

Last Month to Pay 2011 Dues....!!

Failure to pay by March 16 will result in being dropped from the rolls....Please ensure that you take care of any delinquent dues on time....Your Club appreciates your interest and your renewal!!!!

The Prez Sez by Jim Long

Wow, what a great presentation by 'Bib Ben' Higley, the President of the Colorado Springs Chapter of the Gold Prospectors of Colorado. His talk was on the new BLM rules and regulations for 2011 as well as access to public lands by the casual prospector. Ben explained how things are going to be in the near future and that his goal is to get all the smaller and local Clubs of all kinds of outdoor recreational users to be aware of each other and the need for us all to have a unified voice when the time comes to defend ourselves against the conservationists who want to see us all gone.

The bottom line is that things are rapidly changing. The BLM is going to start getting very picky about approving claims and supervising claims that already exist. The BLM now wants very detailed Plans of Operation for everything that we do. The GPAA has failed to file such Plans for 2011 and are in danger of losing the Arkansas River Group of GPAA claims. That means that those properties will now be open to everyone, to include some of the same slob and irresponsible people who are quite willing to undercut trees, dig huge holes without refilling, leave trash everywhere, and even create oil/gas hazmat spills due to old and improperly cared for equipment and sloppy use. You will only be able to sluice and pan as the BLM is only approving permits for Point Bar and Cache Creek for now. The bottom line here as well, is that we will have to supervise all of our claim properties very carefully in the future. You can find the BLM regulations on their web site and once there, search for Regulation 3809. The US Forest Service regulations are on their web site and once there, search for regulation CFR 228.

One organization that is working hard for all of us small miners is Public Lands for People (PLP). These are the folks who are fighting for us in California and Oregon along with the GPAA. The eco groups have also struck in Alaska in the Chicken area. In February, a quintet of eco groups filed a lawsuit against the US Forest Service here in Colorado to try to ban access of motorized equipment in the Pike-San Isabel NF, saying that the USFS approved thousands of miles of use/access to motorized equipment unlawfully. This is just the beginning in my humble opinion. Forewarned is also forearmed...!!

Roger Biri has informed me that Interior Secretary Ken Salazar has literally just announced the formation of the Federal Interagency Council on Outdoor Recreation (FICOR) to ensure that all federal agencies adhere to President Obama's just issued report titled, America's Great Outdoors: A Promise to Future Generations Report. This is basically the result of the input from 70% eco groups and the 30% that includes us miners and other outdoor enthusiast to include hunters and fishermen that we spoke of in the meeting. FICOR is going to figure out how to best manage our public lands for us, supposedly. I will be trying to contact Secretary Salazar and find out who will be representing our interests on this FICOR Council. I will advise the membership if and when this happens with what I find out. It may take a while.

At the March meeting, we will enjoy a program by Beth and Bill Hagstetter entitled 'The Cliff Dwellings Speak'. They have presented to us in the past and they do a fantastic job. I will look forward to their Program. For the April meeting, we will host a 'Mining Equipment' swap/sale/auction or whatever, for anyone/everyone who has any old or extra mining equipment they want to get rid of. It should be interesting and fun.

And, that is the way I see it from here. So until we meet again, keep your sunny sides up and may the bottom of your pans turn bright with that 'Yaller Gold'..!

Feel free to contact me at 303-452-6087, or by e-mail at jnslong945@msn.com

The V.P. Corner by Don Bray

This month's column is a continuation of last month's column. Where I am trying to answer the question, "What are the factors that cause the gold spot prices to fluctuate as I have observed over the last five years?" Last month I addressed some of the "supply side factors" (though I mistakenly labeled them "demand side factors" in my subheading) and this month will address the "demand side factors" and try to reach some conclusions about what the future may portend.

Demand Side Factors: Historically, since 2000, gold prices tend to start the year strong then drop off through the spring and summer months and strengthen again in late summer through the end of the year. The main reason for this annual cycle seems to be the consumption pressure from the global gift-giving holidays of Islamic Ramadan, Indian Diwali, Christian Christmas, and Chinese New Year. Gold as jewelry and bullion is commonly given as gifts for each one of



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these holidays. These holidays generally occur from August through February. Also the Indian wedding season occurs at this same time of year.

Historically India has been the largest consumer nation of gold with the U.S. and China being second and third. Almost all of the Indian consumption goes to jewelry. Globally five times more gold is used for jewelry than is used for both retail investment and industrial uses combined.

The Chinese government (PRC) absorbs all of their domestic production, as was mentioned last month. The PRC has in addition to their own production been consistently purchasing gold from the world market in increasingly larger quantities. Through these actions the PRC have been able to raise their governmental gold reserves from 13million ounces in beginning 2000 to 34 million at the end of 2009.

Until 2007 the PRC forbade Chinese citizens from owning gold but since has allowed citizens to purchase gold. However, until last year no retail marketing/distribution system existed in China. 2010 witnessed the first full year of a viable retail gold market and it was recently announced that China imported 209.7 tons of gold during the first ten months of 2010. Five times that of the same period in 2009. The World Gold Council estimates that China's gold demand could double in the next ten years as more Chinese investors get on-board.

My Conclusions: The pundits, I have read, seem to saying that they foresee three triggers that could cause a drastic drop in the price of gold. The first is "a massive rise in Interest rates". The theory is that higher interest rates usually see investors selling gold to invest in stocks, real estate and etc to reap the higher returns. I disagree with this theory because higher interest rates almost always lead to higher inflation so why would you dump your inflation hedge?

A second trigger is that "China sells much of its gold". This one I agree with but I think its possibilities are little and none. China, for whatever reason seems to be on a gold buying binge. Whether to diversify out of U.S. dollars or to try and corner the market I see the Chinese as "net buyers" not "net sellers" of gold for the near future.

The third trigger mentioned is "widespread deflation". True deflation causes currencies to become more valuable and strengthens them such that gold becomes less attractive as an investment. This one I also agree with, but all of the trends around the globe seem to be in the opposite direction, what with the rush to monetize debts including our own country. In addition, recent events such as the riots in the Middle East with the escalating prices of food, fuel and in turn transportation costs all keep the pressure on gold prices to increase. It is my opinion, from all of this that the gold price will continue to rise (except for occasional market sell off dips) in the near term.

That's as I see it.

You contact me at: don_bray@copper.net

From the Ledger of Peg Brozek, Treasurer/Secretary

Thanks to Phil Huff, JJ Long, Lloyd Lauck and Joe Johnson for their generous donations to the member only drawing.

This month we will be giving away a total of 8 grams with the largest nugget being 2.7 grams. Don't forget to also buy the blue tickets for the special nugget (**members only**). Good luck to all.

Board Meeting Minutes From Feb 2011

X	James Long	X	Joe Shubert	X	Joe Fortunato	X	Don Luchtenburg
X	Don Bray	X	Joe Johnston	X	Terry Weatherly	X	Mike Hurtado
X	Peg Brozek		Sue Lemieux	X	Andy Doll		
	Gary Hawley						

Quorum present? Yes

Call to Order: Meeting was called to Order at 6:02 by Jim Long.

Reading and Approval of Minutes: Jan Minutes were read.

Corrections: None Approved as read/corrected: Yes

Treasurer's Report: Read by Jim Long.

Questions: None Approved: Yes

Correspondence:

- Received 14 emails and 6 phone calls from within as well as outside the Club.

QUESTION OF THE MONTH

How many tons of gold are held at Fort Knox?



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- Mar schedule of events from WMMI. Will be read at general meeting.

Committee Reports: Mike Hurtado reported on helping Ed and Gina catch up on the membership rolls which are quite difficult to maintain. Progress is going well and they are in pretty good order now from the changeover.

Webmaster: Andy Doll reports 105,677 hits total on the web site, 1,207 since Jan meeting.

Unfinished business: None to start the new year.

New business:

- Discussed using web-site to notify membership when experienced members were going to organize impromptu outings that were on short notice and not necessarily Club sanctioned, though Club approved. Approval granted unanimously.
- Mike Hurtado discussed feasibility of making and selling leather goods to the membership with percentage going to Club. Mike will put together written proposal with descriptions, prices, percentages, etc. for Board review. Items will carry Club logo.

Planned Outings: As of this date, the following outings are in the planning stages:

- May 12, 2011 Panning demo for Aurora Youth Water Festival.
- June, 2011 Don Bray to organize a 'rock hound' outing.
- July, 2011 Joe Johnston to organize a metal detecting outing.
- August, 2011 Jim Long to hold a panning/slucing outing for newer members.
- Sept 2011 Jim Long to organize a gold prospecting outing.
- As determined Sue Lemieux to arrange various tours.

Announcements: Next Board Meeting Mar. 16, 2011 at 6:00pm.

Next General Meeting Mar. 16, 2011 at 7:00pm

Tonight's general meeting program: Ben Higley, Pres of GPOC to speak on 2011 BLM changes in regulations and how the new changes will affect the casual miner and how we are in danger of losing access to mining property.

Adjournment: Meeting stands adjourned at 6:56pm.

From the Webmaster

If you haven't had a chance to take a look of the videos available on the web site, do so. When we have guest speakers or something special going on at the meetings I will record it and list it here.

New Video – Ben Higley speaking at the Feb meeting about land use under Forest Service and BLM procedures.

If you have updates for, comments about, or anything else regarding the club website contact the webmaster at:

smes3901@hotmail.com

Thanks: Andy Doll

2011 GPR Board of Directors Members

President
James Long

Vice President
Don Bray

Secretary/Treasurer
Peg Brozek

2 Year Board Members

Joe Johnston (2010)

Joe Shubert (2009)

1 Year Board Members

Sue Lemieux

Joe Fortunato

Terry Weatherly

Andy Doll

Don Luchtenburg

Mike Hurtado

General Meeting Minutes From Feb 2011

1. President Jim Long called the meeting to order at 7:12 P.M.
2. Jim asked and Andy Doll led the membership in the Pledge of Allegiance, to open the meeting.
3. Jim announced today's metal prices as follows: Gold \$1375.70 per t oz, Silver \$30.70 per t oz, Platinum \$1829.00 per t oz. and Palladium \$839.00 per t oz.
4. Jim stated that according to the Board Meeting Treasurer's Report the club's finances remain in the black. He also noted that the club drawing-gold reserves should carry us through the June or July meetings before new purchases are required. Jim also reminded members that their 2011 dues now are due if they have not already renewed them.
5. Jim called on, vice president, Don Bray to introduce tonight's program and speaker. Don introduced Ben Higley president of the Gold Prospectors of Colorado (GPOC) club, in Colorado Springs. Ben presented an extemporaneous talk with regards to "lessons-learned" from his working relations with both the USFS and BLM on gold claims in the South Park area. Specifically Ben discussed the following major issues:



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- Both the USFS and the BLM are making several changes internally on how they interact with the recreational users of the public lands they oversee, as agents for the public. The BLM will only issue “Engine Operated Equipment” permits for the Point Bar (public claim) and Cache Creek (public claim) in 2011. Private claim owners must have filed a “Plan of Operation” and will issue their own permits under those plans.
- Unprecedented governmental mining restrictions. The California dredging and highbanking moratorium. BLM road closures in Alaska. Wyoming mineral land closures. The outlawing of hand sluice operations in Oregon and Idaho, are just a few.
- The GPOC have filed “Plan of Operation” documents for all of their claims with the USFS and BLM and should have full use of them for year 2011.
- The GPAA have not filed “Plan of Operation” documents for their 9 claims on the upper Arkansas River below and just above Granite, CO. Therefore, no engine driven equipment maybe used on these claims in 2011, “casual use only”.
- It is suggested that as public land users, and in particular miners, that GPR members become aware of an organization known as “Public Lands for the People” (www.plp2.org). This is one of the major organizations legally fighting for the miner’s rights against the governmental agencies shutting down mining operations. It is suggested that you consider supporting them financially, if you are so moved.

This program is a clarion call to all, including GPR members, who want public lands to remain accessible to all public land users. It is hoped that this program raised your awareness of these current issues and prepares you to rally with like-minded public land users to protect your access, if and when these issues and similar ones do come to Colorado. Thanks Ben for bringing these issues to our attention.

6. Jim called on Ed Fielding for this evening’s membership report. Ed reported that we have 4 new members, 73in attendance with 5 guests and 130 paid memberships tonight.
7. Jim asked, vice president, Don Bray for any V.P. announcements and he had none.
8. Jim called on Sue Clover to read her “Question of the Month” which is, “Gold is being applied to the surface of the mirror of the new James Webb Space Telescope by evaporation, involving heating gold to over 2500 degrees Fahrenheit and allowing it to evaporate onto the mirror. How thick is the gold coating applied by this method?” Sue will collect your answers to this question during the break and distribute a “Club Nugget” drawing ticket to each person turning in a correct answer.
9. Jim announced that Peg Brozek would be selling tickets for a new 17.1-gram “Members-Only” large nugget drawing during the break. The drawing will be held at a later date.
10. Jim asked Rob Deschambault, in Sue Lemieux’s absence, to come forward to announce tonight’s “Golden Cupcake Awards” for those with February birthdays. Those reporting February birthdays are Andy Doll, Don Fling, Peg Brozek, Richard Harrison and Don Tiglas.
11. Jim announced that the Board had approved a change in policy that allows the webmaster to distribute club wide e-mails announcing invitations, for club members, to participate non-club-sponsored member outings, when he is so informed.
12. Jim read the fourth “GPR Cache Clue”. Those seeking to find the “Cache” should keep checking the GPR website to see if it has been found.
13. Jim announced the meeting refreshment break, at 8:21. At 8:35 Jim reconvened the meeting.
14. Jim asked Sue Clover to announce the answer for her “Question of the Month” contest. She stated that she had 20 contest entries with 13 being correct. The correct answer is “120 nanometers, a thickness of about a millionth of an inch or 200 times thinner than a human hair”. Her source is a Northrop Grumman Corp. press release, available on the Internet. The 120 nanometers are the full thickness of all the coatings including the undercoat, the gold and the silicon dioxide protective coating. The actual gold thickness is “proprietary” and unavailable.
15. Jim asked for refreshment table volunteers for the March 16th meeting. Rich Dimisko and Don Bray volunteered. Thanks Rich and Don.

NOTE: Last month’s minutes incorrectly reported “that Ian and Susan Duncanson volunteered to take on this chairmanship” (refreshment table). Actually Bill Duncanson and Susan Duncanson were the refreshment table chairman volunteers.



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16. Jim announced that during the break Ben Higley, GPOC president, invited GPR members to attend any of the scheduled GPOC outings (www.gpoc.com/GPOC/Events.html). Jim added that it is important that if GPR members participate in this invitation they will need to wear their GPR badge and identify themselves to their GPOC hosts.
17. Chuck Cown, Peggy Brozek, and Jim conducted this evening's "Members-Only" and the "Club-Nugget" drawings. For the "Member's-Only" drawing, 8 prizes were awarded to members, our thanks go to all who donated tonight's prizes. Eight nuggets for the "Club-Nugget" drawing were won tonight, the largest being 2.7 gram. The nuggets tonight are from various localities (as noted on the containers).
18. Next meeting will be March 16 at 7:00 P.M. The March program is scheduled to be "The Cliff Dwellings Speak" by Bill and Beth Sagstetter.
19. Meeting adjourned at 8:56 P.M.

Submitted by, Don Bray, Recorder

A Miner's Laugh

A woman miner on her way to work and a man are involved in a car accident on a snowy, cold morning and the accident is a bad one. Both of their cars are demolished, but amazingly, neither of them is hurt.

The woman miner says, "So, you are a man. That is interesting. I am a woman miner. Wow, just look at our cars! There is nothing left but we are both unhurt. This must be a sign from God that we should be friends and live in peace the rest of our days." Flattered, the man replies, "Oh yes, I agree completely, this must truly be a sign from God. But you're still at fault because women shouldn't be allowed to drive."

The woman miner continues, "And look at this, here is another miracle. My car is completely demolished but this bottle of wine didn't break. Surely God wants us to drink this wine and celebrate our good fortune". She hands the bottle of wine to the man.

The man nods his head in agreement, opens the bottle and drinks half of the wine and then hands the bottle back to the woman. The woman miner takes the bottle, puts the cap back on and hands it back to the man. The man asks, "Aren't you going to have any?"

The woman miner replied, "No, I think I will just wait for the police!"

Reprinted from the Sept/Oct 2010 issue of GPAA's Gold Prospectors magazine



Newsorthy Notes Concerning Mining Interests From the Denver Post:

- 2-8-2011 Suit wants forest routes off map – eco groups say motorized access in Pike-San Isabel lacks the required approval. A quintet of environmental groups has sued the US Forest Service, arguing that the agency gave its blessing to hundreds of miles of routes for motorized vehicles without review.
- 2-18-2011 Feds outline Grand Canyon mining options – Albuquerque: The US Dept. Of Interior has outlined four proposals to address mining around the Grand Canyon, including one that would ban new claims on 1 million acres for 20 years.
- 2-18-2011 Oil and gas auction garners 22.4 million in bids – Buyers bid 22.4 million Thursday at the Colorado State Land Board's quarterly auction for leases on land for oil and gas development, with high bids coming in hot areas of the Niobrara shale formation. The Board doesn't plan to review the identities or official revenue from the auction until the bids have been paid. The high bid Thursday was 3300 per acre for 320 acres in Weld County.
- 2-23-2011 Wildcat Mining applies to search for Tellurium – Wildcat Mining's new managers are exploring the possibility of unearthing the rare mineral tellurium at mines that the company hopes to re-open in southwest Colorado. Wildcat filed a permit application with La Plata County last week to re-open gold and silver mines near Hesperus. The company has sought approval from state health officials, federal and state mining regulators, the US: Army of Corps of Engineers, and the US Forest Service to operate the Idaho and Mayday Mines.
- 2-2-2011 Wildlife Clubs challenge coal mine decisions – The Sierra Club and the group Wild Earth Guardians are challenging a federal agency's decision allowing an expansion of the Elk Creek Coal Mine near Somerset in Gunnison County. In an appeal filed with the Board of Land Appeals, the groups say the BLM didn't



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Public lands means Public lands — not government land

The Gold Prospectors Association of America and [Public Lands for the People](#) are leading the fight to retain your right to prospect and mine on public lands. Public MEANS Public!

You can help join the fight to keep your right to prospect on public lands by becoming a GPAA member or by supporting land rights through donations to PLP. Right now in [Alaska](#) and in [Eldorado National Forest](#) in northern California and other states our governments are illegally shutting down roads to public lands and preventing prospectors and miners, among other outdoors groups, from accessing these areas. Miners depend on these roads to access their claims. No one is asking the government to build new roads into these areas, only that it grant

miners their legal right to access their claims under the existing Mining Law of 1872.

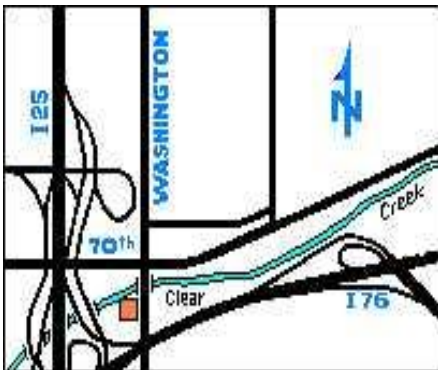
The future of prospecting really depends on you. Federal and state governments have gradually, willingly and deliberately eroded your access to public lands and are continuing to do so at an alarming rate. The time to speak up is NOW!

For a limited time only, buy TWO Land Rights T-shirts for \$15 or one for \$10, plus shipping. All proceeds from these special GPAA land rights T-shirts will be donated to support land rights.

[Order your LAND RIGHTS T-Shirt today](#)

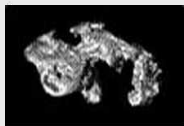
Reprinted from the February GPAA 3-mail Newsletter

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For information to publish your "Ad" in The Gold Nugget, please contact the Editor. **COPY DEADLINE** is due to the editor by the 25th of the month for publication in the following months' issue of the Newsletter.

Contact the GPR President

(Layout Design Subject To Additional Cost)



Coming Announcements and Special Events for Apr 2011

(WMMI - Western Museum of Mining & Industry, 225 North Gate Blvd. Colorado Springs, CO 80921 (www.wmmi.org))

SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7 WMMI - Heritage Lecture - Political Nature of Energy	8 USGS Free GPS, Map, and Compass Class	9 Newsletter Advert/Article Copy Deadline
10	11	12	13	14	15 Tax Day	16 WMMI - Keep What You Find Gold & Gemstone Panning
17	18	19 Passover	20 GPR Club Meeting	21	22	23
24 Easter	25	26	27	28	29 Arbor Day	30