MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of San Miguel, State of Colorado, described as follows: 2/ Black Dragon Lode, Book 174, page 288; Black Jack Lode, Book 174, page 289; Frank B. Lode, Book 122, page 407; Slide Lode, Book 174, page 379; Vera Lode, Book 174, page 217; Defense Lode, Book 174, page 217, Dorothy B., Book 174, page 379; Frank B. Millsite, Book 204, page 374 (Annex)

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

F. W. Baumgartner 3/

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated_____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions ____ None ____ (State "None" or "See Annex No.____".)

Dated this 23rd day of May, 19 67.

Randolph Belisle (Seal) — Ophir, Colorado (Street, City & State)

(Seal) — (Street, City & State)

(Seal) — (Street, City & State)

(Seal) — (Street, City & State)

(Seal) — (Street, City & State)

(Seal) — (Street, City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

STATE OF COLORADO)
COUNTY OF SAN Miguel) ss The foregoing instrument was acknowledged before me this 25th day of May, 1967, by Randolph Belisle.
Witness my hand and official seal.
My commission expires March 10, 1971

Martha Peterson
Notary Public

INT.-DUP. SEC., WASH., D.C. 21103

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Jan. 1959

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F. W. Baumgartner [3]

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Dated this 23rd day of May, 1967.

Randolph Belisle (Seal)	Ophir	(Street)
	Colorado	(City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

STATE OF COLORADO) ss
COUNTY OF SAN MIGUEL) The foregoing instrument was acknowledged before me this 25th day of May, 1967, by Randolph Belisle.
Witness my hand and official seal.
My commission expires March 10, 1971

Martha Peterson
Notary Public

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F. W. Baumgartner[3]

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Dated this 23rd day of May, 19 67.

Randolph Belisle (Seal)	Ophir	(Street)
	Colorado	(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement on behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

STATE OF COLORADO)
COUNTY OF SAN MIGUEL) SS The foregoing instrument was acknowledged before me this 25th day of May, 1967, by Randolph Belisle.
Witness my hand and official seal.
My commission expires March 10, 1971

Martha Peterson
Notary Public

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F. W. Baumgartner 3/

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Randolph Belisle (Seal) Ophir (Street) Colorado (City & State)

(Seal) (Street) (City & State)

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Notary Public

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ANNEXO

New Dominion, U. S. Mineral Survey 16473.

F. W. Baumgartner 3/

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1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

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Dated this 23rd day of May, 1967.

Randolph Belisle (Seal)	Ophir Colorado	(Street) (City &) (State)
(Seal)		(Street) (City &) (State)
(Seal)		(Street) (City &) (State)
(Seal)		(Street) (City &) (State)
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I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

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LIEN AND SUBORDINATION AGREEMENTS[1]

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That certain land in the County of San Miguel, State of Colorado, described as follows:[2] Unpatented Lode Claims: Yellow Jacket, Silver Prince, Little Chief, Arrow Head, Gold Queen; Patented Lode Claims: Marie Antonette, Sur. No. 16421, Star Light, Sur. No. 12716, 1/4 Attica Sur. No. 16654, all in Iron Springs Mining District.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

F. W. Baumgartner[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

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6. Added provisions None (State "None" or "See Annex No. ____".)

Dated this 15th day of February, 1967.

Henry A Pollman (Seal)	Box 591 Telluride Colo.	(Street) (City & State)
Johnny J Pollman (Seal)	Box 591 Telluride Colo	(Street) (City & State)
W F Pollman by H A Pollman (Seal)	Telluride Colo.	(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)

Henry A. Pollman (Name), certify that I am the Partner (Title—Secretary, etc.) of the partner corporation named herein; that Johnny J. Pollman and W. F. Pollman by H.A.Pollman (Name), who signed this agreement was then partners (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said partnership by authority of its governing body, and was within the scope of its powers.

STATE OF COLORADO)
COUNTY OF SAN MIGUEL) ss.

(Corporate Seal)

Subscribed and sworn to before me this 15th day of February, A.D. 1967 by Johnny J. Pollman and Henry A. Pollman for himself and on behalf of W. F. Pollman.

Nan S. Lewis Notary Public

My Commission Expires: Jan. 25, 1971.

INT.-DUP. SEC., WASH., D.C. 21103

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4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions None (State "None" or "See Annex No. ____".)

Dated this 15th day of February, 19 67.

Henry A. Pollman (Seal)	Box 591 (Street) Telluride Colo. (City & State)	
Johnny J. Pollman (Seal)	Box 591 (Street) Telluride Colo (City & State)	
W. F. Pollman by H. A. Pollman (Seal)	Box 591 (Street) Telluride Colo. (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	

I, Henry A. Pollman (Name), certify that I am the Partner (Title—Secretary, etc.) of the ~~corporation~~ partnership named herein; that Johnny J. Pollman and ~~W. F. Pollman by H. A. Pollman~~ (Name) who signed this agreement ~~was~~ were then partners (Title—Pres., Vice-Pres., etc.) of said ~~corporation~~ partnership; that said agreement was duly signed for and in behalf of said ~~corporation~~ partnership by authority of its governing body, and was within the scope of its ~~corporate~~ partnership powers.

~~STATE OF COLORADO~~) ss.
~~COUNTY OF SAN MIGUEL~~)

Subscribed and sworn to before me this 15th day of February, A.D. 1967 by Johnny J. Pollman and Henry A. Pollman for himself and on behalf of W. F. Pollman.

(Corporate Seal)

Notary Public

My Commission Expires: Jan. 25, 1971.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of San Miguel, State of Colorado, described as follows: 2/ Unpatented Lode Claims: Yellow Jacket, Silver Prince, Little Chief, Arrow Head, Gold Queen; Patented Lode Claims: Marie Antonette, Sur. No. 16421, Star Light, Sur. No. 12716, 1/4 Attica Sur. No. 16654, all in Iron Springs Mining District.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

F. W. Baumgartner 3/

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

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Dated this 15th day of February, 19 67.

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	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)

I, Henry A. Pollman (Name), certify that I am the Partner (Title—Secretary, etc.) of the ~~corporation~~ partnership named herein; that Johnny J. Pollman and W. F. Pollman by H.A.Pollman (Name) who signed this agreement ~~was~~ were then partners (Title—Pres., Vice-Pres., etc.) of said ~~corporation~~ partnership, that said agreement was duly signed for and in behalf of said ~~corporation~~ partnership by authority of its governing body, and was within the scope of its ~~corporate~~ powers.

STATE OF COLORADO)
COUNTY OF SAN MIGUEL) ss.

(~~Corporate Seal~~)

Subscribed and sworn to before me this 15th day of February, A.D. 1967 by Johnny J. Pollman and Henry A. Pollman for himself and on behalf of W. F. Pollman.

Nan S. Leiss Notary Public

My Commission Expires: Jan. 25, 1971.

INT.-DUP. SEC., WASH., D.C. 21103

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of San Miguel, State of Colorado, described as follows:[2] Unpatented Lode Claims: Yellow Jacket, Silver Prince, Little Chief, Arrow Head, Gold Queen; Patented Lode Claims: Marie Antonette, Sur. No. 16421, Star Light, Sur. No. 12716, 1/4 Attica Sur. No. 16654, all in Iron Springs Mining District.

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F. W. Baumgartner[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

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(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	

I, Henry A. Pollman (Name), certify that I am the partner (Title—Secretary, etc.) of the corporation named herein; that Johnny J. Pollman and W. F. Pollman by H.A.Pollman (Name) who signed this agreement was then partners (Title—President, Vice President, etc.) of said corporation; that said agreement was duly signed for and on behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

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COUNTY OF SAN MIGUEL) ss.

(Corporate Seal)

Subscribed and sworn to before me this 15th day of February, A.D. 1967 by Johnny J. Pollman and Henry A. Pollman for himself and on behalf of W. F. Pollman.

Nan S. Lewis Notary Public

My Commission Expires: Jan. 25, 1971.

INT.-DUP. SEC., WASH., D.C. 21103

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

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F. W. Baumgartner [3]

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STATE OF COLORADO)
COUNTY OF SAN MIGUEL) ss.

(~~Corporate Seal~~)

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Nan S. Lewis Notary Public

My Commission Expires: Jan. 25, 1971.

INT.-DUP. SEC., WASH., D.C. 21103

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6618

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
- [x] 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 Semiannual 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
- [x] On-site Exam. Report (Tab) 6/8/67
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

ANNEXO

New Donation, U. S. Mineral Survey 16473.

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225
Office of Minerals Exploration

OFFICIAL COPY
O. M. E.
RECEIVED
APR 5 1967

INITIALS	CODE

March 31, 1967

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: Application for financial assistance to explore for copper and molybdenum on the Ophir and Ruth groups of claims, Indian Springs Mining District, San Miguel County, Colorado by Baumgartner Oil Company.

The subject application is being transmitted to you with an accompanying memorandum from R. U. King, U.S.G.S. molybdenum commodity geologist. I felt it appropriate to consult Bob since the application included molybdenum.

I might refer you to U. S. Geological Survey Bulletin 1112-G, Geology and Mineral Deposits of the area south of Telluride, Colorado by Jack McVhay for reference on this application. McVhay notes that the occurrence of molybdenum is only a sparse one, but the area in general is an interesting one and should be considered. The Silver Bell Mines completed a DMEA contract at the Carbonero Mine under DMEA docket 2165, Contract E312. The government expended $14,628.70, which was fully repaid by the operator, and the Carbonero Mine lies north of the proposed exploration by the applicant. The Carbonero Mine production came from the Carbonero Vein, and associated eastward trending veins. Molybdenite in small quantities can be seen at several places in the Howard Fork Valley. It is generally associated closely with the quartz-feldspar porphyry intrusions. A little is in small veinlets in the New Dominion mine, which is in the area of this application.

J. William Hasler

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

MME Form 40
Jan. 65

Budget Bureau No. 42-R1308
Approval Expires Dec. 31, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
APR 5 1967
INITIALS | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6618

DATE RECEIVED 4-5-67

REGION III

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Copper-molybdenum

ESTIMATED COST OF PROJECT: $475,913.73

PROPERTY NAME	LOCATION COUNTY	STATE
Ophir	San Miguel	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, D. C., or with the nearest OME Field Office.~~ Washington, D. C., 20242, 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.

2-23-67
DATED

Franklin W Baumgartner
BY (Signature)

TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

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

Copy to Washington
3-31-67

BAUMGARTNER OIL COMPANY
737 GRANT STREET
DENVER, COLORADO 80203
PHONE 222-1719

Cable Address
BAUMGAROIL

March 27, 1967

OME Region III
RECEIVED
MAR 29 1967
Denver, Colorado

Mr. J. William Hasler
Field Officer, Region III
Office of Mineral Exploration
U. S. Geological Survey
Federal Center
Denver, Colorado

RE: Baumgartner Oil Company (Cu-Mo)
Ophir Property
San Miguel County, Colorado

Dear Mr. Hasler:

Since filing our application for financial assistance in minerals exploration on the above property, we have acquired additional land holdings in the subject area.

Please find enclosed two copies each of the lease agreement and claim location maps to be included in our application.

Send J & S a copy of Bond

Very truly yours,

BAUMGARTNER OIL COMPANY

R. J. Anctil

R. J. Anctil (jf)

RJA:ejc
Encl.

BAUMGARTNER OIL COMPANY
737 GRANT STREET
DENVER, COLORADO 80203
PHONE 222-1719

Cable Address
BAUMGAROIL

March 6, 1967

OME Region III
RECEIVED
MAR 7 - 1967
Denver, Colorado

Mr. J. William Hasler
Office of Minerals Exploration
U. S. Geological Survey
Denver Federal Center - Bldg. 25, Room 2284
Denver, Colorado 80225

Dear Mr. Hasler:

Enclosed please find two (2) copies each of certain assay certificates.

Please make these certificates a part of that certain Application for Financial Assistance in Minerals Exploration, Ophir District, Colorado submitted February 23, 1967.

Thank you.

Yours very truly,

BAUMGARTNER OIL COMPANY

Shirley W. Smith (Mrs.)
Accountant

SWS/me

2114 CURTIS STREET

TELEPHONE 623-1852

CHARLES O. PARKER & CO.

CHEMISTS • ASSAYERS • ENGINEERS

DENVER, COLORADO 80205

Folio 8578

Date June 24, 1966

Baumgartner Oil Co.,
737 Grant St.,
Denver, Colorado.

Denver, Colorado

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	Molybdenum (Mo) VALUE PER TON
SG-1			0.049					0.008%
2			1.00					0.003%
3			0.095					0.003%
4			0.012					0.002%
WF-1			0.046					0.008%
2			0.624					0.006%
3			0.097					0.012%
4			0.967					0.008%

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 72.00

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

2114 CURTIS STREET

TELEPHONE 623-1852

CHARLES O. PARKER & CO.

CHEMISTS • ASSAYERS • ENGINEERS

DENVER, COLORADO 80205

OME Region III
RECEIVED
MAR 7 - 1967
Denver, Colorado

Polio 8591

Date July 7, 1967.

F. W. Baumgartner,
Baumgartner Oil Co.,
737 Grant St.,
Denver, Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	Molybdenum (Mo)	VALUE PER TON
HF-1			1.134					0.005%	
2			0.026					0.015%	
3			0.021					0.002%	
4			0.015					0.008%	
5			0.021					0.003%	
6			0.073					0.006%	
7			10.40					0.003% (high lead)	
8			1.048					0.003%	
9			0.177					0.006%	
10			0.052					0.001%	
11			0.031					0.003%	
12			0.021					0.004%	
13			0.026					0.006%	
WF-5			0.031					0.005%	
6			0.026					0.003%	
7			0.021					0.014%	
SG-5			0.042					0.005%	
6			0.021					0.006%	

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 162.00

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

XERO COPY XERO COPY XERO COPY XERO COPY

OME Region III
RECEIVED
MAR 7 - 1967
Denver, Colorado

2114 CURTIS STREET
TELEPHONE 623-1852

CHARLES O. PARKER & CO.

CHEMISTS • ASSAYERS • ENGINEERS

DENVER, COLORADO 80205

Folio 8620

Date August 8, 1966.

F. W. Baumgartner,
737 Grant St.,
Denver, Colorado.

RECEIVED
SEP 8 1966

We hereby Certify, that the samples assayed for you gave the following results:

Copy to C.E.Melbye.

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	Molybdenum (Mo)	VALUE PER TON
HF-14			TRACE					0.006%	
HF-15			0.025					0.002%	
HF-16			0.02					0.005%	
HF-17			0.01					0.002%	
HF-18			0.01					0.005%	
HF-19			0.03					NIL	
HF-20	TRACE	0.20	TRACE					0.007%	
HF-21	0.01	0.24	0.150					0.21%	
HF-22			0.01	TRACE	0.05				
Our 1V			0.01						

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 82.00

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

XERO COPY XERO COPY XERO COPY XERO COPY
XERO COPY XERO COPY XERO COPY XERO COPY

March 20, 1967

Memorandum

To: J. W. Hasler, Field Officer, Region III, OME, Denver, Colo.

From: R. U. King

Subject: Review of application for financial assistance on the Ophir and Ruth claims, Indian Springs Mining District, Baumgartner Oil Co., San Miguel Co., Colo.

I have reviewed the subject application for assistance to explore for copper and molybdenum in an area along the Howard Fork of the San Miguel River near Ophir, San Miguel Co., Colo.

There are two major discrepancies in the application. First, the geologic map does not agree with the two cross sections, and consequently the location of the proposed drill holes is subject to some question; secondly, the proposed exploration project is imbalanced in respect to underground crosscutting and drilling.

All of the primary target areas probably can be reached by drilling from surface drill sites. The Ophir quadrangle topographic map shows the presence of roads and trails that make almost the entire area accessible for exploration from surface sites.

I would recommend that the crosscutting and underground drilling be eliminated from consideration. This would reduce the total estimated cost to about ~~$125.00~~ 125,000 for the six located holes and four undesignated holes.

The applicant's geology north of the Howard Fork is only slightly modified - the Survey map by Jack Vhay. South of the Howard Fork the geology is apparently by the applicant.

Results of reconnaissance for molybdenum in 1963 (unpublished) indicates the presence of molybdenite over a rather large area including 6 known molybdenite occurrences, as well as anomalous molybdenum amounting to 0.1 percent from the spongy iron deposit from Iron Spring in the central part of the area.

I believe the area merits exploration, but adequate evaluation would require in my opinion at least three deep holes, of 1,000 to ~~2,00~~ 2,000 feet in depth, and I would recommend favorable consideration of the application if the geology on the maps and sections can be corrected. ?

R. U. King

cc: Chief, OME
R. U. King
Hasler chron
OME chron

November 9, 1966

OME Region III
RECEIVED
FEB 24 1967
Denver, Colorado

Colorado National Bank
17th and Champa Streets
Denver, Colorado 80202

Attn: Mr. Robert Galloway

Gentlemen:

We are presently engaged in a major base metal exploration program in the Ophir District, San Miguel County, Colorado. Since we will need additional funds during 1967 for drilling and underground drifting and cross-cutting, we are herewith requesting a loan for about $300,000 to carry out this program. Complete geologic and assay data can be supplied as needed.

Since we do not as yet have blocked out reserves on the property and since my available collateral is tied up on other commitments, this would have to be an unsecured loan.

Your favorable consideration of this loan request would be much appreciated.

Sincerely yours,

BAUMGARTNER OIL COMPANY

F. W. Baumgartner

FWB/ek

XERO COPY XERO COPY XERO COPY XERO COPY

ONE WEEK IN RECEIVED FEB 24 1967 Denver, Colorado

November 9, 1966

Colorado National Bank
17th and Champa Streets
Denver, Colorado 80202

Attn: Mr. Robert Galloway

Gentlemen:

We are presently engaged in a major base metal exploration program in the Ophir District, San Miguel County, Colorado. Since we will need additional funds during 1967 for drilling and underground drifting and cross-cutting, we are herewith requesting a loan for about $300,000 to carry out this program. Complete geologic and assay data can be supplied as needed.

Since we do not as yet have blocked out reserves on the property and since my available collateral is tied up on other commitments, this would have to be an unsecured loan.

Your favorable consideration of this loan request would be much appreciated.

Sincerely yours,

BAUMGARTNER OIL COMPANY

F. W. Baumgartner

FWB/ek

XERO COPY XERO COPY XERO COPY XERO COPY

November 9, 1966

The First National Bank of Denver
17th and Welton Streets
Denver, Colorado 80202

Attn: Mr. Davis Moore

Gentlemen:

We are presently engaged in a major base metal exploration program in the Ophir District, San Miguel County, Colorado. Since we will need additional funds during 1967 for drilling and underground drifting and cross-cutting, we are herewith requesting a loan for about $300,000 to carry out this program. Complete geologic and assay data can be supplied as needed.

Since we do not as yet have blocked out reserves on the property and since my available collateral is tied up on other commitments, this would have to be an unsecured loan.

Your favorable consideration of this loan request would be much appreciated.

Sincerely yours,

BAUMGARTNER OIL COMPANY

F. W. Baumgartner

FWB/ek

XERO COPY XERO COPY XERO COPY XERO COPY

BAUMGARTNER OIL COMPANY
737 GRANT STREET
DENVER, COLORADO 80203
PHONE 222-1719

Cable Address
BAUMGAROIL

February 23, 1967

Mr. J. William Hasler
Office of Minerals Exploration
U. S. Geological Survey
Denver Federal Center - Bldg. 25, Room 2284
Denver, Colorado 80225

Dear Mr. Hasler:

Please find enclosed, in duplicate form, completed applications for financial assistance in mineral exploration.

You will note that all past and proposed exploration was based on sound and recognized procedures in order to best evaluate this most favorable area.

At some future date, would you please return to this office, all documents and other attachments submitted as a part of this application not needed by your office?

Very truly yours,

BAUMGARTNER OIL COMPANY

F. W. Baumgartner

F. W. Baumgartner

FWB:pls

APPLICATION FOR FINANCIAL ASSISTANCE

IN

MINERAL EXPLORATION

Baumgartner Oil Company
737 Grant Street
Denver, Colorado

CONTENTS

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Financial Eligibility	1
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Correspondence with Banking Institutions

Pollman Lease

Lien and Subordination Agreements

Assay Certificates

Contract Bids

ILLUSTRATIONS
(Plates are in Pocket)

Plate 1 Geologic Map - Ophir District

Plate 2 Alteration Map

Plate 3 Assay - Geochemical Map

Plate 4 Ground Magnetic Map

Plate 5 Claim Location Map

Plate 6 Claim Location Map

ILLUSTRATIONS (Continued)

Figure 1	Index map showing location of Iron Spring Mining District	A-1
2	Cross-section A-A'	A-26
3	Cross-section B-B'	A-30

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERAL EXPLORATION

1. FINANCIAL ELIGIBILITY

A) Efforts to Obtain Other Financing

Loan applications were made to the First National Bank and Colorado National Bank in Denver, both of which were refused. Copies of these letters are enclosed.

B) Affiliated Companies

None

C) How Share of Work Will Be Furnished

In cash.

2. APPLICANT'S RIGHTS IN LAND

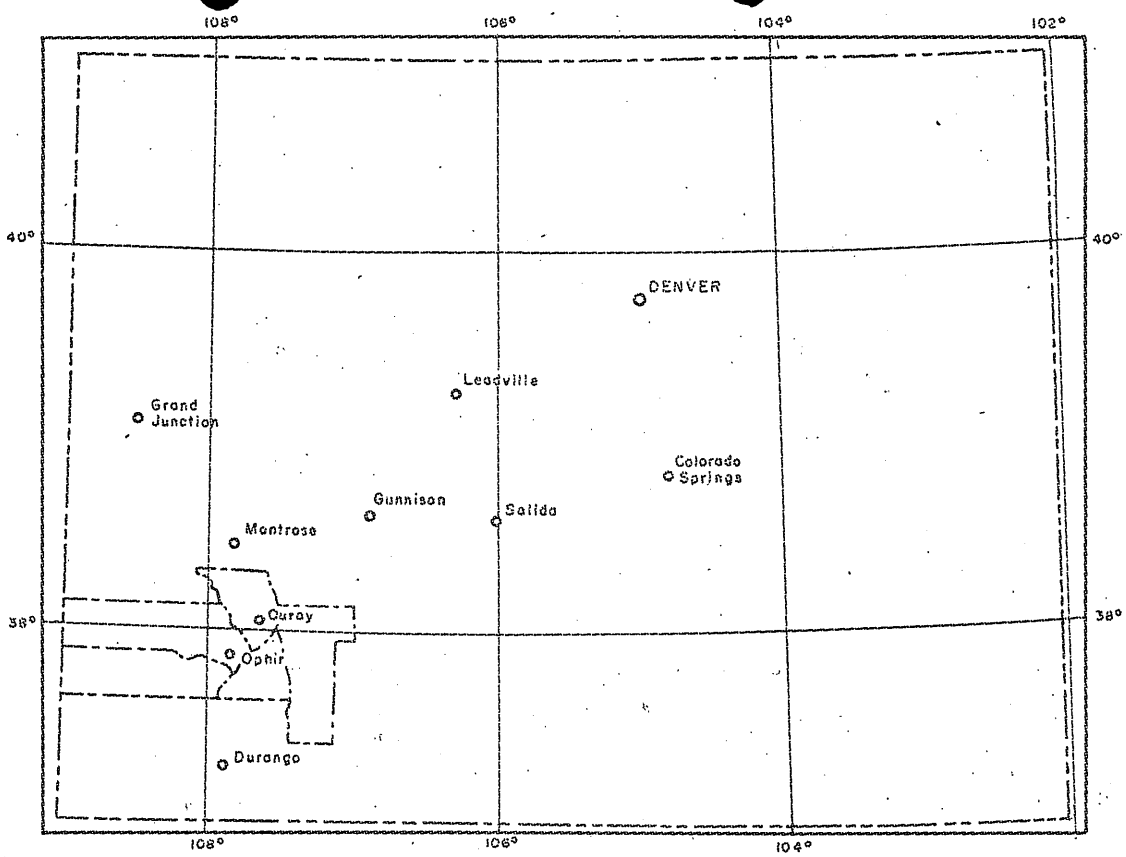
A) Interest in the Lands Being Explored

Baumgartner Oil Company has staked original locations on 115 claims and has leased 8 claims from the Pollman Brothers, Telluride, Colorado, (plates 5 and 6 in pocket). A copy of the Pollman lease is attached hereto.

B) Property Description

Unpatented claims - new locations:

Ophir No's	1 - 74 93 - 106	Book No. 317 Page No. 217-286 314-331
Ruth No's	1 - 27	Book No. 317 Page No. 528-554



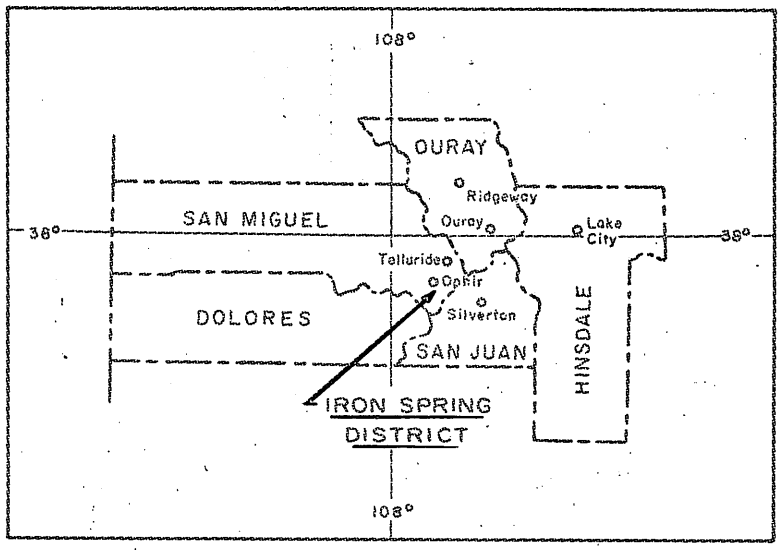


FIGURE I - INDEX MAP OF COLORADO SHOWING LOCATION OF IRON SPRING MINING DISTRICT

B) Property Description (continued)

Unpatented claims - Pollman lease:

Gold Queen
Arrowhead
Silver Chief
Yellow Jacket
Little Chief

Patented claims - Pollman lease:

Starlight
Marie Antoinette
Attica -(1/4 Interest)

(1) Lien and subordination agreement from Pollman will be furnished when received.

3. PHYSICAL DESCRIPTION

A) Present Mining or Exploratory Operations

The main exploratory operation is that of Baumgartner Oil Company, which consisted of a district-wide evaluation during the entire summer and fall of 1966, and which employed a full-time geologist and two survey crews. Geological mapping, geochemical surveys, magnetic surveys, sampling, and claim staking were completed. In addition, Randolph Belisle of Ophir, Colorado, has been carrying on exploratory cross-cutting in the upper and lower New Dominion adits all summer and is continuing his work. His target is the New Dominion copper-lead-zinc-silver-gold vein.

B) Interest of Baumgartner Oil Company

The exploratory operation by Baumgartner Oil Company was solely financed by F. W. Baumgartner. Baumgartner had no interest in the Belisle operation.

C) Production

There has been little or no known recent production from the property under consideration. Judging from the limited extent of workings, past production has been small as well. Copper production from the adjacent Carbonero mine has resulted from milling of a complex base-metal ore. No exploration or development of the copper-molybdenum ores has ever been attempted.

D) Reserves

There are no known ore reserves on these properties

E) Geology

In describing the geology, six maps accompany this report, which should be referred to: Plate 1) Geologic Map-Ophir District; Plate 2) Alteration Map; Plate 3) Assay - Geochemical Map; Plate 4) Ground Magnetic Map; Plate 5) Claim Location Map (Baumgartner Oil Co.); and Plate 6) Claim Location Map (Baumgartner Oil Co.) (All plates in pocket.) In addition, a recent map of the entire district is found in U. S. Geological Survey Bulletin 1112-G, Geology and Mineral Deposits of the Area South of Telluride, Colorado, by J. S. Vhay, 1962.

GENERAL GEOLOGY

The rocks exposed within the area of this report range in age from Mesozoic to Tertiary, and Quaternary deposits of surficial material widely mask the older rocks. In the following sections are described, in their proper chronological order, the rocks or geologic formations that are distinguished on the accompanying geologic map.

Mesozoic Rocks

Undivided Mesozoic rocks, both sedimentary and metamorphic, form the oldest outcrops in the mapped area and appear as bands of varying widths along the sides and floors of Howard Fork, Swamp Creek, and Waterfall Creek. However, the metamorphic rocks are by far the more widely exposed, but they are terminated on the west end of the area by the Ophir Needles intrusive mass. In stratigraphic position the sedimentary rocks are equivalent to the metamorphic rocks as evidenced by the laterally gradational contact between the two. Yet, the correlation of these units with other geologic sections was not possible.

The rock units are generally shaly or sandy, the typical rock being a maroon or reddish-brown mudstone or sandstone. Varying amounts of conglomerate and grits are present.

Where metamorphosed, the finer grained rocks are either dark-gray slate or light-gray quartzite, the latter making up about 90 percent of the total exposures. The apparent homogeneity of the quartzite portion of the formation is due largely to the general presence of a brownish iron oxide stain on the weathered surface, but close examination reveals several variations. In all exposures, the metamorphic rocks are cut by a great number of fractures which approach the point of brecciation. Of importance to this project is the fact that these rocks contain not only sulfide-filled fractures but also finely disseminated pyrite and other metallic sulfides.

Tertiary Rocks

Telluride Formation. The Telluride formation consists of a basal conglomerate of rather uniform thickness overlain by a thick series of volcanic rocks. The unconformity separating this formation from older rocks is a pronounced stratigraphic break, which can be seen readily at the heads of Swamp and Waterfall Creeks.

In adjacent areas, the conglomerate ranges in thickness from 300 to 400 feet (Vhay, 1962, p. 225.). The pebbles are all well-rounded but vary considerably in size and are derived from pre-Cambrian and Paleozoic rocks.

They are generally cemented with a reddish-brown sandy matrix, which accounts for the general color of the formation. Outside of the altered area, the Telluride formation forms prominent cliffs, but this facet of the unit is destroyed where the rocks have been exposed to intense alteration. However, the rocks of the Telluride formation appear to be devoid of mineralization.

San Juan breccia. The bulk of the volcanic rocks of the subject area is assigned to the San Juan breccia, which occurs as patches along the north flank of Howard Fork and as somewhat larger exposures on the ridges flanking Swamp and Waterfall Creeks. According to Vhay (1962, p. 225), the formation is at least 1,250 feet thick west of the area of this report.

The typical breccia has a dense, light-to-medium greenish-gray matrix surrounding angular to subangular rock fragments of many volcanic types. Also included in the formation, but poorly exposed in this area, is a thick tuff unit at the base of the formation. Much of the San Juan breccia has been altered to various degrees, and all outcrops are masked by a brownish iron oxide stain. Except where intensely altered, these rocks should make a good host rock. Do they

Eureka rhyolite. At several places high on the north and east walls of the valley of Howard Fork, there are small exposures of rocks of the Eureka formation. This middle unit of the Eureka rhyolite consists of reddish and greenish-gray flows, characterized by numerous stretched vesicles. Vhay (1962, p. 231) correlated these rocks with the type Eureka formation on the basis of their position in the geologic section and on a similarity of color, texture, and structure. The formation appears to be economically unimportant.

Burns latite. Along with the Eureka rhyolite, the Burns latite forms what is generally known as the Silverton volcanic series. It appears, however, that only about 200 feet of the middle unit is present in the mapped area, and it consists of dark-greenish and reddish-gray latite flows that are massive in the upper part and more fissile in the lower. The rocks of the Burns formation appear to be unmineralized.

Potosi volcanic series. The Potosi volcanic series is made up of many alternating rhyolitic and quartz latitic flows and some breccias that together form a thick sequence of rocks capping most of the higher ridges and peaks. Although the rocks of the Potosi series include several lithologic types that can be mapped separately, they were not, because their presence is of no consequence to the goals of this project.

However, most of the flows are either gray or pinkish-gray with biotite phenocrysts.

Quartz feldspar porphyry. A large portion of the subject area is presumed to be underlain by a group of intrusive rocks. By far the most extensive, and most important, member of this group is a stock of quartz feldspar porphyry. Its composition is very similar to that of a quartz monzonite. Two groups of somewhat younger breccia pipes probably are associated with the stock.

The porphyry crops out as scattered, irregularly shaped bodies along the north and south flanks of Howard Fork. However, these bodies of porphyry are probably merely the exposed upper irregularities in the roof of a much larger intrusive mass that underlies the region extending from Ophir Pass westward to Spring Gulch and southward from the Carbonero Mine to the upper reaches of Swamp and Waterfall Creeks -- an area approximately 3&1/2 miles square.

The quartz feldspar porphyry is very distinctive in appearance and does not appear to vary in composition and texture from place to place. It is light, medium, or pinkish-gray, and weathered surfaces are usually buff to brown iron-stained as a result of varying amounts of contained metallic sulfides.

The largest and most abundant phenocrysts are pink or red, subhedral or euhedral crystals of orthoclase 1/2 to 1 inch long. A few are zoned, with a white border about a pink core, and carlsbad twins can be detected. Rare, however, are quartz phenocrysts. White plagioclase phenocrysts average much smaller than those of orthoclase and commonly range from 1/4 to 1/2 inch in length. The groundmass of the porphyry is a granular aggregate of medium-to-fine-grained minerals. South of Howard Fork the porphyry is generally unaltered, at least from a megascopic viewpoint, but those exposures on the north flank of the valley are more or less altered, probably as a result of more intense pneumatolytic and hydrothermal processes in that area.

Certain features suggest that subsequent to the emplacement of the porphyry stock, pulsations in the magma chamber occurred causing the solidified rock to move upward. Features that suggest such a movement are: intense fracturing of the enclosing Mesozoic metamorphic rocks, widespread alteration and mineralization caused by fluids moving along these prepared channel-ways, lesser rupturing of the stock itself, and block faulting whose trend approximates the long axis of the porphyry intrusive.

Intrusive breccias. Probably closely associated with the porphyry intrusive are intrusive breccias that have a pipelike habit. The few exposures of this type occur on the north flank of Howard Fork valley and extend westward from Chapman Gulch to near Spring Gulch.

The largest and best exposed representative of this intrusive type is located south of the Carbonero mine. Its elliptical cross section has a long axis of about 600 feet and a short axis of about 200 feet. The pipes are made up of angular fragments of rock, all highly altered, averaging about 3 inches in size (Vhay, 1962, p. 241). Cementing and replacing the fragments are much quartz and sericite. Pyrite is by far the most abundant sulfide, although some chalcopyrite and molybdenite are locally apparent, especially in the pipe just west of Chapman Gulch. A smaller, but similar, pipe occurs in Nevada Gulch on the Montgomery claims.

Undifferentiated intrusive rocks. Undifferentiated intrusive rocks, made up of granodiorite, monzonite, and quartz monzonite, occur as disconnected masses from an area east of Staatsburg Basin to Chapman Gulch and Ophir Pass. A larger mass of similar rock forms the Ophir Needles to the west of the subject area.

The outcrops of these rocks form a roughly arcuate pattern extending from Ophir Loop northeastward toward Staatsburg Basin then around the ridge to Bear Mountain and Ophir Pass. No significance is attached to this pattern, although structural control of the emplacement is implied. The rocks are various shades of gray and most are medium grained, and the weathered surfaces are light red or brown. They appear to be devoid of mineralization.

Quaternary Deposits

Quaternary surficial deposits are widespread in the subject area and consist of glacial moraine, landslides, talus, and alluvium. Except for the deposits of alluvium along the major stream channels, these depostis probably do not exceed 20 feet in thickness. Alluvial deposits are limited to wide strips along the larger streams.

GEOLOGIC STRUCTURE

The structure of the rocks in the area of this report is moderately complex with tilting in two stages and with much faulting and fracturing. The dominant structures trend westward, and the most pronounced of these are normal faults of small displacement. According to Vhay (1962, p. 226), they may represent a zone of weakness between the quartz feldspar porphyry stock in the valley of Howard Fork and the Silverton caldera, whose southwest edge is about 3 miles ~~each~~ east of Ophir Pass.

Most of these structures are hydrothermally altered to various degrees.

Because of poor exposures and extensive surficial cover, the prominent northeast and northerly-trending structures, so well displayed in Bridal Veil basin, are not evident.

The varied and diverse fracture patterns in the rocks of Howard Fork and adjacent areas are probably the result of the upward movement of the porphyry stock which underlies much of the area.

Early deformation, probably connected with the Laramide revolution, tilted the Mesozoic rocks so that they acquired a dip ranging from 5° to 15° NW. The flatter dips appear to be limited to the eastern part of the mapped area; however, deformation during late Tertiary time produced additional tilting and a great number of faults and fractures, many of which are mineralized and altered. Some are filled with dikes.

IGNEOUS METAMORPHISM AND OTHER ALTERATION EFFECTS

Throughout the greater part of the mapped area the Mesozoic sedimentary rocks, which the quartz feldspar porphyry stock invades, have changed in composition and texture in varying degrees as a result of the intrusive. For the most part, this initial state of alteration is recrystallization caused by the heat given off by the intrusive.

There is little evidence of change due to the introduction of additional material during this stage except in the area of Ophir Needles. Thus the sedimentary rocks have been changed to slates, quartzites, marbles, and fine-grained hornfels.

The Telluride conglomerate does not appear to be changed to any significant degree except possibly through a change in color from reddish-brown to gray and a decrease in hardness and competence in the altered areas.

Locally the San Juan breccia was altered, also through a color change from greenish-gray to reddish-brown, and hardened, often to a point where it was difficult to distinguish it from other rocks except on weathered surfaces. Rocks stratigraphically higher than the San Juan breccia were locally altered but to no great degree.

Over an equally large area, the invaded rocks were again changed, in addition to the metamorphic changes mentioned above, by the advent of a pneumatolytic phase of alteration, represented by the addition of large quantities of late magmatic differentiates. Within the limits of the altered area, practically all of the rocks in the geologic section have been affected by these gaseous emanations. Certain characteristics of this alteration are that it is pervasive (or blanket type) and shows little relation to structural openings.

In hand specimen certain effects are noted such as argillization, chloritization, sericitization, silicification, and pyritization. The introduction of pyrite was the more intense and pervasive of all the pneumatolytic effects.

In a still later invasion hydrothermal fluids moved along fissures from the cupola source to again locally alter the country rock and to form fracture-filled vein deposits. It is assumed that sericitization, silicification, and pyritization were important effects of this stage, and they can often be noted in mine dump materials. Often the rock in the vicinity of the vein deposits has been reduced to a soft white or gray rock. The intensely altered area north of the valley of Howard Fork contains rock of this color and is probably attributable to hydrothermal processes rather than the more selective pneumatolytic ones.

ORE DEPOSITS

Historically, the ore deposits in the Iron Springs district are of one main type, vein deposits in metamorphic rocks and intrusive and extrusive rocks. Although this project was not primarily concerned with these deposits, a general description of the veins is given.

Vein Deposits. The mineralogy of the vein deposits varies somewhat in details but in general all deposits are very similar.

The chief sulfide minerals are pyrite and chalcopyrite with lesser amounts of galena, sphalerite, and molybdenite. A large part of the pyrite is goldbearing, and apparently much of the galena carries some silver values. Minor amounts of tetrahedrite and tennantite are found in a few mines in the district. The sulfides form fine-grained to coarse-grained masses or discrete grains in the vein material or wall rock. Pyrite in the form of cubes, pyritehedrons, or irregular grains is by far the most abundant and widely distributed metallic sulfide both in veins and in the country rock. Almost everywhere the gangue contains quartz, calcite, and sericite, among others. With few exceptions the veins are poorly exposed at the surface and have no topographic expression. Apparently most prospects were started either along iron-stained fissures or near float fragments of vein material. Few veins have been explored to any great depth.

Disseminated Deposits. The work of the current summer's project was concerned primarily with evaluating the large-tonnage, low-grade copper and molybdenum deposits. Large low-grade gold deposits are also present in the district but were not evaluated.

Localized in the top and/or marginal areas of the Iron Spring quartz feldspar porphyry stock, and in the adjacent rocks, are a variety of sulphide minerals, the chief ones of which are pyrite, chalcopyrite, and molybdenite. Pyrite is extremely abundant in all the rocks, comprising an average of at least 3%. Chalcopyrite, although less abundant, can be seen in nearly every rock broken open. Molybdenite seems to be present only in the more intensely altered zones or in the breccia pipes, which are also intensely altered. This near-surface mineralization is widespread as indicated by the results of the assayed rock samples and geochemical soil sample analyses. Similar mineralization is present in the Iron Spring porphyry and other intrusive rocks and in the aureole of contact metamorphosed sedimentary and volcanic rocks.

Either coincident with emplacement of the porphyry stock or from post-intrusive tectonic activity, the rocks surrounding the stock were intricately and intensely shattered. These fractures have been filled with sulphides as well as true disseminations in the rock between the fractures. The quartz feldspar porphyry stock is also well mineralized, and it seems to correspond with areas of strong argillization, sericitization, and silicification, although some weakly altered outcrops are also well mineralized.

The brilliant reddish-brown discoloration of the entire district's rock sequence is due to the widespread pyrite and chalcopyrite disseminations.

Details of Specific Deposits: A number of old mines are contained within the claim group or immediately adjacent. These are described to supply more detailed information on the nature of the mineralization as it relates to the proposed exploration program.

Calumet Mine. An E-W adit explored a N-E base metal vein on the west side of Chapman Gulch. On strike of this vein and 1,000 feet northeast is a breccia pipe composed of fragments of quartz feldspar porphyry altered to quartz and sericite. Alteration is very strong with considerable disseminated pyrite and molybdenite.

Hattie Mine. A small quartz feldspar porphyry intrusive containing disseminated chalcopyrite, molybdenite, and pyrite has been explored by a short adit. Sulphide content is very high and nearly every rock on the dump shows some chalcopyrite. Pyrite is often in more massive bodies. Production is unknown but probably small due to the disseminated nature of the sulphides.

Silver Tip Mine. The lower level is reported to have molybdenite as a thin coating on joint surfaces for about 400 feet along the crosscut. An eastward base and precious metal vein was the objective of some limited mining operations. Another breccia pipe in the gulch northwest of the mine contains crystalline masses and disseminations of molybdenite.

New Dominion Mine. An unknown amount of silver and base metal ore was produced from an east-west vein in porphyry. Small veinlets of molybdenite can also be seen.

Illinois Tunnel. This crosscut at the west edge of the claim group explores a number of northeast base-metal and silver veins. Host rock is an intensely altered and unrecognizable mass of volcanic rock.

Carbonero Mine. This mine has been the largest district producer, having accounted through 1941 for 101,662 tons of ore averaging .024 oz. Au, 8.7 oz. Ag, 6.99% Pb, 4.7% Zn, and .16% Cu, and considerable additional production through 1956. The northeast Carbonero and Panama veins have accounted for most of this production.

Silver Hat Mining Co. Mines. These workings on the south side of Howard Fork have accounted for some sizable, apparent gold-silver production since an old mill and tailings pond are present at the foot of the mountain.

Abundant molybdenite and chalcopyrite can be seen on the dumps, and both the igneous and metamorphic rocks have a high sulphide content.

GEOPHYSICAL SURVEYS

Magnetic Survey Interpretation: Dominating the entire magnetic pattern is a large anomaly south of Howard Fork and west of Swamp Canyon, the size of which ranges from 7000 feet in a N-S direction to 4000 feet in a E-W direction. It varies from 600 to over 1000 gammas in magnitude (using a median value of 1200 gammas) and undoubtedly represents the large quartz feldspar porphyry stock outcropping on the south side of Howard Fork. It extends 3000 feet south of the large outcrop, indicating the approximate extent of the intrusive under the cover of Jurassic metamorphics and Tertiary sediments and volcanics. The high indicates the intrusive is not highly altered in this area, and outcrop evidence confirms this.

Outcrop and magnetic evidence show the intrusive to be present below the Howard Fork valley fill. However, a belt of low anomalies extends in a peripheral fashion around the approximate north end of the intrusive. Since many outcrops of porphyry have been mapped in this area, the obvious interpretation is that the rocks have experienced more intense hydrothermal alteration, thereby destroying the accessory magnetite.

Coincident with this belt are extremely altered quartz-sericite breccia pipes in Chapman Gulch, below the Carbonero mine, and at the New Dominion mine, where each is located in the center of the greatest low anomalies of from 600-1500 gammas. This correlation is a common one from magnetic surveys of other copper-molybdenum breccia pipe deposits.

Magnetic values increase at the north end of the surveyed area, but the large altered area immediately north of the Carbonero mine appears to be in another low anomaly, although this area was not completed. The general low anomaly east of the Carbonero mine at the head of Chapman Gulch is quite promising due to abundant quartz feldspar porphyry and monzonite intrusives, together with a breccia pipe and major ENE faulting. The flat magnetic values east of Waterfall Creek indicate a pervasively altered area with no intensely altered zones, as is found north of Howard Fork. East of Swamp Canyon two linear E-W magnetic lows coincide with two mineralized faults. The magnetic low along Howard Fork at the east edge of the map cannot be explained with any existing data. It may indicate an altered zone along a fault, as a number have been mapped along the Howard Fork Valley.

The last anomaly of possible importance is the pronounced east-west low coincident with the Gertrude mine and striking in the direction of the Suffolk mine. Small gold-bearing quartz veins exist over a large area of altered San Juan breccia and Telluride conglomerate at the Suffolk, and this may well extend into the Gertrude mine.

F) Reasons for Expecting to Find Ore

1. The area of major copper-molybdenum potential is the peripheral zone at the northeast, north, and northwest sides of the quartz feldspar porphyry which is here termed the Iron Spring porphyry. This peripheral area contains three intensely altered breccia pipes, all containing appreciable molybdenite and chalcopyrite. The pronounced magnetic low shows this to be the most highly altered area in the district. Landslide and soil cover obscure most of this important area, thereby requiring the use of geophysical and geochemical methods. The Silver Tip and New Dominion mines are in the zone and have exposed disseminated molybdenum-copper mineralization together with base and precious metal veins. Two 7000 foot geochemical traverses show slightly higher molybdenum-copper values on the north side, but all the values are anomalous (+5 ppm) and many run from 10-40 ppm Mo and 100-300 ppm Cu. Visible disseminated chalcopyrite can be seen in nearly every outcrop.

Along Nevada Gulch at the west edge of the magnetic high, molybdenite can be seen in numerous quartz veins and numerous large unpicked dump samples gave the following results:

% Cu	% Mo S2
.15	.35
1.134	.008
10.40	.005
1.048	.005
.177	.01
.01	.003

The large size of the area provides an attractive target for a large-tonnage porphyry copper-molybdenum deposit or for smaller higher-grade deposits associated with the breccia pipes.

2. A second area of interest is at the head of Chapman Gulch, where intense quartz-pyrite-sericite-clay alteration occurs in the same area with numerous base metal veins, breccia pipes, and plugs of Iron Spring porphyry. East-west faulting is quite strong. In view of the coincident favorable geological effects, exploration of this area is also justified. Considerable disseminated molybdenite and chalcopyrite can be seen in Iron Spring porphyry on the dump of a small adit in Chapman Gulch, and have also been found in the Hattie and Calumet mines.

3. All samples taken are shown on the accompanying Assay-Geochemical Map. This is not intended as a thorough sampling job of every locality but rather only a random sampling to show the widespread nature of the disseminated mineralization.

4. This portion of the Ophir District presents an unusually attractive potential for discovery of major copper-molybdenum deposits. The favorable criteria of structural deformation, hydrothermal alteration, and widespread sulphide mineralization are all present. No drilling of any kind has ever been done, which is the next logical exploration method for the Ophir District.

4. ACCESSIBILITY OF PROPERTY

A) To aid the OME representative, contact:

Frank W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado
(Phone: 222-1719)

This property is located at the old Town of Ophir, now largely a ghost town except for a few summer residents engaged in tourist cabin and store business. Ophir may be reached by traveling south from Telluride, Colorado, thirteen miles on Colorado State Highway #145 to Ophir Loop and thence two miles east to Ophir. Telluride is located in southwestern Colorado (San Miguel County), 347 miles from Denver.

B) The nearest railroad shipping point is Ridgway, Colorado, fifty miles away. Telluride, Colorado, thirteen miles north, is the nearest supply point.

5. EXPLORATION WORK

A) Description of Proposed Work

General: In all proposed drilling, holes are planned no closer than 1200 feet apart, depending on the size of exploration target. Holes will be collared NX and continued as far as ground conditions permit and then completed BX or AX. Wireline equipment will be very likely used depending on who is awarded the contract, so that core size should be specified either standard NX, BX, or AX or wireline NX, BX, and AX sizes. Core boxes should be provided for all the footage, as it is expected that the entire holes will be cored.

In regard to reaming, cementing, and casing, a total of 200 hours of reaming and 300 hours of cementing-casing, or about 50 hours per hole, are requested. Although many specific hole locations are requested, a portion of the footage is left open as to location depending on progressive results and geological data obtained in the first holes. Although some additional geological, geochemical, and geophysical work will be completed during 1967, sufficient work was completed by Baumgartner Oil Company during the entire summer and fall of 1966 to adequately plan the proposed exploration program.

Underground exploration consisting of cross-cutting or drifting will be driven at a size of 5' x 7', except where timbering is required, at a size of about 7' x 8', to keep 5' x 7' in the clear. The amount of timbering is impossible to accurately estimate but a reasonable estimate of 30% is used. Timbers will be 8" x 8" with 3" lagging. Rail will be at 30# at a 24" gauge. Vent pipe when necessary will be a minimum of 12" in diameter, air pipe 4" in diameter, and water pipe 2" in diameter. It is believed to be to the advantage of both the Operator and the Government to contract this work.

However, Baumgartner Oil Company will provide supervision in the form of a resident geologist-engineer and a part-time consulting geologist, which is believed to be adequate supervision for a project of this magnitude. In line with previous OME practice, these are included at a per-foot of drilling and drifting cost. All work is proposed at least 200' within company owned or leased land boundaries.

The proposed exploration work is herewith listed and discussed by area:

Nevada Gulch Area

Stage I

Drilling - Surface 4000 feet

Two specific holes are proposed; the first in Nevada Gulch is 4, 000 feet along the Iron Spring porphyry - Jurassic metamorphic contact and will cut the NE vein exposed in the gulch and apparently exposed in the Silver Hat mine workings. The breccia pipe will also be explored as the dump assays .15% Cu and .35% MoS_2. The second hole is planned 1150' N35°E from Hole N-1 and 100' lower to explore the Iron Spring porphyry stock near the north edge of the magnetic high and in about the center of the covered Howard Fork valley where the mineralized porphyry intrusive is assumed to be present. All of the nearby geochemical samples contain anomalous Mo.

Two additional 1000-foot holes are proposed to be located in the vicinity based on the results of the first two, making a total of 4, 000 feet (see cross-section A-A').

No.	Angle	Approximate Depth
N-1	-45°	1000'
N-2	Vert.	1000'
N-3	Loc. to be determined	1000'
N-4	" " " "	1000'
	Total	4000'

Nevada Gulch Area (Continued)

Stage II

Cross-cutting	2000 feet
Drilling - underground	1500 feet

In view of the heavy soil cover on the south side of Howard Fork valley, surface geologic interpretation is limited in value. After four holes are drilled and if results are encouraging, it is proposed that a 1500-foot crosscut be driven at the best location, based on the drilling, and an additional 500 feet of drifting from this crosscut. This will permit a much better interpretation of the geology and also furnish a location 500-600 feet below the surface from which short underground holes can be drilled. Copper-molybdenum ore could be present at this location in veins, in disseminations in the metamorphic and igneous rocks, or as concentrations along the contact. Five 300-foot underground holes are proposed as a final part of Stage II.

Silver Tip Mine Area

Stage I

Drilling - surface	4500 feet

Silver Tip Mine Area (continued)

In this area we are seeking both a large porphyry copper-molybdenum type of deposit in the Iron Spring porphyry mass and a possible smaller tonnage higher-grade deposit associated with the large breccia pipe below the Carbonero mine. Therefore, one 1500-foot vertical hole is proposed in the center of the pipe and one hole 1500 feet south in the alluvial filled Howard Fork valley. Both of these are within the peripheral magnetic low, and the pipe is in the center of the greatest low of from 500 to over 1000 gammas. Geochemical values for both copper and molybdenum are anomalous in this general area. The pipe contains finely disseminated molybdenite in the intensely altered mass of quartz and sericite. Another 1500-foot hole is proposed to be drilled based on the results obtained in the first two.

No.	Angle		Approximate Depth
S-1	Vertical		1500'
S-2	Vertical		1500'
S-3	Vertical		1500'
		Total	4500'

Chapman Gulch Area

Stage I

Drilling - surface 4000 feet

Chapman Gulch Area (continued)

The mineralized and altered area around the northeast side of the Iron Spring stock is again the target of major interest. Three holes are proposed. The first is a vertical hole to explore the breccia pipe about 1000 feet west of the Hattie mine. Considerable finely disseminated molybdenite and abundant pyrite can be seen in this pipe as well as on other dumps in the area, usually associated with quartz feldspar porphyry. The dump in Chapman Gulch, 1000' due south, is particularly well mineralized. A second hole is proposed 2200 feet, S17°W of No. C-1 and still within the magnetic low. Outcrops in the bottom of Howard Fork drainage near this hole are well mineralized with disseminated chalcopyrite and pyrite. A third hole, C-3, is reserved for follow-up drilling of C-1 and C-2.

No.	Angle	Approximate Depth
C-1	Vertical	1500'
C-2	Vertical	1500'
C-3	Loc. to be determined	1000'
	Total	4000'

Stage II

Cross-cutting	2000 feet
Drilling - underground	1500 feet

Chapman Gulch Area (continued)

If exploration results from the drilling in either the Silver Tip mine area or the Chapman Gulch mine area are encouraging, a generally north-trending crosscut should be driven in the most promising locality within this 7000-foot long section of the district. A 2000-foot long crosscut can explore the area to a maximum depth of 1000 feet below surface. From this crosscut, drill holes can be fanned out to explore the breccia pipes or other mineralized zones. The exceedingly complex geology and varied rock types in this area indicate that excessive amounts of drilling would be required to properly interpret the geology, and the combination of cross-cutting and drifting will be very necessary in the exploration state of this program. Numerous dikes and small stocks of Iron Spring porphyry were mapped, which appear to originate from a large intrusive mass at depth, thereby indicating the necessity of drilling 1500 feet in depth (See Cross-section B-B').

C) Should an OME contract be executed, the surface drilling phase will start in late May, 1967, and be carried through to completion before starting the underground phases. It is anticipated that surface drilling will proceed at the rate of 30 feet per shift or 750 feet per month. At the single shift rate, this part of the program will take at least until November, 1967.

The starting date of the underground work will depend somewhat on the results of the drilling program. However, it should be possible to start this work by late Fall, 1967 and be completed by the Fall of 1968. Because of heavy snowfall, it is practically impossible to work this area in the winter without considerable preparation and expense. The average rate of drifting will be about five feet per shift or 125 feet per month. These figures are exclusive of underground drilling, however, since many of the drill hole sites will be based on geologic favorability as determined from studies and mapping as work proceeds underground.

The enclosed cost estimate is based on the exploration phases, both surface and underground, proceeding on a single-shift basis. However, a two-shift program may be warranted if it appears that work is progressing too slowly. If this be the case, all of the surface work and a large portion of the underground work should be completed by late Fall, 1967.

6. EXPERIENCE

Baumgartner Oil Company has actively participated in many successful oil exploration ventures under the direction of its President, F.W. Baumgartner. Mr. Baumgartner also has some mining experience as well as a great deal of business experience.

The work will be directly supervised by the company's Manager of Mineral Exploration, who is a graduate Mining Geologist of wide professional experience. A geologist-engineer will be at the property on a full-time basis. If needed, consultant geologists will be available on a part=time basis. who?

7. ESTIMATE OF COST

A) Independent Contracts

Stage I

Surface drilling - 12,500' @ $7.50 Ave.	93,750
Mobilization - 2 drills	1,000
Casing, reaming & cementing, 500 hrs. @ $14	7,000
Moving & setting up, 100 hrs. @ $10	1,000
Bulldozer - drill sites, 120 hrs. @ $18	2,160
Total - Stage I	104,910

Stage II

Underground drilling - 3000' @ $6.50 Ave.	19,500
Mobilization	275
Casing, reaming & cementing, 100 hrs. @ $14	1,400
Moving & setting up, 30 hrs. @ $10	300
Cross-cutting & drifting, 4000' @ $62.70	250,800
Timbering (Est. 30%), 1200' @ $10	12,000
Bulldozing - 2 mine portals & access roads, 120 hrs. @ $18	2,160
Total - Stage II	286,435

Total-Independent Contracts	$391,345

B) Personnel Services

Stage I

Resident geologist-engineer - Full-time	
Consulting geologist - 4 days/mo.	
Supervision - 12,500' @ $1/ft. & expenses	12,500

Stage II

Resident geologist-engineer - Full-time	
Consulting geologist - 5 days/mo.	
Supervision - 4000' @ $5/ft. & expenses	20,000
Total - Personnel Services	$32,500

C) Operating Materials and Supplies

Stage I — None

Stage II

Rail, 30# 40 tons @ $12.10/100#	9,680.00
Fish plates, 560 pr. @ $1.24	694.40
Track bolts, 1200# @ $29.67/100#	356.04
Track spikes, 2100# @ $18.69/100#	392.49
4" Victaulic pipe, 20' lengths @ $67.00/100'	2,680.00
4" Victaulic couplings, 200 @ $2.65	530.00
2" aluminum water line, 20' lengths @ $38.20/100'	1,528.00
2" couplings, 200 @ $1.37	274.00
20" vent pipe, 1020' @ $38.00/100'	380.00
16" vent pipe, 1000' @ $32.35/100'	323.50
12" vent pipe, 2000' @ $25.75/100'	515.00
20" couplings, 10@ $4.41	44.10
16" couplings, 10 @ $3.92	39.20
12" couplings, 20 @ $2.97	59.40
Reducers - 20-16-2 @ $13.10	26.20
Reducers - 16-12-2 @ $10.70	21.40
Pipe hangers Est.	100.00
Mine timber, 106,000 bd. ft. @ $125/M Est.	13,250.00
	30,893.73
Freight Est.	3,000.00
Total - Stage II	$33,893.73

D) Operating Equipment

Stage I — None

Stage II Vent fans, 2-10 HP, @ $1500 — 3,000.00

E) Initial Rehabilitation and Repairs

None

F) New Buildings, Fixtures & Installations

Stage I — None

Stage II

2 Buildings, 15 x 25', @ $4/sq. ft. — 3,000.00

G) Miscellaneous

Stage I

Assays - Cu, Mo - 1250 @ $4	5,000.00
Au, Ag composites - 250 @ $2.50	625.00
Accounting - 8 mo. @ $200	1,600.00
Total - Stage I	$ 7,225.00

Stage II

Assays - Cu, Mo - 300 @ $4	1,200.00
Au, Ag composites - 60 @ $2.50	150.00
Accounting - 18 mo. @ $200	3,600.00
Total - Stage II	$ 4,950.00
Total - Miscellaneous	$12,175.00

SUMMARY

Stage I

A)	Independent Contracts	$104,910.00
B)	Personnel Services	12,500.00
C)	Miscellaneous	7,225.00
		$124,635.00

Stage II

A)	Independent Contracts	$286,435.00
B)	Personnel Services	20,000.00
C)	Operating Materials & Supplies	33,893.73
D)	Operating Equipment	3,000.00
F)	New Buildings, Fixtures, Installations	3,000.00
G)	Miscellaneous	4,950.00
		$351,278.73
	GRAND TOTAL	$475,913.73

THE FIRST NATIONAL BANK OF DENVER

P. O. BOX 5808 TELEPHONE 266-2211

DENVER, COLORADO 80217

DAVIS W. MOORE
SENIOR VICE PRESIDENT

November 14, 1966

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80203

Dear Frank:

I wish to acknowledge receipt of your letter of November 9, 1966, in which you advised that you are engaged in a major base exploration program in San Miguel County, Colorado, and make application for a loan of $300,000 for the purpose of continuing this program during 1967 by drilling, drifting, and cross-cutting the property.

In discussing this matter with you, you have further advised that this is truly an exploration program and that no ore in commercial quantities will be available in the foreseeable future to liquidate the loan for which you are applying and that this credit would have to be an unsecured one inasmuch as your other assets are already committed.

In further reviewing the matter, it appears to us that equity capital is needed in this case and that it is not an acceptable commercial bank loan. Our Loan Committee, therefore, felt it necessary to decline your application at this time.

With best wishes and kindest regards, I am

Cordially yours,

Davis W. Moore

Senior Vice President

DWM/mc

RECEIVED
NOV 16 1966

THE
COLORADO NATIONAL BANK OF DENVER
SEVENTEENTH STREET AT CHAMPA • DENVER, COLORADO 80202 • PHONE 222-9311

November 10, 1966

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80203

Dear Mr. Baumgartner:

We have your letter of November 9, 1966, in which you request a loan in the amount of $300,000.00 in connection with a mine operation in the Ophir District, San Miguel County, Colorado.

We are sorry that at this time we are unable to accommodate you with this request.

Very truly yours,

Robert L. Galloway

Robert L. Galloway
Vice President

RLG:hc

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 5 1967
INITIALS CODE

MINING LEASE

THIS MINING LEASE made this 2nd day of March, 1967, by and between RANDOLPH BELISLE of Ophir, Colorado (referred to as the Lessor) and FRANKLIN W. BAUMGARTNER of 737 Grant Street, Denver, Colorado (referred to as the Lessee).

WITNESSETH:

I

Leasing of the Premises

The Lessor, for and in consideration of the royalties, covenants, and agreements hereinafter expressed and reserved, to be paid, kept, and performed by the Lessee, and in consideration of the sum of Ten Dollars ($10.00) in hand paid by the Lessee to the Lessor, HAS LEASED, DEMISED AND LET, and by these presents does lease, demise and let unto the Lessee the mining claims and property located in the Iron Springs Mining District, San Miguel County, Colorado, described as follows:

Patented Mining Claims:

New Dominion, Survey No. 16473 (Except Grazing Rights)

Unpatented Mining Claims:

Black Jack
Black Dragon
Frank B
Frank B. Millsite
Vera
Defense
Slide
Dorothy B

All of above claims except those portions that conflict with U. S. Mineral Survey No. 7777, U.S.M.S. No. 17726 & U.S.M.S. No.10181(Black Cloud Lode)

All being located in Sections 35 and 36, Township 42 North, Range 9 West, and Section 31, Township 42 North, Range 8 West,

together with all fixtures, improvements and facilities on or about the premises and all minerals, ores, rights, easements, licenses and other privileges and water rights of the Lessor and useful in connection with mining, exploration or development of said mining properties, or access to or egress from any of said properties above-described being herein generally referred to as the "Leased Premises".

TO HAVE AND TO HOLD the Leased Premises for a period of twenty (20) years from the date hereof unless sooner forfeited or terminated; it being provided however that the Lessee shall have the option to extend this lease for two additional periods of five years each from the date of expiration of the original twenty year period or the preceding five year period, as the case may be. The option to extend the term may be exercised by the Lessee giving to the Lessor a written notice that he exercises such option, such notice to be given not less than thirty days before the date on which the preceding term of the lease otherwise would end. The period of this lease, as used herein, means the original period of this lease as extended by the exercise of the option provided

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for herein. Any extension by the exercise of this option shall be on the same terms, provisions and conditions as set forth herein in respect of the original period of the lease. If at the expiration of this lease, the Lessee is diligently and in good faith mining the leased premises, the lease shall continue as long as such mining operations are continued without unreasonable delay.

II

The Lessee's Obligations

For and in consideration of the demise and lease of the properties and premises hereinabove described, the Lessee agrees with the Lessor as follows:

(a) The Lessee shall pay to the Lessor, in the manner hereinbelow set forth, a royalty of four percent (4%) of the net smelter and mint returns received by the Lessee from the sale of all concentrates, ores, minerals and metals produced from the Leased Premises.

"Net smelter returns", as used herein, is agreed to mean the amount of payments received by the Lessee from the smelter to which any ore or concentrates derived from the leased premises are delivered for treatment and sale, after deduction has been made for all smelter penalties and charges, freight, costs of transportation and haulage from the leased premises to the smelter, and any taxes attributable to the Lessor's interest in the ores, minerals and metals sold.

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

(b) Commencing on December 1, 1967, the Lessee shall pay to the Lessor an advance on royalty of $200.00 per month and such payment shall thereafter be made on or before the first day of each month in such amount as will guarantee that the Lessor shall receive not less than $200.00 per month during the time that this lease remains effective. Commencing on December 1, 1970, such advances on royalty shall be increased to $400.00 per month payable as herein provided. The Lessee may deduct from royalties thereafter payable to the Lessor all amounts paid under the provisions of this paragraph; it being provided, however, that such deductions shall not cause a reduction of royalties paid to the Lessor in such an amount as will cause such monthly payments to be less than $200.00 or $400.00 per month, as the case may be. After production commences on the Leased Premises, such adjustments shall be made with reference to the time of payment of such monthly sums as shall be consistent with the receipt of smelter information and returns upon which the amount of royalties payable for the preceding month may be determined.

(c) The Lessee agrees at the end of each lease year to furnish to the Lessor a report of the mining work done on the Leased Premises during the preceding year.

(d) The Lessee shall indemnify and hold harmless the Lessor for and on account of claims, demands or liabilities arising out of or in connection with the Lessee's activities or operations hereunder. The Lessee shall assume

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full and sole responsibility for the operation and the direction of the work done under this lease and no employee or agent of the Lessee shall under any circumstances be an employee or agent of the Lessor.

(e) The Lessee shall perform mining work done hereunder in accordance with good mining practice; shall comply with the applicable laws and regulations relating to performance of mining work on the Leased Premises; and shall comply with applicable workmen's compensation laws. The Lessee shall pay in full for all labor performed upon or material furnished to the Leased Premises at the instance or request of the Lessee, and shall keep the Leased Premises free from any and all mechanics or laborers liens, except those which he in good faith desires to contest.

(f) Unless this lease is terminated prior to June 1 of any lease year after 1967, it shall be the Lessee's obligation to perform such work as may be necessary to comply with assessment requirements for any unpatented mining claims which may now or hereafter be subject hereto and shall record proof thereof on the Lessor's behalf in the manner provided by law.

(g) The Lessor (and his designees and agents) shall have the right at all reasonable times to go on the Leased Premises, at their own risk, for the purpose of inspecting the Lessee's work thereon.

(h) The Lessee shall expend on mining work on the Leased Premises or for the direct benefit therefor not less than the sum of $10,000.00 prior to December 1, 1967. The nature of such work shall be at the sole discretion of the Lessee and may consist of but not be limited to geological, geophysical and geochemical exploration, drilling, assaying, improving the Leased Premises, and other similar work.

III

The Lessor's Obligations

(a) The Lessor agrees that he shall furnish to the Lessee promptly after the execution of this lease all title data in his possession relating to the mining properties listed above, and any assignments, conveyances or encumbrances thereof. The Lessor makes no warranty of title, either express or implied with relation to the Leased Premises.

(b) The Lessor agrees to execute any lien, subordination agreement, or other documents required of a Lessor for the obtaining of loans, exploration assistance, subsidies, or aids in exploration and development from the Office of Mineral Exploration or other governmental agency with respect to mining work on the Leased Premises.

IV

Option to Purchase

(a) The Lessor gives and grants to the Lessee the exclusive option, to be exercised at any time during the period of this lease, to purchase the Leased Premises for the sum of $80,000.00. All royalties and monthly payments made hereunder shall apply as a credit against the purchase price. The remaining balance shall be paid in cash, either in one lump sum or in three equal payments, the first at the time of exercising the option, and the succeeding annual payments on the succeeding anniversary dates of this lease. R.B. FAB

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V

Mutual Agreements

(a) The Lessor excepts and reserves herefrom the license and privilege to mine the Leased Premises until December 1, 1969, and keep any production therefrom as his own property. Such mining operations shall be at the Lessor's own cost, risk and expense and the Lessor shall promptly pay all of such costs and expenses and shall allow no liens or other encumbrances to attach to the Leased Premises as a result of his operations. The Lessor shall discontinue his mining operations hereunder upon sixty days written notice from the Lessee providing that in such event the Lessee shall commence the payment of the sums provided in Paragraph II (b) at the expiration of said sixty day period. The Lessor shall have ninety (90) days from the date of said written notice to remove all of his equipment and machinery from the Leased Premises. The recording of this mining lease shall be deemed to be notice to all persons who furnish labor or material to the Lessor for his mining operations of the limited nature of the Lessor's right to mine and of the intention of the parties hereto that this mining lease and the rights created thereby, shall never be subject to any claims, demands, suits or liabilities resulting from the Lessor's limited right of operation as provided herein.

(b) If the Lessee shall fail to perform any term or condition on his part to be performed, the Lessor may give the Lessee notice in writing specifying such failure; and the Lessee shall have sixty (60) days thereafter to remedy such default. Upon failure or refusal by the Lessee within such sixty day period to remedy such default, then all of the Lessee's right hereunder, except the right to remove machinery and equipment within ninety days thereafter as herein provided, shall terminate.

(c) The Lessee may install, maintain, replace and remove during the period of this lease any and all mining machinery, equipment, tools and facilities which he may desire to use on or in connection with his operations hereunder on the Leased Premises. Upon termination of this lease by expiration of term, default, or any cause whatsoever, the Lessee shall have a period of ninety (90) days following such termination during which he may remove all of such items, said removal to be at the Lessee's own cost and expense.

(d) It is expressly agreed that the Lessee may at any time hereafter terminate this lease and be freed from any and every obligation and liability hereunder, or in any manner arising out of any term, covenant or condition hereof, including payments of advance royalties as hereinbefore provided, excepting only those obligations which, by the express provisions hereof, have accrued and have become fixed and unconditional. Such termination may be effected by the Lessee by serving of written notice to the Lessors setting forth the intention of the Lessee to discontinue performance hereunder and to surrender this lease and all rights, as Lessee, hereunder.

(e) This lease shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors, and assigns. It is specifically agreed that the Lessee may assign this lease either in whole or in part as he may desire and without the prior consent of the Lessor.

(f) Time shall be of the essence of this agreement, but whenever the time for performance of any act hereunder is limited and the performance thereof is hindered, prevented or delayed by any factor or circumstance beyond the

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reasonable control of Lessee, and which said Lessee could not have avoided by the use of due diligence, then the time for the performance of any such act or obligation shall be extended for a period equal to the extent of such delay.

(g) All notices hereunder may be given to the following addresses, such notices to be effective upon being deposited in the United States mail, in a sealed envelope, postage prepaid, addressed to the parties at the addresses contained in the heading hereof. All payments to be made to the Lessor provided for in this lease shall be made to him or at the Lessee's option, deposited for his account in the _____ Bank of _____, payable to the Lessor.

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

Randolph Belisle
Randolph Belisle, LESSOR

Franklin W. Baumgartner
Franklin W. Baumgartner, LESSEE

STATE OF COLORADO)
) ss.
County of San Miguel)

The foregoing instrument was acknowledged before me this 2nd day of March, 1967, by RANDOLPH BELISLE.

Witness my hand and official seal.

~~My commission expires~~:
_____

Rollin Lee Larner
~~Notary Public~~ County Clerk

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

The foregoing instrument was acknowledged before me this 6TH day of MARCH, 1967, by FRANKLIN W. BAUMGARTNER.

Witness my hand and official seal.

My commission expires:
FEB. 11, 1969

Ridley M. Wendel
Notary Public

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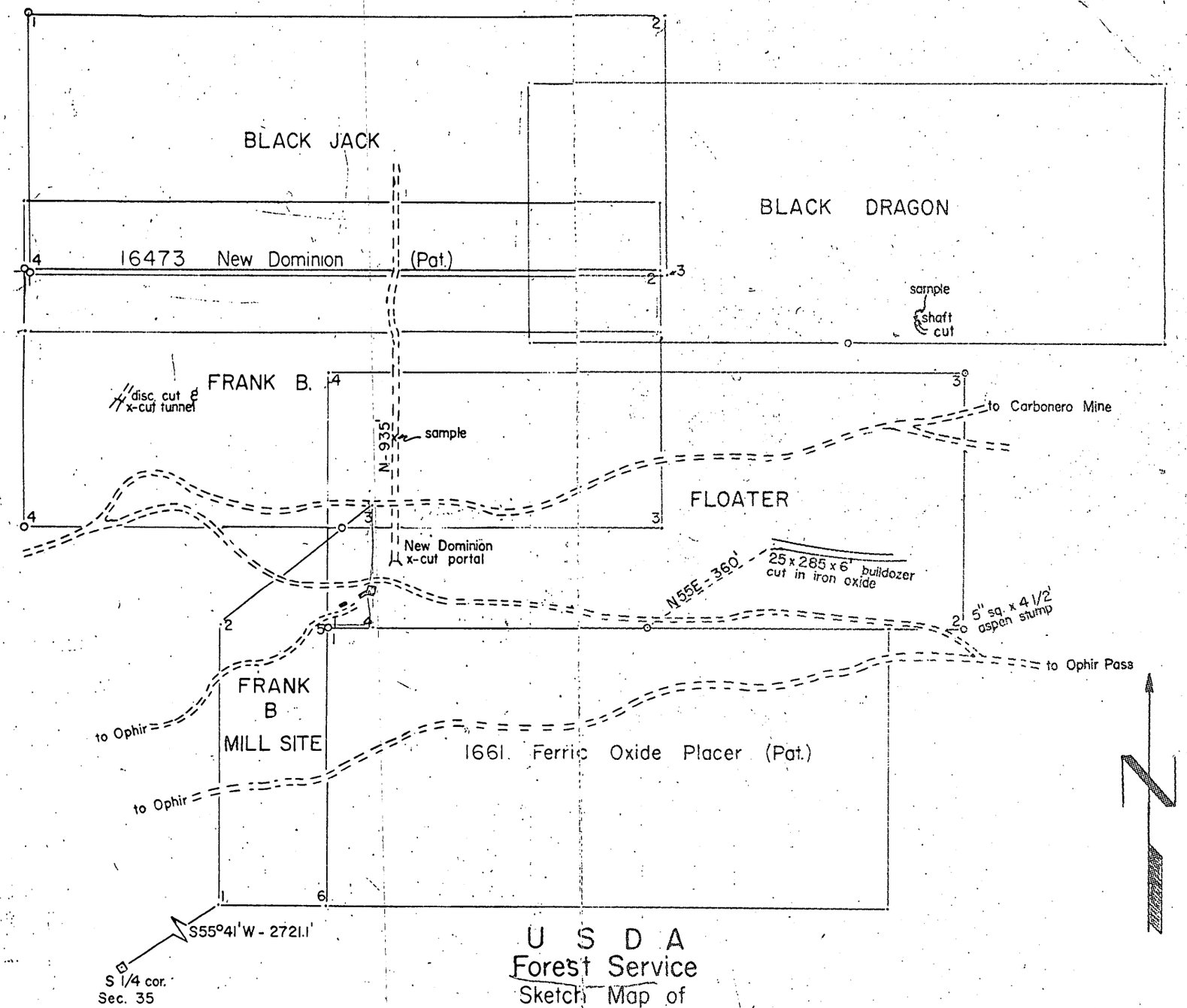
BAUMGARTNER OIL CO.
737 Grant
Denver 3, Colorado



U S D A
Forest Service
Sketch Map of

BLACK JACK, et al. LODES & FRANK B MILL SITE

Secs. 35, 36, T.42N., R.9W.; Sec. 31, Unsurveyed T.42N., R.8W., NMPM

San Miguel County
Uncompahgre National Forest
Colorado

0 300 600 900 1200 ft.
Scale

(Sheet 1 of 2)

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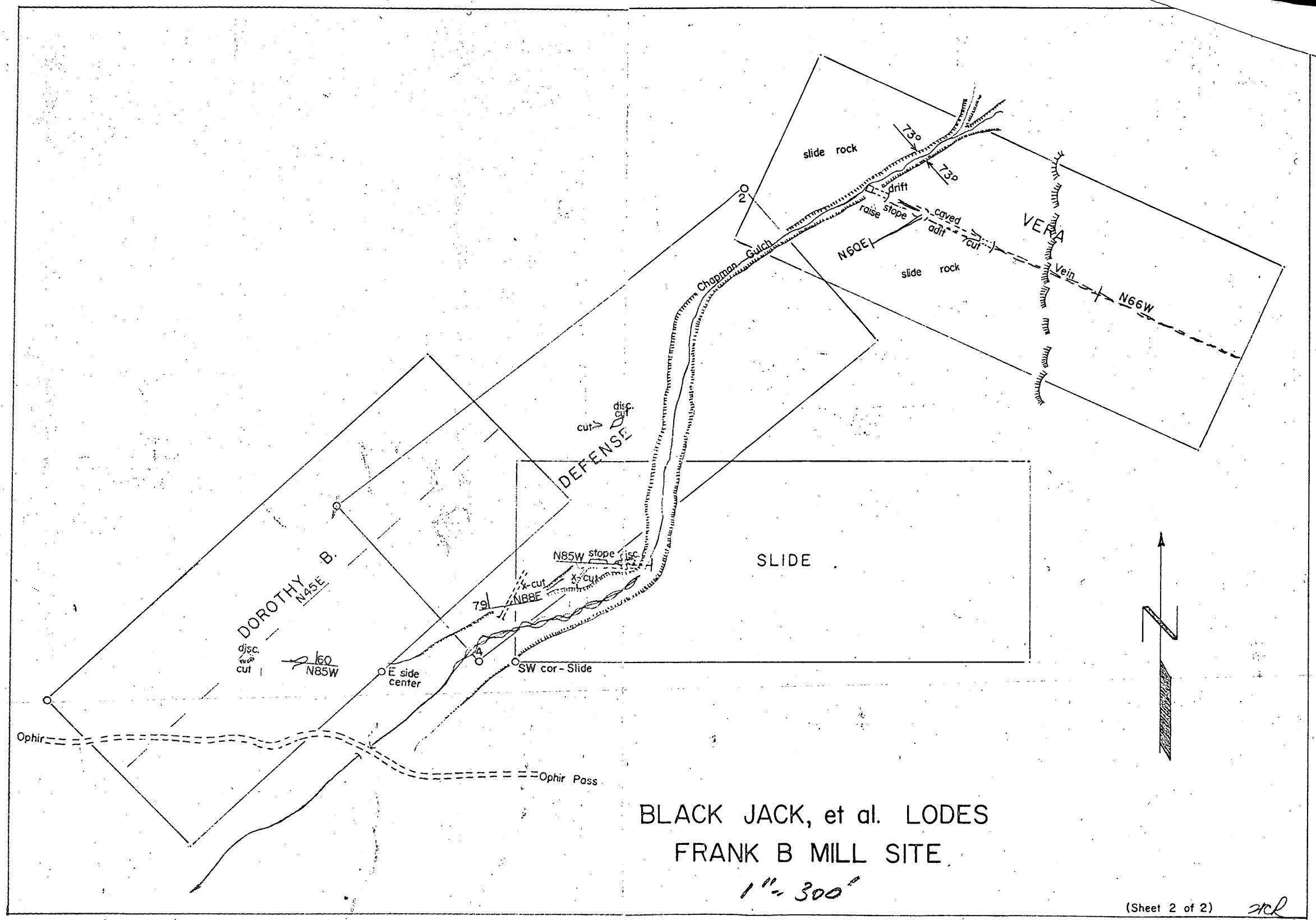
BAUMGARTNER OIL CO.
737 Grant
Denver 3, Colorado



BLACK JACK, et al. LODES

FRANK B MILL SITE

1" = 300'

(Sheet 2 of 2)

HCL
10-61

Chapman Builds

BAUMGARTNER OIL CO.
737 Grant
Denver 3, Colorado

MINING LEASE

THIS MINING LEASE made this 21st day of December, 1966, by and between HENRY A. POLLMAN, JOHN J. POLLMAN and W. F. POLLMAN, Box 351, Telluride, Colorado (referred to collectively as the Lessor), and FRANKLIN W. BAUMGARTNER of 737 Grant Street, Denver, Colorado (referred to as the Lessee).

W I T N E S S E T H :

I

Leasing of the Premises

The Lessor, for and in consideration of the royalties, covenants, and agreements hereinafter expressed and reserved, to be paid, kept, and performed by the Lessee, and in consideration of the sum of Ten Dollars ($10.00) in hand paid by the Lessee to the Lessor, HAS LEASED, DEMISED AND LET, and by these presents does lease, demise and let unto the Lessee the mining claims and property located in the Iron Springs Mining District, San Miguel County, Colorado, described as follows:

Patented Mining Claims:

Starlight
Marie Antoinette
Attica (one-fourth interest)

Unpatented Mining Claims:

Yellow Jacket
Silver Prince
Little Chief
Arrowhead
Gold Queen

Sections 35 and 36, Township 42 North, Range 9 West; and Section 31, Township 42 North, Range 8 West, San Miguel County, Cosorado,

together with all fixtures, improvements and facilities on or about the premises and all minerals, ores, rights, easements, licenses and other privileges and water rights of the Lessor and useful in connection with mining, exploration or development of said mining properties, or access to or egress from any of said properties above-described being herein generally referred to as the "Leased Premises."

TO HAVE AND TO HOLD the Leased Premises for a period of twenty (20) years from the date hereof unless sooner forfeited or terminated; it being provided however that the Lessee shall have the option to extend this lease for two additional periods of five years each from the date of expiration of the original twenty year period or the preceding five year period, as the case may be. The option to extend the term may be exercised by the Lessee giving to the Lessor a written notice that he exercises such option, such notice to be given not less than thirty days before the date on which the preceding term of the lease otherwise would end. The period of this lease, as used herein, means the original period of this lease as extended by the exercise of the

option provided for herein. Any extension of the exercise of this option shall be on the same terms, provisions and conditions as set forth herein in respect of the original period of the lease. If at the expiration of this lease, the Lessee is diligently and in good faith mining the Leased Premises, the lease shall continue as long as such mining operations are continued without unreasonable delay.

II

The Lessee's Obligations

For and in consideration of the demise and lease of the properties and premises hereinabove described, the Lessee agrees with the Lessor as follows:

(a) The Lessee shall pay to the Lessor, in the manner hereinbelow set forth, a royalty computed as follows:

3% when the net smelter and mint returns received by the Lessee from the sale of all concentrates, ores, minerals and metals produced from the Leased Premises are $10.00 or less per ton; and the following graduated scale thereafter:

Amount of Royalty	Value
5%	$10.01 to and including $15.00;
7 1/2%	$15.01 to and including $25.00;
10%	$25.01 to and including $40.00;
15%	Over $40.00.

"Net smelter returns," as used herein, is agreed to mean the amount of payments received by the Lessee from the smelter to which any ore or concentrates derived from the Leased Premises are delivered for treatment and sale, after deduction has been made for all smelter penalties and charges, freight, costs of transportation and haulage from the Leased Premises to the smelter, and any taxes attributable to the Lessor's interest in the ores, minerals and metals sold. "Net mint returns," as used herein is agreed to mean the amount of the payments received by the Lessee from the United States Mint or other authorized bullion purchaser, after deduction has been made for all postage, express, insurance and other handling charges incurred in connection with shipment of such bullion from the Leased Premises to said purchaser.

(b) Commencing on December 1, 1967, the Lessee shall pay to the Lessor an advance on royalty of $100.00 per month and such payment shall thereafter be made on or before the first day of each month in such amount as will guarantee that the Lessor shall receive not less than $100.00 per month during the

time that this lease remains effective. Commencing on December 1, 1970, such advances on royalty shall be increased to $400.00 per month payable as herein provided. The Lessee may deduct from royalties thereafter payable to the Lessor all amounts paid under the provisions of this paragraph; it being provided, however, that such deductions shall not cause a reduction of royalties paid to the Lessor in such an amount as will cause such monthly payments to be less than $100.00 or $400.00 per month, as the case may be. After production commences on the Leased Premises, such adjustments shall be made with reference to the time of payment of such monthly sums as shall be consistent with the receipt of smelter information and returns upon which the amount of royalties payable for the preceding month may be determined.

(c) The Lessee agrees at the end of each lease year to furnish to the Lessor a report of the mining work done on the Leased Premises during the preceding year.

(d) The Lessee shall indemnify and hold harmless the Lessor for and on account of claims, demands or liabilities arising out of or in connection with the Lessee's activities or operations hereunder. The Lessee shall assume full and sole responsibility for the operation and the direction of the work done under this lease and no employee or agent of the Lessee shall under any circumstances be an employee or agent of the Lessor.

(e) The Lessee shall perform mining work done hereunder in accordance with good mining practice; shall comply with the applicable laws and regulations relating to performance of mining work on the Leased Premises; and shall comply with applicable workmen's compensation laws. The Lessee shall pay in full for all labor performed upon or material furnished to the Leased Premises at the instance or request of the Lessee, and shall keep the Leased Premises free from any and all mechanics or laborers liens, except those which he in good faith desires to contest.

(f) Unless this lease is terminated prior to June 1 of any lease year after 1966, it shall be the Lessee's obligation to perform such work as may be necessary to comply with assessment requirements for any unpatented mining claims which may now or hereafter be subject hereto and shall record proof thereof on the Lessor's behalf in the manner provided by law.

(g) The Lessor (and his designees and agents) shall have the right at all reasonable times to go on the Leased Premises, at their own risk, for the purpose of inspecting the Lessee's work thereon.

(h) The Lessee shall expend on mining work on the Leased Premises not less than the sum of $10,000.00 prior to December 1, 1967. The nature of such

work shall be at the sole discretion of the Lessee and may consist of but not be limited to geological, geophysical and geochemical exploration, drilling, assaying, improving the Leased Premises, and other similar work.

III

The Lessor's Obligations

(a) The Lessor agrees that he shall furnish to the Lessee promptly after the execution of this lease all title data in his possession relating to the mining properties listed above, and any assignments, conveyances or encumbrances thereof. The Lessor makes no warranty of title, either express or implied with relation to the Leased Premises.

IV

Option to Purchase

(a) The Lessor gives and grants to the Lessee the exclusive option, to be exercised at any time during the period of this lease, to purchase the Leased Premises for the sum of $35,000.00. All royalties and monthly payments made hereunder shall apply as a credit against the purchase price. The remaining balance shall be paid in cash, either in one lump sum or in three equal payments, the first at the time of exercising the option, and the succeeding annual payments on the succeeding anniversary dates of this lease.

V

Mutual Agreements

(a) If the Lessee shall fail to perform any term or condition on his part to be performed, the Lessor may give the Lessee notice in writing specifying such failure; and the Lessee shall have sixty (60) days thereafter to remedy such default. Upon failure or refusal by the Lessee within such sixty day period to remedy such default, then all of the Lessee's right hereunder, except the right to remove machinery and equipment within ninety days thereafter as herein provided, shall terminate.

(b) The Lessee may install, maintain, replace and remove during the period of this lease any and all mining machinery, equipment, tools and facilities which he may desire to use on or in connection with his operations hereunder on the Leased Premises. Upon termination of this lease by expiration of term, default, or any cause whatsoever, the Lessee shall have a period of ninety (90) days following such termination during which he may remove all of such items, said removal to be at the Lessee's own cost and expense.

(c) It is expressly agreed that the Lessee may at any time hereafter terminate this lease and be freed from any and every obligation and liability hereunder, or in any manner arising out of any term, covenant or condition hereof, including payments of advance royalties as hereinbefore provided, excepting only those obligations which, by the express provisions hereof, have accrued and have become fixed and unconditional. Such termination may be effected by the Lessee by serving of written notice to the Lessor setting forth the intention of the Lessee to discontinue performance hereunder and to surrender this lease and all rights, as Lessee, hereunder.

(d) This lease shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors, and assigns. It is specifically agreed that the Lessee may assign this lease either in whole or in part as he may desire and without the prior consent of the Lessor.

(e) Time shall be of the essence of this agreement, but whenever the time for performance of any act hereunder is limited and the performance thereof is hindered, prevented or delayed by any factor or circumstance beyond the reasonable control of Lessee, and which said Lessee could not have avoided by the use of due diligence, then the time for the performance of any such act or obligation shall be extended for a period equal to the extent of such delay.

(f) All notices hereunder may be given to the following addresses, such notices to be effective upon being deposited in the United States mail, in a sealed envelope, postage prepaid, addressed to the parties at the addresses contained in the heading hereof. All payments to be made to the Lessor provided for in this lease shall be made to him, or at the Lessee's option, ~~deposited for his account in the Bank of~~ Henry A. Pollman, payable ~~to the Lessor~~.

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

Henry A. Pollman
Henry A. Pollman

John J. Pollman
John J. Pollman

W. F. Pollman by Henry A. Pollman
W. F. Pollman

LESSOR

Franklin W. Baumgartner

Franklin W. Baumgartner

LESSEE

STATE OF COLORADO)
) ss.
County of San Miguel)

The foregoing instrument was acknowledged before me this 27th day of December, 1966, by HENRY A. POLLMAN, JOHN J. POLLMAN and W. F. POLLMAN. by Henry A Pollman

Witness my hand and official seal.

Nan S Lewis
Notary Public

My commission expires:
Jan. 25, 1967

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

The foregoing instrument was acknowledged before me this 23 day of December, 1966, by FRANKLIN W. BAUMGARTNER.

Witness my hand and official seal.

Lindy M. Wendel
Notary Public

My commission expires: February 11, 1969

ROCKY MOUNTAIN GEOCHEMICAL LABORATORIES

Post Office Box 2217
SALT LAKE CITY, UTAH 84110

Phone 322-2396
Area Code: 801

CERTIFICATE OF ANALYSES

Date June 30, 1966

Client Mr. Charles E. Melbye
Box 309
Golden, Colorado

Report on: 23 samples

Submitted by: Mr. Melbye

Date: June, 1966

Analysis: Copper & Molybdenum

Remarks: Copper analyses by atomic absorption. Molybdenum determined colorimetrically.

cc: Baumgartner Oil Company
Mr. A. J. Anctil
file

JJJ:kt

All values are reported in parts per million unless specified otherwise. A minus sign (−) is to be read "less than" and a plus sign (+) "greater than." Values in parenthesis are estimates. This analytical report is the confidential property of the above mentioned client and for the protection of this client and ourselves we reserve the right to forbid publication or reproduction of this report or any part thereof without written permission.

1 ppm = 0.0001% 1 Troy oz./ton = 34.27 ppm % Mo x 1.6683 = % MoS_2

Sample No.	Copper	Molybdenum
CAS-1	120	9
WES-1	35	6
SGS-1	50	8
SGS-2	350	70
CG-S-1	90	19
GC-1	55	5
GC-2	65	9
GC-3	135	15
GC-4	120	10
GC-5	120	9
GC-6	160	8
GC-7	165	11
GC-8	60	7
GC-9	80	7
GC-10	110	10
GC-11	45	7
GC-12	60	11
GC-13	375	4
GC-14	75	10
GC-15	90	11
GC-16	350	19
GC-17	80	10
GC-18	120	14

Rocky Mountain Geochemical Laboratories
Salt Lake City, Utah June 30, 1966

By James J. Johnson

James J. Johnson

Sample No.	Copper	Molybdenum
GC-19	30	11
GC-20	50	26
GC-21	35	21
GC-22	30	13
GC-23	50	15
GC-24	30	14
GC-25	30	7
GC-26	70	25
GC-27	40	10
GC-28	60	10
GC-29	80	8
GC-30	80	26
GC-31	70	10
GC-32	60	7
GC-33	70	10
GC-34	55	24
GC-35	40	40
GC-36	80	32
GC-37	55	14
GC-38	110	10
GC-39	295	6
GC-40	180	9
GC-41	55	13
GC-42	60	32
GC-43	65	20

Sample No.	Copper	Molybdenum
GC-44	90	21
GC-45	100	10
GC-46	190	11
GC-47	100	13
GC-48	20	7
GC-49	25	20
GC-50	30	9
GC-51	45	7
GC-52	50	6
GC-53	25	6
GC-54	120	20
GC-55	20	6
GC-56	70	7
GC-57	20	4
GC-58	40	10
GC-59	15	4
GC-60	35	7
GC-61	20	4

Rocky Mountain Geochemical Laboratories
Salt Lake City, Utah July 30, 1966

By James J. Johnson

James J. Johnson

Sample No.	Copper	Molybdenum
GC-62	235	14
GC-63	210	6
GC-64	95	13
GC-65	340	41
GC-66	70	1
GC-67	40	1
GC-68	25	4
GC-69	15	4
GC-71	15	3
GC-72	20	1
GC-73	45	1
GC-74	25	5

Rocky Mountain Geochemical Laboratories
Salt Lake City, Utah October 5, 1966

By _____

James J. Johnson

Consideration Schedule
Surface & Underground Drilling
Near Ophir, Colorado

To: Baumgartner Oil Company
737 Grant Street
Denver, Colorado

From: MacPherson Drilling Company
601 N. 2nd, Street
P. O. Box 1167
Montrose, Colorado 81401

Gentlemen:

I hereby submit my proposal to core drilling surface and underground in or near Ophir, Colorado. Surface 12500 feet, underground 3000 feet.

MacPherson Drilling Company undertakes to perform such drilling under the terms and for the fees setforth herein. And, Baumgartner Oil Company agrees to accept such terms and fees for the services of MacPherson Drilling Company which follow for the purpose indicated.

Core drilling rates

Surface Footage		Rate per ft. NXWL	BXWL	AXWL
From surface to bedrock, Overburden	@	$9.00 per ft. cased		
From bedrock to 500 ft. in depth	@	6.45	5.50	5.05
From 500 to 1000 ft. in depth	@	7.70	6.80	6.00
From 1000 to 1500 ft. in depth	@	8.65	7.45	7.00
Underground				
From 0 to 250 ft. in depth	@	6.15	5.30	4.90
From 250 to 500 ft. in depth	@	6.80	6.15	5.35

Mobilization of surface drilling equipment	@	Lump sum	$500.00
Mobilization of underground drilling equip.	@	Lump sum	275.00

Contractor's labor and equipment furnished for cementing, drilling out cement, reaming for and installing casing, recovery of casing on completion of drilling, surveying of drill holes with Tro-Pari surveying instrument or other work Owner may request contractor to perform with his equipment and labor shall be charged to Owner at an hourly rate of $14.00 per crew hr. so used. Moving surface and underground drilling equipment on drill sites and setting up ready to drill shall be charged to Owner at an hourly rate of $10.00 per crew hr. so used.

Supplies used to complete holes to the required depth, such as drilling mud, cement, cement substitutes or additives shall be charged to Owner at contractor's cost F.O.B. job site. Casing or pipe left in drill holes and not recoverable will be charged to Owner at contractor's replacment cost. Core boxes for the storing of cores may be supplied by contractor at cost to Owner.

Contractor agrees to furnish all drilling equipment, labor, tools, fuel, diamonds, supervision, and auxiliary equipment necessary to operate the job.

Owner agrees to furnish suitable roads and drill sites for surface drilling. suitable drill locations for underground drilling, furnish air and water at each underground drill station. Provide engineering services when required in connection with drilling operations.

This schedule is subject to a physical inspection of the property prior to drilling operations.

November 26, 1966

Respectfully submitted,

By M MacPherson
Malcolm MacPherson

QUAD CONSTRUCTION INC.

TUNNELING
SHAFT SINKING

ENGINEERING
CONSTRUCTION

671 Cody Court, Denver, Colorado, 80215

November 16, 1966

Baumgartner Oil Co.
737 Grant St.
Denver, Colorado

Gentlemen:

Mr. Charles E. Melbye has outlined to us certain exploration work at your mining property near Ophir, Colorado, as follows:

1. A crosscut adit 1,500 ft. long with 1,000 ft of drifting on vein structures.

2. A crosscut adit 2,000 ft. long with 1,500 ft of drifting on vein structures.

3. All crosscuts and drifts to be at least 5'x 7' in the clear.

We propose to do the drifting and crosscutting, furnishing all labor, equipment, material, and supplies for the following prices:

1. Drifting and crosscutting $84.00 / linear ft.

2. Timber (native spruce or fir) $400.00/ M bd. ft.

We have the necessary equipment and skilled personnel to do this work. Than you for inviting a proposal from us.

QUAD CONSTRUCTION, INC.

Fred S. Haley

Fred S. Haley

OURAY URANIUM CO.
BOX 992
MOAB, UTAH

January 2, 1967

Baumgardner Oil Company
737 Grant Street
Denver, Colorado

Dear Sir,

We submit the following bid on 6,000 feet of 5 ft x 7 ft crosscut and drift, in the area of Ophir, Colorado, as requested by Mr. Charles Melby.

Untimbered drift	-	$ 95.00/ft
Timbered drift	-	115.00/ft

This bid is for completed drift or crosscut, 5 ft x 7 ft, in the clear, with 4" air line and 2" water line (schedule 40 pipe) 18" gauge 30# track with ties on 24" centers, and timbered where necessary. This bid does not include access roads, portal site preparation or buildings other than those necessary for our own use.

We understand that the work will be done at two sites, on opposite sides of the canyon and need not be driven simultaneously.

Very truly yours,

Charles E. Brechtel

Charles E. Brechtel

cc: Charles Melby
14058 La Quart Street
Whittier, California

WALTER W. TYLER & ASSOCIATES
MINING - GEOLOGICAL - GEOPHYSICAL CONSULTANTS

January 26, 1967

Mr. Frank Baumgartner
Baumgartner Oil Co.
737 Grant Street
Denver, Colorado

Dear Mr. Baumgartner:

In response to your request, we submit the following bids related to the tunneling project you currently have under study at Ophir, Colorado, complete with specifications:

1. Crosscut adit 1,500-ft. long followed by 1,000-ft. additional drifting on mineralized structures.

2. Crosscut adit 2,000-ft. long followed by 1,500-ft. additional drifting on mineralized structures.

3. That both faces may be driven simultaneously.

SPECIFICATIONS: (Contractor's undertaking)

a) Timbered portal 7' x 9' complete with ditch box.
b) Crosscuts and drifts 5' x 7', in clear, with high arched back to accomodate ventilation pipe.
c) 30# rail 24" gauge with tie spacing at 24" centers
d) Drainage ditch
e) Timbered and lagged, where necessary
f) Instal air and water line
g) Establish two dumping areas at each portal
h) All mining machinery, generator, tools, powder, caps, fuse, etc. included.

14060 ELDERBERRY ROAD
P. O. BOX 309 303: 279-5695
GOLDEN, COLORADO 80402

SPECIFICATIONS: (Company's contribution)

a) As was indicated, the company will pay for and have delivered to the portals all necessary materials and goods which will constitute operational fixtures for the mine, i.e., air, water and vent pipe, rail, switches, accessories, fans, etc.

b) A suitable storage building at each portal

c) Erect snow sheds at each portal if project extends into the winter period.

d) Clear off area and faces for portals

e) String power line between portals

f) Plow snow in the winter if county cannot or will not do so.

Based on 6,000-ft. of drifting, it is estimated that company costs for the above factors, less timber, will approximate .....$10.00/ft.

Where mine-timber will be necessary, the material cost for tight-lag timbering, based on $125.00/M bd.ft. delivered, will approximate ..... $11.00/ft.

QUOTATION:

1. Drifting and crosscutting (items a to h) .....$62.70/ft.
2. Timbered sections, where necessary, ...$72.70/ft.

If you should require further information regarding this submittal, we would be grateful for the opportunity to discuss the matter with you.

Yours very truly,
WALTER W. TYLER and ASSOCIATES

Walter W. Tyler

cc: Charles E. Melbye,
Geological Engineer

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
ROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

BOYLES BROS.
DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS
~~2960 W. 7th Avenue~~ 15865 W. 5th. Ave.
~~DENVER 4, COLORADO~~ Golden, Colorado 80401
Phones: ALpine 5-9244
ALpine 5-0855

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

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

November 18, 1966

Baumgartner Oil Company
737 Grant Street
Denver, Colorado

Dear Sir:

For your consideration, we submit the following rates and conditions to apply to your drilling program on your properties near Telluride, Colorado.

	NX	BX	AX
Mobilization of men and equipment			$ 500.00
Overburden - per linear foot -			7.90
Bedrock to 500 per foot	$ 7.65	$ 6.75	$ 6.25
500 to 1000 per foot	8.10	7.25	6.75
1000 to 1250 per foot		8.10	7.25
1250 to 1500		8.95	8.10
Reaming, if required all sizes			
0 to 500 feet - per linear foot			3.80
500 to 1000 feet - per linear foot			4.50
1000 to 1500 feet - per linear foot			5.40
Cementing plus cost of cement and cement substitutes, including mud and additivies - per hr.			12.60
Casing time, plus cost of casing lost in holes			11.00
Cardboard core boxes to hold 10 feet of core - each			1.00

Hauling water will be charged for at our truck rental rate of $ 190.00 per month, plus 12¢ per mile and drivers wages and payroll taxes, if a driver is required.

These prices are subject to a physical inspection of the property.

Thank you for your consideration of our Company.

Very truly yours,

BOYLES BROS. DRILLING COMPANY

George E. Lensch - District Manager

GEL/bf
CC: Charles B. Melbye

COPY

J & J LATHAM DRILLING COMPANY
1606 Iris Street
Apartment 11
Lakewood, Colorado 238-7020

23 November 1966

Baumgartner Oil Company
737 Grant Street
Denver, Colorado

Gentlemen:

In consideration of surface core drilling of approximately 12,500 feet, on your properties south of Teluride, Colorado, here is a proposal to do the core drilling with wireline so as to assure maximum core recovery.

A. Unit Prices

1. Mobilization and demobilization from Denver to Jobsite, round trip includes two man crews and all necessary equipment to drill up to 1,500 feet holes lump sum. $650.00 per drill

2. Overburden to bed rock per lineal foot, $7.35

3. Bed rock to 500-foot depth
   NX___$6.70 BX___$6.15

   500 to 1,000-foot depth
   NX___$7.40 BX___$6.85 AX___$6.50

   1,000 to 1,500-foot depth
   NX___$8.25 BX___$7.50 AX___$7.00

4. Cementing, drilling cement, installing or pulling casing, will be done at $12.75 per hour, plus cost of cement or any other additives used in hole, f.o.b. jobsite.

5. Reaming, if necessary, due to hole conditions will be done at $3.60 per lineal foot.

6. Surveying, standby or delay time, caused or requested by your engineer representative to be done at $12.75 per hour.

7. Coreboxes, cardboard type, 10-foot capacity, at $1.00 each.

8. Teardown, moving, and set-up time will be charged at $12.75 per hour for 2-man crew.

9. It is understood that all excess roads and setups will be available at no cost to the drilling contractors.

These prices include pumping or hauling water to be available within two thousand feet of drilling sites.

B. Underground Drilling

1. Mobilization and demobilization.....Two-man crew and necessary equipment to drill approximately 3,000 feet of drilling, lump sum of $575.00.

2. Drilling:

0 to 250 linear foot
NX___$6.55 BX___$6.15 AX___$5.90

250 to 500 linear foot
NX___$6.90 BX___$6.55 AX___$6.20

3. Cementing and drilling cement, plus cost of cement or cement substitutes, $12.00 per hour.

4. Reaming and casing of hole, $12.00 per hour.

5. Surveying and standby time, as requested by your engineer representative, $12.00 per hour.

6. Core boxes, cardboard type, 10-foot capacity, $1.00 each.

7. If compressor for adequate air to be furnished by the J & J Latham Drilling Company, it will be our cost of compressor rental, plus 5% for handling.

Airline and waterline to be furnished by the Baumgartner Oil Company. Drilling cutouts of adequate size for 10-foot pulls and engineering services to be furnished at no cost to the J & J Latham Drilling Company.

Approved: _____ Signed: John R. Latham

J&J LATHAM DRILLING CO.
John R. Latham
1606 Iris Street
Lakewood, Colorado

Plat folder
in 1 3rd drawer
1st file

MME Form 7
(2/63)

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Date	Surname	Code
8/2/68	(on leave)	120
8/5/68	Kirkham	120
"	Johnson	110
8/6	Barnette	
		220

AUG 6 1968

AIRMAIL

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80203

Re: OME-6618 (Copper-Molybdenum)
Baumgartner Oil Company
Ophir Property
San Miguel County, Colorado

Dear Mr. Baumgartner:

A careful study of your application for financial assistance to explore the subject property and of other information available to us indicates that the probability of disclosing significant ore reserves on the property is not sufficiently promising to justify Government participation in the proposed exploration. Accordingly, we regret to inform you that your application for assistance is denied.

We wish to thank you for your interest in the minerals exploration program and for bringing your property to our attention.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region III
Mr. Peterson
130

ECPeterson/bsl 8/2/68

MME Form 7
(2/63)

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Date	Surname	Code
8/2/68	(on leave)	120
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		220
		120M

Memorandum

To: The File

AUG 6 1968

From: Edward C. Peterson

Subject: OME-6618 (Copper-Molybdenum)
Baumgartner Oil Company
Ophir Property
San Miguel County, Colorado

Justification for Denial of Application

The report of the field examination of the property indicates that not en[redacted] geologic information is known about the deposit to identify with reasonable certainty favorable exploration targets. Therefore, the proposed work is considered prospecting and not eligible for Government assistance.

In addition, the lack of any known production from the property, and no known ore reserves suggest that the chances of making a significant ore discovery with the proposed work is remote.

I concur with the Field Officer and recommend that the application for assistance be denied.

Harold Kisberno

for Edward C. Peterson

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
~~XXXXXXXX~~
Mr. Peterson
130

ECPeterson/bsl 8/2/68

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 203

OFFICIAL COPY
O. M. E.
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JUL 29 1968

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July 26, 1968

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME Docket 6618 (Mo, Cu)
Baumgartner Oil Company
Ophir Property
San Miguel County, Colorado

Transmitted herewith is a report of examination on the subject property by J. William Hasler, recommending that the application be denied.

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

Enclosure

cc: OME-6618
OME chron
Mr. Hasler

Field on-site report

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

U. S. GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION III

OME Docket 6618

BAUMGARTNER OIL COMPANY

OPHIR PROPERTY

SAN MIGUEL COUNTY, COLORADO

By

J. William Hasler

Geologist

July 1968

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Illustrations[4/]

Plate 1. Geologic map, Ophir District, San Miguel County, Colorado.

2. Alteration map, Ophir District, San Miguel County, Colorado.

3. Assay - Geochemical map, Ophir District, San Miguel County, Colorado.

4. Ground magnetic map, Ophir District, San Miguel County, Colorado.

5. Claim map, Ophir District, San Miguel County, Colorado.

6. Claim map, Ophir District, San Miguel County, Colorado.

[4/] All illustrations referred to in this report of examination accompanied the original application.

OME Docket 6618
(Copper-Molybdenum)

Baumgartner Oil Company

Ophir Property

San Miguel County, Colorado

Introduction and Summary

Baumgartner Oil Company, 737 Grant Street, Denver, Colorado, applied to the Office of Minerals Exploration to explore for copper and molybdenum on the Ophir Mining property, San Miguel County, Colorado, at an estimated cost of $475,913.73. The application was referred to the field and an examination was made on 6/8/67. The examining geologist, J. W. Hasler, was accompanied by E. C. Peterson, Washington D. C., Office of Minerals Exploration, Mr. Frank Baumgartner, the applicant, Mr. Ralph Anctil, and Mr. Walter Tyler, Consulting geologists.

Baumgartner Oil Company has staked original locations on 115 claims and has leased 8 claims from the Pollman Brothers, Telluride, Colorado. The applicant has completed some geologic mapping (Plate 1, accompanying application), of the property as well as having done geochemical prospecting (Plate 3, accompanying application) and run a geophysical survey (Plate 4, accompanying application) over the area in order to prospect for possible occurences of copper and molybdenum. According to the applicant a large anomaly was indicated south of Howard Fork and west of Swamp Canyon extending some 7,000 feet in a North-South direction and some 4,000 feet in an east-west direction.

The applicant indicates that the values obtained from the magnetic survey shows the presence of a large porphyry stock that outcrops on the south side of Howard Fork. The presence of this stock and evidence obtained from the magnetic survey in a peripheral zone around the north end of the intrusive, as well as hydrothermal alteration has led the applicant to believe there is a possibility of a large low-grade, disseminated body of copper and molybdenum. Some copper and molybdenum does occur in numerous quartz veins along Nevada gulch, and visible disseminated chalcopyrite is evidenced in several outcrops. Some sampling has been done by the applicant, but not in the most likely area.

The field examination results indicate that the area does not show large concentrations of copper and molybdenum and that the chances of discovering large new reserves of these minerals is not likely. It is therefore recommended that the application be denied.

The Property

The property lies in T. 42 N., R. 9 W., N.M.P.M. and consists of original locations on 115 claims and 8 claims leased from the Pollman Brothers of Telluride, Colorado. (Plates 5 and 6 accompanying application).

This property is located near the old town of Ophir, Colorado and may be reached by traveling south from Telluride, Colorado, thirteen miles on Colorado State Highway No. 145 to Ophir Loop and thence two miles east to Ophir. Telluride is located in southwestern Colorado (San Miguel County), 347 miles from Denver.

The nearest railroad shipping point is Ridgeway, Colorado, fifty miles away. Telluride, Colorado, thirteen miles north, is the nearest supply point.

Production and Reserves

There has been little or no known recent production from the property and there are no known reserves.

Geology[1/]

"An area between Telluride and Ophir that has had considerable mineral production has been studied as part of the resurvey of the mineralized region of the San Juan Mountains.

The youthful topography, with a total relief of almost 5,000 feet between the peaks and the bottoms of the canyons, is the result of erosion that followed several periods of uplift of the San Juan peneplain, with repeated glaciations that formed a fretted upland. Melting of the frozen matrix of the extensive talus is an important factor in the formation of several types of rock streams. Considerable soil covers the old upland surfaces and the floors of the glacial basins."

"Gently dipping sedimentary rocks of Permian, Triassic, Jurassic, and Cretaceous age are overlain with slight angular unconformity by nearly flat-lying Tertiary sedimentary and volcanic rocks. These layered rocks have been invaded by dikes, plugs, and stocks of igneous rocks of intermediate composition."

"The older sedimentary rocks are correlated with the upper part of the Cutler formation, the Dolores formation, the Entrada sandstone, the Wanakah and Morrison formations, the Dakota sandstone and part of the Mancos shale. The Telluride formation is at the base of the Tertiary section, and the remainder of the section is volcanic in origin. As this area is on the west flank of the great San Juan volcanic pile, west of the Silverton caldera, the section contains only a few of the volcanic units recognized farther east; the San Juan breccia, Eureka rhyolite, Burns latite, and Potosi volcanic series have been mapped.

The San Juan breccia is the thickest unit of the section and consists of a few hundred feet of waterlaid tuff overlain by nearly 2,000 feet of volcanic breccia, much of which may have come into this area as volcanic mudflows. The Eureka rhyolite is represented by latite flows overlain by breccia. The Burns latite locally is a basal volcanic conglomerate, which is overlain by breccias and flows; in the eastern part of the area a few thin flows possibly representing the pyroxene andesite have been mapped with the Burns latite. The Potosi volcanic series consists of an alternation of quartz latite "flows" and rhyolite "flows," that may actually be welded tuff beds."

"The intrusive rocks consist of: two stocks, one a composite intrusion of diorite and monzonite, the other composed only of diorite; several small plugs of diorite or monzonite; a number of andesite and latite dikes, concentrated especially in the southwestern part of the area; several small intrusive masses and plugs of quartz-feldspar porphyry in the southeastern part of the area. Breccia pipes are associated with some of the porphyry plugs."

"The structures in the area were produced by two main periods of diastrophism. Tilting to the northwest and some faulting took place in pre-Tertiary time, probably during the Laramide revolution. In late Tertiary time a slight tilting to the east and much fracturing took place; some of this fracturing is associated with the formation of the Silverton caldera, both as radial fracture zones and as fractures concentric to the caldera. Other fracturing is related to the intrusive bodies in the southwestern part of the area. Between the caldera and

the general area of quartz-feldspar porphyry intrusions in the southeastern part of the area is a zone of horsts and grabens. A complex graben in the western part of the area and a few major faults elsewhere are not obviously related to either center of structural influence.

The first claims were staked in this region about 1875, and the early development of small mines in the near-surface oxidized ores was rapid. The advent of a railroad in 1890 further spurred development of the mines. Although only a few large mines were developed, there were many small operations."

"In general gold has been produced from westward-trending veins in the north half of the area, and silver and base metals from veins of variable trends in the south half of the area; notable exceptions are the Gold King and Suffolk mines in the southwest part of the area, which yielded much gold. Gold has been produced from quartz veins, which generally contain pyrite and in places a little galena. The silver and base-metal veins contain galena, chalcopyrite, tetrahedrite, sphalerite, and pyrite in a gangue consisting of quartz, ankerite, barite, and, in places, fluorite, rhodochrosite, or gypsum. Sparse molybdenite and hubnerite are found at a few places."

"The ore deposits are fracture fillings; most occur at the intersections of well-defined fracture zones with massive, moderately resistant rocks. The most important hosts for ore are the San Juan breccia and the Cutler and Telluride formations; less important hosts, because they are thinner, are the breccias of the Eureka rhyolite and of the Burns latite."

"The relative amount of cover appears to have had little influence on the formation of ore bodies. Rich ore has been mined in Bear Creek and the valley of Howard Fork in pre-Tertiary rocks below an altitude of 10,000 feet and as high as 12,400 feet in the volcanic breccias around Gold King Basin and elsewhere. The Potosi volcanic series is an exception in that it fractured so thoroughly, probably because of a lesser load, that ore solutions entering the rock were diluted and few ore deposits formed."

John S. Vhay, Geology and Mineral Deposits of the Area South of Telluride, Colorado, U. S. Geol. Survey Bull. 1112-G, 1962, p. 209-210.

Applicants Physical Description

"The main exploratory operation is that of Baumgartner Oil Company, which consisted of a district-wide evaluation during the entire summer and fall of 1966, and which employed a full-time geologist and two survey crews. Geological mapping, geochemical surveys, magnetic surveys, sampling, and claim staking were completed." (Plates 1, through 6 accompanying the application).

The exploratory operation by Baumgartner Oil Company was solely financed by F. W. Baumgartner. Baumgartner had no interest in the Belisle operation.

There has been little or no known recent production from the property under consideration. Judging from the limited extent of workings, past production has been small. Copper production from the adjacent Carbonero mine has resulted from milling of a complex base-metal ore. No exploration or development of the copper-molybdenum ores has ever been attempted.

Applicants Geophysical Surveys[2/]

Magnetic Survey Interpretation: "Dominating the entire magnetic pattern is a large anomaly south of Howard Fork and west of Swamp Canyon, that ranges from 7,000 feet in a N-S direction to 4,000 feet in an E-W direction. The anomaly varies from 600 to over 1000 gammas in magnitude (using a median value of 1200 gammas) and undoubtedly represents the large quartz feldspar porphyry stock that outcrops on the south side of Howard Fork. The anomaly extends 3,000 feet south of the large outcrop, indicating the approximate extent of the intrusive under the cover of Jurassic metamorphics and Tertiary sediments and volcanics. The high indicates the intrusive is not highly altered in this area, and outcrop evidence confirms this."

"Outcrop and magnetic evidence show the intrusive to be present below the Howard Fork valley fill. However, a belt of low anomalies extends in a peripheral fashion around the approximate north end of the intrusive. Since many outcrops of porphyry have been mapped in this area, the obvious interpretation is that the rocks have experienced more intense hydrothermal alteration, thereby destroying the accessory magnetite."

"Coincident with this belt are extremely altered quartz-sericite breccia pipes in Chapman Gulch, below the Carbonero mine, and at the New Dominion mine, where each is located in the center of the greatest low anomalies of from 600-1500 gammas. This correlation is a common one as is indicated from magnetic surveys of other copper-molybdenum breccia pipe deposits."

2/ Quoted entirely from application.

Magnetic values increase at the north end of the surveyed area, but the large altered area immediately north of the Carbonero mine appears to be in another low anomaly, although this area was not completed. The general low anomaly east of the Carbonero mine at the head of Chapman Gulch is quite promising due to abundant quartz feldspar porphyry and monzonite intrusives, breccia pipes, and major ENE faulting. The flat magnetic values east of Waterfall Creek indicate a pervasively altered area with no intensely altered zones, as is found north of Howard Fork. East of Swamp Canyon two linear E-W magnetic lows coincide with two mineralized faults. The magnetic low along Howard Fork at the east edge of the map cannot be explained with any existing data. It may indicate an altered zone along a fault, as a number have been mapped along the Howard Fork Valley.

The last anomaly of possible importance is the pronounced east-west low coincident with the Gertrude mine and striking in the direction of the Suffolk mine. Small gold-bearing quartz veins exist over a large area of altered San Juan breccia and Telluride conglomerate at the Suffolk, and this may well extend into the Gertrude mine.

Applicants Reasons for Expecting to Find Ore[3/]

"1. The area of major copper-molybdenum potential is the peripheral zone at the northeast, north, and northwest sides of the quartz feldspar porphyry which is here termed the Iron Spring porphyry. This peripheral area contains three intensely altered breccia pipes, all containing appreciable molybdenite and chalcopyrite. The pronounced magnetic low shows this to be the most highly altered area in the district. Landslide and soil cover obscure most of this important area, thereby requiring the use of geophysical and geochemical methods. The Silver Tip and New Dominion mines are in the zone and have exposed disseminated molybdenum-copper mineralization together with base and precious metal veins. Two 7,000 foot geochemical traverses show slightly higher molybdenum-copper values on the north side, but all the values are anomalous (+5 ppm) and many run from 10-40 ppm Mo and 100-300 ppm Cu. Visible disseminated chalcopyrite can be seen in nearly every outcrop. Along Nevada Gulch at the west edge of the magnetic high, molybdenite can be seen in numerous quartz veins and numerous large unpicked dump samples gave the following results:

% Cu	% Mo S_2
.15	.35
1.134	.008
10.40	.005
1.048	.005
.177	.01
.01	.003

3/ Quoted entirely from application

The large size of the area provides an attractive target for a large-tonnage porphyry copper-molybdenum deposit or for smaller higher-grade deposits associated with the breccia pipes."

"2. A second area of interest is at the head of Chapman Gulch, where intense quartz-pyrite-sericite-clay alteration occurs in the same area with numerous base metal veins, breccia pipes, and plugs of Iron Spring porphyry. East-west faulting is quite strong. In view of the coincident favorable geological effects, exploration of this area is also justified. Considerable disseminated molybdenite and chalcopyrite can be seen in Iron Spring porphyry on the dump of a small adit in Chapman Gulch, and have also been found in the Hattie and Calumet mines."

"3. All samples taken are shown on the accompanying Assay-Geochemical Map. This is not intended as a thorough sampling job of every locality but rather only a random sampling to show the widespread nature of the disseminated mineralization."

"4. This portion of the Ophir District presents an unusually attractive potential for discovery of major copper-molybdenum deposits. The favorable criteria of structural deformation, hydrothermal alteration, and widespread sulphide mineralization are all present. No drilling of any kind has ever been done, which is the next logical exploration method for the Ophir District."

Applicant's Proposed Exploration

The applicant, as a result of having added some minor amounts of geology to the geologic map published by the U. S. Geological Survey, (Geology and Mineral Deposits of the Area South of Telluride Colorado, U. S. Geol. Survey Bulletin 1112G, 1962 by John S Vhay) as well as completing a rather extensive magnetic survey and some geochemical work, plus a limited amount of sampling and assaying has proposed that exploration work be done in three major areas, by diamond drilling and underground drifting and crosscutting to explore for a large low grade deposit of copper and molybdenum.

The applicant proposes a two-stage exploration program that totals some 14,500 feet of diamond drilling and 4,000 feet of crosscutting underground in three target areas. Table 1. Total estimated cost of the program would be $475,913.73.

TABLE 1

Area	Drilling	Drifting and Crosscutting
Nevada Gulch	4,000 ft.	2,000 ft.
	1,500 ft. Stage II	
Silver Tip Mine	4,500 ft.	
Chapman Gulch	4,000 ft.	
	1,500 ft. Stage II	2,000 ft.
Total	15,500 ft. D. D.	4,000 X-cutting

The applicant proposed drilling the following holes as shown on Plate 1 accompanying the application.

Nevada Gulch

Stage I

DDH N-1

DDH N-2

Stage II

DDH N-3

N-4

Silver Tip Mine Area

Stage I

DD Hole S-1

DD Hole S-2

Stage II

DD Hole S-3

Underground work. This work includes drilling hole nos. C-4, C-5, C-6, C-7, C-8, C-9 totaling an estimated 7,000 feet. Drill holes C-10, C-11, and C-12 are to be Stage 1-A holes were completed.

The proposed holes will explore for the following targets:

Hole No.	Target to be explored
N-1	To test for quartz-feldspar for relatively least amount of alterations.
N-2	To test for greater alteration areas for copper and molybdenum content.
S-1	To test breccia pipe
S-2	To check magnetic low that is marginal to alluvial apron, and geochemically anomalous area from east to west.

Hole No.	Target area
C-1	Breccia pipe that showed molybdenum. (No sample of this material was assayed)
C-2	A vertical hole to test magnetic low
C-3	Stage II to be determined
C-4	Vertical hole to test magnetic high readings of 1847 and 2731.
C-5	Inclined hole -45° to test magnetic high reading of 2869.
C-6	Vertical hole to test magnetic high reading of 2016.
C-7	Vertical hole to test a rather broad high. Mineralized material was found in mine dumps. Copper and molybdenum in mine dump probably represent vein material from underground workings.
C-8	A -45° hole to the East designed to test a magnetic low reading of 408.
C-9	Vertical hole to test a magnetic low reading of 795
C-10, C-11, C-12, C-13	Stage II holes to be determined after stage 1 holes C-1 through C-9 are completed.

Summary of Estimated Costs

Stage I -- surface drilling	$104,910.00
Stage II -- cross-cutting and drilling underground	286,435.00
Personnel Services	32,500.00
Operating Materials and Supplies	33,893.73
Operating Equipment	3,000.00
Initial Rehabilitation and Repairs	None
New Buildings, fixtures, installations	3,000.00
Miscellaneous	12,175.00
Grand Total	$475,913.73

Evaluation and Conclusions

A detailed review of the applicants exploration work completed up to the time of the field examination indicates that the targets chosen by the applicant are very generalized and constitute prospecting rather than the exploration of specific targets containing significant quantities of copper and molybdenum. Areas showing the highest concentration and visible occurrences of molybdenum and copper were never sampled and assayed by the applicant.

The applicant was advised by the examining geologist, at the time of the field examination, that the proposed exploration did not qualify for OME participation and that it would be denied, because the chances of discovering new deposits of copper and molybdenum in the target areas were not good.

It is recommended therefore that the application be denied.

BAUMGARTNER OIL COMPANY
737 GRANT STREET
DENVER, COLORADO 80203
PHONE 222-1719

Cable Address
BAUMGAROIL

OFFICIAL COPY
O. M. E.
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JUN 1 1967

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HKJ	120
	120 M

May 29, 1967

United States Department of the Interior
Office of Minerals Exploration
Washington, D. C.

Attention: Mr. Frank E. Johnson

RE: OME - 6618
Ophir Property
San Miguel County,
Colorado

Dear Mr. Johnson:

Thank you for your recent letter which we received on May 17, 1967 regarding the above described property. Pursuant to your instructions, I am forwarding to you the Lien And Subordination Agreement. The other requirements in your letter have been fulfilled and will be in Mr. Hasler's hands this afternoon.

Thank you for your past consideration.

Yours very truly,

BAUMGARTNER OIL COMPANY

F. W. Baumgartner

F. W. BAUMGARTNER

FWB:ejc
Encl.
cc: Mr. J. William Hasler

Office of Minerals Exploration

May 24, 1967

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80202

Subject: OME-6618 (Copper-Molybdenum)
Baumgartner Oil Company
Ophir Property
San Miguel, Colorado

Dear Mr. Baumgartner:

Enclosed herewith is one copy each of Plates No. 5 and 6 on the above-stated subject as requested in your telephone call a few minutes ago. As agreed, these plates will be returned for our files tomorrow afternoon after the addition of the information requested by Mr. Frank E. Johnson, Chief, Office of Minerals Exploration in his letter dated May 15, 1967, page 2, line 11.

Sincerely yours,

J. William Hasler
m.c.

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

cc: Chief, OME
Hasler chron
OME chron
6618

MME Form 7
(2/63)

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Date	Surname	Code
5/15/67	Kirkemo	120
		110
5/15	Cal	220
		120M

AIRMAIL

MAY 15 1967

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80203

Re: OME-6618 (Copper-Molybdenum)
Baumgartner Oil Company
Ophir Property
San Miguel County, Colorado

Dear Mr. Baumgartner:

Thank you for the maps, geologic cross section, Lien and Subordination Agreements, and revised program submitted in your letters dated April 27 and May 1, 1967.

Although the application is incomplete, as is noted below, we are referring your application to Mr. J. William Hasler, Field Officer, Region III, Office of Minerals Exploration, U. S. Geological Survey, Room 2284 - Building 25, Denver Federal Center, Denver, Colorado 80225. Mr. Hasler will notify you if additional information concerning the application is needed and possibly to make arrangements for a field examination.

Mr. Hasler is responsible for making field examinations in eleven states, and a possible visit to your property will necessarily have to be scheduled well in advance.

In reviewing the material you have submitted, we note that one of the Lien and Subordination Agreements is incomplete and the other is incorrect. Both sets are returned herewith. The agreement signed by the Pollmans should have the name of the OME applicant on line 8, page 1. The space was left blank. Please complete and return this agreement, and a new set (forms enclosed) to replace the agreement signed by Randolph Belisle. It also should have the name of the OME applicant on line 8, page 1, not that of Mr. Belisle.

You did not state in what town the unpatented claims are recorded.

In comparing the original geologic surface map and cross section A-A' with those submitted April 27, we find no changes in the geology shown on the material last submitted. We note that proposed drill

23263

hole N-2 was formerly N-1 and that the locations of cross sections A-A' and B-B' were reoriented slightly on the geologic map last received. The geological features shown on the cross sections do not agree with the geology shown on the surface map, and this fact leaves some concern about the choice of sites for the proposed drill holes.

Although the group of claims identified as the Pollman group is shown on Plate 6, individual claims listed in the Pollman lease are not shown. The individual claims listed on the Lien and Subordination Agreements signed by Mr. Belisle are not shown on either Plate 5 or 6.

The operating experience and background of your supervisor should be described, as requested under Item 6 of the application form.

We may have further questions following Mr. Hasler's review of your reply. Please send a copy of all information furnished in response to this letter (except the Lien and Subordination Agreements which are to be returned to this office) to Mr. Hasler.

This request for information to complete your application should not be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
OME Region III
HKirkemo

HKirkemo/gla 5-15-67

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/15/67	[illegible]	120
		110
		220
		120M

AIRMAIL

MAY 15 1967

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6618 (Copper-Molybdenum)
Baumgartner Oil Company
Ophir Property
San Miguel County, Colorado

The application is referred to you for further consideration and possible field examination.

Copies of material received as indicated in our letter to the Applicant, excepting the Lien and Subordination Agreements, are enclosed for your use. Copies of additional information should be sent to you by the Applicant.

The potential of this property does not justify a project estimated to cost about $476,000 unless there is evidence of large areas or structures of well mineralized ground--such as breccia pipes or stocks. The assays indicated on the Assay-Geochemical map show sparse copper-molybdenum content. The sampling pattern essentially is along roads, and not in areas where there are significant geological structures. If there is evidence for "porphyry-type" molybdenum and copper mineralization, it is not evident from the information received thus far. The production record of the district is based on vein deposits as reported in U.S.G.S. Bulletins 1112 and 1182-E.

We do not understand the reasons for Mr. R.U. King's statement that adequate evaluation would require at least three holes of 1,000- to 2,000-foot depth. If there were large, through-going geological structures present, or evidence of significant mineralization in the breccia pipes or altered stocks, perhaps deep holes would be justified, but the evidence on hand does not warrant deep drilling. A few shallow holes, 100-300 feet deep, into these structures may be the optimum program that is warranted, and only if there are geological or geophysical reasons to consider them as exploration targets.

23263

We look forward to your comments and recommendations.

FRANK E. JOHNSON

Frank E. Johnson

Enclosures-6
1 cy each Applicant's letrs. April 27 and May 1, 1967
2 Plate 1 (recd. 4/28/67 and 5/3/67)
1 N-S Cross Section A-A'
1 Financial statements and Supplementary Information

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
HKirkemo
130

HKirkemo/gla 5-15-67

BAUMGARTNER OIL COMPANY
737 GRANT STREET
DENVER, COLORADO 80203
PHONE 222-1719

Cable Address
BAUMGAROIL

May 1, 1967

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O. M. E.
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MAY 3 1967
INITIALS CODE

Mr. Frank Johnson
Director
Office of Minerals Exploration
U. S. Geological Survey
Washington, D. C.

RE: Ophir Prospect
San Miguel County,
COLORADO

Dear Mr. Johnson:

This is in response to your letter of April 11, 1967, requesting additional data relating to the above OME application.

Under separate cover, we have forwarded you corrected geologic maps and cross-sections relating thereto, and a current financial statement.

We are enclosing at this time, in triplicate, the completed Lien and Subordination Agreement which have been filled out by Mr. Randolph Belisle, the surface owner.

In response to your request for proper title as it should appear on a contract, if one is executed, legal counsel has suggested the following:

> Franklin W. Baumgartner, also known as F. W. Baumgartner, doing business as Baumgartner Oil Company, 737 Grant Street, Denver, Colorado.

Mr. F. W. Baumgartner is sole owner and proprietor. Should the above not meet with your requirements, please advise at your earliest possible opportunity.

Although the original exploration program is based on sound geologic probability and evidence, and that it would undoubtedly give good results, an alternate program is offered below. Stage I drilling remains the same as originally planned.

Stage I — Nevada Gulch Area

Drilling-Surface 4,000 ft.

Stage I — Silver Tip Mine Area

Drilling - Surface 4,500 ft.

Stage I — Chapman Gulch Area

Drilling - Surface 4,000 ft.

to replace Stage II work in the above areas, the following is suggested:

Stage I-A — Swamp Canyon Area

Drilling-Surface 10,000 ft.

Total Drilling 22,500 ft.

In the Swamp Canyon Area, nine drill holes are proposed; six of the locations are plotted on the accompanying geologic map and three are left open as to location which will be based on accrued results from previous drilling.

NO.	ANGLE	APPROX. LENGTH
C-4	Vertical	1,000 ft.
C-5	-45° (west)	1,500 ft.
C-6	Vertical	1,500 ft.
C-7	Vertical	1,000 ft.
C-8	-45° (east)	1,000 ft.
C-9	Vertical	1,000 ft.
C-10	Loc. to be determined	1,000 ft.
C-11	Loc. to be determined	1,000 ft.
C-12	Loc. to be determined	1,000 ft.
	Total	10,000 ft.

Holes C-4, C-5, C-6 and C-7 were located in order to test three relatively high magnetic anomalies and one of lesser magnitude on the west slopes of Swamp Canyon. Because of the large amount of surficial cover in this area, it is thought that drill holes intersecting these highs would add to our knowledge of ore localization in the Iron Spring district. The few rock outcrops in the general area are mineralized, altered and highly fractured and silicified, however, indicating some geologic evidence for these drill site selections.

The two remaining drill holes (C-8 and C-9) were placed in highly altered outcrop areas, which are also characterized by low magnetic anomalies. These anomalies probably indicate mineralized faults in otherwise unaltered country rock or slightly altered country rock.

ESTIMATE OF COSTS

A) Independent Contracts

Stage I

Surface Drilling 12,500' @ $7.50 per ft.(Avg)	$ 93,750.00
Mobilization - 2 Drills	1,000.00
Casing, reaming and cementing 500 hours @ $14.00/hour	7,000.00
Moving and Setting up, 100 hours @ $10.00/hr	1,000.00
Bulldozer - drill sites 120 hours @ $18.00/hr	2,160.00
Total-Stage I	$ 104,910.00

Stage I-A

Surface Drilling 10,000' @ $7.50 per ft.(Avg)	$ 75,000.00
Casing, reaming and Cementing 400 hours @ $14.00/hour	5,000.00
Moving and setting up, 90 hours @ $10.00/hr	900.00
Bulldozer - drill sites and access roads 220 hours @ $18.00/hour	3,960.00
Total - Stage I-A	$ 85,460.00
Total -Independent Contracts	$190,370.00

Stage I and Stage I-A

Resident geologist - engineer - Full time	
Consulting geologist - 4 days/month	
Supervision 22,500 feet @ $1.00/foot & expenses	$ 22,500.00
Total Personal Services	$ 22,500.00
C) Operating Materials and Supplies	None
D) Operating Equipment	None
E) Initial Rehabilitation and Repairs	None
F) New Buildings, Fixtures, and Installations	None
G) Miscellaneous	

Stage I

Assays - Cu Mo 1250 @ $4.00	$ 5,000.00
Au, Ag composites 250 @ $2.50	625.00
Accounting 8 mos. @ $200.00	1,600.00
Total -Stage I	$ 7,225.00

Stage I-A

Assays - Cu Mo 1000 @ $4.00	$ 4,000.00
Au, Ag composites 200 @ $2.50	500.00
Accounting 7 mos. @ $2.00	1,400.00
Total-Stage I-A	$ 5,900.00
Total - Miscellaneous	$ 13,125.00

SUMMARY

A)	Independent Contracts	
	Stage I	$ 104,910.00
	Stage I-A	85,460.00
B)	Personal Services	22,500.00
C)	Miscellaneous	13,125.00
	Grand Total	$ 225,995.00

The 22,500 feet of core drilling will proceed at the rate of 60 feet per shift (2 drills @ 30 feet per shift) on a 25 days per month basis or 1,500 feet per month. Because of the high altitude and normally severe winter conditions, two field seasons (May-December) will be required to complete this work. The figure of 15 months will allow for drilling downtime, and moving to new drill sites.

Very truly yours,

BAUMGARTNER OIL COMPANY

F. W. Baumgartner

F. W. BAUMGARTNER

RJA:FWB:ejc
Enclosures

BAUMGARTNER OIL COMPANY
737 GRANT STREET
DENVER, COLORADO 80203
PHONE 222-1719

Cable Address
BAUMGAROIL

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O. M. E.
RECEIVED
APR 28 1967
INITIALS | CODE
120
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April 27, 1967

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Geological Survey
Washington, D. C.

RE: OME-6618 (Cu-MO)
F. W. Baumgartner
Ophir Property
San Miguel County,
COLORADO

Dear Mr. Johnson:

This is in reference to your letter dated April 11, 1967, relating to the above mining property.

The enclosed geologic maps and two cross-sections are corrected and should replace those submitted in our original application.

Also enclosed at this time are two copies of the requested financial statement.

If the enclosed are not satisfactory, please advise us by return mail.

Yours very truly,

BAUMGARTNER OIL COMPANY
F. W. Baumgartner (ejc)
F. W. Baumgartner

FWB:ejc
Encls.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/10	Johnson	110
	Kirkbemo	120
		220

APR 11 1967

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80203

Re: OMK-6618 (Copper-Molybdenum)
F. W. Baumgartner
Ophir Property
San Miguel County, Colorado

Dear Mr. Baumgartner:

In reviewing your application for financial assistance to explore your claim holdings near Ophir, Colorado, we find that additional information is necessary in order to further process the application.

We are not certain as to the applicant, since you list both your name and that of the Baumgartner Oil Company as the applicant, but state that the business organization is an individual. Also, supporting documents are signed by various individuals under the name of Baumgartner Oil Company. Please advise the name to be used as the applicant and the names of the officers, if a company. In this respect we should be furnished a recent financial statement of such applicant.

Lien and Subordination Agreements will be required from the lessor, Randolph Belisle. A set of forms are enclosed for this purpose.

The geologic map submitted with your application does not appear to agree with the two cross sections, consequently, the locations of the proposed drill holes is questionable. We will need a corrected map and sections for further study.

Some of the proposed work appears to be principally to obtain geologic information rather than to find ore. All of the primary target areas apparently could be reached by drilling from surface sites as indicated in the Ophir Quadrangle topographic map. If this is the case underground work could be eliminated. Possibly, two or three deeper holes than proposed should be considered.

23263

This request for additional information is made to help us in determining if the applicant can qualify for participation in the program and the merits of the proposed exploration. It should not be construed that a contract will be granted.

Upon receipt of the requested information it will be given prompt and careful consideration.

Sincerely yours,

for Stanley Milkmo

Frank E. Johnson
Chief, Offie of
Minerals Exploration

Enclosures

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region III

FEJohnson /bih 4/10/67

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225
Office of Minerals Exploration

OFFICIAL COPY
O. M. E.
RECEIVED
APR 5 1967

INITIALS	CODE

April 4, 1967

Memorandum

To: Chief, OME

From: Field Officer, Region III

Subject: March 20, 1967 memo to J. W. Hasler from R. U. King on Review of application for financial assistance on the Ophir and Ruth Claims, Indian Springs Mining District, Baumgartner Oil Co., San Miguel Co., Colorado

Attached to a memorandum to the Chief, OME from Field Officer, Region III, dated March 31, 1967 is a copy of the above-stated subject. Please make the following corrections:

4th paragraph, line 3 -- Should be $125,000 instead of $125.00

7th paragraph, line 2 -- Should read 1,000 to 2,000 feet in depth.

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

April 5, 1967

Mr. F. W. Baumgartner
Baumgartner Oil Company
737 Grant Street
Denver, Colorado 80203

Subject: OME-6618

Dear Mr. Baumgartner:

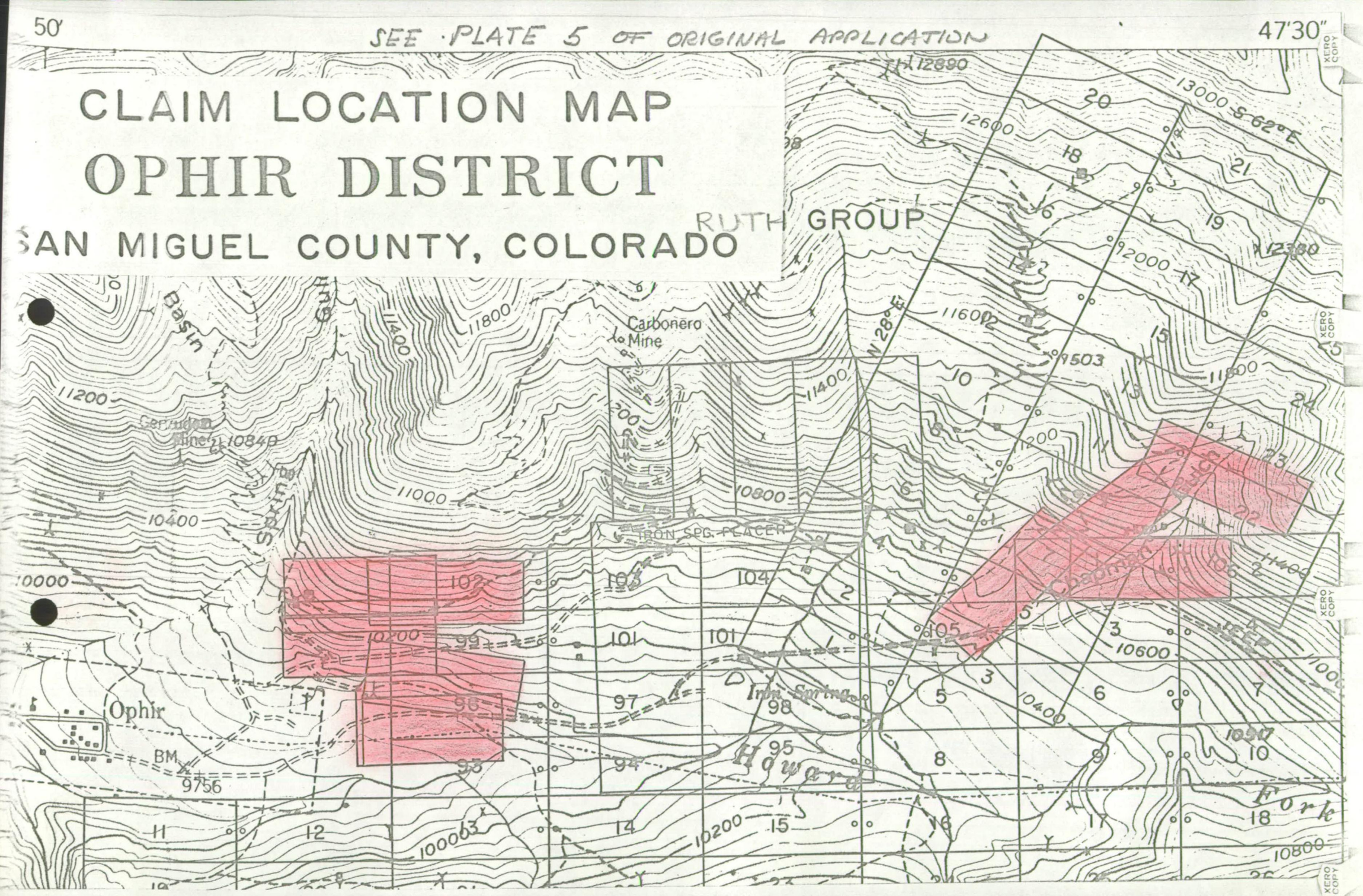
Your application for exploration assistance, dated February 25, 1967, submitted to our office at Denver, Colorado, has been assigned Docket No. OME-6618.

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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SEE PLATE 5 OF ORIGINAL APPLICATION
47'30"
CLAIM LOCATION MAP
OPHIR DISTRICT
SAN MIGUEL COUNTY, COLORADO
RUTH GROUP
Carbonero Mine
Basin
Gulch
Spring
IRON SPG. PLACER
Ophir
BM
9756
Iron Spring
Howard
Fork
Chapman
Placer
N 28° E
13000 S 62° E
12600
12890
12380
12000
11600
11503
11800
11400
11200
11000
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10800
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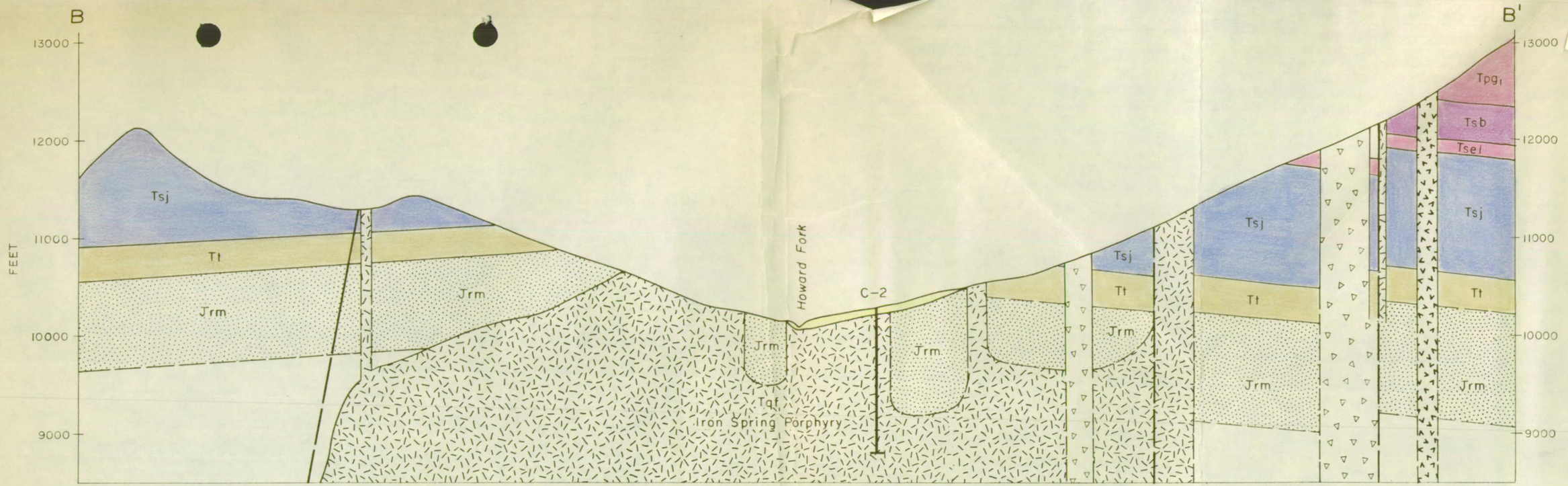
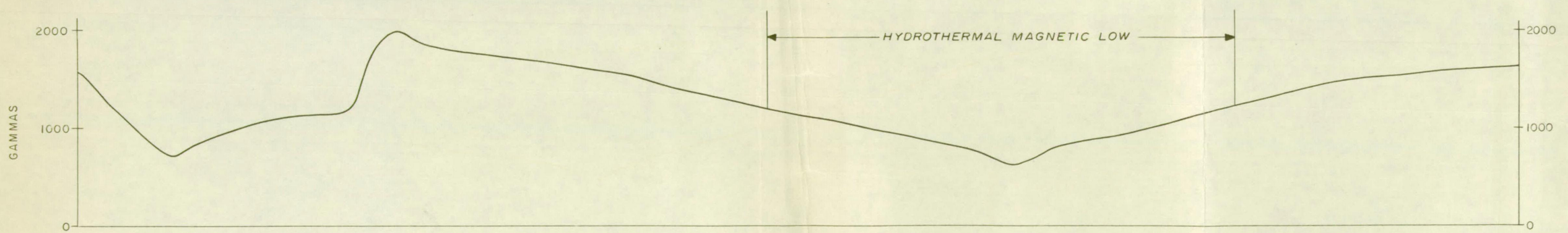
BAUMGARTNER OIL CO.
737 Grant
Denver 3, Colorado



GEOLOGIC SECTION



MAGNETIC PROFILE

Note: See Geologic Map of Ophir District for legend.

Baumgartner Oil Company

N 40° E CROSS SECTION B–B'

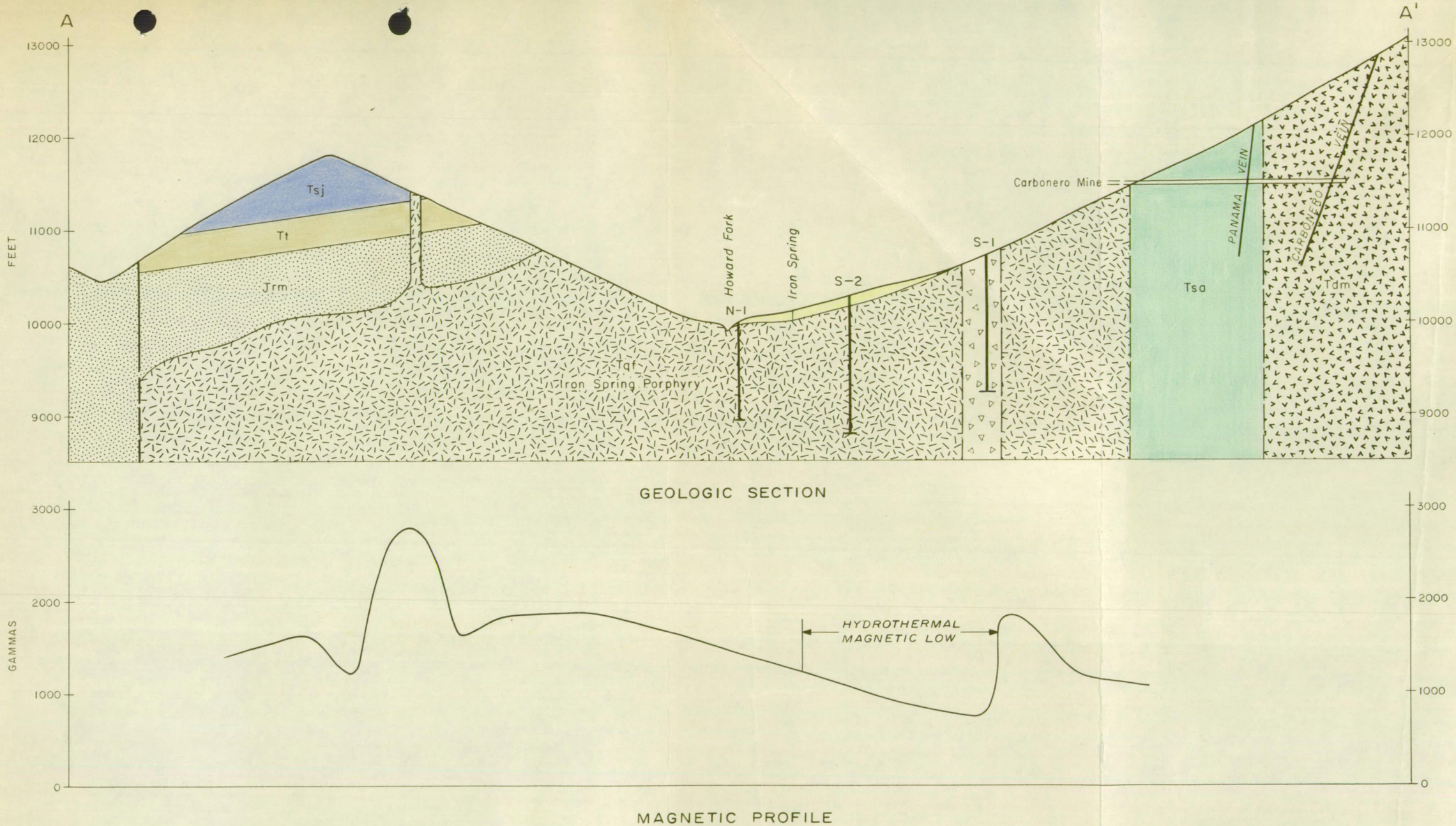
CHAPMAN GULCH TO NEVADA GULCH

OPHIR DISTRICT

San Miguel County, Colorado

SCALE: 1" = 1000'

DATE: OCTOBER 1966



Note: See Geologic Map of Ophir District for legend.

Baumgartner Oil Company

N-S CROSS SECTION A-A'

CARBONERO MINE TO U. S. GRANT PEAK

OPHIR DISTRICT

San Miguel County, Colorado

SCALE: 1"=1000'

DATE: OCTOBER 1966