$90,000,000. IN GOLD.

THIS IS THE LOWEST ESTIMATE by several MINING Engineer's after making special investigations of the greatest Gold Placer Mining Properties in Western Colorado's greatest Gold producing District, of which I will here-with give you a brief description.

LOCATION

TWENTY-FOUR MILES of fine rich placer ground, which extends from 6 miles above Naturita, Colorado, to 15 miles below Naturita, Colorado, running from a width of fifty yards to one mile, parallel with the San Maguil River, in Montrose County, Colorado.

THIS PROPERTY CONSISTS of high-bars and low-bars, the high bars lie above rim-rock or shelf, from four to twenty-feet above the river bed, the largest of these high-bars known as the Amalgamator flats or bar extends along the river for one and one half mile in length and about one-half mile in width. The depth of gravel on this bar runs from eight feet at Rim-rock along the river to 17 feet at its greatest depth.

OBERBILDEN. What is generally known as overburden carries an average value of forty cents per cubic yard. Immediately under this formation there is a compact gravel formation that carries values from ninety cents to three dollars and fifty cents per cubic yard. For the next four feet there is a former slip wash that carries values at seventy-five cents per cubic yard to bedrock except where loose perine sand is found, this carries no value.

THERE ARE SEVERAL OTHER smaller high-bars which carry values from seventy five cents up to six dollars and fifty cents per cubic yard. Several of these small high bars carry greater values in pockets. These high-bars can be worked by either Hydrolic Giant or Steam Shovel, delivering gravel into sluice or race to be washed over fifties.

WATER SUPPLY. The water for these high bars can be conveyed by ditch or pumped for the purpose of handling this gravel and the waste rock or tailings can be dumped over the rim-rock into the river. The average flow of the San Maguil River is according to the Government report 32 second feet.

THE MAIN RIVER CHANNEL, WHICH CONSIST OF COARSE GRAVEL, from a depth of two feet to ten feet carries an average value of two dollars and fifty cents per cubic yard, for the entire length of the property, which runs in a width of from fifty yards to two hundred yards.

DREDGING PROPOSITION. This river channel is purely a dredging project, and one of the largest in the country. Several pockets and old river channels carries far greater values. This ground affords ample room for eight dredges on the property.
POWER EQUIPMENT ON THE PROPERTY. A Hydro Electric Plant capable of carrying for two dredges. There is also two Fairbanks Morse Diesel Engines each two hundred horse power, capable of taking care of four more dredges. There is also on this property a Dam Site capable of developing one hundred thousand horse power.

FUEL. There is also the largest vein of coal on this property in Montrose County, Colorado, of nearly 320 acres, this coal is a semi-hard coal.

WEATHER AND WORKABLE CONDITIONS. This property can be worked ten months in the year, by steam shovel or Giant, dredges can be worked twelve months in the year weather conditions are usually fine during the entire Spring, Summer and Fall.

ROADS AND HIGHWAYS. This property lays on a State Highway, maintained by the State, gravel surface and runs through the entire length of the property. The nearest Railroad point is Placerville, Colorado a distance of 38 miles.

LUMBER. Native lumber can be bought in any size or dimension at $2.00 per one thousand feet at Nucla, Colorado, a distance of six miles from Naturita, or at Norwood, Colorado, at $3.50 per thousand feet, a distance of thirty miles.

GASOLINE. Gasoline can be bought delivered at the present time for seventeen cents per gallon.

PROVISIONS. Such as meat, eggs, butter, milk and vegetables can be bought at fifty per cent less than anywhere else in the state.

GENERAL INFORMATION. It has taken eight years to get these leases rounded up and in a solid block controlling the river and ground adjoining for this distance of 24 miles. Besides, it has taken quite a few thousand dollars, in cash and it surely brings together one of the largest bodies of rich gold placer mining properties in the entire country.

If you wish to get in this for a small investment in such a way that it will mean millions later, it will be well to think fast and use your answer, for such a proposition as this is not going to lay a great while at this time waiting for a taker.
Owing to water being near surface on river bed portions of the San Miguel, no extensive operations have been undertaken to mine gravel below water level, as the river bed cannot be extensively worked by sluicing, on account of lack of grade and dump.

Apparently no systematic investigation of placer values has been made of the river valley. The only feasible means to determine river bed conditions and values seems to be by drilling. This method of prospecting has been successfully used under similar conditions. My opinion is that this can be done in the San Miguel river bed by hand drilling. This method can be used if deposits are not too deep, say as much as 50 feet.

Dredging conditions appear to be good. The "lay" of the land, river bed and low bars, grade said to be 40 feet per mile, loose character of gravel, few if any large boulders, gravel fairly small, well rounded and in sufficient quantity for profitable operation. Unusually good indications of payable gold values, all combine to make this project worthy of a thorough exploitation.

It is necessary that ground be drilled before dredging plans can be made, to determine value, depth and quantity of material, conditions of deposition, character of bedrock, etc etc. Enough ground should be prospected and proven before design and installation of dredge, to guarantee a profit over all costs. By this method of investigation the enterprise becomes a manufacturing proposition, the element of chance being largely eliminated.

Climatic conditions are such that continuous dredging work can be carried on, altitude about 5000 feet above sea level.

Near the center of this placer tract is located an excellent vein of coal. By putting in an electric power plant near coal mine, power could be transmitted where needed for dredge or hydraulic mining work.

Conditions surrounding this project indicate a gold placer mining property of unusual merit and I cannot too strongly recommend its development.

My idea of proving San Miguel is to make surveys to determine acreage of river bed and bars, at the same time prospect the ground by systematically blocking out by survey and drilling the river bed portions and sinking shafts or driving cuts on the bars. This work will determine whether or not it is a pay mine and also indicate the best methods of working.

I believe the San Miguel placer project should make a big paying gold mine.

Sincerely,

John H. Marks