MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE Contract No. 14-23-2172 Docket No. MME-6320

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [x] 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

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits
- [x] 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

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

Additional Folders:

Left Side

Folders No._____: 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
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

52615

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/28	Murphy	500
	Dixon	500
4/28	Talbert	800
	Selfridge	120
4/28	[illegible]	110
	[illegible]	100
		220

APR 28 1964

Kenneth E. Baker and
Genevieve J. Baker
3655 Depew Street
Denver 12, Colorado

Re: OME-6320 (Molybdenum)
Kenneth E. Baker and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

Dear Mr. and Mrs. Baker:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

George Fumich, Jr. (gfa)

Acting Director

MMerrithew/mm
4/27/64
cc: Director's Reading File
Region III
CA&A Division
Docket
Code 500
Fall River Exploration and Mining Co., P.O. Box 32,
Idaho Springs, Colorado

43683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Kenneth E. Baker & Genevieve J. Baker
3655 Depew Street
Denver 12, Colorado

pertaining to Exploration Contract 14-23-090-2172, OME No. 6320, including Amendment No. 1, for September 1963 to November 1963, inclusive, covering a molybdenum project at the Clifford Mine, Clear Creek County, Colorado.

My review included an examination of the Monthly Vouchers (OME Forms 60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, confirmation of work performed by reference to reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reasons given in the attached schedule.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator		$7,302.29
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total acceptable cost		$7,302.29

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$3,651.14
Paid to date	3,151.14
Balance due Operator	$ 500.00

E. D. Talbert
E. D. Talbert, OME Auditor

January 7, 1964

Reasons for Report of Review in lieu of a final audit:

(a) a major portion ($6,515.50) of the acceptable costs covered work performed at unit rates under independent contract;
(b) the balance ($786.79) of the acceptable costs was under a contract provision for contribution by the Government on the basis of fixed unit costs for work performed;
(c) the Monthly Reports were supported by documentary evidence of the acceptable actual costs under the contract; and
(d) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible exceptions.

Acceptable cost:

Category (1) -		
Bulldozing, 24 hrs. @ $12.00	$ 288.00	
Mobilization & demobilization	350.00	
Drilling: Overburden, 41 ft. @ $6.68(Av.)	273.90	
0-300' NX, 526 ft. @ $6.60	3,471.60	
300-600' NX, 44 ft. @ $7.10	312.40	
300-600' NX, 106 ft. @ $6.60	699.60	
Reaming & casing, 80 ft. @ $3.60	288.00	
Cementing & redrilling, 10 hrs. @ $11.50	115.00	
Hauling water, 717 ft. @ $1.00	717.00	$6,515.50*
Fixed Unit Costs -		
Incidental allowance, 717 ft. @ $.87	$ 623.79	
Building rehabilitation, 1 job	75.00*	
Cardboard core boxes, 72 ea. @ $1.00	72.00*	
Assays for MoS_2, 4 ea. @ $4.00	16.00*	786.79
Total		$7,302.29

* Actual costs invoiced by Idaho Springs Lumber Company for bulldozing, Boylan Bros. Drilling Company for drilling and core boxes, and Root & Simpson, Inc., for assays:

Bulldozing, HD-6, 24 hrs. @ $12.00	$ 288.00
Drilling: 3 7/8", 11 ft. @ $6.90	75.90
NC, 30 ft. @ $6.60	198.00
NX, 526 ft. @ $6.60	3,471.60
NX, 44 ft. @ $7.10	312.40
NX, 106 ft. @ $6.60	699.60
Reaming, 80 ft. @ $3.60	288.00
Cementing & redrilling, 10 hrs. @ $11.50	115.00
Lumnite, 3 sks. @ $7.50	22.50
Mixing mud, 2 hrs. @ $11.50	23.00
Mud, 6 sks. @ $3.50	21.00
Marking blocks	3.06
Water haul, 717 ft. @ $1.00	717.00

14-23-090-2172 Kenneth E. Baker & Geneviave J. Baker OMK-6320

	Core boxes, 72 ea. @ $1.00	$ 72.00
	Mobilization	350.00
Assays:	3 samples for Mo	15.00
	1 sample for Mo, Au, & Ag	8.50
		$6,680.56

Costs invoiced by Barnett Company, Woodside Lumber, Inc., Montgomery Ward, and K. E. Baker:

Materials	$ 26.46
Labor, 20 hrs. @ $2.50	50.00
Transportation, 175 mi. @ $.10	17.50
	$ 93.96

Government's Copy

Asst. Sol. Off.

EXPLORATION CONTRACT
KENNETH E. BAKER AND GENEVIEVE J. BAKER
OME-6320

TERMINATION AGREEMENT

It is agreed this 9th day of December, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Kenneth E. Baker and Genevieve J. Baker, hereinafter called the "Operator," parties to that certain Exploration Contract No. 2172, (OME-6320), dated August 27, 1963, as amended, hereinafter called the "Contract," that

1. Effective November 15, 1963, the contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the allowable costs of the work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, a summary of the work performed and the related costs thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of the Operator's records) accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Acting Director, Office of
Minerals Exploration

Long
Murphy
Talbot
Selfridge
Johnson

KENNETH E. BAKER AND GENEVIEVE J. BAKER

Kenneth E Baker Genevieve J. Baker

Government's Copy

EXPLORATION CONTRACT
KENNETH E. BAKER AND GENEVIEVE J. BAKER
OME-6320

AMENDMENT NO. 1

It is agreed this 7th 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 Kenneth E. Baker and Genevieve J. Baker, hereinafter called the "Operator," that Exploration Contract No. 2172 (OME-6320), dated August 27, 1963, is amended effective the date of the contract, as follows:

1. In Exhibit A, under the heading General Provisions, in the last paragraph the specification "D-8 size" is revised to read "D-6 size".

2. Under Estimated Cost of the Work, Actual Costs, Category (1), Independent Contracts, the first item of work in Stage I and in Stage II are revised, respectively, to read as follows:

Bulldozing access roads and drill sites
28 hours @ $12.00/hr. $336.00

3. This amendment increases the hours for bulldozer work and decreases the unit cost, but shall not be construed to increase the estimated total cost of the contract, or 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 Turnbull
Director, Office of Minerals Exploration

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

KENNETH E. BAKER AND GENEVIEVE J. BAKER

Kenneth E Baker - Genevieve J. Baker

OME
DEPARTMENT OF THE INTERIOR

AUG 29 1963
REGION III
DENVER, COLORADO

OME Form 50
June 1963

Government's Copy

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

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME -6320	Molybdenum	14-23-090- 2172	Clear Creek	Colorado

It is agreed AUG 27 1963 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Kenneth E. Baker and Genevieve J. Baker

whose mailing address is 3655 Depew Street, Denver 12, Colorado, 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 OCT 15 1963 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 18 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 $ ~~48,540.00~~ $ 45,952.50 KEB K.J.B. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ ~~24,270.00~~ $ 22,976.25 KEB K.J.B. 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 at the rate of 6 ¼ 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:

See Annex I

(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:

See Annex I

(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.-- 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 four 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; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(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 three 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 two 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.--In addition to the limitations imposed by paragraph (a) of this Article 6 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. The 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 retains 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 certicifation 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 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.

(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 or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer 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 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 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 or producer 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 or producer.

(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 contrued 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.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

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 of the Interior. 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. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The Office of Minerals Exploration may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

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.--

Executed in quintuplicate the day and year first above written.

KENNETH E. BAKER AND GENEVIEVE J. BAKER
(Operator)

XX Kenneth E Baker
Genevieve J. Baker

Title _____

THE UNITED STATES OF AMERICA

By George Turnick Jr.
Director, Office of Minerals Exploration

Long
Asst. Sol. Off.
Murphy
Talbert
Turnick

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

EXPLORATION CONTRACT
KENNETH E. AND GENEVIEVE J. BAKER
OME-6320

ANNEX I

The land referred to in Article 2 of the contract consists of twenty-four patented and four unpatented lode mining claims, including all rights pertaining thereto, in secs. 8, 9, 16, and 17, T. 3 S., R. 73 W., 6th Principal Meridian, Clear Creek County, Colorado. The patent and recording data of the claims are as follows:

Patented Claims

Name of Claim	U. S. Patent No.	Name of Claim	U. S. Patent No.
Clifford	835	Chicago	16987
Clifford No. 2	2001	Vancouver	2044
Little Chief	2000	Vancouver No. 2	2334
War Eagle	1999	Baker	1971
Orazoba	1922	Uncle Sam	1895
Flowing Tide	1777	Silver Star	2043
Silver Cloud	829	Congo	2335
Maple Leaf	1481	Joe B.	1776
Emanan	1970	Grand View	1775
Lotta	2126	Libbie Thompson	1964
Queen of the Ranch	1904	Polaris	2333
Eclipse	2123	Sampson	2162

Unpatented Claims

The unpatented claims are named Introibo Nos. 1 to 4 inclusive and are recorded in the office of the County Clerk, Clear Creek County, Colorado, in Book 277, pages 272-279.

The Operator has rights to the above listed patented claims under the terms of a Mining Lease, dated May 15, 1963, between Fall River Exploration and Mining Company as Lessor and Kenneth E. Baker and his wife, Genevieve J. Baker, as Lessees. A Lien and Subordination Agreement, signed by Mark H. Stepelton, president of the lessor company, is attached hereto and made part hereof. The Operator is owner of the unpatented claims by rights of location.

The exterior boundary of the claims is shown in green on map Figure 1, entitled, "Claim Map, Clifford Mine, Clear Creek Co., Colorado . . . ," attached hereto and made part hereof.

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– 2172
Contract Date AUG 27 1963

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Clear Creek, State of Colorado;

~~described as follows:~~[2] described in a lease dated May 15, 1963, and recorded in Book 278 Pages 144-147, official records of said county.

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

Kenneth E. Baker and Genevieve J. Baker, as tenants by the entirety[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.)

None

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.

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 1 1963
DATE | INITIALS | CODE

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 29 day of July, 19 63.

Mark H Stepelton (Seal)	P. O. Box 32 (Street) Idaho Springs, Colorado (City & State)	
Mark H. Stepelton, President Fall River Exploration and Mining Co.	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	

I, James F. Keaton (Name), certify that I am the Secretary (Title—Secretary, etc.) of the corporation named herein; that Mark H. Stepelton (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.

James F. Keaton (Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 48694

EXPLORATION CONTRACT
KENNETH E. AND GENEVIEVE J. BAKER
OME-6320

EXHIBIT A

The purpose of this project is to explore for molybdenum-bearing ore bodies by means of diamond core drilling from the surface to traverse the Clifford vein which occurs in the Idaho Springs formation.

The work shall be divided into two stages. The Operator shall perform all of Stage I work and as much of Stage II work as is approved in advance by the Government. Approval of the work items under Stage II shall be dependent upon results of the Stage I drilling.

General Provisions

No work under this contract shall be performed at locations that are within 200 feet of the exterior boundaries of the property.

All holes shall be cased through overburden and then continued standard NX core size (2-1/8" diameter). The holes may be reduced if necessary to standard BX core size (1-5/8" diameter).

Significantly mineralized core shall be split and one split assayed for MoS_2. The other split shall be stored in proper sequence with the unmineralized core. No sample shall represent a core length of greater than five feet.

Facilities shall be provided for recovering diamond drill sludges and such sludges shall be retained when drilling in significantly mineralized formations. Whenever the core recovery is found to have been less than 60 percent the corresponding retained sludges shall be sampled, together with such core segments as may have been recovered. A split of such samples shall be assayed as indicated above.

Core from the diamond drilling shall be properly boxed and marked as to source and location. A split of the sludge and core segment samples shall be stored in a suitable container also properly identified as to source and location. The stored core and sludge samples shall be retained for Government inpsection and possible use. With prior Government approval the Operator may dispose of the core and sludge samples.

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 the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the drill holes.

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

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

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

The bulldozer used for preparation of access roads and drill sites shall be D-8 size or equivalent dozer of other make.

See Amendment No. 1

Description of the Work

Stage I

The work under Stage I shall consist of bulldozing access roads to and leveling five drill sites spaced approximately 200 feet apart normal to the strike of the Clifford vein and at 100 feet vertical intervals. From those sites five inclined holes shall be drilled. The five drill holes are indicated in red on the map entitled, "Figure 2, Clifford Mine, Plan Map and Longitudinal Section . . . . ," attached hereto and made part hereof. The holes shall be drilled approximately in accordance with the following specifications:

Hole No.	Collar Location with reference to Clifford Shaft	Bearing of Hole	Vertical angle of Hole	Length of Hole
1	500 ft. E.	N. 30 W.	-45°	175 ft.
2	300 ft. E.	"	"	325 ft.
3	100 ft. E.	"	"	450 ft.
4	100 ft. W.	"	"	325 ft.
5	700 ft. E.	"	"	325 ft.

Under Stage I of this contract the Government will contribute to not more than 24 hours of bulldozer work, 1600 feet of drilling, hauling water if necessary for 1600 feet of drilling at $1.25 per foot of drill hole completed, and 40 assays for MoS_2.

Stage II

The work shall consist of bulldozing access roads to and leveling six drill sites. The sites shall be located at approximately 100 foot vertical intervals below Stage I holes that penetrated significant mineralization. From these sites six holes shall be drilled. The six holes are indicated in blue on map Figure 2 referred to under Stage I. The holes shall be drilled approximately in accordance with the following specifications; however, with prior Government approval these specifications may be changed:

Hole No.	Collar Location with reference to Clifford Shaft	Bearing of Hole	Vertical angle of Hole	Length of Hole
6	200 ft. W.	N. 30 W.	-45°	450 ft.
7	500 ft. E.	"	"	" "
8	900 ft. E.	"	"	" "
9	100 ft. W.	"	-53°	550 ft.
10	300 ft. E.	"	"	" "
11	700 ft. E.	"	"	" "

Under Stage II of this contract the Government will contribute to not more than 24 hours of bulldozer work, 3000 feet of drilling, hauling water, if necessary, for 3000 feet of drilling at $1.25 per foot of drill hole completed, and 48 assays for MoS_2.

Estimated Cost of the Work
Stage I

Actual Costs

Category (1), Independent Contracts

Bulldozing access roads and drill sites 28 ~~24~~ hours @ $14.00/hr.	$ 336.00	
Mobilization and demobilizing drills and accessory equipment	350.00	
Drilling:		
75 feet of overburden and casing @ $7.10/ft.	532.50	
Core drilling		
0 to 300 foot depths		
1300 feet, NX core size @ $6.90/ft.	8,970.00	
BX core size @ $6.60/ft.		
300 to 600 foot depths		
225 feet NX core size @ $7.20/ft.	1,620.00	
BX core size @ $6.90/ft.		
160 feet reaming and casing @ $3.60/ft.	576.00	
15 hours cementing and drilling out @ $11.50/hr.	172.50	
Hauling water for drilling		
1600 feet @ $1.25/ft. of drill hole completed	2,000.00	
Total Estimated Actual Costs Stage I		$14,557.00

Fixed Unit Costs[2/]

Incidental cost for each foot of drill hole completed		
1600 feet @ $0.87/ft.	$ 1,392.00	
Rehabilitation building for storing core and samples	75.00[1/]	
144 cardboard core boxes @ $1.00 each	144.00	
40 sample sacks @ $0.25 each	10.00	
40 assays for MoS_2 @ $4.00/assay	160.00	
Total Estimated Fixed Unit Costs Stage I		$ 1,781.00
Total Estimated Cost Stage I		16,338.00

Stage II

Actual Costs

Category (1), Independent Contracts

Bulldozing access roads and drill sites 24 hours @ $14.00/hr.	$ 336.00	
Drilling:		
90 feet of overburden and casing @ $7.10/ft.	639.00	
Core drilling		
0 to 300 foot depths		
1710 feet, NX core size @ $6.90/ft.	11,799.00	
BX core size @ $6.60/ft.		

300 to 600 foot depths		
1200 feet NX core size at $7.20/ft.	$ 8,640.00	
BX core size at $6.90/ft.		
300 feet reaming and casing at $3.60/ft.	1,080.00	
25 hours cementing and drilling out at $11.50/hr.	287.50	
Hauling water for drilling		
3000 feet at $1.25/foot of drill hole completed	3,750.00	
Total Estimated Actual Costs Stage II 2/		$ 26,531.50

Fixed Unit Costs

Incidental cost for each foot of drill hole completed		
3000 feet at $0.87/ft.	2,610.00	
269 cardboard core boxes at $1.00 each	269.00	
48 sample sacks at $0.25 each	12.00	
48 assays for MoS_2 at $4.00/assay	192.00	
Total Estimated Fixed Unit Costs Stage II		3,083.00
Total Estimated Cost Stage II		$ 29,614.50

SUMMARY

Total Estimated Cost of Stage I	$ 16,338.00
Total Estimated Cost of Stage II	29,614.50
Total Estimated Cost of Project	45,952.50
Government Participation at 50%	22,976.25

1/ The completed job is the unit of work.

2/ Includes all costs whatsoever that would otherwise be allowable costs under Categories (2) through (7).

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 301, Executive Order 10925, March 6, 1961, as amended)

'During the performance of 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 non-discrimination 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, as amended, 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, as amended, 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, terminated, or suspended 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, as amended, 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 paragraphs (1) through (7) 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, as amended, 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.'"

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
2960 W. 7th Avenue
DENVER 4, COLORADO
Phones: ALpine 5-9244
ALpine 5-0855

General Offices and Plant
1624 Pioneer Road P. O. Box 5
SALT LAKE CITY 10, UTAH
HUnter 7-7595

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 16 1963
DATE | INITIALS
OME
DEPARTMENT OF THE INTERIOR
AUG 13 1963
REGION III
DENVER, COLORADO
8/19 Murphy
OME 6320

August 12, 1963

Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Dear Mr. Baker:

The prices quoted you in letter of June 27, 1963 for core drilling the Clifford Mine properties are for conventional type drilling. Core sizes for BX are 1-5/8 inch, NX is 2-1/8 inch.

Very truly yours,

BOYLES BROS. DRILLING COMPANY

George E. Lensch, District Manager

GEL/eg

cc: Mr. H. M. Connors
Denver Federal Center
Denver, Colorado

COPY

Mr. S. Hredge

Ame

August 8, 1963
3655 Depew St.
Denver 12, Colorado

George E. Lonsch
District Manager
Boyles Bros. Drilling Co.
2960 W 7th Ave
Denver 4, Colorado

Re: OME - 6320

OME
DEPARTMENT OF THE INTERIOR
AUG 12 1963
REGION III
DENVER, COLORADO

Dear Mr. Lonsch,

In reference to your letter of June 27, 1963 wherein you submitted a bid on a proposed diamond core drilling project on the Clifford Mine please submit specifications of core size and type of diamond drilling planned; that is, whether wire line coring or conventional coring will be used.

Sincerely yours,

Kenneth E. Baker

CC: Mr. H. M. Connors
Acting Field Officer
Office of Mineral Exploration
Region III, Bldg. 20
Denver Federal Center
Denver 25, Colorado

Copy to Selfridge

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O. M. E
RECEIVED AUG 14 1963

DATE	INITIALS	CODE
	Gravold	500
	Murphy	502

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 1 1963

DATE	INITIALS	CC

July 30, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: APPLICATION FOR OME AID (Molybdenum)
Kenneth E. and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Enclosed is the original of the subject application in the amount of $47,876.81. One copy of the application is being retained in our file.

The application appears to be complete and in good order.

Hugh M. Connors

Hugh M. Connors

Enclosure

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 1 1963

DATE	INITIALS	CODE

APPLICATION FOR FINANCIAL ASSISTANCE

IN MINERAL EXPLORATION

CLIFFORD MINE, CLEAR CREEK CO., COLORADO

BY

KENNETH E. BAKER

JULY 1, 1963

Kenneth E. Baker
3655 Depew Denver 12, Colo.

APPLICATION FOR FINANCIAL ASSISTANCE
IN MINERAL EXPLORATION
CLIFFORD MINE, CLEAR CREEK CO., COLORADO

by

Kenneth E. Baker

July 1, 1963

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APPLICATION FORM MME 40

APPLICATION REPORT

LETTER TO DENVER U. S. NATIONAL BANK

LETTER TO NORTH DENVER BANK

LETTER FROM DENVER U. S. NATIONAL BANK

LETTER FROM NORTH DENVER BANK

BOYLES BROS. DRILLING BDD

LIVINGSTON & WILSON DRILLING BID

GOLDEN DRILLING CO. DRILLING BID

ROOT & SIMPSON ASSAY CERTIFICATE

LIEN AND SUBORDINATION AGREEMENT

MINING LEASE

MAPS

CLAIM MAP, CLIFFORD MINE

PLAN MAP AND LONGITUDINAL SECTION, CLIFFORD MINE

DRILL HOLE SECTIONS, CLIFFORD MINE

. . . . . .

MME Form 40
July 1962

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.)*

Kenneth E. Baker and Genevieve J. Baker

3655 Depew Street

Denver 12, Colorado

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6320

DATE RECEIVED 8/1/63

REGION III

DIVISION CODE 500

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	X
CORPORATION	
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

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

ESTIMATED COST OF PROJECT: $ 47,876.81

PROPERTY NAME	LOCATION COUNTY	STATE
CLIFFORD MINE	Clear Creek Co.	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.

July 10, 1963
DATED

Kenneth E Baker
BY *(Signature)*
Genevieve J. Baker
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).]

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APPLICATION FOR FINANCIAL ASSISSTANCE

IN MINERAL EXPLORATION

CLIFFORD MINE, CLEAR CREEK CO., COLORADO

BY

KENNETH E. BAKER

JULY 1, 1963

1. FINANCIAL ELIGIBILITY

(a) Application for loans from commercial banks.

Evidence of efforts made within 90 days prededing the filing of this application to obtain credit from two banking institutions is shown by the accompaning true copies of correspondence. On June 19, 1963 a loan was requested of the North Denver Bank, Denver, Colorado for the diamond drilling exploration of the Clifford Mine, Clear Creek Co., Colorado. In a reply dated June 28, 1963 the loan request was denied. On June 19, 1963 a loan was requested of the Denver U. S. National Bank, Denver, Colorado for the diamond drilling exploration of the Clifford Mine, Clear Creek Co., Colorado. In a reply dated June 21, 1963 from the Denver U. S. National Bank, the loan request was denied.

(b) Affilated companies.

The applicant is operating as an individual and is not affiliated with any company, partnership, or individual.

(c) Applicant's share of costs.

The applicant's share of the cost of the exploration work will be furnished in part by the services of the applicant and in part by the payment of funds.

2. APPLICANT'S RIGHTS IN LAND

(a) Ownership rights.

The applicant's interest in the land and mineral rights is obtained through a mining lease from the owner, Fall River Exploration and Mining Company, P. O. Box 32, Idaho Springs, Colorado. No liens, mortgages, or other encumbrances exist against the property. A true copy of the lease is attached. The applicant is also the owner and original locator of four unpatented mining claims included as a part of the property.

(b) Legal description of property.

The property consists of twenty-four patented mining claims and four unpatented mining claims located in the York Mining District in portions of sections 8, 9, 16, and 17 T. 3 S., R. 73 W., Clear Creek Co., Colorado. The mining lease is recorded in Book 278 pages 144-147 Clear Creek Co., Colorado

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The patented mining claims are listed below:

Clifford 835
Clifford No. 2 2001
Little Chief 2000
War Eagle 1999
Orazoba 1922 Am.
Flowing Tide 1777
Silver Cloud 829
Maple Leaf 1481
Emanan 1970
Lotta 2126
Queen of the Ranch 1904
Eclipse 2123
Chicago 16987
Vancouver 2044
Vancouver No. 2 2334
Baker 1971
Uncle Sam 1895
Silver Star 2043
Congo 2335
Joe B 1776
Grand View 1775
Libbie Thompson 1964
Polaris 2333
Sampson 2162

The unpatented mining claims are the Introibo Nos. 1 to 4 inclusive recorded in the office of the County Clerk, Clear Creek Co., Colorado in Book 277 pages 272-279.

This is the applicant's entire ownership in the area and all of the land is to be subject to Government royalty.

The property is known as the Clifford Mine.

(c) Lien and Subordination Agreement.

Attached are five copies of Lien and Subordination Agreement, MME Form 52.

3. PHYSICAL DESCRIPTION

(a) History of property.

The mine workings on the property consist of several small, long abandoned, mines; the Clifford Mine and the Maple Leaf Mine; and numerous shallow test pits, discovery cuts, and shallow shafts. The property was probably first discovered in about 1879. On Nov. 19, 1880 H. B. Gilbert et al received a patent on the Clifford, number 835. Most of the other claims were patented between 1880 and 1883. The mineral surveys for patent during the early 1880's show all of hte mine locations, cuts, and shallow shafts. As no diggings can be found which are not shown on the old patent plats it is presumed that these workings were all made at that time.

The Colorado Mining Directory for 1883 under the heading Clifford Minig Co. mentions the property. It states J. L. January of Central City, Colorado was president of the company and it describes the Clifford claim as being 150 x 1500 feet and located in Camp Clifford. It describes the vein as a fissure vein 2 to 12 feet wide with a pay streak 2 inches to 3 feet of galena and black sulfurettes in quartz. Sorted ore ran 50 to 500 ounces of silver per ton. The workings are described as a shaft 176 feet deep and total drifting of 875 feet.

A report dated December 6, 1911 by a Colorado Bureau of Mines inspector describes the property briefly. It states the property was then owned by the Pennsylvania Mining, Power, and Reduction Company with Samuel Sternberger as president. The ore was described as lead, silver, zinc, and gold in character. The property had a shaft house and an electric hoist. Underground development consisted of a 275 foot shaft with two levels. The 150 level extended 150 feet west and 300 feet east. The 250 level extended 50 feet west and 205 feet east. If the 1883 report of 875 feet of total drifting is presumed to include the

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176 feet of shaft, then drifting of 700 feet in the 1883 report agrees with the detailed description of drifting in the 1911 report which totals 705 feet and the correct shaft depth is 176 feet.

A report dated Aug. 20, 1937 by a Colorado Bureau of Mines inspector states that the Sternberger estate is the owner of the Clifford Mine and Frank A. Gustufson of Idaho Springs is rehabilitating the shaft. No mining was accomplished. Six million gallons of water were bailed and the inclined shaft was retimbered down to 100 feet. The report states further, ground and walls stand well and an exit exists on the first level other than the shaft. A shaft reported to be 80 feet deep located about 165 feet west of the main shaft is presumed to connect with the main shaft thru the 100 level west drift. This would seem to confirm the 1883 report of a shaft depth of 176 feet with a level at 100 feet and one at 150 feet rather than the depths reported in the 1911 report.

No information is available on the Maple Leaf Mine. At present a 40 feet shaft opening with a small amount of stoping on either side can be seen.

A series of six bulldozer trenches have been cut across the strike of the vein by the applicant.

At present there are no facilities on the property other than a dilapidated and hazardous shaft house and a small building which may be used for storage.

(b) Applicants interest in previous operations.

The applicant has had no interest in any of hte previous operations.

(c) Production record.

There is no record of any past production and it is presumed that the property probably had no production other than perhaps a few test shipments of silver ore in the 1880's.

(d) Ore reserves.

There are no known ore reserves on any of hte claims. It is presumed that the extent of the lead-silver ore is very limited and that no lead-silver ore will be found as a result of this exploration. The extent of molybdenum mineralization must be determined but at this time no ore can be calculated from the limited amount of information available.

(e) Geology.

The property is located in the center of the Colorado Front Range Mineral Belt in the York or Lincoln Mining District. The district is a separate entity in itself with no other mines within a distance of about one mile, although other mining districts are found nearby and adjacent to it in all directions.

The only rock type in the immediate area of the mine is the Pre Cambrian Idaho Springs formation, a northeasterly trending biotite schist. To the north about one-half mile is found a large exposure of the Pre Cambrian Silver Plume granite on Mt. Pisgah. To the south about one half mile along Fall Fiver is found a stock of Tertiary age quartz monzonite, the type host rock of molybdenite deposits. In Woodpecker Gulch about one quarter mile northwest of the property a northeast trending Bostonite dike is located.

The regional trend of the schist, dike, and veins in the area is from northeasterly to east-northeasterly. The Clifford vein is reported to strike N 60° E. The exact dip of the vein is not known. Old reports mention an inclined shaft and

a steeply dipping vein. Surface observations indicate a steep dip with varitions in dip to both the north and the south. It is the writers opinion that the vein dips near vertical with perhaps an overall average dip of 85 degrees to the south.

Mineralization at the Clifford Mine consists of two separate and distinct types of minerals. One type of mineralization is characterized by fine grain gray to dark gray quartz with fine grain molybdenite. Occassionally coarser platy flakes of molybdenite are seen. Pyrite accompanies this mineralization but in rather small amounts. Molybdenite occurrs most abundantly along fractures and along the wall of the veins.

The second type of mineralization consists of galena, pyrite, and sphalerite in a quartz gangue with small amounts of carbonate and barite. Galena is the most predominant sulfide and is the source of the silver values.The two types of mineralization are not found intermixed and are believed to represent two different periods of mineralization. Characteristic mineral assemblages would suggest that the molybdenite types is earlier, although both periods of mineralization are believed to be Tertiary age.

Observations of the vein are quite limited. The report of 1883 still at this time some 80 years later probably best describes the vein. It states the vein is a fissure vein zone 2 to 12 feet wide with a pay streak 2 inches to 3 feet wide of galena and black sulfurettes in quartz. Molybdenite has been seen on the old mine dumps at six locations along the strike of the vein in a distance of 1400 feet. Molybdenite is most abundant on the dump of the Clifford Mine. It is found in small quantities on the dump of the shaft 165 feet west of the Clifford shaft. A shallow shaft 300 feet east of the Clifford shaft shows molybdenite in quartz on the mine dump in pieces at least 9 inches in width. Molybdenite is also seen on the dump of the Maple Leaf shaft. Two other very shallow discovery cuts show molybdenite along the vein.

The width of the molybdenite mineralization across the vein is not known, but pieces of vein quartz material with molybdenite over 12 inches in width have been found. Although pay streaks may be small individually the fissure vein zone environment is favorable for molybdenite mineralization in stringers over mineable widths.

The fissure vein zone as seen in the bulldozer trenches indicates a relatively wide zone of fissuring and shearing containing quartz stringers. A generalized description of the trenches is a shear zone 6 to 9 feet wide with quartz veining along one wall or both walls or quartz stringers within the shear zone. The wall rock on either side of this shear zone is a very hard siliceous schist. Occassionally the shear zone contains fault gouge or clay along one wall. Iron staining is seen in the shear zone and is especially heavy in the vein zones. At a distance of 25 to 35 feet on either side of this zone similiar but somewhat smaller shear zones containing quartz and heavy iron staining are seen. Because of the depth of overburden and the difficulty in bulldozing the siliceous schist zones, the exposures of the fissure vein zones in the bulldozer trenches are not satisfactory.

Extent of wall rock alteration is unknown but some evidence of silicification, pyritization, and kaolinization adjacent to the vein zone is seen.

The property is described briefly in U. S. G. S. Prof. Paper 94, 1917, pp. 317-318, by E. S. Bastin and James M. Hill entitled "Economic Geology of Gilpin County and adjacent parts of Clear Creek and Boulder Counties, Colorado". A copy of this report follows below:

> The Clifford vein runs along the divide between Woodpecker and York gulches. About a mile south-southeast of Mount Pisgah it is opened by a shaft which could not be entered, but which is shown by mine maps to be an incline a little over 150 feet deep, with 300 feet of drifting on the 100 foot and 400 feet on the a 150 foot level.

The country rock belongs to the Idaho Springs formation, and biotite schist is the only rock seen on the dump. On the surface the vein is not well exposed, but appears to strike N 60° E. The drifts shown on the mine map strike about N 59°E., and the vein dips steeply southeast. The ore in the bins consisted of white quartz cut by seams and stringers of dark quartz carrying galena, light and dark sphalerite, chalcopyrite, and some pyrite. Most of the ore is siliceous, but some specimens carry barite, which is either embedded or implanted on the walls of vugs and which crystallized with the dark quartz and the lead and zinc minerals. Post mineral movement has crushed some of the ore, producing in some places a grayish gouge.

The property is further described in the Colorado Geological Survey Bulletin 14 page 51, entitled "Molybdenum Deposits of Colorado" by P. G. Worcester and published in 1919. A copy of this report follows below:

Clifford Mine

The Clifford Mine is located on the divide between Woodpecker and York gulches about two and one-half miles west of Central City. Leopold Sternberger of Central City is the owner of the property. The country rocks belong to the Idaho Springs formation which consists here of gneiss and biotite schist. The vein and its development are described by Bastin and Hill as follows: (Copy of report above)

No reference is made to molybdenite in this report, but the writer examined the material on the dump and found considerable molybdenite with quartz. It occurs either as finely divided flakes or more commonly as amorphous coatings. It was of course impossible to judge the size of the vein from an examination of the surface material, but it seems probable that the veins are small, and they may be only quartz stringers in the Idahop Springs formation. Specimens selected from the dump, which were probably of more than average value, assayed 1.87 per cent MoS_2. Some pyrite and limonite were found with the molybdenite, but no other metallic minerals were observed. As far as can be learned, no molybdenite has ever been shipped from this property.

There is not much good wood for mine timber nearby. Water is also scarce. The mine is easily accessible from Central City and it is hoped that when more work is done, some attention will be given to the molybdenite, although it seems unlikely that, if there were commercial deposits there, they would remain undeveloped at this time.

(f) Assay data.

Sample and assay data of samples from the property are shown below:

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Sample No.	Type	%Mo	Location
1009	Grab	0.42	Shaft located 165 feet west of Clifford Shaft
1010	Grab	0.6	Shaft 300 feet east of Clifford Shaft.
1011	Grab	0.66	Clifford Shaft.
1012	Grab	0.2	Maple Leaf Shaft.
1013	Grab	0.1	Small discovery cut 550 feet east of Maple Leaf Shaft.
Bull 14	Grab	1.87% MoS_2	Clifford Shaft.

The above samples merely qualitatively verify the presence of molybdenum from the mine dump locations. Quantitatively they only suggest mineralization varying from 0.10 to 1.12 percent Mo. It is anticipated that grades of 1 to 2 percent can be expected along the vein in ore shoots.

(f) Reasons for expecting to find ore.

The reasons for expecting to find ore is actually a geologic appraisal of the grade and extent of mineralization as it is now known and an interpretation of the geology which would indicate favorable or unfavorable conditions for the occurrence of mineralization.

Known conditions of mineralization

1. Grade varies from o to 1.87 percent MoS_2 in dump grab samples. The poorest showings are at the surface in bulldozer trenches while the best showings are from the deepest workings. The Clifford Shaft, the deepest shaft, has the best grade material on the dump. There is the suggestion that the deeper workings contain the higher grade ore and that the ore becomes better with depth.

2. Width of mineralization is not known but quartz vein pieces up to 15 inches in width have been noted on the Clifford mine dump. The fissure vein zone is generally 6 to 9 feet wide and this width is a potential ore bearing zone. Silicification in the wall rock on either side of the vein also makes the wall rock zone a potential host rock for ore bearing solutions.

3. Length of mineralization has been determined at 1400 feet with six locations showing some molybdenite. The vein structure extends beyond the known ends of mineralization but has not been explored. The length of 1400 feet is sufficiently long to contain several significant ore shoots.

4. Depth of mineralization is not known, although presuming the ore on the Clifford dump comes from the 150 level a vertical extent of mineralization of at least 150 feet is suggested. Considering the topography mineralization occurs in a vertical range of over 250 feet.

The combination of these elements suggests a favorable area for the occurence of a molybdenite ore body in the presently known area of mineralization. That is, with a grade reaching 1.87 percent MoS_2, a width of at least 15 inches of quartz veining, several quartz veins and stringers, a favorable fissure vein zone of 6 to 9 feet, a length of mineralization of 1400 feet or more, and a depth of 150 feet or more several significant ore bodies could well be contained in this area.

Interpretation of geology

The writers interpretation of geologic conditions yields a conclusion of increased favorability for potentially better ore grade, width, length, and extent of mineralization with depth. This conclusion is based on the potentially favorable change in

in mineralization with increased depth, change in host rock, and change in structural character of the vein. A factor that might indicate unfavorability with depth would be the dying out of the fissure vein zone with depth. The size of the structure, its conformity to the regional trend of other similiar structures in the area and their continuity with depth would seem to suggest that the structure would continue with depth.

Other factors indicate increased favorability for more extensive molybdenum mineralization with depth. The ore deposits of this area are characterized by an areal and vertical zonal pattern of distribution. Molybdenite, a high temperature mineral, generally shows an increase in its occurence with depth in a mixed sulfide ore deposit environment. Molybdenite is also generally characterized by extensive continuity in depth. These generalized theoretical considerations indicate an increasing favorability with depth.

A more competent host rock which would fracture, brecciate, or shear with numerous openings would be a favorable structural environment for molybdenite mineralization. The intersection of the Clifford vein with a more competent bed within the Idaho Springs formation or a pegmatitic zone within the formation would be a favorable area for localization of a molybdenite ore body. The stratigraphy of the Idaho Springs formation is not well enough known to determine any particular horizon, yet this possible favorable condition may be encountered and yield an ore body.

The depth of the Idaho Springs formation in this area is not known but adjacent areas of Pre Cambrian granite to the north, Tertiary intrusives to the south and east suggest a limited thickness with potentially favorable granitic rock types beneath. With molybdenite being a high temperature mineral generally localized in or above a Tertiary intrusive the possibility of a underlying Tertiary stock exists. The presence of a bostonite dike to the northwest of the property further suggests this possibility. This consideration is obviously speculative but may well be a potentially favorable factor.

In summary the present known extent of mineralization is sufficiently favorably to contain several ore bodies and geologic factors indicate increased favorability with depth.

(g) All known geologic data is contained in the application.

4. ACCESSIBILITY OF PROPERTY

(a) Route to property.

The applicant, Kenneth E. Baker of 3655 Depew, Denver 12, Colo., telephone Ha 4 - 9311, will be available to aid the OME representative who may examine the property. The property is readily accessible by automobile and is reached by traveling three miles west from Central City to the Bald Mtn. cemetery. From there a dirt road of 2.2 miles leads around Bald Mtn. to the north, then west, and finally south about one quarter mile to the mine from the intersection of the Bald Mtn. road with the Clear Creek - Gilpin county line. A jeep road also leads from the mine down York Gulch to Fall River about two miles.

No mine workings are accessible.

(b) Shipping and supply points.

Shipping and supply points are located five miles east at Central City or five miles south at Idaho Springs.

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5. EXPLORATION WORK

(a) Proposed exploration program.

The proposed exploration program consists of a two stage diamond drilling project. The first stage consists of five inclined holes for a total footage of 1600 feet. These holes are spaced at 200 feet centers along the vein and 100 feet vertical intervals. The five holes will explore a length of 800 feet along the vein and a vertical depth to 300 feet. The drill holes are shown on the accompaning map entitled "Clifford Mine, Plan Map and Longitudinal Section". Considering the drill hole intersection s with the Clifford vein as distances east or west of the Clifford shaft, the pertinent data of Phase I drilling is shown below:

PHASE I - DRILL HOLE DATA

Hole No.	Horizontal Location	Approximate Vertical depth	Actual Vertical depth	Bearing	Vertical Angle	Length
1	500 ft. E.	100 ft.	85 ft.	N 30°W	-45°	175 ft.
2	300 ft E.	200 ft.	190 ft.	N 30°W	-45°	325 ft.
3	100 ft. E.	300 ft.	320 ft.	N 30°W	-45°	450 ft.
4	100 ft. W.	200 ft.	205 ft.	N 30°W	-45°	325 ft.
5	700 ft. E.	200 ft.	160 ft.	N 30°W	-45°	325 ft.
				Total footage		1600 ft.

Phase II drilling of the proposed project consists of offset drilling of Phase I holes which encountered ore or significant mineralization. Offset holes will be located at 100 feet vertical intervals below ore holes and at 200 feet horizontal intervals. Phase II drilling consists of six holes drilled to vertical depths of 300 and 400 feet and at a horizontal spacing of 200 feet intervals. These holes will explore a length of 1100 feet and a depth of 400 feet. The drill hole density , should all holes be drilled, will be one hole per area of 200 x 200 feet or 40,000 square feet, therefore the requirements for offset drilling in Phase II should allow for the offset drilling of significant mineralization of a grade and or vein width that might be indicative of possible ore in adjacent area. Total footage in Phase II drilling is 3,000 feet. Drill hole locations are shown on the Plan Map and Longitudinal Section.

Further details and specifications of the proposed drilling program are included in the cost estimate. Actual vertical depths as shown in the tables of drill hole data differ from the designed vertical depths because of variations in topography.

The pertinent data of Phase II drilling is shown below:

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PHASE II - DRILL HOLE DATA

Hole No.	Horizontal Location	Approximate Vertical depth	Actual Vertical depth	Bearing	Vertical Angle	Length
6	200 ft. W	300 ft.	320 ft.	N 30°W	-45°	450 ft.
7	500 ft. E	300 ft.	240 ft.	N 30°W	-45°	450 ft.
8	900 ft. E	300 ft/	270 ft.	N 30°W	-45°	450 ft.
9	100 ft. W	400 ft.	415 ft.	N 30°W	-53°	550 ft.
10	300 ft. E	400 ft.	380 ft.	N 30°W	-53°	550 ft.
11	700 ft. E	400 ft.	350 ft.	N 30°W	-53°	550 ft.
				Total footage		3000 ft.

The total proposed drilling project including Phase I and Phase II consists of eleven holes totaling 4,600 feet.

(b) Access roads.

Access to the property is present but preparations of drill hole sites and access roads to these sites will be required. It is estimated that about 3000 feet of bulldozer roads and the preparation of eleven drill hole sites will be required. It is estimated this work will require six days of dozing.

(c) Time requirements.

If an OME contract is executed work could be started 30 to 60 days thereafter. Time for full completion of the project is estimated at about nine months actual working time. It is anticipated that drilling would be shut down during the winter months and resumed in the spring thus extending the time requirements for completion of the work. The time estimate is based on an anticipated drilling progress of about 120 feet per week.

6. EXPERIENCE OF APPLICANT

(a) Applicant's exploration experience.

The work will be supervised by the applicant. The applicant is a Registered Professional Engineer in the state of Colorado and has a degree in geological engineering. The applicants experience includes 15 years experience in mining exploration work for private mining companies, the U.S.A.E.C., and a brief temporary appointment with the U.S. Bureau of Mines. The applicant has had experience with past U. S. Bureau of Mines DMEA loans.

7. ESTIMATE OF COSTS

(a) Independent contractors.

Bulldozing will be accomplished by an independent contractor with a D 8 or equivalent size dozer at an estimated cost of $14.00 per hour.

Kenneth E. Baker
3655 Depew Denver 12, Colo.

Phase I bulldozing will require 4 hours moving in time and 20 hours dozing and Phase II will require 4 hours moving in time and 20 hours dozing.

Phase I Bulldozing 24 hours @ $14.00/hr	$336.00
Phase II Bulldozing 24 hours @ $14.00/Hr	336.00
Total 48 hours	672.00

Diamond drilling will be done by and independent contractor.

Phase I Drilling cost estimate.	
Mobilization of men and equipment, lump sum, @ 350.00	350.00
Overburden drilling @ $7.10/ft.	
5 holes x 15 ft/hole - 75 ft x $7.10	532.50
Bedrock drilling @ $6.90/ft	
NX 0-300ft, 1300 ft x $6.90	8970.00
BX 300-600 ft, 225 ft x $6.90	1552.50
Reaming for casing@ $3.60/ft	
Estimated 160 ft x $3.60	576.00
Cementing and drilling cement @ $11.50/hr	
Estimated 15 hr x $11.50	172.50
Water haul @ $1.25/ft.	
1600 ft x $1.25/ft	2000.00
Total Phase I Drilling costs	$14,153.50

Phase II Drilling cost estimate	
Mobilization of men and equipment (included in Phase I)	0.00
Overburden drilling @ $7.10/ft	
6 holes x 15 ft/hole - 90 ft x $7.10	639.00
Bedrock drilling @ $6.90/ft	
NX 0-300ft, 1710 ft @ $6.90/ft	11799.00
BX 300-600ft, 1200 ft @ $6.90/ft	8280.00
Reaming for casing @ $3.60/ft	
Estimated 300 ft @ $3.60/ft	1080.00
Cementing and drilling cement @ $11.50/hr	
Estimated 25 hr @ $11.50/hr	287.50
Water haul @ $1.25/ft - ?	
3000 ft @ $1.25/ft	3750.00
Total Phase II Drilling costs	$25,835.50
Total Phase I and Phase II Drilling costs	$39,989.00

(b) Personal services.

Supervision, engineering, and geological services.

Phase I

Engineering -	Drill hole site and access road layout	1 day
Geological -	Logging of 5 drill holes	3 days
	Map, sections, logs, and report preparation 2 days per month for 3 months	6 days
Supervision -	1 day per week for 15 weeks 15 days less 3 days drill hole logging	12 days
	Total	22 days
	22 days @ $50.00 per day	$1100.00

Phase II

Engineering - Drill hole site and access road layout 1 day

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3655 Depew Denver 12, Colo.

Geological - Logging of 6 drill holes; Maps, sections, logs, and report preparation.	3 days	
2 days per month for 6 months	12 days	
Supervision- 1 day per week for 25 weeks		
25 days less 3 days DDH logging	22 days	
Total	38 days	
38 days @ $50.00 per day		1900.00
Secretarial services - report preparation		
Phase I Estimated 2 days per month for 3 months	6 days	
6 days @ $18.00 per day		108.00
Phase II Estimated 2 days per month for 6 months	12 days	
12 days @ $18.00 per day		216.00
Total personal services Phase I		1,208.00
Total personal services Phase II		2,116.00
Total personal services Phases I and II		3,324.00

(c) Operating materials and supplies

Core boxes - capacity 10 ft per box @ $1.00 each	
Phase I 1600 ft of drilling x 90 % recovery equals 1440 ft	
1440 ft of core devided by 10 ft/ box is 144 boxes.	
144 boxes @ $1.00 each	144.00
Phase II 3000 ft of drilling x 90 % recovery equals 2700 ft	
2700 ft of core devided by 10 ft/ box is 270 boxes.	
270 boxes @ $1.00 each	270.00
Sample sacks Phase I 20 sacks @ 25¢ each	5.00
Phase II 24 sacks @ 25¢ each	6.00
Map reproduction Phase I estimated 25 maps @ 50¢ each	12.50
Phase II estimated 50 maps @ 50¢ each	25.00
Core splitter Joy Core splitter Model A - 290216	166.46
Total materials and supplies Phase I	327.06
Total materials and supplies Phase II	301.00
Total materials and supplies Phases I and II	628.96

(d) Operating equipment

Vehicle for transportation of geologist to property.	
Round trip distance 75 miles @ 10¢ per mile is $7.50 per trip.	
Phase I Estimated 22 trips @ $7.50 each	165.00
Phase II Estimated 38 trips @ $7.50 each	285.00
Total Operating equipment Phases I and II	450.00

(e) Initial rehabilitation and repairs.

An old shed will be rehabilitated for core storage and logging.	
This will require two windows, a door, shelves, and work bench.	
Cost of rehabilitation is estimated at about $75.00	75.00

Kenneth E. Baker
3655 Depew Denver 12, Colo.

(f) New buildings and installations - None.

(g) Miscellaneous

Analytical work - Estimated 4 samples per hole ¢@ $5.50 each.

Phase I-5 holes at 4 samples per hole equals 20 samples	$110.00
Phase II- 6 holes at 4 samples per hole equals 24 samples	$132.00

Accounting - 1 day per month @ $24.00 per day

Phase I - 3months or 3 days @ $24.00 per day	$ 72.00
Phase II- 6 months or 6 days @ $24.00 per day	$144.00

Continguencies- based on 5 % of total costs. ?

An allowance for unforeseen contingencies not provided for.

Phase I	$ 822.37
Phase II	$1457.48
Total miscellaneous Phase I	$1004.37
Total miscellaneous Phase II	$1733.48
Total miscellaneous Phase I and Phase II	$2737.85

Total all costs Phase I	$17,269.83
Total all costs Phase II	$30,606.98
Total all costs Phase I and Phase II	$47,876.81

PROBABILITY OF ORE DISCOVERY

It is the writers opinion that the results of the proposed program will make a minimum discovery of an ore body of the size of 100 feet x 100 feet x 3 feet with a grade of 0.75 % MoS_2. This would contain about 2,000 tons with a value of $17.00 per ton or a gross value of about $34,000. ?

A more moderate estimate would be an ore body of the grade of 0.75 % Mo and of the size of 200 feet x 200 feet x 3 feet. This ore body would contain about 8,000 tons and have a value of $21.00 per ton or a gross value of about $168,000.

A A more optimistic estimate of the results of drilling would be an ore body of the size of 300 feet x 300 feet x 5 feet with a grade of 1.00 % Mo. This would contain about 30,000 tons and have a value of $28.00 per ton or $840,000 gross.

The above estimates of the probable size and grade of an ore body that could be discovered under this program indicate an optimistic probable size having a value almost twice that required to repay the government's participation costs on the basis of a 5 percent royalty.

The proposed program is devided into a two stage program so that if initial results are negative, the program can be completed and terminated at a cost of nearly one-third the cost of the entire project, but should results be favorable provision is made for additional work. The diamond drilling allows for the exploration of a much larger area than could be explored by any other method at comparable costs and provides information for a better evaluation of the property at depth.

Kenneth E. Baker
3655 Depew Denver 12, Colo.

SUMMARY OF COST ESTIMATE

No.	Item	Unit cost	Number of Units Phase I	Number of Units Phase II	Number of Units Total	Costs Phase I	Costs Phase II	Costs Total
7(a)	Bulldozing	$14.00/hr	24 hr	24 hr	48 hr	336.00	336.00	672.00
	Drill Mobilization	350.00	Lump sum	—	Lump sum	350.00	—	350.00
	Drilling-overburden	7.10/ft	75 ft	90 ft	165 ft	532.50	639.00	1171.50
	NX 0 - 300ft	6.90/ft	1300 ft	1710 ft	3010 ft	8970.00	11799.00	20769.00
	BX 3 - 600ft	6.90/ft	225 ft	1200 ft	1425 ft	1552.50	8280.00	9832.50
	Reaming	3.60/ft	160 ft	300 ft	460 ft	576.00	1080.00	1656.00
	Cementing	11.50/hr	15 hr	25 hr	40 hr	172.50	287.50	460.00
	Water haul	1.25/ft	1600 ft	3000ft	4600 ft	2000.00	3750.00	5750.00
7(b)	Personal services							
	Engineering	50.00/day	1 day	1 day	2 days	50.00	50.00	100.00
	Geologist-logging	50.00/day	3 days	3 days	6 days	150.00	150.00	300.00
	Map & report prep.	50.00/day	6 days	12 days	18 days	300.00	600.00	900.00
	Supervision	50.00/day	12 days	22 days	34 days	600.00	1100.00	1700.00
	Secretarial	18.00/day	6 days	12 days	18 days	108.00	216.00	324.00
7(c)	Operating supplies							
	Core boxes	1.00 each	144	270	414	144.00	270.00	414.00
	Sample sacks	0.25 each	20 40	24 48	44	5.00	6.00	11.00
	Map reproduction	0.50 each	25	50	75	12.50	25.00	37.50
	Core splitter	166.46	Lump sum	—	1	~~166.46~~	—	166.46 out
7(d)	Operating equip.-car	7.50/trip	22 trips	38 trips	60 trips	165.00	285.00	450.00
7(e)	Initial rehab.-core bldg.	75.00	Lump sum	—	1	75.00	—	75.00
7(f)	New buildings	None						
7(g)	Miscel.-Mo analysis	~~5.50 each~~ 400	~~20~~ ? 40	~~24~~ ? 48	44	~~110.00~~ 80.00	~~132.00~~ 96.00	~~242.00~~ 176.00
	Accounting	24.00/day	3 days	6 days	9 days	72.00	144.00	216.00
	Sub Total					16,447.46	29,249.50	45,596.96
	Contingencies	5 %				822.37	1,457.48	2,279.85 out
	Total					17,269.83	30,606.98	47,876.81
	Total Project Cost							47,876.81

5% E - 1 incl. $\frac{14\,57.50}{16\,95.00} = 86.8701$

1(a).

Kenneth E. Baker
3655 Depew Denver 12, Colo.

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O. M. E
RECEIVED AUG 1 1963

June 19, 1963
3655 Depew Street
Denver 12, Colorado

Denver United States National Bank
Loan Department
Denver U. S. National Center
1700 Broadway
Denver 2, Colorado

Dear Sirs,

I am the owner of four unpatented mining claims and a mining lease on 24 patented mining claims called the Clifford Mine and located in the York Mining District, Clear Creek County, Colorado. I desire to explore the property for molybdenum ore under a diamond drilling project consisting of 11 diamond drill holes totaling 4,600 feet and at a cost of about $36,000.00.

I desire to obtain a loan for one half of the cost of the project. What terms are available for such a loan? Further details will be gladly submitted if needed.

Very truly yours,

Kenneth E. Baker

Kenneth E. Baker

1(a).

Kenneth E. Baker
3655 Depew Denver 12, Colo.

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June 19, 1963
3655 Depew Street
Denver 12, Colorado

North Denver Bank
Loan Department
P. O. Box 38
Highland Station
Denver 11, Colorado

Dear Sirs,

I am the owner of four unpatented mining claims and a mining lease on 24 patented mining claims called the Clifford Mine and located in the York Mining District, Clear Creek County, Colorado. I desire to explore the property for molybdenum ore under a diamond drilling project consisting of 11 diamond drill holes totaling 4,600 feet and at a cost of about $36,000.00.

I desire to obtain a loan for one half of the cost of the project. What terms are available for such a loan? Further details will be gladly submitted if needed.

Very truly yours,

Kenneth E Baker

Kenneth E. Baker

1(a)
Kenneth E. Baker
3655 Depew Denver 12, Colo.

DENVER UNITED STATES NATIONAL BANK

DENVER U. S. NATIONAL CENTER • DENVER 17, COLORADO • CH 4-8811

G. W. PHELAN
VICE PRESIDENT

June 21, 1963

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O. M. E.
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Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Dear Mr. Baker:

Referring to your letter of June 19, concerning the financing of your exploration for molybdenum ore, we will be glad to discuss this financing with you, but would ask that you provide us with acceptable collateral security separate and apart from your mining claims and leases.

The reason for this is that we do not make invested capital loans of this nature excepting on independent security, and if this is not possible, we feel that you will probably have to look for private financing on a partnership or corporate basis.

Thanking you for your letter, and if you feel we can be helpful, please contact me again.

Very truly yours,

G. W. Phelan

Vice President

GWP/vs

1(a).
Kenneth E. Baker
3655 Depew Denver 12, Colo.

NORTH DENVER BANK

3400 WEST 38TH AVENUE · PHONE: GENESEE 3-6781

DENVER, COLORADO

June 28, 1963

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Mr. K. E. Baker
3655 Depew
Denver 12, Colorado

Dear Mr. Baker:

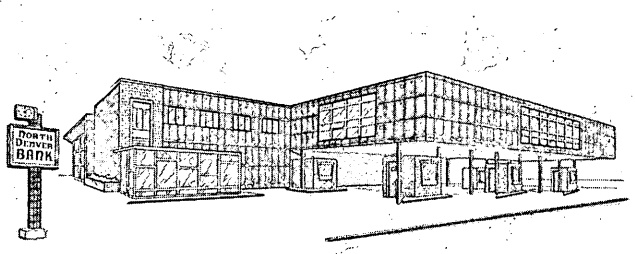
It is not the policy of the North Denver Bank to venture into the realm of financing for the purpose of mineral exploration.

If at any time in the future we can be of service to you in a more conventional sense, we should be more than happy for the opportunity to serve you.

Very truly yours,

Murray F. Hill
Asst. Vice President

MFH:dp



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
2960 W. 7th Avenue
DENVER 4, COLORADO
Phones: ALpine 5-9244
ALpine 5-0855

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

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

June 27, 1963

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Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Dear Mr. Baker:

As requested by you, we are submitting the following schedule of charges which is our estimate for the drilling program of approximately 4600 Linear feet on your properties near Central City, Colorado.

		NX	BX
	Mobilization of men and equipment,		$350.00
1.	Overburden, per linear foot,		$ 7.10
2.	Bedrock -		
	0 to 300 feet, per foot,	$6.90	$ 6.60
	300 to 600 feet, per foot,	7.20	6.90
3.	Cementing and drilling cement, plus cost of cement or cement substitutes, per hour,		$11.50
4.	Reaming, if necessary, per linear foot,		$ 3.60
5.	Standby time as requested, per hour,		$10.60

6. Water haul, if required, would be charged for at the rate of $1.25 per foot drilled.

Thank you for calling on our Company. Should you have any questions, feel free to call on us.

Very truly yours,

BOYLES BROS. DRILLING COMPANY

George E. Lensch

George E. Lensch, District Manager

GEL/eg

LIVINGSTON & WILSON EXPLORATION & DRILLING CO.
LONGMONT, COLORADO
PHONE PR 6-1735
WALTER W. WILSON
FRED L. LIVINGSTON

July 8, 1963

Mr. Kenneth E. Baker
3655 Depew St.
Denver 12, Colorado

Dear Mr. Baker:

We are pleased to submit the following bid:

Mobilization and Demobilization		$500.00
Mobilization each hole		90.00
Phase I		
NX Core	per foot	8.50
BX Core		7.50
AX Core		6.50
Phase II		
NX Core		9.50
BX Core		8.50
AX Core		7.50

If water has to be hauled, an additional $1.00 per foot is to be added.

This is only a guide and is not a firm bid. A firm bid will be made at a later date if desired.

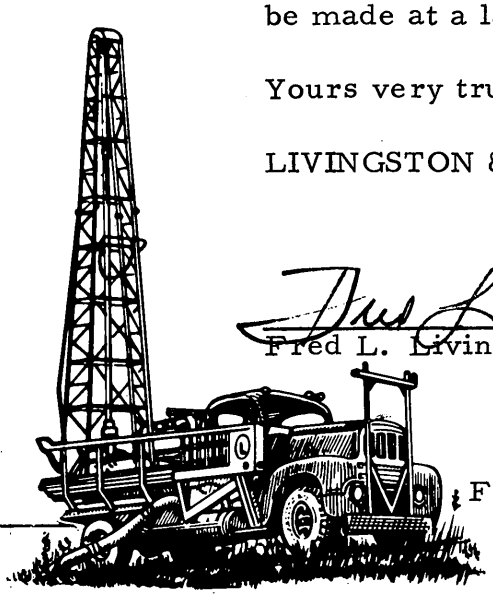
Yours very truly,

LIVINGSTON & WILSON EXPLORATION AND DRILLING

Fred L. Livingston

Fred L. Livingston

FLL/bl



MINERAL EXPLORATION -- TEST BORINGS -- GROUT HOLE DRILLING

GOLDEN DRILLING COMPANY

DIAMOND DRILLING CONTRACTORS
2301 EAST STREET
GOLDEN, COLORADO
PHONE CRESTVIEW 9-1371

July 1, 1963

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Golden Drilling Company's proposal to drill the applicant- Kenneth E. Baker property. "Clifford Mine", Clear Creek Co., Colorado.
T. 3 S., R. 73 W., SW1/4 Sec. 9.

Drilling Specs.- BX size core. Minimum program consists of 5 holes totaling 1600 feet. Drill holes at a vertical angle of - 45.

Phase I

Total 5 holes	1600 feet @ $ 7.95 per ft.	$ 12,720.00

Drilling Specs.- BX size core. Maximum program consists of 11 holes totaling 4600 feet. Drill holes at vertical angle of -45 to -55.

Phase II

Total 11 holes	4600 feet @ $ 7.50 per ft.	$ 34,500.00

Cementing and drilling out	@	2.50 per ft.
Reaming and Casing	@	3.50 per ft.

W E Matthews
Golden Drilling Company

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TEL. CHERRY 4-3223

ROOT & SIMPSON, Inc.
METALLURGICAL CHEMISTS AND ASSAYERS
DENVER 1, COLORADO

P. O. BOX 2069

3(d)

SPECIMEN ASSAY

ASSAYED FOR	MARKS
Kenneth Baker 3655 Depew Denver 12, Colo.	Rock

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	IRON PER CENT	U_3O_8 PER CENT	Mo PER CENT	PER CENT
						1009	0.42	
						1010	0.6	
						1011	0.66	
						1012	0.2	
						1013	0.1	

DATE 6/26/63 CHARGES $ 27.50

Root & Simpson, Inc.

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MINING LEASE

This agreement made this 1 day of Aug , 1963, by and between FALL RIVER EXPLORATION AND MINING COMPANY, a Colorado corporation, of P. O. Box 32, Idaho Springs, Colorado, Hereinafter referred to as "LESSOR", and KENNETH E. BAKER and GENEVIEVE J. BAKER, his wife, as tenants by the entirety, of 3655 Depew St. Denver 12, Colorado, hereinafter referred to as "LESSEE".

W I T N E S S E T H :

For and in consideration of the mutual promises and obligations made and assumed by all of the parties hereto, the adequacy of which as consideration t o each of them is mutually admitted, LESSOR hereby grants, leases and lets exclusively unto LESSEE the patented mining claims listed in Schedule A below, hereinafter referred to as the "Property" for the purpose of exploring for, mining, taking out, and extracting and removing therefrom ores of every type and character which are or hereafter may be found in or under said Property together with the right to construct buildings, make excavations, open shafts, tunnels, roads and other improvements upon said Propert y which are or may become necessay to explorat ion, mining, and removal of any ores; and the right to cross other lands of the LESSOR if necessay to access to or egress from the Property.

To have and to hold said property unto LESSEE for a term of five (5) years from the date hereof and so long thereafter as payments in royalties or payments in absence of royalties or any combination of royalties and/or payments made are eight thousand dollars ($8,000.00) or more each year thereafter.

In consideration of the leasing of said property, LESSEE does covenant and agree to pay LESSOR a royalty of ten percent (10 %) of the proceeds from the sale of lead, zinc, copper, gold, and silver in any ores from said property from which payments are received, such royalty to be made upon the smelter, mill, or sampler net assay value, deducting only the actual cost of transportation and treatment.

LESSEE does covenant and agree to pay LESSOR a royalty of seven and one-half percent (7½) of the proceeds from the sale of all other metals, ores, or minerals than those mentioned above in any ores from said property from which payments are received, such royalty to be made upon the smelter, mill, or sampler net assay value, deducting only the actual cost of transportation and treatment.

All royalty payments shall be made to LESSOR within thirty (30) days after receipt of proceeds of sale by LESSEE and after receipt of the settlement sheet covering sales of minerals from said property.

LESSOR represents and warrants that they are the sole owners of the entire and undivided right and title in and to and exclusive possession of the patented mining claims listed in Schedule A below, that all of said claims are free and clear of all liens, defects, and encumbrances and that all taxes have been paid.

In case LESSOR owns a less interest in said property than the entire and undivided fee single estate therein, then the royalties and payments herein provid ed for shall be paid LESSOR only in the proportion t hat his interest bears to the whole and undivided fee.

LESSOR covenants and agrees to protect LESSEE's possession of said property from any person or persons claiming by, through, or under LESSOR.

The parties hereto further covenant and agree as follows:

Within eighteen (18) months from the date of execution of this agreement, LESSEE agrees to perform or cause to be performed a drilling exploration program upon said property; and should such drilling be accomplished under a U. S. Bureau of Mines OME loan, LESSOR agrees to execute for the U. S. Bureau of Mines an "Owners Consent to Lien Agreement" wherein the governments portion of the costs plus interest under said program shall be repaid out of production from said property.

LESSEE agrees to furnish LESSOR all assay and sampling information, all factual, geological, geophysical, and geochemical data and a copy of all maps pertaining to LESSES's work on said property.

LESSEE specifically agrees to save LESSOR harmless and to relieve LESSOR from all liability for injuries sustain ed by workmen upon aforesaid property, said injuries being directly or indirectly caused or attributable to min ing operations carried on upon said property by LESSEE.

LESSEE agrees to indemnify and save harmless LESSOR from all loss, damage, liens, claims, costs and expenses and liability therefor, growing out of the operations of LESSEE under this agreement.

LESSEE agrees to conduct and perform all operation s in a good and workmanlikemanner so as t o take out t he greatest amount of ore possible, with due regard to the development and preservation of said property.

LESSEE agrees to pay all property taxes on said property beginning with the 1963 tax year during the term of this agreement.

LESSEE shall pay all taxes levied upon the minerals produced saved and market ed from said property but shall have the right to recover from LESSOR that part of such taxes at tributabe to the share of royalty payable to LESSOR.

LESSOR and his agent may at all reasonable times, enter upon and into all parts of said property for purpose of inspection, and all at the risk of the inspector.

LESSEE hereby expressly covenants and agrees that in the event it shall fail in any respect to keep and fulfill any one or more of the covenants, terms, and conditions hereinabove expressed, LESSOR, his agent, representative or attorney shall have the right to give LESSEE written notice by registered mail of any such default and if such default shall continue for a period of thirty (30) days, then in that event LESSOR may declare the term hereof to be terminated and it shall be lawful for LESSOR to enter upon and take possession of the property.

LESSEE shall have the right at any time, upon thirty (30) days advance notice in writing to LESSOR mailed by registered mail to terminate, relinquish, and surrender its rights under this lease and give possession of the premises demised to the LESSOR.

LESSEE shall have the right within a reasonable time after termination to remove from thesaid property all property placed thereon or therein by LESSEE but not the right to remove any timbering in place in the underground workings therein or track in place in the underground workings.

All of the covenants and agreements herein contained shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

SCHEDULE A - "Property"

All of the patented mining claims listed below, together with all millsites, ways, easements, ditches, flumes, water, water rights, and other rights, priveleges, and appurtenances thereto and all rights and privileges exercised by Lessor in connection therewith are herein considered as "Property", Located in sections 8, 9, 16, and 17, T. 3 S., R. 73 W., Clear Creek Co., Colo.:

Name of Claim	Mineral Survey No.	Name of Claim	Mineral Survey No.
Clifford	835	Vancouver	2044
Clifford No. 2	2001	Vancouver No. 2	2334
Little Chief	2000	Baker	1971
War Eagle	1999	Uncle Sam	1895
Crazoba	1922 Am.	Silver Star	2043
Flowing Tide	1777	Congo	2335
Silver Cloud	829	Joe B	1776
Maple Leaf	1481	Grand View	1775
Emanan	1970	Libbie Thompson	1964
Lotta	2126	Polaris	2333
Queen of the Ranch	1904	Sampson	2162
Eclipse	2123		
Chicago	16987		

- -

In witness whereof the parties hereto have executed this agreement

the day and year first above written.

KENNETH E. BAKER

GENEVIEVE J. BAKER

FALL RIVER EXPLORATION AND MINING CO., INC.

Attest:

Secretary

By
President

STATE OF COLORADO)
) ss:
COUNTY OF)

The foregoing instrument was acknowledged before me this 10 day of May, 1963 by KENNETH E. BAKER and GENEVIEVE J. BAKER, his wife.

Witness my hand and official seal.

My Commission expires February 5, 1966

Notary Public

STATE OF COLORADO)
) ss:
COUNTY OF)

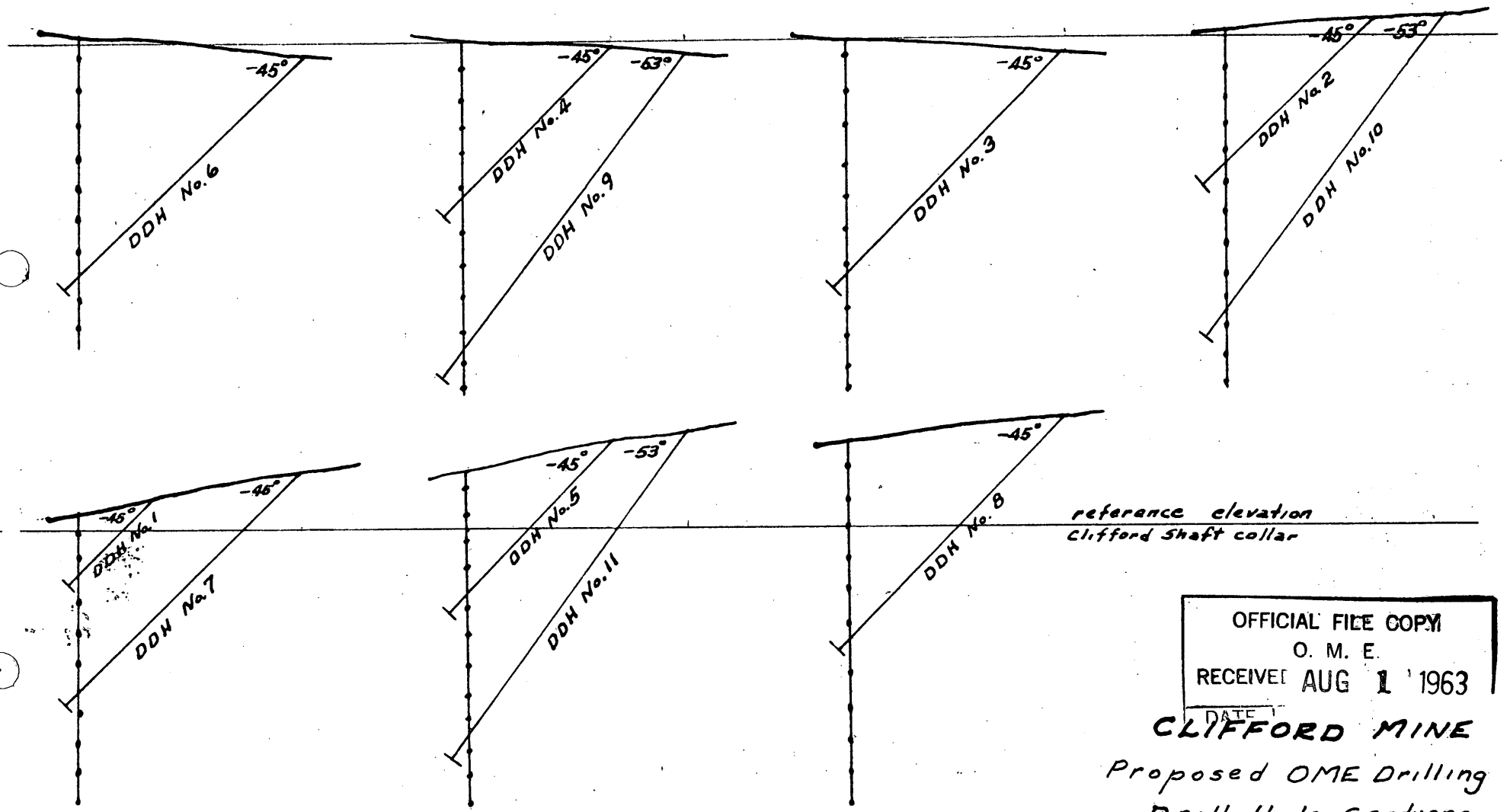
The foregoing instrument was acknowledged before me this 12 day of May, 1963 by MARK H. STEEPELTON and JAMES F. KEATON as President and Secretary, respectively, of FALL RIVER EXPLORATION AND MINING CO., INC., a Colorado corporation.

Witness my hand and official seal.

My Commission expires Feb. 13, 1967

Notary Public

5(a)
Kenneth E. Baker
3655 Depew Denver 12, Colo.



OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 1 1963
DATE

CLIFFORD MINE

Proposed OME Drilling
Drill Hole Sections
Along line N30°W
Sections looking N60°E
Scale: 1" = 200'

PROJECT SUMMARY REPORT

By: F. M. Murphy April 28, 1964

1. OME-6320 (Molybdenum)
Contract 2172

Operator - Kenneth E. and Genevieve J. Baker
3655 Depew Street
Denver 12, Colorado

Property - Clifford Mine
Clear Creek County, Colorado

Operator's Property Rights - Lease on 24 patented and 4 unpatented lode mining claims from Fall River Exploration and Mining Co.

2. Contract dated August 27, 1963

Work Authorized - Core drilling 5 holes in Stage I and 6 holes in Stage II for an aggregate of 4600 feet of plug and core drilling.

Amendments -

No. 1 changes hours and unit cost for bulldozing keeping same total cost.

Work Completed -

Bulldozing, 24 hours	$ 288.00
Mobilization and demobilizing drills	350.00
Drilling, 717 feet	4,757.50
Reaming and casing, 80feet	288.00
Cementing and redrilling, 10 hrs.	115.00
Hauling water	717.00
Incidental allowance, 717 feet	623.79
Bldg. rehabilitation	75.00
Cardboard core boxes, 72	72.00
Assays for MoS_2 ,4	16.00
Total Acceptable Costs	$7,302.29
Government's Participation @ 50%	$3,651.14

Final Reports -

Operator's Final Report, Dec. 2, 1963
Field Final Report - None

3. Report of Review, dated January 7, 1964

4. Certification not recommended

5. Project terminated by mutual agreement December 9, 1963

6. Comments -

Molybdenite quartz vein material was observed on mine dumps over a distance of 1400 feet along the vein that had been opened by the Clifford and Maple Leaf mines which are now inaccessible. Also the proximity of the property to a Tertiary quartz monzonite porphyry and other molybdenite occurrences was thought favorable.

Two holes were drilled in areas considered the most favorable. Both holes traversed the target Clifford vein and indicated a vein width of one foot assaying 0.18 and 0.04% Mo. Stringers of quartz containing molybdenite were present in other zones but had no economic potential. Also, it was noted that molybdenum mineralization decreased with depth in the holes.

In view of the results obtained by these two holes, the Operator requested the contract be terminated. Region III and the Washington office agreed that the project should be terminated.

F. M. Murphy

F. M. Murphy

FMMurphy/mm
cc: Director's Reading File
Docket

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

☒ Certified — After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator: K.E and G.J. Baker
Actual Cost: X
State: Colorado
Agreed Unit Cost:
Final Report of Audit:
Commodity: Molybdenum
Docket No.: OME-6320
Final Report of Review: 1/7/64
Contract No.: 2172

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Core drilling	4600	44853	717	6923	6923
Surface Excavation					
Underground Excavation					
Roads and Trails Bulldozing		672		288	288
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		75		75	75
Other (Specify) Assaying		352		16	16
Totals		$45,952		$7,302	2/ $7302

1/ Round off to dollars.
2/ Net cost total must agree with final report of audit or review.

Prepared by F M Murphy Date 4/29/64

41725

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By W. L. Emerick

May 28, 1971

INITIALS
gla 30
HK 20
CC 20 M
220

1. OME-6320 (Molybdenum)
Kenneth E. Baker and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

Operator: Kenneth E. Baker and Genevieve J. Baker
3655 Depew Street
Denver, Colorado 80212

Property: Consisted of twenty four (24) patented and four (4) unpatented lode mining claims, including all rights pertaining thereto, in secs. 8, 9, 16, and 17, T. 3 S., R. 73 W., York mining district, Clear Creek County, Colorado. A map showing the area of the twenty eight claims was attached to the contract.

Ownership: The Operator was in possession of the patented lode mining claims under terms of a Mining Lease, dated May 15, 1963, between Fall River Exploration and Mining Company, Lessor, and Kenneth E. Baker and Genevieve J. Baker, Lessees. The Operator was in possession of the unpatented lode mining claims by right of location.

2. Purpose of Project: The purpose of the project was to explore by diamond core drilling from surface sites for molybdenum-bearing ore bodies in veins traversing the Idaho Springs formation of Precambrian age.

3. Contract: Dated August 27, 1963 for a term of 18 months.
Original contract amount - $45,952.50
Government participation - 50 percent, $22,976.25

Amendments - No. 1 - October 7, 1963 to provide for a smaller class of bulldozer and to increase the hours and decrease the unit cost for bulldozer work.

4. Project Work: Started September 10, 1963. Terminated November 15, 1963.

FINAL FIELD RPT.

Stage I

Cost Items

Actual Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Bulldozing access roads and drill sites	28 hours	$12.00/hr.	$336.00	24 hours	$288.00
Mobilization and de-mobilization drills and accessory equipment	-----	Job	$350.00	-----	$350.00
Overburden drilling and casing	75 feet	$7.10/ft.	$532.00	41 feet	$273.90
Core drilling	1,525 feet	Various	$10,590.00	676 feet	$4,483.60
Reaming and casing	160 feet	$3.60/ft.	$576.00	80 feet	$288.00
Cementing and redrilling	15 hours	$11.50/hr.	$172.50	10 hours	$115.00
Hauling water	1,600 feet	$1.25/ft.	$2,000.00	717 feet @ $1.00	$717.00
Total Actual Costs Stage I			$14,557.00		

Fixed Unit Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Incidental drilling allowance	1,600 feet	$0.87/ft	$1,392.00	717 feet	$623.79
Rehabilitating building for core and sample storage	-----	-----	$75.00	-----	$75.00
Cardboard core boxes	144 boxes	$1.00/each	$144.00	72 each	$72.00
Sample sacks	40 sacks	$0.25/each	$10.00	-----	-----
Assaying for MoS_2	40 assays	$4.00/each	$160.00	4 each	$16.00
Total Fixed Unit Costs Stage I			$1,781.00		
Total Estimated Cost of Stage I			$16,338.00		$7,302.29

Stage II

Cost Items

Actual Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Bulldozing access roads and drill sites	28 hours	$12.00/hr.	$336.00	-----	-----
Overburden drilling and casing	90 feet	$7.10/ft.	$639.00	-----	-----
Core drilling	2,910 feet	Various	$20,439.00	-----	-----
Reaming and casing	300 feet	$3.60/ft.	$1,080.00	-----	-----
Cementing and redrilling	25 hours	$11.50/hr	$287.50	-----	-----
Hauling water	3,000 feet	$1.25/ft.	$3,750.00		
Total Actual Costs Stage II			$26,531.50		

Fixed Unit Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Incidental drilling allowance	3,000 feet	$0.87/ft.	$2,610.00	-----	-----
Cardboard core boxes	269 boxes	$1.00/each	$269.00	-----	-----
Sample sacks	48 sacks	$0.25/each	$12.00	-----	-----
Assaying for MoS_2	48 assays	$4.00/each	$192.00		
Total Fixed Unit Costs Stage II			$3,083.00		
Total Estimated Cost Stage II			$29,614.50		
Total Estimated Cost of Project			$45,952.50		$7,302.29
Government Participation at 50%			$22,976.25		$3,651.14
Paid to Operator					$3,651.14

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

Effectiveness of the Work - The most favorable part of the target area was adequately explored.

Efficiency of Operation - The progress of all of the work on the project, including the diamond drilling of two holes, indicates that the work was done in an efficient manner.

5. Reports:

Operator's Final Report - An acceptable Final Report was received on December 16, 1963.

Cost Review - A Report of Review was issued by the Contract Administration and Audit Division, Office of Minerals Exploration in January 1964.

Final Audit - A final audit was not requested inasmuch as no additional vouchers were submitted or paid after the Report of Review. The final voucher was submitted for payment in December 1963.

Royalty Review - No royalty review was requested.

6. Project Results:

Discoveries - The project work did not result in the discovery of a minable molybdenum ore body. Additional exploration work was not warranted.

Certification - A certification of possible production was not issued.

Production - There was no production from the property.

Royalties - There was no production from the property and no royalties were due the Government.

7. Geologic Summary - A fissure zone containing several veins of mineralized material, mainly quartz with fine-grained molybdenum and smaller amounts of pyrite, chalcopyrite, galena, sphalerite, calcite, and barite, traverses Precambrian gneisses and schists on the property. The largest vein strikes about N. 60° E., dips about 80° S., and diminished at depth in minable width and grade. There is no recorded history of past production from the property.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/28	Murphy	500
	[illegible]	500
4/28	Talbitt	800
	Selfridge	120
4/28	[illegible]	110
	[illegible]	100
		220

APR 28 1964

Fall River Exploration and Mining Co.
P. O. Box 32
Idaho Springs, Colorado

Re: OME-6320 (Molybdenum)
Kenneth E. Baker and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

Gentlemen:

Enclosed is a copy of a self-explanatory letter of today to Kenneth E. Baker and Genevieve J. Baker, under the subject contract.

This correspondence relates to the Lien and Subordination Agreements signed by Mark H. Stepelton, president of your company, on July 29, 1963.

Sincerely yours,

George Fumich, Jr. (gla)
Acting Director

Enclosure

MMerrithew/mm
4/27/64
cc: Director's Reading File
Region III
Docket
Code 500

43683

UNITED STATES DEPARTMENT OF THE INTERIOR
Office of the Secretary

Voucher No. 1011-1

DOCUMENT FACE SHEET

1/30/64
(Date Prepared)

Payee Kenneth B. Baker & Genevieve J. Baker
3655 Depew Street
Denver 12, Colorado

Prepared by oas

Amount of invoice or voucher ..... $ 500.00

Deductions

Release of contract holdback per Report of Review dated 1/7/64 ..... 500.00
Amount approved

Less travel advance applied or amount withheld

Net total being paid 500.00

Contract 2172 Region III

Accrued Expenditure Register

Account Debit	Amount
Credit	
Accounts Payable	

Distribution of Total Cost

Appropriation	Amount	Acc't No.	Object Class	Accrued Expenditure Paid	Accrued Expenditure Reversed	Obligation Liquidated	Oblig. No.
14X6875(01)	500.00						

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O. M. E
RECEIVED FEB 4 1964
DATE | INITIALS | CODE

37573

Building 20 - Federal Center
Denver, Colorado 80225

January 13, 1964

Memorandum

To: Fiscal Section, Office of Management Operations
Office of the Secretary
U. S. Department of the Interior
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Attached is the original Report of Review on the subject property dated January 7, 1964.

Original signed By
For T. M. Romslo

Hugh M. Connors

Attachment

cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Contract Corres. 2172
Chron
TMR/lm

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 16 1964

DATE	INITIALS	CODE
	H.J. Murphy	500

Building 20 - Federal Center
Denver, Colorado 80225

January 13, 1964

Mr. Kenneth E. Baker
3655 Depew Street
Denver, Colorado

Re: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Dear Mr. Baker:

Enclosed is a copy of the Report of Review on the subject contract dated January 7, 1964.

Sincerely yours,

Original signed by
for T. M. Romslo

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosure
cc: Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Contract Corres. 2172
Chron
TMR/lm

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/8	Coe	220
		500

JAN 8 1964

Memorandum

To: Acting Field Officer, Region III

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: OME-6320 (Molybdenum)
Kenneth E. Baker & Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

As requested in your December 19, 1963, memorandum, a Report of Review covering the subject contract has been prepared. The original and two copies are enclosed.

If you concur in the facts stated in this Report of Review, please make the distribution authorized by section 4 of OME Circular 2 dated February 17, 1960. As evidence of your concurrence, a copy of your letter transmitting the Operator's copy of the Report of Review should be furnished to this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 1-7-64

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver, Colorado 80225

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 23 1963
DATE
12/30 On leave 801
~~Return 580~~

December 19, 1963

Memorandum

To: E. D. Talbert, Chief
Division of Contract Administration and Audit
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Work under the subject contract was terminated effective November 15, 1963, by an agreement dated December 9, 1963.

The number of units of work completed by the Operator and accepted by this office as conforming to contract specifications were:

Stage I -	Bulldozing drill sites	24 hours
	Mobilization of equipment	1 job
	Rehabilitation of core storage shack	1 job
	Drilling overburden	41 feet
	Diamond drilling	676 "
	Cementing and redrilling	10 hours
	Reaming and casing	80 feet
	Water haul	717 feet
	Incidental allowances	717 "
	Core boxes	72
	Assays	4

Other drilling costs which were necessary to complete the drilling not specifically allowed by the contract were:

Mixing mud	2 hours
Cement	3 sacks
Mud	6 sacks

An acceptable Final Engineering and Geological Report was received from the Operator on December 16, 1963.

A Report of Review, in lieu of a final audit, is in order and requested.

Hugh M. Connors

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver, Colorado 80225

OFFICIAL FILE COPY
O. M. E
DEC 23 1963
CODE
130
12/24 Murphy 500

December 19, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado
OPERATOR'S FINAL REPORT

Attached are the original and two copies of the Operator's Final Report on the subject contract.

It is an excellent report and I recommend that it be accepted.

Hugh M. Connors

Hugh M. Connors

Attachments

Will not certify. Fmm.
Require closing letter after Report of Review

Operator's final report

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

FINAL REPORT

CLIFFORD MINE, CLEAR CREEK CO., COLORADO

OME DOCKET NO. 6320, CONTRACT NO. 2172

By

Kenneth E. Baker
December/2, 1963

TABLE OF CONTENTS

	Page
INTRODUCTION	1
GEOLOGY	1
EXPLORATION PROGRAM	2
WORK ACCOMPLISHED	2
COSTS	3
RESULTS OF DRILLING	4
CONCLUSIONS	5

MAPS, SECTIONS, AND ATTACHMENTS

Geologic Plan Map

Geologic Section of DDH No. 2

Geologic Section of DDH No. 3

Geologic Log of DDH No. 2

Geologic Log of DDH No. 3

Composite Section of DDH No. 2 and No.3

FINAL REPORT

CLIFFORD MINE, CLEAR CREEK CO., COLORADO

OME DOCKET NO. 6320, CONTRACT NO. 2172

By

Kenneth E. Baker
December/2, 1963

INTRODUCTION

The Clifford Mine is located between York Gulch and Woodpecker Gulch tributaries to Fall River in portions of sections 8, 9, 16, and 17 Township 3 South, Range 73 West in Clear Creek Co., Colorado. The property is located about five miles from the towns of Idaho Springs and Central City and is readily accessible from either by about three miles of improved jeep road.

The property consists of 24 patented mining claims under a mining lease dated May 15, 1963 and recorded in Book 278 Pages 144-147 Clear Creek Co., Colorado from Fall River Exploration and Mining Co. to Kenneth E. and Genevieve J. Baker; and four unpatented mining claims named the Introibo Nos. 1 to 4 located by the operator.

The property contains two old and abandoned and inaccessible mines, the Clifford and the Maple Leaf, and numerous old cuts, test pits, and shallow shafts. The Clifford Mine consists of a shaft 176 feet deep, two levels, and about 700 feet of drifting. There is no recorded history of past production although silver ore of 50 to 500 oz. of silver per ton is reported from the property.

GEOLOGY

The geology of the property is that of a fissure zone containing several vein zones of mineralization in the Pre Cambrian Idaho Springs formation. The main vein, the Clifford Vein, strikes N. 60 °E. and dips about 80 degrees south. Mineralization is mainly quartz with fine grain molybdenite and small amounts of pyrite and chalcopyrite. A second type of mineralization seen in small quantities consists of galena, sphalerite, calcite, and barite.

Molybdenite quartz vein material was observed at six old mine dumps in a distance of 1400 feet along the vein. Assays of this material showed values of 0.10 - 0.67 % Mo.

Because of heavy overburden and the inaccessibility of the old mine workings more specific details of the occurrences were not well known. The proximity of the property to a granite stock and a quartz diorite stock both of Pre Cambrian age was thought to be structurally favorable. Also the proximity of the property to a Tertiary Quartz Monzonite Porphyry and other molybdenite occurrences was thought to be favorable. The property in itself showed significant quantities of molybdenite mineralization and for these reasons it was decided the property warranted drilling.

EXPLORATION PROGRAM

An application for exploration assistance was submitted to the Office of Minerals Exploration and a contract for a diamond drilling project was signed with OME on Aug. 27, 1963. This project consisted of a two stage diamond drilling program providing for five drill holes totaling 1600 feet in Stage I and an additional provision for six holes totaling 3000 feet in Stage II if initial drilling results were favorable. Contract costs of Stage I were estimated at $16,338.00 and of Stage II $29,614.50 for a total of $45,952.50 of which the government's participation would be fifty percent.

The objective of the program was to intersect the Clifford Vein and any other parallel vein zones beneath the old mine workings in areas of favorable quartz molybdenite mineralization. The holes were designed to be drilled at a minus 45 degrees angle on a spacing of 200 feet to intersect the main vein zone at depths of 100-300 ft.

WORK ACCOMPLISHED

Work was started under the contract on September 10, 1963 with the surveying of the drill hole locations and the minor rehabilitation of a small building to serve as a core shack. Three days were spent in the bulldozing of drill sites and access roads to the sites. Diamond drilling by Boyles Bros. Drilling Co. was started on October 7, 1963 at DDH No. 2 and the hole was completed to a depth of 267 feet on October 25, 1963. Drilling of DDH No. 3 was begun on October 26, 1963 and completed to a depth of 450 feet on November 14, 1963.

Diamond drill hole No. 2 was cased with NX size casing to a depth of 91 feet

because of caving and completed to the bottom of the hole with NX size core. DDH No.3 was drilled NX size core to a depth of 344 feet, then cased with BX size casing to 344 feet because of caving conditions, and then completed from 344 to 450 feet BX size core.

Because of the unfavorable results encountered in DDH No. 2 and No. 3 which were the most favorably located holes, a request for termination of the contract was made to OME on November 15, 1963 and on December 9 , 1963 a mutual agreement for the termination of the contract was signed by OME and the operator.

COSTS

Costs provided for under the contract totaled $7,302.29. A summary breakdown of the costs is shown below:

Bulldozing - 24 hrs. @ $12.00/hr.

Diamond Drilling			
Mobilization of equipment, lump sum of		$350.00	$ 350.00
Overburden	41 ft	@ $ 6.90 & 6.60/ft	273.90
NX, 0 to 300 ft. depth	526 ft	@ $ 6.60/ft	3,471.60
NX, 300 to 600 ft. depth	44 ft	@ $ 7.10/ft	312.40
BX, 300 to 600 ft. depth	106 ft	@ $ 6.60/ft	699.60
Cementing and drilling cement	10 hrs.	@ $11.50/hr	115.00
Reaming and casing	80 ft.	@ $ 3.60/ft	288.00
Water haul	717 ft.	@ $ 1.00/ft	717.00
Incidental allowance	717 ft.	@ $ 0.87/ft	623.79
Core boxes	72 boxes	@ $ 1.00/ea	72.00
Rehabilitation of core shack			75.00
Analysis	4 samples	$ 4.00/ea	16.00
		TOTAL	$7,302.29

Other drilling costs were:

Mixing mud	2 hrs.	@ $11.50/hr	$23.00
Cement, 3 sacks		@ $ 7.50/sk	22.50
Mud, 6 sacks		@ $ 3.50/sk	21.00
		Total	$66.50

RESULTS OF DRILLING

Diamond drill hole No. 2 is located 300 feet easterly of the Clifford Shaft and 200 feet southerly of the vein zone, the Clifford Vein, and was designed to intersect the quartz molybdenite vein zone found on the "G" Shaft which showed dump material pieces of about 12 inches width which assayed 0.60 % Mo. Other parallel zones of mineralization on both sides of the main vein zone were also to be intersected. Design depth of the hole was 325 feet on the basis of drilling 25 feet beyond the FW zone on a vertical projection of the dip of the vein.

The main vein zone, the Clifford Vein, located at the "G" Shaft was intersected at a drill hole depth of 200 feet. It contained one foot of quartz molybdenite mineralization which assayed 0.18 % Mo. It was disappointing in not only being very narrow and low grade but also in that is was contained in a black unaltorred biotite schist. It was the best zone in width and grade encountered in the hole and the hole was drilled an additional 66 feet without any further significant mineralization.

Other zones of weak mineralization were also encountered. A quartz vein with no evidence of molybdenite mineralization occurred in the area of 71 to 74 feet. No core was recovered in the interval of 71 to 72 feet and poor recovery of fragments of barren quartz were seen in the 72 to 74 feet interval. This area was badly caved, and cased.

A zone of weak quartz molybdenite mineralization consisting of two quartz veins of three inches width accompanied by quartz stringers of 1/4 to 2 inches occurring along schistosity were encountered in the interval of 108 to 116 feet. In the drill hole interval from 120 to 133 feet ten tiny veinlets of 1/32 to 1/4 inch with a small amount of molybdenite were found. Some wall rock alteration accompaning these stringers was noted from 126 to 133 feet. Samples of the best mineralization showed assays of 0.013% Mo from 112.5 to 113.0 and 0.003 % Mo from 111.5 to 112.5 feet. A barren 12 inch vein of quartz with a trace of pyrite was noted from 239 to 240. This is the FW Vein zone.

Diamond drill hole No. 3 is located about 300 feet southerly and 100 feet easterly of the Clifford Shaft. It was designed to intersect the Clifford Vein beneath the Clifford Mine workings where dump material of quartz and molybdenite assayed 0.67% Mo.

From surface indications and other geology this hole is the most favorably located. Coring was excellent with nearly 100 percent core recovery throughout the hole length. The hole inclination of minus 45 degrees closely parallels schistosity and thus the core consisted mainly of bands of unalterred black biotite schist and layers of white gneissic and pegmatitic material. The hole was drilled to its design depth of 450 feet.

The Clifford Vein was intersected at a hole depth of 320 feet. It consisted of one foot of quartz molybdenite mineralization which assayed 0.04 % Mo. The FW Vein zone was intersected at 372 feet and it consisted of one foot of weakly mineralized shear zone with 1/8 inch stringers of quartz, pyrite, and a trace of molybdenite in a light gray moderately alterred schist in broken core with slight gouge streaks.

A zone labeled the Ten Strg Zone on the sections was intersected from 183 to 203 feet. It consisted of ten tiny stringers 1/16 inch wide of quartz and molybdenite in unalterred biotite schist.

Attached are copies of a geologic plan map, detailed geologic logs of DDH No. 2 and No. 3, and a composite section of DDH No. 2 and No. 3.

CONCLUSIONS

In diamond drill holes No. 2 and No. 3 which were the most favorably located the Clifford Vein was intersected and showed a vein width of one foot and assys of)0.18 and 0.04 % Mo. Thus vein width is very narrow and the grade does not begin to approach ore tenor. In addition vein structure and hydrothermal alteration is not well developed.

Stringers of quartz molybdenite mineralization in very tiny veinlets are present in several other zones. These are generally clean cut breaks with little or no alteration or structure with them and are of no economic potential. Rather than the anticipated increase in mineralization with depth it appears that mineralization is decreasing with depth.

The two holes have been of much value in providing additional information and their results are quite conclusive in the evaluation of the property.The writer wishes to express his gratitude in having had the opportunity to explore the property with OME.

GEOL[illegible]C LOG OF DIAMOND DRILL HOLE NO[illegible]
CLIFFORD MINE, CLEAR CREEK CO.,COLORADO
'OME CONTRACT NO. 2172

FROM	TO	DESCRIPTION
0	17	Overburden, no core.
17	23	Gray biotite schist Idaho Springs fm.Schistosity contorted. Small peg. lenses.
	24	Brown iron stained fracture 1/32 in. with 1/4 in. alteration.
24	28	Light gray fine grained biotite schist; schistosity along core length.
	29	Brown iron stained fracture 2 in. wide; at 29½ a 1/4 in. iron stained strg.
29	31	Soft biotite schist with schistosity along core length.
	31	Light blue gray fault gouge 3 inches wide.
31	43	Interlayered schist and white quartz pegmatitic bands at 20 degrees to core.
37	42	Iron stained vuggy fracture 1/8-1/4 in. along core with displacement on both sides.
43	50	Gray biotite schist, schistosity at 30 degrees to core length.
	49	Many tiny 1/32 in. iron stained fractures with 1/4 in. alteration accompaning.
5	50	Vein quartz 1 in. at 30 degrees to core laced with iron stained fractures and black manganese staining accompanied by apple green alterred wall rock.
51.5-52.5		Dark gray biotite schist highly contorted.
52.5-53.5		Quartz strg. 2 in. at 10 degrees to core with iron stained fracture.
53.5-58		Dark gray biotite schist. 1 in. qtz at 56; 1/2 in. qtz at 57.
58	60	Slightly alterred light gray fine grained biotite schist.
60	63	Brown oxidized zone appears to be weakly mineralized vein or shear zone.
63	69	Gray unalterred biotite schist.
	69	Two 1/4 inch quartz stringers across core.
69	71	Hard silicified blue gray schist first 6 inches then coarse pegmatite fragments.
71	72	No core, bad cave requiring casing. Probably vein quartz.
72	74	White quartz fragments with no sulfides; 50 % core recovery.
74	75	Quartz stringer 1 inch with brown iron stained vug along core length in schist.
75	76.5	Quartz stringer 11/2 inch along core, very vuggy with iron and manganese stain.
76.5	78	Iron stained fractured vein quartz, no other minerals.
78	78.5	Brecciated iron oxide stained vein quartz. Vein quartz in fracture along core from 72 to 77 feet. Vein quartz from 77 to 78.5 probably main vein zone across core.
78.5	89	Light gray biotite schist with schistosity at 25 degrees to core length.
89	96	Gray biotite schist.
95.9-96.5		Apple green alterred schist with a qtz strg along core from 96 to 98 feet.
98	104	Interlayered dark gray biotite schist and thin quartzitic and pegmatite bands at 10°.
	105	Bluish fault gouge or crush zone.
105	108	Light gray banded apple green fine grain biotete schist. Core oxidized to 102ft.
108	109	Light gray slightly silicified or alterred biotite sbhist; veinlet 1/8-2" along core.
109	111	Fractured iron stained quartz vein zone, sm. amt. pyrite, trace molybdenite.
111	112	Quartz veinlet 1 to 2 in. along core then 3 in. quartz vein at 40 degrees to core length with small amount of molybdenite.
112	112.5	Gray schist. Sample from 111.5 to 112.5 assayed 0.003 % Mo.
112.5-113		Light gray alterred rock with small 1/4 in. veinlet of qtz and moly along core, Sample from 112.5 to 113.0 assayed 0.013 % mo.
113	115	Quartz moly 1/4 in. strg. along core length in greenish gray moderately alterred wall rock; molybdenite in minute amounts.
115	115.8	Quartz vein 3 inches with trace of moly at 30 degrees to core length.
115.8-116.5		Quartz strg. 1/4 inch along core length in gray biotite schist.
116.5-122		Dark gray unalterred fine grain biotite schist.
	120	Slight gouge clay along wall of crushed pegmatite at 30 degrees to core length.
120-120.9		Three 1/4 inch qtz stringers across core with trace of moly.
120.9-122		Dark gray fine grained schist.
	122	Quartz blebs 1 inch with trace of moly.
122	124	Gray green schist with light green alterred bands at 45 degrees; one 1/32" qtz-moly.
124	126	Gray schist. Fractures at 45 degrees to core across schistosity which is 30 degrees.
	126	Silicic band 1 inch with few blebs of moly.
126	127	Partially alterred schist with dark black bands and light green bands.

127	129.5	Highly alterred wall rock. Two 1/4 in qtz strgs with trace of mly; few blebs molybdenite in alterred rock.
	128.5	Quartz veinlet 1 inch at 30 degrees to core length.
	129.5	Tiny 1/8 inch quartz moly strg along core.
129.5-130		Black platy unalterred biotite schist.
	131	Tiny fracture along core length with displacement on either side.
131	131.5	Very small 1/8 inch quartz moly strg across core.
131.5-132.5		Small fracture along core length, some broken and crushed material and some gouge in fracture. Several tiny 1/32 inch quartz moly stringers across core.
132.5-168		Unalterred black biotite schist with light bands of pegmatitic material. Schistosity at 30 degrees to core length.
	150	Schistosity at 15 degrees to core length.
	168.5	Slight crush area or zone.
168.5-.69,5		Light greenish gray alterred wall rock with trace of moly at 169 feet.
169.5-184.5		Banded dark biotite schist and slightly quartzitic or pegmatite layers.
	184.5	Quartz moly veinlet 1/32 inch across core, slightly alterred wall rock.
	187	Quartz veinlet 1/4 inch across core, slightly alterred schist.
187	188	Light gray slightly alterred wall rock.
1888	189	Highly alterred apple green wall rock.
189	200	Platy unalterred dark micaeous schist.
	200	Quartz molybdenite vein pieces. Driller reports vein about 1 foot thick. This is best mineralization in drill hole. Sample 200-201 assays 0.18 % Mo.
	201	Unalterred platy schist with 1/4 inch qtz moly veinlet.
201	203.5	Apple green alterred wall rock with few blebs of qtz and trace of moly.
203.5-212		Unalterred banded Idaho Springs fm.
	213	Bleb of 1 inch of quartz and trace of pyrite.
212	216	Unalterred platy biotite schist.
	216	Slight alteration of wall rock in light greenish gray schist.
216	223.5	Banded schist and gneiss, unalterred.
223.5-225		Alterred silicified light gray to white wall rock, trace of pyrite.
225	239	Banded black biotite schist with light gneissic layers.
239	240	Quartz vein 12 inches, trace of pyrite and moly.
240	240.5	Unalterred schist wall rock.
240.5-242.5		Silicified zone; alterred wall rock.
	246	Quartz stringer 1/2 inch.
246	249	Banded unalterred schist.
249	252	Light gray bleached and silicified zone moderately alterred.
252.5-255		Highly alterred light gray bleached and silicified zone with trace of pyrite.
255	258	Platy unalterred micaeous schist.
258	260	White quartzitic silicified zone.
260	262	Banded platy unalterred schist.
	262	Quartz vein 1 inch with trace of pyrite and moly; bleached rock along vein.
262	267	Banded unalterred schist and gneissic layered Idaho Springs fm.
	267	End of hole.

DIAMOND DRILL HOLE NO. 3
CLIFFORD MINE, CLEAR CREEK CO.
COLORADO
OME DOCKET NO. 6320

As DDH No. 3 consists almost entirely of unalterred banded black to dark gray biotite schist and white gneissic layers and light pegmatitic layers the geologic log of this hole will be simplified and described only as to those features which differ from the normal banded unalterred biotite schist of the Idaho Springs formation. Schistosity closely parallels the minus 45 degrees inclination of the drill hole varying from 0 to 20 degrees to the length of the drill hole. Many of the quartz veinlets and stringers described below are extremely small and although of no economic value the zones of these occurrences corfellate with surface showings. Core recovery was excellent with nearly 100 per cent recovery throughout the length of the hole.

FROM	TO	DESCRIPTION
0	30.5	Overburden, no core.
32.5	33.5	Quartz veinlet 1/2 inch along schistosity.
35.5	37	Quartz veinlet 1/2 inch along schistosity.
	51	Quartz veinlet 1 inch.
58	63	Moderately alterred and silicified light gray fine grain biotite schist.
61	63	Tiny fractures across core and along core length with several 1/16 in strgs.
63	65	White quartz and white fine grain feldspar in what looks like a fine grain pegmatite along schistosity. Few strgs. of pyrite across pegmatite.
	71	Quartz veinlet 1 inch.
	72	Quartz veinlet 1 inch with pyrite and small amount of molybdenite across core, estimated about 0.05 % Mo. Apple green alteration 1 inch on both sides.
77	78	Few tiny 1/32 inch quartz stringers across core with accompaning 1/4 in alteration of wall rock.
94	100	Several tiny 1/16 inch quartz stringers across core.
114.5	115	White alterred schist with vein qtz pieces, no sulfides.
122	128	Moderately alterred light gray schist; light greenish gray at 123.
	136.5	Quartz moly veinlet 3/4 inch, estimated 0.25 % Mo, with about 3 inch alteration.
	155.5	Gray schist slightly alterred, two 1/4 inch qtz pyr strgs.
	178	Quartz moly stringer 1/4 inch at 45 degrees to core and normal to schistosity.
183	205	Smears of molybdenite on cross fractures at 183, 187, 191, 193, 194, 195, 198.5, 200, 203, 204, and 205. These are very tiny phantom veinlets of quartz with molybdenite of 1/16 to 1/32 inch thickness which when broken show moly coating the face of the breaks. They occur in unalterred biotite schist.
211	212	White pegmatite with slight apple green alteration of feldspars.
	211.5	Quartz moly vainlet 1/8 inch estimated 0.50 % Mo at 45 degrees to core.
212	214	Highly alterred apple green schist.
	212	Quartz moly veinlet 1/8 inch.
214	218	Light gray fine grain moderately alterred schist with a few fractures .
	216.5	Two tiny quartz moly stringers.
218	219	Light gray slightly alterred fine grain schist.
	219	Three tiny 1/32 inch phantom veinlets of quartz.
219	228	Gray fine grain slightly alterred schist, ocnl smear of pyrite on fractures.
	237	Smear of moly of 1/8 inch thick across core with 1/2 inch alteration.
	243	Veinlet of quartz 1/16 inch with trace of moly.
	247	Quartz moly stringer 1/4 inch, estimated 0.35 % Mo.
	248	Moly smaar of 1/16 inch thickness.
247	253	Light apple green alterred pegmatite; looks like a porphyry but has large muscovite flakes.
	255	Moly smear in tiny 1/8 inch quartz veinlet.
	256	Two 1/8 inch quartz moly stringers.
256.5	257.5	Slightly alterred banded schist with three 1/16 in qtz moly stringers.
257.5	259.5	Coarse grain pegmatite with moderately alterred feldspars.

FROM	TO	DESCRIPTION
	259	Quartz moly stringer 1/16 inch.
259.5	261	Slightly alterred schist.
	259.5	Two 1/16 inch quartz moly stringers.
261	262	Moderately alterred schist with partial light apple green streaks across core. A 3/4 inch carbonate veinlet.
	265	Qtz moly strg. 1/16 inch.
	267	Qtz moly strg 1/16 inch; also 1/16 inch strg at 267.3.
	269	Two 1/16 inch qtz moly strgs.
	271.5	Barren qtz veinlet 1/2 inch at 50 degrees to core.
	273	Qtz moly strg 1/8 inch.
277	278	Weak vein zone with 1 inch qtz moly estimated 0.20 % Mo at 277; a 1 inch qtz moly strg. estimated at 0.10 % Mo at 277.5; and a 1/4 inch qtz moly strg. estimated at 0.05 % Mo at 278 all in black biotite schist with a trace of apple green alteration.
	280	Several 1/8 inch qtz moly strgs.
	282	Qtz pyrite 1/8 inch along core.
	300	A few inches of apple green alteration.
311	313.5	Light gray moderately alterred fine grain schist.
	312.5	Qtz moly strg 3/8 inch estimated 0.15 % Mo.
	315	Qtz moly strg 1/8 inch.
316	316.5	Moderately alterred wall rock.
316.5	319.5	Highly alterred apple green schist somewhat vuggy with ocnl small strg qtz, pyr.
319.5	320.5	Vein quartz 10 inches with very light bluish tinge with small amount of pyrite and moly estimated grade of 0.05 % Mo.
320.5	321	Several qtz moly strgs 1/2 inch; soft clayey gouge 1 inch at 321.
322	326	Coarse grain pegmatite with small qtz moly strgs across core of 1/16 to 1/4 inch at 322, 322.2, 323, 324.5, and 326.
326	326.3	Light green alterred schist.
326.3	327	Broken and crushed pegmatite in shear zone.
327	328.5	Pegmatite somewhat soft with crush; partially alterred.
338	339	Gray siliceous schist.
366	367	Soft slightly crushed zone of slightly alterred pegmatite.
372	373	Very broken core with slight gouge on breaks in light gray moderately alterred schist with several 1/8 inch strgs qtz, pyrite, and trace of moly.A weakly mineralized zone of shear.
375	376	Light greenish gray alterred and silicified zone
378	381	Light gray to greenish highly alterred zone with four 1/8 inch strs qtz, tr moly.
381	388	Dark gray slightly alterred biotite schist with pegmatitic layers.
388	388.5	Highly alterred apple green schist; 1/8 inch qtz moly strgs at 388.9, 389, 390, and 391.
388.5	398	Gray slightly alterred fine grain schist.
	393	Three 1/16 inch phantom veinlets of quartz.
	397.8	Quartz moly strg 1/4 inch with very weak mineralization.
421.5	422	Light gray highly alterred zone with disseminated pyrite and small amount moly.
426	428	Gray fine grain schist with light gray highly alterred bands crossing schist.
	427.5	Quartz moly strg 1/16 inch.
428	430	Highly alterred apple green silicified zone with a small amount of disseminated pyrite. Silicification almost to a vein zone; slightly vuggy; small amt moly.
430	432.5	Gray moderately alterred schist with 1/16 inch qtz moly strg at 432.5.
432.5	436	Highly alterred apple green schist; small amount disseminated pyrite.
	437	Qtz moly strg of 1/8 inch.
438	450	Dark gray biotite schist with an occassional light greenish alteration band crossing core.

End of hole.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver, Colorado 80225

DEC 2 3 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 23 1963
DATE

December 18, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington, D. C. 20240

From: Acting Field Officer, OME, Region III

Subject: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Attached are the Government's, Audit's, and Fiscal Section's executed copies of the Termination Agreement on the subject contract.

Hugh M. Connors

Attachments

FORM 60
SEPT. 1959

OME
DEPARTMENT OF THE INTERIOR
DEC 2 1963
REGION III
DENVER, COLORADO

12/19 Murphy
DEC 18 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S MONTHLY VOUCHER

For Month of November 1963

Docket No. 6920
Contract No. 14-23-090-2372
Contract Amount $45,952.50
Gov't. Participation % 50 $22,976.25
Mineral(s) Molybdenum

Operator's Name Kenneth E. & Genevieve J. Baker
Address 3655 Bryan St., Denver 12, Colorado

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	0.00	200.00	200.00			
Bagging & Sorting	0.00	200.00	200.00			
Crushing & Grinding	34.50	80.50	115.00			
Drilling Exploration	0.00	273.00	273.00			
[illegible]	1,262.00	2,521.00	3,783.00			
[illegible]	699.60	0.00	699.60			
(2) Personnel: Exploration	0.00	350.00	350.00			
Supervisory & Technical	294.00	423.00	717.00			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.	0.00	75.00	75.00			
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	4.00	12.00	16.00			
Payroll Taxes						
Employee's Liability Ins.						
Incidental	236.79	389.00	625.79			
Core Boxes	21.00	51.00	72.00			
TOTALS	2,581.68	4,720.61	7,302.29	2,581.68	4,720.61	7,302.29

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Nov 26 1963 *Payee Kenneth E. Baker

Per _____ Title Genevieve J. Baker

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 1,290.84
— 500.00 To Suspense
$ 790.84 To Operator

Signature BHB
(Authorized Certifying Officer)

Date 12/9/63 Vou. No. 810-1

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2172

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 12-2-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts:

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MAE FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of November 1963 Docket No. 6923

Operator's Name Kenneth E. & Genevieve J. Baker Contract No. 14-23-090-2172

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground	ft.	0	12	273.00			
Drilling, Core-Diamond	ft.	128	570	3,704.00			
Rotary	ft	126	165	699.60			
Drilling, Non-core-Diamond							
Reaming & Crating	ft	0	00	288.00			
Concreting & Curing	hr	3	10	115.00			
Rehabilitation Percussion	1 job	0	1 job	350.00			
Miscellaneous							
Bulldozing	hr	0	24	288.00			
Roads and Trails							
Stripping Pilot hole	ft	294	717	717.00			
Trenching							
Test Pitting Horizontal adits	ft	294	717	623.79			
Other Surface Work Bacon		31	72	71.60			
Initial Rehabilitation and Repairs				75.00			
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work 1,064.00				16.00			
TOTAL TO DATE *(per MME Form 60)*				7,302.29			$6,802.29

REMARKS

(Continue on back)

REMARKS
Withhold $500.00 pending receipt of acceptable final report.

(Continue on back)

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

Date Nov 26 1963 Operator Kenneth E. Baker

Per _____ Title Genevieve J. Baker

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Conners

Title Acting Field Officer
Government Representative

Date 12-3-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OPERATOR'S NARRATIVE REPORT
NOVEMBER 1963
CLIFFORD MINE, CLEAR CREEK CO., COLORADO
DOCKET NO. 6320, CONTRACT NO. 2172

INTRODUCTION

Diamond drilling of DDH No. 3 was completed to a depth of 450 feet on November 14, 1963. The hole was drilled NX size core to a depth of 344 feet then because of caving conditions the hole was cemented and the cement drilled out but as caving continued the hole was cased with NX casing to 344 feet and then completed BX size.

COSTS

Authorized contract expenditures during the month of November 1963 are $2,531.60. Total contract expenditures to date are $7,302.29. Itemized costs are shown below:

Diamond drilling		
Core drilling, BX, 0 to 300 feet @ $3.60/ft	244 feet	$950.40
NX, 300 -600 feet @ $7.10/ft	44 feet	312.40
BX, 300 -600 feet @ $6.60/ft	106 feet	699.60
Cementing & drilling cement @ $11.50/hr	3 hours	34.50
Water haul @ $1.00/ft	294 feet	294.00
Fixed Unit Cost- Incidental cost per foot @ $0.87	294 feet	255.78
Core boxes @ $1.00 each	31 boxes	31.00
Assays for MoS_2 @ $4.00 each	4 samples	4.00
	TOTAL	$2,531.60

In the accomplishment of drilling several items of costs were incurred by the operator from the independent drilling contractor which were a part of the drilling costs although not directly specified as such in the GSA contract. These are shown below:

October 1963 Driller's Invoice	
Mixing and 2 hours @ $ 11.50/hr	$23.00
Cement 2 sacks @ $7.50/sack	15.00
Mud 6 sacks @ $3.50/sack	21.00
November 1963 Driller's Invoice	
Cement 1 sack @ $7.50/sack	7.50
Total	$66.50

RESULTS OF DRILLING

Diamond drill hole No. 3 was located about 300 feet southerly and 100 feet easterly of the Clifford Shaft. It was designed to intersect the Clifford Vein beneath the Clifford Mine workings where dump material of quartz and molybdenite assayed 0.67 % Mo. From surface indications and other geology this hole is the most favorably located. Coring was excellent with nearly 100 % core recovery throughout the length of the hole.

The hole inclination of minus 45 degrees closely parallels schistosity and thus the core consisted mainly of bands of unaltered black biotite schist and layers of white gneissic and pegmatitic material. The hole was drilled to 450 feet.

The Clifford Vein was intersected at a hole depth of 320 feet. It consisted of one foot of quartz molybdenite mineralization which assayed 0.04 % Mo. The NW Vein zone was intersected at 372 feet and it consisted of one foot of weakly mineralized shear zone with 1/8 inch stringers of quartz, pyrite, and a trace of molybdenite in a light gray moderately altered schist in broken core with slight gouge streaks on breaks.

A zone labeled the Ten Strg Zone on the sections was intersected from 189 to 203 feet. It consisted of ten tiny stringers 1/16 inch of quartz molybdenite in unaltered biotite schist.

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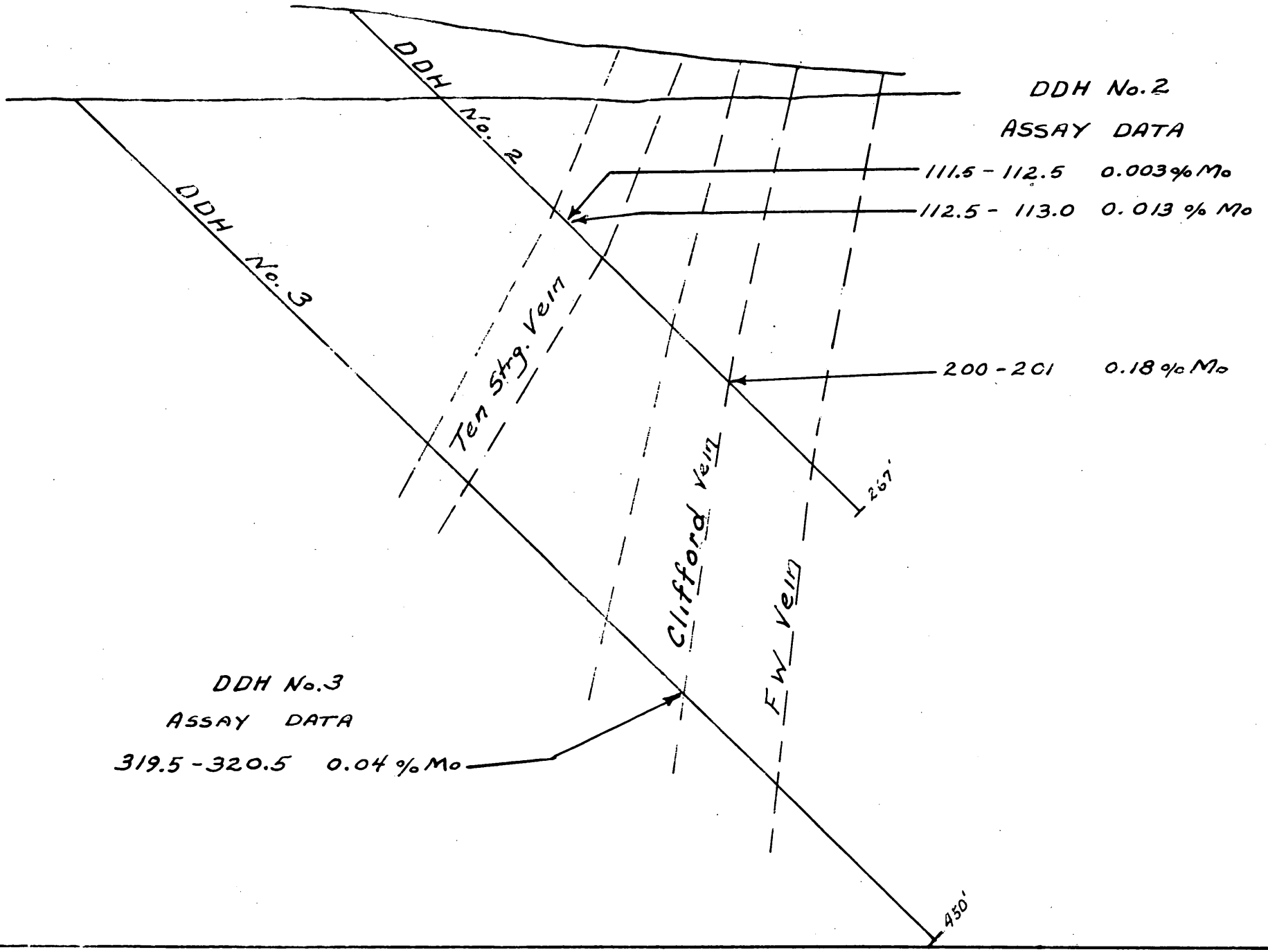
OME DOCKET 6320

D.D.H. No.2 & No.3 SECTION

Clifford Mine, Clear Ck. Co., Colo.

Scale: 1" = 50'



Building 20 - Federal Center
Denver, Colorado 80225

OFFICIAL FILE COPY
RECEIVED DEC 13 1963

12/16 Murphy ~~800~~
December 13, 1963 500

Mr. Kenneth E. Baker
3655 Depew Street
Denver, Colorado

Re: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Dear Mr. Baker:

Attached are the Government's, Operator's, Audit's, Fiscal Section's, and Field Office's copies of the Termination Agreement on the subject contract signed by the Acting Director for the Government.

If the proposed agreement is satisfactory to you, will you and your wife sign all copies, retain the Operator's copy, and return the remaining executed copies to this office.

If any part of the proposed agreement does not have your approval, please return the original and all copies to this office together with any proposed changes for consideration.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Attachments

cc Chief, Division of Field Operations, OME
Contract Corres. 2172
Chron
HMC;lm

MME FORM 60
SEPT. 1959

OME
DEPARTMENT OF THE INTERIOR

DEC 3 1963

NOV 14 1963
REGION III
MONTHLY VOUCHER

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6320
Contract No. 14-23-090-2172
Contract Amount $ 45,952.50
Gov't. Participation % 50 $ 22,976.25
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of October 1963

Operator's Name Kenneth E. & Genevieve J. Baker
Address 3655 Tejon St. Denver 12, Colorado

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	96.00	192.00	288.00			
Drifting, Opening & Con.	288.00	-	288.00			
Crosscutting & Drifts	80.50	-	80.50			
Drilling	273.00	-	273.00			
Construction	2,521.20	-	2,521.20			
Rehabilitation & Const.	350.00	-	350.00			
(2) Per Diem	123.00	-	123.00			
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.	-	75.00	75.00			
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	12.00	-	12.00			
Payroll Taxes						
Employee's Liability Ins.						
Incidental	360.01	-	360.01			
Corp. Dues	41.00	-	41.00			
TOTALS	4,453.01	267.00	4,720.01	4,453.61	267.00	4,720.61

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Nov. 11, 1963* Payee Kenneth E. Baker

Per Genevieve J. Baker ~~Title~~

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2,226.80

Signature BLB
(Authorized Certifying Officer)

Date 12/2/63 Vou. No. 762-4

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2172

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 11-18-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME

DEPARTMENT OF THE INTERIOR

MME FORM 61
SEPT. 1959

NOV 14 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
REGION III OFFICE OF MINERALS EXPLORATION
DENVER, COLORADO

OPERATOR'S PROGRESS REPORT

For Month of October 1963 Docket No. 6320

Operator's Name Kenneth E. & Genevieve J. Baker Contract No. 14-23-090-2112

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground Exploration	ft.	12	12	275.00			
Drilling, Core-Diamond	ft.	322	322	2,521.20			
Rotary							
Drilling, Non-core-Diamond							
Boring & Coring	ft.	80	80	200.00			
Cementing & Grouting	hr.	7	7	80.50			
Percussion Mobilization & Demob.	1 mo	1 mo		350.00			
Miscellaneous Bulldozing	hr.	0	24	200.00			
Roads and Trails							
Stripping Water haul	ft.	123	123	123.00			
Trenching							
Test Pitting Mineral oil	ft	123	123	300.61			
Other Surface Work Camp fuel		12	12	12.00			
Initial Rehabilitation and Repairs				75.00			
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work 3 @ 4.00				12.00			
TOTAL TO DATE (per MME Form 60)				4,720.61			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Nov. 14, 1963 Operator Kenneth E Baker

Per _____ Title Genevieve J. Baker

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Tongue

Title Acting Field Officer
Government Representative

Date 11-18-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OPERATOR'S NARRATIVE REPORT
OCTOBER 1963
CLIFFORD MINE, CLEAR CREEK CO., COLORADO
DOCKET No. 6320, CONTRACT No. 2172

INTRODUCTION

Bulldozing of drill sites and access roads was completed on October 1, 1963 with one days work of eight (8) hours. Diamond core drilling was started on October 7, 1963 on DDH No. 2 and DDH No.2 was completed to a depth of 267 feet on October 25. Because of a bad cave in DDH No. 2, drilling with mud was attempted to prevent the cave, then the hole was cemented twice, and finally reaming and casing was required to 91 feet to continue the drill hole. DDH No. 3 was started on October 26 and drilled to a depth of 156 feet at the end of the month. Total footage drilled was 423 feet, for the month of October 1963.

COSTS

Authorized contract expenditures during the month of October totaled $4,476.61. Itemized costs are listed below:

Bulldozing @ $12.00 per hour		
8 hours	96.00	
		$ 96.00
Diamond Drilling		
Mobilization of equipment, lump sum of $350.00	$350.00	
Overburden drilling @ $6.90 per foot		
11 feet @ $6.90/ft	75.90	
Core drilling, EX, 0 to 300 feet @ $6.60 per foot		
412 feet @ $6.60/ft	2,719.20	
Cementing and drilling cement @ $11.50 per hour		
7 hours @ $11.50/hr	80.50	
Reaming and casing @ $3.60 per foot		
80 feet @ $3.60/ft	288.00	
Water haul @ $1.00 per foot		
423 feet @ $1.00/ft	423.00	
		3,936.60
Fixed Unit Cost-Incidental cost per foot @ $0.87/ft		
423 feet @ $0.87/ft	368.01	
Core boxes @ $1.00 each		
41 boxes @ $1.00 ea.	41.00	
Assays for MoS_2 @ $4.00 each		
3 assays @ $4.00 each	12.00	
		421.01
Total		$4,453.61

RESULTS OF DRILLING

Diamond drill hole No. 2 is located 300 feet easterly of the Clifford Shaft and 200 feet southerly of the vein zone and was designed to intercept the quartz molybdenite vein zone found on "G" Shaft which showed dump material pieces of about 12 inches width which assayed 0.60 % Mo. Other parallel zones of mineralization on both sides of the main vein zone were also to be intersected. Design depth of the hole was 325 feet on the basis of drilling 25 feet beyond the FW zone on a vertical projection of dip.

The main vein zone located at the "G" Shaft was intersected at a drill hole depth of 200 feet. It contained one foot of quartz molybdenite mineralization which assayed 0.18 % Mo. It was disappointing in not only being very narrow and low grade but also in that it was contained in a black unaltered biotite schist. It was the best vein zone in width and grade encountered in the hole and the hole was drilled an additional 66 feet without any further significant mineralization.

Other zones of weak mineralization were also encountered. A quartz vein with no evidence of molybdenite mineralization occurred in the area of 71 to 74 feet. No core was recovered in the interval of 71 to 72 feet and poor recovery of fragments of barren quartz were seen in the 72 to 74 foot interval. This area was badly caved and required casing.

A zone of weak quartz molybdenite mineralization consisting of two quartz veins of 3 inches width accompanied by quartz moly stringers of 1/4 to 2 inches occurring along schistosity were encountered in the interval of 108 to 116 feet. In the drill hole interval from 120 to 133 feet ten tiny veinlets of 1/32 to 1/4 inch with small amounts of moly were found. Some wall rock alteration accompanying these stringers was noted from 126 to 133 feet. Samples of the best mineralization showed assays of 0.013 % Mo from 112.5 to 113.0 and 0.003 % Mo from 111.5-112.5.

A barren 12 inch quartz vein with a trace of pyrite was noted at 239-240.

Diamond drill hole No. 3 is located 100 feet easterly of the Clifford Shaft and 300 feet southerly of the vein zone. It was designed to intercept the vein zone beneath the Clifford Mine workings where dump material of quartz molybdenite assayed 0.67 % Mo. From surface indications and all geology this hole is the most favorably located. The hole had reached a depth of 156 feet at the end of the month and the main drilling objectives had not been reached. Coring was excellent with 100 % core recovery thruout the length of the hole.

Two small 1 inch quartz stringers with a trace of moly were encountered at a depth of 71 to 72 feet. A 6 inch quartz vein with no sulfides was cut at 114.5 to 115.0. At 136.5 feet a 3/4 inch quartz moly stringer was seen accompanied by about 3 inches of light green altered wall rock on either side.

The hole inclination of minus 45 degrees closely parallels schistosity and the core consists of bands of unaltered black biotite schist with layers of white gneissic and pegmatitic material.

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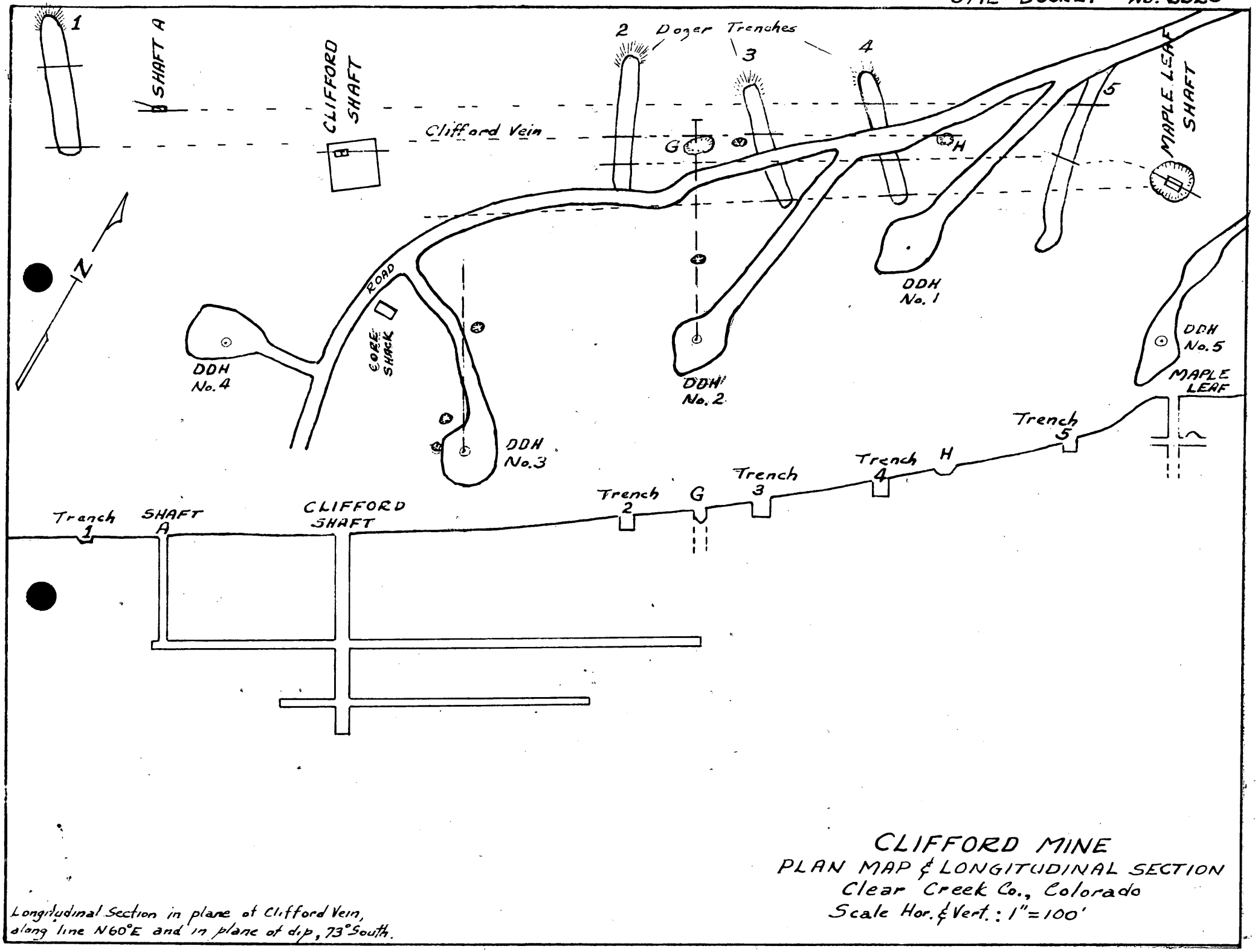


CLIFFORD MINE
PLAN MAP & LONGITUDINAL SECTION
Clear Creek Co., Colorado
Scale Hor. & Vert.: 1" = 100'

Longitudinal Section in plane of Clifford Vein, along line N60°E and in plane of dip, 73° South.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/6	Murphy	500
12/9	O'Neare	500
12/9	Talbert	800
	GCS	130
12/9	Johnson	110
	Fund	100
12/9	COC	220
		500

DEC 9 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

In accordance with our memorandum of November 27, 1963, enclosed are the original and four copies of a proposed Termination Agreement to the subject contract, signed by the Acting Director for the Government. An extra copy for field use is also enclosed.

If the proposed agreement 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 agreement 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)

FMMurphy/mm
12/7/63
cc: Director's Reading File
Review Committee
Docket

43683

DRAFT 12/2/63
FMMurphy/mm

EXPLORATION CONTRACT
KENNETH E. BAKER AND GENEVIEVE J. BAKER
OME-6320

TERMINATION AGREEMENT

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 Kenneth E. Baker and Genevieve J. Baker, hereinafter called the "Operator," parties to that certain Exploration Contract No. 2172,(OME-6320), dated August 27, 1963, as amended, hereinafter called the "Contract," that

1. Effective November 15, 1963, the contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the ~~unit~~ allowable costs of the work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, ~~including furnishing to the Government a final report (in addition to the final monthly report) which 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 ~~units~~ thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure payment thereof, reports (including preservation of the Operator's records) accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of Minerals Exploration

KENNETH E. BAKER AND GENEVIEVE J. BAKER

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/26	Murphy	500
11/26	on leave	500
11/26	Taylor	800
		130
11/27	Johnson	110
"		100
11/27		220
		500

NOV 27 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

Your memorandum of November 18 and the Operator's request of November 15, 1963, to terminate the subject contract have been reviewed.

The drilling data submitted indicate that the area traversed by the holes does not contain a deposit of molybdenum ore. Therefore, we will prepare the requested agreement to terminate the contract.

George C. Selfridge (gla)

FMMurphy/mm
11/26/63
cc: Director's Reading File
Review Committee
Docket

11/26/63

Mr. Selfridge -

Closely logged cores indicate no sulphides (except pyrite) and absence of other lead-silver minerals.

Suggest we will prepare termination agreement as recommended.

FEJohnson

43683

Re: OMB-6320

This alleged "perfect" contract, which had to be amended before the ink was dry, certainly turned out to be a "quickie".

Talbut
11/21/68

Answer planned at minimum cost

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver, Colorado
80225

OFFICIAL FILE COPY O. M. E RECEIVED NOV 21 1963		
DATE	INITIALS	CODE
November 18, 1963		800
		~~120~~
11/21	[illegible]	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-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Enclosed are the original and one copy of the subject Operator's request for termination.

I spent the day of November 7 on the property with the Operator and I concur in his belief that further drilling is not justified. His request for termination is backed up by cold hard facts with which I wholeheartedly agree.

Hugh M. Connors

Hugh M. Connors

Enclosures

11/21
It isn't indicated but would this termination request constitute the "Operator's final report"? [illegible]
[illegible]

OME Docket No. 6320
Contract No. 2172

Hugh M. Connors
Acting Field Officer
Office of Minerals Exploration
Building 20
Denver Federal Center
Denver, Colorado 80225

Nov. 15, 1963
3655 Depew St.
Denver 12, Colo.

Re: Request for Termination of Contract

Dear Mr. Connors,

In reference to OME Docket No. 6320, Contract No. 2172, with Kenneth E. and Genevieve J. Baker whereby a diamond drilling exploration project was authorized for the exploration of molybdenum at the Clifford Mine, Clear Creek Co., Colorado, request is hereby made for the termination of this contract.

The contract provided for a two stage diamond drilling project consisting of five drill holes in Stage I and six additional offset holes in Stage II if favorable results were encountered in the initial stage drilling. The original interest and merit of the property was the occurrence of molybdenite at six locations along a strike length of 1400 feet, the occurrence of quite abundant molybdenite on the dump of the Clifford Mine, and the proximity of the property to Tertiary intrusives. Because of the inaccessibility of the old workings and the heavy cover of overburden specific details of the molybdenite occurrence were not well known. The purpose of the exploration program was to determine the possible presence of molybdenite ore and geologic details of the molybdenite occurrence. Several geologic possibilities of favorability as the occurrence of a more competent bed within the Idaho Springs formation and the increase in molybdenite mineralization with depth were hopefully anticipated.

Diamond drill holes numbers 2 and 3 which are the most favorably located have now been completed. The Clifford Vein was intersected in both holes and showed a vein width of one foot and assayed 0.18 and 0.04 % Mo. Thus vein width is very narrow and the grade does not begin to approach ore tenor. Continuity of the vein along strike and dip appears to be good. The above mentioned factors of width and grade although poor, do not in themselves condemn the property but when taken into consideration with the geologic factors of the lack of a strong structure or significant hydrothermal alteration the evaluation of the potential of the property is very discouraging.

Additional stringers of quartz molybdenite mineralization in very tiny veinlets are present in several other zones. These are generally clean cut breaks with little or no alteration or structure accompaning them and are of no economic potential.

Rather than the anticipated increase in mineralization with depth it appears that mineralization is decreasing with depth. The Ten Strg Vein zone shown on the drill hole sections is weaker in extent of mineralization and alteration with depth. The grade of the Clifford Vein is much less in the deeper drill hole No. 3. The amount of hydrothermal alteration appears less in DDH No.3, the deeper hole. With this new drill hole information it appears that the smaller amount of drifting on the lower level of the Clifford Mine may well have been due to a decrease in mineralization with depth.

The two holes have been of much value in providing additional information and their results are quite conclusive in the evaluation of the property. In fact, drilling results now indicate no favorable target areas to be drilled and additional drill holes would merely be offset drilling of a one foot vein zone with a moly content of 0.04 and 0.18 % Mo in less favorable areas. No further useful purpose could be accomplished by additional drilling and it is therefore requested that the project be terminated.

The writer wished to express his gratitude in having had the opportunity to explore this property with the Office of Minerals Exploration.

Attached are geologic logs and drill hole sections and a geologic map of diamond drill holes numbers 2 and 3.

Very truly yours,

Kenneth E. Baker

Kenneth E. Baker

GEOLOGY LOG OF DIAMOND DRILL HOLE NO.
CLIFFORD MINE, CLEAR CREEK CO.,COLORADO
OME CONTRACT NO. 2172

FROM	TO	DESCRIPTION
0	17	Overburden, no core.
17	23	Gray biotite schist Idaho Springs fm.Schistosity contorted. Small peg. lenses.
	24	Brown iron stained fracture 1/32 in. with 1/4 in. alteration.
24	28	Light gray fine grained biotite schist; schistosity along core length.
	29	Brown iron stained fracture 2 in. wide; at 29½ a 1/4 in. iron stained strg.
29	31	Soft biotite schist with schistosity along core length.
	31	Light blue gray fault gouge 3 inches wide.
31	43	Interlayered schist and white quartz pegmatitic bands at 20 degrees to core.
37	42	Iron stained vuggy fracture 1/8-1/4 in. along core with displacement on both sides.
43	50	Gray biotite schist, schistosity at 30 degrees to core length.
	49	Many tiny 1/32 in. iron stained fractures with 1/4 in. alteration accompaning.
5	50	Vein quartz 1 in. at 30 degrees to core laced with iron stained fractures and black manganese staining accompanied by apple green alterred wall rock.
51.5-52.5		Dark gray biotite schist highly contorted.
52.5-53.5		Quartz strg. 2 in. at 10 degrees to core with iron stained fracture.
53.5-58		Dark gray biotite schist. 1 in. qtz at 56; 1/2 in. qtz at 57.
58	60	Slightly alterred light gray fine grained biotite schist.
60	63	Brown oxidized zone appears to be weakly mineralized vein or shear zone.
63	69	Gray unalterred biotite schist.
	69	Two 1/4 inch quartz stringers across core.
69	71	Hard silicified blue gray schist first 6 inches then coarse pegmatite fragments.
71	72	No core, bad cave requiring casing. Probably vein quartz.
72	74	White quartz fragments with no sulfides; 50 % core recovery.
74	75	Quartz stringer 1 inch with brown iron stained vug along core length in schist.
75	76.5	Quartz stringer 11/2 inch along core, very vuggy with iron and manganese stain.
76.5	78	Iron stained fractured vein quartz, no other minerals.
78	78.5	Brecciated iron oxide stained vein quartz. Vein quartz in fracture along core from 72 to 77 feet. Vein quartz from 77 to 78.5 probably main vein zone across core.
78.5	89	Light gray biotite schist with schistosity at 25 degrees to core length.
89	96	Gray biotite schist.
95.9-96.5		Apple green alterred schist with a qtz strg along core from 96 to 98 feet.
98	104	Interlayered dark gray biotite schist and thin quartzitic and pegmatite bands at 10°.
	105	Bluish fault gouge or crush zone.
105	108	Light gray banded apple green fine grain biotete schist. Core oxidized to 102ft.
108	109	Light gray slightly silicified or alterred biotite schist; veinlet 1/8-2" along core.
109	111	Fractured iron stained quartz vein zone, sm. amt. pyrite, trace molybdenite.
111	112	Quartz veinlet 1 to 2 in. along core then 3 in. quartz vein at 40 degrees to core length with small amount of molybdenite.
112	112.5	Gray schist. Sample from 111.5 to 112.5 assayed 0.003 % Mo.
112.5-113		Light gray alterred rock with small 1/4 in. veinlet of qtz and moly along core, Sample from 112.5 to 113.0 assayed 0.013 % mo. ✓
113	115	Quartz moly 1/4 in. strg. along core length in greenish gray moderately alterred wall rock; molybdenite in minute amounts. ✓
115	115.8	Quartz vein 3 inches with trace of moly at 30 degrees to core length.
115.8-116.5		Quartz strg. 1/4 inch along core length in gray biotite schist.
116.5-122		Dark gray unalterred fine grain biotite schist.
	120	Slight gouge clay along wall of crushed pegmatite at 30 degrees to core length.
120-120.9		Three 1/4 inch qtz stringers across core with trace of moly.
120.9-122		Dark gray fine grained schist.
	122	Quartz blebs 1 inch with trace of moly. ✓
122	124	Gray green schist with light green alterred bands at 45 degrees; one 1/32" qtz-moly.
124	126	Gray schist. Fractures at 45 degrees to core across schistosity which is 30 degrees.
	126	Silicic band 1 inch with few blebs of moly.
126	127	Partially alterred schist with dark black bands and light green bands.

127	129.5	Highly alterred wall rock. Two 1/4 in qtz strgs with trace of mly; few blebs molybdenite in alterred rock.
	128.5	Quartz veinlet 1 inch at 30 degrees to core length.
	129.5	Tiny 1/8 inch quartz moly strg along core.
129.5-130		Black platy unalterred biotite schist.
	131	Tiny fracture along core length with displacement on either side.
131	131.5	Very small 1/8 inch quartz moly strg across core.
131.5-132.5		Small fracture along core length, some broken and crushed material and some gouge in fracture. Several tiny 1/32 inch quartz moly stringers across core.
132.5-168		Unalterred black biotite schist with light bands of pegmatitic material. Schistosity at 30 degrees to core length.
	150	Schistosity at 15 degrees to core length.
	168.5	Slight crush area or zone.
168.5-169,5		Light greenish gray alterred wall rock with trace of moly at 169 feet.
169.5-184.5		Banded dark biotite schist and slightly quartzitic or pegmatite layers.
	184.5	Quartz moly veinlet 1/32 inch across core, slightly alterred wall rock.
	187	Quartz veinlet 1/4 inch across core, slightly alterred schist.
187	188	Light gray slightly alterred wall rock.
1888	189	Highly alterred apple green wall rock.
189	200	Platy unalterred dark micaeous schist.
	200	Quartz molybdenite vein pieces. Driller reports vein about 1 foot thick. This is best mineralization in drill hole. Sample 200-201 assays 0.18 % Mo.
	201	Unalterred platy schist with 1/4 inch qtz moly veinlet.
201	203.5	Apple green alterred wall rock with few blebs of qtz and trace of moly.
203.5-212		Unalterred banded Idaho Springs fm.
	213	Bleb of 1 inch of quartz and trace of pyrite.
212	216	Unalterred platy biotite schist.
	216	Slight alteration of wall rock in light greenish gray schist.
216	223.5	Banded schist and gneiss, unalterred.
223.5-225		Alterred silicified light gray to white wall rock, trace of pyrite.
225	239	Banded black biotite schist with light gneissic layers.
239	240	Quartz vein 12 inches, trace of pyrite and moly.
240	240.5	Unalterred schist wall rock.
240.5-242.5		Silicified zone; alterred wall rock.
	246	Quartz stringer 1/2 inch.
246	249	Banded unalterred schist.
249	252	Light gray bleached and silicified zone moderately alterred.
252.5-255		Highly alterred light gray bleached and silicified zone with trace of pyrite.
255	258	Platy unalterred micaeous schist.
258	260	White quartzitic silicified zone.
260	262	Banded platy unalterred schist.
	262	Quartz vein 1 inch with trace of pyrite and moly; bleached rock along vein.
262	267	Banded unalterred schist and gneissic layered Idaho Springs fm.
	267	End of hole.

DIAMOND DRILL HOLE NO. 3
CLIFFORD MINE, CLEAR CREEK CO.
COLORADO
OME DOCKET NO. 6320

As DDH No. 3 consists almost entirely of unalterred banded black to dark gray biotite schist and white gneissic layers and light pegmatitic layers the geologic log of this hole will be simplified and described only as to those features which differ from the normal banded unalterred biotite schist of the Idaho Springs formation. Schistosity closely parallels the minus 45 degrees inclination of the drill hole varying from 0 to 20 degrees to the length of the drill hole. Many of the quartz veinlets and stringers described below are extremely small and although of no economic value the zones of these occurrences corfellate with surface showings. Core recovery was excellent with nearly 100 per cent recovery throughout the length of the hole.

FROM	TO	DESCRIPTION
0	30.5	Overburden, no core.
32.5	33.5	Quartz veinlet 1/2 inch along schistosity.
35.5	37	Quartz veinlet 1/2 inch along schistosity.
	51	Quartz veinlet 1 inch.
58	63	Moderately alterred and silicified light gray fine grain biotite schist.
61	63	Tiny fractures across core and along core length with several 1/16 in strgs.
63	65	White quartz and white fine grain feldspar in what looks like a fine grain pegmatite along schistosity. Few strgs. of pyrite across pegmatite.
	71	Quartz veinlet 1 inch.
	72	Quartz veinlet 1 inch with pyrite and small amount of molybdenite across core, estimated about 0.05 % Mo. Apple green alteration 1 inch on both sides.
77	78	Few tiny 1/32 inch quartz stringers across core with accompaning 1/4 in alteration of wall rock.
94	100	Several tiny 1/16 inch quartz stringers across core.
114.5	115	White alterred schist with vein qtz pieces, no sulfides.
122	128	Moderately alterred light gray schist; light greenish gray at 123.
	136.5	Quartz moly veinlet 3/4 inch, estimated 0.25 % Mo, with about 3 inch alteration.
	155.5	Gray schist slightly alterred, two 1/4 inch qtz pyr strgs.
	178	Quartz moly stringer 1/4 inch at 45 degrees to core and normal to schistosity.
183	205	Smears of molybdenite on cross fractures at 183, 187, 191, 193, 194, 195, 198.5, 200, 203, 204, and 205. These are very tiny phantom veinlets of quartz with molybdenite of 1/16 to 1/32 inch thickness which when broken show moly coating the face of the breaks. They occur in unalterred biotite schist.
211	212	White pegmatite with slight apple green alteration of feldspars.
	211.5	Quartz moly vainlet 1/8 inch estimated 0.50 % Mo at 45 degrees to core.
212	214	Highly alterred apple green schist.
	212	Quartz moly veinlet 1/8 inch.
214	218	Light gray fine grain moderately alterred schist with a few fractures .
	216.5	Two tiny quartz moly stringers.
218	219	Light gray slightly alterred fine grain schist.
	219	Three tiny 1/32 inch phantom veinlets of quartz.
219	228	Gray fine grain slightly alterred schist, ocnl smear of pyrite on fractures.
	237	Smear of moly of 1/8 inch thick across core with 1/2 inch alteration.
	243	Veinlet of quartz 1/16 inch with trace of moly.
	247	Quartz moly stringer 1/4 inch, estimated 0.35 % Mo.
	248	Moly smear of 1/16 inch thickness.
247	253	Light apple green alterred pegmatite; looks like a porphyry but has large muscovite flakes.
	255	Moly smear in tiny 1/8 inch quartz veinlet.
	256	Two 1/8 inch quartz moly stringers.
256.5	257.5	Slightly alterred banded schist with three 1/16 in qtz moly stringers.
257.5	259.5	Coarse grain pegmatite with moderately alterred feldspars.

FROM	TO	DESCRIPTION
	259	Quartz moly stringer 1/16 inch.
259.5	261	Slightly alterred schist.
	259.5	Two 1/16 inch quartz moly stringers.
261	262	Moderately alterred schist with partial light apple green streaks across core. A 3/4 inch carbonate veinlet.
	265	Qtz moly strg. 1/16 inch.
	267	Qtz moly strg 1/16 inch; also 1/16 inch strg at 267.3.
	269	Two 1/16 inch qtz moly strgs.
	271.5	Barren qtz veinlet 1/2 inch at 50 degrees to core.
	273	Qtz moly strg 1/8 inch.
277	278	Weak vein zone with 1 inch qtz moly estimated 0.20 % Mo at 277; a 1 inch qtz moly strg. estimated at 0.10 % Mo at 277.5; and a 1/4 inch qtz moly strg. estimated at 0.05 % Mo at 278 all in black biotite schist with a trace of apple green alteration.
	280	Several 1/8 inch qtz moly strgs.
	282	Qtz pyrite 1/8 inch along core.
	300	A few inches of apple green alteration.
311	313.5	Light gray moderately alterred fine grain schist.
	312.5	Qtz moly strg 3/8 inch estimated 0.15 % Mo.
	315	Qtz moly strg 1/8 inch.
316	316.5	Moderately alterred wall rock.
316.5	319.5	Highly alterred apple green schist somewhat vuggy with ocnl small strg qtz, pyr.
319.5	320.5	Vein quartz 10 inches with very light bluish tinge with small amount of pyrite and moly estimated grade of 0.05 % Mo.
320.5	321	Several qtz moly strgs 1/2 inch; soft clayey gouge 1 inch at 321.
322	326	Coarse grain pegmatite with small qtz moly strgs across core of 1/16 to 1/4 inch at 322, 322.2, 323, 324.5, and 326.
326	326.3	Light green alterred schist.
326.3	327	Broken and crushed pegmatite in shear zone.
327	328.5	Pegmatite somewhat soft with crush; partially alterred.
338	339	Gray siliceous schist.
366	367	Soft slightly crushed zone of slightly alterred pegmatite.
372	373	Very broken core with slight gouge on breaks in light gray moderately alterred schist with several 1/8 inch strgs qtz, pyrite, and trace of moly.A weakly mineralized zone of shear.
375	376	Light greenish gray alterred and silicified zone
378	381	Light gray to greenish highly alterred zone with four 1/8 inch strs qtz, tr moly.
381	388	Dark gray slightly alterred biotite schist with pegmatitic layers.
388	388.5	Highly alterred apple green schist; 1/8 inch qtz moly strgs at 388.9, 389, 390, and 391.
388.5	398	Gray slightly alterred fine grain schist.
	393	Three 1/16 inch phantom veinlets of quartz.
	397.8	Quartz moly strg 1/4 inch with very weak mineralization.
421.5	422	Light gray highly alterred zone with disseminated pyrite and small amount moly.
426	428	Gray fine grain schist with light gray highly alterred bands crossing schist.
	427.5	Quartz moly strg 1/16 inch.
428	430	Highly alterred apple green silicified zone with a small amount of disseminated pyrite. Silicification almost to a vein zone; slightly vuggy; small amt moly.
430	432.5	Gray moderately alterred schist with 1/16 inch qtz moly strg at 432.5.
432.5	436	Highly alterred apple green schist; small amount disseminated pyrite.
	437	Qtz moly strg of 1/8 inch.
438	450	Dark gray biotite schist with an occassional light greenish alteration band crossing core.

End of hole.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 17 1963

DATE	INITIALS	CODE
October 15, 1963		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-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Attached are the Government's, Audit's, and Fiscal Section's copies of the executed Amendment No. 1 to the subject contract.

for
Hugh M. Connors

Attachments

MME FORM 60
SEPT. 1959

OME
DEPARTMENT OF THE INTERIOR

OCT 8 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Duplicate

OPERATOR'S MONTHLY VOUCHER

For Month of Sept. 1963

Docket No. 6320
Contract No. 14-23-090-2172
Contract Amount $45,952.50
Gov't. Participation % 50 $ 22,976.25
Mineral(s) Molybdenum

Operator's Name Kenneth E. & Genevieve J. Baker
Address 3655 Dopew St. Denver 12, Colorado

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	192.00	None	192.00			
Drifting						
Crosscutting						
Drilling						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:	75.00	None	75.00			
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	267.00	None	267.00	267.00		267.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Oct. 5, 1963 *Payee Kenneth E. Baker

Per _____ Title Genevieve J. Baker

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 133.50

Signature BWB
(Authorized Certifying Officer)

Date 10/11/63 Vou. No. 546-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2172

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 10-8-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
OCT 9 1963
OFFICE OF THE SECRETARY
FISCAL SECTION

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of Sept. 1963 Docket No. 6320

Operator's Name Kenneth E. & Genevieve J. Baker Contract No. 14-23-090-2172

OPERATION	UNITS	FOR OPERATOR'S USE			FOR GOVERNMENT USE		
		UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Drill sites & roads	hr.	16	16	192.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs				75.00			
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				267.00			267.00

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Oct. 5, 1963 Operator Kenneth E. Baker

Per ~~Title~~ Genevieve J. Baker

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 10-08-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OPERATOR'S NARRATIVE REPORT
SEPTEMBER 1963
CLIFFORD MINE, CLEAR CREEK CO., COLORADO
DOCKET NO. 6320, CONTRACT NO. 2172

INTRODUCTION

This is the first monthly report on the Clifford Mine, Clear Creek Co., Colorado, OME Docket No. 6320, Contract No. 2172 for molybdenum and covers the progress for the month of September 1963. Work was started under the contract on September 10, 1963.

WORK PERFORMED

Initial work consisted of surveying and staking the drill hole locations and access roads and the rehabilitation of the core shack. Work on the core shack consisted of the installation of two windows and a door and the building of benches, shelves, and a work bench. Stove pipe and a small wood burning stove were installed. Rehabilitation of the core shack costs totaled $93.96 of which $75.00 is reported as allowed under the terms of the contract. These costs are itemized below:

Used windows (2), door (1), and lumber	$10.38
Lumber and nails	10.60
Stove pipe	4.38
Lock and hasp	1.10
Carpentry labor 2½ days @ $20.00/day	50.00
Transportation, 3 trips totaling 175 miles @ 10¢ per mile	17.50
Total	$ 93.96

Bulldozing of drill sites and access roads was started on September 27 and two (2) days of 16 hours work was spent on dozing for the month of September at a cost of $12.00 per hour for a total cost of $192.00.

The drill rig will move onto the property and drilling will be started in the first week of October 1963.

Kenneth E. Baker
Kenneth E. Baker

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/15	Talbert	800
10/15	Murphy	500
	[illegible]	130
10/15	[illegible]	110
	[illegible]	100
10/15	[illegible]	220
		500

OCT 15 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

On October 8 you approved, certified, and forwarded to the Department's Fiscal Section the subject Operator's September 1963 MME Forms 60 and 61. On the basis of your certification that to the best of your knowledge project operations were in accordance with the contract, the Fiscal Section scheduled the voucher for payment on October 11, 1963.

Part of the work claimed by the Operator and certified by you covers bulldozing with a D-6 size dozer, whereas the contract presently provides for the use of a D-8 size or equivalent. Your September 23 memorandum recommended amendment of the contract and a proposed amendment was forwarded to you on October 7. Executed copies thereof, however, have not as yet been received by this office.

Undoubtedly, no harm will result in this case, but it is suggested that in the future no vouchers be certified and approved unless the work and costs involved are in accordance with the contract or an executed amendment or appropriate exception is taken to the Operator's claim.

George C. Selfridge (gla)

EDTalbert/ama 10-15-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section
Mr. Talbert
Review Committee

43683

Building 20 - Federal Center
Denver 25, Colorado
80225

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 14 1963
DATE | INITIALS | CODE

October 11, 1963

Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Re: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Dear Mr. Baker:

Attached are the Government's, Operator's, Fiscal Section's, Audit's, and Field Office's copies of Amendment No. 1 to the subject contract signed by the Director for the Government.

If the proposed Amendment is satisfactory to you, will you and your wife please 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.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosures
cc Chief, Division of Field Operations, OME
Contract Corres. 2172
Chron
HMC/lm

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/7	Murphy	500
10/7	on leave	500
10/7	Talbut	800
	GCS	130
10/7	Johnson	110
	Jennett	100
10/7	Lee	220
		500

OCT 7 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

In accordance with our memorandum of September 30, 1963, enclosed are the original and four copies of Amendment No. 1, 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 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

(pl)

FMMurphy/mm
10/7/63
cc: Director's Reading File
Review Committee
Docket

43683

DRAFT
FMMurphy/mm
10/2/63

~~Aug 7 800~~
130
500

EXPLORATION CONTRACT
KENNETH E. BAKER AND GENEVIEVE J. BAKER
OME-6320

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 Kenneth E. Baker and Genevieve J. Baker, hereinafter called the "Operator," that Exploration Contract No. 2172 (OME-6320), dated August 27, 1963, is amended effective the date of the contract, as follows:

1. In Exhibit A, under General Provisions, the specification "D-8 size" in the last paragraph is revised to read "D-6 size."

2. Under Estimated Cost of the Work, Actual Costs, Category (1), Independent Contracts, the first item of work in Stage I and ~~in Stage~~ II are revised, respectively, to read as follows:

Bulldozing access roads and drill sites

28 hours @ $12.00/hr. $336.00

3. This amendment increases the hours for bulldozer work and decreases the unit cost, but shall not be construed to increase the estimated total cost of the contract, or 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

KENNETH E. BAKER AND GENEVIEVE J. BAKER

By _____

m 7
5)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	Murphy	500
9/30	on leave	500
9/30	Fallquit	800
	Selfridge	130
9/30	Johnson	110
	Tomb	100
9/30	Cole	520
		500

SEP 30 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

With reference to your memorandum of September 23, 1963, we will prepare the recommended amendment allowing the use of a D-6 dozer instead of a D-8.

George C. Selfridge (gla)

FMMurphy/mm

9/30/63
cc: Director's Reading File
Review Committee
Docket

43683

AME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	GCS	130
"	Johnson	110
		100
9/30	cac	220
		500

SEP 30 1963

AIRMAIL

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: GMK-6320 (Molybdenum)
Kenneth E. Baker and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado
Contract 2172

Reference is made to your letter of September 25, 1963, to Mr. Kenneth E. Baker regarding Standard Form 41, Compliance Report - Construction. It is not necessary that an Operator (prime contractor) complete Standard Form 41 unless the total amount of the contract is $100,000 or more. A subcontractor under such a contract does not have to submit a completed Standard Form 41 unless the amount of the subcontract equals or exceeds $50,000. Our latest information is that a subcontractor holding a subcontract for $50,000 or more does not have to submit a Standard Form 41 if the total amount of the prime contract is less than $100,000.

As the literature concerning Equal Employment Opportunity under Government Contracts is so voluminous, in the future you will be given specific instructions as to which operators or subcontractors should submit completed Standard Form 41.

George C. Selfridge (gla)

GCSelfridge/gla (9-30-63)
cc to: Director's Reading File
Review Committee
Mr. Selfridge
Docket ✓

23263

Building 20 - Federal Center
Denver 25, Colorado
80225

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 30 1963

DATE	INITIALS	AMOUNT
9/30		800
		120
		500

September 25, 1963

Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Re: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Dear Mr. Baker:

Enclosed is Standard Form 41, Compliance Report--Construction. Will you please complete this form and return to this office. A self-addressed franked envelope is also enclosed.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosures

cc Chief, Division of Field Operations, OME
Contract Corres 2172
Chron
HMC/lm

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
RECEIVED SEP 26 1963

DATE	INITIALS	CODE
9/26		800
		120
		500
Murphy		

September 23, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Attached is a letter from the Operator of the subject contract requesting an amendment because he is unable to obtain a D-8 bulldozer.

The D-6 dozer will do the job and I recommend that you write the amendment.

Hugh M. Connors

Hugh M. Connors

Attachment

A supposedly "perfect" application & contract requires amendment before the ink is dry !!

Talbot
9/26/63

H. M. Connors
Office of Minerals Exploration
Region III, Building 20
Denver Federal Center
Denver 25, Colorado

Sept. 23, 1963
3655 Depew St.
Denver 12, Colo.

Re: OME Contract No. 2172
Request for change in size of
Bulldozer specified.

Dear Mr. Connors,

In reference to OME Contract No. 14-23-090-2172 for the exploration for molybdenum at the Clifford Mine, Clear Creek Co., Colo., it is requested that the size of the bulldozed to be used for the preparation of drill sites and access roads as specified on page 2 of the contract be changed from D-8 size or equivalent dozer of other make to D-6 size or equivalent size.

The Estimated Cost of the Work, Stage I and Stage II pages 4 and 5 of the contract under Actual Costs, Category I, Independent Contracts, Bulldozing access roads and drill sites, it is requested be changed to accomodate the requested change from a D-8 size dozer to a D-6 size dozer so that the total cost for this item remains unchanged. Bulldozing with a D-6 size dozer will cost $12.00 per hour. Thus it is requested that this item under Stage I and Stage II be changed from: 24 hours @ $14.00/hr. ? $336.00, to read as follows:

28 hours @ $12.00/hr. $336.00.

The requested change is made because of necessity as there are no D-8 or equivalent size dozers available in the area at any cost. To bring a D-8 or equivalent size dozer into the area would require bringing a dozer from Denver a distance of over 40 miles at an exorbitant cost. Further the terrain and the dozing conditions are such that a D-6 can do the job.

Very truly yours,

Kenneth E Baker

Kenneth E. Baker

OME
DEPARTMENT OF THE INTERIOR
SEP 23 1963
REGION III
DENVER, COLORADO

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 26 1963

DATE		CODE
September 25, 1963	Murphy	500

Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Re: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado
WORK APPROVAL

Dear Mr. Baker:

This constitutes Government approval to change the sequence of drill holes in Stage I of the subject contract as outlined in your letter of September 20, 1963.

This work order shall not be construed to increase the fixed unit cost of any item of work, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Chief, Division of Field Operations, OME
Contract Corres 2172
Chron
HMC/lm

H. M. Connors
Office of Minerals Exploration
Region III, Building 20
Denver Federal Center
Denver 25, Colorado

Sept. 20, 1963
3655 Depew St.
Denver 12, Colo.

Re: OME Contract 2172
Request for approval in
sequence of drill holes.

Dear Mr. Connors,

In reference to OME Contract No. 14-23-090-2172 for the exploration for molybdenum at the Clifford Mine, Clear Creek Co., Colo., it is requested that the order of drilling the drill holes of Stage I be as follows: No. 2, No. 3, No. 4, No. 1, and No. 5.

The reason for this sequence of drilling is that it is anticipated that the area containing drill holes numbers 2, 3, and 4 will be the more favorable and as drilling is planned to start about October 1 and will continue as long as weather permits, completion of the entire Stage I drilling is not assured. Thus this requested sequence will provide for the completion of the more favorable holes should weather close down operations before Stage I is finished.

Very truly yours,

Kenneth E. Baker

OME
DEPARTMENT OF THE INTERIOR
SEP 23 1963
REGION III
DENVER, COLORADO

H. M. Connors
Office of Minerals Exploration
Region III
Building 20
Denver Federal Center
Denver 25, Colorado

Sept. 16, 1963
3655 Depew St.
Denver 12, Colo.

Re: OME Contract No. 2172
Starting Date Notice

OME_6320

Dear Mr. Connors,

In reference to OME Contract No. 14 - 23 - 090 - 2172 for the exploration for molybdenum at the Clifford Mine, Clear Creek Co., Colo., work under the contract was started on September 10, 1963.

Initial work consisted of surveying and staking the drill hole locations and the rehabilitation of the core shack.

Very truly yours,

Kenneth E. Baker

OME
DEPARTMENT OF THE INTERIOR
SEP 23 1963
REGION III
DENVER, COLORADO

Mr Selfridge

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 26 1963

DATE	INITIALS	CODE
9/26	[illegible]	800
	Murphy	500

Mr. George C. Selfridge

DN BUR MINES 9-6-63 4-08

GEORGE C SELFRIDGE, CHIEF, DIV. OF FIELD OPERATIONS
OME P ROOM 4459

EXECUTED COPIES OF CONTRACT 2172, KENNETH E AND GENEVIEVE J BAKER, FORWARDED YOU THIS DATE.

H M CONNORS

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 9 1963
DATE INITIALS CODE
9-9 120
100
300
500

Denver, Colorado

OFFICIAL FILE COPY
RECEIVED
SEP 9 1963

DATE	INITIALS	CODE
		120

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 9 1963

DATE	INITIALS	CODE
	September 3, 1963	
9/9	[illegible]	800
		620
~~9/9~~	~~[illegible]~~	~~500~~
OME		

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations,
Washington 25, D. C.

From: Frank E. Johnson, Deputy Director

Subject: OME-6320 (Molybdenum)
Contract 2172
Kenneth E. Baker and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

We have just completed rewriting page 6 of the referenced contract and making corrections.

An error was made in the third item on page 6 which required changing of five other items on that page. Accordingly, we made the correction of the Government participation and the total amount of the contract on the ~~back~~ page of the contract form which I initialed. Mr. Baker and his wife will initial the same items and will return the contract, which will then be forwarded to Washington.

A copy of page 6 as rewritten for your extra copy of the contract is enclosed.

Frank E. Johnson
Frank E. Johnson

Enclosure

300 to 600 foot depths		
1200 feet NX core size @ $7.20/ft.	$ 8,640.00	
BX core size @ $6.90/ft.		
300 feet reaming and casing @ $3.60/ft.	1,080.00	
25 hours cementing and drilling out @ $11.50/hr.	2,875.00	
	287.50	error
Hauling water for drilling		
3000 feet @ $1.25/foot of drill hole completed	3,750.00	
Total Estimated Actual Costs Stage II		$29,119.00

Fixed Unit Costs 2/

Incidental cost for each foot of drill hole completed		
3000 feet @ $0.87/ft.	2,610.00	
269 cardboard core boxes @ $1.00 each	269.00	
48 sample sacks @ $0.25 each	12.00	
48 assays for MoS_2 @ $4.00/assay	192.00	
Total Estimated Fixed Unit Costs Stage II		$ 3,083.00
Total Estimated Cost Stage II		32,202.00

SUMMARY

Total Estimated Cost of Stage I	$16,338.00
Total Estimated Cost of Stage II	32,202.00
Total Estimated Cost of Project	48,540.00
Government Participation @ 50%	24,270.00

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/27	Murphy	500
8/27	Talbot	800
"	On leave	130
"	On leave	110
9	Fry	100
8/27	[illegible]	220
		500

AUG 27 1963

Memorandum

To: Acting Field Officer, Region III

From: Acting Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
Clifford Mine
Clear Creek County, Colorado

As recommended in your memorandum of August 15, 1963, we are enclosing the original and four copies of a proposed contract for the subject project. The contract consists of MME Form 50, Annex I (two pages), one Lien and Subordination Agreement, Exhibit A (seven pages), Exhibit B, and two maps (Figures 1 and 2). An extra copy is also enclosed for your use. All copies have been signed by the Director for the Government. You should insert the date for commencement of the work.

If the proposed contract is satisfactory to you and the Applicants, all five copies should be signed by Mr. and Mrs. Baker. Thereafter, please distribute the copies in the usual manner.

Please advise the Applicants that the 6¼ 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 Applicants 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.

W. R. Griswold

Enclosures

GLAult/a
8-27-63
cc to: Director's Reading File
Review Committee
Docket

23263

DRAFT 8/20/63
F. M. Murphy/mm

800
500

MME Form 50
June 1963

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

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME -6320	Molybdenum	14-23-090-	Clear Creek	Colorado ~~Montana~~

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

Kenneth E. Baker and Genevieve J. Baker

whose mailing address is 3655 Depew Street, Denver 12, Colorado, 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 18 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 $~~48,740.00~~ 48 540.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $~~24,370.00~~ 24,270.00 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 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:

See Annex I

(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:

See Annex I

(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.-- 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 four 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; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

(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 three 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 two 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.--In addition to the limitations imposed by paragraph (a) of this Article 6 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. The 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 retains 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 certicifation 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 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.

(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 or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or Producer 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 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 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 or producer 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 or producer.

(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 contrued 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.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

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 of the Interior. 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. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The Office of Minerals Exploration may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

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.--

_____

_____

_____

_____

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By_____

By_____

Title_____

_____

I,_____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____

[CORPORATE SEAL]

DRAFT 8/20/63
FMMurphy/mm

EXPLORATION CONTRACT
KENNETH E. AND GENEVIEVE J. BAKER
OPM-6320

ANNEX I

The land referred to in Article 2 of the contract consists of twenty-four patented and four unpatented lode mining claims, including all rights pertaining thereto, in secs. 8, 9, 16, and 17, T. 3 S., R. 73 W., 6th Principal Meridian, Clear Creek County, Colorado. The patent and recording data of the claims are as follows:

Patented Claims

Name of Claim	U. S. Patent No.	Name of Claim	U. S. Patent No.
Clifford	835	Chicago	16987
Clifford No. 2	2001	Vancouver	2044
Little Chief	2000	Vancouver No. 2	2334
War Eagle	1999	Baker	1971
Oranoba	1922	Uncle Sam	1895
Flowing Tide	1777	Silver Star	2043
Silver Cloud	829	Congo	2335
Maple Leaf	1481	Joe B.	1776
Emanen	1970	Grand View	1775
Lotta	2126	Libbie Thompson	1964
Queen of the Ranch	1904	Polaris	2333
Eclipse	2123	Sampson	2162

Unpatented Claims

The unpatented claims are named Introibo Nos. 1 to 4 inclusive and are recorded in the office of the County Clerk, Clear Creek County, Colorado, in Book 277, pages 272-279.

The Operator has rights to the above listed patented claims under the terms of a Mining Lease, dated May 15, 1963, between Fall River Exploration and Mining Company as Lessor and Kenneth E. Baker and his wife, Genevieve J. Baker, as Lessees. A Lien and Subordination Agreement, signed by Mark H. Stapelton, president of the lessor company, is attached hereto and made part hereof. The Operator is owner by location of the unpatented claims.

The exterior boundary of the claims is shown in green on map Figure 1. entitled, "Claim Map, Clifford Mine, Clear Creek Co., Colorado . . . . .," attached hereto and made part hereof.

EXPLORATION CONTRACT
KENNETH E. AND GENEVIEVE J. BAKER
OME-6320

EXHIBIT A

The purpose of this project is to explore for molybdenum-bearing ore bodies by means of diamond core drilling from the surface to traverse the Clifford vein which occurs in the Idaho Springs formation.

The work shall be divided into two stages. The Operator shall perform all of Stage I work and as much of Stage II work as is approved in advance by the Government. Approval of the work items under Stage II shall be dependent upon results of the Stage I drilling.

General Provisions

No work under this contract may be performed at distances less than 200 feet from exterior property boundaries.

All holes shall be cased through overburden and then continued standard NX core size (2-1/8" diameter). The holes may be reduced if necessary to standard BX core size (1-5/8" diameter).

Significantly mineralized core shall be split and one split assayed for MoS_2. The other split shall be stored in proper sequence with the unmineralized core. No sample shall represent a core length of greater than five feet.

Facilities shall be provided for recovering diamond drill sludges and such sludges shall be retained when drilling in significantly mineralized formations. Whenever the core recovery is found to have been less than 60 percent the corresponding retained sludges shall be sampled together with such core segments as may have been recovered. A split of such samples shall be assayed as indicated above.

Core from the diamond drilling shall be properly boxed and marked as to source and location. A split of the sludge and core segment samples shall be stored in a suitable container also properly identified as to source and location. The stored core and sludge samples shall be retained for Government inspection and possible use. With prior Government approval the Operator may dispose of the core and sludge samples.

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 the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the drill holes.

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

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

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

The bulldozer used for preparation of access roads and drill sites shall be D-8 size or equivalent dozer of other make.

Description of the Work

Stage I

The work under Stage I shall consist of bulldozing access roads to and leveling five drill sites ~~EX~~ spaced ~~on~~ approximately

200 feet apart normal to the strike of the Clifford vein and at 100 feet vertical intervals. From those sites five inclined holes shall be drilled. The five drill holes are indicated in red on the map entitled, "Figure 1, Clifford Mine, Plan Map and Longitudinal Section . . . . ," attached hereto and made part hereof. The holes shall be drilled approximately in accordance with the following specifications:

Hole No.	Collar Location with reference to Clifford Shaft	Bearing of Hole	Vertical angle of Hole	Length Hole
1	500 ft. E.	N. 30 W.	-45°	175 ft.
2	300 ft. E.	"	"	325 "
3	100 ft. E.	"	"	450 "
4	100 ft. W.	"	"	325 "
5	700 ft. E.	"	"	325 "

Under Stage I of this contract the Government will contribute to not more than 24 hours of bulldozer work, 1600 feet of drilling, hauling water, if necessary, for 1600 feet of drilling at $1.25 per foot of drill hole completed, and 40 assays for MoS_2.

Stage II

The work shall consist of bulldozing access roads to and leveling six drill sites. The sites shall be located at approximately 100 ~~XX~~ foot vertical intervals below Stage I holes that ~~XXX~~ penetrated significant mineralization. From these sites six holes shall be drilled. The six holes are indicated in blue on map Figure 2 referred to under Stage I. The holes shall be drilled approximately in accordance with the following specifications; however, with prior Government approval these specifications may be changed:

Hole No.	Collar Location with reference to Clifford Shaft	Bearing of Hole	Vertical angle of Hole	Length of Hole
6	200 ft. W.	N. 30 W.	-45°	450 ft.
7	500 ft. E.	"	"	" "
8	900 ft. E.	"	"	" "
9	100 ft. W.	"	-53°	550 "
10	300 ft. E.	"	"	" "
11	700 ft. E.	"	"	" "

Under Stage II of this contract the Government will contribute to not more than 24 hours of bulldozer work, 3000 feet of drilling, hauling water, if necessary, for 3000 feet of drilling at $1.25 per foot of drill hole completed, and 48 assays for MoS_2.

Estimated Cost of the Work
Stage I

Actual Costs

Category (1), Independent Contracts

Bulldozing access roads & drill sites

24 hours @ $14.00/hr. $336.00

Mobilization and demobilizing drills and accessory equipment 350.00

Drilling:

75 feet of overburden and casing @ ~~$XX~~ $7.10/ft. 532.50

Core drilling

0 to 300 foot depths

1300 feet, NX core size @ $6.90/ft. 8,970.00

BX core size @ $6.60/ft.

300 to 600 foot depths

225 feet NX core size @ 7.20/ft 1,620.00

~~300 feet~~ BX core size @ $6.90/ft. ~~2,070.00~~

160 feet reaming and casing		
@ $3.60/ft.	576.00	
15 hours cementing and drilling out		
@ $11.50/hr.	172.50	
Hauling water for drilling		
1600 feet @ $1.25/ft. of drill hole completed	2,000.00	
Total Estimated Actual Costs Stage I		~~$15,097.00~~

2/

Fixed Unit Costs

Incidental cost for each foot of drill hole completed		
1600 feet @ $0.87/ft.	$ 1,392.00	
Rehabilitation building for storing core and samples	75.00 1/	
144 cardboard core boxes		
@ $1.00 each	144.00	
40 sample sacks @ $0.25 each	10.00	
40 assays for MoS_2 @ $4.00/assay	160.00	
Total Estimated Fixed Unit Costs Stage I		$ 1,781.00
Total Estimated Cost Stage I		~~$16,788.00~~

Stage II

Actual Costs

Category (1), Independent Contracts

Bulldozing access roads and drill sites

24 hours @ $14.00/hr.	$ 336.00

Drilling:

90 feet of overburden and casing

@ $7.10/ft. 639.00

Core drilling

0 to 300 foot depths

1710 feet, NX core size @ $6.90/ft. 11,799.00

BX core size @ $6.60/ft.

300 to 600 foot depths

1200 NX core size @ 7.20/ft 8640.00

~~1200 feet~~ BX core size @ $6.90/ft. ~~8,280.00~~

300 feet reaming and casing

@ $3.60/ft. 1,080.00

25 hours cementing and drilling out

@ $11.50/hr. 287.50 ~~2,875.00~~

Hauling water for drilling

3000 feet @ $1.25/foot of drill hole completed 3,750.00

Total Estimated Actual Costs Stage II ~~$28,759.00~~ $29119.00

27

Fixed Unit Costs

Incidental cost for each foot of drill hole

completed

3000 feet @ $0.87/ft. 2,610.00

269 ~~271~~ cardboard core boxes

@ $1.00 each 269.00 ~~271.00~~

48 sample sacks @ $0.25 each 12.00

48 assays for MoS_2 @ $4.00/assay 192.00

Total Estimated Fixed Unit Costs Stage II 3083.00 $ ~~3,193.00~~

Total Estimated Cost Stage II ~~$31,952.00~~ $ 32202.00

SUMMARY

Total Estimated Cost of Stage I	$16,338.00
" " " " " II	$32,202.00
" " " " Project	$48,540.00
Government Participation @ 50%	$24,270.00

1/ The completed job is the unit of work.

2/ Includes all costs whatsoever that would otherwise be allowable costs under Categories (2) through (7).

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY

DATE		1963 CODE
8/19	Outleave	130
		500
August 15, 1963		

cy 130

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6320 (Molybdenum)
Kenneth E. and Genevieve J. Baker
(Clifford Mine)
Clear Creek County, Colorado

Enclosed are the original and two copies of the Report of Examination on the subject property.

I recommend that a contract be made for a two-stage exploration program to core drill a total of 4,600 feet at a total estimated cost of $45,328.00.

Five extra copies of figure 1 and figure 2 are attached for possible use in the contract.

Hugh M. Connors

Hugh M. Connors

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
STEWART L. UDALL, SECRETARY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION
REGION III

OME-6320

KENNETH E. and GENEVIEVE J. BAKER

Clifford Mine

Clear Creek County, Colorado

Molybdenum

Field Exam Report

Examination Report

By

Hugh M. Connors, Mining Engineer, Bureau of Mines

August 1963

OME-6320
KENNETH E. and GENEVIEVE J. BAKER
Clifford Mine
Clear Creek County, Colorado

CONTENTS

	Page
Introduction and summary	1
Location & physical features	2
History and production	2
Ownership	3
Geology	3
Proposed exploration	4
Estimate of costs	4
Conclusions and recommendations	5

ILLUSTRATIONS

Figure	Follows page
1. Claim map, Clifford mine	2
2. Plan map & Longitudinal Section Clifford mine	4

OME-6320
KENNETH E. and GENEVIEVE J. BAKER
Clifford Mine
Clear Creek County, Colorado

INTRODUCTION AND SUMMARY

On July 30, 1963 Kenneth E. and Genevieve J. Baker, 3655 Depew Street, Denver 12, Colorado, applied for OME aid on the Clifford mine in Clear Creek County, Colorado. The Applicants proposed a two-stage exploration project for molybdenum, costing an estimated total of $47,876.81.

The property was examined August 8, 1963, by Hugh M. Connors, Acting Field Officer, OME, accompanied by Kenneth E. Baker. Molybdenite was found on the Clifford and Maple Leaf dumps, and in smaller amounts in the trenches dug by the Applicants. Most of the quartz carrying the molybdenum on the dumps is in small pieces, 1 or 2 inches wide, but occasionally pieces were found of vein quartz material as much as 10 inches in width. These larger pieces could have come from the deepest exposures in the shafts because in all the trenches, which are only to bedrock, the vein quartz material is not more than 2 inches wide.

The vein has been exposed by shafts and trenches and shows varying amounts of molybdenite over a distance of 1,400 feet. The workings of the Clifford and Maple Leaf shafts are not accessible so the character of the mineralization below bedrock is not known.

The logical and economical way to explore the vein is by core drilling.

I recommend that a contract be drawn for a two-stage exploration program to core drill a total of 4,600 feet at a total estimated cost of $45,328.00.

LOCATION & PHYSICAL FEATURES

The property consists of 24 patented mining claims which are covered by 4 unpatented mining claims so that the entire area subject to the proposed exploration is covered. These claims are located in the York Mining District in portions of sections 8, 9, 16, and 17, T.3S., R.73W., Clear Creek County, Colorado, 5 miles west of Central City.

The altitude of the Clifford shaft collar is about 9,300 and that of the Maple Leaf about 9,400. No water or timber suitable for mine timber is located on the claims.

This property is about 6 miles due south of the Nye mine, OME contract 2149. Both can be located on the Central City Quadrangle U.S.G.S. map 1:24000.

HISTORY AND PRODUCTION

The mine workings consist of several small, long abandoned, prospect shafts and discovery cuts, the dumps of which all show molybdenum mineralization.

The Clifford claim went to patent in 1880 and old reports indicate the vein carried galena, silver, and black sulfurettes. There is no record of any production.

Most of the prospecting work in the early days was done on the Clifford claim. The shaft is reported to be 275 feet deep with two levels extending east and west of the shaft. None of the shafts are accessible at this time.

OWNERSHIP

The Applicants have a lease from the Fall River Exploration and Mining Co. on 24 patented mining claims as follows:

Clifford 835	Chicago 16987
Clifford No. 2 2001	Vancouver 2044
Little Chief 2000	Vancouver No. 2 2334
War Eagle 1999	Baker 1971
Orazoba 1922 Am.	Uncle Sam 1895
Flowing Tide 1777	Silver Star 2043
Silver Cloud 829	Congo 2335
Maple Leaf 1481	Joe B 1776
Emanan 1970	Grand View 1775
Lotta 2126	Libbie Thompson 1964
Queen of the Ranch 1904	Polaris 2333
Eclipse 2123	Sampson 2162

The Applicants located 4 unpatented claims (Introibo Nos. 1 to 4 inclusive) to cover small areas between the patented claims so that the entire proposed exploration area is covered and may be subordinated.

GEOLOGY

The Idaho Springs formation, consisting of precambrian gneisses and schists, covers the proposed exploration area. Mount Pisgah, about one-half mile to the north is precambrian Silver Plume granite. To the south about one-half mile there is a stock of quartz monzonite.

The Clifford vein strikes about N.60° E. and the dip is not known but surface observations indicate a steep dip.

The Applicant is a very good geologist and has covered the geology very well in his Application.

PROPOSED EXPLORATION

The Applicants propose a two-stage diamond drilling program consisting of five holes in Stage I and six holes in Stage II (see Fig. 2), Stage I drilling to total 1,600 feet and Stage II drilling 3,000 feet.

This drilling could be done in nine months actual working time, but a recess should be allowed for the winter months. A definite target area exists and the proposed drilling will explore the vein at depths below any previous exposures.

Kenneth Baker, one of the Applicants, is a good Operator. He was one of the principals in DMEA-4510, Idm-E1076 W. H. Gaddis, et al. which repaid the Government in full.

ESTIMATE OF COSTS

The Applicant estimated his costs as follows:

Stage I	Total Costs	$	17,269.83
Stage II	Total Costs	$	30,606.98
Total Costs Stages I and II		$	47,876.81

The Applicant's estimate of costs is not unreasonable but I recommend deleting Contingencies and the Joy core splitter. Under Actual Costs I favor showing Bulldozing -- Drilling -- Reaming -- Cementing, and Water Haul. Under Miscellaneous show Assaying

(44 samples at $4.00) and Core boxes. Under Fixed Unit Costs allow $75.00 for Rehabilitation and Repairs, and Incidental allowance for each foot of drilling at $0.87 per foot. This total for both stages would be $45,328.00.

CONCLUSIONS AND RECOMMENDATIONS

I conclude that (1) there is a good geologic probability that the vein will continue downward beyond any proposed drill hole intersection, and (2) there is a good chance of finding a high-grade vein deposit of molybdenum, that could be mined at a profit.

I recommend a two-stage exploration program to consist of core drilling eleven holes as outlined herein, at a total estimated cost of $45,328.00.

MME Form 7
(10-58)

AUG 5 1963

OFFICIAL FILE COPY

Date	Surname	Code
8/5	Murphy	500
	Hershel	500
8/5	Talbot	200
	Shrode	130
8/5	Johnson	110
9	Fumich	100
8/5	[illegible]	320
		500

Kenneth E. and Genevieve J. Baker
3655 Depew Street
Denver 12, Colorado

Re: OME-6320 (Molybdenum)
Kenneth and Genevieve Baker
Clifford Mine
Clear Creek County, Colorado

Dear Mr. and Mrs. Baker:

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, Bldg. 20, Denver Federal Center, Denver 25, Colorado.

The Regional Office will notify you in case additional information concerning the application is needed.

Sincerely yours,

George Fumich, Jr.

Director

FMMurphy/mm
8/5/63
cc: Director's Reading File
Region III
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/5	Murphy	500
	Hawk	500
8/5	Tafuri	800
	GCS	130
8/5	Johnson	110
7	Fennel	100
~~8/5~~	~~[illegible]~~	220
		500

AUG 5 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OME-6320 (Molybdenum)
Kenneth and Genevieve Baker
Clifford Mine
Clear Creek County, Colorado

The subject application is referred to Region III for review, a field examination if deemed advisable, and recommendations.

George C. Selfridge (gla)

FMMurphy/mm

8/5/63
cc: Director's Reading File
Review Committee
Docket

43683

August 1, 1963

Mr. Kenneth E. Baker
3655 Depew Street
Denver 12, Colorado

Subject: OME-6320

Dear Mr. Baker:

Your application for exploration assistance, dated July 10, 1963, submitted to our office at Denver, Colorado, has been assigned Docket Number OME-6320.

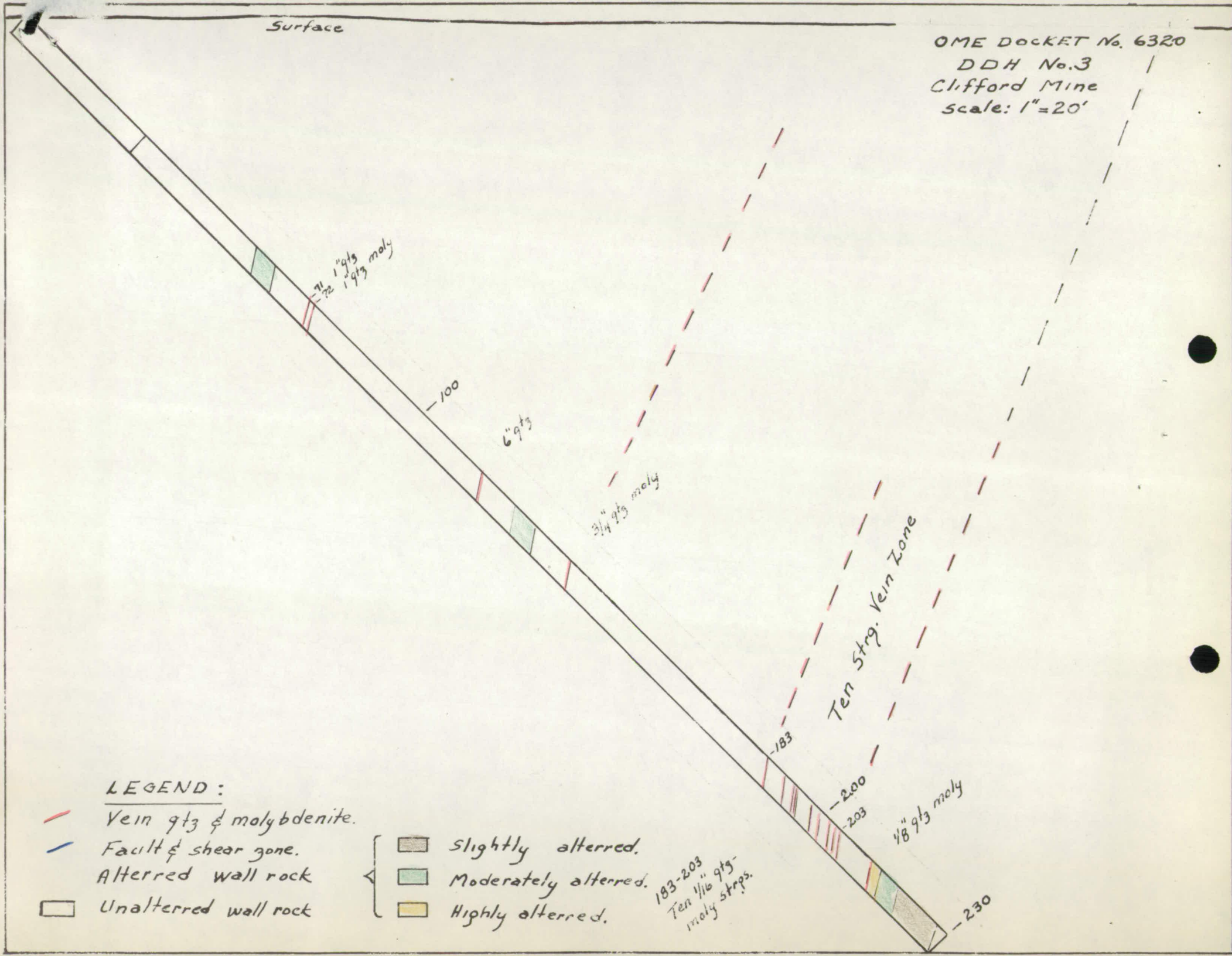
Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

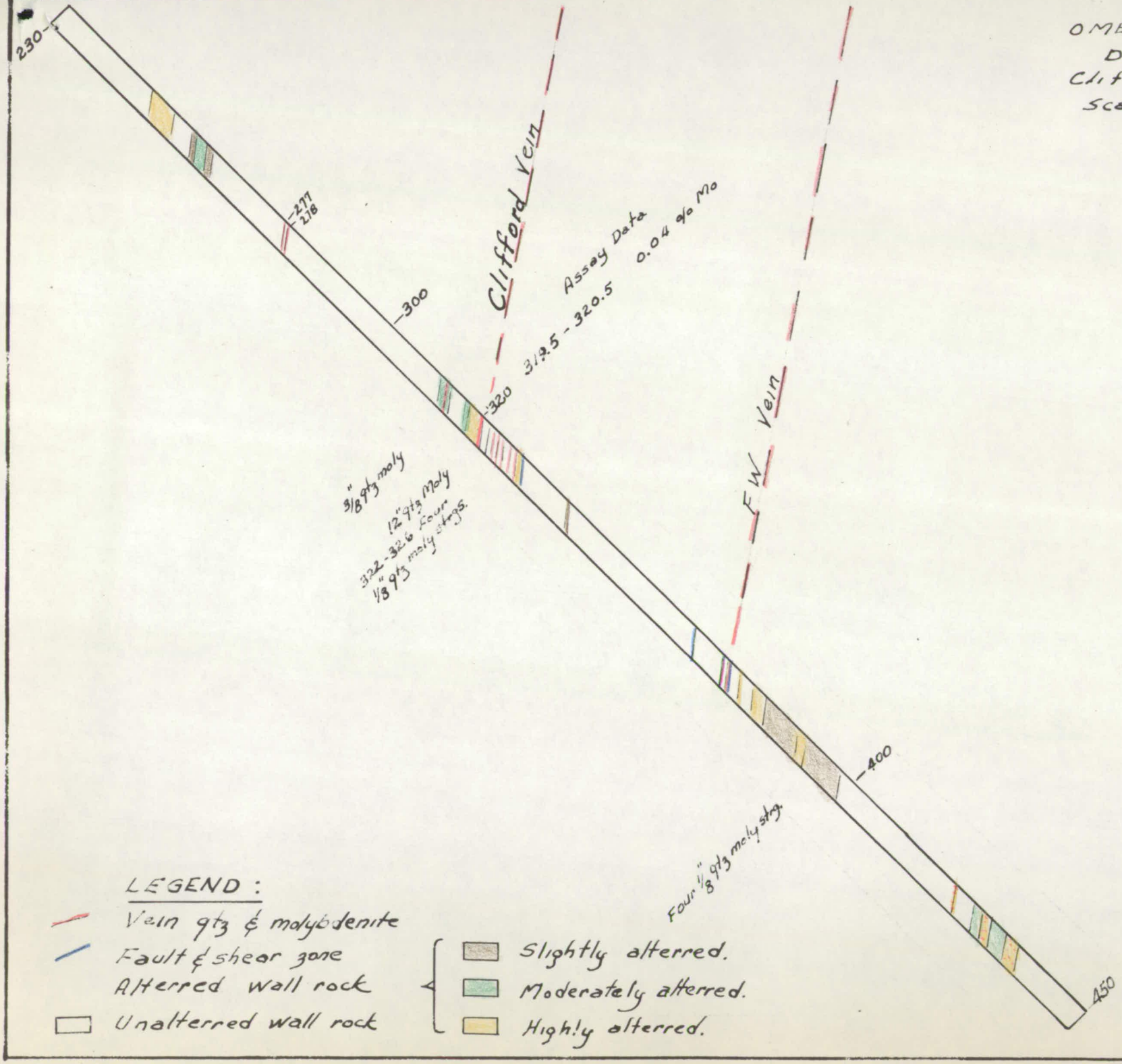
Allen S. Dakan, Chief
Division of Administrative
Management

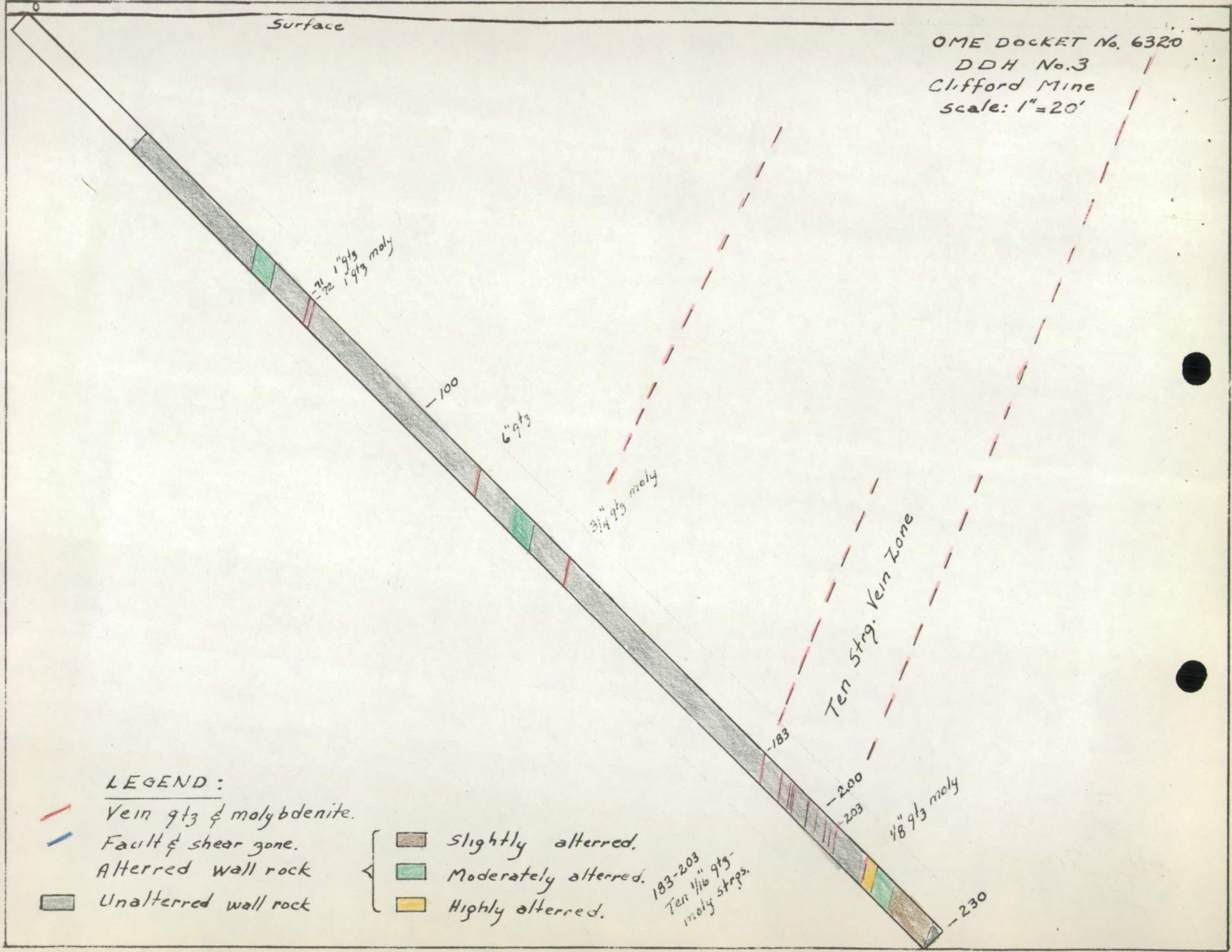
Copy to:

Region III

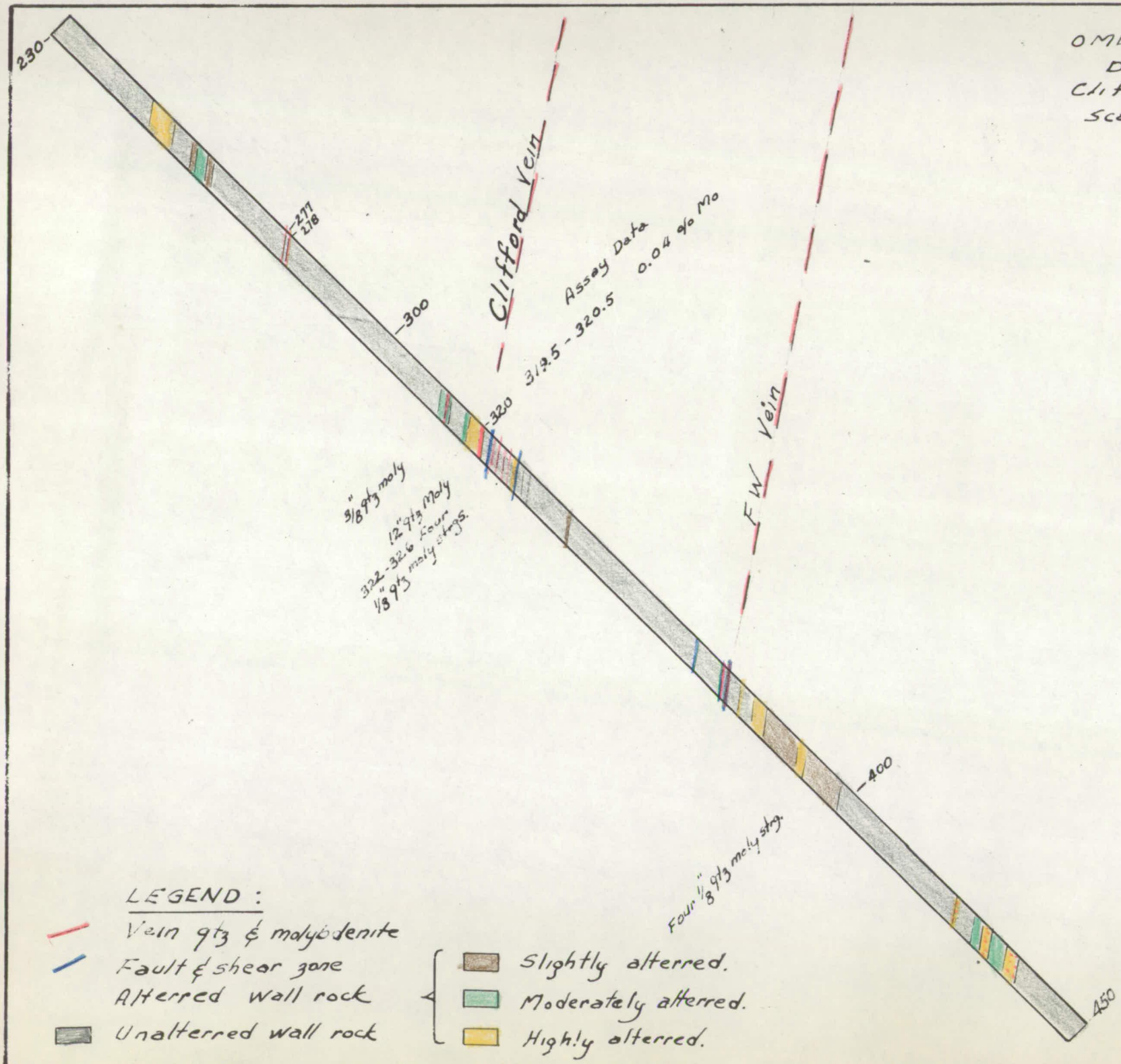

Surface
OME DOCKET No. 6320
DDH No.3
Clifford Mine
scale: 1"=20'
71
72
1" qtz
1 qtz moly
100
6" qtz
3¼" qtz moly
Ten Strg. Vein Zone
183
200
203
1/8" qtz moly
230
183-203
Ten 1/16" qtz-moly strgs.
LEGEND:
Vein qtz & molybdenite.
Fault & shear zone.
Altered wall rock
Unaltered wall rock
Slightly altered.
Moderately altered.
Highly altered.

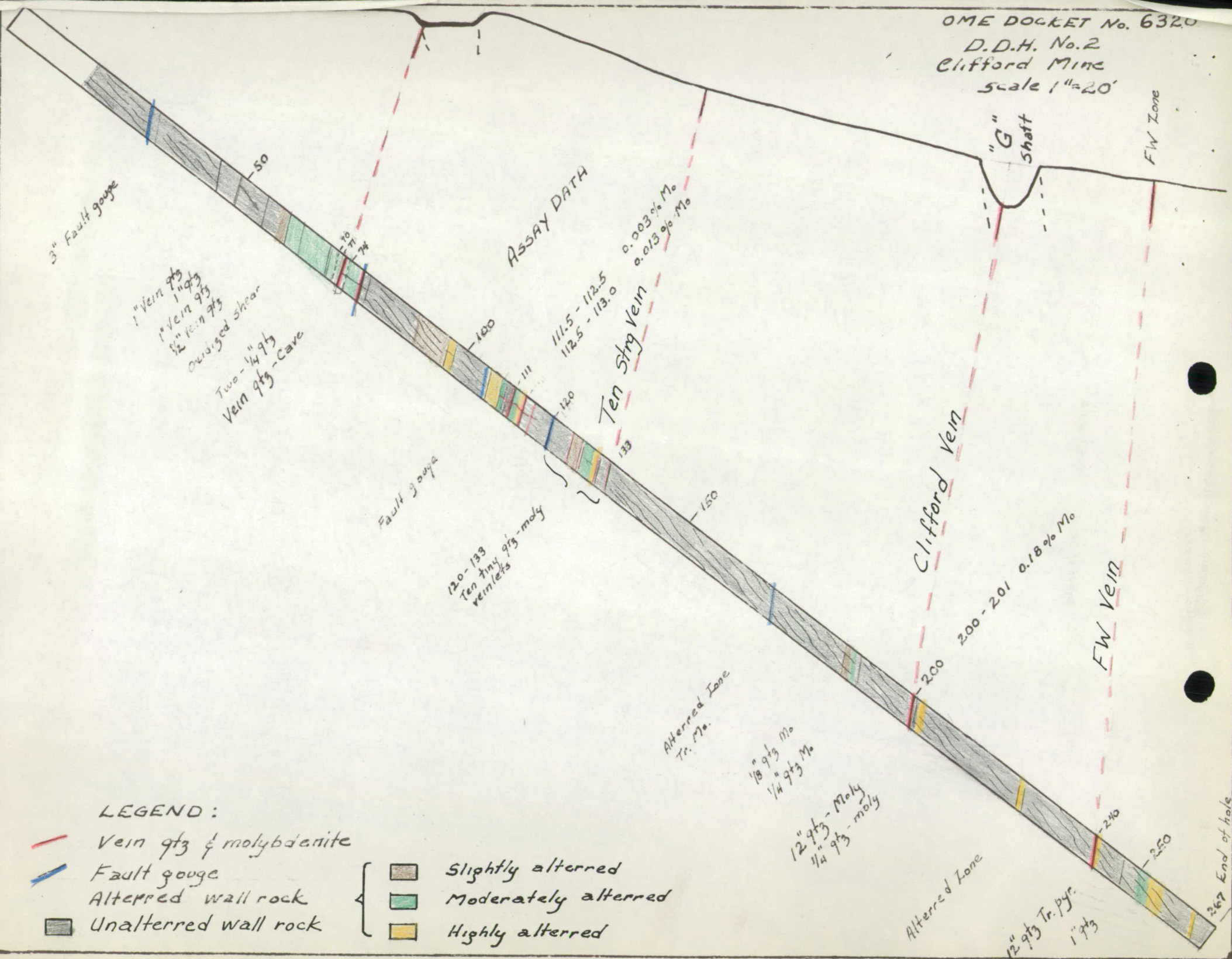
OME DOCKET No. 6320
DDH No. 3
Clifford Mine
Scale: 1" = 20'




Surface
OME DOCKET No. 6320
DDH No.3
Clifford Mine
scale: 1"=20'
71 1" qtz
72 1" qtz moly
100
6" qtz
3/4" qtz moly
Ten Strg. Vein Zone
183
200
203
1/8" qtz moly
230
183-203
Ten 1/16" qtz-moly strgs.
LEGEND:
Vein qtz & molybdenite.
Fault & shear zone.
Altered wall rock
Unaltered wall rock
Slightly altered.
Moderately altered.
Highly altered.

OME DOCKET No. 6320
DDH No. 3
Clifford Mine
Scale: 1" = 20'



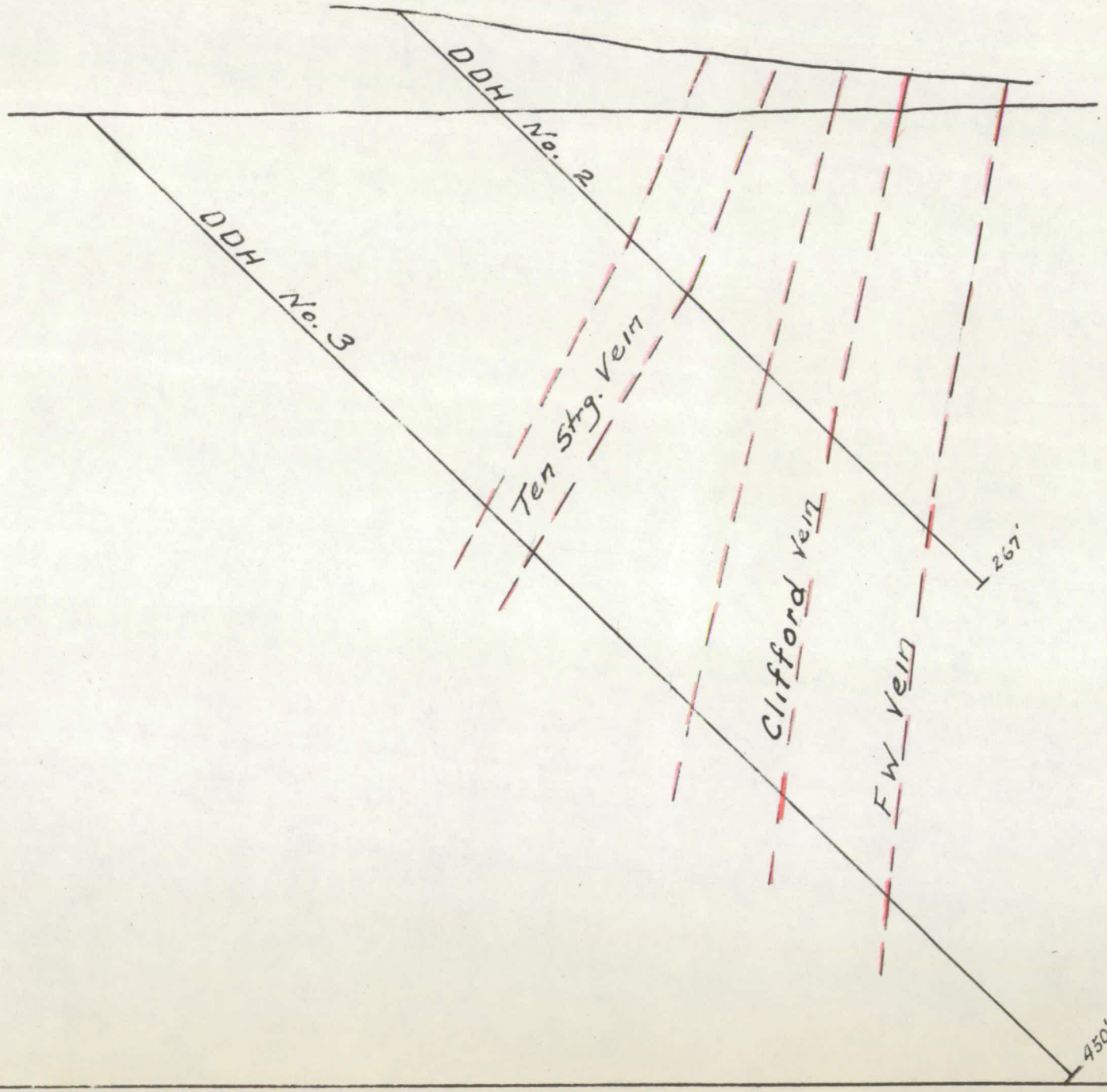

OME DOCKET No. 6320
D.D.H. No.2
Clifford Mine
scale 1"=20'
"G" Shaft
FW Zone
3" Fault gouge
50
70
71
74
ASSAY DATA
1" Vein qtz
1" qtz
1" Vein qtz
1/2" Vein qtz
Ovalized shear
Two - 1/4" qtz
Vein qtz - Cave
100
111.5 - 112.5 0.003% Mo
112.5 - 113.0 0.013% Mo
Ten Stng Vein
111
120
133
Fault gouge
120 - 133
Ten tiny qtz - moly
veinlets
150
Clifford Vein
200 - 201 0.18% Mo
FW Vein
200
Altered Zone
Tr. Mo.
1/8" qtz Mo
1/4" qtz Mo
12" qtz - Moly
1/4" qtz - moly
240
250
Altered Zone
12" qtz Tr. pyr.
1" qtz
267 End of hole
LEGEND:
Vein qtz & molybdenite
Fault gouge
Altered wall rock
Unaltered wall rock
Slightly altered
Moderately altered
Highly altered

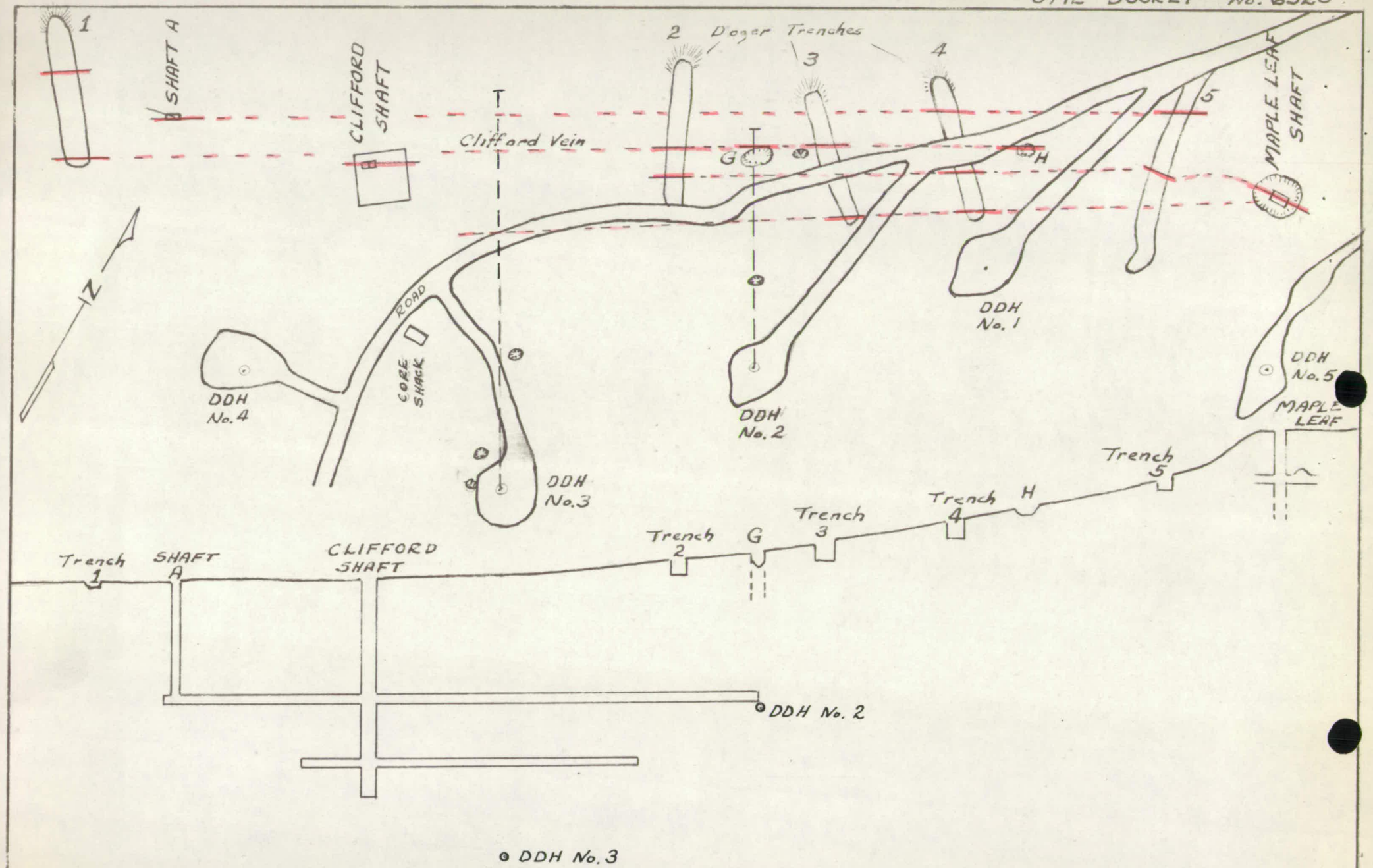
OME DOCKET 6320

D.D.H. No.2 & No.3 SECTION

Clifford Mine, Clear Ck. Co., Colo.

Scale: 1" = 50'





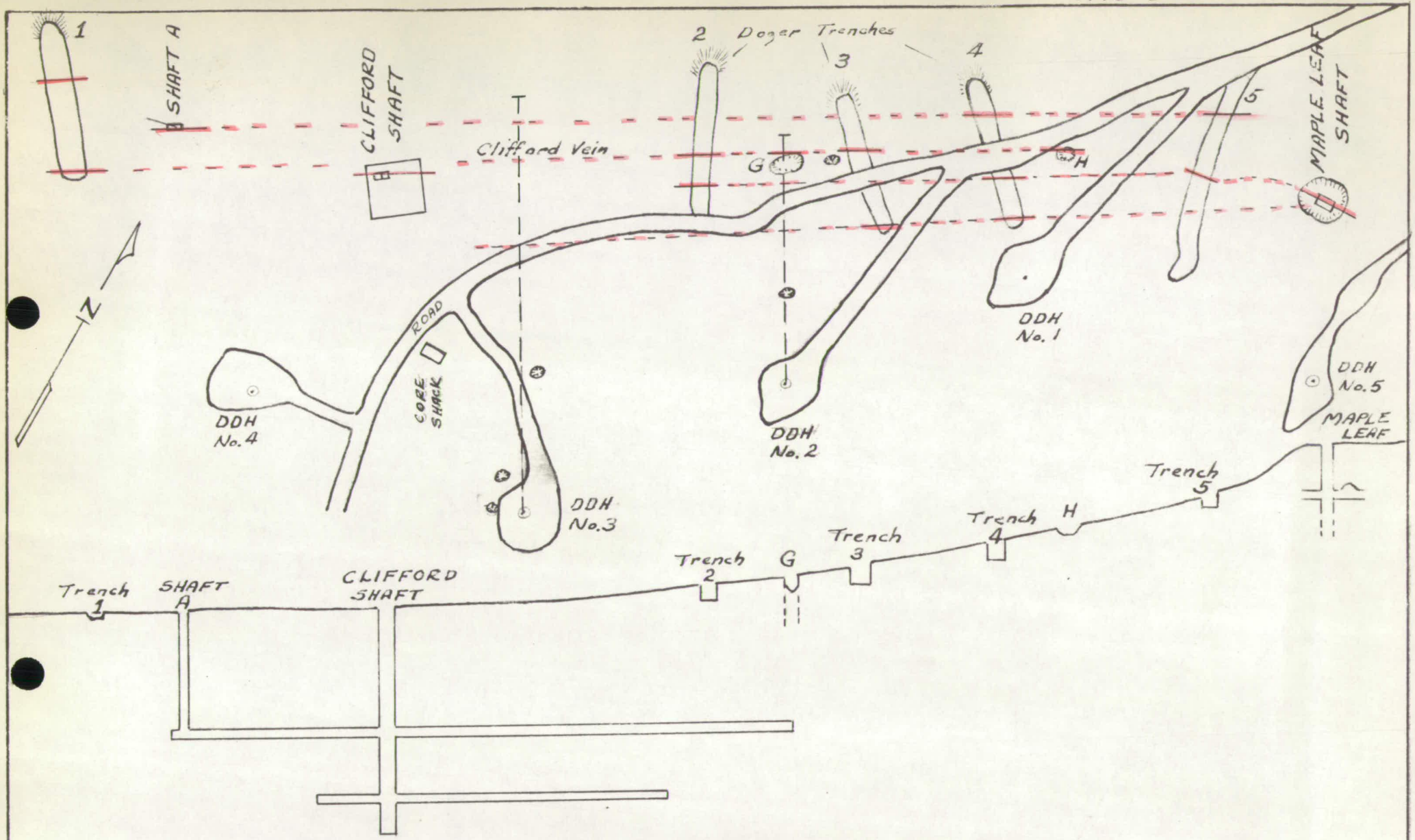
CLIFFORD MINE

PLAN MAP & LONGITUDINAL SECTION

Clear Creek Co., Colorado

Scale Hor. & Vert.: 1" = 100'

Longitudinal Section in plane of Clifford Vein, along line N60°E and in plane of dip, 78° South.



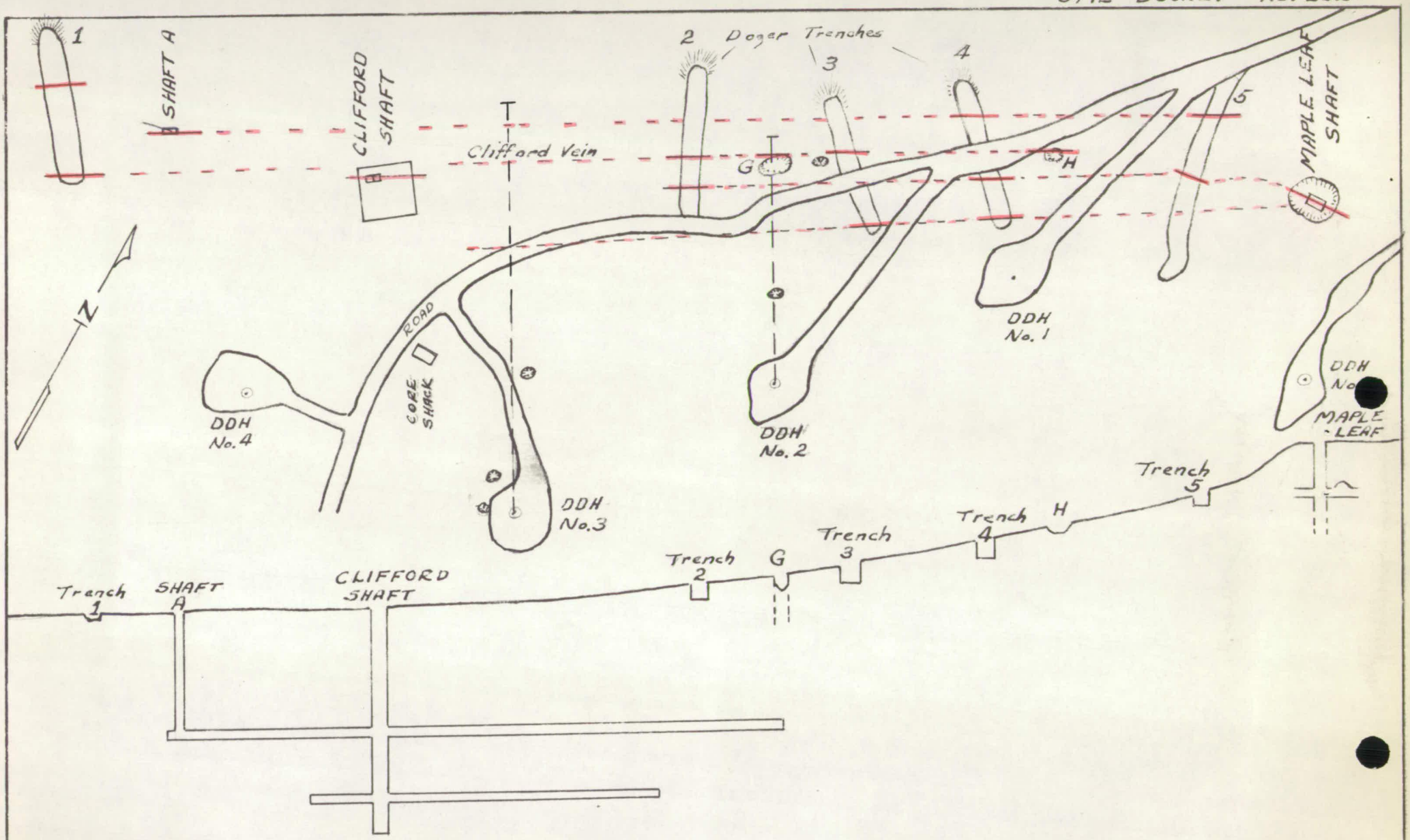
CLIFFORD MINE

PLAN MAP & LONGITUDINAL SECTION

Clear Creek Co., Colorado

Scale Hor. & Vert.: 1" = 100'

Longitudinal Section in plane of Clifford Vein, along line N60°E and in plane of dip, 73° South.



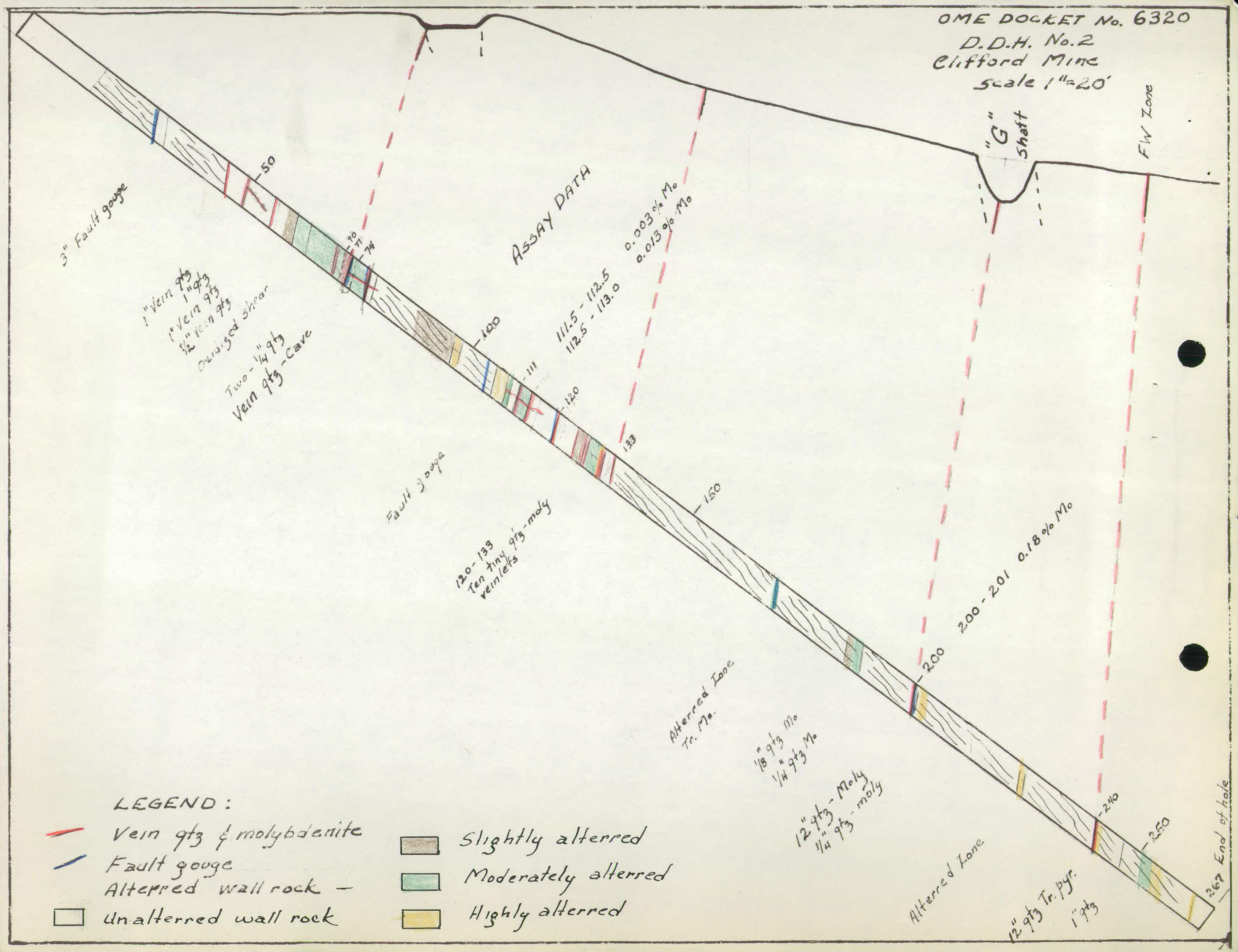
CLIFFORD MINE

PLAN MAP & LONGITUDINAL SECTION

Clear Creek Co., Colorado

Scale Hor. & Vert.: 1" = 100'

Longitudinal Section in plane of Clifford Vein, along line N60°E and in plane of dip, 73° South.

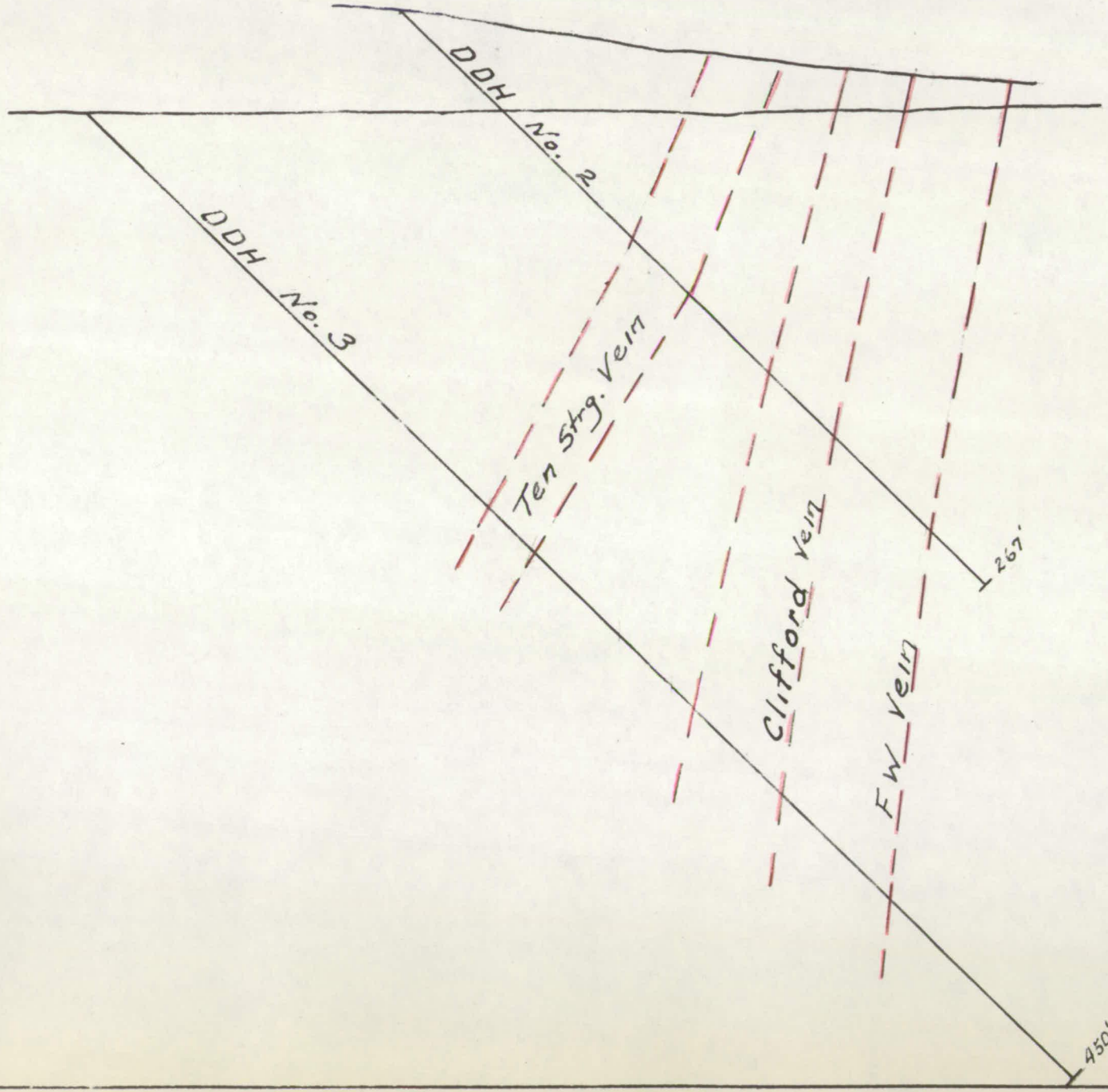

OME DOCKET No. 6320
D.D.H. No. 2
Clifford Mine
Scale 1" = 20'
"G" Shaft
FW Zone
ASSAY DATA
3" Fault gouge
1" Vein qtz
1" qtz
1" Vein qtz
1/2" Vein qtz
Oxidized shear
Two - 1/4" qtz
Vein qtz - Cave
50
70
71
74
100
111
120
133
150
200
250
267 End of hole
111.5 - 112.5 0.003% Mo
112.5 - 113.0 0.013% Mo
Fault gouge
120 - 133
Ten tiny qtz - moly veinlets
200 - 201 0.18% Mo
Altered Zone
Tr. Mo.
1/8" qtz Mo
1/4" qtz Mo
12" qtz - Moly
1/4" qtz - moly
Altered Zone
12" qtz Tr. pyr.
1" qtz
LEGEND:
Vein qtz & molybdenite
Fault gouge
Altered wall rock -
Unaltered wall rock
Slightly altered
Moderately altered
Highly altered

OME DOCKET 6320

D.D.H. No.2 & No.3 SECTION

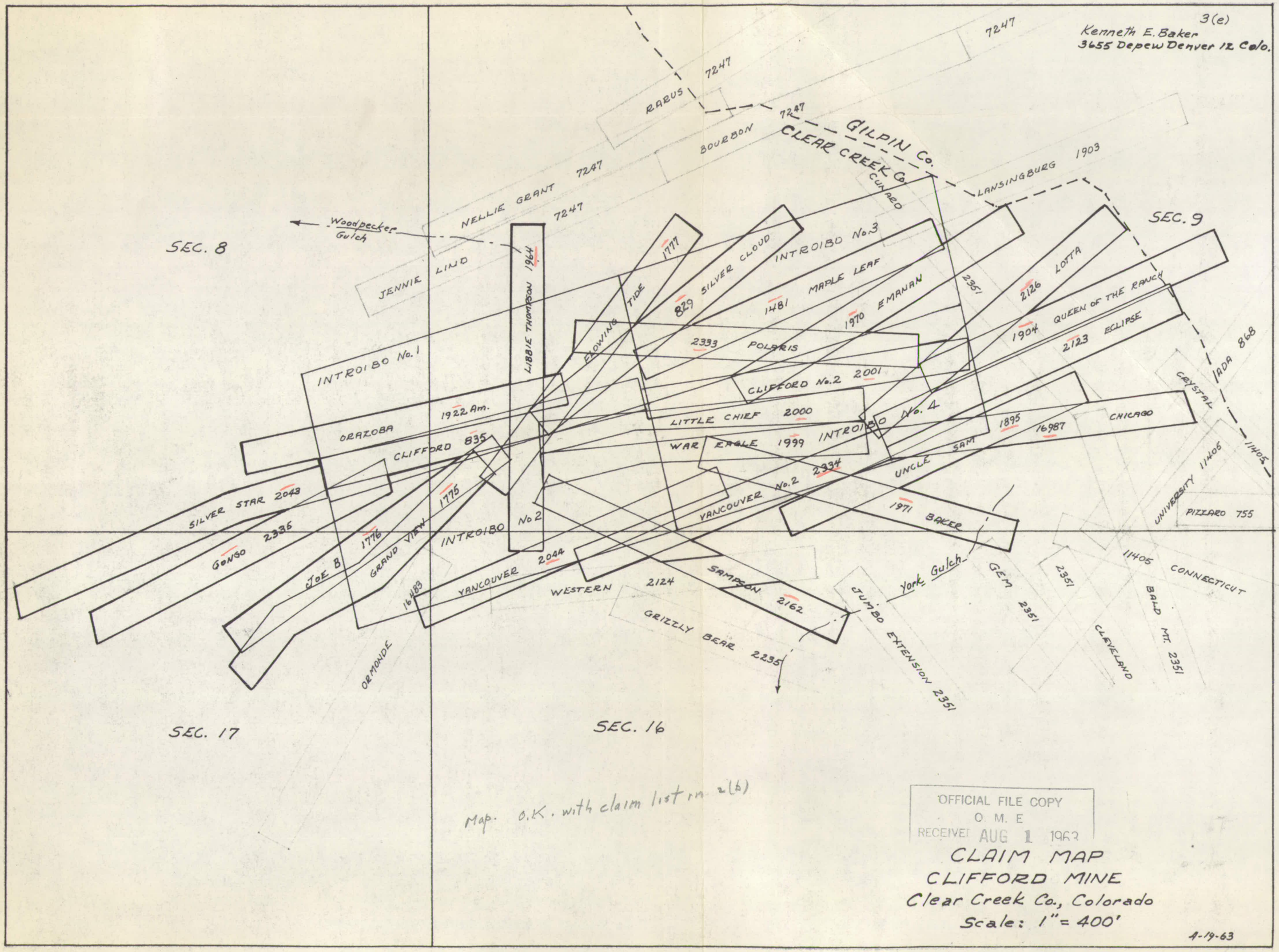
Clifford Mine, Clear Ck. Co., Colo.

Scale: 1" = 50'



3(e)

Kenneth E. Baker
3655 Depew Denver 12 Colo.



Map. O.K. with claim list in 2(b)

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O. M. E
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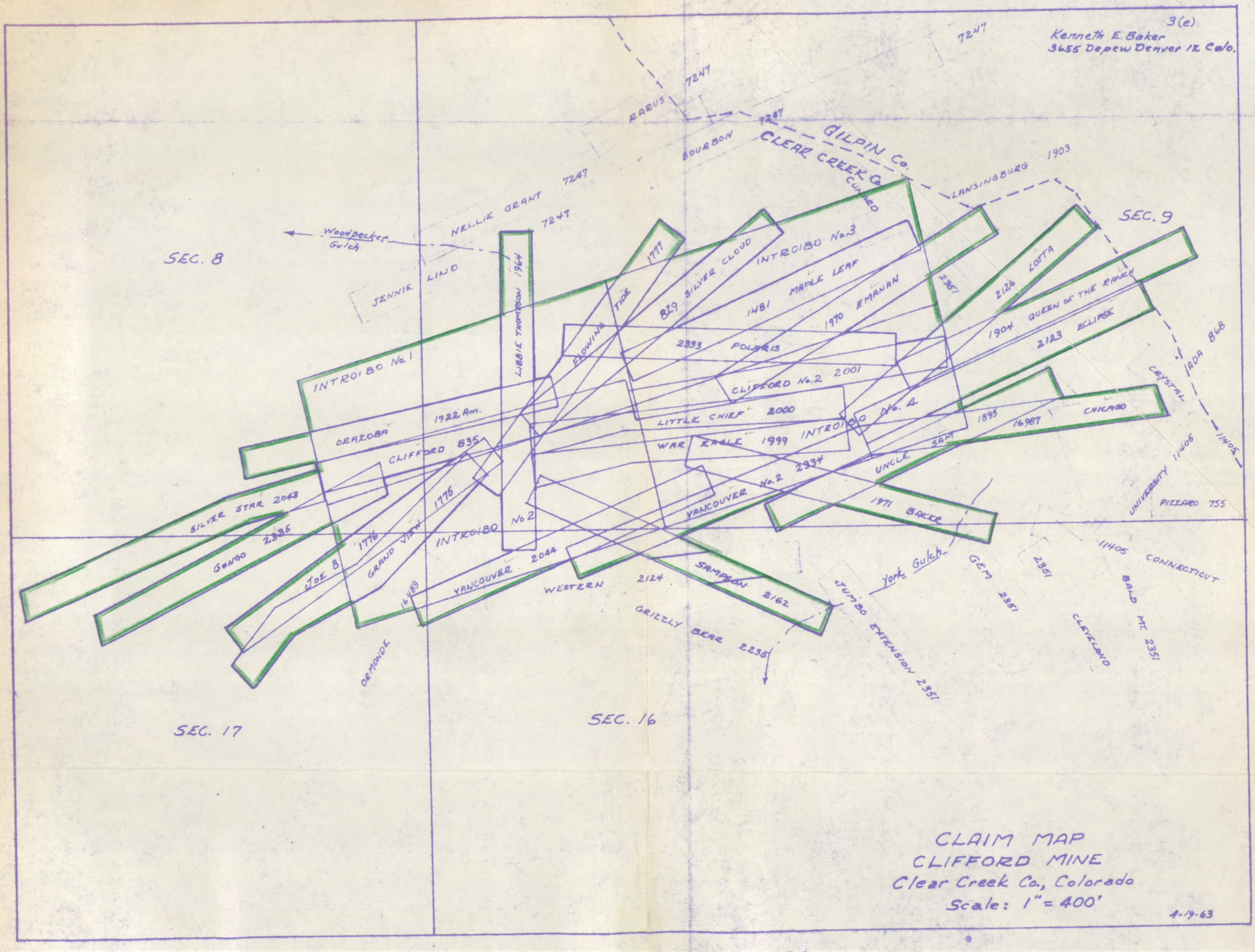
CLAIM MAP
CLIFFORD MINE
Clear Creek Co., Colorado
Scale: 1" = 400'

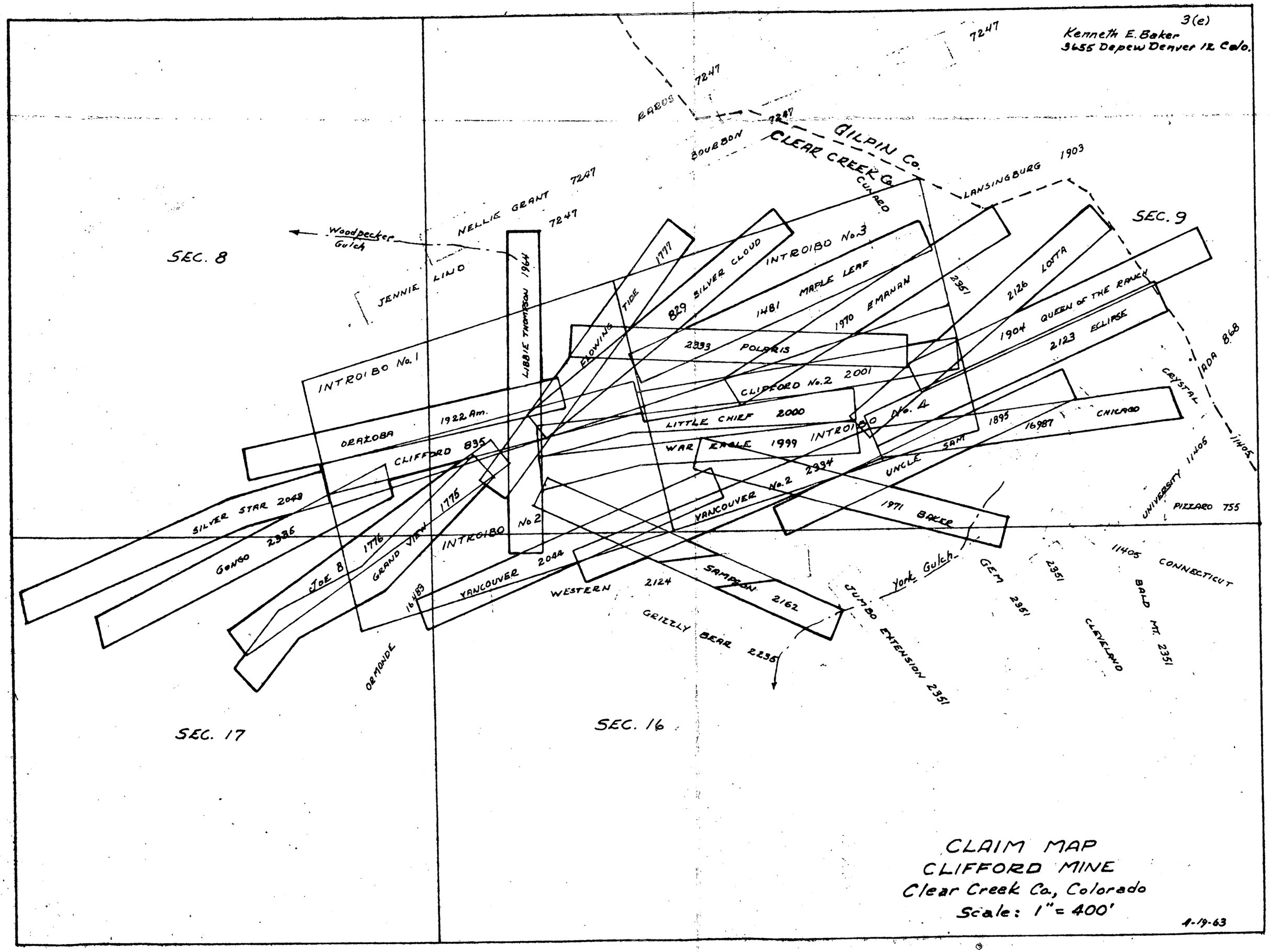
4-19-63



CLAIM MAP
CLIFFORD MINE
Clear Creek Co., Colorado
Scale: 1" = 400'

4-19-63

FIGURE 1.- OME 6320



CLAIM MAP
CLIFFORD MINE
Clear Creek Co, Colorado
Scale: 1" = 400'

4-19-63

FIGURE 1.-OME 6320

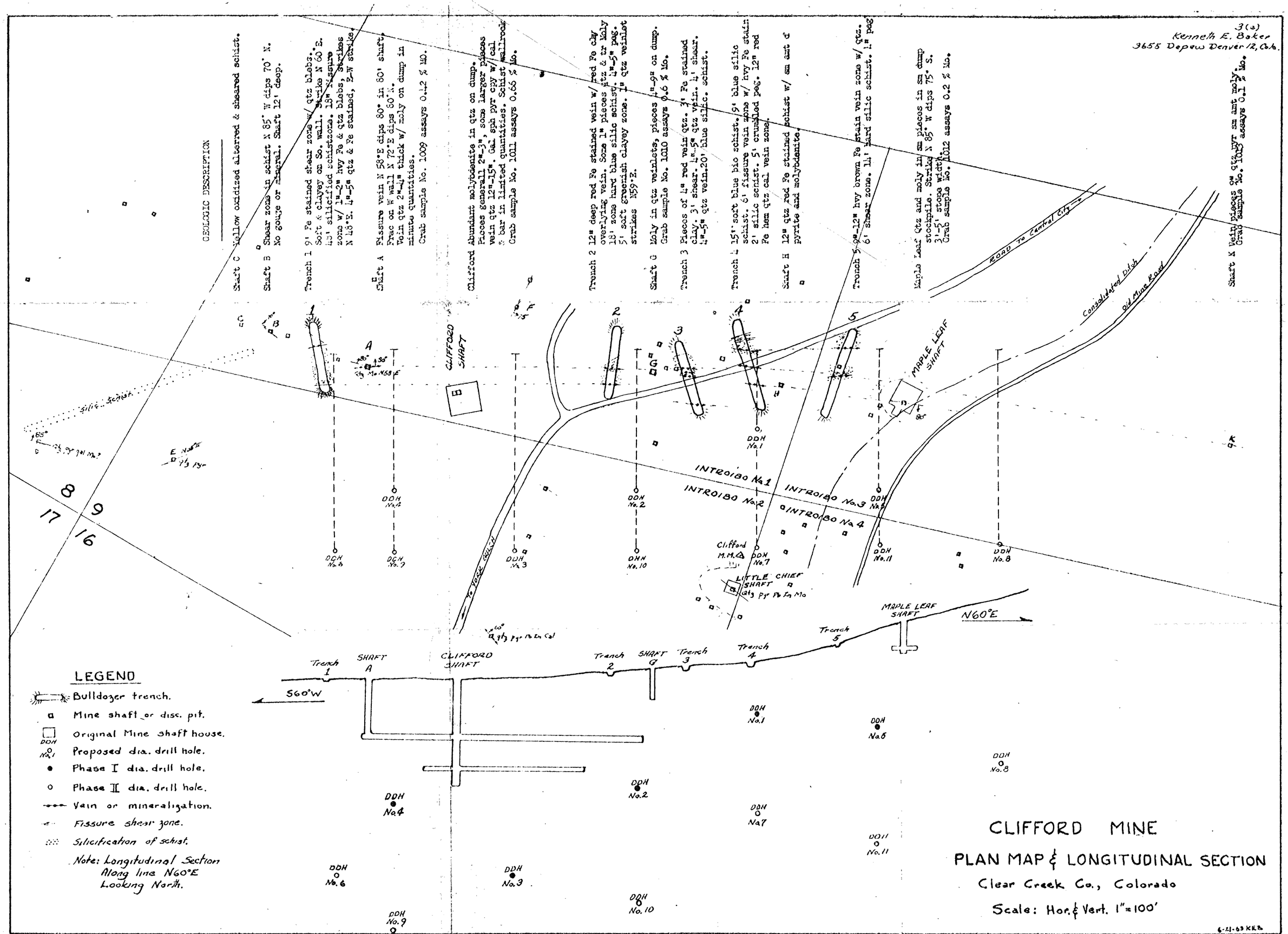
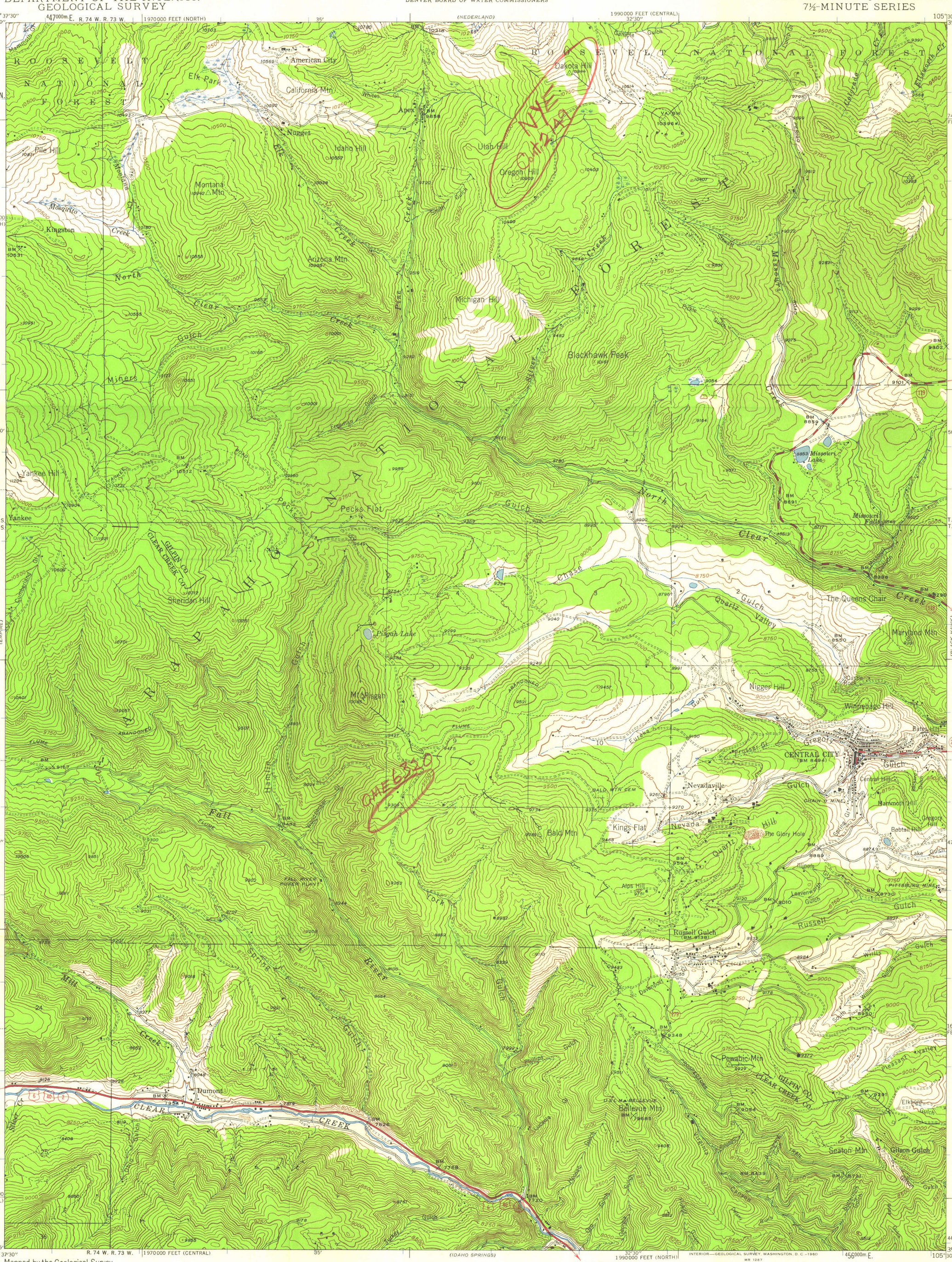


FIGURE 2.- OME 6320

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STATE OF COLORADO
STATE HIGHWAY DEPARTMENT CITY AND COUNTY OF DENVER
DENVER BOARD OF WATER COMMISSIONERS

COLORADO
CENTRAL CITY QUADRANGLE
7½-MINUTE SERIES



INTERIOR—GEOLOGICAL SURVEY, WASHINGTON, D. C.—1960
MR 1287

Mapped by the Geological Survey
1942

Work Projects Administration Nos. 4803 and 5012
Colorado State Highway Department,
City and County of Denver,
Denver Board of Water Commissioners, Sponsors
Max J. Gleissner, Geological Survey, Supervisor

ROAD CLASSIFICATION

Heavy-duty — Light-duty
Medium-duty — Unimproved dirt
U. S. Route — State Route

TRUE NORTH
MAGNETIC NORTH
14½°
APPROXIMATE MEAN DECLINATION, 1942

SCALE 1:24000

1 ½ 0 1 MILE
1000 0 1000 2000 3000 4000 5000 6000 7000 FEET
1 .5 0 1 KILOMETER

CONTOUR INTERVAL 50 FEET
DATUM IS MEAN SEA LEVEL

Polyconic projection. 1927 North American datum
10,000-foot grids based on Colorado (Central) and Colorado (North) rectangular coordinate systems
1000-meter Universal Transverse Mercator grid ticks, zone 13, shown in blue

Certain land lines are omitted because of insufficient data.
All recovered corners are shown

CENTRAL CITY, COLO.
N3945—W10530/7.5

1942

FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER 25, COLORADO OR WASHINGTON 25, D. C.
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

3(a)
Kenneth E. Baker
3655 Depew Denver 12, Colo.

GEOLOGIC DESCRIPTION

Shaft C Yellow oxidized altered & sheared schist.

Shaft B Shear zone in schist N 85° W dips 70° N. No gouge or mineral. Shaft 12' deep.

Trench 1 9' Fe stained shear zone w/ qtz blebs. Soft & clayey on So. wall. Strike N 60 E. 48' silicified schistzone. 18" fissure zone w/ 1"-2" hvy Fe & qtz blebs, Strikes N 48°E. 4"-5" qtz & Fe stained, E-W strike.

Shaft A Fissure vein N 58°E dips 80° in 80' shaft. Frac on W wall N 72°E dips 80°N. Vein qtz 2"-4" thick w/ moly on dump in minute quantities. Grab sample No. 1009 assays 0.42 % MO.

Clifford Abundant molybdenite in qtz on dump. Pieces generall 2"-3", some larger pieces vein qtz 12"-15". Gal sph pyr cpy w/ cal & bar in limited quantities. Schist wallrock Grab sample No. 1011 assays 0.66 % Mo.

Trench 2 12" deep red Fe stained vein w/ red Fe clay overlying vein. Some 1" pieces qtz & tr Moly 18' zone hard blue silic schist. 4"-5" peg. 5' soft greenish clayey zone. 1" qtz veinlet strikes N59°E.

Shaft G Moly in qtz veinlets, pieces 1/4"-9" on dump. Grab sample No. 1010 assays 0.6 % Mo.

Trench 3 Pieces of 1/4" red vein qtz. 3' Fe stained clay. 3' shear. 4"-5" qtz vein. 4' shear. 4"-5" qtz vein. 20' blue silic. schist.

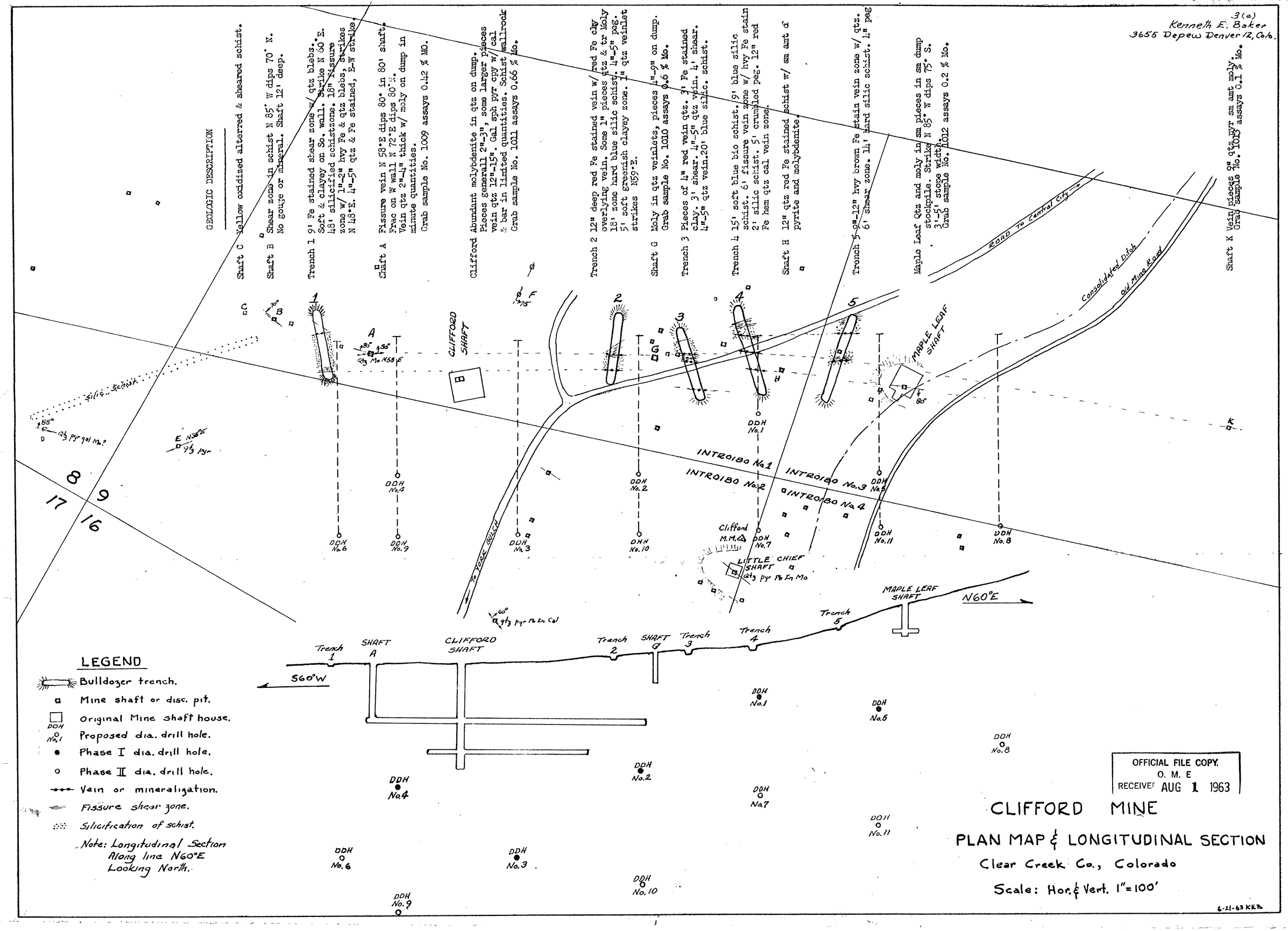
Trench 4 15' soft blue bio schist. 9' blue silic schist. 6' fissure vein zone w/ hvy Fe stain 2' silic schist. 5' crumpled peg. 12" red Fe hem qtz cal vein zone.

Shaft H 12" qtz red Fe stained schist w/ sm amt of pyrite and molybdenite.

Trench 5 9"-12" hvy brown Fe stain vein zone w/ qtz. 6' shear zone. 14' hard silic schist. 1" peg

Maple Leaf Qtz and moly in sm pieces in sm dump stockpile. Strike N 85° W dips 75° S. 3'-5' stope width. Grab sample No. 1012 assays 0.2 % Mo.

Shaft K Vein pieces 9" qtz, pyr sm amt moly. Grab sample No. 1013 assays 0.1 % Mo.



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CLIFFORD MINE

PLAN MAP & LONGITUDINAL SECTION

Clear Creek Co., Colorado

Scale: Hor. & Vert. 1" = 100'

6-21-63 KEB

3(a)
Kenneth E. Baker
3655 Depew Denver 12, Colo.

GEOLOGIC DESCRIPTION

Shaft C Yellow oxidized altered & sheared schist.

Shaft B Shear zone in schist N 85° W dips 70° N. No gouge or mineral. Shaft 12' deep.

Trench 1 9' Fe stained shear zone w/ qtz blebs. Soft & clayey on So. wall. Strike N 60°E. 40' silicified schistzone. 18" fissure zone w/ 1"-2" hvy Fe & qtz blebs. Strikes N 48°E. 4"-5" qtz & Fe stained, E-W strike.

Shaft A Fissure vein N 58°E dips 80° in 80' shaft. Frac on W wall N 72°E dips 80°N. Vein qtz 2"-4" thick w/ moly on dump in minute quantities. Grab sample No. 1009 assays 0.42 % MO.

Clifford Abundant molybdenite in qtz on dump. Pieces generall 2"-3", some larger pieces vein qtz 12"-15". Gal sph pyr cpy w/ cal & bar in limited quantities. Schist wallrock Grab sample No. 1011 assays 0.66 % Mo.

Trench 2 12" deep red Fe stained vein w/ red Fe clay overlying vein. Some 1" pieces qtz & tr Moly 18' zone hard blue silic schist. 4"-5" peg. 5' soft greenish clayey zone. 1" qtz veinlet strikes N59°E.

Shaft G Moly in qtz veinlets, pieces 4"-9" on dump. Grab sample No. 1010 assays 0.6 % Mo.

Trench 3 Pieces of 4" red vein qtz. 3' Fe stained clay. 3' shear. 4"-5" qtz vein. 4' shear. 4"-5" qtz vein. 20' blue silic. schist.

Trench 4 15' soft blue bio schist. 9' blue silic schist. 6' fissure vein zone w/ hvy Fe stain 2' silic schist. 5' crumbled peg. 12" red Fe hem qtz cal vein zone.

Shaft H 12" qtz red Fe stained schist w/ sm amt of pyrite and molybdenite.

Trench 5 9"-12" hvy brown Fe stain vein zone w/ qtz. 6' shear zone. 14' hard silic schist. 1" peg

Maple Leaf Qtz and moly in sm pieces in sm dump stockpile. Strike N 85° W dips 75° S. 3'-5' stope width. Grab sample No. 1012 assays 0.2 % Mo.

Shaft K Vein pieces 9" qtz, pyr sm amt moly. Grab sample No. 1013 assays 0.1 % Mo.

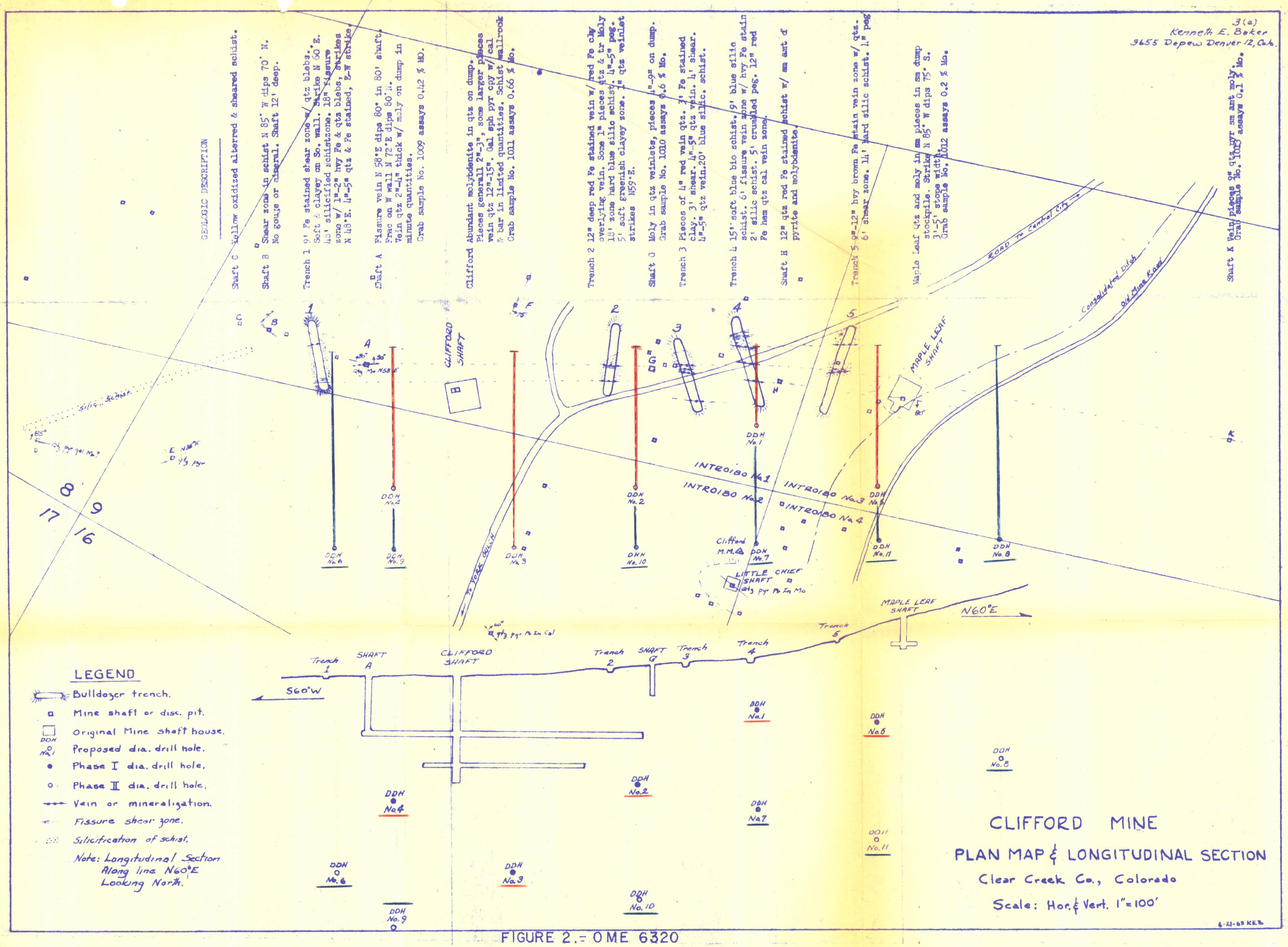

FIGURE 2.- OME 6320