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

OME
DEPARTMENT OF THE INTERIOR
APR 21 1965
REGION III
DENVER, COLORADO

April 16, 1965

Memorandum

To: Mails and Records Branch

From: Chief, Division of Exploration Operations

Subject: OME-6377 (Silver)
Baker and Nichols
Lavonne Prospect
Ouray County, Colorado

The Applicant has not replied to the Acting Director's letter of March 17, 1965. Accordingly, the subject docket is referred to the inactive file and considered as having been withdrawn.

MMerrithew/mm
cc: Director's Reading File
✓Region III
Docket
120M

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

MAR 1 7 1965

Mr. W. R. Nichols
508 Main Street
Montrose, Colorado

Re: CMR-6377 (Silver)
Baker and Nichols
Laverne Prospect
Ouray County, Colorado

Dear Mr. Nichols:

To date, we have not received an answer to our letter of January 21, 1965, to you. Will you please inform us what your plans are regarding the subject application.

If we do not receive a reply from you within thirty days from the date of this letter, we must assume that you are no longer interested in proceeding with your application and we shall consider it as having been withdrawn.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/mm
3/16/65
cc: Director's Reading File
~~XXXXXX~~ Region III
Docket
Mr. Selfridge
120M

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

JAN 21 1965

Mr. W. R. Nichols
308 Main Street
Montrose, Colorado

Re: GMX-6377 (Silver)
Baker and Nichols
Lavenne Prospect
Ouray County, Colorado

Dear Mr. Nichols:

Thank you for your letter to Mr. Selfridge of January 12, 1965, in reply to ours of October 28, 1964, and January 6, 1965.

In our letter of October 28, 1964, to Mr. Baker and you, we outlined the information or material that was lacking in support of your application for financial assistance in minerals exploration as stipulated on the back of the application form. The Government does not participate in the cost of securing the information or maps necessary requested in the support of an application. Neither does it take mortgages on property that might be involved in an exploration contract. Likewise, it does not participate in any expenses incurred prior to the date of a contract if one is granted. Under these circumstances, will you please inform us whether you wish to continue with your application. We note in your letter that you are not prepared to advance any more money unless the Government does, which it cannot do as previously explained.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/nm (1/19/65)
cc: Director's Reading File
✓Region III
Docket
Mr. Selfridge

W. R. [illegible]

January 12, 1965

Re: CME-637 (Silver)

Bldg. 20, Denver Federal Center
Denver, Colo. 80225

Mr. George C. Selfridge, Chief
Division of Exploration Operations
United States Department of the Interior
Office of Minerals Exploration

January 13, 1965

Memorandum

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

From: Acting Field Officer, CME, Region III

Subject: CME-6377 (Silver)
Baker and Nichols
Lavonna Prospect
Ouray County, Colorado

The attached letter from W. R. Nichols, dated January 12, 1965, appears to be the original copy that should have been mailed direct to you for reply.

Hugh M. Connors

cc: Application
file 6377
Chron

[illegible] and discover the claim. I have [illegible] exploration [illegible] I have [illegible] will be [illegible] more Silver [illegible] I [illegible] in and [illegible] to [illegible] Small [illegible] however, [illegible] continued [illegible] claim [illegible] [illegible] you will [illegible] exploration.

[illegible] to [illegible] $2,000 [illegible] an [illegible]

[illegible]ly yours,

[illegible] Nichols

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

OME
MENT OF THE INTER
REGION III
NVER, COLORA

JAN 6 1965

Mr. O. C. Baker and
Mr. W. R. Nichols
508 Main Street
Montrose, Colorado

Re: OME-6377 (Silver)
Baker and Nichols
Lavenne Prospect
Ouray County, Colorado

Gentlemen:

To date, we have not received a reply to our October 28, 1964, letter to you. Will you please inform us as to when we may receive the requested information.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

GCSelfridge/mm
1/5/65
cc: Director's Reading File
Region III
Docket
Mr. Selfridge

Region III

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

Mr. O. C. Baker and
Mr. W. R. Nichols
508 Main Street
Montrose, Colorado

OCT 28 1964

Re: OME-6377 (Silver)
Baker and Nichols
Lavonne Prospect
Ouray County, Colorado

Gentlemen:

We have reviewed your application for financial assistance in minerals exploration and find it lacks the following additional information required in order to continue its processing.

1. Copies of maps or sketches showing the old mine workings, dip and strike of the three veins, type of country rock, and the location and estimated depth of the proposed drill holes.

2. Copies of assay certificates of samples of the veins. These are required to show that silver represents the principal metal in the veins to be explored.

3. The cost estimate submitted is too general. Please submit a detailed estimate for each item, such as drilling footage and cost per foot, the length of road to be rehabilitated and cost, days to work by consulting engineer and his salary per day, estimated number of sample assays and cost per assay, etc.

4. Are the old mine workings accessible and can an examination of the surface be made during the winter months?

5. It appears that the Nancy and Ella claims would benefit by any exploration on the Lavonne claim; therefore, these claims should be included in your application.

6. Copies of bids from three independent drilling contractors for the proposed exploration work.

7. The Government does not advance funds under an exploration contract. The operator incurs all the expenses and does the work or has it done by an independent contractor. At the end of

each month it submits a voucher on forms furnished by the Government and is subsequently reimbursed for the Government's share of acceptable costs. As it usually takes from two to three weeks to process a voucher, the operator should have sufficient funds on hand to pay all expenses for the first two months at least. In view of this, please advise how you propose to finance your share of the costs of the proposed work.

Further processing of your application will be held in abeyance until the additional information is received. Submittal of the information should not be construed that an exploration contract will be granted.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

Note to Region III:

With reference to the Applicant's letters to the banks, etc., we will request them in the event a field referral is made.

FMMurphy/mm
10/28/64
cc: Director's Reading File
Region III
Docket

Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

October 21, 1964

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: Application for OME aid (Silver)
O. C. Baker and W. R. Nichols
Lavonne Mine
Ouray County, Colo.

Attached is the subject application in the amount of $15,000. One copy is retained in our file.

A quick review of the application shows the following:

1. Lacks copies of letters to banks.

2. Should have map showing dip and strike of vein; location, number and estimated depths of holes.

3. Applicants should have drilling bids.

4. Estimate of costs is too loose; should be given in detail.

5. It is noted that the Applicants also located the Nancy and Ella claims. They should be advised that these claims should be included since they would benefit by any exploration on the Lavonne claim.

I am not advising the Applicants because I believe you will find additional discrepancies and they can all be covered in one letter to the Applicants.

Hugh M. Connors

cc: File
Chron

October 26, 1964

Mr. O. C. Baker and
Mr. W. R. Nichols
508 Main Street
Montrose, Colorado

Subject: OME - 6377

Gentlemen:

Your application for exploration assistance, dated October 17, 1964 submitted to our office at Denver, Colorado has been assigned Docket Number OME - 6377.

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

Sincerely yours,

Allen S. Dakan, Chief
Division of Administrative
Management

Copy to Region III

MME Form 40
July 1962

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

O. C. Baker & W. R. Nichols
508 Main Street
Montrose, Colorado

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER

DATE RECEIVED

REGION

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL [ ]
CORPORATION [ ]
PARTNERSHIP [X]
OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
O. C. Baker	740 South 5th Street Montrose, Colo.	Partner
W. R. Nichols	Woodgate road Montrose, Colo.	Partner

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

ESTIMATED COST OF PROJECT: $ 5,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Lavonne Mine	Ouray	Colorado

GENERAL INSTRUCTIONS

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

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

~~October 17, 1964~~
DATED

W R Nichols O C Baker
BY *(Signature)*

Partner
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

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

Filed for record the 6 day of Oct., A. D. 19 64 at 10:30 o'clock A.M. Addie A. Sim RECORDER.
Reception No. 119453. Book 165 Page 30 By DEPUTY.

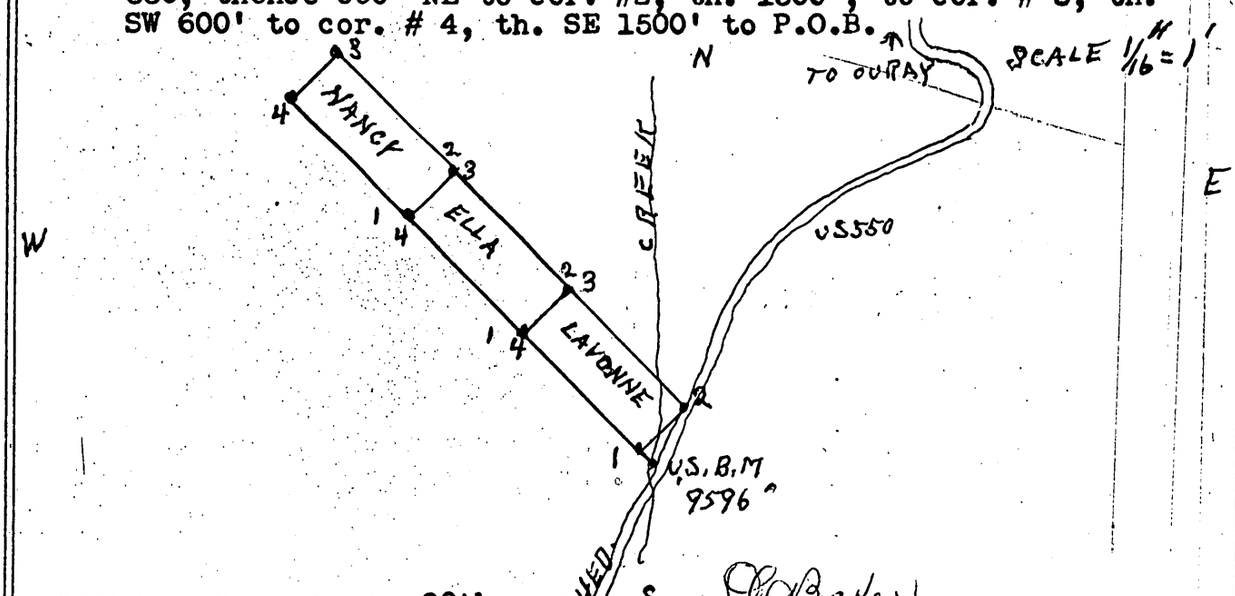
STATE OF COLORADO,
County of Ouray } ss.

Know all Men by these Presents,

That O. C. Baker & W. R. Nichols
508 Main Street
Montrose, Colorado

the undersigned, have, this 5th day of October, 19 64, located and claimed, and by these presents do locate and claim, by right of discovery and location, in compliance with the Mining Acts of Congress, approved May 10, 1872, and all subsequent acts, and with local customs, laws and regulations, 1500 linear feet and horizontal measurement on the Lavonne Lode, vein, ledge or deposit, along the vein thereof, with all its dips, angles and variations, as allowed by law, together with 300 feet on the North east side, and 300 feet on the South west side of the middle of said vein, at the surface, so far as can be determined from present developments; and all veins, lodes, ledges or deposits and surface ground within the lines of said claim, 750 feet running North west from point of discovery cut and 750 feet running SE from point of discovery cut; said discovery cut being situate upon said lode, vein, ledge or deposit, and within the lines of said claim, in Red Mountain Mining District, County of Ouray and State of Colorado, described by metes and bounds as follows, to-wit:

Beginning at corner No. 1 which is 100' NW from U. S. Bench Mark at an elevation of 9596' where Hendrick Creek crosses U. S. Highway 550, thence 600' NE to cor. #2, th. 1500' NW to cor. # 3, th. SW 600' to cor. # 4, th. SE 1500' to P.O.B.



Said lode was discovered on the 30th day of September, A. D. 19 64

Date of location September 30th, A. D. 19 64

Date of Certificate October 5, A. D. 19 64

O. C. Baker [SEAL]
W. R. Nichols [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]

No. 11158

LOCATION CERTIFICATE
and MAP

On the Lavonne Lode Mining Claim of O. C. Baker and W. R. Nichols in Red Mountain Mining District, Ouray County, State of Colorado.

STATE OF COLORADO,
COUNTY OF OURAY } ss.

I hereby certify that this Location Certificate was filed for record in my office at 10:30 o'clock A.M., Oct. 6th, 1964, and is duly recorded in Book 165 at Page 30

Addie A. Sim
RECORDER.

By
DEPUTY.

Fees: $ 2.00

WHEN RECORDED RETURN TO

THE C. F. HOECKEL CO., DENVER

Item No. 1.

THE FIRST NATIONAL BANK

ESTABLISHED 1889

MONTROSE, COLO.

JACK PIXLER
SENIOR VICE PRESIDENT

October 19, 1964

Mr. O. C. Baker
740 South Fifth
Montrose, Colorado

Dear Mr. Baker:

In reference to a loan application for you and Mr. W. R. Nichols made with this bank this morning for $5,000.00 to be used for investigation of the mining property known as the Lavonne Lode in the Red Mountain District near Ouray, Colorado, I am sorry to advise you that we are not presently interested in making loans of this type and therefore must refuse your application.

Very truly yours,

THE FIRST NATIONAL BANK

By, Jack Pixler

Jack Pixler
Senior Vice President

JP/je

Item No. 1.

MOUNTAIN CREDIT
FINANCING LOANS INSURANCE
531 MAIN STREET
MONTROSE, COLORADO
249-3575

October 20, 1964

O. C. Baker & W. R. Nickels
508 Main Street
Montrose, Colorado

Re: Application for Loan

Gentlemen:

In response to your recent application for a loan in the amount of $5000.00, please be advised that our interest charges on this type of loan would be at the rate of 2% per month on the outstanding loan balance.

Thank you very much for your application and loan request and if we can be of further service to you, kindly advise.

Yours truly,

MOUNTAIN CREDIT

C. U. O'Neill
Manager

CUO:tmn

W. R. NICHOLS
508 MAIN STREET
MONTROSE COLORADO

OFFICE
CHERRY 9-3573

RESIDENCE
CHERRY 9-4375

Twp 43 N. R. 7 W.

Item No. 3

Hayden Mountain

Physical Description

(a) There are three (3) fisher veins trending Northwesterly. There is a drift 5' X 7' X 150' on the center vein. There is a 5' X 7' X60' drift on the center vein 30' below it

(b) The above are old workings; we own them clear.

(c) No records of production available.

(d) Un-known ore reserves

(e) Fisher veins (3) three base metal, near vertical, Spar.

(f) Mr. Marvin Kay who operated the American Lead Zinc mill at Ouray, Colorado also known as the Banner American mill told me years ago that it was possible that the Camp Bird extension could come out at about this location. An examination of any map of the San Juan Triangle will disclose that Hayden Mountain is surrounded with patented silver and gold claims. It is possible that this drilling we propose will lead to the proof needed to explore and perhaps develope a vast new Silver and Gold mine under Hayden Mountain to the West of the Lavonne Mine.

(g) Referance is made to U. S. G. S. by Charles D. Walcott, DirectorGeologic Atlas of the United States Ouray Folio Colorado. Also United States Department of the Interior Structural Control of ore Deposition in the Uncompahgre District Ouray County, Colorado with suggestions for prospecting prepaired in cooperation with the Colorado Metal Mining Fund and the Colorado Geological Survey Board. Geological Survey Bulletin 906-E by W. S. Burbank.

No. 4 Accessibility of Property

W. R. NICHOLS

508 MAIN STREET

MONTROSE COLORADO

OFFICE
CHERRY 9-3573

RESIDENCE
CHERRY 9-4375

(a) William Robert Nichols at 508 Main Street Montrose, Colorado will show the property any time.

(b) Montrose Colorado is the shipping and supply point 40 miles North on U. S. 550.

No. 5 Exploration Work

W. R. NICHOLS
508 MAIN STREET
MONTROSE COLORADO

OFFICE
CHERRY 9-3573

RESIDENCE
CHERRY 9-4375

(a) Core drilling the three veins to determin values.

(b) Clean up old existing road.

(c) as soon as a qualified driller can be secured.

No. 6 Experience

W. R. NICHOLS
508 MAIN STREET
MONTROSE COLORADO

OFFICE
CHERRY 9-3573

RESIDENCE
CHERRY 9-4375

W. R. Nichols 25 years prospecting and mining. Age 48 yrs.

O. C. Baker 40 years mining, milling, prospecting. Age 67 years

We plan to have competent engineers and expect them to co-operate with yours.

No. 0 7) Estimate of Costs

W. R. NICHOLS
508 MAIN STREET
MONTROSE COLORADO

OFFICE
CHERRY 9-3573

RESIDENCE
CHERRY 9-4375

(a) Core drilling at average of $4.00 per foot---$4,000.00
to be contracted probably to MacPherson Drilling Co.
701 North third Montrose, Colorado.

(b) Administrative Expense, Engineering Labor, Contracted
Road Work, Materials & Supplies, and Other Expense
$1,000.00