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 Nye, State of Nevada,

described as follows:[2] Thirty-eight lode mining claims, named "Baxter Spring Nos. 1 to 38" - in Township 7 N, Range 43 E., Secs. 25, 26, 35, 36, Mt. Diablo B.M., as recorded in Book No. 106 of Official Records, pages 54 to 63, 94 to 99, 116 to 137.

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

Howard P. Ritsch[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 ____ day of June, 1968.

Peter Fabbi	(Seal)	P. O. Box 968	(Street)
		Tonopah, Nevada 89049	(City & State)
Ray F. Garnett	(Seal)	777 Locust Street	(Street)
		Reno, Nevada	(City & State)
	(Seal)		(Street)
			(City & State)
	(Seal)		(Street)
			(City & State)
	(Seal)		(Street)
			(City & State)
	(Seal)		(Street)
			(City & State)

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

(Corporate Seal)

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 Nye, State of Nevada, described as follows:[2] Thirty-eight lode mining claims, named "Baxter Spring Nos. 1 to 38" - in Township 7 N, Range 43 E., Secs. 25, 26, 35, 36, Mt. Diablo B.M., as recorded in Book No. 106 of Official Records, pages 54 to 63, 94 to 99, 116 to 137.

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Howard P. Ritsch [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]

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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 ____ day of June, 1968.

Peter Fabbi (Seal)	P. O. Box 968 (Street) Tonopah, Nevada 89049 (City & State)	
Ray F. Garnett (Seal)	777 Locust Street (Street) Reno, Nevada (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	
(Seal)	(Street) (City & State)	

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

(Corporate Seal)

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 Nye, State of Nevada,

described as follows:[2] Thirty-eight lode mining claims, named "Baxter Spring Nos. 1 to 38" - in Township 7 N, Range 43 E., Secs. 25, 26, 35, 36, Mt. Diablo B.M., as recorded in Book No. 106 of Official Records, pages 54 to 63, 94 to 99, 116 to 137.

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

Howard P. Ritsch [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.

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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 ____ day of June, 1968.

Peter Tabbee	(Seal)	P. O. Box 968 Tonopah, Nevada 89049	(Street) (City & State)
Ray F. Garnett	(Seal)	777 Locust Street Reno, Nevada	(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)
	(Seal)		(Street) (City & State)

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

_____
(Corporate Seal)

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 Nye, State of Nevada,

described as follows:[2] Thirty-eight lode mining claims, named "Baxter Spring Nos. 1 to 38" - in Township 7 N, Range 43 E., Secs. 25, 26, 35, 36, Mt. Diablo B.M., as recorded in Book No. 106 of Official Records, pages 54 to 63, 94 to 99, 116 to 137.

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

Howard P. Ritsch [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

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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.

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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 ____ day of June, 1968.

Peter Fabbi	(Seal)	P. O. Box 968	(Street)
Peter Fabbi		Tonopah, Nevada 89049	(City & State)
Ray F. Garnett	(Seal)	777 Locust Street	(Street)
Ray F. Garnett		Reno, Nevada	(City & State)
	(Seal)		(Street)
			(City & State)
	(Seal)		(Street)
			(City & State)
	(Seal)		(Street)
			(City & State)
	(Seal)		(Street)
			(City & State)

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

(Corporate Seal)

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 Rye, State of Texas,

described as follows:[2] Unpatented lode mining claims, known Doctor Spring Nos. 1 to 37 - in Township 7 N., Range 13 E., Secs. 25, 26, 35, 36, G.&S.R.B.&M., as recorded in Book No. 106 of Official Records, pages 2 to 61, 94 to 99, 216 to 237.

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

Bernard P. Bloch [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]

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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.

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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 ____ day of ____June____, 19__.

Peter Fabbri (Seal)	P. O. Box 960	(Street)
Peter Fabbri	Sonora, Tuolumne Co.	(City & State)
Ray F. Garnett (Seal)	777 South Main	(Street)
Ray F. Garnett	Lodi, Calif.	(City & State)
(Seal)		(Street)
		(City & State)
(Seal)		(Street)
		(City & State)
(Seal)		(Street)
		(City & State)
(Seal)		(Street)
		(City & State)

I, * * * * * *, certify that I am the * * * * * *
(Name) (Title—Secretary, etc.)

of the corporation named herein; that * * * * * *, who signed this agreement
(Name)

was then * * * * * of said corporation; that said agreement was duly signed for and
(Title—Pres., Vice-Pres., etc.)

in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

(Corporate Seal)

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6731

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
- [ ] 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

Memorandum

May 24, 1968

OFFICIAL COPY
O. M. E.
REC'D
MAY 27
INITIALS | CODE

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: New Application (Gold and Silver)
Howard P. Ritsch
Baxter Spring Group of Claims
Nye County, Nevada

Enclosed is an application for financial assistance in a gold-silver project in Nye County, Nevada, from a Mr. Howard P. Ritsch, 8925 S. Laflin Street, Chicago, Illinois 60620.

The application appears to be fairly well prepared, but the significance of the geophysical work is not clear and it is questionable if the results of work to date justify the estimated cost of the proposed project.

H. K. Stager

H. K. Stager

Enclosure

No details of geophysical work or profiles, etc. Drill holes around 16 to 30 would for assay work [illegible]

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

May 27 68

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.)*	APPLICANT DO NOT USE THIS BLOCK
Howard P. Ritsch 8925 S. Laflin Street Chicago, Illinois 60620	DOCKET NUMBER: 6731 DATE RECEIVED: May 24, 1968 REGION: II DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*	LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE — NAME / ADDRESS / TITLE
INDIVIDUAL [X] CORPORATION [ ] PARTNERSHIP [ ] OTHER *(Specify)* [ ]	
STATE IN WHICH FIRM IS ORGANIZED	

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE	PROPERTY NAME	LOCATION COUNTY	STATE
Gold and silver	Baxter Spring	Nye	Nevada
ESTIMATED COST OF PROJECT: $ 80,000			

GENERAL INSTRUCTIONS

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

CERTIFICATION

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

May 23, 1968
DATED

Howard P. Ritsch
BY *(Signature)*

Lessee
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).]

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

Dear Mr. Stager:

The Lien and Subordination Agreements failed to arrive in today's mail as promised. Phoned the Tonopah attorney, who has been away but promised to get them off by special delivery today. Am sending the rest of the material anyway, so that you may go through it and make certain that all is in order otherwise. The Lien forms should follow within a day or two.

I'll probably phone you about the 29th, and possibly we can arrange a date at that time for meeting at Tonopah.

RECEIVED

MAY 24 1968

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

HOWARD P. RITSCH
Metallurgical Engineer
8925 SOUTH LAFLIN STREET
CHICAGO, ILLINOIS 60620

May 23, 1968

Mr. Harold K. Stager, Field Officer
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

Dear Mr. Stager:

Herewith is my application for an OME loan in the amount of $60,000, together with statement providing the information and data requested, including itemized estimate of costs of the proposed program, totalling $80,000. Since the mineralization on this property is chiefly in gold and silver, this should qualify for a loan of 75 per cent of total cost.

Our conversation of some months ago pertained to a proposed program of exploration in certain areas in the vicinity of Goldfield, Nevada, but after doing considerable geophysical work and a few thousand feet of drilling on our leaseholds in that district, with very interesting results in one area, we decided to concentrate our expenditure of time and money in the vicinity of Baxter Springs, about 35 miles north and east of Tonopah, where the possibility of a large open pit and/or placer operation is indicated by the results of our geophysical survey to date and the one test hole drilled.

Besides the two signed copies of MME Form 40 and the supporting statement, the following items are enclosed:

Two copies each of letters to banks, requesting loans, and the replies.
Five copies of Lien and Subordination Agreement, signed by claim owners. (To follow)
Two copies of lease by owners to myself.
Two copies of report by Wade M. Dale, Geophysical Engineer.
Two geologic maps of claims and surrounding area.
Topographic map, Baxter Spring Quad., showing route to property.
Two copies of assay reports on test hole samples. No log
Aerial photos and miscellaneous snapshots, showing terrain.
Area

Since the season is already advanced, we stand ready to do whatever may be required to expedite the granting of this loan, and your own good services to that end will be greatly appreciated. I'll be looking forward to going over this interesting property with you -- I hope with Wade Dale also on hand. I plan to drive out next trip so hope we can make arrangements at least a week in advance.

Sincerely yours,

Howard P. Ritsch

Howard P. Ritsch

HPR:fw

RECEIVED
MAY 24 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Required Information Relative to Application for Loan from Office of Minerals Exploration

by Howard P. Ritsch, 8925 S. Laflin Street, Chicago, Illinois

1. Financial Eligibility:

(a) Applicant's letters of request to two banks, and their replies, herewith.

(b) Not applicable.

(c) Funds available from private source upon approval of this loan.

2. Applicant's Rights in Land:

(a) Applicant operates under 20-year lease, renewable for successive 20-year periods. Five per cent royalty. Copy of lease herewith. No liens or other encumbrances on the property. Owner, Peter Fabbi, Tonopah, Nev.*

(b) Thirty-eight full lode claims, unpatented. Twenty-six claims have been located subsequent to date of lease in accordance with terms of lease. Located approximately forty miles, by road, northeast of Tonopah, Nevada. Township 7 N, Range 43 E, Sections 25, 26, 35, 36, Mt. Diablo B.M. There is no part of the property which cannot be subject to government lien or royalty. Property is known as Baxter Spring, and the claims (location certificates) are all recorded at Tonopah, Nye County, Nevada, as follows:

Name of Claim	Page	Name of Claim	Page
Baxter Springs No. 1	54	Baxter Spring No. 20	119
" " No. 2	55	" " No. 21	120
" " No. 3	56	" " No. 22	121
" " No. 4	57	" " No. 23	122
" " No. 5	58	" " No. 24	123
" " No. 6	59	" " No. 25	124
" " No. 7	60	" " No. 26	125
" " No. 8	61	" " No. 27	126
" " No. 9	62	" " No. 28	127
" " No. 10	63	" " No. 29	128
" " No. 11	94	" " No. 30	129
" " No. 12	95	" " No. 31	130
" " No. 13	96	" " No. 32	131
" " No. 14	97	" " No. 33	132
" " No. 15	98	" " No. 34	133
" " No. 16	99	" " No. 35	134
" " No. 17	116	" " No. 36	135
" " No. 18	117	" " No. 37	136
" " No. 19	118	" " No. 38	137

All of the above recorded in Book of Official Records No. 106.

(c) Five copies of Lien and Subordination Agreement signed by owners, herewith.

*Ray F. Garnett, 777 Locust, Reno, Nevada, is part owner, but claims are all located in name of Peter Fabbi.

3. Physical Description:

(a) The enclosed report by Wade M. Dale, with accompanying map of the claims and surrounding area, describes the geophysical survey conducted by him and states his findings, conclusions and recommendations, upon which this proposed program of further exploration is largely based. One test hole was drilled at the point indicated which revealed the mineralized zone at 250 to 275 foot depth, approximately as predicted from the IP data. Because of the fractured and fissured character of the structure penetrated, and voids which required frequent cementing, core recovery was poor, and the assays submitted herewith represent sludge samples taken at five-foot intervals from the surface down, nearly all of which showed some gold and/or silver, the average for the hole, excluding the five "highs", being $0.73 per ton -- $1.14 a ton below 150 feet, for the "lows" only. . . Seven shallow shafts have been sunk by the owner, and applicant has panned free gold from the dumps of five of these shafts. The owner shipped 25 tons to the smelter from one shaft, and it is reported that the return was $17.00 a ton. This was considered too low grade, of course, for the type of operation possible for the owner, but is substantially above the averages reported from the explorations conducted at Carlin and Cortez.

(b) The above-mentioned geophysical survey and drilling were conducted under the general supervision of applicant, and financed by him.

(c) The only "production" was the small shipment mentioned above, and no settlement sheet is available.

Hole B1
250' - 275'
Au 0.46
Ag 0.41

(d) No positive ore has been blocked out, but the secondary enrichment zone ? delineated by the geophysical survey indicates a mineral concentration in some forty million tons of material. In addition, the placer gravel, as reported by Wade Dale, amounts to at least 100,000,000 cubic yards.

(e) This information is provided in detail in Wade Dale's report, herewith, together with map of the property showing the general geology and delineating the mineralized areas as revealed by geophysical work thus far.

(f) As stated above, the program herein proposed is based on the initial study of the surface geology, followed by the geophysical survey, followed in turn by the drilling of one test hole which largely confirms the conclusions from the initial surveys. Mr. Dale's recommendation to proceed with an extensive drilling program, both on the lode and the placer, appear to be more tham amply supported by the data developed to date.

(g) Two copies of the report of Wade M. Dale, exploration geophysicist, are submitted herewith, together with maps, assay sheets, and some snapshots showing the nature of the terrain. The return of the Dale reports, when they have served the purpose of the Office of Minerals Exploration, will be appreciated.

4. Accessibility of Property:

(a) If arrangements can be made, preferably a week or more in advance, the applicant, and probably Mr. Dale, can arrange to be on hand to go over the property with the OME representative. Applicant's telephone is BE3-0860 Area Code 312.

Howard P. Ritsch
8925 S. Laflin St.
Chicago, Ill. 60620

Wade M. Dale can be reached at P. O. Box 658, Susanville, Calif. 96130, Telephone (916) 257-2870.

Route to property, from Tonopah: U. S. Hwy. 6 east to State Hwy. 8A, north to junction with Belmont road (82), NNE to small sign: "Baxter Spring;" thence approximately 7½ miles (past old sheep camp with tanks and troughs) to stone cabin shown on claim map herewith. Distance, approximately 35 miles.

(b) Tonopah has lumber yard, machine shop, hardware and mill supplies, and housing, including hotel and several motels. Nye County seat. Well equipped assay laboratory at Mina, 70 miles. Most supplies not available at Tonopah are obtainable at Reno, 235 miles, or Las Vegas, 210 miles.

5. Exploration Work:

(a) In view of the fact that the objective of this program is to establish the existence of an orebody which can be mined by open pit methods, the sinking of shafts would seem to be unwarranted. The ore could better be blocked out, and more economically, by systematic rotary, core and churn drilling. At the south end of the property, where stream gravels lie not too far below the surface, deep bulldozer cuts may be advisable, not only for sampling but to examine bed rock, and also to produce sufficient yardage for pilot recovery tests. As indicated in the accompanying cost estimate, applicant recommends drilling a larger number of test holes than suggested by Wade Dale. Actual locations of holes and pits may vary somewhat from the pattern shown on the map, after extending the geophysical survey with at least six additional lines between and beyond those shown on map prepared by Dale.

(b) No access road required. Passenger automobile can drive to the spring and to the stone cabin, although a four-wheel-drive vehicle is required to reach the northern section of the claims.

(c) Work can probably begin within 30 days after execution of contract, or as soon as driller can move onto the property.

Experience to date in drilling this deeply fissured formation (which is where the most intensive mineralization can be expected) is that it is slow because of the necessity for frequent cementing, casing, etc. Three holes completed per month, per rig, on the lode, and two holes per week on the placer area, will probably be the average for this program. Thus it is expected that the work outlined herein will probably require six to eight months to complete, depending on how many rigs and crews are available and whether the lode and placer testing can proceed simultaneously. This assumes favorable weather; severe cold or snow could add another month or two.

6. Experience:

Applicant is a graduate Metallurgical Engineer (University of Illinois '21) and experienced in exploration and development of mining properties as well as in extractive metallurgy. Registered Professional Engineer. Member, AIME, Society of Mining Engineers.

Mr. Wade M. Dale is an experienced and competent Geophysical Engineer and will continue to conduct the geological and geophysical studies on this

Howard P. Ritsch
8925 S. Laflin St.
Chicago, Ill. 60620

property and will share in the general supervision of the exploration, and the drilling and sampling program will be laid out largely in accordance with Mr. Dale's findings and conclusions.

On the basis of competitive bids and also of excellent past performance on other properties of applicant, Mr. Carl Harris will be in charge of drilling operations. There is a slight escalation of certain items in Mr. Harris' 1965 contract, herewith, but his charges are still competitive.

7. Estimate of costs:

(b) Geophysical Survey --

10,000 linear feet of Induced Polarization profiles 20,000 linear feet of Electrical Resistivity profiles		$5,600

(a) Drilling --

15 BX core holes - 5,400 linear feet @ $7.00	$37,800	
20 churn drill holes - 2,000 linear feet @ $9.00	18,000	
Cementing time, etc. - 20 hours @ $12.50	250	
Casing, 6" - 200 feet @ $2.10	420	
Water truck - 150 days @ $10.00	1,500	
Core boxes - 120 @ $4.00	480	
Mobilization and demobilization (two rigs)	700	
Miscellaneous (sample sacks, tools, express, etc.)	600	
Total Drilling Costs		59,750

(a) Trenching --

Rental of bulldozer, D-8 or equivalent, with operator, (time includes preparation of stations for above drilling operations) 175 hours @ $18.00	3,150	
Transportation of bulldozer - 80 miles @ $1.00	80	
Total Trenching Cost		3,230

(b) Sampler and panner - 1,200 hours @ $3.00	3,600
(b) Assaying - 1,100 Au-Ag assays @ $3.00	3,300
(b) Supervision - 30 weeks @ $150.00	4,500
Total Cost of Exploration	$79,980

Item 1(a)

HOWARD P. RITSCH
8925 S. LAFLIN ST.
CHICAGO, ILL.
60620

April 12, 1968

Mr. Walter J. Davis, Vice President
Central National Bank
120 S. La Salle Street
Chicago, Illinois

Dear Mr. Davis:

Confirming our conversation of yesterday, I am hereby requesting a loan of $60,000 for a period of one year, to be secured by a 760-acre mining property controlled by myself, in the State of Nevada. The requested funds, together with funds now on deposit in your bank, will be expended for the further development of this property, the potential value of which is evidenced by the data which I have shown you, resulting from considerable drilling, geophysical surveys, etc.

I can supply this engineering data to your Loan Committee for their study and verification.

I greatly appreciate your personal interest in our project, and assure you that the financing available upon blocking out of an ore body will be more than adequate to repay the loan we are requesting.

Very truly yours,

HR:fw

Howard P. Ritsch

CENTRAL NATIONAL BANK
IN CHICAGO

WALTER J. DAVIS
VICE PRESIDENT

April 16, 1968

Mr. Howard P. Ritsch
8925 South Laflin Street
Chicago, Illinois 60620

Dear Mr. Ritsch:

Your recent request for a loan in the amount of $60,000 to be used in connection with a mining venture in the state of Nevada has been carefully considered. Regretfully, I must advise that the information available to us does not warrant a loan in the amount requested.

Although we cannot assist you, I sincerely hope that the venture meets with success.

Very truly yours,

Walter J. Davis
Vice President

WJD/im

February 25, 1968

Drovers National Bank
47th Street and Ashaland Ave.
Chicago, Illinois

Gentlemen:

As long-time depositors, Mr. Robert Cottay and I are requesting a loan of $125,000 for the development of mining properties in the States of Nevada and Arizona which we control. Approximately $60,000 to $65,000, over and above immediately available funds, is required to complete the "proving up" of each of these extensive properties, on which we have already expended a like amount in drilling, geophysical surveys, etc., with very impressive findings.

If your bank can arrange to extend this credit to us, for either or both of the above amounts, for a period of one year, with the properties as collateral, we are in position to supply considerable data, much of it by independent engineers, to establish the value of these mining properties.

Very truly yours,

HPR:h

Howard P. Ritsch

DROVERS NATIONAL BANK
OF CHICAGO

STEPHEN O. BRATTLEAF
SENIOR VICE PRESIDENT

February 27, 1968

Howard Ritsch & Associates
8925 S. Laflin
Chicago, Illinois 60620

Gentlemen:

You have applied to us for a loan of approximately $125,000.00 in connection with certain development work to be performed in Nevada.

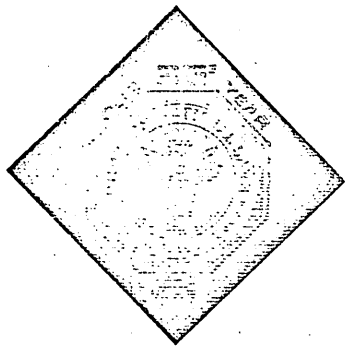
This is to advise that after consideration our Loan Committee has rejected your application as it is contrary to our policy to extend credit for ventures located so far from our Bank. NG

Yours very truly,

Stephen O. Brattleaf

Senior Vice President

SOB:MW



Item 2(a)

HOWARD P. RITSCH
8925 S. LAFLIN ST.
CHICAGO, ILL.
60620

MINING LEASE AND OPTION TO PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into this 4th day of October, 1967, by and between PETER FABBI, a single person of Tonopah, Nevada and RAY F. GARNETT, a married person as his sole and seperate property, of 777 Locust, Reno, Nevada, parties of the first part, hereinafter referred to as the Lessors, and HOWARD P. RITSCH, of 8925 So. Laflin Street, Chicago, Illinois, 60620, party of the second part, hereinafter referred to as the Lessee.

WITNESSETH:

For and in consideration of the premises and the covenants and agreements of the respective parties hereto, herein set forth, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. Definitions.

It is hereby agreed that certain words and phrases used throughout this agreement shall be defined or construed as follows:

A. "Mining claims", as used herein, means the hereinafter described unpatented lode mining claims, together with all additional claims or mining property situated within one (1) mile of the exterior boundaries of any of the following described mining claims located or otherwise acquired by the Lessors after the date of execution of this agreement and during the term thereof, which said mining claims are more particularly described in the Certificates of Location thereof which appear of record in the Office of the County Recorder of Nye County, Nevada, under the claim names and in the books and at the pages set forth below, as follows:

NAMES OF CLAIMS	BOOK of	at PAGE
Baxter Springs #1	Official Records #106	54
Baxter Springs #2	" " "	55
Baxter Springs #3	" " "	56

NAMES OF CLAIMS	BOOK of			at PAGE
Baxter Springs #4	Official Records		#106	57
Baxter Springs #5	"	"	"	58
Baxter Springs #6	"	"	"	59
Baxter Springs #7	"	"	"	60
Baxter Springs #8	"	"	"	61
Baxter Springs #9	"	"	"	62
Baxter Springs #10	"	"	"	63
Baxter Springs #11	"	"	"	94
Baxter Springs #12	"	"	"	95

TOGETHER with all the dips, spurs, angles, ore-dumps and tailings situated thereon or therein, or appurtenant thereto.

Lessors agree to locate and stake thirteen additional claims adjacent to or in the vicinity of the above claims, Lessee shall designate the area to be staked.

B. "Advance royalty", as used herein, means the amount required to be paid by Lessee to Lessors, on a date or on the dates specified herein, in anticipation of production royalty, to guarantee a specific monthly return to Lessors. Advance royalty shall be payable in the specified amount where no production royalty has accrued during the preceding calendar month; where production royalty during the preceding calendar month does not equal the advance royalty requirement, then only the difference between the production royalty and the advance royalty shall be payable; where the production royalty during the preceding calendar month equals or exceeds the advance royalty, no advance royalty shall be due or payable.

C. "Production royalty", as used herein, means the compensation or portion of proceeds becoming payable, by the Lessee to the Lessors, or to be credited against advance royalty payments, arising from mining operations upon the mining claims.

D. "Mining operations", as used herein, includes any and every type of operation upon said mining claims, whereby materials are extracted or taken or mined therefrom, whether by mining or milling, or by any other method or means of any nature, kind or type.

E. "Production", as used herein, means the mining and reduction of products into a marketable form or condition, and if any

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TONOPAH, NEVADA

product is mined in such condition that it can be marketed without further beneficiation, and is so marketed without further beneficiation, such shall be deemed to be production.

F. "Products", as used herein, means, but is not limited to, any and all quicksilver, tungsten, gold, minerals, metals, values, sands, gravels, rare earths, rare metals, ores, monazite, zircon, ilmenite, garnet, magnetite, chrome ores, cinnabar, aggregates, and any and all other materials of every kind and nature removed for purposes of sale by the Lessee from, on, in or under the mining claims.

G. "Processing", as used herein, means, but is not limited to, mining, milling, collecting, saving, separating, sizing, jigging, reducing, smelting, or otherwise beneficiating any products to such extent as may be necessary to prepare the same in final condition for marketing.

H. "Net Mill or smelter returns", as used herein, and upon which production royalties are to be paid by the Lessee, means the gross amount of money, in whatever form received, including any and all bonuses, premiums and rewards, directly or indirectly received from the sale by Lessee of any products removed by the said Lessee from the mining claims, or any part thereof; however, for the purpose of computing production royalty payable to Lessors hereunder, such gross amount of money shall be computed on the basis of the average quotation for such products contained in the Engineering and Mining Journal for the month in which such sales occurred or on the actual selling price for such products, whichever shall be the higher. No part of the cost or expense of mining, or otherwise extracting the products and values from said mining claims, shall be deducted before said production royalties are computed, but one hundred per cent (100%) of the costs of transporting said products, and one hundred per cent (100%) of the cargo insurance actually paid by the Lessee in transporting said

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TONOPAH, NEVADA

products from the site of the mining claims, to market, shall be deducted before production royalties are computed. As to any products sold to a United States Mint, or any branch or agency thereof, or to a smelter, or the operator of a smelter, the said royalties shall be computed and paid upon the net returns thereof.

2. Grant of Lease.

The Lessors, for and in consideration of the rents, royalties, covenants, conditions and agreements hereinafter reserved and set forth, and by the Lessee to be kept and performed, have leased, let and demised, and by these presents do hereby lease, let and demise, unto the said Lessors, their heirs and assigns, all of the mining claims described above, and the appurtenances, for the purpose of exploring, sampling, mining, processing, and any uses incidental thereto.

3. Term.

This agreement shall take effect on the date hereinabove written and shall, unless earlier terminated as provided herein, continue in full force and effect subject to the terms and conditions herein contained for a period of twenty (20) years, commencing on the 4th day of October, 1967, and ending on the 3rd day of October, 1987, at midnight, with the option to renew said lease upon the identical terms and conditions as contained herein for like and similar periods of twenty years upon the expiration of the herein granted twenty year term or any extensions thereof, provided, however, that as a condition precedent to said right of option to renew, Lessee shall at the time of renewal and for a period of two years immediately prior thereto be in production and producing from the herein leased property, and further provided that said production shall be producing royalty payments in excess of the minimum royalties as described herein for said period of two years immediately prior to exercise of said option.

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TONOPAH, NEVADA

4. Conduct of Mining Operations.

Lessee shall enter upon said leased property forthwith and, commencing on the effective date of this agreement, shall begin working on said premises, and shall work the same in proper, skillful and miner-like fashion and in a manner necessary to good and economical mining so as to take out the greatest amount of ore possible with due regard to safety and the preservation and development of said property as a workable and productive mine. Lessee agrees to immediately commence a program of exploration, drilling and development of the herein demised properties. Lessee agrees to expend no less than $3,000.00 upon said program during the first year of this agreement. Failure to perform the above shall be grounds for termination and cancellation of this agreement.

5. Non-Responsibility; Indemnity.

Lessee shall immediately record in the office of the County Recorder of Nye County, Nevada, a proper notice consistent with Section 108.140 of Nevada Revised Statutes, relieving the Lessors from any and all liability or responsibility for mining operations on the said mining claims, for materials furnished in connection therewith, and/or from any injuries to persons or damages to property occurring or committed on said property, or as a result of the mining operations conducted thereon by the said Lessee, his agents, contractors, employees, sub-lessees, or assigns.

Lessee covenants to indemnify and hold Lessors harmless against all losses, damages, liens, claims, costs, attorneys' fees and expenses, and liability therefor, incurred by Lessors in any way arising as a result of the mining operations of the Lessee or his occupancy of the mining claims.

6. Notices to Mine Inspector.

Lessee covenants with the Lessors to mail to the State Inspector of Mines, at Carson City, Nevada, prior to the commencement of mining operations, and not later than June 1 in each year during the term hereof, a written, detailed

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TONOPAH, NEVADA

report, in compliance with Section 512.160, Nevada Revised Statutes, showing (a) the character of the mine, (b) the number of men then employed and the estimated maximum number of men to be employed during the ensuing year, (c) the method of working the mining claims, and (d) the general condition thereof.

7. Compliance with Labor Laws.

Lessee shall promptly pay when due all wages for work done, and shall comply with all laws, both federal and state, pertaining to mining and milling operations, including but not limited to, the carrying and maintaining of Nevada Industrial Accident Insurance on employees, and, upon request, to provide written proof of such coverage to the Lessors.

8. Warranty of Ownership.

Lessors represent to the Lessee that they are the owners of the mining claims subject, only, to the paramount interest of the United States of America; that the same have been validly located and are in good standing under the applicable mining laws of the State of Nevada and of the United States pertaining to unpatented mining claims; that proofs of the discovery and assessment work have been recorded ;in the office of the county recorder and in the county in which said claims are situated; that there are no present outstanding preferential rights of purchase with respect to said mining claims granted by the Lessors to others; that all taxes, if any, which may be applicable, have been paid; that the said mining claims are not in any manner encumbered as a result of any conduct or activity by the Lessors; that they have no knowledge of, and have received no notice of, any asserted ownership in conflict with the locations of the said mining claims, with the exception that there may be overlapping exterior boundaries for the purpose of precluding the existence of claim fractions; that they have full and complete authority to execute this agreement and grant the rights herein conferred.

9. Possession; Inspection.

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TONOPAH, NEVADA

During the term of this agreement, and so long as Lessee performs all of the terms and conditions required herein, Lessee shall have the right to exclusive possession of the said mining claims and appurtenances, subject, however, to the permission hereby granted to the Lessors, their agents or representatives, to have access to said mining claimsat any and all reasonable times for the purpose of inspecting or examining the same, such entry and inspection to be made and conducted at the sole risk of the Lessors.

10. Royalties; Place of Payment.

Lessee shall pay to the Lessors a royalty of five per cent (5%) of the net mill or smelter returns on all products mined, milled or extracted from said property.

One year from the date of the execution of this lease, Lessee agrees to be "inproduction" of the herein demised properties. For the purposes of this agreement, "production", shall be defined as, producing ore or metal which will by the 5% net smelter as herein reserved, provide Lessors with a minimum of Three Hundred Dollars ($300.00) per month royalty from the herein described property. Lessee further agrees that in the event of failure to be "in production", within two years from the date of this agreement, Lessee will pay to Lessors the sum of Ten Thousand Dollars ($10,000.00) cash, the heretofore, described payment shall be in addition to all other payments. Failure to make the payments as described herein, shall be cause for termination and cancellation of this agreement.

Under no circumstances shall the Lessee tender to the Lessors nor shall the Lessors be obligated to accept, any payments or portions thereof which in the aggregate would be in excess of 29% of the title purchase price during any one calendar year during the term hereof.

Upon the complete payment of the purchase price set forth above, all rights of the Lessors in and to the said mining claims, or appurtenances, shall cease and determine.

All payments required to be made hereunder shall be paid to the Lessors at their addresses above set forth, unless and until the Lessors shall give written notice of a change of address. If an escrow is established as hereinafter provided, all payments shall be paid to the escrowee for the benefit of the Lessors.

11. Records of Production.

It is understood and agreed between the parties hereto that copies of original settlement invoices on all products processed and sold from said mining claims shall be filed monthly by the Lessee with the Lessors on or before the 15th day of each month relating to all processed products from the said mining claims for the preceding calendar month, accompanied in each case by check in payment of the production royalties accrued as a result of said production.

12. Force Majeure.

Neither of the parties hereto shall be liable to the other for failure to perform the obligations required to be performed hereunder for such period of time as failure of performance is caused by strikes, Acts of God or national war emergency or government restrictions. This provision shall not, however, relieve the Lessee of his obligation to make payments as required hereunder.

13. Assessment Work.

Lessee shall perform all annual assessment work required by law in order to hold the mining claims for each assessment year, as defined by statute, during the entire term of this lease or any extensions thereof, and shall record in the office of the county recorder of the county in which said mining claims are situated, proper proof, in affidavit form, of the completion of the same, both the performance of work and the recording to be completed by the Lessee at his sole expense

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at least fifteen days prior to the date required by law for such recordation annually. It is provided, however, that if this agreement is terminated or abandoned on or before the first day of July in any such assessment year, the Lessee shall be under no obligation to perform the assessment work for such assessment year or thereafter. If this agreement is terminated or abandoned after the first day of July in any assessment year, Lessee shall have the right to enter upon said mining claims at any time or times during the remainder of the assessment year for the purpose of performing or completing the above required assessment work for said assessment year.

14. Progress Reports.

Lessee shall furnish to the Lessors, at least bi-monthly, a written progress report reciting in detail any engineering data, assay reports, drill reports and logs, and other information pertinent to the exploration and development of said mining claims.

15. Option to Purchase.

For the further and additional consideration of the sum of TEN DOLLARS ($10.00), paid by the Lessee to the Lessors, the receipt whereof is hereby acknowledged, the Lessors do hereby give and grant to the Lessee, his heirs, successors and assigns, the exclusive right, privilege and option to purchase and acquire said mining claims for the sum of THREE HUNDRED THOUSAND DOLLARS ($300,000.00), without interest, in current lawful money of the United States of America, payable in strict accordance with the terms of the foregoing lease agreement relating to advance and production royalties, all of which shall apply to and be credited against the total purchase price. Any balance remaining unpaid through the payment of such royalties at the conclusion of the term hereof, or any extensions thereof, shall be paid in cash at the conclusion of such term or extension.

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16. Title Examination; Sampling; Escrow.

Lessors give and grant to the Lessee a period of one year in which to examine title to the mining claims, and for the purpose of drilling, exploring and sampling said mining claims. At the expiration of said period, and the Lessee being satisfied with such record title and the results of his exploration, upon written request of the Lessee, the Lessors shall execute a mining deed of conveyance of the said mining claims to the Lessee, or his assigns, and shall deposit the same with NEVADA TITLE GUARANTY COMPANY, Post Office Box 548, Tonopah, Nevada 89049, which is hereby designated as escrowee for the parties hereto, with instructions to said escrowee to deliver said mining deed to the Lessee upon the complete performance of the terms and conditions of the option to purchase herein contained. Concurrently therewith, the Lessee shall deposit a quitclaim deed releasing all of his right, title and interest in and to said mining claims, in favor of the Lessors with instructions to deliver such quitclaim deed to the Lessors upon the termination, forfeiture or abandonment of this lease and option agreement. All escrow opening fees shall be borne solely by the Lessee; however, any collection charges levied by the escrowee on payments collected through escrow shall be deducted by the escrowee from payments made by Lessee for the benefit of the Lessors.

17. Nonseverability of Provisions.

This lease agreement and the option to purchase herein included shall be considered and construed as a single instrument, and the failure to perform any of the terms and conditions in the lease agreement, or the option to purchase agreement, shall constitute a violation or breach of this entire instrument or agreement and shall constitute a basis for cancellation and termination.

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18. Assignment; Sub-Lease.

Lessors give and grant to the Lessee the right and privilege of assigning or sub-leasing his interest herein, provided, however, that any assignment or sub-lease shall be void unless the Lessee shall give written notice of such assignment or sub-lease to the Lessors, setting forth therein the names and mailing addresses of the assignees.

19. Improvements.

At the termination of this lease by lapse of time, forfeiture or otherwise, the Lessee agrees to deliver up to said Lessors the said mining claims in as good condition as when received, allowing for the mining and development thereon by the Lessee. In the event of the abandonment, termination or cancellation of the interest of the Lessee herein, as hereinafter set forth, it is understood and agreed that all improvements, including rail and pipe in place, made in or about the said property by the Lessee and affixed to the realty and constituting a part thereof, together with operational maps, assays and reports, shall remain the property of the Lessors; but all property of a personal nature, including machinery, tools or equipment, subject to removal without damage to the real property or improvements, may be removed therefrom by the Lessee within sixty (60) days from the date of such abandonment, cancellation or termination, failing which the same shall revert to the Lessors. Any and all water rights, applications or certificates of appropriation which are acquired by the Lessee in connection with the mining operations contemplated herein shall be expressly subject to this provision.

20. Termination.

In the event that the Lessee shall fail to make any payment or payments as herein provided or shall fail to perform each and every covenant, term and condition as herein provided, the Lessors may,

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after twenty days' notice in writing given to Lessee within which to cure said default or violation, and provided said default has not been corrected during said twenty day period, declare said lease and option to purchase forfeited, cancelled and terminated, and enter and repossess all of the property herein leased and optioned, with or without process of law.

21. Abandonment.

Lessee shall have the right to abandon his interest created herein, in the following manner:

(a) If an escrow has not been established, then written notice of abandonment shall be delivered to the Lessors, together with a quitclaim deed executed and acknowledged by the Lessee in favor of the Lessors releasing all of the right, title and interest of the said Lessee in and to the said mining claims.

(b) If an escrow has been established, written notice shall be delivered to the escrowee instructing the escrowee to deliver to the Lessors the quitclaim deed of the Lessee deposited in escrow, together with all other instruments deposited in said escrow.

In either event, following the delivery of such notice of abandonment, as aforesaid, the Lessee shall be under no further obligation or liability, excepting for the performance of annual assessment work if abandonment occurs after July 1st as provided in paragraph 13 above, and excepting for the payment of any royalties earned but not paid prior to abandonment, and for the payment of any labor or material claims incurred during the mining operations, or occupancy, of said mining claims.

22. Taxes.

All general ad valorem tax levied or assessed against the mining claims, appurtenances or improvements, shall be pro-rated as of the date of execution of this agreement; thereafter, during the entire term

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hereof, unless the interest of the Lessee shall have been terminated, forfeited, or abandoned, responsibility for such ad valorem taxes shall rest solely with the Lessee.

Responsibility for the tax imposed by Sections 362.100 to 362.240, inclusive, of Nevada Revised Statutes, known as the Net Proceeds of Mines tax, including any amendments or revisions thereof, shall be borne by the parties hereto in the same proportion as production royalties are distributed. Depletion allowances shall be claimed or allowable in the same proportion.

Any other taxes which may be enacted during the term hereof, excepting personal income taxes, shall be borne solely by the Lessee.

23. Non-Partnership.

This agreement shall not constitute or be construed to constitute a partnership, mining partnership, joint venture, or joint operation. The full control and determination as to manner, extent, and character of mining operations, subject only to the restrictions of Paragraph 4 above, shall be determined by Lessee without interference from Lessors.

24. Patent Proceedings.

Upon the request of Lessee at any time or times during the term hereof, Lessors forthwith shall begin and complete, in Lessor's names but at the sole expense of the Lessee, proceedings to patent any or all of the mining claims. Lessors shall execute any and all documents required for this purpose. If Lessors begin patent proceedings and Lessee thereafter request Lessors to discontinue them, or if this agreement is terminated while patent proceedings are pending, Lessee shall have no further obligation with respect thereto except to pay any unpaid expenses accrued in such proceedings prior to his request to discontinue, or prior to termination, whichever first occurs.

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25. Bankruptcy; Insolvency.

It is agreed that the filing of a petition in bankruptcy by the Lessee, or the adjudication that the Lessee is bankrupt, or an assignment for the benefit of creditors, or the levy of an execution against the interest of Lessee in said mining claims to enforce or satisfy any judgment against Lessee not stayed within thirty (30) days by an appeal bond shall permit the Lessors to cancel this agreement, and Lessee shall forfeit all his rights to the possession of the mining claims, and that neither this agreement, nor any of Lessee's rights hereunder, shall ever be an asset of the estate of the Lessee in the event that he is bankrupt or files a petition in bankruptcy under the bankruptcy laws of the United States, or makes an assignment for the benefit of creditors.

26. Time of Essence; Inurement.

Time is of the essence of this agreement, and the same shall be binding upon and inure to the benefit of all of the heirs, administrators, executors, successors and assigns of the parties hereto.

27. Notices.

Any notice required or permitted to be given hereunder shall be deemed properly given upon delivering the same personally to the party to be notified, or upon mailing such notice, by registered or certified mail, return receipt requested, postage prepaid, to the party to be notified, at the addresses hereinabove set forth, or such other address as the party to be notified may have designated prior thereto by written notice to the other. Where the United States mail is utilized to effect service of notice, the date of mailing, plus forty-eight (48) hours, shall constitute the date of delivery.

28. Interpretation; Construction.

The paragraph captions or headings in this agreement are inserted

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for convenience only, and shall not be considered a part of this agreement, or used in its interpretation. Such captions in no way define, limit, or describe the scope or intent of this Mining Lease and Option to Purchase Agreement, and are for reference only.

This agreement shall be governed by the laws of the State of Nevada and by the laws of the United States of America applicable to the location and possession of, and title to, the said mining claims.

29. Mineral Exploration Loans.

Lessor agrees to cooperate with Lessee in the obtaining of a loan from the Office of Mineral Exploration of the United States government. Cooperation will be given upon request of Lessee, the above shall not in any way obligate Lessors to pledge or in any way encumber the herein demised property.

Performance Bond required in new A & B agreement with Peter Fotti

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TONOPAH, NEVADA

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

LESSORS:

Peter Fabbi

Ray F. Garnett

LESSEE:

Howard P. Ritsch

STATE OF NEVADA)
) ss.
COUNTY OF NYE

On 4th day of October, 1967, personally appeared before me, a Notary Public, PETER FABBI and RAY F. GARNETT, who acknowledged that they executed the above instrument.

GLORIA JEAN SMITH
NOTARY PUBLIC, STATE OF NEVADA
NYE COUNTY
My Commission Expires Oct. 3, 1970

Gloria Jean Smith
Notary Public

****

STATE OF ~~ILLINOIS~~ Nevada)
) ss.
COUNTY OF Nye)

On 4th day of October, 1967, personally appeared before me, a Notary Public, HOWARD P. RITSCH, who acknowledged that he executed the above instrument.

Gloria Jean Smith
Notary Public

GLORIA JEAN SMITH
NOTARY PUBLIC, STATE OF NEVADA
NYE COUNTY
My Commission Expires Oct. 3, 1970

BEKO & LEMON
ATTORNEYS AT LAW
TONOPAH, NEVADA

Mineral Assay Office, Inc.

Item 3 (4)

ASSAYERS & CHEMISTS

ASSAY CERTIFICATE

COPY

E. S. GATES, JR., MGR.
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

Mr. H. P. Ritsch
8925 South Laflin Street
Chicago, Illinois

Jan. 23, 1968

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES:

Office Number	Sample Mark	Gold Oz./Ton	Silver Oz./Ton	Value per ton
	B-1 Sludge Samples			
25,579	0' - 10'	Trace	0.02	$.04
25,580	10' - 15'	0.01	Nil	.35
25,581	15' - 20'	0.04	0.01	1.42
25,582	20' - 25'	0.01	Nil	.35
25,583	25' - 30'	0.005	0.03	.24
25,584	30' - 35'	0.005	Nil	.18
25,585	35' - 40'	0.01	0.02	.39
25,586	40' - 45'	0.01	0.03	.41
25,587	45' - 50'	Trace	0.06	.12
25,588	50' - 55'	0.005	0.10	.38
25,589	55' - 60'	0.01	0.05	.45
25,590	60' - 65'	0.01	0.03	.41
25,591	65' - 70'	Trace	0.07	.14
25,592	70' - 75'	Trace	Nil	-
25,593	75' - 80'	0.005	0.05	.28
25,594	80' - 85'	0.015	0.12	.77
25,595	85' - 90'	Trace	0.08	.16
25,596	90' - 95'	0.015	0.06	.65
25,597	95' - 100'	0.01	0.93	2.21
25,598	100' - 105'	Trace	0.06	.12
25,599	105' - 110'	0.01	0.05	.45
25,600	110' - 115'	Trace	Nil	-
25,601	115' - 120'	0.01	0.07	.49
25,602	120' - 125'	Trace	0.07	.14
25,603	125' - 130'	0.01	0.04	.43
25,604	130' - 135'	0.005	0.27	.72
25,605	135' - 140'	Trace	0.09	.18
25,606	140' - 145'	Trace	0.05	.10
		2¢	17¢	41¢

By _____
Assayer

Mineral Assay Office, Inc.

ASSAYERS & CHEMISTS

E. S. GATES, JR., MGR.
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

ASSAY CERTIFICATE

Mr. H. P. Ritsch
8925 So. Laflin St.
Chicago, Illinois

Feb. 19, 19 68

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES :

Office Number	Sample Mark	Gold Oz./Ton	Silver Oz./Ton	Value per ton
25,732	B - 1 - 150	0.03	Nil	$1.05
25,733	B - 1 - 155	0.01	0.03	.41
25,734	B - 1 - 160	0.02	0.22	1.11
25,735	B - 1 - 165	0.02	Nil	.70
25,736	B - 1 - 170	0.01	0.07	.48
25,737	B - 1 - 175	0.005	0.08	.33
25,738	B - 1 - 180	0.01	0.01	.37
25,739	B - 1 - 185	0.02	Nil	.70
25,740	B - 1 - 190	0.02	Nil	.70
25,741	B - 1 - 195	0.02 = $0.70	2.46 X 2.50 = 6.15	5.28
25,742	B - 1 - 200	0.14	0.02	4.94
25,743	B - 1 - 205	0.005	0.14	.44
25,744	B - 1 - 210	0.01	0.03	.41
25,745	B - 1 - 215	Trace	0.06	.11
25,746	B - 1 - 220	Trace	Nil	-
25,747	B - 1 - 225	Trace	0.06	.11
25,748	B - 1 - 230	Trace	1.22	2.27
25,749	B - 1 - 235	0.01	0.69	1.63
25,750	B - 1 - 240	0.005	0.24	.63

By _____
Assayer

Mineral Assay Office, Inc.

ASSAY CERTIFICATE

ASSAYERS & CHEMISTS

E. S. GATES, JR., MGR.
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

Mr. H. P. Ritsch
8925 So. Laflin St,
Chicago, Illinois

Feb. 20, 1968

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES:

Office Number	Sample Mark	Gold Oz./Ton	Silver Oz./Ton	Value per ton
25,812	B - 1 - 245	0.01	1.40	$ 2.87
25,813	B - 1 - 250	0.01	0.09	.51
25,814	B - 1 - 255	0.57	0.38	20.63
25,815	B - 1 - 260	0.35	0.13	12.48
25,816	B - 1 - 265	0.49	0.12	17.37
25,817	B - 1 - 270	0.57	1.30	21.29
25,818	B - 1 - 275	0.33	0.10	11.73
25,819	B - 1 - 280	0.03	0.22	1.45
25,820	B - 1 - 285	0.01	0.09	.51

25'

$16.10

2.31/5 = 0.46

$2.50
0.41
$ 1.03

2.03/5 = 0.41

By [signature]
Assayer

Mineral Assay Office, Inc.

ASSAY CERTIFICATE

ASSAYERS & CHEMISTS

E. S. GATES, JR., MGR.
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

Mr. H. P. Ritsch
8925 So. Laflin St.
Chicago, Illinois 60620

March 8, 1968

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES :

Office Number	Sample Mark		Gold Oz./Ton	Silver Oz./Ton	Value per ton
25,914	B.S. #1	285' - 290'	Trace	0.07	$ .15
25,915	"	290' - 295'	0.005	0.10	.40
25,916	"	295' - 300'	0.005	0.34	.92
25,917	"	300' - 305'	0.005	0.08	.35
25,918	"	305' - 310'	Trace	0.07	.15
25,919	"	310' - 315'	0.02	0.03	.77
25,920	"	315' - 320'	0.03	0.14	1.35
25,921	"	320' - 325'	0.015	0.32	1.23
25,922	"	325' - 330'	0.02	1.83	4.67
25,923	"	330' - 335'	0.01	0.10	.57
25,924	"	335' - 340'	0.01	0.12	.61
25,925	"	340' - 345'	0.005	0.08	.35
25,926	"	345' - 350'	Trace	0.08	.17
25,927	"	350' - 355'	0.01	0.08	.52
25,928	"	355' - 360'	0.005	0.21	.64
25,929	"	360' - 365'	0.005	0.07	.33
25,930	"	365' - 370'	0.01	0.16	.70

By _____
Assayer

HOWARD P. RITSCH
8925 S. LAFLIN ST.
CHICAGO, ILL.
60620

THIS AGREEMENT, made and entered into this 25th day of April, 1965, by and between Howard P. Ritsch, (Hereinafter referred to as "The Company"), OF THE FIRST PART, and HARRIS DRILLING, with its principal place of business at Tonapah, Nevada, (Hereinafter referred to as "The Contractor"), OF THE SECOND PART.

WHEREAS the Company has requested the Contractor and the Contractor has agreed to perform certain drilling and other services as hereinafter set forth, subject always to the terms, conditions and provisions herein contained.

NOW THIS AGREEMENT WITNESSETH, that in consideration of the payment of the amounts herein stipulated and in consideration of the mutual covenants and agreements hereinafter contained, the Parties hereto hereby agree as follows:

A. THE CONTRACTOR COVENANTS AND AGREES:

1. Contractor's Obligation to drill.

To drill, or cause to be drilled, a certain amount of footage on the company's property located near Goldfield, Nevada. Drill sites to be located by the Company, subject to the rates, terms and conditions hereinafter set forth.

2. Labor and Machinery.

To supply all necessary industrial diamonds, diamond drill machinery, power therefor, and labor; all labor, diamond wear loss, and all other operating expenses, except as hereinafter specifically provided, shall be at the Contractor's cost and expense.

~~3. Size of Core and Recovery.~~

~~That all holes shall be drilled with double tube core barrels of sizes provided for in Section B, Clause 4 hereof, and that the drill crew shall exercise reasonable care and precaution to recover as high a percentage of core as the nature of the grounds drilled will permit, and shall deliver all such core at the drill site to the person or persons designated by the Company.~~

4. Depth and Measurement of Holes and Completion thereof.

(a) That no hole shall exceed the maximum depth set forth in Section B, Clause 4 hereof, and it shall use its best endeavors to complete all holes according to the specifications of the Company, but should cavities or loose or caving material be encountered of such a nature as to prevent successful completion of any hole, it does not guarantee to drill to any certain depth, but shall drill as deep as practicable, under the conditions, and shall be paid for such hole or holes at the rates herein specified for all footage completed.

(b) That in the event deeper drilling is mutually desirable, such drilling shall be performed under conditions and at such rates as may be agreed upon in a written instrument supplemental to the within agreement.

(c) That measurements of all holes shall be from the original contour of the ground except in such cases where the Company prepares drill stations, in which event measurements shall be from the collar of holes.

5. Employer's Liability and Workmen's Compensation.

That it shall be subject to and operate under all applicable Federal and State Enactments regarding Employer's Liability, Workmen's Compensation, Federal Social Security and Unemployment Compensation Insurance, expressly covenanting and agreeing that its employees engaged on the work herein undertaken to be done by it are not and shall not be treated or considered as the servants or employees of the Company. NJC Account #44235.

6. Safety Requirements.

That in the prosecution of the work covered by this contract, it shall use such methods as are reasonably consistent with safety, both as concerns its officers, agents and employees, and the property of the Company, its officers, agents and employees, and the public in general.

B. THE COMPANY COVENANTS AND AGREES:

1. Location of Holes and Safekeeping of Core.

That prior to any operation it shall have determined the location, depth, and angle of each hole, and shall have made provisions for the safekeeping of all cores and sludge to be recovered. It shall provide containers for the storage of said samples and shall keep such records as may be deemed advisable in respect to same.

2. Drilling under Extrordinary Conditions.

That in the event it becomes necessary to drill from any location where barges or the driving of piles are required for foundation, it will furnish and supply all such foundations to the satisfaction of the Contractor.

3. Indemnity for Delays.

That it will save harmless and indemnify the Contractor for and against any delays caused through or by any negligence or fault on its part, its officers or employees, to the extent and in the amount of all labor and expense bills incurred by the Contractor during and by reason of such delays, provided, however, that in the case of underground or surface drilling where the Company supplies power for drilling, the Contractor agrees to accept the usual mine operating conditions, relieving the Company of liability for loss of time occasioned by power interruptions or occasioned by any other cause beyond the Company's control.

4. Rates for Drilling.

That payment for all footage completed shall be made in accordance with the following schedule:

(a) Mobilization -- $150.00

(b) Drilling Rates:
Rotary-- $3.25 per foot up to 500 feet,
Beyond 500 feet--$3.50 per foot.

(c) Cementing, if necessary, to be charged at $12.00 per hour plus cement or cement substitutes which include drilling mud and additives. These materials will be charged at list price f.o.b. the job. If customer prefers to supply the material to drill site at Harris' specifications, he may do so.

(d) Water to be charged at cost, plus truck rental of $5.00 per day.

(e) Roads and drill sites to be furnished.

6. Terms of Payment.

(2) That it will make payments to the Contractor at the rates and according to the terms herein specified as follows: within ten days after presentation of invoice. Friday of each week for the amount of footage completed.

~~(b) That upon execution of this agreement it shall deposit with the Contractor the sum of _____ it being specifically agreed that such sum or any portion thereof may be drawn upon by the Contractor at any time the Company shall be in arrears of any of the payments as hereinbefore provided, and if the full amount of such deposit is not drawn upon, then such deposit shall apply as far as possible on the final payment and any portion of said deposit remaining after final settlement hereunder shall forthwith be released by the Contractor to the Company.~~

5. Notice.

(a) Any notice required to be given by the Company shall be in

writing and shall be properly given if such writing is delivered personally to or mailed by registered mail addressed to the Contractor as follows:

Harris Drilling, P. O. Box 561, Tonopah, Nevada

(b) Any notice required to be given by the Contractor shall be in writing and shall be properly given if such writing is delivered personally to or mailed by registered mail addressed to the Company as follows:

Howard P. Ritsch, 8925 S. Laflin Street, Chicago, Illinois 60620

6. Laws Applicable.

This agreement shall be interpreted and any dispute arising hereunder shall be determined in accordance with the laws of the State of Nevada.

7. Assignments.

This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assignees, provided, however, that the same shall not be assignable by the Company until the consent in writing of the Contractor shall have first been had and obtained thereto.

IN WITNESS WHEREOF, the Agreement has been executed in duplicate by the parties hereto the day and the year first herein written:

ATTEST:

HARRIS DRILLING COMPANY

Frank Harris
OWNER

ATTEST:

Jane Mina Witness

Howard P. Ritsch
HOWARD P. RITSCH

Item 7(a)

HOWARD P. RITSCH
8925 S. LAFLIN ST.
CHICAGO, ILL.
60620

Longyear

E. J. LONGYEAR COMPANY
General Offices, 76 South 8th St.
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 9-7631 • CABLE LONGCO

308 East Pima Street
Phoenix, Arizona 85004

November 29, 1965

Mr. Howard P. Ritsch
Metallurgical Engineer
8925 South Laflin Street
Chicago, Illinois 60620

SUBJECT: ROTARY DRILLING PROGRAM, VICINITY GOLDFIELD, NEVADA

Dear Mr. Ritsch:

1. In response to an exchange of letters and telephone conversations between you and Mr. J. R. Miller of our Phoenix Office, we are forwarding to you an estimate to cover your client's planned drilling program in the above subject area.

2. Our understanding of your program is as follows:

a) Minimum program approximately 600 linear feet in a minimum 4½" diameter vertically inclined rotary drill holes.

b) If possible, holes will be drilled to their maximum depth of 250 feet using compressed air as a circulating medium. Cuttings will be collected in a cyclone type collector and the samples will be placed in sample bags furnished by you.

c) In the event excessive water is encountered at the water table, it is understood that drilling would have to be continued via drill mud or water circulation. Samples would have to be caught in sludge boxes.

d) We understand that you plan to drill a minimum of two and possibly three holes.

e) We are basing our estimate on the assumption that all the formations that have to be penetrated can be economically drilled via rotary methods using tri-cone type rotary bits.

f) If it should become necessary to convert to water circulation, it is understood that any cost associated with the water from its source (Goldfield Supply) will become invoiceable to you.

3. Based upon the conditions outlined above, we would furnish one rotary drilling machine supplemented with all the accessory equipment required to carry out the program including a water or service truck.

We would expect to operate the drill on a one shift basis, six days per week.

4. Based upon the conditions anticipated in the drilling, we are outlining our estimated price schedule below.

a) Mobilization and demobilization of personnel and drilling equipment.....$645.00 Lump Sum

b) Rotary drilling - 4½" diameter vertical holes

0 to 250 feet in depth.....$4.25 per foot plus all rotary bits consumed in the drilling at our invoiced cost price, F.O.B. Goldfield, Nevada.

c) Time spent by drill crews as a result of delays for your convenience, standby time, cementing operations, hole plugging activity or other non-drilling activity requested by you will be invoiced at.....$14.00 per hour

d) Cement, drill mud, additives or other hole plugging or stabilizing material consumed will be invoiced at cost, F.O.B. job site basis.

e) Casing left in drill holes at your request or lost through normal drilling operations will be invoiced at our replacement cost, F.O.B. job site basis.

f) Samples will be turned over to your representative at the drill hole site in containers supplied by you.

g) If required, water truck service will be provided on the following basis:

(1) Water truck rental charge.....$250.00 per month plus 20¢ per mile traveled while engaged in water hauling activity.

(2) Any charges arising from the purchase of water at its source will become invoiceable to you.

5. We appreciate the opportunity to submit this estimate to you. If acceptable, please advise and we will forward the formal proposal to you promptly. We would expect to get your work underway within a minimum of two weeks time after receipt of official notice to proceed.

Sincerely,

E. J. LONGYEAR COMPANY

A. F. Pickard

AFP:jag

A. F. Pickard

DOWARD JET SYSTEMS
DEMPSTER WINDMILLS

Item 5(a)

HOWARD P. RITSCH
8925 S. LAFLIN ST.
CHICAGO, ILL.
60620

JOHNSTON VERTICAL TURBINES
AMES SPRINKLING SYSTEMS

WRIGHT DRILLING, INC.

DOMESTIC AND IRRIGATION WELLS
DYER, NEVADA 89010

May 6,1968

Dear Mr. Ritsch:

In answer to your request for bids on sample holes at Baxter Springs we will do the work for the following prices:

Moving charge will be.	$200.00
Drilling charge per foot.	9.00
Casing 6 inch, per foot, price.	2.10

Any rig time will be at the rate of $16.50 per Hr.

Any further information you may need please feel free to contact me.

Very truly yours,

W. S. Wright Jr.

WRIGHT DRILLING, INC.

Standard Form No. 65
November 1961
General Services Administration
FPMR (41 CFR) 101-11.6

U.S. Government Messenger Envelope

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9/27/68	E. Peterson	120
9/27/68	Kirkham	120
"	Johnson	110
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10/1	Kepp	
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OCT 1 1968

AIRMAIL

Mr. Howard P. Ritsch
8925 S. Laflin Street
Chicago, Illinois 60620

Re: OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Spring Claims
Nye County, Nevada

Dear Mr. Ritsch:

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

The report by Wade Dale, nine (9) photographs and geologic map of the Baxter Spring mine are returned to you as requested.

Sincerely yours,

FRANK E. JOHNSON (glz)

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Economic Geolgy File
OME Docket
OME Reading File
Region II
Mr. Peterson
130

ECPeterson/bsl 9/27/68

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(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/27/68	Kirkham	120
		120
9/27	[illegible]	110
		220
		1301

Memorandum

To: The File

From: Edward C. Peterson

Subject: OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Spring Claims
Nye County, Nevada

Justification for Denial of Application

The OME field examiner found no geologic evidence on the property to indicate that further exploration was warranted, and concluded that the probability of discovering any significant ore reserves with the proposed work was to small to justify Government participation therein.

In addition, the lack of geologic evidence to identify specific exploration targets indicates that the proposed work is prospecting rather than exploration and is not eligible for OME assistance.

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

Edward C. Peterson

Edward C. Peterson

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

ECPeterson/bsl 9/27/68

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

September 18, 1968

OFFICIAL COPY
O. M. E.
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(Smith)

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Spring Claims
Nye County, Nevada

Enclosed is an Application Report on the subject property recommending that the application be denied on the basis that the geologic probability of discovering minable ore bodies as a result of the proposed work is too small to justify Government participation.

H. K. Stager

Enclosure

On-Site Exam Report

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION II

APPLICATION REPORT

OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Spring Claims
Nye County, Nevada

By

H. K. Stager
Field Officer
OME, Region II

September 18, 1968

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ILLUSTRATIONS

Figure 1. Index map of Nye County, Nevada

INTRODUCTION

Mr. Howard P. Ritsch, 8925 South Laflin Street, Chicago, Illinois 60620, applied to the Office of Minerals Exploration for Government assistance in an exploration project, Docket OME-6731, to explore for gold and silver on the Baxter Spring Claims, Nye County, Nevada. The applicant infers the presence of large gold- and silver-bearing ore bodies, in carbonaceous shales of Cambrian age, and placer deposits in alluvial material derived from the lode deposits and wishes to explore for these deposits by geophysical methods and by drilling from surface sites.

A field examination was requested by the Office of Minerals Exploration and was made by H. K. Stager, Field Officer, on August 14, 1968, accompanied by Mr. Ritsch, the applicant, and by Mr. Wade M. Dale, consulting geophysical engineer. The applicant's maps, cross sections, assay data, and geophysical data were examined and compared with surface and underground exposures in the claim area.

SUMMARY

The Baxter Spring Claims contain several outcrops of weakly mineralized and silicified shear zones in shales and slates of Cambrian to Ordovician age. About 25 tons of low-grade ($17 per ton) gold-silver ore has been produced from a shallow prospect shaft on the property. The applicant proposed to explore the claim area by a geophysical, drilling, and trenching program at an estimated cost of $80,000. The program lacks specific targets and is largely prospecting in nature.

RECOMMENDATIONS

It is recommended that the application be denied on the basis that the geologic probability of discovering minable ore deposits as a result of the proposed work is too small to justify Government participation.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Baxter Spring Claims are in secs. 25, 26, 35, and 36, T. 7 N., R. 43 E., MDBM, Nye County, Nevada (Fig. 1), on the south end of the Toquima Range at an altitude of about 6,800 feet.

To reach the property, that is about 25 miles north of Tonopah (the closest major town), drive east on U. S. Highway 6 about 6 miles to State Highway 8A, then north on Highway 8A about 13 miles to State Highway 82, then northeast on Highway 82 about 9 miles to the Baxter Spring Road, then northwest about 7 miles to the property. The road is passable to ordinary passenger cars, except during snow or rain storms, and the drive from Tonopah requires about one hour.

All necessary services, supplies, equipment, and labor are available in Tonopah. Ample water is available, from Baxter Spring, on the property. Assay service, at a cost of $3.00 per sample for gold and silver, is available in Mina, Nevada (130 miles).

PROPERTY

History and Production

Gold was first discovered in the Baxter Spring area about 1930 when prospectors, grubstaked by Mr. Fabbi, panned the stream gravels in the claim area. A number of shallow shafts and prospect pits were put down during the period 1930 to 1942 and about 25 tons of ore that yielded about $17 per ton in gold and silver was shipped to the smelter. Several prospect adits were also driven during this period but no ore was found and no production resulted. The applicant acquired a lease on the property in October 1967 and since that time has undertaken a small geophysical survey, including self-potential and induced polarization measurements, and drilled one hole to a depth of 370 feet on the Baxter Spring No. 12 Claim.

Ownership

The property consists of 38 unpatented lode mining claims, known as the Baxter Spring No. 1 through No. 38, owned by Mr. Peter Fabbi of Tonopah and Mr. Ray F. Garnett of Reno, Nevada. A Lien and Subordination Agreements, signed by the owners, was furnished by the applicant. The claims are recorded at the office of the Nye County Recorder in Tonopah, Nevada, as follows:

Name	Book	Page
Baxter Spring No. 1 through No. 10	106	54 to 63
Baxter Spring No. 11 through No. 16	106	94 to 99
Baxter Spring No. 17 through No. 38	106	116 to 137

The applicant was informed that, because of Mr. Fabbi's failure to protect the Government's interest on other properties for which he had signed Lien and Subordination Agreements (OME-6068), if a contract were approved a Performance Bond would also be required.

Financial Eligibility

The applicant furnished copies of letters to two banks requesting loans for the proposed work and also copies of letters from the banks denying the loans. The applicant proposed to furnish his share of the exploration costs in funds available from private sources.

Development

The property is developed by 7 shallow shafts and prospect pits, ranging in depth from 5 to 40 feet, and 3 adits. All of the shafts and pits are caved and inaccessible as are two of the adits. One adit, consisting of about 1,100 feet of crosscut and drifts, is open and accessible but does not expose any mineralized material. Except for several old cabins there are no surface facilities.

GEOLOGY

Geologic Setting

The Baxter Spring Claims are in an area of moderate relief and much of the surface is covered by alluvium and slope wash which, in the valley bottom, may be as much as 100 feet in depth. Because of the cover, outcrops are sparse in the claim area.

The oldest rocks exposed on the property are shales and slates of Cambrian to Ordovician age. These rocks are intruded by quartz monzonite of Cretaceous age and locally covered by flows and welded tuffs of Tertiary age. The sedimentary rocks are generally highly carbonaceous and locally calcareous. The beds strike about N. 20° W. and dip gently to steeply southwest. A fault, that strikes about N. 70° W. and dips about 45° SW., crosses the northeast part of the claim area and separates the sedimentary rocks from a large body of quartz monzonite to the northeast. The volcanic rocks cap the ridges southwest of the property. Numerous minor faults or narrow shear zones that strike about east and are vertical or dip steeply north cut the sedimentary rocks. These zones are intensely silicified and form resistant outcrops. Minor amounts of gold and silver mineralization occur along these zones and it is from one of these that a small amount of low-grade ore has been mined.

Ore Deposits

The only production from the property consisted of a single shipment of about 25 tons of low-grade ore that yielded $17 per ton in gold and silver. This material was mined from a shallow shaft on the Baxter Spring No. 13 Claim and occurred along a silicified shear zone that strikes about

N. 80° W. and dips 85° N. Numerous prospect pits and shallow shafts in similar silicified zones elsewhere on the claims have not exposed material of higher grade or yielded minable ore.

Geophysical surveys on the property have indicated several anomalous areas but these are apparently caused by high concentrations of graphitic material. A hole drilled by the applicant on the most favorable anomaly intersected a zone of high graphite content at the depth of the anomaly.

Sampling

No samples were taken during the field examination inasmuch as no significantly mineralized material was exposed or accessible. Selected specimens, assayed by the owner, are reported to contain as much as 10 ounces of silver per ton. Sludge samples from the hole drilled by the applicant are reported to assay from a trace to 0.57 ounce of gold and a trace to 2.46 ounces of silver per ton but none of this material was available for examination or sampling. Only a few small fragments of drill core were recovered from the hole. A geologic log was not made of the drill hole and none of the core fragments were assayed. The accuracy and significance of the sludge assays are not known.

Ore Reserves

Based on a small amount of geophysical work, the random panning of several old prospect dumps, and a single drill hole, the applicant's consulting geophysicist estimates an ore deposit containing 50 to 60 million tons of potential ore and a placer deposit of from 100 to 200 million yards of potentially gold-bearing gravel. These estimates are based on such meager information as to render them ridiculously over-optimistic.

The claim area is still in the prospecting stage of development and no minable ore, or placer material, is exposed or indicated.

EXPLORATION

Applicant's Proposal

The applicant proposed to explore the claim area by a geophysical survey consisting of 10,000 feet of induced polarization profiles and 20,000 feet of electrical resistivity profiles; a drilling program consisting of 15 core holes and 20 churn drill holes; 175 hours of bulldozer trenching; and the assaying of about 1,100 samples for gold and silver. The estimated cost of this program was $80,000.

The proposed project lacks a specific target and is largely prospecting in nature. Previous geophysical work was inconclusive and the reported anomalies are apparently caused by graphite-rich zones in the sedimentary rocks. Prospecting and sample information of the nature and grade of the gold-bearing placer material is insufficient to justify a drilling and sampling program.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6731
(Gold, Silver)

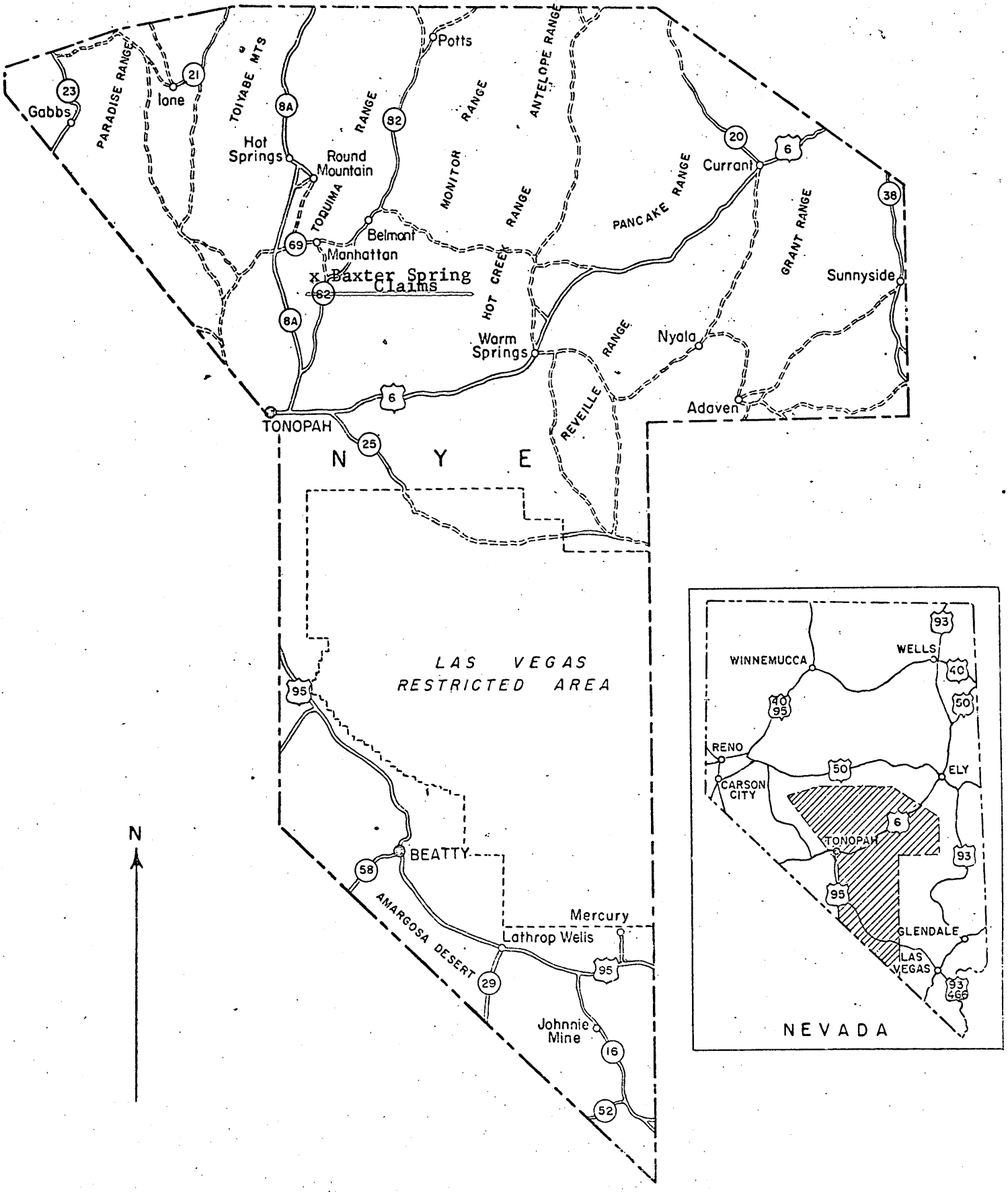

Figure 1. INDEX MAP OF NYE COUNTY, NEVADA

0 25 50 75 Miles

HOWARD P. RITSCH
Metallurgical Engineer
8925 SOUTH LAFLIN STREET
CHICAGO, ILLINOIS 60620

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O. M. E.
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JUN 26 1968

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June 20, 1968

Mr. H. K. Stager
Field Officer, Region II
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California

Dear Mr. Stager:

Re: OME-6731 (Gold-Silver)

Mr. Frank E. Johnson informs me that he has referred my application back to you, and I shall be looking forward to word from you regarding arrangements for examination of the property.

Mr. Johnson called my attention to the fact that the claims were referred to as Baxter Springs (plural) in the lease, and elsewhere as Baxter Spring. They are located and recorded as Baxter Spring and that name should be used throughout. The name Baxter Springs is often used locally, and since there is no other area in the state by that name as far as I have been able to determine, there should be no confusion on account of this inadvertent error.

I may be traveling much of the time during the next few weeks, but any mail or phone messages to my residence will be promptly forwarded to me, and I'll try to keep my schedule flexible so that we can arrange to meet at the property at a time convenient to yourself.

Sincerely yours,

Howard P. Ritsch

Howard P. Ritsch

HPR:h

RECEIVED
JUN 24 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

HOWARD P. RITSCH
Metallurgical Engineer
8925 SOUTH LAFLIN STREET
CHICAGO, ILLINOIS 60620

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June 20, 1968

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

Dear Mr. Johnson: Re: OME-6731 (Gold-Silver)

Thank you for your letter of June 13.

The name Baxter Springs (plural) was used in error in the lease, but since there is no mining district and no community in the state of Nevada by that name, there should be no confusion on that account. The claims are located and recorded as Baxter Spring.

I am sending this information on to Mr. Stager, and will be looking forward to word from him as to arrangements for an examination of the property.

Thank you for your expeditious handling of this application.

Sincerely yours,

Howard P. Ritsch

HPR:h

Howard P. Ritsch

WILLIAM P. BEKO

CHADWICK E. LEMON

Beko & Lemon
ATTORNEYS-AT-LAW
PHONE 482-6666 — P. O. BOX 191
NYE COUNTY COURT HOUSE
TONOPAH, NEVADA, 89049

OFFICIAL COPY
O. K. E.
RECEIVED
JUN 10 1968

June 3, 1968

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

Re: Application of Howard P. Ritch

OME-6731 (Gold-Silver)
Baxter Springs Claims
Nye County, Nevada

Gentlemen:

Enclosed please find the original and four (4) duplicate originals of Lien and Subordination Agreement signed by Peter Fabbi and Ray F. Garnett, the owners of the subject mining property. These documents are to be included in the application of Mr. Howard P. Ritch who has made application for an OME loan relating to the Baxter Springs mining claims located in Nye County, Nevada.

Very truly yours,

Chadwick E. Lemon

Chadwick E. Lemon

CEL/rk
Enclosure
cc: Mr. Howard P. Ritch

RECEIVED
JUN 6 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

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6/13/68	Kirkham	120
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6/13	Col	220
		120M

JUN 13 1968

AIRMAIL

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Springs Claims
Nye County, Nevada

The application is referred to you for review, a field examination if warranted, and recommendations.

This application leaves much to the imagination as to essential details of lithology, structure, mineralization, geophysical reconnaissance, and drilling results. The Cambrian formations are undifferentiated, their attitudes are not mapped, shear zones are mentioned but not illustrated, the primary ore controls are vague, induced polarization profiles are omitted, and a log of the one 370-foot drill hole is not included. Secondary enrichment of silver is inferred from IP anomalies in three locations, and ore is projected from one to another without indicating the strike of the primary controls. "Surface indications" are mentioned but not named. Several depth zones, however, are said to be favorable. Placer deposits are inferred from six other anomalies, but no assays are reported. Consequently, our principal questions relate to the probability of a discovery and the geologic evidence of exploration targets. Estimates of economic potential and mining costs are also pertinent to the feasibility of the proposed project.

If you recommend a project the correct spelling of the claim names should be obtained from the Applicant.

The proposed project of 35 holes appears to be more than is warranted by the geologic evidence, although more I P surveys following the first hole or two may increase the evidence. The type and amount of exploration we shall leave to your good judgement and concurrence therein by the Applicant.

Estimated cost of Churn drilling is higher than for diamond drilling, and would require justification. Also, if you recommend a contract, please explain to the Applicant that owing to unusual circumstances a Performance Bond in addition to the Lien and Subordination Agreements would be required in the event that a contract is approved.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Economic Geology File
OME DOcket
OME Reading File
Mr. Smith
130

RMSmith/bsl 6/13/68

MME Form 7
(2/63)

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		120M

JUN 1 3 1968

Mr. Howard P. Ritsch
8925 S. Laflin Street
Chicago, Illinois, 60620

Re: OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Springs Claims
Nye County, Nevada

Dear Mr. Ritsch:

Thank you for your letter of June 3, 1968, transmitting a financial statement. Five copies of a Lien and Subordination Agreements signed by the owners of the claims have been received. We note that the names of the claims are spelled Baxter Springs in your lease and Baxter Spring in the Lien and Subordination Agreements. If a contract is approved this minor discrepancy would need to be corrected. Time may be saved if you can check the official location notices and inform the OME Field Officer of the correct spelling.

The application has now been referred to Mr. H. K. Stager, Field Officer, Region II, Office of Minerals Exploration, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025. Mr. Stager will notify you if additional information is needed and to arrange a field examination if necessary.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
130
Mr. Smith

RMSMith/bsl 6/13/68

6731

HOWARD P. RITSCH
Metallurgical Engineer
8925 SOUTH LAFLIN STREET
CHICAGO, ILLINOIS 60620

June 3, 1968

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Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
United States Geological Survey
Washington, D. C. 20242

Dear Mr. Johnson:

Replying to your letter of May 31, requesting additional information, I enclose herewith a financial statement, which is very brief for the reason that for the past ten years or more much of my time and a considerable portion of my resources have been devoted to metallurgical or mineral dressing research and to exploration and development of properties. As stated in my application, I have expended many thousands of dollars in this area, in drilling, geophysical surveys, not to mention acquisition of properties, lease payments, etc. The amount spent on this one property would have paid off the mortgage on my residence. What funds are still available to me (committed on the condition that this loan is obtained) must be conserved to cover our 25 per cent share of the total estimated exploration cost. The other $60,000 is definitely not available to me from any other known source.

2. Applicant's Rights in Land:

I assume that your question as to whether I would be willing to post a Performance Bond is prompted by the fact that the Lien and Subordination Agreement forms did not accompany the Application. It was discovered at the last minute that these forms had been incorrectly executed by the claim owners and a new set had to be prepared. These were to be in the Menlo Park office by today and should reach you this week. If required, I would post a Performance Bond but as I understand the regulations the Bond is required only in lieu of the Lien and Subordination Agreement. Accordingly, I feel that I should not be put to this additional expense.

Very truly yours,

Howard P. Ritsch

HPR:h

Howard P. Ritsch

F.O. explain to A. that Bond is needed because of our unfortunate experience with the owner.

Howard P. Ritsch
8925 S. Laflin St.
Chicago, Illinois
OME No. 6731

FINANCIAL STATEMENT

ASSETS:

Residence, appraised at	$18,500.00
Cash	1,127.00
Household furnishings, books, misc.	1,450.00
Laboratory and shop equipment	1,800.00
TOTAL	$22,877.00

LIABILITIES:

Mortgage on above residence (balance)	10,312.00
Outstanding loans	4,600.00
TOTAL	$14,912.00
NET WORTH	$7,965.00

No other real estate, bonds, stocks or other investments.

MME Form 7
(2/63)

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Date	Surname	Code
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5/31/68	x Kirkham	120
		110
5/31	Cal	220
		120M

AIRMAIL

MAY 3 1 1968

Mr. Howard P. Ritsch
8925 S. Laflin Street
Chicago, Illinois 60620

Re: OME-6731 (Gold-Silver)
Howard P. Ritsch
Baxter Springs Claims
Nye County, Nevada

Dear Mr. Ritsch:

Preliminary review of your application for financial assistance in exploring the referenced property indicates that additional information is needed on Items 1 and 2 as listed on the back of the application form.

1. Financial Eligibility:

(a) Additional evidence is required that funds are not available from commercial sources on reasonable terms. Therefore, will you please furnish a recent financial statement to assist us in determining eligibility.

2. Applicant's Rights in Land:

In the event of an OME contract, would you be willing to post a Performance Bond on Standard Form 25 in the amount of the Government's share of the estimated costs of the project? A copy of the form is enclosed.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the further processing of your application until the requested data are received.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Smith
RMSmith/bsl 5/31/68

May 28, 1968

Mr. Howard P. Ritsch
8925 S. Laflin Street
Chicago, Illinois 60620

Subject: OME-6731

Dear Mr. Ritsch:

Your application for exploration assistance, dated May 23, 1968, submitted to our office at Menlo Park, California, has been assigned Docket No. OME - 6731.

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

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc to Region II

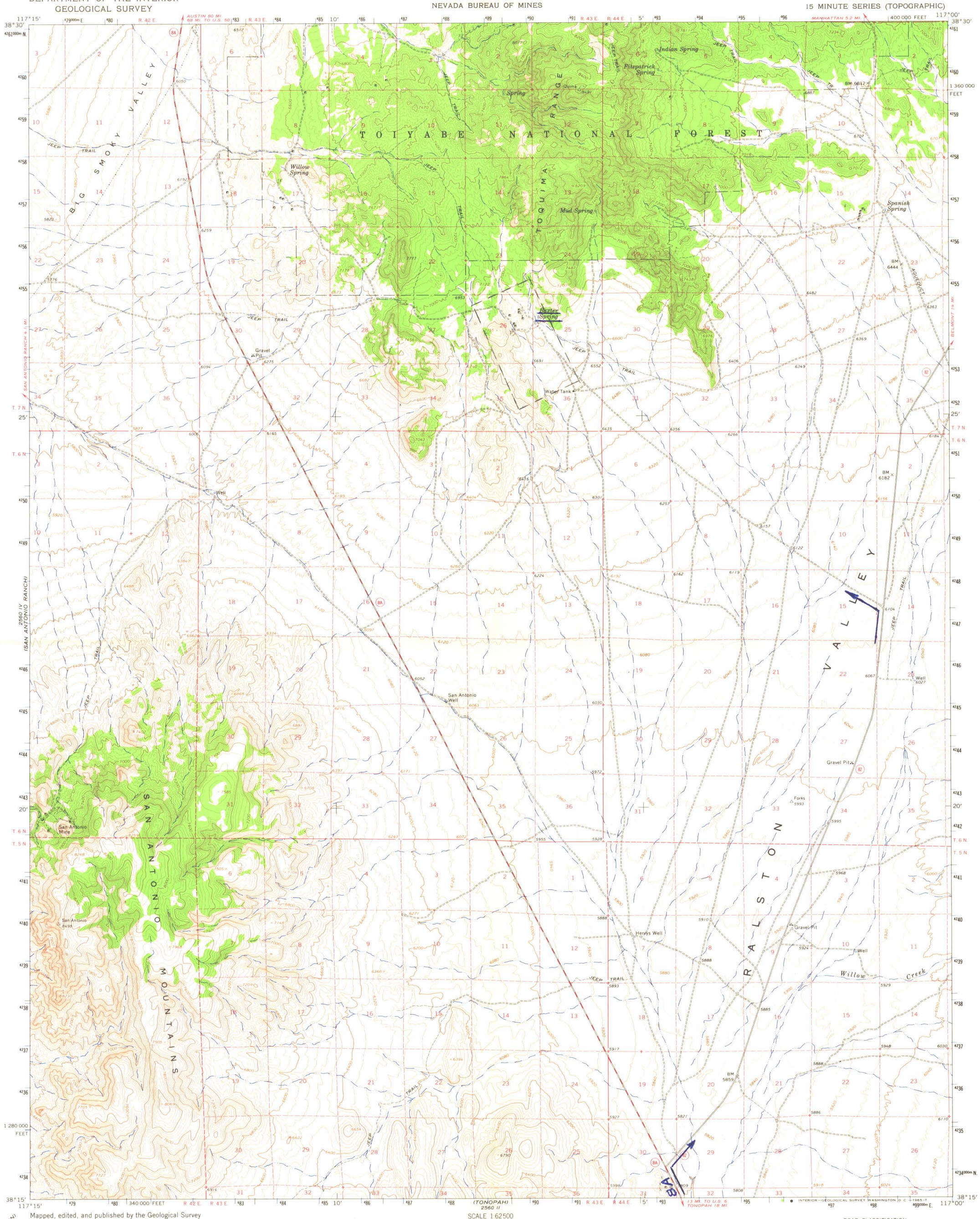
HOWARD P. RITSCH
8925 S. LAFLIN ST.
CHICAGO, ILL.
60620

Item 4(a)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STATE OF NEVADA
NEVADA BUREAU OF MINES

BAXTER SPRING QUADRANGLE
NEVADA–NYE CO.
15 MINUTE SERIES (TOPOGRAPHIC)



Mapped, edited, and published by the Geological Survey

Control by USGS and USC&GS

Topography by photogrammetric methods from aerial photographs taken 1959 and planetable surveys 1963

Polyconic projection. 1927 North American datum
10,000-foot grid based on Nevada coordinate system, central zone
1000-meter Universal Transverse Mercator grid ticks, zone 11, shown in blue

Where omitted, land lines have not been established

UTM GRID AND 1963 MAGNETIC NORTH DECLINATION AT CENTER OF SHEET

SCALE 1:62 500

CONTOUR INTERVAL 40 FEET
DOTTED LINES REPRESENT 20-FOOT CONTOURS
DATUM IS MEAN SEA LEVEL

ROAD CLASSIFICATION
Medium-duty — Light-duty
Unimproved dirt
State Route

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER 25, COLORADO OR WASHINGTON 25, D. C.
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

QUADRANGLE LOCATION

BRUNDIDGE'S
RENO, NEVADA

BAXTER SPRING, NEV.
N3815—W11700/15
1963
AMS 2560 I—SERIES V796

34