

STATEMENT CONCERNING

THE

KING BEE

GROUP OF MINES

GILPIN COUNTY

by

W. Felder Cook

Report furnished by courtesy: W. F. Cook

KING BEE GROUP OF MINES

Russell Gulch, Gilpin County, Colorado.

The above group of mines is located in Gilpin County, and while the smallest county in area, has produced more gold and silver than any other county, and has contributed greatly to place Colorado as the leading producer of the precious metals in this country.

The United States Geological Survey reports Gilpin County's gold production at the enormous sum of \$130,000,000.00. Reports from various mining experts are to the effect that the latent wealth of the mines in this county has scarcely been touched and can be profitably exploited for one hundred years more.

Adjoining mines which are now being successfully operated in the immediate vicinity of the King Bee property are the following: To the West, The Old Town, Pewabic and Iron Mines; to the North, the Topeka and other mines of Quartz Hill; to the East, the Saratoga, Hazeltin, War Dance and others; to the South, the Frontenac, Aduddell, Sun and Moon and others, showing it to be situate in the heart of the principal mineral producing area of the county.

AREA.

Number of Claims and Area Comprised in the Original King Bee Group.

This property consists of a group of twenty-seven patented claims, the total area being about 110 acres, situated on the North side of Pewabic Mountain.

ADDITIONAL PROPERTY ACQUIRED.

During January, 1910, fifteen additional lode claims, comprising an area of 55 acres, were acquired adjoining the original property to the West and Southwest, making an additional and valuable asset to the property. (See Map.)

Total acreage held by the Company at the present time consists of 42 lode claims with an area of 165 acres, making the property the largest holding along the line of the Newhouse Tunnel.

IMPROVED TRANSPORTATION FACILITIES AND REDUCED CHARGES FOR OPERATION

Railroad freight rates have been reduced at least one-third within the last ten years and more than fifty per cent in the last twenty-five years.

The Gilpin County Tramway, with twenty miles of trackage, including main lines and spurs, connects our mines on the surface with the stamp mills and reduction works of Black Hawk, and also with the Colorado & Southern Railroad, so that all mill ores go economically from the mill and mine shaft to the mill, and the smelting ores from the mine shaft to the smelters at Denver, Colorado, thirty-six miles distant via the Colorado & Southern Railroad.

THE NEWHOUSE TUNNEL.

We cannot lay too much stress on the evolution of mining and the improved facilities for the opening and working of mining property; and in this connection we desire to call your special attention to the construction of the Newhouse Tunnel, which cuts through the veins of the King Bee group at depths ranging from 1400 to 1750 feet.

This mammoth enterprise was undertaken by a syndicate who did not own at the time, a single claim, but whose faith in the existence of rich ore deposits in the range through which this

tunnel traverses was more than justified by the exposure of numerous gold veins. Besides proving that the surface veins are continuous to great depth, the following results were accomplished:

First--All mines will be drained and the serious cost of pumping is thereby dispensed with. This is perhaps one of the most serious impediments in mining, the cost annually being very high for machinery, fuel, labor, etc., to keep the mines free of water, and it often happens that the mine is shut down and abandoned owing to the great volume of water. The fact of the Newhouse Tunnel draining our property makes it one of the most valuable pieces of property on the Newhouse Tunnel.

Second--The ore can be mined at a low cost, the serious expense of hoisting being dispensed with by operating in the Newhouse Tunnel, as the ore can be taken from the workings in the mine by the tunnel tramway in the ordinary cars and dumped into railroad cars at the portal.

Third--The dimensions of the Newhouse Tunnel are ten by twelve feet arched. The tunnel is double tracked and electric lighted throughout.

It has taken this syndicate twelve years to drive this tunnel and at the present time it is $4\frac{1}{2}$ miles in length; the cost of construction being close to \$1,000,000.00. It is but fair to state that the tunnel company has established a transportation rate as low as fifty cents per ton on all ores carried on their tramway to the portal of the tunnel.

ORES AND TREATMENT.

Locally the ore bodies are termed smelting and milling ores. The smelting ore is that which having sufficient value may be shipped direct to the smelter after a rough handsorting. The ore bodies accompanying this must be marketed in a concentrated form, and are therefore milled; speaking generally, there are really three classes of local ore, viz.: first, smelting, second, milling, third concentrating.

The higher grade ore, that is, above fifteen dollars per ton in value, goes to the smelter. The low grade ore is test treated by amalgamation and concentration; by this process of treatment of low grade ores we concentrate a number of tons into one, thereby saving the freight on waste material, the copper plates gathering the gold by amalgamation, and the other values being saved on the concentrating tables are shipped to the smelters as is the smelting ore.

Smelting ore is dumped into the cars from our mines for shipment to the smelters in Denver at a transportation cost of \$1.50 per ton; milling ores are dumped into cars and carried to the stamp mills at Black Hawk at a cost of fifty cents per ton. Concentrates, which are the product of the milling ores, are transported from Black Hawk to Denver at a cost of one dollar per ton.

Cyanide tests made upon the low grade ores of this property show that it is amenable to treatment by that process, and a saving of 95 per cent of the values is secured. There are large quantities of this class of ore already developed and waiting for this method of treatment.

The cheapness of mining and treatment of the ores and the facilities with which they can be handled give an idea of what can be done under a proper system.

It is the large body of low grade ore that makes the big safe and lasting mine, as may be noted by first, the Homestake in the Black Hills, which is paying a dividend of \$1,250,000.00 a year on four dollar ore with expensive fuel, expensive power and shaft mining, and has a dividend record of fourteen and a half millions of dollars. Also the Alaska Treadwell on Douglas Island which is paying a dividend of over half a million a year from two dollar ore and has a dividend record of nearly eight millions of dollars.

DEVELOPMENT:

WELLINGTON NO. 6.

This mine being operated through the Newhouse Tunnel, by a lateral driven on the vein, to the west a distance of 709 feet, from which a winze was sunk, and considerable stoping done above. Ore varying from \$7.00 per ton up to \$362.00 per ton has been shipped to the samplers in car load lots, and some assays have been obtained running as high as \$1,444.00 per ton showing that the highest grades of ore that have been produced in or from any property on the line of the Newhouse Tunnel have been from the properties of the King Bee Company, i.e., the Wellington No. 6. The development at this point demonstrates that not only are the values maintained at depth, but that the veins are continuous. The value of the Company's stock has been greatly enhanced by the work already done on the Wellington No. 6, as it has shown that the grades of ore in this mine are exceedingly good, and as development progresses will be productive.

In the Newhouse Tunnel, not including the Wellington No. 6, a number of veins have been cut, within the King Bee Territory, which show good values by assay, but the Company has not felt that it should proceed with the development and opening up of these veins until such time as it had reached a dividend paying stage, and was earning a surplus over dividends which could be used for this purpose.

IRON DUKE

The principal development from surface is that of the Iron Duke Shaft, sunk to a depth of 510 feet, and from which three levels have been run cutting veins with values of \$3.00 to \$64.00 per ton. At the present time the east cross-cut on the 500 foot level, which has already cut what is known as the "G" and "Spur" veins, is being driven to the southeast for the purpose of cutting the extension of the 2-40 vein to the southwest. (The 2-40 vein which is now being operated, and has been for some years, and from which a large ore production has been obtained, enters the King Bee territory as evidenced by the present workings on the 2-40 vein and the porphyry dyke which accompanies it); the extension of the Wellington No. 6 vein to the southwest and possibly other veins which we know nothing of as yet.

The entire workings and equipment of this property is in first class condition for future operations.

WATERLOO.

The Waterloo vein is an extension to the northeast of the "Old Town" vein, which has a shaft sunk on it to a depth of 2,200 feet, on the dip of the vein, from the bottom of which a lateral known as the "Hot Time" lateral, has been driven to the east a distance of 4,300 feet to connect with the Newhouse Tunnel, for drainage and transportation. (NOTE--The distance from the mouth of the Newhouse Tunnel in to the Hot Time Lateral, through same to the bottom of the Old Town shaft and up same to surface is a little more than four miles.) 400 feet of the Hot Time Lateral is through in and along the Waterloo vein showing a continuation of the ore shoots into King Bee territory, in fact the best values obtained in the 4,300 feet of lateral are from the 400 feet above mentioned.

Arrangements are now in progress to start work on the Waterloo-- first, through the Waterloo Shaft, which has a present depth of 202 feet and equipped with a good plant of machinery; second, by upraising on ore from the fifty level of the Wautauga, which has already exposed and mined the vein, to a limited extent, at a depth of 600 feet; third, by raising on ore from the Hot Time Lateral and transporting through the Newhouse Tunnel.

KING BEE MINES
GILPIN COUNTY

(RUSSELL GULCH)

	(Approximate)
Total and net area Daisy Bell lode	5.165 acres
Total and net area Home Guard lode	3.403 "
" " " " Napoleon lode	3.484 "
" " " " Compensation (164)	3.443 "
Total and net area Compeer (165)	3.443 acres
" " " " Waterloo	1.841 "
" " " " Wellington #10	4.293 "
Total and net area Wellington # 1	3.167 "
" " " " Wellington # 4	2.606 acres
" " " " Iron Duke (5897)	3.942 "
Total and net area Wellington (5897)	4.350 "
" " " " Wellington #2	3.178 "
" " " " Wellington #5	2.571 acres
Total and net area Wellington #3	2.731 "
" " " " West End	0.462 "
" " " " East Wellington	2.295 "
Total and net area Wellington Side	3.370 acres
" " " " West Wellington	2.242 "
" " " " Wellington #8	2.795 "
Total and net area Wellington #6	3.674 "
" " " " Wellington #7	3.161 acres
" " " " Wellington #9	3.725 "
Total and net area Bonnie Bell	4.604 "
" " " " Russell Bell	5.073 "
" " " " Clifton Bell	5.165 acres
Total and net area Central Bell	4.278 "
" " " " Liberty Bell	4.596 "
" " " " Blue Bell	4.262 "
Total and net area Old Guard	4.266

TOTAL ACREAGE- - - - - 101.585 acres (approximate)

Survey Commenced February 12, 1897
Survey Finished March 5, 1897

Buff and Berger transit.

See W. Felder Cook

704 Equitable

Ta 2546

Denver, Colo.

for further information.

DEVELOPMENT.

The total development done since taking over the property from the old stockholders is herewith given as a summary:

Iron Duke, shaft, drifts, cross-cuts, etc.....	2664 ft.
Wellington No. 6, drifts, upraises, winze, etc.....	1319 ft.
Clifton Bell.....	550 ft.
Waterloo shaft.....	202 ft.
Compensation shafts (101 and 50 ft.).....	151 ft.
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	4886 ft.

PLANTS.

The latest inventory, dated January 31, 1910, gives the value of the several plants located on the workings of the Iron Duke, Wellington No. 6, Clifton Bell and Waterloo, together with the buildings, machinery, tools, supplies, etc., on hand and in good condition as \$27,500.00

February 19, 1910.

The foregoing information was copied from an old map in my possession. For further information see.

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