MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6729

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

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

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 203

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 23 1968

INITIALS	CODE

May 21, 1968

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: San Christobal Silver Mines, Inc.
Monte Queen Group
Hinsdale County, Colorado

Forwarded herewith is a copy of an application for OME assistance on the above-stated property. An earlier application was made by the same party under the name of Havilah Mines Company in March, 1966, was assigned docket No. 6555, and was denied assistance because of lack of sufficient geologic data to justify Government participation.

Since the earlier application, the company has driven a drift over 800 feet long and encountered several mineralized shoots, assays of which are included in the application. Little new geologic information has been provided in the latest application, although considerable geologic work was recommended by the OME field officer in the letter of denial dated November 4, 1966.

Weighted averages of assayed samples taken from the extension of the lower level drift on the Saville Vein shows a grouping of gold and silver values in streaks or shoots as follows:

Group	Avg. Width	Au (Oz/ton) Wt'd Avg.	Ag (oz/ton) Wt'd Avg.	Length of Streak(ft.)	Pb(%) Wt'd Avg.	Zn(%) Wt'd Avg.
1	1.75	.047	27.83	40		
2	3.3	.028	33.65	40	14.8	6.72
3	2.8	.047	25.00	25		
4.	4.0	.020	11.08	45		
5.	1.8	.027	4.57	40		
6.	2.54	.041	18.55	130		
7.	1.75	.61	253.43	17.5	Thin rich shoot in midst of streak #4.	
8.	3.0	.08	3.16	12.5		

Group numbers have been penciled in on the map of the lower level accompanying the application.

It is suspected that lead and zinc, although only reported from 1 group of samples, is closely associated with the silver values.

A copy of the new application is being held in the Region III field office files.

Jacques F. Robertson for

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

MME Form 40
Jan. 65

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

San Christobal Silver Mines, Inc.
Box 92
Lake City, Colorado 81235
phone 303-944-8558

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6729

DATE RECEIVED: 5/23

REGION: III

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Dwight L. Somers	136 Baldwin Av. Waterbury, Conn. 06706	Pres.
Floyd B. Goodwin	873 Bethany Mtn. Rd. Cheshire, Conn. 06410	Secy-Treas.
Albert E. Goodwin	Box 92, Lake City Colorado 81235	Vice-Pres.

STATE IN WHICH FIRM IS ORGANIZED: Colorado

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

ESTIMATED COST OF PROJECT: $ 84,725.00

PROPERTY NAME / LOCATION COUNTY / STATE: Monte Queen Group-Hinsdale, Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington, D.C. 20242, or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

CERTIFICATION

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

April 25, 1968
DATED

Albert E. Goodwin
BY *(Signature)*

Executive Vice-Pres in Chg. Operations
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

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

INDEX & ORGANIZATION

Letter of Transmittal

Application - O.M.E. Form 40

Index of Exhibits

Lein and Subordination MME Form 52 (five enclosed)

Information required:

1. Financial Eligibility - page 1 also exhibits 4a & 4 b
2. Applicants Rights in Land - page 1
    a. Lease (exhibit #3)
    b. Map (exhibit #2)
    c. Lein & Subordination MME Form 52 enclosed
3. Physical Description - page 3 also exhibits 1 & 2
4. Accessibility of Property - page 6
5. Exploration Work - page 6 also exhibit #1
6. Experience - page 8
7. Estimate of Costs - page 8

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

San Christobal Silver Mines, Inc.

BOX 92

LAKE CITY, COLORADO 81235

Reply To:
A. E. GOODWIN
Box 92
Lake City, Colorado 81235

March 25, 1968

Mr. J. William Hasler, Field Officer, Region 3
Office of Minerals Exploration - USGS
Denver Federal Center - bldg. 53, room 200-201
Denver, Colorado 80225

Dear Mr. Hasler,

Enclosed please find our up-dated and revised application for an OME loan.

The previous application was submitted in March 1966, under the name of Havilah Mines Company. The application was designated Dockett #6555.

Since the time of the original application, San Christobal Silver Mines, Inc., has made an additional penetration along the Saville Vein of approximately 800 feet and has exposed some very heavy silver and gold ore in a sizeable deposit - which is further described in the narrative enclosed.

Our mine is currently completely equipped and is operating 6 days per week.

We feel that the additional exploration proposed in this application will further support our plans to construct a flotation mill in the Lake City area, to handle our own, as well as custom ores, from surrounding mines in the district.

Thank you for your consideration.

Sincerely,

Albert E. Goodwin

Albert E. Goodwin

INDEX OF EXHIBITS

1. Map - Claims and Workings
2. Map - Claims
3. Lease
4. Letters of request - to and from banks:
   a. First National Bank of Gunnison
   b. Gunnison Bank & Trust Co.

5.a. Letter - regarding the corporation's share of costs of exploration work.

5.b. Equipment Inventory

6. Assay Map - Saville Vein

SAN CHRISTOBAL
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1. FINANCIAL ELIGIBILITY:

a. Enclosed herein are two letters and the replys from the First National Bank of Gunnison, Colorado, and the Gunnison Bank & Trust Co., Gunnison, Colorado.

b. The sole controlling or parent company holding total interest in the operation is San Christobal Silver Mines, Inc.

c. The share of costs under the proposed project to be furnished by the corporation are available from the stockholders of the corporation, a letter from the corporation is enclosed, so stating.

2. APPLICANTS RIGHTS IN LAND:

a. Interest or rights in the land or claims being explored is held by a lease dated February 17, 1968, a copy of which is included. The name and address of the owner of these claims is: The Vickers Enterprises, Inc.
Box 127
Lake City, Colorado 81235 (see exhibit no. 3)

There are no leins, mortgages or other encumberances on the claims, and only one small overlap on part of a patented claim, that being about 60 ft. on the north edge of the Monte Prince claim, which is not in the area of proposed exploration.

b. Legal Description (see enclosed plat of claims; see exhibit no. 2)

There are seven claims included in the lease. They are unpatented claims; five, newly located in September, 1965; recorded December 2, 1965

SAN CHRISTOBAL
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The claims are as follows:

1. The Monte Queen Lode Claim
2. The Monte King Lode Claim
3. The Monte Prince Lode Claim
4. The Monte Princess Lode Claim
5. The Monte Duke Lode Claim
6. The Monte Earl Lode Claim
7. The Monte Bishop Lode Claim

The Monte Queen Lode Claim was filed for record December 2, 1965, with an amended location certificate for the purpose of tying said claim to a known quarter section corner.

Claims #2 through #5 were located and recorded as new claims never before having been located or recorded.

The 6th claim, The Monte Earl Lode Claim was located on August 15, 1966 and recorded September 15, 1966. This claim was located for the purpose of covering a small fraction of ground between the Monte King claim and a patented claim called the Nelly M#623.

The 7th claim, known as the Monte Bishop Lode Claim was located December 12, 1967 and filed for record February 23, 1968.

The book and page numbers of these recordings are as follows:

1. The Monte Queen Lode Claim (amended location certificate) book 14, page 119
2. The Monte King Lode Claim book 54, page 565
3. The Monte Prince Lode Claim book 54, page 567
4. The Monte Princess Lode Claim book 54, page 569
5. The Monte Duke Lode Claim book 54, page 563
6. The Monte Earl Lode Claim book 54, page 588
7. The Monte Bishop Lode Claim book 100, page 95

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All in Hinsdale County records, County Clerk's office County Court House, Lake City, Colorado.

Additional names by which the Monte Queen Lode Claim has been known in the past are as follows:

1. Originally located as the Palestine Lode, September 14, 1876 and filed for record November 13, 1876 - book 2, page 111

2. Located as Monte Queen Lode, August 12, 1879, filed for record November 10, 1879 book 3, page 186

3. Located as The Big Fish #1 Lode, November 30, 1953, filed for record December 3, 1953 book 42, page 492

4. Amended location as the Big Fish #1 Lode June 25, 1954, filed for record June 29, 1954 book 14, page 77

All in Hinsdale County Records

c. Five copies of Lein & Subordination agreements on OME form 52 are included in this application.

3. PHYSICAL DESCRIPTION:

a. Reference is made to the maps and charts contained in the application submitted by Havilah Mines Co., your dockett number 6555. Some of these maps have been updated and included with this new application. No new work has been done in the old Monte Queen workings; that is, the old upper tunnel. The new tunnel which was started in June of 1964 by the Havilah Mines Co., reached a point 508 feet from the portal, at which time all operations halted. No additional work was ever done one the property by Havilah Mines.

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NEW WORK: On June 2, 1967, San Christobal Silver Mines, Inc. was registered with the Secretary of State of Colorado and work was started at 508 feet from the portal and has continued steadily, averaging about 100 feet per month penetration along the Saville Vein. (refer dockett 6555, page 4, line 13). Total length of drift following the Saville Vein is now 1255 feet, as of March 1, 1968. (see exhibit no. 1)

b. San Christobal Silver Holds the entire interest in all workings in the Monte Queen Mine.

c. For statements on past production, please refer to Havilah Mines application, dockett 6555, page 5.

d. A total of three ore zones have been opened in the Saville Vein. The ore zones are described:

THE FIRST ORE ZONE was opened on the Saville Vein which measured approximately 100 feet in length and 2 to 2½ feet in width. The core or center streak of this ore zone carries high grade values in silver, samples of which have assayed from 88 oz. to 328.62 oz. per ton. (see dockett 6555, assay folios therein numbered 8506 and 8508.)

Gold values in most all samples were from .03 to .34 oz. per ton. Average gold assays = .09 oz. per ton.

Channel cuts across the mineralized zone of the vein in this ore body were taken and showed an average value of 40 oz. silver per ton.

Two small raise rounds were shot in this ore zone, and indications show a widening trend of the mineralized zone of the vein. No attempt has yet been made to block out this ore zone.

THE SECOND ORE ZONE was opened at the convergence of two

SAN CHRISTOBAL
SILVER MINES INC.
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veins (see exhibit #1), where heavy silver, lead and cadmium values were encountered. The total length of this exposeure along the vein is approximately 130 feet. It is estimated that the silver values in this ore zone, as exposed, should average 60 oz. per ton, and lead values should average 20%. Cadmium values should average 0.20%. Zinc values are, in places, quite heavy, but overall, are rather light.

THE THIRD ORE ZONE measures 75 feet in length and contains heavy occurrences of silver in the forms of Argentiferous Tetrahedrite and Proustite, ruby silver. The channel cuts of samples averaged 52 oz. where tetrahedrite was exposed, and for a length of 25 feet, where the ruby was exposed, the samples averaged 385 oz. per ton. These were grab samples taken from the muck piles. Average width of the vein in this ore zone is 3 feet.

A FOURTH ORE ZONE is currently being opened in the heading of the drift. There are some exposures of minerals in and along the walls of the vein, but as yet, it has not developed into a commercial deposit.

The first and second ore zones have approximately 200 feet of back above the tunnel level. The third ore zone has approximately 700 feet of back above the tunnel. To date, no raises have been run on these ore zones.

Gold values in all ore zones thus far exposed have been low, except where the ruby silver was encountered. In this area, assays whow gold values to be 1.04 oz. per ton.

e. Old Workings - please refer to dockett 6555.

f. With the continued penetration of the vein, additional ore zones have been found since the original application was

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submitted by Havilah Mines. As was previously stated, it is impossible to examine or sample any vein exposured on the surface because of heavy surface coverings of soil and forest. Also, it is known from USGS Bulletin no. 478, that considerable ore was found in the old Monte Queen workings, and it is reasonable to assume that these ore zones will continue downward. These known ore bodies will be opened by the proposed crosscuts, the new workings being 54 ft. lower than the old.

g. Two copies of all maps, charts, etc., are enclosed and none need be returned to the operator.

4. ACCESSIBILITY OF PROPERTY:

a. To aid the OME representative who may examine the property:

Albert E. Goodwin
Rockin K Lodge (residence)
Box 92
Lake City, Colorado 81235
phone: 303-944-8558

The property is located one and one-half miles south of Lake City, Colorado, on the west side of the valley, past the ski course, just above paved State Hiway #149. The access road from the hiway to the mine is approximately 1500 feet long and is kept plowed and open for easy access.

The ready accessibility of the mine to this hiway allows a year-around operation, with no interference from snow or weather.

b. Shipping and supply points:

(refer dockett 6555, page 10)

5. EXPLORATION WORK:

a. Describe proposed exploration work . . . . . .

It is requested that approval be given for an additional

900 feet of drifting on the heading of the Saville Vein, now having been followed some 1260 feet.

Also proposed to your office are three cross-cuts north from the Saville Vein to open the downward continuations of two of the three known ore bodies on the Monte Queen Vein.

Each of these cross-cuts is proposed to be 200 feet in length, though the vein proximity is closer, so as to allow some footage to be driven along the Monte Queen Vein, when cut. It is estimated that cross-cuts of approximately 100 feet from the Saville Vein will be necessary on each, to cut into the Monte Queen Vein.

According to the projection of the Saville Vein and the Monte Queen Vein, it is expected that they will junction at about 200 feet from the current breast of the Saville Vein. (see exhibit #1, point dated 2/28/68)

Cross-cut #1 should open the downward continuation of a silver stope that was mined out above, in the old Monte Queen tunnel. (refer dockett 6555, page 8, para. 2.)

Cross-cut #2 is proposed to expose the Monte Queen Vein approximately 150 feet beyond the furthest penetration of the old Monte Queen tunnel. This cross-cut will be driven following on a cross vein structure (refer exhibit #1, cross-vein stub, 2/28/68) which has been opened for 10 feet north of the Saville Vein. The core of this cross vein shows considerable mineralization. At the furthest penetration of the old Monte Queen, it was reported in the USGS Bulletin #478, that the breast of the old tunnel had a full 5 foot width of rhodochrosite exposed. Mr. Jack Vickers and Mr. Robert Vickers, of Lake City, two of the owners of the claims,

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stated that when the breast of the old tunnel was still open for inspection, there was exposed in that heading, a 2 to 3 inch streak of ruby silver which sampled 750 oz. per ton.

All of the proposed workings will be carried 5½ wide and 7 feet high.

b. Access Road . . . . (refer dockett 6555, pg. 12, para. b.)

c. Work will be started at once if an OME contract is executed. There will be no mobilization time required, as all track, pipe, timber, machinery and necessary equipment is currently on hand.

If one shift per day is worked, it is anticipated that average daily rate of penetration will be 5 feet, and should average 110 feet per month. Two shifts should double this amount.

6. EXPERIENCE: (refer dockett 6555, page 13, item 6)

addenda:

Mr. Goodwin has been in charge of all work accomplished since San Christobal Silver commended their exploration of the Saville Vein. He is responsible for the mine management, as well as obtaining supplies and equipment needed for the operation.

All work will be supervised by Mr. Goodwin, with occasional geological consultation with Mr. Ted Buder of Lake City, Colorado, a person known to Mr. Jm. Hasler, your region 3 OME Field Officer.

7. ESTIMATE OF COSTS:

The per foot cost of the 1,500 feet of drifting and cross-cutting arrived at by the operator is $48.55., and an additional $14.00 per foot for any timbering that becomes necessary. To date,

SAN CHRISTOBAL
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a total of 255 feet of timbering has been necessitated by loose vein structures. The timbered portal area, 117 feet in length, is not included in the 255 feet of timbering necessary. It is anticipated that additional timbering will be necessary in the proposed exploratory work. Estimate of that timbering is 700 feet. 13

a. Independent Contracts: NONE

b. Personal Services: Except for the changes noted herein, please refer to dockett 6555.

1. Same

2. Same

3. Assaying: estimated 700 samples at $3.00 per sample. Assay cost: $2,100.00.

4. Same

5. Same

c. Operating materials & supplies: Please refer to dockett 6555, all cost estimates for this item (c.) are the same with the total figures reduced to one-half of that listed. Corrections for item (c.) are in #7, #9, #13 & #22.

#7 - Diesel Fuel requirement has been replaced by an electric driven compressor.

#9 - Eliminated

#13 - Eliminated

#22 - Electric power costs on a one-shift basis have averaged $225.00 per month, in past months.

c. Operating equipment:

It is currently planned to replace the air locomotive with an electric trammer. Also, 8 additional one-ton tram cars will be added if the proposed contract is assigned.

1. A Gardner-Denver electric 440 CFM compressor has replaced the diesel. Machine is owned.

2. Eimco Mucker - owned

SAN CHRISTOBAL
SILVER MINES INC.
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3. Air Trammer - owned

4. Air Drill & leg - two owned

5. Tram Cars - 3 - owned

6. Ventilation Fan, motor and 1,300 feet 16" vent line owned

7. 1,500 feet Vent Line will be needed, at 37¢ per foot. 10 coupler fittings for vent line needed at $5.75 each. Grommet hangers not needed.

8. Miners Light chargers - 3 - owned

9. Miners Lights - 3 - owned

10. Estimated cost of timber, 19,500 board feet at $100. per thousand feet - $1,950.00

e. Initial Rehabilitation . . . : refer dockett 6555, page 18

1. 3,000 feet of 20# & 25 # track installed and owned.

2. 1,300 feet of 2" air line installed & owned.

3. same

4. same

5. 3 owned

6. same

7. 1 ea. 125 gal. Propane tank (leased)

8. 1 ea. gas heater (leased)

9. same

10. same

11. same

12. same

13. same

14. same

15. same

16. A new framecompressor house measuring 16 x 22 feet has been constructed and serves as a repair shop as well as housing the compressor

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

f. No new buildings, fixtures or installations are anticipated for the proposed project.

g. refer dockett 6555. All figures quoted are applicable, except the totals on page 20.

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

February 24, 1968

First National Bank
Gunnison, Colorado 81230

att'n: George T. Eastman, Pres.

Dear Mr. Eastman:

The San Christobal Silver Mines, Inc., of Lake City, Colo., is currently carrying on a silver exploration program at the Monte Queen mine, located 1½ miles south of Lake City.

We have a program of additional exploration outlined for driving 1,500 ft. more of drift and cross-cuts in the mine to expose completely new and unexplored areas. The total estimated cost of this planned exploration will be $72,825.00. At this time, however, we are unable to meet all of these costs from our cash reserves, and, therefore, we wish to make application to your bank for a loan in the amount of $54,620.00 at the rate of 6½% interest per annum, repayable at the rate of $15,000. per year.

Yours being our bank of account, we thought it advisable to make this loan request from you before seeking other sources.

Please contact us for any additional information you might need.

Yours Very Truly,

Albert E. Goodwin

Albert E. Goodwin
Exec. Vice Pres.
San Christobal Silver

Exhibit no. 4a

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

San Christobal Silver Mines, Inc.

BOX 92

LAKE CITY, COLORADO 81235

Reply To:
A. E. GOODWIN
Box 92
Lake City, Colorado 81235

February 24, 1968

Gunnison Bank & Trust Co.
Gunnison, Colorado 81230

Dear Sirs:

The San Christobal Silver Mines, Inc., of Lake City, Colo., is currently carrying on a silver exploration program at the Monte Queen mine, located 1½ miles south of Lake City.

We have a program of additional exploration outlined for driving 1,500 ft. more of drift and cross-cuts in the mine to expose completely new and unexplored areas. The total extimated cost of this planned exploration will be $72,825.00. At this time, however, we are unable to meet all of these costs from our cash reserves, and, therefore, we wish to make application to your bank for a loan in the amount of $54,620.00 at the rate of 6½% interest per annum, repayable at the rate of $15,000. per year.

We thought it advisable to apply to your organization because of your nearness to our operation, before contacting other sources.

Please contact us for any additional information your might need.

Yours Very Truly,

Albert E. Goodwin

Albert E. Goodwin
Exec. Vice Pres.
San Christobal Silver

Exhibit no. 4b

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

EQUIPMENT INVENTORY

1 - Gardner-Denver Air Compressor w/starter-compensator	$4,000.00
Electrical Power Installation	3,500.00
1 - Eimco 12-B bi-deck Mucking machine	2,200.00
1 - Universal Tram-Aire locomotive	1,200.00
1 - electric Welder	185.00
1 - Acetylene welder, torches	125.00
1 - LeRoi jack leg and drill	1,200.00
1 - Thor jack leg and drill	425.00
1 - LeRoi Stoper drill	800.00
3 - Tram cars	300.00
1 - Pneumatic bit remover	55.00
3000 feet Rail (20# & 25#)	1,500.00
1 - Air receiver 4 x 10 ft.	400.00
1 - Water jack tank	85.00
1 - Water storage tank 4 x 6 ft.	285.00
1 - Ventilation fan & motor	450.00
3 - Miners lights & chargers	185.00
1500 ft. 2" air line	500.00
1500 ft. 16" vent line (plastic)	550.00
1 - California portable switch	225.00
75 - Victaulic 2" couplers	90.00
75 ft. 1" air hose and oiler	125.00
75 ft. 1/2" water hose	60.00
1400 ft. 1/2" plastic water line	56.00
1 - timber saw (air)	150.00
1 - Compressor House (frame)	400.00
1 - Change room bldg. (frame)	150.00
total	$18,000.00

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Exhibit #5B.

THE GUNNISON BANK AND TRUST CO.

CLINT SPENCER
President

Gunnison, Colorado - 81230

March 5, 1968

Mr. Albert E. Goodwin
Executive Vice President
San Cristobal Silver Mines, Inc.
Lake City, Colorado 81235

Dear Mr. Goodwin:

Your application to our bank for a loan in the amount of $54,620.00 at a rate of 6 1/2% per annum can not be granted for the following reasons.

The amount requested is larger than our capital structure will allow for under banking requirements; that is, 15% of capital and surplus. Secondly our lowest rate of interest is 7% on prime collateral. Your request did not state what you were offering for security and it is assumed that it would no doubt be mining equipment and heavy equipment used in the exploration program. In this case the rate would then be anywhere from 8% to 10%.

No.

I wish to thank you for the opportunity to be of service to you and your company and should the occasion arise in the future that we could be of service to you please stop in to see us.

Thank you.

Sincerely,

C. S. Spencer
President

CSS:cjc

Exhibit no. 4 b

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

ESTABLISHED 1882

2686

The First National Bank

Gunnison, Colo., 81230

GEORGE T. EASTMAN
PRESIDENT

ROBERT R. WILLIAMS
CASHIER

DONALD S. EASTMAN
EXECUTIVE VICE PRESIDENT

GEORGE P. BESSE
VICE PRESIDENT

March 4, 1968

Albert E. Goodwin
San Christobal Silver Mine
Box 92
Lake City, Colorado 81235

Dear Mr. Goodwin:

In reply to your letter of February 24, 1968, requesting a loan from this bank on your mining operations in the Lake City area. This letter is to advise you that the bank has turned down your application primarily because the amount you are requesting is in excess of this bank's loaning limit.

NG

Very truly yours,

D S Eastman

Donald S. Eastman
Executive Vice President

DSE/ks

Exhibit no.

Exhibit no. 4a

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Reception No. 59603
Filed for record Feb. 22, 1968 at 9:50 A.M.
Jean M. Vickers
Recorder

Book 100
Page 97

833 a MINING LEASE—Out West Printing and Stationery Co., Colorado Springs, Colorado

This Indenture, Made this 17th day of Feb. in the year of our Lord one thousand nine hundred and sixty eight between The Vickers ~~Bros.~~ Enterprises Inc. LESSOR, and San Christobal Silver Mines, Inc. LESSEE OR TENANT.

Witnesseth, That the said Lessor for and in consideration of the Royalties, covenants and agreements hereinafter reserved, and by the said Lessee to be paid, kept and performed, has granted, demised and let, and by these presents do es grant, demise and let unto the said Lessee all the following described MINE and mining property, situate in Lake MINING DISTRICT, County of Hinsdale State of Colorado, to-wit:

The Monte Queen Lode claim, The Monte King Lode claim, The Monte Prince Lode claim, The Monte Princess Lode claim, The Monte Duke Lode claim, The Monte Earl Lode claim, and The Monte Bishop Lode claim, all located in sections 4 and 9, Township 43N, Range 4W.

Together with the appurtenances,

To Have and to Hold Unto the said Lessee or Tenant for the term of ten years from date hereof, expiring at noon on the 16th day of Feb. A. D. 1978, unless sooner forfeited or determined through the violation of any covenant hereinafter against the said Tenant reserved

Leasee agrees to carry compensation and liability insurance on said claims, and to assume all responsibilities for liability that might arise in the mining of these claims.

And in consideration of the said Demise, the said Lessee do es covenant and agree with said Lessor as follows, to-wit:

To enter upon said MINE, or premises, and work the same MINE FASHION, in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises as a workable mine, and to the special covenants hereinafter reserved.

To work and mine said premises as aforesaid steadily and continuously from the date of this Lease; and that any failure to work said premises with at least two persons employed underground for the total number of 20 days per ~~xxx~~ month, may be considered a violation of this covenant.

To well and sufficiently timber said Mine at all points where proper in accordance with good mining, and to repair all old timbering wherever it may become necessary.

To allow said Lessor and their agents to enter upon and into all parts of said Mine for the purpose of inspection, with use of all passages, ropes, windlass, ladderways, and all other means of ingress or egress for such purpose.

To not assign this Lease, or any interest thereunder, and to not sublet the said premises or any part thereof, without the written assent of said Lessor and to not allow any person or persons, except the said Lessee and their workmen to take or hold possession of said premises, or any part thereof, under any pretense whatever.

To occupy and hold all cross or parallel Lodes, Spurs, Feeders, Crevices or Mineral Deposits of any kind which may be discovered in working under this Lease, or in any Tunnel run to intersect said above Lodes or by the said Lessee or any person or persons under them in any manner, at any point within seventy-five feet of the center line of said Lode, as the property of said Lessor with privilege to said Lessee of working the same as parcel of said demised premises; and to not locate or record the same, or allow the same to be located or recorded, except in the name of said Lessor.

To keep at all times the Drifts, Shaft, Tunnels and other passages and workings of said demised premises thoroughly drained and clear of loose rock and rubbish of all kinds, unless prevented by extraordinary mining casualty.

To pay a minium royalty of $ 50.00 per month for any month that the minium work clause of this lease is not met, in order to keep this lease in effect.

To pay and deliver to said Lessor as Royalty, eight per cent of all Ore to be extracted from said premises during said term, of like assay to that retained by said Lessee delivered at any mill or smelter as soon as ~~[illegible]~~ settled, based on the net mill or smelter returnes.

To deliver to said Lessor the said premises, with the appurtenances and all improvements, in good order and condition, with all Shafts, Tunnels and other passages thoroughly clear of rubbish and drained, and the Mine ready for immediate continued working (accidents not arising from negligence alone excusing), without demand or further notice, on said 19th day of Feb. A. D. 1978, at noon, or at any time previous, upon demand for forfeiture.

with an option of renewal for an additional 10 years, at an 8% royalty as stated above.

And finally, that upon the violation of any covenant or covenants hereinbefore reserved, the term of this Lease shall at the option of said Lessor, expire and the same and said premises, with the appurtenances, shall become forfeit to said Lessor, and said Lessor or their agent may thereupon, after demand of possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law; or at the option of the said Lessor the said Tenant and all persons found in occupation may be proceeded against as trespassers from the beginning of said term, both as to the Realty and the Ore severed therefrom; or as guilty of unlawful detainer.

And the said Lessor expressly reserve to them the property and right of property in all minerals to be extracted from said premises during the term of this Lease. Each and every clause and covenant of this indenture shall extend to the heirs, executors and administrators of all parties hereto, and to the assigns of said Lessor; and as said Lessor may elect to the assigns of said Lessee.

In Witness Whereof, The said parties have hereunto set their hands and seals.

SEALED AND DELIVERED IN PRESENCE OF

Shirley Hugh F. Wiltse

Thomas C. Vickers Pres. (Seal)

Albert C. Goodwin V-Pres. San Christobal Silver Mines Inc. (Seal)

Exhibit 3

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

211 CURTIS STREET

TELEPHONE 623-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER, COLORADO 80205

Folio 8991

Date Dec. 14, 1968.

San Christobal Silver Mines, Inc.,
Box 92,
Lake City, Colorado. 81235

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

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
Sample No. 37	0.26	50.66						
38	0.41	193.20						
39	1.04	485.86						
40	0.96	400.24						

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 10.00

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

211 CURTIS STREET

TELEPHONE 623-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER, COLORADO 80205

Folio 9076

Date April 2, 1968

San Christobal Mines Inc.
P.O.Box 92
Lake City, Colorado

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

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
Sample # 53	0.03	1.30						
54	0.02	0.28						
55	0.02	6.88						

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 7.50

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

2144 CURTIS STREET

TELEPHONE 623-1852

CHEMISTS • ASSAYERS • ENGINEERS

DENVER, COLORADO 80205

Polio 9091

Date April 22, 1968.

San Christobal Silver Mines, Inc.,
P. O. Box 92,
Lake City, Colorado. 81235
Attention: Mr. Al Goodwin.

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

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
#1A	0.02	2.18						
#2A	0.02	2.20						
#3A	0.04	8.12						
#4A	0.04	9.22						
#1B	0.04	36.52		27.72	10.64			
#2B	0.03	76.49		14.14	4.85			
#3B	0.02	20.98		10.40	8.93			
#4B	0.02	12.82		2.16	1.83			
#5B	0.03	24.77		18.93	6.45			
#1C	0.01	13.29						
#2C	0.04	4.36						
#3C	0.02	10.54						
#4C	0.02	12.04*	*Silver 12.04 oz.per ton.					
#5C	0.01	17.35						
#1D	0.02	3.38						
#2D	0.04	6.18						
#3D	0.04	8.54						
#4D	0.03	8.07						
#5D	0.02	1.02						
#1E	0.02	2.98						
#2E	0.01	2.79						
#3E	0.015	1.70						
#4E	0.01	14.29						
#5E	0.03	1.97						
#6E	0.02	4.38						
#7E	0.02	10.78						
#8E	0.02	11.02						
#9E	0.30	163.40						
#10E	0.10	30.54						
#11E	0.02	6.78						
#12E (Light)	0.02	9.48						
#13E (Dark)	0.04	42.02						

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 95.00

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

EDMUND E. PHILLIPS, VICE-PRES. - GEN. MGR.

M. E. PHILLIPS, SECRETARY

THE COLORADO ASSAYING COMPANY

(Incorporated)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER, COLO. 80201

OUR MOTTO: — *"What there is in it, no more, no less."*

April 24, 1968

San Christobal Silver Mines, Inc.
Box 92
Lake City, Colorado

Att'n Albert E. Goodwin

Dear Mr. Goodwin:

In reply to your request for our bid on assay work for your company, we are enclosing our standard price list of assay charges. These prices apply regardless of quantity.

Yours very truly,
THE COLORADO ASSAYING COMPANY
Edmund E. Phillips

Edmund E. Phillips

Enclosure

EFFECTIVE SEPT. 1, 1967

ASSAY CHARGES

GOLD & SILVER $3.50 — Gold $2.50 — Silver $2.50
Copper $1.50 — Lead (Wet) $2.50 — Zinc $2.50

Aluminum	$ 4.00	Nickel	$ 5.00
Antimony	4.00	Phosphorus	4.00
Arsenic	4.00	Platinum (fire)	3.50
Barium	3.00	Platinum (chemical)	10.00
Beryllium	15.00	Potassium	7.50
Bismuth	5.00	Silica (insoluble)	2.00
Cadmium	10.00	Silica (true)	3.00
Calcium, (Acid)	2.50	Silver (chemical)	5.00
Calcium (Fusion)	3.00	Sodium	7.50
Chromium	3.00	Strontium	10.00
Cobalt	6.00	Sulphur	3.00
Columbium	25.00	Tantalum	25.00
Fluorspar	4.00	Tellurium or Selenium	10.00
Graphite	3.00	Thorium	15.00
Iron (Acid)	2.00	Tin (chemical)	4.00
Iron (Fusion)	2.50	Titanium	5.00
Lithium	10.00	Tungsten	6.00
Magnesium	5.00	Uranium	7.50
Manganese	2.50	Vanadium	3.00
Mercury	3.00	Rare Earths & Thorium	5.00
Molybdenum	5.00	Total Rare Earths	15.00

Other Metals not mentioned ..... $5.00 and up
Qualitative Analysis, for any one metal (rare or common), reporting the presence or absence of that metal ..... Common $1.50 Rare $3.00
Buillion assays, Gold and Silver ..... Double Minimum Rate

ENGINEER OR DUPLICATE ASSAYS

Gold or Silver $4.00
Gold and Silver 5.00

CONTROL ASSAY RATES

Gold, Silver, Copper, Lead, Zinc ..... each $5.00
Gold and Silver 6.00

UMPIRE ASSAY RATES

Gold, Silver, Copper, Lead or Zinc ..... each $7.00
Gold and Silver or Zinc 10.00

IDENTIFICATION REPORTS

This report will identify and name the minerals present in a specimen and list the principal elements composing same $2.50

Charges for work not listed furnished on request.

Free Mailing envelopes or shipping tags.

Write for free copy of our MINERALOGIST'S POCKET REFERENCE, a book giving detailed information on all the principal minerals.

SPECIAL — GOLD AND PLATINUM ASSAYS ON SAME SAMPLE, $5.00

A 50c SAMPLE PREPARATION CHARGE IS TO BE ADDED FOR EACH SAMPLE WITH ASSAYS TOTALING UNDER $5.00

THE COLORADO ASSAYING CO.

Assayers and Chemists

P. O. Box 298 — 2244 Broadway — Denver, Colo. 80201

(OVER)

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

San Christobal Silver Mines, Inc.

BOX 92

LAKE CITY, COLORADO 81235

Reply To:
A. E. GOODWIN
Box 92
Lake City, Colorado 81235

April 25, 1968

Office of Minerals Exploration USGS
Dept. of the Interior
Denver Federal Center
Denver, Colorado

Gentlemen:

Included in this letter is a list of all machinery and equipment now on hand and fully owned by the corporation which will be used for a period of approximately one year on the proposed exploration contract.

The total fair market value of said equipment is $18,000.00. The depreciation allowable for one year figures $3,600.00. We wish to apply the amount of $3,600.00 as a portion of our 25% of exploration costs on our proposed O.M.E. loan, the balance being $17,581.25.

The total figures included in the application are as follows:

Drifting	@ $48.55/ft.		$72,825.00
Timbering	@ 14.00/ft. 700 ft.		9,800.00
Assaying	@ 3.00/sample 700		2,100.00
			$84,725.00
Government participation		75%	67,143.75
SanChristobal Silver part		25%	21,181.25
less allowable machinery costs for one year - - - - - - - - -			3,600.00
Operators adjusted 25%			$17,581.25

Please let this letter act as confirmation of your subscription for the above adjusted amount of $17,581.25, being our 25% share of exploration costs. Please be advised that these funds are, or will be, available when needed to meet our obligation.

Yours very truly,

Albert E. Goodwin

Albert E. Goodwin
Executive Vice President
in charge of operations
Member Board of Directors

Enclosure - Equipment Inventory

Exhibit #5a.

ASSAY PRICE LIST

Charles O. Parker & Company
2114 Curtis St., Denver, Colorado 80205
623-1852

Gold	$ 1.50
Silver	1.50
Gold & Silver (Same Sample)	2.50
Copper, Lead, Zinc, each	1.50
Aluminum	5.00
Antimony	5.00
Arsenic	5.00
Barium	5.00
Beryllium	7.50
Bismuth	7.50
Chromium	7.50
Cobalt	7.50
Columbium - Tantalum (Conbined)	10.00
Fluorspar	4.50
Iron	2.50
Insoluble	2.50
Lime	2.50
Magnesium	3.00
Manganese	3.00
Mercury	5.00
Molybdenum	7.50
Nickel	5.00
Phosphorus	5.00
Platinum	7.50
Silica	3.00
Sulphur	2.50
Thorium	10.00
Tin	7.50
Titanium	7.50
Tungsten	7.50
Uranium	7.50
Vanadium	3.00
Rare Earths	10.00
Fusion, Silica, Lime Iron, each	3.00
Complete Qualitative Analysis	15.00

One Pound Makes A Good Sample

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 Hinsdale, State of Colorado,

described ~~as follows:~~[2] in a lease dated feb. 17, 1968, and recorded in book 100, pg. 97, official records of said county.

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

San Christobal Silver Mines, Inc.[3]

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

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

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

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

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

none

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

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

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

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

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

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

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

Dated this 23rd day of February, 1968.

[signature]	(Seal)	Box 127 (Street) Lake City, Colo. 81235 (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)

I, Joseph M. Vickers (Name), certify that I am the secretary (Title—Secretary, etc.) of the corporation named herein; that Purvis C. Vickers (Name), who signed this agreement was then president (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.

[signature]
(Corporate Seal)

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 Hinsdale, State of Colorado,

described ~~as follows~~: [2] In a lease dated Feb. 17, 1968, and recorded in book 100, pg. 97, official records of said county.

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

San Christobal Silver Mines, Inc. [3]

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

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

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

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

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

none

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

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

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

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

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

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

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

Dated this 23rd day of February, 19 68.

Purvis C. Vickers	(Seal)	Box 127 (Street) Lake City, Colo. 81235 (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)

I, Joseph M. Vickers (Name), certify that I am the secretary (Title—Secretary, etc.) of the corporation named herein; that Purvis C. Vickers (Name), who signed this agreement was then president (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.

Joseph M. Vickers (Corporate Seal)

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/

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San Christobal Silver Mines, Inc. 3/

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Purvis C. Vickers (Seal) Box 127 (Street) Lake City, Colo. 81235 (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

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Jan. 1959

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Dated this 23rd day of February, 19 68.

Box 127		(Street)
Lake City, Colo. 81235		(City & State)
Thomas C. Walker	(Seal)	
		(Street)
		(City & State)
	(Seal)	
		(Street)
		(City & State)
	(Seal)	
		(Street)
		(City & State)
	(Seal)	
		(Street)
		(City & State)
	(Seal)	
		(Street)
		(City & State)
	(Seal)	

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(Corporate Seal)

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Jan. 1959

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OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
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	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)
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Joseph M. Vickers
(Corporate Seal)

TELEPHONE MAIN 3-1852
2114 CURTIS STREET
DENVER 5, COLORADO

April 29, 1968.

San Christobal Silver Mines, Inc.,
P. O. Box 92,
Lake City, Colorado.

Attention: Mr. Al Goodwin, Mananger.

Gentlemen:

As per your request for a bid on assay work, we are enclosing our standard price list on general assay work. These charges shall apply regardless of the number of samples submitted.

Thank you for the opportunity to bid on your assay requirements, and trust that we may be of service to you.

Very truly yours,

CHARLES O. PARKER & CO.,

By Charles O. Parker

CP-a

SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/23/69	Peterson	120
	(on leave)	120
	Emerick	120
		220
		120M

MAY 23 1969

AIRMAIL

Mr. Albert E. Goodwin, Vice President
San Christobal Silver Mines, Inc.
P. O. Box 92
Lake City, Colorado 81235

Re: OME-6729 (Silver-Gold)
San Christobal Silver Mines, Inc.
Monte Queen Mine
Hinsdale County, Colorado

Dear Mr. Goodwin:

This will acknowledge your letter of May 17 to Mr. J. William Hasler, informing us that you have decided not to proceed any further at this time with the subject application.

We are, therefore, considering your application as having been withdrawn and are placing it in our inactive files.

If you wish to reopen this case at any time in the future, you may do so by filing a new application, referring to this OME docket number, and furnishing the information pertinent to your new proposal. This information should include new bank letters dated within 90 days of filing the new application, but need not repeat data already submitted.

Sincerely yours,

William L. Emerick (gla)

W. L. Emerick
For: Harold Kirkemo, Chief
Office of Minerals Exploration

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

ECPeterson/bsl 5/23/69

San Christobal Silver Mines, Inc.
BOX 92
LAKE CITY, COLORADO 81235

May 17, 1969

Reply To:
A. E. GOODWIN
Box 92
Lake City, Colorado 81235

OME Region III
RECEIVED
MAY 21 1969
Denver, Colorado

Mr. Wm. Hasler
Office Minerals Exploration
Denver Federal Center
Denver, Colorado

Dear Mr. Hasler:

As per our phone conversation of May 14, I do Hereby wish to withdraw our application for exploration assistance at this time. I would, however, like to request that our application remain in your files for a period of six months, as we may wish to re-apply for assistance in the future.

Thank you very much for your past consideration.

Sincerely,

Albert E. Goodwin
exec. vice-pres.

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 23 1969
INITIALS | CODE
130
120
GA 120

IN REPLY REFER TO:

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

Office of Minerals Exploration
Building 53 Room 200

May 14, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 16 1969

INITIALS	CODE
gla	130
Bal	120m
WE	120 E
	120 P

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6729 (Silver-Gold)
San Christobal Mines
(Monte Queen Group)
Hinsdale County, Colorado

In a telephone conversation with Mr. Albert Goodwin, representing the applicant I was informed that the applicant wishes to withdraw the subject application, but would like to have it held in the active file for a period of about six months, pending a possible change in status of possible funding.

He will follow this telephone request with a letter requesting withdrawal of the application within a few days.

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

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/25/68	Peterson	120
6/25/68	Kirkemo	120
		110
		220
		120M

JUN 25 1968

AIRMAIL

San Christobal Silver Mines, Inc.
P. O. Box 92
Lake City, Colorado 81235

Re: OME-6729 (Silver-Gold)
San Christobal Silver Mines, Inc.
Monte Queen Mine
Hinsdale County, Colorado

Gentlemen:

Your application for exploration assistance has been reviewed in our Washington Office and referred for further consideration to Mr. J. William Hasler, Field Officer, Region III, Office of Minerals Exploration, Room 203, Building 53, Denver Federal Center, Denver Colorado 80225.

Mr. Hasler will notify you if he requires additional information and to arrange for an on-site examination of the property, if necessary.

Sincerely yours,

Harold Kirkemo

for: Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region III
130
ECPeterson/bsl 6/25/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/25/68	Peterson	120
6/25/68	Kishemo	120
		110
		220
		120M

JUN 25 1968

AIRMAIL

Memorandum

To: Field Officer, Region III

From: Chief, Office of Minerals Exploration

Subject: OME-6729 (Silver-Gold)
San Christobal Silver Mines, Inc.
Monte Queen Mine
Hinsdale County, Colorado

The subject application is referred to you for further study, a field examination, and recommendations.

An earlier proposal (OME-6555) to explore the subject property was denied by the OME on the basis that available geologic information indicated the deposit had a limited potential which did not justify the cost of the proposed exploration. A review of the material furnished with the new application indicates that little additional geologic information has been presented, and does not change our earlier opinion regarding the deposit's potential.

However, since your inspection of the property the Applicant has performed considerable work on the Saville vein which suggests the property should be reexamined. Perhaps supporting geologic evidence can be found to justify a limited project. You have indicated that an examination could be made when you are in the vicinity on other OME business.

Please note that the proposed work to test the Monte Queen vein only 54 feet below the old mine workings appears to be development rather than exploration.

If a contract is recommended, the Applicant should be requested to furnish new bank correspondence. The letters of refusal submitted suggest that loans were not granted only because the requests were over the bank's lending limit.

Harold Kishemo
for: Frank E. Johnson

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

ECPeterson/bsl 6/25/68

May 23, 1968

San Christobal Silver Mines, Inc.
Box 92
Lake City, Colorado 81235

Subject: OME - 6729

Gentlemen:

Your application for exploration assistance, dated April 25, 1968, submitted to our office at Denver, Colorado, has been assigned Docket No. OME-6729.

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

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

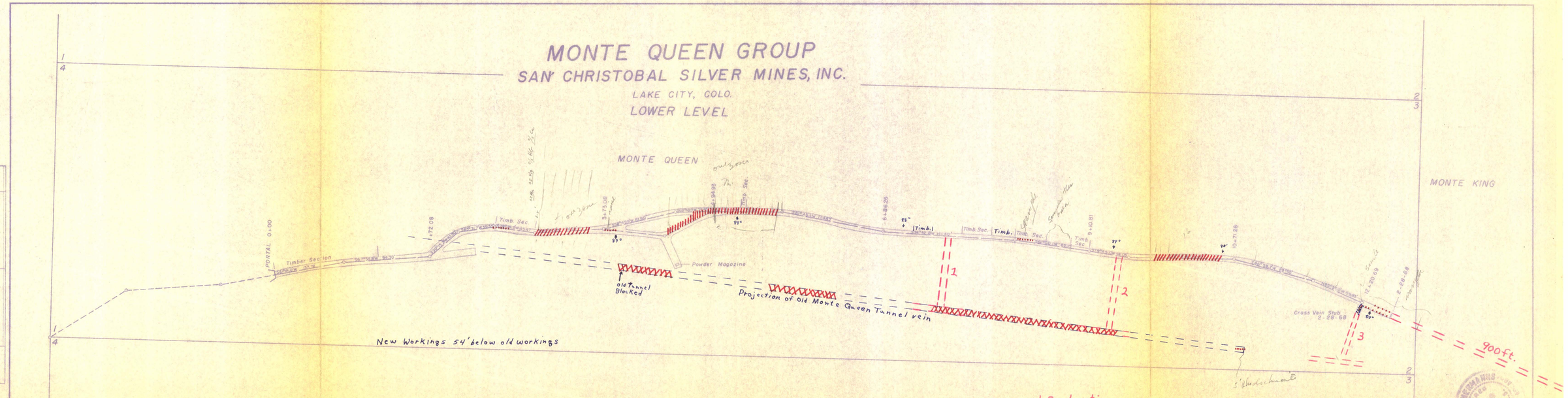
Copy to Region III

MONTE QUEEN GROUP

SAN CHRISTOBAL SILVER MINES, INC.

LAKE CITY, COLO.

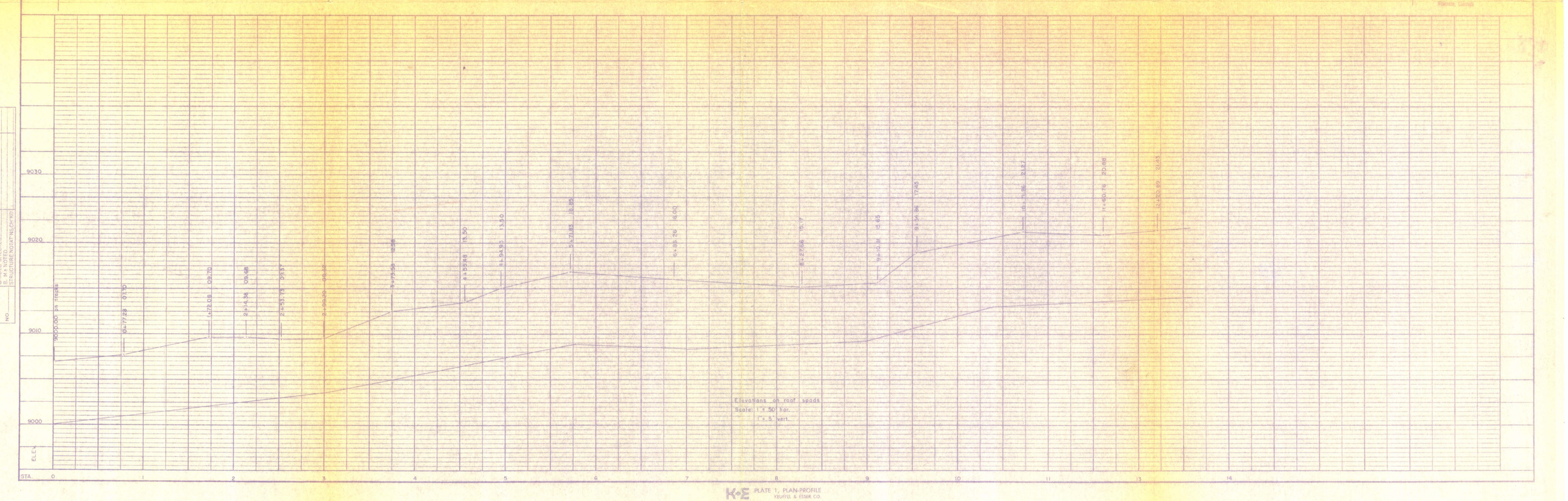
LOWER LEVEL



SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Exhibit 1

Proposed Exploration
Cross vein
Ore Bodies
Mineralization Showings
Stoped



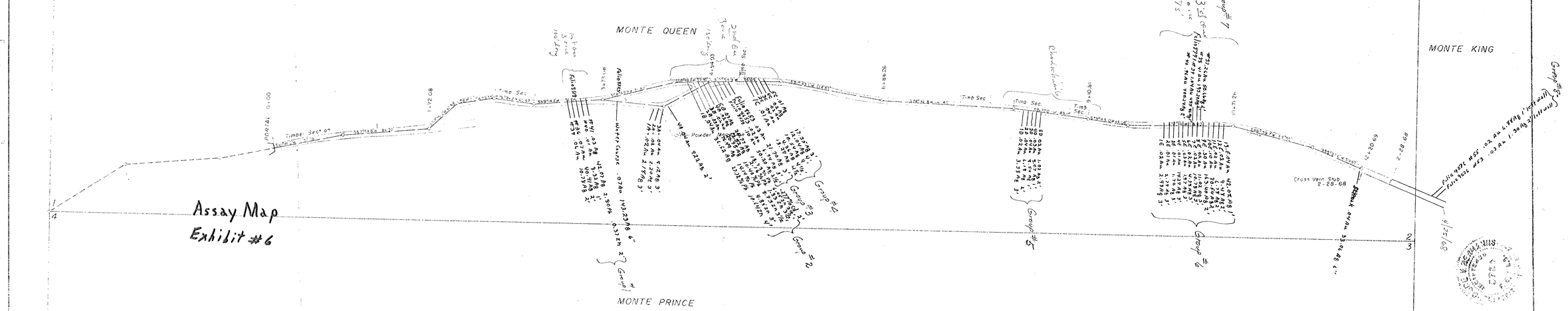
K+E PLATE 1, PLAN-PROFILE
KEUFFEL & ESSER CO.
46 7004

MONTE QUEEN GROUP

SAN CHRISTOBAL SILVER MINES, INC.

LAKE CITY, COLO.

LOWER LEVEL

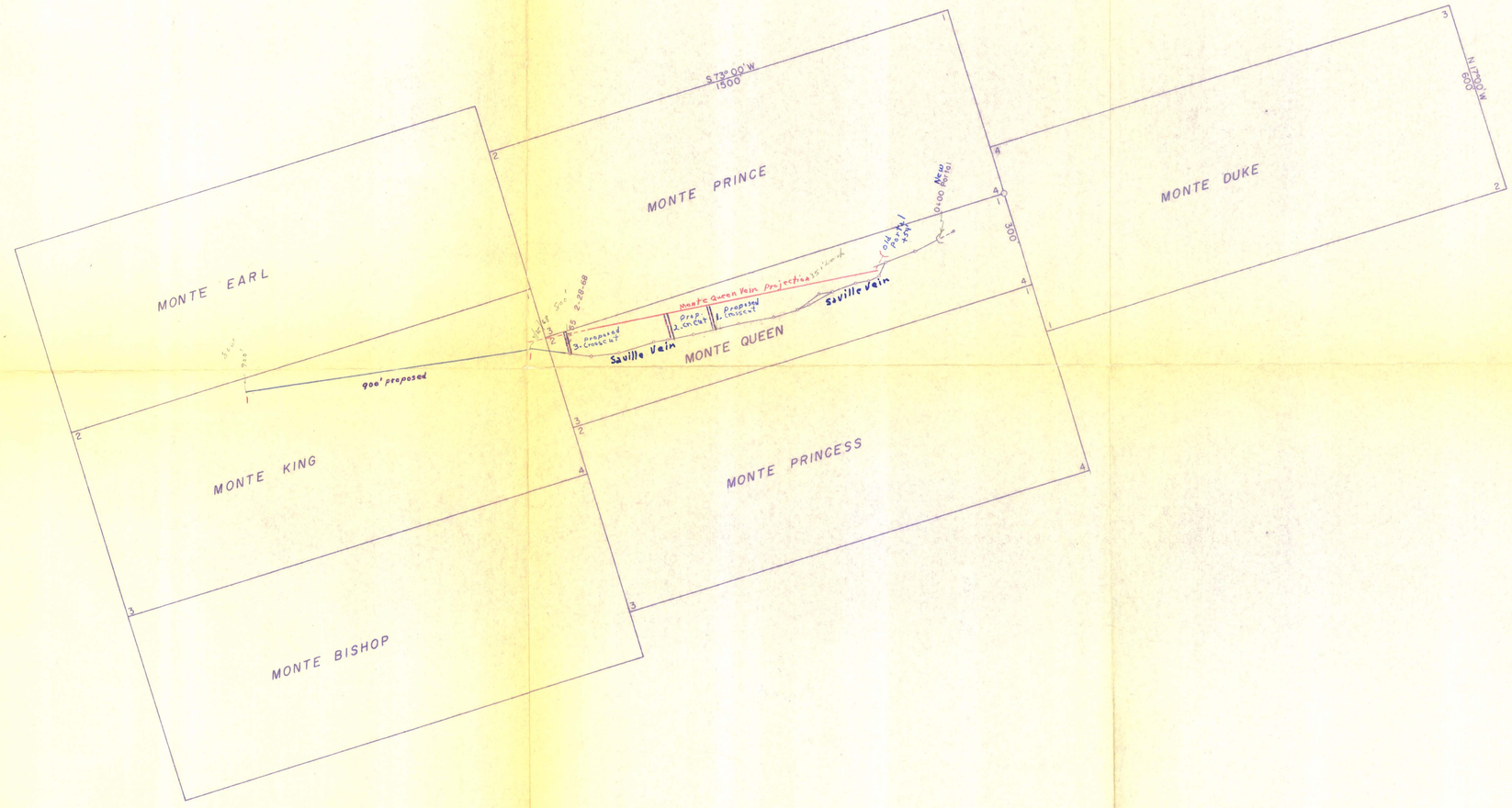


Assay Map
Exhibit #6

SAN CHRISTOBAL SILVER MINES, INC.

MONTE QUEEN GROUP

LAKE CITY, COLO.



SAN CHRISTOBAL
SILVER MINES INC.
BOX 92
LAKE CITY, COLO. 81235

Exhibit 2

MESA ENGINEERING & SURVEYING CO.
MONTROSE, COLORADO

DRAWN	SCALE	REVISIONS	DATE
CHECKED			
APPROVED			
DATE 2-3-68			

TITLE Theodore V. Hermanns — NO PE & LS 3720