

THE GOLD NUGGET

July 2011



The Prez Sez by Jim Long

I was saddened to learn of the recent defeat for miners in the California State House in June. Though their fight is

by no means over, it does indicate that the eco-groups and the political process is a daunting adversary to overcome. I cannot tell you with any degree of certainty what the future of the small scale miner in America will be, but I fear we are living today in a radically changing world that seems to be rapidly going out of control. I am not very happy about it personally, and I doubt that you are either.

The political process has become so ugly across the country, not just California, that it almost embarrasses me beyond sane boundaries to see the utter disregard that some politicians have for the people that they represent. There is a movement under foot now calling for all miners to declare their voting status as Independent in order to try to weaken the voting block of the ruling Party which is caught up in their own weird political power machinations. Voting in most States right now is directly down Party lines and you just don't see either side willing to compromise, negotiate, or paying any attention to the people they represent and especially not the small scale miner/pro prospector. June and the high water runoff is here in spades. The projection is for a 4 to 6 week melt period which is beyond anything we have seen in recent memory. The melt started late and is going to run longer than usual. This may have a negative impact on several outings we have planned for the time frame between now and our next get together. But we will cross our fingers and hope to get out and about when safe to do so. We have tried to schedule more outings and events than usual in order to provide more opportunity for getting together and developing camaraderie and fellowship. I encourage all of you to take the opportunity to come to an outing and have some fun. I always find each outing I can attend to be fun, entertaining, and even instructional. I have learned that there is much that I don't know and these outings give even me a great opportunity to learn even more. And I get to spend time with the various members out in the Great Outdoors and share some laughs, war stories, and even play in the water together. You just can't beat it.

I heard back from the guys in California and they thanked us deeply for sending the petition to them. They advised that they did not receive a lot of input from folks from out of state. They contacted hundreds of Clubs but only a few responded. Though I certainly would not tell any of you what to do, as that is not my job as your President, I would encourage each of you to be as informed as possible about the issues facing the small miner in today's economy and environment. The Eco Groups are well funded, strong in their unity, firm in their misguided causes, and determined to have an impact. They just can't see the forest for the trees in my humble opinion. As I told the California folks, United we need to stand, Divided we shall fall, and Apathy is our true enemy!

Gold prices have been hovering between 1500 and 1550 an ounce for the last month or two. But oil is beginning to fall again. For those of you who follow the Commodities Market, they do seem to run in fairly predictable patterns. I guess that is why for the folks who understand those patterns and what drives them, there is money to be made. The Club will be buying gold for the coming year in just a few days, so I hope that the spot pricing on gold stays a little lower in order that I make our money stretch as far as I can.

I have clarified, somewhat, the situation on Clear Creek at Youngfield. Jefferson County Facilities Management is the folks who have enforcement jurisdiction there as far as in the creek and off the paved trails. I plan on speaking with the Facilities people hopefully before the next meeting to touch base and see how resolute they are in their non-support of panning and sluicing. Stay tuned for the continuing saga of 'gold mining in Colorado'. It seems to just go on and on and on!

At the June meeting, we will be showing a slide show presented by Greg Davis on the GSI system which can help you to identify property for potential prospecting. This should be a great program and I am looking forward to it.

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'..!

The V.P. Corner by Don Bray

"Where can I sell my gold and what is the minimum quantity they will buy?" These very good questions were asked at the June General Meeting, by a member. While researching the answer to the "where" question using Google I found a surprising internet reference back to our very own newsletter "The Gold Nugget", March 2006 issue. There, on page 1, are listed seven Colorado dealers and refiners who buy gold and continued on page 4 is six additional out-of-state buyers. As for the "minimum quantity" question just call them to find out.

If you are new to the gold prospecting game and GPR it would be wise for you to peruse the back issues of "The Gold Nugget" for the wealth of information buried there. The GPR website (<http://www.lornet.com/pro prospector/index.html>) posts a complete set of back issues from the present back to the January 2002 issue and a few 2001 issues as well. As I was reminded, older members would do well to remember this also.



Gold Prospectors of the Rockies Page 2

Field Trip Report: On Saturday, June 11, five GPR members met at the Salida Safeway store parking lot for the Calumet Iron Mine field trip. It was a very pleasant day with partly cloudy sky and mild temperature. We arrived at the mine site about 10:15 A.M. We parked at the roadside (the old R.R. bed) at the foot of the mine dumps. Sue Lemieux and I collected along the roadside most of the day in material that was spilled during the rail car loading operations, back-in-the-day. Sue found many treasures there and I found a nice magnetite specimen and a so-so uraltite specimen amongst the many heavy rocks containing almost 100% magnetite (the ore they were shipping).

Rob Deschambault, J.J. and Brandon hiked up the dumps to the top to explore and collected there. When we all met back at the bottom about 3:00 P.M. we inspected each other's finds. Rob had a baggie full of nice epidote crystals that should net some excellent specimens when cleaned up. J.J. was carrying a nice specimen with quartz and epidote crystals in a matrix of albite (feldspar). Brandon found "the find of the day" an excellent specimen of epidote crystals in a matrix of calcite with a very nice epidote crystal 1/2" to 3/4" high displaying a rare habit (crystal shape) for this locality. The group was small but the day was nice and the collecting was great, so a good time was had by all.

Contact me at: don_bray@copper.net

From the Ledger of Peg Brozek, Treasurer/Secretary

Thanks to JJ Long, Don Luchtenburg, Don Bray, Joe Johnson, Phil Huff and Wayne Hale for their generous donations for the members only drawing in June. With the summer temps heating up-so too is the gold. For July a total of 7.5 gms will be given away, with the largest being 2.4 gms. Don't forget about the special nugget-tickets still on sale. Good luck to all!!

Peg

Club Prospecting Outing by Jim Long

On Saturday, June 25, the Club enjoyed a prospecting outing that was led and organized by Greg Davis. The outing was conducted in Gilpin County on North Clear Creek on Hwy 119. It was attended by some 26 members. That represents about one third of the entire Club.

We met at about 0900am and folks panned, sluiced, and dredged on the creek and had a really good time. Greg and Phil Huff furnished soft drinks for those who wanted them and Rich Harrison and his son Andrew brought a bunch of hot dogs and buns and grilled them on site. A lot of folks did find gold although I am pretty sure that no-one hit the mother lode, including myself.

All in all, it was a fantastic outing and my personal thanks go to Greg Davis for his leadership and knowledge of the area. I think that we will be doing this one again before too long.

Several photos are attached of some of the folks in attendance. Photos by JJ Long and some video were also taken by Andy Doll.



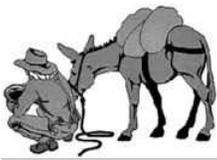
Unloading
equipment



Lloyd Lauck
at work



Ed and Sharon
Eckley with their
highbanker



Gold Prospectors of the Rockies Page 3

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

Quorum present? Yes

Call to Order: Meeting was called to Order at 6:05 by Jim Long.

Reading and Approval of Minutes: Mar Minutes were read.

Corrections: Pan/sluicing outing date is actually July 9, not the 11th.

Approved as read/corrected: Yes

Treasurer's Report: Read by Jim Long.

Questions: None Approved: Yes

Correspondence: Received 15 e-mails and 13 phone calls from within as well as outside the Club. 1 mailing.

Committee Reports: None due.

Webmaster: Andy Doll reports 110,570 hits total on the web site, 1,348 since May meeting.

Unfinished business: None at this time.

New business: Discussed distribution of mining books donated to the Club by Wayne Hale. Some to Library, some to Door Prizes, and some to be auctioned off in Club Store.

Planned Outings for 2011: As of this date, the following outings are approved:

- June 25 Gold panning/sluicing outing at Grubstaker Claim in Gilpin County organized by Greg Davis.
- July 9 Panning/sluicing Class on Clear Creek organized and led by Jim Long.
- July 23 Heidi Mine Tour in Gilpin County organized and led by Sue Lemieux.
- Aug early Metal detecting outing in Adams County organized and led by Jim Long.
- Aug 20 Club Picnic at Lions Park in Golden.
- Sept 8,9,10 Panning Demo at Highlands Ranch Days conducted by Jim Long.
- Sept 17 Panning Demo at Clear Creek Watershed Festival in Idaho Springs conducted by Jim Long.
- Sept 24 Georgetown Loop RR ride and Lebanon Silver Mine Tour organized and Led by Sue Lemieux.
- Oct 22 School of Mines Museum Tour in Golden organized and led by Sue Lemieux.

Announcements: Next Board Meeting July 20, 2011 at 6:00pm.

Next General Meeting July.20, 2011 at 7:00pm

Tonight's general meeting program: DVD movie titled "Jack Lange's Metal Detecting Secrets, pt IV.

Presented by Joe Fortunato. July Program will be Power Point presentation by Greg Davis on the GIS system and how to use it.

Adjournment: Meeting stands adjourned at 6.56 pm.

QUESTION OF THE MONTH

What state currently produces about 70% of the US's total production of gold??

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 Jun 2011

1. President Jim Long called the meeting to order at 7:08 P.M.
2. Jim led the membership in the Pledge of Allegiance, to open the meeting.



Gold Prospectors of the Rockies Page 4

3. Jim introduced GPR Board Member Joe Fortunato who in turn introduced tonight's program. The Program consists of a portion of a video titled "Nugget Finding Secrets, Part IV" by Australian metal detecting expert Jack Lange. Lange and his brother Ed demonstrate how they go about prospecting an unfamiliar area near a known gold location. The Langes are using MineLab "GP Extreme" detectors in the Australian outback. The segment of the video, presented tonight, starts with the Langes observing a quartz outcrop while driving by it on an outback road and stopping to investigate. They find that the originally observed outcrop consists of plain white quartz, barren of any signs of mineralization, but continue to explore the area until finding another outcrop of red iron-stained quartz, indicating included mineralization. Jack breaks out his metal detector and starts to search areas where heavy minerals will be concentrated, first the gullies and then where the bedrock has been exposed by removal of the soil by the action of water and or the wind. He uses water worn quartz and iron containing pebbles as indicators. After some searching Jack finally bags a small gold nugget and states "little nuggets lead to bigger nuggets". Upon finding the small nugget Jack's search pattern becomes more refined carefully working a grid with detector swings first in one direction and then covering the same ground with swings at 90 degrees to the first swings. Jack recommends searching all the surrounding flat areas. At the end of two hours of searching, this new area (to them), they had found a 2.0 t oz, a 1.5 t oz. and several smaller nuggets. I wish we could do that here in Colorado. Joe announced that he has several metal detecting books on the front table for members to browse during the break. Thanks Joe for this presentation.
4. Jim announced that today's metal prices were as follows: Gold \$1530.93 per t oz, Silver \$35.86 per t oz, Platinum \$1781.00 per t oz. and Palladium \$784.00 per t oz.
5. Jim announced that this month's Website hits total 1348 since the last meeting.
6. Jim announced that according to Peg Brozek's Board Meeting Treasurer's Report the club's finances are still in the black. He also stated that the club will be buying more gold in the next month or so which will deplete some of our cash reserves.
7. Jim asks, membership chairman, Greg Davis for this evening's membership report. Greg reported that tonight we have 92 paid memberships, 1 new membership and 54 in attendance including 6 guests.
8. Jim asks, vice president, Don Bray for any VP announcements. Don announced that he and others have some of the minerals found on the Calumet Iron Mine trip on the back table for the members to see during the break.
9. Jim called on Sue Clover for her "Question of the Month" which is, "What was found in 1859, at Magalia in Butte County, California?" 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.
10. Jim stated that Peg Brozek is selling tickets for a 17.1-gram "Members-Only" large nugget drawing during the break. The drawing will be held at a later date.
11. Jim read the seventh "GPR Cache Clue".
12. Jim also stated that the Club Store would be open during the break tonight.
13. Jim asks Sue Lemieux for her announcements. Sue reported that she had 11 people attend her trip to the Argo Mill and Double Eagle Mine trip on June 4. Her next trip is on July 23 to the Hidee Mine near Central City; meet at the mine parking lot at 8:30 A.M. for a 9:00 A.M. tour. Tour cost is \$16.00 for adults and \$10.00 for children over 5 years old, children under five are not admitted. Information and a signup sheet will be on the front table during the break. She also announced that she is planning trips to the Georgetown railroad and the CSM geology museum (details to be announced later).
14. Sue also announced "Birthday Awards" for those with June birthdays. Two members have June birthdays and claimed their awards.
15. Jim announced that we are still planning Greg Davis' trip to Nederland for Saturday June 25. The town has opened the park for the GPR members to pan, sluice etc. Mechanized equipment will be allowed. Greg plans to be at the park at 9:00 A.M.
16. Jim cautioned the membership about the dangers of the current high and fast waters in Colorado rivers and streams.
17. Jim announced that he is planning to conduct a panning and sluice operation class for new members on July 9, not July 11 as previously reported, the planned location is Clear Creek at Tymkovich Meats, 6911 N. Washington St, Denver. A signup sheet will be on the front table during the break.



Gold Prospectors of the Rockies Page 5

18. Jim asked that members who sign up for club sponsored events and trips and later have to cancel be courteous enough to call the trip leader and advise them that they will not be attending.
19. Jim stated that he has received some petitions from a California Mining club asking that we support them in their fight against the mining/dredging restrictions and the loss of public lands imposed by their state agencies and the Feds. The petitions will be on the front table during the break, for your signature, if you wish to join the fight.
20. Jim reported his conversations with Colleen Gadd, of Jeffco Open Spaces (Parks), about the destruction, by the public panning along Clear Creek near Youngfield St. Parks has upped their patrols and have stopped most of the destruction. Parks understands that GPR members are acting responsibly and are impressed with our compliance with our stated club mining ethics. Jim has offered club participation with reclamation of the area if desired by Parks.
21. Jim announced the meeting refreshment break, at 8:25. At 8:42 Jim reconvened the meeting.
22. Jim asked Sue Clover to announce the answer for her “Question of the Month” contest. Sue’s correct answer is “The 54 pound Dogtown (or Miller) nugget”. Eighteen people turned in correct answers tonight. There were two correct answers turned in without the entrant’s name on the paper.
23. Jim informed the membership that Wayne Hale, former member from California, has donated about 100 books on mining subjects. The board has decided that some books will be placed in the library, some will be placed on the “Member’s-Only prize table, and some to the club store to be “silent auctioned” off.
24. Jim announced that June 24 through 26 the Western Museum of Mining & Industry will host a Rock Fair during which they will run the Yellow Jacket Stamp Mill.
25. Chuck Cown, Peggy Brozek, and Jim conducted this evening’s “Members-Only” and the “Club-Nugget” drawings. For the “Member’s-Only” drawing, 10 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).
26. Jim reminded the membership that the California petition and the Hidee Mine tour sign-up sheet will remain on the front table for you to read and sign on your way out, if you are interested in doing so.
27. Meeting adjourned at 8:57 P.M.

Submitted by, Don Bray, Recorder

Calumet Mine Outing by Jim Long

On June 11, the Club hosted an outing at the Calumet Iron Mine Quarry in Chaffee County about 10 miles north of Salida, Colorado. The outing was organized and led by member Don Bray. Don wrote about the history of the mine in the May newsletter and there was a lot of very interesting history attached to this mine.

A number of members enjoyed collecting minerals such as Actinolite, Calcite, Epidote, Feldspar, and Magnetite. Brandon Luchtenburg managed to collect a striking museum quality chunk of milky calcite with some beautiful emerald dark green epidote crystals imbedded in the calcite. Rob Deschambault managed to collect a very impressive amount of epidote crystals when he struck a pocket of the stuff high on a hillside where the footing was treacherous to say the least.

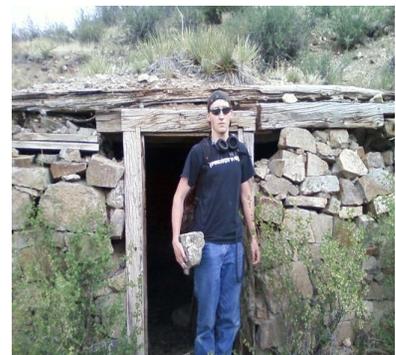
Accompanying photos illustrate the view from the mine to the west showing the Collegiate Peaks, Brandon working on the hillside, and Brandon at an old miners hut made of stone and logs used probably to store explosives away from the mine, circa 1895 or so.

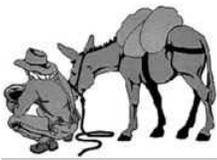
It was a great day to be out in the out of doors. Many thanks to member Don Bray for his excellent leadership and knowledge and to all those members who were able to attend.



Collegiate Peaks from the Calumet Mine

Brandon in front of the Calumet Mine Quarry dynamite house built in circa 1895





Gold Prospectors of the Rockies Page 6

Newsworthy Notes Concerning Mining Interests From the Denver Post:

6-21-11 The Obama administration announced Monday that it intends to place a 20 year ban on mining 1 million acres of land bordering the Grand Canyon, an area where uranium mining claims have spiked 2000 percent in the past seven years. The ban would strengthen a moratorium on new mining claims and activity, which the administration placed on Grand Canyon border lands two years ago. Interior Department officials said the agency initially would extend the current moratorium an additional six months, until December, in order to complete the steps necessary to establish the 20 year ban. Mines currently in operation would not be affected. Supporters said the decision would protect the critical Colorado River watershed. The mining industry warned that removing such a vast area of land from industry risked jobs and economic growth.

Another Big Gold Nugget:

The Ganes Nugget - 122 Troy Ounces Found on Ganes Creek near McGrath, Alaska in 1985 by Warren Magnuson's son Lloyd Magnuson while commercial mining. This nugget is now owned by the Wiltz family.



Sue's Sluice Box

Hidee Mine Tour

Saturday, July 23

Meeting Time: 8:30am SHARP!

Tour Time: 9am (This "Special Time" was created to accommodate our Group before the General Public has access to the Mine).

Where: Hidee Mine (Central City Parkway, Mile Post 6.3, Hidee Mine Rd., on the Left) See MAP for Directions.

Cost: \$16 per Adult, \$10 Children (No children under 5 years old admitted)

Website: www.hideegoldmine.com

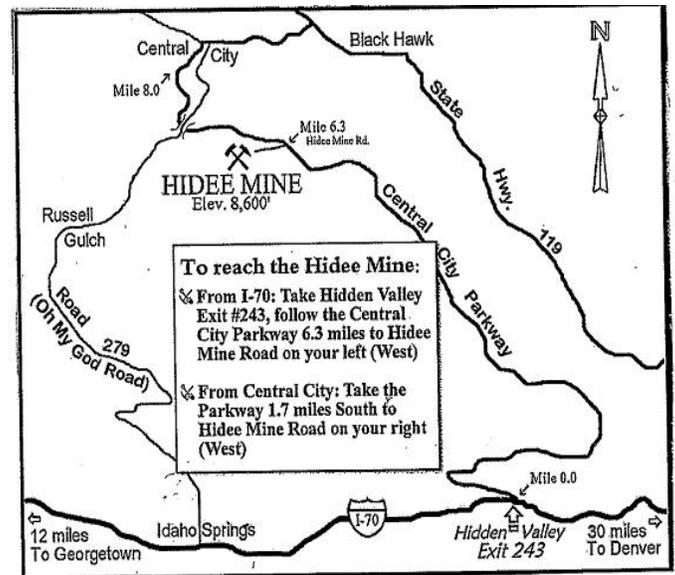
If we are a large group, we will be separated into 2 smaller groups, to accommodate everyone.

Underground Prospecting & Historic Site Tour

Brochures & maps will be available at the July 20 GPR Meeting.

Any Questions: Come and talk with me, call 413-668-6008 (Best), or e-mail slemieu@yahoo.com I hope you can attend this great outing!!!!!!! See you at the mine!!!

Sluicin' Sue

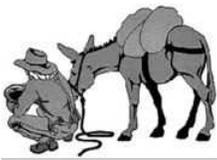


Back Pillars of Gold

Two towering pillars of stone stand silent lonely guard to a small valley running into Colorado from the wild and precipitous mountains of northern New Mexico, west of the Rio Grande River. Back in the 1800's when the Spanish conquerors were roaming the great West, some of the padres and soldiers stopped to examine the august and mighty monuments. But wait, the pillars were made of gold!!

Well, not entirely, of course. But most of the stones were pieces of rich gold ore which had, no doubt, been found not too far away. In that pleasant little valley, distinguished from hundreds of others only by the bleak, majestic pillars, the padres and soldiers became miners until they had dug all the gold they could possible carry with them.

Others, in the years that followed, saw the pillars but considered them only a freakish geologic formation and passed them by. Except Mike O'Leary, who arrived a century after the Spanish had been there. The rumors are that he stumbled onto



Gold Prospectors of the Rockies Page 7

some ancient working on one of his prospecting trips. At least, he appeared in Parrott City on the La Plata River, southwest of Durango, with enough gold to pay for a spree lasting several weeks. No matter how drunk he was, he clammed up when asked where he had found the gold.

When he sobered up, he disappeared, only to show up in Animas City on the Animas River south of Silverton, several months later with another small fortune in gold. Other prospectors tried to follow O'Leary when he headed back into the wild country. But O'Leary was a wily and clever as any of the prospectors of that time. He trusted nobody, searched in solitude, and enjoyed keeping a secret. Discovery of a rich strike meant not only hordes of miners not on the trail of gold, but claim-jumpers and desperadoes ready to use guns and knives to get what they wanted. So nobody ever caught up with O'Leary. He slipped out of sight when his gold was gone and then slipped into town with plenty more a few months or a year later. All that was known was that he hid out somewhere in the valley of the Stone Pillars.

Finally someone remarked that O'Leary had not been around for a long time. Parrott City began to watch for him but he never came. He might have traveled on to California. He might have found his grave beside the faithful mine that had paid him well. But where was the mine? Was it the same one that had poured out riches for the Spanish padres? Or are there two fabulous mines in the valley of the Stone Pillars?

Either, or both, are no doubt still rich, waiting for a new discoverer. Neither the padres nor Mike O'Leary, with their crude tools, could have exhausted the mines whose gold built the Stone Pillars.

Reprinted from Colorado's Lost Gold Mines and Buried Treasure, by Caroline Bancroft, copyright 1961. And also told by Editha Watson in the Herald Democrat Newspaper in Leadville, 1935.

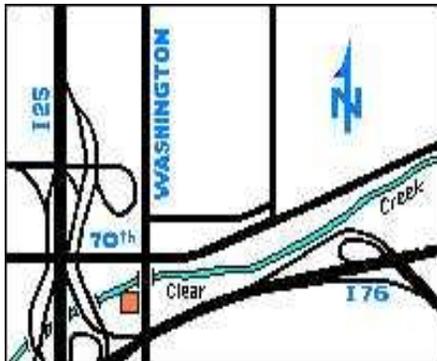
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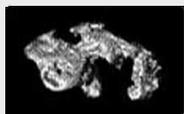
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For information to publish your "Ad" in The Gold Nugget, please contact the Editor. **COPY DEADLINE** is due to the editor by the 25th of the month for publication in the following months' issue of the Newsletter.

Contact the GPR President

(Layout Design Subject To Additional Cost)



Coming Announcements and Special Events for August 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
					WMMI – Gold Panning Championships	WMMI – Gold Panning Championships
7	8	9	10	11	12	13
WMMI – Gold Panning Championships					Newsletter Advert/Article Copy Deadline	WMMI – Burro Birthday & Bluegrass Festival
14	15	16	17	18	19	20
V-J Day			GPR Club Meeting		National Aviation Day	GPR Club Picnic
21	22	23	24	25	26	27
					Women's Equality Day	
28	29	30	31			