Report On The Mining Property Of
The Elk Mining and Milling Company
Silverton, Colorado

Claims... The property consists of 30 well located claims, and mill sites on the easterly slope of Red Mountain, and lying on the west side of Cement Creek, between Georgia Gulch on the north, and Minnesota Gulch on the south. Five miles northwest of Silverton, the county seat of San Juan County.

Railroads—The Silverton, Gladstone and Northw'ry Railroad runs over the east side of the property; all trains stopping—when signaled—at the platform on the property.

Plat——The accompanying blue print is made a part of this report, to show the grouping of the claims and the unexcelled convenience of railway and wagon transportation, Telephone and Electric Power lines and water supply. A combination of essential features to economical mining operations seldom possessed by any mining property, except after great expenditure of money.

Altitude——The elevation at railroad on the property is 10,300 feet.

Country Rock—The country rock is classed by the Government Geological Survey as "Silverton Volcanic Series", and is generally Pyroxene Andesite, the mineral bearing formation of the San Juan Quadrangle.

Veins———The veins are large and well defined, generally parallel with a strike to the northeast, but with some variations in strike from west of north to 60 degrees east. The general dip of the veins is to the southeast, and the vein filling is quartz—associated with varying metallic ore minerals.
Topography— The claims have a grade, or incline, upward toward the west from Cement Creek, of from 25 to 40 degrees, and all the claims are cut through from east to west by deep gulches, cutting all the veins of the upper claims at considerable depth, and nearly at right angles; thus offering the best possible opportunity for thorough and economical prospecting and developing of the ore shoots.

No cross cutting in country rock need be done. All prospecting and development work can be done directly on the veins, an unusually favorable feature for obtaining quick and economical results.

Water——— The property has a never failing, and more than ample supply of water, in Cement Creek, for all future operations.

Timber——— About one third (100 acres) of the property is covered with a heavy growth of excellent timber, but a small portion of which would ever be required in the most extensive mining operations on the property.

The remainder of this timber is certain to become a very valuable asset to the company.

Buildings—— There is a good dwelling house, and a suitable blacksmith shop on the property.

Ores——— The veins at the lower elevation on the easterly side of the property, near Cement Creek, are heavily mineralized with iron and copper pyrite; while the veins at the higher elevation on the westerly side of the property carry Galena, Sphalerite and some Chalcocypirite.

The value of the ores exposed on these mining claims vary widely in value from oxidation and long exposure.

They vary from low to high grade milling ores. All the surface ores generally run low in gold values, but some carry up to 20 ounces of Silver, others run as high as 70 per cent Lead, 5 per cent Copper, or 40 per cent Zinc, all carrying some Gold and Silver.
Workings— These properties attracted attention in earlier days, and some scattered, primitive, hap-hazard prospecting work was done on several of the claims, all work showing more or less mineralization of the veins, some showing Galena and Carbonate of Lead and some Zinc, and others Iron and Copper pyrite, all carrying some Gold and Silver.

But the unsystematic work of early days did not develop ores of sufficient value which could be handled profitably in those days of high cost of mining operations.

A tunnel has been driven of late years, beginning on the Vinita No. 2 claim, and extends westerly 441 feet. The purpose of this tunnel is to cross-cut veins on the lower properties near Cement Creek, and to cover the annual assessment work on the whole group of claims.

Neighboring Properties— Immediately adjoining, north of this property, is the Kansas City mine, which has attracted so much attention this summer by shipping car loads of high grade ore.

Their claim being a later or subsequent location, overlaps some of these claims. I visited the Kansas City mine and found a strong vein carrying high grade grey copper ores. The point where they were then mining ore is about 700 feet north of this property, and I believe equally high grade ores will be found on the upper claims of this property.

About two miles northwest of this property, and on the Westerly slope of the same mountain are the Yankee Girl, Guston, Genessee, Vanderbilt and Congress mines, which have produced many millions of dollars. The San Antonio mine is in this vicinity, and is now mining a large quantity of good grade ore.

West of this property is the Silver Ledge mine, which is also mining high grade ore at this date.

On a claim immediately south of this property high grade ores were mined some years ago, and a little farther south in the Queen City mine, ore was mined and shipped recently which netted the owners more than $4,400.00 per car load.
Conclusion—The mere statement of cold facts as given in the foregoing does not call sufficient attention to the prospective value of this property, nor are they likely to appeal sufficiently strong to the investor who prefers colored statements to facts.

But the magnitude of this property, coupled with the fact that high grade ores have and are being mined near it, on veins running clear across it, and its rare combination of favorable conditions for economic mining, should appeal to any one willing to consider an investment in a meritorious mining enterprise.

This property is not a developed mine yet, but I believe that several of the claims will make paying mines, and I believe that money invested in this property on an equitable basis, and the money judiciously expended on the property, will bring very large returns.

Animas Forks, Colo.
October 15, 1910

W. M. Johnston

A True Copy