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-8661, 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-8661 Thomas J. & Dorothy A. Mahoney DMEA-3179

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, 1953. 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 MMS 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.

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED SEP 10 1962
DATE
800

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

August 28, 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-3661

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

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 Ibm-8661, 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

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 13 1959

DATE	INITIALS	CODE
8-13	gad	VVO
		800

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

CONTRACT IDM-E661 DOCKET NO. DMEA 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 GSE 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

DOCKET NO. DMRA 5179

THOMAS J. MAHONEY AND DOROTHY A. MAHONEY

SUMMARY OF PRODUCTION SALES AND ROYALTY
Period March 1, 1954 to August 3, 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	50.95	40.90	52.45	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.

Original signed by
I. W. TOWNSEND

August 10, 1959
Date

Mining Engineer
Executive Officer, OME
Field Team, Region III

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

For Certificate of Deposit No. 60, dated November 10, 1955, giving royalty repayment of $78.87, see E-333.

E-661

For Certificate of Deposit No. 53, dated October 24, 1955, giving royalty repayment of $33.63, see E-53.

E-661

For Certificate of Deposit No. 64, dated January 19, 1955, giving royalty repayment of $13.89, see E-4.

For Certificate of Deposit No. 55, dated December 23, 1954, giving royalty repayment of $90.04, see E-4.

01 of 01

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 21 1954

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-1661, 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 MF-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

DEC 23 1954

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

Re: Idm-654, DMEA-3182
Lloyd P. Mack
and
Idm-1661, 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,

Jay L. Chambers, Chief
Contract Administration
and Audit Division

AMAlley/ann
December 22, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
DEC 30 1955

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. Maheney, 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

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-55-46

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

Defense Minerals Administration
RECEIVED
JAN 6 1955

224 New Customhouse
Denver 2, Colorado

January 5, 1955

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 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 comtract.

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

Encls.

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 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:						
Portal Site Surveying & Road		200.00	200.00			
Dumping		800.00	800.00			
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 Vou. No. DMA 5539

(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 61 in accordance with the terms of the contract.

Signature G Walker ~~[illegible]~~ 896 62 Title Mng engr. Date

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H 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

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

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

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

Administrative Audit Difference Statement

Date: Dec. 8, 1954
Payee's
Reference: November 1954

Thomas J. Mahoney and Dorothy A. Mahoney
Husband & Wife
944 Belford Ave.
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 $100.00 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

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

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-E661 (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 E661 DMEA Chron.

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-R661 (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/iei

cc: VG
R661
DMEA Chron.

Narrative Report for Nov. 1954

D.M.E.A. 3179 Contract No. Ids-5661

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.

J 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---------7.73% 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

J J Mahoney

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
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-11-54

(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. dmEE 61 in accordance with the terms of the contract.

Signature [illegible] 12.57.75 WMT Title [illegible] Date 11/8/54

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

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.

DVEA 3179, Contract Ida-5661
Narrative Report for the Month of October

During the month of October 1954 all progress was confined to raising from the North drift. A total of 43ft. 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

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

Budget Bureau No. 42-R1036.5

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

Month of September, 1954 Docket No. DMEA 3179 Contract No. 14-[illegible]

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

Address 944 Bulford Ave. Grand Junction Colo.

Contract Amount, $19800.00 Government Participation: 75% Amount, $14400.00

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:						
Surveying		200.00	200.00			
Drilling						
Portal, Adit & Road		800.00	800.00			
Crosscutting		7968.00	7968.00			
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 Randel 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. DMA-E661 in accordance with the terms of the contract.

Signature GWalker P2232 Title Manager Date 10/8/54

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

Signature W.H. Kung 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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1954 Docket No. DMEA 3379 Contract No. [illegible]
Operator's Name T.J. Mahoney and D.A. Mahoney Minerals Tungsten
Address 914 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.	2296.00	61	5760.00	160	36.00		
Crosscutting	Ft.	0	0	7902.00	219	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

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

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

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: DMEA 3179, contract IAm-2661 (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 lacks 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.

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
Z661
DMEA Chron.

GW/pan

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 28 1954

DMEA 3179, Contract Idm-3661
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.

J J Mahoney

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
DEC 6 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 1954 Docket No. DMEA 3179 Contract No. Idm-2661
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	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				300.00				
~~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

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
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 Idm-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 authroized 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.

F. S. 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: RMEA 3179, contract Idm-R661 (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 Tuhon 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 $1,257.75, which is 75 percent of that claimed, is recommended.

Glen Walker
Glen Walker
Mining Engineer

cc 6
R661
RMEA Chron.

GW/pah

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.

Department of the Interior
Defense Minerals Administration

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Aug., 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:						
Drilling Prepare Portal						
Bulldozing Site & Road		800.00	800.00			
Crosscutting	3546.00	4356.00	7902.00			
Drifting	3564.00		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:

$ 5832.50

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. Idm-E611 in accordance with the terms of the contract.

Signature Glenn Walker 5332 50 DMM Title Mngmnt Date 9/14/54

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

Signature W. D. 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.

DEPARTMENT OF THE INTERIOR
Bureau of Mines
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	98½	7902.00	219½	36		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Prepare								
Trenching Portal Site				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

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-E561, 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
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.

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

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.

DMEA3179, 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 intthe contract, will be started on it.

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

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 3197 Contract No. IDM E 6661
Operator's Name T. J. MAHONEY and D.A. MAHONEY Minerals TUNGSTEN
Address GLADE PARK Colo
Contract Amount, $19200.00 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)

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 Randell 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. Tdm-E661 in accordance with the terms of the contract.

Signature Gbalher $3642.00 Title mngeng. Date 8/9/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H Ring 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. IDM E 661
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

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-M661 (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. D. Everett, for
W. M. Traver

enclosure

WMT/kp

cc 4
M661
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: DMEA 3179, Contract Idm-2661 (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
2661
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 C Mahoney

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

DEPARTMENT OF THE INTERIOR
Defense Minerals
RECE
AUG 2 - 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1954 Docket No. DMEA 3179 Contract No. Idm-3661
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:						
Drilling						
Bulldozing Prepare Portal Site Road &	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. Idm E 661 in accordance with the terms of the contract.

Signature G.L. Walker $750.00 Title Mng engr. Date 7/20/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. S. 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.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 4 1954 Docket No. DMEA 3179 Contract No. Idm-8661
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								
Prospect Adit 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

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

Department of the Interior
Defense Minerals Administration
AUG 2 1954

224 New Customhouse
Denver 2, Colorado

July 29, 1954.

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

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 Ida-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

Enclosures

JWT:cwm

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

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 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 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
July 20, 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 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
2661
DMEA Chron

GW/pam

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

During this period Mr. Ralph N. 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 DMEA 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 DMEA 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

MAR 2 6 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

GOVERNMENT COPY

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

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
[illegible] Hilford Avenue
Grand Junction, Colorado

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated March 1, 1954 (Docket No. [illegible]-3379), 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:fcc
5-4-55

cc to: Docket
Code 100
Adm. Read. File
Oper. Cons.
FT. REG. III
Mr. Johnson - Code 110
Mr. Chambers - Code 600

cc to: Finance Officer
Mr. Fendall, RFS, GSA
Mr. Hedges, USBM
Mr. Holliday, USBM
Mr. Hillegaard, USGS
Mahoney & Mahoney

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

MAY - 2, 1955

Thomas J. Mahoney and
Dorothy A. Mahoney
[illegible] Milford Avenue
Grand Junction, Colorado

Re: Docket No. DMA 3179 - Tungsten
Adams Lode
San Juan County, Colorado
Contract No. DMA-[illegible]

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, 1953, is subject to the Government's percentage royalty as set forth in the contract until the sum of $34,110.88 is paid or until March 1, 1964, whichever occurs first.

Payments shall be made to Mr. [illegible] A. Trevor, Executive Officer, Region III, 214 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. Trevor 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. Trevor at 6-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

TLTR-TRANSMITTAL 1-24-55 cc to: Mr. Hillegard, KCS
Docket Code 100 Mr. Johnson - Code 110
Mr. Lockhart - Code 500
Mr. Holliday - [illegible]
Mr. Hodges - [illegible]
Mr. Trevor, Region III
Mr. Keating File
per. conv.

400

MAY - 2 1955

F. W. M. Trower, Executive Officer
DMEA Field Team, Region III
[illegible] Mar Cathedrum Building
Denver 2, Colorado

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

Dear Mr. Trower:

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

Sincerely yours,

George C. Seffinga

Chairman, Operating Committee

Enclosures

TLChapman:fcc
4-21-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. III
Messrs. Johnson - Code 110
Chambers - Code 800
Hodges - USBM
Halliday - USBM
Killingsaard - USGS

APPROVED:

[illegible]

Member, Bureau of Mines

Thor H. Killingsaard

Member, Geological Survey

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

MAY - 2 1955

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

Re: Contract No. DMA 3179 - Tungsten
Adams Lode
San Juan County, Colorado
Contract No. [illegible]

Dear Mr. Yundell:

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

Contract No. [illegible] was executed March 1, 1953. Expenditures up to $[illegible] were authorized, of which the Government's share at 75 percent was $[illegible]. The work stipulated in the Contract was completed to the satisfaction of the Operator and the Government at a cost of $[illegible], of which the Government's share at 75 percent is $[illegible].

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 300 feet, and for raising 100 feet.

It is estimated that about 345 tons of ore that will assay from 1.4 to 1.47 percent WO_3 are indicated by the exploration project.

Sincerely yours,

G. D. Mittendorf

Administrator

TL:mgmmmfoo 5-4-55
cc to: Docket
Code 400
Adm. Reading File
Oper. [illegible]
FT. [illegible], III
Mr. Johnson - Code [illegible]

Mr. Chambers - Code 300
Mr. Rodgers - [illegible]
Mr. Holliday - [illegible]
Mr. Hillegaard, [illegible]

Docket No. DMEA - 3179

Commodity Tungsten

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 661

Date of Contract ~~or Amendment~~: March 1, 1954

Name and Address of Operator:
Thomas J. and Dorothy A. Mahoney
5th Milford Ave.,
Grand Junction, Colo.

Amount of Government participation _____ $ 14,400.00

Percent of Government participation _____ %

Region: 17 State: Colo.

Note: Please release $ 289.12

J. L. C. /wb
(Name)
J. L. Chambers
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. 12/29/54

54458

Docket No. 3179

Commodity Tungsten

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 661

Date of Contract or ~~Amendment:~~ March 1, 1954

Name and Address of Operator:

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

Amount of Government participation _____ $ 14,400.00

Percent of Government participation _____ %

Region: IV State: Colorado

J. L. Chambers (Name)
Chief, Contracts Administration and Audit Div.

(Title)

Date Delivered to Bureau of Mines, Washington. 3/2/54

54458

MF-200 (A)
(February 1952)

Received
6 1954

DOCKET NO. EA 3179

COMMODITY Tungsten

Idm-E661

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. 2043

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 the lease is subject only to the~~

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
Dorothy A. Mahoney
(Operator)

By _____

THE UNITED STATES OF AMERICA

By W. S. King
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:

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.

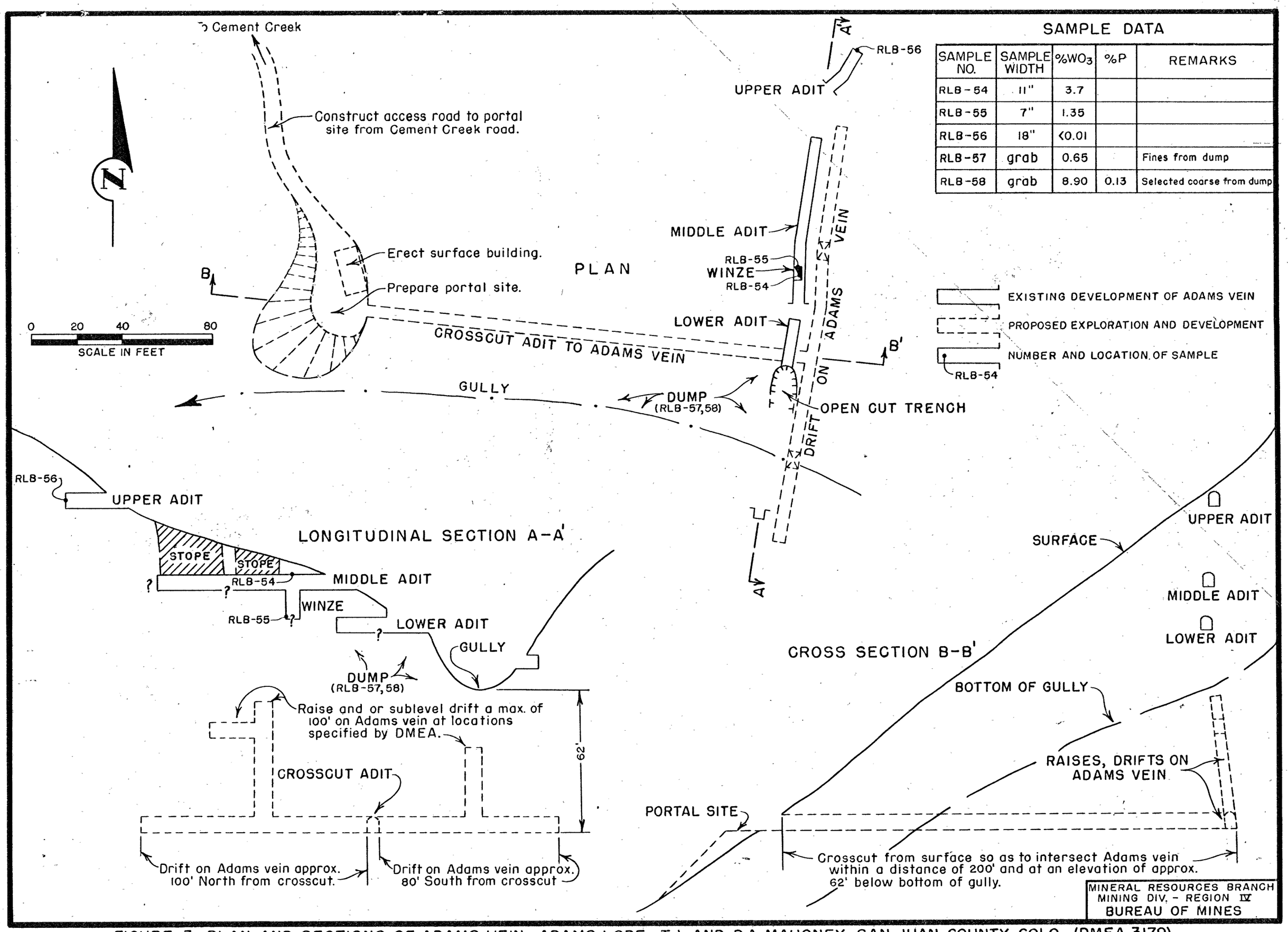
The tentative location of all the work is shown on Figures 3 and 4 which are attached hereto and made a part of Exhibit A.

DMEA-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.



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)

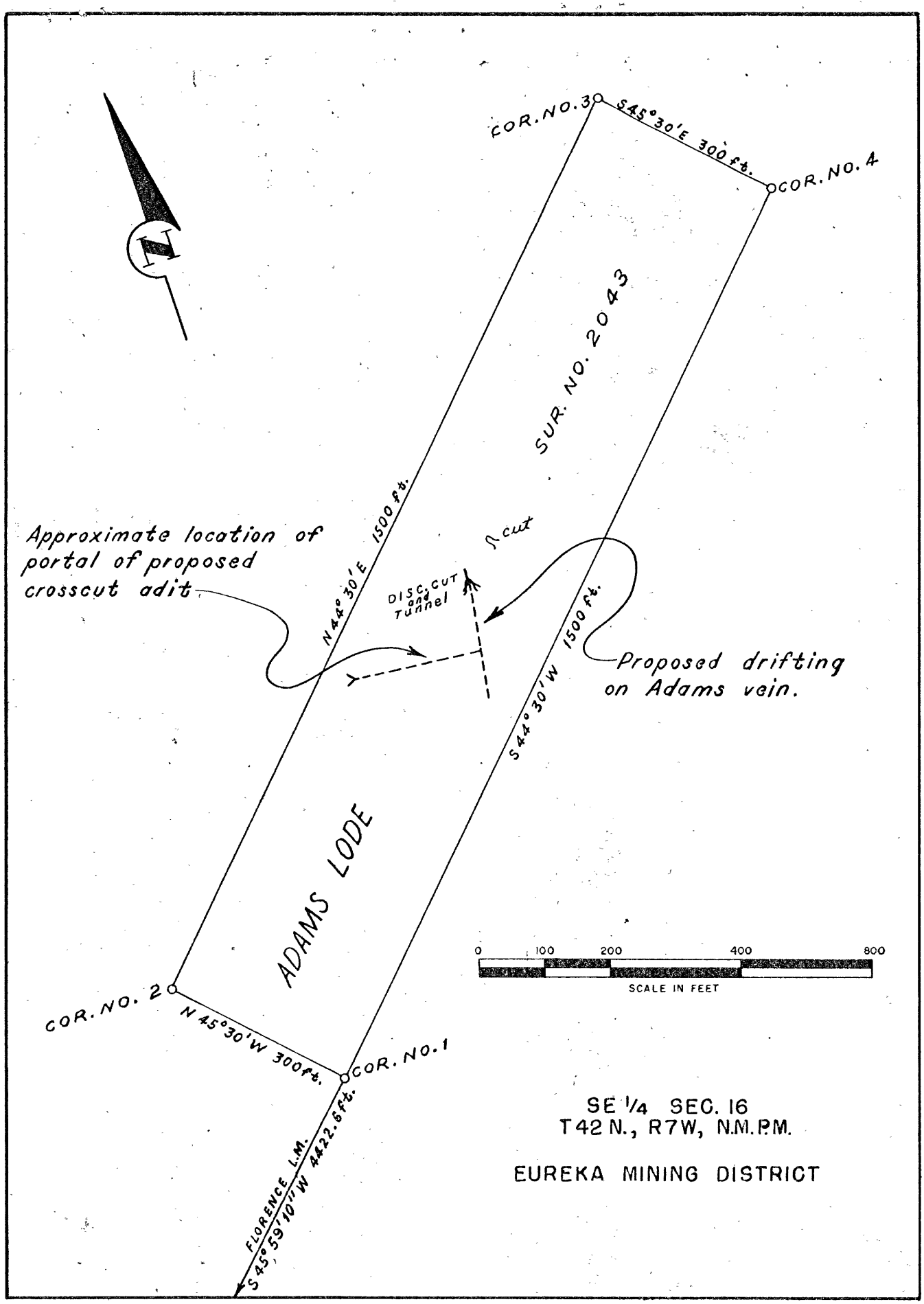
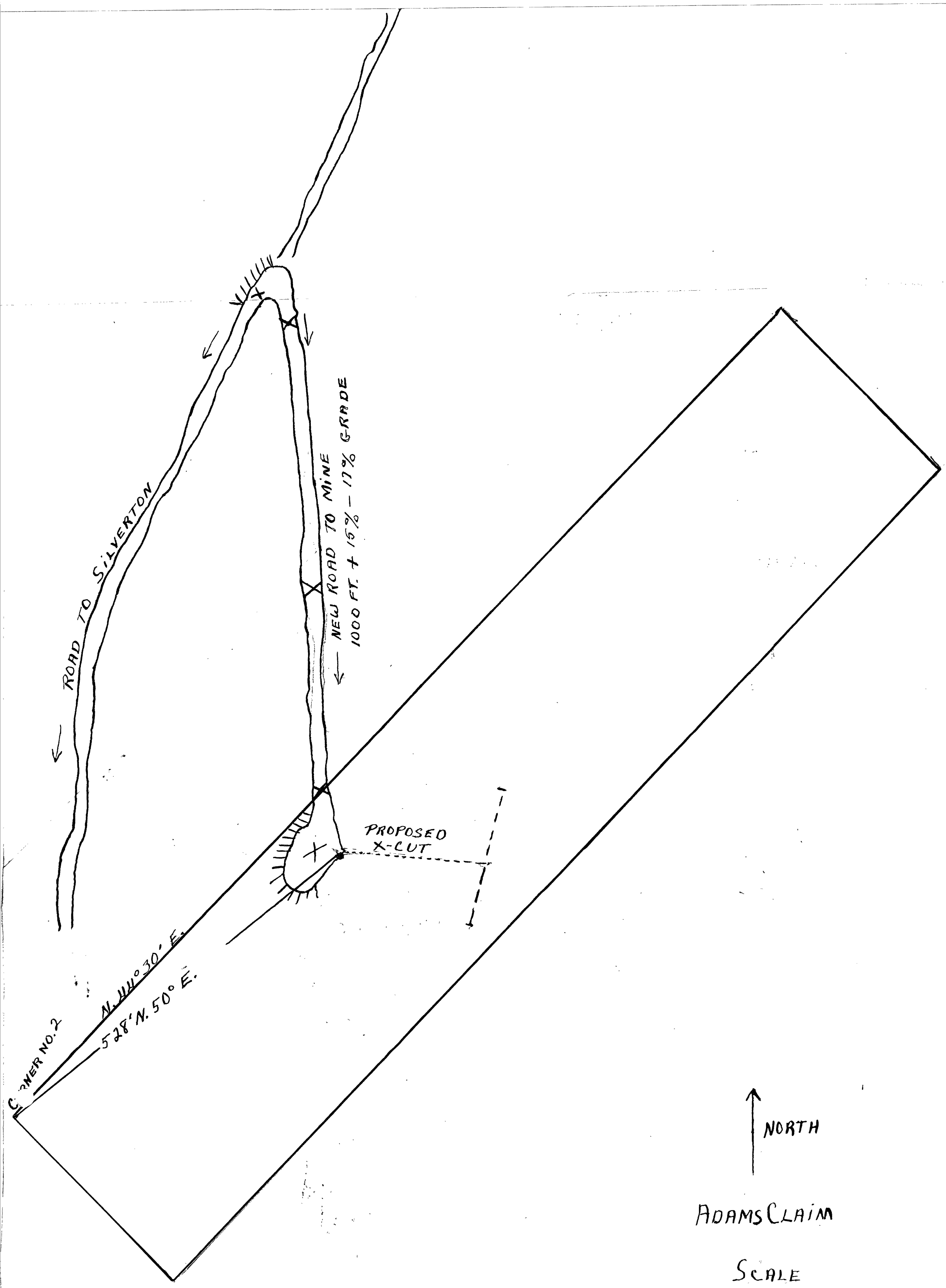


FIGURE 4 – MAP OF ADAMS LODE, SHOWING APPROXIMATE LOCATION OF PROPOSED EXPLORATION, SAN JUAN COUNTY, COLO. (DMEA 3179)



ADAMS CLAIM

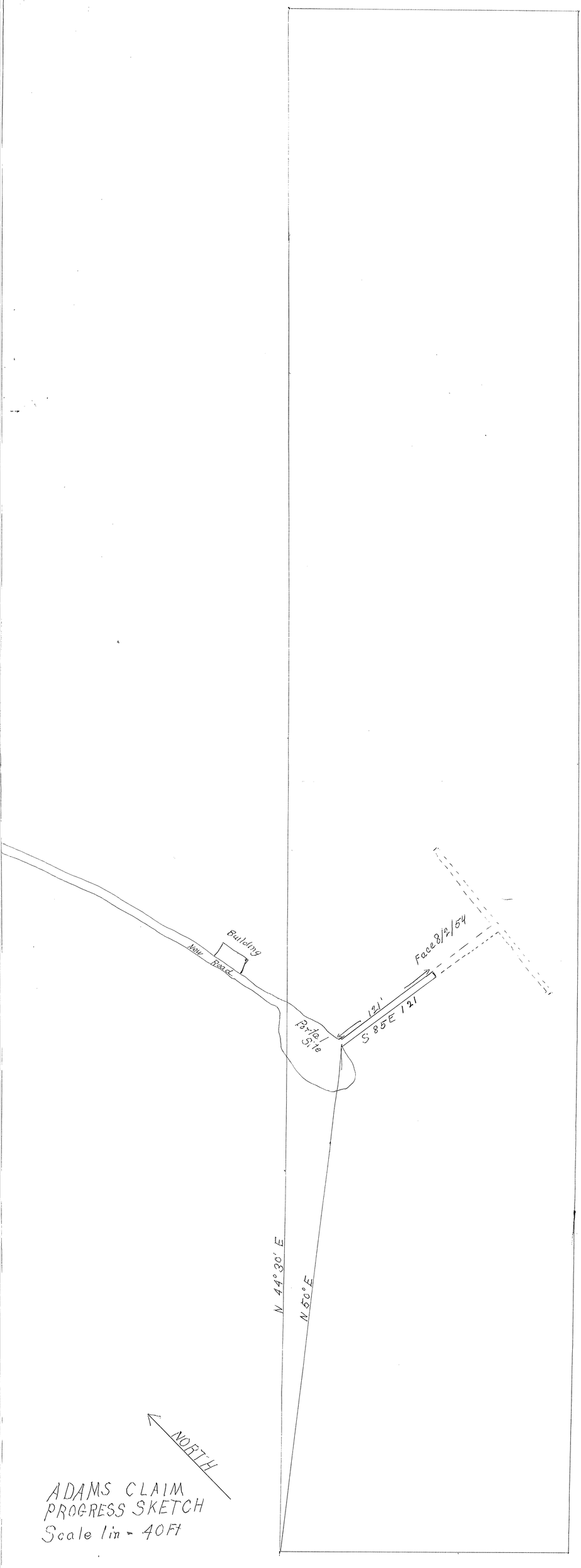
SCALE

1" = 100 FT.

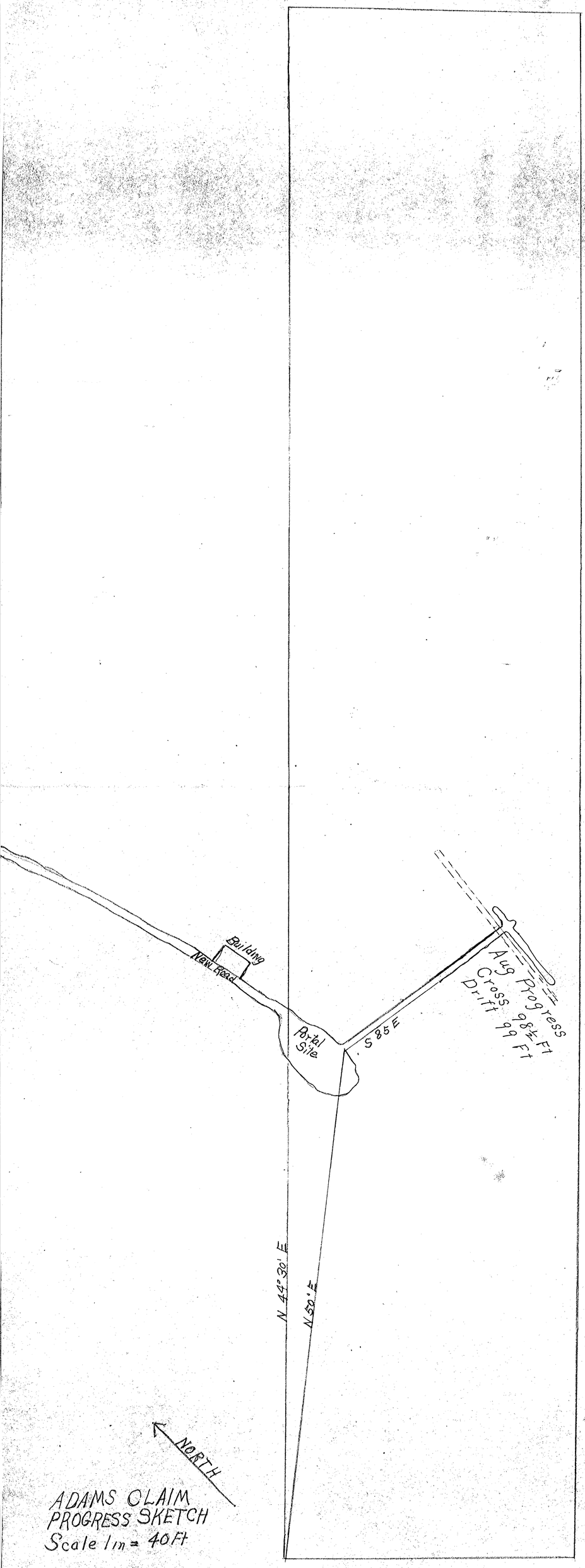
XXXX = WORK COMPLETED

WORK PROGRESS

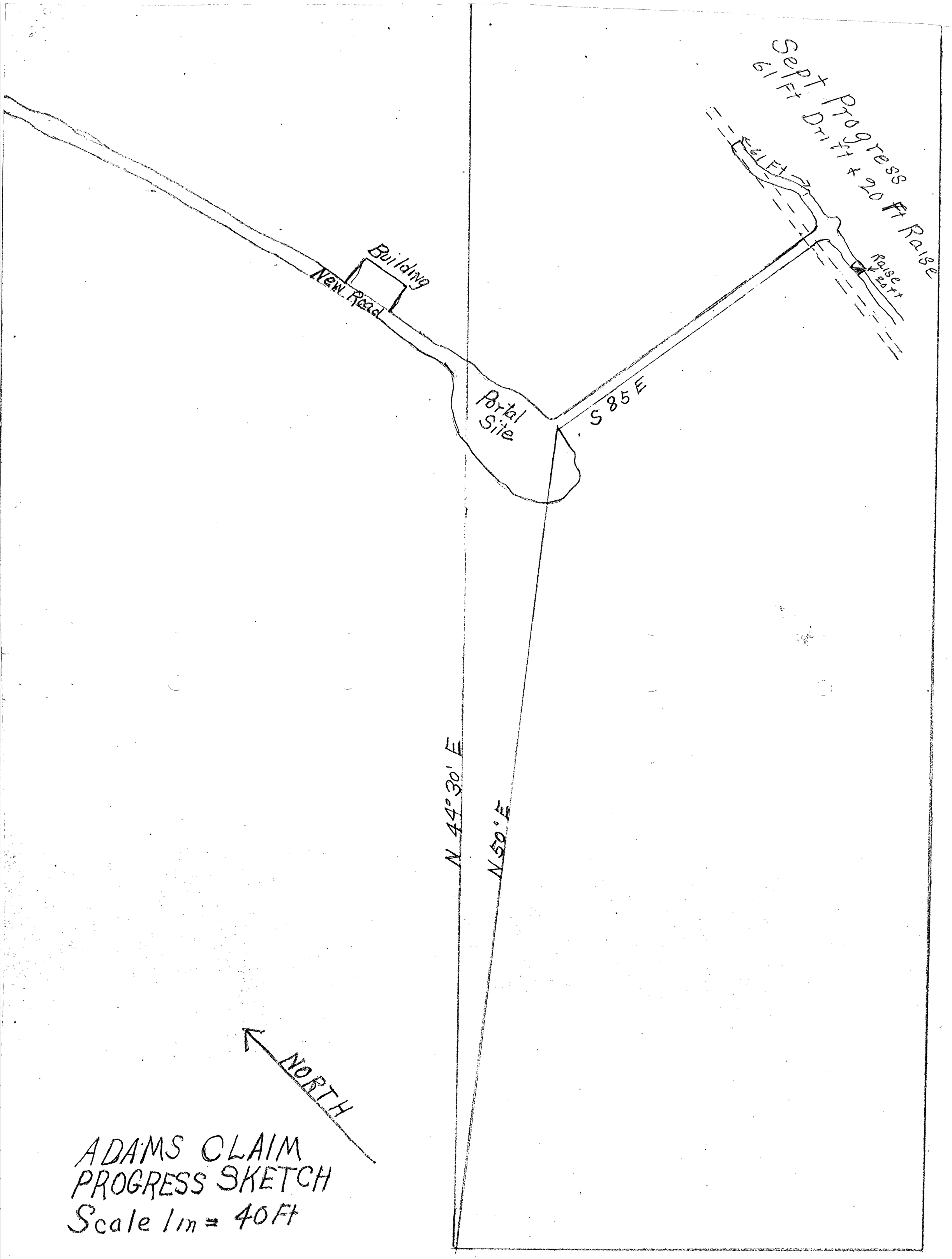
ENDING JUNE 30, 1954



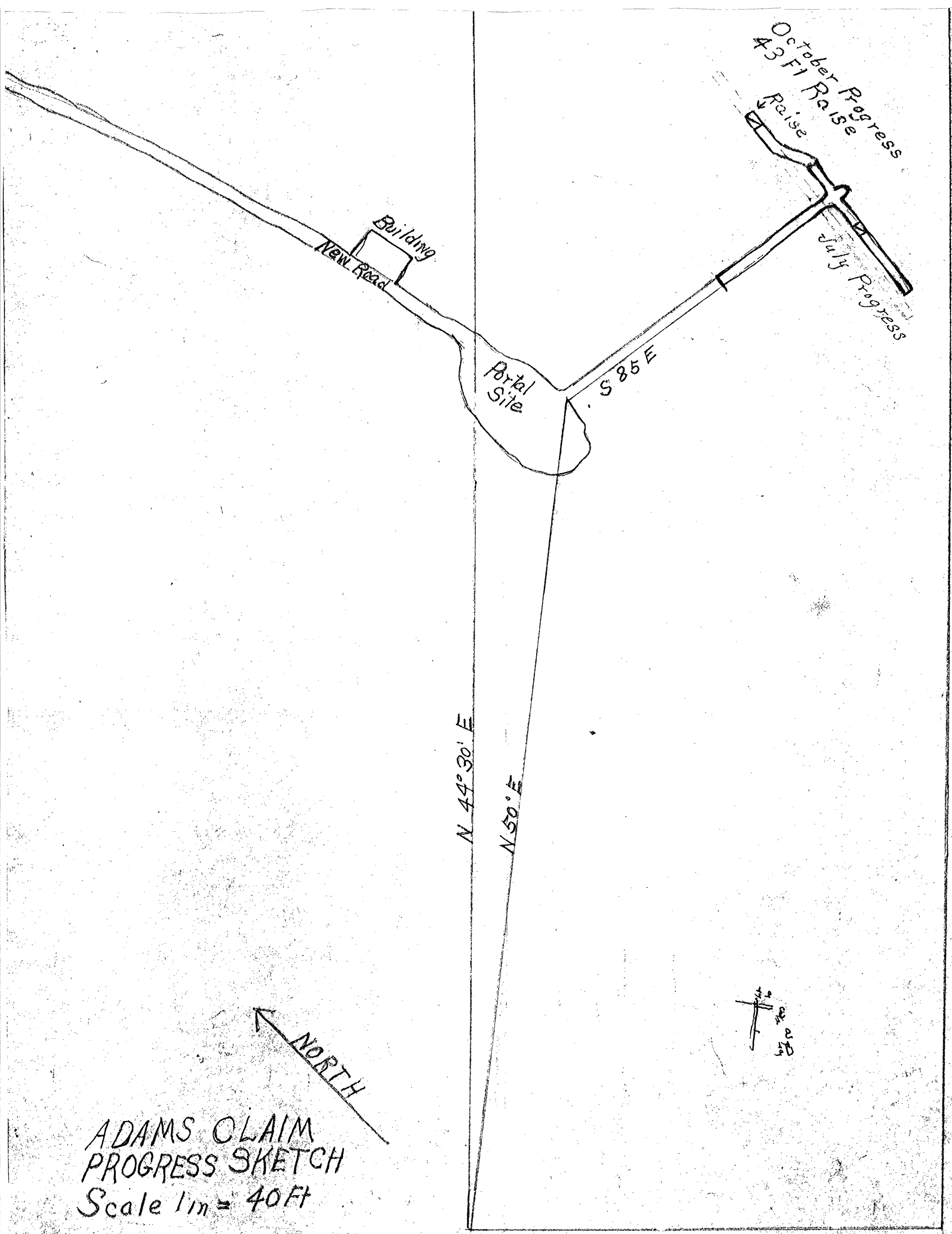
ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft



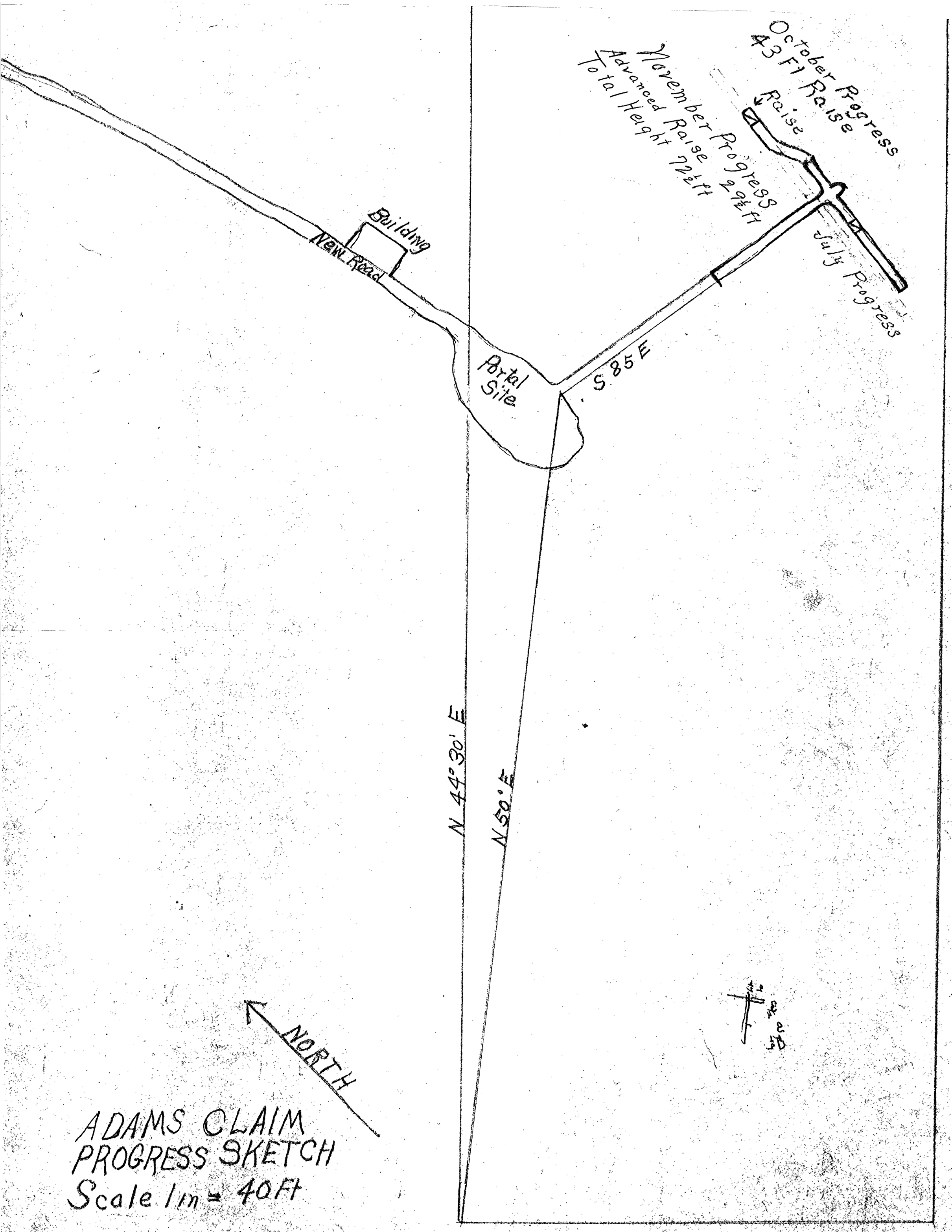
ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft



ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft



ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft



ADAMS CLAIM
PROGRESS SKETCH
Scale 1in = 40Ft