United States Department of the Interior

OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

IN REPLY REFER TO:

MAY 22 1973

Memorandum

To: Chief, Office of Minerals Exploration

From: Associate Solicitor--General Legal Services

Subject: W. S. Moore Co.
OME-6344 (Gold-Silver)
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Your memorandum of April 26, 1973 requests our advice as to the legal aspects of the contentions made in a letter dated April 5, 1973 from Mr. Dexter A. Larsen, an attorney representing Wheeler Properties, Inc., and Ervin F. Moore and Warren Moore, as individuals, regarding responsibility for payment of royalty to the Government on mineral production of gold, silver and copper in 1971 and 1972 from the Summitville Mine. The letter is in response to a demand by OME for payment of such royalty made on December 5, 1972 and discussions held with the Field Solicitor, Reno, Nevada in February and March 1973. In his letter Mr. Larsen contends that there is no liability to pay royalties to the Government under OME-6344 because the contract applies only to gold and silver and not other minerals, and that if there is any such liability it lies with parties other than Wheeler Properties, Inc.

Before discussing the merits of the contentions made by Mr. Larsen it is necessary to give some background information regarding the history of the Summitville Mine prior to the Execution of Contract 2189.

The Summitville District was a gold mining area from 1870 until approximately 1949 during which period total smelter returns were valued at nearly 7-1/2 million dollars of which 94% was gold. In the course of mining operations conducted at the Summitville Mine the presence of favorable copper ores at the lower mine depths became known. In 1957, after General Minerals Corporation acquired a 25-year lease of the patented and unpatented claims which comprise the Summitville Mine, the Defense Minerals Exploration Administration entered into an exploration contract with the company to explore for ores of copper and lead in three general areas -- the Annie Copper, Hidden and Tewkesbury-McDonald vein areas. The exploration work carried out pursuant to the contract by General Minerals Corporation and by John B. Rigg, who

acquired the mine property and became the assignee of the DMEA contract, resulted in the discovery of copper, gold and silver-ores. On January 15, 1962 the Director of the Office of Minerals Exploration issued a certification of possible production on the project.1/

Subsequently, W. S. Moore Company obtained an assignment from John B. Rigg of his interests in the property known as the Summitville Mine and on February 27, 1964 filed an application with OME to obtain financial assistance to explore for gold and silver. On May 22, 1964 exploration contract 2189 (OME-6344) was executed. The work was satisfactorily completed and the results were found to justify issuance of certification of possible production which was made on February 6, 1968.

Following completion of work under the OME contract, and commencing on June 10, 1971, 15 railroad car shipments of concentrates of gold, silver and copper were made from the Summitville Mine to ASARCO's Tacoma, Washington smelter. The final shipment was made on or about February 24, 1972. The net smelter value of those shipments totals $224,848.10 and based upon the royalty provisions of the OME contract the estimated royalty due the Government totals $11,242.47. Accordingly, on December 5, 1972 OME made demand for payment of this amount on Mr. Irving F. Moore.

The attorney for Mr. Moore and Wheeler Properties, Inc. bases his argument that no royalty is due the Government from the 1971 and 1972 shipments on the grounds that the contract itself applies only to gold and silver and does not apply to other minerals, particularly copper. In support of this contention he states that the commodity specified in the contract is "gold-silver", and that Article I(a) states that the work allowed by the contract is "a search for new or unexplored deposits of the commodity designated above."

Mr. Larsen further states that W. S. Moore Co. requested permission to perform deep drilling for copper in May, 1965 but was denied such permission by OME on the grounds that only gold and silver were eligible for OME assistance under the contract and only drilling in zones which were predominately gold and silver was permitted. Finally, he states that subsequent to May, 1965 W. S. Moore Co. did substantial drilling for copper at its own expense. Although all of these statements are factually correct they are not controlling or determinative of the Government's right

1/ The records indicate that during the exploration work carried out by Mr. Rigg approximately 475 tons of ore were produced of which 134 tons were shipped to a smelter for processing. About 40 tons which assayed at 4% copper, 1.0 ounces of gold and .10 ounces of silver were stockpiled and an estimated 300 tons which assayed at 1.3% copper, .02% lead, .03 ounces gold and 1.6 ounces of silver were also stockpiled. The royalty payment period under this contract expired on July 15, 1970.

to a royalty on production. That right is determined by the provisions of law, the Department's regulations and other provisions of the OME contract.

Section 1 of the Act of August 21, 1958, as amended (72 Stat. 700; 30 U.S.C. §§ 641-646) provides that in order to provide for discovery of additional domestic mineral reserves the Secretary of the Interior is directed to establish and maintain a program for the exploration by private industry within the United States, its Territories and possessions "for such minerals, excluding organic fuels, as he shall from time to time designate" and to provide Federal financial assistance on a participating basis for that purpose. Thus, the Act requires the Secretary to determine what minerals, other than organic fuels, shall be eligible for participation under the OME program. The Secretary's determination is then made public through publication in the Federal Register and is codified in the Code of Federal Regulations.

The Office of Minerals Exploration may not legally enter into an OME contract if the primary purpose of the project is to explore for deposits of a mineral not designated by the Secretary as an eligible mineral. Consequently, an applicant is required to state in his application what is the principal or "target" mineral to be sought. In addition, he must submit detailed information on past and current mining or exploration operations, past or current production, known ore reserves, geologic features and type of deposit, assay certificates if available, and copies of geologic or engineering reports, assay maps or technological information. If the mineral specified is not on the list, the application cannot be considered and the applicant is so informed.

Assuming the target mineral is eligible for OME participation, the information supplied in the application is evaluated according to the criteria set forth in the Department's regulations e.g., geologic probability of a significant discovery, estimated cost of exploration in relation to size and grade of potential deposit, accessibility of deposit,background and experience of applicant and his title or right of possession of the property involved -- and a determination is made whether or not a OME contract shall be executed. The contract itself consists of a printed form (either MME Form 50 or MME Form 51), a typewritten Annex I (land description), and Exhibit A (work and costs). On the printed form at the top blank space is provided for an OME docket number, contract number, the county and state and the commodity. The last is no more than a specification of the target mineral or minerals sought.

The pertinent statutory provision which establishes the Government's right to royalty payment is subparagraph (c) Section 2 of the Act (30 U.S.C. § 642(c)) which provides in pertinent part:

"(c) When in the opinion of the Secretary an analysis and evaluation of the results of the exploration project disclose that mineral production from the area covered by the contract may be possible he shall so certify within the time specified in the contract. Upon certification, payment of royalties shall be a charge against production for the full period specified in the contract or until the obligation has been discharged, but in no event shall such royalty payments continue for a period of more than twenty-five years from the date of the contract."

This provision has always been interpreted by the Department to mean that in order for certification of possible production to be issued a discovery of an ore deposit of sufficient magnitude and value must have been made as a result of the exploration work conducted under the OME contract to justify the conclusion that production is possible. It has never been interpreted to limit certification and the Government's corresponding right to a royalty on production to only those instances in which the mineral deposit discovered is precisely the mineral designated as the target mineral by the Operator. Such an interpretation would ignore the scientific fact that minerals seldom are deposited in a pure form and are most often found in association with other minerals. Moreover, it would require the conclusion that the Congress intended in the Act to impose a requirement that the Secretary correctly guess what mineral might be produced from the project and that the right to royalty is to be denied the Government if it were mistaken and the mineral actually produced was the one not stated in the contract as the target mineral.

Moreover, Article 7(b) of the subject contract provides that the Operator, whether or not he is the producer shall pay a royalty "on all minerals and metals mined or produced from the land." Section 229.11(c) of the Department's regulation (30 CFR 229.11 (c)) likewise states that the Operator shall pay the Government a royalty on all minerals or metals produced from the land described in the contract and any other royalty as may be provided therein.

Thus, in our opinion the statutory provisions, the Departmental regulation and the provisions of the OME contract all support the conclusion that Mr. Larsen's contention that no royalty is due the Government from production of copper because the OME contract applies "only to gold and silver and does not apply to other minerals" is legally unsound.

We do believe, however, that under the provisions of the Act there is one limiting factor on the Government's right to issue a certification of possible production. It is found in Section 3 (30 U.S.C. § 643) which defines the term "exploration" as "the search for new or unexplored deposits of minerals." This definition clearly precludes OME assistance to any project work involving deposits which have been previously discovered

where such work would be conducted primarily for mining or preparatión for mining. Inasmuch as OME may not participate in project work of this type it follows logically that the Government is likewise precluded from asserting a right to royalty on production from project work which does not meet the terms of the statutory definition of the term "exploration." Similarly,as previously mentioned, Section 2(c) (30 U.S.C. § 642(c)) provides that certification shall be issued if in the opinion of the Secretary based upon an analysis and evaluation "of the results of the exploration project" mineral production from the area covered by the OME contract is possible. This language clearly limits the Government's right to certify possible production to those instances in which the discovery of minerals or metals directly results from project work undertaken pursuant to the OME contract and authorized by the contract and precludes certification where the discovery occurred prior to the execution of the OME contract or occurred through project work undertaken by an Operator at his own expense which bears no relationship to the OME project work. Thus, in the instant case with regard to shipments of copper ores in 1971 and 1972 we conclude that the Government is entitled to royalty only on that portion of such shipments which represents production from deposits of copper, if any, which were located by the exploration work undertaken pursuant to the OME contract. Accordingly, we recommend that OME determine by the best available method if any such discovery was made. In this regard we note from OME records a number of references to Hole T-4 drilled in connection with the Tewksbury Pike Subproject and Hole G-D-3 drilled in on the Dexter vein which appear to us to indicate that new discoveries of copper ore were made by those holes. If in your opinion the geological evidence clearly shows that these or any other holes drilled under the contract resulted in the location of new discoveries of copper deposit not in any manner related to the work done under the DMEA contract a demand for the payment of royalty on production from such deposits of copper subsequent to July 15, 1970, should be made forthwith. In the event payment of such royalty is denied, upon receipt of knowledge of such denial from you, we shall prepare the necessary documentation and refer the matter to the Department of Justice.

On the subject of responsibility for the payment of royalty due the United States, and it should be emphasized that there should be no dispute that the Government is entitled to its royalty on any gold and silver ore shipped in 1971 and 1972, Mr. Larsen states that on March 8, 1972, W. S. Moore Co. was reorganized and merged into Summitville, Inc., a wholly owned subsidiary of Polaris Resources, Inc., and that following such reorganization Trebilcock Mining, Inc., Summitville Inc. and Polaris Resources Inc. were the sole participants in the joint venture formed for the purpose of operating the Summitville Mine. In addition, Mr. Moore

states that pursuant to such reorganization, W. S. Moore Company was released from any claims arising out of its ownership, operation and management of the Summitville Mine, except for any indebtedness for claims or liens with respect to trade claims or accounts payable of the joint venture which had not been disclosed to Polaris, Inc. or Trebilcock on or prior to March 8, 1972 other than trade claims incurred prior to February 14, 1972 in the ordinary course of business of the joint venture aggregating not more than $2,000, and other trade claims arising from the ordinary business subsequent to February 14, 1972, regardless of the amount and any liabilities or claims for indebtedness incurred with the specific knowledge or approval of Trebilcock Mining, Inc., Polaris Resources, Inc., and/or DLJ Natural Resources, Inc. Pursuant to the reorganization, Mr. Moore states that Wheeler Properties, Inc. agreed to indemnify Summitville, Inc. as to the liabilities of W. S. Moore Company which were not released under this general release.

With respect to the amount of royalty due the United States under OME-6344, Mr. Larsen states that this amount was specifically known to DLJ Natural Resources, Inc. and was classified by DLJ Natural Resources, Inc., as a contingent liability and such contingent liability was specifically not shown as a current liability of the Summitville Joint Venture in its financial statement at the request and specific instance of the DLJ Natural Resources, Inc. Mr. Larsen concludes:

> "Based upon the foregoing facts, it is the position of Wheeler Properties, Inc. that the liability, if any under OME-6344 (gold-silver) is a liability of Summitville, Inc., the successor of W. S. Moore Co. by merger and that Wheeler Properties, Inc. is not liable to Summitville, Inc. under the Indemnity Agreement by and between Summitville, Inc. and Wheeler Properties, Inc., due to the fact that Trebilcock Mining Inc., Polaris Natural Resources, Inc., (sic) and/or DLJ Natural Resources, Inc. specifically had knowledge of the OME agreement."

It would appear from the above that the obligation of W. S. Moore Company to pay the royalty due the United States under OME-6344 was assumed by Summitville, Inc. when the company was merged with Summitville, Inc. pursuant to the agreement of March 8, 1972. We believe that, regardless of which corporate entity is responsible for payment, the royalty is a debt due the United States and must be paid. Accordingly, we recommend that an additional demand for payment be made on Summitville, Inc. As to which of these companies actually is liable, as between themselves, we can leave to them to work out.

C. Brewster Chapman Jr.

C. Brewster Chapman, Jr.
Associate Solicitor
General Legal Services

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

April 11, 1978

Mr. Burton Stanley
Regional Solicitor's Office
U.S. Department of the Interior
2800 Cottage Way
Room E-2753
Sacramento, California 95825

Re: Problems and options concerning royalty collection
OME-6344(Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Stanley:

This letter concerns efforts to collect royalties due the Government on production from mining claims subject to provisions of OME Contract 2189, and offers two options for the Government to consider for future action. We assume that the file on this case, formerly in the office of Mr. Otto Aho, Reno, Nevada, has been transferred to your office.

We enclose copies of a chronological history of the case; a memorandum from the Associate Solicitor, dated February 22, 1973, referring the case to the Field Solicitor in Reno, Nevada; a memorandum dated March 27, 1973, to the Associate Solicitor from the Field Solicitor; a letter dated April 5, 1973, to the Field Solicitor from Dexter A. Larsen, attorney for the Operator; a memorandum dated May 22, 1973, to the Chief, OME, from the Associate Solicitor; and a memorandum dated August 4, 1976, to the Chief, OME, from the Field Officer, OME Region III.

The Associate Solicitor--General Legal Services, recommended to OME on May 22, 1973, "that an additional demand for payment be made on Summitville, Inc." OME did not follow this recommendation because information received soon thereafter indicated that any demand by the Government would have to be for a smaller amount than the $11,242.47 demanded in December 1972, and that facts to support another demand could not be obtained.

Maps and unofficial production records received since May 1973 show that shipments made from the Summitville mine in the period June 10, 1971 - February 24, 1972, included concentrates produced from ore mined from two claim groups--one subject to provisions of the OME contract, the other not subject to the contract. In particular, production from claims which included the Annie and Tewksbury veins was subject to royalty, and production from claims which may have included the Missionary vein may not be subject to royalty. The possibility of claiming royalty under extralateral rights on the Missionary vein has been considered. Detailed surface and underground geological mapping would be required to determine how much ore was produced from either group, and how much, if any, may be considered subject to royalty because of extralateral rights. The cost of a mapping project to determine these facts would exceed the amount of royalties that could be demanded or collected, and, more importantly, access into the mine workings which would have to be mapped has not been possible at least since 1974.

Irving F. Moore, representing the Operator, W. S. Moore Company, acknowledged in a letter dated October 13, 1972, that $8,961.10 in unpaid royalty was due, but made no effort or offer to pay the debt. The records submitted with the letter were incomplete. Former associates and successors have not assumed responsibility for the debt.

Since the Associate Solicitor and Field Solicitor last devoted attention to the case, including the Associate Solicitor's recommendation of May 22, 1973, other matters have demanded our attention. However, it was shortly after the Associate Solicitor's memorandum was received that we learned of the different sources of ore from which the W. S. Moore Company may have produced concentrates. It appeared then that it would be futile to attempt to gather information in support of a new demand upon the Operator to pay royalty due the Government. This decision was reinforced when we were advised that the present lessee of the Summitville mine, ASARCO, is unlikely to reopen the mine for some years. Consequently, we are unable now or in the foreseeable future to obtain information from within the mine to substantiate a new demand upon the W. S. Moore Company.

Accordingly, the Government appears to have two options to consider:

1. Attempt to collect royalties from W. S. Moore Company or successors in the sum of $8,961.10, the total acknowledged by the Operator as a debt owed the Government, or

2. Write off the outstanding balance ($13,789.53) of the loan as a loss to the Government and close our books and records on the case.

Perhaps it is too late to pursue the first option, and in view of past efforts to collect royalty, the prospect for success is not favorable.

We would appreciate your views on these or other options you may consider worth pursuing in order to close out this case.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

Copies to: C. L. Martin, SOL, Interior, Wash., D.C.
Field Officer, OME Region III, Denver, Colo.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

May 3, 1978

Mr. Dexter A. Larsen
Attorney at Law
Fryberger, Buchanan, Smith,
Sanford & Frederick
700 Lonsdale Building
Duluth, Minnesota 55802

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Larsen:

By the terms of OME Contract 2189, as amended, and the Certification of Possible Production dated February 6, 1968, all minerals mined or produced from May 22, 1964, to May 22, 1976, were subject to the Government's royalty as stated in said contract.

As the period during which production was subject to royalty has expired, the Government is closing its books and records on this contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

CC RIII

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

May 3, 1978

Memorandum

To: Branch of Financial Reports

From: Chief, Office of Minerals Exploration

Subject: Recording of realized loss under OME contract

Write-off of realized loss on the contract listed is hereby authorized:

Contract	Docket	Operator	Write-off
2189	OME-6344	W. S. Moore Co.	$13,789.53

Harold Kirkemo

Harold Kirkemo

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

May 3, 1978

Mr. John H. Tippit
Attorney at Law
1704 Security Life Building
1616 Glenarm Place
Denver, Colorado 80202

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Tippit:

Enclosed is a self-explanatory letter dated May 3, 1978, to Mr. Dexter A. Larsen, attorney for the Operator. This relates to the Lien and Subordination Agreement signed by Anna R. Garrey, President, The Reynolds-Morse Corporation, on April 29, 1964.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

May 3, 1978

Mr. John B. Rigg and
Mrs. Shirley A. Rigg
Gulf Mineral Resources
1720 S. Bellaire
Denver, Colorado 80222

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. and Mrs. Rigg:

Enclosed is a self-explanatory letter dated May 3, 1978, to Mr. Dexter A. Larsen, attorney for the Operator. This relates to the Lien and Subordination Agreements signed by you on May 25, 1964.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
SAN FRANCISCO FIELD OFFICE
450 GOLDEN GATE AVENUE, BOX 36064
SAN FRANCISCO, CALIFORNIA 94102

April 28, 1978

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Solicitor, San Francisco

Subject: Royalty Collection OME 6344 (Gold-Silver); Contract 2189

Our Sacramento Office has referred your letter of April 11, 1978 on the above, with enclosures, to Burton Stanley to us for reply. After reviewing the letter and its enclosures, and discussing it with Mr. Stanley, we have concluded that you should cease collection efforts in this matter and write off the outstanding balance as an uncollectible account.

The conclusion reached above is based upon the following considerations. First, contract 2189 (OME 6344) was terminated on May 24, 1967, almost 11 years ago.

Second, payment on the contract has been a subject of negotiation and dispute between the contractor and the Government since at least June 15, 1970. In addition, the Company with whom the contract was originally made has gone out of business due to a merger.

Third, in 1973 the Solicitor's Office engaged in an effort to negotiate a compromise solution to the collection problem on contract 2189. This effort did not succeed. Subsequently the matter appears to have become dormant.

Since 1973 there has been only a sporadic effort made to collect the disputed balance outstanding on contract 2189 (OME 6344). For this reason we believe that any further collection effort on the contract would have severe problems due to the passage of time. For example, if we were to recommend litigation in an effort to collect, the Government would almost certainly be met with the defense that suit was now barred due to the passage of time.

In summary, it is our belief that any further collection effort in contract 2189 (OME 6344) would be an exercise in futility.

By a copy of this memorandum we are advising our Washington Office of our conclusion on this matter. In addition, we have discussed it with Mr. Martin in that office, who worked on it in 1973. He is in agreement with our recommendation.

Ralph G. Mihan
Field Solicitor

John McMunn
For the Field Solicitor

cc:
Chedville L. Martin, Jr.
Burton Stanley
Associate Solicitor, Energy

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

April 11, 1978

Mr. Burton Stanley
Regional Solicitor's Office
U.S. Department of the Interior
2800 Cottage Way
Room E-2753
Sacramento, California 95825

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2. Write off the outstanding balance ($13,789.53) of the loan as a loss to the Government and close our books and records on the case.

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We would appreciate your views on these or other options you may consider worth pursuing in order to close out this case.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

Copies to: C. L. Martin, SOL, Interior, Wash., D.C.
Field Officer, OME Region III, Denver, Colo.

February 17, 1973. As of this date, no payment, arrangement for payment, or any correspondence received by OME from I. F. Moore in response to request of December 5, 1972, and January 11, 1973.

February 22, 1973. Memorandum to Otto Aho, Field Solicitor, Reno, Nevada, from C. Brewster Chapman, Associate Solicitor, DOI, enclosing pertinent documents on the case and urging personal interview with Irving F. Moore to determine if W. S. Moore Company intends to pay the $11,242.47 plus interest due on royalty, and to determine if Mr. Moore wishes to make any offer of compromise.

March 5, 1973. Memorandum to C. Brewster Chapman from Otto Aho stating that Irving F. Moore had been contacted. Moore said Kirkemo's letter of Dec. 5, 1972, demanding payment had been referred to his attorneys. Moore stated that his attorneys, who are not in Reno, would make preliminary reply to Kirkemo's letter, and would confer with Aho on March 27 in Reno.

March 27, 1973. Memorandum to C. Brewster Chapman from Otto Aho reporting on conference on March 27 with Dexter A. Larsen, Duluth, Minnesota, attorney for Wheeler Properties, Inc., and Irving and Warren Moore as individuals. Larsen promised to send a full statement by end of next week on non-liability of his clients. Larsen indicated that Irving and Warren Moore have no further connection with W. S. Moore Company, and are not liable for debts incurred by the company. He also contended that no royalties are due because: 1. OME contract applied only to gold and silver; 2. No gold or silver produced on the property covered by the contract; 3. The only production was copper; 4. No Government funds expended in production of copper; 5. W. S. Moore Co. expended its own money to produce copper; 6. As the contract did not apply to copper, the Government is not entitled to any royalty on production of copper.

April 10, 1973. Memorandum to C. Brewster Chapman from Otto Aho enclosing letter of April 5 from Dexter A. Larsen regarding liability of firms and persons involved in the OME contract.

May 9, 1973. Memorandum to Chief, OME, from Field Officer, Region III, reviewing letter of April 5 to Otto Aho from Dexter A. Larsen. Notes that copper values were cut in the OME drilling and copper assays were paid for with OME funds. Concludes that the project discovered gold, silver and copper, in quantities sufficient to warrant certifying the contract.

May 22, 1973. Six page memorandum to Chief, OME, from Associate Solicitor--General Legal Services concerning contentions in letter of April 5 to Otto Aho from Dexter A. Larsen. Recommends that an additional demand for payment of royalty due be made on Summitville, Inc.

Background and Summary Information
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
OME-6344 Contract 2189

Background

Contract 2189 (OME-6344) executed May 22, 1964.

Operator - W. S. Moore Co., 400 Torrey Building, Duluth, Minnesota 55802

Total Value, as amended, $81,440, Government share @ 50% $40,840.

Interest 6-1/2 percent.

Lien and Subordination Agreements signed by:

1. Anna R. Garrey, President, The Reynolds-Morse Corporation, 1300 E. 7th Street, Denver, Colorado 80218, April 29, 1964, property owner.

2. John B. Rigg and Shirley B. Rigg, 1500 E. 7th Avenue., Denver, Colorado 80218, May 25, 1964. Assignees as of February 1, 1956, of lease between Reynolds-Morse Corporation and B. T. Paxson, owners, and General Minerals Corporation, original Operator under DMEA Contract Idm-E1107, Docket DMEA-4643.
(See memorandum of May 12, 1964, in Folder No. 1, OME-6344, to OME from Robert W. Long, Assistant Solicitor.)

Contract amended August 28, 1964, January 22 and May 11, 1965, August 18, 1966.

Contract terminated effective May 24, 1967.

Certification of possible production issued February 6, 1968. Royalty period extends to May 22, 1976, or until Government participation totalling $13,789.53 plus interest, is fully repaid, whichever occurs first.

In addition to royalties which may accrue under the OME contract, royalty in the amount of $5,854 was payable under DMEA Contract Idm-E1107. Royalties totalling $48.14 were paid from production (in 1960) prior to July 15, 1970, the end of the royalty period for that contract.

The Operator executed agreements with a number of companies in partnership or in joint venture operations between October 1, 1967, and January 1, 1971. All of the agreements were terminated before the Summitville Joint Venture Agreement was executed under which

concentrates were produced on which royalty is due. The parties involved in these earlier agreements included The Cleveland-Cliffs Iron Co., Union Pacific Railroad, Quad Construction, Inc., and Polaris Resources, Inc.

Chronology

June 15, 1970 Letter to Chief, OME, from I. F. Moore contending that no royalty would be due on sulphide copper production because copper was not eligible for assistance when contract was signed. Reported that ore-grade material from exploration headings had been stockpiled.

July 2, 1970 Letter to I. F. Moore from Chief, OME, stating that royalty shall be paid on all minerals and metals mined or produced from the land described in the contract.

Sept. 23, 1970 The Mining Record, Denver, Colorado, reports 150-ton per day flotation mill under construction at Summitville mine is scheduled for completion in December 1970.

Jan. 1, 1971 Summitville Joint Venture Agreement executed as of this date and recorded in Records of Rio Grande County, Colorado, on February 18, 1971, as Document No. 242436. Joint Operating Agreement executed and recorded same dates as above. Document No. 242437.

The Agreement assigned 52½% interest in sales of ores and concentrates to W. S. Moore Co., 27½% interest to Polaris Resources, Inc., 20% interest to Trebilcock Mining, Inc. W. S. Moore Co. named manager for all operations under these Agreements.

Feb. 19, 1971 I. F. Moore reports to OME on MME Form 63, dated February 11, that 7,932 tons of ore averaging 2.47% Cu is stockpiled at mine. Enclosed copy of Exploration Agreement, dated April 8, 1970, between Quad Construction, Inc., Polaris Resources, Inc., and W. S. Moore Co.

April 16, 1971 Letter to I. F. Moore from Chief, OME, point out responsibility of W. S. Moore Co. for payment of royalty on production if the producer or as surety if not the producer. Listed outstanding balance and accrued interest as of February 28, 1971, and asked Moore for copies of his letters to his operating partners informing them of these facts.

April 19, 1971	Letter to Chief, OME, from I. F. Moore advising that "partners are fully aware of the obligations owed all parties including the federal government. To fully insure complete awareness, copies of your present letter will be promulgated to the various Summitville partners. "As you may or may not be aware, we expect the flotation mill to be turning over this month and royalty payments to the government should commence shortly." Copies of this letter indicated for Duluth office W. S. Moore Co., Polaris Resources, Wm. Trebilcock.
June 2, 1971	The Mining Record, Denver, Colorado, reports that R. A. Hildebrand, president, Polaris Resources, Inc., announces shipments of copper concentrates have begun from the Summitville mine.
June 10, 1971	The first of 15 railroad car shipments of concentrates from the Summitville mine by W. S. Moore Company received by ASARCO's Tacoma smelter. The last shipment was received February 24, 1972. Copies of the 15 smelter settlement sheets received from ASARCO on October 24, 1972. Summary of settlement data enclosed with this memorandum.
July 5, 1971	The Denver Post, Denver, Colorado, reports essentially same story that the Mining Record reported June 2.
July 26, 1971	Field Officer, Region III, in phone call to Chief, OME, estimates possibility of $10,000 royalty to Government from Summitville operation based on 150-ton per day production, $35/ton value.
March 8, 1972	Document entitled "Consent to Merger, Termination of Joint Venture Agreement, Designation of Operator, Settlement of Accounts, and Mutual Release" executed by W. S. Moore Co., Polaris Resources, Inc., Trebilcock Mining, Inc., and Summitville, Inc. Under this agreement W. S. Moore Co. is relieved of all authority, duties, and obligations as manager under the Summitville joint venture agreement and the joint operating agreement, both dated January 1, 1971. Summitville, Inc., R. A. Hildebrand, president, successor manager.
May 26, 1972	MME Form 63 mailed to I. F. Moore requesting information and data on status of property and production from it.

June 1, 1972	Letter from Kevin P. Manning, Controller, W. S. Moore Co. to Chief, OME, returning unanswered MME Form 63. States that W. S. Moore Co. not associated with Summitville mine since beginning of year, that Polaris Resources through wholly-owned subsidiary Summitville, Inc., replaced W. S. Moore Co. as manager, and is issuing financial statements for 1971. Suggests that inquiry be sent to Summitville, Inc.
June 27, 1972	MME Form 63 mailed to Summitville, Inc.
July 17, 1972	Field Officer, Region III, conferred with R. A. Hildebrand, president, Polaris Resources, regarding MME Form 63 and Royalty problem. Hildebrand reported that Moore was the producer of most of the tonnage shipped in 1972, and that he had not seen a copy of the letter of April 19, 1971, which Moore was to have sent to Wm. Trebilcock and Polaris Resources. Hildebrand thought that OME royalty was due only from gold and silver production, and not from copper production.
July 21, 1972	Memorandum to Chief, OME, from Field Officer, Region III, reporting that Hildebrand had phoned and stated that MME Form 63 was being sent to Washington, together with merger document dated March 8, 1972, royalty check and settlement sheets for production by Summitville, Inc. Said material received in Washington July 20, 1972.
July 28, 1972	Letter to R. A. Hildebrand from Chief, OME, referred to data reported in MME Form 63 regarding shipments in 1971 and 1972, and responsibilities of the concerned parties for payment of royalties; reported on the status of the account as of July 28, 1972, and requested prompt payment of royalty due. Copy sent to I. F. Moore, and copy enclosed in letter to Hildebrand to be forwarded to Wm. Trebilcock as address was unknown.
August 24, 1972	Letter to R. A. Hildebrand from Chief, OME requesting reply to letter of July 28, 1972. Same distribution of copies as with first letter.
August 28, 1972	Letter to Chief, OME, from I. F. Moore, Wheeler Properties, Inc., Reno, Nevada, advising that W. S. Moore Co. merged into Summitville, Inc., early in 1972, that Summitville assumed full responsibilities for the mine at that time, and that "this office" not associated with Summitville operation since late 1971.

September 1, 1972	Letter to I. F. Moore from Chief, OME, commenting on provisions in the merger agreement of March 8, 1972, and noting "--it appears that W. S. Moore Co. may be responsible for royalty payments on such shipments." (shipments made prior to March 8, 1972). Referred also to previous letters regarding shipments of stockpiled ore, and lack of records. Requested payment of royalties due the Government as soon as possible.
September 15,1972	Letter to Chief, OME, from W. A. Trebilcock, President, Trebilcock Mining, Inc., reporting that Trebilcock Mining, Inc., returned all smelter receipts to W. S. Moore Co., Manager, to meet expenses for operating and developing the property. Understood that the Manager would pay all royalties owing.
September 25, 1972	Letter to W. A. Trebilcock from Chief, OME, acknowledging letter of September 15, and noting that I. F. Moore had not replied to our letter of September 1. Copies sent to Hildebrand and Moore.
October 2, 1972	Memorandum to Chief, OME, from Field Officer, Region III, reported on conversations with Colorado Deputy Commissioner of Mines, and others. Equipment at Summitville mine being sold by Summitville, Inc., and Quad Construction, Inc., to satisfy liens against the property. Recommends notifying owner of property of Government lien, and demanding payment of royalty by W. S. Moore Co.
October 3, 1972	Letter to Chief, OME, from R. A. Hildebrand agreeing with OME's interpretation of the Release and Indemnification sections in the merger agreement of March 8, 1972, and stating that Polaris Resources received no share of Summitville Joint Venture's smelter returns and had no control over the disposition of such funds. W. S. Moore Co., collected Polaris' share of smelter returns. Stockpile reported on February 19, 1971, was shipped by Moore during 1971.
October 11, 1972	Memorandum to Chief, OME, from Field Officer, Region III, submitting preliminary figures on production from the Summitville mine, June-December 1971.
October 13, 1972	Letter to ASARCO Tacoma Smelter from Chief, OME, requesting copies of smelter settlement sheets for shipments made in 1971 and to March 8, 1972, from the Summitville mine by W. S. Moore Co. Fifteen settlement sheets received October 25, 1972. Summary of these sheets is enclosed.

October 13, 1972	Letter to Chief, OME, from I. F. Moore enclosing "--a copy of the Summitville Smelter Returns and Production for 1971. This covers all of the ore mined, milled, and marketed while W. S. Moore Co. was managing the Summitville mine." Calculated amount due the Government to be $8,961.10. States that while "W. S. Moore Co. was managing the property it had no control whatever over the purse strings of the venture. All funds were handled out of New York City. When inquiry was made by the Moore Co. regarding possible sums due the Government, we were told in effect to forget it. Since that time W. S. Moore Co. was merged into Polaris Resources in an arrangement that also involved the company responsible for dispersing funds during our tenure at the mine. I suggest that you contact Polaris and its associates for production royalties due the Government."
October 17, 1972	Letter to I. F. Moore from Chief, OME, acknowledging receipt of letter of October 13 and production record.
November 2, 1972	Letter to County Clerk and Recorder, Rio Grande County, Colorado, from Chief, OME, requesting copies of Summitville Joint Venture Agreement and Joint Operating Agreement. Copies were received on or about Nov. 30, 1972.
December 5, 1972	Certified letter with return receipt requested to I. F. Moore, Reno, Nevada, from Chief, OME, requesting payment of $11,242.47 plus simple interest at 6½ percent or that satisfactory arrangement for payment be made within 30 days of receipt of letter. Copies to W. S. Moore Co., Duluth, R. A. Hildebrand, W. A. Trebilcock.
January 4, 1973	Post Office in response to OME request for tracer on letter of December 5 reports no record of receipt of letter by the Reno post office
January 11, 1973	Copy of letter of December 5 to I. F. Moore and Associates from Chief, OME, mailed with return receipts requested.
January 17, 1973	I. F. Moore signed receipt for delivery of December 5 letter as did Warren S. Moore (1/15/73) and Trebilcock (date not shown). Hildebrand had received his copy of the letter soon after December 5.
February 14, 1973	Memorandum from Field Officer, OME Region III, to Chief, OME, reports that Hildebrand has not been contacted by Irving Moore since the Summitville operations were closed.

February 17, 1973. As of this date, no payment, arrangement for payment, or any correspondence received by OME from I. F. Moore in response to request of December 5, 1972, and January 11, 1973.

February 22, 1973. Memorandum to Otto Aho, Field Solicitor, Reno, Nevada, from C. Brewster Chapman, Associate Solicitor, DOI, enclosing pertinent documents on the case and urging personal interview with Irving F. Moore to determine if W. S. Moore Company intends to pay the $11,242.47 plus interest due on royalty, and to determine if Mr. Moore wishes to make any offer of compromise.

March 5, 1973. Memorandum to C. Brewster Chapman from Otto Aho stating that Irving F. Moore had been contacted. Moore said Kirkemo's letter of Dec. 5, 1972, demanding payment had been referred to his attorneys. Moore stated that his attorneys, who are not in Reno, would make preliminary reply to Kirkemo's letter, and would confer with Aho on March 27 in Reno.

March 27, 1973. Memorandum to C. Brewster Chapman from Otto Aho reporting on conference on March 27 with Dexter A. Larsen, Duluth, Minnesota, attorney for Wheeler Properties, Inc., and Irving and Warren Moore as individuals. Larsen promised to send a full statement by end of next week on non-liability of his clients. Larsen indicated that Irving and Warren Moore have no further connection with W. S. Moore Company, and are not liable for debts incurred by the company. He also contended that no royalties are due because: 1. OME contract applied only to gold and silver; 2. No gold or silver produced on the property covered by the contract; 3. The only production was copper; 4. No Government funds expended in production of copper; 5. W. S. Moore Co. expended its own money to produce copper; 6. As the contract did not apply to copper, the Government is not entitled to any royalty on production of copper.

April 10, 1973. Memorandum to C. Brewster Chapman from Otto Aho enclosing letter of April 5 from Dexter A. Larsen regarding liability of firms and persons involved in the OME contract.

May 9, 1973. Memorandum to Chief, OME, from Field Officer, Region III, reviewing letter of April 5 to Otto Aho from Dexter A. Larsen. Notes that copper values were cut in the OME drilling and copper assays were paid for with OME funds. Concludes that the project discovered gold, silver and copper, in quantities sufficient to warrant certifying the contract.

May 22, 1973. Six page memorandum to Chief, OME, from Associate Solicitor--General Legal Services concerning contentions in letter of April 5 to Otto Aho from Dexter A. Larsen. Recommends that an additional demand for payment of royalty due be made on Summitville, Inc.

June 4. 1973. Letter to Dexter A. Larsen from Harold Kirkemo, stating that reply to his letter of April 5 to Otto Aho will be prepared after study.

June 28, 1973. Letter to Trust Department, Colorado National Bank, Denver, Colo. from Harold Kirkemo stating that DMEA-4643, Contract Idm-E1107 was closed, but requirement for payment of royalty under OME 6344, Contract 2189 was in effect until May 22, 1976.

July 2, 1973. Letter to Harold Kirkemo from Warren S. Moore stating that Kirkemo's letter of June 28 was forwarded to Wheeler Properties, Inc., in Reno, Nevada, and that Wheeler is responsible for the affairs of W. S. Moore Co.

July 17, 1973. Memorandum to Chief, OME, from Field Officer, Region III, reviewing production data obtained from R. A. Hildebrand, President, Polaris Resources.

Shipment records by Robert B. Slosser, Mine Supt. show:

July 1-Dec. 15, 1970.
513 tons containing 37,102 lbs. Cu from Annie and Tewsksbury veins. Based on 90% recovery would yield 33,392 lbs. Cu @ 56¢/lb. would gross $18,699.52.

Oct. 21, 1970.
Stockpile of 7,163 tons, 2.1% Cu, from Missionary vein through the Cleveland Cliffs shaft.

June 24, 1970.
Stockpile of 5,650 tons containing 1.5% Cu from Missionary vein. At 90% recovery would yield 162,720 lbs. Cu @ 0.56¢/lb. = $91,123.20.

October 25, 1973. Memorandum to Chief, OME, from Field Officer, Region III, relaying information obtained from Norman Blake, Deputy Commissioner of Mines (Colorado) on developments in the Summitville mine in 1969, 1970-72.

Maps sent with memo indicate possibility for 1,736 tons of material from the Missionary vein that may be subject to royalty. Estimates royalty due at $2,161.12 from mine workings on First and Second Levels from Missionary shaft.

December 6, 1973. Memorandum to Chief, OME, from Field Officer, Region III, amending tonnage and royalty estimates in memo of October 25, 1973. (Erroneously includes Eighth Wonder claim with claims subject to OME royalty.) Concludes with estimate of $4,943.40 due in royalties.

December 26, 1974.	Memorandum to Chief, OME, from Field Officer, Region III. Notes that Eighth Wonder claim was not included in the OME contract but mentions possibility of rights to royalty under extralateral rights. Describes intercepts by drill holes completed on the contract.
Jan. 7, 1975.	Letter to John H. Tippit from Harold Kirkemo regarding royalties due under the contract. Amount would be calculated from maps and recent data obtained from Hasler.
January 13, 1975.	Letter to John H. Tippit, from J. W. Hasler concerning lease of Summitville property to AS&R. Reminds Tippit of need to protect Government's interests. Requests two copies of lease.
February 25, 1975.	Memorandum to Chief, OME, from Field Officer, Region III, transmitting two copies of mining lease between Reynolds Mining Company and AS&R. Notes that W. S. Moore Company disclaims owing royalty.
March 2, 1975.	Letter to Harold Kirkemo from AS&R. instructing us to communicate hereafter with Stephen Von Fay, Supervisor, Rocky Mountain Division of Exploration Dept., 1805 South Bellaire St., Denver, Colo. 80222.
August 13, 1976.	Letter to John H. Tippit from Field Officer, Region III, thanking him for assisting in Hasler's inspection trip of the property on July 26-27.
August 13, 1976.	Letter to Dennis J. Krasowski, Geologist, AS&R thanking him for accompanying Hasler during inspection of property on July 26-27.
August 13, 1976.	Thank-you letter to Mr. Von Fay from Field Officer, Region III, for hospitality shown on inspection trip.
August 4, 1976.	Memorandum to Chief, OME, from Field Officer, Region III, reporting on inspection trip July 26-27, 1976. No production by ASARCO since 1974. Missionary shaft is caved, flooded and inaccessible. ASARCO will do no development work until appraisal of mine area is completed which may not be for a year or more.

Summary of settlement statements and OME royalties due for shipments by
W. S. Moore Company to ASARCO's Tacoma Smelter, June 10, 1971 through February 24, 1972.

Lot No. (Smelter)	Date	Net Wt. (lb.)	Gross Smelter Value	Charges	Net Smelter Value	6% Royalty Reynolds-Morse	2½% Royalty W.S.Moore	OME 5% Royalty Due	20% Trebilcock	27½% W.S.Moore (Polaris)	52½% W.S.Moore Co.
1120	6-10-71	112,140	$18,719.07	$3,690.30	$15,028.77	$901.73	$375.72	$751.44	$2,790.28	$3,836.64	$7,324.48
1145	6-18-71	118,881	17,678.80	3,867.61	13,811.19	828.67	345.28	690.56	2,570.52	3,534.47	6,747.61
1161	6-22-71	116,843	19,532.30	3,925.75	15,606.55	936.39	390.16	780.33	2,897.94	3,984.67	7,607.10
1416	9-30-71	135,781	19,979.45	4,205.34	15,774.11	946.45	394.35	788.71	1,471.00		13,202.39
1417	9-30-71	134,706	20,562.55	4,152.40	16,410.15	984.61	410.25	820.50	1,309.00		12,885.79
1418	9-30-71	134,047	18,953.61	4,096.42	14,857.19	891.43	371.43	742.86	1,221.00		12,615.58
1427	10-1-71	135,592	18,512.36	4,600.75	13,911.61	834.70	347.79	695.58			13,421.58
1478	10-11-71	139,842	16,706.47	4,625.09	12,081.38	724.88	302.03	604.07			11,303.92
1705	11-15-71	118,654	16,778.44	4,038.34	12,740.10	764.41	318.50	637.01			11,269.07
1706	11-15-71	116,698	16,158.50	3,991.31	12,167.19	730.03	304.18	608.36			11,132.98
1783	11-29-71	93,230	19,077.99	3,668.46	15,409.53	924.57	385.24	770.48			14,099.72
1956	12-22-71	102,540	20,125.66	3,800.15	16,325.51	979.53	408.14	816.28			14,937.84
29	1-6-72	92,401	19,513.68	3,652.90	15,860.78	951.65	396.52	793.04			14,512.61
136	1-21-72	89,077	18,471.26	3,613.01	14,858.25	891.49	371.46	742.91			13,595.30
425	2-24-72	113,943	24,422.25	4,415.42	20,006.83	1,200.41	500.17	1,000.34			18,306.25
Totals		1,754,375	285,192.39	60,343.25	224,849.14	13,490.95	5,621.22	11,242.47	12,259.74	11,355.78	182,962.22

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR

Room 4127
Federal Building - U. S. Courthouse
300 Booth Street
Reno, Nevada
89502

OFFICIAL COPY
O. M. E.
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MAR 30 1973
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March 27, 1973

Memorandum

To: C. Brewster Chapman, Jr.
Associate Solicitor, General Legal Services

From: Otto Aho
Field Solicitor, Reno

Subject: Indebtedness of W. S. Moore to Geological Survey, Mineral Exploration Contract 2189 (OME-6344)

I conferred today with Dexter A. Larsen, attorney for Wheeler Properties, Inc., and for Irving Moore and Warren Moore, as individuals. Mr. Larsen is located in Duluth, Minnesota. Mr. Larsen is returning today to Duluth and promised to send to me by the end of next week a full statement of his position regarding the non-liability of Irving Moore, Warren Moore, and Wheeler Properties, Inc. Mr. Larsen stated that Irving Moore is no longer the President of W. S. Moore Company, having resigned that position some time ago. Mr. Larsen indicated that Irving Moore and Warren Moore have no further connection with the W. S. Moore Company and are not liable for any indebtedness that may have been incurred by that company. In addition to stating his position on the liabilities of the various companies involved in this matter, Mr. Larsen indicated that he will contend that no royalties are due the Government under the subject contract because: 1. The contract applied only to gold and silver. 2. No gold and silver were produced on the property covered by the contract. 3. The only mineral produced on the property was copper. 4. No Government money was expended in the production of the copper. 5. W. S. Moore Company expended its own money in the production of the copper. 6. As the contract did not apply to copper, the Government is not entitled to any royalty on the copper production.

I will send Mr. Larsen's statement to you as soon as I receive it.

cc: Harold Kirkemo
Chief, Office of Minerals Exploration
Geological Survey
U. S. Department of the Interior
Washington, D. C. - 20240

MGS-GD

90

FEB 22 1973

Memorandum

To: Mr. Otto Aho
Field Solicitor
Reno, Nevada

From: Associate Solicitor--General Legal Services

Subject: Indebtedness of W. S. Moore Company to U. S. Geological Survey, Mineral Exploration Contract 2189 (OME-6344)

As Mr. Martin of this Office explained in his telephone conversation of February 21, 1973, we believe it is essential to try to determine from a personal interview with Mr. Irving F. Moore, Wheeler Properties, 575 Forest Street, Reno, Nevada, whether or not W. S. Moore Company intends to pay the $11,242.47 plus interest due the United States as a royalty on production from the Summitville Mine, and if not, upon what basis a refusal to pay that amount is based. Further, should Mr. Moore assert that W. S. Moore Company is willing to pay the debt but is financially unable to do so, we need to have notarized financial statements, signed by the principal officers of the company, in support of this assertion. If Mr. Moore indicates that the company is financially sound but is unable to repay the indebtedness in a lump sum, you may wish to discuss the possibilities of repayment through a downpayment and monthly installments and the execution of a confess judgment promissory note. Finally, we need to know if Mr. Moore wishes to make any offer of compromise.

Enclosed are copies of a chronological History of the case, the application for financial assistance, the executed OME contract, a pertinent amendment respecting royalty, and other correspondence which may be useful as background material. As you will note the contract was executed by Warren S. Moore as president of W. S. Moore Company, However, Irving F. Moore subsequently assumed the position of president.

Should you have any questions or need additional documents pertaining to the case, please contact Mr. Martin on extension 6757.

Thank you for your cooperation in this matter.

C. Brewster Chapman, Jr.
Associate Solicitor
General Legal Services

Enclosures

CLMartin:hm 2-21-73

c: Secretary's Files
Solicitor's docket
Mr. Kirkemo --OME

LAW OFFICES
FRYBERGER, BUCHANAN, SMITH, SANFORD & FREDERICK
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DULUTH, MINNESOTA
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AMASA E. WHEELER (1970)
H. B. FRYBERGER, JR.
BRUCE BUCHANAN
LOREN W. SANFORD
A. NICOL SMITH
HAROLD A. FREDERICK
DEXTER A. LARSEN
JAMES H. STEWART
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218

5 April 1973

Mr Otto Aho
Field Solicitor
U. S. Department of Interior
Room 4127 Federal Building --
U. S. Courthouse
300 Booth Street
Reno, Nevada 89502

In Re: OME -- 6344 (Gold -- Silver)
W. S. Moore Co. Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr Aho:

I am writing this letter pursuant to your letter of February 27, 1973 and our meeting of March 27, 1973. Please be advised of the following facts:

A) W. S. Moore Co. was a corporation organized under the laws of the State of Minnesota.

B) Irving F. Moore served as President of W. S. Moore Co. during 1971 and to and until March 8 of 1972, when he resigned.

C) During the latter part of November of 1971, DLJ Natural Resources, Inc., Trebilcock Mining, Inc. and Polaris Resources, Inc. took over the active management of the Summitville Mine and, in effect, replaced W. S. Moore Co. as manager. At all times subsequent to November of 1971, to and until March 8, 1972, the books of account and financial management of the Summitville Joint Venture were under the control of DLJ Natural Resources, Inc.

D) Wheeler Properties, Inc. is not a successor in interest to W. S. Moore Co. and is a separate and distinct corporation from W. S. Moore Co.

E) On March 8, 1972, W. S. Moore Co. was reorganized and, as a part of such reorganization, W. S. Moore Co. was merged into Summitville, Inc., a wholly owned subsidiary of Polaris Resources, Inc. Immediately following

such reorganization, Trebilcock Mining, Inc., Summitville, Inc. and Polaris Resources, Inc. were the sole participants in the Joint Venture formed for the purpose of operating the Summitville Mine and Summitville, Inc. was the manager of such Joint Venture. Pursuant to such reorganization, W. S. Moore Co. was released from any claims arising out of its ownership and operation or management of the Summitville Mine, reserving, however, any indebtedness for claims or liens with respect to trade claims or accounts payable of the Joint Venture which had not been disclosed to Polaris or Trebilcock on or prior to March 8, 1972 other than trade claims incurred prior to February 14, 1972 in the ordinary course of business of the Venture aggregating not more than $2,000.00, and other trade claims arising from the ordinary business subsequent to February 14, 1972, regardless of amount and any liabilities or claims for indebtedness incurred with the specific knowledge or approval of Trebilcock Mining, Inc., Polaris Resources, Inc. and/or DLJ Natural Resources, Inc. Pursuant to such reorganization, Wheeler Properties, Inc. agreed to indemnify Summitville, Inc. as to liabilities of W. S. Moore Co. which were not released under the general release described above.

The amount alleged due to the United States Department of Interior under OME --6344 (gold -- silver) was specifically known to DLJ Natural Resources, Inc. and was classified by DLJ Natural Resources, Inc. as a contingent liability and such contingent liability was specifically not shown as a current liability of the Summitville Joint Venture in its financial statement at the request and specific instance of DLJ Natural Resources, Inc.

Based on the foregoing facts, it is the position of Wheeler Properties, Inc. that the liability, if any, under OME -- 6344 (gold -- silver) is a liability of Summitville, Inc., the successor of W. S. Moore Co. by merger and that Wheeler Properties, Inc. is not liable to Summitville, Inc. under the Indemnity Agreement by and between Summitville, Inc. and Wheeler Properties, Inc., due to the fact that Trebilcock Mining, Inc., Polaris Natural Resources, Inc. and/or DLJ Natural Resources, Inc. specifically had knowledge of the OME Agreement.

It is further the position of Wheeler Properties, Inc. that there is no liability to the United States Department of Interior under OME -- 6344 (gold -- silver), due to the fact that the contract applies only to gold and silver and does not apply to other minerals. In this regard, the following facts should be noted:

A) The commodity specified in the contract is "gold -- silver".

B) Article I(a) states that the work allowed by the contract is " . . . a search for new or unexplored deposits of the commodity designated above.", i.e., gold -- silver.

C) At the time the contract was written, copper was not eligible for OME assistance.

D) On May 10, 1965, representatives of W. S. Moore Co. met with a Mr Connors of the Department of Interior and requested that they be allowed to perform deep drilling for copper, however, the Department of Interior would not

allow such deep drilling for copper as only gold and silver were eligible for OME assistance under the agreement. George Selfridg of the Department of Interior would only allow drilling to be performed in zones which were predominantely gold and silver.

E) Subsequent to May 10, 1965, W. S. Moore Co., at its own expense, did substantial drilling for copper.

Based on the foregoing facts, it appears that OME money was available only for shallow work in the oxide ore zone and that requests for deeper drilling were turned down because of the presence of copper. The feasibility of the mining operation at Summitville depended upon deep sulfide copper ores and the exploration of such ore zones was financed entirely by private resources and no OME or other public funding was involved in the exploration of such sources. It appears that it would be inequitable for the Department of Interior to secure payment under OME -- 6344 (gold -- silver), in view of the fact that none of the OME money was used in the development of the deep sulfide copper ores which were mined at Summitville.

Should you have any further questions, please call me.

Sincerely yours,

Dexter A Larsen

cc: Irving F Moore

GG-1,2,3&4/df

United States Department of the Interior

OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

IN REPLY REFER TO:

MAY 22 1973

Memorandum

To: Chief, Office of Minerals Exploration

From: Associate Solicitor--General Legal Services

Subject: W. S. Moore Co.
OME-6344 (Gold-Silver)
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Your memorandum of April 26, 1973 requests our advice as to the legal aspects of the contentions made in a letter dated April 5, 1973 from Mr. Dexter A. Larsen, an attorney representing Wheeler Properties, Inc., and Ervin F. Moore and Warren Moore, as individuals, regarding responsibility for payment of royalty to the Government on mineral production of gold, silver and copper in 1971 and 1972 from the Summitville Mine. The letter is in response to a demand by OME for payment of such royalty made on December 5, 1972 and discussions held with the Field Solicitor, Reno, Nevada in February and March 1973. In his letter Mr. Larsen contends that there is no liability to pay royalties to the Government under OME-6344 because the contract applies only to gold and silver and not other minerals, and that if there is any such liability it lies with parties other than Wheeler Properties, Inc.

Before discussing the merits of the contentions made by Mr. Larsen it is necessary to give some background information regarding the history of the Summitville Mine prior to the Execution of Contract 2189.

The Summitville District was a gold mining area from 1870 until approximately 1949 during which period total smelter returns were valued at nearly 7-1/2 million dollars of which 94% was gold. In the course of mining operations conducted at the Summitville Mine the presence of favorable copper ores at the lower mine depths became known. In 1957, after General Minerals Corporation acquired a 25-year lease of the patented and unpatented claims which comprise the Summitville Mine, the Defense Minerals Exploration Administration entered into an exploration contract with the company to explore for ores of copper and lead in three general areas -- the Annie Copper, Hidden and Tewkesbury-McDonald vein areas. The exploration work carried out pursuant to the contract by General Minerals Corporation and by John B. Rigg, who

acquired the mine property and became the assignee of the DMEA contract, resulted in the discovery of copper, gold and silver-ores. On January 15, 1962 the Director of the Office of Minerals Exploration issued a certification of possible production on the project.1/

Subsequently, W. S. Moore Company obtained an assignment from John B. Rigg of his interests in the property known as the Summitville Mine and on February 27, 1964 filed an application with OME to obtain financial assistance to explore for gold and silver. On May 22, 1964 exploration contract 2189 (OME-6344) was executed. The work was satisfactorily completed and the results were found to justify issuance of certification of possible production which was made on February 6, 1968.

Following completion of work under the OME contract, and commencing on June 10, 1971, 15 railroad car shipments of concentrates of gold, silver and copper were made from the Summitville Mine to ASARCO's Tacoma, Washington smelter. The final shipment was made on or about February 24, 1972. The net smelter value of those shipments totals $224,848.10 and based upon the royalty provisions of the OME contract the estimated royalty due the Government totals $11,242.47. Accordingly, on December 5, 1972 OME made demand for payment of this amount on Mr. Irving F. Moore.

The attorney for Mr. Moore and Wheeler Properties, Inc. bases his argument that no royalty is due the Government from the 1971 and 1972 shipments on the grounds that the contract itself applies only to gold and silver and does not apply to other minerals, particularly copper. In support of this contention he states that the commodity specified in the contract is "gold-silver", and that Article I(a) states that the work allowed by the contract is "a search for new or unexplored deposits of the commodity designated above."

Mr. Larsen further states that W. S. Moore Co. requested permission to perform deep drilling for copper in May, 1965 but was denied such permission by OME on the grounds that only gold and silver were eligible for OME assistance under the contract and only drilling in zones which were predominately gold and silver was permitted. Finally, he states that subsequent to May, 1965 W. S. Moore Co. did substantial drilling for copper at its own expense. Although all of these statements are factually correct they are not controlling or determinative of the Government's right

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1/ The records indicate that during the exploration work carried out by Mr. Rigg approximately 475 tons of ore were produced of which 134 tons were shipped to a smelter for processing. About 40 tons which assayed at 4% copper, 1.0 ounces of gold and .10 ounces of silver were stockpiled and an estimated 300 tons which assayed at 1.3% copper, .02% lead, .03 ounces gold and 1.6 ounces of silver were also stockpiled. The royalty payment period under this contract expired on July 15, 1970.

to a royalty on production. That right is determined by the provisions of law, the Department's regulations and other provisions of the OME contract.

Section 1 of the Act of August 21, 1958, as amended (72 Stat. 700; 30 U.S.C. §§ 641-646) provides that in order to provide for discovery of additional domestic mineral reserves the Secretary of the Interior is directed to establish and maintain a program for the exploration by private industry within the United States, its Territories and possessions "for such minerals, excluding organic fuels, as he shall from time to time designate" and to provide Federal financial assistance on a participating basis for that purpose. Thus, the Act requires the Secretary to determine what minerals, other than organic fuels, shall be eligible for participation under the OME program. The Secretary's determination is then made public through publication in the Federal Register and is codified in the Code of Federal Regulations.

The Office of Minerals Exploration may not legally enter into an OME contract if the primary purpose of the project is to explore for deposits of a mineral not designated by the Secretary as an eligible mineral. Consequently, an applicant is required to state in his application what is the principal or "target" mineral to be sought. In addition, he must submit detailed information on past and current mining or exploration operations, past or current production, known ore reserves, geologic features and type of deposit, assay certificates if available, and copies of geologic or engineering reports, assay maps or technological information. If the mineral specified is not on the list, the application cannot be considered and the applicant is so informed.

Assuming the target mineral is eligible for OME participation, the information supplied in the application is evaluated according to the criteria set forth in the Department's regulations e.g., geologic probability of a significant discovery, estimated cost of exploration in relation to size and grade of potential deposit, accessibility of deposit,background and experience of applicant and his title or right of possession of the property involved -- and a determination is made whether or not a OME contract shall be executed. The contract itself consists of a printed form (either MME Form 50 or MME Form 51), a typewritten Annex I (land description), and Exhibit A (work and costs). On the printed form at the top blank space is provided for an OME docket number, contract number, the county and state and the commodity. The last is no more than a specification of the target mineral or minerals sought.

The pertinent statutory provision which establishes the Government's right to royalty payment is subparagraph (c) Section 2 of the Act (30 U.S.C. § 642(c)) which provides in pertinent part:

"(c) When in the opinion of the Secretary an analysis and evaluation of the results of the exploration project disclose that mineral production from the area covered by the contract may be possible he shall so certify within the time specified in the contract. Upon certification, payment of royalties shall be a charge against production for the full period specified in the contract or until the obligation has been discharged, but in no event shall such royalty payments continue for a period of more than twenty-five years from the date of the contract."

This provision has always been interpreted by the Department to mean that in order for certification of possible production to be issued a discovery of an ore deposit of sufficient magnitude and value must have been made as a result of the exploration work conducted under the OME contract to justify the conclusion that production is possible. It has never been interpreted to limit certification and the Government's corresponding right to a royalty on production to only those instances in which the mineral deposit discovered is precisely the mineral designated as the target mineral by the Operator. Such an interpretation would ignore the scientific fact that minerals seldom are deposited in a pure form and are most often found in association with other minerals. Moreover, it would require the conclusion that the Congress intended in the Act to impose a requirement that the Secretary correctly guess what mineral might be produced from the project and that the right to royalty is to be denied the Government if it were mistaken and the mineral actually produced was the one not stated in the contract as the target mineral.

Moreover, Article 7(b) of the subject contract provides that the Operator, whether or not he is the producer shall pay a royalty "on all minerals and metals mined or produced from the land." Section 229.11(c) of the Department's regulation (30 CFR 229.11 (c)) likewise states that the Operator shall pay the Government a royalty on all minerals or metals produced from the land described in the contract and any other royalty as may be provided therein.

Thus, in our opinion the statutory provisions, the Departmental regulation and the provisions of the OME contract all support the conclusion that Mr. Larsen's contention that no royalty is due the Government from production of copper because the OME contract applies "only to gold and silver and does not apply to other minerals" is legally unsound.

We do believe, however, that under the provisions of the Act there is one limiting factor on the Government's right to issue a certification of possible production. It is found in Section 3 (30 U.S.C. § 643) which defines the term "exploration" as "the search for new or unexplored deposits of minerals." This definition clearly precludes OME assistance to any project work involving deposits which have been previously discovered

where such work would be conducted primarily for mining or preparation for mining. Inasmuch as OME may not participate in project work of this type it follows logically that the Government is likewise precluded from asserting a right to royalty on production from project work which does not meet the terms of the statutory definition of the term "exploration." Similarly,as previously mentioned, Section 2(c) (30 U.S.C. § 642(c)) provides that certification shall be issued if in the opinion of the Secretary based upon an analysis and evaluation "of the results of the exploration project" mineral production from the area covered by the OME contract is possible. This language clearly limits the Government's right to certify possible production to those instances in which the discovery of minerals or metals directly results from project work undertaken pursuant to the OME contract and authorized by the contract and precludes certification where the discovery occurred prior to the execution of the OME contract or occurred through project work undertaken by an Operator at his own expense which bears no relationship to the OME project work. Thus, in the instant case with regard to shipments of copper ores in 1971 and 1972 we conclude that the Government is entitled to royalty only on that portion of such shipments which represents production from deposits of copper, if any, which were located by the exploration work undertaken pursuant to the OME contract. Accordingly, we recommend that OME determine by the best available method if any such discovery was made. In this regard we note from OME records a number of references to Hole T-4 drilled in connection with the Tewksbury Pike Subproject and Hole G-D-3 drilled in on the Dexter vein which appear to us to indicate that new discoveries of copper ore were made by those holes. If in your opinion the geological evidence clearly shows that these or any other holes drilled under the contract resulted in the location of new discoveries of copper deposit not in any manner related to the work done under the DMEA contract a demand for the payment of royalty on production from such deposits of copper subsequent to July 15, 1970, should be made forthwith. In the event payment of such royalty is denied, upon receipt of knowledge of such denial from you, we shall prepare the necessary documentation and refer the matter to the Department of Justice.

On the subject of responsibility for the payment of royalty due the United States, and it should be emphasized that there should be no dispute that the Government is entitled to its royalty on any gold and silver ore shipped in 1971 and 1972, Mr. Larsen states that on March 8, 1972, W. S. Moore Co. was reorganized and merged into Summitville, Inc., a wholly owned subsidiary of Polaris Resources, Inc., and that following such reorganization Trebilcock Mining, Inc., Summitville Inc. and Polaris Resources Inc. were the sole participants in the joint venture formed for the purpose of operating the Summitville Mine. In addition, Mr. Moore

states that pursuant to such reorganization, W. S. Moore Company was released from any claims arising out of its ownership, operation and management of the Summitville Mine, except for any indebtedness for claims or liens with respect to trade claims or accounts payable of the joint venture which had not been disclosed to Polaris, Inc. or Trebilcock on or prior to March 8, 1972 other than trade claims incurred prior to February 14, 1972 in the ordinary course of business of the joint venture aggregating not more than $2,000, and other trade claims arising from the ordinary business subsequent to February 14, 1972, regardless of the amount and any liabilities or claims for indebtedness incurred with the specific knowledge or approval of Trebilcock Mining, Inc., Polaris Resources, Inc., and/or DLJ Natural Resources, Inc. Pursuant to the reorganization, Mr. Moore states that Wheeler Properties, Inc. agreed to indemnify Summitville, Inc. as to the liabilities of W. S. Moore Company which were not released under this general release.

With respect to the amount of royalty due the United States under OME-6344, Mr. Larsen states that this amount was specifically known to DLJ Natural Resources, Inc. and was classified by DLJ Natural Resources, Inc., as a contingent liability and such contingent liability was specifically not shown as a current liability of the Summitville Joint Venture in its financial statement at the request and specific instance of the DLJ Natural Resources, Inc. Mr. Larsen concludes:

> "Based upon the foregoing facts, it is the position of Wheeler Properties, Inc. that the liability, if any under OME-6344 (gold-silver) is a liability of Summitville, Inc., the successor of W. S. Moore Co. by merger and that Wheeler Properties, Inc. is not liable to Summitville, Inc. under the Indemnity Agreement by and between Summitville, Inc. and Wheeler Properties, Inc., due to the fact that Trebilcock Mining Inc., Polaris Natural Resources, Inc., (sic) and/or DLJ Natural Resources, Inc. specifically had knowledge of the OME agreement."

It would appear from the above that the obligation of W. S. Moore Company to pay the royalty due the United States under OME-6344 was assumed by Summitville, Inc. when the company was merged with Summitville, Inc. pursuant to the agreement of March 8, 1972. We believe that, regardless of which corporate entity is responsible for payment, the royalty is a debt due the United States and must be paid. Accordingly, we recommend that an additional demand for payment be made on Summitville, Inc. As to which of these companies actually is liable, as between themselves, we can leave to them to work out.

C. Brewster Chapman Jr.

C. Brewster Chapman, Jr.
Associate Solicitor
General Legal Services

HR 8/5/76

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

August 4, 1976

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME 6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

An annual inspection of the subject property concerning continuing obligations for DMEA and OME royalties was made on July 26 and 27, 1976. The field officer was accompanied by Mr. Dennis J. Krasowski, Geologist, Rocky Mountain Exploration Division, ASARCO, presently leasing the Summitville Mine from the owner, Reynolds Mining Company. A copy of the lease instrument is in your file, having been transmitted to you on February 25, 1975; also, refer to your letter of March 21, 1975 to ASARCO.

Royalties are due the government from mineral and metal production on all land described in the subject contract from May 22, 1964 to May 22, 1976. Royalty has been paid on some of the production from the property and some royalty is due from other production mined from the property by W. S. Moore Company.

It was ascertained, during the annual inspection on July 26 and 27, that there has been no production from the Summitville Mine by the present lessee, ASARCO, since 1974. The shaft sunk on the Missionary claim by Cleveland Cliffs Iron Company-Union Pacific and W. S. Moore combine is presently caved, flooded, and is not accessible. ASARCO has decided not to utilize any of the present mine workings until a more thorough appraisal of the mine area is completed. This may not be for a year or more.

J. William Hasler

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

Building 53 Mail Stop 953

August 13, 1976

Mr. Stephen Von Fay
General Manager of Exploration
ASARCO
1805 South Bellaire Street
Suite 301
Denver, Colorado 80222

Dear Mr. Von Fay:

Thank you for your fine hospitality during my recent visit to the Summitville Mine area pertaining to exploration work having been completed under an OME contract.

Dennis Krasowski was most hospitable in showing me around the area. He impresses me as being a fine, sharp and enthusiastic young geologist.

The Summitville area is certainly one of the more interesting areas in Colorado. I hope ASARCO's exploration program proves fruitful in the area.

Sincerely yours,

J. William Hasler

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

cc: Chief OME
OME Chron
Hasler Chron

HK 8/24/76

Building 53 Mail Stop 953

August 13, 1976

Mr. Dennis J. Krasowski, Geologist
Rocky Mountain Exploration Division
ASARCO
1805 Bellaire Street, Suite 301
Denver, Colorado 80222

Dear Dennis:

Thank you for taking time out of your busy schedule for showing me around the Summitville Mine area on my required inspection tour of the property as it pertained to exploration work completed under Office of Minerals Exploration docket 6344, Contract 2189.

It is always interesting to learn of new exploration work being done in a famous old mining district. Of special interest was the report of the fabulous specimen containing free gold, aside from your ambitious appraisal of the Summitville area as a whole. We all hope for success in these extensive exploration efforts.

I, too, hope we can get together again soon. If you're near the Federal Center one of these times, please stop off to say hello.

Sincerely yours,

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

cc: Chief OME
OME Chron
Hasler Chron

HK 8/24/76

Building 53 Mail Stop 953

August 13, 1976

Mr. John H. Tippit
Attorney at Law
1616 Glenarm Place
Denver, Colorado 80202

Re: 6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Tippit:

I made an inspection trip to the Summitville Mine July 26-27, with reference to outstanding royalty obligations as a result of exploration work performed under the subject contract.

It was ascertained that there has been no production from the Summitville Mine workings nor the Missionary shaft since the lease with ASARCO has been in effect.

I appreciate your assistance in referring me to Mr. Stephen Von Fay, General Manager of Exploration, ASARCO, to arrange a visit to the mine.

As you know, ASARCO has chosen not to mine from any of the present workings as well as not to attempt to unwater and rehabilitate the Missionary shaft sunk by the W. S. Moore-Cleveland Cliffs-Union Pacific combine. ASARCO's exploration work is most interesting and I hope will prove fruitful for you.

Sincerely yours,

J. William Hasler

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

cc: OME 6344
Chief OME
OME Chron
Hasler Chron

✓
HK

AMERICAN SMELTING AND REFINING COMPANY
NORTHWESTERN MINING DEPARTMENT
P. O. BOX 440
WALLACE, IDAHO 83873

March 27, 1975

F. D. OWSLEY
MANAGER

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
U. S. Dept. of the Interior
Geological Survey
Reston, Virginia 22092

Re: OME-6344 (Gold-Silver)
W.S.Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Sir:

We received your letter and attachments dated March 21, 1975, addressed to our New York office with a copy to this office and Mr. John H. Tippit.

This information has been forwarded to Mr. Stephen Von Fay, Supervisor, Rocky Mountain Division of the Exploration Department, 1805 South Bellaire Street, Denver, Colorado 80222. Inasmuch as this office has nothing to do with the agreement, please forward all future correspondence to Mr. Von Fay.

Yours very truly,

F D Owsley

FDO:vw
cc: S.Von Fay

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

March 21, 1975

American Smelting and Refining Company
Attention: Mining Department
120 Broadway
New York, New York 10005

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Gentlemen:

We have read with interest your Mining Lease dated September 11, 1974, with Reynolds Mining Company of Denver, Colorado, lessor and owner of the Summitville Mine, Rio Grande County, Colorado. Mr. John Tippett, Partner, Reynolds Mining Company, kindly provided two copies at the request of Mr. J. W. Hasler, Field Officer, OME Region III, Denver, Colorado.

This letter is to advise you about the Government's right to a royalty on mineral or metal production from land described in OME Contract 2189, and its lien upon the land to secure payment of royalty.

On page 2 of the Mining Lease the following statement under Article 1.1(c)(1) refers to an outstanding obligation to the Government for unpaid royalty on previous production:

> "(1) The United States Department of the Interior may claim that W. S. Moore, Co., a former lessee, has not fully repaid an O.M.E. loan with respect to a portion of the Mining Properties. W. S. Moore Co. denies that it is so indepbted."

This debt, amount as yet undetermined, resulted from unpaid royalty on proceeds paid to the W. S. Moore Company and others for bulk concentrates from the Summitville mine, received at the Tacoma smelter in the period between June 10, 1971, and February 24, 1972.

In addition, the Mining Lease should refer also to the Government's right to royalty on production and lien for the payment thereof which is described in Article 2(c) of the OME contract, and in the Certification of Possible Production issued to the Operator on February 6, 1968. Copies of the latter and pertinent portions of the OME contract are enclosed for your information, and should be referenced as an addendum to Article 1.1(c)(1) in the Mining Lease.

All production from the lands described in Annex I of the OME contract is subject to royalty at the rate of 5 percent of the gross proceeds as described in Article 7(c). As of February 28, 1975, the balance for OME Contract 2189 was as follows:

Principal	$13,789.53	(Amount of Government expenditure on contract)
Interest @ 6½%	7,006.82	

Any royalties received for past production would be applied to these amounts.

This material and information is furnished for the purpose of informing you of the Government's interest in the property. It should not be construed as a demand on you for royalty on past production, but rather as an advisory of the Government's right to royalty on current or future production until May 22, 1976.

We hope that the exploration program at the Summitville mine is successful, and that production can be resumed soon.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

Copies to: John H. Tippit
Attorney at Law
1704 Security Life Building
1616 Gl-narm Place
Denver, Colorado 80202

American Smelting and Refining Company
Northwestern Mining Department
P.O. Box 440
Wallace, Idaho 83873

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
Region III

IN REPLY REFER TO:

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225
Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

OFFICIAL COPY
O. M. E.
RECEIVED
2 28 1975
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February 25, 1975

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Enclosed are two copies of a mining lease between Reynolds Mining Company, and American Smelting and Refining Company pertaining to the subject property, that I requested from Mr. John H. Tippitt, partner in Reynolds Mining Company.

I have reviewed the lease agreement and find the first paragraph (1) on page 2 of the lease states as follows: "The United States Department of the Interior may claim that W. S. Moore, a former lessee, has not fully repaid an OME loan with respect to a portion of the Mining Properties. W. S. Moore Co. denies that it is so indebted."

I recommend that the lessor be instructed to inform the lessee of the special provision in the Contract cited in Article 2(e) concerning the Operator's preservation and maintenance of his right, title, or interest in the land and his right to the possession thereof for the purpose of the contract, as well as to inform him of the obligations stipulated in the "Certification of Discovery", including the amount now owed, including interest, as well as the total royalty payments made to date.

J. William Hasler

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

cc: Enclosures (2)

MINING LEASE

THIS MINING LEASE, entered into as of this 11th day of September, 1974, regardless of the actual times of signing and acknowledgement, between REYNOLDS MINING COMPANY, a limited partnership, of 1704 Security Life Building, Denver, Colorado 80202 (Lessor), and AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation (Asarco),

W I T N E S S E T H :

1.1 The Lessor owns the patented and unpatented mining claims described in Schedule 1, attached hereto and made a part hereof. Such mining properties shall be referred to hereinafter as the "Mining Properties." Lessor makes the following representations concerning the Mining Properties:

(a) It is in possession of and believes that it holds a marketable title as to the patented claims and a possessory title as to the unpatented claims which are subject hereto, free and clear of all liens, encumbrances or unrecorded agreements of any kind. It does not warrant its title, however, except as to any claims resulting from those claiming an interest in the Mining Properties, by, through or under the Lessor.

(b) The unpatented mining claims are in good standing to the best of the Lessor's knowledge and belief and the assessment work required by law has been duly performed for the assessment years ending September 1, 1972, and during the prior years that the Lessor has been in possession thereof.

(c) The Lessor is not aware of any litigation, claims or demands made by others with respect to the title

of the Mining Properties; except that

(1) The United States Department of the Interior may claim that W. S. Moore Co., a former lessee, has not fully repaid an O.M.E. loan with respect to a portion of the Mining Properties. W. S. Moore Co. denies that it is so indebted.

(2) The amount of production taxes due on the Mining Properties are the subject of litigation by former lessees. Funds are available for the payment of such taxes when the amount is determined.

(d) The Lessor has the right and authority to execute this Mining Lease and lease the Mining Properties to Asarco.

(e) To the best of the Lessor's belief, no other person, association or corporation has any interest or claim to the Mining Properties, and all prior leases covering them have been terminated or released, with the single exception of a Mining Lease dated August 1, 1973, from Lessor to Joseph B. Matthews which is the subject of an agreement dated ~~August 1~~ July 26, 1974, between Joseph B. Matthews and Asarco.

2.1 Grant of Lease. The Lessor, in consideration of the royalties herein reserved and the covenants to be performed by Asarco, hereby leases, lets and demises to Asarco the Mining Properties together with all fixtures, improvements and facilities on or about such properties and together with all easements, licenses, other privileges and water rights owned by Lessor in connection with the mining, exploration and development of any of said properties, and access to or egress from any of said properties, and together with the right to construct and operate upon the Mining Properties all workings, structures and appliances

that may be necessary or convenient for Asarco's operations under this Mining Lease.

2.2 Term. The term of this Mining Lease shall be twenty (20) years from the date hereof, unless sooner terminated in the manner hereinafter provided. Upon giving notice to Lessor not later than ninety (90) days prior to the end of the initial twenty-year term, Asarco shall have the right to extend this Mining Lease for an additional term of twenty (20) years and so long thereafter as ores, minerals or metals are produced or sold from the Mining Properties on a continuing basis or Asarco continues the payment of production royalties or advances on royalty as provided in Article 3 hereof.

2.3 Possession and Control of Property. Subject only to the rights specifically retained herein by Lessor, Asarco shall have, and it is hereby given and granted, the right to enter onto and take over immediately the sole and exclusive possession and control of said Mining Properties and the whole and every part thereof, and, during the term of this lease, to remain in the sole and exclusive possession and control thereof, and to investigate, measure, sample, examine, test, develop, work, mine, operate, use, manage, and control the same and the water and water rights appurtenant thereto, and to mine, extract and remove from said property the ores and minerals therein and appurtenant and belonging thereto, and to treat, mill, ship, sell or otherwise dispose of the same and receive the full proceeds therefrom; and to erect, construct, maintain, use and operate thereon and therein buildings, structures, machinery and equipment. The time, nature, location and extent of such or any or all the above activities and mining or milling operations and the cessation and resumption thereof shall be

at the sole discretion of Asarco, and may include, without limitation, open pit, underground, strip, or solution mining methods, together with the right to use so much of the surface as may be necessary, useful or convenient for the enjoyment of all rights herein granted. Asarco may also, if it so elects, use all or part of the leased premises or commit waste thereon in the enjoyment of such rights and may deposit or dump any materials thereon, whether produced therefrom or from other property. The rights, privileges and activities of Asarco hereunder are subject specifically to the provisions of Paragraphs 10 and 11 hereof.

3. Payment of Royalties. Asarco shall pay to Lessor royalties as hereinafter set forth on all ores extracted and sold from the Mining Properties, and in case Lessor owns a less interest in the Mining Properties or any part thereof than the whole, then the royalties herein provided for shall be paid to Lessor only in the proportion which Lessor's actual interest or interests bear to the whole.

(a) Production Royalties:

The production royalty payable by Asarco to Lessor shall be a percentage of net smelter or mint returns received from the sale of all concentrates, minerals, metals and other materials (hereinafter referred to as "production") produced from the Mining Properties. The original percentage royalty to be paid shall be determined by the designed capacity of the mill to be operated on the Mining Properties or in connection therewith expressed in tons of ore per day as follows:

Mill Capacity	Royalty
500 tpd	6 1/2%
2,000 tpd	5 %
5,000 tpd	4 %
10,000 tpd	3 1/2%
15,000 tpd or more	3 %

Royalty in the percentages stated above shall be paid on all production from the Mining Properties from the time of first production through said mill until the first day of March following. Commencing on such first day of March, the percentage royalty to be paid shall be determined by applying the average tons per day of actual production from the Mining Properties, from the date of first production to the following March 1, to the percentage scale of royalties stated above. Thereafter, on the first day of September, and the first day of March, the average daily production from the Mining Properties shall be computed for the preceding six months period and royalty for the following six months period shall be determined and paid on the basis of the percentage royalty scale stated above as the same applies to average daily production during the preceding six months period. Should the designed capacity of the mill to be operated on the Mining Properties or in connection therewith, or the amount of average daily production, be a figure other than one of those listed above, the percentage royalty shall be adjusted in proportion to those shown above, rounded to the nearest quarter percent, provided that mill capacity shall never be less than 500 tons per day.

(b) Advances on Royalties:

(1) Asarco shall pay Lessor advances on royalties, or actual production royalties, whichever is the greater, as follows:

[1] Upon execution of this Mining Lease - $7,500.00.

[2] March 1, 1975 - $10,000.00.

[3] March 1, 1976 - $12,500.00.

[4] March 1, 1977 - $25,000.00.

[5] March 1, 1978, and the first day of March of each year thereafter, except as provided in Subparagraph (2) below - $75,000.00.

(2) If Asarco has not commenced actual production on the Mining Properties on or before March 1, 1984, it shall pay on such date and on March 1, of each succeeding year thereafter until actual production is commenced at a rate of not less than 500 tons per day the sum of $150,000.00 per year as an advance on royalty for such year. Upon the commencement of actual production Asarco may terminate said payment of $150,000.00, subject to the requirement of paying not less than the minimum sums provided hereinabove in subparagraph 3.(b)(1). Such sum of $150,000.00 per year shall not be paid commencing March 1, 1984, if on such date Asarco is actively engaged in the construction of a mill of a design not less than 500 tons per day and actual production commences from such mill on or before March 1, 1985.

(3) All advances on royalties provided for hereinabove shall be deducted by Asarco from fifty percent of the first production royalties payable by Asarco to Lessor hereunder.

(c) Calculation of Net Smelter or Mint Returns:

"Net smelter returns" as used herein, is agreed to mean the amount of the payments received by Asarco from the smelter or other purchaser to which any ore, concentrates, or materials derived from the Mining Properties are delivered for treatment and sale, after deduction has been made for all smelter penalties and charges, freight, and cost of transportation and haulage from the Mining Properties to the smelter or other purchaser. The amounts of

such deductions shall not exceed those which are usual and customary in the mining business for like services. In the event of a dispute between Asarco and the Lessor relating to the application of this subparagraph, the matter shall be settled by arbitration as provided in Article 16 hereof.

"Net mint returns" as used herein, is agreed to mean the amount of payments received by Asarco from the United States Mint or other authorized bullion purchaser, after deduction has been made for all postage, express, insurance and other handling charges incurred in connection with the shipment of such bullion from the said Mining Properties to said purchaser.

(d) Commingling of Ore.

Asarco may commingle ore from the Mining Properties with ore from other properties, either before or after concentration or beneficiation, so long as the weight and grade, both of the ore removed from the Mining Properties and of all other ore with which ore from the Mining Properties is commingled, are determined by Asarco prior to commingling. Asarco shall then use that weight and grade data to allocate net smelter or mint returns from the commingled ore between the Mining Properties and the other properties from which the other commingled ore was removed. All such weight, grade and allocation calculations by Asarco shall be done in a manner recognized by the mining industry as practical and sufficient at that time. If such commingling makes it impractical, in Asarco's judgment, for Asarco to determine which amounts of the above-described costs and expenses are directly attributable

to ore removed from the Mining Properties, Asarco may allocate all such expenses on a straight-line, per-ton basis among all ores that give rise to those expenses, in accordance with acceptable accounting standards. Any dispute between the parties with reference to the application of this paragraph shall be determined by arbitration as hereinafter provided in Article 16.

(e) Settlements.

Subject to Asarco's right to recoup advance royalties, production royalty settlements shall be made by Asarco on or before the 25th day of each and every calendar month during the term of this lease for all ores from the Mining Properties that were sold during the preceding calendar month. Each settlement shall be accompanied by a copy of the settlement sheet, smelter returns, or other document showing the proceeds received that month by Asarco for ore removed from the Mining Properties.

(f) Disputes Regarding Royalties.

Lessor shall be deemed to have waived any right it may have had to object to the royalty settlement made by Asarco for any calendar month, unless Lessor notifies Asarco in writing of such objection within twelve (12) months after the month in question. If Lessor and Asarco are unable to resolve the question by agreement within thirty (30) days after Asarco's receipt of Lessor's notice, the dispute shall be resolved by arbitration, in accordance with the provisions of Article 16.

4. Work Requirements.

Asarco shall expend the following sums during the following periods for any of the purposes specified in Article 2.3 hereof, in, upon or for the benefit of the Mining Properties:

(1) Effective date of Agreement to March 1, 1975 - $25,000.00, which shall include 2,000 feet of core or other drilling which shall be conducted at sites determined by Asarco in its sole discretion.

(2) March 1, 1975 to March 1, 1976 - $30,000.00, which shall include the drilling of one 3,000 foot core hole at a site to be determined by Asarco in its sole discretion.

(3) March 1, 1976 to March 1, 1977 - $50,000.00.

(4) March 1, 1977 to March 1, 1978 - $75,000.00.

(5) March 1, 1978 to March 1, 1979 - $100,000.00.

(6) March 1, 1979 to March 1, 1980, and each like period thereafter until the Mining Properties are placed in production - $50,000.00.

Work by Asarco in excess of that required in any period up to and including the period ending March 1, 1979, may be carried forward and applied to the work required in the following period. Thereafter work performed by Asarco in any period in excess of that required for the period may be carried forward and applied to the work required in the following three annual periods.

5. Tailings and Residue. Subject to the payment of royalties under Article 3 above, all tailings and other residues resulting from the milling or other beneficiating of the ores produced from the Mining Properties shall be the sole and exclusive property of Asarco; provided, however, that upon termination of this lease, any such material as is not removed from the Mining Properties within the period specified in Article 15 shall then become the property of lessor.

6. Cross-Mining Rights. Asarco is hereby granted the right, if it so desires, to mine or remove from the Mining Properties any merchantable ores, non-merchantable ores, waste, water and other materials existing therein or thereon or in any part thereof, through or by means of shafts, openings or pits which may be sunk or made upon adjoining or nearby

property owned or controlled by Asarco, and may stock-pile any merchantable ores, non-merchantable ores, waste, or other materials and/or concentrated products of ores or materials from the Mining Properties or any part thereof, upon stock-pile grounds situated upon any such adjoining or nearby property; and Asarco may, if it so desires, use the Mining Properties and any part thereof and any shafts, openings, pits and stock-pile grounds sunk or made thereon for the mining, removal and/or stock-piling of any merchantable ores, non-merchantable ores, waste, water and other materials and/or concentrated products of ores or materials from any such adjoining or nearby property, or for any purpose or purposes connected therewith, not, however, preventing or interfering with the mining or removal of ore from the Mining Properties.

7. Vertical Boundary Planes. In consideration of Asarco's execution of this mining lease, and the reciprocal benefits received by reason of the terms of this Article, by the Lessor and Asarco and by other claim owners in the above-described area from whom Asarco has obtained or shall hereafter obtain leases or agreements, the Lessor and Asarco hereby agree with each other and with all other claim owners in said area from whom Asarco now has or shall hereafter obtain leases or other agreements containing this or a similar Article, with respect only to ores and minerals lying below an elevation of 500 feet below the portal of the Reynolds Tunnel (located on the Mining Properties), that any and all ores and minerals within the surface boundaries extended downward vertically of any claim so held under lease or agreement by Asarco, or now or hereafter owned by Asarco, shall belong to such claim and none other, and Asarco shall be required to account only to the owner of such claim for ores mined and

removed by its therefrom. As to the other claims or property adjoining or adjacent to the demised premises, this lease is intended to and does hereby grant to Asarco, subject to the terms hereof, the full rights of possession and enjoyment in and to the Mining Properties and all ore and minerals therein and appurtenant thereto and all extra-lateral rights thereof as provided by law. The Lessor grants the rights and privileges contained in this Paragraph 7. subject specifically to the condition that the other claim owners in the area described above shall agree with Asarco and shall grant to the Lessor the same reciprocal benefits with respect to their properties and the same rights and privileges as are granted by the Lessor in accordance with this Paragraph 7.

8. Records and Inspection. Asarco's maps and records of all mining operations upon the Mining Properties pertinent to the computation of royalties, shall be available for Lessor's inspection upon request, but not more often than once each calendar quarter; provided, however, that Lessor may make more frequent inspections, but only if it pays to Asarco 130% of Asarco's actual cost incurred in supplying its personnel for each such inspection; and the Lessor may enter said property at all reasonable times for the purpose of inspecting the same, and Asarco shall facilitate such inspection in every reasonable way, but Lessor shall enter upon said Mining Properties at Lessor's own risk and so as not to hinder unreasonably the operations of Asarco; and the Lessor shall indemnify and hold harmless Asarco from any damage, claim or demand by reason of injury to or the presence of the Lessor or the Lessor's agents, representatives, licensees, or guests or any of them on the demised premises or approaches thereto. Upon cancellation

or termination of this Mining Lease for any reason whatsoever in accordance with the terms hereof one copy of all of Asarco's maps, geological data, engineering data, geological and engineering reports, and other factual and operating data shall be promptly delivered to the Lessor.

9. Taxes.

(a) Asarco shall pay before they are delinquent all general property taxes assessed against the Lessor's ownership in the Mining Properties during the term of this lease, beginning with and prorated from this date. Asarco shall also pay, before they are delinquent, all taxes levied or assessed against any and all personal property, machinery and equipment placed upon said Mining Properties by Asarco during the term of this lease. As to production, severance and all other taxes that are now or may be hereafter levied and computed on the basis of or the amount of value of ores produced from the Mining Properties, Lessor and Asarco shall each bear their prorata share, provided the prorata share of Lessor shall be determined by multiplying the gross amount of production royalties paid unto Lessor during the taxing period by the applicable tax rate, the balance of the tax being Asarco's prorata share. If Lessor fails to pay taxes chargeable solely to Lessor or its prorata share of taxes when due, Asarco may at its option pay Lessor's prorata share of taxes as herein defined and deduct said payment or payments from royalty due or to become due unto Lessor hereunder.

(b) If Asarco assigns this Mining Lease, either in its entirety or a part thereof in accordance with the terms and provisions hereof, then to assure the payment of such taxes, there shall be deducted from net smelter returns on all materials produced and sold from the Mining Properties, before any royalties are computed, two percent (2%) of the value thereof, for the purpose of a tax reserve fund for paying such

taxes. Said two percent deduction shall be paid to the Lessor by the smelter or other ore purchasing agency and the same shall be held by the Lessor as a trust fund in its hands for the payment, when due, of such taxes. Any surplus remaining in said tax fund accumulated in the year for which the taxes were levied, after the payment of taxes, shall be equitably and ratably apportioned and paid, on the basis of the prorata share of such taxes to be paid by the Lessor and such assignee, as the interest of the respective parties hereto may at said time appear. If upon the termination of this lease and the payment of all taxes there remain sums in said tax fund, the same shall be equitably and ratably apportioned and paid among the parties. At any time after two years from the time the Mining Properties subject hereto or any of them are placed in production, it is determined that 2% of the value of such production exceeds the probable amount of taxes to be paid from such fund or is insufficient to pay such taxes, then said 2% deduction shall be reduced or increased in such amount as may reasonably be expected to pay the taxes which are to be paid therefrom. If the parties so agree, the monies placed in such tax reserve fund shall be deposited in such manner, if possible, to derive interest therefrom and the interest shall become a part of the tax reserve fund.

10. Obligations of Asarco. Asarco agrees as follows with respect to its operations hereunder:

(a) To conduct its operations in a prudent and miner-like manner in accordance with good industry practice and applicable laws and regulations; and shall indemnify, protect, defend and hold harmless the Lessor from any claims, demands or liability arising from its operations hereunder.

(b) To perform all necessary assessment work upon the unpatented mining claims held under this mining lease

and to file in the Lessor's name all proofs of labor required by law. Asarco agrees that if it locates or acquires permits, rights, or leases from the federal or state government, covering any vacant and unlocated lands in an area lying within one mile from the exterior boundary of any portion of the mining properties, it shall do so in the name of the Lessor and such claims or permits, rights or leases shall become a part of and subject to this mining lease. If a royalty on any material must be paid to the government thereunder in an amount which is equal to or in excess of the royalty provided for in this mining lease, then Asarco shall be excused from paying a royalty on such material to the Lessor hereunder. If the royalty on any material to be paid to the government is less than that provided herein to be paid to the Lessor, then Asarco shall pay to the Lessor a royalty thereon in the amount of the difference between the royalty provided for herein and the royalty to be paid to the government. Under no curcumstances shall Asarco be required to pay nor the Lessor be entitled to receive under the provisions of this subparagraph a royalty in excess of the basic royalty rates provided for in Paragraph 3.(a) of this mining lease. Asarco shall not be required to perform assessment work upon unpatented mining claims if this lease is terminated or surrendered prior to June 1, of any given assessment year; it being provided that work performed by Asarco or any of its agents may be used by the Lessor in complying with its assessment requirements for such year.

(c) To post and keep posted on the mining properties a notice that Asarco holds possession pursuant to a lease and that it is solely responsible for the payment of all obligations incurred by its operations.

(d) To pay when due all claims for work done, services rendered, or materials furnished to the mining properties, except those which it disputes in good faith.

(e) To keep the Mining Properties free from any liens, provided always that Asarco may contest the appropriateness of any claim and refuse to make payment until all methods of protest have been exhausted or abandoned, and any lien filed during such protest shall not consitute a default if the amount finally determined to be due and owing is promptly paid.

(f) To protect, defend and hold harmless the Lessor from liability and expense in case of accident or injury on the Mining Properties arising out of its operations, except for any accident or injury caused by the sole negligence of the Lessor or other persons acting by, through or under the Lessor.

(g) To maintain at all times workmen's compensation insurance pursu ant to the laws of Colorado and to comply with state or federal laws and regulations pertaining to employment; and to maintain (and furnish copies to the Lessor if required) liability insurance in amounts customary in the mining industry for a like operation.

(h) To furnish to the Lessor, not less than quarterly, progress reports on its activities on the Mining Properties and a report of monies expended to the extent that Lessor may determine compliance with Article 4. hereof.

11. Force Majeure. If Asarco is unable to perform any of the terms or covenants of this lease by reason of damage or delay resulting from disaster, labor disturbances, shortage of labor, strikes, lockouts, force majeure or act of God, or from any regulations or restrictions of any governmental agency, or on account of any eventuality beyond the reasonable control of Asarco, including state and federal environmental statute or regulation, Asarco shall be excused from performance during the period of such prevention and the time for performance shall be extended by the period of such prevention. The provisions of this paragraph shall not excuse payment of production royalties or advances on royalty which are otherwise due under the terms of this mining lease.

12. Cancellation by the Lessor. The Lessor, subject to the force majeure provisions hereof, may give written notice to Asarco stating a specific violation or violations of this Mining Lease and giving notice of intention so to do cancel and annul this Mining Lease. Unless Asarco shall within sixty (60) days after said written notice may be mailed or delivered, cease such violation and otherwise remedy the matter or matters in which it is in default, this Mining Lease shall terminate absolutely and without further notice of any kind from the Lessor. A failure on the part of Asarco to make any royalty or other monetary payment due hereunder within fifteen (15) days from the time that written notice is given to Asarco of such failure, in the absence of a dispute in good faith between Asarco and the Lessor with respect to the payment thereof, shall result in an automatic termination of the lease without further notice. Such cancellation shall become inoperative if within such fifteen (15) day period Asarco makes the monetary payment for which such notice is given. If

Asarco disagrees that such default occurred, it shall so advise the Lessor in writing within thirty (30) days after receipt of the notice of default. If, within fifteen (15) days thereafter, the parties have not resolved the dispute by mutual agreement, the issue of whether or not a default occurred shall then be submitted to arbitration under Article 16 below. If the arbitration decision should be that a default has in fact occurred, then the notice provision hereinabove in this paragraph provided for shall be considered to be fully effective as of the date of the decision.

13. Termination by Asarco. Notwithstanding any provision herein to the contrary, Asarco may at any time upon thirty (30) days written notice, cancel and terminate this lease in its entirety. Upon total cancellation and termination of this lease, Asarco shall be under no further obligation of whatsoever kind or nature to the Lessor except for the making of payments which have already accrued at the date of such cancellation and termination, and for the payment of Asarco's proportion of the aforesaid property taxes accrued while this lease was in effect. Work requirements for the periods commencing March 1, 1974, and March 1, 1975, under the provisions of Article 4, shall accrue on March 1, 1974. All other work requirements shall cease upon the date such notice is given. The obligation of Asarco to make advances on royalty under the provisions of Article 3.(b)(1) and (2) shall accrue on March 1, 1974. If Asarco shall have included any part of the Mining Properties in a "producing group" for assessment purposes, and taxes based on such assessment shall have been levied but shall not have been paid at the time of cancellation and termination, Asarco shall pay such taxes before they are delinquent.

14. Surrender of Property. In the event of a valid cancellation or termination of this lease, Asarco shall

surrender to the lessor peaceable possession of the Mining Properties and at the written request of Lessor shall deliver to the Lessor a written relinquishment hereof.

15. Removal of Equipment. Asarco shall have and is hereby given and granted twelve (12) months after a valid cancellation or termination of this mining lease to remove from the Mining Properties all buildings, structures, warehouse stocks, merchandise, materials, tools, hoists, compressors, engines, motors, pumps, transformers, electrical accessories, metal or wooden tanks, pipes and connections, rails, mine cars and any and all machinery, trade fixtures, and equipment erected or placed in or upon said property by it, provided that such right of removal shall not extend to foundations and mine timbers in place unless Lessor shall have given his, its or their previous written consent thereto. If Asarco is hampered by snowdrifts, washouts, inclement weather, or other climatic conditions, from completing the removal of said property and equipment within the time specified, then the Lessor agrees to extend the time by a reasonable period if requested by Asarco. If Asarco intends to sell any of the items named above which it is entitled to remove from the premises it shall give to the Lessor the first right of refusal to purchase the same at the same price at which Asarco is willing to sell to bonafide purchasers ready, willing and able to buy such items.

16. Arbitration of Disputes. Any controversy or claim arising out of or from this lease, or breach thereof, shall be settled by arbitration by a panel of three arbitrators in accordance with the rules then obtaining of the American Arbitration Association. Lessor and Asarco shall each select an arbitrator and the two arbitrators so selected shall select the third. If the two arbitrators are unable to agree on the

third arbitrator within fifteen (15) days after their appointment, the third arbitrator shall be appointed by the American Arbitration Association. Either the Lessor or Asarco may enter judgment on the award of the arbitrators in any court of competent jurisdiction. The administrative fee and other service charges of such arbitration shall be paid by the losing party.

17. Title. The Lessor shall, within thirty days after execution of this lease, furnish Asarco with all data relative to the title of the Mining Properties in its possession, such as abstracts, title opinions, or other relevant data, and Asarco shall have three (3) months after receipt thereof to examine the same and accept or reject title to all of the claims. In the event Asarco rejects title to such claims, the Lessor shall have six (6) months in which to cure at its own expense defects noted by Asarco in rejection of said title. At the end of said six (6) months period, in the event said defects are not cured by the Lessor, Asarco may then waive said defects and either at its election cure title at its sole option and cost or terminate this lease and be relieved of all further obligations including work commitments and advance royalties. In the event that Asarco elects to cure defects not corrected by the Lessor, it may recover from fifty percent (50%) of future production royalty payments the cost thereof to a maximum of $2,500.00. Any costs to Asarco in excess of $2,500.00 shall be its sole responsibility. In the event Asarco elects to terminate for failure of title, it shall make all payments due to the date of termination.

18. Acquisition of Other Lands. If, during the term of this mining lease, Asarco or Lessor acquires any privately owned mining ground or interest in mining ground of any

nature whatsoever located in an area within two miles of the exterior boundary of the Mining Properties it shall promptly notify the other party of such acquisition and the terms thereof. If such acquisition is made by Lessor, Asarco shall have the right to have the acquired property included in the terms of this lease by giving notice to Lessor within thirty (30) days of receipt of notice of the acquisition. If such acquisition is made by Asarco, Lessor shall have the right to purchase the interest acquired by Asarco at Asarco's cost by tendering to Asarco its costs within thirty (30) days of the date of such notice of acquisition whereupon such acquired property shall become subject to this mining lease and Asarco shall convey said property to Lessor.

19. Assignment. Asarco shall have the right to assign all or any portion of the Mining Properties to any financially able party or parties provided that all conditions of this lease shall be binding upon the assignee and he accepts liability therefor in writing and the Lessor is notified of such assignment and receives written acceptance of liability. No conveyance, assignment or transfer affecting the mineral rights on the Mining Properties or the mineral production therefrom shall be made except subject to the terms and conditions of this mining lease.

20. Use of Surface by the Lessor. The Lessor after written notification to Asarco and in the absence of Asarco protesting that such matters will interfere with its exploration, development and operation of the Mining Properties, may undertake the following actions notwithstanding the provisions of this lease.

(a) It may reclaim or cause to be reclaimed old lumber from unused buildings on the Mining Properties and keep the proceeds from the sale thereof for its own account.

(b) It may sell any buildings, machinery, scrap and salvage presently on the Mining Properties.

(c) It may enter into a contract for the use of that portion of the Mining Properties lying on the northeast side of Wightman Fork as a possible winter recreational facility; it being provided, however, that any such contract shall provide that such recreational facility shall in no manner interfere with the use of the Mining Properties by Asarco under the terms and conditions thereof.

21. Filing on Additional Water Rights. As provided above, Asarco shall have the full and exclusive right to use all water and water rights connected with or appurtenant to the Mining Properties. If through operations hereunder Asarco develops additional water, then the Lessor may appropriate or claim such additional water as its own property and such additional water shall at all times be subject to the exclusive use of Asarco hereunder.

22. Shallow Target. The parties agree that the Mining Properties have potential for both shallow and deep ore deposits. Should Asarco delineate a small surface deposit which it does not choose to develop and should the Lessor produce a party desiring to develop said shallow deposit subject to Asarco's rights hereunder, Asarco agrees to negotiate in good faith with such party toward the subleasing of said shallow deposit upon terms that would fully protect any operations or planned operations by Asarco upon the Mining Properties.

23. Notices. Any notices required or permitted to be given to the Lessor hereunder shall be considered as delivered forty-eight (48) hours after the same shall have been deposited in the United States mail, duly registered, with postage thereon prepaid. All notices given hereunder

shall be addressed to the respective addresses given below:

If to Lessor:

Reynolds Mining Company
1704 Security Life Building
Denver, Colorado 80202

If to Asarco:

American Smelting and Refining Company
Attention: Mining Department
120 Broadway
New York, New York 10005

and

American Smelting and Refining Company
Northwestern Mining Department
Post Office Box 440
Wallace, Idaho 83873

Said addresses for receiving notices may be changed by either party upon two (2) days previous notice to the other party.

24. Inurement. These presents shall inure to the benefit of and be binding upon the respective heirs, successors and assigns of the parties hereto.

25. Construction. Titles to the respective articles hereof shall not be deemed a part of this lease but shall be regarded as having been used for convenience only.

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

REYNOLDS MINING COMPANY,
a limited partnership

Brad S. Moore

Bryan C. Moore

John Zimmer

AMERICAN SMELTING AND REFINING COMPANY

ATTEST:

Assistant Secretary

By T. R. Donnelly
President

STATE OF COLORADO)
) ss.
City and County of Denver)

The foregoing instrument was acknowledged before me this 3rd day of September, 1974, by BRAD G. MORSE, ANSON C. MOORE and JOHN H. TIPPIT, partners of REYNOLDS MINING COMPANY.

Witness my hand and official seal.

Notary Public

My commission expires
November 7, 1974

STATE OF New York)
) ss.
County of New York)

The foregoing instrument was acknowledged before me this 12th day of September, 1974, by R. L. Henrebach ——, —— President of AMERICAN SMELTING AND REFINING COMPANY.

Witness my hand and official seal.

Notary Public

My commission expires:

ANNA T. McDONOUGH
Notary Public, State of New York
No. 24-2613265
Qualified in Kings Co.
Cert. Filed in New York Co.
Commission Expires March 30, 19.75

EXHIBIT "A"

Summit Mining District (Patented Claims)

Golden Queen Lode Mining Claim	Survey No.	61
Little Annie Lode Mining Claim	Survey No.	63
Del Norte Lode Mining Claim	Survey No.	64
Margaretta Lode Mining Claim	Survey No.	65
Little Ida Lode Mining Claim	Survey No.	67
San Juan Placer Mining Claim	Survey No.	68
North 800 ft. Little Jessie Lode Mining Claim	Survey No.	71
Peterson Placer Mining Claim	Survey No.	74
Brandt Placer Mining Claim	Survey No.	75
Bobtail Lode Mining Claim	Survey No.	325
Oding Lode Mining Claim	Survey No.	475
Snow Bank Lode Mining Claim	Survey No.	604
Moltke Lode Mining Claim	Survey No.	607
Golconda Lode Mining Claim	Survey No.	319
Tunnel Lode Mining Claim	Survey No.	320
Bos Lode Mining Claim	Survey No.	321
Nick Lode Mining Claim	Survey No.	713
Game Cock Lode Mining Claim	Survey No.	716
Garfield Lode Mining Claim	Survey No.	910
Bay State Lode Mining Claim	Survey No.	896
Little Hattie Lode Mining Claim	Survey No.	977
Sheridan Lode Mining Claim	Survey No.	892
Columbia Lode Mining Claim	Survey No.	890
Home Stake Lode Mining Claim	Survey No.	898
Eureka Lode Mining Claim	Survey No.	889
Jubilee Lode Mining Claim	Survey No.	891
Parole Lode Mining Claim	Survey No.	608
Pay Streak Lode Mining Claim	Survey No.	893
Logan Lode Mining Claim	Survey No.	897
Bayard Lode Mining Claim	Survey No.	894
Great Independence Lode Mining Claim	Survey No.	609
Golden Vault Lode Mining Claim	Survey No.	610
Iowa Lode Mining Claim	Survey No.	895
Jennie Placer Mining Claim	Survey No.	1097
C. B. & Q. Placer Mining Claim	Survey No.	798
I. & C. C. Placer Mining Claim	Survey No.	611
Highland Mary Lode Mining Claim	Survey No.	606
Highland Mary No. 2 Lode Mining Claim	Survey No.	16314
South Columbia Lode Mining Claim	Survey No.	16323
Aurora Lode Mining Claim	Survey No.	16324
Vanner Lode Mining Claim	Survey No.	16324
Pittsburgh Lode Mining Claim	Survey No.	16324
Dexter Lode Mining Claim	Survey No.	77
Aztec Lode Mining Claim	Survey No.	621A
Gray Eagle Lode Mining Claim (1/6th interest)	Survey No.	532
Little Nellie Lode Mining Claim (1/6th interest)	Survey No.	62
Spar Placer Mining Claim	Survey No.	5736

Summit Mining District (Patented Claims cont.)

Rio Grande Placer Mining Claim	Survey No.	5737
Denver Placer Mining Claim	Survey No.	5738
Electric Placer Mining Claim	Survey No.	6413
Chicago Lode Mining Claim 2/3	Survey No.	1153
Eighth Wonder Lode	Survey No.	82
Golden Star No. 2 Lode Mining Claim	Survey No.	83
Missionary Lode Mining Claim	Survey No.	124

Summit Mining District (Unpatented Claims)

S. C. M. I. Lode Mining Claims Nos. 1 to 30
No Good Lode Mining Claim
Confusion Lode Mining Claim
G. & P., G & P. No 1 and G. & P. No. 2 Lode Mining Claims
Century of Progress Lode Mining Claim
Last Piece Lode Mining Claim (location certificate recorded April 30, 1968, as Reception No. 233536)
Century of Progress (lode or placer)
Pickens (lode or placer)
2 G. & P. Placers
Electric Mill Site (location certificate recorded August 22, 1934, in Book 192 at page 198)

The Southeast Quarter (SE 1/4) of Section 17; and the Northeast Quarter (NE 1/4) of Section 29, all in Township 37 North, Range 4 East.

OFFICIAL
COPY
O. M. E.
RECEIVED
JAN 30 1975
INITIALS CODE
HK ~~HK~~

Office of Minerals Exploration
Building 53 - Northwest Wing - 2nd floor

January
July 13, 1975

Mr. John H. Tippit
Attorney at Law
1704 Security Life Building
1616 Glenarm Place
Denver, Colorado 80202

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Rio Grande County, Colorado
Contract 2189

Dear Mr. Tippitt:

It has been brought to our attention that the Summitville Mine is now under lease to American Smelting and Refining Company, and that they have been conducting extensive exploration work at the Summitville mine.

As you will recall, exploration work completed under DMEA Docket 4643, Contract Idm E-1107 and OME Docket 6344, Contract 2189 resulted in the discovery of ore grade material and that a certification of possible production was issued on February 6, 1968. As a result of the certification of possible production, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from May 22, 1964 to May 22, 1976. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

May I refer you to Article 2(c) of the subject contract concerning the Operator's preservation and maintenance of his right, title, or interest in the land and his right to the possession thereof for the purpose of this contract. It is quoted as follows:

"(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."

Please furnish us two true copies of the lease agreement between Reynolds Mining Company, and the American Smelting and Refining Company, in order that we may be fully informed of the change in the status of the property, if there has been such a change. Please send the document requested to:

Mr. J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration
U. S. Geological Survey - Denver Federal Center
Building 53 - Northwest Wing - 2nd floor
Denver, Colorado 80225

Sincerely yours,

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

cc: Chief, OME
OME-6344
OME chron
Mr. Hasler

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

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December 26, 1974

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore
Summitville Mine
Rio Grande County, Colorado
Contract 2189

A review of the subject contract shows that the Eighth Wonder patented claim No. 2-82 is not under lien and subordination to the Government, as it was not included in either DMEA contract 4643 Idm E-1107 or OME docket 6344, contract No. 2189. The Eighth Wonder claim was included in the Assignment of lease between W. S. Moore and Union Pacific. The Missionary Claim also was not included in either contract with the Government, but appears in the leasehold agreement dated April 1, 1966 between W. S. Moore and Union Pacific.

As a result of this, it is not possible for us to claim any ore mined from either the Missionary or the Eighth Wonder patented claims. However, royalty payments may be due from ore mined from the Golden Star No. 2 and the Aurora patented claims, and on an unpatented fraction that lies between the Golden Star No. 2 and the Eighth Wonder claim.

Mr. George Garrey's geologic map shows that the Missionary Vein, outcrops along a portion of the south sideline on the Vanner claim, which is included in the subject contract. As extralateral rights still apply in the Summitville District there may be an indication that production down-dip on the Missionary Vein may be subject to royalty payments. The drill holes completed as a result of the exploration program under the subject contract are shown on the various longitudinal and cross section are shown as follows:

TEWKSBURY VEIN

Hole T-1 and Hole T-3 as shown on a cross section looking north along coordinate 7100 North shows the Tewksbury vein to have been intersected at a depth of from 30 - 40 feet below the High Bly adit, by hole T-1

T-3 intersected vein material 150 feet below the surface. The Tewksbury vein here appears to split as shown in the section.

Hole T-2 penetrated the Tewksbury vein from the surface to a depth of 35 feet, and then penetrated a mineralized vein in the footwall at a depth of 295-315 feet. This material was low grade.

Hole T-4, intersected the Tewksbury vein as shown on a N. 60° E. section looking NW at a depth of 400-420 feet, and about 290 feet below the Iowa level.

ANNIE VEIN

Plate 5, an Annie Vein cross section along hole A-2, show hole GA-1 to penetrate the Annie Vein 20 - 25 feet below the surface and 115 feet above the Narrow Gauge level. Drill hole A-2, drilled from the Reynolds level penetrated the Annie Vein system at depths between 280 and 358 feet and some 105 to 140 feet below the Reynolds level.

DEXTER VEIN

The Dexter Vein vertical long section looking north on Plate 7, shows hole GD-1 to penetrate the Highland Mary vein above the French Level, and GD-3 is shown to penetrate the Dexter Vein on the Reynolds Level 65 feet west of the Annie vein.

A vertical section dated October 1964, shows Holes GD-3, and SD-1 to penetrate several veins, GD-3 above the French Level and SD-1 penetrates veins just above the Dexter level, above the below the Chandler level. This section is looking west along coordinate 12,200 N. and is an assay log.'

Still another section drawn on the North Dexter Vein shows Holes GD-1 and GD-3 to intersect the vein above the French level and east of the Ida shaft. Some mineralized material was penetrated by these two holes.

HIDDEN VEIN

A vertical long section lloking S. 30° W. along the Hidden Vein shows that Hole GD-1 intersects the Hidden Vein nearly 80 feet below the dozen cuts and northwest of the stopes between the Narrow Gauge 104 foot sublevel and the Narrow Gauge level.

Any production from the Tewksbury, Annie, Dexter and Hidden veins that lie in subordinated ground are eligible for royalty payments.

J. William Hasler

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

FILE COPY

GEOLOGICAL SURVEY
National Center, Mail Stop 920
12201 Sunrise Valley Drive
Reston, Virginia 22092

January 7, 1974

Mr. John H. Tippit
Attorney at Law
1704 Security Life Building
1616 Glenarm Place
Denver, Colorado 80202

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Tippit:

This is in reply to your letter of December 10, 1973, regarding the sum payable against the loan on the subject contract. I assume that you are referring to the amount of royalty due on production from the Summitville mine by the W. S. Moore Company, Operator.

We did not receive certain maps mailed on December 6, 1973, by Mr. J. W. Hasler, Field Officer, OME Region III, until January 3, so we have not yet determined what sum is payable. Prior estimates of royalty due have ranged from about $8,900 to $11,250. On the basis of maps and data now available, we expect soon to calculate a proper claim for royalty due, and to request payment by the Operator.

Thank you for your assistance to Mr. Hasler in acquiring some of the maps we now have. The information obtained from these will be very useful in making the calculations mentioned above. We share a common problem in contacting the Operator.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

cc: DRF
MR Rdg.
OME Rdg./OME Files
Mr. Kirkemo/JWHasler(Region III)

HKirkemo/gpw

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

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Building 53 Room 28

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December 6, 1973

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Enclosed are plan maps showing the geology, on a scale of 1" = 40 feet, of the First and Second Levels off the Missionary shaft. The geology was obtained from geologic maps made available to me through Mr. John H. Tippit. On the maps made available to me, the geology had been plotted on an ozalid print, consequently tracing the geology was the only way I could get the geology on to maps for you. Printing from them is not feasible. I then transferred the geology from the 1" = 40' scale to the 1" = 80' scale map, that shows both levels off the Missionary shaft as well as the patented and unpatented claims.

The geology is not complete nor is it very well done, however, one must assume that the Vein Quartz (shown in red) contains the highest grade material and may therefore be the ore grade material shipped to the stockpile of which some 7,932 tons containing 2.47% copper was milled and sold, according to the Operator, W. S. Moore Co.

Some portions of the drifts are all in Vein Quartz while in some portions of the drifts both the footwall and hanging wall of the vein are clearly defined. Just how much of the material mined and actually considered ore is not known, consequently I have used the average size of the drifts (7' x 8') for my calculations and taken the portions I felt would be considered ore grade. Because of the complex geology and varied alteration zones that were penetrated it becomes even more difficult to ascertain just which of the material was mined for ore, however most ore grade material throughout the Summitville District is associated with vuggy and vein quartz and related silicified areas. It is upon this basis that I have chosen the areas from which ore grade material was probably mined.

The Eighth Wonder patented claim, Survey No. 2 - 82 is under lien and subordination to the Government by having been included in the subject contract. The Missionary patented claim, Survey No. 2 - 124 is not under lien and subordination, however, the Eighth Wonder claim was patented under an earlier mineral survey, as shown above, than the Missionary patented claim, which may give precedence to the Eighth Wonder claim. Therefore minerals mined on the portions of the Eighth Wonder patented claim that overlap the Missionary claim may be subject to royalty payments. Should this be the case, there is a probability of claiming an additional 3,971 tons more than I indicated in my memorandum to you dated October 25, 1973. Some of the material that has been mined from the Missionary vein system on the Eighth Wonder, Golden Star No. 2, and Aurora patented claims, and on an unpatented fraction that lies between the Golden Star No. 2 and the Eighth Wonder claim are under lien to the Government under the subject contract, appear to have been ore grade. Therefore royalty payments may be due the Government from any production of minerals or metals produced from the Missionary vein system within those claims under lien for the duration of the royalty period from May 22, 1964 to May 22, 1976. I have shown the areas, in brackets, on the 1" = 80' scale map, that was probably mined for ore, and have indicated the footage mined. The figures are shown on the following table:

Level	Drift No.	Minable material
1st	109 XC	22 ft.
1st	103 DW	58 ft.
1st	103 DW	180 ft.
2nd	203 DW	420 ft.
2nd	206 XC	100 ft.
		780 ft.

Based on 2.47% contained copper the 3,971 tons of material would yield 196,167 pounds of copper. At 90 percent recovery there would be 176,550 pounds of copper valued at .56¢ per pound (Operator's quoted value) there would be a total value of $98,868.00. Five percent of $98,868.00 would be $4,943.40 that may be due in royalty payments from ore mined from the Missionary vein system on ground presently under lien to the government. The geologic data now available may indicate that some minor adjustments to the tonnage calculated in my October 25th memorandum may be warranted.

J. William Hasler

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

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

November 6, 1973

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Enclosed herein is a revised Page 3 to replace the Page 3 of my memorandum of October 25, 1973 to you concerning the subject contract.

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

Enclosure

NOV 12 1973

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Denver, Colorado 80225

Office of Minerals Exploration
Building 53 Room 28

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October 25, 1973

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Information obtained from field and inspection reports of the Colorado Division of Mines during a telephone conversation with Mr. Norman Blake, Deputy Commissioner of Mines shows that the following shaft sinking, crosscutting, drifting and raising has taken place in the Summitville Mine area by the W. S. Moore Company, Union Pacific Mining Company, Cleveland-Cliffs Iron Company, Quad Construction, Polaris Resources, Trebilcock Mining Company, Summitville, Inc., at various times under a number of lease agreements with Reynolds-Morse Corporation, in 1969, 1970, 1971 and 1972.

Year	Area	Footage	Size of shaft, drifts, crosscut and raises
1969	Cleaned and retimbered 1500 feet of Tewksbury drift, and 500 feet on the Annie Vein, from Sherman shaft. Either drove or cleaned a 4' x 9' raise to within 50 feet of the Reynolds tunnel.	50'	4' x 9'
1969	Sunk Missionary shaft. Changed size of shaft from 8' x 24' to 8' x 13' below 320 feet.	320' 21'	8' x 24' 8' x 13'
	Drifted on two levels off Missionary shaft	1,275'	7' x 8'
	Drifted on Missionary Vein	150'	7' x 8'
	1st level is 200' below collar of shaft.		
	2nd level is 120' below 1st level.		

Drifted 150' on Reynolds level (Vein Missionary?)

I have no maps showing that work from Reynolds level penetrated the Missionary Vein, Hildebrande's information indicates that work from the Reynolds did not get to the Missionary vein.

Year	Area	Footage	Size of shaft, drifts, crosscut, and raises
1970	Missionary Vein, 2nd level crosscut	200'	5' x 7'
	Missionary Vein (Raise)	200'	9' x 15'
	Missionary Vein (Raise)	500'	4' x 5'
	Missionary Vein (Raise, 45°)	80'	4' x 5'
	From 2nd to 1st level.		
1971	Missionary Vein, drifting and crosscutting	1700'	5' x 7'
	Raises	500' (45°)	4' x 5'
	Raises	200'	9' x 15'
1972	Tewksbury Vein, drift	400'	8' x 8'
	Tewksbury Vein, drift	200'	5' x 7'

After repeated contacts and telephone conversations during July, August and September 1973 with Mr. John H. Tippit, I was informed that all attempts made by Mr. John H. Tippit, Attorney at Law and Secretary of Reynolds Mining Company, owner of the subject property, to contact Mr. Irving S. Moore relative to the royalties due the U. S. Government from production of ores from the subject claims have proven fruitless. According to Mr. Tippit, Mr. Moore has not even given him the courtesy of the acknowledgement of his letters of request for information.

I was given access to two maps, by Mr. Tippit, and may have access to others if their need is required. The two maps were plan maps of the mine workings of the First Level, and Second Level off the Missionary shaft on a scale of 1' = 40'. In order to ascertain which claims are involved in the mining of the Missionary vein, I obtained a large number of maps of the Summitville area from the file of Tom Steven, geologist, U. S. G. S., that were used in the study and preparation of USGS Professional Paper 343, "Geology and Ore Deposits of the Summitville District, San Juan Mountains, Colorado."

The many maps were studied and a claim map on a scale of 1" = 80 feet was constructed with coordinates based on the 1940 datum of the Summitville Consolidated Mines, Inc., showing the location of the Missionary shaft, and the workings off the shaft, as well as the locations of the portals of the Reynolds, Chandler and Ida Tunnels. (Enclosed.)

From the above data there was approximately 6,363 tons of material removed in the sinking of the Missionary shaft, which, according to Colorado Division of Mines inspection and field reports was sunk to a total depth of 341 feet in 1969.

There has been a total of some 12,540 tons of material removed by crosscutting, drifting and raising on the Missionary Vein system during 1969, 1970, and 1971, however, the Operator in reporting on the status of ownership and production on our form MME-63 on February 19, 1971, informed us that there was a stockpile at Summitville of 7,932 tons of ore having a grade of 2.47 percent copper. The accompanying claim map upon which the Missionary Shaft and mine workings are plotted shows that the shaft was sunk on the North Columbia patented claim, near the northwest corner of the claim. Some 263 feet of the 102 XC NW and 35 feet of the 103 DW on the First Level was driven in the fractional area held by unpatented locations, (Figures 2 and 3 of the subject contract), that adjoins the Missionary Claim along a portion of its south sideline, and includes the area that lies between the North Columbia and the Spar Placer. The fractional area of unpatented claims, the North Columbia claim and the Spar Placer are a part of the subject contract and are under lien and subordination, therefore any production from this portion of the First Level workings is subject to royalty payments.

Production from the portions of the drifts and crosscuts in the Missionary vein system that lie on the Missionary patented claim, and the Eighth Wonder claim, probably are not subject to royalty payments as neither the Missionary nor the Eighth Wonder claim was made a part of the subject contract, nor were they included in the former DMEA 4643, Idm E-1107 contract, however, Mr. George Garrey's Geologic Map (copy enclosed) shows that the Missionary vein outcrops along a portion of the south sideline on the Vanner patented claim, which is included in the subject contract. As extralateral rights still apply in the Summitville District, there may be an indication that production down-dip on the Missionary vein may be subject to royalty payments.

If this is so, the vein material projected down-dip on the First Level would add another 940 tons of ore grade material from the 102 XC NW, and the 103 DW, drift. Based upon 2.47% copper, this would yield 46,436 pounds of copper, at 90 percent recovery there would be 41,792 lbs. of copper. At 0.56¢ per pound there would be a value of $23,404.00.

Five percent of this would leave a total of $1,170.20 in royalty payments due the Government.

Mine workings on the Second Level off the Missionary shaft were driven on the North Columbia, Moltke, Golden Star No. 2, and the Aurora patented claims and on a portion of the unpatented locations, Summitville Mine, that lies between the Eighth Wonder and the Golden Star No. 2 patented claims. There are some 270 feet of the 202 XC NW, 136 feet of the 204 DE, crosscut, all of the 207 XC (37 feet), and 275 feet of the 203 DW, drift that have been driven on the claims cited above that are under lien and subordination agreement, therefore royalty payments are due from production of any metals from these drifts. There is therefore a total of some 275 feet of the drifting on the Second Level on the Missionary vein, and 35 feet of drifting on the Missionary Vein on the First Level that lie in ground subject to royalty payments not taking into consideration any possible extralateral rights. There is therefore, based on drifts 7' x 8' some 310 feet of drifting on the Missionary vein that is subject to royalty payments from production on some 1,736 tons of material.

Based on a grade of 2.47 percent copper, 1,736 tons of material mined from the Missionary Vein would yield 85,758.4 pounds of copper. At 0.56¢ per pound the gross value would total $43,222.23 royalty due the government at five percent would be $2,161.12.

The letter to the Operator declaring that there was a Certification of Possible Production under the subject contract states in part that "royalties provided in the contract on all production from the land described in the contract from May 22, 1964, to May 22, 1976, or until the sum of $13,789.53 is fully repaid with interest at the rate of 6-1/2 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom."

J. William Hasler

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

Polaris Resources Seeking Funds For Exploration

DENVER, Colo. — Polaris Resources, Inc., is hoping to raise limited-partnership funds in New York to finance exploration from the Yukon to Latin America, President R. A. Hildebrand told shareholders at their annual meeting last week.

Hildebrand said there's a Yukon gold prospect in which the Denver company is particularly interested, but he added that the property still must be acquired and money raised for exploration there. Until the money is raised, the Yukon property "is going to keep," he said. "There are not many people up there this winter."

Shareholder J. C. Carlile asked how Polaris Resources expects to attract money in New York with no history of success in the exploration field.

"People knowledgeable in exploration don't expect a success every time," Hildebrand replied. "I don't feel this company is mismanaged because the first prospect it went into was a failure." (That prospect was the Summitville Mine in southwest Colorado.)

Carlile also wondered if money should be spent on exploration in Latin America, considering the political instability there. Hildebrand replied that a clean-air act in Arizona can injure a company as much as a revolution in Peru.

The company's coal mine near Florence, Colo., has been producing at the rate of 800 tons a day the past two weeks, Hildebrand said, and coal shipments from the company's strip mine in West Virginia are expected to start within 60 days.

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

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July 17, 1973

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

The following production data from the Summitville Mine was given me by Mr. R. A. Hildebrand, President, Polaris Resources, during a conference in his office July 5, 1973. The meeting was previously arranged for me by Mr. John H. Tippit, Secretary, Reynolds Mining Company, present owner of the Summitville mine.

Attempts have been made during the past month to ascertain the origin of the ore mined, stockpiled and the concentrates shipped to the Tecoma Smelter by the W. S. Moore Company. Mr. Tippit and I reviewed several of the mine maps that were returned to him by W. S. Moore Co., but found no maps showing stoped areas from any of the work done at the Summitville Mine by W. S. Moore, Summitville, Inc., or Polaris Resources.

Mr. Tippit advised me that Mr. Hildebrand would most likely have the information and indicated he would contact Mr. Hildebrand, however, Mr. Hildebrand was out of the country and did not return until June 26, 1973, at which time Mr. Tippits contacted him, as well as me, by telephone.

Mr. Hildebrand contacted me by telephone the afternoon of June 26, 1973 and informed me that Mr. William Trebilcock, Trebilcock Mining, Inc., New York City would have the original records of shipments, and the monthly reports that were submitted by Mr. Robert B. Slosser, Mine Superintendent, at the Summitville Mine during the time the mine was in production, and stated that he would obtain the data from Mr. Trebilcock by the time I would return to the office on July 5, 1973. Mr. Hildebrand called again that afternoon and informed me that he had a copy of the monthly reports and that we could meet July 5, 1973 and he would inform me of the production from the Summitville Mine, according to his records and reports.

Mr. Robert Slosser was a signed witness at the time of the execution of the exploration agreement made by and between Quad Construction, Inc., Polaris Resources, Inc., and W. S. Moore Co.

Mr. Hildebrand released the following data to me from Mr. Slosser's monthly reports:

Hasler

October 27, 1970 there was a stockpile of ore totalling 7,163 tons that assayed 2.18 percent copper. Mr. Hildebrand informed me that this material came from the Missionary Vein through the Cleveland Cliffs shaft, and that none of the ore in this stockpile was taken from either the Annie or Tewksbury veins, as they had not gotten into either of those veins at this time. The 7,163 tons of ore assaying 2.10% copper per ton would contain 312,306.8 pounds of copper. Based on a 90% recovery, there would be 281,076.12 pounds of copper. At .56¢/lb. the gross value of the stockpile would be $157,403.62.

November 21, 1970 /_Sartori_/ There was a stockpile of 4,301 tons of low grade ore from the Missionary Vein, as well as 7,232 tons of ore that contained some ore from theAnnie and Tewksbury vein. Of the 7,232 tons, 2,293 tons was medium grade ore, and 638 tons was high grade ore. The difference between the 7,232 tons of stockpiled ore in October and the 7,163 tons of stockpiled ore in November is 69 tons. Of the 69 tons, there were 32 tons of medium grade ore, and 37 tons of high grade ore mined from the Annie and Tewksbury veins.

December 1 - December 15, 1970

No work on the Missionary Vein

Production from Annie and Tewksbury:

25 tons 2.9% Cu, medium grade

94 tons 1.2% Cu, low grade

A note here that all ore produced after October 6, 1970 was from the Annie Vein.

October 1 - October 15, 1970

135 tons to stockpile from the Annie Vein assayed 4.37% Cu

September 16 - September 30, 1970

Some work on Missionary vein but no production

109 tons 0.78% Cu from Annie Vein

August 1 - August 30, 1970

No production

July 1 - July 31, 1970

80 tons, 9.3% Cu from Annie Vein

Balance of ore stockpiled is Missionary ore.

June 16 - June 30, 1970 -- Sampled veins, but no production

June 1 - June 16, 1970 -- No production

June 24, 1970 -- There was a stockpile of 5,650 tons containing 1.5% Cu from Missionary Vein. This stockpile contained a total of 180,800 pounds of copper. At 90 percent recovery, there would be 162,720 pounds of copper. At .56¢ per pound, this ore would have a gross value of $91,123.20 in copper.

According to the records on file in Mr. Hildebrande's office, there was a total of 513 tons of ore mined from the Annie and Tewksbury veins between June 1 and November 21, 1970 as shown on the following table:

Date	Tons	Cu %	Cu lbs.	Price per lb.	Gross Cu Value
11/21/70	32	2.5 (est.)	1,600	.56	$896.00
11/21/70	37	4.5 (est.)	3,300	.56	1,864.80
12/1 - 12/5/70	94	1.2	2,256	.56	1,263.36
12/1 - 12/15/70	25	2.9	1,450	.56	$812.00
10/1 - 10/15/70	136	4.37	11,886	.56	6,656.16
9/16 - 9/30/70	109	0.75	1,700	.56	952.00
7/1 - 7/30/70	80	9.30	14,880	.56	8,332.80
	513		37,102		20,777.12

Based on 90% recovery, the 33,392 pounds of copper, (at .56¢/lb.) would gross $18,699.52.

I queried Mr. Hildebrand concerning his knowledge of the ore produced by W. S. Moore to which he replied in the negative. There were no maps made available to me regarding the W. S. Moore production. I talked about this to Mr. Tippit after my conference with Mr. Hildebrand, and Mr. Tippit informed me that he would attempt to obtain the information from Mr. Irving Moore and send me a copy of his correspondence to Mr. Moore.

As of this date (July 17, 1973) I have not received the copy of Mr. Tippit's request for the information from Mr. Moore. As a result of these conferences some additional production data has been obtained. It is my recommendation that no refund be made to Mr. Hildebrand on ore mined from the Missionary Vein until we can obtain a complete picture from Irving Moore regarding the production he referred to in his letter to you as of October 13, 1972, however your analysis of the settlement sheets shows that there is $11,242.47 royalty due OME on 1,754,375 pounds of concentrates having a net smelter value of $224,849.14.

after Moore operation

J. William Hasler

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

AMERICAN OILFIELD CORPORATION
MINERAL EXPLORATION AND DEVELOPMENT

WARREN S. MOORE, PRESIDENT
WILLIAM C. ULLAND, VICE PRESIDENT-CHIEF GEOLOGIST
MILTON E. SUNDEEN, SECRETARY-TREASURER

402 TORREY BUILDING
DULUTH, MINNESOTA 55802
(218) 727-5068

HK file
CC

July 2, 1973

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
U. S. Dept. of Interior
Geological Survey
Washington D. C. 20242

re: DMEA 4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colo
Contract I dm - E 1107

Dear Sir:

Your letter of June 28, 1973, directed to W. S. Moore Co., 400 Torrey Bldg., Duluth, Minn., has been sent to Wheeler Properties, Inc., 575 Forest, Reno, Nevada. Further correspondence re W. S. Moore Co. should be sent there.

Wheeler Properties is the successor to W. S. Moore Co. and is responsible for the affairs of the latter.

Very truly yours,

Warren S. Moore

WARREN S. MOORE
e

Trust Department
Trust of John B. and Shirley A. Rigg
Colorado National Bank
P. O. Box 17047
Denver, Colorado 80217

JUN 28 1973

Re: DMEA 4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-R1107

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated January 15, 1962, all minerals mined or produced from July 15, 1957, to July 15, 1970 were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty under the DMEA contract has expired, the Government according to its present records retains no claim for royalty pursuant to the terms of this DMEA contract. Your attention is called to the provisions of Article 7 of the DMEA contract which require the Operator to keep and preserve certain records for the periods indicated.

Expiration of the royalty period under the subject DMEA contract does not affect the requirement for royalty payments to the Government on all mineral production from the land described in Contract 2189 (GMM-6344) W. S. Moore Co., Operator, during the period from May 22, 1964 to May 22, 1976, or until the total net amount contributed by the Government under Contract 2189 is fully repaid with interest, whichever occurs first.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Mr. John H. Tippit
Secretary
The Reynolds-Morse Corporation
1704 Security Life Building
1616 Glenarm Place
Denver, Colorado 80202

W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

cc: Director's reading file
Mineral Resources
Ann Gabor
Region III

GMM reading file
GMM-6344
Mr. Kirkemo
HKirkemo/cac 6/28/73

REYNOLDS MINING COMPANY
1702 SECURITY LIFE BUILDING
DENVER, COLORADO 80202

June 8, 1973

JUN 12 1973
Denver, Colorado

OFFICIAL COPY
O. M. E.
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JUN 14 1973
120

Mr. Jerry William Hasler
Field Officer, Region 3
Office of Minerals Exploration
United States Geological Survey
Denver Federal Center
Building 53, Room 28
Denver, Colorado 80225

Dear Sir:

As present owner of the property known as the Summitville Mine, Rio Grande County, Colorado, we give to you our permission to release to Robert L. Jones any geological information in your files pertaining to

OME Docket 6344
(Gold-silver, W. S. Moore Co.
Summitville Mine,
Rio Grande County)
Contract No. 2189.

Yours very truly,

REYNOLDS MINING COMPANY

By John H. Tippit

JHT:j

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

JUN 4 1973

Mr. Dexter A. Larsen
Attorney
Fryberger, Buchanan, Smith,
Sanford & Frederick
700 Lonsdale Building
Duluth, Minnesota 55802

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Larsen:

This is in reference to your letter of April 5, 1973, to Mr. Otto Aho, Field Solicitor, U. S. Department of the Interior, Reno, Nevada, concerning the subject contract.

The views expressed in your letter and all aspects of the project are under study. We will have a reply prepared in the near future.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to: Mr. Otto Aho

to: Irving F. Moore

cc: Director's reading file
Mineral Resources
OME reading file
Region III
Mr. Kirkemo
HKirkemo/cac 6/4/73

United States Department of the Interior

GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

May 9, 1973

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Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

This memorandum includes some of my thoughts and interpretations of a number of facts listed in a letter dated April 5, 1973 to Mr. Otto Aho, Field Solicitor, U. S. Department of Interior, Reno, Nevada, from Mr. Dexter A. Larsen, Attorney at Law concerning the above-referenced docket, as follows:

Following fact E on page two the attorney states as follows:

> "Based on the foregoing facts, it is the position of Wheeler Properties, Inc., that the liability, if any, under OME-6344 (gold-silver) is a liability of Summitville, Inc., the successor of W. S. Moore Co. by merger and that Wheeler Properties, Inc. is not liable to Summitville, Inc. under the Indemnity Agreement by and between Summitville, Inc. and Wheeler Properties, Inc., due to the fact that Trebilcock Mining, Inc., Polaris Natural Resources, Inc. specifically had knowledge of the OME Agreement."

This is a most interesting note, if for no other reason than just for interest alone. They, meaning the above-mentioned companies, undoubtedly had knowledge of the OME agreement, as a letter to Mr. Kirkemo, from Irving F. Moore, then President of W. S. Moore Co., the Operating Company, dated June 15, 1970, indicated that copies were sent to W. S. Moore, Jr., John Tippit, Quad Construction, Polaris Resources, and Stuart Merwin. (Trebilcock Mining Inc. was not then notified). A portion of this letter

referred to a stockpile of ore grade material, and the suggestion that a flotation mill may be installed. The last paragraph in the letter included a request for an opinion regarding the applicability of the contract as to whether copper ore mined from the deeper zones was subject to royalty payments since the contract was written for the search of gold and silver.

Mr. Kirkemo's reply, dated July 2, 1970 referred Mr. Moore to the Certification of a Discovery or Development issued January 15, 1962, on DMEA docket 4643, Contract Idm E-1107, and to the Certification of Possible Production issued February 6, 1968 on the referenced OME contract, stating as follows:

> "The certification on the DMEA contract specifically refers to the fact that diamond drilling under the contract proved the existence of copper-gold-silver ores from which production may be made and on which royalty payments would be due the Government."
>
> "The certification on the OME contract states that royalty payments shall be made on all production from the land described in the contract. Article 7(b) of the contract states that a royalty shall be paid to the Government on all minerals and metals mined or produced from the land, and Article 16 specifies that in addition to royalties which may accrue under the OME contract, royalty is also payable under DMEA 4643."
>
> "These provisions lead us to the conclusion that all mineral production from the property is subject to royalty payments until the Government's share is repaid in full (with interest on the OME contract) or until the periods of royalty obligation expire."

It is interesting to note that upon receipt of the letter and in apparent agreement with the instructions concerning the scope of royalty payments, Mr. Moore replied to Mr. Kirkemo on April 19, 1971, then failed to inform his various partners of their obligations, as he stated he would. Copies of Mr. Kirkemo's letter to Mr. Moore of July 2, 1970 should be sent to the partners when a demand for their payment is made.

In every OME contract, whether certain minerals were eligible for assistance or not (in this case, copper) the certification states that royalty payments shall be made on all production from the land described in the contract.

Article 7(b) of the OME contract states "that a royalty shall be paid to to the Government on all minerals and metals mined or produced from the land, if a certification of discovery is made." The Operator automatically agrees to this upon signing a contract, and is again reminded of this upon Certification of Possible Production when one is issued.

As a matter of OME policy concerning the determination of eligibility of a project for silver exploration assistance, or any other mineral, generally speaking, each project is assessed on its own merits, as was this project. I have been using two letters from Washington as a guideline in determining mineral eligibility. One letter from the Acting Director, George Fumich, to Mr. T. W. Anderson, Kingman, Arizona dated November 25, 1964 (enclosed) and another letter dated April 1965 from Frank E. Johnson, then Acting Director to Mr. R. H. Bailey, Seattle, Washington is enclosed and this has been more or less the guideline for judging on eligibility. These determinations have been accepted by the majority of Operators and they have the general understanding that determination of eligibility in no way absolves them from making royalty payments on all minerals and metals mined on the land that has been certified for possible production as a result of OME assistance.

Fact A, page two:

True, "the purpose of this project was to explore for ores of gold and silver in veins and locally mineralized wall rocks in areas of quartz latite porphyry believed to contain significant mineralization, however, this does not preclude the Operator from copper participation, as under General Provisions of the subject contract, it states that "significantly mineralized core shall be split and one split assayed for gold and silver, a copper determination may also be made if considered desirable."

The desirability for copper analyses was especially advantageous in drill hole T-4, on the Tewksbury vein, in which the Government participated, is shown and reported in the narrative portion of the Operator's Progress Report for October 1, 1964, which states as follows:

> "Hole T-4:"
>
> "As mentioned previously, the Tewksbury vein was cut from 408' - 413', for a true width of 3.5 feet. This was the 4th hole in succession which has found ore in the Tewksbury Pipe area. This interval assayed .04 oz Au, 8.9 oz Ag, and 2.93% Cu, or a gross value of $32.80/ton. The footwall was quite barren, but 5 feet of the hangingwall assayed 1.44 oz Ag and 0.24% Cu. As is typical with the Tewksbury vein, the quartz alunite alteration envelope extended only 5' - 10', into each wall. This hole is unusually favorable since it extends the ore found under this program farther south. Total strike length is at least 500 feet. It also extends the known orebody above the Iowa level to a depth 250 feet below."

These assays from drill hole T-4 along with others, were significant, as the Operator used them in calculating some 39,500 tons of probable sulphide ore on the Tewksbury Vein, having a gross value per ton of $38.15. (See Operator's Final Report, dated October 17, 1967). The drilling of this ore is a direct result of exploration work performed under the subject

contract, dated February 6, 1968.

Some 26 copper assays were obtained from samples taken during the work on the Annie vein subproject on top of Copper Hill Knob, as reported in the June-July 1964 Operator's Progress Report. In drill hole GH-1 three samples were assayed for copper, as shown on the geologic cross section in the Operator's Progress Report for August 1964. Drill Hole SD-1 was reported in the Operator's Progress report for September as having penetrated some 59 feet of mineralized material that assayed .028 oz. Au, 1.23 oz. Ag and 3.89% copper. However, hole SD-1 may have been drilled on the Operator's account rather than under the OME contract.

The Operator in a letter to the Acting Field Officer, Region III, dated April 15, 1965 reviewed the results of the drilling and other exploration work completed under the project, and proposed drilling some deeper holes into the sulfide zone of the Tewksbury vein, as well as some holes at the same elevation as holes T-4 and T-5, as well as some new drilling on the North Annie Vein subproject, based on recent geochemical work in that area. The Acting Field Officer recommended that the contract be amended to complete the proposed new work, however, Washington denied the deeper work in the sulfide zone, but concluded that they would amend the contract to complete the work proposed in the new North Annie subproject as these holes would be shallow and be limited to the oxidized zone. The amendment was prepared and sent to the Operator, who executed the Amendment to complete the work so proposed in the new North Annie subproject.

The Operator, in a letter dated March 30, 1966, submitted a proposal that would be considered as Stage II work since it largely replaced work not considered advisable under Stage II, specifically that of the Hidden Vein, Annie Vein, Dexter Vein, and Esmond-Pickens, Cross Veins subprojects. All of the proposed work would be in the oxidized zone where gold-silver values are predominant. The proposal was reviewed by the Field Officer, and because of the successful results of work on the Tewksbury Vein, and on the Annie Vein the projects were recommended, resulting in the preparation and execution of Amendment No. 4 which provided for the drilling of proposed Holes T-5 through T-8 on the Tewksbury Pipe project, and to drill six holes H-1 through 6 in the Annie-Ida Vein Project; as well as to extend the time of the completion of project to November 22, 1967. The work prescribed in Amendment No. 4 was not carried out as the Operator, W. S. Moore Co., entered into a consent agreement with the Union Pacific Railroad Company, which negated the terms of the subject contract as explained in a letter dated January 9, 1967 to Mr. Stuart S. Mervin, General Manager -- Mining, Union Pacific Railroad Company from Frank E. Johnson, Chief, Office of Minerals Exploration. The Operator, W. S. Moore Co., requested termination of the contract in a letter to the Field Officer, May 24, 1967, in which

he thanked us for our whole-hearted cooperation and favorable consideration of previous applications.

In a memorandum dated June 26, 1967 to the Chief, OME I reviewed the subject contract, and concluded that there appears to have been a sufficient enough discovery of gold, silver, and copper as a result of the exploration work performed under the OME contract to warrant and certify a discovery, and recommended that the project be so certified. A termination Agreemnt was agreed on July 3, 1967, and a Certification of Possible Production was executed on February 6, 1968. An acceptable final report was submitted to this office by the Operator on October 17, 1967. The reserve calculations in the Operator's report were acceptable and were cited in the OME final report by W. L. Emerick, dated June 4, 1971.

It is my opinion, as proven herein, that new reserves of gold, silver and copper were discovered as a result of the exploration work performed under the subject contract, and in which the Government's contribution totalled $13,789.53. This discovery of gold, silver and copper obligates W. S. Moore Co., to pay royalty on any copper produced from the land under lien to the Government as well as on gold and silver, since the certification of discovery included all three metals, shown as probable reserves.

J. William Hasler

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

Enclosures

Policy regarding Ag exploration
Fumich

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

NOV 25 1964

Mr. T. W. Anderson
418 Copper Street
Kingman, Arizona

Dear Mr. Anderson:

Your letter of November 18, 1964, to the Office of Minerals Exploration, Denver, Colorado, has been referred to this office for further reply.

In order for a proposed project to qualify for assistance in exploration for silver, information must be submitted in the application that indicates silver would be the principal product of the deposit that is expected to be explored or that such a deposit will contain a substantial amount of silver. Although silver may not be dominant in value, if a significant amount of silver is expected to be present, a proposed project might qualify as silver exploration. However, if the silver is only a minor constituent of the total mineralization, as often is the case with base metals, the proposed project would not be considered as silver exploration. We do not have a hard and fast rule for reaching a determination, but each proposal must be considered on its own merits.

In response to your request, we are enclosing a copy of the October 8, 1964, Press Release and a copy of the OME Twelfth Annual Report.

We will be pleased to add your name to our mailing list.

Sincerely yours,

George Fumich, Jr.
Acting Director

Enclosures

FEJohnson/bih (11-25-64)
cc to: Files
Dir. reading file
Mr. Johnson
Region III

C O P Y XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXX C O P Y

Initialed:
HMC
RLB
RR
Return to HMC

Washington, D. C.

Apr 29, 1965

Mr. R. E. Bailey
President
Midvale Mining Company
301 Lloyd Building
Seattle, Washington 98101

Re: OME-6428 (Silver)
Midvale Mining Company
Anchor and West Hecla Groups of Claims
Shoshone County, Idaho

Dear Mr. Bailey:

In reply to your inquiry of April 26, 1965, it is difficult to set forth any hard and fast rule concerning the eligibility of a project for silver exploration assistance. Each project is assessed on its own merits, and ordinarily one in which silver would be a by-product would not be eligible as a silver project. In this we are guided by the fact that copper, lead, and zinc are not eligible for exploration assistance and, in part, by the lead and zinc mining stablization program whereunder the value of the lead and zinc must exceed 50 percent of the total value.

We would give consideration to a project for silver exploration assistance if the value of silver exceeded the value of associated mineral commodities not eligible for exploration assistance, such as the base metals. We might also give assistance to projects wherein silver might be worth less than 50 percent of the total value but potential tonnages would be large and the potential over-all production of silver would be appreciable. We might also give consideration to a project wherein the lead and/or zinc content might run on the order of 15 or 20 percent upwards with a silver content running from 15 or 20 ounces upwards in contrast to the ordinary lead deposits carrying 3 or 4 percent lead with one ounce of silver for each percent lead. There would be no question silver-wise concerning a project definitely in the "Dry Belt" of the Coeur d'Alene district where silver is not a by-product.

The information submitted in an application and the immediate area involved are important and, as said before, each case is decided on its own merits.

Under the subject application, we would have to have additional geological justification for silver. Our docket indicates that additional information is to be submitted justifying a proposed project. In your recent interview with Mr. MacLaren, did you reach any decision regarding the submittal of the additional information?

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

GCSelfridge/gla (4-29-65)
cc to: Director's Reading File
Docket
Mr. Selfridge
Region I w/cy letr. 4/26/65
Region III re first paragraph 4/26/65 letr.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

April 26, 1973

Memorandum

To: Associate Solicitor, General Legal Services

From: Chief, Office of Minerals Exploration
Geological Survey

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Enclosed is a copy of a letter to Mr. Otto Aho, Field Solicitor, Department of the Interior, Reno, Nevada, dated April 5, 1973, from Mr. Dexter A. Larsen of the firm of Fryberger, Buchanan, Smith, Sanford and Frederick, Duluth, Minnesota, who represents Wheeler Properties, Inc., and Irving F. Moore and Warren Moore, as individuals.

Please advise us on the legal aspects of the contentions in this letter as to the responsibility for payment of any royalty due under the subject contract.

Harold Kirkemo

Harold Kirkemo

cc: Director's reading file
Mineral Resources
OME reding file
Mr. Kirkemo
Region III

HKirkemo/cac 4-26-73

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR

Room 4127
Federal Building - U. S. Courthouse
300 Booth Street
Reno, Nevada
89502

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TED
AP 1973
AS CODE
HR 1220

Air Mail

April 10, 1973

Memorandum

To: C. Brewster Chapman, Jr.
Associate Solicitor
General Legal Services
Interior, Washington, D. C.

From: Otto Aho
Field Solicitor, Reno

Subject: Indebtedness of W. S. Moore Company to U. S. Geological Survey, Mineral Exploration Contract 2189 (OME-6344)

Attached is the letter dated April 5 from Dexter A. Larsen regarding the liability of the various firms and persons involved in the subject contract. Please send me a copy of your reply to Mr. Larsen.

Attachment

cc: Harold Kirkemo
Chief, Office of Minerals Exploration
Geological Survey
U. S. Department of the Interior
Washington, D. C., 20240, w/att.

United States Department of the Interior

IN REPLY REFER TO:

OFFICE OF THE SOLICITOR
Room 4127
Federal Building - U. S. Courthouse
300 Booth Street
Reno, Nevada
89502

OFFICIAL COPY
MAR 8 1973
120

Air Mail

March 5, 1973

Memorandum

To: C. Brewster Chapman, Jr., Associate Solicitor, General Legal Services, Washington, D. C.

From: Otto Aho
Field Solicitor, Reno

Subject: Indebtedness of W. S. Moore Company to U. S. Geological Survey, Mineral Exploration Contract 2189 (OME-6344)

As you requested, I contacted Irving F. Moore, President of the W. S. Moore Company, regarding the subject indebtedness. Mr. Moore stated that Mr. Kirkemo's letter of December 5, 1972, demanding payment, had not been ignored. He had referred the letter to his attorneys and that he had requested and expected them to make a full reply thereto. For some unknown reason, the attorneys failed to make the requested reply. Mr. Moore did not reply to the letter himself because he had been advised by his attorneys to make no statements regarding the indebtedness, neither to admit nor to deny the indebtedness. Mr. Moore continues to follow that advice and would make no statements to me on the indebtedness. However, Mr. Moore has contacted his attorneys,

(Indebtedness of W. S. Moore Company, etc., continued)

who are not located in Reno, and they will send to me now a preliminary reply, at least, to the letter. Further, they will come to Reno and meet with me on March 27 for a thorough discussion on the indebtedness.

cc: Harold Kirkemo
Chief, Office of Minerals Exploration
Geological Survey
U. S. Department of the Interior
Washington, D. C.

United States Department of the Interior
GEOLOGICAL SURVEY
Denver Federal Center
Denver, Colorado 80225

IN REPLY REFER TO:

Office of Minerals Exploration
Building 53 Room 28

February 14, 1973

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O. M. E.
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FEB 16 1973
INITIALS | CODE
HK | 120

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore
Summitville Mine
Rio Grande County, Colorado
Contract 1289

During a telephone conversation on Monday, February 12, 1973, with Mr. R. A. Hildebrande, President of Polaris Resources, Inc. and Summitville, Inc., Lakewood, Colorado, I was informed that Mr. Hildebrand has not been contacted by Mr. Irving Moore since the operations at Summitville were closed down.

J. William Hasler

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

File OME-6344 W. S. Moore Co.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
1/11/73		130
		220

January 11, 1973

AIRMAIL - CERTIFIED MAIL
Deliver ONLY to addressee
RETURN RECEIPT FROM ADDRESSEE
ONLY REQUESTED

#133894 recd 1/17/73

Mr. Irving F. Moore
Wheeler Properties, Inc.
575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

Enclosed is a copy of a letter to you, dated December 5, 1972, which we sent by certified mail, Receipt No. 133843.

When the receipt was not returned to us within a reasonable period of time, the Post Office Department checked on the problem and reported that the Post Office in Reno, Nevada, had no record of receipt or delivery of our letter to you. Therefore, we enclose a copy of our letter of December 5, 1972, for your attention. We expect payment in full or satisfactory arrangement for payment to be made within 30 days following receipt of today's letter.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Mr. Kirkemo
130
CL Martin
HKirkemo/gla 1-11-73

cc: Director's Reading File
Mineral Resources
OME Docket
OME Reading File
OME Region III

Copies to: W. S. Moore Co. *
#500179 recd 1/15/73
400 Torrey Building
Duluth, Minnesota 55802

* By certified mail
Return Receipt Requested

Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
343 South Union Boulevard
Lakewood, Colorado 80228

Mr. William A. Trebilcock *
#500178 recd. 1/15/73
President
Trebilcock Mining, Inc.
156 East 74th Street
New York, New York 10021

ORIGINAL COPY
O. M. E.
RECEIVED
JAN 2 1973
INITIALS | CODE
HR 120

EL NORTE, COLO., Nov. 28 19 72

In Account with —

COUNTY CLERK & RECORDER

RIO GRANDE COUNTY

U. S. Geological Survey

Office of Minerals Exploration
Washington, D.C. 20242

Reception No.	Kind of Instrument	Grantor	Grantee	Rec F
#242436	139 pages @ $1.00 per page	NO PURCHASE ORDER ISSUED		$139.
#242437	110 pages @ $1.00 per page			110.
#242536	1 page @ $1.00 per page	Received by Jean Bailey Date 12/7/72		1.
#242107	2 pages @ $1.00 per page	Account No. 3-9380-90090		2.
#242537	14 pages @ $1.00 per page			14.
	MAKE CHECK PAYABLE TO COUNTY CLERK & RECORDER RIO GRANDE COUNTY DEL NORTE, COLORADO 81132		TOTAL	$266.

Document No. 242536

Please excuse the delay in sending these to you. Our office has been busy with the election and this is the first opportunity we have had to do it.

Enclosed is our bill for our services.

Sincerely,

Harold C. McDonald
Harold C. McDonald
County Clerk

Paid by check #60022189
12-26-72
DA.

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.

☐ Show to whom, date and address where delivered

☒ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.

CERTIFIED NO. 133894

INSURED NO.

DATE DELIVERED 1-17-73

SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (*only if requested*)

6344-Moore

o55—16—71548-11 347-193 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

RETURN TO

U. S. Department of the Interior
U. S. Geological Survey
Office of Minerals Exploration
Washington, D. C. 20242

P.O.D Form 3811 Apr. 1969 c55—16—71548-11

OME-6344 W. S. Moore Co.

OME-6344
W. S. Moore Co.

Letter December 5, 1972, Certification No. 133845

INQUIRY SECTION

UNITED STATES POST OFFICE
WASHINGTON, D. C. 20013

OFFICIAL BUSINESS

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JAN 10
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1973

PLEASE SAY YES TO THE NEW MARCH OF DIMES

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PAYMENT OF POSTAGE, $300

US Geological Survey
Dept Of Interior
Office Of Mineral Exploration
Wash DC 20242

44 Attn:Mr Harold Kirkemo

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
1/5/72		120
12/5/72	Tooker	120
1/15/72	Martin	
		220

AIRMAIL - CERTIFIED MAIL
Deliver ONLY to addressee
RETURN RECEIPT FROM ADDRESSEE
ONLY REQUESTED

DEC 5 1972

#133845
sent 12/6/72

Mr. Irving F. Moore
Wheeler Properties, Inc.
575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

12/21/72 Called P.O. Certified mail receipt phone 177-7720 for tracer
Called P.O. Miss Campbell 1/10/73 discovered that Reno. that there had been no delivery there was no record of it being in Reno P.O.

Dear Mr. Moore:

This is in further reply to your letter of October 13, 1972, concerning the royalty due the Government on shipments from the Summitville Mine during operations in 1971 through February 1972 during which time the W. S. Moore Company managed the mine pursuant to the Summitville Joint Venture Agreement and the Joint Operating Agreement executed January 1, 1971.

You submitted with your letter a ledger sheet prepared by you which is purported to be a copy of the Summitville Smelter Returns and production for the year 1971 covering all of the ore mined, milled, and marketed while your company was managing the Summitville mine. This ledger sheet does not reflect any shipments in 1972. According to your calculations from this date you state that the amount due the Federal Government is $8,961.70. Although your October letter acknowledges this sum is due and payable to the Government you do not offer to remit this sum and no payment has been received. Instead you suggest that we contact Polaris Resources, Inc. and its associates for production royalties due the Government.

The latter suggestion, that the Government look to other parties for payment of the royalties due the Government, indicates a lack of understanding on your part of the legal liabilities assumed by W. S. Moore Company under the OME contract with respect to repayment of the Government's loan. As we have reminded you in the past, Article 7 of the contract provides that the Operator (W. S. Moore Company) is obligated to pay a royalty on any production for the applicable period of time regardless of its ownership or control of the lands embraced in the contract. In this case, the period for the payment of royalty extends to May 22, 1976, or until the amount of the Government's participation totalling $13,789.53 plus interest is fully repaid, whichever comes first. To assure payment

of such royalty W. S. Moore Company specifically granted to the Government a lien on its interest in the land and upon any production therefrom pursuant to paragraph (e) of Article 7 of the contract. These provisions were repeated in the notice of Certification of Possible Production issued to W. S. Moore Company on February 6, 1968.

Thus, the fact that W. S. Moore Company may have encumbered or divested itself of its interests in the Summitville Mine did not absolve it of its responsibility to pay the Government its royalty on production, nor could such encumbrance or transfer of interest in any way abrogate the Government's right to look to W. S. Moore Company for payment of such royalty.

We have obtained from the Tacoma smelter the settlement sheets for the 15 railroad cars of concentrates that it received from the Summitville mine between June 10, 1971, and February 24, 1972. These records show that cumulative shipments having a net smelter value of $224,849.14 were made during this period. Royalty due the Government on these shipments total $11,242.47. From these sheets it is clear that the manager of ASARCO's Tacoma smelter was instructed to deduct royalty for the W. S. Moore Company and other parties, but no instruction was given to deduct and pay the Government's five percent royalty. This failure to instruct the smelter to deduct and remit the Government's five percent royalty amounts to a direct breach of the Operator's obligations under paragraph (f) of Article 7 of the OME contract, and might possibly be construed as an attempt to defraud the United States of monies due it.

Accordingly, you are hereby directed to make payment promptly to this office of royalty due the United States in the amount of $11,242.47 plus simple interest at the annual rate of 6-1/2 percent from the dates of the respective smelter payments to W. S. Moore Co. Unless payment is received in full or satisfactory arrangement for payment is made within 30 days from receipt of this letter, we have no recourse but to refer the matter to the Department of Justice for appropriate action.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Mr. Kirkemo
130
CLMartin
HKirkemo/CLMartin/hm/gla 12-5-72

cc: Director's Reading File
Mineral Resources
OME Docket
OME Reading File
OME Region III

Copies to: W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
343 South Union Boulevard
Lakewood, Colorado 80228

Mr. William A. Trebilcock
President
Trebilcock Mining, Inc.
156 East 74th Street
New York, New York 10021

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

NOV 27 1972

Memorandum

To: Associate Solicitor, General Legal Services

From: Chief, Office of Minerals Exploration

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

The enclosed proposed letter to the W. S. Moore Company is submitted for review and approval. Also enclosed is a summary of background information on the subject contract, a chronology of pertinent actions, letters and documents, conferences and events occurring prior to, during, and after production at the Summitville mine between June 1971 and February 1972 on which royalty totalling $11,242.47 is due the Government.

Harold Kirkemo

Harold Kirkemo

Enclosures

OFFICE OF

COUNTY CLERK AND RECORDER

RIO GRANDE COUNTY

DEL NORTE, COLORADO 81132

November 28, 1972

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

RE: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Sir:

We are sending to you as per your request the following documents:

Document No. 242436
Document NO. 242107
Document No. 242437
Document No. 242537
Document No. 242536

Please excuse the delay in sending these to you. Our office has been busy with the election and this is the first opportunity we have had to do it.

Enclosed is our bill for our services.

Sincerely,

Harold C. McDonald

Harold C. McDonald
County Clerk

176.79
18.89-
17.63-

140.27
195.32
20.00-
17.16-

298.43
187.19
18.51-
16.40-

450.71
199.79
23.21-
16.44-

610.85
205.62
22.57-
16.54-

777.36
189.54
21.95-
16.59-

928.36
185.12
22.25-
16.41-

1,074.82
167.06
21.58-
17.07-
167.78
18.06-
15.92-
161.59
17.69-
15.95-

1,464.98
190.78
15.74-
15.91-

1,624.11
201.26
18.31-
14.84-

1,792.22
1,792.22
1,792.22
1,792.22 ¤
13600 ¤
13000

205,822

¤
¤

SENDER:

( ) Investigation has disclosed that the article described on the other side, part II, was received by the addressee.

(X) Investigation of your inquiry concerning the {letter / parcel} mailed by you on 12-6-72, 19..., { ☐ registered ☐ insured / ☒ certified ☐ COD } No. 133845,

addressed to IRVING D. MOORE, WHELLER PROP INC. 575 FOREST ST RENO NEV 89505

did not locate the article. In the event the article is later located or responsibility for the loss is established, you will be further advised.

( ) Application for a duplicate postal money order may be made at the post office 60 days after date of issue.

( ) Indemnity claim for the loss or rifling of registered, insured, or COD mail may be filed at the nearest post office. Please present this notice with mailing receipt and evidence of value (such as receipted bills, etc.).

JAN 10 1973 E. H. RAPP POSTMASTER.
OFFICER-IN-CHARGE

GPO c48—16—23385-22

(Please see reverse)

Form 1510—Original—Part III

POSTMASTER, OFFICE OF ADDRESS: WASHINGTON, D. C. 20013 Date

Please show disposition of the above-described article.

E. H. RAPEE

OFFICER-IN-CHARGE DEC 27 1972

(Postmaster at mailing office) (ZIP Code)

REPLY: JAN 4 1973

Date ....., 19..... Has addressee received article? NO. (Yes or No)

NO RECORD

(If there is a record of delivery, show delivery date.....;

If delivered to firm, state accepting employee's name .....;

If not intact, what was missing? .....;

If COD, give MO Nos. ....., Amts. ....., date .....)

If undelivered and on hand, state reason .....

If received but not delivered and not on hand, state disposition .....

D. H. EVANS, Postmaster

(Postmaster at address office) (ZIP Code)

RENO, NEVADA 89501

GPO c48—16—23385-22

PS FORM 1510
OCT. 1970

(over)

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S). REQUIRED FEE(S) PAID.

☐ Show to whom, date and address where delivered

☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO. 500178

CERTIFIED NO.

INSURED NO.

DATE DELIVERED

(1) SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

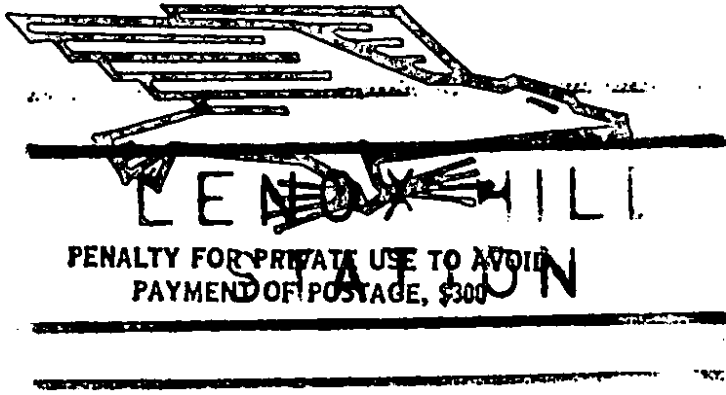
(2) SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

(3) SHOW WHERE DELIVERED (*only if requested*)

6344-WATrebilcock

c55—16—71548-11 347-198 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS



POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

RETURN TO

U. S. Department of the Interior
U. S. Geological Survey
Office of Minerals Exploration
Washington, D. C. 20242

POD Form 3811 Apr. 1969 c55—16—71548-11

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.

☐ Show to whom, date and address where delivered

☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.
500179

CERTIFIED NO.

INSURED NO.

DATE DELIVERED
JAN 15 1973

SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

Warren S. Moore

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (*only if requested*)

6344-WSMoore Co.

c55—16—71548-11 347-198 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

DULUTH, MN
JAN
15
PM
1973

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

RETURN
TO

U. S. Department of the Interior
U. S. Geological Survey
Office of Minerals Exploration
Washington, D. C. 20242

POD Form 3811 Apr. 1969 c55—16—71649-11

DEL NORTE, COLO., Nov. 28 19 72

In Account with —

COUNTY CLERK & RECORDER

RIO GRANDE COUNTY

U. S. Geological Survey

Office of Minerals Exploration
Washington, D.C. 20242

Reception No.	Kind of Instrument	Grantor	Grantee	Recorder's Fee
#242436	139 pages @ $1.00 per page			$139.00
#242437	110 pages @ $1.00 per page			110.00
#242536	1 page @ $1.00 per page			1.00
#242107	2 pages @ $1.00 per page			2.00
#242537	14 pages @ $1.00 per page			14.00
	MAKE CHECK PAYABLE TO COUNTY CLERK & RECORDER RIO GRANDE COUNTY DEL NORTE, COLORADO 81132		TOTAL	$266.00

AFTER FIVE DAYS RETURN TO

HAROLD C. McDONALD

RIO GRANDE COUNTY CLERK

DEL NORTE, COLORADO 81132

DEL NORTE
NOV 28 '72
COLO.

U.S. POSTAGE
.06
METER
011468

Gross smelter

18,719.07	
17,678.80	
19,532.30	
19,979.45	
20,562.55	
18,953.61	
18,512.36	
16,706.47	
16,778.44	
16,158.50	
19,077.99	
20,125.66	
19,513.68	
18,471.26	
24,422.25	
285,192.39	

net smelter

15,028.77
13,811.19
15,606.55
15,774.11
16,410.15
14,857.19
13,911.61
12,081.38
12,740.10
12,167.19
15,409.53
16,325.51
15,860.78
14,858.25
20,006.83
224,849.14

224,849.14	
751.44	OME
690.56	Royalty
780.33	
788.71	
820.50	
742.86	
695.58	
604.07	
637.01	
608.36	
770.48	
816.28	
793.04	
742.91	
1,000.34	
11,242.47	

net weight

1,121.40
1,188.81
1,168.43
1,357.81
1,347.06
1,340.47
1,355.92
1,398.42
1,186.54
1,166.98
932.30
1,025.40
729.477
14,589.54
924.01
890.77
1,139.43
17,543.75

'71 tons

6-71 to 2-72 tons produced 877.188

2,790.28
2,570.52 Trebelcock
2,897.94
1,471.00
1,309.00
1,221.00

12,259.74
12,259.74 ¤ W S M
3,836.64 Polaris
3,534.47 ?
3,984.67
¤
11,355.78 ¤
7,324.48
6,747.61
7,607.10 W S M Co.
13,202.39
12,885.79
12,615.58
13,421.58
11,303.92
11,269.07
11,132.98
14,099.72
14,937.84
14,512.61
13,595.30
18,306.25
¤
182,962.22 ¤

369.30
¤
Charges 369.30 ¤
3,690.30
3,867.61
3,925.75
4,205.34
4,152.40
4,096.42
4,600.75
4,625.09
4,038.34
3,991.31
3,668.46
3,800.15
3652.90 ~~3,292.90~~
3,613.01
4,415.42
[illegible] ¤
~~59,983.25~~ ¤
224,849.14
~~59,983.25~~
60,343.25 ¤
284,832.39 ¤

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/20/72		120
		220

NOV 20 1972

AIRMAIL

County Clerk and Recorder
Rio Grande County
Del Norte, Colorado 81132

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Sir:

On November 2, 1972, we asked for copies of two documents and of other pertinent documents which may be available in your records. To date we have not received any of this material or any acknowledgment that our first letter was received. We would appreciate your attention to this matter.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME-6344 file
OME Reading File
OME Region III
Mr. Kirkemo
130

HKirkemo/gla 11-2-72

AMERICAN SMELTING AND REFINING COMPANY

ASARCO

P. O. BOX 1677, TACOMA, WASHINGTON 98401

A. L. LABBE
MANAGER

C. H. RANDT
ASSISTANT MANAGER

M. C. TEATS
GENERAL SUPERINTENDENT

BEN R. PETRIE
ACCOUNTING MANAGER

October 17, 1972

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 24 1972
INITIALS | CODE
Ja | 30
HK | 120
Rec'd

United States Department of the Interior
Geological Survey
Washington, D. C. 20242

Attention: Mr. Harold Kirkemo, Chief
Office of Minerals Exploration

Gentlemen:

OME 6344
CONTRACT 2189

As requested in your letter of October 13, 1972, we are enclosing copies of our settlements with W. S. Moore Company for 1971 and 1972 receipts.

Yours truly,

Ben R. Petrie

BEN R. PETRIE

DUB:lp

Enclosures

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1905
Tacoma 1, Washington

CONTRACT NO. SW-100

DATE 10-18-71
SMELTER LOT NO. 1120
MINE LOT NO. 1
MATERIAL Bulk Cts
DATE RECEIVED 6-10-71
ENTRY
MINE NAME
CAR OR VESSEL 56110

STATEMENT OF SETTLEMENT

NAME OF SHIPPER: W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT		LBS.
CONTAINERS		LBS.
NET WEIGHT	121600	LBS.
MOISTURE	7.78	%
NET DRY WEIGHT	112140	LBS.

METAL QUOTATIONS	DATES	PRICE	LESS	NET
GOLD	7/1-31	40.952		40.952
SILVER	✓	157.476	3.000	154.476
LEAD				
COPPER	8/1-31	52.275	5.000	47.275
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
GOLD		5-0	OZS.	28.0	Less OZS. 3.02025	@ 92.50%		24.9	OZS.			1019	70
SILVER	9	98	OZS.	560	OZS. Less 1.02	@ 95%		479	OZS.			739	94
LEAD		16	%		LBS. LESS	UNITS @	%		LBS.				
COPPER	33	81	%	37915	LBS. LESS 1.0	UNITS @ 97.50	%	35874	LBS.			16959	43
COPPER			%		LBS. LESS	UNITS @	%		LBS.				
ZINC		7	%	LESS		UNITS	% @		$				
ARSENIC	5	84	%	LESS 1.00		UNITS 4.84	% @ $1.00	4	84				
ANTIMONY		25	%	LESS		UNITS	% @						
NICKEL		02	%	LESS		UNITS	% @						
BISMUTH		04	%	LESS .05		UNITS —	% @ 50¢/lb.						
IRON			%	LESS		UNITS	% @						
CHLORINE			%	LESS		UNITS	% @						
SILICA			%	LESS		UNITS	% @						
CADMIUM			%	LESS		UNITS	% @						
LIME			%	LESS		UNITS	% @						
SULPHUR			%	LESS		UNITS	% @						
ALUMINA			%	LESS		UNITS	% @						
BASE CHARGE								18	25				
LABOR	may		PER HR. $ 4.372	BASE $ 4.340	@ 10.0	c FOR EA. 1.0 c			32				
OIL			PER BBL. $	BASE $	@	c FOR EA. c							
METAL VALUE PER TON $				BASE $	@	%							

TOTAL TREATMENT PER TON	112140 LBS. @ $ 23 41			13 12	60	
Freight 121260 lbs @ 14.44 per S.Ton				713	01	
Empire Charge				875	50	
Representation				8	50	
Advances 7/6/71 W.S.Moore Co. $ 7324.48	Polaris Resources $ 3836.64			42	50	
Surcharge 35874 lbs @ 1.5¢				11161	12	
Royalty 6% of $15028.77 To: Reynolds Mining Co. c/o Mr John H. Tippit The First Nat'l Bank of Denver - Denver, Colo				538	11	
Royalty 2½% of $15028.77 To: W.S. Moore Co. c/o Mr Kevin Manning 575 Forest Street, Reno, Nevada				901	73	
Partner 20% of $13951.40 To: Trebilcock Mining Co 156 East 74th Street New York, New York 10021				375	72	
Partner 27½% of $13951.40 To: Warren S. Moore, Manager W.S. Moore Co. 575 Forest Street, Reno, Nevada Acct Polaris Resources Inc				2790	28	
Partner 52½% of To: W.S. Moore Co. Suite 201 575 Forest Street Reno, Nevada			DUE SHIPPER	See Above	*	
			DUE SMELTER			
			TOTALS	18719	77	18719 77
				MK.		MK.

LOT	CAR	PRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Trucking 121260 lbs @ $3.30 per ton = $200.08											

	.24
	1,019.70
	739.94
	16,959.43
	18,719.07
	1,312.60-
R-1120	713.01-
	875.50-
	8.50-
	42.50-
	200.08-
	538.11-
	15,028.77
	901.73-
	375.72-
OMF Royalty	751.44
	13,751.32

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1205
Tacoma 1, Washington

CONTRACT NO. SW-100

DATE October 14-1971
SMELTER LOT NO. 1145
MINE LOT NO. 2
MATERIAL Bulk Cts
DATE RECEIVED 6-18-71
ENTRY
MINE NAME
CAR OR VESSEL 56119

STATEMENT OF SETTLEMENT

NAME OF SHIPPER: W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 131100 LBS.
MOISTURE 9.32 %
NET DRY WEIGHT 118881 LBS.

METAL QUOTATIONS	DATES	PRICE	LESS	NET
GOLD	7/1-31	40.952		
SILVER	✓	157.476	3.000	154.476
LEAD				
COPPER	8/1-31	52.275	5.000	47.275
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		47	OZS.	27.9	OZS. Less .02 oz	@ $92.50%	24.7	OZS.			1011	51
SILVER	9	335	OZS.	555	OZS. Less 1 oz	@ 95%	471	OZS.			727	58
LEAD			%		LBS. LESS	UNITS @ %		LBS.				
COPPER	30	09	%	35771	LBS. LESS 1.0	UNITS @ 97.50%	33717	LBS.			15939	71
COPPER			%		LBS. LESS	UNITS @ %		LBS.				
ZINC			%	LESS	UNITS	% @		$				
ARSENIC	5	60	%	LESS 1.00	UNITS 4.60	% @ $1.00	4	60				
ANTIMONY		25	%	LESS	UNITS	% @						
NICKEL			%	LESS	UNITS	% @						
BISMUTH		06	%	LESS .05	UNITS .01	% @ 50¢/lb		10				
TIN			%	LESS	UNITS	% @						
CHLORINE			%	LESS	UNITS	% @						
SILICA			%	LESS	UNITS	% @						
IRON			%	LESS	UNITS	% @						
LIME			%	LESS	UNITS	% @						
SULPHUR			%	LESS	UNITS	% @						
ALUMINA			%	LESS	UNITS	% @						
BASE CHARGE							18	25				
LABOR May	PER HR. $ 4.377		BASE $ 4.340		@ 10.0 ¢	FOR EA. 1.0 ¢		37				
OIL	PER BBL. $		BASE $		@	¢ FOR EA. ¢						
METAL VALUE PER TON $			BASE $		@	%						

TOTAL TREATMENT PER TON 118881 LBS. @ $ 23 27 — 1383 18

Freight 130520 lbs @ 11-76 14.44 per S.Ton	767 46	
Empire Charge	942 35	
Representation	11 00	
Advances 7/6/71 W.S. Moore Co $6747.61 — Polaris Resources $3534.37 — $ .47	42 50	
Surcharge 33717 lbs @ 1.50¢	10282 08	
Royalty 6% of $13811.19 To: Reynolds Mining Co. c/o Mr John H. Tippit, The First Nat'l Bank of Denver - Denver, Colo	505 76	
Royalty 2½% of $13811.19 To: W.S. Moore Co. c/o Mr Kevin Manning, 575 Forest Street, Reno, Nevada	828 67	
Partner 20% of $12852.60 To: Trebilcock Mining Co 156 East 74th Street, New York, New York 10021	345 28	
Partner 27½% of $12852.60 To: Warren S. Moore, Manager W.S. Moore Co. 575 Forest Street, Reno, Nevada Acct Polaris Resources Inc	2570 57	
Partner 52½% of $12852.60 To: W.S. Moore Co. Suite 201 575 Forest Street Reno, Nevada	See Above *	
DUE SHIPPER	—	
DUE SMELTER		
TOTALS	17678 80	17678 80

LOT	CAR	PRT. WT.	SETTLEMENT WET	MOD	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Trucking 130520 lbs @ $3.30 per ton = $215.36											

L. 1145

	1,011.51
	727.58
	15,939.71
	17,678.80
	1,383.18-
	767.46-
	942.35-
	~~11.00~~
	~~42.50~~
	505.76-
	215.36-
	~~13,918.19~~
	~~22.00-~~
	~~85.00-~~
	13,811.19
	828.67-
	345.28-
OME Royalty	690.56
	12,637.24
Investing	215.36
	12,852.60

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1205
Tacoma 1, Washington

STATEMENT OF SETTLEMENT

CONTRACT NO. SW-100

DATE 10-18-71
SMELTER LOT NO. 1161
MINE LOT NO. 3
MATERIAL Bulk Cts
DATE RECEIVED 6-22-71
ENTRY
MINE NAME
CAR OR VESSEL 56100

NAME OF SHIPPER: W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT		LBS.
CONTAINERS		LBS.
NET WEIGHT	127100	LBS.
MOISTURE	8.07 %	
NET DRY WEIGHT	116843	LBS.

METAL QUOTATIONS	DATES	PRICE	LESS	NET
GOLD	4/1-31	40.952		40.952
SILVER	✓	157.476	3.000	154.476
LEAD				
COPPER	8/1-31	52.275	5.000	47.275
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
D		445	OZS.	26.0	OZS. Less .02025	@ 92.50%	22.9	OZS.				937	80
ER	10	315	OZS.	603	OZS. Less 1oz.	@ 95%	518	OZS.				800	19
			%		LBS. LESS	UNITS @ %		LBS.					
PER	34	04	%	39773	LBS. LESS 1.0	UNITS @ 97.50%	37640	LBS.				17794	31
PER			%		LBS. LESS	UNITS @ %		LBS.					
C			%	LESS		UNITS % @			$				
ENIC	7	00	%	LESS 1.00		UNITS 6.00 % @ $1.00	6	00					
MONY		25	%	LESS		UNITS % @							
KEL			%	LESS		UNITS % @							
UTH		04	%	LESS .05		UNITS % @ 50¢/lb.							
			%	LESS		UNITS % @							
ORINE			%	LESS		UNITS % @							
CA			%	LESS		UNITS % @							
N			%	LESS		UNITS % @							
E			%	LESS		UNITS % @							
PHUR			%	LESS		UNITS % @							
MINA			%	LESS		UNITS % @							
E CHARGE							18	25					
OR May	PER HR. $ 4.372		BASE $ 4.340		@ 10.0 c	FOR EA. 1.0 c		32					
	PER BBL. $		BASE $		@	c FOR EA. c							
AL VALUE PER TON $			BASE $		@	%							

AL TREATMENT PER TON	116843 LBS. @ $ 24	57	1435	42
eight 127100 lbs @ 14.44 (4.76) per S.Ton			747	35
pline Charge			917	66
presentation			8	50
ances 7/6/71			42	50
echarge 37640 lbs @ 1.5¢			4497	80
alty 6% of $15606.55 To: Reynolds Mining Co. c/o Mr John H. Tippit The First Nat'l Bank of Denver - Denver, Colo			564	60
alty 2½% of $15606.55 To: W.S. Moore Co. c/o Mr Kevin Manning 575 Forest Street, Reno, Nevada			936	39
ther 20% of $14489.72 To: Trebilcock Mining Co 156 East 74th Street New York, New York 10021			390	16
ether 27½% of $14489.72 To: Warren S. Moore, Manager W.S. Moore Co. 575 Forest Street, Reno, Nevada Acct Polaris Resources Inc			2897	94
ether 52½% of $14489.72 To: W.S. Moore Co. Suite 201 575 Forest Street Reno, Nevada			3984	67
	DUE SHIPPER		3109	31
	DUE SMELTER			
	TOTALS		19532	30

LOT	CAR	PRT. WT.	SETTLEMENT WET	SETTLEMENT H2O	SETTLEMENT DRY	ASSAYS AU	ASSAYS AG	ASSAYS CU	CONTENTS AU	CONTENTS AG	CONTENTS CU
Trucking		127100	lbs @ $3.30 per ton $209.72								

937.80
800.19
17,794.31

19,532.30
1,435.42-
747.35-
917.66-
8.50
42.50-
17.00-
564.60-
209.72-

15,606.55
~~936.39-~~
~~390.16-~~
~~209.62~~
¤
~~14,280.00~~

15,606.55
936.39-
390.16-
¤
14,280.00¤
209.62
14489.62

AMERICAN SMELTING AND REFINING COMPA
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

CONTRACT NO. SW-100

DATE 11-12-71
SMELTER LOT NO. 1416
MINE LOT NO. 1
MATERIAL Bulk Conc.
DATE RECEIVED 9/30/71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 56123

STATEMENT OF SETTLEMENT

NAME OF SHIPPER
W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502
c/o Mr Kevin Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 145500 LBS.
MOISTURE 6.68 %
NET DRY WEIGHT 135781 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	10/1-31/71	$42.504		
SILVER	10/1-31/71	132.979¢	3.0¢	129.979¢
LEAD				
COPPER	10/1-31/71	52.215¢	5.0¢	47.215¢
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		.33	OZS. 22.4	OZS. Less .02 oz)		@ 92.50%	19.4	OZS.					824	58
SILVER	12	71.5	OZS. 863	OZS. Less 1.00 oz		@ 95.0%	755	OZS.					981	34
LEAD			%	LBS. LESS		UNITS @	%	LBS.						
COPPER	30	07.5	% 40836	LBS. LESS	1.0	UNITS @ 97.50%	38491	LBS.					18173	53
COPPER			%	LBS. LESS		UNITS @	%	LBS.						
ZINC			% LESS		UNITS	% @		$						
ARSENIC	8	.25	% LESS	1.0	UNITS 7.25	% @ $1.00			7	25				
ANTIMONY		.41	% LESS		UNITS	% @								
NICKEL			% LESS		UNITS	% @								
BISMUTH		.05	% LESS		UNITS	% @								
TIN			% LESS		UNITS	% @								
CHLORINE			% LESS		UNITS	% @								
SILICA			% LESS		UNITS	% @								
IRON			% LESS		UNITS	% @								
LIME			% LESS		UNITS	% @								
SULPHUR			% LESS		UNITS	% @								
ALUMINA			% LESS		UNITS	% @								

BASE CHARGE 18 25
LABOR June PER HR. $ 4.358 BASE $ 4.340 @ 10.0 c FOR EA. 1.0 c 18
OIL PER BBL. $ BASE $ @ c FOR EA. c
METAL VALUE PER TON $ BASE $ @ %

TOTAL TREATMENT PER TON 135781 LBS. @ $ 25 68 — DEBITS 17430 43

SAMPLING AND ASSAYING
WEIGHT 145500 LBS. @ $ 22.02 PER TON $ TAXES $ — 16019 96
SMELTER LABOR (DISCHARGING) $ SWITCHING $
BACK CHARGE LBS. @ $ PER TON
IN SOLID BOTTOM CAR LBS. @ $ PER TON
UMPIRE CHARGES $ — ; CUSTOMS $; REPRESENTATION $ 42.50 — 42 50
ADVANCED ON 10/15/71 W. S. Moore Co $5883.00 } — 7354 00
Advanced 10/15/71 Trebilcock Mg. Co. $1471.00 }
ROYALTY % OF $
Surcharge 38491 lbs of copper @ 1.5¢ — 577 37
* — 1340 80
Subject to adjustment if required for Presidential Stabilization Order of August 15, 1971 — DUE SHIPPER 7319 39 — xxxxxxxx xxxxx
DUE SMELTER xxxxxxxx xxxxx
TOTALS 19979 45 — CREDITS 19979 45

Trucking 145500 lbs @ $3.30 per ton $240.08

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

Royalty 6% of $15774.11 To: Reynolds Mining Co. c/o Mr John H. Tigrit The First Nat'l Bank of Denver Denver, Colorado — $946.45 *

Royalty 2 1/2% of $15774.11 To: W. S. Moore Co. c/o Mr Kevin Manning 575 Forest Street Reno, Nevada 89502 — $394.35 *

5883.00
7319.39
13202.39

	824.52
	981.34
L.1416	18,173.55
	19,979.39
	6
	19,979.45
	1,743.43-
	1,601.96-
	42.50-
	577.37-
	240.08-
	15,774.11
	946.45-
	394.35-
	788.71
OME Royalty	14,433.31
	240.08
	14,673.39
	14,673.39 ¤
	¤
	¤

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

CONTRACT NO. SW-100

DATE 11-12-71
SMELTER LOT NO. 4417
MINE LOT NO. 3
MATERIAL Bulk Conc.
DATE RECEIVED 9/30/71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 55380

STATEMENT OF SETTLEMENT

NAME OF SHIPPER W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502
c/o Mr. Keson Manning

GROSS WEIGHT _____ LBS.
CONTAINERS _____ LBS.
NET WEIGHT 146340 LBS.
MOISTURE 7.95 %
NET DRY WEIGHT 134706 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	10/1-31/71	$42.50¢		
SILVER	10/1-31/71	132.979¢	3.0¢	129.979¢
LEAD				
COPPER	10/1-31/71	52.215¢	5.0¢	47.215¢
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
GOLD		41	OZS. 27.6	OZS. Less .02 oz @ 92.50%			24.3	OZS.				1032	85
SILVER	12	18	OZS. 820	OZS. Less 1.0% @ 95%			71.5	OZS.				929	35
LEAD			%	LBS. LESS		UNITS @ %		LBS.					
COPPER	30	995	% 41752	LBS. LESS	1.0	UNITS @ 97.50%	39395	LBS.				18600	35
COPPER			%	LBS. LESS		UNITS @ %		LBS.					
ZINC			% LESS	UNITS		% @		$					
ARSENIC	7	31	% LESS	1.0	UNITS 6.31	% @ $1.00		6	31				
ANTIMONY		38	% LESS	UNITS		% @							
NICKEL			% LESS	UNITS		% @							
BISMUTH		04	% LESS	UNITS		% @							
TIN			% LESS	UNITS		% @							
CHLORINE			% LESS	UNITS		% @							
SILICA			% LESS	UNITS		% @							
IRON			% LESS	UNITS		% @							
LIME			% LESS	UNITS		% @							
SULPHUR			% LESS	UNITS		% @							
ALUMINA			% LESS	UNITS		% @							

BASE CHARGE 18 25
LABOR June PER HR. $ 4.358 BASE $ 4.340 @ 10.0 c FOR EA. 1.0 c 18
OIL PER BBL. $ BASE $ @ c FOR EA. c
METAL VALUE PER TON $ BASE $ @ %

TOTAL TREATMENT PER TON 134706 LBS. @ $ 24.74 — DEBITS 1666 31

SAMPLING AND ASSAYING
FREIGHT 146340 LBS. @ $ 22.02 PER TON $ — TAXES $ — DEBITS 1611 20
SMELTER LABOR (DISCHARGING) $ — SWITCHING $
SACK CHARGE LBS. @ $ PER TON
IN SOLID BOTTOM CAR LBS. @ $ PER TON
UMPIRE CHARGES $; CUSTOMS $; REPRESENTATION $ 42.50 — DEBITS 42 50
ADVANCED ON 10/15/71 W. S. Moore Co. $5235.00 — DEBITS 16544 00
Advanced 10/15/71 Trebilcock Mg. Co. $1309.00
ROYALTY % OF $
Surcharge 39395 lbs @ 1.54 — DEBITS 590 93

* 1394 86
Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971 — DUE SHIPPER 8712 75 — DUE SMELTER xxxxxxxx xxxxx — TOTALS 20562 55 — CREDITS 20562 55

Trucking 146340 lbs @ $3.30 per ton $241.46

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty 6% of $16410.15 To: Reynolds Mining Co. c/o Mr. John H. Tippit The First Nat'l Bank of Denver Denver, Colorado										$ 984.61	*
Royalty 2½% of $16410.15 To: W. S. Moore Co. c/o Mr. Keson Manning 575 Forest Street Reno, Nevada 89502										$ 410.25	*

L.147

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  1,032.85
    929.35
 18,600.35

 33,764.94
 33,764.94¤
           ¤
  1,032.85
    929.35
 18,600.35

 20,562.55
  1,666.31-
  1,611.20-
     42.50-
    590.93-
    241.46-
           ¤
 16,410.15¤
 16,410.15
    984.61-
    410.25-
    820.50-
           ¤
 14,194.79¤
 14,194.79
  1,309.00-

 12,885.79
 12,885.79¤
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AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

CONTRACT NO. SW-100

DATE 11-29-71
SMELTER LOT NO. 1418
MINE LOT NO. 4
MATERIAL Bulk Conc
DATE RECEIVED 9/30/71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 55207

STATEMENT OF SETTLEMENT

NAME OF SHIPPER
W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 146820 LBS.
MOISTURE 8.70 %
NET DRY WEIGHT 134047 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	10/1-31/71	$42.50¢		
SILVER	10/1-31/71	132.979¢	3.0¢	129.979¢
LEAD				
COPPER	10/1-31/71	52.215¢	5.0¢	47.215¢
COPPER				

Resample	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		335	OZS.	22.5	OZS. Less .020 OZS.	@ 92.50%	19.6	OZS.					833	09
SILVER	11	87	OZS.	796	OZS. Less 1.0 OZ.	MIN. 95% OZS.	693	OZS.					900	75
LEAD			%		LBS. LESS	UNITS @	%	LBS.						
COPPER	28	905	%	38746	LBS. LESS 1.0	UNITS @ 97.50%	36471	LBS.					17219	78
COPPER			%		LBS. LESS	UNITS @	%	LBS.						
ZINC			%	LESS	UNITS	% @	$							
ARSENIC	7	16	%	LESS 1.0	UNITS 6.16	% @ $1.00	6	16						
ANTIMONY		38	%	LESS	UNITS	% @								
NICKEL			%	LESS	UNITS	% @								
BISMUTH		04	%	LESS	UNITS	% @								
TIN			%	LESS	UNITS	% @								
CHLORINE			%	LESS	UNITS	% @								
SILICA			%	LESS	UNITS	% @								
IRON			%	LESS	UNITS	% @								
LIME			%	LESS	UNITS	% @								
SULPHUR			%	LESS	UNITS	% @								
ALUMINA			%	LESS	UNITS	% @								

BASE CHARGE					18	25	
LABOR June	PER HR. $ 4.358	BASE $ 4.340	@ 10.0 c	FOR EA. 1.0 c	18		
OIL	PER BBL. $	BASE $	@	c FOR EA. c			
METAL VALUE PER TON $		BASE $	@	%			
TOTAL TREATMENT PER TON		134047	LBS. @ $	24	59	1648	11
SAMPLING AND ASSAYING							
FREIGHT 146820	LBS. @ $ 22.02	PER ___ TON $		TAXES $		1616	49
SMELTER LABOR (DISCHARGING) $				SWITCHING $			
SACK CHARGE	LBS. @ $	PER TON					
IN SOLID BOTTOM CAR		LBS. @ $		PER TON			
UMPIRE CHARGES $	; CUSTOMS $		; REPRESENTATION $ 42.50			42	50
ADVANCED ON 10/15/71 W. S. Moore $4882.00						6103	00
Advanced 10/15/71 Trubilcock Mg. Co. $1221.00							
ROYALTY	% OF $						
Surcharge 36471 lbs copper @ 1.5¢						547	07
Royalty *						1262	86
Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971				DUE SHIPPER		7733	58
				DUE SMELTER		xxxxxxxx	xxxxx
				TOTALS		18953	61

Trucking 146820 lbs @ $3.30 per ton $242.25												
LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU	
Royalty 6% of $14857.19 To: Reynolds Mining Co. c/o Mr. John H. Tippit, The First Nat'l Bank of Denver, Denver, Colorado										$ 891.43		*
Royalty 2½% of $14857.19 To: W. S. Moore Co. c/o Mr. Kevin Manning, 575 Forest Street, Reno, Nevada 89502										$ 371.43		*

L.1418

4,882.00
7,733.58 ¤
¤
4,882.00 ¤
4,882.00
7,733.58
¤
12,615.58 ¤

833.08
900.75
17,219.78

18,953.61
1,648.11-
1,616.49-
42.50-
547.07-
242.25-

14,857.19
891.43-
371.43-
OME Royalty 742.86
13,594.33

13,594.33 ¤
¤

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

Retroactive Wage Adjustment

CONTRACT NO. SW-100

DATE 4-21-71
SMELTER LOT NO. 1427
MINE LOT NO.
MATERIAL Bulk Cts
DATE RECEIVED 10-1-71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 55447

STATEMENT OF SETTLEMENT

NAME OF SHIPPER
W. S. Moore Company
Suite 201
575 Forrest Street
Reno Nevada 89502
c/o Mr. Lyron Manning

GROSS WEIGHT _____ LBS.
CONTAINERS _____ LBS.
NET WEIGHT 145220 LBS.
MOISTURE 6.63 %
NET DRY WEIGHT 135597 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	11/1-30	42.858		
SILVER	✓	131.389	3.000	128.389
LEAD				
COPPER	✓	51.620	5.000	46.620
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		305	OZS.	20.7	OZS. Less .02 oz @ 92½%			17.9	OZS.				767	16
SILVER	11	835	OZS.	80	OZS. Less 1.0 oz @ 95%			697	OZS.				894	87
LEAD			%		LBS. LESS		UNITS @ %		LBS.					
COPPER	28	34	%	38427	LBS. LESS	1.0	UNITS @ 97½ %	36144	LBS.				16850	33
COPPER			%		LBS. LESS		UNITS @ %		LBS.					
ZINC			%	LESS		UNITS	% @		$					
ARSENIC	7	86	%	LESS	1.0	UNITS 6.86	% @ $1.00	6	86					
ANTIMONY		38	%	LESS		UNITS	% @							
NICKEL			%	LESS		UNITS	% @							
BISMUTH		04	%	LESS		UNITS	% @							
TIN			%	LESS		UNITS	% @							
CHLORINE			%	LESS		UNITS	% @							
SILICA			%	LESS		UNITS	% @							
IRON			%	LESS		UNITS	% @							
LIME			%	LESS		UNITS	% @							
SULPHUR			%	LESS		UNITS	% @							
ALUMINA			%	LESS		UNITS	% @							

BASE CHARGE								18	25	
LABOR Sept	PER HR. $ 5.041	BASE $ 4.340	@ 10.0 c FOR EA. 1.0 c					7	01	
OIL	PER BBL. $	BASE $	@ c FOR EA. c							
METAL VALUE PER TON $		BASE $	@ %							
TOTAL TREATMENT PER TON				135597	LBS. @ $	32	12	2177	61	
SAMPLING AND ASSAYING										
FREIGHT 145220	LBS. @ $ 22.07	PER 5 TON $			TAXES $			1598	87	
SMELTER LABOR (DISCHARGING)	$				SWITCHING $					
PACK CHARGE	LBS. @ $	~~PER TON~~ Surcharge						542	16	
IN SOLID BOTTOM CAR		LBS. @ $	PER TON							
UMPIRE CHARGES $		; CUSTOMS $		; REPRESENTATION $ 42.50				42	50	
ADVANCED ON 10/18	W. S. Moore Co							6959	00	
" " 10/18	Tribilcock Mg Co									
ROYALTY 12/4	Settlement	Reynolds Mg Co						864	39	
" 12/4	"	W.S. Moore Co						360	16	
Settlement 12/4	W. S. Moore Co							6467	58	
	Royalty *									42 06
					DUE SHIPPER					XXXXXXXX XXXXX
					X DUE SMELTER			XXXXXXXX	XXXXX	452 85
					TOTALS			19007	27	19007 27

Trucking 145220 lbs @ $3.30 per ton $239.61

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty		6%	To Reynolds Mg Co					$834.70			
		$13911.61				Settlement 12/4		864.39			
						Due Smelter		$ 29.69	*		
Royalty		2½%	To W.S. Moore Co					$ 347.79			
		$13911.61				Settlement 12/4		360.16			
						Due Smelter		$ 12.37	*		

X Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

(12)

L.1427

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     767.16
     894.87
  16,850.33

  18,512.36
   2,177.61-
   1,598.87-
     542.16-
      42.50-
     239.61-

  13,911.61
     834.70-
     347.79-
                ¤
  12,729.12¤
   6,959.00-
   6,462.58-
                -
  13,421.58-
     452.85
                CR
  12,968.73CR
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AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

Retroactive Wage Adjustment

CONTRACT NO. SW-100

DATE 11-22-71
SMELTER LOT NO. 14778
MINE LOT NO.
MATERIAL Bulk Cts
DATE RECEIVED 10-11-71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 5536.1

STATEMENT OF SETTLEMENT

NAME OF SHIPPER: W. S. Moore Company
Suite 201
575 Forrest Street
Reno Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 151180 LBS.
MOISTURE 7.50 %
NET DRY WEIGHT 139842 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	11/1-30	42.858		
SILVER	/	131.389	3.000	128.389
LEAD				
COPPER	/	51.620	5.000	46.620
COPPER				

Sample	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
GOLD		.28	OZS. 13.6	OZS. less .02 @ 92½%			16.8	OZS.				720	01
SILVER	10	4.3	OZS. 729	OZS. less 1.0 @ 95%			626	OZS.				803	72
LEAD			%	LBS. LESS	UNITS @	%		LBS.					
COPPER	24	885	% 34800	LBS. LESS 1.0	UNITS @ 97½ %		32567	LBS.				15182	74
COPPER			%	LBS. LESS	UNITS @	%		LBS.					
ZINC			% LESS	UNITS	% @		$						
ARSENIC	.697		% LESS 1.0	UNITS 5.97%	@ $1.00		597						
ANTIMONY		.25	% LESS	UNITS	% @								
NICKEL			% LESS	UNITS	% @								
BISMUTH		.04	% LESS	UNITS	% @								
IRON			% LESS	UNITS	% @								
CHLORINE			% LESS	UNITS	% @								
SILICA			% LESS	UNITS	% @								
IRON			% LESS	UNITS	% @								
LIME			% LESS	UNITS	% @								
SULPHUR			% LESS	UNITS	% @								
ALUMINA			% LESS	UNITS	% @								

BASE CHARGE 18 35
LABOR Sept PER HR. $ 5.041 BASE $ 4.340 @ 10.0 c FOR EA. 1.0 c 7 01
OIL PER BBL. $ BASE $ @ c FOR EA. c
METAL VALUE PER TON $ BASE $ @ %

TOTAL TREATMENT PER TON 139842 LBS. @ $ 31 18 — DEBITS 2180 14

SAMPLING AND ASSAYING
FREIGHT 151180 LBS. @ $ 22.07 PER S. TON $ — TAXES $ 1664 49
SMELTER LABOR (DISCHARGING) $ — SWITCHING $
TRACK CHARGE LBS. @ $ ~~PER TON~~ Surcharge — 488 51
IN SOLID BOTTOM CAR LBS. @ $ PER TON
EMPIRE CHARGES $; CUSTOMS $; REPRESENTATION $ 42.50 — 42 50
ADVANCED ON 10/26 W.S. Moore Co — 6920 00
~~Reynolds Mg Co~~
ROYALTY 12/14 Settlement Reynolds Mg Co — 755 51
" 12/14 " W.S. Moore Co — 314 80
Settlement 12/14 W.S. Moore Co — 4850 95
Royalty * — CREDITS 43 40
DUE SHIPPER
X DUE SMELTER — 46 703
TOTALS 17216 90 — 17216 90

Trucking 151180 lbs @ $3.30 per ton $249.45

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty	6% To Reynolds Mg Co						$724.88				
	$12081.38					Settlement 12/14	755.51				
						Clear Smelter	30.63	*			
Royalty	2½% To W.S. Moore Co						$303.03				
	$12081.38					Settlement 12/14	314.80				
						Clear Smelter	$12.77	*			

X Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

L.1498

720.01
803.12
15,182.74

16,705.87
2,180.14-
1,664.49-
488.51-
42.50-
249.45-

12,080.78
.60

12,081.38
724.88-
Royalty 302.03-

11,054.47
6,920.00-
WSM 4,850.95-
770.95-
11,770.95 716.48-
467.03 716.48 CR
11303.92 249.45
43.40
467.03
¤
759.88¤
43.40
716.48

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

STATEMENT OF SETTLEMENT

Retroactive Wage Adjustment

CONTRACT NO. SUL-100

DATE 4-21-72
SMELTER LOT NO. 1705
MINE LOT NO.
MATERIAL Bulk Cts
DATE RECEIVED 11-15-71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 55375

NAME OF SHIPPER: W. S. Moore Company, Suite 201, 575 Forrest Street, Reno Nevada 89502, c/o Mr. Lewis Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 130820 LBS.
MOISTURE 9.30 %
NET DRY WEIGHT 118654 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	12/1-31	43.484		
SILVER	✓	138.75✓	3.000	135.75✓
LEAD				
COPPER	✓	49.699	5.000	44.699
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		36	OZS.	21.4	OZS. Less .02 @ 92½%			18.7	OZS.				813	15
SILVER	13	6.65	OZS.	751	OZS. Less 1.0 @ 95%			657	OZS.				891	89
LEAD			%		LBS. LESS		UNITS @	%		LBS.				
COPPER	30	15	%	35774	LBS. LESS	1.0	UNITS @ 97½	%	33722	LBS.			15073	40
COPPER			%		LBS. LESS		UNITS @	%		LBS.				
ZINC			%	LESS	UNITS		% @		$					
ARSENIC	7	25	%	LESS 1.0	UNITS	6.25	% @ $1.00		6	25				
ANTIMONY		38	%	LESS	UNITS		% @							
NICKEL			%	LESS	UNITS		% @							
BISMUTH		03	%	LESS	UNITS		% @							
			%	LESS	UNITS		% @							
CHLORINE			%	LESS	UNITS		% @							
SILICA			%	LESS	UNITS		% @							
IRON			%	LESS	UNITS		% @							
LEAD			%	LESS	UNITS		% @							
SULPHUR			%	LESS	UNITS		% @							
ALUMINA			%	LESS	UNITS		% @							
SMELTER CHARGE									18	35				
LABOR Oct			PER HR. $ 5.081		BASE $ 4.340		@ 10.0 c FOR EA. 1.0 c		7	41				
			PER BBL. $		BASE $		@ c FOR EA. c							
TOTAL VALUE PER TON $					BASE $		@ %							
TOTAL TREATMENT PER TON							118654 LBS. @ $		31	91	1893	12		
Min. FRT. WT.														
~~CRUSHING AND SAMPLING~~ 140000#														
WEIGHT 130820 LBS. @ $ 22.07 PER S TON $								TAXES $			1541	40		
FILTER LABOR (DISCHARGING) $								SWITCHING $						
TRUCK CHARGE			LBS. @ $				~~PER TON~~ Surcharge				337	27		
SOLID BOTTOM CAR					LBS. @ $		PER TON							
SPECIAL CHARGES $ 8.25					: CUSTOMS $			: REPRESENTATION $ 42.50			50	75		
ADVANCED ON 11/30					W.S. Moore Co						5966	00		
					~~Tailings Co~~									
ROYALTY 1/18					Settlement		Reynolds Mg Co				789	86		
1/18							W.S. Moore Co				329	11		
Settlement 1/18					W.S. Moore Co						6295	16		
							Royalty *						36	06
								DUE SHIPPER					XXXXXXXX	XXXXXX
								DUE SMELTER			XXXXXXXX	XXXXXX	388	17
								TOTALS			17202	67	17202	67

Trucking 130820 lbs @ $3.30 per ton $215.85

SHOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty		6%	To Reynolds Mg Co				$764.41				
			$12740.10			Settlement 1/18	$789.86				
						Alue Smelter	$25.45	*			
Royalty		2½%	To W.S. Moore Co				$318.50				
			$12740.10			Settlement 1/18	329.11				
						Alue Smelter	$10.61	*			

* Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

L.1705

	813.15
	891.89
	15,073.40
	16,778.44
	1,893.12-
	1,541.40-
	337.22-
	50.75-
	215.85-
	13,740.10
	764.41-
	318.50-
	11,657.19
	5,966.00-
11,657.19	6,295.16-
388.12	-
11,269.07	603.97-
	388.12
	215.85

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

Retroactive Wage Adjustment

CONTRACT NO. SW-100

DATE 4-21-77
SMELTER LOT NO. 1706
MINE LOT NO.
MATERIAL Bulk Cs
DATE RECEIVED 11-15-71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 56146

STATEMENT OF SETTLEMENT

NAME OF SHIPPER
W. S. Moore Company
Suite 201
575 Forrest Street
Reno Nevada 89502
c/o Mr. Lyron Manning

GROSS WEIGHT _____ LBS.
CONTAINERS _____ LBS.
NET WEIGHT 127400 LBS.
MOISTURE 8.40 %
NET DRY WEIGHT 116698 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	12/1-31	43.484		
SILVER	✓	138.752	3.000	135.752
LEAD				
COPPER	✓	49.699	5.000	44.699
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
OLD		37	OZS.	21.6	OZS.	Less .02 oz @ 92½%		18.9	OZS.				821	85
LVER	12	19	OZS.	711	OZS.	Less 1.0 oz @ 95%		620	OZS.				841	16
EAD			%		LBS. LESS	UNITS @	%		LBS.					
OPPER	39	50	%	34426	LBS. LESS 1.0	UNITS @ 97½ %		32428	LBS.				14494	99
CPPER			%		LBS. LESS	UNITS @	%		LBS.					
NC			%	LESS	UNITS	% @		$						
RSENIC	7	35	%	LESS 1.0	UNITS 6.35	% @ $1.00			6.35					
NTIMONY		37	%	LESS	UNITS	% @								
CKEL			%	LESS	UNITS	% @								
SMUTH		03	%	LESS	UNITS	% @								
N			%	LESS	UNITS	% @								
HLORINE			%	LESS	UNITS	% @								
LICA			%	LESS	UNITS	% @								
ON			%	LESS	UNITS	% @								
ME			%	LESS	UNITS	% @								
LFHUR			%	LESS	UNITS	% @								
UMINA			%	LESS	UNITS	% @								

SE CHARGE								18	35		
BOR Cost	PER HR. $ 5.081	BASE $ 4.340	@ 10.0 c	FOR EA. 1.0 c				7	41		
L	PER BBL. $	BASE $	@	c FOR EA.	c						
ETAL VALUE PER TON $		BASE $	@	%							
TAL TREATMENT PER TON					116698	LBS. @ $	31	91		186	97
4% FRT WT 140000#											
~~SHIPPING AND ASSAYING~~											
EIGHT 127400	LBS. @ $ 22.07	PER S TON $					TAXES $			1541	40
ELTER LABOR (DISCHARGING)	$						SWITCHING $				
CK CHARGE	LBS. @ $	~~PER TON~~ Surcharge								324	28
SOLID BOTTOM CAR		LBS. @ $		PER TON							
MPIRE CHARGES $ 11.00	: CUSTOMS $			: REPRESENTATION $ 42.50						53	50
VANCED ON 11/30	W. S. Moore Co									5879	00
✓ ✓	~~[illegible] 5 [illegible]~~										
YALTY 1/17	Settlement Reynolds Mg Co									755	06
✓ 1/17	✓ W.S. Moore Co									314	61
ettlement 1/17	W. S. Moore Co									5845	93
					Royalty *						
					DUE SHIPPER					xxxxxxx	xxxxx
					X DUE SMELTER					381	74
					TOTALS					16575	70

Trucking 127400 lbs @ $3.30 per ton $210.21

	SETTLEMENT				ASSAYS			CONTENTS		
OT CAR FRT. WT.	WET	H2O	DRY		AU	AG	CU	AU	AG	CU
yalty 6% To Reynolds Mg Co						$730.03				
$12167.19				Settlement 1/17		$755.06				
				Blue Smelter		$25.03	*			
yalty 2½% To W.S. Moore Co						$304.18				
$12167.19				Settlement 1/17		314.61				
				Blue Smelter		$10.43	*			

X Subject to adjustment if required by Residential Stabilization Order of August 15, 1971

L.1706

	821.85
	841.66
	14,494.99
	16,158.50
	1,861.92-
	1,541.40-
	324.28-
	53.50-
	210.21-
	12,167.19
	730.03-
	304.18-
	¤
	11,132.98¤

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

STATEMENT OF SETTLEMENT

Retroactive Wage Adjustment

CONTRACT NO. SW-100
DATE 4-21-71
SMELTER LOT NO. 1782
MINE LOT NO.
MATERIAL Bulk Cu
DATE RECEIVED 11-29-71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 555503

NAME OF SHIPPER W. S. Moore Company
Suite 201
575 Forrest Street
Reno Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 102880 LBS.
MOISTURE 9.38 %
NET DRY WEIGHT 93230 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	12/1-31	43.484		
SILVER	/	138.757	3.000	135.757
LEAD				
COPPER	✓	49.699	5.000	44.699
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
GOLD		19	OZS.	32.2	OZS. Less .02 @ 92½%		29.0	OZS.				1261	04
SILVER	15	45	OZS.	720	OZS. Less 1.0 @ 95%		639	OZS.				867	46
LEAD			%		LBS. LESS	UNITS @ %		LBS.					
COPPER	42	715	%	39823	LBS. LESS 1.0	UNITS @ 97½%	37919	LBS.				16949	41
COPPER			%		LBS. LESS	UNITS @ %		LBS.					
ZINC			%	LESS	UNITS	% @	$						
ARSENIC	8	17	%	LESS 1.0	UNITS 7.17% @ $1.00		7	17					
ANTIMONY		50	%	LESS	UNITS	% @							
NICKEL			%	LESS	UNITS	% @							
BISMUTH		07	%	LESS	UNITS	% @							
IRON			%	LESS	UNITS	% @							
CHLORINE			%	LESS	UNITS	% @							
SILICA			%	LESS	UNITS	% @							
TIN			%	LESS	UNITS	% @							
ZINC			%	LESS	UNITS	% @							
SULPHUR			%	LESS	UNITS	% @							
ALUMINA			%	LESS	UNITS	% @							

CHARGE						18	35		
LABOR 0.07	PER HR. $ 5.081	BASE $ 4.340	@ 10.0 c	FOR EA. 1.0 c		7	41		
	PER DOL. $	BASE $	@	c FOR EA.	c				
TOTAL VALUE PER TON $		BASE $	@	%					
TOTAL TREATMENT PER TON			93230	LBS. @ $		32	78	1528	04
Min Frt Wt. 140000 #									
~~SAMPLING AND ASSAYING~~				(Freight corrected to original					
WEIGHT 102880	LBS. @ $ 22.07	PER $ TON $	charge)		TAXES $			1541	40
SMELTER LABOR (DISCHARGING)	$				SWITCHING $				
DECK CHARGE	LBS. @ $	~~PER TON~~	Surcharge					379	19
SOLID BOTTOM CAR		LBS. @ $		PER TON					
EXPIRE CHARGES $ 7.50	; CUSTOMS $		; REPRESENTATION $ 42.50					50	00
ADVANCED ON 12/14	W.S. Moore Co							7651	00
~~Problem Mgt Co~~									
ROYALTY 1/18	Settlement	Reynolds Mg Co						944	57
" 1/18	"	W.S. Moore Co						393	57
Settlement 1/18	W.S. Moore Co							6923	44
			Royalty *						28	33
					DUE SHIPPER				
					X DUE SMELTER				304	97
Frt Value @ 70.49)					TOTALS			19411	21	19411	21

Trucking 102880 lbs @ $3.30 per ton $169.75

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty			6% To Reynolds Mg Co				* 924.57				
			$15489.53			Settlement 1/18	944.57				
						Due Smelter	20.00		*		
Royalty			2½% To W.S. Moore Co				$ 385.24				
			$15409.53			Settlement 1/18	393.57				
						Due Smelter	8.33		*		

X Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

L. 1782

1,261.04
867.46
16,949.41
19,077.91
1,528.04-
1,541.40-
379.19
379.19-
379.19-
50.00-
169.75-
15,409.53
924.57-
385.24-
¤
14,099.72¤

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

Retroactive Wages Adjustment

CONTRACT NO. SW-100

DATE 4-21-72
SMELTER LOT NO. 1256
MINE LOT NO.
MATERIAL Gold Cu
DATE RECEIVED 12-22-71
ENTRY
MINE NAME Summitville
CAR OR VESSEL 56.124

STATEMENT OF SETTLEMENT

NAME OF SHIPPER: W. S. Moore Company
Suite 201
575 Forrest Street
Reno Nevada 89502
c/o Mr. Lewis Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 120920 LBS.
MOISTURE 15.20 %
NET DRY WEIGHT 102540 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	1/1-31	45.751		
SILVER	✓	146.705	3.000	143.705
LEAD				
COPPER	✓	49.199	5.000	44.199
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
GOLD		77	OZS.	39.5	OZS. less .02 oz @ 92½%		35.6	OZS.				1628	74
SILVER	14	285	OZS.	732	OZS. less 1.0 oz @ 95%		677	OZS.				924	77
LEAD			%		LBS. LESS	UNITS @ %		LBS.					
COPPER	40	31	%	41334	LBS. LESS 1.0	UNITS @ 97½%	39301	LBS.				17517	15
COPPER			%		LBS. LESS	UNITS @ %		LBS.					
ZINC			%	LESS	UNITS	% @	$						
ARSENIC	6	93	%	LESS 1.0	UNITS 5.93	% @ $1.00	5	93					
ANTIMONY		56	%	LESS	UNITS	% @							
NICKEL			%	LESS	UNITS	% @							
BISMUTH		04	%	LESS	UNITS	% @							
IRON			%	LESS	UNITS	% @							
CHLORINE			%	LESS	UNITS	% @							
SILICA			%	LESS	UNITS	% @							
CARBON			%	LESS	UNITS	% @							
LIME			%	LESS	UNITS	% @							
SULPHUR			%	LESS	UNITS	% @							
ALUMINA			%	LESS	UNITS	% @							
BASE CHARGE							18	25					
LABOR Mon	PER HR. $ 5.089		BASE $ 4.340		@ 10.0 c FOR EA. 1.0 c		7	49					
OIL	PER BBL. $		BASE $		@ c FOR EA. c								
METAL VALUE PER TON $			BASE $		@ %								
TOTAL TREATMENT PER TON					102540 LBS. @ $		31	67		1623	72		
Min Fat WT													
~~SAMPLING AND ASSAYING~~ 140000 *													
WEIGHT 120920 LBS. @ $ 22.07 PER S TON $						TAXES $				1541	40		
SMELTER LABOR (DISCHARGING) $						SWITCHING $							
BACK CHARGE	LBS. @ $		~~PER TON~~ Surcharge							393	01		
SOLID BOTTOM CAR			LBS. @ $		PER TON								
EMPIRE CHARGES $			: CUSTOMS $		: REPRESENTATION $ 42.50					42	50		
ADVANCED ON 1/6			W. S. Moore Co							8407	00		
✓ ✓			~~Reynolds Mg Co~~										
ROYALTY 2/23			Settlement		Reynolds Mg Co					996	69		
✓ 2/23			✓		WS Moore Co					415	29		
Settlement 2/23			W. S. Moore Co							6992	25		
					Royalty *							24	31
						DUE SHIPPER				xxxxxx	xxxx	xxxxxx	xxxx
						DUE SMELTER				xxxxxx	xxxx	261	69
(Fat Value $6744)						TOTALS				20411	66	20411	66

Trucking 120920 lbs @ $3.30 per ton = $199.52

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty		6% To Reynolds Mg Co						979.53			
		$16325.51				Settlement 2/23		996.69			
						Due Smelter		$ 17.16			
Royalty		2½% To W. S. Moore Co						$ 408.14			
		$16325.51				Settlement 2/23		415.29			
						Due Smelter		$ 7.15			

* Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

L.1956

1,628.74	
929.77	
17,567.15	
20,125.66	
1,623.72	-
1,541.40	-
393.01	-
42.50	-
199.52	-
16,325.51	
978.53	-
1.00	-
408.14	-
	¤
14,937.84	¤

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

Retroactive Wage Adjustment

CONTRACT NO. SW-100

DATE 4-21-77
SMELTER LOT NO. 29
MINE LOT NO.
MATERIAL Bulk Cu
DATE RECEIVED 1-6-77
ENTRY
MINE NAME Summitville
CAR OR VESSEL 56107

STATEMENT OF SETTLEMENT

NAME OF SHIPPER W. S. Moore Company
Suite 201
575 Forrest Street
Reno Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT _____ LBS.
CONTAINERS _____ LBS.
NET WEIGHT 105880 LBS.
MOISTURE 12.73 %
NET DRY WEIGHT 92401 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	2/1-29	48.263		
SILVER		149.755	3.000	146.755
LEAD				
COPPER		49.980	5.000	44.980
COPPER				

Sample	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		805	OZS. 37.7	OZS. 0/oz.02 @ 92½%			33.6	OZS.					16.21	64
SILVER	14.51		OZS. 670	OZS. less 1.0 oz @ 95%			593	OZS.					870	26
LEAD			%	LBS. LESS	UNITS @	%		LBS.						
COPPER	43.005		% 39737	LBS. LESS 1.0	UNITS @ 97½	%	37843	LBS.					17021	78
COPPER			%	LBS. LESS	UNITS @	%		LBS.						
ZINC			% LESS	UNITS	% @			$						
ARSENIC	7.96		% LESS 1.0	UNITS 6.96	% @ $1.00		6.96							
ANTIMONY		56	% LESS	UNITS	% @									
NICKEL			% LESS	UNITS	% @									
BISMUTH		04	% LESS	UNITS	% @									
			% LESS	UNITS	% @									
CHLORINE			% LESS	UNITS	% @									
MICA			% LESS	UNITS	% @									
IRON			% LESS	UNITS	% @									
LEAD			% LESS	UNITS	% @									
SULPHUR			% LESS	UNITS	% @									
ALUMINA			% LESS	UNITS	% @									

SMELTER CHARGE									
FOR Alloy	PER HR. $ 5.107	BASE $ 4.340	@ 10.0 c	FOR EA. 1.0 c		18	25		
	PER BBL. $	BASE $	@	c FOR EA.	c	7	67		
TOTAL VALUE PER TON $		BASE $	@	%					
TOTAL TREATMENT PER TON				92401	LBS. @ $	32	83	1516	76
Min Frt Wt 140000 #									
~~SAMPLING AND ASSAYING~~									
WEIGHT 105340	LBS. @ $ 22.07	PER S. TON $			TAXES $			1541	40
WATER LABOR (DISCHARGING)	$				SWITCHING $				
DOCK CHARGE	LBS. @ $		Surcharge					378	42
SOLID BOTTOM CAR		LBS. @ $		(PER TON					
FREE CHARGES $		; CUSTOMS $		; REPRESENTATION $ 42.50				42	50
ADVANCED ON 1/21	W. S. Moore Co							7597	00
~~Final Bank Pay~~									
ROYALTY 3/16	Settlement	Reynolds Mg Co						952	95
3/16		W S Moore Co						397	06
Settlement 3/16	W. S. Moore Co							7109	29
			Royalty *						1 84
					DUE SHIPPER				
					X DUE SMELTER				19 87
					TOTALS			19535	39

Stacking 105340 lbs @ $3.30 per ton $173.81

	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty	6/3		To Reynolds Mg Co				951.65				
		$15860.78		Settlement 3/16			952.95				
				Alloy Smelter			1.30	*			
Royalty	2½%		To W. S. Moore Co				$ 396.57				
		$15860.78		Settlement 3/16			397.06				
				Alloy Smelter			.54	*			

X Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

L.29

1,621.64
870.26
17,021.78
19,513.68
1,516.76-
1,541.40-
378.43-
42.50-
173.81-
15,860.78
951.65-
396.52-
14,512.61
14,512.61

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

Retroactive Wage Adjustment

CONTRACT NO. SW-100

DATE 4-21-77
SMELTER LOT NO. 136
MINE LOT NO.
MATERIAL Bulk Cts
DATE RECEIVED 1-21-77
ENTRY
MINE NAME Summitville
CAR OR VESSEL 5616-4

STATEMENT OF SETTLEMENT

NAME OF SHIPPER: W. S. Moore Company, Suite 201, 575 Forrest Street, Reno Nevada 89502, c/o Mr. Loren Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 102000 LBS.
MOISTURE 12.67 %
NET DRY WEIGHT 89077 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	2/1-29	48.265		
SILVER	/	149.755	3.000	146.755
LEAD				
COPPER	/	49.980	5.000	44.980
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS	
GOLD		87	OZS.	38.7	OZS. Less .02 oz @ 92½%			35.0	OZS.			1689	20
SILVER	14	135	OZS.	636	OZS. Less 1.0 oz @ 95%			556	OZS.			815	91
LEAD			%		LBS. LESS	UNITS @	%		LBS.				
COPPER	41	87	%	37297	LBS. LESS 1.0	UNITS @ 97½%		35496	LBS.			1596	10
COPPER			%		LBS. LESS	UNITS @	%		LBS.				
ZINC			% LESS		UNITS	% @		$					
ARSENIC	8	94	% LESS	1.0	UNITS 7.94% @	$1.00		7	94				
ANTIMONY		50	% LESS		UNITS	% @							
NICKEL			% LESS		UNITS	% @							
BISMUTH		03	% LESS		UNITS	% @							
TIN			% LESS		UNITS	% @							
CHLORINE			% LESS		UNITS	% @							
SILICA			% LESS		UNITS	% @							
IRON			% LESS		UNITS	% @							
LIME			% LESS		UNITS	% @							
SULPHUR			% LESS		UNITS	% @							
ALUMINA			% LESS		UNITS	% @							
BASE CHARGE								18	35				
LABOR Ibs	PER HR. $ 5.107		BASE $ 4.340		@ 10.0 c FOR EA. 1.0 c			7	67				
OIL	PER BBL. $		BASE $		@ c FOR EA. c								
METAL VALUE PER TON $			BASE $		@ %								
TOTAL TREATMENT PER TON					89077 LBS. @ $			33	81	1505	85		
Min Frt Wt													
SAMPLING AND ASSAYING	40000 #												
FREIGHT	102000 LBS. @ $ 22.07				PER S TON $			TAXES $		1541	40		
SMELTER LABOR (DISCHARGING)	$							SWITCHING $					
SACK CHARGE	LBS. @ $					Surcharge				354	96		
IN SOLID BOTTOM CAR			LBS. @ $				PER TON						
UMPIRE CHARGES $			: CUSTOMS $			: REPRESENTATION $ 42.50				42	50		
ADVANCED ON 2/7			W.S. Moore Co							6200	00		
/ /			~~Fruitland Mfg~~										
ROYALTY 3/22			Settlement		Reynolds Mg Co					892	75		
/ 3/22			/		W.S. Moore Co					371	98		
Settlement 3/22			W.S. Moore Co							7582	76		
						Royalty						1	78
						x	DUE SHIPPER					xxxxxxx	xxxxx
						x	DUE SMELTER			xxxxxxx	xxxxx	19	16
							TOTALS			18492	20	18492	20

Trucking 102000 lbs @ $3.30 per ton $168.30

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty		6% To Reynolds Mg Co						891.49			
		$14858.28				Settlement 3/22		892.75			
						Due Smelter		1.26			
Royalty		2½% To W.S. Moore Co						371.46			
		$14858.25				Settlement 3/22		371.98			
						Due Smelter		.52			

x Subject to adjustment if required by Presidential Stabilization Order of August 15, 1971

L,136

1,689.20	
815.96	
15,966.10	
18,471.26	
1,505.85	-
1,541.40	-
354.96	-
42.50	-
168.30	-
14,858.25	
891.49	-
371.46	-
	¤
13,595.30	¤

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1606
Tacoma 1, Washington

CONTRACT NO. S15-100

DATE 4-21-72
SMELTER LOT NO. 4125
MINE LOT NO.
MATERIAL Bulk Conc.
DATE RECEIVED 2/24/72
ENTRY
MINE NAME Summitville
CAR OR VESSEL 55396

STATEMENT OF SETTLEMENT

NAME OF SHIPPER W. S. Moore Company
Suite 201
575 Forest Street
Reno Nevada 89502
c/o Mr. Kevin Manning

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 124080 LBS.
MOISTURE 8.17 %
NET DRY WEIGHT 113943 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	3/1-31	48.327		
SILVER		153.041	3.0+	150.041
LEAD				
COPPER		51.949	5.0+	46.949
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD	7	95	OZS. 45.3	OZS. less .02 oz @ 92.50%			40.9	OZS.					1276	57
SILVER	13	235	OZS. 754	OZS. less 1.0 oz @ 95%			667	OZS.					993	27
LEAD			%	LBS. LESS		UNITS @	%	LBS.						
COPPER	42	13	% 48004	LBS. LESS	1.0	UNITS @ 97.50%	45693	LBS.					21452	41
COPPER			%	LBS. LESS		UNITS @	%	LBS.						
ZINC			% LESS		UNITS	% @		$						
ARSENIC	7	89	% LESS	1.0	UNITS 6.89	% @ $1.00			6	89				
ANTIMONY		44	% LESS		UNITS	% @								
NICKEL			% LESS		UNITS	% @								
BISMUTH		04	% LESS		UNITS	% @								
TIN			% LESS		UNITS	% @								
CHLORINE			% LESS		UNITS	% @								
SILICA			% LESS		UNITS	% @								
IRON			% LESS		UNITS	% @								
LIME			% LESS		UNITS	% @								
SULPHUR			% LESS		UNITS	% @								
ALUMINA			% LESS		UNITS	% @								

BASE CHARGE					18	25
LABOR Jan	PER HR. $ 5.166	BASE $ 4.340	@ 10.0¢	FOR EA. 1.0¢	8	26
OIL	PER BBL. $	BASE $	@	¢ FOR EA. ¢		
METAL VALUE PER TON $		BASE $	@	%		
TOTAL TREATMENT PER TON			113943 LBS. @ $	33	40	

Min Frt Wt 140000 #

~~SAMPLING AND ASSAYING~~			
FREIGHT 124080 LBS. @ $ 22.02 PER 5 TON $	TAXES $	1541	40
SMELTER LABOR (DISCHARGING) $ Surcharge 2½%	SWITCHING $	38	54
SACK CHARGE LBS. @ $ PER TON			
IN SOLID BOTTOM CAR LBS. @ $ PER TON			
UMPIRE CHARGES $; CUSTOMS $	; REPRESENTATION $ 42.50	42	50
ADVANCED ON 2/10/72 W.S. Moore Co		90.33	00
Surcharge 45693 lbs @ 1½¢		685	40
ROYALTY 8½ % OF $ 20006.83		1700	58

* Subject to adjustment if Required by Presidential Stabilization Order of Aug 15, 1971

* DUE SHIPPER	9477	98	xxxxxxxx	xxxxx
DUE SMELTER	xxxxxxxx	xxxxx		
TOTALS	24422	35	24422	35

Trucking 124080 lbs @ $3.36 per ton $204.73

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU
Royalty 6% of $20006.83										$1200.41	

To: Reynolds Mining Co
Gallon & Tufford
1700 Security Life Bldg
Denver, Colorado 80202

Royalty 2½% of $20006.83 To: W.S. Moore Co. $500.17
c/o Mr. Kevin Manning
575 Forest Street
Reno, Nevada 89502

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/2/72		120
		220

NOV 2 1972

AIRMAIL

County Clerk and Recorder
Rio Grande County
Del Norte, Colorado 81132

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Sir:

In administering the subject contract, we have need for certain documents on record in your office. Please send us one copy each of the following recorded documents and other pertinent documents described and bill us as instructed below:

Document No. 242436, recorded February 18, 1971,
"Summitville Joint Venture Agreement,"
dated January 1, 1971.

Document No. 242437, recorded February 18, 1971,
"Joint Operating Agreement,"
dated January 1, 1971.

We have a copy of a document entitled "Consent to Merger, Termination of Joint Venture Agreement, Designation of Operator, Settlement of Accounts and Mutual Release," dated March 8, 1972, 4 pages, but we do not have a copy of an assignment, dated January 19, 1971, by Polaris Resources, Inc., to W. S. Moore Company, or of an Exhibit A referred to in the Consent to Merger document. If either or both of these documents are recorded and available, please send us a copy of each document. Any other documents on record pertaining to the Summitville Joint Venture agreements in the period January 1, 1971, to March 8, 1972, would also be useful to us.

Your bill for this service should be sent to U. S. Geological Survey, Office of Minerals Exploration, Washington, D. C. 20242. Indicate on the bill the total number of pages, price per page, total cost, and the identity of the payee.

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region III
Mr. Kirkemo
130

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

HKirkemo/gla 11-2-72

MME Form 7
(2/63)

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Date	Surname	Code
10/17		120
		220

October 17, 1972

AIRMAIL

Mr. Irving F. Moore
Wheeler Properties, Inc.
575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

Thank you for your letter of October 13, 1972, and your compilation of Summitville Smelter Returns and Production for 1971. We are studying the information furnished.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME Docket ✓
OME Reading File
OME Region III w/letter and attachment
Mr. Kirkemo
130

HKirkemo/gla 10-17-72

WHEELER PROPERTIES, INC.

REGIONAL OFFICE:
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

575 FOREST STREET
RENO, NEVADA 89502

TELEPHONES:
RENO (702) 322-8818
DULUTH (218) 727-5068

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 17 1972
INITIALS | CODE
gla | 130
HK | 120
BW
220

October 13, 1972

Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
U. S. Geological Survey
U. S. Department of Interior
Washington, D. C. 20242

Dear Mr. Kirkemo:

In response to your letter of October 3, 1972, I am enclosing herewith a copy of the Summitville Smelter Returns and Production for 1971. This covers all of the ore mined, milled, and marketed while W. S. Moore Co. was managing the Summitville mine. According to my calculations, the amount due the federal government is $8,961.10. This figure is derived from Total value (Column 9) less Column 10 and 11 multiplied by 5%. Whether or not additional shipments were made I do not know.

At the time that W. S. Moore Co. was managing the property, it had no control whatever over the purse strings of the venture. All funds were handled out of New York City. When inquiry was made by the Moore Co. regarding possible sums due the government, we were told in effect to forget it. Since that time W. S. Moore Co. was merged into Polaris Resources in an arrangement that also involved the company responsible for dispersing funds during our tenure at the mine. I suggest you contact Polaris and its associates for production royalties due the government.

Yours truly,

Irving F. Moore

IFM/dfj
Enc.

Copy of letter + attachment sent R-III

We would appreciate receiving from you copies of smelter settlement sheets for shipments made in 1971 and to March 8, 1972 from the Summitville mine by W. S. Moore Company, its agents, or any other parties.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's reading file
Mineral Resources
OME reading file
Region III
Mr. Kirkemo
130

HKirkemo/cac 10/13/72

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

OCT 13 1972

AIRMAIL

American Smelting and Refining Company
Tacoma Smelter
Post Office Box 1605
Tacoma, Washington 98401

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Gentlemen:

We understand that shipments of bulk concentrates from the Summitville mine, Rio Grande County, Colorado, were made to ASARCO's Tacoma Smelter over a period of some months in 1971 on which royalty is due the Government. We also understand that these shipments were made by or on behalf of W. S. Moore Company whose mailing address is 400 Torrey Building, Duluth, Minnesota 55802 or Suite 201, 575 Forest Street, Reno, Nevada 89502.

Under provisions of minerals exploration Contract-2189 between the Office of Minerals Exploration, acting for the Government, and W. S. Moore Company, dated May 22, 1964, and a Certification of Possible Production issued February 6, 1968, all production from the property described in the contract, which includes the Summitville mine, is subject to a royalty of five percent of the gross proceeds from the production sold. The Operator, W. S. Moore Co., was instructed to send royalty payments in favor of the U. S. Geological Survey to the OME Field Officer, U. S. Geological Survey, Denver Federal Center, Denver. Despite assurance from the W. S. Moore Company that royalty would be paid as required, we have not received any records of shipments made or payments of royalties due on these shipments.

Two shipments, Smelter Lots 774 and 1270, of bulk concentrates produced at the Summitville mine were received by the Tacoma Smelter on March 30 and May 25, 1972 from a successor operator, Summitville, Inc., and royalty was paid to the Government in accordance with provisions of the OME contract.

IN REPLY REFER TO:

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

October 11, 1972

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Transmitted herewith are some production figures from the Summitville Mine, Rio Grande County, Colorado obtained from an annual report to the Nonferrous Mineral Branch of the U. S. Bureau of Mines from the American Smelting and Refining Company's Tacoma, Washington smelter for the year 1971.

Date	Tons (Short)
June 1971	174
Oct. 1971	340
Nov. 1971	118
Dec. 1971	102
Total	734

The reported value of recoverable amounts of gold, silver, copper and lead from the 734 tons of concentrates shipped is as follows:

Amount Recoverable	729.5 tons	Price	Value	Gross smelter value
Au 488 oz.	309.4	$41.25/oz.	$20,130.00	12,763.75
Ag 9000 oz.	12,948	$1.546/oz.	$13,914.00	20,017.61
Cu 552,900 lbs.	459,377	$0.52/lb.	$287,508.00	238,876.04
Pb 179 lbs.		(not calculated by Bureau of Mines)		
		Total Value	$321,552.00	271,656.40

I was unable to obtain any 1972 production figures for the Summitville mine from the U. S. Bureau of Mines as a result of a telephone conversation with Mr. Harold Schroeder, U. S. Bureau of Mines, Nonferrous Minerals Statistics Branch in Arlington, Virginia, as I discussed with you the other day.

J. William Hasler

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Summary - Gross metal content - from Smelter settlement sheets - Summitville Mine (before deductions)

Lot No.	Au oz	Ag	Cu
1120	28.0	560	37915
	29.9	555	35771
	26.0	603	39773
	22.4	563	40836
	27.6	820	41752
	22.5	796	38746
	20.7	802	38427
	19.6	729	34800
	21.4	751	35774
	21.6	711	34426
	32.2	720	39823
1956	39.5	732	41334
29	37.2	670	39737
136	38.7	630	37297
425	45.3	754	48004
	430.6 oz	15,002 oz	584,415 lbs
	@ $41.25	@ $1.546	@ $0.52
	$17,762.25	$23,193.09	303,895.80 = $344,851.14

309.4	12948	459,377	1971
12,762.75	20,017.61	$238,876.04 =	271,656.40
346.6	13618	499,614	1972
14,297.25	21,053.43	259,539.28 =	$294,889.96

POLARIS RESOURCES, INC.

R. A. HILDEBRAND
PRESIDENT

345 SO. UNION BLVD., SUITE 210
LAKEWOOD, COLORADO 80228
(303) 986-1023

October 3, 1972

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 5 1972
INITIALS | CODE
gla | 130
HK | 120
KEW | 220

Mr. Harold Kirkemo, Chief
Minerals Exploration
U. S. Geological Survey
Department of Interior
Washington, D. C. 20242

RE: OME-6344 (Gold-Silver)
W. S. Moore Company
Contract 2189

Dear Mr. Kirkemo:

Thank you for sending me copies of your correspondence with Mr. Trebilcock and Mr. Moore regarding the Summitville Mine OME loan.

We concur with your interpretation of the Release and Indemnification sections of the March 8, 1972 agreement as stated in your letter of September 1 to Mr. Moore. I might add that Polaris Resources never received any share of Summitville Joint Venture's smelter returns and never had any control over the disposition of such funds. W. S. Moore Company collected Polaris' share of the smelter returns.

After March 8, when Summitville, Inc. became the operator, royalties were paid on behalf of Summitville, Inc., Trebilcock Mining Company and Polaris on all concentrate produced in 1972.

In answer to your question regarding the stockpile reported February 19, 1971, it was shipped by the W. S. Moore Company during 1971.

Sincerely yours,

R. A. Hildebrand

RAH/vaa

cc: William Hassler

Copy made for R-III-Mailed

5.60
5.55
6.03
8.63 Ag-g
8.20
7.96
8.02
7.29
7.51
7.11
7.20
7.32
6.70
6.30
7.54
¤
150.02¤
379.15
357.71
397.73
408.36 Cu
417.52 lbr
387.46
384.27
348.00
357.74
344.26
398.23
413.34
397.37
372.97
480.04
¤
5,844.15¤

Au-g

2.80
2.79
2.60
2.24
2.76
2.25
2.07
1.96
2.14
2.16
3.22
3.95
3.72
3.87
4.53

43.06

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 28

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O. M. E.
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OCT 6 1972

INITIALS	CODE
JH	30
	20
B.W.	

October 2, 1972

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III, Office of Minerals Exploration

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 1289

During a telephone conversation on September 29, 1972, with Mr. Norman Blake, Deputy Commissioner of Mines, Colorado Bureau of Mines, I was informed that certain mining equipment was being sold or had been, from the Summitville Mine in Rio Grande County, Colorado to the Aquarius Mining Company which operates the Comstock Mine in the Caribou Mining District, Boulder County, Colorado. During a telephone conversation on September 29, 1972 with Mr. Robert L. Jones, a prominent Denver area mining engineer and mine operator I was informed that the ownership of Summitville Mines had reverted back to the original owner, Mrs. Anna R. Garrey, President, of Reynolds-Morse Corporation. Mr. John Tippit, Mrs. Garrey's son-in-law, a Denver attorney, is executor. Mr. Tippit's office is 1704 Security Life Building, Denver, Colorado 80202, his telephone number is 266-1441.

Mr. Jones informed me of the various owners and/or lessors throughout a long history of the property from the 1930's to present ownership.

Mr. Robert Jones also informed me that equipment and mining machinery is being sold by Summitville Inc., and Quad Construction Inc., to satisfy the liens against the property. Mrs. Garrey, President of Reynolds-Morse Corporation should be notified immediately concerning the Government lien on the production from the property, and steps taken that you mentioned to me via telephone last week, especially instructions for payment of the royalty payments due us should again be given most emphatically to Mr. Irving S. Moore via registered mail.

J. William Hasler

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

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/22/72		120
		220

SEP 25 1972

Mr. William A. Trebilcock
President
Trebilcock Mining, Inc.
156 East 74th Street
New York, New York 10021

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Trebilcock:

Thank you for your letter of September 15, 1972, relating to the subject property and the responsibility for payment of royalty due on production.

We have had no reply as of today to our letter of September 1, 1972, to Mr. Irving F. Moore, so we have no progress to report on settlement of the royalty account on this contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copies to: Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
345 South Union Blvd.
Lakewood, Colorado 80228

Mr. Irving F. Moore
Wheeler Properties, Inc.
575 Forest Street
Reno, Nevada 89502

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region III w/cy Mr. Trebilcock's letter
Mr. Kirkemo
130

HKirkemo/gla 9-22-72

TREBILCOCK MINING, INC.
156 EAST 74TH STREET
NEW YORK, N. Y. 10021

September 15, 1972

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HK 120
220

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

Dear Mr. Kirkemo:

Please excuse my not responding to your earlier letters which were forwarded to me by Mr. Hildebrand. I was under the impression that the responsible party, the former Manager of the Joint Venture, Mr. Irving Moore, would satisfy your requests.

During the period that the W.S. Moore Company (now Wheeler Properties) was Manager of the Summitville Joint Venture, Trebilcock Mining, Inc. returned all smelter receipts to the Manager to meet expenses of operating and developing the property. It was my understanding that the Manager would pay all royalties owing. Please keep me informed of your progress in obtaining satisfaction in this matter.

Sincerely yours,

William A. Trebilcock, President

Please refer again to the copies of our letters of July 28 and August 24, 1972, to Mr. R. A. Hildebrand, President, Polaris Resources, Inc., and Summitville, Inc. As noted in our letter of July 28, we were not furnished records of shipments other than for smelter lots 774 and 1270 for which royalty has been paid. Any additional information you can furnish regarding production from the Summitville mine in 1971 and 1972 would be appreciated. Royalties due the Government on production should be paid as soon as possible.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to: Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
345 S. Union Blvd.
Lakewood, Colorado 80228

Copy to: Mr. William Trebilcock
President
Trebilcock Mining, Inc.
(please forward as address is unknown)

cc: Director's reading file
Mineral Resources
OME reading file
Region III with cy. of incoming letr.
Mr. Kirkemo
130

HKirkemo/cac 9/1/72

FIEE COPY - OME

SEP 1 1972

Mr. Irving F. Moore
Wheeler Properties, Inc.
575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

Thank you for your letter of August 28, 1972, regarding responsibilities for the operation of the Summitville mine, and the question of royalty payments to the Government on ore or concentrate shipments.

The provisions of Section 4 entitled "Release" in the Agreement dated March 8, 1972, by and between W. S. Moore Co., Polaris Resources, Inc., Trebilcock Mining, Inc., and Summitville, Inc., established responsibilities for payment of accounts prior to the date of the Agreement.

The rights of the Government to royalties on any production from the Summitville mine under provisions of OME Contract 2189 were not disclosed in Section 4 or elsewhere in the Agreement as required by Article 2(c) of the Contract. Therefore, in the event of any sales of ore or concentrates from the Summitville mine prior to March 8, 1972, it appears that W. S. Moore Co. may be responsible for royalty payments on such shipments.

In reporting on the status of ownership and production on our form MME 63 on February 19, 1971, you reported a stockpile at Summitville of 7,932 tons of ore having an estimated grade of 2.47 percent copper. Was this material shipped in 1971 or 1972 prior to the date of the Agreement mentioned above? If so, we received no notice of shipment and no royalty on the sale.

WHEELER PROPERTIES, INC.

REGIONAL OFFICE:
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

575 FOREST STREET
RENO, NEVADA 89502

TELEPHONES:
RENO (702) 322-8818
DULUTH (218) 727-5068

August 28, 1972

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AUG 31 1972
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Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
United States Department of the Interior
Geological Survey
Washington, D. C. 20242

RE: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Kirkemo:

With regard to payment of royalties to the U. S. Government on Summitville concentrates, please be advised that the W. S. Moore Co. was merged into Summitville, Inc. early in 1972. Summitville, Inc. assumed full responsibilities for the Summitville mine at that time. This office has not been associated with the Summitville operation since late 1971.

Yours truly,

Irving F. Moore

cc: A.N. Smith
IFM/djf

MME Form 7
(2/63)

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Date	Surname	Code

AIRMAIL

Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
345 S. Union Blvd.
Lakewood, Colorado 80228

AUG 24 1972

Re: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Hildebrand:

We have had no reply from you, Mr. Irving F. Moore, or Mr. William Trebilcock, to our letter of July 28, 1972, regarding payment of balance due for royalties to the Government on concentrates shipped from the Summitville Mine.

If payment is not arranged in the near future, accruing interest on this loan will shortly bring the total account to over $20,000. Collection action on claims exceeding this amount are referred to the General Accounting Office or the Department of Justice. We would prefer not to do this, and we hope that arrangements are made soon for full payment of the overdue royalties and accumulated interest.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to: Mr. Irving F. Moore
President
W. S. Moore Co.
Suite 201 575 Forest Street
Reno, Nevada 89502

cc: Director's reading file
Mineral Resources
OME reading file
Region III
Mr. Kirkemo

Enclosed copy for Mr. William Trebilcock
President
Trebilcock Mining, Inc.
(Please forward as address is unknown)

HKirkemo/cac 8-24-72

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
345 S. Union Blvd.
Lakewood, Colorado 80228

JUL 28 1972

Re: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Hildebrand:

This is to acknowledge receipt of Form MME 63 reporting as of July 17, 1972 on the status of ownership, lease, or sublease of the Summitville mine, on the value of shipments from land subject to OME contract 2189, and a copy of an agreement dated March 8, 1972 between W. S. Moore Co., Polaris Resources, Inc., Trebilcock Mining, Inc., and Summitville, Inc. .

We have also received royalties totalling $1,936.47 on concentrates produced during the period that Summitville, Inc. was the manager, and copies of settlement sheets for smelter lots 774 and 1270 as identified by American Smelting and Refining Co. (AS&R), Tacoma, Washington.

The status report indicates that 17 carloads valued at $266,087 had been shipped from the property to AS&R in 1971 and 1972. Royalty at 5 percent due the Government on these shipments totals $13,304.35. The lot numbers for these shipments were not furnished so we cannot determine whether smelter lots 774 and 1270 were included in the 17 carloads noted above.

The enclosed copies of our letter dated April 16, 1971 to Mr. Irving F. Moore, President, W. S. Moore Company and of Mr. Moore's reply dated April 19, 1971 summarize and acknowledge the responsibilities of the concerned parties for payment of royalties to the Government on any production from the property. These responsibilities extend

10-27-72
Smelter [illegible] for
17 shipments show net value
$263,576.52, and gross
due $13,178.94; [illegible]
royalty $11,242.47.
Rec'd.

in full force to the parties described in the Agreement of March 8, 1972 mentioned earlier.

The current status of the account as of July 28, 1972 is as follows:

Principal balance	$13,789.53
Accrued interest	4,763.29
Total	$18,552.82

$1,537.21 8/31/72
4,700.6[illegible] 1/31/72

Prompt payment of the balance due for royalties on shipments in 1971 and 1972 would be appreciated.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

Copy to: Mr. Irving F. Moore
President
W. S. Moore Co.
Suite 201
575 Forest Street
Reno, Nevada 89502

Enclosed copy for Mr. William Trebilcock
President
Trebilcock Mining, Inc.
(please forward as address is unknown)

cc: Director's reading file
Mineral Resources
OME reading file
Region III
Mr. Kirkemo
1 30

HKirkemo/cac 7-28-72

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

Office of Minerals Exploration
Building 53 Room 200

IN REPLY REFER TO:
OFFICIAL COPY
O. M. E.
RECEIVED
JUL 26 1972
INITIALS | CODE
120
B Meeks

- ABSTRACT OF REMITTANCES -
14X0804000

DATE	AMOUNT	BANK, CITY & STATE	NAME OF REMITTER	DOCKET & CONTRACT NOS.	PURPOSE
7/18/72	$1,936.47	The Rio Grande County Bank, Del Norte, Colorado	Summitville Joint Venture (W. S. Moore)	OME-6344 2189 Contract ~~1289~~	Royalty

Remarks: (List smelter or mill lot numbers covered by royalties)
Smelter Lot No. 1270
Smelter Lot No. 774

Distribution:
Original & 2 to:
Chief, Br. of Budget & Finance
(with checks and one copy of subdocument)
Chief, OME, Washington, D.C
Abst. of Rem. Ledger
Mr. Hasler chron
OME chron

7/19/72
Date Prepared

J. William Hasler
J. William Hasler, Field Officer, Region III, OME

7/21/72
Date Received

Received in Branch of Budget and Finance
by Lorraine E. Edstrom Collection Officer

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/3/72		120
		220

October 3, 1972

AIRMAIL - CERTIFIED MAIL
Deliver ONLY to addressee
RETURN RECEIPT FROM ADDRESSEE
ONLY REQUESTED

Mr. Irving F. Moore
Wheeler Properties, Inc.
575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

We have had no reply from you to our letter of September 1, 1972, regarding royalty on production from the Summitville mine prior to March 8, 1972. A copy of our letter is enclosed in the event the original was not delivered to you.

Prompt settlement of this account would be appreciated.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copies to: Mr. R. A. Hildebrand
President
Polaris Resources, Inc.
and Summitville, Inc.
345 South Union Boulevard
Lakewood, Colorado 80228

Mr. William A. Trebilcock
President
Trebilcock Mining, Inc.
156 East 74th Street
New York, New York 10021

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region III
Mr. Kirkemo
130

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

RETURN TO

U. S. Geological Survey
Office of Minerals Exploration
U. S. Department of the Interior
Washington, D. C. 20242

POD Form 3811 Apr. 1969 c55—16—71548-11

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S). REQUIRED FEE(S) PAID.

☐ Show to whom, date and address where delivered

☒ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.

CERTIFIED NO. 133672

INSURED NO.

(1) SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

(2) SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED

OCT 12 1972

(3) SHOW WHERE DELIVERED (*only if requested*)

CONTRACT NO. S.W.-100

YACOMA SMELTER
P. O. BOX 1305
Tacoma 1, Washington

JUL 19 1972

STATEMENT OF SETTLEMENT

DATE 7-14-72
SMELTER LOT NO. 12770
MINE LOT NO.
MATERIAL Bulk Conc.
DATE RECEIVED 5/25/72
ENTRY
MINE NAME
CAR OR VESSEL 55101

NAME OF SHIPPER Summitville Inc
345 South Union Blvd.
Lakewood, Colorado 80228

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 112760 LBS.
MOISTURE 9.45%
NET DRY WEIGHT 102104 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	6-1/30-72	$ 62.092		
SILVER	6-1/30-72	156.300 +	3.0%	153.300
LEAD				
COPPER	6-1/30-72	51.949 +	5.0%	46.949
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS
GOLD		67	OZS. 34.2	OZS. less 0.200	@ 92.50%	30.7	OZS.					19 06
SILVER	12	40	OZS. 633	OZS. less 1.0	@ 95%	553	OZS.					847
LEAD			%	LBS. LESS	UNITS @	%	LBS.					
COPPER	45	91	% 46876	LBS. LESS 1.0	UNITS @ 97.5%	44709	LBS.					20990
COPPER			%	LBS. LESS	UNITS @	%	LBS.					
ZINC			% LESS	UNITS	% @		$					
ARSENIC	7	62	% LESS 1.0	UNITS	% @ $1.00		6	62				
ANTIMONY		50	% LESS	UNITS	% @							
NICKEL			% LESS	UNITS	% @							
BISMUTH		06	% LESS	UNITS	% @			10				
TIN			% LESS	UNITS	% @							
CHLORINE			% LESS	UNITS	% @							
SILICA			% LESS	UNITS	% @							
IRON			% LESS	UNITS	% @							
LIME			% LESS	UNITS	% @							
SULPHUR			% LESS	UNITS	% @							
ALUMINA			% LESS	UNITS	% @							

BASE CHARGE					18	25	
LABOR APRIL	PER HR. $ 5.128	BASE $ 4.340	@ 10.0 c	FOR EA. 1.0 c	7	88	
OIL	PER BBL. $	BASE $	@	c FOR EA. c			
METAL VALUE PER TON $		BASE $	@	%			
TOTAL TREATMENT PER TON		102104	LBS. @ $		32	85	1677 06
MIN. FRT. WGT. ~~SWITCHING AND ASSAYING~~ 140000							
FREIGHT 112760	LBS. @ $ 22.02	PER TON $ 1541.40 + 38.54		TAXES $			1579 94
SMELTER LABOR (DISCHARGING) $				SWITCHING $			
SACK CHARGE	LBS. @ $	PER TON					
IN SOLID BOTTOM CAR		LBS. @ $	PER TON				
UMPIRE CHARGES $ 11.00	; CUSTOMS $		; REPRESENTATION $ 45.00				56 00
ADVANCED ON 6-9-72 To SUMMITVILLE, INC.							8442 00
Surcharge 44709 LBS. COPPER @ 1.5¢							670 64
ROYALTY 8½ % OF $ 19574.71						*	1663 85

" Subject To Adjustment If Required By
Presidential Stabilization Order Of August 15, 1971".

	DEBITS		CREDITS
DUE SHIPPER	9654	91	xxxxxxxx
DUE SMELTER	xxxxxxxx	xxxxx	
TOTALS	23744	40	23744

FREIGHT VALUE $78.38

TRUCKING - 112760 LBS @ $3.30 PER TON $186.05

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

ROYALTY - 2½% OF $ 19574.71 TO: SUMMITVILLE, INC. $ 489.3
345 SOUTH UNION BLVD.
LAKEWOOD, COLORADO 80228

ROYALTY - 6 % OF $ 19574.71 TO: REYNOLDS MINING CO. $ 1174.46
% JOHN H. TIPPIT
1704 SECURITY LIFE BLDG.
DENVER, COLORADO 80202

[illegible] - 5% [illegible] 1,657.71 TO CMIF, [illegible] $ 1,678.23

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1935
Tacoma 1, Washington

STATEMENT OF SETTLEMENT

JUL 19 1972

CONTRACT NO. SLS-100

DATE 6-9-72
SMELTER LOT NO. 774
MINE LOT NO.
MATERIAL Bulk Ore
DATE RECEIVED 3-30-72
ENTRY
MINE NAME
CAR OR VESSEL 65117

NAME OF SHIPPER: Summitville Inc
345 South Union Blvd.
Lakewood, Colorado 80228

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 120620 LBS.
MOISTURE 8.73 %
NET DRY WEIGHT 110090 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	
GOLD	4/1-30/72	$49.030		
SILVER	4/1-30/72	156.600	3.0%	153.600
LEAD				
COPPER	4/1-30/72	51.949¢	5.0¢	46.949
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS							DEBITS		CREDITS
GOLD		.85	OZS. 46.8		OZS. Less 1.020 oz @ 92.50%			42.3	OZS.			.3072
SILVER	16.03		OZS. 882		OZS. Less 1.0 oz MIN @ 95%			786	OZS.			1.207
LEAD			%		LBS. LESS		UNITS @	%	LBS.			
COPPER	40.935		% 45065		LBS. LESS 1.0		UNITS @ 97.5%	42865	LBS.			30124
COPPER			%		LBS. LESS		UNITS @	%	LBS.			
ZINC			% LESS			UNITS	% @		$			
ARSENIC	6.80		% LESS	1.0		UNITS 5.80%	@ $1.00		5.80			
ANTIMONY		.62	% LESS			UNITS	% @					
NICKEL			% LESS			UNITS	% @					
BISMUTH		.05	% LESS	–		UNITS	% @					
TIN			% LESS			UNITS	% @					
CHLORINE			% LESS			UNITS	% @					
SILICA			% LESS			UNITS	% @					
IRON			% LESS			UNITS	% @					
LIME			% LESS			UNITS	% @					
SULPHUR			% LESS			UNITS	% @					
ALUMINA			% LESS			UNITS	% @					

BASE CHARGE 18.25
LABOR 7 hrs PER HR. $ 5.163 BASE $ 4.340 @ 10.0 c FOR EA. 1.0 c 8.23
OIL PER GAL. $ BASE $ @ c FOR EA. c
METAL VALUE PER TON $ BASE $ @ %

TOTAL TREATMENT PER TON 110090 LBS. @ $ 32.28 — DEBITS 1776.85
Min Fab Wash
SAMPLING AND REFINING 140.000
FREIGHT 120620 LBS. @ $ 22.02 PER TON $ 1541.40 + 38.54 TAXES $ — 1579.94
SMELTER LABOR (DISCHARGING) $ SWITCHING $
SACK CHARGE LBS. @ $ PER TON
IN SOLID BOTTOM CAR LBS. @ $ PER TON
UMPIRE CHARGES $ 7.50 ; CUSTOMS $; REPRESENTATION $ 45.00 — 52.50
ADVANCES ON 4/14/72 to Summitville, Inc. — 9124.00
Discharge 42865 lbs Copper @ 1.54 — 660.98
ROYALTY 2 1/2 % OF $ 19154.67 * — 1628.15

Subject to adjustment if required by Presidential Stabilization Order of Aug 15, 1971
DUE SHIPPER 86.01 54
DUE SMELTER
TOTALS 23,210.96 23,210.96

Freight-Value $ 78.13-

Trucking 120620 lbs @ $3.30 per Ton $199.02

LOT	CAR	FRT. WT.	SETTLEMENT WET	HRO	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

Royalty 2 1/2% of $19154.67 To: Summitville, Inc. $478.87 *
345 South Union Blvd.
Lakewood, Colorado 80228

Royalty 6% of $19154.67 To: Reynolds Mining Co. $1149.28
Attorney R. Stapp
1704 Security Life Bldg.
Denver, Colorado 80202

Royalty 5% of $19,154.67 To OME US Govt $957.73

Check from Summitville Inc Cancel Venture 5% $1,936.47
to OME 6344, Contract 1289, Lots 774 & 1270. pd by R.A. Hibbard

CONTRACT NO. SW-100

TACOMA SMELTER
P. O. BOX 1305
Tacoma 1, Washington

JUL 19 1972

STATEMENT OF SETTLEMENT

DATE 7-14-72
SMELTER LOT NO. 1270
MINE LOT NO.
MATERIAL Bulk Conc.
DATE RECEIVED 5/25/72
ENTRY
MINE NAME
CAR OR VESSEL 55101

NAME OF SHIPPER Summitville Inc
345 South Union Blvd.
Lakewood, Colorado 80228

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 112760 LBS.
MOISTURE 9.45 %
NET DRY WEIGHT 102104 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	6-1/30-72	62.092		
SILVER	6-1/30-72	156.300¢	3.0¢	153.30
LEAD				
COPPER	6-1/30-72	51.949¢	5.0¢	46.94
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		67	OZS. 34.2	OZS. Less 0.200 @ 92.50%				30.7	OZS.				1906	33
SILVER	12	40	OZS. 633	OZS. Less 1.0 @ 95			OZS.	553	OZS.				847	75
LEAD			%	LBS. LESS		UNITS @	%		LBS.					
COPPER	45	91	% 46876	LBS. LESS	1.0	UNITS @ 97.5%		44709	LBS.				20990	47
COPPER			%	LBS. LESS		UNITS @	%		LBS.					
ZINC			% LESS	UNITS		% @		$						
ARSENIC	7	62	% LESS	1.0	UNITS	% @ $1.00		6	62					
ANTIMONY		50	% LESS	UNITS		% @								
NICKEL			% LESS	UNITS		% @								
BISMUTH		0%	% LESS	UNITS		% @			10					
TIN			% LESS	UNITS		% @								
CHLORINE			% LESS	UNITS		% @								
SILICA			% LESS	UNITS		% @								
IRON			% LESS	UNITS		% @								
LIME			% LESS	UNITS		% @								
SULPHUR			% LESS	UNITS		% @								
ALUMINA			% LESS	UNITS		% @								

BASE CHARGE						18	25	
LABOR APRIL	PER HR. $ 5.128	BASE $ 4.340	@ 10.0	¢ FOR EA. 1.0	¢	7	88	
OIL	PER BBL. $	BASE $	@	¢ FOR EA.	¢			
METAL VALUE PER TON $		BASE $	@	%				
TOTAL TREATMENT PER TON		102104	LBS. @ $			32	85	1677 06
MIN. FRT. WGT. ~~SMELTING AND REFINING~~ 140000								
FREIGHT 112760	LBS. @ $ 22.02	PER TON $ 1541.40 + 38.54			TAXES $			1579 94
SMELTER LABOR (DISCHARGING) $					SWITCHING $			
SACK CHARGE	LBS. @ $	PER TON						
IN SOLID BOTTOM CAR		LBS. @ $		PER TON				
UMPIRE CHARGES $ 11.00	: CUSTOMS $		: REPRESENTATION $ 45.00					56 00
ADVANCED ON 6-9-72 TO SUMMITVILLE, INC.								8442 00
Surcharge 44709 LBS. COPPER @ 1.5¢								670 61
ROYALTY 8½ % OF $ 19574.71							*	1663 85

" Subject To Adjustment If Required By Presidential Stabilization Order Of August 15, 1971"

DUE SHIPPER	9654 91	
DUE SMELTER		
TOTALS	23744 40	23744

FREIGHT VALUE $78.38

TRUCKING - 112760 LBS @ $3.30 PER TON $186.05

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

ROYALTY - 2½ % OF $ 19574.71 TO: SUMMITVILLE, INC. $ 489.37
345 SOUTH UNION BLVD.
LAKEWOOD, COLORADO 80228

ROYALTY - 6 % OF $ 19574.71 TO: REYNOLDS MINING CO. $ 1174.4
% JOHN H. TIPPIT
1704 SECURITY LIFE BLDG.
DENVER, COLORADO 80202

Royalty - 5% of 19574.71 To OME, 15 Cents $978.7355

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1185
Tacoma 1, Washington

STATEMENT OF SETTLEMENT

JUL 19 1972

CONTRACT NO. 245-100

DATE 6-9-72
SMELTER LOT NO. 7221
MINE LOT NO.
MATERIAL Blister Cu
DATE RECEIVED 3-30-72
ENTRY
MINE NAME
CAR OR VESSEL 65117

NAME OF SHIPPER
Summitville Inc
345 South Union Blvd.
Lakewood, Colorado 80228

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 120620 LBS.
MOISTURE 8.73 %
NET DRY WEIGHT 110090 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	
GOLD	4/1-30/72	$49.030		
SILVER	4/1-30/72	156.600	3.0¢	153.6
LEAD				
COPPER	4/1-30/72	51.949¢	5.0¢	46.9
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS	CREDITS
GOLD		.85	OZS. 46.8	OZS. Gold 0.020 oz @ 92.50%			42.3	OZS.				.2073
SILVER	16	.03	OZS. 882	OZS. Silver 1.0 oz MIN @ 95%			78.6	OZS.				1207
LEAD			%	LBS. LESS		UNITS @	%	LBS.				
COPPER	40	.935	% 45065	LBS. LESS	1.0	UNITS @ 97.5%	42865	LBS.				30124
COPPER			%	LBS. LESS		UNITS @	%	LBS.				
ZINC			% LESS		UNITS	% @		$				
ARSENIC	6	.80	% LESS	1.0	UNITS 5.80%	@ $1.00			5.80			
ANTIMONY		.63	% LESS		UNITS	% @						
NICKEL			% LESS		UNITS	% @						
BISMUTH		.05	% LESS	–	UNITS	% @						
TIN			% LESS		UNITS	% @						
CHLORINE			% LESS		UNITS	% @						
SILICA			% LESS		UNITS	% @						
IRON			% LESS		UNITS	% @						
LIME			% LESS		UNITS	% @						
SULPHUR			% LESS		UNITS	% @						
ALUMINA			% LESS		UNITS	% @						

BASE CHARGE 18.25
LABOR 7.62 PER HR. $ 5.163 BASE $ 4.340 @ 10.0 c FOR EA. 1.0 c 8.23
C.L. PER CBL. $ BASE $ @ c FOR EA. c
MOTAL VALUE PER TON $ BASE $ @ %

TOTAL TREATMENT PER TON 110090 LBS. @ $ 32.28 — DEBITS 1776.85
Min Frt Wash
TOWING AND ALONGSIDE 140000
FREIGHT 120620 LBS. @ $ 22.02 PER TON $ 1541.40 + 38.54 TAXES $ — DEBITS 1579.94
TRUCK LABOR (DISCHARGING) $ SWITCHING $
SACK CHARGE LBS. @ $ PER TON
IN SOLID BOTTOM CAR LBS. @ $ PER TON
UNAPPR CHARGES $ 7.50 ; CUSTOMS $; REPRESENTATION $ 45.00 — DEBITS 52.50
ADVANCED ON 4/14/72 to Summitville Inc. — DEBITS 9124.
Deduct 42865 lbs Copper @ 1.5¢ — CREDITS 642.
ROYALTY 2 1/2 % OF $ 191.54.67 * — DEBITS 16.38

Subject to adjustment if required for Beneficiation Stabilization Order of Aug 15, 1971

DUE SHIPPER — DEBITS 8601.54
DUE SMELTER
Freight Value $ 78.13
TOTALS — DEBITS 23405.96 — CREDITS 32.101

Trucking 120620 lbs @ $3.30 per ton $199.02

LOT	CAR	EST. WT.	SETTLEMENT WET	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG

Royalty 2 1/2% of $ 191.54.67 To: Summitville, Inc. $ 4.78.87
345 South Union Blvd.
Lakewood, Colorado 80228

Royalty 1% of $ 191.54.67 To: Reynolds Mining Co. $ 1.91.54
Attorney H. Stoffel
1704 Security Life Bldg.
Denver, Colorado 80202

Royalty 5% of $ 191.54.67 To: UME, US Govt $ 9.57.7335

Check from Summitville Inc Count Vouchers 5% $1,936.41
for UME 6344, Contract 1289, Lots 774 & 1270. pd by R.A. Hines

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

JUL 19 1972

CONTRACT NO. S.W-100

DATE 6-9-72
SMELTER LOT NO. 774
MINE LOT NO.
MATERIAL Bulk Cts
DATE RECEIVED 3-30-72
ENTRY
MINE NAME
CAR OR VESSEL 55117

STATEMENT OF SETTLEMENT

NAME OF SHIPPER Summitville Inc
345 South Union Blvd.
Lakewood, Colorado 80228

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 120620 LBS.
MOISTURE 8.73 %
NET DRY WEIGHT 110090 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	4/1-30/72	$49.030		
SILVER	4/1-30/72	156.600	3.0¢	153.600
LEAD				
COPPER	4/1-30/72	51.949¢	5.0¢	46.949¢
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		85	OZS. 46.8	OZS. (less 1.020 oz)			@ 92.50%	42.3	OZS.				2073	97
SILVER	16	03	OZS. 882	OZS. (less 1.0 oz) MIN			@ 95%	OZS. 786	OZS.				1207	30
LEAD			%	LBS. LESS		UNITS @	%		LBS.					
COPPER	40	935	% 45065	LBS. LESS	1.0	UNITS @	97.5 %	42865	LBS.				20124	69
COPPER			%	LBS. LESS		UNITS @	%		LBS.					
ZINC			% LESS		UNITS	% @		$						
ARSENIC	6	80	% LESS	1.0	UNITS	5.80 % @	$1.00	5	80					
ANTIMONY		62	% LESS		UNITS	% @								
NICKEL			% LESS		UNITS	% @								
BISMUTH		05	% LESS	–	UNITS	% @								
TIN			% LESS		UNITS	% @								
CHLORINE			% LESS		UNITS	% @								
SILICA			% LESS		UNITS	% @								
IRON			% LESS		UNITS	% @								
LIME			% LESS		UNITS	% @								
SULPHUR			% LESS		UNITS	% @								
ALUMINA			% LESS		UNITS	% @								

BASE CHARGE 18 25
LABOR Feb PER HR. $ 5.163 BASE $ 4.340 @ 10.0 c FOR EA. 1.0 c 8 23
OIL PER BBL. $ BASE $ @ c FOR EA. c
METAL VALUE PER TON $ BASE $ @ %

TOTAL TREATMENT PER TON 110090 LBS. @ $ 32 28 — 1776 85

Min Frt. Wgh.
~~SAMPLING AND ASSAYING~~ 140000
FREIGHT 120620 LBS. @ $ 22.02 PER TON $ 1541.40 + 38.54 TAXES $ — 1579 94
SMELTER LABOR (DISCHARGING) $ SWITCHING $
SACK CHARGE LBS. @ $ PER TON
IN SOLID BOTTOM CAR LBS. @ $ PER TON
UMPIRE CHARGES $ 7.50 ; CUSTOMS $; REPRESENTATION $ 45.00 — 52 50
ADVANCED ON 4/14/72 to Summitville, Inc. — 9124 00
Surcharge 42865 lbs copper @ 1.5¢ — 642 98
ROYALTY 2 1/2 % OF $ 19154.67 * — 1628 15

Subject to adjustment if required by Presidential Stabilization Order of Aug 15, 1971

DUE SHIPPER 8601 54
DUE SMELTER
TOTALS 23,105 96 — 23,105 96

Freight Value $ 78.13

Trucking 120620 lbs @ $3.30 per ton $199.02

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

Royalty 2 1/2% of $ 19154.67 To: Summitville Inc. 345 South Union Blvd. Lakewood, Colorado 80228 — $ 478.87 *

Royalty 6% of $ 19154.67 To: Reynolds Mining Co. To John H. Tyndall 1704 Security Life Bldg. Denver, Colorado 80202 — $ 1149.28 *

AMERICAN SMELTING AND REFINING COMPANY
TACOMA SMELTER
P. O. BOX 1605
Tacoma 1, Washington

CONTRACT NO. S.W.-100

DATE 7-14-72
SMELTER LOT NO. 1270
MINE LOT NO.
MATERIAL Bulk Conc.
DATE RECEIVED 5/25/72
ENTRY
MINE NAME
CAR OR VESSEL 55101

STATEMENT OF SETTLEMENT

NAME OF SHIPPER Summitville Inc
345 South Union Blvd.
Lakewood, Colorado 80228

GROSS WEIGHT ____ LBS.
CONTAINERS ____ LBS.
NET WEIGHT 112760 LBS.
MOISTURE 9.45 %
NET DRY WEIGHT 102104 LBS.

METAL QUOTATIONS:	DATES	PRICE	LESS	NET
GOLD	6-1/30-72	$ 62.092		
SILVER	6-1/30-72	156.300¢	3.0¢	153.300¢
LEAD				
COPPER	6-1/30-72	51.949¢	5.0¢	46.949¢
COPPER				

	ASSAY & ANALYSIS		METAL CONTENTS								DEBITS		CREDITS	
GOLD		67	OZS. 34.2	OZS. Less 0.2 OZS		@ 92.50%	30.7	OZS.					1906	22
SILVER	12	40	OZS. 633	OZS. Less 1.0 OZS MIN		@ 95%	553	OZS.					847	75
LEAD			%	LBS. LESS		UNITS @ %		LBS.						
COPPER	45	91	% 46876	LBS. LESS	1.0	UNITS @ 97.5%	44709	LBS.					20990	43
COPPER			%	LBS. LESS		UNITS @ %		LBS.						
ZINC			% LESS	UNITS		% @	$							
ARSENIC	7	62	% LESS 1.0	UNITS		% @ $1.00	6	62						
ANTIMONY		50	% LESS	UNITS		% @								
NICKEL			% LESS	UNITS		% @								
BISMUTH		06	% LESS	UNITS		% @		10						
TIN			% LESS	UNITS		% @								
CHLORINE			% LESS	UNITS		% @								
SILICA			% LESS	UNITS		% @								
IRON			% LESS	UNITS		% @								
LIME			% LESS	UNITS		% @								
SULPHUR			% LESS	UNITS		% @								
ALUMINA			% LESS	UNITS		% @								
BASE CHARGE							18	25						
LABOR APRIL			PER HR. $ 5.128	BASE $ 4.340	@ 10.0	c FOR EA. 1.0 c	7	88						
OIL			PER BBL. $	BASE $	@	c FOR EA. c								
METAL VALUE PER TON $				BASE $	@	%								
TOTAL TREATMENT PER TON				102104		LBS. @ $	32	85			1677	06		
MIN. FRT. WGT. ~~SHIPPING AND ASSAYING~~ 140000														
FREIGHT 112760 LBS. @ $ 22.02 PER TON $ 1541.40 + 38.54 TAXES $											1579	94		
SMELTER LABOR (DISCHARGING) $ SWITCHING $														
SACK CHARGE LBS. @ $ PER TON														
IN SOLID BOTTOM CAR LBS. @ $ PER TON														
UMPIRE CHARGES $ 11.00 ; CUSTOMS $; REPRESENTATION $ 45.00											56	00		
ADVANCED ON 6-9-72 TO SUMMITVILLE, INC.											8442	00		
Surcharge 44709 LBS. COPPER @ 1.5¢											670	64		
ROYALTY 8½ % OF $ 19574.71										*	1663	85		
" Subject To Adjustment If Required By Presidential Stabilization Order Of August 15, 1971".									DUE SHIPPER		9654	91	xxxxxxxx	xxxx
									DUE SMELTER		xxxxxxxx	xxxxx		
FREIGHT VALUE $78.38									TOTALS		23744	40	23744	40

TRUCKING - 112760 LBS @ $ 3.30 PER TON $ 186.05

LOT	CAR	FRT. WT.	SETTLEMENT WET	H2O	DRY	ASSAYS AU	AG	CU	CONTENTS AU	AG	CU

ROYALTY - 2½ % OF $ 19574.71 TO: SUMMITVILLE, INC. $ 489.37 *
345 SOUTH UNION BLVD.
LAKEWOOD, COLORADO 80228

ROYALTY - 6 % OF $ 19574.71 TO: REYNOLDS MINING CO. $ 1174.48 *
% JOHN H. TIPPIT
1704 SECURITY LIFE BLDG.
DENVER, COLORADO 80202

978.74
957.7
1664.7

Received 7/20/72

CONSENT TO MERGER, TERMINATION OF JOINT VENTURE AGREEMENT DESIGNATION OF OPERATOR, SETTLEMENT OF ACCOUNTS AND MUTUAL RELEASE

AGREEMENT, Made this 8th day of March, 1972, by and among W. S. MOORE CO., a Minnesota corporation, as present manager and as a participant in the joint venture hereinafter specifically defined, (Moore), POLARIS RESOURCES, INC., a Colorado corporation, as a participant in the joint venture hereinafter specifically defined, (Polaris), TREBILCOCK MINING, INC., a Delaware corporation, as a participant in the joint venture hereinafter specifically defined, (Trebilcock) and SUMMITVILLE, INC., a Colorado corporation, as a participant in the joint venture hereinafter specifically defined, (Summitville);

W I T N E S S E T H:

WHEREAS, the parties hereto are the participants in a joint venture (the joint venture) for the development and operation of certain mineral properties located in the Summit Mining District in Rio Grande County, Colorado, pursuant to agreement entitled "Summitville Joint Venture Agreement" dated January 1, 1971, and filed for record in the office of the County Clerk and Recorder for Rio Grande County, Colorado, on the 18th day of February, 1971 as Document No. 242436 (the joint venture agreement); and

WHEREAS, pursuant to the joint venture agreement and an assignment by Polaris to Moore dated January 19, 1971, the parties hereto are the owners as tenants in common of the record title in the leasehold interest on the subject property, the equipment and lease, together with all appurtenances thereto and privileges thereunder in the following respective percentages: Moore, fifty-two and one-half percent (52 1/2%); Polaris, twenty-seven and one-half percent (27 1/2%); Trebilcock, twenty percent (20%); and

WHEREAS, pursuant to the joint venture agreement, Moore was appointed and has acted as manager of the property subject to the agreement, in accordance with the terms of the agreement; and

WHEREAS, Moore (successor to Moore Participants), Polaris and Trebilcock are parties to a joint operating agreement dated January 1, 1971, and filed for record in the office of the County Clerk and Recorder for Rio Grande County, Colorado, on the 18th day of February, 1971 as Document No. 242437 (the joint operating agreement); and

WHEREAS, Moore has agreed to be merged into Summitville with Summitville being the surviving corporation; and

WHEREAS, the parties hereto desire to provide for the replacement of Moore as manager and for the settlement of accounts and release of all parties with respect to the joint venture as of the date hereof;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. REPLACEMENT OF MANAGER. Effective immediately, Moore is relieved of all authority, duties and obligations as manager under the joint venture agreement and under the joint operating agreement, and Summitville is hereby appointed successor manager with all authority, duties and obligations therein conferred and imposed.

2. SETTLEMENT OF ACCOUNTS. Contemporaneously with the execution of this Agreement, the parties hereto have agreed that all accounts of the participants in the joint venture be fully settled in the manner listed on the statement of accounts attached hereto and marked "Exhibit A". All parties hereto agree that said statement of accounts accurately and properly reflects all accounts among them with respect to the joint venture as of the date hereof.

3. CONSENT TO MERGER. Polaris and Trebilcock hereby consent to the transfer, by operation of law, of Moore's entire interest in the joint venture agreement and joint operating agreement which will occur as the result of the merger of Moore into Summitville, under the terms of which merger Summitville, as the surviving corporation, will be vested with all right, title and interest of Moore in the joint venture, and concur with Moore's understanding that such transaction does not constitute an assignment prohibited under Section 13.4 of the joint venture agreement or under the joint operating agreement. This consent is self-executing and permits the said transfer without further documentation, but the parties agree to execute such other documents of transfer as may be reasonably requested of them by any of the other parties to perfect of record the transfer hereby made. This paragraph is agreed to with respect to the Moore-Summitville merger transaction only and shall not be deemed a precedent in interpreting any subsequent transaction under the joint venture agreement.

4. RELEASE. In consideration of the settlement of accounts effected pursuant to this Agreement, each of the parties hereby releases each of the other participants in the Summitville joint venture agreement and joint operating agreement, and all officers, directors or stockholders of the other participants, whether in their representative or individual capacities, and specifically including in this release any personal guarantees, from any and all claims, demands, damages, actions or causes of action from any transaction or occurrence arising out of the ownership, operation or management of the Summitville joint venture and Summitville properties prior to the date hereof; reserving, however, any claims against Moore for misappropriation of assets or property of the joint venture (such term not to include expenditures made or liabilities incurred by Moore in good faith in reliance upon its interpretation of the joint venture), or incurring of indebtedness or tax claims or liens or other claims or liens with respect to trade claims or accounts payable upon the joint venture or its assets or property, which have not been disclosed to Polaris or Trebilcock on or prior to the date hereof other than trade claims incurred prior to

[illegible]

February 14, 1972 in the ordinary course of business of the venture aggregating not more than Two Thousand Dollars ($2,000.00); and other than trade claims arising in the ordinary course of business subsequent to February 14, 1972 regardless of amount; excepting from this reservation, however, any claims with regard to Moore salaries and overhead (including legal expenses) included in the financial statements relating to the joint venture furnished at the date hereof, and claims or liens with respect to trade or accounts payable incurred in the ordinary course of business of the Summitville venture included in the financial statements relating to the joint venture furnished at the date hereof; and further excepting any liabilities or claims for indebtedness incurred with the specific knowledge or approval of Trebilcock, Polaris and/or DLJNR. Polaris and Trebilcock hereby represent to Moore that they do not know at this time of any claim against Moore which would be reserved from the release under this paragraph 4, including specifically but without limitation a claim arising by virtue of an alleged default by Moore commencing June 30, 1971 under Article 2, Section 2.4 (a) of the Joint Venture Agreement.

5. TERMINATION OF JOINT VENTURE AGREEMENT. Effective immediately upon the effective date of the merger of Moore into Summitville, the joint venture agreement shall terminate by virtue of this agreement, and without further documentation. Trebilcock, Summitville and Polaris, as co-owners under the joint operating agreement hereby designate Summitville as Operator under the joint operating agreement with all of the authority, duties and obligation therein conferred and imposed, and hereby amend the joint operating agreement so that all decisions or actions requiring the approval or consent of a stated percentage in interest of the co-owners shall require one hundred percent in interest of the co-owners thereunder, excepting only that the provisions of Section 7 of the joint operating agreement relating to changes in Management shall not be altered by this amendment. Upon request, all parties hereto agree to execute such documents as may be reasonably requested of them by any of the parties to evidence of record the termination of the joint venture agreement, the designation of Summitville as Operator, and the amendment of the joint operating agreement set forth in the next preceding sentence hereof.

6. OPERATING EXPENSES. Notwithstanding the provisions of Article 2, Section 2.4 (a) of the joint venture agreement and the actual subsequent state of events as related thereto, Trebilcock, Polaris and Summitville agree to bear their respective shares of the operating expenses of the joint venture under Article 5, Section 5.3 (c), (d), and (e) of the joint venture agreement relating to obligations to the Union Pacific Railroad Company, Cleveland-Cliffs Iron Company and Moore, and costs of the project under Section 10 (e), (viii), (ix) and (x) of the joint operating agreement. No other operating or capital costs of the venture or the project may be charged to Trebilcock without its express written consent in advance, upon approval by Trebilcock of monthly budgets by the Manager or Operator, as the case may be.

7. This agreement may be executed in separate counterparts, and when executed by each of the parties hereto shall become a binding agreement.

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

W. S. MOORE CO.
A Minnesota corporation

By _____
Its President

POLARIS RESOURCES, INC.
a Colorado corporation

By _____
Its President

TREBILCOCK MINING, INC.
a Delaware corporation

By _____
Its President

SUMMITVILLE, INC.
a Colorado corporation

By _____
Its President

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 28

July 21, 1972

HK. 120
Bruce

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

This morning, Mr. R. A. Hildebrand of Summitville, Inc. informed me by telephone that he had returned the MME Form 63 to you, with a copy of the instrument between W. S. Moore Co. and Summitville, Inc. that transferred the managership to the Summitville Mine from W. S. Moore Co., effective March 8, 1972, and that in the agreement, W. S. Moore Co. agreed to indemnify all debts and obligations in Summitville, Inc. in their favor, indicating that royalty payments due the Government on ore mined prior to March 8th, would be paid by the W. S. Moore Company.

Mr. Hildebrand also mailed a royalty check to me for production by Summitville, Inc. from March 8, 1972 through April, May and June, 1972.

The royalty due was calculated by Mr. Hildebrand from settlement statements on smelter lot Nos. 774 and 1270, American Smelting and Refining Company's Tecoma Smelter, as follows:

Smelter Lot No. 774 Royalty 5% of $19,154.67	$957.7355
Smelter Lot No. 1270 Royalty 5% of $19,574.71	$978.7355
Total royalty due OME	$1,936.47

It will be noted that the statement of settlement sheets for smelter lots 774 and 1270 accompanying the abstract of remittances showed that the smelters had been notified to pay royalties of 2-1/2% and 6% to

Summitville, Inc. and Reynolds Mining Company respectively, but had not been notified by W. S. Moore Co. to pay the 5% royalty due OME on shipments made by W. S. Moore Company prior to March 8, 1972, as they had been so instructed in your letter dated April 16, 1971 and in his reply to you April 19, 1971. Mr. Moore should now be further instructed to furnish settlement sheets on production from the Summitville mine prior to March 8, 1972, during the time the W. S. Moore Company was the legal manager and operator of the property, and remit the royalties due the U. S. Government as a result of exploration work under the subject contract.

Mr. Hildebrand informed me that he had contacted Mr. William Trebilcock, who was the recipient of a copy of Mr. Irving Moore's letter to you, dated April 19th, 1971. Mr. Trebilcock had not received a copy of your letter of April 16, 1971 that Mr. Moore informed you the various partners would receive.

Sincerely yours,

J. William Hasler
mc

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

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 28

July 17, 1972

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 20 1972

INITIALS	CODE
Ray Bluedorn	
	120

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grand County, Colorado
Contract 2189

A conference was held in this office Friday, July 14, 1972 with Mr. R. A. Hildebrand, Polaris Resources, one of the various Summitville partners referred to in Mr. Irving F. Moore's letter to Mr. Kirkemo dated April 19, 1971, concerning royalty payments due the U. S. Government from production from the subject property.

Mr. Hildebrand showed me the Form MME 63's that had been sent to Summitville, Inc. from you. I informed him how to fill in the form, and told him he should report the tonnage mined, concentrates shipped, and to also inform you that Mr. W. S. Moore was the producer of most of the tonnage shipped during 1972, as he had so informed me during the conference. He was going to check with William Trebilcock, concerning the copy of Mr. Moore's April 19, 1971 letter indicating that a copy of it went to Polaris Resources. Mr. Hildebrand had not seen a copy of the letter.

The W. S. Moore Company obviously failed to notify the purchasers of the concentrates, that royalty payments from production were due the U. S. Government pursuant to the instructions given them in the Certification of Possible Production under an exploration contract dated February 6, 1968, even after having replied to your letter of April 16, 1971.

Mr. Hildebrand informed me that he was under the impression that royalty was due only from gold and silver production (the metals listed on the contract) and not from copper production.

J. William Hasler

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

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

June 27, 1972

Summitville, Inc.
345 S. Union Blvd.
Lakewood, Colorado 80228

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 20 1972

INITIALS	CODE
Law Bluebate	
HK	#20

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Please reply to item 2.B. on the reverse side of this form on the ore grade material previously reported as being stockpiled at the mine, as well as any additional material which may be stockpiled at this time.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to R-III with cy of consent to merger.

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
OR PROJECT UNDER ROYALTY AGREEMENT

1. Since **April 19, 1971**, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes [X] No [ ]

In particular, we would appreciate copies of the documents whereby ~~Polaris Resources through its subsidiary~~, Summitville, Inc. replaced the W. S. Moore Co. as Manager of the Summitville mine.

On March 8, 1972, Summitville, Inc. (not Polaris) became manager of the joint venture.

2. Since **February 19, 1971**, has there been any production from the land subject to the contract? Yes [X] No [ ]

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value
AS&R, Tacoma, Washington	13 carloads 4 carloads	1971 $192,472 1972 $ 73,615

B. If stockpiled awaiting sale, state quantity, grade, and location. none

Type	Quantity *(tons)*	Estimated Grade	Location
Ore	Previously reported stockpile was shipped by the W. S. Moore Co. in 1971.		
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes [ ] No [ ]

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Summitville, Inc.	*Title* President
Address 345 S. Union Blvd., Suite 210 Lakewood, Colorado	*Date* July 17, 1972

W. S. MOORE CO.

REGIONAL OFFICE:
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

575 FOREST STREET
RENO, NEVADA 89502

TELEPHONES:
RENO (702) 322-8818
DULUTH (218) 727-5068

ORIGINAL COPY
O. M. E.
RECEIVED
JUN 5 1972
INITIALS CODE
20
HK 120

June 1, 1972

Harold Kirkemo
Chief, Office of Minerals Exploration
U. S. Department of the Interior
Washington, D. C. 20242

Dear Mr. Kirkemo:

Returned herewith is your Request for Information Form MME 63. We have not been associated with the Summitville Mine since the beginning of the year, our joint venture with Polaris Resources and Trebilcock Mining having been terminated.

Polaris Resources through a wholly owned subsidiary, Summitville, Inc., replaced the W. S. Moore Co. as Manager of the Summitville Mine, is in possession of its records and is issuing the financial statements for the mine for the year 1971. Your inquiry should be directed to:

Summitville, Inc.
345 S. Union Blvd.
Lakewood, Colorado 80228

Sincerely yours,

Kevin P. Manning
Controller

KPM/djf
Enc.

copy letter + incompleted 63
to R-III 6/6/72

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

May 26, 1972

Mr. Irving F. Moore
President
W. S. Moore Co.
Suite 201, 575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Please reply to item 2.B. on the reverse side of this form on the ore grade material previously reported as being stockpiled at the mine, as well as any additional material which may be stockpiled at this time.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since April 19, 1971, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☐

Is the Agreement, dated April 8, 1970, between Quad Construction, Inc., and Polaris Resources, Inc., and W. S. Moore Co. still in effect. If not, please explain Yes/__/ No/__/

2. Since February 19, 1971, has there been any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since , has any production been transported through workings *(see of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Address	*Date*

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 200

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 8 1971
INITIALS CODE
Cal 120
HK 120
gla 130
220

June 4, 1971

Memorandum

To: Chief, Office of Minerals Exploration

From: Assistant Chief, Office of Minerals Exploration

Subject: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mines
Rio Grande County, Colorado
Contract 2189

Enclosed is the Final Field Report on the subject contract.

William L. Emerick

William L. Emerick,
Assistant Chief,
Office of Minerals Exploration

Enclosure

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By W. L. Emerick

June 4, 1971

1. OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mines,
Rio Grande County, Colorado
Contract 2189

Operator: W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

Property: Consisted of 50 patented and 35 unpatented lode mining claims and 2 parcels of land in secs. 17, 29, and 30, T. 37 N., R. 4 E., N.M.P.M., Summit mining district, Rio Grande County, Colorado. Maps showing the area of the patented and unpatented lode mining claims were attached to the contract.

Ownership: The Operator was in possession of the claims under the terms of an Assignment Agreement, dated September 21, 1963, from John B. Rigg and Shirley A. Rigg, assignors, and an Agreement Modifying and Amending Mining Lease, dated September 25, 1963, from Reynolds-Morse Corporation, the owners.

2. Purpose of Project: The purpose of the project was to explore for gold- and silver-bearing ore bodies occurring in veins and in locally mineralized wall rocks in quartz latite or quartz latite porphyry of Tertiary age.

3. Contract: Dated May 22, 1964, for a term of 24 months.
Original contract amount - $81,680.00.
Government participation - 50 percent, $40,840.00.

Amendments - No. 1 - August 28, 1964, decreased the estimated total cost of the contract and the aggregate total amount which the Government was to contribute to $81,440.00 and $40,720.00, respectively.

No. 2 - January 22, 1965, suspended work under the contract for a period of 5 months.

No. 3 - May 11, 1965, added a sixth drilling subproject area to Stage II of the contract at no additional cost.

No. 4 - August 18, 1966, under Stage II of the contract, deleted description of the work of four subprojects and added to the description of work of two subprojects; provided for site preparation at two subprojects; extended the time for completion of the work from 24 to 42 months; extended the maximum period for royalty payments from 10 to 12 years.

FINAL FIELD RPT.

4. Project Work: Started June 19, 1964. Terminated July 3, 1967.

Stage I

Cost Items Actual Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Bulldozing -	150 hours	$17.00/hour	$2,550.00	141.0 hrs.	$2,397.00
Diamond drilling, includes:	2,350 feet	-----	$19,370.00	-----	-----
Overburden drilling -	-----	$10.00/foot	-----	-----	-----
Core drilling -	-----	Various	-----	1,469.8 ft.	$9,921.15
Non-core drilling -	-----	$5.50/foot	-----	65.0 ft.	$357.50
Mobilization -	-----	$250.00/drill rig	----	1 drill rig	$250.00
Reaming and casing -	-----	$4.00/foot	-----	28.0 ft.	$112.00
Cementing and redrilling	-----	$10.00/hour	-----	32.5 hrs.	$325.00
Cementing materials -	-----	$500.00 total	-----	-----	$42.28
Cardboard core boxes-	250 boxes	$1.00/each	$250.00	155.0 boxes	$155.00
Total Actual Costs Stage I			$22,170.00		$13,559.93

Fixed Unit Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Incidental drilling allowance -	2,350 feet	$0.40/ft	$940.00	1,534.8 ft.	$613.92
Assaying:					
Gold and silver -	400 samples	$2.50/each	$1,000.00	119.0	$297.50
Copper -	100 samples	$1.50/each	$150.00	28.0	$42.00
Total Fixed Unit Costs Stage I			$2,090.00		$953.42
Total Estimated Costs Stage I			$24,260.00		$14,513.35

Stage II

Actual Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Bulldozing -	95 hours	$17.00/hr.	$1,615.00	49.0 hrs.	$833.00
Diamond drilling, includes:	6,250 feet	-----	$50,190.00	-----	-----
Overburden drilling -	-----	$10.00/ft.	-----	-----	-----
Core drilling -	-----	Various	-----	1,458.0 ft.	$9,838.50
Non-core drilling	-----	$5.50/ft.	-----	35.0 ft.	$192.50
Reaming and casing -	-----	$4.00/ft.	-----	253.0 ft.	$1,012.00
Cementing and redrilling	-----	$10.00/hr.	-----	19.0 hrs.	$190.00
Cementing materials -	-----	$1,000.00 total	-----	-----	$146.52
Cardboard core boxes -	600 boxes	$1.00/each	$600.00	148.0	$148.00
Total Actual Costs Stage II			$52,405.00		$12,360.52

Fixed Unit Costs	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Incidental drilling allowance -	6,250 feet	$0.40/ft	$2,500.00	1,493.0 ft.	$597.20
Assaying:					
Gold and silver -	800 samples	$2.50/each	$2,000.00	36.0	$90.00
Copper -	180 samples	$1.50/each	$270.00	12.0	$18.00
Total Fixed Unit Costs Stage II			$4,770.00		$705.20
Total Estimated Costs Stage I			$24,260.00		$14,513.35
Total Estimated Costs Stage II			$57,175.00		$13,065.72
Total Estimated Cost of Project			$81,440.00 (rounded)		$27,579.07
Government Participation @ 50%			$40,720.00		$13,789.53
Paid to Operator					$13,789.53

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

Effectiveness of the Work - The work accomplished under the contract appeared to adequately explore the target areas.

Efficiency of Operation - The project was efficiently supervised and operated.

5. Reports:

Operator's Final Report - An acceptable Final Report with maps was received on January 29, 1968.

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

Final Audit - A final audit was not requested because no additional vouchers were submitted or paid after the Report of Review. The final voucher was certified by the Field Officer on December 14, 1965.

Royalty Review - When the contract was terminated on July 3, 1967, there had been no production and therefore a Royalty Review was not requested.

6. Project Results:

Discoveries - The project work resulted in the discovery of minable gold-silver-copper ore. Maps and assay data were attached to the monthly vouchers. Ore reserves estimated as a result of the OME work were (1) 39,500 tons of sulphide ore averaging 0.17 ounces of gold per ton, 4.70 ounces of silver per ton, and 3.24 percent of copper per ton, and (2) 86,970 tons of oxide ore averaging 0.19 ounces of gold per ton and 7.08 ounces of silver per ton.

Certification - Certification was recommended on the basis of the ore discovered by the OME work and a Certification of Possible Production was issued on February 6, 1968. The Government's lien for payment of royalties expires on May 22, 1976, or when the total amount contributed by the Government is fully repaid with interest at the rate of 6-1/2% per annum, whichever occurs first.

Production - There was no production from the property as a result of the OME work and none was reported through 1970. A report, dated February 19, 1971, indicated that 7,932 tons of ore grade material from exploration headings, with an estimated grade of 2.47 percent copper, was stockpiled at the mine.

Royalties

- There was no ore or concentrate reported sold at the date of this report and no royalties have been paid to the Government.

7. Geologic Summary

- The ore deposits occur in a series of irregular pipes and veinlike masses of quartz and alunite that formed largely by replacement of the original quartz latite. Two sets of northwesterly-trending fractures controlled most of the alteration and mineralization in the mine area. The ore minerals are generally concentrated in or associated with porous vuggy quartz rocks. Native gold in the upper oxidized portions of the veins gradually gives way in depth to copper-bearing sulphide minerals carrying gold and silver values. Chief among the sulphides are cupriferous pyrite, enargite, and covellite. The two latter sulphides are the principal copper-bearing sulphides but chalcopyrite and chalcocite are sometimes present. Previous production of gold, silver, copper, and lead from the deposit during the years 1873 through 1949 was valued at $7,430,334.00.

The MINING RECORD

THE VOICE OF THE MINING INDUSTRY FOR EIGHT-TWO YEARS

Vol. 82, No. 22 Denver, Colorado, Wednesday, June 2, 1971 $10 a year

U.S.G.S. OFFICE OF MINERALS EXPLORATION-ROOM 4450 DEPT. OF THE INTERIOR WASHINGTON, D. C. 20242

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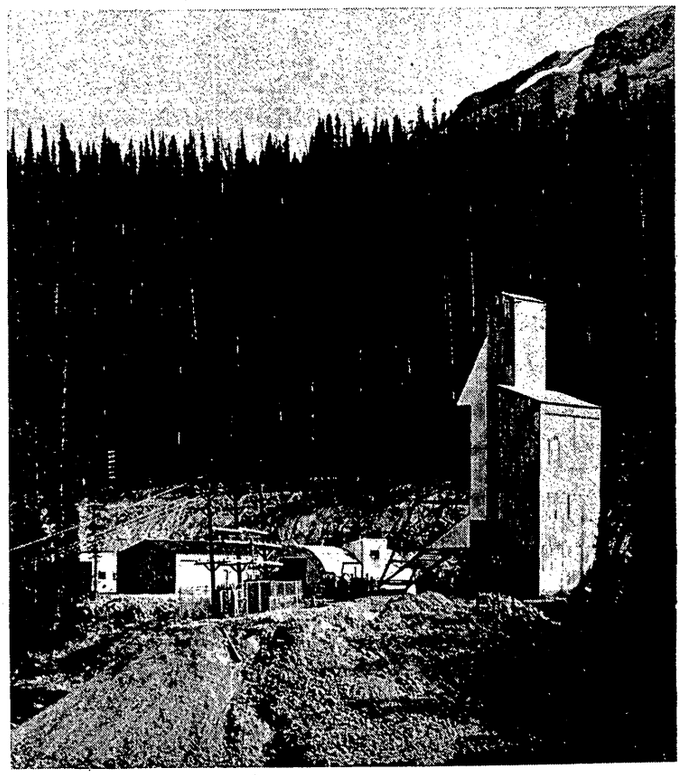
OME-6344



Summitville Mine headframe and ore stock pile is the scene of Colorado's first copper mine.

Summitville Copper Mine S First Load Of Concentrate

Colorado's FIRST Copper Mine To Be Important Gold Producer—

LAKEWOOD, Colo.—The Summitville copper mine, Colorado's first, has begun shipping concentrates to the ASARCO smelter in Tacoma, Wash., it was announced here by R.A. Hildebrand, president.

The former gold mine has been developed into a copper producer during the past year by a joint venture of Polaris Resources Inc. of Denver, Trebilcock Mining Co., and the W.S. Moore Co., manager of the venture.

The Summitville joint venture discovered and developed a sufficient tonnage of high-grade copper ore to justify the building of a 150-ton-per-day mill. The mill was completed and started up on April 30.

Polaris Resources' president, R.A. Hildebrand, informed the stockholders at the Polaris annual meeting held May 25 that plant tune-up operations had achieved design capacity and recovery. He also reported that recent discoveries and development work on the copper vein zone had greatly extended the mine's ore reserves.

Drifting along the copper vein has been advanced 98 feet to date, he said, and has encountered sulfide ore averaging 5.4 per cent copper. This development work is on a level below the old Narrow Gauge and Copper Hill workings which in the past have been splendid gold producers, Hildebrand continued.

He predicted that the gold content of the copper vein ore would increase substantially when stoping approaches the higher gold mine levels.

Polaris stockholders also learned that earlier surface drilling has indicated an additional reserve of 64,000 tons of oxide ore which assayed 0.26 ounces of gold and 10.4 ounces of silver. This ore could be extracted by open pit mining methods, Hildebrand said.

The potential for enlarging this reserve of surface ore is considered excellent and a summer exploration program has been planned to further test the mineralized zone.

Polaris Resources Inc. is a Denver based mine exploration company with copper, coal and uranium interests. The W.S. Moore Co. which manages the Summitville venture is a diversified iron ore producer with headquarters in Duluth, Minn. The Trebilcock Mining Co. operates from a New York base.

Western Nuclear Acquires Shares In Allied Nuclear

Option To Purchase Additional Shares—

DENVER—Robert W. Adams, president of Western Nuclear Inc., and Vern Hughes, outgoing president of Allied Nuclear Corp., announced that Western Nuclear, which recently became a wholly-owned subsidiary of Phelps Dodge Corp., acquired 500,000 shares of Allied Nuclear Corp. common stock at $1 per share and had entered into a subscription agreement to purchase 400,000 additional shares between July 1, 1971, and January 1, 1973, at $1 per share.

Western Nuclear has an option to purchase 239,000 additional shares prior to March 31, 1973, at $1.50 per share. If all the shares are purchased, Western Nuclear will hold approximately 49% of the outstanding shares of Allied Nuclear. The recent purchase constitutes approximately 30% of the outstanding shares.

Allied Nuclear has settled its litigation with Federal American Partners on its Blackstone-Jackneese properties. Under the terms of the settlement, the lease to Federal American Partners has been terminated.

A possible joint development of the "Muskrat Trend" in the Gas Hill by Allied Nuclear and Western Nuclear is being considered. The Allied properties that had been the subject of prolonged litigation with Federal American Partners occupy the center section of the Muskrat Trend.

Vern Hughes has retired as a director and resigned as president of Allied Nuclear, it was announced. Robert Adams replaced him on the board of Allied Nuclear and has been named president of the company. Charles I. Brown, an officer of Western Nuclear, has been named to fill a vacancy on Allied's board.

Montana Mining Activities Slated For Confederate Gulch Area

TOWNSEND, Mont.—Environmental considerations are foremost in plans announced last week by John Bolinger, of Townsend and Salt Lake City, for the beginning this summer of placer mining activities on Boulder Bar in the historic Confederate Gulch area near here.

Following a meeting with officials of Montana's Board of State Lands and Investments, it was felt, according to Bolinger, that plans for the mining and reclamation of mined lands on the project would conform with Montana's recently enacted Environmental Control Act.

The act, which is expected to become effective later this summer, provides for the licensing of those engaged in mining, exploration and related activities and the reclamation of such lands.

"Our present plans for the reclamation include the re-seeding of native grasses, transplanting of existing trees, and the planting of seedling trees obtained from the Forest Service and other sources," Bolinger said. "We will also rely upon the Soil Conservation Department's guidance in the selection of proper fauna," Bolinger stated.

Bolinger believes that it will be possible to construct several small lakes on the 74-acre mining site. It is believed that by carefully re-seeding the area its rangeland possibilities can be improved. "With proper engineering, we can perhaps develop the areaa into a recreational site following mining activities," Bolinger added.

Boulder Bar borders on the site of Diamond City, once inhabited by 5,000 people and the center of the mining activity which occurred in Confederate Gulch in the 1860's.

Nearby is famous Montana Bar from which $900,000 (at $16/oz. gold) was taken by three men in one season of hand work. Known as "the richest acre in the world," Montana Bar produced as high as $1,000 to $2,000 gold to the pan in the early days. The total production of Confederate Gulch is estimated to be in excess of $100 million.

Extensive mining activities occurred around Boulder Bar, according to Bolinger. The most recent activity was in the late 30's when a "Colonel" Sheridan mined the area immediately adjacent to Boulder Bar. Still-living miners who worked

used for the excavation work, he said. Material will be fed onto a "Wobbler" feeder grizzly with the undersized materials passing into a specially designed black sand-heavy mineral concentrating and gold recovery device. All fine gold and black sands are expected to be saved in this manner. Final separation of the fine gold values and other possible commercial minerals will be achieved in a beneficiation plant designed for this purpose.

Known commercially as the "Gyro San," the concentrator was conceived and engineered by Arnold H. Phippen of Denver. All rock and matter entering the machine are incorporated into a rolling, heavy mass subjected to surging water from all directions. Clays and sticky, loosely cemented materials are effectively disintegrated, thus freeing the heavier minerals for concentration.

Provisions for the entrapment of all coarse and nugget gold are specially designed in the machine for the Boulder Bar material, according to Bolinger.

The entire operation will be under the supervision of Tom Lundstedt. The labor force will consist of nine men in the field operations. Additional personnel will be employed in the beneficiation operations.

Tom Lundstedt, mining geologist and superintendent of a planned placer mining operation on Boulder Bar in the famous Confederate Gulch district of Montana, is shown standing on the edge of the last excavation made by "Colonel" Sheridan who in the late 30's mined the area adjacent to the privately-owned Boulder Bar. It is here that mining activities will begin.

Strauss Comments on Copper Price Trends

CLEVELAND—Simon D. Strauss, executive vice president of Asarco, told the Financial Analysts Federation here that, "If the geographical concentration of copper production becomes more diverse, the price should be less volatile."

He said it is the dependence of Western European copper consumers on the CIPEC

feed of the U.S. copper smelters is imported, "ever development in the foreign copper market has immediate repercussions at home. Let the quotation on the London Metal Exchange vary by 5 pounds (Sterling) a ton (and this is almost a daily occurrence), within hours the domestic scrap market is affected," he said. "If

Natural Resource Holders Concerned over Utah Law

By Utah Correspondent

SALT LAKE CITY—A law here regarding the collection of taxes from leased state and federal properties is causing some small concern around here among natural resources holders.

"There shall be collected a tax upon the possession or other beneficial use enjoyed by any private individual, association or corporation of any property, real or personal, which for any reason is exempt from taxation when such property is used in connection with a business conducted for profit...."

The state attorney general's office has now ruled that property on lease from the federal government—e.g. coal leases—either being operated or held for future operation is assessable for payment of taxes.

There is an exemption. If the permittee or lessee does not have exclusive possession—for example, there may be a grazing lease on top of the mining lease—then the lease is tax immune.

Whatever it has raised a hassle here.

There are interests in coal, hydrocarbon recovery and mineral brines recovery who wonder how extensive the potential taxing will be and whether it is a wedge for enlarging taxing. And they ask further, will this discourage Utah resource and industrial development? For example: Are coal reserves, oil shale reserves, tar sands reserves [illegible] but not [illegible] to [illegible]

around by a bulldozer. The tax commission found otherwise and established an assessment.

The amount of tax paid under protest is small—just $15,000. But GSLM&C views it as an issue of concern to itself and with larger ramifications involving other industries.

In its protest it further cites its immunity under the exemption clause in the tax law. For example, it contends it really does not have exclusive use of those lands.

What is to prevent the state from issuing an oil and gas lease, for example, on those lands?

The company may make a court case out of it. If so, it will have to file shortly.

Holman is apprehensive: If the case if filed and won, on the issue of non-exclusivity—it could cost the state hundreds of thousands of tax dollars.

This would be a potential tax from coal leases to feed Utah Power & Light Company's big Huntington Canyon plant and the proposed Kaiparowits Plateau plant of Resources Co.

The commission had tried but failed to get that part of the tax statute relating to "exclusive possession" removed by the last legislature. No luck.

Opponents contend that any change would expose a number of interests to the tax because none had exclusive leases, permits or easements.

These include lease-held interests in coal, potash, metalliferous minerals, grazing

W. S. MOORE CO.

SUITE 201
575 FOREST STREET
RENO, NEVADA 89502

MAIN OFFICE:
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

TELEPHONES:
DULUTH 727-5068
RENO 322-8818

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April 19, 1971

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

Re: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Kirkemo:

Regarding the royalties due the U. S. Government under OME contract 2189, please be advised that our partners are fully aware of the obligations owed all parties including the federal government. To further insure complete awareness, copies of your present letter will be promulgated to the various Summitville partners.

As you may or may not be aware, we expect the flotation mill to be turning over this month and royalty payments to the government should commence shortly.

Yours truly,

W. S. MOORE CO.

Irving F. Moore, President

IFM/lh

copies: Duluth office, WSM Co.
Polaris Resources
Wm. Trebilcock

Copy sent R-III 4/23/71

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/16/71	CLM	
	DR Tindal	
4/16		

Appl. Sol. Off."

AIRMAIL

APR 1 0 1971

Mr. Irving F. Moore
President
W. S. Moore Company
Suite 201
575 Forest Street
Reno, Nevada 89502

Re: OME-6344 (Gold-Silver)
W. S. Moore Company
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

Thank you for the two copies of the Exploration Agreement between Quad Construction, Inc., Polaris Resources, Inc., and W. S. Moore Company.

We wish to call to your attention Article 2(c) of the OME contract cited above which provides that the operator shall not transfer, convey or surrender the land or any right, title or interest therein, without expressly referring to and providing for the preservation of the Government's right to royalty on production and liens for the payment thereof, in any instrument of conveyance. We find no specific reference in the agreement to preservation of the Government's right to royalties on all minerals mined or produced from the property as required by this provision. While we do not insist that the exploration agreement now executed be amended to contain such a reference, we do believe it is incumbent upon you to advise your associates in writing, that under the provisions of the OME contract and a Termination Agreement executed July 3, 1967, William S. Moore Company, as operator under the OME contract, remains liable for payment of royalty if the producer or as surety if not the producer on production from the land subject to the contract as set forth in Article 7(b) thereof.

23263

Royalties shall be paid to the Government on all production from the land described in the OME contract from May 22, 1964, until May 22, 1976, or until the sum of $13,789.53 is fully repaid with interest at the rate of 6-1/2% per annum, whichever occurs first. As of February 28, 1971 the outstanding balance on the principal was $13,789.53 and accrued interest totalled $5,426.66. As the royalty period under the DMEA contract Idm-E1107, DMEA-4643, expired July 15, 1970, there is no longer an obligation for payment of royalties on production under that contract.

We would appreciate receiving copies of letters to your associates informing them of the facts stated above.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

HKirkemo:CHMartin:hm 4-16-71
cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region III w/cy Exploration Agreement 4/8/70
Mr. Kirkemo
130

RENO OFFICE:
SUITE 201
575 FOREST ST.
RENO, NEVADA 89502

W. S. MOORE CO.

400 TORREY BUILDING
DULUTH, MINNESOTA 55802

DULUTH: (218) 727-5068
RENO: (702) 322-8818

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February 25, 1971

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

file in OME 6344

Re: DMEA-4643 (Copper-Lead)

Gentlemen:

Enclosed herewith is the Joint Venture agreement with Quad Construction, Inc. and Polaris Resources, Inc. referred to in your letter of February 11, 1971 to Mr. Irving F. Moore.

Very truly yours,

Milton E. Sundeen

MILTON E. SUNDEEN

g

Encl.

MEMORANDUM

W. S. MOORE CO.

DATE: February 16, 1971

TO: Duluth office

FROM: I. F. Moore

RE: The Attached

Please forward the requested documents.

(two copies of letter returned to Office of Minerals Exploration from Reno office - 2/17/71)

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

February 11, 1971

AIRMAIL

Mr. Irving F. Moore
President
W. S. Moore Co.
Suite 201, 575 Forest Street
Reno, Nevada 89502

Re: DMA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-B1107
and
OMI-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Please furnish two true copies of the Joint Venture agreement with Quad Construction, Inc. and Polaris Resources, Inc., referred to in your letter of June 15, 1970, and requested in my reply of July 2, 1970.

Also, please reply to item 2.B. on the reverse side of this form on the ore grade material reported in your letter as being stockpiled at the mine.

Sincerely yours,

Harold Kirkham

Harold Kirkham
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since June 15, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☑ No ☐

Copies of documents will be provided

2. Since June 15, 1970, has there been any production from the land subject to the contract? Yes ☑ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser. NO

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore	7932 Tons	2.47% Cu	At Summitville
Concentrates	None	—	—
Other	None	—	—

3. Since workings (*see* , has any production been transported through *of contract*)? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Irving F. Moore	*Title* President
Address 525 First St	*Date* Feb 19, 1970

New Mex

Send this copy to Dalton with mine

EXPLORATION AGREEMENT

THIS AGREEMENT, Made and entered into as of the 8th day of April, 1970, by and between QUAD CONSTRUCTION, INC., a Wyoming corporation (hereinafter called "Quad"), POLARIS RESOURCES, INC., a Colorado corporation (hereinafter called "Polaris") and W. S. MOORE CO., a Minnesota corporation (hereinafter called "Moore");

WITNESSETH:

1st Recital WHEREAS, Moore is presently through mesne assignments, the Lessee under that certain mining lease (Lease), dated the 1st day of February, 1956, of certain patented and unpatented lode mining claims situated in Rio Grande County, Colorado, known as Summitville Mine (Mine), which Lease was made by Reynolds-Morse Corporation and B. T. Poxson, as Lessors and General Mineral Corporation, as Lessee; copies of which said Lease and all Mesne assignments and other instruments pertaining hereto having been furnished Quad and Polaris; and

2nd Recital WHEREAS, Moore is purchasing John W. Rigg's interest in said Lease under an Agreement between Moore and John W. Rigg, herein referred to as "Rigg Contract", copies of said Agreement having been furnished to Quad and Polaris; and

3rd Recital WHEREAS, prior hereto, Moore entered into agreements with Union Pacific Railroad Company (U.P.) and The Cleveland-Cliffs Iron Company (C.C.I.), to explore and develop the Mine (pursuant to which considerable equipment was purchased and construction of mining facilities commenced) which agreements were terminated as of December 31, 1969 at

which time Moore signed a note for the value of all the equipment and personal property placed on the property by U.P. and C.C.I. and Moore (except the equipment pertaining to the concentrator) in the amount of One Hundred Twenty Thousand and 00/100 Dollars ($120,000.00), plus interest, which note provides that if the Lease is dropped the amount of the note is recoverable only against the equipment and other personal property securing the same and that if the Mine is successfully operated the Mine profits will pay off the note; and

4th Recital WHEREAS, Moore is presently engaged in an arbitration proceeding with C.C.I. in an attempt to settle a dispute with that company relative to certain money charges made by C.C.I. during its tenure as operator of the Mine; and

5th Recital WHEREAS, Quad and Polaris each desire to acquire a twenty-five percent (25%) interest in said Lease and said Rigg Contract; and

6th Recital WHEREAS, the parties desire to bring said Summitville Mine into production at an early date; and

7th Recital WHEREAS, Moore has heretofore expended substantial sums of money for the exploration and development of the Mine in addition to that so expended by U.P. and C.C.I.

NOW, THEREFORE, In consideration of the sum of Ten Dollars ($10.00) in hand paid by Moore to each of Quad and Polaris, and in further consideration of the covenants and agreements herein contained by the parties hereto, to be performed, it is agreed by and between them as follows:

1. Quad and Polaris may each acquire a twenty-five percent (25%) interest in said Lease and equipment by:

(a) Expending between them upon the exploration and development of the Mine the total sum of Seventy-five Thousand and 00/100 Dollars ($75,000.00) prior to the 1st day of July, 1970, which said monies will be expended for exploration, purchase of equipment and overhead expense pertaining to such exploration and development excepting the salary of Robert Schlosser, a mining engineer, whose salary will be borne by Moore.

(b) By paying between them fifty percent (50%) of the payments coming due under the Rigg Contract while this agreement is in force. Moore will pay the remaining fifty percent (50%) of the payments coming due under the Rigg Contract.

In the event they do not so expend said sum of Seventy-five Thousand and 00/100 Dollars ($75,000.00) before said date and make the required payments under the Rigg Contract, all of the obligations of the parties to each other hereunder shall cease and Quad and Polaris shall acquire no interest in the Mine and the equipment.

2. Quad shall become the operator of the Mine in the expenditure of said exploration and development monies and shall be obligated to pay all expenses in connection with the development of the Mine while it is the operator from the funds advanced by Quad and Polaris pursuant to Section 1 hereof, except the salary of the said Robert Schlosser which shall be paid by Moore.

3. If after the said sum of Seventy-five Thousand and 00/100 Dollars ($75,000.00) has been spent by Quad and Polaris and said Rigg Contract payments made, the parties determine that additional funds are necessary to be spent in order to determine whether sufficient ore reserves may be developed in the Mine to commence construction of a mill and other facilities to conduct mining operations, the parties will jointly determine the amount thereof and in order to maintain their interest in the joint venture, each of the parties shall forthwith advance the percentage of such additional funds set after its name below, to-wit:

Quad	25%
Polaris	25%
Moore	50%

provided that if any of the parties determines that it does not wish to expend additional funds in such exploration and development work, the parties will then meet and determine the means of raising such party's share of such additional funds and to determine the dilution of interest in the Mine to be taken by the party or parties not wishing to put up its or their share of such additional funds. If none of the parties elects to put up its share of such additional monies, preferring to obtain a fourth party to join in the venture, then Moore will reduced its interest in the Mine and all equipment to forty percent (40%) and Quad and Polaris will each reduce its interest to twenty percent (20%), thereby leaving a twenty percent (20%) interest to be acquired by the fourth party or parties as the case may be, it being understood that in such event Moore will use its best efforts to obtain such additional party or parties to invest in the venture.

4. At such time as the parties determine that sufficient reserves of ore have been developed to commence mining operations, they will incorporate a Colorado corporation to be known as "Summitville Mining Co.", or by such other name as the parties agree on, with a capital of $300,000 and at said time the parties will:

(a) Enter into an Operating Agreement with said company substantially in form and content as the draft of "Summitville Operating Agreement" hereto attached marked Exhibit "A" and made a part hereof; and

(b) Together with said company enter into a Mine Manager Contract substantially in the form and content of the draft of "Mine Manager Contract" hereto attached marked Exhibit "B" and made a part hereof, appointing Moore to manage the operation of the Mine.

5. The parties agree that various items of the equipment securing the payment of said note of Moore to C.C.I. will be from time to time rented out or sold and any proceeds of such transactions will be applied against the payment of said note, provided that none of such property shall be sold or leased without written permission being first obtained from U.P. prior to removal of the property from the Mine premises. In order to simplify the operation during the exploration period herein provided for, the title to all equipment shall be held in the name of Moore. Any of such equipment and personal property not rented or sold and used in the exploration and development work referred to in Section 1 hereof will be paid for out of the funds advanced by Quad and Polaris.

6. The parties agree that in the event the abritrators in said arbitration proceeding between Moore and C.C.I. determine that Moore owes C.C.I. a specified sum (award) and in the event that the Mine is put in operation pursuant to this agreement, the parties hereto will allow Moore two and five-tenths percent (2.5%) of all net smelter returns from ores produced from the Mine to be applied in the payment of such award until the same is paid in full, with such interest and costs as are allowed by the arbitrators.

7. The parties agree to meet the first Tuesday of each month at the Summitville Mine to discuss the progress of the development and exploration work at the Mine and to plan the direction of future development and exploration work.

8. Quad agrees that while it is acting as operator during the exploration and development period, it shall perform all of its obligations in a good and workmanlike manner in conformance with all of the requirements of the said mining lease and applicable state and Federal laws, will keep the Mine free from mechanic's and labor liens and will acquire and carry workmen's compensation insurance as well as adequate public liability and property damage insurance covering all three of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first hereinabove written.

In Presence of:

Robert H. Kendall

Robert D. Sullivan

John W. Hingson

Jerry R. Gallegos

QUAD CONSTRUCTION, INC.

By Jesse A. Bringel

POLARIS RESOURCES, INC.

By R. A. Hildebrand

W. S. MOORE CO.

By Irving D. Moore

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

February 11, 1971

AIRMAIL

Mr. Irving F. Moore
President
W. S. Moore Co.
Suite 201, 575 Forest Street
Reno, Nevada 89502

COPY
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MINERALS CO. E
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Re: DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-E1107
and
OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Please furnish two true copies of the Joint Venture agreement with Quad Construction, Inc. and Polaris Resources, Inc., referred to in your letter of June 15, 1970, and requested in my reply of July 2, 1970.

Also, please reply to item 2.B. on the reverse side of this form on the ore grade material reported in your letter as being stockpiled at the mine.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to R-III

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since June 15, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes [X] No [ ]

Copies of documents will be provided

2. Since June 15, 1970, has there been any production from the land subject to the contract? Yes [X] No [ ]

A. If so and it was shipped, give quantity, value, and name and address of purchaser. No

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore	7932 Tons	2.47% Cu	At Summitville
Concentrates	None	------	------
Other	None	------	------

3. Since workings *(see of contract)*, has any production been transported through Yes [ ] No [ ]

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

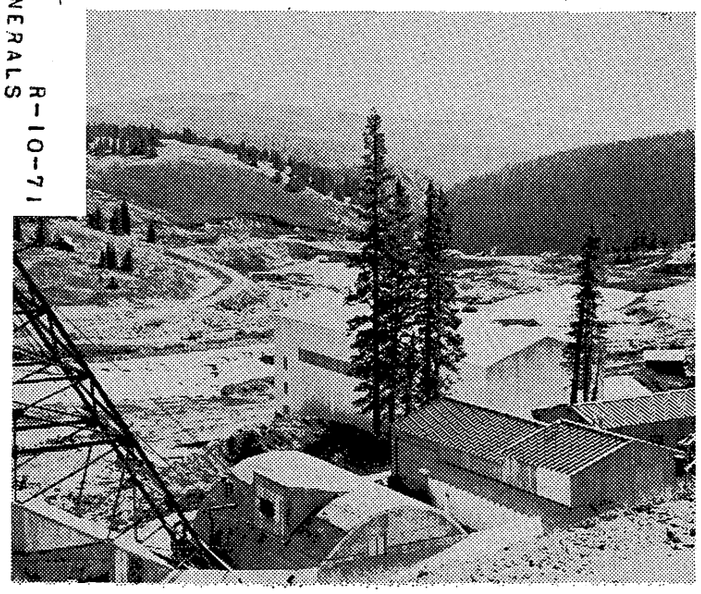
Name	*Title*
Irving F. Moore	President
Address 575 Forest Street Reno, Nevada 89502	*Date* February 19, 1970

1971 ?

U.S.G.S.
OFFICE OF MINERALS
EXPLORATION-ROOM 4450
DEPT. OF THE INTER
R-10-71

The MINING RECORD
THE VOICE OF THE MINING INDUSTRY
FOR EIGHTY-ONE YEARS

81, No. 38 Denver, Colorado, Wednesday, September 23, 1970 $10 a year, 25¢ a copy



SUMMITVILLE PARTNERS modern flotation mill to treat high grade copper, silver and gold ore is scheduled for completion before the year's end.

Newly Developed Summitville Mine Nears Production

High Grade Copper-Gold Producer—

DENVER—Summitville in south central Colorado is again the scene of important mining activity. The Summitville property, after having made a bright record as a gold mine around the turn of the century, is now being readied as a copper producer. Recent discoveries and development of high-grade copper-silver ore account for the renewed activity at Summitville.

The Summitville venture partners, Polaris Resources Inc., the W.S. Moore Company, and Quad Construction Company, are preparing the mine for production, and anticipate their first shipment of copper concentrate before the year's end. Bob Schlosser, mine manager, directs the efforts of the 39-man crew engaged in plant construction and mine development.

A 150-ton-per-day capacity flotation mill has been under construction for the past two months, and is scheduled for completion in December. Metallurgical research studies by Hazen Research of Golden and The Booth Company of Salt Lake City indicate that the Summitville ores are amenable to flotation and that excellent recoveries can be expected.

The mill flow sheet provides for the recovery of copper, gold and silver. The plant lay-out incorporates design features which anticipate a possible doubling of capacity, if future mine development would warrant such expansion.

THE SUMMITVILLE mine ore values are deposited in pipes and tabular masses in flow rock and breccias within an old volcanic neck. The mine is developed by a 500-foot deep vertical shaft servicing two levels, and a 3000-foot long cross-cut.

Mine geologist, Bob Kendall, is in charge of underground exploration. Underground diamond drilling and development headings are currently extending the proven ore reserves.

Grade of the development ore presently being stockpiled has exceeded expectations, said R.A. Hildebrand, Polaris Resources' president. He also commented that the mine, in addition to the shallow developed ore blocks, has excellent potential for deep-seated, large-tonnage reserves.

Geologic studies by the United States Geological Survey have compared the Summitville geologic setting with the environment in which the "porphyry-type", disseminated copper deposits occur. Survey geologists theorize that such an environment may exist deeper in the Summitville volcanic pile, below the present mine workings. Deep drilling will have to prove this potential, Hildebrand added.

The W.S. Moore Co., a diversified iron ore producer from Duluth, Minn., has been active at Summitville for the past seven years. Quad Construction Co., a mine contracting firm and operator of the venture, and Polaris Resources Inc., both of Denver, became associated with the Summitville project in May of this year.

Polaris Resources Inc., a mine exploration company with uranium and Canadian copper interests, earlier this year completed a public stock offering, and its shares are traded on the national over-the-counter market.

Utah's Available Uranium Committed through 1975

SAN FRANCISCO—Utah Construction & Mining Company's uranium oxide production available for sale is fully committed for the five year period beginning November 1, 1970 under purchase contracts and letters of intent, E.W. Littlefield, president and general manager, said here.

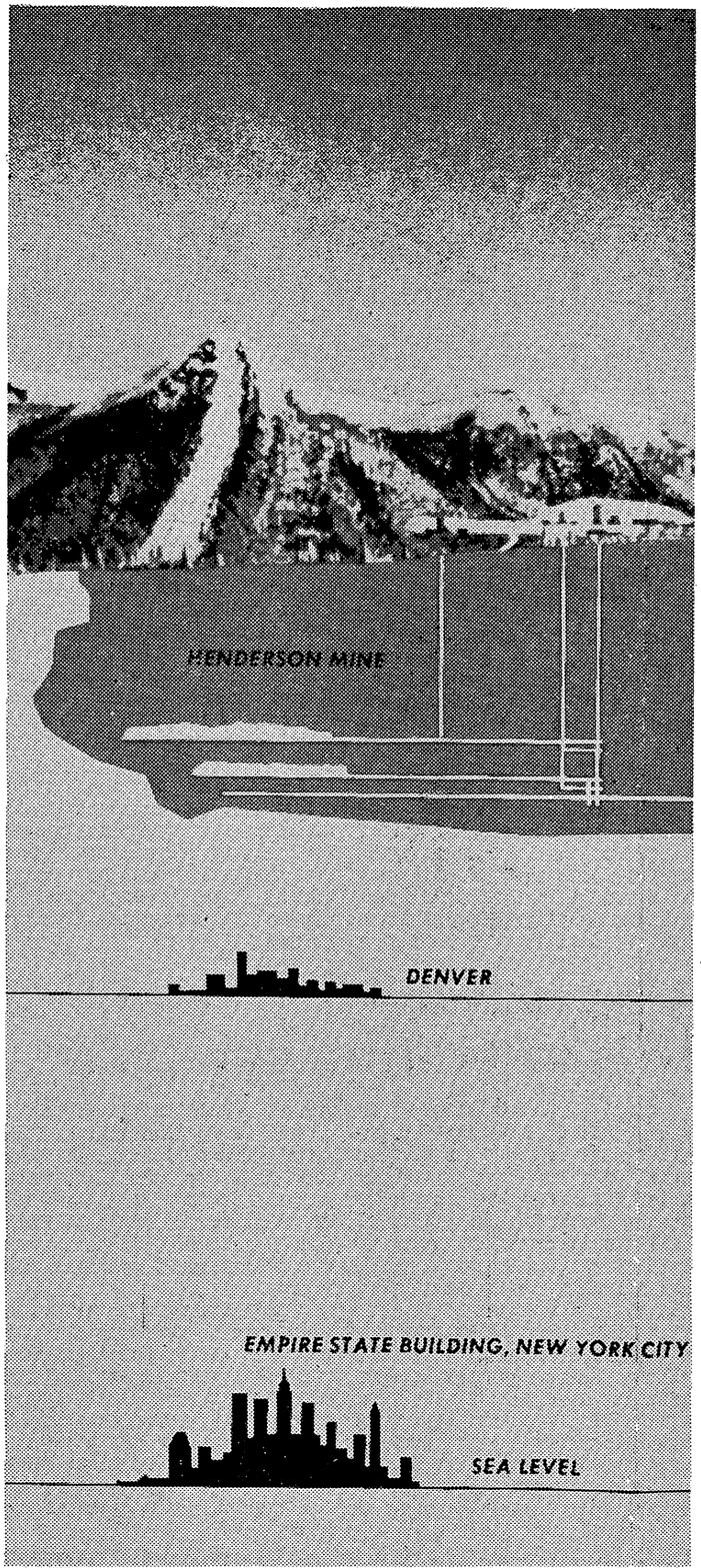
Of the 20.8 million pounds to be available during the period 67.5% has been sold under firm contracts and the remaining 32.5% is covered by letters of intent which are subject to conversion to firm contracts.

The contracts and letters of intent involve the planned output of more than 4 million pounds of U_3O_8 annually from Utah's Lucky Mc mill and its new Shirley Basin mill, both located in Wyoming. Still under construction but nearing completion, the Shirley Basin mill is scheduled to commence operations on November this year.

The most recent sales contract, executed with Arkansas Power and Light Co., calls for deliveries of 928,000 pounds of U_3O_8 between October, 1973, and June, 1974.

Utah's Lucky Mc mine has been in production since 1958 and a new open pit operation is commencing at the Shirley Basin site.

How High Is a Mountain? How Deep Is a Mine?



IDAHO SPRINGS, Colo.—The ore lies deep under a high mountain at AMAX's new Henderson molybdenum mine near here. Hence, it was necessary to sink shafts from the valley floor more than half a mile. Then the engineers had to tunnel horizontally an even greater distance to reach the ore.The diagram, shown here, drawn to a vertical scale and ignoring horizontal distances, shows the relative altitudes of the mine and two well-known high spots in the United States.

The figures for the Rocky Mountains—over 14,000 feet—and the Henderson molybdenum mine being dug there—3,500 feet deep—are impressive. The scale drawing at the left makes them even more so by providing dramatic graphic contrasts.

Disregarding the horizontal dimension and East-West distances of a map, this drawing pictures in a vertical column the Rockies, the mine, and other landmarks with significant altitudes. Each landmark is drawn and located according to a single altitude scale. Thus, the Empire State Building in New York City, rising 1,300 feet above sea level, is dwarfed by the altitude of Denver, literally "The Mile-high City."

Still more surprising to most people, the Colorado capital is dwarfed in turn by its neighboring Rockies. At 14,000 feet, they rise 2.7 miles or more above sea level—nearly three times as high as Denver. (The highest point of the Rockies is not shown in the diagram.)

AMAX'S NEW Henderson mine is located where these mountains form the Continental Divide, at an ore body believed to contain as much molybdenum as Climax, the largest underground mine in North America. Henderson's shafts—3,500 feet deep—will drop well over half a mile. That is well over half the altitudinal distance between Denver and sea level.

One other intriguing fact suggested by this vertical scale drawing: it would take 2.7 Empire State Buildings stacked one on top of another to fill Henderson's deepest shaft.

The photograph suggests in another way the great depth and size of the mine. It shows the immense hoists required to lower and lift men and working materials to the deep mining

MEN-on-the-MOVE

SAN FRANCISCO—Manning W. Cox, consulting geologist, is resuming his consulting practice in San Francisco in affiliation with Kenneth Wilson & Associates, geological consultants in lands and mineral exploration. The San Francisco-based firm announced recently the new team of Ken Wilson and Bill Cox will provide the principal services.

Manning Cox

Cox is known for his persistence as a practical field geologist that has resulted in the discovery of more than one important new mine, the Wilson office stated. Most recent of these is at Creede, Colo., where Homestake is now mining high grade silver ore and where Cox staked claims and initiated geologic studies that led to the discovery of the Bulldog mine. Homestake then purchased the property from Cox.

In Homestake's current annual report, the company reports its new ore reserves there as 409,000 tons on January 1 with an average grade of 21.8 ounces silver and 2.7% lead to the ton. A 300-ton mill began operating at a profit in late 1969 and anticipates greater returns "when the anticipated rise in silver prices occur."

In the Coeur d'Alene section of Idaho, where Wilson completed a unitization of

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/2/70	Emerick	120
		220

AIRMAIL

Mr. Irving F. Moore
President
W. S. Moore Co.
Suite 201, 575 Forest Street
Reno, Nevada 89502

JUL 2 1970

Re: DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-51107
and
OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

Thank you for your letter of June 15, 1970, enclosing copies of the now-terminated Assignment and the Agreement between Union Pacific Railroad Company, The Cleveland-Cliffs Iron Company, and W. S.Moore Co.

As the W. S. Moore Co. has entered into a Joint Venture Agreement with Quad Construction, Inc., would you please furnish us with two true copies of this agreement as required under Article 2(c) of the subject OME contract. If it is inconvenient to furnish these copies, we can make the necessary copies if you will furnish us with one true copy, which then can be returned to you.

You requested information regarding the applicability of the OME contract to presently contemplated operations which may result in copper production. You asked if copper production would be subject to royalty payments to the Government. Please refer to the Certification of a Discovery or Development issued January 15, 1962, on the referenced DMEA contract, and to the Certification of Possible Production issued February 6, 1968, on the referenced OME contract.

The certification on the DMEA contract specifically refers to the fact that diamond drilling under the contract proved the existence of copper-gold-silver ores from which production may be made and on which royalty payments would be due the Government.

The certification on the OME contract states that royalty payments shall be made on all production from the land described in the contract. Article 7(b) of the contract states that a royalty shall be paid to the

Government on all minerals and metals mined or produced from the land, and Article 16 specifies that in addition to royalties which may accrue under the OME contract, royalty is also payable under DMEA-4643, Contract Idm-E1107.

These provisions lead us to the conclusion that all mineral production from the property is subject to royalty payments until the Government's share is repaid in full (with interest on the OME contract) or until the periods of royalty obligation expire.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
Docket OME-6344
Docket DMEA-4643
OME Reading File
OME Region III w/cy incoming letter 6/15/70, Assignment and Agreement, MME Form 63 completed 6/15/70

Mr. Kirkemo
130

HKirkemo/gla 7-2-70

W. S. MOORE CO.

MAIN OFFICE:
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

SUITE 201
575 FOREST STREET
RENO, NEVADA 89502

TELEPHONES:
DULUTH 727-5068
RENO 322-8818

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O. M. E.
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JUN 24 1970
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June 15, 1970

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

Dear Mr. Kirkemo:

Relative to your letters of May 8, 1970 to Mr. Madsen of our company and May 22, 1970 to Mr. Stewart S. Merwin of the Union Pacific Railroad Company, please be advised that both Union Pacific and Cleveland Cliffs have terminated their respective interests in the Summitville property. For your information copies of the appropriate documents are appended.

Since the above termination the W. S. Moore Co. has entered into a Joint Venture agreement with Quad Construction, Inc.
Suite 9
1510 Glen Ayr Drive
Lakewood, Colorado 80215

and Polaris Resources, Inc.
8000 W. 14th Avenue
Lakewood, Colorado 80215

to explore and operate at Summitville. The respective interests are Moore 50%, Quad 25%, Polaris 25%.

Regarding your letters, some ore grade material from exploration headings has been stockpiled at the mine. No final disposition or sale of the ore is contemplated at the moment pending a final decision regarding the installation of a flotation mill.

Lastly, with respect to OME-6344 (Gold-Silver) Contract 2189, I would like an opinion from your office regarding the applicability of this contract to the presently contemplated operations. At the time this contract was signed copper exploration was not eligible to receive OME funds. Consequently at Summitville OME money was available only for shallow work in the oxide ore zone; requests for deeper drilling were turned down because of the presence of copper. The feasibility of any mining operation at Summitville depends entirely on deep sulphide copper ores. The exploration of these ore zones has been financed entirely by private resources, no OME or other public funding has been involved. It is our contention therefore that royalties

are due the U. S. Government if we initiate a near surface (oxide) gold-silver mine, which is entirely possible. However, it is also our contention that no royalties are due the Government under Contract 2189 from a sulphide copper mine. Your comments regarding these contentions are invited.

Yours truly,

W. S. MOORE CO.

Irving F. Moore, President

IFM/lh

enc.

cc: W. S. Moore
John Tippit
Quad Construction
Polaris Resources
Stuart Merwin

ASSIGNMENT

THIS AGREEMENT, Made and entered into as of the 31st day of December, 1969, by and between UNION PACIFIC RAILROAD COMPANY, a Utah corporation, and THE CLEVELAND-CLIFFS IRON COMPANY, an Ohio corporation, as Assignors, and W. S. MOORE CO., a Minnesota corporation, as Assignee.

WITNESSETH:

WHEREAS, Assignors, through mesne assignments, are now the owners of an undivided interest in the leasehold estate under that certain Agreement of Lease dated February 1, 1956, between The Reynolds-Morse Corporation and B. T. Poxson, as lessors, and General Minerals Corporation, as lessee, which Agreement of Lease appears of record in Book 243 at page 45 of the records of the office of the Clerk and Recorder of Rio Grande County, Colorado, and

WHEREAS, said Agreement of Lease has been amended and supplemented by those certain instruments more particularly described as follows:

(1) Agreement Modifying and Amending Mining Lease, dated September 25, 1963, between The Reynolds-Morse Corporation and W. S. Moore Co., recorded in Book 303 at page 228 of the Rio Grande County real estate records.

(2) Amendment of Mining Lease, dated July 15, 1965, between Reynolds Mining Company, a limited partnership of Denver, Colorado, and W. S. Moore Co., recorded in Book 303 at page 241 of the Rio Grande County real estate records.

(3) Amendment of Agreement Modifying and Amending Mining Lease dated May 6, 1966, between Reynolds Mining Company and W. S. Moore Co., recorded in Book 303 at page 244 of the Rio Grande County real estate records.

(4) Ratification and Consent to Assignment and Amendment of Mining Lease, dated October 27, 1966, between Reynolds Mining Company and Union Pacific Railroad Company, recorded in Book 315 at page 226 of the Rio Grande County real estate records.

(5) Amendment of Mining Lease and Consent to Assignment, dated as of August 1, 1968, between Reynolds Mining Company, W. S. Moore Co., Union Pacific Railroad Company, and The Cleveland-Cliffs Iron Company, and recorded in Book 315 at page 250 of the Rio Grande County real estate records.

WHEREAS, Assignors desire to sell and assign to Assignee, and Assignee desires to receive from Assignors, all of the Assignors' right, title and interest in the leasehold estate under said Mining Lease as amended and supplemented;

NOW, THEREFORE, for a good and valuable consideration the receipt whereof is hereby acknowledged, Assignors do hereby sell, transfer, set over and assign unto Assignee, its successors and assigns, forever, all of Assignors' right, title and interest in the leasehold estate under said Mining Lease as amended and supplemented covering those certain patented and unpatented lode mining claims, placer mining claims, and millsites, situate in the Summit Mining District, Rio Grande County, Colorado, which are more particularly described in Exhibit "A" attached hereto and incorporated herein, together with all rights appurtenant thereto and privileges thereunder.

Assignee hereupon and hereafter assumes all of the rights, duties, and obligations of the lessee under said Mining Lease as amended and supplemented, provided that this assignment shall not affect any of the rights and obligations of the parties hereto which may have accrued or liabilities, accrued or otherwise, which may have arisen prior to the effective date of this assignment.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year first hereinabove written.

ATTEST:

_____
Assistant Secretary

UNION PACIFIC RAILROAD COMPANY

By _____
Chief Executive Officer
Natural Resources Division

ATTEST:

_____
Secretary

THE CLEVELAND-CLIFFS IRON COMPANY

By _____
President

ATTEST:

_____
Secretary

W. S. MOORE CO.

By _____
President

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 1969, by _____, as _____, and by _____, as _____, of Union Pacific Railroad Company, a Utah corporation.

Witness my hand and official seal.

My commission expires:

_____
Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 1969, by _____, as _____, and by _____, as _____, of The Cleveland-Cliffs Iron Company, an Ohio corporation.

Witness my hand and official seal.

My commission expires:

_____
Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 1969, by _____, as _____, and by _____, as _____, of W. S. Moore Co., a Minnesota corporation.

Witness my hand and official seal.

My commission expires:

_____
Notary Public

EXHIBIT "A"

Summit Mining District (Patented Claims)

Golden Queen Lode Mining Claim	Survey No.	61
Little Annie Lode Mining Claim	Survey No.	63
Del Norte Lode Mining Claim	Survey No.	64
Margaretta Lode Mining Claim	Survey No.	65
Little Ida Lode Mining Claim	Survey No.	67
San Juan Placer Mining Claim	Survey No.	68
North 800 ft. Little Jessie Lode Mining Claim	Survey No.	71
Peterson Placer Mining Claim	Survey No.	74
Brandt Placer Mining Claim	Survey No.	75
Bobtail Lode Mining Claim	Survey No.	325
Oding Lode Mining Claim	Survey No.	475
Snow Bank Lode Mining Claim	Survey No.	604
Moltke Lode Mining Claim	Survey No.	607
Golconda Lode Mining Claim	Survey No.	319
Tunnel Lode Mining Claim	Survey No.	320
Bos Lode Mining Claim	Survey No.	321
Nick Lode Mining Claim	Survey No.	713
Game Cock Lode Mining Claim	Survey No.	716
Garfield Lode Mining Claim	Survey No.	910
Bay State Lode Mining Claim	Survey No.	896
Little Hattie Lode Mining Claim	Survey No.	977
Sheridan Lode Mining Claim	Survey No.	892
Columbia Lode Mining Claim	Survey No.	890
Home Stake Lode Mining Claim	Survey No.	898
Eureka Lode Mining Claim	Survey No.	889
Jubilee Lode Mining Claim.	Survey No.	891
Parole Lode Mining Claim	Survey No.	608
Pay Streak Lode Mining Claim	Survey No.	893
Logan Lode Mining Claim	Survey No.	897
Bayard Lode Mining Claim	Survey No.	894
Great Independence Lode Mining Claim	Survey No.	609
Golden Vault Lode Mining Claim	Survey No.	610
Iowa Lode Mining Claim	Survey No.	895
Jennie Placer Mining Claim	Survey No.	1097
C.B. & Q. Placer Mining Claim	Survey No.	798
I. & C.C. Placer Mining Claim	Survey No.	611
Highland Mary Lode Mining Claim	Survey No.	606
Highland Mary No. 2 Lode Mining Claim	Survey No.	16314
South Columbia Lode Mining Claim	Survey No.	16323
Aurora Lode Mining Claim	Survey No.	16324
Vanner Lode Mining Claim	Survey No.	16324
Pittsburgh Lode Mining Claim	Survey No.	16324
Dexter Lode Mining Claim	Survey No.	77
Aztec Lode Mining Claim	Survey No.	621A
Gray Eagle Lode Mining Claim (1/6th interest)	Survey No.	532
Little Nellie Lode Mining Claim (1/6th interest)	Survey No.	62
Spar Placer Mining Claim	Survey No.	5736
Rio Grande Placer Mining Claim	Survey No.	5737
Denver Placer Mining Claim	Survey No.	5738
Electric Placer Mining Claim	Survey No.	6413

Summit Mining District (Patented Claims cont.)

Chicago Lode Mining Claim 2/3	Survey No.	1153
Eighth Wonder Lode	Survey No.	82
Golden Star No. 2 Lode Mining Claim	Survey No.	83
Missionary Lode Mining Claim	Survey No.	124

Summit Mining District (Unpatented Claims)

S.C.M.I. Lode Mining Claims Nos. 1 to 30
No Good Lode Mining Claim
Confusion Lode Mining Claim
G. & P., G. & P. No. 1 and G. & P. No. 2 Lode Mining Claims
Century of Progress Lode Mining Claim
Last Piece Lode Mining Claim (location certificate recorded April 30, 1968, as Reception No. 233536)
Century of Progress (lode or placer)
Pickens (lode or placer)
2 G. & P. Placers
Electric Mill Site (location certificate recorded August 22, 1934, in Book 192 at page 198)

The Southeast Quarter (SE¼) of Section 17; and the Northeast Quarter (NE¼) of Section 29, all in Township 37 North, Range 4 East.

AGREEMENT

This agreement is made and entered into by and between Union Pacific Railroad Company, a Utah corporation (herein called "Union Pacific"), The Cleveland-Cliffs Iron Company, an Ohio corporation (herein called "Cliffs"), and W. S. Moore Co., a Minnesota corporation, for itself and as attorney-in-fact for Greysolon Corp., a Minnesota corporation (herein collectively called "Moore").

Witnesseth:

Recitals:

The parties hereto are the owners as tenants in common of the mineral leasehold estate described in that certain Agreement of Lease dated as of February 1, 1956, between The Reynolds-Morse Corporation and B. T. Poxson, as lessors, and General Minerals Corporation, as lessee, as amended (herein called the "Lease"), and have executed a Management Agreement effective as of August 1, 1968 (herein called the "Management Agreement"), pertaining to the joint development and mining of the "Joint Lands", as defined in the Management Agreement. Union Pacific has succeeded Cliffs as Manager under the Management Agreement. Union Pacific and Cliffs desire to terminate the Management Agreement and Moore desires to continue the Lease in effect. Accordingly, Union Pacific and Cliffs have assigned all of their right, title and interest in the Lease to Moore. This agreement is executed for the purpose of resolving certain matters relating to the foregoing.

Agreement:

Now, therefore, it is agreed as follows:

1. The Management Agreement is terminated effective as of December 31, 1969.

2. Concurrently with the execution of this agreement, Union Pacific and Cliffs have executed and delivered a bill of sale, transferring all of their right, title and interest in and to the facilities, material and equipment described therein to Moore. The parties hereby agree that the fair market value of such facilities, material and equipment is _____. As payment for Union Pacific's and Cliff's interest in such property, Moore has executed its promissory note for 80% of such amount to Union Pacific, together with a security agreement covering Moore's full interest in such facilities, material and equipment. It is agreed that the note does not impose a personal obligation upon Moore, but is enforceable only by enforcement of the security agreement. In the event that the note is not paid when due, then Union Pacific shall enforce the security agreement and account to Cliffs for 50% of the net proceeds therefrom. In the event the proceeds from a foreclosure sale pursuant to the security agreement shall exceed the amount due on the aforesaid note, including accrued interest and costs, then Union Pacific shall account to Moore for such excess, subject to retention and distribution in accordance with paragraph 4 of this Agreement. If Union Pacific is the successful bidder at any public or private sale of the security, it diligently shall liquidate the security and account to Cliffs for 50% of the net proceeds.

3. Union Pacific hereby is authorized to dispose of all materials, supplies, facilities, equipment and improvements described in Section 8 of the Management Agreement, other than facilities, materials and equipment described in the bill of sale referred to in paragraph 2 of this agreement and except as prohibited by the Lease, and shall account to Cliffs for 40% and to Moore for 20% of the net proceeds thereof.

4. Cliffs and Moore have executed an arbitration agreement, pursuant to which they have agreed to arbitrate certain matters relating to the Management Agreement. Notwithstanding paragraphs 2 and 3, Union Pacific is hereby directed to, and agrees to, hold proceeds from the enforcement of the security agreement described in paragraph 2 which exceed the amount due on the note therein described, including accrued interest and costs, and Moore's interest in all proceeds resulting from disposal of the items described in paragraph 3, until an award has been rendered in such arbitration proceedings. Union Pacific shall then distribute such proceeds, together with any interest thereon, to Cliffs, to the extent of its award, if any, and the remainder of the proceeds, if any, to Moore. Union Pacific is authorized to rely on a copy of the award, delivered to it by either Moore or Cliffs, and need not wait until judgment or execution has issued upon the award. Union Pacific shall not be required to invest proceeds held by it pursuant to this Agreement.

5. This agreement may be executed in counterparts, and each such counterpart shall be equally enforceable, provided that all parties have executed a counterpart.

UNION PACIFIC RAILROAD COMPANY

By _____

THE CLEVELAND-CLIFFS IRON COMPANY

By _____

W. S. MOORE CO. (for itself and as Attorney-in-fact for Greysolon Corp., a Minnesota corporation)

By _____

OME and DMEA exploration contracts cited above. W. S. Moore Co., Operator under the OME contract, and John B. Rigg, Assignee under the DMEA contract, remain liable for payment of royalty if producers or as surety if not the producers on production from land subject to the contracts as set forth in Article 16 and in the Lien and Subordination Agreement attached to the OME contract.

Royalties shall be paid to the Government on all production from the land described in the OME contract from May 22, 1964 to May 22, 1976, or until the sum of $13,789.53 is fully repaid with interest at the rate of 6½ percent per annum, whichever occurs first. Under Amendment No. 8 to the DMEA contract, the royalty period extends from July 15, 1957 to July 15, 1970, or until the sum of $5,854.78 contributed by the Government, less royalties paid to July 1, 1969, totalling $48.14, is repaid, whichever occurs first.

Notwithstanding the participating percentages set forth in Section 2 of the Management Agreement in which the respective parties shall share in production from the Joint Lands, the Government's royalty under terms of the OME and DMEA contracts applies to the gross proceeds from the production sold. Distribution of proceeds to the participating partners, therefore, would be made on the balance remaining after payment of the Government's royalty.

We are advising all parties concerned of these conclusions by copies of this letter.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

HKirkemo/gla:jfg:7-7-69
CC: The Cleveland-Cliffs Iron Company
W. S. Moore Co.
Mr. John B. Rigg
Mr. John H. Tippit
Dir's rdg file
~~Dkts~~ DMEA-4643 & OME-6344
OME rdg file
Harold Kirkemo
130
OME Region III w/cys T. A. Kauppila ltr. 6/10/69
Union Pacific Railroad Co. ltr. 6/11/69
MME Form 63 6/12/69 Management Agreement

RWLong, SOL, rm. 6554
Economic Geology file

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	Long	

AIRMAIL

JUL 8 1969

Mr. Stuart S. Merwin
General Manager - Mining
Union Pacific Railroad Company
Natural Resources Division
5480 Ferguson Drive
Los Angeles, California 90022

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189
and
DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-E1107

Dear Mr. Merwin:

Thank you for your letter of June 11, 1969, enclosing two copies of the Management Agreement effective August 1, 1968, between Union Pacific Railroad Company, The Cleveland-Cliffs Iron Company, and W. S. Moore Co., covering the subject property.

We have reviewed the Management Agreement and note in Section 28 that the Joint Operating Agreement and the Interim Joint Operating Agreement "are superseded and terminated by this agreement (Management Agreement); provided that such termination shall not relieve any party from any liability or obligation accrued prior to the date of such termination."

Although not stated specifically, we would consider that Section 28 of the Agreement preserves the Government's rights to royalties on all minerals mined or produced from the property as set forth in the

23263

UNION PACIFIC RAILROAD COMPANY

NATURAL RESOURCES DIVISION

S.S. MERWIN
GENERAL MANAGER — MINING

C.E. MELBYE
CHIEF GEOLOGIST — MINING

E.A. LANG
MANAGER OF OPERATIONS — MINING

5480 FERGUSON DRIVE
LOS ANGELES, CALIF. 90022

May 26, 1970

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OME-6344

Mr. Irving Moore
W. S. Moore Co.
575 Forest
Reno, Nevada 89502

Dear Irving:

Attached is a letter from Harold Kirkemo, Chief, Office of Minerals Exploration in Denver, regarding the DMEA and OME Summitville contracts.

Since the baton has been passed to you, will you please respond to Mr. Kirkemo's request and, I should imagine, also provide him with whatever agreements between W. S. Moore Co., Cleveland-Cliffs, and Union Pacific appropriate to show the new arrangement.

Best personal regards,

Stuart S. Merwin

SSM/il
Attach.

cc: Mr. Horold Kirkemo

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

May 8, 1970

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JUN 19 1970
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Mr. J. M. Madsen
Secretary
W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

See reverse

Re: DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-E1107
and
OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Madsen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Management Agreement effective August 1, 1968, between Union Pacific Railroad Company, The Cleveland-Cliffs Iron Company, and W. S. Moore Co., covering the subject property.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy To R-III

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 12, 1969, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☑ No ☐

2. Since June 12, 1969 has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

		Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Irving F. Moore Title President

Address 575 Forest St Date June 15, 1970

Reno, Nevada

89502

Commi

UNION PACIFIC RAILROAD COMPANY

NATURAL RESOURCES DIVISION

S.S. MERWIN
GENERAL MANAGER — MINING

C.E. MELBYE
CHIEF GEOLOGIST — MINING

E.A. LANG
MANAGER OF OPERATIONS — MINING

5480 FERGUSON DRIVE
LOS ANGELES, CALIF. 90022

June 11, 1969

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

Re: DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine, Rio Grande County, Colorado
Contract ldm-E1107
and
OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine, Rio Grande County, Colorado
Contract 2189

Dear Mr. Kirkemo:

This is in response to your letters of May 27, 1969 to Mr. John H. Tippit and Mr. J. M. Madsen, respectively, concerning the above-captioned contracts.

We are pleased to enclose two copies of the Management Agreement effective as of August 1, 1968 between Union Pacific, The Cleveland-Cliffs Iron Company, and W. S. Moore Co. covering operation of the Summitville Mine. The Management Agreement superseded the Interim Operating Agreement between the parties dated October 1, 1967. Union Pacific became the Manager under the Management Agreement on June 1, 1969.

Also enclosed are two copies of your MME Form 63 completed as requested in your letter to Mr. Tippit.

Very truly yours,

Stuart S. Merwin

Stuart S. Merwin

Encs.
cc: The Cleveland-Cliffs Iron Company
W. S. Moore Co.
Mr. John H. Tippit

Copy Agreement & MME-63 To R-III

MAY 2 9 1969

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

S. S. M
JUN 4 1969

MAY 2 7 1969

Mr. John H. Tippit
Managing Partner of
Reynolds Mining Company
1704, Security Life Building
Denver, Colorado 80202

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Tippit:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This has reference to the Lien or Subordination Agreement signed by Anna R. Garrey, as president of The Reynolds-Morse Corporation, on April 29, 1964.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since August 20, 1968, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [X]

2. Since August 20, 1968, has there been any production from the land subject to the contract? Yes [ ] No [X]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [ ]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Stuart S. Merwin
Union Pacific Railroad
Address 5480 Ferguson Drive
Los Angeles, California 90022

Title General Manager-Mining

Date June 12, 1969

UNION PACIFIC ORIGINAL

Audit NR742-9

MANAGEMENT AGREEMENT

SUMMIT MINING DISTRICT

RIO GRANDE COUNTY, COLORADO

THIS AGREEMENT, made and entered into by and between UNION PACIFIC RAILROAD COMPANY, a Utah corporation (hereinafter called "Union Pacific"), THE CLEVELAND-CLIFFS IRON COMPANY, an Ohio corporation (hereinafter called "Cliffs"), and W. S. MOORE CO., a Minnesota corporation, for itself and as attorney-in-fact for GREYSOLON CORP., a Minnesota corporation, (hereinafter collectively called "Moore").

W I T N E S S E T H:

RECITALS:

The parties hereto are the owners as tenants in common of the mineral leasehold estate in those lands consisting of patented and unpatented mining claims situate in the Summit Mining District, Rio Grande County, Colorado, which are hereinafter more particularly described. Mineral deposits are known to exist in commercially marketable quantities in said lands and the parties desire to enter into a program of joint development and mining of said lands for the production of copper, silver, and other metallic min-

MANAGEMENT AGREEMENT

erals, and to provide for the possible future development of additional reserves. Accordingly, the parties desire to set forth herein the manner in which such operations shall be conducted, all upon the terms and conditions and subject to the limitations and restrictions hereinafter set forth.

AGREEMENT:

NOW, THEREFORE, it is agreed as follows:

SECTION 1: DEFINITIONS: All terms set forth below wherever used in this agreement shall have the following meanings:

"Joint Lands" - The lands described on Exhibit "A" attached to and made a part of this agreement, and any additional lands committed to this agreement pursuant to Section 16, hereof.

"Mine Contractor" - Any person, firm, or corporation having general supervision over the Joint Lands pursuant to a contract with Manager.

"Development" or "Development Operations" - The activity or work of gaining access to proven deposits

Polaris Resources Enters Joint-Venture

The Mining Record April 15, 1970

DENVER—R.A. Hildebrand, president of Polaris Resources Inc., announced that Polaris has entered into a joint-venture agreement with W.S. Moore Co. and Quad Construction Co. to operate the Summitville copper mine.

The Summitville Mine is located in southwestern Colorado 20 miles west of Monte Vista. The Summitville deposit was discovered in 1872, and though 1953 recorded gold production totaled $47,184,700. Subsequent to the operation of the mine as a gold producer, copper mineralization was discovered.

At this time a 16-man crew is advancing development headings in ore-grade copper mineralization, and is preparing one section of the mine for a test mining program. The tonnage and grade of the mineralization are not yet fully defined, Hildebrand said.

IT IS anticipated that the current investigative program and evaluation of results will be completed in 30 days. Hildebrand said that a decision to complete the construction of the Summitville mine concentrator will be made at that time. A tentative schedule indicates that the mine and concentrator could be in production before the year's end.

The W.S. Moore Co., a diverisifed Minnesota-based iron-ore producer, has been associated with the Summitville property since 1963. Quad Construction Co., the present operator of the joint venture, is a Colorado-based contractor specializing in mine operations. Polaris Resources Inc. is a Denver mine exploration company which recently completed a public stock offering through Essex Securities.

GARDNER, a quiet, unassuming veteran of law enforcement who has solved some crimes before they were even reported by the victims, would not admit at this time whether or not the identity of the criminals was known. However, in the tradition of his long, effective regime as Sheriff of a mining district, we can rest assured all would-be bandits will give his county a wide berth.

In defense of our lawmen charged with policing prospects in remote mountain areas, their jobs could be made easier and more effective if they had more cooperation from owners and lessees. When leaving the premises unattended for any length of time, provisions should be made to place everything under secure lock and key. Don't tempt the "midnight machinery co." with unprotected tools, machinery or exposed junk metal. Also a note to the Sheriff of the county notifying him of conditions as to length of closure, etc., plus precautions taken to protect the premises might be in order. Miners and prospectors are generally honest souls and expect everyone else to act accordingly. Also, the majority of sportsmen respect the privacy of the prospector [redacted]
for him to drive to his favorite fis[redacted]
happen to destroy this age-old bo[redacted]
between the prospector and the ou[redacted]

THE MININ[redacted]

Vol. 81, N[redacted]

Published by The Mining Record C[redacted]
Suite 550, 718-17th St., Denver, Co[redacted]

Phone (303)[redacted]

Regional Represent[redacted]

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Half Page (40 Inches).....[redacted]
Full Page (75 Inches).....[redacted]
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Frequency Dis[redacted]
10%-52 Weeks, 5%-26 [redacted]
SPECIAL P[redacted]

Front Page.....[redacted]
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52-Week Co[redacted]
15% [redacted] sion paid to rec[redacted]

of ores or other minerals in, on, or under the Joint Lands for the purpose of mining the same and other work which may be reasonably necessary to prepare and equip the Joint Lands for mining operations.

"Mining", "Mining Operation" - The work of mining, extracting, producing and handling the ores or other minerals discovered upon or within the Joint Lands and all other work incident thereto, including milling and concentration of the ore produced.

"participating percentages" - The percentages in which the respective parties own, as tenants in common, the mineral leasehold estate in the Joint Lands and in which they shall share, as hereinafter provided, in the lessee's interest in all ores, minerals, precipitates or concentrates produced from the Joint Lands.

"majority of the parties" - A majority in interest, not in number, of the parties, as determined by the parties' participating percentages.

SECTION 2: PARTICIPATION IN PRODUCTION: The parties' participating percentages in production from the Joint Lands shall be as follows:

Union Pacific	forty and 00/100ths per cent (40%)
Cliffs	forty and 00/100ths per cent (40%)
Moore	twenty and 00/100ths per cent (20%)

SECTION 3: JOINT EXPENSE AND EXPENDITURES:

A. Joint Expense: Joint Expense (as herein defined) for each calendar year shall be shared by the parties in percentages equal to their participating percentages. "Joint Expense" as used herein shall mean and include all costs, expenses, liabilities and charges incurred or accrued on or in connection with the Joint Lands and in the conduct and management of the operations of said lands for the discovery, development and mining of minerals under the terms of this agreement and all other operations incidental thereto, including without limitation the following items:

(a) exploration, development and mining expense;

(b) ore milling, grinding and concentration expense;

(c) taxes and assessments, except Federal and State taxes based on net income of the respective parties;

(d) sampling, analysis, stockpiling and loading out charges;

(e) idle time expenses and other expenses in connection with the maintenance or protection of such properties;

(f) laboratory and experimental expenses;

(g) royalties, rentals and any other amounts due or paid under leases or other agreements;

(h) cost of management, insurance premiums, Workmen's Compensation, Social Security and pensions, and employees' welfare and safety expenses;

(i) a fair charge, based upon the costs of ownership and operation, for automotive and other equipment owned by the Manager, its subsidiaries or Mine Contractor and furnished for operations under this agreement;

(j) all other costs, expenses, liabilities and charges (not reimbursed by insurance recovery) incurred or accrued in connection with operations under this agreement;

(k) all costs incurred by Manager in the discharge of its duties under this agreement in Cliffs' offices (exclusive of salaries of Cliffs' elected corporate officers), including a share of all services of a general or joint nature rendered by Manager, such as the cost of bookkeeping, the cost of general superintendence, the cost of mining experts and other experts, the expense of general clerical work, welfare work (such as safety, hospitalization, and group insurance, pensions and retirement allowances). Such costs shall be charged to Joint Expense under this agreement on a fair and equitable basis consistent with Manager's general accounting practices. If the property operated by Manager shall be temporarily closed down it shall nevertheless carry a fair share of such general or joint expenses; and

(l) a fee of 25 cents per ton of crude ore mined, saved and marketed from the Joint Property, to reimburse Manager for services of its corporate officers and general mining experience and know-how. Such fee may be amended from time

to time if found, in practice, to be insufficient or excessive;

provided, however, that no item of Joint Expense should include any amounts which are charged and properly chargeable to capital account or deferred, in accordance with generally accepted accounting principles, except when capitalized or deferred items are included in cost pursuant to determination by a majority of the parties through amortization, depletion, depreciation or obsolescence.

B. Capital or Deferred Expenditures: All expenditures for capital or deferred items (not currently charged to Joint Expense) in each calendar year will be divided among the parties so that each party will bear its share of the capital expenditures for such year in percentages equal to their participating percentages.

SECTION 4: MANAGER: Cliffs is hereby designated and agrees to become and act as "Manager" of the Joint Lands and agrees as such to conduct and manage the operations of said lands for the discovery, development and mining of minerals under the terms of this agreement. Should Cliffs resign as Manager (the right to do so being expressly allowed) or for any other reason cease to act as Manager, then

the order of succession to that position shall be as follows: First, Union Pacific or its nominee; then, Moore.

SECTION 5: RIGHTS AND OBLIGATIONS OF MANAGER: The exclusive right and privilege of exercising any or all rights necessary or convenient for exploration, development and mining operations in the Joint Lands is hereby vested in Manager; subject, however, to the conditions and restrictions of this agreement. This agreement shall constitute and define Manager's rights, privileges and obligations in the Joint Lands; provided, nothing herein shall be construed to transfer title to any lands, mineral rights, mining claims, licenses, or leases to Manager as such, it being understood that Manager as such shall have only rights of possession and use for the purposes herein specified.

Manager may delegate to a Mine Contractor the authority to exercise any or all of its rights and privileges under this agreement, and performance by such Mine Contractor of the duties and obligations imposed upon Manager by any provision of this agreement shall be deemed to constitute performance by Manager; provided, however, that such delegation shall be for the convenience of the Manager only, shall not relieve Manager of any obligation or respon-

sibility hereunder and shall not in any event result in additional costs or fees to be charged to Joint Expense.

Manager shall at all times conduct all development and mining operations required or permitted by this agreement with diligence and in a good and workmanlike manner, but Manager shall have no liability to the other parties to this agreement for any errors in judgment or for losses sustained, or liabilities incurred, unless such loss or damage results from the gross negligence or willful misconduct of Manager or its employees.

Except for emergency expenditures necessary to protect the property and employees and expenditures for items included in a program approved in accordance with Section 6 of this agreement, Manager shall make no expenditure chargeable to the parties, or enter into any contract providing for aggregate expenditures chargeable to the parties, in excess of $15,000.00, without approval of the parties whose participating percentages aggregate more than 60% of the total participating percentages under this agreement.

SECTION 6: DEVELOPMENT AND MINING: Manager shall initially carry on mining and development operations pursuant to an

initial program for the development and mining of the Joint Lands which has heretofore been approved and adopted by the parties.

Not later than the date of completion of the work provided in the initial program and thereafter no less frequently than once in each calendar year, Manager shall prepare and submit to the parties a program for further operations, which may propose modifications of the initial program and plans for further development and mining of the Joint Lands. Such annual programs shall set forth the recommendations of the Manager and any consultants approved by a majority of the parties hereto as to the character and extent of the operations to be conducted, the estimated time required for the performance and completion of such operations, the estimated cost thereof, and any other pertinent matters so as to enable the parties to be fully and equally informed as to the feasibility, methods and costs of conducting such operations.

Each party shall have a period of 30 days following receipt of such annual program to advise the Manager whether said party approves the program. During this 30 days any party may request a meeting of the parties to consider

and discuss such program, which meeting shall be scheduled by the Manager at a time and place which may be convenient.

Any such program for further operations shall be adopted upon the approval of parties whose participating percentages aggregate more than 60% of the total participating percentages under this agreement, given either by written approval or by vote at any such meeting. Upon such adoption, the Manager shall notify all parties that the program has been adopted and shall carry on operations thereunder.

SECTION 7: VARIOUS OPERATING REQUIREMENTS: Manager, or its Mine Contractor, shall, at Joint Expense:

(a) Except as is otherwise provided in Section 9 hereof, hire, direct and discharge all employees for the operations hereunder, and all employees shall be and remain the separate employees of the Manager or its Mine Contractor, shall be carried on such company's payroll and shall be subject to the sole control and discretion of such company.

(b) Purchase or otherwise provide all materials and supplies for the operations hereunder.

(c) Purchase, lease or otherwise provide all machinery and equipment for the operations hereunder.

(d) Keep the Joint Lands and all property used in connection with the operation free of liens and encumbrances of every character arising from the operations.

(e) Carry adequate automobile public liability and property damage insurance covering all automotive equipment which Manager may use in its operations hereunder and such other insurance, if any, as may be required by the mining lease covering the Joint Lands and as may from time to time be approved by a majority of the parties hereto.

(f) Comply with and require compliance of others doing work upon the Joint Lands under the direction of Manager with the requirements of state and federal workmen's compensation, social security, unemployment, and similar applicable laws with respect to any work or operation conducted under this agreement.

(g) Comply with state and federal laws and regulations governing the exploration and development of

mining properties, saving to each party its right to protest or contest any regulation or the enforcement thereof.

(h) Make all other expenditures in connection with operations under this agreement.

(i) Prosecute or defend all litigation arising out of the operations hereunder, and any party may join in the prosecution or defense of such litigation; and

(j) Take all proper and reasonable steps for the protection of rights of surface owners against damage occasioned by the operations to be conducted hereunder and pay such damages as may result directly or indirectly from said operations.

SECTION 8: MATERIALS, ETC., PURCHASED FOR JOINT ACCOUNT: All materials, supplies, facilities, equipment and improvements now on the Joint Lands and all such property hereafter purchased for the operations and charged to the parties shall be owned by the parties in their participating percentages. Surplus materials, machinery, supplies and improvements owned jointly by the parties may be disposed of by the Manager by any of the following methods:

(a) By sale to a third party and the accounting by the Manager to the parties for their respective shares of the proceeds; provided, that before selling any such property (other than junk) Manager shall first afford the other parties the privilege of purchasing such property at the same price and upon the same terms as it contemplates the disposal thereof to a third party; or

(b) By purchase of such property by the Manager at a value to be agreed upon between the Manager and a majority in interest of the other parties, with accounting to the other parties for their share of the value of such property; or

(c) By division of such property between the parties insofar as possible in accordance with their respective participating percentages.

SECTION 9: WORK LET BY CONTRACT: Manager or its Mine Contractor shall conduct all operations called for hereunder except those which in its judgment should be conducted by third parties, in which case Manager or its Mine Contractor shall arrange for the performance of said work

under a contract or contracts approved by a majority of the parties and let under competitive bidding when practicable; provided, however, such approval shall not be required in emergencies, in the event the amount involved is less than $15,000.00, or in the event the contract work is contemplated by a program approved as provided by Section 6 of this agreement.

SECTION 10: STATEMENTS OF ESTIMATED COSTS: As soon as practicable after the execution of this agreement the Manager shall prepare and furnish to each of the parties a written statement showing the amount of money which the Manager estimates will be required from each of the parties during the ensuing 12-month period and each calendar month thereof for (a) items to be capitalized or deferred, and (b) items of Joint Expense.

Based on such estimate, corrected and revised from time to time as the situation may require, the Manager will, on or before the fifth day of each calendar month, submit to each party a current budget showing (a) the estimated cash disbursements which the Manager will be required to make during such calendar month and the succeeding calendar month for (i) items to be capitalized or deferred,

and (ii) items of Joint Expense; (b) the extent, if any, to which said disbursements will be satisfied by cash available to the Manager in excess of a proper amount of working capital; and (c) the balance which will be required from the parties relative to each of such classifications. Within ten (10) days after the receipt of each such current budget each party will furnish to the Manager its share of the balance required from such party.

Upon receipt of funds from the parties, the Manager will make all disbursements required in connection with the exploration, development, mining and operation of said properties. Manager will account for all funds furnished to it by the parties, it being understood that all the funds furnished Manager by the parties, and any assets acquired by the use of such funds, shall be used for the purpose of carrying out this agreement and for no other purpose. Manager will furnish information to the parties concerning Joint Expense in any year but shall have no obligation to repay to the parties any funds advanced to it, it being understood that funds advanced to Manager are not loans or capital contributions

but funds furnished by the parties for use on their behalf and are returnable only if not used in the mining operation.

SECTION 11: MONTHLY AND ANNUAL REPORTS: Detailed monthly and annual reports shall be prepared by the Manager, showing progress of exploration, development and mining operations on the Joint Lands, costs incurred pursuant to this agreement and production obtained from the Joint Lands, copies of which reports shall be furnished each party as early as possible after the end of each month or year as the case may be.

SECTION 12: TAKING IN KIND: Each party shall take in kind its participating percentage share of production obtained hereunder. Any extra cost incurred by Manager in delivering in kind to any party hereto shall be borne by such party.

In the event any party hereto shall fail to make the

arrangements necessary to take in kind or to separately dispose of its share of production from the Joint Lands, then Manager shall have the right to sell the same to others on a day-to-day basis or to enter into contracts for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but not exceeding one year, for the disposition of said production as it, in its discretion, shall deem desirable. In the event of such sale by Manager, the price shall be the market price in the area, if obtainable; otherwise the best price reasonably obtainable. At any time while Manager is disposing of a non-taking party's share of production from the Joint Lands, such party may, subject to any contracts of sale then outstanding, by written notice to Manager elect to take in kind or to separately dispose of its participating percentage share of said production.

SECTION 13: ANNUAL ADJUSTMENTS: In the event that the shares of the production of all parties are not all sold to the same buyer, there shall be a recalculation, adjustment and settlement between the parties on or before the end of February in the following calendar year covering the busi-

ness, transactions and accounts hereunder for the preceding calendar year. Such recalculation, adjustment and settlement shall cover (a) discrepancies caused by deficiencies or overages in the quantities of production delivered to, or sold on the account of, any party, and (b) discrepancies in value of ore delivered due to variations in analyses, and (c) all other matters relating to delivery or methods of delivery of ore, advances by the parties and cash disbursements by the Manager. Adjustment for discrepancies in quantities or values or for discrepancies due to variations in analyses of the ore or concentrates delivered to the parties hereto shall be made with due regard to the content and assay values of each valuable mineral contained in such ore or concentrates to the end that each party hereto shall have received during said calendar year its participating percentage share of all ores, minerals, or concentrates mined, produced, saved, and sold from the Joint Lands. Any amount found due from any party hereto to any other party shall be promptly paid in cash.

SECTION 14: BOOKS, RECORDS, ETC.: Manager shall at all times keep true and correct books and accounts showing the produc-

tion obtained hereunder, the distribution thereof, and Joint Expense hereunder, as well as all other data necessary or proper for the settlement of accounts between the parties hereto and the adjustment of their rights under this agreement, all of which shall be open to the inspection of the parties during all business hours. The parties shall have full access to all geological and engineering data secured by Manager in its operations hereunder. Any party shall have the right to enter upon the Joint Lands for the purpose of inspection and for all other purposes under this agreement. Any party, upon notice in writing to Manager and all other parties, shall have the right to audit Manager's accounts and records relating to the accounting hereunder for any calendar year, within the twenty-four (24) month period following the end of such calendar year. The parties shall make every reasonable effort to conduct joint or simultaneous audits in a manner which will result in a minimum of inconvenience to Manager.

SECTION 15: TAXES: All real and personal property taxes on the Joint Lands, improvements thereon and personal property used in connection therewith, and all severance, production, license or other taxes or charges levied upon or measured by production from the Joint Lands shall be paid by Manager at Joint Expense.

SECTION 16: ACQUISITION OF ADDITIONAL LANDS: Should any party hereto at any time during the term of this agreement acquire any interest in any mining lease, claim or other mineral property located within two miles of any outer boundary of the Joint Lands, it shall immediately give written notice to the other parties, setting forth the nature of the interest acquired in such property and the cost of acquisition thereof. Within sixty (60) days from the date of receipt of such notice, the other parties shall have an option, exercisable by written notice to the acquiring party, to purchase, at cost, an undivided interest in such property. If all of the other parties desire to exercise this option, each shall be entitled to purchase an undivided interest in such property equal to its participating percentage hereunder; if less than all exercise this option, each party who exercises this option shall be entitled to purchase an undivided interest in such property equal to the ratio which its participating percentage hereunder bears to the total participating percentage of the acquiring party and all other parties exercising this option. Each party exercising such option shall pay to the acquiring party its share of the actual cost of such property, and the acquiring party shall execute and deliver such instruments as are necessary and proper to transfer the undivided interests so purchased. If all of the parties to this agreement elect to exercise their option

and acquire their participating interest in such additional property, such property may, upon the agreement of the majority of the parties, be committed to this agreement and subject to all of its terms and provisions.

SECTION 17: OFFICIAL REPRESENTATIVES OF THE PARTIES: Each party shall appoint in writing a representative who shall represent his principal in all development and operating matters requiring joint action, approval, or authority and who shall continue as such until his power is revoked in writing. If any party transfers its entire interest in the Joint Lands, the action of the representative of the transferor party shall be binding upon such transferee and its interest in the Joint Property on all matters herein requiring notice, action, approval or authority, until the transferee shall have designated a representative to act in such matters and the Manager shall have received notice of such designation. If at any time the interest of any original party to this agreement is divided among and owned by two or more co-owners, Manager may, at its discretion, require such co-owners to appoint a single trustee or agent with full authority to receive notices, approve expenditures, programs and budgets, receive billings for and approve and pay such party's share of the Joint Expenses, and to deal generally with, and with power to bind, the co-owners of such original party's inter-

est within the scope of the operations contemplated by this agreement; however, all such co-owners shall have the right separately to take or dispose of their share of production in accordance with Section 12 of this agreement.

SECTION 18: TRANSFER OF INTEREST AND PREFERENTIAL RIGHT TO PURCHASE:

A. Any party shall have the right to sell, assign, mortgage, encumber or otherwise transfer all or any part of its interest in the Joint Lands, but, except as provided in paragraph B of this Section, it shall comply with the provisions of paragraph C before making any such transfer. The provisions of paragraph C shall also be applicable to the sale of any interest upon foreclosure of any mortgage or other lien. Regardless of any provisions of the agreement between transferor and transferee,

(a) Any such transfer shall not relieve the transferor of any liability or obligation to the parties accrued prior to the transfer and the transferor shall remain liable to the other parties for any liability for moneys due or to become due in respect to the transferred interest under a program

for development and operations approved under Section 6 of this agreement prior to the date of transfer; and

(b) The assigned interest shall remain subject to all obligations under this agreement, including all obligations and liabilities accrued prior to the assignment.

B. Any party may, without complying with the provisions of paragraph C of this Section, transfer its entire interest in connection with merger, consolidation, reorganization, sale of all or substantially all of its assets, or sale or transfer of its interests hereunder and in the Joint Lands to its subsidiary corporation; provided, in the event of transfer to a subsidiary, the party shall assure the full performance of all present and future obligations under this agreement by the subsidiary. Any individual who hereafter becomes a party to this agreement may transfer his entire interest to a trustee for the benefit of the individual and members of his family, but any transfers by the trustee shall comply with the provisions of paragraph C.

C. Should any party desire to sell all or any part of its rights and interests in the Joint Lands, it shall promptly give written notice to the other parties, with full information concerning its proposed sale, which shall include the name and address of the prospective purchaser (who must be ready, willing and able to purchase), the purchase price, and all other terms and conditions of the offer. The other parties shall then have an optional prior right, for a period of sixty (60) days after receipt of the notice, to purchase the interest on the same terms and conditions which the party proposes to sell. If the terms and conditions involve any consideration other than the payment of money and the assumption of obligations of the selling party, the other parties may, upon the exercise of this option, satisfy any such consideration by paying therefor in money the reasonable value of such other consideration. The optional prior right to buy may be exercised by written notice mailed to such selling party within the sixty (60) day period. If only one party receiving such notice desires to purchase, it may purchase the entire interest offered for sale. If more than one

of the parties receiving such notice desires to purchase, each of the parties so desiring to purchase shall have a preferential right to acquire a percentage of the interest offered for sale equal to its percentage of the participating percentages held by all parties so desiring; provided that the selling party shall not be required to sell less than the entire interest covered by said offer. If the other parties fail to exercise such prior option right, the selling party shall be free to sell or otherwise transfer the interest to the named purchaser on the terms and conditions on which it was so offered to the other parties at any time within ninety (90) days after the expiration of said sixty (60) day option, but not otherwise.

SECTION 19: COVENANTS TO RUN WITH THE LANDS: This agreement shall run with the lands until terminated, and any grant, transfer, assignment or other agreement with respect to any of the Joint Lands, or of any mineral or mining rights therein or any interest in the production therefrom shall be conditioned on the recognition and assumption of all the rights and obligations hereunder by the grantee, transferee, assignee, or other successor in interest insofar as they are applicable

to the assigned interest; provided, however, that this provision is not intended to apply to the rights of a purchaser of ores or production hereunder, nor to the transportation thereof; and, provided further, that nothing in this agreement is intended to prevent any party from mortgaging or otherwise encumbering its rights or property, but any mortgage or encumbrance shall be made subject to this agreement.

SECTION 20: DEFAULTS, LIENS, AND COLLECTION RIGHTS: In the event any party shall fail to pay to Manager any sum or sums due under this agreement on the due date thereof and Manager, at its option, shall have advanced the same, said indebtedness shall thereafter bear interest at the rate of 8% per annum, and Manager shall have a lien for the payment thereof, including interest, upon all of said defaulting party's interest in the minerals produced from the Joint Lands and upon the proceeds or the right to the proceeds therefrom and upon defaulting party's interest in any and all facilities, structures, leasehold interests, and operating rights upon, or pertaining to all the lands in the Joint Lands, and Manager shall have the right to demand, collect, receive, and apply to the indebtedness any and all sums payable to the defaulting

party pursuant to any contract for the sale of any of its share of minerals produced from the Joint Lands. Any purchaser of ore from the Joint Lands is hereby irrevocably authorized by the parties to this agreement, upon the receipt of a written statement from the Manager that any party is in default and the Manager claims a lien hereunder, to pay to the Manager any and all sums due from the ore buyer to said party. Any lien, remedy, or right granted hereunder shall not be exclusive nor operate to release the delinquent party from its full liability to pay any and all amounts due and owing, nor to deprive Manager of any additional rights and remedies at law or in equity for the recovery of the indebtedness.

In the event Manager shall default hereunder by failing or neglecting to comply fully with any covenants or obligations under this agreement, or by omitting or committing any act in consequence of which the rights of any party in the Joint Lands or any portion thereof shall be jeopardized in any manner, the majority of the parties shall have the right, in addition to such other remedies they may have and without waiver thereof, to notify Manager of such

default, with a copy of said notice to the other parties, and to request that such default be promptly remedied. If Manager shall fail or neglect within 60 days after the giving of such notice, to commence promptly and in good faith to repair or correct the failure or default complained of and thereafter to diligently continue in efforts to repair or correct such default, the parties giving notice shall have the right, but shall not be required, to enter upon the portion of the premises with respect to which such default exists and to remedy such default, in which event a sum representing the other parties' portion of the expenses incurred by the parties remedying the default shall, upon rendition of written statement therefor, forthwith be paid by the other parties to the parties remedying the default, and said parties remedying the default shall have the lien and collection rights as are herein accorded to Manager under the first paragraph of this Section.

SECTION 21: FORCE MAJEURE: Anything in this agreement or any portion thereof or in any lease or operating agreement or any other agreement to the contrary

notwithstanding, it is hereby expressly agreed that the obligations of any party hereunder shall be suspended while it is prevented from complying therewith, in whole or in part, by weather conditions, labor disturbances, civil disorders, wars, acts of God, unavoidable accidents, rules and regulations of any Federal, State or other Governmental agency under asserted authority, or for any other reason or circumstance beyond its control, other than financial.

SECTION 22: PAYMENTS AND NOTICES: All moneys payable hereunder to Union Pacific and all notices or communications hereunder forwarded to Union Pacific shall be addressed to Union Pacific Railroad Company, Attention: Chief Executive Officer--Natural Resources Division, 5480 Ferguson Drive, Los Angeles, California 90022.

All moneys payable hereunder to Moore and all notices or communications hereunder forwarded to Moore shall be addressed to W. S. Moore Co., 400 Torrey Building, Duluth, Minnesota, Attention: Mr. W. S. Moore, President.

All moneys payable hereunder to Cliffs and all notices or communications hereunder forwarded to Cliffs shall be addressed to The Cleveland-Cliffs Iron Company,

1460 Union Commerce Building, Cleveland, Ohio 44115, Attention: Mr. Hugh J. Leach, Vice President.

Any party may at any time by written notice to the other parties change the address to which payments, notices or communications shall be sent.

SECTION 23: TERM: This agreement shall be effective as of the date hereof, and, unless sooner terminated as hereinafter provided, shall remain in effect during the term of that certain Agreement of Lease dated February 1, 1956, and recorded in Book 243 at page 45 in Rio Grande County, Colorado, as amended and supplemented, the Lessor's interest in which is now held by Reynolds Mining Company and the Lessee's interest in which is now held by Union Pacific, Cliffs, and Moore. This agreement may be sooner terminated at any time by the parties hereto whose participating percentages aggregate 51% or more. Upon such termination, said Agreement of Lease, as amended and supplemented, shall be surrendered to the Lessor unless one or more parties hereto desire to continue said Lease in effect. In such event, the parties desiring to surrender the Lease

shall assign to the party or parties desiring to continue said Lease (in their participating percentages) all of the former's right, title, and interest therein, and the party or parties desiring to continue said Lease shall thereupon and thereafter assume all of the rights, duties, and obligations of the Lessee thereunder. In addition to making the foregoing assignments, the divesting parties shall, at the option of the continuing parties, assign to the assignee all of their right, title, and interest in the facilities, materials, and equipment (and any contracts pertaining thereto) located on the Joint Lands at the fair market value thereof. If the parties cannot agree on the fair market value of such property, then the party desiring to purchase the same can have the matter of determining fair market value referred to arbitration, in which event said party shall select an arbitrator and the other party or parties may select not more than one arbitrator to represent it or, if more than one, them, and the two arbitrators so selected shall select a third arbitrator. If the two selected arbitrators cannot agree upon a third arbitrator, then the American Arbitration Association shall desig-

nate the third arbitrator. The decision or award of a majority of the arbitrators so selected shall be final and binding upon the parties hereto.

Termination of this agreement, howsoever occurring, shall not affect any of the rights or obligations of the parties hereto which may have accrued or liabilities, accrued or otherwise, which may have arisen prior to such termination.

SECTION 24: ROYALTIES, RENTALS, AND ASSESSMENT WORK: Manager shall undertake to pay any and all royalties, rentals and other payments which may become due and payable under and by virtue of royalty deeds, mining leases, or other agreements respecting the Joint Lands and shall charge the same to Joint Expense.

Manager agrees to follow good and customary practices in the matter of payment of said royalties and rentals and other payments but shall not be responsible on account of failure to pay any such royalty or rental, or for any error in the payment thereof, if such failure or error should be the result of any clerical mistake or oversight or failure of the mails or other means of transmission of such payments,

or by reason of any cause beyond the control of Manager.

Manager agrees to do and perform or cause to be performed within the time required by law the annual labor or assessment work on or for the benefit of the unpatented mining claims within the Joint Lands necessary to comply with the laws of the United States, the State of Colorado, and the requirements of any leases, licenses, or other agreements covering the Joint Lands, and upon completion of the annual labor for any particular year, Manager shall record within the requisite statutory period, an affidavit showing said work to have been performed and shall charge the cost of said assessment work and recordation to Joint Expense. With the approval of a majority of the parties, and after notice to the parties not giving such approval, the Manager may be relieved from doing assessment work on any unpatented claim which the majority of the parties desire to surrender to the lessor of the Joint Lands.

SECTION 25: RELATIONSHIP OF PARTIES: ELECTION RE PARTNERSHIP STATUS: It is understood and agreed that the ownership in the Joint Lands and personal property located thereon shall be and is as tenants in

common and the liability of the parties shall be several and not joint or collective. Each party shall be responsible only for its obligations as herein set forth and shall be liable for its proportionate share of the operations performed hereunder.

The parties hereto elect to exclude the venture created by and to be conducted under the provisions of this agreement from the application of Subchapter K of the United States Internal Revenue Code of 1954, and each party agrees with the other party that it will take such steps and execute such instruments as may be necessary or proper in order to elect such exclusion within the provisions of Section 761 of the Internal Revenue Code of 1954, and with all regulations promulgated from time to time by the Secretary of the Treasury or his delegate with respect thereto, and the parties further agree, upon request of the majority of the parties, to make a like election and likewise take such steps as may be necessary or proper in order to comply with any future Federal or State law permitting a like election and with all applicable regulations of the properly constituted authorities.

SECTION 26: SUCCESSORS AND ASSIGNS: Except as limited by Section 18, all the covenants, conditions, stipulations and obligations herein contained shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

SECTION 27: EFFECT OF PARAGRAPH HEADINGS: The paragraph headings appearing in this agreement are not to be construed as interpretations of the text, but are inserted for convenience in reference only.

SECTION 28: PRIOR OPERATING AGREEMENT SUPERSEDED: The Joint Operating Agreement between Union Pacific and Moore dated June 5, 1967, and the Interim Joint Operating Agreement between Union Pacific, Moore and Cliffs, dated as of October 1, 1967, are superseded and terminated by this agreement; provided that such termination shall not relieve any party from any liability or obligation accrued prior to the date of such termination.

SECTION 29: APPLICABLE LAW: The law of the State of Colorado shall govern the effect and interpretation of

this agreement.

IN WITNESS WHEREOF, the parties have executed the foregoing agreement effective as of this 1ST day of August, 1968.

Attest:

R. D. Lagerstrom
Assistant Secretary

UNION PACIFIC RAILROAD COMPANY

By [signature]
Chief Executive Officer
Natural Resources Division

Attest:

[signature]
Asst. Secretary

W. S. MOORE CO. (for itself and as Attorney-in-fact for Greysolon Corp., a Minnesota corporation)

By [signature]
VICE President

Attest:

[signature]
Secretary

THE CLEVELAND-CLIFFS IRON COMPANY

By [signature]
Vice President

Summit Mining District (Patented Claims)

Golden Queen Lode Mining Claim	Survey No.	61
Little Annie Lode Mining Claim	Survey No.	63
Del Norte Lode Mining Claim	Survey No.	64
Margaretta Lode Mining Claim	Survey No.	65
Little Ida Lode Mining Claim	Survey No.	67
San Juan Placer Mining Claim	Survey No.	68
North 800 ft. Little Jessie Lode Mining Claim	Survey No.	71
Peterson Placer Mining Claim	Survey No.	74
Brandt Placer Mining Claim	Survey No.	75
Bobtail Lode Mining Claim	Survey No.	325
Oding Lode Mining Claim	Survey No.	475
Snow Bank Lode Mining Claim	Survey No.	604
Moltke Lode Mining Claim	Survey No.	607
Golconda Lode Mining Claim	Survey No.	319
Tunnel Lode Mining Claim	Survey No.	320
Bos Lode Mining Claim	Survey No.	321
Nick Lode Mining Claim	Survey No.	713
Game Cock Lode Mining Claim	Survey No.	716
Garfield Lode Mining Claim	Survey No.	910
Bay State Lode Mining Claim	Survey No.	896
Little Hattie Lode Mining Claim	Survey No.	977
Sheridan Lode Mining Claim	Survey No.	892
Columbia Lode Mining Claim	Survey No.	890
Home Stake Lode Mining Claim	Survey No.	898
Eureka Lode Mining Claim	Survey No.	889
Jubilee Lode Mining Claim.	Survey No.	891
Parole Lode Mining Claim	Survey No.	608
Pay Streak Lode Mining Claim	Survey No.	893
Logan Lode Mining Claim	Survey No.	897
Bayard Lode Mining Claim	Survey No.	894
Great Independence Lode Mining Claim	Survey No.	609
Golden Vault Lode Mining Claim	Survey No.	610
Iowa Lode Mining Claim	Survey No.	895
Jennie Placer Mining Claim	Survey No.	1097
C.B. & Q. Placer Mining Claim	Survey No.	798
I. & C.C. Placer Mining Claim	Survey No.	611
Highland Mary Lode Mining Claim	Survey No.	606
Highland Mary No. 2 Lode Mining Claim	Survey No.	16314
South Columbia Lode Mining Claim	Survey No.	16323
Aurora Lode Mining Claim	Survey No.	16324
Vanner Lode Mining Claim	Survey No.	16324
Pittsburgh Lode Mining Claim	Survey No.	16324
Dexter Lode Mining Claim	Survey No.	77
Aztec Lode Mining Claim	Survey No.	621A
Gray Eagle Lode Mining Claim (1/6th interest)	Survey No.	532
Little Nellie Lode Mining Claim (1/6th interest)	Survey No.	62
Spar Placer Mining Claim	Survey No.	5736
Rio Grande Placer Mining Claim	Survey No.	5737
Denver Placer Mining Claim	Survey No.	5738
Electric Placer Mining Claim	Survey No.	6413

Summit Mining District (Patented Claims cont.)

Chicago Lode Mining Claim 2/3	Survey No.	1153
Eighth Wonder Lode	Survey No.	82
Golden Star No. 2 Lode Mining Claim	Survey No.	83
Missionary Lode Mining Claim	Survey No.	124

Summit Mining District (Unpatented Claims)

S.C.M.I. Lode Mining Claims Nos. 1 to 30
No Good Lode Mining Claim
Confusion Lode Mining Claim
G. & P., G. & P. No. 1 and G. & P. No. 2 Lode Mining Claims
Century of Progress Lode Mining Claim
Last Piece Lode Mining Claim (location certificate recorded April 30, 1968, as Reception No. 233536)
Century of Progress (lode or placer)
Pickens (lode or placer)
2 G. & P. Placers
Electric Mill Site (location certificate recorded August 22, 1934, in Book 192 at page 198)

The Southeast Quarter (SE$\frac{1}{4}$) of Section 17; and the Northeast Quarter (NE$\frac{1}{4}$) of Section 29, all in Township 37 North, Range 4 East.

THE CLEVELAND-CLIFFS IRON COMPANY

POST OFFICE BOX 1211
RIFLE, COLORADO 81650

T. A. KAUPPILA, MANAGER
WESTERN DIVISION

June 10, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 12 1969

INITIALS	CODE
gla	130
	120
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Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
United States Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: DMEA-4643 and OME-6344

Dear Mr. Kirkemo:

I have forwarded your letter of May 27, 1969 regarding the above contracts to the Union Pacific Railroad Company, Natural Resources Division, for reply. That Company assumed responsibility as Manager of the Summitville Project for the Summitville co-tenants effective June 1, 1969.

Sincerely yours,

T. A. Kauppila

T. A. Kauppila

TAK:
cc: Mr. Stewart Merwin, Chief
Natural Resources Division
Union Pacific Railroad Company
5480 Ferguson Drive
Los Angeles, California 90022

Mr. Mike Jackson

Copy To R-III

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/26/69		120
		220

MAY 27 1969

Mr. J. M. Madsen
Secretary
W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

Re: DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-E1107
and
OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Madsen:

Reference is made to your letters of February 22 and July 23, 1968, concerning the interim operating agreement and pending management agreement with The Cleveland-Cliffs Iron Company on the subject property. In accordance with your February 22, 1968, letter we have today directed an inquiry (MME Form 63) to Mr. T. A. Kaupila, Manager, Western Division, Cleveland Cliffs Iron Company, Box 1211, Rifle, Colorado 81650, requesting information on production from the subject property.

Please advise whether or not the Management Agreement referred to by you has been executed by the participating parties. If so, please forward two copies of the agreement for our records. Meanwhile, if the Interim Operating Agreement has been extended beyond August 1, 1968, and is still in effect, we should be furnished two copies.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Mr. J. C. Vickery, Comptroller, Cleveland-Cliffs Iron Company, Union Commerce Building, Cleveland, Ohio 44115

Mr. T. A. Kaupila, Manager, Western Division, Cleveland-Cliffs Iron Company, Box 1211, Rifle, Colorado 81650

cc: Director's Reading File
Economic Geology File
OME docket DMEA-4643
OME-6344
GLAult/a 5-26-69

OME Reading File
OME Region III
Mr. Kirkemo
130

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

July 19, 1968

The Reynolds-Morse Corporation
1300 East Seventh Avenue
Denver, Colorado 80218

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

OFFICIAL COPY
O. M. E.
RECEIVED
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Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This has reference to the Lien or Subordination Agreement signed by Anna R. Garrey, president of your corporation, on April 29, 1964.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **September 1965**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [X] No [ ]

The Reynolds Morse Corporation is now dissolved and the property is owned by Reynolds Mining Company, a partnership

2. Since **September 1965**, has there been any production from the land subject to the contract? Yes [ ] No [X]

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [X]

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name John H. Tippit

Address 1704 Security Life Bldg.
Denver, Colorado 80202

Title Managing Partner of Reynolds Mining Company

Date August 20, 1968

JOHN H. TIPPIT
ATTORNEY AT LAW
1704 SECURITY LIFE BUILDING
1616 GLENARM PLACE
DENVER, COLORADO 80202
TELEPHONE 303-266-1441

THOMAS W. WHITTINGTON

July 23, 1968

OFFICIAL COPY
O. M. E.
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Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colo.
Contract 2189

Dear Mr. Johnson:

Mr. Tippit is out of town until about the middle of August. I assume that it will be alright to wait until then before the questions which are contained in your letter of July 19, 1968 to the Reynolds-Morse Corporation are answered.

If you feel that the questions should be answered before then, please let me know and I will attempt to answer them for you.

If there is any other way that I may be of help, please advise me.

Yours truly,

Thomas W. Whittington 7/25/68

Thomas W. Whittington

TWW:vb

In response to MME Form 63 sent to The Reynolds-Morse Corporation 7/19/68
Copy to OME Region III

WARREN S. MOORE, PRESIDENT
IRVING F. MOORE, VICE PRESIDENT
J. M. MADSEN, SECRETARY

TELEPHONE: (218) 727-5068

W. S. MOORE CO.

IRON ORE MINING AND CONTRACTING
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

OFFICIAL COPY
RECEIVED
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MATERIALS COORD
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cy - DMEA-4643

July 23, 1968

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
United States Geological Survey
Department of Interior
Washington, D. C. 20242

Re: OME - 6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine,
Rio Grande County, Colorado
Contract 2189

Dear Sir:

Reference is made to your letter of July 19, 1968, requesting that we advise you as to the status of the agreements mentioned in my letter to you written on February 22, 1968. Please be advised that the Interim Operating Agreement dated as of October 1, 1967, has been extended until August 1, 1968, or until the execution of the Management Agreement, whichever first occurs. In view of the proximity of August 1, 1968, the date scheduled for execution of the Management Agreement, the requested two (2) copies thereof will be sent to you for your files as soon as it has been signed by the participating parties.

Very truly yours,

J. M. Madsen

J. M. MADSEN
m

7/25/68

c. c. Mr. J. C. Vickery, Comptroller
Cleveland-Cliffs Iron Company
Union Commerce Bldg., Cleveland, Ohio 44115

Mr. T. A. Kaupila, Mgr., Western Division
Cleveland-Cliffs Iron Company
Box 1211, Rifle, Colorado, 81650

Copy to OME Region III

SURNAME COPY

7/19/68

110

220

Mr. J. M. Madsen
Secretary
W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

JUL 19 1968

Re: DMEA-4643 (Copper-Lead)
John B. Rigg, Assignee
Summitville Mine
Rio Grande County, Colorado
Contract Idm-E1107
and
OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Madsen:

Reference is made to your letter dated February 22, 1968, concerning the interim operating agreement and pending management agreement with The Cleveland-Cliffs Iron Company on the subject property.

Please advise us the status of these agreements and supply two copies thereof for our files as required under Section 2(c) of the subject contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME-6344
DMEA-4643
OME Reading File
OME Region I
130 (2)

GLAult/a 7-19-68

Rocky Mt News - March 20, 1968

Copper Mining Operation Started at Summitville

A $2 million copper mining development at Summitville, Colo., 22 miles southwest of Del Norte, was announced Tuesday by the Union Pacific Railroad, Cleveland Cliffs Iron Co., and the W. S. Moore Co. of Duluth, Minn.

The three firms said they'll invest the money in mine development and a 300-ton-per-day flotation mill to be built at the site.

Along with the copper some silver and gold will be recovered from the mill concentrates, which are to be shipped to a smelter for processing.

The property, owned by the Reynolds Mining Co. of Denver, was operated as a gold and silver mine during the 1930s. By the time gold production stopped in World War II, the veins were predominantly running to copper.

The lease subsequently was acquired by the W. S. Moore Co. of Duluth, Minn., which conducted the initial exploration for additional ore bodies. This company and Union Pacific geologists under Charles E. Melbye carried out extenisve exploratory drilling.

The present $2 million venture, with Cleveland-Cliffs as manager and a 40 percent participant, is under the general direction of Cleveland-Cliffs' western division manager, T. A. Kauppila. Union Pacific also holds 40 percent and W. S. Moore Co. retains 20 percent.

"Work is progressing as rapidly as weather at the 11,300-foot altitude permits," said Kauppila. "A 630-foot shaft, contracted to Colorado Constructors Inc. of Denver, is being sunk and will be concrete lined to bedrock. A new shop building has been erected, and the hoist and headframe will be installed shortly."

Road construction has been completed, a bunkhouse modernized, and a new power line is being connected. Robert Murray, in active charge at the property, said that about 100 men will be employed after the mill has been built.

"Union Pacific's natural resources division has extended exploration and development far beyond its own lands and the areas served by its rails," commented Stuart S. Merwin, UP's general manager-mining.

"Its mining geologists are active in 11 Western states and it is a major owner in several oil and gas fields," he said.

AME - 6344
W. S. Moore
Summitville Mines
Rio Grande Co., Colo
Contract 2189

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WARREN S. MOORE, PRESIDENT
V. G. ETEM, GENERAL MANAGER
J. M. MADSEN, SECRETARY

TELEPHONE: DULUTH - 727-5068

W. S. MOORE CO.
IRON ORE MINING AND CONTRACTING
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 26 1968

February 22, 1968

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
United States Geological Survey
Office of Minerals Exploration
Department of Interior
Washington, D. C. 20242

Re: OME - 6344 (Gold-Silver).
W. S. Moore Co.
Summitville Mine,
Rio Grande County, Colorado
Contract 2189.

New "Operator"
See address p. 2

Dear Sir:

Reference is made to your air-mailed letter of February 6, 1968 in which is mentioned the sum of $13,789.53 as the amount to be fully repaid to the Federal Government with interest at the rate of 6 1/2 percent per annum. Repayment of above sum to be considered as royalty payments on any production, computed as provided for in subject contract, with payment of above royalties secured by a lien upon the land and upon any production therefrom. These royalty payments to be mailed to:

Field Officer, Region III
Office of Minerals Exploration,
U. S. Gedogical Survey,
Building 53, Room 203
Denver Federal Center
Denver, Colorado, 80225.

Above referenced letter also mentioned that subject contract stipulated that above Field Officer should be promptly notified upon resumption of operations, of any production, and any cessation thereof. Further, that two (2) true copies of any instruments transferring, surrendering, or encumbering any of said rights shall be furnished to above referenced Field Officer.

Copy to R-III 3/7/68

Mr. Frank E. Johnson

Due to a lack of adequate title information for Summitville Mine, the interim operating agreement with The Cleveland Cliffs Iron Company has been extended until June 1, 1968 or until, in its reasonable judgement, title to subject claims is safe for mining purposes. In view of the above, the contract stipulated, two (2) true copies of pending Management agreement will not be available until a later date. Pending management agreement and or above mentioned interim operating agreement set forth that, "The Cleveland Cliffs Iron Company will become the Manager of the Joint Operation of the Summitville Mine. Since Manager will conduct all development and mining operations at the Summitville Mine, kindly address your future inquiries for information relative to above to:

Mr. T. A. Kauppila, Manager
Western Division
The Cleveland-Cliffs Iron Company
Box 1211, Rifle, Colorado, 81650.

In conclusion, prior to October 1, 1967, the W. S. Moore Co. is responsible for any Government reports relative operations at Summitville Mine. After October 1, 1967, the Cleveland-Cliffs Iron Company, as Managers of the Summitville project, should be contacted for information relative operations at subject property.

Very truly yours,

J. M. Madsen

J. M. MADSEN
r
cc: Mr. J. C. Vickery, Comptroller
Cleveland Cliffs Iron Company
Union Commerce Bldg.,
Cleveland, Ohio, 44115.

Mr. T. A. Kauppila, Mgr., Western Division
Cleveland Cliffs Iron Company
Box 1211, Rifle, Colorado, 81650.

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FEB 6 1968

AIRMAIL

The Reynolds-Morse Corporation
1300 East Seventh Avenue
Denver, Colorado 80218

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Gentlemen:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract. This relates to the Lien or Subordination Agreement signed by Anna R. Garvey, president of your corporation, on April 29, 1964.

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

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson,
Chief, Office of
Minerals Exploration

RECEIVED
JAN 31 1968
Division of Mineral Resources
General Legal Status

Enclosure

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

RECEIVED
JAN 23 1968
Division of Mineral Resources
General Legal Status

120 Middleton
120 Kirkham
110 Johnson
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120M
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Appln. Sol. Gen.
2/2 Kilsgaard

~~JAN 19 1968~~

FEB 6 1968

AIRMAIL

Mr. John R. Rigg and
Mrs. Shirley A. Rigg
1500 East 7th Avenue
Denver, Colorado 80218

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. and Mrs. Rigg:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract. This relates to the Lien and Subordination Agreements signed by you on May 23, 1964.

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

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

RECEIVED
JAN 31 1968
Division of Mineral Resources
General Legal Staff

Enclosure

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

RECEIVED
JAN 23 1968
Division of Mineral Resources
General Legal Staff

GAult/bsl 1/19/68

WARREN S. MOORE, PRESIDENT
V. G. ETEM, GENERAL MANAGER
J. M. MADSEN, SECRETARY

TELEPHONE: DULUTH - 727-5068

W. S. MOORE CO.
IRON ORE MINING AND CONTRACTING
400 TORREY BUILDING
DULUTH, MINNESOTA 55802

January 18, 1968

O. M. E.
RECEIVED
JAN 22 1968

INITIALS	CODE
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	120

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
U. S. Geological Survey
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.

Dear Sir:

Reference is made to your letter of July 19, 1967 relative to Item 3 of subject agreement, regarding a final report on work done under the contract. In accordance with termination Agreement dated July 3, 1967, this final report is hereby submitted.

Operator's Final Report

Drill Holes completed under above contract.

1964 - Holes No. T-1, T-2, T-3, T-4, GH-1, GD-1, GD-3.

1965 - Holes No. GSA-1, GSA-2.

History and Scope.

An Exploration Contract between U.S. and W. S. Moore Co. became effective May 22, 1964.

This agreement authorized the W. S. Moore Co. to institute and carry out at Summitville, Colorado, an exploration project, having the goal of finding economic deposits of gold and silver ore, the U. S. Government agreeing to contribute 50 percent of allowable costs incurred.

A total of nine core drill holes were completed, and an extensive program of surface sampling was conducted.

MME FORM 6 REFERENCE SLIP

REV. 2 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. ~~Assoc. Sol., MR, Room 6554 Through Room 6042~~		
2.		
3. Mrs. Long, Room 4459, Interior		
4. SOLICITOR a-68-2140, 3192		
5. JAN 30 1968		
FROM: Chief, OME		

INTERIOR DEPT.

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ___x Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

To be referred to CS, BLM for surnaming.

FROM SOLICITOR

1-31-68

FOR SIGNATURE

INT.-DUP. SEC., WASH., D.C. M56300-62

Mr. Frank E. Johnson

Summary of Expenditures

Payments received by W. S. Moore under subject contract are, as follows:

Date	Amount
9-28-64	$2,040.46
10- 8-64	4,195.58
11-16-64	2,576.64
12-21-64	1,690.00
10-26-65	1,572.95
11-29-65	1,480.40
1- 3-66	93.50
1-19-66	140.00
	$13,789.53

The estimated ore reserve of 86,970 tons is based on information from drill holes No. T-1, T-2, T-3, T-4. This ore would assay: Au .19 oz/ton, Ag 7.08 oz/ton. No other ore reserves are indicated.

Evaluation of Indicated Ore Reserves

Although the magnitude of the indicated ore reserves delineated by this exploration project is not sufficient to support extensive mining and milling operation, nevertheless substantial earnings can be projected for a small operation due to the fact that at least 40,000 tons of the oxide ore may be mined open pit.

Final Report
Summitville Mines Project
W. S. Moore Co.

A final report dated Oct. 17, 1967 complete with Maps showing the location and assay information for each drill hole is being submitted herewith in triplicate as stipulated in termination agreement dated July 3, 1967. The above final report plus above summary of work performed and the related costs thereof may suffice to comply with terms of above termination agreement. In the event additional data is required, kindly advise.

Very truly yours,

J. M. Madsen

J. M. MADSEN
r
encls. (This letter in triplicate).

FINAL REPORT
SUMMITVILLE MINES PROJECT
W. S. MOORE COMPANY

Rio Grande Co., Colorado
Docket No. 6344
Amended Contract No. 2189

INTRODUCTION

This report summarizes all exploration work and resulting ore reserves from the above contract. The discussion is limited to geologic descriptions and interpretations, since the summary of work and money spent will be covered in a separate report by V. G. Etem, Resident General Manager of the project.

ANNIE VEIN SUBPROJECT

Seven cuts have exposed the Annie vein system quite well. (See plan map). One vein extends the length of the area in a N 70°W direction, and is probably the "Portal Vein" at the Copper Hill portal, mentioned in early reports on the Summitville Mine. The width is good (8'-10'), but the gold-silver assays were quite low. Similar assays were obtained from a parallel vein 50 feet southwest. Copper assays were also run, and as expected, were very low in the oxide zone. The highest assay (5' .14 Au, 2.46 Ag, .171 Cu) is from a vein on top of Copper Hill Knob. Since this

is only 100' from the Hidden vein, it may be a split from this vein or a separate one within the Annie vein system. However, it is not ore-grade where sampled and does not appear to be a strong vein worth drilling at depth. Stage II of the Annie vein subproject did not appear warranted, and no further work was done.

TEWKSBURY PIPE SUBPROJECT

Results from this project were most encouraging since substantial ore reserves were found, and these will be further described under the ORE RESERVE section. Please refer to the South Tewksbury Area Geologic Map, the Tewksbury long-section, and the drillhole cross-sections for all data.

Hole T-1

In Hole T-1, a substantial oxide ore zone was found from 93'-110'. Average widths and grades are as follows:

Depth	Width	Oz Au	Oz Ag	$/Ton
93'-110'	17'	.25	3.54	$14.91
103'-110'	7'	.35	3.12	17.68

Because of the flat hole angle of -10°, the vein was intersected nearly at right angles and these are true widths. The vein is on the footwall side of the Tewksbury Pipe. Low-grade mineralization is present throughout the first 93 feet of the pipe which

consists of vuggy quartz or completely silicified quartz latite. Quartz-alunite alteration extends for 120 feet into the footwall of the Tewksbury Pipe, but does not appear to contain much disseminated mineralization. The balance of the hole showed moderate alteration of the argillic-chloritic type and weak to moderate pyritization. The vein correlates quite well with the high-grade surface zone sampled by Newmont Mining Company (Average assay is shown on cross-section), and very likely is an extension of the Tewksbury vein into the pipe itself.

Hole T-2

This hole also intersected ore in the Tewksbury Pipe. Widths and grade are substantial, particularly over 15 feet, and a 35-foot lower-grade zone may also be considered as ore. The following averages illustrate the encouraging results.

Depth	Oz Au	Oz Ag	$/Ton
5'-40'	.20	6.80	$18.83
25'-40'	.33	10.9	30.52

Because of the flat angle, widths as given are all true.

The deeper veins at 295'-310' and 322'-329' are probably part of the Parole vein, but Hole T-2 would intersect the vein at a very acute angle, and the results cannot be considered as too reliable.

Hole T-3

Drilling intersected two veins, the T-1 vein near the collar, and the main Tewksbury vein in 3 segments from 130'-188'. Only the hangingwall vein portion of the Tewksbury is of interest, where 5 feet assayed .02 oz Au and 8.81 oz Ag, a gross value of $16.03/Ton. Although this width and grade is presently marginal, it does illustrate the persistence of substantial values to a depth 325 feet below surface and helps confirm the orebody drilled in Holes T-1 and T-2. Vein T-1 was low-grade but does have persistent silver values over 18 feet. The indicated flattening of dip is somewhat exaggerated on the cross-section, since T-3 is 30 feet ahead of the section, and the vein strike of N 30°W is not at right angles to the E-W section.

Hole T-4

The Tewksbury vein was cut from 408'-413', for a true width of 3.5 feet. This was the 4th hole in succession which found ore in the Tewksbury Pipe area. This interval assayed .04 oz Au, 8.9 oz Ag, and 2.93% Cu, or a gross value of $39.54/Ton. The footwall was quite barren, but 5 feet of the hangingwall assayed 1.44 oz Ag and 0.24% Cu. As is typical with the Tewksbury vein, the quartz-alunite alteration envelope extended only 5'-10' into

each wall. This hole is unusually favorable since it extends the ore, found in previous DMEA drilling below the Iowa level, to ore found under this program farther south. Total strike length is at least 500 feet. It also extends the known orebody above the Iowa level to a depth 250 feet below.

Another vein was intersected from 59'-79', and quartz-alunite alteration extended from this vein to surface. None of this zone was of ore-grade, but silver is consistently present at about 1 oz/ton, and the interval 66'-71' assayed .025 oz Au and 1.1 oz Ag. No copper assays were run on this upper vein, which is in the leached oxide zone. Hole T-4 showed the first substantial copper assays as the sulphides, enargite and tennantite, since Holes T-1, T-2, and T-3 were all more oxidized and leached. The rock between the two veins is strongly argillized quartz latite porphyry with considerable chlorite. Another weak vein was found between, which might correlate with the T-1 vein, as found in Holes T-1 and T-3.

Parole Vein

Although this vein was not drilled, surface sampling showed appreciable silver values, and the increased silver prices make this vein more attractive for future exploration. Surface mapping shows a somewhat erratic vein extending for 600 feet along strike.

HIDDEN VEIN SUBPROJECT

All data is shown on the Hidden Vein Long-Section, as no plan map was prepared of the bulldozer cuts.

Hole GH-1

This hole was planned to explore the Hidden vein 200'-250' below the ore-grade outcrop at surface. The projected vein should have been intersected at from 300'-320', but only disseminated pyrite was found, and the hole was continued to 360 feet. A strong fault with pyrite mineralization was cut at 340'-343', which is believed to represent the expression of the vein at this depth. Evidently the Hidden vein does not have the same depth continuity in this area as in the old workings 500 feet north, and it was recommended that Hole GH-2 not be drilled.

Hidden Vein Bulldozer Cuts

Two of the four cuts found vein material along the projected strike of the Hidden vein. Locations and assays are shown on the enclosed long-section. Cut #1 showed quartz-alunite alteration but no vuggy quartz vein. The second cut north of the old prospect shaft on the Hidden vein contained a narrow vein 1.5 feet wide, which assayed .23 oz Au and 7.03 oz Ag. Cut #3, in the drainage north of the Iowa dump, did not find vein material only 70 feet along strike from the outcrop, thereby indicating

an erratic nature to the Hidden vein in this area. An aplite dike was present. Cut #4, between the Iowa boarding house and the Iowa dump, cut a substantial 9-foot vein, but the assays were low.

In view of the erratic nature of the Hidden vein, both from the bulldozer cuts and Hole GH-1, no further work appeared to be warranted and this subproject was discontinued.

DEXTER VEIN SUBPROJECT

Two holes were completed under this subproject, both planned to explore the Dexter vein in the oxide zone below the very substantial outcrop on surface and above where sulphide ore has been found on the Chandler level. (See Dexter vein long-section).

Hole GD-1

This hole intersected the vein near the intersection with the Highland Mary vein. Although the vein was strong, copper values were leached away and gold-silver values were likewise low, as evidenced by the assays on 4.5 feet (.09 oz Au and .05 oz Ag).

Hole GD-3

After Hole GD-3 was completed under the OME contract, the operator has drilled a deeper hole to pierce the Dexter vein well

down in the sulphide copper zone. Both this hole, SD-1, and GD-3 are shown on the same cross-section. Hole GD-3 intersected a wide but weakly mineralized vein from 97'-114', which was the only vein of consequence found. This was believed to be the main Dexter vein until Hole SD-1 was completed, which intersected a wide ore-grade vein directly below this and another directly below the previously known Dexter vein on the Chandler level. Since 10 feet of core was lost in going through the old workings in Hole GD-3, the old working must have been driven on the Dexter vein proper. This new vein to the north was practically unknown except for meager surface evidence. It has been termed the North Dexter vein, and the original one, the South Dexter vein. The grade in Hole SD-1 is remarkably good; 59 feet averages .028 oz Au, 1.23 oz Ag, and 3.89% Cu.

The Dexter adit, directly below, was reopened and sampled at the Operator's expense, with only low-grade values found. The vein width, however, was wider than the drift in most places. These results, combined with those from Holes GD-1 and GD-3, indicate that the oxide zone of the Dexter vein is generally too low-grade to have any possibility for other than very small pods of ore, and no further drilling was justified. The very

substantial copper values found in the sulphide hole, SD-1, 285 feet below, were apparently leached away in the oxide zone.

ESMOND-PICKENS CROSS VEIN SUBPROJECT

A series of cuts were planned to open up the complex of cross veins in the vicinity of the Esmond and Pickens veins. Although the veins continued to the west and the widths were good, the grade was low (See plan map), thereby making further drilling under Stage II inadvisable.

Later rehabilitation by the operator of the North Tewksbury drift afforded a look at these veins at the Reynolds level. The veins were again strong, but low-grade, thereby indicating that extensive reserves are not likely on these cross-veins.

ANNIE VEIN - NORTH EXTENSION

This work was approved by a later amendment to the contract and consisted of drilling to explore a geochemical anomaly on the north extension of the Annie vein in an area which has seen no exploration or mining of any kind. A copy of the geochemical and drillhole map is included.

Hole GSA-1

This hole penetrated the heart of the strong geochemical anomaly which strikes northwestward and was believed to represent the

extension of the Annie vein. However, no silicified vuggy vein material was found and only weak quartz-alunite alteration near the bottom of the hole. The quartz-latite porphyry, found throughout the hole, shows strong chlorite-montmorillonite alteration and is usually strongly brecciated with the fragments cemented by quartz, calcite, and pyrite with occasional copper sulphide, which is very likely enargite. The only structure approaching that of a vein was from 98'-108', where a silicified fault zone was found. The assay from 103'-108' was .022 oz Au, .10 oz Ag, and .11% Cu.

Three assays from a typical section of brecciated quartz latite porphyry with abundant pyrite and some enargite were run. These showed only minor gold and silver, but a composite ran .084% Cu. Although this copper content is far from ore-grade, it is nevertheless very appreciable, and, based on visual logging, a large portion of this hole will very likely assay similarly. This disseminated copper content over a width of at least 200 feet could easily be the cause of the geochemical anomaly and most likely is the cause.

Hole GSA-2

This hole again penetrated the heart of the geochemical anomaly and was continued an extra distance to the northeast to be

certain of not missing a vein in case the Cropsy Creek fault displacement was greater than expected. As with Hole GSA-1, no silica vein was found, but the quartz latite porphyry showed strong brecciation and argillic alteration for the first 320 feet, with the breccia cemented with quartz, calcite, and 5-10% pyrite. Disseminated enargite can be seen throughout. Two samples were assayed and one showed no copper and the other .13% Cu. It is estimated that much of the breccia zone would assay close to 0.1% Cu. It is quite apparent that the substantial width of disseminated copper sulphides has accounted for the geochemical anomaly. Since the gold-silver content is also low, there was no justification for drilling the 3rd authorized hole farther northwest.

ORE RESERVES

All sulphide ore reserves are put in the probable category, although a portion might be classed as positive. In line with past OME practice, no possible reserves are included in the figures. On the long-section, this is Block T-5. The oxide reserves are also classed as probable. No distinction was made for the portions mineable by open-pit or underground methods, but it is believed that a substantial portion of the oxide may be mined by open-pit methods. These reserves are

shown as Blocks T-1, T-2, and T-3. Blocks T-4 and T-6 should be ignored as they are possible blocks.

A tonnage factor of 11 cubic feet/ton is employed. Metal prices used are those in effect at the present time:

Gold $35/oz, Silver $1.74/oz, and copper 38¢/lb.

Respectfully submitted,

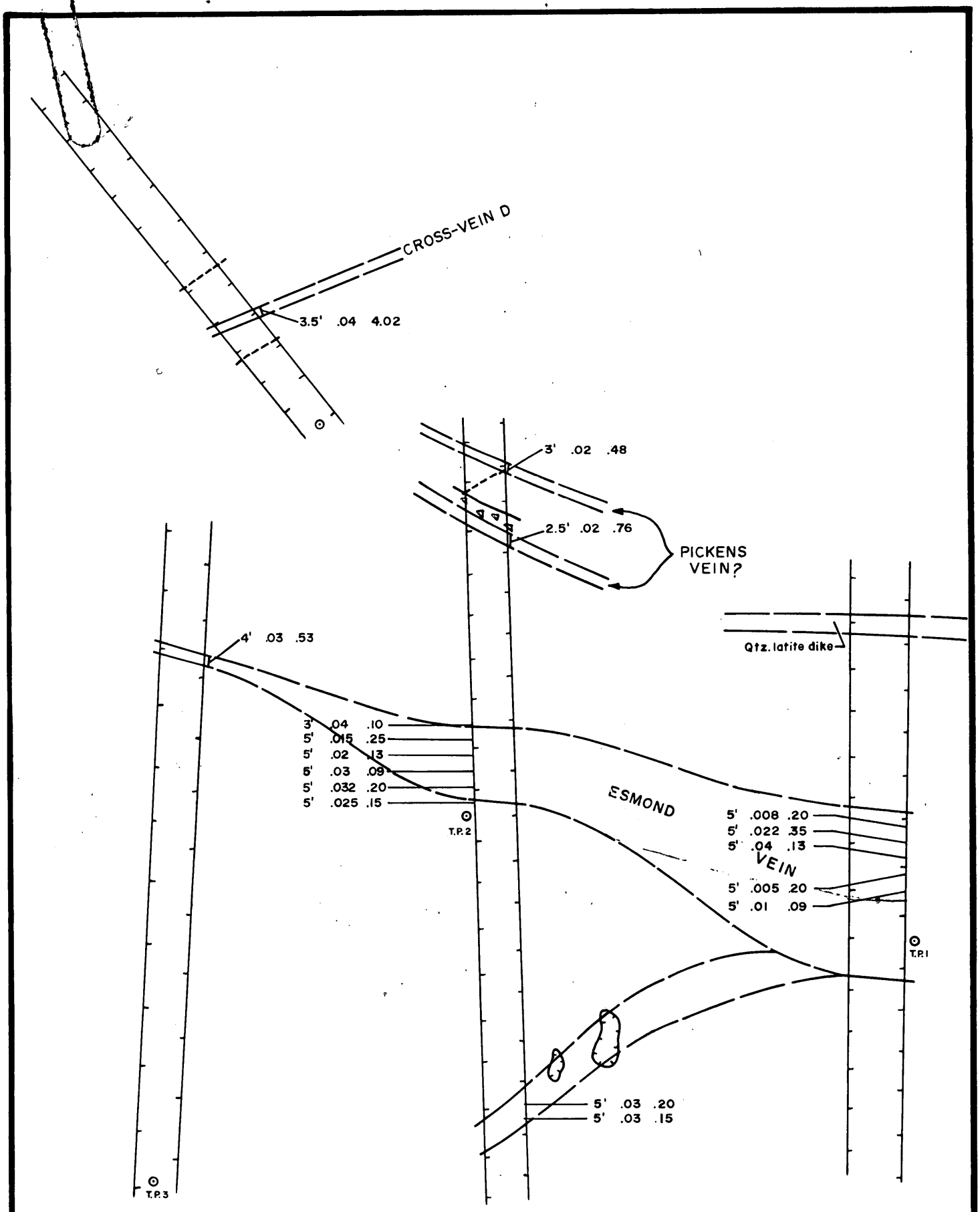
Charles E. Melbye

Charles E. Melbye
Cert. Prof. Geol. #344

October 17, 1967

TABLE 2 SUMMITVILLE ORE RESERVE SUMMARY

Vein	Vein Width	Tonnage	Oz Au	Oz Ag	% Cu	Gross Value Per Ton
SULPHIDE ORE - PROBABLE:						
Tewksbury Vein (Sulphide)	8.0'	39,500	.17	4.70	3.24	$38.75
OXIDE ORE - PROBABLE:						
Tewksbury Vein	14.6'	86,970	.19	7.08	----	$18.97



W.S. MOORE CO.

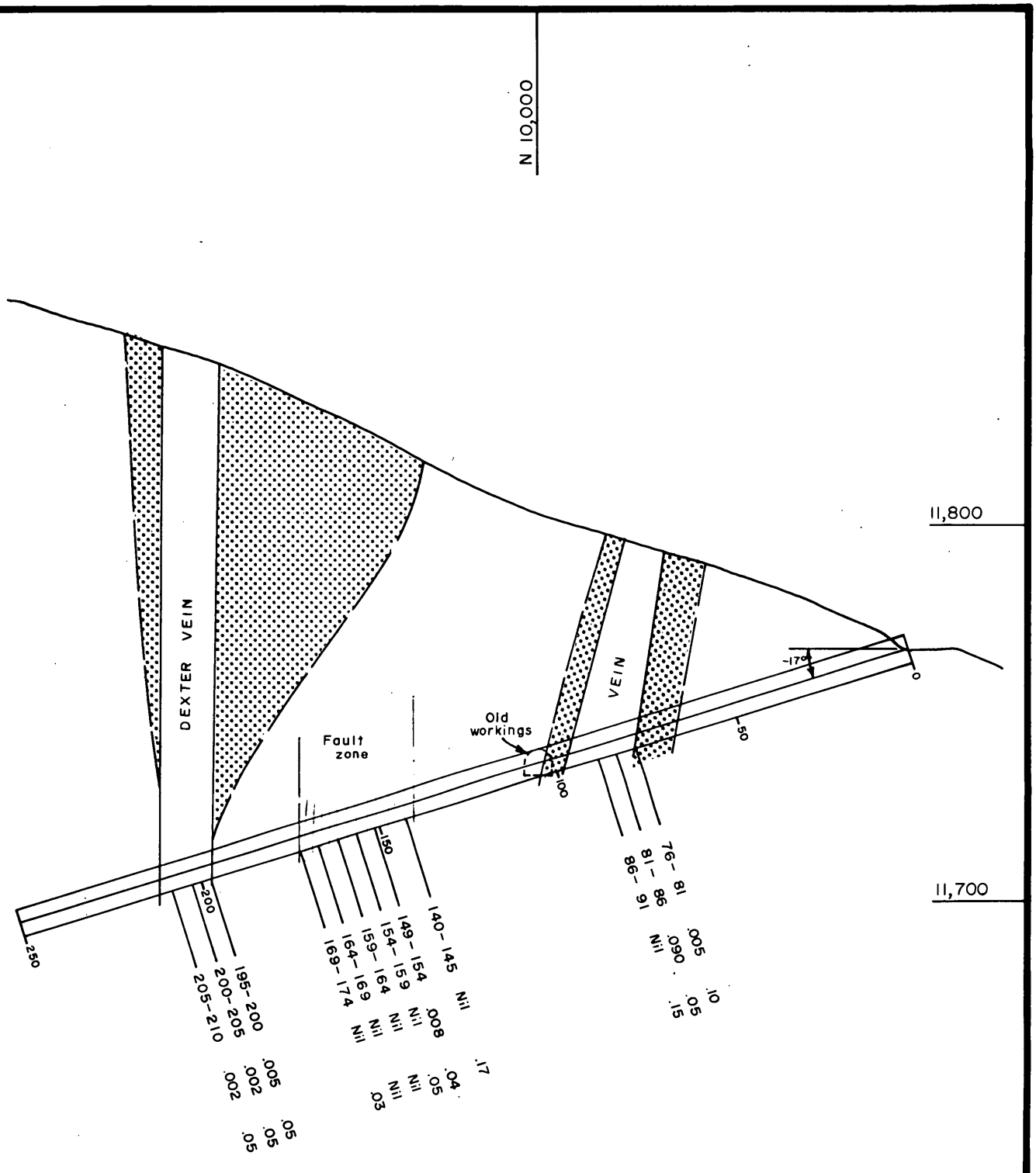
ESMOND-PICKENS DOZER CUTS

SUMMITVILLE MINES

Scale: 1"=40' August 1964

C.F. LIPP

CHARLES E. MELBYE
Geological Engineer



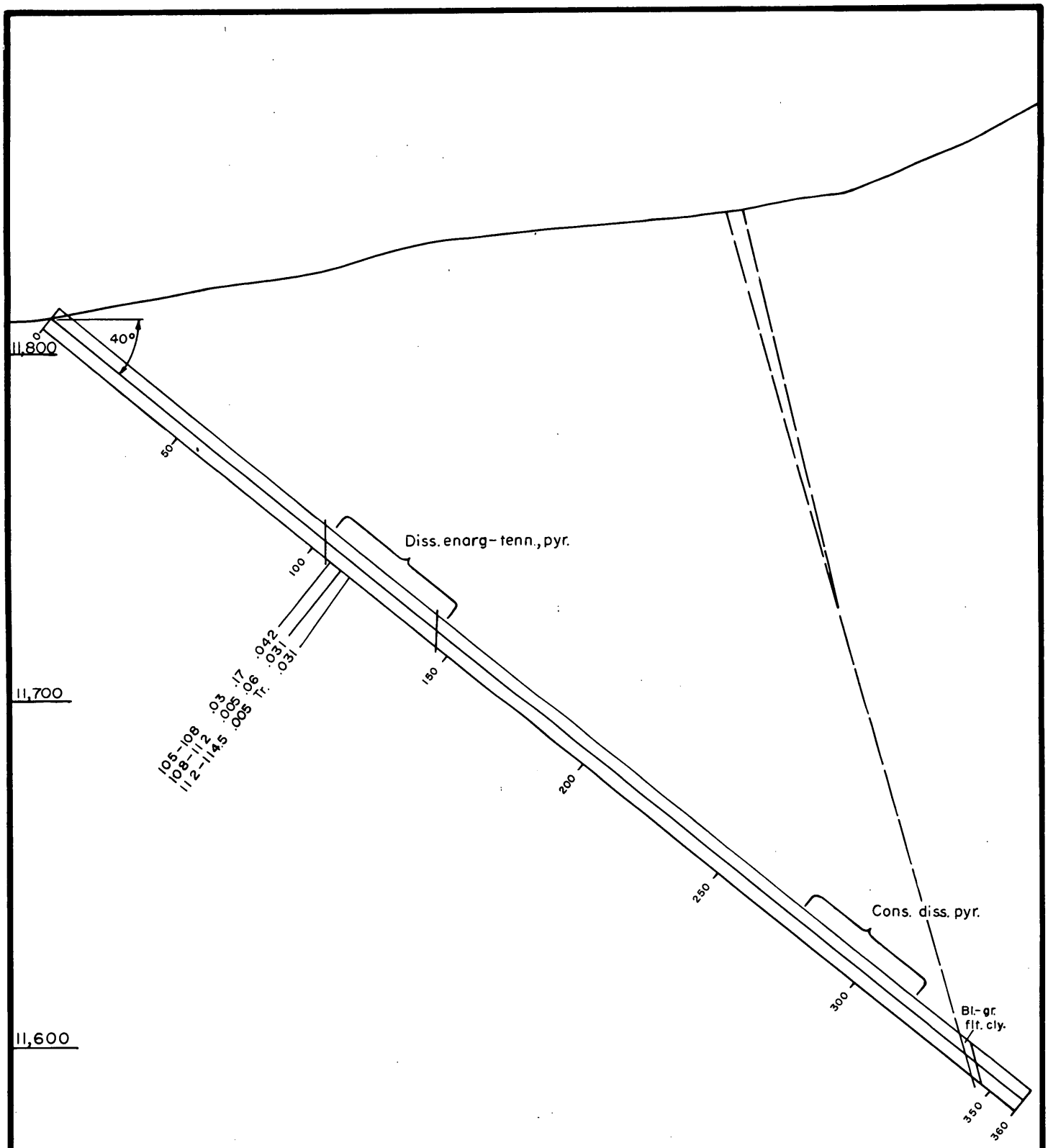
W. S. MOORE CO.

GEOLOGIC ASSAY LOG
HOLE GD-1

SECTION LOOKING WEST

Scale: 1" = 40' September 1964

CHARLES E. MELBYE
Geological Engineer



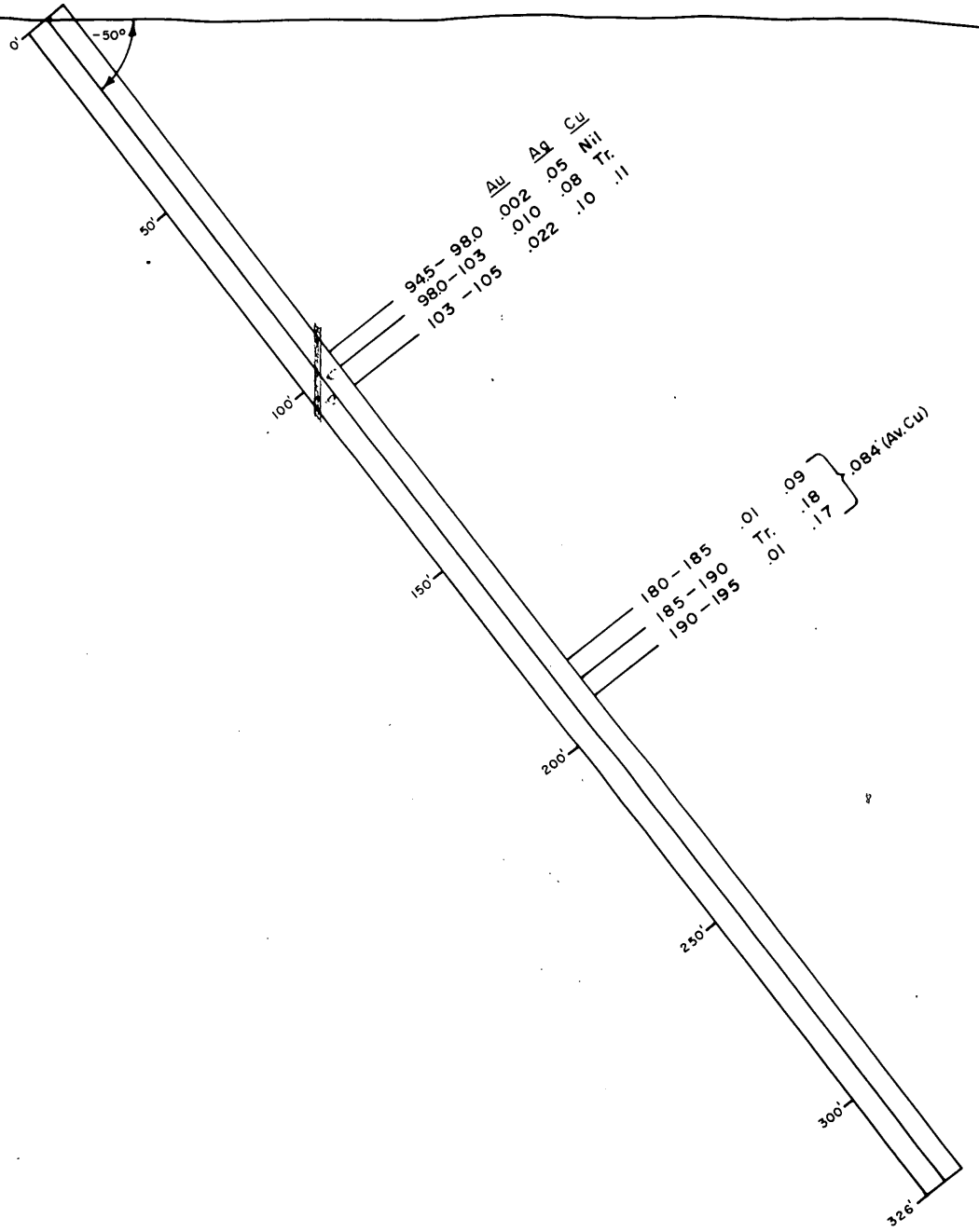
W. S. MOORE CO.

GEOLOGIC ASSAY LOG
HOLE GH-1

SECTION LOOKING S 50°E

Scale: 1" = 40' August 1964

CHARLES E. MELBYE
Geological Engineer



W.S. MOORE CO.

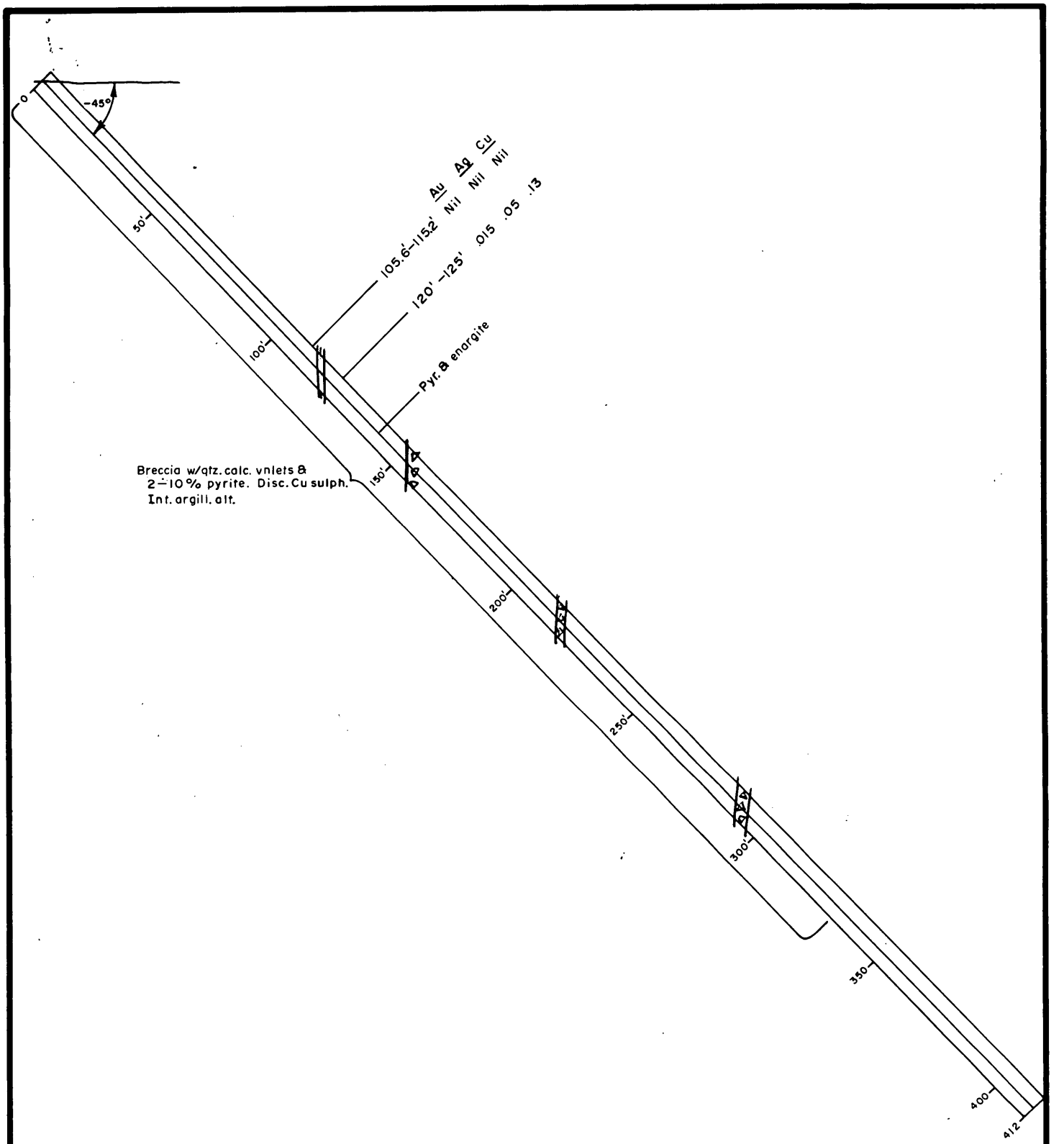
SUMMITVILLE MINES

GEOLOGIC-ASSAY LOG
HOLE GSA-1

SECTION LOOKING N.

Scale: 1"=40' September, 1965

CHARLES E. MELBYE
Geological Engineer



W.S. MOORE CO.

SUMMITVILLE MINES

GEOLOGIC-ASSAY LOG
HOLE GSA-2

SECTION LOOKING N.

Scale: 1"=40' September, 1965

CHARLES E. MELBYE
Geological Engineer

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

CHILUTA
JAN 22
2 P M
1968
MINN.

POSTMARK OF DELIVERING OFFICE

FIGHT
INFANTILE PARALY
JOIN MARCH OF DI

INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article *RETURN RECEIPT REQUESTED.*

RETURN TO

NAME OF SENDER **U.S. Department of the Interior**
Office of Minerals Exploration

STREET AND NO. OR P.O. BOX **Washington, D. C. 20242**

POST OFFICE, STATE, AND ZIP CODE MGS

OME-6344

POD Form 3811 June 1966

65—16—71548-9

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Show to whom and date delivered ☐ Show to whom, date, and address where delivered ☐ Deliver ONLY to addressee

(Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.

CERTIFIED NO. 133078

INSURED NO.

SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled*)

1 Warren S. Moore

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

2 P. Elomson

DATE DELIVERED JAN 22 1968

SHOW WHERE DELIVERED (*only if requested*)

o55—16—71548-9 GPO

120
220
120M

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

JAN 19 1968

Mr. Warren S. Moore
President
W. S. Moore Co.
400 Torrey Building
Duluth, Minnesota 55802

Re: OME-6344 (Gold-Silver)
W. S. Moore Co.
Summitville Mine
Rio Grande County, Colorado
Contract 2189

Dear Mr. Moore:

Reference is made to the subject terminated contract and to our letters of July 19 and October 24, 1967, requesting submittal of the Operator's final report. We have received no response to these letters.

Actual work under this contract was terminated in September 1965 and was not resumed. We now request that you furnish your final report in accordance with Article 5 of the contract and Paragraph 3 of the Termination Agreement, dated July 3, 1967, signed by you, so we may close our disbursement account on this contract.

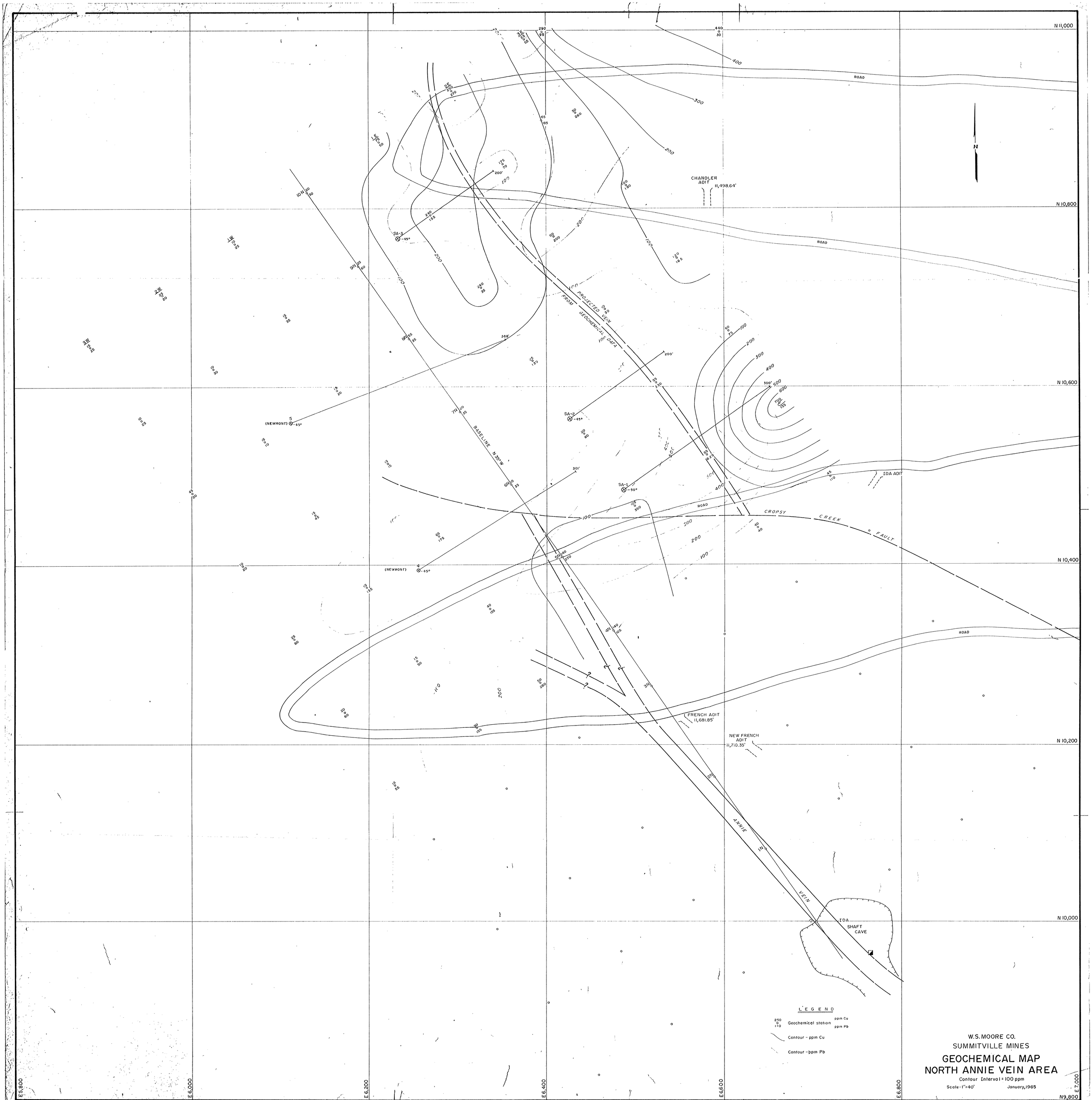
Sincerely yours,

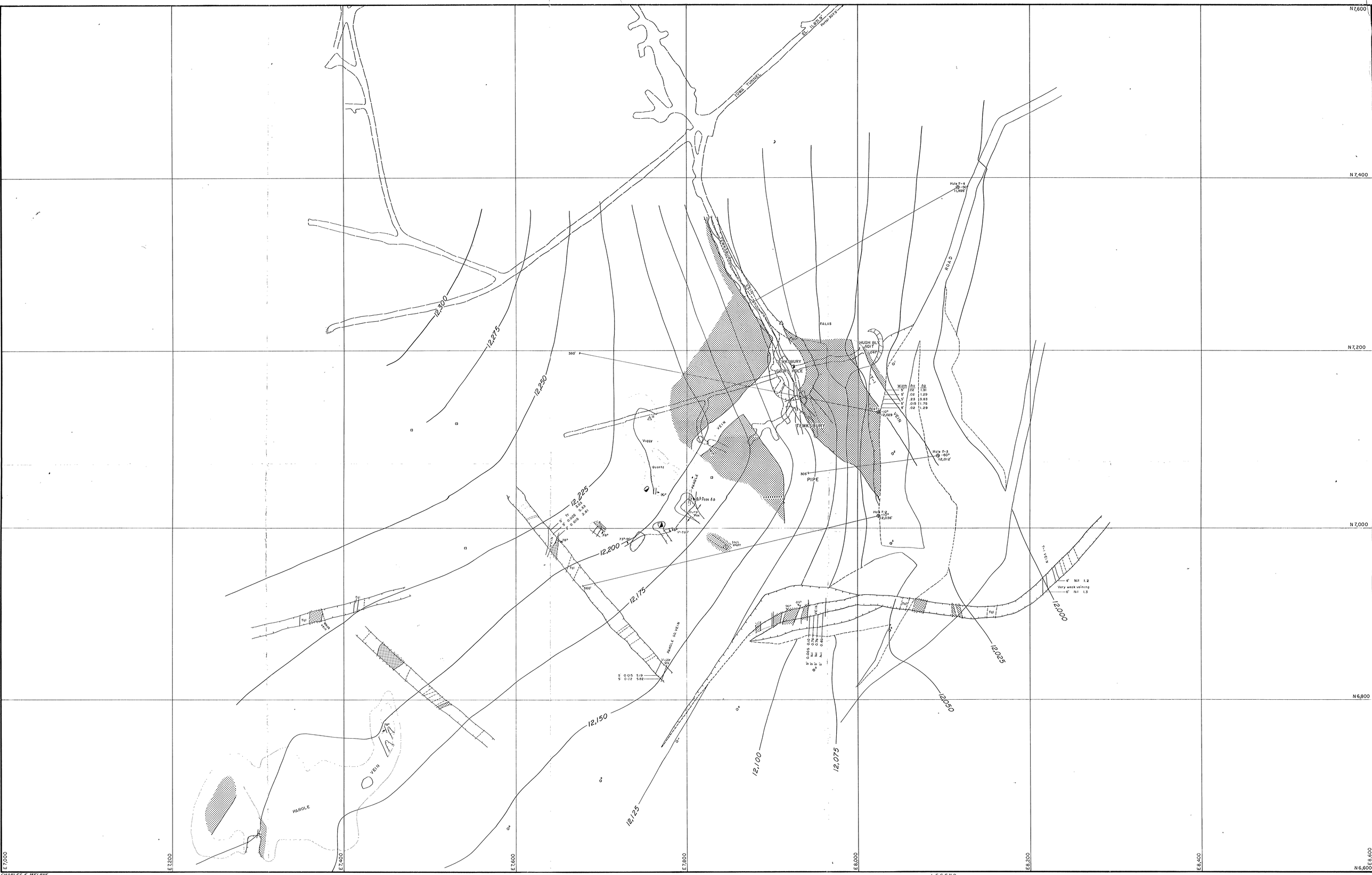
FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
OME Region III
Mr. Smith
130

GAult/bsl 1/18/68


N 11,000
N 10,800
N 10,600
N 10,400
N 10,200
N 10,000
N9,800
E5,800
E6,000
E6,200
E6,400
E6,600
E6,800
E7,000
ROAD
CHANDLER ADIT
11,498.64'
N
PROJECTED VIEW FROM GEOCHEMICAL DATA
BASELINE N35°W
SA-3
SA-2
SA-1
5 (NEWMONT)
4 (NEWMONT)
IDA ADIT
CROPSY CREEK FAULT
FRENCH ADIT
11,681.85'
NEW FRENCH ADIT
11,710.35'
ANNIE INA VEIN
IDA SHAFT CAVE
LEGEND
Geochemical station ppm Cu ppm Pb
Contour - ppm Cu
Contour - ppm Pb
W.S. MOORE CO.
SUMMITVILLE MINES
GEOCHEMICAL MAP
NORTH ANNIE VEIN AREA
Contour Interval = 100 ppm
Scale: 1"=40'
January, 1965
CHARLES E. MELBYE
Geological Engineer



CHARLES E. MELBYE
Geological Engineer

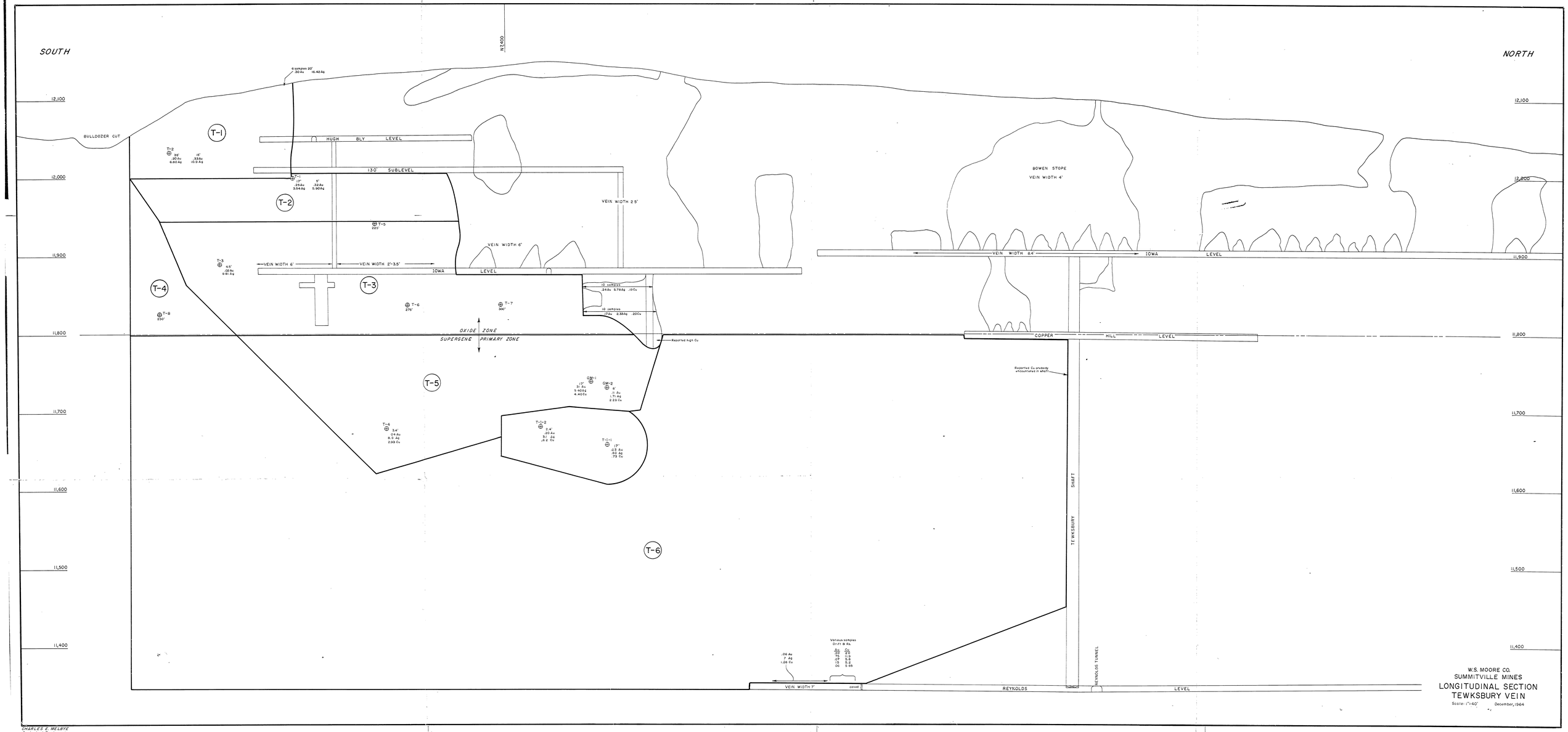
W.S. MOORE CO.

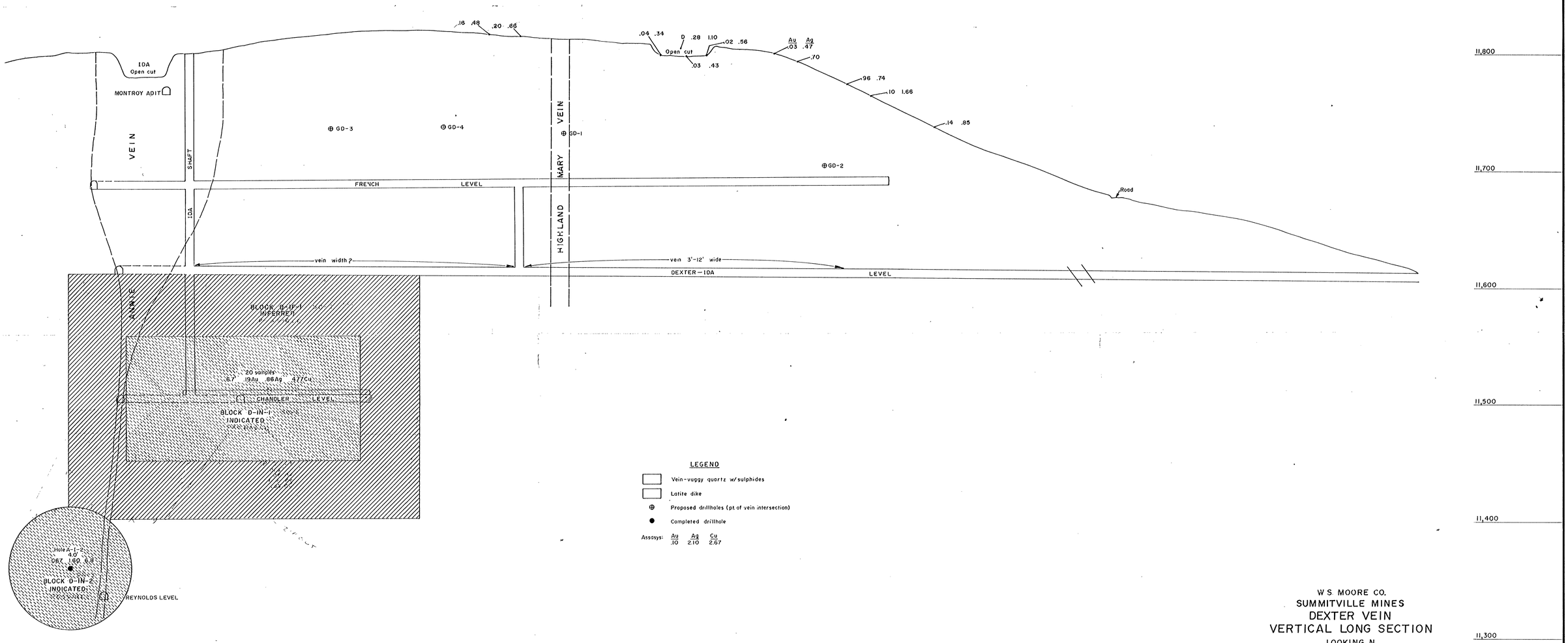
GEOLOGIC MAP
SOUTH TEWKSBURY AREA
SUMMITVILLE MINES

Rio Grande County, Colorado
Scale 1"=40' September, 1964

LEGEND

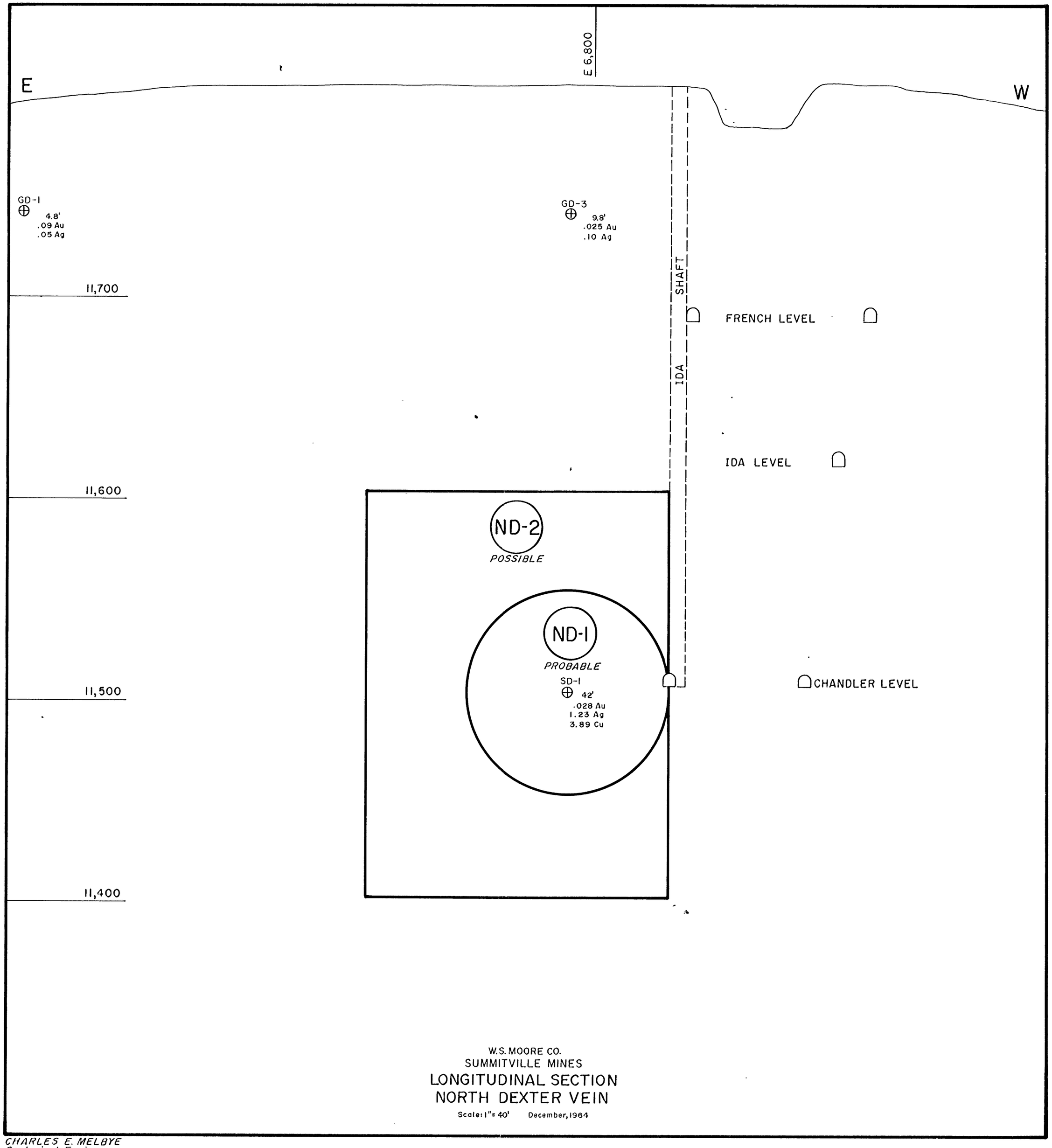
- Quartz latite porphyry
- Fal — Quartz latite dike
- Vein
- Quartz alunite alteration


SOUTH
NORTH
N.X.400
12,100
12,000
11,900
11,800
11,700
11,600
11,500
11,400
BULLDOZER CUT
T-1
T-2
T-3
T-4
T-5
T-6
HUGH BLY LEVEL
130' SUBLEVEL
VEIN WIDTH 2.5'
VEIN WIDTH 6'
VEIN WIDTH 6'
VEIN WIDTH 2'-3.5'
IOWA LEVEL
BOWEN STOPE
VEIN WIDTH 4'
VEIN WIDTH 8.4'
IOWA LEVEL
COPPER HILL LEVEL
OXIDE ZONE
SUPERGENE PRIMARY ZONE
Reported high Cu
Reported Cu orebody encountered in shaft
TEWKSBURY SHAFT
REYNOLDS TUNNEL
VEIN WIDTH 7'
REYNOLDS LEVEL
W.S. MOORE CO.
SUMMITVILLE MINES
LONGITUDINAL SECTION
TEWKSBURY VEIN
Scale: 1"=40'
December, 1964
CHARLES E. MELBYE
Geological Engineer

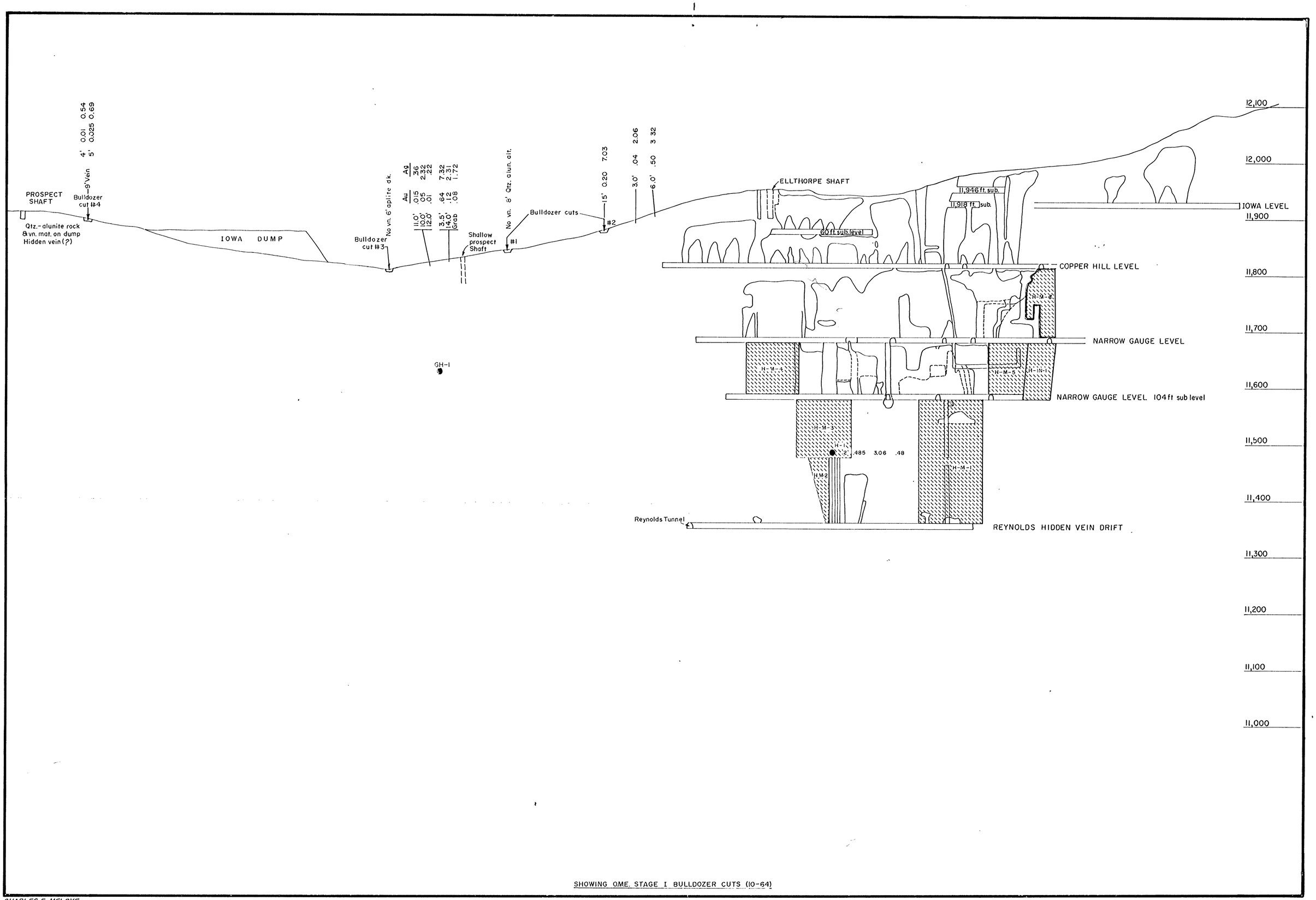


W.S. MOORE CO.
SUMMITVILLE MINES
DEXTER VEIN
VERTICAL LONG SECTION
LOOKING N
Rio Grande County, Colorado
Scale: 1" = 40' February 1964

CHARLES E. MELBYE
Geological Engineer



CHARLES E. MELBYE
Geological Engineer

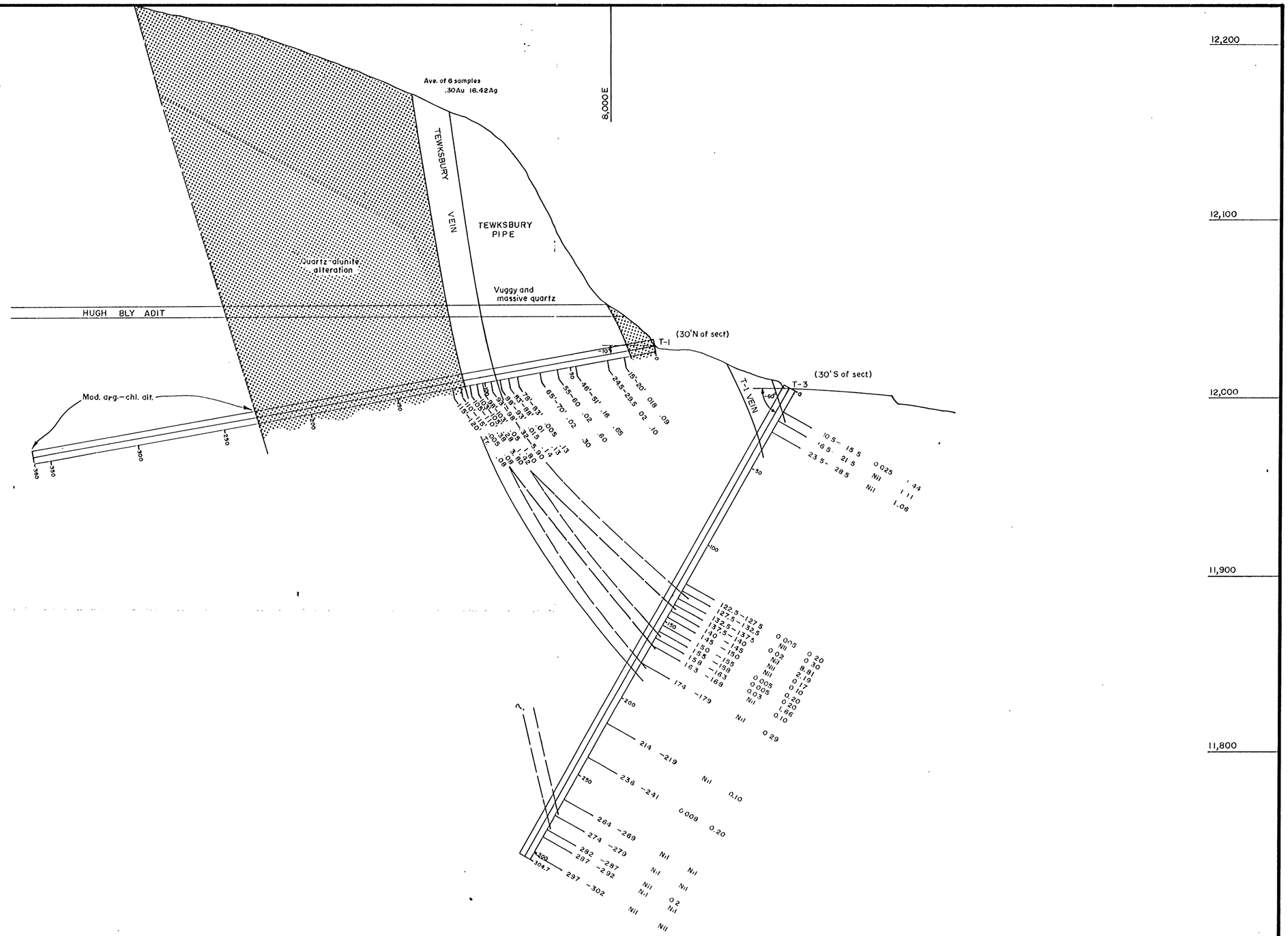


SHOWING QME. STAGE I BULLDOZER CUTS (10-64)

CHARLES E. MELBYE
Geological Engineer

W.S. MOORE CO.
SUMMITVILLE MINES
HIDDEN VEIN
VERTICAL LONG SECTION
LOOKING S 30° W
Rio Grande County, Colorado
Scale: 1" = 100' February 1964

Stoped areas
GH-3 ⊕ Proposed drillhole (Intersection pt. w/vein)
● Completed drillhole

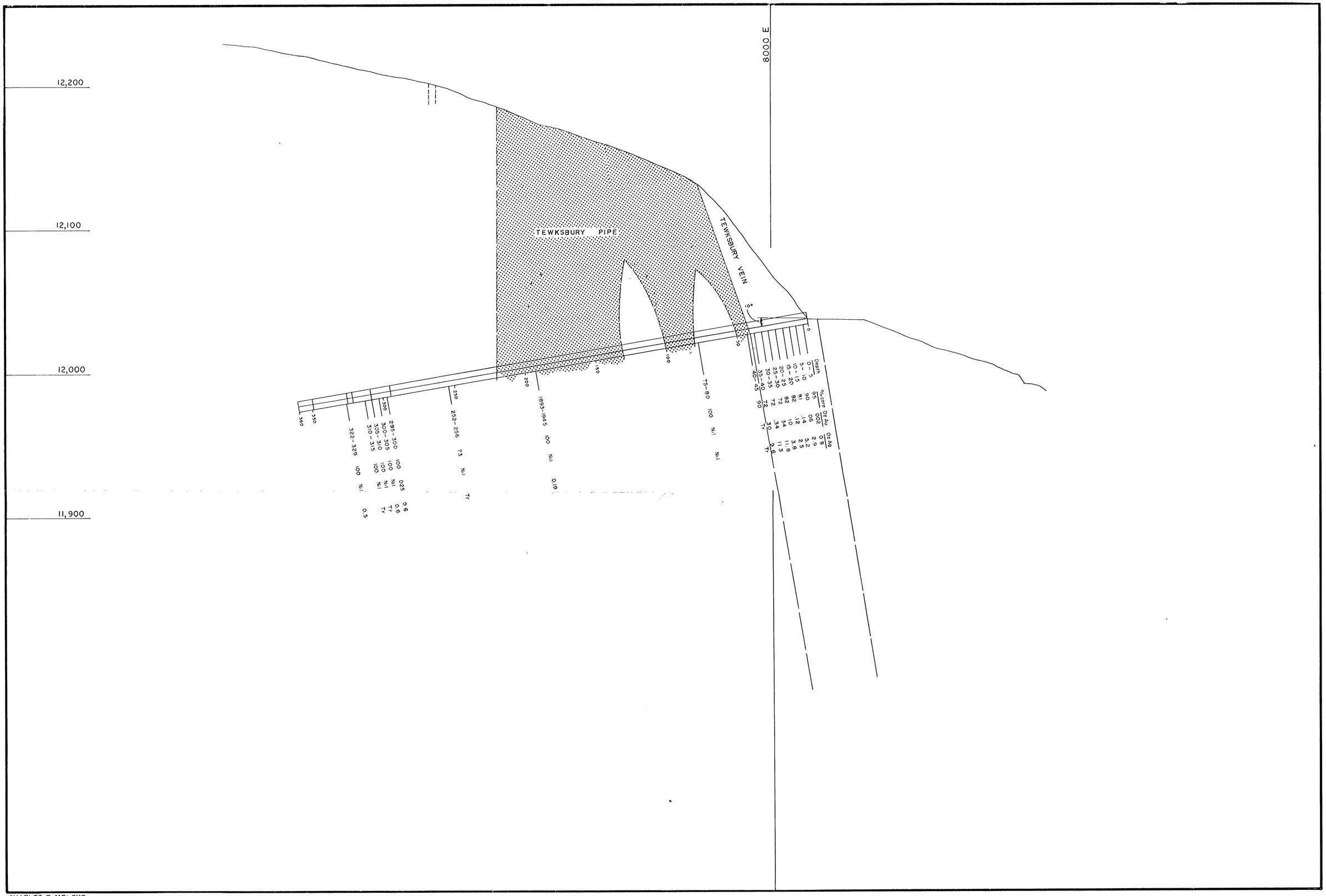


CHARLES E MELBEY
Geological Engineer

W.S. MOORE CO
SUMMITVILLE MINES

GEOLOGIC ASSAY LOG
HOLE T-1 & T-3

SECTION LOOKING NORTH
ALONG COORD. 7100N
Scale: 1"=40' September, 1964



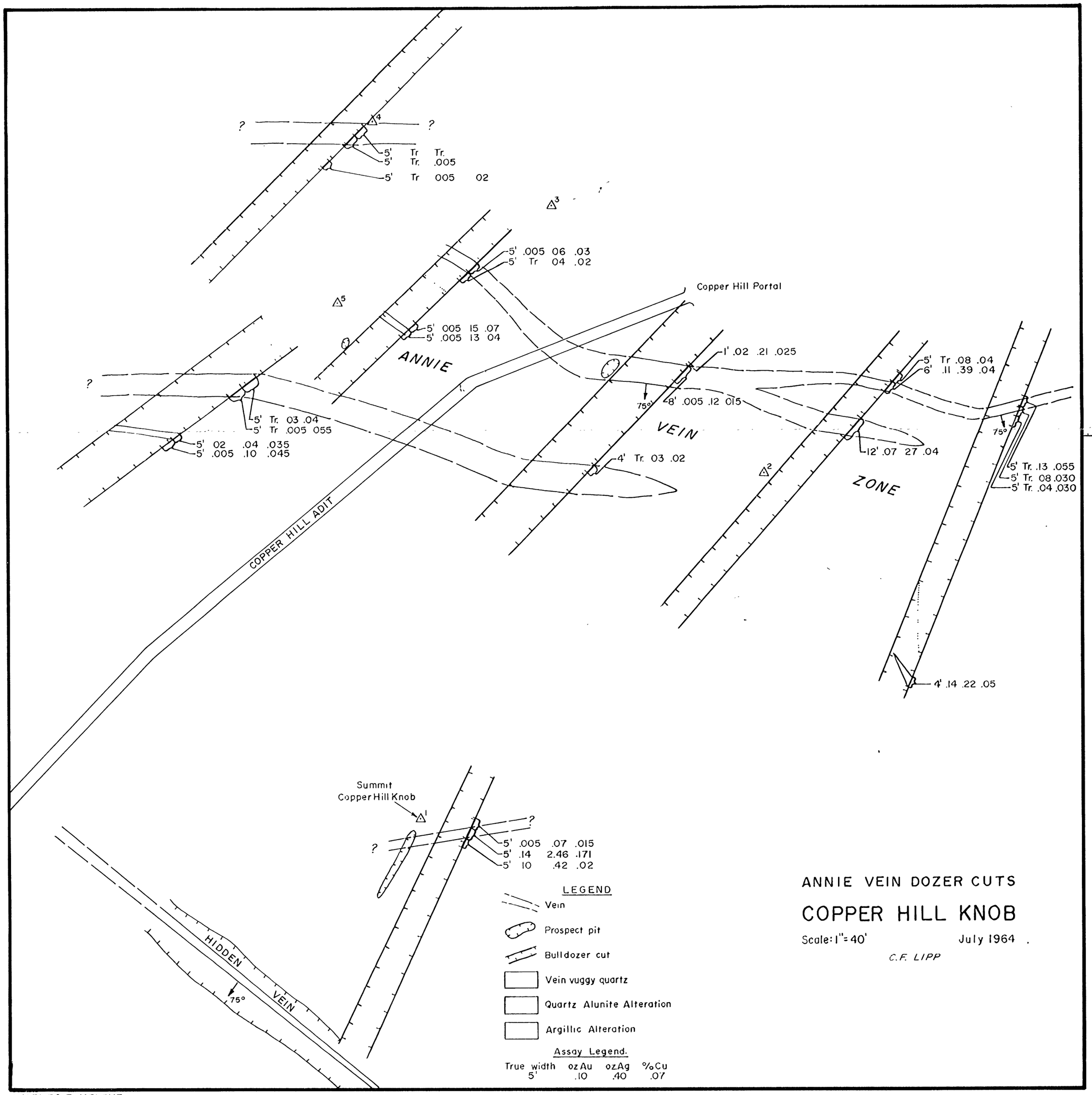
CHARLES E. MELBYE
Geological Engineer

W.S. MOORE CO.

GEOLOGIC ASSAY LOG
HOLE T-2
SUMMITVILLE MINES

SECTION LOOKING NORTH

Scale: 1" = 40' August 1964



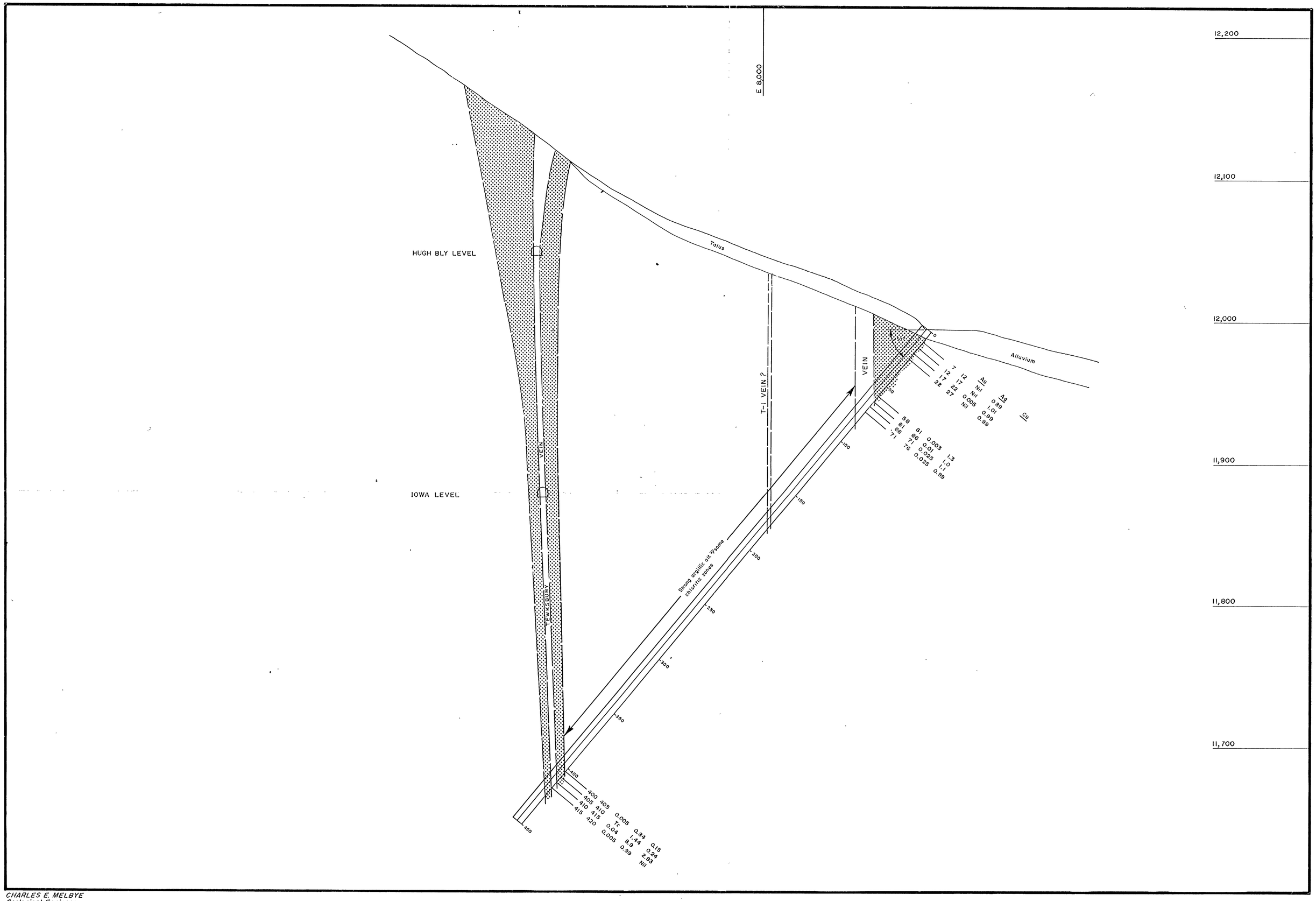
ANNIE VEIN DOZER CUTS

COPPER HILL KNOB

Scale: 1" = 40' July 1964

C.F. LIPP

CHARLES E. MELBYE
Geological Engineer



CHARLES E. MELBYE
Geological Engineer

W.S. MOORE CO.
SUMMITVILLE MINES

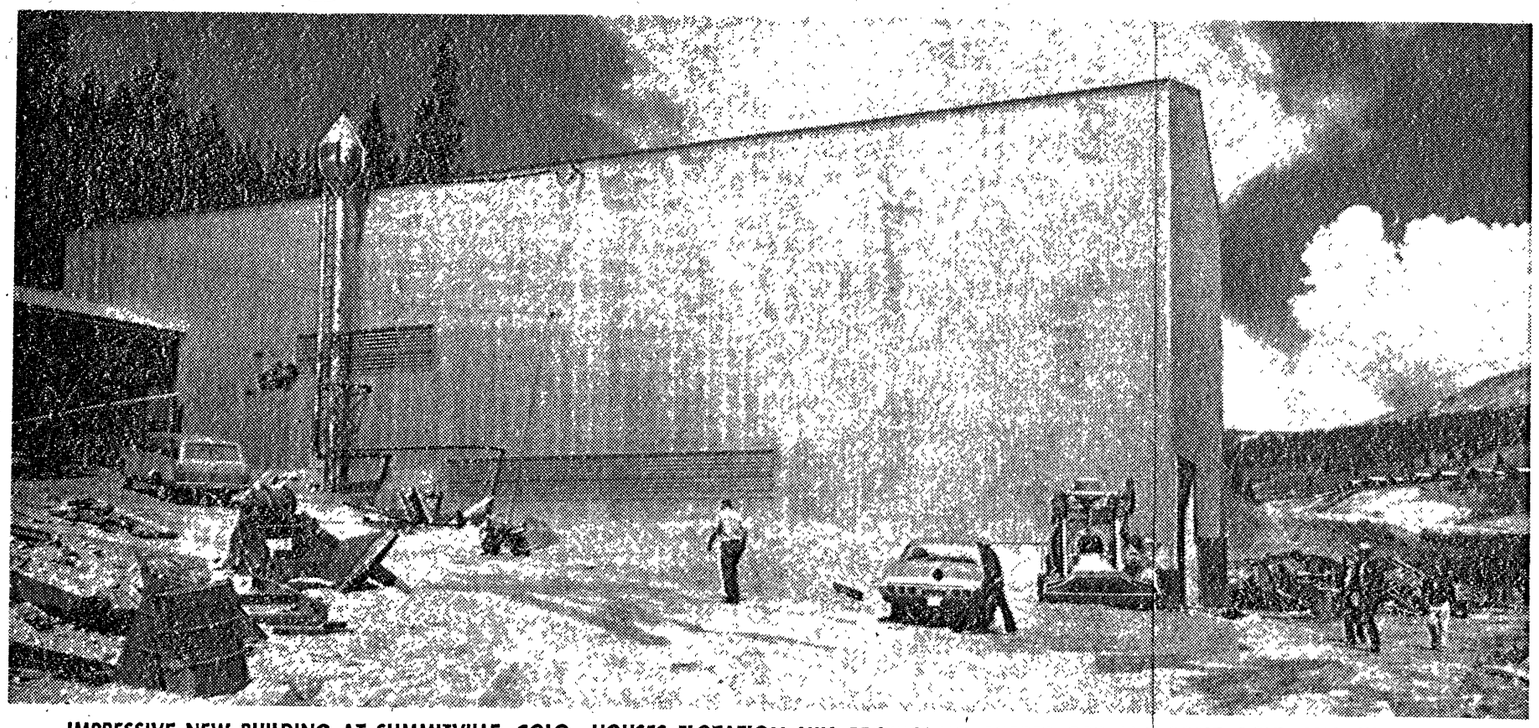
GEOLOGIC ASSAY LOG
HOLE T-4

N 60°E SECTION LOOKING NW

Scale: 1"=40' November 1964

W. S. Moore Co. OME 6344, Contract 2189

Mining Makes Comeback at Lofty Summitville



IMPRESSIVE NEW BUILDING AT SUMMITVILLE, COLO., HOUSES FLOTATION MILL PROCESSING COPPER ORE AND SOME GOLD AND SILVER ORE.

By MONK TYSON
Denver Post Staff Writer

SOUTH FORK, Colo. — Mining, once the principal industry of the San Juan Mountains, has come back to Summitville, nestled near the Continental Divide at 11,318 feet above sea level.

But Summitville's residential area, which reached a population of 2,000 in earlier times, hasn't come back. Picturesque houses, tattered by the ravages of weather, still dot the slopes which climb to timberline.

A flotation mill went into operation May 1 to process the huge deposits of copper found in mine workings. Some gold and silver ore is being processed at the mill. Copper ore processing produces concentrates of about 40 per cent before shipment to Tacoma, Wash., for refinement.

It is the only copper processing mill in Colorado.

The current operation employs 15 miners and 20 persons in the mill and at other jobs, according to Art Satori, general manager, and Al Wild, mine superintendent.

The project is operated by the W. S. Moore Co., Duluth, Minn.; Polaris Enterprises, Denver, and Tabilcock Mining Co., New York. The Moore firm is in charge of operations. They have leased the mining property from the Reynolds-Morse Corp. of Denver.

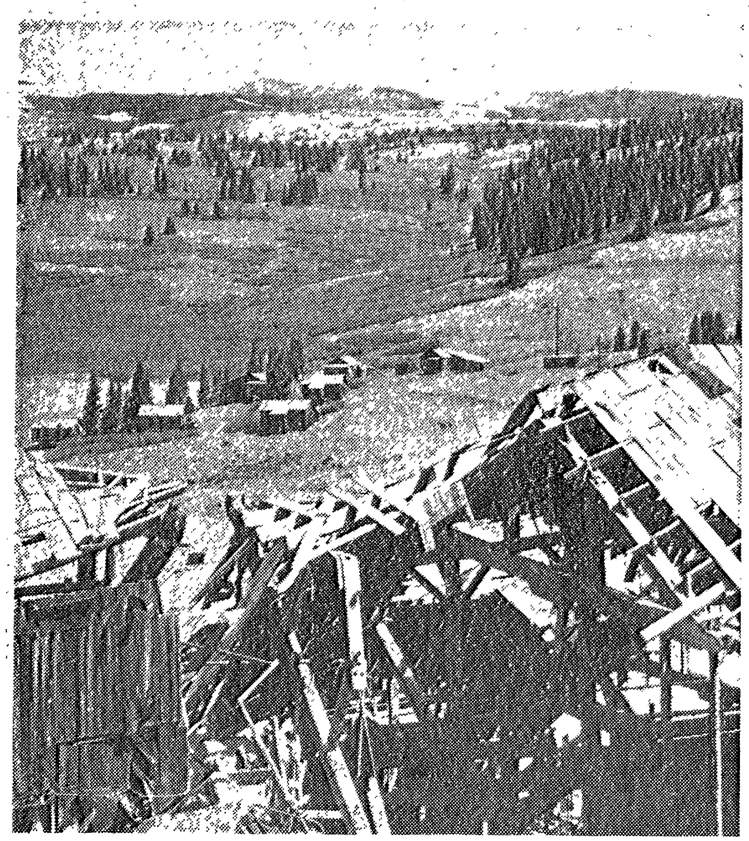
The mill can process 150 tons of ore per day, and is now running at capacity, Satori and Wild said. About 9,000 tons of ore are in a stockpile at the mill. More than $2 million have been invested in the mining and milling operation, they said.

The concentrated ore is trucked to a siding on the Denver & Rio Grande Western Railroad between South Fork and Del Norte for shipment to Tacoma.

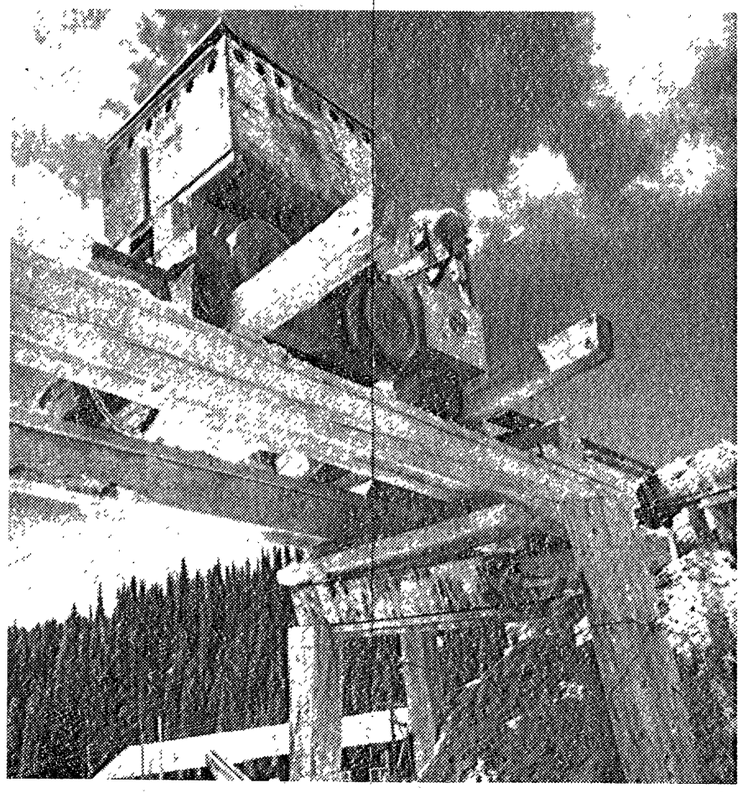
Some of the richest gold deposits in the mineral-rich San Juans were discovered here in 1870.

Summitville's population reached 2,000 in the late 1800s, and the town had 15 saloons and 12 stamp mills. The town dwindled during World War I after gold was classified as a nonessential metal. It made a comeback in the 1920s.

The 35 persons working there aren't Summitville residents. A few stay at a boarding house there, but most if them commute from South Fork, Del Norte, Creede and Monte Vista.

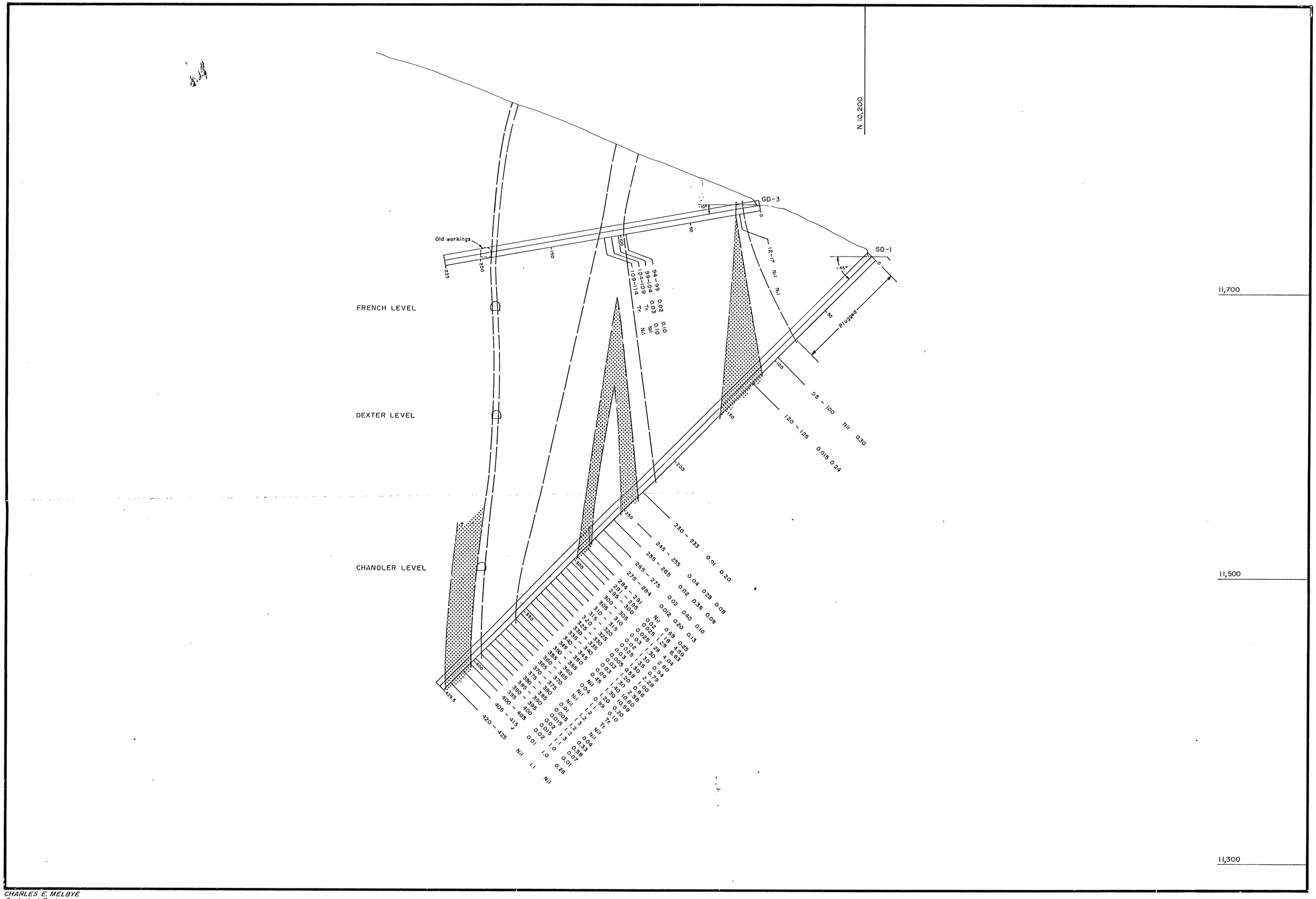


The building in foreground housed a gold and silver processing mill during Summitville's livelier days. Age



Ore car perches on rails outside the mine at Summitville, ghost town in the San Juan Mountains where copper ore is being processed at mill.

Art Satori, general manager at Summitville, oversees the flotation process at mill which reduces copper ore to 40 per cent concentrate.



CHARLES E. MELBYE
Geological Engineer

W S. MOORE CO.

GEOLOGIC ASSAY LOG
HOLES GD-3 & SD-1

SUMMITVILLE MINES
SECTION LOOKING WEST
ALONG COORD. 12,200N
Scale: 1"=40' October 1964

EYE-EASE 45-814
20/20 BUFF 45 914

Prepared By	
Approved By	

Summitville Smelter Returns
1971 Production

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Shipments	Net Weight lbs.	% H2O	Dry Weight	Concentrate Grade	Cu Contents (-1 unit x 57½%)	Cu Values	Gold & Silver	Total	less: Smelter Charge & Sundrys	Freight & Filter	Royalties 8½%	Tax Reserve 2%	Net Returns
June:													
56119	131100	9.32	118581 ✓	30.09	33717	$ 15940	$ 1739	$ 17679	$ 1879	$ 1763	$ 1174	—	$ 12853 ✓
56100	127100	8.07	116843 ✓	34.04	37640	17714	1738	19532	2800	1716	1327	—	14189 ✓
56110	121600	7.78	112140 ✓	33.81	35874	16959	1760	18719	1851	1640	1277	—	13951 X
													-200 trucking
													13751
September													
56123	145500	6.68	135781 ✓	30.07	38491	18173	1806	19979	2321	1644	1341	—	14673 ✓
55380	146340	7.95	134706 ✓	30.99	39395	18600	1962	20562	2257	1654	1375	—	15256 ✓
55209	146820	8.70	134049 ✓	28.30	36471	17220	1734	18954	2196	1659	1263	297	13540
55449	145220	6.63	135592 ✓	27.34	36144	16850	1662	18512	2225	1641	1225	288	13133
55361	151180	7.50	139842 ✓	24.87	32567	15187	1524	16706	2158	1707	1070	252	11519
November													
55375	130820	9.30	118654 ✓	30.15	33722	15093	1705	16798	1806	1592	1119	263	11998
56146	127400	8.40	116698 ✓	29.50	32428	14495	1664	16159	1769	1595	1070	252	11473
55503	102880	9.38	93230 ✓	42.15	37919	16949	2129	19078	1574	1591	1338	315	14260
December													
56124	120920	15.20	102540 ✓	40.31	39301	17567	2559	20126	1831	1484	1412	332	15069
56109	105880	12.73	92401 ✓										13600 Est
January													
56164													13600 Est

KPM