SUMMARY REPORT ON THE MOUNTAIN TOP PROPERTIES, TELLURIDE DISTRICT, COLORADO OME DOCKET 6524, CONTRACT NUMBER 2241

NOVEMBER 4, 1971

INTRODUCTION

Ventura Oil Company, a Nevada Corporation, hereinafter called the "Operator", negotiated an exploration contract, (Docket Number OME-6524, Contract Number 2241) with the Office of Mineral Exploration on June 30th, 1967. The purpose of this contract was to explore by drifting, crosscutting, and by diamond drilling from prepared underground drill stations for silver-gold bearing base-metal ore bodies in and along the Terrible 3 (also known as the Agnes) and the Mountain Top (also known as the Humbolt or Sweepstakes) veins in tuff-breccia of the San Juan formation of Tertiary age. The above mentioned veins are located within the Mountain Top Properties, Mt. Sneffels District, Ouray and San Miguel Counties, Colorado. (See appendices to Contract Number 2241.)

GEOLOGY

The following statement briefly summarizes the geologic setting of the Mountain Top Properties which was described by several writers during the course of the exploration program.

Known ore shoots within the Mountain Top Properties consist of base-metal, silver, and gold minerals in veins in the San Juan tuff and younger volcanic rocks. The more common sulfide minerals are galena, sphalerite, pyrite, minor chalcopyrite, and silver-bearing sulfides. Quartz and carbonates comprise the more abundant gangue minerals. Tectonically, these veins are a part of the composite network of northwest-trending structures common to the Telluride district. The Humbolt (Mountain Top) vein is the northward extension of the north-northwest-trending Smuggler-Union vein and the Terrible 3 is a continuation of the westerly trending Terrible vein which strikes approximately N70 W.

Movement within the structural network has produced openings along certain individual structures forming distinct ore shoots

ranging from a few inches to 3 or 4 feet wide and extending several hundred feet along strike and on dip in the more favorable volcanic units. Recent development of ore-grade material along similar vein systems within the underlying sedimentary units, particularly the Telluride conglomerate, has been reported within the Telluride district.

EXPLORATION

The actual exploration of the Mountain Top Properties can be divided into two phases within the four year span of activity conducted by the Operator. The time span needed for exploration developed as a direct result of the location of the access tunnel (Sunrise Tunnel) leading to the underground workings of the Mountain Top Properties. The portal of the tunnel is at an elevation of 11,972 feet, and access to the property is by means of an unimproved gravel road. Several amendments (nos. 1, 2, 3, 4, 6) to the original contract were requested asking for recesses due to the difficult and often hazardous conditions existing within the area during the fall, winter, and spring seasons.

Phase I

Exploration began during July, 1967 under the direction of the Operator and his consultants Messrs. Walter Verner and Louis Gaz. This work included drilling three diamond drill holes (nos. 1, 2, and 3; fig. 1) intended to explore the downward extension of the Terrible 3 vein from the Sunrise Tunnel level, and drifting northward along the Terrible 3 vein at the same level. The drilling was performed by MacPherson Drilling Company of Montrose, Colorado, and the tunneling operations were handled by Bunker and Company of Norwood, Colorado.

Between July and November, 1967, the Operator completed diamond drill holes 1, 2, and 3 having a total drill length of 1365 feet. Mineralized material was penetrated some 293 feet below the level in drill hole number 1, at a distance of 476-480 feet down the hole. The mineralization consisted of narrow stringers of ore-grade material having an average assay of 0.01 oz. Au, 32.43 oz. Ag,

0.319% Cu, 6.213% Pb, and 0.630% Zn per ton (table A). Material recovered from a mineralized zone at a depth of 265 feet, drill hole interval 372-378 feet, contained the following over a 9 inch width: 0.006 oz. Au, 40.52 oz. Ag, 54.48% Pb, 0.15% Cu, and 2.82% Zn. The drilling program did substantiate the existence of narrow high grade stringers of silver-bearing and base metal sulfides.

Drifting and crosscutting, totalling 198 feet, along the northward extention of the Terrible 3 vein was also completed during the same time period. Mineralization consisted of narrow pods of galena in a highly altered zone. The stringers and vein system trended more westerly and it was questioned whether or not the structures being followed actually belonged to the Terrible 3 vein. At that time it was deemed advisable to map the underground workings of the Mountain Top properties in greater detail before proceeding with additional drifting along the Terrible 3 vein.

Extensive preparation and rehabilitation of the access road was required in the spring and early summer of 1968. Consequently little additional exploration work was accomplished during the summer of 1968.

Messrs. Verner and Gaz were retained by the Operator as consultants during the early summer months of 1968. However, they did not provide any new geologic data, in that their work consisted primarly of a transit survey of the Sunrise Tunnel.

Phase II

During August 1968, Mr. Maynard Ayler, consulting geologist, Golden, Colorado was hired by the Operator to complete the work begun by Messrs. Verner and Gaz - that of detailed geologic mapping of the Sunrise level of the Mountain Top Properties. Mr. Ayler's work, shown on figure 2, revealed two conclusions which required a revision of target priorities as petitioned in amendment number 5. The first recommendation involved the discontinuation of drifting along the Terrible 3 vein. Mr. Ayler felt that the vein itself was rapidly dying out northward from the Sunrise Tunnel and that additional work related to the discovery of economically significant ore shoots along the Terrible 3 vein was not justified.

The second conclusion was based on the discovery of weakly mineralized andesite dike and a major sheeted zone containing sulfides that intersect the Humbolt vein. The intersections on the Sunrise level are just north of the Sunrise Tunnel/Humbolt Drift intersection as shown on figure 2. Ayler's work suggested that there is an interesting relationship between the newly recognized zones and the Humbolt vein in that the old stopes on the Humbolt vein occur north of the intersection indicating that the best chance for the occurrence of additional ore would be found north of the plunge of this intersection on dip.

With these new concepts in mind, the Operator felt that a change in the contract should be allowed to explore areas now considered to have greater discovery potential. The revision would include testing the downward extension of the Humbolt vein by diamond drilling north of the newly discovered intersection. Data pertaining to the proposed drill stations, attitude of the drill hole, and footages are shown on figure 2. Mr. Ayler's proposals were suggested to the Operator, and were subsequently accepted by the government in amendment number 5.

The newly proposed diamond drill holes were inclined to cut the Humbolt vein not less than 50 feet nor more than 500 feet below the Sunrise Tunnel level, and the intersecting mineralized zone not less than 125 feet nor more than 325 feet below the Sunrise Tunnel. Rehabilitation of portions of the Sunrise Tunnel and Humbolt Drift were required to gain access to the proposed drill stations 2 and 3. Additional cost figures for the revised work scheduled are given in the appendices to amendment 5.

Delays brought about by a question of property ownership of one of the drill station sites, and the Operator being out of the country on business, required petitioning for a winter recess. Amendment number 6 granted that recess.

During the Operator's examination of the old workings in the summer of 1970 problems developed in the attempt to rehabilitate the Humbolt drift for access to drill station number 2. It soon became apparent that the old workings were extremely hazardous and that rehabilitation would require more time than anticipated, such that work on the drift would continue into the fall and thus the drilling operations would be again delayed until the following summer (1971).

In order to avoid additional delays, which undoubtedly were becoming frustrating to all parties concerned, the Operator relocated the prime drill station to the now abandoned heading of the Terrible 3 vein (figure 3). The drill target was the same, however the attitude of the drill holes had to be recalculated as shown in figure 3.

The new drilling program called for two holes (nos. 4 and 6) having a total length of 1100 feet. Drilling commenced in September, 1970 after approval of amendment number 7. A total of 575 feet of diamond drilling was completed in hole number 6. A description of the core is given in table B, and values obtained from mineralized intercepts are shown in table C. It is possible that drill hole number 6 intercepted the vein below the plunge of the intersection recognized by Ayler since the intensity of sulfide mineralization does not correspond to that previously reported to have come from the old stopes on the Humbolt drift.

Drill hole number 4 was not completed to the proposed depth of 550 feet due once again to the arrival of the fall snowstorms. A brief description of the core recovered from hole number 4 is given in table B.

COSTS

Total cost of the project to date is $46,758.58 of which $46,726.58 was allowable by the government. The government has disbursed $28,036.19 with $200.00 remaining outstanding pending completion of the summary report by the Operator. Detailed cost figures are presented in Operator's Reports dated September 25, 1967, October 13, 1967 and May 26, 1971. A copy of the final project voucher is attached. (See table D). The actual costs incurred by the Operator amounted to $58,731.79. This higher amount being primarily due to unanticipated expenditures.

CONCLUSIONS

The limited data obtained during the period June 1967 through October 1970 indicated to the Operator and the Operator's consultants that though the drilling programs did indeed show the presence of

silver-bearing sulfide mineralization, the occurrence of significant reserves of ore-grade material were not found in those drill holes completed, nor in the drifting and or crosscutting conducted along the northward extension of the Terrible 3 vein. The results do not preclude the possibilities of significant reserves occurring on the Humbolt vein since the drilling target objectives may not have been entirely achieved.

Ventura Oil Company

Homer Noble
President

Check drill footage remaining.

281' - $1671.95
801' - 4903.15
1082' - $6575.10

Used

2740' $17,568.00
1082 6575.10
1,658' $10,992.90

Remaining 8/24/70

Extra copy Operator's final report

OME

Ventura Oil Company

T.V. - $61,200 G.P. $16,875

Spent - $8,888.44 G.P. thru. Sept. 1967.

Drift, XC advanced 198' 3 D.D.H. totalling 1,082'

Amend. No. 1 recess to June 15, '68 (early winter)

" " 2 " " Aug. 1 " (late spring snow, road repair)

" " 3 " " July 1, 1969 (addit. geol. work & winter weather)

" " 4 " " Aug. 15, 1969 (late spring snow, property problem)

" " 5 " " Nov. 15, 1969 Not signed by Operator until Dec. 5, 1969 - winter weather)

Proposed " " 6 " " July 15, 1970 (winter weather)
Complete work by Nov. 15 '70

Balance of $37,489 Govt Funds remaining

Needs to complete 1110' of rehabilitation in Sunrise adit

" " " 320' " " " Humboldt drift.

Cut 2 DD stations

Provide Ground support

Drill 2 DDH totalling about 750'.

Work not resumed as required on 3 occasions and contract could have been terminated.

T V $1,600
Govt share @ 75% = 61,200
44,325
— $16,875

Period ending Aug. 31, 1967

(Rehabilitation
reverse than expe
30% of travel
15% of rail

Work begun 2nd week July 1967.

Drill site A cut. Hole 2 drilled to 281' 524°W

Drift on Tunnel 3 advanced 71'.

$7829.75 claimed $5947.31 paid. 10/6/67

Period (month) ending Sept. 30, 1967

Work continued — Hole No. 2 completed to 433'.

Hole No. 1 " 510' 517°E - 38°

Hole No. 3 drilled to 139' 561°W -36°

Drift advanced 104' } 127'
XC " ~~50~~ 23' for operating reasons }

$8888.44 paid 11/7/67

Amend #1 recess to June 15, 1968 (early winter)

" 2 " " Aug. 1, 1968 (late spring snow)

3 " " July 1, 1969 (additional geol. work & winter work)

4 " " Aug. 15, 1969 (late spring snow)

5 " " Nov. 15, 1969 several program reduction in Govt share, ~~delay in A~~ not executed until after Nov. 15.

6 July 15, 1970 complete by Nov. 15, 1970.

Balance of $37,489 Govt Funds left.

Needs to complete ~~1100' of tunnel left~~ 1100' of Sunrise adit and 320' of rehabilitation

Cut 2 DD stations complete DDH 4

Provide Ground support (256½') DDH 6

3/6/

Phone conversation with Mr. Noble
Kirkpa

Insist on
Assurance that work will be received & diligently.

Noble.
Reason in part.
1- Position by OME on drill station set up - off property.

Rehabilitation a matter of 10 days to 2 weeks to Humboldt

Asked Noble to advise us by letter ~~on before~~
~~April~~

Hold
for reply
from FO
re on-site
inspection
(our letter July 30, 1968)

To File
F R M S
S OME-6524 (Silver)
Ventura Oil Company
Mountain Top and Tenible 3 Mines
Ouray and San Miguel Counties, Colorado

Justification for Terminating the Contract

The project was recessed for the winter on October 15, 1967, to be resumed not later than August 1, 1968. On July 15, 1968 the Operator requested an additional recess of one year to evaluate the work to date and design a more feasible program. Again, on July 26, it requested the recess be extended to Oct. 15, 1969 for the same purpose.

363/618

To File
F R M Smith
S OME-6524
Ventura Oil Company

The purpose of the project was to explore three targets along two veins by drifting and crosscutting 1050 feet and diamond drilling 2740 feet in five holes. One target, the downward continuation of the Terrible 3 vein below the old stopes, was adequately explored by three drill holes. Two of the holes were barren and one cut a 3-inch vein of lead-silver minerals. The second target, the lateral continuation of the Terrible 3 vein on the Sunrise adit level, was partly explored by 198 feet of drift which exposed a 2-inch vein of lead-silver-copper minerals that pinched out in the last 50 feet of drift. The third target, downward continuation of the Mou[illegible] Top vein below the old stopes, wa[illegible] explored because a drill statio[illegible] be excavated until the drifting is c[illegible]

The results of the work to date are disappointing. ~~and tend to discourage~~ The elimination of one target area and part of ~~discourage exploration of~~ ~~discourage the Operator from~~ another provides new negative geologic information ~~and part of another detrac~~ which tends to cast doubt on the merits of completing the project. The Operator's request, however, if approved would tie up $41,419.00 of OME funds that are urgently needed for other projects of equal or better potentialities which could be completed during the time of the proposed recess.

I recommend, therefore, that the contract be terminated by mutual consent and that the operator be informed that it should reapply for OME assistance at such time as it ~~a revised project~~ is able to perform the remaining work or submit an acceptable revision.

Inasmuch as the possibility of discoveries in ~~the~~ two target areas still remains, the termination agreement should include a royalty agreement to compensate the Government ~~for in the event that no further work is done~~ for the work done in the event that ~~it is found that the remaining targets are not acceptable~~ exploitable discoveries are made independently by the two ~~remaining target~~ areas Operator in either area.

TABLE A

HAZEN RESEARCH, INC.

4601 INDIANA STREET
GOLDEN, COLORADO • 80401
TELEPHONE 279-4549

REPORT OF ANALYSIS

To: Mr. Homer Noble
Ventura Oil Company
510 Midland Savings Building
Denver, Colorado 80202

Date: December 15, 1967

HRI Project No. 313
HRI Series No. 941

Analysis No.	Sample Designation	Pb %	Cu %	Zn %	Au oz/ton	Ag oz/ton	
		1.50	1.50	1.50		2.50	
941-1	T-2-1	0.018	0.01	0.02	ND	ND	2'
2	T-2-2	0.035	0.02	0.04	ND	ND	2
3	T-2-3	0.23	0.01	0.47	Tr	0.82	1.5"
4	T-2-4	54.48	0.15	2.82	0.006	40.52	9"
5	T-2-5	0.47	0.02	1.09	Tr	2.36	11"
6	T-2-6	0.11	0.01	0.13	ND	ND	1'8"
7	T-2-7	0.30	0.01	0.05	ND	ND	1.3"

Note: These samples are drill core submitted by Walter Verner on November 13. The cores have been split and one-half retained.

#2
372
378

7 x 7.00 = 49.00

By Delmer L. Brown
Delmer L. Brown
Geological Engineer

cc: Mr. Walter Verner

162 91

TABLE B

SKYLINE LABS, INC.
SPECIALISTS IN GEOCHEMICAL EXPLORATION
12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033 • TEL.: (303) 424-7718

December 11, 1970

Summary

I. Mountain Top Mine, Ouray County, Colorado
Diamond Drill Hole Number 6 -- AXWL
Bearing: N86°W, Inclination: -33°.

Drill Hole Interval (in feet)	Description
General	
0 to 575	Greenish-gray to purple andesite latite flow(?) breccia of the San Juan formation. Breccia fragments are 1/8 to 3 inches in diameter. The host rock has undergone prophylitic alteration with calcite (1 to 3%), chlorite (1 to 5%), and magnetite (<1%) occurring as common secondary minerals throughout the entire section of core examined. Plagioclase phenocrysts have been kaolinized. Transition into zones of more intense hydrothermal alteration are accompanied by bleaching of the flow breccia, kaolinization, pyritization, and silicification. Chlorite is abundant in both the altered and unaltered zones, magnetite and disseminated calcite disappear as the intensity of hydrothermal alteration increases.
0 to 94	In the interval from the drill collar to a drill depth of 94 feet, the core contains a one-half to one inch wide quartz/carbonate veinlet containing fine-grained galena, sphalerite, and pyrite. The strike of the veinlet, which is exposed in the heading of the drill station, nearly parallels the bearing of the drill hole. Sections of the veinlet were cut at 43 to 46 feet, 65 to 69 feet, and 70 to 85 feet. It is possible that these intercepts are related to separate parallel veinlets.
94 to 405	Dark grayish purple andesite/latite flow breccia. Breccia fragments range from 1/8 to 10 inches in diameter. Hairline to 1/2 inch wide calcite stringers occur at random intervals.

TABLE B (cont)

Drill Hole Interval (in feet)	Description
405 to 415	From 409 to 415 feet -- increasing effects of hydrothermal alteration: bleaching kaolinization, pyritization, and slicification.
415 to 420.6	Sulfide vein. Flow breccia has been sheared and recemented with silica containing disseminated pyrite. At 420 to 421 feet the core contains a narrow (1/2 to 3/4 inch) veinlet of quartz containing fine-grained galena, sphalerite, pyrite, and an unidentified sulfide mineral. The veinlet nearly parallels the long axis of the core, however the core is badly broken and the exact attitude of the sulfide mineralization in relation to the core section is not clear. It appears that some, but probably not more than 10 percent of the vein material has been washed out of the interval 420 to 420.6 feet.
420.6 to 425	Decreasing effects of hydrothermal alteration and loss of sulfide minerals.
425 to 525	Dark gray to purple andesite/latite flow breccia of the same general character described in the interval 94 to 425 feet.
526	Change from andesite/latite flow breccia to a light grayish green andesite porphry dike (?). Feldspar phenocyrsts are kaolinized, local stringers of quartz and pyrite.
526 to 544	Light gray-green andesite porphyry increasing silicification and pyritization. Minor occurrences of fine-grained galena and sphalerite.
544 to 556	Possible intercept of the Humbolt vein (apparent dip in core 65° W). Alternating veinlets of quartz and fine-grained pyrite with minor amounts of galena and sphalerite. The andesite has been highly sheared with quartz and sulfide minerals filling and recementing the zone. Galena and sphalerite represent less than one percent of the sulfide minerals present.
556 to 558	Light gray-green andesite containing minor amounts (1 to 3 percent) of disseminated pyrite.

Drill Hole Interval (in feet)	Description
558 to 575	Change back to the andesite/latite flow breccia at 558 feet. Effects of hydrothermal alteration decrease from 558 to 561 feet. Some bleaching and increasing hydrothermal alteration from 565 to 575 feet.
	Total Length of Drill Hole -- 575 feet

II. Mountain Top Mine, Ouray County, Colorado
Diamond Drill Hole Number 4 -- AXWL
Bearing N76° W, Inclination -30°

Drill Hole Interval (in feet)	Description
0 to 298	The core recovered from drill hole number 4 (0 to 298 feet) is of the same general character as that described under the general category in the description of core obtained from drill hole number 6. Unfortunately, due to inclement weather the drill hole was not completed to its planned drill depth of 550 feet. No significant sulfide mineralization was noted in the actual core recovered and no analyses of the material were requested.

TABLE C

SKYLINE LABS, INC.
SPECIALISTS IN GEOCHEMICAL EXPLORATION
12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033 • TEL.: (303) 424-7718

REPORT OF ANALYSIS

Job No. 20089
December 15, 1970

Ventura Minerals, Inc.
1029 E. 8th Avenue
Denver, Colorado 80218

Attention: Homer Noble

12 Drill Core Samples - Mountain Top Mine, DDH No. 6

Item	Sample No.	Au (oz/T)	Ag (oz/T)	Pb (%)	Zn (%)
1.	410-415 ft.	<.01	.07	.03	.15
2.	415-420.6	<.01	7.2	.69	.725
3.	420.6-425	<.01	.07	.03	.09
4.	519.6-525	<.01	<.01	<.005	.01
5.	525-529	<.01	<.01	<.005	.02
6.	529-534	<.01	.03	<.005	.025
7.	534-539	<.01	.12	<.005	.015
8.	539-544	<.01	.01	<.005	.015
9.	544-549	<.01	.48	.18	.345
10.	549-554	.01	1.76	.65	.75
11.	554-556	<.01	.26	.22	.30
12.	556-561 ft.	<.01	.01	<.005	.037

for Charles E. Thompson
Chief Chemist

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

TABLE D

Docket No. OME -6524
Contract No.
14-23-999- 2241
Contract Amount: $81,600.00
Gov't. Participation: $ 44,325.00
Mineral(s) Silver

OPERATOR'S MONTHLY VOUCHER

For Month of 10/67 - 12/70

Operator's Name Ventura Oil Company
Address

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Drilling~~ Moving	20.00	140.00	160.00			
Drifting cross cutting	960.00	7,920.00	8,880.00			
~~Drilling~~ Standby	294.00	364.00	658.00			
Drilling	7,056.05	6,575.10	13,631.15			
Drill Station	450.00	225.00	675.00			
Mobilization	175.00	175.00	350.00			
(2) Personal Services:						
Supervision & Technical	2,450.00	1,750.00	4,200.00			
Outside Consultants	1,410.13	1,500.00	2,910.13			
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
~~Drilling~~ Ground Support	520.00	-o-	520.00			
~~Drilling~~ Core boxes	75.00	200.00	275.00			
Office	140.00	100.00	240.00			
Sample Sacks		3.60	3.60			
Lost Casing	103.40		103.40			
Reaming&Installing Casings	42.00		42.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.	12,500.00		12,500.00			
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Travel-Consultant	132.00	200.00	332.00			
Repairs on Equipment						
Analytical Work	115.00	-0-	115.00			
Per Diem-Consultant	104.00	320.00	424.00			
Payroll Taxes						
Employee's Liability Ins.						
Travel-Supervision	431.00	308.30	739.30			
TOTALS	26,977.58	19,781.00	46,758.58			

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

Date _____ *Payee _____

Per _____ Title _____

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

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

(INSTRUCTIONS ON REVERSE)

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

$ _____

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____

(SEE OTHER SIDE)

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

TABLE D. - continued

OPERATOR'S PROGRESS REPORT

For Month of 10/67 - 12/70 Docket No. OME-6524

Operator's Name Ventura Oil Company Contract No. 14-23-090- 2241

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting (2)	Ft	24	222	8,880.00			
~~Crosscutting~~ Moving	Hr	2	16	160.00			
~~Raising~~ Standby	Hr	21	47	658.00			
~~Shafts~~ Drill Station	Ea	2	3	675.00			
~~Winzes~~ Mobilization	Ea	1	2	350.00			
~~Other Underground~~ Support	Ft	80	80	520.00			
Drilling, Core-Diamond	Ft	1,159	2,241	13,631.15			
Lost Casing ~~Rotary~~	Ft	47	47(1)	103.40			
Supervision Drilling, Non-core-Diamond	Mo	3.5	6.0	4,200.00			
Consulting ~~Rotary~~	Day	20.375	40,375	2,910.13			
Travel-Consul ~~tant~~	Mile	1,320	3,320	332.00			
Per Diem Consultant ~~Drawing~~	Day	6.5	265	424.00			
~~Miscellaneous~~ Core Boxes	Ea	75	275	275.00			
Sample Sacks	Ea		24	3.60			
~~Roads and Trails~~ Office	Mo	3.5	6.0	240.00			
Reaming & Instl ~~Surveying~~ Casing	Hr	3.0	3.0	42.00			
~~Trenching~~ Travel-Super	Mile	4310	7,393	739.30			
~~Test Pitting~~							
~~Other Surface Work~~							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings 500ft @ 25.00				12,500.00			
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				115.00			
TOTAL TO DATE *(per MME Form 60)*				46,758.58			

REMARKS In October, 1967 an additional 24 feet of drift was driven on the Tervvile #3 vein subsequently the vein narrowed and pinched out. A decision was then made to abandon the drift and to relocate the drill stations. Attached to this sheet is a full report bringing the work up to date.

(Continue on back)

REMARKS
(1) The casing was not left at the operator's request
(2) 24 feet completed in Oct. '67 pviw to Amendment #5

(Continue on back)

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

Date _____ Operator _____

Per _____ Title _____

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

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

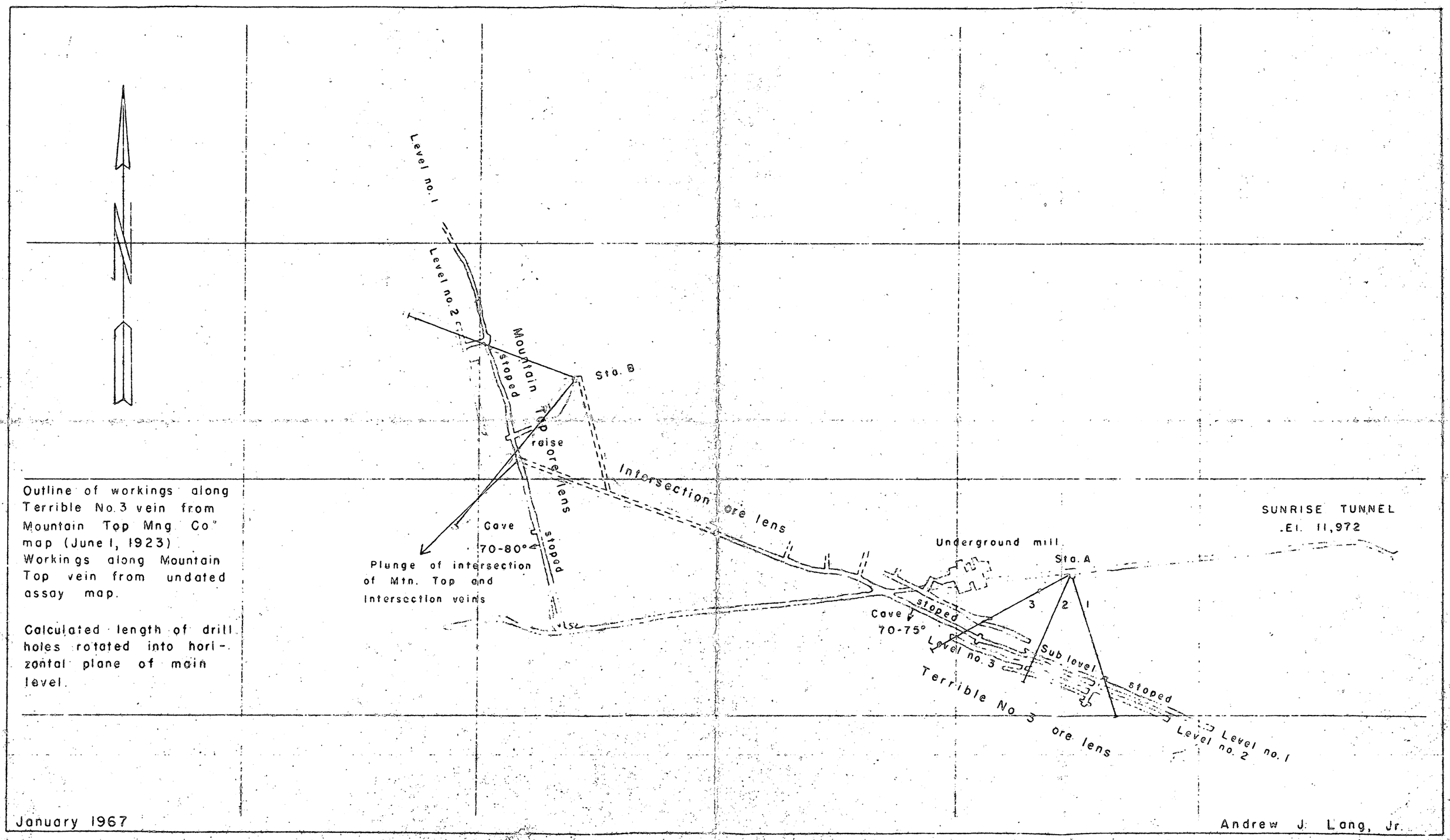
Signature _____

Title _____
Government Representative

Date _____

(INSTRUCTIONS ON REVERSE)

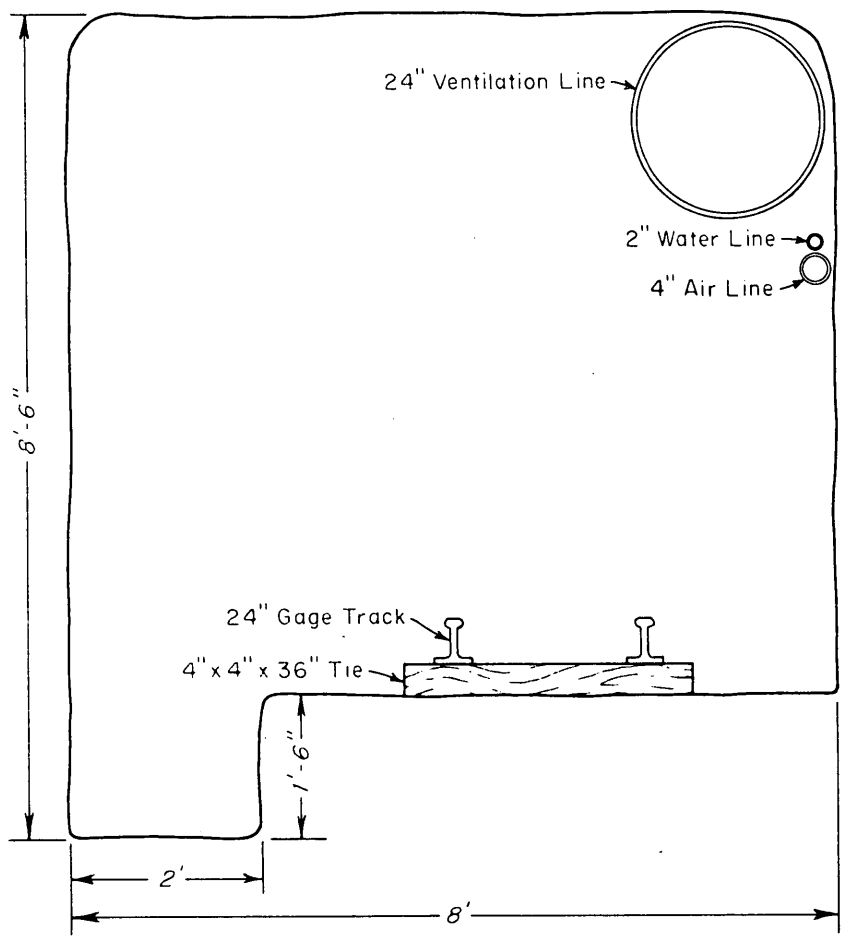
FIGURE 1



SKETCH OF SUGGESTED DIAMOND DRILLING FROM SUNRISE TUNNEL

SCALE 1" = 200'

FIGURE 3



SKETCH OF CROSSCUT

Scale ½" = 1'

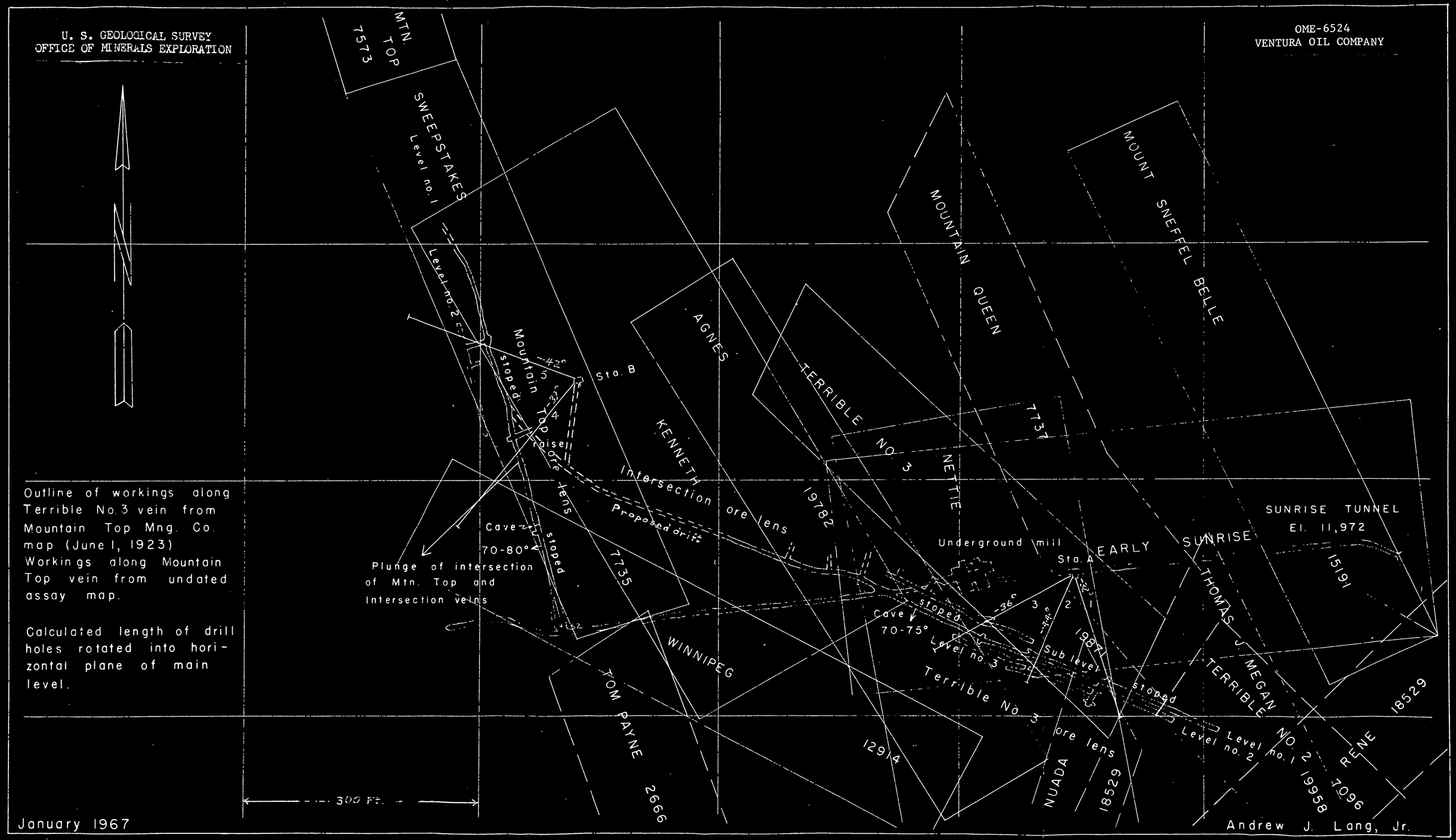
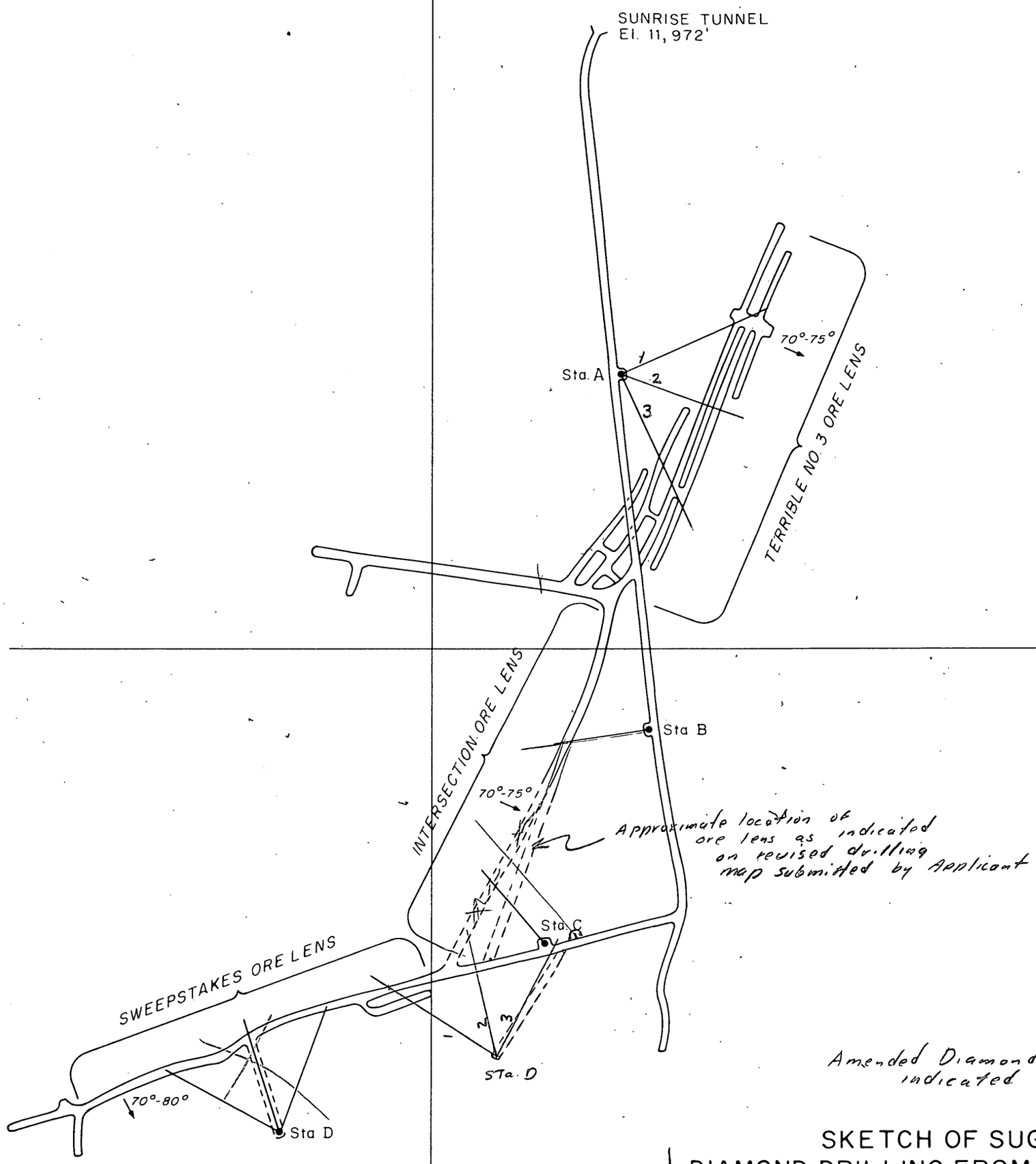


FIG. 2 – SKETCH OF SUGGESTED DIAMOND DRILLING FROM SUNRISE TUNNEL

SCALE 1" = 200'



Amended Diamond Drilling Program indicated in green

SKETCH OF SUGGESTED
DIAMOND DRILLING FROM SUNRISE TUNNEL

SCALE: 1" = 300'

L. J. B. MARCH 1, 1966

FIG. 1

CLAIM MAP OF THE MOUNTAIN TOP PROPERTIES

TELLURIDE MINING DISTRICT, COLORADO

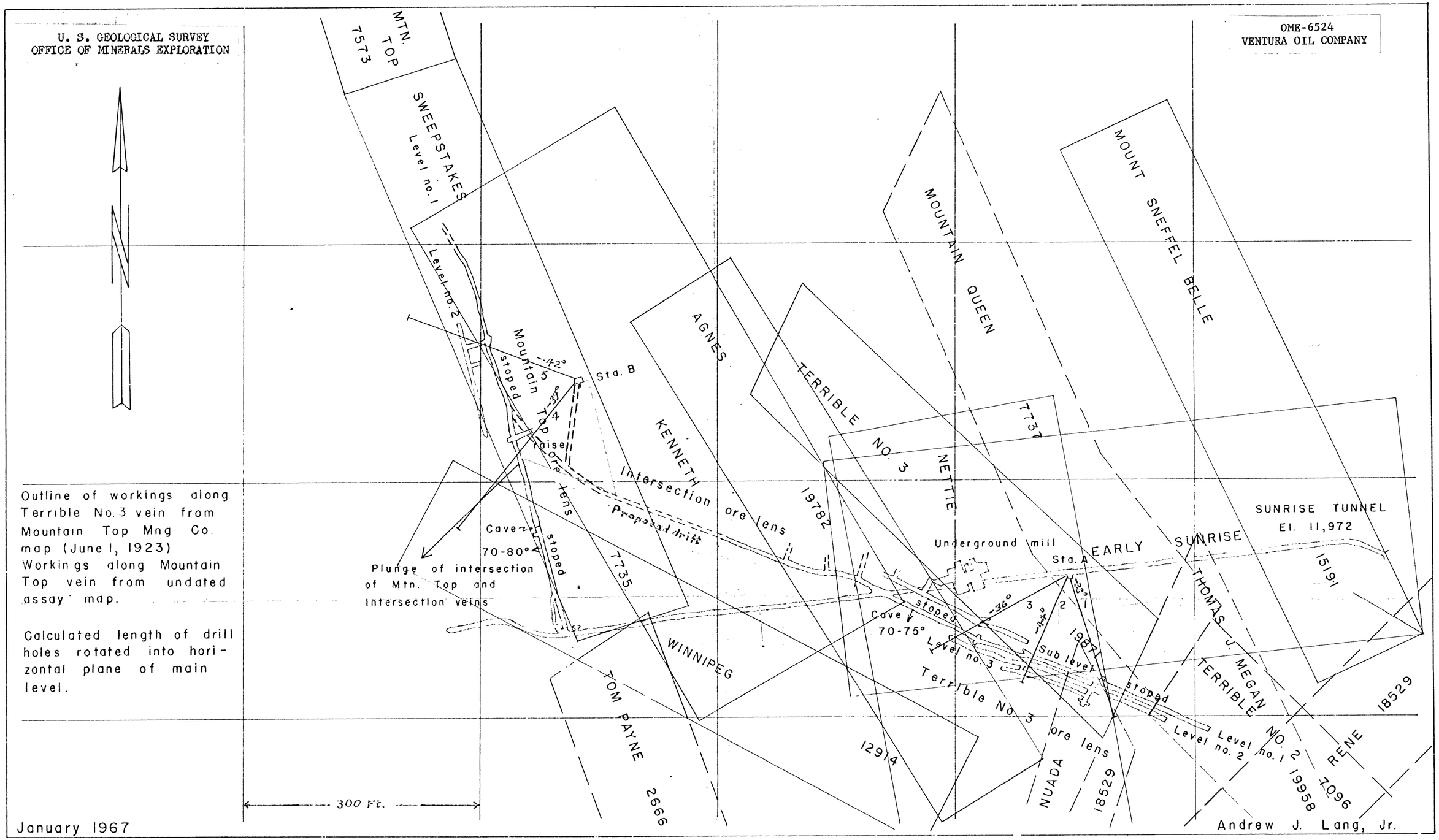
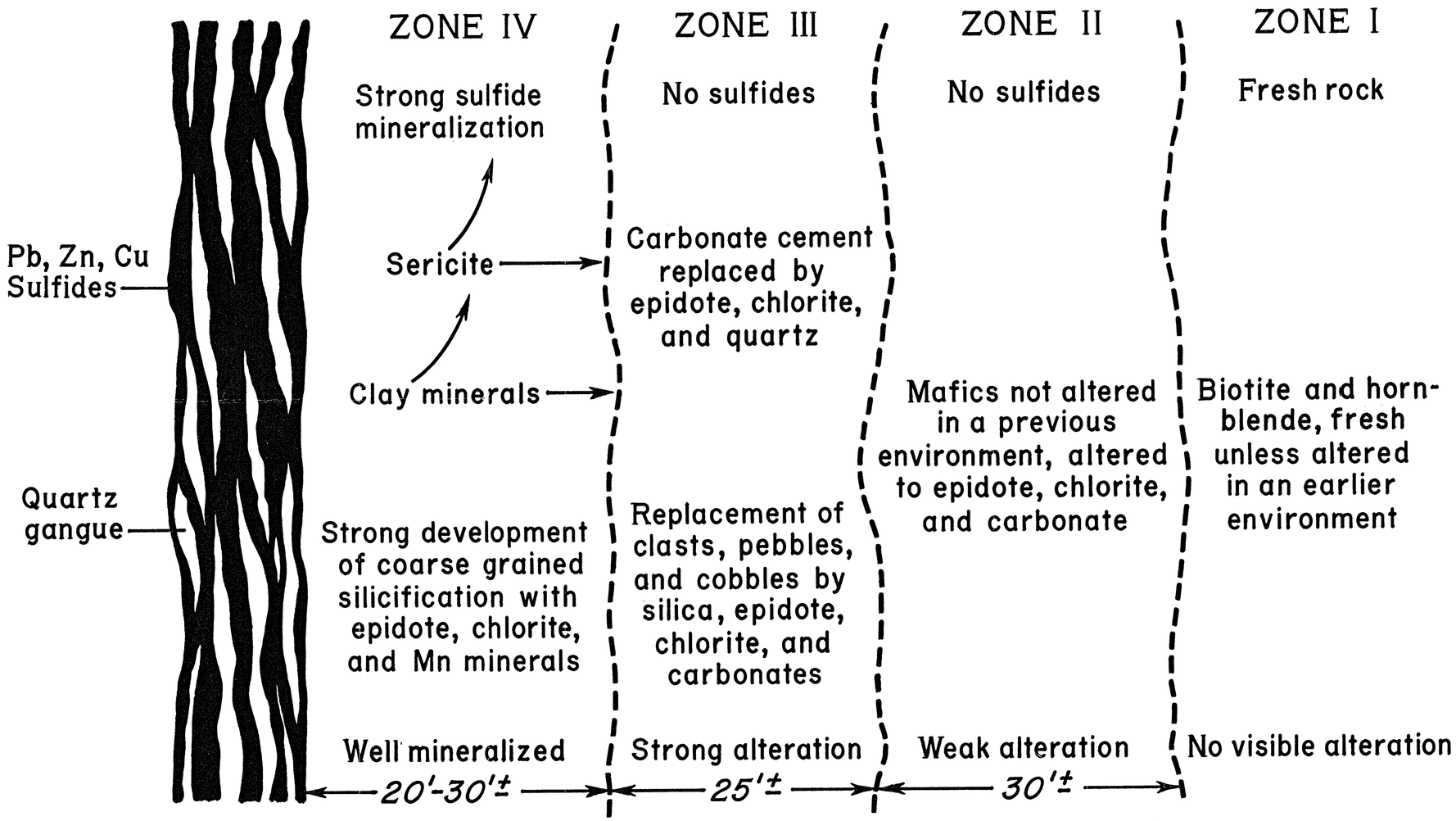


FIG. 2 - SKETCH OF SUGGESTED DIAMOND DRILLING FROM SUNRISE TUNNEL

SCALE 1" = 200'

GENERALIZED SKETCH ILLUSTRATING ZONAL RELATIONSHIPS IN THE TELLURIDE CONGLOMERATE ADJACENT TO THE ARGENTINE VEIN



PRELIMINARY PARAGENETIC CHART
TELLURIDE CONGLOMERATE-ALTERATION HALO-ARGENTINE VEIN

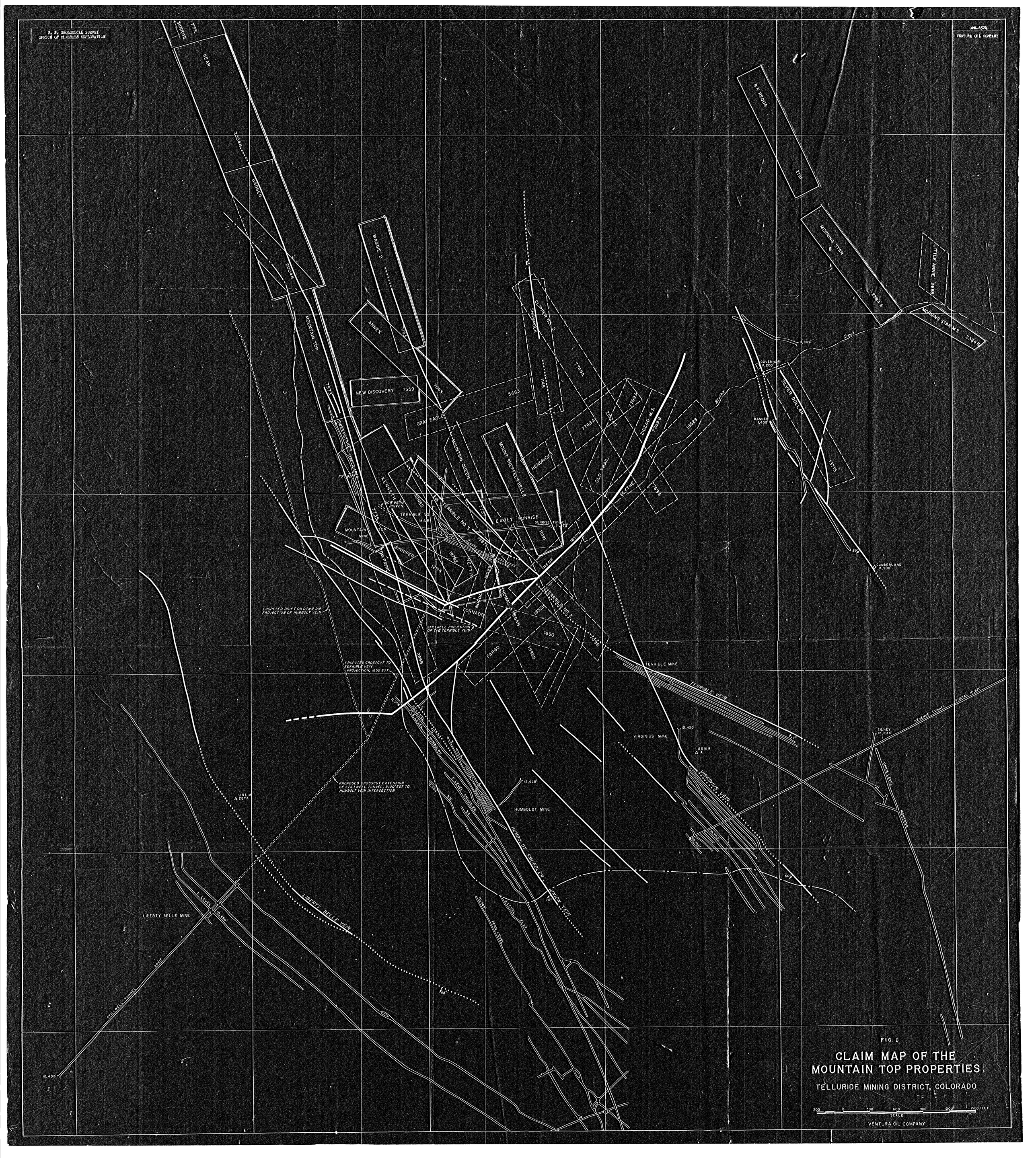
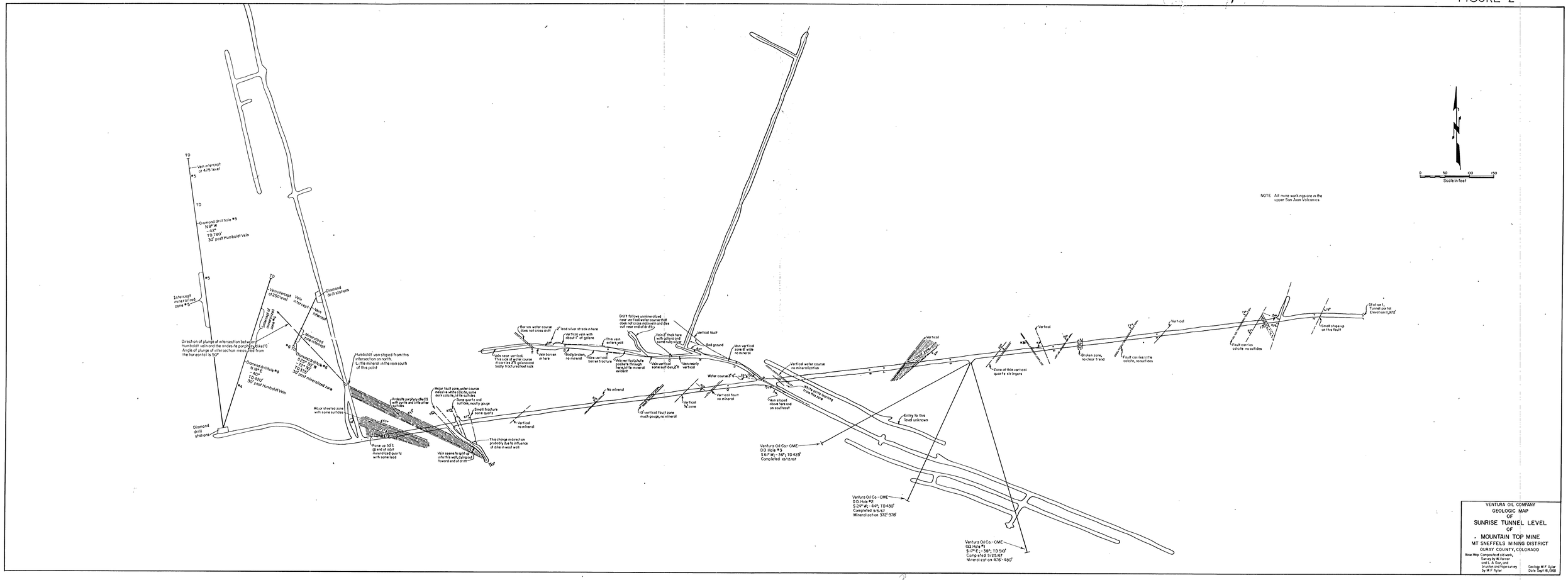

U. S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
OME-6524
VENTURA OIL COMPANY
FOX
SUNRISE
BEAR
BADGER
20044
20044
MOUNTAIN TOP
MAGGIE D.
ANNEX
FOX
NEW DISCOVERY 7559
7003
7573
5663
1145
7769A
GRAY EAGLE
MOUNTAIN QUEEN
SWEEPSTAKES
MOUNT SNEFFELS BELLE
HENDRICKS
OLD TRAIL
ZIGZAG M.S.
7769B
18529
7769A
7769A1
7769A
BYTHE
KENNIE M.
NEW BEING DRIVEN
AGNES
TERRIBLE NO. 3 MINE
TERRIBLE NO. 3
EARLY SUNRISE
SUNRISE TUNNEL 11,772'
15591
MOUNTAIN MINE
WINNIPEG
TOM PAYNE
VETTIE
NIAGARA
TORNADO
THOMAS MEGAN
TERRIBLE NO. 2
18529
1880
19958
FARGO
2669
7036
PROPOSED DRIFT ON DOWN DIP PROJECTION OF HUMBOLT VEIN
STILLWELL PROJECTION OF THE TERRIBLE VEIN
PROPOSED CROSSCUT TO TERRIBLE VEIN PROJECTION, 1650' EST.
PROPOSED CROSSCUT EXTENSION OF STILLWELL TUNNEL 2100' EST. TO HUMBOLT VEIN INTERSECTION
TERRIBLE MINE
TERRIBLE VEIN
VIRGINIUS MINE
VIRGINIUS VEIN
HUMBOLDT MINE
HUMBOLDT SMUGGLER
UNION VEIN
LIBERTY BELLE VEIN
LIBERTY BELLE MINE
STILLWELL TUNNEL
T. LEVEL
10,400'
2910'
10,400'
U.S.L.M. ZETA
U.S.M.M. A
12,429'
12,625'
10,650'
10,750'
10,850'
BANNER 11,400'
GOVERNOR 11,200'
SILVER DOLLAR
15715
LITTLE ANNIE 2689
MORNING STAR
2394 A
MORNING STAR M.S. 2394B
DE REQUA
2191
CUMBERLAND 11,900'
SILVER 12,034'
REVENUE TUNNEL PORTAL IC 6717'
OMEGA LEVEL
MONTANA
Creek
Bythe
FIG. 1
CLAIM MAP OF THE MOUNTAIN TOP PROPERTIES
TELLURIDE MINING DISTRICT, COLORADO
300 0 300 600 900 1200 1500 FEET
SCALE
VENTURA OIL COMPANY

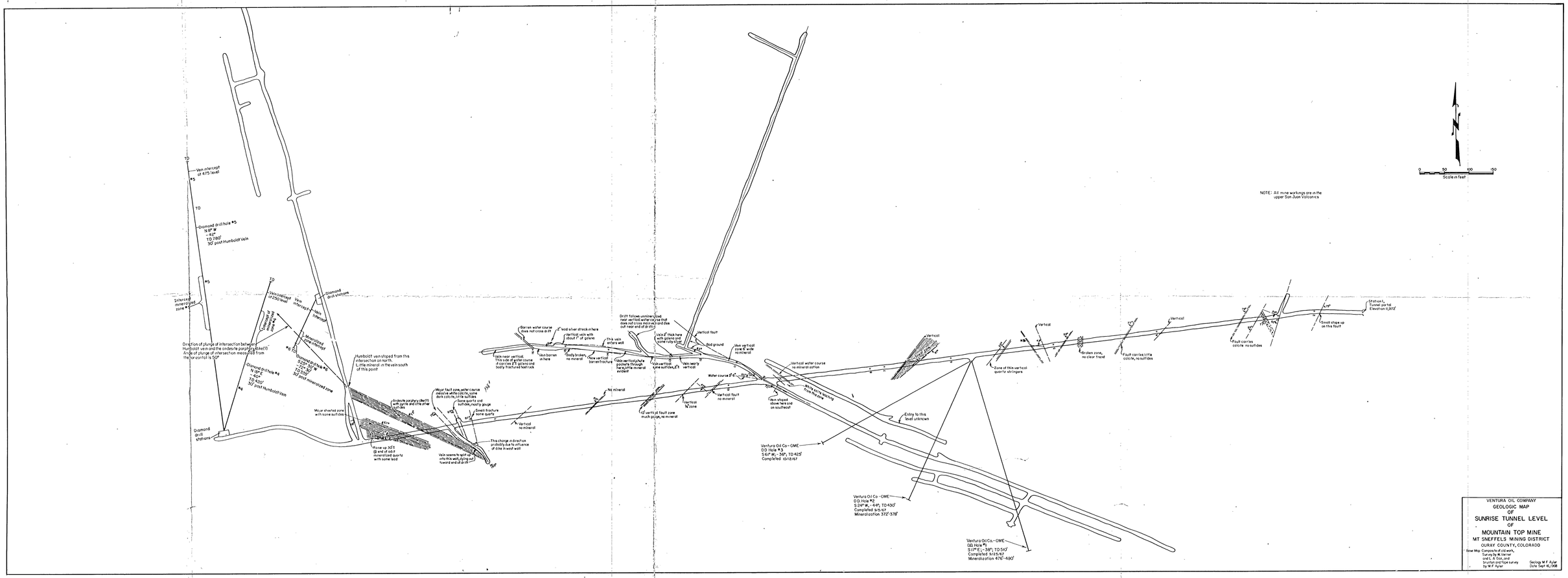
FIGURE 2



VENTURA OIL COMPANY
GEOLOGIC MAP
OF
SUNRISE TUNNEL LEVEL
OF
MOUNTAIN TOP MINE
MT SNEFFELS MINING DISTRICT
OURAY COUNTY, COLORADO

Base Map: Composite of old work, Survey by W. Werner and L. A. Gary, and brunton and tape survey by M F Ryler

Geology M F Ryler
Date Sept 16, 1968


Vein intercept of 475 level
Diamond drill hole #5
N 8° W
-40°
TD 780'
30' post Humboldt Vein
Intersect mineralized zone #5
Direction of plunge of intersection between Humboldt vein and the andesite porphyry dike(?) Angle of plunge of intersection measured from the horizontal is 50°
Diamond drill hole #4
40° E
TD 430'
30' post Humboldt Vein
Diamond drill stations
Vein outcrops at 250 level
Vein intercept
Diamond drill stations
Diamond drill hole #2
S 30° W
-30°
TD 430'
30' post mineralized zone
Humboldt vein sloped from this intersection on north. Little mineral in the vein south of this point
Major sheared zone with some sulfides
Andesite porphyry dike(?) with pyrite and little other sulfides
Major fault zone, water course massive white calcite, some dark calcite, little sulfides
None quartz and sulfides, mostly gouge
Small fracture some quartz
Vertical no mineral
Rise up 30 ft @ end of adit mineralized quartz with some lead
Vein seems to split up into this wall, flying out toward end of drift
This change in direction probably due to influence of dike in west wall
Barren water course does not cross drift
lead silver streak here
vertical vein with about 1" of galena
Vein barren in here
Body broken, no mineral
Thin vein enters well
New vertical barren fracture
Vein vertical fissure pockets through barren, little mineral evident
No mineral
10' vertical fault zone much gouge, no mineral
Drift follows unknown lead vein, water course that near vertical fissure and dike out near end of drift
Vein 2" thick here with galena and some ruby silver
Vein vertical some sulfides, 2"
Vertical fault
Bad ground
Vein vertical zone 12" wide no mineral
Vein nearly vertical
Water course 3'-4'
Vertical fault no mineral
Vertical N zone
Vertical water course no mineral-ization
Vein sloped above here and on southeast
Entry to this level unknown
Ventura Oil Co - OME
DD Hole #3
S 60° W - 36°, TD 425'
Completed 10/12/67
Ventura Oil Co - OME
DD Hole #2
S 24° W, - 44°, TD 430'
Completed 9/5/67
Mineralization 372'-378'
Ventura Oil Co - OME
DD Hole #1
S 17° E, - 38°, TD 510'
Completed 9/25/67
Mineralization 476'-480'
Vertical
Zone of thin vertical quartz stringers
Broken zone, no clear trend
Fault carries little calcite, no sulfides
Fault carries calcite no sulfides
Small slope up on this fault
Station 1, Tunnel portal Elevation 11,972'
NOTE: All mine workings are in the upper San Juan Volcanics
0 50 100 150
Scale in feet
VENTURA OIL COMPANY
GEOLOGIC MAP
OF
SUNRISE TUNNEL LEVEL
OF
MOUNTAIN TOP MINE
MT SNEFFELS MINING DISTRICT
OURAY COUNTY, COLORADO
Base Map Composite of old work, Survey by W. Varner and L. A. Cox, and Brunton and tape survey by M F Ryler
Geology M F Ryler
Date Sept 16, 1968

U. S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME-6524
VENTURA OIL COMPANY

FIG. 1

CLAIM MAP OF THE MOUNTAIN TOP PROPERTIES

TELLURIDE MINING DISTRICT, COLORADO

VENTURA OIL COMPANY