DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 661 — DMEA NO. 3179

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. 2: Royalty material

17863

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E661, Docket DMEA-5179 (tungsten), dated March 1, 1954, with

Thomas J. Mahoney & Dorothy A. Mahoney
Route 1
Fruita, Colorado

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Adams Lode Claim located in San Juan County, Colorado, during the period August 4, 1959, through August 20, 1962.

A certification of discovery or development was issued on May 2, 1955, and, in accordance with Annex I and Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated December 17, 1954, indicated accepted costs under the exploration contract amounting to $18,814.50 with the Government's contribution on a 75 percent basis being $14,110.88.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through August 3, 1959, to be $4,328.69. The royalty account as of August 3, 1959, was:

Total Royalty Payable	$216.43
Total Royalty Paid	216.43
Balance of Royalty Due	$ -0-

As of August 20, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$216.43
Total Royalty Paid	216.43
Balance of Royalty Due	$ -0-

E. D. Talbert

E. D. Talbert, OME Auditor

August 24, 1962

Idm-E661 Thomas J. & Dorothy A. Maheney DMEA-5179

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator or his successor in interest shall pay to the Government a percentage royalty on all minerals produced from the property thereunder. The property consists of the patented Adams Lode Mining Claim located in the SE¼ of sec. 16, T. 42 N., R. 7 W., N.M.P.M., Eureka Mining District. At the time the contract was executed the Operator was the owner of the claim by virtue of a tax deed dated September 3, 1955. The contract contains the so-called "abandonment" clause.

Exploration work under the contract was completed in November 1954. Production during the exploration period resulted in the sale by the Operators of 1,926.70 tons of concentrates averaging 48.97% WO_3, for which proceeds amounted to $2,078.69. Subsequent production during 1955 by lessees (Harold Williams, Nederland, Colorado, and Ed Walby, Silverton, Colorado) resulted in sales of 2,681 tons of concentrates averaging 38.53% WO_3, for which $2,250.00 was realized. All of these sales are covered by a prior Report of Royalty Review.

Subsequent examinations of the property and inquiries by DMEA and OME regional representatives disclosed that the property was inactive from late 1955 through February 25, 1960. In reply to a MME Form 63 inquiry, the Operator advised on August 20, 1962, that no production or change in property status had occurred since March 1, 1960.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that all production from the property since the date of the contract have been reported and proper royalty thereon paid; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Idm-2661, Docket No. DMEA 3179, (Tungsten) dated March 1, 1954, with

Thomas J. Mahoney and Dorothy A. Mahoney
944 Belford Avenue
Grand Junction, Colorado

for the purpose of determining the amount of royalties due the United States Government on the sales of tungsten concentrates produced from the Adams Lode Claim, located in San Juan County, Colorado, during the period March 1, 1954 to August 3, 1959.

The status of the project, scope of review and reasons therefor are stated on page 2.

My review established the total sales of tungsten concentrates for this period to be $4,328.69, (See Summary attached). Royalty due the United States Government at the contract rate of 5 percent is $216.43. The royalty paid and the balance due are as follows:

Total Royalty Due	$216.43
Total Royalty Paid	216.43
Balance Royalty Due	0

August 3, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

EXTRA COPY
O. M. E.
RECEIVED AUG 13 1959

DATE	INITIALS	CODE

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

CONTRACT IDM-E661 DOCKET NO. BMHA 3179

A Certification of Discovery or Development was issued on May 2, 1955 and accordingly royalty is payable on all production from the property described in paragraph 2 of the contract for a period of 10 years from the date of the contract. A Report of Review in lieu of Final Cost Audit, dated December 17, 1954, indicated accepted costs under the contract amounting to $18,814.50, with Government contribution on a 75 percent basis being $14,110.88.

The Field Team's Semi-Annual Reports of Certified Project for the period January 1, 1956 to December 31, 1958, indicate the property has been inactive during that entire period.

My review included a tabulation and recomputation of all liquidation settlement sheets from purchasers of concentrates on file for the period, a reconciliation of production with the Field Team's Semi-Annual Report for the period December 1, 1954 to December 31, 1955, and a reconciliation of total royalty receipts with the records of the OME Finance Office, Denver, Colorado.

The review was made in lieu of an on-site audit of the producer's accounts and records for the following reasons:

(a) All reported production was reconciled with the Field Team's Semi-Annual Reports of Certified Projects.

(b) Reported production was adequately supported by copies of liquidation settlement sheets issued by purchasers and which were examined during the review.

(c) The administrative cost to the Government of an on-site audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

CONTRACT NO. IDM-E661 DOCKET NO. EMRA 3179

THOMAS J. MAHONEY AND DOROTHY A. MAHONEY

SUMMARY OF PRODUCTION SALES AND ROYALTY
Period March 1, 1954 to August 5, 1959

	Minerals Engineering	Wah Chang Corp.	Cold Spring Tungsten	Tungsten Refining Inc.	Totals
Dry Weight Concentrates	1,550.5	376.20	917.00	1,764.00	4,607.70
Average Assay Percentage	50.93	40.90	32.45	41.68	42.89
Pounds WO_3	789.62	153.86	297.57	735.3	1,976.35
Number of Short Ton Units	39.481	7.693	14.8785	36.765	98.8175
Average Gross Price per STU	$ 49.90	$ 39.48	$ 45.21	$ 45.35	$ 46.69
Gross Value	$1,969.91	$303.71	$672.64	$1,667.36	$4,613.62
Allowable Deductions					
Grinding	$ 78.96			$ 90.00	$ 168.96
Freight	44.24	$ 13.73			57.97
Assay	46.00	12.00			58.00
Total Deductions	$ 169.20	$ 25.73		$ 90.00	$ 284.93
Net Value Subject to Royalty	$1,800.71	$277.98	$672.64	$1,577.36	$4,328.69
Royalty Due at 5 percent	$ 90.04	$ 13.89	$ 33.63	$ 78.87	$ 216.43
Royalty Paid	90.04	13.89	33.63	78.87	216.43
Balance Royalty Due	0	0	0	0	0

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Thomas J. Mahoney & Dorothy A. Mahoney

Address 944 Belford Avenue

Grand Junction, Colorado

Exploration Contract No. Idm-E661 Docket No. DMEA 3179

ADAMS LODE CLAIM
San Juan County, Colorado

			Check One Yes	Check One No
1.	(a)	Does the Operator stockpile ore subject to royalty repayment?		
	(b)	If so, is segregation and identification procedure adequate?		
2.	(a)	Does Operator commingle production subject to DMEA or OME royalties with exempt production?		
	(b)	If so, do you consider the allocation of the commingled production equitable?		
3.	(a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		
	(b)	If so, are adequate records maintained on such material to protect the Government's interest?		
4.		Do you consider the assay controls in effect are adequate?		
5.		Do you consider that the manner of disposing of production gives the Government its fair royalty returns?		
6.		Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?		
7.		Does the Operator buy from or sell to other Operators?		
8.		Comment on any item 2 (b) to 6 if answer is No.		

9. Remarks: Questions 1-7 not applicable. To the best of my knowledge, the property has been inactive for some time. Latest information available is contained in the "Statement in Lieu of Semi-Annual Report" dated January 29, 1959.

August 10, 1959
Date

Mining Engineer
Executive Officer, OME
Field Team, Region III

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/14	Alley	800
8/14	Fisher	800
8/14	gad	220
8/17	Raeth Smith	500
		225

AUG 14 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-3179 (Tungsten)
Thomas J. Mahoney and Dorothy A. Mahoney
Contract No. Idm-E661

Your Report of Royalty Review on the subject contract is acceptable and normal distribution is authorized.

AMAlley/ama
August 14, 1959

Copy to: Docket
Director's Reading File
CA & A Division

43683

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

DOCKET
SURNAME
Chapman
Martin
Holliday
Chambers
Newcomb
Kiilsgaard
Hughes
Selfridge
Johnson
Hoffland

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Thomas J. Mahoney and Dorothy A. Mahoney
944 Bulford Avenue
Grand Junction, Colorado

Pursuant to the provisions of Exploration Project Contract No. Idm-8661, dated March 1, 1954 (Docket N o. DMEA-3179), hereinafter called the "Contract", between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that a discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Tungsten, in the form of hubnerite ($MnWO_4$), occurs with minor amounts of pyrite and galena disseminated in the Adams vein. The Adams vein is a quartz filled fissure between walls of silicified andesite; locally the quartz pinches and swells forming lenses two or more feet thick and eight to ten feet long.

Exploration, consisting of a crosscut adit followed by drifting and raising on the Adams vein, has resulted in the development of moderate reserves of tungsten ore.

THE UNITED STATES OF AMERICA

Date MAY 2 - 1955

By [signature]
Administrator, Defense Minerals
Exploration Administration

TLChapman:foc 4-14-55
cc to: Docket
Code 400
Adm. Read. File
Oper. Comm.
FT. REG. III
Mr. Johnson - Code 110
Mr. Chambers - Code 800

cc to: Finance Officer
Mr. Fredell, EPS, GSA
Mr. Hedges, USBM
Mr. Holliday, USBM
Mr. Kiilsgaard, USGS

400

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Thomas J. Mahoney and Dorothy A. Mahoney, Husband and Wife
944 Belford Avenue
Grand Junction, Colorado

pertaining to Exploration Project Contract No. Idm-E661, Docket No. DMEA 3179, for the months of June, 1954, to November, 1954, inclusive, covering a project for the exploration of Tungsten on property known as Adam Lode Claim, located in San Juan County, Colorado, eight miles northeast of Silverton.

My review included an examination of the Monthly Reports (Form MT-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, conference with the Executive Officer, DMEA Field Team, Region IV, 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:

All of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor:		$18,814.50
Exceptions:		
By DMEA Finance Officer	None	
Herewith	None	None
Total Accepted Cost		$18,814.50

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 Fourteen Thousand One Hundred Ten and 88/100ths Dollars

- $14,110.88 -

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Date: December 17, 1954

Donald T. Finch
Donald T. Finch, Auditor

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 3179

COMMODITY Tungsten

Idm-E661

Rubin 4/2/54

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 1st day of March, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Thomas J. Mahoney and Dorothy A. Mahoney, Husband and Wife, 944 Belford Avenue, Grand Junction, Colorado, hereinafter called the "Operator," as follows: and as set forth in Annex I attached hereto and made a part hereof:

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 San Juan, described as follows:[3] The patented Adams Lode Mining Claim, U. S. Survey No. 2013

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 as to each of which the subordination agreement of the holder is attached:

None

~~(*b*) That the Operator is a lessee, in possession and entitled to possession, and that Owner's Consent to Lease 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 90 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 ten (10) 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. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay seventy-five (75) percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $14,400.00, which is 75 percent of $19,200.00, 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 check or 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. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed 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 units of work performed 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.

[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*) *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 the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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 and statement of work performed to accompany his final report.

ARTICLE 6. *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: See Annex I substituted for that part of 6(a) preceding the colon.

(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 the 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 7. *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 8. *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.

ARTICLE 9. *Changes and added provisions* .....

Executed in sextuplicate the day and year first above written.

Thomas J. Mahoney
(Operator)

By Dorothy A. Mahoney

THE UNITED STATES OF AMERICA

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

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—66329-1

ANNEX I

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after a sufficient, complete, final report and final account referred to in the contract has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

DMA-3179

Estimated Costs of the Project

1/	Survey property, locate new portal and prepare map -	$200.00
1/	Construct access road to portal of new adit -	500.00
1/	Prepare site for surface plant at portal of new adit -	300.00
1/	Construct building for compressor and equipment on prepared portal site -	500.00
	Crosscut easterly from new portal to intersect Adams vein at a depth of approximately 60 feet below the lowest point along its outcrop, 200 feet of crosscutting at $36.00 per foot -	7,200.00
	Drift on Adams vein approximately 100 feet northerly and 80 feet southerly from new crosscut, 180 feet of drifting at $36.00 per foot -	6,480.00
	100 feet of raising and/or sublevel drifting at $39.00 per foot -	3,900.00
	Assaying 24 samples at $5.00 per sample. Each copy of Form MF-104 report submitted in reclaim of assay charges must be accompanied by a copy of the assay return -	120.00
	Total estimated cost -	$19,200.00
	Government participation at 75%	$14,400.00

1/ The entire work constitutes the unit of work.

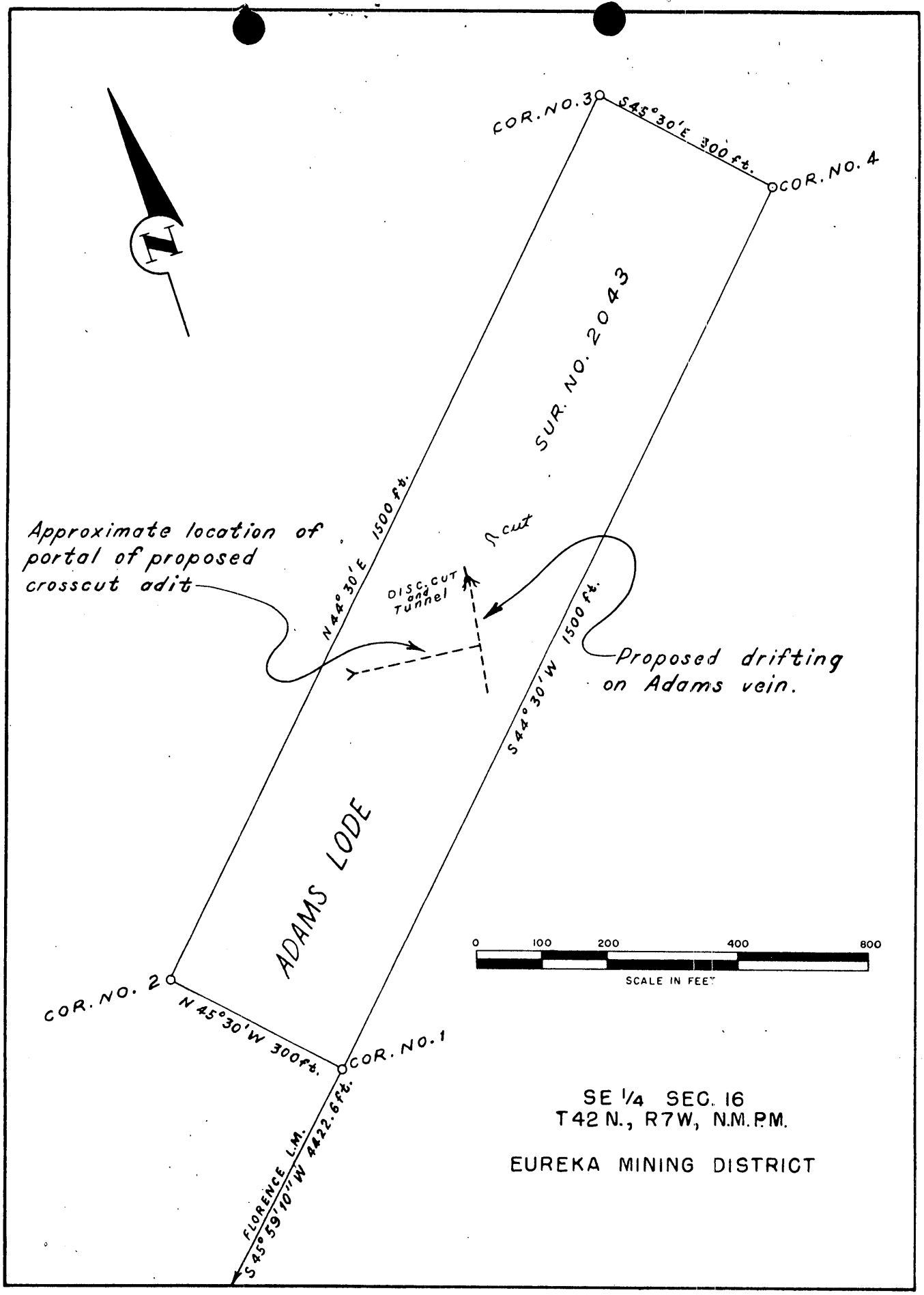


FIGURE 4 – MAP OF ADAMS LODE, SHOWING APPROXIMATE LOCATION OF PROPOSED EXPLORATION, SAN JUAN COUNTY, COLO. (DMEA 3179)

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 28 1953

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-3129
Metal or Mineral
Date Received 9-28-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Thomas J. Mahoney and Dorothy A. Mahoney
944 Belford Ave., Grand Junction, Colo.

Husband and Wife--- Owners

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. None

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. None

(*d*) If a partnership, add to the above statement the names and addresses of all partners. None

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Patented Claim Survey NO. 2043
San Juan Co. Colorado Owners---Thomas J. Mahoney and Dorothy A. Mahoney

(*b*) State any mine name by which the property is known. Adams Lode

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Owners

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it No Liens or encumbrances

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. Claim is patented.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. See attachment A.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. Attachment A.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. Attachment A.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. Attachment A.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. Attachment A

5. *The exploration project.*—State the mineral or minerals for which you wish to explore Tungsten

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Attachment B

(*c*) The work will start within 10 days and be completed within 6 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Attachment C

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project: Attach. D

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). None

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. Attachment D

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. Attachment D

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. Attachment D

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. Attachment D

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. Attach. D

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of 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. Attachment D

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—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 the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Sept. 19, 1953

Thomas J. Mahoney
Dorothy A. Mahoney
(Applicant)

By

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—66551-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

Attachment A
Block 4 (A)

Thomas J. Mahoney and
Dorothy A. Mahoney

The present development consists of a shaft about 25 feet deep, surface pits and two short drifts.

The property is accessible for examination purposes. Applicants are owners.

(B) Dump assays approx. .80 % tungsten. No production record available. Ore reserves not able to calculate in the present stage of exploration.

(C) The ore is hubernite in a vein structure, The gange is quartz and flourspar. There are several narrow feeder veins that contain high grade tungsten, when they connect on the main vein they cause the main vein to widen out and form rich pockets of ore.

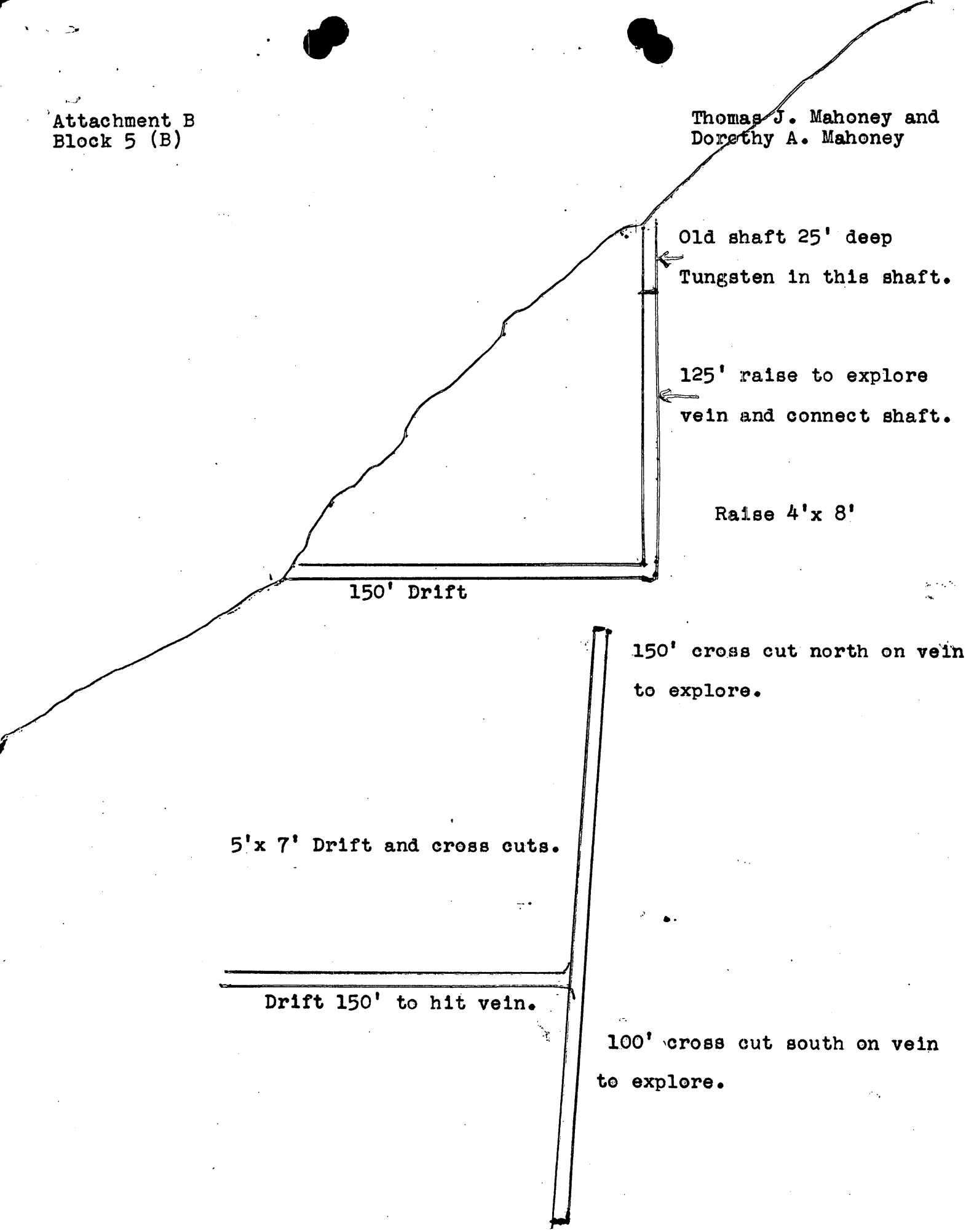
My reason for wishing to explore is, I feel certain since thereis ore on surface in so many places, there will be plenty of good ore in the rest of the vein below surface.

(D) Situated ten miles from Silverton, Colo. on a good gravel road.

(E) Water for drilling available, man power available, material and supplys available. Will use gasoline power.

Attachment B
Block 5 (B)

Thomas J. Mahoney and
Dorothy A. Mahoney



Attachment C
Block 5 (D)

Thomas J. Mahoney and
Dorothy A. Mahoney

The applicant to be in charge of the work will be Thomas J. Mahoney, who's mining experience is as follows----

Seven years of leasing in lead, zink, copper, tungsten, gold and silver mines. Eight years working for wages in quartz mines doing general mining such as timbering, drifting, stoping ect.

Attachment D
Block 6 (B to H)

Thomas J. Mahoney and
Dorothy A. Mahoney

Estimate on driving 5'x 7' drift and cross cuts.....$35.00 per. foot

150' drifting @ $35.00.....$ 5,250.00

250' cross cuts @ $35.00.....$ 8,750.00

125' raise @ $60.00.....$ 7,500.00

Total cost for exploration.....$21,500.00

Applicants will furnish the nessary equipment.

Any and all expenses included in above estimate.

DMEA 3179

EXHIBIT A

Description of the Work

A transit survey will be made of the existing workings and the exact location determined for the adit portal at the correct elevation as shown in Figure 3, which is attached hereto and made a part of Exhibit A. The completed surface work and the start of the underground exploration will be tied into existing workings and claim boundaries, and a map upon which current progress can be reported will be prepared.

A portal site acceptable to the DMEA representative will be selected.

An access road will be constructed from the Cement Creek road to the new portal site.

A site will be excavated sufficient in area for the surface plant at the portal of the new adit.

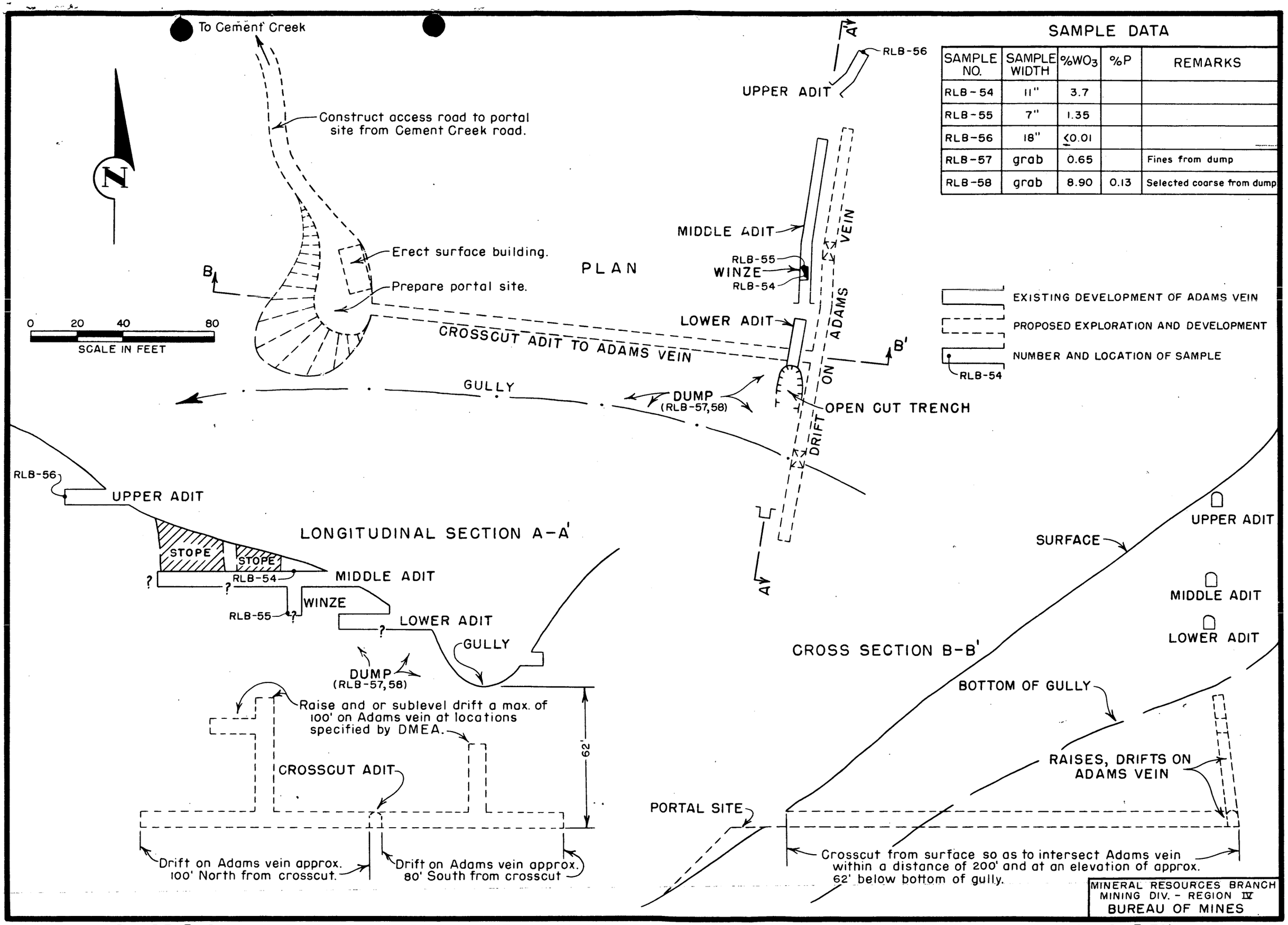
A surface building to enclose the compressor and other equipment, to store operating materials and supplies, and to serve as a workshop and a shelter for the workmen will be constructed.

From the new portal site a crosscut will be driven easterly an estimated 200 feet in length to intersect the Adams vein.

Drift on the Adams vein approximately 100 feet northerly and 80 feet southerly from the new crosscut adit but not in excess of a maximum aggregate distance of 180 feet.

If ore is not encountered in the drifting on the new adit level, raising and/or sublevel drifting on the Adams vein at locations approved in writing by the DMEA Region IV Field Team, not to exceed a maximum aggregate distance of 100 feet, may be authorized.

The tentative location of all the work is shown on Figures 3 and 4 which are attached hereto and made a part of Exhibit A.



SAMPLE DATA

SAMPLE NO.	SAMPLE WIDTH	%WO_3	%P	REMARKS
RLB-54	11"	3.7		
RLB-55	7"	1.35		
RLB-56	18"	<0.01		
RLB-57	grab	0.65		Fines from dump
RLB-58	grab	8.90	0.13	Selected coarse from dump

FIGURE 3- PLAN AND SECTIONS OF ADAMS VEIN, ADAMS LODE, T.J. AND D.A. MAHONEY, SAN JUAN COUNTY, COLO. (DMEA 3179)

DOCKET
SURNAME
400 Chapman
Martin
Holliday
Newcomb
Kiilsgaard
Gelhan

April 14, 1955

Memorandum

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Summary of Contract and Results Obtained
Docket No. DMEA 3179 - Tungsten
Adams Lode
Thomas J. Mahoney and Dorothy A. Mahoney
San Juan County, Colorado
Contract No. Idm-8661

Operator: Thomas J. Mahoney and Dorothy A. Mahoney
944 Bulford Avenue
Grand Junction, Colorado

Property Rights: The Adams lode, a patented mining claim, Survey No. 2043, was purchased by payment of delinquent taxes by Thomas J. Mahoney and Dorothy A. Mahoney and Tax Deed No. 54302 was issued to them on September 3, 1953.

Contract: Dated March 1, 1954. The Contract was terminated by request of the Operator at practical completion of the work.

Work Authorized: The Contract authorized a survey to locate portal site for adit, construct an access road, prepare site for adit portal and surface plant, construct building for compressor and shop, crosscut and drift 380 feet and raise 100 feet. The total cost of this work was estimated at $19,200.00 of which the Government's share at 75 percent was $14,400.00.

Work Completed: When the contract was terminated all surface work as authorized was completed and 279½ feet of the crosscutting and drifting, and 92½ feet of the raising at a cost of $18,914.50, of which the Government's share at 75 percent is $14,110.88.

History — The Adams claim was located in 1880. There is little reliable information on early production. It is reported that tungsten ore amounting to $180,000.00 in value was mined during World War I. Two shipments have been made by the Operator that produced 47.174 units of WO_3 with a net value of $2,078.29 on which $103.93 royalty was paid. The Operator expects to continue production at the end of the winter season.

Audit — A Report of Review was issued on December 17, 1955.

Certification. A certification of discovery or development was recommended by the Field Team and is being prepared by this Division.

Comments. The project was established to explore the Adams lode for extensions or new occurrences of tungsten ore, by a crosscut adit, and drifting and raising on vein or lode. This work indicated approximately 315 tons of ore that will assay between 1.4 to 1.87 percent WO_3 and it is inferred that there may be an additional 600 tons of a similar grade.

W. S. Martin, Chief
Iron & Ferro-Alloys Division

WLChapman:foc
4-14-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED
9/11 500
210

August 27, 1962

Memorandum

To: Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMEA-3179 (Tungsten)
Contract Idm-E661
Thomas J. Mahoney & Dorothy A. Mahoney
(Adams Lode Claim)
San Juan County, Colorado

Attached is the original Report of Royalty Review on the subject property dated August 24, 1962 covering the period August 4, 1959, through August 20, 1962.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres Idm-E661
Chron

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/17	Murphy	500
	Dorsted	500
3/17	Talbert	800
	Selfridge	120
3/17	Johnson	110
	[illegible]	100
		220

MAR 18 1964

Mr. and Mrs. Thomas J. Mahoney
Route 1
Fruita, Colorado

Re: DMEA-3179 (Tungsten)
Thomas J. Mahoney & Dorothy A. Mahoney
Adams Lode Claim
San Juan County, Colorado
Contract Idm-E661

Dear Mr. and Mrs. Mahoney:

Thank you for returning the completed Form 63's mailed to you on March 2, 1964.

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated May 2, 1955, all minerals mined or produced from March 1, 1954, to March 1, 1964, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Acting Director

MMerrithew/mm (3/17/64)
cc: Director's Reading File
CA&A Division
Region III w/cy of Form 63 dated March 2, 1964
Docket
Code 500

23263

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

March 2, 1964

Re: DMEA-3179 (Tungsten)
T. J. and D. A. Mahoney
Adams Lode
San Juan County, Colorado
Contract Idm-E661

Mr. Thomas J. Mahoney
Route 1
Fruita, Colorado

Dear Sir:

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

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

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

Royalty signed 3/1/64

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 16 1964

DATE	INITIALS	CODE
3/16	[illegible]	800
	[illegible]	100
3/16	[illegible]	110
3/17	[illegible]	500

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. ~~Since~~ From August 20, 1962, to March 1, 1964, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. ~~Since~~ From August 20, 1962, to March 1, 1964, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name J. J. Mahoney Title Owner

Address Fruita Colo Rt 1 Date Mar. 11 '64

4511

E Form 7
10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

August 24, 1962

Memorandum

To: Acting Field Officer, Region III

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-3179 (Tungsten)
Thomas J. Mahoney & Dorothy A. Mahoney
Adams Lode Claim
San Juan County, Colorado
Contract Idm-E661

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 8-24-62

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

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

August 8, 1962

Re: DMEA-3179 (Tungsten)
T. J. and D. A. Mahoney
Adams Lode
San Juan County, Colorado
Contract Idm-E661

Mr. Thomas J. Mahoney
944 Belford Avenue
Grand Junction, Colorado

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Dear Mr. Mahoney:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 1, 1960 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since March 1, 1960 , has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name J J Mahoney Title Owner

Address Fruita Colo Date Aug 20 '62

R t 1

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2/23	[illegible]	800
2/24	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado

Thomas J. Mahoney
944 Belford Ave.
Grand Junction, Colorado

Re: DMEA 3179, E661 (Tungsten)
T. J. and D. A. Mahoney
(Adams Lode)
San Juan County, Colorado

Dear Mr. Mahoney:

In reference to the "Certification by the United States of America of a Discovery or Development under an exploration Project Contract" and the instructions in the Washington Office letter of transmittal of the Certification on the captioned project, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,

Original signed by
J. W. Townsend
Executive Officer, OME
Field Team, Region III

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No ___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959? Yes ___ No ___. If yes, and shipments made, who was the purchaser? _____

3. Is any of the following material stockpiled? Yes ___ No ___

(a) Ore, Tons _____ Estimated grade _____
(b) Concentrates, lbs. _____ Estimated grade _____
(c) Low grade ore, tons _____ Estimated grade _____
Place stockpiled _____

Signed _____

Title _____ Date _____

cc: Mahoney w/original
Chairman, Op. Com.
Royalty Corres.

JWT:arh

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OFFICE OF MINERALS EXPLORATION

REGION III

Statement in Lieu of Interim Report
of Certified Project

Reporting Period January 1, 1959 through February 25, 1960

Docket and Contract Number DMEA 3179 -- Idm E-661 (Tungsten)

Operator T. J. and D. A. Mahoney (Adams Lode)
San Juan County, Colorado

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

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

Remarks:

T. J. Mahoney reports as noted above.

Signed H. M. Connors
(H. M. Connors)

Date March 1, 1960

OFFICIAL FILE COPY O. M. E. RECEIVED FEB 5 1959		
DATE	INITIALS	CODE
2/5/59	W. G.	225
6	[illegible]	110
		800
2/5	WSM	400

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

February 2, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1958 to December 31, 1958

DMEA Docket No. 3179 (Tungsten)
Contract Idm-E 661
T. J. and D. A. Mahoney (Adams Mine) San Juan County, Colo.

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

J. W. Townsend

J. W. Townsend

Enclosures

cc: Semiannual Report File Idm-E 661
Harshman
Buel
Chron.

OME
DEPARTMENT OF THE INTERIOR

JAN 30 1959
REGION III
DENVER, COLORADO

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	**July 1, 1958 to December 31, 1958**
Docket and Contract Number	**Docket DMEA 3179 (Tungsten) Contract Idm-E661**
Operator	**T. J. and D. A. Mahoney (Adams mine) San Juan County, Colo.**

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

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

Remarks:

Signed Edward W. Buel

Edward W. Buel

Date **Jan. 29, 1959**

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period [redacted]
Docket and Contract Number
Operator

The project has been inactive during the reporting period ☐

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

Remarks:

[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	Lake County Colorado	Lead-Zinc
[redacted]	[redacted]	[redacted]	San Juan County, Colorado	"
[redacted]	[redacted]	[redacted]	San Juan County, Colorado	"
[redacted]	[redacted]	[redacted]	San Juan County, Colorado	Tungsten

EXTRA COPY
O. M. E.
RECEIVED OCT 20 1958

DATE	INITIALS	CODE
10/21	WSM	400

Signed _____ Date [redacted]

[redacted]

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

February 19, 1958

2/21	C	220
21	Com	100
"	FY	110
2/24	EEF	800
		225

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 3179 (Tungsten)
Contract Idm-E 661, T. J. & D. A. Mahoney (Adams lode)
San Juan County, Colorado

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

WJ King
Executive Officer, DMEA
Field Team, Region III

Enclosures

cc: Semiannual Report File E 661
Harshman
DMEA,DFC - 2
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
FEB 10 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1, 1957, to December 31, 1957
Docket and Contract Number DMEA 3179, Idm-E661
Operator T. J. & D. A. Mahoney (Adams lode)
San Juan County, Colorado

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

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

Remarks:

Signed Edward W. Buel
Edward W. Buel

Date February 6, 1958

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

October 8, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 11 1957

DATE	INITIALS	CODE
10/11	B	220
11	Com	100

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

DMEA Docket 3179 (Tungsten)
Contract Idm-E 661, Thomas J. and Dorothy A. Mahoney (Adams Lode), San Juan County, Colorado

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

E. M. Harshman

Acting Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj
cc: Semiannual Report File E 661
DMEA/DFC (2)
Harshman
Chron.

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

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period January 1, 1957 to June 30, 1957
Docket and Contract Number DMEA 3179, Idm-E661
Operator Thomas J. Mahoney and Dorothy A. Mahoney
(Adams Lode) San Juan County, Colorado

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

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

Remarks:

Edward W. Buel

Signed Edward W. Buel

Date ~~Oct. 1, 1957~~

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

224 New Customhouse
Denver 2, Colorado

Date: February 18, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 3179 (Tungsten)
Contract Idm-E 661, Thomas J. Mahoney and Dorothy A. Mahoney (Adams Lode), San Juan County, Colorado

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

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

Enclosures

MHM/vj
cc: Semiannual Report File E 661
J. F. Shaw (2)
Harshman
Chron.

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D M E A
RECEIVED FEB 20 1957

DATE	INITIALS	CODE
2 25	220	C
		225

DMEA
DEPARTMENT OF THE INTERIOR
FEB 14 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period July 1, 1956 to December 31, 1956
Docket and Contract Number DMEA 3179, Idm-E661
Operator Thomas J. Mahoney and Dorothy A. Mahoney

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

Remarks:

None

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 20 1957

DATE	INITIALS	CODE

Signed Edward W. Buel
Edward W. Buel

Date January 31, 1957

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED NOV 5 1956 D.M.E.A.

November 2, 1956

Memorandum

To: Mr. W. S. Martin

From: Mr. N. E. Nelson

Subject: Review of Field Team Final Report

Re: DMEA 3179 Idm E 661
Thos. J. and Dorothy A. Mahoney
Adams lode,
San Juan County, Colo.
$18,814.50 Tungsten

The contract approved the expenditure of $19,200 on surface improvements, a crosscut-adit, and drifting and raising in a tungsten (hubnerite) bearing vein. Expenditures amounted to $18,814.50. Recovery amounted to 1550.5 pounds of concentrates which sold for $1,969.91. The hubnerite occurs erratically in a 3-foot quartz vein. The examiners estimate 315 tons of inferred ore containing 590 units of WO_3 was discovered and recommend that the property be certified. Additional work is not recommended.

I concur with the recommendations.

N. E. Nelson

N. E. Nelson

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

RECEIVED
SEP 17 1956

224 New Customhouse
Denver 2, Colorado

September 14, 1956

Memorandum

To: J. F. Shaw (2)

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, Thomas J. Mahoney and Dorothy A. Mahoney (Adams Lode), San Juan County, Colorado

We have received Statement in Lieu of Semiannual Report for the period January 1, 1956 through June 30, 1956. We, however, have not received a semiannual report on the subject contract for the period July 1, 1955 through December 31, 1955.

Please submit a semiannual report covering this period at your earliest convenience.

W. M. TRAVER

W. M. Traver

MHM/vj

cc: Semiannual Report File E661
Sec. Opr. Comm. (2)
Marshall
Chron.

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

224 New Customhouse
Denver 2, Colorado

Date: September 18, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket 3179 (Tungsten)
Contract Idm-E 661, Thomas J. Mahoney and Dorothy A. Mahoney (Adams Lode), San Juan County Colorado

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

Note: Report for period July 1, 1955 through December 31, 1955 requested by memor to J. F. Shaw September 14, 1956.

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

Enclosures
MHM/vj
cc: Semiannual Report File E 661
J. F. Shaw (2)
E. N. Harshman
Chron.

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

DEPARTMENT OF THE INTERIOR
SEP 10 1956
DENVER, COLORADO

Reporting Period Jan. 1, 1956 to June 30, 1956
Docket and Contract Number DMEA 3179, Contract Idm-E661
Operator Thomas J. Mahoney and Dorothy A. Mahoney

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

Remarks:

Hubnerite tungsten ore mined from narrow streaks and veinlets in very hard rock. Tungsten cobbed and sorted by hand. The mine has been shut down for the reporting period but was completely accessible on July 10, 1956. There are no plans for future operation.

Signed C. M. Harrer
C. M. Harrer

Date Sept. 5, 1956

DMEA Form 18
Feb. 58

D[redacted]NSE MINERALS EXPLORATION ADMIN[redacted]RATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of **Iron and Ferro-Alloys**

Report Period **12.1.54-12.31.55**

DMEA No.	Operator	Contract No.
3179	**Thomas J. and Dorothy Mahoney**	**Idm-E661**

ORE ESTIMATES

	Tons	Analysis
DMEA	315	1.62 % WO_3
Operator to date		
Total		
Production to date	76 *	1.62 " " *
Ore in ground	239 *	1.62 " " *

INVESTMENT

Type	Size		Feet	Cost
Shafts				
Winzes				
Drifts and Crosscuts				
Raises				
Drilling	Type			
Rehabilitation	Description			

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

Tungsten shipped was hand cobbed and closely sorted.

This report is designed to include all periods during which there was production under the contract.

Report of June 30, 1956 states: "Hubnerite tungsten ore mined from narrow veinlets in very hard rock. Tungsten cobbed and sorted by hand. The mine has been shut down for the reporting period but was completely accessible on July 10, 1956. There are no plans for future operation."

Prepared by S. P. Holt Date 3.6.58

Carbon to W. Chandler

*** Production computed from reports of units of WO_3 sold, assuming heads at grade of reserve, and 80% recovery in sorting operation.**

31398

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OCT - 3 1956

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

224 New Customhouse
Denver 2, Colorado

Date: October 3, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period December 1, 1954 through December 31, 1955
DMEA Docket 3179 (Tungsten)
Contract Idm-E 661, T. J. and D. A. Mahoney (Adams Lode), San Juan County, Colorado

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

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

Enclosures
MHM/vj
cc: Semiannual Report File E 661
J. F. Shaw (2)
E. N. Harshman
Chron.

RECEIVED
OCT - 3 1956

~~Semi~~annual Report of Certified Projects

DMEA
DEPARTMENT OF THE INTERIOR
SEP 25 1956
REGION III
DENVER, COLORADO

First
Reporting Period - December 1, 1954 thru December 31, 1955

Docket and Contract Number - 3179, Contract Idm-E661

Operator - T. J. and D. A. Mahoney

Commodity - Tungsten

Mine Name - Adams Lode

County and State - San Juan County, Colorado

Date of Contract - March 1, 1954

Date of Certification - May 2, 1955

Expiration Date of Royalty Payments - March 1, 1964

Date of Examination for this Report - July 10, 1956

Total Amount of Contract - $19,200.00

Total Expenditures under Contract - $18,814.50

Amount of Government Participation at 75 % - $14,110.88

Royalty Payments this Period - $216.43

Previous Royalty Payments - None

Total Royalty Payments to Date- $216.43

% Loan Repayment Completed - 1.53

Amount of Royalty Due - none

Royalty Remarks - Production under the contract is as follows:

Date	Pounds of dry, sorted ore	Pounds of WO_3	Units of WO_3
December 1954	1,926.70	943.48	47.17
October-November 1955	2,681.00	1,032.87	51.64+
Total production to 12/31/55	4,607.70	1,976.35	98.8175

Geologist estimates 315.69 tons of inferred hubnerite (tungsten) ore with an average grade of 1.87 percent WO . Engineer infers 600 tons of "problematic" grade.

RECEIVED
OCT - 8 1956

Original Estimate of Reserves (from Final Engr.-Geol. Report): _____

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

Revised Estimate of Reserves: Same as above

Production this Period (Ore or Concentrates) 2.304 tons dry ore produced 98.8175 units of WO_3.

Amount of Previous Production (since date of contract) none

Total DMEA Production to date 98.8175 units WO_3.

% of Revised Reserves Mined 8.8, using geologists estimate

Production Remarks: Tungsten shipped was hand cobbed and closely sorted.

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

Other Remarks: This report is designed to include all periods during which there was production under the contract.

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

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

RECEIVED
AUG - 5 1955

224 New Customhouse
Denver 2, Colorado

August 3, 1955

Mr. T. J. Mahoney
c/o Haynie & Hotchkiss
535 Main Street
Grand Junction, Colorado

Re: Docket DMEA-3179
Contract Idm-E661
San Juan County, Colorado

Dear Mr. Mahoney:

This will acknowledge receipt of your letter dated August 1, 1955 requesting information as to any Government objection to the sale of the Adams lode.

The Government would have no objection to your selling your interest in the Adams lode, provided that the new owner assumes your obligations and agrees to pay the proper amount of royalties on all ores sold.

Very truly yours,

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

HMC:sr

cc Subject
Chairman Op. Comm. (2) w/copy Operator's letter
Chron

Date Rec'd
AUG 5 1955
BUREAU OF MINES
Denver, Colorado

T. J. MAHONEY
Care of Haynie & Hotchkiss
535 Main st.
GRAND JUNCTION, COLORADO

RECEIVED
AUG - 5 1955

August 1, 1955

DMEA - 3179
CONTRACT Idm-E661

W. M. Traver
DMEA Division, Bureau of Mines
New Customshouse Building
Denver 2, Colorado

Dear Sir:

With reference to my DMEA loan on the Adams lode, located in San Juan County, Colorado, I have a prospect to take over this mine and desire to know whether or not it is satisfactory to do so, providing that the interest of the government as to its loan is protected. It would be understood that the government would receive its royalties at the rate of 5% on all ores mined.

Yours truly,

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

DOCKET SURNAME
400 Chapman
Martin
Holliday
Chamberlin
Newcomb
Kilsgaard
Gehan
Selfridge
Fjelmen

MAY - 2 1955

Thomas J. Mahoney and
Dorothy A. Mahoney
944 Belford Avenue
Grand Junction, Colorado

Re: Docket No. DMEA 3179 - Tungsten
Adams lode
San Juan County, Colorado
Contract No. Idm-E661

Dear Sir and Madam:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program of the above referenced contract.

By the terms of the exploration project contract and of the certification thereof, all production from the property from the date of the exploration project contract, March 1, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $14,110.88 is paid or until March 1, 1964, whichever occurs first.

Payments shall be made to Mr. W. M. Traver, Executive Officer, Region III, 224 New Custom House Building, Denver 2, Colorado. Checks should be issued to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of ore purchased, the name of purchaser and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Traver of any change in ownership or production rights that may have any effect on the Government's right to the percentage royalty. Also, if production ceases at any time for an extended period, please notify Mr. Traver at 6-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

cc to: Mr. Kilsgaard, USGS

cc to: FT. REG. III
Mr. Johnson - Code 110
Mr. Chambers - Code 800
Mr. Holliday - USBM
Mr. Hedges - USBM

TICHAPMAN:foc 4-14-55
cc to: Docket
Code 400
Adm. Reading File
Oper. Comm.

R.C.H.

DOCKET
SURNAME

400 Chapman
Martin
Holliday
Chamber
Newgarden
Selfridge
Johnson

MAY - 2 1955

Mr. W. M. Trever, Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA 3179 - Tungsten
Thomas J. and Dorothy A. Mahoney
Adams Lode
San Juan County, Colorado
Contract No. Ida-2661

Dear Mr. Trever:

Enclosed are copies of a certification of discovery or development for the above-noted property and of related correspondence.

Sincerely yours,

George C. Selfridge By ESF

Chairman, Operating Committee

Enclosure

TLChapman:foc
4-14-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. III
Messrs. Johnson - Code 110
Chambers - Code 800
Hedges - USBM
Holliday - USBM
Kiilsgaard - USGS

APPROVED:

/s/ Robert W. Gaston By ESF

Member, Bureau of Mines

Thor H. Kiilsgaard By ESF

Member, Geological Survey

R.C.k.

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

400

Docket Surname
Chapman
Martin
Holliday
Chambers
Newcomb
Kiilsgaard
Gerken
Selfridge
Johnson

MAY - 2 1955

Mr. Clarence A. Fredell, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA 3179 - Tungsten
Adams lode
San Juan County, Colorado
Contract No. Idm-8661

Dear Mr. Fredell:

Enclosed is a certification of discovery or development for the above-noted project.

Contract No. Idm-8661 was executed March 1, 1954. Expenditures up to $19,200.00 were authorized, of which the Government's share at 75 percent was $14,400.00. The work stipulated in the Contract was completed to the satisfaction of the Operator and the Government at a cost of $18,814.50, of which the Government's share at 75 percent is $14,110.88.

The object of the exploration program was to explore the extensions and occurrences of tungsten-bearing ores in a quartz vein. The project necessitated the surveying and location of a portal site for an adit, construction of an access road, excavation for adit portal and compressor building, erection of compressor building and installation of compressor, driving an adit to intersect vein and drifting and raising on vein. The total distance for adit and drifts was 380 feet, and for raising 100 feet.

It is estimated that about 315 tons of ore that will assay from 1.4 to 1.87 percent WO_3 are indicated by the exploration project.

Sincerely yours,

C. O. Mittendorf

Administrator

TLChapman:foc 4-14-55
cc to: Docket
Code 400
Adm. Reading File
Oper. Comm.
FT. REG. III
Mr. Johnson - Code 410
Enclosure
Mr. Chambers - Code 800
Mr. Hedges - USBM
Mr. Holliday - USBM
Mr. Kiilsgaard, USGS

RCh.

(C) (1)

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

224 New Customhouse
Denver 2, Colorado

March 24, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, Thomas J. and Dorothy A. Mahoney, Adams lode, San Juan County, Colorado

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

1. The original and one copy of the Operator's final report

2. The original and three copies of the final Geologic report of the U. S. Geological Survey

3. The original and three copies of the final Engineering report by the U. S. Bureau of Mines

4. The original and three copies of suggested Form B relative to the issuance of the Certification of Discovery or development of work performed under the contract.

Final payment to the operator was processed by this office December 29,1954 in conformance with the Report of Review by the Contract Administration and Audit Division dated December 17, 1954.

The exploration work consisted of surveying of existing mine workings to establish the location of the proposed adit; access road construction; construction of the compressor building; 379.5 foot drifting and crosscutting; and 92.5 foot raising at a total accepted cost of $18,814.50 in which the Government participated to the extent of 75 percent for an amount of $14,110.88.

The exploration work resulted in discovery or development of tungsten ore for which a certification of such is recommended.

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman
DMEA Field Team, Region III

Enclosures

Operator's final rpt

Final Report [redacted] Contract DMEA 3179 Idm-[redacted]1

The work was started on this project the latter part of May, due to the weather conditions not much was completed until June.

During the month of June a survey of the property was completed, an access road to the new portal site on the Adams claim from the old Silverton road, a distance of about 1000 ft. was completed, and an area, approximately 100 x 35 ft. was prepared for the portal site.

During the month of July the building was completed, and the cross cut advanced 121 ft. It bears S 85 E and is about 6 x 7½ ft. in size, grade about 6 in. per 100 ft. 30lb. rail used.

During the month of August 98½ ft. of cross cut was driven, the vein was intersected at 211 ft. from portal, but due to the broken condition of the ground and additional two rounds were driven.

Drifts were started each way from the cross cut. The vein to the South was much stronger and some good ore was encountered. The drift was driven 74½ ft. South. The North drift was driven 24½ ft.

During the month of September 61 ft. of drift was driven th theN North, making a total of 85½ ft. on North side of cross cut, no ore was encountered in this drift. A raise was driven 20 ft. on the vein at a point 45 ft. from South face, (29½ ft. South of cross cut). The raise was started at a point where the vein was about 1½ ft. but it pinched to about 2 in. which at present is showing in the face.

During the months of October and November a raise was drivin 72½ ft. in the North end the raise is located 3 ft. from North face. No ore of any value was encountered in this raise.

In the North no ore of any commercial value was encountered.

At about 190 ft. from portal a high grade stringer of tungsten was encountered, it vary in width from 1 to 5 in. and where it intersected the vein it lost its value, however, 20 ft. South of the intersection there is 1 ft. of 7.73% tungsten. From this point to the face there is ore good enough to mine and mill. It would be difficult to estimate the ore reserves since the vein varys so much in width and the ore is very pockety.

Production of ore will start in June 1955 the ore will be milled at the Yucon Mill Silverton Colo.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 31 1955
Mineral Resources Branch
DIST. ENGR.
EXAMINATION
DIST. CLERK
PERSONNEL
FILES
Date Rec'd
DEC 1 3 1954
BUREAU OF MINES
Denver, Colorado

J J Mahoney

21254-3

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

FORM B

To: 1/ Thomas J. Mahoney and Dorothy A. Mahoney, Husband and Wife
944 Belford Avenue, Grand Junction, Colorado

Pursuant to the provisions of Exploration Project Contract No. Idm -E661, dated March 1, 1954, (Docket No. 3179), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made, has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Exploration by a crosscut adit with drifting and raising on the Adams vein located on the property described in Article 2 of the contract has resulted in the development of a substantial reserve of tungsten ore. Production has resulted and will continue on a profitable basis.

Dated: _____

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

Thomas J Mahoney and Dorothy A. Mahoney

1/ Insert full name of operator as it appears in the Exploration Project Contract.

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

FORM A

To: 1/ _____

_____

Pursuant to the provisions of Exploration Project Contract No. Idm _____, dated _____ (Docket No. _____), hereinafter called the "contract," between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien thereon and on the mineral deposit which is the subject of the exploration project, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

_____

_____

_____

_____

_____

_____

_____

Dated: _____

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

1/ Insert full name of operator as it appears in the Exploration Project Contract

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
March 22, 1955

Memorandum

To: Executive Officer, Field Team, Region III

From: John F. Shaw, Project Supervisor

Subject: DMEA 3179, Contract Idm-E661 (Tungsten) Thomas J. and Dorothy A. Mahoney (Adams lode mining claim) San Juan County, Colo. - Final Engineering Report

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1955

Field Team
Final Rpt

Enclosed are the original and eight copies of Glen Walker's final engineering report on the subject contract. Operations on the project were completed November 13, 1954.

In addition to surface improvements, a crosscut adit was driven 219.5 feet to intersect the Adams vein and 160 feet of drifting and 92.5 feet of raising completed on the vein. This exploration and development resulted in the delineation of an estimated 300 tons of indicated ore with a grade of 1.4 percent WO_3. The ore is commercial.

Production resulted from the operation and royalty has been paid and will continue as the contractor mines additional ore made available by the drifting work. No additional Government financial exploration or development is considered necessary or recommended.

Certification of Discovery or Development is recommended and three copies of Form "B" with a suggested description of the discovery are included for your approval and submission to the Administrator as a suggestion for his certification of the project.

John F. Shaw

John F. Shaw

JFS/mh
enclosures
cc: 8
E661
Chron

DMEA
Date Rec'd.
MAR 23 1955
BUREAU OF MINES
Denver, Colorado

Reviewed by
DMEA OPERATING COMMITTEE
4-4-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

FINAL ENGINEERING REPORT

DMEA 3179, Exploration Project Contract Idm-E661

Adams Lode Mining Claim

Thomas J. and Dorothy A. Mahoney

San Juan County, Colorado

Tungsten

Glen Walker, Mining Engineer

4-4-55

March 21, 1955

DMEA 3179
Contract Idm-E661

ADAMS LODE MINING CLAIM
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

CONTENTS

Final Engineering Report — Page

Summary and introduction 1
Location 2
History and production 2
Ownership and extent 3
Description of the deposit 3
Work completed under the contract 4
Description of the discovery 8
Expenditures 10
Conclusions 11
Recommendations 11

ILLUSTRATIONS

Figure	Follows Page
1. Location and property map, Adams lode, San Juan County, Colo., (DMEA 3179) Contract Idm-E661	2
2. Assay Plan and Longitudinal Section, Adams lode, San Juan County, Colo., DMEA 3179, Contract Idm-E661	*

* With Geologic report

DMEA 3179
Contract Idm-E661

ADAMS LODE MINING CLAIM
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

FINAL ENGINEERING REPORT

By

Glen Walker

MAR 31 1955

SUMMARY AND INTRODUCTION

Government assisted exploration for tungsten on the Adams lode mining claim was completed on November 13, 1954. The project resulted in the discovery of a small deposit of hubnerite that can be extracted at a profit. There were 30 tons of ore produced and milled from driving the south drift. The concentrates obtained have been marketed and weighed 1,550.5 pounds, with a gross settlement of $1,969.91, which paid a Government royalty of $90.04 and less penalties and incidental charges netted the operator $1,710.67.

On November 13, 1954, when weather conditions halted the work, there remained 8 feet of advance to entirely satisfy the contract. Of this footage, 7-1/2 feet were designated for raising and 1/2-foot of additional drifting should have been completed. Because of the impracticability of advancing a drift 1/2-foot and the disappointing results of the raising, it was concluded that little benefit would be derived from completing the contract as authorized and the operator requested termination.

The contract, prepared on form MF-200(A) and dated March 1, 1954, was between the Government and Thomas J. Mahoney and Dorothy A. Mahoney

(husband and wife), 944 Belford Avenue, Grand Junction, Colorado and includes the Adams lode mining claim under Article 2.

The cost of this work was estimated at $19,200.00, the Government's participation was 75 percent or $14,400.00. Actually, however, the total expenditure was $18,814.50, with the Government's share, $14,110.88, as established by a Report of Review by the Region III Contract Administration and Audit Division, dated December 7, 1954.

Although a significant discovery has resulted, it is felt that full realization of the Government's participation will depend upon much more extensive and successful exploration of the deposit both laterally and vertically.

LOCATION

The Adams patented lode mining claim, Survey No. 2043 is in the SE1/4 sec. 16, T. 42 N., R. 7 W., New Mexico principal meridian, Eureka mining district, San Juan County, Colorado (fig. 1). The southeast (No. 1) corner of the claim is 4,422.6 feet northeast of the U. S. Mineral Monument "Florence" at the deserted village of Gladstone. The property is reached from Silverton by 7 miles of gravelled road along Cement Creek, then over about one mile of recently constructed mountain trail.

HISTORY AND PRODUCTION

The Adams claim was located in 1880 and recorded by the San Juan County Clerk on July 19 of that year. The original location was amended October 5, 1883 and the survey for patent was made on August 15, 1884. The claim contains 10.32 acres, being 300 feet wide and 1,500 feet long. The long dimension bears N. 44° 30' E. and the end lines are perpendicular to the sidelines.

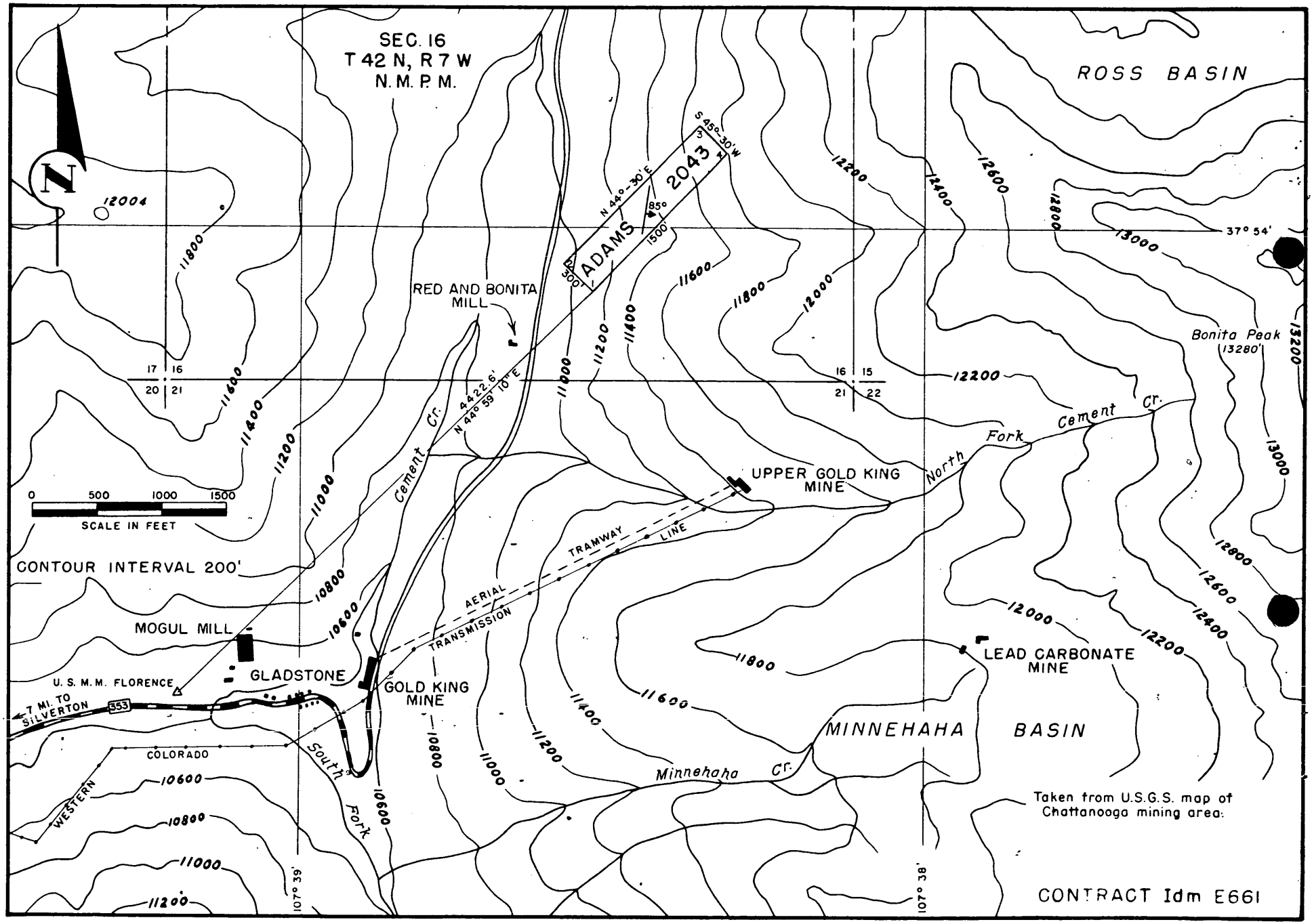


FIGURE 1 – LOCATION AND PROPERTY MAP, ADAMS LODE, SAN JUAN COUNTY, COLO. (DMEA 3179)

At the time the survey for patent was conducted, the only excavations noted were two open cuts and a tunnel of undetermined length. Factual details of the early production are rather vague, but local rumors indicate the property produced $180,000.00 worth of tungsten during World War I. Prior to the Government assisted exploration, the workings consisted of three adit drifts and numerous small open cuts on the outcrop of the vein. The most extensive adit is the middle one which is represented to be about 75 feet in length. It has been stoped to the surface for the majority of its extent, and is now caved, but near its portal is a 12-foot winze. The other two adits are about 20 feet long and are probably extensions of surface cuts where highly mineralized sections of the vein were found. The alleged value of the early production indicates the ore then mined far exceeded in grade that encountered in the more recent work.

OWNERSHIP AND EXTENT

Tax deed No. 94302 to the claim was recorded for Thomas J. and Dorothy Mahoney in the San Juan County, Colo., records on September 3, 1953.

The extent of the property is a lode mining claim 300 feet wide by 1,500 feet long; it is rectangular and contains 10.32 acres.

DESCRIPTION OF THE DEPOSIT

The Adams vein, composed of up to 4 feet of quartz carrying minor amounts of pyrite, galena and hubnerite ($MnWO_4$), strikes about N. 10° E. and dips steeply east. The country rock enclosing the vein, as disclosed by the workings, is pyroxene quartz latite which is

very hard and brittle. The outcrop of the vein is traceable, by superficial excavations, for a distance of slightly over 500 feet across the claim.

Hubnerite, the only commercial mineral found to date, has a very erratic occurrence in the vein. The largest and richest deposits appear to occupy what was once open cavities in the quartz, hence are of very irregular size, shape and distribution. In both the older and more recent mine workings are high-grade streaks of hubnerite up to 2 inches wide that intersect the main ore formation at horizontal angles of about 30°. These small veins appear to have a marked beneficial effect upon the quantity and quality of the ore in the principal vein. Other small cross veins, containing principally quartz, pyrite and galena that cut the larger vein at more obtuse angles do not profitably enhance the ore deposit.

The old mine development previously described under "History and Production" of this report, appears to have been limited mainly to a portion of the vein containing a high-grade ore shoot. From the extent of the recent exploratory work, it may be conjectured that this ore shoot, has a rake or plunge of about 50° to the southeast and it may be close to 150 feet long horizontally. It is not inferred that this shoot has the continuity of deposition as those found in veins of other metallic minerals but it is felt that the principal production of the property will come from this general area.

WORK COMPLETED UNDER THE CONTRACT

The Government assisted exploration project work began early in June 1954. During the first month, a transit survey was made of

the Adams claim which located the corners, old workings and the site for the new crosscut adit. Also in June of this year, the access road and portal site were satisfactorily excavated and the compressor house partially erected.

In July 1954 the compressor building was finished and the crosscut adit advanced 121 feet. In this distance no significant geologic phenomena were observed; the entire bore being in homogeneous latite. The crosscut bears about S. 83° E. with practically perfect alignment and has a cross section approximately 6 x 7-1/2 feet. This size may appear slightly large, but because the mucking was done by an Eimco type machine, it is about the minimum possible. Hand mucking for sake of cross section reduction would doubtless have also reduced the advance.

During August 1954, 98-1/2 feet of advance was made in the crosscut making its total length 219-1/2 feet. The Adams vein was cut at 211 feet from the portal, but due to the intersection of two branching stringers at this point, the crosscut was carried two additional rounds to be certain the main vein had been crossed. A south drift was turned from the crosscut and advanced 74-1/2 feet along the vein which was in places three feet wide and assayed over 2 percent WO_3 at two locations. To the north from the crosscut a drift was advanced 24-1/2 feet along a mineralized streak trending almost parallel to the Adams vein but in its hanging wall. Several 8-foot drill holes had been drilled in the left side of this drift without apparently encountering the main vein. However, future advance to the north was directed toward this objective. The total advance for

this period was 197-1/2 feet with the work performed in a workmanlike manner.

In September 1954, 61 feet advance was made in the north drift, about 30 feet of which was along the vein. The vein formation here consists principally of a series of more or less parallel fractures most of which contain little or no quartz or valuable mineral. A sample taken from the face of this drift where there were 15 inches of formation and 3 inches of quartz assayed less than 0.01 percent WO_3. Also during this period a raise from the south drift at a point about 45 feet from the face was advanced 20 feet. This opening was started where the vein was 2-1/2 to 3 feet wide and contained three veinlets of quartz carrying considerable hubnerite. The face of this raise showed very narrow vein matter and had only 2 inches of quartz which was very weakly mineralized. A sample taken about 5 feet below the back of the raise assayed 0.07 percent WO_3; the quartz at this point was 3 inches thick. A total of 81 feet advance was made during this month. Apparently the cause of the large reduction in the amount of work accomplished was freezing the compressor, air and water lines and a breakdown of two drill machines. There was also some time spent in sorting ore from the south drift which had previously been dumped on the waste pile. A rather simple screening arrangement was set up on to which the muck was racked over a 1 inch mesh screen; the coarse ore was picked off and sacked and the waste discarded; while the minus 1 inch material was chuted to a bin. About 30 tons of fine (-1 inch) milling ore and 5 to 600 pounds of coarse high-grade were recovered.

During October 1954, the total advance of 43 feet was made in a two compartment raise about 8 feet from the end of the north drift. The vein here was very comparable in appearance to that in the north drift consisting of barren factures and a 2 to 3 inch quartz streak. A sample of the quartz was taken from the south side of the back; it assayed less than 0.01 percent WO_3. The purpose of this raise was to explore the vertical extension of ore mined directly above on and near the surface by the earlier operators. The cross section of the raise is about 4 x 8 feet and it is well timbered with a chute and manway. Also in this period the 30 tons of screened ore from the south drift were trucked about four miles to the Yukon mill on Cement Creek and processed. The concentrates from this material were marketed and the operator reported that a grab sample of 700 pounds of concentrates assayed 55.44 percent WO_3. There were also 1,000 pounds of middlings and about 600 pounds of hand-sorted high-grade obtained from this shipment.

In November 1954, the north raise was stopped at 72-1/2 feet on the 13th of the month. The total advance for the period was 29-1/2 feet all in the raise. With regard to ore discovery, this opening became more discouraging as it was advanced. Only one small specimen of quartz carrying a single 1/4-inch crystal of hubnerite was found by the workmen while driving the raise. Because of the inclement weather and the disappointing results obtained in raising, it was mutually agreed to terminate the project at this point. There remained 7-1/2 feet of raising to complete the contract.

During October the contractor cut a series of samples from the bottom of the south drift with the following results:

Sample No.	Width Sampled inches	WO_3 Percent	Description
T. M. 1	12	7.73	50 feet from south face
T. M. 2	12	0.41	32 feet from south face
T. M. 3	6	0.43	25 feet from south face
T. M. 4	14	0.34	15 feet from south face
T. M. 5	6	0.56	40 feet from south face
T. M. 7	30	0.15	77 feet from south face (in crosscut)
T. M. 8	30	0.10	in the south face
Average	15.7	1.05 percent WO_3	

Because the above samples were obviously contaminated by inclusions of track ballast and other extraneous material the results are considered unreliable for a basis of ore reserve calculations. When the assays of samples taken in the area by the inspecting engineer are included with the above, the average becomes 16.2 inches of 1.36 percent WO_3 for the south drift. One specimen taken from an intersecting stringer on the west side of the crosscut assayed 18.24 percent WO_3. Figure 2 with the geologic report shows the extent of the work performed under the contract.

DESCRIPTION OF THE DISCOVERY

In driving 472 feet of underground openings, of which 222 feet were in the vein formation, commercial tungsten ore was discovered for a more or less continuous length of 80 feet in and south of the crosscut adit. From evidence revealed by a raise located about midway of this exposure, it must be concluded that the ore shoot is not commercially continuous upward. The greater thicknesses of the

vein are near the bottom of the south drift which gives some credence to the assumption that most of the ore may be below the level of the present workings. Sample cuts in this area vary in length from 3 inches in the raise to 30 inches in the bottom of the drift.

For the purpose of indicated tonnage calculations, it is assumed that the longitudinal cross section of the newly discovered ore is roughly semi-circular and the average thickness of the vein is 16 inches. Judging from the results of samples taken along the exposed ore a grade of 1.4 percent WO_3 is indicated. On the basis of the dimensions assumptions there appears to be a reserve of about 300 tons of indicated ore having a tungsten trioxide content of 1.4 percent. According to Colorado tungsten mill purchasing schedules this quantity of ore would have a present gross value of about $7,800.00.

As inferred previously in this report under "Description of the Deposit", there is a possibility that an ore shoot was penetrated by the south drift, the dimensions of which are assumed to be 100 feet by 100 feet and its thickness is expected to average about 8 inches. The inferred ore reserve would then amount to 600 tons of a very problematical grade.

The operator agreed that a significant discovery had been made on the property and stated that it is his intention to start mining the ore in sight when weather permits in the spring of 1955. Government assisted exploration work and the location of samples are shown on figure 2 with the geologic report. The project was carried

on according to the contract, in a very commendable and workmanlike fashion. The only digression was starting the north drift in the hanging wall of the vein which may be explained by the miner's inability to distinguish the vein from several ramifying ore formations. As a matter of fact, the Adams vein is represented in the back of the crosscut by two barren parallel factures and contains quartz-hubnerite mineralization at a point only 2 feet above the bottom.

EXPENDITURES

The total sum spent on this project as shown by final audit, was $18,814.50, Government participation $14,110.88. The contract was on a unit cost basis with crosscutting and drifting allowed for at $36.00 per foot, raising at $39.00 and assaying at $5.00 per sample. Payment for surveying, access road, preparation of portal site and the compressor building was estimated in lump sums.

The total authorized units of exploration actually completed and accepted under the program with their costs are summarized below.

Authorized work performed	Units completed	Unit Cost	Total Accepted Cost
Survey of Adams claim	1	$ 200.00	$ 200.00
Construction of access road	1	500.00	500.00
Preparation of portal site	1	300.00	300.00
Construction of compressor building	1	500.00	500.00
Crosscutting	219.5 feet	36.00	7,902.00
Drifting			
South on Adams vein	74.5 feet	36.00	2,682.00
North on Adams vein	85.5 feet	36.00	3,078.00
Total	160 feet		5,760.00
Raising			
From south drift	20.0 feet	39.00	780.00
From north drift	72.5 feet	39.00	2,827.50
Total	92.5 feet		3,607.50
Assaying	9	5.00	45.00
Total accepted cost			$18,814.50

The actual completion of the units of exploration reported by the operator, in accordance with the contract, has been verified and approved by an inspecting engineer for the DMEA Region III Field Team.

CONCLUSIONS

It is concluded that the exploratory work authorized by Contract Idm-E661, although not entirely finished, was carried to a logical conclusion and resulted in the discovery of a significant amount of tungsten ore. Economic development and production of the reserves discovered is feasible and is anticipated.

RECOMMENDATIONS

In view of the current economic situation, further exploration seems warranted; particularly to determine the existence or not of a more extensive ore shoot that may be enclosing or below the recent discovery.

Because of the erratic distribution of hubnerite in the vein it is felt that subsequent exploration should be continued by underground workings, rather than core drilling.

It is recommended that a Certification of Discovery or Development be issued for the project, but further development with Government assistance is not suggested.

/mh

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
Date Rec'd
MAR 18 1955
BUREAU OF MINES
Denver, Colorado

March 18, 1955

Memorandum

To: Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3179 (tungsten), Contract Idm-E 661, Thomas J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado

Enclosed are the original and 8 copies of a final geologic report by D. R. MacLaren, U. S. Geological Survey, covering work completed under the above subject contract.

MacLaren describes the geologic aspects of the program of exploration, concludes that about 315 tons of ore containing 590 units of WO_3 were discovered, and recommends that a certification of discovery be issued.

I concur in these conclusions and recommendations.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
4-4-55
(date)

ADAMS LODE

SAN JUAN COUNTY, COLORADO

DMEA Docket 3179

Final Geologic Report

By D. R. MacLaren

U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
4-4-55
(Date)

GEOLOGY

Rocks along Cement Creek, in the Silverton Caldera, are principally andesite flows of the upper Silverton volcanic series, with a few small intrusive bodies of rhyolite and latite. The andesite is considerably fractured and many of the fractures are mineralized.

The Adams Lode (fig. 1) is a fracture, striking N. 10° E. and dipping 85° E. to vertical, that has been mineralized by quartz, hubnerite, pyrite, and small flakes of galena. In the old surface workings, which comprise two open cuts, three short adits, and a winze, the vein is best exposed in the winze. The foot wall portion is up to 2-1/2 feet of white sugary quartz containing small scattered crystals of hubnerite and a few flakes of galena, the central portion is 8 to 10 inches of massive white quartz with scattered clusters of large hubnerite crystals, and the hanging wall portion is 6 inches of brecciated quartz with a few small scattered crystals of hubnerite. On the exploration level the vein is exposed continuously in the south drift (fig. 1) for a distance of 74-1/2 feet from the crosscut. It is a fissure filled by quartz between walls of silicified andesite. The quartz pinches and swells forming lenses 2 feet or more thick and 8 to 10 feet long. Between lenses the quartz may be one-half inch or less thick. Hubnerite occurs as small flakes in vugs and along fractures in the quartz and as nodular masses up to 2 inches long and 1 inch across composed of acicular crystals. A 20-foot raise from the south drift (fig. 2) started on a quartz lense about 2 feet wide, but at the top of the raise the quartz narrowed to about 1 inch. In the drift the

vein contained 7.73 percent WO_3, over a sampled width of 12 inches while at the top of the raise it contained only 0.07 percent WO_3 over a width of 2 inches. Several vertical cross fractures intersect the main vein. In these, hubnerite occurs in flat radiating lath-shaped crystals. For the first 54-1/2 feet the north drift is entirely within the hanging wall but for the final 31 feet the drift follows the vein. This portion of the vein is quartz, rarely more than 1 inch thick, between walls of silicified andesite. No hubnerite was found in this part of the vein, either on the level or in a 72-1/2-foot raise about 10 feet from the breast of the drift.

The locations and assay values of samples taken from the exploration drifts and raises, as well as those taken from the old workings at the time of the original examination, are shown on figure 2. The variations in width and assay value are due to the spotty and erratic occurrence of the hubnerite in the vein. This makes an accurate determination of the value of the discovery difficult.

RESERVES

In order to arrive at an estimate of the value of the discovery, each sample was assumed to be effective for half the distance to the samples on each side while the limits of the ore were set at a distance beyond the end sample equal to half the distance from the end sample to the one adjacent. The assay values were then averaged by weighting each value by the effective distance and the width of the sample. On the basis of these assumptions the vein has an average

thickness of 12.99 inches and an average grade of 1.87 percent WO_3 for a length of 95 feet. Further assuming that the ore will maintain this average grade for 20 feet above and below the level and assuming a tonnage factor of 13 cubic feet to the ton, it is estimated that a block 95 feet long, 40 feet high, and 1.08 feet thick will contain 315.69 tons of inferred ore. At the calculated grade of 1.87 percent WO_3, it is estimated that 315.69 tons of inferred ore will contain 590 units of WO_3. Due to the erratic occurrence of the hubnerite within the ore zone, it is quite possible that the calculated number of units of WO_3 may be high, but there is not enough data available on which to base a correction factor.

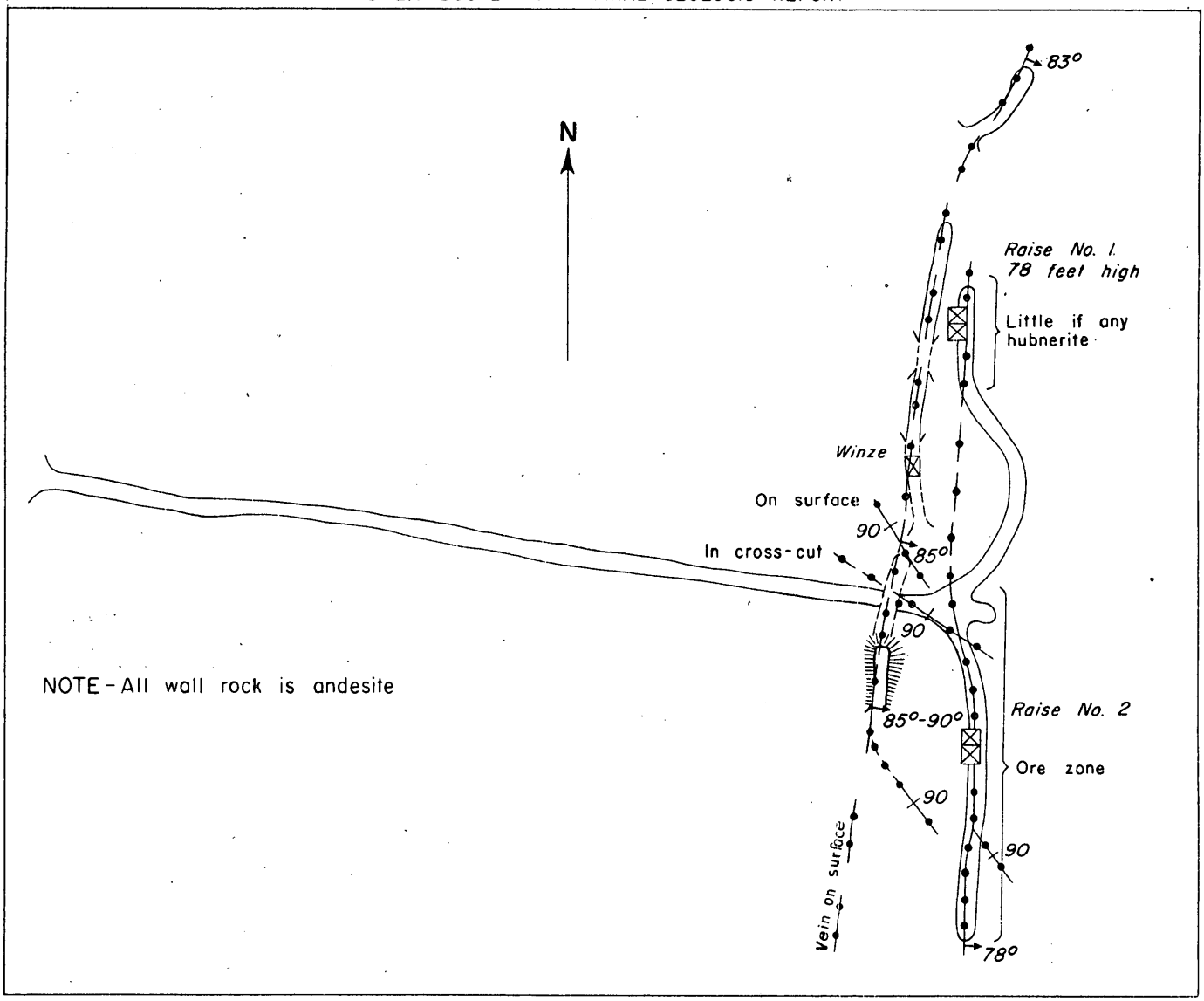
CONCLUSIONS AND RECOMMENDATIONS

It is concluded that the project carried out under Contract Idm-E 661 has resulted in the discovery of at least 315.69 tons of inferred ore containing 590 units of WO_3, which the operator intends to mine. It is recommended that a certificate of discovery be issued. No additional exploration of the Adams Lode with Government assistance is recommended at this time.

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

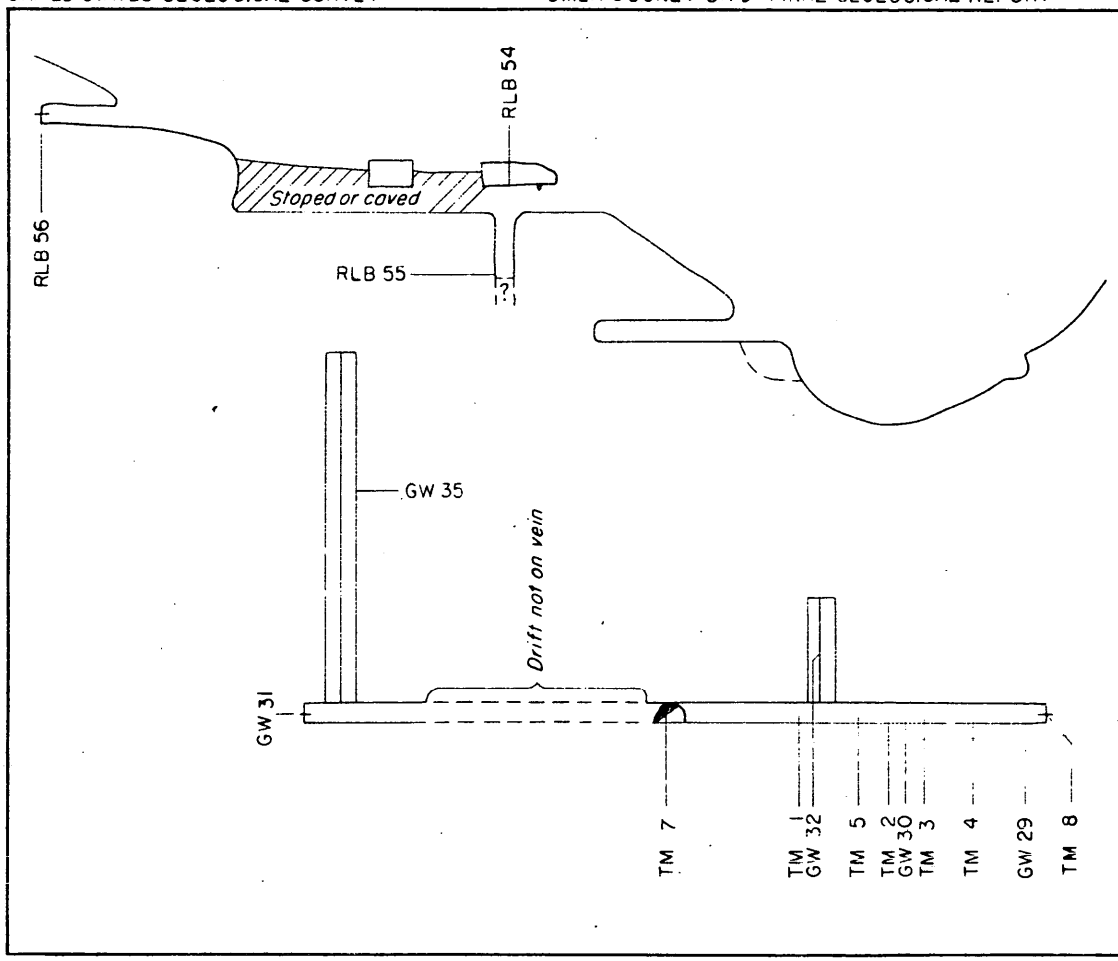
DMEA DOCKET 3179 - FINAL GEOLOGIC REPORT



By D. R. MacLaren, November 1954

FIGURE 1.- PLAN SHOWING GEOLOGY, OLD SURFACE WORKINGS, AND EXPLORATION CROSS-CUT AND DRIFTS, ADAMS LODE, SAN JUAN COUNTY, COLORADO

40 20 0 40 Feet



Sample No.	Width inches	%
RLB 54	11	3.70
RLB 55	7	1.35
RLB 56	18	<0.01
GW 29	18	2.10
GW 30	18	2.50
GW 31	16	<0.01
GW 32	2	0.07
GW 35	3	<0.01
TM 1	12	7.73
TM 2	12	0.41
TM 3	6	0.43
TM 4	14	0.34
TM 5	6	0.56
TM 7	30	0.15
TM 8	30	0.10

FIGURE 2.–LONGITUDINAL SECTION SHOWING WORKINGS, LOCATION OF SAMPLES AND ASSAY VALUES, ADAMS LODE, SAN JUAN COUNTY, COLORADO

40 30 20 10 0 40 Feet

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

224 New Customhouse
Denver 2, Colorado

March 17, 1955

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, Thomas J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado

Reference is made to your letter of March 7, 1955 wherein you request to be advised as to when the operators and Field Team's final reports may be expected in Washington.

The engineering and geologic reports are in process of preparation and are expected in this office in about a week. The Field Team's final report will be forwarded immediately upon receipt of the engineering and geologic reports. Advance information indicates that a certification will be recommended.

W. M. Traver

ADAMS LODE
SAN JUAN COUNTY, COLORADO
DMEA Docket 3179
Final Geologic Report

INTRODUCTION

Contract Idm-E 661, between Thomas J. and Dorothy A. Mahoney of Grand Junction, Colorado, and the Defense Minerals Exploration Administration, was signed March 1, 1954. The purpose of the contract was to explore for tungsten on the Adams Lode, situated on the east side of Cement Creek in the SE 1/4 sec. 16, T. 42 N., R. 7 W., N.M.P.M., San Juan County, Colorado. The contract provided for exploration by crosscutting, drifting, and, if warranted, raising, at an estimated cost not to exceed $19,200 (Government's share 75 percent or $14,400).

Work began late in May 1954 and ceased November 13, 1954, when snow threatened to make the property inaccessible. At that time there remained only 7-1/2 feet of raising to complete all the work provided for in the contract. The cost to reopen the property in the spring could not be justified because of the small amount of raising remaining to be done, and the contract was terminated by mutual consent.

A final examination was made November 17, 1954, accompanied by Glen Walker of the U. S. Bureau of Mines and Thomas J. Mahoney, operator. The completed exploration comprised 219-1/2 feet of crosscut, 160 feet of drift, and 92-1/2 feet of raise. It is concluded that this project resulted in the discovery of 315.69 tons of ore containing 590 units of WO_3. It is recommended that a certificate of discovery be issued.

400 DOCKET SURNAME

Rutledge
Martin
Selfridge
Johnson
Hedges

MAR 7 - 1955

Mr. W. M. Traver, Executive Officer
DMEA Field Team, Region III
724 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 3179 - Tungsten
Thomas J. & Dorothy A. Mahoney
Adams lode
San Juan County, Colorado
Contract No. Ida-E661

Dear Mr. Traver:

Exploration under the subject contract was substantially completed in November 1954 and a Report of Review, dated December 17, 1954, has been received in lieu of a final audit of the operator's accounts and records.

We infer from the recommendations by the Field that a discovery has been made; it would be appreciated if you could advise us when the operator's final report was received and when this report and the final Field Team's report may be expected in Washington.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

E. L. Newcomb

Member, Geological Survey

FARutledge:fec
3-3-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. III
Robert Holliday, USBM
Thor H. Killsgaard, USBM

R.C.S.

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

224 New Customhouse
Denver 2, Colorado

January 18, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty Payment - T. J. and D. A. Mahoney, Docket DMEA 3179, Contract Idm-E661 - Colorado

Enclosed is settlement sheet covering ore shipped under Lot No. 33 by T. J. and D. A. Mahoney to Wah Chang Corporation.

Also enclosed is check No. 260 from Wah Chang Corporation in the amount of $13.89 in payment of royalty on this shipment.

W. M. Traver

W. M. Traver

Enclosures

ld

Copy to: Sec. Opr. Comm. (2) w/settlement sheet
J. F. Shaw w/settlement sheet
Royalty File E661
Chron

Royalty

BOULDER, COLORADO

NEW YORK, N. Y.

Tungsten Ore and Concentrates
Purchase Order and Settlement

Seller:
Name T. J. Mahoney & Dorothy A. Mahoney
Address 944, Belford Avenue
Grand Junction, Colorado.

Date December 30, 1954.

P.O. № ...33

Mill Lot No. _____ Seller's Lot No. 1

Containers _____ Type Material Tungsten Ore (high grade)

Analysis	
WO3	40.9 %
Sn	
Cu	
As	
Sb	
Bi	
Mo	
P	0.020 %
S	
Mn	
Pb	
Zn	

Gross Weight	385.00 lbs.	
Tare (bags)	5.00 "	
Net Weight	380.00 "	
H20%	3.80 "	(1 %)
Net Dry Weight	376.20 "	
WO3 Assay	40.9 %	
Pounds WO3	153.86 "	
STU WO3	7.693	
Price Per STU	$39.48	($1.974 per lb. WO_3)
Gross Value	$303.71	
Less Penalties	None	

Date R

JAN

BUREAU OF
Denver, Co

Royalty 5 % to DMEA	—$ 13.89
Balance	264.09
Total	$277.98

Material Value		$ 303.71
Deductions:		
Assaying fee	$12.00	
Freight	13.73	
		25.73
Net Value		$ [redacted]

Certificate:
We/I hereby certify that the ore and/or concentrate identified above and hereby sold, was produced from the Adams Lode Mine, located at Silverton, Colorado. and that we/I have full authority to remove and sell the same and that said ore and/or concentrate is not encumbered by any lien or attachment and that payment in full is hereby acknowledged.

T. J. Mahoney

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

400

224 New Customhouse
Denver 2, Colorado

January 5, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

WSM

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, T. J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado

Enclosed are two copies of a memorandum to T.A. Christensen dated December 29, 1954 relative to final payment under the terms of the subject contract.

Final payment to the operator in the amount of $100.01 has now been made in conformance with the Report of Review by the Contract Administration and Audit Division dated December 17, 1954.

W. H. King

W. H. King

Encls.

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

224 New Customhouse
Denver 2, Colorado

December 29, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, T.J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado - FINAL PAYMENT

Reference is made to our memorandum of December 6, 1954, whereby we transmitted the final Form MF-104 Operator's Progress Report and Voucher for the month of November 1954 and instructed you to withhold the amount of $100.00 from reimbursement to the operator pending release of a final Report of Review by the Contract Administration and Audit Division.

We now recommend that final payment to the operator be made on the following basis which is in conformance with the Report of Review by the Contract Administration and Audit Division dated December 17, 1954:

Basis for Final Payment

Total Accepted Cost	$18,814.50
Government Participation at 75%	14,110.88
Total Prior Payments	14,010.87
Balance Due the Operator	$ 100.01

W. H. King
W. H. King

JWT:jp
cc Subject
Chron
Sec. to Op. Comm. (2)
Traver
Townsend

Paid 100.01
Randel R. Cooper
Randel R. Cooper
Authorized Certifying Officer
12-30-54
DMA-54-46

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

DEC 23 1954

Mr. Donald T. Finch
DMEA Auditor
224 New Customhouse
Denver 2, Colorado

Re: Idm-654, DMEA-3182
Lloyd P. Moek
and
Idm-E661, DMEA-3179
Thomas J. & Dorothy A. Mahoney

Dear Mr. Finch:

Receipt is acknowledged of the copies of your Reports of Review covering the above-cited contracts.

The Reports are acceptable and normal distribution may be effected.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

AMAlley/ama
December 22, 1954

Copy to: Docket - DMEA-3182
Admr. Reading File
Mr. Chambers

R.C.H.

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

460

224 New Customhouse
Denver 2, Colorado

December 21, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region lV

Subject: Royalty - T. J. & D. A. Mahoney
Docket No. DMEA 3179, Contract Idm-E661, Colorado

Enclosed is settlement sheet covering ore shipped under Lot No. 1 by T. J. and D. A. Mahoney to Minerals Engineering Company.

Also enclosed is Minerals Engineering Company's check, No. A-7396, in the amount of $90.04 in payment of royalty on this shipment.

W. H. King

Enclosure

mn

cc: Royalty File E661
Sec. to the Oper. Comm. (2) w/enc. settlement sheet
Traver w/enc. settlement sheet
Chron.

Royalty

MINERALS ENGINEERING COMPANY
P. O. Box 957
GRAND JUNCTION, COLORADO

Settlement Analysis

D. A. Maheney & T. J. Maheney

G.S.A. 8-466 - D.M.E.A. 3179
Idm. - E661

Lot #1

1,230.5 pounds @ 55.08% = 33.888 units @ ($60.00 less*$9.00) =		$1,728.29
320 pounds @ 34.92% = 5.593 Units @ $43.20 =		241.62
39.481		
		$1,969.91
Less Grinding $2.00 per unit	$78.96	
Assaying Salt Lake	12.00	
Freight to Salt Lake	44.24	
Assaying Grand Junction	34.00	169.20
Net Settlement		$1,800.71

* $9.00 penalty for excess sulphur and phosphorus

Less D.M.E.A.	90.04
Balance Due T. J. Maheney & D. A. Maheney	$1,710.67

E661

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

DEC 8 1954

224 New Customhouse
Denver 2, Colorado

December 6, 1954

Thomas J Mahoney and
Dorothy A. Mahoney
944 Belford Avenue
Grand Junction, Colorado

Re: Docket DMEA 3179 (Tungsten)
Contract Idm-E661

Dear Mr. & Mrs. Mahoney:

Reference is made to your letter of November 29, 1954 to W. M. Traver relative to stopping the contract work in its present status. Your letter was referred to this office for appropriate action.

Inasmuch as the work authorized under the contract has been essentially completed, it is agreeable to the Defense Minerals Exploration Administration that the contract be considered as complete in its present status of work.

In that respect you are referred to Article 9(b) of the contract regarding the requirement of final engineering and geologic reports relative to work performed under the contract.

Very truly yours,

W H King

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

JWT:jp
cc Subject
Chron
Chairman, Op. Comm. (4) w/4 sets supporting data
Traver w/copy supporting data
Koschmann w/copy supporting data
Townsend

December 5, 1954

Memorandum

To: Mr. A. H. Koschmann E.M.H. for A.H.K.

From: D. R. MacLaren

Subject: DMEA Docket 3179, Contract Ida-5661, T. J. and D. A. Mahoney, Adams Lode, San Juan County, Colorado

In a letter dated November 29, 1954, T. J. and D. A. Mahoney, operators, stated that the north raise lacked 7-1/2 feet to completion when snow necessitated cessation of operations for the winter and requested that the contract be terminated by mutual agreement.

I visited the property November 17, 1954, to inspect the results of the project to date. The raise in question is up 72-1/2 feet (78 feet from the track), and although it is on the vein the entire distance, does not show any huebnerite. A map of the workings and geology, prepared at that time, indicates the raise is just north of the huebnerite zone exposed on the surface and in shallow workings. Therefore it is concluded that the 7-1/2 foot of raising remaining under the contract will serve no purpose beneficial to the Government or to the applicant and it is recommended that the request to terminate the contract by mutual agreement be approved.

The drift south of the crosscut follows the vein which contains lenses and streaks of huebnerite for a distance of 85 feet. Assays of seven samples taken from the south drift by the operator and two taken by the field examiners ranged in grade from .10% WO_3 to 7.73% WO_3 over widths of 12 to 30 inches. Development rock taken from the south drift was hand sorted on the dump and about 500 pounds of coarse material estimated to be 60% to 75% huebnerite was saved. The rejects were then screened and about 30 tons of this ore was concentrated at the Yukon

mill on Cement Creek. Milling resulted in about 700 pounds of concentrates with a grade of 53.44% WO_3, based on a sample taken by the applicant from one of the sacks of concentrates, and about 1,000 pounds of middlings for which no grade is available at the present time. Therefore it is concluded that a discovery has been made and certification is recommended.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 237
Denver Federal Center
Denver 2, Colorado
December 2, 1954

Memorandum

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

From: Glen Walker

Subject: MPA-117, Contract Ind-601 (Tungsten) W. J. and D. A. Mahoney (Adams Lode), San Juan County, Colo., Request for Termination of the contract

On November 29, 1954, the operator of the subject contract requested by letter, the termination of his contract with the Government.

This contract stipulated as follows:

1. A survey of the property be made in order to determine the location for the portal of a crosscut adit at a specified elevation.

2. An access road be constructed to the new portal site.

3. A portal site be built.

4. A compressor house be constructed on the portal site.

5. A 200-foot crosscut adit be driven to the Adams vein at a point 50 feet below the lowest point of the outcrop.

6. 150 feet of drift be driven on the vein.

7. 100 feet of raising and sublevel drilling be done on the vein.

8. 24 samples be taken and assayed.

To date, items 1 through 5 have been satisfactorily complied with. Item No. 6 lacks 1/2 foot and No. 7 needs 7-1/2 feet to entirely complete them. Less than one-half the samples specified in item 8 have been taken and assayed, but it is felt the exposures of mineral encountered have been adequately sampled.

It is, therefore, recommended that the contractor's request for termination be granted, as the footage remaining would be unlikely to reveal further significant tungsten mineralization.

Glen Walker

Glen Walker,
Mining Engineer

GW/aj

ec: ~~18~~
E661
Chron.

Date Rec'd
NOV 1 1954
BUREAU OF MINES
Denver, Colorado

Nov. 29, 1954
944 Belford Ave.
Grand Junction, Colo.

W.M. Traver, Chief
Mineral Resources Branch
Mining Division, Region 1V

Dear Mr. Traver:

The raise in the North side is up 72½ft., we did not find any ore. We had to stop work on account of the snow. Instead of carrying the contract on into next summer to complete the other 7½ft., I would like to stop the contract now, if it is alright with you.

Yours truly,
T.J. Mahoney
T.J. Mahoney & D.A. Mahoney

D.M.E.A. 3179 Idm-E661

Copy to U.S.G.S.

400

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

224 New Customhouse
Denver 2, Colorado

December 15, 1954

Memorandum

WSay

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, T. J. and D. A. Mahoney (Adams Lode), San Juan 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 pertaining to work under the subject contract for the month of November 1954.

W. H. King

W. H. King

Encls.

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

Administrative Audit Difference Statement

Date: Dec. 0, 1954
Payee's
Reference: November 1954

Thomas J. Mahoney and Dorothy A. Mahoney
Partners d/b/a
Old Milford Inn.
Grand Junction, Colo.

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

Amount Claimed $ _____

Difference $ _____

Amount Approved $ _____

The reason for the difference was due to:

The amount of $200.00 is withheld pending release of final report of review by Contract Administration & Audit Division.

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

December 6, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661, T. J. and D. A. Mahoney (Adams Lode), San Juan County, Colorado. Operator's Monthly Progress Report for the period November 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

The amount of $100.00 is to be withheld pending release of final report of review by the Contract Administration and Audit Division.

Remarks:

Date of Report	November 29, 1954
Date Received in Field Office	November 30, 1954
Date Received in Regional Office	December 3, 1954

W H King
W. H. King

Enclosures

HMC:dm
cc: Sec. to Oper. Comm. (2)
Subject
WMTraver
Chron
JWTownsend

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
December 2, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, Contract Idm-R661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado--Progress report for November 1954

Enclosed are the original and four copies of the above progress report, the sixth and final one--forms MF-104 and MF-104A, with narrative, sketch, assay report and the original and six copies of Glen Walker's memorandum covering his inspection of the underground progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Walker made an inspection of the project November 17, 1954, both for monthly progress and for preparation of his final report. He was accompanied by D. R. MacLaren of the Geological Survey. Measurement of the period advance confirmed the 29.5 feet reported by the contractor in his narrative and entered on the MF-104A forms. A list of nine samples taken, with their locations, along the south drift indicated, with their assay results, is included. Work was performed in accordance with the terms of the contract and entries and extension on the reporting forms are correct.

Payment is approved and certified on the MF-104 forms of $896.62, or 75 percent of the total $1195.50 claimed by the contractor.

Project work is completed except for 7.5 feet of raising. The contractor by letter of November 29, 1954, requested that completion of this footage be waived and such action is being recommended by separate memorandum.

If this is acceptable as the last monthly progress report, sufficient funds can be withheld from final reimbursement to protect the Government's interest pending receipt of his final report. Final reports are also in order from the Bureau of Mines, Geological Survey, and the Region IV Auditors.

W. M. Traver

Enclosures

W. M. Traver

WMT/iei

cc: 4 R661 DMEA Charon.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
December 2, 1954

Memorandum

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

From: Glen Walker

Subject: DMEA 3179, Contract Idm-2661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado--Progress report for November 1954

On November 17, 1954, measurements of the advance were made and found to be 29.5 feet in the north raise. This raise now is 72.5 feet high and is in the vein formation; however, there is no ore apparent, and the amount of quartz has continually decreased as the face was advanced. The only sample taken during the raising operation was at 43 feet above the level; it assayed less than 0.01 WO_3, the quartz was 3 inches thick at this point.

The results of nine samples taken along the south drift by the contractor are included with the monthly report and indicate the vein to be rather low-grade; but as these samples were dug from the bottom of the drift, they were inadvertently contaminated by the track ballast and cannot be considered truly representative.

It is recommended that payment in the amount of $896.62, which is 75 percent of the amount claimed, be made to the contractor.

Glen Walker
Glen Walker
Mining Engineer

GW/ini

cc: 16
2661
DMEA Chron.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 1954 Docket No. DMEA 3179 Contract No. Idm-E661
Operator's Name T.J. Mahoney & D.A. Mahoney Minerals Tungsten
Address 944 Belford Ave. Grand Junction, Colo.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	ft.		0	5760.00	160	36		
Crosscutting	ft.		0	7902.00	219½	36		
Raising	ft.	1150.50	29½	3607.50	92½	39		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Samples		45.00	9	45.00	9	5.00		
~~Trenching~~ Portal Site				300.00				
~~Test Pits~~ Survey				200.00				
Roads and Trails				500.00				
Total Distributed Costs		1195.50		18314.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				500.00				
Total Costs		1195.50		18814.50				

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

Date Nov. 29, 1954 Operator T J Mahoney

Per Title Owner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Form MF-404 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

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

Month of Nov., 1954 Docket No. DMEA 3179 Contract No. Idm-E661
Operator's Name T.J. Mahoney & D.A. Mahoney Minerals Tungsten
Address 944 Belford Ave. Grand Junction, Colo.
Contract Amount, $ 19200.00 Government Participation: 75 % Amount, $ 14400.00

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:						
Power Surveying		200.00	200.00			
Portal Site & Road		800.00	800.00			
Bandoning						
Crosscutting		7902.00	7902.00			
Drifting		5760.00	5760.00			
Raising	1150.50	2457.00	3607.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		500.00	500.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	45.00		45.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1195.50	17619.00	18814.50			

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

Date Nov. 29, 1954 *Payee T J Mahoney

Per _____ Title Owner

*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:

$ 796.62

Signature _____
(Authorized Certifying Officer)

Date 12/9/54 Voucher No. 55.39

(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. dmE661 in accordance with the terms of the contract.

Signature G. Walker P62 88 896 62 WMT Title Mng. Mgr. Date

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. S. King Title Executive Officer Date DEC 6 1954

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

Narrative Report for Nov. 1954

D.M.E.A. 3179 Contract No. Idm-E661

During the Month of Nov. the North raise was advanced 29½ ft. making a total of 72½ft. No ore was found and due to the weather we were forced to stop the work.

T J Mahoney

Minerals Assay Laboratory--Grand Junction, Colo.

Assay Report

DMEA 3179 Contract Idm-E 661

Sample No. 1--1ft. of vein 50ft. from south face----------7.75% tungsten

Sample No. 2--1ft. of vein 22ft. from south face---------- .41% tungsten

Sample No. 3--6in. of vein 25ft. from south face---------- .43% tungsten

Sample No. 4--14in. of vein 15ft. from south face---------- .34% tungsten

Sample No. 5--6in. of vein 40ft. from south face---------- .56% tungsten

Sample No. 6--concentrates from above ore----------55.44% tungsten

Sample No. 7--30in. of vein 77ft. from south face---------- .15% tungsten

Sample No. 8--30in. of vein in south face---------- .10% tungsten

Brown Laboratory--Grand Junction, Colo.

Assay Report

No. 1--27lb. sample from 2in. streak in cross-cut 195ft. from portal of tunnel----------18.24% tungsten

F J Mahoney.

400

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

224 New Customhouse
Denver 2, Colorado

December 1, 1954

WSM

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661, T. J. and D. A. Mahoney (Adams Lode), San Juan County, Colorado Operator's Monthly Progress Report for the period October, 1954.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of October, 1954.

W. H. KING

W. H. King

Enclosures

Copy to: W. M. Traver, w/copy of report

sub
chron

ld

Ock
mf-104

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

224 New Customhouse
Denver 2, Colorado

November 15, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661
T. J. and D. A. Mahoney (Adams lode), San Juan County, Colorado. Operator's Monthly Progress Report for the period October 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	November 5, 1954
Date Received in Field Office	November 8, 1954
Date Received in Region Office	November 12, 1954

W. H. King

Enclosures

RDB:dm
cc: Subject
Sec. to 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
November 10, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, contract I4m-E661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado - Progress report for October 1954

Enclosed are the original and four copies of the above progress report, the fifth one--forms MF-104 and MF-104A, with narrative and sketch--and the original and six copies of Glen Walker's memorandum covering his inspection of the underground progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Walker checked the progress for October on November 4, 1954, and found the advance, confined to raising only, in a raise on Adams vein in the north drift of 43 feet correct. This advance is reported in the operator's narrative and entered correctly on the MF-104 forms. Other entries are in order on the reporting forms and work was as authorized by the contract. Both the contractor's progress report and the inspecting engineer's covering memorandum are adequate. Walker states that the contract work authorized should be completed in November.

Payment is approved and certified on the MF-104 forms of $1,257.75, or 75 percent of the total $1,677.00 claimed by the contractor.

L. W. Everett, for
W. M. Traver

enclosures

cc 4
E661
DMEA Chron.

WMT/pah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
November 9, 1954

Memorandum

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

From: Glen Walker

Subject: DMMA 3179, contract Ida-5661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado - Progress report for October 1954

During the period, only raising was in progress. On November 4, 1954, 43 feet advance had been made in a raise in the vein near the face of the north drift.

Although the vein in this raise has been rather "tight" the last couple of rounds show from 1 to 2 feet of vein matter. This material was sampled. The results of samples taken last month are as follows: <0.1 percent WO_3 and 0.34 percent P 16 inches in face of north drift; .07 percent WO_3 and .12 percent P, 2 inches quartz 5 feet below face of south raise.

During this period, about 30 tons of fine, development ore was milled through the Yukon custom mill on Cement Creek. From this material it is reported that approximately 700 pounds of concentrates and 1,000 pounds of middlings were made; the grade of these products is unknown.

Payment to the contractor in the amount of $1,157.75, which is 75 percent of that claimed, is recommended.

Glen Walker
Mining Engineer

cc 6
5661
DMMA Chron.

GW/pah

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Denver Minerals Administration
RECEIVED
DEC 6 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1954 Docket No. DMEA 3179 Contract No. Idm-E661
Operator's Name T.J. Mahoney and D.A. Mahoney Minerals Tungsten
Address 944 Belford Ave. Grand Junction, Colo.
Contract Amount, $ 19200.00 Government Participation: 75 % Amount, $ 14400.00

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~~ Surveying		200.00	200.00			
Road & ~~Building~~ Portal Site		800.00	800100			
Crosscutting		7902.00	7902.00			
Drifting		5760.00	5760.00			
Raising	1677.00	780.00	2457.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		500.00	500.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1677.00	15942.00	17619.00	1677.00	15942.00	17619.00

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

Date Nov. 5, 1954 Payee T J Mahoney

Per _____ Title Owner

*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:

$ 1257.75

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 11-22-54 Vou. No. DMA-15-37
(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. DMEA 661 in accordance with the terms of the contract.

Signature [illegible] 1257.75 Title [illegible] Date 11/8/54

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

Signature W H King Title Executive Officer Date NOV 15 1954

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.

Form MF-104A
(April 1952).

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 6 1954

Month of Oct. 1954 Docket No. DMEA 3179 Contract No. 14n-E661

Operator's Name T.J. Mahoney and D.A. Mahoney Minerals Tungsten

Address 944 Belford Ave. Grand Junction, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT: Units	AUTHORIZED BY CONTRACT: Unit Costs
Drifting	ft.	0	0	5760.00	160	36		
Crosscutting	ft.	0	0	7902.00	219½	36		
Raising	ft.	1677.00	43	2457.00	63	39		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
~~Trenching~~ Portal Site				500.00				
Test Pits Surveying				200.00				
Roads and Trails				500.00				
TOTAL DISTRIBUTED COSTS		1677.00	43	17119.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				500.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1677.00		17619.00				

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 Nov. 5, 1954 Operator T J Mahoney

Per _____ Title Owner

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

DSA 3179, Contract Ida-3661
Narrative Report for the Month of October

During the month of October 195- all progress was confined to raising from the North drift. A total of 45ft. advance was made, also the raise has been timbered to within drilling distance of the face.

It is anticipated that the contract will be finished this month with the completion of the raise to 80ft.

J J Mahoney

400

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

224 New Customhouse
Denver 2, Colorado

October 26, 1954

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661, T. J. and D. A. Mahoney (Adams Lode), San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of September 1954

W. H. King

W. H. King

Enclosures

MF 104

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

224 New Customhouse
Denver 2, Colorado

October 13, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661, T. J. and D. A. Mahoney (Adams Lode), San Juan County, Colorado. Operator's Monthly Progress Report for the period September 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	October 6, 1954
Date Received in Field Office	October 7, 1954
Date Received in Region Office	October 12, 1954

W. H. King

W. H. King

RDB:dm
cc: Secretary to Oper. Comm. (2)
WMTraver
Subject
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

RECEIVED
OCT 28 1954

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 11, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, contract Idm-E661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado - Progress report for September 1954

Enclosed are the original and four copies of the above progress report, the fourth one--forms MF-104 and MF-104A, with narrative and sketch--and the original and six copies of Glen Walker's memorandum covering his inspection of the progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Walker inspected the project October 4, 1954, and confirmed the progress reported by the contractor in his narrative, shown on the sketch, and correctly entered on the MF-104A forms. The progress comprised 61 feet of drifting on the Adams vein north and 20 feet of raise in the south drift on the vein. The work was in conformance with the terms of the contract and entries and extensions are correct on the reporting forms. Walker's memorandum report and the operator's narrative describe the period accomplishments satisfactorily.

Payment is approved and certified on the MF-104 forms of $2,232.00 or 75 percent of the total $2,976.00 claimed by the contractor.

W. M. Traver

enclosures

cc 4
E661
DMEA Chron.

WMT/pam

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 8, 1954

Memorandum

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

From: Glen Walker

Subject: DMRA 3179, contract Xm-E661 (Tungsten) T. J. and D. A. Mahoney (Adams Lode) San Juan County, Colorado - Progress report for September 1954

On October 4, 1954, the north drift had been advanced 61 feet from the previous face; this footage leaks 1/2 foot of completing that alloted to drifting by the contract. In this north drift no tungsten minerals were noted in the quartz vein which varied from 2 to 4 inches thick and dipped steeply to the east. A sample of the vein matter which is 16 inches wide, was taken in the north face.

About 45 feet from the face of the south drift a raise was driven 20 feet along the vein. There is about 2 inches of quartz in the face of the raise that contained no observable tungsten minerals. A sample was taken of the vein about 5 feet below the face of the raise where the quartz is 3 inches thick.

Results of samples taken during the September inspection are as follows: 2.1 percent WO_3, 4 feet north of south face, 2.5 percent WO_3, 38 feet north of south face.

Please spot these on map if Sept insp. report gives enough info.

Work on this project continues in a very commendable manner.

It is recommended that payment be made to the contractor in the amount of $2,232.00, which is 75 percent of $2,976.00, the amount claimed.

L. A. Everett, for
Glen Walker
Mining Engineer

cc 6
E661
DMRA Charon.

GW/pan

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
OCT 28 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1954 Docket No. DMEA 3179 Contract No. 14-[illegible]-E661
Operator's Name T.J. and D.A. Mahoney Minerals Tungsten
Address 944 Belford Ave. Grand Junction Colo.
Contract Amount, $19200.00 Government Participation: 75% Amount, $14400.00

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 Surveying		200.00	200.00			
Portal Bu Site & Road		800.00	800.00			
Crosscutting		7902.00	7902.00			
Drifting	2196.00	3564.00	5760.00			
Raising	780.00	00000	780.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		500.00	500.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2976.00	12966.00	15942.00	2976.00	12966.00	15942.00

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

Date Oct. 6 '54 *Payee T J Mahoney

Per _____ Title Owner

*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:

$2232.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 10/22/54 Vou. No. DMA 55-27
(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. Adm Field in accordance with the terms of the contract.

Signature [illegible] 2232 [illegible] Title [illegible] Date 10/8/54

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

Signature W S Kerr Title Executive Officer Date OCT 13 1954

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1954 Docket No. DMEA 3179 Contract No. Ian-E661
Operator's Name T.J. Mahoney and D.A. Mahoney Minerals Tungsten
Address 944 Belford Grand Junction Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	2196.00	61	5760.00	160	36.00		
Crosscutting	Ft.	0	0	7902.00	219½	36.00		
Raising	Ft.	780.00	20	780.00	20	39.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Portal Site				300.00				
Test Pits Surveying				200.00				
Roads and Trails				500.00				
TOTAL DISTRIBUTED COSTS		2976.00	81	15442.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				500.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		2976.00		15942.00				

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 Oct. 6 '54 Operator T J Mahoney

Per Title Owner

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 872894

Defense Minerals Administration
RECEIVED
OCT 28 1954

DMEA 3179, Contract Kdm-E661
Narrative Report for month of Sept. 1954

During the month of Sept. 61ft. of drifting was completed in a northerly direction from the cross-cut. A raise was driven 20ft. on the vein at a point 45ft. from the south face. A portion of the north drift was cross-cut as the face of the north drift at the end of Aug. was not on the main vein, therefore it was neccessary to turn to the left or west. At about 20ft. from the previous face the main vein was cut and followed about 40ft. In this drift the quartz vein averages probably 3in. in width with some pyrite but very little tungsten showing. The raise in the south drift was started at a point in the vein where it was about a foot and a half wide but it quickly pinched until the present face has only 2in. of quartz which shows no tungsten minerals.

About 25 tons of screened rock from the dump has been shipped to the Yukon mill in Cement Creek where it will be milled probably this week.

A new raise is planned in the north drift about 8ft. from the present face. It is located to prospect the possible extension of the ore shoot mined near the surface by the old timers.

T J Mahony

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

402

224 New Customhouse
Denver 2, Colorado

October 18, 1954

Pls see note on Rowe's memo
WBM

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, T. J. and D. A. Mahoney (Adams Lode), San Juan County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of August 1954.

W H King
W. H. King

Enclosures

MF-104

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

224 New Customhouse
Denver 2, Colorado

September 20, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, T.J. and D.A. Mahoney (Adams Lode), San Juan County, Colorado. Operator's Monthly Progress Report for the period August, 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	Sept. 11, 1954
Date Received in Field Office	Sept. 14, 1954
Date Received in Region Office	Sept. 17, 1954

W. H. King

Enclosures

RDB:mb
cc: Docket
Secretary, Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
September 16, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, Contract Idm-E661 (Tungsten), T. J. and D. A. Mahoney (Adams lode) San Juan County, Colo.--Progress report for August 1954

Enclosed are the original and four copies of the above progress report, the third one, for the month of August 1954--forms MF-104 and MF-104A, with narrative and sketch--and the original and six copies of Glen Walker's memorandum covering his inspection of the progress, surface and underground, and checking of the reporting forms. The contract is unit-cost on short-form MF-200 (A) and documentation is not required.

Walker on an inspection made September 9, 1954, verified the advance reported correctly in the narrative and entered on the MF-104A forms of 98-1/2 feet of crosscut and 99 feet of drifting on the vein. This drifting was 74-1/2 feet to the south and 24-1/2 to the north. Conditions encountered in prosecution of the work are explained in detail in the engineer's memorandum. The operations were carried on in conformance with the terms of the contract.] Does this in effect approve the recommendation of Mahoney as concurred in by Glen Walker ?

Payment is approved and certified on the MF-104 forms of $5,332.50 or 75 percent of the total $7,110.00 claimed by the contractor.

W. M. Traver

W. M. Traver

Believe Yes
200' [illegible]
[illegible] I believe
19½ excess justified
[illegible]
JBA

Enclosures

WMT/ici

cc: 4
E661
DMEA Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
September 16, 1954

Memorandum

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

From: Glen Walker

Subject: DMEA 3179, Contract Idm-E661 (Tungsten), T. J. and D. A. Mahoney (Adams lode) San Juan County, Colo.—Progress report for August 1954

On September 9, 1954, the face of the crosscut adit had been advanced to 219-1/2 feet, which indicates an advance of 98-1/2 feet for the month. The vein was intersected at about 211 feet from the portal. A drift 74-1/2 feet long was turned south, in which a lenticular deposit of galena and hubnerite ore, about 15 feet in length and 3 feet wide, was encountered. The face is barren of ore minerals but the vein is approximately 2-1/2 feet thick and dips 66° E. On the north side of the crosscut a drift was driven 24-1/2 feet in the hanging wall of the vein making up the total 99 feet of drifting claimed.

It was suggested that the north drift be turned back into the vein (to left) and the remaining 61-1/2 feet of drifting be completed before any raises are started .

Although the amount of crosscutting has exceeded that estimated in the contract, it is suggested the amount of drifting stipulated be reduced by 19-1/2 feet, the overage in crosscutting.

It is recommended that payment be made to the contractor in the amount of $5,332.50, which is 75 percent of the amount claimed.

Glen Walker

Glen Walker
Mining Engineer

GW/ici

cc: 6
E661
DMEA Chron.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
OCT 21 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Aug., 1954 Docket No. DMEA 3179 Contract No. Idm-E661
Operator's Name T.J. and D.A. Mahoney Minerals Tungsten
Address 944 Belford Ave. Grand Junction, Colo.
Contract Amount, $ 19200.00 Government Participation: 75 % Amount, $ 14400.00

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~~ Prepare Portal Site & Road		800.00	800.00			
~~Raldoning~~						
Crosscutting	3546.00	4356.00	7902.00			
Drifting	3564.00	[illegible]	3564.00			
Surveying		200.00	200.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		500.00	500.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	7110.00	5856.00	12966.00			

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

Date Sept. 11 '54 *Payee T J Mahoney

Per _____ Title Owner

*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:

$ 5332.50

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 10-11-54 Vou. No. DMA-55-24

(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. dmE661 in accordance with the terms of the contract.

Signature G Walker $5332.50 DMM Title mining engr. Date 9/14/54

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

Signature W H King Title Executive Officer Date SEP 20 1954

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-R1151.1
Approval expires 6-30-53.

RECEIVED
OCT 21 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug. 1954 Docket No. DMEA 3179 Contract No. Idm-E661
Operator's Name T.J. and D.A. Mahoney Minerals Tungsten
Address 944 Belford Ave. Grand Junction, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	feet	3564.00	99	3564.00	99	36		
Crosscutting	feet	3546.00	98⅓	7902.00	219⅓	36		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Prepare Portal Site								
Trenching				300.00				300.00
~~Test Pits~~ Surveying				200.00				200.00
Roads and Trails				500.00				500.00
		7110.00	197½	12466.00				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				500.00				500.00
TOTAL COSTS		7110.00		12966.00				

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 Sept. 11 '54 Operator T.J. Mahoney

Per _____ Title Owner

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

DMEA 3179, Contract Idm-E661
Narrative Report for month of August 1954

During the month of Aug. 1954 the crosscut adit was advanced a total of 98½ ft. The vein was intersected at about 211 ft. from the portal but due to the broken condition of the ground two additional rounds were driven to be sure all the vein matter was cut. The total length of the crosscut is 219½ ft. which is 19½ ft. more than stipulated in the contract but it is assumed this amount can be deducted from the allowable drifting.

After the vein was found drifts were turned each way from the crosscut. To the south the vein appeared stronger and 74½ ft. were driven. Tungsten and lead minerals were noted in places up to 3 ft. in width in Quartz. To the north the drift was driven 24½ ft. along a flat dipping stringer which may be in the hanging wall of the ore bearing formation. The total drift advance is 99 ft.

In Sept. it is planned to turn the north drift to the left and get on the main vein and follow it. Should more ore be found north of the crosscut than south, a raise, as stipulated in the contract, will be started on it.

(Signed) T.J. Mahoney
T.J. Mahoney

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

408

224 New Customhouse
Denver 2, Colorado

August 20, 1954.

WSM

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-3179 (Tungsten), Contract No. Idm-E661, Thomas J. Mahoney and Dorothy A. Mahoney, husband and wife, San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of July 1954.

W H King
W. H. King

Enclosures

July
MF-104

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

224 New Customhouse
Denver 2, Colorado

August 10, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179, Contract Idm-E661, (Tungsten), Thomas J. Mahoney and Dorothy A. Mahoney, husband and wife, San Juan County, Colorado. Operator's Monthly Progress Report for the month of July 1954

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Operator's report.....August 5, 1954
Date report received in B.O.M. Branch Office..August 9, 1954
Date received in Regional Office.....August 10, 1954

W. H. King

JWT:jp

Enclosures

cc Contract
Chron
Sec. to Oper. Comm. (2)
WMTraver

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
August 9, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, Contract Idm-E661 (Tungsten), T. J. and D. A. Mahoney (Adams lode) San Juan County, Colo.--Progress report for July 1954

Enclosed are the original and four copies of the above progress report, the second one, for the month of July 1954--forms MF-104 and MF-104A, with narrative and sketch--and the original and six copies of Glen Walker's memorandum covering his inspection of the progress, surface and underground, and checking of the reporting forms. The contract is unit-cost on short-form MF-200(A) and documentation is not required.

Walker verified the period progress on August 3, 1954, consisting of completion of the surface building to house the compressor and other equipment and of 121 feet of advance of the crosscut from the portal toward the vein. The progress is correctly reported on the operator's narrative and entered on the MF-104A forms. Work was all performed in conformance with the terms of the contract.

Payment is approved and certified on the MF-104 forms of $3,642.00, or 75 percent of the total $4,856.00 claimed by the contractor.

F. A. Everett, for
W. M. Traver

enclosure

WMT/kp

cc 4
E661
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
August 9, 1954

Memorandum

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

From: Glen Walker

Subject: IMEA 3179, Contract Idm-8661 (Tungsten), T. J. and D. A. Mahoney (Adams Lode) San Juan County, Colo.--Progress report for July 1954

On August 3, 1954, the face of the authorized crosscut adit had been advanced 121 feet from the measure point at the portal. This excavation is approximately 6 feet by 7-1/2 feet in cross section and bears S. 83° E. No ore or geologic structures have been encountered.

The compressor house, 8 feet by 16 feet in floor dimensions with a lean-to roof, has been completed and is presently occupied as a change room.

Payment to the contractor in the amount of $3,642.00, which is 75 percent of the $4,856.00 expenditure, is recommended.

Glen Walker
Glen Walker
Mining Engineer

GW/kp

cc 6
8661
Chron

D.M.E.A. 3179 Contract IdM E661

Narrative Report For Month of July 1954

During this month the cross-cut adit has been portaled and advanced a total of 121 feet. It bears approximately S85E and is about 6 X 7½ feet in cross-section.

The compressor building authorized by the contract has also been finished.

In the coming month it is anticipated the Adams Vein will be intersected in about 80 feet. All necessary supplies and equipment are on hand.

J J Mahony

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

400

Defense Minerals Administration
RECEIVED
AUG 2 - 1954

224 New Customhouse
Denver 2, Colorado

July 29, 1954.

WSM

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661, Thomas J. Mahoney and Dorothy A. Mahoney, San Juan County, Colorado.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of June 1954.

W H King
W. H. King

Enclosures

MF-104
June

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

AUG 2 - 1954

224 New Customhouse
Denver 2, Colorado

July 23, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3179 (Tungsten), Contract Idm-E661, Thomas J. Mahoney and Dorothy A. Mahoney, San Juan County, Colorado. Operator's Monthly Progress Report for the period June 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Operator's Report	July 15, 1954.
Date Report received in Bureau of Mines Branch Office	July 19, 1954.
Date Report received in Regional Office	July 22, 1954.

W. H. King

W. H. King

Enclosures

JWT:cwm

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
July 22, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, contract Idm-E661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado - Progress report for June 1954

Enclosed please find the original and four copies of the above progress report, the initial one for June 1954--form MF-104 and MF-104A, with narrative--and the original and six copies of Glen Walker's memorandum report covering his inspection of the progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and requires no documentation.

Walker inspected the project on July 9, 1954, and found the surveying, access road, and portal site, the first three items of the contract, completed in a satisfactory manner, as reported in the operator's narrative and entered on the MF-104A forms. The work performance was in accordance with the terms of the contract and entries and extensions are correct on the reporting forms.

Payment is approved and certified on the MF-104 form of $750.00, or 75 percent of the total $1,000.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

cc
E661
DMEA Chron

WMT:pam

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

AUG 2 - 1954

Region IV

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

Memorandum

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

From: Glen Walker

Subject: DMEA 3179, contract Idm-E661 (Tungsten) T. J. and D. A. Mahoney (Adams lode) San Juan County, Colorado - Progress report for June 1954

The access road to the portal is completed and measured 1,060 feet on July 9, 1954. The portal site has been finished and is an area of approximately 35 by 100 feet. Two rounds had been blasted in the cross-cut adit at a point 40 feet from the south end of the portal site. The construction of the compressor house is about one-third completed. The survey of the property, as outlined in the contract, has also been finished.

Payment to the contractor in the amount of $750.00, which is 75 percent of the $1,000.00 expenditure, is recommended.

Glen Walker
Glen Walker
Mining Engineer

cc /6
E661
DMEA Chron

GW/pam

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

AUG 2 - 1954

Month of June, 1954 Docket No. DMEA 3179 Contract No. Idm-E661
Operator's Name T. J. and D. A. Mahoney Minerals Tungsten
Address Glade Park, Colo.
Contract Amount, $19,200.00 Government Participation: 75% Amount, $14,400.00

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:						
~~Bulldozing~~ Prepare Bulldozing Road & Portal site	800.00	0	800.00			
Crosscutting						
Drifting						
Surveying	200.00	0	200.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,000.00	0	1,000.00			

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

Date 7/15/54 *Payee T. J. Mahoney

Per T J Mahoney Title Owner

*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:

$750.00

Signature Randel R. Cooper
(Authorized Certifying Officer)

Date 7-26-54 Vou. No. DMA-55-8

(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. Fdm-E661 in accordance with the terms of the contract.

Signature G Walker $750.00 WMK Title Mngrng. Date 7/20/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H King Title Executive Officer Date JUL 23 1954

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 - 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 4 1954 Docket No. DMEA 3179 Contract No. Idm-R661

Operator's Name T. J. and D. A. Mahoney Minerals

Address Glade Park, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Prepare Portal site		300.00		300.00				300.00
Stripping								
Trenching Surveying		200.00		200.00				200.00
Test Pits		500.00		500.00				500.00
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,000.00		1,000.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		0		0				0
Initial Rehabilitation and Repairs		0		0				0
New Buildings, Improvements, etc.		0		0				0
TOTAL COSTS		1,000.00		1,000.00				1,000.00

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 7/15/54 Operator T. J. Mahoney

Per T. J. Mahoney Title Owner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JULY, 1954 Docket No. DMEA 3179 Contract No. IDM E661
Operator's Name T.J. MAHONEY and D.A. MAHONEY Minerals TUNGSTEN
*Address GLADE PARK, COLO.
Contract Amount, $19,200.00 Government Participation: 75% Amount, $14,400.00

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~~ PREPARE PORTAL						
Bulldozing SITE + ROAD		800.00	800.00			
Crosscutting	4356.00	0	4356.00			
Drifting						
SURVEYING		200.00	200.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	500.00	0	500.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4856.00	1000.00	5856.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date AUG 5 '54 *Payee T.J. Mahoney
Per _____ Title OWNER

*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)

RECEIVED AUG 25 1954

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

$3642.00

Signature Randel R. Cooper (Authorized Certifying Officer)

Date 8-12-54 Vou. No. DMA-55-11

(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. Idm-E661 in accordance with the terms of the contract.

Signature G Walker $3642.00 Title Manager Date 8/9/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W S King Title Executive Officer Date AUG 10 1954

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JULY 1954 Docket No. DMEA 3179 Contract No. TDM E661
Operator's Name T.J. MAHONEY and D.A. MAHONEY Minerals TUNGSTEN
Address GLADE PARK, COLO.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting	feet	4356.00	121	4356.00	121	36	200	7200.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ PREPARE PORTAL SITE				300.00				300.00
Trenching								
~~Test Pits~~ SURVEYING				200.00				200.00
Roads and Trails				500.00				500.00
Total Distributed Costs		4356.00	121	5356.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		500.00		500.00				500.00
Total Costs		4856.00		5856.00				

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 Aug 5 '54 Operator T J Mahoney

Per _____ Title OWNER

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)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1954

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

IMRA 3179, Contract Idm-2661
Narrative Report for month of June 1954

During this period Mr. Ralph M. Dunkle, of Ouray, Colo., completed a survey of the Adams claim and its old mine workings together with the layout of the work outlined in the IMRA contract.

An access road to the new portal site on the Adams claim from the old Silverton road, a distance of about 1,000 feet, was finished.

An area, approximately 100 x 35 feet, was prepared surrounding the site of the portal of the new crosscut adit to be driven under IMRA contract.

Work is presently progressing on the construction of the new compressor house and the crosscut. No difficulties are anticipated as all supplies for this work are on hand.

(Signed) T. J. Mahoney
T. J. Mahoney

MF-201
(June 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the holder of a mortgage, claim, lien, or encumbrance identified and described as follows*:

.....

.....

upon that certain parcel of ground described in a certain Exploration Project Contract dated

....., 195...., between .....

.....,

and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all of his right, title, and interest in said mortgage, claim, lien, or encumbrance to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights under the provisions of said mortgage, claim, lien, or encumbrance; and

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this ..... day of ....., 195....

.....

*Include date of the instrument, and if recorded, book, page, and county of record.

U. S. GOVERNMENT PRINTING OFFICE 16—64581-2

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

224 New Customhouse
Denver 2, Colorado

March 3, 1954

REGISTERED

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 3179 (Tungsten), Contract Idm-E661, Thomas J. Mahoney and Dorothy A. Mahoney, San Juan County, Colorado

Enclosed are the original and two copies of Contract Idm-E661.

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

W H King
W. H. King

Enclosures

RECEIVED
MAR 25 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

7

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

224 New Customhouse
Denver 2, Colorado

March 3, 1954.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Report of Examination - Docket No. DMEA-3179 (Tungsten), Contract No. Idm-E661, Thomas J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado.

Enclosed are four copies of the report of examination on the subject docket. The contract has been signed and is in effect.

W. H. King

W. H. King

A. H. Koschmann

A. H. Koschmann

Enclosures

Rec'd by O C.
DMEA
3-12-54

31-site
2 yum Rpt.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

February 9, 1954.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Report of Examination - DMEA Docket 3179 (Tungsten), Thomas J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado.

Enclosed are eight copies of the engineering report of examination on the subject docket.

The examining engineer believes that deeper exploration for hutnerite is justified on this property and recommends a cross-cut from surface and drifting on the vein approximately 60 feet below the lowest point along its outcrop. He estimates the total cost of the work to be $19,200.00, Government participation $14,400.00.

We concur in this recommendation.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3179, Adams Lode (Tungsten), Thomas J. and Dorothy A. Mahoney, San Juan County, Colorado

Enclosed are the original and eight copies of the "Summary, Conclusions, and Recommendations" by R. L. Bolmer and D. R. MacLaren, and of Bolmer's engineering report on the above docket.

Bolmer concludes that since high-grade hubnerite has been mined to shallow depths along the outcrop of the Adams vein with present exposures including continuation of the vein and its mineralization both laterally and in depth, the deeper exploration requested is justified. He considers the applicant, Thomas J. Mahoney, experienced, financially able, and competent to carry the proposed project to a successful conclusion. A project is recommended, including a short access road, preparation of a site, construction of a small surface plant, and preliminary surveying prior to 200 feet of crosscutting to the vein, 180 feet of drifting on the vein, and 100 feet of raising, if justified, all raising to be set up as a separate phase requiring prior approval of the Region IV Field Team. A short-form, unit-cost contract is suggested.

I concur with his conclusions and recommendations.

The brochure transmitted with your memorandum of September 24, 1953, requesting a suitable report, is also enclosed.

W. M. Traver

W. M. Traver

enclosures

WMT/kp

cc: 8
DMEA 3179
Chron

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

November 13, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject; DMEA Docket 3179 (tungsten), T. J. and D. A. Mahoney, Adams Lode, San Juan County, Colorado

Attached are 8 copies of the geologic report by D. R. MacLaren of the U. S. Geological Survey on the subject property.

Hubernite occurs with galena and pyrite along a silicious fissure-vein in andesite of the Silverton volcanic series. The vein is a well-defined structure ranging up to 4 feet in width. Samples taken across the vein in and near the winze average about 2.5% WO_3.

The exploration program proposed by the applicant, with slight modifications by the examining team, is recommended by MarLaren. Raising and sublevel drifting are to be allowed only if ore is not encountered on the level and only with prior approval of a DMEA representative.

I concur in this recommendation.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (8)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 3179, Adams lode

Thomas J. and Dorothy A. Mahoney

San Juan County, Colorado

Tungsten

R. L. Bolmer, Mining Engineer
Bureau of Mines

D. R. MacLaren, Geologist
Geological Survey

January 11, 1954

DMEA 3179

ADAMS LODE
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

Summary, Conclusions, and Recommendations

By R. L. Bolmer
Mining Engineer
Bureau of Mines

and

D. R. MacLaren
Geologist
Geological Survey

DMEA 3179

ADAMS LODE
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By R. L. Bolmer and D. R. MacLaren

Thomas J. and Dorothy A. Mahoney made application for Government assistance to explore the Adams lode claim, San Juan County, Colo., for tungsten. The applicants proposed deeper exploration of a formerly productive tungsten vein outcropping on the claim. The proposed exploration program, estimated by the applicants to cost $21,500.00, included a 150-foot crosscut adit to intersect the vein at lower depth, and 250 feet of drifting and 125 feet of raising on the vein.

The application, assigned Docket No. DMEA 3179, was referred to the Bureau of Mines and Geological Survey for field examination. The property was examined October 6, 1953.

A well defined fissure vein outcrops on the Adams claim. The existing development of the vein is confined to shallow adits and trenches along its outcrop. Pockets of high-grade hubnerite ore reportedly were mined from these shallow surface workings and present exposures indicate the continuation of the vein and the occurrence of similar ore shoots at greater depths.

It was concluded that the deposit warranted deeper exploration and that the most feasible method of accomplishing such exploration was by means of a short crosscut adit driven to the vein from the lower slopes

of the Adams lode claim. An exploration program, modified somewhat from that proposed by the applicants, was recommended. The modified program, consisting of certain surface improvements, a 200-foot crosscut adit to intersect the vein some 60 to 140 feet below its outcrop, and 180 feet of drifting and 100 feet of raising and/or sublevel drifting on the vein, was estimated to cost $19,200.00 (Government participation 75 percent, or $14,400.00). A short form exploration project contract was suggested.

ADAMS LODE

SAN JUAN COUNTY, COLORADO

DMEA DOCKET 3179

Geologic Report

By D. R. MacLaren
U. S. Geological Survey

ADAMS LODE
SAN JUAN COUNTY, COLORADO

INTRODUCTION

T. J. and D. A. Mahoney of Grand Junction, Colorado, have applied to the Defense Minerals Exploration Administration for assistance to explore for tungsten on the Adams Lode claim, T. 42 N., R. 7 W., New Mexico principal mereidian, San Juan County, Colorado. The applicant proposes to explore by driving 150 feet of crosscut, 250 feet of drift, and 125 feet of raise at an estimated cost of $21,500 (Government's share 75% or $16,125).

The Adams Lode claim is on a steep slope on the west side of Cement Creek at an elevation of 11,300 feet. It is reached from Silverton by 8 miles of fair, partly graded dirt road maintained by the county, and is inaccessible during the winter months.

The property was examined October 6, 1953, in company with R. L. Bolmer of the U. S. Bureau of Mines, and T. J. Mahoney, one of the applicants. It is concluded that this property merits further exploration. It is recommended that a modified program to allow 200 feet of crosscut and 180 feet of drift be approved. It is also recommended that provision be made in the contract to allow 100 feet of combined raising and sub-level drifting with the stipulation that this work is not to be started until after completion of the crosscut and drift, and then only if no ore has been found, and only upon written recommendation of the field examiners.

GEOLOGY

With the exception of a few small intrusive bodies of rhyolite and latite, the rock exposed along Cement Creek in the Silverton Caldera

is andesite of the upper part of the Silverton volcanic series. The andesite is considerably fractured and many of the fractures have been mineralized.

On the Adams Lode claim (figure 2) a fracture striking N. 10° E. and dipping 85° E. to vertical has been mineralized by quartz, hubnerite, pyrite, and scattered flakes and small crystals of galena. The vein has been exposed by 2 open-cuts, 3 short adits, and a winze said to be 15 to 20 feet deep. Due to caving or stoping in the main tunnel, and debris in the larger open-cut, the best vein exposure is in a winze a few feet inside the main adit. The winze is cleaned out and accessible to a depth of about 12 feet. In the winze the footwall part of the vein is up to two and one-half feet of suggary quartz containing scattered small crystals of hubnerite; the central part is 8 to 10 inches of massive white quartz with scattered clusters of large hubnerite crystals; the hangingwall part is 6 inches of brecciated quartz with a few scattered small crystals of hubnerite. Throughout the entire vein width abundant small cubes of pyrite and a few small crystals of galena are seen. Several narrow vertical fractures that strike N. 36° W. are mineralized by quartz, small cubes of pyrite, and for a short distance from the main vein, hubnerite in grains and occasional small crystals. The locations and assay values of five samples taken by the Bureau of Mines member of the examining team are shown on figure 2.

CONCLUSIONS AND RECOMMENDATIONS

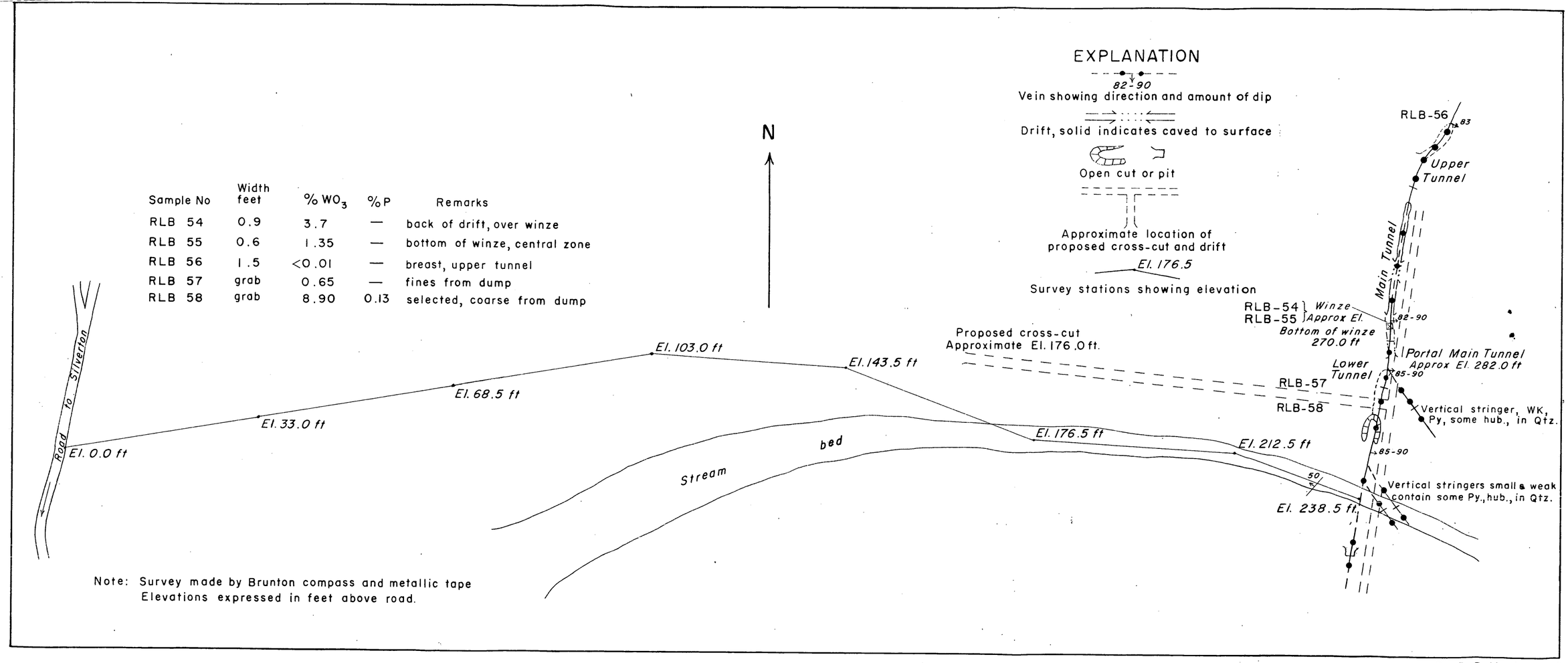
It is concluded that the Adams vein warrants further exploration. The applicant's proposed 150 feet of crosscut will result in this drift passing about 75 feet below the bottom of the winze and only about 40

feet below the creek bed. However, if the crosscut is lengthened to 200 feet, thus placing the portal farther down the slope from the vein outcrop, the drift will be about 95 feet below the bottom of the winze and about 60 feet below the creek bed. The proposed 250 feet of drift appears to be excessive and it is believed that 180 feet will explore the most favorable ground. Only in the event that no ore is discovered by the drift, is raising justified to explore for the lower limit of mineralization.

Therefore, it is recommended that the following modified program be approved:

1. Crosscut 200 feet. Adit portal to be located as shown on figure 2
2. Drift a total of 180 feet, approximately 90 feet in each direction from the intersection of the crosscut and the vein
3. Only in the event that no ore is found on the level, allow a total of 100 feet combined raising and sublevel drifting. It should be stipulated that this work cannot be started without written recommendation of the field examiners.

The cost of this program will be estimated by the Bureau of Mines and included in their report.



Sample No	Width feet	% WO_3	% P	Remarks
RLB 54	0.9	3.7	—	back of drift, over winze
RLB 55	0.6	1.35	—	bottom of winze, central zone
RLB 56	1.5	<0.01	—	breast, upper tunnel
RLB 57	grab	0.65	—	fines from dump
RLB 58	grab	8.90	0.13	selected, coarse from dump

Note: Survey made by Brunton compass and metallic tape
Elevations expressed in feet above road.

By D. R. Maclaren.

FIGURE 2.– PLAN SHOWING GEOLOGY AND PROPOSED EXPLORATION, ADAMS LODE, SAN JUAN COUNTY, COLORADO.

DMEA 3179

ADAMS LODE
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

Engineering Report

By R. L. Bolmer
Mining Engineer
Bureau of Mines

DMEA 3179

ADAMS LODE
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

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* See figure with geologic report.

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DMEA 3179

ADAMS LODE
THOMAS J. AND DOROTHY A. MAHONEY
SAN JUAN COUNTY, COLORADO

ENGINEERING REPORT

by

R. L. BOLMER

INTRODUCTION

Thomas J. and Dorothy A. Mahoney of Grand Junction, Colo., owners of the patented Adams lode mining claim, U. S. Survey No. 2043, SE1/4 sec. 16, T. 42 N., R. 7 W., New Mexico principal meridian, Eureka Mining District, San Juan County, Colo., made application for Government assistance to explore that property for tungsten. The applicants proposed deeper exploration of a formerly productive tungsten vein outcropping on the Adams claim. The proposed exploration, estimated to cost $21,500.00, included a 150-foot crosscut adit to intersect the vein at lower depth and 250 feet of drifting and 125 feet of raising on the vein.

The application, dated September 19, 1953, was assigned Docket No. DMEA 3179 and referred to the Bureau of Mines and the Geological Survey for field examination. The property was examined October 6, 1953, by a mining engineer of the Bureau of Mines and a geologist of the Geological Survey in the company of T. J. Mahoney. The engineering report was prepared from data obtained during the field examination and for the purpose of assisting the Defense Minerals Exploration Administration, Region IV Field Team, in evaluating the application.

A well-defined fissure vein outcrops diagonally across the Adams claim. The existing development of the vein is confined to shallow adits and trenches along its outcrop. Pockets of high-grade hubnerite ore reportedly were mined from these shallow surface workings and present exposures indicate the continuation of the vein and the occurrence of similar ore shoots at greater depths. The topography of the area lends itself to deeper exploration of the vein by a short crosscut adit.

It was concluded that the deposit warranted deeper exploration; and an exploration program, modified somewhat from that proposed by the applicants, was recommended. The modified program, consisting of certain surface improvements, a 200-foot crosscut adit to intersect the vein some 60 to 140 feet below its outcrop, and 180 feet of drifting and 100 feet of raising and/or sublevel drifting on the vein, was estimated to cost $19,200.00 (Government participation 75 percent, or $14,400.00).

LOCATION AND PHYSICAL FEATURES

The property is in the SE1/4 sec. 16, T. 42 N., R. 7 W., New Mexico principal meridian, Eureka Mining District, San Juan County, Colo. It is accessible via State Highway 353, a graveled road which follows Cement Creek north out of Silverton, Colo. for 7 miles to the abandoned mining community of Gladstone. The claim is about 3/4 mile from Gladstone via an unimproved road that continues north up the east bank of Cement Creek. The property lies east of the creek and road, on the steep western slope of Bonita Peak. The location of the property and the topography and physical features of the immediate area are shown on figure 1. U. S. Mineral Survey No. 2043 describes the No. 1 corner

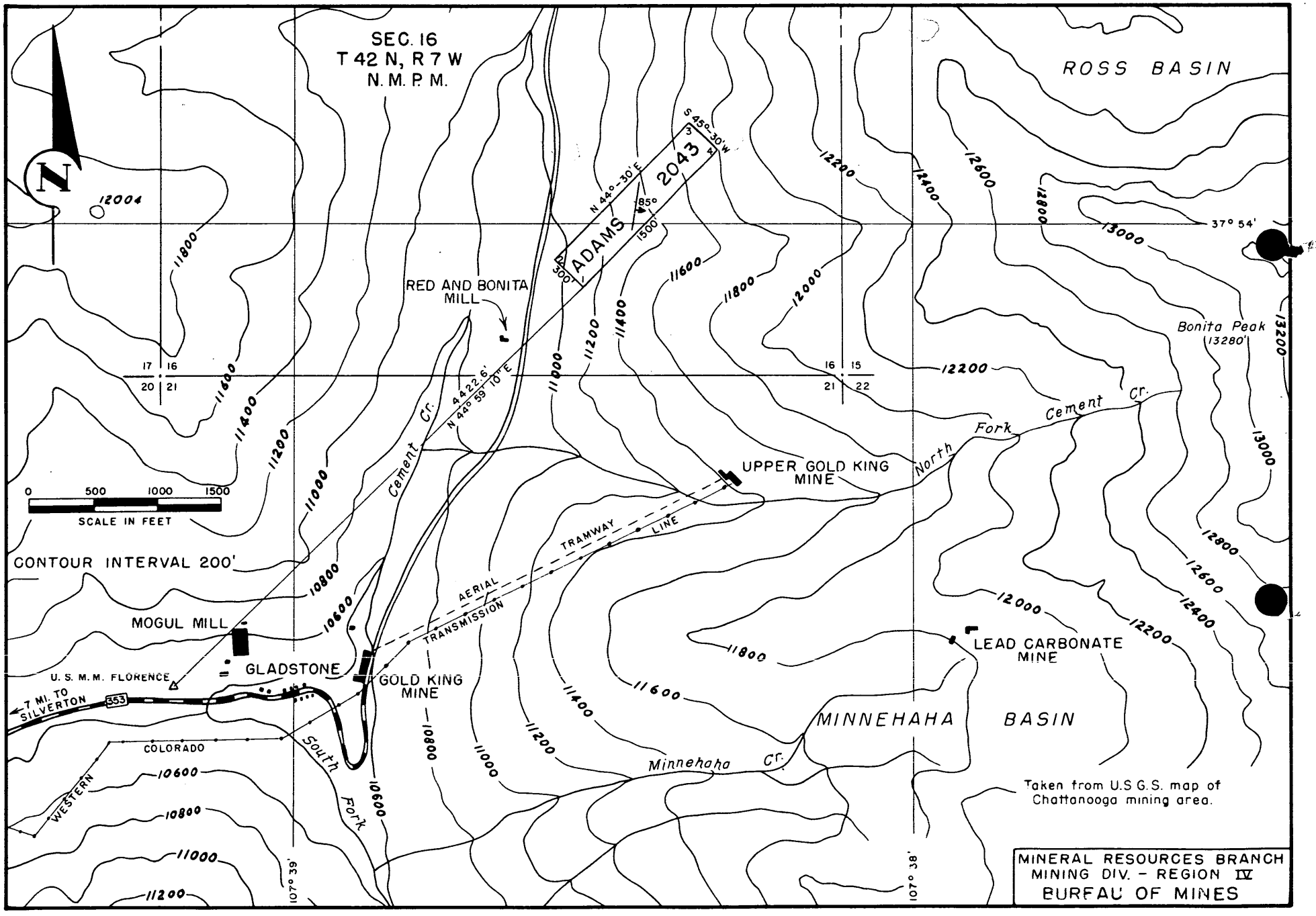

FIGURE 1 - LOCATION AND PROPERTY MAP, ADAMS LODE, SAN JUAN COUNTY, COLO. (DMEA 3179)

of the claim as 4422.6 feet N. 45°-59'-10" W. from U. S. Mineral Monument "Florence" at Gladstone.

The altitude of the property is between 11,000 and 11,800 feet above sea level. Unless elaborate preparations are made for winter operations, mining in this area generally is confined to a 7-month period beginning in May and ending in November.

There is some timber on the property but it would be more feasible to obtain the timber necessary for a mining operation from local sawmills. During most of the operating season, water sufficient for a mining operation can be obtained on the property. Transmission lines of the Western Colorado Power Company are extended only as far as Gladstone. Mining supplies can be purchased in Silverton. Mining equipment is obtainable in Grand Junction, Durango, and Denver, Colo., or in Salt Lake City, Utah.

The narrow gage Denver & Rio Grande Western Railroad terminates in Silverton. The standard gage Denver & Rio Grande Western Railroad, a more direct connection to the Denver and Salt Lake City markets, is extended to Ridgway, Colo., some 35 miles north of Silverton via Red Mountain Pass and U. S. Highway 550. The nearest custom tungsten mills are in Nederland, Colo. and Salt Lake City, Utah. The freight rates on crude ore shipments to these mills probably would be prohibitive. Medium or higher grade tungsten concentrates could stand the shipping charges. The trucking charges on tungsten concentrates to Nederland are $1.69 per cwt.

Under the Domestic Tungsten Program the General Services Administration will purchase hubnerite concentrates averaging 55 to 60 percent tungsten trioxide f.o.b. any milling point designated by the Administration. As yet, no such milling point has been designated in the San Juan area. A base price of $63.00 per short ton unit of contained tungsten trioxide is guaranteed for such concentrates until July 1, 1958, or until 3,000,000 short ton units have been delivered under the program.

HISTORY AND PRODUCTION

In an area within a few miles of Silverton, tungsten in the form of hubnerite has been known for many years and has been reported in more than twenty mines. Production from the area was reported as early as 1900. During World War I some high-grade tungsten ore was mined, and at various times tungsten has been saved as a by-product. Several properties located on either side of Cement Creek from Silverton up to and above Gladstone, mostly in the same township as the Adams lode claim, have had tungsten occurrences reported and a few have had a reported production of tungsten.[1/] Other occurrences and production of tungsten from mines east of Silverton (around Eureka) also have been reported.

The Adams lode claim was located July 19, 1880. The original location is recorded in book B2, page 682, in the office of the County Clerk and Recorder, Silverton, San Juan County, Colo. An amended location was recorded October 5, 1883, in book 66, page 273. Patent

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1/ Hamilton, Walter R., Silverton Area, San Juan County, Colo. Custom Mill Project (Tungsten); U. S. Bureau of Mines Office Memorandum, 12/5/42.

Survey No. 2043 was performed August 15, 1884. Nothing definite is known of the early history of the property or its production. The occurrence of tungsten on the Adams lode claim and on several nearby properties in the upper drainage of Cement Creek was mentioned in a magazine article published August 13, 1910.[2/]

It is reported that hubnerite ore worth $180,000.00 was mined from high-grade shoots in the outcrop of the Adams vein during World War I. From the size of the surface and underground excavations and the quantity of dump material, such a production is considered a possibility. The ore apparently was hand sorted and jigged. The remains of an old jig are still on the property. Judging from the amount of mineral in the dump material, recovery evidently was low. The property probably has not been worked since World War I and the high tungsten prices.

During the examination, Messrs. Williams and Walby of Ouray, Colo., were operating a 25-ton tungsten gravity mill located some 3 miles north of Silverton on the east side of Cement Creek at the portal of the Yukon tunnel. The mill was being operated on dump ores obtained from the Galtie Boy group of properties located farther north on the west side of Cement Creek. The free milling dump ores produce a 55 to 60 percent WO_3 concentrate and a middling product averaging 45 to 47 percent WO_3, both of which are marketed with Hetzer Mines, Inc., Nederland, Colo. The concentrates averaged from 0.18 to 0.25 percent phosphorous. A recovery of 80 percent was reported. Messrs. Clifford and Burgess, lessees of the Ruby mine, also had concentrated dump ores at this mill during the year.

2/ Prosser, Warren C., Tungsten in San Juan County, Colo. Engineering and Mining Journal, Vol. 90, page 320, August 13, 1910.

An exploration project contract with Galtie Boy Mines, Inc. (DMEA 3068) currently is in effect but only the preliminary work has started. The group, about 1-1/3 miles southwest of the Adams lode claim in sec. 20, T. 42 N., R. 7 W., consists of the old Galtie Boy, Ohio, Dawn of Day, and Minnesota mines. The Minnesota mine is reported to have produced tungsten valued at $37,000.00 during World War I. The Ohio mine also produced tungsten during World War I and has a recorded production for 1951-52 of 6,433 pounds WO_3 worth $16,299.00, most of which came from dumps averaging 0.9 percent WO_3. Dumps from the Dawn of Day tunnel produced 4,000 pounds of 60 percent concentrates from 100 tons of ore treated in 1941.

OWNERSHIP AND EXTENT

The recorded owners of the Adams lode mining claim, U. S. Survey No. 2043, Eureka Mining District, San Juan County, Colo., are T. J. and Dorothy Mahoney, 944 Belford Avenue, Grand Junction, Colo., who are the applicants for aid under Docket No. DMEA 3179. The applicants purchased the property from San Juan County in 1953. Tax deed No. 94302 to the property, dated September 3, 1953, is recorded in the names of the applicants in book 176, page 135, in the office of the County Clerk and Recorder, Silverton, San Juan County, Colo.

The Adams lode claim is a rectangular area, 1,500 feet in length and 300 feet in width, comprising 10.32 acres (fig. 1). The Adams claim is the earliest location and has prior rights over the several intersecting and adjoining claims. Several of the adjoining claims presently are owned by San Juan County and the applicants will endeavor to purchase such property as it is offered for sale.

DESCRIPTION OF THE DEPOSIT

A tungsten-bearing quartz vein outcrops diagonally across the Adams lode claim. The vein occupies a fracture zone occurring in rocks of the Silverton volcanic series. In the Cement Creek area near Gladstone the rocks forming the lower slopes have been described as chiefly quartz latite.[3/] The rock is hard, brittle, and abrasive. It is overlain by a few feet of alluvium, talus, and glacial deposit. The vein strikes N. 10° E., about parallel to the mountain side, and dips 85° E. to vertical. It outcrops centrally between the end lines of the claim.

The central, most heavily mineralized portion of the zone, upon which the early development was performed, consists of up to 4 feet of open, vuggy, and distinctly zoned quartz. Crystalline hubnerite ($MnWO_4$), with a very minor amount of galena and pyrite, is erratically distributed as streaks, lenses, feeders, and vug fillings in the quartz. The reported occurrence of fluorite in the Adams vein has been confirmed.

The hubnerite mineral has been extracted from most of the accessible surface excavations. It is apparent from the mineral remaining on the walls of the excavations and in the dump material that large, massive hubnerite crystals had occurred as lenses and pockets a few to several inches in width for quite continuous lengths along the outcrop. Several parallel and intersecting fractures occurring in both the foot and hanging walls of the main structure contained up to an inch of massive hubnerite for observed lengths of 20 to 30 feet.

The Adams vein can be traced for nearly 250 feet diagonally across the width of the claim by means of shallow adits, trenches, and pits excavated in its outcrop. The possible maximum length of the vein within

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3/ Burbank, W. S., The Sunnyside, Ross Basin, and Bonita Fault Systems and their associated ore deposits; Colo. Scientific Proceedings, Vol. 15, No. 7, 1951.

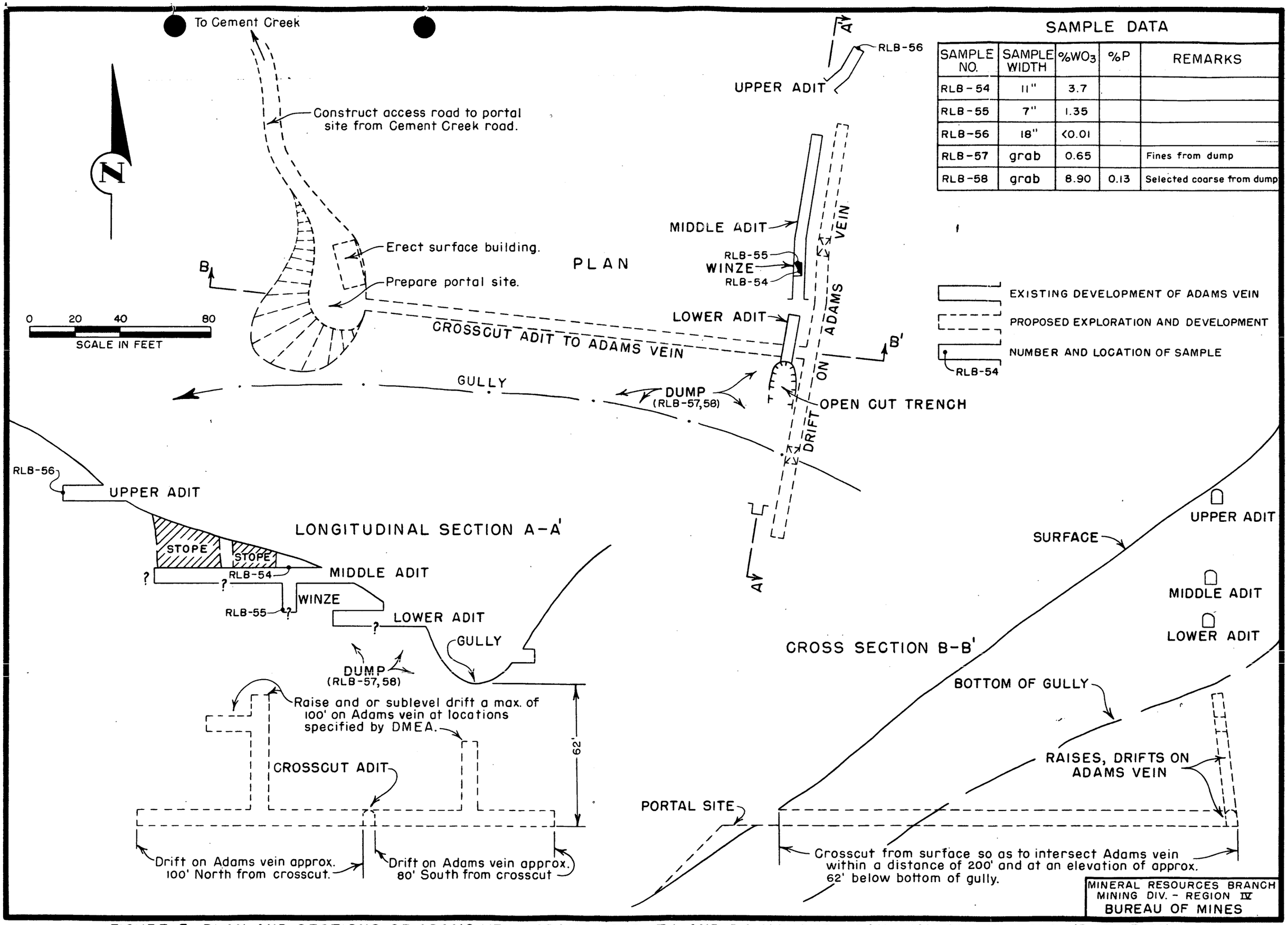
the side lines of the claim is approximately 525 feet. The apparent lateral extent of the ore shoots mined from along the outcrop is about 180 feet.

The topography of the surface lends itself to deeper exploration and development of the vein by means of a short crosscut adit begun from the lower slope west of the outcrop.

ORE RESERVES

The higher grade pockets of hubnerite which occurred along the outcrop of the vein all have been extracted to shallow depths below the surface. Except in a shallow winze, in which a strong hubnerite-bearing vein was observed, the bottom of the developed sections is obscured by caved material; and the continuation of the vein and the occurrence of similar ore shoots with greater depths can only be inferred. The vein structure is strong and well mineralized along an observed outcrop length of some 250 feet and was mined to shallow depths for nearly two-thirds of that distance. Other veins in the area have been productive to considerable depths, and the continuation of the Adams vein and its hubnerite ore occurrences to depths approaching their observed lengths is inferred.

An estimated 300 tons of dump material occurs on the slope below the middle and lower adits. A grab sample of the fines in the dump assayed 0.65 percent WO_3. A selected sample of coarse dump material, showing visible hubnerite mineral, assayed 8.9 percent WO_3 and 0.13 percent phosphorous. The dump contains about equal portions of coarse and fine material; and about one-fourth of the coarse material, such as was sampled, shows visible mineral. It is estimated that the whole



SAMPLE DATA

SAMPLE NO.	SAMPLE WIDTH	%WO_3	%P	REMARKS
RLB-54	11"	3.7		
RLB-55	7"	1.35		
RLB-56	18"	<0.01		
RLB-57	grab	0.65		Fines from dump
RLB-58	grab	8.90	0.13	Selected coarse from dump

FIGURE 3- PLAN AND SECTIONS OF ADAMS VEIN, ADAMS LODE, T.J. AND D.A. MAHONEY, SAN JUAN COUNTY, COLO. (DMEA 3179)

dump will average about 1.5 percent WO_3. The dump will derive no benefit from the proposed exploration and, therefore, should be excluded from the royalty provisions of an exploration project contract.

PRESENT STATUS

Exploration and Development

The existing development of the Adams vein, all to shallow depths along its outcrop, is shown on figure 3. A steep gully which carries considerable water during the spring and summer months, crosses the southern end of the outcrop. The fracture system is exposed in the south wall of the gully but it is not well mineralized here and shows only minor hubnerite. A short adit driven into the south wall disclosed no tungsten mineral, but it may not have been located on the main structure. Hubnerite is exposed in the bottom of the gully in narrow cross fractures which extend southeasterly across the gully and into its south wall (fig. 2 with the geologic report).

North of the gully the zone was developed by three short adits driven northerly into the outcrop. The adits apparently were begun as open pits and trenches which were extended underground as the surface of the outcrop increased in height towards the north. The lower of the three adits was begun as an open trench on the main or central portion of the zone. The vein probably was stoped below the trench and the adit floors but the extent of such work is presently obscured by back fill and caved material. The walls of the trench, the back and walls of the adit, and the fill material along their floors contain considerable hubnerite mineral.

The longer, middle adit also was begun as an open-cut on the main structure. Its farthest underground sections were stoped to the surface and at present exist as long open pits. The stope walls have stood well but the bottom of the adit below the stoped sections is obscured by caved material and surface wash, and is inaccessible. A shallow winze was sunk below the middle adit from a point just inside its portal. The winze was accessible to a depth of about 12 feet beyond which it was filled with broken material. The sample of the vein in the back of the adit above the winze assayed 3.7 percent WO_3 over a width of 11 inches; a sample of the vein near the bottom of the winze assayed 1.35 percent WO_3 over a width of 7 inches.

The upper adit contained no visible tungsten mineral although some was observed on the dump at its portal. The adit followed a strong structure which probably represents the main vein either beyond the northern limits of the tungsten ore shoots or through a barren section.

Mining and Milling Equipment and Other Facilities

There is no mining or milling equipment on the property, nor is the property provided with any of the surface or underground facilities such as are necessary for a small mining operation.

The present road past the property is some 400 feet west and 175 feet below the portal site of the proposed lower crosscut adit. A short spur, suitable for hauling equipment and supplies from the present road to the portal site will be needed. A portal site and a small shelter building for men and equipment also will be required.

A gasoline-powered compressor and the usual mining equipment will be needed. The applicants intend to purchase or rent the necessary

equipment and a rental allowance for such has been provided in the cost estimate.

Milling facilities will not be needed for an exploration project. Should exploration results warrant, the applicant is prepared to construct a small gravity mill at or near the property. It is possible also that some arrangement could be made with the present operators of the tungsten mill at the Yukon tunnel to mill any ore produced from the Adams lode claims on a custom basis. The owners recently offered these milling facilities for outright sale to the applicants.

PROJECT PROPOSALS WITH COSTS

Exploration and Development

The applicants propose to crosscut easterly from the surface and intersect the Adams vein within a distance of 150 feet at a depth of some 125 feet below the known development along the outcrop. They further propose to drift on the vein, both north and south from the adit, a total distance of 250 feet. A 125-foot raise on the vein, from the adit level to the bottom of the existing development, also is proposed. The applicants estimate the cost of such work as follows:

150 feet of crosscutting at $35.00 per foot	$5,250.00
250 feet of drifting at $35.00 per foot	8,750.00
125 feet of raising at $60.00 per foot	7,500.00
Total estimated cost	$21,500.00

The slope of the ground below the outcrop of the Adams vein is not as steep as estimated by the applicants. A 150-foot crosscut adit would cut the vein only about 57 feet below the bottom of the old winze and

some 26 feet below the gully, the lowest point along the outcrop. Establishing the adit at a lower elevation and increasing the crosscut distance to the vein somewhat will permit exploration of the vein at greater, more feasible depths. Locating the adit so as to cut the vein within a distance of 200 feet will increase the depth of the exploratory drift to 94 and 62 feet respectively below the winze and gully.

The ore shoots and the occurrences of hubnerite along the outcrop appear to be confined to a longitudinal section of the vein not exceeding 180 feet in length. Exploration north and south of this productive section does not appear warranted at the present. Drifting on the vein at the new adit level, approximately 100 feet north and 80 feet south from the adit but not to exceed a maximum of 180 feet, is recommended in lieu of the 250 feet of drifting proposed by the applicants.

If ore is not encountered by drifting on the vein in either direction from the adit, raising and sublevel drifting to the lower limits of the ore would be justified. Combined raising and sublevel drifting on the vein, not to exceed a maximum aggregate distance of 100 feet, is justified if the location and extent of such work has the prior approval of the Defense Minerals Exploration Administration Region IV Field Team.

New Equipment and Facilities

The applicants have indicated that the operating equipment necessary for carrying out the proposed exploration either will be purchased outright or rented during the life of the project. For the purpose of estimating the cost of the proposed work, it is considered that all necessary operating equipment will be rented at prevailing rates for the

life of the project. The following operating equipment is considered the minimum necessary to accomplish the underground exploration program:

Description	Estimated monthly rental
Gardner-Denver "WB" 285 cfm, 2-stage, vertical, air compressor; 50 hp gasoline engine (or equivalent)	$200.00
Ingersoll-Rand JR-38 Universal Jackdrill (or equivalent)	80.00
Pneumatic bit grinder (equivalent to Atlas RS-710)	15.00
Two, 16-cubic-foot, end dump, mine cars	25.00
30-inch by 6-foot compressed air receiver	10.00
14- by 48-inch, 48-gallon water pressure tank	5.00
Total estimated monthly rental	$335.00

The applicants own a late model, 1-ton Dodge "Power Wagon" equipped with a truck body, a power winch, and 4-wheel drive. Equipment of this type is a necessity for transporting equipment, materials, and supplies to the property during most of the operating season. Depreciation of $30.00 per month for the use of this owned equipment has been included in the estimated cost of the project. Gasoline, oil, and other operating expenses also have been allowed for this equipment.

An access road, estimated at from 1,000 to 1,500 feet in length, will be needed to connect the new portal site with the Cement Creek road. The lower sections of such a road can be bulldozed in the alluvium of the canyon slope. The higher sections near the portal probably will entail a certain amount of excavation in solid rock. The total estimated cost of such work, including the rental of bulldozing and drilling equipment, the necessary materials and supplies, and the required labor and supervision, is $500.00.

The slope of the mountain at the location of the proposed portal site is steep and consists of solid rock partially covered with alluvium. It will be necessary to excavate a site sufficient in area for a small surface plant and for waste disposal facilities. Bulldozing, as well as some drilling and blasting of the solid rock, is anticipated. After the adit is under way the surface site gradually will be built up by the disposal of waste rock. The total estimated cost of preparing the portal site is $300.00.

A surface building to enclose the compressor and other equipment, to store operating materials and supplies, and to serve as a workshop and a shelter for the workmen, will be needed. It will be constructed on the prepared site adjacent to the portal of the adit. The material and labor for a rough constructed 10- by 20-foot frame surface building, covered with roofing material, is estimated to cost $2.50 per square foot of floor area, or a total of $500.00.

Manpower

The applicant, T. J. Mahoney, is an experienced miner and mine lessee in the San Juan district. It is anticipated that he will supervise the project in the capacity of a working foreman. Besides supervising operations the foreman will purchase and transport operating materials and supplies, repair and maintain equipment, frame timbers, sharpen bits, prepare primers, perform the necessary accounting, and submit the required Government reports. Full-time services of a working foreman are anticipated at an estimated cost of $450.00 per month.

Two underground employees will be needed to advance crosscut, drift, and raise headings. One heading will be advanced on a single shift, six 8-hour days per week. Mining labor in the district, willing to work for hourly wages, is scarce. To obtain competent manpower it probably will be necessary to pay all labor required for advancing the underground headings on a piecework or contract footage basis. The current average labor rate in the district for advancing a 5- by 7-foot drift or crosscut and a 4- by 8-foot raise is $14.00 per foot. This rate has been used in estimating the labor costs of the project and is considered to include the labor for any timbering required to advance the headings.

Technical Services and Assaying

A survey of the existing workings, as well as an accurate location of the adit portal at the correct elevation on the hillside in relation to previous development and to the property lines, is advisable. The most feasible location of the access road and the portal site should be determined. The completed surface work and the start of the underground exploration should be tied into existing workings and claim boundaries, and a map, upon which current progress can be reported, should be prepared. The estimated cost of such a survey and the preparation of a suitable map is $200.00.

The analyses of samples to be taken of the mineral occurrences encountered during underground exploration is estimated to cost $120.00.

Time Schedule for Completion of Project

Description	Estimated time
Construct access road, prepare surface site, construct surface building, install equipment	1/2 month
Crosscut and drift a total of 380 feet	5 months
Raise and/or sublevel drift a total of 100 feet	1-1/2 months
Total estimated time for completion	7 months

Operations can commence either in April or May 1954, depending upon weather conditions.

Cost of Underground Exploration

The total estimated cost of completing 380 feet of crosscutting and drifting and 100 feet of raising and/or sublevel drifting, per Table I (following), is $18,128.75. Certain operating materials, such as pipe, track, small tools, etc., will be unexpended and will have a salvage value at the completion of the project. The estimated total net cost of the work, after liquidation of the salvable property, is $17,580.00. Of the total net cost of the underground work, $13,680.00 has been distributed to 380 feet of crosscutting and drifting and $3,900.00 to 100 feet of raising and sublevel drifting. The estimated net unit cost of crosscutting and drifting is $36.00 per foot; of raising and sublevel drifting, $39.00 per foot.

Table I

Estimated Costs of Proposed Underground Exploration

Items of cost	Cost of crosscutting and drifting	Cost of raising and sublevel drifting
Labor and Supervision:		
Direct labor at $15.00 per foot	$ 5,700.00	$ 1,500.00
Working foreman at $450.00 per month	2,250.00	675.00
	7,950.00	2,175.00
Operating Materials and Supplies:		
Explosives	1,140.00	300.00
Timber	380.00	200.00
Pipe	*250.00	*60.00
Track	*350.00	—
Gasoline, oil, grease	650.00	200.00
Drill steel, bits	380.00	170.00
Air, water hose	*150.00	*37.50
Small tools	*200.00	*50.00
Miscellaneous supplies	200.00	50.00
	3,700.00	1,067.50
Operating Equipment:		
Depreciation of Power Wagon	150.00	45.00
Rental of compressor, drill, cars, etc.	1,675.00	502.50
	1,825.00	547.50
Miscellaneous:		
Repairs to equipment	200.00	50.00
Payroll taxes	159.00	43.50
Liability insurance	268.00	73.50
Freight on materials and equipment	53.00	16.75
	680.00	183.75
Estimated total cost	$14,155.00	$ 3,973.75
*Less salvage value on unexpended materials	475.00	73.75
Estimated total net cost	$13,680.00	$3,900.00
Recommended units	380 feet	100 feet
Net unit cost	$36.00 per foot	$39.00 per foot

Summary of Cost of Project

Item	Recommended project work	Estimated net cost
1.	Construct access road to portal of new adit (complete job at $500.00)	$ 500.00
2.	Prepare site for surface plant at portal of new adit (complete job at $300.00)	300.00
3.	Erect shelter building on prepared portal site (complete job at $500.00)	500.00
4.	Crosscut easterly from surface of Adams lode claim to intersect Adams vein within a crosscut distance not exceeding 200 feet and at a depth of approximately 60 feet below the lowest point along its outcrop (200 feet of crosscutting at $36.00 per foot)	7,200.00
5.	Drift on Adams vein approximately 100 feet north and 80 feet south from new crosscut adit but not in excess of a maximum aggregate distance of 180 feet (180 feet of drifting at $36.00 per foot)	6,480.00
6.	If ore is not encountered by work authorized in Item 5 above, raise and/or sublevel drift on the Adams vein to the ore limits at locations and to extent approved by DMEA Region IV Field Team but not to exceed a maximum aggregate distance of 100 feet (100 feet of raising and/or sublevel drifting at $39.00 per foot)	3,900.00
7.	Survey property, locate and map project work (costs as incurred but not to exceed $200.00)	200.00
8.	Assay samples (costs as incurred but not to exceed $120.00)	120.00
	Total estimated net costs of project	$19,200.00

The over-all net unit cost of the proposed project is estimated as $40.00 per foot of recommended underground exploration.

Proposed Financing

The applicants are prepared to furnish their share of the cost of the proposed project in accordance with regulations on Government participation. It is believed that the applicants are financially able to furnish their share of the estimated cost of the recommended work, about $4,800.00, in money. It is anticipated that one of the applicants will serve as a working supervisor for the project and that some minor equipment, owned by the applicants, will be utilized.

CONCLUSIONS

High-grade tungsten ore has been mined to shallow depths along the outcrop of the Adams vein. Exposures of the vein in the presently accessible outcrop workings indicate the continuation of both the vein structure and its tungsten content to greater depth. It is concluded, therefore, that the Adams vein warrants deeper exploration and that the most feasible method of accomplishing such exploration is by means of a short crosscut adit driven to the vein from the lower slopes of the Adams lode claim. The applicant, Thomas J. Mahoney, is both financially able and sufficiently experienced to carry out the proposed exploration project in an efficient and workmanlike manner and within the period anticipated.

RECOMMENDATIONS

It is recommended that the modified exploration project for tungsten at the Adams lode claim, San Juan County, Colo., as outlined in this report, be approved for an estimated cost of $19,200.00 (Government

participation 75 percent, or $14,400.00). A short form exploration project contract, authorizing the recommended work and providing for payment to the operator on the basis of units of work accomplished at the unit costs itemized in this report, is suggested.

/le

SURNAME COPY

Defense Minerals Exploration Administration
Robert E. Adams Ext. 2017

143923.970, Working Fund, Interior, DMEA
March 2, 1954
10:00 a.m.
TO: W.H.King, Executive Officer, Region IV, 224 New Customhouse Bldg., Denver 2, Colorado

SUBJECT: Assignment of Contract Number

MESSAGE:

REFERTEL 3-1-54, DOCKET NO. DMEA 3179, THOMAS J. MAHONEY AND DOROTHY A. MAHONEY, 944 BELFORD AVE., GRAND JUNCTION, COLORADO, PROPERTY LOCATED IN SAN JUAN COUNTY, COLORADO, COMMODITY TUNGSTEN. CONTRACT NUMBER IDM-E-661 ASSIGNED THIS CONTRACT.

R. D. Mitendorf

AUTHORIZED: ADMINISTRATOR

REAdams/meb
cc to: Adm.Reading File
Mails & Files Br.
Bu. of Mines, Audits Div., Rm. 2509
Miss Curtin

SENT
MAR 2 1954
Clerical Service Section

RG 3-2-54

Mr. C. O. Mittendorf
3-1-54
4:00 P.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 2 - 1954

BUR MINES DN 235 3-1-54 1-54 PM

C O MITTENDORF

PLEASE ASSIGN A NUMBER TO CONTRACT COVERING DOCKET NUMBER 3179, THOMAS J. MAHONEY AND DOROTHY A. MAHONEY, HUSBAND AND WIFE, 944 BELFORD AVENUE, GRAND JUNCTION, COLORADO. COMMODITY TUNGSTEN. PROPERTY IN SAN JUAN COUNTY, COLORADO. CONTRACT DATED MARCH 1,1954. AMOUNT OF GOVERNMENT PARTICIPATION $14,400.00. TOTAL AMOUNT OF CONTRACT $19,200.00 XXXXX $19,200.00.

W H KING

E661. 75%

Denver, Colo.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 12 1954

224 New Customhouse
Denver 2, Colorado

February 9, 1954.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Report of Examination - DMEA Docket 3179 (Tungsten), Thomas J. and Dorothy A. Mahoney, Adams Lode, San Juan County, Colorado.

Exploration aid in the amount of $19,200.00 has been approved and the contract will be prepared by this office. Four copies of the report of examination will be forwarded you when the contract is executed. Two copies of Form 3b are enclosed.

W. H. King

A. H. Koschmann

Enclosures

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

224 New Customhouse
Denver 2, Colorado

September 25, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: Code 200

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docketing for Exploration Assistance

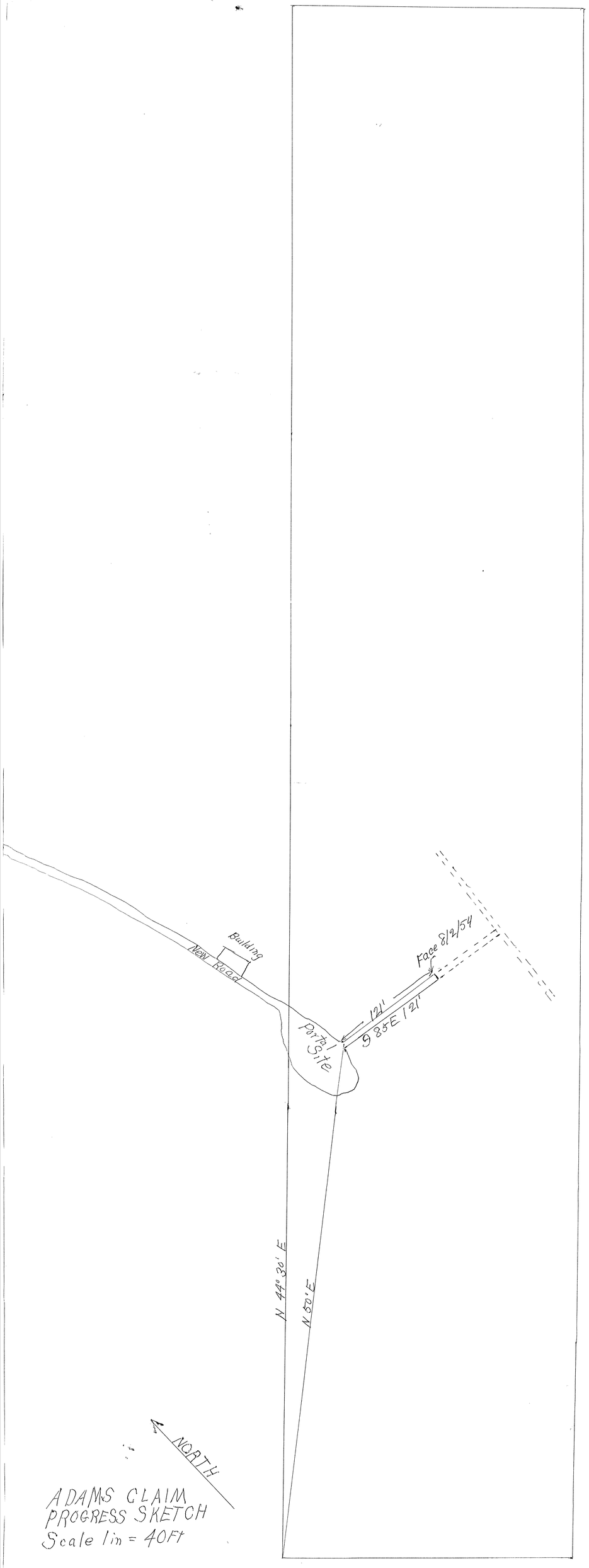
Enclosed herewith in duplicate is DMA Form 3a and MF-103 and supporting data pertaining to the following application for Government assistance in exploration work:

Thomas J. Mahoney and (Tungsten)
Dorothy A. Mahoney
933 Belford Avenue
Grand Junction, Colorado

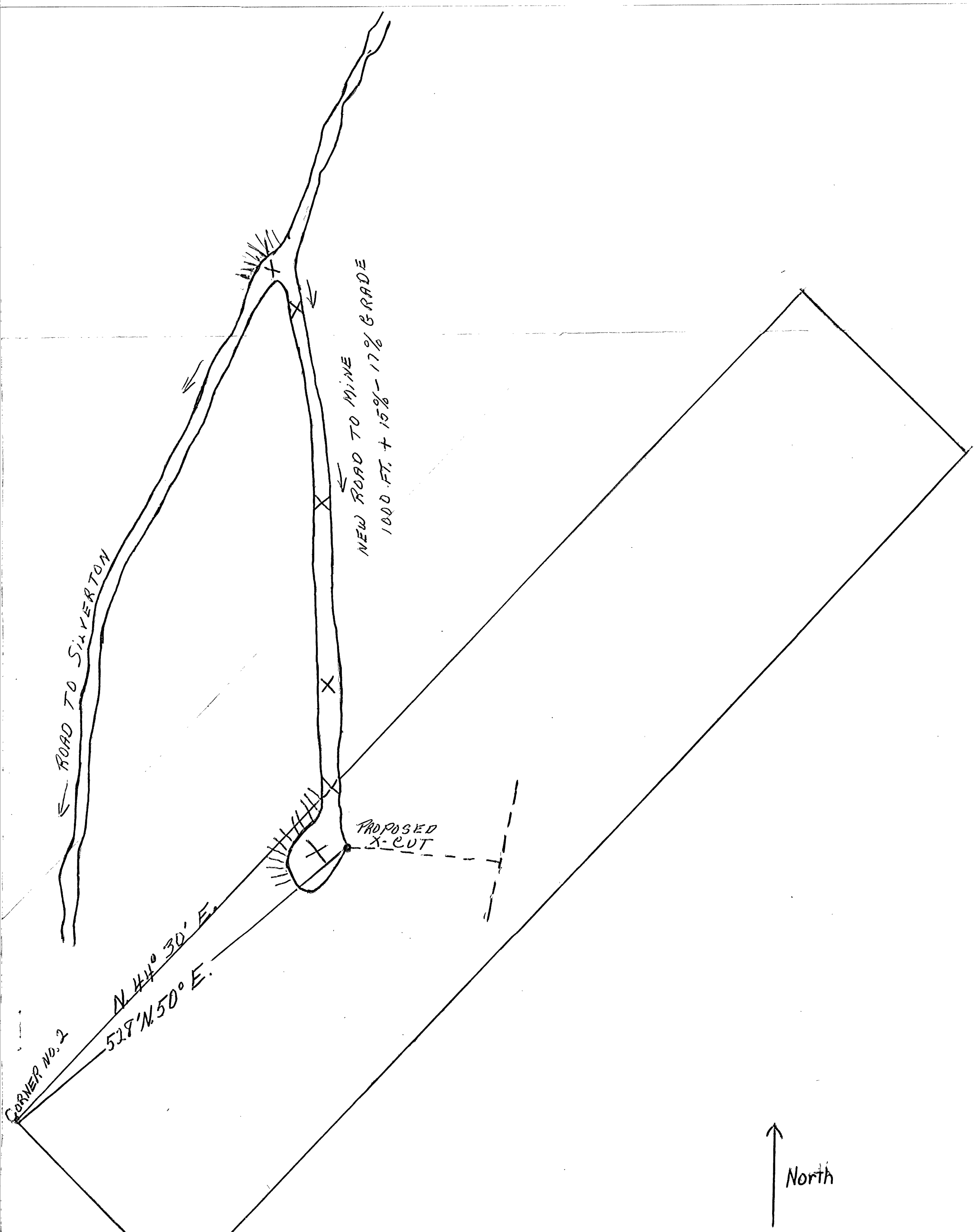
W. H. King

W. H. King

Enclosures



ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft

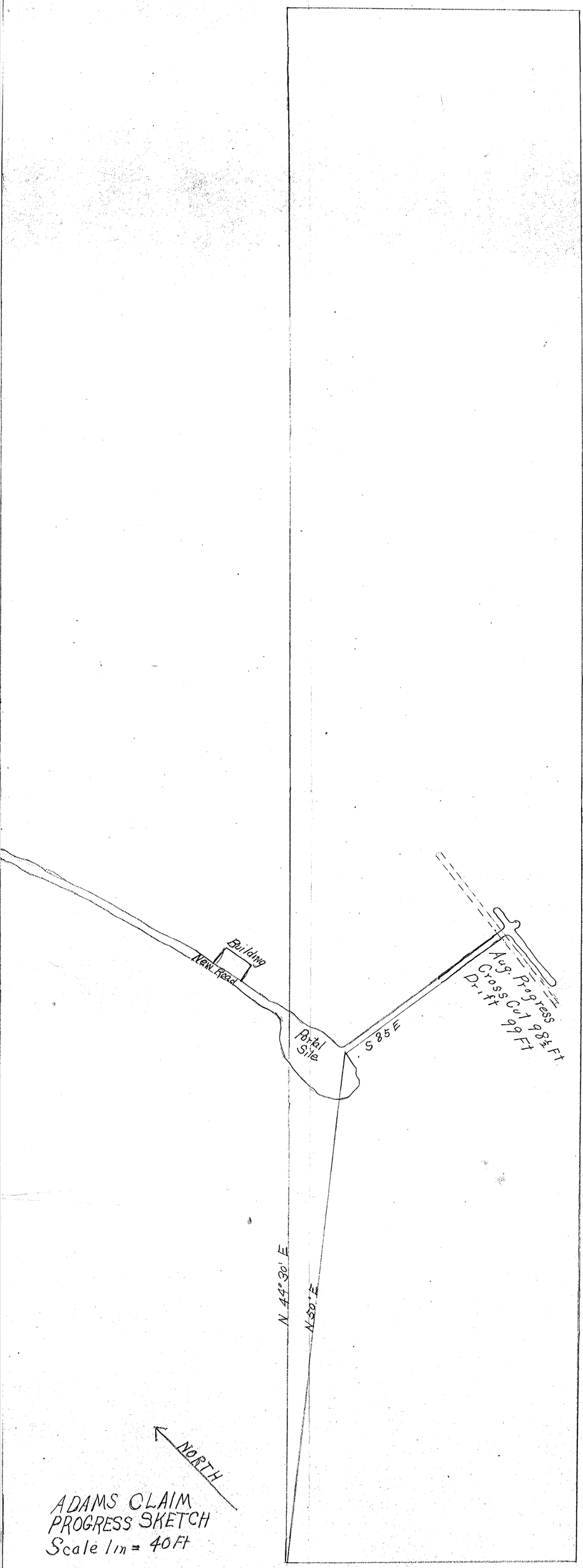


ADAMS CLAIM

SCALE 1 IN. = 100 FT.

WORK PROGRESS
ENDING JUNE 30, 1954

XXXX = WORK COMPLETED



ADAMS CLAIM
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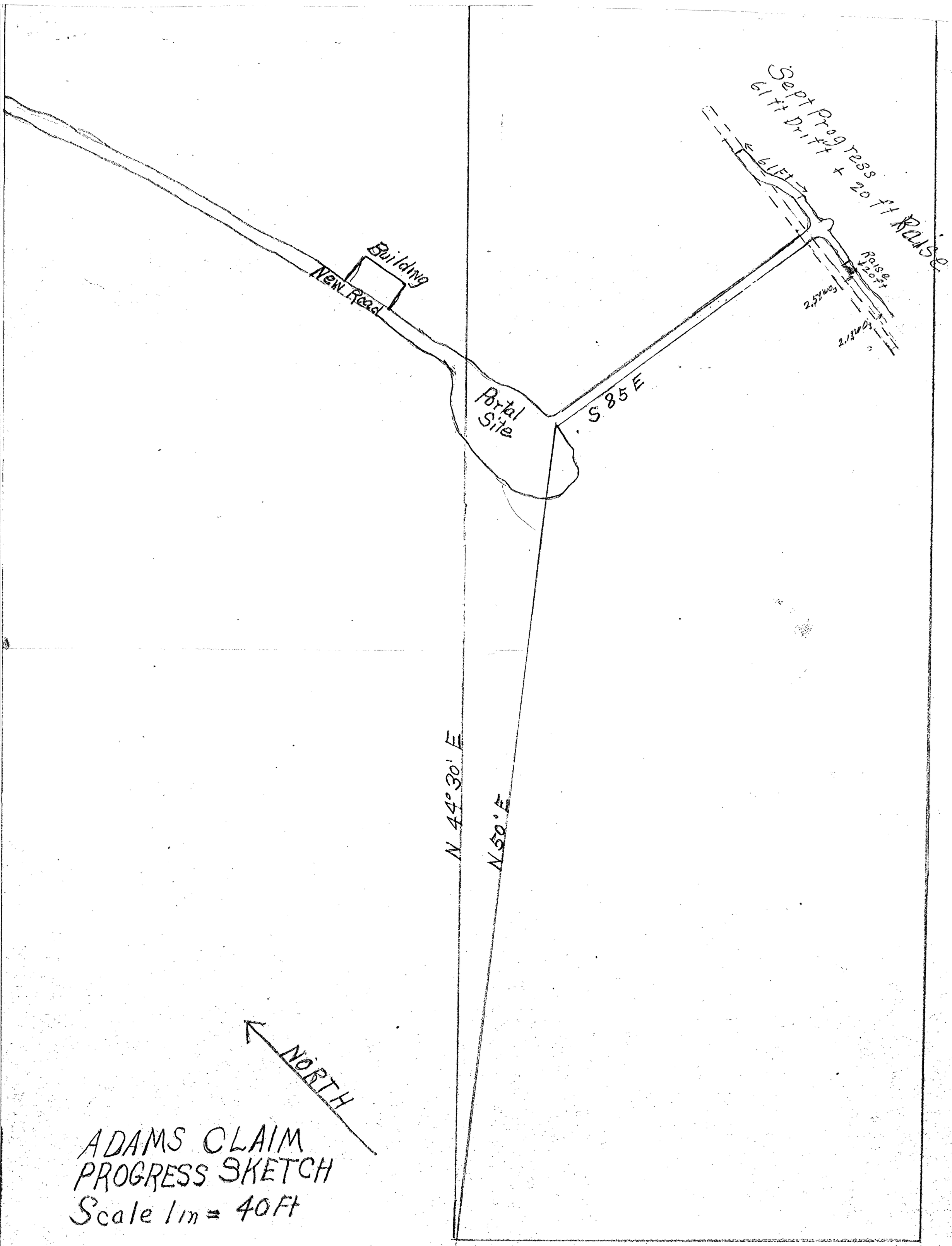

ADAMS CLAIM
PROGRESS SKETCH
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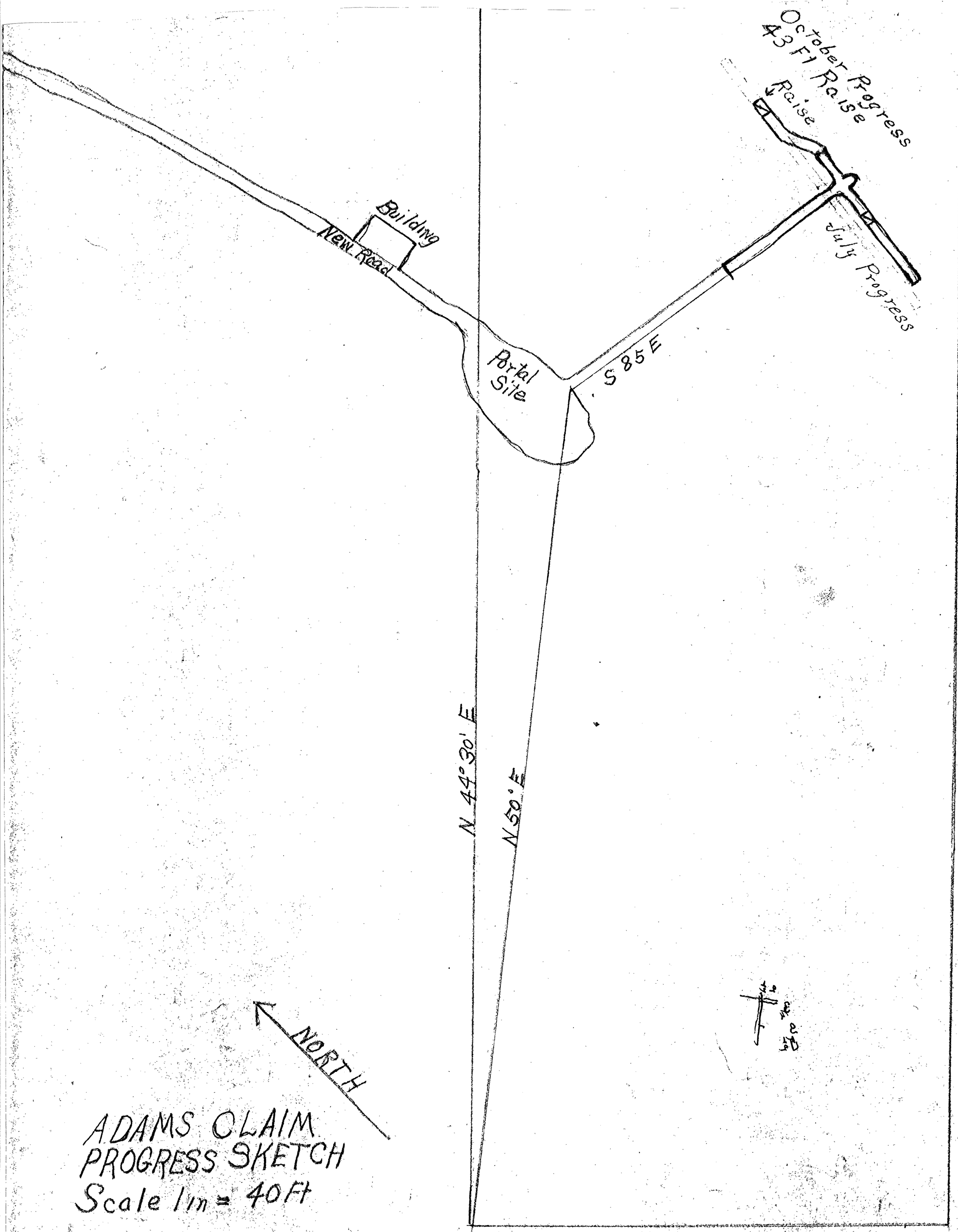
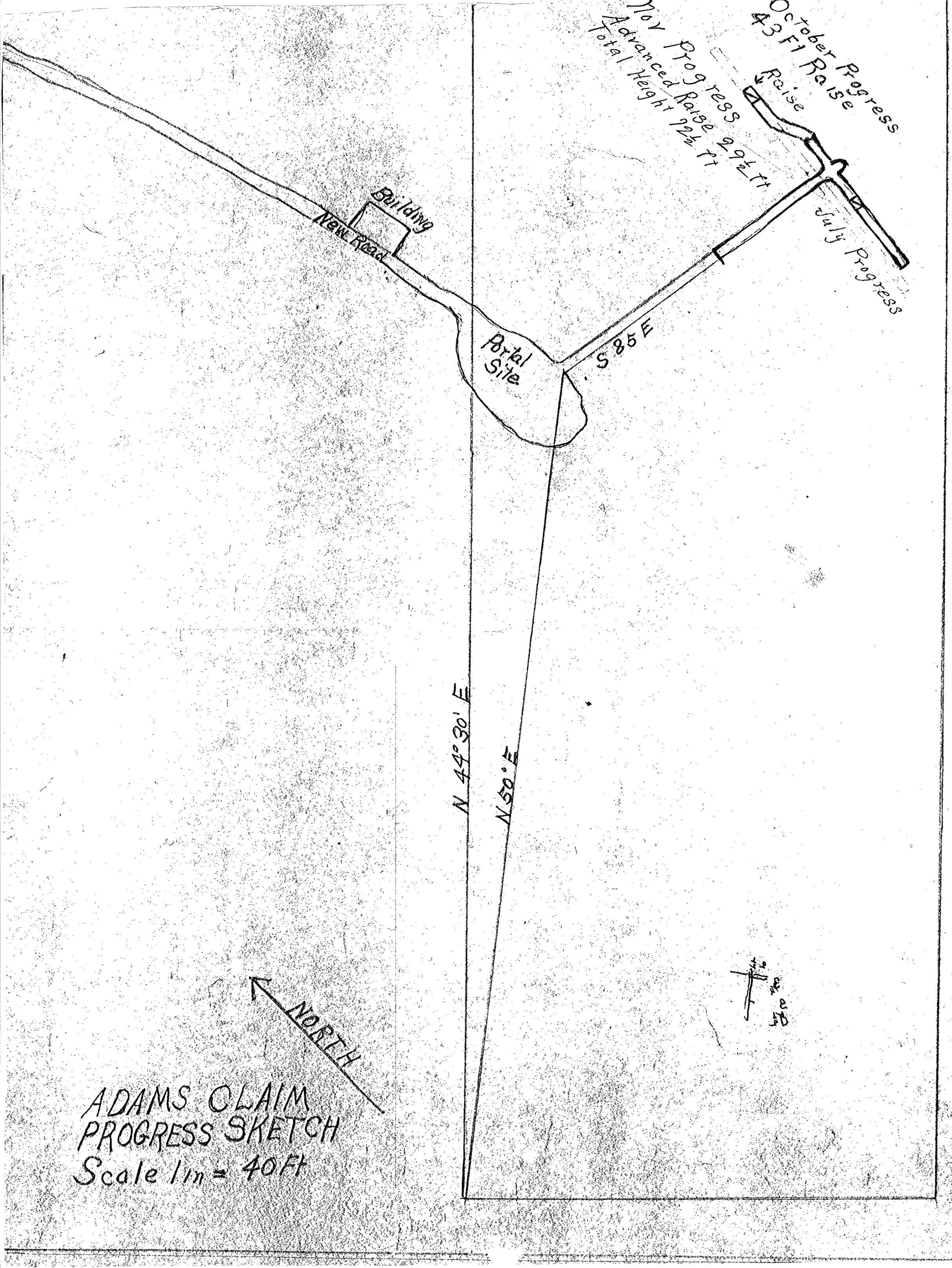


ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft


October Progress
43 Ft Raise
Raise
Nov Progress 9½ ft
Advanced Raise 9½ ft
Total Height 92½ ft
July Progress
Building
New Road
Portal Site
S 85 E
N 44° 30' E
N 50° E
NORTH
ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40ft