

Caribou Uranium Mine Faces Closure by Lien

By LEONARD LARSEN.
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One of the most valuable uranium properties in the west, the historic Caribou holdings at Nederland, Colo., Saturday was faced with financial ruin and shutdown.

Debts of \$250,000 held against the Consolidated Caribou Silver Mines, Inc., by Richard J. Reynolds, wealthy tobacco family scion, has landed the firm in U. S. district court here with a petition to reorganize the corporation under the federal bankruptcy act.

Judge Lee Knous granted interim court approval on the petition and appointed William E. Doyle, Denver deputy district attorney as trustee in the action. Judge Knous gave Doyle until March 1 to file a proposed reorganization plan.

LAST-DITCH TRY.

The petition for reorganization, signed by Donald M. Nelson, president of the corporation and former chairman of the war production board, was a last-ditch attempt to prevent immediate payment of the \$250,000 owed Reynolds.

Reynolds is a former vice president and director of the Caribou firm with \$78,750 in stock holdings. He stepped down as a corporation officer a year ago but only after he made two direct loans totaling \$250,000 to the uranium mining venture.

A \$200,000 loan was made May 26, 1950, according to information in the reorganization petition, and matures Nov. 26. The \$50,000 loan was made Oct. 10, 1950, and is payable on demand.

According to the loan terms, Reynolds would be empowered to li-

quidate the real and personal property of the Caribou corporation if cash is not available for payment.

The corporation is asking relief on its "inability to pay without liquidation," pointing out that such liquidation would "wipe out and destroy" more than \$800,000 of public money invested in the firm.

The firm officers further assert that immediate payment to Rey-

nolds would halt work and do subsequent harm to the mining property and claim that "any cessation would be definitely detrimental to the United States of America" in the quest for uranium, key ingredient of the atomic bomb.

The Caribou officers report they believe the lower level of the historic silver and lead mine is near the top of a pitchblende deposit.

\$10 Million in Offices Open on Capitol Hill

Office buildings valued at \$10 million have been built in the last year or are under construction on Capitol hill within walking distance of the downtown business district, a survey by The Denver Post disclosed Saturday.

The survey revealed a steady expansion eastward—into the apartment house district—of fast-growing Denver's business area.

Owners of the new office buildings said improved parking conditions and proximity to the homes and apartments of thousands of office workers were responsible for the sudden expansion.

One real estate specialist said flatly that Capitol hill is developing into an office building area "because it has all the advantages of the central downtown district, yet the benefits and comfort of a suburban section."

Recent major developments in Capitol hill's new growth include the twelve-story National Farmers Union building under construction at East Sixteenth avenue and Sherman street, and transfer of the

accounting department of the Mountain States Telephone and Telegraph company to East Eighteenth avenue and Pearl street. Each of the buildings will be worth in excess of \$2 million when construction is complete.

The Farmers Union building will have 135,000 square feet. The new telephone branch building will have 150,000 square feet of office space accommodating an estimated 1,200 workers, with adjoining parking facilities for 500 automobiles.

Within the last year, district offices of the Texas company were moved from downtown Denver to a new million-dollar office building at East Sixteenth avenue and Grant street. Others now occupying new or remodeled office space on Capitol hill include the Bay company, F. W. Woolworth company's district executive offices, secretarial schools and doctors and dentists and insurance firms.

(Widely diversified firms move to Capitol hill, page 3A, col. 3.)

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