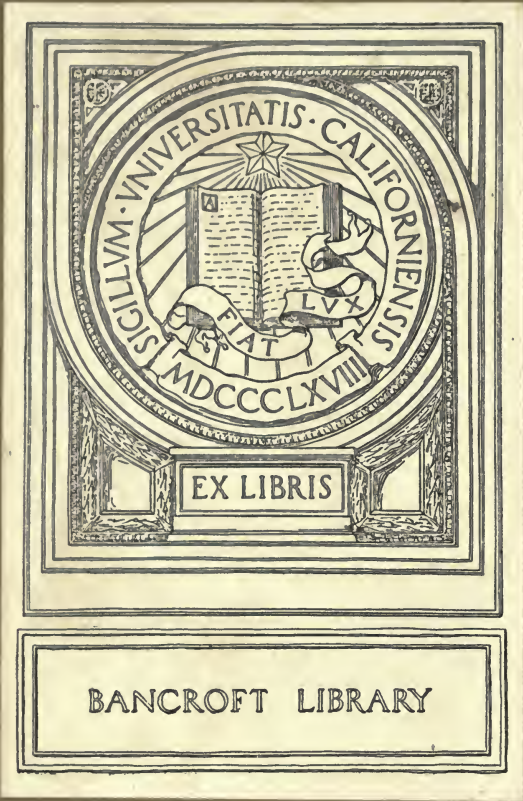


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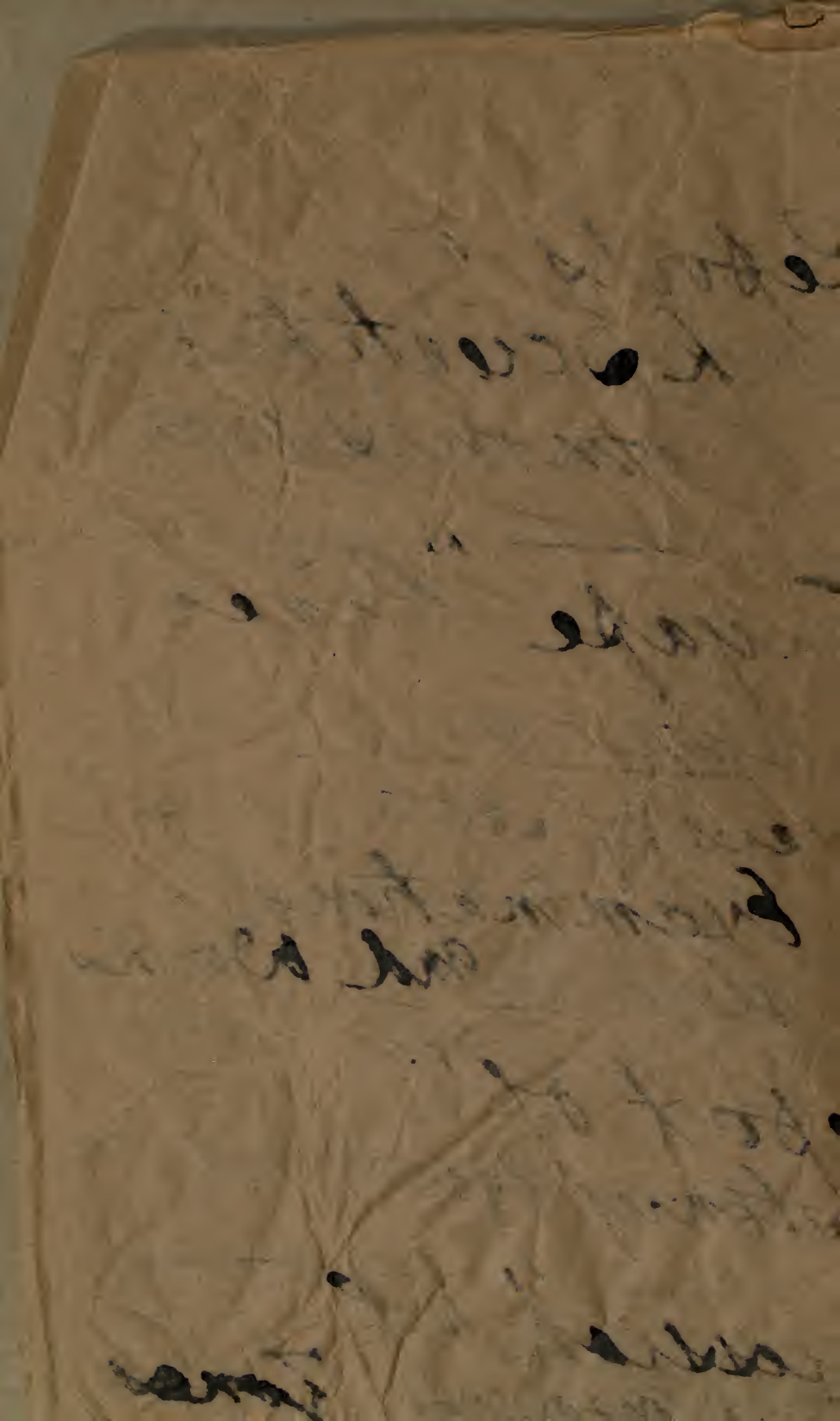
Reports of
French Scientific
Commission

Guyane "River
Commission

Powers of Attorney -
Examinations
Reports and Works

Report of "
Henry Woolcock.

" Commission of
Four mineral zones



Honduras
CONCESSION

OF A

MINERAL ZONE OF FOUR SECTIONS

SITUATED

Between the Guayape and Jalan Rivers

MADE BY THE

GOVERNMENT OF HONDURAS

TO

E. A. BURKE

May 28th. 1897



TEGUCIGALPA

State of Honduras.—National Printing Office, 3rd. Avenue E., N ° 42

1897

1875

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CONCESSION

OF A

MINERAL ZONE OF FOUR SECTIONS

SITUATED

Between the Guayape and Jalan Rivers

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TEGUCIGALPA

State of Honduras.—National Printing Office, 3rd. Avenue E., N.º 42

1897

CONCESSION

GENERAL ZONE OF FOUR SECTIONS

History of the Property and other things

GOVERNMENT OF MONTANA

D. A. BURKE

BY

THE

PETITION OF E. A. BURKE
TO GOVERNMENT OF HONDURAS

SUPREME EXECUTIVE POWER:

E. A. Burke respectfully submits: that the mining enterprises established within the limits of the mineral zone conceded to "The Olancho Exploration Company (Limited)" by the decree of the 5th. of April 1890, and, the enterprises initiated by various other companies and individuals within the same limits, not having realized the object of said concessions by reason of unforeseen events:

That he being, furthermore, the only creditor of said Company, with first mortgage for the sum of \$ 80.000, it becomes necessary for his interest, either personally or by effecting negotiations, to exploit this forfeited zone.

That therefore, I denounce in proper form the referred to zone comprised within the following limits:

On the North, the Guayape River Concession;

On the South, the Jalan River Concession;

On the East, the junction of the Guayape and Jalan Rivers; and

On the West, a line which has been establish in the Jalan River near the place called "El Tomate," at the point where the Jalan River Concession begins, extending toward the North-east to the point where the Guayape River Concession begins, and consequently ask that said zone be conceded to me, with all the rights privileges, and exemptions contained in the Decree of April 5th. 1890, granted in favor of said Company.

I further ask authority to select and measure in mineral zones not exceeding 2.000 "varas" wide by 4.000 "varas" long, more or less, any or all mines, veins, placers of metals, or precious stones, which I may encounter and care to exploit,

within the limits of the zone mentioned, within one year from the date on which it shall be conceded to me, obligating myself to pay the taxes corresponding to the small zones as soon as the measurement is made and plans filed of each one of them.

In payment for these rights, I voluntarily offer to pay to the Government 5.000 "pesos" for each section of the zone (as it is described in the plan filed by the Engineer E. C. Fiallos) in the following manner:

For the first and fourth Sections, on the 31st. of December of the current year, and for the second and third, within one year, counting from the date of this concession, being subject in case of failure to the forfeiture of the section not paid for.

Tegucigalpa, February 7th. 1897.

E. A. BURKE.

For text in
Spanish
See bound volumes
of titles - (7)

CONCESSION

*of mineral zone of four sections situated in the Departments
of Olancho, El Paraiso and Tegucigalpa.*

Tegucigalpa, 28th. of May 1897.

MR. E. A. BURKE.—Present.

For your information and other effects, I transcribe to you the following Decree:

Tegucigalpa, 28th. of May 1897.

In view of the petition presented by Mr. E. A. Burke, and of the favorable opinion emitted by the Attorney General of Hacienda:

Considering: that the mining enterprises established within the limits of the mineral zone conceded to the Olancho Exploration Company (Limited) by the Decree of April 5th. of 1890 have been forfeited and those initiated by various other companies or individuals within the limits of said zone

have not realized the purposes for which the concessions were made by reason of unforeseen events:

Considering: that Mr. Burke is the only mortgage creditor of the aforesaid Company, also that he proposes voluntarily to pay to the Government the sum of five thousand "pesos" for each one of the sections of said zone described in the plan or map made and presented by the Engineer don E. Constantino Fiallos, which map is found in the archives of this Department, the President of the State,

DECREES:

1st.—To concede to Mr E. A. Burke the mineral zone comprised within the following limits:

On the North, the Guayape River Concession;

On the South, the Jalan River Concession;

On the East, the junction of the Guayape and Jalan Rivers; and

On the West, a line which he has established on the Jalan River, near the place called "El Tomate" at the point where the Jalan River Concession begins extending toward the North-east to the point where the Guayape River Concessions begins.

2nd.—To concede to Mr. Burke or to his transferees, the right to select and measure in mineral zones not exceeding two thousand "varas" wide by four thousand long, more or less, any or all of the mines, veins, or placers of metals, that may be found, and that he may care to exploit, within the limits of the zone mentioned, within one year counting from this date, obligating himself to pay the tax corresponding to the small zones, as soon as the measurement is made and plans of each one is made and presented and approved.

3rd.—To concede to Mr. Burke, or to his transferees, all the rights, privileges and exemptions contained in the laws of this (mining) branch.—Let it be communicated.

BOÑILLA.

The Secretary of State in the Department of Fomento by the law.

CARLOS A. GARCÍA.

I am your obedient servant.

Carlos A. García.

REPORT

of the Governor of Olancho don Jose Manuel Zelaya, on the petition and proposal of E. A. Burke for the mineral zone of 715 square miles more or less situated between the Guayape and Jalan Rivers, in 1890, being the same territory or zone of four sections conceded to E. A. Burke by Decree May 28th. 1897.

TO THE SUPREME EXECUTIVE POWER:

The greater part of the extensive zone which Mr. E. A. Burke petitions for, pertains to this Department, but also it comprises territory in the Tegucigalpa and El Paraiso Departments.

The area contained within the boundaries described by the petitioner can be regarded as in the form of a triangle, although with very irregular sides, that bordered by the Jalan being almost a semicircle.

According to this the extent of the zone does not fall shot of 120 *square leagues*.

Of these lands about one half belong to a great number of private persons and the other half are national lands.

In this zone are comprised the concession of Vijao, granted to don Miguel Luis Aguilera which now belong to the Olancho Syndicate: the Retiro Concession given to Mr. E. A. Lever which at present the Honduras Gold Company is in possession of: the concession bordering the Guayape conceded to Mr. E. A. Burke: the concession in favor of the said Mr. Burke bordering on the Jalan: the Rucio Concession granted to the aforesaid Mr. Burke, the Rector and Bell Concession adjoining the former: the Concession of Dr. Robles and associates bounded by the preceding: the Concession that Mr. A. W. Cockerton claims which is at present in course of adjudication, also in that same locality, or say in the jurisdiction of Retiro, Vijao and Rucio, comprised in the Municipality of this city, is found the placers or gold washings named "Quebrada Grande" acquired as appears by testimony of Rector, by denouncement: the mines A. Y. N.º 1 and A. Y. N.º 2, acquired as appears by the same testimony in the same manner; the Esperanza mine denounced by Messrs. Bailly and Mac Cormick.

Near the works of Bell and Rector, Mr. A. Frewenberg has discovered three mineral veins, which he has recently denounced under the names of Montana, Colorado and New York.

In the jurisdiction of the town of Concordia, there are also two mineral zones: one granted to Mayes and Colman, and the other to Mr. Price (Chabela.)

In the jurisdiction of the town of Salama lies the Boquin zone, mentioned by the petitioner.

I have no knowledge of any other mineral properties, but all that I have information of are comprised in the zone asked for.

On the banks of the river Guayape, also of the Jalan, are a great number of plantain fields, many of which contain also cocoa and coffee. There are also some plantations of sugar cane, although small, but these properties are nearly all located in the zones already conceded to Mr. Burke and denominated above as "Margins or banks of the Guayape and Jalan."

In various points of the rest of the extensive zone under consideration there are small farms, but none of them on a large scale.

The above are the details that I can submit in the matter before me, my humble Judgment concerning the proposal of Mr. Burke is as follows: in order to decide favorably the petition under consideration, it is necessary to have full security that the petitioner will comply with all and every one of the proposals.

It must be born in mind that the grantee establishes formal works in the whole concession, and this circumstance as stated should be considered as of first importance, inasmuch as actually, the foreigners energetically devote themselves to prospecting mineral veins brought to their notice through some discoveries supposed to be rich.

In this view it may be said, that it would be well to agree that the concessionaire should reach his object of establishing formal works as soon as possible, as for different reasons the country requires them. The delay in the organization of the enterprise would in respect to the zone now under consideration be very prejudicial to this Department.

I believe that it is absolutely indispensable, in order to develop the mineral wealth of our virgin soil, that the

capital, enterprise and intelligence of foreigners take the initiative in it, and it is for this reason that I second with pleasure in every way, the patriotic undertaking of the Supreme Government to inaugurate serious enterprises that will convert into fountains of productiveness, activity and work, that territory which at the present time is not occupied for any of the purposes of real utility.

With these statements I conclude my incomplete report, and in conclusion take the opportunity to repeat the declarations of my adhesion and respect, to the Supreme Executive Power.

Juticalpa, January 12th. 1890.

(Signed) JOSE MANUEL ZELAYA.

PARAISO DIVISION

OF MINERAL ZONE OF FOUR SECTIONS.

*Report of the Governor of the Department of El Paraiso on
the petition of E. A. Burke. — 1890*

TO THE SUPREME EXECUTIVE POWER :

The subscriber Political Governor of the Department of El Paraiso, in compliance with your order of the 27th. of the past month, and conforming to the data which has been furnished by persons that merit faith, extend the following

REPORT:

1st.—To West of the town called "La Puerta known as the limit between the Department of Tegucigalpa and El Paraiso, and from this point down the River Jalan as far as the Puerta, we have to reckon about 6 leagues of national land, (surface) and another league of municipal land.

In this tract is to be found a place called "Patastera" crossed by the Jalan River where there is to be found gold washings and several known veins, bearing lead and silver, and also the Quebrada "Los Montones" which is auriferous, and there are places for washing gold in its confluence with the Jalan.

It runs from South to North in national lands, where timber is to be found, and also precious woods of various kinds, on both sides of the river.

2nd.—From the Teupasenti village down said river to the North, there are more or less eight (8) leagues of land private property (surface) and about eight (8) national, until the "Cañas" which is the limit of the Department of El Paraiso, dividing it from Olancho.

In the same land is comprised one league and a half belonging to the municipal land of said village.

3rd.—The river and quebradas that go to the Jalan by the North are as follows:

The Quebradas Chupadora, Colina, Jugilate, San Antonio, El Cacao, El Frijolar, Agua Fria, San Rafael de la Lauguara, two of them have gold although there are no washing places because their course runs through lands of private property, but in national lands are to be found the quebradas Carrizo, Agua Fria, La Aguja, Zarcil, Boqueron and Las Cañitas.

There are no veins of gold or silver in exploitation, but there are washing gold places without excepting the Jalan, whose broad playas (banks) are well known as auriferous.

EXPLANATIONS:

The Zone (Olancho) pertaining to the Jalan in this Department, measures in its length from West to East about 25 leagues, in a straight line, and following the course of the said river, which forms a curve, may have about 30 leagues, and from South to North about 10 width, said land in its greatest part is wild, that is why, my opinion is, that if the Government thinks it convenient they should accept the proposition.

Yuscaran, February 24th. 1890.

CAYETANO BONILLA,
Governor.

EDUARDO BONILLA,
Secretary.

? In what direction do they run?



South boundary or River Jalan

NOTE:—The Report indicates the distance from La

| | |
|---|------------|
| Puerta to Teupasenti..... | 7 leagues. |
| Teupasenti to Cañales..... | 16 „ |
| Making the Paraiso Section a distance of about.. | 23 „ |
| The Guaimaca Section, or Tegucigalpa Department, is about..... | 11 „ |
| The Olancho Section, from Cañales to junction, about 45 miles or..... | 15 „ |
| This would make a total length of about.. | 49 „ |

It is my impression that the distance is over estimated:

| | |
|--|-----------|
| Mayes measured Olancho Section about.. | 45 miles. |
| Lazo measured Guaimaca Section about.. | 28 „ |
| To be measured, Paraiso Section, about.. | 30 „ |
| Total Length of Jalan..... | 103 „ |

I prefer to keep on the safe side by saying from 75 to 90 miles.

E. A. BURKE.

MINERAL ZONE OF FOUR SECTIONS

Report of the Governor of the Dept. of Tegucigalpa. — 1890

TO THE MINISTER OF FOMENTO:

In compliance with preceding instructions I have the honor to make the following report:

The territory or lands within the municipal jurisdiction Guaimaca in this Department embracing the mineral zone which Mr. E. A. Burke asks of the Government is owned by the Government and by private parties, amongst these owners of lands are lawyer Miguel R. Dávila, Messrs. Ferrari, the house of Matute Brito and also the common lands of the town

Length of concession — 75 to 103 miles —



of Guaimaca, whose citizens have agricultural fields in the national mountain of "Esarquin."

Along the banks of the Jalan pertaining to this jurisdiction are agricultural works more or less considerable, the principal owners of which are Messrs. Rinaldo Rosales, Perfecto Cáceres, Desiderio Jimenez, Ignacio Mejia, Leon Luque, Nicolás Amador, Francisco Escobar, Manuel Moncada, Macedonio Serra, Manuel Rodriguez and Juan J. Moncada; the aforesaid individuals have their fields on the banks of the Jalan from the point called Tumbarrimen to the town, mining works none.

Furthermore: I am informed that in the jurisdiction of Olancho and in the zone mentioned there has been discovered a mine to which has been given the name of "La Providencia," which has been denounced before the Judge of Letters at Juticalpa.

This, Mr. Minister, is the report I can give you, founded on the data which I have been able to obtain in respect to this matter.

Tegucigalpa, March 6th. 1890.

L. SANCHEZ,
Political Governor.

Department of Tegucigalpa.—Republic of Honduras.

MINERAL ZONE OF FOUR SECTIONS

Report of Olancho Explorations Company, Limited, to the Inspector General of Mines of Honduras, Dr. R. Fritzgartner

FIRST SECTION

Said section is bounded on the North, by the Guayape River Concession and the Guayape River, and on the South by the Jalan River Concession, on the East by the confluence of the Guayape and Jalan Rivers, on the West by the western boundary line of the Cockerton concession, by the Bell and Rector concession, and a prolongation of the western bound-

ary line of the Cockerton concession toward the South, to the Jalan River concession.

The gross area of the section is, approximately, 26 square leagues, say $174\frac{8}{10}$ square miles or 111.930 acres.

The nett area of the section, after deducting concessions granted to others is, approximately, 19 square leagues, say $127\frac{8}{10}$ square miles or 81.795 acres.

The concessions granted to others within said boundaries are as follows viz:

| | Square leagues |
|--|----------------|
| Retiro Honduras G. Mng. Co., Limited.... | $1\frac{1}{4}$ |
| Honduras Gold Company..... | $\frac{1}{4}$ |
| Olancho Syndicate (Vijao)..... | $1\frac{1}{2}$ |
| Cockerton concession..... | $3\frac{1}{2}$ |
| Bell and Rector..... | $\frac{1}{2}$ |
| Wm. Hodding..... | $\frac{1}{2}$ |

The Retiro Honduras Gold Mining Company are erecting a ten stamp gold mill. Said company have opened a number of valuable veins, and the results of their crushings by arrastra have averaged about 3 ounces per ton gold.

The Honduras Gold Company constructed a dam and flume in the Guáyape River, but before the bar could be crosscut and deep channels tested, a "cresciente" or flood in the river carried away the works. The center of the bar yielded about 60 cents to 75 cents per cubic yard in gold, and when the flood injured the works, the gravel was being handled at a cost of 15 cents per cubic yard, by elevators, worked by the water power in the flume.

The Olancho Syndicate (American Company), have a large number of veins, varying in value. The funds of the company were exhausted in the erection of a 5 stamp gold mill and sundry expenses. There was no money to pay for a water wheel to run the mill, and none for development of the mines. This is known as the Vijao Concession.

The Cockerton concession contains a number of veins, varying in size and value, has recently been surveyed and is now being negotiated.

Bell and Rector have erected a ten stamp gold mill, are putting in concentrators and are carrying on extensive development work on the proceeds of the mine. The last shipment of bullion from their mines, gave 2 ounces per ton gold.

Net contents

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The concession of Wm. Hodding of the firm of Hodding King and Company, 14 Angel court London, has recently been surveyed, only $\frac{1}{2}$ square league is within this section but it contains some valuable veins and placers which yield excellent results to the natives who are washing gold extensively in the small streams.

By reference to the Engineers Report which has been approved by the Government, in respect to titles, it will be seen that a number of mines previously discovered in this section but not worked for want of means for development or machinery, become the property of the Olancho Exploration Company, Limited. The section is known to be a highly mineralized section from the western boundary to a point East of Zopilotepe opposite San Felipe, where the mountain ranges begin to break away into plains, nearing the junction of the rivers.

The principal prospecting has been in the vicinity of the trail from Retiro via San Nicolas to Juticalpa, the denouncement of claims in that locality was by persons without means, no work was done for many years, and their rights have been forfeited under the law—and no claims are made by them. The country between that trail and the Jalan River is heavily over grown with trees and brush and has not been prospected. It is necessary to send with prospecting parties, natives with machetes to cut away the dense undergrowth.

Nearly all the streams flowing into the Guayape river and Jalan river, East of Vijao, Rucio and Retiro carry gold as will be seen by the reports of various persons.

Interesting specimens are frequently brought in by natives from the mountains and hills in the vicinity. In the Ussisili mountains, West of San Felipe, exists enormous deposits of conglomerate carrying gold. The Jalan river breaks through these deposits near the Quebrada Ojo de Agua where the bed rock of the Jalan river appears, and where the first rapids are encountered.

This locality is worthy of extended examination because the quantity of conglomerate is vast, requiring, only to be quarried, and being cut through by the Jalan river which carries a larger body of water than the Guayape, a mill at the rapids would produce results at a minimum cost, Mr. Phillips passed down the river with me in a canoe and could give more information.

It was the intention to return with implements and men and take samples from the entire locality but other matters have prevented.

The country South of the Cockerton concession and Olancho Syndicate and West of Hodding's concession is a valuable mineral region, the mountains are bold presenting large outcrops of quartz. The streams emptying into the Jalan all carry gold, and at the time of this writing the manager of the Retiro Honduras Gold Company writes that a large number of natives, many from long distances, are washing gold in the Jalan along the South boundary, and in the streams flowing into the Jalan, by reference to Mr. Mayes; report, it will be seen that he obtained from the river and streams from the Canales to the Frio from 20 to 100 coarse colors of gold to the pan.

This region has never been prospected except along the Quebradas where the women wash for gold, and the mountains have only been examined along the trail.

SECOND SECTION

The second section is bounded on the North by the Guayape River Concession, from Post 36 to Post 51 Mayes survey, on the South by the Jalan River Concession from the eastern line of the third section to the eastern line of the second section near Los Canales and Quebrada Jimilili, on the East by the western line of the first section, and on the West by the eastern line of the third section.

The area embraced in this section or zone is approximately 26 square leagues, say 174 $\frac{8}{10}$ square miles, or 111,930 acres. There are no known adverse claims within the boundaries of the section, a large and valuable mine, was discovered and denounced by A. Frewenberg on the 10th. January 1890 near the eastern boundary, close to the Bell and Rector and Cockerton concessions. As his claim was filed subsequent to the Olancho Exploration Company, Limited, the legal right was in said Company. By mutual agreement the company agreed to pay the actual appraised value of all proper development work done by Mr. Frewenberg or his assigns, and they have approved the report of Engineer Fiallos confirming title to the Olancho Exploration Company, Limited, and withdrew all claims.

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See p. 12

Frewenberg
title.

A tunnel has been run on the Frewenberg vein for a distance of about 75 feet by Mr. Fred. Bell who informs me that the ledge has good walls, with every appearance of a true fissure, some very rich streaks are encountered, and indications, that the ledge grows wider as they sink upon it. The outcrop of quartz is bold and has been traced quite a distance into the Cokerton concession.

Tunnel

The watershed of this locality is to the Guayape, perhaps one third of the area of the second section drains to the Guayape and two thirds to the Jalan.

Nearly all the streams flowing into the Guayape between Posts 36 and 51 carry gold and large deposits of auriferous gravel are found, here is found the Murcielago gravel banks, the Española from which the natives have taken large quantities of gold from the placers, the Falls of Espumosa, and rich bank and bar deposits, Captain Phillips made a careful detailed examination of the banks and river from Post 44 to 51 with an Engineer, assisted by a number of native gold washers, a person cannot peruse that report without reaching the conclusion that the ledges which contribute those auriferous deposits are to be found at no great distance in the adjacent mountains.

*Gold deposits
ledges near*

From the Platanales the watershed is to the Jalan river. The mountain ranges reach a high altitude say 4,000 to 5,000 feet, and along the trails abundant quartz outcrops are seen, indicating a highly mineralized region.

Mr. Bently, former Superintendent at Vijao, attempted to prospect the section for me, and a few assays were made of his finds before Mr. Cavill left Retiro, some were low grade, and some ran to \$30-\$40 and \$70 per ton gold. The last and largest lot of samples were carried to the assay office at Retiro after Cavill's departure, Mr. Bently had left for the States after reporting very interesting discoveries, and the new Manager at Retiro, cleared out the assay office. A hostile wanton act.

Rich ore

The difficulties of prospecting this section are very great, only a small portion of the section has ever been prospected by native or foreigner.

High ranges of mountains exist between the Rio Frio and the Jalan. They have never been prospected, as before stated the trails show quartz outcrops. The streams flowing into de Jalan carry coarse gold, and large nuggets are found

Rich ore

by the diving women in the Jalan. By the official reports of the Governors it will be seen that the gold washers have long made that portion of the river a favorite resort. The cross line forming the western boundary shows an estimated width of 40.000 "varas" or 8 leagues. I am convinced that an actual survey will prove the width on that line to be over 50.000 "varas" or 10 leagues. The native estimate is greater but there is more satisfaction in adopting, for the present the lesser estimate.

THIRD SECTION

Said section or zone is bounded on the North by the Guayape River Concession from Post 23 to Post 36 Mayés survey, on the South by the Jalan River Concession from Post 51, Lazos survey, to the western boundary of the second section, on the East by the western boundary of the said second section, and on the West by the eastern boundary of the fourth section, being a line to be surveyed from Post 23 on the Guayape River to Post 51 on the Jalan River.

The approximate area of the section is 29 square leagues, equal to 295 square miles or 124.845 acres, (English) the actual area will prove to be greater, as the distance from Post 36 to the Jalan is greater than the estimate.

This section is virgin ground, we only know that the streams flowing into the Guayape and Jalan on its northern and southern boundary carry gold in quantities that make them favorite resorts for the gold washers. Fast placers of auriferous gravel, are found along the smaller streams and especially large along the Guayape and Jalan rivers. The Rio Moran is a bold stream descending rapidly from the mountains, with falls of great size, affording water power for 50 or more stamps and excellent power or head for Hydraulic Mining.

The slope of mountains facing the Guayape show abundant indications of mineral in quartz outcrops. The ledges discovered near the Rodondo on the Salto River in the fourth section have been traced across the line into the third section. Along the southern slope of the mountains facing the Jalan, only a small amount of prospecting has been done, not enough to prove value of veins but enough to prove the existence of a mineral region or district, and assays of outcrops of low and

→ }
Water falls }

high grade ores justifying development work. Both silver and gold are found West and South of this section. The central portion of the section has never been visited by native or foreigner so far as I can learn. The reports of local officials, and of the Governors of Departments describe the reputation of the southern boundary and Jalan river fronting it as notorious for mineral wealth and the largest nuggets found in Honduras are reported to have come from the vicinity of Teupasente and Animas.

FOURTH SECTION

The fourth section of the zone of the Olancho Exploration Company, Limited, is bounded on the North by the Guayape River Concession, from the beginning of said concession, at Post 1 to Post 23, Mayes survey, on the South by the Jalan River Concession, from the beginning at Post 1 to Post 51, Lazos survey, on the West by the western boundary line of the Olancho Exploration Company, Limited, Fiallos survey, on the East by the western boundary of the third section, to be established from Post 23 on the Guayape River to Post 51 on the Jalan River.

The approximate gross area of the zone is $34\frac{9}{10}$ square leagues, and deducting other concessions is $32\frac{4}{10}$ square leagues, equal to 218 square miles, nett, or 139.482 acres.

The Concordia Gold Mining Company, (American) own the Concordia Concession one half league wide by one league long, upon which the company has actually expended the small amount of working capital originally provided, in general expenses, freights, and the erection of a five stamp mill, intended to be run by water power. When the dam, flume and overshot wheel was finished, it was found that there was only water enough for mill purposes and not enough to run two stamps, there was no money for buying engine and boiler or to carry on development, hence the mill shut down. The ore crushed proved to be of high grade.

My Superintendent who was working near the mill on the Hall Group of Mines reports several veins on the concession, some small and very rich, others wider and yielding one ounce per ton, I bought and shipped the gold.

The "Hall Group of Mines" are located East of Portillo, between the Concordia Concession and the Guayape River

20 openings

Concession, and consist of about 20 openings, some of which I am convinced are on the same ledges, these veins vary in size and value, as will be seen by the assays of various assayers. The most promising ledges (number 19 and 20), are in the vicinity of the Portillo mill, say 500 yards from the Concordia Concession, showing from two feet six inches to four feet in width, and ore milling about one ounce per ton gold. It is my opinion that numbers 19 and 20 will prove to be one and the same ledge. The opening of 20 is less than 300 yards from the mill, about 150 feet up the mountain, and the ore could be run to the mill in a chute, or at very cheap cost. Development work will be continued on the Hall Group of Mines.

Chabela

The "La Chabela Mine and Concession" belonged to some natives and an American who bought a half interest for \$15,000 american gold. It was subsequently purchased by my Superintendent L. D. Phillips for me.

The "Chabela" mine is a strong vein, estimated to mill one ounce per ton, wood abundant, and a water power on the concession adequate for a 20 stamp mill in the dry season.

Copper

Near the Chabela mine other ledges showing well have been found, and on the eastern side of the Chabela Concession is to be found old copper mines, from which the copper coins formerly coined at the Honduras Mint were made. The ore carries a high percentage of copper and considerable gold but I cannot at the moment give the proportions.

Gold

All along the northern boundary of this section vast deposits of gravel are to be seen, carrying gold, and nearly all of the streams flowing into the Guayape are washed by the native women. The gold is coarse, very fine in quality. I have bought from the women of the Concordia District over \$3,000 of gold dust and nuggets and my Superintendent informs me that now over \$1,500 worth of gold dust can be had in that vicinity, much of this gold is taken by the natives from the Guayape River Concession, but the hydraulic grounds, South of the Guayape River Concession will in my opinion prove of great value to the Olancho Exploration Company, Limited.

The mountains rise from Concordia and reach an elevation in about the center of the 4th. section of about 5,000 feet. They are heavily forested and have not been prospected except in a desultory way. The mountain range from the

western line of the 4th. section, to the eastern line of same near Campamento, is nearly eight leagues long. The gold deposits and ledges are found on the eastern side of the zone, where the formation changes, vast outcrops of quartz appears, assaying \$ 12.00 and \$ 15.00 per ton, but in such great quantities as to excite interest.

The Pizano Concession (El Salto) contains enormous outcrops which have been followed across the eastern line of the 4th. section. The River Salto takes its rise in the high mountains of the Campamento range, and passes through the Pizano Concession. I should not like to estimate the water power of this bold stream, but would feel quite safe in saying that it will run more than 50 stamps. The concession to Pizano was granted four months after the contract with the Olancho Exploration Company, Limited, by oversight of the Government. He never had a shadow of title, and the report of Engineer, approved by the Government vests the title in the Olancho Exploration Company. Before Pizano sought to obtain this property Mr. Wm. Hodding and Wm. Pilcher Esquire of London made a personal examination of it, and sought to acquire the concession from the Government, but upon finding it was embraced in the zone already conceded to the Olancho Exploration Company they abandoned the attempt and gave me their notes and assays, which the examination of my Superintendent and assays confirm.

A prospecting party was sent over a part of the South-eastern part of the fourth section, and many assays were made of their samples at Retiro. If possible for this mail I will compile the information from Foremen and Superintendents letters with such assays as I can obtain copies of. The streams were found to contain gold, and some of them to pan very rich, parts of the quebrada Agua Fria, having great reputation with the gold washers. Some large deposits were found, and a number of good ledges, besides which a large number of outcrop assays ranging from two to fifteen dollars per ton in gold. Convincing me that it was a mineral region well worthy of careful examination, and more systematic work.

Perhaps the most interesting portion of this section is to be found in the Guaimaca mountains just East of the western boundary line. Here are to be found the indications of extensive work, perhaps 100 years ago, as the oldest people do

} —
} water
} power

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} old
} Guaimaca
} work

old
ovens

not know when the old ovens scattered around there were worked. The mountains are bold, and the slate walls, limestone contact, and general formation seems to impress the miners and persons who have so far seen the work at this point with the idea of true fissure veins, of large size and great value.

The old mines of this locality are the Murcielago, Los Micos, Esperanza and Candelaria which it has been suggested might well be embraced in a special zone of one league or one league and a half square. The richest vein and one on which the most work has been done, the Murcielago, gives promise of becoming one of the best silver producers in the Republic. A description of this group of mines with assays having been previously forwarded, it may be attached to this description if necessary.

As many of the streams flowing into the Jalan River from the South side of the mountain ranges in the 4th. section or zone carry gold, and auriferous deposits are found along those streams, I am satisfied that but little is known of the actual value of the zone, and that careful prospecting will prove the entire section to be mineral, embracing high grade free milling silver, lead and silver, high grade gold, low grade gold in large veins and deposits, hydraulic ground of great value, with water powers and a vast quantity of auriferous deposits of gravel from which large profits could be made by use of the improved methods of work by elevators and gold saving apparatus.

ASSAYS

Assays of ores from Chabela Mines, Hall Group of Mines, Murcielago, etc., made by C. H. Aaron, Metallurgist; R. H. Cavill, Assayer at Retiro; W. P. Clarke, Assayer and Analyst Yuscaran; and by Dr. R. Fritzgartner, Director of the Mint Tegucigalpa, from samples taken to obtain general average of different veins, indicate the general value of the ore.

CHABELA MINES

C. H. Aaron.—\$ 15.50, \$ 84.74 gold.

R. H. Cavill (3 samples).—\$ 15.00 gold.

W. P. Clarke (4 samples).—\$ 16.00, \$ 9.00, \$ 72.00, \$ 30.00.

HALL GROUP OF MINES

C. H. Aaron.—\$ 11.36, \$ 12.40, \$ 68.21, \$ 49.60, \$ 8.26, \$ 4.03,
\$ 33.07, \$ 4.13.

R. H. Cavill.—\$ 8.00, \$ 16.00, \$ 80.00, \$ 50.00, \$ 15.00, \$ 8.00,
\$ 10.00, \$ 15.00, \$ 30.00, \$ 90.00.—General average 20
veins gave \$ 10 gold per ton.

W. P. Clarke.—\$ 5.00, \$ 14.00, \$ 42.00, \$ 22.00, \$ 2.00, \$ 50.00.

Dr. R. Fritzgartner.—\$ 64.00, \$ 38.00, \$ 28.00.

When the Jalan works closed Mr. J. C. Rhoads of California made mill tests of various mines of the Hall Group at the Concordia Mill which had to be shut down on account of mistake in making the water ditch, he reported average value of ore over one ounce per ton, certain mines \$ 50.00 per ton.

MURCIELAGO

R. H. Cavill.—Silver, ounces 396, 311, 200, 196, 193, 193, 18.—
Average first class over 200 ounces.

James Roberts.—Chipped across face of 6 feet vein assayed
by himself at Mint, 200 ounces 5 grains 5 pwt, second
class averaged 71 ounces 17 grains 7 pwt.

W. P. Clarke.—Six feet across vein and the slate walls. Silver,
ounces 158, 84, 145, 93, 60, 29.—Walls 27, 34, 25.

ASSAYS SECOND CLASS

Dr. Fritzgarner.—Silver, ounces 51, 128, 72, 63, 95.

Jose E. Lazo (Mint).—Silver, ounces 53, 120.

Samples of more than 100 prospects from different parts
of the zone were sent, to Retiro for assay, 32 of these miscellaneous surface prospects gave from two dollars to twenty dollars per ton gold.

Nearly 100 samples, which cost more than \$ 5,000 to obtain, were thrown away by the new and hostile Manager of the Retiro Honduras Gold Mining Company, Limited, as previously stated.

Respectfully,

E. A. BURKE.

NOTE:—The above report relates to the same zone of four sections embraced in the Concession of May 28th. 1897, conceded to me.

The Six Mineral Zones embracing the Chabela, Halls, Murcielago, Micos, El Salto and Frewenberg having been previously granted September 26th. 1896, may be considered and negotiated separately, or, may be included in the large zone as may be stipulated by the parties.

E. A. BURKE.

Tegucigalpa, June 10th. 1897.

REPORT

on the Olancho zone and on Hall Group of Mines and Chabela Mines by Henry Woolcock Engineer John Taylors Sons, London, also by C. H. Aaron, Metallurgist and Assayer

Cable.—London, February 7th. 1890.

Woolcock.—Retiro.

I am informed that you have inspected mines of Burke, cable at once what is your opinion.

John Taylors Sons.

Camp Buenavista, Retiro, February 10th. 1890.

John Taylors Sons.—London.

Translation:—Have not examined the whole of it. It was quite impossible owing to large amount. I have seen Concordia, Retiro, Rucio, Jalan Districts. In my opinion Olancho Concession of great value. Cannot use this code. There is no economy in it.

Woolcock.

Camp Buenavista, Retiro, February 10th. 1890.

John Taylors Sons.—London.

Translation:—Halls purchase Concordia. The entire group nine veins, are varying from two to eight feet. Fine body of ore, I estimate value of the ore at one ounce per ton. Always sufficient water for milling. Plentiful supply of timber, mill-site, gold district.

Woolcock.

Buenavista, Retiro, February 10th. 1890.

John Taylors Sons.—London.

Translation:—Chabela Mine, Concordia, opened well defined lode, twelve feet wide, 150 tons ore on dump, annual water power.

Hall Group, nine well defined lodes, from two to eight feet wide, large quantity ore in sight, water for milling purposes, average value of ore both properties, one ounce per ton, wood abundant, location good for milling, in gold bearing district.

Henry Woolcock.

The cables were repeated on account of confusion in codes, copies were returned to me from London by my Agent. Captain Woolcock sampled the Hall and Chabela by horn spoon, and had his assays made at Retiro, entered on the books of Retiro Honduras Gold Company.

Mr. Chas. H. Aaron, Metallurgist and Assayer well known in the profession for capacity and integrity was employed to examine the Hall or Portillo mines and test the ores, by assays and mill tests, at the Concordia mill, which I leased for this purpose.

He found the laboratory badly equipped and mill shut down by failure to properly put in a water ditch and wheel.

Aaron sampled 20 of the mines or "prospects" and made his assays at Santa Lucía. His full report and assays were sent to London, I find partially records which are given below, which he will no doubt confirm at any time.

Tegucigalpa, February 23rd. 1890.

Chas. H. Aaron Esqr., Metallurgist and Assayer.

Dear sir:—Captain H. W. N. Cole has been appointed Superintendent in full charge of the mill at Portillo, Chabela mine and of the Hall mines adjacent.

You will kindly report to Captain Cole, who has instructions respecting the mines, and who will furnish you with all needed facilities for assays and tests.

It is my desire to have as early as practicable, detailed report of the ores of each of the mines, also of the ores of the Chabela (Price) concession.—Respectfully yours.

E. A. Burke.

Portillo, March 12th. 1890.

E. A. Burke.—Tegucigalpa, etc.

In accordance with your instructions I start today for Santa Lucia, I carry with me some 20 samples of ore for fire assay.

I had my samples crushed ground and quartered, so that while each one represents a number of pounds of ore, none weighs over half a pound. I recommend doing this with any further samples which you may wish to have assayed:—Yours truly.

C. H. Aaron.

REPORT

of C. H. Aaron. Metallurgist and Assayer.

Santa Lucia, March 20th. 1890.

Major E. A. Burke. - Tegucigalpa.

Dear sir:—I herewith forward report of observations and assays so far made.

The fire assays give rather better results than I expected, judging from horn spoon tests.

The spoon test is in so far reliable that it may be depended on to show the presence of free gold if in paying quantities,

and in the hands of many good miners it can afford a very close approximation to the assay value, but we who are accustomed to make fire assays of all ores, are not apt to judge so correctly by the spoon:

PORTILLO MINES (HALL GROUP)

N.° 1.—Backbone of ridge steep and narrow, course nearly N. W. and S. E., outcrop strong for 300 feet up ridge from cut (N.° 19).

Highest point of outcrop bears S. 5° W. from tiled house in Portillo and S. 62, W from another opening, probably on same vein across the creek.

The cut in which the vein is exposed bears S. 25° E. from house of Orellana in Portillo. Vein 5 feet wide good foot wall fair hanging wall with casing of copper stained material.

In middle of vein 1 foot streak of rock, copper carbonates (blue and green) and dark brown mixed oxides of copper and iron, interspersed with pyrites, 4 feet of vein ferruginous quartz.

If the rock contains a reasonable proportion of gold, fine prospect—sample reserved for fire test—(Note: assay 1, 6, gold value \$ 33.07 per ton.)

N.° 2.—Opening opposite side of creek, probably same as N.° 1, rock similar character, but no copper seen—(Assay \$ 12.40.)

N.° 3.—First opening on right hand side of left hand cañon above mill, known as Ceibita mine, 2 tunnels in about 20 feet, caved.

N.° 4.—First opening on right hand side of road from Portillo to Campamento, timbered shaft down 20 feet, ferruginous quartz and clay. Caved.

N.° 5.—Hill West of N.° 4, small openings and old shaft, caved, quartz almost white, one has red clay streak.

N.° 6.—Las Lagunitas, shaft 9 feet deep, ferruginous quartz fair prospect in spoon—(Assay \$ 68.21.)

N.° 7.—Timbered shaft badly caved, near N.° 6. Slaty quartz, fair prospect—(Assay \$ 49.60.)

N.° 8.—Deep timbered shaft, bottom not visible no means of descent. Timbered tunnel in about 80 feet, quartz at the

mouth yielded small quantity of rather coarse grained gold—
(Assay \$ 8.26.)

✓ N.° 9.—Tunnel, not timbered, in about 90 feet, badly planned, ferruginous quartz at mouth gave a very good prospect, gold enveloped in a white substance, which seems to be a carbonate of an alkaline earth, but must be further studied, it quite disguises the gold, which, until freed from this envelope is difficult to separate from the black sand.

The white matter dissolves with effervescence in rather dilute nitric acid, leaving the gold free and of a very good color, also rather coarse. (Note:—Aarons Assay number 9 gave \$ 4.03.—Cavills check Assay \$ 90.00 gold).

✓ N.° 10.—A tunnel opposite to n.° 4 in an easterly direction, on other side of cañon, said to have 75 tons of ore on the dump (may be 12) vein strong, crops out on ridge, quartz, ferruginous with small percentage of pyrites.

The gold found in all of the above is free and of good color, except that in N.° 9, which is coated as stated, it can be cleaned by grinding in a mortar, but better by means of acid, with this exception the ores are all free milling, no sulphurets worth notice.

CHABELA MINE

Two miles from Concordia, shaft 15 feet drift 25 feet, apparent foot wall. No defined hanging (note, in ore), ferruginous quartz carrying free gold. Samples made by selecting and grinding three different classes of rock, not single pieces but a number of pieces of each.

A.—Hard compact quartz.

B.—Yellow porous also white porous.

C.—Dark coloured and black porous.

About 300 feet from the shaft is an old cut in which lies a mass of quartz of similar character, to that in the shaft, except that it carries an appreciable proportion of copper.

It is not clear that this and other openings seen, are on the Chabela vein, which, if it preserves the course it has in the shaft must pass to the westward of them all.

All samples assayed are reserved subject to your order.
Yours truly.

C. H. Aaron.

Santa Lucia Mining and Milling Company.

ASSAYS C. H. AARON

| | | | |
|-------------|-------------------|-------------|----------|
| B.— | Chabela gold..... | 0.75 ounces | \$ 15.50 |
| C.— | „ „ | 4.10 „ | 84.74 |
| 0.— | Halls „ | 0.55 „ | 11.36 |
| 2.— | „ „ | 0.60 „ | 12.40 |
| 6.— | „ „ | 3.30 „ | 68.21 |
| 7.— | „ „ | 2.40 „ | 49.60 |
| 8.— | „ „ | 0.40 „ | 8.26 |
| 9.— | „ „ | 0.20 „ | 4.03 |
| 19.—(N.º 1) | „ „ | 1.60 „ | 33.07 |
| 20.— | „ „ | 0.20 „ | 4.13 |

(Signed) *J. D. Stevens,*
Superintendent.

Santa Lucia Mining and Milling Company.

Mr. Aarons Assays were entered on the Company books, his original certificate covering 10 other assays, part of Murcielago, was sent to London, I hold Mr. Stevens certificate here.

In February 1891 I received from Superintendent Stevens Aaron's duplicate samples and sent them to Wm. Pashley Clarke, Metallurgyst and Assayer to recheck, at Yuscaran.

LABORATORY REPORT

Aguacates mill, (Monserrat) Yuscaran Feb. 26th. 1891.

Major Burke.—Tegucigalpa.

Assay of 12 samples from the "Hall Group" received from you on the 23rd. of the present month:

| | | |
|-------------|-----------------------------------|----------|
| A.— | Chabela, gold value, per ton..... | \$ 16.00 |
| B.— | „ „ „ „ „ | 9.00 |
| C.— | „ „ „ „ „ | 72.00 |
| 0.— | Halls „ „ „ „ | 5.00 |
| 2.— | „ „ „ „ „ | 14.00 |
| 6.— | „ „ „ „ „ | 42.00 |
| 7.— | „ „ „ „ „ | 22.00 |
| 8.— | „ „ „ „ „ | 2.00 |
| 19.—(N.º 1) | „ „ „ „ „ | 50.00 |

(Signed) *Wm. Pashley Clarke,*
Analyst.

Mr. Clarke is now Millman of the Monserrat Consolidated Mining Company Yuscaran, he has made many other assays of ores from the same mines and we quite agree that a safe milling average of one ounce per ton for the "Group" is indicated by the assays. The silver is only 50 cents to one dollars per ton.

When Mr. Aaron sampled the Hall Group, I ordered my Superintendent to take check samples and forward to R. H. Cavill, Assayer of the Retiro Honduras Gold Company.

Assay Office, Buenavista, (Retiro) March. 28th. 1890.
Major Burke.

Sir:—I hereby certify that the samples of ore described and assayed for gold and silver gave the following results:

| | | | | |
|------|---------|------------------------|----|-------|
| 0.— | • | Halls, gold value..... | \$ | 8.00 |
| 2.— | " | " " " | | 18.00 |
| 6.— | " | " " " | | 80.00 |
| 7.— | " | " " " | | 50.00 |
| 8.— | " | " " " | | 15.00 |
| 9.— | " | " " " | | 8.00 |
| 18.— | " | " " " | | 10.00 |
| 19.— | (N.° 1) | " " " | | 15.00 |
| 20.— | " | " " " | | 30.00 |

(Signed) R. H. Cavill,
Assayer.

As work progressed on these mines, assays were made from time to time, from assay, mill test, and personal examinations, I am convinced that the Hall Group and Chabela mines, will mill one ounce of gold per ton, also that certain of those mines will produce two ounces or more of gold per ton of 2,000 lbs.

Besides the quartz veins, the Hall Zone will embrace some of the richest placers in the Olancho District, adjoining the Guayape River Concession.

E. A BURKE.

Tegucigalpa, May 22nd. 1897.

