

THE GOLD NUGGET

March 2016

2016 GPR DUES ARE DUE

The Prez Sez by Jim Long



Last month, I talked a little bit about hard rock mining. Most of what I talked about was how to get started and what type of equipment and costs for working a prominent or protruding vein. But what happens when you get everything pretty much from the surface that you can reach, and you have to start considering digging a tunnel or a shaft?

Things are going to kind of change at that point. Some of the equipment you have will certainly work to a point, but new issues and problems are going to cause you to step back and reassess. You are going to have to think about shoring for no other reason than basic safety. That is, of course, going to depend on what kind of material you are digging into. Softer rocks are going to require considerably more reinforcement than harder rocks. Whoa, you say. What do you mean hard or soft rock? I thought all rocks are, well, just plain hard. No, no, not so. Rocks are not just rocks. Rocks can be made up of many different kinds of material from pre-igneous material (that which comes from when the earth first formed) all the way to sedimentary rock (material that has been deposited over great periods of time and compressed through tremendous pressure to a hardened state) and all sorts of stuff in between. Gold is often associated with certain formations of materials such as quartz, pyrite and other minerals. Knowing how to identify these materials and how they relate in geological terms with gold is important. This is where a basic understanding of geology is going to help you and if you still can't figure out what you are dealing with, then maybe you had better enlist or hire some qualified help. Being able to recognize schist and granite and other formational features is very helpful. Knowing that some formations of granite can seem to be harder than steel and yet, other formations of granite can seem to be very flaky and fracture when struck by any solid object, can be critically important. Often, this is a result of the rock becoming weathered. That is why a geotechnical investigation is essential as a first step in the planning process. Many areas bearing minerals of value are known to have some of the best tunneling ground and some of the worst. Some of the ground is weathered, decomposed, faulted and jointed rock with variable amounts of soil overburden. So different sites can make a big difference in the feasibility and cost as you consider your options. It is often impossible to predict what construction and design challenges will be encountered in digging. Despite an intense study of the local geology, an unexpected seam of mud or current of water or gargantuan boulder may be encountered, shifting the whole approach and design of your shaft or tunnel, and directly impacting the financial costs of operation.

Explosives are a whole different topic. 'Why can't I just blow things up', you might ask? Well, you can, but using explosives is also highly dangerous and requires some expertise. If you don't know exactly what you are doing, for crying out loud, don't do it. Nearly all forms of hard rock mining can be extremely dangerous and you don't need to mix being stupid with dangerous endeavors. It probably just won't wind up working out well. Again, hire an expert, not just a good old boy who will work cheap, but an expert. And you will probably have to deal with special permits as well. Blasting is nothing new in mining. The first known miners to use blasting techniques goes back to the Egyptians around 200 BC using what was called a 'fire setting' method where a fire is built against the face of the rock until it gets hot enough and then throwing water against the rock causing it to fracture and break. Saltpeter wasn't discovered until the 1600's but was used to make gunpowder. But there have been a lot of people killed by not knowing what they were doing with explosives, so tread very carefully. Good blasting techniques are essential to successful hard rock mining operations. Not knowing what you are doing can ruin things quicker than putting water in your gas tank, not to mention doing damage to the structural integrity of your mine and potentially, even the environment.

I guess that the bottom line here is that in order to develop a hard rock or lode venture, you need to consider a great number of things. Many of the old timers knew that they did not have the resources available to them to develop their 'strike' and so after extracting enough of the easily accessible gold to get by and tide them over for a while; they just promptly sold their claim for as much as they could get out of it. They then moved on looking for their next 'strike'. In their minds, they were rich enough with just having found the gold and not necessarily having all the gold. It takes a little knowledge of geology to find gold and an even greater knowledge to be able to turn that gold into hard cash money.

Anyway, that is the view from here and I wish you all Good Luck in your search! And until we meet again, keep your sunny sides up and may the bottoms of your pans turn bright with that treasured 'Yaller Gold'!

You may contact me at 303-452-6087 or at jnslong945@msn.com. Happy and safe prospecting to all!!!



The V.P. Corner by “Joe Fortunato



Winter in Colorado..!!! What is it that we all say? If you don't like the weather just wait a day and it will change. We have had snow and cold this winter for sure. There have also been some sweet spots in between those cold snaps. We have had some great days, weather wise, since the February meeting. Pres. Long and I were out on Clear Creek the Saturday after our last meeting and what a great day it was!!! Conditions were just right, the creek was low with water running clear and cold. This made the entire creek workable and easy to read. There were plenty of spots to run a sluice box that had good water flowing. We worked for a few hours processing material to be used in the next “beginners panning class”. Pres. Long guarantees that those who attend the class will find some color in their pan and I am sure we will be able to deliver on that promise again!!! I have been very busy at my shop for the last six weeks but managed to get out to the creek and a couple of metal detecting outings for good measure. I hope that everyone will take the time to get out and shake a pan, swing a detector, or track down that elusive “club cache” Any questions or comments call or text me @ 303-263-7204 "May all your adventures be Golden!!! Joe Fortunato

From the Treasurer/Secretary Ledger by Wayne Schomaker



The March Meeting will feature a nine nugget give away totaling 10.3 grams of gold with the largest nugget being a beauty of 2.6 grams. We will also be selling tickets, as always, for the ‘special nugget’. Don't miss your opportunity to purchase tickets for this nuggets in which your chances of winning are far better than the Colorado Lottery. We sell tickets each month for the regular gold nugget drawing which features 9 spectacular gold nuggets as well. There are usually a good number of door prizes as well that could include anything under the sun but is usually mining related.

Planned GPR Meeting Programs:

- March 16** The program for this month will be Part 1 of a History Channel video entitled “**Gold - The History of Man’s Greatest Obsession**”. This will look at the history of man’s obsession with gold from the days of Pizarro’s brutal conquest of the Incan empire to the days of the Forty-Niners.
- April 20** This month will conclude with Part 2 of the video “**Gold - The History of Man’s Obsession**”.
- May 18** This month, we will show Part 1 of a video entitled “**Ghosts of the West – The end of the Bonanza Trail**”. This video is about Lost Mines, Abandoned Digs and Ghost Towns, some of which was filmed in Colorado by a Colorado Company called Knight Sky Pictures. This will be an interesting look back into the old west and the search for gold.

Where is ‘Prospector Pete’, the GPR Gold Miner?

In January, “Pete” spent some time up in Georgetown with Bobby Manning and Tina Fleming in the Everett Mine tunnel which is being re-dug, reinforced and expanded in order to provide an additional touring event for the Georgetown Loop Railroad enterprise. This has been a true experience of a form of hard rock mining. The plan is to complete the connection of the Everett bore and join into the Lebanon Mine which has been open for some time. Both were neighboring silver mines back in the day. These two mines were part of what made Georgetown what it was then and what it has become today. They are both a part of Colorado mining history. Several of our GPR members have been a part of the work involved this last winter in order to make all this happen. Pete is shown standing in an old ‘stope’ that is being cleared and reworked and reinforced.



Board Meeting Minutes from Feb 2016

X	James Long	X	Joe Shubert	X	Joe Fortunato	X	John Johnson
X	Mike Hurtado	X	Joe Johnston	X	Chris Kafka	X	Brandon Luchtenburg
X	Wayne Schomaker	X	Bobby Manning	X	Andy Doll		Gary Hawley



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Quorum present? Yes

Call to Order: By Pres. Long at 6:12 pm

Reading and Approval of Minutes: Yes Corrections: none.
Approved as read/corrected: Yes

Treasurer's Report: Questions: none Approved: Yes.

Correspondence: 6 phone calls, 12 e-mails, 10 mailings

Webmaster: Total Hits 143661, Hits for last 2 month 346.

Committee Reports:

- 2015 Manual updates completed/distributed.
- PO Box paid for 2016.
- Picnic site reserved for 2016.

Unfinished business: Annual Treasurer's Report remains tabled until March.

New Business:

- Approved 2016 membership to PLP.
- Approved 2016 membership to WMMI.
- Approved 2016 membership to School of Mines.

Planned Outings for 2016:

Outing Schedule for 2016 discussed and approved. There are some dates open for additions.

From the Board:

- BM Bobby M discussed a site on Clear Creek near Idaho Springs as having potential. Further invest. Will occur.
- BM Andy D suggested that we solicit additional articles for newsletters from members and offer an incentive. Good idea.
- BM Joe J asked that those checking out Library materials return them.

Announcements: Next Board Meeting Mar.16, 2016 at 6:00pm. Next General Meeting Mar. 16, 2016 at 7:00pm

Tonight's general meeting program: We will be showing Part 2 of a video from the History Channel titled "Gold, the history of Man's obsession", which will run 50 minutes..

Adjournment: Meeting stands adjourned at 6:48 pm.

QUESTION OF THE MONTH

People of what ancient kingdom used to submerge wool fleeces into gold bearing streams to trap and collect placer gold?

2016 GPR Board of Directors Members

President

James Long

Vice President

Joe Fortunato

Secretary/Treasurer

Wayne Schomaker

2 Year Board Members

Joe Johnston (2013)

Joe Shubert (2011)

1 Year Board Members

Chris Kafka

Andy Doll

Brandon Luchtenburg

John Johnson

Bobby Manning

Mike Hurtado

Past President

Gary Hawley

General Meeting Minutes from Feb 2016

1. Meeting was opened at 7:02 pm by **Pres. Long** with the Pledge of Allegiance.
2. **Pres. Long** then announced the evening program which will Part 2 of a video presentation by the History Channel titled "Mystery of the Afghan Gold", which will run 50 minutes.
3. **Pres. Long** gave the Metals Report with gold at \$1208.40 an ounce, silver at \$15.23, platinum at \$942.00 and palladium at \$516.00.
4. **Web hits** for last month were 346.
5. **Treasurer Wayne Schomaker** reports that the Club remains very comfortable in the black. Report is available for review for anyone who wishes to see it. Also, be sure to buy tickets for the 'Special Nugget' drawing. This is a solid piece of gold that weighs in at a half an ounce. Also, be sure to buy tickets for tonight's 9 nuggets drawing, the largest being 2.8 grams.
6. **Dan and Becki McConnell** who oversee the Membership Table reported that we had 87 members in attendance. There were also 9 guests present. The meeting attendance was 96.
7. **Pres. Long** read the 'Question of the Month', which was "**What group following the Cherokee Trail in 1848, discovered gold in the South Platte Basin??**"
8. **Pres. Long** advised that there was time to enter items at the break for the '**Finds of the Month**' table and that the monthly winners from tonight will need to be saved for the Finds of the Year competition in November, 2016. Please, only 1 item per person per category.



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9. **John Johnson** announced the new **Cache Clue #5**. John has successfully hidden the new Cache and it is out there for you to find if you can decipher the clues. So put on your thinking caps and let's go find it.
10. **Pres. Long** advised that there were lots of stuff in the **Club Store** for sale. We have introduced some bags of sand containing gold for members to buy. Members were encouraged to support the Club by buying Store products. We continue to look for a volunteer to take over until April.
11. **Pres. Long** informed the membership of the 2016 Outings Schedule which has been fairly completed and will be sent out with the March Newsletter. There will be no 3 day Leadville Club Outing this year. The first event will be the Beginners Panning/Sluicing Class held on Clear Creek at Youngfield on March 26 and a prospecting outing in Nederland on April 9 with a trash cleanup and a broken glass contest.
12. **Pres. Long** also informed the membership that there are handouts at the front desk podium for members to peruse during the break. Members are reminded to check out the Finds of the Month and vote accordingly as well as answer the Question of the Month during the break. Members were reminded to return items checked out of the Library in a timely manner. Member **Pam Schmitt** is working on a summer tour of the Cresson Mine in Victor. Members **Sue Lemieux and Rob Deschambault** announced that Al Mosher of the Phoenix Mine is trying to buy up the Argo Mine property and build a large hotel next to it. There was nothing further from the floor.
13. **Pres. Long** announced the break at 8:20 pm. Meeting was called back to order at 8:37 pm.
14. **Pres. Long** announced that there were 44 winners of the 'Question of the Month'. The answer was "**a group of Cherokee Indians**"...!!! The winners received their extra drawing ticket.
15. **Pres. Long** announced the winners for the 'Finds of the Month'. Those were:
 - **Best Coin** – **Rich Beesley** with a 1919s Wheat Penny that he received in change.
 - **Best Artifact** – **George Sullivan** with a medallion he found metal detecting in Golden.
 - **Most Raw Gold** – **Rich Beesley** with 6.6 grams of gold he found on 11 outings on Clear Creek.
16. **Pres. Long** concluded the evening with drawings for the numerous door prizes donated by the **GPR, Bert Cutshall and Pres. Long**, followed by drawings for the 9 gold nuggets. A reminder that holders of drawing tickets for the regular gold drawings who did not win and want to redeem those tickets may present them at the end of the Meeting and they will be reimbursed at .01 cents on the dollar, or they shall be considered to have been donated back to the Club. Those assisting in the drawings were **Chuck Cown and Wayne Schomaker**.
17. **Pres. Long** reminds the members that sometimes during the meetings, The President's time is overwhelmingly taken up by the many who wish to speak to him and he apologizes if anyone ever feels like he is unavailable. It is not his intent to be inaccessible and he encourages anyone with questions to contact him by e-mail or phone outside the meetings at any time. His e-mail and phone number are on the web site.
18. **Pres. Long** thanked **Chris and Joe Kafka** and all those who contributed to the Refreshment Table. Any member is encouraged to chip in and add to the spread each month. This really helps the folks who run the table and those who volunteer up front each month. The Club appreciates the efforts that each and every one of you to make the refreshment table enjoyable.
19. The scheduled **Program for March** will be Part 1 of a video titled "Gold, the history of Man's obsession".
20. Until next time, remember to prospect safely, live long and be grateful for that golden bounty from the stars, that gleaming magical miracle, called 'gold'!
21. The Meeting was adjourned at 9:00 pm.

2016 Schedule of GPR Outings/Events:

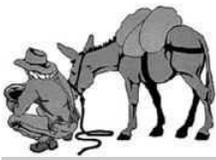
We will be putting together a schedule of events for the upcoming year and will probably have it ready to go by the February issue of the Newsletter, so be sure and stay tuned to see what we come up with.



Finds of the Month

The February contest winners and categories are as follows:

- **Best Artifact** – Winner is **George Sullivan** with an old medallion he found m/detecting.



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- **Best Coin** – Winner is **Richard Beesley** with a 1919s Wheat penny he got in change.
- **Most Raw Gold** – Winner is **Richard Beesley** with 6.6 grams of gold from 11 trips on Clear Creek.



Be sure and bring your treasures and finds in to share with the rest of the Club. We would all like to know what everyone else is finding out there so don't be bashful. Winners each month will have their name published in the Newsletter. There are six (6) categories to choose from when entering. Monthly winners will need to save their finds to bring back to the November meeting to compete for the Find of the Year. Thanks to all those who also submitted additional finds that were not judged to be winners.

A Miner's Laugh

A young man saw an old miner and his wife sitting down to lunch at McDonald's. He noticed that they had ordered one meal, and an extra drink cup. As he watched, the old miner carefully divided the hamburger in half, and then counted out the fries, one for him, one for her, until each had half of them. Then he poured half of the soft drink into the extra cup and set that in front of his wife. The old miner then began to eat, and his wife patiently sat watching, with her hands folded in her lap.

The young man decided to ask if they would allow him to purchase another meal for them so that they didn't have to split theirs. The old miner replied, "Oh no. We've been married 50 years, and everything has always been and will always be shared, 50/50."

The young man then asked the wife if she was going to eat, and she replied, "No, it's his turn with the teeth."

(Taken from the internet and revised just for all us 'old miners')



Western Museum of Mining and Industry

Saturday, March 26th, 2016 - 10 am and 1 pm

Long Ears Easter Egg Hunt

Start a new family tradition this Easter! Spend some spring time fun searching for Easter eggs on WMMI's beautiful 27-acre complex! Meet our burro 'bunny' mascots Nugget and Chism, learn about baby chicks and rabbits, hunt for eggs, decorate cookies, do hands-on Easter crafts, listen to Mother 'Turkey's' story time, and enjoy cake and lemonade. Egg hunt for children 13 and under. Children **MUST** be accompanied by adult. \$10 for non-members, \$5 for members. **You must RSVP to reserve your spot at rsvp@wmmi.org or 719-488-0880.**

Prospecting/Mining Notes: (mostly from the Denver Post, Internet and other wire services)

2-09-16 **New Mexico Filing Lawsuit for Gold King Mine Spill:** The State of New Mexico has stated that they intend to file a lawsuit against the State of Colorado, the owners of the Gold King Mine, and the EPA in relation to the Gold King Mine spill of 2015. New Mexico alleges that Colorado failed to warn people downstream in time to take preventative action. They name the EPA as being directly responsible for the spill and allege that the owners of the mine should have known that such a catastrophe was imminent.

2-14-16 **Utah Plans to Take Legal Action against EPA over Gold King Mine Spill:** The State of Utah announced that it plans to take legal action against the EPA following reports that the EPA failed to notify the Utah authorities to river contamination after the massive mine spill. Utah stated that it is critical to hold the EPA responsible for damages resulting from the spill.



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2-18-16 Colorado Only State Not to Sue Over Spill: New Mexico, Utah and the Navajo Nation act after the Gold King spill caused by the actions of the EPA. However, Colorado, where the spill actually occurred, has yet to indicate as to whether they intend to follow suit or not. Colorado's Gov. Hickenlooper sounded out loudly saying the incident was "in every sense, unacceptable", now is holding mute. The Navajo Nation has also indicated that they intend to sue. *(Maybe Hick is waiting to see what the Silverton community does about the superfund site designation before he vocalizes any further, for fear of ticking the EPA off before getting any major dollars to help mitigate things down there...???...JJ).*

2-27-16 Another Mine Shut Down: Depressed coal prices have shut down the Bowie Mine #2 in Somerset, Colorado. The mine employed 108 full-time workers and one contractor on the site. This closure is another big blow to Delta County, whose coal industry employment has dropped from over 1200 positions to less than 400 since 2013 alone. That doesn't include the hundreds of support jobs in fields such as construction, logging, and other areas which keep the mines running. The closure leaves only the West Elk Mine, also near Somerset, as the last big coal mine in Delta County. *(I graduated high school from Paonia which is only 6 miles away. A lot of my friends worked in the mines as did their families. The area has always been somewhat depressed in economy and this will make it worse. Small wonder that marijuana growing has increased dramatically over there...JJ)*

2-28-16 Mining Disaster in Russia kills 36: The death toll in Russia's worst mining disaster in recent history climbed to 36 on Sunday as officials said 26 missing workers could not have survived and another six, most of them rescuers, had been killed in a new explosion. On Thursday, four miners were killed when a methane explosion ripped through the Severnaya mine in Arctic Russia at a depth of 748 metres (2,450 feet). According to the expert technical council, 26 (missing) people who were in the mine had no chances of surviving. The rescue operation has been halted. The pit is located in the city of Vorkuta in the Komi region, which used to host one of the most feared Soviet-era Gulag labor camps. In 2007, 110 people died at the Ulyanovskaya Mine in the Kemerovo region, pictured, the country's worst mining accident since the Soviet Union collapsed in 1991.

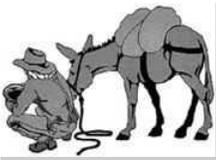
Mining Concerns from Around the Country

(In my attempt to keep our members aware of what is happening involving mining from around the country, I will run this little section each month and see how it goes. I am apt to put a little passion and some direct finger pointing in my reporting, for which I will offer no apology to anyone who may feel offended. I support responsible mining and responsible miners, period. It is what it is, and it is my opinion, and that is that, like it or not .jj)

California: **Gov. Jerry Brown Signs SB 637 Into Law:** It just never seems to end out there in the land of fruits and nuts. On Oct. 9, Gov. Brown signed SB 637 into law. The new law amends Section 5653 of the Fish and Game Code. It requires the California Water Quality Board to regulate suction dredging through water quality permits. The bill would require the department to issue a permit if the department determines that the use does not cause any significant effects to fish and wildlife and would authorize the department to adjust the specified fee to an amount sufficient to cover all reasonable costs of the department in regulating suction dredging activities. This bill would prohibit the department from issuing a permit until the application was deemed complete, as prescribed. The bottom line here is this is just another way to prevent the dredgers from getting back into the water. The State of California has it in their heads to ban dredging and they intend to use any means, fact or fiction but mostly fiction, to further their goal, even if the means is illegal.

Idaho: **EPA Backs Down, Forest Service Steps in:** After battling the EPA's attempt to enforce a general permit for small scale suction dredging in Idaho, the EPA has finally given it a rest. After 2 years, they have decided they are not going to try to force the issue of Clean Water permits on the South Fork of the Clearwater, so the miners have finally won the battle with them. But now, the US Forest Service has decided to try requiring Plans of Operation from any miner trying to dredge. The AMRA is meeting now with lawmakers concerning a bill pertaining to small scale mining and small scale dredging. The intent is to give miners their rights as they were granted in 1872. AMRA is working on its first "Division", a process to unite miners throughout the West. This new "Division" will be the Rocky Mountain Division and will include Colorado, Arizona, Montana, Idaho, and eastern Washington. They are working on organizing all of Washington as well as Oregon.

Oregon: **1. Restrictions Hurt Rural Communities:** With the small scale suction dredging moratorium within site, the city of Grants Pass was named the poorest city in the nation. And all this in spite of being surrounded by a million plus acres of timber and one of the richest, mostly unexploited mineral belts anywhere in the world, none of which anyone is allowed to touch. Grants Pass began as a mining town boasting rich placer, nickel and copper deposits. Later, it became predominately a timber town, but one day, somebody saw a spotted owl. OMG...!! The timber industry was



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demolished and the town fell into ruin, quickly taking on a reputation for being a true 'wild west', and not in the nostalgic way. Miners are trying to make a comeback but the moratorium has gone into effect as of Jan. 1. Now miners have had to go to court in order to try to save their livelihoods.

2. Ownership of Federal Land – Protesters Vow to Respect Laws: Right fight, but wrong strategy.

That is what many ranchers and sympathizers say about the Oregon stand-off at the Oregon Wildlife Refuge. Many who supported the senior rancher Bundy in Nevada, vow that the fight is not over. The argument is that the fight needs to go to the courts and that what the folks did in Oregon was not beneficial to the good fight. These latest incidents stem from ranchers protesting increased federal fees on grazing rights in Nevada starting back in the late 1960's. The ranchers' spokesman said, "How can you go up there and take over government property and expect to accomplish anything from it." *(I have always agreed with the Ranchers viewpoint here, having come from a ranching background myself, but the actions of the younger Bundy, seizing the wildlife refuge in Oregon, was dead wrong and counter-productive to the issue at hand. The government has launched a campaign in recent years to prevent access to our public lands, especially in the case of the mining community, in numerous states. I agree that it is time to fight this battle in the courts....JJ)*

Tennessee: **Tennessee Cracking Down on Prospectors:** As Tennessee prospectors continue to wait on the release of a General Aquatic Resource Alteration Permit from the Tennessee Department of Environment and Conservation, new restrictions have popped up in the national forests. The issue is a new guy on the block who took over as District Supervisor, who has turned a blind eye and deaf ear on prospectors across the board, so nothing is getting done. There are only 2 creeks in the Cherokee National Forest that the State is allowing prospectors to prospect on. Prospectors have been shut out of existing claims on other watersheds. The issue is apparently not the tools being used, but rather the fact that the miners are looking for minerals. The Mining Law of 1872 did not apply to areas east of the Mississippi, so prospectors are not protected from restrictions handed down by federal and state agencies. So, until the Tennessee Manager of the US Forest Service gets a ruling from the Department of Interior, there are no guidelines to go by and the USFS will just shut things down until they get that ruling. *(Now, I will just bet that the Dept. of Interior (who oversees the USFS and the BLM) will be dragging their feet on this one, especially in view of what they have been doing in California, Oregon and Washington....JJ)*

Colorado: **148 Colorado Mines Not Fully Evaluated:** Colorado now setting priorities for cleanup while hoping Gold King disaster spurs action. Of the 230 inactive mines that the state recognized just 6 months ago as causing the worst damage to the state's waterways, state officials say that only 148 have been evaluated. There are 23,000 inactive mines in Colorado alone, and over 500,000 around the West. State officials estimate that mining wastewater causes 89% of the damage to the state's waterways. Though the Gold King and Cement mines may be headed toward federal superfund listing, but there seems to be no known plans or money to address the more significant problem of the other sites. Congress has reduced the federal superfund budget over the past two decades and 1,323 cleanups remain undone. Colorado has had 22 sites listed as environmental disasters, only 10 of which were caused by mining, and only 3 of those sites have been completed. Some of the more serious Colorado mines are the Carbonero Mine near Ophir; the Puzzle/Willard Mine near Breckenridge; the St. Kevin's Mines above Turquoise Lake near Leadville; the Perigo Mine near Nederland; And the McClelland Tunnel above I-70 at Dumont. These mines are dumping contaminants into the Blue and the Arkansas rivers, Clear Creek and Boulder Creek.

In 20 years, the world may run out of minable gold

SAN FRANCISCO (MarketWatch)

In another two decades, rare commodities may become seriously scarce.

According to Goldman Sachs, the world has about 20 years' worth each of known minable reserves of gold, diamonds and zinc. Platinum, copper and nickel reserves only have about 40 years or less left.

"The combination of very low concentrations of metals in the Earth's crust, and very few high quality deposits, means some things are truly scarce," Eugene King, European metals and mining analyst at Goldman Sachs, wrote in a recent research note.

"Gold has been used as a measure of wealth for more than 4,000 years, as the ancient Egyptians soon worked out that gold was not only shiny and heavy, but rare," he said.

All told, their "relatively scarcity and the market's belief that new discoveries will be limited, is what drives



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the price of these super-rare commodities,” King said.

Making gold rarer still, production of gold may also hit a peak this year.

A Goldcorp slide show last year revealed a gold-mining-industry forecast that 2015 would be the year that production would peak in the mining industry, according to a piece in ZeroHedge, dated Friday.

“Peak gold is not a new concept at all,” said Peter Grant, an analyst at precious-metals dealer USAGOLD.

“Mining output has been fairly flat for years, but new discoveries of gold have been falling rapidly.”

Still, “if we do reach peak gold in the near future, one would logically expect this to be broadly supportive to the price of gold for years to come,” said Grant.

The Grand Lake Treasure

A silver handled hunting knife in an ancient towering spruce on the eastern shore of Grand Lake points to a hiding place of an old iron dutch oven. In the oven is a fortune in gold dust.

It was hidden there in the 1850’s by a group of men who had struck it rich in California in the gold rush of 1849.

Returning east to enjoy and share their wealth with their families, they were attacked by Ute Indians near the present town of Steamboat Springs. Only four of the group managed to elude the hostile redskins. They made their way to Grand Lake where they camped for several days, resting from their ordeal, hunting and fishing.

The Indian attack made them realize what a dangerous trip lay ahead, not only Indian enemies but also blizzards, floods, and outlaws. Their precious gold dust had become a burden. After serious consultation, they decided to hide most of their wealth near a huge gray boulder shaped like a giant tombstone on the east shore of the lake. A rock such as this one was too big to be broken by ice packs tossed against it in the bitter winters near the Continental Divide. It would be an indestructible marker for the owners when they returned in the spring for their treasure.

But one of the men was doubtful. He pointed to the many vast boulders tossed about I prehistoric times that lined the lake on all sides. Supposing, through the winter, their image of this particular rock was dulled by distance. Suppose they came back several months hence, only to see rock after rock – this one it was, no that one is, no, that one, no, this one. More than just a stone marker would be needed.

“I’ll take my knife,” he said, drawing it from his belt, “and drive it to the hilt in this tree. See, its shadow by the morning sun falls on our rock.” The bright mountain sun sparkled on the silver handle for a moment before the speaker thrust his knife into the trunk of a spruce tree, where thick branches hid it from the casual observer.

The four men set out across the range, and made it safely to the plains. There, they were once again attacked by Indians, and this time, three of them were killed. The lone survivor eventually reached home. But weakened by the strenuous journey, he knew that death was near and he told his family of the silver knife in the spruce tree beside the mountain lake.

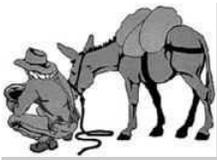
In the spring, searchers organized by his family, were unable to find the tree with the knife nor any trace of a large rock resembling a grave marker nor a grave containing an old dutch oven full of gold. Finally, they gave up. Others, on through the years have taken up the search with no greater success. The trail to Adams Falls passes right by where the treasure ought to be. One party, returning after several years of searching, returned for one last attempt at finding the treasure, but were appalled to find heavy machinery and equipment for the Colorado Big Thompson reclamation project uprooting part of the forest on the east shore to level the ground. Had the tree with the knife in it been uprooted by a bulldozer? Or did the tree with the knife simply grow huge with its bark eventually encompassing the knife from view forever?

There are those who say that on a moonlit night, something deep in a mighty old spruce, towering above its brother trees on the shore of a high mountain lake, gleams and glitters, almost like a luminescent hand beckoning from the dark and stiff branches. Or is it the old silver handled hunting knife merely pointing to an old iron oven buried at its feet?

So far, the ghostly gleam has been only that, unreal, a phantom star. But it could happen, when the sun’s glittering rays are just right, or the moon’s glow pierces the branches to the trunk in the right spot, that someone may see the old hunting

(Taken from ‘Colorado’s Lost Gold Mines and Buried Treasure’ by Caroline Bancroft, 1961 – also told by Mary L. Cairns in the ‘Olden Days’, 1954)

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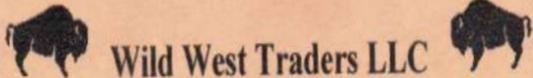


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Contact the GPR President

(Layout Design Subject To Additional Cost)



Coming Announcements and Special Events for Apr 2016

(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 April Fool's Day	2
3	4	5	6	7	8 Newsletter Advert/Article Conv Deadline	9
10	11	12	13	14 WMMI NORAD Heritage Lecture II (RSVP)	15	16
17	18	19	20 GPR Club Meeting	21	22	23 Passover
24	25	26	27	28	29 Arbor Day	30