MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6821

Application
- [ ] Denied
- [x] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

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

- [ ] Field Team 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

OME Form 40
(Revised Nov. 68)

Budget Bureau No. 42-R1368
Approval expires Dec. 1971

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.)*

Richard H. McIlroy
1915 Greenwood Street
Pueblo, Colorado 81003

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6821

DATE RECEIVED: 6/16/70

REGION: III

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

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

ESTIMATED COST OF PROJECT: $35,000.

PROPERTY NAME	LOCATION COUNTY	STATE
Ophir Creek Claims	Custer	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. II). 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 Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration, 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.

June 8, 1970
DATED

Richard H McIlroy
BY *(Signature)*

TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include (1) true copies of your letters to credit sources which show date of loan request, amount and terms requested, and proposed use of loan funds and (2) true copies of 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 signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

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.

(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) 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. State your reasons for expecting to find ore.

(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, address, and telephone number 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 time and materials *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 price 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).]

1915 Greenwood Street
Pueblo, Colorado 81003

June 8, 1970

Mr. Harold Kirkemo, Director
Office of Mining Exploration
Department of the Interior
Washington, D. C. 20242

Dear Mr. Kirkemo:

Enclosed is an application for financial assistance in Minerals Exploration. To complete the information required, the following items are enclosed:

1. a. Letters from the Arkansas Valley Bank and the First National Bank.

   b. Not applicable.

   c. Funds available from myself and associates.

2. a. The undersigned is owner of unpatented claims recorded at Westcliffe, County seat of Custer County, as follows:

   b. 1. Yukon Book 133, Page 95.
      2. Gold Crescent Book Q, Page 297.
      3. Cascabel Book 106, Page 286.
      4. Ring of Gold Book Q, Page 297.
      5. Pathfinder Book Q, Page 295.

Yukon:	NW 1/4 Sec. 20,	Twp. 23S	R 69W	6 P M
Gold Crescent	Sec. 19	"	"	"	"
Cascabel	5 1/2 Sec. 19	"	"	"	"
Ring of Gold	Sec. 19	"	"	"	"
Pathfinder	Sec. 19	"	"	"	"

3. a. The property is on Ophir Creek fifty miles west of Pueblo. The claims are located on 28 degree slopes. The Rail Drift and Hay Drift are on the Cascabel. (See Sketch Pl. 4. 3g) No active work at present. The Akins Mine and tunnel 1500 ft. long are on the Gold Crescent. Tunnel has solid roof. No work at present. Breccia Shaft is on the Pathfinder. No work recently in shaft. No production facilities on any of the above.

   b. None.

   c. No record of past production.

   d. Ore reserves not identified.

   e. Assay reports enclosed.

f. See assay reports and geochemical reports under 3g.
g. Skyline Labs reports, Plat of claims and geologic maps of Rail and Hay Drifts. Please return items labeled 3g.

4. a. OME representative will be met by the undersigned, R. H. McIlroy, M. D., 1915 Greenwood Street, Pueblo, Colorado, 81003. Telephone: 543-2340. I will drive him to the property. There is a good logging road to the site of the property.

b. Pueblo is the nearest shipping and supply point, fifty miles away.

5. a. The area should have further surface work by a geological and mining consultant, followed by core drilling. Since position 14 showing 2000 PPB mercury is within thirty feet of the road, drilling should probably begin there about 400 feet west of the hay drift. Four to eight holes directed so as to cross lines 3, 5, 6, and 9 on the Pathfinder and Cascabel as well as various fault lines should be drilled to 400 to 800 foot depths. Drill sites are also readily accessible on the Gold Crescent. It might be considered advisable to drill across Ophir Creek at depth since it probably lies on a fault.
b. Not applicable.
c. A part of the work could be started within thirty days. The claims are at 9000 feet so the working season is from early June until mid-September for surface work. The road is kept open through the winter so that other work could continue. The surface work should be completed within four weeks. The drilling progress would be uncertain since the speed would vary in the breccias and solid rock. There is granite only at the east and west extremes of the mineralized area.

6. None. We would hire a firm on a bid basis.

7. a. Geologic work $1500 to $2000.
b. Drilling average cost $4 to $10 a foot.
c. d. e. f. g. Not applicable.

Yours truly,

Richard H. McIlroy

R. H. McIlroy, M. D.

RHM:MM

1.

1915 Greenwood Street
Pueblo, Colorado 81003

May 26, 1970

Mr. Tom Conroy
Vice-President
Arkansas Valley Bank
Pueblo, Colorado 81003

Dear Mr. Conroy:

I wish to obtain funds for the purpose of exploring five unpatented mining claims in the Ophir Creek area, west of Pueblo. The exploration would consist of surface geology work by an engineering consulting firm, followed by diamond drilling of the area for potential ore bodies.

The amount needed is approximately $40,000 to be made available in monthly installments as the work progresses and to be repaid in five years or less if possible.

Yours truly,

R H McIlroy, MD

R. H. McIlroy, M. D.

RHM:MM

ARKANSAS VALLEY BANK
P. O. BOX 795 - PUEBLO, COLORADO

TOM CONROY
VICE-PRESIDENT & CASHIER

June 3, 1970

R. H. McIlroy, M.D.
1915 Greenwood
Pueblo, Colorado 81003

Dear Dr. McIlroy:

Thank you for applying to us for a loan, but at the present time due to a severe shortage of loanable funds in our area we would not be able to consider this loan request.

Perhaps in the future we may be of service to you if the money situation changes.

Very truly yours,

T P Conroy

T. P. CONROY
VICE PRESIDENT AND CASHIER

/mb

1.

1915 Greenwood Street
Pueblo, Colorado 81003

May 29, 1970

Mr. D. W. Caldwell
Senior Vice President
The First National Bank
Pueblo, Colorado 81003

Dear Mr. Caldwell:

I wish to obtain funds for the purpose of exploring five unpatented mining claims in the Ophir Creek area west of Pueblo. The exploration would consist of surface geology work by an engineering consulting firm, followed by diamond drilling of the area for potential ore bodies.

The amount needed is approximately $35,000 to be made available in monthly installments as the work progresses and to be repaid in five years or less if it is possible.

Yours very truly,

R H McIlroy, MD

R. H. McIlroy, M. D.

RHM:MM

1.

THE FIRST NATIONAL BANK

DOUGLAS W. CALDWELL
SENIOR VICE PRESIDENT

June 2, 1970

Dr. R. H. McIlroy
1915 Greenwood
Pueblo, Colorado

Dear Dr. McIlroy:

Your application for a long term loan, in the amount of $35,000, for use in mining exploration has been considered by our Loan Committee. This is to advise that we are not interested in a loan of this type at the present time.

Very truly yours,

D.W. Caldwell
Senior Vice President

DWC:rk

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/8/70	Emerick	120
		120
		220

AIRMAIL

JUL 8 1970

Dr. Richard H. McIlroy
1915 Greenwood Street
Pueblo, Colorado 81003

Re: OME-6821 (Gold)
Richard H. McIlroy
Ophir Creek Claims
Custer County, Colorado

Dear Dr. McIlroy:

This will acknowledge your letter of July 2, 1970, requesting that your application be withdrawn pending completion of preliminary work. We are, therefore, placing your application in our inactive files.

We are returning the technical material of the application to you, but have retained the original copy of the nontechnical material in accordance with the General Instructions on the application form. This copy is the Government's permanent record of your application and the information contained therein can be referred to in the event you should wish to reopen this case at any time in the future. You may do this 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,

Harold Kirkemo (gla)

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region III w/cy incoming letter
Mr. Emerick

WLEmerick/gla 7-8-70

OFFICIAL
COPY
O. M. E.
RECEIVED
JUL 6 1970
INITIALS

RICHARD H. McILROY M. D.
1915 GREENWOOD STREET
PUEBLO, COLORADO

July 2, 1970

Mr. Harold Kirkemo,
Chief Office of
Minerals Exploration.

Subject OME-6821

Dear Mr. Kirkemo,

I have your letter indicating that the preliminary work on the above numbered application is incomplete.

I wish to withdraw the application as you suggest it and resubmit at a later date.

Is it possible for you to return the application intact? I would appreciate it.

Sincerely,
R. H. McIlroy, MD

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/25/70	Emerick	120
		120
6/25	CAC	220
		120M

AIRMAIL

JUN 25 1970

Dr. Richard H. McIlroy
1915 Greenwood Street
Pueblo, Colorado 81003

Re: OME-6821 (Gold)
Richard H. McIlroy
Ophir Creek Claims
Custer County, Colorado

Dear Dr. McIlroy:

We have received your application for financial assistance to explore the Ophir Creek Claims at a total cost of $35,000.

Our review indicates that the work proposed is more in the nature of prospecting than of exploration. The further preliminary geologic work on the surface proposed in your application to be done by a geological or mining consultant is not eligible for assistance under the OME program. Exploration under the OME program must be directed to testing specific exploration targets which already have been defined by previous work on the applicant's part.

The proposed exploration work and estimate of costs must be described fully and in detail. For any drilling proposed you should furnish bids from three drilling companies if possible. The location, bearing, inclination, and depth of each proposed drill hole should be listed and posted on your maps or sketches, indicating the geologic structures that are the specific targets of the exploration.

For these reasons, we suggest that you consider withdrawing the application pending additional preliminary geologic work. We will be glad to reinstate the application upon receipt of the additional information.

Please advise whether or not you wish to withdraw the application.

Sincerely yours,

Harold Kirkemo (glm)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
~~OME~~ Docket
OME Reading File
Region III
Mr. Emerick

WLEmerick/bsl 6/25/70

June 16, 1970

Mr. Richard H. McIlroy
1915 Greenwood Street
Pueblo, Colorado 81003

Subject: OME-6821

Dear Mr. McIlroy:

Your application for exploration assistance, dated June 8, 1970, submitted to our office at Washington, D. C., has been assigned Docket No. OME-6821.

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

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to Region III
with copy of application