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 OURAY AND SAN JUAN COUNTIES, State of COLORADO, described as follows:[2] SEE ATTACHED SCHEDULE

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 30th day of AUGUST, 19 67.

F. W. Baumgartner (Seal)	737 Grant Street	(Street)
	Denver, Colorado	(City & State)
F. W. BAUMGARTNER		
(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)

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

Not used for contract

SCHEDULE 1

Claims located in the Red Mountain Mining District, Ouray and San Juan Counties, Colorado:

Claim:	Survey Number:
Alabama	17307
Albia	11613
Alexandria	1930
American Boy	1938
Aster	5079
Barilla	2386A
Barilla Mill Site	2386B
Bonnie Bell	19416
Caledonian	1534
C. B.	17307
Und. 97/100 Champion	1561
Charter Oak	2416
Cora	4511
Confidence	2374
Consolidated Virginia	2556
Und. 1/2 Copper King	2474
Cora Belle	2342
Cross Bar	17298
Cross Bar No. 2	17298
Crown Jewell	2473
[illegible]	17307
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	19386
Cowboy	17307
[illegible] Star	1546
[illegible]	[illegible]
[illegible]	[illegible]
[illegible] Enterprise	[illegible]
[illegible] Star	2422
[illegible]	6754
[illegible]	2472
Forest Queen (Surface soil)	[illegible]
Fourth of July	1472
Genessee	2032
Genetta	1839
Geneva	17307
Georgia	2556
Gold & Curly	2546
Und. 97/100 Green Timber	[illegible]
[illegible]	1387
Guston	19321
Half Acre	2050
Hidden Treasure	1471
Highland Chief	17298
Iroquois	[illegible]
Und. 5/6 Irish Girl	2650
Und. 1/2 Iron Chest	[illegible]
Jackson	17301
Joker	17301
Joker No. 2	2112
[illegible] Dutton	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

No. 112180 Filed for record at 2:10 o'clock P.M., April 20, 1967.
Duly recorded in Book 132, Pages 53, 54, 55, 56, 57 and 58.
Alice A. Sim, Recorder

	17350
Madcap	17307
Maine	2475
Manchester Boy	17300
Maryland	2532
Massasoit	17300
Mississippi	17307
Missouri	2345
Monitor	2344
Morning Star	17307
Morning Star	7127
Mountain Quail	2423
New Haven	17307
New York	17307
North Star	17307
N. S.	2677
Old Kentuck	17307
Oregon	1385
Orphan Boy	2568
Orphan Boy No. 2	6446
Ottawa	7196
Ouray Girl	17307
Pennsylvania	17307
Pirate	19386
Pleasant View	17307
Polo Star	17350
Puritan	[illegible]
Ringer	2343
Red Mountain	[illegible]
Rodner	[illegible]
Robinson	[illegible]
Rogers	[illegible]
Rose Bud	5319
Saxo	7265
Und. 1/2 Schultz Wonder	1561
Und. 5/6 Scotch Girl	6525
Und. 1/2 Silver King	1517
Smuggler	17307
South Star	17350
Sumner	15315
Telluride	18583
Texas	2334
Union Trust	2254
Vanderbilt	2378
Vera	2003
West 1/2 Virginia	1492
8/12 White Cloud (Surface sold)	2424
Wisconsin	1334
Yankee Girl	5540
Yellow Jacket	5341
Longfellow	5348
Whittier	

Unpatented claims in Ouray County:

	Recording Data
B & S	Book 83, Page 223
B & W	Book 83, Page 262
Chip	Book 79, Page 134
Demijohn	Book 83, Page 250
F. G. Duvall	Book 83, Page [illegible]
Iron Master	Book 83, Page [illegible]
June Bug	Book 79, Page 132
Left Bower	Book 79, Page 6
Little John #1	Book 145, Page 170
Little John #2	Book 145, Page 174
Crazy Horse #1	Book 145, Page 171
Robin Hood #1	Book 145, Page 1[illegible]

Windjammer #1	Book 165, Page 172
Windjammer #2	Book 165, Page 174
Lock	Book 79, Page 417
Maud	Book 123, Page 110
Philadelphia	Book 83, Page 263
Red Star	Book 79, Page 417
R.R.S.	Book 83, Page 244
Sarah	Book 123, Page 110
Sharon	Book 79, Page 418
Thompson	Book 123, Page 111
Wasp	Book 79, Page 418
Red	Book 123, Page 288
Rex	Book 123, Page 287
Reb	Book 123, Page 288
Linchpin	Book 150, Page 435

Unpatented claims in San Juan County:

O. A. Day (part in Ouray County)	Book 124, Page 398
Shaker (part in Ouray County)	Book 129, Page 42
Monday	Book 92A, Page 284
Thursday	Book 92A, Page 285
Saturday	Book 92A, Page 286
Second Thought	Book 172, Page 369

Form D939

Quit Claim Deed

Kansas Blue Print Co.
141 North Market St.-Wichita, Kansas

THIS INDENTURE, Made this 18th day of August, 19 67, between

VERDIE ROBINSON

of Ouray County, in the State of Colorado of the first part,

and F. W. BAUMGARTNER

737 Grant Street, Denver

of Denver County, in the State of Colorado of the second part:

WITNESSETH, That said part of the first part, in consideration of the sum of Ten Dollars and other good and valuable considerations ~~DOLLARS~~

the receipt of which is hereby acknowledged, do es by these presents, remise, release, and quit claim, unto said part y of the second part his heirs and assigns, all the following described real estate, situated in the County of Ouray and State of Colorado, to-wit:

All that part of the Andalusia Mining Claim Number 6856 lying east of the East line as extended to the south of the Caledonia Mining Claim Number 1534 (which line is also the West line as extended to the south of the Texas Mining Claim Number 18583), and all being located in the Red Mountain Mining District, Ouray County, Colorado.

No. 112466
Filed for record at 11:40 o'clock A.M.
August 21, 1967. Duly recorded in
Book 169, Page 145.
Addie A. Sim, Recorder

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining forever.

IN WITNESS WHEREOF, The said part y of the first part has hereunto set his hand the day and year first above written.

Executed and delivered in the Presence of

WITNESSES

Verdie Robinson
Verdie Robinson

(COMPLETE ACKNOWLEDGMENT ON REVERSE SIDE)

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150,151, 152, 153.
Addie A. Sim, Recorder

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT, made and entered into by and between DR. CHARLES M. SHAW, Route 1, P.O. Box 168, Carmel, California, and J. M. McFADDEN, 271 North Monterey Road, Palm Springs, California, hereinafter collectively referred to as "Sellers", and F. W. BAUMGARTNER, 737 Grant Street, Denver, Colorado (80203), hereinafter referred to as "Buyer".

W I T N E S S E T H , That

WHEREAS, Sellers are the owners of certain mining claims located in Ouray County, State of Colorado; and

WHEREAS, Sellers desire to sell said mining claims, and Buyer is willing to purchase said claims;

NOW, THEREFORE, in consideration of the premises, the payments herein agreed to be made by Buyer to Sellers, and also in consideration of covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Sellers hereby agree to sell and convey to Buyer and Buyer agrees to purchase from Sellers the Treasure Trove Mining Claim No. 2201 as described in Mineral Certificate 398, Reception No. 28344 and the Rough and Ready Mining Claim No. 2202 as described in Mineral Certificate No. 399, Reception No. 109775, both recorded in the records of Ouray County, Colorado (hereinafter referred to as "mining claims"), together with all buildings, improvements, mines, diggings, tailings, dumps, dips, spurs and all property located on said claims, appurtenant thereto or used in connection therewith and together with all other right, title and interest of whatsoever kind and nature that Sellers have in and to said mining claims, said sale and purchase to be made on the terms and conditions hereinafter set forth.

2. Sellers warrant that they are the owners of said mining claims and all interests therein as set forth in Paragraph 1 above, and that such claims are free and clear of all liens and encumbrances of whatsoever kind and nature. Sellers further warrant that there is no pending litigation against, or to their knowledge, any threatened litigation against or accrued or contingent liabilities of Sellers as to said mining claims which might adversely affect Sellers' title to or right of possession to said property and claims.

Sellers agree to defend their right of possession of and title to said mining claims against any and all parties claiming under, by and through Sellers

and Sellers agree to hold Buyer free of and harmless from any and all expense, damage and liability resulting from the acts, claims, demands and litigation of such third parties contesting Sellers' title or right of possession to said property.

3. ~~Upon the execution of this Agreement, Sellers shall furnish Buyer with all title material, opinions and title documents that Sellers have with relation to the mining claims, and within 30 days after the execution hereof, Sellers shall furnish Buyer with an abstract covering said mining claims which abstract shall be certified to recent date and Buyer shall have 15 days after the delivery thereof to have the same examined. If Buyer's examination of the abstract covering said mining claims reveals liens, encumbrances or other title defects which will in any way prevent, interfere with or jeopardize Buyer's peacefully proceeding under this agreement, or subject Buyer to risk of loss in the conduct of his operations on said mining claims, then and on request from Buyer, Sellers at their sole expense, will cause the same to be cured and removed. If Sellers fail to satisfy Buyer within thirty (30) days after such request that Sellers are proceeding adequately and with reasonable diligence to cure and remove such title defects, or fail to complete such curing and removal within ninety (90) days after such request, then Buyer may undertake to cure and remove such title defects, reimbursing himself from the sums hereinafter set forth to be paid to Sellers for any expense advanced on behalf of Sellers, or Buyer may terminate this Agreement and thereupon Sellers will immediately return to Buyer all sums that Sellers may have received from Buyer pursuant to the agreements herein set forth. Upon such termination all rights and obligations of all parties hereto shall cease and terminate.~~

4. Buyer shall pay Sellers the sum of Sixty Thousand Dollars ($60,000.00) as the full payment for said mining claims, such payment to be made as follows:

(a) $3,000.00 shall be paid upon execution and delivery of this Agreement;

(b) $1,000.00 on August 1, 1968 and successive payments of $1,000.00 each on August 1, 1969, August 1, 1970, August 1, 1971 and August 1, 1972, OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT.

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie A. Sim, Recorder

(c) $5,000.00 on August 1, 1973 and successive payments of $5,000.00 each on August 1, 1974, August 1, 1975, August 1, 1976 and August 1, 1977; OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT.

(d) $27,000.00 (or the balance of the purchase price) on August 1, 1978.

Buyer shall have the right to make payments on the purchase price other than at the times and in the sequence as set forth and all such payments shall be applied to payments in the inverse order of their maturity.

5. All payments provided for in Paragraph 4 shall be paid equally to Sellers and payment shall be sent as follows, unless other instructions in writing are given by Sellers to Buyer:

Dr. Charles M. Shaw
TO: Wells Fargo Bank
Account 10,420-0
Carmel, California, 93921

J. M. McFadden
TO: Bank of LaJolla
P. O. Box 1500
Account 083-694
LaJolla, California

6. A. Buyer shall work said property in a miner-like fashion.

B. Prior to the payment of the full purchase price, Sellers and their representatives may enter upon all parts of said properties at all reasonable times for purposes of inspection.

C. Prior to the payment of the full purchase price, Sellers and their representatives shall have access to all ore sales record.

7. It is expressly agreed that all ore minerals mined and removed by Buyer from said mining claims while this agreement is in force and effect shall become the property of Buyer and Buyer shall be entitled to all proceeds derived from the sale of all such ores. Sellers agree to execute all documents that may be required to effectuate the fact that such ores are the property of Buyer and that Buyer is entitled to all the proceeds derived from the sale of all such ores. Buyer shall bear and pay for all expenses of whatsoever kind and nature that may be incurred in the operations conducted by Buyer on the claims.

8. No payments made to Sellers under this agreement shall be returned to Buyer in case of Buyer's default of this agreement in the event this agreement is terminated by Sellers for such defaults.

9. In the event that this agreement is terminated for any reason, Buyer agrees to furnish Sellers copies of all information obtained upon said mining claims, including assay reports, metallurgical reports, drill logs, maps, engineering reports and other mining information, together with all similar information that Buyer may have obtained from areas lying within 600 feet of the mining claims subject to this Agreement.

10. Buyer shall pay any and all real estate taxes assessed on the mining claims accruing after the date hereof and while this Agreement is in force and effect (all such sums to be deducted from the payments set forth in Paragraph 4 above as such taxes are paid.) Buyer shall pay personal property taxes, and also shall pay social security taxes, unemployment compensation insurance premiums, and other assessments or taxes as required by the State of Colorado or the United States Government.

11. All mining equipment and machinery brought upon said mining claims and all buildings or other improvements placed upon said property by Buyer shall be considered the personal property of Buyer and may be removed from said mining property by Buyer at any time during the term of this agreement or within ninety (90) days after the termination of this agreement, whether such termination is by default or otherwise.

12. Buyer shall comply with all provisions of the Colorado Workmen's Compensation Act and all applicable Federal, State and County laws and ordinances applicable to any mining operations conducted on the mining claims.

13. Buyer shall be solely responsible for all labor, materials and supplies purchased by said Buyer to be used in the operation of said mining claims and Buyer shall keep said mining claims free and clear of all liens and encumbrances. Buyer shall post and maintain in conspicuous places on said mining claims notices relieving Sellers of all liability described in this paragraph, and Buyer shall comply with all recording statutes pertaining to non-liability of Sellers. Buyer shall carry adequate insurance to protect against all claims for injuries to third parties and which claims arise out of any operations conducted by Buyer on the mining claims.

14. This agreement may not be modified except by written amendment executed by the parties hereto.

15. This agreement may be assigned by either party without the consent of the other and Buyer may also sublease all or portions of the mining property covered by this lease, provided, however, all such assignments and sublease shall be subject to all the terms and provisions of this Agreement.

16. In the event of Buyer's default of any of the terms of this agreement, Buyer shall be given sixty (60) days in which to correct said default after notification thereof by registered letter sent by Sellers to Buyer at 737 Grant Street, Denver, Colorado, which address may be changed by Buyer upon written notice thereof to Seller.

17. Buyer shall have the right to terminate this Agreement at any time provided Buyer is not in default of any of the payments herein required to be made by Buyer. Upon such termination, Buyer shall convey all interest in the mining claims to Sellers, free and clear of all liens and encumbrances except liens created in favor of the United States to cover advances made in connection with the exploration of the mining claims.

18. Upon full payment having been made of the purchase price of Sixty Thousand Dollars ($60,000.00), Buyer shall be entitled to a conveyance for the mining claims, and Sellers agree to execute and deliver the conveyance to Buyer in the form submitted by Buyer with all applicable provisions hereof to be incorporated in said conveyance.

19. Sellers agree to join in and execute all requests that Buyer may request Sellers to execute for the acquisition of a loan from the United States to cover the costs of exploration that Buyer may wish to conduct on the mining claims and Sellers agree to subordinate their interests in the making of any such loan.

20. If any dispute shall arise between the parties with respect to the meaning of this agreement or their respective rights or liabilities hereunder, and such dispute remains unsettled for a period of 60 days, such dispute shall be referred to any person agreed upon by the parties for arbitration, or if they cannot agree upon one arbitrator, then Sellers shall select one person and Buyer shall select one person as arbitrators and the two arbitrators so appointed shall appoint a third arbitrator, who must be a qualified,

disinterested, mining engineer and a member of the American Institute of Mining, Metallurgical and Petroleum Engineers; provided, that if the two arbitrators cannot or fail to agree within the time provided, upon such third arbitrator, either party may petition any Colorado court of competent jurisdiction to appoint such a third arbitrator. The so appointed individual arbitrator or arbitrators, as the case may be, shall, in Colorado arbitrate, decide and determine the dispute; and the decision of the individual arbitrator, or of two out of the three arbitrators, as the case may be, shall be final and binding upon the parties; provided that if either party shall refuse to appoint or to join in the appointment of an arbitrator or arbitrators within ten (10) days after notice that the other party has appointed an arbitrator, then the arbitrator appointed by such other party shall determine and decide the dispute, and his decision shall likewise be final and binding upon the parties. Judgment upon the decision of the arbitrator or arbitrators, as the case may be, may be entered in any court in the State of Colorado, or elsewhere, having jurisdiction of the party against whom the decision was rendered.

21. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, executors, administrators and personal representatives. All the covenants and agreements herein set forth shall be covenants and agreements running with the lands and the mining claims and the properties covered thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement of Sale and Purchase on this 11th day of August, 1967.

SELLERS:

Dr. Charles M. Shaw

Dr. Charles M. Shaw

J. M. McFadden

J. M. McFadden

BUYER:

F. W. Baumgartner

F. W. Baumgartner

No. 112450 . Filed for record at 1:05 o'clock P.M., August 1[illegible], 19[illegible]7.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
[illegible]ddie [illegible]. Kim, Recorder

STATE OF CALIFORNIA }
COUNTY OF Monterey } ss.

The foregoing instrument was acknowledged before me this 11th day of August, 1967, by DR. CHARLES M. SHAW.

WITNESS my hand and official seal.
My commission expires: Aug. 7, 1969

PATRICIA LANE
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY

Patricia Lane
NOTARY PUBLIC

STATE OF CALIFORNIA }
COUNTY OF San Diego } ss.

The foregoing instrument was acknowledged before me this 10th day of August, 1967, by J. M. McFADDEN.

WITNESS my hand and official seal.
My commission expires: Feb. 1969

MARGARET E. [illegible]
[illegible] CALIFORNIA
[illegible] OF SAN DIEGO

[illegible]
NOTARY PUBLIC

STATE OF COLORADO)
CITY AND) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 1st day of August, 1967, by F. W. BAUMGARTNER.

WITNESS my hand and official seal.
My commission expires: Feb. 11, 1969

HIRLEY M. WENDEL
NOTARY PUBLIC
STATE OF COLORADO

Hirley M. Wendel
Notary Public

No. 112448 Filed for record at 10:48 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 172. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

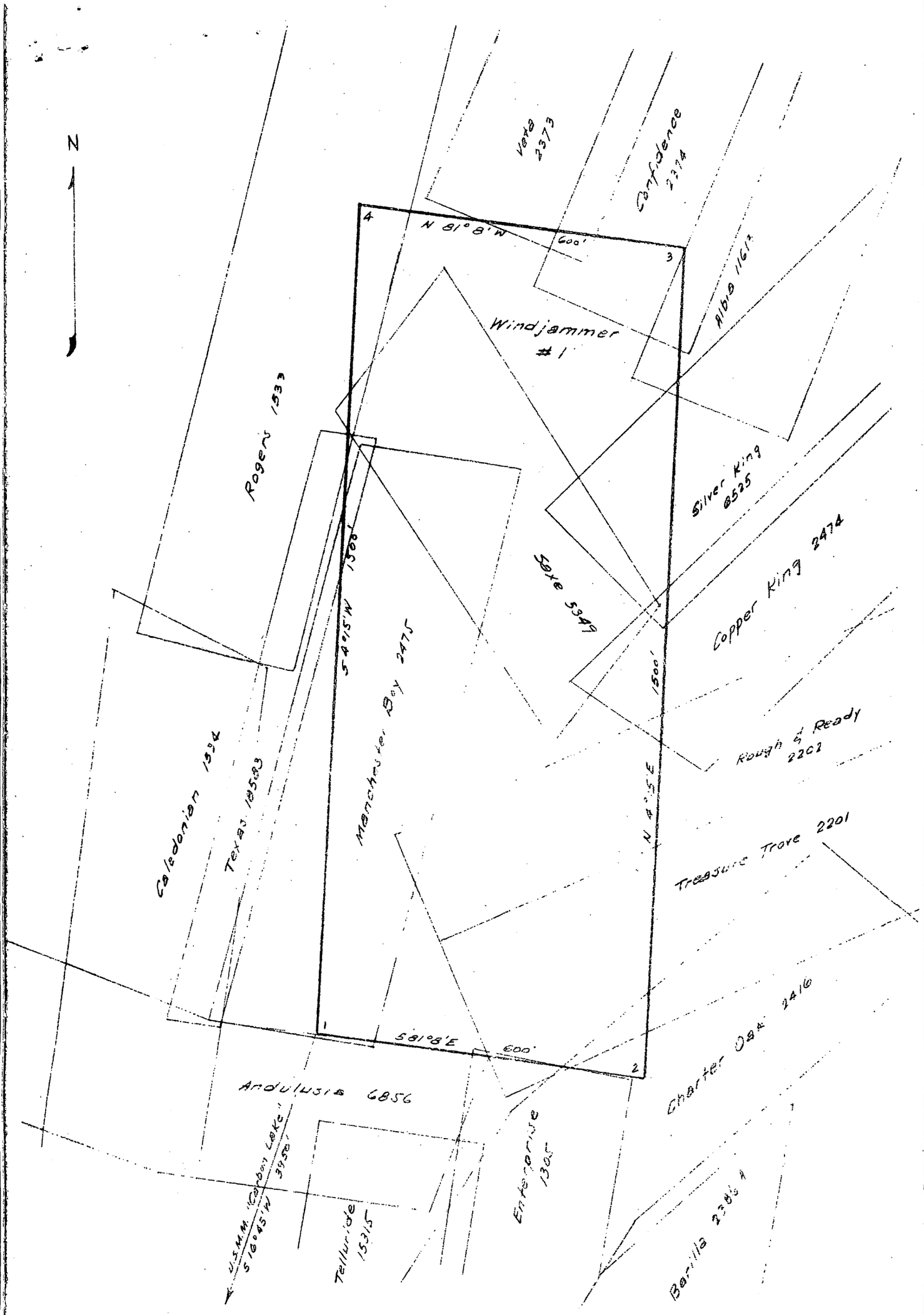
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST., DENVER, COLO. has located the WINDJAMMER #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running N 4° 15' E from the center of the discovery POST and 25 feet running S 4° 15' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (SW)
THENCE S 81° 8' E, 600' TO CORNER 2 (SE)
THENCE N 4° 15' E, 750' TO CENTER OF EAST SIDELINE
THENCE N 4° 15' E, 750' TO CORNER 3 (NE)
THENCE N 81° 8' W, 600' TO CORNER 4 (NW)
THENCE S 4° 15' W, 750' TO CENTER OF WEST SIDELINE
THENCE S 4° 15' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM USMM "CARBON LAKE," SW CORNER 1 BEARS N 16° 45' E, 3950 FEET

Said lode was discovered on the 12 day of AUGUST, 1967
and located on the 12 day of AUGUST, 1967
Dated this 12 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
By: Thomas C. [illegible] [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



WINDJAMMER #1
SCALE: 1" = 200'

No. 112448 Filed for record at 10:48 o'clock A.M., August [illegible], 1967.
Duly recorded in Book 1[illegible], Page 172. Adams [illegible], Recorder

112447 Filed for record at 10:47 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 171. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

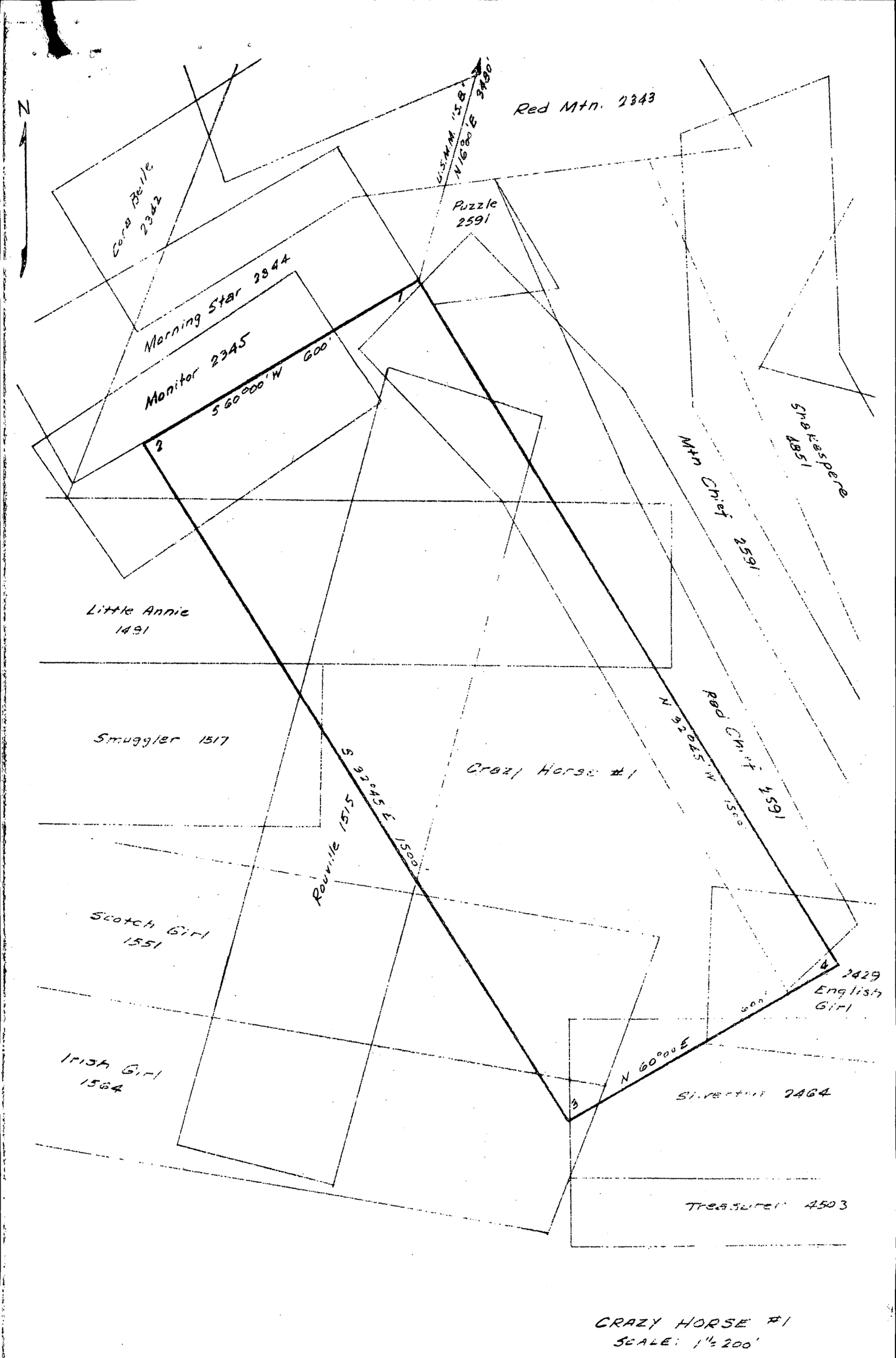
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST. ; DENVER, COLO. ha S located the CRAZY HORSE #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S 32° 45' E from the center of the discovery POST and 25 feet running N 32° 45' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE S60°00' W, 600' TO CORNER 2 (NW)
THENCE S32°45' E, 750' TO CENTER OF WEST SIDELINE
THENCE S32°45' E, 750' TO CORNER 3 (SW)
THENCE N60°00' E, 600' TO CORNER 4 (SE)
THENCE N32°45' W, 750' TO CENTER OF EAST SIDELINE
THENCE N32°45' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S16°00' W, 3480 FEET.

Said lode was discovered on the 10 day of AUGUST, 19 67
and located on the 10 day of AUGUST, 19 67
Dated this 10 day of AUGUST, 19 67

F. W. BAUMGARTNER [SEAL]
BY: James C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



CRAZY HORSE #1
SCALE: 1" = 200'

No. 112147 Filed for record at 10:47 o'clock A.M., August 17, 19[illegible]7.
Duly recorded in Book 165, page 171. Addie [illegible] Sim, Recorder

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

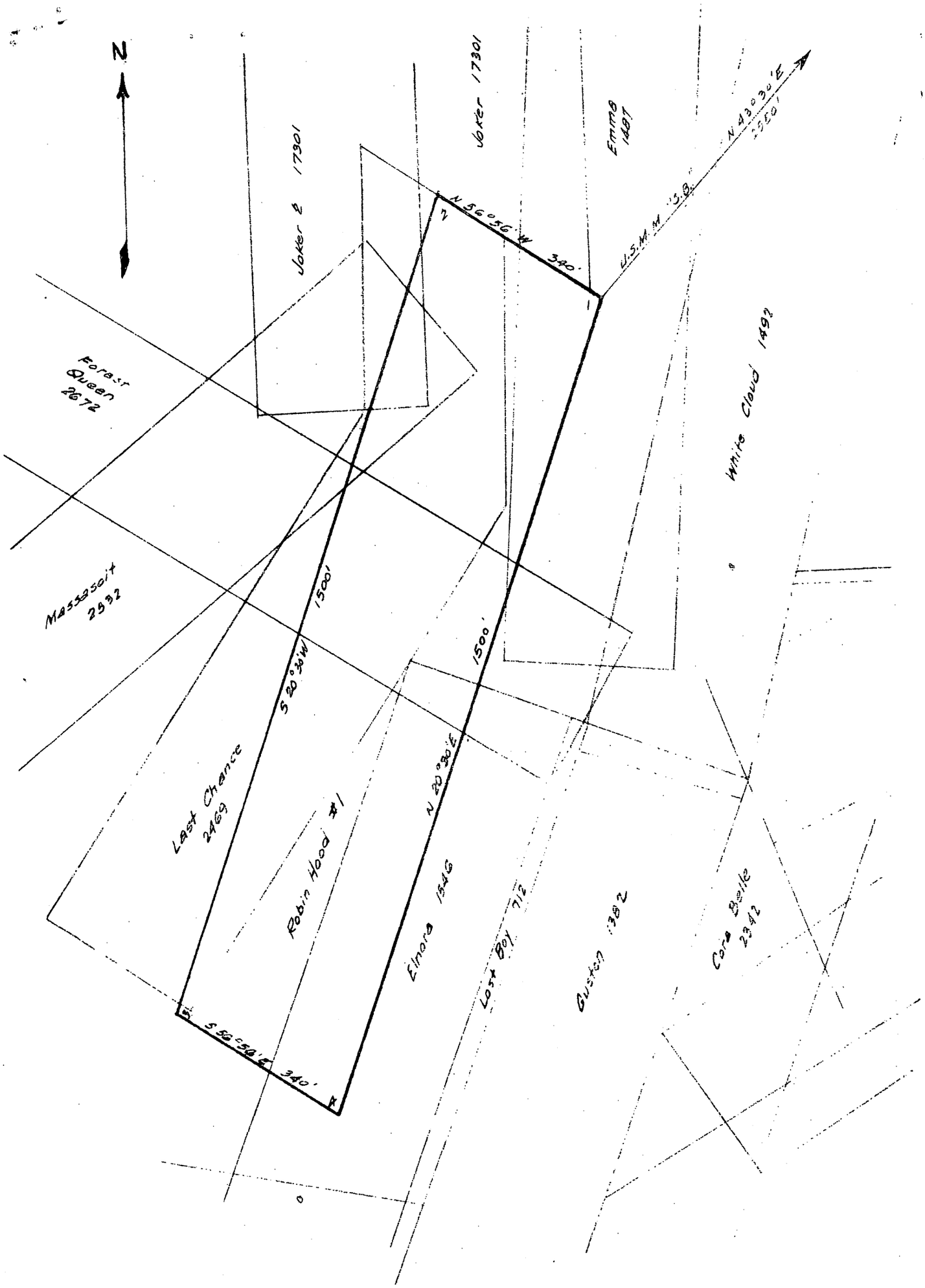
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST. ; DENVER, COLO. ha 5 located the ROBIN HOOD #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S20° 30' W from the center of the discovery POST and 25 feet running N20° 30' E from the center of the discovery POST, together with 170 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO., and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE, N56°56' W, 340' TO CORNER 2 (NW)
THENCE, S20° 30' W, 750' TO CENTER OF WEST SIDELINE
THENCE, S20° 30' W, 750' TO CORNER 3 (SW)
THENCE, S56°56' E, 340' TO CORNER 4 (SE)
THENCE, N20° 30' E, 750' TO CENTER OF EAST SIDELINE
THENCE, N20° 30' E, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S43° 30' W, AND 2550 FEET

Said lode was discovered on the 8 day of AUGUST, 1967
and located on the 8 day of AUGUST, 1967
Dated this 8 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
BY: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



ROBIN HOOD #1
SCALE: 1" = 200'

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 170 Addie V. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

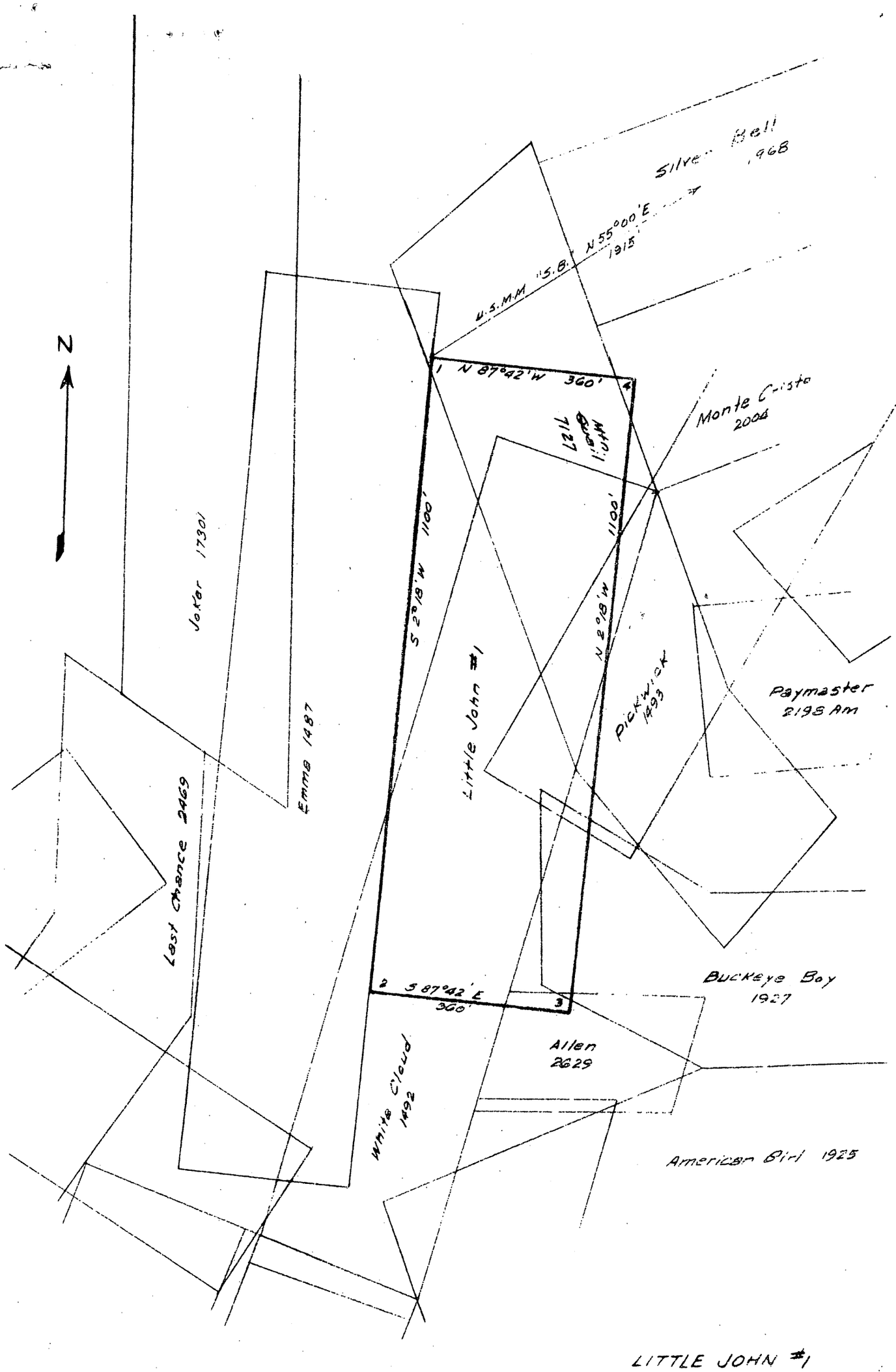
KNOW ALL MEN BY THESE PRESENTS, That F.W. BAUMGARTNER 737 GRANT ST, DENVER, COLO. ha S located the LITTLE JOHN #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1100 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1075 feet on said vein running N 2° 18' E from the center of the discovery POST and 25 feet running S 2° 18' W from the center of the discovery POST, together with 180 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NW)
THENCE S2°18'W, 550' TO CENTER OF WEST SIDELINE
THENCE S2°18'W, 550' TO CORNER 2 (SW)
THENCE S 87° 42' E, 360' TO CORNER 3 (SE)
THENCE N 2° 18' E, 550' TO CENTER OF EAST SIDELINE
THENCE N2° 18' E, 550' TO CORNER 4 (NE)
THENCE N87°42'W, 360' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT USMM "SB", NW CORNER 1 BEARS S55°00'W, 1915 FEET.

Said lode was discovered on the 7 day of AUGUST, 1967
and located on the 7 day of AUGUST, 1967
Dated this 7 day of AUGUST, 1967

F.W. BAUMGARTNER [SEAL]
By: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



LITTLE JOHN #1
SCALE: 1" = 200'

No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1957
Duly recorded in Book 165, Page 170. Addie A. Sim, Recorder

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 OURAY AND SAN JUAN COUNTIES, State of COLORADO, described as follows:[2] SEE ATTACHED SCHEDULE

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 30th day of AUGUST, 19 67.

F. W. Baumgartner (Seal) — 737 Grant Street (Street), Denver, Colorado (City & State)

F. W. BAUMGARTNER

_____ (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)

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

SCHEDULE 1

Claims located in the Red Mountain Mining District, Ouray and San Juan Counties, Colorado:

Claim:	Survey Number:
Alabama	17307
Albia	11613
Alexandria	1930
American Boy	1938
Aster	5079
Barilla	2386A
Barilla Mill Site	2386B
Bonnie Bell	19416
Caledonian	1534
C. B.	17307
Und. 97/100 Champion	1561
Charter Oak	2416
Core	4511
Confidence	2374
Consolidated Virginia	2556
Und. 1/2 Copper King	2474
Cora Belle	2342
Cross Bar	17298
Cross Bar No. 2	17298
[illegible] Jewell	2473
[illegible]	17302
[illegible]	1658
[illegible]	[illegible]
[illegible]	19386
Cowboy	17307
[illegible] Star	1546
[illegible]	1487
[illegible]	13[illegible]
[illegible] Enterprise	17[illegible]7
[illegible] Star	1412
Excelsior	6754
Florida	2[illegible]2
Forest Queen (Surface sold)	5496
Fourth of July	1472
Genessee	3032
Genetta	1836
Geneva	17307
Georgia	2556
Gould & Curry	2546
Und. 97/100 Green Timber	2539
Gunboat	1387
Gaston	19221
Half Acre	2050
Hidden Treasure	1471
Highland Chief	17298
Index	1504
Und. 5/6 Irish Girl	2550
Und. 1/2 Iron Chest	2553
Jackson	17301
Joker	17301
Joker No. 2	2112
J. R. Dutton	2049
Kokomo	2469
Last Chance (Surface sold)	1431
Little Annie	1528
Little Maud	4890
Lookout	7121
Lost Boy	6856
Andalusia (East Half)	2201
Treasure Trove	2202
Rough and Ready	

No. [illegible] Filed for record at 2:15 o'clock P.M., April 20, 1967.
Duly recorded in Book [illegible], Pages [illegible], [illegible], 55, 56, 57 and 58.
Adie A. Sim, [illegible]

	17350
Madcap	17307
Maine	2475
Manchester Boy	17300
Maryland	2532
Massasoit	17300
Mississippi	17307
Missouri	2345
Monitor	2344
Morning Star	17307
Morning Star	7127
Mountain Quail	2423
New Haven	17307
New York	17307
North Star	17307
N. S.	2677
Old Kentuck	17307
Oregon	1385
Orphan Boy	2668
Orphan Boy No. 2	6448
Ottawa	7196
Ouray Girl	17307
Pennsylvania	17307
Pirate	19386
Pleasant View	17307
Polo Star	17350
Puritan	[illegible]
Sprager	[illegible]
Red Mountain	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible] Bud	[illegible]
[illegible]	[illegible]
[illegible] 1/2 Schultz [illegible]	1751
[illegible] 5/6 Scotch Girl	[illegible]
[illegible] 1/2 Silver King	1517
[illegible]	17307
[illegible] Star	[illegible]
[illegible]	15315
[illegible]	18583
Texas	[illegible]
Union Trust	2254
Vanderbilt	[illegible]
Vela	[illegible]
West 1/2 Virginia	[illegible]
5/12 White Cloud (Surface sold)	2424
Wisconsin	1384
Yankee Girl	5340
Yellow Jacket	5341
Longfellow	5348
Whittier	

Unpatented claims in Ouray County:

	Recording Data
B & S	Book 83, Page 223
B & W	Book 83, Page 264
Chip	Book 79, Page [illegible]
Denijohn	Book 83, Page [illegible]
F. G. Duvall	Book 83, Page [illegible]
Iron Master	Book 83, Page [illegible]
June Bug	Book 79, Page 162
Left Bower	Book 79, Page [illegible]
Little John #1	Book 165, Page 170
Little John #2	Book 165, Page 171
Crazy Horse #1	Book 165, Page [illegible]
Robin Hood #1	Book 165, Page 167

Windjammer #1	Book 165, Page 172
Windjammer #2	Book 165, Page 174
Lock	Book 79, Page 417
Maud	Book 123, Page 110
Philadelphia	Book 83, Page 263
Red Star	Book 79, Page 417
R.R.S.	Book 83, Page 244
Sarah	Book 123, Page 110
Sharon	Book 79, Page 418
Thompson	Book 123, Page 111
Wasp	Book 79, Page 418
Red	Book 123, Page 288
Rex	Book 123, Page 287
Reb	Book 123, Page 288
Linchpin	Book 150, Page 435

Unpatented claims in San Juan County:

O. A. Day (part in Ouray County)	Book 124, Page 398
Shaker (part in Ouray County)	Book 129, Page 42
Monday	Book 92A, Page 284
Thursday	Book 92A, Page 285
Saturday	Book 92A, Page 286
Second Thought	Book 172, Page 300

Form D939

Quit Claim Deed

KANSAS BLUE PRINT CO.
141 North Market St - Wichita, Kansas

THIS INDENTURE, Made this 18th day of August, 19 67, between

VERDIE ROBINSON

of Ouray County, in the State of Colorado of the first part,

and F. W. BAUMGARTNER

737 Grant Street, Denver

of Denver County, in the State of Colorado of the second part:

WITNESSETH, That said part of the first part, in consideration of the sum of Ten Dollars and other good and valuable considerations ~~DOLLARS~~

the receipt of which is hereby acknowledged, do es by these presents, remise, release, and quit claim, unto said part y of the second part his heirs and assigns, all the following described real estate, situated in the County of Ouray and State of Colorado, to-wit:

All that part of the Andalusia Mining Claim Number 6856 lying east of the East line as extended to the south of the Caledonia Mining Claim Number 1534 (which line is also the West line as extended to the south of the Texas Mining Claim Number 18583), and all being located in the Red Mountain Mining District, Ouray County, Colorado.

No. 112466
Filed for record at 11:40 o'clock A.M.
August 21, 1967. Duly recorded in
Book 169, Page 145.
Addie A. Sim, Recorder

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining forever.

IN WITNESS WHEREOF, The said part y of the first part has hereunto set his hand the day and year first above written.

Executed and delivered in the Presence of

WITNESSES

Verdie Robinson

(COMPLETE ACKNOWLEDGMENT ON REVERSE SIDE)

No. 112450 Filed for record at 1:00 o'clock P.M., August 18, 1967.
Duly recorded in Book 132, Pages 150,151, 152, 153.
Addie A. Sim, Recorder

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT, made and entered into by and between DR. CHARLES M. SHAW, Route 1, P.O. Box 168, Carmel, California, and J. M. McFADDEN, 271 North Monterey Road, Palm Springs, California, hereinafter collectively referred to as "Sellers", and F. W. BAUMGARTNER, 737 Grant Street, Denver, Colorado (80203), hereinafter referred to as "Buyer".

W I T N E S S E T H , That

WHEREAS, Sellers are the owners of certain mining claims located in Ouray County, State of Colorado; and

WHEREAS, Sellers desire to sell said mining claims, and Buyer is willing to purchase said claims;

NOW, THEREFORE, in consideration of the premises, the payments herein agreed to be made by Buyer to Sellers, and also in consideration of covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Sellers hereby agree to sell and convey to Buyer and Buyer agrees to purchase from Sellers the Treasure Trove Mining Claim No. 2201 as described in Mineral Certificate 398, Reception No. 28544 and the Rough and Ready Mining Claim No. 2202 as described in Mineral Certificate No. 399, Reception No. 109775, both recorded in the records of Ouray County, Colorado (hereinafter referred to as "mining claims"), together with all buildings, improvements, mines, diggings, tailings, dumps, dips, spurs and all property located on said claims, appurtenant thereto or used in connection therewith and together with all other right, title and interest of whatsoever kind and nature that Sellers have in and to said mining claims, said sale and purchase to be made on the terms and conditions hereinafter set forth.

2. Sellers warrant that they are the owners of said mining claims and all interests therein as set forth in Paragraph 1 above, and that such claims are free and clear of all liens and encumbrances of whatsoever kind and nature. Sellers further warrant that there is no pending litigation against, or to their knowledge, any threatened litigation against or accrued or contingent liabilities of Sellers as to said mining claims which might adversely affect Sellers' title to or right of possession to said property and claims.

Sellers agree to defend their right of possession of and title to said mining claims against any and all parties claiming under, by and through Sellers

and Sellers agree to hold Buyer free of and harmless from any and all expense, damage and liability resulting from the acts, claims, demands and litigation of such third parties contesting Sellers' title or right of possession to said property.

3. ~~Upon the execution of this Agreement, Sellers shall furnish Buyer with all title material, opinions and title documents that Sellers have with relation to the mining claims, and within 30 days after the execution hereof, Sellers shall furnish Buyer with an abstract covering said mining claims which abstract shall be certified to recent date and Buyer shall have 15 days after the delivery thereof to have the same examined. If Buyer's examination of the abstract covering said mining claims reveals liens, encumbrances or other title defects which will in any way prevent, interfere with or jeopardize Buyer's peacefully proceeding under this agreement, or subject Buyer to risk of loss in the conduct of his operations on said mining claims, then and on request from Buyer, Sellers at their sole expense, will cause the same to be cured and removed. If Sellers fail to satisfy Buyer within thirty (30) days after such request that Sellers are proceeding adequately and with reasonable diligence to cure and remove such title defects, or fail to complete such curing and removal within ninety (90) days after such request, then Buyer may undertake to cure and remove such title defects, reimbursing himself from the sums hereinafter set forth to be paid to Sellers for any expense advanced on behalf of Sellers, or Buyer may terminate this Agreement and thereupon Sellers will immediately return to Buyer all sums that Sellers may have received from Buyer pursuant to the agreements herein set forth. Upon such termination all rights and obligations of all parties hereto shall cease and terminate.~~

4. Buyer shall pay Sellers the sum of Sixty Thousand Dollars ($60,000.00) as the full payment for said mining claims, such payment to be made as follows:

(a) $3,000.00 shall be paid upon execution and delivery of this Agreement;

(b) $1,000.00 on August 1, 1968 and successive payments of $1,000.00 each on August 1, 1969, August 1, 1970, August 1, 1971 and August 1, 1972, OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT,

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie A. Sim, Recorder

(c) $5,000.00 on August 1, 1973 and successive payments of $5,000.00 each on August 1, 1974, August 1, 1975, August 1, 1976 and August 1, 1977; OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT.

(d) $27,000.00 (or the balance of the purchase price) on August 1, 1978.

Buyer shall have the right to make payments on the purchase price other than at the times and in the sequence as set forth and all such payments shall be applied to payments in the inverse order of their maturity.

5. All payments provided for in Paragraph 4 shall be paid equally to Sellers and payment shall be sent as follows, unless other instructions in writing are given by Sellers to Buyer:

Dr. Charles W. Shaw
TO: Wells Fargo Bank
Account 10,420-0
Carmel, California, 93921

J. M. McFadden
TO: Bank of LaJolla
P. O. Box 1500
Account 083-694
LaJolla, California

6. A. Buyer shall work said property in a miner-like fashion.

B. Prior to the payment of the full purchase price, Sellers and their representatives may enter upon all parts of said properties at all reasonable times for purposes of inspection.

C. Prior to the payment of the full purchase price, Sellers and their representatives shall have access to all ore sales record.

7. It is expressly agreed that all ore minerals mined and removed by Buyer from said mining claims while this agreement is in force and effect shall become the property of Buyer and Buyer shall be entitled to all proceeds derived from the sale of all such ores. Sellers agree to execute all documents that may be required to effectuate the fact that such ores are the property of Buyer and that Buyer is entitled to all the proceeds derived from the sale of all such ores. Buyer shall bear and pay for all expenses of whatsoever kind and nature that may be incurred in the operations conducted by Buyer on the claims.

8. No payments made to Sellers under this agreement shall be returned to Buyer in case of Buyer's default of this agreement in the event this agreement is terminated by Sellers for such defaults.

9. In the event that this agreement is terminated for any reason, Buyer agrees to furnish Sellers copies of all information obtained upon said mining claims, including assay reports, metallurgical reports, drill logs, maps, engineering reports and other mining information, together with all similar information that Buyer may have obtained from areas lying within 600 feet of the mining claims subject to this Agreement.

10. Buyer shall pay any and all real estate taxes assessed on the mining claims accruing after the date hereof and while this Agreement is in force and effect (all such sums to be deducted from the payments set forth in Paragraph 4 above as such taxes are paid.) Buyer shall pay personal property taxes, and also shall pay social security taxes, unemployment compensation insurance premiums, and other assessments or taxes as required by the State of Colorado or the United States Government.

11. All mining equipment and machinery brought upon said mining claims and all buildings or other improvements placed upon said property by Buyer shall be considered the personal property of Buyer and may be removed from said mining property by Buyer at any time during the term of this agreement or within ninety (90) days after the termination of this agreement, whether such termination is by default or otherwise.

12. Buyer shall comply with all provisions of the Colorado Workmen's Compensation Act and all applicable Federal, State and County laws and ordinances applicable to any mining operations conducted on the mining claims.

13. Buyer shall be solely responsible for all labor, materials and supplies purchased by said Buyer to be used in the operation of said mining claims and Buyer shall keep said mining claims free and clear of all liens and encumbrances. Buyer shall post and maintain in conspicuous places on said mining claims notices relieving Sellers of all liability described in this paragraph, and Buyer shall comply with all recording statutes pertaining to non-liability of Sellers. Buyer shall carry adequate insurance to protect against all claims for injuries to third parties and which claims arise out of any operations conducted by Buyer on the mining claims.

14. This agreement may not be modified except by written amendment executed by the parties hereto.

15. This agreement may be assigned by either party without the consent of the other and Buyer may also sublease all or portions of the mining property covered by this lease, provided, however, all such assignments and sublease shall be subject to all the terms and provisions of this Agreement.

16. In the event of Buyer's default of any of the terms of this agreement, Buyer shall be given sixty (60) days in which to correct said default after notification thereof by registered letter sent by Sellers to Buyer at 737 Grant Street, Denver, Colorado, which address may be changed by Buyer upon written notice thereof to Seller.

17. Buyer shall have the right to terminate this Agreement at any time provided Buyer is not in default of any of the payments herein required to be made by Buyer. Upon such termination, Buyer shall convey all interest in the mining claims to Sellers, free and clear of all liens and encumbrances except liens created in favor of the United States to cover advances made in connection with the exploration of the mining claims.

18. Upon full payment having been made of the purchase price of Sixty Thousand Dollars ($60,000.00), Buyer shall be entitled to a conveyance for the mining claims, and Sellers agree to execute and deliver the conveyance to Buyer in the form submitted by Buyer with all applicable provisions hereof to be incorporated in said conveyance.

19. Sellers agree to join in and execute all requests that Buyer may request Sellers to execute for the acquisition of a loan from the United States to cover the costs of exploration that Buyer may wish to conduct on the mining claims and Sellers agree to subordinate their interests in the making of any such loan.

20. If any dispute shall arise between the parties with respect to the meaning of this agreement or their respective rights or liabilities hereunder, and such dispute remains unsettled for a period of 60 days, such dispute shall be referred to any person agreed upon by the parties for arbitration, or if they cannot agree upon one arbitrator, then Sellers shall select one person and Buyer shall select one person as arbitrators and the two arbitrators so appointed shall appoint a third arbitrator, who must be a qualified,

disinterested, mining engineer and a member of the American Institute of Mining, Metallurgical and Petroleum Engineers; provided, that if the two arbitrators cannot or fail to agree within the time provided, upon such third arbitrator, either party may petition any Colorado court of competent jurisdiction to appoint such a third arbitrator. The so appointed individual arbitrator or arbitrators, as the case may be, shall, in Colorado arbitrate, decide and determine the dispute; and the decision of the individual arbitrator, or of two out of the three arbitrators, as the case may be, shall be final and binding upon the parties; provided that if either party shall refuse to appoint or to join in the appointment of an arbitrator or arbitrators within ten (10) days after notice that the other party has appointed an arbitrator, then the arbitrator appointed by such other party shall determine and decide the dispute, and his decision shall likewise be final and binding upon the parties. Judgment upon the decision of the arbitrator or arbitrators, as the case may be, may be entered in any court in the State of Colorado, or elsewhere, having jurisdiction of the party against whom the decision was rendered.

21. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, executors, administrators and personal representatives. All the covenants and agreements herein set forth shall be covenants and agreements running with the lands and the mining claims and the properties covered thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement of Sale and Purchase on this 11th day of August, 1967.

SELLERS:

Dr. Charles M. Shaw

Dr. Charles M. Shaw

J. M. McFadden

J. M. McFadden

BUYER:

F. W. Baumgartner

F. W. Baumgartner

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie J. Sim, Recorder

STATE OF CALIFORNIA }
COUNTY OF Monterey } ss.

The foregoing instrument was acknowledged before me this 11th day of August, 1967, by DR. CHARLES M. SHAW.

WITNESS my hand and official seal.
My commission expires: Aug. 7, 1969

PATRICIA LANE
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY

Patricia Lane
Notary Public

STATE OF CALIFORNIA }
COUNTY OF San Diego } ss.

The foregoing instrument was acknowledged before me this 14th day of August, 1967, by J. M. McFADDEN.

WITNESS my hand and official seal.
My commission expires: Feb. 1971

MARGARET E. ZEAGMAN
NOTARY PUBLIC - CALIFORNIA
COUNTY OF SAN DIEGO

Margaret E. Zeagman
Notary Public

STATE OF COLORADO)
CITY AND) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 1st day of August, 1967, by F. W. BAUMGARTNER.

WITNESS my hand and official seal.
My commission expires: Feb. 11, 1969

HIRLEY M. WENDEL
NOTARY PUBLIC
STATE OF COLORADO

Hirley M. Wendel
Notary Public

No. 112448 Filed for record at 10:40 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 172. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

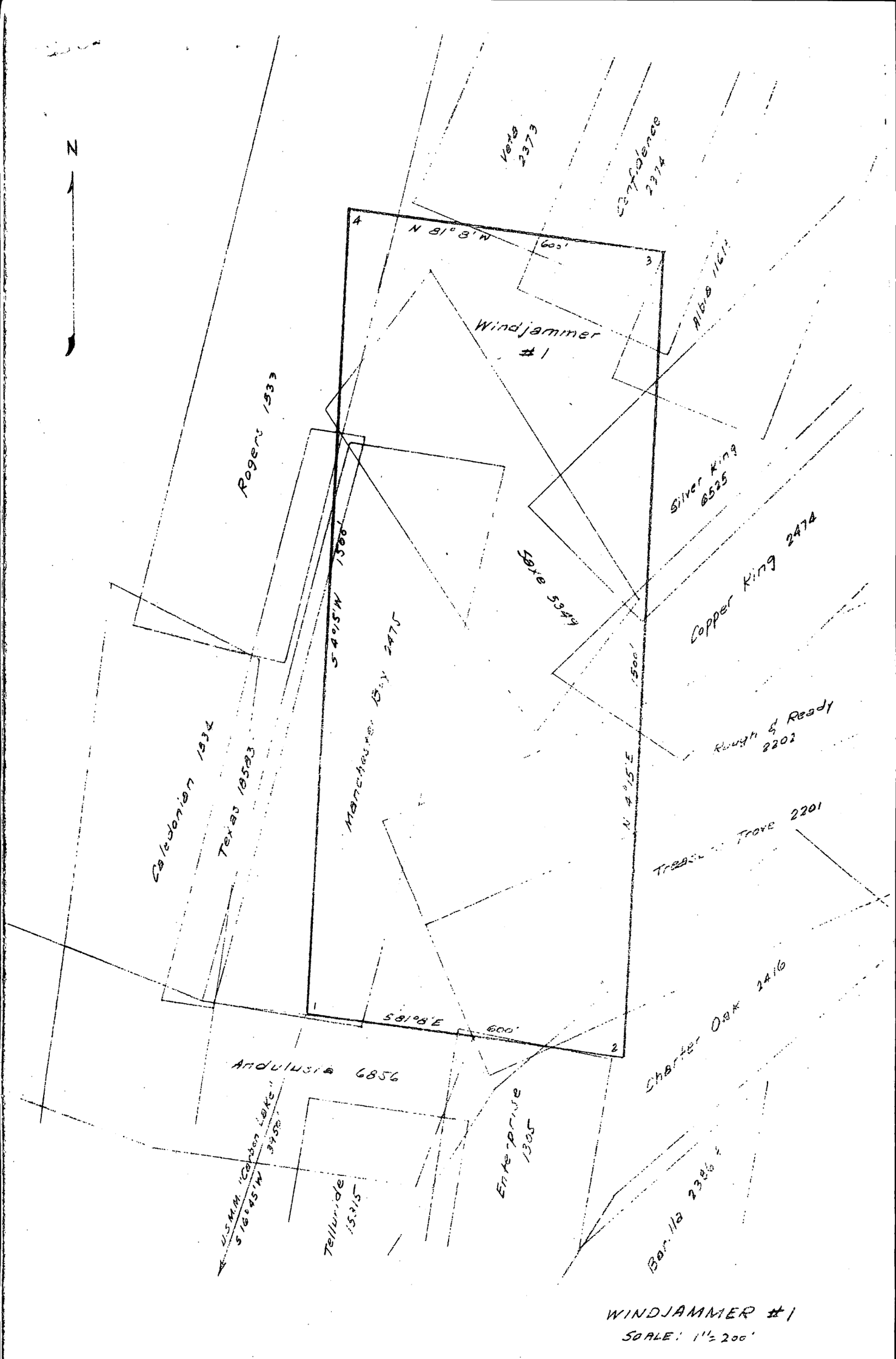
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST., DENVER, COLO. has located the WINDJAMMER #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running N 4° 15' E from the center of the discovery POST and 25 feet running S 4° 15' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (SW)
THENCE S 81° 8' E, 600' TO CORNER 2 (SE)
THENCE N 4° 15' E, 750' TO CENTER OF EAST SIDELINE
THENCE N 4° 15' E, 750' TO CORNER 3 (NE)
THENCE N 81° 8' W, 600' TO CORNER 4 (NW)
THENCE S 4° 15' W, 750' TO CENTER OF WEST SIDELINE
THENCE S 4° 15' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM U.S.M.M. "CARBON LAKE," SW CORNER 1 BEARS N 16° 45' E, 3950 FEET

Said lode was discovered on the 12 day of AUGUST, 1967
and located on the 12 day of AUGUST, 1967
Dated this 12 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
By: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



WINDJAMMER #1
SCALE: 1" = 200'

No. 112418 Filed for record at 10:48 o'clock A.M., August [illegible], 1962.
Duly recorded in Book 1[illegible], Page 172. Addie [illegible], Recorder

No. 112447 Filed for record at 10:47 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 171. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

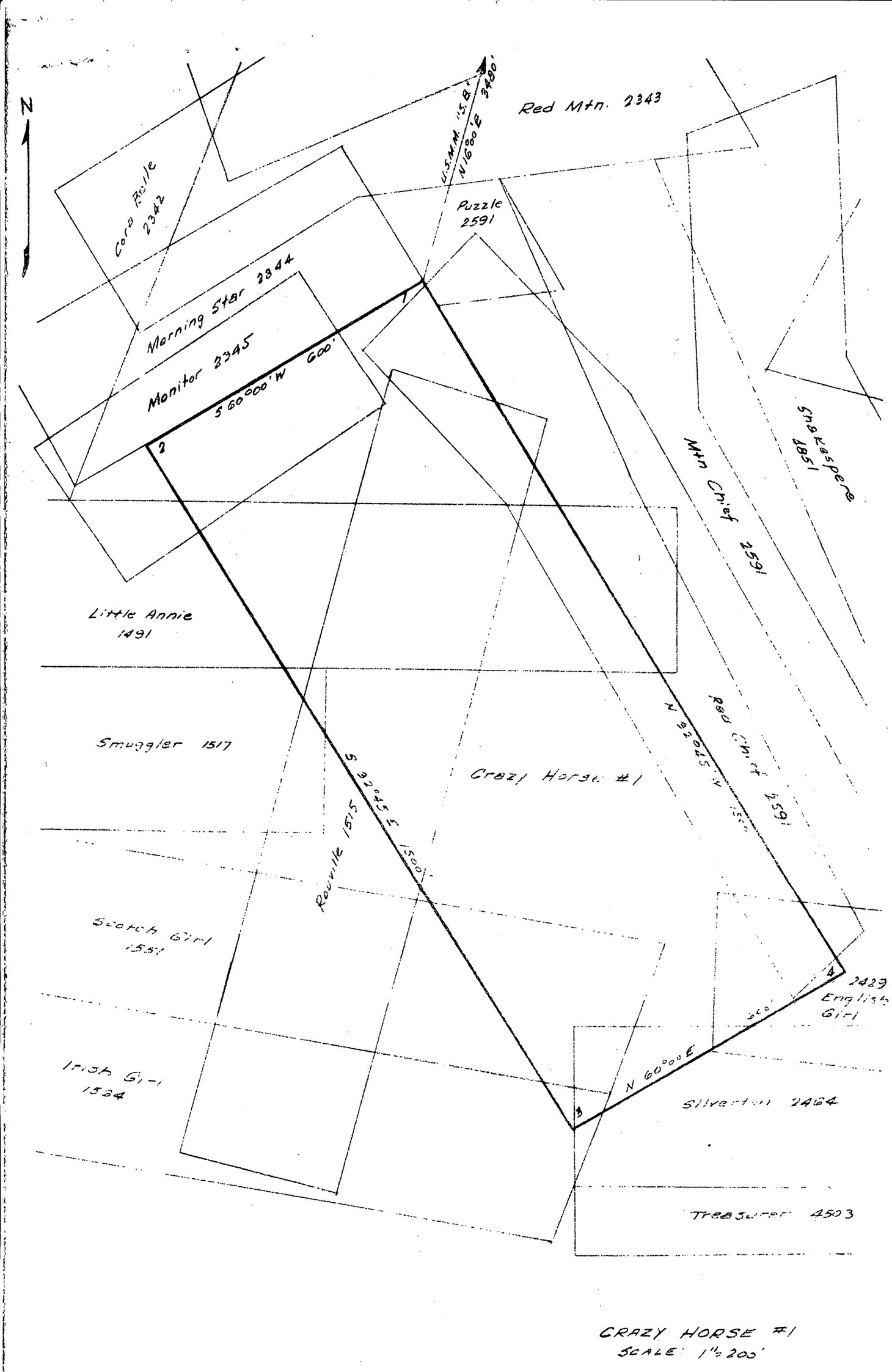
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST. ; DENVER, COLO. has located the CRAZY HORSE #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S 32° 45' E from the center of the discovery POST and 25 feet running N 32° 45' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE S 60° 00' W, 600' TO CORNER 2 (NW)
THENCE S 32° 45' E, 750' TO CENTER OF WEST SIDELINE
THENCE S 32° 45' E, 750' TO CORNER 3 (SW)
THENCE N 60° 00' E, 600' TO CORNER 4 (SE)
THENCE N 32° 45' W, 750' TO CENTER OF EAST SIDELINE
THENCE N 32° 45' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S 16° 00' W, 3480 FEET.

Said lode was discovered on the 10 day of AUGUST, 19 67
and located on the 10 day of AUGUST, 19 67
Dated this 10 day of AUGUST, 19 67

F. W. BAUMGARTNER [SEAL]
BY: James C. [signature] [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



CRAZY HORSE #1
SCALE: 1" = 200'

No. 112447 Filed for record at 10:47 o'clock A.M., August 1?, 1967.
Duly recorded in Book 165, Page 1?1. Addie A. Sim, Recorder

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST., DENVER, COLO.

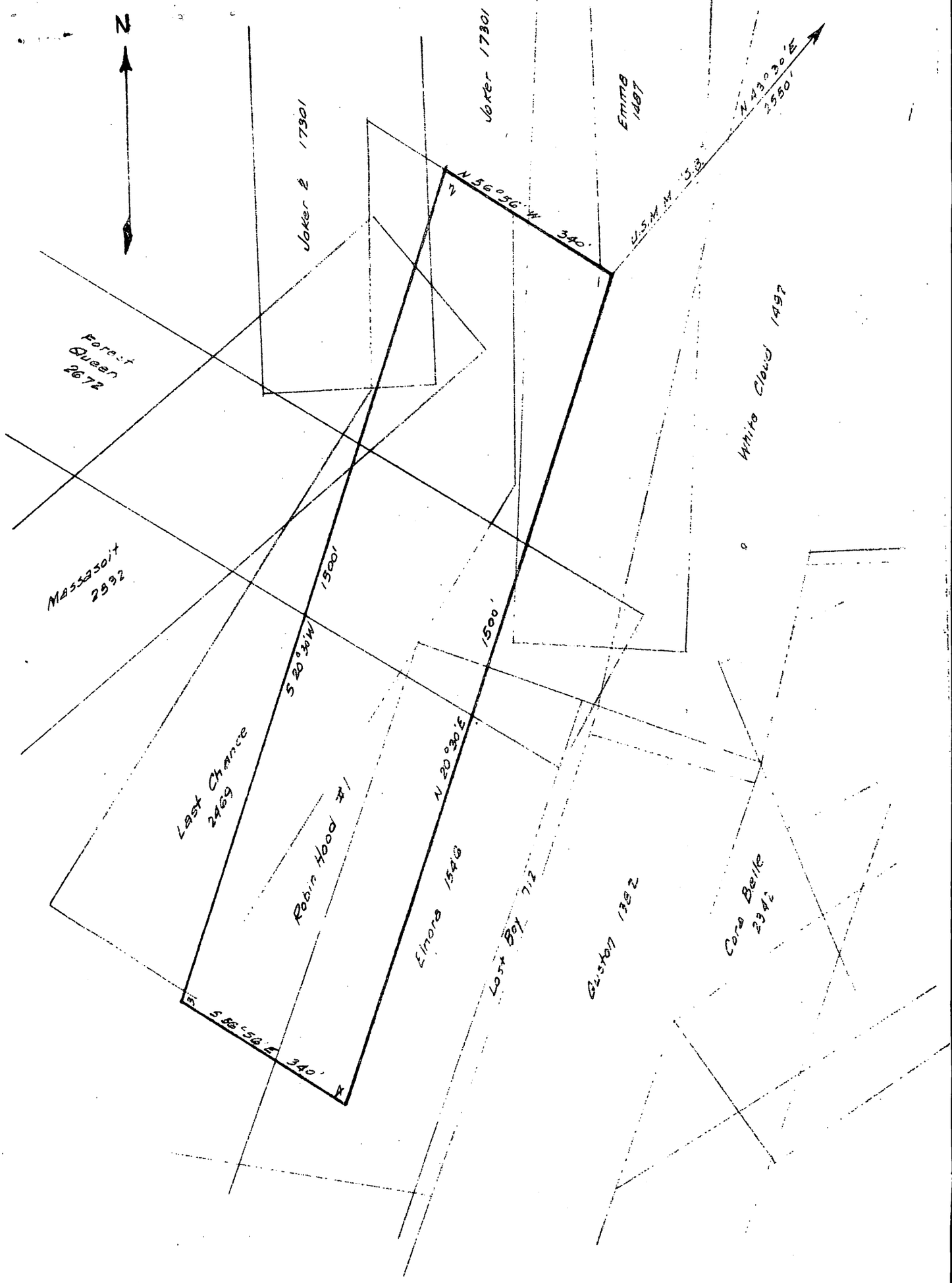
has 5 located the ROBIN HOOD #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S20° 30' W from the center of the discovery POST and 25 feet running N20° 30' E from the center of the discovery POST, together with 170 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO., and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE, N56° 56' W, 340' TO CORNER 2 (NW)
THENCE, S 20° 30' W, 750' TO CENTER OF WEST SIDELINE
THENCE, S 20° 30' W, 750' TO CORNER 3 (SW)
THENCE, S 56° 56' E, 340' TO CORNER 4 (SE)
THENCE, N 20° 30' E, 750' TO CENTER OF EAST SIDELINE
THENCE, N 20° 30' E, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S 43° 30' W, AND 2550 FEET

Said lode was discovered on the 8 day of AUGUST, 1967
and located on the 8 day of AUGUST, 1967
Dated this 8 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
BY: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



ROBIN HOOD #1
SCALE: 1" = 200'

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 170 Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

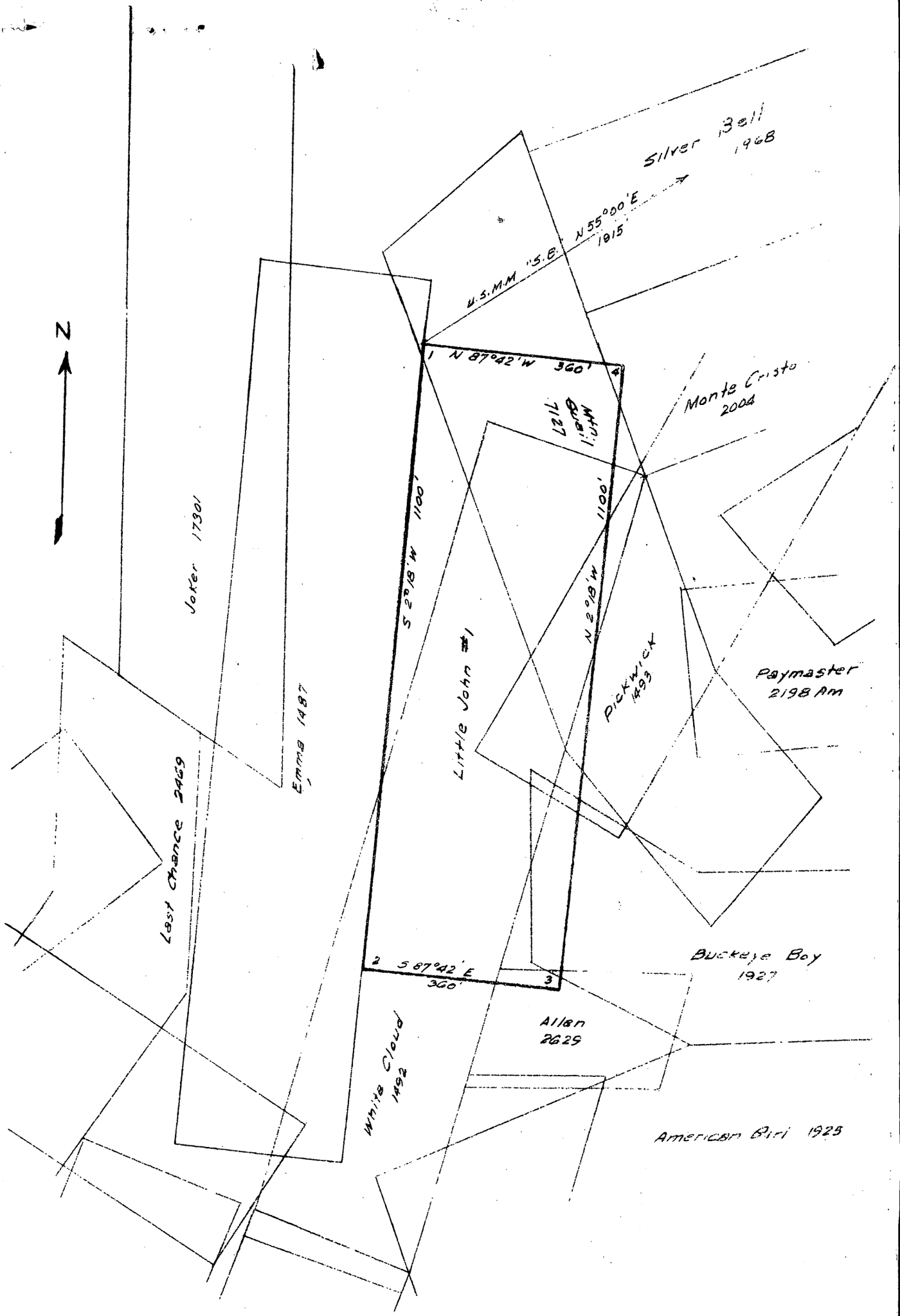
KNOW ALL MEN BY THESE PRESENTS, That F.W. BAUMGARTNER 737 GRANT ST., DENVER, COLO. ha S located the LITTLE JOHN #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1100 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1075 feet on said vein running N 2° 18' E from the center of the discovery POST and 25 feet running S 2° 18' W from the center of the discovery POST, together with 180 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (N.W.)
THENCE S2°18'W, 550' TO CENTER OF WEST SIDELINE
THENCE S2°18'W, 550' TO CORNER 2 (S.W.)
THENCE S 87° 42' E, 360' TO CORNER 3 (SE)
THENCE N 2° 18' E, 550' TO CENTER OF EAST SIDELINE
THENCE N2° 18' E, 550' TO CORNER 4 (NE)
THENCE N87°42'W, 360' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT USMM "SB", NW CORNER 1 BEARS S55°00'W, 1915 FEET.

Said lode was discovered on the 7 day of AUGUST, 1967
and located on the 7 day of AUGUST, 1967
Dated this 7 day of AUGUST, 1967

F.W. BAUMGARTNER [SEAL]
By: Thomas C. Jackman [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



LITTLE JOHN #1
SCALE: 1" = 200'

No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 170. Addie A. Sim, Recorder

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 OURAY AND SAN JUAN COUNTIES, State of COLORADO,

described as follows: 2/ SEE ATTACHED SCHEDULE

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 30th day of AUGUST, 19 67.

F. W. BAUMGARTNER (Seal)	737 Grant Street (Street)	
	Denver, 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)

SCHEDULE 1

Claims located in the Red Mountain Mining District, Ouray and San Juan Counties, Colorado:

Claim:	Survey Number:
Alabama	17307
Albia	11613
Alexandria	1930
American Boy	1938
Aster	5079
Barilla	2386A
Barilla Mill Site	2386B
Bennie Bell	19416
Caledonian	1534
C. B.	17307
Und. 97/100 Champion	1561
Charter Oak	2416
Cora	4511
Confidence	2374
Consolidated Virginia	2556
Und. 1/2 Copper King	2474
Cross Bar	2342
Cross Bar No. 2	17298
Cross Jewell	17298
Dakota	2473
Dorval	17307
Diana	1[illegible]
Dunbar	18037m
Dust Star	19386
Elbert	17307
Elora	1546
7/6 Enterprise	1481
Evening Star	1338
Excelsior	17307
Florida	2429
Forest Queen (Surface sold)	6734
Fourth of July	2512
Genessee	8946
Genetta	1472
Geneva	2032
Georgia	1835
Gould & Curry	17307
Und. 97/100 Green Timber	2556
Gunboat	2546
Guston	2509
Half Acre	1387
Hidden Treasure	19221
Highland Chief	2050
Index	1471
Und. 5/6 Irish Girl	17298
Und. 1/2 Iron Chest	1564
Jackson	2650
Joker	2553
Joker No. 2	17301
J. R. Dutton	17301
Kokomo	2112
Last Chance (Surface sold)	2049
Little Annie	2469
Little Maud	1491
Lookout	1528
Lost Boy	4890
Andalusia (East Half)	7121
Treasure Trove	4856
Rough and Ready	2201
	2202

Filed for record at [illegible] o'clock P.M., April 20, 19[illegible].
Duly recorded in Book [illegible], Pages [illegible], 55, 56, 57 and 58.
[illegible]

	17350
Madcap	17307
Maine	2475
Manchester Boy	17300
Maryland	2532
Massasoit	17300
Mississippi	17307
Missouri	2345
Monitor	2344
Morning Star	17307
Morning Star	7127
Mountain Quail	2423
New Haven	17307
New York	17307
North Star	17307
N. S.	2677
Old Kentuck	17307
Oregon	1385
Orphan Boy	2568
Orphan Boy No. 2	6446
Ottawa	7196
Ouray Girl	17307
Pennsylvania	17307
Pirate	19586
Pleasant View	17307
Pole Star	17350
Puritan	[illegible]
Purser	[illegible]
Red Mountain	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Rorer	[illegible]
Rose Bud	[illegible]
Sans	[illegible]
Sun 1/2 Schultz Worker	[illegible]
Sun 5/6 Scotch Girl	[illegible]
Sun 1/2 Silver King	1517
Swaggler	17307
South Star	17350
Summer	[illegible]
Tellurion	19583
Texas	2324
Union Trust	2254
Vanderbilt	2472
Vesta	[illegible]
West 1/2 Virginia	[illegible]
8/12 White Cloud (Surface sold)	2424
Wisconsin	[illegible]
Yankee Girl	5340
Yellow Jacket	5341
Longfellow	5348
Whittier	

Unpatented claims in Ouray County:

	Recording Data
B & S	Book 83, Page 223
B & W	Book 83, Page 262
Chip	Book 79, Page [illegible]
Dealjohn	Book 83, Page [illegible]
F. G. Duvall	Book 83, Page [illegible]
Iron Master	Book 83, Page [illegible]
Jane Bug	Book 79, Page [illegible]
Left Power	Book 79, Page [illegible]
Little John #1	Book 165, Page [illegible]
Little John #2	Book 165, Page [illegible]
Crazy Horse #1	Book 165, Page [illegible]
Robin Hood #1	Book 165, Page [illegible]

Windjammer #1	Book 165, Page 172
Windjammer #2	Book 165, Page 174
Lock	Book 79, Page 417
Maud	Book 123, Page 110
Philadelphia	Book 83, Page 263
Red Star	Book 79, Page 417
R.R.S.	Book 83, Page 244
Sarah	Book 123, Page 110
Sharon	Book 79, Page 418
Thompson	Book 123, Page 111
Wasp	Book 79, Page 418
Red	Book 123, Page 288
Rex	Book 123, Page 287
Reb	Book 123, Page 288
Linchpin	Book 150, Page 435

Unpatented claims in San Juan County:

O. A. Day (part in Ouray County)	Book 124, Page 398
Shaker (part in Ouray County)	Book 129, Page 42
Monday	Book 92A, Page 284
Thursday	Book 92A, Page 285
Saturday	Book 92A, Page 286
Second Thought	Book 172, Page 309

Form D939

Quit Claim Deed

Kansas Blue Print Co.

THIS INDENTURE, Made this 18th day of August, 19 67, between

VERDIE ROBINSON

of Ouray County, in the State of Colorado of the first part,

and F. W. BAUMGARTNER

737 Grant Street, Denver

of Denver County, in the State of Colorado of the second part:

WITNESSETH, That said part of the first part, in consideration of the sum of Ten Dollars and other good and valuable considerations ~~DOLLARS~~

the receipt of which is hereby acknowledged, do es by these presents, remise, release, and quit claim, unto said part y of the second part his heirs and assigns, all the following described real estate, situated in the County of Ouray and State of Colorado, to-wit:

All that part of the Andalusia Mining Claim Number 6856 lying east of the East line as extended to the south of the Caledonia Mining Claim Number 1534 (which line is also the West line as extended to the south of the Texas Mining Claim Number 18583), and all being located in the Red Mountain Mining District, Ouray County, Colorado.

No. 112466
Filed for record at 11:40 o'clock A.M.
August 21, 1967. Duly recorded in
Book 169, Page 145.
Addie A. Sim, Recorder

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining forever.

IN WITNESS WHEREOF, The said part y of the first part ha s hereunto set his hand the day and year first above written.

Executed and delivered in the Presence of

WITNESSES

Verdie Robinson

(COMPLETE ACKNOWLEDGMENT ON REVERSE SIDE)

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150,151, 152, 153.
Addie A. Sim, Recorder

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT, made and entered into by and between DR. CHARLES M. SHAW, Route 1, P.O. Box 168, Carmel, California, and J. M. McFADDEN, 271 North Monterey Road, Palm Springs, California, hereinafter collectively referred to as "Sellers", and F. M. BAUMGARTNER, 737 Grant Street, Denver, Colorado (80203), hereinafter referred to as "Buyer",

W I T N E S S E T H , That

WHEREAS, Sellers are the owners of certain mining claims located in Ouray County, State of Colorado; and

WHEREAS, Sellers desire to sell said mining claims, and Buyer is willing to purchase said claims;

NOW, THEREFORE, in consideration of the premises, the payments herein agreed to be made by Buyer to Sellers, and also in consideration of covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Sellers hereby agree to sell and convey to Buyer and Buyer agrees to purchase from Sellers the Treasure Trove Mining Claim No. 2201 as described in Mineral Certificate 398, Reception No. 28544 and the Rough and Ready Mining Claim No. 2202 as described in Mineral Certificate No. 399, Reception No. 109775, both recorded in the records of Ouray County, Colorado (hereinafter referred to as "mining claims"), together with all buildings, improvements, mines, diggings, tailings, dumps, dips, spurs and all property located on said claims, appurtenant thereto or used in connection therewith and together with all other right, title and interest of whatsoever kind and nature that Sellers have in and to said mining claims, said sale and purchase to be made on the terms and conditions hereinafter set forth.

2. Sellers warrant that they are the owners of said mining claims and all interests therein as set forth in Paragraph 1 above, and that such claims are free and clear of all liens and encumbrances of whatsoever kind and nature. Sellers further warrant that there is no pending litigation against, or to their knowledge, any threatened litigation against or accrued or contingent liabilities of Sellers as to said mining claims which might adversely affect Sellers' title to or right of possession to said property and claims.

Sellers agree to defend their right of possession of and title to said mining claims against any and all parties claiming under, by and through Sellers

and Sellers agree to hold Buyer free of and harmless from any and all expense, damage and liability resulting from the acts, claims, demands and litigation of such third parties contesting Sellers' title or right of possession to said property.

3. ~~Upon the execution of this Agreement, Sellers shall furnish Buyer with all title material, opinions and title documents that Sellers have with relation to the mining claims, and within 30 days after the execution hereof, Sellers shall furnish Buyer with an abstract covering said mining claims which abstract shall be certified to recent date and Buyer shall have 15 days after the delivery thereof to have the same examined. If Buyer's examination of the abstract covering said mining claims reveals liens, encumbrances or other title defects which will in any way prevent, interfere with or jeopardize Buyer's peacefully proceeding under this agreement, or subject Buyer to risk of loss in the conduct of his operations on said mining claims, then and on request from Buyer, Sellers at their sole expense, will cause the same to be cured and removed. If Sellers fail to satisfy Buyer within thirty (30) days after such request that Sellers are proceeding adequately and with reasonable diligence to cure and remove such title defects, or fail to complete such curing and removal within ninety (90) days after such request, then Buyer may undertake to cure and remove such title defects, reimbursing himself from the sums hereinafter set forth to be paid to Sellers for any expense advanced on behalf of Sellers, or Buyer may terminate this Agreement and thereupon Sellers will immediately return to Buyer all sums that Sellers may have received from Buyer pursuant to the agreements herein set forth. Upon such termination all rights and obligations of all parties hereto shall cease and terminate.~~

4. Buyer shall pay Sellers the sum of Sixty Thousand Dollars ($60,000.00) as the full payment for said mining claims, such payment to be made as follows:

(a) $3,000.00 shall be paid upon execution and delivery of this Agreement;

(b) $1,000.00 on August 1, 1968 and successive payments of $1,000.00 each on August 1, 1969, August 1, 1970, August 1, 1971 and August 1, 1972, OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT.

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie A. Sim, Recorder

(c) $5,000.00 on August 1, 1973 and successive payments of $5,000.00 each on August 1, 1974, August 1, 1975, August 1, 1976 and August 1, 1977; OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT.

(d) $27,000.00 (or the balance of the purchase price) on August 1, 1978.

Buyer shall have the right to make payments on the purchase price other than at the times and in the sequence as set forth and all such payments shall be applied to payments in the inverse order of their maturity.

5. All payments provided for in Paragraph 4 shall be paid equally to Sellers and payment shall be sent as follows, unless other instructions in writing are given by Sellers to Buyer:

Dr. Charles H. Shaw
TO: Wells Fargo Bank
Account 10,420-0
Carmel, California, 93921

J. M. McFadden
TO: Bank of LaJolla
P. O. Box 1500
Account 083-694
LaJolla, California

6. A. Buyer shall work said property in a miner-like fashion.

B. Prior to the payment of the full purchase price, Sellers and their representatives may enter upon all parts of said properties at all reasonable times for purposes of inspection.

C. Prior to the payment of the full purchase price, Sellers and their representatives shall have access to all ore sales record.

7. It is expressly agreed that all ore minerals mined and removed by Buyer from said mining claims while this agreement is in force and effect shall become the property of Buyer and Buyer shall be entitled to all proceeds derived from the sale of all such ores. Sellers agree to execute all documents that may be required to effectuate the fact that such ores are the property of Buyer and that Buyer is entitled to all the proceeds derived from the sale of all such ores. Buyer shall bear and pay for all expenses of whatsoever kind and nature that may be incurred in the operations conducted by Buyer on the claims.

8. No payments made to Sellers under this agreement shall be returned to Buyer in case of Buyer's default of this agreement in the event this agreement is terminated by Sellers for such defaults.

9. In the event that this agreement is terminated for any reason, Buyer agrees to furnish Sellers copies of all information obtained upon said mining claims, including assay reports, metallurgical reports, drill logs, maps, engineering reports and other mining information, together with all similar information that Buyer may have obtained from areas lying within 600 feet of the mining claims subject to this Agreement.

10. Buyer shall pay any and all real estate taxes assessed on the mining claims accruing after the date hereof and while this Agreement is in force and effect (all such sums to be deducted from the payments set forth in Paragraph 4 above as such taxes are paid.) Buyer shall pay personal property taxes, and also shall pay social security taxes, unemployment compensation insurance premiums, and other assessments or taxes as required by the State of Colorado or the United States Government.

11. All mining equipment and machinery brought upon said mining claims and all buildings or other improvements placed upon said property by Buyer shall be considered the personal property of Buyer and may be removed from said mining property by Buyer at any time during the term of this agreement or within ninety (90) days after the termination of this agreement, whether such termination is by default or otherwise.

12. Buyer shall comply with all provisions of the Colorado Workmen's Compensation Act and all applicable Federal, State and County laws and ordinances applicable to any mining operations conducted on the mining claims.

13. Buyer shall be solely responsible for all labor, materials and supplies purchased by said Buyer to be used in the operation of said mining claims and Buyer shall keep said mining claims free and clear of all liens and encumbrances. Buyer shall post and maintain in conspicuous places on said mining claims notices relieving Sellers of all liability described in this paragraph, and Buyer shall comply with all recording statutes pertaining to non-liability of Sellers. Buyer shall carry adequate insurance to protect against all claims for injuries to third parties and which claims arise out of any operations conducted by Buyer on the mining claims.

14. This agreement may not be modified except by written amendment executed by the parties hereto.

15. This agreement may be assigned by either party without the consent of the other and Buyer may also sublease all or portions of the mining property covered by this lease, provided, however, all such assignments and sublease shall be subject to all the terms and provisions of this Agreement.

16. In the event of Buyer's default of any of the terms of this agreement, Buyer shall be given sixty (60) days in which to correct said default after notification thereof by registered letter sent by Sellers to Buyer at 737 Grant Street, Denver, Colorado, which address may be changed by Buyer upon written notice thereof to Seller.

17. Buyer shall have the right to terminate this Agreement at any time provided Buyer is not in default of any of the payments herein required to be made by Buyer. Upon such termination, Buyer shall convey all interest in the mining claims to Sellers, free and clear of all liens and encumbrances except liens created in favor of the United States to cover advances made in connection with the exploration of the mining claims.

18. Upon full payment having been made of the purchase price of Sixty Thousand Dollars ($60,000.00), Buyer shall be entitled to a conveyance for the mining claims, and Sellers agree to execute and deliver the conveyance to Buyer in the form submitted by Buyer with all applicable provisions hereof to be incorporated in said conveyance.

19. Sellers agree to join in and execute all requests that Buyer may request Sellers to execute for the acquisition of a loan from the United States to cover the costs of exploration that Buyer may wish to conduct on the mining claims and Sellers agree to subordinate their interests in the making of any such loan.

20. If any dispute shall arise between the parties with respect to the meaning of this agreement or their respective rights or liabilities hereunder, and such dispute remains unsettled for a period of 60 days, such dispute shall be referred to any person agreed upon by the parties for arbitration, or if they cannot agree upon one arbitrator, then Sellers shall select one person and Buyer shall select one person as arbitrators and the two arbitrators so appointed shall appoint a third arbitrator, who must be a qualified,

disinterested, mining engineer and a member of the American Institute of Mining, Metallurgical and Petroleum Engineers; provided, that if the two arbitrators cannot or fail to agree within the time provided, upon such third arbitrator, either party may petition any Colorado court of competent jurisdiction to appoint such a third arbitrator. The so appointed individual arbitrator or arbitrators, as the case may be, shall, in Colorado arbitrate, decide and determine the dispute; and the decision of the individual arbitrator, or of two out of the three arbitrators, as the case may be, shall be final and binding upon the parties; provided that if either party shall refuse to appoint or to join in the appointment of an arbitrator or arbitrators within ten (10) days after notice that the other party has appointed an arbitrator, then the arbitrator appointed by such other party shall determine and decide the dispute, and his decision shall likewise be final and binding upon the parties. Judgment upon the decision of the arbitrator or arbitrators, as the case may be, may be entered in any court in the State of Colorado, or elsewhere, having jurisdiction of the party against whom the decision was rendered.

21. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, executors, administrators and personal representatives. All the covenants and agreements herein set forth shall be covenants and agreements running with the lands and the mining claims and the properties covered thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement of Sale and Purchase on this 11th day of August, 1967.

SELLERS:

Dr. Charles M. Shaw

Dr. Charles M. Shaw

J. M. McFadden

J. M. McFadden

BUYER:

F. W. Baumgartner

F. W. Baumgartner

No. 112450 Filed for record at 1:05 o'clock P.M., August 16, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie A. Sim, Recorder

STATE OF CALIFORNIA }
COUNTY OF Monterey } ss.

The foregoing instrument was acknowledged before me this 11th day of August, 1967, by DR. CHARLES M. SHAW.

WITNESS my hand and official seal.
My commission expires: Aug. 7, 1969

PATRICIA LANE
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY

Patricia Lane
Notary Public

STATE OF CALIFORNIA }
COUNTY OF San Diego } ss.

The foregoing instrument was acknowledged before me this 14th day of August, 1967, by J. H. McFADDEN.

WITNESS my hand and official seal.
My commission expires: Feb. 1971

[illegible]

[illegible]
Notary Public

STATE OF COLORADO)
CITY AND) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 15th day of August, 1967, by F. W. BAUMGARTNER.

WITNESS my hand and official seal.

My commission expires: Feb. 11, 1969

HIRLEY M. WENDEL
NOTARY PUBLIC
STATE OF COLORADO

Hirley M. Wendel
Notary Public

No. 112448 Filed for record at 10:48 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 172. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

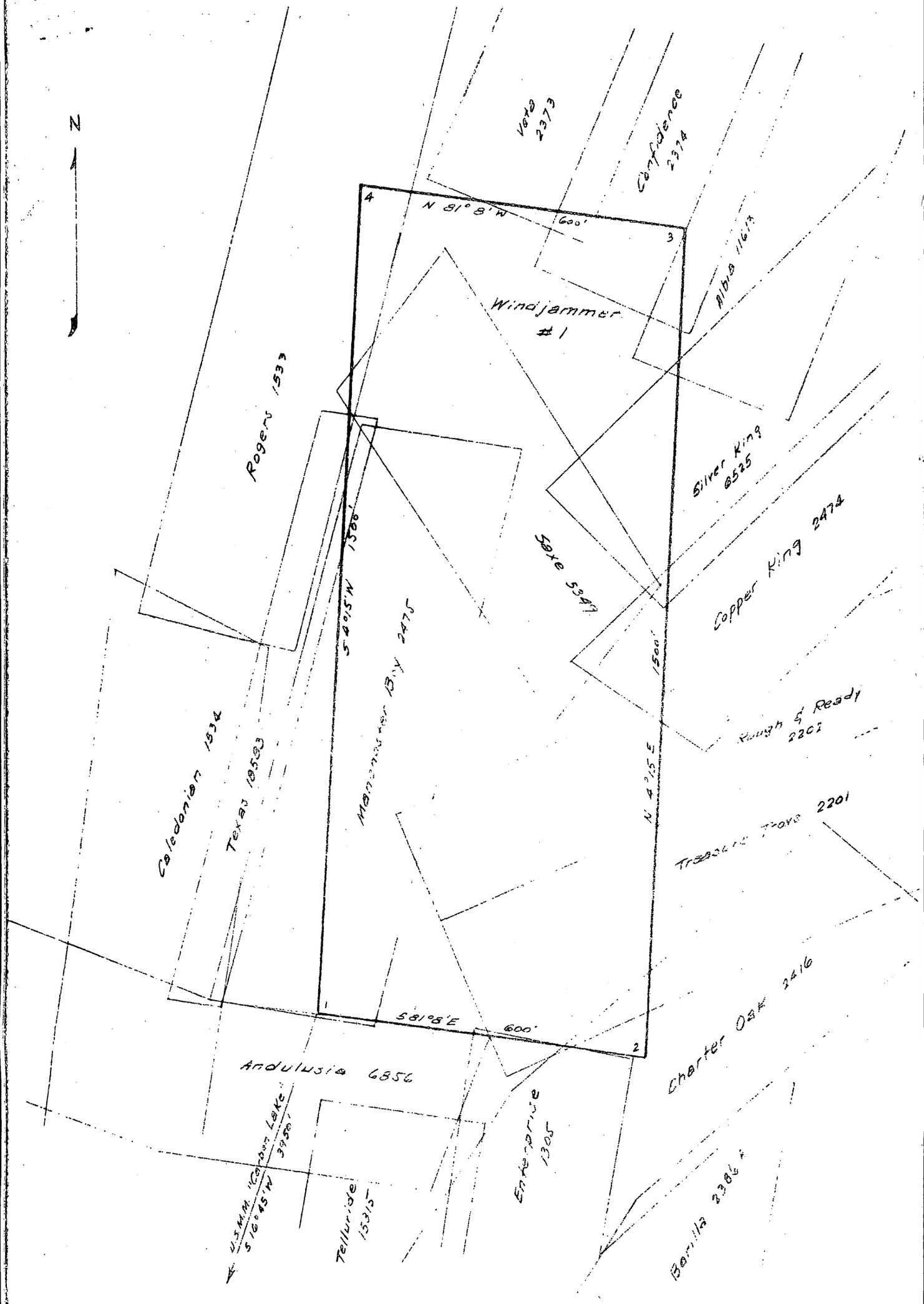
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST., DENVER, COLO. has located the WINDJAMMER #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running N 4° 15' E from the center of the discovery POST and 25 feet running S 4° 15' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (SW)
THENCE S 81° 8' E, 600' TO CORNER 2 (SE)
THENCE N 4° 15' E, 750' TO CENTER OF EAST SIDELINE
THENCE N 4° 15' E, 750' TO CORNER 3 (NE)
THENCE N 81° 8' W, 600' TO CORNER 4 (NW)
THENCE S 4° 15' W, 750' TO CENTER OF WEST SIDELINE
THENCE S 4° 15' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM USMM "CARBON LAKE," SW CORNER 1 BEARS N 16° 45' E, 3950 FEET

Said lode was discovered on the 12 day of AUGUST, 19 67
and located on the 12 day of AUGUST, 19 67
Dated this 12 day of AUGUST, 19 67

F. W. BAUMGARTNER [SEAL]
By: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



WINDJAMMER #1
SCALE: 1" = 200'

No. 112418 Filed for record at 10:46 o'clock A.M., August [illegible], [illegible].
Duly recorded in Book 165, Page 172. Addie [illegible], Recorder

No. 112447 Filed for record at 10:47 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 171. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST. ; DENVER, COLO.

has located the CRAZY HORSE #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S 32° 45' E from the center of the discovery POST and 25 feet running N 32° 45' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

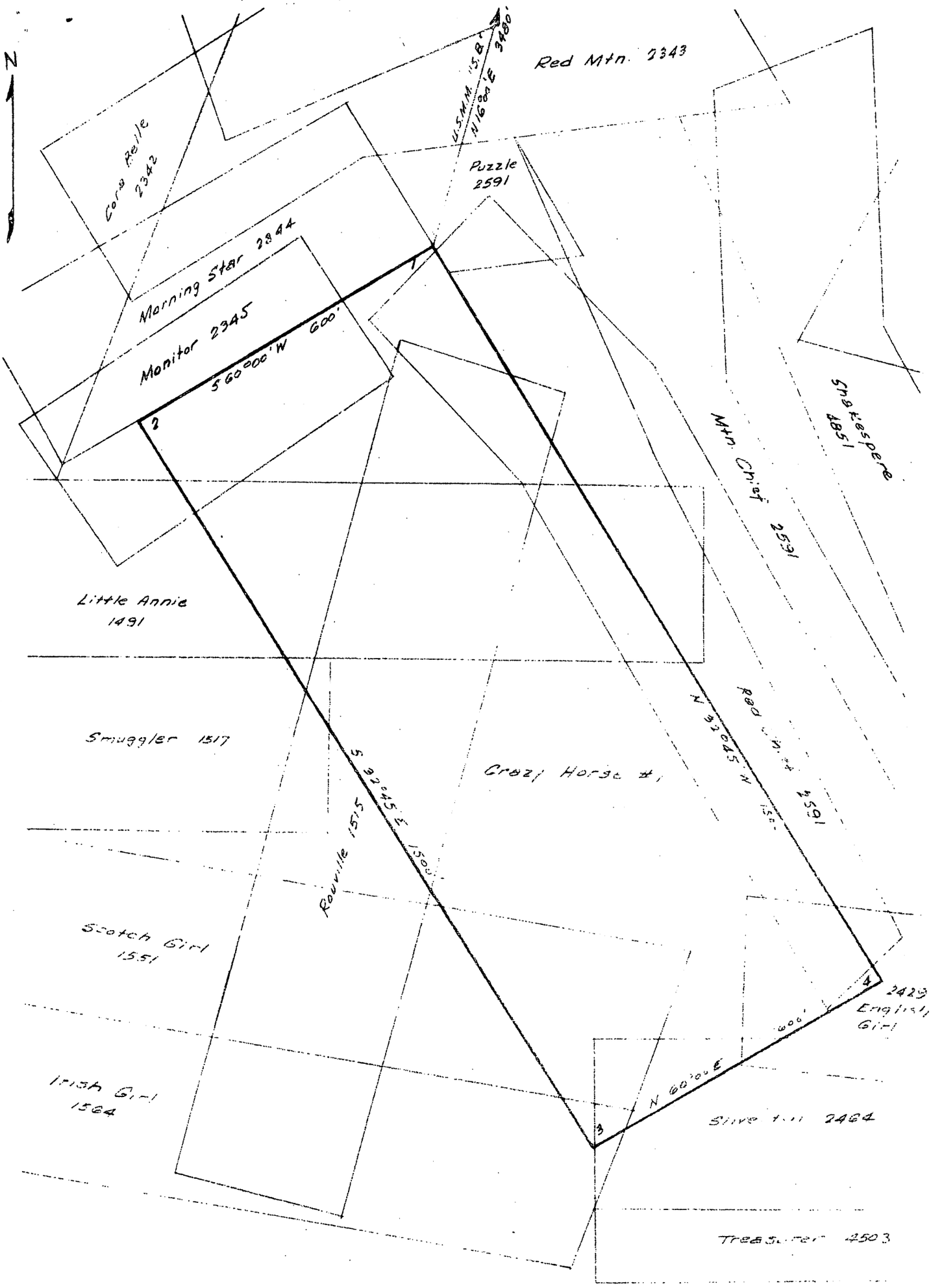
Beginning at Corner No. 1 (NE)

THENCE S60°00'W, 600' TO CORNER 2 (NW)
THENCE S32°45'E, 750' TO CENTER OF WEST SIDELINE
THENCE S32°45'E, 750' TO CORNER 3 (SW)
THENCE N60°00'E, 600' TO CORNER 4 (SE)
THENCE N32°45'W, 750' TO CENTER OF EAST SIDELINE
THENCE N32°45'W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S16°00'W, 3480 FEET.

Said lode was discovered on the 10 day of AUGUST, 1967
and located on the 10 day of AUGUST, 1967
Dated this 10 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
BY: James C. [illegible] [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



CRAZY HORSE #1
SCALE 1" = 200

No. 112417 Filed for record at 10:47 o'clock A.M., [illegible]
Duly recorded in Book 165, page 171. [illegible]

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST. ; DENVER, COLO.

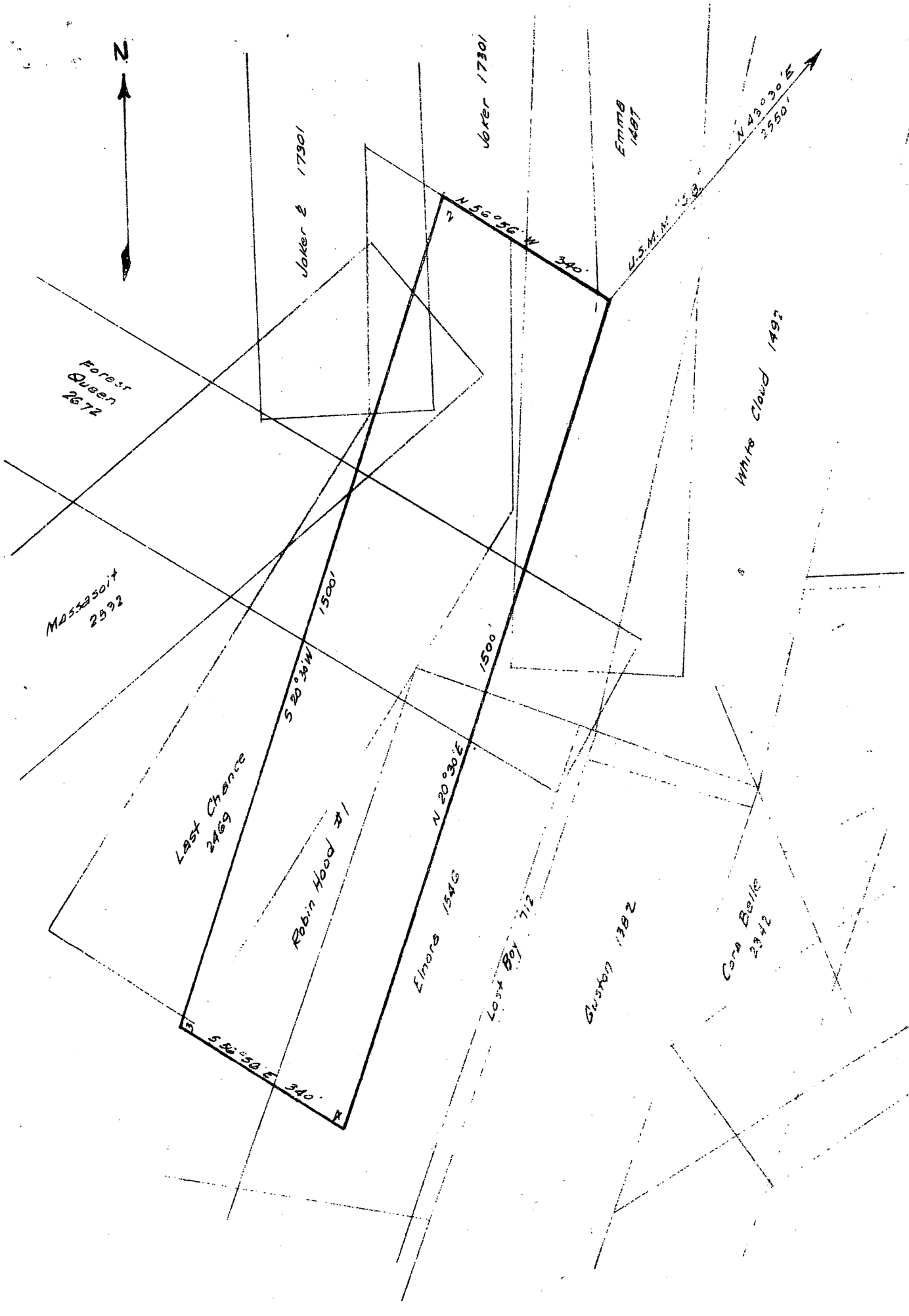
ha 5 located the ROBIN HOOD #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S20° 30' W from the center of the discovery POST and 25 feet running N20° 30' E from the center of the discovery POST, together with 170 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO., and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE, N56°56'W, 340' TO CORNER 2 (NW)
THENCE, S20° 30' W, 750' TO CENTER OF WEST SIDELINE
THENCE, S20° 30' W, 750' TO CORNER 3 (SW)
THENCE, S56°56'E, 340' TO CORNER 4 (SE)
THENCE, N20° 30' E, 750' TO CENTER OF EAST SIDELINE
THENCE, N20° 30' E, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S43° 30' W, AND 2550 FEET

Said lode was discovered on the 8 day of AUGUST, 1967
and located on the 8 day of AUGUST, 1967
Dated this 8 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
BY: Thomas C. [illegible] [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



ROBIN HOOD #1
SCALE: 1" = 200'

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, page 169. Addie A. Sim, Recorder

No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 170 Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

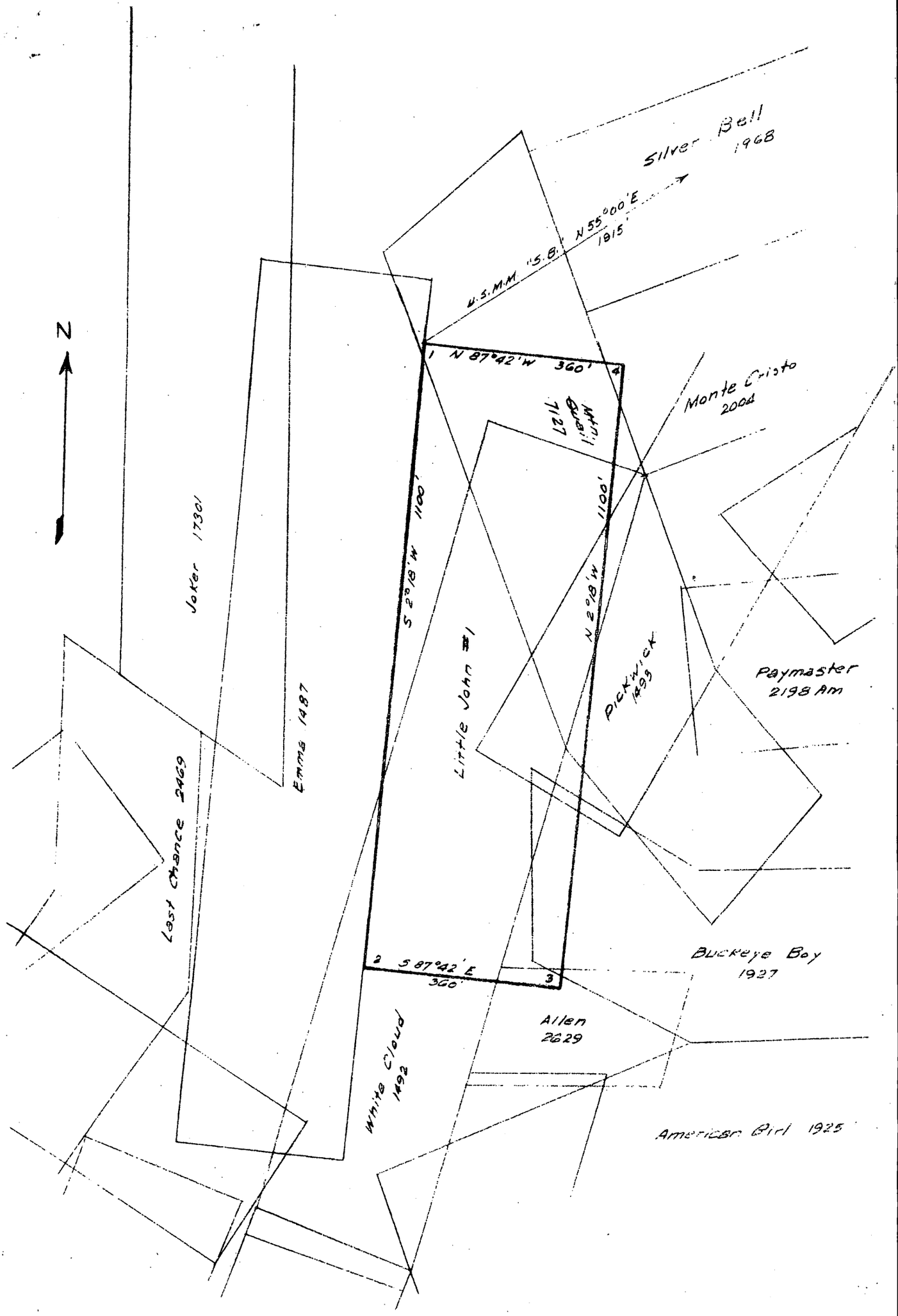
KNOW ALL MEN BY THESE PRESENTS, That F.W. BAUMGARTNER 737 GRANT ST, DENVER, COLO. has located the LITTLE JOHN #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1100 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1075 feet on said vein running N 2° 18' E from the center of the discovery POST and 25 feet running S2° 18' W from the center of the discovery POST, together with 180 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NW)
THENCE S2°18'W, 550' TO CENTER OF WEST SIDELINE
THENCE S2°18'W, 550' TO CORNER 2 (SW)
THENCE S87°42'E, 360' TO CORNER 3 (SE)
THENCE N2°18'E, 550' TO CENTER OF EAST SIDELINE
THENCE N2°18'E, 550' TO CORNER 4 (NE)
THENCE N87°42'W, 360' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT USMM "SB", NW CORNER 1 BEARS S55°00'W, 1915 FEET

Said lode was discovered on the 7 day of AUGUST, 1967
and located on the 7 day of AUGUST, 1967
Dated this 7 day of AUGUST, 1967

F.W. BAUMGARTNER [SEAL]
By: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1962
Duly recorded in Book 165, Page 170. Addie A. Sim, Recorder

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 OURAY AND SAN JUAN COUNTIES, State of COLORADO,

described as follows:[2] SEE ATTACHED SCHEDULE

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 30th day of AUGUST, 19 67.

F. W. BAUMGARTNER	(Seal)	737 Grant Street Denver, 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)

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

SCHEDULE 1

Claims located in the Red Mountain Mining District, Ouray and San Juan Counties, Colorado:

Claim:	Survey Number:
Alabama	17307
Albia	11613
Alexandria	1930
American Boy	1938
Aster	5079
Barilla	2386A
Barilla Mill Site	2386B
Bonnie Bell	19416
Caledonian	1534
C. B.	17307
Und. 97/100 Champion	1561
Charter Oak	2416
Cora	4511
Confidence	2374
Consolidated Virginia	2356
Und. 1/2 Copper King	2474
Cora Belle	2342
Cross Bar	17298
Cross Bar No. 2	17298
Crown Jewell	2473
Dakota	17307
Exter	1868
Grant	1863Am
Finboy	19286
East Star	17307
Elvora	1546
[illegible]	1487
[illegible] Enterprise	1373
Evening Star	17307
Excelsior	2432
Florida	6754
Forest Queen (Surface sold)	2372
Fourth of July	6946
Genessee	1672
Genetta	2032
Geneva	1836
Georgia	17307
Gould & Curry	2556
Und. 97/120 Green Timber	2546
Gunboat	2509
Guston	1387
Half Acre	19221
Hidden Treasure	2050
Highland Chief	1471
Index	17298
Und. 5/6 Irish Girl	1564
Und. 1/2 Iron Chest	2650
Jackson	2553
Joker	17301
Joker No. 2	17301
J. R. Dutton	2112
Kokomo	2049
Last Chance (Surface sold)	2469
Little Annie	1491
Little Maud	1528
Lookout	4890
Lost Boy	7121
Andalusia (East Half)	4856
Treasure Trove	2201
Rough and Ready	2202

No. 11,280 Filed for record at 2:15 o'clock P.M., April 20, 1967.
Duly recorded in Book 132, Pages 93, 94, 95, 96, 97 and 98.
[illegible] A. Lin[illegible], Recorder

	17350
Madcap	17307
Maine	2475
Manchester Boy	17300
Maryland	2532
Massasoit	17300
Mississippi	17307
Missouri	2345
Monitor	2344
Morning Star	17307
Morning Star	7127
Mountain Quail	2423
New Haven	17307
New York	17307
North Star	17307
N. S.	2677
Old Kentuck	17307
Oregon	1385
Orphan Boy	2568
Orphan Boy No. 2	6446
Ottawa	7196
Gray Girl	17307
Pennsylvania	17307
Pirate	19516
Pleasant View	17307
Polo Star	17350
Puritan	[illegible]
[illegible]	[illegible]
Red Mountain	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible] Bud	[illegible]
[illegible]	[illegible]
[illegible] 1/2 Schultz [illegible]	1351
[illegible] 5/6 Scotch Girl	[illegible]
[illegible] 1/2 Silver King	1517
Smuggler	17307
South Star	[illegible]
Summer	15315
Telluride	17563
Texas	2354
Union Trust	2354
Vanderbilt	2373
Vera	[illegible]
West 1/2 Virginia	1492
5/12 White Cloud (Surface sold)	2424
Wisconsin	1384
Yankee Girl	5340
Yellow Jacket	5341
Longfellow	5348
Whittier	

Unpatented claims in Ouray County:

	Recording Data
B & S	Book 83, Page 228
B & W	Book 83, Page 262
Chip	Book 79, Page 13[illegible]
Demijohn	Book 83, Page [illegible]
F. G. Duvall	Book 83, Page [illegible]
Iron Master	Book 83, Page [illegible]
June Bug	Book 79, Page 152
Left Bower	Book 79, Page 6
Little John #1	Book 165, Page [illegible]
Little John #2	Book 165, Page [illegible]
Crazy Horse #1	Book 165, Page [illegible]
Robin Hood #1	Book 165, Page [illegible]

Windjammer #1	Book 165, Page 172
Windjammer #2	Book 165, Page 174
Lock	Book 79, Page 417
Maud	Book 123, Page 110
Philadelphia	Book 83, Page 263
Red Star	Book 79, Page 417
R.R.S.	Book 83, Page 244
Sarah	Book 123, Page 110
Sharon	Book 79, Page 418
Thompson	Book 123, Page 111
Wasp	Book 79, Page 418
Red	Book 123, Page 288
Rex	Book 123, Page 287
Reb	Book 123, Page 288
Linchpin	Book 150, Page 435

Unpatented claims in San Juan County:

O. A. Day (part in Ouray County)	Book 124, Page 398
Shaker (part in Ouray County)	Book 129, Page 42
Monday	Book 92A, Page 284
Thursday	Book 92A, Page 285
Saturday	Book 92A, Page 286
Second Thought	Book 172, Page 369

Form D939

Quit Claim Deed

KANSAS BLUE PRINT CO.

THIS INDENTURE, Made this 18th day of August, 19 67, between

VERDIE ROBINSON

of Ouray County, in the State of Colorado of the first part,

and F. W. BAUMGARTNER

737 Grant Street, Denver

of Denver County, in the State of Colorado of the second part:

WITNESSETH, That said part of the first part, in consideration of the sum of Ten Dollars and other good and valuable considerations ~~DOLLARS~~

the receipt of which is hereby acknowledged, do es by these presents, remise, release, and quit claim, unto said part y of the second part his heirs and assigns, all the following described real estate, situated in the County of Ouray and State of Colorado, to-wit:

All that part of the Andalusia Mining Claim Number 6856 lying east of the East line as extended to the south of the Caledonia Mining Claim Number 1534 (which line is also the West line as extended to the south of the Texas Mining Claim Number 18583), and all being located in the Red Mountain Mining District, Ouray County, Colorado.

No. 112466

Filed for record at 11:40 o'clock A.M. August 21, 1967. Duly recorded in Book 169, Page 145.
Addie A. Sim, Recorder

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining forever.

IN WITNESS WHEREOF, The said part y of the first part has hereunto set his hand the day and year first above written.

Executed and delivered in the Presence of

WITNESSES

Verdie Robinson

(COMPLETE ACKNOWLEDGMENT ON REVERSE SIDE)

No. 112450 Filed for record at 1:00 o'clock P.M., August 18, 1967.
Duly recorded in Book 1[illegible], Pages 150,151, 152, 153.
Addie A. Sim, Recorder

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT, made and entered into by and between DR. CHARLES M. SHAW, Route 1, P.O. Box 168, Carmel, California, and J. M. McFADDEN, 271 North Monterey Road, Palm Springs, California, hereinafter collectively referred to as "Sellers", and F. W. BAUMGARTNER, 737 Grant Street, Denver, Colorado (80203), hereinafter referred to as "Buyer".

W I T N E S S E T H , That

WHEREAS, Sellers are the owners of certain mining claims located in Ouray County, State of Colorado; and

WHEREAS, Sellers desire to sell said mining claims, and Buyer is willing to purchase said claims;

NOW, THEREFORE, in consideration of the premises, the payments herein agreed to be made by Buyer to Sellers, and also in consideration of covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Sellers hereby agree to sell and convey to Buyer and Buyer agrees to purchase from Sellers the Treasure Trove Mining Claim No. 2201 as described in Mineral Certificate 398, Reception No. 28544 and the Rough and Ready Mining Claim No. 2202 as described in Mineral Certificate No. 399, Reception No. 109775, both recorded in the records of Ouray County, Colorado (hereinafter referred to as "mining claims"), together with all buildings, improvements, mines, diggings, tailings, dumps, dips, spurs and all property located on said claims, appurtenant thereto or used in connection therewith and together with all other right, title and interest of whatsoever kind and nature that Sellers have in and to said mining claims, said sale and purchase to be made on the terms and conditions hereinafter set forth.

2. Sellers warrant that they are the owners of said mining claims and all interests therein as set forth in Paragraph 1 above, and that such claims are free and clear of all liens and encumbrances of whatsoever kind and nature. Sellers further warrant that there is no pending litigation against, or to their knowledge, any threatened litigation against or accrued or contingent liabilities of Sellers as to said mining claims which might adversely affect Sellers' title to or right of possession to said property and claims.

Sellers agree to defend their right of possession of and title to said mining claims against any and all parties claiming under, by and through Sellers

and Sellers agree to hold Buyer free of and harmless from any and all expense, damage and liability resulting from the acts, claims, demands and litigation of such third parties contesting Sellers' title or right of possession to said property.

3. ~~Upon the execution of this Agreement, Sellers shall furnish Buyer with all title material, opinions and title documents that Sellers have with relation to the mining claims, and within 30 days after the execution hereof, Sellers shall furnish Buyer with an abstract covering said mining claims which abstract shall be certified to recent date and Buyer shall have 15 days after the delivery thereof to have the same examined. If Buyer's examination of the abstract covering said mining claims reveals liens, encumbrances or other title defects which will in any way prevent, interfere with or jeopardize Buyer's peacefully proceeding under this agreement, or subject Buyer to risk of loss in the conduct of his operations on said mining claims, then and on request from Buyer, Sellers at their sole expense, will cause the same to be cured and removed. If Sellers fail to satisfy Buyer within thirty (30) days after such request that Sellers are proceeding adequately and with reasonable diligence to cure and remove such title defects, or fail to complete such curing and removal within ninety (90) days after such request, then Buyer may undertake to cure and remove such title defects, reimbursing himself from the sums hereinafter set forth to be paid to Sellers for any expense advanced on behalf of Sellers, or Buyer may terminate this Agreement and thereupon Sellers will immediately return to Buyer all sums that Sellers may have received from Buyer pursuant to the agreements herein set forth. Upon such termination all rights and obligations of all parties hereto shall cease and terminate.~~

4. Buyer shall pay Sellers the sum of Sixty Thousand Dollars ($60,000.00) as the full payment for said mining claims, such payment to be made as follows:

(a) $3,000.00 shall be paid upon execution and delivery of this Agreement;

(b) $1,000.00 on August 1, 1968 and successive payments of $1,000.00 each on August 1, 1969, August 1, 1970, August 1, 1971 and August 1, 1972, OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT,

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie A. Sim, Recorder

(c) $5,000.00 on August 1, 1973 and successive payments of $5,000.00 each on August 1, 1974, August 1, 1975, August 1, 1976 and August 1, 1977; OR 3% OF THE NET SMELTER RETURNS, WHICHEVER IS THE LARGER YEARLY PAYMENT.

(d) $27,000.00 (or the balance of the purchase price) on August 1, 1978.

Buyer shall have the right to make payments on the purchase price other than at the times and in the sequence as set forth and all such payments shall be applied to payments in the inverse order of their maturity.

5. All payments provided for in Paragraph 4 shall be paid equally to Sellers and payment shall be sent as follows, unless other instructions in writing are given by Sellers to Buyer:

Dr. Charles N. Shaw
TO: Wells Fargo Bank
Account 10,420-0
Carmel, California, 93921

J. M. McFadden
TO: Bank of LaJolla
P. O. Box 1500
Account 083-694
LaJolla, California

6. A. Buyer shall work said property in a miner-like fashion.

B. Prior to the payment of the full purchase price, Sellers and their representatives may enter upon all parts of said properties at all reasonable times for purposes of inspection.

C. Prior to the payment of the full purchase price, Sellers and their representatives shall have access to all ore sales record.

7. It is expressly agreed that all ore minerals mined and removed by Buyer from said mining claims while this agreement is in force and effect shall become the property of Buyer and Buyer shall be entitled to all proceeds derived from the sale of all such ores. Sellers agree to execute all documents that may be required to effectuate the fact that such ores are the property of Buyer and that Buyer is entitled to all the proceeds derived from the sale of all such ores. Buyer shall bear and pay for all expenses of whatsoever kind and nature that may be incurred in the operations conducted by Buyer on the claims.

8. No payments made to Sellers under this agreement shall be returned to Buyer in case of Buyer's default of this agreement in the event this agreement is terminated by Sellers for such defaults.

9. In the event that this agreement is terminated for any reason, Buyer agrees to furnish Sellers copies of all information obtained upon said mining claims, including assay reports, metallurgical reports, drill logs, maps, engineering reports and other mining information, together with all similar information that Buyer may have obtained from areas lying within 600 feet of the mining claims subject to this Agreement.

10. Buyer shall pay any and all real estate taxes assessed on the mining claims accruing after the date hereof and while this Agreement is in force and effect (all such sums to be deducted from the payments set forth in Paragraph 4 above as such taxes are paid.) Buyer shall pay personal property taxes, and also shall pay social security taxes, unemployment compensation insurance premiums, and other assessments or taxes as required by the State of Colorado or the United States Government.

11. All mining equipment and machinery brought upon said mining claims and all buildings or other improvements placed upon said property by Buyer shall be considered the personal property of Buyer and may be removed from said mining property by Buyer at any time during the term of this agreement or within ninety (90) days after the termination of this agreement, whether such termination is by default or otherwise.

12. Buyer shall comply with all provisions of the Colorado Workmen's Compensation Act and all applicable Federal, State and County laws and ordinances applicable to any mining operations conducted on the mining claims.

13. Buyer shall be solely responsible for all labor, materials and supplies purchased by said Buyer to be used in the operation of said mining claims and Buyer shall keep said mining claims free and clear of all liens and encumbrances. Buyer shall post and maintain in conspicuous places on said mining claims notices relieving Sellers of all liability described in this paragraph, and Buyer shall comply with all recording statutes pertaining to non-liability of Sellers. Buyer shall carry adequate insurance to protect against all claims for injuries to third parties and which claims arise out of any operations conducted by Buyer on the mining claims.

14. This agreement may not be modified except by written amendment executed by the parties hereto.

15. This agreement may be assigned by either party without the consent of the other and Buyer may also sublease all or portions of the mining property covered by this lease, provided, however, all such assignments and sublease shall be subject to all the terms and provisions of this Agreement.

16. In the event of Buyer's default of any of the terms of this agreement, Buyer shall be given sixty (60) days in which to correct said default after notification thereof by registered letter sent by Sellers to Buyer at 737 Grant Street, Denver, Colorado, which address may be changed by Buyer upon written notice thereof to Seller.

17. Buyer shall have the right to terminate this Agreement at any time provided Buyer is not in default of any of the payments herein required to be made by Buyer. Upon such termination, Buyer shall convey all interest in the mining claims to Sellers, free and clear of all liens and encumbrances except liens created in favor of the United States to cover advances made in connection with the exploration of the mining claims.

18. Upon full payment having been made of the purchase price of Sixty Thousand Dollars ($60,000.00), Buyer shall be entitled to a conveyance for the mining claims, and Sellers agree to execute and deliver the conveyance to Buyer in the form submitted by Buyer with all applicable provisions hereof to be incorporated in said conveyance.

19. Sellers agree to join in and execute all requests that Buyer may request Sellers to execute for the acquisition of a loan from the United States to cover the costs of exploration that Buyer may wish to conduct on the mining claims and Sellers agree to subordinate their interests in the making of any such loan.

20. If any dispute shall arise between the parties with respect to the meaning of this agreement or their respective rights or liabilities hereunder, and such dispute remains unsettled for a period of 60 days, such dispute shall be referred to any person agreed upon by the parties for arbitration, or if they cannot agree upon one arbitrator, then Sellers shall select one person and Buyer shall select one person as arbitrators and the two arbitrators so appointed shall appoint a third arbitrator, who must be a qualified,

disinterested, mining engineer and a member of the American Institute of Mining, Metallurgical and Petroleum Engineers; provided, that if the two arbitrators cannot or fail to agree within the time provided, upon such third arbitrator, either party may petition any Colorado court of competent jurisdiction to appoint such a third arbitrator. The so appointed individual arbitrator or arbitrators, as the case may be, shall, in Colorado arbitrate, decide and determine the dispute; and the decision of the individual arbitrator, or of two out of the three arbitrators, as the case may be, shall be final and binding upon the parties; provided that if either party shall refuse to appoint or to join in the appointment of an arbitrator or arbitrators within ten (10) days after notice that the other party has appointed an arbitrator, then the arbitrator appointed by such other party shall determine and decide the dispute, and his decision shall likewise be final and binding upon the parties. Judgment upon the decision of the arbitrator or arbitrators, as the case may be, may be entered in any court in the State of Colorado, or elsewhere, having jurisdiction of the party against whom the decision was rendered.

21. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, executors, administrators and personal representatives. All the covenants and agreements herein set forth shall be covenants and agreements running with the lands and the mining claims and the properties covered thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement of Sale and Purchase on this 11th day of August, 1967.

SELLERS:

Dr. Charles M. Shaw

Dr. Charles M. Shaw

J. M. McFadden

J. M. McFadden

BUYER:

F. W. Baumgartner

F. W. Baumgartner

No. 112450 Filed for record at 1:05 o'clock P.M., August 18, 1967.
Duly recorded in Book 182, Pages 150, 151, 152, and 153.
Addie L. Sim, Recorder

STATE OF CALIFORNIA }
COUNTY OF Monterey } ss.

The foregoing instrument was acknowledged before me this 11th day of August, 1967, by DR. CHARLES M. SHAW.

WITNESS my hand and official seal.
My commission expires: Aug. 7, 1969

PATRICIA LANE
NOTARY PUBLIC - CALIFORNIA
MONTEREY COUNTY

Patricia Lane
Notary Public

STATE OF CALIFORNIA }
COUNTY OF San Diego } ss.

The foregoing instrument was acknowledged before me this 10th day of August, 1967, by J. M. McFADDEN.

WITNESS my hand and official seal.
My commission expires: Feb. 1971

MARGARET E. ZEAGER
NOTARY PUBLIC - CALIFORNIA
COUNTY OF SAN DIEGO

Margaret E. Zeager
Notary Public

STATE OF COLORADO)
CITY AND) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 1st day of August, 1967, by F. W. BAUMGARTNER.

WITNESS my hand and official seal.
My commission expires: Feb. 11, 1969

HIRLEY M. WENDEL
NOTARY PUBLIC
STATE OF COLORADO

Hirley M. Wendel
Notary Public

No. 112448 Filed for record at 10:48 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 172. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

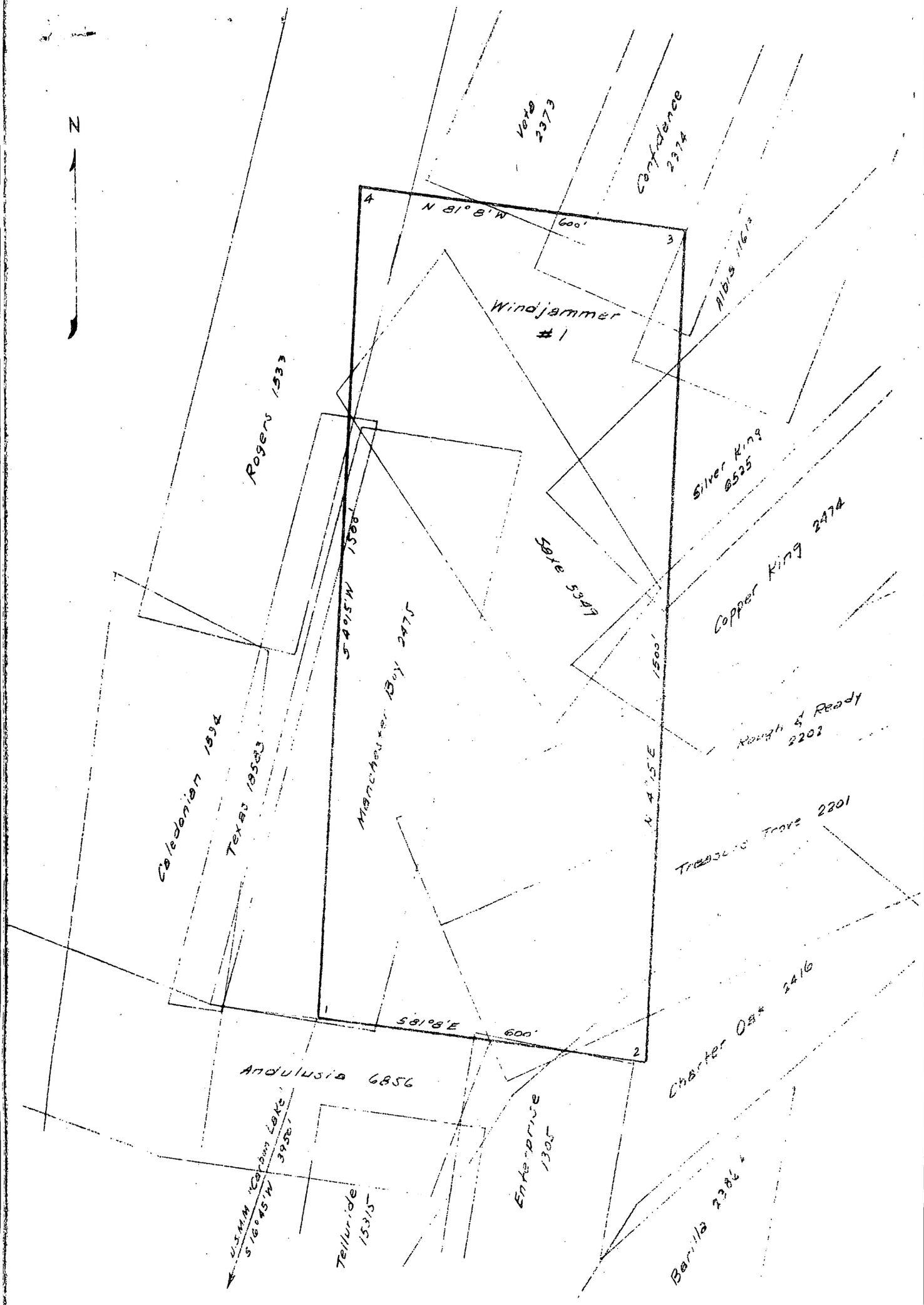
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST., DENVER, COLO. has located the WINDJAMMER #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running N 4° 15' E from the center of the discovery POST and 25 feet running S 4° 15' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (SW)
THENCE S 81° 8' E, 600' TO CORNER 2 (SE)
THENCE N 4° 15' E, 750' TO CENTER OF EAST SIDELINE
THENCE N 4° 15' E, 750' TO CORNER 3 (NE)
THENCE N 81° 8' W, 600' TO CORNER 4 (NW)
THENCE S 4° 15' W, 750' TO CENTER OF WEST SIDELINE
THENCE S 4° 15' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM USMM "CARBON LAKE," SW CORNER 1 BEARS N 16° 45' E, 3950 FEET

Said lode was discovered on the 12 day of AUGUST, 1967
and located on the 12 day of AUGUST, 1967
Dated this 12 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
By: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



WINDJAMMER #1
SCALE: 1" = 200'

No. 112448 Filed for record at 10:45 o'clock a.m., August [illegible], 1962.
Duly recorded in Book 1[illegible], Page 172. Adele [illegible], Recorder

No. 112447 Filed for record at 10:47 o'clock ..M., August 17, 1967.
Duly recorded in Book 165, Page 171. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim. —Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

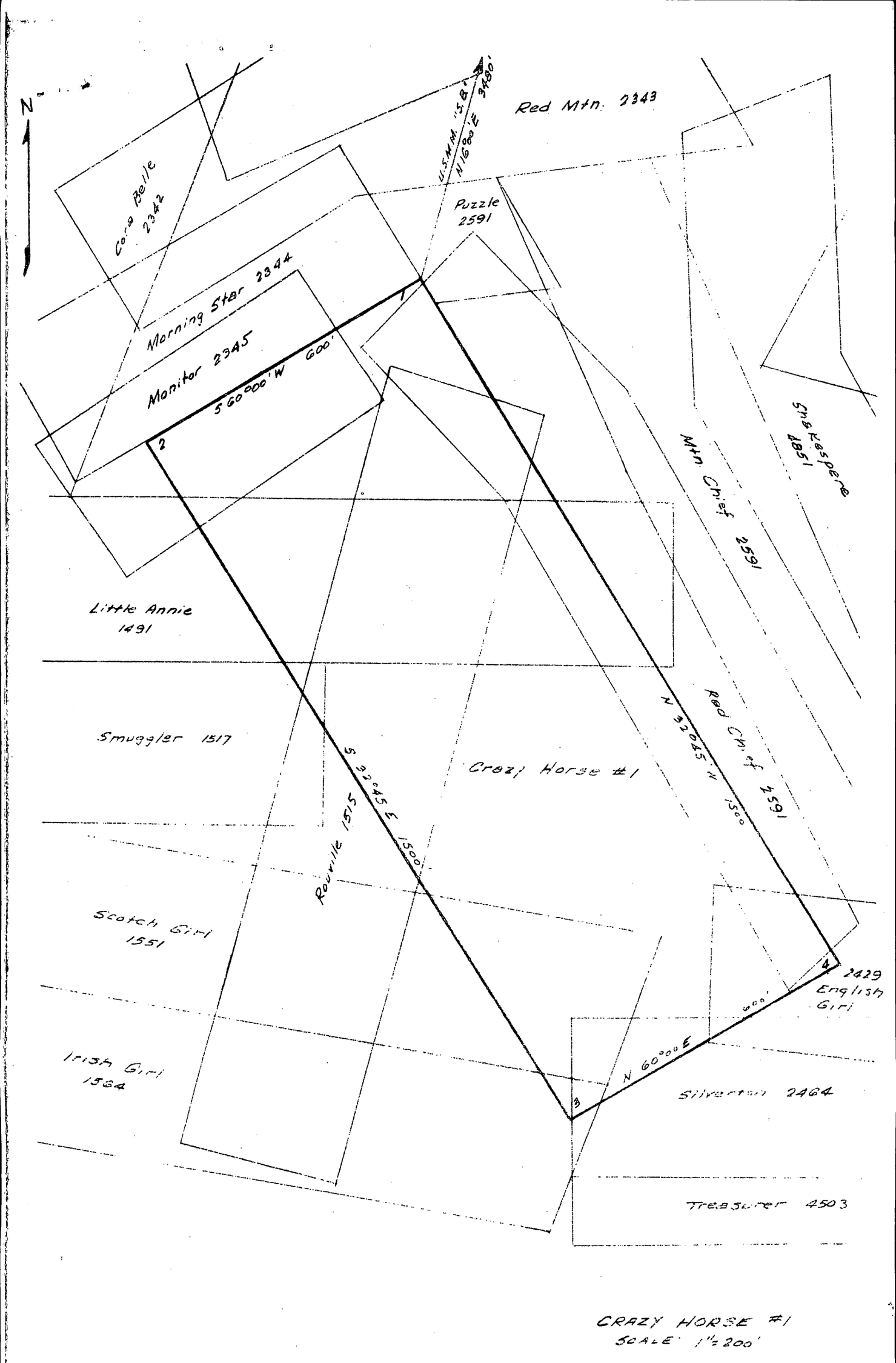
KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST., DENVER, COLO. has located the CRAZY HORSE #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S 32° 45' E from the center of the discovery POST and 25 feet running N 32° 45' W from the center of the discovery POST, together with 300 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO. and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE S60°00' W, 600' TO CORNER 2 (NW)
THENCE S32°45' E, 750' TO CENTER OF WEST SIDELINE
THENCE S32°45' E, 750' TO CORNER 3 (SW)
THENCE N60°00' E, 600' TO CORNER 4 (SE)
THENCE N32°45' W, 750' TO CENTER OF EAST SIDELINE
THENCE N32°45' W, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S16°00' W, 3480 FEET.

Said lode was discovered on the 10 day of AUGUST, 1967
and located on the 10 day of AUGUST, 1967
Dated this 10 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
BY: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



CRAZY HORSE #1
SCALE: 1" = 200'

No. 112447 Filed for record at 10:47 o'clock A.M., August [illegible], 19[illegible].
Duly recorded in Book 165, page 171. [illegible], Recorder

No. 112445 Filed for record at 10:49 o'clock ..., August 17, 1967
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST. ; DENVER, COLO

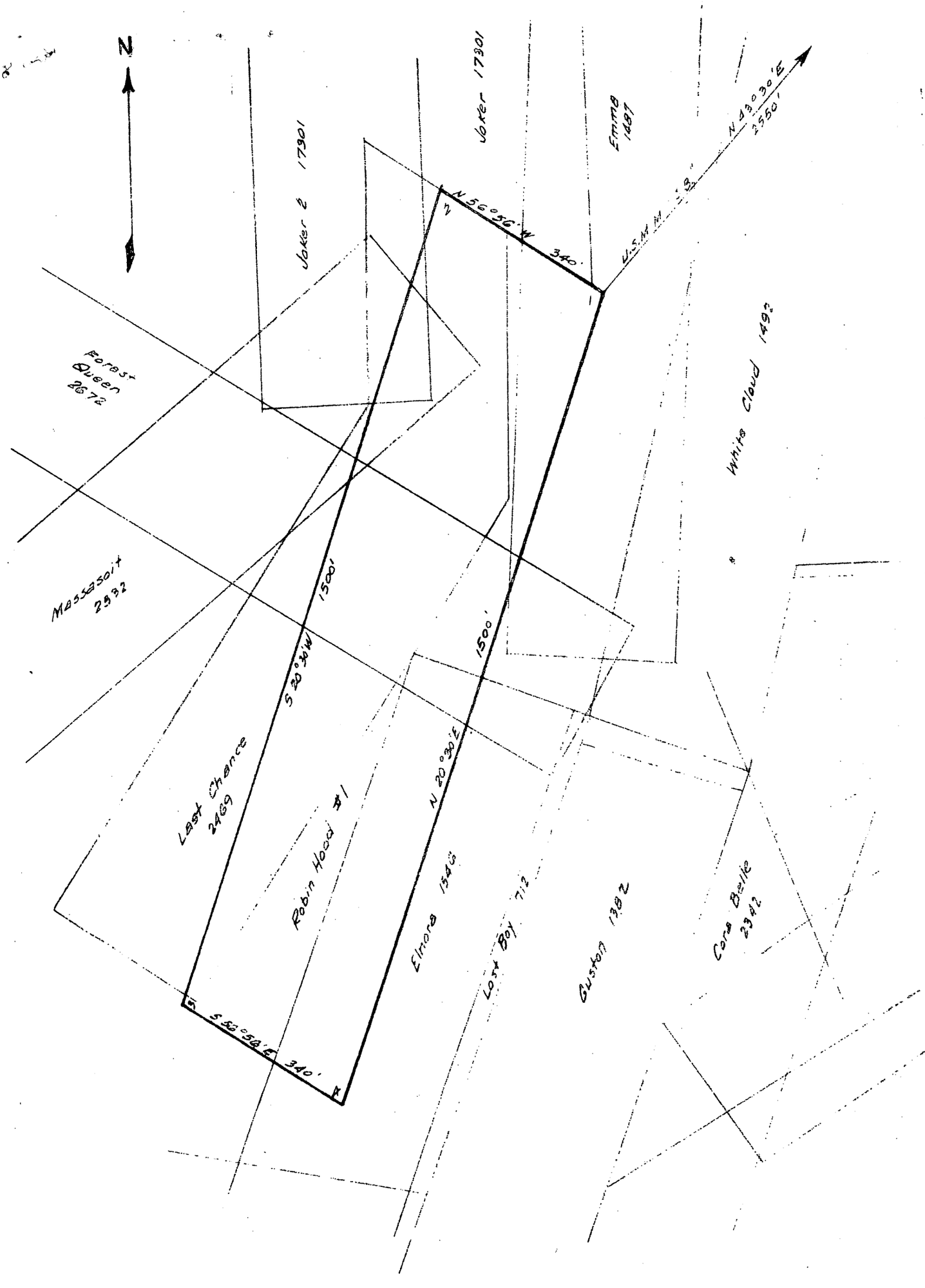
ha 5 located the ROBIN HOOD #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1500 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1475 feet on said vein running S20° 30' W from the center of the discovery POST and 25 feet running N 20° 30' E from the center of the discovery POST, together with 170 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO., and described by metes and bounds as follows, to wit:

Beginning at Corner No. 1 (NE)
THENCE, N 56° 56' W, 340' TO CORNER 2 (NW)
THENCE, S 20° 30' W, 750' TO CENTER OF WEST SIDELINE
THENCE, S 20° 30' W, 750' TO CORNER 3 (SW)
THENCE, S 56° 56' E, 340' TO CORNER 4 (SE)
THENCE, N 20° 30' E, 750' TO CENTER OF EAST SIDELINE
THENCE, N 20° 30' E, 750' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT U.S.M.M. "S.B.", NE CORNER 1 BEARS S 43° 30' W, AND 2550 FEET

Said lode was discovered on the 8 day of AUGUST, 1967
and located on the 8 day of AUGUST, 1967
Dated this 8 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
BY: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



ROBIN HOOD #1
SCALE: 1" = 200'

No. 112445 Filed for record at 10:45 o'clock A.M., August 17, 1967.
Duly recorded in Book 165, Page 169. Addie A. Sim, Recorder

112446 Filed for record at 10:46 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 170 Addie A. Sim, Recorder

No. 162. LOCATION CERTIFICATE—Lode Claim.—Bradford Publishing Co., 1824-46 Stout Street, Denver, Colorado

KNOW ALL MEN BY THESE PRESENTS, That F. W. BAUMGARTNER 737 GRANT ST, DENVER, COLO. has located the LITTLE JOHN #1 lode mining claim, and by this certificate, and by right of discovery and location, claim 1100 feet, linear and horizontal measurement along the vein thereof, with all its dips, angles and variations as allowed by law 1075 feet on said vein running N 2° 18' E from the center of the discovery POST and 25 feet running S 2° 18' W from the center of the discovery POST, together with 180 feet on each side of the middle of said vein at the surface, and all veins, lodes, ledges, deposits and surface ground within the lines of said claim, situate in Mining District, County of OURAY, and State of COLO and described by metes and bounds as follows, to wit:

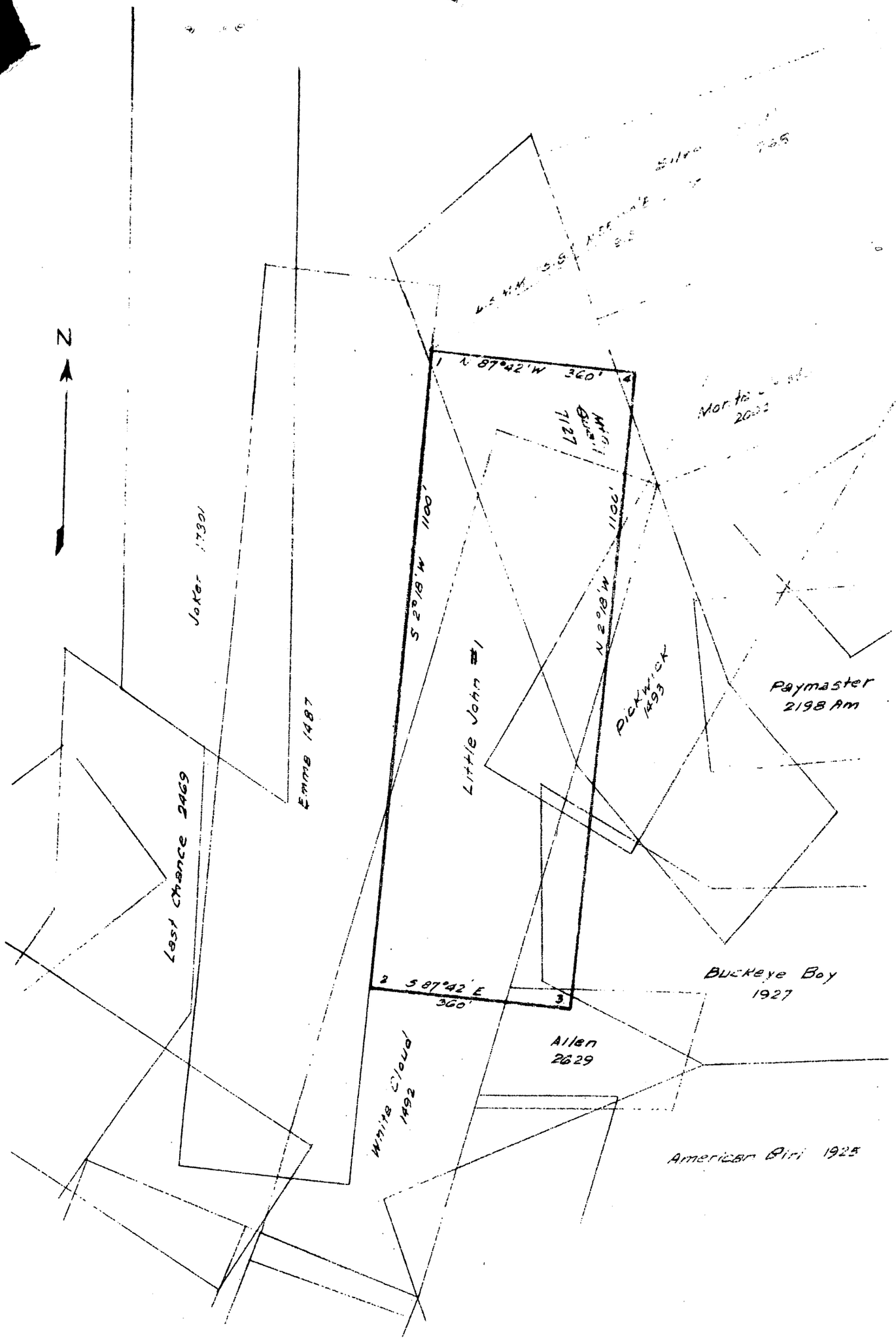
Beginning at Corner No. 1 (NW)

THENCE S2°18'W, 550' TO CENTER OF WEST SIDELINE
THENCE S2°18'W, 550' TO CORNER 2 (SW)
THENCE S 87° 42' E, 360' TO CORNER 3 (SE)
THENCE N 2° 18' E, 550' TO CENTER OF EAST SIDELINE
THENCE N2° 18' E, 550' TO CORNER 4 (NE)
THENCE N87°42'W, 360' TO CORNER 1, PLACE OF BEGINNING

FROM MONUMENT USMM "SB", NW CORNER 1 BEARS S55°00'W, 1915 FEET

Said lode was discovered on the 7 day of AUGUST, 1967
and located on the 7 day of AUGUST, 1967
Dated this 7 day of AUGUST, 1967

F. W. BAUMGARTNER [SEAL]
By: Thomas C. Johnson [SEAL]
[SEAL]
[SEAL]
[SEAL]
[SEAL]



LITTLE JOHN #1
SCALE: 1" = 200'

No. 112446 Filed for record at 10:46 o'clock A.M., August 17, 1967
Duly recorded in Book 165, Page 170. Addie .. Sim, Recorder

OFFICIAL
COPY
O. M. E.
RECEIVED
MAY 22 1967
INITIALS | CODE

F. W. BAUMGARTNER

DOING BUSINESS AS

BAUMGARTNER OIL COMPANY

Denver, Colorado

FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

For The Year Ended December 31, 1966

BONICAMP, KOELLING, SMITH & FARROW
CERTIFIED PUBLIC ACCOUNTANTS
430 PETROLEUM CLUB BUILDING
DENVER, COLORADO

BONICAMP, KOELLING, SMITH & FARROW

I N D E X

FINANCIAL STATEMENTS

Accountants' Report		
Exhibit	A	Balance Sheet
Exhibit	B	Statement of Proprietor's Equity
Exhibit	C	Statement of Income
Notes to Financial Statements		

SUPPLEMENTARY INFORMATION

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Schedule	2	Depreciable Assets and Accumulated Depreciation
Schedule	3	Notes Payable
Schedule	4	Oil Production Operations
Schedule	5	Administrative Expense
Schedule	6	Analysis of Other Income and Deductions
Appendix	A	Statement of Source and Application of Funds

BONICAMP, KOELLING, SMITH & FARROW
CERTIFIED PUBLIC ACCOUNTANTS
430 PETROLEUM CLUB BUILDING
DENVER, COLORADO 80202

HUGH C. BRALY, C. P. A.
WILLARD J. HARNDEN, C. P. A.
HAROLD E. RANDLE, C. P. A.

WICHITA, KANSAS
ENID, OKLAHOMA
LITTLE ROCK, ARKANSAS
MEMBER OF THE AMERICAN GROUP OF C. P. A. FIRMS WITH OFFICES IN PRINCIPAL CITIES

ACCOUNTANTS' REPORT

To F. W. Baumgartner, Proprietor

Baumgartner Oil Company

We have examined the balance sheet of F. W. Baumgartner, doing business as the Baumgartner Oil Company, a proprietorship, as of December 31, 1966, and the related statement of proprietor's equity and income for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Our examination did not include any of your non-business assets or liabilities other than those shown on your books and records.

In our opinion, the statements referred to above present fairly the financial position of your business at December 31, 1966, and the results of your operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Bonicamp, Koelling, Smith & Farrow.

Denver, Colorado

March 28, 1967

Exhibit A

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Balance Sheet

ASSETS

	December 31, 1966	December 31, 1965
CURRENT ASSETS		
Cash	$ 7,316.14	$ 13,358.96
Accounts receivable:		
Trade	65,208.69	109,456.74
Employees	10.08	8,481.52
Members of family	5,575.85	9,070.81
Deposits on lease applications	320.50	2,550.00
Contract deposits	150.00	155.00
Total current assets	78,581.26	143,073.03
OTHER ASSETS		
Note receivable - noncurrent	34,000.00	34,000.00
Corporate common stocks	19,598.44	38,138.20
Land, Douglas County, Colorado	313,310.41	313,104.16
Buildings and lots	65,732.30	68,641.35
Nonbusiness assets:		
Cash surrender value - life insurance	18,500.00	16,200.00
Columbine Country Club membership	1,600.00	2,400.00
Paintings and other works of art	132,863.56	130,762.96
Residence	78,780.73	67,508.18
	664,385.44	670,754.85
PROPERTY AND EQUIPMENT, at cost - Note 1		
Land	17,823.01	17,823.01
Deposit - Canadian well completion	2,310.00	-
Undeveloped royalties	36,353.75	26,785.11
Undeveloped leases	117,705.66	115,202.39
Undeveloped claims	61,955.34	11,293.89
Developed leaseholds	274,928.80	249,002.33
Depreciable assets	675,776.43	667,460.71
Oil field equipment and supplies	1,508.00	2,143.20
	1,188,360.99	1,089,710.64
Less: Accumulated depletion	174,353.27	149,348.06
Accumulated depreciation	407,469.67	361,657.40
	606,538.05	578,705.18
	$ 1,349,504.75	$ 1,392,533.06

LIABILITIES

	December 31, 1966	December 31, 1965
CURRENT LIABILITIES		
Notes payable - unsecured	$ 26,560.63	$ 23,462.46
Accounts payable:		
Trade	100,730.87	132,398.86
Members of family	-	3,794.15
Employees' withheld taxes	475.36	732.89
Current portion of long-term debt	47,992.38	80,361.63
Accrued expenses:		
Interest	6,192.57	3,185.07
Ad valorem taxes	15,275.86	12,276.04
Other expenses	120.72	432.04
Federal and state income taxes - Note 2	-	-
Total current liabilities	197,348.39	256,643.14
OTHER LIABILITIES		
Accounts payable - noncurrent - Note 3	19,471.13	19,471.13
LONG-TERM DEBT - Note 4		
First mortgage notes, land purchase contracts and escrow agreement payable	251,985.03	350,923.47
Less: Amount shown as current	47,992.38	80,361.63
	203,992.65	270,561.84
Other notes payable	23,020.53	6,170.76
	227,013.18	276,732.60
COMMITMENTS AND CONTINGENT LIABILITIES - Note 3	-	-
PROPRIETOR'S EQUITY		
F. W. Baumgartner, Proprietor's equity, (Exhibit B)	905,672.05	839,686.19
	$ 1,349,504.75	$ 1,392,533.06

Exhibit B

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Statement of Proprietor's Equity

	Year Ended December 31,	
	1966	1965
Balance, beginning of year	$ 839,686.19	$ 606,095.93
Add: Net income for year (Exhibit C)	117,608.80	305,113.15
	957,294.99	911,209.08
Deduct: Withdrawals during year	33,573.48	29,407.28
Flood damage to residence	18,049.46	42,115.61
Balance, end of year (To Exhibit A)	$ 905,672.05	$ 839,686.19

Exhibit C

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Statement of Income

	Year Ended December 31, 1966	Year Ended December 31, 1965
INCOME		
Oil and gas sales	$ 500,760.98	$ 634,667.69
Adena gasoline plant revenue	20,903.74	21,008.24
Leases, royalties and drilling sold	5,000.00	113,788.88
Lease supervision	30,488.52	27,755.92
Miscellaneous income	84.00	112.00
	557,237.24	797,332.73
EXPENSES		
Production expense - oil and gas properties:		
Direct	94,050.12	99,457.11
Depreciation	45,319.26	70,055.41
Depletion	26,040.47	47,382.88
	165,409.85	216,895.40
Development expense - oil and gas properties	49,477.12	36,337.79
Operating expense - Adena gasoline plant	12,775.61	12,003.16
Cost of leases, royalties and drilling sold	3,285.39	38,786.29
Geological department	38,657.66	49,546.72
Lease rentals paid	39,337.79	26,406.94
Leases and royalties condemned	27,530.74	34,729.45
Administrative expense	64,946.67	71,427.57
	401,420.83	486,133.32
Net income from operations	155,816.41	311,199.41
OTHER INCOME	5,983.31	28,993.43
	161,799.72	340,192.84
OTHER DEDUCTIONS	44,190.92	35,079.69
Net income before income taxes	117,608.80	305,113.15
Less: Provision for income taxes	-	-
Net income to Proprietor's Equity (Exhibit B)	$ 117,608.80	$ 305,113.15

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Notes to Financial Statements
December 31, 1966

1. Property and equipment are shown at cost. These costs, however, do not reflect the true values of developed leaseholds due to the discovery of production subsequent to the date of acquisition. In accordance with the provision of the United States Treasury Department Regulations, F. W. Baumgartner has elected to deduct, as an expense, the intangible drilling and development costs incurred in the development of oil and gas properties; such treatment is reflected in these financial statements.

2. As a result of the deduction for allowable depletion, (which exceeded depletion based on cost by $117,195.04), the joint income tax returns for Mr. and Mrs. F. W. Baumgartner for 1966 indicate that no federal or state income taxes are owed. As of December 31, 1966, investment credits totalling $8,303.72 were available as a result of equipment purchased during 1962, 1963, 1964, 1965 and 1966; these credits are available to offset federal income taxes in future years. Of this total credit carryover, $2,646.20 will expire in 1967.

3. During 1965, in lieu of drilling two wells at his sole cost, F. W. Baumgartner elected to become liabile to Consolidated Oil & Gas, Inc. for a total sum of $40,000.00. This amount is payable only out of and contingent upon income attributable to a reversionary interest in certain developed and undeveloped leases in Powder River County, Montana. Out of the total amount due, $19,471.13 has been accrued, as it is attributable to F. W. Baumgartner's proportionate part of the costs of drilling and completing other wells which have been paid by Consolidated. The balance of this contingent liability has not been accrued as it is doubtful that the reversionary interest in the above leases will be sufficient to satisfy the total damages.

   F. W. Baumgartner is the defendant in a lawsuit, filed by Orlynn Terry, during February, 1967. The lawsuit involves claims totalling $13,175.00.

   During March of 1967 Mrs. Joanne Baumgartner was granted a divorce from F. W. Baumgartner. All matters regarding alimony, property settlement, etc. have been continued to a hearing which has been set for July 3, 1967.

   F. W. Baumgartner has furnished us with a confirmation, in writing, which reveals no other commitments or contingent liabilites.

4. Long-term debt includes the following obligations:

Note payable to the Colorado National Bank, Denver, Colorado, secured by mortgages covering buildings and lots known as 721, 725 and 737 Grant Street, Denver, Colorado	$ 65,693.66
Note payable to Van Schaack & Company, Denver, Colorado, secured by a mortgage covering the residence	46,821.69
Land purchase contracts payable to the State Board of Land Commissioners, Denver, Colorado, covering land in Douglas County, Colorado	115,469.68
Escrow agreement payable to the First National Bank of Denver, Denver, Colorado, covering undeveloped claims in San Juan County, Colorado	24,000.00
Subtotal	251,985.03
Loans on life insurance contracts	23,020.53
Total	$ 275,005.56

Installments due within one year have been included in current liabilities.

SUPPLEMENTARY INFORMATION

COMMENTS

The accounts receivable, trade, were scheduled and reviewed in detail. After discussing the various items with you, it appears that a provision for doubtful accounts is unnecessary. The open account balances were classified as to age as follows:

Unbilled charges to lease co-owners		$ 7,558.38
Current accounts:		
Crude oil sales	$ 33,753.39	
Other	8,434.17	
		42,187.56
31 to 60 days		1,822.91
61 to 90 days		307.83
Over 90 days		13,332.01
Total		$ 65,208.69

The accounts receivable from members of family include a personal loan of $154.21 to Richard Baumgartner and $5,421.64 due from Dr. and Mrs. W. W. Baumgartner in connection with the operation of oil and gas properties and deposits on lease applications.

The note receivable-noncurrent in the amount of $34,000.00 is due from Paul R. Smith on June 14, 1970, and is secured by a deed of trust covering the real estate known as 2120 Ford Street, Golden, Colorado. The note bears interest at 6% which is payable monthly.

The corporate common stock consists of the following securities:

Company	Date Acquired	Number of Shares	Cost	(Memo) Market Value
Val Nicla Copper Mines	3-31-66	3,000	$ 8,938.44	$ 690.00
Sleepy Hollow Development Corporation	1966	10,610	10,610.00	Unknown
X-L Corporation	6-15-61	30	50.00	50.00
Totals			$ 19,598.44	

Sleepy Hollow Development Corporation and X-L Corporation are both wholly owned by you.

The investment in land, Douglas County, Colorado, is shown at cost and represents the following:

Ownership of approximately 775 acres of land located in Sections 16 and 21, T7S, R67W	$ 313,104.16
An option to purchase approximately 247 acres in Sections 17 and 20, T7S, R67W for $405.00 per acre. The option will expire December 31, 1967	206.25
Total	$ 313,310.41

The investment in buildings and lots is shown at cost reduced by depreciation accumulated to December 31, 1966, and includes the following properties:

Location	Cost	Accumulated Depreciation	Net Book Value
721 Grant Street, Denver, Colorado	$ 32,310.81	$ 6,828.57	$ 25,482.24
725 Grant Street Denver, Colorado	50,340.10	10,090.04	40,250.06
Totals	$ 82,650.91	$ 16,918.61	$ 65,732.30

F. W. Baumgartner is the owner and insured on a life insurance policy which had a cash surrender value of $18,500.00 at December 31, 1966. The maturity value of $100,000.00 is payable to members of his family.

The investment in paintings and other works of art is shown at its cost of $132,863.56. A total of 306 works of art is shown as owned by F. W. Baumgartner.

The adjusted cost of the residence which is located at 10 Driver Lane, Littleton, Colorado, is $90,333.86. Depreciation of $11,553.13 had been accumulated at December 31, 1966, leaving a net book value of $78,780.73. During 1965, the residence was severely damaged by a

flood. The original cost was reduced by the resulting loss of value and the cost of rebuilding has been capitalized. During 1966, additional costs of $13,398.22 were capitalized for completion of the rebuilding.

The policy with respect to depletion and depreciation is to charge income over the estimated life of the assets by application of either the unit of production, declining balance or straight line method. In arriving at rates under the unit of production method of depletion and depreciation, the estimated recoverable oil and gas reserves were determined by a petroleum engineer. In computing the amount of depreciation, the rates applied to the investment base have been arrived at after giving due consideration to normal obsolescence, deterioration from natural causes, ordinary wear and tear, and recognition of expected salvage value. In the case of the Adena Gasoline Plant, certain portions of the investment were amortized over a period of 60 months for income tax purposes, and this same method was used for your records.

Schedule 1

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Developed Leaseholds and Accumulated Depletion
December 31, 1966

Description	Cost: Balance Jan. 1, 1966	Cost: Additions	Cost: Retirements	Cost: Balance Dec. 31, 1966	Accumulated Depletion: Balance Jan. 1, 1966	Accumulated Depletion: Depletion For Year	Accumulated Depletion: Adjustments	Accumulated Depletion: Balance Dec. 31, 1966
Leases:								
Adena Unit	$ 2,312.66	$ -	$ -	$ 2,312.66	$ 2,312.66	$ -	$ -	$ 2,312.66
Adena Unit - Gaddis	103,607.45	-	-	103,607.45	62,324.19	11,409.27	-	73,733.46
(1) Bakken	20.00	-	-	20.00	20.00	-	-	20.00
East Juelfs Unit	47,744.23	-	-	47,744.23	25,427.60	7,615.31	-	33,042.91
Eaton	36.73	-	-	36.73	36.73	-	-	36.73
Hermanson	504.50	-	-	504.50	405.51	43.57	-	449.08
Juelfs	106.18	6.00	-	112.18	61.15	16.59	-	77.74
(2) Lindbergh	-	26,707.37	-	26,707.37	-	-	-	-
Matador Unit	278.26	2.00	-	280.26	18.27	35.54	-	53.81
Ness	41.63	-	-	41.63	29.59	2.93	-	32.52
Olsen Field Unit	11,672.53	-	-	11,672.53	11,165.30	197.25	-	11,362.55
Prairie Canyon Unit	1,283.38	40.00	-	1,323.38	389.99	43.35	-	433.34
Silver Creek Unit	341.98	-	-	341.98	72.12	13.26	-	85.38
(3) Singleton	1,035.26	-	1,035.26	-	1,035.26	-	1,035.26	-
State	4,250.00	-	-	4,250.00	2,996.08	551.02	-	3,547.10
(4) Stewart A	4,473.21	-	-	4,473.21	-	-	-	-
(5) U.S.A. Powell	242.10	-	-	242.10	-	-	-	-
Willson B	54.69	-	-	54.69	28.15	7.96	-	36.11
Willson Ranch Unit	2,818.79	-	-	2,818.79	1,943.47	398.32	-	2,341.79
Royalties:								
Garland	4,887.00	-	-	4,887.00	2,672.01	816.55	-	3,488.56
Geyer	1,062.50	-	-	1,062.50	1,041.15	5.90	-	1,047.05
Government	-	55.00	-	55.00	-	.42	-	.42
Hopkins-May	8,194.10	-	-	8,194.10	8,083.21	101.55	-	8,184.76
Lagerquist	16,008.44	-	-	16,008.44	4,143.26	1,425.57	-	5,568.83
Monroe	3,002.00	-	-	3,002.00	1,138.97	168.16	-	1,307.13
O'Neill	3,606.06	-	-	3,606.06	3,606.06	-	-	3,606.06
Pief	3,187.50	-	-	3,187.50	3,157.83	8.20	-	3,166.03
Price	2,091.75	-	-	2,091.75	457.75	52.12	-	510.87
Rodman Unit (Aue-Prior year)	1,652.45	-	-	1,652.45	1,613.45	4.60	-	1,618.05
(4) Stewart	657.31	-	-	657.31	-	-	-	-
Sleepy Hollow Unit (Stritt-Prior year)	3,216.82	-	-	3,216.82	811.22	172.79	-	984.01
Wesley Powell	-	151.36	-	151.36	-	102.25	-	102.25
Willson Ranch Unit	20,612.82	-	-	20,612.82	14,357.08	2,846.99	-	17,204.07
Totals	$ 249,002.33	$ 26,961.73	$ 1,035.26	$ 274,928.80 (To Exhibit A)	$ 149,348.06	$ 26,040.47	$ 1,035.26	$ 174,353.27 (To Exhibit A)

(1) Temporarily abandoned pending unitization.
(2) Production efforts suspended pending heavy crude recovery feasibility study.
(3) In the process of abandonment.
(4) Shut in gas well.
(5) Assigned to Consolidated Oil & Gas, Inc. until payout on February 1, 1968.

Schedule 2

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Depreciable Assets and Accumulated Depreciation
December 31, 1966

Description	Cost: Balance Jan. 1, 1966	Cost: Additions	Cost: Retirements	Cost: Balance Dec. 31,1966	Accumulated Depreciation: Balance Jan. 1, 1966	Accumulated Depreciation: Depreciation For Year	Accumulated Depreciation: Adjustments	Accumulated Depreciation: Balance Dec. 31,1966
Lease Equipment:								
Adena Unit	$ 32,384.49	$ 368.00	$ 928.00	$ 31,824.49	$ 20,970.38	$ 1,280.12	$ (348.00)	$ 21,902.50
Adena Unit-Gaddis	27,863.25	172.00	433.00	27,602.25	23,784.60	246.41	(163.00)	23,868.01
(1) Bakken	4,992.08	-	2,078.31	2,913.77	2,995.25	-	(1,151.75)	1,843.50
East Juelfs Unit	226,803.63	7,299.61	5,507.76	228,595.48	121,212.33	25,870.02	(2,717.36)	144,364.99
Eaton	6,276.60	63.86	-	6,340.46	4,393.62	44.70	-	4,438.32
Hermanson	15,236.71	-	867.28	14,369.43	7,334.12	1,609.12	(212.48)	8,730.76
Juelfs	12,305.99	44.00	-	12,349.99	8,365.00	258.41	-	8,623.41
(2) Lindbergh	-	6,624.66	-	6,624.66	-	-	-	-
Matador Unit	29,846.44	2,671.09	-	32,517.53	14,341.62	1,804.74	-	16,146.36
Ness	5,284.88	33.76	-	5,318.64	2,031.04	347.79	-	2,378.83
Olsen Field Unit	22,559.95	26.96	1,018.94	21,567.97	15,435.35	584.46	(762.33)	15,257.48
Prairie Canyon Unit	538.26	-	-	538.26	154.63	15.94	-	170.57
Silver Creek Unit	4,496.54	829.59	-	5,326.13	714.19	210.90	(269.34)	655.75
(3) Singleton	15,954.39	290.00	-	16,244.39	7,815.56	-	-	7,815.56
State	15,594.46	-	-	15,594.46	6,596.09	1,213.11	-	7,809.20
(4) Stewart A	9,334.06	-	-	9,334.06	793.40	793.40	-	1,586.80
(5) U. S. A. Powell	4,107.67	-	-	4,107.67	-	-	-	-
Willson B	14,257.88	-	-	14,257.88	6,969.95	475.47	-	7,445.42
Willson Ranch Unit	95,320.86	7.06	1,254.33	94,073.59	47,909.14	10,564.67	(569.67)	57,904.14
Subtotals	543,158.14	18,430.59	12,087.62	549,501.11	291,816.27	45,319.26	(6,193.93)	330,941.60
Adena gasoline plant	52,601.18	-	315.46	52,285.72	42,249.53	1,292.76	(190.05)	43,352.24
Field equipment	7,423.44	-	-	7,423.44	6,423.44	-	-	6,423.44
Automobiles	11,280.19	4,849.68	2,462.05	13,667.82	3,201.85	3,310.65	(365.52)	6,146.98
Office building	37,231.32	-	-	37,231.32	8,335.49	1,861.56	-	10,197.05
Furniture and fixtures	15,766.44	1,639.72	1,739.14	15,667.02	9,630.82	1,414.38	(636.84)	10,408.36
Totals	$ 667,460.71	$ 24,919.99	$ 16,604.27	$ 675,776.43 (To Exhibit A)	$ 361,657.40	$ 53,198.61	$ (7,386.34)	$ 407,469.67 (To Exhibit A)

(1) Temporarily abandoned pending unitization.
(2) Production efforts suspended pending heavy crude recovery feasibility study.
(3) In the process of abandonment.
(4) Shut in gas well.
(5) Assigned to Consolidated Oil & Gas, Inc. until payout on February 1, 1968.

Schedule 3

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Notes Payable
December 31, 1966

Payee	Interest Rate	Date of Note	Due	Original Amount of Note	Secured By	Amount Dec. 31,1966	Current Installments	Noncurrent Installments
FIRST MORTGAGE NOTES PAYABLE								
Colorado National Bank Denver, Colorado	6¼%	12-29-65	$2,006.00 monthly (includes interest)	$ 85,000.00	Mortgage on buildings and lots known as 721, 725 and 737 Grant Street, Denver Colorado.	$ 65,693.66	$ 20,548.13	$ 45,145.53
Van Schaack & Company Denver, Colorado	5¾%	4- 1-66	$298.21 monthly (includes interest)	47,400.00	Mortgage on residence.	46,821.69	910.01	45,911.68
LAND PURCHASE CONTRACTS PAYABLE								
State Board of Land Commissioners, Denver, Colorado	6%	3-27-56	$966.00 semi-annually (includes interest)	24,597.12	Douglas County, Colorado Land	23,642.16	518.88	23,123.28
State Board of Land Commissioners, Denver, Colorado	6%	3-27-56	$1,134.00 semi-annually (includes interest)	28,874.88	Douglas County, Colorado Land	27,753.84	609.12	27,144.72
State Board of Land Commissioners, Denver, Colorado	6%	3-27-56	$959.00 semi-annually (includes interest)	27,400.00	Douglas County, Colorado Land	23,470.84	515.12	22,955.72
State Board of Land Commissioners, Denver, Colorado	6%	3-27-56	$1,659.00 semi-annually (includes interest)	47,400.00	Douglas County, Colorado Land	40,602.84	891.12	39,711.72
ESCROW AGREEMENT PAYABLE								
First National Bank of Denver Denver, Colorado	-	12- 2-66	$2,000.00 monthly	26,000.00	San Juan County, Colorado undeveloped claims	24,000.00	24,000.00	-
Totals - First mortgage notes, land purchase contracts and escrow agreement payable (Exhibit A)						251,985.03	47,992.38	203,992.65
UNSECURED NOTES PAYABLE								
Joanne Baumgartner Littleton, Colorado	6%	Various (5 notes)	Demand	6,951.76	Unsecured	6,202.81	6,202.81	-
Colorado National Bank Denver, Colorado	7½%	12-22-66	4-28-67	20,000.00	Unsecured	20,000.00	20,000.00	-
Farmer's Union Cooperative Oil & Gas, Inc., Sidney, Nebraska	7%	10- 1-66	$357.82 monthly (includes interest)	1,431.28	Unsecured	357.82	357.82	-
Totals - Unsecured notes payable (Exhibit A)						$ 26,560.63	$ 26,560.63	$ -

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Notes Payable
December 31, 1966

Payee	Interest Rate	Date of Note	Due	Original Amount of Note	Secured By	Amount Dec. 31,1966	Current Installments	Noncurrent Installments
OTHER NOTES PAYABLE								
Aetna Life Insurance Company Hartford, Connecticut	5%	4-7-61	Under terms of policy	$ 15,908.76	Life insurance policy on F. W. Baumgartner	$ 15,908.76	$ -	$ 15,908.76
American Home Life Insurance Company, Topeka, Kansas	5%	8-17-66	Under terms of policy	7,111.77	Life insurance policy on F. W. Baumgartner, Jr.	7,111.77	-	7,111.77
Totals - Other notes payable (Exhibit A)						23,020.53	-	23,020.53
Totals						$ 301,566.19	$ 74,553.01	$ 227,013.18

Schedule 4

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Oil Production Operations
Year Ended December 31, 1966

Leaseholds	Oil and Gas Sales	Operating Expense: Direct	Operating Expense: Depreciation	Operating Expense: Depletion	Operating Expense: Total	Net Income After Operating Expense	Development Expense	Net Income or (Loss)
Producing:								
Adena Unit	$ 22,394.40	$ 6,921.14	$ 1,280.12	$ -	$ 8,201.26	$ 14,193.14	$ -	$ 14,193.14
Adena Unit-Gaddis	8,678.32	3,164.92	246.41	11,409.27	14,820.60	(6,142.28)	-	(6,142.28)
(1) Bakken	-	161.11	-	-	161.11	(161.11)	-	(161.11)
East Juelfs Unit	306,409.09	48,949.27	25,870.02	7,615.31	82,434.60	223,974.49	-	223,974.49
Eaton	828.02	1,804.69	44.70	-	1,849.39	(1,021.37)	-	(1,021.37)
Hermanson	3,626.79	2,295.63	1,609.12	43.57	3,948.32	(321.53)	-	(321.53)
Juelfs	2,283.61	1,678.69	258.41	16.59	1,953.69	329.92	-	329.92
(2) Lindbergh	-	-	-	-	-	-	16,765.90	(16,765.90)
Matador Unit	19,190.44	6,285.80	1,804.74	35.54	8,126.08	11,064.36	-	11,064.36
Ness	3,823.10	1,170.18	347.79	2.93	1,520.90	2,302.20	-	2,302.20
Olsen Field Unit	12,293.32	4,365.62	584.46	197.25	5,147.33	7,145.99	-	7,145.99
Prairie Canyon Unit	246.97	225.78	15.94	43.35	285.07	(38.10)	-	(38.10)
Silver Creek Unit	1,287.44	1,447.08	210.90	13.26	1,671.24	(383.80)	-	(383.80)
(3) Singleton	-	27.75	-	-	27.75	(27.75)	-	(27.75)
State	5,673.69	2,169.42	1,213.11	551.02	3,933.55	1,740.14	-	1,740.14
(4) Stewart A	-	1.62	793.40	-	795.02	(795.02)	-	(795.02)
(5) U. S. A. Powell	-	-	-	-	-	-	-	-
Willson B	3,545.03	2,847.61	475.47	7.96	3,331.04	213.99	-	213.99
Willson Ranch Unit	88,794.05	9,476.40	10,564.67	398.32	20,439.39	68,354.66	-	68,354.66
Garland Royalty	810.64	42.50	-	816.55	859.05	(48.41)	-	(48.41)
Geyer Royalty	44.46	4.86	-	5.90	10.76	33.70	-	33.70
Government Royalty	7.37	.88	-	.42	1.30	6.07	-	6.07
Hopkins-May Royalty	51.60	2.21	-	101.55	103.76	(52.16)	-	(52.16)
Lagerquist Royalty	2,126.81	248.38	-	1,425.57	1,673.95	452.86	-	452.86
Monroe Royalty	284.61	21.39	-	168.16	189.55	95.06	-	95.06
O'Neill Royalty	526.99	31.75	-	-	31.75	495.24	-	495.24
Pief Royalty	140.89	8.14	-	8.20	16.34	124.55	-	124.55
Price Royalty	805.09	40.26	-	53.12	93.38	711.71	-	711.71
Rodman Unit Royalty (Aue-prior year)	98.59	6.45	-	4.60	11.05	87.54	-	87.54
(4) Stewart Royalty	-	-	-	-	-	-	-	-
Sleepy Hollow Unit Royalty (Stritt-prior year)	2,556.41	173.47	-	172.79	346.26	2,210.15	-	2,210.15
Wesley-Powell Royalty	56.17	6.56	-	102.25	108.81	(52.64)	-	(52.64)
Willson Ranch Unit Royalty	14,177.08	470.56	-	2,846.99	3,317.55	10,859.53	-	10,859.53
Total producing	500,760.98	94,050.12	45,319.26	26,040.47	165,409.85	335,351.13	16,765.90	318,585.23

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Oil Production Operations
Year Ended December 31, 1966

Leaseholds	Oil and Gas Sales	Operating Expense: Direct	Operating Expense: Depreciation	Operating Expense: Depletion	Operating Expense: Total	Net Income After Operating Expense	Development Expense	Net Income or (Loss)
Nonproducing:								
Barth	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,839.77	$ (1,839.77)
Derwent	-	-	-	-	-	-	(530.32)	530.32
Heppner	-	-	-	-	-	-	1,200.00	(1,200.00)
Lander	-	-	-	-	-	-	4,249.20	(4,249.20)
Prazma	-	-	-	-	-	-	4,867.05	(4,867.05)
Spedden	-	-	-	-	-	-	7,314.80	(7,314.80)
Vimy	-	-	-	-	-	-	13,770.72	(13,770.72)
Total nonproducing	-	-	-	-	-	-	32,711.22	(32,711.22)
Totals	$ 500,760.98	$ 94,050.12	$ 45,319.26	$ 26,040.47	$ 165,409.85 (To Exhibit C)	$ 335,351.13	$ 49,477.12 (To Exhibit C)	$ 285,874.01

(1) Temporarily abandoned pending unitization.
(2) Production efforts suspended pending heavy crude recovery feasibility study.
(3) In the process of abandonment.
(4) Shut in gas well.
(5) Assigned to Consolidated Oil & Gas, Inc. until payout on February 1, 1968.

Schedule 5

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Administrative Expense

	Year Ended December 31,	
	1966	1965
Salaries	$ 15,667.00	$ 19,443.27
Office supplies	3,530.08	4,172.37
Utilities	608.43	697.82
Insurance	2,866.48	3,074.11
Telephone and telegraph	6,594.82	5,744.44
Dues, subscriptions and donations	2,172.44	1,658.46
Travel and entertainment	12,198.01	12,137.75
Automobile expense	3,972.15	4,048.90
Taxes	2,925.13	3,262.84
Auditing and legal	5,616.68	7,291.86
Filing fees	360.00	770.00
Miscellaneous	786.92	2,251.41
Depreciation and amortization	7,648.53	6,874.34
Totals to Exhibit C	$ 64,946.67	$ 71,427.57

Schedule 6

F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Analysis of Other Income and Deductions

OTHER INCOME

	Year Ended December 31, 1966	1965
Profit-Sale of corporate stock	$ -	$ 2,430.68
Profit-Sale of real estate	-	21,904.16
Profit-Sale of paintings	-	87.64
Profit-sale of lease equipment	-	1,519.49
Profit-sale of gas plant equipment	-	1,014.25
Profit-sale of undeveloped royalties	3,290.00	-
Dividend income	79.95	60.00
Interest income	2,613.36	1,677.21
Bad debts recovered	-	300.00
Totals to Exhibit C	$ 5,983.31	$ 28,993.43

OTHER DEDUCTIONS

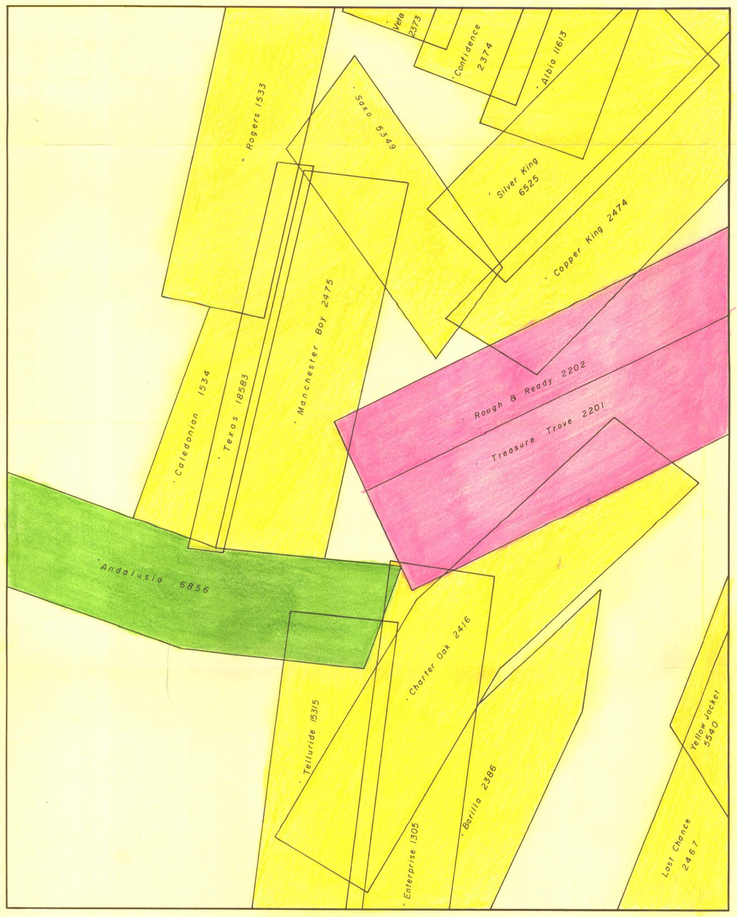
Loss-sale of corporate stock	$ 22,333.32	$ -
Loss-sale of auto	86.53	-
Loss-operation of investment properties	2,519.41	1,383.55
Interest expense	19,251.66	32,867.14
Bad debts expense	-	829.00
Totals to Exhibit C	$ 44,190.92	$ 35,079.69

Appendix A

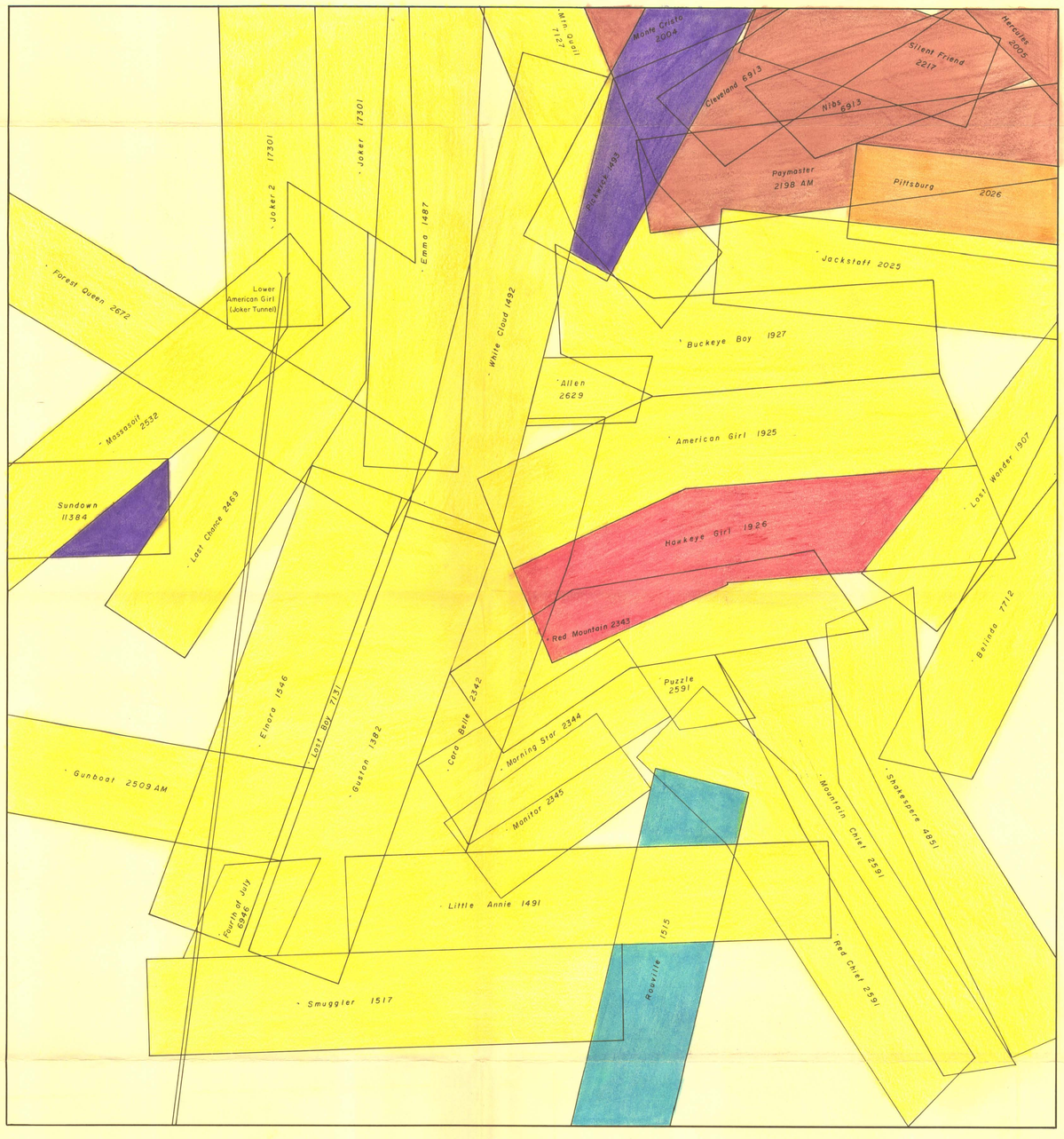
F. W. BAUMGARTNER
D/B/A BAUMGARTNER OIL COMPANY
Statement of Source and Application of Funds
Year Ended December 31, 1966

FUNDS WERE PROVIDED FROM		
Operations:		
Net income for year (Exhibit C)		$ 117,608.80
Add: Charges to operations not representing funds:		
Depreciation and amortization	$ 57,169.60	
Depletion	26,040.47	
Leases and royalties condemned	27,530.74	
Loss-sale of corporate stock	22,333.32	
Others	792.14	
	133,866.27	
Deduct: Profit-sale of undeveloped royalty	3,290.00	130,576.27
		248,185.07
Sale of other assets:		
Corporate common stock (net of purchases)		6,816.44
Sale of property, plant and equipment:		
Undeveloped royalty	12,690.00	
Others	2,140.00	14,830.00
Decrease in working capital:		
Decrease in current assets	64,491.77	
Less: Decrease in current liabilities	59,294.75	5,197.02
Total funds provided		$ 275,028.53
FUNDS WERE APPLIED TO		
Purchase of other assets:		
Sleepy Hollow Development Corporation - common stock	$ 10,610.00	
Purchase option on Douglas County land	206.25	
Paintings	2,100.60	$ 12,916.85
Purchase of property and equipment:		
Deposit - Canadian well completion	2,310.00	
Undeveloped royalties	19,175.00	
Undeveloped oil and gas leases	56,741.38	
Undeveloped claims	50,661.45	
Developed leaseholds	48.00	
Lease equipment	12,536.90	
Automobile	4,849.68	
Furniture and fixtures	612.42	146,934.83
Decrease in long-term debt		49,719.42
Restoration of residence after flood		13,649.82
Proprietor's withdrawals during year:		
Replacement of personal assets lost in flood	18,049.46	
Others	33,758.15	51,807.61
Total funds applied		$ 275,028.53

Baumgartner Oil Company



RED MOUNTAIN NO. 3 AREA



CORA BELLE AREA

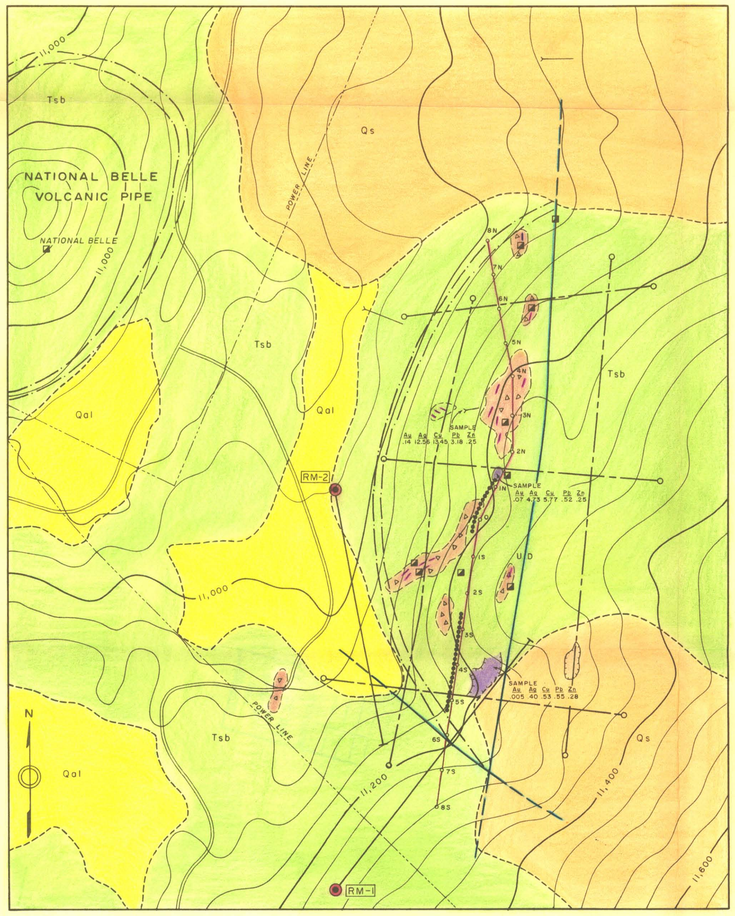
	BAUMGARTNER OIL CO.		W. D. LONDON
	ROUVILLE MINING CO.		J. P. SULLIVAN
	L. J. COUGHLIN		Dr. C. M. SHAW
	DOMS MINES		VERDIE ROBINSON
	IDARADO MINING CO.		

CLAIM MAP OF THE CORA BELLE AND RED MOUNTAIN NO. 3 AREAS
RED MOUNTAIN DISTRICT
OURAY COUNTY, COLORADO

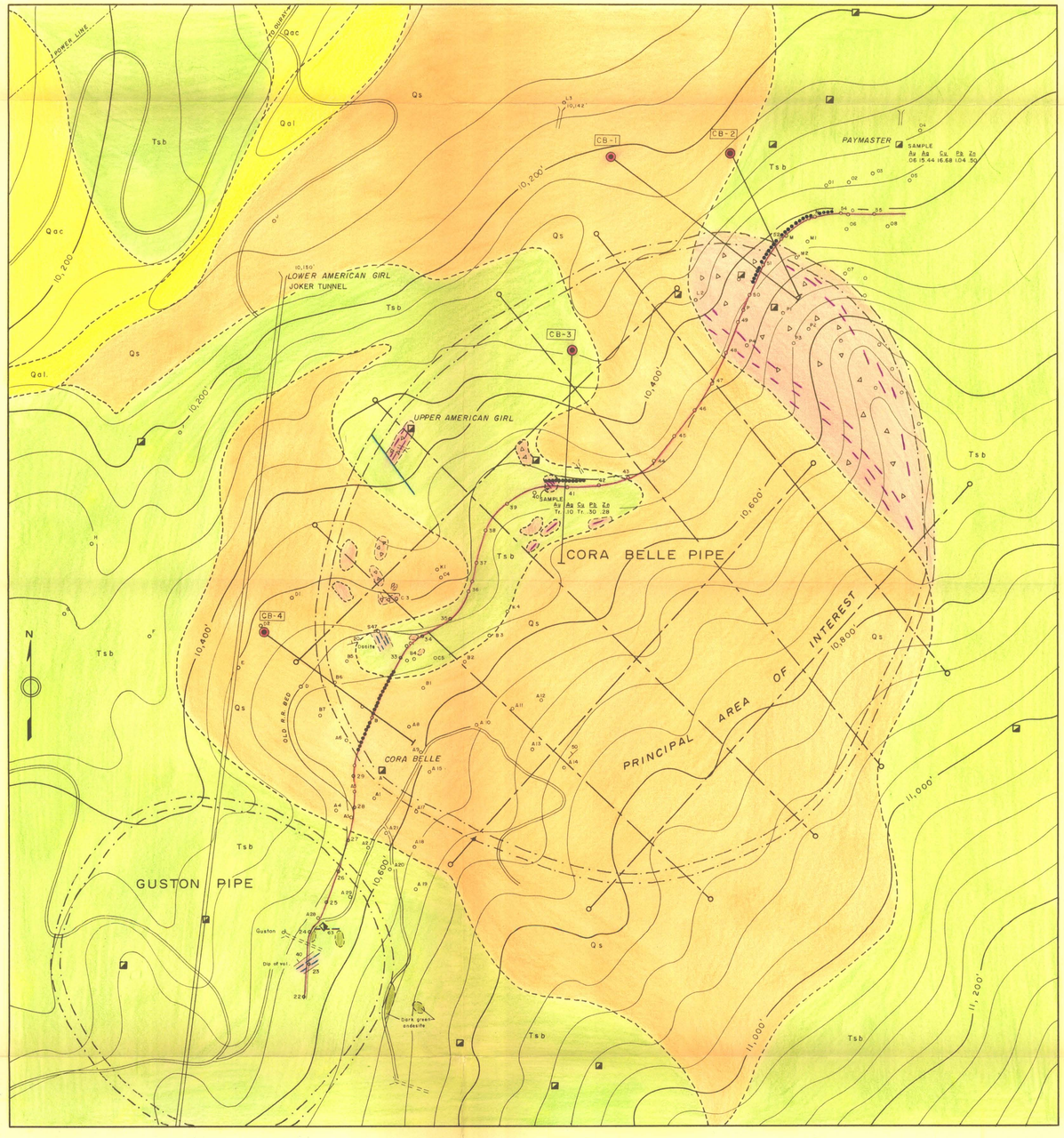
200 0 200 400 600 FEET

PLATE 2

Baumgartner Oil Company



RED MOUNTAIN NO. 3 AREA



CORA BELLE AREA

EXPLANATION

QUATERNARY RECENT	Qal	Alluvium
	Qac	Alluvial Cone Deposits
	Qs	Landslide Deposits & Colluvium
MIOCENE TERTIARY	Tsb	Burns Formation. Medium to dark, thick massive flows, flow breccias and tuff, locally highly altered.
		Chloritic Alteration
		Sulfide Mineralization
		Argillic or Silicic Alteration
		Brecciation
		Basic Flow
		Perimeter of Breccia Pipe or Ring Structure. Projected where covered by landslide, Qs.

Fault
Shaft
Adit
Cut
Drill Hole showing horizontal projection (CB-1)
Resistivity Traverse & Stations. See Appendix of Report for values.
Proposed Resistivity Traverse
Resistivity Anomaly

GEOLOGY OF THE CORA BELLE AND RED MOUNTAIN NO. 3 AREAS
RED MOUNTAIN DISTRICT
OURAY COUNTY, COLORADO

200 0 200 400 600 FEET

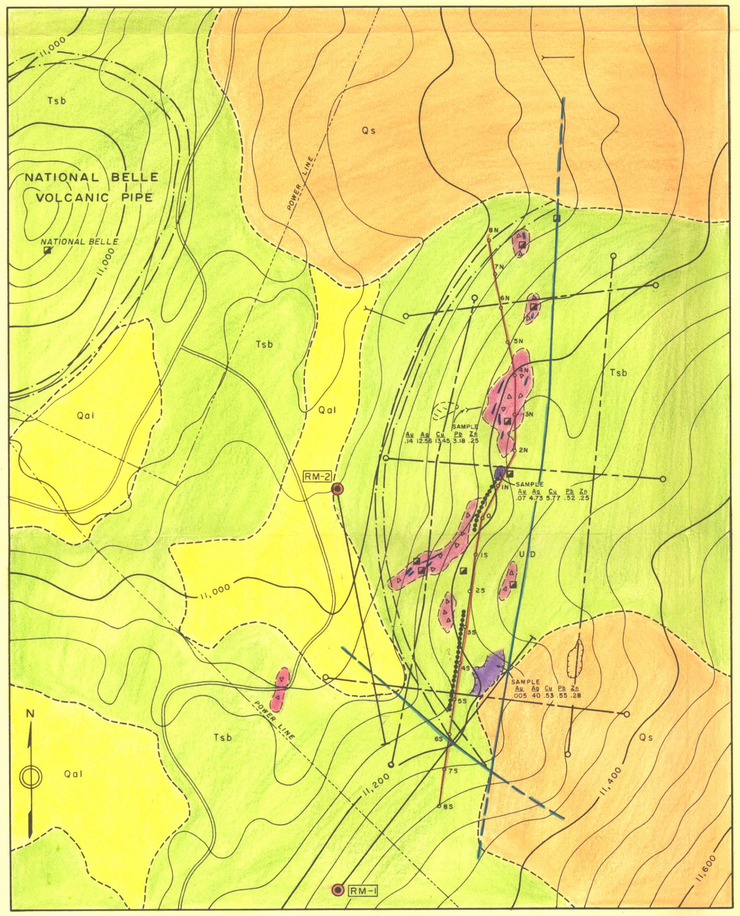
PLATE I

(IN PART AFTER U.S.G.S. GEOLOGY OF IRONTON QUADRANGLE, COLORADO)

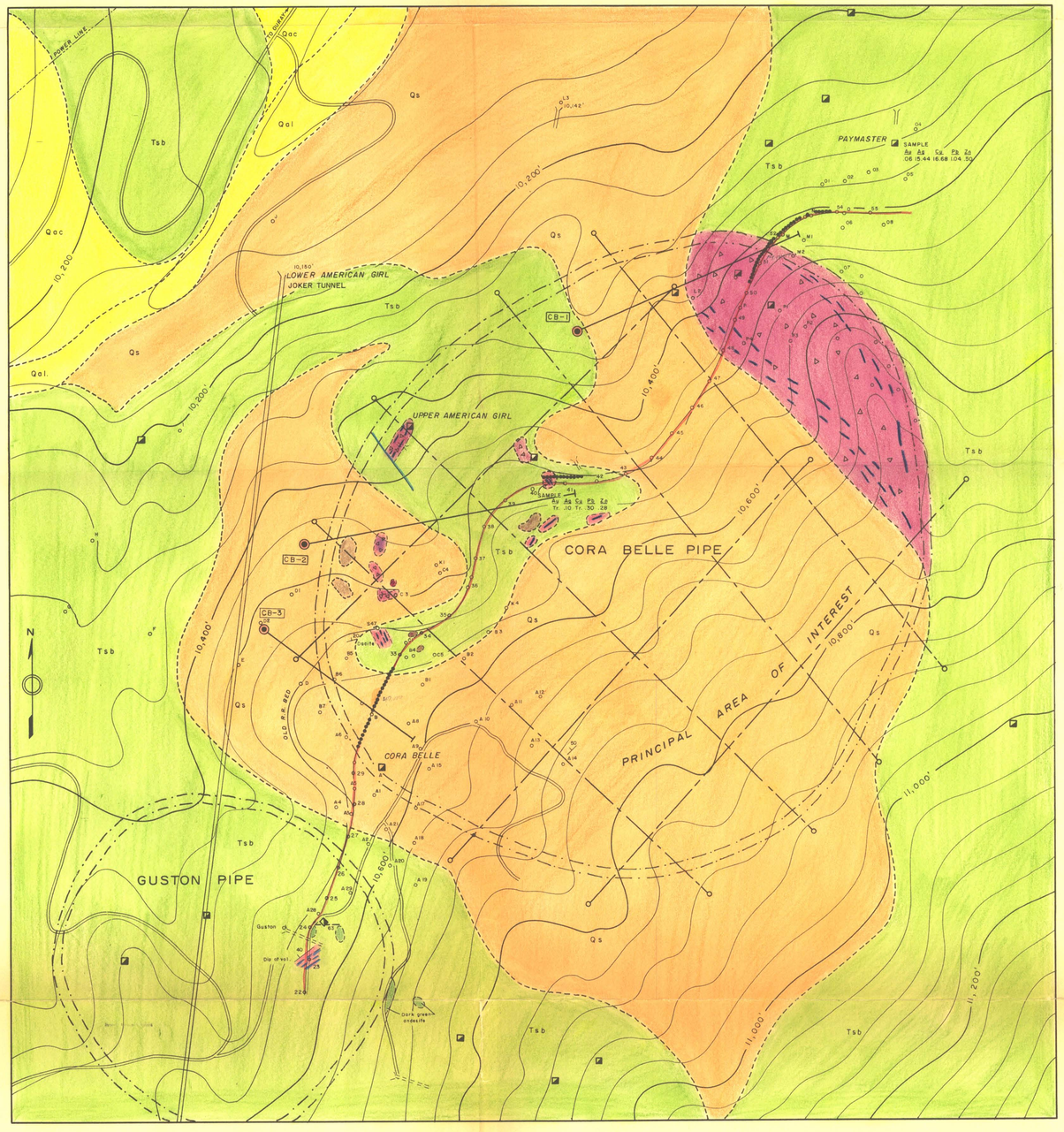
DEPARTMENT OF THE INTERIOR
U.S. GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
DOCKET 6632

Baumgartner Oil Company



RED MOUNTAIN NO. 3 AREA



CORA BELLE AREA

EXPLANATION

QUATERNARY RECENT	Qal	Alluvium
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		Basic Flow
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Fault
Shaft
Adit
Cut
CB-1 Drill Hole showing horizontal projection
23 24 25 Resistivity Traverse & Stations. See Appendix of Report for values.
Proposed Resistivity Traverse
Resistivity Anomaly

GEOLOGY OF THE CORA BELLE AND RED MOUNTAIN NO. 3 AREAS
RED MOUNTAIN DISTRICT
OURAY COUNTY, COLORADO

200 0 200 400 600 FEET

PLATE I

(IN PART AFTER U.S.G.S. GEOLOGY OF IRONTON QUADRANGLE, COLORADO)

Rec'd 10/12/67