OME-6288 - Bulldog Mountain, Inc. Contract [illegible]

Month	Bolt size	Cored Un.	Cored Sq.	Drift and Rents	Timber	[illegible]
contract	300 hr.	4000'	4000'	4000'	300'	1200 [illegible]
June-63	92	—				
July-63	168 (200)					
Aug-63 through	No work					
April-1964	Legal trouble relating to flows in patented claim titles (leases period granted)					
May-64	100 (300) completed					
[illegible] purchasing						
June				76 (293)	45	
August	(300) none			167 (482)		
Sept	—	NX BX see next sheet	see next sheet	239	—	
Oct	—			213 (695)	—	
Nov	—			224 (919)		
Dec.				197 (1116)		10
Jan. 1965				228 (1344)	(115) 70	(10)
Feb.				317 (1661)	—	
Mar.				300 (1961)		
April				289 (2250)	(129 14	(197)
May		X	X	322 (2572)	(128)	(282)
June		X	X	297 (2869)	(154) 25	(377)
July		X		277 (3146)	(154)	(485)
Aug				No work under contract		

Surface Drilling

Mobilization 600 [illegible] 400

Month	Alluvium	NX-1 1/28"	BX-1 5/8"	AX-1 1/8"	R & C	Lime Allowance	Conc
	200@ 6.00	a to 250 @ 5.75 / 1050 @ 5.75 / b 250-500 / 1,250 @ 5.90	to 250' a @ 5.25 / 250-500 b @ 5.50 / c plus 500 / 1500 @ 5.75	to 250' @ 4.95 / 251-500 @ 5.15 / plus 500 @ 5.40	150 hrs @ 1.50	0.404	B [illegible] 500 @ [illegible]
		218 (218) a	includes 236' of NX core @ BX price				
Nov.	32'	250 (250) b	331 (331) c		64 (64)		37 (37)
Dec 64			88 (419) e		36 (100)		4 (41)
Jan-65	Too much snow		—	—	—	—	—
Feb.			209 (628) c + M. Hopper		9 (109)		12 (53)
Mar.	21 (53)	~~[illegible]~~ (1248)	? (499) 107 (735)		(109)		26 (79)
April	(53)	(1248) ✓	(1054) ? 555 (1290)		(134) 25		(110) 31
May	—	(Operator started underreaming drilling without Govt. ok.)			—	—	—
June							
July							
Aug					—	—	—

OIYE-6288 Remarks

July 1964. Contact between Creede & Campbell Mountain rhyolite crossed at 30 ft. 1 shift

August. Winterized surface plant. Contry rock rhyolite.

Sept. Competent rock. some gouge material in fractures contain slight amounts of silver mineralization.
Drill contractor advised will start 1st week in October.

Oct. X-cut continues in Campbell Mt. rhyolite - barite veins

Nov. Started surface #1 to 831' drilling. Puzzle structure traversed in xcut zone highly altered contains manganese and a thin barite vein.
also traverse another barite vein structure 100' beyond Puzzel st.

Dec. Drilled #1 to 919', hole showed minor mineralization at 888' & 900'. All drifting this month on Puzzle vein - no significant mineralization. Barite vein (above) intersects Puzzle vein at ± 210'.

Jan. Drifting on Puzzle vien (total 432' on vein). Vein contains barite, drusy quartz, amethystine quartz, and gouge. Some ore grade silver encountered but not of minable thickness.

Feb. Drifting on Puzzle vein (tot. 749' on vein) Values in vein increasing. Some ore grade material up to 9" thick.
Restarted drilling Hole #1 down 1128'; No mineralization.

Mar. Drifting on Puzzel vein (tot. 1049') wide caving structure - no values. One surface drill hole completed - (no structures or mineralization of note encountered) - Second hole started

Remarks

April 1969 Drifted along Puzzel vein - structure is fairly competent. Vein vairable in regard to values and width. No ore values. The 2nd surface hole was completed at 1120'. At 830' traversed a mineralized zone - possibly the east strand of the Bulldog fault. Assays of 2' of vein shows Au. .005 oz., Ag. 2.20 oz., Cu. .05%, Pb. 5.3%, Zn 0.6%.
Started underground drill hole from Puzzel vein on Baker No. 42 claim (?) to cut East strand of Bulldog fault.

May Drifting on Puzzel vein (Tot. 1662') Vein varies from a few inches to over 2' in width. Samples indicate material is too low grade to mine.

June. Drifting on Puzzel vein (Tot. 1959' 277'). Vein still varies from 1' to 2' in width. Samples indicate ore grade vein material for most of the advance of 297'. Countryrock continues in Campbell Mt. rhyolite.

July. 277' drifting on Puzzel vein. Total 2236' Ore grade material. Avg ore grade Ag 18.8 oz., Pb. 5.18%

(over)

Aug. No work under contract. Operator preparing for exploitation of ore found. Operator's Sept 3, 1963 report says it expects to start work in the 1st week of coming month.

Sept. No Work

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. 2166 Docket No. 6288

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits January 1970 - November 1970
- [x] Certification of Discovery 10-11-66
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments *

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab) 6/20/66 Trans. 9/7/66
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) Recommendations 2/13/63
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [x] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. 1-A * : Maps (Use pocket folder or envelope) Maps which accompanied application

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. 3 : Royalty Material

72195-65

I-C-DC-OME-22-71

Docket copy

UNITED STATES
DEPARTMENT OF THE INTERIOR

Office of Survey and Review

Audit Operations

Report of Royalty Review-Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc.
Mineral County, Colorado

Washington, D.C.
November 1970

RECEIVED
U.S. GEOLOGICAL SURVEY
DEC 3 9 06 AM 1970
OFFICE OF THE DIRECTOR

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240
OFFICE OF SURVEY AND REVIEW
Audit Operations, Region I
801 19th Street, N.W., Room 813
Washington, D.C. 20240

DEC 1 1970

Memorandum

To: Director, Geological Survey

From: Regional Director, Region I
Audit Operations, Office of Survey and Review

Subject: Royalty Review of Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc.
Mineral County, Colorado

As requested by the Chief, Office of Minerals Exploration, we made a final royalty review of Contract 2166. The results of our review are shown in the attached report.

C. D. Baer

Attachment

We have examined the cash receipts records of the Branch of Budget and Finance, Administrative Division, Geological Survey, and reviewed the contract files of the Office of Minerals Exploration (OME), pertaining to the royalty due the Government on the value of production from the property included under Contract 2166 with Bulldog Mountain, Inc. A preliminary review was made in January 1970, and the final review in November 1970 at Washington, D.C.

The Government's participation in the cost of the Bulldog Mountain Inc.'s Contract (2166) amounted to $93,533, subject to repayment, plus 6 percent simple interest, through royalties on the value of any production from the property between May 6, 1963 and May 6, 1979.

The final review covered production from June 1969 through October 1970, when the final royalty payment was acknowledged. The value of applicable production and royalty due and paid to the Government is as follows:

Company	Value of Applicable Production	Royalty & Interest Due and Paid
Bulldog Mountain, Inc.	$2,430,060	$120,999

The Bulldog Mountain, Inc. exploration contract was repaid in full on October 23, 1970.

C. D. Bara
Regional Director

UNITED STATES DEPARTMENT OF THE INTERIOR

OFFICE OF SURVEY AND REVIEW
AUDIT OPERATIONS
WASHINGTON, D.C.

Review of Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc. (Operator)
Bulldog Mountain Fault
Mineral County, Colorado

Report Issued: November 1966

REPORT OF REVIEW - CONTRACT 2166
DOCKET NO. OME-6288 (SILVER)
BULLDOG MOUNTAIN, INC. (OPERATOR)
BULLDOG MOUNTAIN FAULT
MINERAL COUNTY, COLORADO

An examination of the disbursement records in the Branch of Budget and Finance, Administrative Division, U.S. Geological Survey and a review of the Office of Minerals Exploration contract files pertaining to the subject minerals exploration project was made at Washington, D.C., on October 13, 14, and 17, 1966.

The contract, as amended, provided that the exploration work should begin on or before July 1, 1963, and be completed no later than May 6, 1966. The work was performed during the period June 1963, through April 1966. On monthly reimbursement vouchers, the Operator has claimed costs for work performed; and the OME Field Officer, Region III, Denver, Colorado, approved the Government's participation in the accepted costs. Reimbursement has been made to the Operator as indicated below:

Item	Claimed and Accepted Costs		
Independent Contracts			
Diamond drilling (including mobilization of equipment, reaming and casing, etc.)	No. of Units	Rate	Total
Surface	2,355 feet	Various	$15,126.40
Underground	2,197 feet	"	13,080.50
Total Diamond Drilling	4,552 feet		$28,206.90

Agreed Unit Costs

Bulldozing	300 hours	12.50/hr.	3,750.00
Incidental allowance for each foot of drilling	4,452 feet	0.40/ft.	1,820.80
Compressed air and water allowance for each foot of underground drilling	2,197 feet	0.60/ft.	1,318.20
Crosscutting and drifting	4,000 feet	36.00/ft.	144,000.00
Timbering of drifts and crosscuts	600 feet	8.00/ft.	4,800.00
Diamond drill station	1	350.00 ea.	350.00
Core boxes	220	3.50 ea.	770.00
Assaying (Determinations)	1,200	2.00 ea.	2,400.00
Total Agreed Unit Costs			$159,209.00
Total Claimed and Accepted Costs			$187,415.90

Federal participation on 50% basis	$93,707.95	
Paid to date	93,532.95	
Balance due to Operator		$175.00

The diamond drilling work was performed by MacPherson Drilling Company, Montrose, Colorado. The rates charged by the drilling contractor on monthly invoices, copies of which were submitted by the Operator, were generally less than the maximum rates for the work as set forth in the exploration contract. Claimed and accepted costs for Government participation were in all instances at the rates charged by the drilling contractor or at the rates specified in the exploration contract, whichever was lower.

The Operator reported the completion of an underground diamond drill station during December 1965, and claimed $350 as the agreed unit cost in accord with the provisions of the exploration contract. However, in totaling the monthly charges, that amount was omitted and the Operator

was reimbursed for 50 percent of the incorrect total shown on the voucher. The amount of $350 was included in the total costs claimed through December 1965, and in the accumulated totals on each subsequent voucher. The Field Officer has approved the costs aggregating $187,415.90, including the $350 in which the Government has not actually participated.

No other improprieties were noted in the settlements made with the Operator.

C. E. Fisher
Auditor

Reviewed By:

Dwight E. Savage
D. E. Savage
Office of Survey and Review

Form 7
(2/63)

E-65-2048.11
SOLICITOR

OCT 3 1966

INTERIOR

OFFICIAL FILE COPY

Date	Surname	Code
9/29	Kisheno	120
10/6	[illegible]	110
	Lory	140
	Appd. Sol. Office	130
10/7	Kilbourd	
10/10	Lucita	
		110
10/11	Cal	220

120M

CERTIFICATION OF POSSIBLE PRODUCTION UNDER AN EXPLORATION CONTRACT

Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California 94104

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Pursuant to Article 7 of the subject contract, as amended, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from May 6, 1963, to May 6, 1979, or until the amount contributed by the Government is fully repaid with interest at the rate of 6 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

Royalty payments on any production computed as provided in the contract should be made in favor of the U. S. Geological Survey and should be mailed or delivered to the Field Officer, Region III, Office of Minerals Exploration, U. S. Geological Survey, Room 2284, Building 25, Denver Federal Center, Denver, Colorado 80225. Each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the name of the purchaser, the quantity and grade of the production sold, the price per unit, and the gross proceeds and allowable deductions therefrom.

23263

Attention is specifically invited to the provisions of Article 2(c) of the contract referring to the preservation of the Government's royalty rights. Two true copies of any instrument transferring, surrendering, or encumbering any of said rights shall be furnished to the Field Officer.

Dated this 11th day of October, 1966.

THE UNITED STATES OF AMERICA

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Geological Survey

cc: Rio Grande River Raft Race, Inc., Creede, Colorado
W. W. Wyley, South Fork, Colorado
E. D. McClure, South Fork, Colorado rec'd by P.O.
Director's Reading File
Division File
Economic Geology File
Branch of Budget and Finance
OME Docket
OME Region III
OME Reading File
Mr. Long, SOL., Rm. 6554
Frank E. Johnson
Mr. Kirkemo
130 (2)

HKirkemo/gla 9-29-66

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	Kirkemo	120
1/6	Hyers	110
	Long	140
	Sol. Office	130
10/7	Kilgard	
10/10	Lewis	
		110
		220

120M

Mr. E. D. McClure

South Fork, Colorado

OCT 1 1 1966

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. McClure:

Enclosed is a copy of a self-explanatory letter to the Operator under the subject contract. This relates to the Lien and Subordination Agreements signed by you on February 13, 1963, under the Office of Minerals Exploration program.

The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Region III
OME Reading File
Mr. Kirkemo
130 (2)

HKirkemo/gla 9-29-66

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	Kirkemo	120
10/6	Johnson	110
	Levy	140
	Appl. Sci. Office	130
10/7	Kilgsiard	
10/10	Lunetto	
		110
		220

120M

OCT 11 1966

Rio Grande River Raft Race, Inc.
Creede, Colorado

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract. This relates to the Lien and Subordination Agreements executed on February 13, 1963, by Mr. W. W. Wyley, president of your company, under the Office of Minerals Exploration program.

The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by Mr. Wyley, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

Copy to Mr. W. W. Wyley
South Fork, Colorado
with enclosure

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Region III
OME Reading File
Mr. Kirkemo
130 (2)

HKirkemo/gla 9-29-66

23263

Government's Copy

MME Form 50
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME -6288	Silver	14-23-090- 2166	Mineral	Colorado

It is agreed MAY 6 1963 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Bulldog Mountain, Inc.

whose mailing address is Room 511, 57 Post Street, San Francisco 4, California, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before July 1, 1963 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 30 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $212,320.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $106,160.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

Interest of Lessor, Kansas City Star Claim

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

Lien and Subordination Agreement, signed by Rio Grande River Raft Race, Inc.

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of fifteen years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first. See Annex II

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Article 16

~~ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.~~

~~The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.~~

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U.S.C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U.S.C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

(a) "Nondiscrimination. The provisions governing performance of work under Government contracts, as set out in Section 301 of the Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit B and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract.

"In compliance with the Rules and Regulations (41 CFR, Section 60-1.3(a)) issued under Executive Order 10925 of March 6, 1961, the Operator is hereby bound and agrees to include in each subcontract which it shall make with a subcontractor or supplier paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

"The Operator shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall incorporate by reference in each subcontract or purchase order with a subcontractor or supplier paragraphs (1) through (6) of Section 301 of Executive Order 10925 of March 6, 1961, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity."

Executed in quintuplicate this 21 day of May, 1963.

THE UNITED STATES OF AMERICA

BULLDOG MOUNTAIN, INC.
(Operator)

By S. J. Varnhagen
Title President

By George Turnich
Director, Office of Minerals Exploration

Long
Appd. Sol. Office
Unsigned
Fallon
Selbridge
Johnson

I, Gail F. Owen, certify that I am
(Name)

the _____ secretary of the corporation

named as Operator herein; that S. J. Varnhagen
(Name)

who signed this contract on behalf of the Operator was then

President of said corporation, that
(Title)

said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Gail F. Owen

[CORPORATE SEAL]

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

ANNEX II 6143

WHEREAS, most of the property referred to in Article 2 of the contract form was the subject of a contract dated September 12, 1961, No. 2130, Docket OME-6163, between the Government and Humphreys Exploration Company, hereinafter called the "Prior Contract" and

WHEREAS, said Prior Contract has been performed and the contribution of the Government thereunder has been determined (subject to audit) to be $26,981.65 and

WHEREAS the work now provided for in this contract is an extension and continuation of the work under the Prior Contract

NOW THEREFORE it is agreed that:

The contribution of the Government under the Prior Contract shall be and is hereby added to the estimated cost of the work under this contract as indicated in Exhibit A for repayment to the Government under the provisions of this contract. Any royalty accruing under this contract shall be applied first to the repayment of said contribution under the Prior Contract.

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

EXHIBIT A

The purpose of this project is to explore for silver-bearing ore bodies by crosscutting to the Puzzle vein, by drifting along the vein to its junction with the east strand of the Bulldog Mountain fault and thereafter to drift along such strand. Underground diamond drilling shall also be performed.

Concurrently with the aforementioned work, surface trenching by bulldozing and surface diamond drilling shall be performed in the northern portion of the property.

General Provisions

No work under this contract may be performed at distances less than 100 feet from the exterior boundaries of the property.

The location, direction, and extent of each work item shall be subject to prior Government approval.

The total combined footage of surface and underground diamond drilling shall not exceed 8,000 feet, the total combined footage of crosscutting and drifting shall not exceed 4,000 feet, and the total combined bulldozing for access roads, trenches, and drill sites shall not exceed 300 hours. The Government will contribute to the cost of not more than 4 underground diamond drill stations and to the cost of not to exceed 600 feet of timbering for drifts and crosscuts.

The surface diamond drilling shall be done with standard NX and BX size coring bits (approximately 2-1/8 inch and 1-5/8 inch core diameter, respectively) and, when necessary to complete a hole, standard AX size bit (approximately 1-1/8 inch core diameter) may be used.

The underground diamond drilling shall be performed with standard BX and AX coring bits.

Core from the diamond drilling shall be properly boxed, marked, and stored for later inspection by the Government. With prior Government approval, the Operator may later dispose of such core. Significantly mineralized core shall be split and sampled and the sample assayed. No sample shall represent a core length of greater than five feet.

Facilities shall be provided for the sampling of diamond drill sludges and such sludges shall be retained when drilling in significantly

mineralized areas. Whenever the core recovery is found to have been less than 60 percent the corresponding retained sludges shall be sampled by quartering as necessary and the sample assayed in addition to the sampling and assaying of such core segments as may have been recovered.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period and showing the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the work performed.

All holes shall be logged geologically and copies of the logs of the completed holes shall likewise be furnished monthly, with the Operator's monthly report.

All drifts and crosscuts shall be of not less than 6' by 7' in cross section in the clear of timber and shall be timbered as necessary, using drift sets of not less than 8" by 8" timber, or equivalent round timber.

All drill stations shall not be less than 5' x 7' in rock section and shall be not less than 15 feet long, from the wall of the drift.

Mine rails shall be of not less than 30 pound size, air lines of not less than 4-inch diameter, and water lines of not less than 1-inch diameter. The drifts and crosscuts shall be ventilated, using not less than 15-inch diameter vent pipe.

All significantly mineralized areas traversed by the drifting shall be sampled normal to their trends at intervals of not more than ten feet. Likewise a representative bulk sample shall be taken of each round broken, in areas showing significant mineralization.

All samples, from whatever source, before being sent for assay, shall be split and one split set aside and made available to the Government, properly marked as to source and location. Samples shall be assayed for gold, silver, lead, and zinc, as appears desirable.

The bulldozer used for the work of access roads, trenches and drill sites shall be of not less than D-7 size or equivalent size of other make.

The Operator shall provide such supervisory and technical services as may be required to complete the work in a satisfactory manner.

Description of the Work

In the northern portion of the property trenching and surface diamond drilling shall be performed at locations which appear desirable. Such work (in part) is roughly indicated on the attached Figure 1.

From a point near the NW corner of the Grover Cleveland claim a crosscut shall be driven westerly to intersect the Puzzle vein and thereafter a drift shall be driven on such vein in a northwesterly direction to intersect the east strand of the Bulldog Mountain fault. Thereafter the drift shall be continued northerly along this east fault strand.

From positions believed proper along the course of the drifting, four diamond drill stations may be excavated. From these stations diamond drill holes shall be drilled westerly to explore the various strands of the Bulldog Mountain fault.

It is estimated that 4,000 feet of such underground drilling will be required and that 4,000 feet will likewise be required for the surface diamond drilling.

Estimated Cost of the Work

Actual Costs

Category (1) Independent Contracts

Core drilling (surface)

Mobilization of equipment	$600.00
Alluvium drilling to bedrock 200 ft. @ $6.00 per ft. cased	1,200.00
NX drilling, bedrock to 250 ft. depth 1,050 ft. @ $5.75 per ft.	6,037.50
BX drilling, bedrock to 250 ft. $5.25 per ft.	
AX drilling, bedrock to 250 ft. $4.95 per ft.	
NX drilling 250 to 500 ft. depth 1,250 ft. @ $5.90 per ft.	7,375.00

BX drilling 251 to 500 ft. $5.50 per ft.		
AX drilling 251 to 500 ft. $5.15 per ft.		
BX drilling, depths in excess of 500 ft. 1,500 ft. @ $5.75 per ft.	8,625.00	
AX drilling depths in excess of 500 ft. $5.40 per ft.		
Reaming and casing, cementing and redrilling, surveying 150 hours @ $11.50 per hr.	1,725.00	
<u>Underground diamond drilling</u>		
Mobilization	300.00	
BX drilling 0 to 250 ft. depth 1,750 ft. @ $4.95	8,662.50	
AX drilling, 0 to 250 ft. depth $4.75 per ft.		
BX drilling 251 to 500 ft. depth 1,000 ft. @ $5.25	5,250.00	
AX drilling 251 to 500 ft. depth $5.00 per ft.		
BX drilling 501 to 750 ft. depth 650 ft. @ $5.60	3,640.00	
AX drilling 501 to 750 ft. depth $5.35 per ft.		
AX drilling depths in excess of 750 ft. 600 ft. @ $5.80	3,480.00	
Cementing and redrilling, reaming and casing, hole surveying 150 hours @ $11.50 per hr.	1,725.00	
		$48,620.00

Agreed unit costs

Bulldozing 300 hrs. @ $12.50 per hr.	3,750.00	
Incidental allowance for eact ft. of drilling completed 8,000 ft. @ $0.40	3,200.00	
Compressed air and water allowance for each foot of underground drilling completed 4,000 ft. @ $0.60	2,400.00	
Crosscutting and drifting 4,000 ft. @ $36.00	144,000.00	
Timbering of drifts and crosscut 600 ft. @ $8.00 per ft.	4,800.00	
Diamond drill stations 4 @ $350 each	1,400.00	
Core boxes (wooden) 500 @ $3.50 each	1,750.00	
Assaying 1,200 determinations @ $2.00 each	2,400.00	
		$163,700.00
Total Estimated Cost		$212,320.00
Government Participation @ 50%		$106,160.00
Contribution of Government under Prior Contract		$ 26,981.65
Combined contribution under both contracts		$133,141.65

Government's Copy

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 1

It is agreed this 8th day of July, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 is amended, effective May 6, 1963, as follows:

1. In Exhibit A, under the heading Description of the Work, the first paragraph is revised to read as follows:

"In the northern portion of the property trenching and surface diamond drilling shall be performed at locations which appear desirable. Also, an access road, involving not to exceed 200 hours of bulldozing, will be constructed to the tunnel portal. Such work is roughly indicated (in part) on the attached Figure 1."

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

BULLDOG MOUNTAIN, INC.

By G Warrington

Title President

Long
Asst. Sol. Off.
Treasurer
Talbut
Selfridge
Johnson

Government's Copy

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 2

It is agreed this 24th day of October, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended, as follows:

1. (a) Work under the contract shall be suspended during the period beginning August 1, 1963, and ending not later than May 1, 1964.

(b) No costs incurred by the Operator during the period of suspension shall be allowable for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of the work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. The time fixed by Article 1 of the contract for completion of the work is extended from 30 months to 36 months from the date of the contract.

3. The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from fifteen (15) years to sixteen (16) years from the date of the contract.

This amendment shall not be construed to increase the amount of any item designated as maximum, the fixed unit cost of any item of work, the estimated total cost of the project, nor the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

Long
App'd. Sol. Off.
Murphy
Talbutt
Selfridge
Johnson

BULLDOG MOUNTAIN, INC.

By [illegible]

Title President

FROM SOLICITOR

OCT 22 1963

FOR SIGNATURE

Government's Copy

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 3

It is agreed this 12th day of May, 1965, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Bulldog Mountain, Inc., hereinafter called the "Operator", that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended effective March 1, 1965, as follows:

1. In Exhibit A under the heading Description of the Work the second paragraph is deleted and the following is substituted therefor:

> From a point near the northwest corner of the Grover Cleveland claim, drive a crosscut in a westerly direction to intersect the Puzzle vein; and thereafter, a drift shall be driven on or if ground conditions necessitate along side of such vein in a northwesterly direction to intersect the east strand of the Bulldog Mountain fault. Thereafter, the drift shall be continued northerly in the same manner along this east fault strand.

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnbull
Acting Director, Office of Minerals Exploration

BULLDOG MOUNTAIN, INC.

By Fred E. Baker Jr.

Title Vice President

Lorry Selfridge
App'd. Sec. of Int.
Fisher
J. Johnson

Government's Copy

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 4

It is agreed this 23rd day of November, 1965, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended effective November 1, 1965, as follows:

In Exhibit A under the heading Description of the Work the second paragraph, as amended in Amendment No. 3, is further amended by deleting the last sentence thereof and substituting the following therefor:

> In the event the east strand of the Bulldog Mountain fault is not intersected by the drift along the Puzzle vein after approximately 2,230 feet of drifting, then a crosscut shall be driven on a bearing of S.75° W. from a point near the face of the drift on the Puzzle vein to intersect the east strand of Bulldog Mountain fault. Thereafter, a drift to the north and/or to the south shall be driven in or along the east strand structure.

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as a maximum, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Geological Survey

BULLDOG MOUNTAIN, INC.

By F. G. Warnhagen

Title President

Long
Appr. Sol. Off.
Murphy
Selfridge
Johnson
Kilsgaard
Lewis

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

November 5, 1965

Memorandum

To: The File

From: F. M. Murphy, Mining Engineer

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Justification for Amendment No. 4

In a letter dated October 28, 1965, to Region III, the Operator requested permission to drive a crosscut from the Puzzle vein drift to the east strand of the Bulldog Mountain fault. Mr. Hasler, in his memorandum of November 2 transmitting copies of the Operator's letter, recommended approval of the request.

In Amendment No. 3 it was anticipated that the Puzzle vein (fault) and the east strand of the Bulldog Mountain fault would intersect near the center of Baker No. 11 claim and provided for drifting on the east strand from that point.

However, instead of the Puzzle vein striking N. 45°W. as anticipated, the average strike has been N. 20° W. Hence, the present face of the Puzzle drift is 450 feet to 500 feet due east of the point of anticipated projection. In view of this and because the east strand of the Bulldog Mountain fault is one of the major targets of the contract work, it is recommended that the Operator's request be granted. Undoubtedly, these two faults intersect to the north but it now appears the point would be several thousands of feet north of the present face of the Puzzle drift.

According to the monthly reports submitted, there remains about 854 feet of drifting and crosscutting in the contract. This should be enough to complete the crosscut and do some drifting on the east strand fault.

F M Murphy

F. M. Murphy

FMMurphy/mm
cc: Director's Reading File
Division File
Economic Geology File
DME Reading File

8623

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

ANNEX I

The land referred to in Article 2 of the contract consists of sixteen (16) patented and fifty-six (56) unpatented lode mining claims, including all rights pertaining thereto, located in the Sunnyside Mining District, Mineral County, Colorado, in Township 42, North, Range 1, West of the New Mexico Principal Meridian. All claims are owned by the Operator with the exception of the Kansas City Star patented claim which is held pursuant to a lease dated April 8, 1961.

The claims are:

Patented Claims

Name	U.S. Mineral Survey No.
Number Eleven	8365
Memphis	15241
Victoria	9536
La Plata	15229
Alamosa	7848
Baxter	8441
Conejos	7463
Giant	8165
Cresent	7484
Acanthus	19302
Tahrshatha	19302
Conejos No. 2 (3/4 interest)	8306
Monterey	7484
Puzzle	9535
Grover Cleveland	11586
Kansas City Star	8697

Unpatented Claims, recorded in the office of the County Clerk and Recorder of Mineral County, at Creede, Colorado:

Baker Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, and 28, conveyed by Quit Claim Deed from John W. Getz, dated March 10, 1961, and recorded in book 110-1, at page 304.

Baker Nos. 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39, conveyed by Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, and recorded in book 110-1 at page 309.

					Book	Page
Baker	No.	40	(location	certificate)	5C	282
"	"	41	"	"	5C	311
"	"	42	"	"	5C	312
"	"	43	"	"	5C	321
"	"	44	"	"	5C	322
"	"	45	"	"	5C	331
"	"	46	"	"	5C	472
"	"	47	"	"	5C	481
"	"	48	"	"	5C	84
"	"	49	"	"	5C	104
"	"	50	"	"	5C	1042
"	"	51	"	"	5C	1051
"	"	52	"	"	5C	1052
"	"	53	"	"	5C	1061
"	"	54	"	"	5C	1062
"	"	55	"	"	5C	1071
"	"	56	"	"	6	7

All of the above claims are shown on the attached map entitled, "Figure 1, Map of the Baker Lode Claims, Sunnyside Mining District, Mineral County, Colorado." The exterior property boundaries are outlined in blue color but the claims shown in dark shading within such outlined boundaries are not included in this contract.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

GOVERNMENT USE ONLY	
Operator	
Docket No. OME –	
Contract No. 14-23-090 –	2166
Contract Date	MAY 6 1963

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Mineral, State of Colorado;

described as follows:[2] Kansas City Star; Mineral Survey Number 8697

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

Bulldog Mountain, Inc.[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance 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]

2. 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.

3. 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 blank.)

Except subject to mining lease agreement with Bulldog Mountain, Inc.
dated April 26, 1961, recorded May 2, 1961, in Book 110-I at Page 322-323
Of the Mineral County, Colorado Records.

1/ 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 must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. 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 true copies of such notice; and

5. 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.

6. Added provisions None (State "None" or "See Annex No. ____".)

Dated this 13th day of February, 19 63.

E. D. McClure	(Seal)	South Fork, Colorado	(Street) (City & State)
Myron W. Wyley, President	(Seal)	South Fork, Colorado	(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)

I, Kayron Hosselkus (Name), certify that I am the Secretary (Title—Secretary, etc.) of the corporation named herein; that Myron W. Wyley (Name), who signed this agreement was then President (Title—Pres., Vice-Pres., 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.

Kayron Hosselkus
(Corporate Seal)

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 301, Executive Order 10925, March 6, 1961, 26 FR 1977)

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however,* That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

Exhibit 5

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 26th day of April, 1961, by and between Rio Grande River Raft Race, Inc., A Colorado Corporation with principal offices in Creede, Colorado, Party of the First Part, and Bulldog Mountain, Inc., A Colorado Corporation with principal [illegible] in Monte Vista, Colorado, Party of the Second Part.

W I T N E S S E T H

That the Party of the First Part, for and in consideration of the covenants and agreements hereinafter expressed, and the rents and royalties hereinafter stipulated to be paid by the Party of the Second Part to the Party of the First Part, has leased, demised, and let, and by these presents does lease, demise and let unto the Party of the Second Part the following mining claim situate in Sunnyside Mining District in the County of Mineral, State of Colorado, as follows, to-wit:

Kansas City Star: Mineral Survey Number 8697

Reserving however, unto the Party of the First Part herein, the Right to Deed two acres of the surface of said premises to the winner of a cabin site to be raffled by said Party of the First Part, it being understood and agreed that the Party of the Second Part shall have the right to designate the said two acres for such cabin site in conjunction with the Party of the First Part, such reservation being specifically subject to the terms and conditions herein contained,

Further, the Party of the First Part specifically reserves the right to assign a one fifth (1/5) interest in and to any and all royalties reserved to said Party of the First Part herein to such winner of the raffle for a cabin site, subject to all terms and conditions hereinafter set forth.

TO HAVE AND TO HOLD the said premises unto the Party of the Second Part for a primary term of ten (10) years from the 26 day of April, 1961, expiring at noon on the 26 day of April, 1971, and as long thereafter as ores or minerals shall be produced therefrom unless sooner forfeited through the violation of any covenant or promises hereinafter set forth.

The Party of the First Part covenants to and with the Party of the Second Part that it has obtained title to said premises hereby demised by Commissioners Deed from the County of Mineral, State of Colorado, and that it has good right and title to said premises and the right to let and demise the same. The said Party of the First Part does further covenant and agree to and with the Party of the Second Part that should it be deemed necessary by the Party of the Second Part to cure the Title or in any manner perfect title to these premises for the purpose of carrying out the provisions of this Lease, the Party of the First Part will join in such proceedings as owner, and does hereby authorize the Party of the Second Part to initiate and carry out any such title proceedings or actions provided there shall be no costs or expense thereof chargeable to the Party of the First Part.

For and in consideration of the demise aforesaid, the rentals herein reserved, and the covenants herein contained, the Party of the Second Part hereby covenants and agrees with the Party of the First Part as follows, to-wit:

(1) To pay the Party of the First Part the sum of One Hundred Dollars ($100.00) at the time this lease is signed, said payment to cover the rental herein for the first year of the lease term for exploratory work without anything further; and thereafter the following covenants shall operate and be in full force as the consideration for the balance of the term:

(2) To do at least one hundred feet of underground development each year on or in the general direction of said claim to some point on the workings of the Party of the Second Part on adjacent properties now held by them, until such time as this claim shall have been reached and thereafter to do at least fifty (50) shifts of one man each of work on said claims in each year during the remaining life of this lease.

(3) To well and sufficiently timber said mine at all points where proper in accordance with good mining, and to repair old timbers whenever the same may become necessary by reason of the work done by the Party of the Second Part.

(4) To allow the Party of the First Part and their agents, at their own risk and responsibility, at all reasonable times, to enter upon or into parts of the said mining premises for the purpose of inspection, sampling, surveying, etc., and that the Party of the Second Part will render to the Party of the First Part all the assistance in their power in so doing, without cost to the Party of the Second Part.

(5) To occupy and hold all veins, spurs, feeders, cross lodes, parallel lodes or mineral deposits of any kind appurtenant to the leased premises which may be discovered by the said Party of the Second Part, or by any persons working under them in any manner, by working within the aforesaid premises, as the property of the said Party of the First Part, and as part of these premises demised and to not allow any person not in privity with the Parties hereto to take hold or hold possession of said premises or any part thereof, under any pretense whatever.

(6) To keep at all times the active drifts, shafts, tunnels and other workings thoroughly drained and free of loose rock and rubbish, unless prevented by extraordinary casualty, and to fully comply with the rules and regulations of the Commissioner of Mines and the Laws of the State of Colorado as regards the operating of metalliferous mines now in force.

(7) To promptly pay for all labor and supplies and to permit and allow the Party of the First Part to keep posted on said premises in one or more conspicuous places, a notice exempting the owners hereof from all liability to the Party of the Second Part in the way of labor, supplies, machinery, etc., and stating that the property is now under lease by the Party of the Second Part, to whom all persons must look for their compensation and pay.

(8) To pay to the Party of the First Part, at Creede, Colorado, as royalty, the following percentages of the net smelter or mill returns on all ore, concentrates and bullion extracted and sold from said premises to-wit:

ON ALL CRUDE ORES:

6% up to and incl.	$ 5.00 per ton	16% up to and incl.	$25.00 per ton
7% up to and incl.	$ 7.00 per ton	17% up to and incl.	$27.00 per ton
8% up to and incl.	$ 9.00 per ton	18% up to and incl.	$29.00 per ton

9% up to and incl.	$11.00 per ton		19% up to and incl.	$30.00 per ton
10% up to and incl.	$13.00 per ton		20% up to and incl.	$33.00 per ton
11% up to and incl.	$15.00 per ton		21% up to and incl.	$35.00 per ton
12% up to and incl.	$17.00 per ton		22% up to and incl.	$37.00 per ton
13% up to and incl.	$19.00 per ton		23% up to and incl.	$39.00 per ton
14% up to and incl.	$21.00 per ton		24% up to and incl.	$41.00 per ton
15% up to and incl.	$23.00 per ton		25% up to and incl.	$43.00 per ton
			26% up to and incl.	$45.00 per ton and over.

The rate of royalty shall be determined by the smelter or mill returns received form said ore after railroad transportation and smelter and mill treatment charges have been deducted.

(9) To hold the Party of the First Part harmless for or on account of any damage that may be suffered by the Party of the Second Part or its employees, or any person, whether a visitor or employee, while in or upon said premises with the consent of or the invitation of said Party of the Second Part, and for the greater protection under this paragraph of this lease, the said Party of the Second Part agrees to comply with the terms and conditions of the Workmens Compensation Act of the State of Colorado.

(10) Upon termination of this Lease for any cause, to deliver to the said Party of the First Part the said property with the appurtenances and improvements in good order and condition, with all drifts, shafts, tunnels and other trackage ready for immediate occupancy and continued working; (accidents not arising from negligence and acts of God excepted) upon thirty (30) days notice in writing of such termination delivered personally or by registered mail to any officer of the Party of the Second Part.

(11) It is expressly understood and agreed that any stoppage of work caused by strikes, riots, legal process, accidents to machinery or workings, or obstruction to their use by gas, fire or for any cause not under the control of the Party of the Second Part, shall not work a forfeiture of this lease, and such time that the said Party of the Second Part is unable to work the ground specified, for any of the above causes, shall be added to the life of this lease.

(12) Each and every clause and covenant of this indenture shall extend to the successors, heirs, executors, administrators and lawful assigns of all Parties hereto.

(13) And finally, upon violation of any covenant or covenants hereinbefore reserved the terms of this lease shall, at the option of the Party of the First Part, expire, and the same and said premises with the appurtenances shall become forfeited to said Party of the First Part, after thirty days written notice as specified in paragraph 10 above, unless the violation of said covenant shall have been corrected within said thirty days, and said Party of the First Part may enter upon said premises and dispossess all persons occupying same, with or without force and with or without process of Law.

Time of performance shall be the essence of this agreement.

IN WITNESS WHEREOF, the Parties hereto have caused their Corporate names to be hereunto subscribed by their respective Presidents, and their Corporate Seal to be hereunto affixed, attested by their respective Secretaries, in triplicate, the day and year first above written.

RIO GRANDE RIVER RAFT RACE, INC.

ATTEST: BY _____

Secretary Party

BULLDOG MOUNTAIN

ATTEST: BY Clarence G. Stockes

President

Secretary Party of the Second Part

EXHIBIT # 6

Patented Lode Claims Held by Bulldog Mountain, Inc.

PATENTED LODE CLAIMS	SURVEY NO.	RECORDING DATE (Mineral County, Colorado)
Number Eleven, Lode Mining Claim	8365	Quit claim Deed from Baker and Hooker, dated March 10, 1961 in Book 110-I, Page 303; Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961 in Book 110-I, Page 304.
Memphis, Lode Mining Claim	15241	Quit Claim Deed from Baker and Hooker dated March 10, 1961, recorded March 20, 1961 in Bk. 110-I, p. 303. Quit Claim Deed from John W. Getz dated March 10, 1961, recorded March 21, 1961 in Bk 110-I, p. 304.
Victoria, Lode Mining Claim	9536	Quit Claim Deed from Baker and Hooker dated March 10, 1961, Recorded March 20, 1961 in Bk 110-I, p. 303. Quit Claim Deed from John W. Getz dated March 10, 1961, recorded March 21, 1961 in Bk 110-I, p. 304.
LaPlata, Lode Mining Claim	15229	Quit Claim Deed from Baker and Hooker dated March 10, 1961, recorded March 20, 1961 in Bk. 110-I, p. 303. Quit Claim Deed from John W. Getz dated March 10, 1961, recorded March 21, 1961 in Bk 110-I, p. 304.
Alamosa, Lode Mining Claim	7848	Quit Claim Deed from Baker and Hooker dated March 10, 1961, recorded March 20, 1961 in Bk. 110-I, p. 303. Quit Claim Deed from John W. Getz dated March 10, 1961, recorded March 21, 1961, in Bk. 110-I, p. 304.
Baxter Lode Mining Claim	8441	Quit Claim Deed from Baker and Hooker dated March 10, 1961, recorded March 20, 1961 in Bk. 110-I, p. 303. Quit Claim Deed from John W. Getz dated March 10, 1961, recorded March 21, 1961 in Bk. 110-I, p. 304.

PATENTED LODE CLAIMS	SURVEY NO.	RECORDING DATA, (Mineral County, Colorado)
Conejoo, Lode Mining Claim	7463	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
Giant, Lode Mining Claim	5165	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
Crescent, Lode Mining Claim	7484	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
Agamthus, Lode Mining Claim	19302	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
Tahrobatho, Lode Mining Claim	19302	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
An undivided 3/4 interest in and to the Conejoo No. 2	8306	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
Monterey, Lode Mining Claim	7484	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I Page 301.
Pueblo, Lode Mining Claim	9535	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.
Grover Cleveland, Lode Mining Claim	11586	Quit Claim Deed from Mineral County Commissioners dated March 7, 1961, recorded March 9, 1961, in Book 110-I, Page 301.

Unpatented Lode Claims held by Bulldog Mountain, Inc.:

NAME	RECORDING DATA, (Mineral County Colorado)
Baker No. 1, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961 in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I Page 304.

NAME	RECORDING DATA, (Mineral County Colorado)
Baker No. 2, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I Page 304.
Baker No. 3, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 4, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 5, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 6, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 7, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, In Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I. Page 304.
Baker No. 8, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John A. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.

NAME	RECORDING DATA, (Mineral County Colorado.)
Baker No. 9, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 10, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 11, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page
Baker No. 12, lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 13, lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 14, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 15, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 16, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz dated March 10, 1961, recorded

NAME	RECORDING DATA, (Mineral County Colorado.)
Baker No. 17, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 18, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 19, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 20, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 21, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 22, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 23, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.

NAME	RECORDING DATA, (Mineral County Colorado.)
Baker No. 24, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 25, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 26, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 27, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 28, Lode Mining Claim	Quit Claim Deed from Baker and Hocker, dated March 10, 1961, recorded March 20, 1961, in Book 110-I, Page 303, Quit Claim Deed from John W. Getz, dated March 10, 1961, recorded March 21, 1961, in Book 110-I, Page 304.
Baker No. 29, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 30, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 31, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 32, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.

NAME	RECORDING DATA.(Mineral County Colorado.)
Baker No. 33, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 34, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 35, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 36, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 37, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 38, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 39, Lode Mining Claim	Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, recorded March 31, 1961, in Book 110-I, at Page 309.
Baker No. 40, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated February 28, 1961, recorded March 14, 1961 in Book 5C at Page 28[2].
Baker No. 41, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated March 1, 1961, and recorded March 14, 1961, in Book 5C at Page 31[1].
Baker No. 42, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated March 1, 1961, and recorded March 14, 1961, in Book 5C at Page 31[2].
Baker No. 43, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated March 2, 1961, and recorded March 14, 1961, in Book 5C at Page 32[1].
Baker No. 44, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated March 3, 1961, and recorded March 14, 1961, in Book 5C at Page 32[2].

NAME	RECORDING DATA (Mineral County, Colorado)
Baker No. 45, Lode Mining Claim	Location certificate of Bulldog Mountain, Inc., by Fred Baker dated March 3, 1961 and recorded March 14, 1961 in Bk. 5C at p. 33[1].
Baker No. 46, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated May 3, 1961 and recorded June 13, 1961 in Book 5C, p. 47[2].
Baker No. 47, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker dated May 25, 1961 and recorded June 13, 1961 in Bk. 5C, p. 48[1].
Baker No. 48, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker recorded August 24, 1961 in Bk. [illegible]
Baker No. 49, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker recorded November 29, 1961 in [illegible]
Baker No. 50, Lode Mining Claim	Location Certificate of Bulldog Mountain, Inc., by Fred Baker recorded Nov. 29, 1961 in Bk. 5C, p. 104[2].
Baker No. 51, Lode Mining Claim	Location Certificate of Bulldog Mt., Inc., by Fred Baker recorded Nov. 29, 1961 in Bk. 5C, p. 105[1].
Baker No. 52, Lode Mining Claim	Location Certificate of Bulldog Mt., Inc., by Fred Baker recorded Nov. 29, 1961 in Bk. 5C, p. 105[2].
Baker No. 53, Lode Mining Claim	Location Certificate of Bulldog Mt., Inc., by Fred Baker recorded Nov. 29, 1961 in Bk 5C, p. 106[1].
Baker No. 54, Lode Mining Claim	Location Certificate of Bulldog Mt., Inc., by Fred Baker recorded Nov. 29, 1961 in Bk. 5C, p. 106[2].
Baker No. 55, Lode Mining Claim	Location Certificate of Bulldog Mt., Inc., by Fred Baker recorded Nov. 29, 1961 in Bk. 5C, p. 107[1].
Baker No. 56, Lode Mining Claim	Location Certificate of Bulldog Mt., Inc., by Fred Baker recorded Jan. 28, 1963 in Bk. 6, p. 7
MILL SITES	
No. 1	Bk. 5C, p. 22[1]
No. 2	Bk. 5C, p. 22[2]
No. 3	Bk. 5C, p. 23[1]

MILL SITES	RECORDING DATA
No. 4	Bk. 5C, p. 23[2]
No. 5	Bk. 5C, p. 24[1]
No. 6	Bk. 5C, p. 24[2]
No. 7	Bk. 6, p. 8

SPRAGUE & HENWOOD, Inc.

Contract Division
REGIONAL OFFICE

2151 North Redwood Road (P.O. Box 2556)
Salt Lake City 10, Utah DAvis 8-4271

DIAMOND DRILLING • MINERAL EXPLORATION • SOIL SAMPLING • PRESSURE GROUTING

S&H SINCE 1883

EXECUTIVE OFFICES & PLANT
SCRANTON, PENNSYLVANIA

March 7, 1963

Bulldog Mountain Inc.
57 Post St. - Room 511
San Francisco 4, Calif.

Attn: Mr. S. J. Varnhagen, Pres.

Gentlemen:

We wish to acknowledge your letter of February 13, 1963, and in compliance with your request, we herewith submit our proposal for drilling your property near Creede, Colorado.

PROPOSAL - Surface

Item 1.	Mobilization and demobilization	L/S	- - -$1,500.00	
Item 2.	Drilling through overburden to bedrock		- - -	9.50/ft.
Item 3.	Core drilling	NX	BX	AX
	0 - 500 ft. depth	$7.50/ft.	$7.00/ft.	$6.50/ft.
	500 - 1000 " "	8.25 "	7.75 "	7.25 "
Item 4.	Reaming and placing casing			
	AX to BX size	- - -$2.75/ft.		
	BX to NX size	- - - 3.00/ft.		
Item 5.	Cementing and drilling out cement (plus cost of cement)		- - -	14.00/hr.
Item 6.	Moving from location to location and setting up		- - -	14.00/hr.
Item 7.	Standby time as required by customer		- - -	12.00/hr.
Item 8.	Casing lost or requested left in place		@ List price f.o.b. job	

Sprague & Henwood, Inc. would propose to furnish two #142 truck mounted core drills, completely equipped for drilling holes to 1,000 ft. depth, with two man crews for each drill. All access roads and drill sites would have to be accessible for truck monted equipment, at no cost to Sprague & Henwood, Inc.

Cont. Page 2

Bulldog Mountain, Inc.
Proposal Cont.

PROPOSAL - Underground

Item 1. Mobilization at collar L/S - - -$800.00

Item 2. Moving and setting up between locations - - 11.00/hr.

Item 3. Core drilling

	BX	AX
0 - 500 ft. depth	$5.80/ft.	$5.50/ft.
500 - 750 " "	6.50 "	6.20 "
750 - 1000 " "	7.25 "	6.90 "

Item 4. Standby time as requested - - - 11.00/hr.

Item 5. Reaming AX to BX size - - - 2.50/ft.

Conditions:

1. Air and water to be furnished at station at no cost to Sprague & Henwood, Inc.

2. Drill stations will be constructed to enable 10 ft. pulls to be made.

3. Underground lamps and any neccessary timber will be furnished at no cost to Sprague & Henwood, Inc.

We trust our proposal is satisfactory for your requirements and we thank you for your inquiry.

Very truly yours,

SPRAGUE & HENWOOD, INC.

Vincent D. Nourse

Vincent D. Nourse
Ass't. Gen. Sup't.
Western Operations

McCARTY AND WHEATLEY
COUNSELLORS AT LAW
WALKER BUILDING
734 FIFTEENTH STREET, N. W.
WASHINGTON 5, D. C.

ROBERT L. McCARTY
CHARLES F. WHEATLEY, JR.

METROPOLITAN 8-5882

JAN 31 1963
O.M.E.

January 31, 1963

Mr. George Fumich, Jr.
Director, Office of Minerals Exploration
Washington 25, D. C.

Re: Application of Bulldog Mountain, Inc. for O.M.E. Financial Assistance

Dear Mr. Fumich:

We are enclosing herewith an original and one copy of an application under date of January 30, 1963 by Bulldog Mountain, Inc. for financial assistance in minerals exploration, pursuant to Public Law 85-701.

Sincerely yours,

Charles F. Wheatley, Jr.

Charles F. Wheatley, Jr.

CFW/np

Encl. a/s

BULLDOG MOUNTAIN, INCORPORATED

Application

to

OFFICE of MINERALS EXPLORATION

B U L L D O G M O U N T A I N I N C .

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

January 30, 1963

Mr. George Fumich, Jr.
Director, Office of Minerals Exploration
Washington 25, D.C.

Dear Mr. Fumich:

Thank you for your letter of January 4. We are submitting under cover with this letter, an application for O.M.E. financial assistance in the exploration for silver ores on our property in Mineral County, Colorado.

I notice the original contract on the property, #2130, was under O.M.E. - 6143 (lead-zinc). This contract was prepared, and designation requested, by the Humphreys Exploration Company, with whom we are no longer associated. Our interest in Bulldog Mountain has always been in its probable silver content. The history of the Creede district (Exhibit 8 enclosed) indicates the mines of the area are noteworthy chiefly for their silver production.

Our application is not quite complete. Certain assay reports have not been returned to us by the Humphreys Exploration Company, despite our repeated requests, and the subordination agreement covering the one leased claim, the Kansas City Star, will be forwarded as soon as the several parties are located to affix their signatures.

If there is anything I have overlooked in the preparation of this application, please call it to my attention.

Sincerely yours,

Stephen J. Varnhagen

Stephen J. Varnhagen

SJV:jmj

INDEX AND ORGANIZATION

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Letter of Transmittal	
O.M.E. Form 40	
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III. Physical Description of Property	2
IV. Accessibility of Property	5
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VI. Experience of Applicant and Associates	8
VII. Estimate of Costs	8

FIGURES

1. 400-scale Claim Map
2. 500-scale Geologic Map
3. 40-scale Puzzle Tunnel Map
4. U.S.G.S. Map
5. 500-scale, 9750' Elevation Map
6. 200-scale Section N 600
7. 200-scale Section S 2600
8. 200-scale Section S 1400
9. 200-scale Section S 600

EXHIBITS

1-4. Evidence of Financial Eligibility
5. Kansas City Star Lease
6. Legal Description of Land
7. Subordination Agreement
8. History of Creede District
9. Drill Logs
10. Wisser & Cox Experience Record

MME Form 40
July 1962

JAN 31 19
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

Bulldog Mountain, Inc.
Rm. 511
57 Post Street
San Francisco 4

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6288

DATE RECEIVED: 1/31/63

REGION: III

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [x]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
S. J. Varnhagen	57 Post Street San Francisco 4	President
Fred Baker, Jr.	Sherman Avenue Monte Vista, Colo.	Vice Pres.
M. W. Cox	Box 748 - Aspen, Colo.	Treasurer
Gail F. Ouren	122 Adams Street Monte Vista, Colo.	Secretary

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Silver

ESTIMATED COST OF PROJECT: $ 245,036

PROPERTY NAME	LOCATION COUNTY	STATE
Bulldog Mountain	Mineral	Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

January 30, 1963
DATED

S. J. Varnhagen
BY *(Signature)*

President
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

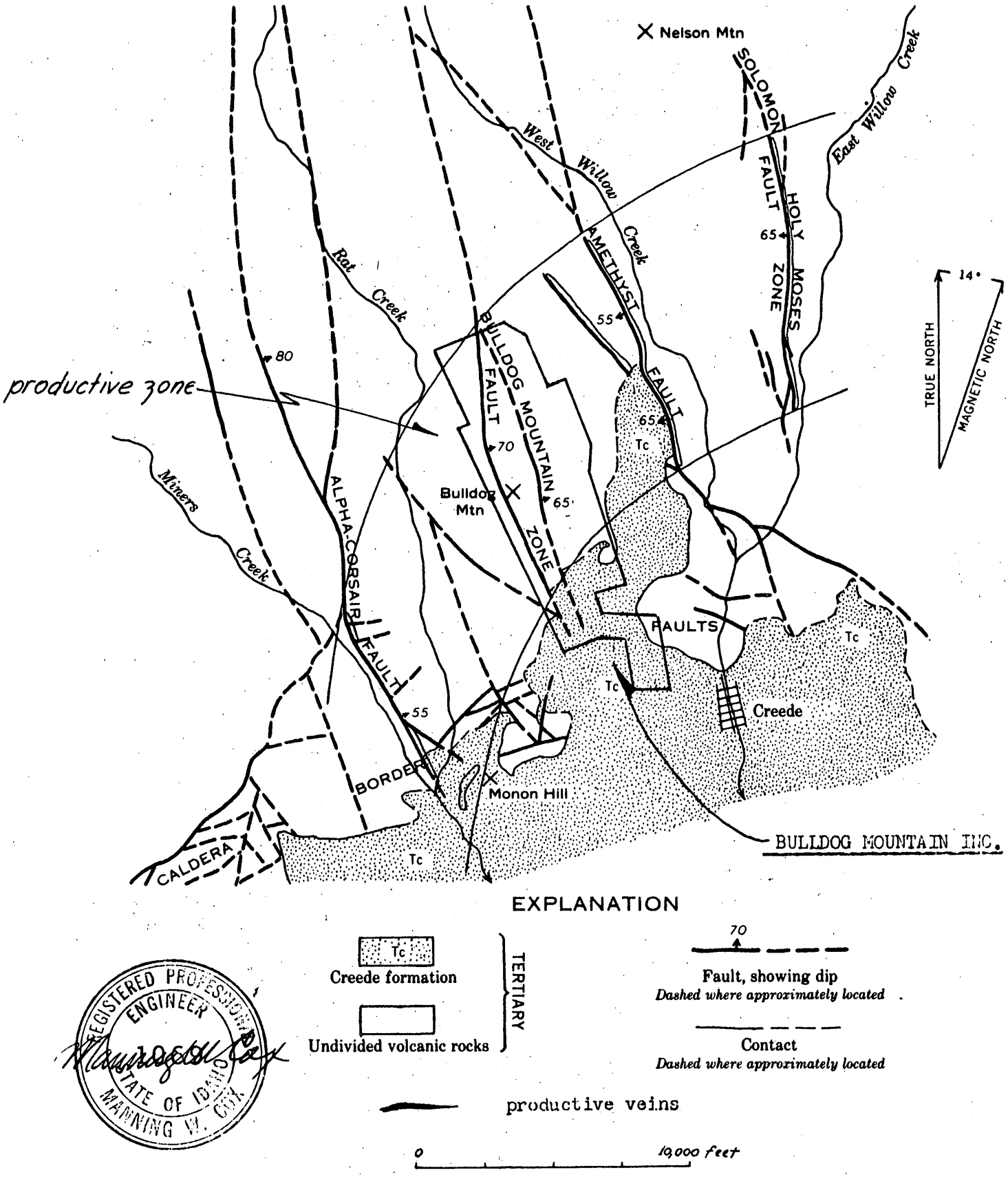
(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C.11879

adapted from:
U. S. G. S. Prof. Paper 400



REGISTERED PROFESSIONAL ENGINEER
STATE OF IDAHO
MANNING W. COX

FIGURE 4 —Fault pattern in the Creede district, Colorado.

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

INTRODUCTION

This application by Bulldog Mountain, Incorporated, Applicant, a Colorado corporation, is for assistance in the exploration of the Bulldog Mountain area, Sunnyside Mining District, Mineral County, Colorado, in which it is believed that commercial deposits of silver-bearing ores may be found. Pursuant to the regulations of the Office of Minerals Exploration, Department of Interior, United States of America, these attachments to M.M.E. Form 40 cover, to the best of our knowledge, the information required.

It is proposed to continue the exploration of the geologic targets suggested by the U. S. Geological Survey, Professional Paper 400, beginning at Page 14, which targets were the object of exploration work under O.M.E. contract 2130, now terminated. The Applicant believes that this undertaking has inherent in it a degree of risk greater than that normally assumed by private exploration companies and accordingly, Applicant would not normally undertake such exploration at its sole expense under current economic conditions.

I. Financial Eligibility

(a). Bulldog Mountain, Incorporated has approached its bankers as to the availability of funds from commercial sources. Such funds are not available from the usual sources of finance, as evidenced by the attached letters, Exhibits 1, 2, 3, and 4.

(b). Not applicable.

(c). Bulldog Mountain, Incorporated will make available from private sources as required sufficient funds to carry the Applicant's share of the project.

II. Applicant's Rights in Lands

(a). Bulldog Mountain, Incorporated owns the following lands in Mineral County, Colorado as shown by the attached Figure 1:

Baker lode locations 1 through 56 inclusive. Patented lode claims as follows: Giant 8165; Victoria 9536; Eleven 8365; Crescent 7463; 27484 La Plata 15229; Acanthus 19302; Tahrshatha 19302; Conejos No.2, 8306; Monterey 7484; Puzzle 9535; Grover Cleveland 11856; Memphis 15241; Conejos 7463; Alamosa 7848; and Baxter 8441. There are no liens or any other encumbrances on these properties.

Bulldog Mountain Incorporated controls, by lease hold, the Kansas City Star lode claim #8697. A copy of the lease between the owner of Kansas City Star and Bulldog Mountain Incorporated is attached hereto as Exhibit 5.

(b). Legal description of the Applicant's property is shown in Exhibit 6 attached.

(c). Bulldog Mountain has received from the Rio Grande River Raft Race Committee, Inc. an agreement to subordinate its property, to wit: the Kansas City Star claim, which agreement is attached hereto in 5 copies as Exhibit 7.

III. Physical Description

Introductory Statement. The area for which O.M.E. assistance is made comprises a portion of the Bulldog Mountain Fault Zone, Sunnyside Mining District, Mineral County, Colorado, as that structure defined by T. S. Stevens et al in U. S. Geological Survey Professional Paper 400, beginning at Page B-14. Mr. Stevens states that the Bulldog Mountain Fault Zone appears to be the most favorable structure to prospect in the Creede District, an area which in the past has produced more than 60 million ounces of silver. As a matter of interest and record, there is attached hereto, as Exhibit 8, a brief summary of the history of mining and production in Creede, as prepared by M. W. Cox from public records. During 1961 and 1962, there was conducted on this property a program of surface exploration including geologic mapping, geochemical prospecting and resistivity surveys. This was followed by bulldozer trenching and diamond drilling, the latter conducted under O.M.E. contract 2130 never completed and now terminated. 1960

(a). To the best of our knowledge there is not now or never has been mining, that is, the extraction of ores in commercial quantities, on the property.

Exploration work prior to work by Bulldog Mountain et al consisted of numerous pits, shafts and short tunnels, all less than 100 feet in length and all now inaccessible. No record exists of these workings. The dumps indicate that quartz-barite-amethyst mineralization of the barren Upper Creede type was encountered in some of the wokrings.

One crosscut adit, named by us the Puzzle Tunnel, is open a length of 890 feet. It is driven westerly from Windy Gulch (Figure 2, Geologic Map attached) towards the Bulldog Mountain fault zone, but fails by 1000 feet of reaching that zone. A map of the tunnel is attached (Figure 3). It is believed once to have been known as the Nickel Plate tunnel, but no records have been found.

In the 1961-62 program conducted by Bulldog Mountain et al, a number of surface trenches were cut and under O.M.E. contract 2130, five surface diamond drill holes and five underground diamond drill holes were completed, with an aggregate total of 5500 feet.

(b). The drilling project conducted under O.M.E. contract 2130 was managed by the firm of Wisser & Cox, consultants to Bulldog Mountain Incorporated. This firm is now retained to manage the project applied for herein.

(c). Not applicable

(d). Not applicable

(e). A general description of the property is given by Stevens (op.cit.) and by Emmons and Larsen in U. S. Geological Survey Bulletins 718 and 811-B. The area of interest is wholly within the Creede volcanics lying in the center of the so-called Creede graben, and containing the following volcanic units, as sub-divided by Stevens (personal communication).

Creede formation	Unconformity)	
Huerto andesite	)	"cap rocks"
Wasson Park latite	)	
Windy Gulch tuff		
	Unconformity	
Campbell Mt. rhyolite	)	"host rocks)
Willow Creek rhyolite	)	

Distribution of these formations is now known from detailed mapping by Bulldog Mountain and shown in Figure 2, a geologic map, attached. Known mineralization is of the epithermal vein type along faults and fissures in the lower volcanic series. Along the Bulldog Mountain fault zone, observable mineralization consists of quartz-barite-amethyst veins from a few inches to several feet in thickness with associated amounts of gouge, iron and manganese oxide. These veins will yield trace amounts of silver where sampled, but in themselves are not of exploration interest. However, this mineral assemblage is characteristic of the uppermost barren zone of the principal vein systems of the Creede District, to wit: the Amethyst lode. In several mines along that lode - Bachelor, Last Chance, Commodore, Amethyst, Happy Thought, Park Regent, Del Norte, and the laterally discovered O-H, Robinson and so-called "new" veins, there is marked vertical zoning and to some extent lateral zoning. The soft, Windy Gulch cap rocks appear to have acted as a dam to ascending mineralizing solutions inasmuch as this rock unit does not sustain open fractures or breccia zones, as does the brittle Campbell Mountain rhyolite. The silver ore mined occurs in narrow, horizontal bands near the top of the fissure systems, just below the cap rock. Stoped areas show horizontal elongation in the order of magnitude of 10 to 1. There is marked vertical change in fissure mineralization within the 2000+ feet explored to date. The major silver zone, and the one in which Bulldog Mountain is interested, is from 50 to 300 feet high, but from 4000 to 10,000 feet along the strike. It is succeeded downward by lead-zinc, zinc-copper and coarse pyritic mineralization at depth. Bulldog Mountain Incorporated does not plan to explore for the lead, zinc, copper or pyritic ores. Primary silver mineralization appears to have been argentite, tetrahedrite as indicated by recent developments on the O-H and Robinson vein systems, and as found by drilling on the Puzzle vein. In the O-H vein now being mined on adjoining property, the top of ore is about 10,300 feet above sea level and the bottom of silver ore between 9400 and 9600 feet. On the older Amethyst mine workings, the top of ore was between 10,000 and 11,000 feet and the bottom between 9300 and 9600 feet.

Structurally the Bulldog Mountain fault zone has many features comparable to the Amethyst lode. Both main strands are long-lived faults reopened in post-Creede formation time and known to be mineralized. Both have one or more tangential hanging wall mineralized splits. Bulldog Mountain fault zone strikes N 25-30° W parallel to the Amethyst lode, but dips to the northeast, whereas the Amethyst lode dips to the southwest.

The 1961-62 exploration program mentioned herein showed the Bulldog Mountain fault zone to be a stranded complex braided zone in which principally the eastern strands appear to be mineralized. This is in contrast to a simple two-strand concept depicted by Stevens. Core drilling and trenching under O.M.E. contract 2130 indicated the presence of a Caldera border fault cutting through these lands about 4000 feet from the southern border and trending to the northeast. This fault is downthrown on the north and the depth of soft cap rock northwest of this fault is upwards of 500 feet, not 200 feet as anticipated by Stevens. Southeast of the border fault in the upthrown block, the cap rock is thin or missing. Inasmuch as this fault is pre-Creede in age, it is probably over much of the southern portion of the Bulldog Mountain claim group, no cap rock existed at the time of mineralization and mineralizing solutions passed through the fissure system without depositing ores. T. A. Stevens (personal communication) stated that mineralizing solutions appear to have moved horizontally as well as upward in these fissure systems. Thus, an area where the cap rock is thin may also be barren of ores.

North of the Caldera border fault, cap rocks are much thicker, as indicated by surface drilling and chances for commercial ores are substantially better. Underground drilling from the Puzzle Tunnel has disclosed silver mineralization in a brecciated portion of the Puzzle vein about 200 feet below the tunnel level. It therefore appears that the prerequisites for commercial ore occurrence at Bulldog Mountain are thick Windy Gulch cap rock overlying fissures of the Bulldog Mountain system that were brecciated and open during the post-Creede formation period of mineralization.

(f). The reasons for expecting to find ore, other than the general discussion foregoing and those indicated by Stevens (op.cit), are as follows:

1. The structure is comparable in tectonic history of the major producers of the area.

2. Presence of altered cap rock over the hard rhyolites that form a probable host rock.

3. The presence of upper zone mineralization in the cap rocks within the area explored under O.M.E. contract 2130 and more particularly to the north of the area explored under that contract.

4. The presence of tetrahedrite and argentite minerals in the Puzzle vein system as encountered by drill holes 6 and 10.

5. The presence of silver minerals in the east end of the Bulldog Mountain fault as encountered by drill holes 2 and 3.

IV. Accessibility of Property

(a). The property for which O.M.E. participation is sought, lies one mile by passable truck road from the town of Creede, Colorado. The attached map, Figure 4, shows the property in its relation to Creede. The elevation at the town of Creede is approximately 8500 feet; the elevation in the lower part of the Bulldog Mountain property is approximately 9200 feet; the highest point of the Bulldog Mountain property is slightly over 11,000 feet in elevation. In general, the property has a southern exposure and work can be conducted on a year-round basis. However, under O.M.E. contract 2130, drilling was conducted throughout the winter of 1961-62, a particularly heavy snow winter. While the work did progress without undue interruption, it was continued only at an excessive cost in down time and snow removal. It is hoped, therefore, that the present O.M.E. project can be initiated early in the spring or summer of 1963 to obviate surface work during adverse conditions.

The O.M.E. representative will be met either by:

Mr. Fred Baker, Jr.	or	Mr. M. W. Cox
Sherman Avenue		Box 748
Monte Vista, Colorado		Aspen, Colorado

(b). Creede is the terminus of a standard gauge branch of the Denver & Rio Grande Western Railroad. Local merchants at Creede, South Fork, and Del Norte, respectively 1, 20 and 30 miles by road from the property, carry a full line of needful mining supplies. Adequate labor is available locally. R.E.A. three-phase power is now being installed and will be available for major power needs within six months. Sufficient water for mining purposes is present on the property.

V. Exploration Work

(a). Reference should be made to Figures 2, 5 and 6, as illustrations for the following explanation of proposed work.

As a result of previous work on the property, including O.M.E. contract 2130, which was abandoned without completion, it is known that the Puzzle vein, in the southern part of the east strand of Bulldog Mountain fault does contain silver mineralization, although no commercial ore has yet been discovered. These targets now require and merit exploration by underground openings. Work under O.M.E. 2130 demonstrated that surface drilling, while needed to identify and

locate vein structures, is so expensive and slow because of the sticky nature of the cap rocks as to be an unsatisfactory method of mineral exploration. Geologic conditions northward from the area partially explored to date and along the west strand of the Bulldog Mountain fault have been demonstrated to be favorable for the occurrence of Creede type silver ores and will require further exploration by surface trenching and by drilling. However, it is proposed to explore the Puzzle vein showings in the intersection of that vein with the east strand of the Bulldog Mountain fault, the area drilled in part under O.M.E. 2130 by means of an adit entry.

It is proposed to drive a crosscut portaling on or near the Grover Cleveland patented claim MS 11586, at elevation 9750 (±10 feet) to be on an elevation appropriate to place the drift below the base of the soft Windy Gulch capping tuffs and in the district host rock, Campbell Mountain rhyolite, as determined by drill holes 2 and 3 of O.M.E. contract 2130. As shown by the enclosed schematic layout at 9750 feet elevation, it is proposed to crosscut 750 feet in a direction approximately N 47°W until the Puzzle vein, encountered at this elevation in drill holes O.M.E. 2130, No. 6, 7 and 10, is reached. It is planned then to drift on the vein to its intersection with Bulldog Mountain fault east strand, an approximate distance of 2500 feet. It is planned to follow the combined strands northward for 750 feet in order to reach a point down dip from surface showings where quartz-barite vein matter occurs in the weakly mineralized cap rock (Bulldog Mountain grid N 1400). All workings are to be driven 6' x 7' in the clear, timbered where necessary. It is estimated that no more than 10% of the drive will require timber.

In view of the known vertical zoning habits of the Creede veins, it will be necessary to obtain vertical exploration along these structures. In addition, these drifts will afford the first practical means of drill exploration along the strike of the Bulldog Mountain east fault and a method of reaching the Bulldog Mountain west fault. Accordingly, it is proposed that the several targets described be tested by core drilling from the underground openings at locations and on bearings and inclinations and for distances to be determined by field consultation with the administrating officer. Four thousand feet of hole is proposed, tentatively divided into two horizontal holes of approximately 1000 feet each, and seven holes of approximately 300 feet each. The layout of these holes on the attached Figure 2 is schematic and is not to be construed to represent precise location. Holes will be cored throughout and finished AX size where ground conditions permit. The cores will be sampled by standard engineering methods and approximately 50 samples will be required.

All mineralized structures encountered by drifting or crosscutting or diamond drilling will be sampled by conventional engineering methods and assayed for their gold and silver content. It is estimated that 800 samples from tunnel workings will be required.

Concurrently in part with the aforementioned program and designed time wise to correspond with the underground drilling, it is planned to continue physical exploration of the northern portion of the property by surface trenching and core drilling. Four thousand feet of slant hole core drilling, tentatively

divided into five holes of approximately 800 feet, at sites, bearings, angles and lengths to be determined by field consultation with the adminstrating officer, are proposed. These holes will be collared NX and finished AX where ground conditions permit. Two hundred dozer hours of trenching concurrently with the drilling is required to facilitate vein correlation and to prepare drill sites. The layout on Figure 2 of the trenching and drilling is schematic and not intended to represent precise locations for these workings at this time. It is estimated that this drilling program will require the taking of an additional minimum of 50 core samples by conventional methods which will be assayed for their gold and silver content.

At its own expense, and not as a part of this O.M.E. application, Bulldog Mountain plans to continue other trenching and road building in this general area and to perform electrical geophysical studies and mercury vapor geochemical prospecting studies at the same time. No O.M.E. assistance is requested for this work.

Recapitulation of Proposed Work

Tunneling (6' x 7' in the clear)
- Crosscut to Puzzle Vein (750 feet)
- Drift on Puzzle Vein (2500 feet)
- Drift on East Bulldog Fault (750 feet)

Drilling (NX, BX and AX)
- Underground, 4000 feet in approximately 7 holes
- Surface, 400 feet in approximately 5 holes

Trenching
- Access roads and fault trenches as required in connection with surface drilling

(b). Access Road. Approximately 5000 feet of new major access road is required to serve the 9750 foot elevation Cleveland adit. It can and will be constructed by dozer and grader work on a maximum 7% grade and a 20-foot finished crown. Its location is shown on Figure 2.

(c). Timing. From the date of executing an O.M.E. contract, thirty days' time will be required to initiate work, weather permitting. Because of the high altitude and long winter season at Creede, Colorado, it is desired to begin the project not later than June 1, 1963.

Tunneling will be prosecuted two shifts per day, 6 days per week. Advance is estimated at 5 feet per shift.

Drilling will be done by one underground and one surface rig simultaneously two shifts per day, 6 days per week. Experience in this area indicates to us an average advance of 20 feet per shift may be expected.

The time schedule is estimated as follows. Reference should be made to Figure 5 for the expected monthly progress.

	Individual Time	Cumulative Time
Access road, portal preparation machinery installation	4 weeks	4 weeks
Tunneling - crosscut 750 feet	12.5 "	16.5 "
drift 2250'	37.5 "	54.0 "
drift 1000'	17 "	71 "
Drilling, 8000' total @40'/shift with 2 rigs, coextensive with above weeks	54 to 71 weeks	
Surface trenching	coestensive with drilling	

Total Project Time: 71 weeks

VI. Experience

Bulldog Mountain Incorporated has arranged a management contract with the firm of Wisser & Cox, engineers and geologists of 57 Post Street, San Francisco, California. This firm has managed all previous work to date on this property as agents for Bulldog Mountain and for Humphreys Exploration Company, including all work done under O.M.E. contract 2130. It is understood that personnel of the firm are available but that selection of the resident manager cannot be made this far in advance. We are assured that overall management will be under the personal supervision of one of the firm's senior partners. An experience record of this firm is attached hereto.

Bulldog Mountain Incorporated, a private firm, has not previously engaged itself in mining exploration. Mr. Fred Baker, vice president of that firm, is however an experienced miner, shift boss and mine foreman, and will be available to represent Bulldog's interest where needed.

VII. Estimate of Costs

Introduction. Bulldog Mountain Incorporated believes that the proposed exploration project can be divided into three categories of work, to wit: tunneling, road and trenching construction, and drilling. Bulldog Mountain Incorporated proposes to do all of the work itself as a prime contractor, sub0 contracting only those portions of the work which require specialized experience, to wit: diamond drilling. Accordingly, the following estimate is made, for the total project for which assistance is applied, of $245,036, divided: $176,250 for tunneling ($44.06/foot), $62,716 for drilling ($7.84/foot), and $6,070 for road work and trenching.

Summary of Costs

	Tunneling (4000')	Road and Trenching	Drilling (8000')	Total Cost
a. Independent contracts	-	-	$ 56,000	$ 56,000
b. Personal services	$ 87,002	$ 1,070	5,701	93,773
c. Operating supplies	48,899	-	-	48,899
d. Operating equipment	22,791	-	-	22,791
e. Rehabilitations	-	-	-	-
f. New Buildings	-	-	-	-
g. Miscellaneous	17,550	5,000	1,015	23,573
Total Cost	$176,250	$ 6,070	$62,716	$245,036
Cost per Unit	$44.06/foot	-	$7.84/foot	

7a. Independent Contracts

Surface and underground drilling to be subcontracted as under O.M.E. #2130, which see.

Surface drilling - contractor to furnish water and power holes to be collared NX, and finished AX where possible:

4,000' @ $7.00 = $28,000

Underground drilling - contractor to furnish power only holes to be collared BX and finished AX as above

4,000' @ $7.00 = 28,000

Total Contracts = $56,000

b. Personal Services

	Total	Subject to Payroll Taxes & Insurance
General supervision	none	none
Project supervision, 71 wks @$175	$12,425	$12,425
Consulting geologist & engineer 16 mos. at 5 days @$100	8,000	none
Contract surveyor & helper, 15 mos. at $50/day - 2 days/mo.	1,500	none
Sampler @$2/hr ($104/week) x 55 wks.	5,720	5,720
Topmen (mechanics) @$2.50/hour ($131/week) x 71 weeks, 2 men	18,602	18,602
Miners @2.50/hour ($131/week) x 71 weeks, 4 men	37,204	37,204
Truckdriver-storekeeper @$2/hour ($104/week) x 71 weeks	7,384	7,384
Travel of supervisory personnel 1200 mi./month @10¢ x 16 mos.	1,920	none
Subsistence of supervisory personnel 7 days/month x $9/day x 16 mos.	1,008	none
Total	$93,763	$81,335

Total on site personnel - 9
All of above personnel excepting project supervisor are available locally.

Distribution of Personal Services

Item	Tunneling	Drilling	Trenching	Total
Supervisor	$11,533	$ 595	$ 297	$ 12,425
Consulting engr. & geologist	5,500	2,000	500	8,000
Surveyor	1,500	-	-	1,500
Sampler	3,720	2,000	-	5,720
Topmen	18,602	-	-	18,602
Miners	37,204	-	-	37,204
Driver	6,824	560	-	7,384
Travel & subsistence	2,119	546	273	2,938
Total	$87,002	$5,701	$1,070	$ 93,773
Cost/foot	$21.75	$0.71		
Subject to payroll taxes and insurance	$77,260	$3,452	$298	$81,335

(c). Operating Supplies

	Unit Price	Quantity	Cost
Timber	$80/M	15 M	$ 1,200
Pipe & couplers			
4" air	$1.10/ft.	4000 ft.	4,400
1" water	0.30/ft.	4000 ft.	1,200
Vent pipe 15"	1.60/ft.	4000 ft.	6,400
Rail, 30#	$230/ton	40 tons	9,200
Fishplates	$1.40/pr.	400 pair	560
Spikes	10¢	4000	400
Ties	60¢	1300	780
Track bolts	10¢	4000	400
Car transfer	$520	2	1,040
Picks, shovels & axes	$3-$12	various	) 320
double jacks, scaling bars		total 42 items	)
Rail bender	$74	1	74
Powder	$20/cut	400 cut.	8,000
Caps	$23/M	30 M	690
Fuse	$12/M	200 M	2,400
Ignition cord	$13/M	15 M	195
Connections	$21/M	30 M	630
Tamping sticks	90¢	100	90
lengths steel	$21 ea.	120 pcs.	2,520
Diesel fuel	18¢/gal.	30,000 gal.	5,400
Gasoline and greases		(estimated)	3,000
Total supplies			$ 48,899
		÷ 4000 ft. =	$12.23/foot

(d) Operating Equipment (new or used, all to be furnished by applicant)

		weeks duty life	
		150	300
1 - insulated building on slab 20' x 30'	$3,000		x
1 - Eimco 12-B mucker	4,000	x	
1 - 600 cfm compressor & receiver	16,000 - ?		x
1 - Battery tram w/charger	6,000	x	
4 - Jackleg drills	5,000	x	
10 - 42 cu.ft. rocker dump cars	4,000		x
3 - 15" ventilating blowers	3,000	x	
1 - 100 KVA - 440 power plant	5,000	x	
1 - TD-18 dozer-loader	7,000		x
1 - 2 ton truck (dump)	4,000	x	
1 - 1/2 ton truck (jeep)	2,000	x	
1 - 200 amp. welder	500	x	
1 - oxyacetalene	100	x	
1 - automatic sharpener	200	x	
1 - tugger-slusher	800	x	
1 - water tank	200	x	
1 - air powered water pump	300	x	
1 - surface water line	3,000		x
1 - office trailer	1,500		x
	$ 65,600	$31,100	$34,500

$$\frac{31,100}{150} + \frac{34,500}{300} = \$323/\text{week amortization}$$

$$\$323 \times 71 \text{ weeks} = \$22,933$$

$$\frac{\$22,933}{4000' \text{ advance}} = \$5.79/\text{foot}$$

(e) Rehabilitation - none

(f) New Buildings - none

(g) Miscellaneous

		Tunneling	Drilling	Road and Trenching
Assaying (Au & Ag @$3/each ?		$ 3,200	$ 400	$ –
Accounting @$100/month		1,300	300	–
Workmens compensation and employers liability (6%)	) 17.125%			
Unemployment insurance (3%)	)– 9.125%	7,058	315	
F.I.C.A. (3.125%	)			
Road		–	–	1,500
Trench		–	–	3,500
Preparation @ $1/foot		4,000	–	–
Initial freight on supplies and equipment		2,000	–	–
Totals		$17,558	$1,015	$ 5,000
Cost/foot		$4.39	$0.13	–

Total Miscellaneous ..... $ 23,573

Hole No. 1 2130-1

Coordinates E 350
S 1400
Inclination: -60°
Bearing: S 75 W

Date Started: 10/2/61
Date Completed: 10/14/61
Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft.	Assay Au	Assay Ag
0	103	Wasson Park rhyolite, brown color. weathered to sandy grush - not possible to core			
103	128	Wasson Park rhyolite, not fissured Deeply weathered, biotite fresh, rock very soft, clay altered. Core solid	114		
128	137	Wasson Park rhyolite. Ground mass and some fragments clay altered. Core solid			
137	158	Windy Gulch tuff, white lithic tuff fragments to 1/2". Clay ground mass, no recognizable pumice but large white clay spots.	140		
158	165	Windy Gulch tuff. Grades through 2" at 165' to hard rock.			
165	215	Windy Gulch tuff, hard, white vuggy tuff, pumice shards to 3". Looks silicified but matrix is clay altered	167 200 215		
215	226	Windy Gulch tuff, white as above but soft - many shards ∠ core 30° Clay altered, pink stained @224' ∠ core 90°			
226	238	Windy Gulch tuff, pink pumaceous tuff - very soft, grades back to white very soft. Intensely altered			
238	357	Windy Gulch tuff, pink to red pumaceous tuff. No slip planes - most of core 10-20% pumice. Matrix and pumice shards clay altered, rock fairly fresh, not intensely altered	265 322		

357	362	Windy Gulch tuff, white soft tuff and white clay, retains rock texture Slip plane at 362 - this is BDM fault. Bleached	360
362	367	Windy Gulch tuff. Description rock as above but 4" white clay at 364 ∠ core 90°. White clay altered.	364
367	420	Windy Gulch tuff, pink to maroon soft altered tuff. Fragments red and black rock to 1/2". White pumice shards to 1/2" but not over 5% of core. Matrix clay altered. All core very soft pink clay, a few open vugs, clay lined.	368 392
420	440	Windy Gulch tuff. Very few pumice shards.	

END OF HOLE

Hole 2

Coordinates: E 500
S 1400
Inclination: -75°
Bearing: S 75° E

Date Started: 10/17/61
Date Completed: 11/15/61
Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft	Assay Au	Assay Ag
0	70	Wasson Park rhyolite, red color. Weathered to soft clay, no core recovered			
70	86	Wasson Park rhyolite, white color. weathered to soft clay - possible fault zone			
86	187	Windy Gulch tuff, red to pink color. Fairly firm but pumice shards variably altered to clay. Few slips containing FeOx and/or MNOx.			
187	195	Windy Gulch tuff, white and bleached. Few slips ∠ core 40-50° with FeOx.	187-192 192-197	0.001 Tr	Tr 0.28
195	242	Windy gulch tuff, color pink. core solid Two FeOx slips ∠ core 50°			
242	314	Windy Gulch tuff, red to pink color. Clay altered and "rotten". Few slips containing FeOx	300-303	Tr	0.23
314	342	Windy Gulch tuff, color pink. Core solid			
342	374	Windy Gulch tuff, pumice shards altered to apple green color. Few slips containing FeOx + quartz.	352.5-354.5 371.5-373	Tr 0.001	0.26 0.47
374	380	Windy Gulch tuff, pink color, vuggy. Some pumice shards altered to green clay. Few FeOx slips			
380	490	Windy Gulch tuff, pink color. Core solid. Some Pumice shards altered to green clay, but most fresh. Few FeOx slips.			
490	497	Windy Gulch tuff, color pink. rock fresh with few slips w/alteration and one slip containing 1/16" quartz stringer			
497	498	Windy Gulch tuff, pink color. Core solid vein zone containing quartz, FeOx and barite.	497.5-498	0.001	1.50

498	533.5	Windy Gulch tuff, color pink. Core solid - appears siliceous. Few FeOx slips.			
533.5	573	Campbell Mountain rhyolite, red color Hard relatively fresh. Few fractures containing barite, quartz, and FeOx along with minor alteration			
			572-577	0.002	0.90
573	585	Campbell Mountain rhyolite, vein zone Core contains FeOx + quartz (bluish) ribs ∠core 15°	577-582	0.001	4.32
585	643	Campbell Mountain rhyolite, purple color. Core solid. Few to many slips and fractures containing FeOx-MnOx and amethyst.	585-587	0.001	0.60
643	648	Campbell Mountain rhyolite - vuggy. Two FeOx slips @ ∠10-20°.			
648	683	Campbell Mountain rhyolite. Core fairly solid, few to many slips and vuggy zones containing FeOx with yellow clay alteration.	674-675	0.001	0.25
			683-683.5	Tr	0.32
683	700	Campbell Mountain rhyolite. Core fairly hard. Few to many slips and vugs containing FeOx, FeS_2, quartz along with white alteration	688.5-690	Tr	0.73
			699-699.5	0.01	0.35
700	775	Campbell Mountain rhyolite, purple color. Few fractures and vugs containing FeOx. Minor ZnS at 742.	721.5-722.5	0.002	0.55
			739-739.5	Tr	0.35
			741.5-742.5	Tr	0.20
775	779	Windy Gulch tuff, flow banded and pumaceous. Few bands brecciated Campbell Mountain rhyolite. Few slips containing FeS_2.			
779	846	Windy Gulch tuff, purple color. Bleached with few slips containing FeS_2	796.5-797.5	0.001	0.55

End of Hole

Hole No. 3-3A

Coordinates: E 860
S 600
Inclination: -75°
Bearing: S 15 W

Date Started:
Date Completed: 1-17-62
Drilled by: MacPherson
Logged by: Lindsey

From	To	Description	Ft	Assay Au	Assay Ag
0	89	Overburden			
89	114	Wasson Park rhyolite? Entire zone altered to pink clay (montmorillionite)			
114	228	Wasson Park rhyolite, moderately to intensely shattered. Clay (montmor.)?) on fracture surfaces.			
228	253	Windy Gulch tuff. Intensely to moderately altered to white clay.			
253	359	Windy Gulch tuff. Clay altered white to reddish - mostly in pumice fragments			
359	383	Windy Gulch tuff. Moderately altered (montmor?) to white clay.			
383	446	Windy Gulch tuff. Slight to moderate shattering. Slight clay alteration on fractures.			
446	466	Windy Gulch tuff. Few stringers FeOx-ZnS-MnOx. Slight alteration along mineralized fractures	460-462	0.25	Tr
466	502	Windy Gulch tuff, slightly shattered. Slight alteration on fractures.			
502	514	Windy Gulch tuff with few stringers FeOx-ZnS. A slight alteration along mineralized fractures.			
514	616	Windy Gulch tuff, slightly altered and fractured	547-549	0.45	0.004
			594-594.5	Tr	0.39
			603.5-604.5	Tr	0.35
			614-616	Tr	0.27

From	To	Description	Ft.	Assay Au	Assay Ag
616	691	Campbell Mountain rhyolite, slight to moderate fracturing with numerous stringers FeOx and ZnS. Minor alteration and bleaching on mineralized fractures	616-628	Tr	0.23
			641.5-644.5	Tr	0.38
			638-639.5	Tr	0.60
	q		647 -651.6	Tr	0.45
			654.5-659.5	Tr	0.45
			659.5-662.5	Tr	0.65
			676-677	0.002	0.92
			679-680	Tr	0.87
			683-684	0.003	0.70

Hole 3-A

Redrilled hole after setting 1-1/2° wedge

From	To	Description	Ft.	Assay Au	Assay Ag
633	667	Campbell Mountain rhyolite. Slightly fractured with occasional FeOx stringers.	633-638	Tr	Tr
			643-645	0.27	0.005
			647.5-648	Tr	0.15
667	677	Campbell Mountain rhyolite with 1/8" MnOx stringer // to core	667-668	Tr	Tr
677	737	Campbell Mountain rhyolite, brittle and moderately broken. Numerous yellow FeOx stringers in fractures.	679-680		1.24
			684-686		1.16
			724-727		1.80
737	776	Campbell Mountai n rhyolite, moderately solid, few slips or breaks	755-756		1.50
			3"@ 762	Tr	
			771-773		0.80
776	802	Campbell Mountain rhyolite with many slips and breaks			
802	826	Campbell Mountain rhyolite, solid with few breaks or slips	1"@818		0.48
826	842	Campbell Mountain rhyolite, intensely altered and bleached. This is Bulldog Mountain fault zone ?	826-829		1.46
842	844	Campbell Mountain rhyolite, purple to red. Few vuggy quartz veins.			
844	864	Campbell Mountain rhyolite, solid core some vugs with FeOx and quartz	851-853		0.10
864	981	Campbell Mountain rhyolite - fluidal. Moderately solid with few fissures and vugs			

END OF HOLE

Hole No. 4

Coordinates: E 330
S 2612
Inclination: -45°
Bearing: S 75 W

Date Started: 1/24/62
Date Completed: 2/7/62
Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft	Assay Au	Assay Ag
0	17	overburden			
17	35	White rhyolite brecciated base. Part of landslide?			
35	37	Campbell Mountain rhyolite. Brecciated and cemented with FeOx	35-37	-	0.56
37	64	Campbell Mountain rhyolite - red. Some oxidizing and bleaching on slips with abundant yellow FeOx and MnOx ∠ core 30° ± 10°	47-52	-	0.60
64	84	Campbell Mountain rhyolite, bleached with much greenish FeOx. Slight to moderate brecciated cemented by silica	64-66	Tr.	1.10
84	146	Campbell Mountain rhyolite. Moderately to intensely brecciated and recemented with quartz and red FeOx	123.5-124 124-126 126	- - -	0.70 0.52 1.90
146	204	Campbell Mountain rhyolite, red color with many slips and much brecciation Much FeOx jasper - amethyst in stringers.	155-157 157-164 164-173 178-180	- - Tr -	0.36 0.64 0.50 0.46
204	243	Campbell Mountain rhyolite - red color. Few to many joints and vugs with MnOx plus barite in fractures. $BaSO_4$-quartz 1/2" at 232'.	202-204 211-218	- -	0.46 -
243	288	Campbell Mountain rhyolite - red color. Few quartz-FeOx seams ∠ core 45°			
288	308	Campbell Mountain rhyolite, bleached yellow. Few red jasper + barite and quartz stringers.	295-296		0.58
308	476	Campbell Mountain rhyolite. Some brecciation and a few slips with jasper + barite + quartz. Some yellow FeOx.			

476	586	Campbell Mountain rhyolite, purple to red color. Slight to moderate brecciation and fracturing with moderate to abundant quartz FeOx, MnOx	490-493 513-518 518-522 549 580-585	1.02 0.56 0.52 0.52 0.70
586	620	Campbell Mountain rhyolite, soft, bleached Slight fracturing with minor FeOx, MnOx	601-602) 605-607)	0.54
620	665	Campbell Mountain rhyolite, soft, red. Very few slips with very minor FeOx	644-646	0.46

End of HOle

Hole 5

Coordinates: E 700
S 2600
Inclination: -40°
Bearing: S 76 W

Date Started: 2/12/62
Date Completed: 3/22/62
Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft	Assay Au	Assay Ag
0	49	overburden			
49-140		Creede formation. Soft altered with moderate brecciation and minor re-cementing with MnOx & FeOx	50-51		0.55
			57-59		0.49
			85-94		0.70
			94-97		0.56
			98-104		0.70
			104-108		0.74
			108-113		0.54
			113-118		0.74
			118-128		0.92
			128-134		0.86
			138-141		0.76
140	180	Creede formation. Mostly red streaky tuff w/bentonite. Much opal & MnOx	147-156		1.32
			156-161		1.22
180	222	Campbell Mountain rhyolite. red color. Moderate brecciation w/ minor MnOx			
222	278	Campbell Mountain rhyolite, solid core little to no brecciation or fracturing			
278	306	Campbell Mountain rhyolite, partly to wholly bleached, few slips w/jasper, MnOx and FeOx			
306	473	Campbell Mountain rhyolite, vuggy and broken w/jasper, FeOx, MnOx in fractures			
473	609	Campbell Mountain rhyolite, purple to red, solid core w/few slips containing FeOx, MnOx, $BaSO_4$	548-550		0.36
609	648	Campbell Mountain rhyolite, purple to red. Vuggy w/minor MnOx			
648	867	Campbell Mountain rhyolite, red to purple. Solid core, very few fractures w/little to no mineralization			

867	887	Campbell Mountain rhyolite, mostly bleached.			
887	1000	Campbell Mountain rhyolite, purple to red. Abundant slips w/soft clay alteration and FeOx, FeS_2	890-894		0.30
1000	1018	Campbell Mountain rhyolite, intensely altered. Dense FeS_2 1010-1023	1011-1015 1015-1019	 Tr.	0.32 0.34
1018	1021	Campbell Mountain rhyolite. BDM fault zone w/strong FeS_2 & gouge	1019-1021	Tr.	0.42
1021	1035	Fragments grey rhyolite. May be bleached Campbell Mountain or intrusive rhyolite	1022-1023 1023-1026 1026-1031 1031-1035	Tr. Tr. Tr. -	0.38 0.62 0.34 0.56
1035	1953	Campbell Mountain rhyolite, pink to red. Moderately soft altered with moderate to heavy FeS_2	1040-1043 1043-1044	- -	0.40 0.46

End of Hole

Hole 6

Coordinates: E 700
S 2600
Inclination: -73°
Bearing

Date Started: 3/23/62
Date Completed: 3/26/62
Drilled by: MacPherson
Logged by: Cox

From	To	Discription	Ft	Assay Ag	Assay Au
0	53	Campbell Mountain rhyolite, red color Few slips containing qtz-$BaSO_4$ with bleaching			
53	77	Campbell Mountain rhyolite- soft weathered.			
77	185	Campbell Mountain rhyolite, red colored and solid. Few fractures and vugs with FeOx-$BaSO_4$-quartz			
186	192	Campbell Mountain rhyolite, bleached pink, siliceous quartz rocks			
192	200	Campbell Mountain rhyolite with quartz with slight to moderate amounts of sulfide minerals.			
200	276	Campbell Mountain rhyolite, red color with few to many fractures filled with quartz.	204-208 208-212	0.64 0.20	- -
276	309	Campbell Mountain rhyolite. Barren to end of hole			

End of Hole

Hole 7

Coordinates: E 700
S 2600
Inclination: -73°
Bearing:

Date Started 3/26/62
Date Completed: 4/14/62
Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft.	Assay Ag	Assay Au
0	93	Campbell Mountain rhyolite, purple color Solid core with few fractures containing MnOx and calcite.			
93	128	Campbell Mountain rhyolite, grey to pink Few slips containing barite and MnOx	120-124	0.50	Tr
128	136	Campbell Mountain rhyolite, red banded.			
136	185	Campbell Mountain rhyolite, purple color. Brittle with few slips containing FeOx-Ag?			
185	196	Campbell Mountain rhyolite, pink color. Few fractures containing quartz, barite, also vugs containing mineralization.			
196	197	Pink gouge and buttons silicified Campbell Mountain rhyolite with FeOx and quartz.			
197	208	Campbell Mountain rhyolite, pink color. Moderately to intensely brecciated and cemented with quartz with much FeOx			
208	226	Campbell Mountain rhyolite, color purple. Solid core, few to no fractures			

End of Hole

Hole 8

Coordinates: From Puzzle Tunnel face

Date Started: 4/5/62
Date Completed: 4/12/62

Inclination: +3°, at end +4°
Bearing: N 87 W

Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft.	Assay Au	Assay Ag
0	50	Campbell Mountain rhyolite, purple color. Some volcanic breccia			
50	125	Campbell Mountain rhyolite, purple color. Core solid, no fractures			
125	225	Campbell Mountain rhyolite. Core solid with occasional 1/4" to 1/2" slip containing barite.			
225	275	Campbell Mountain rhyolite. Core solid, few to no slips or fractures.			
275	376	Campbell Mountain rhyolite. Core solid, very few slips with moderate bleaching and alteration			
376	404	Campbell Mountain rhyolite. Core solid, no fractures			

End of Hole

Hole 9

From Puzzle Tunnel Face

Inclination: +3°
Bearing: N 87 W

Date Started: 4/13/62
Date Completed: 4/20/62
Drilled by: MacPherson
Logged by: Cox

From	To	Description
0	25	Campbell Mountain rhyolite, purple color Core solid, crackled only
25	50	Campbell Mountain rhyolite. Core solid some coarse volcanic breccia, few slips
50	150	Campbell Mountain rhyolite. Core solid, few slips containing barite and minor FeOx
150	251	Campbell Mountain rhyolite. Core solid weak slips and vugs at ∠ core 45°, 175-182
251	350	Campbell Mountain rhyolite. Core solid, several fractures ∠ core 20° @273'
350	399	Campbell Mountain rhyolite, hard solid. Few slips and vugs containing jasper. Some bleaching along slips.

End of Hole

Hole No. 10

Coordinates: E 700
S2600
Inclination: 45° rt.
Bearing: -57°

Date Started: 4/23/62
Date Completed: 4/30/62
Drilled by: MacPherson
Logged by: Cox

From	To	Description	Ft.	Assay Ag	Assay Au
0	29	CMR, red color. Few fractures with quartz-barite. soft, altered, bleached			
29	50	Campbell Mountain rhyolite, red color. Core solid with few seams and slip planes with MnOx			
50	70	Campbell Mountain rhyolite. Numerous gouges and slip planes with FeOx. soft altered			
70	111	Campbell Mountain rhyolite, red color Core solid with many slips and vugs with jasper and MnOx			
111	187	Campbell Mountain rhyolite, streaky Numerous vugs with quartz & FeOx			
187	199	Campbell Mountain rhyolite, red color Core solid			
199	203	Campbell Mountain rhyolite. Many chips brown FeOx	199-202	0.16	Tr
203	205	Campbell Mountain rhyolite. Fault zone with much brown FeOx and alteration	202-205	0.18	Tr
205	216	Campbell Mountain rhyolite. Intensely altered with few fractures with qtz. barite and minor sulfide	208.8	0.26	Tr
216	222	Campbell Mountain rhyolite. Intesnely altered w/moderate amount barite. Much quartz and ± 1% sulfide	216.1	8.70	Tr
222	224	Campbell Mountain rhyolite. Vuggy with barite and no visible sulfides	224	4.94	Tr

End of Hole

Exh. 1

January 18, 1963

Mr. William Reece, Jr.
Fidelity Bank & Trust Company
Monte Vista, Colorado

Dear Mr. Reece:

During the past two years Bulldog Mountain, Inc. has conducted extensive geological work on its silver property in Creede, Colorado. This has included mapping, trenching, magnetometer studies, geochemical studies, and diamond drilling. We are now convinced the property merits further exploration in the form of underground drilling and tunneling to establish the presence of a commercial ore body.

The cost of this work will be approximately $300,000. We would like to arrange with your bank for a loan of one half of the sum, providing principal can be repaid from the proceeds to be realized when and if a commercial ore body is discovered.

I will gladly make all data and information available to you if you will indicate your bank's willingness to consider such a loan.

Sincerely yours,

Stephen J. Varnhagen

Exh. 2

January 23, 1963

VERNON T. REECE, JR.,
PRESIDENT

Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Attention: Mr. S. J. Varnhagen, President

Dear Mr. Varnhagen:

This is in reply to your letter of January 18, 1963, wherein you requested the bank to consider a loan to Bulldog Mountain, Inc. for approximately $150,000.00. Your request was discussed with our loan committee and, since Bulldog Mountain, Inc. has no assets other than the mining claims near Creede, Colorado, and, since the exploration of those claims is speculative in nature, the committee declined the loan.

I trust that you and the other officers of Bulldog Mountain, Inc. will understand the bank's position in this matter. However, as you know, banks cannot make loans that are strictly speculative in nature.

Very truly yours

President

VTRJr:vs

Exh. 3

January 18, 1963

Mr. Robert Saxe
Wells Fargo Bank
Market and Montgomery Sts.
San Francisco 4, Calif.

Dear Bob,

During the past two years Bulldog Mountain, Inc. has conducted extensive geological work on its silver property in Creede, Colorado. This has included mapping, trenching, magnetometer studies, geochemical studies, and diamond drilling. We are now convinced the property merits further exploration in the form of underground drilling and tunneling to establish the presence of a commercial ore body.

The cost of this work will be approximately $300,000. We would like to arrange with your bank for a loan of one half of the sum, providing principal can be repaid from the proceeds to be realized when and if a commercial ore body is discovered.

I will gladly make all data and information available to you if you will indicate your bank's willingness to consider such a loan.

Sincerely yours,

Stephen Varnhagen

Exh. 4

WELLS FARGO BANK

SAN FRANCISCO 20, CALIFORNIA

January 21, 1963

ROBERT A. SAXE
Vice President

Mr. S. J. Varnhagen, President
Bulldog Mountain Inc.,
57 Post Street
Room 511
San Francisco 4, California

Dear Steve:

This is in reply to your letter of January 18, regarding the loan to Bulldog Mountain Inc., in the amount of $150,000. Inasmuch as the company is still engaged in exploration and has no income at this time with which to re-pay the loan, you will understand I am sure that it does not qualify for bank credit, unless acceptable collateral were offered that would fully secure the loan.

You have informed me that there is no acceptable collateral available, therefore we must decline the loan requested.

Sincerely,

R. A. Saxe

Vice President

RAS:eh

Exhibit 10

EDWARD WISSER (partner)

Residence: Star Route, Garden Valley
El Dorado County, California

Phone: FEderal 3-4613
area code: 916

Biographical data:

Born: July 25, 1895, Fort Hamilton, New York
B.S. Mining Engineering - University of California, 1917
Lt. Engineers, U. S. Army - 1917-18
Teaching Fellowship in Geology - University of California, 1924-25
Johnston Scholar in Geology - Johns Hopkins, 1939-40
Lecturer in Mining, University of California, 1946-47
Professor of Mining, University of California, 1947-48
Professor of Mineral Exploration, University of California (retired July 1, 1962)
Member:
Geological Society of America Fellow, 1937
Society of Economic Geologists, 1937
National Research Council, 1951-58
Mining & Metallurgical Society of America
American Institute of Mining & Metallurgical Engineers, 1918
Past chairman, San Francisco section, and various committees
American Association of Petroleum Geologists
Sigma Xi
Tau Beta Pi
Geochemical Society
Listed in:
American Men of Science
Who's Who in Engineering
Professional Publications: 21
Examiner for accreditation of geological engineering curricula
Engineering Council for Professional Development

Professional Engagements:

1919 - 1921	Mining Engineer, Ray Consolidated Copper Company, Arizona
1921 - 1924	Mine superintendent, Washington, California, Colorado
1925	Engineer, Lincoln operators, Stockton Firebrick, California
1925 - 1926	Geologist, Phelps Dodge Corporation, Bisbee, Arizona
1926 - 1936	Chief Geologist, Mexican operations, U.S. Smelting, Refining and Mining Company; operating and engineering geology at Cia Real del Monte y Pachuca. Exploration and examination work throughout Mexico, with particular reference to: Sombrerete, Zacatecas; Guanajuato, Guanajuato; Santa Maria del Oro, Durango; Concepcion, Zacatecas; Matahuala, San Luis Potosi; Cinco Minas, Jalisco. Responsible for exploration expenditures in excess of $1,000,000 annually.

1936-1955 Independent Consulting Geologist; assignments include:

Consolidated Mines....	Baguio and Paracale Gold districts exploration, Philippines
Atok-Big Wedge Gold...	Direction of exploration, 1949-51
Mindanao Mother Lode .	Recommended development of present Atlas Copper Mines (1952)
International Minerals and Metals Corp.....	Analysis lead-zinc district, Mexico Appraisal copper, lead, zinc districts, Cuba Appraisal copper districts, California Study of zinc resources, British Columbia
Cyprus Mines.....	Geologic and economic studies, western Mexico; Acquisition and development of Afterthought mine, California
Banco de Mexico.....	Field work and analysis of basis for western Mexico lead smelting industry
Eagle Picher Company.	Brought in San Pedro and Esmeralda mines Chihuahua, Mexico
The Paraffine Company.	Valuation of gypsum properties, Nevada
Lake Charles Oil Co ..	Geologic survey of Baja California
New Almaden Corp. ..	Open pit mining project; underground exploration and mining
Reconstruction Finance	Examination of Governor quicksilver mine Ivanhoe district, Nevada
Wells Fargo Bank.....	Black rock sulfur deposit, Nevada
The Glidden Company .	Preparation for trial re damage to mining by Shasta Lake, Calif. (settled out of court)
Shasta Iron Mines	Expert testimony re damage to mining by Shasta Lake, Calif. particularly to access
Winton Bros	Procurement of rip rap for beachwater, Calif.
Slater Bros. Quarry...	Expert testimony re construction materials California
U.S. Justice Dept. ...	Expert testimony re water damage to Big Blue mine, California
Mexican Candalaria...	In charge of exploration, 1940-43, Sinaloa-Durango, Mexico

July, 1955 Partnership, Wisser & Cox

MANNING W. COX (partner)

Residence: Box 748, Aspen Colorado Phone: 925-7176, area code 303

Biographical data:
Born: February 19, 1918, Seattle, Washington
B.S. in Geology - University of Washington, 1940
Teaching Fellowship in Geology - Yale, 1940-41
Member:
American Institute of Mining & Metallurgical Engineers, 1942
Society of Economic Geologists, 1953
Sigma Xi
Registered Professional Engineer, Idaho, #1069

Professional Engagements:

1940 National Park Service, ranger, Mt. Rainier

1941-1945 - U. S. Geological Survey, geological branch:
Western U.S. - general geology
Cuba - geology and valuation for manganese purchases
California, Utah - mining geology and diamond drilling
Nevada, Idaho - Molybdenum resource study
New Mexico - district mining geology

1945-1946 - U. S. Smelting & Refining Company, exploration geologist
San Juan, Colorado - prospect examination and mine rehabilitation

1946-1955 - American Smelting & Refining Company, geologist-engineer to 1951; then chief geologist, Northwestern Mining Division. Principal assignments included:

Substantial exploration projects:
Algeria, Tunisia, Morocco, Spain - examination and appraisal of lead, zinc, antimony mines, 1950-51
Peru - valuation of copper properties, 1954
Colorado - Ibex Sunday underground development, 1947
Yukon - McMillan, involving air transport for 2-drill exploration and geophysical prospecting, 1951-54
British Columbia - Bethlehem Copper, starting 1954
Washington - Deer Park Industries, involving 300 square mile area, geophysical and geochemical prospecting, and trenching
Montana, Wyoming - uranium prospecting by ground and airborne geophysics.

Mine Operating Geology:
Development, detailed mapping, sampling, ground support, rock bursts, reserve estimation at: Page, Morning, Frisco, Mike Horse, Lucky Friday, Jack Waite, Standard Mammoth; Coeur d'Alene district Idaho and northern Montana, 1946-1950

New Mine Development:
Galena Project - Coeur d'Alene district, from initial shaft sinking and plant construction to discovery and development into major silver producer, 1947-1955.
Van Stone Project, Washington - from initial mapping, pit and plant design, location and construction into 1000 tpd open pit zinc producer, 1949-1952
Lake Asbestos, Quebec - mapping, drill exploration, evaluation, pit design, lake drainage, highway relocation (1952). Came into production at 5000 tpd in 1958.
Barvue Zinc mine, Quebec - study open pit and plant

Resource Studies:
Siliceous fluxes for Helena and Tacoma smelters
Zinc resources for West Coast smelter
Fluorite for Garfield acid plant
Aluminous materials throughout western United States for National Metallurgical Corporation.

District Studies - (16) throughout western United States British Columbia, Yukon, Alaska
Responsible for geological and engineering department consisting of 2 to 4 offices with 8 to 15 professional employees: $200,000 to $500,000 annual budget.

1955 to date - Consulting geologist, mine operator
Boriana WO_3 lease, Kingman, Arizona; operated HMS plant and underground mine
Evaluation of mining properties of S.E. Hadj Thami, El Glauoi, Pasha of Mrrakesh, Morocco

July, 1955 - Partner, Wisser & Cox

EUGENE H. LINDSEY (associate)

Residence: 2318 Tulare Avenue
El Cerrito, California

Telephone: 235-5970
area code: 415

Biographical Data:
Born: September 10, 1926, Kalamazoo, Michigan
John Muir College, Pasadena, California, 1947-48
B.S. Geology - Missouri School of Mines, 1951
M.S. Geology - University of California, 1957

Professional Engagements:
1944-1946 - U.S. Navy (radio technician)
1951-1952 - International Smelting & Refining Company
Park City, Utah, stope geology (lead-zinc)
1952-1957 - The Anaconda Company
General exploration, 1952-1953
Lovitt Mine, Washington (gold) underground mine geologist, 1952
Resident Geologist, Yerington Mines, Nevada - Leviathon Sulfur Mine, California and General Exploration 1953-1957

1957 to date - Wisser & Cox

R. S. McClintock DIAMOND DRILL COMPANY

CONTRACTING • DIAMOND DRILLS AND SUPPLIES • DIAMOND BITS

PHONE TE 8-3588

POST OFFICE BOX 66
W. 418 2ND AVENUE
SPOKANE 10, WASH.

February 14, 1963

Bulldog Mountain Inc.
S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Dear Mr. Varnhagen:

We wish to submit our tentative proposal for diamond drilling on your property located on Bulldog Mountain in the State of Colorado.

It is understood that there will be approximately 4,000 foot of surface hole averaging 800 foot in length and about 4000 feet of underground work with holes running from 200 feet to 1000 feet in length. All holes are being completed at AX size or larger.

We propose to furnish personnel, diamond core drill, pumps, rods, casing, diamond bits and shells and other accessories necessary to perform this work, with the exception of core boxes, for the following prices:

Surface Drilling

Size	Footage	Per Foot
Overburden	0' - 50'	$11.00
NX	0' - 500'	8.25
BX	0' - 500'	7.75
AX	0' - 500'	7.25
NX	500' - 1000'	9.25
BX	500' - 1000'	8.75
AX	500' - 1000'	8.25

Underground Drilling

Size	Footage	Per Foot
NX	0' - 500'	$ 7.50
BX	0' - 500'	7.00
AX	0' - 500'	6.50
NX	500' - 1000'	8.50
BX	500' - 1000'	8.00
AX	500' - 1000'	7.50

Contractor agrees to mobilize and demobilize his surface equipment for the lump sum of $1,250.00 and his underground equipment for the lump sum of $750.00

In the event of delays not attributable to the fault of contractor or breakdown of his equipment, contractor shall expect to be reimbursed for his continuing costs at the rate of $14.00 per hour.

In the event of loose or caving material, water courses or any conditions encountered which tend to make drilling impractical without the use of casing or cement, an additional charge of $4.00 per foot for reaming casing and $4.00 per foot for placing and drilling cement will be made.

Proper insurance certificates will be supplied if requested. All labor laws of the State of Colorado and the United States will be observed.

We wish to thank you for the opportunity of furnishing this proposal and assure you of our full cooperation in the event you find our bid acceptable.

Very truly yours,

R. S. McCLINTOCK DIAMOND DRILL COMPANY

Peter J. Wanderer

Peter J. Wanderer

PJW:cw

February 14, 1963

Bulldog Mountain Inc.
S. J. Varnhagen, President
57 Post Street, Room 311
San Francisco 4, California

Dear Mr. Varnhagen:

We wish to submit our tentative proposal for diamond drilling on your property located on Bulldog Mountain in the State of Colorado.

It is understood that there will be approximately 4,000 foot of surface hole averaging 800 foot in length and about 4000 feet of underground work with holes running from 200 feet to 1000 feet in length. All holes are being completed at AX size or larger.

We propose to furnish personnel, diamond core drill, pumps, rods, casing, diamond bits and shells and other accessories necessary to perform this work, with the exception of core boxes, for the following prices:

Surface Drilling

Size	Footage	Per Foot
Overburden	0' - 50'	$11.00
NX	0' - 500'	8.25
BX	0' - 500'	7.75
AX	0' - 500'	7.25
NX	500' - 1000'	9.25
BX	500' - 1000'	8.75
AX	500' - 1000'	8.25

Underground Drilling

Size	Footage	Per Foot
NX	0' - 500'	$ 7.50
BX	0' - 500'	7.00
AX	0' - 500'	6.50
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Very truly yours,

R. S. McCLINTOCK DIAMOND DRILL COMPANY

Peter J. Wanderer

PJW:cw

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS
General Offices and Plant
1624 Pioneer Road P. O. Box 58 HUnter 7-7595
SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

January 31, 1963

Reply to:

Mr. S. J. Varnhagen
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Dear Mr. Varnhagen:

Your letter to Mr. Goldsworthy concerning drilling costs at your Bulldog Mountain property has been passed to me for answer as Mr. Goldsworthy will not be back in our office for about two months.

We have discussed this work with Mr. George Lensch, who is Manager of our Denver, Colorado District and he has recommended the following charges:

1. Underground Drilling	AX	BX
0 to 400 feet	$4.70	$5.50
400 to 700 feet	5.50	6.00
700 to 1,000 feet	6.00	6.50

2. Adequate compressed air, water and drill stations to be furnished without cost to us.

Surface Drilling:

1. Overburden $6.50 per foot

2. Core Drilling	AX	BX
0 to 400 feet	$5.20	$6.00
400 to 800 feet	6.00	6.50

3. Access roads and drill sites to be provided without cost to us.

We appreciate the opportunity to quote on this work and hope we can be of further assistance to you.

Very truly yours,

R F Durfee

R. F. Durfee
Ass't. Manager, Drilling Division

RFD:bg
cc: G. E. Lensch

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros.
DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS
General Offices and Plant
1624 Pioneer Road P. O. Box 58 HUnter 7-7595
SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

January 31, 1963

Reply to:

Mr. S. J. Varnhagen
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Dear Mr. Varnhagen:

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400 to 700 feet	5.50	6.00
700 to 1,000 feet	6.00	6.50

2. Adequate compressed air, water and drill stations to be furnished without cost to us.

Surface Drilling:

1. Overburden $6.50 per foot

2. Core Drilling	AX	BX
0 to 400 feet	$5.20	$6.00
400 to 800 feet	6.00	6.50

3. Access roads and drill sites to be provided without cost to us.

We appreciate the opportunity to quote on this work and hope we can be of further assistance to you.

Very truly yours,

R. F. Durfee
Ass't. Manager, Drilling Division

RFD:bg
cc: G. E. Lensch

Consideration schedule
Surface and Underground Core Drilling
Bulldog Mountain, Inc.
Near, Creede, Colorado

To: Mr. S. J. Varnhagen, Pres.
Bulldog Mountain, Inc.
57 Post St. Room 511
San Francisco 4, Calif.

From: MacPherson Drilling Company
701 N. 3rd. P. O. Box 447
Montrose, Colorado

Gentlemen:

With my respects to your recent request for a bid to diamond core drill for Bulldog Mountain, Inc. near Creede, Colorado. I hereby submit my proposal for your consideration to performing all work necessary to core drill a minimum of 8000 feet from surface and underground drill sites.

Transportation of drilling equipment:

Moving of surface equipment to drill site. @ a net fee of	$ 600.00
Moving of underground equip.to drill site. @ a net fee of	300.00

Drilling rates: Surface Drilling

From Surface to Bedrock, (Alluvium) @ $ 6.00 per ft. cased

Footage				Core Size per ft. NX	BX	AX
From top of bedrock	to	250 ft.	in depth @	$ 5.75	$ 5.25	$ 4.95
" 251 ft.	to	500 ft.	in depth @	5.90	5.50	5.15
" 500 ft.	to	800 ft.	in depth @	–	5.75	5.40

Drilling rates Underground

From	0	to	250 ft.	in depth @	$ 5.25	$ 4.95	$ 4.75
"	251	to	500 ft.	in depth @	5.60	5.25	5.00
"	501	to	750 ft.	in depth @	–	5.60	5.35
"	751	to	1000 ft.	in depth @	–	6.00	5.80

Casing lost in drill holes or left in holes by company request will be charged to company at cost to contractor F.O.B. job site.

Supplies: Should it become necessary to use drilling mud, cement or cement substitutes to complete holes to the required depths these supplies shall be charged to company by contractor at cost F.O.B. job site.

Labor and equipment furnished by contractor to cementing in drill holes, drilling out cement, reaming for and setting casing, recovery of casing from drill holes on completion of drilling, surveying of holes with Tro-Pari surveying instrument or other work company may request contractor to perform with its equipment and personnel shal be at a charge of $ 11.50 per machine hour.

Contractor's obligation to Drill:
Furnish all drilling equipment, diamonds, tools, transpotation, labor, insurance as required by the State of Colorado including employer's liability, comprehensive automobile liability, comprehensive general liability and property damage insurance.

Company's obligation to drill:
Company shall provide drill sites and roads when required for surface drilling, air and water to the drill sites for underground drilling, timber when required for the installation of drilling equipment, Engineering services when required in connection with drilling operations, core boxes for the storing of cores and provide water from sources on the property free of charge to contarctor. However, it shall be the contractor's obligation to transport water to the drill sites.

Date: January 24,1963

Respectfully submitted

By M. MacPherson
Malcolm MacPherson

Consideration schedule
Surface and Underground Core D
Bulldog Mountain, Inc.
Near, Creede, Colorado

To: Mr. S. J. Varnhagen, Pres.
Bulldog Mountain, Inc.
57 Post St. Room 511
San Francisco 4, Calif.

From: MacPherson Drilling Company
701 N. 3rd. P. O. Box 447
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Footage				Core Size per ft. NX	BX	AX
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Company shall provide drill sites and roads when required for surface drilling, air and water to the drill sites for underground drilling, timber when required for the installation of drilling equipment, Engineering services when required in connection with drilling operations, core boxes for the storing of cores and provide water from sources on the property free of charge to contarctor. However, it shall be the contractor's obligation to transport water to the drill sites.

Date: January 24,1963

Respectfully submitted

By M. MacPherson
Malcolm MacPherson

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration
Building 53 Room 28

September 3, 1971

OFFICIAL COPY

SEP 7 1971

INITIALS	CODE
Cec	20
gla	30
GHR	20
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Memorandum

To: Chief, Office of Minerals Exploration

From: Assistant Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Transmitted herewith is the final field report on the above-stated OME exploration project.

William L. Emerick

William L. Emerick,
Assistant Chief
Office of Minerals Exploration

Enclosure

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By W. L. Emerick

September 3, 1971

1. OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Operator: Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco, California 94104

Property: Consisted of sixteen (16) patented and fifty-six (56) unpatented lode mining claims, including all rights pertaining thereto, in secs. 14, 15, 22, 23, 24, 25, and 26, T. 42 N., R. 1 W., New Mexico Principal Meridian, Sunnyside mining district, Mineral County, Colorado. A map showing the area of these seventy-two (72) claims was attached to the contract.

Ownership: The Operator was in possession of one (1) patented lode mining claim under the terms of a lease, dated April 8, 1961, from Rio Grande River Raft Race, Inc., the owner. The Operator was in possession of the remaining fifteen (15) patented claims and all of the fifty-six (56) unpatented claims by right of ownership.

2. Purpose of Project: The purpose of the project was to explore for silver-bearing ore bodies occurring in veins within a shear zone by bulldozer trenching and diamond drilling from surface sites and by underground diamond drilling, crosscutting, and drifting.

3. Contract: Dated May 6, 1963, for a term of 30 months, later extended by amendment to 36 months.
Original contract amount - $212,320.00.
Government participation, 50 percent, $106,160.00.

Amendments - No. 1 - July 8, 1963, to revise in Exhibit A the first paragraph under the heading Description of the Work.

No. 2 - October 24, 1963, to suspend work under the contract for a period of 9 months, to extend the time for completion of the work from 30 to 36 months, and to extend the maximum period for royalty payments from 15 to 16 years.

No. 3 - May 12, 1965, to delete in Exhibit A the second paragraph under the heading Description of the Work and to substitute another paragraph in its place.

FINAL FIELD REPORT

Amendments - No. 4 - November 23, 1965, to further amend in Exhibit A
(Continued) the second paragraph under the heading Description of the Work by deletion and substitution.

4. Project Work: Started June 18, 1963. Completed May 6, 1966.

Cost Items

Actual Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Mobilization of surface equipment	-----	-----	$600.00	-----	$600.00
Diamond core drilling, surface	4,000 feet	Various	$23,237.50	2,355 feet	$12,985.40
Reaming, casing, cementing, redrilling, surveying	150 hours	$11.50/hour	$1,725.00	134 hours	$1,541.00
Mobilization of underground equipment	-----	-----	$300.00	-----	$300.00
Diamond core drilling, underground	4,000 feet	Various	$21,032.50	2,197 feet	$11,055.50
Reaming, casing, cementing, redrilling, surveying	150 hours	$11.50/hour	$1,725.00	150 hours	$1,725.00
Total Actual Costs			$48,620.00		$28,206.90

Fixed Unit Costs

Bulldozing	300 hours	$12.50/hour	$3,750.00	300 hours	$3,750.00
Incidental allowance for each foot drilling	8,000 feet	$0.40/foot	$3,200.00	4,552 feet	$1,820.80
Compressed air and water allowance for each foot underground drilling	4,000 feet	$0.60/foot	$2,400.00	2,197 feet	$1,318.20

Fixed Unit Costs (Continued)	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Crosscutting and drifting	4,000 feet	$36.00/foot	$144,000.00	4,000 feet	$144,000.00
Timbering of drifts and crosscuts	600 feet	$8.00/foot	$4,800.00	600 feet	$4,800.00
Diamond drill stations	4 stations	$350.00/each	$1,400.00	1 station	$350.00
Core boxes (wooden)	500 boxes	$3.50/each	$1,750.00	220 boxes	$770.00
Assaying	1,200 deter.	$2.00/each	$2,400.00	1,200 deter.	$2,400.00
Total Fixed Unit Costs			$163,700.00		$159,209.00
Total Costs of Project			$212,320.00		$187,415.90
Government Participation @ 50%			$106,160.00		$93,707.95
Balance due the Operator (unclaimed)					$175.00
Paid to the Operator					$93,532.95

The Government retained no equity in any of the materials used.

Effectiveness of the Work - The target areas of the project were adequately explored.

Efficiency of Operation - The operation was efficiently performed and competently supervised.

5. Reports:

Operator's Final Report - A final report, dated June 20, 1966, was received with adequate supporting data and maps.

Cost Review - A Report of Review was issued by the Office of Survey and Review in November 1966.

Final Audit - A final audit was not requested because no additional vouchers were submitted or paid after the Report of Review. The final voucher was paid on June 22, 1966.

Royalty Review - A Report of Royalty Review was issued by the Office of Survey and Review in November 1970.

ject Results

Discoveries

- The project work resulted in the discovery of a minable silver ore body. Maps and assay data were attached to the monthly vouchers and the Operator's Final Report. Ore reserves estimated as a result of the OME work were 37,750 tons of probable ore that was estimated to average about 17.2 ounces of silver and 3.5 percent lead. Additional exploration work was continued by the Operator after conclusion of the OME work.

Certification

- Certification was recommended on the basis of the ore discovered by the OME work and a Certificate of Possible Production was issued on October 11, 1966. The Government's lien for payment of royalties would expire on May 6, 1979, or when the total amount contributed by the Government was fully repaid with interest at the rate of 6 percent per annum, whichever occurred first.

Production

- Approximately 11,840 tons of ore estimated to average 3.0 ounces silver and 0.5 percent lead per ton was removed during the exploration work from drifts and raises and stockpiled near the portal of the mine. Actual production from the mine began in June 1969 and by October 1970 the value of ore produced amounted to $2,430,060.

Royalties

- Royalty and interest due and paid on production from the mine from June 1969 through October 23, 1970 amounted to $121,000. The Government's contribution of $93,533 to the cost of exploration under the OME contract plus interest was fully repaid by the Operator during this interval of production.

7. Geologic Summary

- The ore deposit occurs in a vein along a fault zone formed during a long period of subsidence in volcanic rocks of Tertiary age. The fault zone strikes about N. 25 W. and dips 65°-70° E. The vein structure ranges in width from a few inches to as much as 8 feet and averages about 5 feet. Ore minerals are galena, argentite, and native silver. Gangue minerals are mainly quartz and barite. There was no previous ore production from the deposit.

MME Form 7
(2/63)

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AIRMAIL

DEC 21 1970

Mr. Robert S. Brazelton
Vice President and General Counsel
McCullough Oil Corporation
6151 West Century Boulevard
Los Angeles, California 90045

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Brazelton:

Enclosed is the Operator's copy of a Report of Royalty Review issued in November 1970 for sales reported by the Homestake Mining Company, lessee, on production from the subject property through October 23, 1970.

The Government's contribution of $93,533 to the cost of exploration under the contract plus interest has been repaid. As a result of receiving payment in full on this contract and on the Prior Contract (Contract 2130 - OME-6143, Humphreys Exploration Company which was paid in full November 13, 1969), the Government retains no lien or claim against the property or any future production therefrom.

Your participation in the minerals exploration program is appreciated.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosure

Copy to: Mr. James O. Harder
Vice President and Manager
Homestake Mining Company
Lead, South Dakota 57754

Mr. Gerald E. Gackle
Homestake Mining Company
Lead, South Dakota 57754

cc: Director's Reading File
Mineral Resources
Docket OME-6288
Docket OME-6143
OME Reading file
OME Region III
Branch of Budget & Finance
Mr. Kirkemo
130

HKirkemo/gla 12-18-70

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration
Building 53 Room 200

December 15, 1970

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O. M. E.
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Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Enclosed are two copies of a Report of Royalty Review issued November, 1970. The reports are being returned to you as per your telephone request December 15, 1970.

I talked with Ted Rizzi, Denver area, Exploration Geologist, Homestake Mining Company this morning, and he informed me that Mr. Joseph A. McKinley is an attorney for Homestake Mining Company in San Francisco, California and is not a company official.

Mr. Rizzi thinks that any correspondence concerning Homestake Mining Company's involvement with Bulldog Mountain Inc., or the McCulloch Oil Corporations holdings at Creede, Colorado should be directed to Mr. James O. Harder, Vice President and Manager, Homestake Mining Company, Lead, South Dakota, 57754, as all Homestake operations at Creede, Colorado are administered by the Black Hills Division at Lead, South Dakota. Mr. Gerald Gackle is an accountant in the accounting department at the Homestake Mining Company offices at Lead, South Dakota.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

RECEIVED
DEC 9 X 1970
Denver, Colorado

AIRMAIL

Memorandum

DEC 7 1970

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Enclosed are two copies of a Report of Royalty Review issued November 1970.

If you concur in the facts in the report, the Operator should be sent its copy with appropriate comments. As evidence of your concurrence, two copies of your letter transmitting the Operator's copy of the report should be furnished this office. If for any reason you do not agree, both copies of the report should be returned to this office with your comments.

Harold Kirkemo

Harold Kirkemo

Enclosures

S Form 7
/63)

OFFICIAL FILE COPY

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AIRMAIL

DEC 7 1970

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Enclosed are two copies of a Report of Royalty Review issued November 1970.

If you concur in the facts in the report, the Operator should be sent its copy with appropriate comments. As evidence of your concurrence, two copies of your letter transmitting the Operator's copy of the report should be furnished this office. If for any reason you do not agree, both copies of the report should be returned to this office with your comments.

Harold Kirkemo (gla)

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading file
Mr. Emerick
130

WLEmerick/gla 12-7-70

UNITED STATES
DEPARTMENT OF THE INTERIOR

Office of Survey and Review

Audit Operations

Report of Royalty Review-Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc.
Mineral County, Colorado

Washington, D.C.
January 1970

Copy Rcd. from Audit 11/25/70
WLE.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
OFFICE OF SURVEY AND REVIEW
AUDIT OPERATIONS, REGION I
1325 K STREET, N. W., ROOM 614
WASHINGTON, D. C. 20005

FEB 13 1970

Memorandum

To: Director, Geological Survey

From: Regional Director, Region I
Audit Operations, Office of Survey and Review

Subject: Royalty Review of Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc.
Mineral County, Colorado

As requested by the Chief, Office of Minerals Exploration, we made a royalty review of Contract 2166. The results of our review are shown in the attached report.

C. D. Baer

Attachment

We examined the cash receipts records in the Branch of Budget and Finance, Administrative Division, Geological Survey, and reviewed the contract files of the Office of Minerals Exploration (OME), pertaining to royalty due to the Government on the value of production from the property included under Contract 2166 with Bulldog Mountain, Inc., and Contract 2130 with Humphreys Exploration Company. The review was made during January 1970 at Washington, D.C.

The Government's participation in the cost of the Humphreys Exploration Company's contract amounted to $26,982, subject to repayment, plus 6½ percent simple interest, through royalties on the value of any production from the property between September 12, 1961, and September 12, 1971.

The Government's participation in the cost of the Bulldog Mountain, Inc.'s contract amounted to $93,533 subject to repayment, plus 6 percent simple interest, through royalties on the value of any production from the property between May 6, 1963, and May 6, 1979.

In 1963 Humphreys Exploration Company became a part of Bulldog Mountain, Inc. All royalty payments were made by Bulldog Mountain, Inc., and applied first against the Humphreys Exploration Company contract and then against their own contract.

The present review covered production from June through November 1969. The value of production and royalty due and paid to the Government is as follows:

Company	Value of Production	Royalty Due and Paid
Humphreys Exploration Company	$ 798,332	$39,917
Bulldog Mountain, Inc.	244,555	12,228
Total	$1,042,887	$52,145

The Humphrey's Exploration Contract was paid in full on November 13, 1969.

C. D. Baer

Regional Director

Draft copy picked up by Mr. Walker, Audit Operations, 11/27/70 - 11:00 AM

Memorandum

To: Director, Geological Survey

From: Regional Director, Region I
Audit Operations, Office of Survey and Review

Subject: Royalty Review of Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, ~~Humphreys Exploration Co.~~ Inc.
~~Bulldog Mountain~~, Colorado
Mineral County

As requested by the Chief, Office of Minerals Exploration, we made a final royalty review of Contract 2166. The results of our review are shown in the attached report.

Attachment

cc:
Official file
Reading file
Audit Manager
AWP's

Roy. Reno[illegible]ir
OME-6288

p. 1 - 3rd line - add s to "Mineral."

~~p. 2 - last line - I am suggest adding "and the Amendatory Mineral Exploration Contract on October 23, 1970."~~

Cover page & transmittal memo — correct name of operator and county.

p. 1 and 2: Delete preference to contract 2130 with Humphreys Exploration Co. ~~[illegible]~~ as that contract was audited (final) in January 1970, and the contract was repaid in full on November 13, 1969 as reported in the Report of Royalty Review dated January 1970.

Dryft copy

UNITED STATES
DEPARTMENT OF THE INTERIOR

Office of Survey and Review

Audit Operations

Report of Royalty Review-Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, ~~Humphrey's Exploration Co.~~ Inc.
~~Bulldog Mountain,~~ Colorado
Mineral County,

Washington, D.C.
November 1970

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240
OFFICE OF SURVEY AND REVIEW
Audit Operations, Region I
801 19th Street, N.W., Room 813
Washington, D.C. 20240

Memorandum

To: Director, Geological Survey

From: Regional Director, Region I
Audit Operations, Office of Survey and Review

Subject: Royalty Review of Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc. ~~Humphrey's Exploration Co.~~
~~Bulldog Mountain,~~ Mineral County, Colorado

As requested by the Chief, Office of Minerals Exploration, we made a final royalty review of Contract 2166. The results of our review are shown in the attached report.

Attachment

We have examined the cash receipts records of the Branch of Budget and Finance, Administrative Division, Geological Survey, and reviewed the contract files of the Office of Minerals Exploration (OME), pertaining to the royalty due the Government on the value of production from the property included under Contract 2166 with Bulldog Mountain, Inc. ~~and Contract 2130 with Humphrey's Exploration Co.~~ A preliminary review was made in January 1970, and the final review in November 1970 at Washington, D.C.

The Government's participation in the cost of the Bulldog Mountain Inc.'s Contract (2166) amounted to $93,533 subject to repayment, plus 6 percent simple interest, through royalties on the value of any production from the property between May 6, 1963 and May 6, 1979.

Already a final audit report. Jan. 1970

~~The Government's participation in the cost of the Humphrey's Exploration Company's Contract (2130) amounted to $26,982, subject to repayment, plus 6¼ percent simple interest, through royalties on the value of any production from the property between September 12, 1961 and September 12, 1971.~~

Not necessary for this audit. Delete

~~In 1963, Humphrey's Exploration Company was acquired by Bulldog Mountain, Inc. and all royalty payments under both contracts were paid by Bulldog Mountain, Inc.~~

The final review covered production from June 1969 through October 1970, when the final royalty payment was acknowledged. The value of applicable production and royalty due and paid to the Government is as follows:

Company	Value of Applicable Production	Royalty & Interest Due and Paid
~~Humphrey's Exploration Co.~~	~~$ 798,332~~	~~$ 39,916~~
Bulldog Mountain, Inc.	2,430,060	120,999
~~Totals~~	~~$3,228,392~~	~~$160,915~~

~~The Humphrey's Exploration Contract was paid in full on November 13, 1969~~ and the Bulldog Mountain, Inc. ~~Exploration Contract on October 23, 1970.~~

Regional Director

The Bulldog Mountain, Inc., exploration contract was repaid in full on October 23, 1970.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
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AIRMAIL

Mr. Gerald E. Gackle
Homestake Mining Company
Lead, South Dakota 57754

OCT 29 1970

Re: OME-6288 (Silver)
Buildog Mountain, Inc.
Buildog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Gackle:

Thank you for your letter of October 23, 1970, enclosing a check in the amount of $575.03 in final payment of royalties under the subject contract. We appreciate your prompt reply to our letter of October 20. - see folder #3

When the final audit of the account is completed, we will proceed to close the contract.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to: Mr. Joseph A. McKinley
Homestake Mining Company
650 California Street
San Francisco, California 94108

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading file
OME Region III w/cy Mr. Gackle's letter 10/23/70
Mr. Kirkemo
130

GLAult/a 10-29-70

HOMESTAKE MINING COMPANY

LEAD, SOUTH DAKOTA 57754

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October 23, 1970

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
United Stated Department of the Interior
Geological Survey
Washington D. C. 20242

RE: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Kirkemo:

Your letter dated October 20, 1970 provided the necessary information for us to make the final payment, and is the basis for the following calculations:

Balance due on principal	$572.87
accrued interest thru Oct. 20, 1970	1.88
Daily interest $.0942	
Oct. 21, 1970 - Oct. 23, 1970 - 3 days	
Interest 3 x .0942	.28
Balance due on principal	$575.03

see folder #3

We are enclosing a check in the amount of $575.03 for the final payment of contract 2166.

We appreciate your providing us with the necessary information.

Yours very truly,

Gerald E. Gackle

Gerald E. Gackle

GEG/njm
enc: check

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/20/70		120
		220

AIRMAIL

Mr. Gerald E. Gackle
Homestake Mining Company
Lead, South Dakota 57754

OCT 20 1970

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Gackle:

You advised us by letter dated August 7, 1970, that the shipment identified as Lot 173 to be shipped in July 1970 should be the last shipment by Homestake Mining Company of production subject to payment of OME royalty on the subject contract. Further, you also advised American Smelting and Refining Company not to deduct OME royalty payments on future shipments after settlement had been made on Lot 173.

According to our records, a royalty payment totalling $2,718.86 on Lots 171, 172, and 173 was received in the Geological Survey's accounting office here on September 30, 1970. This is the latest royalty payment received.

The status of the account as of October 20, 1970, is as follows:

Principal - Government participation subject to repayment		$93,532.95
Total payments received	$120,424.07	
Payments applied to interest	27,463.99	
Payments applied to reduce principal		92,960.08
Balance due on principal		$ 572.87
Accrued interest through October 20, 1970		1.88
Daily interest accruing on balance of principal $0.0942		

We have expected a final payment sufficient to pay the balance of the principal and accrued interest. In the event a payment might have been lost, we list on the enclosed sheet the royalties received in the period, June through September 1970. No royalties have been received in October.

We hope that these data will be useful in completing payment on this account.

cc: Director's Reading file
Mineral Resources
OME docket
OME Reading file
OME Region III
Anna Gabor
Harold Kirkemo
130

Enclosure

Sincerely yours,

Harold Kirkemo (gh)

Harold Kirkemo
Chief, Office of
Minerals Exploration

Bulldog Mountain, Inc.
OME-6288, Contract 2166

Royalty record - June through September 1970

Smelter Lot No.	Shipping Lot No.	Amount of royalty paid	Date royalty credited to account
1102	131	$ 993.10	6-5-70
1121	128	747.69	"
1101	132	942.22	"
1315	135, 136, 137	3,672.64	6-17-70
1310	133, 138, 139	3,254.33	"
1109	127, 129, 130	2,389.05	"
1316	134	1,274.75	7-20-70
1460	141, 142, 144	2,746.37	"
1496	145	902.43	"
1756	153, 154, 155	2,704.19	8-11-70
1660	147, 148, 152	2,811.33	"
1755	156	871.36	"
1647	149, 150, 151	2,782.12	"
1843	157, 158	1,802.65	9-1-70
1461	140, 143, 146	2,863.79	"
1834	159, 160, 161	2,630.83	"
1942	162, 163, 164	2,489.41	"
1975	165, 166, 167	2,241.12	9-30-70
2099	169, 170	1,807.30	"
2098	171, 172, 173	2,718.86	"
	Total	$42,645.54	

Payment applied to interest	500.40
Payment applied to principal	$42,145.14

HOMESTAKE MINING COMPANY

LEAD, SOUTH DAKOTA 57754

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 11 1970
INITIAL CODE
gla 1 30
~~1 20~~
1 20 E
2 20

August 7, 1970

Mr. Harold Kirkemo
Office of Mineral Exploration
U. S. Department of Interior
Washington, D.C. 20242

Subject: O.M.E. - 6288 (Silver)
Bulldog Mountain Inc.
Contract 2166

Dear Mr. Kirkemo:

Please be advised that our shipment, lot #173 shipped in July, should be the last shipment subject to OME royalty.

I have advised American Smelting and Refining Company to stop royalty payments after the above mentioned lot has been settled. The final payment should reach your office sometime in September. Undoubtedly, the amount paid will not be in exact agreement with the contract principle and interest. Therfore, please advise us as to any balance owed and we will forward payment for same. If we have overpaid the royalty, please forward a check to P. O. Box 875, Lead, South Dakota.

We would appreciate a summary showing the total amount paid on principle and on interest after the final payment has been made.

Yours very truly,

Gerald E. Gackle

Gerald E. Gackle

CC: Mr. J. William Hasler, Field Officer
Region 3 - Office of Mineral Exploration
Building 53 - Room 203 - Denver Federal Center
Denver, Colorado 80225

HOMESTAKE MINING COMPANY

LEAD, SOUTH DAKOTA 57754

AUG 10 1970

Denver, Colorado

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 23 1970

INITIALS	CODE
gla	30
	120
	220

August 7, 1970

Mr. Harold Kirkemo
Office of Mineral Exploration
U. S. Department of Interior
Washington, D.C. 20242

Subject: O.M.E. - 6288 (Silver)
Bulldog Mountain Inc.
Contract 2166

Dear Mr. Kirkemo:

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We would appreciate a summary showing the total amount paid on principle and on interest after the final payment has been made.

Yours very truly,

Gerald E. Gackle

Gerald E. Gackle

CC: Mr. J. William Hasler, Field Officer
Region 3 - Office of Mineral Exploration
Building 53 - Room 203 - Denver Federal Center
Denver, Colorado 80225

HOMESTAKE MINING COMPANY

LEAD, SOUTH DAKOTA 57754

OME Region III
RECEIVED
AUG 10 1970
Denver, Colorado

OME 6286

August 7, 1970

Mr. Tom Fisk
American Smelting and Refining Company
Smelting Works
P. O. Box 1111
El Paso, Texas 79999

Dear Mr. Fisk:

This letter is to advise you that our OME contract #2166 will be paid up with the OME deduction from our lot #173 shipped in July.

Please discontinue the 5% OME royalty deduction as soon as all lots through #173 have been settled.

Yours very truly,

Gerald E. Gackle

GEG/skw

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration
Building 53 Room 200

June 1, 1970

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 4 1970

INITIALS	CODE
gla	130
	120
	120

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Transmitted herewith is a copy of a letter from Mr. Joseph A. McKinley of Homestake Mining Company and a copy of Homestake's agreement with Bulldog Mountain Inc. dated September 4, 1963.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

HOMESTAKE MINING COMPANY
650 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA 94108
CABLE: HOMESTAKE
TELEPHONE (415) 981-8150

May 28, 1970

OME Region 1
RECEIVED
JUN 1 - 1970
Denver, Colorado

Mr. J. William Hasler, Field Officer
Office of Minerals Exploration
U. S. Department of the Interior
Geological Survey
Federal Center
Denver, Colorado

OME-6288 (Silver)
Bulldog Mountain Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Hasler:

In response to your letter of May 21, 1970, enclosed are two xerox copies of our agreement with Bulldog Mountain Inc. dated September 4, 1963. As you are probably aware Bulldog has assigned its rights to McCulloch Oil Corporation and the enclosed agreement has been amended by an agreement between this company and McCulloch. We assume you have copies of these instruments.

If there is any other request you have, please let us know.

Very truly yours,

Joseph A. McKinley

Joseph A. McKinley

Encs.

Rec. 33457
Recorded. Aug 30, 1966
Book - 110 - J - pg 429

ORIGINAL
Book 59
Page 198

LEASE AND OPTION AGREEMENT

This Lease and Option Agreement is made as of SEPTEMBER 4, 1963, and is between BULLDOG MOUNTAIN, INC., a Colorado corporation (hereinafter referred to as "Lessor"), and HOMESTAKE MINING COMPANY, a California corporation (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, Lessor represents that it is the owner or lessee of certain patented and unpatented mining claims located in the Sunnyside Mining District, Mineral County, Colorado; and

WHEREAS, Lessee desires to lease said claims on the terms and conditions hereinafter set forth;

NOW, THEREFORE, for and in consideration of the mutual premises contained herein, the parties agree as follows:

1. Lessor hereby leases or sub-leases to Lessee, with option to purchase, the mining claims listed in Exhibit "A," attached hereto and made a part hereof as if set forth in full at this point, together with all workings, rights, improvements and other appurtenances attached to or contained in said claims (hereinafter referred to as the "Leased Mining Claims").

2. The term of this Lease shall be for 20 years, commencing on the date hereof. Lessee shall have the right, by giving Lessor written notice at least 90 days before the end of said period, to extend the term of this Lease, upon the same terms and conditions as are herein set forth, for an additional period of 20 years and so long thereafter as valuable minerals or metals are present in the Leased Mining Claims or any of them.

3. (a) Lessor represents and warrants to Lessee, all of which representations and warranties shall survive until termination of this Lease, that:

(i) it holds, of record, fee title to all the patented claims contained among the Leased Mining Claims, subject only to any exceptions and reservations contained in the United States patents of such claims.

(ii) it has, with regard to the unpatented mining claims contained among the Leased Mining Claims, taken all action required by law to locate said claims and to maintain the same in full force and effect, to and including the date hereof, including, without limitation, staking, discovery, recordation of notices of location in proper form, compliance with annual labor requirements and recordation of proof thereof in proper form as required by law.

(iii) all of the Leased Mining Claims, and all property therein or thereon, either real or personal in nature, are free and clear of any liens and encumbrances, except as may be imposed by the O. M. E. contract and the Lease Agreement covering the Kansas City Star claim, defined and described in paragraph 6 and except property taxes (which taxes total no more than $300.00 per year) for the current fiscal year, and Lessor knows of no claim of ownership by any third party of any of said claims (except the Kansas City Star claim, as described in paragraph 6(b)) or the minerals contained therein.

Reception No. 59044
Filed for record Sept 2, 1966 at 2:15 P.M.
Jean M. Vickers
Recorder

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Page 200

Lessee, in the event of breach of any of the preceding warranties, at its option, may require Lessor to do any and all things necessary to correct any such breach, which things Lessor hereby agrees to do to the satisfaction of Lessee (provided, however, that if Lessee requires Lessor to bring a suit to quiet title to the Leased Mining Claims or any of them the cost thereof shall be borne by Lessee and shall be recovered by Lessee from any payments due Lessor in the future by reason of this Lease), or, alternatively (or in the event that, after request, it is found legally impossible to correct such breach), Lessee may declare such breach substantial, terminate this Lease, and seek such legal relief as it deems appropriate.

(b) Promptly after execution of this Lease, Lessor (at its expense) shall deliver to Lessee full abstracts of title covering each of the Leased Mining Claims, individually or in blocks; thereafter Lessor shall deliver such certificates, notes, photostats of documents of record title and copies of other documents in Lessor's possession which may bear upon the titles to the Leased Mining Claims as Lessee or its counsel may from time to time request. Lessee shall have a period of 60 days after delivery of said abstracts of title (but in no event less than 60 days from the date of this Lease) within which to examine (at its expense) and approve or disapprove Lessor's titles to the Leased Mining Claims. During said examination period Lessee shall have the right, without liability to itself, to request Lessor to correct any defects of title to any or all of the Leased Mining Claims as may appear proper to Lessee, and Lessor, upon such request and at its expense, shall promptly take any and all action which Lessee shall deem necessary or desirable in order to correct such defects including, without limitation, posting and filing notices or amended notices of location on the ground or in the proper public offices, erecting location monuments, stakes and posts, and pursuing to final judgment any and all legal proceedings; in the event Lessor refuses or fails to take and complete any such requested action, Lessee may carry out the same, in which event its costs of so doing shall be set off against and deducted from any amounts payable to Lessor by Lessee under the terms of this Lease. At the end of said ~~90~~ 60-day examination period, Lessee, in writing, shall either approve or disapprove the titles to said claims, and may approve some and disapprove others. In the event Lessee disapproves some but not all of said titles, this Lease shall continue in full force and effect covering those claims as to which Lessee approves title, and those claims as to which Lessee does not approve title shall not be subject to the terms of this Lease; if Lessee shall disapprove title to any of said claims, it shall have the right to disapprove titles to all of them. In the event Lessee disapproves (for any reason) all of said titles, this Lease shall be terminated immediately with no further action of any sort required of any party hereto, either to effect such termination or under any term of this Lease. On or before 10 days following the date on which Lessee approves title to the Leased Mining Claims as described in this paragraph, it shall pay Lessor $24,000, as rent for the Leased Mining Claims for the three-year period commencing with the date hereof. Anything in this Lease to the contrary notwithstanding, the approval of titles by Lessee as described in this paragraph shall be a condition precedent to all obligations of Lessee set forth hereafter in this Lease.

(c) Immediately upon execution of this Lease, Lessor shall deposit in escrow in the Fidelity Bank and Trust, Monte Vista, Colorado, properly executed good and sufficient deeds (or, in the case of the Kansas City Star claim, an assignment of ~~lessor~~ lease) to the Leased Mining Claims, in form and content satisfactory to Lessee, conveying to Lessee the ownership (or, in the case of the Kansas City Star claim, the tenancy) of said claims; said bank is hereby authorized and directed to deliver said deeds and assignment to Lessee upon deposit to the credit of Lessor in said escrow, on or before the expiration of this Lease, the amount described in paragraph 10 hereof. The initial cost of said escrow shall be shared equally by Lessor and Lessee, and thereafter all expenses of said escrow shall be borne by Lessor.

4. Immediately upon execution of this Lease Lessee shall have the exclusive right and privilege, but not the duty (except for the obligations under the O. M. E. Contract (as defined in paragraph 6(a)), during the term hereof, to enter into and upon the Leased Mining Claims to explore for, extract, remove, mine, treat, ship and sell any ores,

minerals or metals as are found and contained in the Leased Mining Claims which Lessee may deem profitable, together with the full right, privilege and authority to construct, erect, operate, use and maintain on or in the Leased Mining Claims any and all buildings, structures, machinery, excavations, shafts, openings, ditches, water pipes, roads and other improvements, property and fixtures and stockpiles of ore which, in Lessee's judgment, may be reasonably necessary, convenient or suitable for mining, removing, concentrating, beneficiating, smelting, shipping and selling any of such ores, minerals, metals or products thereof as may be taken from the Leased Mining Claims or any neighboring claims, or for any activities incidental thereto, including the full right to dump earth, rocks, waste and ores taken from the Leased Mining Claims or any neighboring claims upon any part or parts of the Leased Mining Claims or to cave in the surface of any of the Leased Mining Claims. Nothing in this Lease shall be construed or interpreted to require Lessee to develop a separate shaft or shafts on the Leased Mining Claims, or any of them, or to prevent Lessee from developing mines or other operations on the Leased Mining Claims, or any of them, wholly or in part through or in connection with its operations on or in any neighboring claims or other nearby property, all as Lessee, in its sole discretion, shall determine. Lessee shall indemnify and hold Lessor harmless from any and all claims or judgments for personal injuries to or death of any person or property damages upon or within the Leased Mining Claims or any adjacent property used for ingress to or egress from the Leased Mining Claims occasioned by the negligence or actionable fault of Lessee, its agents or employees. Lessee shall post and at all times continuously maintain at all points of ingress to the underground workings, if any, on the Leased Mining Claims, a written notice to all employees and other persons, informing them of the fact that the property is being operated by Lessee and that Lessor is not in any manner responsible for the wages of any person employed in or upon the Leased Mining Claims, or for any work, supplies or materials furnished to Lessee, its agents or employees. Lessee shall protect the Leased Mining Claims from any and all miners', mechanics', workmen's and materialmen's liens.

5. (a) Lessee shall use its best efforts to sell all ore (including concentrates, minerals and metals derived therefrom) taken from the Leased Mining Claims at the best price and upon the most favorable terms obtainable, consistent with the exercise of reasonable diligence, but shall be under no obligation to sell or otherwise dispose of said ore. All decisions concerning methods, procedures and techniques of exploring, extracting, mining, milling or treating said ore, and all decisions concerning any such sale or other disposition, including, but not limited to, decisions as to buyers, times of sale, prices, whether to sell ore, concentrate or refined metals, or a combination of the same, and whether to stockpile ore for any length of time without selling the same, shall be made by Lessee, in its sole discretion.

(b) Lessee shall pay Lessor, so long as this Lease continues in force, a production royalty based on the per ton value of ore mined and concentrated (or shipped directly to a smelter). Said royalty shall be equal to the square of 1/10th of the net smelter return per ton of ore mined and concentrated (or shipped directly to a smelter), between a lower limit of 1% and an upper limit of 15%, as follows:

Net Smelter Return/Ton	1/10th of Same	Royalty (% of Net Smelter Returns)
$10.00 or less	1.00	1.00% Lower Limit
15.00	1.50	2.25%
20.00	2.00	4.00%
30.00	3.00	9.00%
$38.73 or more	3.873	15.00% Top Limit

If the net smelter return per ton of ore mined and concentrated (or shipped directly to a smelter) is between any of the figures set forth in the preceding table, the appropriate royalty shall be calculated on said amount pursuant to the preceding formula. "Net smelter returns" are hereby defined to mean the net amount received from the buyer

as evidenced by the buyer's settlement sheets, less any freight charges incurred by either Lessee or buyer in transporting any ores, concentrates, metals or minerals sold from the mine location to buyer's place of business at which such ores, concentrates, minerals or metals are processed by buyer and less any payments to the Government pursuant to the O. M. E. Contract (both "Government" and "O. M. E. Contract" are defined in paragraph 6(a)(i)). Lessee agrees to pay the amounts described in this paragraph to Lessor on or before the 15th day of the month following the end of each calendar-quarter year, such payments to cover all amounts due for said calendar-quarter year, and to furnish with such payments a statement of how the amounts of such payments were determined.

(c) Lessee agrees to pay Lessor, in lieu of the production royalty described in paragraph 5(b), minimum advance annual royalty payments of $24,000 per year, commencing three years from the date hereof. All minimum advance annual royalty payments paid to Lessor during the term hereof may be set off against and used to reduce any production royalty payments which may become payable to Lessor at any time in the future by reason of this Lease; all production royalty payments actually paid to Lessor may be set off against and used to reduce any minimum advance annual royalty payments which may become payable to Lessor at any time in the future by reason of this Lease. All minimum advance annual royalty payments shall be in lieu of all other obligations of Lessee under the terms of this Lease except the assessment work set out in paragraph 7, the work requirement set out in the Lease Agreement covering the Kansas City Star claim (as described in paragraph 6(b)) and the payment of any property taxes necessary to maintain the Leased Mining Claims in full force and effect, including, but not limited to, any obligations to explore, drill, mine or produce ore from the Leased Mining Claims or any of them.

(d) The payment of all production royalties or minimum advance annual royalty payments, as described in (b) and (c) above, shall be subject to all the terms and conditions of paragraph 6 hereof.

(e) All payments specified in this paragraph 5 or elsewhere in this Lease to be made to Lessor shall be made by depositing the amount thereof to the credit and account of Lessor in the escrow referred to in paragraph 3(c). Lessee in no manner shall be responsible for any disposition or distribution of monies so deposited.

(f) If at any time during the term of this Lease one or more third parties make a claim of ownership of the mineral interests lying in and under any of the Leased Mining Claims, Lessee shall have the right to place any payments which would otherwise be due Lessor under the terms of this Lease in escrow in a bank (to the extent necessary to protect itself in connection with said claim), to remain in escrow until final determination of such claim or claims. In the event Lessee is required to make any payments to third parties as a result of any such claims, either by way of contract, settlement, compromise, pursuant to final judgment of any court of record, or otherwise, the amount of such payments, and all costs incurred by Lessee by reason of any such claims, shall be deducted from, and shall be considered reductions of, any payments or amounts due Lessor in the future under the terms of this Lease.

(g) Lessee shall keep accurate records and books of account, in accordance with generally accepted accounting principles, covering all matters necessary to the proper computation of the royalty described in (b), above. Said records and books of account may be kept either in the vicinity of the Leased Mining Claims or in San Francisco, California, or elsewhere, at Lessee's option, and shall be open to inspection of Lessor or its duly authorized agents at any reasonable time during normal business hours, provided such inspections do not unduly interfere with or hamper the managerial or accounting staffs of Lessee. Within sixty days after the end of each of Lessee's fiscal years during the term of this Lease, Lessee will furnish Lessor an unaudited "Year-End Statement" showing the amount of royalty paid Lessor during said fiscal year

and how said amount was determined. All statements so presented shall be conclusively presumed true and correct after the expiration of two months from the date of such presentation, unless within said two months' period Lessor takes written exception thereto, specifying with particularity the terms excepted to and the grounds for such exception. Lessor shall be entitled to an annual independent audit of the matters covered by said statement, at its expense, provided it selects for such audit an accounting firm of recognized standing, at least one of whose members is a member of the American Institute of Certified Public Accountants.

6. (a) (i) Lessor has heretofore, on May 6, 1963, entered into an Exploration Contract (Number 14-23-090-2166) with the United States of America, acting through the Department of the Interior, Office of Mineral Exploration (hereinafter referred to as the "Government") covering certain exploration activities to be carried out with respect to the Leased Mining Claims (a copy of said contract is attached hereto, marked "Exhibit "B," and made a part hereof as if set forth in full at this point; said contract is hereinafter referred to as the "O. M. E. Contract"). Lessee agrees to assume, as between it and Lessor, Lessor's right and obligation to perform the O. M. E. Contract, provided, however, that Lessee shall not be obligated to spend more than $106,160 (50% of "allowable costs", as defined in Article 1(b) of the O. M. E. Contract) in performing said Contract, and provided further, that if this Lease is terminated prior to full repayment (with interest) of any contributions made to Lessor by the Government pursuant to the O. M. E. Contract (including all amounts described in "Annex II"thereof), Lessee shall have no further liability after such termination for repayment of any such sums, and Lessor agrees to indemnify and hold Lessee harmless from any such liability. In the event Lessee should terminate this Lease prior to completion of the work contemplated by the O. M. E. Contract, Lessee shall pay Lessor the difference between the amount it has theretofore expended with regard to performance of the O. M. E. Contract and said $106,160, unless the Government has at that time agreed, pursuant to Article 9 of the O. M. E. Contract, that further work is not justified and has given Lessor written notice thereof, in which case Lessee shall not be obligated to make any additional payments to Lessor pursuant to the terms of this sentence. Lessor shall send Lessee copies of all correspondence or other communications between Lessor and the Government, and, at Lessee's request, shall take immediate steps to appoint Lessee Manager of the O. M. E. Contract.

(ii) Lessee agrees that, so long as this Lease is in force, it shall pay the Government, for Lessor's account, the royalty required by the O. M. E. Contract. All amounts so paid shall be deducted from net smelter returns prior to the calculation of the production royalty payable to Lessor pursuant to paragraph 5(b).

(iii) The O. M. E. Contract requires the written consent of the Government to this Lease. Lessor agrees to seek such consent, and, anything in this Lease to the contrary notwithstanding, the receipt of such consent shall be a condition precedent to any and all obligations of Lessee under the terms of this Lease.

(iv) If, upon completion of the O. M. E. Contract, it is Lessee's opinion that additional exploration work should be carried out with regard to the Leased Mining Claims and that additional financial aid should be sought from the Government to carry out such work, all appropriate applications, and subsequent

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Page 204

contracts, shall be made, executed and entered into by Lessor, in its name alone (which Lessor hereby agrees to do) but at Lessee's expense, and all terms and conditions of this Lease shall automatically apply to any such new loan and contract as fully as they do the O. M. E. Contract, and the words "O. M. E. Contract" herein shall be deemed to refer to any such new loan and contract.

(b) Lessor holds the Kansas City Star claim (one of the Leased Mining Claims) pursuant to a Lease Agreement between it (as lessee) and Rio Grande River Raft Race, Inc. (as lessor, hereinafter referred to as "Rio Grande") dated April 26, 1961 (a copy of said Lease is attached hereto, marked Exhibit "C," and made a part hereof as if set forth in full at this point). Lessee agrees that, so long as this Agreement is in force, it shall pay to Rio Grande, for Lessor's account, the royalty required by said Lease Agreement and shall perform, in Lessor's behalf, the work requirements set out in said Lease Agreement. All amounts so paid, and the cost of all work so performed except in the normal course of Lessee's operations, shall be deducted from and set off against the royalties payable to Lessor pursuant to paragraph 5(b); in the event the royalty paid to Rio Grande is less than the royalty otherwise payable to Lessor (less said cost), the difference between said sums shall be paid Lessor; in the event the royalty paid to Rio Grande is greater than the royalty otherwise payable to Lessor (less said cost), the difference between said sums shall be carried forward and deducted from and set off against any future royalties which may be payable to Lessor pursuant to paragraphs 5(b) and (c).

7. Lessee, during the term of this Lease, shall perform on or for the benefit of the unpatented mining claims among the Leased Mining Claims, the titles to which have been approved by Lessee, sufficient assessment work each assessment year to hold said claims under the Colorado and Federal mining laws, and shall prepare and timely file all required Proofs of Labor when such work is finished; said work and said Proofs of Labor shall be completed and filed at least 15 days prior to the date required by law that all such filings be made; provided, however, that Lessee shall have no responsibility to perform any assessment work for the assessment year 1962-1963, and all assessment work required to be performed for said assessment year with regard to any of the Leased Mining Claims shall be performed by Lessor, who shall also prepare and timely file all required Proofs of Labor for such work. Anything to the contrary in the preceding sentence notwithstanding, however, Lessee, at any time prior to 90 days before any assessment work is required by law to be completed on or for the benefit of any of the Leased Mining Claims, may notify Lessor, in writing, that Lessee no longer wants the claim or claims specified in said notice to be a part of the claims covered by this Lease, and, upon the giving of such notice, such claim or claims shall, with no further action on the part of any party hereto, be released from this Lease and Lessee's responsibilities and obligations as to said claim or claims shall end, and this Lease shall continue in full force and effect with respect to the claims not specified in such notice. Lessor shall be entitled to receive from Lessee, upon request, all data regarding work done upon any claims so released which may be utilized by Lessor to satisfy the assessment work requirements pertaining to any such claims, which data may be utilized by Lessor for its own benefit in filing Proofs of Labor.

8. Lessee shall pay all taxes and assessments levied or assessed against or applicable to the Leased Mining Claims during the term of this Lease, except severance taxes, which shall be paid by the parties in the same proportion as they share net smelter returns, as determined pursuant to paragraph 5(b), and except the current fiscal year's property taxes, which shall be prorated to the date hereof.

9. Lessee may terminate this Lease at any time by giving thirty days' written notice of such termination to Lessor. In the event of termination for any reason, Lessee shall be freed of any and all obligations or liabilities arising out of or because of this Lease or Lessee's activities on or in the Leased Mining Claims, except those obligations or liabilities which, by the express terms hereof, have become fixed and unconditional, and Lessor shall be entitled to repossess the Leased Mining Claims without further notice or demand. In the event of termination for any reason, Lessee shall be entitled

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Page 205

to remove any equipment, machinery, tools, supplies, rails, pipe and buildings which may be owned or which may have been installed or placed in or upon the Leased Mining Claims by Lessee, subject to the terms of the O. M. E. Contract, if applicable; such property shall remain in Lessee's ownership, subject to removal during the term of this Lease and for a period of 90 days after termination.

10. At any time prior to termination of this Lease or any extension hereof Lessee shall have the right and option, upon thirty days' notice to Lessor, to purchase from Lessor all of the Leased Mining Claims (in the case of the Kansas City Star claim, only the lease hold interest) for $1,200,000, less all sums referred to in paragraph 5(f) as reductions of said amount, and less all payments which have been made to Lessor or for Lessor's account as of the date of exercise of said option pursuant to the terms of paragraphs 3(b), 5(b), 5(c) and 6(b). Said option may be exercised by Lessee giving written notice of such exercise to Lessor. In the event Lessee exercises said option, the remaining balance of the purchase price shall be paid to Lessor within ninety days after said exercise, and, concurrent with said payment, Lessor (or the escrow holder) shall deliver to Lessee deeds and assignment as described in paragraph 3(c).

11. If either Lessee or Lessor, despite due diligence, shall be prevented by any cause reasonably beyond its control (including, by way of example but not of limitation, causes such as any governmental law, regulation or action, severe weather, explosion, unusual mining casualty, unavoidable mill shutdown, damage to or destruction of mine or plant facility, fire, flood, civil or military authority, insurrection, riots, strikes, labor disputes, inability after diligent effort to obtain competent workmen or material or acts of God) from timely performing any of its obligations hereunder (which, for the purposes of this paragraph, shall include the removal of equipment as described in paragraph 9), the failure of such performance shall be excused and shall not be a ground for cancellation, termination or forfeiture hereof, and the period for performance of such obligation shall be extended for an additional period equal to the period during which it is unable to perform its obligation by reason of said cause.

12. Either Lessee or Lessor, in the event the other is in default under any of the terms of this Lease and has not, within thirty days after the non-defaulting party has given it specific written notice of such default, corrected the same, may terminate this Lease by giving written notice of such termination to the other; provided, that any default claimed against Lessee as respects the payment of money may be cured by deposit of the amount in controversy (not including claimed consequential, special, exemplary or punitive damages, or interest) in escrow in a bank, to remain in escrow until final decision by a court, or other agreement of the parties.

13. Lessor represents and warrants to Lessee that the officers of Lessor executing this Lease on its behalf are fully empowered to execute this Lease and to carry out the terms hereof; a certified copy of the action of the Board of Directors of Lessor authorizing such actions is attached hereto, marked Exhibit "D," and made a part hereof as if set forth in full at this point. Lessor further represents and warrants that it has complied with all laws of the State of Colorado which may be applicable when a corporation sells or agrees to sell all or substantially all of its assets, as is contemplated by this Agreement; an opinion of Lessor's Colorado counsel stating that Lessor has so complied is attached hereto, marked Exhibit "E," and made a part hereof, as if set forth in full at this point. Lessor agrees to indemnify Lessee against any losses Lessee may suffer by reason of breach of any of said warranties, and, further, agrees to indemnify and hold Lessee harmless from any and all undisclosed liabilities of Lessor, including any liabilities incurred by reason of Lessor's execution of this Lease.

14. Lessor has heretofore entered into an agreement with Humphreys Exploration Company, dated July 12, 1961, which agreement covered the exploration of all or part of the Leased Mining Claims. Lessor represents and warrants to Lessee that said agreement has been terminated by mutual recision and Humphreys Exploration Company has no further rights in or claims to or against any of the Leased Mining Claims. Pursuant to said agreement, Lessor believes it is entitled to receive from Humphreys

STATE OF CALIFORNIA,
City & County of San Francisco } ss.

On this 4th day of September in the year one thousand nine hundred and sixty-three, before me, Leona B. Hilburn, a Notary Public in and for the City and County of San Francisco, State of California, duly commissioned and sworn, personally appeared Paul C. Henshaw known to me to be the Vice President of the corporation described in and that executed the within instrument, and also known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same Lease and Option Agreement

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the City and County of San Francisco the day and year in this certificate first above written.

Leona B Hilburn

Notary Public in and for the City & County of San Francisco State of California.

Cowdery's Form No. 28—(Acknowledgment—Corporation). (C. C. Secs. 1190-1190.1) 41976

My Commission Expires February 15, 1965

by _____

Director, Office of Mineral ...

STATE OF CALIFORNIA,
City & County of San Francisco } ss.

On this 4th day of September in the year one thousand nine hundred and sixty three, before me, Leona B. Hilburn, a Notary Public in and for the City and County of San Francisco, State of California, duly commissioned and sworn, personally appeared Stephen J. Varnhagen known to me to be the President of the corporation described in and that executed the within instrument, and also known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same Lease and Option Agreement

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the City and County of San Francisco the day and year in this certificate first above written.

Leona B Hilburn

Notary Public in and for the City & County of San Francisco State of California.

Cowdery's Form No. 28—(Acknowledgment—Corporation). (C. C. Secs. 1190-1190.1) 41976

My Commission Expires February 15, 1965

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Page 206

Exploration Company title to five patented claims located in the same general area as the Leased Mining Claims, and named as follows: Apex, Black Chief, ~~Bettel~~ Bethel, Maine, and Little Gold Dust. Lessor agrees it will diligently attempt to secure title to said claims, and said claims, when Lessor has acquired title thereto, shall immediately and without further action on the part of Lessor or Lessee become subject to the terms of this Lease and be included in the term "Leased Mining Claims."

15. Any notice or claim required or permitted to be given hereunder shall be considered as having been given properly immediately upon deposit thereof in the United States mail, certified and with postage thereon fully prepaid, addressed, if to Lessor, at 57 Post Street, Room 511, San Francisco 4, California, and, if to Lessee, at 100 Bush Street, San Francisco 4, California. Either Lessor or Lessee may change its address for the purpose of this paragraph by giving written notice to the other.

16. Neither Lessor nor Lessee shall assign any of its rights in this Lease or any of its interest in the Leased Mining Claims, or both, as they may from time to time exist, without the prior written consent of the other (which consent shall not be unreasonably or arbitrarily withheld), provided, however, that Lessee may make any such assignments, without such consent, to any corporation in which it owns at least 50% of the outstanding capital stock. The provisions of this Agreement shall inure to the benefit of and be binding on the successors and assigns of both Lessor and Lessee.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the date first written above.

LESSOR: BULLDOG MOUNTAIN, INC.

By [signature]
President

(SEAL)
ATTEST: And [signature]
Secretary

LESSEE: HOMESTAKE MINING COMPANY

By Paul C. Henslin
Vice President

(SEAL)
Attest

And John W. Hamilton
Secretary

Approved and consented to:

_____, 1963

The United States of America

by_ _____
Director, Office of Mineral Exploration

STATE OF COLORADO, }ss.
County of Mineral

I hereby certify that this instrument was filed for record in my office, at 3:30 o'clock P.M. Aug 30 1966 and is duly recorded in Book 110-J Page

C. Moe Rogers
RECORDER

By_____
DEPUTY

Independent

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LEASED MINING CLAIMS

Sixteen (16) patented and fifty-six (56) unpatented lode mining claims, including all rights pertaining thereto, located in the Sunnyside Mining District, Mineral County, Colorado, in Township 42, North, Range 1, West of the New Mexico Principal Meridian. All claims are owned by the Operator with the exception of the Kansas City Star patented claim which is held pursuant to a lease dated April 8, 1961.

The claims are:

Patented Claims

Name	U.S. Mineral Survey Number
Number Eleven	8365
Memphis	15241
Victoria	9536
LaPlata	15229
Alamosa	7848
Baxter	8441
Conejos	7463
Giant	8165
Cresent	7484
Acanthus	19302
Tahrshatha	19302
Conejos No. 2 (3/4 interest)	8306
Monterey	7484
Puzzle	9535
Grover Cleveland	11586
Kansas City Star	8697

Unpatented Claims, recorded in the office of the County Clerk and Recorder of Mineral County, at Creede, Colorado:

Baker Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, and 28, conveyed by Quit Claim Deed from John W. Getz, dated March 10, 1961 and recorded in book 110-1, at page 304.

Baker Nos. 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39, conveyed by Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, and recorded in book 110-1 at page 309.

	Book	Page
Baker No. 40 (location certificate)	5C	282
" " 41 " "	5C	311
" " 42 " "	5C	312
" " 43 " "	5C	321
" " 44 " "	5C	322
" " 45 " "	5C	331
" " 46 " "	5C	472
" " 47 " "	5C	481
" " 48 " "	5C	84
" " 49 " "	5C	104
" " 50 " "	5C	1042
" " 51 " "	5C	1051
" " 52 " "	5C	1052
" " 53 " "	5C	1061
" " 54 " "	5C	1062
" " 55 " "	5C	1071
" " 56 " "	6	7

Milsite Nos. 1 through 6 ~~7~~

* * * * * *

EXHIBIT "A" (Consisting of one page)

Operator's Copy

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MME Form 30
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME -0208	Silver	14-23-090- 2163	Mineral	Colorado

It is agreed MAY 6 1963 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Building Mountains, Inc.

whose mailing address is Room 513, 57 Post Street, San Francisco 4, California, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before July 1, 1963 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 30 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $212,300.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $106,150.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

Interest of Lessor, Kansas City Star Claim

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

Lien and Subordination Agreement, signed by Rio Grande River Raft Race, Inc.

EXHIBIT "B" (Consisting of Twenty-two Pages)

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ~~ten~~ fifteen years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first. See Annex II

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Articles 23

ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U.S.C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U.S.C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

(a) "Nondiscrimination. The provisions governing performance of work under Government contracts, as set out in Section 301 of the Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit B and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract.

"In compliance with the Rules and Regulations (41 CFR, Section 60-1.3(a)) issued under Executive Order 10925 of March 6, 1961, the Operator is hereby bound and agrees to include in each subcontract which it shall make with a subcontractor or supplier paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

"The Operator shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall incorporate by reference in each subcontract or purchase order with a subcontractor or supplier paragraphs (1) through (6) of Section 301 of Executive Order 10925 of March 6, 1961, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity."

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Executed in quintuplicate this 21 day of May,

1953.

THE UNITED STATES OF AMERICA

[illegible] MINERALS, INC.
(Operator)

By: [illegible]
Title: President

By [illegible]
Director, Office of Minerals Exploration

I, [illegible], (Name), certify that I am

the [illegible] secretary of the corporation

named as Operator herein; that [illegible] (Name)

who signed this contract on behalf of the Operator was then

President of said corporation, that

said contract was duly signed for and in behalf of said corporation by

authority of its governing body, and is within the scope of its corporate

powers.

[illegible]

[CORPORATE SEAL]

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MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 – 21
Contract Date MAY 8 1963

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Mineral, State of Colorado;

described as follows:[2] Kenness City Mining Mineral Survey Number 8697

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

Bulldog Mountain, Inc.[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance 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]

2. 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.

3. 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 blank.)

Except subject to mining lease agreement with Bulldog Mountain, Inc. dated April 26, 1961, recorded May 2, 1961, in Book 1.D.L. at Pages 322-323 of the Mineral County, Colorado Records.

1/ 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 must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

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4. 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 true copies of such notice; and

5. 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.

6. Added provisions ____None____ (State "None" or "See Annex No.____".)

Dated this 13th day of February, 19 43.

E. S. McClure (Seal)	South Park, Colorado	(Street) (City & State)
W. W. Gilly, President (Seal)	South Park, Colorado	(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)

I, Kayron Hoss Ilus (Name), certify that I am the Secretary (Title—Secretary, etc.) of the corporation named herein; that W. W. Gilly (Name), who signed this agreement was then President (Title—Pres., Vice-Pres., 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.

Kayron Hoss Ilus
(Corporate Seal)

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EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
(DE)-3203

EXHIBIT A

The purpose of this project is to explore for silver-bearing ore bodies by crosscutting to the Russle vein, by drifting along the vein to its junction with the east strand of the Bulldog Mountain fault and thereafter to drift along such strand. Underground diamond drilling shall also be performed.

Concurrently with the aforementioned work, surface trenching by bulldozing and surface diamond drilling shall be performed in the northern portion of the property.

General Provisions

No work under this contract may be performed at distances less than 100 feet from the exterior boundaries of the property.

The location, direction, and extent of each work item shall be subject to prior Government approval.

The total combined footage of surface and underground diamond drilling shall not exceed 8,000 feet, the total combined footage of crosscutting and drifting shall not exceed 4,000 feet, and the total combined bulldozing for access roads, trenches, and drill sites shall not exceed 300 hours. The Government will contribute to the cost of not more than 4 underground diamond drill stations and to the cost of not to exceed 600 feet of timbering for drifts and crosscuts.

The surface diamond drilling shall be done with standard NX and BX size coring bits (approximately 2-1/8 inch and 1-5/8 inch core diameter, respectively) and, when necessary to complete a hole, standard AX size bit (approximately 1-1/8 inch core diameter) may be used.

The underground diamond drilling shall be performed with standard BX and AX coring bits.

Core from the diamond drilling shall be properly boxed, marked, and stored for later inspection by the Government. With prior Government approval, the Operator may later dispose of such core. Significantly mineralized core shall be split and sampled and the sample assayed. No sample shall represent a core length of greater than five feet.

Facilities shall be provided for the sampling of diamond drill sludges and such sludges shall be retained when drilling in significantly

mineralized areas. Whenever the core recovery is found to have been less than 60 percent the corresponding retained sludges shall be sampled by quartering as necessary and the sample assayed in addition to the sampling and assaying of such core segments as may have been recovered.

Three copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period and showing the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the work performed.

All holes shall be logged geologically and copies of the logs of the completed holes shall likewise be furnished monthly, with the Operator's monthly report.

All drifts and crosscuts shall be of not less than 6' by 7' in cross section in the clear of timber and shall be timbered as necessary, using drift sets of not less than 8' by 8' timber, or equivalent round timber.

All drill stations shall not be less than 5' x 7' in work station and shall be not less than 15 feet long, from the wall of the drift.

Line rails shall be of not less than 30 pound size, air lines of not less than 4-inch diameter, and water lines of not less than 1-inch diameter. The drifts and crosscuts shall be ventilated, using not less than 15-inch diameter vent pipe.

All significantly mineralized areas traversed by the drifting shall be sampled normal to their trends at intervals of not more than ten feet. Likewise a representative bulk sample shall be taken of each round broken, in areas showing significant mineralization.

All samples, from whatever source, before being sent for assay, shall be split and one split set aside and made available to the Government, properly marked as to source and location. Samples shall be assayed for gold, silver, lead, and zinc, as appears desirable.

The bulldozer used for the work of access roads, trenches and drill sites shall be of not less than D-7 size or equivalent size of other make.

The Operator shall provide such supervisory and technical services as may be required to complete the work in a satisfactory manner.

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Description of the Work

In the northern portion of the property trenching and surface diamond drilling shall be performed at locations which appear desirable. Such work (in part) is roughly indicated on the attached Figure 1.

From a point near the NW corner of the Grover Cleveland claim a crosscut shall be driven westerly to intersect the Rumble vein and thereafter a drift shall be driven on such vein in a northwesterly direction to intersect the east strand of the Bulldog Mountain fault. Thereafter the drift shall be continued northerly along this east fault strand.

From positions believed proper along the course of the drifting, four diamond drill stations may be excavated. From these stations diamond drill holes shall be drilled westerly to explore the various strands of the Bulldog Mountain fault.

It is estimated that 4,000 feet of such underground drilling will be required and that 4,000 feet will likewise be required for the surface diamond drilling.

Estimated Cost of the Work

Annual Costs

Category (C) Independent Contracts

Core drilling (surface)

Mobilization of equipment	$600.00
Alluvium drilling to bedrock 200 ft. @ $6.00 per ft. cased	1,200.00
NX drilling, bedrock to 250 ft. depth 1,050 ft. @ $5.75 per ft.	6,037.50
BX drilling, bedrock to 250 ft. $5.25 per ft.	
AX drilling, bedrock to 250 ft. $4.95 per ft.	
NX drilling 250 to 500 ft. depth 1,250 ft. @ $5.90 per ft.	7,375.00

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BX drilling 251 to 500 ft.
$5.50 per ft.

AX drilling 251 to 500 ft.
$5.15 per ft.

BX drilling, depths in excess of 500 ft.
1,500 ft. @ $5.75 per ft. 8,625.00

AX drilling depths in excess of 500 ft.
$5.40 per ft.

Reaming and casing, cementing and redrilling, surveying
150 hours @ $11.50 per hr. 1,725.00

Underground diamond drilling

Mobilization 300.00

BX drilling 0 to 250 ft. depth
1,750 ft. @ $4.95 8,662.50

AX drilling, 0 to 250 ft. depth
$4.75 per ft.

BX drilling 251 to 500 ft. depth
1,000 ft. @ $5.25 5,250.00

AX drilling 251 to 500 ft. depth
$5.00 per ft.

BX drilling 501 to 750 ft. depth
650 ft. @ $5.60 3,640.00

AX drilling 501 to 750 ft. depth
$5.35 per ft.

AX drilling depths in excess of 750 ft.
600 ft. @ $5.80 3,480.00

Cementing and redrilling, reaming and casing, hole surveying
150 hours @ $11.50 per hr. 1,725.00

$48,620.00

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Agreed unit costs

Bulldozing 300 hrs. @ $12.50 per hr.	3,750.00	
Incidental allowance for each ft. of drilling completed 8,000 ft. @ $0.40	3,200.00	
Compressed air and water allowance for each foot of underground drilling completed 4,000 ft. @ $0.60	2,400.00	
Crosscutting and drifting 4,000 ft. @ $36.00	144,000.00	
Timbering of drifts and crosscut 600 ft. @ $8.00 per ft.	4,800.00	
Diamond drill stations 4 @ $350 each	1,400.00	
Core boxes (wooden) 500 @ $3.50 each	1,750.00	
Assaying 1,200 determinations @ $2.00 each	2,400.00	
		$163,700.00
Total Estimated Cost		$212,320.00
Government Participation @ 50%		$106,160.00
Contribution of Government under Prior Contract		$ 26,981.65
Combined contribution under both contracts		$133,141.65

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EXHIBIT

NONDISCRIMINATION IN EMPLOYMENT

(Section 301, Executive Order 10925, March 6, 1961, 26 FR 1977)

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however,* That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

Figure 1

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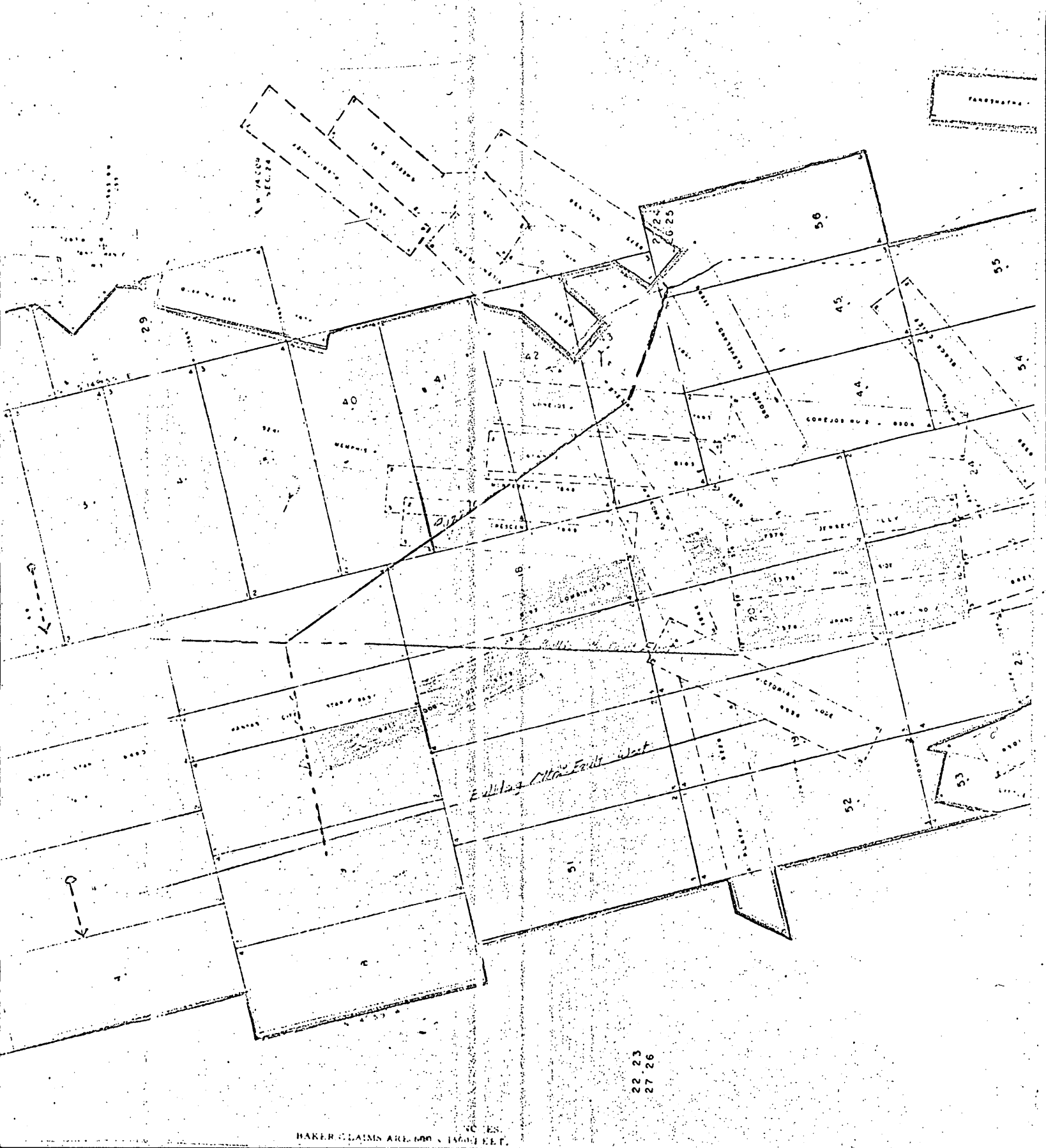
MAP OF THE

BAKER LODE CLAIMS

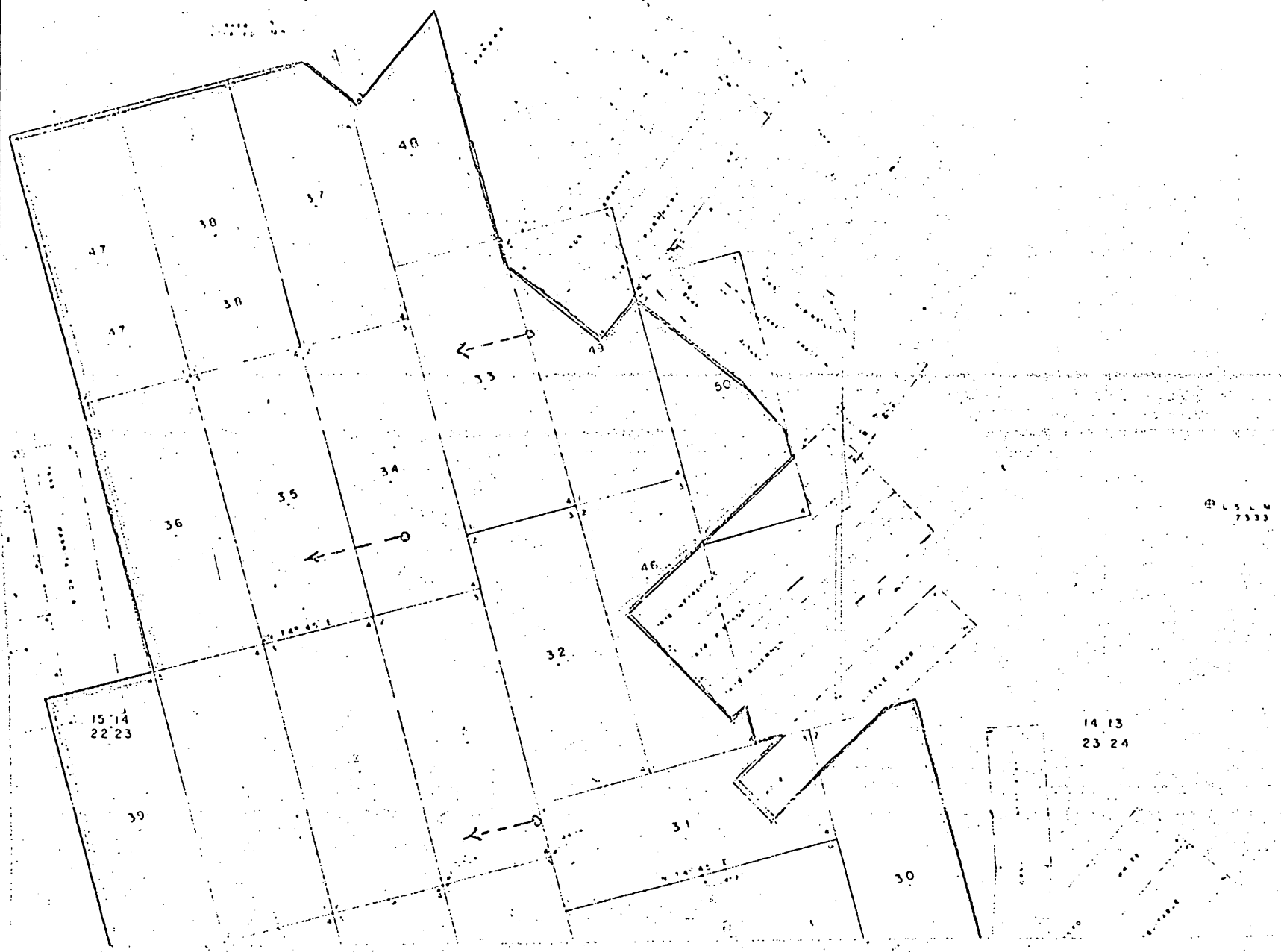
SUNNYSIDE MINING DISTRICT

MINERAL COUNTY

COLORADO



BAKER CLAIMS ARE 600 x 1500 FEET.



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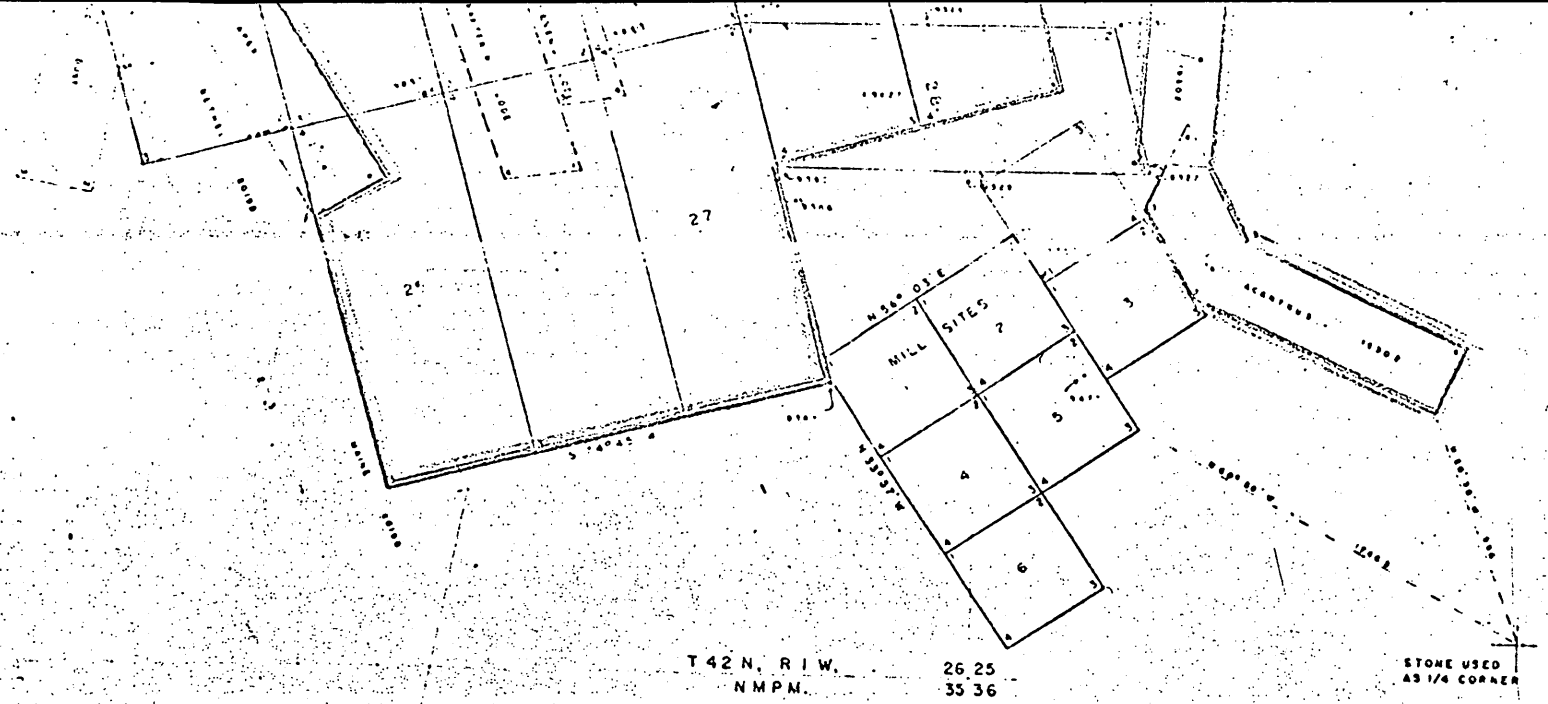

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EXPLORATION CONTRACT
BULLDOG MINING, INC.
CMI-5288

ARTICLE II

WHEREAS, most of the property referred to in Article 2 of this contract form was the subject of a contract dated September 12, 1951, No. 2130, Docket CMI-6163, between the Government and Humphreys Exploration Company, hereinafter called the "Prior Contract" and

WHEREAS, said Prior Contract has been performed and the contribution of the Government thereunder has been determined (subject to audit) to be $26,981.65 and

WHEREAS the work now provided for in this contract is an extension and continuation of the work under the Prior Contract

NOW THEREFORE it is agreed that:

The contribution of the Government under the Prior Contract shall be and is hereby added to the estimated cost of the work under this contract as indicated in Exhibit A for repayment to the Government under the provisions of this contract. Any royalty accruing under this contract shall be applied first to the repayment of said contribution under the Prior Contract.

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EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OMD-6293

ANNEX I

The land referred to in Article 2 of the contract consists of sixteen (16) patented and fifty-six (56) unpatented lode mining claims, including all rights pertaining thereto, located in the Sunnyside Mining District, Mineral County, Colorado, in Township 42, North, Range 1, West of the New Mexico Principal Meridian. All claims are owned by the Operator with the exception of the Kansas City Star patented claim which is held pursuant to a lease dated April 8, 1961.

The claims are:

Patented Claims

Name	U.S. Mineral Survey No.
Number Eleven	8365
Memphis	15241
Victoria	9536
La Plata	15229
Alamosa	7848
Baxter	8441
Conejos	7463
Giant	8165
Crescent	7484
Acanthus	19302
Tahrahatha	19302
Conejos No. 2 (3/4 interest)	8386
Monterey	7484
Bessie	9535
Grover Cleveland	11586
Kansas City Star	8697

Unpatented Claims, recorded in the office of the County Clerk and Recorder of Mineral County, at Creede, Colorado:

Baker Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, and 28, conveyed by Quit Claim Deed from John W. Getz, dated March 10, 1961, and recorded in book 110-1, at page 304.

Baker Nos. 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39, conveyed by Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, and recorded in book 110-1 at page 309.

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					Book	Page
Baker	No.	40	(location	certificate)	50	282
"	"	41	"	"	50	311
"	"	42	"	"	50	312
"	"	43	"	"	50	321
"	"	44	"	"	50	322
"	"	45	"	"	50	331
"	"	46	"	"	50	472
"	"	47	"	"	50	481
"	"	48	"	"	50	84
"	"	49	"	"	50	104
"	"	50	"	"	50	1042
"	"	51	"	"	50	1051
"	"	52	"	"	50	1052
"	"	53	"	"	50	1061
"	"	54	"	"	50	1062
"	"	55	"	"	50	1071
"	"	56	"	"	6	7

All of the above claims are shown on the attached map entitled, "Figure 1, Map of the Baker Lode Claims, Sunnyside Mining District, Mineral County, Colorado." The exterior property boundaries are outlined in blue color but the claims shown in dark shading within such outlined boundaries are not included in this contract.

End of Exhibit "B"

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LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 26th day of April, 1961, by and between Rio Grande River Raft Race, Inc., A Colorado Corporation with principal offices in Creede, Colorado, Party of the First Part, and Bulldog Mountain, Inc., A Colorado Corporation with principal offices in Monte Vista, Colorado, Party of the Second Part.

W I T N E S S E T H

That the Party of the First Part, for and in consideration of the covenants and agreements hereinafter expressed, and the rents and royalties hereinafter stipulated to be paid by the Party of the Second Part to the Party of the First Part, has leased, demised, and let, and by these presents does lease, demise and let unto the Party of the Second Part the following mining claim situate in Sunnyside Mining District in the County of Mineral, State of Colorado, as follows, to-wit:

Kansas City Star: Mineral Survey Number 8697

Reserving however, unto the Party of the First Part herein, the Right to Deed two acres of the surface of said premises to the winner of a cabin site to be raffled by said Party of the First Part, it being understood and agreed that the Party of the Second Part shall have the right to designate the said two acres for such cabin site in conjunction with the Party of the First Part, such reservation being specifically subject to the terms and conditions herein contained,

Further, the Party of the First Part specifically reserves the right to assign a one fifth (1/5) interest in and to any and all royalties reserved to said Party of the First Part herein to such winner of the raffle for a cabin site, subject to all terms and conditions hereinafter set forth.

TO HAVE AND TO HOLD the said premises unto the Party of the Second Part for a primary term of ten (10) years from the 26 day of April, 1961, expiring at noon on the 26 day of April, 1971, and as long thereafter as ores or minerals shall be produced therefrom unless sooner forfeited through the violation of any covenant or premises hereinafter set forth.

EXHIBIT "C" (Consisting of Five Pages)

The Party of the First Part covenants to and with the Party of the Second Part that it has obtained title to said premises hereby demised by Commissioners Deed from the County of Mineral, State of Colorado, and that it has good right and title to said premises and the right to let and demise the same. The said Party of the First Part does further covenant and agree to and with the Party of the Second Part that should it be deemed necessary by the Party of the Second Part to quiet the Title or in any manner perfect title to these premises for the purpose of carrying out the provisions of this Lease, the Party of the First Part will join in such proceedings as owner, and does hereby authorize the Party of the Second Part to initiate and carry out any such title proceedings or actions provided there shall be no costs or expense thereof chargeable to the Party of the First Part.

For and in consideration of the demise aforesaid, the rentals herein reserved, and the covenants herein contained, the Party of the Second Part hereby covenants and agrees with the Party of the First Part as follows, to-wit:

(1) To pay the Party of the First Part the sum of One Hundred Dollars ($100.00) at the time this lease is signed, said payment to cover the rental herein for the first year of the lease term for exploratory work without anything further; and thereafter the following covenants shall operate and be in full force as the consideration for the balance of the term:

(2) To do at least one hundred feet of underground development each year on or in the general direction of said claim from some point on the workings of the Party of the Second Part on adjacent properties now held by them, until such time as this claim shall have been reached and thereafter to do at least fifty (50) shifts of one man each of work on said claims in each year during the remaining life of this lease.

(3) To well and sufficiently timber said mine at all points where proper in accordance with good mining, and to repair old timbers whenever the same may become necessary by reason of the work done by the Party of the Second Part.

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(4) To allow the Party of the First Part and their agents, at their own risk and responsibility at all reasonable times, to enter upon or into parts of the said mining premises for the purpose of inspection, sampling, surveying, etc., and that the Party of the Second Part will render to the Party of the First Part all the assistance in their power in so doing, without cost to the Party of the Second Part.

(5) To occupy and hold all veins, spurs, feeders, cross lodes, parallel lodes or mineral deposits of any kind appurtanant to the leased premises which may be discovered by the said Party of the Second Part, or by any persons working under them in any manner, by working within the aforesaid premises, as the property of the said Party of the First Part, and as part of these premises demised and to not allow any person not in privity with the Parties hereto to take hold or hold possession of said premises or any pary thereof, under any pretense whatever.

(6) To keep at all times the active drifts, shafts, tunnels and other workings thoroughly drained and free of loose rock and rubbish, unless prevented by extraordinary casualty, and to fully comply with the rules and regulations of the Commissioner of Mines and the Laws of the State of Colorado as regards the operating of metalliferous mines now in force.

(7) To promptly pay for all labor and supplies and to permit and allow the Party of the First Part to keep posted on said premises in one or more conspicuous places, a notice exempting the owners hereof from all liability to the Party of the Second Part in the way of labor, supplies, machinery, etc., and stating that the property is now under lease by the Party of the Second Part, to whom all persons must look for their compensation and pay.

(8) To pay to the Party of the First Part, at Creede, Colorado, as royalty, the following percentages of the net smelter or mill returns on all ore, concentrates and bullion extracted and sold from said premises to-wit:

ON ALL CRUDE ORES:

6% up to and incl. $ 5.00 per ton	16% up to and incl. $25.00 per ton
7% up to and incl. $ 7.00 per ton	17% up to and incl. $27.00 per ton
8% up to and incl. $ 9.00 per ton	18% up to and incl. $29.00 per ton

9% up to and incl.	$11.00 per ton	19% up to and incl.	$30.00 per ton
10% up to and incl.	$13.00 per ton	20% up to and incl.	$33.00 per ton
11% up to and incl.	$15.00 per ton	21% up to and incl.	$35.00 per ton
12% up to and incl.	$17.00 per ton	22% up to and incl.	$37.00 per ton
13% up to and incl.	$19.00 per ton	23% up to and incl.	$39.00 per ton
14% up to and incl.	$21.00 per ton	24% up to and incl.	$41.00 per ton
15% up to and incl.	$23.00 per ton	25% up to and incl.	$43.00 per ton
		26% up to and incl.	$45.00 per ton and over.

The rate of royalty shall be determined by the smelter or mill returns received form said ore after railroad transportation and smelter and mill treatment charges have been deducted.

(9) To hold the Party of the First Part harmless for or on account of any damage that may be suffered by the Party of the Second Part or its employees, or any person, whether a visitor or employee, while in or upon said premises with the consent of or the invitation of said Party of the Second Part, and for the greater protection under this paragraph of this lease, the said Party of the Second Part agrees to comply with the terms and conditions of the Workmens Compensation Act of the State of Colorado.

(10) Upon termination of this Lease for any cause, to deliver to the said Party of the First Part the said property with the appurtenances and improvements in good order and condition, with all drifts, shafts, tunnels and other trackage ready for immediate occupancy and continued working; (accidents not arising from negligence and acts of God excepted) upon thirty (30) days notice in writing of such termination delivered personally or by registered mail to any officer of the Party of the Second Part.

(11) It is expressly understood and agreed that any stoppage of work caused by strikes, riots, legal process, accidents to machinery or workings, or obstruction to their use by gas, fire or for any cause not under the control of the Party of the Second Part, shall not work a forfeiture of this lease, and such time that the said Party of the Second Part is unable to work the ground specified, for any of the above causes, shall be added to the life of this lease.

(12) Each and every clause and covenant of this indenture shall extend to the successors, heirs, executors, administrators and lawful assigns of all Parties hereto.

Book 59
Page 234

(13) And finally, upon violation of any covenant or covenants hereinbefore reserved the term of this lease shall, at the option of the Party of the First Part, expire, and the same and said premises with the appurtenances shall become forfeited to said Party of the First Part, after thirty days written notice as specified in paragraph 10 above, unless the violation of said covenant shall have been corrected within said thirty days, and said Party of the First Part may enter upon said premises and dispossess all persons occupying same, with or without force and with or without process of Law.

Time of performance shall be the essence of this agreement.

IN WITNESS WHEREOF, the Parties hereto have caused their Corporate names to be hereunto subscribed by their respective Presidents, and their Corporate Seal to be hereunto affixed, attested by their respective Secretaries, in triplicate, the day and year first above written.

RIO GRANDE RIVER RAFT RACE, INC.

ATTEST: _____ Secretary

BY _____ President
Party of the First Part

BWIANCO MOUNTAIN, INC.

ATTEST: _____ Secretary

BY _____ President
Party of the Second Part

Fred

I talked this over with Mr. Johnson. We would prefer that the applicant withdraw - hold a week and then if nothing comes in you will have to deny without prejudice.

Book 59
Page 235

RECORD OF PROCEEDINGS

SPECIAL MEETING OF STOCKHOLDERS

July 15, 1963

Notice of the Special Meeting of Stockholders was given to all stockholders by letter, telephone and personal notice and all of such stockholders agreed to attend either personallyor by proxy and by their signature approving the minutes of this meeting, said stockholders waive anyfurther formal notice.

Those present for the meeting were Stephen J. Varnhagen, President, Manning W. Cox, Jeanne L. Cox, Fred E. Baker, Jr., Mildred L. Baker, Eugene H. Lindsey, R.R. Lehman by Fred E. Baker, Jr. His proxy and John W. Getz byGail F. Ouren, his proxy, which proxies are attached hereto and made a part of these minutes by reference; said stockholders, by proxy and otherwise representing 100% of the outstanding stock of Bulldog Mountain, Inc.

The meeting was called to order by President Varnhagen and a quorum declared present. The only item of business was concerned with a Lease and Option Agreement to be entered into between this Corporation and Homestake Mining Company, A California Corporation. Said Lease Option agreement was concerned with a lease by Bulldog Mountain, Inc of all of its properties in Mineral County, Colorado to said Homestake Mining Company, giving said Homestake Mining Company an option to purchase said lands, a copy of said lease option agreement is hereby attached hereto and made a part of these minutes byreference. Full discussion was had concerning all the terms of said Lease Option Agreement, it was approved by said Stockholders and upon motion duly made, seconded and unanimously passed, the following resolution was adopted, to-wit:

> "Whereas, there has been presented to this meeting a form of agreement designated as LEASE AND OPTION AGREEMENT between Bulldog Mountain, Inc. as Lessor and Homestake Mining Company, a California Corporation, as Lessee, whereby Bulldog Mountain, Inc. agrees to lease all of its Mining propertyin Mineral County Colorado to said Homestake Mining Company with an option to Purchase said Property by said Homestake Mining Company a copyof said Lease and Option Agreement is herebyordered attached to these minutes and made a part hereof by reference; and
>
> Whereas. after full discussion and consideration of said Lease and Option Agreement. the stockholders ofBulldog Mountain, Inc., are of the opinion that such agreement would be in the best interests of the Corporation and its stockholders.
>
> NOW THEREFORE BE IT RESOLVED, that said Lease and Option Agreement between Bulldog Mountain, Inc. as Lessor and Homestake Mining Company, as Lessee be and the same is hereby approved unanimously and
>
> BE IT FURTHER RESOLVED that the President and Secretary are hereby authorized to sign and deliver said Lease and Option Agreement and the officers of this Corporation are authorized and directed to carry out and comply with the Terms thereof."

There being no further business to come before the Special meeting of Stockholders, the meeting was duly declared adjourned.

Secretary

APPROVAL:

Stephen J. Varnhagen

Mildred L. Baker

Manning W. Cox

Eugene H. Lindsey

Jeanne L. Cox

R. R. Lehman, byFred E. Baker, Jr. His Proxy

Fred E. Baker, Jr.

John W. Getz, byGail F. Ouren, his Proxy

Book 59
Page 236

CERTIFICATE

I, Gail F. Ouren, Secretary of Bulldog Mountain, Inc., a Colorado Corporation, do hereby certify that the above and foregoing copy of the minutes of the Special Stockholders Meeting of Bulldog Mountain Incorporation held on July 15, 1963 is a true and correct copy of said minutes as shown by my records.

Gail F. Ouren
Secretary
Bulldog Mountain, Inc.

Book 59
Page 237

GAIL F. OUREN
ATTORNEY AT LAW
MONTE VISTA, COLORADO
TELEPHONE, 852-2369

July 18, 1963

Mr. S. J. Varnhagen
57 Post St., Room 511
San Francisco 4, Calif.

Dear Mr. Varnhagen:

As president of Bulldog Mountain, Inc., you have requested that I advise you as to the provisions of the Colorado Bulk Sales Law with my opinion as to whether or not the pending sale on Bulldog Moutain, Inc. assets would be affected by such law.

1953 C.R.S. 18-2-1 concerned with applicability of the Bulk Sales Law, provides as follows:

> "This article shall apply to every sale or other transfer in bulk of any part of the whole stock in trade or stock in trade or fixtures pertaining to the conducting of any wholesale or retail merchandising business, otherwise than in the ordinary course of trade and business of the transferor. Nothing contained in this article shall apply to any pledge, mortgage, foreclosure or to any sale or other transfer by any personal representative, receiver, trustee in bankruptcy, or public officer under judicial process."

It is obvious from the above quotation that the provisions of the Colorado Bulk Sales Law apply only to the sale of stock and trade or stock and trade in fixtures of a wholesale or retail merchandising business. Bulldog Mountain, Inc. is not a wholesale or retail merchandising business nor would a sale of the assets of Bulldog Mountain, Inc. come within the provisions of said statute. It is my opinion that sale of Bulldog Mountain, Inc. assets by lease option agreement with Homestake Mining Co. would in no way be affected by the Colorado Bulk Sales Law.

Very truly yours,

Gail F. Ouren

Gail F. Ouren

GFO:Mc

cc: Manning W. Cox
P. O. Box 748
Aspen, Colorado

EXHIBIT "E" (Consisting of One Page)

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-15

BULLDOG

ALAMOSA, COLO.
COURIER

JUL. 30 1963

Mining Exploration Planned For Creede

61

The Bulldog Mining property north of Creede has entered into a working agreement with Homestake Mining Co., of Deadwood, S. D., and San Francisco to explore and develop the Creede property.

Homestake reportedly will have an operations superintendent at Creede soon. Bulldog Co., was granted a $106,000 federal exploration loan to be matched, three weeks ago, for work on the property.

Two men are said to be working on the access road to the mine.

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-17

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 10 1963

DATE	INITIALS	COST
8/12		200
August 9, 1963		110
8/12		100
8-12		500

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

In response to my letter of August 5, 1963, Mr. Manning W. Cox telephoned me this morning from Aspen. He informed me that an agreement with Homestake has not as yet been reached but he believes they will reach an agreement with Homestake within the next week.

I advised Mr. Cox to forward your office, direct, two copies of any agreement reached with Homestake for your approval.

Mr. Cox stated that the Standard Form 41 "Compliance Report - Construction" was hard for them to understand but they completed it to the best of their ability and would forward it to you.

Mr. Cox also informed me that the Amendment No. 1 which I left with Mr. Baker to be signed by the proper official, has been signed by Mr. Varnhagen and is in the mail to this office.

Attached is a copy of a clipping from the Alamosa, Colorado Courier, dated July 30, 1963.

Hugh M. Connors

Hugh M. Connors

Attachment

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

IMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/13	Talbert	800
"	[illegible]	130
8/13	Johnson	110
"	[illegible]	100
8/13	[illegible]	220
		500

AUG 13 1963

AIRMAIL

Memorandum

To: Acting Field Officer, Region III

From: Acting Chief, Division of Field Operations

Subject: OME-5288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

F-17

We have your memorandum of August 9, with attachments, covering the proposed participation of the Homestake Mining Company in the subject exploration project.

We are concerned as to the terms of such an "agreement." If Bulldog assigns its exploration contract to Homestake, the latter would then appear to be the Operator under the contract. We could not possibly subscribe to such an arrangement; there is no possibility that the Homestake concern could meet our terms as to "financial eligibility."

On the other hand, if Bulldog merely has some arrangement to receive the financing, or part of its financing, from Homestake or from any other company, while remaining as the Operator, we would have no objection. We fully understand that most Operators have to obtain financial assistance by one means or another.

Perhaps it would be advisable, before anything is finalized in this matter, that you advise Bulldog as to our position.

W. R. Griswold

WRGriswold/mm
8/13/63
cc: Director's Reading File
Review Committee
Docket

P.S. Prior to putting this in the mail we received a letter from McCarty and Wheatley, a law firm of this city, with a proposed (not yet executed) Lease and Option Agreement between Bulldog and Homestake. It is completely unacceptable to us; it would involve Bulldog's surrendering possession of the property and undoubtedly would require a contract assignment to Homestake. You will receive a copy of our reply to these people in due course.

8623

GPO : 1967 OF—661-888

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F.28

Building 20 - Federal Center
Denver 25, Colorado

August 5, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 8 1963

DATE		
8/8		800
		~~150~~
		~~500~~

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Cox:

In July I tried unsuccessfully to contact you both in Creede and in Aspen. Through no fault of mine, we are completely in the dark regarding the captioned contract.

We hear rumors that Homestake Mining Company is taking over the Bulldog property. We would like to feel that we are your partners and would like to be kept up-to-date on all phases of this operation.

Will you please advise.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
Contract Corres 2166
Chron
HMC/lm

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F 24

E Form 7
10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/20	FEJohnson	110
	Stroll	100
8/20	JS	220
		500

AUG 2 0 1963

Mr. Charles F. Wheatley, Jr.
Counsellor at Law
Walker Building
734 Fifteenth Street, N. W.
Washington 5, D. C.

Dear Mr. Wheatley:

In accordance with the discussion on Monday, August 19, 1963, with Assistant Solicitor Robert W. Long, I am returning to you the proposed lease between Bulldog Mountain, Inc., and the Homestake Mining Company which you had submitted with your letter dated August 12, 1963.

Sincerely yours,

George Fumich, Jr. (gla)
Director

Enclosure

RWLong/jfg: 8/19/63
Rewritten: FEJohnson/gla 8/20/63
cc to: OME docket
Secy's files
Mr. Robert Long - Rm. 6554
Region III
Director's Reading File

Memorandum to Mr. H. M. Connnors, Region III:

Mr. Wheatley was advised that the proposed lease was unacceptable because the Operator did not retain control of the property as required under the OME contract. Mr. Wheatley requested withdrawal of the proposed lease and stated that the Operator would endeavor to work out some other arrangement.

43683

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-19

October 4, 1963

PERSONAL

Mr. Hugh Connors
Office of Minerals Exploration
Federal Center
Denver, Colorado

Dear Buck:

I have been meaning to write you for the past several weeks but have been hoping that the ridiculous situation in which Bulldog Mountain finds itself would be resolved and I would be able to write you that the project was going ahead without any problems. Unfortunately, this is not the case. One of the multitudinous lawyers (I have now counted 9) for the company which you describe as people really in the mining business, has raised the question whether back 40 years ago the county commissioners of the county of Mineral acted properly, or within their jurisdiction, in certain tax transactions which concern some of the claims which now make up Bulldog Mountain. Until this question is resolved, Bulldog Mountain finds itself legally incapable of proceeding with any kind of exploration. In reality, if the lawyers in question find that there was some impropriety, this casts a shred of doubt on the title to all of the mining claims which ever have passed through the hands of the county commissioners of the county of Mineral in the state of Colorado. My personal position is that either Bulldog Mountain has a perfect title, or that it has no title whatsoever. If the latter should be the case, then obviously the project is in serious trouble. I do not frankly understand how anything this remote can have any bearing on the question, but Buck, until the situation is resolved to the satisfaction of the multitudinous attorneys, there is nothing we can do. I will forward to you shortly official reports for the months of August and September which essentially will say that the project is in recess and that nothing has been accomplished.

Actually, Homestake has gone ahead and spent very large sums of money outside of the O.M.E. contract in trenching, geologic mapping, soil sampling, all of which have made the project look much more desirable than it did previously. I am hoping, as I'm sure you know, that somehow or other we can get this question resolved very shortly, get off the dime and get winterized in time to get this tunnel under way. If we don't I think I'll just find a large cliff and jump off. If you'd like to hold my hand, you're welcome.

Regards,

Bill

Bill Cox

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-23

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/28	JLJ	130
11/7	Murphy	120M
	Fisher	800
10/28	Kinnear	110
11/2		100
11/29	CAE	220
		120M

OCT 29 1964

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In a memorandum dated August 13, 1963, from Mr. Griswold, you were informed that we had received a letter from McCarty and Wheatley, a law firm of this city, with a proposed lease and option agreement between Bulldog and Homestake. It is completely unacceptable to us, et cetera.

In a footnote to a letter of August 20, 1963, from Mr. Funich to Mr. Charles F. Wheatley, Jr., you were informed that the proposed lease was unacceptable because the Operator did not retain control of the property, et cetera.

On March 10, 1964, the subject Operator returned Part I of Standard Form 41, Compliance Report, indicating that the name and address of the contractor submitting the report was Bulldog Mountain, Inc. No form was sent to the Operator for the second quarter.

Part III of Standard Form 41, sent to the Operator on September 21, 1964, was returned, dated October 12, 1964, and was signed by Theo. M. Rizzi, Geologist, 1631 Glenarm Place, Denver, Colorado, 80202. The form had been completed as by a subcontractor and the name Homestake Mining Company, P. O. Box 6, Creede, Colorado, had been inserted. It now appears that the Homestake Mining Company is doing the actual exploration work and Bulldog Mountain, Inc., is submitting the vouchers.

Whenever the property is again visited and Mr. Fred E. Baker can be interviewed, will you please ascertain if there has been an assignment of any rights either to the subject contract or to the land contained therein so that we may determine whether or not the contract is in default. It would be interesting to know what other work arrangement had been made as was mentioned in the footnote of the August 20, 1963, letter to Mr. Wheatley.

GCSelfridge/gla (10-28-64)
cc to: Director's Reading File
Docket
Review Committee
Mr. Selfridge

George C. Selfridge

23263

GPO : 1967 OF—241-627

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-29

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 5 1964

DATE	INITIALS	CODE
11/5	685	200
		120
		~~120~~

November 3, 1964

Memorandum

To: G. C. Selfridge, Chief
Division of Exploration Operations

From: Acting Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

This responds to your memo of October 29, 1964 on the subject contract.

I visited this property last Tuesday and it is the prize operation in all of Region III. I am satisfied that Homestake is behind the scenes in some way.

The drilling contractor is supposed to get started this month and I was informed that Fred E. Baker is to ramrod the drilling. I understand that Fred Baker has been in Aspen with Bill Cox rehabilitating the Smuggler adit. Neither of them was in Aspen last Thursday and Friday when I was there.

I will make every effort to contact Baker and advise you.

Do you want me to ask Rizzi, whose office is in Denver, if Homestake has been assigned any rights in the subject contract or the land contained therein?

I do not want this contract to continue if any blame is to fall on me for any violation over which I have no control, as indicated in the first and second paragraphs of your memorandum dated October 29, 1964.

Hugh M. Connors

Hugh M. Connors

cc: 2166
Chron

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F30

November 14, 1964
Monte Vista, Colo.

OME
DEPARTMENT OF THE INTERIOR
1964
REGION III
DENVER, COLORADO

Hugh Connors.
Office of Mineral Exploration
Denver Federal Center
Denver, Colo.

Dear Mr. Connors:

I am writing in regards to our telephone conversation on November 13th 1964.

Bulldog Mtn Inc. has not assigned it's OME loan over to anyone and if you will return the papers in queution, I will see that they are properly signed and returned to your office Immediately.

Sincerely

Fred E. Baker Jr.
Vice President
Bulldog Mtn. Inc.

GPO : 1967 OF—241-687

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-34

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 6, 1963, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

   Is the Lease Agreement, dated April 26, 1961, with the Rio Grande River Raft Race, Inc., still in effect? If not, please explain. Yes ☑ No ☐

2. Since May 6, 1963, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible] Title [illegible]

Address [illegible] Date 11-4-67

Gallipolis, Ohio

11 4 67

4512

F-26

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS: That BULLDOG MOUNTAIN, INC., a Colorado corporation, hereinafter sometimes called "Assignor," for and in consideration of Ten Dollars ($10.00) and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, does hereby transfer, assign and set over to McCULLOCH OIL CORPORATION OF CALIFORNIA, a Delaware corporation, hereinafter sometimes called "Assignee," all of its right, title and interest in and to the following Lease and Option Agreements and Mining Lease as follows:

1. That certain Lease and Option Agreement dated September 4, 1963, made by and between Assignor herein, as Lessor, and Homestake Mining Company, a California corporation, as Lessee, which said Lease and Option Agreement covers sixteen (16) patented and fifty-six (56) unpatented Lode Mining Claims, including all rights pertaining thereto, located in the Sunnyside Mining District, Mineral County, Colorado, in Township 42 North, Range 1 West of the New Mexico Principal Meridian.

2. That certain Lease and Option Agreement dated November 17, 1964, made by and between Fred E. Baker, Jr., Mildred Baker, his wife, Paul Mitchell, and Helen Mitchell, his wife, as Lessors, (predecessors in interest of Assignor), and Homestake Mining Company, a California corporation, as Lessee, covering one hundred sixteen (116) unpatented mining claims located in the Sunnyside Mining District, County of Mineral, State of Colorado.

3. That certain Lease dated April 26, 1961, recorded May 2, 1961, in Book 110-I at Pages 322 and 323 in the Mineral County records, wherein Rio Grande River Raft Race, Inc., a Colorado corporation, was Lessor, and Assignor herein was Lessee, covering the Kansas City Star mining claims, Mineral Survey No. 8697, which said Lease Agreement was heretofore assigned under date of July 1, 1964, by Assignor herein to Homestake Mining Company, a California corporation.

4. That certain Lease dated September 10, 1956, made by and between R. R. Lehman (predecessor in interest of Assignor) and T. B. Poxson, as Lessors, and Emperius Mining Company, a Colorado corporation, as Lessee, covering unpatented mining claims situate in the Sunnyside Mining District, County of Mineral, State of Colorado, the interest of Assignor being an undivided one-half (1/2) interest in the Honest Stake claims, numbers 1 to 10 inclusive.

Assignor further assigns, transfers and sets over unto Assignee all its right, title and interest in, to and under the following:

A. That certain Escrow made by Assignor and Homestake Mining Company, a California corporation, designating the Fidelity Bank and Trust at Monte Vista, Colorado, as Escrow Agent, which Escrow is directly related to the exercise of the option granted Homestake Mining Company by that certain Lease and Option Agreement dated September 4, 1963, and referred to hereinabove.

B. That certain Escrow made by and between Fred E. Baker, Jr., et al. (predecessors in interest of Assignor herein) and Homestake Mining Company, a California corporation, designating The Rio Grande County Bank at Del Norte, Colorado, as Escrow Agent, and which is directly related to the exercise of the Lease and Option Agreement dated November 17, 1964, made by and between Fred E. Baker, Jr., et al., and Homestake Mining Company, a California corporation, and which is referred to hereinabove.

Assignor includes in this Assignment all claims, demands, choses en action, or other rights of whatsoever character which it may have under the terms and provisions of said Leases and Option Agreements, Leases and Escrows, which are hereinabove described, without limitation of any kind or character.

Assignor covenants that it has good right, full power and lawful authority to transfer, assign and set over unto Assignee in manner and form as aforesaid the leasehold estates hereinabove described, and Assignor warrants its title as herein set forth

F-26

against all and every person or persons claiming by, through or under it excepting only Homestake Mining Company, whose interest is herein specifically set forth.

Dated this 26 day of April, A.D. 1968.

BULLDOG MOUNTAIN, INC.

ATTEST:

By Manning Cox
Its President

Jeanne L. Cox
Secretary

ASSIGNOR

STATE OF COLORADO)
CITY AND PITKIN) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 26th day of April, 1968, by Manning W. Cox, as President, and Jeanne L. Cox, as Secretary, of Bulldog Mountain, Inc., a corporation.

WITNESS my hand and official seal.

My Commission expires 7/11/72.

Cathleen L. Pearce
Notary Public

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

F-14

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 24 1968

INITIALS	CODE
gla	130
	110
	130
	220

2 copys-63 file

BULLDOG MOUNTAIN, INC.
Box 1366
Aspen, Colorado
81611

June 12, 1968

Mr. Frank Johnson
Deputy Director
Office of Mineral Exploration
U. S. Geological Survey
Department of Interior
Washington, D.C.

File OME-6143 Hemphillis exploration

OME-6288 Bulldog Mountain

Dear Sir:

Notice is hereby given that Bulldog Mountain, Inc. has this day transferred all of its assets in the Creede area of Colorado to the McCulloch Oil Corporation of California. Included in this transfer are the properties subject to Office of Mineral Exploration Contracts Numbers 2130 and 2166. Copies of the documents of transfer are included herewith in accordance with the terms of those Contracts.

You are aware that the Homestake Mining Company, under the terms of that certain agreement of September 4, 1963, is the operator of the property. It is my understanding that you have a copy of that agreement. Please be advised that shipments from the property have recently begun.

If further documentation is required, please contact Robert S. Brazelton, Vice President and General Counsel, McCulloch Oil Corporation of California, 6151 West Century Boulevard, Los Angeles, California 90045.

Sincerely yours,

M. W. Cox
President

MWC:rm

Enclosure

2 copies to OME Region III

cc: R. Dick
Homestake Mining Co.

GPO : 1967 OF—241-627

UNITED STATES
GENERAL ACCOUNTING OFFICE
Form 213 (Rev. 12-66)

HOMESTAKE MINING COMPANY
650 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA 94108

CABLE: HOMESTAKE
TELEPHONE (415) 981-8150

September 20, 1968

Mr. Frank E. Johnson, Chief
Office of Mineral Exploration
U.S. Department of Interior (Geological Survey)
Washington, D.C. 20242

O.M.E. Contract 14-23-090-2166
Bulldog Mountain, Inc.

Dear Sir:

Homestake Mining Company is the lessee of properties owned by Bulldog Mountain, Inc. which are covered by the above-mentioned O.M.E. contract. We anticipate commencing commercial production early in 1969 with a new mill now under construction near Creede, Colorado.

Currently, we are verifying the status of all monies advanced to Bulldog Mountain, Inc. by the Office of Mineral Exploration and will appreciate your office summarizing the total cash advanced to this project, according to your records. Also, please indicate the accrued interest thereon through either the current date or December 31, 1968.

Your attention to this matter will be greatly appreciated.

Very truly yours,

HOMESTAKE MINING COMPANY

C. F. Corbin
Vice President, Secretary, and Treasurer

CFC:ms
cc: Mr. J. William Hasler, Field Officer
Region 3 - Office of Mineral Exploration
Building 53 - Room 203 - Denver Federal Center
Denver, Colorado 80225

GPO : 1967 OF—241-627

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/26/70		120
		220

May 26, 1970

AIRMAIL

Mr. Gerald E. Gackle
Homestake Mining Company
Lead, South Dakota 57754

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Gackle:

This is in reply to your request of May 20, 1970, for a report on the status of the account on the subject contract.

Our records show the following data:

Principal - Government participation subject to repayment		$93,532.95
Total payments received through May 26, 1970	$77,778.53	
Payments applied to interest	26,963.59	
Payments applied to reduction of principal		50,814.94
Balance due on principal as of May 27, 1970		$42,718.01
Accrued interest through May 31, 1970		$ 218.34

We look forward with pleasure to receiving final payment in the next several months on this most successful contract.

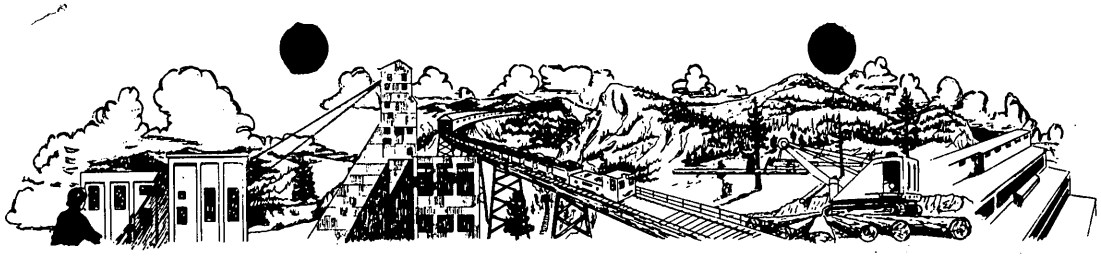
Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region III
Mr. Kirkemo
130

HKirkemo/gla 5-26-70



HOMESTAKE MINING COMPANY • LEAD, SOUTH DAKOTA 57754

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May 20, 1970

Mr. Frank E. Johnson, Chief
Office of Mineral Exploration
U. S. Department of Interior
Washington, D. C. 2042

OME-6288

O.M.E. Contract 14-23-090-2166
Bulldog Mountain, Inc.

Dear Sir:

Homestake Mining Company is the lessee of properties owned by Bulldog Mountain, Inc. which are covered by the above-mentioned O.M.E. contract. We anticipate final payment on the above contract within the next few months.

We are projecting our cash requirements for budget purposes and we would greatly appreciate a summary from your office on the above-mentioned contract indicating the balance owed and the payments made on interest and principle.

Very truly yours,

Gerald E. Gackle

Gerald E. Gackle

cc: Mr. J. William Hasler, Field Officer
Region 3 - Office of Mineral Exploration
Building 53 - Room 203 - Denver Federal Center
Denver, Colorado 80225

Office of Minerals Exploration
Building 53 Room 200

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May 21, 1970

cy for 63 file

Mr. Joseph McKinley
Homestake Mining Company
650 California Street
San Francisco, California 94108

Subject: OME-6288 (Silver)
Bulldog Mountain Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. McKinley:

I have been requested by our Washington, D. C. office to obtain a copy of the agreement between Homestake Mining Company as prime contractor and Bulldog Mountain Inc., as Operator under the subject contract.

Last week I talked with Archie Slaughter by telephone concerning this request, and he referred me to you since the agreements between Homestake and Bulldog Mountain, Inc. were finalized in San Francisco.

Would you please send two copies of the agreement, one copy for the OME Region III file and the other copy to transmit to Washington.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: Chief, OME
OME-6288
OME chron
Mr. Hasler

Office of Minerals Exploration
Building 53 Room 200

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May 22, 1970

cy for 63 file

American Smelting and Refining Company
El Paso Smelting Works
El Paso, Texas 79999

Subject: OME-6288 (Silver)
Homestake Mining Company
Bulldog Mountain
Mineral County, Colorado
Contract 2166

Gentlemen:

Reference is made to royalty payments on the above-stated subject.

As mail is sorted according to agency, would you please insert "U. S. Geological Survey" in our address. The correct address should read:

Mr. J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration
U. S. Geological Survey
Denver Federal Center-Bldg. 53-Room 200
Denver, Colorado 80225

Thank you.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Chief, OME
cc: OME-6288
OME chron
Mr. Hasler

HOMESTAKE MINING COMPANY
650 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA 94108

CABLE: HOMESTAKE
TELEPHONE (415) 981-8150

April 28, 1970

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U. S. Department of the Interior
Geological Survey
Office of Minerals Exploration
Building 53, Room 200
Denver, Colorado 80225

Attention: J. William Hasler

re: OME-6288 (Silver), Contract 2166
OME-6143 (Silver-Lead-Zinc),
Contract 2130

Gentlemen:

The address of Homestake Mining Company should be changed from

100 Bush Street
San Francisco, California 94104

to

650 California Street
San Francisco, California 94108

Very truly yours,

Eileen C. Callaghan

Eileen C. Callaghan

MMS Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/10/70		120
		220

APR 10 1970

Memorandum

To: Chief, Branch of Budget and Finance

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166
and
OME-6143 (Silver-Lead-Zinc)
Humphreys Exploration Company
Bulldog Mountain Property
Mineral County, Colorado
Contract 2130

Enclosed are copies of the Field Officer's letters, dated April 7 and April 8, 1970, forwarding copies of the Report of Royalty Review, issued in January 1970, to authorized representatives of each Operator under the subject contracts. A copy of the report is also enclosed for your files.

Harold Kirkemo (GLA)

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
OME-6288
OME-6143
OME ReadingFile
OME Region III (2)
Mr. Kirkemo

GLAult/a 4-10-70

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Office of Minerals Exploration
Building 53 Room 200

April 7, 1970

Mr. R. E. Driscoll, Jr.
Kellar and Keller and Driscoll
Attorneys at Law
Lead, South Dakota 57754

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

and

OME-6143 (Silver-Lead-Zinc)
Humphreys Exploration Company
Bulldog Mountain Property
Mineral County, Colorado
Contract 2130

Dear Mr. Driscoll:

Enclosed is an "Operator's Copy" of a Report of Royalty Review, prepared during January, 1970, and received in this office on February 27, 1970, concerning the subject contracts. I have reviewed the facts in the report and concur with the facts stated.

The "Operator's Copy" is for your files. If, for any reason, you do not concur in the facts stated herein, please return the report to this office with appropriate comments.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

cc: Mr. Robert S. Brazelton
(letter only)
Homestake Mining Company
(letter only)
Mr. Frank M. McKinley (letter and copy of report)

Chief, OME (2)
OME-6288
OME chron
Mr. Hasler

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
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FEB 24 1970

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166
and
OME-6143 (Silver-Lead-Zinc)
Humphreys Exploration Company
Bulldog Mountain Property
Mineral County, Colorado
Contract 2130

Enclosed are the Field Office's and Operator's copies of a Report of Royalty Review, issued in January 1970, on the subject contracts.

If you concur in the facts in the report, one copy should be sent to the Operator with any comments you may care to make, and the other copy retained for your files. As evidence of your concurrence, two copies of your letter transmitting the Operator's copy of the report should be furnished this office. If for any reason you do not concur, both copies of the report should be returned to this office with appropriate comments.

Harold Kirkemo (gla)
Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
Docket OME-6288
Docket OME-6143
OME Reading File
Mr. Kirkemo
130

GLAult/a FEB 24 1970

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

September 3, 1969

Approval copy
copy to Anna Sotar
B+17 9/4/69

Memorandum

To: Assistant Solicitor, Oil and Gas and Minerals Exploration

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault (Subject contract)
Mineral County, Colorado
Contract 2166
and
OME-6143 (Silver-Lead-Zinc)
Humphreys Exploration Company (Prior Contract)
Bulldog Mountain Property
Mineral County, Colorado
Contract 2130

We are estimating royalties totalling $100,000 in FY 1970 on production from the property explored on these two contracts. As of August 25, about $18,200 had been received. There is a question regarding the rate of interest to be applied to the outstanding principal remaining on the Prior Contract. The subject contract is unclear regarding the rate of interest to be applied on the outstanding balance of $26,981.65 remaining on the Prior Contract when the subject contract was executed. The last paragraph of Annex II of the subject contract reads as follows:

> "The contribution of the Government under the Prior Contract shall be and is hereby added to the estimated cost of the work under this contract as indicated in Exhibit A for repayment to the Government <u>under the provisions of this contract</u>. Any royalty accruing under this contract shall be applied first to the repayment of said contribution under the Prior Contract."

The phrase underscored above could be interpreted to specify interest at 6 percent instead of 6¼ percent as specified in the Prior Contract.

In accordance with the policy followed in recent contracts involving prior contract obligations and several rates of interest, we recommend that simple interest at the rate of 6¼ percent be charged on the outstanding balance on the Prior Contract and that simple interest at the rate of 6 percent be charged on the outstanding balance on the subject contract.

With your concurrence, we will advise the Branch of Budget and Finance to follow this recommendation.

Harold Kirkemo

Harold Kirkemo

I concur:

Robert W. Long

Robert W. Long App'd. Sol. Off.
Assistant Solicitor
Oil and Gas and Minerals Exploration

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/3/69		120
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		220

September 3, 1969

Memorandum

To: Assistant Solicitor, Oil and Gas and Minerals Exploration

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault (Subject contract)
Mineral County, Colorado
Contract 2166
and
OME-6143 (Silver-Lead-Zinc)
Humphreys Exploration Company (Prior Contract)
Bulldog Mountain Property
Mineral County, Colorado
Contract 2130

We are estimating royalties totalling $100,000 in FY 1970 on production from the property explored on these two contracts. As of August 25, about $18,200 had been received. There is a question regarding the rate of interest to be applied to the outstanding principal remaining on the Prior Contract. The subject contract is unclear regarding the rate of interest to be applied on the outstanding balance of $26,981.65 remaining on the Prior Contract when the subject contract was executed. The last paragraph of Annex II of the subject contract reads as follows:

> "The contribution of the Government under the Prior Contract shall be and is hereby added to the estimated cost of the work under this contract as indicated in Exhibit A for repayment to the Government <u>under the provisions of this contract</u>. Any royalty accruing under this contract shall be applied first to the repayment of said contribution under the Prior Contract."

The phrase underscored above could be interpreted to specify interest at 6 percent instead of 6½ percent as specified in the Prior Contract.

In accordance with the policy followed in recent contracts involving prior contract obligations and several rates of interest, we recommend that simple interest at the rate of 6½ percent be charged on the outstanding balance on the Prior Contract and that simple interest at the rate of 6 percent be charged on the outstanding balance on the subject contract.

With your concurrence, we will advise the Branch of Budget and Finance to follow this recommendation.

Harold Kirkemo (gla)

Harold Kirkemo

cc: Director's Reading File
Mineral Resources
OME Docket 6288
OME docket 6143
OME Reading File
Mr. Kirkemo

HKirkemo/gla 9-3-69

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/11/69		120
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JUN 11 1969

AIRMAIL

Mr. E. M. Hayes
Vice President and General Manager
McCulloch Consolidated Mining Company
Suite 1200, 6151 West Century Boulevard
Los Angeles, California 90045

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Thank you for your prompt reply to our recent request for information about the subject certified contract.

The third question in our letter dated May 27, 1969, refers to contracts which provide that royalties be paid on ore transported through workings completed with the assistance of OME funds. As this situation does not apply with respect to the subject project, no reply is necessary.

We are pleased that preparations for production at the property are progressing so well.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region III w/cy incoming letter
130

HKirkemo/gla 6-11-69

McCULLOCH CONSOLIDATED MINING COMPANY

SUITE 1200, 6151 WEST CENTURY BOULEVARD
LOS ANGELES, CALIFORNIA 90045

TELEPHONES: 776-1151 · 776-2900

June 6, 1969

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Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
U. S. Department of the Interior
Geological Survey
Washington, D. C. 20242

REFERENCE: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado, Contract 2166

Dear Mr. Kirkemo:

In response to your letter of May 27, 1969 addressed to me as Vice President, Mining Division, McCulloch Oil Corporation of California, with reference to the Assignment dated April 26, 1968 between Bulldog Mountain, Inc. and McCulloch Oil Corporation of California, I would like to advise as follows:

1. There has been no change in ownership, lease or sublease since July 19, 1968, other than a name change of McCulloch Oil Corporation of California to McCulloch Oil Corporation. This change was effective May 9, 1969; approved by the shareholders of the corporation on May 8, 1969.

2. With regard to production from the land subject to the contract since July 19, 1968, Homestake Mining Company, Lessee, has within the last 30 days completed their mill construction and have begun to process and ship concentrates. At the

Copy to P-III

present time what little production has resulted has been shipped to the American Smelting and Refining Company, El Paso, Texas. No smelter settlements have been received from American Smelting to date. Data as to quantity and grade of concentrate production have therefore not been finalized and it is not possible to submit final figures on this production. We are advised that it may be 60 days or more before meaningful data will be available from this production.

3. The third question in the above-referred-to letter was not complete. We would assume, therefore, that No. 3 was merely a part of the form but that you were not requesting an answer to it at this time.

Please advise whether you would like any additional information at this time. We will be very happy to supply more definitive data for you as soon as it is available in the near future.

Very truly yours,

McCULLOCH CONSOLIDATED
MINING COMPANY

E. M. Hayes
Vice President and
General Manager

cc: Mr. Thomas C. Connolly
Mr. Donald T. Delicate

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/15/68		110
		220

OCT 21 1968

Mr. E. M. Hayes
Vice President
Mining Division
McCulloch Oil Corporation of California
6151 West Century Boulevard
Los Angeles, California 90045

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Hayes:

In response to your request of October 3, 1968, we are enclosing a copy of the exploration contract (OME-6143), as amended, with the Humphreys Exploration Company on the subject property. We did not include a copy of the map (Figure 1) attached to the Humphreys contract as it covers more or less the same property as under the Bulldog Mountain contract (OME-6288).

As requested, a summary of the account for the Bulldog Mountain contract as of December 31, 1968, is set forth below:

Assumed obligation under prior contract OME-6143	$26,981.65
Government contribution under contract OME-6288	93,532.95
Total Government contribution to exploration costs	$120,514.60
Accrued interest @ 6% as of 12/31/68	28,541.97
Total payable to the Government as a royalty on production, as of 12/31/68	$149,056.57

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Economic Geology File

OME-6143 docket
OME-6288 docket
OME Reading File
OME Region III w/cy incoming letter

FEJohnson/gla 10-15-68

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

MAY 27 1969

Mr. E. M. Hayes
Vice President
Mining Division
McCulloch Oil Corporation ~~of California~~
6131 West Century Boulevard
Los Angeles, California 90045

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Hayes:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Assignment, dated April 26, 1968, between Bulldog Mountain, Inc., and McCulloch Oil Corporation of California.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

(No copy to Region III)

Form not returned with E. M. Hayes' letter 6/6/69. Form placed in docket for explanation of "3." not required to be completed in this instance.

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since July 19, 1968, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since July 19, 1968, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____		
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

McCULLOCH OIL CORPORATION OF CALIFORNIA

ROBERT P. McCULLOCH, PRESIDENT

BUSINESS AND EXECUTIVE OFFICES: TWELFTH FLOOR, McCULLOCH BUILDING
6151 WEST CENTURY BOULEVARD · LOS ANGELES, CALIFORNIA 90045 · TELEPHONES: 776-1151 · 645-4280

OFFICIAL COPY
O. M. E.
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OCT 11 1968

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October 3, 1968

Mr. Frank E. Johnson
Chief, Office of Mineral Exploration
Department of Interior
Washington, D.C.

Dear Mr. Johnson:

As you have previously been advised, McCulloch Oil Corporation has succeeded Bulldog Mountain, Inc. and has taken over the assets of that company in Creede, Colorado.

Our files indicate that in conjunction with Bulldog's operations, two OME Exploration Contracts were entered into. We have a copy of Contract No. 14-23-090-2166. We do not have a copy of any information on the second Exploration Contract other than that Bulldog Mountain, Inc. and Humphrey's Exploration Company were parties to it and that the Bulldog Mountain, Inc. records reflect an obligation to repay the Office of Mineral Exploration out of production the sum of $26,081 on this second Contract.

From the above information, would it be possible for you to furnish me a copy of this second OME Contract. I would also appreciate a statement from you as to the present outstanding balances of both Contracts so that our records may be brought up to date.

Very truly yours,

McCULLOCH OIL CORPORATION
OF CALIFORNIA

E. M. Hayes
Vice President
Mining Division

EMH:pw

Copy sent OME R-III

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/26/68	Johnson	110
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SEP 2 0 1968

Mr. C. F. Corbin
Vice President, Secretary, and Treasurer
Homestake Mining Company
650 California Street
San Francisco, California 94108

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Corbin:

Thank you for your letter of September 20, 1968, advising that Homestake Mining Company as lessee of the property under the subject contract anticipates starting commercial production early in 1969 with a new mill under construction near Creede, Colorado.

In response to your request for information on the status of all monies advanced to Bulldog Mountain, Inc., under the contract and accrued interest thereon as of December 31, 1968, we have set forth a summary of the account as follows:

Assumed obligation under prior contract OME-6143	$26,981.65
Government contribution under contract OME-6288	93,532.95
Total Government contribution to exploration costs	$120,514.60
Accrued interest @ 6% as of 12/31/68	28,541.97
Total payable to the Government by royalty on production, as of 12/31/68	$149,056.57

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME File
OME Reading File
OME Region III
130

FEJohnson/gla 9-26-68

HOMESTAKE MINING COMPANY

650 CALIFORNIA STREET

SAN FRANCISCO, CALIFORNIA 94108

CABLE: HOMESTAKE
TELEPHONE (415) 981-8150

OFFICIAL COPY

SEP 24 1968

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September 20, 1968

Mr. Frank E. Johnson, Chief
Office of Mineral Exploration
U.S. Department of Interior (Geological Survey)
Washington, D.C. 20242

O.M. E. Contract 14-23-090-2166
Bulldog Mountain, Inc.

Dear Sir:

Homestake Mining Company is the lessee of properties owned by Bulldog Mountain, Inc. which are covered by the above-mentioned O.M. E. contract. We anticipate commencing commercial production early in 1969 with a new mill now under construction near Creede, Colorado.

Currently, we are verifying the status of all monies advanced to Bulldog Mountain, Inc. by the Office of Mineral Exploration and will appreciate your office summarizing the total cash advanced to this project, according to your records. Also, please indicate the accrued interest thereon through either the current date or December 31, 1968.

Your attention to this matter will be greatly appreciated.

Very truly yours,

HOMESTAKE MINING COMPANY

C. F. Corbin
Vice President, Secretary, and Treasurer

CFC:ms
cc: Mr. J. William Hasler, Field Officer
Region 3 - Office of Mineral Exploration
Building 53 - Room 203 - Denver Federal Center
Denver, Colorado 80225

JOHN P. AKOLT
J. H. SHEPHERD
ROBERT A. DICK
JOHN P. AKOLT, JR.
GILBERT M. WESTA
LUIS D. ROVIRA
WALLIS L. CAMPBELL
LAURENCE W. DEMUTH, JR.
LAEL S. DEMUTH
CARL F. EIBERGER
PAULINE J. NELSON
T. M. LEDINGHAM
WILLIAM G. KEMP

ALAN C. DEMUTH
STUART S. GUNCKEL
DENIS G. STACK
WILLIAM D. JOCHEMS
ROBERT A. BACKUS
DAVID R. HANSEN

LAW OFFICES OF
AKOLT, SHEPHERD & DICK
931 FOURTEENTH STREET-SUITE 1300
AREA 303 222-1606
DENVER, COLORADO 80202

July 29, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 31 1968

INITIALS	CODE
gla	130
	~~120~~
gcf	110
	130
	220

Mr. Frank E. Johnson
Chief, Office of
Mineral Exploration
Department of the Interior
Washington 25, D.C.

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Johnson:

I have been requested to furnish the copies of the documents of transfer of the assets of Bulldog Mountain, Inc., to McCulloch Oil Corporation which were requested by you in your letter of July 23, 1968, to Mr. R. E. Driscoll, Jr. I enclose the following:

A. Copy of Homestake Mining Company's Consent to Transfer and Assignment to Lease dated April 29, 1968, recorded June 12, 1968, in Book 110-K, Page 201, Mineral County, Colorado records, and relating to the transfer by Bulldog Mountain, Inc. of all its right, title and interest in patented and unpatented mining claims located in the Sunnyside Mining District, Mineral County, Colorado.

B. Copy of Homestake Mining Company's Consent to Transfer and Assignment to Lease recorded June 12, 1968, in Book 110-K, Page 199, Mineral County, Colorado records, wherein Bulldog Mountain, Inc., transfers and assigns all its right, title and interest in and to a certain lease and option (Baker, et al.) covering unpatented mining claims located in the Sunnyside Mining District, Mineral County, Colorado.

C. Copy of Assignment from Bulldog Mountain, Inc., to McCulloch Oil Corporation of California recorded June 12, 1968,

Copy letter only to OMERegion III
8/2/68

in Book 110-K, Page 203, Mineral County, Colorado records, of all right, title and interest in and to certain leases and escrows as specifically referred to therein.

D. Copy of Warranty Deed dated April 26, 1968, recorded June 12, 1968, in Book 110-K, Page 205, covering all patented mining claims located in the Sunnyside Mining District, Mineral County, Colorado. (Bulldog Mountain, Inc., to McCulloch)

E. Copy of Quit Claim Deed dated April 26, 1968, executed by Bulldog Mountain, Inc., conveying to McCulloch Oil Corporation of California unpatented mining claims and all property of Bulldog Mountain, Inc., in Mineral County, Colorado. This Deed was recorded June 12, 1968, in Book 110-K, Page 207, Mineral County, Colorado records.

F. Copy of confirmatory Deed dated June 11, 1968, recorded June 12, 1968, in Book 110-K, Page 209, Mineral County, Colorado, executed by Rio Grande River Raft Race, Inc., conveying to McCulloch Oil Corporation of California all right, title and interest in and to the Kansas City Star Mineral Survey No. 8697 and confirming a prior deed dated January 22, 1968, recorded in Book 47 at Page 421, Mineral County, Colorado, records. A copy of this prior deed is also enclosed herewith.

In the event any other or further information or documents should be required, please advise.

Very truly yours,

Robert A. Dick

Robert A. Dick

RAD/lc
Encls

cc: Mr. Robert Brazelton
Mr. R. E. Driscoll, Jr.

CONSENT TO TRANSFER
AND
ASSIGNMENT TO LEASE

WHEREAS, Homestake Mining Company, a California corporation, is the Lessee in that certain lease and option agreement dated September 4, 1963, made by and between BULLDOG MOUNTAIN, INC., a Colorado corporation as Lessors, which said lease and option covers unpatented and patented mining claims located in the Sunnyside Mining District, Mineral County, Colorado; and

WHEREAS, the Lessor, Bulldog Mountain, Inc., now desires to assign to McCulloch Oil Corporation of California, a Delaware corporation, all of Lessor's rights and obligations in said lease and option agreement and McCulloch Oil Corporation of California is willing to accept all of said rights and obligations of Lessor's in said agreement; and

WHEREAS, under the terms of said lease and option the consent of the Lessee to such an assignment is required:

NOW, THEREFORE, pursuant to the request of the Lessor, the undersigned, HOMESTAKE MINING COMPANY, as Lessee, does hereby consent to the transfer and assignment of all of said Lessor's rights and obligations in said lease and option to MC CULLOCH OIL CORPORATION of CALIFORNIA, a Delaware corporation.
eff. May 9, 1969

DATED this 29th day of April, 1968.

HOMESTAKE MINING COMPANY

By J. K. Gustafson
President

STATE OF CALIFORNIA)
CITY AND) ss.
COUNTY OF SAN FRANCISCO)

On this 30th day of April, in the year One Thousand Nine Hundred Sixty-Eight, before me Lena B. Hellman, a Notary Public, in and for the City and County of San Francisco, State of California, duly commissioned and sworn, personally appeared J. K. Gustafson, known to me to be the President of the corporation described in and that executed the within instrument, and also known to me to be the person who executed the instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the City and County of San Francisco on the day and year in this certificate first above written.

Lena B. Hellman
Notary Public
in and for the City and County of
San Francisco, State of California

Commission expires My Commission Expires Feb. 15, 1969

No. 33246

CONSENT AND ASSIGNMENT

HOMESTAKE MINING COMPANY

MCCULLOCH OIL COPR. OF

STATE OF COLORADO }ss
County of Mineral }

I hereby certify that this instrument
filed for record in my office at 1:
o'clock P. M. June 12
and is duly recorded in Book 116
Page 261

Callie Rogel
Recorder

By _____ Deputy

Indexed
Compared

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CONSENT TO TRANSFER
AND
ASSIGNMENT TO LEASE

WHEREAS, Homestake Mining Company, a California corporation, is the Lessee in that certain lease and option agreement dated November 17, 1964, made by and between FRED E. BAKER, JR. and MILDRED BAKER, husband and wife, and PAUL MITCHELL and HELEN MITCHELL, husband and wife, as Lessors, which said lease and option covers unpatented mining claims located in the Sunnyside Mining District, Mineral County, Colorado; and

WHEREAS, Homestake Mining Company has previously consented to the assignment of all of the rights and obligations in said lease and option agreement to Bulldog Mountain, Inc., a Colorado corporation; and

WHEREAS, Bulldog Mountain, Inc., Assignee of the said lease and option, now desires to make a second assignment of all of their rights and obligations in said lease and option agreement to McCulloch Oil Corporation of California, a Delaware corporation, and McCulloch Oil Corporation of California is willing to accept all of said rights and obligations of the original Lessors and their Assignee, Bulldog Mountain, Inc., in said agreement; and

WHEREAS, under the terms of said lease and option the consent of the Lessee to such an assignment is required:

NOW, THEREFORE, pursuant to the request of BULLDOG MOUNTAIN, INC., the undersigned, HOMESTAKE MINING COMPANY, as Lessee, does hereby consent to the transfer and assignment of the original Lessors and Bulldog Mountain, Inc.'s rights and obligations in said lease and option to MC CULLOCH OIL CORPORATION of CALIFORNIA, a Delaware corporation.

DATED this 29th day of April, 1968.

HOMESTAKE MINING COMPANY

By J. K. Nicholson
President

STATE OF CALIFORNIA)
CITY AND) ss.
COUNTY OF SAN FRANCISCO)

On this 30th day of April, in the year One Thousand Nine Hundred Sixty-Eight, before me Leona B. Hilburn, a Notary Public in and for the City and County of San Francisco, State of California, duly commissioned and sworn, personally appeared J. K. Nicholson, known to me to be the President of the corporation described in and that executed the within instrument, and also known to me to be the person who executed the instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the City and County of San Francisco on the day and year in this certificate first above written.

Leona B. Hilburn
Notary Public
in and for the City and County
of San Francisco, State of California

My commission expires My Commission Expires Feb. 15, 1969

No. 33245

CONSENT AND ASSIGNEMENT

HOMESTAKE MINING COMPANY

TO

MCCULLOCH OIL CORPORATI

STATE OF COLORADO, }ss.
County of Mesa

I hereby certify that this instrument was filed for record in my office at 12:[illegible] o'clock P.M. June 12, 19[illegible] and is duly recorded in Book 110 Page 199

B. Mae Rogers
RECORDER

By _____
DEPUTY

Indexed
Compared

A S S I G N M E N T

KNOW ALL MEN BY THESE PRESENTS: That BULLDOG MOUNTAIN, INC., a Colorado corporation, hereinafter sometimes called "Assignor," for and in consideration of Ten Dollars ($10.00) and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, does hereby transfer, assign and set over to McCULLOCH OIL CORPORATION OF CALIFORNIA, a Delaware corporation, hereinafter sometimes called "Assignee," all of its right, title and interest in and to the following Lease and Option Agreements and Mining Lease as follows:

1. That certain Lease and Option Agreement dated September 4, 1963, made by and between Assignor herein, as Lessor, and Homestake Mining Company, a California corporation, as Lessee, which said Lease and Option Agreement covers sixteen (16) patented and fifty-six (56) unpatented Lode Mining Claims, including all rights pertaining thereto, located in the Sunnyside Mining District, Mineral County, Colorado, in Township 42 North, Range 1 West of the New Mexico Principal Meridian.

2. That certain Lease and Option Agreement dated November 17, 1964, made by and between Fred E. Baker, Jr., Mildred Baker, his wife, Paul Mitchell, and Helen Mitchell, his wife, as Lessors, (predecessors in interest of Assignor), and Homestake Mining Company, a California corporation, as Lessee, covering one hundred sixteen (116) unpatented mining claims located in the Sunnyside Mining District, County of Mineral, State of Colorado.

3. That certain Lease dated April 26, 1961, recorded May 2, 1961, in Book 110-I at Pages 322 and 323 in the Mineral County records, wherein Rio Grande River Raft Race, Inc., a Colorado corporation, was Lessor, and Assignor herein was Lessee, covering the Kansas City Star mining claims, Mineral Survey No. 8697, which said Lease Agreement was heretofore assigned under date of July 1, 1964, by Assignor herein to Homestake Mining Company, a California corporation.

4. That certain Lease dated September 10, 1956, made by and between R. R. Lehman (predecessor in interest of Assignor) and T. B. Poxson, as Lessors, and Emperius Mining Company, a Colorado corporation, as Lessee, covering unpatented mining claims situate in the Sunnyside Mining District, County of Mineral, State of Colorado, the interest of Assignor being an undivided one-half (1/2) interest in the Honest Stake claims, numbers 1 to 10 inclusive.

Assignor further assigns, transfers and sets over unto Assignee all its right, title and interest in, to and under the following:

A. That certain Escrow made by Assignor and Homestake Mining Company, a California corporation, designating the Fidelity Bank and Trust at Monte Vista, Colorado, as Escrow Agent, which Escrow is directly related to the exercise of the option granted Homestake Mining Company by that certain Lease and Option Agreement dated September 4, 1963, and referred to hereinabove.

B. That certain Escrow made by and between Fred E. Baker, Jr., et al. (predecessors in interest of Assignor herein) and Homestake Mining Company, a California corporation, designating The Rio Grande County Bank at Del Norte, Colorado, as Escrow Agent, and which is directly related to the exercise of the Lease and Option Agreement dated November 17, 1964, made by and between Fred E. Baker, Jr., et al., and Homestake Mining Company, a California corporation, and which is referred to hereinabove.

Assignor includes in this Assignment all claims, demands, choses en action, or other rights of whatsoever character which it may have under the terms and provisions of said Leases and Option Agreements, Leases and Escrows, which are hereinabove described, without limitation of any kind or character.

Assignor covenants that it has good right, full power and lawful authority to transfer, assign and set over unto Assignee in manner and form as aforesaid the leasehold estates hereinabove described, and Assignor warrants its title as herein set forth

against all and every person or persons claiming by, through or under it excepting only Homestake Mining Company, whose interest is herein specifically set forth.

Dated this 26 day of April, A.D. 1968.

BULLDOG MOUNTAIN, INC.

ATTEST:

By Manning Cox
Its President

Jeanne L. Cox
Secretary

ASSIGNOR

STATE OF COLORADO)
~~CITY AND~~ PITKIN) ss.
COUNTY OF ~~DENVER~~)

The foregoing instrument was acknowledged before me this 26th day of April, 1968, by Manning W. Cox, as President, and Jeanne L. Cox, as Secretary, of Bulldog Mountain, Inc., a corporation.

WITNESS my hand and official seal.

My Commission expires 7/11/72.

Gethleen L. Parnees
Notary Public

No 33047

ASSIGNMENT

BULLDOG MOUNTAIN, INC.

TO

McCULLOCH OIL CORP. of Californ

STATE OF COLORADO }
County of Mesa }

I hereby certify that this instrument was filed for record in my office at 12 o'clock P.M. June 12, and is duly recorded in Book 110 Page 203

C. Alice Rogers
RECORDER

By _____ DEPUTY

Indexed
Compared

Recorded at 12:30 o'clock P. M., June 12, 1968

Reception No. 33[redacted]8 Ellie Rogers [redacted] Recorder.

REGORDER'S STAMP

THIS DEED, Made this 26 day of April in the year of our Lord, one thousand nine hundred and sixty-eight between

BULLDOG MOUNTAIN, INC.

a corporation duly organized and existing under and by virtue of the laws of the State of Colorado of the first part, and

McCULLOCH OIL CORPORATION OF CALIFORNIA

a corporation duly organized and existing under and by virtue of the laws of the State of Delaware of the second part;

WITNESSETH, That the said party of the first part, for and in consideraton of the sum of TEN DOLLARS ($10.00) and other good and valuable considerations ~~DOLLARS~~ to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, hath granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm, unto the said party of the second part, its successors and assigns forever, all the following described tract or parcel s of land, situate, lying and being in the County of Mineral and State of Colorado, to-wit:

All patented mining claims located in the Sunnyside Mining District, Mineral County, Colorado. All mining claims being conveyed are described on Exhibit "A" hereto and divided into two (2) parcels as shown on said Exhibit "A". Said Exhibit "A" is more particularly identified by the signature of the president of the Grantor appearing thereon.

STATE DOCUMENTARY FEE
Date 6-12-68
$ 100.00 C.P.

TOGETHER, with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of the said party of the first part, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described, with the appurtenances unto the said party of the second part, its successors and assigns forever. And the said

Bulldog Mountain, Inc.

party of the first part, for itself, its successors and assigns, doth covenant, grant, bargain and agree to and with the said party of the second part, its successors and assigns, that at the time of the ensealing and delivery of these presents it is well seized of the premises above conveyed, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and hath good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and incumbrances of whatever kind or nature soever; See Exhibit "A" attached hereto and immediately following the description of each parcel on said Exhibit "A" is listed the liens, taxes, assessments and encumbrances to which the property herein conveyed is subject.

and the above bargained premises in the quiet and peaceable possession of the said party of the second part, its successors and assigns against all and every person or persons lawfully claiming or to claim the whole or any part thereof, the said party of the first part shall and will WARRANT AND FOREVER DEFEND.

IN WITNESS WHEREOF, The said party of the first part hath caused its corporate name to be hereunto subscribed by its president, and its corporate seal to be hereunto affixed, attested by its secretary, the day and year first above written.

Attest:

Jeanne L. Cox
Secretary.

BULLDOG MOUNTAIN, INC.
By Manning Cox
President.

STATE OF COLORADO,
County of Pitkin } ss.

The foregoing instrument was acknowledged before me this 26th day of April 19 68, by Manning W. Cox as President and Jeanne L. Cox as Secretary of Bulldog Mountain, Inc. a corporation.

My notarial commission expires 4/11/72
Witness my hand and official seal.

Gretchen J. Parsons
Notary Public.

EXHIBIT "A"

Attached to and made a part of Warranty Deed dated April 26, 1968, made by and between Bulldog Mountain, Inc., a Colorado corporation, and McCulloch Oil Corporation of California, a Delaware corporation, with the same force and effect as if set forth verbatim in the body of the Warranty Deed.

Parcel 1

An undivided three-fourth (3/4) interest in and to Conejos No. 2 Mining Claim, U. S. Patent Survey No. 8306.
Victoria Mining Claim, U. S. Patent Survey No. 9536.
Number Eleven Mining Claim, U. S. Patent Survey No. 8365.
Baxter Mining Claim, U. S. Patent Survey No. 8481.
Puzzle Mining Claim, U. S. Patent Survey No. 9535.
Conejos Mining Claim, U. S. Patent Survey No. 7463.
Alamosa Mining Claim, U. S. Patent Survey No. 7848.
Monterey Mining Claim, U. S. Patent Survey No. 7848.
Crescent Mining Claim, U. S. Patent Survey No. 7848.
Memphis Mining Claim, U. S. Patent Survey No. 15241.
La Plata Mining Claim, U. S. Patent Survey No. 15229.
Giant Mining Claim, U. S. Patent Survey No. 8165.
Grover Cleveland Mining Claim, U. S. Patent Survey No. 11586.
Tahrshatha Mining Claim, U. S. Patent Survey No. 19302.
Acanthus Mining Claim, U. S. Patent Survey No. 19302.

The foregoing patented mining claims are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and incumbrances of whatever kind or nature soever; except General Taxes for the year 1968 and subsequent years; subject to exceptions and reservations contained in U. S. patents; subject to all liens or incumbrances arising under Exploration Contracts with the U. S. Office of Mineral Exploration; subject to Lease and Option Agreement dated September 4, 1963, by and between Grantor herein, as Lessor, and Homestake Mining Company, as Lessee.

Parcel 2

Kansas City Star Mining Claim, U. S. Patent Survey No. 8697.

The foregoing patented mining claim is free and clear from all former and other grants, bargains, sales, liens, taxes, assessments, and incumbrances of whatever kind or nature soever; except General Taxes for the year 1968 and subsequent years; subject to exceptions and reservations contained in U. S. patents; subject to all liens or incumbrances arising under Exploration Contracts with the U. S. Office of Mineral Exploration; subject to Lease and Option Agreement dated September 4, 1963, by and between Grantor herein, as Lessor, and Homestake Mining Company, as Lessee; subject to Lease Agreement recorded in Mineral County, Colorado, records in Book 110-I at Pages 322-323, heretofore assigned to Homestake Mining Company; also subject to the terms and provisions of a certain Purchase and Sale Agreement dated January 21, 1968, between Bulldog Mountain, Inc., Grantor herein, and The Rio Grande River Raft Race, Inc., including the provisions of an Escrow dated January 11, 1968, designating the Rio Grande County Bank, Del Norte, Colorado, as escrow holder.

Dated this 26 day of April, 1968.

BULLDOG MOUNTAIN, INC.

By _____
Its President

EXHIBIT "A"

Attached to and made a part of Warranty Deed dated April _____, 1968, made by and between Bulldog Mountain, Inc., a Colorado corporation, and McCulloch Oil Corporation of California, a Delaware corporation, with the same force and effect as if set forth verbatim in the body of the Warranty Deed.

Parcel 1

An undivided three-fourth (3/4) interest in and to Conejos No. 2 Mining Claim, U. S. Patent Survey No. 8306;
Victoria Mining Claim, U. S. Patent Survey No. 7336;
Number Eleven Mining Claim, U. S. Patent Survey No. 8305;
Baxter Mining Claim, U. S. Patent Survey No. 8321;
Pueble Mining Claim, U. S. Patent Survey No. 9535;
Conejos Mining Claim, U. S. Patent Survey No. 7463;
Alamosa Mining Claim, U. S. Patent Survey No. 7848;
Monterey Mining Claim, U. S. Patent Survey No. 7848;
Crescent Mining Claim, U. S. Patent Survey No. 7848;
Memphis Mining Claim, U. S. Patent Survey No. 15241;
La Plata Mining Claim, U. S. Patent Survey No. 15229;
Giant Mining Claim, U. S. Patent Survey No. 8165;
Grover Cleveland Mining Claim, U. S. Patent Survey No. 11506;
Tabashsha Mining Claim, U. S. Patent Survey No. 19302;
Acantha Mining Claim, U. S. Patent Survey No. 19302;

The foregoing patented mining claims are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and incumbrances of whatever kind or nature soever; except General Taxes for the year 1968 and subsequent years; subject to exceptions and reservations contained in U. S. patents; subject to all liens or incumbrances arising under Exploration Contracts with the U. S. Office of Mineral Exploration; subject to Lease and Option Agreement dated September 4, 1963, by and between Grantor herein, as Lessor, and Homestake Mining Company, as Lessee.

Parcel 2

Kansas City Star Mining Claim, U. S. Patent Survey No. 8097;

The foregoing patented mining claim is free and clear from all former and other grants, bargains, sales, liens, taxes, assessments, and incumbrances of whatever kind or nature soever; except General Taxes for the year 1968 and subsequent years; subject to exceptions and reservations contained in U. S. patents; subject to all liens or incumbrances arising under Exploration Contracts with the U. S. Office of Mineral Exploration; subject to Lease and Option Agreement dated September 4, 1963, by and between Grantor herein, as Lessor, and Homestake Mining Company, as Lessee; subject to Lease Agreement recorded in Mineral County, Colorado, records in Book 110-Lease Page 322-323, heretofore assigned to Homestake Mining Company, also subject to the terms and provisions of a certain Purchase and Sale Agreement dated January 21, 1966, between Bulldog Mountain, Inc., Grantor herein, and The Ute Chemical Mines, Inc., and the reservations of a Royalty Reserve contained in the Warranty Deed, the Rio Grande County, Utah, records, reference to which is made for all purposes.

WARRANTY DEED
BULLDOG MTN., INC.
to
MCCULLOCH OIL CORP. of CALIFORNIA

STATE OF COLORADO, }ss
County of Mineral }
I hereby certify that this instrument was filed for record in my office at 12:00 o'clock P.M. this 22 day of April, A.D. 1968 and is duly recorded in Book 116 Page 205

By _____ Clerk

Recorded April 22, 1968

Recorded at 12:30 o'clock P.M., June 12, 1968

Reception No. [redacted]249. C. Ellis Rogers [redacted] Recorder.

Recorder's Stamp

THIS DEED, Made this 26 day of April in the year of our Lord one thousand nine hundred and sixty-eight between

BULLDOG MOUNTAIN, INC.

a corporation duly organized and existing under and by virtue of the laws of the State of Colorado, of the first part, and

McCULLOCH OIL CORPORATION OF CALIFORNIA

a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, of the second part,

WITNESSETH, That the said party of the first part, for and in consideration of the sum of

---TEN ($10.00)---------- DOLLARS,

and other good and valuable considerations,

to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, hath remised, released, sold, conveyed and QUIT CLAIMED, and by these presents doth remise, release, sell, convey and QUIT CLAIM unto the said party of the second part, its successors and assigns forever, all the right, title, interest, claim and demand which the said party of the first part hath in and to the following described Property situate, lying and being in the County of Mineral and State of Colorado, to-wit:

The property being conveyed is described in Exhibit "A" attached hereto and by this reference made a part hereof. Said Exhibit "A" is more particularly identified by the signature of the president of the Grantor herein appearing on each page of said Exhibit "A"; said Exhibit "A" consists of five (5) pages and describes eight (8) parcels (Parcel 1 through Parcel 8)and also includes a general conveyance by Bulldog Mountain, Inc. to McCulloch Oil Corporation of California of all property of the type and character specifically described in this Quit Claim Deed.

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, The said party of the first part hath caused its corporate name to be hereunto subscribed by its President, and its corporate seal to be hereunto affixed, attested by its Secretary, the day and year first above written.

STATE DOCUMENTARY FEE
Date 6-12-68
$ 80.00 C.T.

Attest:

Jeanne L. Cox
Secretary.

BULLDOG MOUNTAIN, INC.

SEAL

Manning Cox
President.

By.....

STATE OF COLORADO,
County of Pitkin } ss.

The foregoing instrument was acknowledged before me this 26th day of April 1968, by Manning W. Cox as President and Jeanne L. Cox as Secretary of Bulldog Mountain, Inc. a corporation.

My commission expires 4/11/72
Witness my hand and official seal.

Catherine T. Prunciss
Notary Public.

EXHIBIT "A"

Description of property being conveyed by Bulldog Mountain, Inc., a Colorado corporation, to McCulloch Oil Corporation of California, a Delaware corporation, by Quit Claim Deed dated April 26, 1968. This Exhibit "A" is attached to said Quit Claim Deed and is made a part thereof the same as if the description of the property was set forth verbatim in the body of said Quit Claim Deed. The property being conveyed is situate in the County of Mineral, State of Colorado, and is described as follows:

Parcel 1

UNPATENTED MINING CLAIMS LOCATED IN
SUNNYSIDE MINING DISTRICT, MINERAL COUNTY, COLORADO

Claim No.	Recorded Book	Recorded Page	Claim No.	Recorded Book	Recorded Page	Claim No.	Recorded Book	Recorded Page
Pogo No. 24	6D	143	Pogo No. 65	6E	37	Pogo No. 108	6C	174
Pogo No. 26	6D	120	Pogo No. 66	6E	38	Pogo No. 109	6C	175
Pogo No. 27	6D	122	Pogo No. 67	6E	39	Pogo No. 110	6C	176
Pogo No. 28	6D	144	Pogo No. 68	6C	183	Pogo No. 111	6C	177
Pogo No. 29	6D	145	Pogo No. 69	6C	184	Pogo No. 112	6C	178
Pogo No. 30	6D	146	Pogo No. 70	6E	40	Pogo No. 113	6C	179
Pogo No. 31	6D	147	Pogo No. 71	6E	41	Pogo No. 114	6C	180
Pogo No. 33	6D	113	Pogo No. 72	6E	42	Pogo No. 115	6D	7
Pogo No. 34	6D	114	Pogo No. 73	6E	43	Pogo No. 116	6D	8
Pogo No. 35	6D	118	Pogo No. 74	6C	185	Pogo No. 117	6C	142
Pogo No. 36	6D	119	Pogo No. 75	6C	186	Pogo No. 118	6C	143
Pogo No. 38	6D	136	Pogo No. 78	6C	187	Pogo No. 119	6E	18
Pogo No. 39	6D	137	Pogo No. 79	6C	188	Pogo No. 121	6C	132
Pogo No. 40	6E	2	Pogo No. 80	6E	44	Pogo No. 122	6C	133
Pogo No. 41	6E	3	Pogo No. 81	6E	45	Pogo No. 123	6C	134
Pogo No. 42	6E	4	Pogo No. 82	6E	46	Pogo No. 124	6C	135
Pogo No. 43	6E	5	Pogo No. 83	6E	47	Pogo No. 130	6D	138
Pogo No. 44	6E	6	Pogo No. 84	6E	48	Pogo No. 136	6D	139
Pogo No. 45	6E	7	Pogo No. 85	6E	49	Pogo No. 137	6D	140
Pogo No. 46	6E	8	Pogo No. 91	6C	189	Pogo No. 138	6D	141
Pogo No. 47	6E	9	Pogo No. 92	6C	190	Pogo No. 139	6D	148
Pogo No. 48	6E	10	Pogo No. 93	6C	139	Pogo No. 140	6D	149
Pogo No. 49	6E	11	Pogo No. 94	6C	140	Pogo No. 141	6D	150
Pogo No. 50	6E	12	Pogo No. 95	6C	141	Pogo No. 144	6D	151
Pogo No. 51	6E	13	Pogo No. 96	6C	191	Pogo No. 145	6D	67
Pogo No. 52	6C	168	Pogo No. 97	6D	1	Pogo No. 146	6D	115
Pogo No. 53	6C	167	Pogo No. 98	6D	2	Pogo No. 147	6D	68
Pogo No. 54	6E	14	Pogo No. 99	6D	3	Pogo No. 148	6D	116
Pogo No. 57	6E	15	Pogo No. 100	6D	4	Pogo No. 153	6D	69
Pogo No. 58	6C	169	Pogo No. 101	6E	16	Pogo No. 154	6D	70
Pogo No. 59	6C	170	Pogo No. 102	6E	17	Pogo No. 155	6D	71
Pogo No. 60	6C	182	Pogo No. 103	6D	5	Pogo No. 156	6D	72
Pogo No. 61	6E	33	Pogo No. 104	6D	6	Pogo No. 157	6D	73
Pogo No. 62	6E	34	Pogo No. 105	6C	171	Pogo No. 158	6D	74
Pogo No. 63	6E	35	Pogo No. 106	6C	172	Pogo No. 159	6D	117
Pogo No. 64	6E	36	Pogo No. 107	6C	173	Pogo No. 162	6D	44

Dated this 26th day of April, 1968.

BULLDOG MOUNTAIN, INC.

By [signature]
President

EXHIBIT "A" - Page

Description of property being conveyed by Bulldog Mountain, Inc., a Colorado corporation, to McCulloch Oil Corporation of California, a Delaware corporation, by Quit Claim Deed dated April 26th, 1968.

Parcel 1 - Page 2

UNPATENTED MINING CLAIMS LOCATED IN
SUNNYSIDE MINING DISTRICT, MINERAL COUNTY, COLORADO

Claim No.	Recorded Book	Recorded Page	Claim No.	Recorded Book	Recorded Page	Claim No.	Recorded Book	Recorded Page
Pogo No. 163	6D	47	Pogo No. 188	6D	18	Pogo No. 218	6C	148
Pogo No. 164	6D	46	Pogo No. 189	6D	19	Pogo No. 219	6C	149
Pogo No. 165	6D	45	Pogo No. 190	6D	20	Pogo No. 220	6D	39
Pogo No. 166	6D	48	Pogo No. 191	6D	21	Pogo No. 221	6C	150
Pogo No. 167	6D	49	Pogo No. 192	6D	22	Pogo No. 222	6D	40
Pogo No. 168	6D	50	Pogo No. 193	6D	23	Pogo No. 223	6C	151
Pogo No. 169	6D	51	Pogo No. 194	6D	24	Pogo No. 224	6D	41
Pogo No. 170	6D	52	Pogo No. 195	6C	144	Pogo No. 225	6C	152
Pogo No. 171	6D	53	Pogo No. 196	6D	25	Pogo No. 226	6D	42
Pogo No. 172	6D	54	Pogo No. 197	6C	145	Pogo No. 227	6C	153
Pogo No. 173	6D	55	Pogo No. 198	6D	26	Pogo No. 228	6C	154
Pogo No. 174	6D	56	Pogo No. 199	6D	27	Pogo No. 230	6D	48
Pogo No. 176	6D	57	Pogo No. 200	6D	28	Pogo No. 231	6D	49
Pogo No. 177	6D	58	Pogo No. 201	6D	29	Pogo No. 233	6E	21
Pogo No. 178	6D	59	Pogo No. 202	6D	30	Pogo No. 233	6C	155
Pogo No. 179	6D	9	Pogo No. 203	6D	31	Pogo No. 234	6C	136
Pogo No. 180	6D	10	Pogo No. 204	6D	32	Pogo No. 235	6C	137
Pogo No. 181	6D	11	Pogo No. 205	6D	33	Pogo No. 236	6C	138
Pogo No. 182	6D	12	Pogo No. 206	6D	34	Pogo A	6D	121
Pogo No. 183	6D	13	Pogo No. 207	6D	35	Pogo B	6D	142
Pogo No. 184	6D	14	Pogo No. 208	6D	36	Pogo S1	6E	1
Pogo No. 185	6D	15	Pogo No. 209	6D	37	Pogo Lode	6D	43
Pogo No. 186	6D	16	Pogo No. 210	6D	38			
Pogo No. 187	6D	17	Pogo No. 216	6C	146			
			Pogo No. 217	6C	147			

It is understood that 116 of the above Pogo numbered mining claims are subject to that certain Lease and Option Agreement dated November 17, 1964, by and between Fred E. Baker, Jr., et al., as Lessors, and Homestake Mining Company, as Lessee.

Dated this 26 day of April, 1968.

BULLDOG MOUNTAIN, INC.

By _____
President

EXHIBIT "A" - Page 3

Description of property being conveyed by Bulldog Mountain, Inc., a Colorado corporation, to McCulloch Oil Corporation of California, a Delaware corporation, by Quit Claim Deed dated April 26, 1968.

Parcel 2

The following described Lode Mining Claims located in Sunnyside Mining District, situate in the County of Mineral, State of Colorado, to-wit:

Baker No. 1, Lode Mining Claim
Baker No. 2, Lode Mining Claim
Baker No. 3, Lode Mining Claim
Baker No. 4, Lode Mining Claim
Baker No. 5, Lode Mining Claim
Baker No. 6, Lode Mining Claim
Baker No. 7, Lode Mining Claim
Baker No. 8, Lode Mining Claim
Baker No. 9, Lode Mining Claim
Baker No. 10, Lode Mining Claim
Baker No. 11, Lode Mining Claim
Baker No. 12, Lode Mining Claim
Baker No. 13, Lode Mining Claim
Baker No. 14, Lode Mining Claim
Baker No. 15, Lode Mining Claim
Baker No. 16, Lode Mining Claim
Baker No. 17, Lode Mining Claim
Baker No. 18, Lode Mining Claim
Baker No. 19, Lode Mining Claim
Baker No. 20, Lode Mining Claim
Baker No. 21, Lode Mining Claim
Baker No. 22, Lode Mining Claim
Baker No. 23, Lode Mining Claim
Baker No. 24, Lode Mining Claim
Baker No. 25, Lode Mining Claim
Baker No. 26, Lode Mining Claim
Baker No. 27, Lode Mining Claim
Baker No. 28, Lode Mining Claim
Baker No. 29, Lode Mining Claim
Baker No. 30, Lode Mining Claim
Baker No. 31, Lode Mining Claim
Baker No. 32, Lode Mining Claim
Baker No. 33, Lode Mining Claim
Baker No. 34, Lode Mining Claim
Baker No. 35, Lode Mining Claim
Baker No. 36, Lode Mining Claim
Baker No. 37, Lode Mining Claim
Baker No. 38, Lode Mining Claim
Baker No. 39, Lode Mining Claim
Baker No. 40, Lode Mining Claim
Baker No. 41, Lode Mining Claim
Baker No. 42, Lode Mining Claim
Baker No. 43, Lode Mining Claim
Baker No. 44, Lode Mining Claim
Baker No. 45, Lode Mining Claim
Baker No. 46, Lode Mining Claim
Baker No. 47, Lode Mining Claim
Baker No. 48, Lode Mining Claim
Baker No. 49, Lode Mining Claim
Baker No. 50, Lode Mining Claim
Baker No. 51, Lode Mining Claim
Baker No. 52, Lode Mining Claim
Baker No. 53, Lode Mining Claim
Baker No. 54, Lode Mining Claim
Baker No. 55, Lode Mining Claim
Baker No. 56, Lode Mining Claim

and the following described mill site locations located in Sunnyside Mining District, situate in the County of Mineral and State of Colorado, to-wit:

The Baker No. 1, Mill Site
The Baker No. 2, Mill Site
The Baker No. 3, Mill Site
The Baker No. 4, Mill Site
The Baker No. 5, Mill Site
The Baker No. 6, Mill Site

It is understood that the above and foregoing unpatented mining claims are subject to a certain Lease and Option Agreement dated September 4, 1963, by and between Bulldog Mountain, Inc., Grantor herein, as Lessor, and Homestake Mining Company, as Lessee.

Parcel 3

The following described Lode Mining Claims located in Sunnyside Mining District, situate in the County of Mineral and State of Colorado, to-wit:

Baker No. 57, Lode Mining Claim
Baker No. 58, Lode Mining Claim

and the following described mill site location located in Sunnyside Mining District, situate in the County of Mineral and State of Colorado, to-wit:

The Baker No. 7, Mill Site

Dated this 26 day of April, 1968.

BULLDOG MOUNTAIN, INC.

By _____
President

EXHIBIT "A" - Page 4

Description of property being conveyed by Bulldog Mountain, Inc., a Colorado corporation, to McCulloch Oil Corporation of California, a Delaware corporation, by Quit Claim Deed dated April 24/26, 1968.

Parcel 4

The following described Lode Mining Claims located in Sunnyside Mining District, situate in the County of Mineral and state of Colorado, to-wit:

Hope No. 1	Hope No. 10	Hope No. 21
Hope No. 2	Hope No. 11	Hope No. 22
Hope No. 3	Hope No. 12	Hope No. 23
Hope No. 4	Hope No. 13	Hope No. 24
Hope No. 5	Hope No. 14	Hope No. 25
Hope No. 6	Hope No. 15	Hope No. 26
Hope No. 7	Hope No. 16	Hope No. 27
Hope No. 8	Hope No. 17 (Amended)	Hope No. 28
Hope No. 8-A	Hope No. 18	Hope No. 29
Hope No. 9	Hope No. 19	Hope No. 30
Hope No. 9-A	Hope No. 20	

Faith No. 1	Faith No. 11	Faith No. 21
Faith No. 2	Faith No. 12	Faith No. 22
Faith No. 3	Faith No. 13	Faith No. 23
Faith No. 4	Faith No. 14	Faith No. 24
Faith No. 5	Faith No. 15	Faith No. 25
Faith No. 6	Faith No. 16	Faith No. 26
Faith No. 7	Faith No. 17	Faith No. 27
Faith No. 8	Faith No. 18	Faith No. 28
Faith No. 9	Faith No. 19	Faith No. 29
Faith No. 10	Faith No. 20	Faith No. 30

and the following described Placer Mining Claims located in Sunnyside Mining District, situate in the County of Mineral and State of Colorado, to-wit:

Charity No. 1	Charity No. 4
Charity No. 2	Charity No. 5
Charity No. 3	Charity No. 6

Parcel 5

An undivided one-half (1/2) interest in and to the following described Lode Mining Claims located in Sunnyside Mining District, situate in the County of Mineral and state of Colorado, to-wit:

Honest Stake No. 1	Honest Stake No. 7	Honest Stake No. 13
Honest Stake No. 2	Honest Stake No. 8	Honest Stake No. 14
Honest Stake No. 3	Honest Stake No. 9	Honest Stake No. 15
Honest Stake No. 4	Honest Stake No. 10	Honest Stake No. 16
Honest Stake No. 5	Honest Stake No. 11	Honest Stake No. 17
Honest Stake No. 6	Honest Stake No. 12	Honest Stake No. 18

It is understood that Honest Stake Lode Mining Claims Nos. 1 through 10 are subject to a certain Lease Agreement dated September 10, 1956, by and between R. R. Lehman and T. B. Poxson, of Creede, Colorado, as Lessors, and Emperius Mining Company, a Colorado corporation, as Lessee.

Dated this 30 day of April, 1968.

BULLDOG MOUNTAIN, INC.

By [signature]
President

Description of property being conveyed by Bulldog Mountain, Inc., a Colorado corporation, to McCulloch Oil Corporation of California, a Delaware corporation, by Quit Claim Deed dated April 26th, 1968.

Parcel 6

The following described patented Mining Claims located in Sunnyside Mining District, situate in the County of Mineral and State of Colorado, to-wit:

Apex	Mineral Survey No. _____
Black Chief	Mineral Survey No. _____
Bethel	Mineral Survey No. _____
Maine	Mineral Survey No. _____
Little Gold Dust	Mineral Survey No. _____

It is understood that any right or title of Bulldog Mountain, Inc. to the five patented Mining Claims hereinabove described involves the construction and interpretation of an Agreement dated July 12, 1961, made by and between Bulldog Mountain, Inc. and Humphrey's Exploration Company and, further, that all of said right and title of Bulldog Mountain, Inc. is subject to that certain Lease and Option Agreement dated September 4, 1963, by and between Bulldog Mountain, Inc., Grantor herein, as Lessor, and Homestake Mining Company, as Lessee.

Parcel 7

Any and all ditches and water rights including, specifically, the Rat Creek Reservoir filing, map of which was accepted for filing in the office of the State Engineer of the State of Colorado on December 9, 1948, and given file number 17989, and statements for which are recorded in Mineral County, Colorado, records in Book 11-B at Page 203 and Page 516; also Bulldog Pipeline filing, a map of which was accepted for filing in the office of the State Engineer of the State of Colorado on June 26, 1961, and given file number 21803, and which is recorded in Mineral County, Colorado, records in Map Book, Page 51; also including any and all other rights for the use of any water from any ditch or reservoir appurtenant to any land or mining properties owned or claimed by Bulldog Mountain, Inc. in Water District No. 20, Mineral County, State of Colorado.

Parcel 8

All other mineral claims, mineral locations, mining properties, or dumps (including all ore tailings and residue material), mill sites, tunnel sites, and surface rights, owned by Bulldog Mountain, Inc. or in which it may have an interest, and located in the County of Mineral, State of Colorado.

It is understood that notwithstanding the specific reference to properties located in the County of Mineral, State of Colorado, that Bulldog Mountain, Inc. intends to Quit Claim and does hereby Quit Claim to McCulloch Oil Corporation of California all its right, title and interest in and to all property of the type and character in this Quit Claim Deed specifically described wheresoever the same may be located.

Dated this 26 day of April, 1968.

BULLDOG MOUNTAIN, INC.

By _____
President

7 [illegible] 47

QUIT CLAIM DEED

BULLDOG MTN. INC.

TO

McCULLOCH OIL CORP. of Cal

STATE OF COLORADO, } ss.
County of [illegible]

I hereby certify that this instrument was filed for record in my office at 12 o'clock P.M. June 12 [illegible] and is duly recorded in Book 110 Page 207

[illegible]

By _____ Deputy

Recorded at 12:25 o'clock P. M., June 12, 1968

Reception No. 53250 C Elle Rogers Recorder.

18

Recorder's Stamp

THIS DEED, Made this 11th day of June in the year of our Lord one thousand nine hundred and sixty-eight between

RIO GRANDE RIVER RAFT RACE, INC.

a corporation duly organized and existing under and by virtue of the laws of the State of Colorado, of the first part, and

McCULLOCH OIL CORPORATION OF CALIFORNIA

a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, of the second part,

WITNESSETH, That the said party of the first part, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration ~~DOLLARS~~,

to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, hath remised, released, sold, conveyed and QUIT CLAIMED, and by these presents doth remise, release, sell, convey and QUIT CLAIM unto the said party of the second part, its successors and assigns forever, all the right, title, interest, claim and demand which the said party of the first part hath in and to the following described property situate, lying and being in the County of Mineral and State of Colorado, to-wit:

Kansas City Star Mineral Survey No. 8697

This deed confirms Deed dated January 22, 1968, recorded in Book 47 at Page 421, Mineral County, Colorado records, McCulloch Oil Corporation of California, grantee herein, being assignee and successor in interest of Bulldog Mountain, Inc. Grantor herein acknowledges full performance of the terms and provisions of Purchase and Sale Agreement dated January 21, 1968, made with Bulldog Mountain, Inc., together with receipt and payment of the total purchase price.

STATE DOCUMENTARY FEE
Date 6-12-68
No. Fee

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, The said party of the first part hath caused its corporate name to be hereunto subscribed by its President, and its corporate seal to be hereunto affixed, attested by its Secretary, the day and year first above written.

Attest:

Secretary.

RIO GRANDE RIVER RAFT RACE, INC.

SEAL

By Gordon D Wheeler
President.

By Donald G. McCaulley
Secretary

STATE OF COLORADO,
County of Mineral } ss.

The foregoing instrument was acknowledged before me this 11th day of June 19 68, by Gordon D. Wheeler as President and Donald G. McCaulley as Secretary of Rio Grande River Raft Race, Inc., a corporation.

My commission expires

Witness my hand and official seal.

C Elle Rogers
Notary Public.

No. 825 QUIT CLAIM DEED

No. 33250

QUIT CLAIM DEED

Rio Grande River Raft Race, Inc.

TO

McCulloch Oil Corp, of Calif.

STATE OF COLORADO,
County of Mineral } ss.

I hereby certify that this instrument was filed for record in my office this 12 day of June, A. D. 1968, at 12:35 o'clock P. M., and duly recorded in book 110-K page 209.

Ellen Rogers
Recorder.

By
Deputy.

Fees, $

3-63 BRADFORD-ROBINSON PTG. CO., DENVER

Indexed
Recorded

RIO GRANDE RIVER RAFT RACE INC. COLORADO

Recorded 1-22-69 Book 47 page 431

This Indenture,

Made the [redacted] 12 day of January in the year of our Lord one thousand nine hundred and 68, between

Rio Grande River Raft Race, Inc., a Colorado Corporation, with principal offices in Creede, Colorado,

of the County of Mineral and State of Colorado, party of the first part, and

Bulldog Mountain, Inc., a Colorado Corporation, with principal offices in Colorado, City of Aspen Pitkin County,

of the County of Pitkin and State of Colorado, party of the second part;

Witnesseth, That the said party of the first part, for and in consideration of the sum of

TEN DOLLARS and other valuable considerations, in the form of ~~DOLLARS~~ 100 common currency of the United States of America, ~~xx~~ in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, and to its heirs and assigns the following mining claim situate in Sunnyside Mining District in the County of Mineral and State of Colorado, as follows, to-wit:

Kansas City Star: Mineral Survey Number 8697

STATE DOCUMENTARY FEE
Date 1-22-69
$ 1.00

Together With all the [illegible], spurs and angles, and also all the metals, ores, [illegible] silver bearing quartz rock and earth therein, and all [illegible] rights, privileges and franchises thereto incident [illegible] appurtenant and appurtenances, or therewith usually had and [illegible] and also all and singular the tenements, [illegible] and appurtenances thereto belonging, or in any [illegible] pertaining, and the [illegible] and profit [illegible] and all the estate

Together With all the dips, spurs and angles, and also all the metals, ores, gold and silver bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and also all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof, and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said part of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

To Have and to Hold, All and singular the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, its heirs and assigns forever.

In Witness Whereof, The said party of the first part has hereunto set its hand and seal the day and year first above written.

SIGNED, SEALED AND DELIVERED IN PRESENCE OF

Donald G. McCaulley Seal.

Gordon D. Wheeler Seal.

Seal.

STATE OF COLORADO,

County of Mineral } ss. I, Chloe Rogers, Notary Public

in and for said County, in the State aforesaid, do hereby certify that Donald G. McCaulley as Sec. and Gordon D. Wheeler as President of Rio Grande Raft Race, Inc.

personally known to me as the person s whose name are subscribed to the annexed deed, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument of writing as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Offical seal this 22 day of January A. D. 19 68 .

My Commission expires 19 .

My Commission expires April 14, 1969

Chloe Rogers

Notary Public

SURNAME

7/23 110

200

JUL 23 1968

Mr. R. E. Driscoll, Jr.
Keller and Keller and Driscoll
Attorneys at Law
Lead, South Dakota 57754

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Driscoll:

Thank you for your letter of July 9, 1968, concerning production from the property under the subject contract.

Please furnish copies of the documents of transfer of the assets of Bulldog Mountain, Inc., to McCulloch Oil Corporation mentioned in Mr. Cox's letter to us of June 12, 1968.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copies to: Mr. Robert S. Brandelton
Vice President & General Counsel
McCulloch Oil Corp. of California
6151 West Century Boulevard
Los Angeles, California 90045

Homestake Mining Company
180 Bush Street
San Francisco, California 94104

cc: Director's reading file
Economic Geology file
OME Docket 6143
OME Docket 6288
OME reading file
OME Region III (2)
w2/cys inc. letter
130

FEJohnson/bih 7/23/68

R-III

KELLAR & KELLAR & DRISCOLL
ATTORNEYS AT LAW
LEAD, SOUTH DAKOTA 57754

CHAMBERS KELLAR, 1880-1950
KENNETH C. KELLAR
R. E. DRISCOLL, JR.

AREA CODE 605
PHONE 584-3040

July 19, 1968

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Department of Interior
Geological Survey
Washington 25, D. C.

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Sir:

Your letter of June 27 addressed to Mr. M. W. Cox of Bulldog Mountain Inc. in Aspen Colorado concerning the above captioned matter has been forwarded to the Homestake Mining Company who in turn have directed me to reply.

To date there have been no shipments made from this property other than for sampling procedures. There has been some stockpiling pending mill completion.

Be assured that when concentrate shipments are made the production royalty will be paid and terms of the contract complied with.

Yours very truly

R. E. Driscoll Jr.

R. E. Driscoll, Jr.
Assistant Chief Counsel

REDjgg

cc Joseph A McKinley

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/27/68		110
		220

AIRMAIL

Mr. M. W. Cox
President
Bulldog Mountain, Inc.
Box 1366
Aspen, Colorado 81611

JUN 27 1968

Re: OME-6238 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Cox:

Thank you for your letter of June 12, 1968, concerning the property under the subject contract.

We have not received the copies of the documents of transfer of the assets of Bulldog Mountain, Inc., to McCulloch Oil Corporation mentioned in the first paragraph of your letter. Please forward additional copies.

We note your statement that shipments have been made from the property under the operation of Homestake Mining Company. Copies of settlement data for these shipments should be furnished to the U. S. Geological Survey in the amount due the Government as royalty on production, in accordance with the terms of the contract.

Sincerely yours,

FRANK E. JOHNSON cc

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copies to: Mr. Robert S. Brazelton
Vice President and General Counsel
McCulloch Oil Corporation of California
6151 West Century Boulevard
Los Angeles, California 90045

Homestake Mining Company
100 Bush Street
San Francisco, California 94104

CC: Dir.'s Reading File
Economic Geology
Docket OME-6143
Docket OME-6288
OME Region III (2)
w/2 cys incoming letr
OME Reading File
130

FEJohnson/gla 6-27-68

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 24 1968

INITIALS	CODE
gla	130
	110
	130
	220

2 cys - 63 file

BULLDOG MOUNTAIN, INC.
Box 1366
Aspen, Colorado
81611

June 12, 1968

Mr. Frank Johnson
Deputy Director
Office of Mineral Exploration
U. S. Geological Survey
Department of Interior
Washington, D.C.

File OME-6143 ~~Unemployment~~ Exploration

OME-6380 Bulldog Mountain

Dear Sir:

Notice is hereby given that Bulldog Mountain, Inc. has this day transferred all of its assets in the Creede area of Colorado to the McCulloch Oil Corporation of California. Included in this transfer are the properties subject to Office of Mineral Exploration Contracts Numbers 2130 and 2166. Copies of the documents of transfer are included herewith in accordance with the terms of those Contracts.

You are aware that the Homestake Mining Company, under the terms of that certain agreement of September 4, 1968, is the operator of the property. It is my understanding that you have a copy of that agreement. Please be advised that shipments from the property have recently begun.

If further documentation is required, please contact Robert S. Brazelton, Vice President and General Counsel, McCulloch Oil Corporation of California, 6151 West Century Boulevard, Los Angeles, California 90045.

Sincerely yours,

M. W. Cox
President

MWC:rm

Enclosure

2 copies to OME Region III

cc: R. Dick
Homestake Mining Co.

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

OCT 26 1967

Bulldog Mountain, Inc.
~~Room 511, 57 Post Street~~
~~San Francisco, California~~ 94104

Box 1366
Aspen, Colorado 81611

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 13 1967

INITIALS	CODE
Gla	130
	~~120~~
Rf	~~110~~
	130
	222

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Frank E. Johnson
Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to R-III

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 6, 1963, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

   Is the Lease Agreement, dated April 26, 1961, with the Rio Grande River Raft Race, Inc., still in effect? If not, please explain. Yes ☒ No ☐

2. Since May 6, 1963, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible] Title [illegible]

Address Box 1366 Aspen, Colo Date 11-4-67

4511

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/7	Johnson	110
11/8	[illegible]	120
	Long	140
	[illegible]	110
11/9	[illegible]	220
		120-M

NOV 0 1966

Mr. Donald G. McCaulley
Rio Grande Raft Race, Inc.
Box 74
Creede, Colorado 81130

Re: CME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. McCaulley:

This is in reply to your letter of October 21, 1966, requesting further information on the subject contract relative to our letter to you of October 11, 1966.

On May 6, 1963, the Government entered into a contract with Bulldog Mountain, Inc. for financial assistance to explore certain mining claims in Mineral County, Colorado. Since that date exploration work has been performed on the property. The Government contributed to the costs of this work; such contribution being repayable by a royalty on production from the property under the terms of the contract and the certification of possible production, a copy of which was sent to you with our letter of October 11, 1966.

The Kansas City Star Claim is part of the property covered by the exploration contract. The Rio Grande River Raft Race, Inc., by its President, W. W. Wyley, on February 13, 1963, executed Lien and Subordination Agreements on this claim which grants the Government a lien on the land and any production therefrom.

If you desire additional information on this matter it is suggested that you contact Bulldog Mountain, Inc.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region III w/cy inc.ltr.
SOL/Mr. Long/Room 6554
120-M

FROM SOLICITOR
NOV 8 1966
FOR SIGNATURE

FEJohnson/bih k1/7/66

23263

Copy for Washington

October 21, 1966

United States
Department of the Interior
Office of Minerals Exploration
U. S. Geological Survey Room 2284
Building 25 Denver Federal Center
Denver, Colorado 80225

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 27 1966

NAME	CODE
gla	170 m
	110
	120 m

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

In answer to your letter dated October 11, 1966, we are seeking more information concerning this matter.

We are unaware of any loan being made on our property namely the Kansas City Star from your department, and if there was such a loan made we would like to know to whom it was made and what the loan was for.

The above mentioned property is now under lease to the Bulldog firm who in tern has the property leased to Homestake mining. There has been no work done on the property as of date.

If possable could you give us a copy of the OME loan # 6288, and any other details that may prove helpful.

Sincerely yours,

Donald G. McCaulley

Donald G. McCaulley
Rio Grande Raft Race Inc.
Box 74
Creede, Colorado 81130

OFFICIAL FILE COPY

Date	Surname	Code
12/14/66	Kirkemo	120
12/15	Johnson	110
		220

DEC 15 1966

Memorandum

To: Chief, Branch of Budget and Finance

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Vault
Mineral County, Colorado
Contract 2166

Enclosed is a copy of a letter dated December 9, 1966, from the Field Officer, Region III, transmitting to the Operator a copy of the Report of Review issued in November 1966, on the subject contract. A copy of said review also is enclosed.

Harold Kirkemo
~~FRANK E. JOHNSON~~

For Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading
Region III

MMerrithew/mm (12/14/66)

23263

Office of Minerals Exploration

~~120 MC~~
FJ ~~110~~
HK ~~120K~~

December 9, 1966

Mr. Fred E. Baker, Vice President
Bulldog Mountain, Inc.
312 Jefferson Street
Monte Vista, Colorado

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Baker:

Enclosed is a copy of a Review of Contract 2166 issued in November, 1966.

I have reviewed the facts as stated in the Review of Contract 2166 and concur with the audit review.

One typographical error occurs under "Agreed Unit" Costs. The Incidental Allowance for each foot of drilling should be 4,552 feet as corrected in pen, instead of 4,452 feet.

J. William Hasler
mc

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

cc: Chief, OME (2)
Hasler chron
OME chron
2166

MV Form 7
(23)

OFFICIAL FILE COPY

Date	Surname	Code
11/28/66	Kirkham	

NOV 28 1966

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Enclosed are two copies of a Review of Contract 2166 issued in November 1966.

If you concur in the facts as stated in the Review of Contract 2166, one copy should be sent to the Operator with any comments you may care to make, and the other copy retained for your files. As evidence of your concurrence, two copies of your letter transmitting the Operator's copy of the report should be furnished this office. If for any reason you do not concur, both copies of the report should be returned to this office with appropriate comments.

FRANK E. JOHNSON

Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
130

MMerrithew/mm (11/25/66)

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

NOV 10 1966

Memorandum

To: Director, U. S. Geological Survey

From: Assistant Director, Contract and Grant Audit
Audit Operations, Office of Survey and Review

Subject: Review of Contract 2166
Docket No. OME-6288 (Silver)
Bulldog Mountain, Inc. (Operator)
Bulldog Mountain Fault
Mineral County, Colorado

Pursuant to a request dated September 27, 1966, from Chief, Office of Minerals Exploration, we have made a financial review of Contract 2166, examining the contract and accounting records and files of OME and the Branch of Budget and Finance, U. S. Geological Survey. Four copies of our report of the review are attached.

The purpose of this project was to explore for silver-bearing ore bodies by crosscutting, drifting, trenching, and surface and underground diamond drilling on 16 patented and 56 unpatented lode mining claims located in the Sunnyside Mining District, Mineral County, Colorado. The allowable costs set forth in the contract amounted to $212,320 with Government participation on 50 percent basis being $106,160. The exploration work was completed in June 1966 at allowable costs aggregating $187,415.90 of which the Government's share amounted to $93,707.95. Certification of possible production as a result of the exploration work was issued by OME on October 11, 1966.

The attached report of review notes an underpayment to the Operator amounting to $175. The report contained no exceptions to the financial settlement made by OME.

Donald R. Moyer

Attachments

175284

~~140~~ 120m

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

GEOLOGICAL SURVEY

OCT 1 1 1966

Mr. E. D. McClure

South Fork, Colorado

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. McClure:

Enclosed is a copy of a self-explanatory letter to the Operator under the subject contract. This relates to the Lien and Subordination Agreements signed by you on February 13, 1963, under the Office of Minerals Exploration program.

The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

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

GEOLOGICAL SURVEY

CERTIFICATION OF POSSIBLE PRODUCTION
UNDER AN EXPLORATION CONTRACT

Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California

Re: [illegible]-6284 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Vault
Mineral County, Colorado
Contract 2166

Gentlemen:

Pursuant to Article 7 of the subject contract, as amended, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from May 6, 1963, to May 6, 1979, or until the amount contributed by the Government is fully repaid with interest at the rate of 6 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

Royalty payments on any production computed as provided in the contract should be made in favor of the U. S. Geological Survey and should be mailed or delivered to the Field Officer, Region III, Office of Minerals Exploration, U. S. Geological Survey, Room 1284, Building 25, Denver Federal Center, Denver, Colorado 80225. Each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the name of the purchaser, the quantity and grade of the production sold, the price per unit, and the gross proceeds and allowable deductions therefrom.

Attention is specifically invited to the provisions of Article 2(c) of the contract referring to the preservation of the Government's royalty rights. Two true copies of any instrument transferring, surrendering, or encumbering any of said rights shall be furnished to the Field Officer.

Dated this 11th day of October, 1946.

THE UNITED STATES OF AMERICA

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON, D.C. 20240

OFFICIAL BUSINESS

GEOLOGICAL SURVEY

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Unclaimed ___ Refused ___
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Insufficient address ___
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No such office in state ___
Not delivered in this envelope ___

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF THE INTERIOR

10-17

Mr. E. D. McClure

South Fork, Colorado

40

IN REPLY REFER TO:

Kirkbarmo 10/6/66

E-65-2048.11

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

October 5, 1966

Memorandum

To: Frank E. Johnson, Chief, Office of Mineral Exploration
Geological Survey

From: Assistant Solicitor, Oil and Gas and Mineral Exploration

Subject: OME 6288 (Silver) Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

This will respond to your inquiry of September 30, 1966 regarding the rate of interest applicable under the subject contract.

As Annex II of the subject contract states the contribution of the Government, $26,981.65 under the Prior Contract No. 2130 is added to the estimated cost of the work under the subject contract and is to be repaid under the provisions of the subject contract. Article 1(c) of the subject contract provides for 6% interest. Accordingly, that rate of interest is applicable to the "combined contribution under both contracts" indicated under the heading "Estimated Cost of the Work" on page 5 of the subject contract.

The Prior Contract carried an interest rate of $6\frac{1}{4}$%. However, the work under that contract was completed and there was no certification. Accordingly, the Government's only chance to secure repayment of the funds expended under that contract was to include those funds under the subject contract and it was so provided in Annex II. In doing so the interest rate applicable at that time had to be used.

Robert W. Long

Robert W. Long
Assistant Solicitor
Oil and Gas and Mineral Exploration

MME FORM 6 REFERENCE SLIP

REV. [redacted]9 OFFICE OF MINERALS EXPLORATION[redacted]

TO:	DATE	INITIALS
1. ~~Mr. Long, Rm. 6554, Int~~erior Through Room 6042		
2. 130		
3.		
4. 6-65-2048.11		
5.		
FROM: Chief, OME		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ___x Surname

____ Comment ____ Recommendations ____ Signature

____ Concurrence ____ Rewrite ____ File

September 30, 1966

Mr. Long:

Contract 2166, in Annex II, the Government's contribution of $26,981.65 on Prior Contract 2130 is added to the estimated cost under the present contract for repayment under the provisions of the present contract.

However, on Contract 2130, the interest rate is 6-1/4%, but on the present contract 2166, it is only 6%. Question: Do we still retain the right to 6¼% interest on $26,981.65 or is the entire Government contribution repayable at 6%?

If we have not lost the right to 6¼% interest on the Prior Contract money, should not the second paragraph of the attached letter be changed to show this?

FEJ

Frank E. Johnson

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration -- Building 25

September 9, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 12 1966

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

The Bulldog Mountain, Inc., has completed the exploration work as prescribed in OME Contract 2166. As a result of the exploration work along the Puzzle structure and the Bulldog Mountain fault a total of $187,415.90 was expended, and allowable costs specified by the contract with Government participation of 50 percent amounted to $93,707.95.

The work performed under the subject contract disclosed the presence of ore-grade material contained within a strong persistent fault structure known as the Puzzle structure. Approximately 913 feet were driven on the east strand structure known as the Bulldog Mountain east strand fault.

A considerable portion of the Puzzle structure contained vein material that varied considerably in width and mineral value. Approximately 1,500 feet of drift has exposed mineralized vein material that can be considered to be of ore grade, but only approximately 885 feet of the vein can be considered to be of mineable width at the present time. The vein, for the most part, is characterized by its high barite content; locally barite carries appreciable native silver as vug filling occurring as wire silver or sooty argentite.

Based on exploration done to date on the Puzzle structure and the east strand of the Bulldog Mountain fault, there is approximately 11,840 tons of ore assaying 3.0 oz Ag and 0.5 percent Pb per ton. This ore is presently on the stockpile at the mine.

There are some 37,750 tons of probable ore-grade material that will assay 17.2 oz Ag and 3.5 percent Pb per ton. The tonnage of probable ore was calculated from six different areas, as shown in the "Homestake" report.

No great amount of possible ore reserves can be calculated at this time, as very little work below the tunnel level has been done. One intercept at of 70 feet has been made to date from diamond drilling.

I have checked the data and generally agree with the ore reserves calculated by the operator's contractor and therefore conclude a significant discovery of ore reserves of silver has been made as a result of the exploration work completed under the subject contract.

It is recommended that a certification of discovery be declared and the operator be so informed. The applicant need not be informed that the basis for declaring a discovery was made upon the "Homestake" report, as I question the fact that the operator's reserve estimate will be much different from the one calculated by Homestake.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration -- Building 25

September 7, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 12 1966
INITIALS CO E
120 M
110
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To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Enclosed are two copies of a final report dated June 20, 1966, on the subject contract, which was prepared by the operator's contractor, Homestake Mining Company. The report was sent to the Bulldog Mountain, Inc., and was signed by Mr. Stephen J. Varnhagen, President, of the operating company. Mr. Fred Baker, Vice President, of the operating company called later and asked that the subject report be held in abeyance, and not be submitted to Washington, as the Homestake final report did not meet with their approval. The telephone conversation was later confirmed by letter. The operator has not yet complied with the requirement of submitting a final report, and since the expiration date for completion has past, it is requested that the operator be notified to submit his report within 30 days or a sum of $200.00 will be withheld pending receipt of the report.

It is requested that a final audit review of the subject contract be conducted.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

June 20, 1966

OFFICIAL
COPY
O. M. E.
RECEIVED
SEP 12 1966
INITIALS | CODE

Mr. William Hasler
Field Officer - OME
Building 25 - Federal Center
Denver, Colorado 80225

Re: OME 6288
Contract 2166
Bulldog Mountain Project
Creede, Mineral County,
Colorado
Operator's Final Report

Dear Mr. Hasler:

Being submitted herewith is the final report for the Bulldog Mountain Project, Mineral County, Creede, Colorado in accordance with Article 5 of above referenced contract.

The primary objective of this project was to explore for silver-bearing ore bodies by crosscutting to the Puzzle structure, thence drifting along the structure to its junction with the East Strand of the Bulldog Mountain fault and thereafter to drift along such strand.

The general provisions of the contract called for, along with certain other work categories, the driving of 4,000 feet of combined drifting and crosscutting. The total estimated cost of the work was $212,320.00, with a government participation of 50% or $106,160.00. At contract's end, a total of $187,415.90 was submitted as costs allowed under the contract with a government participation of 50% or $93,707.95. The difference between the total allowable estimated costs as set forth in the contract and the total as submitted is due mainly in the failure to

Exhibit Maps B, C, Core Log "D",
" " E, F, & G, in envelope, Folder #1-A (Maps)

Operator's Final Report

complete the drilling program (both surface and underground) within the allowable time limits of the contract.

The project was scheduled to begin on or before July 1, 1963; the project was to run for a thirty (30) month period or until December 31, 1965. Although the project did get get under way as scheduled in the way of bulldozer work for drill sites, water dam, etc., a six-month delay in actual start of tunnel work was asked for and approved during the third quarter of the year (1963) in order to complete quiet title action and obtain an abstract of title on the claims which make up the property as incorporated in the OME contract agreement. Work was commenced again as of May 1, 1964, and continued uninterupted through the contract period ending May 6, 1966. During the months of May and June, 1964, work on the property consisted of additional bulldozer work to aid in defining structures, preparing drill sites, etc., in addition, work at the portal site proper was being done preparatory to actual crosscutting operations.

Although the revised termination date for the contract was May 6, 1966, the actual termination date being used is April 30, 1966. The reason for using the April 30th date is primarily due to its being a convenient date insofar as reporting purposes are concerned and also to the fact that nothing that would effect the work categories as listed in the OME contract was accomplished during the 1st six days of May, 1966.

Actual work of driving of the so-called Puzzle tunnel was begun in mid July, 1964. The first 300 feet of the Puzzle tunnel was in the nature of a crosscut at which point the Puzzle vein was intersected; drifting on or along the Puzzle structure was

then carried on for a distance of 2,634 feet at which point drifting was discontinued in favor of a crosscut westerly to intersect the East Strand of the Bulldog Mountain fault. A check survey of the underground workings completed about two months after the start of the crosscut to the west pointed out an error in plotted position of the underground workings and it was then determined that the structure which had been drifted along was actually the combined Puzzle-East Strand structure though no geologic criteria existed underground at the time to indicate this structural feature. By the time the survey error was duly noted, the allowable 4,000 feet of combined crosscutting and drifting had been completed; the crosscut which was being driven westerly for the East Strand intersection was abandoned and drifting was resumed along the structure previously being followed. The drift at the end of the allowable time of the contract period was still being driven along the Puzzle-East Strand structure; at end of contract period a total of 3,787 feet had been driven on or along the structure. In addition, 1,431 feet of crosscutting was accomplished for a total drift and crosscut footage of 5,218 feet during the contract period.

Summary of Work Performed

Attached as a part of this report is (Exhibit "A") a resume of the OME contract, by category, showing the various types or units of work allowed and portions completed. Attached as Exhibit "B" is a 500-scale map showing the general area of exploration for the project and includes most recent geological

interpretations based on field mapping, geochem sampling, drilling, etc., as well as surface dozer pits, trace of underground workings and location of surface drill holes. Attached as Exhibit "C" is a 200-scale map which shows underground workings and location of raises and underground drill holes.

Two surface drill holes were completed for a total footage of 2,355 feet. Six underground diamond drill holes were drilled for a total footage of 2,197 feet; of these holes, four were completed, one was abandoned, and one was in progress at end of contract period. Attached as Exhibit "D" of this report are diamond drill logs as pertains to these holes. Included as Exhibit "E" are cross sections showing drill holes, structural intercepts and pertinent assays for all drill holes.

The allowable combined footage of 4,000 feet for crosscutting and drifting was completed within the time limits of the contract. Of this footage, 1,366 feet was classified as crosscutting and 2,634 feet was classified as drifting on or along the Puzzle structure. Attached as Exhibit "F" of this report are 40-scale geological maps of the underground workings; attached as Exhibit "G" are 40-scale maps showing assays for groove samples taken at regular intervals along the drift where vein material was encountered and for car samples taken for drift rounds for the entire round. The 40-scale geologic and assay maps include the total 5,218 feet of crosscutting and drifting which was accomplished during the allowable time limits of the OME contract.

The allowable 300 hours of Bulldozing was accomplished in the way of dozer cuts to help delineate surface structures and in preparation of the surface drill hole sites, etc.

Summary of Expenses

The following expenditures were made on the premises and project in carrying out the work:

1.	Plant & Equipment	$ 56,346.69
2.	Supervision	16,877.27
3.	Geology & Engineering	8,369.00
4.	Surface Drilling - Core	16,621.00
5.	Underground Drilling - Core	9,681.10
6.	Underground Drilling - Longhole	4,003.09
7.	Bulldozing	3,750.00
8.	Crosscutting & Drifting	222,318.57
9.	Autos & Trucks	4,064.15
10.	Surface Ore Handling Facilities	6,695.83
11.	Assaying	7,250.29
	Total	$355,976.99

Other expenditures, totaling $68,640.17, which were necessary to carry out the project are as follows:

1. Local Housing
2. Consultants
3. Travel & Subsistence
4. Taxes
5. Legal Fees
6. First Aid & Safety
7. Miscellaneous

A total of $424,617.16 was expended on the project to April 30, 1966; the allowable costs as per the contract agreement and charged against the project was $187,415.90.

Geologic and Engineering Evaluation

The work performed under this contract disclosed the presence of ore grade mineralization contained within a strong, persistent fault structure which throughout the reporting period was referred to as the Puzzle structure. For approximately 913 feet of drifting, the structure being followed, however, was the East

Strand structure which was intersected at about Spad B-44 or at point where the long crosscut to the west was started.

The Puzzle drift was portaled in Windy Gulch and at an elevation of 9700 feet. The drift, except for about 20 feet near the portal which appears to be Creede formation, was driven in Campbell Mountain Rhyolite. The rhyolite for the most part could be easily recognized as typical Campbell Mountain; however, locally in and along the Puzzle structure proper the rhyolite varied in color and texture due to alteration, bleaching, etc., resulting from both mineralizing solutions and meteoric waters.

The Puzzle structure, for the most part was prominent and easily followed. The structure varied from a strong fault plane indicated only by a "line" to a shear zone up to drift width in size. A considerable portion of the structure contained vein material and mineralization; the vein varied considerably in width and mineral value. Approximately 1,500 feet of the drift has exposed mineralized vein material that can be considered to be of ore grade but only about 885 feet of the vein material thus exposed can be considered to be of mineable width.

The vein for the most part (as seen at tunnel elevation and in the raises) is characterized by its high barite content; locally, barite carries appreciable native metal as vug fillings in the way of wire or leaf silver and sooty argentite. Quartz is associated with the barite but for the most part the quartz occurs mainly as thin bands within or along the edges of the more massive barite; vein material as noted in the raises driven thus far, however, tends to show an increase of quartz and a decrease in barite as the vein is followed up dip.

As can be seen from the assay and geologic maps enclosed as a part of this report, silver values vary considerably within the vein; no definite geologic criteria such as a sharp bend in the structure or a sudden thickening or thinning of the vein can be stated to have a direct bearing on amount of value to be expected in the vein. One thing that has been noted, however, is the small amount of Pb associated with the Ag mineralization north of Spad B-44 as compared with that associated with the Ag to the south of this point.

Generally speaking, the Puzzle structure can be said to consist of a shear zone varying from only a few inches up to eight feet in width. The shear zone has contained vein material in the way of barite and quartz with Ag and Pb mineralization; in addition to the vein material which has varied from only a few inches to eight feet in width, the shear zone locally contains much breccia and gouge and sulphide mineralization. The shear zone has contained many irregular and discontinuous joints, fractures and minor fault planes occurring mainly as en-echelon, slickensided features along the drift walls. The drift in its entirety has an overall strike of about N25°W; the vein dips on an average from 50° to 70° easterly but varying from 35° to near vertical.

In addition to the drifting accomplished along the Puzzle vein, the vein proper has also been investigated somewhat by three (3) Raises and one (1) diamond drill hole. The diamond drill hole, Drill Hole No. 5, was drilled at a -45° angle from a drill station to the east of Spad B-38 and was drilled to investigate the Puzzle vein at a depth about 70 feet below

tunnel level. The 7.7 foot interval (inclined) from 81.5' to 89.2' averaged 28.1 oz. Ag.

Three raises have been or are being driven on the vein as of the end of the contract period. The first raise, at Sta. B-33, was completed to a height of 52 feet; the second raise, at Sta. B-29, has reached a height of 66 feet; and, the third raise, at Sta. B-25, has also reached a height of 66 feet. The vein at the back of 33 Raise is only about a foot wide and consists of quartz, barite and breccia with gouge; Ag mineralization has decreased appreciably as vein has been followed up-dip. The vein at the back of 29 Raise is about 5 feet wide; the vein consists of quartz, barite, clay and breccia. Some Pb and Ag mineralization is associated with the vein throughout its entire height but in general mineralization of ore grade has been sporadic and appears to weaken as vein is followed upwards. The vein at the back of 25 Raise is approximately 6 feet wide; good Ag and Pb values have been encountered as the vein is followed upwards; the vein consists of quartz, barite, clay, gouge and breccia.

In addition to the diamond drill hole near Spad B-38, (Hole No. 5 drilled to investigate the Puzzle vein at a shallow depth) several other diamond drill holes were drilled to investigate the East Strand structure. Drill Holes No. 2 and No. 6, drilled from a drill station near Spad B-33, were intended primarily to investigate the East Strand structure. Holes were completed to a depth of 535 feet and 454 feet respectively. Hole No. 2, drilled horizontally, intersected a 3 1/2' fault zone at 376 feet. The zone contained some vein material in the way of barite and

quartz and fair silver values were noted. Hole No. 6, drilled at a -35° angle, intersected no structure of note that could be positively identified as being the East Strand; however, the core interval from 352' to 362' contained a series of manganese coated fractures, limonite staining, little barite and slight alteration which could be indicative of a possible structure through this point.

Hole No. 4, drilled from same drill station as Hole No. 5 again was intended primarily to test for the East Strand structure. No structure of note was intersected by this hole; the core interval 313' to 323' contains barite and slight alteration, etc., and could be indicative of a possible structure through this point. Appreciable core loss was had through this zone and core which was recovered was highly broken and showed much evidence of brecciation.

Hole No. 3, drilled from station at west end of cross cut to the west near Spad D-44, and being drilled to test for the West Strand structure, was abandoned at 550 feet due to poor ground conditions. A second hole, Hole No. 7, from this station, has reached a depth of 183 feet at end of contract period. Intersection with West Strand is not expected prior to a linear distance of 650 feet.

Two surface drill holes were completed as a part of this project; Hole No. 1 was drilled to a depth of 1,235 feet and at a -60° angle. This hole intersected several minor structures, one of these at 888', is interpreted as being the East Strand structure and could possibly be a formational contact between Windy Gulch and Campbell Mountain Rhyolite.

Hole No. 2 was drilled to a depth of 1120 feet. This hole intersected a major structure at 831.8' which is interpreted as being the East Strand Structure; the structure appears to be some 20' or so in width and showed interesting Silver-Lead mineralization.

ORE RESERVES

During the course of the work accomplished within the scope of this contract the following ore reserves have been developed:

1. Proven Ore - This category covers the material removed from actual drifting and raising operations and consists of material on stockpile near mine portal and on saddle about 3/4 mile below mine portal. As drifting progressed along the structure material which in the opinion of the mine foreman contained significant vein material and/or mineralization (visual observation) was dumped as ore; material which, again in the opinion of the mine foreman, was barren, near barren or appeared to be non-mineralized was dumped as waste. Consequently, about 2,600 feet of drift material has been stockpiled; this material comprises complete drill rounds as drilled and blasted with no attempt being made to segregate ore from waste within individual rounds. The grade for the proven ore reserves has been established from the assays for the groove samples which were cut at approximately each 10 foot interval along the drift. Where groove samples do not cover the entire drift width of 7.5 feet, the difference between the 7.5' width and the actual sample width has

been included at zero dilution. (See longitudinal section included as Exhibit " ")

Drift Length dumped as ore	2,600'
Drift size	7.5' x 8.5'
Tonnage factor	14 ?

$$\frac{2,600' \times 7.5' \times 8.5'}{14} = 11,840 \text{ tons}$$

Total ore on stockpile:
11,840 tons @ 3.0 oz. Ag, 0.5% Pb

2. Probable Ore - This category covers the extensions of the economically mineable ore areas as indicated by assay results from groove samples taken along the drift and in the raises and as intersected in diamond drill holes. Raises and diamond drilling are too widely spaced to outline the ore or to establish its grade. Actually, only one dimension "length" exists for computing tonnage and grade for this category. In addition to the data obtained from the drift sampling, the raises and the one diamond drill hole which intersects the Puzzle vein at a 70 foot depth are used to outline this reserve category. The longitudinal map, attached as Exhibit " " of this report, shows how the reserve figure for this category was arrived at. The grade assigned to this category is arrived at in the same manner as described under the proven ore heading. A 20% dilution factor is included in the overall grade and width figure as shown. (See longitudinal section included as Exhibit " ")

Area 1	-	Area	- 5,000 sq. ft.
		Diluted Width	- 6.2 ft.
		Diluted Grade	- 4.4 oz. Ag; 4.0% Pb
		Tonnage Factor	- 10 ?

$$\frac{5,000 \times 6.2}{10} = 3,100 \text{ tons}$$

Area 2 - Area - 4,550 sq. ft.
Diluted Width - 5.4 ft.
Diluted Grade - 10.8 oz. Ag; 3.3% Pb
Tonnage Factor - 10

$\frac{4,550 \times 5.4}{10}$ = 2,450 tons

Area 3 - Area - 16,745 sq. ft.
Diluted Width - 5.2 ft.
Diluted Grade - 16.1 oz. Ag; 3.6% Pb
Tonnage Factor - 10

$\frac{16,745 \times 5.2}{10}$ = 8,700 tons

Area 4 - Area - 32,215 sq. ft.
Diluted Width - 6.4 ft.
Diluted Grade - 18.3 oz. Ag; 3.8% Pb
Tonnage Factor - 10

$\frac{32,215 \times 6.4}{10}$ = 20,600 tons

Area 5 - Area - 3,325 sq. ft.
Diluted Width - 7.4 ft.
Diluted Grade - 28.2 oz. Ag; 0.6% Pb
Tonnage Factor - 10

$\frac{3,325 \times 7.4}{10}$ = 2, 450 tons

Area 6 - Area - 1,080 sq. ft.
Diluted Width - 4.3 ft.
Diluted Grade - 52.2 oz. Ag; 0.8% Pb
Tonnage Factor - 10

$\frac{1,080 \times 4.3}{10}$ = 450 tons

Recapitulation: Probable Ore Reserves:

Area 1 -	3,100 tons	@ 4.4 oz. Ag	4.0% Pb
Area 2 -	2,450 tons	@ 10.8 oz. Ag	3.3% Pb
Area 3 -	8,700 tons	@ 16.1 oz. Ag	3.6% Pb
Area 4 -	20,600 tons	@ 18.3 oz. Ag	3.8% Pb
Area 5 -	2,450 tons	@ 28.2 oz. Ag	0.6% Pb
Area 6 -	450 tons	@ 52.2 oz. Ag	0.8% Pb
Total	37,750 tons	@ 17.2 oz. Ag	3.5% Pb

3. Possible Ore - This category would assume some continuity of ore as extensions of the proven and probable ore categories as well as additional ore intercepts as the present drift is advanced along structure. No ore for this category is being defined for the purpose of this report, however, since to provide a figure at this time with the limited data available upon which to make a possible ore reserve estimate would be entirely based upon the opinion of one individual. There is no doubt that additional ore will be encountered as drifting progresses but the sporadic spacing and nature of ore shoots intersected thus far precludes assigning a definite ore configuration to paper for estimating purposes. Since no information other than one drill hole intercept at a depth of 70 feet below the present tunnel level is available upon which to base an opinion as to the nature of any ore at depth, no great reserve tonnage or assay grade for this possible tonnage could be assigned at this time.

Conclusions

It can be concluded that a strong, persistent structure with intermittent vein material and ore grade mineralization has been shown to exist on Bulldog Mountain. It appears, from underground work accomplished thus far, that a viable mining and milling operation can be had at Bulldog Mountain but much more work of an exploratory nature is needed before any idea as to the size and type operation can be detailed.

Further work on Bulldog Mountain should consist of continuing

the present drift northwards to further investigate the East Strand structure presently being followed; additional raises to further investigate height of ore along known ore shoots; and, exploration work of a nature to further investigate the potential, nature and grade of the ore below the present tunnel level.

Respectfully submitted,

Stephen J. Varnhagen

Stephen J. Varnhagen, President
Bulldog Mountain, Inc.

OME EXPLORATION CONTRACT
Contract No. 2166

Bulldog Mountain Project - Creede, Colorado

	OME Contract	Total Dollar Value	Amt. Completed	Dollar Value
Core Drilling - Surface	4,000 Ft.	$ 23,237.50	2,355 Ft.	$ 12,985.40
Core Drilling - Underground	4,000 Ft.	21,032.50	2,197 Ft.	11,055.50
(Combined Footage of 8,000')	(8,000 Ft.	(44,270.00)		
Reaming/Cementing/Surveying (Surface Drilling)	150 Hrs.	1,725.00	134 Hrs	1,541.00
Reaming/Cementing/Surveying (Underground Drilling)	150 Hrs.	1,725.00	150 Hrs	1,725.00
Mobilization - Surface Drilling	Job	600.00	Job	600.00
Mobilization - Underground Drilling	Job	300.00	Job	300.00
Incidental Allowance for each Ft. of Drilling Completed	8,000' @ .40/Ft.	3,200.00	4,552 Ft.	1,820.80
Compressed Air & Water for each Ft. of Underground Drilling Completed	4,000' @ .60/Ft.	2,400.00	2,197 Ft.	1,318.20
Bulldozing	300 Hrs.	3,750.00	300 Hrs.	3,750.00
Crosscutting & Drifting	4,000' @ $36.00/Ft.	144,000.00	4,000 Ft.	144,000.00
Timbering	600' @ $ 8.00/Ft.	4,800.00	600 Ft.	4,800.00
Diamond Drill Stations	4 @ $350.00	1,400.00	1 Ea.	350.00
Core Boxes	500 @ $3.50 Ea.	1,750.00	220 Ea.	770.00
Assaying	1,200 @ $2.00	2,400.00	1,200 Ea.	2,400.00
Total Estimated Cost		212,320.00		
Total Costs To Date				$187,415.90
Government Participation		106,160.00		

TMR

Thru: April 30, 1966

B U L L D O G M O U N T A I N I N C.

Secretary-Agent:
Jeanne L. Cox
Box 748
Aspen, Colorado

President:
S. J. Varnhagen
57 Post Street
San Francisco, California

7-18-66

OFFICIAL COPY
O. R.
RECEIVED
JUL 25 1966
INITIALS | CODE
gen | 120 M
JD | 110
LR | 120 K

Mr. William Hasler,
Office of Mineral Exploration,
Denver Federal Center,
Denver, Colorado

OME # 2166, Bulldog Mt.

Dear Sir:

It has come to our attention that a final report for this project was submitted to you recently over the signature of Mr. Varnhage, president of this company. Due to a mix up I had not read the report prior to its submission, and, upon reading it find it totally unacceptable to me. I shall, therefore redo the report , and hereby request that you hold the copies sent to you until such time as you receive my amended report.

?

Most Sincerely,

Fred E. Baker

Fred E. Baker, agent

dd: Homestake Mining Co, Denver,
Homestake Mining Company, San Fransisco
Files

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/18/66	Kirkemo	120
		110
5/19	Cole	220
		120 Pc

MAY 19 1966

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

This is with reference to your memorandum of May 11, 1966, concerning your plan to make a final inspection of the property on May 10, 1966, and advising us that a "certification of discovery" is indicated and it would be prepared. A Certification of Possible Production Under an Exploration Contract is prepared in Washington on the basis of your recommendation and of other information that may be available to us. Will you please submit an estimate of the reserves discovered by the OME exploration.

FRANK E. JOHNSON

(FEJ)

Frank E. Johnson

cc: Director'sReading File
Division File
Economic Geology File
OME Docket
OME Reading File
130
Kirkemo

HKirkemo/mm (5/18/66)

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

U. S. Geological Survey -- Denver Federal Center
Building 25- Room 2284

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 13 1966

INITIALS	CODE
	~~120~~ MC
FRJ	~~110~~
HR	120 K

May 11, 1966

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract No. 2166

This is to inform you that the time fixed for completion of the above-captioned contract is May 6, 1966.

Amendment No. 2, Item No. 2, reads as follows: "The time fixed by Article 1 of the contract for completion of the work is extended from 30 months to 36 months from the date of the contract."

The date of the contract was May 6, 1963 which indicates that the completion date is 36 months from May 6, 1963.

I will make a final inspection May 10, 1966, and request the required vouchers and final geologic report as stated in article 5c.

The certification of discovery is indicated as a result of the work completed under the contract and a certificate of discovery will be prepared.

J. William Hasler
mec

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Denver Federal Center -- U. S. Geological Survey
Building 25 - Room 2284
Denver, Colorado 80225

OFFICIAL
COPY
O. M. E.
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FEB 21 1966

AIRMAIL

February 16, 1966

To: Chief, OME

From: Field Officer, Region III

Subject: OME-6288
Bulldog Mountain Inc.
Bulldog Mountain Fault
Minerals County, Colorado
Contract 2166

The operator has submitted a request in his December 1965 voucher for full payment of the 4,000 feet allowed for crosscutting and drifting under the subject contract.

Undoubtedly, Homestake Mining Company, the contractor, has decided to utilize the entire footage on the crosscut provided for under Amendment No. 4. This will negate any further amendments regarding the final 105 feet of crosscutting and drifting as I have recommended payment for the subject footage as shown in his December 1965 voucher.

J. William Hasler

J. William Hasler, Field Officer,
Region III, Office of Minerals Exploration

Chief, OME
6288
Chron
Hasler

copy to B & F
3/21/66
m

Memorandum
To: The File
From: Harold Kirkemo

2/25/66

Subject: OME - 6288
Bulldog Mtn. Inc.

The importance of the ore discovery at the Bulldog Mtn project may be judged from the Operators assay certificates of 63 samples cut across the vein in the drift from 1615 to 2201 feet northwest of the crosscut.

586 feet of drift - average width of vein 4.6 feet
Weighted average grade - 18.7 ounces silver,
5.0 percent lead.

H. Kirkemo

OFFICIAL FILE COPY

Date	Surname	Code

Memorandum

To: Bureau Compliance Officer

From: Chief, Office of Minerals Exploration

Subject: Equal Employment Opportunity under Government Contracts

Enclosed are two copies each of Parts I and II and one copy of Part III, Standard Form 41, Compliance Report--Construction, submitted by L-D Mines, OME-6460, Contract 2210, for the last quarter of 1965. Formerly, one copy of each of the parts was sent to the President's Committee on Equal Employment Opportunity.

Listed below are the contracts which are in excess of $100,000 and to which Standard Form 41 should probably be sent for the first quarter of 1966:

OME-6460 Contract 2210 L-D Mines
OME-6436 Contract 2203 Cortez Joint Venture
OME-6288 Contract 2166 Bulldog Mountain, Inc.
OME-6289 Contract 2169 Richmond Hill Exploration Company, Inc.

The exact status of OME-6308, Contract 2182, Ruby Silver Mines, Inc., is not presently known. Should further work be approved, it would also be necessary to send Standard Form 41 to the company. It is believed that you have the addresses of these companies.

(signed) FRANK E. JOHNSON

Frank E. Johnson

Enclosures

cc to: Director's Reading File
Division File
Economic Geology File
OME Docket 6460
OME Reading File
Mr. Selfridge

GCSelfridge/gla 2-2-66

(cys also: Dockets OME-6288, 6289, 6436, 6308, and GCS EEO File)

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Date	Surname	Code
	Selfridge	120
		110
1/26	Cal	220
		120 m

file not attached

AIRMAIL

JAN 26 1966

Mr. Ted M. Rizzi
Homestake Mining Company
1631 Glenarm Place
Denver, Colorado

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Rizzi:

In reference to your letter of January 17, 1966, to Mr. Hasler, the November voucher was and is acceptable. The December voucher will be acceptable for the work done in December which falls within the terms of the subject contract.

Sincerely yours,

(signed) FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Reading File
Region III
Mr. Selfridge

GCSelfridge/mm (1/25/66)

23263

Denver Federal Center -- U. S. Geological Survey
Building 25 - Room 2284
Denver, Colorado 80225

January 20, 1966

Mr. Ted M. Rizzi
Homestake Mining Company
1631 Glenarm Place
Denver, Colorado

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 24 1966
1-20-66
1-20

Re: OME (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Minerals County, Colorado
Contract 2166

Dear Ted:

Your letter of January 17, 1966 containing a summary of developments on the above mentioned contract has been received in this office and forwarded to the Office of Minerals Exploration in Washington, D. C.

You will be hearing from them in the near future.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

JWHasler/mc/1/20/66

cc: Chief OME
File
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Denver Federal Center -- U. S. Geological Survey
Building 25 - Room 2284
Denver, Colorado 80225

January 20, 1966

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O. M. E.
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JAN 24 1966
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120

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Minerals County, Colorado
Contract 2166

Enclosed is an original and a copy of a report from Mr. Ted M. Rizzi, Geologist for Homestake Mining Company, contractors for the operator, subject contract listed above. The report explains the effect of 400 feet error in their survey with relationship to the Puzzle Vein intersection with the east strand of the Bulldog Mountain fault. I have reviewed the report and I am of the opinion that the remaining footage (456 feet) left under the contract for crosscutting and drifting be utilized in the west crosscut pursuant to the execution of amendment No. 4 (dated November 23, 1965).

The error in survey was a company error, and as I discussed with Mr. Selfridge on the phone, I, too, feel that we should not be left accountable for approving footage other than that approved in Amendment No. 4.

Please review the report and notify me as to your decision.

J. William Hoover

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Denver Federal Center -- U. S. Geological Survey
Building 25- Room 2284
Denver, Colorado 80225

January 19, 1966

OFFICIAL
COPY
O. M. E.
RECEIVED
JAN 24 1966
INITIALS CODE
120
120

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: 6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

The memorandum is in reply to yours dated January 4, 1966 regarding the subject contract, requesting my comments relating to Amendment No. 4, dated November 23, 1965, to crosscut S. 75° W. from the Puzzle vein to attempt to locate the East Strand of the Bulldog Mountain Fault, in excess of the allowed 4,000 feet allowed for crosscutting and drifting.

My quotation of 500 feet in my request dated November 2, 1965 was in excess of the contract, however, it was felt that the east strand of the Bulldog Mountain Fault would be intersected within the 456 feet left under the contract. At the end of November the operator had utilized a total of 3,895 feet of crosscutting and drifting leaving 105 feet of footage under the contract. The operator is delaying submitting their December voucher pending the appraisal of the result of their error in surveying. Otherwise, I would allow only the maximum amount of footage for crosscutting and drifting to be paid upon receipt of their December voucher.

copy to B & F

J. William Hosler

Maps accomp. this letter filed in folder 1-A.

January 17, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 24 1966
INITIALS | CODE

Mr. William Hasler
OME Field Officer
Bldg. 25 - Federal Center
Denver, Colorado 80225

Dear Mr. Hasler:

As per your request, I am submitting to you a brief summary of developments on the Bulldog Mountain project during the months of November and December, 1965.

The original OME contract proposal for the Bulldog Mountain project, Creede, Colorado, called for, among other things, drifting along the Puzzle structure to its intersection with the east strand of the Bulldog Mountain fault and then drifting along the east strand structure.

As drifting operations progressed along the Puzzle structure it became apparent that, due to a change in general average strike of the Puzzle structure from a N.W. direction to a northerly direction, the previously anticipated intersection would not be effected within the footage limitations of the OME contract. Drifting operations, however, were continued along the Puzzle structure until the end of October, 1965, since the structure was quite a prominent one and contained a vein which for the most part provided an interesting exploration prospect. During most of the month of October, however, the structure consisted mainly of a strong fault with some gouge but with very little if any vein material or mineralization.

At this point a request for an amendment in the OME contract to leave the Puzzle structure and begin a crosscut to the west to intersect the east strand of the Bulldog Mountain fault was requested and approved. On November 1st, the crosscut west towards the east strand structure was begun and continued throughout the months of November and December. An intersection actually was anticipated in a linear crosscut distance of around 400 feet; no intersection had been effected by the end of December, 1965, in a linear distance of some 640 feet.

During the month of December, 1965, a check survey was made of the Bulldog Mountain (Puzzle) tunnel; the results of this survey pointed out an error in actual position of the junction of the Puzzle drift with the crosscut ~~of~~ to the west. (Spad B 44 on accompanying 40-scale map) The position of this junction under the check survey is now 400 feet, S. 63° W., from the previous position as indicated by the original survey.

The error in the underground survey, which was made known at the end of December, now allows us to somewhat correlate surface geologic features with underground features. A re-evaluation of certain geologic interpretations points out that the Puzzle - east strand intersection probably exists in the general area of the Puzzle drift - west cross-cut junction. Although an awareness of an important or major change in geologic conditions was had around and prior to reaching the junction point, brought on by changing rock characteristics, abrupt changes in strike of fault structure being followed, etc., this was not attributed to an intersection of the Puzzle structure with the east strand of the Bulldog Mountain fault since plotted position of underground workings in relation to surface structures did not point to any intersection at this point.

As seen on the plan map, there is no evident southern extension of what is probably the east strand structure (at Spad B 44); the abrupt turn at Spad B 44 appears to be a continuation of the Puzzle structure which had been followed for the past several thousand feet but which at this point takes on the strike of the east strand structure. However, a diamond drill hole drilled horizontally west at Spad B 33-25' intersected a narrow structure which could be a southern continuation of the north trending structure as seen in the drift north of Spad B 44. It is presumed that the structure intersected by the above mentioned diamond drill hole is the east strand structure. The structure in the diamond drill hole was intersected at 377 feet; three feet of drill core at (377.5'-380.5') assayed 7.50 oz. Ag.

At time change in contract was requested to drive the crosscut west to intersect the east strand of the Bulldog Mountain fault, the OME contract still had 456 feet of footage remaining. This footage was anticipated to be sufficient to effect an intersection and leave some footage for drifting along the east strand structure. However, the

error as pointed out by the check survey in the location of underground workings in relation to known surface geologic structures, precluded any intersection of the crosscut to the west with the east strand structure. The west crosscut was driven a total distance of 640 feet; a structure consisting of a 6" vein of qz, barite, gouge and brecia with minor silver mineralization was intersected by the crosscut at 540'. The crosscut now places the west strand of the Bulldog Mountain fault within easy drilling range.

At present, the original drift (which had been stopped at the end of October, 1965) is being driven. The drift is following a strong fault structure with some discontinuous vein material associated with the fault.

It is realized that it is desireable for the allowable footage under the OME contract be driven insofar as possible on structure or vein in order to obtain maximum exploration benefit of any attempted venture. The decision to request a change in contract in order to drive the crosscut west to intersect the east strand structure was based on the fact that drifting along the Puzzle structure during the month of October was being done along a barren fault structure and it appeared best at the time to devote the remaining contract footage to an investigation of the east strand structure which supposedly was to the west of the Puzzle workings and which also was one of the prime targets of the present OME contract. Had the original survey of the Bulldog Mountain project been correct, the decision to change exploration plans would have had merit and been fully justified; the fact that the actual position of the underground workings was not correct when related to certain surface geologic features has resulted in 456 feet of contract footage being expended in a raw exploration crosscut. The crosscut is not entirely wasted, however, since it did intersect one additional structure not heretofore known and also places the west strand of the Bulldog Mountain fault within favorable range for diamond drilling.

The December 1965 OME report is being held in abeyance by Bulldog Mountain, Inc., until it receives word form OME as to its decision regarding the final approval of the report for the month of November insofar as expenses allowed for the crosscut is concerned. If the 456 feet of footage remaining as of October 31, 1965 and used on the crosscut to the west

is not allowed then it will be reported in the future for the further drifting that will be done along the continuation of the Puzzle structure which at this point appears to be the east strand structure.

Sincerely,

Ted M. Rizzo
Geologist

TMR:dlm

c.c.--Henshaw, Varnhagen, Powers.

Form 7
(3)

OFFICIAL FILE COPY

Date	Surname	Code
1/3/65	Selbrede	120
"	Johnson	110
1/4	cac	220
		120M

JAN 4 1966

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Reference is made to your memorandum of December 29, 1965, in which mention is made that at the time of your visit on December 16 and 17 the crosscut toward the east strand of the Bulldog Mountain fault was approximately 160 feet in length and had passed 54 feet beyond the 4,000 feet of drifting and crosscutting allowed under the contract. For future reference, the following information is being tabulated:

The Operator's July voucher was approved in the field on August 18, 1965, and approved in Washington for payment on August 26. This voucher showed that 854 feet of drifting and crosscutting was still available under the contract.

No drifting or crosscutting was done in August.

The Operator's September voucher, dated October 29, 1965, was approved in the field on November 3 and approved in Washington for payment on November 16. This voucher showed that 624 feet of drifting and crosscutting was still available under the contract.

Your November 2, 1965, memorandum, which we received on November 4, transmitted the Operator's request to drive a 500-foot crosscut from the Puzzle vein to the east strand of the Bulldog Mountain fault. You mentioned that the Operator had completed 2,466 feet of crosscutting and drifting as of October 27 out of a specified 4,000 feet, leaving a total of 534 feet allowable under the subject contract. However, this 2,466 feet represented the distance driven from the point where the Puzzle vein was first intersected and did not include

23263

the distance a crosscut had been driven to intersect the vein. You recommended that the request be approved with the usual clause that, "This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed unit cost of any item of work."

Amendment No. 4 was drafted for approval on November 5, 1965, before the September voucher was received which showed that 624 feet of crosscutting and drifting was still available.

The Operator's October voucher (listed for the month of November 12, 1965) was approved in the field on November 29 and approved in Washington for payment on December 16, 1965. This voucher showed that 456 feet of crosscutting and drifting was still available under the contract. The Operator's report mentioned that drifting operations along the Puzzle structure were continued on a two-shift basis through the 27th of the month, at which time drifting was discontinued and preparations made for the driving of a crosscut in a westerly direction from a point near the drift face to intersect the east strand of the Bulldog Mountain fault approximately 500 to 550 feet away. According to the October voucher, the 4,000 feet allowable under the subject contract should not have been exceeded if the crosscut was only 160 feet in length.

The subject contract stipulates that the crosscutting and drifting shall not exceed 4,000 feet and that the location, direction, and extent of each work item shall be subject to prior Government approval. Amendment No. 4 was drawn up under the impression that there was still sufficient footage left in the contract to provide for the crosscut. Seemingly, no footage should be approved and paid in excess of the 4,000 feet. May we have your comments?

(signed) FRANK E. JOHNSON

Frank E. Johnson

GCSelfridge/gla (1-3-66)
cc to: Director's Reading File
Division File
Economic Geology File
Division of Budget & Finance
OME File
OME Reading File
Mr. Selfridge (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Denver Federal Center-Bldg. 20
Room D 2211
Denver, Colorado 80225

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O. M. E.
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December 29, 1965

Memorandum

To: Chief OME

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain fault
Mineral County, Colorado

An interim inspection of the subject property was made December 16 and 17.

The crosscut that is being driven in a S. 75° W. direction for the purpose of intersecting the east strand of the Bulldog Mountain fault had reached a point of 54 feet beyond the 4,000 feet allowed under the subject contract and were in the crosscut approximately 160 feet.

There were some small stringers cutting across the crosscut in a generally north-south direction that contained considerable limonitic stain and rock was somewhat altered but the east strand of the Bulldog Mountain fault had not been intersected. The monthly report for November also makes no note that the Bulldog Mountain fault had been intersected as of December 1.

In a telephone conversation with Mr. Ted Rizzi, Geologist, Homestake Mining Company on December 27, he mentioned if the Bulldog Mountain fault had not been penetrated after some 600 feet of crosscutting that they would do considerable diamond drilling to test for the whereabouts of the Bulldog Mountain fault under the subject contract.

J. William Hasler

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Denver Federal Center-Bldg. 20
Room D2211
Denver, Colorado 80225

December 6, 1965

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Memorandum

To: Chief OME

From: Field Officer, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Enclosed are the Government's, Fiscal Section's, and Audit's executed Amendment No. 4 to the subject contract.

J. William Hasler
J. William Hasler

Attachments

Denver Federal Center-Building 20
Room D2211
Denver, Colorado 80225

November 30, 1965

Mr. S. J. Varnhagen
President
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

120 m
120

Dear Mr. Varnhagen:

Enclosed is the original and 5 copies of the Amendment No. 4 to the above captioned contract. If the proposed amendment is satisfactory to you, all five copies should be signed by an authorized member of your company and returned to this office.

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as a maximum, nor the fixed unit cost of any item of work.

Sincerely yours,

J. William Hasler
Field Officer OME
Region III

Enclosures

JWHasler/mc/11/30/65

cc: Chief OME ✓
File
Chron

ME Form 7
2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/18	Murphy	120
	Selfridge	130
11/18	Johnson	110
[illegible]	[illegible]	220
		120 m
11/22	Kingsford	
11/22	Ivetts	
11/22	Clyde	

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

With reference to your memorandum of November 2, 1965, enclosed are the original and four copies of a proposed Amendment No. 4 (1 page) to the subject contract, signed for the Government. An extra copy of the proposed amendment is enclosed for field use.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

(signed) FRANK E. JOHNSON

Frank E. Johnson

Enclosures

MMerrithew/mm (11/18/65)
cc: Director's Reading File
Division File
Economic Geology File
OME Reading File
Mr. Selfridge

23263

DRAFT
FMMurphy/mm
11/5/65

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 4

It is agreed this _____ day of _____, 1965, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended effective November 1, 1965, as follows:

1. In Amendment No. 3, the last sentence of the paragraph relating to the second paragraph under the heading ~~in the~~ Description of the Work is deleted and the following is substituted therefor:

> In the event the east strand of the Bulldog Mountain fault is not intersected by the drift along the Puzzle vein after approximately 2,230 feet of drifting, then a cross cut shall be driven on a bearing of S. 75° W. from a point near the face of the ~~Puzzle~~ drift on the Puzzle vein to intersect the east strand of Bulldog Mountain fault. Thereafter, a drift to the north and/or to the south shall be driven on or along the east strand structure.

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as a maximum, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Chief, Office of Minerals Exploration
U. S. Geological Survey

BULLDOG MOUNTAIN, INC.

By _____

Title _____

SECOND DRAFT
FMMurphy/mm
11/9/65

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 4

It is agreed this _____ day of _____, 1965, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended effective November 1, 1965, as follows:

1. In Amendment No. 3, the last sentence of the paragraph relating to the second paragraph under the heading Description of the Work is deleted and the following is substituted therefor:

> In the event the east strand of the Bulldog Mountain fault is not intersected by the drift along the Puzzle vein after approximately 2,230 feet of drifting, then a crosscut ~~MX~~ shall be driven on a bearing of S.75° W. from a point near the face of the drift on the Puzzle vein to intersect the east strand of Bulldog Mountain fault. Thereafter, a drift to the north and/or to the south shall be driven in or~~xxxxx~~ along the east strand structure.

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as a maximum, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Chief, Office of Minerals Exploration
U. S. Geological Survey

BULLDOG MOUNTAIN, INC.

By _____

Title

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO

November 2, 1965

Memorandum

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 4 1965

INITIALS	CODE
[illegible]	120
	120

To: Frank E. Johnson, Chief
Office of Minerals Exploration, Geological Survey
Department of the Interior, Washington, D. C. 20240

From: J. W. Hasler, OME Region III

Subject: OME 6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Enclosed are original and two copies of a request for an amendment to the subject contract.

The operator is requesting an amendment to the subject contract to allow for 500 feet of crosscutting S 75° W from the Puzzle vein near the present face to the east strand of the Bulldog Mountain Fault, as the Puzzle vein is striking more nearly parallel to the east strand of the Bulldog Mountain Fault, and is also splitting, and essentially losing its identity.

I inspected the Puzzle vein October 26 and 27, 1965, and recommended that the operator request an amendment to crosscut to the east strand of the Bulldog Mountain Fault since, Amendment No. 3, dated May 12, 1965, in exhibit A under the heading Description of the Work second paragraph specifies the following:

> From a point near the northwest corner of the Grover Cleveland claim, drive a crosscut in a westerly direction to intersect the Puzzle vein; and thereafter, a drift shall be driven on or if ground conditions necessitate along side of such vein in a northwesterly direction to intersect the east strand of the Bulldog Mountain Fault. Thereafter, the drift shall be continued northerly in the same manner along this east fault strand.

No crosscutting is herein allowed to go from the Puzzle vein to the east fault strand. (assumed it would intersect on Baker No. 11 claim. JWH)

November 2, 1965

I recommend that the request for the amendment herein enclosed, be approved and executed.

3146 according to progress reports

The operator has completed 2,466 feet of crosscutting and drifting as of October 27 out of a specified 4,000 feet, leaving a total of 1534 feet allowable under the subject contract. ! ?

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed unit cost of any item of work.

J. W. Hasler

J. W. Hasler

Attachments

JWH (11-2-65)
cc: 2166
Chron

October 28, 1965

Mr. Hugh M. Connors
Acting Field Officer - OME
Building 20 - Federal Center
Denver, Colorado 80225

Re: OME 6288
Contract 2166
Bulldog Mountain Project
Mineral County, Colorado

Dear Mr. Connors:

The purpose of the Bulldog Mountain project was to explore for silver-bearing ore bodies by crosscutting to the Puzzle vein, by drifting along the vein to its junction with the east strand of the Bulldog Mountain fault and thereafter to drift along such strand.

As drifting has progressed along the Puzzle vein it becomes more and more apparent that, due to a change in average strike of the Puzzle vein from the expected N. 45° W. to a N. 20° W. strike that no intersection of the Puzzle vein with the east strand of the Bulldog Mountain fault will be had within the scope of the present OME contract.

The present face of the drift along the Puzzle vein is approximately due east of the point where an intersection of the two aforementioned structures was previously expected; the drift has advanced a total of 2,466 feet from point where Puzzle vein was first intersected by the crosscut. The drift along the Puzzle vein, to date, has encountered two ore shoots but the drift for the past 125' or so has been following a strong fault structure showing some gouge or clay material but no vein. The rock on either side of the fault structure is highly altered and broken up and it appears that perhaps we have had a change in rock type, on the hanging wall side at least, which may account for the presence of a structure but no vein due to the highly pumaceous nature of the rock.

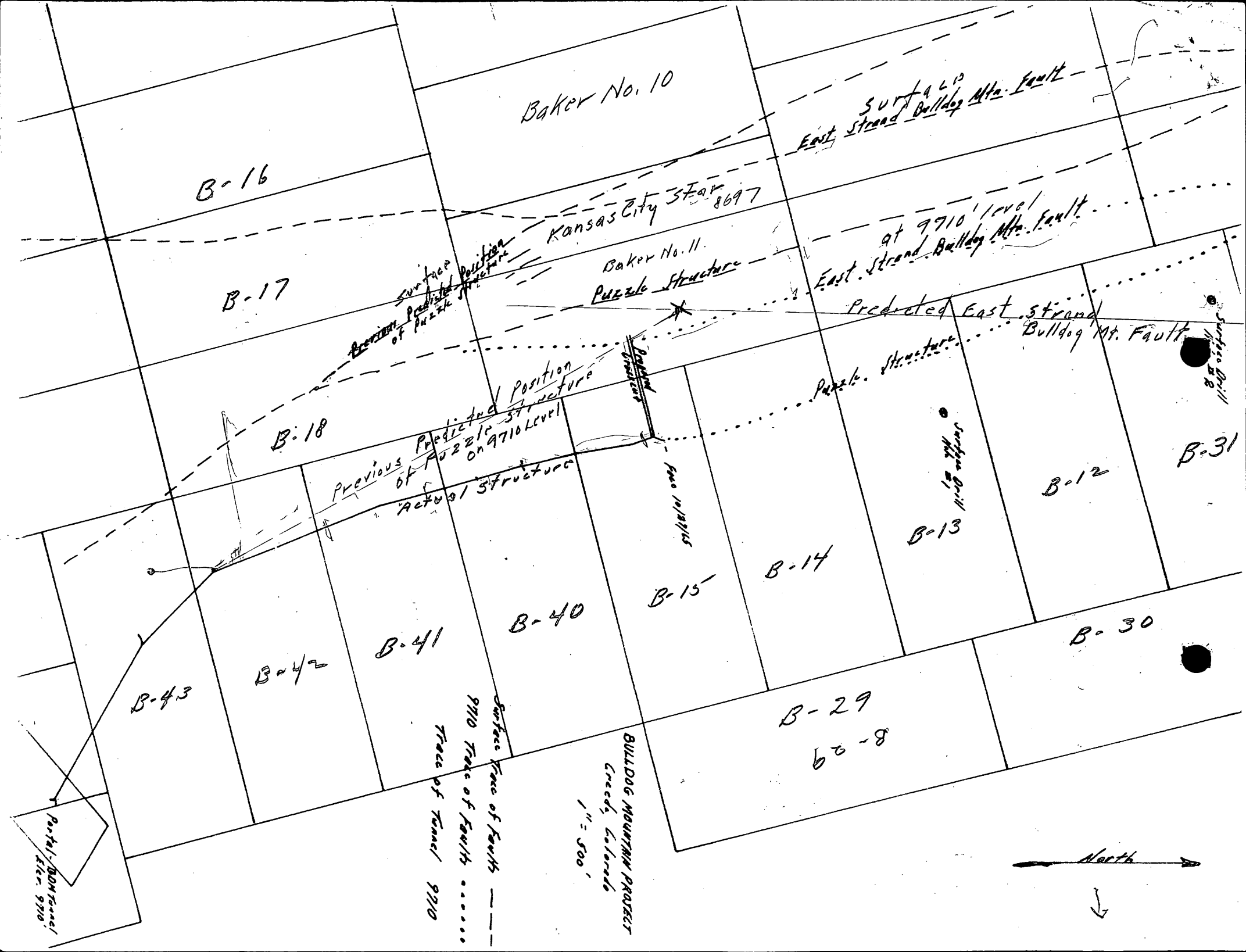
Since the express purpose of this project is to explore the east strand of the Bulldog Mountain fault it is requested that the contract be amended to allow driving of a crosscut in a S. 75 W. direction at a point near the present face of the drift a distance of approximately 500 feet to the expected projected position of the east strand structure with the present tunnel level elevation. Upon intersecting the east strand structure a drift will be started in a northerly direction along it.

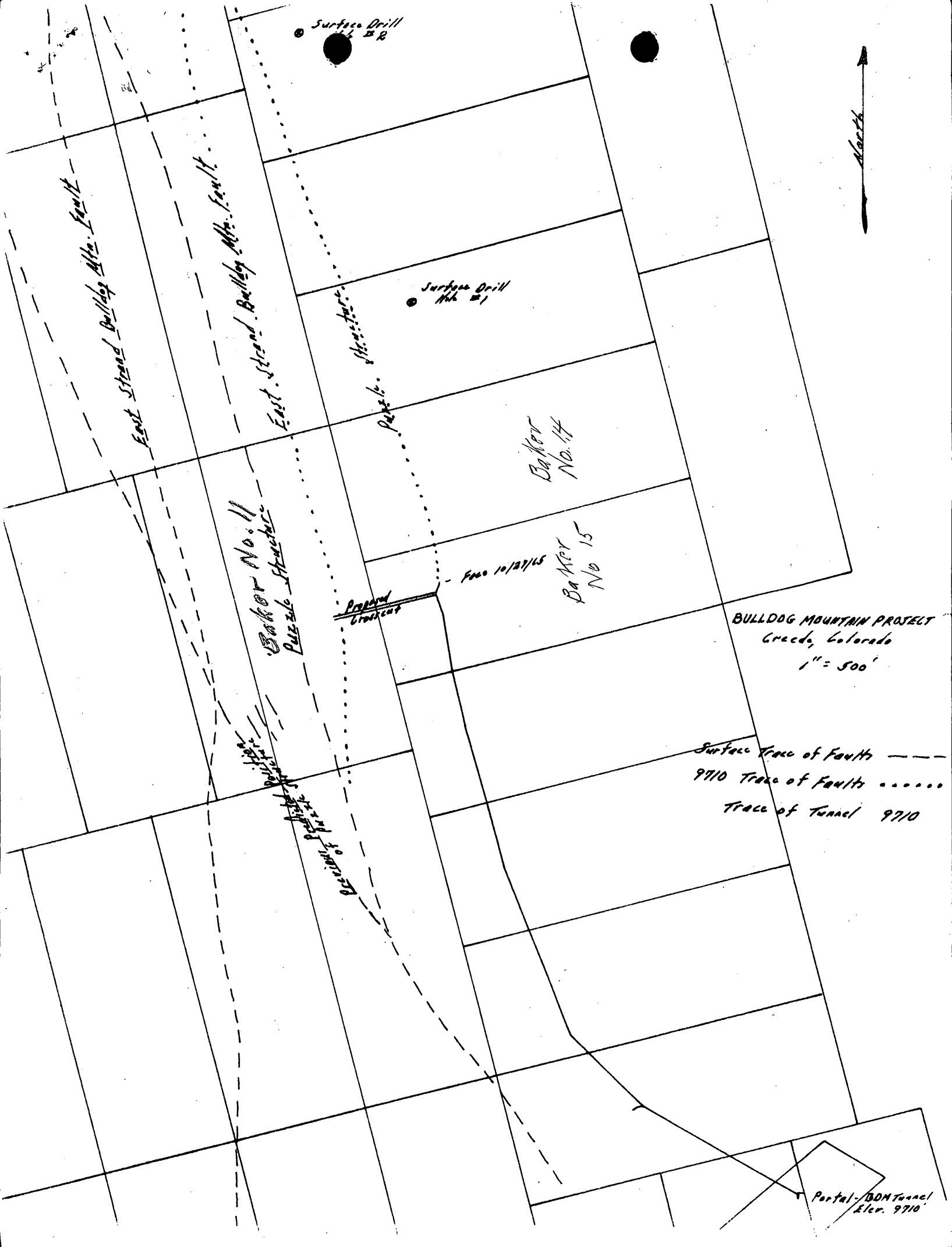
The accompanying 500-scale map shows trace of present tunnel at its 9710 elevation as well as surface trace of the Puzzle and east strand structures and their trace at the 9710 elevation. In addition, approximate location of crosscut to east strand structure is also shown.

Sincerely,

Fred E. Baker

Fred E. Baker, Vice President
Bulldog Mountain, Inc.


Baker No. 10
B-16
B-17
B-18
Kansas City Star 8697
Surface Predicted Position of Puzzle Structure
Baker No. 11
Puzzle Structure
East Strand Bulldog Mtn. Fault
at 9710' level
East Strand Bulldog Mt. Fault
Predicted East Strand Bulldog Mt. Fault
Puzzle Structure
Previous Predicted Position of Puzzle Structure on 9710 Level
Actual Structure
Fault 10/18/15
B-15
B-14
B-13
B-12
B-31
B-40
B-41
B-42
B-43
B-29
B-30
Surface Trace of Fault
9710 Trace of Fault
Trace of Tunnel 9710
BULLDOG MOUNTAIN PROJECT
Creede, Colorado
1" = 500'
Portal-BDM Tunnel Elev. 9710'
North


Surface Drill Hole #2
Surface Drill Hole #1
North
East Strand Bulldog Mtn. Fault
East Strand Bulldog Mtn. Fault
Puzzle Structure
Barker No. 14
Barker No. 15
Barker No. 11
Puzzle Structure
Face 10/27/65
Proposed Crosscut
Barker Puzzle Structure
BULLDOG MOUNTAIN PROJECT
Creede, Colorado
1" = 500'
Surface Trace of Faults
9710 Trace of Faults
Trace of Tunnel 9710
Portal - BDM Tunnel
Elev. 9710'

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	GCS	130
6/24	Johnson	110
		100
6/25	Carl	230
		120 m

JUN 25 2

AIRMAIL

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: GMM-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In reply to your memorandum of June 22, 1965, you are correct that all requests for exploration work under the subject contract must come through Baker until such a time that Bulldog Mountain, Inc. instructs us otherwise.

George C. Selfridge
m

GCSelfridge/mm (6/24/65)
cc: Director's Reading File
Review Committee
Docket
Mr. Selfridge

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20, Denver Federal Center
Denver, Colo. 80225

June 22, 1965

OFFICE
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AIR MAIL

Memorandum

To: Chief, Division of Exploration Operations

From: Acting Field Officer, Region III

Subject: OME-6288
Contract 2166
Bulldog Mountain Project
Mineral County, Colorado

Attached are copies of the bantering going on between the Operator and Homestake. Also attached is Homestake's request for a work approval.

As I see it, until Fred Baker answers Ted Rizzi's letter of June 2, copy of which is attached, I must receive all requests through Baker. Am I correct?

Hugh M. Connors

Hugh M. Connors

Attachments

H.M.Connors (6/22/65)

cc: 2166
Chron

HOMESTAKE MINING COMPANY

100 BUSH STREET

SAN FRANCISCO 4/CALIFORNIA

94104

June 14, 1965

OME
DEPARTMENT OF THE INTERIOR
JUN 15 1965
REGION III
DENVER, COLORADO

Mr. M. W. Cox
Manning W. Cox Associates
57 Post Street
San Francisco, California

Dear Mr. Cox:

The drillhole at Bulldog Mountain, the subject of your June 3rd letter, has been stopped due to lack of compressed air capacity. We will do some shallow longhole drilling as we go along and perhaps some dogholing. Later, when we see the need for enough deep drilling to warrant it, we will rent a supplemental compressor. At that time we may decide to lengthen this first hole.

We do not agree with your conclusion that the hole is unnecessary as we do not believe the block of ground involved, which is 400 feet below old drillhole Hexco 2, can be written off on the basis of previous information. Positive information from the subject drillhole in the east strand of the BDM fault or intermediate structures could immediately allow us to choose from alternative plans for the next phase of exploration and early resultant action would result in much time saved.

With additional information as we go along we will be in an improved position to decide as to deepening (lengthening) the first underground hole, and we feel that, if deemed advisable, such drilling is properly part of the OME project.

Yours very truly,

A. B. Drescher

ABD:vm
cc: Hugh M. Connors
Stephen Varnhagen
T. M. Rizzi

Copy to W.O.

MANNING W. COX ASSOCIATES consulting geologists

57 post street san francisco, california YU 2-1436

June 3, 1965

Mr. Hugh M. Connors
Office of Mineral Exploration
Bldg. 20, Federal Center
Denver, Colorado

Dear Mr. Connors:

In reviewing recent work at Bulldog Mountain, I note that the contractor for Bulldog Mountain, Inc. has begun a drill hole from the Bulldog Mountain crosscut which drill hole will pass in the general direction of Bulldog Mountain holes 1 and 2 drilled in 1962. These holes, as you will recall, both intersect the east strand of the Bulldog Mountain fault and the ancestral Bulldog Mountain fault. The zone is shown to be tight although bleached and slightly mineralized and not of further exploration interest. It is, therefore, my opinion that the drill hole as now laid out by the contractor is not a suitable project for OME participation and respectfully suggest that OME funds should be used elsewhere.

Most sincerely,

M. W. Cox

MWC:jmj
cc: Bulldog Mountain
T. Rizzi
Paul Henshaw

Copy to W.O.

OME
DEPARTMENT OF THE INTERIOR
JUN 7 1965
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
JUN 3 1965
REGION III
DENVER, COLORADO

June 2, 1965

Mr. Fred E. Baker
312 Jefferson
Monte Vista, Colorado

Dear Fred:

In order to facillitate dealings with the Office of Minerals Exploration (OME) it is requested that you send a letter to Mr. Hugh M. Connors, Acting Field Officer - OME, Building 20 - Federal Center, Denver, Colorado, 80225, advising him that the undersigned is the mine manager or person in charge of the exploration project being conducted on Bulldog Mountain under OME 6288, Contract 2166.

Sincerely,

Ted M. Rizzi

C.C. Hugh Connors
TMR/sm

Copy to W. O.

OME
DEPARTMENT OF THE INTERIOR
JUN 3 1965
REGION III
DENVER, COLORADO

June 2, 1965

Mr. Hugh M. Connors
Acting Field Officer - OME
Building 20 - Federal Center
Denver, Colorado 80225

Re: OME 6288
Contract 2166
Bulldog Mountain Project
Mineral County, Colorado

Dear Mr. Connors:

In accordance with paragraph 2, General Provisions, Exploration Contract, Bulldog Mountain, Inc., OME 6288, approval is requested for the drilling of an underground diamond drill hole to the west from the tail drift just beyond the intersection of the exploration crosscut with the Puzzle structure. The proposed drill hole will be approximately 1,000 feet in length and is to be drilled to test the area between the end of the tail drift and the east strand of the Bulldog Mountain fault. It is desireable to test this area since it is a large area of untested ground and the possibility exists of intersecting additional structures within this area.

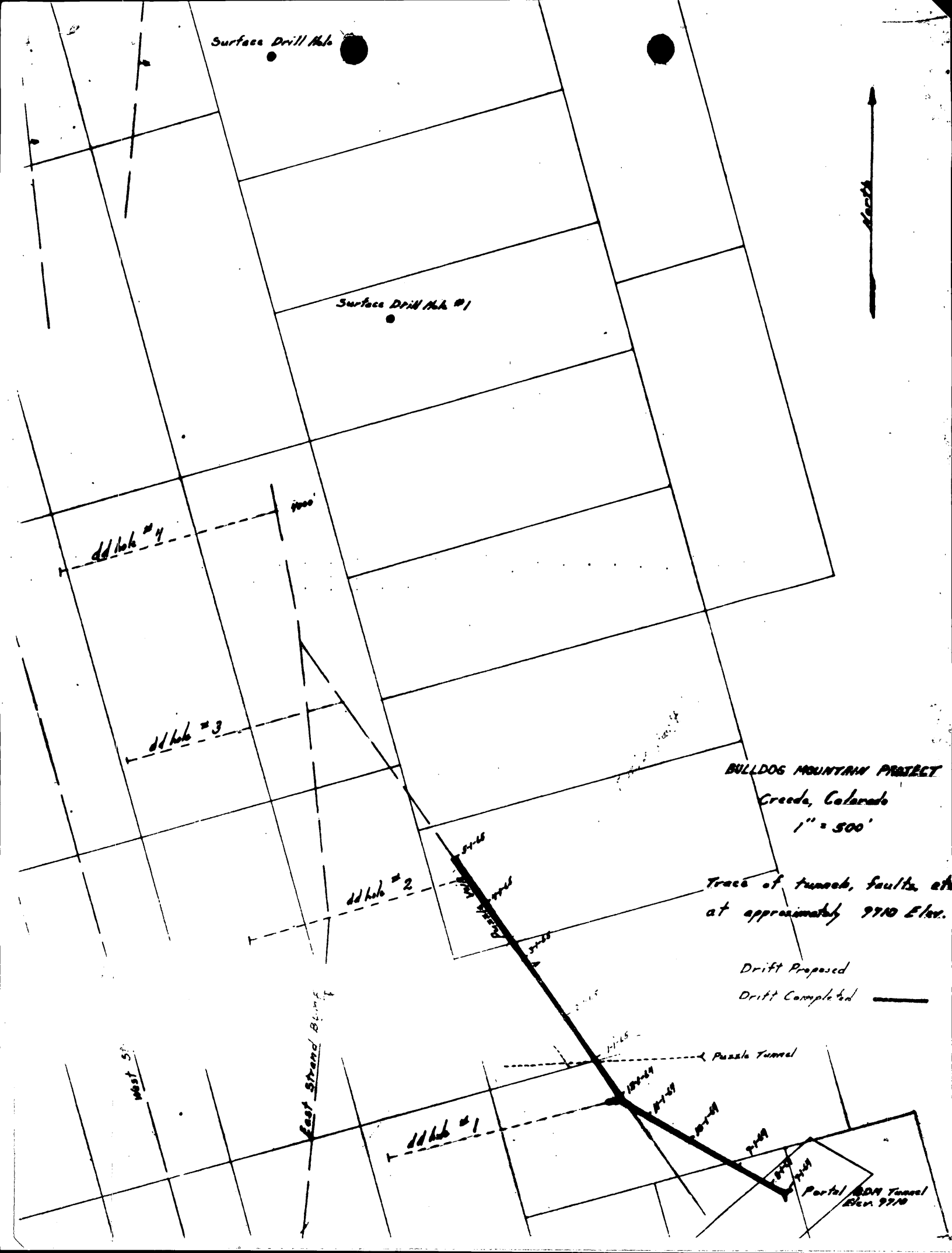
Approval is also requested for the driving of three (3) 21 ft. long drill stations at stated intervals along the drift on the Puzzle structure and from which additional diamond drill holes (1 at each station) will be drilled westerly to again test the area between the Puzzle structure and the east and west strands of the Bulldog Mountain faults.

The attached sketch shows the area of proposed drill stations and drill holes.

Sincerely,

Ted M. Rizzi
Ted M. Rizzi
Geologist in Charge

TMR/sm


Surface Drill Hole
Surface Drill Hole #1
North
1000'
dd hole #4
dd hole #3
dd hole #2
dd hole #1
BULLDOG MOUNTAIN PROJECT
Creede, Colorado
1" = 500'
Trace of tunnel, faults, etc
at approximately 9710 Elev.
Drift Proposed
Drift Completed
Puzzle Tunnel
West St.
East Strand Blvd.
Portal ADIT Tunnel
Elev. 9710

OME
DEPARTMENT OF THE INTERIOR
JUN 3 1965
REGION III
DENVER, COLORADO

June 2, 1965

Mr. Hugh M. Connors
Acting Field Officer - OME
Building 20 - Federal Center
Denver, Colorado 80225

Re: OME 6288
Contract 2165
Bulldog Mountain Project
Mineral County, Colorado

Dear Mr. Connors:

In accordance with paragraph 2, General Provisions, Exploration Contract, Bulldog Mountain, Inc., OME 6288, approval is requested for the drilling of an underground diamond drill hole to the west from the tail drift just beyond the intersection of the exploration crosscut with the Puzzle structure. The proposed drill hole will be approximately 1,000 feet in length and is to be drilled to test the area between the end of the tail drift and the east strand of the Bulldog Mountain fault. It is desireable to test this area since it is a large area of untested ground and the possibility exists of intersecting additional structures within this area.

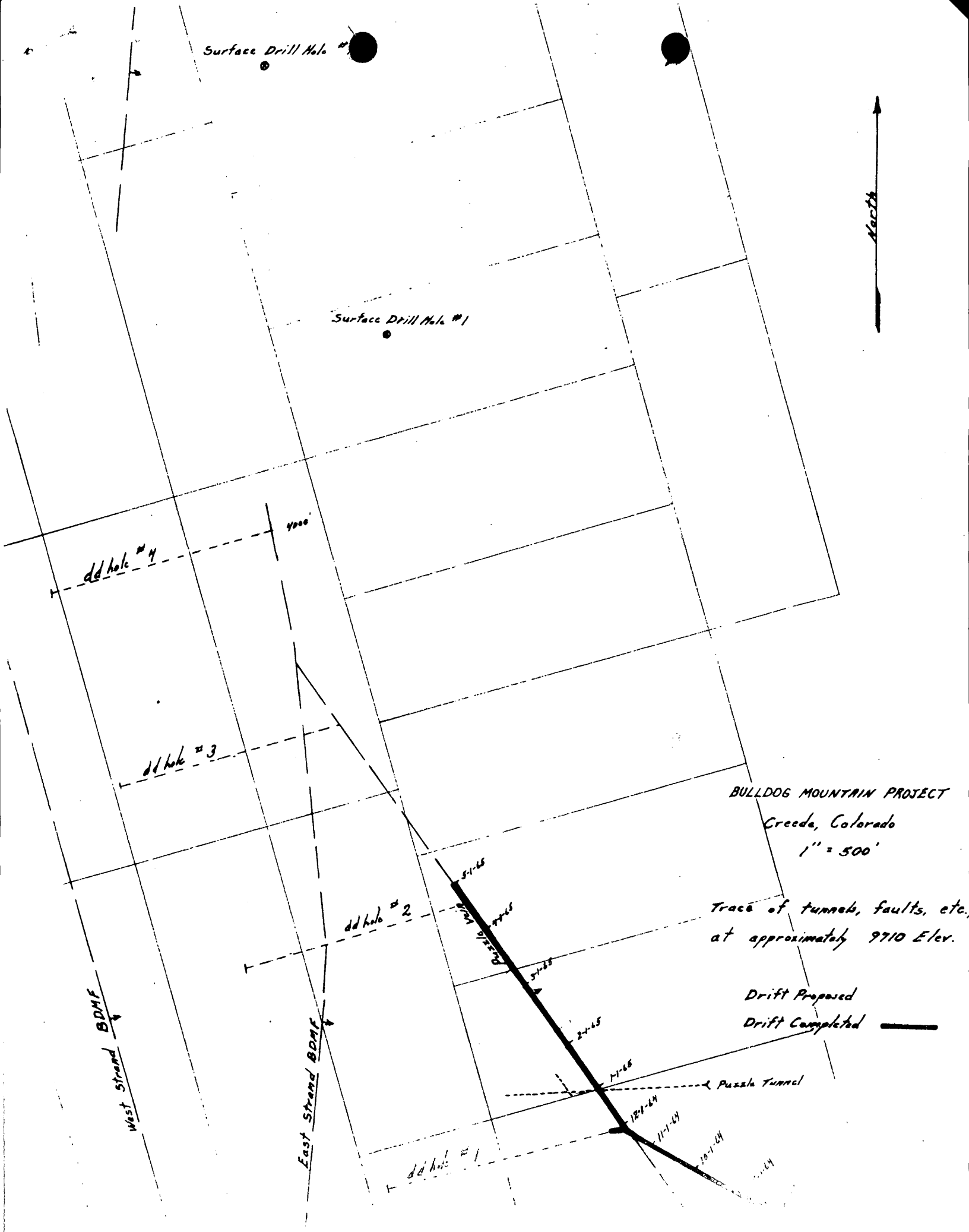
Approval is also requested for the driving of three (3) 21 ft. long drill stations at stated intervals along the drift on the Puzzle structure and from which additional diamond drill holes (1 at each station) will be drilled westerly to again test the area between the Puzzle structure and the east and west strands of the Bulldog Mountain faults.

The attached sketch shows the area of proposed drill stations and drill holes.

Sincerely,

Ted M. Rizzi
Geologist in Charge

TMR/sm


Surface Drill Hole #
Surface Drill Hole #1
North
4000'
dd hole #4
dd hole #3
dd hole #2
dd hole #1
West Strand BDMF
East Strand BDMF
5-1-65
4-1-65
3-1-65
2-1-65
1-1-65
12-1-64
11-1-64
10-1-64
Puzzle Tunnel
BULLDOG MOUNTAIN PROJECT
Creede, Colorado
1" = 500'
Trace of tunnels, faults, etc.
at approximately 9710 Elev.
Drift Proposed
Drift Completed

Bldg. 20, Denver Federal Center
Denver, Colo. 80225

May 27, 1965

Mr. Fred E. Baker, Jr.
Vice President
Bulldog Mountain, Inc.
Monte Vista, Colorado

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 1 1965

INITIALS	CODE
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	~~170~~
	120

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Fred:

I am not sure that I understand your letter of May 24, 1965 when you say, "I would like to know the recommended procedure to follow for OME to declare a discovery on the Creede project."

Article 7 (a) of the contract states:

> "Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished."

Article 5 (c) of the contract states:

> "Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs."

If this information does not answer your question please try me again.

Yours very truly,

ORIGINAL SIGNED BY

Hugh M. Connors
Acting Field Officer, OME
Region III

H.M.C. (5-27-65)
cc: G. C. Selfridge
2166
Chron

B U L L D O G M O U N T A I N I N C.

Secretary-Agent:
Jeanne L. Cox
Box 748
Aspen, Colorado

President:
S. J. Varnhagen
57 Post Street
San Francisco, Californ

May 24, 1965

Hugh Connor.
Office Mineral Exploration.
Denver Federal Center.
Denver, Colorado.

Dear Buck:

I would like to know the recommended procedure to follow for Officegof Mineral Exploration, to declare a discovery on the Creede project.

I have discussed this with Mr. Varnhagen, President of Bulldog Mtn. and we feel it is obvious that a discovery has been made and it would be to the best interest of Bulldog Mtn. Inc.

Sincerely

Fred Baker

Fred Baker

Vice President

Bulldog Mtn. Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20, Denver Federal Center
Denver, Colo. 80225

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 27 1965

May 26, 1965

120 ~~120~~

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Enclosed are the Government's, Fiscal Section's, and Audit's executed Amendment No. 3 to the subject contract.

Hugh M. Connors

Hugh M. Connors

Attachments

HMC (5-26-65)
cc: 2166
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20, Denver Federal Center
Denver, Colo. 80225

May 18, 1965

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: Spacing of ties

120

220

6288

In a recent telephone conversation you asked me to check on the spacing of ties.

On Contract 2166, Bulldog Mountain, 30 lb rail is used and the ties are about 30 inches apart with some regularity.

On Contract 2169, Richmond Hill, 25 lb rail is used and the ties are from 15 inches to 42 inches apart with no regularity. You should see this track; all the joints come opposite each other. There is no staggering of joints in this railroad and needless to say it looks like a drunken snake.

Hugh M. Connors

Hugh M. Connors

H. M. C. (5-18-65)
cc: Chron

Bldg. 20, Denver Federal Center
Denver, Colo. 80225

May 17, 1965

Mr. Ted Rizzi
Room 324
1631 Glenarm St.
Denver, Colo.

OFFICIAL COPY
RECEIVED
MAY 19 1965
INITIALS | CODE
800
120
120

Re: OME-6288
Bulldog Mountain
Mineral County, Colo.
Contract 2166

Dear Ted:

Enclosed are the original and three copies of a proposed Amendment No. 3 to the subject contract, signed by the Acting Director for the Government.

If the proposed amendment is satisfactory to you please have Mr. Baker sign all copies, retain the Operator's copy and return the remaining copies to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Yours very truly,

ORIGINAL SIGNED BY

Hugh M. Connors
Acting Field Officer, OME
Region III

H. M. Connors (5-17-65)
cc: G. C. Selfridge
2166
Chron

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/11	GCS	130
	Filer	800
5/12	Wilson	110
		100
5/13	Cae	220
		120M

MAY 13 1965

AIRMAIL

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In accordance with your memorandum of April 27, 1965, we are enclosing the original and four copies of a proposed Amendment No. 3 to the subject contract, signed by the Acting Director for the Government. An extra copy of the proposed amendment is enclosed for field use.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (5-11-65)
cc to: Director's Reading File
Docket
Review Committee
Mr. Selfridge

23263

DRAFT GCSelfridge
5/7/65

Docket

SOLICITOR
E-65-2057.12a
MAY 10 1965

INTERIOR DEPT.

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 3

It is agreed this _____ day of _____, 1965, between the United States of America, acting through the Department of Interior, Office of Minerals Exploration, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended effective March 1, 1965, as follows:

1. In Exhibit A under Description of the Work the second paragraph is deleted and the following substituted therefor:

From a point near the northwest corner of the Grover Cleveland claim, a crosscut shall be driven westerly to intersect the Puzzle vein, and thereafter, a drift shall be driven on or if ground conditions necessitate along side of such vein in a northwesterly direction to intersect the east strand of the Bulldog Mountain fault. Thereafter, the drift shall be continued northerly in the same manner along this east fault strand.

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as maximum, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of Minerals Exploration

BULLDOG MOUNTAIN, INC.

By _____

Title _____

5/4/65

Mr. Selfridge -

Why is amendment necessary? Operator was drifting in fault strand and now asks authority to drift along fault strand, which is according to contract. Along - - to me means in fault strand or along one side of it.

FEJohnson

5/4/65

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Bldg. 20, Denver Federal Center
Denver, Colo. 80225

AIR MAIL

April 27, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
APR 29 1965

INITIALS	CODE
LEF	800
	120
	120

Memorandum

To: Chief, Division of Exploration Operations

From: Acting Field Officer, Region III

Subject: OME 6288
Contract 2166
Bulldog Mountain Project
Mineral County, Colorado

Attached is the Operator's request for an Amendment to the subject contract.

I recommend that an amendment be prepared in accordance with the Operator's request as I am holding his March voucher.

Hugh M. Connors

Hugh M. Connors

Attachment

H. M. Connors (4-27-65)

cc: 2166
Chron

April 19, 1965

Mr. Hugh M. Connors
Acting Field Officer - OME
Building 20 - Federal Center
Denver, Colorado 80225

Re: OME 6288
Contract 2166
Bulldog Mountain Project
Mineral County, Colorado

Dear Mr. Connors:

As noted in the narrative section of the monthly report for the month of March, 1965, the drift being driven in the Puzzle structure had to be stopped because of encountering a loosely cemented, highly crushed zone, and an offset drift parallel to the structure started in order to go around this zone. This was necessary since the material within the unconsolidated zone continued to fall into the drift and the drift had widened into a zone some ten to twelve feet wide with the back some thirty-five to forty feet high and still caving.

In order to cover the present situation of having to offset the vein because of a difficult and dangerous drifting situation, and to cover similar situations should they occur in the future, it is requested that an amendment to the subject contract as provided for in paragraph 2, page 3, "Description of Work", be made so that the last sentence of the paragraph read as follows: "Thereafter the drift shall be continued northerly in or along this east fault strand."

Sincerely,

Fred E. Baker

Fred E. Baker, Vice Pres.
Bulldog Mountain, Inc.

Bldg. 20, Denver Federal Center
Denver, Colo. 80225

OFFICIAL COPY
O. M. E.
RECEIVED
APR 16 1965

INITIALS	CODE
GES	800
	120
	120

April 14, 1965

Mr. Ted Rizzi
Room 324
1631 Glenarm St.
Denver, Colo.

Re: OME-6288
Bulldog Mountain
Mineral County, Colo.
Contract 2166

Dear Ted:

Your request for an Amendment to the subject contract should provide for a change in the second paragraph on page 3, under Description of the Work. The last sentence in that paragraph should read, "Thereafter the drift shall be continued northerly in or along this east fault strand."

The justification for the Amendment is well explained in the third and fourth paragraphs of your March Operator's Progress Report. Your request for the Amendment should include that information.

Yours very truly,

ORIGINAL SIGNED BY
Hugh M. Connors
Acting Field Officer, OME
Region III

H. M. Connors 4-14-65
cc: G. C. Selfridge
2166
Chron

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/12	GCS	120
"	[illegible]	110
"	[illegible]	100
"	[illegible]	220
		120M

APR 13 1965

President's Committee on Equal
Employment Opportunity
Washington, D. C. 20210

Re: Office of Minerals Exploration
Contracts - Equal Employment Opportunity

Gentlemen:

Enclosed for your information and files is a copy each of Standard Form 41 - Compliance Report - Construction relating to the following OME contracts, Part I executed by the prime contractor, and Parts II and III executed by either the prime contractor or the contractor:

Docket	Contract	Operator
✓OME-6288	2166	Bulldog Mountain, Inc.
OME-6289	2169	Richmond Hill Exploration Company, Inc.
OME-6308	2182	Ruby Silver Mines, Inc.
OME-6350	2195	Cortez Joint Venture
OME-6356	2194	Sonoma International, Inc.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge
Compliance Officer, OME
Code 183 5372

Enclosures

GCSelfridge/gla (4-12-65)
cc to: Director's Reading File
5 dockets✓
Mr. Selfridge (6)
Region I (OME-6308)
Region II (OME-6350, OME-6356)
Region III (OME-6288 w/1 cy each Parts I&II; OME-6289 w/1cy Part I)

23263

STANDARD FORM 41
(PART 1)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-102

COMPLIANCE REPORT —CONSTRUCTION

(Construction, Alteration and Repair Contracts)

NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT. — Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN TRIPLICATE TO

CONTRACTING AGENCY	ADDRESS
Department of the Interior	Washington, D. C. 20240
Office of Minerals Exploration	Washington, D. C. 20240
Care Acting Field Officer, OME Region III,	Building 20 Federal Center, Denver, Colorado 20225

Part I. — COMPANY-WIDE POLICIES AND EMPLOYMENT DATA

Section A. — CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS *(Check one block only to indicate your status for the project covered by this report)* ☒ a. PRIME CONTRACTOR ☐ b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco, California 94104		
3. NAME AND ADDRESS OF PRINCIPAL OFFICE OF THE COMPANY Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco, California 94104		
4. NAME AND ADDRESS OF PARENT COMPANY IF AN AFFILIATED COMPANY		

5. PROJECT NAME, LOCATION, AND CONTRACT NO.

Bulldog Mountain Fault, Mineral County, Colorado - Contract #2166

6. PRIME CONTRACTOR'S NAME AND ADDRESS *(Complete only when block 1b above is checked)*

Section B. — PREVIOUS COMPLIANCE REPORT CROSS REFERENCE (See Instructions 4a and 4d)

7. Have you filed a completed Part I of this report in connection with any other contract or subcontract during the current reporting period? ☐ YES ☒ NO

7a. If "Yes," give the following and then complete only item 18 on reverse.

(1) NAME AND ADDRESS OF CONTRACTING AGENCY WITH WHOM FILED	(2) PROJECT NAME AND LOCATION	
	(3) CONTRACT NO.	(4) DATE FILED

7b. If "No," complete the balance of Part I.

Section C. — COMPANY EMPLOYMENT POLICY

	YES	NO
8. Have you established a company-wide employment policy to assure that equal employment opportunity is given to all persons without regard to race, creed, color, or national origin?	X	
9. Have you communicated such policy in writing to all departments, offices, and facilities? *(If communicated by other means, explain.)*	X	
10. Have you assigned responsibility and put into effect procedures to assure that company-wide employment policy is understood and implemented by managerial, administrative, and supervisory personnel?	X	
11. If you sponsor or finance educational or training programs for the benefit of any employees, or prospective employees, are all such persons given the opportunity to participate without regard to race, creed, color, or national origin?		

(Continue on reverse)

Section D. — RECRUITMENT AND ADVERTISEMENT	YES	NO
12. Have all of the company's recruitment sources (other than unions) been notified that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin?	X	
12a. Has this been done in writing?	X	
13. Has each such recruitment source advised the company that it will refer all qualified applicants for employment to the company without regard to race, creed, color, or national origin?	X	
14. If the company recruits employees through advertising, does such advertising make clear that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin?		

Section E. — COMPANY EMPLOYMENT DATA SUMMARY

This section pertains ONLY to employment at the employer's principal office and branch establishments and employment data furnished should include ALL employees at such office and establishments.

15. EMPLOYMENT BY WORK CLASSIFICATIONS, RACE, AND SEX
(For pay period nearest 15th of month preceding that in which this report is due.)

WORK CLASSIFICATIONS (See Instruction 3)	TOTAL ALL EMPLOYEES	MALE EMPLOYEES				FEMALE EMPLOYEES			
		TOTAL MALES	MINORITY GROUPS (See Inst. 7)			TOTAL FEMALES	MINORITY GROUPS (See Inst. 7)		
			NEGRO	OTHER ____	OTHER ____		NEGRO	OTHER ____	OTHER ____
OFFICIALS AND MANAGERS									
PROFESSIONAL									
TECHNICAL									
OFFICE AND CLERICAL									
SALES WORKERS									
JOURNEYMEN AND MECHANICS									
APPRENTICES									
LABORERS									
SERVICE WORKERS									
TOTALS									

16. EMPLOYMENT STATISTICS WERE OBTAINED FROM WHICH SOURCE: ☐ RECORDS (If available) ☐ VISUAL CHECK ☐ OTHER (Specify) _____

17. REMARKS

Bulldog Mountain, Inc. has no employees. We have a project manager Mr. M.W.Cox who receives no salary. We have one sub-contractor, Mr. Fred Baker, Jr. who also has no employees.

We have been assigned no "employer identification number" because we have had no reason to submit payroll withholding tax reports.

18. DATE	SIGNATURE AND TITLE	ADDRESS
March 11, 1965	[signature], President	Room 511, 57 Post Street San Francisco 4, California

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001)

STANDARD FORM 41
(PART II)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-202

COMPLIANCE REPORT—CONSTRUCTION
(Construction, Alteration and Repair Contracts)
NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT.—Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN TRIPLICATE TO

CONTRACTING AGENCY	ADDRESS
Department of the Interior	Washington, D. C. 20240
Office of Minerals Exploration	Washington, D. C. 20240
Care Acting Field Officer, OME Region III,	Building 20 Federal Center, Denver, Colorado 20225

Part II.—EMPLOYMENT CONDITIONS AT THE PROJECT SITE

Section A.—CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS (Check one block only to indicate your status for the project covered by this report) ☐ a. PRIME CONTRACTOR ☒ b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Homestake Mining Company P. O. Box 6 Creede, Colorado	?	

3. PROJECT NAME, LOCATION, AND CONTRACT NO.
Bulldog Mountain Project
Creede, Colorado
Contract No. 2166

4. PRIME CONTRACTOR'S NAME AND ADDRESS (Complete only when block 1b above is checked)
Bulldog Mountain, Inc.
57 Post Street - Rm. 511
San Francisco, California

Section B.—ORGANIZATIONS OF WORKERS	YES	NO
5. Has a collective bargaining agreement or other contract or understanding been made with a labor union (or unions) which covers the performance of any work on this project?		X
6. Has the notice (Standard Form 38) advising the union of the company's obligations under the nondiscrimination provisions of Government contracts been sent to each such union by you or your trade representative?		
7. Has each such union notified you or your trade representative that its policies and practices are consistent with the nondiscrimination provisions?		

8. If "No," identify such union(s) and describe efforts made to obtain such information.
(Employment has been made from local persons rustling jobs; the closest union headquarters is roughly 250 miles from job location at Creede, Colorado.)

9. Are any workers for the project covered by this report being recruited through union locals?		X

10. If "Yes," identify such unions and indicate those unions with which you have collective bargaining agreements or other understandings involving the use of hiring halls.

Section C.—APPRENTICESHIP TRAINING	YES	NO
11. Do you employ or intend to employ apprentices on this project?		X
12. If "Yes," are applicants for such employment employed without regard to race, creed, color, or national origin?		
13. Is your apprenticeship program registered with a State Apprenticeship Agency or the Bureau of Apprenticeship and Training, U.S. Department of Labor?		
14. Does your apprenticeship program contain an equal employment opportunity provision?		

Section D.—RECRUITMENT SOURCES		U.S. EMPL. SERV.	STATE EMPL. SERV.	DIRECT HIRING	UNION	OTHER
15. CHECK PRINCIPAL SOURCES FOR:	a. CONSTRUCTION WORKERS			Persons		
	b. OTHER WORKERS			Rustling Jobs		

Section E.—SUBCONTRACTS	YES	NO
16. Have you awarded any subcontracts for work covered by your contract or subcontract for this project?		X
17. Has the nondiscrimination clause been included in all of your subcontracts subject to Executive Order 10925?		
18. Have all such subcontractors covered by these reporting requirements been instructed to file compliance reports and been furnished with report forms and instructions?		

(Continue on reverse)

Section F.—GENERAL

19. (Optional.) Describe briefly any actions other than those referred to in this report that have been taken which affect this project to assure that equal employment opportunity is given to all employees and applicants for employment without regard to race, creed, color, or national origin. Use this page if additional space is needed to fully answer the foregoing questions.

20. DATE	SIGNATURE AND TITLE	ADDRESS
March 22, 1965	Theo. M. Rizzi Theo. M. Rizzi - Geologist	1631 Glenarm Place Denver, Colorado 80202

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001)

☆ U.S. GPO: 1963—O—653281

STANDARD FORM 41
(PART III)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-301

COMPLIANCE REPORT—CONSTRUCTION

(Construction, Alteration and Repair Contracts)

NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT.—Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN DUPLICATE TO

CONTRACTING AGENCY	ADDRESS
Department of the Interior	Washington, D. C. 20240
Office of Minerals Exploration	Washington, D. C. 20240
Care Acting Field Officer, OME Region III,	Building 20 Federal Center, Denver, Colorado 20225

Part III.—EMPLOYMENT DATA SUMMARY AT THE PROJECT SITE

Section A.—CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS (*Check one block only to indicate your status for the project covered by this report.*) ☐ a. PRIME CONTRACTOR ☒ b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Homestake Mining Company P. O. Box 6 Creede, Colorado	?	

3. PROJECT NAME, LOCATION, AND CONTRACT NO.
Bulldog Mountain Project
Creede, Colorado
Contract No. 2166

4. CONSTRUCTION DATES (Estimated or Actual)

a. STARTING	b. COMPLETION
~~6~~-1-~~64~~ 7	12-1-65 5-1-66

5. PRIME CONTRACTOR'S NAME AND ADDRESS (*Complete only when block 1b above is checked*)
Bulldog Mountain, Inc.
57 Post Street - Rm. 511
San Francisco, California

6. CONTRACTOR'S SCOPE OF WORK (*Major activity*) UNDER CONTRACT AT THIS PROJECT
Driving Exploration Drift

CODE (Leave blank)

Section B.—CURRENT EMPLOYMENT AT THE PROJECT SITE

7. BY RACE AND WORK CLASSIFICATIONS		TOTAL EMPLOYEES	MINORITY GROUPS (See Instruction 7) TOTAL NEGRO	TOTAL OTHER	TOTAL OTHER	CODE (Leave blank)
OTHER EMPLOYEES (See Instructions 2h & 3)	SUPERVISORS	1				
	PROFESSIONAL	1				
	TECHNICAL					
	OFFICE AND CLERICAL					
	SERVICE WORKERS					
CONSTRUCTION WORKERS (See Instruction 2g)	FOREMEN*					
	JOURNEYMEN AND MECHANICS*	6				
	HELPERS*	1				
	APPRENTICES*					
	LABORERS					
	GRAND TOTALS	9				

If more than one trade is employed, separately tabulate each trade in item 8 on the reverse.

(Continue on reverse)

8. CONSTRUCTION WORKERS BY RACE AND TRADE (*Excluding Laborers*)

WORK CLASSIFICATIONS (Tabulate each trade separately and specify the applicable trade in each case)		TOTAL EMPLOYEES	MINORITY GROUPS (See Inst. 7)			CODE (Leave blank)
TRADE	LEVEL		TOTAL NEGRO	TOTAL OTHER _____	TOTAL OTHER _____	
a. Mechanic	FOREMEN					
	JOURNEYMEN & MECHANICS	1				
	HELPERS					
	APPRENTICES					
b. Miners	FOREMEN					
	JOURNEYMEN & MECHANICS	4				
	HELPERS	1				
	APPRENTICES					
c. Timberman	FOREMEN					
	JOURNEYMEN & MECHANICS	1				
	HELPERS					
	APPRENTICES					
d.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
e.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
f.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
g.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
h.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
i.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
j.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					

9. DOES THE EMPLOYMENT REPORTED ABOVE REPRESENT PEAK EMPLOYMENT? [X] YES [ ] NO

10. IF "NO," GIVE THE ACTUAL DATE PEAK EMPLOYMENT WAS REACHED OR THE ESTIMATED DATE PEAK EMPLOYMENT WILL BE REACHED.

a. ACT. DATE

b. EST. DATE

11. MINORITY GROUP EMPLOYMENT STATISTICS WERE OBTAINED FROM WHICH SOURCE: [ ] RECORDS (*If available*) [ ] VISUAL CHECK [ ] OTHER (*Specify*) See Below

12. GIVE CLOSING DATE OF PAYROLL PERIOD ENDING NEAREST THE 15TH OF THE MONTH IN WHICH THIS REPORT IS DUE: March 31 1965

13. REMARKS

No employment statistics are kept as to race, creed, or color so no data is available as to minority groups

14. DATE: March 22, 1965

SIGNATURE AND TITLE: Theo. M. Rizzi Geologist

ADDRESS: 1631 Glenarm Place Denver, Colorado 80202

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001))

(Revised)
il 1955)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REFERENCE SLIP

Route to:	Name	Room
1.	G. C. Selfridge	
2.		
3.		
4.		
5.		

For:

..... Action	..... Record of .....
..... Approval	..... Referring to .....
..... Comment	..... Reply for signature of .....
..... Conference	..... Rewriting
..... Consideration	..... See or call me
..... Filing	..... Signature
..... Initials	..... Suggestions
..... Instructions	..... Surname
..... Investigation	X Your information
..... Mailing	
..... Note and return	
..... Previous correspondence	
..... Recommendation	

Bulldog Mtn. Contract 2166

Remarks: I told the Operator if he would submit his costs with a request for an amendment to allow this type of timbering where no posts are used I would recommend it, as it is OK on this contract in drifting. The Operator has not seen fit to request the amendment so he has not been paid or even requested payment.

From (Name) Hugh M. Conora

Division—Office—Address

Date

Ext:

Room:

☆ U. S. GOVERNMENT PRINTING OFFICE : 1957—O-416832

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Area V

Office of
Area Director

224 New Customhouse
Denver, Colorado 80202

March 26, 1965

Memorandum

To: H. M. Connors, Acting Field Officer, OME, Region III

From: Area Director, Area V Mineral Resource Office

Subject: Photographs

Attached is a set of photographs covering our recent trip to Creede. None of these has been run through a ferrotype process. If you want them to look a little more shiny have the Bureau photographer ferrotype them.

Bob
Robert W. Geehan

Attachment

G.C. Selfridge

OFFICIAL
COPY
O. M. E.
RECEIVED
MAR 31 1965
INITIALS CODE
120 M
120
150
100

B U L L D O G M O U N T A I N I N C.

Secretary-Agent:
Jeanne L. Cox
Box 748
Aspen, Colorado

President:
S. J. Varnhagen
57 Post Street
San Francisco, California

OFFICIAL COPY
O. M. E.
MAR 23 1965
INITIALS CODE
120

March 23, 1965

Mr. Hugh M. Connors, Acting Field Officer
OME, Region III
Building 20, Federal Center
Denver, Colorado 80225

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Sir:

OME
DEPARTMENT OF THE INTERIOR
MAR 24 1965
REGION III
DENVER, COLORADO

Enclosed herewith are Parts I, II, and III of Standard Form 41, Compliance Report - Construction. Part I has been filled out by our company as prime contractor, and Parts II and III filled out by Homestake Mining Company, the sub-contractor.

Sincerely,

S. J. Varnhagen

S. J. Varnhagen, President

SJV:jmj
enclosures

cc: T. Rizzi, Homestake

G.C. Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20, Denver Federal Center
Denver, Colo. 80225

March 15, 1965

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 31 1965

INITIALS	CODE
	120
7 MM	120M

1. The number of all employees. 9
2. The number of women employees. 0
3. The number of Negro employees 0
4. The number of other minority groups, i.e., Indian, Oriental, Latin 0
5. Was employment through a union? No.
6. Distance to the closest union headquarters. 100 miles.
7. Are the discrimination posters prominently displayed? Yes.
8. If employment was through a union, was the union furnished Standard Form 38?
9. If employment was not through a union, in what manner was employment made? Rustlers - applicants seeking jobs
10. The acts of intimidation matter has been discussed with John Kellogg, Manager for the subject Operator.

Hugh M. Connors

Hugh M. Connors

H. M. Connors (3-15-65)
cc: 2166
Chron

This replaces former report. Change in item 10

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20, Denver Federal Center
Denver, Colo. 80225

March 15, 1965

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 22 1965

INITIALS	CODE
FMM	120
	120

1. The number of all employees. 9
2. The number of women employees. 0
3. The number of Negro employees. 0
4. The number of other minority groups, i.e., Indian, Oriental, Latin. 0
5. Was employment through a union. no
6. Distance to the closest union headquarters. 100 miles
7. Are the discrimination posters prominently displayed. yes
8. If employment was through a union, was the union furnished standard form 38.
9. If employment was not through a union, in what manner was employment made. Rustlers - applicants seeking jobs
10. The acts of intimidation matter has been discussed with the Operator. yes

Hugh M. Connors
Hugh M. Connors

cc: 2166
Chron

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/9	GCS	120
3/9	Johnson	110
		100
3/9	Cal	220
		120M

AIRMAIL MAR 9 1965

Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California

Re: CME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Enclosed are Parts I, II, and III of Standard Form 41, Compliance Report - Construction, which is to be submitted by March 31 of each year as you were informed in our letter of March 6, 1964. Will you please have each part executed in duplicate, Part I by your company, and Parts II and III by the independent contractor, Homestake Mining Company. These should be returned through the Acting Field Officer as indicated.

The current completion date of your contract is now May 6, 1966, in accordance with Amendment No. 2 to the contract.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge,
Compliance Officer

Enclosures

GCSelfridge/gla (3-9-65)
cc to: Director's Reading File
Docket
Region III
Mr. Selfridge (2)

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

February 19, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 1 1965
INITIALS CO. E
ama 800
120
120

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

This responds to your memorandum of January 26, 1965 on the subject contract.

The vouchers have been returned to the Operator for minor corrections, however, I believe the 125 feet of crosscut through and beyond what we later determined was the true Puzzle structure was necessary to be certain that we had found the Puzzle structure. We passed through several structures that we could have turned on. As I see it, we had to be sure and it was good insurance. It must be remembered that we are exploring a new area.

When the corrected vouchers are returned to me I will again recommend payment of the 125 feet of crosscut because I believe it is right.

Will you please help me on all vouchers where a disallowance is made by forcing the agency making the disallowance to send me a copy so I can keep my records straight.

I understand that Kellogg had a disallowance but I was not advised by a copy of the disallowance.

Hugh M. Connors

Hugh M. Connors

cc: 2166
Chron

orm 7
S))

OFFICIAL FILE COPY

Date	Surname	Code
	G	130
1/26	Johnson	110
1	G	100
1/26	Cole	220
1		120 m

JAN 26 1965

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Enclosed are the three copies of the subject Operator's November voucher which were questioned by Fiscal and referred to us for comment.

The first paragraph of Exhibit A and the second paragraph under Description of the Work state that a crosscut shall be driven to intersect the Puzzle vein and thereafter drift along it. The second paragraph under General Provisions stipulates that the location, direction, and extent of each work item shall be subject to prior Government approval. Therefore, the driving of 125 feet of crosscut beyond the Puzzle structure is questioned.

The sheet showing the details of the diamond drilling is not signed or certified by the drilling contractor in support of the voucher. As we have no auditor at present and as a matter of record, the drilling of 235 feet of NX core beyond the 500-foot mark is acceptable as it was charged at the rate of BX core, a smaller core.

On the same sheet mobilization at half the charge is given as $400. The contract provides only $600 for this item and, therefore, the figure should be $300.

Will you please have the necessary corrections made as outlined above and/or submit your comments thereto.

George C. Selfridge (gla)

Enclosures

GCSelfridge/mm (1/25/65)
cc: Director's Reading File
Review Committee
Docket
Mr. Selfridge
CA&A Division
Fiscal Section

23263

Dec. I, I964
Monte [illegible]stam Colo.

OME#6288
Bulldog Mtn, Inc.
Mineral County, Colo.
Contract 2I66

Frank Johnson.
Office of Mineral Exploration.
Washington, D.C.

Dear Mr. Johnson:

On referance to your letter of November 27, I964 regarding OME -6288, Bulldog Mtn. Inc. Contract 2I66.

Bulldog Mtn. Inc. in the property subject to the above OME contract has not encumbered this property in any way now assigned any of its OME contract.

Fred E. Baker Jr.
Fred Baker Jr
Vice President
Bulldog Mtn. Inc.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 8 1964

DATE	INITIALS	COL
12/8	EEB	800
12/10	[illegible]	120
		120

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/25	Selfridge	120
11/27	Murphy	120M
"	Johnson	110
"	file	220
		120M

NOV 27 1964

Mr. Fred E. Baker, Jr.
Vice President
Bulldog Mountain, Inc.
Monte Vista, Colorado

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Baker:

Reference is made to your telephone conversation with Mr. Connors on November 13, 1964, and your letter of November 14 relating thereto.

While your letter definitely sets forth that the OME contract has not been assigned either wholly or in part to anyone, it does not mention that none of the rights of Bulldog Mountain, Inc., in the property subject to the contract have not been encumbered in any way. May we have your statement relating to the rights of the land in the contract at present.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

GCSelfridge/gla (11-25-64)
cc to: Director's Reading File
Docket
Region III
Mr. Selfridge

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

November 18, 1964

Memorandum

To: George C. Selfridge, Chief
Division of Exploration Operations
Washington, D. C. 20240

From: Acting Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

I telephoned Fred Baker November 13, 1964 and he assured me that there had been no assignment of any rights either to the subject contract or to the land contained therein.

I asked him to confirm this in writing. His letter, copy of which is attached, doesn't quite say what he told me on the phone.

Will you please advise if this is acceptable.

Hugh M. Connors

Hugh M. Connors

P.S. Baker said that last Thursday they hit the vein and it was 6 feet wide and looked "wonderful." No assay results were in.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 23 1964

DATE	INITIALS	CODE
11/23	GEF	500
		~~120~~
11/27	FMM	120 m
		110
		100

Ame

November I4, I964
Monte Vista, Colo.

Hugh Connors.
Office of Mineral Exploration
Denver Federal Center
Denver, Colo.

OME
DEPARTMENT OF THE INTERIOR
1964
REGION III
DENVER, COLORADO

Dear Mr. Connors:

I am writing in regards to our telephone conversation on November I3th I964.

Bulldog Mtn Inc. has not assigned it's OME loan over to anyone and if you will return the papers in queution, I will see that they are properly signed and returned to your office Immediately.

?

Interest in property ?

Sincerely

Fred E. Baker Jr.
Fred E. Baker Jr.
Vice President
Bulldog Mtn. Inc.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/6	GCS	130
11/9	Johnson	110
11/9	[illegible]	100
11/9	cal	220
		120M

NOV 9 - 1964

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In reference to your memorandum of November 3, 1964, I believe it best that the matter be taken up as soon as possible with Mr. Baker as he is vice president of Bulldog Mountain, Inc., and it is their responsibility.

The reference to the correspondence mentioned in the first two paragraphs of my memorandum of October 29, 1964, was made solely for background information for both you and me as the letter and the memorandum were written during my absence last year. It was not made as any reflection on you.

George C. Selfridge gla

GCSelfridge/gla (11-6-64)
cc to: Director's Reading File
Docket
Review Committee
Mr. Selfridge

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 5 1964

DATE	INITIALS	CODE
11/5	BEF	800
		120
		120

November 3, 1964

Memorandum

To: G. C. Selfridge, Chief
Division of Exploration Operations

From: Acting Field Officer, Region III

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

This responds to your memo of October 29, 1964 on the subject contract.

I visited this property last Tuesday and it is the prize operation in all of Region III. I am satisfied that Homestake is behind the scenes in some way.

The drilling contractor is supposed to get started this month and I was informed that Fred E. Baker is to ramrod the drilling. I understand that Fred Baker has been in Aspen with Bill Cox rehabilitating the Smuggler adit. Neither of them was in Aspen last Thursday and Friday when I was there.

I will make every effort to contact Baker and advise you.

Do you want me to ask Rizzi, whose office is in Denver, if Homestake has been assigned any rights in the subject contract or the land contained therein?

I do not want this contract to continue if any blame is to fall on me for any violation over which I have no control, as indicated in the first and second paragraphs of your memorandum dated October 29, 1964.

Hugh M. Connors

Hugh M. Connors

cc: 2166
Chron

Form 7
(3)

OFFICIAL FILE COPY

Date	Surname	Code
10/30	GCS	120
11/2	Johnson	110
11/2	[illegible]	100
11/2	Coe	220
		120N

NOV 2 1964

President's Committee on Equal
Employment Opportunity
Washington, D. C. 20210

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Enclosed for your information and files is a copy of Part III of Standard Form 41, Compliance Report - Construction, executed by Homestake Mining Company which is doing work under the subject contract for Bulldog Mountain, Inc., of San Francisco, California. Part I of Standard Form 41, completed by the prime contractor, was transmitted to you on April 3, 1964.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge
Compliance Officer, OME
Code 183 5372

Enclosure

GCSelfridge/gla (10-30-64)
cc to: Director's Reading File
Docket✓
Region III
Mr. Selfridge

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/28	GCS	130
10/29	Murphy	120M
	Fisher	800
10/28	Simon	110
10/		100
10/29	CAC	220
		120M

OCT 29 1964

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Exploration Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In a memorandum dated August 13, 1963, from Mr. Griswold, you were informed that we had received a letter from McCarty and Wheatley, a law firm of this city, with a proposed lease and option agreement between Bulldog and Homestake. It is completely unacceptable to us, et cetera.

In a footnote to a letter of August 20, 1963, from Mr. Fumich to Mr. Charles F. Wheatley, Jr., you were informed that the proposed lease was unacceptable because the Operator did not retain control of the property, et cetera.

On March 10, 1964, the subject Operator returned Part I of Standard Form 41, Compliance Report, indicating that the name and address of the contractor submitting the report was Bulldog Mountain, Inc. No form was sent to the Operator for the second quarter.

Part III of Standard Form 41, sent to the Operator on September 21, 1964, was returned, dated October 12, 1964, and was signed by Theo. M. Rizzi, Geologist, 1631 Glenarm Place, Denver, Colorado, 80202. The form had been completed as by a subcontractor and the name Homestake Mining Company, P. O. Box 6, Creede, Colorado, had been inserted. It now appears that the Homestake Mining Company is doing the actual exploration work and Bulldog Mountain, Inc., is submitting the vouchers.

Whenever the property is again visited and Mr. Fred E. Baker can be interviewed, will you please ascertain if there has been an assignment of any rights either to the subject contract or to the land contained therein so that we may determine whether or not the contract is in default. It would be interesting to know what other work arrangement had been made as was mentioned in the footnote of the August 20, 1963, letter to Mr. Wheatley.

GCSelfridge/gla (10-28-64)
cc to: Director's Reading File
Docket
Review Committee
Mr. Selfridge

George C. Selfridge (gla)

23263

STANDARD FORM 41
(PART III)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60

41-301

COMPLIANCE REPORT—CONSTRUCTION

(Construction, Alteration and Repair Contracts)

NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT.—Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN DUPLICATE TO

CONTRACTING AGENCY	ADDRESS
Department of the Interior	Washington, D. C. 20240
Office of Minerals Exploration	Washington, D. C. 20240
Care Acting Field Officer, OME Region III,	Building 20 Federal Center, Denver, Colorado, 20225

Part III.—EMPLOYMENT DATA SUMMARY AT THE PROJECT SITE

Section A.—CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS (*Check one block only to indicate your status for the project covered by this report.*) ☐ a. PRIME CONTRACTOR ☒ b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Homestake Mining Company P. O. Box 6 Creede, Colorado		
3. PROJECT NAME, LOCATION, AND CONTRACT NO. Bulldog Mountain Project Creede, Colorado Contract #2166	4. CONSTRUCTION DATES (Estimated or Actual) a. STARTING 6-1-64	b. COMPLETION 9-1-65

5. PRIME CONTRACTOR'S NAME AND ADDRESS (*Complete only when block 1b above is checked*)

Bulldog Mountain, Inc.
Room 511, 57 Post Street, San Francisco, California

6. CONTRACTOR'S SCOPE OF WORK (*Major activity*) UNDER CONTRACT AT THIS PROJECT	CODE (Leave blank)
Driving of Exploration Drift	

Section B.—CURRENT EMPLOYMENT AT THE PROJECT SITE

7. BY RACE AND WORK CLASSIFICATIONS		TOTAL EMPLOYEES	MINORITY GROUPS (See Instruction 7) TOTAL NEGRO	TOTAL OTHER _____	TOTAL OTHER _____	CODE (Leave blank)
OTHER EMPLOYEES (See Instructions 2h & 3)	SUPERVISORS	1				
	PROFESSIONAL	1				
	TECHNICAL					
	OFFICE AND CLERICAL					
	SERVICE WORKERS					
CONSTRUCTION WORKERS (See Instruction 2g)	FOREMEN*					
	JOURNEYMEN AND MECHANICS*	5				
	HELPERS*	1				
	APPRENTICES*					
	LABORERS					
GRAND TOTALS		8				

**If more than one trade is employed, separately tabulate each trade in item 8 on the reverse.*

(Continue on reverse)

8. CONSTRUCTION WORKERS BY RACE AND TRADE (*Excluding Laborers*)

WORK CLASSIFICATIONS (Tabulate each trade separately and specify the applicable trade in each case)		TOTAL EMPLOYEES	MINORITY GROUPS (See Inst. 7)			CODE (Leave blank)
TRADE	LEVEL		TOTAL NEGRO	TOTAL OTHER _____	TOTAL OTHER _____	
a. Mechanics	FOREMEN					
	JOURNEYMEN & MECHANICS	1				
	HELPERS					
	APPRENTICES					
b. Miners	FOREMEN					
	JOURNEYMEN & MECHANICS	4				
	HELPERS	1				
	APPRENTICES					
c.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
d.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
e.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
f.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
g.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
h.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
i.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
j.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					

9. DOES THE EMPLOYMENT REPORTED ABOVE REPRESENT PEAK EMPLOYMENT? [X] YES [ ] NO

10. IF "NO," GIVE THE ACTUAL DATE PEAK EMPLOYMENT WAS REACHED OR THE ESTIMATED DATE PEAK EMPLOYMENT WILL BE REACHED.

a. ACT. DATE

b. EST. DATE

11. MINORITY GROUP EMPLOYMENT STATISTICS WERE OBTAINED FROM WHICH SOURCE: [ ] RECORDS (*If available*) [ ] VISUAL CHECK [X] OTHER (*Specify*) See Below

12. GIVE CLOSING DATE OF PAYROLL PERIOD ENDING NEAREST THE 15TH OF THE MONTH IN WHICH THIS REPORT IS DUE. September 30 19 64

13. REMARKS

No employment statistics kept as to race, creed or color so no data is available as to minority groups

14. DATE: October 12, 1964

SIGNATURE AND TITLE: Theo. [redacted] Bezzi, Geologist

ADDRESS: 1631 Glenarm Place [redacted] Denver, Colo. 80202

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001))

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	GCS	120
9/21	Johnson	110
		100
9/21		220
		120 m

SEP 21 1964

Mr. S. J. Varnhagen
President, Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Varnhagen:

Enclosed is Part III, Standard Form 41, Compliance Report - Construction. As you will note under 4(b) of the instructions, this part must be submitted on a quarterly basis up to and including the quarterly period during which peak employment is reached. Will you please complete the form and return it in duplicate through the field office as indicated on the first page.

Sincerely yours,

George C. Selfridge
m

George C. Selfridge, Chief
Division of Exploration Operations

Enclosure

GCSelfridge/mm (9/21/64)
cc: Director's Reading File
Region III
Docket
Mr. Selfridge (2)

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

July 20, 1964

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6288
Contract 2166
Bulldog Mountain
Mineral County, Colorado

OFFICIAL FILE COPY O. M. E RECEIVED JUL 23 1964		
DATE	INITIALS	CODE
		120
7/23	[illegible]	120M

1. The number of all employees - 6.

2. The number of women employees - 0.

3. The number of Negro employees - 0.

4. The number of other minority groups, i.e., Indian, Oriental, Latin - 0.

5. Was employment through a union - no.

6. Distance to the closest union headquarters - 287 miles.

7. Are the discrimination posters prominently displayed - yes.

8. If employment was through a union, was the union furnished Standard Form 38.

9. If employment was not through a union, in what manner was employment made - Application.

10. The acts of intimidation matter has been discussed with the Operator, Fred E. Baker, Vice President - yes.

Hugh M. Connors

Hugh M. Connors

cc: 2166
Chron

Rmc

BULLDOG MOUNTAIN INC.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

June 3, 1964

OME
DEPARTMENT OF THE INTERIOR
JUN 6 1964
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer, OME
Building 20, Federal Center
Denver, Colorado 80225

Re: OME-6288 (Silver)
Contract #2166
Bulldog Mountain, Inc.
Mineral County, Colorado

Dear Mr. Connors:

Please be advised that during the month of May 1964, approximately 80 hours of bulldozer work was done on the property, together with surface trenching. Bids were put out to six companies for surface drilling. A complete report will follow within the next week.

The quiet title action is expected to be completed by June 12, 1964.

Sincerely,

S. J. Varnhagen

S. J. Varnhagen

C.C. George Selfridge

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 8 1964

DATE	INITIALS	CODE
6/8	[illegible]	800
		~~720~~
	Received	500

AMC

OFFICIAL FILE COPY

B U L L D O G M O U N T A I N I N C.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

RECEIVED MAY 1 1964

DATE	INITIALS	CODE
5/1		800
	Granted	500

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

April 27, 1964

OME
DEPARTMENT OF THE INTERIOR
APR 30 1964
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer, OME
Building 20 - Federal Center
Denver, Colorado 80225

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
Mineral County, Colorado

Dear Mr. Connors:

Please be advised that we are preparing to resume work on Bulldog Mountain as of May 1, though our quiet title action will not be completed before June 8. The prime reason for the delay is that we need an abstract of title, and the only certified abstractor is in the adjoining county and has taken his sweet time getting on the job.

During the month of May we will do additional mapping, trenching and make the final site preparation. Major exploration will commence in June.

Sincerely yours,

S. J. Varnhagen

S. J. Varnhagen

SJV:jmj

Mr. George C. Selfridge

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/3	GCS	120
"	Johnson	110
"	Minnick	100
		220
		500

APR 3 1964

Mr. S. J. Varnhagen
President, Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Dear Mr. Varnhagen:

Enclosed is your copy of Part I, Standard Form 41, Compliance Report - Construction, which you so promptly submitted pursuant to my request of March 6, 1964.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

Enclosure

GCSelfridge/gla (4-3-64)
cc to: Director's Reading File
Region III
Docket
Mr. Selfridge (2)

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/3	GCS	120
"	Johnson	110
"	Finch	100
		220
		500

APR 3 1964

President's Committee on Equal
Employment Opportunity
Washington, D. C. 20210

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166
and
OME-6289 (Silver)
Richmond Hill Exploration Company, Inc.
Midnight Mine
Pitkin County, Colorado
Contract 2169

Gentlemen:

Enclosed for your information and files is a copy of Standard Form 41, Compliance Report - Construction, Part I, executed by the Bulldog Mountain, Inc., a small company exploring for silver. Little work has been done under the contract as preliminary operations were terminated by a recess because of weather conditions.

In addition are copies of Parts I, II, and III, Standard Form 41, Compliance Report - Construction. Part I was executed by the prime contractor, Richmond Hill Exploration Company, Inc., and Parts II and III by the subcontractor, R. G. Sullivan. Initially, the subcontractor was Minerals Engineering Company, but is now R. G. Sullivan, an official of said company.

Sincerely yours,

George C. Selfridge (GCS)

George C. Selfridge
Compliance Officer, OME
Code 183 5372

Enclosures

GCSelfridge/gla (4-3-64)
cc to: Director's Reading File
Docket OME-6288
Docket OME-6289
Region III Mr. Selfridge (3)

23263

STANDARD FORM 41
(PART I)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-102

COMPLIANCE REPORT —CONSTRUCTION
(Construction, Alteration and Repair Contracts)
NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT. — Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN TRIPLICATE TO

CONTRACTING AGENCY	ADDRESS
Department of the Interior	Washington, D. C. 20240
Office of Minerals Exploration	Washington, D. C. 20240
Care Acting Field Officer, OME Region III,	Building 20, Federal Center, Denver, Colorado 20225

Part I. — COMPANY-WIDE POLICIES AND EMPLOYMENT DATA

Section A. — CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS *(Check one block only to indicate your status for the project covered by this report)* [X] a. PRIME CONTRACTOR [ ] b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco 4, California		
3. NAME AND ADDRESS OF PRINCIPAL OFFICE OF THE COMPANY Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco 4, California		
4. NAME AND ADDRESS OF PARENT COMPANY IF AN AFFILIATED COMPANY		

5. PROJECT NAME, LOCATION, AND CONTRACT NO.

Bulldog Mountain Fault, Mineral County, Colorado - #2166

6. PRIME CONTRACTOR'S NAME AND ADDRESS *(Complete only when block 1b above is checked)*

Section B. — PREVIOUS COMPLIANCE REPORT CROSS REFERENCE (See Instructions 4a and 4d)

7. Have you filed a completed Part I of this report in connection with any other contract or subcontract during the current reporting period? [ ] YES [X] NO

7a. If "Yes," give the following and then complete only item 18 on reverse.

(1) NAME AND ADDRESS OF CONTRACTING AGENCY WITH WHOM FILED	(2) PROJECT NAME AND LOCATION	
	(3) CONTRACT NO.	(4) DATE FILED

7b. If "No," complete the balance of Part I.

Section C. — COMPANY EMPLOYMENT POLICY	YES	NO
8. Have you established a company-wide employment policy to assure that equal employment opportunity is given to all persons without regard to race, creed, color, or national origin?	X	
9. Have you communicated such policy in writing to all departments, offices, and facilities? *(If communicated by other means, explain.)*	X	
10. Have you assigned responsibility and put into effect procedures to assure that company-wide employment policy is understood and implemented by managerial, administrative, and supervisory personnel?	X	
11. If you sponsor or finance educational or training programs for the benefit of any employees, or prospective employees, are all such persons given the opportunity to participate without regard to race, creed, color, or national origin?		

(Continue on reverse)

Section D. — RECRUITMENT AND ADVERTISEMENT	YES	NO
12. Have all of the company's recruitment sources (other than unions) been notified that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin?	X	
12a. Has this been done in writing?	X	
13. Has each such recruitment source advised the company that it will refer all qualified applicants for employment to the company without regard to race, creed, color, or national origin?	X	
14. If the company recruits employees through advertising, does such advertising make clear that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin?		

Section E. — COMPANY EMPLOYMENT DATA SUMMARY

This section pertains ONLY to employment at the employer's principal office and branch establishments and employment data furnished should include ALL employees at such office and establishments.

15. EMPLOYMENT BY WORK CLASSIFICATIONS, RACE, AND SEX
(For pay period nearest 15th of month preceding that in which this report is due.)

WORK CLASSIFICATIONS (See Instruction 3)	TOTAL ALL EMPLOYEES	MALE EMPLOYEES				FEMALE EMPLOYEES			
		TOTAL MALES	MINORITY GROUPS (See Inst. 7)			TOTAL FEMALES	MINORITY GROUPS (See Inst. 7)		
			NEGRO	OTHER ____	OTHER ____		NEGRO	OTHER ____	OTHER ____
OFFICIALS AND MANAGERS									
PROFESSIONAL									
TECHNICAL									
OFFICE AND CLERICAL									
SALES WORKERS									
JOURNEYMEN AND MECHANICS									
APPRENTICES									
LABORERS									
SERVICE WORKERS									
TOTALS									

16. EMPLOYMENT STATISTICS WERE OBTAINED FROM WHICH SOURCE: ☐ RECORDS (If available) ☐ VISUAL CHECK ☐ OTHER (Specify) _____

17. REMARKS

Bulldog Mountain, Inc. has no employees. We have a project manager, Mr. M. W. Cox, who receives no salary. We have one sub-contractor, Mr. Fred Baker, Jr. who also has no employees.

We have been assigned no "employer identification number" because we have had no reason to submit payroll withholding tax reports.

18. DATE	SIGNATURE AND TITLE	ADDRESS
X March 10, 1964	[signature], President	Room 511, 57 Post Street San Francisco 4, California

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001)

OFFICIAL FILE COPY

Date	Surname	Code
3/6	GCS	120
"	Johnson	110
"	[illegible]	100
3/6	Carr	220
		500

MAR 6 1964

Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Please refer to my letter to you of June 14, 1963.

Enclosed is Part I of Standard Form 41, Compliance Report - Construction. As you will note under 4(b), contractors or subcontractors subject to the reporting requirements are to submit completed Part I on or before March 31 of each year. This will apply even though the project is in recess. Will you please return the form to us in duplicate through the Regional Office as indicated, furnishing available applicable information.

Previously, when you returned Standard Form 41 there were also included your file copies of Parts I and II. These are being returned to you.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

Enclosures

GCSelfridge/gla (3-6-64)
cc to: Director's Reading File
Region III
Docket
Mr. Selfridge

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver, Colorado 80225

December 4, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 9 1963

DATE	INITIALS	CODE
12/10	Murphy	500

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Enclosed are the Government's, Fiscal Section's, and Audit's executed Amendment No. 2 to the subject contract.

Hugh M. Connors

Hugh M. Connors

Enclosures

Ame

BULLDOG MOUNTAIN INC.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

December 2, 1963

OME
DEPARTMENT OF THE INTERIO
DEC 4 1963
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer
OME - Region III
Building 20 - Federal Center
Denver 25, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Connors:

Herewith are the four signed copies of the proposed amendment No. 2 to the above contract. We apologize for the delay, but Mr. Cox has been away from Aspen and your letter did not come to his attention until now and he forwarded it to me for immediate action.

Thank you for your kind cooperation and assistance.

Sincerely,

S. J. Varnhagen, President
Bulldog Mountain, Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
80225

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 29 1963

DATE	INITIALS	CODE
12/2	WCJ	800
	J Murphy	120
12/2		500

November 26, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

This is to advise that Mr. Manning W. Cox telephoned me from Aspen this morning and stated that he had just returned and found the proposed Amendment No. 2 in his mail. He said he would get the amendment signed and returned to us as soon as possible.

He also stated that the lawyers now believe there is a way they can perfect the titles on the mining claims in question and they are having a meeting with the Homestake people next week.

Hugh M. Connors

Hugh M. Connors

See Manning W. Cox letter of Oct. 8, 1963

Building 20 - Federal Center
Denver 25, Colorado
80225

OFFICIAL FILE COPY
OME
RECEIVED
October 28, 1963

DATE		
10/31	[illegible]	800
10/31	Murphy	500

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Bill:

Enclosed are the original and four copies of a proposed Amendment No. 2 signed by the Director for the Government.

If the proposed amendment is satisfactory to you, please have all copies signed by an authorized representative, retain the Operator's copy and return the remaining copies to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosure
cc Chief, Division of Field Operations, OME
Contract Corres. 2166
Chron
HMC/lm

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/23	Murphy	500
10/23	on leave	500
10/24	Tallent	800
10/24	GCS	130
"	Johnson	110
"	Fouts	100
10/24	Cole	220
		500

OCT 24 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In accordance with our memorandum of October 14, 1963, enclosed are the original and four copies of a proposed Amendment No. 2, signed by the Director for the Government. Also enclosed is an extra copy for field use.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by an authorized representative of the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Enclosures

George C. Selfridge

MMerrithew/mm
10/23/63
cc: Director's Reading File
Review Committee
Docket

43683

~~207800~~
+20
500

DRAFT 10/17/63
FMMurphy/mm

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 2

It is agreed this _____ day of _____, 1963, between the United States of America, acting through the Department of Interior, Office of Minerals Exploration, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 (OME-6288), dated May 6, 1963, as amended, is further amended, as follows:

1. (a) Work under the contract shall be suspended during the period beginning August 1, 1963, and ending not later than May 1, 1964.

(b) No costs incurred by the Operator during the period of suspension shall be allowable for contribution by the Government.

(c) The Government shall not contribute to any cost of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of the work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. The time fixed by Article 1 of the contract for completion of the work is extended from 30 months to 36 months.

3. The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract is extended from fifteen (15) years to sixteen (16) years.

This amendment shall not be construed to increase the amount of any item designated as maximum, the fixed unit cost of any item of work, the estimated total cost of the project, nor the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Director, Office of Minerals Exploration

BULLDOG MOUNTAIN, INC.

By _____

Title _____

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/11	Murphy	500
10/11	[illegible]	500
10/11	Talbot	800
	GCS	150
10/14	Johnson	110
	[illegible]	100
10/14	Cae	220
		500

OCT 1 4 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

With reference to your memorandum of October 8, 1963, we will prepare the recommended amendment allowing a recess period from August 1, 1963, to May 1, 1964.

George C. Seifridge (gla)

FMMurphy/mm

10/11/63
cc: Director's Reading File
Review Committee
Docket

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
80225

OFFICIAL FILE COPY
October 8, 1963
RECEIVED OCT 10 1963

DATE	INITIALS	CODE
10/10		800
		~~120~~
		500

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Mr. Manning W. Cox visited this office at quitting time last night and left the following which are enclosed:

1. Letter dated October 8, 1963, requesting a six months recess.

Folder #2

2. A covering letter dated October 8, 1963, enclosing Operator's Narrative Report.

3. Two copies of Operator's Narrative Report for August and September 1963.

I do not agree that bad weather is any impediment in tunnel driving but I do believe that the Operator's legal troubles may require some time. I, therefore, recommend that the Operator be granted a recess until May 1, 1964.

Hugh M. Connors

Hugh M. Connors

Enclosures

NNING W. COX ASSOCIATES consulting geologists

post street san francisco, california YU 2-1436

October 8, 1963

Mr. Hugh Connors,
Office of Mineral Exploration,
Denver 25, Colorado

OME 2166
Bulldog Mountain Project
Mineral County, Colorado

Dear Sir:

In August 1963 attorneys for the contractor with Bulldog Mountain Inc made a painstaking search of title to the cla aims subject to OME 2166. After a five week delay while they considered the results of this search I am advised that in their opinion there if a fatal flaw in the title to all patented mining claims in Mineral County ~~that~~ whose curruent owners claim title as a result of any chain of actions stemming from the issuance of treasueres deeds from the County Treasurer to the County in early 1959.

It is their opinion that this flaw and the subsequently deriving flaws can only be cured by re-instituting the procceeding whcih can be expected to take four to six months. Obviously until some action is taken Bulldog, nor OME can safely proceed under OME 2166.

As project manager for Bulldog Mounta n Inc, I am therefore requesting a six months recess from October 31 until May 1, 1964. Due to bad weather which may be expected anytime now it would be imprudent to start the tunneling progt sooner.

May I have your comments and instructions as how to proceed.

Most Sincerely,

Manning W. Cox

cc OME - 2
BDM - 1
HMC - 1

Building 20 - Federal Center
Denver 25, Colorado
80225

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 7 1963

DATE	INITIALS	CODE
10/7	Griswold	800 500

October 4, 1963

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Bill:

Thank you for your letter of October 4, 1963. I want you to know that I have faith in you and the property and I want to do everything I can to help you.

My suggestion is that you request a recess so that the contract will not be in default. It appears to me that a recess would be in order for a reasonable time to allow the various lawyers to come to a meeting of the minds.

Please request, in duplicate, an amendment for a recess for such a period as you deem will be necessary.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
Contract Corres. 2166
Chron
HMC/lm

PERSONAL

October 4, 1963

Mr. Hugh Connors
Office of Minerals Exploration
Federal Center
Denver, Colorado

Dear Buck:

I have been meaning to write you for the past several weeks but have been hoping that the ridiculous situation in which Bulldog Mountain finds itself would be resolved and I would be able to write you that the project was going ahead without any problems. Unfortunately, this is not the case. One of the multitudinous lawyers (I have now counted 9) for the company which you describe as people really in the mining business, has raised the question whether back 40 years ago the county commissioners of the county of Mineral acted properly, or within their jurisdiction, in certain tax transactions which concern some of the claims which now make up Bulldog Mountain. Until this question is resolved, Bulldog Mountain finds itself legally incapable of proceeding with any kind of exploration. In reality, if the lawyers in question find that there was some impropriety, this casts a shred of doubt on the title to all of the mining claims which ever have passed through the hands of the county commissioners of the county of Mineral in the state of Colorado. My personal position is that either Bulldog Mountain has a perfect title, or that it has no title whatsoever. If the latter should be the case, then obviously the project is in serious trouble. I do not frankly understand who anything this remote can have any bearing on the question, but Buck, until the situation is resolved to the satisfaction of the multitudinous attorneys, there is nothing we can do. I will forward to you shortly official reports for the months of August and September which essentially will say that the project is in recess and that nothing has been accomplished.

Actually, Homestake has gone ahead and spent very large sums of money outside of the O.M.E. contract in trenching, geologic mapping, soil sampling, all of which have made the project look much more desirable than it did previously. I am hoping, as I'm sure you know, that somehow or other we can get this question resolved very shortly, get off the dime and get winterized in time to get this tunnel under way. If we don't I think I'll just find a large cliff and jump off. If you'd like to hold my hand, you're welcome.

Regards,

Bill

Bill Cox

Building 20 - Federal Center
Denver 25, Colorado
80225

10/7 Grimwood 800 500

October 3, 1963

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Cox:

We have had no voucher for any work on the captioned contract since your July voucher. Please note under Article 5 (b) of the contract that the Operator shall provide the Government with copies of monthly reports.

If, for any reason, work on the contract is temporarily suspended you should apply for a recess. The application for recess should state the reasons a recess is required and should be submitted to this office in duplicate.

Will you please advise.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME (2)
Contract Corres 2166
Chron
HMC/lm

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/20		110
		100
8/20		220
		500

AUG 2 0 1963

Mr. Charles F. Wheatley, Jr.
Counsellor at Law
Walker Building
734 Fifteenth Street, N. W.
Washington 5, D. C.

Dear Mr. Wheatley:

In accordance with the discussion on Monday, August 19, 1963, with Assistant Solicitor Robert W. Long, I am returning to you the proposed lease between Bulldog Mountain, Inc., and the Homestake Mining Company which you had submitted with your letter dated August 12, 1963.

Sincerely yours,

George Fumich, Jr. (gla)

Director

Enclosure

RWLong/jfg: 8/19/63
Rewritten: FEJohnson/gla 8/20/63
cc to: OME docket
Secy's files
Mr. Robert Long - Rm. 6554
Region III
Director's Reading File

Memorandum to Mr. H. M. Connnors, Region III:

Mr. Wheatley was advised that the proposed lease was unacceptable because the Operator did not retain control of the property as required under the OME contract. Mr. Wheatley requested withdrawal of the proposed lease and stated that the Operator would endeavor to work out some other arrangement.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Long	
	Asst. Sol. UM	

file

Mr. Charles F. Wheatley, Jr.
Counsellor at Law
Walker Building
734 Fifteenth Street, N. W.
Washington 5, D. C.

Dear Mr. Wheatley:

In accordance with our discussion on Monday, August 19, 1963, with Assistant Solicitor Robert W. Long, I am returning to you the proposed lease between Bulldog Mountain, Inc. and the Homestake Mining Company which you had submitted with your letter to me dated August 12, 1963.

FROM SOLICITOR

AUG 19 1963

FOR SIGNATURE

Sincerely yours,

Frank E. Johnson
Assistant Director
Office of Minerals Exploration

Enclosure

RWLong/jfg:8/19/63

CC: OME's file
Secy's files
Mr. Robert Long - Rm. 6554
Div's contract file

43683

McCARTY AND WHEATLEY
COUNSELLORS AT LAW
WALKER BUILDING
734 FIFTEENTH STREET, N. W.
WASHINGTON 5, D. C.

ROBERT L. McCARTY
CHARLES F. WHEATLEY, JR.

METROPOLITAN 8-5882

August 12, 1963

INTERIOR DEPT.
AUG 14 1963
SOLICITOR

Mr. Frank Johnson
Assistant Director
Office of Mineral Exploration
Department of the Interior
Washington 25, D. C.

Re: Bulldog Mountain, Inc.
Exploration Contract No. 14-23-090-2166

Dear Mr. Johnson:

We are submitting herewith for the approval of the Office of Mineral Exploration a proposed agreement between Bulldog Mountain, Inc. and the Homestake Mining Company relating to the development of the properties subject to the above OME contract.

Sincerely yours,

Charles F. Wheatley, Jr.

Charles F. Wheatley, Jr.

CFW/f
enc.

RECEIVED
AUG 14 1963
ASSOC. SOLICITOR
MINERAL RESOURCES

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 13 1963

DATE		
		110
		100
		500

MANNING W COX ASSOCIATES consulting geologists
57 post street san francisco, california YU 2-1436

August 19, 1963

OME 6288
Cont 2166

OME
DEPARTMENT OF THE INTERIOR
AUG 20 1963
REGION III
DENVER, COLORADO

Mr. Hugh Connors
Office of Minerals Exploration
Federal Center
Denver, Colorado

Dear Buck:

After 8 years of association, Ed Wisser and I find our interests diverging substantially which is perfectly normal, I think, in human affairs. We have decided that the best thing to do is to liquidate our consulting partnership, Wisser & Cox, and are doing so as of August 1st.

Ed Wisser plans to continue doing consulting work from his home in Garden Valley. The address is simply Star Route, Garden Valley, California.

I plan to continue at the present address, 57 Post Street, San Francisco, under the name Manning W. Cox Associates, in association with Eugene Lindsey and perhaps others. The telephone number will continue to be YU 2-1436.

I will also continue to maintain my residence at Box 748, Aspen, Colorado, where the telephone number is 925-7176, area code 303.

When the mechanical details of terminating the partnership and going forward have been worked out, I shall be writing you in more detail.

Best regards,

Bill Cox

M. W. Cox

MWC:jmj

OFFICIAL FILE COPY
O. M. E.
RECEIVE AUG 22 1963

DATE	INITIALS	CODE
8/22	[illegible]	800
/	Drawick	500
		120
Copy to	Selfridge	

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/16	Johnson	110
"	Fumich	100
8/16	Cole	220
8/19	WRay	500

AUG 16 1963

President's Committee on Equal
Employment Opportunity
Washington 25, D. C.

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Enclosed for your information is copy of Compliance Report - Construction on Standard Form 41, Parts I, II, and III, executed by the subject Operator.

This small operator is currently getting operations organized to proceed with the exploration work under its contract with OME.

Sincerely yours,

George Fumich, Jr.

Director

Enclosure

FEJohnson/gla (8-16-63)
cc to: Director's Reading File
Region III
Docket
G. C. Selfridge

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1963

DATE	INITIALS	CODE
8/19		800
8/19		100
8/19		110
		500

August 15, 1963

AIRMAIL

Memorandum

To: W. R. Griswold, Acting Chief, Division of Field Operations
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

This responds to your memorandum dated August 13, 1963, on the subject contract.

I advised Manning W. Cox by telephone August 9, 1963, that Homestake could not be the Operator under the contract because they could not meet our terms as to "financial eligibility."

Mr. Cox said that he would so advise Mr. Varnhagen and the Homestake people.

I will be happy to receive a copy of your reply to the law firm mentioned in the p.s. of your memorandum dated August 13, 1963.

Hugh M. Connors

Hugh M. Connors

STANDARD FORM 41
(PART 1)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-102

COMPLIANCE REPORT —CONSTRUCTION

(Construction, Alteration and Repair Contracts)

NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT. — Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN TRIPLICATE TO	CONTRACTING AGENCY	ADDRESS
	Department of the Interior	Washington 25, D. C.
	Office of Minerals Exploration	Washington 25, D. C.
	Care Acting Field Officer, OME Region III, Building 20, Federal Center,	Denver 25, Colorado

Part I. — COMPANY-WIDE POLICIES AND EMPLOYMENT DATA

Section A. — CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS *(Check one block only to indicate your status for the project covered by this report)* [X] a. PRIME CONTRACTOR [ ] b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco 4, California		
3. NAME AND ADDRESS OF PRINCIPAL OFFICE OF THE COMPANY Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco 4, California		
4. NAME AND ADDRESS OF PARENT COMPANY IF AN AFFILIATED COMPANY —		

5. PROJECT NAME, LOCATION, AND CONTRACT NO.
Bulldog Mountain Fault, Mineral County, Colorado - 2166

6. PRIME CONTRACTOR'S NAME AND ADDRESS *(Complete only when block 1b above is checked)*
—

Section B. — PREVIOUS COMPLIANCE REPORT CROSS REFERENCE (See Instructions 4a and 4d)

7. Have you filed a completed Part I of this report in connection with any other contract or subcontract during the current reporting period? [ ] YES [X] NO

7a. If "Yes," give the following and then complete only item 18 on reverse.

(1) NAME AND ADDRESS OF CONTRACTING AGENCY WITH WHOM FILED	(2) PROJECT NAME AND LOCATION	
	(3) CONTRACT NO.	(4) DATE FILED

7b. If "No," complete the balance of Part I.

Section C. — COMPANY EMPLOYMENT POLICY	YES	NO
8. Have you established a company-wide employment policy to assure that equal employment opportunity is given to all persons without regard to race, creed, color, or national origin?	X	
9. Have you communicated such policy in writing to all departments, offices, and facilities? *(If communicated by other means, explain.)*		X
10. Have you assigned responsibility and put into effect procedures to assure that company-wide employment policy is understood and implemented by managerial, administrative, and supervisory personnel?	X	
11. If you sponsor or finance educational or training programs for the benefit of any employees, or prospective employees, are all such persons given the opportunity to participate without regard to race, creed, color, or national origin?		

(Continue on reverse)

Section D. — RECRUITMENT AND ADVERTISEMENT	YES	NO
12. Have all of the company's recruitment sources (other than unions) been notified that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin?		
12a. Has this been done in writing?		
13. Has each such recruitment source advised the company that it will refer all qualified applicants for employment to the company without regard to race, creed, color, or national origin?		
14. If the company recruits employees through advertising, does such advertising make clear that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin?		

Section E. — COMPANY EMPLOYMENT DATA SUMMARY

This section pertains ONLY to employment at the employer's principal office and branch establishments and employment data furnished should include ALL employees at such office and establishments.

15. EMPLOYMENT BY WORK CLASSIFICATIONS, RACE, AND SEX
(For pay period nearest 15th of month preceding that in which this report is due.)

WORK CLASSIFICATIONS (See Instruction 3)	TOTAL ALL EMPLOYEES	MALE EMPLOYEES				FEMALE EMPLOYEES			
		TOTAL MALES	MINORITY GROUPS (See Inst. 7)			TOTAL FEMALES	MINORITY GROUPS (See Inst. 7)		
			NEGRO	OTHER ____	OTHER ____		NEGRO	OTHER ____	OTHER ____
OFFICIALS AND MANAGERS									
PROFESSIONAL									
TECHNICAL									
OFFICE AND CLERICAL									
SALES WORKERS									
JOURNEYMEN AND MECHANICS									
APPRENTICES									
LABORERS									
SERVICE WORKERS									
TOTALS									

16. EMPLOYMENT STATISTICS WERE OBTAINED FROM WHICH SOURCE: ☐ RECORDS (If available) ☐ VISUAL CHECK ☐ OTHER (Specify) _____

17. REMARKS

Bulldog Mountain, Inc. has no employees. We have a project manager, Mr. M. W. Cox, who receives no salary. We have one sub-contractor, Mr. Fred Baker, Jr. who also has no employees.

We have been assigned no "employer identification number" because we have had no reason to submit payroll withholding tax reports.

18. DATE	SIGNATURE AND TITLE	ADDRESS
Aug. 13, 1963	F. J. Vanhagen, President	Room 511, 57 Post Street San Francisco 4, Calif.

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001)

STANDARD FORM 41
(PART II)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-202

COMPLIANCE REPORT—CONSTRUCTION
(Construction, Alteration and Repair Contracts)
NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT.—Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN TRIPLICATE TO

CONTRACTING AGENCY	ADDRESS
Department of the Interior	Washington 25, D. C.
Office of Minerals Exploration	Washington 25, D. C.
Care Acting Field Officer, OME Region III, Building 20, Federal Center,	Denver 25, Colorado

Part II.—EMPLOYMENT CONDITIONS AT THE PROJECT SITE

Section A.—CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS (Check one block only to indicate your status for the project covered by this report) [X] a. PRIME CONTRACTOR [ ] b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco 4, California		

3. PROJECT NAME, LOCATION, AND CONTRACT NO.
Bulldog Mountain, Inc. Bulldog Mountain Fault #2166
~~Room 511, 57 Post Street~~ Mineral County, Colorado
~~San Francisco 4, California~~

4. PRIME CONTRACTOR'S NAME AND ADDRESS (Complete only when block 1b above is checked)

Section B.—ORGANIZATIONS OF WORKERS	YES	NO
5. Has a collective bargaining agreement or other contract or understanding been made with a labor union (or unions) which covers the performance of any work on this project?		X
6. Has the notice (Standard Form 38) advising the union of the company's obligations under the nondiscrimination provisions of Government contracts been sent to each such union by you or your trade representative?		
7. Has each such union notified you or your trade representative that its policies and practices are consistent with the nondiscrimination provisions?		
8. If "No," identify such union(s) and describe efforts made to obtain such information.		
9. Are any workers for the project covered by this report being recruited through union locals?		
10. If "Yes," identify such unions and indicate those unions with which you have collective bargaining agreements or other understandings involving the use of hiring halls.		

Section C.—APPRENTICESHIP TRAINING	YES	NO
11. Do you employ or intend to employ apprentices on this project?		X
12. If "Yes," are applicants for such employment employed without regard to race, creed, color, or national origin?		
13. Is your apprenticeship program registered with a State Apprenticeship Agency or the Bureau of Apprenticeship and Training, U.S. Department of Labor?		
14. Does your apprenticeship program contain an equal employment opportunity provision?		

Section D.—RECRUITMENT SOURCES		U.S. EMPL. SERV.	STATE EMPL. SERV.	DIRECT HIRING	UNION	OTHER
15. CHECK PRINCIPAL SOURCES FOR:	a. CONSTRUCTION WORKERS			X		
	b. OTHER WORKERS			X		

Section E.—SUBCONTRACTS	YES	NO
16. Have you awarded any subcontracts for work covered by your contract or subcontract for this project?	X	
17. Has the nondiscrimination clause been included in all of your subcontracts subject to Executive Order 10925?		X
18. Have all such subcontractors covered by these reporting requirements been instructed to file compliance reports and been furnished with report forms and instructions?		X

(Continue on reverse)

Section F.—GENERAL

19. (Optional.) Describe briefly any actions other than those referred to in this report that have been taken which affect this project to assure that equal employment opportunity is given to all employees and applicants for employment without regard to race, creed, color, or national origin. Use this page if additional space is needed to fully answer the foregoing questions.

Bulldog Mountain, Inc. has one sub-contractor, Fred Baker, Jr. who has performed the work himself without employees. He received his instructions orally.

20. DATE	SIGNATURE AND TITLE	ADDRESS
Aug. 13, 1963	F. J. Vanhagen, President	Room 511, 57 Post Street San Francisco 4, Calif.

(Wilfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001)

☆ U.S. GPO: 1963—O—653281

STANDARD FORM 41
(PART III)
January 1963
PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY
41 CFR CH. 60 41-301

COMPLIANCE REPORT—CONSTRUCTION

(Construction, Alteration and Repair Contracts)

NONDISCRIMINATION PROVISIONS OF U.S. GOVERNMENT CONTRACTS

IMPORTANT.—Please read the accompanying instruction sheet which tells you how to prepare and when to submit each part of this report.

SUBMIT REPORT IN DUPLICATE TO	CONTRACTING AGENCY	ADDRESS
	Department of the Interior	Washington 25, D. C.
	Office of Minerals Exploration	Washington 25, D. C.
	Care Acting Field Officer, OME Region III, Building 20, Federal Center,	Denver 25, Colorado

Part III.—EMPLOYMENT DATA SUMMARY AT THE PROJECT SITE

Section A.—CONTRACTOR AND PROJECT IDENTIFICATION

1. CONTRACTOR'S REPORTING STATUS (*Check one block only to indicate your status for the project covered by this report.*) [X] a. PRIME CONTRACTOR [ ] b. SUBCONTRACTOR

CROSS REFERENCE IDENTIFICATION	EMPLOYER IDENTIFICATION NO.	CODE (Leave blank)
2. NAME AND ADDRESS OF CONTRACTOR SUBMITTING THIS REPORT Bulldog Mountain, Inc. Room 511, 57 Post Street San Francisco, 4, Calfornia		

3. PROJECT NAME, LOCATION, AND CONTRACT NO.
Bulldog Mountain, Inc. Bulldog Mountain Fault,
~~Room 511, 57 Post Street~~ Mineral County, Colorado
~~San Francisco 4, California~~ # 2166

4. CONSTRUCTION DATES (Estimated or Actual)
a. STARTING 6-15-63
b. COMPLETION 11-1-65

5. PRIME CONTRACTOR'S NAME AND ADDRESS (*Complete only when block 1b above is checked*)

6. CONTRACTOR'S SCOPE OF WORK (*Major activity*) UNDER CONTRACT AT THIS PROJECT
Mining exploration

CODE (Leave blank)

Section B.—CURRENT EMPLOYMENT AT THE PROJECT SITE

	7. BY RACE AND WORK CLASSIFICATIONS	TOTAL EMPLOYEES	MINORITY GROUPS (See Instruction 7) TOTAL NEGRO	TOTAL OTHER _____	TOTAL OTHER _____	CODE (Leave blank)
OTHER EMPLOYEES (See Instructions 2h & 3)	SUPERVISORS					
	PROFESSIONAL					
	TECHNICAL					
	OFFICE AND CLERICAL					
	SERVICE WORKERS					
CONSTRUCTION WORKERS (See Instruction 2g)	FOREMEN*					
	JOURNEYMEN AND MECHANICS*					
	HELPERS*					
	APPRENTICES*					
	LABORERS					
	GRAND TOTALS					

If more than one trade is employed, separately tabulate each trade in item 8 on the reverse.

(Continue on reverse)

8. CONSTRUCTION WORKERS BY RACE AND TRADE (*Excluding Laborers*)

WORK CLASSIFICATIONS (Tabulate each trade separately and specify the applicable trade in each case)		TOTAL EMPLOYEES	MINORITY GROUPS (See Inst. 7)			CODE (Leave blank)
TRADE	LEVEL		TOTAL NEGRO	TOTAL OTHER _____	TOTAL OTHER _____	
a.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
b.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
c.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
d.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
e.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
f.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
g.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
h.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
i.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					
j.	FOREMEN					
	JOURNEYMEN & MECHANICS					
	HELPERS					
	APPRENTICES					

9. DOES THE EMPLOYMENT REPORTED ABOVE REPRESENT PEAK EMPLOYMENT? ☐ YES ☒ NO

10. IF "NO," GIVE THE ACTUAL DATE PEAK EMPLOYMENT WAS REACHED OR THE ESTIMATED DATE PEAK EMPLOYMENT WILL BE REACHED.

a. ACT. DATE

b. EST. DATE Oct. 1963

11. MINORITY GROUP EMPLOYMENT STATISTICS WERE OBTAINED FROM WHICH SOURCE: ☐ RECORDS (*If available*) ☐ VISUAL CHECK ☐ OTHER (*Specify*) _____

12. GIVE CLOSING DATE OF PAYROLL PERIOD ENDING NEAREST THE 15TH OF THE MONTH IN WHICH THIS REPORT IS DUE _____ 19____

13. REMARKS

14. DATE Aug. 13, 1963

SIGNATURE AND TITLE S. J. Vanhagen, President

ADDRESS Room 511, 57 Post Street San Francisco 4, Calif.

(Willfully false statements on this Report are punishable by law (U.S. Code, Title 18, Section 1001))

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/13	Talbert	800
"	On leave	130
8/13	Johnson	110
"	[illegible]	100
8/13	[illegible]	220
		500

AUG 13 1963

AIRMAIL

Memorandum

To: Acting Field Officer, Region III

From: Acting Chief, Division of Field Operations

Subject: CMZ-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

We have your memorandum of August 9, with attachments, covering the proposed participation of the Homestake Mining Company in the subject exploration project.

We are concerned as to the terms of such an "agreement." If Bulldog assigns its exploration contract to Homestake, the latter would then appear to be the Operator under the contract. We could not possibly subscribe to such an arrangement; there is no possibility that the Homestake concern could meet our terms as to "financial eligibility."

On the other hand, if Bulldog merely has some arrangement to receive the financing, or part of its financing, from Homestake or from any other company, while remaining as the Operator, we would have no objection. We fully understand that most Operators have to obtain financial assistance by one means or another.

Perhaps it would be advisable, before anything is finalized in this matter, that you advise Bulldog as to our position.

W. R. Griswold

mm

WRGriswold/mm
8/13/63
cc: Director's Reading File
Review Committee
Docket

P.S. Prior to putting this in the mail we received a letter from McCarty and Wheatley, a law firm of this city, with a proposed (not yet executed) Lease and Option Agreement between Bulldog and Homestake. It is completely unacceptable to us; it would involve Bulldog's surrendering possession of the property and undoubtedly would require a contract assignment to Homestake. You will receive a copy of our reply to these people indue course.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 10 1963

DATE	INITIALS	CODE
8/12		800
August 9, 1963		210
8/12		100
8-12		500

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

In response to my letter of August 5, 1963, Mr. Manning W. Cox telephoned me this morning from Aspen. He informed me that an agreement with Homestake has not as yet been reached but he believes they will reach an agreement with Homestake within the next week.

I advised Mr. Cox to forward your office, direct, two copies of any agreement reached with Homestake for your approval.

Mr. Cox stated that the Standard Form 41 "Compliance Report - Construction" was hard for them to understand but they completed it to the best of their ability and would forward it to you.

Mr. Cox also informed me that the Amendment No. 1 which I left with Mr. Baker to be signed by the proper official, has been signed by Mr. Varnhagen and is in the mail to this office.

Attached is a copy of a clipping from the Alamosa, Colorado Courier, dated July 30, 1963.

Hugh M. Connors

Hugh M. Connors

Attachment

ALAMOSA, COLO.
COURIER

JUL. 30 1963

Mining Exploration Planned For Creede

61

The Bulldog Mining property north of Creede has entered into a working agreement with Homestake Mining Co., of Deadwood, S. D., and San Francisco to explore and develop the Creede property.

Homestake reportedly will have an operations superintendent at Creede soon. Bulldog Co., was granted a $106,000 federal exploration loan to be matched, three weeks ago, for work on the property.

Two men are said to be working on the access road to the mine.

Hmc

BULLDOG MOUNTAIN INC.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

August 7, 1963

Mr. Hugh M. Connors
Acting Field Officer, OME Region III
Building 20 - Federal Center
Denver 25, Colorado

OME
DEPARTMENT OF THE INTERIOR
AUG 9 1963
REGION III
DENVER, COLORADO

Dear Mr. Connors:

In reply to your letter of August 5, I apologize for my tardiness in submitting Form 41. The work that has been done on Bulldog Mountain to date - building the access road and tunnel portal - has been done by Fred Baker, Jr. a stockholder in this corporation, so we have had no employees as such. The tunnel itself is to be dug by Homestake Mining Company - our contract with them is about to be submitted to OME for approval - and it is my intention to have them complete the report for it is they who will be employing the men.

If this is not satisfactory, please notify me.

Sincerely yours,

S. J. Varnhagen

cc Selfridge

OFFICIAL FILE COPY
DATE 8/12
Grieved 800 500

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 10 1963
DATE

August 9, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Enclosed are the Government's, Fiscal Section's, and Audit's executed copies of Amendment No. 1 to the subject contract.

Hugh M. Connors

Hugh M. Connors

Enclosures

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY

6/12		800
		500

August 9, 1963

Mr. S. J. Varnhagen
President
Bulldog Mountain Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

Attached is the Operator's executed copy of Amendment No. 1 to the subject contract.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Attachment
cc Chief, Division of Field Operations, OME
Contract Corres 2166
Chron
HMC/lm

B U L L D O G M O U N T A I N I N C.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

August 6, 1963

OME
DEPARTMENT OF THE INTERIOR
AUG 9 1963
REGION III
DENVER, COLORADO

Acting Field Officer, Region III
Office of Minerals Exploration
Federal Center
Denver, Colorado

Dear Sir:

Enclosed are five (5) signed copies of the Amendment No. 1, of the Exploration Contract OME-6288, as requested by you per copy of letter dated July 12, 1963.

Sincerely,

S. J. Varnhagen

S. J. Varnhagen

Mr Selfridge

Building 20 - Federal Center
Denver 25, Colorado

August 5, 1963

OFFICIAL FILE COPY
RECEIVED
DATE
8/8 800
720
500

AIRMAIL

Mr. E. J. Varnhagen
President
Bulldog Mountain Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6283 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

On June 14, 1963, Mr. George C. Selfridge, Chief, Division of Field Operations, in the Washington Office, forwarded you three parts to Standard Form 41 "Compliance Report - Construction" which were to be completed and submitted in duplicate as indicated. Mr. Selfridge asked you to send the completed forms to me. I have not received the forms and it is urgent that the Washington Office has this form for review and comment before forwarding a copy of it to the President's Committee on Equal Employment Opportunity.

Will you please comply.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Manning W. Cox
P. O. Box 748
Aspen, Colorado

Chief, Division of Field Operations, OME
Contract Corres 2166
Chron
HMC/lm

Building 20 - Federal Center
Denver 25, Colorado

August 5, 1963

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG

DATE		
8/8		800
		120
		500

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Cox:

In July I tried unsuccessfully to contact you both in Creede and in Aspen. Through no fault of mine, we are completely in the dark regarding the captioned contract.

We hear rumors that Homestake Mining Company is taking over the Bulldog property. We would like to feel that we are your partners and would like to be kept up-to-date on all phases of this operation.

Will you please advise.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
Contract Corres 2166
Chron
HMC/lm

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/2	Selfridge	130
	Hubert	500
8/2	Talbert	800
"	Johnson	110
"	Frank	100
"	Alley	220
		500

AUG 2 1963

AIRMAIL

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Reference is made to your letter of July 29, 1963, to Mr. Manning W. Cox at Aspen, Colorado.

As Standard Form 41 "Compliance Report - Construction" also requires home office information, it was sent to the company's home office in San Francisco, California, instead of Aspen, Colorado.

George C. Selfridge (gla)

GCSelfridge/gla (8-2-63)
cc to: Director's Reading File
Docket
G. C. Selfridge

23263

OFFICIAL FILE COPY
O. M. E
RECEIVE AUG 11 1963

DATE	INITIALS	CODE
		120
		500

Building 20 - Federal Center
Denver 25, Colorado

July 29, 1963

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Cox:

On June 14, 1963, Mr. George C. Selfridge, Chief, Division of Field Operations, in the Washington Office, forwarded you three parts to Standard Form 41 "Compliance Report - Construction" which were to be completed and submitted in duplicate as indicated. Mr. Selfridge asked you to send the completed forms to me. I have not received the forms and it is urgent that the Washington Office has this form for review and comment before forwarding a copy of it to the President's Committee on Equal Employment Opportunity.

Will you please comply.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
Contract Corres. 2166
Chron
HMC/lm

MME Form 7
(2/63)

JUL 2 6 1963

OFFICIAL FILE COPY

Date	Surname	Code
7/26	GLS	130
"	Johnson	110
"	[illegible]	100
7/26	[illegible]	220
		500

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

On June 14, 1963, I sent Standard Form 41 "Compliance Report - Construction" to the subject Operator for completion and return through your office. If you have not received the report, will you please make inquiry of the Operator as to its status. It is urgent that we receive the form for review and comment before forwarding a copy of it to the President's Committee on Equal Employment Opportunity.

George C. Selfridge (gla)

GCSelfridge/gla (7-26-63)
cc to: Director's Reading File
G. C. Selfridge
Review Committee
Docket

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

July 20, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 25 1963

DATE	INITIALS	CODE
7/25	WJ	800
		~~120~~
	~~Ground~~	500

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

This has further reference to your memorandum dated June 18, 1963 regarding the core stored by Humphreys Exploration Company under Contract 2130.

I visited the property July 16, 1963, and Mr. Fred Baker, contractor, told me that Bulldog Mountain, Inc. had bought the barn in which this core was stored by Humphreys and they will be happy to keep care of it.

The road to the tunnel site should be completed this month. The road, of necessity, had to pass through an area covered by slide rock which slowed their progress. Curiously enough some of the slide rock is highly mineralized with quartz and galena and undoubtedly some silver.

Mr. Baker informed me that the Homestake Mining Company is becoming interested in the property and he thought that a lease and option to purchase was in the offing. I was unable to contact Manning W. Cox at either Creede or Aspen but I left the copies of Amendment No. 1 with Fred Baker in Creede for the signature of Manning W. Cox.

Hugh M. Connors

Hugh M. Connors

Re: OME-6288

I have summoned Amend. #1 and memo, but I have a question.

Does the access road work meet the contract requirement of no work less than 100' from property bounds? ? ? ?

see p 7 of application (b)

Map with application indicates 5,000' road partly off property and Apr. ltr. 6/17/63 states proposed road to be "2-5 miles".

Talbut
7/8/63

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Williams	500
7/8	Talbot	800
	Selfridge	130
7/8	Johnson	110
7/8	Spence	100
		220
		500

JUL 9 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

This is with reference to the Operator's memorandum to you of June 17, your reply of June 19, and its letter to you of June 26.

You will note under "Description of the Work" in the contract that no mention was made of access road construction. This was on account of the Applicant's statement (page 7 of application):

"At its own expense, and not as a part of this OME application, Bulldog Mountain plans to continue other trenching and road building in this general area.....No OME assistance is requested for this work."

However, beyond doubt, an access road to the tunnel portal is an integral part of the project. Hence we have prepared and are enclosing the original and four copies of a proposed amendment No. 1, which clarifies matters. Also enclosed is an extra copy for field use. All copies have been signed by the Director in behalf of the Government.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by the Operator. Thereafter, please distribute the copies in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Enclosures

George C. Selfridge (gla)

WRGriswold/mm
7/8/63
cc: Director's Reading File
Review Committee
Docket

43683

~~800~~
~~450~~
500

DRAFT WEGriswold/mm
5/1/63

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Bulldog Mountain, Inc., hereinafter called the "Operator," that Exploration Contract No. 2166 is amended, effective May 6, 1963, as follows:

1. Under Exhibit A, subheading Description of the Work, page 4, the first paragraph is deleted and the following is substituted:

"In the northern portion of the property trenching and surface diamond drilling shall be done at locations which appear desirable, plus not to exceed 200 hours of bulldozing for an access road to the tunnel portal. Such work is roughly indicated (in part) on the attached Figure 1."

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

BULLDOG MOUNTAIN, INC.

By _____
Director, Office of Minerals Exploration

By _____

Title _____

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 1 1963

DATE	INITIAL	CODE
7/1	leos	800
	Arnold	500

June 28, 1963

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Cox:

The forms requested in your letter of June 26, 1963 are attached.

Please give me several days notice so I can be on the property and establish a starting point without causing you undue delay.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosures
cc Chief, Division of Field Operations, OME
w/copy of Manning W. Cox's letter dated 6/26/63
Contract Corres. 2166
Chron
HMC/lm

WISSER AND COX geologists - engineers

57 post street san francisco, california YU 2-1436

June 26, 1963

OME
DEPARTMENT OF THE INTERIOR
JUN 28 1963
REGION III
DENVER, COLORADO

Mr. Hugh M Connors
Field Officer, O. M. E.
Building 20,
Denver Federal Center,
Denver, 25, Colorado

OME 6288
Contract 2166

Dear Sir:

Mr. Baker received Forest Service work permit requiring slashing and burnigg all waste timber, and holding a maximum 10% grade on Tuesday last, June 18th. Work on the road actually started that day. As of today there remains about 800 feet of pioneer road across slide rock to reach the tunnel site. There will be over a mile upward from the cemetery to pioneer which has not been started. The County of Mineral has agreed to furnish a grader and trucks to haul fill material for the slide rock sections. It will be more than two weeks before we can advise that the portal measure point will be ready for you to set.

Would you please furnish this office with copies of the requisite reporting forms.

Most Sincerely,

Manning W. Cox

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 24 1963

DATE		
6/24		800
	Griswold	500
6/24		
June 19, 1963		

Building 20 - Federal Center
Denver 25, Colorado

Mr. Manning W. Cox
P. O. Box 748
Aspen, Colorado

Re: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Vault)
Mineral County, Colorado

Dear Mr. Cox:

This constitutes Government approval to begin road construction in accordance with the provisions of the subject contract.

Please advise this office when you receive your U. S. Forest Service permit and when work actually starts on the road.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
w/copy of Mr. Cox's letter dated June 17, 1963
Contract 2166
Chron
HMC/lm

Note: Contract "Description of the Work" does not describe access road or other dozing work. 200 hrs for road are not specified.
Talbert
6/24/63

M W Cox
Box 748
Aspen, Colorado

OME
DEPARTMENT OF THE INTERIOR
JUN 19 1963
REGION III
DENVER, COLORADO

To Hugh M Connors At OME, Building 22 DFC, Denver

Subject Bullday Mtn Inc — OME 2166 Date 6/17/63

Dear Buck: I have asked Vermlagen to write you so this may be duplication. At any rate Fred E Baker, contractor dba H & B Construction Co will begin road construction from a point near the cemetery above Creede 2-5 miles to a tunnel site at 9700' ± 20' elevation on the Grover Cleveland claim about June 20, 1963. Start may be delayed by reception of a USFS permit not yet forthcoming. May we have your written permission to proceed? The time is estimated at one month and cost $5,000 of which 200 bulldozer hours is included in the OME contract ($2500). ?

~~PLEASE REPLY TO~~ ~~Signed~~

For the time being Manning W Cox is designated project manager at the above address. There will be a resident manager when the portal site is ready to go. It will not be possible to establish an initial measure point until mid July

Date 6/17/63 Signed

SEND PARTS 1 AND 3 WITH CARBONS INTACT
PART 3 WILL BE RETURNED WITH REPLY.

4S 474 Redform

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/18	Murphy	500
6/18	on leave	500
6/18	Talbut	800
6/18	on leave	130
"	Johnson	110
~	Fund	100
6/18	Jab	220
		500

JUN 18 1963

Memorandum

To: Acting Field Officer, Region III

From: Acting Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

In reply to your memorandum of June 12, 1963, the terms of the captioned contract make no reference to the core stored by Humphreys Exploration Company under Contract 2130 (OME-6143); therefore, we have no legal right to insist that the new Operator obtain and store this core. On the other hand, Humphreys' obligation with respect to storage of the core was ended by the January 4, 1962, Termination Agreement.

We agree that the core may be of value to Bulldog Mountain, Inc. It is suggested that you discuss the matter with an official of the corporation. If it desires the core, then you can obtain its release from Humphreys; however, the costs incidental to its transfer and storage cannot be participated in by the Government.

FMMurphy/mm

cc: Director's Reading File
Review Committee
Docket
6/18/63

43683

B U L L D O G M O U N T A I N I N C.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

June 17, 1963

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

Mr. Hugh M. Connors
Acting Field Officer, Office of Minerals Exploration
Building 20 - Federal Center
Denver 25, Colorado

Re: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Connors:

Mr. M. W. Cox, P.O. Box 748, Aspen, Colorado, treasurer and director of this corporation, will supervise and render technical services during the initial phases of the work to be done on Bulldog Mountain.

On or about June 18 we will start construction of the necessary road up to the tunnel site and then the portal for the proposed tunnel. When this work is completed, I will be able to supply you with the date we are able to start the crosscut, pending approval of your office.

Yours sincerely,

S. J. Varnhagen

OFFICIAL FILE COPY
REC'D JY 1 1963
DATE
6/24 800
Griswold 500

Mr. Selfridge

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/14	GCS	120
"	Johnson	110
"	[illegible]	100
6/14	Coe	220
		500

JUN 14 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: Standard Form 41, Compliance Report - Construction
OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Enclosed are copies of a letter to the subject Operator forwarding Standard Form 41. Later, these forms should be forwarded from the Region.

I have asked the Operator to return the completed forms, in duplicate, through your office as a matter of information to you. After reviewing, please send both copies of the form to us.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (6-14-63)
cc to: Director's Reading File
Docket OME-6288
GCSelfridge

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/13	GCS	120
6/14	Johnson	110
	Frink	100
		220
		500

JUN 14 1963

Bulldog Mountain, Inc.
Room 511, 57 Post Street
San Francisco 4, California

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado
Contract 2166

Gentlemen:

Reference is made to Article 16(a) "Nondiscrimination" relative to Section 301 of Executive Order 10925, dated March 6, 1961, a copy of which is attached to the subject contract.

Enclosed are the three parts to Standard Form 41 "Compliance Report - Construction" which are to be completed and submitted in duplicate as indicated. Before completing each part, please review the accompanying instructions carefully. The completed forms should be returned to the Acting Field Officer.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

Enclosures

GCSelfridge/gla (6-13-63)
cc to: Director's Reading File
Region III (2)
Docket
G. C. Selfridge

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 17 1963

DATE	INITIALS	CODE
6/17	[illegible]	800
June	12, 1963	120
	Grawold	500
6/17	[illegible]	~~110~~

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado OME-6143

Frank McKinley, the previous Operator for Humphreys, called this office regarding disposal of the diamond drill core which was obtained under their contract.

It appears to me that this core might be valuable to the new Operator. Do I have a legal right to insist that the new Operator obtain the core from Humphreys and have the new Operator furnish storage space for this core?

Will you please advise.

Hugh M. Connors

Hugh M. Connors

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 10 1963

DATE	INITIALS	COPY
June 7, 1963		
6/10		800
	Received	500

Mr. S. J. Varnhagen, President
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

Please advise this office the name, address, and title of the person who will supervise and render technical services as may be required to complete the work described in the captioned contract. You also will be expected to notify us a few days before the work is started so that we may establish a starting point in the drift, if deemed necessary. And, in accordance with a General Provision of the Contract, obtain from this office prior approval of each work item.

Future correspondence with this office should be with Mr. Hugh M. Connors, Acting Field Officer, who is expected to return from a vacation on June 10, 1963.

Sincerely yours,

Original signed by
T. M. Romslo

T. M. Romslo
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
Contract Corres. 2166
Chron
TMR/lm

TMP

BULLDOG MOUNTAIN INC.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

May 28, 1963

OME
DEPARTMENT OF THE INTERIOR
MAY 30 1963
REGION III
DENVER, COLORADO

Mr. T. M. Romslo
Acting Field Officer
Office of Minerals Exploration
Bldg. 20 - Federal Center
Denver, Colorado

Re: OME Contract No. 2166

Dear Mr. Romslo:

Thank you for your letter of May 24, together with our copy of the contract.

My sincere apologies for the error of having written in the starting date. Unfortunately, I discovered it only when it was too late.

Humbly,

S. J. Varnhagen

cc/ Selfridge

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 12 1963

DATE	INITIALS	CODE
6/14		

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Building 20 - Denver Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
RECEIVED MAY 28 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Enclosed are the Government's, Audit's, and Fiscal Section's executed copies of the subject contract.

T. M. Romslo

Attachments

Building 20 - Denver Federal Center
Denver 25, Colorado

May 24, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 27 1963

DATE		CODE
5/27	[illegible]	800
	Griswold	500

Mr. B. J. Varnhagen, President
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

Returned herewith for your files is the Operator's copy of the subject contract.

I note that the starting date, which was to have been inserted at this office, was written in by you.

Sincerely yours,

Original signed by
T. M. Romslo

T. M. Romslo
Acting Field Officer, OME
Region III

Enclosure
cc: Mr. M. W. Cox
Box 748
Aspen, Colorado
Chief, Division of Field Operations, OME

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 14 1963

DATE		CODE
	Gruenwald	500

May 10, 1963

Mr. S. J. Varnhagen, President
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Proposed Contract No. 2166
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

Enclosed are the Government's, Operator's, Fiscal Section's, Audit's, and Field Office's copies of the proposed subject contract.

Please note that the 6 percent interest in Article 1 (c) of the contract accrues from the dates on which the individual payments are made by the Government and like the principal is repayable from royalty on production.

If the contract meets with your approval, will you please sign and return all copies to this office and the Operator's copy will then be forwarded to you.

Also, please advise the starting date so that we may insert it in Article I of the contract.

Sincerely yours,

Original signed by
T. M. Romslo

T. M. Romslo
Acting Field Officer, OME
Region III

Enclosures
cc Mr. M. W. Cox
Box 748
Aspen, Colorado
Chief, Division of Field Operations, OME
OME-6288
Chron
TMRlm

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	500
5/6	Talbert	800
	GEL	135
5/6	Johnson	110
	Finch	100
	CAC	220
		500

MAY 6 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: CMK-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Vault
Mineral County, Colorado

In line with your recommendations we have prepared a proposed contract covering the referenced project, signed by the Director for the Government. The contract consists of DMEA Form 30 (Long Form), Annex I (two pages), Annex II (one page), Exhibit A (five pages), Exhibit B, one Lien and Subordination Agreement, and Figure 1. Also enclosed for your use is an extra copy for Field Office use.

You will notice in Annex I that the book and page numbers are not shown for claims Baker 48 and 49. As our copies are so blurred we could not make this out. Please ascertain the book and page numbers and make the proper insertions.

If the contract is satisfactory to you and the Applicant, kindly insert the starting date and have an authorized representative of the company sign the original and four copies. Thereafter, please distribute the copies in the usual manner.

Please advise the Applicant that the 6 percent interest accrues from the dates on which the individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

George C. Selfridge (gla)

Enclosures

WRGriswold/mm
5/2/63
cc: Director's Reading File
Review Committee
Docket

8623

Re: [redacted]E-6288

① Art. 7 (b)(2) – change "ten" to "fifteen" and add at end of sentence "(See Annex II)".

② In last paragraph of Annex II – delete "in the sum of $26,981.65"; also, at end, change "payment of said $26,981.65" to "Repayment of said contribution".

③ Exhibit "A", 1st & 2nd par.; as written are specifications rather than statement of purpose – possibly should be changed.

④ Exhibit "A", 1st. line, 3rd page suggest deleting "full-time".

⑤ Exhibit "A", 1st par., states diam. drilling "westerly", whereas ~~the~~ par page 4 states "northerly" ????

(over)

Talbert 4/1/8

PS: No specs. for access roads & other dozing ????

STATES
THE INTERIOR
RATION ADMINISTRATION

MME Form 50
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME #6288	Silver	14-23-090-	Mineral	Colorado

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Bulldog Mountain, Inc.

_____,

whose mailing address is Room 511, 57 Post Street, San Francisco 4, California, hereinafter called the "Operator, as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 30 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ 212,320. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 106,160 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

Interest of Lessor, Kansas City Star Claim

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

Lien and Subordination Agreement, signed by Rio Grande River Raft Race, Inc.

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of the same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of fifteen years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first. See Annex II.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Article 16

~~ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.~~

~~The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.~~

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 26. [illegible]

(a) [illegible] performance of work under [illegible] of the Executive Order [illegible] attached hereto as Exhibit [illegible] a part of this contract), [illegible] this [illegible].

"In conformity with the [illegible] and regulations (41 CFR, Section 60-1.3(a)) issued under the [illegible] of [illegible], the Operator is hereby bound and [illegible] shall make with a subcontractor [illegible] paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

"The Operator shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall be bound by reference in each [illegible] or purchase order with a [illegible] supplier [illegible] paragraphs (1) through (7) of Section 301 of Executive Order 10925 of March 6, 1961, as amended pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity."

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

See attachment

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By

By

Title

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52370

WRGRISWOLD/MM
DRAFT 4/17/63

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OME-6288

ANNEX I

The land referred to in Article 2 of the contract consists of sixteen (16) patented and fifty-six (56) unpatented lode mining claims, including all rights pertaining thereto, located in the Sunnyside Mining District, Mineral County, Colorado, in Township 42, North, Range 1, West of the New Mexico Principal Meridian. All claims are owned by the Operator with the exception of the Kansas City Star patented claim which is held under lease dated April 8, 1961.

The claims are:

Patented Claims

Name	U.S. Mineral Survey No.
Number Eleven	8365
Memphis	15241
Victoria	9536
La Plata	15229
Alamosa	7848
Baxter	8441
Conejos	7463
Giant	8165
Crescent	7484
Acanthus	19302
Tahrshatha	19302
Conejos No. 2 (3/4 interest)	8306

Monterey	7484
Puzzle	9535
Grover Cleveland	11586
Kansas City Star Rio Grande River Raft Race, Inc. (Owner)	8697

Unpatented Claims, recorded in the office of the County Clerk and Recorder of Mineral County, at Creede, Colorado:

Baker Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, and 28, conveyed by Quit Claim Deed from John W. Getz, dated March 10, 1961, and recorded in book 110-1, at page 304.

Baker Nos. 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, and 39, conveyed by Quit Claim Deed from Fred E. Baker, Jr., dated March 27, 1961, and recorded in book 110-1 at page 309.

	Book	Page
Baker No. 40 (location certificate)	5C	282
" " 41 " "	5C	311
" " 42 " "	5C	312
" " 43 " "	5C	321
" " 44 " "	5C	322
" " 45 " "	5C	331
" " 46 " "	5C	472
" " 47 " "	5C	481
" " 48 " "		
" " 49 " "		

Baker	No.	50	(location	certificate)	5C	1042
"	"	51	"	"	5C	1051
"	"	52	"	"	5C	1052
"	"	53	"	"	5C	1061
"	"	54	"	"	5C	1062
"	"	55	"	"	5C	1071
"	"	56	"	"	6	7

All of the above claims are shown on the attached map entitled, "Figure 1, Map of the Baker Lode Claims, Sunnyside Mining District, Mineral County, Colorado." The exterior property boundaries are outlined in blue color but the claims shown in dark shading within such outlined boundaries are not included in this contract.

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OMZ-6288

ANNEX II

WHEREAS, most of the property referred to in Article 2 of the contract form was the subject of a contract dated September 12, 1961, No. 2130, Docket OMZ-6143, between the Government and Humphreys Exploration Company, hereinafter called the "Prior Contract" and

WHEREAS, said Prior Contract has been performed and the contribution of the Government thereunder has been determined (subject to audit) to be $26,981.65 and

WHEREAS the work now provided for in this contract is an extension and continuation of the work under the Prior Contract

NOW THEREFORE it is agreed that:

The contribution of the Government under the Prior Contract [redacted] shall be and is hereby added to the estimated cost of the work under this contract as indicated in Exhibit A for repayment to the Government under the provisions of this contract. Any royalty accruing under this contract shall be applied first to the payment of said [redacted] contribution.

EXPLORATION CONTRACT
BULLDOG MOUNTAIN, INC.
OMX-6288

EXHIBIT A

The purpose of this project is to explore for silver-bearing ore bodies by crosscutting to the Puzzle vein, by drifting along the vein to its junction with the east strand of the Bulldog Mountain fault and thereafter to drift along such strand. Underground diamond drilling shall also be done [redacted].

Concurrently with the aforementioned work, surface trenching by bulldozing surface and diamond drilling shall be done in the northern portion of the property.

General Provisions

No work under this contract may be performed at distances less than 100 feet from exterior property boundaries.

The location, direction, and extent of each work item shall be subject to prior Government approval.

The total combined footage of surface and underground diamond drilling shall not exceed 8,000 feet, the total combined footage of crosscutting and drifting shall not exceed 4,000 feet, and the total combined bulldozing for access roads, trenches, and drill sites shall not exceed 300 hours. The Government will contribute to the cost of not more than 4 underground diamond drill stations and to the cost of not [redacted] to exceed 600 feet of timbering for drifts and crosscuts.

The surface diamond drilling shall be done with standard NX and BX size coring bits (approximately 2-1/8 inch and 1-5/8 inch core diameter, respectively) and, when necessary to complete a hole, standard AX size bit (approximately 1-1/8 inch core diameter) may be used.

The underground diamond drilling shall be done by use of standard BX and AX coring bits.

Core from the diamond drilling shall be properly boxed, marked, and stored for later inspection by the Government. With prior Government approval, the Operator may later dispose of such core. Significantly mineralized core shall be split and sampled and the sample assayed. No sample shall represent a core length of greater than five feet.

Facilities shall be provided for the sampling of diamond drill sludges and such sludges shall be retained when drilling in significantly mineralized areas. Whenever the core recovery is found to have been less than 60 percent the corresponding retained sludges shall be sampled by quartering as necessary and the sample assayed in addition to the sampling and assaying of such core segments as may have been recovered.

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period and showing the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the work performed.

All holes shall be logged geologically and copies of the logs of the completed holes shall likewise be furnished monthly, with the Operator's monthly report.

All drifts and crosscuts shall be of not less than 6' by 7' in cross section in the clear of timber and shall be timbered as necessary, using drift sets of not less than 8' by 8' timber, or equivalent round timber.

All drill stations shall not be less than 5' x 7' in rock section and shall be not less than 15 feet long, from the wall of the drift.

Mine rails shall be of not less than 30 pound size, air lines of not less than 4-inch diameter, and water lines of not less than 1-inch diameter. The drifts and crosscuts shall be ventilated, using not less than 15-inch diameter vent pipe.

All significantly mineralized areas traversed by the drifting shall be sampled normal to their trends at intervals of not more than ten feet. Likewise a representative bulk sample shall be taken of each round broken, in areas showing significant mineralization.

All samples, from whatever source, before being sent for assay, shall be split and one split set aside and made available to the Government, properly marked as to source and location. Samples shall be assayed for gold, silver, lead, and zinc, as appears desirable.

The bulldozer used for the work of access roads, trenches and drill sites shall be of not less than D-7 size or equivalent size of other make.

The Operator shall provide such [redacted] supervisory and technical services as may be required to complete the work in a satisfactory manner.

Description of the Work

In the northern portion of the property trenching and surface diamond drilling shall be done at locations which appear desirable. Such work (in part) is roughly indicated on the attached Figure 1.

From a point near the NW corner of the Grover Cleveland claim a crosscut shall be driven westerly to intersect the Puzzle vein and thereafter a drift shall be driven on such vein in a northwesterly direction to intersect the east strand of the Bulldog Mountain fault. Thereafter the drift shall be continued northerly along this east fault strand.

From positions believed proper along the course of the drifting, four diamond drill stations may be excavated. From these stations diamond drill holes shall be drilled westerly to explore the various strands of the Bulldog Mountain fault.

It is estimated that 4,000 feet of such underground drilling will be required and that 4,000 feet will likewise be required for the surface diamond drilling.

Estimated Cost of the Work

Actual Costs

Category (1) Independent Contracts

Core drilling (surface)

Mobilization of equipment	$600.00

Alluvium drilling to bedrock

200 ft. @ $6.00 per ft. cased $1,200.00

NX drilling, bedrock to 250 ft. depth

1,050 ft. @ $5.75 per ft. 6,037.50

BX drilling, bedrock to 250 ft.

$5.25 per ft.

AX drilling, bedrock to 250 ft.

$4.95 per ft.

NX drilling 251 to 500 ft. depth

1,250 ft. @ $5.90 per ft. 7,375.00

BX drilling 251 to 500 ft.

$5.50 per ft.

AX drilling 251 to 500 ft.

$5.15 per ft.

BX drilling, depths in excess of 500 ft.

1,500 ft. @ $5.75 per ft. 8,625.00

AX drilling depth in excess of 500 ft.

$5.40 per ft.

Reaming and casing, cementing and redrilling, surveying

150 hours @ $11.50 per hr. 1,725.00

<u>Underground diamond drilling</u>

Mobilization 300.00

BX drilling 0 to 250 ft. depth

1,750 ft. @ $4.95 8,662.50

AX drilling, 0 to 250 ft. depth

$4.75 per ft.

BX drilling 251 to 500 ft. depth		
1,000 ft. @ $5.25	$5,250.00	
AX drilling 251 to 500 ft. depth		
$5.00 per ft.		
BX drilling 501 to 750 ft. depth		
650 ft. @ $5.60	3,640.00	
AX drilling 501 to 750 ft. depth		
$5.35 per ft.		
AX drilling depths in excess of 750 ft.		
600 ft. @ $5.80	3,480.00	
Cementing and redrilling, reaming and casing, hole surveying		
150 hours @ $11.50 per hr.	1,725.00	
		$48,620.00

<u>Agreed unit costs</u>

Bulldozing		
300 hrs. @ $12.50 per hr.	3,750.00	
Incidental allowance for each ft. of drilling completed		
8,000 ft. @ $0.40	3,200.00	
Compressed air and water allowance for each foot of underground drilling completed		
4,000 ft. @ $0.60	2,400.00	
Crosscutting and drifting		
4,000 ft. @ $36.00	144,000.00	
Timbering of drifts and crosscut		
600 ft. @ $8.00 per ft.	4,800.00	

Diamond drill stations		
4 @ $350 each	1,400.00	
Core boxes (wooden)		
500 @ $3.50 each	1,750.00	
Assaying		
1,200 determinations @ $2.00 each	2,400.00	
		$163,700.00
Total estimated cost		$212,320.00
Government Participation @ 50%		$106,160.00
Contribution of Government under prior contract		$ 26,981.65
Combined contribution under both contracts		$133,141.65

B U L L D O G M O U N T A I N I N C.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

April 9, 1963

Mr. George Fumich, Jr., Director
Office of Minerals Exploration
U. S. Department of the Interior
Washington 25, D.C.

Re: OME - 6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Dear Mr. Fumich:

My apologies for the delay in responding to your letter of April 1st.

We will be glad to accept a contract along the lines proposed in your draft. I think your allocations are both fair and reasonable, and certainly the cooperation you have given us has been exemplary.

Appreciatively,

S. J. Varnhagen

P.S. Regarding the Dutch Girl claim, it was surveyed for patent; the patent was not issued.

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 12 1963

DATE	INITIALS	CODE
	Answered	500

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Yarwood	500
	Jeffordson	220
4/1	Johnson	410
4/1	Tunch	100
4/1	COC	220
		500

AIRMAIL

Mr. S. J. Varnhagen
President
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

APR 1 1963

Re: ONE-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Dear Mr. Varnhagen:

We have your letter of March 25 in which you request a tentative contract outline. It likely would be roughly as follows:

Royalty repayment period of 15 years. In case a discovery and certification, Government funds expended under previous contract on this property would be repayable from royalty on production, the same as funds expended under presently proposed contract.

Proposed Work

Bulldozing for access roads, drill sites and trenches, with dozer of D-7 size or equivalent size of other make.

300 hours @ $12.50 per hour	3,750.00
Surface diamond drilling 4,000 feet (MacPherson bid)	
Mobilization of equipment	600.00
Alluvium drilling to bedrock 200 ft (estimated) @ $6.00 per ft	1,200.00
NX drilling bedrock to 250' depth 1,050 ft @ $5.75	6,037.50
Bx drilling bedrock to 250' depth @ $5.25 per ft	

8623

AX drilling bedrock to 250' $4.95 per ft		
NX drilling 251 to 500' depth 1,250 ft @ $5.90 per foot	7,375.00	
BX drilling 251 to 500' depth 5.50 per ft		
AX drilling 251 to 500' depth 5.15 per ft		
BX drilling, depth in excess of 500' 1,500' @ 5.75 ft	8,625.00	
AX drilling, depth in excess of 500' 5.40 ft		
Reaming and casing, cementing and redrilling, surveying 150 hours @ $11.50 per hr	1,725.00	
Incidental allowance each foot of drilling completed 4,000' @ 0.40	1,600.00	
Total cost surface work		$30,912.50
Underground crosscutting and drifting (6' x 7' size) 4,000 ft at $36.00	144,000.00	
600' drift and crosscut timbering @ $8 per ft	4,800.00	
Total crosscutting and drifting		$148,800.00
Underground diamond drilling (MacPherson bid)		
Mobilization	300.00	
4 diamond drill stations, not less than 15' in length (5' x 7') size @ $350	1,400.00	
BX drilling 0 to 250' depth 1,750 ft @ $4.95	8,662.50	
AX drilling 0 to 250' depth $4.75 ft		

BX drilling 251 to 500' depth 1,000 ft @ $5.25	$5,250.00	
AX drilling 251' to 500' depth $5.00 ft		
BX drilling 501 to 750' depth 650' @ $5.60	3,640.00	
AX drilling 501' to 750' depth $5.35 ft		
AX drilling, depth in excess of 750' depth 600' @ $5.80	3,480.00	
Compressed air and water allowance for each foot of drilling completed 4,000 ft @ $0.60 per ft	2,400.00	
Incidental allowance for each foot of drilling completed 4,000' @ $0.40	1,600.00	
Cementing and redrilling, reaming and casing, hole surveying 150 hours @ $11.50	1,725.00	
Underground drilling total		$28,457.50
Miscellaneous items Wooden core boxes 500 @ $3.50	1,750.00	
Assaying (gold, silver, lead, zinc) 1,200 determinations @ $1.50	1,800.00	
Total miscellaneous		$3,550.00
Total costs		$211,720.00
Government's share, 50%		$105,860.00

One point requires clarification. Your proposed crosscut appears to pass through the Dutch Girl patented claim, which you do not control. You must either obtain possession of this claim, or at least obtain an easement; otherwise you would have to relocate the crosscut.

We shall hold matters pending until we hear from you.

Sincerely yours,

George Fumich, Jr.

Director

WRGriswold/mm
3/28/63
cc: Director's Reading File
Region III (2)
Docket

DMGA 3831

BULLDOG MOUNTAIN INC.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

March 25, 1963

Mr. George Fumich, Jr.
Office of Minerals Exploration
Washington 25, D.C.

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Dear Mr. Fumich:

I can now advise you that Bulldog Mountain, Inc. will accept the conditions you cite in your letter of March 15 to me.

I wonder if it would be possible to send us initially a draft of the proposed contract rather than the final document? Several items have been changed (some by you and some by us) and I am not at all sure just what is to be included.

My thanks for your time and patience.

Sincerely,

S. J. Varnhagen

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 27 1963

DATE	INITIALS	CODE
	Driswold	500

B U L L D O G M O U N T A I N I N C.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

March 20, 1963

Mr. George Fumich, Jr.
Director, Office of Minerals Exploration
Washington 25, D.C.

OME - 6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Dear Mr. Fumich:

Thank you for your letter of March 15. I personally have no objections to the conditions you cite, if you feel they are necessary, but I would like to get the concurrence of the other directors of the corporation. We intend to meet within the next two weeks, and I will notify you immediately thereafter.

Sincerely,

Stephen J. Varnhagen

S. J. Varnhagen

SJV:jmj

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 22 1963
DATE
500

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Fumich	500
	Selfridge	120
3/14	Johnson	110
3/18	Fumich	103
3/15	Cal	220
		500

Mr. S. J. Varnhagen
President
Bulldog Mountain, Inc.
57 Post Street, Room 511
San Francisco 4, California

MAR 1 5 1963

Re: OMZ-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Dear Mr. Varnhagen:

We have your March 5, letter to Mr. Connors, and his March 7 reply to you concerning the proposed Creede area project.

With reference to the Government expenditures under the previous Humphreys contract, in all fairness to the Government such a sum would have to be included for repayment in any new contract which might be given. We feel that there is no question but what the property benefited from the knowledge gained by the previous work.

Your cost estimate of $44 per foot for crosscutting and drifting is higher than the costs for similar work under the previous contract and those of other projects in which the Government has participated in the Creede district. We feel that some adjustment would be necessary more in line with the cost suggested in Item (1) of Mr. Connor's February 25 letter to you.

If you are willing to accept the foregoing conditions, we shall be glad to prepare an exploration contract for your consideration. We shall await your advice.

Sincerely yours,

George Fumich, Jr.

(pt)

Director

WRGriswold/mm
3/14/63
cc: Director's Reading File
Review Committee
Docket

8623

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: CHE-6238 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

We have our copy, with attachments, of your March 7 letter to the noted Applicant.

We cannot disregard the recent Humphreys' expenditures in this same area. The proposed project would definitely benefit from the knowledge already gained and we would leave ourselves open to severe criticism if we neglected this fact. The matter is not debatable.

Regarding costs, we merely suggested $36 per foot for drifting and crosscutting inasmuch as that was the Humphreys' figure. If the Applicant wishes us to put its proposed costs "through the wringer" and trim off the fat, we will be glad to do so. It would look something like this:

Page 10.--Eliminate one "top man," ($18,602) Why are top men needed on an adit project? Just what is there to do except to stop and start an air compressor, grind a few bits, and maybe frame a little timber! We have a deluxe supervisor ($175 per week) who will have little to do. If he is too fastidious to soil his hands, we still have a "truck driver-storekeeper available.

Eliminate subsistence ($1,000) for supervisory personnel. We never allow this except in truly remote locations. Reduced cost per foot is 18,602 plus 1,000, divided by 4,000.00 or $4.90.

Page 11.--If we make the usual 50% adjustment on salvageable material (pipe, vent pipe, rail, fishplates, car transfer), the cost is reduced 2.65 per foot.

Page 12.--Depreciate
Eliminate building $3,000
(We do not depreciate buildings).

Compressor and receiver
(The most expensive 600 c.fm outfit we can find, diesel driven and rubber tire mounted, costs $13,000); hence we will reduce estimate by: $3,000

(Why the 2-ton dump truck? We usually allow a half-ton pick-up). Eliminate $4,000

Eliminate surface water line.
(We do not depreciate). $3,000

Eliminate the dozer-loader.
(The access road cost has been at 1.20 per ft., overall). $7,000
$ 20,000

Hence, we have 65,600 - 20,000 = $\frac{45,600}{60}$ = 760 times 18 months = 13,680 divided by 4,000 ft. = 3.42 at a reduction of 2.37 per foot.

Page 13.--Eliminate assayer. (provided for elsewhere) $3,200

Compensation and Insurance reduced by 1,694
$4,894

Reduced cost 1.22 per ft.

Total reduction:

Page 10	4.99
" 11	2.85
" 12	2.37
" 13	1.22
	11.34

to be deducted from the Operator's estimated cost of $44.66 per foot

Please remind the Applicant we still have no diamond drill bids.

WBGriswold/mm
3/13/63
cc: Director's Reading File
Review Committee
Docket

B U L L D O G M O U N T A I N I N C.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

March 8, 1963

U. S. Department of Interior
Office of Minerals Exploration
Washington 25, D.C.

Re: OME #6288 (silver)
Bulldog Mountain, Inc.
Mineral County, Colorado

Dear Sirs:

We enclose another bid quotation on the work to be done on Bulldog Mountain to further substantiate the estimates submitted with our application.

Yours sincerely,

S. J. Varnhagen

S. J. Varnhagen

enclosure

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 12 1963

DATE	INITIALS	CODE
	Drawer	500

Building 20 - Federal Center
Denver 25, Colorado

March 7, 1963

AIRMAIL

Mr. S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

Thank you for your letter of March 5, 1963, which is being forwarded via airmail to the Washington Office OME, for their final consideration and advice to you.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
with the original of Applicant's letter dated March 5, 1963.

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 8 1963

DATE	INITIALS	CODE
		120
	Stanwold	500

B U L L D O G M O U N T A I N I N C .

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

March 5, 1963

OME
DEPARTMENT OF THE INTERIOR
MAR 6 1963
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer
Office of Minerals Exploration
Building 20, Federal Center
Denver, Colorado

Re: OME #6288 (silver)
Bulldog Mountain, Inc.
Mineral County, Colorado

Dear Mr. Connors:

Thank you for your informative letter of February 25. In reply, permit me to take up your item #2 first, since this is the crux of the matter. An explanation of some of the transactions between Humphreys Exploration Company and Bulldog may serve to clarify this situation. Bulldog Mountain, Inc. entered into an agreement with Humphreys Exploration Company for the development of its property at Bulldog Mountain, this agreement being dated in July 1961. Thereafter, Humphreys solicited and received an OME contract, #2130, with regard to the exploration of Bulldog Mountain's property. This contract had two stages: (1) a preliminary drilling stage and (2) an underground exploration stage. Humphreys completed approximately 5/8ths of stage 1, and then requested a 2-year moratorium in performance of its obligations to Bulldog Mountain, Inc. for the purposes of hiring other geologists to study the entire Creede district where Humphreys through their company, Creede Mines, controls substantial other property. Such studies being of little value to Bulldog Mountain, Inc., Bulldog requested the return of its property from Humphreys. This was refused. Finally the two companies did agree in December 1962 to enter into a mutual rescession agreement whereby all contract obligations from Bulldog to Humphreys and Humphreys to Bulldog were mutually cancelled and each company went its own way. By this method, Bulldog finally received its property back.

Reviewing then the state of information on the property on the 1st of January of this year, Bulldog prepared a new application, after consultation with its retained geologist, M. W. Cox, and with Mr. T. A. Stevens of the U. S. Geological Survey. In view of the information then available, a totally new approach to exploration of the property was dictated, to wit: (1) an underground exploration opening from which (2) extensive underground drilling could be done. Mr. Stevens also suggested that drilling should be done to the north on the property. In line with these recommendations, we therefore prepared a totally new application which, in our opinion, is not properly considered as an amendment to any original contract, since no contract ever existed between Bulldog Mountain and the OME, and since Bulldog Mountain was unable to assume any contract which existed between Humphreys and OME.

OME
DEPARTMENT OF THE INTERIOR
MAR 6 1963
REGION III
DENVER, COLORADO

OME has terminated the contract with Humphreys without recourse and excused Humphreys from repayment of the moneys advanced by OME, although Humphreys abandoned and did not complete any stage of its contract. We therefore do not believe that Bulldog Mountain should be charged with the liabilities of the Humphreys contract.

We certainly concur with your suggestion that additional staged work should be confined to areas believed to be most favorable. You will note in our application that we have effectively eliminated nearly half of the property, to wit: that lying south of the Border fault. We have outlined a method of attack which will place us in the position where, according to our geologists and those with the U. S. Geological Survey, we have the very best chances of making substantial mining discoveries.

In regard to your item #3, we have no objection to the term of repayment being extended to any reasonable date.

Finally, with regard to your item #1, we have asked our technical consultants to review their costs and we are wondering if a portion of the difference between our estimate of $44.00 and yours of $36.00 is not involved in certain items which might properly be set forth not as a charge against footage but as separate and independent charges, to wit: (1) the cost of geological work, bookkeeping, surveying and sampling, (2) the cost of initial site preparation and (3) the cost of assaying of samples. We believe that if these items are listed separately that our cost differences are so slight as to be immaterial and we would be fully prepared to accept a contract at the cost of $36.00 a foot. Accordingly a suggested revision of costs is attached hereto.

We are sending a copy of this letter to our Washington representative that he may be fully advised of the status of negotiations with regard to the proposed OME contract.

We thank you again for your careful and considerate attention to this project.

Most sincerely,

S. J. Varnhagen

Suggested Revision of Project Costs

Summary of Costs

Unit Costs

Tunneling	3600' bald-headed @$36	$ 129,600
	400' timbered @$44	17,600
Drilling	8000' @$7	56,000
	Total Unit Costs	$ 203,200

Fixed Costs

Consulting services: surveying, geological & sampling 16 months @$800	$ 12,800
Assaying (Au + Ag) 900 samples @$4.00	3,600
Site Preparation	4,000
Bookkeeping, 16 months @$100	1,600
Trenching	3,500
Road construction	1,500
Total Fixed Costs	$ 27,000
TOTAL PROJECT COSTS	$ 230,200

Building 20 - Federal Center
Denver 25, Colorado

February 25, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 27 1963
DATE
Forward 500

Mr. S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Re: CMZ-6088 (Silver)
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Varnhagen:

I have received the captioned application from the Washington Office, OME requesting my recommendations. There is nothing to be gained by a field examination of the property because I am familiar with the property and the exploration work which has been accomplished. I am therefore making the following recommendations to the Washington Office, OME.

(1) Your estimated costs of drifting and crosscutting are too high. They should not exceed $36.00 per foot in the Creede area, which amount was allowed in the original contract.

(2) It appears to me that Stage I of the original planned work has been accomplished. Therefore, any new contract should, in effect, be an amendment to the original contract and provide for additional staged work confined to areas believed to be most favorable. The new contract should also include the expenditures made for the work accomplished under the original contract.

(3) At least one more year should be added to the repayment period.

If you would be interested in a contract including the afore mentioned stipulations, will you please advise.

Nothing in this letter should be construed as an offer of a contract because I have no authority to make such a contract. I have only told you of my recommendations to the Washington Office, OME.

Sincerely yours,

Original signed by

Hugh M. Conners
Acting Field Officer, OME
Region III

cc Mr. W. W. Cox
Box 748
Aspen, Colorado

Chief, Division of Field Operations, OME
OME-6288
Chron
HMC/lm

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 21 1963

DATE	INITIALS	CODE
February 19, 1963		500
	Recorded	

W. J. Warnhagen, President
Bulldog Mountain Inc.
57 Post Street, Room 511
San Francisco 4, California

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

Dear Mr. Warnhagen:

This responds to your letter dated February 18, 1963 on the captioned docket.

If a field examination of the property is deemed advisable, I will notify you in advance so that you or your representative may accompany the field examiner.

Sincerely yours,

Original signed by

High M. Connors
Acting Field Officer, OME
Region III

cc Gail F. Curen, Agent
122 Adams Street
Monte Vista, Colorado

Chief, Division of Field Operations, OME ✓
OME-6288
Chron
HMC/lm

9/M.C

BULLDOG MOUNTAIN INC.

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

February 18, 1963

OME
DEPARTMENT OF THE INTERIOR
FEB 19 1963
REGION III
DENVER, COLORADO

Mr. H. M. Connors
Office of Minerals Exploration
Region III, Building 20
Denver Federal Center
Denver 25, Colorado

Re: OME 6288 (silver)
Bulldog Mountain Inc.
Mineral County, Colorado

Dear Mr. Connors:

Mr. George Fumich, Jr. has notified me that our application for assistance in the exploration of Bulldog Mountain has been referred to your office. The two items that were missing from our application, the bids from the independent drill contractors and the Lien and Subordination Agreement for the Kansas City Star claim, were forwarded to Washington today.

When you are ready to personally inspect the property, if you will kindly notify me of your intention, I will see to it that either Mr. M. W. Cox or Mr. Fred Baker, Jr. is there to meet you.

The Bulldog records have been moved to this office, so please call upon me if you should need additional information.

Sincerely yours,

S. J. Varnhagen

SJV:jmj

GAIL F. OUREN
ATTORNEY AT LAW
MONTE VISTA, COLORADO
TELEPHONE 852-2369

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 21 1963
DATE | INITIALS | CODE
Griswold

February 18, 1963

Mr. George Fumich, Jr.
Director
Office of Mineral Exploration
U.S. Department of the Interior
Washington 25, D.C.

R: O M E 6288 (Silver)
Bulldog Mountain, Inc.

Dear Sir:

Pursuant to the request of S. J. Varnhagen, President of Bulldog Mountain, Inc., I enclose herewith five (5) copies of lien and subordination agreement concerning Kansas City Star, Mineral Survey Number 8697.

Very Truly Yours

Gail F. Ouren

Gail F. Ouren

GFO: me
cc:
S. J. Varnhagen
57 Post Street, Room 511
San Francisco 4, California

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	500
2/18	Talbot	800
	Selfridge	130
2/18	Johnson	110
	Smith	100
2/18	Cal	220
		500

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OMX-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

FEB 18 1963

We have your February 13 memorandum covering the referenced application. We would not presume to dictate as to whether you should see Mr. Cox personally or contact him via correspondence. We will leave that to your good judgment.

However, you may as well let him know that, for obvious reasons, any allocated costs could not possibly be much higher than in the Humphreys contract. We would also insist that Humphreys' expenditures be enfolded into any new contract covering this area. Please remind him also that we require bids for proposed diamond drilling.

George C. Selfridge (gla)

WRGriswold/mm
2/18/63
cc: Director's Reading File
Review Committee
Docket

43683

B U L L D O G M O U N T A I N I N C .

S. J. Varnhagen, President
57 Post Street, Room 511
San Francisco 4, California

Gail F. Ouren, Agent
122 Adams Street
Monte Vista, Colorado

February 16, 1963

Mr. George Fumich, Jr.
Director
Office of Minerals Exploration
U.S. Department of the Interior
Washington 25, D.C.

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.

Dear Mr. Fumich:

Enclosed, please find the copies of the bids from the independent drill contractors that you requested in your letter of February 8.

The Lien and Subordination Agreement will follow in a few days.

Sincerely yours,

Stephen Varnhagen

Stephen Varnhagen

file on left-hand side of docket with application

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 18 1963
DATE | INITIALS | CODE
500

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

February 13, 1963

Memorandum

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 15 1963
DATE

120
500

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6238 (Silver)
Bulldog Mountain, Inc.
(Bulldog Mountain Fault)
Mineral County, Colorado

This responds to your memorandum of February 8, ~~1963 on the subject~~ docket.

I spent the morning with Tom Steven in his office discussing the subject application. He told me that the crosscut he had mentioned to me earlier as being nearer the Bulldog fault zone than the breast of the Puzzle tunnel, is located on Ben Poxson's property (Emperious Mining Company). A claim belonging to Humphreys would also have to be crossed to arrive at the Bulldog fault zone from the Poxson crosscut. Since Poxson, McKinley, and Cox are not even on speaking terms, the continuation of the aforementioned crosscut is out of the question at this time. Tom Steven believes that the second best approach is the one the Applicant has chosen, namely to drive the proposed new adit from a point near the No. 1 corner of the Grover Cleveland claim at an altitude of 9750 feet. Tom Steven particularly likes the 9750 feet altitude since it is the midpoint of the production zone on the Amethyst fault.

I believe we are justified in going ahead with this project along the lines shown in the subject application. However, I fully agree that the proposed costs are out of line and I would like very much to see a new contract similar to the Nye Metals contract which shows Stage I as being completed.

Field Off. Recommendations

Silver was not on the list of minerals eligible for OME aid at the time the Humphreys contract was dated but lead and zinc were on the list at that time. We now have a reversal of conditions where silver is on and lead and zinc are off the list of eligible minerals. The

area to be explored is virgin so that it would seem fair to consider the past production record of the entire Creede District in justifying further exploration for silver in the Bulldog Mountain fault. The total value of all minerals produced from the Creede District through 1956 was $56,718,000.00. Of this amount silver provided $37,567,300.00 or 66 percent of the total value. These figures were obtained from Tom Steven's report on the Bulldog Mountain fault.

I am not sure from your memorandum of February 8, 1963 how you wish me to proceed. Do you wish me to contact Bill Cox personally or handle the matter by correspondence. Your advice and thoughts in the matter will be appreciated.

Hugh M. Connors

Hugh M. Connors

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Duncan	500
2/9	Talbot	800
	GCS	130
2/9	Johnson	110
2-8	Smith	100
2/8	Coe	220
		500

FEB 8 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

At your convenience please let us have your comments on the referenced application. We suggest that you touch base with Tom Steven, who we understand is now in the Survey's Denver office. We note a comment on your August 21, 1961, memo to us, "Tom Steven told me that he has knowledge of a crosscut closer to the Bulldog Fault Zone than the breast of the Puzzle tunnel and he also said that the Applicant does not yet know of the existence of that crosscut."

We note the proposed costs are out of line. It would be most difficult for us to approve drifting and crosscutting costs that were materially different from those in the Humphreys' contract. Note recent Hye Metals costs, also previous Outlet and Sublet costs in Creede area.

Please explain to the Applicant that if a contract should be made, we would probably include funds expended under the Humphreys' project, for obvious reasons.

Any recommended work should be staged and confined to areas believed most favorable.

George C. Selfridge (cfo)

P.S. Because the Humphreys' contract included lead-zinc exploration, we must now have strong justification to support silver exploration. Please furnish your comments on this respect.

WRGriswold/mm 2/7/63
Rewritten: FEJohnson/mm 2/7/63
cc: Director's Reading File
Review Committee
Docket

43683

High cost --

Compare with Humphreys contract and comment to Field. Are we all agreed that this is a silver project and not lead-zinc? Ask Field to comment.

If contract can be made we should incorporate the amount of Gov't. contribution to Humphreys contract as new project would benefit from results.

Stage contract and limit work to most favorable area.

costs, fgt. of [illegible], and rate of adv[illegible]

FEJohnson

Outlet - Inlet?

lower adit.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Griswold	500
2/5	Talbert	800
	Selbrede	120
2/7	Johnson	110
2/8	Fumich	100
2/8	CWC	220
		500

Mr. S. J. Varnhagen
President
Bulldog Mountain, Inc.
57 Post Street
San Francisco 4, California

FEB 8 1963

Re: OME-6288 (Silver)
Bulldog Mountain, Inc.
Bulldog Mountain Fault
Mineral County, Colorado

Dear Mr. Varnhagen:

The application for assistance in exploring the subject property has been reviewed by the Division of Minerals of the Office of Minerals Exploration and referred to Mr. H. M. Connors, Acting Field Officer, Office of Minerals Exploration, Region III, Building 20, Denver Federal Center, Denver 25, Colorado.

We must have three bids from independent drill contractors covering the proposed diamond drilling.

We likewise must have five executed copies of a Lien and Subordination Agreement for the Kansas City Star claim. (Six forms are enclosed.)

The Regional Office will notify you in case additional information is needed.

Sincerely yours,

George Fumich, Jr.

Director

Enclosures

WRGriswold/mm
2/5/63
cc: Director's Reading File
Region III (2)
Docket
cc Mr. Charles F. Wheatley, Jr.

43683

[illegible] A D COX [illegible]
[illegible] street san francisco, california [illegible]

January [illegible]

Mr. Hugh Connors
Office of Mineral Exploration
Denver Federal Center
Denver, Colorado

1143

Dear Buck:

Having been unable to pursuade Humphreys Explo[illegible] Company to assign OME contract #2130 to Bulldog Mou[illegible] Exploration Company, on behalf of Bulldog Mountain I [illegible] authorized by the stockholders to prepare a new OME [illegible] which will be filed directly in Washington within the next [illegible] weeks. We are going to propose a new tunnel with drilling [illegible] the tunnel, and a small amount of additional surface drilling [illegible] entire drilling and tunnel layout to be locally administered.

I hope we can count on your cooperation in the [illegible] we have relied on it in the past.

Best regards,

Bill Cox

Bill Cox

MWC:jmj

Copy to Mr Selfridge

January 31, 1963

Bulldog Mountain, Inc.
Room 511
57 Post Street
San Francisco 4, California

Subject: OME - 6288

Gentlemen:

Your application for exploration assistance, dated January 30, 1963 submitted to our office at Washington,,D. C. has been assigned Docket Number OME-6288.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Allen S. Dakan, Chief
Division of Administrative
Management

Copies to: Region III
with copy of appln.
cc; C. F. Wheatley, Jr.

Figure 1

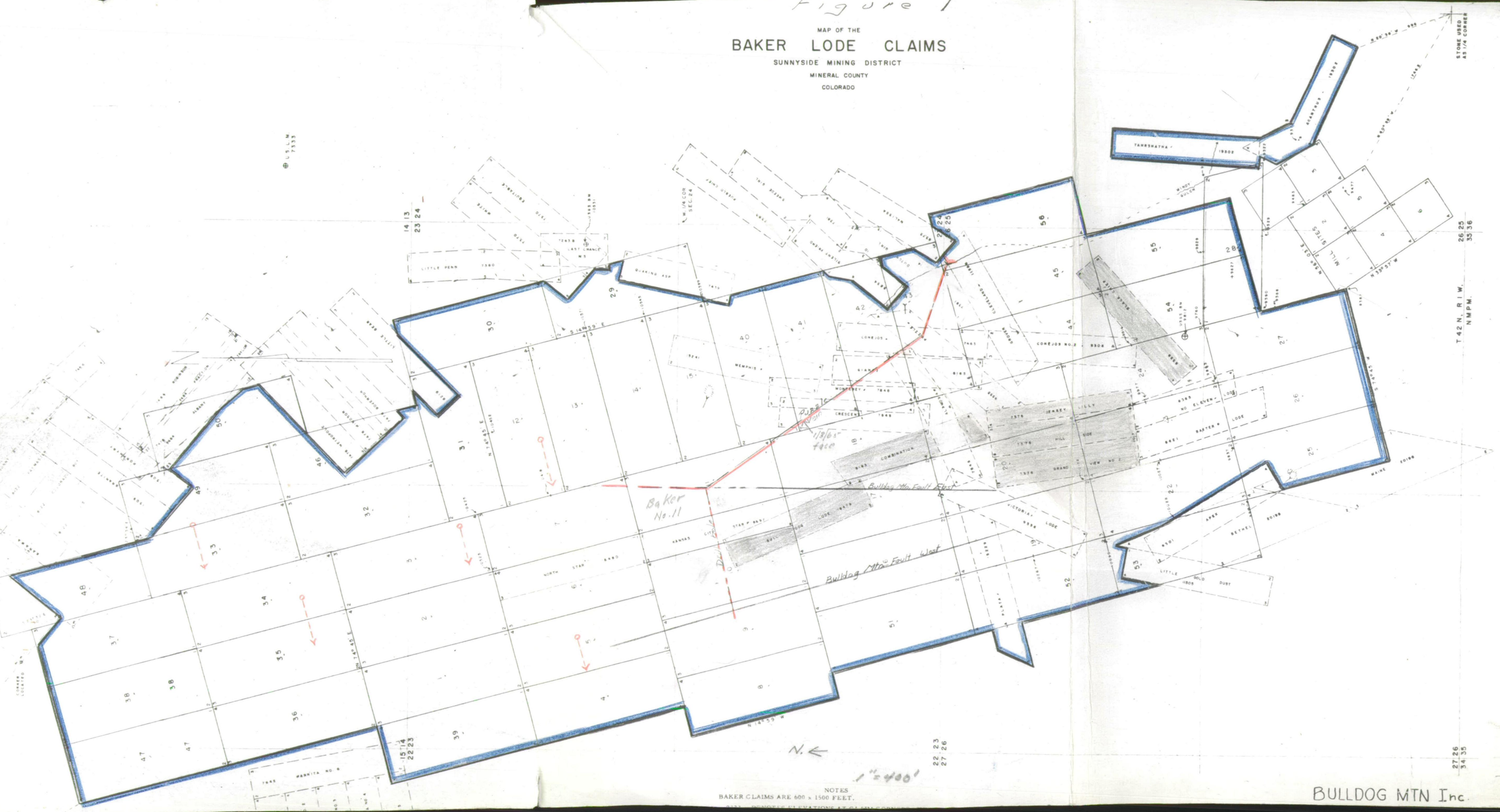
MAP OF THE

BAKER LODE CLAIMS

SUNNYSIDE MINING DISTRICT

MINERAL COUNTY

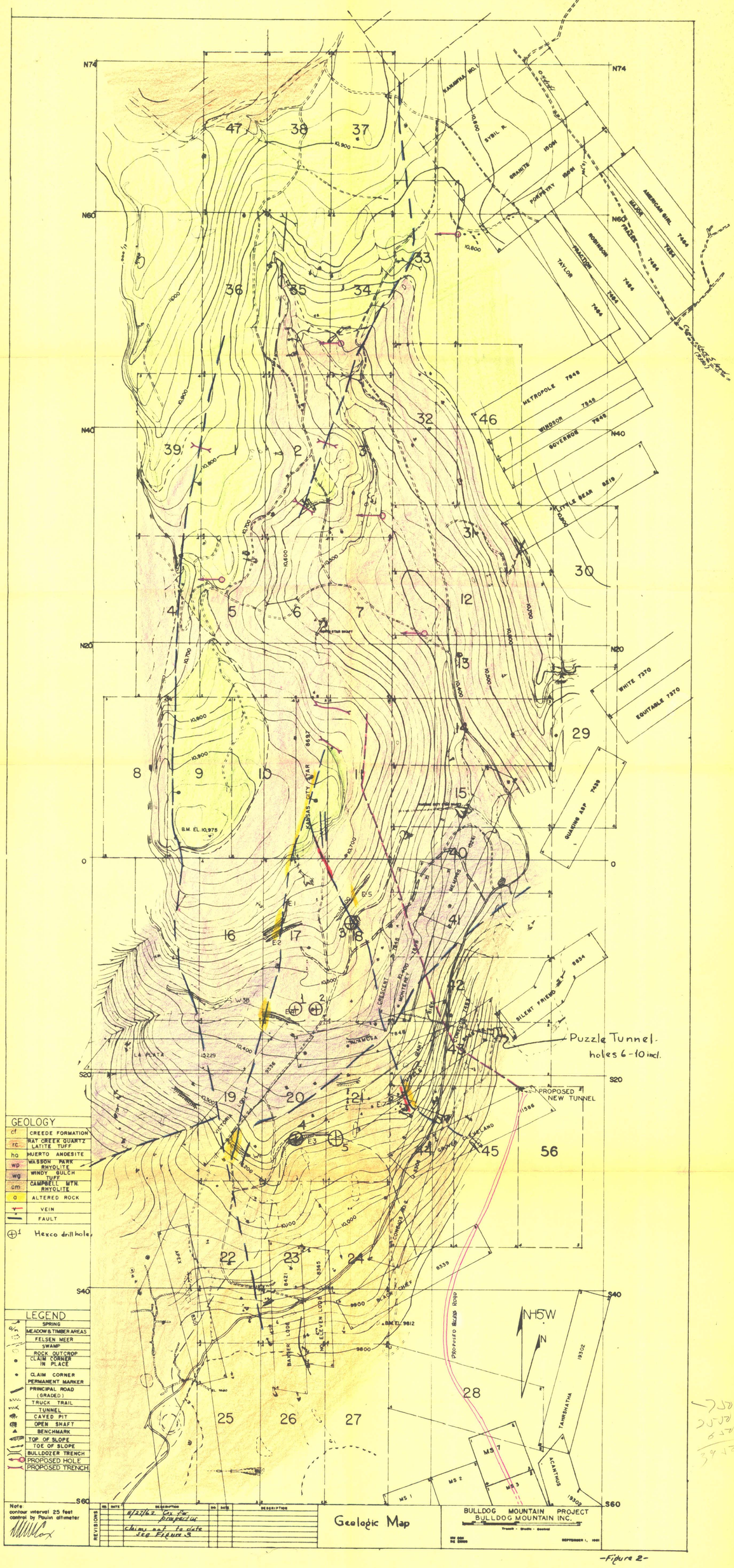
COLORADO



NOTES

BAKER CLAIMS ARE 600 x 1500 FEET.

BULLDOG MTN Inc.


Geologic Map
BULLDOG MOUNTAIN PROJECT
BULLDOG MOUNTAIN INC.
Trench - Drills - Geology
SEPTEMBER 1, 1961
Note:
contour interval 25 feet
control by Paulin altimeter
REVISIONS
NO. DATE DESCRIPTION
8/21/62 Cox for prospector claims not to date See Figure 3
GEOLOGY
cf CREEDE FORMATION
rc RAY CREEK QUARTZ LATITE TUFF
ha HUERTO ANDESITE
wp WASSON PARK RHYOLITE
wg WINDY GULCH TUFF
cm CAMPBELL MTN. RHYOLITE
a ALTERED ROCK
VEIN
FAULT
Hexco drill hole
LEGEND
SPRING
MEADOW & TIMBER AREAS
FELSEN MEER
SWAMP
ROCK OUTCROP
CLAIM CORNER IN PLACE
CLAIM CORNER PERMANENT MARKER
PRINCIPAL ROAD (GRADED)
TRUCK TRAIL
TUNNEL
CAVED PIT
OPEN SHAFT
BENCHMARK
TOP OF SLOPE
TOE OF SLOPE
BULLDOZER TRENCH
PROPOSED HOLE
PROPOSED TRENCH
Puzzle Tunnel - holes 6-10 incl.
PROPOSED NEW TUNNEL
N15W
N
B.M. EL. 10,975
B.M. EL. 9812
N74
N60
N40
N20
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S20
S40
S60
47
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MS 1
MS 2
MS 3
MS 7
ACANTHUS
TAMBRIANTHA
PROPOSED ACCESS ROAD
SYBIL R.
GRANITE
IRON
POKER FLAT
ROBINSON
TRACTOR
TAYLOR
AMERICAN GIRL
METROPOLE
WINDSOR
GOVERNOR
LITTLE BEAR
WHITE
EQUITABLE
QUAKING ASP
SILENT FRIEND
KANSAS CITY STAR
LA PLATA
VICTORIA LODE
BANNER LODE
MR. ELEVEN LODE
APEX
SILVER
CLEVELAND
MONTEREY
CRESCENT
ALAMOSA
BLACK CHIEF
SUNSHINE
KAMPTAN NO. 1

-Figure 2-