DMEA Form 7
(12-56)

OFFICIAL FILE

Date	Surname	Code

March 8, 1958

Memorandum

To: Springfield Chamberlain, Statistics Branch
Division of Operation Contract and Statistics

From: Director, Division of Base Metals

Subject: Report of Semi-Annual Reports of Certified Projects for the Period July 1, 1957 thru December 31, 1957.

The following projects were inactive during the cited period.

Docket No.	Contract No.	Name
DR[illegible]-66	Idm-[illegible]	Lily Valley Mines Company
DR[illegible]-110	Idm-[illegible]2	Callahan Zinc Lead Company, Inc.
DR[illegible]-270	Idm-[illegible]261	Montana Mining & Development Co.
DR[illegible]-371	Idm-[illegible]67	Peru Mining Company
DR[illegible]-4[illegible]0	Idm-[illegible]10	Bristol Silver Mines Company
DR[illegible]-4[illegible]7	Idm-[illegible]76	Silver Bay Mines, Inc.
DR[illegible]-606	Idm-[illegible]29	U. S. Metals Corporation
DR[illegible]-1203	Idm-[illegible]14	Pigeonette Mining & Milling Company
DR[illegible]-1217	Idm-[illegible]107	The Glidden Company
DR[illegible]-1243	Idm-[illegible]86	Bachelor Development Company
DR[illegible]-1303	Idm-[illegible]371	Yuma Metals, Inc.
DR[illegible]-1315	Idm-[illegible]173	J. E. and Lulu Miller
DR[illegible]-1325	Idm-[illegible]237	U. S. Smelting, Refining & Mining Co.
DR[illegible]-1525	Idm-[illegible]84	Moreno Uranium Corporation
DR[illegible]-1560	Idm-[illegible]42	Dodgeville Mining Company
DR[illegible]-1561	Idm-[illegible]167	Dodgeville Mining Company
DR[illegible]-1601	Idm-[illegible]315	Reed and Reed
DR[illegible]-1670	Idm-[illegible]309	U. S. Metals Corporation
DR[illegible]-1940	Idm-[illegible]302	United Minerals Corporation
DR[illegible]-1949	Idm-[illegible]322	United Minerals Corporation

[illegible] R. Griswold

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

July 27, 1964

Re: DMEA-606 (Lead-Zinc)
U. S. Metals Corp.
Henrietta Mine
San Juan County, Colorado
Contract Idm-E29

Mr. M. Rex Jones
Manager
Blue Bird Mining & Milling Co.
126 So. Clarkson Street
Denver 9, Colorado

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

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O. M. E
RECEIVED AUG 18 1964

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8/18		800
8-18		100
8/18		110
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	on leave	120
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JUL 30 1964

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 1963 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since September 1963 , has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

BLUE BIRD MINING & MILLING CO.

Name Naomi H. Jones (Naomi H. Jones) Title Secy-Treas.

Address 126 So. Clarkson St., Denver, Colorado 80209 Date August 14, 1964

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

August 21, 1963

Re: DMEA-606 (Lead, Zinc)
U. S. Metals Corp.
Henrietta Mine
San Juan County, Colorado
Contract Idm-E29

Blue Bird Mining & Milling Co.
c/o M. Rex Jones
126 S. Clarkson Street
Denver 9, Colorado

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

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O. M. E.
RECEIVED SEP 30 1963

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MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 6, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since March 6, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

BLUE BIRD MINING & MILLING CO.

Submitted by: M. Rex Jones

Name: M. Rex Jones
Address: 123 So. Clarkson St. Denver 9, Colorado

Title: Mgr
Date: SEP 27 1963

4511

EPA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period January 1, 1990 to June 30, 1990
Project and Contract Number
Operator

The project has been inactive during the reporting period ☒

Information pertinent to the subject contract has remained unchanged since the last report ☐

Comments:

Contract	Operator	County/State	Commodity
[illegible]	General Mining Company,	Dolo County Colorado	Lead-Silver
[illegible]	U. S. Metals Corp.,	San Juan County, Colorado	"
[illegible]	U. S. Metals Corp.,	San Juan County, Colorado	"
[illegible]	T. J. & T. A. Mahoney,	San Juan County, Colorado	Tungsten

Signed _____

Edward W. Beal

Date Oct. 13, 1990

604

[redacted] Customhouse
[redacted] 2, Colorado

February 2, 1959

[redacted]

[redacted] Chairman, Operating Committee, OSS

[redacted] Executive Officer, OSS Field Team, Region III

[redacted] Certified projects inactive during reporting period, [redacted] 1, 1953 to December 31, 1958.

[redacted] Enclosed is a list of certified projects whose status [redacted] since the previous semiannual report.

J. W. Townsend

[redacted]

[redacted] E15, E39, E29, E309, E448, E509

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1, 1958 - December 31, 1958
Docket and Contract Number
Operator

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Contract	Docket	Name	Commodity
E2	110	Callahan Zinc Lead Co., Ind.	Lead-Zinc
E15	434	Lead Carbonate Mines, Inc.	Lead-Zinc
E35	1050	Utah Lode Company	Lead-Zinc
~~E20~~	~~606~~	U. S. Metals Corp.	Lead-Zinc
E509	1876	U. S. Metals Corp.	Lead-Zinc
E448	2280	Utah Lode Company	Lead-Zinc
E509	2160	Lisbon Valley Uranium Corp.	Lead-Zinc

Original signed by:
Signed Edward W. Beal

Date January 28, 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 19, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period
July 1, 1957 to December 31, 1957
DMEA Docket 606 (Lead-Zinc)
Contract Idm-E 29, U. S. Metals Corporation (Henrietta mine)
San Juan County, Colorado

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Original signed by
W. H. KING
Executive Officer, DMEA
Field Team, Region III

Enclosures

cc: Semiannual Report File E 29
Harshman
DMEA,DFC - 2
Chron.

8/21 corr. 500

DMEA
DEPARTMENT OF THE INTERIOR
FEB 11 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 9, 1957, to December 31, 1957
Docket and Contract Number DMEA 606, Idm-829
Operator U. S. Metals Corporation (Henrietta mine)
San Juan County, Colorado

The project has been inactive during the reporting period ☒

Pertinent data relative to the subject contract has remained unchanged since the last report ☐

Remarks:

Signed Edward W. Buel

Edward W. Buel

Date February 6, 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

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DATE	INITIALS	CODE
10/11	[illegible]	500

October 8, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957

DMEA Docket 606 (Lead-Zinc)
Contract Idm-E 29, U. S. Metals Corporation (Henrietta Mine)
San Juan County, Colorado

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Original signed by
E. N. HARSHMAN

Acting Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj
cc: Semiannual Report File E 29
DMEA/DFC (2)
Harshman
Chron.

DMEA
ARTMENT OF THE INTERIOR
OCT 3 - 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	January 1, 1957 to June 30, 1957
Docket and Contract Number	DMA 606, Idm-E29
Operator	U. S. Metals Corporation (Henrietta mine) San Juan County, Colorado

The project has been inactive during the reporting period ☐

Pertinent data relative to the subject contract has remained unchanged since the last report ☒

Remarks:

Signed Edward W. Buel

Edward W. Buel

Date

October 2, 1957

224 New Customhouse
Denver 2, Colorado

June 14, 1957

EXTRA COPY DMEA RECEIVED JUN 17 1957		
DATE	INITIALS	CODE
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		220
6/19		500

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMA 606 (Lead-Zinc), Contract No. I-DMA-229, U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - FINAL REPORT

Enclosed are the original and three copies of a joint final engineering and geologic report, dated October 1956, from C. N. Harrer, Mining Engineer, Bureau of Mines, and D. R. MacLaren, Geologist, Geological Survey, pertaining to work completed under the subject contract; and joint memorandum in transmittal thereof, dated October 12, 1956, from E. N. Harshman and John F. Shaw.

The Operator has not rendered an acceptable final engineering and geologic report as required by the contract.

The recovery of an overpayment, the amount due the Government through liquidation of the jointly owned property acquired under the contract, and royalties due under the provisions of the contract, were placed in the hands of the Justice Department for collection. The matter has not been entirely resolved; therefore, final audit or final settlement of the account has not been effected.

The contract was terminated under provisions of Amendment No. 12, as amended by Amendments Nos. 13 and 14. Also, Amendment No. 12 provides that the total net amount contributed by the Government shall be repayable in the form of percentage royalty on any minerals mined or produced from the land described in Article 2 of the contract.

The exploration work completed consisted of construction and maintenance of access roads, extension of power line approximately 1,000 feet, construction and maintenance of a snow shed,

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(date)

construction of a 12-foot x 20-foot utility building, initial rehabilitation and repairs to a tractor-bulldozer, rehabilitation of about 1,450 feet of the Henrietta tunnel, 16 feet of raising, and 544.5 feet of drifting; at a total tentatively accepted cost of $78,175.06, subject to final audit and final settlement of the account, toward which the contract calls for Government contribution to the extent of 50%.

Original signed by
W. H. KING

W. H. King

E. N. Harshman

Enclosures

JWT:prl

cc: Final Report file, Region III } w/copy of joint engineering and geologic report.
Harshman
DMEA/DFC
Townsend
Corres. file
Chron.

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REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
October 12, 1956

DMEA
DEPARTMENT OF THE INTERIOR
OCT 15 1956
REGION III
DENVER, COLORADO

To: Executive Officer, DMEA Field Team, Region III

From: E. N. Harshman
John F. Shaw

Subject: Final Engineering and Geological Report, Docket DMA 606 (Lead-Zinc) Contract Idm-R29, U. S. Metals Corporation (Henrietta Mine) San Juan County, Colorado

Enclosed are the original and seven copies of the Final Engineering and Geological Report by C. M. Harrar, Mining Engineer and D. R. MacLaren, Geologist, covering the work performed under Contract Idm-R29.

Exploration Project Contract Idm-R29 between the U. S. Oil and Development Corporation and the Defense Minerals Administration provided for the rehabilitation of about 1,600 feet of the Henrietta No. 7 tunnel and a raise from the tunnel level to the No. 1 level, and 100 feet of drift on the Surprise vein. The total estimated cost of the project was $47,650.00.

The contract was later amended to include the rehabilitation of a 580-foot raise from the No. 7 tunnel to the No. 1 tunnel, and a total of 700 feet of drifting and 400 feet of raising. The estimated cost of this work was $113,638.34.

The work authorized under the contract was not completed, and a pseudo-certification was made. The exploration resulted in the discovery of pipe-like ore shoot in the Surprise drift. The vertical extent of this ore shoot is not known. The cost of the work performed under the contract is $78,175.06.

During the period from June 27, 1951 to February 11, 1954, approximately 2,045 dry tons of lead and zinc concentrates were produced. The royalties due the Government on this ore are $3,578.37. The operator paid royalties in the amount of $1,522.70 and the DMEA has been unable to collect the remainder. The matter has been put in the hands of the U. S. District Attorney. Additional exploration of this property with responsible parties may be justified. Government participation and additional exploration with the present management is not warranted.

E. N. Harshman
E. N. Harshman
Member Field Team

Reviewed by
DMEA OPERATING COMMITTEE
6-19-57
(date)

John F. Shaw
John F. Shaw
Supervising Mining Engineer

JFS:sh
cc: 7
EN Harshman
Idm-R29
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Fred A. Seaton, Secretary

DEFENSE MINERALS EXPLORATION ADMINISTRATION
FINAL REPORT
REGION III

DMEA 606, Contract Ida-[illegible]
KENNECOTT MINE
U. S. METALS CORPORATION
SAN JUAN COUNTY, COLORADO

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Lead-Zinc

Final Engineering and Geological Report

by

C. M. Harver, Mining Engineer
Bureau of Mines

D. H. Maclaren, Geologist
Geological Survey

October, 1956

6-19-57

FIELD TEAM
FINAL REPORT

RMA 606
Contract Ism-829

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Discussion of conclusions and recommendations.....11

ILLUSTRATIONS

Figure — **Following page**

1. Location map, Henrietta mine, U. S. Metals Corp., San Juan County, Colo. (RMA 606) 11

2. Surface map, Henrietta mine, U. S. Metals Corp., San Juan County, Colo. (RMA 606) 11

3. Plan of 7th level workings showing location of samples, assays and work completed. Henrietta Mine, U. S. Metals Corp., San Juan County, Colo. (RMA 606).....11

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DMA 606
HENRIETTA MINE
U. S. MINERALS CORPORATION
SAN JUAN COUNTY, COLORADO

INTRODUCTION AND SUMMARY

On June 27, 1951, exploration project contract [illegible] was signed between U. S. Oil and Development Corporation and the Defense Minerals Administration, to explore the Henrietta mine for lead, zinc, and copper. The original exploration program provided for the rehabilitation of about 1,600 feet of the Henrietta No. 7 tunnel and a raise from the tunnel level to the No. 1 level. In addition, the "Surprise" vein, cut by the tunnel, was to be explored by 100 feet of drift. Total cost of the project was estimated at $47,650.00.

On August 25, 1952, the contract was revised and amended to include the following work at an over-all cost of $113,638.34.

(a) Rehabilitate about 1600 feet of the Henrietta No. 7 tunnel;

(b) Rehabilitate a 580-foot raise from the No. 7 tunnel to the No. 1 tunnel level for ventilation;

(c) Drift on the Henrietta, Surprise, or other veins an aggregate maximum of 700 feet;

(d) Raise or winze on the Henrietta and Surprise veins an aggregate maximum of 400 feet.

The Henrietta mine property comprises 9 patented lode claims and 5 unpatented lode locations in sec. 19, T. 49 N., R. 8 W., Red Mountain Mining District, San Juan County, Colorado. The claims are about 7 miles north of Silverton and at altitudes ranging between 11,000 and 12,000 feet. The portal of the Henrietta No. 7 tunnel, from which exploration was conducted, is on the patented Mineral King claim at an altitude of 11,302 feet.

Work under the contract started on June 18, 1951, and stopped on December 17, 1953. During this period the following work was accomplished under the contract at an over all cost of $78,173.06:

(1) The Henrietta No. 7 tunnel was rehabilitated for 1,430 feet;

(2) A badly caved portion of the No. 7 tunnel was bypassed by 452 feet of drift;

(3) The Surprise vein drift on the No. 7 tunnel level was extended 92.5 feet;

(4) A two-compartment inclined raise was advanced 16 feet above the No. 7 Henrietta tunnel level.

The contract was terminated on August 5, 1955, by an amended Suspension-Termination Agreement (Amendments 12 and 13), dated August 5, 1955.

The Government's interests are protected to June 27, 1965.

Action is being taken by the U. S. Attorney's Office to collect unpaid royalties and the Government's share of the salvage value of equipment and supplies.

CONCLUSIONS AND RECOMMENDATIONS

Exploration under the subject contract was poorly prosecuted, and the ore potential of the Henrietta mine has not been determined. Exploration resulted in the discovery of a pipe-like ore shoot in the Surprise drift, the vertical extent of which is not known.

Additional exploration, with competent management may be justified, since several of the exploration targets remain untested. Government participation with the present management in additional exploration at the Henrietta mine is not recommended.

A pseudo-certification is contained in contract amendments Nos. 12 and 13.

LOCATION AND ACCESSIBILITY

The Henrietta mine (figs. 1 and 2) is in the Red Mountain Mining District, San Juan County, Colo., in sec. 19, T. 49 N., R. 8 W., New Mexico principal meridian. It is about 7 miles north of the town of Silverton, Colo., over well-maintained gravel-surfaced county roads. The mine is at the head of Prospect Gulch (fig. 2), just west of the Joe and John mine (BMEA 1870), at altitudes ranging between 11,000 and 12,000 feet. The terrain is steep and rugged and ample water and timber are available for mining purposes. Labor and supplies are available at Silverton. The Henrietta No. 7 tunnel portal (figs. 2 and 3) from which all exploration was conducted, is at an altitude of 11,302 feet. Long winters and heavy snowfall do not favor year-around mining operations.

OWNERSHIP AND REVENUE

The U. S. Metals Corporation, formerly U. S. Oil and Development Corporation, subcontracted the following group of lode claims which comprise the Henrietta mine:

Claim	Survey No.	Type
Henrietta	15386A	Patented lode
Mineral King	2051	"
Mineral Queen	1642	"
Lizzie	13530	"
Humbolt	15386A	"
Bone Ran	15386A	"
Narrow Gauge	15386A	"
Prosperity	18681	"
La Grace	18680	"
Tetrahedrite No. 1		Unpatented lode location
Tetrahedrite No. 2		"
Mandie No. 1		"
Mandie No. 2		"
C. L. M.		"

The patented claims are leased from the Blue Bird Mining and Milling Company (C. H. Greene, 732 Continental Oil Bldg., Denver, Colo.).

The Government retains royalty rights in the property until June 27, 1963.

HISTORY AND PRODUCTION

Very little is known of the early history of the property. It was discovered in the late 1800's and some work was done during the next few years. In 1900, the mine was reopened after some years of idleness. Prior to 1904, the property was known variously as the Henrietta Silver Mines Co., and the Henrietta Copper Mines Company. In 1904, the companies were merged into the Golden Consolidated Mines Company which finally passed into the control of the present owner, Blue Bird Mining and Milling Co., of Denver, Colorado, who leased the property to U. S. Metals Corporation. There are no official reports of production prior to 1951 available. Records show a production of 2,045.6083 tons of lead and zinc concentrates for the period of June 27, 1951 to February 11, 1954. There has been no other production to date. Records in the files of the Bureau of Mines, Division of Mineral Industries, Region XIX, Denver, Colo., indicate an average ratio of concentration of 9.341 for a total of 1,583 dry tons of crude ore. On this basis, production for the above period was about 15,380 tons of crude ore containing an estimated 0.005 ounce gold and 2.1 ounces silver a ton and 0.1 percent copper, 1.0 percent lead and 2.3 percent zinc. The mine has been inactive since the end of 1953.

GEOLOGY

Rocks in the eastern part of the Red Mountain District are andesite flows and breccias of the Silverton volcanic series that have been intruded by plugs and pipes of latite, rhyolite, and breccia. The plugs and pipes range from a few tens of feet to more than 2,000 feet across. Although fracturing is much more intense in and around the plugs and pipes, fissures are also abundant in the andesite. In places large bodies of rock are impregnated with finely divided pyrite and

alteration products typical of ore-forming solutions. Ore bodies occur as fillings of open spaces in the rock, or as replacement bodies in porous, altered wall rock along fissures. The most productive deposits have been nearly vertical, chimney-like ore bodies in or near breccia pipes and other volcanic plugs; they are roughly elliptical in outline. Within the breccia bodies the ore occurs as subsidiary chimneys, while along the fissures in the andesite it occurs in irregular bodies of fractured rock. Most of the chimney deposits are surrounded by an envelope of silicified country rock.

According to F. L. Ransome, in U. S. Geological Survey Bulletin No. 182 (1902), the Henrietta mine is in an area of andesite-breccia. The Henrietta vein strikes N. 40° E. and dips about 85° NW. The vein is in a well-defined fissure in which ore occurs in a brecciated zone 3 to 5 feet wide. Well-defined seams of gouge lie on the foot- and hanging-wall sides of the vein. Along the hanging wall there is a persistent seam of crushed wall rock and clay, and in some places, a little white quartz. The vein is filled by broken and altered andesite impregnated by pyrite. The ore occurs as stringers and bunches of pyrite and chalcopyrite with galena and sphalerite filling voids and partly replacing shattered wall rock within the breccia zones. Pyrite is abundant and often occurs in rather large solid masses. For at least 150 feet on either side of the vein the wall rock is impregnated with pyrite. Although there are local lenses of high-grade material, as a whole the ore is low grade. Two samples of the vein were taken by the operator in a 16-foot raise driven as part of the RFCA project. The average of the assays is reported to be 0.08 ounce gold and 10.2 ounces silver a ton, 3.32 percent

copper, 0.3 percent lead, and 0.2 percent zinc.

Between 450 and 550 feet from the portal, the walls of the 7th-level crosscut are highly silicified and irregularly fractured, some of the fractures containing small amounts of base metal sulfides. At a point about 510 feet from the portal the Surprise drift was driven 60 feet along one of the more strongly mineral-bearing fractures that strikes N. 30° W. (fig. 3). The content of ore mined is unknown; a stope above the drift is caved and inaccessible. This fracture ended at the breast of the drift where it was cut off by another mineralized fracture that strikes almost due north. Under the contract this northerly trending fracture was followed by a drift for about 90 feet (fig. 3). The BBEA drift was sampled at 10-foot intervals as follows:

Sample No.	Width feet	Ounces per ton Au	Ag	Percent Pb	Zn	Cu
WLD-13	4.4	<0.005	1.4	1.2	6.80	0.04
WLD-12	5.0	0.005	6.9	15.7	9.40	0.07
WLD-7	5.0	<0.005	5.0	7.3	15.70	0.07
WLD-6	3.5	<0.005	1.0	2.1	7.70	0.05
WLD-5	5.5	0.005	2.0	4.9	0.65	0.09
WLD-4	4.1	0.01	3.0	4.1	0.95	0.16
WLD-3	7.5	<0.005	1.4	2.6	1.80	0.05
Average	5.0	0.005	2.94	5.4	5.73	0.07

The entire 70 feet sampled contains sub-marginal lead-zinc ore with an average grade of 2.94 ounces silver per ton and 11.13 percent combined lead and zinc. Within this distance, samples WLD-6, -7, -12 and -13 indicate a core about 40 feet long and 4.5 feet wide containing 3.86 ounces silver per ton, 7.13 percent lead and 10.04 percent zinc. A stope on this ore has not been carried very high, but ore-grade material persists

to the back. This ore shoot is typical of the pipe or chimney-type deposits seen elsewhere in the Red Mountain district.

ORE RESERVES

No raising has been done in the Surprise ore shoot and it is impossible to estimate its vertical extent; however, each 100 feet of vertical extent is estimated to contain 2,700 tons of indicated and inferred ore, containing about 0.005 ounce gold, and 2.54 ounces silver per ton, 5.45 percent lead, 5.73 percent zinc, and 0.07 percent copper.

ORIGINAL PROGRAM AND MODIFICATIONS

The original RMA contract, dated June 27, 1951 provides for an estimated expenditure of $47,650.00. Work under the contract included the following:

(1) Rehabilitate about 1,600 feet of the Henrietta No. 7 tunnel and a certain raise from this level to the No. 1 tunnel level.

(2) Explore the Surprise vein, exposed in the Henrietta No. 7 tunnel, with 100 feet of drift.

(3) Provide for the purchase of new equipment, the repair of old equipment, and the installation of electric-power facilities.

The contract was amended 13 times as follows:

Amendments Nos. 1 thru 5 provided for a snowshed, change room, compressor and fan house, road construction, salary and wage changes and also extended the time of contract completion from 6 to 13 months.

Amendment No. 6 revised the contract and increased total expenditures from $47,650.00 to $113,638.34.

Exploration under the amended contract comprised:

(1) Construction and maintenance of access road from the Last

mine road to the Henrietta No. 7 tunnel;

(2) Extension of the power transmission line from the main line, near the Lark mine, to the Henrietta No. 7 tunnel (approx. 1,000 ft.);

(3) Construction and maintenance of shovelhed, compressor house, change room and fan houses at the Henrietta No. 7 tunnel portal;

(4) Repair a company-owned HD Allis Chalmers tractor;

(5) Rehabilitation of approximately 1,600 feet of the Henrietta No. 7 tunnel;

(6) Rehabilitation of a 500-foot raise from the Henrietta No. 7 tunnel to the No. 1 tunnel for ventilation;

(7) Drifting on the Henrietta, Surprise or other veins an aggregate maximum of 700 feet;

(8) Raising or sinking on the Henrietta, and Surprise veins an aggregate maximum of 400 feet. The time of completion of the contract was extended to 24 months. Costs for the above work were estimated as follows:

Item	Description	Cost
1	Access road construction and maintenance	$8,126.74
2	Power line extension	984.58
3	Building construction and maintenance	3,829.98
4	Repairs to tractor	5,653.48
5	Rehabilitation of Henrietta No. 7 tunnel	46,347.12
6	Rehabilitation of 500 feet of raise	5,800.00
7	Drifting 700 feet	24,500.00
8	Raising or sinking 400 feet	16,000.00
	Equipment purchases	12,794.44
Total estimated cost of the project		$113,638.34

Effective date of contract amendment No. 6 was August 20, 1952. Because the Henrietta No. 7 tunnel was badly caved and could not be held open, a lateral drift was started in the east or foot wall, about 1180 feet in from the portal. This was approved by amendment No. 7. Amendments Nos. 7 and 8 authorized the rental and purchase of equipment. Amendment No. 9 extended

the completion date of the contract from 24 months to 30 months. Under amendment No. 10, work was suspended during the period June 4, 1953 to July 1, 1954. Under amendment No. 11, work was extended to Sept. 1, 1954. Under amendment No. 12 work was suspended for the period June 4, 1953 to July 1, 1955 and time for completion of the work was set at 54 months. Under amendment No. 13 the contract was further suspended to Sept. 1, 1955, and the period of royalty payments was set at 14 years, from the date of signing the contract. The contract was terminated by default under the suspension-termination clause of amendments 12 and 13, on August 5, 1955. The Government's share in exploration costs is protected for 14 years to June 27, 1965, by contract amendments 12 and 13.

WORK COMPLETED UNDER THE CONTRACT

Work under the contract (fig. 3) started on June 18, 1951, and stopped on December 17, 1953. During this period the following work was completed at the Henrietta mine, at an over-all cost of $78,175.06:

(1) The Henrietta No. 7 adit was rehabilitated for 1,450 feet. Much of the adit was badly caved; the ground was heavy, requiring spiling and posy sets.

(2) Part of the adit was so badly caved and the ground so heavy, that a lateral drift was driven in the east or foot wall of the vein and parallel to it. A total of 452 feet of lateral drift was driven.

(3) The Surprise drift was extended 92.5 feet northerly.

(4) A two-compartment, inclined raise was advanced 16 feet above the Henrietta No. 7 adit level to intersect the vein. This raise was originally circular and 5 feet in diameter.

(5) About 1,000 feet of powerline was installed between the main transmissionline and the Henrietta No. 7 portal.

(6) A 12 by 20 foot building was erected at the portal to house the compressor; a bunkhouse, the portal, and snowsheds were rehabilitated; and equipment was installed.

(7) Access roads were constructed from the main road to the Henrietta No. 7 portal and to the No. 1 adit level.

SUMMARY OF FACTUAL DATA

Exploration work was accomplished at an over all cost of $82,596.12, as approved by RMSA audit dated April 12, 1954. Cost data and units of work performed and allowed under the contract are tabulated as follows:

HENRIETTA MINE COST DATA

Description	Cost	Unit Cost
New buildings and improvements	$3,322.64	$3,322.64
Power line installation (1000 ft.)	384.98	384.98
Access roads	3,886.74	3,886.74
16 feet of raise from the No. 7 level	760.99	47.54 per ft.
1450 feet of No. 7 adit level rehabilitation	58,167.54	40.12 per ft.
458 feet of lateral drift	14,619.89	32.02 per ft.
92.5 feet of drift on the Surprise vein	2,714.18	29.34 per ft.

Total cost of exploration not including salvage amounts $82,596.12

The salvage value of equipment has been established as $4,421.06. This amount will reduce the above costs of underground exploration, the reductions to be allocated as follows:

1 percent to the cost of raising, 72 percent to drift rehabilitation, 22 percent to lateral drifting, and 5 percent to drifting on the Surprise vein.

In consideration of the above salvage-value distribution, exploration costs are adjusted as follows:

Adjusted exploration costs - Henrietta mine

Description	Cost	Unit Cost
New buildings and improvements	$3,322.64	$3,322.64
Powerline installation (1000 ft.)	384.58	384.58
Assessor works	3,226.74	3,226.74
16 feet of inclined raise from the No. 7 level	716.38	44.77
2,450 feet of No. 7 level drift rehabilitation	34,984.38	37.92
432 feet of lateral drift on the No. 7 level	12,047.52	28.86
98.3 feet of drift on the Surprise vein	2,492.12	

Total cost of exploration, including salvage [illegible] (not yet collected)

$78,173.06

Government participation of 50 percent is $39,087.53.

During the period June 27, 1951 to February 11, 1954 a total of 2,045.6885 dry tons of lead and zinc concentrates were produced from the property, and are subject to DMEA royalty payments. Total royalties due the Government are $3,978.37. Royalties paid to date total $1,922.70. The balance of $2,055.67, plus the Government's share in salvage value of equipment is now collectable. Collection will be demanded through the Office of the U. S. Attorney General.

DISCUSSION OF CONCLUSIONS AND RECOMMENDATIONS

The property was not accessible for examination by the writers. Further exploration of the property by more responsible parties is still warranted. The applicant was hampered by serious financial difficulties. Since the prime objectives of the exploration program were not reached, further exploration of the property, at some future date, remains just as attractive a project as when first considered by DMEA.

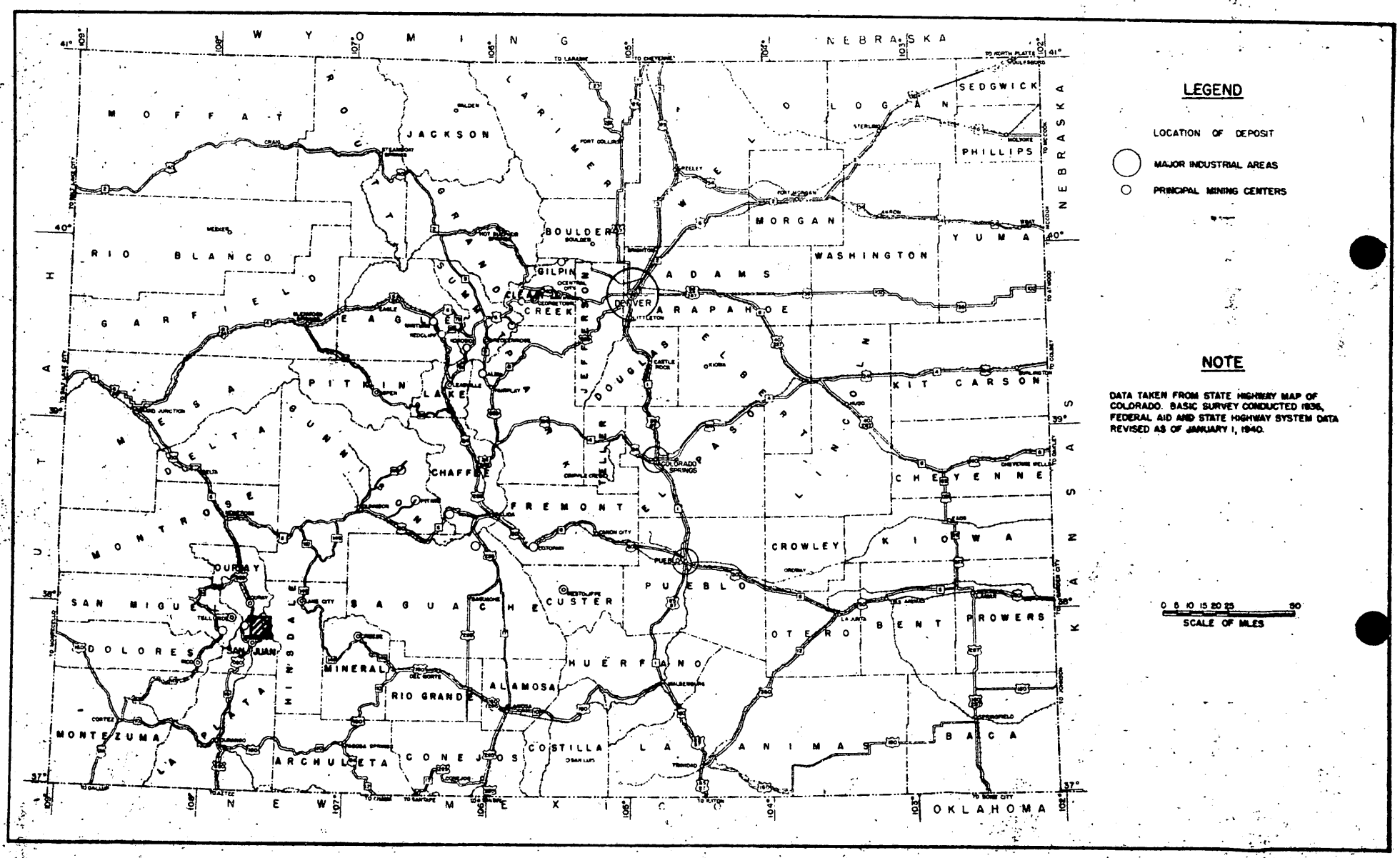

FIGURE 1 – LOCATION MAP, HENRIETTA MINE, U.S. METALS CORP., SAN JUAN COUNTY, COLO. DMA 606, CONTRACT Idm-E 29

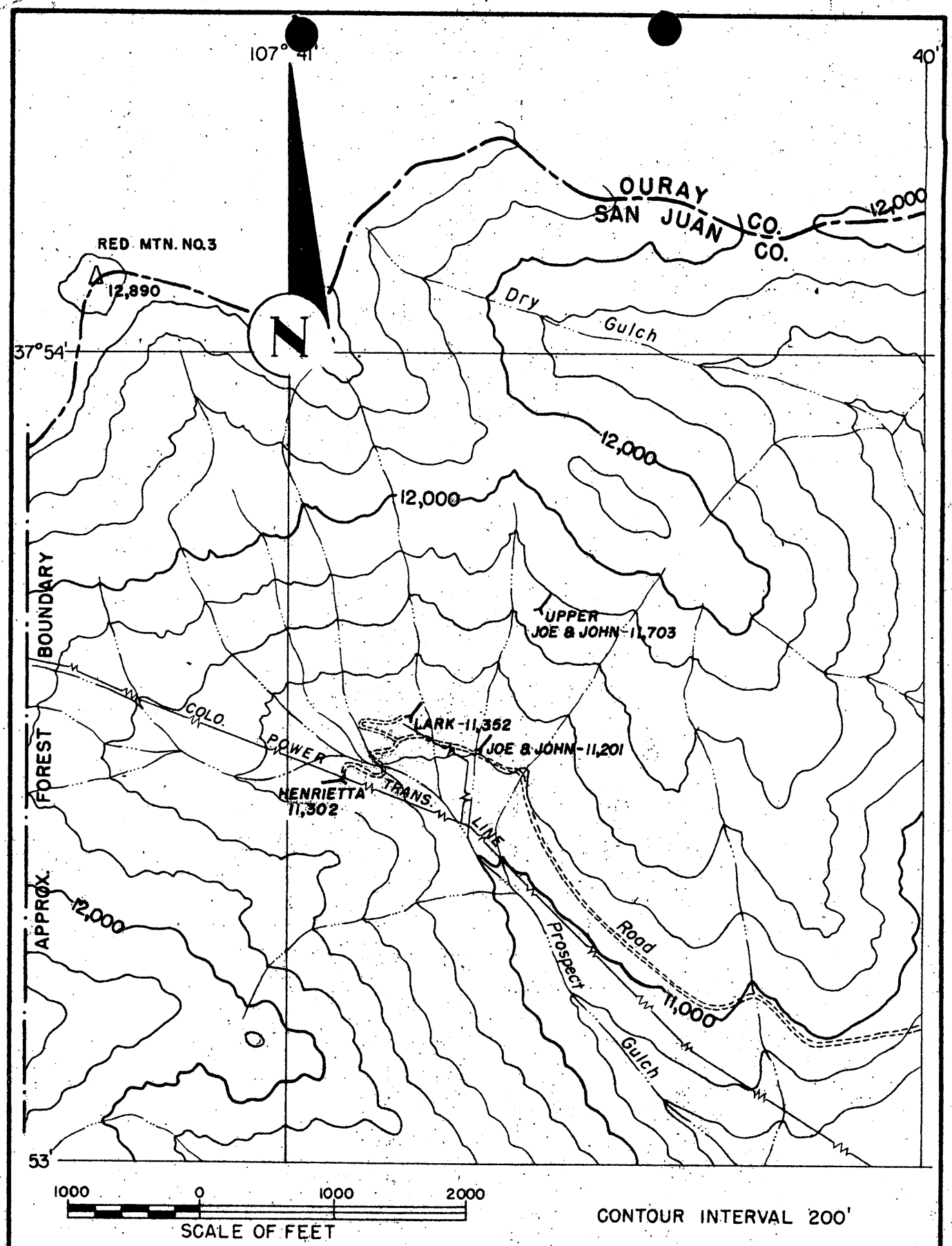

FIG. 2-SURFACE MAP, HENRIETTA MINE, U.S. METALS CORP., SAN JUAN COUNTY, COLO.
DMA 606, CONTRACT Idm-E 29

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DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: February 12, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 606 (Lead-Zinc)
Contract Idm-E 29, U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, and Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj
cc: Semiannual Report File E 29
J. F. Shaw (2)
Harshman
Chron.

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DATE	INITIALS	CODE
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DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period July 1, 1956 to December 31, 1956
Docket and Contract Number DMA 606, Idm-E29
Operator U. S. Metals Corp. (Henrietta mine)

	"X" one
The project has been inactive during the reporting period	X
Pertinent data relative to the subject contract has remained unchanged since the last report	

Remarks:

None

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DATE | CODE

Signed Edward W. Buel

Edward W. Buel

Date

January 31, 1957

Grisamore
Berry
Hoyenbeck

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SEP 24 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: September 19, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period
January 1, 1956 through June 30, 1956
DMEA Docket 606 (Lead-Zinc)
Contract Idm-E 29, U. S. Metals Corporation
(Henrietta Mine), San Juan County, Colorado

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29., and Special Notice in Minutes of Operating Committee Meeting No. 692.

W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 29
J. F. Shaw (2)
E. N. Harshman
Chron.

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SEP 24 1956

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period Jan. 1, 1956 to June 30, 1956
Docket and Contract Number DMA 606, Contract Iam-E29
Operator U. S. Metals Corporation

	"X" one
The project has been inactive during the reporting period	X
Pertinent data relative to the subject contract has remained unchanged since the last report	

Remarks:

The project was shut down on Dec. 17, 1953 and there has been no activity to date. There are no plans for future operation.

Signed C. M. Harrer

Date Sept. 5, 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

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JUN - 1 1956

224 New Customhouse
Denver 2, Colorado

Date: May 29, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955
DMEA Docket 606 (Zinc-Lead--Copper)
Contract Idm-E 29 U. S. Metals Corporation
(Henrietta mine), San Juan County, Colorado

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office and Memorandum 29.

J. W. Townsend

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj
cc: Semiannual Report File E 29
J. F. Shaw (2)
E. N. Harshman
Chron.

Semi-Annual Report of Certified Projects

Reporting Period July 1, to December 31, 1955

Docket and Contract Number DMA 606, Contract I-DMA-529

Operator U. S. Metals Corporation

Commodity Zinc, lead, copper

Mine Name Henrietta mine

County and State San Juan County, Colorado

Date of Contract June 27, 1951

Date of Certification (Pseudo) November 1, 1954

Expiration Date of Royalty Payments June 27, 1965

Date of Examination for this Report April 17, 1955

Total Amount of Contract $113,633.36

Total Expenditures under Contract $82,596.12

Amount of Government Participation at 50 % $41,298.06

Royalty Payments this Period None

Previous Royalty Payments $1,522.70

Total Royalty Payments to Date $1,522.70

% Loan Repayment Completed 3.90

Amount of Royalty Due $2,055.67

Royalty Remarks Collection of royalties due referred Washington office for legal action on 9/1/55.

Original Estimate of Reserves (from Final Engr.-Geol. Report): No estimate of reserves is possible since the property has been entirely inaccessible and the writer was never beyond the portal.

Increase of Reserves by work performed subsequent to expiration or termination of contract: none

Revised Estimate of Reserves: none

Production this Period (Ore or Concentrates) none

Amount of Previous Production (since date of contract) 2,045.6025 tons of dry concentrates and some shipping grade ore.

Total DMEA Production to date Same as above.

% of Revised Reserves Mined Not calculable.

Production Remarks: There has been no production since 12/17/53

Note: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Other Remarks: The project was shut down on December 17, 1953 and there has been no activity to date. The mine is completely inaccessible due to bad air and lack of oxygen.

Signed C. M. Harrer (Engineer)
C. M. Harrer

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Answered

~~Acknowledged~~

Betty

224 New Customhouse
Denver 2, Colorado

September 23, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMA Docket 606, (Lead-Zinc), Contract, I-DMA-E29, U. S. Metals Corporation, Henrietta Mine, San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the period June 1953 through December 28, 1953.

W. M. Traver

W. M. Traver

Enclosures

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SEP 26 1955

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: [illegible]
Payee's
Reference: [illegible]

U. S. Potash Corporation
210 Kennedy Building
2332 Tech Street
Denver, Colorado

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $[illegible]

Difference $

Amount Approved $[illegible]

The reason for the difference was due to:

The entire amount of payment has been withheld and credited to overpayment as claim by the MMA auditors final report on this contract.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
SEP 26 1955

224 New Customhouse
Denver 2, Colorado

September 16, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMA Docket 606, (Lead-Zinc), Contract, I-DMA-E29, U. S. Metals Corporation, Henrietta Mine, San Juan County, Colorado - Operator's Monthly Progress Report, for the period June 1953 through December 28, 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract. It is recommended that payment for the period be disallowed in order to compensate for previous overpayments to the Operator as determined during the final on-site audit of the exploration project by the Contract Administration and Audit Division, DMEA.

TABULATION

Amount of prior payments to Operator	$41,659.92
Payment this report (Disallowed)	1,058.80
Total possible payments	42,718.72
Amount disallowed this report	1,058.80
Payments to Operator to date	41,659.92
Amount approved by final audit, including subject period	41,298.06
Overpayment to Operator	361.86

Note: The final audit includes those disallowances recommended by the examining engineer.

W
JC:ab
cc: Sec. Op. Comm. (2)
MF-104 File E29
Enclosures

Townsend
Shaw (2)
Chron.

W. M. Traver

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

RECEIVED
SEP 26 1955

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
January 14, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for the period of October 26 through December 28, 1953

Transmitted herewith are the original and four copies of the subject progress report--forms MP-104 and MP-104A with narrative, inspecting engineer's progress sketch, required documentation, copies of the operator's description of work accomplishments in June and July 1953--and the original and six copies of W. L. Dare's memorandum covering his inspection of the underground progress and accounts.

According to the enclosed narrative reports from the operator for the months of June and July 1953, costs incurred for those months were not charged against the contract.

Progress for the period October, November, and December 1953, is certified correct by the inspecting engineer, as reported in the operator's narrative. It consisted entirely of rehabilitation of the Henrietta drift as shown on the attached sketch. The accounts are in order, within our delegated authority to check them, except for certain disallowance for lamp rental and power, totaling $126.30, enumerated in the engineer's memorandum--which I approve.

The amount disallowed, $126.30 subtracted from $2,117.60 claimed by the contractor, leaves $1,991.30. Of this amount $995.65, or 50 percent, is approved for payment and certified on the MP-104 forms, subject to usual Region IV audit.

W. M. Traver

W. M. Traver

enclosure

WMT/le
cc ✓6
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Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

RECEIVED
SEP 26 1955

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
January 13, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Dare

Subject: DMA 606, Contract I-DMA-229 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for the period of October 26 through December 28, 1953

U. S. Metals Corporation has submitted this report for work accomplished in the period of October 26 through December 28, 1953, and claims certain costs not previously claimed for work accomplishments during June 1953. Attached are copies of the letter from the operator, dated July 10, 1953, describing the June accomplishments, and of August 13, 1953, describing July accomplishments.

The Henrietta mine was visited on December 3, 1953, and January 7, 1954, and previous monthly visits were made while the project was in recess.

According to the two split-check lessees working in the Surprise ore body, the last shift worked in the old Henrietta drift, prior to the recess, was the night of June 3, 1953. Other than the installation of a fire door near the portal in July, the cost of which the operator claims no Government participation, the exploration project was inoperative until October 26, 1953. The exploration project was resumed on this date and continued through December 17, 1953, although during December the project was carried on sporadically due to the frequent influx of bad air from the old workings above caused by changes in barometric pressure.

Progress is as reported in the operator's narrative. Rehabilitation of the old Henrietta drift from the point of intersection by the last lateral is shown in the attached sketch. In portions of the new rehabilitation it has been necessary to install three sets of timber in height in order to insure against future sloughing.

A. O. Brehmer, treasurer, has totaled all contract labor charges incidental to drift rehabilitation and has charged the project only that amount allowable by the contract; that is, the product of the linear distance rehabilitated by the maximum unit cost as specified in the contract. Additional contract labor costs are borne by the company.

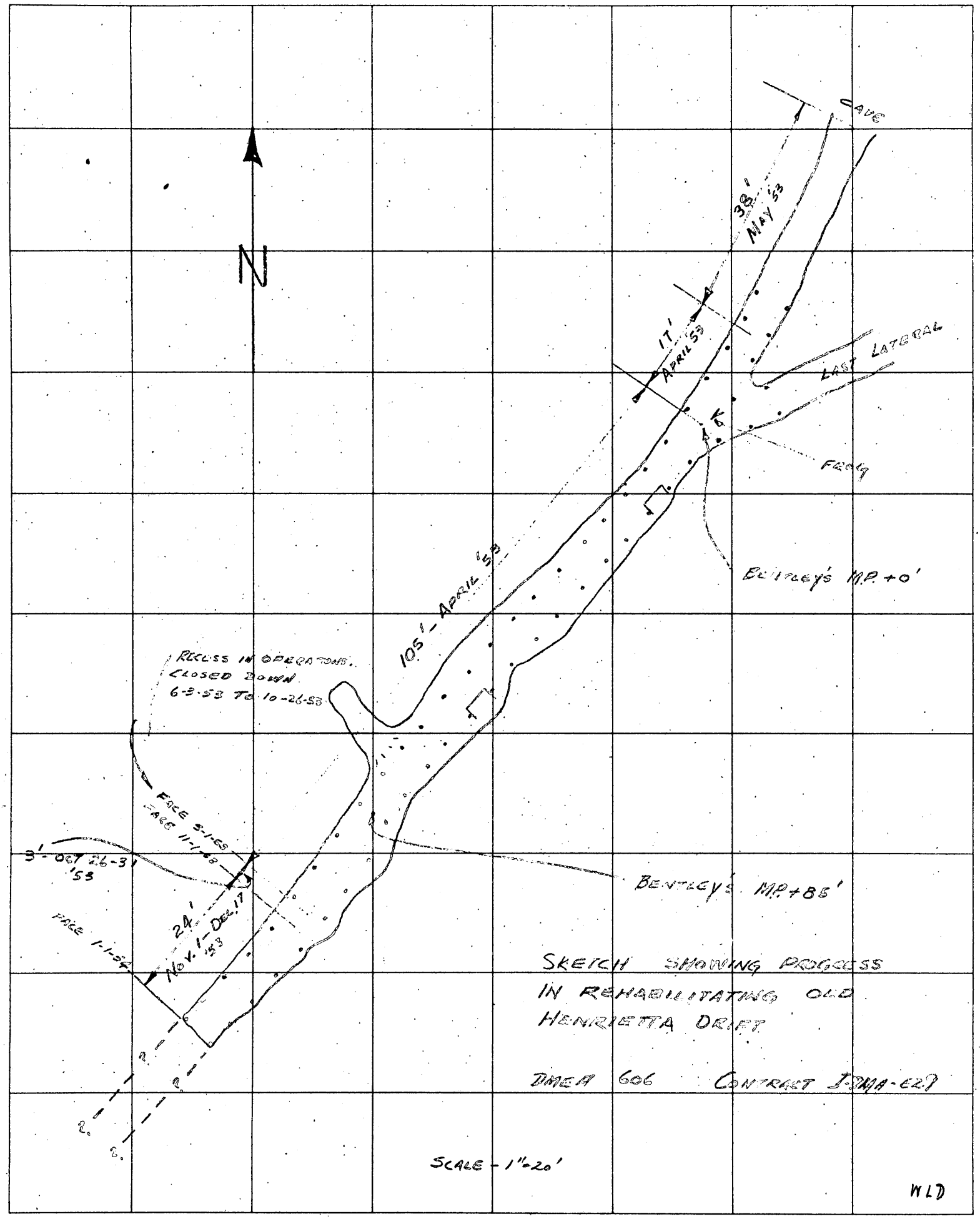
Because actual exploratory work ceased after June 3, 1953, certain costs claimed for the whole of the month are recommended for disallowance. The allowable lamp rental charge for June is therefore reduced from $12.53 to $1.25. The power charge claimed for the period of May 14 to June 13 is reduced by the amount of $55.98, and the power charge claimed for the period of June 14 to June 30, amounting to $59.04, is recommended for disallowance.

Reflecting disallowances totaling $126.30, payment to the operator is recommended as $995.65, which is 50 percent of the approved $1,991.30, contingent on the Region IV on-site audit.

W. L. Dare
Mining Engineer

enclosure

WLD/le
cc 6
E29
Chron


N
CAVE
38' MAY '53
11' APRIL 53
LAST LATERAL
K
FAULT
BENTLEY'S M.P. +0'
105' - APRIL '53
RECESS IN OPERATIONS.
CLOSED DOWN
6-3-53 TO 10-26-53
FACE 5-1-53
FACE 11-1-53
3' - OCT 26-31 '53
BENTLEY'S M.P. +85'
24' NOV. 1 - DEC. 17 '53
FACE 1-1-54
SKETCH SHOWING PROGRESS
IN REHABILITATING OLD
HENRIETTA DRIFT
DMEA 606 CONTRACT I-9MA-627
SCALE - 1" = 20'
WLD

RECEIVED
SEP 26 1955

July 10, 1953

Mr. J. H. Hiatt, Executive Officer
Field Team, Region IV
822 New Customhouse
Denver 2, Colorado

Re: DIA-203

Dear Mr. Hiatt:

During the month of June, 1953, the work at the Henriette #7 Tunnel consisted of 6 feet advance in timbering, to a total of 97 feet timbered in the southwesterly heading, and drilling and blasting large slabs which had sloughed from the sides and back, but no advance was made beyond the previous 106 foot total.

Also #713 Raise was advanced 7 feet to a total of 15, with a cross section of 11 feet by 4 feet, but not timbered.

The work has been hampered while getting in an air line from the Joe and John to permit use of the electric motor driven compressor there, and eliminate use of the diesel engine driven unit used heretofore.

There was no advance in the drift on the Carpriao Ree body, all the work being enlarging at the owners' expense.

Respectfully submitted,

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

AOB:mcf

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SEP 26 1955

August 13, 1953

Mr. D. H. King, Executive Officer
Field Team, Region IV
224 New Customhouse
Denver, Colorado

Re: [illegible]

Dear Mr. King:

During July, 1953 we installed a fire door in the main tunnel near the 67 portal, as per orders from the State Mine Inspector.

The air line from the Joe & John Compressor to the Henrietta portal was completed so that we would have adequate air to sample the workings in the far end of the tunnel where the air has been quite gaseous. These were the only activities except some activity in the Empress Vein.

Respectfully submitted,

U. S. Metals Corporation
Alfred O. Brehmer
Alfred O. Brehmer

RECEIVED
SEP 26 1955

December 28, 1953

W.H. King, Executive Officer
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: DMA - 5 - 29

Dear Mr. King:

Since we are recessing our work in the Henrietta Mine, as of December 28, 1953, we felt that a consolidated report covering the work for the latter part of October, November, and December would be better for your field team as it would only necessitate one inspection by them.

On October 26, 1953, work was resumed in the #7 tunnel level of the Henrietta Mine. Eight man shifts were spent in clearing the track of debris sloughed since June and the work there after was placed on a contract basis as heretofore. An advance of 3 feet to a total of 108 feet was made in cleaning up the old caved drift, and the total timbered is unchanged at 98 feet.

During November and December, 1953, the work consisted of taking up bottom and clearing out caved material from 102 feet to 132 feet, an advance of 26 feet, making a total of 27 feet for the entire period. Timber on the sill was advanced to 131 feet, an advance of 34 feet. Because this advance is being made through an area that was once stopped, it was necessary to timber two floors over the sill set for safety reasons. It has been necessary to proceed with great caution, and carefully trim the back and sides as advance progressed. On the first floor, timber has been placed from 91 feet to 131 feet, an advance of 40 feet. On the second floor timber was placed from 106 feet to 131 feet, an advance of 23 feet.

At the 132 feet point, we are apparently at the end of the old stoped area which has required standing two floors of timber over the drift sets as mentioned above. Because the old stope fill and slaff stands vertically and must be picked out, it is not possible to state definitely, but it appears that only one floor of timber need be placed over the next drift set. Old lagging in the muck pile indicates there is at least one more set of old timber ahead, and there is no means of predicting how much further we must go to reach the face of the old drift, but the old reports of the total length of this drift indicate it is very near.

Respectfully submitted,

U. S. GRAIN CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer, Treasurer

AOB:dh

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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SEP 26 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 5 Docket No. DMEA 606 Contract No. [illegible]
Operator's Name [illegible]
Minerals [illegible]
Address [illegible], Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting	Ft.	None	None	[illegible]15.57	452'	26.00		
Raising	Ft.	None	None	654.57	15'	30.00	(450'	
Shafts								
Winzes	Ft.	None	None		0		(400'	
Drilling: Core								
Churn								
Auger								
[illegible]	Ft.	None	None	[illegible].00	[illegible]	[illegible]	100'	
Trenching								
[illegible]	Ft.	None	None		None		[illegible]	
Roads and Trails		None		[illegible].03				
[illegible]	Ft.	2117.00	[illegible]	[illegible]	2400'		2000'	
TOTAL DISTRIBUTED COSTS		2117.00		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				7720.03				
Initial Rehabilitation and Repairs				[illegible].60				
New Buildings, Improvements, etc.				[illegible].04				
[illegible]		None		304.30				
TOTAL COSTS		2117.00		[illegible]				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date 12-30-55 Operator [illegible]

Per [signature] Title Secretary

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Form MP-104 (Rev.)
(April 1952)

Budget Bu[illegible]-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 26 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 195[illegible] Docket No. DMEA 606 Contract No. [illegible]
Operator's Name U. S. [illegible] Minerals [illegible]
Address 210 Mercantile Bldg., Denver, Colorado
Contract Amount, $ 112,000.34 Government Participation: 50 % Amount, $ 50,010.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:				9/29/55 [illegible]		
[illegible] Camp [illegible]		[illegible]	[illegible]			
Bulldozing [illegible]		[illegible]	[illegible]			
Crosscutting						
[illegible] Exploration [illegible]		[illegible]	[illegible]			
Drilling [illegible]	[illegible]	[illegible]	[illegible]			
(2) Labor and Supervision:						
Labor	[illegible]	[illegible]	[illegible]			
Supervision	[illegible]	[illegible]	[illegible]			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	[illegible]	1070.07	1071.02			
Explosives		[illegible]	[illegible]			
Pipe		[illegible]	[illegible]			
Track		[illegible]	[illegible]			
Power	[illegible]	[illegible]	[illegible]			
Other	[illegible]	[illegible]	[illegible]			
(4) Operating Equipment:						
Rental						
Purchase		7700.00	7700.00			
Depreciation		[illegible]	[illegible]			
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.		[illegible]	[illegible]			
(7) Miscellaneous:						
Repairs to Equipment		1000.04	1000.04			
Sampling and Analysis						
Payroll Taxes	10.00	[illegible]	[illegible]			
Liability Insurance	[illegible]	[illegible]	1307.03			
Colo. [illegible]	[illegible]	670.76	715.10			
Vent Tube		1071.00	1071.00			
(8) Contingencies (specify): Transportation	100.83	[illegible]	[illegible]			
TOTALS	[illegible]	[illegible]	[illegible]			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 12-30-55 *Payee U. S. [illegible] Corporation

Per Neal F. Peterson Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ **NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.**

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ No payment

Signature RRC
(Authorized Certifying Officer)

Date 9-20-55 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. I-DMA-629 in accordance with the terms of the contract.

Signature [illegible] #995.65 Title Mining Engineer Date 1-12-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date SEP 16 1955

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

July 22, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of May 1953, pertaining to DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

W. H. King

W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
RECEIVED
JUL 21 1953

Administrative Audit Difference Statement

Date: July 21, 1953
Payee's
Reference: Progress Report - May, 1953

U. S. Metals Corporation
210 Mercantile Bldg.
15th and Arapahoe
Denver, Colorado
I-DMA-E-29

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $3,592.52

Difference $ 352.37

Amount Approved $3,240.15

The reason for the difference was due to:

Over claim for contract labor on Surprise drift.	104.48
Additional timbering of last lateral not chargeable to contract.	210.80
Excess charge for road construction and maintenance	34.76
Payroll taxes on $34.76	.52
Liability Insurance on $34.76	.67
Unemployment Tax	.94
	$352.37

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

July 17, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado - Operator's Monthly Progress Report, for the period May, 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions:

Independent Contracts		
Surprise drift	$104.48	
Rehabilitation of lateral	210.80	
		$315.28

Road Construction and Maintenance - $37.09. This disallowance is for overcharges as per contract and is to be disallowed from Form MF-104 in the following manner: Labor $34.76, Payroll Taxes $0.52, Liability Insurance $0.87, and Colorado Unemployment Tax $0.94 for the total amount of $37.09. Operator should be informed that these disallowances are for overcharges made to Road Construction and Maintenance.

Remarks:
Date of Report----------June 25, 1953
Date Received in Field Office----------June 26, 1953
Date Received in Region Office----------July 10, 1953
Date Processed for Payment----------July 17, 1953

W. H. King
W. H. King

Enclosures

RDB:es

cc: Sec. to the Oper. Comm. (2), Contract, Chron.,Traver

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
July 9, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-R29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for May 1953

Submitted herewith are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, and required documentation--and the original and six copies of W. L. Dare's memorandum covering inspection of the underground progress and accounts.

Dare verifies the advance of the Henrietta No. 7 tunnel, timbering 62 feet southwest, and of 38 feet of rehabilitation northeast, and other complementary work as reported in the narrative. Also reported was 48-1/2 feet of Surprise drift advance.

Disallowances totaling $352.37 are adequately explained in the inspecting engineer's memorandum and are approved.

The $352.37 subtracted from the $3,592.52 claimed by the contractor leaves $3,240.15. Of this sum, $1,620.07, or 50 percent, is recommended for payment and certified on the MF-104 form, subject to usual Region IV audit.

W. M. Traver

W. M. Traver

enclosures

WMT:ash

cc: 4
R29
DMMA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
July 9, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Bare

Subject: RMA 606, Contract I-RMA-829 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for May 1953

The Henrietta mine was visited by R. D. Berkenkotter and W. L. Bare on June 18, 1953, and underground progress checked with Joe Trudgeon, mine superintendent. The advance as claimed for May 1953 was verified as reported.

On the date of the inspection, the operator had cleaned up about 160 feet of the old Henrietta drift and had timbered about 120 feet of this advance. From the point where the last lateral broke into the old drift, about 105 feet southwest toward the face had been cleaned up. About 55 feet of the old drift has been cleaned up to the northeast. From where the last drift set was put in to the southwest, the old back appears to drop off, and, though it cannot be determined accurately because of the caved muck, this point might represent the face of the old drift. If so, there remains some 33 feet yet to be cleaned up. Where the back stood high, Trudgeon has installed short pony sets over his drift sets instead of cribbing. Again, bad air near the back prohibited cutting any back samples.

About 57 feet southwest of the lateral, Trudgeon has installed a chute and has started a manway preparatory to raising.

On April 28, 1953, the operator requested prior approval for 400 feet of raising to be driven at some point on the Henrietta vein in the lately opened portion of the old drift. His request was complicated when he asked authority to drive a three-compartment raise, which was considered in this office to be a production raise. R. R. McLellan, in his memorandum of May 5, 1953, agreed that an exploration raise was needed and approved the location. He did not agree with the dimensions of the raise and recommended that, if possible, the raising should be negotiated on a short-form basis. Thereby the operator could

put up a production raise and the Government would participate in the estimated unit costs incidental to an exploration-type raise. The operator withdrew his request, but it is reported that he will submit a new request based on a two-compartment raise. In this report, the operator states that the vein was tested for raising at two prior locations, but the vein structure was found to be weak. He reports that all costs incidental to this testing and raising thus far have been borne by the company.

New DMEA advance in the Surprise drift has been claimed and verified as 48.5 feet. Total advance has been claimed as 92.5 feet. The operator states in his narrative that 60 feet of previous advance was made at the expense of the company. Hansen reports that actually the 60 feet of old drift was driven by previous operators, and that DMEA did participate in the cost of cleaning up and enlarging the old drift to permit access by the mucking machine. Hansen further states that DMEA did not participate in the timbering costs in this same 60 feet of drift, because the timbering was required for the installation of ore chutes in preparation for mining.

The operator has widened portions of the new Surprise advance and has put in rounds spaced along the back for the purpose of chute installation. In his narrative, the operator reports that this work was done at the expense of the company. The contract labor sheets confirm this. There is one disallowance in the contract labor charges that will be discussed later in this report. Because the rock stands so very well in the new Surprise advance, there is no need of timbering this advance from an exploration standpoint. Alfred O. Brekmer, treasurer, was called and informed that all timber and labor costs incidental to timbering, when stoping started, should be segregated from DMEA charges and borne by the company.

In all of the ground opened up to date on the Surprise vein, the ore for the most part does not seem to have a definite trend or direction. The ground seems to be badly fractured, and for the most part, the fracturing itself is without definite direction. The ore within the fractured zone occurs in irregular pods and lenses with some dissemination within the fractured wall rock. It is suspected that this ore body is a type of chimney deposit found in that area. The width of the Surprise stope bears this out. The analyses of five samples cut from the back of the Surprise drift at the time of the previous visit, May 22, 1953, are as follows:

Location-distance from fifth chute toward face	Width feet	Ounces per ton Au	Ounces per ton Ag	Percent Cu	Percent Pb	Percent Zn
10	7.5	<0.005	1.4	0.05	2.6	1.8
20	4.1	0.01	3.0	0.16	4.1	0.95
30	5.5	0.005	2.0	0.09	4.9	0.65
40	3.5	<0.005	1.0	0.05	2.1	7.7
50	5.0	<0.005	5.0	0.07	7.3	15.7
	5.1		2.4	.07		

< Less than.

Two additional drift samples were cut at the time of the last visit. Two grab samples were taken from the Surprise stope. When the analyses of the two drift samples are obtained, an estimate of new ore opened up by the Surprise drift will be made.

The operator has claimed contract labor costs in the Surprise drift based on the maximum allowable rate of $15.00 per foot. The contract labor rate actually paid was $12.00 per foot. The total contract labor cost, including that for widening and preparation for raising, were added and the remainder is noted as charged to the company. Based upon the paid contract labor rate and subsequent overtime, as shown on the payroll sheets for the four men advancing the drift 43.5 feet during the period from May 1 to 15, the allowable charge totals $563.02. The allowable charge based upon the paid rate for the 5 feet of advance during the second period is $60.00. This amount does not include overtime, as it is impossible to determine from the available information what overtime was spent on drift advance from other labor charges, as widening the drift, work on the finger raises, et cetera. Total allowable Surprise contract wages total $623.02. A disallowance of $104.48 is made.

Pertaining to the 38 feet of rehabilitation advance in the old Henrietta drift, the operator has charged the project with $380.00 on the basis of the maximum contract labor costs as allowed by the contract. His total costs were $849.70, but the additional costs were borne by the company.

A total of $249.80 was also incurred by the operator and charged to the project for timbering 13 feet of the last lateral at its junction with the old drift. When this lateral was driven, labor was paid for at the rate of $12.00 per foot of advance. Because the RMRA contract allows $15.00 per foot, it is logical to participate in the additional timbering costs in the amount of $3.00 per foot for the 13 feet. Allowing $39.00 for the timbering, a disallowance of $210.80 is made.

The operator has exceeded the allocation of $3,226.74, for road construction and maintenance, by the amount of $37.09. The amount of $128.45 has been charged this month, as shown on form MF-104A, to this operation. As noted on the payroll sheets, $98.16 of this amount is labor and is included in item (2), Labor, MF-104. The remainder consists of $23.70 for caterpillar and equipment repairs, under item (7), Repairs to Equipment, and $6.59, under item (7), State compensation, unemployment tax, and social security. In order to simplify the disallowance, it is recommended that $34.76 be disallowed from labor, $0.52 from social security, $0.94 unemployment tax, and $0.87 from State compensation, or a total of $37.09.

A small amount is charged for demurrage on oxygen tanks, but exception is not taken at this time until an audit is made.

Recapitulation of Disallowances

Item (1), Independent contracts	
Surprise drift	$ 104.48
Rehabilitation lateral	210.80
Item (2), Labor and supervision	
Labor	34.76*
Item (7), Miscellaneous	
Payroll taxes	0.52*
Liability insurance	0.87*
Colorado unemployment tax	0.94*
	$ 352.37

*To keep the operator adequately informed, it should be pointed out to him that the last four items are for the overcharge on road construction and maintenance.

Brehmer, treasurer for the company, has been making a conscientious effort to break down and prorate labor and other costs between DMEA and the company charges.

Payment to the operator is recommended as $1,620.07, which is 50 percent of the $3,592.52 claimed, minus the disallowance of $352.37.

W. L. Dare

W. L. Dare

WLD:amh
cc: 6
R29
DMEA Chron.

June 24, 1953

Mr. W. H. King, Executive Officer
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: D A-229

Dear Mr. King:

During May, 1953, the work on the Henrietta #7 Tunnel level consisted of the following items. The main drift was timbered in both directions from the starting point, as a necessary safety measure. In a southwesterly direction, the timber was advanced 62 feet, to a total of 91 feet, and in addition, a 7 foot advance was made on the first floor over the sill timber to catch and support the back of the drift where the height of the old work required it. There was no advance in the clearing of the old caved debris in this direction, so the total remains 105 feet for this portion of the work.

In a northeasterly direction, an advance of 38 feet was made in taking up bottom and clearing debris, to total 55 feet. An advance of 25 feet was made in timbering in this direction, for a total of 25 feet timbered.

An additional 13 feet advance was timbered in the lateral at the point where it holed into the drift, as this area was continually sloughing and required support.

Two pilot raises were driven above the drift to determine the best position for a ventilation and exploration raise. The first, numbered 712 Raise, was driven 15 feet to a total of 15 feet, and abandoned because the vein structure was weak at this point. The second numbered 717 Raise, was driven 6-1/2 feet to a total of 6-1/2 feet and abandoned for the same reason. Both of these raises were driven about 5 feet in circular section. From the information obtained in these two pilot raises, a third raise, numbered 718 Raise, was located in a stronger portion of the vein, and driven 8 feet to total 8 feet, with a section of 5 x 11 feet, with the intention of carrying it on with one chute and a manway. This work was done at the expense of the company.

In the Surprise ore body, the drift was advanced 48-1/2 feet to a total of 152-1/2 feet, of which 60 feet

of this total was previously made at the company's expense. In addition, "finger" raises were driven in the back and enlarging carried on along the sides to explore the extent of the ore and determine the boundaries of the ore body. The "finger" raises and the enlarging of this area was done at the expense of the owner.

After comparing the work performed, that is considered exploration and development, to the amount considered production, in the Henrietta tunnel, we find that the percentages used previously in breaking down the operation costs are still effective. Therefore, we are still dividing the costs 50-50 in the Henrietta Mine and all other costs, such as transportation, road work, etc., will be divided in thirds. Also, the Superintendent's salary will be divided equally between the Hercules, Henrietta, and Surprise operations.

Respectfully submitted,

U.S. METALS CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

WWB:AOB:mcf

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 24 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name U.S. Metals Corporation Minerals Lead and Zinc
Address [illegible] Denver, Colorado
Contract Amount, $[illegible] Government Participation: 50 % Amount, $[illegible].17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	707.00	[illegible]	[illegible]	623.02	300.00	923.02
Bulldozing	[illegible]	[illegible]	[illegible]			
Crosscutting						
Drifting	[illegible]	[illegible]	[illegible]	39.00	3,812.08	3,851.08
Diamond Drilling	[illegible]	[illegible]	[illegible]			
(2) Labor and Supervision:						
Labor	[illegible]	21464.70	21700.10	228.72	21,444.70	21,673.42
Supervision	500.00	[illegible]	[illegible]			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	[illegible]	1160.00	1670.07			
Explosives	172.07	[illegible]	[illegible]			
Pipe		1191.42	1191.42			
Track		[illegible]	[illegible]			
Power	199.10	[illegible]	1199.06			
Other	[illegible]	[illegible]	[illegible]			
(4) Operating Equipment:						
Rental						
Purchase		7700.00	7700.00			
Depreciation						
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.		[illegible]	[illegible]			
(7) Miscellaneous:						
Repairs to Equipment	[illegible]	[illegible]	[illegible]			
Sampling and Analysis						
Payroll Taxes	31.01	[illegible]	[illegible]	31.29	836.95	868.24
Liability Insurance	[illegible]	1116.10	1100.30	52.36	1,116.15	1,168.51
Colo. Unempl. Ins.	97.30	[illegible]	[illegible]	56.32	622.42	678.74
Cont. Labor		1071.00	1071.00			
(8) Contingencies (specify): Transportation		[illegible]	[illegible]			
TOTALS	[illegible]	[illegible]	[illegible]	3,240.15	80,079.71	83,319.86

I certify that the above bill is correct and just and that payment therefor has not been received.

Date [illegible] Payee U.S. Metals Corporation

Per [signature] Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$620.08

Signature [signature] (Authorized Certifying Officer)

Date 7/21/53 Voucher 54-9

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 7-DMA-629 in accordance with the terms of the contract.

Signature M. Dare #1620.07 WMT Title Mining Engineer Date 7-6-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R. D.B.

Signature W. H. King Title Executive Officer Date JUL 17 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Bureau of Mines
Lease Unit
Received
JUL 21 1953

Month of May 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name U.S. Metals Corporation Minerals Lead & Zinc
Address 210 Hernandez Bldg., Denver, Colorado

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting	ft.	[illegible]	None	12019.57	402'	[illegible]		
Raising	ft.		None	634.57	16'	[illegible]	(400'	
Shafts								
Winzes	ft.		None		None		(400'	
Drilling: Core								
Churn								
Auger								
Stripping	cu.	1871.00	[illegible]	[illegible]	[illegible]	[illegible]	100'	
Trenching								
Test Pits	ft.				None		200'	
Roads and Trails		120.00		[illegible]				
Tunnel Lateral	ft.	1268.00	[illegible]	[illegible]	-1400'	[illegible]	1000'	
Total Distributed Costs		[illegible]		[illegible]				Total Costs Authorized by Contract
Operating Equipment Purchased				7700.03				
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				[illegible]				
Power Line				314.00				
Total Costs		[illegible]		[illegible]				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date June 25, 1953 Operator U.S. Metals Corporation

Per [signature] Title Secretary

Remarks:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

June 22, 1953

~~Gwendolyn~~
Betty

Memorandum

To: Secretary, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104 - DMEA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation, San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF -104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of April 1953 pertaining to DMEA Docket 606, Contract Idm-E 29, U. S. Metals Corporation, San Juan County, Colorado.

W. H. King

Enclosure

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: [illegible]
Payee's
Reference: [illegible]
[illegible]

[illegible] Corporation
210 Mercantile Bldg.
1520 [illegible]
Denver 2, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ [illegible]

Difference $ [illegible]

Amount Approved $ [illegible]

The reason for the difference was due to:

Lamp rental claimed	16.11	
Contract 7 Lamps @ 1.70	12.70	3.33
Transportation:		
Batteries Duplicate chg.	5.36	
	9.17	
	5.36	19.89
Tractor Repairs		7.62
Single Bros. disallowed pending clarification of which tractor is involved.		[illegible]

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

June 11, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 606, Contract I-DMA-R29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado. Operator's Monthly Progress Report for the period April 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Operating Material and Supplies- Other (Lamp Rental)		$3.33
Miscellaneous - Repairs to Equipment		7.62
Contingencies - Transportation		
1/3 1 17 KL Battery, April 1953	$5.36	
1/3 2 at $9.17; 1 at $5.36, March 1953	14.53	19.89
Total Disallowances		$30.84

Labor charges, though not based on method of payment as outlined in the contract are considered allowable as they do not exceed the allowable charge set forth in the contract.

Allowable Labor Charges During April 1953

Rehabilitation - $10.00/ft. Maximum
New Advance - $15.00/ft. Maximum

5 ft. Lateral Advance at $15.00/ft.	$ 75.00
20 ft. Drift on Surprise Vein at $15.00/ft.	300.00
122 ft. Henrietta Drift Rehabilitation at $10.00/ft.	1220.00
Total Allowable Labor	1595.00
Total Labor Claimed	1479.72

Remarks:

Date of Report	May 15, 1953.
Date Received in Field Office	May 15, 1953.
Date Received in Region Office	June 3, 1953.
Date Processed for Payment	June 11, 1953.

W. H. King

W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
June 1, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 606, Contract - I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for April 1953

Please find enclosed the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative and supporting documentation--and the original and six copies of W. L. Dare's memorandum covering inspection of the underground progress and accounts.

The inspecting engineer verifies the April progress of 5 feet of lateral advance, 20 feet of drift on the Surprise vein, and 122 feet of Henrietta drift rehabilitation, as reported in the narrative and entered on the MF-104A form.

Documentation and entries on the reporting forms and distribution between exploration and production are considered correct within our authority to verify with the following exceptions:

Disallowances

Item 3, Operating Materials and Supplies:		
Other (Lamp rental)		$3.33
Item 7, Miscellaneous:		
Repairs to equipment		7.62
Item 8, Contingencies:		
Transportation		
1/3-1-17KL Battery		
April 1953	$5.36	
1/3-2 at $9.17		
1 at $5.36		
March 1953	$14.53	19.89
		$30.84

The disallowances are adequately explained in the engineer's memorandum.

The deductions of $30.84 from the total claimed by this contractor, $3,057.35, leaves a balance of $3,026.51. Of this sum, 50 percent or $1,513.25 is approved for payment and certified on the MP-104 form, subject to usual Region IV audit.

W. M. Traver

W. M. Traver

Enclosures

WMT/pm

cc A
R29
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
June 1, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Dare

Subject: DMA 606, Contract - I-DMA-329 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for April 1953

The Henrietta mine was visited by W. L. Dare and R. D. Berhenhotter on May 22, 1953. Underground advance was checked with Joe Trudgeon, mine superintendent, and verified correct as reported.

At the time of the visit, the operator had cleaned up about 155 feet of the old Henrietta drift and had about 75 feet of the drift timbered. From the point where the last lateral broke into the caved drift, 102 feet of advance was made southwest toward the face of the old drift, and 53 feet has been cleaned up to the northeast. The condition of the back and air did not warrant climbing over the caved muck to determine the location of the face. The height of the back in the untimbered portion of the drift stands as much as 18 feet above the track with the caved material standing some 12 to 14 feet high. The operator will keep the timber as close as possible to the caved material when advancing, for they have experienced the back sloughing after clean up.

Chalcopyrite was noted in the back and in the muck pile, but, because of the height and weak condition of the back, no samples were cut. In the caved muck there is evidence of ore chutes installed by previous operators preparatory to mining; however, they evidently abandoned the mine before actual stoping operations were started.

Total advance under the DMA contract in the Surprise drift was 80 feet as of the date of the inspection. The day before the inspection, the crew had pulled rounds spaced along the back for the installation of ore chutes. Five samples were cut from the back in the Surprise drift.

The operator claims rental on seven electric mine lamps amounting to $16.11. The allowable charge for seven lamps, including tax, based on the unit rental charge as shown on the invoice is $12.78. A disallowance of $3.33 is therefore made.

In March the operator claimed one-third the cost of three batteries. These three batteries were assumed to be for the two jeeps and the command car listed in the contract. Their total cost was split between the Henrietta exploration program, Surprise steps, and Hercules mine. This month the operator shows five batteries purchased and again charges one-third to the exploration program. Brehmer, the company treasurer and accountant, reported that the two 21 XH batteries charged this month are for the Allis-Chalmers tractor in which the Government participated in initial repair costs. He also reported that the one 13 F battery was for either of the two jeeps listed in the contract. The purchase of new batteries is a maintenance cost and considered allowable. However, if we allow the charge for the above three batteries, it means that there are four batteries for only the additional jeep and command car.

It is known that the company owns still another jeep and a pick-up, but because these vehicles are not listed in the contract, it is recommended that the one 17 XL battery claimed in this report and the charge claimed for the three batteries in March be disallowed from this report. When this matter is adjusted satisfactorily, the operator can reclaim costs that are allowable.

Two items on the Bingle Brothers Shop invoice are also in question. The tickets dated February 11 and 16, 1953, are incidental to tractor repairs, but it is not known which tractor these costs are chargeable to. As only the Allis-Chalmers tractor is listed in the contract, and it is not believed this tractor is the one repaired, it is recommended that the one-third of the $22.86, or $7.62, be disallowed, pending reclaim if later established to be allowable.

The operator claims charges for certain items billed by Arnett and Company and paid for by credit on the sale of a tractor to the vendor. Brehmer reported that this was a tractor which was not used on the project, nor which the Government had participated in any maintenance or operational costs. The vendor lists supplies and timber on invoices in the same manner as he would in a cash or charge purchase. This manner of purchase is believed allowable as claimed.

It is not understood how the operator arrives at the maximum allowable contract labor unit advance cost for drifting in the Surprise drift by adding both days pay and bonus pay.

Recommended disallowances of charges claimed on this report:

Item 3, Other (Lamp rental)	$3.33
Item 7, Equipment repairs	7.62
Item 8, Transportation (1 17 XL battery April) (2 = $9.17 + 1 = $5.36)	5.36

Item 8, Transportation (3 batteries March)	$14.53
Total	$30.84

Payment is recommended at $1,513.25, which is 50 percent of the $3,057.35 claimed minus the disallowance of $30.84.

W. L. Dare

WLD/pm

cc: 6
E29
DMA Chron.

May 8, 1953.

Mr. W. H. King
Executive Officer
Field Team, Region IV
224 New Customhouse
Denver, Colorado

Re: DMA #E29

Dear Mr. King:

During April, 1953, the work performed at the Henrietta # 7 Tunnel included 5 feet advance in solid in the lateral, to a total of 113 feet, at which point the lateral holed through into an open segment of the main drift on the Henrietta vein.

From the point of holing, 105 feet of the Henrietta drift was re-opened in a southwesterly direction, and 17 feet northeasterly, or a total of 122 feet. This work included taking up 18 inches of solid in the bottom of the old drift, as it had been driven at a steeper grade than current work in the laterals. The old work had been timbered, and an attempt was made to continue the clean up of the old workings, without timber. Bad slabs on the walls required timber, so advance was halted and timbering started. A total of 29 feet of the advance was timbered during April.

During April the Surprise drift was advanced 20 feet to a total of 104 feet. Sixty feet of this drift previously was made at the company's expense.

Respectfully submitted,

U. S. METALS CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

AOB:rd

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1953 Docket No. DMEA 606 Contract No. DMA-E20

Operator's Name U. S. Metals Corporation Minerals Lead & Zinc

Address 210 Mercantile Bldg.

Contract Amount, $ 113,638.34 Government Participation: 50 % Amount, $ 56,819.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing XXXXSurp.-Drift	300.00		300.00			
Crosscutting XXXX Raise		231.38	231.38			
Drifting XXXX Rehab. Lateral		3836.08	3836.08			
Drifting Rehab.	1179.72	4989.12	6168.84			
(2) Labor and Supervision:						
Labor	816.71	20627.99	21444.70			
Supervision	166.66	5858.32	6024.98			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	81.68	1068.12	1149.80			
Explosives	85.53	635.09	720.62			
Pipe	29.96	4121.46	4151.42			
Track		3325.15	3325.15			
Power	152.74	853.11	1005.85			
Other	43.75	5426.02	5469.77	40.42	5,426.02	5,466.44
(4) Operating Equipment:						
Rental						
Purchase		7766.99	7766.99			
Depreciation						
(5) Initial Rehabilitation and Repairs		5655.48	5655.48			
(6) New Bldgs., Improvements, etc.		3707.22	3707.22			
(7) Miscellaneous:						
Repairs to Equipment	26.66	1001.33	1027.99	19.04	1,001.33	1,020.37
Sampling and Analysis						
Payroll Taxes	36.95	800.54	837.49			
Liability Insurance	61.82	1055.23	1117.05			
Colo. Unemploy-Tax	66.50	556.89	623.39			
Vent Tube		1971.86	1971.86			
(8) Contingencies (specify):						
Transportation	6.67	2806.25	2812.92			
				3,046.40	77,091.61	80,138.01
					*- 38.41	*- 38.41
TOTALS	3057.38	77091.61	80148.96	**- 19.89		**- 19.89

I certify that the above bill is correct and just and that payment therefor has not been received.

Date May 15, 53 *Payee U. S. Metals Corporation

Per Walter A. Falk Title Chairman

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

3,026.51 77,053.20 80,079.71

$ 1573.25

Signature (Authorized Certifying Officer)

Date 6/17/53 Vou. No. DMA 53-147

(See other side)

** Deductions due to various discrepancies in invoices herewith

* Previous deductions

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. I-DMA-E29 in accordance with the terms of the contract.

Signature [illegible] #1513.25 Title Mining Engineer Date 5/27/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date JUN 11 1953

MONTHLY REPORT OF OPERATOR

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(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

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Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 3 Docket No. DMEA 606 Contract No. IDMA-529

Operator's Name U. S. Metals Corp. Minerals Lead & Zinc

Address 210 Mercantile Bldg., Denver, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting and Lateral Drifting	ft.	64.63	5'	11722.62	452'			15.00
Crosscutting				847.37	16'		(400'	15.00
Raising							(	
Shafts					None		(400'	15.00
Winzes								
Drilling: Core								
Churn								
Auger	ft.	394.10	20'	1204.20	44'		100'	35.00
xxxxx Drifting Surprise								
Stripping								
Trenching	ft.				None		500'	10.00
xxxxx Rehab. Raise								
Test Pits		101.27		3135.33				
Roads and Trails	ft.	2437.29	122'	46309.70	1335'		1600'	10.00
Tunnel Rehab.								
TOTAL DISTRIBUTED COSTS		3057.35		63019.27				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				7766.00				
Initial Rehabilitation and Repairs				5655.48				
New Buildings, Improvements, etc.				3322.64				
New Facilities (Pwr. Line)				534.50				
TOTAL COSTS		3057.35		80149.96				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date May 15, 1953 Operator U. S. Metals Corp.

Per Walter A. Falk Title Chairman

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Unswold
Betty

224 New Customhouse
Denver 2, Colorado

June 3, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of February 1953, pertaining to DMA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

May 26, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado-Operator's Supplemental Monthly Progress Report, for the period February 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Operator's Statement, and Engineer's Report relative to the reclaim of amounts previously disallowed.

Payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Reclaim of disallowed portion of power bill is justifiable.

Remarks:

Date of Report----------May 8, 1953
Date Received in Field Office----------May 12, 1953
Date Received in Region Office----------May 13, 1953
Date Processed for Payment----------May 26, 1953

W. H. King

W. H. King

Enclosures

RDB:es
cc: Contract
Sec. to the Oper. Comm. (2)
Chron.
Traver

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 13, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: BMA 606, Contract I-BMA-829 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Supplemental reclaim report for February 1953

Submitted herewith are the original and four copies of the above supplemental reclaim--forms MF-104 and MF-104A, with letter of transmittal and one copy each of the "Administrative Audit Difference Statement" and certified copy of power invoice carrying a justification--and the original and six copies of W. L. Dare's memorandum covering the reclaim.

The reclaim is considered justified and payment is approved and certified on the MF-104 form of $61.59, or 50 percent of the total $123.19 reclaimed.

W. M. Traver

W. M. Traver

enclosures

WMT/amh

cc: 4
829
BMA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 13, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Bare

Subject: RMA 606, Contract I-RMA-289 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Supplemental reclaim report for February 1953

Alfred O. Krehmer, Treasurer, U. S. Metals Corporation, has submitted a supplemental report reclaiming the power charge disallowed from the February progress report.

On the power invoice, Krehmer has made note that the abnormal power charge was due to 24-hour operation of the ventilation fans in order to keep bad air coming from the old workings diluted.

Payment to the operator is recommended as $61.59, which is 50 percent of the $123.19 reported.

W. L. Bare
Mining Engineer

WLB/mh

cc: 6
289
RMA Chron.

May 8, 1953

Mr. W. H. King
Executive Officer
Field Team, Region IV
224 New Customhouse
Denver, Colorado

Re: IDMA-E29

Dear Mr. King:

We are submitting a supplemental report covering the deletion on power in our February progress report as per Mr. Dare's request.

The April report will be prepared this coming week.

Respectfully submitted,

U.S. METALS CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

AOB:mcf

Encl.

Form ME-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

JUN 8 1953

Supplemental Report

Month of February, 1953 Docket No. DMEA 626 Contract No. [illegible]

Operator's Name U. S. Metals Corp. Minerals Lead & Zinc

Address 810 Mercantile Bldg., Denver, Colorado

Contract Amount, $112,635.24 Government Participation: 50 % Amount, $56,010.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		[illegible]	[illegible]			
Bulldozing						
Crosscutting						
Drifting		[illegible]	[illegible]			
Drifting		[illegible]	[illegible]			
(2) Labor and Supervision:						
Labor		[illegible]	[illegible]			
Supervision		[illegible]	[illegible]			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		[illegible]	[illegible]			
Explosives		[illegible]	[illegible]			
Pipe		[illegible]	[illegible]			
Track		[illegible]	[illegible]			
Power	[illegible]	[illegible]	[illegible]			
Other		[illegible]	[illegible]			
(4) Operating Equipment:						
Rental						
Purchase		[illegible]	[illegible]			
Depreciation						
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.		[illegible]	[illegible]			
(7) Miscellaneous:						
Repairs to Equipment		[illegible]	[illegible]			
Sampling and Analysis		[illegible]	[illegible]			
Payroll Taxes		[illegible]	[illegible]			
Liability Insurance		[illegible]	[illegible]			
Colo. Unemployment Ins.		[illegible]	[illegible]			
Cont. Fees		1071.06	1071.06			
(8) Contingencies (specify): Transportation		[illegible]	[illegible]			
TOTALS	[illegible]	[illegible]	[illegible]	123.19	76,968.42	77,091.61
					*- 38.41	*- 38.41
				123.19	76,930.01	77,053.20

Wpy June 15, 53

I certify that the above bill is correct and just and that payment therefor has not been received.

Date May 8 *Payee U. S. Metals Corp.

Per Walter A. Falk Title Chairman

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$61.59

Signature [illegible]
(Authorized Certifying Officer)

Date 6/1/53 Vou. No. DMN 53-140

(See other side)

* Previous Disallowance

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. I-DMA-689 in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date 5-12-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.B.B.

Signature W. H. King Title Executive Officer Date MAY 26 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Supplemental Report

Month of February 1953 Docket No. DMEA 606 Contract No. [illegible]

Operator's Name U. S. Metals Corp. Minerals Lead and Zinc

Address 210 Mercantile Bldg., Denver, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting & Lateral Drifting	Ft.			11,657.99	447'	26.08		15.00
Crosscutting				647.37	18'	40.46	(400'	15.00
Raising								
Shafts							(400'	40.00
Winzes					None			
Drilling: Core								
Churn								
Auger								
Stripping Surprise				810.04	24'	33.75	100'	35.00
Trenching								
Test Rehab. Raise					None		500'	10.00
Roads and Trails				3034.11				
Tunnel Rehab.		123.19		13312.41	1163'	34.07	1600'	10.00
TOTAL DISTRIBUTED COSTS		123.19		50061.92				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				7768.99				
Initial Rehabilitation and Repairs				5655.43				
New Buildings, Improvements, etc. New Facilities (Mr. Zinc)				3525.64				
TOTAL COSTS		123.19		77091.21				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date May 8, 1953 Operator U. S. Metals Corp.

Per Walter A. Falk Title Chairman

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Greenwald
Betty

224 New Customhouse
Denver 2, Colorado

May 26, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of March 1953, pertaining to DMEA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

W. H. King
W. H. King

Enclosures

Date May 18, 1953
Reference Progress Report
March, 1953

U. S. Metals Corporation
205-16 Mercantile Bldg.,
Denver, Colorado
I-MMA-B29

[illegible] Reference a difference [illegible] [illegible] per account according to

Above Amount	$ 3450.61
Difference	$ 38.41
Amount Approved	$ 3412.20

[illegible]

Excessive cost of raising 4 feet at $18.00 Contract rate being $15.00 (4 x 3 = $12.00)	$12.00	
Tract repair disallowed as not in contract $1.00 per foot for 24 feet	24.00	$36.00
Social Security tax on $35.00		.54
Colorado Unemployment tax on above		.97
Compensation Insurance Fund on above		.90
		$38.41

[illegible]

[illegible]

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 606, Contract I-DMA-K29 (Lead-Zinc), W. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado. Operator's Monthly Progress Report for the period March 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Raising specified at $15.00 per foot instead of the $18.00 claimed by the Operator. Disallowance of 4 feet at $3.00 per foot or $12.00 is requested. Also disallowed is the claim for 24 feet of track repair at $1.00 per foot or $24.00. These rates are not specified in the contract. Payroll taxes pertaining to this $36.00 are also disallowed.

Remarks:

Date of Report	April 17, 1953.
Date Received in Field Office	April 20, 1953.
Date Received in Region Office	May 7, 1953.
Date Processed for Payment	May 14, 1953.

W. H. King
W. H. King

Enclosures

RDB:cwm

cc: Secretary to the Oper. Comm. (2)
Contract
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 5, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 606, Contract - I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for March 1953

Please find enclosed the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative and supporting documentation--and the original and six copies of W. L. Dere's memorandum covering inspection of the underground progress and accounts.

The 4 feet raising advance and 108 feet of footwall lateral extension reported in the narrative and entered on the MF-104A form were verified.

Entries on the reporting forms and documentation are correct within our delegated authority to verify, except:

Item 1. Independent contracts: The operator claims $18.00 per foot for raise advance, whereas the contract allows a maximum of $15.00 per foot. Therefore, $12.00, or $3.00 per foot for 4 feet, is disallowed.

The contractor has been notified that the $123.19 disallowed from the February account for power is considered justified and subject to reclaim. Your attention is called by the inspecting engineer to the fact that on the Administrative Audit Difference Statement with the February account the allowable maximums per foot for raising and drifting are reversed under reason for difference.

The total claimed for March, $3,450.61, less $12.00 disallowed leaves $3,438.61. Of this amount $1,719.30, or 75 percent, is approved for payment and certified on the MF-104 form, subject to the usual Region IV audit.

W. M. Traver

W. M. Traver

enclosures
WMT/eb
cc: 4, E29, DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 5, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Dare

Subject: DMEA 606, Contract I-DMA-E29 (Lead-mine), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for March 1953

The Henrietta mine was visited by R. R. McLellan and W. L. Dare on April 23, 1953, and underground progress was checked with Joe Tredgeon, mine superintendent. March advance is shown as 4 feet of raise and 108 feet of lateral accomplished in the footwall of the Henrietta vein. This advance was verified by inspection.

As noted in the operator's narrative, this last lateral broke into the old drift in the first part of April. At the time of the visit about 60 feet of the old drift had been cleaned up. The back of the old drift has sloughed considerably with caved material standing some 10 to 12 feet high. The height of the back is in some places about 16 feet. This necessitates excessive mucking and tramming and will require carrying timber up to the back to eliminate future trouble.

In March the operator paid contract labor $18.00 per foot of advance in the raise. Inasmuch as the contract stipulates a maximum of $15.00 per foot, a disallowance of $12.00 for the 4 feet of advance is necessary.

When the February report was processed it was thought that the February power charge was abnormally high. The charge was about double the average charge of previous months. Consequently, it was recommended that the power charge be disallowed until such time as a satisfactory reason was submitted by the operator as to why it should be increased. The March charge is now considerably higher than the February charge. The total power charge billed the company is $315.73 and this charge again is divided equally between the exploration project and the production operation in the Surprise stope. But on this month's invoice the operator has penciled in an explanation to the effect that the increase is due to the 24-hour operation of the ventilation fans to keep mine gas coming from the old working diluted. A check was made of the power hookup of the company and it was found satisfactory.

In the explanation tabulating disallowances on the Audit Difference Statement attached to the February report the allowable contract labor maximums were listed in reverse.

Payment is recommended of $1,719.30, which is 50 percent of the $3,450.61 claimed minus the $12.00 disallowance, subject to arithmetical check of labor rates and computations.

W. L. Dare

W. L. Dare

WLD/cb

cc: 6
E29
DMEA Chron.

April 17, 1953

Mr. W. H. King, Executive Officer
Field Team, Region IV
224 New Customhouse
Denver, Colorado

Re: DMA #E29

Dear Mr. King:

During March 1953, work in the Henrietta No. 7 Tunnel consisted of advancing the exploration raise 4 feet to a total of 16 feet. At this point, it encountered the Henrietta Vein. The average of two samples are: Au 0.08 oz., Ag 10.2 oz., Cu 3.38%, Pb 0.3%, Zn 0.2%. This raise was driven on an incline, with a small circular section, approximately 5 feet in diameter, without timber except for the sill timbers and first floor to allow for a bulkhead and chute mouth. It has since been enlarged to standard 13 by 7 foot section and timbered, and advanced on the vein, at the owner's expense.

The Lateral was started again from a point approximately 15 feet from the Henrietta Vein, and advanced 108 feet, for a total of 108 feet for this portion of the lateral. While it does not properly belong in this month's report, we are sure you will be pleased to learn that the next round in April holed through to a segment of the old drift which was in a condition which will allow it to be cleaned up, at much less cost, for a considerable distance.

The only work in the Surprise was stoping at the owner's expense.

Work was begun on extending the air line from the Joe and John compressor building to the Henrietta portal, to reduce cost of compressed air by using the electrically driven compressor at the Joe and John instead of the present Diesel equipment at the Henrietta.

Respectfully submitted,

Alfred O. Brehmer

Alfred O. Brehmer

AOB:WB:mcf

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 195 3 Docket No. DMEA Contract No. 1DMA-320
Operator's Name U.S. Metals Corporation Minerals Lead and Zinc
Address 230 Mercantile Bldg., Denver, Colo.
Contract Amount, $ 113,550.34 Government Participation: 50 % Amount, $ 56,810.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing Raise	72.00	160.38	231.38	60.00	159.38	219.38
Crosscutting						
Drifting Rehab. Lateral	840.16	3095.92	3936.08			
Drifting Rehab.		4089.12	4089.12			
(2) Labor and Supervision:						
Labor	1468.32	19135.67	20603.99	1468.32	19135.67	20603.99
Supervision	106.66	5531.66	5638.32			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	16.06	1061.29	1060.13			
Explosives	149.71	485.33	635.04			
Pipe		4121.46	4121.46			
Track		3325.13	3325.13			
Power	157.06	572.06	729.92			
Other	223.01	5203.01	5426.02			
(4) Operating Equipment:						
Rental						
Purchase		7756.99	7756.99			
Depreciation						
(5) Initial Rehabilitation and Repairs		3685.46	3685.46			
(6) New Bldgs., Improvements, etc.		3797.22	3797.22			
(7) Miscellaneous:						
Repairs to Equipment	21.45	1779.90	1801.35			
Sampling and Analysis	38.57	761.97	800.54	38.03	761.97	800.00
Payroll Taxes	66.84	988.25	1055.09	63.57	990.69	1054.26
Liability Insurance	68.42	487.47	556.89	68.52	487.47	555.99
Colo. Unemployment Tax						
Vent Tube		1071.06	1071.06			
(8) Contingencies (specify): Transportation	138.10	2666.18	2804.28			
TOTALS	3450.61	73517.81	76,968.42		73517.81	

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Apr.17,1953 Payee U. S. Metals Corporation
Per Walter A. Falk Title Chairman

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
3412.20 73517.81 76930.01
$ 1706.10
Signature
(Authorized Certifying Officer)
Date 5/19/53 Vou. No. DMA 53-137
(See other side)

UPD June 5

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. I-DMA-E29 in accordance with the terms of the contract.

Signature [illegible] $1719.30 Title Mining Engineer Date 4-29-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date MAY 14 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
Crosscutting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Raising								
Shafts							[illegible]	[illegible]
Winzes								
Drilling: Core								
Churn								
[illegible] Auger	[illegible]	None	None	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stripping								
Trenching								
Test Pits	[illegible]						[illegible]	[illegible]
Roads and Trails		[illegible]		[illegible]				
Tunnel Rehab			None	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				[illegible]				
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				[illegible]				
[illegible]				[illegible]				
TOTAL COSTS		[illegible]		[illegible]				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Sep. 17, 1953 Operator [illegible]

Per Walter A. Hale Title Chairman

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

~~Original~~
Betty

224 New Customhouse
Denver 2, Colorado

April 10, 1953.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of February 1953, pertaining to DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

W. H. King

W. H. King

Enclosures

[illegible]

[illegible]

Administrative Audit [illegible] Section

Date April 3, 1953
Payee
Reference Progress Report - February, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

U. S. Metals Corporation
210 Mercantile Building
Denver 2, Colorado
I-MIA-D-29

Upon examination of the above Progress Report reference a difference in the amount which ought to have been charged for power account according to

Amount Billed	$2,257.46
Difference	$ 754.09
Amount Approved	$1,503.37

The reason for the difference is as follows

Allowable maximum per foot for raising is $10.00
" " " " " drifting is 15.00

Excess charged for raising	$469.02
" " " rehabilitation	161.88
Excessive amount charged for power during February	123.19
	$754.09

Any reclaim for overpayment made above must be supported by [illegible] Chairman of this Board

Very sincerely yours,

N. E. Stokes
Audit Section

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

April 1, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 606, Contract I-DMA-829 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado. Operator's Monthly Progress Report for the period February 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions as recommended by the inspecting engineer.

Raising	$469.02
Drift Rehabilitation	161.88
Due to incorrect computations. Rates specified as $15.00 per foot for Raising and $10.00 per foot for Drift Rehabilitation.	
Power	123.19
Pending clarification of the excessive amount charged this month in contract with previous periods.	

Remarks:

Date of Report	March 12, 1953.
Date Received in Field Office	March 16, 1953.
Date Received in Region Office	March 30, 1953.
Date Processed for Payment	March 31, 1953.

W. H. King
W. H. King

Enclosures

RDB:cwm
cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 27, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for February 1953

Please find enclosed the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative and required documentation--and the original and six copies of W. L. Dare's memorandum covering inspection of the underground progress and accounts.

The 15 feet rehabilitation of the No. 7 tunnel and 12 feet of raising from the lateral are correctly reported in the narrative and verified by the inspector.

Entries on the reporting forms and documentation are in order within our delegated authority, except:

Item 1. Contracts: The inspecting engineer disallows $469.02 for raising and $161.88 for drift rehabilitation labor due to incorrect computation.

Item 3. Operating Materials and Supplies: Power - $123.19 is disallowed pending clarification of the excessive amount charged this month in contrast with previous periods.

Total disallowances are $754.09, which subtracted from the total $2,257.46 claimed by the contractor leaves a remainder of $1,503.68. Of this sum $751.68, or 50 percent, is approved for payment, subject to usual Region IV audit.

W. M. Traver

W. M. Traver

enclosure#

WMT/eb

cc 4
E29
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 26, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Dare

Subject: DMA 606, Contract IdDMa-239 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for February 1953

The Henrietta mine was visted on March 19, 1953, by R. R. McLellan and W. L. Dare. Underground progress was checked with Joe Trudgeon, mine superintendent, and found to be correct as reported. The operator has shown 15 feet of tunnel rehabilitation and 12 feet of raising as accomplished in February. The 15 feet of rehabilitation advance was made in the old caved tunnel at the point where the lateral, advanced in January, was turned and encountered the old tunnel on January 31. It was hoped that the cave would not prove as heavy as before or that solid vein material would be reached, but spiling was required and costs again proved excessive. At the time of the visit the operator had abandoned the cave and was again advancing the lateral to cut the vein at a point further ahead.

For the month of February the operator shows a power charge of $123.19. This is 50 percent of the amount charged U. S. Metals Corporation, as shown on the attached copy of the power invoice. It should be noted that past power charges have averaged less than $60.00 per month. In the case of the last three months, January's charge was $52.36, February's was $50.91, and for November the charge was $75.03. The company has been prorating their total bill to the projects operating. In January the total bill was $156.99; one-third of this amount was charged to the Henrietta exploration project, one-third to company operations in the Surprise stope of the Henrietta, and one-third to the Joe and John operation under Contract IdDm-239.

It seems odd that for the month of February, when the Joe and John project was not in operation, the total power bill amounts

to $246.39, almost $90.00 more than for January when the Joe and John was operating the full month. It is known that they are still using a diesel-powered compressor at the Henrietta and have not made any electrically driven machinery additions at the mine, such as fans. It is recommended that the total power charge claimed be disallowed until some satisfactory reason is submitted explaining why it should be increased.

On the supplemental payroll sheet it is seen that the operator has paid labor, using a Butte system type of bonus payment for work done in rehabilitating the 15 feet of tunnel and for the 12 feet of raising. The total of the contract bonuses paid for the rehabilitation, including overtime, amounts to $370.00, and for the raising, $628.40. Since the contract specifically provides that labor may be paid a maximum of $10.00 per foot for rehabilitation and $15.00 per foot for raising, it seems that exception must be taken to the overcharges until changes are incorporated into the contract. On the basis of the rates set forth in the contract and advances made in the two half-month work periods, the total of allowable labor bonuses, including overtime, amounts to $367.50. The total recommended labor disallowance therefore is $630.90. In a letter dated February 12, 1953, the operator requested authorization to drive approximately 30 feet of "doghole" type raise. This raise was authorized to permit examination of the vein above the tunnel. The cost of $62.73 per foot is considered as too liberal an amount and the raise more elaborate than a "doghole" raise should be.

Recommended disallowances are as follows:

Item (1),	Contracts:	
	Raise	$469.02
	Drift Rehabilitation	161.88
Item (3),	Operating Materials and Supplies:	
	Power	123.19
	Total	$754.09

Payment is recommended of $751.66, which is 50 percent of the $2,257.46 claimed less the disallowance of $754.09.

W. L. Dare
Mining Engineer

WLD/cb

cc 6
E29
mDMEA Chron.

March 12, 1953

Mr. W. H. King
Executive Officer
Field Team, Region IV
224 New Customhouse
Denver, Colorado

Re: DMA #E29

Dear Mr. King:

During February 1953, work in the Henrietta No. 7 tunnel consisted of rehabilitating 15 feet of the old No. 7 tunnel on a contract basis from the point where we holed through into the old drift on January 31, 1952. One set of spiling was driven. The ground was very loose and the caved material from above continued to come down by a little probing and we removed 110 cars of waste material. As it was too dangerous to go up into the caved area, we decided to drive an inclined exploration raise from the footwall lateral of the Henrietta tunnel approximately 290 to 295 feet from the start of the lateral. This raise was driven and timbered to a height of 12 feet by February 28th.

We also installed 2 bulkheads and 1 ore chute. All this work was done on a contract basis.

There was no advance in the Surprise drift during February.

Respectfully submitted,

U.S. METALS CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

AOB:mcf

MF-104A
(April 1952)

Budget Bureau No.
Approval expires

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 195 53 Docket No. DMEA 606 Contract No. I-DMA-129
Operator's Name U. S. Metals Corporation Minerals Lead & Zinc
Address 210 Mercantile Bldg., Denver, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting and Lateral	ft.		None	$ 8,706.29				$ 15.00
Crosscutting Drifting	"	$752.81	12'	752.81	12'	$62.73	400'	15.00
Raising								
Shafts	"						400'	40.00
Winzes								
Drilling: Core								
Churn								
~~Aggregate~~ Drifting Surprise	"		None	810.04	24'	33.75	100'	35.00
Stripping								
~~Trenching~~ Rehab. raise	"				None		500'	10.00
Test Pits		96.37		2,898.78				
~~Roads and Trails~~ Tunnel Rehab.	"	1408.28	15'	43,974.90	1263'	34.81	1600'	10.00
TOTAL DISTRIBUTED COSTS		2257.46		57,142.21				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				7,766.00				
Initial Rehabilitation and Repairs				5,655.48				
New Buildings, Improvements, etc.				3,322.64				
New Facilities, (Power) Line				384.58				
TOTAL COSTS		2257.46		$74,271.90				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date March 12, 53 Operator U. S. Metals Corp.

Per J. Emerson Grant Title President

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

MF-104 (Rev.)
April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No.
Approval expires 6-30-
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1953 Docket No. DMEA 606 Contract No. I-DMA-529
Operator's Name U. S. Metals Corporation Minerals Lead & Zinc
Address 210 Mercantile Bldg., Denver, Colorado
Contract Amount, $ 113,038.34 Government Participation: 50 % Amount, $ 56,519.17

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raise	628.40		628.40	159.38		159.38
Crosscutting						
~~Bulldozing~~ Rehab. Lateral		2,995.92	2,995.92			
Drifting Rehab.	370.00	4,781.00	5,151.00	208.12	4,781.00	4,942.88
(2) Labor and Supervision:						
Labor	542.88	18,592.79	19,135.67			
Supervision	166.66	5,525.00	5,691.66			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	244.62	806.67	1,051.29			
Explosives	6.69	478.69	485.38			
Pipe		4,121.46	4,121.46			
Track		3,325.13	3,325.13			
Power	123.19	572.06	695.25	00	572.06	572.06
Other	38.18	5,164.83	5,203.01			
(4) Operating Equipment:						
Rental						
Purchase		7,766.99	7,766.99			
Depreciation						
(5) Initial Rehabilitation and Repairs		5,655.48	5,655.48			
(6) New Bldgs., Improvements, etc.		3,707.22	3,707.22			
(7) Miscellaneous:						
Repairs to Equipment	22.24	1,757.66	1,779.90			
Sampling and Analysis						
Payroll Taxes	25.62	736.35	761.97			
Liability Insurance	42.87	947.82	990.69			
Colo. Unemployment Tax	43.11	441.36	487.47			
Vent Tube		1,971.86	1,971.86			
(8) Contingencies (specify): Transportation		2,666.15	2,666.15			
TOTALS $	2257.46	$72,014.44	$74,271.90	1,503.37	72,014.44	73,517.81

I certify that the above bill is correct and just and that payment therefor has not been received.

Date March 12, 53 *Payee U. S. Metals Corporation

Per Clemson Grant Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 751.68

Signature
(Authorized Certifying Officer)

Date 4-6-53 DMA Vou. No. 53-116

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. I-MMA-E29 in accordance with the terms of the contract.

Signature W. Dale ~~[illegible]~~ Title Mining Engineer Date 3-25-53

$751.68

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date APR 1 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Betty

224 New Customhouse
Denver 2, Colorado

March 9, 1953.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of January, 1953, pertaining to DMA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

March 6, 1953.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado. Operator's Monthly Progress Report for the period January, 1953.

Enclosed are the original and four copies of Form MF-104 and Form 104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks:

Date of Report	February 10, 1953.
Date Received in Field Office	February 13, 1953.
Date Received in Region Office	March 3, 1953.
Date Processed for Payment	March 5, 1953.

W. H. King
W. H. King

Enclosures

RDB: cwm
Secretary to the Comm. (2)
cc: Contract w/copy of MF-104
WMTraver w/copy of MF-104
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 2, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMA 606, Contract Idm-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for January 1953

Enclosed please find the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, map, and required documentation--and the original and six copies of R. R. McLellan's memorandum covering inspection of the underground progress and accounts.

The total advance of 68.5 feet--8 feet in the crosscut and 60.5 feet in the lateral--reported in the narrative and entered on the MF-104A form was verified by the inspectors on February 19, 1953, and conforms to terms of the contract.

Documentation was found correct within the limits of the inspecting engineers' authority to check, and costs are prorated as agreed with the Region IV auditor.

Payment is approved and certified on the MF-104 form of $1,959.71, or 50 percent of the total $3,919.43 claimed by the contractor, subject to usual Region IV audit.

W. M. Traver

W. M. Traver

enclosures

WMT/cb

cc 4
E29
DMEA Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 2, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMA 606, Contract I[illegible]-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for January 1953.

Underground progress was checked by Russell R. McLellan and Wilbert L. Dare on February 19, 1953. The work was found to be accomplished as reported in the operator's narrative. The short crosscut from the lateral was advanced 8 feet, or until badly caving ground was encountered in the old Henrietta drift. The main lateral was advanced 60.5 feet for a total advance of 68.5 feet as reported on the MF-104 forms.

The work has been performed in conformance with the terms of the contract. The accounts appear to be in order, with all invoices properly certified. When necessary, the cost of each purchase or service has been prorated correctly to two or more of the four operations now in progress.

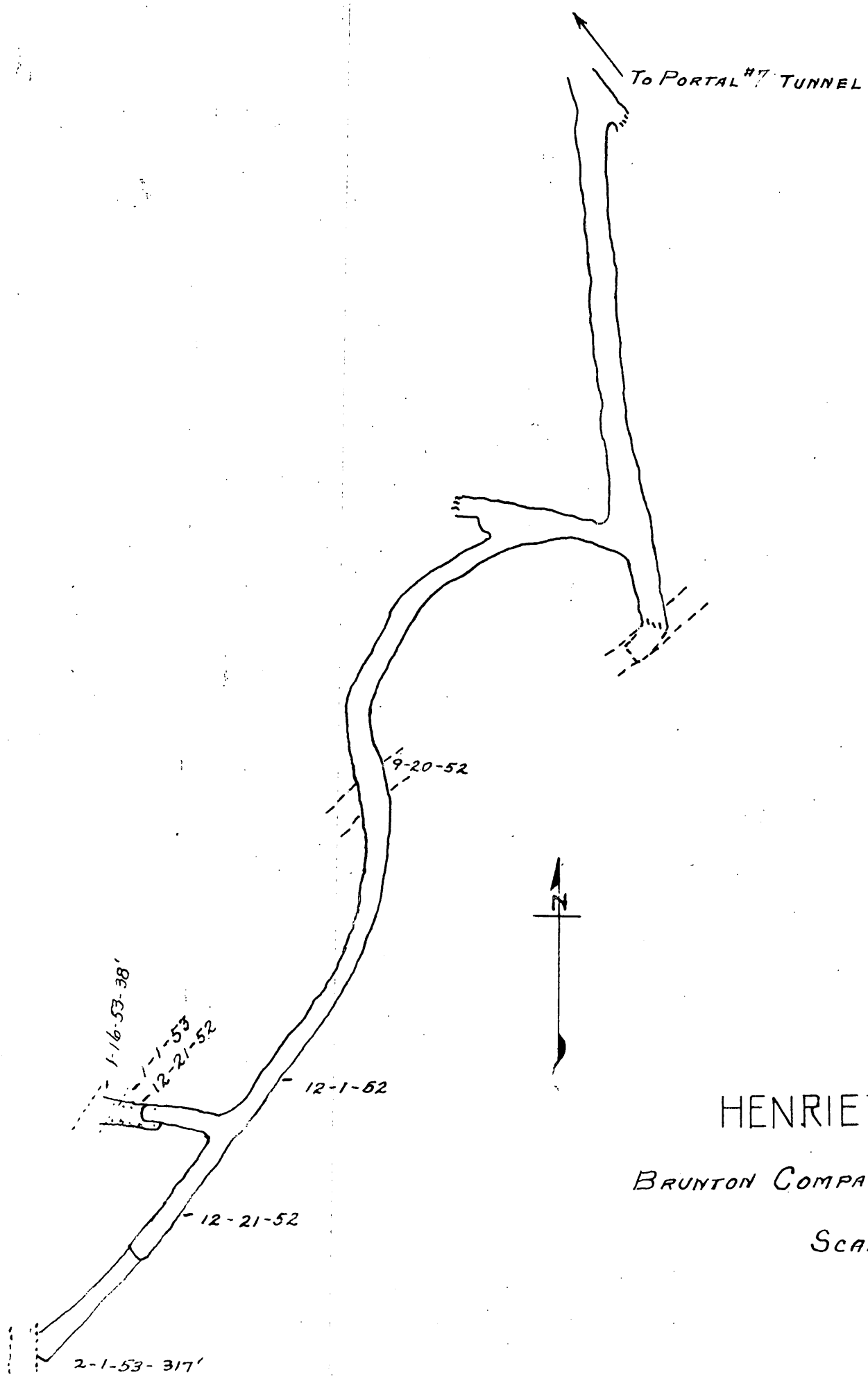
Two blowers with motors were purchased during the month for a total cost of $1,244.40. The purchase of the blowers is allowable and the amount does not exceed that which is specified in the contract.

Payment is recommended of $1,959.71, or 50 percent of the $3,919.43 claimed.

Russell R. McLellan
Russell R. McLellan
Mining Engineer

RRM/cb

cc 6
E29
DMEA Chron.



HENRIETTA MINE

Brunton Compass Survey - W.W.B - 1953

Scale 1" = 40'

February 10, 1953

Mr. W. H. King
Executive Officer
Field Team, Region IV
234 New Customhouse
Denver, Colorado

Re: DMA # E-29

Dear Mr. King:

During January 1953, work in the Henrietta #7 tunnel consisted of advancing a crosscut from the lateral to the Henrietta Vein. In the previous month this had been advanced to a total of 30 feet, and in January was carried on by spiling on days pay an additional 8 feet, for a total of 38 feet. The last few feet of this work was driven through an old raise, and old drift timbers were visible, when a cave occurred which would have caused further work to be unreasonably expensive. Further work was stopped in this heading, and the crew resumed driving the main lateral.

The main lateral was advanced 60-1/2 feet to a total of 317 feet through solid on a contract basis. At this point the right hand corner was holed through to the old Henrietta drift. In addition to this advance, an allowance of 2 feet was made for a half shift spent in drilling, blasting, and mucking out a pilot holing into the old workings. Just before holing through, a pilot hole penetrated to open space, with a rather strong drip of water. Having been warned that a large volume of water could be encountered, a small pilot round was drilled upward and to the right, to precede the regular holing. This was blasted and mucked out prior to holing through and 2 feet was paid for the work but should not be included in the advances or totals.

There was no advance in the Surprise drift during January.

Respectfully submitted,

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

AOB:WHH:mcf

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1953 Docket No. DMEA 606 Contract No. I-D MA -E 80
Operator's Name U. S. Metals Corp. Minerals Lead & Zinc
Address 210 Mercantile Bldg., Denver, Colorado
Contract Amount, $113,639.34 Government Participation: 50 % Amount, $ 56,819.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:		OK WPM 3-20-53				
Drilling						
Bulldozing						
Crosscutting						
Drifting, Rehab Lateral	799.68	2,196.24	2,995.92			
Drifting Rehab		4,781.00	4,781.00			
(2) Labor and Supervision:						
Labor	752.38	17,840.41	18,592.79			
Supervision	125.00	5,400.00	5,525.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	93.49	713.18	806.67			
Explosives	72.37	406.32	478.69			
Pipe		4,121.46	4,121.46			
Track		3,325.13	3,325.13			
Power	52.36	519.70	572.06			
Other	246.30	4,918.44	5,164.83			
(4) Operating Equipment:						
Rental						
Purchase	1,244.40	6,521.59	7,766.99			
Depreciation						
(5) Initial Rehabilitation and Repairs		5,655.48	5,655.48			
(6) New Bldgs., Improvements, etc.		3,707.22	3,707.22			
(7) Miscellaneous:						
Repairs to Equipment	278.81	1,478.85	1,757.66			
Sampling and Analysis						
Payroll Taxes	25.16	711.19	736.35			
Liability Insurance	42.09	905.73	947.82			
Colo. Unemployment Tax	86.96	354.40	441.36			
Vent Tube		1,971.86	1,971.86			
(8) Contingencies (specify):						
Transportation	100.34	2,565.81	2,666.15			
TOTALS	3,919.43	68,095.01	72,014.44	3919.43	68,095.01	72,014.44

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Feb. 10, 1953 *Payee U.S. Metals Corp.

Per Cameron Grant Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1959.71

Signature [illegible] (Authorized Certifying Officer)

Date 3/11/53 Voucher DMA 53-107

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E29 in accordance with the terms of the contract.

Signature R.R. McLellan 1,959.7# WMT Title Mining Engineers Date 2/27/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date MAR 6 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Jan. 1953 Docket No. DMEA 606 Contract No. I-DMA-0-29
Operator's Name U. S. Metals Corp. Minerals Lead & Zinc
Address 220 Mercantile Bldg., Denver, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting and Lateral Drifting	feet							815.00
Crosscutting	"	2,302.03	68.5	6,706.29	339'	35.68		
Raising	"						400'	15.00
Shafts	"						400'	40.00
Winzes								
Drilling: Core								
Churn								
Auger								
Drifting Surprise	"			810.04	24'	33.75	100'	35.00
Stripping								
Trenching	"				None		500'	10.00
Test Pits Rehab Maine								
Roads and Trails	"	185.00		2,802.41				
Tunnel Rehab	"			42,566.01	1248'	34.10	1600'	10.00
TOTAL DISTRIBUTED COSTS		2,675.05		54,884.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		1,244.40		7,766.99				
Initial Rehabilitation and Repairs				5,655.48				
New Buildings, Improvements, etc.				5,325.84				
New facilities (Power line)				584.56				
TOTAL COSTS		3,919.45		72,014.44				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Feb. 10, 1953 Operator U. S. Metals Corp.

Per J. Cameron Evans Title President

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

[redacted]
Griswold
Betty

February 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 12 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 606, Contract Idm-E29 (Lead-Zinc) U. S. Metals Corporation (Henrietta Mine) San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of December, 1952, pertaining to DMEA Docket 606, Contract Idm-E29, U. S. Metals Corporation.

W. H. King
W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date February 4, 1953
Payroll
Reference Progress Report - December 1952

U. S. Metals Corporation
210 Mercantile Building
15th and Arapahoe
Denver, Colorado

Upon examination of the above Payroll Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed	$2,463.84
Difference	$ 1.82
Amount Approved	$2,462.02

The reason for the difference was due to:

Disallowance on amount of taxes, due to transposition of total amount of labor shown on pay roll. Total amount of roll on which taxes were computed should be $1,947.56 instead of $1,974.36.

1.5% for Social Security is $29.21 instead of $29.62
-29.21 .41

Unemployment tax computed on payrolls for Oct. - Nov. & Dec. less excess for Trudgeon and moore is $926.26 at 2.7% equals $25.00 instead of 25.73
-25.00 .73

State Compensation at $2.51 per $100.00 equals 48.88 instead of $49.56
-48.88 .68

1.82

Any rebate for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stoker
Audit Section

M-W-H & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

January 28, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 606, Contract Idm-E29 (Lead-Zinc), U. S. Metals Corporation (Henrietta Mine), San Juan County, Colorado - Operator's Monthly Progress Report, for the period December 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

The various operating costs are prorated to the different mines being operated by U. S. Metals Corporation. The method of proration is in conformance with the Auditor's agreement with the Operator.

Remarks:

Date of Report----------January 9, 1953
Date Received in Field Office----------January 21, 1953
Date Received in Region Office----------January 23, 1953
Date Processed for Payment----------January 27, 1953

W. H. King
W. H. King

RDB:es

Enclosures

cc: Sec. to the Oper. Comm. (2)
Contract
Chron.
Traver

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Roo
Denver Federal Ce
Denver 14, Colorado
January 21, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for December 1952

Please find enclosed five copies of the above progress report--forms MF-104 and MF-104A, with narrative and required documentation--and seven copies of Russell R. McLellan's memorandum covering inspection of the underground progress and accounts.

Underground progress totaling 81.5 feet in the lateral drift is correctly reported in the narrative. Documentation and entries on the reporting forms were correct within the requirements of the inspector's authority. Company and contract operation costs are split equally in accordance with the auditor's agreement with the operator.

Payment is approved of $1,231.92, or 50 percent of the total $2,463.84 claimed by the contractor, subject to your and Audit and Accounts Section's verification of applicable rates charged and arithmetical accuracy.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

WMT/cb

cc 4
E29
DMEA Chron

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
January 21, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for December 1952

Underground progress at the Henrietta mine was checked on January 15, 1953, by Russell R. McLellan. The lateral tunnel was extended to the old workings where badly caving ground was encountered. A total advance of 81.5 feet in the lateral and 4 feet in the Surprise drift is correct as reported in the narrative. It should be noted that in the narrative the advance of 81.5 feet consists of 51.5 feet for lateral drift, 27 feet for crosscutting, and 3 feet for spiling, all of which actually is advance in the lateral drift. These items are combined correctly on the form MF-104A.

The work has been accomplished in conformance with the contract. All cost items are believed to be allowable and are verified by payrolls and invoices properly certified. As previously agreed, the cost of all items benefitting both the Henrietta exploration and the company operation are divided equally between the projects.

The point at which entry was made into the old workings during January 1953 apparently is under a badly caving stope. The lateral will be extended for a short distance to the southwest where another attempt will be made to locate either the vein or an open drift on the vein in the vicinity of the raise shown on the old Henrietta mine maps.

Payment is recommended of $1,231.92, or 50 percent of the $2,463.84 claimed.

Scotty Hagen Jr.
for Russell R. McLellan
Mining Engineer

RRM/cb

cc 6
E29
DMEA Chron

January 9, 1953

Mr. J. H. East, Jr.
Executive Officer
Field Team Region IV
224 New Customhouse
Denver, Colorado

Dear Mr. East:

During December, 1952, work in the Henrietta #7 Tunnel consisted of contract work in the lateral drift from December 1 to December 21, and day's pay work from December 22 to December 31, as we were approaching the old workings and we encountered loose ground. There was 54-1/2 feet advance on the lateral under contract and 27 feet of crosscut in solid ground in addition to the equivalent of 5 feet of advance was allowed for the enlarging of the turn, which was necessary at the beginning of the cross cut. At this point, a pilot hole was drilled slightly upward, and we encountered old timber, also the character of the ground changed and became too soft to allow further advance on a contract basis, so the men were put back on a day's pay basis. At this point, the section of the cross cut was enlarged and 4 posts set, from which spiling was driven. There was 3 feet advance made by spiling on day's pay.

During December, a total advance of 51-1/2 feet was made in the lateral, 27 feet in the cross cut in solid, and 3 feet by spiling or a total of 81-1/2 feet. Also, there is the equivalent of 5 feet advance in the enlarging for the turn from the lateral into the cross cut.

In the Surprise Drift, no advance was made in December, but 4 feet was driven in November.

Respectfully submitted,

U.S. Metals Corporation

Alfred O. Brehmer

Alfred O. Brehmer
Treasurer

AOB:mcf

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]

FEB 12 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1952 Docket No. DMEA 600 Contract No. I-DMA-[illegible]
Operator's Name U. S. Metals Corp. Minerals Lead & Zinc
Address 21[illegible] Mercantile Bldg., Denver, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	feet							$ 15.00
Crosscutting Drifting and lateral	"	2138.20	81.5'	6316.00	270.5'	23.35		
Raising	"				none		(400'	15.00
Shafts								
Winzes	"				none		(400'	40.00
Drilling: Core								
Churn								
Drifting Surprise Auger	"	120.04	Nov. 4'	610.04	27'	~~35.25~~ 3.75	100'	35.00
Stripping								
Trenching								
Test Pits xxxx Rehab. raise	"				none		500'	10.00
Roads and Trails		325.56		2519.41				
Tunnel Rehab.	"	120.04		42500.01	1240'	34.10	1600'	10.00
TOTAL DISTRIBUTED COSTS		2403.84		52211.54				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				6522.50				
Initial Rehabilitation and Repairs				5655.43				
New Buildings, Improvements, etc.				3323.64				
New facilities, Power line				534.50				
TOTAL COSTS		2403.84		68246.65				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Jan. 9, 1953 Operator U. S. Metals Corp.
Per Walter A. Talk Title Chairman President

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3
Approval expires 6-30-53.
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 12 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1952 Docket No. DMEA 608 Contract No. 2-DMA-220
Operator's Name U. S. Metals Corp. Minerals Lead & Zinc
Address 210 Mercantile Bldg., Denver, Colo.
Contract Amount, $ 113,030.34 Government Participation: 50 % Amount, $ 56,510.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	1000.00	1100.24	2196.24			
Drx Rehab. Lateral		4701.00	4701.00			
Drifting rehab.						
(2) Labor and Supervision:						
Labor	607.00	17832.05	17040.41			
Supervision	250.00	5150.00	5400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	33.43	680.75	713.18			
Explosives	120.83	290.09	406.52			
Pipe		4131.40	4131.40			
Track		3325.13	3325.13			
Power	50.01	460.70	510.70			
Other	120.31	4700.13	4910.44			
(4) Operating Equipment:						
Rental						
Purchase		6520.59	6520.59			
Depreciation						
(5) Initial Rehabilitation and Repairs		5055.40	5055.40			
(6) New Bldgs., Improvements, etc.		3707.22	3707.22			
(7) Miscellaneous:						
Repairs to Equipment	120.14	1350.71	1470.85			
Sampling and Analysis						
Payroll Taxes	0- 0.07	710.67	711.00			
Liability Insurance	49.56	856.85	906.41	48.88	856.85	905.73
Colo. Unemployment Ins	25.73	329.40	355.13	24.59	329.40	353.99
Vent Tube		1071.00	1071.00			
(8) Contingencies (specify):						
Transportation	4.04	2601.77	2605.81			
TOTALS	2403.84	65632.99	68036.83	2,462.02	65,632.99	68,095.01

I certify that the above bill is correct and just and that payment therefor has not been received.

Date _____ *Payee U. S. Metals Corp.

Per Walter A. Falk Title ~~President~~ Chairman

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ **NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.**

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1231.01

Signature _____ (Authorized Certifying Officer)

Date 2/5/53 Vouch. No. DMA 53-94

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 29 in accordance with the terms of the contract.

Signature R. R. McLellan 1,231,92 WMT Title Mining Engineer Date 1/20/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: RDB.

Signature W. H. King Title Executive Officer Date JAN 23 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

January 21, 1953

Corbett
Keating
Betty

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 606, Contract I-DMA-E29, (Lead-Zinc), U. S. Metals Corp. (Henrietta Mine) San Juan County, Colo.

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of November, 1952, pertaining to DMEA Docket 606, Contract I-DMA-E29, U. S. Metals Corporation.

W. H. King
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

January 14, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Metals Corp. (Henrietta Mine), San Juan County, Colorado-Operator's Monthly Progress Report, for the period November, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions:

None

Remarks:

Date of Report.....December 23, 1952
Date Received in Colorado Branch Office.....December 29, 1952
Date Received in Region IV Office.....January 5, 1953
Date Processed for Payment.....January 14, 1953

W. H. King
W. H. King

Enclosures

RDB:es

cc: Secretary to the Operating Committee (2)
Contract
Traver
Chron.

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 31, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress examination for November 1952

Please find enclosed five copies of the above progress report--forms MF-104 and MF-104A, with required documentation--and seven copies of Russell R. McLellan's memorandum covering inspection of the underground progress and checking of the accounts.

The operator has correctly reported the underground progress in his narrative as 93 feet, and the short access road constructed is considered allowable. The accounting forms were reviewed and documentation found correct within the limits of the inspecting engineer's delegated authority.

Payment is approved of $2,311.70, or 50 percent of the total $4,632.40 claimed by the contractor.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

WMT/cb

cc 4
AHKoechmann
E29
DMEA Chron

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 31, 1952

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMEA 606, Contract I-DMA-E29, (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for November 1952

The underground progress at the Henrietta mine was inspected on December 16, 1952, by Russell R. McLellan and Wilbert L. Dare. The lateral tunnel was completely within solid ground and was being turned toward the old Henrietta raise. A total advance of 93 feet for November is correct as reported in the narrative.

A short access road was bulldozed from the Lark road to the top of the Henrietta dump, eliminating a steep portion of the old road which was in a deep snow drift area. This work is believed to be allowable as the cost is well within the amount allowed by an amendment for the construction and maintenance of roads.

All charges appear to be allowable and are verified by payrolls and invoices properly certified. As previously agreed, the cost of all items benefiting both the Surprise and Henrietta operations are divided equally between the projects.

Payment is recommended of $2,311.70, or 50 percent of the $4,623.40 claimed.

Russell R. McLellan

Russell R. McLellan
Mining Engineer

RRM/eb

cc 6
AHKoschmann
E29
DMEA Chron

December 16, 1952

Mr. J. H. East, Jr.
Executive Officer
Field Team Region IV
224 New Customhouse
Denver, Colorado

D.M.A.
Henrietta #7 Tunnel

Dear Mr. East:

During November 1952, work in the Henrietta #7 Tunnel consisted of days pay work advancing through loose ground in the footwall of the old drift for the period November 1 to 9, and contract work in the lateral from November 10 to 30. There was 6 feet advance by spiling on days pay, and 87 feet advance by contract, or a total for the month of 93 feet.

Also, a road was constructed from a point on the Lark Road to the upper turn on the Henrietta Dump. This new road eliminates a very crooked road which was almost impossible to keep clear of snow, as there was no place to dispose of it. The new road is constructed higher up, so there is a place to dispose of snow, and the sharp curves are eliminated so that it can be plowed quickly, and should prove a great saving in time previously lost waiting for the "cat" to clear the road.

In addition, the surface plant was prepared for winter, but not charged to the loan.

A small advance was made in the Surprise drift, but it has not been measured, so the advance will be reported in December.

A map will be prepared during December to show recent advances.

Respectfully submitted,

U.S. METALS CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer

AOB:mcf

(1952)

Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Denver

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov 1952 Docket No. DMEA 606 Contract No. I-[illegible]-[illegible]-[illegible]

Operator's Name U. S. Metals Corporation Minerals Lead & Zinc

Address 210 Mercantile Building, Denver, Col.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet							15.00
Crosscutting Black Natural	do	2 04.66	93'	4177.00	189'	22.10		
Raising	do				none		400'	15.00
Shafts								
Winzes	do				none		400'	40.00
Drilling: Core								
Churn								
Auger								
Stripping Drifting Black Surprise	do			699.20	20'	34.46	100'	35.00
Trenching								
Test Pits Rhub. Raise	do				none		580'	10.00
Roads and Trails		465.94		2193.85				
Tunnel Rehab	do	1830.35	none	42686.05	1[illegible]8'	32.73	1600'	10.00
TOTAL DISTRIBUTED COSTS		4500.95		49747.70				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		122.45		6522.59				
Initial Rehabilitation and Repairs				5655.43				
New Buildings, Improvements, etc.				3322.64				
				384.58				
TOTAL COSTS		4623.40		65632.99				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Dec. 23, 1952 Operator U. S. Metals Corp.

Per Robert C. Brown Title President

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form No. 42-R1036.3. Rev. 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Department of the Interior
Defense Minerals Administration

Month of November, 1952 Docket No. DMEA 606 Contract No. I-DMEA-3-29
Operator's Name U. S. METALS CORPORATION Minerals Lead & Zinc
Address 210 Mercantile Bldg., Denver, Col.
Contract Amount, $ 113,638.34 Government Participation: ____% Amount, $ 56,819.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:				These figures are OK to date. Clerk.		
Drilling						
Bulldozing						
Crosscutting						
Rehab Lateral	1,106.24		1,106.24			
Drift Rehab. Contract		4,781.00	4,781.00			
(2) Labor and Supervision:						
Labor	704.38	16,528.47	17,232.85			
Supervision	250.00	4,900.00	5,150.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	74.23	606.52	680.75			
Explosives	122.91	173.18	296.09			
Pipe		4,121.46	4,121.46			
Track		3,325.13	3,325.13			
Power	75.03	393.76	468.79			
Other	856.21	3,939.92	4,796.13			
(4) Operating Equipment:						
Rental						
Purchase	122.45	6,400.14	6,522.59			
Depreciation						
(5) Initial Rehabilitation and Repairs		5,655.48	5,655.48			
(6) New Bldgs., Improvements, etc.		3,707.22	3,707.22			
(7) Miscellaneous:						
Repairs to Equipment	319.74	1,032.97	1,352.71			
Sampling and Analysis						
Payroll Taxes	30.91	685.76	716.67			
Liability Insurance	87.65	769.22	856.85			
Col. Unempl. Tax	320.40		320.40			
Vent tube	315.89	1,656.97	1,971.86			
(8) Contingencies (specify):						
Transportation	228.38	2,333.39	2,561.77			
TOTALS	4623.40	61,009.59	65,632.99			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Dec. 22, 1953 Payee U. S. Metals Corp.

Per Robert C. Brown Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2311.70

Signature [signature] (Authorized Certifying Officer)

Date 1/19/53 Vou. No. DMA 53-82

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-29 in accordance with the terms of the contract.

Signature R. R. McLellan 2.311.70 WMT Title Mining Engineer Date 12/30/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.S.B.

Signature W. S. King Title Executive Officer Date JAN 14 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 1953

January 21, 1953

Corbett
Keating
Betty

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 606, Contract I-DMA-E29 (Lead-Zinc) U. S. Metals Corporation (Henrietta Mine) San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of October, 1952, pertaining to DMEA Docket 606, Contract I-DMA-E29, U. S. Metals Corporation.

W. H. King
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

January 14, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 606, Contract I-DMA-829 (Lead-Zinc) U. S. Metals Corporation (Henrietta Mine) San Juan County, Colorado - Operator's Monthly Progress Report for the period of October, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks:

Date of Report - December 23, 1952
Date received in Colo. Branch Office - December 29, 1952
Date received in Region IV Office - January 5, 1953
Date Processed for Payment - January 13, 1953

W. H. King
W. H. King

Enclosures

RDB:oc

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 31, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress examination for October 1952

Please find enclosed five copies of the above progress report--forms MF-104 and MF-104A, with required documentation--and seven copies of Russell R. McLellan's memorandum covering inspection of the underground progress and checking of the accounts.

The underground progress is correctly reported in the operator's narrative; the accounts involve only labor and, accordingly, one copy of the payroll and labor distribution constitute the documentation. These are in order within the responsibility of the Region IV Field Team representative to verify. Rehabilitation work was performed on day's pay rather than contract, owing to the character of the caved ground encountered.

McLellan recommends payment of $725.98, or 50 percent of the total $1,451.96 claimed by the contractor.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

WMT/eb

cc 4
AHKoschmann
E29
DMEA Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 31, 1952

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMEA 606, Contract I-DMA-E29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress examination for October 1952

The Henrietta mine was inspected by Russell R. McLellan and Wilbert L. Dare on November 19, 1952, at which time the caving ground in the vicinity of the Henrietta drift had been successfully caught up and the lateral tunnel was progressing in solid ground. The 9 feet of advance for October is correct as reported in the narrative.

All labor charges for rehabilitation during the period are at day's pay rates as contract work was not feasible through the badly caved area. The one additional labor charge is for road maintenance, which will become an increasingly larger item as winter progresses.

No charges other than labor are claimed for the month. The payroll shows certain charges as being divided equally between the Henrietta and Surprise operations.

Payment is recommended of $725.98, or 50 percent of the $1,451.96 claimed.

Russell R. McLellan
Russell R. McLellan
Mining Engineer

RRM/eb

cc 6
AMKoschmann
E29
DMEA Chron

Mr. J. M. East, Jr.
Executive Officer
Field Team Region IV
234 New Customhouse
Denver, Colorado

Re: DMA

Dear Mr. East:

During October, 1952, the work performed at the Henrietta Mine in the No. 7 Tunnel level consisted of driving through the old drift area and into the footwall.

At the start of the month, the face of the crosscut showed what appeared to be solid ground. This proved to be loose fractured material in a wedge shaped mass, with the point of the wedge at about rail elevation. As soon as it was disturbed, it ran up into the old caved area, so that it was necessary to continue spiling until solid ground was encountered.

During the month, an advance of 9 feet was made through caved material, and 6 sets of timber were placed by means of spiling. All this work was done on day's pay as contracting was not feasible.

At the end of the month, the face showed the ground that will require drilling and blasting, and it is expected that after a set or two is placed to prevent the brow from caving, that work can resume on a contract basis.

Respectfully submitted,

U.S. METALS CORPORATION

Alfred O. Brehmer

Alfred O. Brehmer

AOB:mcf

Form MF-104A
(April 1952)

Budget [illegible] No. 42-R1151
Approval exp[illegible] 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1952 Docket No. DMEA 606 Contract No. I-DMA-E29
Operator's Name U. S. Metals Corporation Minerals Lead and Zinc
Address 210 Mercantile Building, Denver, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	feet							15.00
~~Crosscutting~~ Lateral	feet			197314	96'	20.55		
Raising	feet				None		(400'	15.00
Shafts								
Winzes	feet				None		(400'	40.00
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Drifting Surprise	feet			689.20	20'	34.46	100'	35.00
Trenching								
~~Test Pits~~ Rehab. raise	feet				None		580'	10.00
Roads and Trails		7917		172791				
Tunnel Rehab	feet	137279	9'	4085650	1248'	32.73	1600'	10.00
TOTAL DISTRIBUTED COSTS		1451.96		45,246.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				6,400.14				
Initial Rehabilitation and Repairs				5,655.48				
New Buildings, Improvements, etc.				3,322.64				
New Facility, Power Line				384.58				
TOTAL COSTS		1451.96		61,009.59				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date Dec. 23, 1952 Operator U. S. Metals Corp.

Per Robert C. Brown Title President

→ **NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.**

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 30-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JAN 5 1953

Month of October, 1952 Docket No. DMEA 606 Contract No. I-DMA-E29
Operator's Name U. S. Metals Corporation Minerals Lead and Zinc
Address 210 Mercantile Bldg., Denver, Colo.
Contract Amount, $ 113,638.34 Government Participation: 50 % Amount, $ 56,819.17

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:				These amounts have been corrected and are OK to date. Berk		
Drilling						
Bulldozing						
Crosscutting						
Rehab Drifting Lateral Drift Rehab Contract		4781.00	4,781.00			
(2) Labor and Supervision:						
Labor	1180.50	15347.97	16,528.47			
Supervision	250.00	4,650.00	4,900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		606.52	606.52			
Explosives		173.18	173.18			
Pipe		4121.46	4121.46			
Track		3325.13	3325.13			
Power		393.76	393.76			
Other		3939.92	3939.92			
(4) Operating Equipment:						
Rental						
Purchase		6400.14	6400.14			
Depreciation						
(5) Initial Rehabilitation and Repairs		5655.48	5655.48			
(6) New Bldgs., Improvements, etc.		3707.22	3707.22			
(7) Miscellaneous:						
Repairs to Equipment		1032.97	1032.97			
Colo. Unemployment Tax ~~Sampling and Analysis~~						
Payroll Taxes	21.46	664.30	685.76			
Liability Insurance		769.22	769.22			
~~Colo. Unemployment Tax~~ Vent Tube		1655.97	1655.97			
(8) Contingencies (specify): Transportation		2333.39	2333.39			
TOTALS	1451.96	59,557.63	61,009.59			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Dec. 23, 52 *Payee U. S. Metals Corp.

Per Robert C. Brown Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$725.98

Signature [signature]
(Authorized Certifying Officer)

Date 1/19/53 Vou. No. DMA 53-82

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-29 in accordance with the terms of the contract.

Signature R. R. McLellan $725.00 1,451.86 mmt Title Mining Engineer Date 12/30/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date JAN 14 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

Keating
Betty

December 19, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc-Copper)
U. S. Metals Corporation, San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of September, 1952, pertaining to DMA Docket 606, Contract I-DMA-E29, U. S. Metals Corporation.

John F. Shaw for
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Received
DEC 2 0 1952

Dec. 15, 1952

Progress Report

September, 1952

U.S.Metals Corporation
210 Mercantile Bldg.,
Denver, Colorado

The verification of the above Report's information a difference has been noted which is explained as follows, and presents our findings:

Amount Claimed	$ 2292.69
Disallowed	$ * 1553.67
Amount Approved	$ 739.02

The reason for the difference has been:

* Purchase of Air Receiver not allowed under contract	$66.30	
* Audit disallowance and adjustment by DMEA Auditor	1487.37	$1553.67

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. L. Stokes
Audit Section

R-VT-B & F Form No. 4
[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

December 8, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc-Copper) U. S. Metals Corporation, San Juan County, Colorado - Operator's Monthly Progress Report for the period of September, 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Deduction September Report Purchase of Air Receiver not authorized by the contract -	$66.30
Audit disallowances and adjustment in accordance with the following schedule -	$1487.37
Total Deductions -	$1553.67

Schedule of reinstatements and deductions in accordance with the Audit Report dated November 18, 1952, covering the period from June 1, 1952 through August 31, 1952.

Items on MF-104	Reinstatements	Deductions
Labor	$ 34.00	$ 2139.14
Supervision	- -	500.00
Power	- -	56.51
Other Supplies	- -	800.00
Equipment Purchases	278.49	98.50
New Bldgs., Imp., etc.	102.66	- -
Repairs to Equipment	107.81	64.79
Payroll taxes	42.54	- -
Liability Insurance	- -	76.48
Transportation	1067.24	4.69
Total	$1632.74	$3140.11
Less Reinstatements		1632.74
Balance to be Deducted -		$1487.37

The above schedule should be furnished the operator for his information in preparing the October Report.

Remarks - Amounts reported in column "Total Previously Reported" and "Totals to Date" are in error and will be corrected on the next report.

W. H. King

W. H. King

Enclosures

JWT:oc

cc: Contract
Secretary to the Operating Committee (2)
WMTraver
Chron.
AHKoschmann (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 26, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 606, Contract I-DMA-K29 (Lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for September 1952

Enclosed please find five copies of the above progress report--forms MF-104 and MF-104A, with proper documentation--and seven copies of Russell R. McLellan's memorandum covering inspection of the underground progress and accounts.

McLellan and Dare verified the underground progress October 19, 1952, and found it as reported in the narrative. The accounts are passed except for purchase of an unauthorized air receiver costing $66.30, which is disallowed.

The total claimed by the contractor, $2,292.69, less $66.30 disallowed, leaves a balance of $2,226.39. Of this sum payment is approved of 50 percent, or $1,113.19, subject to the usual audit by Region IV engineers and the Audits and Accounts Section to verify applicable rates and the arithmetical accuracy of the operator's figures.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

WMT/eb

cc 4
AHKoschmann
K29
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 26, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Russell R. McLellan

Subject: DMRA 606, Contract I-DMA-229 (lead-zinc), U. S. Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress report for September 1952

The underground progress was inspected by Russell R. McLellan and W. L. Bare on October 29, 1952; however, the progress report was not received at the Colorado Branch until November 18, 1952. The advance is correct as reported in the narrative.

The lateral was driven 2 feet, at which point the caved Henrietta drift was encountered. At the close of the month rehabilitation had been advanced across the drift for a distance of 7 feet. Several hundred cars of fine cave material were pulled while spilling under the stoped area, accounting for the slow progress. On the date of examination, November 18, 1952, the drift had been crossed and the lateral was being driven in solid ground in the footwall.

The accounts appear to be correct with one exception, in which a second air receiver costing $66.30 was purchased without authorization. One receiver is allowed by the contract, and it was purchased with the compressor in July 1952. The costs of certain items benefiting both the Henrietta and Surprise operations are divided equally between the two projects, as previously agreed. The labor charge, also, is prorated according to the number of men and hours per project for the month.

Payment is recommended of $1,113.19, or 50 percent of the $2,292.69 claimed less $66.30 for the air receiver.

Russell R. McLellan
Russell R. McLellan
Mining Engineer

RRM/eb

cc 6
AMKoschmann
I29
DMRA Chron.

October 24, 1952

Mr. J. H. East, Jr.
Executive Officer
Field Team, Region IV
224 New Customhouse
Denver, Colorado

Dear Mr. East:

During September 1952, work was carried on in the No. 7 tunnel rehabilitation project in the Henrietta Mine. Two feet advance in solid ground is reported in the lateral driven around a caved area previously encountered. This two feet was actually badly caved ground in the hanging wall of the vein, and the advance was made by spiling, as were several feet in the previous month. The next advance made was seven feet of rehabilitation, which consisted of crossing the old timbered area of the drift on the Henrietta vein, as shown on the attached sketch.

The old drift was caved badly, at this point, and apparently had been stoped above, as there seemed to be no limit to the amount of finely divided material flowing into the heading through the smallest opening. Timber was placed on 18 inch to 24 inch centers, in order to hold the weight. At the conclusion of this phase, the footwall was encountered, and it was decided that it would not be feasible to attempt rehabilitation of the drift from the cost standpoint, so authorization to drive a lateral in the footwall was obtained to reduce the cost of future work.

The total footage of rehabilitation includes 1200 feet to the point where the first caved area was encountered, 32 feet in a cross-cut west to where the 96 feet of lateral was driven in solid ground, and 7 feet in crossing the old drift, or a total of 1239 feet rehabilitated and 96 foot of lateral in solid ground. The work in September was done on a day's pay basis, as it was not feasible to contract work requiring care, rather than speed.

In the fall of 1951, a snow shed was constructed over the waste track at the portal, but was completely destroyed by the heavy snow and snow slides of the past winter. During September, a new snow shed was started in a safer location, and you will note in the detailed payroll sheets that this is not included in the charges made against the loan.

A water line for drilling water has been constructed, extending from Prospect Creek to the tunnel portal, which will allow winter operation without the cost of hauling water.

Respectfully submitted,

Alfred O. Brehmer
U. S. Metals Corporation
Alfred O. Brehmer

Form MF-404A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1951 Docket No. DMEA 606 Contract No. I-DMA-B 29

Operator's Name U.S. Metals Corporation Minerals Lead and Zinc

Address 210 Mercantile Bldg., Denver, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	feet							15.00
~~Crosscutting~~ Lateral	feet	206.74	2'	1,973.14	96'	25.53		
Raising	feet				None		(400'	15.00
Shafts							(	
Winzes	feet				None		(400'	40.00
Drilling: Core								
Churn								
Auger								
Drifting ~~Crosscut~~ Surprise	feet			639.20	20'	34.46	100'	35.00
Trenching								
~~Tunnel~~ Rehab-Raise	feet				None		530'	10.00
Roads and Trails		22.00		1,648.74				
Tunnel Rehab.	feet	1932.45	7'	42,678.14	1239'	34.44	1600'	10.00
TOTAL DISTRIBUTED COSTS		2211.19		46,989.22				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		81.50		6,580.14				
Initial Rehabilitation and Repairs				5,546.04				
New Buildings, Improvements, etc.				3,219.98				
New Facility, Power Line				384.58				
TOTAL COSTS		2292.69		62,719.96				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Nov. 13, 1952 Operator U.S. Metals Corp.

Per Robert C. Brown Title President

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1952 Docket No. DMEA 606 Contract No. I-DMA-829
Operator's Name U.S. Metals Corporation Minerals Lead and Zinc
Address 210 Mercantile Bldg., Denver, Colorado
Contract Amount, $113,638.34 Government Participation: 50 % Amount, $56,819.17

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Lateral Drift Rehab Contract		4,781.00	4,781.00			
(2) Labor and Supervision:						
Labor Day's Pay	1,137.75	16349.36	17,487.11			
Supervision	250.00	4900.00	5,150.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		606.52	606.52			
Explosives		173.18	173.18			
Pipe	90.45	4031.01	4,121.46			
Track		3325.13	3,325.13			
Power	40.56	409.71	450.27			
Other	189.64	4147.18	4,336.32			
(4) Operating Equipment:						
Rental						
Purchase	81.50	6498.64	6,580.14	15.20		6513.84
Depreciation						
(5) ~~Initial Rehabilitation and Repairs~~ Caterpillar		5546.04	5,546.04			
(6) New Bldgs., Improvements, etc.		3604.56	3,604.56			
(7) Miscellaneous:						
Repairs to Equipment	14.12	1082.12	1,096.24			
Sampling and Analysis						
Payroll Taxes	63.36	558.40	621.76			
Liability Insurance	29.00	816.70	845.70			
Vent Tube	355.97	1300.00	1,655.97			
(8) Contingencies (specify): Transportation	40.34	2297.72	2,338.06			
TOTALS	2,292.69	60427.27	62,719.96	2226.39	60427.27	62653.66
				*	-1608.65	* -1608.65
				-1487.37		-1487.37
				739.02	$58818.62	59557.64
					369.51	

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 11-14-52 *Payee U.S. Metals Corporation **

Per Robert C. Brown Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

Signature (Authorized Certifying Officer)

Date 12/12/52 Vou. No. DMA 53-74

(See other side)

*Previous disallowance

** Audit disallowance& adjustment by DMEA auditor

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-29 in accordance with the terms of the contract.

Signature R. P. McLellan 1,113.19 WMK Title Mining Engineer Date 11/24/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date 12/8/52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

606

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 3 1952

New Customhouse
Denver 2, Colorado

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

October 30, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-829 (Lead-Zinc-Copper) U. S. Metals Corporation, Henrietta Mine, San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of August, 1952, pertaining to DMA Docket 606, Contract I-DMA-829, U. S. Metals Corporation.

W. H. King
W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: October 20, 1952
Payee's
Reference: Progress
Report - August 1952

U. S. Metals Corporation
15th & Arapahoe Streets
Mercantile Bldg.
Denver, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $5,441.65

Difference $1,142.75

Amount Approved $4,298.90

The reason for the difference was due to:

Error in computation two hours on Charles Sitterquist regular hours	3.00
No itemization on Bingle Bros. Invoice	3.00
" " " Craig Service	115.44
Delinquent July balance Western Colo. Power Co.	58.38
Insufficient breakdown in maintenance of two Jeeps (May be reclaimed when breakdown is properly shown.)	962.93
	$1,142.75

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-1-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

October 9, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc-Copper), U.S. Metals Corporation, Henrietta Mine, San Juan County, Colorado, Operator's Monthly Progress Report for the period of August 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and mathematical accuracy of computations, except for the following deductions:

Invoice from Bengel Brothers Shop - no itemization as to what charge consists of	$ 3.00
Statement from Craig Service - unknown what charge against project consists of	115.44
Power bill includes delinquent balance for July	58.38
Reclaim of operational and maintenance costs for two Jeeps disallowed due to on-site audit of operator's accounts. This charge may be reclaimed on supplemental report	962.93
	$1,139.75

The operator should be informed that on his supplemental report reclaiming the amount of $962.93 he should not show this entire amount as Transportation but should break down the total so that repairs will be shown after item (7) Repairs to Equipment, and other charges such as gas, oil, etc., shown after item (3) Other.

Enclosures

John F. Shaw
John F. Shaw
For W. H. King

WLD:jp
cc Sec. to Oper. Committee (2)
WMTraver
Contract
Chron
AHKoschmann (2)

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
October 7, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-129 (Lead-Zinc), U. S. Oil and Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress reports for June, July, and August 1952

Please find enclosed five copies of each of the above progress reports--forms WT-104 and MF-104A, with narrative, payroll, labor distribution, cost summary distribution, and one copy only of certified invoices--and seven copies of Scott M. Mason, Jr.'s memorandum covering inspection of the underground progress and accounts.

This account has been discussed with your staff on several occasions and the individual monthly reports have been returned to the contractor repeatedly for revision.

We do not have enough personnel to check the accounts as thoroughly as required and, for that reason, I have recommended a separate audit or waiver of documentation.

Both Mason and I are approving the vouchers without entering the amount for which we approve them. They are all three subject to audit by your engineers and the Audit and Accounts Section.

/s/ Floyd D. Everett

Floyd D. Everett, for
W. M. Traver, Jr.

enclosures

WMT/mmh

cc: 4
Koschmann
129
DMEA Chron.

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 6, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Hazen, Jr.

Subject: DMA 606, Contract I-DMA-E29 (Lead-Zinc), U.S. Oil and Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress reports for June, July, and August 1952

At a meeting held on October 3, 1952, attended by the DMEA Executive Officer, the auditing group, and the DMEA field and office examiners, it was decided to authorize payment of the Henrietta June, July, and August accounts subject to later audit. I was instructed to delete, at this time, all items attached to the MF-104 forms that were in doubt or which did not have proper documentation.

The auditors may allow these items at the time of the audit if proper documentation can be produced by the company. The deletions recommended are listed below and are noted in red on the original distribution sheet accompanying MF-104 forms for each month.

August 1952

The MF-104A does not show the proper unit charges, and totals indicate there has been no work charged to drifting in the lateral.

The amount of $962.93 deducted by audit in May 1952 must be claimed on separate supplemental MF-104.

Deletions for August

Bengel Brothers	$ 3.00	No itemization
Craig Service	115.44	No itemization tickets
Power bill	58.38	July charge duplication
Reclaim	962.93	
Total	$1,139.75	

There is a question about the J. Freeman invoice which includes an air receiver. There is no amendment for one for the Henrietta and the receiver was not seen at the mine. It might be for the Joe and John. Anyway, the entire account was not paid, so I assume the balance unpaid includes the receiver. There is confusion in the Copco Pacific account as to charges but it can be worked out. There is improper breakdown on the MF-104 as to lateral drifting charges. The powder is charged but not shown as an invoice except to note as to a ton purchase from Curtis Hardware. The powder is being charged as used.

The payroll appears to be in order but will need checking against daily time sheets. The men working on ore bins and trestle to bin are deleted by the company. The social security and compensation are apparently prorated but are complicated.

The auditors should be careful in checking the Surprise working account as very little deletion of charges have been made for the amount of stoping done.

Scott W. Hazen, Jr.
Mining Engineer

September 25, 1952

Mr. W. H. King, Executive Officer
Field Team, Region IV
224 New Custom House
Denver, Colorado

Docket Number: DMMA-306
Contract Number: I-DMA-H-29

Dear Mr. King:

During August, 1952, the work at the Henrietta Mine consisted of driving a cross-cut in solid ground to detour a caved area found in the Henrietta drift during July. The July total in solid was five feet, and an advance of 28 feet in solid was made in August for a total of 64 feet. Very loose ground with heavy fault clay was encountered in the last few rounds as the hanging wall of the Henrietta vein was cut, requiring timbering and spiling.

Very truly yours,

U.S. METALS CORPORATION

By Robert C. Brown

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.
Defense Minerals Administration
RECEIVED
NOV 3 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1952 Docket No. DMEA 606 Contract No. I-DMA-1-29
Operator's Name U.S. Metals Corporation Minerals Lead & zinc
Address 210 Mercantile Bldg, Denver, Colorado
Contract Amount, $ 113,658.34 Government Participation: 50 % Amount, $ 56,819.17

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1872.33	19,312.03	21,184.36	1,872.33	19,312.03	21,184.36
Supervision	500.00	4,400.00	4,900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		606.52	606.52			
Explosives	94.30	144.30	250.00			
Pipe	200.00	3,831.01	4,031.01			
Track		3,325.15	3,325.15			
Power	137.01	331.08	468.09	78.63	331.08	409.71
Other (1)	1087.81	4,540.39	5,628.20			
(4) Operating Equipment:						
Rental						
Purchase	287.99	6,340.65	6,428.64			
Depreciation						
(5) Initial Rehabilitation and Repairs		5,655.40	5,655.40			
(6) New Bldgs., Improvements, etc.		3,814.56	3,814.56			
(7) Miscellaneous:						
Repairs to Equipment	20.08	1,210.80	1,230.88	17.08	1,210.80	1,227.88
Sampling and Analysis						
Payroll Taxes	131.15	96.98	228.13	131.15	96.98	228.13
Liability Insurance	59.61	1,445.42	1,505.03			
(8) Contingencies (specify): Transportation	1070.37	2,511.35	3,580.72	00	2,511.35	2,511.35
				4,298.90	57,465.78	61,764.68
					*-2,687.51	2,687.51
TOTALS	5441.65	57,465.78	62,907.43	4,298.90	54,778.27	59,077.17

I certify that the above bill is correct and just and that payment therefor has not been received.
Date October 1 1952 *Payee U.S. METALS CORPORATION
Per Robert C. Brown Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

AD

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

~~2083.88~~ $2149.45

Signature [illegible]
(Authorized Certifying Officer)

Date 10/16/52 Vou. No. DMA 53-49
(See other side)

* Previous disallowances

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 29 in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date Oct 6 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 10-8-52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 3 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1952 Docket No. DMEA 606 Contract No. I-[illegible]-2-20
Operator's Name U.S. Metals Corporation Minerals lead, zinc
Address 210 Mercantile Bldg, Denver, Colorado and copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				1,626.74				
Sunnol Rehab.		5,183.66		50,967.42				
TOTAL DISTRIBUTED COSTS		5183.66		52,594.23				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		257.99		6,498.64				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				3,814.56				
TOTAL COSTS	(1)	5441.65	(2)	62,907.43				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

October 1 1952 Date U.S. METALS CORPORATION Operator

Per Robert C. Brown Title President

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

(1) 4,167.75
(2) 58,946.02

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

[illegible]

[illegible]

Date		Unpaid Debit	Unpaid Credit
[illegible]			
[illegible]	1-[illegible] - 1 [illegible] [illegible]	0	0
[illegible]	1-[illegible] 1-[illegible]	00	30
[illegible]		00	30
[illegible]	5-[illegible] [illegible] - [illegible] [illegible] [illegible] [illegible]	00	30
[illegible]	[illegible] [illegible] [illegible]	00	30
[illegible]		00	30
[illegible]	[illegible] [illegible] 3	70	30
[illegible]	[illegible] [illegible] 5	00	30
[illegible]	[illegible] [illegible] 4	100	30
[illegible]	[illegible] [illegible] 2	20	30
[illegible]	[illegible] [illegible] [illegible] 0	70	30
[illegible]	[illegible] [illegible] 2-[illegible]	70	30
[illegible]	[illegible] [illegible] 1-[illegible]/3	70	30
[illegible]	[illegible] [illegible] 2-[illegible]/6	70	30
[illegible]	[illegible] [illegible] 0	70	30
[illegible]	[illegible] [illegible] 0	70	30
[illegible]	[illegible] [illegible] [illegible]	0	0
[illegible]	[illegible] [illegible] [illegible]	0	0
[illegible]	[illegible] [illegible] [illegible]	0	0
		[illegible]	[illegible]

[illegible] 1-1/8" [illegible] [illegible] - [illegible]

([illegible]) [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

[illegible] - [illegible] - [illegible]

[illegible] [illegible] - [illegible]

Material and/or services received
and payment approved.
U. S. METALS CORP.
By Robert C. Brown

Material and/or services received
and payment approved.
U. S. METALS CORP.

By_____

Check No.	Date	Name	Description	Amount
2122	8-11-51	Craig Service	Gas & Oil repairs-jeeps	$123.57
Silverton #8	7-1-51	Craig Service	Gas & Oil repairs-jeeps	21.10
2220	9-6-51	Craig Service	Gas & Oil repairs-jeeps	115.64
2298	9-28-51	Carl H. Peterson	Zerex for auto & jeeps	11.51
Silverton #27	9-4-51	Circle Route Garage	Gas & Oil repairs-jeeps	8.77
2324	10-4-51	Craig Service	Gas & Oil repairs-jeeps	94.28
Silverton #35	10-1-51	Circle Route garage	Gas & Oil repairs-jeeps	34.38
Silverton #33	10-29-51	Paul E. Blowers	Paul E. Blowers-hauling	25.00
Silverton #34	10-29-51	Paul E. Blowers	men while jeeps out	-
Silverton #34	10-29-51	Paul E. Blowers	of repair	-
2418	11-9-51	Triangle Service Station	Gas & Oil repairs-jeeps	84.79
2427	11-9-51	Triangle Service Station	Gas & Oil repairs-jeeps	32.39
2605	11-21-51	Craig Service	Gas & Oil repairs-jeeps	79.99
2617	12-21-51	Triangle Service Station	Gas & Oil repairs-jeeps	56.86
2608	12-21-51	Kurland Motor Co.	Gas & Oil repairs-jeeps	16.50
2656	1-16-52	Craig Service	Gas & Oil repairs-jeeps	61.30
3035	6-5-52	Triangle Service Station	Gas & Oil repairs-jeeps	27.07
3022	6-5-52	Craig Service	Gas & Oil repairs-jeeps	107.41
3018	6-5-52	Circle Route Garage	Gas & Oil repairs-jeeps	8.30
2922	5-7-52	Craig Service	Gas & Oil repairs-jeeps	54.07
			Total	$ 962.93

The above is a list of reclaims for deductions made on the April and May 1952 progress report which was later determined that should have been allowed and instructions were given to make a reclaim for these amounts.

Material and/or services received and payment approved.

U.S. METALS CORP.

By Robert C. Brown

Material and/or services received
and payment approved.
U. S. METALS CORP.

By _____

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Material and/or services received
and payment approved.
U. S. METALS CORP.
By Robert C. Brown

Material and/or services received
and payment approved.
U. S. METALS CORP.

By _____

SHEET NO. _____ PAYROLL FOR U.S. METALS CORPORATION-HENRIETTA NO.7 TUNNEL FOR PERIOD ENDING month of August 19 52

	NO.	NAME	DEP'T.	1 S 16	2 M 17	3 T 18	4 W 19	5 T 20	6 F 21	7 S 22	8 23	9 S 24	10 M 25	11 T 26	12 W 27	13 T 28	14 F 29	15 S 30	31	HOURS WORKED REG. TIME	OVERTIME @ 1½	OVERTIME @ 2	TOTAL	RATE AMT.	RATE PER	EARNINGS WAGES	BONUS	OTHER COMPENSATION DETAIL	OTHER COMPENSATION AMT.	TOTAL	DEDUCTIONS O. A. B.	FED. TAXES	PAY ADVANCES	
1		Joseph N. Trudgeon M	onth	8	8		8	8	8	8	8	8		8	8	8	8	8		104				500	Mo.	250.00				250.00	3.75			1
2		" " "		8		8	8	8	8	8	8		8	8	8	8	8	8		104				"	"	250.00				250.00	3.75			2
3		Sam Milano	Month	8	8		8	8	8	8	8	8		8	8	8	8	8		104				400	"	200.00				200.00	3.00			3
4																																		4
5		Charles Moore	Days														4			4				2.00	Hr	8.00				8.00	.12			5
6		" "	pay	8			1	2	8		5	8	8	8	8	8	10	11		76	13			2.00	"	191.00				191.00	2.86			6
7	(1)	Fay LeeVanHouten	Cont	8			8	8	8	8										40				2.59	"	103.60				103.60	1.55			7
8																																		8
9	(1)	Harry B. Mulliken	Cont.	8	8		8	8		8		8		8	8	8	8	8		88				2.59	"	227.92				227.92	3.42			9
10	(2)	" " "	"	8									8	8	8	8	8	8		40	16			2.01	"	128.56				128.56	1.93			10
11		Roy Barnes	Days	8	8		8	8												32				1.50	"					48.00	.72			11
12		" "	pay										2							2				1.50	"					3.00	.05			12
13	(2)	Chas. Setterquist	cont.					4	8	8	8									20	8			2.01	"	64.28				64.28	.96			13
14		" " 16-30 Days	pay					4	8	8	8									30				1.50	"					45.00	.63			14
15		Roland Schlecht	Days		8															8				1.50	"	12.00				12.00	.18			15
16			pay																															16
17		Herbert Grey	Days																															17
18		" "	pay									8	8	8	8	8	10	11		40	21			1.50	"					107.25	1.61			18
19		Jack Williams							8											8				1.50	"	12.00				12.00	.18			19
20																																		20
21	(1)	Jerry Joyner	Cont.									8		8	8	8				32				2.59	"	82.88				82.88	1.24			21
22	(2)	" "	Cont.			8	8	8	8	8	8		8	8	8	8	8	8		80	16			2.01	"					208.96	3.13			22
23	(1)	Amos Jaramillo	Cont.														8	8		16				2.59	"	41.44				41.44	.62			23
24		" " Days	pay	8		8	8	8												32				1.50	"					48.00	.72			24
25		Stanley Thompson 16-30	Days"								8						2			10				1.50	"	15.00				15.00	.23			25
26	(2)	" " 16-30	Cont.			8	8	8	8	8		8	8		8	8				64	8			2.01	"	144.72				144.72	2.17			26
27		T homas Thompson 16-30	Days pay								8						2			10				1.50	"	15.00				15.00	.23			27
28	(2)	" " 16-30	Cont			8	8	8	8	8		8	8		8	8				64	8			2.01	"	144.72				144.72	2.17			28
29		Lawrence Ponchur																																29
30		" " Days	Pay													8	8			16				1.50	"					24.00	.36			30
31																														2375.33	35.58			31
32																																		32
33																																		33
34																																		34
35																																		35
36																																		36
		TOTAL																																

Material and/or services received and payment approved.
U. S. METALS CORP.
By Robert C. Brown

PAYROLL FOR _____ PERIOD ENDING _____ 19___ SHEET NO. _____

	DEDUCTIONS			PAID		DISTRIBUTION						COMPENSATION INSURANCE		
	MISCELLANEOUS									MISCELLANEOUS		PAYROLL AT STRAIGHT TIME	DISTRIBUTION	
	DETAIL	AMT.	TOTAL	AMOUNT	CHECK NO.	U.S. METALS CORPORATION - HENRIETTA NO. 7 TUNNEL				DETAIL	AMT.			
1														
2	Contract #1 for first half of August 1952					Regular time		Overtime						
3	Fay Lee Van Houten					40 x $2.59					$103.60			
4	Harry B. Mulliken					88 x 2.59					227.92			
5	Ames Jaramillo					16 x 2.59					41.44			
6	Jerry Joyner					32 x 2.59					82.88			
7						176					455.84			
8														
9	$455.84 ÷ 176 - $2.59													
10	Total contract shifts 22 or 176 hours													
11	Total contract advance 38 feet at $12.00 per foot equals $456.00													
12														
13														
14														
15	Contract #2 for last half of August 1952					Regular time		Overtime						
16	Harry B. Mulliken					40 x $2.01		16 x $3.01			128.56			
17	Charles Setterquist					20 x 2.01		8 x 3.01			64.28			
18	Jerry Joyner					80 x 2.01		16 x 3.01			208.96			
19	Stanley Thompson					72 x 2.01					144.72			
20	Thomas Thompson					72 x 2.01					144.72			
21						284	plus	40	equals 344		691.24			
22								20						
23								60						
24	Total contract advance in drift 51 feet at $12.00 per foot equals							$612.00						
25	960 feet timbering at 8¢ equals							76.80						
26	16 cars extra rock at $1.00 per car							18.00						
27								706.80						
28														
29														
30														
31														
32														
33														
34														
35														
36														

606

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

~~Helen~~
Betty L.

October 21, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc-Copper) U. S. Oil and Metals Corporation, Henrietta Mine, San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the month of July, 1952, pertaining to DMA Docket 606, Contract I-DMA-E29, U. S. Oil and Metals Corporation.

W. H. King
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Denver
OCT 24 1952

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: October 10, 1952
Payee's Reference: Progress Report - July 1952

U. S. Metals Corporation
Mercantile Bldg.
15th & Arapahoe
Denver, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 4,091.79

Difference $ 258.55

Amount Approved $ 3,833.24

The reason for the difference was due to:

Rio Grande Motorway - No itemization	9.33
Curtis & Co., Ore sacks - to be returned for credit	5.40
Mine Safety Appliance Co. - Rental of Mine Lamps not specified in contract	29.74
Seagler Motor Parts - Insufficient itemization as to equipment repaired	63.29
Craig Service - Gasoline purchase tickets must be furnished to substantiate this charge	101.53
Social Security Tax - May be reclaimed when state receipt is furnished	49.26
	$258.55

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

October 8, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc-Copper), U.S. Oil and Metals Corporation, Henrietta Mine, San Juan County, Colorado, Operator's Monthly Progress Report for the period of July 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and mathematical accuracy of computations, except for the following deductions:

Invoice from Rio Grande Motorways - Not Known items hauled - no waybill	$ 9.33
Invoice from Carl Curtis - ore sacks	5.40
Mine Safety Appliance - Rental for mine lamps not allowable	29.74
Seagler Motor Parts Company - This repair cost not identifiable as to what equipment was repaired	63.29
Craig Service - Statement not substantiated by tickets to determine allowability of charges	101.53
Social Security - until supported by copy of quarterly report	49.26
	$258.55

As to the 600 feet of 3-conductor cable, we are approving it inasmuch as this is more of a supply item and is expendable. If the cable has any salvage value when the project is completed, such value will be taken into consideration.

This office deems that the excess cost of contract labor over that set forth in Amendment No. 6 is allowable because of the extreme caved conditions encountered.

John F. Shaw
John F. Shaw
For W. H. King

WLD:jp
cc: Sec. Oper Committee (2)
WMTraver
Contract - Chron
AHKoschmann (2)

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
October 7, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-E29 (Lead-Zinc), U. S. Oil and Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress reports for June, July, and August 1952

Please find enclosed five copies of each of the above progress reports--forms MF-104 and MF-104A, with narrative, payroll, labor distribution, cost summary distribution, and one copy only of certified invoices--and seven copies of Scott W. Hazen, Jr.'s memorandum covering inspection of the underground progress and accounts.

This account has been discussed with your staff on several occasions and the individual monthly reports have been returned to the contractor repeatedly for revision.

We do not have enough personnel to check the accounts as thoroughly as required and, for that reason, I have recommended a separate audit or waiver of documentation.

Both Hazen and I are approving the vouchers without entering the amount for which we approve them. They are all three subject to audit by your engineers and the Audit and Accounts Section.

/s/ Floyd D. Everett

Floyd D. Everett, for
W. M. Traver, Jr.

enclosures

WMT/amh

cc: 4
Koschmann
E29
DMEA Chron.

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 6, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Hazen, Jr.

Subject: DMA 606, Contract I-DMA-E29 (Lead-Zinc), U.S. Oil and Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress reports for June, July, and August 1952

At a meeting held on October 3, 1952, attended by the DMEA Executive Officer, the auditing group, and the DMEA field and office examiners, it was decided to authorize payment of the Henrietta June, July, and August accounts subject to later audit. I was instructed to delete, at this time, all items attached to the MF-104 forms that were in doubt or which did not have proper documentation.

The auditors may allow these items at the time of the audit if proper documentation can be produced by the company. The deletions recommended are listed below and are noted in red on the original distribution sheet accompanying MF-104 forms for each month.

July 1952

These accounts have not been checked in detail at the company office. It is becoming obvious that a company warehouse is being set up as duplicate parts are being ordered for compressor and drills. The MF-104 forms do not show the units of advance.

Deletions for July

Hendrie and Bolthoff 600 feet of 3-conductor cable	$228.87	No amendment
Rio Grande	9.33	No waybill
Carl Curtis Ore sacks	5.40	
Mine Safety Appliances	29.74	No contract amendment
Seagler Motor Parts Company	63.29	Not identifiable as to equipment repaired, if allowable
Craig Service	101.53	No tickets

Social Security	49.26	No documentation
July voucher total deletion	$487.42	

The payroll indicates 30 feet advance and $572.00 paid on contract, or $19.07 per foot. This is in excess of contract amendment of $10.00 per foot maximum. However, more work was accomplished by this means than if days' pay were paid. The second period was for starting the lateral drift and enlarging the old winze crosscut.

Payroll on the Surprise vein stope has been deleted by the company.

If the total advance for the 30 feet in the old Henrietta vein drift, which later caved, and the winze crosscut advance of 40 feet of rehabilitation and 5 feet of new advance in lateral is added, then the total contract payment is not in excess of the amendment allowance. The amount is passed subject to audit interpretation.

Total July deletions, $487.42.

Scott W. Hazen, Jr.
Mining Engineer

September 4 1952

Mr. W. H. King, Executive Officer
Field Team, Region IV
234 New Customs House
Denver, Colorado

Docket Number: DMA-606
Contract Number: I-DMA-E-29

Dear Mr. King:

During July, 1952, the work at the Henrietta Mine consisted of continuing the reopening of the old workings on #7 tunnel level. At the start of the period we were approaching the point where the old cross cut penetrated the Henrietta vein. The old workings were rather badly caved and progress was slow, as timbering was required as well as some spiling through caved ground. This feature of the work was handicapped by old timber which interferred with new work and allowed an excessive amount of muck to roll in to the working area. Thirty foot advance was made, or from 1190 feet to 1220 feet from the portal, when a serious cave occurred which crushed three sets of the new timber.

At this time a conference was held, and the consensus was that it was inadvisable to try to continue the reopening through this section. It was decided that it would be less costly to all concerned to detour this caved area, so a crosscut to the west was cleared and five feet advance in the solid was made from a point 35 feet west of the previous workings, together with some enlarging at the turns.

Very truly yours,

U.S. METALS CORPORATION

By Walter A. Falk
Chairman, Board of Directors

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 24 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1952 Docket No. DMEA 606 Contract No. I-DMA-E-20
Operator's Name U.S. METALS CORPORATION Minerals lead, zinc and copper
Address 210 Mercantile Bldg, Denver, Colorado
Contract Amount, $ 47,650.00 Government Participation: ____ % Amount, $ 23,055.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2705.58	16,526.51	19,512.05			
Supervision	500.00	3,900.00	4,400.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		606.52	606.52			
Explosives		144.38	144.38			
Pipe		3,051.01	3,051.01			
Track		3,325.15	3,325.15			
Power	84.50	206.00				
Other (1)	501.09	4,239.30	4,540.39	265.95	4,239.30	4,505.25
(4) Operating Equipment:						
Rental						
Purchase (2)	32.70	6,217.95	6,240.65			
Depreciation						
(5) Initial Rehabilitation and Repairs		5,655.40	5,655.40			
(6) New Bldgs., Improvements, etc.		3,814.56	3,814.56			
(7) Miscellaneous:						
Repairs to Equipment	166.22	1,044.59	1,210.80	102.93	1,044.59	1,147.51
Sampling and Analysis						
Payroll Taxes	49.26	47.72	96.98	00	47.72	47.72
Liability Insurance	112.56	1,333.00	1,445.42			
(8) Contingencies (specify): Transportation	120.25	2,391.10	2,511.35	9.39	2,391.10	2,400.49
TOTALS	4001.79	53,373.99	57,465.78	3,833.24	53,373.99	57,207.23
					(1) 2,612.27	2,612.27
					(2) 75.24	75.24
				3,833.24	50,686.48	54,519.72

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Sept 1, 1952 U.S. METALS CORPORATION *Payee

Per Walter A. Hall Title Chairman, Board of Directors

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$1916.62

Signature WS (Authorized Certifying Officer)

Date 10/13/52 Vou. No. DMA 53-46

(See other side)

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(1) Previous disallowances
(2) Adjustment due to erroneous totals carried fwd by operator

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-29 in accordance with the terms of the contract.

Signature [illegible] Title mining Engr Date Oct 6 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 10-8-52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]
OCT 24 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1952 Docket No. DMEA COG Contract No. I-DMA-2-29
Operator's Name U.S. MINERALS CORPORATION Minerals Lead, zinc
Address 210 Horcantillo Bldg., Denver, Colorado and copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				1626.74				
Tunnel rehabilitation		4069.09		45783.83				
TOTAL DISTRIBUTED COSTS		4069.09		47410.57				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		22.70		6240.65				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				3814.56				
TOTAL COSTS	(1)	4091.79	(2)	57,465.78				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date Sept. 4 1952 Operator U.S. MINERALS CORPORATION

Per W. R. Green Title Chairman, Board of Directors

Walter W. Falk

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

(1) Adjusted totals 3,833.24
(2) " Grand total 57,207.23

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

SHEET NO. _____ PAYROLL FOR U. S. METALS CORPORATION FOR ~~PERIOD ENDING~~ month of July XXXXXXXXXX 19 52

	NO.	NAME	DEP'T.	1 W S 16	2 T M 17	3 F E 18	4 S W 19	5 S M 20	6 M T 21	7 T S 22	8 W W 23	9 T S 24	10 F M 25	11 S T 26	12 S W 27	13 M T 28	14 T F 29	15 W S 30	F 31	HOURS WORKED REG. TIME	OVERTIME @ 1½	OVERTIME @ 2	TOTAL	RATE AMT.	RATE PER	EARNINGS WAGES	BONUS	OTHER COMPENSATION DETAIL	OTHER COMPENSATION AMT.	TOTAL	DEDUCTIONS O. A. B.	FED. TAXES	PAY ADVANCES	
1		Sam Milano		8	8	8	8	8	8	8	8	8	8	8	8		8	8		114				400	Mo	200 00				200 00	3 00			1
2		" "		8	8	8	8	8	8	8	8									64						200 00				200 00	3 00			2
3		Charles Moore		9	8	8		8												32	1		2.00	hr		67 00				67 00	1 00			3
4		" "						8	4	6	8	4	8				6		8	44	8		2.00	"		112.00				112.00	1.68			4
5		Joseph Trudgeon		8	8	8	8			8	8				8	8		8	8	80				250	Mo	250.00				250.00	3.75			5
6		" "		8	8	8	8	8	8	8		8					8	8	8	96				"	"	250.00				250.00	3.75			6
7		Faye Lee VanHouten	Days																															7
8		" " "	pay	8	8	8	8	8	8	8	8	8	8			8	8			80	16		1.50	hr		156.00				156.00	2.34			8
9		" " " 1-15 Cont.		8	8	8	8	8		8	8	8	8	8			8	8		88	8		1.78	"		178.00				178.00	2.67			9
10		" " "16-31 Cont.																8	8	16			2.31	"		36.96				36.96	.55			10
11		Chas. Setterquist	Day Pay		8	8				8								8		32			1.50	"		48.00				48.00	.72			11
12		" "	"	8	8	8	8	8	8	8	8	8	8			8	8	8	8	96	16		1.50	"		180.00				180.00	2.70			12
13		" " 1-15	Cont								8	8	8	8	8					32	8		1.78	"		78.32				78.32	1.17			13
14		" " 16-31	X																	-	-			-		-				-	- -			14
15		Harry B. Mulliken	Cont.	8	8	8	8	8		8	8	8	8	8	8			8	8	88	16		1.78	"		199.36				199.36	2.99			15
16		" "	Cont.															8	8	16	-		2.31			36.96				36.96	.55			16
17		" "	Days Pay																	-	-					- -								17
18		" "	" "	8			8		8	8	8	8	8			8	8			64	8		1.50	"		114.00				114.00	1.71			18
19		Myron L. Jones	" "	8	8	8	8	8		8	8	8	8	8			8	8		88	8		1.50	"		150.00				150.00	2.25			19
20		" "	" "	8	8	8	8	8	8	8	8	8	8							64	16		1.50	"		132.00				132.00	1.98			20
21		Danny Ray Gerald	Days pay		8	8	8	8		8	8	8	8	8	8		8		8	88	8		1.50	"		150.00				150.00	2.25			21
22		" " " "	"	8																8			1.50	"		12.00				12.00	.18			22
23		Joe Kobel	Days pay									2	8	8	8		8	8		42			1.50	"		63.00				63.00	.94			23
24		" " "	"	8																8			1.50	"		12.00				12.00	.18			24
25		Jerry Joyner	Cont									8	8	8	8		8	8		48			1.78	"		85.44				85.44	1.28			25
26		" "	Days pay	8	8	8	8		8	8	8	8	8			8	8	8		96			1.50	"		144.00				144.00	2.16			26
27		Frank Ostrum 1-15	" "	8	8	8														24			1.50	"		36.00				36.00	.54			27
28		Clair Zufelt 1-15	" "												8		8	8		24			1.50	"		36.00				36.00	.54			28
29		Merritt Bromley "	Cont														8	8		16			1.78	"		28.48				28.48	.43			29
30		" "	Days pay	8	8	8	8		8	8	8	8	8			8	8	8		96			1.50	"		144.00				144.00	2.16			30
31		Herbert F. Grey 16-31	" "						4	8	8	8	8			8	8	8	8	68			1.50	"		102.00				102.00	1.53			31
32		Ray B Barnes 16-31	" "									8	8		8	8	8	8		48			1.50	"		72.00				72.00	1.08			32
33		Roland Schlecht 16-31	"																8	8			1.50	"		12.00				12.00	.18			33
34																										3285.52				3285.52				34
35																															49.26			35
36																										See other side for contracts								36
		TOTAL																																

PAYROLL FOR _____ PERIOD ENDING _____ 19____ SHEET NO. _____

	DEDUCTIONS			PAID		DISTRIBUTION		COMPENSATION INSURANCE	
	MISCELLANEOUS		TOTAL	AMOUNT	CHECK NO.		MISCELLANEOUS	PAYROLL AT STRAIGHT TIME	DISTRIBUTION
	DETAIL	AMT.					DETAIL / AMT.		
1	(1) July 1 - 15 1952					(2)			
2									
3	Paid: Setterquist			40 Hr	$77.00	Van Houten 2 shifts $2.31 per hour			
4	VanHouten			96 "	182.00	Mulliken 2 shifts			
5	Mulliken			104 "	203.00				
6	Bromley			16 "	28.00	Paid:			
7	Joyner			48 "	84.00	5' advance x $10.00	$50.00		
8				304 "	572.00	400 ft enlarging @ 6¢	24.00		
9	$1.78 per hour						$74.00		
10									
11	30' advance paid as follows:					Total 4 shifts			
12	6 sets T @ $20.00				$120.00				
13	3 sets spillings @ $22.00				66.00				
14	283 cars muck @ $1.25				353.75				
15	6 sets old timber taken out								
16	@ $5.00				30.00				
17	1 set stringers @ $2.25				2.25				
18					$572.00				
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
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IMPERIAL PUBLISHING CO. FORM 100

606

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 17 1952

224 New Customhouse
Denver 2, Colorado

October 13, 1952

Heller
Betty

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-829 (Lead-Zinc) U. S. Oil and Metals Corporation, Henrietta Mine, San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of June, 1952, pertaining to DMA Docket 606, Contract I-DMA-829, U. S. Oil and Metals Corporation.

John F. Shaw
John F. Shaw for
W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: October 9, 1952
Payee's
Reference: Progress
Report - June 1952

U. S. Oil & Metals Corporation
205-11-16 Mercantile Bldg.
15th & Arapahoe Streets
Denver, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $5,525.07

Difference $ 347.57

Amount Approved $5,177.50

The reason for the difference was due to:

Rio Grande Motorway - No itemization	11.48
Repairs to equipment not authorized under contract	2.19
Supplies from Curtis Hardware not chargeable to drift rehabilitation	227.59
Auto Truck Expense - No itemization	106.31
	$347.57

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B & F Form No. 4
4-15-52 D

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

October 8, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 606, Contract I-DMA-E29 (Lead-Zinc), U.S. Oil and Metals Corporation, Henrietta Mine, San Juan County, Colorado - Operator's Monthly Progress Report for the period of June 1952

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and mathematical accuracy of computations, except for the following deductions:

Invoices - Rio Grande Motorway -	
Not itemized as to goods hauled; no waybill	$ 1.68
	3.31
	4.04
	2.45
Invoices - Mine Safety Appliances -	
Repair parts for equipment not authorized in contract	1.46
	.73
Statement from Curtis Hardware -	
Exploration work cannot be charged for items listed in engineer's report	222.48
Tax	4.45
Tax on $33.17 withdrawn by operator from above invoice	.66

Note: The amount of $66.81 should be deducted from Item (3) Powder, and $227.59 from Item (3) Other.

Craig Service -	
No tickets attached - not known what charges are for	106.31
~~State Compensation - Engineer's report~~	~~101.81~~
	~~$449.38~~
	347.57

WLD:jp
cc Sec, Oper. Committee (2)
WMTraver
Contract
Chron
AHKoschmann (2)

John F. Shaw
For W. H. King

REGIONAL DIRECTOR

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

~~224 NEW CUSTOMHOUSE~~
~~DENVER 2, COLORADO~~

Building 20
Denver Federal Center
Denver 14, Colorado
October 7, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: EMA 606, Contract I-EMA-829 (Lead-Zinc), U. S. Oil and Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress reports for June, July, and August 1952

Please find enclosed five copies of each of the above progress reports--forms MF-104 and MF-104A, with narrative, payroll, labor distribution, cost summary distribution, and one copy only of certified invoices--and seven copies of Scott W. Hansen, Jr.'s memorandum covering inspection of the underground progress and accounts.

This account has been discussed with your staff on several occasions and the individual monthly reports have been returned to the contractor repeatedly for revision.

We do not have enough personnel to check the accounts as thoroughly as required and, for that reason, I have recommended a separate audit or waiver of documentation.

Both Hansen and I are approving the vouchers without entering the amount for which we approve them. They are all three subject to audit by your engineers and the Audit and Accounts Section.

Floyd D. Everett
Floyd D. Everett, for
W. M. Traver, Jr.

enclosures

WMT/amh

cc: 4
AHKoschmann
829
EMA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 6, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Hazen, Jr.

Subject: RFC 606, Contract I-RFC-829 (Lead-Zinc), U. S. Oil and Metals Corporation (Henrietta mine), San Juan County, Colorado - Progress reports for June, July, and August 1952

At a meeting held on October 3, 1952, attended by the RFC Executive Officer, the auditing group, and the RFC field and office examiners, it was decided to authorize payment of the Henrietta June, July, and August accounts subject to later audit. I was instructed to delete, at this time, all items attached to the MF-104 forms that were in doubt or which did not have proper documentation.

The auditors may allow these items at the time of the audit if proper documentation can be produced by the company. The deletions recommended are listed below and are noted in red on the original distribution sheet accompanying MF-104 forms for each month.

June 1952

Deletions for June

Rio Grande Motorway	$ 1.68 3.31	$ 4.99	No freight waybill
Mine Safety Appliances	$ 1.46 .73	2.19	Lamps not on contract

Rio Grande Motorway		$ 4.04		
		2.45	$ 6.49	Not itemized as to goods hauled - no waybill
Carl Curtis Hardware				
6/2	50 pounds of powder	$13.10		No mining
6/5	50 pounds of powder	13.10		on contract,
6/13	50 pounds of powder	13.10		all drift
6/13	100 blasting caps	2.39		rehabilitation
6/24	50 pounds of powder	13.10		
6/24	4 - 1-5/8 timken bits	64.60		Company was
6/26	50 pounds of powder	13.10		mining on
6/26	4 - 1-7/8 carbide bits	58.80		Surprise stope
6/26	Credit from previous purchase should be checked to see if the Government contract was charged for these.			
6/27	21 - 4x6x12 lumber	35.88	222.48	
State Compensation			101.81	Documentation
Craig Service			106.31	No tickets attached
Total distribution sheet			$444.27	

The payroll is still in doubt even though the data is now verified by letters and notes of explanation. The 250 pounds of powder and the drill bits are not explained. The company did delete one order of timber used on the Surprise stope. There were some shipments of ore starting in May. I do not know if there were any shipments in June. I will pass it subject to correlation of powder and bit charges and the ore shipments.

Total June deletions - $444.27.

This is in addition to the $600-$700 deletions for June already made by the company as a result of our previous letters.

The June MF-1044 does not show the correct totals for units of advance.

July 1992

These accounts have not been checked in detail at the company office. It is becoming obvious that a company warehouse is being set up as duplicate parts are being ordered for compressors and drills. The MF-104 forms do not show the units of advance.

Deletions for July

Hendrix and Holthoff 600 feet of 3-conductor cable	$228.87	No amendment
Rio Grande	9.33	No waybill
Carl Curtis Ore sacks	3.40	
Mine Safety Appliances	89.74	No contract amendment
Seagler Motor Parts Company	63.89	Not identifiable as to equipment required, if allowable
Craig Service	181.53	No tickets
Social Security	49.26	No documentation
July voucher total deletion	$487.42	

The payroll indicates 30 feet advance and $572.00 paid on contract, or $19.07 per foot. This is in excess of contract amendment of $10.00 per foot maximum. However, more work was accomplished by this month than if days' pay were paid. The second period was for starting the lateral drift and enlarging the old vinze crossout.

Payroll on the Surprise vein stope has been deleted by the company.

If the total advance for the 30 feet in the old Henrietta vein drift, which later caved, and the vinze crossout advance of 40 feet of rehabilitation and 5 feet of new advance in lateral is added, then the total contract payment is not in excess of the amendment allowance. The amount is passed subject to audit interpretation.

Total July deletions, $487.42.

August 1952

The MF-104A does not show the proper unit charges, and totals indicate there has been no work charged to drifting in the lateral.

The amount of $968.93 deducted by audit in May 1952 must be claimed on separate supplemental MF-104.

Deletions for August

Bengel Brothers	$ 3.00	No itemization
Craig Service	115.44	No itemization tickets
Power bill	98.38	July charge duplication
Reclaim	968.93	
Total	$1,139.75	

There is a question about the J. Freeman invoice which includes an air receiver. There is no enclosure for one for the Remington and the receiver was not seen at the mine. It might be for the Joe and John. Anyway, the entire account was not paid, so I assume the balance unpaid includes the receiver. There is confusion in the Oregon Pacific account as to charges but it can be worked out. There is improper breakdown on the MF-104 as to lateral drifting charges. The powder is charged but not shown on an invoice enough to note as to a ton purchase from Curtis Hardware. The powder is being charged as used.

The payroll appears to be in order but will need checking against daily time sheets. The men working on ore bins and trestle to bid are deleted by the company. The social security and compensation are apparently prorated but are complicated.

The auditors should be careful in checking the Surprise working account as very little deletion of charges have been made for the amount of stoping done.

Month	Totals Claimed	Preliminary Deductions	Recommended for payment but subject to audit
June	$ 5,525.07	$ 444.27	$ 5,080.80
July	4,091.79	487.42	3,604.37
August	5,441.65	1,139.75	4,301.90
Totals	$15,058.51	$2,071.44	$12,987.07

The preliminary deductions are subject to audit and payment if proper documentation is furnished.

Scott W. Hazen, Jr.
Mining Engineer

SWH/mmh

cc: 6
AHKaschmann
R29
IMMA Chron.

July 6 1953

Mr. W. H. King, Executive Officer
Field Team, Region IV
224 New Customs House
Denver, Colorado

Docket Number: D 11A-000
Contract Number: I-DA-3-20

June 1952

Dear Mr. King:

The work done on the Montpelier #7 tunnel for this month was to clean out the tunnel and repair the track where necessary and timber where necessary. Laid airline and water line to the cross-in in the #7 tunnel just beyond the junction of the tunnel leading to the winze or a distance of about 1100 feet from the portal of the #7 tunnel, or an advance of about 300 feet. We also drove a raise about 6 x 10 in the Surprise Vein preparatory to putting in a chute. There has been a small amount of ore dumped which was produced while widening the drift and preparing to put in the chute.

Very truly yours,

U.S. DEPARTMENT OF INTERIOR

By Walter A. Falk
Chairman, Board of Directors

WAF:W
cncs.

NOTES OF EXPLANATION

Item 3. Under Other: The amount of $3470.01 is made up of the following items: Small tools, jeep and truck expense, diesel fuel and oil for compressor, miscellaneous mine supplies "not included in timber, explosive pipe, track and power". Welding supplies including oxygen, acetylene, flux and welding rod. Diesel fuel and oil for caterpillar tractor and various small items not included under the other headings.

Item 4. Operating Equipment: The item of $8004.44 is composed of the following equipment:

1 - Electric motor	$ 100.00
1 - Wheelbarrow	35.00
1 - Set of socket wrenches	61.00
1 - Electric drill	66.35
1 - Oxygen acetylene welder	142.40
1 - rail bender	90.20
1 - Compressor with tank	3500.00
1 - Power saw	130.78
1 - Transits	2770.00
	$ 8004.44

Item 5. Initial Rehabilitation and Repairs: This item includes the cost of repairs and the labor for installing them.

Item 6. New Buildings, Improvements, etc: Includes the cost of materials and labor for constructing the buildings.

Dr. J. H. Kast, Jr.
U.S. Bureau of Mines
Denver 2, Colorado

Dear Dr. Kast:

During the month of June 1952 I was superintendent of Bonulotta mine, but was new to the mine and unfamiliar with government loan procedures, so I permit and kept the records of men working in my own way and used tables for some shifts as required to keep them apart in my own mind, rather than with intent to show the exact working place. The work performed was actually done in the Bonulotta and is properly chargeable to the loan in spite of my error in tables.

You will find that the advances claim on our reports were actually made and the details of the re-spacing are accurate and can be checked at any time.

Respectfully submitted,

Joseph H. Fredgson

I certify this to be a true and correct copy.

U.S. [illegible] Corporation

By Cecil C. Ware

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

RECEIVED
OCT 17 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1952 Docket No. DMEA 606 Contract No. I-DMA-2-20
Operator's Name U.S. Oil & Development Corporation Minerals Lead, zinc and copper
Address 210 Mercantile Bldg., Denver, Colorado
Contract Amount, $ 47,680.22 Government Participation: 50% Amount, $ 23,840.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2601.59	13344.92	15926.51			
Supervision	500.00	3500.00	3000.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		606.52	606.52			
Explosives	65.50	78.83	144.33	00	78.83	78.83
Pipe	103.63	3727.38	3831.01			
Track		3826.13	3826.13			
Power	58.32	237.87	296.19			
Other (1)	1034.45	2979.35	4013.80	1,072.36	2,979.35	4,051.71
(4) Operating Equipment:						
Rental						
Purchase (2)	323.51	5894.44	6217.95			
Depreciation						
(5) Initial Rehabilitation and Repairs		5655.40	5655.40			
(6) New Bldgs., Improvements, etc.		3914.56	3914.56			
(7) Miscellaneous:						
Repairs to Equipment	260.26	774.34	1040.60	159.76	774.34	934.10
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	101.01	1231.25	1332.26			
(8) Contingencies (specify): Transportation	107.50	2203.60	2311.10	176.02	2,203.60	2,379.62
				5,177.50	47,773.67	52,951.17
					*2,264.70	2,264.70
TOTALS	5525.07	47773.72	53298.79	5,177.50	45,508.97	50,686.47

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 16 1952 *Payee U.S. OIL & DEVELOPMENT CORPORATION
Per Robert C. Brown Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$2588.75

Signature [illegible]
(Authorized Certifying Officer)

Date 10/9/52 Vou. No. DMA 53-45
(See other side)

* Previous deductions

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 429 in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date Oct 6 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature [illegible] for W. H. King Title Executive Officer Date 10-8-52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-194A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

OCT 17 1952

Month of June 195 2 Docket No. DMEA 606 Contract No. I-DMA-3-20
Operator's Name U.S. Oil & Development Corporation Minerals Lead, zinc
Address 210 Mercantile Bldg, Denver, Colo and copper

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				1626.74				
Tunnel Rehabilitation		5201.50		41650.54				
Total Distributed Costs (1)		5201.50		43266.28				Total Costs Authorized by Contract
Operating Equipment Purchased		325.62		6217.95				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				3014.56				
Total Costs (1)		5525.07	(2)	53530.78				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U.S. OIL & DEVELOPMENT CORPORATION

July 16 1952
Date Operator

Per Robert C. Brown Title President

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Remarks:

(For Government use only)

(1) Adjusted costs this month $5,177.50
(2) Adjusted Grand Total $50,686.47

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

SHEET NO. _____ PAYROLL FOR U.S. METALS CORPORATION Henrietta Tn #7 Tunnel FOR PERIOD ENDING June 1 to 30 19 52

	NO.	NAME	DEP'T.	1 S 16	2 M 17	3 T 18	4 W 19	5 T 20	6 F 21	7 S 22	8 23	9 S 24	10 M 25	11 T 26	12 W 27	13 T 28	14 F 29	15 S 30	31	HOURS WORKED REG. TIME	OVERTIME @ 1½	OVERTIME @ 2	TOTAL	RATE AMT.	RATE PER	EARNINGS WAGES	BONUS	OTHER COMPENSATION DETAIL	OTHER COMPENSATION AMT.	TOTAL	DEDUCTIONS O. A. B.	FED. TAXES	PAY ADVANCES					
1		Sam Milano	Mech		Out		111						8	8	8	8	8			40				400	mo	186 67				186 67	2 80								1
2		" "	"	8	8	8	88	8		8	8	8	8	8	8	8	-	8		104				"	"	200 00				200 00	3 00								2
3		Joseph N. Trudgeon	Supt			8	8	8	8	8-		8	8	8	8			-		80				500	mo	250 00				250 00	3 75								3
4		" " "	"	8	8	8	-	8	8	-8	8	8	8	8	8	8	-	8		96				"	"	250 00				250 00	3 75								4
5		Charles Moore	Cat			8	8	8	8	8-	8	10	8	8				8		64	18			2.00	hr	184 00				184 00	2 76								5
6		" "	Oper	8	8	8	8	8	9	8	8	8	8	8	8					80	17			"	"	211 00				211 00	3 16								6
7		Charles Setterquist	Days		8			8	8	8		8	8			8		-	8	40	24			1.50	"	114 00				114 00	1 71								7
8		" "	Pay																																				8
9		" " 1-15	Cont			8	8							8	8		8	8		32	8			1.82	"	80 08				80 08	1 20	(1) See reverse side							9
10		" " 16-30	Cont	8	8		8	8	8		8	8	8	8	8	8				80	8			1.85	"	170 20				170 20	2 55	(2) See reverse side							10
11		John F. Gallegos	Days Pay		8	8			8			8								32	-			1.50	"	48 00				48 00	72								11
12		" " "																																					12
13		Harry B. Mulliken	Day Pay		8							8	8							24				1.50	"	36 00				36 00	54								13
14		" "																																					14
15		" "	Cont			8	8	8	8	8			8	8	8	8				56	16			1.82	"	145 00				145 00	2 17	(1)							15
16		" "	Cont.	8	8	8	8	8		8	8	8	8	8	8		8			80	16			1.85	"	192 40				192 40	2 89	(2)							16
17		Fay Lee VanHouten	Day Pay		8							8	8							24	-			1.50	"	36 00				36 00	54								17
18		" " "	"																																				18
19		" " " 1-15	Cont			8	8	8	8	8			8	8	8	8				56	16			1.82	"	145 00				145 00	2 18	(1)							19
20		" " " 16-30	Cont	8	8	8	8	8	8		8	8	8	8	8	8		8		88	16			1.85	"	207 20				207 20	3 11	(2)							20
21		Kenneth Waggoner	Day Pay		8						8	8								24	-			1.50	"	36 00				36 00	54								21
22		" "	"	8																8	-			"	"	12 00				12 00	18								22
23		" " 1-15	Cont			8	8	8	8	8			8	8	8	8				56	16			1.82	"	145 00				145 00	2 17	(1)							23
24		" " 16-30	"		8			8	8		8	8	8	8	8	8		8		n64	16			1.85	"	162 80				162 80	2 44	(2)							24
25		P. Ray Chavez	Day Pay									8	8	8						24	-			1.50	"	36 00				36 00	54								25
26		" "	"																	-	-			-	-	- -				- -	-								26
27		" " 1-15	Cont				8	8	8					8						32	-			1.82	"	58 24				58 24	87	(1)							27
28		" " 16-30	Cont																	-	-			-						-	-								28
29		Roland C. Davis	Day Pay									8				8				16	-			1.50	"	24 00				24 00	36								29
30		" " "	" "		8		8		8		8	8	8		8	8				64	-			"	"	96 00				96 00	1.44								30
31		Parfino J Chavez	"									8	8	8	8	8				40				"	"	60 00				60 00	.90								31
32		" "	"																	-						- -				-	-								32
33		Raymond D McCause	"																	-						- -				-	-								33
34		" "	"									8	8	8	8					32				1.50	"	48 00				48 00	72								34
35		Frank M Oystrom	"									8	8	8	8					32				1.50	"	48 00				48 00	72								35
36																										3181.59				3181.59	47.72								36
		TOTAL																																					

Material and/or services received and payment approved

U.S. METALS CORP.

By Robert C. Brown

PAYROLL FOR _____ PERIOD ENDING _____ 19____ SHEET NO. _____

	DEDUCTIONS			PAID		DISTRIBUTION			COMPENSATION INSURANCE	
	MISCELLANEOUS		TOTAL	AMOUNT	CHECK NO.		MISCELLANEOUS		PAYROLL AT STRAIGHT TIME	DISTRIBUTION
	DETAIL	AMT.					DETAIL	AMT.		
1	No. (1)						(2)			
2	Timbering Contract						Contract			
3	Setterquist - 5 shifts									
4	Waggoner - 9 shifts						Setterquist - 11 shifts			
5	Chavez - 4 shifts						Waggoner - 10 shifts			
6	Total - 156 hours (incl. overtime)						Van Houten - 13 shifts			
7	Paid for: 10 sets timber @ $20.00					-$200.00	Mulliken - 12 shifts			
8	84 cars mucked & tram @ $1.00					84.00				
9						$284.00	Total - 388 hours including overtime			
10	Rate per hour $1.82									
11							Paid For			
12	Mucking contract						200 feet advance @ $2.00 -	$400.00		
13	VanHouten - 9 shifts						Trim down & muck 100			
14	Mulliken - 9 shifts						extra cars muck @ $1.00	100.00		
15	Total - 160 hours (including overtime)						1 switch complete @ $30.80	30.80		
16	Paid for:						4 sets timber @ $20.00	80.00		
17	1 switch complete @ $30.80					$ 30.80	214 truck repair @ 50¢	107.00		
18	216' advance x $1.25					270.00		$717.80		
19						$300.80				
20	Rate per hour $1.88						Rate per hour $1.85			
21										
22										
23										
24										
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IMPERIAL PUBLISHING CO. FORM 100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

September 16, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 606, Contract I-DMA-E29, U. S. Oil and Development Corporation (Henrietta mine), San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period April-May, 1952, pertaining to DMA Docket 606, Contract I-DMA-E29, U. S. Oil and Development Corporation (Henrietta mine).

W. H. King
W. H. King

Enclosures

Preparation
No other pages

Administrative Audit Difference Statement

Date: September 15, 1952
Regarding
Reference: Progress Report
April-May, 1952

U. S. Oil and Development Corporation
205 -11-16 Mercantile Building
15th and Arapahoe Streets
Denver 2, Colorado

Upon audit of the above Payroll Reference a difference was found which made it necessary to amend your account accordingly:

Amount claimed	7,711.38
Difference	2,264.75
Amount Approved	5,446.63

The reason for the difference was due to:

Labor on ore bin	186.00
Freight on tractor loader	85.78
Disallowances covering period from 6-27-51 thru 5-31-52 in compliance with deductions recommended in the Audit Report for the above period as per attached.	1,992.97
	2,264.75

Any reclaim for deductions made above must be supported by the ORIGINAL OF THIS FORM.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B&F Form No. 4
4-15-52 D

1951

July

Excess Mechanic's Wages (Ex-Contract)	88.00
Electric Saw (Ex-Contract)	136.00
Welding Outfit (Ex-Contract)	142.49
Supplies, Expenses, Mechanic (overhead)	50.25
Jeep repairs (overhead)	78.28
Travel Expense, Carl M. Peterson (overhead)	25.00
Mechanic's Expenses (overhead)	120.14

August

Mechanic's Travel Expense (overhead)	104.80
Gas, oil and auto repairs (overhead)	144.67
Mechanic's Labor on town garage, 2 shifts at $12.00 (overhead and ex-contract)	24.00

September

Auto repairs and Expense (overhead)	135.92
Excess Workmen's Compensation & Insurance (Error)	43.19

October

Gasoline and Oil for Jeep and Auto Rent (overhead)	153.66
Excess Workmen's Compensation Insurance (overhead)	45.27

November

Automobile and Truck Expense (overhead)	117.18
Excess Workmen's Compensation Insurance (Error)	24.61

December

Automobile and Truck Expense (overhead)	153.35
Excess Workmen's Compensation Insurance (Error)	38.30

1952

January

Gasoline and Oil (overhead)	61.30
Excess Workmen's Compensation Insurance (Error)	22.71

April and May Combined

Gasoline and Oil (overhead)	196.85
Excess Workmen's Compensation Insurance (Error)	87.00
	1,992.97

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

August 22, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMA Docket 606, Contract I-DMA-229 (Lead-Zinc), U. S. Metals Corporation, formerly U. S. Oil and Development Corporation, San Juan County, Colorado - Operator's Monthly Progress Report, for the period of April-May, 1952

Enclosed are the original and four copies of Form MF-104, Narrative Report, and Engineer's Report for the above period.

Work accomplished is in accordance with the contract and payment is recommended as follows:

Total Amount Reported $7,711.38

Disallowance from April-May Report

Labor on ore bin	$ 186.00
Freight on tractor loader	85.78

Disallowances covering period from June 27, 1951 through May 31, 1952 in compliance with deductions recommended in the Audit Report for the above period.

1951
July

Expense Mechanic's Wages (Ex-Contract)	$ 88.00
Electric Saw (Ex-Contract)	136.00
Welding Outfit (Ex-Contract)	142.49
Supplies, Expenses, Mechanic (overhead)	58.25
Jeep repairs (overhead)	78.28
Travel Expense, Carl M. Peterson (overhead)	25.00
Mechanic's Expenses (overhead)	120.14

August

Mechanic's Travel Expense (overhead)	$ 104.80
Gas, oil and auto repairs (overhead)	144.67
Mechanic's Labor on town garage, 2 shifts at $12.00 (overhead and ex-contract)	24.00

September

Auto repairs and Expense (overhead)	135.92
Excess Workmen's Compensation & Insurance (Error)	43.19

October

Gasoline and Oil for Jeep and Auto Rent (overhead)	153.66
Excess Workmen's Compensation Insurance (overhead)	45.27

November

Automobile and Truck Expense (overhead)	117.18
Excess Workmen's Compensation Insurance (Error)	24.61

December

Automobile and Truck Expense (overhead)	153.35
Excess Workmen's Compensation Insurance (Error)	38.30

1952
January

Gasoline and Oil (Overhead)	61.30
Excess Workmen's Compensation Insurance (Error)	22.71

April and May Combined

Gasoline and Oil (overhead)	196.85
Excess Workmen's Compensation Insurance (Error)	87.00
	$2,264.75

BALANCE	$5,446.63
REIMBURSEMENT, GOVT PARTICIPATION 50%	$2,723.21

Disallowances which are subsequently allowed by Amendment No. 6, dated August 20, 1952, may be reclaimed on a supplemental MF-104 Voucher.

The operator must deduct amounts disallowed from where originally distributed in project costs so that future reports will reflect the correct costs to date.

for John F. Shaw
W. H. King

Enclosures

JWT:fwo

cc: Sec. Oper. Comm. (2)
Traver
Contract
Koschmann (2)
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado

July 2, 1952

Memorandum

To: Acting Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMA 606, Contract I-DMA-E29, U. S. Oil and Development Corporation (Henrietta mine), San Juan County, Colorado - April-May 1952 progress report

Please find enclosed five copies of the above progress report, form MF-104, with narrative and payroll, and seven copies of S. W. Hasen's memorandum report covering inspection of the underground progress and accounts.

Disallowances for ore bin repair, $186.00, and tractor-loader transportation, $85.78, total $271.78. This amount deducted from the total $7,771.38 claimed by the operator leaves $7,439.60. Payment of 50 percent of this balance of $7,439.60, or $3,719.80, is approved.

Audits reports sufficient funds in the account to reimburse the operator for the April-May claim.

W. M. Traver, Jr.

W. M. Traver, Jr.

Enclosures

WMT/bam

cc: 4
AHKoschmann
E29
DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado

July 2, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: Scott W. Hasen, Jr.

Subject: DMA 606, Contract I-DMA-E29, U. S. Oil and Development Corporation (Henrietta mine), San Juan County, Colorado - April-May 1952 progress report

The company's accounts were checked in its Denver office on June 27 and the field work was checked at the mine on June 20, 1952.

The Henrietta No. 7 tunnel had been rehabilitated to 800 feet at the end of May and was completed to 1,000 feet on June 20. The Surprise vein drift was enlarged to accommodate a mucking machine. The road to the mine was reopened during April 5-14, inclusive. The work was performed with the company's D-8 dozer. Only company labor was charged for mechanic and dozer operator. The county provided fuel at no charge. A water pump and water line were installed to provide water for drilling on the Surprise vein. An old ore bin was rehabilitated but this is not allowable and the $186.00 labor charge is deducted.

Labor charges were found correct except for the ore bin charge ($186.00) to be deducted. Contract work for rehabilitation on tunnel was paid at an average of $2.65 per foot of advance. This is within the limits allowed by contract amendment. Part of the rehabilitation was done on day's pay rate. The mechanic's salary of $400.00 per month is now allowable by contract amendment dated February 1, 1952. It should be noted that overtime was paid on contract work. By law this is allowable but is not specifically stated in the contract amendment. Some labor charges have been extended under Items 11, other.

All other expenses were checked against itemized invoices and were found correct and allowable by contract except for one item of $85.78 included in supplies, other. This was paid for freight on transporting a new Allis-Chalmers tractor-loader to the mine from Montrose.

Approval is recommended for one-half of $7,711.38 less $186.00--labor and $85.78--supplies, other, or one-half of $7,439.60, or $3,719.80, subject to the limitation of Government participation in the contract.

The latest tabulation indicated the amount remaining is $7,587.64 or sufficient to pay the full amount for April and May.

Scott W. Hasen
Mining Engineer

SCH/bam

cc 6
AHKoschmann
E29
DMEA

June 9 1952

Mr. W. H. Graves, Jr., Chief
Colorado Branch, Mining Division
Building 20
Denver Federal Center
Denver 14, Colorado

DMA-606
Contract I-DMA-200

Dear Mr. Graves:

Enclosed find form MD106 for part of April and the month of May. We did not make this report for April because we did not have the information at hand until the latter part of May so we made the two months combined in one. I have talked to Mr. Sommond and he thinks we should revise the figures showing a little different breakdown to what is shown on this form. However I will make this report the same as usual and at a later date we can revise the breakdown if necessary.

For the narrative on the work for April and May, we started on the Lark road April 5, 1952, plowed the snow from the road from Cement Creek to Henrietta portal. Cleaned snow off the dump, built trestle to ore bin and put ore bin in working condition.

Cleaned No. 7 tunnel and laid track, water pipe and air line the rest of the way to the Surprise Vein. Raised ceiling in Surprise vein approximately 3 feet to give height for the mucking machine to work. Extended the side of the Surprise drift approximately two feet the full length of the drift or about 60 feet.

Cleaned, retimbered where needed, repaired track where needed and installed air line in the Henrietta No. 7 tunnel to approximately 600 feet from the portal of the No. 7 tunnel or a distance of approximately 250 feet beyond the Surprise vein.

Installed power line and laid pipe line and installed pump for drilling water and laid water line to the Surprise vein.

Very truly yours,

U.S. OIL & REFINING CORPORATION

By W R Green
W.R. Green

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. 29
Idm-E

Name of Operator U.S. Oil & Development Corporation
Docket No. DMA 606
Total Contract Amount $ 47,650.00
Government Participation: 50% % Amount, $
Distribution of Expenditures for Month of April & May 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U.S. Oil & Development Corporation
(Name of Company)

By W.R. Green (Signature of Authorized Official)

April & May 1952
(Date)

Bookkeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16--64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings		1626.34	1626.34			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]	38.39	5994.44	6032.83			
(b) Rented[2]						
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities		111.09	111.09			
(b) Buildings						
(c) Installations						

	Monthly Total	Totals Previously Reported	Total To Date
11. Other (Specify)			
Freight & Hauling		2.45	2.45
Auto Truck expense & repair	196.85	61.30	258.15
Small tools	8.60	700.54	709.14
Power line		105.68	105.68
Tractor expense	213.68		213.68
Tractor repair	95.03		95.03
Mine dump & road construction, labor	572.00		572.00
Supervision road construction	225.00		225.00
Work on ore bin	186.00		186.00
Totals	7721.38	45136.14	50847.52

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	3712.52	17025.31	20737.83			
5. Supervision	275.00	1000.00	1275.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts	142.66	4127.62	4270.27			4,270.28
(d) Other	1324.03	8287.15	9611.98			
7. Power	42.12	195.75	237.87			
8. Transportation		2596.22	2596.22			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	87.00	717.00	804.00			
Unemployment Ins.		427.25	427.25			
10. Contract Work	591.50	280.00	871.50			
11. Other (specify)	1497.36	947.97	2445.33	1,225.58	947.97	2,173.55
See Attached						
Total	7711.38	43,136.14	50,847.52	7,439.60	43,136.14	50,575.74
Deletions				*1,992.97		* 1,992.97
Adjusted totals				5,446.63	** 3,073.80	**3,073.80
Totals previously reported				40,062.34	40,062.34	45,508.97
Totals to date				45,508.97		

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by S. H. Hagen (7711.38 − 271.72) ½ = 3719.80 $3719.80
Amount approved for payment
Remarks

16—64068-3

Schedule DPA 53-33
Sept 16, 1952
2723.31

* Disallowances in accordance with Auditors Report
** Previous Deductions

[redacted]

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF _____

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting							0	0	0	
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	5562.02		142.66	2006.70			223	577	800	
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	5562.02		142.66	2006.70						

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

U. S. OIL & METALS CORPORATION

DENVER, COLORADO

Payroll for Period April 5 to April 30 Inc Incl. 195 2

MINE Henrietta mine LOCATION Silverton, ~~Ox~~ Colorado

NAME	OCCUPATION		REGULAR Time	REGULAR Rate	REGULAR Amount		OVERTIME Time	OVERTIME Rate	OVERTIME Amount		Total Wages	Soc. Sec.	W. H. Tax	Board		TOTAL DEDUCT'S	Net Due		Check No.
Sam J. Milano	mechanic		5/6 Mo.	400	333	35					333.35	5.00	50.00			55.00	278	35	
Charles Moore	cat operator		140	2.00	280	00	47	3.00	141	00	421.00	6.31	31.40			37.71	383	29	
Joseph N Trudgeon	Supt.		5/6 mo.	500.	416	67					416.67	6.25	57.00			63.25	353	42	
Chas Setterquist	miner	cont	56	1.50	84	00	8	2.25	18	00	102.00	2.46	2.76			5.22	156	78	
" "	"	DP	32	15.50	62	00					62.00					-	-		
W.D. Peregrino	"	DP	40	1.50	60	00					60.00	90¢	-0-			.90	59	10	
Joseph Gallegos	"	cont	24	15.50	46	50					46.50								
" "	"	DP	72	1.50	108	.00					108.00	2.31	8.60			10.91	145	59	
Robert Blowers	"	Cont	32	15.50	62	00					62.00								
" "	"	DP	32	1.50	48	00					48.00	1.65	-0-			1.65	106	35	
Kenneth Waggoner	"	Cont	16	15.50	31	00					31.00	47¢	-0-			.47	30	53	
Leonard Destefanio	"	Cont	24	15.50	46	50					46.50	70¢	3.80			4.50	42	00	
Ivan Adee	"	Cont	24	15.50	46	50					46.50	70¢	-0-			.70	45	80	
					1624	.52			159	.00	1783.52	26.75	153.56			180.31	1603	21	

April payroll revised to cover work done on Henrietta #7 tunnel ~~for~~ in connection with government loan.

I hereby certify this to be a true and correct copy of payroll.

Signed: W R Green

U. S. OIL & METALS CORPORATION

DENVER, COLORADO

Payroll for Period May 1 to May 31 Incl. 195 2

MINE Henrietta LOCATION Silverton, Colo.

NAME	OCCUPATION		REGULAR Time	REGULAR Rate	REGULAR Amount	OVERTIME Time	OVERTIME Rate	OVERTIME Amount	Total Wages	Soc. Sec.	W. H. Tax	Board		TOTAL DEDUCT'S	Net Due	Check No.
Sam J. Milano	Mechanic		1 mo.	$400	400 00				400.00	6.00	59.80			65.80	334 20	
Joseph N. Trudgeon	Supt		1 mo.	500	500 00				500.00	7.50	68.60			76.10	423 90	
Charles Moore	cat operator		136	2.00	272 00	52	3.00	156 00	428.00	6.42	37.40			43.82	384 18	
Robert O'Conner	miner		8	1.50	12 00				12.00	.18	-0-			.18	11 82	
Chas. Setterquist	miner		176	1.50	264 00	48	2.25	108 00	372.00	5.58	61.60			67.18	304 82	
Robert N. Blowers	miner		56	1.50	84 00	16	2.25	36 00								
" " "	"	cont.	72 per day	14.50	130 50				250.50	3.76	15.00			18.76	231 74	
Kenneth Waggoner	"		36	1.50	54 00	16	2.25	36 00								
" "	"	cont.	72 per day	14.50	130 50	as shift boss		11.00	404.00	6.07	35.80			41.87	362.13	
" "	"	cont.	80 per day	15.00	150 00	8	22.50	22 50								
Leonard Distifano	"		96	1.50	144 00	24	2.25	54 00								
" " "	"	cont.	72 per day	14.50	130 50				328.50	4.93	55.20			60.13	268 37	
George Hebert	shift boss		24	1.50	36 00	8	2.25	18 00								
" " "	"	cont.	72 per day	14.50	130 50	shift boss		50 00	234.50	3.52	24.80			28.32	206 18	
Max Andreatti	miner		120	1.50	180 00	16	2.25	36 00	216.00	3.24	44.20			47.44	168 56	
Fay Lee VanHouten	"		96	1.50	144 .00	16	2.25	36 00	180.00	2.70	11.80			14.50	165 50	

I hereby certify this to be a true and correct copy of payroll.

Signed: W R Green

U. S. OIL & METALS CORPORATION

DENVER, COLORADO

Payroll for Period May 1 to May 31 Inc Incl. 195 2

MINE Henrietta LOCATION Silverton Colo.

NAME	OCCUPATION		REGULAR Time	REGULAR Rate	REGULAR Amount		OVERTIME Time	OVERTIME Rate	OVERTIME Amount		Total Wages	Soc. Sec.	W. H. Tax	Board		TOTAL DEDUCT'S	Net Due		Check No.
Joseph Gallegos	miner		92	1.50	138	00					138.00	2.10	-0-	Boots	6.60	8.70	129	30	
Ivan Adee	"		64	1.50	96	00	8	2.25	18	00	114.00	1.71	6.30			8.01	105	99	
Harry B. Mulliken	"		32	1.50	48	00	8	2.25	18	00	66.00	.97	21.20			22.17	43	83	
John N. McLellan	"		32	per day 15.00	60	00	16	22.50	45	00	105.00	1.58	15.40			16.98	88	02	
Roland C. Davis	"		8	1.50	12	00	8	2.25	18	00	30.00	.45				.45	29	55	
					3116	00			662	50	3778.50	56.71	457.10		6.60	520.41	3258	.09	

*Revised to show work on done on Henrietta #7 tunnel

I hereby certify this to be a true and correct copy of payroll.

Signed: W R Green

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

March 20, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Region IV

Subject: Monthly Progress Reports, Form MF-104

Enclosed is one copy of the Monthly Progress Report, Form MF-104 and one copy of the narrative report for DMA Docket 606, Contract No. Idm-E29 for the months of July-51, August-51, September-51, October-51 November-51, and December-51.

W. H. King.
W. H. King, for
J. H. East, Jr.

Enclosures

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
MAR 24 8 29 AM '52

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 29

Name of Operator U. S. Oil & Development Corporation
Docket No. DMA 606
Total Contract Amount $ 47,650.00
Government Participation: 50 % Amount, $
Distribution of Expenditures for Month of December, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U. S. Oil & Development Corporation
(Name of Company)

By /s/ W. R. Green
(Signature of Authorized Official)

January 7, 1952
(Date)

Bookeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16--64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings	297.14	1169.22	1466.36	297.14	1169.22	1466.36
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1] X	100.00	5894.44	5994.44	100.00	5894.44	5994.44
(b) Rented[2]						
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

Sched DMa 52-19

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: January 25, 1952
Payee's Reference: Progress Report December 1951

U. S. Oil & Development Corporation
205-11-16 Mercantile Bldg.
15th & Arapahoe Streets
Denver 2, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount claimed $ 3,724.01

Difference $ 418.31

Amount Approved $ 3,305.70

The reason for the difference was due to:

Mechanic's wages deducted for days not worked at the mine	$ 112.00
Wages of mechanic's helper not allowed by contract	226.31
Cat operator's wages deducted for December 24,25,29, and 31 based upon the fact that the miners did not work on these dates	80.00
Total	$418.31

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

R. E. Stokes
Audit Section

R-IV - B&F Form No. 4
5-1-51 - 1M

SWH/dd

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
January 17, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division

From: Scott W. Hasen, Jr.

Subject: DMA 606, Contract I-DMA-E29, U. S. Oil and Development Corporation, Henrietta Mine, San Juan County, Colorado - December 1951 progress report

The full progress for December was not checked in the field as the mine is not accessible because of snow. The mine was last visited on December 18, 1951. Work was done on the four remaining shifts of that week and on December 27 and 28. Snow has blocked access to the mine since that time.

Accounts were checked in the Denver office of the U. S. Oil and Development Corporation on January 15, 1952.

Payroll

Copies of the payroll are attached to the MF-104 forms. Notes are given by the company explaining that some labor, performed by certain men at their Silverton garage, has been deducted from the total payroll but not from the withholding tax and other deductions. In other words, the men really worked full time but only those hours worked at the Henrietta are shown. The item of labor on the MF-104's includes withholding tax, etc., and overtime for Saturday work.

Payroll deductions:

Mechanic, 12/1 - 12/15, 80 regular at $1.50, 24 overtime at $2.25	$174.00
Mechanic, 12/16 - 12/31, 64 regular at $1.50, 8 overtime at $2.25	114.00
	$288.00

Although the mechanic worked straight time, he did not work at the mine on December 24 and 25; on December 26 he worked with the cat operator to open the road for the next day for the miners.

$400.00 claimed minus $288.00 = $112.00 deduction

Paul Blowers, mechanic helper, not allowed:

12/1 - 12/15	$ 76.56
12/15 - 12/31	149.75
	$226.31 deduction

Cat operator: Deduct for December 24, 25, 29, and 31. Claimed 88 hours regular, 24 hours overtime, for December 26 - 31; this would include the above with double time for December 25.

16 hours regular time	$ 32.00
16 hours overtime	48.00
	$ 80.00 deduction

The above deductions are based on mine operation with the miners not working on December 24, 25, 26, 29, and 31.

Total payroll deductions:

Mechanic	$112.00
Mechanic helper	226.31
Cat operator	80.00
	$418.31

Contract work done is in accordance with amendment. The contract payment for December 1 - 15 was for progress through cave requiring timbering. Cost per foot allowed seems reasonable. The men actually made a few dollars less for the period than if they had been on hourly rate. The contract for the remainder of the month was not measured due to inaccessibility. The men were paid on regular rate and adjustment will be made when the work can be measured.

Building costs

The following building costs have been incurred for providing a compressor shed, change room, blacksmith shed, and smokehouse. These are not specifically mentioned in the contract but to date have been passed except for one deduction recommended by the field examiner.

Month	Amount claimed	Amount passed	Amount deducted
July	none		
August	$ 183.22	$ 183.22	
September	433.89	23.32	$ 410.57
October	161.65	161.65	
November	390.46	390.46	
December	297.14		
Total claimed	$1,466.36		
Total passed to date		$ 758.65	
Total deducted to date			$ 410.57

Almost all of the lumber and one entire building, the change room, were salvaged. The expenses were for re-erection, supplies: roofing, doors,

windows, nails, hardware, etc. There is no question of the need for the buildings to facilitate operation of the mine. An amendment has been granted for a carpenter to do the work of erection.

Equipment purchase

$100.00 for blower motor in lieu of ventilation equipment allowed.

Repair parts

Bingle Bros., repairing and machine work on blower	$ 40.00
Curtis Hardware, mucking machine parts	17.93
Mall tool, parts for saw	19.38
Universal dredge parts	11.32
Rio Grande Motorway, freight	2.31
Graham Hardware	5.97
Power Equipment Company, dozer parts	28.28
Marland Motors, jeep repairs	16.50
	$141.69
Triangle Service, gas and oil	56.86
Craig Service, gas and oil	79.99
	$278.54

The last two items should come under "Transportation" or "Supplies, Other", as they are costs of transporting men to work and of dozer operation.

The other items, including electric power, are self-explanatory.

Approval is recommended for one-half of the amount claimed less the payroll deductions of $148.31 and subject to Region IV decision on the building costs.

Scott W. Hazen, Jr.
Scott W. Hazen, Jr.,
Mining Engineer

cc 5
AHKoschmann
E29
DMA Chron.

January 7 1952

Mr. W. H. Graver Jr.,
Building 80
Denver Federal Center
Denver, Colorado

DMA Docket No. 600
Contract I-DMA-220

Dear Mr. Graver:

This is a progress report on the Henrietta mine for the month of December 1951.

The #7 tunnel of the Henrietta mine has been cleaned to the Surprise Vein which is some 557 feet. All of the soft earth has been timbered to the solid rock and the track has been laid to within approximately 150 feet from the Surprise Vein. At the present time the road is closed to the mine by snow slides. As soon as the weather has cleared we will continue the work.

We are enclosing the two payrolls for the month of December. These pay rolls do not include our total payroll at Silverton, but only the amount of time spent on the #7 tunnel of the Henrietta mine.

Very truly yours,

U.S. OIL & DEVELOPMENT CORPORATION

By W R Green
W. R. Green,

WRG:w

U. S. Oil & Development Corporation — Copy

Payroll for Period December 1 to December 15 Incl. 1941

Henrietta Mine - Silverton, Colorado

NAME	OCCUPATION		REGULAR Time	REGULAR Rate	REGULAR Amount	OVERTIME Time	OVERTIME Rate	OVERTIME Amount	Social Security	Hospital	W. H. Tax			TOTAL DEDUCT'S	Net Due	Check No.
John F. Ost	Supt.		1/2 No.	500.	250.00				3.75		28.80			32.55	217.45	
Sam J. Milano	Mechanic		1/2 No.	400.	200.00				3.00		29.90			32.90	167.10	
Charles Moore	Cat Driver		80	2.00	160.00	28	3.00	84.00	3.66		21.20			24.86	219.14	
William Foster	Labor Garage		48	1.50	72.00	24	2.25	48.00	2.07					2.07	117.93	Part on Garage
Paul Blowers	mechanic		32	1.75	56.00	8	2.57	20.56	3.33		33.90			37.23	39.33	Part on Garage
Robert Blowers	Mines					8	2.25	18.00	2.55		11.80			14.35	163.65	Part on Garage
Robert Blowers	Contract 28' @ 5.00 per ft.				140.00	-	-	-								
Joe Baker	Miner					8	2.25	18.00	2.73		14.20			16.93	141.07	Part on garage
Joe Baker	Contract 28' @ 5.00 per ft.				140.00	-	-	-								
Don Stably	Miner		56	1.50	84.00	16	2.25	36.00	2.16	1.40				3.56	116.44	Part on garage
Bill Smith	Miner		48	1.50	72.00	8	2.25	18.00	1.53	-				1.53	88.47	Part on garage
Tom Thompson	Miner		40	1.50	60.00	-	-	-	.90	-				.90	59.10	
					1234.00			242.56	25.68	141.20				166.88	1309.68	

The miners that are shown "Part on Garage" worked some time in the garage at Silverton, but the amount shown on this payroll is the time put in at the Henrietta Mine. The social security and withholding tax is the total amount withheld from each person.

I hereby certify this to be a true and corrected copy of payroll.

Signed: W. H. Groen

U.S. Oil & Development Corporation — Copy

Henrietta Mine - Silverton, Colorado

Payroll for Period Dec 16 to Dec 31 Incl. 194 51

NAME	OCCUPATION		REGULAR Time	REGULAR Rate	REGULAR Amount	OVERTIME Time	OVERTIME Rate	OVERTIME Amount	Social Security	Hospital	W. H. Tax			TOTAL DEDUCT'S	Net Due	Check No.
John P. Ost	Supt.		1/2 Mo.	500	250.00				3.75		28.80			32.55	217.45	
Sam J. Milano	Maintenance		1/2 Mo.	400.	200.00				3.00		29.90			32.90	167.10	
Charles Moore	Cat driver		88	2.00	176.00	24	3.00	72.00	3.72		21.30			25.02	222.98	
William Foster	contract miner		48	1.50	72.00	-	-	- -	1.08					1.08	70.92	
Paul Blowers	Garage Depot		56	1.75	98.00	22	2.625	51.75	3.40		33.90			37.30	112.45	
Robert Blowers	Contract miner		48	1.50	72.00	-	-	-	1.08		-			1.08	70.92	
Joe Baker	Contract miner		56	1.50	84.00	-	-	-	1.26		-			1.26	82.74	
Bill Smith	Tramer		48	1.50	72.00	-	-	-	1.08				15.00	16.08	55.92	
Don Stahly	Tramer		64	1.50	96.00	-	-	-	1.44		-			1.44	94.56	
Tom Thompson	contract miner		48	1.50	72.00	-	-	-	1.08					1.08	70.92	
Carl Aibner	Lab or		40	1.50	60.00	-	-	-	.90					.90	59.10	
					1252.00			123.75	21.79		113.90		15.00	150.69	1225.06	

This contract could not be measured because of the snow storm, payment for contract work will be made as soon as the mine is accessable.

I hereby certify this to be a true and correct copy of payroll.

Signed: John P. Ost

John P. Ost.

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	2072.31	14,553.00	16,625.31	1654.00	14,553.00	16,207.00
5. Supervision	500.00		500.00	500.00		500.00
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts	278.54	3,849.08	4,127.62	278.54	3,849.08	4,127.62
(d) Other	7.90	8,240.23	8,248.13	7.90	8,240.23	8,248.13
7. Power	43.12	110.51	153.63	43.12	110.51	153.63
8. Transportation		2,396.22	2,396.22		2,396.22	2,396.22
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	145.00	463.00	608.00	145.00	463.00	608.00
10. Contract Work	280.00		280.00	280.00		280.00
11. Other (specify)						
Small tools		762.60	762.60		762.60	762.60
Power line		103.68	103.68		103.68	103.68
Total	3724.01	37,541.98	41,265.99		37,541.98	40,847.68
Deletions				418.31		
Adjusted totals				3305.70		
Totals previously reported				37,541.98		
Totals to date				40,847.68		

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WHK JME (?)
Amount approved for payment
Remarks

16—64068-3

X This item was for a 10 HP motor purchased in lieu of the 5 HP electric driven fan and motor estimated at $450.00 in Exhibit C. See J. H. East Jr. letter of 12/20/51.

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	2852.31	100.00	7.90	763.80	3724.01					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(April 1951)

Budget Bureau No. 42-R1036.1.
Approval expires 8-31-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U. S. Oil& Development Corporation
(Name of Company)

By /s/ W. R. Green
(Signature of Authorized Official)

December 4, 1951
(Date)

Bookkeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-2

MONTHLY SUMMARY COST STATEMENT

Name of operator U. S. Oil & Development Copp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Distribution of Expenditures for Month of November 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	3314.00	11239.00	14,553.00	3206.00	11239.00	14,445.00
Equipment purchase [1]	219.30	5674.14	5,804.44	219.30	5675.14	5,894.44
Equipment rental [2]						
Buildings	300.46	778.76	1,169.22	390.46	778.76	1,169.22
Explosives						
Repair parts	67.77	3781.31	3,849.08	367.77	3781.31	3,849.08
Other supplies	435.85	7804.38	8,240.23	435.85	7804.38	3,240.23
Power	32.69	77.82	110.51	32.69	77.82	110.51
Transportation	165.59	2230.63	2,396.22	165.59	2230.63	2,396.22
Withholding taxes						
Compensation insurance	123.00	340.00	463.00	123.00	340.00	463.00
Other insurance						
Contract work						
Other (specify) small tools	7.00	755.60	762.60	7.00	755.60	762.60
Power line		103.68	103.68		103.68	103.68
Total	4755.66			4647.66	32786.32	37,433.98
Totals previously reported		32,786.32				
Totals to date			37,541.98			

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr.
Amount approved for payment
Remarks

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: January 16, 1952
Payee's Reference: Progress Report November 1951

U. S. Oil and Development Corp.
205-11-16 Mercantile Bldg.
15th & Arapahoe Streets
Denver 2, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount claimed $ 4,755.66

Difference $ - 108.00

Amount Approved $ 4,647.66

The reason for the difference was due to:

Disallowance of overcharge of mechanic's wages .....$ 88.00
Disallowance of overcharge of carpenter's wages 20.00

$108.00

Inasmuch as no overtime work is recorded on the Form 104, for the mechanic or carpenter, we have no alternative other than to hold payment to the terms of the contract, ie., $12.00 per shift for a mechanic and $1.75 per hour for a carpenter.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B&F Form No. 4
5-1-51 - 1M

SWH/dd

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
December 27, 1951

Memorandum

To: Chief, Colorado Branch, Mining Division

From: Scott W. Hazen, Jr.

Subject: DMA 606, Contract I-DMA-E29, U. S. Oil and Development Corporation, San Juan County, Colorado - November 1951 progress report

The field work and accounts have been checked for November. Progress as of December 18, 1951, is better than previous months. Some solid rock is being encountered in the Henrietta tunnel. Rehabilitation will reach the Surprise vein shortly after January 1. It will be necessary to enlarge the 60-foot drift on the Surprise ore shoot. It is not a vein. The ore occurs as pods found at irregular intervals. At present only a general trend or direction can be seen for these pods. After enlargement of the drift, it is expected that a more definite direction for the 100 feet of drifting can be determined. Mr. Ost, the company engineer in charge, has decided to ship the rock broken in enlarging the drift to the Shenandoah-Dives mill. He will also break some from the back of the drift to make a fair shipment. In this way he will get an accurate sample of the deposit as it is now exposed. The erratic spacing of the pods makes hand sampling too inaccurate.

There are about $12,000.00, Government - $6,000.00, remaining to be spent on the contract. This will allow operations through January, and perhaps February, and should nearly complete the 100 feet of drifting. It will also allow some rehabilitating of the Henrietta tunnel beyond the Surprise drift. The company has indicated it will continue on its own and complete the rehabilitation of the tunnel to the Henrietta vein.

The accounts were checked and found correct except for the usual $400.00 flat rate charge for the mechanic rather than the $12.00 per shift. Accordingly, the labor account should be reduced by $58.00. The equipment purchase account includes an item of $100.00 for a secondhand 10-horsepower electric motor purchased for the blower. The contract allows $450.00 for purchase of an exhaust fan. The company has substituted a blower of its own and bought the motor. It is believed this is an allowable cost.

It should be noted that the bulldozer which has now had $3,849.08 worth of repair parts purchased and installed, labor not included as work is done by the mechanic, is reported as up for trade-in as part payment on another larger dozer owned by the same company and now being used on the job at the Henrietta.

Payment is approved for one half of $4,755.66 less $58.00, or $2,348.83.

Scott W. Hazen, Jr.,
Mining Engineer

cc 5
AHKoschmann
E29
DMA Chron.

December 4 1951

Mr. Traver
Building 20
Denver Federal Center
Denver, Colorado

DMA Docket No. 606
Contract I-DMA-829

Dear Mr. Traver:

This is a progress report on the Henrietta mine for the month of November, 1951.

The No. 7 tunnel of the Henrietta mine has been cleaned to a distance of approximately 400 feet from the adit. The tunnel has been retimbered for the greater part of this distance. New track and air lines has been laid as far as timbered.

Some stulls have been cut and skidded to the portal of the mine. The exact footage is not known.

The snow sheds over the track from the portal to the waste dump and the ore chute have been completed.

The amount of cleaning and timbering from the present workings to the Surprise Vein will be much less than it has to this point and the progress should be much faster than it has been to date. Some ore should be mined from the Surprise Vein during December or the first part of 1952.

Our entire efforts for this month has been put on the Henrietta as there was only three man days used elsewhere.

Very truly yours,

U.S. OIL & DEVELOPMENT CORPORATION

By W R Green
W. R. Green

WRG:w

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF November, 1951

Name of operator U. S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,050.00
Government participation percent 50

Type	Number	Man-Shifts	Rate	Total
Miners	9	129⅓	$1.50 per hr.	$ 1671.00
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics	1	26	$400 per mo.	400.00
Electricians				
Blacksmiths				
Carpenters	1	17	$1.75 per hr.	258.00
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	26	$500 per mo.	500.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Tractor operator		27 7/8-SWH	$2.00 per hr.	485.00
Total		198½		3314.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WHK
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November 1951

Name of operator U. S. Oil & Development Corp
Project No. DMA 606
Total contract amount $47,650.00
Government participation, percent 50

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	3314.00	219.30	435.85	786.51	4755.66					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr.
Remarks

MTF-104
(April 1951)

Budget Bureau No. 42-R1036.1.
Approval expires 8-31-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U. S. Oil & Development Corporation
(Name of Company)

By /s/ W. R. Green
(Signature of Authorized Official)

November 5, 1951
(Date)

Bookkeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-2

MONTHLY SUMMARY COST STATEMENT

Name of operator U.S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Distribution of Expenditures for Month of October 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	2953.00	8286.00	11,239.00	3445.00	8286.00	11,731.00
Equipment purchase [1]		5675.14	5,675.14		5675.14	5,675.14
Equipment rental [2]						
Buildings	161.65	617.11	778.76	161.65	617.11	778.76
Explosives						
Repair parts	1165.00	2616.22	3,781.31	1165.09	2616.22	3,781.31
Other supplies	349.44	7454.94	7,804.38	349.44	7454.94	7,804.38
Power	32.69	45.13	77.82	32.69	45.13	77.82
Transportation	160.28	2070.35	2,230.63	160.28	2070.35	2,230.63
Withholding taxes						
Compensation insurance	148.00	192.00	340.00	148.00	192.00	340.00
Other insurance						
Contract work						
Other (specify) small tools	32.51	723.09	755.60	32.51	723.09	755.60
Power line	103.68		103.68	103.68		103.68
Total	5106.34			5598.34	27,679.98	33,278.32
Totals previously reported		27,679.98		27679.98		
Totals to date			32,786.32	33278.32		

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WDM (?)
Amount approved for payment 2234.17
Remarks

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

SWH/amh

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20
Denver Federal Center
November 19, 1951

Memorandum

To: Chief, Colorado Branch, Mining Division

From: Scott W. Hazen, Jr.

Subject: DMA-606, Contract Idm-329, U. S. Oil and Development Corporation, Henrietta mine, San Juan County, Colorado - October 1951, Progress Report

The October progress at the above mine was checked on November 7 and the accounts were checked in Denver on November 14, 1951. The work at the mine has consisted of retimbering and spiling through cave in the drift and completing surface building and snowshed. The latter has been a necessity to continue work. The retimbering is in about 300 feet or halfway to the Surprise vein where the 100 feet of drifting is to be done. It now appears there will be enough contract money to rehabilitate to the Surprise vein and do the drifting. The remaining 800 feet or so of rehabilitation will not be completed with the money available. The company has indicated their intentions of going ahead on their own and doing this work to reach the Henrietta vein.

There is about 200-250 feet of partially caved drift to clean out and catch up the timber, and then perhaps 300-400 feet of fairly good going to the vein. It seems advisable to try to contract this work. The amount paid would have to be variable and based on conditions found.

While checking the October accounts, my attention was called to two deductions on the September payment. One, the deduction of a mechanic's salary of $400.00, is an obvious error on the Bureau's account. There is a provision for one in the contract. The other item, mechanic's helper, is a debatable point. I passed it, as the man is a miner helping, as needed, on the heavy repair work on the bulldozer and other equipment. He is carried on the company books as a miner, but, since he was helping the mechanic, he was entered by their bookkeeper as mechanic's helper. This same man was used at various times during October but the company did not charge him to project, although he was working there, because this item was deleted in September. In October the same situation occurs with a carpenter's helper, a surface man, helping as needed with the snowshed, et cetera. I am accepting the amount as I believe it is only a matter of terminology of the job. The work is being done and is necessary.

The repairs to the bulldozer have now cost $3,985.00 by company account. The $3,000.00 allowed by contract was simply a rough estimate so presumably the excess can be approved.

All of the accounts checked out for October with no deductions. Payment is approved for one-half of $5,106.34 = $2,553.17. In addition, reimbursement should be made for the mechanic's salary for September and consideration should be given to the "mechanic's helper".

The labor charges show ten miners which is counting the individual number of men working during the month. Six of these only lasted a few shifts. In reality, only a total of four miner job positions were filled for the entire month. This is within the limits of the contract.

for W. M. Travers, Jr.
Scott W. Hazen, Jr.
Mining Engineer

cc PTAllsman (5)
AHKoschmann
E29
DMA Chron.

November 5 1951

Mr. Traver
Building 20
Denver Federal Center
Denver, Colorado

DMA Docket No. 606
Contract I-DMA-E20

Dear Mr. Traver:

This is a progress report on the Henrietta mine for the month of October 1951.

The No. 7 tunnel in the Henrietta mine was cleaned out to a distance of approximately 300 feet from the adit. The tunnel has been retimbered for the greater part of this distance. New track and air lines has also been laid as far as timbered. We have cut stulls for the retimbering; the exact footage is not known.

Practically all of the cave in has been mucked out and we are in to the solid rock.

They have been able to go in a distance of some 600 or 700 feet in the tunnel and they have reached the Surprise Vein for inspection and find a very good mineralized ore body approximately 8 or 9 foot in width. There are also some smaller mineralized bodies in the Surprise Vein. These will be investigated and thoroughly prospected at a later date.

The small building which was between the Lark and Henrietta has been moved on to the Henrietta dump next to the adit and repaired to be used as a change house.

There has also been quite a lot of work done on the snow shed to cover the track from the portal to the edge of the dump where the ore bin will be located.

Our entire efforts for this month has been put on the Henrietta as there was only five man days used on repairing the Lark bunkhouse and messhall.

Very truly yours

U.S. OIL & DEVELOPMENT CORPORATION

By W R Green
W. R. Green

WRG:w

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: November 29, 1951
Payee's
Reference: Progress Report
October 1951

U. S. Oil and Development Corporation
205-11-16 Mercantile Building
15th and Arapahoe Streets
Denver 2, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount claimed	$	5,106.34	
		+ 588.00	*
Difference	$	5,694.34	
		— 96.00	**
Amount Approved	$	5,598.34	

The reason for the difference was due to:

* $588.00 mechanic's and mechanic's helpers wages erroneously deducted on September Progress Report. Only $300.00 of the $400.00 claimed is reimbursable inasmuch as the contract provides for a mechanic and a laborer (or mechanic's helper) @ $12.00 per shift. The wages of the mechanic's helper are reimbursable at the rate of $12.00 per shift instead of $1.75 per hour as claimed.

** $76.00 difference between $400.00 month claimed and 27 shifts @ $12.00 per shift as per contract.
$20.00 erroneous computation of wages for tractor operator.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B&F Form No. 4
5-1-51 - 1M

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October, 1951

Name of operator U.S. Oil & Development Corporation
Project No. DMA 606
Total contract amount 47,650.00
Government participation percent 50

Type	Number	Man-Shifts	Rate	Total
Miners	10	107 7/8	$1.50 per hr.	$ 1377.00
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics	1	27	$400 per mo.	400.00 (?)
Electricians				
Blacksmiths				
Carpenters & carpenter helper	2	37½	1.75 and 1.50 per hour	562.00
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent 1/2 time	1	13	$500 per mo.	250.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Tractor operator	1	21½	$2.00 per hr.	364.00
Total		206 7/8		2953.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr.
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October 1951

Name of operator U. S. Oil & Dev. Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation, percent 50

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	2953.00		349.44	1803.90	5106.34					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	2953.00		349.44	1803.90	5106.34					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr.
Remarks

MF-104
(April 1951)

Budget Bureau No. 42-R1036.1.
Approval expires 8-31-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U. S. Oil & Development Corporation
(Name of Company)

By /s/ W. R. Green
(Signature of Authorized Official)

October 5, 1951
(Date)

Bookkeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-2

MONTHLY SUMMARY COST STATEMENT

Name of operator U.S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Distribution of Expenditures for Month of September 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	3187.00	5099.00	8286.00	2416.00	5099.00	7515.00
Equipment purchase [1]	134.20	5540.94	5675.14	134.20	5540.94	5675.14
Equipment rental [2]						
Buildings	433.89	183.22	617.11	23.32	183.22	206.54
Explosives						
Repair parts	228.98	2387.24	2616.22	228.98	2387.24	2616.22
Other supplies	1243.66	6211.28	7454.94	921.24	6211.28	7132.52
Power	45.13		45.13	45.13		45.13
Transportation	233.73	1836.62	2070.35	63.28	1836.62	1899.90
Withholding taxes						
Compensation insurance	130.00	62.00	192.00	130.00	62.00	192.00
Other insurance						
Contract work						
Other (specify) small tools	189.14	533.95	723.09	189.14	533.95	723.09
Office & warehouse rent		90.00	90.00		90.00	90.00
Total	5825.73			4151.29	21,944.25	26,095.54
Totals previously reported		21,944.25				
Totals to date			27,769.98			

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WDM (?)
Amount approved for payment 2275. (?)
Remarks Deductions 1274.44

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: 10/29/51
Payee's Reference: Progress Report September 1951

U. S. Oil & Development Corporation
205-11-16 Mercantile Bldg.,
15th & Arapahoe Streets
Denver 2, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount claimed $ 5,825.73

Difference $ - 1,674.44

Amount Approved $ 4,151.29

The reason for the difference was due to:

$371.00	Mechanic's helper	No provision in contract for this item
400.00	Mechanic	" " "
410.57	Buildings	Not chargeable to Henrietta Mine
170.45	Transportation freight	" " "
102.66	Supplies - electrical equipment	" " "
82.96	Transportation on tires for a company vehicle	Not allowable under contract.
136.80	Supplies-Miscellaneous subsistence for head mechanic	" " "
$1,674.44	Total	

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B&F Form No. 4
5-1-51 - 1M

October 5 1951

Mr. Traver
Building 20
Denver Federal Center
Denver, Colorado

DMA Docket No. 600
Contract I-DMA-E29

Dear Mr. Traver:

This is a progress report on the Henrietta mine for the month of September 1951.

The No.7 tunnel of the Henrietta mine was cleaned out to a distance of approximately 205 feet from the adit. The tunnel has been retimbered to a point of approximately 195 feet. New track and air lines has also been laid to this point. We have cut approximately 7000 lineal feet of stulls, a large portion of which has been used for the retimbering of the mine.

The indications are that we are about through the cave-in and if we get to the solid the work will progress much faster.

We have bought a light cat to use in the hauling of these stulls to the mine dump but this has been purchased out of our private money and we are not making any claim on the loan for this cat.

At various times during the month we have been unable to work our entire crew of men in the Henrietta tunnel therefore we have used these men in the Joe & John mine to open up the tunnel there but we have not made claim for the time which they worked on the Joe & John.

Very truly yours,

U.S. OIL & DEVELOPMENT CORPORATION

By W R Green
W. R. Green

WRG:w

SWH/dd

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20
Denver Federal Center
October 16, 1951

Memorandum

To: Chief, Colorado Branch, Mining Division

From: Scott W. Hazen, Jr.

Subject: DMA-606, Contract I-DMA-829, U. S. Oil and Development Corporation, Henrietta Mine, San Juan County, Colorado - Progress Report for September

A field examination of the Henrietta mine was made on October 3, 1951. The rehabilitation of the lower Henrietta tunnel had progressed to approximately 200 feet from the portal. This work had entailed considerable spiling through cave which had run almost to surface. The caved area ahead which still remains to be timbered is probably 50 feet long, 25 feet high, and 10-15 feet wide. Foul air had been encountered by the men and, at times, work had to be stopped. At the time of my inspection, the men were installing a power line from the Lark tunnel to the Henrietta and were putting in a blower to provide ventilation.

Examination of the company accounts was made on October 15, as Mr. Green, their accountant, was not in Denver during the week of October 8-12. Checking of the labor account clarified the company figures on the form MF-104. In the instances where men had been assigned to work on the Joe and John mine and the Lark bunkhouse and building road to the Joe and John upper portal, these labor charges had been properly deducted from the Henrietta account. The company has, however, put on one extra mechanic above the total number of men allowed by the contract and his wages for the month, amounting to $371.00, should be held in abeyance until a change order is requested. The buildings account listed on the MF-104 should be reduced by $410.57, allowing only $23.32 as chargeable to the Henrietta. The deducted amount is material used on the building and extension of the Lark bunkhouse and kitchen. An item under transportation for freight and haulage, amounting to $170.45, should be deducted as it is for the freight on a second bulldozer which the company has purchased from their own funds and is using on the various operations in the vicinity. An item amounting to $102.66 for electrical equipment, wiring, and conduit should be deducted as this was used on the bunkhouse and the kitchen at the Lark tunnel. Another item of $82.96 under transportation probably should be disallowed as it is for the purchase of two new 650 - 16, snow-tread (or "knobby") tires and tubes for a company vehicle. Under the heading of supplies, there are four entries carried

as miscellaneous on the company books which total $136.80 which should be deducted as they constitute subsistence for the head mechanic which is not allowable in the contract.

Summary of deductions to be made:

Labor	$ 371.00
Buildings	410.57
Transportation - freight	170.45
Supplies - electrical equipment	102.66
Transportation - tires	82.96
Supplies - miscellaneous	136.80
	$1,274.44

Total submitted, form MF-104	$5,825.73
Deductions	1,274.44
Adjusted total	$4,551.29

Recommended payment: one-half of the adjusted total, or $2,275.65.

for W. M. Traver, Jr.
Scott W. Hazen, Jr.
Mining Engineer

cc 5
AHKoschmann
E29
DMA Chron.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF September 1951

Name of operator U. S. Oil & Development Corporation
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Type	Number	Man-Shifts	Rate	Total
Miners	7	121	$1.50 per hr	$1620.00
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics	1	25	$400 per mo.	400.00
" Helper Electricians	1	24	$1.75 per hr.	371.00
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	25	$500 per mo.	500.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Tractor operator	1	16	$2.00 per hr.	296.00
Total		211		3187.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WDM (?)
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF September, 1951

Name of operator U.S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation, percent 50

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	3187.00	134.20	1243.66	1260.87	5825.73					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	3187.50	134.20	1243.66	1260.87	5825.73					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WDM (?)
Remarks

MF-104
(April 1951)

Budget Bureau No. 42-R1036.1.
Approval expires 8-31-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U. S. Oil & Development Corporation
(Name of Company)

By /s/ W. R. Green
(Signature of Authorized Official)

September 5, 1951
(Date)

Bookkeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

MONTHLY SUMMARY COST STATEMENT

Name of operator U. S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Distribution of Expenditures for Month of August 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	2809.30	2289.70	5099.00	2538.30	2289.70	4828.00
Equipment purchase [1]		5540.94	5540.94		5540.94	5540.94
Equipment rental [2]						
Buildings	183.22		183.22	183.22		183.22
Explosives						
Repair parts	1150.70	1236.54	2387.24	1075.99	1236.54	2312.53
Other supplies	1451.42	4759.86	6211.28	1451.42	4759.87	6211.28
Power						
Transportation	1431.11	405.51	1836.62	1411.77	405.51	1817.28
Withholding taxes						
Compensation insurance	62.00		62.00	62.00		62.00
Other insurance						
Contract work						
Other (specify) Small tools	202.13	331.82	533.95	202.13	331.82	533.95
Office rent & warehouse	90.00		90.00			
Total	7379.88			6924.83		
Totals previously reported		14564.37			14,564.37	
Totals to date			21,944.25			21,489.20

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Scott W. Haven, Jr.
Amount approved for payment
Remarks Less 379.05

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

August 15 1951

U.S. Bureau of Mines
Building 20
Denver Federal Center
Denver, Colorado.

Re: DMA Docket 606
Contract I-DMA-E29

Attention: W.H. Traver Jr.

Dear Mr. Traver:

With reference to our telephone conversation of this morning the following is a resume of the work done on the Henrietta project.

We started working June 18, 1951 with a crew of three men. We repaired the road known as the Lark road from the county road on Cement Creek to the Lark Mine a distance of about 1-3/4 miles, this included grading and installing a culvert on Dry Gulch. This culvert was furnished by the county and installed by us. The road was graded and repaired to near the Lark Mine.

A new road was built from the Lark road to the lower edge of the Henrietta dump and another road from this road to the top of the dump, and some road work was done to get some timber needed for the mine portal. The dump was dozed off and the adit of the Henrietta tunnel was dozed out and cleaned off of the dump. A new track was laid from the edge of the dump to the portal of the number 7 tunnel.

The tunnel was cleaned out and timbering started at the close of July 31st, 1951, there was about 20 feet of tunnel cleaned and timbered.

The tractor had to be repaired. Parts were purchased and work done repairing the tractor. Also parts were bought and repair work was done on a compressor.

A compressor was installed on the dump near the Henrietta portal and a compressor house was started to house the compressor. This house was under construction at the close of July.

Repair work was done on the power line to make light and power available. Also some work was done to remove some mine cars from the Lark Mine which was to be used in the Henrietta mine.

Very truly yours,
U.S. OIL & DEVELOPMENT CORPORATION

By W R Green
W. R. Green

WRG:w

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: October 5, 1951
Payee's
Reference: Progress Report
August 1951

U. S. Oil and Development Co.
205-16 Mercantile Building
Denver 2, Colorado

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount claimed $ 7,379.88

Difference $ 455.05

Amount Approved $ 6,924.83

The reason for the difference was due to:

Labor performed on Lark bunkhouse not provided for by contract	$195.00
Duplicate invoices for bulldozer repair	74.71
Car tax and Car license	19.34
Office rent and warehouse	90.00
Contract rate for mechanic's wages 12.00 per shift (27 x 12 = 324.00)	76.00
	455.05

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV - B&F Form No. 4
5-1-51 - 1M

SWH/amh/

Building 20, Denver Federal Center

W. M. Traver, Jr. September 28, 1951

Scott W. Hazen, Jr.

DMA 606, Contract I-DMA-R29, U. S. Oil and Development Company, San Juan County, Colorado

The Henrietta mine was visited and progress checked on September 8, 1951. R. R. McLellan accompanied me on the examination. Company accounts were checked by us on September 14, after our return from Silverton.

Progress at the mine showed 150 feet of rehabilitation of the Henrietta tunnel. This required timber nearly all the way. The men were spiling through a major cave at this point. The building at the portal was completed.

The mine timber was being cut on the property. The carpenter and a helper were working at the Lark mine repairing the bunkhouse for use of the crew for the winter. This repair work was not part of the contract.

Checking of the company accounts revealed the following which cannot be allowed:

Labor

7 shifts of carpenter at $1.75 per hour, includes 1 overtime shift at 1 1/2 time	$105.00	
7 shifts of carpenter's helper at $1.50 per hour, includes 1 overtime shift at 1 1/2 time	90.00	
Work performed on Lark bunkhouse not provided for by contract, checked on daily time sheets.		$195.00

Repair Parts

Invoice item, bulldozer repair	$ 8.62	
Invoice item, bulldozer repair	66.09	
Both invoices checked with Mr. Green, accountant, and found to have been paid twice by the company.		74.71

Transportation

Items shown under miscellaneous on company books:

Car tax, San Juan County	$ 1.50	
Car license, State of Colorado	17.84	
Above for the used truck previously disallowed.		$ 19.34

Rentals

Room rent for Mr. Peterson on visit to property at Silverton	$20.00	
Rent of Silverton garage	50.00	
Rent of Silverton office	20.00	
		90.00
Total to be deducted		$379.05

August total submitted	$7,379.88
Deductions	379.05
Adjusted August total	$7,000.83

Payment for August, 1951, is recommended for one half of the adjusted August total, or $3,500.42.

Doris Davies for
Scott W. Hazen, Jr., Mining Engineer

cc 5
E29
DMA Chron.

September 5 1951

Mr. Traver,
Building 20
Denver Federal Center
Denver, Colorado.

RE: DMA Docket 606
Contract I-DMA-E29

Dear Mr. Traver:

This is a Progress Report on the Henrietta Mine. During the month of August 1951 the number 7 tunnel of the Henrietta mine was cleaned out and retimbered to 150 feet from the adit of the tunnel to the first major cave-in. Approximately 500 cars of muck was removed. Track consisting of 30-pound rails and new ties were laid and a 3-inch air line was installed to this point.

A 12 x 20 building was erected to house a 315 Diesel Driven Chicago Pneumatic compressor which had been installed on the Henrietta dump.

A road was built to the portal of the number 3 Henrietta tunnel of the portal mucked out and the tunnel is accessible only to the point where the vein was cut. Here the tunnel was caved tight. This was done for the purpose of ventilation in number 7 tunnel.

About 5000 feet of timber hasbeen cut for mine timbers to be used in timbering the Henrietta tunnel.

Repair work on the power line was completed putting the line in operation to the transformers on the Lark property.

Very truly yours,

U.S. OIL & DEVELOPMENT CORPORATION

By W R Green
W. R. Green

WRG:W

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF August 1951

Name of operator U. S. Oil & Development Corp.
Project No. DMA 606
Total contract amount 47,650.00
Government participation percent 50

Type	Number	Man-Shifts	Rate	Total
Miners)	10	99 3/4	$1.50 per hr.	$ 1258.50
Muckers)				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics	1	27	400.00 permo.	400.00
Electricians				
Blacksmiths				
Carpenters)	1	17 1/4	1.75 per hr.	248.80
" helper) Drill runners	1	14	1.50 " "	174.00
Drill helpers				
Teamsters				
Manager				
Superintendent	1	27	500.00 permo.	500.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Tractor operator	1	14 1/4	2.00 per hr.	228.00
Total		199 1/4		2809.30

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Scott W. Hazen Jr. WTM (?)
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF August, 1951

Name of operator U.S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation, percent 50

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	2585.30		1451.42	2917.03	6953.75					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails	224.00				224.00					
Test pits										
Other (specify)		202.13			202.13					
Totals	2809.30	202.13	1451.42	2917.03	7379.88					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /s/ Scott W. Hazen, Jr. WDM (?)
Remarks

MF-104
(April 1951)

Budget Bureau No. 42-R1036.1.
Approval expires 8-31-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Copy

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

U. S. OIL & DEVELOPMENT CORPORATION
(Name of Company)

By /s/ W. R. Green
(Signature of Authorized Official)

August 29, 1951
(Date)

Bookkeeper
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-2

MONTHLY SUMMARY COST STATEMENT

Name of operator U.S. Oil & Development Corporation
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Distribution of Expenditures for Month of July, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	2289.70	None	2289.70	2289.70	None	2289.70
Equipment purchase [1]	5540.94	None	5540.94	5540.94		5540.94
Equipment rental [2]						
Buildings						
Explosives						
Repair parts	1236.54	None	1236.54	1236.54		1236.54
Other supplies	4759.86	None	4759.86	4759.86		4759.86
Power						
Transportation	405.51	None	405.51	405.51		405.51
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work						
Other (specify) small tools	331.82	None	331.82	331.82		331.82
Total	14,564.37	None	14,564.37	14,564.37	None	14,564.37
Totals previously reported	None	None	None	None	None	None
Totals to date	14,564.37	None	14,564.37	14,564.37	None	14,564.37

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Scott W. Hazen, Jr.
Amount approved for payment 14,564.51 $7282.19 PTA(?))
Remarks

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF July

Name of operator U.S. Oil & Development Corporation
Project No. DMA 606
Total contract amount $47,650.00
Government participation percent 50

Type	Number	Man-Shifts	Rate	Total
				Incl. overtime
Miners	2	27	$ 1.50 per hr.	$ 342.00
Muckers	2	32	1.50	402.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics	1	26	400.00 per mo.	400.00
Electricians				
Blacksmiths				
Carpenters	1	26	1.75 per hr.	391.20
Drill runners				
Drill helpers		23	500.00 permo.	400.00
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Cat skinner	1	*21-3/8	2.00 per hr.	354.50
Total		155-3/8		2289.70

*worked as miner 2 3/8 shift 34.52 Incl. under cat skinner

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Scott W. Hazen Jr.
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF July

Name of operator U. S. Oil & Development Corp.
Project No. DMA 606
Total contract amount $47,650.00
Government participation, percent 50

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting	None									
Crosscutting	None									
Raising	"									
Shafts	"									
Winzes	"									
Drill holes	"									
Overburden	"									
Rehabilitation and preparation	1971.20	5540.94	4709.61	1692.30	13,914.05					
Geology and geophysics	None									
Trenching	None									
Sampling and assaying	None									
Roads and trails	318.50				318.50					
Test pits	None									
Other (specify) small tools		331.82			331.82					
Totals	2289.70	5872.76	4709.61	1692.30	14,564.37					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Scott W. Hazen, Jr.
Remarks

"EYE-EASE" No. 5512
BUFF No. 3512

	Initials	Date
Prepared By		
Approved By		

U.S. METALS CORPORATION

Henrietta & Surprise

June 1 to 30 1952

	June 1952	Sam Milano (1)	Joseph N Trudgeon (2)	Chas. Moore (3) 1	2	3	4	5	Max Andreatti (4) 1	2	3	4	5
1	" 1 " Sunday no work												
2	" 2 " Monday		8										
3	" 3 " Tuesday		8	8									
4	" 4 " Wednesday		8		road			8					
5	" 5 " Thursday				cont			4 4					
6	" 6 " Friday		8	8									
7	" 7 " Saturday		8		road			8					
8	" 8 " Sunday no work												
9	" 9 " Monday		8		road			8	8				
10	" 10 " Tuesday	8	8	10									
11	" 11 " Wednesday	8	8	8									
12	" 12 " Thursday	8	8										
13	" 13 " Friday	8			road			8					
14	" 14 " Saturday	8		8									
15	" 15 " Sunday no work												
16	" 16 " Monday	8	8		road			8					
17	" 17 " Tuesday	8	8	8									
18	" 18 " Wednesday	8	-		road			8					
19	" 19 " Thursday	8	8	8									
20	" 20 " Friday	8	8	8									
21	" 21 " Saturday	8	8	9									
22	" 22 " Sunday no work												
23	" 23 " Monday	8	8	8									
24	" 24 " Tuesday	8	8	8									
25	" 25 " Wednesday	8	8	8									
26	" 26 " Thursday	8	8	8									
27	" 27 " Friday	8	8	8									
28	" 28 " Saturday	8	8	8									
29	" 29 " Sunday no work												
30	" 30 " Monday	8	8										
31		144	176		road			52					
32				123	cont			4	none				

	June 1952	Chas Setterquist (5) 1	2	3	4	5	John F Gallegos (6) 1	2	3	4	5	Harry B Mulliken (7) 1	2	3	4	5	Fay Lee VanHouten (8) 1	2	3	4	5	Kenneth Waggoner (9) 1	2	3	4	5	Utah Stout (10) 1	2	3	4	5	P. Ray Chavez (11) 1	2	3	4	5	Roland C Davis (12) 1	2	3	4	5
1	" 1 " Sunday no work																																										
2	" 2 " Monday	8					8					8					8					8						(lbr)	8													
3	" 3 " Tuesday		8				8						8		cont			8	cont			8						(pipe)	8													
4	" 4 " Wednesday		8										8		"			8	"			8																				
5	" 5 " Thursday	8											8		"			8	"			8											8									
6	" 6 " Friday	8					8						8		"			8	"			8											8									
7	" 7 " Saturday		road			8							8		"			8	"			8											8 8									
8	" 8 " Sunday no work																																										
9	" 9 " Monday	8					8					8			DP		8					8										8						8				
10	" 10 " Tuesday	8										8			"		8					8											8									
11	" 11 " Wednesday		8										8		cont			8	"			8											8								(Lbr)	8
12	" 12 " Thursday		8									8			"			8	"			8												8									
13	" 13 " Friday			8								8			"			8	"			8																					
14	" 14 " Saturday	8										8			"			8	"			8																	8				
15	" 15 " Sunday no work																																										
16	" 16 " Monday		8									8			"			8	"			8																					
17	" 17 " Tuesday		8									8			"			8	"			8																	8				
18	" 18 " Wednesday											8						8																									
19	" 19 " Thursday		8									8						8																					8				
20	" 20 " Friday		8									-	-					8				8																					
21	" 21 " Saturday		8									8						8				8																	8				
22	" 22 " Sunday no work																																										
23	" 23 " Monday		8									8			cont			8	cont			8																	8				
24	" 24 " Tuesday		8									8			"			8	"			8																	8				
25	" 25 " Wednesday		8									8			"			8	"			8																	8				
26	" 26 " Thursday		8									8			"			8	"			8																					
27	" 27 " Friday		8									8			"			8	"			8																	8				
28	" 28 " Saturday		8									8						8				8																	8				
29	" 29 " Sunday no work																																										
30	" 30 " Monday			8								8						8				8																					
31		40	road	8	32				24					24					32						Lbr	8			24					80				Lbr	8				
32		104							168					176					152						Pipe	8			32									Out				
33				16																				Out																		

1	Henrietta Days pay	$ 3.55
2	Henrietta contract	3.44
3	Surprise days pay drift	.80
3	Surprise cont drift	4.00
4	Surprise stope	-0-
5-8	Ore bins & Misc - road	.60 Out
5	Ore bins Lbr & trk	..44 Out
6	Mechanic	1.44
7	Supervision	1.76
		16.03

"EYE-EASE" No. 5512
BUFF No. 3512

	Initials	Date
Prepared By		
Approved By		

	June	1952	1 Wm. D. Peregrine 1	2	3	4	5	2 Parfino Chavez 1	2	3	4	5	3 Ed Short 1	2	3	4	5	4 Raymond D McCause 1	2	3	4	5		5 Frank M Orstrom 1	2	3	4	5	6	7	8	9	10	11	12	
1	" 1	"																					1													1
2	" 2	"																					2													2
3	" 3	"																					3													3
4	" 4	"																					4													4
5	" 5	"																					5													5
6	" 6	"																					6													6
7	" 7	"																					7													7
8	" 8	"																					8													8
9	" 9	" Monday	8					8															9													9
10	" 10	" Tuesday						8															10													10
11	" 11	" Wedensday						8					Lbr				8						11													11
12	" 12	" Thursday						8															12													12
13	" 13	" Friday								8			Trk & driver				8						13													13
14	" 14	" Saturday	8																				14													14
15	" 15	" Sunday no work																					15													15
16	" 16	" Monday																					16													16
17	" 17	" Tuesday																					17													17
18	" 18	" Wednesday																					18													18
19	" 19	" Thursday																					19													19
20	" 20	" Friday																					20													20
21	" 21	" Saturday																					21													21
22	" 22	" Sunday																					22													22
23	" 23	" Monday																					23													23
24	" 24	" Tuesday																8					24	8												24
25	" 25	" Wednesday																		8			25			8										25
26	" 26	" Thursday																		8			26			8										26
27	" 27	" Friday																		8			27			8										27
28	" 28	" Saturday																					28													28
29	" 29	" Sunday																					29													29
30	" 30	" Monday																					30													30
31			16					32					Lbr			8		8					31	8												31
32										8			Trk Driver			8				24			32			24										32
33																							33													33
34																							34													34
35																							35													35
36																							36													36
37																							37													37
38																							38													38
39																							39													39
40																							40													40
41																							41													41
42																							42													42
43																							43													43
44																							44													44

"EYE-EASE" No. 5512
BUFF No. 3512

	Initials	Date
Prepared By		
Approved By		

U.S. METALS CORPORATION
Henrietta and Surprise

July 16 to 31st 1952

	July	1952	Cars Waste	Cars Ore	Powder	Caps	Sam Milano 6	Fay Lee VanHouten 1	2	3	4	5	Harry B Mulliken 1	2	3	4	5	Myron L. Jones 1	2	3	4	5	Danny Ray Gerald 1	2	3	4	5	Chas. Setterquist 1	2	3	4	5	Charles Moore 1	2	3	4	5	Joseph N Trudgeon 7	Jerry Joyner 1	2	3	4	5	Merritt Bromley 1	2	3	4	5	Roland C Davis 1	2	3	4	5	Joe Kobel 1	2	3	4	5	T. Hrs
1	" 16	" Wed.					8			8			8								8				8			8										8	8					8					8							8			80
2	" 17	" Thurs					8			8											8									8									8	8					8															64
3	" 18	" Fri.					8	8										4				4						8										8				8					8					8							64
4	" 19	" Sat.					8	8					8								8				8					8									8	8					8															48
5	" 20	" Sun.		10	3-76	19	8	8														8									8		8						8																					48
6	" 21	" Mon.		3	H-85	21	8	8					8								4	4								4	4		4						8	4			4		4															6
7	" 22	" Tues	12				8	8					8								4	4								4	4		6						8	8					8															7
8	" 23	" Wed.					8	8					8								8									8			8							8					8															8
9	" 24	" Thurs.			3-80	19		8					8									8									8		4						8	8																				9
10	" 25	" Fri.	2	2	3-50	11		8					8									8									8		8									8					8													10
11	" 26	" Sat.	no work																																																								11
12	" 27	" Sun.	no work																																																								12
13	" 28	" Mon.						8					8															8					J&J			8			8	8					8															13
14	" 29	" Tues.	16	10	H-60	14		8					8								8										8		6						8	8					8															14
15	" 30	" Wed.	12		H-40	9		8						8																	8					8			8					8															15
					H-90	14																																																					
16	" 31	" Thurs.			S-140	20						8		8																	8		8						8											8									16
17					H-275	58		88					72					4						8				24					52			16			96	68				8	36			8		16							8			17
18					S-346	69				16		8		16						40									32															8		16		8			16									18
19																						36									56									12							12												19
20							Herbert F. Grey						Roy C. Barnes										Roland Schlecht																																				20
21																																																											21
22							1	2	3	4	5	1	2	3	4	5		1	2	3	4	5																																					22
23	July 16	1952 Wed.																																																									23
24	" 17	" Thurs.																																																									24
25	" 18	" Fri.																																																									25
26	" 19	" Sat.																																																									26
27	" 20	" Sun.																																																									27
28	" 21	" Mon.					4																72																																				28
29	" 22	" Tues.							8														78																																				29
30	" 23	" Wed.					8																72																																				30
31	" 24	" Thurs.								8				8									60																																				31
32	" 25	" Fri.								8				8									72																																				32
33	" 26	" Sat.	no work																																																								33
34	" 27	" Sun	no work																																																								34
35	" 28	" Mon.					8						8										72																																				35
36	" 29	" Tues.								8				8									70																																				36
37	" 30	" Wed.							8						8								72																																				37
38	" 31	" Thurs.					8						8									8	64																																				38
39							28		8		24	16				8						8	936																																				39
40										8							24																																										40
41																																																											41
42																																																											42
43																																																											43
44																																																											44

Breakdown of work from July 16-31 1952

1	2	3	4	5	6	7	
					64		
88	16			8			
72	16		8				
4		40	36				
		8					
24		32	56				
52				16			
						96	
68		12	8	8			
36		12	8				
16							
		8					
28		8	8	24			
16			8	24			
404	32	120	132	88	64	96	= 936

Legend

1 - Henrietta Day Pay
2 - Henrietta contract
3 - Surprise Days pay drift
4 - Surprise stope
5 - Ore bins, misc.
6 - Mechanics
7 - Supervision

"EYE-EASE" No. 5512
BUFF No. 3512

	Initials	Date
Prepared By		
Approved By		

U.S. METALS CORPORATION

Henrietta - Surprise Vein

July 1 to 15 1952

	July	1952	Total	Powder Caps	(1) Sam Milano 1 2 3 4 5	(2) Joseph H Prudgeon 1 2 3 4 5	(3) Chas. Moore 1 2 3 4 5	(4) Fay Lee VanHoutten 1 2 3 4 5	(5) Harry B Mulliken 1 2 3 4 5	(6) Myron B Jones 1 2 3 4 5	(7) Frank Ostrum 1 2 3 4 5	(8) Danny Roy Gerald 1 2 3 4 5	(9) Chas. Setterquist 1 2 3 4 5	(10) Jarry Joyner 1 2 3 4 5	(11) Joe Kobel 1 2 3 4 5	(12) Claire Zufelt 1 2 3 4 5
1	" 1	" Tues.	57		8	8	9	8	8	8	8					
2	" 2	" Wed.	72		8	8	8	8	8	8	8	8	8			
3	" 3	" Thurs	72		8	8	8	8	8	8	8	8	8			
4	" 4	" Fri.	48		8	8		8	8	8		8				
5	" 5	" Sat.	48		8		8	8	8	8		8				
6	" 6	" Sun.	8		8											
7	" 7	" Mon	56		8	8		8	8	8		8	8			
8	" 8	" Tues.	64		8	8		8	8	8		8	8	8		
9	" 9	" Wed.	58		8			8	8	8		8	8	8	2	
10	" 10	" Thurs.	64		8			8	8	8		8	8	8	8	
11	" 11	" Fri.	72		8	8		8	8	8		8	8	8	8	
12	" 12	" Sat.	56		8	8			8			8	8	8	8	8
13	" 13	" Sun	-		-	-	-	-	-	-	-	-	-	-	-	-
14	" 14	" Mon.	88		8	8		8	8	8		8	8	8	8	8
15	" 15	" Tues.	80		8	8		8	8	8		8	8	8	8	8
16			843		112	80	33	96	104	96	24	96	40	42		24
17													32	48		

Breakdown of work July 1 to 15, 1952

1 -	Henrietta Days pay	1131
2 -	Henrietta contract	240
3 -	Surprise Days Pay drift	
4 -	Surprise stope	272
5 -	Ore Bin & Misc.	
6 -	Machanic	114
7 -	Supervision	80
	Total hours worked	837

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
July 1 to 15 1952	91	288	-	272	-	112	80	843
July 16 - 31 1952	404	32	120	132	88	64	96	936
	495	320	120	404	88	176	176	1779

July 14 Mon

Merritt Brimley 1	2	3	4	5
8				
8				
16				

"EYE-EASE" No. 5512
BUFF No. 3512

	Initials	Date
Prepared By		
Approved By		

U.S. Metals Corporation
Items chargable to the Federal Loan
Henrietta Mine
July 1958

1958		Ck. No.		Total Amount	Freight and Hauling	Auto & Truck Expense	Mine Equipment	Equipment Repairs	Mine Supplies Expense	Miscellaneous Expense	Misc'l.
7-12	Sanderson-Taylor Mchy. Co.	3170	Equipment repairs	64.60				64.60			
7-10	E.I. DuPont DeNemours & Co.	3209	Detonator	22.70			22.70				
7-21	Hendrix & Dollhoff Mfg. Co.	3210	600' 3-conductor cable	230.67					230.67		
7-21	Sanderson-Taylor Mchy. Co.	3213	Equipment repair (compressor)	11.11				11.11			
7-23	State Compensation Ins. Fund	3219	Compensation Ins.	112.36							112.36
7-23	Sanderson-Taylor Mchy. Co.	3231	Equipment repair	4.67				4.67			
7-17	Rio Grande Motorway	3103	Hauling	9.33	9.33						
8-5	Carl D. Castle Co.	3290	Hauling	22.70			22.70				
8-5	Hall Tool Co.	3310	Equipment repair	12.00				12.00			
8-5	Mine Safety Appliance Co.	3287	Mine Expense	20.74					20.74		
8-5	Silverton Electric Light Co.	3301	Light & Power	24.30						Light & power	24.30
8-5	Starr Bros.	3293	Equipment-repair	9.02				9.02			
8-5	Teagley Motor Parts Co.	3304	Equipment repair	63.20				63.20			
8-5	Triangle Service Station	3240	Auto & Truck Expense	9.30		9.30					
8-5	Silverton Blacksmith Shop	3306	Mine expense	8.70					8.70		10.70
8-5	Craig Service	3293	Auto & truck expense	101.63		101.63					
8-5	Social Security tax - part only			49.26						Soc. Sec. tax.	49.26
				806.27	9.33	110.92	22.70	166.22	292.39		204.71

"EYE-EASE" No. 5512
BUFF No. 3512

	Initials	Date
Prepared By		
Approved By		

U.S. MAGNESI CORPORATION
Items chargeable to Federal Loan
Henrietta Mine
For June 1952

	1952		Vr. No.		Total Amount	Freight and Hauling	Auto & Truck Expense	Mine Equipment	Equipment Repairs	Mine Supplies Expense		Misc'l.
			1	2	4	5	6	7	8	9	10	12
1	6-12	Rio Grande Motorway	3090	Hauling	64.00	64.00						
2	6-19	Denis Drag. Dag Co.	3093	Payment on air pipe	1000.00					1000.00	Canvas air bags	
3	6-19	Mine Safety Appliance Co.	3094	Light parts	2.19					2.19		
4	6-19	Gardner-Denver Co.	3099	Engine Machine Parts	144.74				144.74			
5	6-19	Silverton Hardware	3108	Equipment repairs	1.98				1.98			
6	6-19	Silverton Transfer Co.	3107	Hauling	1.40	1.40						
7	6-19	Rio Grande Motorways	3109	Hauling	4.24	4.24						
8	6-27	Rio Grande Motorways	3110	Hauling	3.46	3.46						
9	6-26	Gunderson-Taylor Moby Co.	3117	Equipment repairs	6.32							
10	7-2	Gunderson-Taylor Moby Co.	3120	Equipment repairs	74.61				80.93			
11	7-3	Bingel Brothers	3148	Equipment repairs	24.00				24.00			
12	7-8	Mall Tool Co	3154	Equipment repairs	5.37				5.37			
13	7-8	Triangle Service Station	3157	Auto & truck expense	19.50		19.50					
14	7-8	Western Colorado Power Co.	3160	Power & Light	50.68						Power & Light	50.68
15	7-8	Mine Safety Appliance Co	3162	Rent on mine lamps	26.60					26.60		
16	7-8	Shepleigh Hdwe Co.	3163	Equip. Fire extinguishers	160.00			160.00				
17	7-8	Copco Pacific Ltd.	3164	Equipment (drill)	150.61			150.61				
18	7-8	Virole Route Garage	3149	Mine expense	55.20					55.20		
19	7-8	Carl D. Curtis Co	3161	Eq. Repair-Mine supplies	253.50				11.30	242.20		
20	7-8	Silverton Hdwe Co.	3158	Eq. Repairs	2.02				2.02			
21	7-8	Dominick French	3159	Mine supplies (Pipe)	100.53					100.53		
22	6-19	State Compensation Insurance Fund	3090	Compensation Ins.	101.01							101.01
23	7-8	Craig Service	3150	Auto & Truck Expense	100.31		100.31					
24				Social Security Tax	42.72							42.72
25					2410.38	81.00	120.31	323.01	270.24	1420.20		195.38
26					2343.48				268.26	1403.58		160.63

1 - Henrietta - Day pay
2 - Henrietta - Contract
3 - Henrietta - Tunnel Ore Bins

U.S. Metals Corporation
Henrietta - Surprise July 1932

		4 - 7 - Superintendent			Joseph B Tradgson	Sam Allano	Charles Moore	Fay Lee Van Houten	Perry B Williams	Fay Barnes	Charles Ostergulas	Roland Schlecht	Herbert Frey	Jack Williams	Jerry Joyner	Juan Jaramillo	Stanley Thompson	Thomas Thompson	Franklin Moya	Lawrence Ogdeber
	5 - Misc'l.	Regular	Over																	
	6 - Mechanic	Time	Time		7	8	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Ug.1	1932 Fri.	48			8	8		8	8	8			8							
" 2	" Sat.	16	24		8	8			8	8 vent tube	8									
" 3	" Sun.				-	-	-													
4	" Mon.	40			8	8		8	8	8 timber										
" 5	" Tues.	40			8	8		8	8	8 track										
" 6	" Wed.	48			8	8		8		8 0.3			8 00	8						
" 7	" Thurs.	40			8	8		8	8				8 00							
" 8	" Fri.	24			8	8		-					8 road							
" 9	" Sat.	16	24		8	8			8				8 road		8					
" 10	" Sun				-	-		-												
" 11	" Mon.	32			8	8			8						8					
" 12	" Tues.	32			8	8			8						8					
" 13	" Wed.	56			8	8			8	8 00	8 00		8 00							
" 14	" Thurs	60			8	8	4		8	8 00	8 00		8 00		-	8				
" 15	" Fri.	56			8	8			8	8 00	8 00		8 00		-	8				
" 16	" Sat.	8	48		8		8		8	8 00	8 00		8 00		8	8 track				
" 17	" Sun.				-	-														
" 18	" Mon.	34			8	-	-		-	8 00	8 00		8 00		8	8 drilling	8	8		
" 19	" Tues.	72	1		8		1			8 00	8 00		8 00		8	8 "	8	8	Surveying 16	
20	" Wed.	56			8		8			8 00	4 4 track & Drilling		8 00		8	8 "	8	8		
" 21	" Thurs.	72			8		8			8 00	8 water line		8 00		8		8	8	" 8	
" 22	" Fri.	56			8					8 00	8 Rust & track		8 00		8		8	8	" 10	
" 23	" Sat.	8	33		8		8			4 00	8 timber		8 00		8				"	
" 24	" Sun.		16				8						8 Waterline							
" 25	" Mon.	59			8		8		8	8 water line			8 "		8		8	8		
" 26	" Tues.	56			8		8		8	-			8 "		8		8	8		
" 27	" Wed.	56			8		8		8				8 "		8		8	8		
" 28	" Thurs.	64			8		8		8				8 timber		8		8	8		8 Timbering
" 29	" Fri.	64	4		8		10		8				10 mechanic		8		8	8		8 "
" 30	" Sat.	8	48		8		11		8				11 Waterline		8					
" 31	" Sun.	-	-														8	8		
		1301	1169	198	200	104	80	40	144	118	4	73	9	108	9	120	16	10	10	16
										pays charged		pays charged		pays charged			32	72	72	24
																				not charged

O.J. - Ore Bin
S.J. - Surprise Stope

Material and/or services received
and payment approved.
U.S. METALS CORP.
By Robert C. Green

"EYE-EASE" No. 5512
BUFF No. 3512

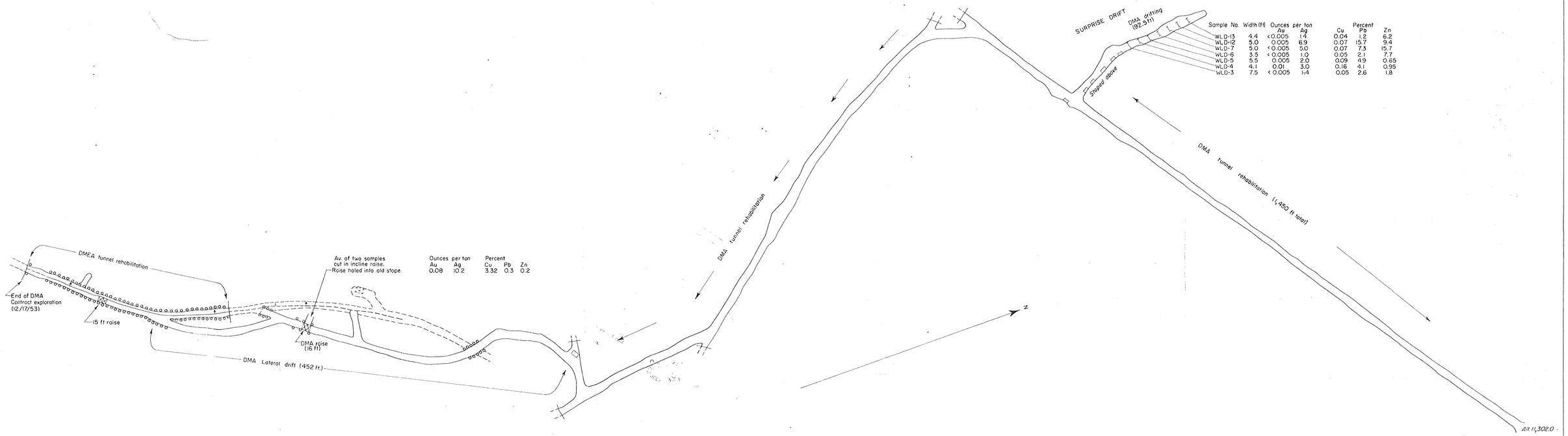
	Initials	Date
Prepared By		
Approved By		

U.S. Metals Corporation

Items chargeable to Federal Loan
Henrietta Mine
For August 1952

	1952		Full Amount of check.	Check No		Total	Freight and Hauling	Auto & Truck Expense	Mine Equipment	Equipment Repairs	Mine Supplies & Expense			Misc'l.
1	Sept. 25	Bemis Bros. Bag Co.	$300.00	3483	Payment on air vent	300.00					300.00			
2	" 25	Bengel Bros. shop	3.00	3484	Equipment repairs	3.00				3.00				
3	25	Craig Service	159.39	3485	Auto & Truck expense	116.44		116.44						
4	" 11	Carl D. Curtis Co.	400.00	3421	Mine supplies	199.34					193.85	small tools		5.49
5	" 25	Carl D. Curtis Co	400.00	3486	and small tools	-								
6	" 25	Circle Route Garage	400.00	3487	Mine supplies	400.00					400.00			
7	" 25	Copco Pacific Ltd.	400.00	3488	Equip-mine supplies	245.61			126.25		119.36			
8	" 25	Jack Freeman	200.00	3489	Mine supplies	200.00					200.00			
9	" 25	McCoy Co.	.38	3490	Equipment repair	.38				.38				
10	" 25	Rice Lumber Co.	35.70	3491	Wood wedges	35.70					35.70			
11	" 25	U.S. Treasury Dept.	515.64	2981		-						April 1952	1703.59	
12	" 25	U.S. Treasury Dept	860.78	3038	Social Security tax	-						May 1952	3778.50	
13	" 25	U.S. Treasury Dept	940.38	3313	Second quarter 1952	131.15						June	3101.59	
14	" 25	Credit Memo	18.36	-		-							8583.68 x 1½	131.15
15	" 25	Silverton Transfer Co.	4.33	3494	hauling wood wedges	3.39					3.39			
16	" 25	Silverton Blacksmith shop	3.25	3495	Mine supplies	3.25					3.25			
17	" 25	Seagler Motor Parts Co.	$ 7.14	3496	Equipment repairs	7.14				7.14				
18	" 25	Stephens Pneumatic Tool Co	9.56	3497	" "	9.56				9.56				
19	" 25	Western Colorado Power Co.	137.01	3500	Light & Power	137.01						Light & power		137.01
20	" 25	Copco Pacific Ltd.	158.51	3415	Equip. & Mine supplies	158.51			126.51		32.26			
21	" 19	State Compensation Ins. Fund	164.00	34590	Regular Ins.	49.64								49.64
22	" 19	State Compensation Ins. Fund	-	-	Occupational Disease	9.97								9.97
23														
24	" 30	Reclaimed as per attached sheet				962.93		962.93						
25						2972.02		1078.37	252.50	20.08	1287.81			333.26
26								Trans	6.49		200.00			
27											1087.81			
28											(1)			

Material and/or services received
and payment approved.
U.S. METALS CORP.
By Robert C. Brown



Sample No.	Width (ft)	Ounces per ton Au	Ag	Percent Cu	Pb	Zn
WLD-13	4.4	<0.005	1.4	0.04	1.2	6.2
WLD-12	5.0	0.005	6.9	0.07	15.7	9.4
WLD-7	5.0	<0.005	5.0	0.07	7.3	15.7
WLD-6	3.5	<0.005	1.0	0.05	2.1	7.7
WLD-5	5.5	0.005	2.0	0.09	4.9	0.65
WLD-4	4.1	0.01	3.0	0.16	4.1	0.95
WLD-3	7.5	<0.005	1.4	0.05	2.6	1.8

FIGURE 3— PLAN AT 7TH LEVEL WORKINGS SHOWING LOCATIONS OF SAMPLES, ASSAYS AND WORK COMPLETED. HENRIETTA MINE, U.S. METALS CORPORATION, SAN JUAN COUNTY, COLORADO

40 20 0 40 Feet