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

MAR 7 1962

Mr. Sherron F. Spencer
P. O. Box 216
Mancos, Colorado

Re: CME-6207 (Gold-Silver-Lead)
Sherron F. Spencer
Black Bear, et al., Claims
Montezuma County, Colorado

Dear Mr. Spencer:

We regret that we have not made it clear to you as to what factual information is needed to justify the expense of making an examination of your property.

The information which we require is the same as any prudent operator normally obtains before undertaking the exploration of a property. It is needed to show there is a geologic probability of making a significant discovery, that the cost of performing the work is not out of proportion to the size and grade of the expected ore deposit, and that the proposed plan and method of exploring the property is a practical and sound means for carrying out the exploration. All of these criteria are factors that must be considered under the law and regulations governing Government participation in the program.

The information which you have submitted so far does not contain sufficient evidence to determine the merits of your proposal. More specific and detailed information is needed.

If there are vein exposures on the property such as outcrops or in trenches, open cuts, pits, or in underground workings, you should describe these in detail, giving their locations, widths, and lengths, and furnish the results of samples taken from such exposures, showing widths sampled and assays. If there are no such exposures, there would be nothing for our representative to see; hence, there would be no point in making an examination.

Your plan for exploring the property must be rational with any surface work such as trenching, pitting, etc., followed by drilling, shaft sinking, tunnelling, or other underground exploration to bring the exploration to a logical conclusion.

We also need to know more details of the cost of your plan for exploring the property. This should include a breakdown of your costs for each type of work proposed, showing the costs for labor, supplies, equipment, and supervision.

We do not wish to put an applicant to any unnecessary expense; neither do we want to spend Government funds on proposals of little or no merit. Possibly, you may have to do some preliminary clearing out of caved trenches and open pits to obtain the necessary information about the veins on your property. If you can submit the information as outlined above and in our previous correspondence, we shall be glad to reconsider your application.

Sincerely yours,

George Fumich, Jr.

Director

FEJohnson/hb (3/7/62)
cc to: Docket OME-6207
Director's Reading File
✓Region III (2) w/2 cys of Mr. Spencer's letter of 2/24/62
Code 500

Spencer Mining Company

P. O. Box 218

[illegible]

530

February 24, 1962

United States,
Department of the Interior,
Office of Minerals Exploration,
Washington,25,D.C.

Gentlemen: RE:OME-6207

In answere to yourletter of February 13th., if you will spell out exactualy what factual information is needed I will gladly furnish it to you if possible.

We don't seem to see eye to eye on this,as your laws plainly state that the money is not to develop or mine Ore with,but is merely to prospect with,and you seem to want the Ore already blocked out and practely in the mint before you will loan any money.Explain the certain conditions you want met?

You should get togeather with your Denver office,they say they will send a man right out to examine a property and you say you have no man or money for an examination.You state the method of operation that would be exceptable to you.

You mentioned some thing about drifts or cross cuts in an earlier letter, in this particular case that method is no good,compared to the Stripping method.

Sincerely Yours,

/s/ Sherron F. Spencer

Sherron F. Spencer

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

Mr. Sherron F. Spencer
P. O. Box 216
Mancos, Colorado

OME
DEPARTMENT OF THE INTERIOR

Re: OME-6207 (Gold-Silver-Lead)
Sherron F. Spencer
Black Bear, et al., Claims
Montezuma County, Colorado

Dear Mr. Spencer:

In our letter of January 29, 1962, we explained that the denial was made without prejudice to the property as we had little or no factual information concerning it. This situation remains unchanged.

We must comply with the law and regulations which establish certain criteria, conditions, and restrictions. These serve as guide lines which we must follow in administering the OME program. We cite these observations because the plan and method of operation are important in accomplishing the purpose of the program. Before the OME may participate in any exploration, the operation must meet certain conditions.

Formerly, we were occasionally able to send our field men to examine certain situations but are unable to do so at present with our limited staff and budget unless the information submitted indicates that an examination is warranted.

We shall be happy to reconsider your application if the information requested by the application form and that indicated by our previous correspondence is furnished in reasonable detail.

Sincerely yours,

George Fumich, Jr.

Director

GFumich/gla
2-13-62
cc to: Director's Reading File
Region III (2) w/2 cys Applicant's letter 2/7/62
Docket
Code 500

Spencer Mining Company

P.O Box 216

Marvel, Colorado

Sherron F. Spencer

Lillie M. Spencer

February 7 1962

OFFICE
DEPARTMENT OF THE INTERIOR
FEB 1 0 1962
RE
DENVER

United States,
Department of the Interior,
Office of Minerals Exploration,
Washington,25,D.C.

Gentlemen: RE:OMX-6207

In answere to your letter of Janurary the 29th.,you are blocking me on every turn I make to try to get some help with this mining property. I do not know of a small Operator that you have made a Loan too,but I do know of several large operators that you are Loaning a lot of money too.

I intend to either get some help or make one Hell of a racket trying. I already have enough of your stalling and double talk to go to the News Papers and Magazines with it and make a pretty good case.

As for you taking exception to my method of operation,I realy don't think that is entirely up to you to decide,because you are only paying One-Half of the bill and than not till the work is done.

In your letter you are asking me to do on my own in a poor boy's way exactly what your office was set up to do.I want you to tell me how you can do any work of any kind on a Vein of Ore with out developing it?,in your regulations you state it is ,the Loan,not to be used to develope with.

Yes,the samples were picked,do you think I would pick up more country Rock.I was in hopes our relationship would have turned out better than it has ,but if it has to be a Big Smelly Mess,we might as well get started.

Sincerely Yours,

/s/ Sherron F. Spencer

Sherron F. Spencer

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

OME
DEPARTMENT OF THE INTERIOR
FEB 18 1963
REGION III
DENVER, COLORADO

FEB 13 1963

Mr. Sherron F. Spencer
Spencer Mining Company
P. O. Box 216
Mancos, Colorado

Re: OME-6207 (Gold-Silver-Lead)
Sherron F. Spencer
Black Bear, et al., Claims
Montezuma County, Colorado

Dear Mr. Spencer:

We have your letter of February 6 and we are pleased to note that you have a good tonnage of gold ore blocked out. Concerning funds for a mill, financing of this sort is out of our jurisdiction; we suggest that you apply to:

Small Business Administration
811 Vermont Avenue, N. W.
Washington, D. C.

Our very best wishes for success in your mining enterprise.

Sincerely yours,

George Fumich, Jr.

Director

WRGriswold/mm
2/13/63
cc: Director's Reading File
Region III (2) w/2 copies of Applicant's letter 2/6/63
Docket
Code 500

Spencer Mining Company
P. O. Box 216
Manco, Colorado

OME
DEPARTMENT OF THE INTERIOR
FEB 18 1963
REGION III
DENVER, COLORADO

Sherron F. Spencer
Lillie M. Spencer

Beburary 6 1963

United States,
Department of The Interior,
Office of Minerals Exploration,
Washington 25 D.C.,

Gentlemen: Re:OME-6207

This will be the third straight year I have tried to get some help from you on the same property and hertofor you have awlays given me therun around.

I've gone on and did the developement work my self and I have got over Ten Millions Dollars,worth of Fifteen and to Fifty Dollars worth of Gold Ore blocked out and now I need,Thirty Five Thousand Dollars,($35,000.00) to install a Fifty Ton Mill.

I am going to try to get some help from you once more and if I get the same treatment I have in the past ,I will sellhalf intrest to, some people that will use the Mine for a Tax writeoff and put up the money for a Mill and we will probably never sell any Gold or not for a long time any way,because we will just run the Mill a few months a year for Tax write off and shut it down,whereby if I borrowed the money for the Mill I would be obligated to pay it back and therefor make jobs for others and the Mint would get the Gold.I would own the property again and if I lost out you would own it and could do something with it. I would rather go your way if it is possible but if not I will go the other way.

This is not a threat nor a demand but that is just the way it is because there is no risk money to be had because of the low price of Gold.

Sincerely Yours,

Spencer Mining Company,
Sherron F. Spencer

500

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

JAN 9 1962

Mr. Sherron F. Spencer
P. O. Box 216
Mancos, Colorado

Re: OME-6207 (Gold-Silver-Lead)
Sherron F. Spencer
Black Bear, et al., Claims
Montezuma County, Colorado

Dear Mr. Spencer:

Your application for financial assistance in exploring your property in Montezuma County, Colorado, and other information available to us have been reviewed.

Careful study of all this information indicates that the proposed work would not result in making a successful discovery, in our opinion. We regret to advise you that, under these circumstances, your application for exploration assistance is denied. However, this denial is made without prejudice to the property.

Sincerely yours,

George Fumich, Jr.

Director

WRGriswold/gla
1-9-62
cc to: Director's Reading File
Review Committee
Docket
Region III (2) w/cys application and attachments
Code 500