UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 2387

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

✓ Report of Review.

✓ Closing Letter

Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

✓ Owner's Consent to Lien.

Subordination Agreement.

✓ Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

✓ Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

✓ Operator's Final Report.

✓ Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

R.G.G.
Reviewer's Initials

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviwed the Monthly Reports of:

A. W. Brown
P.O. Box 601
Boulder, Colorado

pertaining to Exploration Project No. Idm-E335, Docket No. DMEA 2387 including Amendments Nos. 1 to 3, covering a project for exploration of Tungsten, for the period of September to November 1952 and April to August 11, 1953.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reasons:

(a) the Monthly Reports were supported by documentary proof the costs incurred under the contract;
(b) The administrative costs to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$7,234.56
Less: Proceeds from Property Disposition		97.00
Adjusted Cost		$7,137.56
Exceptions:		
By DMEA Finance Officer	$68.87	
Herewith (Schedule attached)	13.11	81.98
Total Accepted Cost		$7,055.58

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Five thousand two hundred ninety-one and 69/100 Dollars

-$5,291.69-

is considered valid and proper.

T. H. Brading
Auditor

Date: August 17, 1953

SCHEDULE OF DISALLOWANCES

Docket DMRA 2387 A. W. Brown Idm-E335

By Finance Officer (Approved by Audit)

October 1952	
Bookkeeping charges disallowed by contract-(costs included in supervision by agreement with contractor)	$ 39.00
May, 1953 -(Approved by Audit)	
Charge for Repairs to 4 wheel Drive Truck	$ 79.87
Maximum allowable by Amendment to contract $50.00 per month	50.00
Excess Disallowed	$ 29.87
Total Disallowed-Finance Officer	$ 68.87

By Audit

Invoice - Industrial Engineering & Supply Co.-charged twice	$ 13.11

400

OCT - 8 1953

Mr. A. W. Brown
P. O. Box 601
Boulder, Colorado

Re: Docket No. DMEA 2387 - Tungsten
Blue Jay and Ideal #1 lode mining claims
Boulder County, Colorado
Contract No. Idm-5335

Dear Mr. Brown:

This is with reference to the subject exploration project between you and the Government.

The final audit of the contract expenditures and the final reports of the Operator and the Field Team have been received and accepted by this Administration. Of the total amount of $10,500.00 approved under the contract, the sum of $7,055.58 was expended, 75 percent of which, or $5,291.69, represented the Government's share. Unused supplies, material, or equipment remaining have been disposed of for the joint account of the Operator and the Government. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however to Article 7(d) of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract."

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

FARutledge:foc
10-6-53
cc: Docket
Code 400
Adm. Reading File
Oper. Comm.
FT. Reg. IV
R. W. Geehan, USBM
Mary Miller, USGS

No. 3

AMENDMENT OF CONTRACT: No. Idm-E335

Contract Docket No. DMEA 2387, dated May 29, 1952, between the United States of America and A. W. Brown, an individual doing business as Blue Jay Mines, is hereby amended as follows, effective as of the date of said contract:

> Referring to Amendment No. 1, dated September 25, 1952, which amended "Article 3. Exploration Project" of Exploration Project Contract Form MF-200, void said Amendment No. 1 in its entirety.
>
> Referring to "Article 3. Exploration Project" of Exploration Project Contract Form MF-200, delete "sixty (60)" and in lieu thereof substitute "one hundred twenty (120)"; delete "six (6) months" and in lieu thereof substitute "fourteen (14) months".

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated January 29 1953.

BLUE JAY MINES

By A. W. Brown

UNITED STATES OF AMERICA

By W. H. King
Executive Officer, DMEA
Field Team, Region IV

No. 2

AMENDMENT OF CONTRACT No. Idm-E335

Contract Docket No. DMEA 2387, dated May 29, 1952, between the United States of America and A. W. Brown is hereby amended as follows, effective November 1, 1952:

> Referring to "EXHIBIT 'A'" attached to Exploration Project Contract Form MF-200, heading "Estimated Costs of Project", subheading "Operating Equipment", "To be furnished by Operator", delete the word "None" and insert the following:
>
> > 1 - Flat bed, 4-wheel drive truck. To be furnished free of charge to the project except for actual operating expenses incurred while the truck is in use to transport necessary supplies and equipment to the project. Such expenses shall consist of fuel, lubricant and minor repairs costs not in excess of $50.00 per month.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated December 11 1952.

UNITED STATES OF AMERICA

A. W. Brown

A. W. Brown

By W. H. King

Executive Officer, DMEA
Field Team, Region IV

No. 1

AMENDMENT OF CONTRACT: NO. IDM-E335

Contract Docket No. DMEA 2387, dated May 29, 1952, between the United States of America and A. W. Brown, and individual doing business as Blue Jay Mines is hereby amended as follows, effective as of the date of said contract:

> Referring to "Article 3. Exploration Project" of Exploration Project Contract Form MF-200, delete "sixty (60)" and in lieu thereof substitute "one-hundred twenty (120)," delete "six (6) months" and in lieu thereof substitute "ten (10) months"

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum."

Dated September 25, 1952

BLUE JAY MINES

By A. W. Brown
A. W. Brown

UNITED STATES OF AMERICA

By W. H. King
Executive Officer, DMEA

CONTROL SYSTEM OF MATERIAL
UNCLASSIFIED
DATE

MF-200
(June 1951)
(Revised Feb. 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

DOCKET NO. DMEA 2387

COMMODITY TUNGSTEN

Idm-E335

GOVERNMENT'S COPY

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 29th day of May, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] An individual: A. W. Brown, doing business as Blue Jay Mines
1844 Mapleton Avenue
Boulder, Colorado

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Colorado, County of Boulder, described as follows:[3] The Blue Jay Lode Claim No. 19808 and the Ideal No. 1 Lode Claim No. 19808

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances, to each of which the subordination agreement of the holder is attached:~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for[5] Tungsten

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay seventy-five percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $7,875.00, which is 75 percent of $10,500.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* The Operator's obligation to bring the project to completion continues only as long as the accumulated allowable costs of the project in which the Government will participate do not exceed the agreed, total estimated cost of the project set forth in Article 8.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

A. W. Brown
(Operator)

By W. S. King
Executive Officer - DMEA
Field Team, Region IV

By

I, , certify that I am the secretary of the corporation named as Operator herein; that , who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, [redacted] has an interest in certain property in the State of Colorado, County of Boulder, described as follows:1/

Blue Jay Lode No. 19808

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ W. W. Brown doing business as Blue Jay Mines

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 7875.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 27th day of May, 195 2.

X W. W. Brown [Seal]

[Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

EXHIBIT A

Description of the Work

The proposed work consists of rehabilitating the No. 3 tunnel and extending the No. 3 tunnel by drifting 150 feet westward on the Blue Jay vein.

The location of the proposed work is shown on the map attached hereto and made a part hereof and entitled "Geologic Map of the Blue Jay Mine, Boulder County, Colorado, DMEA Docket 2387".

The estimated working time is four (4) months.

Estimated Costs of Project

(Items followed by an asterisk are allowable maximums.)

Independent Contracts

None

Labor, Supervision, Consultants

Labor -	$3,600.00
Supervision -	2,200.00*
Consultants -	None
Total -	$5,800.00

Operating Materials and Supplies

Explosives, mine rail, pipe, timber, drill steel, gasoline, and any other supplies and materials necessary to complete this project -	$2,000.00

Operating Equipment

To be Purchased:

2 Used mine cars @ $100.00 each	$ 200.00
1 Used water pressure tank	50.00
1 Air receiver used	150.00
Total -	$ 400.00

To be Rented:

1 210 c.f.m. compressor @ $300.00 per month -	$1,200.00
1 40-pound jackhammer with air leg @ $70.00 per month -	280.00
Total -	$1,480.00

To be furnished by operator:

None

Initial Rehabilitation and Repairs

None

New Buildings, Improvements, Installation

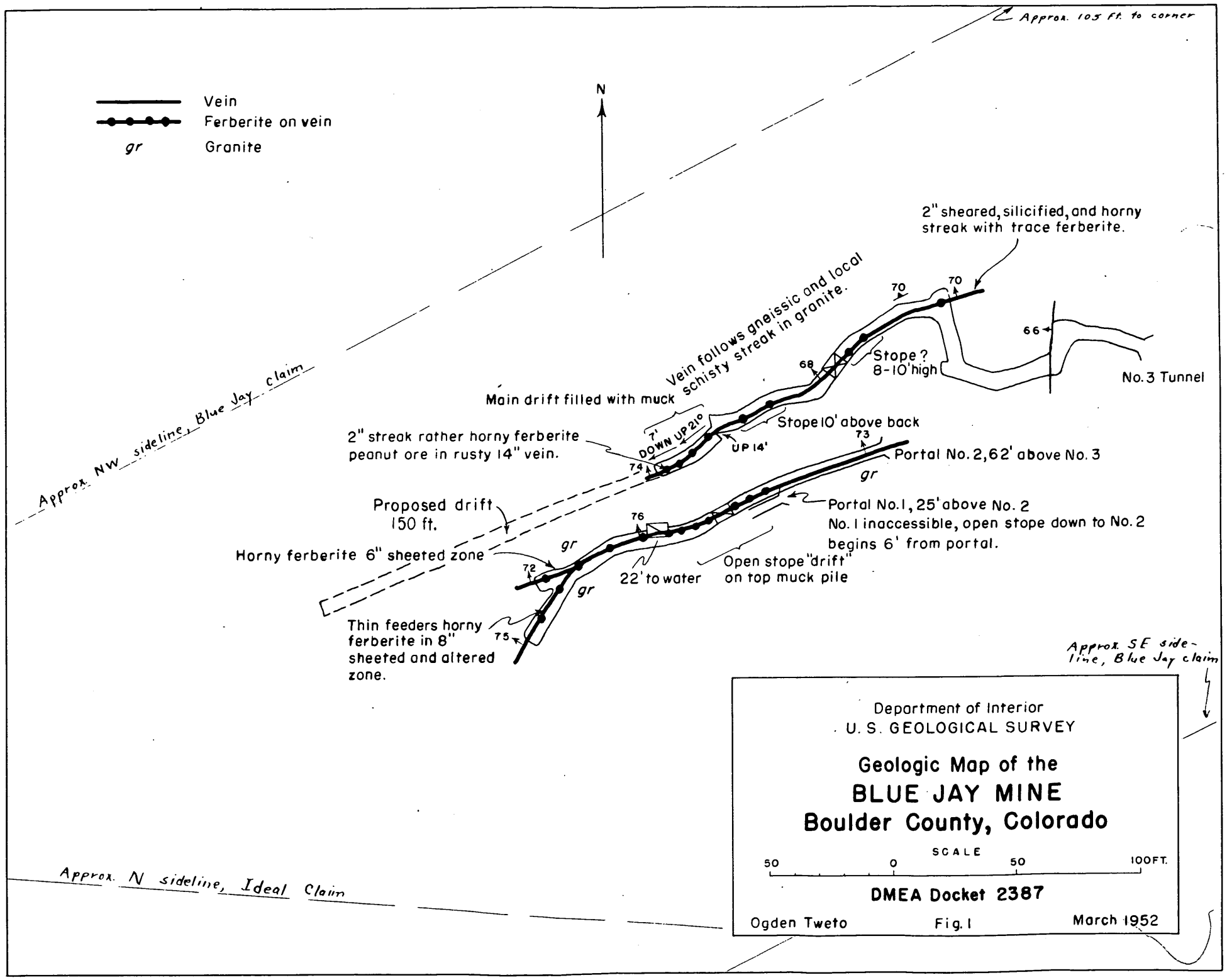
None

Miscellaneous

Total Miscellaneous	$ 500.00

Contingencies

Total Contingencies	320.00
Total estimated cost	$10,500.00*
Government's participation at 75%	$ 7,875.00*


Approx. 105 ft. to corner
Vein
Ferberite on vein
gr
Granite
N
2" sheared, silicified, and horny streak with trace ferberite.
Vein follows gneissic and local schisty streak in granite.
70
70
66
68
Stope ?
8-10' high
No. 3 Tunnel
Main drift filled with muck
7'
DOWN UP 21°
UP 14'
Stope 10' above back
2" streak rather horny ferberite peanut ore in rusty 14" vein.
74
73
Portal No. 2, 62' above No. 3
gr
Approx. NW sideline, Blue Jay claim
Proposed drift 150 ft.
76
Portal No. 1, 25' above No. 2
No. 1 inaccessible, open stope down to No. 2 begins 6' from portal.
Horny ferberite 6" sheeted zone
gr
72
22' to water
Open stope "drift" on top muck pile
gr
Thin feeders horny ferberite in 8" sheeted and altered zone.
75
Approx. SE sideline, Blue Jay claim
Department of Interior
U. S. GEOLOGICAL SURVEY
Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado
SCALE
50
0
50
100 FT.
DMEA Docket 2387
Ogden Tweto
Fig. 1
March 1952
Approx. N sideline, Ideal Claim

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA-2387
Metal or Mineral
Date Received 2-19-52
Amount $
Participation (Government %)

A. W. Brown,
c/o Charles O. Parker & Co.,
2114 Curtis St.,
Denver 2, Colorado.

Name and address of applicant

Date February 11, 1952.

FEB 19 1952

If you have already filed MF-100, give date filed ....., type of assistance requested Exploration,

DMA Docket Number (if available) .....

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. Blue Jay Mining Claim, Survey No. 19808, Boulder County, Colo. Sugar Loaf Mining District.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application. Photostatic copy of lease attached herewith.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted. Blue Jay lode Mining claim, survey number 19808 embracing a portion of Sec. 35 in township 1 N and Sec. 2 in Township 1 south, all in Range 72 West of the 6th P.M.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area. Same.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract. No liens or encumbrances. Lessor subordinating his interest attached hereto.

2. (*a*) What metals or minerals do you expect to find? TUNGSTEN

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

   Copy of report by Charles O. Parker dated May 27, 1942, attached hereto. This report should be returned.

16—64067-2

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

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

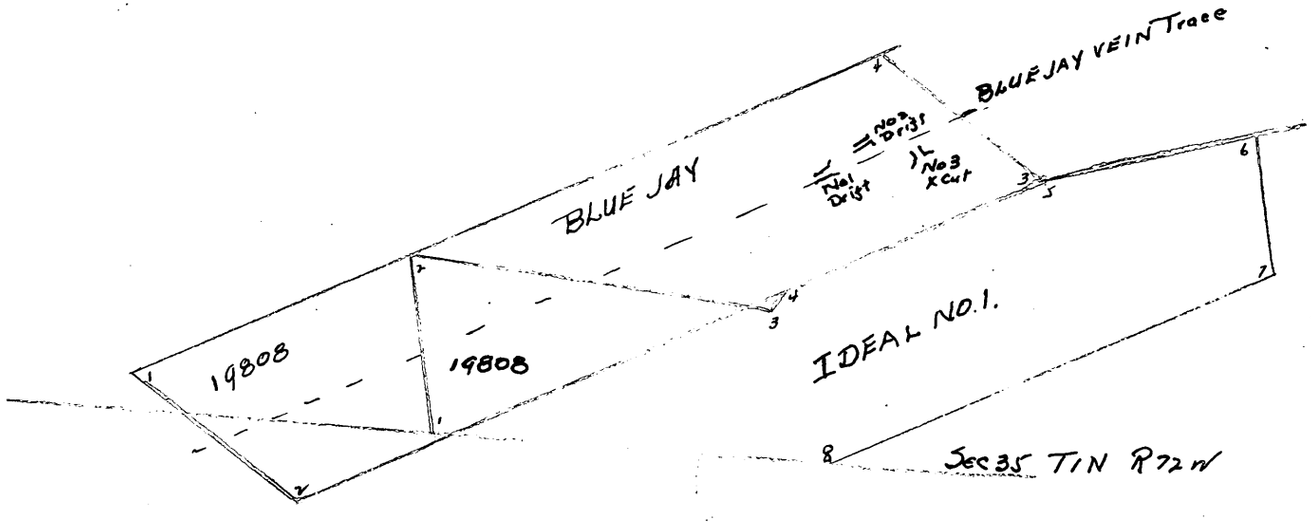
(Name of company)	By A.W. Brown (Signature of authorized official)
Feb 11 - 52 (Date)	Lessee (Title)

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.

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

3. (a) It is proposed to reopen the No. 3 level, rehabilitate such portions as may need timbering and extend the breast of this level an additional 300 feet, drive several short raises into the ore exposed by this exploration, and to drive a fifty foot cross-cut into the footwall to explore the possibilities of ore in a parallel vein known to exist by surface outcrop. To the proposed exploration will require the purchase of rental of a compressor, drilling machines and accessories additional rail and pipe and small tools, powder, caps, fuse, and labor. Adequate housing must be provided for the protection of the equipment. An estimate of $24,000.00 is required for the completion of the proposed exploration.

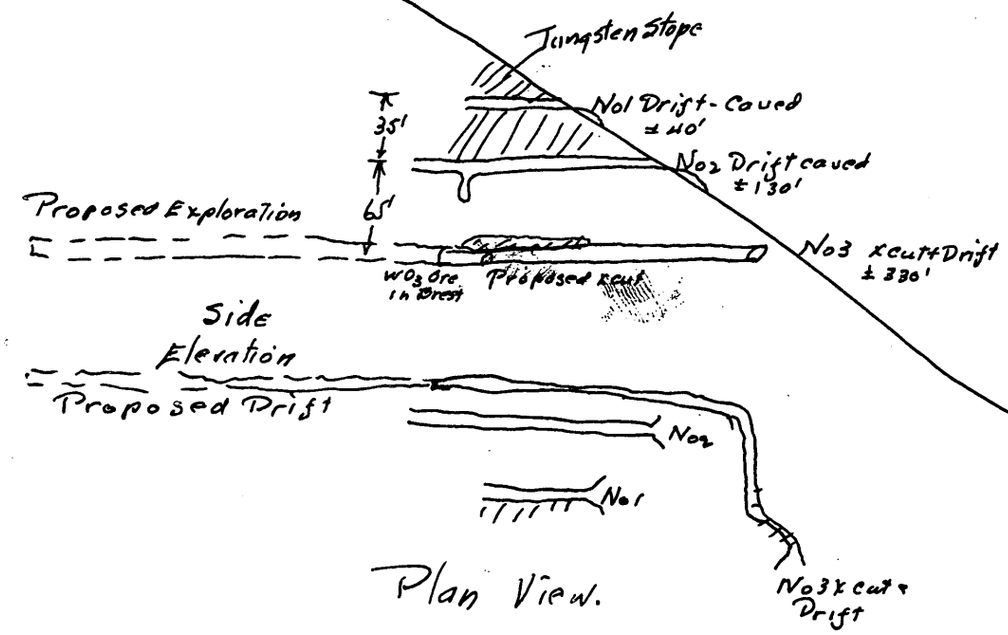
(b) Work can be started within sixty days after the loan is granted, and will require about a year to complete.



Sketch of Blue Jay Claim with appreciable location of workings.

Page 2

4.


Tungsten Stope
No1 Drift - Caved
± 40'
No2 Drift caved
± 130'
35'
65'
Proposed Exploration
No3 xcut+Drift
± 330'
WO3 ore
in Drift
Proposed xcut
Side
Elevation
Proposed Drift
No2
No1
Plan View.
No3 xcut+
Drift

W

E

Page 4a

4.

5. The only facilities on the property is 1 cabin, habitable. No repairs necessary.

6. Compressor, blacksmith and tool house will be required. 16'x12' frame, dirt floor, ship-lap siding.
Estimated cost: $250.00

Ore bin, at end of dump. 50 ton capacity. Frame.

Estimated cost: $250.00

7. (a) Compressor, 284 cu. ft. new. @ $225.00 per month.
2/3 of the monthly rental to apply on purchase price of $4450.00.
1 year's rental $225.00 x 12: $2700.00.
(A second hand compressor may be available similar to above, in good condition for $1250.00. This will be substituted for above if available at time loan is granted.)
Two drills, 1 drifter and 1 stoper, both complete without drill steel: $135.00 per month, 2/3 to apply on purchase price of $1400.00.
1 year's rental $135.00 x 12: $1620.00.
Insurance on Compressor and machines: $6.80 x 12: $81.60

(b) Air receiver: $150.00
Rail: $100.00
Pipe: $180.00
2 Cars $100.00
Small tools (picks, shovels, hammers, wrenches): $200.00
Drill steel, and bits: $300.00

(c) None.

8.	1 machine man	@ $1.65 per hour.	8 hours/day 5 days/week 50 weeks:	$3300.00	per year.
	1 Mucker	@ $1.50 per hour.	Ditto	$3000.00	" "
	1 Surface man	@ $1.50 per hour.	Ditto	$3000.00	" "
	1 working Superintendent,		$500.00 per month	$6000.00	" "

9.	Powder (dynamite)	2 tons	$834.00
	Caps		50.00
	Fuse		120.00
	Timber		200.00
	Power (gasoline)		1100.00
	Engineering and assaying		600.00
	Accounting		240.00

10. (a) $6,000.00

(b) Yes.

Form MF-103
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA FOR USE UNDER THE DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMEA-2387

Date received 2-19-52

Mr. A. W. Brown,
c/o Charles O. Parker & Co.,
2114 Curtis St., Denver 2, Colorado.

Name and address of applicant

Date Feb. 11, 1952.

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced: All information supplied in MF-103, submitted herewith.
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production unknown.

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(*a*) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(b) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(c) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

(Name of company)

By A W Brown
(Signature of authorized official)

Feb 11-52
(Date)

Lessee
(Title)

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.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

LEASE OF BLUE JAY MINING CLAIM

THIS LEASE, Made this 21 day of January 1952, between W. D. BROWN, a married man of Azusa, Los Angeles County, California, hereinafter called Lessor, and BLUE JAY MINES hereinafter called Lessee.

W I T N E S S E T H:

That the said Lessor, for and in consideration of the rents, royalties, covenants and agreements hereinafter expressed to be paid, kept and performed by the said Lessee, has leased, let and demised and by these presents does lease, let and demise unto the said Lessee, the following described mining property and premises, situated in the Sugar Loaf Mining District, Boulder County, Colorado, to wit:

Blue Jay Lode, Survey No. 19808.

TO HAVE AND TO HOLD the above described premises for the term of ten (10) years from the first day of January, 1952, to the first day of January, 1962, unless sooner forfeited or terminated through the violation of any of the covenants and conditions herein contained, with power to assign this lease or any part thereof or to sublet the whole or any part of said leased premises without the written consent of the said Lessor first had and obtained.

The said Lessee in consideration of the premises has covenanted, contracted and agreed, and by these presents does covenant, contract and agree to and with the said Lessor, his executors, administrators and assigns:

(1) To enter upon said leased premises and to work the same in mine fashion in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said mine or mining premises, as a workable mining property, and to the special covenants herein contained.

(2) To work and mine said premises as aforesaid, steadily and continuously during the period of this lease, and in doing said work to perform at least twenty four shifts of mining labor per month each and every month during the term of this lease.

(3) To repair all old timbering wherever it may become necessary, and to well and sufficiently timber said mine and mining premises at all points where proper and necessary in accordance with good and safe mining; continuing the timbering in the working shafts now upon said premises with timber of the same dimensions as heretofore used, unless it becomes necessary for safety to use larger timber, in which event timber of sufficient size for safety and permanent mining shall be used.

(4) To allow the Lessor or his agent from time to time to enter upon and descend into all parts of said leased premises, for the purpose of inspection, surveys or taking samples therefrom, and to render to said parties proper assistance in making such inspection, surveys or examination.

(5) To occupy and hold as the property of the Lessor all cross and parallel lodes, spurs and mineral deposits of every kind which may be uncovered, disclosed or discovered within said leased ground by the said Lessee or any person or persons under or in privity with him, with privilege to said Lessee to work and mine the same as part and parcel of said premises.

(6) To keep at all times the drifts, shafts, tunnels and other workings thoroughly drained and clear of loose rock and rubbish, unless prevented by extraordinary mining casualty.

(7) To stow no waste underground except with the consent and under the direction of the Lessor.

(8) To do no underhand stoping below the bottom of any main working level or winze and to do no stoping or breaking of ore rock within eight (8) feet of any working shaft.

(9) Not to adulterate or mix any ores broken or mined without the consent of the Lessor; it being understood that all ores mined which are too low grade for present shipment shall remain the property of and be subject to the control and disposition of the Lessor.

(10) To make all working shafts at least four (4) feet by eight (8) feet in the clear; all drifts and tunnels at least three and one-half (3½) feet by six and one-half (6½) feet in the clear, and all winzes and raises at least three and one-half (3½) feet by seven (7) feet in the clear.

(11) It is expressly understood and agreed that

the Lessor reserves the property and right of property in and to all ores extracted from said premises during the period of this lease, and the said Lessee covenants and agrees to pay and allow the Lessor as royalty upon all ores mined, shipped or sold from said leased premises in any manner during the life of this lease, as follows, to wit:

> For and in consideration of the lease hereby granted, and in full payment to Lessor therefor, the Lessee undertakes and agrees to pay to the Lessor a fifteen per cent (15%) royalty on stoping, and a ten per cent (10%) royalty on development, said royalties to be due and payable on the 10th day of each and every month following receipt of payment by the Lessee for ores mined, shipped and sold during the preceeding month.

Lessee covenants and agrees to keep true and accurate books of account showing the exact amount of ore extracted from said mine the amount of ore shipped, sold and treated, and the amount of money received from the sale of said ore, or the value thereof; Lessee covenants and agrees that he will deliver to Lessor on demand by Lessor, a copy or duplicate of all milling, smelter, sampler, retort and assay reports and returns; Lessee further covenants and agrees that he will permit Lessor, or his representative, at all reasonable times, to inspect the books of account of Lessee. All payments of royalties provided for hereunder shall be made to the Lessor without deduction for any costs or expenses whatsoever incurred by Lessee.

(12) The Lessee shall and hereby does assume all responsibility in case of accident to himself or any of his employees in or about said property; Lessee furthur undertakes and agrees to carry in full force and effect at all times adequate Workmen's Compensation Insurance as provided for and required by the laws of the State of Colorado, and that such Workmen's Compensation Insurance shall fully protect and insure Lessor hereunder against any claims whatsoever, whether or not the said claims shall be lawful.

(13) All taxes assessed against said demised premises for ores mined and shipped under this lease shall be paid by the Lessee.

(14) All bills and expenses incurred by the Lessee or those in privity with him shall be promptly paid by the Lessee, and by such prompt payment said Lessee shall prevent the filing of any and all liens of miners, mechanics or materialmen, against said demised premises; and, if by reason of the failure of said lessee to pay such bills or expenses,

any lien or liens shall be filed against said premises the said Lessor may forthwith pay off and discharge the same, and the said Lessee hold him bound to pay to said Lessor all sums so advanced or paid to clear said premises from liens which may be filed as aforesaid, and the said Lessor may also at his election declare a forfeiture of this lease.

(15) Said Lessee further covenants that no person not in privity with the parties hereto shall be allowed to hold possession of said premises or any part thereof under any pretext whatever.

(16) Further, that he will deliver to said Lessor quiet and peaceable possession of said demised premises in good order and condition with all drifts, tunnels and other passages thoroughly drained and cleared of loose rock and rubbish and said premises ready for immediate continued working, without demand or further notice, on the 2nd day of January, 1962, at noon, or at any time previous thereto, upon demand for forfeiture, and it is mutually understood that all machinery and tools which may be placed upon said premises by the said Lessee may be removed therefrom within ten days after the termination of this lease; provided, however, that no such tools or machinery shall be so removed while the said Lessee may be in any manner indebted to the said Lessor under any obligation incurred under this lease.

(17) Upon the violation of any covenant or condition herein contained, this lease shall, at the option of said Lessor, expire and terminate, and the said premises with the appurtenances and all buildings and other improvements shall become forfeited to the Lessor, and the said Lessor or his agent may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force, and with or without process of law, or at the option of the Lessor the said Lessee and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful detainer.

(18) Time is of the essence of this agreement, and each and every clause of this indenture and all the covenants and conditions contained herein, expressed or implied, shall extend to the successors, heirs, executors, administrators and lawful assigns of all of the parties hereto.

(19) In the event the Lessee is in possession of said property and has fully and completely discharged and performed all of the terms and conditions of this lease, and is not in default hereunder, Lessor does hereby grant to Lessee the option to renew this lease on its exact terms and conditions, for a period of two (2) years after January 2, 1962;

Lessee shall exercise this option of renewal by giving written notice to Lessor of his election to so exercise this option not less than sixty (60) days, nor more than ninety (90) days prior to the expiration of the term herein provided for, to wit: January 2, 1962. In the event the Lessee fails, neglects or refuses to exercise said option for renewal in the maner provided for herein, Lessee shall be deemed to have waived his option rights and shall deliver up to Lessor the premises under all of the terms and conditions herein provided for.

(20) In the event Lessor shall desire at any time during the term of this lease to sample or assay the ore or ores being mined by Lessee, Lessee covenants and agrees to furnish to Lessor the necessary samples, and without hindrance or delay, permit Lessor to secure such samples or assays.

(21) In the event of a dispute as to the market value or prevailing selling price of the ore or ores mined by Lessee, Lessor and Lessee do each hereby covenant and agree that each will appoint an assayor to determine the value of said ore, and that said assayers will then appoint a third assayer, and that said three assayers will arbitrate and agree upon the value of said ore, which said value so determined shall be the value of said ore upon which the royalties hereinabove provided for shall be based. The parties hereto do hereby covenant and agree tha t upon demand by either party hereto, they will so arbitrate any dispute as to the value of said ore or ores, and that the price at which Lessee sells said ore shall not be controlling as to the royalties due Lessor hereunder.

(22) During the term of this lease and any renewal terms entered into by the parties, the Lessor does hereby grant to the Lessee an option to purchase the demised property for the full sum of One Hundred Thousand ($100,000.00) dollars cash, lawful money of the United States; Lessee may exercise said option to so purchase by giving written notice to the Lessor, and depositing the said purchase price of $100,000.00, less credits as hereafter provided, with any recognized bank or trust company; upon receipt of such written notice and notice of deposit, Lessor covenants and agrees to execute and deliver to said bank or trust company the necessary instruments and documents to effect the sale to the Lessee of said property. In the event the Lessee exercises this option to purchase the said property, Lessor covenants and agrees to credit on said purchase price of $100,000.00 all royalties theretofore paid by Lessee.

(23) The property hereinabove described, and which is the subject of this lease, includes the following property belonging to the Lessor, and to which Lessor shall

retain title at all times:

a. 480 feet of air line,
b. Compressor house,
c. All rail, and
d. one Cabin.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names the day and year first above written.

W. D. Brown
W. D. Brown,
Lessor,

BLUE JAY MINES,

BY G. W. Brown
Lessee

L. O. Russell
Witness to Signature of Lessor,

Witness to Signature of Lessee.

State of California,
COUNTY OF LOS ANGELES } ss.

On this 21 day of January, A.D., 1952 before me, L. O. Russell a Notary Public in and for said County and State, personally appeared W. D. Brown, known to me, (or proved to me on the oath of), to be the person whose name is subscribed to the within Instrument, and acknowledged to me that he executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

L. O. Russell
Notary Public in and for said County and State.

My Commission Expires January 18, 1957

ACKNOWLEDGMENT—GENERAL—WOLCOTTS FORM 232. GRIMES-STASSFORTH STATIONERY COMPANY

Form MF-101 (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 June, 1953 Docket No. DMEA 2387 Contract No. E - 335
Operator's Name A. W. BROWN Minerals Tungsten
Address Nederland, Colorado
Contract Amount, $ 10,500.00 Government Participation: 75 % Amount, $ 7,875.00

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	204.00	933.00	1137.00			
(2) Labor and Supervision:						
Labor		1351.35	1351.35			
Supervision	180.00	1777.75	1957.75			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	46.62	455.32	501.94			
Pipe		54.77	54.77			
Track		110.12	110.12			
Miscellaneous	17.82	523.16	540.98	4.71	523.16	527.87
(4) Operating Equipment:						
Rental	74.06	1210.62	1284.68			
Purchase		75.00	75.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	4.00	60.99	64.99			
Sampling and Analysis						
Payroll Taxes	3.06	33.92	36.98			
Liability Insurance W/Comp.	8.00	72.00	80.00			
Bookkeeping		39.00	39.00			
(8) Contingencies (specify):						
				524.45	6,697.00	7,221.45
					*- 68.87	*- 68.87
				**-97.00		**- 97.00
TOTALS	537.56	6697.00	7234.56	427.45	6,628.13	7,055.58

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 7 *Payee A W Brown
Per Title Operator

*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:

$ 320.59

Signature [illegible]
(Authorized Certifying Officer)

Date 8/27/53 Vou. No. DMA 54-22
(See other side)

* Previous Disallowances ** Liquidation of Property

(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-335 in accordance with the terms of the contract.

Signature R. L. Bolmer, $403.17 Title Mining Engineer Date July 16, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date AUG 25 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

June 3 2387 Idm E 335

Month of June 195 Docket No. DMEA 2387 Contract No. Idm E 335
Operator's Name A. W. BROWN Minerals Tungsten
Address Nederland, Colorado

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	Feet	537.56	17	5822.77	151	38.56	150	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation of Tunnel				1336.79				
TOTAL DISTRIBUTED COSTS		537.56		7159.56				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				75.00				400.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		537.56		7234.56				10,500.00

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 July 7 Operator A W Brown

Per Title Operator

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

September 1, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104 Final Report, DMEA Docket 2387, Contract Idm-E335 (Tungsten), A. W. Brown, Boulder County, Colorado.

Enclosed are two copies of the Operator's Final Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of June, 1953, pertaining to DMEA Docket 2387, Contract Idm-E335, A. W. Brown, Boulder County, Colorado.

Also enclosed are the Operator's bid in the disposal of jointly-owned property purchased under the contract, and Government's acceptance of the bid.

Forms were processed for payment in conformance with the final Report of Review by the Contract Administration and Audit Division dated August 17, 1953, and released to this office August 18, 1953.

Copies of Engineer's Final Report, Geologist's Final Report, and Operator's Final Report will be transmitted at a later date after all have been submitted.

W. H. King
W. H. King

Enclosures

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

Administrative Audit Difference Statement

Date: August 27, 1953
Payee's
Reference: Progress
Report - June, 1953 - Final

A. W. Brown
1922 20th St.
Boulder, Colorado
I-INA-E-335

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

Amount Claimed $ 537.56

Difference $ 110.11

Amount Approved $ 427.45

The reason for the difference was due to:

Liquidation of Property	97.00
Duplication of Charge in Sept. 1952 (Industrial Eng. & Supply)	12.11
	$110.11

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

August 25, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2387, Contract Idm-E335 (Tungsten), A. W. Brown, Boulder County, Colorado. Operator's Final Monthly Progress Report for the month of June 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. Also attached to each copy of the report are data relevant to the settlement of the Government's interest in property acquired under the contract.

The report constitutes the Operator's final accounting report under the terms of the contract.

Work has been completed as authorized in the contract and the Operator has complied with all terms of the contract.

Final payment is recommended on the following basis which is in conformance with the final Report of Review by the Contract Administration and Audit Division, dated August 17, 1953, released to this office August 18, 1953.

Basis for final payment		
Total payment certified by Report of Review		$5,291.69
Total prior payments		4,971.10
Balance due Operator		320.59
Reconciliation with amounts claimed by Operator for the month of June 1953		
Amount claimed by Operator		$537.56
Less: Proceeds from property disposition	$97.00	
Audit disallowance	13.11	
		110.00
Balance		427.45
Government participation at 75%		320.59

W. H. King
W. H. King

Enclosures
JWT:cwm
cc: Contract; Secretary to the Oper. Comm. (2); WMTraver; Chron.
JWTownsend.

224 New Customhouse
Denver 2, Colorado

August 11, 1953

Mr. A.W. Brown
P.O. Box 601
Boulder, Colorado

Re: Docket DMEA-2387
Contract Idm-E335

Dear Mr. Brown:

Consistent with the authority delegated to this office under Order No. 2684 from the Office of the Secretary, Department of the Interior, the United States of America acting through the Department of the Interior, Defense Minerals Exploration Administration, does hereby accept your bid and proposal, dated August 8, 1953, in the amount of $97.00 for the disposal of equipment and unexpended portion of materials and supplies acquired under Contract Idm-E335.

The Government's equity of 75 percent, or the amount of $72.75, will be deducted from amounts due you on the final settlement of the contract account as you proposed in your bid of August 8, 1953.

Very truly yours,

W.H. King

W.H. King
Executive Officer, DMEA
Field Team, Region IV

JWT:jp
cc Contract
Chron
WMTraver
AHKoschmann
JWTownsend
MF-104 (5)
THBrading (9)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

To: Executive Officer, Field Team, Region IV

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

Subject: DMEA 2307, Contract 14m-2335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for June 1953

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

Belmar verifies the 17 feet of drifting on the No. 3 tunnel reported in the narrative and entered on the MF-104A form. This completes the work authorized under the contract.

The accounts are in order, properly documented, and entries are apparently correct on the reporting forms.

Payment is approved and certified on the MF-104 forms of $403.17, or 75 percent of the total $537.56 claimed by the contractor, subject to the usual Region IV audit.

With completion of the contract and denial of the operator's request for additional work, it is recommended that the project be closed out in the usual manner without certification. This payment should be deferred pending determination of salvage value and receipt of a suitable report from the contractor.

W. M. Traver

W. M. Traver

enclosures

cc
2335
DMEA Chron.

WMT/pmm

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

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

From: R. L. Bolmer

Subject: DMMA 2307, Contract Idm-2335 (Tungsten), A. V. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for June 1953

The progress reported this period by the operator, 17 feet of drifting, completes the authorized 150 feet of advance of the No. 3 tunnel. The progress reported this period was confirmed during an inspection of the property June 26, 1953, and was discussed in the progress report for May 1953. The operator's request for authorization to perform additional work was not considered justified and was denied. Work under the contract will be considered completed as of June 13, 1953, the final working shift recorded on the operator's payroll.

The small amount of work accomplished this period and the costs incurred therein conform to the terms of the contract. The costs reported, $537.56, appear reasonable and justified and are approved. Payment of 75 percent of the approved amount, or $403.17, is recommended. Final payment should be withheld until all details regarding the close of this contract have been completed.

R. L. Bolmer

R. L. Bolmer
Mining Engineer

cc .6
R335
DMMA Chron.

RLB/ymm

P.O.Box 601
Boulder, Colorado
August 8, 1953

Mr. W. H. King
Department of Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Subject: DMEA 2387
CONTRACT Idm - E335
Blue Jay Mine

Dear Sir:

In connection with the termination of subject contract, a net offer of $72.75 is made herewith for the government's equity in the net salvaged value of certain equipment, pipe, rail and tools remaining which were purchased for the project with joint funds:

Summary of cost, inventory, offers F.O.B. dump site, and net salvage value, as follows:

Description	Cost to Project*	Remaining Inventory at Cost	Offer by Hetzer Mines	Offer by Industrial Engineering	Operator's Offer
Equipment:					
Mine Car, 1400#	$ 35.00	$ 35.00	$ 30.00	$ 20.00	$ 30.00
Water Pressure Tank	40.00	40.00	20.00	10.00	20.00
Sub-total . . .	75.00	75.00	50.00	30.00	50.00
Pipe & Fittings (see list)	51.20	50.06	25.00	12.50	25.00
Track (see list)	111.06	108.24	45.00	50.00	50.00
Tools (see list)	70.54	62.27	15.00	20.00	20.00
Steel & Bits	85.33	None	-0-	-0-	-0-
Explosives	503.03	None	-0-	-0-	-0-
TOTALS	$896.16	$290.57	$135.00	$112.50	$145.00
Less: Estimated cost to salvage (see below)			48.00	48.00	48.00
NET SALVAGED VALUE			$ 87.00	$ 64.50	$ 97.00

Governments' equipty (75%) of Operator's bid . . . . . $ 72.75

ESTIMATED COST TO SALVAGE THE ABOVE:
Estimated 2 men for 2 days at $12.00 per man day $48.00

In the event that the Operator's offer ($72.75) is accepted by the government, authority is given herewith to deduct same from the final claim submitted for the month of June, 1953.

A Narrative Summary is enclosed herewith.

Sincerely yours,
A. W. Brown
A. W. Brown
P. O. Box 601
Boulder, Colorado

NOTE: Copies of bids submitted by Hetzer Mines, Inc. and Industrial Engineering and Supply Company are attached.

* Cost to project per DMEA representative

LIST OF PROPERTY REMAINING
at
Blue Jay Mine
after
COMPLETION OF EXPLORATION CONTRACT Idm - E335

Description	Project Cost
EQUIPMENT	
1 - Water Pressure Tank, 18 gal.	$ 40.00
1 - Mine Car, 1400#	35.00
	75.00
PIPE	
66 ft. - 2" Black Pipe	24.00
2 - 2" union	4.82
1 -45° Ell 2"	1.05
2 - 1" Ell	2.00
1 - Blow Pipe and Valve	3.50
2 - 2" Plugs	2.85
6 - 2" Couplings	4.89
2 - 2" Plugs	.54
1 -3/4 x ½" reducer	.63
1 -2" x 1" reducer	.81
2 -2" nipples	1.77
1 -3/4" nipple	.34
2 -2" tees	2.86
Labor & Miscellaneous (no value) COST $4.71	No Value
	50.06
TRACK	
1 - Ton 12# rail	90.00
13 pr. - 12" fish plates	7.43
Track bolts	5.81
Spikes and Miscellaneous (no value)Cost $6.88	No Value
	103.24
TOOLS REMAINING(Miscellaneous supplies)	
1 - B2 Rail Bender	25.50
1 - 18" pipe wrench	8.72
1 - 24" pipe wrench	5.05
1 - 2" timber square	2.00
1 - steel tape - 100 ft.	5.00
1 - Crosscut saw	5.00
1 - Scaling bar	5.00
2 - 34" x 5 ft. muck plates	6.00
	62.27
TOTAL COSTS	$290.57

Nederland, Colorado
July 31, 1953

Mr. A. W. Brown
P.O. Box 601
Blue Jay Mine
Boulder, Colorado

Dear Mr. Brown:

We hereby submit the following bid for the purchase of equipment and supplies listed on the attached list F.O.B. dump site at the Blue Jay Mine.

Water Pressure Tank	$20.00
Mine Car	30.00
Tools	15.00
Pipe & Fittings	25.00
Track & Fish Plates	45.00
Total	$135.00

Sincerely yours,

HETZER MINES, INC.

By Edward Hetzer

Boulder, Colorado
P. O. Box 601
July 30, 1953

Mr. Elmer Hetzer
Hetzer Mines, Inc.
Nederland, Colorado

Dear Mr. Hetzer:1

In connection with the termination of a Defense Minerals Exploration Contract, certain equipment and supplies are remaining as per attached list. I shall appreciate your submitting a bid or offer for the purchase of same F.O.B. dump site at the Blue Jay Mine.

Sincerely yours,

A. W. Brown

A. W. Brown

July 30, 1953

LIST OF PROPERTY REMAINING
at
BLUE JAY MINE
after
COMPLETION OF EXPLORATION CONTRACT Idm - 335

Description

Equipment:

1. Water pressure tank, 18 gal.
1. Mine car, 1400#

Pipe:

66 ft. - 2" Black pipe
2 - 2" Union
1 - 45° Ell 2"
2 - 1" V
1 - Blow pipe & valve
2 - 2" plugs
6 - 2" couplings
2 - 2" plugs
1 - 3/4"x ½" reducer
1 - 2" x 1" reducer
2 - 2" nipples
1 - 3/4" nipple
2 - 2" tees
Labor & Miscellaneous (no value)

Track:

1 - Ton 12# rail
13 pr.- 12# fish plates
Track bolts
Spikes and miscellaneous (no value)

Tools Remaining (Miscellaneous supplies):

1 - B2 Rail bender
1 - 18" pipe wrench
1 - 24" pipe wrench
1 - 2" timber square
1 - Steel tape - 100 ft.
1 - Crosscut saw
1 - Scaling bar
2 - 34" x 5 ft. muck plates

Blue Jay Mine
1922 - 20th St.
Boulder, Colo.
c/o A. [illegible]. Brown - P.O. Box 601

Dear Sir:

We wish to submit the following bid for the purchase of equipment and supplies listed on the reverse side of this sheet. Said equipment is located at the Blue Jay Mine (Boulder County) Colorado.

1 - Water pressure tank (18 gal.)	$10.00
1-- Mine car, 1400#	20.00
Tools	20.00
Pipe	12.50
Track & Fish Plates	50.00
Total	$ 112.50

INDUSTRIAL STORE FIXING & SUPPLY CO.

H. C. Craig

H. C. Craig

Boulder, Colorado
Post Office Box 601
July 20, 1953

INDUSTRIAL ENGINEERING & SUPPLY CO.
250 Pearl Street
Boulder, Colorado

Gentlemen:

In connection with the termination of a Defense Minerals Exploration Contract, the following equipment and supplies are remaining. I shall appreciate your submitting a bid on the purchase of the following remaining items F.O.B. the dump site at the Blue Jay Mine:

EQUIPMENT
1 - Water pressure tank, 18 gal.
1 - Mine car, 1400#

TOOLS
1 - Rail bender
1 - 18" pipe wrench
1 - 24" pipe wrench
1 - Square, 2" timber
1 - Crosscut saw, 4 ft.
1 - Steel tape, 100 Ft.
1 - Scaling bar, 5 ft.
2 - Muck flats, 34" x 5 ft.

PIPE
66 ft. - 2" black pipe
2 - 2" union
1 - 45° ell
2 - 1" valves
1 - Blow pipe and valve
2 - 2" Plugs
6 - 2" couplings
1 - 3/4" x ½" reducer
1 - 2" x 1" reducer
2 - 2" nipples
1 -3/4" nipple

TRACK
1 - Ton 12# Rail
13 Pr. - 12# fish plates

Sincerely yours,

A W Brown

A. W. Brown
P.O.Box 601
Boulder,Colorado

AWB:rs

A. W. BROWN
DMEA - 2387
CONTRACT Idm - E335
June - 1953

NARRATIVE REPORT

1. Advanced drift 17 feet which completed the 150 foot drift per contract. First 11 feet still in pinch reported last month. Had two oxidized feeders one-fourth to one-half inch to follow. Granite chist on hanging wall, gray granite of harder formation on foot wall for the last six feet. Had two oxidized veins from two to six inches about 15 inches apart, one on hanging wall, the other nearer center of drift. Both veins carrying a little ferberite.

2. Labor - John McChristy finished the last 17 feet of drift on contract basis at $ 12.00 per foot. Herod quit May 29.

3. Equipment - Returned Jeager (125 cu.ft.) air compressor to Western Machinery Company on June 15, 1953. Would not make enough air.

4. Completed drift per contract, but have approximately $3,266.00 of contract funds remaining. In May I requested authorization to put in a 50 foot raise. Have ceased operations awaiting reply to my request.

5. Ore on hand - Have approximately 45 tons of low grade ore on hand ready to ship.

6. Unusual difficulties - none other than those indicated above.

A. W. Brown
A. W. Brown

A. W. BROWN
DMEA # 2387
CONTRACT Idm - 8335

EXPENSE SUMMARY - June, 1953

PAYEE -	CK. O.	TOTAL AMOUNT	(1) CONTRACT LABOR	(2) SUPERVISION	(3) OPERATING SUPPLIES Explos.	(3) OPERATING SUPPLIES Misc.	(4) OPERATING EQUIPMENT Descrpt.	(4) OPERATING EQUIPMENT Rental	(7) MISCELLANEOUS Item	(7) MISCELLANEOUS Amt.
Payroll - per summary attached		$384.00	$204.00	$180.00						
Payroll Taxes Accrued - June		3.06							Payroll taxes	$3.06
Western Machinery Company	85	74.06					Compressor	$74.06		
Industrial Engineering & Supply Co.	100	46.62			$46.62					
Quality Oil Company	ca	5.38				$ 5.38				
Community Tire Service	ca	2.00							Repair Truck Tire	2.00
Fairview Service Station	ca	1.63				1.63				
Cliff Brice Oil Company	ca	5.40				5.40				
W. L. Cox Service Station	ca	1.25				1.25				
O.K. Rubber Welders	ca	2.00							Repair Truck Tire	2.00
Hetzer & Bailey Service Staion	ca	2.90				2.90				
Andrie & Bolthoff	ca	1.26				1.26				
State Compensation Insurance Fund	101	8.00							W/Comp. Ins.	8.00
TOTAL		$537.56	$204.00	$180.00	$46.62	$17.82		$74.06		$15.06

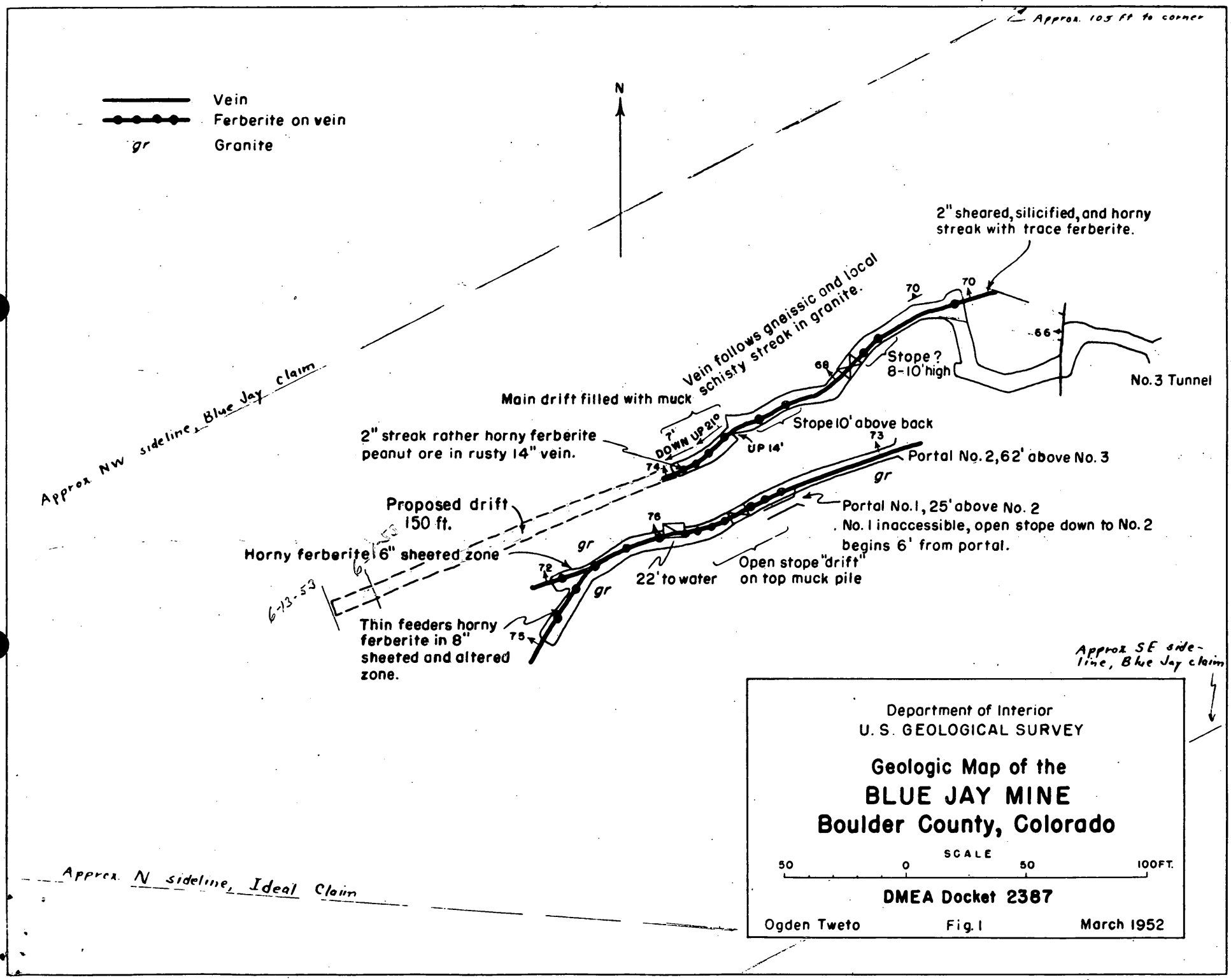
A. W. BROWN
DMEA - 2387
CONTRACT Idm-E335

PAYROLL SUMMARY - June, 1953

(1) CONTRACT LABOR	Date	1	2	3	4	5	6	7	8	9	10	11	12	13	HOURS	RATE	GROSS WAGES	S.S. TAX	F.H. TAX	NET PAID
McChrisby, John 530-05-1394 Miner	Hrs.	8	8	8	6	6	4	0	8	7	8	5	7	5	80	$12.00 per ft.	$204.00	$ 3.06	$41.00	$159.94
						Drifting - 17 ft.														
(2) SUPERVISION																				
Brown, A. W.	Hrs.	8	8	8	6	6	4	0	8	7	8	5	7	5	80	2.25	180.00			180.00
															TOTAL LABOR		$384.00	$ 3.06	$41.00	$339.94

Certified to be a true summary of
subject payroll for June 1-13 (incl.), 1953.

Alex Schone


Approx. 105 ft to corner
Vein
Ferberite on vein
gr
Granite
N
2" sheared, silicified, and horny streak with trace ferberite.
Vein follows gneissic and local schisty streak in granite.
Main drift filled with muck
Stope ? 8-10' high
No. 3 Tunnel
Stope 10' above back
2" streak rather horny ferberite peanut ore in rusty 14" vein.
DOWN UP 21°
UP 14'
Portal No. 2, 62' above No. 3
Approx NW sideline, Blue Jay claim
Proposed drift 150 ft.
Portal No. 1, 25' above No. 2
No. 1 inaccessible, open stope down to No. 2 begins 6' from portal.
Horny ferberite 6" sheeted zone
22' to water
Open stope "drift" on top muck pile
6-13-53
Thin feeders horny ferberite in 8" sheeted and altered zone.
Approx SE sideline, Blue Jay claim
Approx. N sideline, Ideal Claim
Department of Interior
U. S. GEOLOGICAL SURVEY
Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado
SCALE
50 0 50 100 FT.
DMEA Docket 2387
Ogden Tweto
Fig. 1
March 1952

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals
RECEIVED
JUL 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 195 3 Docket No. DMEA 2287 Contract No. E 335
Operator's Name A. W. Brown, Minerals Tungsten
Address Nederland, Colorado
Contract Amount, $ 10,500.00 Government Participation: 75 % Amount, $ 7,875.00

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:		(as corrected)				
Drilling						
Bulldozing						
Crosscutting						
Drifting	396.00	537.00	933.00	00	00	00
(2) Labor and Supervision:						
Labor		1351.35	1351.35	396.00	1,888.35	2,284.35
Supervision	387.00	1390.75	1777.75			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	195.52	259.80	455.32			
Pipe	2.77	52.00	54.77			
Track	7.40	100.72	110.12			
Miscellaneous	95.33	427.83	523.16			
(4) Operating Equipment:						
Rental	75.00	1135.62	1210.62			
Purchase	-0-	75.00	75.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	60.99		60.99			
Sampling and Analysis						
Payroll Taxes	5.63	26.29	31.92			
Liability Insurance W/Comp	15.00	57.00	72.00			
Bookkeeping		39.00	39.00			
(8) Contingencies (specify):						
				1242.64	5,454.36	6,697.00
					*- 39.00	*- 39.00
TOTALS	1242.64	5454.36	6697.00	**-29.87		**- 29.87
				1212.77	5,415.36	6,628.13

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

Date June 18 *Payee A. W. Brown,

Per _____ Title Operator

*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:

$ 909.58

Signature _____
(Authorized Certifying Officer)

Date 7/8/53 Vou. DMA 54-7

(See other side)

* Previous disallowance
** Excess of contract (upkeep on truck)

(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. 6-335 in accordance with the terms of the contract.

Signature R. Palmer, $909.58 Title Mining Engineer Date June 26, 1953

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

Signature W. H. Kang Title Executive Officer Date JUL 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.

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA 2387 Contract No. S-335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, 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	foot	1242.64	33	5285.21	134	39.44		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation of tunnel				1336.79				
TOTAL DISTRIBUTED COSTS		1242.64	33	6622.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				75.00				400.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1242.64		6697.00				10,900.00

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 18 Operator A. W. Brown

Per _____ Title Operator

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

Schedule DMA 54-7

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

Administrative Audit Difference Statement

Date: July 8, 1953
Payee's
Reference: Progress Report - May, 1953

A. W. Brown
1922 - 20th Street
Boulder, Colorado
I-DMA-E-335

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

Amount Claimed $1,242.64

Difference $ 29.87

Amount Approved $1,212.77

The reason for the difference was due to:

Amend 2 of Contract allows $50.00 for repairs and operation of flat-bed 4-wheel-drive truck.
Amount charged for May is $79.87 leaving an overcharge of $29.87.

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 6, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2387, Contract Idm-2335 (Tungsten), A. W. Brown (Blue Jay Mine), Boulder 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 75 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.

The following bills are considered to be for repair and operation of 4-wheel drive truck, the total of which exceeds the allowable limit of $50.00 for the month as per Amendment No. 2.

Vanatta Electric Shop	5/6/53	$5.00
Valmont Garage	5/9/53	15.00
Harris Auto and Parts Co.	5/22/53	32.49
Cliff Brice Gas and Oil	5/1/53	2.70
" " " " "	5/6/53	2.50
" " " " "	5/11/53	3.10
" " " " "	5/27/53	1.40
Hendrie and Bolthoff Co.	5/3/53	2.39
" " " "	5/4/53	1.04
Quality Oil Company	5/10/53	2.69
Kilten's Service Station	5/15/53	1.43
" " "	5/18/53	1.63
Pioneer Auto and Truck Parts	5/16/53	8.50
Total		$79.87

Disallowance - $79.87 - $50.00 $29.87

Remarks:

Date of Report	June 18, 1953
Date Received in Field Office	June 22, 1953
Date Received in Region Office	July 2, 1953
Date Processed for Payment	July 6, 1953.

W. H. King

W. H. King

Enclosures

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
July 1, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

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

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for May 1953

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

Progress consisting of 33 feet of drifting for the period, extending the No. 3 tunnel a total distance under the contract of 134 feet, is verified. On the inspection date, the total authorized advance of 150 feet had been completed.

The operator has requested additional work, which is being disapproved geologically by the Geological Survey. As explained in Bolmer's memorandum, certification of discovery is not recommended, and I concur.

The accounts are in order and approved except:

The excess of $29.87 over $50.00 allowed by amendment for gasoline, lubricants, and maintenance of the operator's truck, is recommended for disallowance.

The $29.87 disallowance deducted from the total $1,242.64 claimed by the contractor leaves $1,212.77. Of this sum $909.58, or 75 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/pam

cc 4, E335, DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

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

From: R. L. Bolmer

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for May 1953

Progress under the subject contract was inspected June 26, 1953, with the operator. Progress as reported in the operator's narrative and shown on form MP-104A, 134 feet of drifting performed to date on the No. 3 tunnel level including 33 feet of advance during May, was confirmed during the inspection.

On the date of inspection, the tunnel had been advanced the authorized 150 feet, and work under the contract had stopped. The vein exposed through work completed under the contract is not promising. Spotty ferberite mineralization was exposed intermittently along the drift to 135 feet. The vein within this distance consisted of a few inches of quartz and oxidized gouge. Due to its oxidized nature, it is difficult to determine by eye whether ferberite is present or not. A sample taken of the most favorable section of the vein some 85 feet in the drift assayed 3.6 percent WO_3 and 1.0 percent P over a width of 6 inches. Mineral is exposed only occasionally along the drift, and such exposures are for only a few feet in length. The grade indicated by the sample is not commercial. The mineral probably continues above the drift some 62 feet to the elevation of the No. 2 tunnel and perhaps higher, but it is expected to be narrow, low-grade, and very high in phosphorous. A certification of such a deposit would not be recommended. Beyond 135 feet the vein consists of 1-to 2-inch streaks of iron-stained gouge and contains no visible mineral.

Approximately $3,000.00 of the authorized contract amount will be unexpended. The operator has requested permission to perform additional exploration within the limits of the funds authorized. Such authorization is under consideration but is not looked upon too favorably due to the unpromising results to date.

The Operator's Monthly Report and Voucher with supporting documents appears to be in proper order. The costs incurred are considered justified and reasonable and have been distributed correctly to the items of cost, form MF-104. Per Amendment No. 2 of the contract, the actual operating expenses of the operator's truck (fuel, lubricant, and minor repair costs) are allowable not in excess of $50.00 per month. This month costs for gasoline, lubricants, repairs and repair parts on this equipment are reported in a total amount of $79.87. The excess, or $29.87, is not allowable under the contract. The remainder of the costs reported, or $1,212.77, are approved. Payment of 75 percent of the approved amount, or $909.58, is recommended.

R. L. Bolmer

R. L. Bolmer
Mining Engineer

RLB/pam

cc 6
E335
DMEA Chron.

A. W. Brown
DMSA - 2387
CONTRACT Idm - E
May 1953

NARRATIVE REPORT

1. Advanced drift 33 feet - First 15 feet in hard tight gray granite formation. Oxidized vein from 2 to 5 inches averaging from 1 to 2 inches of peanut tungsten. The vein pinched for 18 feet, had feeders to follow but the formation was not so hard, and easier to pull.

2. We were handicapped considerably by bad weather.

3. Crew - 2 men on contract basis at $ 12.00 per foot for drifting. Ben Copple quit May 9, couldn't make enough money. Hered continued a few days by himself and then was sick a few days. May 19, John McChristy started. McChristy and Hered finished the month.

4. Unusual difficulties - None other than those indicated above.

A. W. Brown

A. W. Brown

A. W. Brown
DMEA - 2387
CONTRACT Idm E 335

EXPENSE SUMMARY - May, 1953

PAYEE	CK NO	TOTAL AMOUNT	(1) CONTRACT LABOR	(2) SUPERVISION	(3) OPERATING SUPPLIES Track	Explos.	Pipe	Misc.	(4) OPERATING EQUIPMENT Description	Rental	(7) MISCELLANEOUS Item	Amt.
Payroll per summary attached		$ 783.00	$396.00	$387.00								
May payroll taxes accrued		5.63									Payroll taxes	$ 5.63
Vanetta Electric Shop	74	5.00									Truck repairs	5.00
Valmont Garage	75	15.00									" "	15.00
Harris Auto Parts	78	32.49									" "	32.49
Industrial Engineering Supply	81	195.60			$9.40	$182.82	$2.77	$ .61				
Continental Oil Co.	82	37.12						37.12				
Copco Pacific Ltd.	83	36.11						36.11				
Valentine Hardware	84	12.70				12.70						
Copco Pacific Ltd.	86	75.00							Jack Lag	$75.00		
W.L. Frank Lumber Co.	ca	.61						.61				
Cliff Brice Oil Co.	ca	9.70						9.70				
Hendrie and Bolthoff	ca	3.43						3.43				
Robert E. Nelson	ca	2.00						2.00				
Quality Oil Co.	ca	2.69						2.69				
Kilton's Service Station	ca	3.06						3.06				
Pioneer Auto & Truck Parts Co.	ca	8.50									Truck repairs	8.50
State Compensation Ins. Fund	91	15.00									W/Comp Ins.	15.00
TOTAL		$1,242.64	$396.00	$387.00	$9.40	$195.52	$2.77	$95.33		$75.00		$81.62

ca - Paid by cash

A. W. Brown
DMSA - 2387
CONTRACT-Idm E 335

PAYROLL SUMMARY - May 1953

	Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	HOURS Reg	HOURS O.T.	RATE Reg	RATE O.T.	GROSS WAGES	S.S. Tax	W.H. Tax	NET PAID
	2nd	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30 31								
(2) LABOR & SUPERVISION																								
Copple, Ben F. 508-01-4192 miner	1st	9	6		3	8	8	8½	7	4							53½							
Herod, Merril A. 524-32-8969 Miner	1st	9	6		3	8	8	8½	7	4		4			7	9								
	2nd	8						7	6½		8	8	8	8	8		135							
McChristy, John 530-05-1394 Miner	2nd					8	8	8	6½		8	8	8	8	8		70½							
Brown, A. W.	1st	8	8		4	8	8	8	8	8		8			8	8								
	2nd	8		4	4	8	8	8	8		8	8	8	8	8		172		$2.25		$387.00			$387.00

(1) INDEPENDENT CONTRACT

	OPERATION	UNITS	RATES	AMOUNT				
Copple, Ben F.	Drifting	6 feet	$12.00	$ 72.00	72.00	$1.22	$ 6.90	63.88
Herod, Merrel A.	Drifting	18½ feet	12.00	222.00	222.00	3.50	22.07	196.43
McChristy, John	Drifting	8½ feet	12.00	102.00	102.00	1.53	17.87	82.60
TOTAL CONTRACT LABOR					396.00	6.25	46.84	342.91
TOTAL ALL LABOR					$783.00	$6.25	$46.84	$729.91

Certified to be a true summary of subject payroll for May, 1953

A W Schone

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 April 1953 Docket No. DMEA 2387 Contract No. Idm E 335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, Colorado
Contract Amount, $10,500.00 Government Participation: 75 % Amount, $7,875.00

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	537.00	-0-	537.00			
(2) Labor and Supervision:						
Labor	-0-	1351.35	1351.35			
Supervision	342.00	1048.75	1390.75			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	128.24	131.56	259.80			
Pipe	19.41	32.59	52.00			
Track	4.75	95.97	100.72			
Miscellaneous	120.99	306.84	427.83			
(4) Operating Equipment:						
Rental	423.12	712.50	1135.62			
Purchase		75.00	75.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	8.03	20.26	28.29			
Liability Insurance	16.00	41.00	57.00			
Bookkeeping	41.50	39.00	80.50	00	39.00	39.00
Adv. for Help	.70	-0-	.70	00	00	00
(8) Contingencies (specify):						
TOTALS	1641.74	3854.82	5496.56	1599.54	3854.82	5454.36
				*	- 39.00	- 39.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 1953 *Payee
Per A W Brown Title Operator

*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)

*Previous Disallowance

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

1599.54 3815.82 5415.36

$ 1199.66

Signature Alfred K. Olson
(Authorized Certifying Officer)

Date 6-11-53 Vou. No. 53-145

(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-335 in accordance with the terms of the contract.

Signature R. Bolmer, $1,200.18 WMK Title Mining Engineer Date May 26, 1953

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

Signature John F. Shaw for W. H. Kerr Title Executive Officer Date JUN 5 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA 2387 Contract No. Idm E-335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, Colorado

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	Feet	1641.74	48	4084.77	101	40.44		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation of tunnel				1336.79				
TOTAL DISTRIBUTED COSTS		1641.74	48	5421.56				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				75.00				400.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1641.74		5496.56				10,500.00

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 13 '53 Operator

Per A W Brown Title Operator

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

June 9, 1953

Progress Report

April, 1953

A. W. Brown
1844 Mapleton Ave.,
Boulder, Colorado
I-DMA-E355

	$ 1641.74
	$ 42.20
	$ 1599.54

Costs of accounting & bookkeeping of DMEA reports are not allowable as the Supervisor receives hourly wages for this work as part of the contract	$41.50
Advertising for Help, as an overhead cost, is not chargeable to project.	.70
	42.20

Very sincerely yours,

A.K.Olson

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

224 New Customhouse
Denver 2, Colorado

June 5, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, Field Team, Region IV

Subject: DMEA Docket 2387, Contract Idm-~~E355~~ 335 (Tungsten) A. W. Brown (Blue Jay Mine), Boulder 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 75 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.

Bookkeeping - $41.50. All costs of accounting and preparation of DMEA reports was to be done by the supervisor if the rate of $2.25 per hour for Supervision was allowed.

Advertising for Help - $.70. Considered as an overhead cost and not an actual cost to the project.

Remarks:

Date of Report----------May 13, 1953
Date Received in Field Office----------May 14, 1953
Date Received in Region Office ----------June 1, 1953
Date Processed for Payment----------June 4, 1953

for John F. Shaw
W. H. King

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

Enclosure

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
May 26, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

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

Subject: RMEA 2387, Contract 2Bm-R335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for April 1953

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

Progress advancing the No. 3 tunnel heading 48 feet is correctly reported in the operator's narrative and on the MF-104A form. The accounts are in order, with one exception. Otherwise, all operations and the accounting are in conformance with terms of the contract, are properly documented, and are approved within the limits of our delegated authority to confirm.

The exception, $41.50 charged under Item 7, Miscellaneous: Bookkeeping, is disallowed for the reasons stated in the inspecting engineer's memorandum. The amount claimed, $1,641.74, less $41.50 disallowed leaves $1,600.24.

Payment is recommended and certified on the MF-104 form of 75 percent of $1,600.24, or $1,200.18, subject to the usual Region IV audit.

W. M. Traver

W. M. Traver

enclosures

WMT/dd

cc 4
R335
RMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

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

From: R. L. Bulmer

Subject: DMEA 2387, Contract 14m-2335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for April 1953

Progress under the subject contract was inspected May 20, 1953, with the operator. Work under the contract, recessed November 30, 1952, because of winter weather conditions, was resumed April 3, 1953. The progress reported in the operator's narrative and recorded on form MF-104A, advancing the No. 3 tunnel a distance of 48 feet, was confirmed during my inspection. To the date of inspection, the No. 3 tunnel has been advanced a total of 116 feet under the contract.

The present face is in a hard granite-gneiss and contains a single, narrow quartz stringer. The vein structure, upon which the tunnel is advancing, has weakened. A few feet behind the present face the vein narrowed to 2 inches of quartz and gouge with oxidized iron and manganese staining but with no evidence of ferberite. In the last round the vein either dies out or bends into the footwall. The quartz stringer in the breast is fresh and unstained and probably does not represent the vein. The operator was advised to swing the drift more into the footwall in an attempt to pick up the main structure again. Should a favorable structure not be encountered within a few rounds, the operator was advised to stop the drift. Thirty feet behind the breast, the vein exists as 6 to 8 inches of quartz and oxidized gouge material and contains a fair grade of ferberite. A sample was taken of the vein in this vicinity.

Sixty-seven feet behind the present breast the main vein structure, upon which drifting began, splits. The operator has followed the south or footwall split which corresponds more nearly with the projection of the main structure from the No. 2 tunnel (see geologic map accompanying operator's report). The vein split at 67 feet, however, is directly below and may correspond to the vein split mapped at the end of the No. 2 tunnel, in which case the operator's drift may have followed the south split and the split exposed along the north rib of the drift between 60 and 67 feet back of the face probably is the main structure and the one that should be followed.

The operator was advised to slab off the north rib between 60 and 67 feet and perhaps take a round or two into the hanging wall to expose the northern split of the vein. By the time this work is completed, it is expected that a geological examination can be made. Should the vein in the present breast prove unpromising, further exploration on it would not be recommended. Should the northern vein split show mineralization or otherwise look favorable, the remaining footage and funds authorized might be spent to better advantage there.

The operator's monthly report and supporting documents have been reviewed. The costs incurred this period are supported by the required documentation and are distributed correctly on forms MF-104 and MF-104A and, except as noted below, are considered necessary and conform to the terms of the contract.

By previous agreement with the operator, supervision at a rate of $2.25 per hour was to include all costs for accounting and the preparation of DMEA reports. The operator informs me that the Wilkins and Schone invoice for $41.50 was included in the report through error. This amount, therefore, is not approved.

The invoices for the remainder of the incurred service and supply charges have been examined carefully and are considered necessary and justified costs of the project. Incurred costs totaling $1,641.74 are reported. Of this amount, costs totaling $41.50 (bookkeeping) are not approved. The remainder of the costs reported, or $1,600.24, are approved and are recommended for Government participation to the extent of 75 percent, or $1,200.18.

Amendment No. 3 extends the contract life to July 29, 1953. Approximately $5,000.00 of the authorized funds remain unexpended as of April 31, 1953.

R. L. Bolmer

R. L. Bolmer,
Mining Engineer

RLB/dd

cc 6
E335
DMEA Chron.

A.W. Brown
DMEA - 2387
Contract Idm -E335
April 1953

NARRATIVE REPORT

1. ADVANCE -

Advanced drift 48 feet. First 12 feet in oxidized granite schist and bull quartz, carrying 3 veins from one half to two inches wide. Veins came together and went into live, hard, granite formation also very blocky ground, making it hard to drill and hard to pull. Carrying from one to six inch vein oxidized, but higher grade ore. Have drifted 36 feet in this live, hard, granite formation.

2. MACHINERY TROUBLE -

Had motor trouble with Pastore's compressor and were unable to repair it. It was used only 20 days in April after which time we rented a new Jaeger, 125 cu. ft., from Western Machinery of Denver. Was unable to rent a larger compressor at that time. Rental on this compressor is $ 144.22 per month less 10 % discount if paid in 10 days upon invoice. We put this compressor in operation April 27th. It is paid up through May 26th. We were handicapped considerably by bad weather.

3. CREW -

2 men on contract basis, now paying $ 12.00 per foot for drifting.

4. UNUSUAL DIFFICULTIES -

None other than those indicated above

5. WORK RESUMED -

Work resumed April 3, 1953

A.W. Brown

A. W. Brown

A. W. BROWN
DMEA - 2387
CONTRACT Idm E 335

EXPENSE SUMMARY - APRIL, 1953

PAYEE	CK NO	TOTAL Amount	(1) CONTRACT LABOR	(2) SUPERV.	(3) OPERATING SUPPLIES Track	Explos.	Pipe	Misc.	(4) OPERATING EQUIPMENT Description	Rental	(7) MISCELLANEOUS Item	Amount
Payroll-per summary attached		$ 879.00	$537.00	$342.00								
State W/Comp Ins. Fund	71	16.00									W/Comp.Ins.	$16.00
Accrual of April Payroll Taxes		8.03									Payroll tax	8.03
Harris Auto Parts Co.	54	8.93						8.93				
Wilkins & Schone	55	41.50									Accounting	41.50
Valentine Hardware Co.	61	2.84					2.84					
Western Machinery Co.	63	144.90)							Air Compressor	$148.12		
" " "	68	3.22)										
Continental Oil Co.(2)	64	48.91						48.91				
Industrial Engineering and Supply Co.	69	154.51			4.75	128.24	13.42	8.10				
Copco Pacific - Ltd.	70	75.00							Jack Leg	75.00		
Western Machinery Co.	cc	25.50						25.50				
Quality Oil Co.	Ca	3.55						3.55				
Hendrie & Bolthoff	Ca	2.63					2.63					
Socony-Vacuum Oil Co.	Ca	3.97						3.97				
Cliff Brice Oil Co.	Ca	15.25						15.25				
Miles D. Bradfield	Ca	1.53						1.53				
G.L. Frank Lumber Co.	Ca	2.45						2.45				
Bogle's Service Station	Ca	1.00						1.00				
Al's Radiator Shop	Ca	1.50						1.50				
F.W. Woolworth Co.	Ca	.30						.30				
City Plumbing & Heating	Ca	.52					.52					
James Pastore	Ca	200.00							Air Compr.	200.00		
Boulder Daily Camera	Ca	.70									Adv. for help	.70
TOTAL		$1641.74	$537.00	$342.00	$4.75	$128.24	$ 19.41	$120.99		$423.12		$66.23

A. W. BROWN
DMEA - 2387
Contract - Idm E 335

PAYROLL SUMMARY - APRIL, 1953

	PERIOD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	HOURS		RATE		GROSS	S.S.	W.H.	NET
	1st																							
	2nd	16	17	18	19	20	21	22	23	24	25	26	27	28	29	20	Reg.	O.T.	Reg.	O.T.	WAGES	TAX	TAX	PAID
(2) LABOR & SUPERVISION																								
Brown, A. W. Working Supervisor	1st			8	8		8	8	8	8	8			8	8	8								
	2nd	8	8			8				8	8		8	8	8	8	152		$2.25		$342.00			$34[illegible]00
(1) INDEPENDENT CONTRACT																								
Copple, Ben F. 508-01-4192 Miner	1st			4½	4		11½	9	9	8	4½			6	6	8								
	2nd	8	7			4				4	4		9½	10	9	10	136							
Herod, Merril A. 524-32-8969 Miner	1st			4½	4		11½	9	9	8	4½			6	6	8								
	2nd	8	7			4				4			9½	10	9	10	132							

	OPERATION	UNITS	RATES	AMOUNT				
Copple, Ben F.	Drifting	9 3/4 feet	10.00	$ 97.50				
		14 1/4 feet	12.00	171.00	268.50	4.04	30.60	233[illegible]6
Herod, Merril A.	Drifting	9 3/4 feet	10.00	97.50				
		14 1/4 feet	12.00	171.00	268.50	4.04	30.60	233.86
TOTAL CONTRACT LABOR					537.00	8.08	61.20	467.72
TOTAL ALL LABOR					$879.00	8.08	61.20	809.72

Certified to be a true summary of
subject payroll for April, 1953

A. W. Brown

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 12 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 192 Docket No. DMEA 2387 Contract No. Idm E-335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, Colorado
Contract Amount, $ 10,500.00 Government Participation: 75 % Amount, $ 7,875.00

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						
(2) Labor and Supervision:						
Labor	597.20	754.15	1,351.35			
7 Supervision	468.00	580.75	1,048.75			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	27.36	104.20	131.56			
Pipe		32.59	32.59			
Track	3.37	92.60	95.97			
Miscellaneous	95.72	211.12	306.84			
(4) Operating Equipment:						
Rental	412.50	300.00	712.50			
Purchase		75.00	75.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	8.96	11.30	20.26			
Liability Insurance	17.00	24.00	41.00			
Bookkeeping		39.00	39.00			
(8) Contingencies (specify):						
				1,630.11	2,224.71	3,854.82
					*-39.00	39.00
TOTALS	$1,630.11	$2,224.71	$3,854.82	1,630.11	2,185.71	3,815.82

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-9-52 *Payee A W Brown

Per ..... Title Operator

*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:

$ 1222.58

Signature [illegible] (Authorized Certifying Officer)

Date 12-30-52 Vou. No. 53-70 A
(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. 5-335 in accordance with the terms of the contract.

Signature R. L. Bolmer, #1222.58 WWW Title Mining Engineer Date Dec. 15, 1952

R. D. B.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date 12/24/52

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 1 - 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1952 Docket No. DMEA 2387 Contract No. B-335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, Colorado

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	feet	1,630.11	32	2,443.03	53	46.09	150	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation of tunnel				1,336.79				
TOTAL DISTRIBUTED COSTS		1,630.11	32	3,779.82				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				75.00				400.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,630.11		$3,854.82				10,500.00

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 11-9-52 Operator A W Brown

Per _____ Title Operator

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

53-757

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

[illegible] New Customhouse
Denver 2, Colorado

December 24, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 1 [illegible] 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2387, Contract Idm-8335 (Tungsten) A. W. Brown (Blue Jay Mine) Boulder County, Colorado - Operator's Monthly Progress Report for the period of 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 75 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 9, 1952
Date Received in Colorado Branch Office - December 10, 1952
Date Received in Region IV Office - December 18, 1952
Date Processed for Payment - December 22, 1952

W. H. King
W. H. King

Enclosures

RDB:oc

cc: Contract
Secretary to the Operating Committee (2)
WMFraver
Chron.
Koschmann (2)

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 16, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 9 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for November 1952

Enclosed please find five copies of the above progress report--forms MF-104 and MF-104A, with proper documentation--and seven copies of R. L. Balmer's memorandum covering inspection of the underground progress and accounts.

Progress is correctly reported in the operator's narrative and is in conformance with the terms of the contract. The accounts are in order and properly documented.

Payment is approved of $1,222.58, or 75 percent of the total $1,630.11 claimed by the contractor, subject to Region IV audit.

W. M. Traver Jr.

W. M. Traver, Jr.

enclosures

cc 4
AHKoechmann
E335
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
Received
1 1953

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 16, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: R. L. Bolmer

Subject: DMEA 2387, Contract Idm-M335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for November 1952

Progress under the subject contract was inspected November 28, 1952, with the contractor. The progress as reported in the narrative is correct and complete and has been recorded properly on form MF-104A. The work performed conforms to the provisions of the contract.

The supply and service charges claimed this period are considered necessary and do not appear excessive. The amount claimed is supported by the required documentation. The contract allows $70.00 per month for rental of a jackhammer and air leg. The contractor was unable to rent this equipment for less than $75.00 per month and the rental claimed this month at the increased rate is considered necessary and is being passed.

Costs incurred during November are approved as claimed in the amount of $1,630.11. Payment of 75 percent of this amount, or $1,222.58, is recommended.

R. L. Bolmer

R. L. Bolmer
Mining Engineer

RLB/eb

cc 6
AHKesselmann
M335
DMEA Chron

A. W. BROWN
DMEA - 2387
CONTRACT - Idm E-335

EXPENSE SUMMARY - November, 1952

PAYEE	Ck No.	TOTAL AMOUNT	(2) LABOR & SUPERV. Labor	Superv.	(3) OPERATING SUPPLIES Track	Explos	Misc.	(4) OPERATING EQUIPMENT Description	Rental	(7) MISCELLANEOUS Item	Amount
Payroll-per summary attached		$1,065.20	$597.20	$468.00							
Accrual of Nov. Payroll tax		8.96								Payroll tax	8.96
James Pastore	21	300.00						Compressor	300.00		
Industrial Eng. Supply Co.		38.40			3.37	27.36	7.67				
Continental Oil Co.	29	29.34					29.34				
Copco Pacific, Ltd.	31	27.95					27.95				
Claude Wise		15.00					15.00				
Valentine Hardware		3.74					3.74				
Hendrie & Bolthoff		3.01					3.01				
Copco Pacific, Ltd.	32	112.50						Jack Leg & Hammer	112.50		
State W/Comp. Ins. Fund	36	17.00								A/Comp Ins.	17.00
Cliff Brice		2.29					2.29				
Cliff Brice		4.72					4.72				
Dick's Corner Service		2.00					2.00				
TOTALS.		$1,630.11	$597.20	$468.00	$3.37	$27.36	$95.72		$412.50		$25.96

A. W. BROWN
DMEA - 2387
CONTRACT - Idm E-335

PAYROLL SUMMARY - November, 1952

	PERIOD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	HOURS Reg.	HOURS OT	RATE Reg.	RATE OT	GROSS WAGES	S.S. Tax	W.H. Tax	NET PAID
	1st	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15								
	2nd	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30								
(2) LABOR & SUPERVISION																								
Jayne, Lee D. 518-24-7751 Miner	1st	8*		8	8	8	8	8	8*		8	8	8	8	8	8*	80	24	1.85	2.775	$214.60	$3.22	$16.01	$195.37
	2nd																							
Wise, Patrick E. 527-12-2976 Miner	1st	8*		8	8	8	8	8	8*		8	8	8	8	8	8*	80	24	1.60	2.40	185.60	2.78	31.60	151.22
	2nd		8	8	8	8	8	8*				8	8	8	8	8	80	8	1.60	2.40	147.20	2.20	24.35	120.65
Evans, Walter N. 522-28-9012 Miner	2nd											4	8	8	8		28		1.85		49.80	.80	3.43	45.57
Brown, A. W. Working Supervisor	1st	8*		8	8	8	8	8	8*		8	8	8	8	8	8*	80	24	2.25	3.375	261.00			261.00
	2nd		8	8	8	8	8	8*				8	8	8	8	8	80	8	2.25	3.375	207.00			207.00
TOTAL - ALL LABOR.																					$1,065.20	$9.00	$75.39	$980.81

Certified to be a true summary of
subject payroll for November, 1952

A. W. Brown

. W. Brown
DMEA - 2387
Contract Idm E-335
November, 1952

NARRATIVE REPORT

1. Drifting during November - Advanced 32 feet through an oxidized granite and bull quartz formation. At the beginning of the month we encountered 3 veins in the breast, which later developed to 7 veins, and is now back to 3 veins. Most veins were from hanging wall to foot wall, approximately 6½ feet wide containing low grade tungsten. Ground was spongy and ravelly making it difficult to pull a good round.

2. In places, the drift broke out as high as 8 feet.

3. In the present breast we have a vein of steel tungsten in the hanging wall of about 2 inches--approximately the same in the foot wall. A hole approximately 22 inches wide and 36 inches deep was encountered in the hanging wall vein. The vein, extends approximately 18 inches to another vug hole in the bottom about 15 inches in diameter.

4. Due to the adverse weather conditions making it difficult to travel to the mine, to operate the machinery which is out in the open, and to obtain labor, I am requesting authorization to discontinue operations during the winter months. I plan to resume operations when weather conditions permit on or about April 1, 1953.

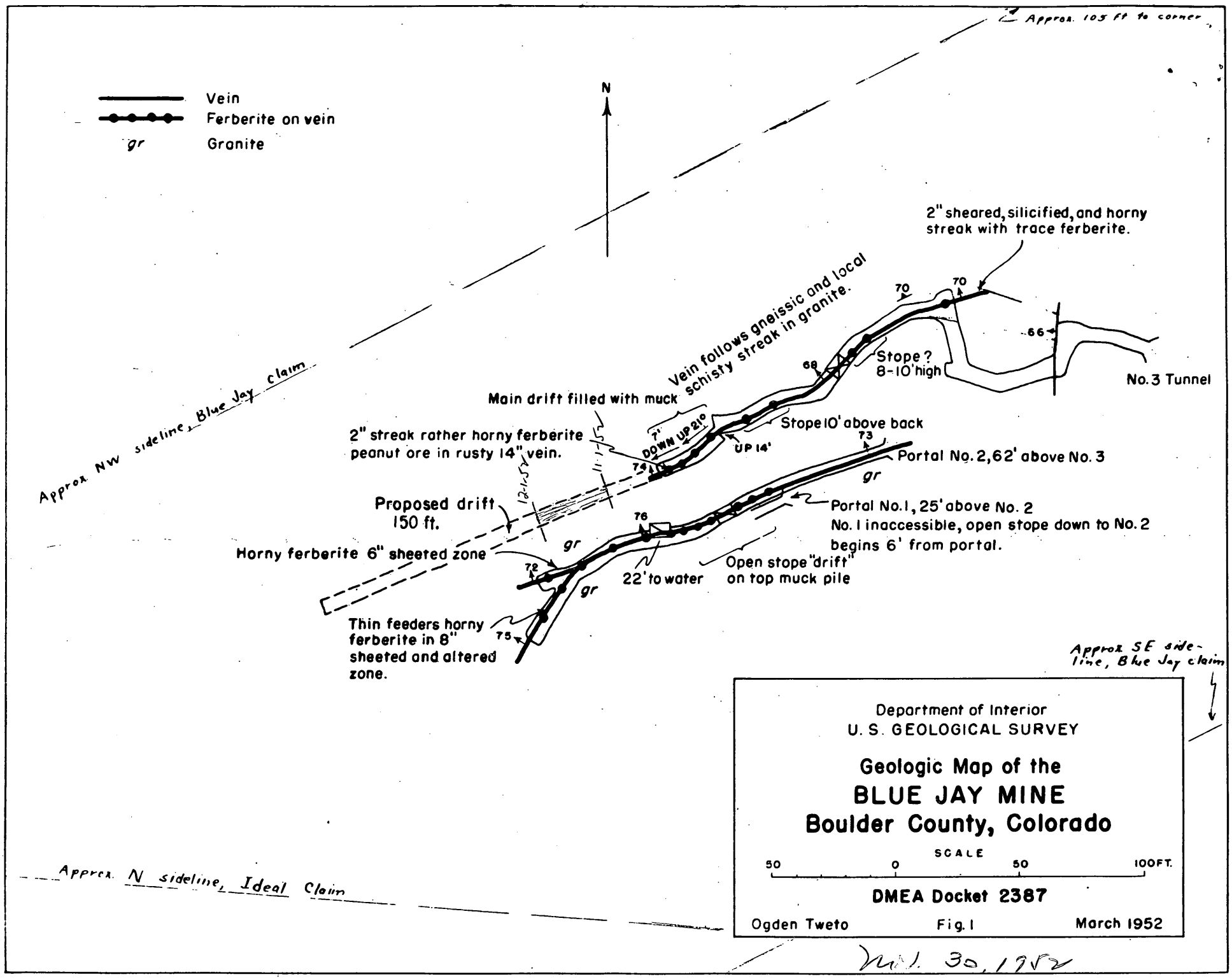
5. Operating with a limited crew has resulted in higher unit costs than was anticipated.

6. A station was built during the month in the mine for a car switch.

7. No other unusual circumstances were encountered.

8. Please address all communications c/o Wilkins & Schone, 1st National Bank Building, Boulder, Colorado, until further notice.

A.W. Brown
A.W. Brown
c/o Wilkins & Schone
1st Nat'l Bank Bldg.
Boulder, Colorado


Approx. 105 ft to corner
Vein
Ferberite on vein
gr Granite
N
2" sheared, silicified, and horny streak with trace ferberite.
Vein follows gneissic and local schisty streak in granite.
Stope ? 8-10' high
No. 3 Tunnel
Main drift filled with muck
Stope 10' above back
2" streak rather horny ferberite peanut ore in rusty 14" vein.
DOWN UP 21°
UP 14'
Portal No. 2, 62' above No. 3
Approx NW sideline, Blue Jay claim
Proposed drift 150 ft.
Portal No. 1, 25' above No. 2
No. 1 inaccessible, open stope down to No. 2 begins 6' from portal.
Horny ferberite 6" sheeted zone
22' to water
Open stope "drift" on top muck pile
Thin feeders horny ferberite in 8" sheeted and altered zone.
Approx SE sideline, Blue Jay claim
Approx. N sideline, Ideal Claim
Department of Interior
U. S. GEOLOGICAL SURVEY
Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado
SCALE
50 0 50 100 FT.
DMEA Docket 2387
Ogden Tweto
Fig. 1
March 1952
Mar. 30, 1952

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 October 1952 Docket No. DMEA 2387 Contract No. E - 335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, Colorado
Contract Amount, $ 10,500.00 Government Participation: 75% Amount, $ 7,875.00

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Bulldozing						
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Labor	146.15	608.00	754.15			
Supervision	177.75	423.00	600.75			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		104.20	104.20			
Pipe	32.59		32.59			
Track	91.53	1.07	92.60			
Miscellaneous	66.22	177.89	244.11			
(4) Operating Equipment:						
Rental		300.00	300.00			
Purchase	75.00	-0-	75.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes Sept. & Oct	11.30	-0-	11.30			
~~Liability~~ Insurance	6.00	18.00	24.00			
Bookeeping	39.00	-0-	39.00	00	00	00
(8) Contingencies (specify):						
TOTALS	$645.54	$1,632.16	$2,277.70	606.54	1632.16	2238.70
				*	-52.99	- 52.99

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

Date 11-14-52 *Payee A. W. Brown

Per A. W. Brown Title Operator

*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)

*Previous Disallowance

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

606.54 1579.17 2185.71

$ 45490

Signature [illegible]
(Authorized Certifying Officer)

Date 12/17/52 Vou. No. 52-73

(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-335 in accordance with the terms of the contract.

Signature R. L. Bolmer, $ 454.90 Title Mining Engineer Date Nov. 28, 1952

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

Signature W. H. Kerig Title Executive Officer Date 12/14/52

MONTHLY REPORT OF OPERATOR

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(*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.

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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.

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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 October 195 2 Docket No. DMEA 2387 Contract No. Idm E-335
Operator's Name A. W. Brown Minerals Tungsten
Address Nederland, Colorado

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	feet	$570.54	10	$865.91	21	41.23	150	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation of tunnel				1,336.79				
TOTAL DISTRIBUTED COSTS		$570.54	10	$2,202.70				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		75.00		75.00				400.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$645.54		$2,277.70				$10,500.00

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 11-14-52 Operator

Per A. W. Brown Title Operator

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

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

Administrative Audit Difference Statement

Date: December 12, 1952
Payee's
Reference: Progress Report

October, 1952

A. W. Brown
Nederland,
Colorado

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

Amount Claimed $ 645.54

Difference $ 39.00

Amount Approved $ 606.54

The reason for the difference was due to:

Bookkeeping charges not allowed by 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 ADMINISTRATION
WASHINGTON 25, D. C.

224 New Customhouse
Denver 2, Colorado

December 10, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2387, Contract Idm-E335 (Tungsten) A. W. Brown, (Blue Jay Mine) Boulder 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 75 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.

Bookkeeping charges of $39.00 are not allowed by contract.

W. H. King
W. H. King

Enclosures

RDB: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
Denver Federal Center
Denver 14, Colorado
December 3, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 2387, Contract I&m-M335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report 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 R. L. Bolmer's memorandum covering inspection of the underground progress and accounts.

Underground progress is correctly reported in the narrative and Bolmer's handling of project operation is approved. Disallowance of the $39.00 for bookkeeping in October is mandatory. The Colorado Branch will approve recessing operations effective early in December until the spring of 1953.

Deducting the $39.00 from the total claimed by the operator of $645.54 leaves $606.54. Of this sum, $454.90, or 75 percent, is recommended for payment subject to approval by your staff and verification of applicable rates and the arithmetical accuracy by the Audit and Accounts Section.

Scott W. Hagens
for W. M. Traver, Jr.

enclosures

WMT/emh

cc: 4
AEKoschmann
M335
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 28, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: R. L. Belmer

Subject: RMEA 2387, Contract I4m-R335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Progress report for October 1952

Progress under the subject contract was inspected this date with the contractor, A. W. Brown. The advance of 10 feet during October is reported correctly in the narrative and on form MF-104A. Progress during October was curtailed due to a shortage of manpower.

During November, the labor situation eased somewhat and the contractor was able to keep a crew advancing the heading for nearly the full month. On the date of inspection, two miners besides the contractor were employed and the total advance in the No. 3 tunnel since the project started measured 53 feet.

The Blue Jay mine is located high on the steep slope of Boulder Canyon. The mine's access road, normally steep and narrow, now is virtually impassable due to an 18-inch snowfall. The county does not intend to keep the road open this winter and supplies for continued operations can not be brought in. The low winter temperatures in the locality nightly cause the mine's drainage to freeze on the track inside the portal. The present crew has been reaching the mine via a steep trail from State Highway 119 and has expressed dissatisfaction with the working conditions and an intent to seek employment elsewhere. As improvement in the weather is not anticipated; the contractor intends to recess the project until Spring, 1953. Current operations probably will not continue into December. The contractor will inform the Executive Officer of his intentions regarding recess of the project. This office concurs with the contractor and, because of the additional expense that will accompany a winter operation, recommends that all work be recessed until the spring of 1953.

The Blue Jay vein has shown a few inches of mineral throughout the 53 feet of advance. Most of the material removed in drifting probably will be of shipping grade after it is screened and sorted. There are no storage facilities at the surface and the drift material is not being sorted but dumped directly on the hillside. A second handling (probably by scraper) will be necessary before this material can be loaded and shipped.

In the present breast, the vein splits and both splits are mineralized. This split probably corresponds to one shown on the geologic map near the breast of the No. 2 tunnel. When and if project work is resumed in the spring, a geologic examination is recommended in order to keep the contractor on the most favorable structure.

The rate claimed for supervision by the contractor during September and October is higher than the prevailing rate for comparable work in the district and is higher than that allowed at other projects in this area. The cost of the project, as originally estimated in the engineer's report, was based on considerably lower labor and supervision rates. An allowance for bookkeeping was not requested by the contractor in his original application for aid. The bookkeeping required for such a small program was considered a supervisory function when costs were estimated. After the project started, the contractor employed an outside accountant to prepare his monthly report and perform the minor bookkeeping required therein, and claims $39.00 for this expense during October. The matter was discussed with the operator and an agreement was reached whereby this office will approve a rate of $2.25 per hour for supervision by the contractor, provided that the cost of bookkeeping and report preparation will not be charged against the project.

The $1.85 per hour paid the miner during October is considered excessive by this office in relation to the prevailing labor rates in the area and the contractor was so informed. The contractor claims it was necessary to pay such a rate to attract labor to the project. The rate paid the miners currently employed at the project is approximately $1.615 per hour, or $14.00 per shift including overtime. This rate is in line with other mines in the district. The amount claimed at the higher rate for the short period during October is being passed with the understanding that future labor schedules will be kept in line with other mines.

Compressor rental in the amount of $300.00 was claimed in September; however, no such rental has been charged to the project in October. The rental rate of $300.00 per month was for a skid-mounted, 285 c.f.m., gasoline-powered compressor. The capacity of the rented compressor is greater than required by the project and, considering its age, condition, and current rental rates for similar equipment, the rental charged to the project is excessive.

The contract provides for a 4-month rental at a maximum of $300.00 per month, or a total of $1,200.00 for completion of the program. The contractor stated that his rental agreement is verbal and provides for payment of $300.00 per month for full-time compressor use but requires no payment for stand-by periods or periods that the project is shut down. He further stated that the project, regardless of its duration, will have the service of the compressor for a maximum rental payment of $1,200.00. The approval of future claims for rental will be dependent upon receipt of a written rental agreement, promised by the contractor.

With the exception of bookkeeping, $39.00, the costs claimed for work during October are considered necessary and are approved in the amount of $606.54. Payment of 75 percent of the approved amount, or $454.90, is recommended.

R. L. Bolmer

R. L. Bolmer
Mining Engineer

RLB/amh

cc: 6
AHKoschmann
E335
DMEA Chron.

A. W. BROWN
DMEA -2387
CONTRACT Idm E-335

EXPENSE SUMMARY - October 1952

PAYEE	Ck. No.	TOTAL AMOUNT	(2) LABOR & SUPERV. Labor	Superv.	(3) OPERATING SUPPLIES Description		Misc.	(4) OPERATING EQUIPMENT Description	Rental	(7) MISCELLANEOUS Item	Amount
Payroll-per summary attached		$ 323.90	$146.15	$177.75							
Collector of Internal Revenue Sept Payroll tax	14	9.11								Payroll Tax	$ 9.11
Accrual of October Payroll tax		2.19								Payroll Tax	2.19
D. B. Daily		2.50					$ 2.50				
Hendrie & Bolthoff		.60					.60				
Hendrie & Bolthoff		3.00					3.00				
Hendrie & Bolthoff		10.35					10.35				
Industrial Eng. & Supply Co.	19	18.39			Pipe Track	$3.09 $1.53	13.77				
E. Scohy		230.50			Pipe Track	29.50 90.00	36.00			Pressure tank Mine Car	40.00 35.00
Wilkins & Schone	17	39.00								Bookkeeping	39.00
State Compensation Ins. Fund	18	6.00								W/Comp. Ins.	6.00
TOTALS.		$ 645.54	$146.15	$177.75		$124.12	$66.22				$131.30
					Pipe Track	32.59 91.53					

A. W. BROWN
DMEA - 2387
CONTRACT Idm E 335

PAYROLL SUMMARY - October 1952

	1st. Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	HOURS Reg.	HOURS OT	RATE Reg.	RATE OT	GROSS WAGES	S.S. Tax	W.H. Tax	NET PAID
	2nd Period	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31							
(2) LABOR & SUPERV.																								
Lyne, Lee D. 518-24-7751 Miner	2nd					8		7	8	8	8		8	8	8	8	8	79		1.85		146.15	2.19	12.50	131.46
Brown, Albert W. Working Supervisor	2nd					8		7	8	8	8		8	8	8	8	8	79		2.25		177.75			177.75
TOTAL - All Labor.																						$323.90	$2.19	$12.50	$309.21

Certified to be a true summary of
subject payroll for October, 1952

A W Shone

A. W. BROWN
DMEA - 2387
CONTRACT E-335
October, 1952

NARRATIVE REPORT

1. ADVANCE Advanced 10 feet on proposed drift during October.

2. CREW Was able to get one man for only 10 days during October. Crew consisted of this one man and the operator for 10 days.

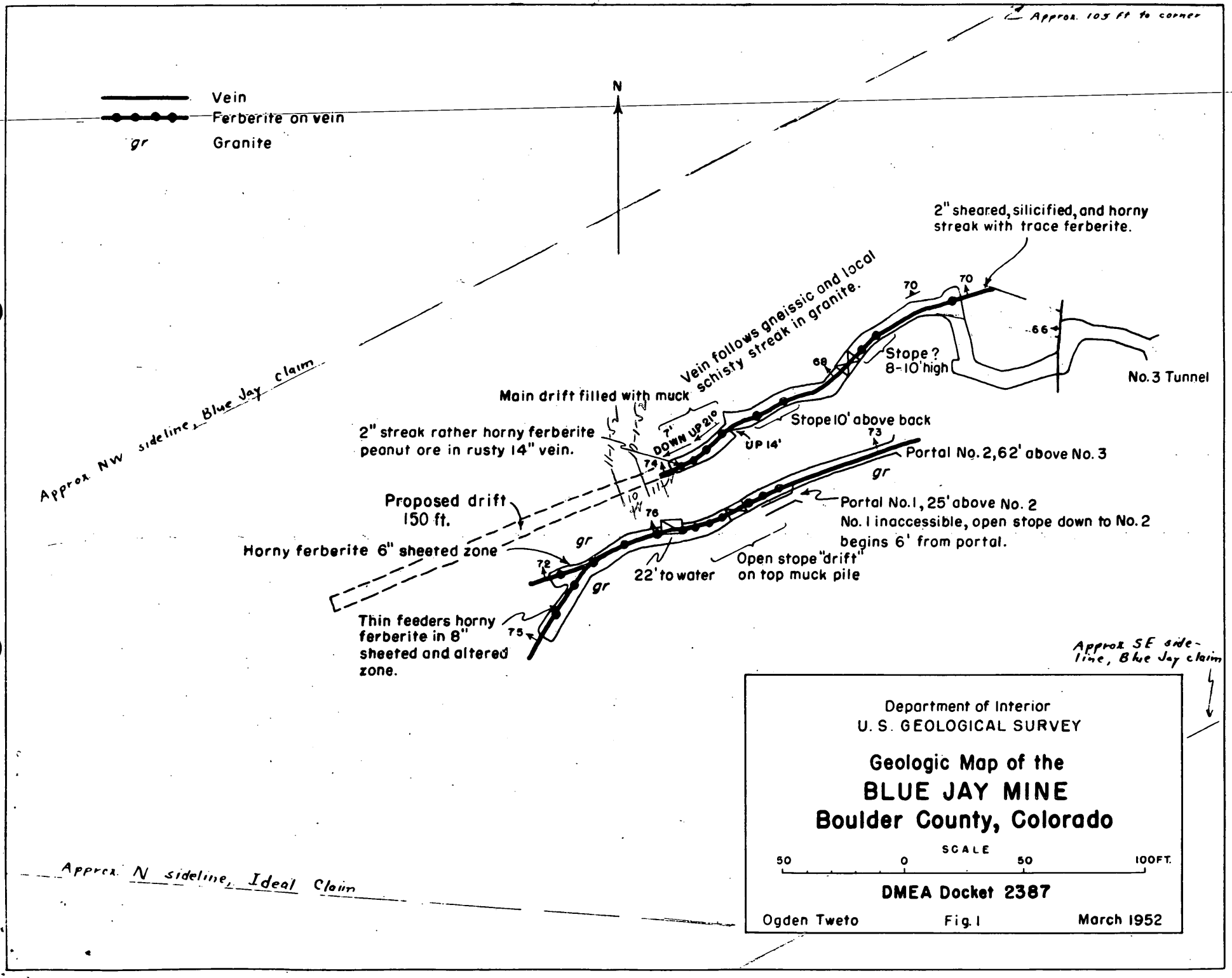
3. VEIN Encountered two streaks of ore approximately ½ inch wide full length of the breast in gray granite.

4. COMPRESSOR RENTAL Has not been paid for month of October due to limited operations. I am endeavoring to get an adjustment for standby time.

5. UNUSUAL DIFFICULTIES Unable to hire adequate crew.

A. W. Brown

A. W. Brown


Approx. 105 ft to corner
Vein
Ferberite on vein
gr Granite
N
2" sheared, silicified, and horny streak with trace ferberite.
Vein follows gneissic and local schisty streak in granite.
70
70
66
68
Stope ? 8-10' high
No. 3 Tunnel
Main drift filled with muck
Approx. NW sideline, Blue Jay claim
2" streak rather horny ferberite peanut ore in rusty 14" vein.
7'
DOWN UP 21°
UP 14'
Stope 10' above back
73
Portal No. 2, 62' above No. 3
74
gr
Proposed drift 150 ft.
76
Portal No. 1, 25' above No. 2
No. 1 inaccessible, open stope down to No. 2 begins 6' from portal.
Horny ferberite 6" sheeted zone
gr
72
22' to water
Open stope "drift" on top muck pile
gr
Thin feeders horny ferberite in 8" sheeted and altered zone.
75
Approx SE sideline, Blue Jay claim
Approx. N sideline, Ideal Claim
Department of Interior
U. S. GEOLOGICAL SURVEY
Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado
SCALE
50 0 50 100FT.
DMEA Docket 2387
Ogden Tweto
Fig. 1
March 1952

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

Budget Bureau No. 42-R1086.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

NOV 24 1952

Month of September, 1952 Docket No. DMEA 2387 Contract No. Idm - E 335

Operator's Name Albert W. Brown Minerals Tungsten

Address Ouerland, Colorado

Contract Amount, $ 10,500.00 Government Participation: 75 % Amount, $ 7,875.00

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	$608.00		$608.00			
Supervision	423.00		423.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	104.20		104.20			
Pipe						
Track	1.07		1.07			
Miscellaneous	177.89		177.89			
(4) Operating Equipment:						
Rental	300.00		300.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance W/C	18.00		18.00			
(8) Contingencies (specify):						
TOTALS	$1632.16		$1632.16	1,632.16	See back of voucher	1,632.16

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

Date Oct 15 *Payee Albert W. Brown

Per _____ Title Operator

*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:

$1184.38

Signature [illegible]
(Authorized Certifying Officer)

Date 11/13/52 Vou. No. DMA 53-60

(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-335 in accordance with the terms of the contract.

Signature R. L. Bolner, $799.63 Title Mining Engineer Date October 24, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date 11/12/52

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.

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1952 Docket No. DMEA 2307 Contract No. Icm B 335

Operator's Name Albert W. Brown Minerals Tungsten

Address Nederland, Colorado

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	feet	$295.37	11	$295.37	11	$26.85	150	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation of tunnel		1336.79		1336.79				
TOTAL DISTRIBUTED COSTS		$1632.16	11	$1632.16				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1632.16		$1632.16				

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 Oct 15 Operator A. W. Brown

Per Title Operator

REMARKS: Expense allocated on basis of labor costs drifting and rehabilitation of tunnel, as follows:

	Am't	Percent
Drifting	$110.00	18.1
Rehabilitation	$498.00	81.9
	$608.00	100.0 %

→ 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

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

Administrative Audit Difference Statement

Date: November 13, 1952
Payee's
Reference: Progress
Report - September 1952

A. W. Brown
1844 Mapleton Ave.
Boulder, Colorado

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

Amount Claimed $1,632.16

Difference $ 52.99

Amount Approved $1,579.17

The reason for the difference was due to:

Drifting reported not complete, therefore deduct 2 ft. @ $10.00		$20.00
Service station deliveries to Motor Vehicles not authorized by contract.		
Billing by Cliff Price	10.25	
"	2.61	
"	2.99	
J. T. (Jake) Tuno	6.29	
Cliff Price	3.00	
Total	25.14	25.14
Fuel oil not a necessary project supply - Billing by Continental Oil Co.		7.85
Total		52.99

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

DMEA - 2387
CONTRACT - Idm E-335
A. W. BROWN

PAYROLL SUMMARY - September 1952

	1st Period 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 2nd Period 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	HOURS Reg.	HOURS O.T.	RATE Reg.	RATE O.T.	GROSS WAGES	SOC.SEC Tax	W.H. Tax	NET PAID
(2) LABOR & SUPERVISION									
Evans, Clyde E. 523-12-2175 Miner	8 8 8 8 8* 8 8 8 8 8 8 8 8 8* 8 8 8 8 8	120	16	$1.50	$2.25	$216.00	$3.24	$11.30	$201.46
Evans, Walter Nelson 522-28-9012 Miner	8 8 8 8 8* C C C C C 8 8 8 8 8 8* 8	80	16	1.50	2.25	156.00	2.34	14.90	138.76
Evans, Victor A. 523-38-6328 Miner	8 8 8 8 8* C C C C C 8 8 8 8 8	72	8	1.50	2.25	126.00	1.89	8.50	115.61
Brown, Albert W. Supervisor	Monthly basis	20 days		$550.00 per mo.		423.00			423.00
	SUB-TOTALS.					$921.00	7.47	34.70	878.83
		UNITS		RATES					
Evans, Walter Nelson	Drifting	5½ feet		$10.00 per ft		$ 55.00	$ .83	$ 3.40	$ 50.77
Evans, Victor A.	Drifting	5½ feet		10.00 per ft		55.00	.83	3.40	50.77
						$110.00	$1.66	$ 6.80	101.54
	TOTAL - ALL LABOR.					$1,031.00	$9.13	$41.50	$980.37

* Overtime
C Contract labor

Certified to be a true summary of subject payroll for September, 1952

A.W. Johnson

ALBERT W. BROWN
DMEA - 2387
CONTRACT Idm E-335

EXPENSE SUMMARY - September 1952

PAYEE	Ck No.	TOTAL AMOUNT	(2) LABOR & SUPERV. Labor	Superv.	(3) OPERATING SUPPLIES Explosives	Track	Misc	(4) OPERATING EQUIPMENT Description	Rental	(7) MISCELLANEOUS Item	Amount
Payroll per summary attached		$1,031.00	$608.00	$423.00							
Cliff Brice		10.25					$10.25				
James Pastore		300.00						Compressor	$300.00		
James Pastore		20.00					20.00				
Valentine Hardware		1.63					1.63				
Industrial Eng. & Supp. Co.		13.11					13.11				
Hendrie & Bolthoff		2.35					2.35				
Cliff Brice		2.61					2.61				
Cliff Brice		2.99					2.99				
Hendrie & Bolthoff		4.14					4.14				
Hendrie & Bolthoff		.41					.41				
Valentine Hardware		1.43					1.43				
J. T. "Jake" Tune		6.29					6.29				
Continental Oil Co.	c. c.	60.86					60.86				
Copco Pacific Ltd.	c. c.	21.27					21.27				
Valentine Hardware		5.46			$4.39	$1.07					
Cliff Brice		3.00					3.00				
Industrial Eng. & Supp. Co.	11	118.94			99.81		19.13				
Edwards Photo & Litho Co.	12	8.42					8.42				
State Workmen's Comp. Ins. Fund	13	18.00								W/C Insurance	18.00
TOTALS.		$1,632.16	$608.00	$423.00	$104.20	$1.07	$177.89		$300.00		$18.00

A. W. BROWN
DMEA - 2387
CONTRACT Idm E 335

NARRATIVE REPORT

1. Began operations under the contract on September 8, 1952 with a crew of three (3) men besides operator.

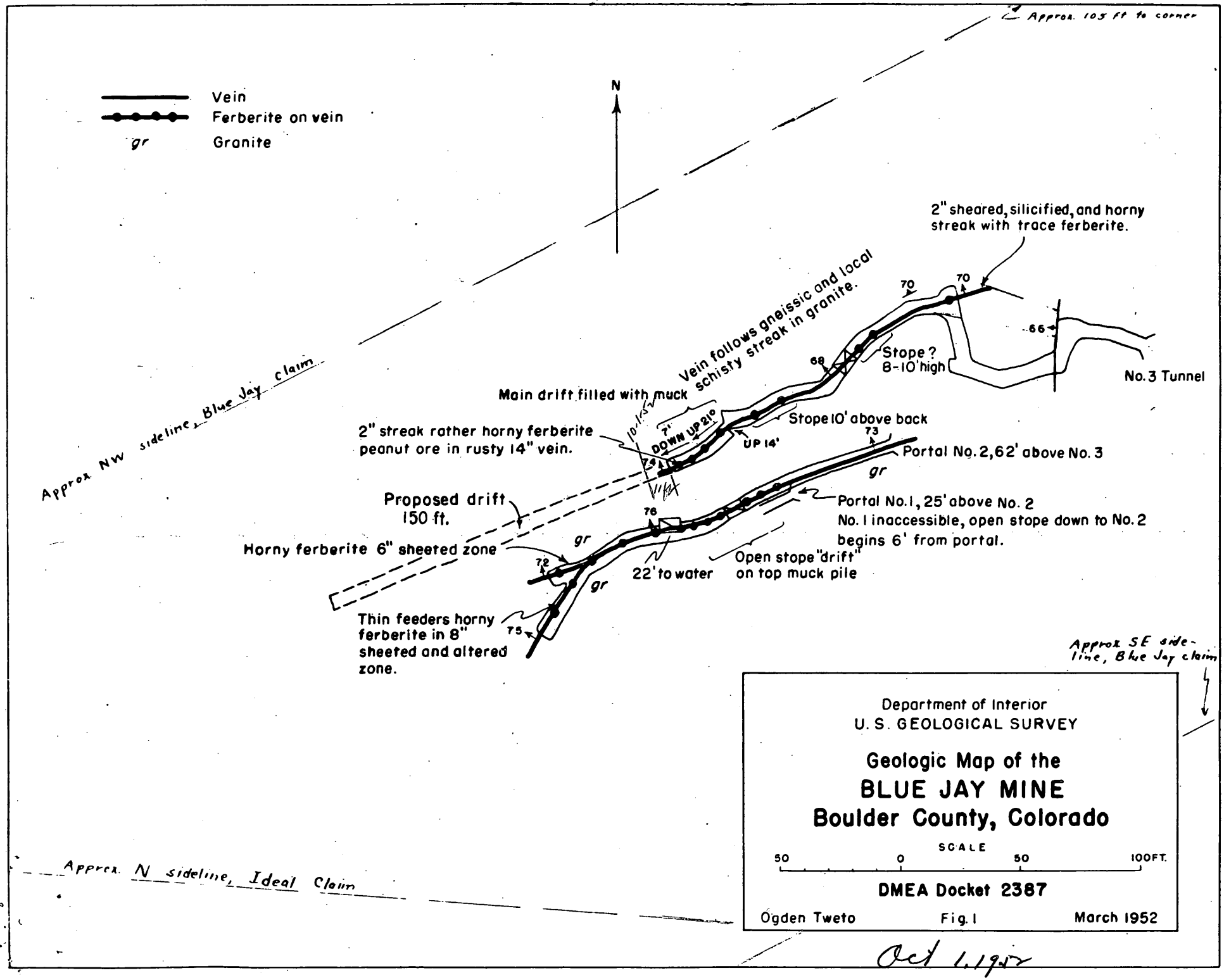
2. REHABILITATION O: TUNNEL - From September 8th through the 26th we endeavored to clean out the tunnel. We have cleaned enough so that we could get back to the breast. Also started to build a portal. Some timbering may be required in the tunnel.

3. DRIVING DRIFT - On September 22, 1952 we began driving the proposed drift on a contract basis with two (2) men at $10.00 per foot. On September 26, 1952 t e crew quit, claiming that the conditions were too difficult to make any money. The third man who was cleaning out the tunnel and building portal also quit. Before quitting, the two (2) men advanced 11 feet in granite. Streak of ore was showing.

4. UNUSUAL DIFFICULTIES - None encountered other than loss of crew. Now trying to replace the crew.

5. WATER - Self draining.

A. W. Brown
A. W. BROWN


Approx. 105 ft to corner
Vein
Ferberite on vein
gr
Granite
N
2" sheared, silicified, and horny streak with trace ferberite.
Vein follows gneissic and local schisty streak in granite.
70
70
66
68
Stope ? 8-10' high
No. 3 Tunnel
Main drift filled with muck
Approx. NW sideline, Blue Jay claim
2" streak rather horny ferberite peanut ore in rusty 14" vein.
DOWN UP 21°
UP 14'
Stope 10' above back
73
Portal No. 2, 62' above No. 3
gr
Proposed drift 150 ft.
76
Portal No. 1, 25' above No. 2
No. 1 inaccessible, open stope down to No. 2 begins 6' from portal.
Horny ferberite 6" sheeted zone
gr
72
22' to water
Open stope "drift" on top muck pile
gr
Thin feeders horny ferberite in 8" sheeted and altered zone.
75
Approx. SE sideline, Blue Jay claim
Approx. N sideline, Ideal Claim
Department of Interior
U. S. GEOLOGICAL SURVEY
Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado
SCALE
50 0 50 100 FT.
DMEA Docket 2387
Ogden Tweto
Fig. 1
March 1952
Oct 1, 1952

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

New Customhouse
Denver 2, Colorado

November 12, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2387, Contract Idm-X335, (Tungsten) A. W. Brown, Boulder 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 75 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.

2. Labor - Drifting Reported not complete, therefore deduct 2' @ $10.00 - $20.00

3. Miscellaneous - Service station deliveries to Motor Vehicles not authorized by contract.

Billing by-Cliff Price	$10.50	
Cliff Price	2.61	
Cliff Price	2.99	
J. T.(Jake) Tune	6.89	
Cliff Price	3.00	
Total -	25.14	$25.14

Fuel oil not a necessary project supply.
Billing by - Continental Oil Co. 7.85
Total Deductions - $52.99

Remarks - The Supervision Charge of $423.00 is deemed allowable under the terms of the contract.

The project was closed down shortly after the inspection, therefore processing the MF-104 Report was delayed pending receipt of advice from the operator as to his intentions for future work.

JWT:oc
cc: Contract
Secretary to the Operating Comm. (2)
WMTraver
Chron.
AHKoschmann (2)

W. H. King
W. H. King

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 28, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 2387, Contract I-DMA-E335 (Tungsten), A. W. Brown, Blue Jay Mines, Boulder County, Colorado—Progress report for September 1952

Please find enclosed five copies of the above progress report—forms MF 104 and MF 104A with proper documentation—and seven copies of R. L. Bolmer's memorandum report covering inspection of the underground progress and accounts.

Bolmer disallows items totalling $565.99, and I approve.

The amount disallowed, $565.99, deducted from the total $1,632.16 claimed by the contractor leaves $1,066.17. Of this amount, seventy-five percent, or $799.63, is recommended for payment subject to approval by your engineers and the audit and accounts section.

You may prefer, after discussion with the operator, to return the present progress report to him for revision and resubmission.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

WMT/cb

cc 4
AHKoschmann
E335
DMEA Chron.

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 28, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: R. L. Bolmer

Subject: DMEA 2387, Contract I-DMA-E335 (Tungsten), S. W. Brown, Blue Jay Mines, Boulder County, Colorado--Progress report for September 1952

The Blue Jay mine was visited October 21, 1952. No one was present at the property at the time of inspection; however, the mine was open and was inspected. Recent operation of the property was evident and the inspection confirmed the progress as reported in the operator's narrative.

The portal of the lower tunnel had been cleaned out and timbered. A gasoline-powered compressor was installed near the portal. Track had been laid across the mine dump and, with pipe, was extended to the breast of the tunnel. Some improvement was evident on the access road. The eleven feet of advance reported in the lower tunnel was confirmed; however, the last round had not been mucked out.

The work reported conforms to the terms of the contract and is as reported on form MF-104A.

The supply and service charges claimed this period are considered necessary and do not appear excessive except as noted below.

Exceptions taken to charges claimed this period:

Cliff Brice	$ 10.25
Cliff Brice	2.61
Cliff Brice	2.99
J. T. "Jake" Tune	6.29
Cliff Brice	3.00
Total	$ 25.14

(Use of gasoline, etc., not specified but believed delivered to automotive tank--no automotive equipment intemized in contract.)

Contract labor - eleven feet drifting at $10.00 -- $110.00
(Independent contracts not provided in subject contract - last round not mucked out)

Continental Oil Company -- fifty-five gallons Domestic Fuel #1 at $0.14 -- $7.70 plus $0.15 tax, or $7.85.
(Not pertinent to the project)

Supervision - twenty days at $550.00 per month-- $423.00.
(Working foreman at $2.00 per hour maximum deemed necessary for this project - days and hours worked not itemized.)

The charges claimed this period which are not approved total $565.99.

The rate paid contract labor is normal for drifting or crosscutting in this district. The operator can submit a supplemental claim for this cost, if and when the contract is amended to permit same. The operator also can re-claim supervision costs for this period, if he itemized the days and hours worked and computes the cost at a rate considered normal for this type of work. A re-claim for the gasoline disallowed above would be considered if the operator can show the supplies were used for equipment itemized in the contract.

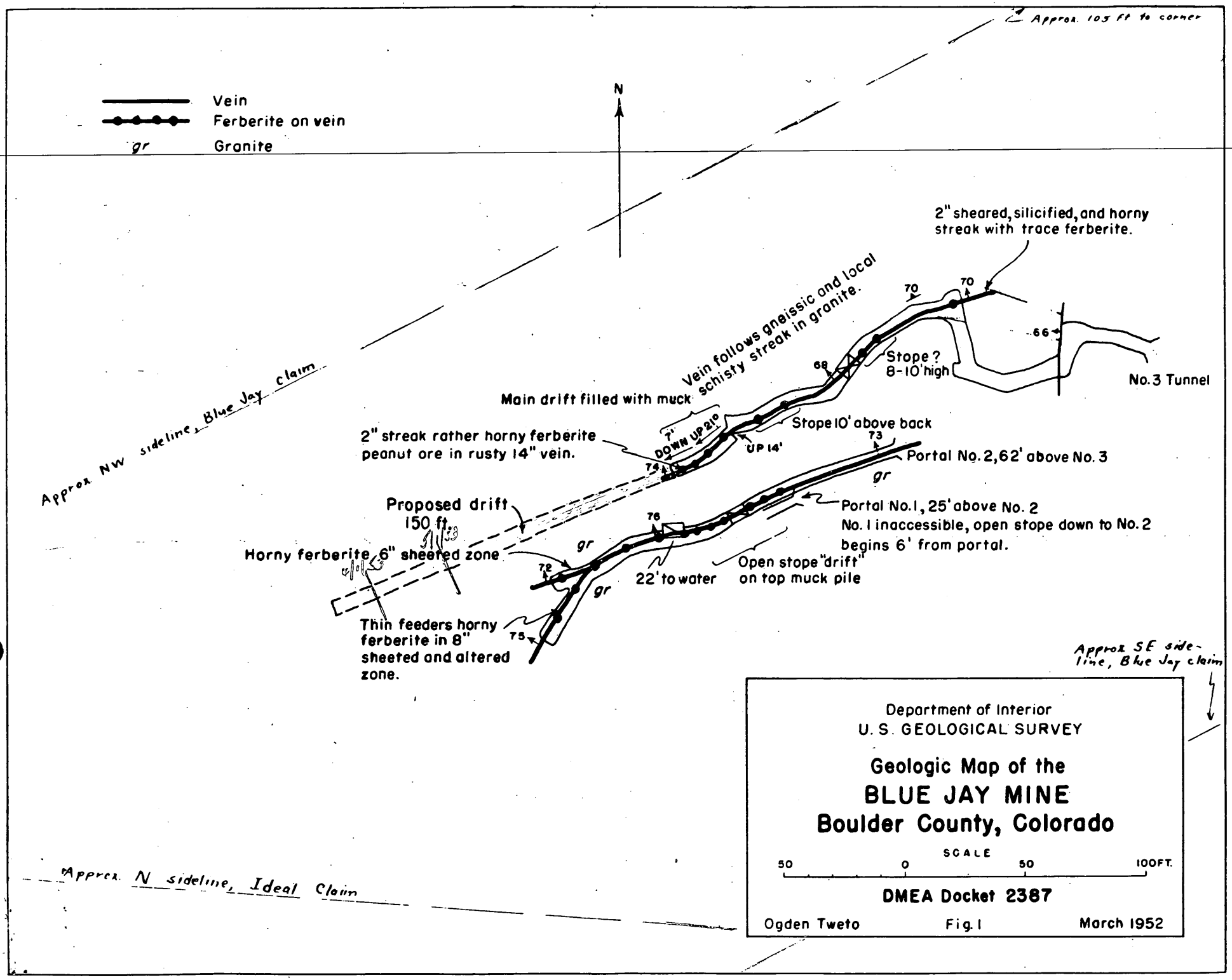
Only $1,066.17 of the costs claimed this period are approved. It is recommended that seventy-five percent of the approved costs, or $799.63, be paid.

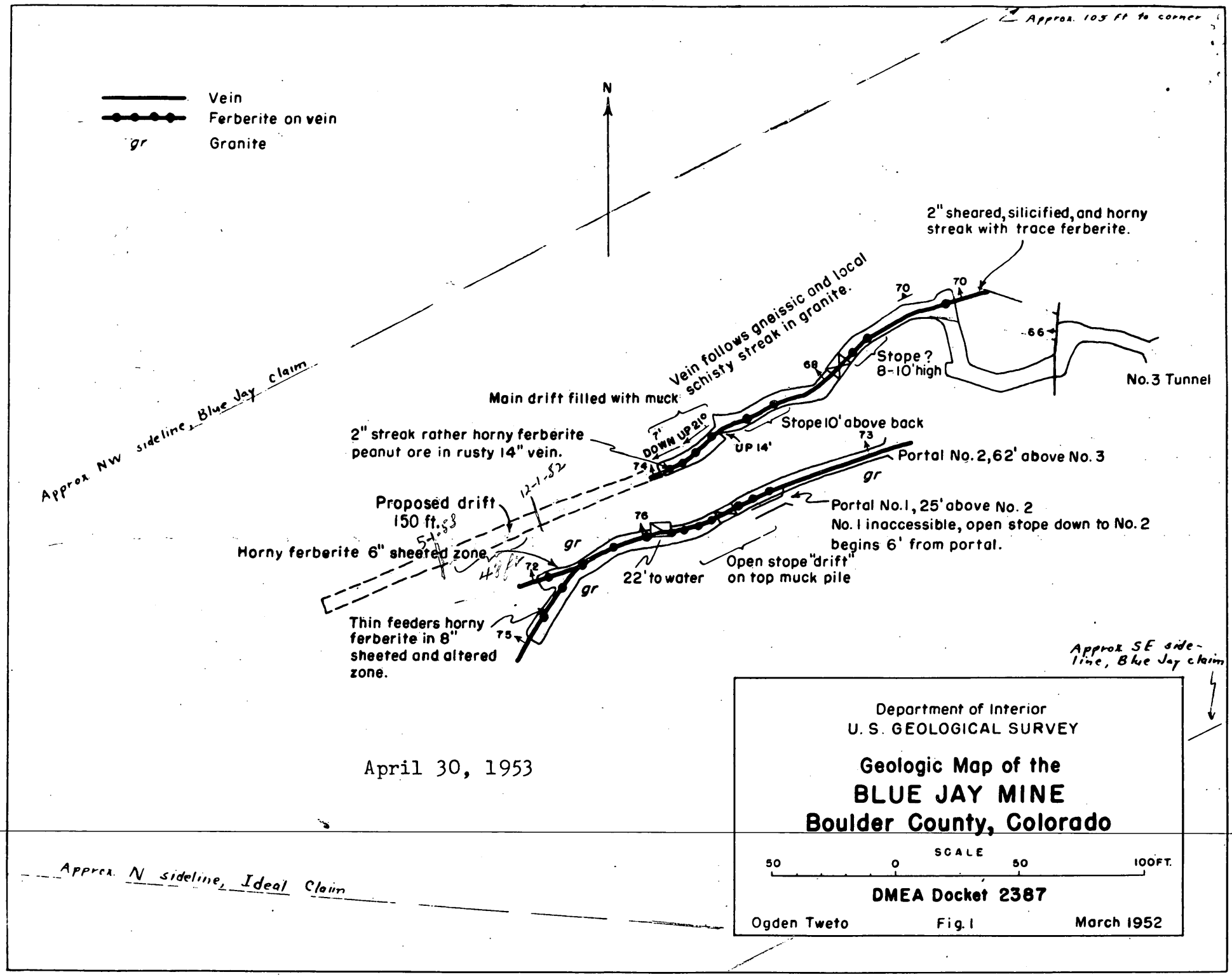
R. L. Bolmer

R. L. Bolmer
Mining Engineer

RLB/cb

cc 6
AHKoschmann
E 335
DMEA Chron.


Approx. 105 ft to corner
Vein
Ferberite on vein
gr Granite
N
2" sheared, silicified, and horny streak with trace ferberite.
Vein follows gneissic and local schisty streak in granite.
Stope ? 8-10' high
No. 3 Tunnel
Main drift filled with muck
Stope 10' above back
2" streak rather horny ferberite peanut ore in rusty 14" vein.
DOWN UP 21°
UP 14'
Portal No. 2, 62' above No. 3
Approx. NW sideline, Blue Jay claim
Proposed drift 150 ft.
Portal No. 1, 25' above No. 2
No. 1 inaccessible, open stope down to No. 2 begins 6' from portal.
Horny ferberite, 6" sheeted zone
22' to water
Open stope "drift" on top muck pile
Thin feeders horny ferberite in 8" sheeted and altered zone.
Approx. SE sideline, Blue Jay claim
Approx. N sideline, Ideal Claim
Department of Interior
U. S. GEOLOGICAL SURVEY
Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado
SCALE
50 0 50 100 FT.
DMEA Docket 2387
Ogden Tweto
Fig. 1
March 1952



April 30, 1953

Yes Audited

No Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12/15/1954
Incl. Voucher for _____

Yes Actual Costs

Agreed Unit Costs

Name **Blue Jay Mines**

Docket No. DMEA-2387

State **Colorado**

Commodity Tungsten

Idm-E No. 335

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	150'	8,486.66	151'	5,654.79	5,718.79 37.87ft.
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		400.00		25.00	
Surface Rehabilitation & Repairs					
Underground Rehabilitation		* 1,293.34		1,336.79	1,336.79
New Building, Improvements, etc.					
Other (Specify) **Contingencies**		320.00		39.00	
Totals		10,500.00		7,055.58	7,055.58

47.04 ft.

* No amount set for rehabilitaion in contract. Amount estimated from 104

Prepared by Keating, TLC

71626

Telephone MAin 1852

1901-09 LAWRENCE STREET
DENVER, COLORADO

Oct. 12, 1943.

Mr. A. W. Brown,
Albany Hotel,
Boulder, Colorado.

Dear Mr. Brown:

SUPPLEMENTAL REPORT ON BLUE JAY MINE,
BOULDER COUNTY, COLORADO.

Under date of May 27, 1942, I reported on your Blue Jay Mine. At your request I have made another trip to the property, and wish to bring that report up to date as follows:

You have extended No. 3 crosscut to intersect the vein, and have drifted on the vein for a distance of about 200', as recommended. As anticipated, you encountered ore and removed some small quantity. However, the breast has not been extended to come under the winze on the level above, and feel that you should complete the drift at least another 200'. However, under present market conditions and with the scarcity of labor, it might be well to await a more propitious time to do this exploratory work.

A sample of the 3" streak in the breast of this level contained 14% tungstic acid, and my opinion is that you are only entering the ore body exposed in the winze on No. 2 level.

I recommend that you continue your exploration on this level when conditions are more advantageous for the production of tungsten.

Respectfully submitted,

C O Parker

CP-a

FILE COPY
SURNAME:

400

Rutledge
Martin
Talbut
Akers

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

October 6, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Memorandum of Non-Discovery
Docket No. DMEA 2387 - Tungsten
A. W. Brown
Blue Jay and Ideal #1 lode mining claims
Boulder County, Colorado
Exploration Contract No. Idm-E335

This Division hereby concludes that the work done upon the subject property, as described under the contract, has resulted in no discovery or development from which commercial production may be made.

A description of the property, the work done, and the results obtained follows:

1. The exploration project was conducted at the Blue Jay mine in the central part of the Boulder tungsten district, Colorado. The mine comprises three short tunnels, the middle 25 feet below the upper, and the lower 62 feet below the middle. An open stope 40 to 50 feet long extends from the middle or No. 2 tunnel through No. 1 tunnel to the surface.

   The proposed exploration consisted of rehabilitation of the lower or No. 3 tunnel followed by the extension of this tunnel by drifting westward on the Blue Jay vein for 150 feet.

2. The mineral sought was ferberite which occurs as thin streaks of horny ferberite and locally as "peanut ore" in the Blue Jay vein. The Blue Jay vein follows a narrow gneissic and locally schistose streak in the Boulder Creek granite. The vein strikes about N. 65° E. and dips 68° - 76° NW. It is a small minor vein parallel to the much stronger Eureka-Lookout vein, which lies about 200 feet to the north. The mineralization in the Blue

R. G. 10-8-53

Jay vein is low grade and the Field Team recognized that the odds were against a sudden change to high grade ore in minable bodies.

3. The subject contract was prepared by Region IV. By memorandum of June 9, 1952, the Iron and Ferro-Alloys Division stated that "It would appear that this type of prospect does not warrant and cannot support the proposed expensive exploration."

4. The contract executed May 29, 1952, allotted $10,500.00 for the rehabilitation and 150 feet of drifting. Project work was started on September 8, 1952, with a crew of three men besides the Operator-working supervisor. Project work was completed June 13, 1953.

Rehabilitation of the No. 3 level, 110 feet of crosscut and 140 feet of drift, cost $1,293.34 or $5.173 per foot. A total of 151 feet of new drift was driven under the contract at a unit cost of $38.16 per foot. Drifting costs follow:

	per foot
Labor including supervisor	$24.66
Supplies	6.22
Equipment	7.28
	$38.16

The unit cost was reported by the Field Team to be higher than the average for this type of work in the district.

The productivity of the workmen was low. Three and sometime four men worked per shift. Advance averaged 1.82 feet per shift or 0.66 feet per man shift. The advance of 1.82 feet per shift is higher than the 1.5 feet per shift estimated by the Field Team in their report recommending the project, but this advance is still low for driving a 5 - 7-foot drift mostly untimbered in ground of this type where no hoisting was involved and the maximum tram was 400 feet.

5. Total cost of the project

Rehabilitation	$1,293.34
Drifting	5,762.24
Total	$7,055.58
Government's share	5,291.69

6. The tungsten content along the explored section of the Blue Jay vein remained similar to its other exposures in the mine, and is not of commercial grade or extent.

W. S. Martin, Chief
Iron and Ferro Alloys Division

FARutledge:foc
10-6-53
cc: Docket
Code 400
Adm. Reading File

FILE COPY
SURNAME:

400

Rutledge
Martin
Talbert
McKone
Rubin

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

OCT - 8 1953

Mr. A. W. Brown
P. O. Box 601
Boulder, Colorado

Re: Docket No. DMEA 2387 - Tungsten
Blue Jay and Ideal #1 lode mining claims
Boulder County, Colorado
Contract No. Idm-E335

Dear Mr. Brown:

This is with reference to the subject exploration project between you and the Government.

The final audit of the contract expenditures and the final reports of the Operator and the Field Team have been received and accepted by this Administration. Of the total amount of $10,500.00 approved under the contract, the sum of $7,055.58 was expended, 75 percent of which, or $5,291.69, represented the Government's share. Unused supplies, material, or equipment remaining have been disposed of for the joint account of the Operator and the Government. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however to Article 7(d) of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract."

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

C. O. Mittendorf (for)
Administrator

FARutledge: foc
10-6-53
cc: Docket
Code 400
Adm. Reading File
Oper. Comm.
FT. Reg. IV
R. W. Geehan, USBM
Mary Miller, USGS

R.L.G.
10-8-53

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

224 New Customhouse
Denver 2, Colorado

September 15, 1953

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket No. DMEA 2387 (Tungsten), Contract Idm-E335, A.W. Brown, an individual, doing business as Blue Jay Mines, Boulder County, Colorado

Enclosed are the following final reports pertaining to work performed under the subject contract:

1. Original and one copy of the operator's report.

2. Original and three copies of the final geologic report by the Geological Survey.

3. Original and three copies of the final engineering report by the Bureau of Mines.

The contract authorized funds in the amount of $10,500.00 for the rehabilitation of the existing tunnel and advancing the heading a distance of 150 feet. The exploration work performed consisted of rehabilitating the existing portion of the No. 3 tunnel and advancing the heading a distance of 151 feet at a total acceptable cost of $7,055.58, in which the Government participated to the extent of 75% or the amount of $5,291.69.

The operator complied with the terms of the contract and final payment to him was processed in this office on August 25, 1953, which was in conformance with the final report of review by the Contract Administration and Audit Division dated August 17, 1953.

The exploration work did not result in a significant discovery of commercial grade ore, therefore no certification of such is recommended.

W. H. King

W. H. King

Reviewed by
DMEA OPERATING COMMITTEE

A. H. Koschmann

A. H. Koschmann

9-25-53
(date)

FINAL F.T. RPT.

Mining Division
Date Rec'd.
SEP 4 - 1953
BUREAU OF MINES
Denver Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
September 3, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

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

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), (Blue Jay mine), A. W. Brown, Boulder County, Colorado

Transmitted herewith are the original and eight copies of R. L. Bolmer's approved final engineering report on the above project.

Operations were fairly efficient considering the conditions encountered. The small showing of ferberite encountered in extending the No. 3 tunnel the footage allowed by the contract was not considered commercial.

Bolmer does not consider a certification justified and recommends no additional exploration or development financed either privately or with Government assistance.

W. M. Traver

W. M. Traver

enclosures

WMT/kp

cc: 8
E335
DMEA Chron

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

FINAL ENGINEERING REPORT

DMEA 2387, Exploration Project Contract Idm-E335

A. W. Brown, Contractor

Blue Jay Mine

Boulder County, Colorado

Tungsten

R. L. Bolmer, Mining Engineer
Bureau of Mines

August 27, 1953

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

DMEA 2387
Contract Idm-E335

A. W. BROWN
BLUE JAY MINE
BOULDER COUNTY, COLORADO

CONTENTS

Final Engineering Report — Page

Summary and introduction..... 1
Location, history and production, ownership..... 2
Description of deposit..... 2
Work completed under contract..... 3
Expenditures..... 4
Efficiency of operation..... 4
Equipment..... 5
Conclusions and recommendations..... 6

ILLUSTRATIONS

Figure — Follows Page

1. Location map, Blue Jay mine, Boulder County, Colorado..... 2
2. Plan of Blue Jay mine, Boulder County, Colorado..... 3

DMEA 2387
Contract Idm-E335

A. W. BROWN
BLUE JAY MINE
BOULDER COUNTY, COLORADO

FINAL ENGINEERING REPORT

By

R. L. Bolmer

SUMMARY AND INTRODUCTION

Work authorized at the Blue Jay mine, Boulder County, Colorado, under Exploration Project Contract Idm-E335 was completed June 13, 1953, without a significant discovery of tungsten ore. Under the program, the No. 3 or lower tunnel level of the mine was rehabilitated and extended for 150 feet on the Blue Jay vein. The tungsten content along the explored section of the vein was not of commercial grade or extent.

Accepted incurred costs of the project totaled $7,152.58. The net accepted costs, after the liquidation of salvable property, were $7,055.58. The Government participated to the extent of 75 percent, or $5,291.69, in the net accepted exploration expenses.

Initial work under the program commenced September 8, 1952, and was continued until November 30, 1952, when recessed because of winter weather. Work was resumed April 3, 1953, and was continuous until the authorized work had been completed. Operations under the contract were carried out with about average mining competence and efficiency. The

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

project suffered somewhat due to weather conditions, a shortage of labor, and the inaccessibility of the property.

LOCATION, HISTORY AND PRODUCTION, OWNERSHIP

The Blue Jay mine is in sec. 35, T. 1 N., R. 72 W., sixth principal meridian, Boulder County, Colorado. The mine is at an elevation of 7,600 feet on the northern slope of Middle Boulder Creek Canyon, approximately 7 miles due west of Boulder, Colorado. It is accessible via a secondary road that branches from State Highway 119 near Barker Reservoir (fig. 1).

The early history of the mine is unknown. Ore was produced from a single stope between the No. 2 tunnel and the surface, but the tonnage and grade are unreported. The No. 3 tunnel was driven by the operator during 1943. Production, if any, was small and not reported.

The Blue Jay patented lode mining claim, Survey No. 19808, is owned by W. D. Brown of Azuza, California. The claim is leased to the operator until 1962.

DESCRIPTION OF DEPOSIT

Only the Blue Jay vein is known to exist on the claim. It is a narrow and brecciated fissure vein striking northeast-southwest and dipping steeply northwest in granite. The vein consists of a few inches of quartz, crushed wall rock, and gouge which has been stained heavily by the oxidation of iron and manganese minerals. Narrow streaks of siliceous and brecciated ferberite occur intermittently along the vein. A single ore shoot, approximately 50 feet in length, was stoped to the surface from the No. 2 tunnel.

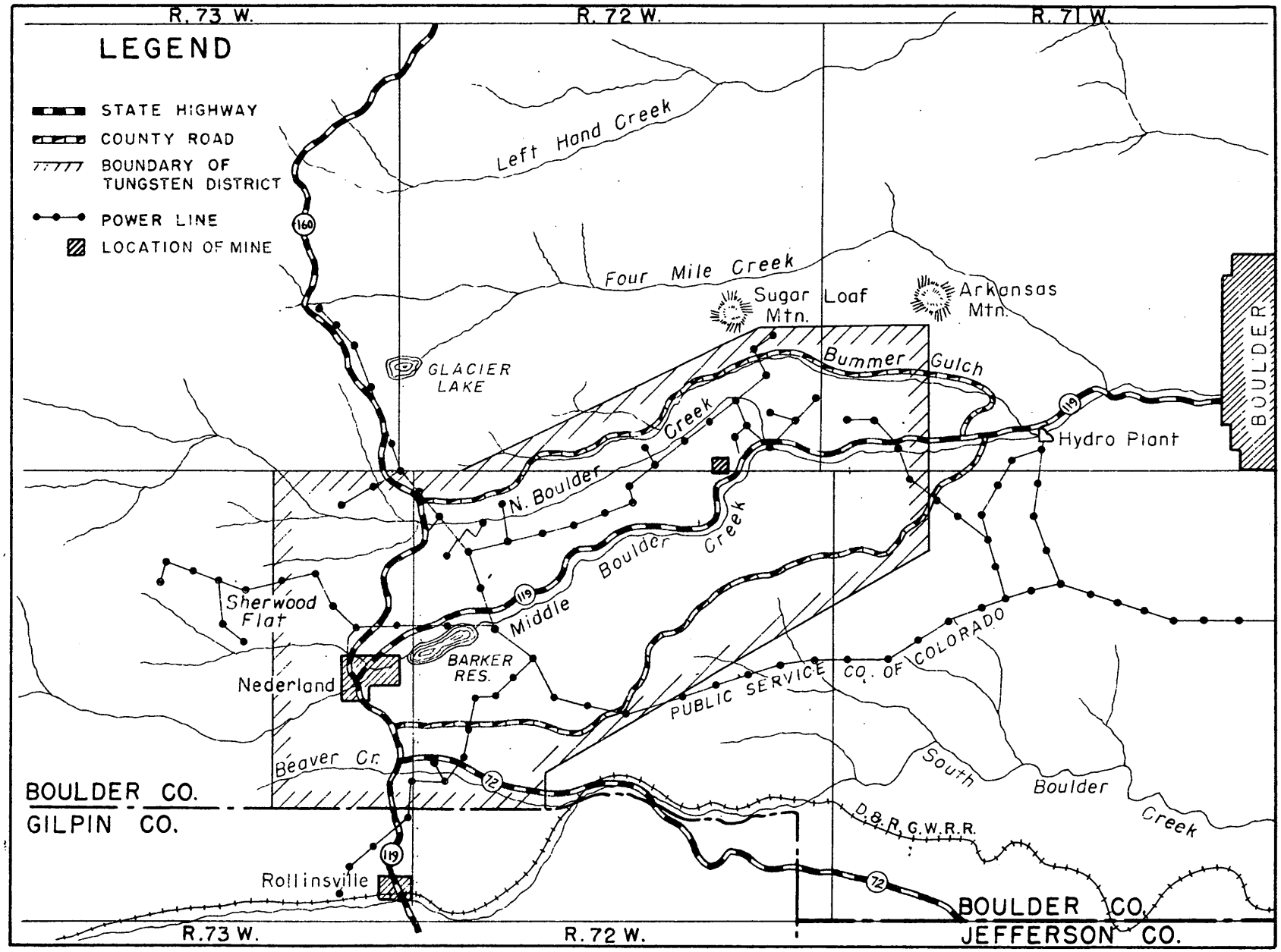


FIGURE 1. - LOCATION MAP, BLUE JAY MINE, BOULDER COUNTY, COLORADO
DMEA 2387, Contract Idm-E335

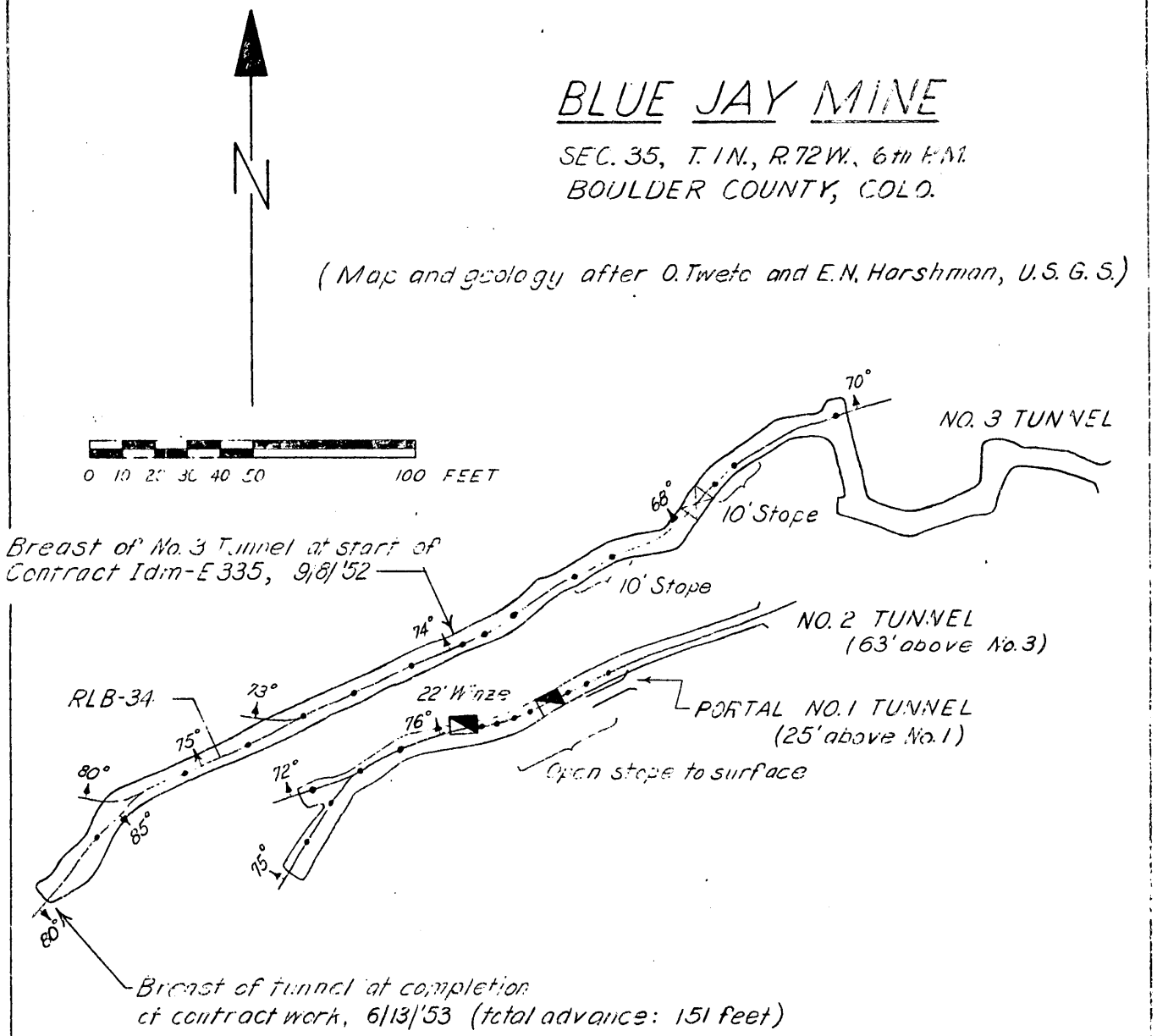
Prior to contract exploration, the vein had been developed for a length of 225 feet and to a maximum depth of 100 feet below the surface by means of three adits and short winzes, and raise stopes therefrom (fig. 2). Under the contract, the lower adit was extended below and some 70 feet beyond the development of the upper levels. The vein opened by this work was similar to its other exposures in the mine.

The drift extension was begun on a 14-inch vein containing 2 inches of siliceous ferberite. The vein weakened gradually toward the southwest. Small seams of low-grade ferberite continued intermittently along the vein for approximately 90 feet. The vein divided at 110 feet. The most promising split was followed until it diminished to only a tight fracture in granite.

The most promising section of the vein, occurring some 80 feet along the extension of the tunnel, assayed 3.6 percent tungsten trioxide and 1.0 percent phosphorous over a width of 7 inches. The ferberite in the vein is highly crushed and brecciated. It is almost indistinguishable from the stained gangue. The upgrading of such material by hand sorting and cobbing would be difficult and only moderately successful.

WORK COMPLETED UNDER CONTRACT

Contract work commenced September 8, 1952. Initial work consisted of the rehabilitation of the No. 3 tunnel. The tunnel portal was cleaned of caved material and retimbered. Caved ground near the breast of the tunnel also was cleaned up. The old track and air line were made serviceable. An air compressor was moved to the site and installed. Track was extended across the mine dump.



SAMPLE DATA

SAMPLE NO.	WIDTH (ft.)	ANALYSIS % WO_3	% Phos.
RLB-34	0.6	3.60	1.00

LEGEND

75° Vein

75° Vein containing ferberite

FIGURE 2. - PLAN OF BLUE JAY MINE, BOULDER COUNTY, COLORADO
DMEA 2387, Contract Idm-E335

Drifting commenced September 22, 1952. The No. 3 tunnel had been extended 53 feet by November 30, 1952, after which date the operator recessed operations because of severe winter weather conditions. Operations were resumed April 3, 1953, and by June 13, 1953, 151 feet of drift had been completed. A request by the operator to explore for commercial grade ore by raising from the lower level was denied. As the vein then explored by the authorized work had not exposed commercial values and as promising areas for additional exploration were not apparent, the contract was considered complete.

EXPENDITURES

During operations, incurred costs totaling $7,234.56 were reported by the operator. Of the reported amount, costs totaling $7,152.58 were accepted by the Defense Minerals Exploration Administration as necessary and justified expenses of the project. Accepted costs of the project were distributed as follows:

Items of costs	Accepted total
Labor and supervision	$4,446.10
Operating materials and supplies	1,164.83
Operating equipment	1,359.68
Miscellaneous	181.97
Total accepted costs	$7,152.58

EFFICIENCY OF OPERATION

Operations under the contract were carried out with about average mining competence and efficiency. The operator served as working supervisor of the project. Including the operator, two, and sometimes three, men were employed on the project. The labor turnover was high.

At the beginning, drifting labor was paid by the hour; later, this labor was contracted on a footage basis. Ground broken in drifting was hand loaded in mine cars and hand trammed to the surface. Timber support was not required.

Costs of the project were distributed to operations as follows:

Operation	Accepted costs	Units completed	Unit cost
Drifting	$5,779.79	151 feet	$38.28 per foot
Rehabilitation of tunnel	1,297.79	--	--
Total distributed costs	7,077.58		
Equipment purchased	75.00		
Total costs	$7,152.58		

The unit cost experienced for drifting is higher than the average for this type of work at other mines in the Boulder County district.

EQUIPMENT

The following listed property, purchased with funds contributed jointly by the operator and the Government, was unexpended at the completion of the project and salvable under the terms of the contract:

Description	Cost to project		Highest bid	
Equipment:				
Mine car	$ 35.00		$ 30.00	
Water pressure tank	40.00	$ 75.00	20.00	$ 50.00
Operating materials and supplies:				
Pipe, fittings	50.06		25.00	
Track	103.24		50.00	
Small tools	62.27	215.57	20.00	95.00
		$290.57		$145.00
Less: Estimated cost to salvage above items (2 men for 2 days at $12.00 per man-day)				48.00
Net salvage value:				$ 97.00

Equipment other than that itemized above was expended during the project and had no salvage value. The operator's bid of $97.00 for the net salvage value of the unexpended property was the highest of the three bids submitted and was accepted by the Executive Officer, Defense Minerals Exploration Administration Field Team, Region IV.

The liquidation of salvable property reduced the net accepted costs of the project to $7,055.58. The Government, through payment to the operator, participated to the extent of 75 percent, or $5,291.69, in the net accepted exploration expenses. Of the $10,500.00, authorized contract amount, $3,444.42 was unexpended. The Government's share of the unexpended funds was 75 percent, or $2,583.31.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that exploration at the Blue Jay mine was carried out as authorized under the contract. The incurred costs accepted by the Defense Minerals Exploration Administration were reasonable and justified expenses of the authorized program.

No significant discovery of tungsten ore resulted from the exploration. Although the operator may attempt production from the mine, it is considered doubtful that his production will be significant, if it can be marketed at all. A certification of discovery is not recommended for the low-grade mineral opened through contract work. Further exploration at the Blue Jay mine is not considered warranted.

kp

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

September 10, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2387, Blue Jay Mine, Boulder County, Colorado

Enclosed are 8 copies of the final geologic report by E. N. Harshman covering DMEA Docket 2387, Contract Idm-E335, Blue Jay Mine, Boulder County, Colorado.

Harshman points out that the Blue Jay vein, explored under subject contract, diminishes in size and grade in the exploratory drift. He recommends that no further exploration be done on the property and that no certificate of discovery be issued.

I concur in this recommendation.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53

BLUE JAY MINE

BOULDER COUNTY, COLORADO

DMEA DOCKET 2387

Final Geologic Report

By E. N. Harshman
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

BLUE JAY MINE
BOULDER COUNTY, COLORADO

INTRODUCTION

Early in 1952, A. W. Brown applied to the Defense Minerals Exploration Administration for a loan of $24,000 to explore for tungsten ore from the No. 3 tunnel level of the Blue Jay mine. The examining team recommended a reduced program of exploration at an estimated cost of $10,500.

On May 29, 1952, Contract Idm-E335 was signed. It authorized rehabilitation of the No. 3 level and 150 feet of drift extension on the Blue Jay vein.

Work was started September 8, 1952, and was completed June 13, 1953. Because of winter snows, the contract was recessed between November 30, 1952, and April 3, 1953.

On May 30, 1953, the operator requested an amendment to the contract to permit a 50 foot raise on the Blue Jay vein. The request was denied.

The property was examined on June 26, 1953, in company with the applicant, at which time data were secured for a final geological report.

EXPLORATION AND GEOLOGY

The geology is essentially as described in the original report by Ogden Tweto, DMEA Docket 2387. The Blue Jay vein is in gneissic granite, strikes N. 65° E., and dips 70°-75° NW. It is a brecciated zone 5 to 14 inches wide containing stringers of horn quartz, narrow veinlets and lenticular masses of ferberite, and occasional bands of "peanut ore."

Reviewed by
DMEA OPERATING COMMITTEE
9-25-53
(date)

The drift extension, authorized under Contract Idm-E335, begins on a 12 to 14 inch sheeted and brecciated vein containing 1 to 2 inches of horny ferberite. The vein remains essentially the same to a point 54 feet southwest of the breast at the start of the exploration contract, where a split containing a trace of horny ferberite passes into the hangingwall. Southwest of the split the character of the Blue Jay vein changes and ferberite is present in an eight inch, manganese and iron stained brecciated vein (figure 1).

At a point 110 feet southwest of the point of origin of the contract a second slightly mineralized split passes into the hangingwall. Southwest of this point the intensity of brecciation and of mineralization rapidly diminish and the dip changes from steeply northwest to steeply southeast. In the face of the present drift the Blue Jay vein consists of 2 iron stained shears in altered granite.

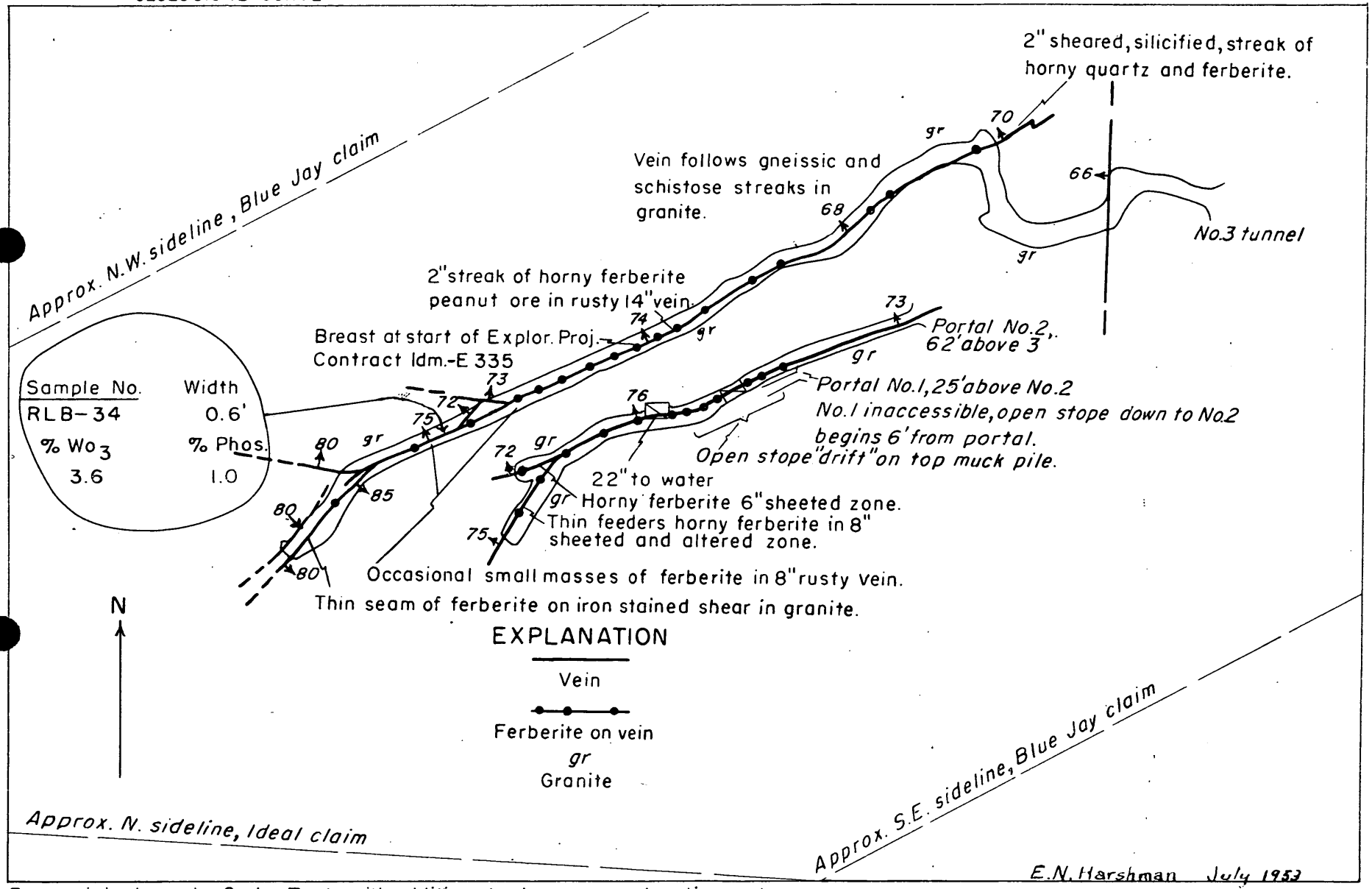
SAMPLES

One channel sample, taken by a representative of the U. S. Bureau of Mines across 0.6 of a foot of vein material at a point 80 feet southwest of the point of contract origin, assayed 3.6% WO_3 and 1.0% phosphorus.

CONCLUSIONS AND RECOMMENDATIONS

Exploration on the Blue Jay vein, authorized under Contract Idm-E335 has shown that the strength of the vein and the intensity of mineral deposition decreases rapidly toward the southwest. Production from the Blue Jay vein, if any, will be insignificant, and the high phosphorus content of the vein material will be a serious detriment to any mining operations undertaken.

It is therefore recommended that no further exploration be done at the Blue Jay mine, and that no certification of discovery be issued.



From original map by Ogden Tweto with additions to show new exploration work

FIGURE 1.—GEOLOGIC PLAN, BLUE JAY NO.3 LEVEL.

50 0 100 Feet

FINAL NARRATIVE SUMMARY

CONTRACT Idm - E 335
DMEA - 2387
Blue Jay Mine

1. Operations under subject contract was begun September 8, 1952 with a total authorized expenditure of $10,500.00.

2. Rehabilitation of tunnel was begun immediately and continued through September 26th, at a cost of approximately $1,336.79.

3. Proposed 150 foot drift per contract was begun on or about September 22, 1952 and completed June 13, 1953. Total advance 151 feet at a cost of $5,822.77 or $38.56 per foot. Purchase of equipment authorized $400.00, amount purchased $75.00.

4. Due to adverse weather conditions, authorization was requested and granted to discontinue operations during the winter months. Work ceased on November 30, 1952 and was resumed on April 3, 1953.

5. No unusual difficulties were encountered other than such minor matters as shortage of labor, weather conditions and some machinery trouble.

6. Crew consisted of one or two men and the operator. Most of the time crew was paid on a contract basis, beginning at $10.00 per foot and later at $12.00 per foot.

7. Pockets or spotted streaks of low grade ferberite were encountered at various places. Ore from digging was shipped in July as follows:

   7-2-53 47,900# to Boulder Tungsten Mines, Inc.
   WO_3 - 0.27% Phos content 0.66% - no return thereon.

   7-15-53 17,370# to Hetzer Mines, Inc.
   WO_3 - 0.35% Phos content 0.19% - No return thereon.

8. When contract was completed on June 13, 1953, a total of $7,234.56 had been expended, leaving a contract balance of $3,265.44.

9. Operator is submitting a bid for the purchase of property remaining that was purchased with joint funds, same to be left in place at the mine.

A. W. Brown

A. W. Brown - Operator
P.O. Box 601
Boulder, Colorado

FILE COPY
SURNAME:

Chambers

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

AUG 27 1953

Mr. Thomas H. Breding
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: A. W. Brown
Contract Idm-E335
Docket DMEA-2387

Dear Mr. Breding:

Reference is made to your letter of August 18, 1953, transmitting Report of Review for the above-cited contract.

The Report is acceptable and may be distributed in the normal manner.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
August 26, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

8-27-53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 21 1953

224 New Customhouse
Denver 2, Colorado

August 18, 1953

Mr. Jay L. Chambers, Chief
Contract Administration & Audit Division
Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

Dear Mr. Chambers:

Enclosed are three copies of Report of Review for A. W. Brown, P. O. Box 601, Boulder, Colorado, pertaining to Exploration Project No. Idm-E335, Docket No. DMEA 2387, for the period of September to November 1952 and April to August 11, 1953.

The Executive Officer accepted the Contractor's bid for the disposition of property in a letter dated August 11, 1953.

Sincerely yours,

T. H. Brading
Auditor, Region IV

Enclosures

Reg. 4 - August Report

E-335 DMEA-2387 - A. W. Brown (Blue Jay Mine) (Tungsten), Boulder County, Colo.

Drifting was advanced 17 feet in June, which completes the total amount allowed by contract. The operator's request for 50 feet of raising was denied. This completes contract work. The operator claims to have 35 tons of very low grade ore stockpiled from the contract work.

FILE COPY
SURNAME:

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

N.S. in R.R.

Rutledge
Martin
Geehan
Selfridge
Hedges
Wilkerson

Defense Minerals Exploration Administration
FARutledge
5285 3538

14X3923.970 - Working Fund - DMEA
July 31, 1953

W. H. King, Executive Officer, DMEA Region 4, Denver, Colorado

Reurtt July 30, requesting authority to terminate Contract Idm-E335, Docket DMEA 2387, A. W. Brown. If all work under subject contract completed, termination notice unnecessary and should not be issued. See paragraph 1, DMEA Circular 22, Supplement No. 1, dated April 7, 1953.

George C. Selfridge
ES7
G. C. Selfridge
Chairman, Operating Committee

FARutledge/ls
7/31/53

cc: DOCKET
FT. REG. IV--CONFIRMATION
CODE 400
ADM. READ. FILE
OPER. COMMITTEE
AUDITS DIVN., BUR. OF MINES
D. M. LEMMON, USGS
R. W. GEEHAN, USBM

SENT
AUG 3 1953
Clerical Service Section

Mr. C. O. Mittendorf
7-30-53
P.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 31 1953

DN 235 BUREAU MINES 7-30-53 11-58 AM

C O MITTENDORF

ALL THE WORK AUTHORIZED UNDER CONTRACT NUMBER IDM-E2XXX IDM -E335, DOCKET NUMBER 2387, A. W. BROWN HAS BEEN COMPLETED. A BALACXXX BALANCE OF $3,266.00 /SUBJECT TO AUDIT/ REMAINS UNDER THE CONTRACT. THE OPERATOR REQUESTED AN AMENDMENT TO PROVIDE FOR ADDITIONAL WORK TO EXPEND THE REMAINING UNFXXX FUNDS. THIS REQUEST HAS BEEN DENIED BECAUSE IN THE OPINION OF THE EXAMINING ENGINEER AND GEOLOGIST THERE IS LITTLE LIKELIHOOD OF THE DISCOVERY OF A SIGNIFICANT AMOUNT OF TUNGSTEN. PLEASE AUTHORIZE US TO TERMINATE THIS CONTRACT BY MUTUAL AGREEMENT.

W H KING

Denver, Colo.

JUL 31 8 35 AM '53
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 8 1953

224 New Customhouse
Denver 2, Colorado

July 3, 1953

Mr. A. W. Brown
1344 Mapleton Avenue
Boulder, Colorado

Re: Docket No. DMA 2387
Contract No. DMA-1335

Dear Mr. Brown:

By the terms of your exploration project contract with the Government, the Government acquires an interest in any property paid for or purchased with funds contributed jointly by the Operator and the Government. Such property includes: all facilities, buildings, fixtures, equipment, or other items costing more than $50 each; materials and supplies considered in groups or categories (such as pipe, or explosives, or rails, or drill steel), if the original cost of the remaining categories of materials or supplies exceeded $50; and equities in any installment-purchase contract or rental-purchase contract.

It is your responsibility to make the best possible disposition of the property for the benefit of the Government. Every reasonable effort must be made to realize its full value. By the terms of your contract, if it is necessary to accomplish such disposition of the property, you are required to dismantle it, sever it from the land, and remove it for the purposes of sale. Reasonable efforts to accomplish the sale might include: (1) advertising in newspapers, periodicals, and posting notices in public places; (2) canvassing users or dealers in such property; and (3) negotiating with the original vendor for accepting the return of the property.

Should you wish to retain the property, or in effect sell it to yourself, you may do this only after having first made every reasonable effort to procure a price higher than you yourself are willing to pay. In the case of an incompleted installment-purchase or rental-purchase agreement, the contract itself is the property to be disposed of. You are not authorized to complete the purchase of the equipment covered by such incompleted contracts for your own account without reference to the Government's interest. Consultation should be had with the Government's agents with respect to the disposition of equities in any installment-purchase or rental-purchase contracts.

In a proper case the Government will approve of and join in the sale of property for the joint account of the Operator and the Government. You are requested to advise this office in advance of the

See Opinion Committee.

proposed disposition of any such property so that we may advise you if the Government will approve thereof.

Upon completion of the exploration project or any termination of the exploration project contract, your final report should include a detailed statement of the disposition you have made of property. Proceeds from sales of property, or credit for its value if you are allowed to retain it for your own account, should be indicated in your final monthly report, on Form NF-104, by the insertion of suitable credits in the "Monthly Total" column.

The Government will withhold from your final voucher or vouchers such sums as it deems necessary to cover its equity in property until you have rendered your final report and final account, and the final auditing and settlement of the contract has been made.

Yours very truly,

W. H. King

W. H. King
Executive Officer
NYA Field Team, Region IV

J Tild

Townsend
Keechmann
Sec. Opr. Gen. (2)
Travo.
cnl
circ

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

224 New Customhouse
Denver 2, Colorado

January 29, 1953

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 3 to Contract Idm-E335, Docket DMEA 2387, A. W. Brown

Enclosed are the original and two copies of Amendment No. 3 to Contract Idm-E335. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment and three copies of a memorandum by a Bureau of Mines engineer approving this request.

W. H. King

W. H. King

Enclosures

coe 2/2/53

RECEIVED
FEB 27 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

224 New Customhouse
Denver 2, Colorado

January 7, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 1 1953

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2387, Contract Idm-E335 (Tungsten)
A. W. Brown (Blue Jay Mine) Boulder 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 period November, 1952, pertaining to DMEA Docket 2387, Contract Idm-E335, A. W. Brown (Blue Jay Mine).

John F. Shaw for
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

December 19, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2387, Contract Idm-E335 (Tungsten)
A. W. Brown, (Blue Jay Mine) Boulder County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report Form 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 2387, Contract Idm-E335, A. W. Brown.

John F. Shaw for
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
1952

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 18, 1952

Memorandum

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

From: R. L. Bolmer

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown, (Blue Jay mine), Boulder County, Colorado - Request for contract amendment

Because of winter weather conditions, access to the Blue Jay mine has become exceedingly difficult. As the access road is not kept cleared of snow, transportation of men and supplies to the project has become impractical. The contractor's request to recess all project work during the winter months is considered justified and an amendment to the subject contract, extending the period for completion of the work by four months or until July 29, 1953, is recommended.

R. L. Bolmer

R. L. Bolmer,
Mining Engineer

RLB/eb

cc 5
E335
DMEA Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 21, Room 137
Denver Federal Center
Denver 14, Colorado
December 18, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

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

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown, (Blue Jay mine), Boulder County, Colorado - Request for contract amendment

Please find enclosed the original and five copies of R. L. Bolmer's memorandum recommending approval of the above request for an amendment to extend the contract for four months or until July 29, 1953, and for authority to recess operations during the winter months.

I concur with Bolmer's recommendations.

Wm. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

cc 5
E335
DMEA Chron

WMT/eb

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 18, 1952

Memorandum

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

From: R. L. Bolmer

Subject: DMEA 2367, Contract Idm-E335 (Tungsten), A. W. Brown, (Blue Jay mine), Boulder County, Colorado - Request for contract amendment

Because of winter weather conditions, access to the Blue Jay mine has become exceedingly difficult. As the access road is not kept cleared of snow, transportation of men and supplies to the project has become impractical. The contractor's request to recess all project work during the winter months is considered justified and an amendment to the subject contract, extending the period for completion of the work by four months or until July 29, 1953, is recommended.

R. L. Bolmer

R. L. Bolmer,
Mining Engineer

RLB/eb

cc 5
E335
DMEA Chron

COPY

December 9, 1952

Mr. W. H. King
Department of the Interior
Defense Minerals Administration
224 New Customhouse
Denver 2, Colorado

Subject: DMEA 2387
Contract Idm E-335

Dear Sir:

Authorization is hereby requested to shut down operations under the subject contract during the winter months, due to adverse weather conditions which make it difficult to; operate our machinery which is out in the open, to travel to and from the mine, and to get adequate help under these conditions. It is further requested that the subject contract be amended to provide for an extension of time of four months for completion of the contract, necessitated by the above request for shutting down operations.

Sincerely yours,

/s/ A.W. Brown

A.W. Brown
c/o Wilkins & Schone
1st Nat'l Bank Bldg.
Boulder, Colorado

Docket Copy

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

224 New Customhouse
Denver 2, Colorado

December 11, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 5 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 2 to Contract Idm-E335, Docket DMEA 2387, A. W. Brown (Tungsten)

Enclosed are the original and two copies of Amendment No. 2 to Contract Idm-E335. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment and three copies of a memorandum from a Bureau of Mines engineer recommending this amendment.

W. H. King

W. H. King

RECEIVED
DEC 24 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Enclosures

cae 12/15

December 9, 1952

Mr. W. H. King
Department of Interior
Defense Minerals Administration
224 New Custom House
Denver 2, Colorado

Subject: DMEA 2387
Contract Idm E-335

Dear Sir:

Authorization is hereby requested to shut down operations under the subject contract during the winter months, due to adverse weather conditions which make it difficult to; operate our machinery which is out in the open, to travel to and from the mine, and to get adequate help under these conditions. It is further requested that the contract be amended to provide for an extension of time of four months for completion of the contract, necessitated by the above request for shutting down operations.

Sincerely yours,

A W Brown

A. W. Brown
c/o Wilkins & Schone
1st Nat'l Bank Bldg.
Boulder, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
December 3, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Request for contract amendment

Please find enclosed the original and five copies of R. L. Bolmer's memorandum covering the subject request for contract amendment.

I approve Bolmer's recommendation for the allowance for use of the contractor's truck on the project, limiting transportation to necessary supplies and operating and repair expense to $50.00 a month.

Scott W Hagen Jr
for W. M. Traver, Jr.

enclosures

WMT/amh

cc: 5
E335
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20
Denver Federal Center
Denver 14, Colorado
December 3, 1952

Memorandum

To: Chief, Colorado Branch, Mining Division, Region IV

From: R. L. Bolmer

Subject: DMEA 2387, Contract Idm-E335 (Tungsten), A. W. Brown (Blue Jay mine), Boulder County, Colorado - Request for contract amendment

A. W. Brown, operator of the Blue Jay mine, has requested by letter dated November 18, 1952, that the subject contract be amended to include the following:

> "Normal expense of operating operator's truck while used to haul supplies to and from the mine and for other necessary project business, effective from November 1, 1952."

The cost of hauling necessary supplies from Nederland, or Boulder, Colorado, to the mine is considered a justifiable expense of the project; however, not more than three round trips per week to one or the other supply centers is justified. The "other necessary project business" mentioned in the request is not apparent.

In order to prevent daily transportation of employees or the contractor to and from the project and to avoid transportation of ore to the local mills, neither service pertinent to the operation of the project, a limit should be set on truck expenses chargeable to the project. The operator's truck is old and only in fair operating condition. Participation by the Government in payment for major repairs to the equipment is not justified.

In consideration of the above, it is recommended that the subject contract be amended to include the following:

> Actual operating expense incurred while using the contractor's truck to transport necessary supplies and equipment to the project. Such expense shall include fuel, lubrication, and minor repair parts or labor costs not in excess of $50.00 per month.

R. L. Bolmer

R. L. Bolmer, Mining Engineer

RLB/smh
cc: 5, E335, DMEA Chron.

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

November 19, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2387, Contract Idm-E335 (Tungsten)
A. W. Brown, Boulder 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 DMEA Docket 2387, Contract Idm-E335, A. W. Brown.

W. H. King
W. H. King

Enclosures

vember 12, 1952

Mr. W. M. Traver, Jr.
Bureau of Mines
Building #20
Denver Federal Center
Denver 14, Colorado

Subject: DMEA -2387
Contract Idm-E 335
Blue Jay Mine

Dear Sir:

It is hereby requested that the subject contract be amended to include the following:

"Normal expense of operating operators' truck while used to haul supplies to and from the mine and for other necessary project business, effective from November 1, 1952.

It is understood that the above revision will not increase the overall cost of the project and/or the governments' share thereof.

Sincerely Yours,

A. W. Brown

A. W. Brown
Nederland, Colorado

Extracted from Mon[illegible] Report of Region IV for Octob[illegible] 1952.

DMEA-2320 - Coughlin and Henderson

The compressor drive motor required overhauling and part of the period was devoted to that. When completed, drifting was started and the south drift was advanced 14 feet. After widening at some locations, track was laid and the stope above the drift caught up.

DMEA-2343 - George Jump

Preparatory work for sinking the winze from the lower, or Good Friday, tunnel and consisting of rehabilitation work was completed and one round drilled and blasted in the winze. Sinking started on good ferberite ore.

DMEA-2387 - A. W. Brown

The Blue Jay tunnel was advanced 10 feet for the period, with up to two or more ½-inch streaks showing. Operations have been slowed by the inability of the contractor to hire competent labor.

DMEA-2548 - Robitsch and Brewster

The contractor has notified the Colorado Branch office that he is attempting to negotiate a subcontract for underground drilling.

DMEA-2650 - Hallie "A" Mining Company

Operations started October 27 and a progress report is not expected before the end of November.

DMA-1392X - Cecil H. Woodman

Stage A, surface stripping by bulldozer, has been completed on both properties. The work on the Queen Bee revealed no mineralization or structures of significance. One zone of scheelite mineralization has been uncovered on the Yellow Hammer property. A decision is pending concerning additional work on this occurrence.

DMA-1906 - Louise W. Garrick

Work on project 2 was continued during October and an advance of 35 feet was made in the dirft. The direction of the drift has been changed slightly to the left. The entire advance has been along tungsten ore varying from 2 feet to 2½ feet in width.

DOCKET COPY

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

224 New Customhouse
Denver 2, Colorado

September 25, 1952

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 1 to Contract No. Idm-E335, Docket No. DMEA 2387, A. W. Brown (Tungsten)

Enclosed are the original and two copies of Amendment No. 1 to Contract No. Idm-E335. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment.

W. H. King

W. H. King

Enclosures

RECEIVED

OCT 28 1952

GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

S CS
9/29/52

COPY

Nederland, Colo.
Gen. Del.
Sept. 12, 1952

Dear Mr. King:

We started rehabilating the tunnel of the Blue Jay tungsten mine as of Sept. 8, 1952, Docket No. 2387, Idm-E335. Hourly wages on Rehabilitation Work, Contract $10.00 a foot labor for Driving drift.

Reason for not starting this Project sooner have been unable to get labor. Therefor I would like to ask for a 90 day extention to complete this contract.

Sincerely

/s/ A. W. Brown

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

224 New Customhouse
Denver 2, Colorado

September 8, 1952

REGISTERED #82574

Memorandum

To: Chairman, Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Docket DMEA 2387, Contract Idm-E335 (Tungsten)
A. W. Brown

Enclosed are the original and two copies of Contract Idm-E335.

The Owner's Consent to Lien has been dated as requested.

W. H. King

W. H. King

Enclosures

gds
9-12-52

FILE COPY
SURNAME:

140

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

G. C. Kane
Selfridge

AUG 7 1952

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

Subject: A. W. Brown (Tungsten)
Docket No. DMEA-2387
Contract Idm-E335

Dear Mr. King:

There are returned to you the original and two copies of the subject contract which you forwarded with your letter of July 24, 1952. Kindly insert in the Owner's Consent to Lien the date on which it was signed, as requested in my letter of June 23, 1952, and make the same insertion in the three copies which you did not forward. This date should be prior to May 29, 1952, the date on which the contract was signed.

F.N. 8-7-52

Sincerely yours,

(signed) FRANK E. JOHNSON

(FE)

Chairman, Operating Committee

Enclosures

Approved:

J. H. Hedges
Member, Bureau of Mines

A. W. Kamb
Member, Geological Survey

AEKane/em
8/1/52

Copy to: Mails and Files
Adm. Reading File
Operating Committee
J. H. Hedges, B.M.
T. P. Thayer, G.S.
G. C. Selfridge
J. L. Hofflund
A. E. Kane
chron
pending

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

224 New Customhouse
Denver 2, Colorado

July 24, 1952

REGISTERED MAIL

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract Idm-E335, Docket DMEA 2387, (Tungsten), A. W. Brown

Enclosed for distribution are the original and two copies of Contract Idm-E335. All copies have been corrected as requested in a letter from the Chairman of the Operating Committee dated June 23, 1952.

Copies of this contract have been given to the operator, the Finance Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAIL
JUL 29 1952

RECEIVED
JUL 31 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

224 New Customhouse
Denver 2, Colorado

July 15, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration - Attention: 210

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2387, (Tungsten) Blue Jay Tungsten Mine, Boulder County, Colorado

Attached are four copies of the final report on DMEA-2387.

The Contract has been signed and is in effect.

W. H. King

W. H. King

Donald R. Macharen
for

A. H. Koschmann

Enclosures

FILE COPY
SURNAME:

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

Selfridge
Hoffman

JUN 23 1952

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

Re: Docket No. DMEA 2387 - Tungsten
A. W. Brown
Blue Jay & Ideal No. 1 lode mining claims
Boulder County, Colorado
Expl. Proj. Contract Idm-#335

Dear Mr. King:

Returned herewith are the six copies of a contract covering the subject docket which you forwarded to us for numbering on May 29, 1952. All copies have been dated and numbered but the following changes should be made and subsequently initialed by the applicant before being distributed:

(1) In Exhibit "A" under "Description of the Work," in lieu of the second sentence should be the following: "The location of the proposed work is shown on the map attached hereto and made a part hereof and entitled 'Geologic Map of the Blue Jay Mine, Boulder County, Colorado, DMEA Docket 2387.'"

(2) In Exhibit "A" under the heading "Labor, Supervision, Consultants," the total should be changed from $5,800 to $6,000.

(3) The Owner's Consent to Lien should also be dated prior to the date of the contract.

When the above changes have been made, please return the usual four copies of the contract to this office for distribution.

I am also enclosing for your information a copy of a memorandum dated June 9, 1952, from the Iron and Ferro-Alloy Division, DMEA, to the Chairman of the Operating Committee. It would seem that the over-all cost of $70 per foot to advance an adit is about twice what it should cost, based upon data that we have been compiling from

certain of the exploration projects. In cases such as these where the geologic target is limited, would it not be preferable to write short form contracts at $35 per foot in keeping with the potentialities of such properties?

Sincerely yours,

(signed) FRANK R. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

P.H.
6-23-52

Enclosures

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

GCSelfridge:ls
6/20/52

CC: Docket
Admn. Reading File
G. C. Selfridge
Field Team, Reg. 4
Operating Committee
D. M. Lemmon, USGS
R. W. Geehan, USBM

FILE COPY
SURNAME:

140

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

June 19, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: A. W. Brown, Blue Jay Mine, DMEA-2387

I have approved the subject contract executed in the field, subject to the following changes being made:

1. In Exhibit "A" under "Description of the Work," in lieu of the second sentence should be the following: "The location of the proposed work is shown on the map attached hereto and made a part hereof and entitled "Geologic Map of the Blue Jay Mine, Boulder County, Colorado, DMEA Docket 2387."

2. In Exhibit "A" under the heading "Labor, Supervision, Consultants," the total should be changed from $5,800 to $6,000.

3. The Owner's Consent to Lien should also be dated prior to the date of the contract.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

N.S
R+R

Attachments

AEKane/em

Copy to: Mails and Files
J. L. Hofflund
A. E. Kane
chron.

FILE COPY
SURNAME:

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

Chairman, Operating Committee, DMEA

June 9, 1952

Selfridge.

Iron and Ferro-Alloy Division, DMEA

Review of Exploration Project Contract prepared by Region IV
Docket No. DMEA 2387 - Tungsten
A. W. Brown
Blue Jay and Ideal #1 lode mining claims
Contract Idm-E335

The application submitted by Mr. Brown for exploration assistance gives little geologic information. The accompanying sketch map suggests a minor ore occurrence.

The contract, which is in the amount of $10,500 (Government participation, $7,875.00), provides for extending the No. 3 adit 150 feet westward on the Blue Jay vein. The estimated time is 4 months. No large outlays for equipment to be purchased, initial rehabilitation and repairs, and new buildings, improvements and installations are included in the contract. The rate of advance, theoretically at least, is scheduled at 37½ feet per month; labor at $24.00 per foot; supervision at $16.00 per foot maximum ($14.67 minimum); and over-all cost at $70 per foot.

Although the number of laborers is not given in the contract nor is their daily wage rate indicated, it is probably three since that is the number requested in the application. It would seem that four men to run an adit is excessive. Undoubtedly the applicant, who is a lessee and quite likely only a hard-rock miner, will be the supervisor. Paying such a man $550 to $600 a month is out of keeping with engineers' salaries.

Judging from the map accompanying the contract, it appears that the mineral showing is weak and that the tungsten occurs largely in the form of horny ore which is difficult to recover metallurgically. It would appear that this type of prospect does not warrant and cannot support the proposed expensive exploration.

George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

GCSelfridge:ls
6/9/52

Copy to: Docket
Admn. Reading File
G. C. Selfridge

Robert E. Adams
6-4-52
12.53

Contract date O.K.
S. d. S.

BUR MINES DN 235 6-4-52

ROBERT E ADAMS

CONTRACT DOCKET NO. DMEA 2387 EXECUTED MAY 29, 1952.

W H KING

END TWO MSGS PLS ACK FTM
MSG RECS OK CW

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 1952

Denver, Colorado

JUN 4 1 10 PM '52

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

Mrs. Curtin
SURNAME COPY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

1420137 2017 4070

Salaries and Expenses, Defense Production Activities, Interior, 1952
6-3-52
2:30 p.m.

W.H.King, Region IV, Bureau of Mines, 224 New Customhouse Bldg., Denver 2, Colorado

Docket No. DMEA 2387, A. W. Brown

EXECUTED CONTRACT DOCKET NO. DMEA 2387 RECEIVED WITHOUT AGREEMENT DATE. PLEASE INDICATE BY RETURN TELETYPE DATE OF AGREEMENT.

ROBERT E. ADAMS
ADMINISTRATIVE OFFICER

2071

READams/meb
6-3-52
cc to: Adm. Reading File
Mails & Files Br.
Files
Audits Division

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

224 New Customhouse
Denver 2, Colorado

May 29, 1952

REGISTERED MAIL

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract, Docket DMEA 2387, A. W. Brown (Tungsten)

Enclosed are six copies of a contract covering Docket DMEA 2387 between the Government and A. W. Brown doing business as Blue Jay Mines.

All six copies of the contract have been signed by the Executive Officer, DMEA Field Team, Region IV, and by A. W. Brown.

Kindly assign a contract number and return the required number of copies to this office.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

JUN 2 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

WASHINGTON 25, D. C.

May 13, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration - Attention: Code 210

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2387, Blue Jay Tungsten Mine, Boulder County, Colorado

The subject application has been approved in the amount of $10,500.00 and the contract will be prepared by this office.

Four copies of the report will be forwarded you when the contract is signed.

The original and one copy of Form 3b is attached.

J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Enclosures

ON-SITE EXAM.

MAY 15 1952

DMA Form 3b.

DEFENSE MINERALS ADMINISTRATION

CONTROLLED DOCUMENT
Revised Abstract

DMEA
~~XXXX~~ Docket No. 2387

Change: From		To	
I 1	☐	I 1	☐
I 2	☐	I 2	☐
I 3	☒	I 3	☒
I 4	☐	I 4	☐
I 5	☐	I 5	☐
I 6	☐	I 6	☐
III 1	☐	III 1	☒ 5-13-52
III 2	☐	III 2	☐
III 3	☐	III 3	☐
III 4	☒	III 4	☐

Add:

II 7 $ 24,500

II 8 $ 10,500

II 8a % 75

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 19 1952

Initials of person preparing sheet H.M.C.

Date sheet prepared 5-13-52

Mining Division
Region IV

May 13, 1952

Memorandum

To: Field Team, Region IV

From: Acting Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2387, Blue Jay Tungsten Mine, Boulder County, Colorado

Enclosed are the nine copies of the engineering report by R. L. Bolmer on the Blue Jay Tungsten Mine.

The applicant requested a project to consist of drifting 300 feet on the Blue Jay vein and a crosscut 50 feet to intersect a footwall vein at a cost of $24,000.

The field examiners believe some exploration of the Blue Jay vein is warranted and they recommend a revised exploration program to cost $10,500. The work to consist of rehabilitation of the No. 3 level of the mine and the extension of this level by drifting 150 feet westward.

We concur in the recommendation of the field examiners.

W. H. King

W. H. King

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 18 1952

Reviewed by
DMEA OPERATING COMMITTEE
7-23-52
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 2387, Blue Jay Tungsten Mine

Boulder County, Colorado

Tungsten

Ogden Tweto, Geologist
U. S. Geological Survey

R. L. Bolmer, Mining Engineer
Bureau of Mines

May 8, 1952

BLUE JAY TUNGSTEN MINE

BOULDER COUNTY, COLORADO

A. W. BROWN, APPLICANT

DMEA DOCKET 2387

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By Ogden Tweto, U. S. Geological Survey
and
Russell McClellan, U. S. Bureau of Mines

BLUE JAY TUNGSTEN MINE
BOULDER COUNTY, COLORADO

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The Blue Jay mine is in the central part of the Boulder tungsten district, Colorado, high on a cliffy slope above the Boulder-Nederland highway at The Narrows. It is owned by W. D. Brown, father of A. W. Brown, lessee and applicant. The mine comprises three short tunnels, the middle 25 feet below the upper, and the lower 62 feet below the middle. An open stope 40 to 50 feet long extends from the middle or No. 2 tunnel through No. 1 tunnel to the surface.

The mine is in granite and on a rather small and tight vein that strikes about N. 65° E. and dips 68°-76° NW. The vein contains a few thin veinlets of horny ferberite in the inner part of No. 2 tunnel, and a maximum of 2 inches of horny "peanut ore" near the breast of the lower or No. 3 tunnel. The tonnage and grade of ore produced from the single stope on the vein are not known, but probably neither was high.

The applicant has submitted a request for a loan for a project estimated to cost $24,000, to drive the No. 3 tunnel ahead 300 feet, put up several raises, and drive a 50-foot crosscut. Although there is a good chance that further exploration would lead to some ore, the grade would probably be low, and the tonnage probably would not be great. Accordingly, the proposed project is scaled down to 150 feet of drifting in the No. 3 tunnel, with no raising or crosscutting. This reduced project is recommended for approval at an estimated cost of $10,500 (Government participation 75%, or $7,875).

BLUE JAY TUNGSTEN MINE

BOULDER COUNTY, COLORADO

A. W. BROWN, APPLICANT

DMEA DOCKET 2387

Geologic Report

By Ogden Tweto
U. S. Geological Survey
Denver, Colorado

BLUE JAY TUNGSTEN MINE
BOULDER COUNTY, COLORADO

INTRODUCTION

The Blue Jay mine is in the central part of the Boulder tungsten district, Colorado, high on the cliffy slope west of the Eureka mine, which is beside the Boulder-Nederland highway at the foot of The Narrows. The mine, including the Blue Jay and Ideal No. 1 claims, is owned by W. D. Brown, father of the A. W. Brown, who is lessee and applicant. The mine comprises three short tunnels, as shown in figure 1. The upper, or No. 1, tunnel is inaccessible, as the floor has been stoped out from the portal westward for 40 or 50 feet. No. 2 tunnel, 25 feet below No. 1, is accessible by climbing over a muck pile at the bottom of the open stope that goes up through No. 1 tunnel to the surface. No. 3 tunnel, 62 feet below No. 2, is accessible although partly caved at the portal. It starts as a very crooked crosscut tunnel but straightens out after reaching the vein. The mine is theoretically accessible at the level of No. 3 tunnel by a primitive road that runs eastward down the ridge between Middle and North Boulder Creeks for 2 or 3 miles from a poor road that runs north-south across the Rogers Tract, but this road is impassable at this time of the year, and the mine can be reached only on foot from the highway.

The applicant has submitted a request for an Exploration Loan for a project estimated to cost $24,000, to rehabilitate No. 3 tunnel, drive it 300 feet westward, drive "several short raises into the ore exposed

by this exploration," and to drive a 50 foot crosscut into the footwall to explore a parallel vein known at the surface. The mine does not warrant this much work, and even if it did, the estimated cost of $24,000 is far too high.

GEOLOGY

The Blue Jay mine is in Boulder Creek granite. In No. 3 tunnel, the vein follows a narrow gneissic and locally schisty streak in the granite. The vein strikes about N. 65° E. and dips 68°-76° NW. It is a small minor vein parallel to the much stronger Eureka-Lookout vein, which lies about 200 feet to the north. The Blue Jay vein apparently contained only one small ore shoot; this was stoped through a length of possibly 50 feet from the surface down through No. 1 tunnel; in No. 2 tunnel the stope is about 40 feet long. In No. 3 tunnel, the vein has been stoped only in a minor way, a round or two having been put into the back here and there. There is no indication of stoping off the winze in the No. 2 tunnel down to the water at 22 feet. In the western parts of Nos. 2 and 3 tunnels, the vein is a rather tight sheeted and locally brecciated zone 8 to 14 inches wide that contains thin streaks of rather horny ferberite and a few veinlets of horn quartz. In the back of No. 3 tunnel, above a muck pile about 15 feet high, the vein contains a maximum of two inches of "peanut ore": horny ferberite forming a matrix for numerous small, angular rock fragments. A vein that branches southwestward from the Blue Jay near the breast of No. 2 tunnel is of about the same strength and character as the Blue Jay vein. It contains a few thin feeders of horny ferberite but not enough to mine.

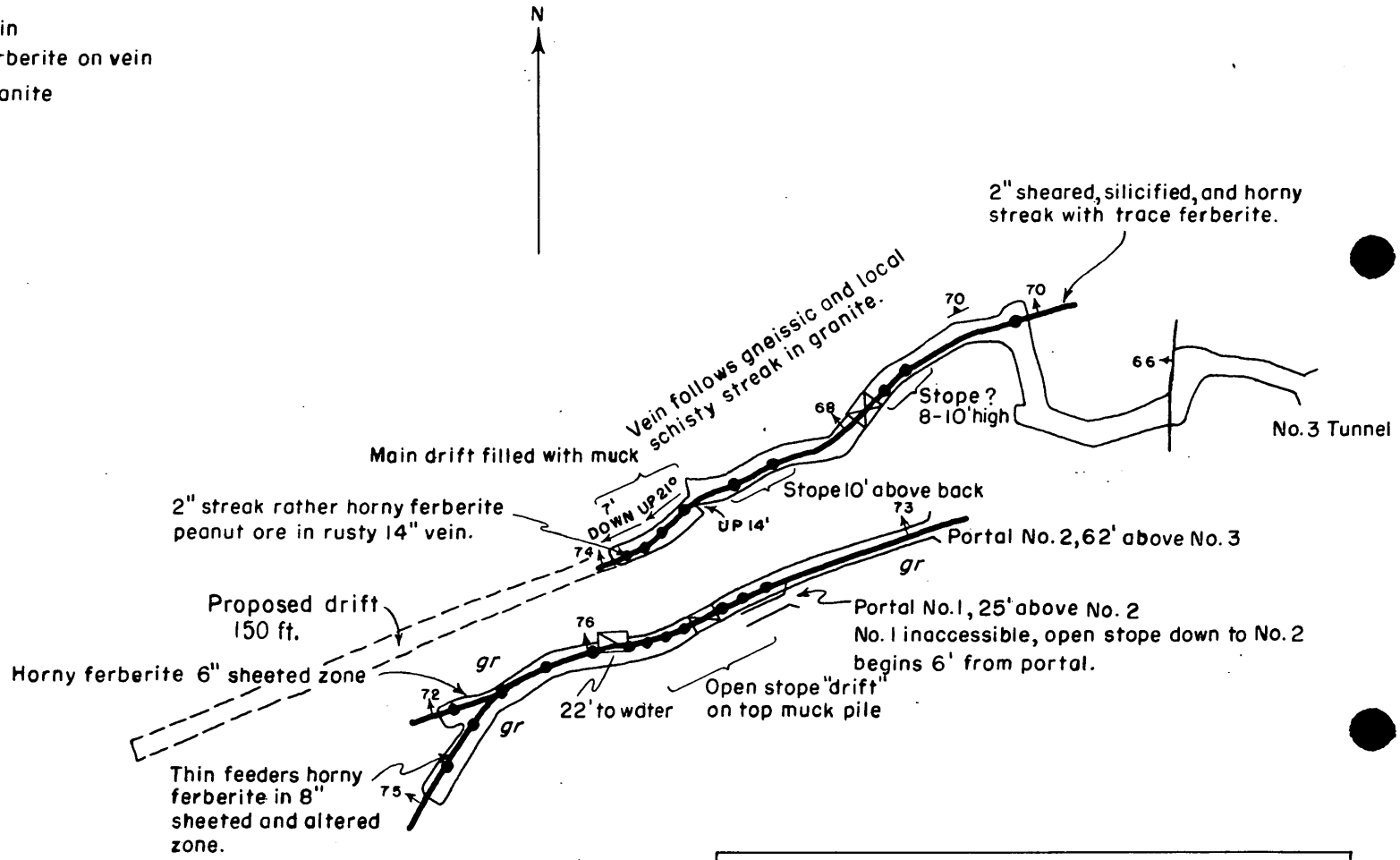
CONCLUSIONS

Some exploration is warranted by the showings of ferberite at the inner ends of the two lower Blue Jay tunnels, but not on the scale proposed by the applicant. The ore that can be seen is rather horny and low-grade, and the odds are against a sudden change to high grade ore in mineable bodies, even though several examples can be cited from this part of the district of similarly unprepossessing veins that upon continued exploration yielded good orebodies. The grade and quantity of ore mined from the single stope on the vein are not known, but probably neither was high.

It is recommended that a loan be granted to advance the No. 3 tunnel 150 feet. Such an advance should be enough to determine whether mineable ore is present below and ahead of the upper tunnels within an economically reasonable distance. The proposed raises are not needed for exploratory purposes, particularly as the winze in No. 2 tunnel apparently goes down at least half way to No. 3 tunnel, and therefore should be denied. Little evidence of any vein worth crosscutting to was seen at the surface on the footwall side of the Blue Jay vein. Although some of the evidence may have been hidden by deep snow, the vein in question is almost certainly smaller and poorer than the Blue Jay, and it is recommended that the crosscut be denied.

RECOMMENDATIONS

A project to drive the No. 3 tunnel westward 150 feet is recommended for approval. The estimated cost of this project is $10,500 (Government participation 75%, or $7,875).



Department of Interior
U. S. GEOLOGICAL SURVEY

Geologic Map of the
BLUE JAY MINE
Boulder County, Colorado

SCALE
50 0 50 100 FT.

DMEA Docket 2387

Ogden Tweto | Fig. 1 | March 1952

DMEA 2387

BLUE JAY TUNGSTEN MINE
BOULDER COUNTY, COLORADO

Engineering Report

By R. L. Bolmer
Mining Engineer
Bureau of Mines

DMEA 2387

BLUE JAY TUNGSTEN MINE
BOULDER COUNTY, COLORADO

CONTENTS

Engineering Report	Page
Introduction	1
Location, topography, and physical features	2
History and production	2
Ownership	2
Description of the deposits	3
Mineable ore reserves	3
Exploration and development	3
Equipment and facilities	4
Project proposals, with costs	4
Conclusions	6
Recommendations	7

ILLUSTRATIONS

Figure	Follows Page
1. Location map, Blue Jay tungsten mine, Boulder County, Colorado	2
*1. Geologic map of the Blue Jay mine, Boulder County, Colorado	

*Figure following Geologic Report.

DMEA 2387

BLUE JAY TUNGSTEN MINE
BOULDER COUNTY, COLORADO

ENGINEERING REPORT

By

R. L. Bolmer

INTRODUCTION

A. W. Brown, lessee of the Blue Jay tungsten mine, Boulder County, Colo., has submitted an application for aid for an exploration project under the Defense Production Act of 1950. The application was received February 19, 1952, and assigned docket number DMEA 2387. The property was examined on April 30, 1952.

The applicant proposes a 300-foot drift extension, a 50-foot crosscut, and several short raises--all from the No. 3 level of the mine after that level has been rehabilitated. The applicant estimates the cost of this work at $24,500.00.

A narrow vein containing stringers of low-grade, siliceous ferberite has been developed in the Blue Jay mine by three rather short and closely spaced adit levels. Production from the vein's one small stope is unknown. As the vein is mineralized at the west end of the levels, some exploration in this direction seems warranted. The applicant's proposal appears excessive on the basis of geological evidence and a revised program, estimated to cost $10,500.00 and consisting only of rehabilitation and 150 feet of drifting on the No. 3 level, has been recommended.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Blue Jay mine is in sec. 35, T. 1 N., R. 72 W., sixth principal meridian, Boulder County, Colo. It is in the central part of the Boulder tungsten district (fig. 1). The mine occurs high on the north slope of Middle Boulder Creek canyon, approximately 7 miles west of the commercial center and shipping point of Boulder, Colo. The mine is accessible by a secondary road that branches from State Highway 119 near the village of Tungsten. The property is at an elevation of 7,600 feet but the access road follows a higher ridge between North and Middle Boulder Creeks. This road is not maintained and probably could not be kept open during the winter months. The mine also can be reached by a steep foot trail from near the old Eureka mill on State Highway 119.

There is no electric power on the property but power lines of the Public Service Company of Colorado pass within 1,000 feet. Timber on the property should be suitable for most mining needs. Water is not plentiful. The exploration program might be carried out on water made by the mine, but water probably will have to be hauled during the drier seasons.

HISTORY AND PRODUCTION

The early history of the mine is unknown. Ore was produced from a single stope between the No. 2 level and the surface, but the tonnage and grade is unknown. The No. 3 or lower level of the mine was driven by A. W. Brown, the applicant, during 1943. Production, if any, was very small and was not reported.

OWNERSHIP

The Blue Jay patented lode mining claim, survey number 19808, is owned by W. D. Brown, of Azusa, Los Angeles County, Calif. By a lease

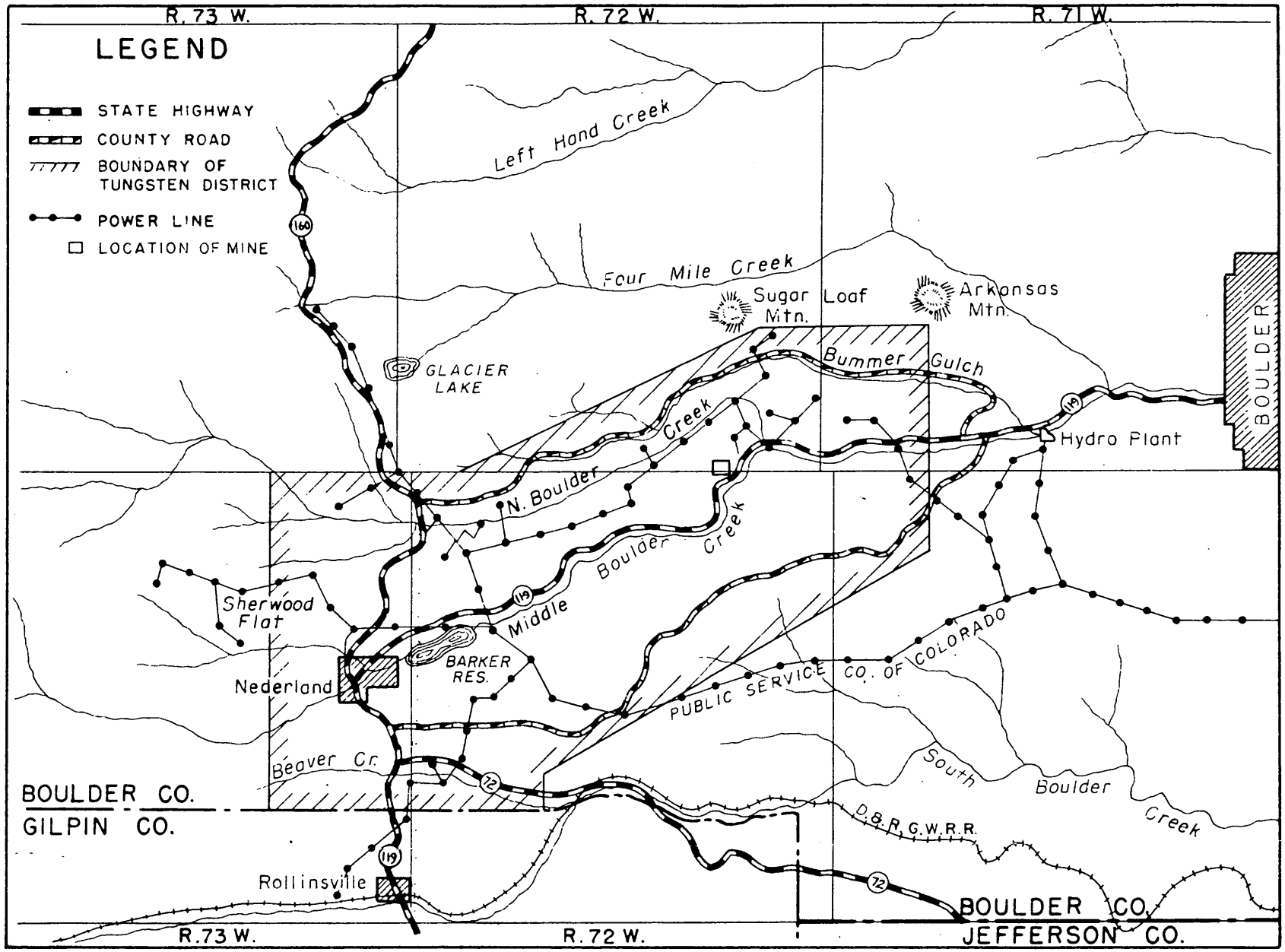


Figure 1 - Location Map, Blue Jay Tungsten Mine, Boulder Co., Colo. DMEA-2387

dated January 21, 1952, he has leased the claim to his son, A. W. Brown, for a period of ten years with an option to purchase the property for $100,000.00. The lease calls for a 15 percent royalty on all ores produced by stoping and a 10 percent royalty on all ores removed by development. Before a contract can be signed, the owner must submit a landlord's subordination agreement.

DESCRIPTION OF THE DEPOSITS

The Blue Jay is a narrow and brecciated fissure vein in granite, striking northeast-southwest and dipping steeply northwest. It ranges from 2 to 15 inches in width and contains thin, intermittent streaks of siliceous ferberite. The vein has been developed for a length of about 225 feet and to a maximum depth of 100 feet below the surface. The most favorable exposure is a 2-inch streak of "peanut" ferberite near the breast of the No. 3 level drift. One small ore shoot approximately 50 feet in length was stoped from the No. 2 level to the surface. The grade and tonnage of ore removed from here is unknown.

MINEABLE ORE RESERVES

The ferberite exposed in the developed sections of the mine is not a mineable grade and the developed reserves of mineable ore are nil.

Exploration and Development

The mine is developed by three short adit drifts or levels. These aggregate about 500 feet in length. The No. 1 level is inaccessible as a section of its floor has been stoped out. This section along the vein is open to the surface and to the No. 2 level, 25 feet below. The walls

of this open stope have spalled off and caved material has partly blocked the No. 2 level. The No. 2 level is accessible beyond the cave. It was driven for 150 feet on the Blue Jay vein and for 25 feet on a vein split near its western limit. A winze, sunk from this level, is flooded 22 feet below the track. The No. 3 level, 62 feet below the No. 2, has 110 feet of crooked crosscut from its portal to the vein and 140 feet of drift along the vein. Several rounds have been shot from the back of the drift to form shallow, open stopes. The portal of the crosscut has caved partly and about 3 feet of water has backed up behind the cave. (Fig. 1, Geologic Report)

Equipment and Facilities

The applicant has no mining or milling equipment. The mine does contain 8-pound mine rail in place on the No. 3 level and across the dump. A 2-inch air line in serviceable condition also is laid along this level. One habitable cabin is on the property. Near the mine, the access road is blocked by some fallen timber and slide rock. Minor repairs should make it passable to truck travel.

PROJECT PROPOSALS, WITH COSTS

The applicant proposes to rehabilitate the No. 3 level of the mine and to extend it by drifting 300 feet westward on the Blue Jay vein. Short raises, driven on any ore thus encountered, also are proposed, as is a 50-foot crosscut to intersect a parallel, footwall vein. The applicant estimates the cost of this work at $24,000.00.

On a basis of evidence cited in the accompanying geological report, the mine does not warrant such extensive exploration. A 150-foot extension of the No. 3 level should be sufficient to determine whether ferberite in the breast of the lower levels will open into mineable ore. The proposed raises are not needed for exploratory purposes and geological

evidence is not strong enough to support the proposed crosscut into the footwall. A project to consist of rehabilitating the No. 3 level in the Blue Jay mine and extending this level by drifting 150 feet to the west is recommended.

Three men--a foreman-surfaceman, a miner, and a miner's helper--are the personnel considered necessary to complete the recommended work. Current labor schedules in this district--working foreman at $2.00 per hour, miner at $1.75 per hour, and miner's helper at $1.50 per hour--have been considered in computing the estimated cost of the project. In the cost estimate, the three men have been considered as working six 8-hour shifts per week with overtime payment on the sixth shift.

Preparation and rehabilitation work, consisting of minor repairs on the road, hauling equipment to the property, setting up a mine plant, and rehabilitating the No. 3 level, have been estimated at 30 working days. Some cleaning up and retimbering will be necessary on the No. 3 level before mining can start; however, excessive rehabilitation is not anticipated. The time for driving a 7- by 5-foot, mostly untimbered drift, 150 feet in length, has been estimated at 100 working days. Mucking and tramming will be by hand. The project should be completed in 130 working days, or approximately 5 months. A summary of the estimated project costs is listed below.

Summary of Project Costs

Labor:			
Foreman	130 shifts at $17.33	=	$2,252.90
Miner	130 shifts at $15.16	=	1,970.80
Miner's helper	130 shifts at $13.00	=	1,690.00
Compensation insurance, OAB			261.30
Total labor			$6,175.00

Supplies:

Explosives	$ 350.00	
Mine track, pipe, fittings	225.00	
Drill steel, bits, sharpening	300.00	
Timber	375.00	
Gasoline, oil for compressor	300.00	
Repair parts, tools, miscellaneous supplies	250.00	
Total supplies		$1,800.00

Equipment:

210 c.f.m. compressor (rent: $300.00/month)	$1,500.00	
40-pound jackhammer, air leg (rent: $70.00/month)	350.00	
2 Mine cars (purchase, used)	200.00	
Water pressure tank (purchase, used)	50.00	
Air receiver (purchase, used)	150.00	
Total equipment		2,250.00

Transportation:

(Equipment and supplies to job by contract carrier)	150.00

Other:

(Bookkeeping at $25.00/month)	125.00
Total cost of project	$10,500.00

CONCLUSIONS

Only part of the exploration program proposed by the applicant at the Blue Jay mine is justified on geologic evidence. The quantity and grade of past production from the mine's single stope is unknown; neither, however, is believed important. Because ferberite is exposed in the faces of the Nos. 2 and 3 tunnels, some exploration in this direction seems warranted. The amount of drifting recommended should be sufficient to prove or disprove its existence in commercial quantities.

Nothing is known of the applicant's background or mining experience; however, the recommended work is the simplest type of a mining operation and no unusual difficulty in carrying on the project is anticipated.

The over-all costs to complete the job are higher than usual due to the applicant's lack of mining equipment and the amount of rehabilitation work necessary. It is believed that this drifting could be completed more quickly and more efficiently if the labor were contracted to two miners. A surfaceman probably would be unnecessary and supervision could be reduced to part time. Although contracting this work would be preferable, the cost estimates have been made on the basis of non-contract labor by three men as the availability of small job contractors in this district at present is uncertain.

RECOMMENDATIONS

A revised exploration program at the Blue Jay tungsten mine, estimated to cost $10,500.00, consisting of the rehabilitation of the No. 3 level of the mine and the extension of this level by drifting 150 feet westward, is recommended for approval.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

May 12, 1952

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2387, Blue Jay Tungsten Mine, Boulder County, Colorado, A. W. Brown, applicant

Attached are 8 copies of the geologic report by Ogden Tweto covering DMEA Docket 2387, Blue Jay Tungsten Mine, Boulder County, Colorado.

The Blue Jay mine comprises three short tunnels which explored a rather small and tight vein. A small open stope 40 to 50 feet long extends from the No. 2 tunnel through No. 1 tunnel to the surface. The tonnage and grade of ore produced from this stope are not known, but probably neither was high.

The applicant requests an exploration loan of $24,000 to drive the No. 3 tunnel, which lies 62 feet below the No. 2 tunnel, ahead 300 feet on the vein, put up several raises, and drive a 50-foot crosscut. Tweto points out that, although there is a good chance that further exploration would lead to some ore, the grade would probably be low, and the tonnage probably would be small. Tweto, therefore, recommends a modified program of only 150 feet of drifting in the No. 3 tunnel with no raising or crosscutting.

I concur with his recommendations.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 8, 1952

1952
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Acting Chief, Mining Division, Region IV

From: Chief, Colorado Branch, Mining Division, Region IV

Subject: DMRA 2387, Blue Jay tungsten mine, Boulder County, Colorado

Please find enclosed the original and eight copies of the engineering report by R. L. Belmar on the subject docket. The Geological Survey is typing the "Summary, Conclusions, and Recommendations" for submission.

Ogden Tweto in his preliminary memorandum recommended revision of the applicant's request for extension of the Blue Jay No. 3 tunnel 300 feet to a maximum of 150 feet, and eliminated raising and crosscutting entirely and Belmar based his engineering estimates on Tweto's recommendations.

Belmar concludes that, in view of the showing of tungsten ore in tunnels Nos. 2 and 3, the exploration recommended is justified, and estimates the rehabilitation and 150 feet advance of tunnel No. 3 can be accomplished for $10,500.00. He recommends a project for that amount. I am in agreement with his conclusions and recommendations.

The brochure submitted with the Region IV Field Team's instructions to make an examination is returned herewith.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

150 feet of drift. ~~10~~ 14 Project DMEA 2387 - Tungsten - A. W. Brown

Month	Advance Period	Advance to Date	Costs Labor	Costs Supplies	Costs Equipt Util.	Costs Total	Total to Date	Costs per foot Labor	Costs per foot Supplies	Costs per foot Equipt Util.	Costs per foot Total	Total to Date	Man Shifts	Shifts	Advance per Man Shift	Advance per Shift	Percentage of Work Completed	Funds consumed	Time consumed
Sept. 4	11		189.87	41.66	54.30	285.83		17.26	3.79	4.94	25.98		20	5	0.55	2.2	7.3		40
Oct. 5	10	21	341.20	190.34	75.00	606.54	892.37	34.12	19.03	7.50	60.65	42.49	20	10	0.50	1.0	14.0		50
Nov. 6	32	53	1091.16	126.45	412.50	1630.11	2522.48	34.10	3.95	12.89	50.94	47.59	64.5	24	0.50	1.33	35.3		60
April 11	48	101	903.03	273.39	423.12	1599.54	4122.02	18.81	5.70	8.82	33.32	40.81	50.5	17	0.95	2.82	67.3		79
May 12	33	134	803.63	303.02	106.12	1212.77	5334.79	24.35	9.18	3.22	36.75	39.81	54.0	17	0.61	1.94	89.3		86
June	17	151	395.06	4.33	28.06	427.45	5762.24	23.24	0.25	1.65	25.14	38.16	20.0	10	0.85	1.70	100.7		93
							OK												
			3723.95	939.19	1099.10	5762.24		24.66	6.22	7.28	38.16		229	83	0.66	1.82			