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STATEMENT CONCERNING  
THE BLUESTONE LOBE CLAIMS NOS. 1, 2 & 3.

By

W. I. Holmes

1935

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Boulder County  
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Report furnished by W. I. Holmes

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LOCATION:

These claims are located in the Grand Island mining district of Boulder county, Colorado. The closest Railroad Center is Boulder approximately 25 miles away. They are not surveyed but are held by right of location and discovery.

MINING PROPERTY:

The Bluestone Lode Claim was located July 28, 1919 and recorded in Boulder county Record Book No. 320, Page 238, and Book 332, Page 529, Bluestone No. 2 June 28, 1919, Book 320 Page 260 and Book 242, Page 560, Bluestone No. 3 Book 320, Page 237.

These three claims were resurveyed in 1928 and due to their overlapping were reduced to two claims the Bluestone #2 and #3. These two claims are 600' x 1500' and contain approximately 40 acres.

HISTORY OF DISTRICT:

Silver was first discovered in the Caribou district (called Grand Island District in the 60's) in 1869 by Samuel Conger who called his newly discovered vein the Poor Man. Previous to this all prospecting had been for gold and the silver ores were not recognized by the prospectors in this district at that time.

The same year William Martin and George Lytle discovered a rich silver lode which they called the Caribou. Perhaps the largest producer in that district, the Caribou mine was sold to some Dutch capitalists for \$3,000,000.00. In 1875 its total production was said to be \$450,000.00 and by 1899 it had produced over \$5,000,000.00. The ore was said at that time to assay from 103 oz. to 977.5 oz. per ton in silver.

Other rich mines were Comstock which claimed ore assaying up to 700 oz. per ton in silver. Sherman which had produced \$40,000.00 by 1874. No Name Mine, which produced \$400,000.00 by 1874; and claimed one ore shoot with ore assaying \$1,300.00 per ton at the price of silver at that time.

The sharp decline in silver prices in the early nineties caused many of the workings to suspend operations, and very little of it has been resumed. Some increased activity was noticed however during the world war. That there are many finds just as rich waiting to be developed cannot be doubted if an examination of the geology of this district is carefully made. There is ample reason to believe that the Bluestone Claims should develop into very substantial producers.

GEOLOGY:

The ore is of the galena type. It occurs in a quartz gangue and is found in shoots along the veins. These shoots vary in width but the high grade streak was found to average approximately 12". Silver is the chief value. It occurs free as a sulphide or in ruby silver. Some gold is present in the ores.. The vein in the working shaft is 3 ft. wide with well defined perpendicular walls. It widens to about 6 ft. in other places along the vein. The pay streak will average 12" in width in the shafts and exposures shown in open cuts and test holes. As this is a high grade vein the assays were taken from the pay streak which average about 12" in width. The average from wall to wall is fully 70 oz. silver per ton.

#### PROPOSED DEVELOPMENT:

This property can be most economically worked by a Shaft. The plan is to continue and to deepen the present shaft and develop by laterals in both directions. The condition of the working shaft is good, but the shaft gradually fills with water. It can be bailed out easily in 8 hours. No repairs are necessary to this shaft.

It is proposed to extend the shaft to a probably depth of five hundred feet, depending on conditions encountered as work progresses. Laterals will be run the length of the ore shoot. As the value of the ore by assay is believed to run better than 70 oz. of silver for a width of three and one half to six feet, it is believed a large tonnage can be produced daily. The cost of mining this ore will be approximately \$2.00 per ton. Milling will cost \$2.00 per ton. If necessary, the transportation will be \$5.00 per ton. It is estimated the total cost will not exceed \$7.00 per ton.

There has been no recent production of ore as the development of this property has been the important work to date. It is believed that approximately 50 tons per day can be produced from the first. This will be increased as efficiency is increased and the work gets well under way.

The workings will require a small amount of pumping. Surface and drain water, as well as seepage along the vein, causes the mine to fill slowly at the present time. Approximately 8 hours of bailing will clear the workings. As most of this water was surface or drain water caused by unusually heavy snows of the past winter, this condition is considered as unusual. A small pump will keep the workings dry until a much greater depth is reached. The actual amount of water to be pumped would be only an estimate.

#### MARKETING OF PRODUCT:

The ore produced will be of a high grade value. This ore will be sent directly to the American Smelter & Refining Co., Leadville, Colorado. No milling of the low grade ores will be considered at this time. It is felt that the bulk of the ore will stand the expenses to the smelter. Transportation to the smelter will not exceed five dollars per ton, and as this ore is a type much in demand at the smelter, and carries no penalties other than moisture and silica, and the smelting charge will not exceed \$3.00 per ton.

#### WATER:

No other water required other than for general needs around mine. This amount is available from the shaft.

#### POWER:

It is proposed to use electric power. Cost of extending the power line 1000 ft., is estimated at \$450.00. A deposit is required to equal the amount of the monthly bill. Cost of power will be 5¢ per KWH.

#### COST:

The following is the cost of development work:

Shafting \$12.00 per foot (estimate)

Drifting \$10.00 per foot (estimate)

Cost of mining \$2.00 per ton.

No milling will be contemplated at this time.

Haul to railroad \$5.00 per ton

Railroad to Smelter 5.00 " "

Smelter charge (minimum) 3.00 " "

Cost of mining 2.00 " "

Total cost \$15.00 " "

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