so far as to include the following described mining properties situated in Summit County, Colorado, as part of the demised premises:

Silver Falls Lode - U. S. Survey #466
Whale Lode - U. S. Survey #469
Unpatented T-Boy Tunnel Site
Unpatented Alhambra Mill Site

Yours very truly,

ALHAMBRA GOLD MINING COMPANY

By John Evans Jr.
President

Approved and accepted this 27th Day of August, 1956.

MINIKUS-OLSON & ASSOCIATES

By Fred G. Minikus
Fred G. Minikus

JEJr/jm

ASSIGNMENT OF LEASE

I hereby assign that certain lease dated June 21, 1954 by and between ALHAMBRA GOLD MINING COMPANY and FRED G. MINIKUS covering National Treasury Lode, U. S. Survey 465, the term of which lease was extended by letter dated November 30, 1955 for an additional term to June 21, 1960, to MINIKUS-OLSON & ASSOCIATES.

Fred G. Minikus

Fred G. Minikus

CONSENT TO ASSIGNMENT

Consent to assignment by FRED G. MINIKUS to MINIKUS-OLSON & ASSOCIATES of that certain lease dated June 21, 1954 and subsequently extended on November 30, 1955 is hereby granted.

ALHAMBRA GOLD MINING COMPANY

By John Evans Jr.
President

May 25, 1956

ALHAMBRA GOLD MINING COMPANY
1624 Tremont Place
Denver 2, Colorado

November 30, 1955

Mr. Fred G. Minikus
Dillon, Colorado

Dear Mr. Minikus:

In accordance with our verbal understanding, this letter will serve to modify that certain lease dated June 21, 1954, by and between Alhambra Gold Mining Company, as Lessor, and Fred G. Minikus, as Lessee, only insofar as the term of said lease is concerned.

The term of the above referred to lease is hereby extended from and beyond June 21, 1957, for an additional term of three years, or until June 21, 1960, all other provisions and conditions remaining unchanged. It is understood that on or before the first day of July in each of the years 1958, 1959 and 1960, the Lessee will furnish the Lessor with a statement of all ores mined from the demised premises during the preceding lease year as is provided in the lease.

Please indicate your approval and acceptance of this letter by signing in the space provided below and return a copy so signed to us for our files.

Yours very truly,

ALHAMBRA GOLD MINING COMPANY

By _____
President

Approved and accepted this 7th day of December, 1955.

By _____
Fred G. Minikus

JEJr/jm

MINING LEASE

This Agreement of Lease made this 21st day of June, 1954, by and between Alhambra Gold Mining Company, a Colorado corporation, of 1624 Tremont Place, Denver, 2, Colorado, hereinafter called the Lessor and Fred G. Minikus of Dillon, Colorado, hereinafter called the Lessee:

WITNESSETH: That the said Lessor, for and in consideration of the rents, royalties, covenants and agreements hereinafter reserved to be paid, kept and performed by the Lessee, has granted, demised and let and by these presents does grant demise and let, unto the Lessee, the following described mining property situate in the Peru Mining District, Summit County, Colorado, to-wit:

National Treasury Lode - U.S. Survey #465,
including the dump or dumps located thereon.

See extension Ltr 11/30/55

To Have and to Hold the same of the purpose of mining for a term of three years beginning the ~~first~~ 21st day of June, 1954, and ending the 21st day of June, 1957, unless sooner forfeited or terminated through the violation of any covenants and conditions herein contained or unless this lease shall be sooner terminated as hereinafter provided, and

For and in Consideration of said demise, the Lessee does hereby covenant and agree to and with the Lessor, as follows, to-wit:

(1) To enter upon said mines and premises and work the same in good minelike fashion, performing at least ninety (90) shifts of mining labor per lease year in a manner necessary to good and economical mining so as to take out the greatest amount of ore possible therefrom with due regard to the preservation of the premises as a workable mine;

(2) To keep all tunnels, drifts, shafts, raises and mine workings of a permanent nature in the demised premises which it may use in its mining operations clear of all loose rock and rubbish, in good order and safe condition, except when prevented from so doing by extraordinary mining casualty;

(3) To timber said workings whenever necessary in accordance with good mining practice and to make all working levels six feet high by three and one-half feet wide in the clear, and all drifts, winzes and ore raises at least six feet by three feet in the clear, and in no event to do any stopping within a distance of twenty-five feet of any working shaft on the demised premises;

(4) Not to deposit any waste rock in the underground workings in the demised premises; to keep all machinery and equipment in, on or about said premises in good order and repair and in safe condition;

(5) To keep all ore mined by it carefully segregated at all times from all other ores mined by it from premises other than those herein demised and not to mix different grades of ore under any pretext whatsoever, and in general to do and perform all acts to be done by it in carrying out its mining operations in accordance with good mining practice;

(6) To allow the Lessor its duly authorized representatives and agents access to the demised premises at all reasonable times for the purpose of inspecting and taking such samples as they may desire; to furnish to the Lessor upon request full and accurate information concerning the condition of the mine workings in the demised premises and concerning the character and/or quality of ore bodies therein; to keep accurate maps of all underground workings and upon request of the Lessor to furnish it with copies thereof; and to permit the Lessor, its agents or representatives to inspect all assay certificates and drill cores which relate to ores upon the demised premises or coming from borings made by or for the Lessee therein;

(7) Not to assign this Lease or sublet the demised premises or any portion thereof without the written consent of the Lessor first had and obtained;

(8) To post and at all times to keep posted in a conspicuous place, at the shaft or tunnel entrances, or at the main opening used by the Lessee in mining the demised premises, such written notice or notices as may be necessary adequately to notify all persons who may come to or upon the demised premises that the said premises are held by the Lessee under lease from the Lessor and that the Lessor will not be liable for any labor performed and/or supplies and materials furnished and used by the Lessee in or upon the demised premises, and further, that the Lessor will not be responsible for any indebtedness incurred in the mining operations conducted by the Lessee in and upon said premises. The Lessee further expressly covenants to hold the Lessor harmless against all claims and demands of any kind whatsoever which may be made upon it or against the demised premises for and on account of any indebtedness or liability incurred, work or labor performed, or act done or omitted to be done by the Lessee, his agents, employees, representatives or assigns; and further covenants to assume all liability for and to save harmless the Lessor from any claims, demands and/or causes of action and all costs and expenses, including attorney's fees, from or on account of any injury incurred by any person in underground workings or upon the surface of the demised premises during the life of this lease or arising by virtue of the mining operations thereon and therein, whether such person be an employee or member of the public. The Lessee further expressly covenants to comply fully and at all times with the laws of the State of Colorado with reference to carrying the required amount of Workmen's Compensation Insurance, and to pay promptly all premiums therefor and file premium payment receipts with Lessor.

(9) To pay to the Lessor ten percent royalty on all ore or other product sold or shipped under this lease, shipping charges and/or milling and smelter charges first having been paid.

All shipments of ore shall be made in the joint names of Lessor and Lessee and all ore and other products of value shall be sold, sampled and settled for jointly by Lessor or its agent and the Lessee or its agent and shall be sold to the person or corporation who will pay the highest price therefor.

The buyer of the ore or other product mined from the demised premises shall be instructed and required to send to the Lessor a duplicate settlement sheet for each shipment together with a check for the royalty

due, if any, from said shipment as hereinabove provided. Until further notice settlement sheets and checks for royalties shall be sent to:

Alhambra Gold Mining Company
1624 Tremont Place
Denver, 2, Colorado

Nothing herein contained shall be construed to relieve the Lessee in any manner of its duty to pay the said reserved royalty and the Lessee shall at all times be and remain liable. The Lessee further covenants upon demand of the Lessor, to furnish to the Lessor duplicate copies of any and all settlement sheets covering ore mined from the demised premises, in the event that the buyer of such ore shall have failed to send to the Lessor the duplicate copy of the settlement sheet, as above provided, and the Lessee covenants that on or before the 1st day of July in the years 1955, 1956 and 1957 to furnish to the Lessor at its address in Denver, Colorado, a full statement of all ores mined from the demised premises during the preceding year, together with the names of all purchasers thereof.

(10) Upon the surrender of this lease as provided in paragraph (11) or upon the expiration of this lease, by lapse of time or otherwise, to deliver and surrender to the Lessor the lease premises, together with all improvements and appurtenances, but not including tools and machinery placed thereon by the Lessee, in good order and condition with all drifts, shafts, tunnels and other passages thoroughly clear of loose rock and rubbish and the mine ready for immediate and continued working (accidents not arising from negligence alone excused) without demand or further notice. The Lessor upon any such termination shall have the right immediately to enter into exclusive possession of the demised premises with or without force and with or without process of law and to dispossess the Lessee and all persons holding by, under or through it. And it is expressly provided that all ore broken from and remaining in and upon the demised premises, upon any such termination, shall belong solely to the Lessor and the Lessee shall have no further right or interest therein.

(11) The Lessee may surrender this lease upon sixty (60) days' prior written notice to the Lessor, and upon such surrender all rights, liabilities and obligations of the Lessor and Lessee not already accrued upon the said date of surrender shall terminate. All payments theretofore received by the Lessor shall be considered as having been earned by Lessor and Lessor shall not be under obligation to refund the same or any part thereof to Lessee.

General Covenants and Agreements

(1) Lessor agrees to pay all general taxes levied and assessed against the real estate hereby leased to the Lessee so long as the demised premises are not taxes upon a production basis. When and if general taxes are levied and assessed against the demised premises upon an output or production basis, Lessee agrees that it will promptly pay and discharge the same proportion of all such taxes as its share of the returns from operation bears to the total returns from such operation as shown by the smelter returns. Lessee agrees during the entire term of this lease to ~~xxxx~~ pay

all taxes which may be levied or assessed against any and all machinery or improvements placed or erected by it upon the demised premises.

(2) In the event the Lessee shall:

(a) Fail to pay or cause to be paid any and all royalty payments as and when the same become due, and this default shall continue for a period of 15 days; or

(b) Fail to work the demised premises with 90 shifts of mining labor in any one lease year; or

(c) Fail to comply with any statutory requirements whether now or hereinafter enacted, in connection with said mining operations, promptly when compliance is due; or

(d) Use this lease as a basis for any promotion or public stock selling venture; or

(e) Fail for a period of 30 days after notice in writing from the Lessor to do and perform any other covenant of this lease;

Then and in any such event the Lessor may, at its option, forthwith terminate this lease, and may repossess the demised premises in the Lessor's first and former estate as above provided in paragraph (10), but such repossession by the Lessor shall not relieve the Lessee from performing any and all obligations accrued against Lessee up to the date of repossession.

(3) The Lessor shall not be deemed to have waived performance of any of the covenants of the Lessee herein until such waiver shall be evidenced by a written instrument executed by the lessor or its duly authorized representative, and the waiver by the Lessor of any covenant or breach of covenant by the Lessee, shall not constitute a waiver of performance by the Lessee of his covenants herein in any other respect or as a waiver of future performance by the Lessee of the covenant or covenants as to which any such waiver shall be made.

(4) All notices to be served hereunder upon the Lessee may be served by registered mail addressed to the Lessee at Dillon, Colorado.

(5) Time and faithful performance by the Lessee of its covenats herein are and shall be the essence of this agreement.

(6) In the event of fire, the Lessee shall proceed diligently to replace, repair or restore any buildings or mine workings so damaged or destroyed.

(7) The Lessee may cut timber on the demised premises for purposes of constructing improvements and for mine timbers provided such improvements and mine timbers are used on the demised premises. All cutting of timber shall be done in accordance with good forestry practice and no stripping shall be permitted.

(8) This lease shall insure to the benefit of and be binding upon

the successors and assigns of the Lessor and the heirs, executors or administrators of the Lessee.

In witness whereof, the said Lessor and Lessee have hereunto caused their respective names and seals to be affixed hereto the day and year first above written.

ALHAMBRA GOLD MINING COMPANY

ATTEST:

By John Evans Jr.

Lessor

Fred G. Minikus

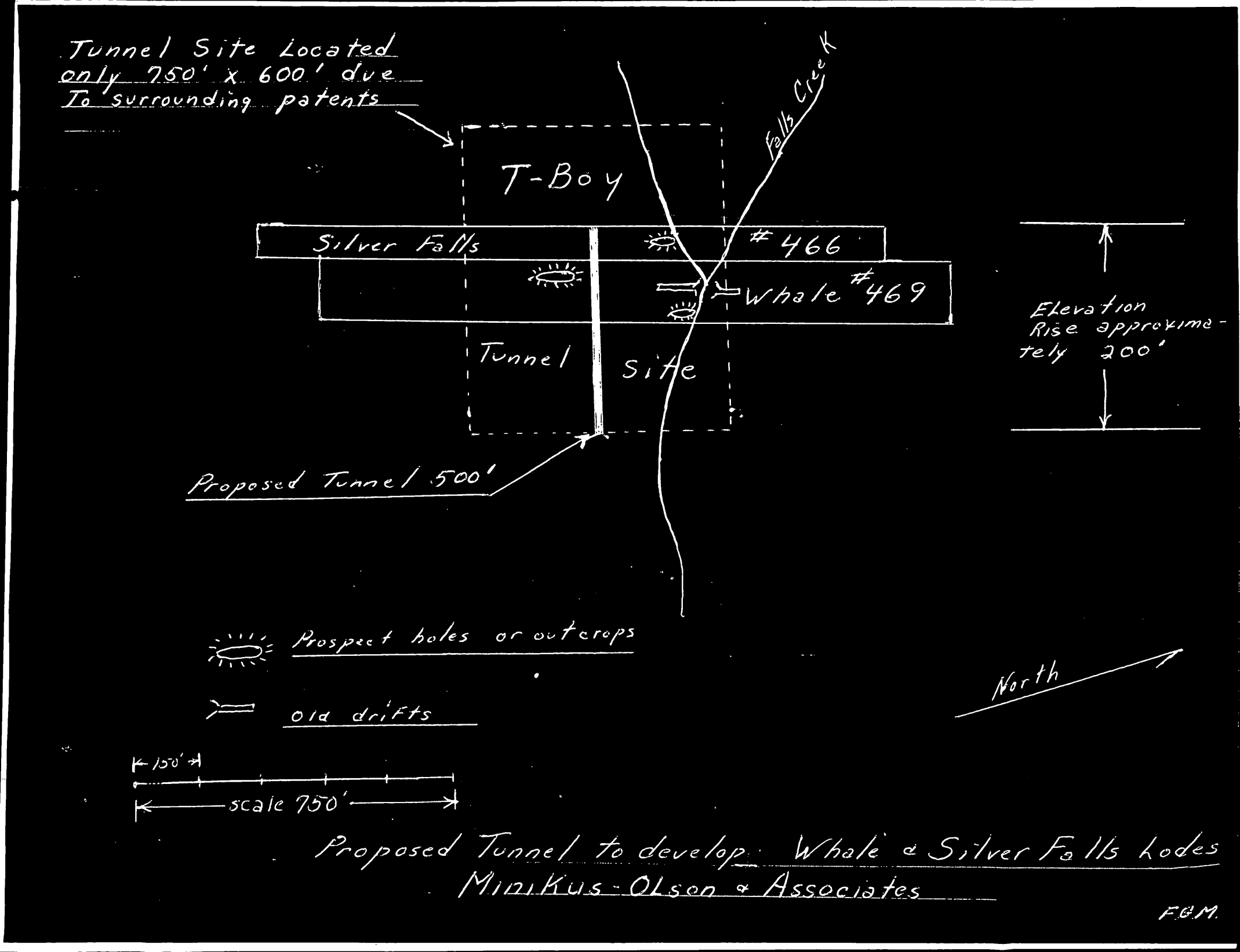
Fred G. Minikus
Lessee

State of Colorado)
County of Denver) ss

This lease was acknowledged before me this 21st day of June, 1954, by Fred G. Minikus personally known to me.

My commission expires My Commission expires March 20, 1957

Frieda S. Gilmour
Notary Public


Tunnel Site Located only 750' x 600' due To surrounding patents
T-Boy
Falls Creek
Silver Falls
#466
Whale #469
Tunnel Site
Elevation Rise approximately 200'
Proposed Tunnel 500'
Prospect holes or outcrops
old drifts
North
150'
scale 750'
Proposed Tunnel to develop: Whale & Silver Falls Lodes
Minikus-Olson & Associates
F.G.M.

RECEIVED
SEP 14 1956

PHOTO - COPY
BY PICK
FOR EXTRA COPIES, CALL KE. 287
SEP 12 1956
PICK PHOTOGRAPH & BLUEPRINT CO.
1015 - 17th ST. DENVER, COLO.
CERTIFIED ON REQUEST

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/17	Klugescheid	500
	Simmel	500
4/18	Selfridge	120
"	Johnson	110
"	Mittendorf	100
4/18	C	225

225

APR 18 1957

Mr. Fred G. Minikus
Minikus-Olson & Associates
Dillon, Colorado

Re: Docket No. DMEA-4464 (Lead-Zinc)
Minikus-Olson & Associates
Silver Falls, Whale and
T-Boy Tunnel Site Claims
Summit County, Colorado

Dear Mr. Minikus:

Your letter of February 28, 1957, requesting withdrawal of the cited application until you can further examine and study your property, has been received.

We are considering your application as having been withdrawn and are placing it in our inactive files.

If, after further study and consideration, you desire to reopen this case, you may do so by filing a new application, referring to the subject application by the DMEA docket number, and furnishing any other information that you think might be helpful.

Sincerely yours,

C. O. Mittendorf

Administrator

WPKlugescheid/er 4/17/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Nielsgaard, USGS
Region III (2)
Chron.

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/17	Klugescheid	500

April 17, 1957

Memorandum

To: Chief, Operations Control & Statistics Division

From: Chief, Base Metals Division

Subject: Withdrawal of Docket No. DMEA-4464, Minikus-Olson & Associates, Silver Falls, Whale and T-Boy Tunnel Site Claims, Summit County, Colorado (Lead-Zinc).

Please be advised that application DMEA-4464, Minikus-Olson & Associates, should be withdrawn to conform with the request of the Applicant, dated February 28, 1957.

W. R. Griswold

W. R. Griswold

WPKlugescheid/er

Copy to: Docket
Chron.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

March 4, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minikus-Olson and Associates (Silver Falls, Whale and T-Boy Tunnel Site claims) Summit County, Colorado

Enclosed is a copy of a letter dated February 28, 1957, from the applicant wherein the request is made for the withdrawal of the subject application.

DMEA Field Team, Region III

E. N. Harshman

By E. N. Harshman
Acting Executive Officer

Enclosure

3-6 C 220
~~3-6 WPK~~ 500

DMEA
DEPARTMENT OF THE INTERIOR
MAR 1 1957
REGION III
DENVER, COLORADO

MINIKUS - OLSON & ASSOCIATES
1624 Tremont Place
Denver 2, Colorado

February 28, 1957

Bureau of Mines
224 New Customhouse
Denver 2, Colorado

Attention: Mr. Traver

Gentlemen:

With reference to application by Minikus - Olson & Associ. for D. M. E. A. Loan for developement work on Silver Falls and Whale Claims in Peru Mining District, Summit County, Colorado we wish to withdraw said application at this time.

It is our feeling that, due to the change in procedure suggested by Mr. Redman and Mr. Richter, we should make further examination and study of the properties before committing to proceed with the work. We will plan to do this as soon as snow permits, probably in June.

Yours very truly,

MINIKUS - OLSON & ASSOCIATES

By John Evans Jr.
John Evans, Jr.

JEJr/ejf

PHOTOCY TO:
HARSHMAN
SHAW
SECOPECOMM (2)

DOCKET. 4464

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

224 New Customhouse
Denver 2, Colorado

February 14, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 18 1957

DATE	INITIALS	CODE
2-18	C	220
2-18	WPK	500

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket 4464 (Lead-Zinc) Minikus-Olson and Associates (Silver Falls, Whale and T-Boy Tunnel Site claims) Summit County, Colorado

Enclosed are the original and five copies of the executed Consent To Lien and Subordination Agreement for the subject docket.

Mr. Fred G. Minikus informs us that the easement needed to complete the application has been requested from the owners of the Manerva Lode Claim. The instrument will be forwarded to you upon receipt by this office.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

Chairman Operating Committee DMEA

OFFICIAL FILE COPY
D.M.E.A.
RECEIVED FEB 14 1957

DATE	INITIALS	CODE
2-14	C	220
2-14	WPK	500

DN 235 BUR MINES 2-13-57 9-49

CHAIRMAN OPE

CHAIRMAN OPERATING COMMITTEE, DMEA

REURTT FEBRURY 12 DOCKET DMEA 4464, MINIKUS OLSON AND ASSOCIATES. TUGGER HOIST TO BE USED FOR MOVING MATERIALS FROM PROPOSED ACCESS ROAD BY SURFACE TRAM CONSTRUCTED UP FALLS CREEK TO TERMINUS NEAR SOUTH ADIT. IT WILL SERVICE NOTH ADIT ALSO. A HAND WINDLESS FOR SAME PURPOSE WOULD BE CHEAPER BUT LESS EFFI IENTXX EFFICIENT. RENTAL FOR TUGGER HOIST OF 90.00 DOLLARS PER MONTH QUOTED BY WESTENXX WESTERN MACHINERY COMPANY. AIR RENTALS, SUBSIDIARY OF GARDNER-DENVER COMPANY, QUOTE 82 DOLLARS PER MONTH. SUGGEST YOU USE LOWER FIGURE.

W M TRAVER

Denver, Colo.

FEB 13 12 42 PM '57
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 13 1957

DATE	INITIALS	CODE
2/13	C	220
2/13	WPK	500

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

February 12, 1957

Re: DMEA 4464; Lead-Zinc
Minikus-Olson & Associates
Silver Falls, et al claims
Summit County, Colorado

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, Branch of Base Metals

Subject: Supplement of January 31, 1957 to field team report of examination, received February 7, 1957.

Since receipt of the DMEA operating committee letter of January 18, 1957, the field team (apparently with cognizance of the applicant) has determined that the 50 feet of raising planned for Stage II should be replaced with 100 feet of additional drifting in each adit.

This change would indicate a somewhat greater total expenditure and will prove or disprove a greater strike length of the vein on the level.

I recommend the revision be incorporated in the contract when it is prepared.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
Files

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 12 1957

DATE	INITIALS	CODE
2/13	C	220
2/13	WPK	500

February 11, 1957

Re: DMEA 4464
Minikus-Olson and Associates
Silver Falls, etc. Claims
Summit County, Colorado

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of supplemental report of examiners dated January 30, 1957

With the examiners and the Field Team I accept and recommend the changes, proposed by the Operating Committee, in the cost of hose, assaying, and the substitution of 200 feet of drifting for 50 feet of raising and for drifting.

N. E. Nelson

N. E. Nelson

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Klugescheid	500
	Himmel	500
2/12	Selfridge	120
"	Johnson	110
"	Chatterton	100
2/13	C	225

FEB 12 1957

WPKlugescheid/er Rm 4442, Ext. 2690
500

TELETYPE

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

DMEA - Base Metals Division

14X4401(01) Revolving Fund, Defense Production Act, Interior (allocated Working Fund to Office of Secy.)

Date:

To: Mr. W. M. Traver, Executive Officer, DMEA Field Team, Region III, Denver, Colorado

Re Docket DMEA-4464, Minikus-Olson & Associates. To what use is tugger hoist to be put and why is rental so high?

George C. Selfridge

Chairman, Operating Committee (2/6)

WPKlugescheid/er 2/12/57
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

R.C.
8623

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

224 New Customhouse
Denver 2, Colorado

January 31, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 4 1957

DATE	INITIALS	CODE
2/4	C	220
		1303
2-11	C	220
2-12	[illegible]	500

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Supplement to the Joint Report of Examination, Docket DMEA 4464 (Lead-Zinc), Minikus-Olson and Associates (Silver Falls, Whale and T-Boy Tunnel Site Claims), Summit County, Colorado

In response to your letter of January 18, 1957, we enclose four (4) copies of a memorandum dated January 28, 1957 from the field examiners of the subject property with nine extra copies of Figure 3, the map attached thereto. The extra maps are enclosed for use in preparing the contract.

To facilitate contract preparation, we recommend that the mentioned memorandum be considered as a supplement to and made part of the Joint Report of Examination.

DMEA Field Team,

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
2-8-57
(date)

DMEA
DEPARTMENT OF THE INTERIOR
JAN 30 1957
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado

REGION III

January 28, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: John T. Shaw
E. H. Harshman

From: D. K. Redman
D. H. Richter

Subject: Docket DMEA 4464 (lead-zinc) Minikus-Olson and Associates (Silver Falls, Whale, and T-Bar Tunnel Site claims) Summit County, Colorado. Changes in recommended program and costs.

A recommendation by the operating committee to replace 50 feet of Stage II raising with an additional 100 feet of drifting in each adit is a favorable change and is acceptable to the examiners. The change is shown on the accompanying map (Fig. 3 of Examination Report) and twelve additional copies are enclosed for contract preparation.

It is concluded that prices quoted by Gates Rubber Company, by telephone, were on a base not satisfactory for the required service. Current prices for 50-foot lengths, in lots less than 250 feet, with threaded-type fittings, are as follows:

Quality			
14BB, 1", $1.237 per foot, plus $4.96			$66.81
1/2", $ .75 per foot, plus $ .82			$38.32
14B, 1", $ .805 per foot, plus $4.96		130	$45.21
1/2", $ .50 per foot, plus $ .82		220	$25.82
19B 1", $ .694 per foot, plus $4.96			$39.66
1/2", $ .43 per foot, plus $ .82			$22.32
35B 1" not recommended			
1/2" $ .32 per foot plus $ .82			$16.82

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 4 1957
DATE | INITIALS | CODE

It is believed that quality 14B would be satisfactory for the proposed work.

Reviewed by
DMEA OPERATING COMMITTEE
2-8-57
(Date)

Assaying costs were based on charges by the Colorado Assaying Company, as follows:

Gold and Silver	$2.00
Silver	1.50
Lead (wet)	1.50
Zinc	1.50

In estimating total charges from the above schedule, it was thought that the nominal charge of 50 cents for the gold determination was reasonable. However, since the estimate was made, it has been discovered that two other assaying laboratories in Denver charge only $1.00 each for silver, lead, and zinc determinations. Their price schedules are being obtained for future use.

In a telephone conversation with Mr. Minikus, it was determined that the proposed building would be 10 feet by 14 feet by 8 feet with shed roof and partly floored.

D. E. Redmon
D. E. Redmon
U. S. Bureau of Mines

D. H. Richter
D. H. Richter
U. S. Geological Survey

Enclosures
DER:jg

cc: 9
DMRA 4464
Marshman
Ohren.

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 28 1957

DATE	INITIALS	CODE
1-28	C	220
		500

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

224 New Customhouse
Denver 2, Colorado

January 25, 1957

Mr. Fred G. Minikus
3965 West Arizona Avenue
Denver 19, Colorado

Re: Docket DMEA 4464 (lead-zinc)
Minikus-Olson & Associates
(Silver Falls, Whale, & T-Boy
Tunnel Site Claims) Summit
County, Colorado.

Dear Mr. Minikus:

Enclosed are the original and seven copies of Consent to Lien and Subordination Agreement forms to replace the ones we forwarded you with our letter of December 17, 1956, copy of which is attached.

When we receive the easement on the Manerva lode and the executed copies of the Consent to Lien, we will continue to process your application.

Yours very truly,

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

HMC:ytl
cc
Sec. Op. Comm. (2)
Harshman
Shaw (2)
Docket 4464
Chron.

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 25 1957

DATE	INITIALS	CODE
1-25	C	220
1-25	WPK	500

224 New Customhouse
Denver 2, Colorado

January 22, 1957

Docket

Mr. Fred G. Minikus
Minikus-Olson & Associates
Dillon, Colorado

Re: Docket DMEA 4464 (lead-zinc)
Minikus-Olson & Associates
(Silver Falls, Whale, and
T-Boy Tunnel Site Claims)
Summit County, Colorado

Dear Mr. Minikus:

The contemplated road to your proposed exploration project crosses the Manerva lode, U. S. Survey 1141A, on which you hold no present rights. It will be necessary for you to obtain an easement from the present owners of the Manerva claim and submit two copies of the easement to this office.

On December 17, 1956 we forwarded you Consent to Lien forms covering the Silver Falls lode, Whale lode, and the unpatented T-Boy Tunnel site. The executed copies of the Consent to Lien have not as yet been returned to this office.

When we receive the easement on the Manerva lode and the executed copies of the Consent to Lien, we will continue to process your application.

Yours very truly,

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

HMC:ytl
cc
Sec. Op. Comm. (2)
Harshman
Docket 4464
Shaw (2)
Townsend
Chron.

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 25 1957

DATE	INITIALS	CODE
1-25	C	220
		500

224 New Customhouse
Denver 2, Colorado

January 22, 1957

Memorandum

To: E. N. Harshman
J. F. Shaw (2)

From: DMEA Field Team, Region III

Subject: Docket DMEA 4464 (lead-zinc) Minikus-Olson & Associates (Silver Falls, Whale, and T-Boy Tunnel Site Claims) Summit County, Colorado

Enclosed is a copy of a letter from the Chairman of the Operating Committee, dated January 18, 1957, together with copies of memoranda on the subject application by N. E. Nelson and G. M. Bishop.

May we have your thoughts in this matter, so that we may reply to the Chairman's letter.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

HMC:ytl
gc
Chairman, Operating Comm. (2)
Docket 4464
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

500

Date	Surname	Code
	Klugescheid	500
	Irwinel	500
1/18	Selfridge	130
1/18	Fleman	110
1-22	Wightman	100
		220
		500

JAN 18 1957

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. DMEA-446 (Lead-Zinc)
Minikus-Olson & Associates
Silver Falls, Whale and T-Boy
Tunnel Site Claims
Summit County, Colorado

Dear Mr. Traver:

We have reviewed the report of the examiners of the cited project and agree that their alternate method is infinitely better than the original plan of the Applicant. We feel, however, that Stage II is of very little value and that drifting only 100 feet in each of the adits might be rather inconclusive. Our idea would be to drift 200 feet in each of the adits. It would hardly be necessary to divide the contract into two stages as an article in each of the contract forms gives the authority to stop a project at any time if it should transpire that further work is not warranted.

The total cost of the proposed larger contract still would be less than the amount that was originally requested.

We consulted the legal division and they have informed us that an easement would be imperative, if the contemplated road should cross a claim to which the Applicant holds no present rights.

The costs, as revised by the examiners, seem to be reasonable in all but two items. The cost of the hoses would appear to be a bit low, as our best information gives 1 inch air hose at about $1.00 per foot, and ½ inch water hose at $0.75 per foot, including fittings. We are assuming, of course, that this equipment is new. Second hand hose is a very doubtful investment.

We assume that the samples would be assayed for lead, zinc, and silver. Assay offices, both in Denver and Salt Lake City, quote assays for these three metals at $3.00 per sample.

R.C.L.

8623

Copies of memoranda dated December 31, 1956, and January 7, 1957, by N. E. Nelson, Geological Survey, and O. M. Bishop, Bureau of Mines, respectively, relating to the Field Team report of the project, are enclosed for your information.

We would appreciate your reactions to our suggestions so that we may prepare a contract at the earliest possible date.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

O. M. Bishop

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

P. S. Kindly furnish us with the dimensions of the building proposed.

WPKlugescheid/er 1/17/56

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

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

OFFICIAL FILE COPY
D M E A
RECEIVED JAN 7 1957

DATE	INITIALS	CODE
1/8	WPK	500

January 7, 1957

Re: DMEA 4464; Lead-Zinc;
$16,557.50
Minikus-Olsen and Associates
Silver Falls, et al claims
Summit County, Colorado

Memorandum

To: ~~W. R. Griswold, DMEA~~

From: O. M. Bishop, Branch of Base Metals

Subject: Review of Field Team report dated December 17, 1956, received December 28, 1956.

The applicant proposed an access road and a 500-foot adit crosscut to explore downward projections of veins which are exposed on the outcrop by erosion and old workings. Such work is estimated to cost $16,557.50.

The field examiners note that the veins are in a fracture zone in pre-Cambrian quartz-biotite schist and gneiss, that commercial mineralization is discontinuous over much of the strike length, that the small ore shoots found have been "minable", but that the proposed adit does not appear justified because 400 feet of it would be in ground expected to be barren, and there is a possibility that the veins or mineralization may not extend downward or if they do extend to that depth that the crosscut will strike a barren zone.

The examiners proposed an alternate program which the applicant has indicated would be acceptable that provides for 200 feet of adit-drifts on known vein exposures with provisions for 50 feet of raising on approved ore showings. Although the vein showings are not commercial at the outcrop, the examiners conclude that this program costing about $9,623. would adequately explore the principal structure in an area on strike and midway between the moderately productive Manerva and Paymaster Mines.

I concur with the views and recommendations of the field examiners and Field Team and recommend that a contract be prepared on the basis of that recommendation.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Lamb
Files
Mr. Kiilsgaard
Mr. Bishop

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 3 1957
DATE | INITIALS | CODE
WPK. | 500

IN REPLY REFER TO:

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

December 31, 1956
Re: DMEA 4464
Minikus-Olson and Associates
Silver Falls, etc. claims
Summit County, Colorado
Applicant's Estimate $16,557.50
Recommended Estimate $ 9,623.00
Lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Report

The applicants requested assistance in exploring a system of veins, exposed in old time pits and by natural 'ground sluicing'.

The examiners recommend a 2-stage alternate work program consisting of:-

Stage I	
Road work and site preparation	$ 300.00
Surface and underground preparation	520.00
Drifting 200 feet	7,250.00
Analyses	200.00
Total Stage I	$8,270.00
Stage II	
Drifting and/or raising	1,253.00
Analyses	100.00
Total Stages I & II	$9,623.00

The production history of the Paymaster and Manerva mines, as reported, and the sampling and observations of the examiners lend little support to the recommendation of the examiners and Field Team. The work recommended appears to be more in keeping with the apparent potential of the vein or veins than the work proposed by the application. Perhaps the potential of the vein is greater than the engineering data indicate it to be.

I concur with the recommendation of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

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

224 New Customhouse
Denver 2, Colorado

December 17, 1956

RECEIVED DEC 20 1956 D.M.E.A.

Mr. Fred G. Minikus
Minikus-Olson & Associates
Dillon, Colorado

Re: Docket DMEA 4464 (lead-zinc)
Minikus-Olson & Associates
(Silver Falls, Whale, & T-Boy
Tunnel Site Claims) Summit
County, Colorado

Dear Mr. Minikus:

Enclosed are the original and seven copies of Consent to Lien forms covering the Silver Falls lode, Whale lode, and the unpatented T-Boy Tunnel site.

Please obtain the signature of an authorized official of the Alhambra Gold Mining Company on the original and five copies of the Consent to Lien. Another official of the company, preferably the Secretary, should complete the certification on each copy and affix the corporate seal. Two extra copies of the Consent to Lien are also attached in the event that you and the lessor might wish to retain a copy for your files.

Upon receipt of the properly executed original and five copies of the Consent to Lien, we will continue to process your application.

Yours very truly,

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
HMC:ytl
cc
Sec. Op. Comm. (2)
Harshman
Docket 4464

Shaw (2)
Townsend
Chron.

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

RECEIVED
DEC 20 1956
D.M.E.A.

ON-SITE Report

224 New Customhouse
Denver 2, Colorado

December 17, 1956

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Joint Report of Examination Docket DMEA 4464 (lead-zinc) Minikus-Olson and Associates (Silver Falls, Whale, and T-Boy Tunnel site claims) Summit County, Colorado

Enclosed are the original and three copies of a joint engineering and geologic report of examination on the subject docket.

The examiners concluded that a modest program of exploration is warranted, and believe a program of drifting, rather than crosscutting, to be more appropriate. They recommend a two-stage program consisting of 200 feet of drifting in Stage I and 50 feet of raising or drifting in Stage II. The estimated total cost of the recommended program is $9,623.00, Government participation $4,811.50.

It is noted that the proposed access road will cross the Manerva Lode, U. S. Survey 1141A. Legal advice may be required as to the necessity of obtaining an easement or permission to trespass on the surface of the Manerva claim.

Consent to Lien forms have been forwarded the Applicant for the required signatures.

Nine extra copies of Figure 3 are attached for possible use in the contract.

DMEA Field Team, Region III

By W. M. Traver
W. M. Traver
Executive Officer

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
12-26-56
(date)

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
DEC 14 1956
REGION III
DENVER, COLORADO

TRANSMITTED
DEC 17 1956

RECEIVED
DEC 20 1956
D.M.E.A.

December 13, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw
E. N. Harshman

Subject: DMEA Docket 4464 (Lead-zinc), Minikus, Olson and Associates, (Silver Falls, Whale, and T-Boy tunnel site claims), Summit County, Colorado

Enclosed are the original and eight copies of a joint report by D. H. Richter, U. S. Geological Survey, and D. E. Redmon, U. S. Bureau of Mines, covering their examination of the subject property.

The applicants propose to explore for lead-zinc ore by driving a 500-foot crosscut at an estimated total cost of $16,557.50.

The examiners conclude that a modest program of exploration is warranted but believe a program of drifting, rather than crosscutting, to be most appropriate. They recommend a two-stage program consisting of 200 feet of drifting in Stage I and 50 feet of raising or drifting in Stage II. The estimated total cost of the revised program is $9,623.

The revised program has been discussed with the applicants and is apparently satisfactory to them.

We concur with the conclusions and recommendations of the examining team.

John F. Shaw
John F. Shaw
Supervising Mining Engineer

E. N. Harshman
E. N. Harshman
Member, Field Team

Reviewed by
DMEA OPERATING COMMITTEE
12-26-56
(date)

Enclosures (9)
ENHarshman:mp

FOR UNITED STATES GOVERNMENT USE ONLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

TRANSMITTED

DEC 17 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 4464
MINIKUS-OLSON and ASSOCIATES

Silver Falls, Whale, T-Boy Tunnel
Site Claims

Summit County, Colorado

RECEIVED
DEC 20 1956
D.M.E.A.

Lead-Zinc

Joint Engineering and Geologic Report

By

D. H. Richter, Geologist
Geological Survey

D. E. Redmon, Mining Engineer
Bureau of Mines

December 1956

Reviewed by
DMEA OPERATING COMMITTEE
12-26-56
(date)

DMEA 4464
MINIKUS-OLSON AND ASSOCIATES
Silver Falls, Whale, T-Boy Tunnel Site Claims
Summit County, Colorado

CONTENTS

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Ownership, History, Production....4

Equipment and Facilities....5

Geology and Mineral Deposits....5

Applicants' Proposal and Cost Estimate....8

Alternate Exploration Proposal....10

Cost Estimate, Alternate Exploration Program....11

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ILLUSTRATIONS

Figure

1. General area map, Minikus-Olson and Associates, Silver Falls, Whale, T-Boy Tunnel Site, Alhambra Mill Site, Summit County, Colorado. DMEA-4464

2. Area map, Minikus-Olson and Associates, Silver Falls, Whale, T-Boy Tunnel Site, Alhambra Mill Site, Summit County, Colorado. DMEA-4464

3. Geologic map of a part of the Silver Falls and Whale Claims, Summit County, Colorado.

4. Claim Map (over USBLM Plat) Minikus-Olson and Associates, Silver Falls, Whale, T-Boy Tunnel Site. Summit County, Colorado. DMEA-4464.

MINIKUS-OLSON and ASSOCIATES
Whale, Silver Falls, T-Boy Tunnel Sites
Summit County, Colorado

By

D. E. Redmon and D. H. Richter

SUMMARY AND CONCLUSIONS

Minikus-Olson and Associates applied to DMEA for Government assistance in a lead-zinc exploration project on their leased mining claims in Summit County, Colorado. The Applicant proposes to drive a 500-foot tunnel to crosscut the Whale and Silver Falls claims, at a total cost of $16,557.50. Government participation at 50 percent would be $8,278.75. The property was inspected October 10, 1956, by a Region III DMEA examining team. The veins are in fracture zones in the Precambrian Idaho Springs formation. Ore occurs in the veins as discontinuous pods and lenses of massive galena with minor amounts of sphalerite and chalcopyrite. The veins range in width from 1 to 3 feet and masses of galena 6 inches wide are not uncommon.

The proposed tunnel does not seem justified because at least 400 feet of it would be in what is probably barren ground. Furthermore, the proposed tunnel may be in an area where the vein or veins, as seen on the surface, are not present. (~~Fig. 3~~). Exploration by diamond drilling is undesirable for the same reason, and also because of the high cost of drilling in this area.

The examiners propose an alternate two-stage exploration program. Stage I consists of access road construction, plant site and surface preparation, and 200 feet of drifts on the principal vein. Each of two existing adits are to be advanced 100 feet.

Stage II consists of not more than 50 feet of raising and/or drifting, on Government approval, if needed to further explore ore showings exposed in Stage I drifting. The 50 feet may be used in one or more raises or drifts.

The cost of this program is estimated to be $9,623.00, the Government to participate to the extent of 50 percent or $4,811.50.

The examining team concludes that significant deposits of lead and zinc may be discovered by the proposed exploration and they recommend that a short form contract be approved for this alternate proposal.

INTRODUCTION

Minikus-Olson and Associates applied to DMEA for Government assistance to explore for lead and zinc on patented and unpatented mineral claims in Summit County, Colorado. These claims are leased from Alhambra Gold Mining Company of Denver, Colorado. The application, dated September 12, 1956, was for aid in carrying out a single-stage program consisting of driving a 500 foot adit to crosscut the Whale Lode and Silver Falls Lode claims. The tunnel would intersect, 200 feet below the surface, possible downward extensions of veins exposed at the surface. The total cost of the exploration was estimated to be $16,557.50. Government participation at 50 percent would be $8,278.75.

An examination was made October 10, 1956, by D. H. Richter, USGS, and D. E. Redmon, USBM, accompanied by M. B. Olson, a partner in the enterprise.

The property consists of the patented Whale Lode and Silver Falls Lode claims, and the unpatented T-Boy Tunnel Site. The estimated cost of the project, as submitted by the Applicant, did not include necessary access-road construction and surface preparation. These items are included in the alternate exploration program cost estimate.

ACKNOWLEDGEMENTS

The assistance rendered by personnel of the Bureau of Land Management in furnishing photostats of the mineral district plots is hereby acknowledged.

PROPERTY, LOCATION, PHYSICAL FEATURES

The Minikus-Olson and Associates' property consists of the leased Silver Falls Lode, (U. S. Survey #466), Whale Lode, (U. S. Survey #469) and T-Boy Tunnel Site (unpatented). The claims are in Summit County, Colorado, in sec. 16 and 17, T. 5S., R 75 W., 6th P.M. (Fig. 1.).

The property is reached by traveling east from Dillon, Colorado, on paved U. S. Highway No. 6 for 7 miles, then turning right on the gravel-surfaced Montezuma Road, for 4.5 miles, then turning left on the Peru Creek road, and following this all-weather country road for 5.0 miles to its end. The claims will then be ½ mile to the northwest (Figure 2).

The topography of the area is rough and the slopes are steep; altitudes range from 11,500 to 12,500 feet.

The climate is moderate for much of the year, and heavy snowfalls hinder, and often stop, mining activity from November until May. Falls Creek, a permanent stream, flows across the property and can supply abundant water for mining purposes. There is no timber suitable for mining. Labor and living accomodations are avilable in nearby towns. Mining supplies and equipment can be obtained in Denver, Colorado, 75 miles away. No public utilities are available at the claims.

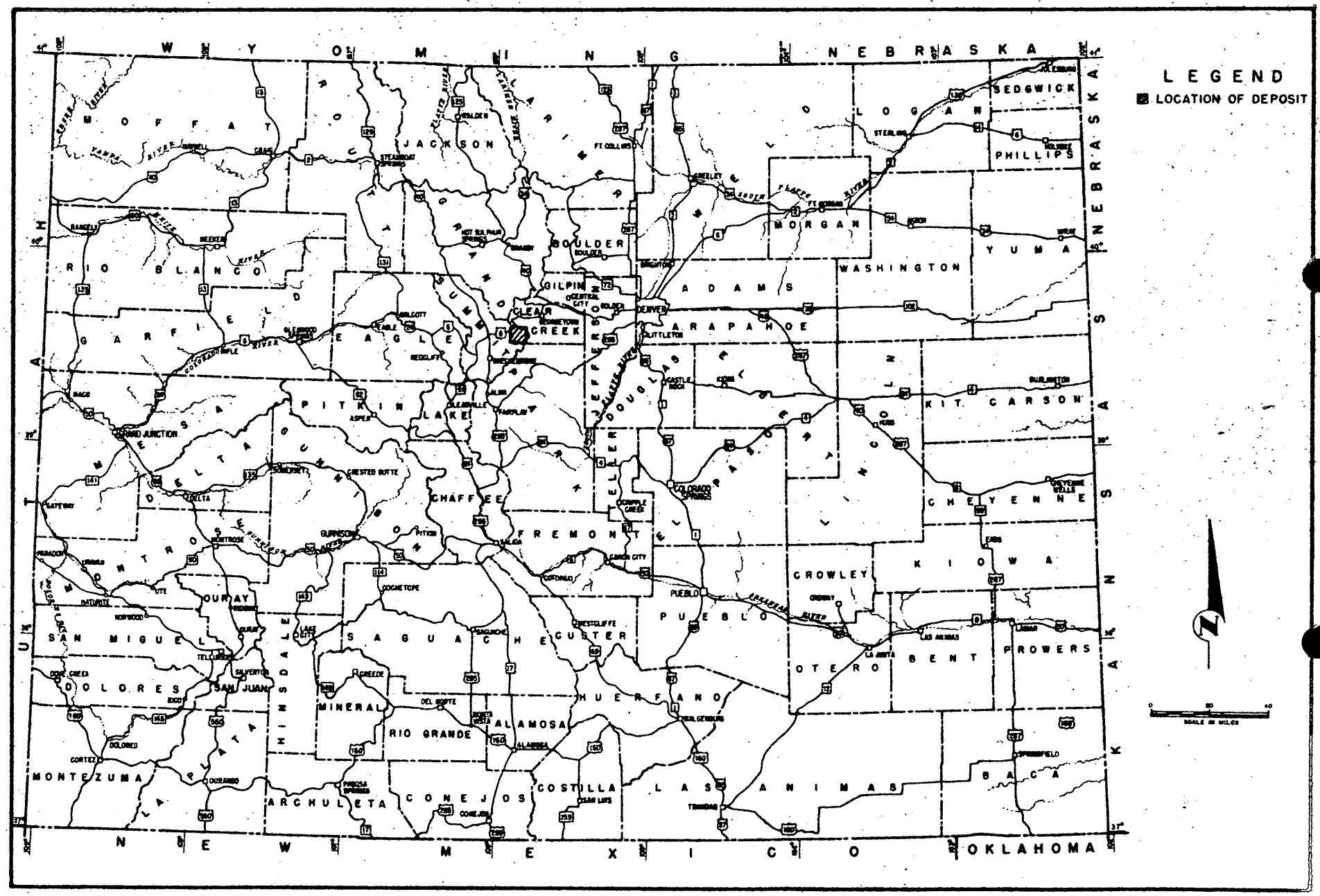

FIGURE 1 - GENERAL AREA MAP, MINIKUS-OLSON AND ASSOCIATES. SILVER FALLS, WHALE, T-BOY TUNNEL SITE, ALHAMBRA MILL SITE. SUMMIT COUNTY, COLORADO. DMEA 4464

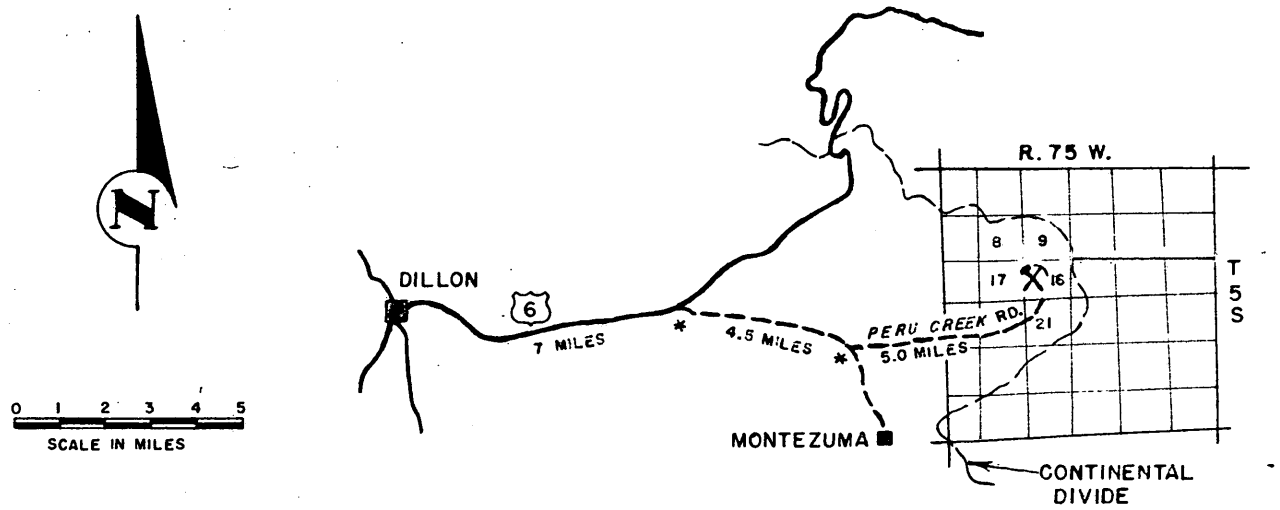

FIGURE 2 - AREA MAP, MINIKUS-OLSON AND ASSOCIATES. SILVER FALLS, WHALE, T-BOY TUNNEL SITE, ALHAMBRA MILL SITE. SUMMIT COUNTY, COLO. DMEA 4464

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OWNERSHIP, HISTORY, PRODUCTION

The property is owned by the Alhambra Gold Mining Company, a Colorado corporation, 1624 Tremont Place, Denver 2, Colorado. A lease on the National Treasury Lode claim was granted to Fred G. Minikus, June 21, 1954 and was modified November 30, 1955 to extend its expiration date to June 21, 1960. The lease was then assigned on May 25, 1956 to Minikus-Olson and Associates. On August 27, 1956, the lease was modified to include four additional claims: The Silver Falls, Survey No. 466; the Whale, Survey No. 469; the unpatented T-Boy Tunnel Site, located August 25, 1956, and recorded in Book 32, page 157 at the Office of County Clerk, Breckenridge, Colorado; and the unpatented Alhambra Mill Site.

The National Treasury Lode claim and the unpatented Alhambra Mill Site are not contiguous with the subject claims and are in no manner related to the exploration program proposed for the subject claims. The Shoe Basin, Survey No. 7654, overlies the Whale and the Silver Falls (Fig. 4); however, the Bureau of Land Management records show that the mineral surveyor credited to Survey No. 7654, only the area outside the boundaries of the Silver Falls, Whale and Manerva lode claims.

The property has been inactive since about 1875, and no history of production is available. An adit, on the west side of Falls Creek, near the center of the Whale Lode, is about 90 feet long and accessible for 65 feet (Fig. 3). Water, of undetermined depth, covered the bottom of the adit for the remaining 25 feet. Sulfide mineralization was observed in two places in the adit, and some production has probably been made. An adit, on the east side of Falls Creek, and inaccessible because of a portal slide, is said to be about 50 feet long and in reasonably good condition beyond the portal.

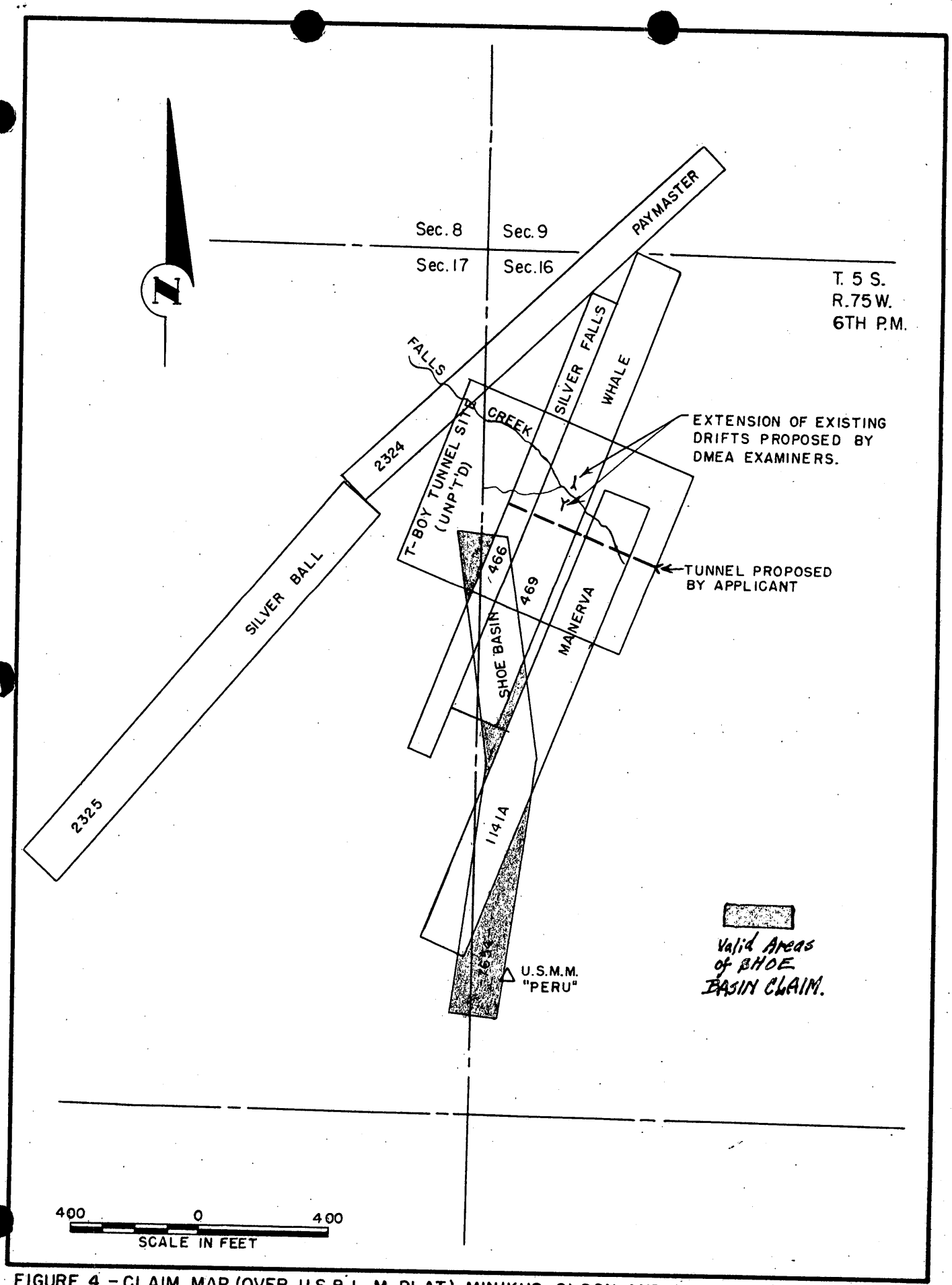

FIGURE 4 - CLAIM MAP (OVER U.S.B.L.M. PLAT) MINIKUS-OLSON AND ASSOCIATES, SILVER FALLS, WHALE, T-BOY TUNNEL SITE, SUMMIT COUNTY, COLO. DMEA 4464

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EQUIPMENT AND FACILITIES

There is no equipment or surface improvement on the claims, and no attempt has been made to mine on them in recent years.

GEOLOGY AND MINERAL DEPOSITS

The Silver Falls, Whale, and T-Boy tunnel site claims of Minikus-Olsen and Associates are in the Argentine mining district (Montezuma quadrangle), Summit County, Colorado. The geology and ore deposits in the region have been thoroughly studied by T. S. Lovering 1/.

Country rock in the area of the claims is the Idaho Springs formation, primarily a quartz-biotite schist and gneiss, of Pre-cambrian age. White mica, sillimanite, and hornblende are the common accessory minerals. Thin seams of injected aplite, pegmatite, and granitic material paralleling the schistosity or foliation are common throughout the rocks. One relatively large simple-type pegmatite dike was also observed (Fig. 3). The foliation of the Idaho Springs formation strikes N. 10° to 30° E. and dips vertically to 60° W. Two late acidic igneous dikes, of Tertiary age, were observed during the examination. One of these dikes, a light-colored, medium-grained rhyolite (?) forms the hanging wall over a length of at least 60 feet, for the principal ore-bearing vein on the claims. The other dike, probably a monzonite, occurs in the extreme east side of the T-Boy tunnel site claim. All the veins on the property apparently transect the foliation of the Idaho Springs rocks at a very low angle.

1/ Lovering, T. S., Geology and ore deposits of the Montezuma Quadrangle, Colorado; USGS Prof. Paper 178, 1935.

_____ and Goddard, E. N., Geology and ore deposits of the Front Range, Colorado; USGS Prof. Paper 223, 1950.

Four veins, or rather groups of veins, three of which may be contiguous, were observed on the claims (Fig. 3). The largest and richest of these veins is present in the small canyon formed by Falls Creek, (locality 1, Fig. 3). On the north wall of the canyon this vein, averaging 2 feet thick, is in a 5-foot fracture zone in Idaho Springs gneiss. The vein strikes N. 15° E. and dips 72° E., and although the trace of the vein can be detected a few tens of feet up the canyon wall before the surface is entirely covered by rubble, only a 5-foot section is exposed just above an old, caved adit. Massive galena with very minor amounts of sphalerite and chalcopyrite, in lenses up to 6 inches thick, occurs in the vein and a 2.3-foot channel sample assayed 3.0 ounces Ag, per ton, 30.7 percent Pb, 2.9 percent Zn. Quartz and barite are the chief gangue minerals.

Across the canyon, on the south wall 87 feet away and essentially on strike with the vein to the north, a 3.5-foot wide vein occurs in the hanging wall of a late rhyolite dike along the gneiss-rhyolite contact. The vein (and dike) strikes N. 15E. and dips 75° E., but in this exposure is practically barren of ore minerals. An old drift, approximately 90 feet long and accessible for 65 feet, has been driven southerly along the vein from the outcrop in the canyon. Sulfide mineralization was observed 25 feet from the portal in a zone 10 feet long and 6 inches wide, and 50 feet from the portal in a zone probably averaging 3 feet wide and extending beyond the accessible workings. Some stoping had been done in this latter zone and a 3-foot channel sample taken by the examiners assayed 0.6 ounces Ag, per ton, 0.5 percent Pb, and 0.4 percent Zn. This sample is not representative of the stoped material, but was taken in a leaner and more accessible area. On the bench, above the canyon, 50 feet to the south, the same vein is exposed in

a small pit. Here the vein is about 2 feet wide, barren, and on the footwall side of the rhyolite dike.

At locality 2 (Fig. 3) a thin 1-foot vein in the hanging wall of a rhyolite dike and striking N. 12 E., is exposed in a shallow pit. Galena is abundant throughout the vein and a 1-foot channel sample assayed 18.2 ounces Ag, per ton, 29.9 percent Pb, and 1.2 percent Zn. Three hundred feet south, at locality 3 (Fig. 3), a small adit exposes another thin mineralized vein, which strikes N. 13 E. and dips 85°E. The vein, which averages 1.5 feet wide, contains approximately 5 to 10 percent sulfides, primarily galena, in a quartz gangue. No sample was taken. In the Silver Falls claim the only sizeable vein observed was at locality 4, where an old, shallow prospect pit has exposed a 3.5-foot wide barren vein of quartz and barite. The vein, which strikes N. 33 E. and dips 65°W., can be traced across Falls Creek, where it is apparently much thinner.

The vein exposed at locality 1 in the canyon is undoubtedly the southern extension of the Paymaster vein which was mined less than 1,000 feet to the north. Likewise, the veins at localities 2 and 3, which are probably contiguous, are the northern extension of the Manerva vein, which has workings on it a few hundred feet south of locality 3. Furthermore, inasmuch as all three veins have essentially the same strike there is the possibility that they are the same vein. However, both our limited geologic examination and Lovering's reports indicate that the Paymaster vein (vein at locality 1) is not on strike with the Manerva vein but is offset slightly to the east.

The Paymaster mine, during the years 1882, 1886, 1917, and 1922, produced 1,553 oz. of silver and 41,700 lbs. of lead, which at current

prices would be worth approximately $6,200. No production figures are available for either the Manerva mine, which is believed to have produced a like amount, or the small mines on the subject property. The Peruvian-Shoe Basin mine, which is on a vein a few hundred feet southeast of the Manerva mine, has produced approximately 57,100 oz. of silver and 302,500 lbs. of lead in six years of sporadic mining during the period 1881-1915.

In summary then, it appears that the veins on the subject claims contain dispersed, small, but minable, lenses of sulfide mineralization. Further exploration along the ore-bearing structure may reveal larger more continuous bodies, similar to those found in the nearby Peruvian-Shoe Basin mine.

APPLICANTS' PROPOSAL AND COST ESTIMATE

The applicant proposes to drive a crosscut that would cut completely across the Whale and Silver Falls claims. The proposed adit would begin at a point about 270 feet east of the east side line of the Whale Lode and about 200 feet below the highest part of the Silver Falls Lode. The objective would be the possible downward extensions of fracture zones that are traceable on the surface. The total length of the adit would be 500 feet, and it would be completed in five months.

APPLICANTS' ESTIMATE OF COSTS

Independent Contracts	None
Labor, Supervision, Consultants:	
3 men $16.00 a shift, 6 shifts a week, (time and one-half for sixth shift), for 22 weeks	$6864.00
Supervision-1 man at $500.00 a month for 5 months	$2500.00
	$9364.00

Operating Equipment

Dynamite, 100 boxes @ $12.00	$1200.00
Rail-1000 ft. 16 lb. @$100.00 per ton	275.00
Pipe--500 ft. 2 inch @$0.52 per foot	260.00
500 ft. ½ inch @$0.13 a foot	65.00
Track ties-200 at $0.25	50.00
Track spikes-100 pounds	25.00
Electric primers-2000 at $0.30	600.00
Copper lead wire-50 rolls at $1.00	50.00
Fuel-15 gallons a day, 150 days, $0.17 a gal.	382.50
Portal timber-2000 f.b.m. @$65.00/m	170.00
Drill steel-25 six foot with chisel bit at $16.00 each	400.00
Total	$3477.50

Operating Equipment

Compressor, 210 diesel at $365.00 per month	$1825.00
Jackhammer and feed leg	700.00
Air hose-100 feet at $1.00 a foot	100.00
Water hose-100 feet at $0.35 a foot	35.00
Total	$2660.00

Rehabilitation and Repairs None

New buildings, improvements, installations:

Combination compressor-house, day-room and tool-shack.	
1000 f.b.m. 1-inch sheathing	$ 85.00
250 f.b.m. 2 by 4 inch studding	22.00
6 rolls roofing @$4.00	24.00
Door, hardware, windows, etc.	20.00
Total	$ 151.00

Miscellaneous	
Compensation and liability insurance at 7 percent	$ 655.00
Contingencies	$ 250.00
Total estimated costs of project	$16557.50
Government participation at 50 percent would be	$ 8278.75

The applicants' cost estimate of $33.11 (less salvage value) a foot for drifting is reasonable. However, it is the opinion of the examining team that this program is not warranted. The known veins in the immediate vicinity are relatively narrow and discontinuous, and there is no information concerning the continuity of the veins at depth.

The applicants indicate that an alternate exploration program would be acceptable.

ALTERNATE EXPLORATION PROPOSAL

The examining team concludes that an alternate exploration program, to consist of two stages, is warranted.

Stage I will consist of an aggregate of 200 feet of 5 by 7 foot drift; 100 feet to be driven northerly from the face of the adit on the north wall of Falls Creek Canyon, and 100 feet to be driven southerly from the face of the drift on the south wall of the canyon (Fig. 3).

Stage II will consist of 50 feet of raising, and/or drifting if warranted, at localities approved by the Government, to further explore ore showings discovered in Stage I.

The raises are to be not less than 4 by 7 feet in cross sections.

COST ESTIMATE; ALTERNATE EXPLORATION PROGRAM

Stage I-Surface preparation and 200 feet of drift.

Estimated time for completion: 2½ months; 24 days a month, 1 shift a day.

INDEPENDENT CONTRACTS

Bulldozing; access road and site leveling, 24 hours at $12.50 an hour	$ 300.00
Total	$ 300.00
Cost foot	1.50

SURFACE AND UNDERGROUND PREPARATION:

Surface tram-200 feet at $0.75 a foot	$ 150.00
Installation of tugger hoist or windlass	25.00
West adit:	
Rehabilitation, 90 feet at $1.00 a foot	90.00
Track to adit face, 90 feet at $0.75 a foot	67.50
East adit:	
Cleaning and rehabilitation of portal	$ 100.00
Rehabilitation of adit 50 feet at $1.00 a foot	50.00
Track to adit face, 50 feet at $0.75 a foot	37.50
Total	$ 520.00
Cost foot	2.60

LABOR AND SUPERVISION (drifting)

1 working foreman, 2 months at $450.00 per month	$ 900.00
2 miners at $2.00 an hour (incl. overtime) 9 weeks day	1872.00
Total Labor	$ 2772.00
Labor cost/foot (drifting)	13.86

OPERATING MATERIAL AND SUPPLIES:

Mine timber: 2 adit portal sets	
1000 f.b.m. at $85 per m.	$ 85.00
Explosives (dynamite, caps, fuses, etc.) estimated at $3.25 a foot	$ 650.00
Pipe	
3/4-inch water pipe 450 feet at $0.16 per foot	$ 72.00
2 -inch air line 500 feet at $0.50 a foot	$ 250.00
Track (16 pound rail, ties, plates bolts & spikes) estimated at $1.30 a foot; total track 580 feet.	$ 754.00
1-inch air hose with fittings, 100 feet at $0.50 a foot	$ 50.00
½-inch water hose with fittings, 100 feet at $0.30 a foot	$ 30.00
Fuel, 15 gallons a day, 48 days. $0.17 a gallon	$ 122.40
Drill steel, 12 six foot with chisel bit at $16.00	$ 192.00
Miscellaneous small tools, carbide, etc.	50.00
Total	$2255.40
Cost foot	11.28

OPERATING EQUIPMENT, (depreciation or rental)

165-210 cfm compressor-rental 2½ months at $300.00 a month	$ 750.00
Jackhammer and feed leg, with air-driven grinder for bit sharpening, 2½ months at $100 a month (rental)	$ 250.00
1 jeep or pickup, transportation of men and supplies, 2½ months at $100.00 a month. (fuel & depreciation)	$ 250.00
2 mine cars, 2½ months at $20.00 a month	$ 50.00
1 timber car, 2½ months at $10.00 a month	$ 25.00

1-1000#-1500# tugger hoist $2\frac{1}{2}$ months at $90.00 a month	$ 225.00
Total	$1550.00
Cost foot	7.75

New Buildings, improvements, installations:

Combination compressor house

dry room and tool shack.

1000 fbm, 1-inch sheathing at $85.00 per m	$ 85.00
250 fbm 2--x 4--inch studding at $90.00 per m	$ 22.50
6 rolls roofing paper at $4.00 each	$ 24.00
Door, hardware, windows, nails, etc.	$ 25.00
Total	$ 156.50
Cost foot	0.78

MISCELLANEOUS

Accounting and office supplies, $2\frac{1}{2}$ months at $50.00 a month	$ 150.00
Payroll taxes and insurance 6% of labor costs	$ 166.30
Repairs to equipment $2\frac{1}{2}$ months at $50.00 a month	$ 150.00
Analyses	
40 at $5.00 each	$ 200.00
Total	$ 666.30
Cost foot	3.33

CONTINGENCIES:	$ 50.00
Cost per foot	.25
Total cost of Stage I	$ 8270.20
Cost of analysis	$ 200.00
Cost of Stage I (Less analyses)	$8,070.20
Cost per foot Stage I (less Analyses)	40.35

STAGE II

50 feet of 4-by7-foot raise and/or 5-by 7-foot drift.
Estimated time for completion 2 weeks; one shift a day.

Independent Contracts:	None
Labor and Supervision:	
1 working foreman, ½ month at $450.00 a month	$ 225.00
2 miners at $2.00 an hour, 12 shifts (incl. overtime)	$ 416.00
Total	$ 641.00
Cost foot	12.82
Operating Material and Supplies	
Explosives, 50 feet at $3.00 a foot (est.)	$ 150.00
Fuel, 15 gallons a day, $0.17 a gallon, 12 days	30.60

Drill Steel

3 -3-foot with chisel bit at $12.00 each	$ 36.00
2 -6-foot with chisel bit at $16.00 each	$ 32.00
Miscellaneous small tools, carbide, etc.	$ 10.00
Total Oper. Materials and supplies	$ 258.60
Cost foot	5.17

OPERATING EQUIPMENT (Depreciation and Rental)

165-210 c.f.m. compressor ½ month (rental)	$ 150.00
Jack hammer with feed leg and grinder for bit sharpening, ½ month at $100.00 a month	$ 50.00
1 Jeep or pickup, transportation for men and supplies ½ month at $100.00 a month	$ 50.00
2 Mine cars, ½ month at $20.00 a month	$ 10.00
1 Timber car, ½ month at $10.00 a month	$ 5.00
Total Operating Equipment	$ 265.00
Cost foot	5.30

New Buildings, improvements, installations	None

MISCELLANEOUS

Accounting and Office supplies-½ month at $50.00 per month	$ 25.00
Payroll, taxes, and insurance 6% of labor charges	$ 38.46
Repairs to Equipment ½ month at $50.00 a month	$ 25.00
Anaslyses, 20 at $5.00 each	$ 100.00
Total Miscellaneous	$ 188.46
Cost foot	3.77

Total Cost of Stage II	$1353.06
Analyses	100.00
Cost of Stage II (less Analyses)	$1253.06
Cost foot Stage II (less Analyses)	25.06

SUMMARY OF COSTS FOR CONTRACT USE:

(all costs are maximums)

Stage I

Independent Contracts:

Bulldozing access road and site leveling, 24 hours at $12.50 per hour	$ 300.00
Total	$ 300.00

Surface and underground preparation:

Surface tram -200 feet at $0.75 a foot	$ 150.00
Installation of tugger hoist or windlass	$ 25.00
West Adit:	
Rehabilitation, 90 feet at $1.00 a foot	$ 90.00
Track to adit face, 90 feet at $0.75 per foot	$ 67.50
East Adit:	
Cleaning and rehabilitation of portal	$ 100.00
Rehabilitation of adit, 50 feet at $1.00 a foot	$ 50.00
Track to adit face, 50 feet at $0.75 a foot	$ 37.50
Total	$ 520.00

Drifting:

200 feet of 5 by 7 foot drift at $36.25 a foot	$ 7250.00
Total Stage I (less analyses)	$ 8070.00
40 analyses at $5.00 each	200.00
Total Stage I (rounded)	$ 8270.00

STAGE II

50 feet of 4- by 7-foot raise and/or 5-by 7-foot drift at $25.06 a foot	$ 1253.00
20 analyses at $5.00 each	100.00
Total for Stage II (rounded)	$ 1353.00
Total estimated cost of project	$ 9623.00
Government participation at 50 percent	$ 4811.50

CONCLUSIONS AND RECOMMENDATIONS

The Silver Falls and Whale claims contain small, but probably minable, lenses of sulfide ore in possibly two veins that have been productive. From known and inferred geologic information it is concluded that additional significant deposits may be discovered through a relatively inexpensive, but adequate, exploration program.

The applicant's proposal of a 500-foot tunnel to intersect the veins does not appear feasible in light of the known geologic data. Firstly, the tunnel would be driven through 400 feet of barren ground and secondly, the proposed location may be in an area where none of the veins are present (Fig. 3). Likewise, a drilling program is untenable because of the apparent spotty nature of the sulfide mineralization and the high cost of exploratory drilling in this region.

The examiners have modified the proposed lead-zince exploration program to provide for drifting (Stage I), and raising and/or drifting (Stage II), along the principal vein, and recommend that Government assistance be granted.

If favorably considered by the Field Team, a Consent to Lien should be obtained on the standard form.

The access road will be in part on the Manerva, Survey No. 1141A, so it will probably be necessary to obtain an easement or permission to trespass.

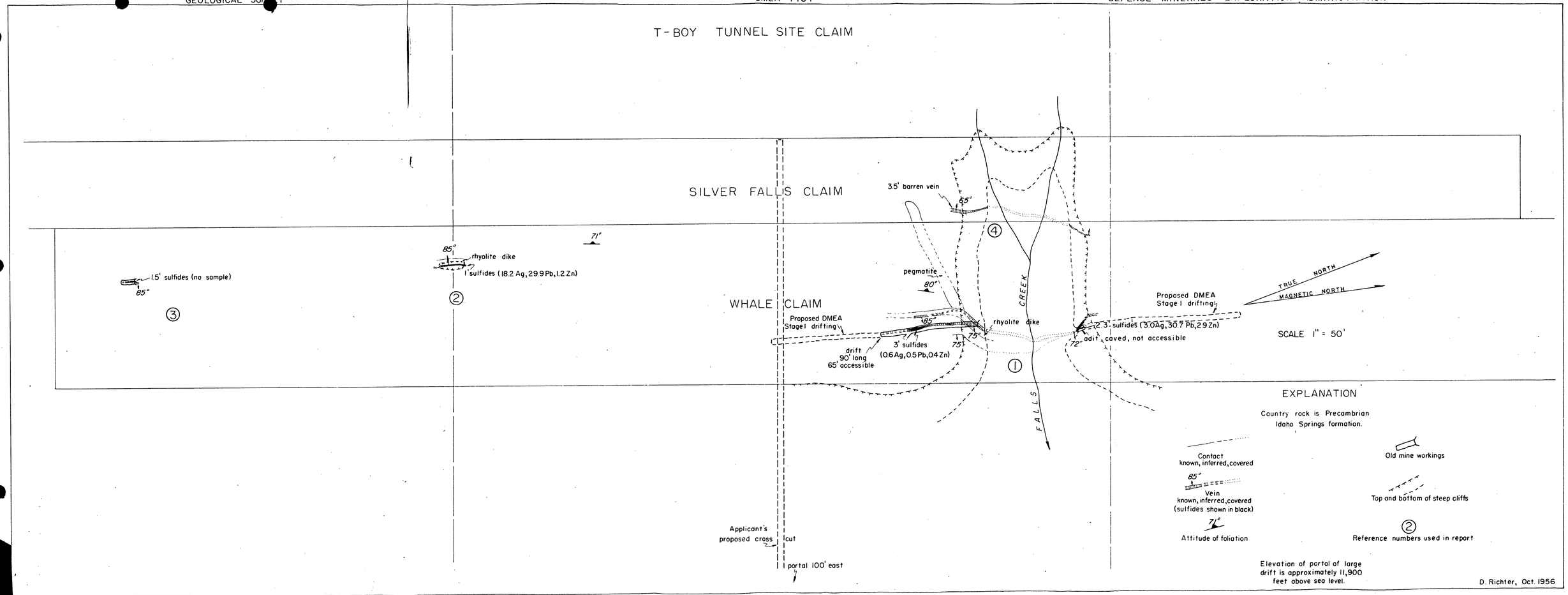

FIGURE 3. GEOLOGIC MAP OF A PART OF THE SILVER FALLS AND WHALE CLAIMS, SUMMIT COUNTY, COLORADO.

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U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

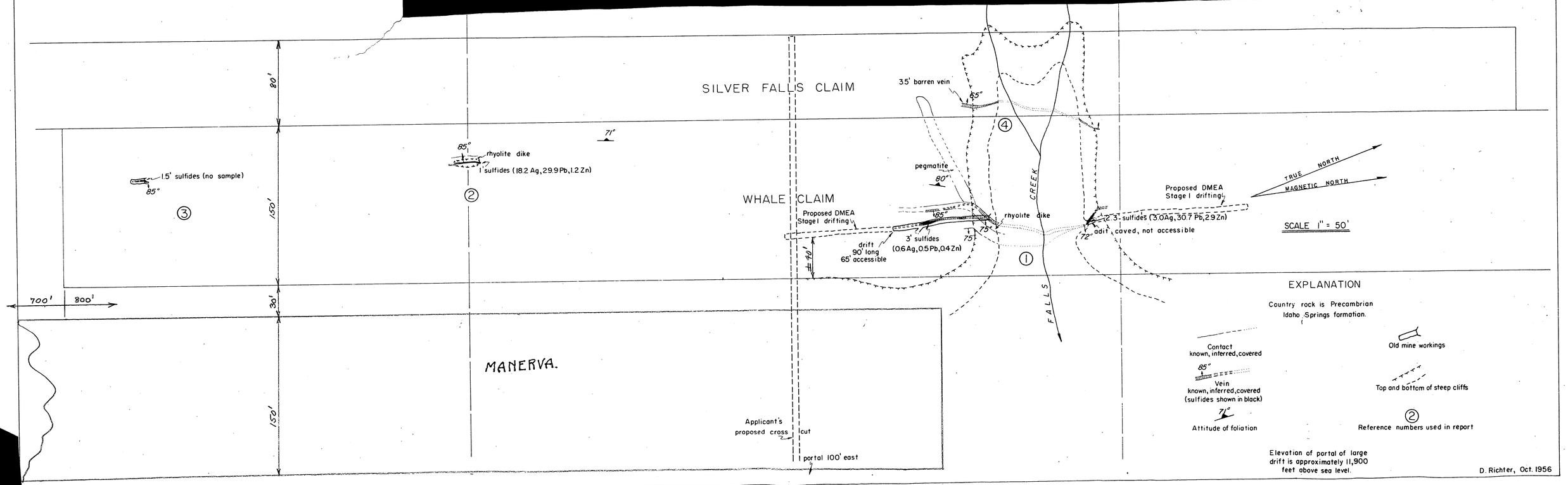

FIGURE 3. GEOLOGIC MAP OF A PART OF THE SILVER FALLS AND WHALE CLAIMS, SUMMIT COUNTY, COLORADO.

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D.M.E.S.

DMEA
DEPARTMENT OF THE INTERIOR
OCT 2 1956
REGION III
DENVER, COLORADO

October 2, 1956

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OCT - 3 1956

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4464 (Lead-zinc), Minikus, Olson and Associates, (Silver Falls, Whale, and T-Boy Tunnel Site Claims), Summit County, Colorado

The application for Minikus, Olson and Associates, Docket DMEA 4464, in the amount of $16,557.50 was received in this office on October 2, 1956.

A field examination will be made and suitable report prepared by an engineer from the Denver office.

W. H. King

cc: W. M. Traver (2)
E. N. Barshman
J. F. Shaw
Sec. Op. Com. (2)

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

RECEIVED
OCT - 3 1956

224 New Customhouse
Denver 2, Colorado

October 1, 1956

Memorandum

To: Messrs. W. H. King (2) (w/brochure)
and E. N. Harshman

From: DMEA Field Team, Region III

Subject: Docket DMEA 4464 (lead-zinc) Minikus, Olson and Associates. (Silver Falls, Whale, and T-Boy Tunnel Site Claims) Summit County, Colorado

Enclosed is the subject application in the amount of $16,557.50. A field examination and suitable report are requested.

Fred Minikus, one of the Applicant partners, is most anxious to have the field examination completed early this Fall on account of the probable early snowfall at this high altitude. He can be contacted by telephone in Denver at WE 5-9986. The unpublished War Minerals Report on this area may be of assistance to the field examiners.

Enclosed for your further information is a copy of a letter from the Chairman of the Operating Committee, dated September 26, 1956, with memoranda of review of application by H. E. Nelson and O.M. Bishop.

Will you please return the brochure with the report of examination.

DMEA Field Team, Region III

W. M. TRAVER

W. M. Traver
Executive Officer

Enclosures
EMC:ytl

cc: Sec. Op. Comm. (2)
Docket 4464
Chron.

File Copy
Surname
Klugescheid.
Mumford
Selfridge
Johnson

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

500

Mr. W. H. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

SEP 2 6 1956

Re: Docket No. DMEA-4464 (Lead-Zinc)
Minikus-Olsen & Associates
Silver Falls, Whale and
T-Boy Tunnel Site Claims
Summit County, Colorado

Dear Mr. Traver:

The cited application for exploration assistance is being referred to your office for field examination and recommendations.

If the project is favorably considered by the Field Team, it will be necessary to obtain a Consent to Lien on the standard form in lieu of the one which was submitted with the application.

We do not believe that the project should be confined only to crosscutting the veins. Some drifting should be done in order to explore the worthwhile showings, and to acquire some idea as to their value for the purpose of certification.

The patented claims, Silver Falls and Whale, are so narrow, their combined total width being only about 225 feet, that particular care should be taken to see, if possible, if the outcrops of the veins fall within the side lines of the claims for some considerable distance. It is conceivable that only relatively short sections of some veins would become minable. We are assuming that most of the contiguous ground is already covered by claims.

Copies of memoranda dated September 18 and 19, 1956, by N. E. Nelson, Geological Survey, and O. M. Bishop, Bureau of Mines, respectively, relating to the project are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (26)

Enclosures:

APPROVED:

Frank D. Lamb (26)
Member, Bureau of Mines

Thor H. Kiilsgaard (26)
Member, Geological Survey

Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

WPKlugescheid/er 9/26/56
Copy to: Docket
Admr R File
Op. Committee

File Copy
Surname
Klugescheid
Lamb
Kiilsgaard
Selfridge
F E Johnson

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

SEP 26 1956

Mr. Fred G. Minikus
Minikus-Olson & Associates
Dillon, Colorado

Re: Docket No. DMEA-4464 (Lead-Zinc)
Minikus-Olson & Associates
Silver Falls, Whale and
T-Boy Tunnel Site Claims
Summit County, Colorado

Dear Mr. Minikus:

Your application for Government assistance to explore the cited property has been reviewed by the Base Metals Division of the Defense Minerals Exploration Administration and is being referred for a field examination to:

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

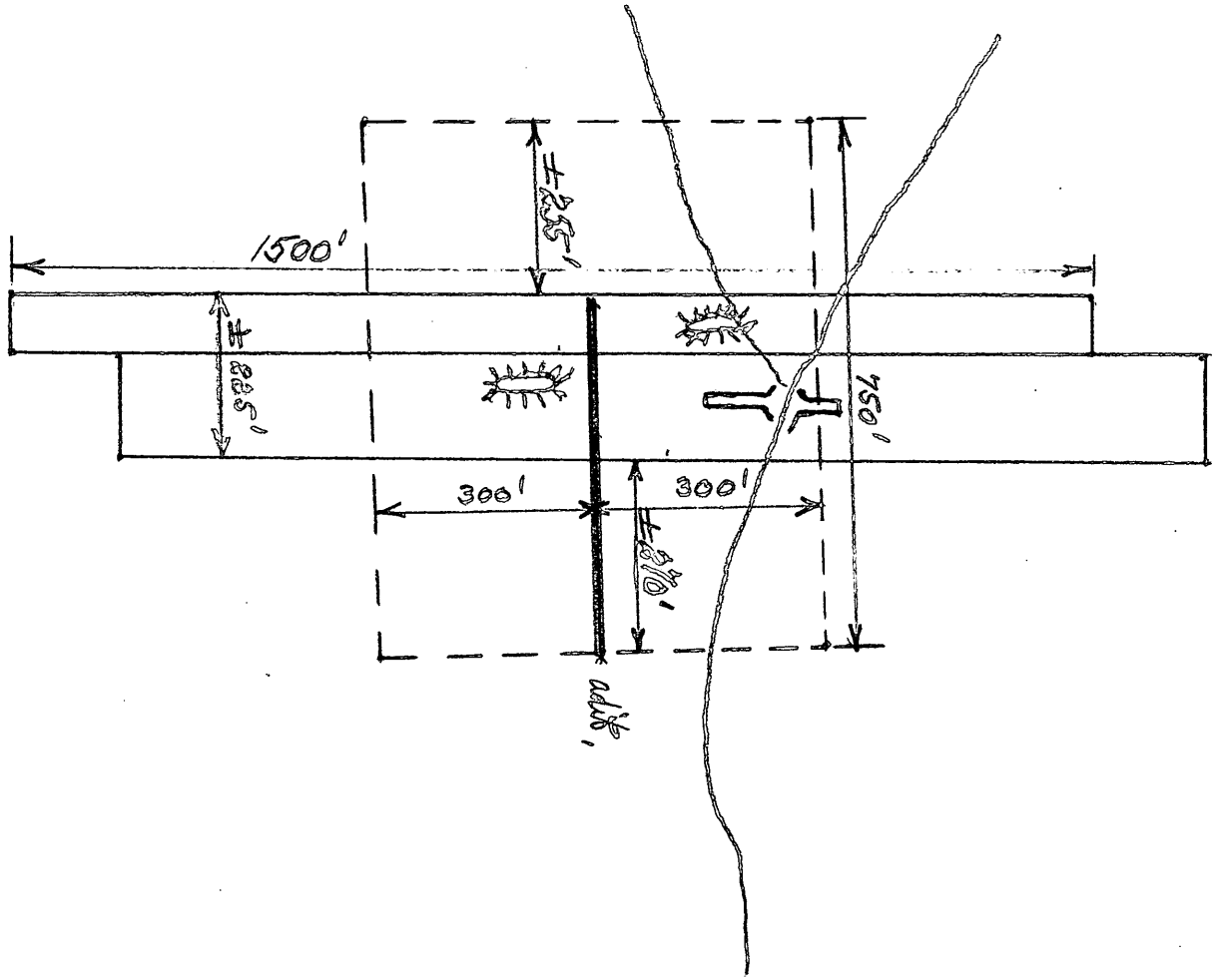
The Regional Office will contact you at an early date as to when an examination is to be made. Any assistance that you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

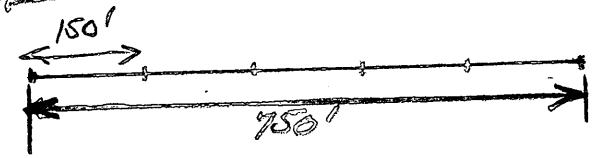
C. O. Mittendorf

Administrator

WPKlugescheid/er 9/26/56
Copy to:
Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region III (2)
Chron.



Proposed Tunnel.



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

RECEIVED
SEP 19 1956
Klugescheid

September 19, 1956

Re: DMEA 4464; Lead-Zinc;
$16,557.50
Minikus-Olson & Associates,
Silver Falls, Whale and
T-Boy Tunnel Site.
Summit County, Colorado

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, Branch of Base Metals

Subject: Application dated September 12, received September 14, 1956.

The applicant partnership holds a lease on the patented Silver Falls and Whale claims and on the unpatented T-Boy Tunnel Site. Although the property has never produced ore, numerous prospect holes and 2 short adit drifts on the Whale claim are said to indicate 10 to 40 percent lead and 4 to 15 percent zinc. The applicant states that the mineralization on the Silver Falls and Whale claim is about 200 feet above the tunnel site.

They propose an access road to the tunnel site and a 500-foot adit crosscut to explore the Whale and Silver Falls lodes.

I recommend the application be referred to the field team for their review and field examination.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
Files

IN REPLY REFER TO:

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

RECEIVED
SEP 18 1956

September 18, 1956

Re: DMEA 4464
Minikus-Olson & Associates
Silver Falls and Whale claims
Summit County, Colorado
$16,557.50 - Lead, Zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application.

The applicants, a partnership, request assistance in exploring a system of veins by a crosscut adit. Old time pits, and short drifts and natural stream ground sluicing are said to have exposed veins carrying good values in lead and zinc. The adit will cut the veins, if there, at a depth of about 200 feet.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

September 17, 1956

Minikus-Olson and
Associates
Dillon, Colorado

Subject: DMEA-464
Re: Exploration Assistance
Silver Falls and Whale
Claims

Gentlemen

Your application for exploration assistance, dated September 12, 1956 submitted to our office at Denver, has been assigned Docket Number DMEA-464 and referred to the Base Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to:

Region III.- Denver, Colorado
Code 500

EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

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[illegible]	RUN / STOP	Mr. Mack Rm-G-207 GSA Bldg	RUN / STOP
~~Mrs Doyle~~ Rm ~~[illegible]~~	RUN / STOP	Mineral Deposits Rm 4208 GS & G. Bldg.	RUN / STOP
[illegible]	RUN / STOP	Mr. A.P. Nolan Room-5243	RUN / STOP
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U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

EXAMINATION REPORT
DMEA 4464

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

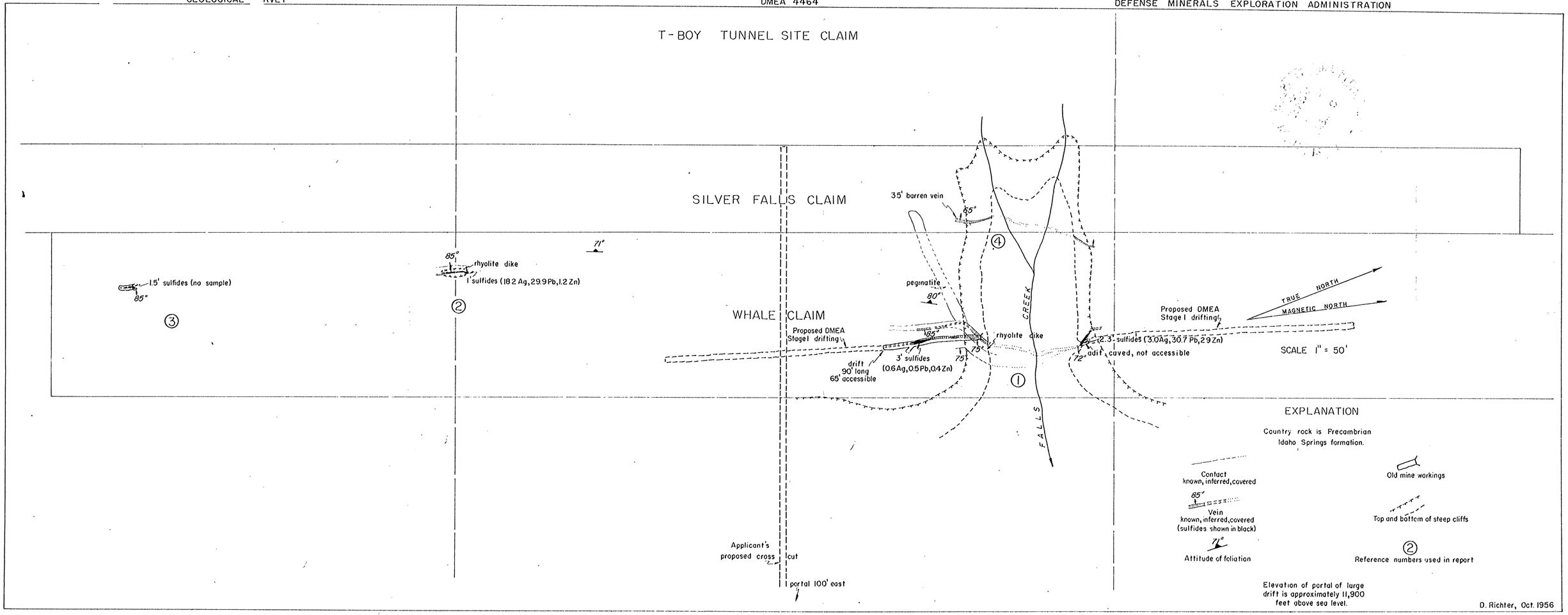

FIGURE 3. GEOLOGIC MAP OF A PART OF THE SILVER FALLS AND WHALE CLAIMS, SUMMIT COUNTY, COLORADO.