DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
GEOLOGICAL SURVEY

OFFICIAL DOCKET FILE

Idm-E NO._____

OME ~~DMEA~~ NO. 6509

Application
- [x] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [ ] Project summary (final)
- [ ] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

MME Form 40
Jan. 65

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1968

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)

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 1 1965
INITIAL CODE

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

Silver Lake, Inc.
1306 8th Street
Golden, Colorado 238-4898

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6509

DATE RECEIVED 10/11/65

REGION III

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	
CORPORATION	X
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Michael Jelen	8010 West 6th Avenue	President & Treasurer
Glenn E. Evans	3050 So. Franklin St.	Vice President
Charles O. Wood	7285 W. 1st Avenue	Secretary
T. Paul Jones, Sr.	675 Reed Street	Director
Clarence W. Anderson	572 So. Canosa Ct.	Director

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE
Silver

ESTIMATED COST OF PROJECT
$ 333,100

PROPERTY NAME	LOCATION COUNTY	STATE
Gold Belt Tunnel	Clear Creek	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 4, 1965
DATED

Silver Lake, Inc.
BY (Signature) Michael Jelen
Michael Jelen TITLE President

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).]

1. *Financial Eligibility:*

(a)

(b) None

(c) By Cash

2. *Applicant's Rights in Land:*

(a) Applicant holds the property by lease. See attached lease. There are no other encumbrances of record on the land.

(b) Property is located in Sections 22 and 27, Township 4 South, Range 75 West

County Treasurer Lode Mining Claim, U.S. Survey No. 19102
Durango Lode Mining Claim, U.S. Survey No. 711a
Aspinwall Lode Mining Claim, U.S. Survey No. 710a
Gray Eagle Lode Mining Claim, U.S. Survey No. 1771a
Quaker Mill Site, U.S. Survey No. 19085B
Relief Lode Mining Claim, U.S. Survey No. 19085 A
Vesta Lode Mining Claim, U.S. Survey No. 19085A
Elizabeth Lode Mining Claim, U.S. Survey No. 19085A
Silver Stream Lode Mining Claim, U.S. Survey No. 19085A
Sea Gull Lode Mining Claim, U.S. Survey No. 19085A
Jack Pot Lode Mining Claim, U.S. Survey No. 19353
W.A.H. Lode Mining Claim, U.S. Survey No. 19398
Maggie L. Lode Mining Claim, U.S. Survey No. 19098
Mary Ettie Lode Mining Claim, U.S. Survey No. 19098
H.L. Lode Mining Claim, U.S. Survey No. 19098
Liberty Bell Lode Mining Claim, U.S. Survey No. 19098
Wm. Penn Lode Mining Claim, U.S. Survey No. 19098
Stephen Girard Lode Mining Claim, U.S. Survey No. 19098
Benj. Franklin Lode Mining Claim, U.S. Survey No. 19098
Golden Star Lode Mining Claim, U.S. Survey No. 19098
Thadeus Stephens Lode Mining Claim, U.S. Survey No. 19098
Q. Roberts Lode Mining Claim, U.S. Survey No. 19098
Julia R. Lode Mining Claim, U.S. Survey No. 19098

The following unpatented lodes for which the Location Certificates are on file in the office of the County Clerk and Recorder, Clear Creek County, Georgetown, Colorado:

Songster Lode Mining Claim, Bk 171, pg 602
Virgin Lode Mining Claim, Bk 171, pg 604
Wedge Lode Mining Claim, Bk 201, pg 288
Washington Lode Mining Claim, Bk 177, pg 563
Birmingham Lode Mining Claim, Bk 159, pg 543
Mohawk Lode Mining Claim, Bk 159, pg 543
Great Western Lode Mining Claim, Bk 171, pg 601
Gladiator Lode Mining Claim, Bk 205, pg 18
Gale Lode Mining Claim, Bk 201, pg 287

Snowslide Lode Mining Claim, Bk 201, pg 288
Rosebud Lode Mining Claim, Bk 171, pg 601
Forest Hill Lode Mining Claim, Bk 171, pg 603
Connecting Link Lode Mining Claim, Bk 171, pg 602
Fairview Lode Mining Claim, Bk 171, pg 604
Neglected Lode Mining Claim, Bk 205, pg 18
Majestic Lode Mining Claim, Bk 171, pg 603
18 Elsie Lode Mining Claim, Bk 205, pg 366
Gladys Lode Mining Claim, Bk 205, pg 367

Also the Gold Belt Tunnel, an adit, the portal of which is located upon said Quaker Mill Site.

Government royalty and liens will not apply to the following lands:

County Treasurer Lode Mining Claim, U.S. Survey No. 19102
Durango Lode Mining Claim, U.S. Survey No. 711a
Aspinwall Lode Mining Claim, U.S. Survey No. 710a
Gray Eagle Lode Mining Claim, U.S. Survey No. 1771a
Quaker Mill Site, U.S. Survey No. 19085B T
Relief Lode Mining Claim, U.S. Survey No. 19085A T
Vesta Lode Minign Claim, U.S. Survey No. 19085A T
Elizabeth Lode Mining Claim, U.S. Survey No. 19085A T
Silver Stream Lode Mining Claim, U.S. Survey No. 19085A T
W.A.H. Lode Mining Claim, U.S. Survey No. 19398 ?
Maggie L. Lode Mining Claim, U.S. Survey No. 19098
Mary Ettie Lode Mining Claim, U.S. Survey No. 19098
H.L. Lode Mining Claim, U.S. Survey No. 19098
Liberty Bell Lode Mining Claim, U.S. Survey No. 19098
Wm. Penn Lode Mining Claim, U.S. Survey No. 19098
Stephen Girard Lode Mining Claim, U.S. Survey No. 19098
Benj. Franklin Lode Mining Claim, U.S. Survey No. 19098
Golden Star Lode Mining Claim, U.S. Survey No. 19098
Thadeus Stephens Lode Mining Claim, U.S. Survey No. 19098
Q. Roberts Lode Mining Claim, U.S. Survey No. 19098
Julia R. Lode Mining Claim, U.S. Survey No. 19098

Tx Tunnel crosses these claims why excluded ?

Songster Lode Mining Claim, Bk 171, pg 602 T
Virgin Lode Mining Claim, Bk 171, pg 604 ?
Wedge Lode Mining Claim, Bk 201, pg 288
Washington Lode Mining Claim, Bk 177, pg 563
Birmingham Lode Mining Claim, Bk 159, pg 543
Mohawk Lode Mining Claim, Bk 159, pg 543
Great Western Lode Mining Claim, Bk 171, pg 601
Gale Lode Mining Claim, Bk 201, pg 287
Snowslide Lode Mining Claim, Bk 201, pg 288
Rosebud Lode Mining Claim, Bk 171, pg 601
Forest Hill Lode Mining Claim, Bk 171, pg 603

Connecting Link Lode Claim, Bk 171, pg 602
Fairview Lode Mining Claim, Bk 171, pg 604
Neglected Lode Mining Claim, Bk 205, pg 18
Majestic Lode Mining Claim, Bk 171, pg 603
Elsie Lode Mining Claim, Bk 205, pg 366
Gladys Lode Mining Claim, Bk 205, pg 367

Government royalty and liens will apply to the following lands:

Sea Gull Lode Mining Claim, U.S. Survey No. 19085A
Jack Pot Lode Mining Claim, U.S. Survey No. 19353 } 2 claims only?

The property is known as The Gold Belt Tunnel or The Silver Plume Tunnel.

(c) See attached form MME 52

3. Physical Description:

(a) The Gold Belt property consists of a cross cut driven in a southerly direction for a distance of 3100 feet. Veins were encountered at 900 feet, 1600 feet, 2100 feet and 2900 feet from the portal. A small amount of exploration work was done on the 900 and 2100 foot veins. The 2900 foot vein was drifted upon approximately 600 feet to the east and two 100 foot raises completed. The 1600 foot vein was drifted upon for approximately 200 feet to the east and 50 feet to the west. Most of the production from the property was derived from the 1600 foot vein which ranges from 4 to 40 feet in width. At the present time a by-pass cross cut is being driven to by-pass a cave at the 1600 foot vein. This is being done after the applicant had cleaned the main crosscut to the 1600 foot vein cave.

(b) The applicant had no interest in any of the work except for the present by-pass crosscut and clean up operations.

(c) The past production of the property is said to be about $150,000 in silver, lead. The available settlement sheets are itemized and attached. A few of the itemized settlements came from mine records.

(d) There are no known ore reserves in this property.

(e) The property is located in the Front Range mineral belt of Colorado in typical schists and granite in a vein type deposit dipping 75° to the south and striking in a northeasterly-southwesterly direction. Ore minerals consists of native silver, ruby silver and most other silver minerals, in addition to galena, and sphalerite.

(f) Ore is expected in the 1600 foot vein as the vein is strong and most of the production came from this vein. We are told that the 1600 foot vein caved to the crosscut level and that only material that caved was shipped. The strength of the vein is evidenced by tracing it on the surface over a lateral distance of over 3000 feet. Crude ore shipments averaged 78 ounces of silver per ton at the haulage crosscut level and higher silver values can be expected at higher elevations on the vein. The vein is from 4 ft. to 40 ft. in width and appears to be one of the strongest veins in the area.

(g) See attached engineering reports by Mr. Percy R. Alsdorf, E.M., Mr. Chas. L. Harrington, E.M., and Mr. C.R. Wilfley, E.M. These reports must be returned to us. note

4. Accessibility of Property:

(a) The portal of the property is located 2.6 miles west of the town of Silver Plume, Colorado. It is reached by traveling west from Silver Plume on U.S. paved highway #6 and Interstate highway #70 for a distance of 2.6 miles, thence to the south across a bridge and keeping to the right on a dirt road for a distance of .3 of a mile. The property is easily reached by passenger car. The mine workings are accessible to a cave at the 1600 foot vein.

(b) Shipping points would be to the American Smelting and Refining Co. Smelter at El Paso, Texas for silver-lead concentrates and to the American Smelting and Refining Co. smelter at Amarillo, Texas for zinc concentrates. There is a custom mill available at Idaho Springs, Colorado, a distance of 16 miles from the property. El Paso, Texas is about 700 miles from the property by rail and Amarillo, Texas is about 500 miles by rail. The nearest rail head is at Golden, Colorado, a distance of 24 miles on paved road from the mill.

5. The 1600 foot vein dips about 75 degrees to the south at the crosscut level. The crosscut level runs from the portal 1600 feet in a southerly direction where it intersects the 1600 foot vein. The slope distance on the 1600 foot vein from the crosscut level is 750 feet to the surface outcrops.

In order to explore this vein we propose to construct a three (3) compartment raise 550 feet in height. This raise would start 150 feet northerly from the 1600 foot vein and 50 feet easterly from the crosscut level. The raise would intersect the vein at 500 feet and extend 50 feet beyond. Crosscuts would be driven to intersect the vein at the 150 foot, 300 foot and 450 foot marks in the raise.

Development prop. for Manag

At each of the three levels drifts would be run 400 feet easterly and 400 feet westerly on the vein.

The above work would be accomplished as follows:

RAISE: Construct a three (3) compartment vertical raise, one thousand four hundred fifty feet (1450') from portal, with a fifty foot (50') easterly offset from main haulage tunnel to a total height of five hundred fifty feet (550') above the tunnel level.

The three (3) compartment raise to consist of:

(a) Twenty five foot (25') station to the east of raise,

(b) Three (3) compartments - one (1) compartment, thirty inches (30") by five feet (5') in the clear; one (1) compartment five feet (5') by five feet (5') in the clear; one (1) manway five feet (5') by five feet (5') in the clear. Manway to consist of twenty feet (20') staggered landings.

All vent lines, water lines, air lines, electric conduits to be installed in the manway.

The raise is to be timbered with a minimum of eight inch (8") by eight inch (8") native timber, and lagged with three inch (3") by six inch (6") native timber. No round timber will be permitted unless approved by the Owner. The raise to consist of three (3) one hundred fifty foot (150') levels, each with one (1) fifty ton (50) ore pocket.

CROSSCUTS: A total of two hundred eighty five feet (285') of crosscutting will be required to intersect the vein. All crosscuts to be five feet (5') by seven feet (7').

DRIFTS: Two thousand four hundred feet (2400') of drifting is required, or eight hundred feet (800') on each level. Four hundred feet (400') easterly and four hundred feet (400') westerly from crosscut, with five feet (5') by seven feet (7') drifts.

TRACK: No track shall be less than twenty (20) lbs. per yard. All track shall be secured with four (4) hole fish plates. If Contractor uses a gauge above eighteen inches (18"), he shall, at the end of the contract, restore same to eighteen inch (18") gauge, unless otherwise approved by the Owner.

AIR LINES: All air lines leading to headings shall be not less than three (3") inches O.D. No plastic or aluminum air lines are permitted.

WATER LINES: All water lines shall be galvanized and not less than one inch (1") O.D.

VENT LINES: All vent lines leading to headings shall be metal (galvanized) and not less than twelve inches (12") O.D.

TIES: All ties shall be not less than four inches (4") by six inches (6") by thirty six inches (36"). No round ties are permitted unless approved by the Owner.

All vent lines, water lines, tract, air lines, and electric conduits shall become the property of the Owner.

5. (b) Present access roads are adequate.

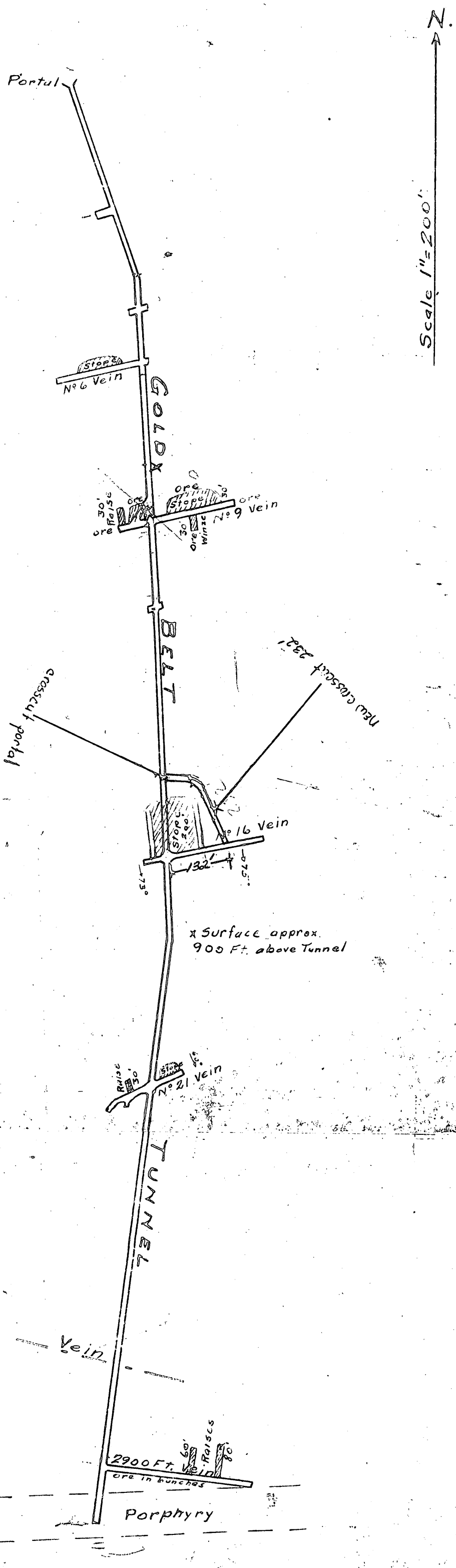
(c) Work would begin on this project within thirty (30) days of the execution of an OME contract and be completed within twenty four (24) months.

It is anticipated that the first sixty (60) days will be spent preparing the present workings and installing a raise station so that work on the raise can begin. The raise will advance 100 feet per month, crosscuts 100 feet per month and drifts 100 feet per month.

The following rate of progress would then apply:

1st month:	Enlarge present crosscut level where necessary.
2nd month:	Continue work on present crosscut and prepare raise station to begin raising.
3rd month:	Advance raise one hundred feet (100').
4th month:	Advance raise to 200 foot mark.
5th month:	Begin crosscut from 150 foot mark in raise to intersect vein and install an ore pocket at the 150 foot level.
6th month:	Extend raise to 300 foot level, extend 150 foot level crosscut 100 feet toward the vein.
7th month:	Extend raise to the 400 foot mark.
8th month:	Prepare 300 foot level station and install ore pocket, drift 50 feet easterly and 50 feet westerly along the vein on the 150 foot level.
9th month:	Extend raise to 500 foot mark, crosscut 100 feet to vein at 300 foot mark. Drift 50 feet easterly and 50 feet westerly on the 50 foot level.
10th month:	Prepare station on vein intersection on 300 foot level, extend raise to 500 foot mark, extend 150 foot level drift 50 feet easterly and 50 feet westerly.
11th month:	Extend 150 foot level drift 50 feet easterly and 50 feet westerly, extend 300 foot level drift 50 feet easterly and 50 feet westerly, install ore pocket at station on 450 foot level.
12th month:	Extend 150 foot level drift 50 feet easterly and 50 westerly, extend 300 foot level drift to the 100 foot mark easterly and westerly, drive 450 foot level crosscut 35 feet to intersect vein and install vein stations on 450 foot level.
13th month:	Complete raise to 550 foot mark, extend 150 foot level drifts to the 300 foot mark easterly and westerly; the 300 foot level drifts to the 100 foot mark easterly and westerly and the 450 foot level to the 50 foot mark easterly and westerly.

14th month:	Extend 150 foot level drifts to the 350 foot mark easterly and westerly. Extend 300 foot level drifts to the 150 foot mark easterly and westerly. Extend 450 foot level drifts to the 100 foot mark easterly and westerly.
15th month:	Complete 150 foot level drifts to the 400 foot mark easterly and westerly. Extend 300 foot level drifts to the 200 foot mark easterly and westerly. Extend 450 foot level drifts to the 150 foot mark easterly and westerly.
16th month:	Extend 300 foot level drifts to the 250 foot mark easterly and westerly. Extend 450 foot level drifts to the 200 foot mark easterly and westerly. Extend 300 foot level drifts to the 300 foot mark easterly and westerly.
17th month:	Extend 450 foot level drifts to the 350 foot mark easterly and westerly. Extend 450 foot level drifts to the 250 foot mark easterly and westerly.
18th month:	Extend 300 foot level drifts to the 350 foot mark easterly and westerly. Extend 450 foot level drifts to the 300 foot mark easterly and westerly.
19th month:	Complete the 300 foot level drift to the 400 foot mark easterly and westerly. Extend 450 foot level drifts to the 350 foot mark easterly and westerly.
20th month:	Complete 450 foot level drifts to the 400 foot mark easterly and westerly.
21st month: to 24th month:	To allow for delays in above work schedule.


N.
Scale 1"=200'
Portal
Stope
No 6 Vein
GOLDX
Ore
Stope
30'
Ore
Raise
30'
Ore
Winze
No 9 Vein
BELT
Crosscut portal
New crosscut 232'
Stope 200'
No 16 Vein
132'
75°
75°
x Surface approx.
900 Ft. above Tunnel
Raise
30'
Stope
No 21 Vein
TUNNEL
Vein
60'
Raises
80'
2900 Ft. Vein
ore in bunches
Porphyry

GOLD BELT TUNNEL [illegible]

OF

THE GOLD BELT TUNNEL & MINING COMPANY

OF

SILVER PLUME, COLORADO

C. R. W[illegible]
Mining Engineer

April [illegible] 1935

SUMMARY

REPORT is special, to amplify certain matters and does not cover all features. Only part of property, open to study.

HISTORY is intermittent operations under various managements with much leasing, result has been lack of systematic and coordinated development -- in fact development is negligible.

PRODUCTION has been at least $[illegible]0,000.00 currently reported as considerabley higher. It was undoubtedly profitable for the principal operations of extracting ore. The record is unusually good for a mine operated in this manner.

GEOLOGY is the Clear Creek quadrangle complex of old gneisses, schists and granites with porphyry intrusions followed by the veins, which are fissures. The silver veins so far exposed are relatively wide (5 to 20 feet) zones of somewhat sheared country rock with crushing and brecciation, probably due to compression. The [illegible] has been filled [illegible] with sulphides of lead, zinc, iron and copper [illegible] silver minerals [illegible] gray copper as tetrahedrits.

The ore is essentially a silver ore, with lead [illegible] but economic importance, and zinc predominating in quantity sufficient to become of interest when milling the ore during a good zinc market. The "Gold Belt" just ahead of the tunnels is characterized by [illegible] of high grade gold-silver ore. Secondary enrichment of silver may be looked for in the first 500 feet or thereabouts, from surface downward. This zone lies above the ore exposed in the tunnels and is promising. The primary ores like those in the tunnels usually continue to 1000 feet, sometimes more, in depth.

SAMPLING confined to material outside the mine. Few exposures underground; main tunnel inaccessible to examination. Shipment records and dumps and stope fills give information.

THE VALUE OF THE ORE ranges from 10 to 15- ounces "milling ore" up to several hundred silver per ton in selected small lots. Much ore has been shipped to smelters which assayed around [illegible] ounces per ton with a few per cent lead. The general averages of selected ore shipped to smelters can be expected to run 50 to 100 ounces per ton and the portion remaining, which cannot be hand sorted, should assay fifteen ounces.

ORE RESERVES. No positive ore. Very probable ore consists of about 30,000 tons of stope fills and dumps which at a rather conservative estimate should yield after screening and sorting around 12,500 tons assaying 16 ounces silver per ton. Possible ore is the extrapolation of the known sheets with strong likelihood of opening stope other sheets by lateral development from the tunnels. This I consider quite promising.

INTRODUCTION

NATURE OF THE REPORT

This report is made for a special purpose and does not cover a complete investigation. Reports by Charles Harrington and Percy Alsdorf, mining engineers of good standing have covered many points and have been submitted.

The principal object was to simplify on certain matters of economic and practical interest, along lines suggested by Dr. H.A. Buehler, State Geologist of the State of Missouri. The examination was confined mainly to those subjects and the report will take the form of the suggestions made, which are:

1 -- History of the mine, with special reference to past operating experience.

2 -- Geology, with emphasis on economic features and practical details affecting ore deposition.

3 -- Value of the ore, operating costs, possible returns from operating the mine.

4 -- An analysis of the possibilities, to assist in appraising an offering of shares to the Missouri public.

THE EXAMINATION:

The mine was visited April 16, 17 and 18, 1935, and subsequent investigations were made in Denver. Frank L. Jones and W.H. Stephens of Idaho Springs, principals in the proposed operation of the mine, assisted in many ways.

The Gold Belt Tunnel, the principal working, was closed by a cave near the portal. The Hamill Tunnel was open throughout and was examined in detail. A sudden spring snowstorm intervened and prevented any extensive surface examination.

The work was limited therefore to the Hamill Tunnel, the dumps of both tunnels, the mill and tailing disposal sites, records of production, and general conditions. Messrs. Jones and Stephens were consulted at great length concerning the past history of the mine and the proposed organization and its operating plans.

Sampling was limited to material outside the mine as the Hamill Tunnel has been mined to the limits of ore exposures and neither the veins nor the stopes are in condition for satisfactory sampling. The dumps were not sampled, as some data were already available and hand sampling under condtions prevailing would not be satisfactory. The statistical records of the United States Bureau of Mines in Denver were kindly put at my disposal and furnished much valuable information.

1 - HISTORY

OUTLINE:

The historical story of the mine is not only brought out by inquiry, but is illustrated by a glance at the maps and a study of the Bureau of Mines production records.

Essentially, it is a record of the discovery of the rich gold-silver Mary Ettie vein at a high altitude in a hard place for mining; the discovery of rich and extensive silver ore as float on the hillside below the Mary Ettie vein toward Clear Creek, and an attempt to put through a crosscut tunnel from the creek level to cut these several veins.

The work seems to have been done sporadically and with inadequate financing. This is the statement of Mr. Stephens who was directly interested throughout, and it is borne out by the Bureau of Mines record, which shows intermittent operation by numerous companies and lessees. The map shows the tunnel was not driven straight and exploration of the veins encountered was absurdly limited. These all point to a story of financial inability to carry out a methodical and planned development. No criticism is intended; rather, a commendation of the perseverance and faith shown.

Today, the combined properties show considerable workings on the Mary Ettie; the Gold Belt Tunnel, in about 3000 feet, with short drifts and small stopes at the tunnel intersections with veins, and the Hamill Tunnel, parallel and about 1000 feet east, with similar short drifts and stopes embracing most of the ground opened by drifting.

PRODUCTION:

The output of the two tunnels, as well as that of the Mary Ettie, shows a satisfactory record of ore won considering the small area stoped.

I was unable to find any complete record of production. The only data available were smelter settlement sheets which gave an excellent idea on the character of the ore but were incomplete. I am therefore unable to give any authenticated statement of the total value of the output.

Such records as I find do not entirely substantiate the commonly reported figures, but as the records are not considered complete, and do not give total values, it is probable that the production of the three main workings has been in the neighborhood of $150,000.00.

BUREAU OF MINES RECORD:

This record is given in Appendix A, herewith. The record is made from the voluntary reports of the mine operators. It does not go back of 1901, hence the Mary Ettie principal output is not included. Some of the earlier reports may not be complete.

In general, however, the record is to be depended on for a good picture of the mine's production history and a good approximation of the total output.

PROFITS FROM PAST OPERATION:

There is no record whatever, so far as I have ascertained, of the costs and profits of the operation of the mine. The high light of the mine's history seems to be the Chamberlain Lease on the No. 16 vein in the Gold Belt Tunnel, reported to have yielded $150,000.00 from the one small stope. This operation was undoubtedly quite profitable.

The production record of the Hamill Tunnel shows attractive figures and undoubtedly represents profitable operations.

The two tunnels have a total of roughly 5900 feet of development work. Much of this was doubtless done at a moderate figure; the general average of $15.00 per foot should cover the work, or a total cost of around $90,000.00, which compares favorably with the total production. I know of few tunnels as long as these, with so little lateral exploration, that can make as good a showing.

If operations were profitable the natural question is why stopes were abandoned and development not carried on. While I have no direct knowledge from records or from contact with the various operators, my belief is that the answer lies mainly in the fact that operations were practically leasing operations during most of the production.

A knowledge of the unsatisfactory and sometimes almost disastrous results of sporadic leasing in the mines of Colorado is sufficient to answer the question in many cases. "Leasers will not develop" is an axiom. I believe also that the crushed nature of the veins, with their wide widths and undoubted tendency to cave would explain why a leaser will will abandon a stope after it reaches an appreciable height and expensive timbering becomes a necessity, coupled probably with a local impoverishment of the ore.

A complete study of the geology was without the scope of this investigation. Certain practical matters were open to examination and will be discussed.

GENERAL GEOLOGY:

The area lies just west of the western edge of the Georgetown quadrangle, described by Spurr and Garrey in P.P. 63 of the U.S. Geological Survey and its general geology is a continuation of that exposed in the nearby quadrangle. The area has been geologized by Dr. Lovering of the Survey and the geological map is due to be out soon.

The entire area is one of gneisses, schists, and granites with intrusions of several varieties and ages; these latter occur as masses and dikes of varying sizes and altitudes. In practically all cases the veins, which are generally fissures, are of later age than the dikes.

There is no rule as to the localization of ore with reference to the dikes except that the conjunction of vein and dike, whether by intersection or close parallelism, usually results in fracturing favorable to ore deposition. A vein parallel to a dike will often weave to some extent, contacting and then leaving the dike, with ore bodies sometimes formed in the portions not in contact with the dike.

Faulting is relatively unimportant, at least as regards cross-faulting and dislocation of ore bodies. The veins themselves are usually fault fissures. An example of faulting is shown in Appendix B herewith, a diagram of the conditions in the east end of the last drift of the Hamill Tunnel.

The "Gold Belt" referred to in the reports is a well recognized belt of gold-bearing veins lying within the general silver-bearing vein area. It lies just ahead of the two tunnels on this property and is a promising area.

While the geology is structurally complex, the economic geology well understood locally and mine operators do not often encounter difficulties in finding and following ore.

VEIN AND DIKE SYSTEM:

This system was not well exposed for study in this examination but the principal features were evident. In brief, there were several roughly parallel veins of north-easterly trend, which is the general trend of the entire region. Most of the dikes known have the same trend and the veins are usually found in close association with the dikes, generally nearly parallel.

The veins are crosscut by the two tunnels, with depths from surface increasing as the tunnels proceed south. These depths vary from around 400 feet to about 2000 feet, or more, on the Mary Ettie vein, which has not been reached as yet.

Some of the veins cut, as exposed in the Hamill Tunnel, are small-barren fissures where cut. They do not appear to offer such promises; but if future development discloses cross fractures which cut the vein system, it is possible that these fractures will contain orebodies at the intersections. Localization of ore deposition at fraction intersections is the most prolific source of ore in this region; since it is a common structural feature, it occurs to me to suggest that it is a possibility in this case, though no optures, the north-south dike mapped by Mr. Harrington between the two tunnels suggests the possibility.

CHARACTER OF THE VEINS:

Exposures of the veins underground are in unsatisfactory condition for examination since they are generally timbered rather heavily and the stopes are caving at the top.

However, the exposures are sufficient to give a very good idea of the type of vein; and these with the report of the Mineralogical and Metallurgical Laboratory (Appendix C) and numerous examples of vein filling on the dumps, lead to conclusions as to the nature of the veins.

The conclusion is that the veins are not open fissures filled with vein matter, but shattered or seamed zones crushed by weight rather than by such movement. There are abundant seams filled with valuable ore minerals but they are usually very narrow and many of them are cross or diagonal fractures rather than parallel with the strike. The general appearance is that of brecciation or at least incipient fracture and the mineralization has the appearance of cementation as well as filling of the small fissures. The conclusion is strengthened by the description of outcrops given me by Mr. Stephens; these are described as natural breccias, which I assume are the natural result of slump due to reddy disintegration of the loosely bound mass. Abundant water coming down the stopes, and the great tendency to cave are further evidences of the fractured nature of the veins.

The practical importance of the conclusion is the inference that stoping must be done carefully to prevent losing the ore (borne out by the experience of the operators); and that under favorable conditions such veins, which in this case are sometimes wide, such as 10 to 20 feet, may be mineralized over their entire width making large bodies of milling ore.

While I have not had opportunity to observe it, the evidence indicates that there is usually a major ore streak, as would be expected. This is reported to be near the wall, likewise to be expected. It is of considerable width and richness. There is a tendency, however, to irregularity, the main ore streak "jumping" across in the vein to occur in overlapping lenses. In such a condition much of the remainder of the wide vein could be expected to contain minor veinlets which would give it a milling grade value. The experience of lessees in extracting stope fills indicates this is the case; the list of my samples in Appendix D bears this out, as does the appearance of the material sorted from the fills -- fairly large pieces of vein material streaked with narrow mineral seams return an excellent assay.

DESCRIPTION OF THE ORE:

The ore observed is a somewhat crushed and considerably altered rock, with considerable quartz, with quartz veinlets and with seams and irregular masses of sulphide minerals. The most abundant mineral is a dark blend of zinc sulphide with a less amount of galena or lead sulphide and varying amounts of pyrites, iron sulphide; with these are associated the silver bearing minerals.

The silver bearing mineral is principally the "gray copper" of the miners; Appendix C, the petrographic report, indicates this is principally tetrahedrite. It is a very common constituent of the rich silver ores. Doubtless there are other silver minerals present especially in the zone of secondary enrichment which should lie higher in the veins.

The zinc, while more or less of a detriment, is so closely associated with the silver in most of the ores of the district, it cannot be rejected. The single sample of selected blend which I obtained does not indicate a very high silver content in this zinc, which may be helpful in milling of the ore. Careful laboratory tests of the separation qualities of the ore will be necessary before this matter can be decided. In general, however, the ore would not appear to offer any unusual difficulties in concentration outside of the silver-zinc problem. The records show that a considerable part of the output was sent to local mills for concentration and that the concentrates did not carry a prohibitive amount of zinc, although penalties were paid. If the silver can be released from the zinc and recovered with the lead, a marketable zinc product can doubtless then be made; the zinc is dark in color and is doubtless marmatite or iron-bearing, which will prevent making a very high grade of zinc concentrate.

SECONDARY ENRICHMENT:

Downward secondary enrichment is a common feature of Colorado silver veins; the records of the great silver producers nearest this property show that an important zone of enrichment was found from the surface down to 300 feet or more. Below this the ores gradually merged into primary ores with gradually decreasing silver content. In a good vein, this primary ore was still profitable to considerable depth, sometimes well over 1000 feet.

SECONDARY ENRICHMENT:

While there is little or no opportunity to make a study of this matter, since surface workings are said to be shallow and caved, it seems quite reasonable to expect that the upper portions of these veins will be richer in silver than the portions exposed to the tunnels.

PERSISTENCE WITH DEPTH:

The veins of this region persist generally to depths below all mine developments, and the major dikes persist well over 1000 feet.

The veins on this property appear to have sufficient length to class them as likely to persist to depths comparable to the others mentioned. From the appearance of the veins so far studied, and reasoning by analogy with the general behavior in the region, ore can be expected below the tunnel levels, perhaps for some hundreds of feet.

GEOPHYSICAL STUDIES:

From considerable practical experience with geophysical methods of geological study, I am inclined to believe that electrical methods would be of use on this property. Relatively inexpensive preliminary work would give a practical idea of the benefits to be expected.

Many factors enter into this consideration, some of which I have not investigated as yet, but as a general principle it would seem that these veins offer some promise along this line. The principal lines of work would be detection of possible orebodies by surface surveys as well as self potential work in drifts and crosscuts; localization of ore in zones of unusual brecciation, with streaks of sulphide mineral and abundant water would very likely respond to electrical detection methods.

Of further interest, would be the tracing of the vein system by survey of the surface, and the following out of the dikes. Data of this nature would be very useful in guiding the future development.

SAMPLES:

The samples taken by me are listed in Appendix D.

The sampling was limited to outside material, more because time and expense of getting at stope backs and fills were prohibitive than because no exposures could have been found.

The samples are therfore type samples and not directly associated with measurable quantities of ore. With the records of shipments shown by ore settlement sheets, however, a good idea is obtained as to the value of the ore.

From the assay list the following is deducted:

1 - The general list of the ore dumps will be low in grade.

2 - The fine material of the ore dumps will probably be of good milling grade while the coarse portion will yield a moderate amount of very good ore by hand sorting.

3 - The zinc, which is dark and probably iron-bearing, does not in the specimen assayed, carry high values in silver as was expected.

STOPE FILLS:

The figures from the 4000-pound that indicate about half the fill is profitable ore averaging 31.6 ounces silver per ton. This is undoubtedly a high figure fro the entire tonnage of fills in all stopes. From a review of available data however, it would seem reasonable to estimate the value per ton in silver of the recoverable portion of the fills at half this figure; or 16 ounces. The gross tonnage in the fills I would put at a minimum of 15,000, and the tonnage of recoverable 16-ounce ore at a third the gross, or 5,000 tons.

PROBABLE ORE:

Outside of the dumps and fills, which may be considered as highly probable ore, there are of course no bodies which may be classed as positive ore.

The upward (and downward) continuations of the orebodies mined are, in my belief, quite promising and, in my opinion, the investigation or development of these should be one of the first objects of the proposed operation. The direction which this continuation may take is problematical also, as there seems to be no information concerning "rake" of the ore bodies. This is only a matter of operating concern for the present however, and will be determined as exploration progresses. I can see no reason why more ore should not be expected in the direction mentioned, since most ore bodies of the region are "shoots" with more or less definite trend upward and downward.

There is no data on which to compute quantity of probable ore; but as I would expect more ore to be found in the continuation of the known shoots than has already been mined, as well as the discovery of other shoots by lateral development along the veins, I believe the amount of probable ore is a very attractive consideration. With the principal tunnel work already done, future developments should discover ore that would return much more than the cost of development and extraction.

As indicated, I would expect the ore to be of two classes; one would be the selected "shipping ore" already concentrated by nature to a value comparable to the concentrate that would be produced by treating the lower grades. This shipping ore would be hand-selected and sold direct to smelter; its value has ranged from 50 to 60 ounces per ton to occasional lots of several hundred ounces, in the past. The lower grade material would be that remaining after selection of the shipping ore, and under proper control should make a good ore for treatment in a mill.

The value of the milling grade of ore is not a matter of exact estimation; it will, as a matter of fact, be matter largely of control in the mining operation -- the stopes should be mined in such manner, if possible, as to keep the reject from shipping ore up to suitable milling grade. Appendix A, summarizing and averaging the total amount of ore shipped from the Gold Belt Tunnel to local mills, gives a good idea of the grade of ore that was formerly produced for milling. This figure is 14 ounces silver per ton and 1.9 per cent lead. At present prices this ore would have a gross value of $10.73 per ton, which is a very satisfactory figure.

OPERATING COSTS

Under good operating conditions, with a [illegible] organization and several development headings sharing the overhead costs, the average development cost is usually around $ [illegible] per foot. This sum, of course, is increased when all operating costs must be charged to development, and decreased when ore extraction shares the overhead expenses. Other factors bring individual cases to a somewhat lower figure.

The general operating costs on a basis of [illegible] tons per 24 hours I estimate to be:

Mining	$ [illegible]
Milling	$ [illegible]
Marketing	$ [illegible]
General	$ [illegible]
Total	$ [illegible]

This can undoubtedly be improved upon by better control of stoping and milling as experience teaches. For the present however, the high cost of marketing keeps the total figure rather high.

GENERAL ANALYSIS

GENERAL CONDITIONS.

The operating conditions are good and are better than many Colorado mining districts. Good mine [illegible] power service is excellent, water, timber, and general mining supplies readily available at fair prices, with no interruptions to be expected from weather, and with a ready market for product at all times. The major items of mining equipment are already on the ground. An excellent mill site is owned and an unusually good site for [illegible] can be readily secured. I am informed [illegible] to be [illegible] than the average, due to the [illegible] and the zinc problem [illegible] complicate the milling of the ore, but [illegible] to be exceptionally troublesome.

OPERATING PLANS

Without a study of the Gold Belt Tunnel and the surface I am not in position to discuss detailed development or operating plans. My general study, however, is sufficient to point out several principal lines of development as the main plans to be followed. These are exploration of the known oreshoots, forward and lateral exploration along the two veins which have been most productive. The extension of the main tunnel ahead should be subordinated to development of the veins already opened as should also the building of a mill.

Viewed as a whole, it is my belief that the entire operation should be controlled and guided by the general principle of development first and production secondary.

There is not enough operating experience to form of concrete data to form an accurate basis for laying out a closely figured budget. This being the case, effort should be concentrated on:

1. Concentration of development work on the Gold Belt Tunnel. Work in the Hamill Tunnel will be [illegible] later, as conditions develop in the Gold Belt [illegible].

SAMPLES:

4 - A large smaple of stope fill from the Hamill after screening and sorting shows not only a good grade in silver for the whole sample, but and excellent ore in moderate amount of the sorted coarser sizes.

5 - Low grade altered country with little mineralization may carry milling values.

6 - Good type ore from the Mary Ettie is high in both gold and silver.

ORE SETTLEMENT SHEETS:

Typical sheets are copied as to essentials in Appendix E.

These sheets are about the average as to silver values in the major portion of the shipments which I inspected, showing about 50 ounces silver per ton.

Comment on the ore sheets is given in Appendix.

DUMPS:

It is difficult to assign a definite value per ton to the ore dumps, or to estimate their amount closely. Much time and a great deal of expense would be entailed in making accurate determinations, hardly warranted by the circumstances.

The ore bearing portions of the dumps have been kept segregated in a commendable manner and some shipments have been made from these. Mr. J.E. Bennett, one of the two sets of lessees now in the Hammill mine, informed me that he had shipped two 25 - ton lots from the Hamill dump, one of which returned 21 ounces silver, the other 36 ounces, per ton.
I have what is said to be the settlement sheet for the 21 ounces lot and this is exhibited in Appendix F; the sheet indicates that the actual assay of the lot was 25 ounces per ton.

Inspection of the dumps at the two tunnels shows a probable tonnage of about 15,000 tons for the two, about equally divided between the two. The segregation from waste dumps is not distinct enough to permit of accurate estimation of tonnage but rough measurements and inspection indicate a figure approximating the above.

On the assumption that the dumps will yield about the same tonnage proportions as the stope fills, about half the 15,000 tons would be ore. I am unable to assign an exact value per ton to this, but am satisfied that it will be a grade that will yield a profit over reclaiming and concentrating in a mill built on the property.

STOPE FILLS:

The only data on this are the 4000-pound sample of fills from a stope in the Hamill Tunnel, taken by J.E. Bennett and detailed in Appendix G. The additional fact that at the present time the Bennett brothers and the Reidy brothers are operating two leases on the Hamill Tunnel with the intent of extracting stope fills indicates that practical men find these fills profitable to handle by crude handling methods.

OPERATING PLANS CONTINUED:

2. Development in the Gold Belt Tunnel:

   (a) Exploration of known shoots upward.
   (b) Continue crosscut to vein beyond porphyry.
   (c) Drifts east toward the shoots already known in Hamill Tunnel along the veins known to contain those shoot.
   (d) A drift west along the vein known to be heading for the rich silver float ore.

3. Sampling of the stope fillings and dumps and preparation of those that are found to be good, for milling.

4. Detailed laboratory work to determine the practicability of washing and sorting, and the flowsheet and design a mill.

5. Erection of a mill upon the property, its size and design to be determined after the above major features have been carried far enough to permit of definite estimates.

RETURNS TO THE INVESTOR:

It should be clear to the reader who has followed this report to this point, that while the project is quite promising, indeed, there are no basis on which to calculate probable profits to the investor. The 12,500 tons of ore already available which my estimates have arrived at and which may prove to be more after the Gold Belt Tunnel is opened, should yield a profit of $35,000 to $40,000. This is a very good foundation for the plan. The ore which is expected to be developed should in my opinion greatly exceed the amount of ore already extracted and yield a profit much in excess of the $99,000.00 which it is proposed to spend.

Respectfully submitted,

(Signed) C.R. Willey
Mining Engineer

APPENDIX A

U.S. BUREAU OF MINES RECORD

GOLD BELT TUNNEL:

YEAR	OPERATOR
1902	Robert Bros. & Noyes -- the "Marietta"
1905	Silver Plume Mining Company -- no production
1906	" " " " " "
1907	" " " " " "
1908	Silver Plume M. & T. Co. "Marietta" -- no production
1911	" " " " " " " " " "
1912	" " " " " " W.H. Stephens, Manager
1913	" " " " " "
1914	Silver Plume Leasing Co. (Silver Plume Tunnel added to group)
1915	Silver Plume Leasing Co.
1919	Silver Plume Tunnel
1920	Chasfield Mining Co., W.H. Stephens, Secretary
1921	Silver Gem Mining Co., Lessee
1922	Chasfield M. & M. Company (leased to Elmwood M. & E. Co., Oct. 22)
1923	Elmwood Mining & Exploration Company (Chamberlain Lease)
1924	No production
1925	Elmwood M. & E. Company, Ed Chamberlain, Manager
1926	No production
1927	Altland & Taylor, lessees
1928	" " " "

HAMMILL TUNNEL:

YEAR	OPERATOR
1924	Hammil M. & T. Co., E.J. Schmidt (Philadelphia M. & T. Co., owner)
1925	Hammil M. & T. Co.
1928	Ed Chamberlain, Lessee

APPENDIX A (Continued)

U.S. BUREAU OF MINES PRODUCTION RECORD

GOLD BELT TUNNEL (Omitting Mary Ettie;)

YEAR	TON ORE	CONTENTS			
		Oz. Silver	Lb. Lead Gross	Lb. Lead Recovered	Lb. Zinc
1911	2	183	1 644	1 397	
1912	16	3 197	1 644	1 397	
1913	28	2 926	3 359	2 855	
1914	22461	23 818	102 977	86 679	180 671
1918	27		1 590		22 260
1919	5	242	74	64	
1920	41	535	1 656	1 433	
1921	23	2 700	1 797	1 634	
1922	238	4 495	4 604	3 982	
1923	1390	76 877	97 172	84 055	46 630
1926	108	1 045	4 372	3 825	10 082
1927	6	1 074	1 415	1 002	3 585
1928	16	2 219	2 433	2 131	7 298
Totals	4013	11 8 811	222 093	189 057	

AVERAGE PER TON 29.5 oz 2.76%
Ave. Value per ton at 71¢ silver and 2.2¢ lead.....$22.15

MILLING ORE:
Of the above, 3018 tons was listed as sent to mills.
This contained:
33 769 oz. silver and 90,100 lb. lead recovered.

Average assay:
11.2 oz. silver 1.5% lead

Estimating that 80% was recoverd in mills, the original assay of the ore was:
14.0 oz. silver and 1.9% lead

BANNIL TUNNEL:

1924	352	32 160	25 386	21 959	68 247
1925	439	36 972	31 075	27 191	
1926	7	1 034	953	834	2 650
Totals	798	70 166	57 414	49 984	70 897

AVERAGE PER TON 88.0 oz. 3.6%
VALUE AT PRESENT PRICES.....$63.27 per ton

APPENDIX B

DIAGRAM OF FAULT E. BREAST NO. 16 HAMMILL

THE FAULT is later than the vein.

THE DISPLACED PORTION of the vein probably lies to the right of the drift.

APPENDIX C

MINERALOGICAL & PETROGRAPHICAL LABORATORY

701-702 Mining Exchange Building

Phone TAbor 5755

Denver, Colorado

April 20, 1935

Report on Sample MPL No. 66 WB 2140

This sample submitted for examination contains the following minerals:

Quartz	Silicon Dioxide
Sphalerite	Zinc Sulphide
Galena	Lead Sulphide
Tetrahedrite	Copper antimony sulphide
Tennantite	" arsenic "
Chalcopyrite	" iron "

Originally sphalerite, galena, and tetrahedrite formed a primary sulphide deposit with quartz as the gangue mineral. At a later stage, this deposit underwent a brecciation that apparently formed a few small cracks and fussures. A deposition of galena followed, that in part replaced the sphalerite, besides filling the openings, forming small veinlets of galena. Following this deposit of galena, minute amounts of chalcopyrite were deposited.

The gray copper ore is nearly all tetrahedrite, with an occasional grain of tennantite in close contact with the tetrahedrite.

We recommend that a silver assay be made.

Very truly yours,

MINERALOGICAL & PETROGRAPHICAL LABORATORY

APPENDIX D

WILFLEY & BRIBACH
Assayers, Chemists & Technicians
ORE TREATMENT problems

1949 Broadway
Denver, Colorado

WE CERTIFY that samples assayed for _____
Gave the following results:

Description	Ounces per ton Gold	Ounces per ton Silver	Copper Per Cent	Lead Per Cent	Zinc Per Cent
#1	0.04	135.1		2.0	
#2	0.01	62.5			
#3	0.12	19.2	00.0		39.1
#4	0.02	183.9		4.9	
#5	tr.	15.3			
#6	tr.	182.1			
#7	5.68	160.1			
#9	0.29	12.1	00.00	0.0	0.0
#10	0.01	39.2	00.0	0.5	3.1
#11	tr.	5.2		0.0	0.5
#12	tr.	7.6		0.0	4.3

Gold at $35.00 oz. Silver at 71¢ oz. Lead at 2.2¢ a lb.

1.	S.E. Cor. Gold Belt Orehouse; cobbed, selected ore 3 tons from the dump Value per ton	$98.20
2.	N.E. Cor. Gold Belt Orehouse; lower grade ore about 3 tons selected from dump	44.72
3.	Selected Zinc Sulphide, G.B. Dump	17.83
4.	140 lb. selected cobbed ore Hammill Vein #15, cobbed selected from 4000 lb. stope fills	131.27
5.	2000 lb. fine screened 1 1/4 in. from same	10.86
6.	75 lb. coarse uncobbed ore from same	129.29
7.	Large piece of ore from Mary Ettie	312.47
8.	Specimen from No. 9 Vein, G.B. Tunnel	
9.	Fines thru 1 3/4" screen; 6 tons, from No.16 vein, Gold Belt, 100 ft. E. of the Chamberlain Stope	18.74
10.	Coarse material on 1 3/4" screen, from Sample #9	28.18
11.	G.B. Dump, N.W. tip, 15 ft. cut along the S. slope half way down	3.69
12.	Chunk seamed country rock, G.B. Dump	5.40

WILFLEY & BRIBACH

APPENDIX E

DATA FROM SETTLEMENT SHEETS -- CRUDE ORE

	Lot 1429	Lot 180	Lot 304
Date	June 19, 1923	10-12-1934	12-22-1934
Dry Weight-Tons	23,305	38,235	13,895
Assay:			
Gold, oz. per ton		0.04	0.01
Silver, oz. per ton	64.72	20.60	60.00
Lead, per cent	4.0		1.60
Insoluble, per cent	56.8	79.2	75.00
Iron, Mang. per cent	7.7	3.8	3.40
Zinc, per cent	12.32	2.35	7.30
Gross Value per ton	$42.91	$11.73	$35.94
Silver Quotation	65-1/8¢	64-1/8¢	64-1/8¢

Lot 1429.....Elmwood Mining & Exploration Co. (Chamberlain)

Lot 180 .....L.G. Thomas (Bennett Lease on Hammill)

Lot 304 .....Frank Rantz, Lease on Hammill

DATA FROM SETTLEMENT SHEETS -- CONCENTRATES

	Lot 1559	Lot 4014	Lot 6273
Date	7-5-23	10-24-23	3-6-35
Dry Weight-Tons	21.733	24.932	4.117
Assay:			
Gold, oz. per ton	0.07	0.08	0.15
Silver, oz per ton	161.76	59.31	250.20
Lead, per cent	8.3	6.05	8.15
Insoluble, per cent	21.8	12.55	0.32
Iron, Mang. per cent	15.0	19.30	12.30
Zinc, per cent	21.75	22.10	26.18
Gross Value per ton	$111.52	$4[illegible].22	$158.68
Silver Quotation	63-5/8¢	63-1/4¢	64-1/8¢

Lot 1559.....Elmwood M. & S. Co. -- Chamberlain -- from 185 tons ore (9 tons into 1)

Lot 4014..... " " " " "

Lot 6273..... Frank Rantz -- Hammill Lease; the ore came from a 30 foot winze on No. 16 vein not far from Fault.

A number of much higher grade shipments were noted, but are not included on this list of representative smelter sheet.

APPENDIX F

ORE SETTLEMENT SHEET -- DUMP SHIPMENTS

A smelter settlement sheet from the Golden Cycle Corporation (The "Golden Cycle Mill" at Colorado Springs) bears the notation "Hammill Dump" and represents shipments made from the Hammill Dump. The date is June 30, 1930.

This shows two lots:

Lot	Wet Weight Pounds	Per Cent Moisture	Dry Weight Pounds	Silver Oz. per ton
2705	50 720	3.2	49 096	25 00*
2706	51 160	2.6	49 830	16.50

APPENDIX G

LARGE SAMPLE OF STOPE FILLS

The following tabulation shows the quantities and assays obtained from sorting a 4000-lb. sample of fills taken from the stope on No. 15 Vein in the Hammill Tunnel, by J.E. Bennett, the lessee.

The several piles of sortings were on the dump at the time of my visit and were sampled by me. The samples assayed:

No.	Description	Weight Pounds	Oz. per ton Gold	Oz. per ton Silver
4	Cobbed and selected first class ore	140	0.02	183.9
5	Fines thru 1 1/4" screen	2000	Tr.	15.3
6	Coarse material on the above screen, selected because well mineralized	75	Tr.	182.1
	Waste, not sampled	1785		
		4000		

These result in the following figures;

140 lb x 183.9 oz. silver..... 25,746
2000 lb. x 15.3 oz. silver..... 30,600
75 lb. x 182. oz silver..... 13,657

70,003 divided by 2215 .....31.6 oz. per ton
Average value of the material after throwing out the waste.

By using the same method, the average of the entire 4000 pounds without removing waste would be

AVERAGE ASSAY OF FILLS.....17.5 oz.

APPENDIX H

(To my report of April 22, 1935, on the property of The Gold Belt Tunnel and Mining Company. Appendix submitted April 24, 1935, separate from report O

SAMPLE NO 8

SPECIMEN FROM VEIN 9 GOLD BELT TUNNEL

Attached is the assay certificate of Wilfley & Bribach, Denver, Colorado, dated April 23, 1935, showing the assay of my Sample No. 8, the specimen from No. 9 vein, Gold Belt Tunnel, which was submitted for petrographic analysis, The Assay results are:

ASSAY OF SAMPLE NO. 8

Gold	Trace	
Silver	2514.4	oz. per ton
Lead	17.2	per cent
Copper	1.8	per cent

The noticeable facts of this assay are the entire absence of gold, the very high silver assay, the low copper and the high lead assay.

The absence of practically any gold indicates that the large silver mineralization was absolutely distinct from the gold which occurs elsewhere byt near by.

Specimens of metallic silver were shown me from these mines, in which the silver occurs an minutely thin, rough leaves apparently occupying microscopic fissures, and often in altered wall rock associated with the sulphides. This suggests secondary deposition, either by solution or by reduction in place.

As no metallic silver was observed nor reported in Sample [illegible] the high silver (almost 9 per cent) with the low copper assay [illegible] the gray copper is the well known substitution product in which copper is replaced by silver.

Although the petrographic report does not note secondary [illegible] these facts strongly imply that at least a part of the high silver assay is due to secondary enrichment. "

The practical importance of this study is the inference that [illegible] is in the zone of secondary enrichment, on No. 9 vein (450 [illegible]) and enriched ore may be expected immediately above, with [illegible] going much deeper.

EXH

ANAL

OF

GOLD BELT-HAMILL GROUP OF PROPERTIES

Situated in

CLEAR CREEK COUNTY, COLORADO

(O)
OOO
O

By

PERCY R. ALSDORF, E. M.
Central City, Colo.

November 1, 1934

ANALYSIS OF

THE GOLD BELT-HAMILL GROUP OF PROPERTIES

The Gold Belt-Hamill Group of properties are situated on McClelland Mountain, Clear Creek County, Colorado, three miles west of the town of Silver Plume.

They consist of the following claims.

GOLD BELT GROUP

Patented Claims

The Gold Belt Tunnel.
Quaker Millsite, U.S. Mineral Survey No. 19085.
Relief, U.S. Mineral Survey No. 19085.
Vesta, U.S. Mineral Survey No. 19085.
Elizabeth, U.S. Mineral Survey No. 19085.
Silvery Stream, U.S. Mineral Survey 19085.
Sea Gull, U.S. Mineral Survey No. 19085.
Jack Pot, U.S. Mineral Survey No. 19353.
W A H, U.S. Mineral Survey No. 19358.
Mary Etta, U.S. Mineral Survey No. 19098
H. L., U.S. Mineral Survey No. 19098.
Maggie L., U.S. Mineral Survey No. 19098.
Liberty Belle, U.S. Mineral Survey No. 19098.
Wm. Penn., U.S. Mineral Survey No. 19098.
Stephen Girard, U.S. Mineral Survey No. 19099.
Benj. Franklin, U.S. Mineral Survey No. 19098.
Golden Star, U.S. Mineral Survey No. 19098.
Thadeus Stevens, U.S. Mineral Survey No. 19098.
Q. Roberts, U.S. Mineral Survey No. 19099.
Julia R., U.S. Mineral Survey No. 19098.

Unpatented Claims

Songster, Virgin, Wedge, Rosebud, Mohawk, Birmingham, Great Western, Gale, Snowslide, Neglected, Fairview, Connecting Link, Forest Hill, Majestic, Washington, Gladiator.

HAMILL GROUP

The Hamill Tunnel.
The East 450 feet of the Red Lode Mining Claim, U.S. Mineral Survey No. 19085A.
The P. H. L. Lode Mining Claim, U.S. Mineral Survey No. 19085A.
The King Lode Mining Claim, U.S. Mineral Survey No. 17337.
The Queen Lode Mining Claim, U.S. Mineral Survey No. 17337.
The Protection Lode Mining Claim, U.S. Mineral Survey No. 17337.
The Mother Lode Mining Claim, U.S. Mineral Survey No. 20282.
The Van Dyke Lode Mining Claim, U.S. Mineral Survey No. 20282.
The Priscilla Lode Mining Claim, U.S. Mineral Survey No. 19906.

Development:

The development consists of shafts and tunnels of minor extent on each of the several claims, with production of gold ore on the Mary Etta and Q. Roberts; a tunnel on the Frazier about 400 feet long with drifts: and on the Queen about 250 feet long with drifts 300 feet long.

The main developments are: The Hamilt Tunnel, 1920 feet long, at an altitude of 9560 feet, with drift at #5 200 feet and at #15 and #16 about 200 feet with raises and stopes; the Gold Belt Tunnel, 2960 feet long, with drifts at 600, 900, 1450, 1600, 2100 and 2800 with raises and stopes.

Topography and Climatic Conditions:

McClelland Mountain raises from 9420 feet at the portal of the Gold Belt Tunnel to 12,950 feet at Ganley Peak, a distance of 8,500 feet, goes from an all the year around accessible place at the portal to an altitude accessible only three months in the year, with very difficult transportation. These factors have prevented the development of the several known lodes of this group from the surface to any great extent, the work mainly being the establishment of the veins, their value and their character, with considerable production made under difficult conditions.

Geology:

The country rock is mainly crystalline granites and gneisses, intruded by several series of porphyry dikes and laccoliths. Mr. J.E. Spurr, in professional paper No. 63, Economic Geology of the Georgetown Quadrangle, calls attention to a series of intruded porphyries, one of which series appears to be the genesis of the noted silver veins of the district, and to a second series which was formed later and was the genesis of the gold veins of the Quadrangle and noted instances where the older silver veins were reopened and enriched with considerable gold value.

Mr. Bastin, in No. 94 on Gilpin County, cites similar situations.

The economic value of this lies in the doubly enriched veins by the two intrusions, making larger and more continuous bodies of profitable ore available.

In this area owned, the surface outcrops of ore showing and mined indicate an area extending from the Birmingham, South beyond the Mary Etta and east, taking in the World's Fair on Ganley Peak, and north to the present breast of the Gold Belt and the Hamilt Tunnels making an area exceeding 6000 feet east and west by 5000 feet south of the present breast of those tunnels, which, to all appearances has been doubly enriched from the two intrusions. The gold shipments from certain surface discoveries of this area have been extremely rich, while in others the shipments contained rich silver ore augmented by good gold content. Operation difficulties apparently prevented the development of these promising showings in the past.

It appears that the breast of the Hamilt Tunnel, cutting through a porphyry dike, has entered into this zone of the double enrichment, as the vein operated at the 1620 point has shipments of gold-silver ore in which the gold content was about $90 per ton at the present prices, while the silver content averaged about the same as the silver belt veins already cut by the tunnel.

The present breast of the Gold Belt Tunnel is in the same porphyry dike, with probably 20 to 30 feet to cut through it.

The silver belt has already been penetrated through by both tunnels, and has opened several silver veins, none of which have been explored to any extent. The only one, No. 16, in the Gold Belt Tunnel has a stope 20 feet long by 100 feet high from which is said to have been produced, $150,000 in silver ore, and about $50,000 on No. 15 in the Hamill Tunnel. The several other veins cut by these two tunnels are of good width and show profitable values at the present price of silver and are important developments with expectation of opening up larger bodies of ore and in working toward the surface to encounter the secondary enriched zone which has been such a bonanza in the district.

Present Equipment:

GOLD BELT

Compressor House, approx. 20 x 40, iron covered.
Snow Shed, Ore House and Ore Bins.
2 - three room cabins.
Stable and Coal Shed.
1 - Transformer house.
1 - Ingersoll-Rand Air Compressor, belt driven,
1- 75 H.P. Motor.
3 - Large Transformers, lightning arresters, etc.
Blacksmith equipment.
Ventilating Fan, Vent Pipe, 12 in. Steel, 2000 ft.
3000 feet track and ties.
3000 feet air line.
Water right on Wide Awake Stream.
Headgate 1000 ft. above tunnel.

Value to property $5,000 per year.
Abundance of timber for mining and much saw timber.

HAMILL

1 - Five room Cabin
1 - 20' 40' Bunkhouse.
1 - Large Ore House.
1 - Snow Shed.
1 - Heating Plant.
1 - Compressor House.
1 - Ingersoll-Rand, Imperial Type #10 Compressor
1 - Blacksmith shop.
Ventilating Plant.
Approximately 1700 feet track and ties.
1600 feet Air Line.
Abundance of timber.

Proposed Development:

(1) The driving of the lateral west on #16 of the Gold Belt Tunnel and raising for the contunuation of the ore body worked at the tunnel.

(2) The putting up of a three-compartment raise adjecent to the stope at #16, so that the continuation of the ore body which produced $150,000 in 100 feet of stoping may be developed.

This zone which ranged up to 40 feet in width was worked in a haphazard method and by a cave was lost, burying an estimated $50,000 worth of ore. To retrieve it, the best method of attack seems to be the making of another three-compartment raise and work into this great zone by several sub-drifts from it. This will be the earliest "quick ore" of great volume.

This [illegible] basis [illegible] Ap[illegible]

(3) The sinking of a winze on the Vesta Lode which has very good ore showing and will make immediate ore. From this situation other developments along this vein will be obvious.

(4) The continuation of the main tunnel through the porphyry dike to the vein showing in the breast of the Hamill Tunnel, which appears to be in the doubly enriched zone, and the driving of a lateral along it east, developing it and to make an air of circulation connection with the Hamill Tunnel about 140 feet above. Also, to drive west along this vein with probable finding of unknown ore shoots.

(5) The driving of the Gold Belt main tunnel along its present course across the indicated "Gold Belt" with the expectation of encountering several veins which appear on the surface and at depths of 1500 feet to 3000 feet along their dips.

The notable ore being the extension of the Mary Etta which should be encountered at about 1,000 ft. extension of the tunnel.

There is indicated a large porphyry dike at the surface which may be related to, as is usually the case, an important gold-silver vein. The which when found to be has a dip of about 1800 feet to the surface.

The continuing of the tunnel to a total distance of 8,000 feet would undercut the World's Fair Mine which produced such fabulously rich gold ore on the surface workings. This would be intersected about 3,500 feet below the surface.

Doubtless, a number of other veins of which little is known from the surface workings will be intersected and may prove of great import.

The Economic Point of the Developments Proposed:

Aside from the immediate ore which will be found in the Vesta, the #16 stope and drift and other veins of the silver belt, the proposed developments will open up gold-silver veins in a definite belt, the which will be operated at the greatest possible efficiency.

(1) At an altitude permitting year around work.

(2) The cheapest mining, development and transportation by the tunnel for the ores and drainage of the property by gravity.

(3) The establishment of milling plant and reduction works at the portal for all of the ores, enabling ores of a grade exceeding $5.00 per ton contained value to return a profit.

(4) The possession of a title to all the veins which may be encountered in the proposed development.

It is seldom that a picture such as exhibited by this consolidation is presented, and I believe it has justifiable expectations to warrant these developments, and to get commensurate profits from the expenditure.

Very truly yours,

Percy R. Alsdorf,
Engineer of Mines

Central City, Colorado
November 10, 1934

EXHIBIT 3

REPORT

THE GOLD BELT-HAMILL GROUP OF MINING CLAIMS

CLEAR CREEK COUNTY, COLORADO

O
OOO
O

by

CHAS. L. HARRINGTON, E. M.
Idaho Springs, Colorado

April 2, 1935

Report

THE GOLD BELT-HAMILL GROUP OF MINING CLAIMS

by

Chas. L. Harrington, E. M.

During 1924, I did considerable surveying in the Hamill Tunnel, and in 1927-28 I did some leasing in the Gold Belt [illegible] and over the period from 1923 to 1933 I did considerable surface surveying of the property known as the Gold Belt Hamill group of mining claims. The following report is written from information gained at that time, supplemented by information from persons whom I consider reliable.

Location:

The property is located in Sections 21 and 22, Township 4 South, Range 75 West of the 6th P.M. about three miles west of the town of Silver Plume, Clear Creek County, Colorado. The [illegible] extends from the level of Clear Creek up the north slope of [illegible] Mountain, from an elevation of 9500 feet above sea level at the portal of the Gold Belt Tunnel to better than 1[illegible],000 feet at the [illegible] of the property.

The railroad [illegible] Silver Plume, [illegible] three miles east from the portal of the [illegible] road, with watergrade to Silver Plume, connects with the [illegible] and Southern Railway. The portal of the Gold Belt Tunnel is [illegible] Pass State Highway, leading to Leadville, Colorado. It is about fifty-five miles to Leadville, at which point is located the nearest smelter to the property.

The Property:

The property consists of the following claims.

Gold Belt Tunnel Group

The Gold Belt Tunnel.
Quaker Millsite, U.S. Mineral Survey No. 19085B
Relief, U.S. Mineral Survey No. 19085A, W. 1050 ft.
Vesta, U.S. Mineral Survey No. 19085A, W. 1050 ft.
Elizabeth, U.S. Mineral Survey No. 19085A, W. 1000 ft.
Silvery Stream, U.S. Mineral Survey No. 19085A, W. 900 ft.
Sea Gull, U.S. Mineral Survey No. 19085A, W. 900 ft.
Jack Pot, U.S. Mineral Survey No. 19353 W. 850 ft.
W.A.H., U.S. Mineral Survey No. 19098, W. 800 ft.
Mary Etta, U.S. Mineral Survey No. 19098
N.L., U.S. Mineral Survey No. 19098
Maggie L., U.S. Mineral Survey No. 19098
Liberty Belle, U.S. Mineral Survey No. 19098;
Wm. Penn., U.S. Mineral Survey No. 19098.
Stephen Girard, U.S. Mineral Survey No. 19098,
Benj. Franklin, U.S. Mineral Survey No. 19098,
Golden Star, U.S. Mineral Survey No. 19098.
Thadeus Stephens, U.S. Mineral Survey No. 19098;
Q. Roberts, U.S. Mineral Survey No. 19098;
Julia R., U.S. Mineral Survey No. 19098.

Hamill Tunnel Group:

The Hamill Tunnel.
The East 450 feet of the Relief Lode Mining Claim, U.S. Mineral Survey No. 19085A.
The P.L.M. Millsite U.S. Mineral Survey No. [illegible].
The King Lode Mining Claim, U.S. Mineral Survey No. [illegible].
The Queen Lode Mining Claim, U.S. Mineral Survey No. [illegible].
The Protection Lode Mining Claim, U.S. Mineral Survey No. 19588.
The Mother Lode Mining Claim, U.S. Mineral Survey No. 20257.
The Van Dyke Lode Mining Claim, U.S. Mineral Survey No. 20282.
The Priscilla Lode Mining Claim, U.S. Mineral Survey No. 19906.

A map I made of this property several years ago accompanies this report and shows the position of the various claims.

Title:

Title to the various claims were not [illegible] [illegible].

Geology:

The country rock is composed mostly of granite and gneiss, cut by several series of porphyry dikes. Later stresses found the zones of least resistance in many instances to be along the porphyry dikes. The openings thus produced became favorable sites for the deposition of ore. Many of the veins of the property run along porphyry dikes, at least for a part of their course. The veins, in the main are well defined fissure veins. The minerals in the veins are, for the most part sphalerite, galena and pyrite. An average for the analysis of grab samples that I took from the 1600 foot vein in the Gold Belt Tunnel gave the following results: Zinc, 16%, lead 5%, [illegible] 3%, [illegible] and 109 ounces of silver per ton.

Development:

The main development work on the property consists of two crosscut tunnels, the Gold Belt Tunnel which is 2900 feet long and the Hamill Tunnel, 1600 feet long. Both start from Clear Creek Valley as shown on the accompanying map. The Hamill Tunnel is 150 feet higher in elevation than the Gold Belt Tunnel.

The Hamill Tunnel has drifts (averaging [illegible] feet each) on veins at 500, 1500 and 1600 feet from the portal. Each drift encountered ore and some stoping has been done on each drift. The 1500 foot drift is driven on the north side of a porphyry dike. The 1600 foot drift is on the south side of the same dike. $75,000 worth of ore is reported to have been shipped from the Hamill Tunnel.

The Gold Belt Tunnel has opened five veins that have produced ore of commercial value. Other veins have been opened in the tunnel which give promise of becoming producers of commercial ore if developed. The first two veins cut in the tunnel, one at approximately 100 feet, and another at 500 feet from the portal, have not been developed. At 600 ft. another vein was opened and drifted on for about 100 feet. Several tons of silver ore assaying 375 ounces per ton were shipped from this vein. The vein varies in width from 4" to 6' feet and the mineral streak varies up to 10 inches in width. The vein material surrounding the mineral streak may be of commercial value with a mill at the portal. At 900 feet another vein was opened and drifted on both east and west for about 100 feet. This work produced several thousand dollars worth of ore, some of it being worth $650 per ton in silver. Assays as high as 3814 ounces of silver per ton were obtained from the samples taken from this vein. The vein width averages about 4 feet. The mineral streak averages up to 10 inches in width.

At 1600 feet, the tunnel cut a [illegible] porphyry dike. Within this dike a silver-bearing vein was found. This vein was drifted east on for about 200 feet. $150,000 is reported to have been produced from this drift and from the stopes. The vein was 14 feet wide in places. I have cut samples from this vein that ran from 40 to 170 ounces of silver per ton, and I have shipped ore therefrom that sampled from 74 to 132 ounces of silver per ton. The tunnel cut this vein at a point approximately 700 feet below the surface, and, with the exception of the small area stoped in mining the $150,000, the vein is virgin ground to surface. The surface is covered with slide rock to a depth of about 50 feet making surface prospecting difficult. The tunnel is the logical way to develop the area. This porphyry dike has considerable mineral scattered through it, much of which will, no doubt, be mill ore with a mill at the portal of the tunnel.

A vein at 2100 feet in the tunnel was drifted east and west for about 150 feet. The vein is four feet wide. Some ore was shipped from this vein but I have no record of its value.

At 2900 feet in the tunnel, a large porphyry dike was cut. The breast of the tunnel is now 60 feet into the dike, with probably another 30 feet to drive to reach the vein on the south side of the porphyry. It is probable that this porphyry is the same dike as that cut in the Hamill Tunnel at 1500 feet, and which had a very productive vein on the south side of the porphyry at 1600 feet. The vein at 1600 feet in the Hamill Tunnel carried higher values in gold than the vein on the north side of the porphyry.

A 300 foot drift was driven east on a vein on the north side of the porphyry in the Gold Belt Tunnel at two raises cut up at the point where this drift cut the porphyry. Considerable mill ore was encountered but no smelting ore was shipped from this drift.

Several other veins were cut in the driving of the Gold Belt Tunnel, which have not been mentioned here, as the values were low at the places cut. Yet, they may merit development as all the veins of the district have barren places between the rich pockets or shoots.

The Mary Etta vein has been prospected by two tunnels near timberline, about 2000 feet greater elevation than that the Gold Belt Tunnel. The vein shows 2 to 6 feet wide. $[illegible] worth of sorted ore was packed out on burros from the Mary Etta in the [illegible]. This ore carried much better gold values than the silver ores mined in the Gold Belt Tunnel.

I am informed that there are several strong veins showing on the surface of the Mary Etta group and adjoining claims that show a width of 4 to 10 feet. These veins trend toward the Gold Belt Tunnel and can be cut by continuing the tunnel. This should make available a large tonnage of mill ore.

There is plenty of suitable ground available for the erection of a mill at the portal of the Gold Belt Tunnel. An abundance of good water is available for mill operation, and some power may also be developed from the available water. Should it become necessary for the mill to impound its tailings, there is sufficient ground suitable for that purpose at hand.

The elevation of the portal of the Gold Belt Tunnel being about 9500 feet above sea level and its location on a state highway, permits all-the-year-round operation through the tunnel, whereas surface operations of the claims situated up the slope of McClelland Mountain would be handicapped by snow for several months each year. There is sufficient timber on the claims to take care of the mining needs for many years.

A topographical map is enclosed herein. Thereon is shown the location of the Gold Belt and Hamill Tunnels, also the towns of Silver Plume and Georgetown, creeks, roads, topography, etc. In the north of Silver Plume and adjacent thereto is a silver bearing area from which many large mines have produced millions of dollars in silver in years past. Just to the south of Silver Plume is an area from which gold is the principal value found in the ores. The general strike of the veins in both areas is a little south of west. I have shown these general strikes on the topographical map. These strikes indicate that both the silver and gold areas strike into the area being developed by the Gold Belt Tunnel.

The production from the Gold Belt Hamill properties is reported to me to be as follows

Gold Belt Tunnel	$150,000
Hamill Tunnel	75,000
Mary Ella Group	25,000
Total	$250,000

With a property that has produced as much as the Gold Belt-Hamill property has, with as little development work as has been done, with a location where year around operations may be carried on, with tunnels for cheap mining and drainage costs, with such large undeveloped area above the tunnels; and with the large acreage adjoining the property, it would seem that, with a mill at the portal of the Gold Belt Tunnel, where abundant water, ground, timber, and tailings disposal ground are available, you would have a most inviting proposition to present to those interested in securing mining property.

(Signed) Chas. E. Harrington, E.M.

Idaho Springs, Colorado
April 2, 1935

EXHIBIT 1 - a

August 9, 1965

Jefferson County Bank of Lakewood
Attn: Mr. Bob Bammerlin, Vice President
7590 West Colfax Avenue
Lakewood, Colorado

Dear Mr. Bammerlin:

Silver Lake, Inc. requests a loan from the Jefferson County Bank of Lakewood of Two Hundred Fifty Thousand Dollars ($250,000.). The purpose of this loan is to be for the exploration of the Gold Belt Tunnel, also known as the Silver Plume Tunnel, located in the Argentine and Queens Mining District, 2.5 miles west of Silver Plume, Colorado, on U.S. 6 and Interstate 70.

The above mentioned is primarily a silver mine with lead and zinc as by-products. The mine is virgin and has no known ore reserves.

We propose to repay the loan out of ten per cent (10%) net smelter returns. Silver Lake, Inc. does not have the collateral to substantiate the loan.

May we have a written answer to this request at your earliest convenience.

Very truly yours,

not signed

Michael Jelen, Sec'y. - Treas.

MJ/rj

EXHIBIT 1 - a

SERVING ONE OF AMERICA'S GREAT COMMUNITIES

Jefferson County Bank
of Lakewood, Colorado / WEST COLFAX AT WADSWORTH
BOX 15008 / 303-233-6561
and Denver Federal Center Facility

August 27, 1965

Michael Jelen, Secretary-Treasurer
Silver Lake, Inc.
1306 - 8th Street
Golden, Colorado 80401

Dear Mr. Jelen:

We have reviewed your request for a loan in the amount of $250,000.00 to be used for exploration of the Gold Belt Tunnel. We wish to inform you that we will be unable to grant your request.

Very truly yours,

Robert D. Bammerlin

Robert D. Bammerlin
Assistant Vice-President

EXHIBIT 1 - a

August 9, 1965

American National Bank
Attn: Mr. K.C. Pace
17th and Stout Streets
Denver, Colorado

Dear Mr. Pace:

Silver Lake, Inc. requests a loan from the American National Bank of Two Hundred Fifty Thousand Dollars ($250,000.). The purpose of this loan is to be for exploration of the Gold Bolt Tunnel, also known as the Silver Plume Tunnel, located in the Argentine and Guanna Mining District, 2.5 miles west of Silver Plume, Colorado, on U.S. 6 and Interstate 70.

The above mentioned is primarily a silver mine with lead and zinc as by-products. The mine is virgin and has no known ore reserves.

The purpose is repay the loan out of ten per cent (10%) net smelter returns. Silver Lake, Inc. does not have the collateral to substantiate the loan.

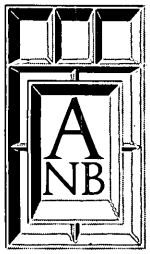
May we have a written answer to this request at your earliest convenience.

Very truly yours,

Michael Solon,
Sec'y.-Treas.

MJ/rj

EXHIBIT 1 - a



17th and STOUT | 244-6911

AMERICAN NATIONAL BANK
OF DENVER

August 27, 1965

Mr. Michael Jelen
Silver Lake, Inc.
1306-8th Street
Golden, Colorado 80401

Dear Mr. Jelen:

I am answering your letter to Mr. Faas requesting a $250,000 loan. We must decline your request on the basis that Silver Lake does not have the collateral to substantiate the loan.

Sincerely,

Lee

R. Lee Van Deren
Assistant Vice President

RLVD/am

EXHIBIT 1 - a

August 9, 1965

Mountain States Bank
Attn: Mr. Bill Griffith, President
East Colfax Ave. and Gilpin Street
Denver, Colorado

Dear Mr. Griffith:

Silver Lake, Inc. requests a loan from the Mountain States Bank of Two Hundred Fifty Thousand Dollars ($250,000.). The purpose of this loan is to be for the exploration of the Gold Bolt Tunnel, also known as the Silver Plume Tunnel, located in the Argentine and Guanna Mining District, 2.5 miles west of Silver Plume, Colorado, on U.S. 6 and Interstate 70.

The above mentioned is primarily a silver mine with lead and zinc as by-products. The mine is virgin and has no known ore reserves.

We propose to repay the loan out of ten per cent (10%) net another returns. Silver Lake, Inc. does not have the collateral to substantiate the loan.

May we have a written answer to this request at your earliest convenience.

Very truly yours,

Michael Dolan, Secy.-Treas.

mjgrj

EXHIBIT 1 - a

MOUNTAIN STATES BANK

1635 EAST COLFAX AT GILPIN • DENVER 6, COLORADO
PHONE DUDLEY 8-3641

August 18, 1965

Mr. Michael Jelen
Secretary-Treasurer
Silver Lake, Inc.
1306 8th Street
Golden, Colorado

Dear Mr. Jelen:

Our loan committee has reviewed your request for a loan in the amount of $250,000.00 for the purpose of exploration of properties in the Silver Plume, Colorado area.

Our committee has declined to make the loan for the reason they do not feel the collateral is adequate to support the loan.

Thank you for the opportunity to consider your application.

Yours very truly,

Wm. G. Griffith
President

WGG:rm

E 2-A

Exhibit 2-A

Received APR 8 1965 at 4 O'clock P.M.
Reception No. 27993 John G. Osborne, Recorder.

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 11 1965
INITIALS | CODE

IN THE COUNTY COURT IN AND FOR
THE COUNTY OF CLEAR CREEK
STATE OF COLORADO
NO. 5023

IN THE MATTER OF THE ESTATE OF
FRANK L. JONES,
Deceased.

ORDER TO LEASE
REAL ESTATE

Robert L. Jones, as Administrator of the Estate of Frank L. Jones, deceased, having filed herein his verified petition praying for an order of this court authorizing and directing him to lease certain real properties belonging to said Estate, lying and being in the County of Clear Creek, State of Colorado, to-wit:

> The Gold Belt Tunnel Mining Properties consisting of 23 patented and 18 unpatented mining claims all located in the Argentine Mining District of Clear Creek County, and more particularly described upon the lease attached to the petition,

for a period of 20 years and a royalty of 10% of production and a minimum royalty of $100.00 per month.

The court having examined the lease and being sufficiently advised on the premises by the petitioner and his counsel, and deeming it to be to the best interest of said estate to lease the property pursuant to the attached lease;

It is therefore ORDERED, ADJUDGED and DECREED that the a copy of the lease attached to the petition for authority to lease and marked as Exhibit A be executed by the Administrator and delivered to the proposed lessee, Silver Lake, Inc., upon the terms and conditions contained within the lease.

Done in open court this 8th day of January, A.D. 1965.

BY THE COURT

/s/ George R. Gaubatz
George R. Gaubatz, County Judge.

CERTIFIED TO BE A FULL, TRUE AND CORRECT COPY OF ORIGINAL ON FILE IN MY OFFICE.
DATE 1965
COUNTY CLERK
COUNTY OF CLEAR CREEK
STATE OF COLORADO

Exhibit 2-A

Recorded APR 8 1965 at 4 O'clock P M.
Reception No. 27992 John G. Osborne, Recorder

IN THE COUNTY COURT IN AND FOR
THE COUNTY OF CLEAR CREEK
STATE OF COLORADO
NO. 5023

IN THE MATTER OF THE ESTATE OF FRANK L. JONES, Deceased.	PETITION TO LEASE REAL ESTATE

TO: The Honorable George R. Gaubatz, Judge of County Court of Clear Creek County, State of Colorado:

Your Petitioner, Robert L. Jones, respectfully shows that he is the duly appointed and acting administrator of the Estate of Frank L. Jones, deceased;

That the deceased died seised and possessed of the following described real estate, lying and being in the County of Clear Creek, State of Colorado, topwit:

> The Gold Belt Tunnel Mining Properties consisting of 23 patented and 18 unpatented mining claims all located in the Argentine Mining District of Clear Creek County, and more particularly described in the lease attached hereto, marked Exhibit A.

That Warren L. Jones of Golden, Colorado, Marjorie L. Bell of Idaho Springs, Colorado, Marilyn Orr of Bladensburg, Maryland and Wm. L. Jones of Idaho Springs, Colorado are heirs of said deceased together with the petitioner and have an interest in said real estate;

Your Petitioner further shows this honorable court that it would be for the best interest of said Estate to lease the above-described property to Silver Lake, Inc., a Colorado corporation, upon the following terms and conditions and for the following length of time:

For the period of 20 years, in a consideration of a production royalty of 10% of all smelter, mill or sampler returns, less only the cost of treatment and transportation, and with a minimum royalty of $100.00 per month, as will more fully appear from said proposed lease attached hereto and by this reference may depart hereof;

That said lease is for a period which is longer than

Exhibit 2-A

would be normally authorized by a lease from a decedent's Estate, however, it is believed that the period should be approved since the lessees state that they will need that long a lease to justify their investment which will be necessary to develop the property.

WHEREFORE, your petitioner prays this honorable court that an order be made and entered authorizing and empowering him to lease the said real estate upon the terms and conditions aforesaid.

Robert L. Jones
Administrator of the Estate of
Frank L. Jones

STATE OF COLORADO)
) ss.
County of Clear Creek)

Robert L. Jones, Administrator of the Estate of Frank L. Jones, personally appeared before me and being first duly sworn upon his oath deposes and says that he has read the foregoing petition and knows the contents thereof and that the same are true to the best of his knowledge and belief.

Robert L. Jones

Subcribed and sworn to before me this 7th day of January, A.D. 1965.

My commission expires August 2, 1966

Notary Public

Exhibit 2-A

Exhibit A

No. 90-A. MINING LEASE (Long Form).—Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado

THIS AGREEMENT OF LEASE, Made and entered into this ..... day of ....., A. D. 19....., by and between Robert L. Jones, Administrator of the Estate of Frank L. Jones, deceased, hereinafter called the lessor....., and Silver Lake, Inc., ..., of ..... hereinafter called lessee.....;

WITNESSETH, That the said lessor.....for and in consideration of the rents, royalties, covenants and agreements hereinafter expressed to be paid, kept and performed by the said lessee....., has..... leased, let and demised and by these presents do.es. lease, let and demise unto said lessee..... the following described mining property and premises, situate in the ..... Mining District, ... County, ... State of ...., to wit:

See Attached

TO HAVE AND TO HOLD the above described premises for the purposes of mining, from the 16th day of December, A. D. 19 62, to the 15 day of December, A. D. 19 83, unless sooner forfeited or terminated through the violation of any of the covenants and conditions herein contained, with no power to assign this lease or any part thereof or to sublet the whole or any part of said leased premises without the written consent of the said lessor.....first had and obtained.

The said lessee.....in consideration of the premises ha..s.....covenanted, contracted and agreed and by these presents do.es.....covenant, contract and agree to and with the said lessor....., ..its..... executors, administrators and assigns:

(1) To enter upon said leased premises and to work the same in mine fashion in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said mine or mining premises, as a workable mining property, and to the special covenants herein contained.

(2) To work and mine said premises as aforesaid, steadily and continuously during the period of this lease and in doing said work to perform at least sixty (60) shifts of mining labor per month each and every month during the life of this lease.

(3) To repair all old timbering wherever it may become necessary, and to well and sufficiently timber said mine and mining premises at all points where proper and necessary in accordance with good and safe mining; continuing the timbering in the working shafts now upon said premises with timber of the same dimensions as heretofore used, unless it becomes necessary for safety to use larger timber, in which event timber of sufficient size for safety and permanent mining shall be used.

Exhibit 2-A

(4) To allow the lessor.....or.....its agent from time to time to enter upon and descend into all parts of said leased premises, for the purpose of inspection, surveys or taking samples therefrom, and to render to said parties proper assistance in making such inspection, surveys or examination.

(5) To occupy and hold as the property of the lessor.....all cross and parallel lodes, spurs and mineral deposits of every kind which may be uncovered, disclosed or discovered within said leased ground by the said lessee.....or any person or persons under or in privity with.....it....., with privilege to said lessee.....to work and mine the same as part and parcel of said premises.

(6) To keep at all times the drifts, shafts, tunnels and other workings thoroughly drained and clear of loose rock and rubbish, unless prevented by extraordinary mining casualty.

(7) To stow no waste underground except with the consent and under the direction of the lessor.....

(8) To do no underhand stoping below the bottom of any main working level or winze and to do no stoping or breaking of ore rock within.....twenty (20).....feet of any working shaft.

(9) Not to adulterate or mix any ores broken or mined without the consent of the lessor.....; it being understood that all ores mined which are too low grade for present shipment shall remain the property of and be subject to the control and disposition of the lessor.....

(10) To make all working shafts at least four (4) feet by eight (8) feet in the clear; all drifts and tunnels at least three and one-half (3½) feet by six and one-half (6½) feet in the clear, and all winzes and raises at least three and one-half (3½) feet by seven (7) feet in the clear.

(11) It is expressly understood and agreed that the lessor.....reserves.....the property and right of property in and to all ores extracted from said premises during the period of this lease, and the said lessee.....covenants.....and agrees.....to pay and allow the lessor.....as royalty upon all ores mined, shipped or sold from said leased premises in any manner during the life of this lease, as follows, to-wit:

10% of all Mill, Smelter, or Sampler returns less only the costs of treatment (mill and smelter, it smelter) and transportation however a minimum royalty of $100.00 per month shall be paid to lessor by lessee. Said minimum royalty shall begin on the 15th day of January, 1964 and shall continue on the 15th day of each and every calander month during the term of this lease or any extention hereof. It being agreed between the parties hereto that earned royalty will apply against the minimum royalty payments and can be carried forward or backward but not past any anniversary of the execution of this lease.

To drive said Gold Belt Tunnel from its present breast a distance of not less than Twenty-five (25) feet per year during the term of this lease or any extension thereof. All work in said tunnel extension, or preparatory thereto, shall apply as assessment work and development work upon unpatented claims now or hereafter located.

Furthermore, the lessee agrees to pay to Douglas V. Watrous of Idaho Springs, Colorado, an over-ride royalty of One (1%) per cent of all mill smelter or sampler returns as defined herein.

The lessee agrees to comply with the terms of the Workman's Compensation laws of the State of Colorado, and to save the lessor herein harmless against any compensation loss or other loss or

~~settlements to be made upon the military and or employer's liability, including the costs~~ ~~and costs of compromise and other expenses~~

LIABILITY THAT MAY arise out of and by reason of operation of said premises herein demised, and to deposit with the lessor written evidence of compliance with the State Compensation Laws and to post notice of such compliance in a conspicuous place on the premises during the continuation of this lease or any extension hereof.

Exhibit 2-A

(12) The lessee.....shall and hereby do.es assume all responsibility in case of accident to.....itself or any of.....its.....employees in or about said property.

(13) All taxes assessed against said demised premises for ores mined and shipped under this lease shall be paid by the less.....ee.....

(14) All bills and expenses incurred by the lessee.....or those in privity with.....it.....shall be promptly paid by the lessee....., and by said prompt payment said lessee.....shall prevent the filing of any and all liens of miners, mechanics or material men, against said demised premises; and, if by reason of the failure of said lessee.....to pay such bills or expenses, any lien or liens shall be filed against said premises the said lessor.....may forthwith pay off and discharge the same, and the said lessee.....hold..... bound to pay to said lessor.....all sums so advanced or paid to clear said premises from liens which may be filed as aforesaid, and the said lessor.....may also at.....its.....election declare a forfeiture of this lease.

(15) Said lessee.....further covenants.....that no person not in privity with the parties hereto shall be allowed to hold possession of said premises or any part thereof under any pretext whatever.

(16) Further, that...lessee.....will deliver to said lessor.....quiet and peaceable possession of said demised premises in good order and condition with all drifts, tunnels and other passages thoroughly drained and cleared of loose rock and rubbish and said premises ready for immediate continued working, without demand or further notice, on the.....day of....., A. D. 19....., at noon, or at any time previous thereto, upon demand for forfeiture, and it is mutually understood that all machinery and tools which may be placed upon said premises by the said lessee.....may be removed therefrom within ten days after the termination of this lease; provided, however, that no such tools or machinery shall be so removed while the said lessee.....may be in any manner indebted to the said lessor..... under any obligation incurred under this lease. *

(17) Upon the violation of any covenant or condition herein contained, this lease shall, at the option of said lessor....., expire and terminate, and the said premises with the appurtenances and all buildings and other improvements shall become forfeited to the lessor....., and the said lessor.....or.....its..... agent may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force, and with or without process of law, or at the option of the lessor.....the said lessee.....and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful detainer.**

Time is of the essence of this agreement, and each and every clause of this indenture and all the covenants and conditions contained herein, expressed or implied, shall extend to the successors, heirs, executors, administrators and lawful assigns of all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names the day and year first above written.

Estate of Frank L. Jones, Deceased

Robert L. Jones [SEAL]

Robert L. Jones, Administrator

.....[SEAL]

Silver Lake, Inc. [SEAL]

[SEAL]

.....[SEAL]

* However, any and all rail, vent or compressed air pipe placed on the property by lessee shall always remain the property of the lessor.

** However, lessee is to have 30 days written notice to correct any default to keep this lease in effect.

Exhibit 2-A

27992

MINING LEASE

FROM

TO

STATE OF Clear Creek County
County of GEORGETOWN, COLORADO } ss.

I hereby certify that this instrument was filed for record in my office, at o'clock 4:00 P.M., on the day of APR 8 1965, A. D. 19, and is duly recorded in book, page

John L. Osborn
Recorder.

By
Deputy.

Fees, $ 10.50 pd 150 n

Silver Lake, Inc.
1306 8th St.
Golden, Colo.

12-58 BRADFORD-ROBINSON PTG. CO., DENVER

2430 Rec

Exhibit 2-A

Mining property and premises, situate and being in the Argentine Mining District, County of Clear Creek, State of Colorado, to-wit:

The following Patented Claims:

County Treasurer Lode Mining Claim, U.S. Survey No. 19102;
Durango Lode Mining Claim, U.S. Survey No. 711a;
Aspinwall Lode Mining Claim, U.S. Survey No. 710a;
Gray Eagle Lode Mining Claim, U.S. Survey No. 1771a;
Quaker Mill Site, U.S. Survey No. 19085B;
Relief Lode Mining Claim, U.S. Survey No. 19085A;
Vesta Lode Mining Claim, U.S. Survey No. 19085A;
Elizabeth Lode Mining Claim, U.S. Survey No. 19085A;
Silver Stream Lode Mining Claim, U.S. Survey No. 19085A;
Sea Gull Lode Mining Claim, U.S. Survey No. 19085A;
Jack Pot Lode Mining Claim, U.S. Survey No. 19353;
W.A.H. Lode Mining Claim, U.S. Survey No. 19398;
Maggie L. Lode Mining Claim, U.S. Survey No. 19098;
Mary Ettie Lode Mining Claim, U.S. Survey No. 19098;
H.L. Lode Mining Claim, U.S.SSurvey No. 19098;
Liberty Bell Lode Mining Claim, U.S. Survey No. 19098;
Wm. Pen Lode MTning Claim, U.S. Survey No. 19098;
Stephen Girard Lode Mining Claim, U.S. Survey NO. 19098;
Banj. Franklin Lode Mining Claim, U.S. Survey No. 19098;
Golden Star Lode Mining Claim, U.S. Survey No. 19098;
Thadeus Stephens Lode Mining Claim. U.S. Survey No. 19098;
Q. Roberts Lode Mining Claim, U.S. Survey No. 19098;
Julia R. Lode Mining Claim, U.S. Survey No. 19098;

and the following unpatented lodes for which the Location Certificates are on file in the office of the County Clerk and Recorder, Clear Creek County, Georgetown, Colorado:

Songster Lode Mining Claim, Bk 171, pg 602;
Virgin Lode Mining Claim, Bk 171, pg 604
Wedge Lode Mining Claim, Bk 201, pg 288;
Washington Lode Mining Claim, Bk 177, pg 563;
Birmingham Lode Mining Claim, Bk.159, pg 543;
Mohawk Lode Mining Claim, Bk 159, pg 543;
Great Western Lode Mining Claim, Bk 171, pg 601;
Gladiator Lode Mining Claim, Bk 205, pg 18;
Gale Lode Mining Claim, Bk 201, pg 287;
Snowslide Lode Mining Claim, Bk 201, pg 288;
Rosebud Lode Mining Claim, Bk 171, pg 601;
Forest Hill Lode Mining Claim, Bk 171, pg 603;
Connecting Link Lode Mining Claim, Bk 171, pg 602;
Fairview Lode Mining Claim, Bk 171, pg 604;
Neglected Lode Mining Claim, Bk 205, pg 18;
Majestic Lode Mining Claim, Bk 171, pg 603;
Elsie Lode Mining Claim, Bk 205, pg 366;
Gladys Lode Mining Claim, Bk205, pg 367;

Also, the Gold Belt Tunnel, an adit, the portal of which is located upon said Quaker Mill Site.

Together with the appurtenances, any and all water rights used in connection with said mine and mining operations, and the buildings, machinery, tools and appliances in and about said leased premises and used in connection therewith; and inventory of which machinery, tools and appliances is hereto attached and made part hereof.

Exhibit 2-A

Addendum to that certain contract dated Jan. 16, 1965 between the estate of Frank L. Jones, deceased, Robert L. Jones, administrator and Silver Lake, Inc.

For $10.00 in hand paid and other good and valuable consideration and as part of the consideration for the contract between the above mentioned parties, Silver Lake, Inc. shall have the option to purchase the property described in the contract and all rights thereto, for the total purchase price of $300,000.00. This option shall exist for the period of time recited in the contract and all extensions thereof. It is understood and agreed between the parties that all royalty payments recited in the contract except those paid to Douglas V. Watrous shall apply to the $300,000.00 purchase price. The balance of the purchase price at the time the option is exercised, i.e. $300,000.00 minus the royalty payments shall be paid in cash at date of closing.

This contract shall be binding on the heirs, successors and assigns of the parties.

Estate of Frank L. Jones, Deceased

Robert L. Jones

Robert L. Jones, Administrator

Silver Lake, Inc.

Jay D. Dingman

Michael John

EXHIBIT 3-c

CRUDE ORE SHIPMENTS GOLD BELT TUNNEL (SILVER PLUME TUNNEL) SILVER PLUME, COLORADO

DATE	DRY WEIGHT	Ag.	Pb.	Zn.
2-11-1913	1,034	518.00	20.00	
2-11-1913	1,494	191.00	14.00	
2-11-1913	2,970	113.00	4.00	
2-11-1913	5,580	112.80	-	
3-6-1915	5,370	178.00	4.75	
6-24-1920	1,848	147.87	5.05	
6-24-1920	2,020	73.15	15.40	
12-22-1921	6,020	180.16	8.35	16.2
2-2-1922	51,405	28.09	-	-
2-9-1922	51,401	29.45	-	6.48
2-10-1922	34,419	26.65	-	7.45
1-19-1923	32,830	70.27	4.20	17.40
2-25-1923	35,644	124.55	7.51	20.67
4-4-1923	44,760	164.02	8.44	22.70
5-8-1923	54,073	29.90	-	-
5-9-1923	51,921	110.04	3.3	12.95
5-12-1923	45,773	67.01	-	7.50
5-21-1923	57,524	241.70	11.37	27.44
5-21-1923	45,685	76.57	2.35	10.95
5-21-1923	48,098	87.00	3.35	14.93
5-23-1923	46,280	87.04	3.15	-
5-29-1923	45,500	79.27	3.80	11.70
5-29-1923	40,910	65.82	3.55	10.87
6-9-1923	45,967	75.75	3.07	10.30
6-9-1923	48,490	61.60	4.05	11.30
6-9-1923	45,433	65.72	4.85	14.85
6-9-1923	40,788	63.45	4.40	12.55
6-19-1923	50,351	59.50	3.95	11.20
6-19-1923	53,678	59.40	3.90	11.45
6-19-1923	46,709	64.72	4.00	12.32
6-21-1923	33,359	71.95	3.95	12.07
6-21-1923	54,913	62.00	4.00	12.60
6-21-1923	46,495	52.45	2.95	9.20

EXHIBIT 3 - c

EXHIBIT 3-c

CRUDE ORE SHIPMENTS GOLD BELT TUNNEL (SILVER PLUME TUNNEL) SILVER PLUME, COLORADO CONTINUED

DATE	DRY WEIGHT	Ag.	Pb.	Zn.
6-23-1923	45,364	65.35	4.60	11.75
6-27-1923	52,704	66.40	3.80	11.05
7-13-1923	60,069	74.75	4.25	12.89
7-17-1923	42,115	58.15	2.80	10.45
7-20-1923	51,857	84.10	5.90	16.20
8-8-1923	45,461	90.57	5.70	16.50
8-11-1923	46,614	86.55	5.16	15.05
8-24-1923	53,618	67.40	4.92	16.90
9-5-1923	49,970	70.50	5.30	17.25
10-13-1923	43,967	50.55	4.00	20.50
10-22-1923	45,664	50.00	5.10	20.90
1-3-1928	12,514	170.00	7.65	28.65
6-18-1928	14,244	132.50	6.00	20.50
6-18-1928	5,788	74.00	-	13.70
5-15-1935	4,400	70.15	-	6.90
9-16-1935	4,998	167.02	5.00	14.00
Total Tons	879.045	68,579.54 oz.	70,631.50 lbs.	224,603.88 lbs.
	average	78.00 oz per ton	4.02 %	12.78 %

EXHIBIT 3 - c

EXHIBIT 3-c

CONCENTRATE SHIPMENTS GOLD BELT TUNNEL (SILVER PLUME TUNNEL) SILVER PLUME, COLORADO

DATE	DRY WEIGHT	Ag.	Pb.	Zn.
6-24-1902	5,451	96.22	14.91	-
6-2-41920	2,985	64.57	19.02	-
10-22-1921	7,246	215.04	9.55	22.00
12-24-1921	3,121	249.48	11.52	22.90
6-21-1922	3,071	140.00	15.00	-
4-3-1923	17,592	146.74	6.51	24.90
4-27-1923	14,363	146.74	6.51	-
4-27-1923	4,998	263.00	12.65	23.70
5-9-1923	11,895	213.70	8.18	26.60
5-9-1923	4,139	385.03	14.15	26.25
7-5-1923	43,466	161.76	8.20	21.75
8-14-1923	40,594	117.00	4.50	20.00
9-13-1923	43,116	76.28	3.50	18.29
10-24-1923	49,864	59.31	6.05	22.10
11-24-1923	24,095	82.45	5.00	20.85
11-2-1925	39,078	53.50	5.70	25.80
7-25-1935	5,413	150.00	5.40	26.80
Total tons	160.243	18,269.57 oz.	20,806.14 lbs.	65,159.46 lbs.
			6.49 %	20.33 %

EXHIBIT 3 - c

OFFICIAL
COPY
O. M. E.
RECEIVED
OCT 11 1965
INITIALS/CODE

EXHIBITS

Exhibit 7 - b	none
Exhibit 7 - c	none
Exhibit 7 - d	none
Exhibit 7 - e	included in cost per foot figure by contractor and Exhibit 7-a.
Exhibit 7 - f	none
Exhibit 7 - g	none

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 11 1985
MATERIALS/CO. E

EXHIBIT 5 - A

SILVER LAKE, INC.

CONTRACT AND SPECIFICATIONS FOR

THREE COMPARTMENT RAISE

EXHIBIT 5-a

PROPOSAL

RAISE: Construct a three (3) compartment vertical raise, one thousand four hundred fifty feet (1450') from portal, with a fifty foot (50') easterly offset, from main haulage tunnel to a total height of five hundred fifty feet (550') above tunnel level.

The three (3) compartment raise to consist of:

(a) Twenty five foot (25') station to the east of raise;
(b) Three (3) compartments - one (1) compartment thirty inches (30") by five feet (5') in the clear; one (1) compartment five feet (5') by five feet (5') in the clear; one (1) manway five feet (5') by five feet (5') in the clear. Manway to consist of twenty feet (20') staggered landings.

All vent lines, water lines, air lines, electric conduits to be installed in the manway.

The raise is to be timbered with eight inch (8") by eight inch (8") native timber, and lagged with three inch (3") by six inch (6") native timber. No round timber will be permitted unless approved by Owner.

The raise to consist of three (3) one hundred fifty foot (150') levels, each with one (1) fifty ton (50) ore pocket; and one (1) one hundred foot (100') level.

CROSSCUTS: A total of two hundred eighty five feet (285') of crosscutting will be required to intersect the vein. All crosscuts to be five feet (5') by seven feet (7').

DRIFTS: Two thousand four hundred feet (2400') of drifting is required, or eight hundred feet (800') on each level. Four hundred feet (400') easterly and four hundred feet (400') westerly from crosscut, with five feet (5') by seven feet (7') drifts.

TRACK: No track shall be less than twenty (20) lbs. per yard. All track shall be secured with four (4) hole fish plates. If Contractor uses a gauge above eighteen inches (18"), he shall, at the end of the contract, restore same to eighteen inch (18") gauge, unless other wise approved by the Owner.

AIR LINES: All air lines leading to headings shall be not less than three inches (3") O.D. No plastic or aluminum air lines are permitted.

WATER LINES: All water lines shall be galvanized and not less than one inch (1") O.D.

VENT LINES: All vent lines leading to headings shall be metal (galvanized) and not less than twelve inches (12") O.D.

Exhibit 5-a

TIES: All ties shall be not less than four inches (4") by six inches (6") by thirty six inches (36"). No round ties are permitted unless approved by Owner.

ALL vent lines, water lines, track, air lines, and electric conduits shall become the property of the Owner.

Exhibit 5-a

Bidders will observe the following instructions:

CONTRACT DOCUMENTS:

The following are part and parcel of the Contract and whenever the word "Contract" appears herein the same shall be held to include all of these items:

Instructions to Bidders
Proposal Form
Specifications
Contract Form

DEFINITIONS:

Wherever the words "Company" or "Owner" are used herein, it shall mean the Silver Lake, Inc. Wherever the word "Bidder" is used in the documents, it shall mean each or any of the persons, partnerships or corporations submitting proposals for the performance of the work covered by these specifications. Wherever the word "Contractor" is used herein, it shall mean the person, firm or corporation entering into the contract for the performance of the work covered by these specifications. Wherever the term "Engineer" is used, it shall mean the Engineer employed or designated by the Owner to supervise the construction covered by these specifications.

PROPOSALS:

Bids shall be made upon the letter head of the firm of the Contractor with numerals written in ink or typed, and the signature of all persons signing shall be in longhand. The completed form should be without interlineations, alterations or erasures.

Bids shall not contain any recapitulation of the work to be done, and alternative proposals will not be considered unless called for. No oral, telephoned or telegraphed proposals or modifications will be considered.

Before submitting a bid, bidders shall carefully examine the drawings, read the specifications and form and terms of the Contract, shall visit the site of the work, and shall fully inform themselves as to all existing conditioned and limitations and shall include in the bid a sum to cover the cost of all items included in the Contract. Making a bid creates a conclusive presumption that these things have been done.

INTERPRETATION OF DRAWINGS AND DOCUMENTS:

Should a bidder find discrepancies in or ommissions from the Drawings or Specifications, or should he be in doubt as to their meaning, he shall, at once, notify Silver Lake, Inc.; and if the point in question is not clearly and fully set forth, a written addendum or bulletin will be mailed or delivered to each person obtaining a set of Contract Documents.

Exhibit 5-a

INTERPRETATION OF DRAWINGS AND DOCUMENTS CONTINUED:

Each person requesting an interpretation will be responsible for the delivery of his request to Silver Lake, Inc. The owner will not be bound by, nor responsible for any other explanations or interpretations of the proposed documents than those given in writing as set forth in this paragraph. No oral instructions, interpretations, or representations shall be binding upon the owner.

COMPARISON OF BIDS:

Proposals will be compared on the basis of the Engineer's Estimate of footage, which are included in the Proposal Form. The basis of payment will be actual footage of work performed and accepted. If upon completion of the project, the actual footage shown in the Proposal, the unit prices submitted in the Proposal shall still prevail.

Exhibit 5-A

SPECIFICATIONS

SCOPE OF WORK: The work to be performed under this contract consists of furnishing all materials, equipment, supplies, labor and transportation, and performing all work in accordance with the Specifications and Drawings. The work shall be completed and all work, material, and services not expressly called for in the Specifications or not shown on the Drawings, which may be necessary for complete and proper construction to carry out the contract in good faith shall be performed, furnished and installed by the Contractor at no increase in cost to the Owner.

SITE INVESTIGATION: The Contractor acknowledges that he has satisfied himself as to the nature and location of the work, the general and local conditions, particularly those bearing on transportation, handling and storage of materials, the character of the equipment and facilities needed during the prosecution of the work and all other matters which can in any way effect the work or the cost thereof under this Contract. Any failure of the Contractor to acquaint himself with the available information concerning these conditions will not relieve him from responsibility for estimating properly the difficulties or cost of successfully performing the work. Inspection of the site by a bidder can be made by prearrangement at the Offices of Silver Lake, Inc., 1306 8th Street, Golden, Colo.

STAKING OUT WORK: The work to be done will be staked for the Contractor by the Engineer.

BENCH MARKS AND SURVEY STAKES: Bench marks and survey stakes shall be preserved by the Contractor and in case of their destruction or removal by him or his employees, they will be replaced by the Engineer at the Contractor's expense, and his sureties shall be liable therefor.

LINES AND GRADES: All work done under this contract shall be done to the lines and grades shown on the plans. The Contractor shall keep the Engineer informed, a reasonable time in advance of the times and places at which he wishes to do work, in order that lines and grades may be furnished and necessary measurements for record and payment may be made with the minimum of inconvenience to the Engineer and of delay to the Contractor.

WORK DONE WITHOUT LINES OR GRADES: Any work done without being properly located and established by base lines, offset stakes, bench marks, or other basis reference points located, established or checked by the Engineer, or done without the supervision of an Inspector or other representative of the Engineer, may be ordered changed at the Contractor's expense.

DAMAGES: The Contractor hereby expressly binds himself to indemnity and save harmless the Owner against all suits or actions of every kind and nature brought or which may be brought against the Owner for and on account of any injuries or damages received or substained by any person, firm or corporation, or persons, firms or corporations, in connection with or on account of the construction of the work under this contract or by or in consequence of any negligence in connection with same or on account of the use of any improper or defective materials or on account of any poor workmanship or on account of any act of commission or ommission of the Contractor or his, its or their sub-contractors, agents, servants, or employees, or for any cause arising out of the performance of this Contract.

Exhibit 5-a

CONTRACTOR TO CHECK PLANS AND SCHEDULES: The Contractor is required to check all dimensions and quantities on the plans and schedules given him by the Engineer and shall notify the Engineer of any discrepancy between the plans and the conditions on the ground, or any error or omission in plans, or in the layout as given by stakes, points, or instructions, which he may discover in the course of the work. The Contractor will not be allowed to take advantage of any error or omission in the plans or contract documents, as full instructions will be furnished by the Engineer should such error or omission be discovered, and the Contractor shall carry out such instructions as if originally specified.

DEDUCTIONS FOR UNCORRECTED WORK: If the Engineer deems it expedient to correct work injured or done not in accordance with the Contract, an equitable deduction from the Contract price shall be made therefore.

METHODS OF WORK: The approval by the Engineer of any method of work proposed by the Contractor shall not relieve the Contractor of any of his responsibility for any errors therin, and shall not be regarded as any assumption of risk or liability by the Owner or any officer or employee thereof, and the Contractor shall have no claim under this Contract on account of the failure or inefficiency of any plan or method so approved. Such approval shall be considered to mean merely that the Engineer has no objection to the Contractor's using, upon his own full responsibility, the plan or method the Contractor proposes.

AUTHORITY OF INSPECTORS: Inspectors shall be authorized by the Engineer to inspect all work done. The Inspector shall have full authority to suspend work until any questions at issue can be referred to the Engineer. The Engineer and his Inspectors shall have unrestricted access to all parts of the work at all times.

DRAWINGS AND SPECIFICATIONS CO-OPERATIVE: The Drawings and Specifications shall be considered as co-operative and work and materials called for by one and not shown or mentioned on the other shall be done or furnished in as faithful and thorough a manner as though fully covered by both.

CHARACTER OF WORK: The work shall be executed in the best and most workmanlike manner by qualified, careful and efficient mechanics, in strict accordance with the Drawings, and Specifications.

CLEANING UP: The Contractor shall not allow the site of the work to become littered with trash and waste materials, but shall maintain the same in a neat and orderly condition throughout the construction period. On or before the completion of the work the Contractor shall, without charge therefore, shall tear down and remove all temporary structures built by him, and shall remove all rubbish of all kinds from any of the tracts or ground which he has occupied and shall leave them in first-class condition.

PUBLIC CONVENIENCE AND SAFETY: Prosecution of the work and storage of materials shall be handled so as to cause as little obstruction to public and private travel as is necessary.

Exhibit 5-A

BARRICADES, WARNING SIGNS, ETC: Highways, drives and streets closed to traffic shall be protected by effective barricades. All barricades and obstructions shall be illuminated at night. No direct payment shall be made for the construction and maintenance of barricades, directional signs and lights. The cost of these items shall be included in the prices bid for the various items of work included in the proposal.

PRESERVATION AND RESTORATION OF PROPERTY: The Contractor shall be responsible for the preservation of all public and private property, trees, fences and other property in and adjacent to the work to be done under this contract; shall exert every precaution to prevent damage or injury thereto. When any damage or injury is done to public or private property by or on account of any act, omission, neglect or misconduct in the execution of the work, or in consequence of the non-executidn thereof on the part of the Contractor, such damage or injury will be corrected by the Contractor and at the Contractor's expense.

PATENTED DEVICES, MATERIALS AND PROCESSES: The Contractor shall hold and save the Owner harmless from liability of any patented article or appliance manufactured or used in the performance of this contract.

PAYMENT FOR LABOR AND MATERIALS: The Contractor agrees that he will pay promptly for work, services, and labor and for sub-contracters and equipment employed on the work, and for all labor and materials incidental to the completion of the work. The showing of receipts for payment of labor and materials and payment of sub-contractors may be required by the Owner before any partial or final payment is allowed or made.

SUBLETTING OF CONTRACT: No part of this contract may be sub-let without the approval of the Owner.

INSURANCE: The Contractor shall maintain during the life of this Contract adequate Workmen's Compensation Insurance for all his employees on the work, and in case any work is sub-let, the Contractor shall require the sub-contractor similarly to provide Workmen's Compensation Insurance for the latter's employees, unless such employees are covered by the protection accorded by the Contractor.

The Contractor shall maintain during the life of this contract such Public Liability and Property Damamge Insurance as shall protect him and any sub-contractor performing work covered by this contract, and the Owner for claims for damages for personal injury, including wrongful death, as well as from claims of property damages, which may arise form operations under this contract, whether such operations be by himself or by any sub-contractor or anyone directly or indirectly employed by either of them.

ACCIDENT PREVENTION: Federal and State Laws relating to the public a must be observed, and the Contractor shall at all times, whether or not specifically directed by the Engineer, take necessary precautions to insure the protection of the public.

Exhibit 5-a

RESTRICTION OF VISITORS: The Contractor shall have the right to restrict all individuals and equipment not connected with the Contractor, Owner, or the Engineer from the site of his operations.

EXTRA WORK: The Contractor shall do any work, not herein provided for, which may be found necessary to carry out and complete the construction. The value of any such extra work shall be determined in one of the following ways: (a) By estimate and acceptance in a lump sum; (b) By unit prices agreed upon; (c) By actual cost plus 15%. In computing such actual cost, no interest, depreciation of plant overhead cost, or contingencies shall be included, but shall be taken to be allowed for in the said 15%, which allowance shall include all profit.

OWNERS RIGHT TO DO WORK: If the Contractor should neglect to prosecute the work properly or fail to perform any provision of the Contract, the Owner, after three (3) days written notice to the Contractor, may, without prejudice to any other remedy it have, make good such deficiancies and may deduct the costs thereof from the payment then or thereafter due the Contractor.

CONTRACTOR'S RESPONSIBILITY FOR WORK: Until the final acceptance of the work by the Engineer as evidenced in writing, the Contractor shall have charge and care thereof, and shall take every necessary precaution against injury or damage to any part thereof by action of the elements or from any other cause, whether arising from the execution or from the non-execution of the work. The Contractor shall rebuild, repair, restore and make good all injuries or damages to any portion of the work or material occasioned by any of the above causes before its completion and acceptance and shall bear the expense thereof.

EXECUTION AND WASTE AREAS: The Waste areas will be designated by the Engineer. The Contractor may deposit the material in any method and manner he may choose; further provided that material will not be placed so as to divert drainage from surrounding areas.

SEQUENCE OF MINING, TESTING FOR ORE AND MINING FOR ORE: The Owner shall test for ore as the drifting progresses. When ore is encountered, the Contractor will continue his operations as directed by the Owner or Engineer. In the event that the Contractor has to shut down because of mining operations, an extension of time will be granted equal to the time lost during the shut down period.

HOUSING, CAMPS, TRANSPORTATION AND STORAGE: The Contractor shall furnish all housing, camps, transprotation and storage facilities needed for his operations. He will maintain a clean and sanitary camp at all times. Upon completion of job, he will disband his camp and clean the area to the satifaction of the Owner.

ENGINEERING: All Engineering necessary for the completion and supervision of the project will be provided by the Owner. The Contractor may furnish such Engineering as he wishes at his own expense.

Exhibit 5-A

COMPUTATION OF FOOTAGE AND DIMENSIONS: In the event of disagreement between the Contractor and the Owner on the original foot age or any future calculations, a competent and qualified engineer, acceptable to both parties, shall be retained to check the work and his decision shall be born by the Contractor.

PROOF OF INSURANCE: The Contractor before commencing work under this contract, shall submit proof showing entire coverage and amounts of Public Liability and Property Damage Insurance.

LENGTH OF WORK TIME: The Contractor will not work more than forty eight (48) hours in any one week without first obtaining permission from the Owner.

METHOD OF MINING AND TYPE OF EQUIPMENT: All methods of mining and all types of equipment will be submitted to the Engineer for approval before being used under this contract.

CONDITIONS OF DEWATERING: Contractor shall be responsible for dewatering area up to and including amount of 1000 gallons per minute. Amounts in excess of 1000 gallons per minute will become a mutual problem and require further negotiations.

METHOD OF PAYMENT: An estimate will be prepared at the end of each month and submitted for payment.

PARTIAL PAYMENTS: If the work extends over a period of more than one month the Contractor will receive monthly estimates based on the amount of work completed in an acceptable manner. Monthly estimates are partial payments on the Contract sum, and the allowance of a monthly estimate by the contracting authority does not constiture final acceptance of the work upon which the estimates are based.

Ten per cent (10%) of each estimate shall be deducted and held as a suspended payment until after the elapse of thirty (30) days from the date of final acceptance of the entire contract or following the release or adjedication of claims which may have been filed. Should a reasonable doubt arise as to the integrity of any part of the completed work, the estimate for that portion shall not be allowed until the cause for such doubt has been removed.

The monthly estimates and payments are approximate only, and shall be subject to correction in the final estimate and payment.

These monthly estimates will be paid on or before the 10th of the month following the month of the estimate.

Completion of raises, drifts and crosscuts shall be twenty four (24) months from awarding of contract.

EXHIBIT 6

MICHAEL JELEN
8010 West 6th Avenue
Denver 15, Colorado

September 28, 1965

Born September 29, 1932 in Bleiburg, Austria, I completed my elementary and high school education. I served as an apprentice stone mason for three years and then became a journeyman.

Since my family have all had extensive mining experience and are still engaged in that form of work, I started very early in the mines helping with all jobs and therefore received a broad knowledge in all phases of mining.

I came to the United States in June, 1951 and worked in both mining and construction until I entered the U.S.Army in June, 1953. I was honorably discharged in June, 1955.

Since the metal prices were inadequate for mining, I engaged in operating, buying, selling and repairing all types of mining and construction equipment and machinery. I used my spare time in prospecting my own claims and acquiring leases of potential silver mines -- waiting for the right opportunity to form my own mining company. This was achieved in June, 1963, when I formed the company known as Silver Lake, Inc.

I then proceeded to open the property near Westcliffe, Colorado, and commenced development work on both the copper and molybdenum properties. This area provides for seasonal operations only and in Feb. of 1964, I opened and operated successfully the Johnny Bull Mine near Silver Plume, Colorado. Work was then started on opening and rehabilitating the Gold Belt Tunnel, where I am at the present.

I held the office of Secretary-Treasurer of Silver Lake, Inc.since the formation of the company and presently am President, Treasurer and General Manager for the year 1965-66.

Michael Jelen

EXHIBIT 6

October 1, 1964

DOUGLAS V. WATROUS

AGE:	50	ADDRESS:	1122 Colorado Avenue Idaho Springs, Colorado
MARITAL STATUS:	Married	TELEPHONE:	567-2350
RELIGION:	Lutheran		

EDUCATION:

Graduate, Colorado School of Mines, Engineer of Mines Degree.

One and one-half years accounting study at Denver University.

Attended Colorado School of Mines altermate years from 1932 to 1940.

Registered Professional Mining and Metallurgical Engineer, State of Colorado, 1947.

Registered Professional Engineer, State of Colorado, 1951.

EXPERIENCE:

1957 - Present	Partner, Minerals Production Company, Mine Management Specialists; supervision and management of mining and metallurgical plants in western United States.
1955 - 1956	Acquired large copper property, designed and supervised construction of 1000 ton mill; designed and organized open pit mining system.
1954	Acquired large group of uranium claims by negotiating unitization of thirty separate ownerships. Performed field geological work and planned drilling program, resulting in ore discovery.
1947 - Present	President and General Manager of Jack Pine Mining Company; six mining properties, three concentrating mills, one oil property.
1947 - Present	Consulting Engineer, examining mining properties in western United States for many mining firms.
1953	Georgetown Manufacturing Company - General Manager - precision production machine work.
1952 - 1953	General Superintendent Gold Mines Consolidated, Inc., Georgetown, Colorado. This was $600,000 project to rehabilitate, equip and supervise development and production of base metal mine.

1951 - 1952	Partner, Mining and Milling Venture, Clear Creek County, Colorado; 100 ton per day base metal operation.
1949 - 1950	Ore Potential Study of Mines in Clear Creek, Gilpin and Boulder Counties, Colorado, followed by design of 300 ton custom mill.
1947 - 1948	General Superintendent, Lupton Mining Company, five mines and one mill.
1945 - 1946	Officer, Civil Engineer Corps, United States Navy. Designed and supervised construction of various military installations in South Pacific, including 2500 bed hospital.
1943 - 1944	Manhattan Bomb Project, Oakridge, Tennessee and Hanford, Washington; construction, operations, research, supervised approximately twenty million dollars in construction.
1941 - 1942	Remington Arms Supervisor - Cartridge Production - Annealing, Drill Presses, Lathes; supervision of 300 employees.
1947 - 1943	Consulting Engineer and Member of Board of Directors, Consolidated Smelting and Metals Corporation. Mill designing and construction, mine examinations, Rehabilitations and Operations.
1937	Mine and Mill Superintendent for Consolidated Smelting and Metals Corporation. Mines and mills located in five western states.
1935	Operations Engineer for WWW Corporation, mill construction and mine rehabilitation.
	During alternate years, while attending Colorado School of Mines, worked in base metals mines and mills in western United States.
	During schooling, was apprentice to J.A.A. Carper and Wm. C. Russell, prominent consulting mining engineers. Accompanied them on majority of mine examination trips. Have examined hundreds of mining properties in every state west of the Mississippi.
ORGANIZATIONS:	American Institue of Mining and Metallurgical Engineers Clear Creek County Metal Mining Association (Past Pres.) Colorado Mining Association, Director and Vice-President. Colorado School of Mines Alumni Association. Arizona Small Mines Operators Association. Mount Vernon Country Club. Sigma Alpha Epsilon Fraternity.
PUBLICATIONS:	Mining World, Western Industry, Work, Colorado Mining Association Year Book.

EXHIBIT - A

Silver Lake, Inc.

1306 8TH STREET -o- GOLDEN, COLORADO 80401
238-4898 (303) 279-6676

September 27, 1965

All work under this project is to be performed by an independent contractor. See attached Bid Specifications and bids from three contractors.

We, the applicant, propose to perform the work as an independent contractor in accordance with the Bid Specifications at the following stages:

FIRST STAGE:

1. Install and timber a ten ft. (10') by twenty five ft. (25') by eight ft. (8') raise station at the main haulage level - 250 sq. ft. @ $36.00 per sq. ft. ..... $ 9,000.

2. Drive and timber a 150 ft. three (3) compartment raise - @ $200.00 per foot ..... $ 30,000.

3. Drive a 125 ft. crosscut - five ft. (5') by seven ft.(7') in the clear to intersect the vein, @ $60.00 per foot ..... $ 7,500.

4. Drive a drift - five ft. (5') by seven ft. (7') in the clear - 400 ft. easterly and 400 ft. westerly on vein, @ $62.00 per foot ..... $ 49,600.

5. Install and timber a seven ft. (7') by twenty ft. (20') by seven ft. (7') waste shoot at the 150 ft. level - 140 sq.ft. @ $36.00 per sq. foot ..... $ 5,040.

Total at completion of first stage ..... $101,140.

SECOND STAGE:

1-A. Drive and timber a 150 ft. three (3) compartment raise - @ $200.00 per foot ..... $ 30,000.

2-A. Drive and timber 80 ft.- five ft. (5') by seven ft. (7') in the clear crosscut - @ $62.00 per foot ..... $ 4,960.

3-A. Drive drift and timber - five ft. (5') by seven ft.(7') in the clear - 400 ft. easterly and 400 ft. westerly on vein - @ $62.00 per foot ..... $ 49,600.

4-A. Install and timber a seven ft. (7') by twenty ft.(20') by seven ft. (7') waste shoot on 300 ft. level, 140 sq. ft. @ $36.00 per sq. ft. ..... $ 5,040.

Total on completion of 2nd stage $190,740.

THIRD STAGE:

1-B. Drive and timber a 150 ft. three (3) compartment raise @ $210.00 per foot.....$ 31,500.

2-B. Drive and timber a 35 ft. crosscut - five (5') ft. by seven ft. (7') in the clear to intersect vein on the 450 ft. level @ $62.00 per foot.....$ 2,170.

3-B. Drive and timber a five ft. (5') by seven ft. (7') in the clear drift - 400 ft. easterly and 400 ft. westerly @ $64.00 per foot.....$ 51,200.

4-B. Install and timber a seven ft. (7') by twenty ft. (20') by seven ft. (7') waste shoot on the 450 ft. level - 140 sq. ft. @ $ 36.00 per foot.....$ 5,040.

Total on completion of third stage $280,650.

FOURTH STAGE:

1-C. Drive and timber a 100 ft. three (3) compartment raise to intersect vein @ $220.00 per foot.....$ 22,000.

2-C. Drive and timber a five ft. (5') by seven ft. (7') drift on the 550 ft. level - 25 ft. easterly and 25 ft. westerly - @ $62.00 per foot.....$ 3,100.

3-C. Install and timber a seven ft. (7') by twenty ft. (20') by seven ft. (7') waste shoot on 550 ft. level - 140 sq. ft. @ $33.00 per sq. ft.....$ 4,620.

A. 135 ft. of portal is in need of extensive repair to permit bringing thru vent lines and adequate passage. Cost of rehabilitation of portal (Grouting) @ $140.00 per foot.....$ 18,900.

B. Engineer fees.....$ 3,830.

Total cost of project $333,100.

SILVER LAKE, INC.

BY Michael Jelen

Michael Jelen, President

Ex. 7-A

EXHIBIT 7-a

RALEIGH JOHNSON

IDAHO SPRINGS, COLORADO

August 30, 1965

Silver Lake, Inc.
Attn: Mr. Michael Jelen
1306 8th Street
Golden, Colorado

Mr. Jelen:

I propose to do the work at the Gold Belt Tunnel in Silver Plume, Colorado at the following rate. I have inspected the property and I am familiar with both the Specifications and general conditions.

Drive 3200 ft. crosscuts and drifts @ $70.00 per foot.....	$224,000.
Drive 550 ft. three (3) compartment vertical raise @ $220.00 per foot.....	$121,000.
Install ore pockets on each level @$ 9,000.00 each.....	$ 36,000.
Timbering crosscuts and drifts - cost plus 15% or a sum not to exceed.....	$ 25,000.
Total computed sum	$406,000.

I would appreciate any consideration that you might give to my bid.

Very truly yours,

Raleigh Johnson

Raleigh Johnson

EXHIBIT 7-a

MILE HIGH DRILLING COMPANY

10805 WEST 44th AVENUE
WHEATRIDGE, COLORADO 80033

Area Code 303 421-0916

CEMENT AND
CHEMICAL GROUTING

EXPLORATION
CONTRACT MINING

September 24, 1965

Mr. Mike Jelen
Silver Lake, Inc.
1306 - 8th Street
Golden, Colorado 80401

Dear Mr. Jelen:

The following is our quotation on your proposed development, and repair of existing workings, at the Gold Belt Tunnel, near Silver Plume, Colorado.

The proposed work is listed by items and priced accordingly as follows:

Item #1:	3200 ft. of drifts and cross cuts as described in specifications . . .	$213,856.00
Item #2:	Air, water, ventilation lines, ventilation blower and trackage for existing 1450' of heading . . .	14,500.00
Item #3:	Enlarge, grade & repair of existing tunnel to the 1450' station	32,500.00
Item #4:	Drive 500' of 3 compartment raise as described in specifications . . .	159,000.00
Item #5:	1000 bd.-ft. of native timber for drifts, cross cuts and stations, at $350.00 per "M"	350.00
Item #6:	1000 lbs. of roof bolts with necessary hardware at $.40 per lb. .	400.00
	TOTAL BID PRICE	$420,606.00

EXHIBIT 7-a

Mr. Mike Jelen
Silver Lake, Inc.

September 23, 1965
Page 2

It is our feeling that Items #2 and #3 should be done on a cost plus basis under the guiding hand of your engineer. The amount of money involved is strictly a guess and any contractor will obviously try to guess right to protect himself. This especially applys to Item #3.

In the case of Item #2, most of the cost is purchase of materials which is to remain installed as property of the owner. And, further, it may well develop that you would want larger water and ventilation lines than the minimum required for the proposed work by the contractor.

Bid prices are based on completion of quantities shown. Any change in quantities should be discussed, as it would probably change the unit price per foot. This would apply more especially to the raise.

Prices quoted would include the pocket excavation at raise level stations; but all chutes, linings, trackage etc., would be on a cost plus basis.

We thank you this opportunity to quote.

Yours very truly,

MILE HIGH DRILLING COMPANY

E. M. Cooper

E. M. Cooper

EMC:lc

EXHIBIT & 7-a

LOGAN E. SHELHAMER MINING CONTRACTOR
P. O. Box 2 0 3
Bayfield, Colorado

Silver Lake, Inc.
1306 8th Street
Golden, Colorado 80401

Dear Sirs;

After carefully studying your proposal for bid on the Gold Belt Tunnel I would be willing to submit a bid of Three hundred ninety thousand ($390,000.00) Dollars providing you will make the following changes in your contract.

1. The paragraph on page 6 of the section headed Specifications to read as follows"SEQUENCE OF MINING, TESTING FOR ORE AND MINING ORE: The owner shall test for ore as the drifting progresses, When ore is encountered, the contractor will continue his operations as directed by the Owner or engineer. ON THE BASIS OF EXTRA WORK AS PROVIDED IN THE "EXTRA WORK" PARAGRAPH ABOVE. In the event that the Contractor has to shut down because of mining operations, an extension of time will be granted equal to the time lost during the shut down period.

2. Change the last word of the paragraph COMPUTATION OF FOOTAGE AND DIM* ENSION: from "Contractor"to Contractor and Owner.

3. Change the paragraph METHOD OF MINING AND TYPE OF EQUIPMENT: by adding In the event of a disagreement as to methods or equipment the same is to be setteled by the employment of a competant and qualified engineer, acceptable to both parties and his decision shall be borne by the Contractor and Owner.

Assuming the bid under these conditions is interesting to you please contact me and I will re-write this letter, after receiving the appropriate addendum or bulliten.

Yours truly,

Logan E. Shelhamer

Logan E. Shelhamer

What I am trying to avoid by my objection 1. above is the possability of being required to mine a nerrow seam where split shooting is involved at my expense.

Silver Lake, Inc.

1306 8TH STREET -o- GOLDEN, COLORADO 80401
(303) 279-6676

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 22 1965

INITIALS	CODE
	120
	~~120~~

Murphy

November 18, 1965

United States Dept. of the Interior
Office of Minerals Exploration
Attn: Mr. Frank E. Johnson
Washington 25, D.C.

Re: OME 6509 (Silver)
Silver Lake, Inc.
Gold Belt Tunnel
Clear Creek County, Colorado

Dear Mr. Johnson;

We note in your letter of October 26, 1965, you state that the Government could not participate in the cost of the work as proposed as the work seemed to be more in the nature of mine development than exploration.

May we point out that the ore shipped from the 1600 foot vein came from a small area and consisted of material that caved to the haulage level. Very little blasting was done. We do not know whether this was an isolated kidney of ore or not. Therefore, the work that we propose to do is strictly exploration.

In the past few days we have completed a new cross-cut to the 1600 foot vein. This cross-cut started in the haulage level 150 feet on the portal side of the 1600 foot vein and was driven 232 feet to intersect the vein about 132 feet east of the haulage level. The new cross-cut intersected the vein at a cave and no information was obtained. We inspected the vein in place, and as your inspectors will note, no values were obtained.

We submit that if we limit our application to a raise 200 feet in height, a cross-cut ~~150~~ 125 feet in length from the top of the raise to intersect the vein and drift 400 feet easterly and 400 feet westerly along the vein, we would then be able to determine the true nature of the vein and whether or not values were adequate and consistant.

cy I R-III

We do not believe this vein can be explored by diamond core drilling as the information we have on the vein shows it to be soft and ravelly thus rendering it unsuitable for the recovery of a proper core through the vein.

As a result of our recent experience in driving the cross-cut described above, we have revised our cost estimate and are re-submitting the same as attached.

We will appreciate your comments on this letter and hope that you will consider our application.

Very truly yours,

Michael Jelen, President

Attached: Revised Cost Estimate
Tunnel Map

REVISED COST ESTIMATE OF EXPOLRATION PROGRAM

RAISE STATION: Excavate 10 ft. by 25 ft. by 8 ft. raise station - 250 sq. ft. @ $26.00 per sq. ft.....$6500.00

Timber and lag raise station.....$1800.00

Cost of raise station.....$8300.00 ?

THREE (3) COMPARTMENT RAISE: Drive and timber a 200 ft. three compartment raise @ $138.00 per foot..... $27,600.00

CROSSCUT: Drive a 125 ft. crosscut - 5 ft. by 7 ft. in the clear to intersect vein @ $32.00 per foot.....$4000.00
Timber and lag 60% of crosscut - 15 sets @ $27.00 per set.....$ 405.00

Cost of cross cut..... $ 4,405.00

DRIFT: Drive a drift 5 ft. by 7 ft. in the clear 400 ft. easterly and 400 ft. westerly on the vein - 800 ft. @ $32.00 per foot.....$25,600.00
Timber and lag 70% of drift - 112 sets @ $27.00 per set..$ 3,024.00

Total cost of 800 ft. drift..... $28,624.00

WASTE SHOOT: Install and timber a 7 ft. by 20 ft. by 7 ft. waste shoot at 200 ft. level - 140 sq. ft. @ $36.00 per sq. foot.....$ 5,040.00

Total cost of revised exploration cost estimate $ 73,969.00

Silver Lake, Inc.

1306 8TH STREET -o- GOLDEN, COLORADO 80401
(303) 279-6676

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 9 1965
INITIALS | CODE
~~120 M~~
120

November 5, 1965

United States Dept. of the Interior
Attn: Mr. Frank E. Johnson, Chief,
Office of Minerals Exploration
Washington 25, D.C.

Re: OME-6509 (Silver)
Silver Lake, Inc.
Gold Belt Tunnel
Clear Creek County, Colorado

Dear Mr. Johnson:

We are in receipt of your letter dated October 26, 1965. Please hold our application for we are in the process of revising our program.

Thank you for the speedy process.

Very truly yours,

Michael Jelen, President

MJ/rj

cy RIII

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/25	Murphy	120
"	Johnson	110
10/26	Cac	120
		120

Silver Lake, Inc.
1306 8th Street
Golden, Colorado

OCT 2 6 1965

Re: OME-6509 (Silver)
Silver Lake, Inc.
Gold Belt Tunnel
Clear Creek County, Colorado

Gentlemen:

Reference is made to your application for financial assistance in exploring the subject property for silver.

The OME regulations, in part, state that the principal work shall not be considered primarily for mining or preparation for mining.

A careful study of your application indicates that the proposed work, starting near an area that has been previously mined, is primarily designed to assist in the mining of ore from the 1600-foot vein adjacent to a known ore deposit, or extension therefrom. Such work would not qualify as a search for a new or unexplored deposit. Consequently, we could not participate in the cost of the work as proposed.

However, we shall be glad to consider a revised work program to explore specific favorable geological target areas on the property. If you desire to present such a program, you should furnish information outlining such areas and the proposed work to explore them, including detailed costs. In this connection, the cost estimates submitted with your application were considerably higher than costs currently being incurred in comparable operations. The Government can participate only in reasonable and necessary costs.

With respect to the land involved in your proposed project, all claims which would benefit by the work must be included in any proposal.

We will hold your application for further processing until we hear from you.

Sincerely yours,

(signed) FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

FMMurphy/mm 10/19/65
Rewritten:
FEJohnson/gla/mm (10/25/65)
cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Region III

23263

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

October 19, 1965

Memorandum

To: The File

From: F. M. Murphy, Mining Engineer

Subject: OME-6509 (Silver)
Silver Lake, Inc.
Gold Belt Tunnel
Clear Creek County, Colorado

Justification for Denial of Application

The proposed project, estimated to cost $333,100.00, consists of the following work:

1. At a point 1,450 feet in from the portal of the adit (tunnel) drive a 50-foot drift easterly.

2. In this drift drive a three-compartment vertical raise to a total height of 550 feet with level stations at the 150-foot, 300-foot, and 450-foot elevations in the raise.

3. At each of these levels drive crosscuts southerly to the vein and then drift 400 feet easterly and 400 feet westerly along the vein.

The land consists of 23 patented and 18 unpatented lode mining claims and also 1 mill site in secs. 22 and 27, T. 4 S., R. 75 W., 6th P.M. The property is located about 3 miles west of the town of Silver Plume. The Applicant has rights to the claims for 20 years under a Mining Lease. The Applicant states, "Government royalty and liens will apply to the Sea Gull and Jack Pot claims." These are the two claims on which the proposed work would be done.

The exploration work done to date consists of an adit driven in a southerly direction for 3,100 feet. In this adit veins were

encountered at 900, 1,600, 2,100, and 2,900 feet from the portal. A small amount of exploration work was done on the 900 and 2,100-foot veins. The 2,900-foot vein was drifted upon approximately 600 feet easterly and two raises were driven. The 1,600-foot vein was drifted upon for approximately 200 feet to the east and 50 feet to the west. Most of the production from the property was from stopes on the 1,600-foot vein formation which ranges from 4 to 40 feet in width. This vein caved and closed the adit. At the present time the Applicant is driving a crosscut to by-pass this cave.

According to U. S. Bureau of Mines records, the Gold Belt adit work was started in 1902. The assays submitted indicated the veins carry the usual high-grade silver values found in the Georgetown Quadrangle. The application does not mention the tonnage of ore transported through the adit; however, it does mention that the value of ore from one stope 80 feet long and 100 feet high on the 1,600-foot vein amounted to $150,000.00.

All the work proposed in the application is designed for exploitation of ore from the 1,600-foot vein starting near the area adjacent to the above-mentioned stope. Since such work must be considered as being primarily for mining and preparation for mining, in accordance with OME regulations the subject application must be denied.

F M Murphy

F. M. Murphy

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

October 11, 1965

Silver Lake, Inc.
1306 8th Street
Golden, Colorado 238-4898

Subject: OME - 6509

Gentlemen:

Your application for exploration assistance, dated October 4, 1965, submitted to our office at Washington, D. C. has been assigned Docket No. OME-6509.

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

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region III with
copy of 3 reports

Note
Return Eng^g Reports when processing completed