E-866

For royalty payment of $63.93, dated February 3, 1961, see transmittal letter file.

EXTRA COPY O. M. E RECEIVED FEB 10 1961		
DATE		CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

February 6, 1961

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: Docket DMEA-3830 (Uranium)
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado
Contract Idm-E866

This is to advise that according to our records the royalty payment of $63.93 on liquidation No. 17 completes in full the repayment to the Government.

Hugh M. Connors

E-866

For royalty payment of $364.07, dated January 4, 1961, see transmittal letter file.

E-866

For royalty payment of $180.19, dated November 18, 1960, see transmittal letter file.

Mr. R. J. Gaskin, Treasurer
Foothills Mining Company
P. O. Box 627
Santa Fe, New Mexico

Re: DMSA-3830 (Uranium)
Foothills Mining Company
Wright Lease
Jefferson County, Colorado
Contract Ida-8866

Dear Mr. Gaskin:

Our records indicate that the Government contribution under the subject contract was $11,223.00 and that royalty payments through October 13, 1960, amounted to $10,614.81, leaving a balance of $608.19.

Your letter dated October 17, 1960, to our Denver office omitted three remittances of royalty applicable to sales to Cotter Corporation as follows:

Liquidation Nos.	Liquidation Date	Shippers Lot Nos.	Gross Proceeds	Royalty Paid
2	May 1959	2 and 3	$3,727.52	$186.38
3	April 1959	4	1,764.34	88.22
4	June 1959	5, 6, and 7	6,454.51	322.73
		Total omissions		$597.33

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

CEFisher/ama
October 25, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED OCT 24 1960
DATE TIME CODE
800

October 19, 1960

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: Docket EMEA 3820 (Uranium)
Contract Idm-E866
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado

Enclosed are the original and one copy of a letter from the subject Operator dated October 17, 1960 and two copies of our reply.

Will you please forward this office a copy of your reply to Mr. Gaskin.

Original signed by

Hugh M. Connors

Attachments
lm

Building 20 - Federal Center
Denver 25, Colorado

October 19, 1960

R. J. Gaskin, Treasurer
Foothills Mining Company
P. O. Box 627
Santa Fe, New Mexico

Re: Docket DMEA 5820 (Uranium)
Contract Lm-E866
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado

Dear Mr. Gaskin:

This will acknowledge receipt of your letter dated October 17, 1960 requesting confirmation of the balance of Royalty payments due under the above project.

Your letter is being referred to the Washington Office OME for reply and you will hear from them direct.

Yours very truly,

Original signed by
TMR

for
Hugh M. Connors
Acting Field Officer
OME, Region III

lm
cc Chief, Division of Field Operations (2)
Royalty Corres E866
Chron

OME

FOOTHILLS MINING COMPANY
P.O. Box 627
Santa Fe, New Mexico

October 17, 1960

Executive Officer
OME Field Team Region III
Office of Minerals Exploration
Building 20 - Denver Federal Center
Denver 25, Colorado

RE: Docket EMEA 3820 (Uranium)
Contract Idm - E866
Foothills Mining Company
Jefferson County, Colorado

Gentlemen:

Please confirm balance due:

Balance after First Report of Royalty Review	$ 6,938.76	
audit adjustment	399.94	7-24-58
	$ 6,538.82	
Royalty payments 1957 thru October 13, 1960-		
	253.53	7-20-59
	366.71	10-20
	316.01	12-11
	137.70	1-6-60
	1,035.81	3-14
	260.00	5-20
	616.34	6-27
	483.09	7-27
	783.30	8-18
	287.08	9-16
	793.73	10-
Balance due as of October 13, 1960	$ 1,205.52	

Thank you,

R.J. Gaskin
Treasurer

E-866

For royalty payment of $793.73, dated October 18, 1960, see transmittal letter file.

E-866

For royalty payment of $287.08, dated September 16, 1960, see transmittal letter file.

E-866

For royalty payment of $783.50, dated August 18, 1960, see transmittal letter file.

E-866

For royalty payment of $483.09, dated July 27, 1960, see transmittal letter file.

E-866

For royalty payment of $616.34, dated June 27, 1960, see transmittal letter file.

E-866

For royalty payment of $260.00, dated May 20, 1960, see transmittal letter file.

E-866

For royalty payment of $1,035.81, dated March 14, 1960, see transmittal letter file.

QUADRUPLICATE Treasury Department Circular No. 945-Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected

(Date sent)	(Deposit No.)	(1) Office Deposit Symbol:	(2) For Consolidated Abstract of Treasury Regional Office at (city and state):
1-6-60	67	313	Denver 2, Colorado

Deposited with Federal Reserve Bank of Kansas City, Mo., Denver, Colo.
(Name and location of depositary)

(3) The Sum of $ 2,446.34

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 2,446.34		$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5) 14-23-040
Office Of Minerals Exploration
224 NewCustom House
Denver 2, Colorado

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

JAN 6 - 1960 (Authorized signature)

(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor.

DENVER BRANCH
FEDERAL RESERVE BANK
1960 JAN 6 PM 12 37
MAIL DEPT-2

E-984	Pinnacle Exploration	1,901.32
E-926	Pacific Uran. Corp.	217.51
E-866	Foothills Mining	137.70
E-1163	Jenkins & Hand	189.81
		2,446.34

TRIPLICATE
Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957
by Treasury Department, Fiscal Service.
Treasury Department Circular No. 945 -

CERTIFICATE OF DEPOSIT
Standard Form 219

12/11/59 (Date sent)

59 (Deposit No.)

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 9013

(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Denver, Colorado

Deposited with Federal Reserve Bank of Kansas City, Mo., Denver, Colo.
(Name and location of depositary)

(3) The Sum of $ 489.78

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 489.78		$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5) 14-23-040
Office of Minerals Exploration
224 New Custom House
Denver 2, Colorado

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

JMG
(Authorized signature)

DEC 1 1 1959
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor for his retained copy.

E-1074 New Idria Mining & Chemical Corporation	105.69
E-1181 New Idria Mining & Chemical Corporation	68.08
E-866 Foothills Mining	316.01
	489.78

QUADRUPLICATE Treasury Department Circular No. 945 - Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 9013

(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Denver, Colorado

(Date sent) 10-20-59 (Deposit No.) 15

(3) The Sum of $2,346.20

Deposited with Federal Reserve Bank of Kansas City, Mo., Denver, Colo.
(Name and location of depositary)

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 2,346.20		$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5) 14-23-040
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Bonnett
(Authorized signature)

Oct. 20, 1959
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor.

E-866	Foothills Mining	366.71
E-933	Phillips Pet. Co.	1,979.49
		2,346.20

UNITED STATES
FEDERAL POWER COMM
1959 OCT 20 PM 12 41
MAIL DEPT-2

E-866

For Certificate of Deposit No. 17, dated August 11, 1959, giving royalty payment of $322.73, see E-577.

QUADRUPLICATE Treasury Department Circular No. 945 - Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected

(Date sent)	(Deposit No.)	(1) Office Deposit Symbol:	(2) For Consolidated Abstract of Treasury Regional Office at (city and state)
7/30, 1959	11	9013	Denver, Colorado

Deposited with Federal Reserve Bank of Kansas City, Mo., Denver, Colo.
(Name and location of depositary)

(3) The Sum of $ 222.98

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 222.98		$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5) 14-23-040
Office of Minerals Exploration
224 New Custom House
Denver 2, Colorado

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

JUL 30 1959
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor.

C-1009 Primitive Mining	33.91
C-1124 Leadville Lead	27.10
C-166 Foothills Mining	88.22
C-969 American Lime	73.75
	222.98

DENVER BRANCH
FEDERAL RESERVE BANK
1959 JUL 30 AM 10 55
MAIL SECTION

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 3 1959

DATE	INITIALS	CODE
		800

TRIPLICATE Treasury Department Circular No. 945 - Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected

(Date sent)	(Deposit No.)	(1) Office Deposit Symbol:	(2) For Consolidated Abstract of Treasury Regional Office at (city and state):
7/20/59	7	9013	Den[illegible]r, Colorado

Deposited with Federal Reserve Bank of Kansas City, Mo., Denver, Colo.
(Name and location of depositary)

(3) The Sum of $ 1,475.68

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 1,475.68		$ 866

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5)
14-23-040
Office of Minerals Exploration
224 New Custom House
Denver 2, Colorado

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Stanley Morgan
(Authorized signature)

JUL 20 1959
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor for his retained copy.

E-866 Foothills	253.53
E-866 Foothills	186.38
E-1136 Little Mo.	3.70
E-984 Pinnacle Exploration	1,032.07
	1,475.68

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 23 1959

DATE	INITIALS	CODE
		800

1959 JUL 20 PM 12 05
MAIL DEPT-2

COTTER CORPORATION
FIRST NATIONAL BANK BUILDING
CANON CITY, COLORADO
P. O. BOX 751

OME
DEPARTMENT OF THE INTERIOR
JUN 5 - 1959
REGION III
DENVER, COLORADO

June 4, 1959

PHONE 1825

Mr. J. W. Townsend
Executive Officer
OME Field Team, Region III
U. S. Department of the Interior
224 New Customhouse
Denver 2, Colorado

EXTRA COPY
O. M. E.
RECEIVED JUN 8 1959

DATE	INITIALS	CODE
		800

Re: Docket DMEA 3830 (Uranium)
Contract Idm-E866
(Wright Lease)
Jefferson County, Colorado

Dear Mr. Townsend:

Mr. Charles A. Wilcox, President of Foothills Mining Company, has forwarded to me your letter of May 20, 1959.

In accordance with our telephone conversation of June 2, 1959, I wish to inform you that Cotter Corporation has purchased controlling interest in Foothills Mining Company, and will continue operating the Wright lease as Foothills Mining Company.

We are aware of the DMEA loan and can assure you that we will respect the Government's royalty interests in the Wright lease.

Sincerely yours,

COTTER CORPORATION

David P. Marcott

David P. Marcott
Vice President and
General Manager

DPM:mwc

EXTRA COPY O. M. E. RECEIVED MAY 25 1959		
DATE	INITIALS	CODE
		800

[illegible] New Customhouse
Denver 2, Colorado
May 22, 1959

Mr. Charles A. Wilson, President
Foothills Mining Company
3560 Sixth Street
Boulder, Colorado

In: Docket DMEA 3830 (Uranium)
Contract [illegible]
(Wright Lease)
Jefferson County, Colorado

Dear Mr. Wilson:

We have been informed that the captioned property is now being operated by another corporation.

In accordance with Article 2.(d) of the contract: "The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof."

Will you please forward this office two copies of the instrument giving another the right to mine and remove ore from the captioned property.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

EDC:jy
cc: Chm. Op. Comm. (2)
Belser, OME/HPC
Hershman
Roy. Curves. E666
Chron.

E-866

For Certificate of Deposit No. 15, dated July 24, 1958, giving royalty payment of $399.94, see E-827.

224 New Customhouse
Denver 2, Colorado

July 23, 1958

800

arg to 700

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3830 (Uranium) Contract Idm-E866, Foothills Mining Company (Wright Lease) Jefferson County, Colorado

In response to letter, dated July 8, 1958, from C. O. Mittendorf, Administrator, DMEA, to the Operator, please be advised that check, dated July 21, 1958, in the amount of $399.94, was received in this office today. The check is being credited to the royalty account of the subject contract.

Original signed by
J. W. TOWNSEND

J. W. Townsend

MHM:jy

cc: Harshman
DMEA,DFC (2)
Royalty File E866
Chron.

JUL 8 1958

Foothills Mining Company
3140 Sixth Street
Boulder, Colorado

CERTIFIED MAIL

Re: Docket No. DSEA-3630 (Uranium)
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado
Contract No. IBm-[illegible]

Gentlemen:

I am advised by our Region III Office, Denver, Colorado, that royalty due to the Government in the amount of $99.94, applicable to business on sales by your company to Rocket Fields, Inc., has not been received. Also, you have not replied to a letter dated April 23, 1958, or previous letters requesting payment of such amount.

This Administration is charged with the responsibility of collecting all royalty due to the Government under provisions of exploration project contracts, including the institution of legal action should that be deemed necessary to protect the Government's interest. I trust that payment of this delinquent royalty will be received within the next 30 days, or that you will promptly present an acceptable plan for the orderly liquidation of the account so that further action by this office will not be required.

Sincerely yours,

C. O. Mittendorf

Administrator

CEFisher/ann
July 7, 1958

Copy to: Docket
Admr. Reading File
Mr. Chambers
Field Team, Region III (2)

Orig sent to 700

22h New Customhouse
Denver 2, Colorado

June 30, 1958

800

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3830 (Uranium) Contract 14n-E866, Foothills Mining Company (Wright Lease) Jefferson County, Colorado

In reply to your letter of June 27, 1958, this office has taken no further action to effect the collection of $399.94 in delinquencies.

The Operator has failed to respond to our demand for delinquent royalties; therefore, we are referring the matter to your attention for whatever action is indicated to protect the interests of the Government.

Original signed by
J. W. TOWNSEND

J. W. Townsend

MDM:jy

cc: Royalty File E866
DMEA,DFC (2)
Chron.

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 3630 (Uranium)
Contract Idm-[illegible]
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado

Dear Mr. Townsend:

By letter dated April 23, 1958, Mr. Harshman advised the referenced operator that unless settlement was made of royalty due to the Government within 30 days the matter would be referred to the Washington Office for whatever action is necessary.

Will you please advise the present status of your efforts to collect the amount of $399.94.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

cc: Docket
Admr. Reading File
Operating Committee
THKiilsgaard
Mr. Chambers

CEFisher/GMcC
June 27, 1958

25

CODE

800

424 New Customhouse
Denver 2, Colorado
April 23, 1958

CERTIFIED MAIL

Foothills Mining Company
3840 Sixth Street
Boulder, Colorado

Re: Docket No. DMEA 3830 (Uranium)
Contract 10-[illegible]
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado

Gentlemen:

Enclosed is a photo copy of our letter to your company dated March 14, 1958, for which we have received no reply.

This office cannot defer indefinitely action which will protect the interests of the Government. Therefore, we hereby inform you that unless the amount of $399.94 has been received in this office within thirty days from the date of this letter, we will have no alternative but to refer the matter to the Washington Office, DMEA, for whatever action is necessary.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

EHM:dp
cc: Royalty File 3866
Sec. Op. Coms. (2)
DMEA/DFC (2)
Chron.

CERTIFIED MAIL

Rm New Customhouse
Denver 2, Colorado

800

March 14, 1958

Foothills Mining Company
3240 Sixth Street
Boulder, Colorado

Re: Docket DMEA 3830 (Uranium)
Contract Lim-E866
Foothills Mining Company
(Wright Lease)
Jefferson County, Colorado

Gentlemen:

By copy of First Report of Royalty Review, enclosed with a letter, dated February 13, 1958, from our Mr. Finch, you were informed that a balance of $399.94 in royalties is due for ore sold from September 1, 1955 through November 20, 1957.

As payment has not been received to date, you are hereby formally requested to submit your check for $399.94, payable to the Defense Minerals Exploration Administration, in care of the Executive Officer, DMEA Field Team, Region III, Rm New Customhouse, Denver 2, Colorado.

Very truly yours,

Original signed by
W. H. KING

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

MHM:jy

cc: Royalty file E866
Sec. Op. Comm. (2)
DMEA,DFC (2)
Chron.

2/10	C	220
		800

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

FIRST REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region III, Denver, Colorado, pertaining to Contract Idn-D966, Docket No. DMEA 3830 (Uranium), dated September 1, 1955, including Amendment No. 1, with

Foothills Mining Company
3240 Sixth Street
Boulder, Colorado

for the purpose of determining the amount of royalties due the United States Government on sale of uranium-bearing ores from the Wright Lease in Jefferson County, Colorado, during the period September 1, 1955 through November 20, 1957.

A Certificate of Discovery or Development was issued August 30, 1957, and in accordance with the contract, royalty is payable on all minerals mined or produced from the land described in Annex I, Article 2 of the contract during a maximum period of 10 years from the date of the contract. A Report of Review in lieu of a final audit, dated October 11, 1957, indicated accepted costs under the exploration contract amounting to $14,964.00, with the Government's contribution on a 75 percent basis being $11,223.00.

The scope of the review and the reasons therefor are stated on page two.

My review established the total net sales of uranium-bearing ores to be $93,684.73. (See Schedule I attached.) Royalty due the United States Government at the contract rate of 5 percent is $4,684.18. The royalty paid and balance due are as follows:

Total Royalty Due	$4,684.18
Total Royalty Received	4,284.24
Balance of Royalty Due (See Schedule II attached)	$ 399.94

February 4, 1958

Donald T. Finch
Donald T. Finch, Auditor

DESCRIPTION OF THE REVIEW
AND STATEMENT OF JUSTIFICATION

Contract No. Idm-E866 Docket No. DMEA 3830

My review included a tabulation and recomputation of all ore settlement sheets in the files of the Executive Officer, DMEA Field Team, Region III, for the period September 1, 1955 to November 20, 1957, and correspondence with the Chief of Accounting Branch, Finance Division, Field Operations Office, Atomic Energy Commission, Grand Junction, Colorado. The producer's sales reported to DMEA were reconciled with the production records maintained by A.E.C. Royalties paid were reconciled with the DMEA 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 records of the Atomic Energy Commission.

(b) The Examining Engineer is of the opinion that all sales of production are accounted for.

(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.

SCHEDULE I

FOOTHILLS MINING COMPANY
(Uranium)

SUMMARY OF PRODUCTION, SALES AND DMEA ROYALTIES
PERIOD SEPTEMBER 1, 1955, TO NOVEMBER 20, 1957.

Contract Idm-E866 | Docket No. DMEA 3830

	COLORADO PLATEAU URANIUM PROJECT	UNION CARBIDE NUCLEAR COMPANY	LUCIUS PITKIN, INC.	TOTAL
Period	1-18-56	12-7-55 to 9-6-56	3-1-56 to 7-10-57	9-1-55 to 11-20-57
Gross Weight: Pounds	94,200	740,780	3,540,802	4,375,782
Dry Weight: Pounds	90,008	715,945.82	3,321,733	4,127,686.82
Dry Weight: Tons	45.0040	357.9800	1,660.8665	2,063.8505
Assays (Averages)				
Uranium (U_3O_8)	.41	.37	.31	.32
Vanadium (V_2O_5)	-	.08	-	-
Pounds - U_3O_8	369.03	2,673.07	10,370.13	13,412.23
Base Payment Uranium	$1,291.61	$9,355.75	$36,295.50	$46,942.86
Development Allowance @ 50¢ per lb.	$ 184.52	$1,336.54	$ 5,185.07	$ 6,706.13
Premiums				
Excess of 4 lbs. U_3O_8 per ton				
Excess lbs. U_3O_8	189.01	1,241.15	3,726.65	5,156.81
Amount @ 75¢ per lb.	$ 141.76	$ 930.88	$ 2,794.98	$ 3,867.62
Excess of 10 lbs. U_3O_8 per ton				
Excess lbs. U_3O_8	-	32.46	84.32	116.78
Amount @ 25¢ per lb.	-	$ 8.12	$ 21.08	$ 29.20
Haulage Allowance				
Net Tons	47.1	370.39	1,770.40	2,187.89
Average per ton	1.32	.16	4.26	3.50
Amount	$ 62.17	$ 58.74	$ 7,543.61	$ 7,664.52
Pounds V_2O_5	-	578.82	-	578.82
Vanadium Payment @ 31¢ per lb.		$ 179.43	-	$ 179.43
Excess Lime Penalty	$ 208.37	$ 967.48	$ 5,526.43	$ 6,702.28
Penalty for Shipments Less Than 45 Tons	-	-	$ 2.73	$ 2.73
Total Receiving Station Payments	$1,471.69	$10,901.98	$46,311.08	$58,684.75
A.E.C. Production Bonus	1,291.61	9,355.75	24,352.62	34,999.98
Total Value Subject to DMEA Royalty	$2,763.30	$20,257.73	$70,663.70	$93,684.73
Average Value per Dry Ton	$ 61.40	$ 56.59	$ 42.55	$ 45.39
Average DMEA Royalty Percentage	5%	5%	5%	5%
DMEA Royalty Due	$ 138.16	$ 1,012.90	$ 3,533.12	$ 4,684.18
DMEA Royalty Received	138.16	1,012.90	3,133.18	4,284.24
Balance DMEA Royalty Due (Schedule II)	$ 0.00	$ 0.00	$ 399.94	$ 399.94

Note: Last Liquidation No. in above is Lucius Pitkin No. 3762 dated 7/10/57. Last Certificate of Deposit in above is No. 58-28 dated September 5, 1957.

SCHEDULE II

FOOTHILLS MINING COMPANY

Contract No. Idm-E866 (Uranium) Docket No. IMEA 3830

SCHEDULE OF BALANCE OF ROYALTY DUE

Lucius Pitkin, Inc., Purchaser

DATE 1957	LIQUIDATION SETTLEMENT NO.	BALANCE OF ROYALTY DUE.
1-16	2723	$14.49
1-16	2724	36.53
1-16	2725	60.22
2-18	2906	52.37
2-18	2907	49.21
3-12	3019	48.20
3-12	3020	41.90
3-15	3072	42.44
4-1	3147	54.58
	Balance of Royalty Due	$399.94

Check Sheet of Examining Engineer

Operator's Name Foothills Mining Company

Address 3240 Sixth Street

Boulder, Colorado

Exploration Contract No. Idm-E866 Docket No. DMEA-3830

		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 royalties with exempt production?		✓
(b)	If so, do you consider the allocation of the commingled production equitable?	Does not apply	
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?	Does not apply	
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 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.

Operations suspended – ore not presently acceptable for milling.

Date Jan. 29, 1958

W. W. Winkel
Mining Engineer

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

Re: Docket No. DMEA-3830
Contract No. Idm-E866
Foothills Mining Company

Dear Mr. Finch:

The recently submitted copies of your First Report of Royalty Review covering the above-cited project are accepted and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/wb
February 10, 1958

Copy to: Docket
Admr. Reading File
Mr. Chambers

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Denver, Colo.

DEPOSIT NO.
14-23-040-28

For credit of 9013 Treasury Regional Office, Denver, Colo. 9/5/57
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.
(Name and location of depositary)

$ 2,816.13

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		2,016.13

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Bennett
(Authorized signature)

9/5/57
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

E-866 Foothills Min. Co. 2,785.69
E-877 Uran Prospectors 30.44

2,816.13

RECEIVED
SEP 9 1957
D.M.E.&

EXTRA COPY
D M E A
RECEIVED
AUG 1957

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

August 2, 1957

Mr. Lloyd B. Sweet, Secretary-Treasurer
Foothills Mining Company
3240 Sixth Street
Boulder, Colorado

Re: Docket DMEA 3880 (Uranium), Contract Km-E866, Foothills Mining Company (Wright Lease), Jefferson County, Colorado

Dear Mr. Sweet:

We have recently been informed that approximately 1700 tons of production has been made from land included in the captioned contract. Of that production, approximately 1550 tons are subject to AEC bonus payments.

We wish to advise you that we have received settlement sheets and royalties on only 530.401 tons of production. The most recent report of production we have is covered by settlement sheet bearing Liquidation Number R1578, dated September 6, 1956, Union Carbide Nuclear Company, purchaser.

You are requested to submit promptly, royalties and three copies of all settlement sheets with load detail when applicable, on all production previously unreported to this office.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

NEM/vj

cc: Royalty File E866
Corres. File E866
Sec. Opr. Comm. (2)
DMEA/DFC(2) Attn: Minkel
Harshman
Marshall
Chron.

E-866

For Certificate of Deposit No. 102, dated January 29, 1957, giving royalty payment of $694.42, see E-29.

For Certificate of Deposit No. 36, dated September 12, 1956, giving royalty payment of $146.96, see E-445.

Denver, Colorado

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO.
14-23-040-31

$ 193.59

For credit of 413 Treasury Regional Office, Denver, Colo. 8/27/56
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.
(Name and location of depositary)

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		193.59

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

8/27/56
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINER COPY

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

RECEIVED
AUG 20 1956

E-866 Foothills Mining Co. 193.59

1956 AUG 27 PM 12 24

For Certificate of Deposit No. 26, dated August 14, 1956, giving royalty repayment of $121.27, see E-54.

E-866

For Certificate of Deposit No. 140, dated June 13, 1956, giving royalty repayment of $71.34, see E-360.

E-866

For Certificate of Deposit No. 135, dated June 4, 1956, giving royalty payment of $185.44, see E-408.

E-866

For Certificate of Deposit No. 94, dated February 21, 1956, giving royalty repayment of $73.58, see E-100.

For Certificate of Deposit No. 75, dated December 21, 1955, giving royalty repayment of $11.95, see E-54.

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 14 1957
DATE | INITIALS | CODE

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Foothills Mining Company
3240 Sixth Street
Boulder, Colorado

pertaining to Exploration Project Contract No. Idm-E866, Docket No. DMEA-3830, including Amendment No. 1, for the months of September, 1955 to September, 1956, covering a project for the exploration of Uranium on property known as Wright Lease, located in Jefferson County, Colorado.

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, consultation with the Executive Officer, DMEA Field Team, 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 reason:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs for 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		$14,964.00
Exceptions: (Schedule attached)		
By DMEA Finance Officer	$0.10	
Herewith (Reinstatement)	0.10	0.00
Total Accepted Cost		$14,964.00

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 Eleven thousand, two hundred twenty-three and 00/100ths Dollars

** $11,223.00 **

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.

October 11, 1957

T. H. Brading, Auditor

SCHEDULE OF EXCEPTIONS

Foothills Mining Company

Docket No. DMEA-3830 | Contract Idm-E866

Operator claimed 290 feet of diamond core drilling @ $5.56/ft.	$1,612.50
290 x $5.56 =	1,612.40
Disallowed	$ 0.10

Contract provides (Amendment No. 1) 290 feet of diamond core drilling at $5.56 per foot, totaling (rounded) $1,612.50

Auditor reinstated $0.10 based on Amendment No. 1 to the contract which provided for allowable cost of $1,612.50 (rounded.)

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

Re: Report of Review
Foothills Mining Company
Idm-2866, DMEA-3830

Dear Mr. Breding:

Your Report of Review in lieu of a final audit of the referenced project is accepted and normal distribution is authorized.

It is to be noted, however, for your future guidance in similar instances, that your reinstatement of the certifying officer's 10 cent disallowance is improper. Amendment No. 1 to the contract provided for "290 feet of diamond core drilling @ $5.56/ft.", which amounts to the $1,612.40 properly allowed by the certifying officer, although the Operator had claimed $1,612.50 the "rounded" estimate for the item of work.

The MF-200A (Revised June 1954), the short form of contract, specifies in Article 5 that "a fixed unit cost for each unit of work to be performed **** is hereby agreed upon ****." The later MF-200A (Revised April 1956) has substantially the same wording in Article 1. Accordingly, all payments must be based on the number of units of work performed (up to the maximum number of units specified) at the fixed unit cost agreed upon. Any "rounding" of the estimated total cost of either an item of work or of the project is simply an administrative expedient to establish obligations in even dollars.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/wb
October 15, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado
October 10, 1957

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3830 (Uranium) Contract Ium-5866,
Foothills Mining Company (Wright Lease)
Boulder County, Colorado - FINAL PAYMENT

Reference is made to our memorandum of December 6, 1956, whereby we forwarded the final Form MF-104, Operator's Monthly Report and Voucher, for the month of September 1956, and requested that you withhold an amount of $400.00 from reimbursement to the Operator, pending possible additional work under the contract. No additional work was authorized by the Government, therefore the project is considered to be completed.

The Operator's Final Report has been received, therefore we recommend that Final payment be made on the following basis, which is in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, dated October 11, 1957. It is noted that the total drilling costs certified in the Report of Review are based on a rounded figure contained in the contract, which is $0.10 in excess of total drilling costs as calculated at the maximum allowable unit cost:

Basis for Final Payment

Total accepted cost----------	$14,964.00
Government participation at 75%-------	11,223.00
Total prior payments----------	10,822.92
Balance due the Operator----------$	400.08

Original signed by
E. N. HARSHMAN

E. N. Harshman

JDC:hmh
cc: Chmn. Op. Comm. (2)
Harshman
DMEA, DFC
Townsend
Corres.file,Reg.III
MF-104 file, Reg.III
Charon

Paid $400.08
RRC
Ronald R. Cooper
Authorized Certifying Officer
OCT 22 1957
DMA-58-49

EXTRA COPY
DMEA
RECEIVED
DATE
800

224 New Customhouse
Denver 2, Colorado

October 9, 1957

Memorandum

To: T. H. Breding, DMEA Auditor

From: Acting Executive Officer, DMEA Field Team, Region XII

Subject: Docket No. DMEA 5850 (Uranium), Contract No. Idm-[illegible], Foothills Mining Company (Wright Lease), Jefferson County, Colorado

All authorized work under the subject contract has been completed and the Operator has rendered a final accounting and a final engineering and geologic report, as required by the contract.

Therefore, final payment of the Operator's account is in order, contingent on release to this office of a Report of Review of reported project costs.

Acceptable units of work or service completed under the contract consist of the following:

Drifting and crosscutting.....	410 feet
Timbering.....	12 feet
Diamond drilling.....	290 feet
Chemical analyses.....	27 samples.

The amount of $400.00 was withheld from reimbursement to the Operator in processing its final accounting report, which was for the month of September, 1956.

Original signed by
E. N. HARSHMAN

E. N. Harshman

JWT:prl

cc: Chmn. Op. Comm. (2)
Harshman
Townsend
Corres. file
Chron.

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, 1956 Docket No. DMEA 3830 Contract No. Idm E 866
Operator's Name Foothills Mining Company Minerals Uranium
Address 3240 - 6th Street, Boulder, Colorado
Contract Amount, $ 15,276.00 Government Participation: 75% Amount, $ 11,457.00

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 - Core	$1612.50		$ 1,612.50			
~~Drilling~~ Timbering		$ 48.00	48.00			
Crosscutting		3,902.25	3,902.25			
Drifting		9,320.25	9,320.25			
Assays		81.00	81.00			
(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	$1612.50	$ 13,351.50	$ 14,964.00	1612.50	13351.50	14963.90

RECEIVED DEC 13 1956 D.M.E.A.

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

Date Nov. 29, '56 *Payee Foothills Mining Company

Per Lloyd R. Grant Title Sec., Treas.

*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:

$ 1,075.36

Signature
(Authorized Certifying Officer)

Date 12-7-56 Vou. No. DMA-57-13
(See other side)

* $ 3541.75 March 1956 report reinstated
$400.00 - withheld

(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. [illegible]-E86 in accordance with the terms of the contract.

Signature Edward W. Buel $7,671.50 Title Mining Engr. Date Nov. 29, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature W. M. Laney Title Executive Officer Date DEC 6 1956

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 MGT-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

Month of September 1956 Docket No. DMEA 3830 Contract No. 13m E 865
Operator's Name Foothills Mining Company Minerals Uranium
Address 3240 - 6th Street, Boulder, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet			$ 9320.25	289	$32.25	410	13,222.50
Crosscutting	"			3902.25	121	32.25	(Amended)	
Raising								
Assays	Each			81.00	27	3.00	47	141.00
Winzes								
Drilling: Core X	Feet	1612.50	290	1612.50	290	5.56	290	1,612.50
(by amendment) Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet			48.00	12	4.00	25	300.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								15,276.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1612.50		$14,964.00				$15,276.00

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. 28, 1956 Operator Foothills Mining Company

Per [signature] Title Sec., Treas.

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)

Edward W. Buel

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

FINAL DISTRIBUTION

MADE DEC 11 1956

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

Administrative Audit Difference Statement

Foothills Mining Company
635 Hawthorne Avenue
Boulder, Colorado

Date: December 7, 1956
Payee's
Reference: September 1956

RECEIVED
DEC 13 1956
DENVER

Gentlemen:

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

Amount Claimed	$	1,612.50
Difference	$	- .10
		- 354.75
Amount Approved	$	* 1,967.15

The reason for the difference was due to:

Disallowed:
Error in computation for 270 feet of core drilling.

Claimed	1,612.50
Allowed	1,612.40
	.10

Reinstated:
$354.75 claimed on March 1956 report and for which payment was withheld.

* $400.00 withheld pending possible additional work.

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

Very sincerely yours,

N. E. Stokes
Audit Section

Randal R. Cooper
Fiscal Officer, Region III

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

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

224 New Customhouse
Denver 2, Colorado

December 6, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3830 (Uranium) Contract Idm-E866, Foothills Mining Company (Wright Lease) Boulder County, Colorado - Operator's Monthly Progress Report for the month of September, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made on the following basis, contingent on your verification of arithmetical accuracy within the report.

Disallowance, Core drilling:

Amount reported on Form MF-104 for September, 1956, 290 feet of core drilling at cost of - - - - - - - -	$1,612.50
Accepted cost, 290 feet of core drilling at $5.56 per foot -	1,612.40
Amount to be disallowed	$ 0.10

Amount to be Reinstated

354-75 DS

Reinstate the amount of $266.06 which was withheld from the March, 1956 voucher.

Amount to be Withheld

Withhold an amount of $400.00 pending possible additional work under the contract.

Reconciliation with Amount Reported by the Operator on Form MF-104 for Sept., 1956

Amount reported on Form MF-104 for Sept., 1956 - - -	$1,612.50
Amount to be disallowed - - - - - - - - - - - - - - - - - -	0.10
Total accepted cost for September, 1956 - - - - - - - -	$1,612.40
Government participation at 75 percent - - - - - - - -	$1,209.30
Amount to be withheld - - - - $400.00	
Amount to be reinstated - - - 266.06	
Net amount withheld - - - - - - - - - - - - - -	133.94
Recommended payment to the Operator	$1,075.36

Remarks

Date of Report - - - - - - - - - - - -	September 28, 1956
Date Received in Field Office - - -	November 28, 1956
Date Received in Region Office - -	December 3, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures

JDC:jy
cc: MF-104 File E866
Chm. Op. Comm. (2)
Shaw (2)
Harshman)
Townsend) w/copy engr's report
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
DEC 3 1956
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado

December 3, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer
E. W. Beal

Subject: DMEA 3830, Contract IAm-8866 (Uranium) Foothills Mining Co., Boulder County, Colorado - Progress report for August - September, 1956

Progress under the contract for the month of August 1956 was examined on September 7, 1956, in the company of Verne Wilson. The writer was accompanied by L. J. McCreavy, geologist of the U. S. Geological Survey.

The property was again visited on November 29, 1956, to check the area for which the operator proposes an additional 500 feet of drifting. The operator in a letter of November 26, 1956, to the Field Team has requested the Government's approval of additional work and funds under the subject contract.

Progress under the contract for August and September 1956 consisted of core drilling two size AX holes as specified under amendment No. 1 to the contract. Both holes were drilled underground from a set up 360 feet southwest of the crosscut portal, as shown on the accompanying sketch. Hole No. 1 was drilled horizontally to intersect the uranium-bearing structure about 50 feet southwest of the southeast end of the drift. Hole No. 2 was drilled 177 feet at -60° to cut the same structure at depth. Total drilling was 292 feet which is 2 feet beyond contract stipulation. The holes were probed by the Denver Exploration Branch of the Atomic Energy Commission with the following results:

<u>Hole No. 1</u> (horizontal)

Background count is 0.10Mr/hr.
0 - 79 feet depth gave counts of 0.22 Mr/hr.
80 - 94 feet depth gave counts of 0.35 to 0.90 Mr/hr.
94 -115 feet depth gave counts of 0.30 to 0.36 Mr/hr.

The shear zone was cut between 82 and 94 feet depth. No ore was encountered although the structure was mineralized.

Hole No. 2 (-60° and from same set up as hole No. 1).

0 to 14 feet depth gave a count of 0.10 Mr/hr. with occasional small spotty readings up to 0.3 Mr/hr.

114 to 123 feet depth gave readings of 0.10 to 0.55 Mr/hr. This is considered to be the mineralized shear zone which is the target for drilling.

123 to 177.5 feet depth gave readings of 0.02 to 0.35 Mr/hr. No ore was encountered although this zone is mineralized.

This completes exploration under the terms of the contract.

Payment is recommended for the operator's request of 290 feet of core drilling at a total cost of $1,612.50. Government participation of 75 percent is $1,209.38.

C. M. Harrer
C. M. Harrer
Mining Engineer

E. W. Buel
Edward W. Buel
Mining Engineer

Enclosures

cc 6
Idm-8866
Chron.

CMH:ph

REPORT OF PROGRESS MADE UNDER D.M.E.A.
CONTRACT ON THE WRIGHT LEASE
FOOTHILLS MINING COMPANY

RECEIVED
DEC 13 1956
D.M.E.A.

Work on the Wright lease of the Foothills Mining Company under Contract Idm-8866 was resumed in August, 1956, after a recess during which application was made by the company for an amendment to allow the substitution of 290 feet of diamond core-drilling for the remaining 50 feet of drifting allowable under Stage II. Approval of this change was received about August 15 and work began soon afterward. Mr. George Marshall of Idaho Springs, Colorado, drilled the two holes, No. 1, a horizontal hole extending 115 feet S-13°-W and No. 2, a 60° down hole extending 177 feet in the same direction. Total footage was therefore 292 feet.

This drilling yielded valuable information although no material of ore grade, judged radiometrically, was disclosed.

Hole No. 1 penetrated the radioactive zone for 16 feet from which about 10 feet of core was obtained. From 81 feet to 86 feet no core was recovered through the most radioactive part of the hole. The core resembles ore-breccia occurring in the shoots to the west, although lighter grey in color. Radioactivity as recorded in the logs prepared by A.E.C. geologists is strong enough to justify further exploration in that area.

Probing of Hole No. 2 found weak radioactivity at points practically corresponding with the location of carbonate breccia logged at 68'-70' and 118' to 120' by drilling measurement which shows that the hanging wall and foot wall fractures are present at depths of about 60 feet and 100 feet, respectively, below the main crosscut level in that area. For more details of this work, reference is made to the accompanying logs of radioactivity and geology.

Drifting is now in progress on the 86 foot level northwest of the winze sunk just beyond Station A-4 during the past few months. About 55 feet of the vein has been exposed with ore continuing in the breast at this time. After the northwestern boundary of this ore-shoot is reached, drifting will be carried southeasterly to determine the extent of the ore in that direction.

A revised application for supplemental funds has been prepared and is now under consideration by the Denver D.M.E.A. office.

Hoping that this adequately covers the work completed, we are

Yours sincerely,

Foothills Mining Company

By H. L. Bird
H.L. Bird, Geologist

Form [illegible]-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 March, 1956 Docket No. DMEA 3830 Contract No. Idm E 866
Operator's Name Foothills Mining Company Minerals Utanium
Address 3240 6th Boulder, Colorado
Contract Amount, $ 15,276.00 Government Participation: 75 % Amount, $ 11,457.00

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~~ Timbering		$ 48.00	48.00			
Bulldozing						
Crosscutting		3902.25	3902.25			
Drifting	$354.75	8965.50	9320.25			
Assays		81.00	81.00			
(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	$354.75	$12,996.75	$13,351.50	354.75	12,996.75	13,351.50

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 2, 1956 Payee Foothills Mining Company
Per Lloyd B. Lovit Title Vice President

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ No Pay
Signature [illegible] (Authorized Certifying Officer)
Date 4/25/56 Vou. No. —
(See other side)

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

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

(Instructions on reverse)

RECEIVED APR 30 1956

(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-E866 in accordance with the terms of the contract.

Signature C. M. Harper #266.06 Title Mining Engineer Date April 4, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Weaver for Title Executive Officer Date APR 12 1956

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.

F[illegible] MF-104A
([illegible]pril 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1956 Docket No. DMEA 3830 Contract No. Idm E 866
Operator's Name Foothills Mining Company Minerals Uranium
Address 3240 6th Street, Boulder, 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	Feet	354.75	11	9320.25	289	$32.25	460	14,835.00
Crosscutting	"			3902.25	121	32.25		
Raising								
~~Sinking~~ Assays	Each			81.00	27	3.00	47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet			48.00	12	4.00	75	$ 300.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$15,276.0
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$354.75		$13,351.50				$15,276.0

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 April 2-56 Operator Foothills Mining Co.

Per [signature] Title Vice President

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

REMARKS:

(Instructions on reverse)

(For Government use only)
C. M. Harrer

RECEIVED
APR 30 1956

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

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

Administrative Audit Difference Statement

Foothills Mining Company
635 Northern Ave.,
Boulder, Colorado

FINAL DISTRIBUTION
MADE APR 26 1956

Date: April 25, 1956
Payee's
Reference: March 1956

Gentlemen:

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

Amount Claimed $ 354.75

Difference $

Amount Approved $ 354.75

The reason for the difference was due to:

* Withheld entire amount pending resumption of work under this contract.

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

Very sincerely yours,

RECEIVED
APR 30 1956

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

April 19, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3830 (Uranium) Contract Idm-E866, Foothills Mining Company (Wright Lease) Jefferson County, Colorado. Operator's Monthly Progress Report for the period March 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work is acceptable to the Government.

The Operator has reported a total cost of $354.75 on Form MF-104. Government participation at 75 percent is $266.06, subject to your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Withhold the entire amount of $266.06 pending resumption of work under the contract, or if work is not resumed continue to hold this amount pending resolution of matters relative to closing the account. All currently approved work has been completed.

Remarks

Date of Report----------April 2, 1956
Date Received in Field Office---------- April 3, 1956
Date Received in Region Office---------- April 5, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E866 Townsend w/copy engr's report
Sec. Op. Comm. (2) ~~Cooper~~
Shaw (2) Chron.

RECEIVED
APR 30 1956

DMEA
Date Rec'd.

APR 5 1956

BUREAU OF MINES
Denver, Colorado

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
April 4, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea
Supervising Mining Engineer

From: C. M. Harvey

Subject: Progress report for March, 1956 -- Contract Ide-2866 (Uranium) Foothills Mining Company, Jefferson County, Colorado

Progress under the contract for the month of March was inspected on March 30, 1956 in the company of Verne Wilson. The writer was accompanied by Chas. E. Garrett and K. F. Robertson of the Bureau of Mines.

Exploration during the month was limited to drifting northeasterly along a shear structure in Precambrian schist. At the time of inspection, the drift had been extended a total of 51 feet. The operator's reported 11 feet of advance for the month of March is therefore recommended for approval. This completes the first 50 feet of drifting under Stage II.

Drifting northeast was along a well defined shear structure containing disseminated pyrite and veinlets of calcite. Radioactivity measurements were not above background count. The shear structure was tight and unconfined with a variable dip of 68° to 76° northeast. The reddish hematite-limonite alteration prominent in the drift northeast of the crosscut is absent. One sample (K-8A) was taken at the end of the northeast drift.

The operators have been mining uranium ore 120 to 160 feet northwest of the crosscut. Three samples were taken of the stope back (samples M-838, 839 and M-840). About 215 wet tons of ore are reported shipped to Vitro Uranium Corporation, at Salt Lake City, during March. Settlement sheets were received for the two earliest lots shipped during February. Lot 1 was settled on 0.13 percent U_3O_8, and lot 2 on 0.10 percent U_3O_8.

Foothills Mining Company have correctly reported their advance for the month of March as 11 feet of drift. Their narrative report is very complete. Their forms MP-104 and 104A are complete and correct and payment of $266.66 which is 75 percent of the total amount ($354.75) claimed as expenditures is recommended for approval.

C. M. Harner
C. M. Harner
Mining Engineer

CMH/ar
cc 6
Min-2066
Chron

REPORT OF PROGRESS MADE UNDER D.M.E.A.
CONTRACT ON THE WRIGHT LEASE
FOOTHILLS MINING COMPANY

During March 1956, the only work done on the Wright Lease under D.M.E.A. contract was the completion of the initial 50 feet of drifting southeasterly on the footwall vein under Stage II. Since 39 feet of this work was completed in February, 11 feet is allowable, although the breast is well beyond this point at the present time.

The vein continues to be tight and low in radioactivity but the strike has changed to a more southerly direction, and the dip has flattened to about 81°, which indicates a return to a more favorable attitude in the ground ahead.

During March about 215 wet tons of ore were shipped under Fringe Area Contr act.

Settlement sheets have been received for the two cars shipped in February, the first, Lot 2 settled at .33% U_3O_8 and the second, Lot 3, assayed .40% U_3O_8. No control assays or settlement sheets have been received for the tonnage shipped in March.

Consideration is being given to alternate plans of using the remaining 50 feet of drifting or crosscutting allowable under Stage II of the contract, and as soon as a mutually satisfactory plan is worked out a letter of request will be forthcoming.

Hoping you will find this report satisfactory, we are

Yours truly,

Foothills Mining Company

By H. L. Bird
H. L. Bird, Geologist

Form [illegible]-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

RECEIVED
MAR 12 1956

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

Month of February, 1956 Docket No. DMEA 3830 Contract No. Idm - E866
Operator's Name Foothills Mining Co. Minerals Uranium
Address 635 Hawthorn Ave. Boulder, Colorado
Contract Amount, $ 15,276.00 Government Participation: 75 % Amount, $ 11,457.00

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~~ Timbering		$48.00	$48.00			
Bulldozing						
Crosscutting		3902.25	3902.25			
Drifting	$1257.75	7707.75	8965.50			
		81.00	81.00			
(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	$1257.75	$11,739.00	$12,996.75	1,257.75	11,739.00	12,996.75

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

Date 3/12/56 *Payee Foothills Mining Co.

By Leon R. Sweet Title Sec. Treas.

*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:

$ 943.31

Signature [illegible]
(Authorized Certifying Officer)

Date 3/8/56 Vou. No. DMA 56-79

(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-E866 in accordance with the terms of the contract.

Signature C. M. Harner $943.31 Title Mining Engineer Date March 5, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Haney Title Executive Officer Date MAR 7 1956

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 872893

MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

RECEIVED
MAR 12 1956

Month of February 1956 Docket No. DMEA 3830 Contract No. Idm - 3866
Operator's Name Foothills Mining Co. Minerals Uranium
Address 635 Hawthorn Ave. Boulder, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet	$1257.75	39	$8965.50	278	32.50	460	14,835.00
Crosscutting	"			3902.25	121	32.25		
Raising								
~~Shafts~~ Assays H.E.B.	Each			81.00	27	3.00	47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet			48.00	12	4.00	75	300.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								15,276.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1257.75		12,996.75				~~15,276.00~~

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 3/2/56 Operator Foothills Mining Co.
Per Leon B. Lynn Title Sec. Treas.

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)
C. M. Harrer

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.

FINAL DISTRIBUTION
MAR 9 1956
MADE

224 New Customhouse
Denver 2, Colorado

March 7, 1956

RECEIVED
MAR 12 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3830 (Uranium) Contract Idm-E866, Foothills Mining Company, Wright Lease, Jefferson County, Colorado. Operator's Monthly Progress Report, for the period February 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. 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.

Amount Claimed----------$1,257.75

Recommended Payment at 75 Percent-------- $ 943.31

Remarks

Date of Report----------March 2, 1956
Date Received in Field Office---------- March 2, 1956
Date Received in Region Office---------- March 6, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 E866
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd. RECEIVED
MAR 6 1956 MAR 12 1956
BUREAU OF MINES
Denver, Colorado

Region III

Building 20
Denver Federal Center
Denver 2, Colorado
March 6, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer

Subject: Progress report for February 1956 - Contract 14m-2866 (Uranium)
Foothills Mining Company, Jefferson County, Colorado

Progress under the contract for the month of February was inspected on March 5, 1956 in the company of H. L. Bird.

Exploration along the radioactive shear structure was limited to drifting southeast of the crosscut. At the time of inspection, the drift had been extended 44.5 feet. The operator's reported 39 feet for the month is therefore recommended for approval.

Drifting southeast was along a well defined shear structure containing considerable pyrite and calcite. Radioactivity measurements of 0.1 to 0.3 MR/hr. did not indicate uranium of commercial grade. Dip of the structure which was 71° northeast at the crosscut has steepened to 86° northeast at the face. The reddish hematite-limonite alteration prominent in the drift northwest of the crosscut is absent.

Because of the low geiger count, no samples were assayed for uranium content.

During February, Foothills Mining Co., shipped two carloads of uranium ore, totalling about 140 tons to Vitro Uranium Corp., at Salt Lake City. The central assay of the two carloads contained 0.235 and 0.367 percent U_3O_8. The shipments came from a uranium occurrence 130 to 160 feet northwest of the crosscut.

Foothills Mining Co. have correctly reported their advance for the month of February as 39 feet of drift. Their narrative report is very complete. Their forms MF-104A and 104 are complete and correct and payment of $943.31, which is 75 percent of the total amount ($1,257.75) claimed as expenditures, is recommended for approval.

C. M. Harrer
C. M. Harrer
Mining Engineer

CMH/mv
cc 6
2866 - Chron

RECEIVED
MAR 12 1956

REPORT OF PROGRESS MADE UNDER D.M.E.A.
CONTRACT ON THE WRIGHT LEASE
FOOTHILLS MINING COMPANY

Drifting on the Wright Lease during the month of February was carried to a distance of 39 feet from the southeasterly wall of the cross cut along the footwall vein. Throughout most of the distance the vein was tight and poorly mineralized and no samples were cut for assay. The most radioactive part was at a distance of 20 feet from the crosscut and gave Geiger readings up to 1 Mr/ Hr. The occurrence was lenticular and no commercial quantity of ore was exposed.

The vein swung to the left in this part of the drift and the dips have become progressively steeper. The strike along the last ten feet of vein exposed is S-62°-E which is more easterly than the average strike and may indicate a complementary swing to the right in the ground ahead of the drift and more favorable conditions for ore deposition.

During February two carloads of about 70 tons each were shipped under a Fringe Area Contract to Vitro Uranium Corp. at Salt Lake City. This contract allows the shipment of 300 tons of ore between January 1st 1956 and March 31st, 1956. Settlement sheets for these cars have not been received but the control assay on Lot 2, the first car in February, was 0.235% U_3O_8. and on Lot 3, the second car, the control assay was 0.367% U_3O_8.

Trusting you will find this report satisfactory, we remain

Yours truly,
Foothills Mining Company

H. L. Bird

H. L. Bird

HLB:lw

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S MONTHLY REPORT AND VOUCHER

FEB 16 1956

Month of January, 1956 Docket No. DMEA 3830 Contract No. Idm- 3866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colorado
Contract Amount, $ $15,276.00 Government Participation: 75 % Amount, $ 11,457.00

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 ~~Timbering~~		$ 48.00	48.00			
Bulldozing						
Crosscutting		3902.25	3902.25			
Drifting	$2160.75	5547.00	7707.75			
Assays	21.00	60.00	81.00			
(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	$2181.75	$ 9557.25	$11,739.00	2,181.75	9,557.25	11,739.00

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

Date 2/2/56 *Payee Foothills Mining Co

Per Floyd B. Grant Title Sec. Treas.

*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:

$ 1636.31

Signature [illegible]
(Authorized Certifying Officer)

Date 3/13/56 Vou. No. DMA 56-71

(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-E866 in accordance with the terms of the contract.

Signature C. M. Harner $1,636.31 Title Mining Engineer Date Febr. 9, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Sub for SFS

Signature W. M. Shaver Title Executive Officer Date FEB 10 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

FEB 16 1953

Month of January 1953 Docket No. DMEA 3830 Contract No. Idm-2266
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colorado.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet	$ 2160.75	67	$ 7707.75	239	$32.25	460	$14,835.00
Crosscutting	"			3902.25	121	32.25		
Raising								
Shafts Assays	Each	21.00	7	81.00	27	3.00	47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet			48.00	12	4.00	75	300.00
TOTAL DISTRIBUTED COSTS		$ 2181.75		$11,739.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								$15,276.00
New Buildings, Improvements, etc.								
TOTAL COSTS		$ 2181.75		$11,739.00				$15,276.00

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 Feb. 2, 1953 Operator Foothills Mining Company
Per Leo R. Leavitt Title Sec.-Treas.

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)
C. M. Harrer

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.

RECEIVED
FEB 16 1956

FINAL DISTRIBUTION
MADE FEB 14 1956

224 New Customhouse
Denver 2, Colorado

February 10, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3830 (Uranium) Contract Idm-E866, Foothills Mining Company, ~~Boulder~~ Jefferson County, Colorado. Operator's Monthly Progress Report, for the period January, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. 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.

Amount claimed by Operator on Form MF-104	$2,181.75
Recommended payment to Operator at 75 percent	$1,636.31

Remarks

Date of Report----------	February 2, 1956
Date Received in Field Office----------	February 6, 1956
Date Received in Region Office---------	February 9, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E866

Sec. Op. Comm (2)
Shaw (2)
Chron.

REGION III

FEB 10 1956

BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
Denver 2, Colorado
February 9, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea, Sub for
Supervising Mining Engineer

From: C. M. Harver

Subject: Progress report for January 1956 - Contract Idm-2866 (Uranium)
Foothills Mining Company, ~~Boulder~~ Jefferson County, Colorado

Progress under the contract for the month of January was inspected on February 9, 1956. No one was at the property, probably due to the heavy snow.

The radioactive shear structure was drifted on for 67 feet during the month, as reported. Total drifting to date is 239 feet under the terms of the contract.

Seven samples were assayed for U_3O_8 as reported in the operator's narrative report and forms MF-104 and 104A-2 are verified by included "Certificates of Assay" from the H. I. Wood Assaying Company. They are allowed at the contract rate and for the operator's total of $21.00.

Drifting continued along a well defined shear zone with dips of 65° northeast and a northwesterly strike. The operator sampled ore from his No. 2 ore shoot, about 130 feet in from the crosscut, to determine the effect of oxidation on his ore. Sample 19A of selected primary ore assayed 0.654 percent U_3O_8 and sample 19B of selected oxidized ore assayed 0.315 percent U_3O_8. In addition, the operator took two samples 186.5 feet in from the crosscut. Sample No. 19 over 8 inches of unoxidized ore assayed 0.464 percent U_3O_8 and sample No. 20 over 10 inches of oxidized material assayed 0.053 percent U_3O_8. The last two samples, 21 and 22, taken by the operator were 230 feet from the crosscut. Selected primary (unoxidized) material over a one foot width, assayed 0.654 percent U_3O_8 and oxidized material, also taken over a one foot width, assayed 0.315 percent U_3O_8.

Foothills Mini[redacted] Company have shipped 45 dry to[redacted] of ore which settled on 0.41 percent U_3O_8 and have a second "fringe area" contract to deliver up to 300 tons by March 31, 1956.

The first lot shipped also assayed 0.2 percent Molybdenum.

Foothills Mining Company have correctly reported their advance for the month of January as 67 feet of drift. Their narrative report is refreshingly complete. Their forms NF-10hh and 10A are complete and correct and payment of $1,636.31, which is 75 percent of the total amount ($2181.75) claimed as expenditures, is recommended for approval.

C. M. Harrer

C. M. Harrer
Mining Engineer

CMH/mr
ee 6
Idn-2866
Chron.

REPORT OF PROGRESS MADE UNDER D.M.E.A.
CONTRACT ON THE WRIGHT LEASE
FOOTHILLS MINING COMPANY

Cross cutting and drifting on the Wright lease under Stage I of the contract was completed January 30, 1956, by the extension of the northwest drift to a point 239 feet from the crosscut. The breast on January 1, 1956 was 172 feet from the crosscut so the total distance driven in January was 67 feet.

Although little commercial ore was exposed in this 67 feet the structure remained definite and it is possible that further drifting might discover more ore. At this time, however, we have elected to drift 50 feet to the southeast of the crosscut on the footwall vein as the initial work under Stage II of the contract in order to test the uranium-bearing structure in that direction.

Samples taken in January were as follows:

Assays 19 and 20 were cut at 186.5 feet from the crosscut to compare the value of oxidized and primary ore. No. 19, over 8" of dark gray material regarded as primary, assayed 0.46% U_3O_8 and No. 20, over 10" of oxidized ore, assayed 0.053% U_3O_8.

Assays 19-A and 19-B were made to further investigate the effect of oxidation on the uranium content of the ore. Made by selection of clean oxidized and primary material from a large piece of ore from ore-shoot No. 2, the following results were obtained:

No. 19-A, Primary - U_3O_8 - 0.654%
No. 19-B, Oxidized - U_3O_8 - 0.315%

The pulps from these assays were sent to the U.S.G.S. laboratories for radiometric assaying. Results from these tests have not yet been received by us.

Assays 21 and 22 were cut at 230 feet from the crosscut from a small body of ore that was exposed by the drift between 225 and 235 feet from the crosscut.

No. 21, over 12", 8" above floor assayed 0.477% U_3O_8.

No. 22, over 12", about 6 feet above floor, assayed 0.232% U_3O_8. A small amount of prospecting by winzing or raising seems justifiable at this location.

Returns on the first car of ore shipped under A.E.C. contract were encouraging, the settlement assay being 0.41% U_3O_8 on a lot of 45 dry tons.

A second car of ore was shipped February 1st and succeeding cars will be shipped as soon as possible under a second Fringe Area contract which allows us to ship up to 300 tons by March 31, 1956.

Over 350 lineal feet of long-hole drilling has been done on the company's account with good results, ore grade material having been indicated in several holes by A.E.C. probing.

A test on ore from the property made by Mr. Jack Adams of the Geological Survey staff revealed that molybdenum is present so as a check the control sample from the first car of ore was assayed from molybdenum yielding 0.20% Mo.

An occurrence of radio-activity in two short drill holes in the footwall at a point about 72 feet northwest of Sta. A-5 led to the drilling of two drift rounds into the footwall following a cross fracture. The breast of this short drift contains an interesting exposure of molybdenum and uranium bearing ore, the molybdenum being present as molybdenite.

Trusting that you will find this report satisfactory we remain,

Yours truly,

FOOTHILLS MINING COMPANY

By: H. L. Bird

H. L. Bird

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JAN 23 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1955 Docket No. DMEA 3830 Contract No. Idm - 866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave. Boulder, Colorado
Contract Amount, $ 15,276.00 Government Participation: 75 % Amount, $ 11,457.00

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~~ Timbering		48.00	48.00			
Bulldozing						
Crosscutting		3,902.25	3,902.25			
Drifting	2,257.50	3,289.50	5,547.00			
Assays	24.00	36.00	60.00			
(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	2,281.50	7,275.75	9,557.25	2281.50	7275.75	9557.25

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

Date Jan. 3, 1956 *Payee Foothills Mining Company

Per M. J. Kraft Title Sec. Treas.

*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:

$ 1711.13

Signature RRR
(Authorized Certifying Officer)

Date 1-12-56 Vou. No. DMA-56-56
(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-EB66 in accordance with the terms of the contract.

Signature C. M. Harrer $1,711.12 Title Mining Engineer Date 1-5-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date JAN 6 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JAN 23 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1955 Docket No. DMEA 3830 Contract No. Idm - 866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave. Boulder, Colorado

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Feet	2,257.50	70	5,547.00	172	32.26	460	14,835.00
Crosscutting	Feet			3,902.25	121	32.25		
Raising								
Shafts								
Assays	Each	24.00	8	60.00	20	3.00	47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet			48.00	12	4.00	75	300.00
Total Distributed Costs		2,281.50		9,557.25				Total Costs Authorized by Contract
Operating Equipment Purchased								15,276.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2,281.50		9,557.25				15,276.00

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 Jan. 3, 1956 Operator Foothills Mining Company

Per M. J. Kraft Title Sec. Treas.

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)

C. M. Harper

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.

FINAL DISTRIBUTION
MADE JAN 19 1956
RECEIVED
JAN 23 1956

224 New Customhouse
Denver 2, Colorado

January 6, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3830 (Uranium) Contract Idm-E866, Foothills Mining Company, Wright Lease, Boulder County, Colorado - Operator's Monthly Progress Report, for the period December, 1955

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. 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- - - - - - - - - - - - - January 3, 1956
Date Received in Field Office- - - - January 4, 1956
Date Received in Region Office- - - January 6, 1956

W. M. Traver

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E866
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.

JAN 8 1956

BUREAU OF MINES
Denver, Colorado

RECEIVED
JAN 9 1956

Region III

Building 20
Denver Federal Center
Denver 2, Colorado
January 5, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer

Subject: Progress report for December 1955 - Contract Idm-E866 (Uranium)
Foothills Mining Company, Boulder County, Colorado

Progress under the contract for the month of December was inspected on January 5, 1956, in the company of Messrs. H. L. Bird, Duane Kraft, F. W. Gapter and Verne Wilcox, members of the Company.

The radioactive shear structure was drifted on for 70 feet during the month. Total drifting is now 172 feet. Total drifting measured on January 5, 1956 was 182.5 feet. The operator's advance of 70 feet for the month is therefore allowed.

Eight assays are reported in the narrative and forms MF-104 and 104-A are verified by included certificates from the H. E. Wood Assaying Co. and are allowed at the contract rate and for the operator's total of $24.00.

Drifting continued along a well defined shear zone with dips of 60° to 70° E., and a northwesterly strike. Five samples taken during the month indicate an oreshoot over 30 feet long and 1.5 to over 4 feet wide. Assays vary from 0.2 to 0.44 percent U_3O_8.

Fifty tons of ore will be shipped to the Vitro Uranium Co. at Salt Lake City, Utah for amenability tests under an Atomic Energy Commission contract.

A trial shipment of 18,835.96 dry pounds reported shipped to Union Carbide Nuclear Co. of Rifle, Colorado last month was settled on an assay of 0.26 percent U_3O_8, 0.16 percent V_2O_5 and 12.4 percent $CaCO_3$.

Foothills Mining Company have correctly reported their advance for the month as 70 feet of drift. The narrative report and forms MF-104 and MF-104A are complete and correct and payment of $1,711.12, which is 75 percent of the total amount ($2,281.50) claimed as expenditures, is recommended for approval.

C. M. Harrer

C. M. Harrer
Mining Engineer

cc 6 CMHarrer
E866 Chron
CMH/eh

REPORT OF PROGRESS MADE UNDER D.M.E.A.
CONTRACT ON THE WRIGHT LEASE
FOOTHILLS MINING COMPANY

Exploration on the Wright lease during December, 1955, consisted of continued drifting on the vein from a point 102 feet from the crosscut to a point 172 feet from the crosscut, making a total advance for the month of 70 feet.

At 120 feet from the crosscut a second shoot of commercial uranium ore was opened and a total stope length of at least 33 feet of ore was cut in the drift.

This ore is similar in composition to that discovered in the first oreshoot encountered by the drift, but is a little darker and contains some portions of very good grade. Assays of this high grade material were not taken, but the following list of assays taken across good widths of ore is of interest.

Sample No. 14, at 120 feet from the crosscut assayed 0.337% U_3O_8 over 4 feet.

A sample over 4 feet at 124 feet from the crosscut was cut December 8 and forwarded to Vitro Uranium Company at Salt Lake City for assay and amenability test. No return from Vitro on this test has yet arrived, but an assay cut by an A. E. C. geologist at 126 feet assayed 0.543% U_3O_8 chemical over 4 feet and another sample by the same geologist cut at 129.9 feet assayed 0.354% U_3O_8 chemical over a width of 4 feet.

Our sample No. 15, taken at 129 feet, was not a channel sample but was made on ore sorted from an 18-inch streak uncovered in the hanging wall side of the drift when slabbing off some loose rock. It assayed 0.244% U_3O_8.

Assay No. 16 was also on selected ore from the oxidized portion of the vein at 129 feet, assaying 0.20% U_3O_8, and was taken to give an idea of the degree of leaching of this material. This sample was of the harder part and was good-looking vein-stuff. The softer limonitic material was clearly of sub-ore grade and was not assayed.

Assay No. 16-A containing 0.148% U_3O_8 was on pulp from a sample taken by an A. E. C. geologist from the stock pile and was taken to determine what should be done with the ore it represented after a preliminary EU assay indicated a low value.

Sample 16-C assaying 0.144% U_3O_8 was on grizzly fines which read .6 MR by geiger counter and proved by assay to be of lower grade than other samples which gave readings of this magnitude.

Assay No. 17 was across 18 inches of ore at a point 32 feet N. W. of Station A-5 and contained 0.44% U_3O_8.

Assay No. 18, across 39 inches of mineralized breccia at 38 feet N. W. of Station A-5 gave a result of 0.318% U_3O_8.

On December 20 a contract was completed with the Atomic Energy Commission which allowed us to ship fifty tons of ore produced from the second oreshoot to Vitro Uranium Company at Salt Lake City on December 23. No word concerning this shipment has yet been received.

We estimate that at least 75 tons of ore is now stockpiled at the mine available for shipment.

Since exploration on the crosscut tunnel level has proven the presence of larger bodies of ore than occurred at the outcrop, we feel that deeper exploration by means of a winze is warranted and the next logical step. Other factors that would indicate the advisability of deeper exploration is the presence of considerable oxidized ore on the tunnel level over two hundred feet below the crest of the hill and the fact that the water table is very close to the bottom of the drift.

Hoping that you will find this report satisfactory, we remain

Yours truly,

FOOTHILLS MINING COMPANY

By

Vice President

HLB:mw

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC 19 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1955 Docket No. DMEA 3830 Contract No. Lam- 866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colorado.
Contract Amount, $ 15,276.00 Government Participation 75 % Amount, $ 11,457.00

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:						
Timbering		$ 48.00	$ 48.00			
Bulldozing						
Crosscutting		3902.25	3902.25			
Drifting	$2064.00	1225.50	3289.50			
Assays	27.00	9.00	36.00			
(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	$2091.00	$5184.75	$7275.75	2091.00	5184.75	7275.75

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

Date December 2, 1955 *Payee Foothills Mining Company

Per W. L. Bird Title Vice President

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

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

(Instructions on reverse)

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

$ 1,568.25

Signature RRC
(Authorized Certifying Officer)

Date 12-15-55 Vou. No. DMA-56-49
(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-E866 in accordance with the terms of the contract.

Signature C.M. Harrer $1,568.25 Title Mining Engineer Date Dec. 13, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for E.N. Harstad Title Acting Executive Officer Date DEC 14 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEC 19 1955

Month of November, 195 5 Docket No. DMEA 3830 Contract No. Idm- 866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colorado.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	$2064.00	64	$3289.50	102	$32.25	460	$14,835.00
Crosscutting	Feet			$3902.25	121	$32.25		
Raising								
~~Stations~~ Assays	Each	27.00	9	36.00	12	3.00	47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet			48.00	12	4.00	75	300.00
TOTAL DISTRIBUTED COSTS		$2091.00		$7275.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$15,276.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2091.00		$7275.75				$15,276.00

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 December 2, 1955 Operator Foothills Mining Company

Per W. L. Bird Title Vice President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

C. M. Harrer

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.

RECEIVED
DEC 19 1955

[redacted] New Customhouse
Denver 2, Colorado

December 14, 1955

[redacted]

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3[redacted] (Uranium), Contract I[redacted]-2866, Foothills Mining Company, Boulder County, Colorado - Operator's Monthly Progress Report, for November, 1955

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-204A, 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.

[redacted]

Date of Report——————December 2, 1955
Date Received in Field Office——December 2, 1955
Date Received in Region Office-December 12, 1955

for R. E. Hardman

JDC:pw
cc: I866 MF-104 File
Shaw (2)
Sec.Op.Comm. (2)
Chron

RECEIVED
DEC 19 1955

Region III

Building 20
Denver Federal Center
Denver 2, Colorado
December 12, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Herrer

Subject: DMEA 3830, Contract Idm-E866 (Uranium) Foothills Mining Company, Boulder County, Colorado - Progress report for November 1955

Progress under the contract for the month of November was inspected on December 8, 1955, in the company of Messrs. H. L. Bird, Duane Kraft, F. W. Gapter and Verne Wilcox, members of the company.

Drifting along the radioactive structure progressed 64 feet for the month for a total of 102 feet of drift to date. Total drifting measured on December 8, 1955 was 126 feet. The operator's advance of 64 feet for the month is, therefore, allowed.

Mine assays are substantiated by certificates from the H. E. Wood Assaying Co., and are allowed at the contract rate for the operator's total of $27.00.

Drifting continued along a well defined shear, dipping 65° to 70° NE, throughout the month and disclosed radioactive material from a few inches to 5 feet wide. The company has taken several samples with results shown in their very complete narrative report. At the time of the examination, members of the Denver branch of the Atomic Energy Commission were engaged in sampling the radioactive zones. Their results will be available at a later date. A trial lot of 19,600 pounds of sorted material was trucked to the Rifle plant of the Union Carbide Nuclear (UNV Corp.) Company on November 9, 1955. This lot is reported to assay 0.26 percent U_3O_8, about 0.16 percent V_2O_5, and 22 percent lime. The high lime is due to the many calcite veinlets in the shear zone. The ore is not acceptable at Rifle due to its high lime content. The company is currently negotiating with the Atomic Energy Commission for an off-plateau contract.

Foothills Mining Company have correctly reported their advance for the month as 64 feet of drift. The narrative report and forms MF-104 and MF-104A are complete and correct and payment of $1,568.25, which is 75 percent of the total amount ($2,091.00) claimed as expenditures, is recommended for approval.

C. M. Harrer
Mining Engineer

cc 6
E366
Chron

CMH/em

RECEIVED
DEC 19 [illegible]

REPORT OF PROGRESS MADE UNDER D.M.E.A. CONTRACT ON THE WRIGHT LEASE, FOOTHILLS MINING COMPANY

During the month of November, 1955 drifting on the footwall vein was continued along a well-defined fissure to a point 102 feet from the mark established by Mr. Harrer as a basis for drift measurements. Since payment under the contract for the month of October was made on 38 feet of drifting, 64 feet is used in computing the November costs although, according to our measurements, the starting point for November work was at 38.5 feet from the point of beginning.

This work has disclosed encouraging amounts of uranium ore and the drift is now less than twenty feet from the computed position of drill hole No. 3.

A slabbing round to prospect the hanging wall side of the drift at 42 feet from the crosscut disclosed a body of commercial grade ore which had a maximum width of over four feet and extended about 17 feet north-west along the vein, gradually tapering to a width of six to eight inches. The south-easterly end of this sheet has not been determined but compass readings on its walls indicate that it is narrowing in that direction. Selected samples, No's 4 and 5, with a uranium content of 1.577% U_3O_8 and 0.279% U_3O_8 respectively were taken to indicate the value of the most radioactive and moderately radioactive portions of this body where discovered and the pulps were retained to aid in determining the relationship between radiometric and chemical assays. Assay No. 6, also from this point, was a channel sample cut by the writer over a width of 3 feet with a value of 0.79% U_3O_8 .

Assays No's 7 and 8 were taken at 48 feet from the crosscut. No.7 across 3 feet of fine grained breccia which, like that at 42 feet, has been fractured and mineralized. No uranium minerals were observed but a darker grey color along small seams suggests the possible presence of very finely disseminated pitchblende. This assayed 0.517% U_3O_8. Sample No. 8, across 20 inches of altered gneiss and schist on the footwall side of the vein yielded results of 0.047% U_3O_8 .

Sample No. 9 was taken at 51.5 feet from the crosscut over 3 feet of mineralized breccia which showed a coarser texture than the previous samples and assayed 0.249% U_3O_8 .

The vein material thruout the rest of the drift varies from a few inches up to 24 inches. Commonly there is a narrow but quite radioactive portion along the fault plane, dark gray to black in color with veinlets of calcite and a few areas of oxidation even at the considerable depth where the vein is exposed. Assay No. 10 was obtained from selected material from this streak and gave a result of 3.247% U_3O_8.

At 76 feet from the crosscut a channel sample, No.11, over 18 inches which included both the richer part and the poorer breccia on the footwall assayed 0.10% U_3O_8 and a similar section at 79 feet gave an assay of 0.234% U_3O_8. Assay No.12?

A sample lot of almost ten tons was shipped by truck to the Rifle plant of the Union Carbide Nuclear Company on November 9th after a telephone conversation with Mr.T.S.Ary, plant superintendent, had brought out the advisability and necessity of large scale sampling and an amenability test. This lot assayed 0.26% U_3O_8. Neither the seller's pulp sample or the settlement sheet have yet been received.

This ore came from the occurrence of fine grained breccia described above. Conditions prevailing at the time of shipment prevented careful sorting but by better handling of the ore much waste rock can be thrown out and the grade of ore raised.

Due to the presence of 12% lime in the test lot the Rifle plant is unable to accept further shipments of this ore, so inquiry is being made to find a plant at which it can be milled.

Trusting that you will find this report satisfactory we remain

Yours truly

FOOTHILLS MINING COMPANY

BY H. L. Bird

Vice President

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC - 1 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1955 Docket No. DMEA 3830 Contract No. Idm-E866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colorado
Contract Amount, $ 15,276.00 Government Participation: 75 % Amount, $ 11,457.00

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:						
~~[illegible]~~ Timbering	$ 48.00		$ 48.00			
Bulldozing						
Crosscutting	1773.75	$2128.50	3902.25			
Drifting	1225.50		1225.50			
Assaying	9.00		9.00			
(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	$3056.25	$2128.50	$5184.75			

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

Date November 2, 1955 yee Foothills Mining Company

Per N. L. Bird Title Vice-President

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

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

(Instructions on reverse)

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

$ 2292.19

Signature RRC
(Authorized Certifying Officer)

Date 11-28-55 Vou. No. DMA-56-45

(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:E866 in accordance with the terms of the contract.

Signature C. M. Harrer $2292.19 Title Mining Engineer Date Nov. 10, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for W. M. Tower Title Executive Officer Date NOV 16 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC - 1 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 195 5 Docket No. DMEA 3830 Contract No. Idm-E866
Operator's Name Foothills Mining Company Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet	$1225.50	38	$1225.50	38	$32.25	460	$14,835.00
Crosscutting	Feet	1773.75	55	3902.25	121	32.25		
Raising								
~~XXXXX~~ Assays	Each	9.00	3	9.00	3		47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet	48.00	12	48.00	12	4.00	75	300.00
TOTAL DISTRIBUTED COSTS		$3056.25		$5184.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$15,276.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3056.25		$5184.75				$15,276.00

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 November 2, 1955 Operator Foothills Mining Company

Per H. L. Bird Title Vice-President

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

REMARKS:

(Instructions on reverse)

(For Government use only)
C. M. Harrer

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

RECEIVED
DEC - 1 1955

REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
November 18, 1955

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea
Supervising Mining Engineer

From: C. M. Harper

Subject: DMEA 5834, Contract 14n-2066 (Drumlin),
Foothills Mining Company, Boulder, Colorado
Progress report for October 1955

Progress under the contract for the month of October was inspected on November 4, 1955, in the company of Messrs. H. L. Bird, Duane Kraft, F. W. Gagner and Verne Wilson, members of the company.

The crosscut was completed with an advance of 33 feet for the month. Total crosscutting under the contract is 121 feet. A strong shear zone with a strike of N. 65° W. and a dip of about 70° N. E. was encountered 8 feet from the end of the crosscut. This shear structure is believed to be the objective to be drifted on. Upon completion of the crosscut, this structure was drifted on 42.5 feet at the time of inspection. The drift bears N. 65° W., along the strike of the limonite stained shear. The presence of uranium to date is spotty and low grade.

Foothills Mining Company have correctly reported their advance for the month as 33 feet of crosscut and 38 feet of drift. Three sets of timber were placed over a length of 12 feet as reported. In addition, three sampled were managed and was verified by an inclosed statement from H. H. Ward, manager. The narrative report and forms MF-104 and 104A are complete and payment of $2,[illegible].19, which is 75 percent of the total amount ($3,976.25) claimed as expenditures is recommended for approval.

C. M. Harper

C. M. Harper
Mining Engineer

cc 6
14n-2066
Chron.

CMHarper

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

RECEIVED
DEC - 1 1955

224 New Customhouse
Denver 2, Colorado

November 29, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3830 (Uranium), Contract Idm-E866, Foothills Mining Company, Wright Lease, Jefferson 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 October, 1955.

In the Narrative Report the Operator recommends drilling to check the possibility of a better vein paralleling the drift where contract exploration work is in progress. The Operator was contacted in regard to this drilling and he has agreed to do the work at company expense.

E. N. Harshman

E. N. Harshman

Enclosures

RECEIVED
DEC - 1 1955

REPORT OF PROGRESS MADE UNDER D.M.E.A.
CONTRACT ON THE WRIGHT LEASE,
FOOTHILLS MINING COMPANY

Work on the Wright lease during the month of October, 1955 began at 419.5 feet from the portal of the crosscut which was extended until the mineralized zone outcropping on the hill above was encountered and crossed. Drifting was started to the northwest on the footwall vein which was the most radioactive of several fissures in a zone of sheared and altered gneiss and schist about 20 feet in width where intersected by the crosscut. This drift was extended to a distance of 38.5 feet from the northwestern wall of the crosscut by October 31st.

Uranium mineralization in the part of the vein so far explored is irregular and as yet no body of commercial size and grade has been opened, although selected samples show enough radioactivity to indicate ore grade.

Where the footwall vein was intersected by the crosscut the most radioactive area was on the southeast side of the crosscut 12 to 18 inches above the floor. Here an assay over 6 inches of mineralized breccia and calcite veinlets ran 0.094% U_3O_8.

From about 9 feet to 16 feet from the crosscut the ground in the drift was shattered and stained with limonite and at 15 feet a vuggy, limonitic exposure of the vein in the roof of the drift gave a scintillator reading of .5 M/R. Several small fractures trending northward and dipping 70° to the east are present in the north east wall of the drift in this area and may have a relationship to the occurrence of uranium mineralization there.

At 21 feet the vein was narrower and harder with much lower radioactivity, .10 M/R in the upper part of the face. Not much change in this condition occurred until at a distance of 38.5 feet a hard breccia from 12" to 20" in width was disclosed which gave a maximum reading of .5 M/R with selected pieces more radioactive. This breccia has an irregular contact with the wall rock under it, but is sharply bounded by a gouge seam on its hanging wall.

Samples from this occurrence show a distinct resemblance to the cored samples from drill hole No. 3.

Radiometric readings on the northeast wall of the drift taken November 1 about 42 feet from the crosscut were the highest yet recorded underground being read on the 5 scale of a 111 Scintillator according to a report from the men working in the drift. Sporadic evidence of uranium mineralization in the hanging wall side of the drift and the fact that two veins of ore occurred in hole No. 3 separated by several feet of rock leads the writer to recommend the immediate drilling of the walls, especially the hanging wall, to be certain that we are not drifting alongside a better vein.

The machineman's log is as follows:

	Drilled	Actual Footage	Total
October 2	6'	5½'	
October 3	6'	6 '	
October 4	6'	6 '	
October 5	No round fired		
October 6	6'	5½'	
October 7	6'	5½'	
October 9	Timbering		
October 10	Timbering and Track laying		
October 11	6'	5½'	
October 12	6'	6 '	
October 13	No round fired		
October 14	6'	5½'	465'
October 17	No round fired		
October 18	6'	4½'	
October 19	No round fired		
October 20	6'	5 '	474.5'
October 21	First drift round		
	6' slab shots	4½'	
October 23	No round fired		
October 24	6'	5½'	10'
October 25	No round fired		
October 26	6'	5½'	15½'
October 27	6'	5½'	21'
October 28	6'	6'	27'
October 30	6'	6'	33'
October 31	6'	5½'	38½'

Trusting this report will be satisfactory, we remain

Yours sincerely,

Foothills Mining Company

H. L. Bird

by H. L. Bird,
Vice-President

HLB:eh

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 24 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1955 Docket No. DMEA 3830 Contract No. Idm-E866
Operator's Name Foothills Mining Co. Minerals Uranium
Address 635 Hawthorn Ave., Boulder, Colo.
Contract Amount, $ 15,276.00 Government Participation: 75 % Amount, $ 11,457.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$2128.50	none	$2128.50			
Drifting						
(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	$2128.50		$2128.50	2128.50		2128.50

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

Date Oct 3 *Payee Foothills Mining Co

Per M. J. Kraft Title Sec. Treas

*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:

$ 1596.37

Signature [illegible]
(Authorized Certifying Officer)

Date 10/14/55 Vou. No. DMA-56-36
(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. Tam-E 866 in accordance with the terms of the contract.

Signature C. M. Garrer $1,596.37 Title Mining Engineer Date Oct 6, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for W. M. Tower Title Executive Officer Date OCT 10 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 24 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1955 Docket No. DMEA 3830 Contract No. Idm-E866

Operator's Name Foothills Mining Company Minerals

Address 635 Hawthorn Ave., Boulder, 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	$2128.50	66	$2128.50	66	$32.25	460	$14,835.00
Raising								
Shafts Assays	Each						47	141.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet						75	300.00
TOTAL DISTRIBUTED COSTS		$2128.50		$2128.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$15,276.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2128.50		$2128.50				$15,276.00

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 3 Operator Foothills Mining Co.

Per M. J. Kraft Title Sec Treas

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

(Instructions on reverse)

REMARKS:

(For Government use only)

C. McHarrer

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

SUMMARY OF PREVIOUS WORK AND REPORT OF PROGRESS
MADE UNDER D. M. E. A. CONTRACT ON THE
WRIGHT LEASE, JEFFERSON COUNTY, COLORADO

RECEIVED
OCT 24 1955

In September, 1954 observation of favorable geologic structures and formations led to the discovery of a radioactive vein outcropping on a low hill south west of Idledale, Colo. Prospecting by bulldozing and, later, coredrilling disclosed the presence of uranium ore in sufficient quantity to justify more exploration. Study of conditions finally led to the decision to explore the occurrence by a cross cut tunnel which the expensive had certain definite advantages over other means of opening the deposit, principally, ease of disposing of waste material and freedom from interference with the State Highway right-of-way. Work was begun on this crosscut prior to the negotiation of the D. M. E. A. Contract so the starting point for the beginning of Government participation was set at a distance of 353.5 feet from the portal of the crosscut.

The equipment in use at the present time includes a new 210 cu. ft. Ingersoll-Rand rotary compressor, a new Ingersoll-Rand heavy duty jackhammer and jackleg, ventilating fan, about 400 ft. of 14" sheet metal air duct and 200 ft. of 6" metal duct, tool house and tools, two mine cars and about 1200 lineal feet of 30 lb. mine rail. *Also an Emico mucking machine.*

Work on the company's account began about June 15, 1955 and good progress was made during June, July and the early part of August, two shifts being employed during most of that time. Word having been received from the Washington office of the D. M. E. A. that a contract was in preparation and had a good chance of final approval, work was suspended at about the 350 foot mark. On September 15th, 1955 a few days after we received the contract, Mr. Harrer of the Denver office field team visited the property and established a starting point for government participation at 353½ ft. Work under this contract was begun the same day and the breast stood at 358 feet that evening. The machineman's record of progress day by day is as follows:

Sept. 16 - Previous round pulled well. Put in rails and drilled 6 foot round.
Sept. 18 - Previous round satisfactory. Drilled and shot 6 foot round. Rock was harder.
Sept. 19 - Previous round only made 4½ feet. Rock black schist or hornblende. Drilled and shot 6 foot round.
Sept. 20 - Previous round pulled 6 feet. Rock changed. Some not so hard. 20 feet pulled to date. Drilled and shot 6 foot round.
Sept. 21 - Melvin and Duane Kraft started working early shift. Both shifts pulled good rounds. Had no air last part of shift.
Sept. 22 - Trouble with fan motor again. Kraft had trouble with equipment so did not fire his round. Second shift finished drilling out and shot.
Sept. 23 - Fan motor not fixed til noon. Kraft did not work. No round shot. Mucked out and laid track. Total footage - 395.5 this date.

Sept. 25 - Drilled and shot 6 foot round, air pipe would not clear drift. Ground not too hard.

Sept. 26 - Previous round gained 5½ feet. Drilled 6 foot round. Rock was schist.

Sept. 27 - Previous round pulled 5½ feet. Drilled 6 foot round and shot. Rock was schist.

Sept. 28 - Drilled 6 foot round. Shot - did not sound right.

Sept. 29 - Previous round did not pull - only 3 foot advance. Drilled 10 holes and jackleg broke down. Went to Denver for parts. Fixed fan motor. Did not make a round.

Sept. 30 - Finished round and shot. Fan worked good. Mucked out at 3:00 p.m. Total footage to date - 419.5 - to breast or 66 foot advance from starting of contract.

During the driving of the crosscut prior to the contract, three radioactive occurrences were discovered. The first at about 32 feet from the portal was a nearly vertical shear-zone showing a low degree of radioactivity in its central seam. Its course is about N-35° W. Another area of radioactivity is about 50 feet toward the portal from the first set of timbers inside the crosscut. It has not been thoroughly studied but does not seem to be important. The third occurrence is a definite breccia varying from a few inches to almost three feet in width. A selected assay that included more than the richest portion gave an assay of 0.17% U_3O_8, Chem. We believe that this vein merits further exploration since it seems to be widening and increasing in value in its upper portion where exposed.

Formations encountered in the sixty-six feet driven under this contract include biotite schist, hornblende gneiss and pegmatites, some of which show a low degree of radioactivity. The schist in this portion of the crosscut is impregnated with pyrite, minor amounts of chalcopyrite, and glassy quartz. The hornblende gneiss has not been mineralized as strongly as the schist.

At the time this report is being prepared further work in the crosscut has indicated that we are approaching the vein. The ground is fractured, a water filled fissure was encountered and some radioactivity observed in the face before the last round was fired.

Sincerely,

Foothills Mining Co.

By: H. L. Bird

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

October 10, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3830, (Uranium) Contract Idm-E866, Foothills Mining Company, Wright Lease, Jefferson County, Colorado - Operator's Monthly Progress Report, for the period September, 1955.

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-208A, 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- - - - - - - - - - - - - - - - - - October 3, 1955
Date Received in Field Office- - - - - - - - - October 5, 1955
Date Received in Region Office- - - - - - October 7, 1955

for W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E866
Sec. Op. Comm. (2)
Shaw (2)
Chron.

RECEIVED
OCT 24 1955

Building 20
Denver Federal Center
Denver 2, Colorado
October 6, 1955

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea
Supervising Mining Engineer

From: C. M. Harrer

Subject: DMEA 3930, Contract Ida-2866 (Uranium),
Foothills Mining Company,
Boulder, Colorado - Progress report for September 1955

Progress under the contract for the month of September 1955 was inspected on October 4, 1955, in the company of Messrs. M. J. and Donna Kvart, F. H. Gapter and Verne Wilner, members of the company.

Advance of the crosscut for the month was 66 feet as reported in the company's narrative report and forms 104. Advance at the time of examination was 78 feet. The crosscut is being advanced through biotite and hornblende schist, portions of which include abundant pyrite, calcite, quartz and some pegmatitic material. No Geiger or scintillation counter was available to examine the walls of the crosscut.

Foothills Mining Company's narrative report and forms NF-104 and 104-A are complete and payment of $1,596.37, which is 75 percent of the amount claimed, is recommended for approval.

C. M. Harrer
C. M. Harrer
Mining Engineer

CMH:ph

cc 6 ✓
Ida-2866
Chron

FEB 8 1961

Foothills Mining Company
c/o Cotter Corporation
P. O. Box 751
Canon City, Colorado

Re: DMRA-3830 (Uranium)
Foothills Mining Company
Wright Lease
Jefferson County, Colorado
Contract Idu-8866

Gentlemen:

Thank you for repaying in full the Government's participation of $11,223.00 in the subject exploration contract for uranium. As a result of the repayment, the Government retains no lien or claim against the property or on any future production therefrom.

We appreciate your interest and participation in the DMRA exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copy to: Mr. Hanson G. Wright
1300 South Hannock Street
Denver, Colorado

FEMurphy/gla
2-8-61
cc to: Director's Reading File
Region III (2)
Code 800
Code 500
Docket
Chron

Contr ct Adm. & Audit Div.

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

To: Foothills Mining Company
3040 Broadway
Boulder, Colorado

Pursuant to the provisions of Exploration Project Contract No. Idm-5866, dated September 1, 1955, (Docket No. DMEA-3830), hereinafter called the "contract," between the Foothills Mining Company, a Colorado corporation, and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

Crosscutting and drifting on the land described in Article 2 of the contract exposed deposits of uranium ore in a complex shear zone in Precambrian metamorphic and igneous rocks.

Dated: AUG 30 1957

MChing/izm 8-27-57

THE UNITED STATES OF AMERICA

By C. C. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

cc to: Operator
Marcus G. Wright
Wright Engineering & Supply Co.
1300 South Bannock St.
Denver, Colorado
Contract Adm. & Audit Div.
DMEA FT Reg. III (2)
Finance Office
Docket
Jesse C. Johnson, Director
Div. of Raw Materials, AEC
Elton A. Youngberg, AEC, G.J. Colo.
Admr.'s Reading File
F. E. Johnson
Operating Committee
Frank D. Lamb, Rm. 3608
T. H. Killsgaard, Rm. 5224
Mr. Ching

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

AUG 30 1957

Mr. C. A. Wilcox, President
Foothills Mining Company
c/o Mr. Clarence Sweeby
3040 Broadway
Boulder, Colorado

Re: Docket No. DMEA-[illegible] (Uranium)
Contract No. Ida-[illegible]
Wright Lease
Jefferson County, Colorado

Dear Mr. Wilcox:

Enclosed is a Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract. This certification covers all the land described in Article 2 of the subject contract.

By the terms of the Exploration Project Contract, as amended, and of the certification, all minerals mined or produced from September 1, 1955 to September 1, 1965, are subject to the Government's percentage royalty as set forth in the contract until the amount contributed by the Government is repaid.

Payments should continue to be made to Mr. William H. King, Executive Officer, DMEA Field Team, Region III, [illegible] New Customhouse Building, Denver 2, Colorado. Checks should be payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the check directly to the Executive Officer. Any bonus payments or allowances received by you from the sale of ore are considered to be a part of the purchase price to which the Government's royalty applies. Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify Mr. King of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Inc.

if production ceases at any time for an extended period, please notify Mr. King at six-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

MChing/ixm 8-27-57

cc to: Marcus G. Wright
Wright Engineering & Supply Co.
1300 South Bannock, St., Denver, Colo.
Admr.'s Reading File
Operating Committee
F. E. Johnson
Frank D. Lamb, Rm. 3608
T. H. Killagaard, Rm. 5224
DMEA FT Reg. III (2)
Docket
Contract Adm. & Audit Div
Mr. Ching

Government's Copy

EXPLORATION PROJECT CONTRACT
FOOTHILLS MINING COMPANY
DOCKET NO. DMEA-3830

RECEIVED
AUG 15 1956

Amendment No. 1

It is agreed this 13th day of August, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Foothills Mining Company, that Contract No. Idm-E-866, Docket No. DMEA-3830, dated September 1, 1955, is amended, effective September 1, 1955, as follows:

1. In Article 3 substitute the completion date "September 30, 1956" for the date "July 31, 1956".

2. In Exhibit "A", under Description of the Work, in the first line of the first sentence, after the word "by" insert the words "diamond core drilling,".

3. In Exhibit "A", Stage II of the Description of the Work, the First sentence is revised to read as follows: Drift, crosscut, and raise a maximum of 50 feet; and diamond core drill a maximum of 290 feet of AX (minimum size) hole.

4. In Exhibit "A", under Estimated Costs of the Project, Stage II, (1) the item of "100 feet of drifting, crosscutting, and raising @ $32.25/ft." Totaling $3225.00", is changed to read: "50 feet of drifting, crosscutting, and raising, @ $32.25/ft." Totaling "$1612.50." (2) The estimated costs of a winze are deleted and the following new item is added: "290 feet of diamond core drilling @ $5.56/ft." Totaling "(rounded) $1612.50".

This agreement shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the "Fixed Unit Cost" of any item of work.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

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

FOOTHILLS MINING COMPANY

By Floyd S. Lunt

Title Sec., Treas.

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

RECEIVED
AUG 15 1956

224 New Customhouse
Denver 2, Colorado

AUG 13 1956

Foothills Mining Company
3240 Sixth Street
Boulder, Colorado

Re: Docket DMEA 3830 (Uranium)
Contract Idm-E866
Foothills Mining Company
Jefferson County, Colorado

Gentlemen:

Consistent with provisions in the contract pertaining to work under Stage II, this constitutes the Government's approval for the performance of not to exceed 290 feet of diamond core drilling as provided by Amendment No. 1 to the contract.

The locations and attitude of the two holes to be drilled are shown on the map entitled, "Sketch of Proposed Drilling Wright Lease - D.M.E.A. Contract No. Idm-E866, H. L. Bird, Mining Geologist," which is attached hereto and made a part of this work approval.

Nothing in this work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Very truly yours,

DMEA Field Team, Region III

W. M. Traver

W. M. Traver

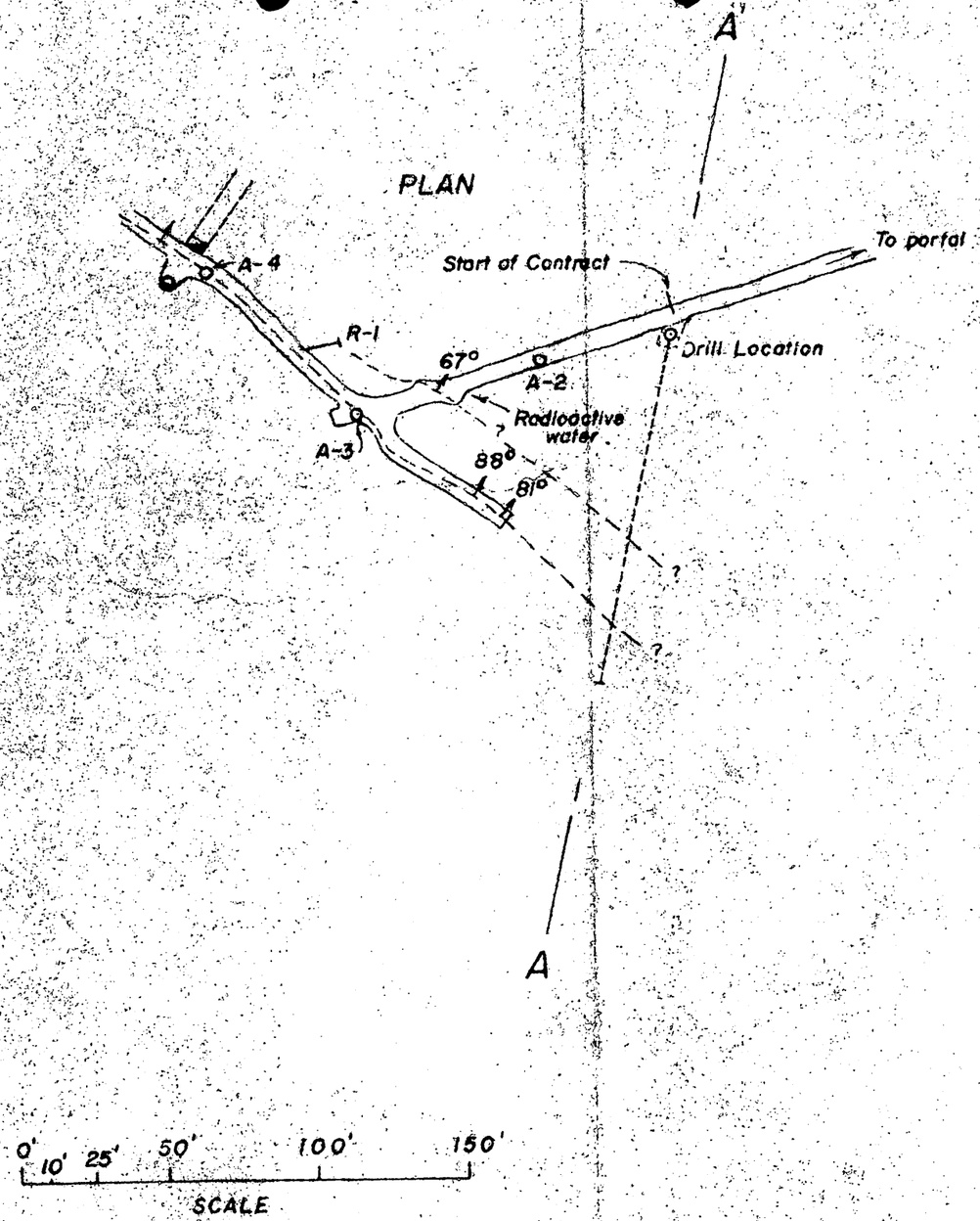
E. N. Harshman

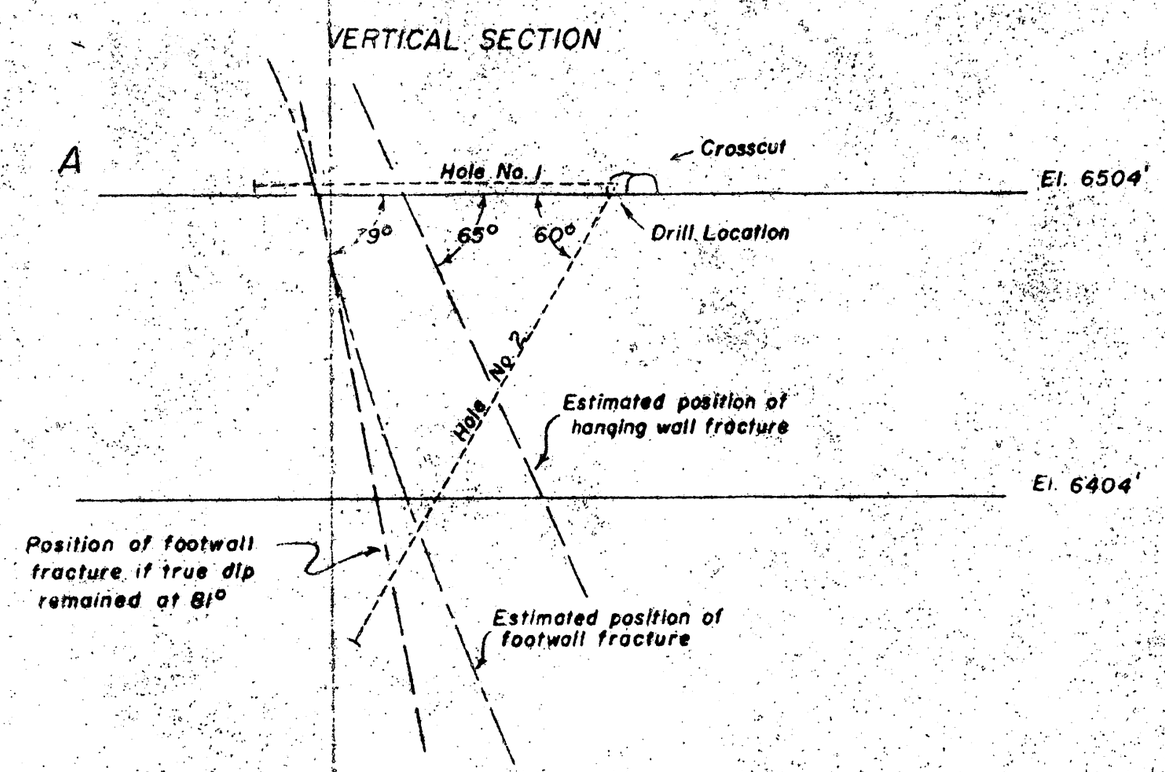
E. N. Harshman

Enclosure

JWT:prl
cc: Chairman, Op. Comm. (4)
Finance Office, Reg. III
Amendment file
Harshman
Shaw (2)
Townsend
Corres. file
Chron.

RECEIVED
AUG 15 1956





SKETCH OF PROPOSED DRILLING

WRIGHT LEASE – D.M.E.A. CONTRACT NO. Idm–E866

H. L. BIRD, MINING GEOLOGIST

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

RECEIVED
FEB - 3 1956

224 New Customhouse
Denver 2, Colorado

January 30, 1956

Mr. C. A. Wilcox, President
Foothills Mining Company
635 Southerne Avenue
Boulder, Colorado

Re: Docket DMEA 3830 (Uranium),
Contract Idm-2866,
Foothills Mining Company,
Jefferson County, Colorado

Dear Mr. Wilcox:

In reference to your letter of January 26, 1956, and consistent with the provisions of Contract Idm-2866, relative to work under Stage II, this confirms verbal approval by the DMEA Field Team, Region III, of January 26, 1956, for you to drift not to exceed 50 feet Southeasterly from the crosscut which was driven under Stage I of the project work.

Nothing in this project work approval shall be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Very truly yours,

DMEA Field Team, Region III

W. M. Traver

W. M. Traver

E. H. Harshman

E. H. Harshman

JWT:pel
cc: Chairman, Oper. Comm. (4)
Finance Office, Region III
Amend. file
Harshman
Shaw
Townsend
Corres. file
Chron.

DMEA
Rec'd.
JAN 27 1956
BUREAU OF MINES
Denver, Colorado

675 Hawthorn Ave,
Boulder, Colorado,
January 26, 1956

Mr. W. N. Traver,
Executive Officer,
D. M. E. A. Field Team,
New Customs House,
Denver, Colorado.

Dear Mr. Traver:

Since we have only fifteen feet remaining on Stage I of of our contract No Idm-E066 we would like to secure D.M.E.A. permission to commence work under Stage II.

It is our desire to begin drifting on the footwall vein to the southeast of the crosscut as the initial work under stage II and to extend this drift at least fifty feet in that direction.

Hoping that you will find this proposal satisfactory, we are

Yours Sincerely,
FOOTHILL MINING COMPANY

By C. A. Wilcox, President
C A Wilcox

After discussing with John Shaw, verbal approval was given on January 26, 1956 to proceed with Stage II work as requested.

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

RECEIVED
JAN 20 1956

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

224 New Customhouse
Denver 2, Colorado

January 20, 1956

Mr. H. L. Bird, Vice-President
Foothills Mining Company
635 Manhattan Avenue
Boulder, Colorado

Re: Docket DMEA 3830 (Uranium), Contract Idm-E866
Foothills Mining Company, Jefferson County, Colo.

Dear Mr. Bird:

Reference is made to your letter of January 10, 1956 wherein you request the Government's approval for 50 feet of winze to be performed in lieu of 100 feet of drifting under Stage II of the contract.

A review of data on file in this office indicates that sufficient information is already available from outcrops to establish the continuity of the radioactive breccia reef to depths of about 55 feet below the adit level and for about 1,000 feet along the surface. Therefore, the proposed 50 feet of winze would add little useful additional information except for a limited exposure of knots are below the drift level.

For the reasons stated above your request for the Government's approval of 50 feet of winze to be performed under Stage II of the present contract is hereby denied.

Very truly yours,

DMEA Field Team, Region III

W. M. Tsaver

E. M. Harshman

JWT:bh
cc-Chair. Op. Comm. (4)
Amend. File, Region III
Harshman
Shaw
Townsend
Corres. File E-866
Chron.

DMEA
IN REPLY REFER TO:

Date Rec'd
JAN 19 1956
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

RECEIVED
JAN 26 1956

January 18, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: R. H. Bernhardt
J. F. Shaw

From: R. U. King
C. N. Herrer

Subject: Docket DMEA 3850 (Uranium) Contract Idm-E 866, Foothills Mining Company (Wright Lease), Jefferson County, Colorado - Recommendations on applicant's alternative proposal for Stage II exploration.

The applicant proposes to winze 50 feet at a location 75 feet northwest of the crosscut adit (fig. 1). In a letter of January 10, 1956, the applicant states the reasons why he believes winzing is desirable. Reasons 1, 2, and 4 are based on observations made along the strike of the breccia reef for 170 feet and down the dip for about 7 feet. The examining team concludes that the above interpretations are based on insufficient data.

Sufficient information is already available from outcrops establishing the continuity of the radioactive breccia reef to depths of 55 feet below the adit level and for about 1,000 feet along the surface and the applicants proposed 50-foot winze is expected to add little useful information except limited exposure of known ore below the drift level.

The face of the northwesterly drift, 172 feet in from the crosscut on January 1, 1956, is about 200 feet below the surface and appears to be below the water table and zone of oxidation. The lower limit of the zone of oxidation is probably irregular and as it is close to the back of the drift it is expected that oxidized material will be encountered from time to time.

The favorability of the radioactive breccia reef as a host for uranium is enhanced by the discovery of two significant uranium ore bodies along the drift northwest of the crosscut adit. In as much as similar conditions probably exist along the breccia reef both northwest and southeast of the crosscut, and there still remains a considerable strike distance suitable for exploration, it is concluded that further exploration by drifting along the structure is more desirable than winzing at this time.

The examining team recommends the following program as shown on figure 1.

1) Any footage remaining to Stage I shall be expended in continuing the northwest drift.

2) Stage II shall consist of 100 feet of drift and/or crosscut. Fifty feet of this amount shall be applied to drifting from the crosscut southeasterly along the radioactive breccia reef. The remaining 50 feet shall be applied to extend the northwest drift or southeast drift or to drive a crosscut across the reef at a

point about 200 feet northwest of the existing crosscut adit. The purpose of the crosscut is to explore the entire width of the radioactive breccia reef.

R U King

R. U. King
Geologist

C. M. Harrer

C. M. Harrer
Mining Engineer

RUKing:mp

U.S. Dept of The Interior

Prepared for the Defense Minerals Exploration Administration

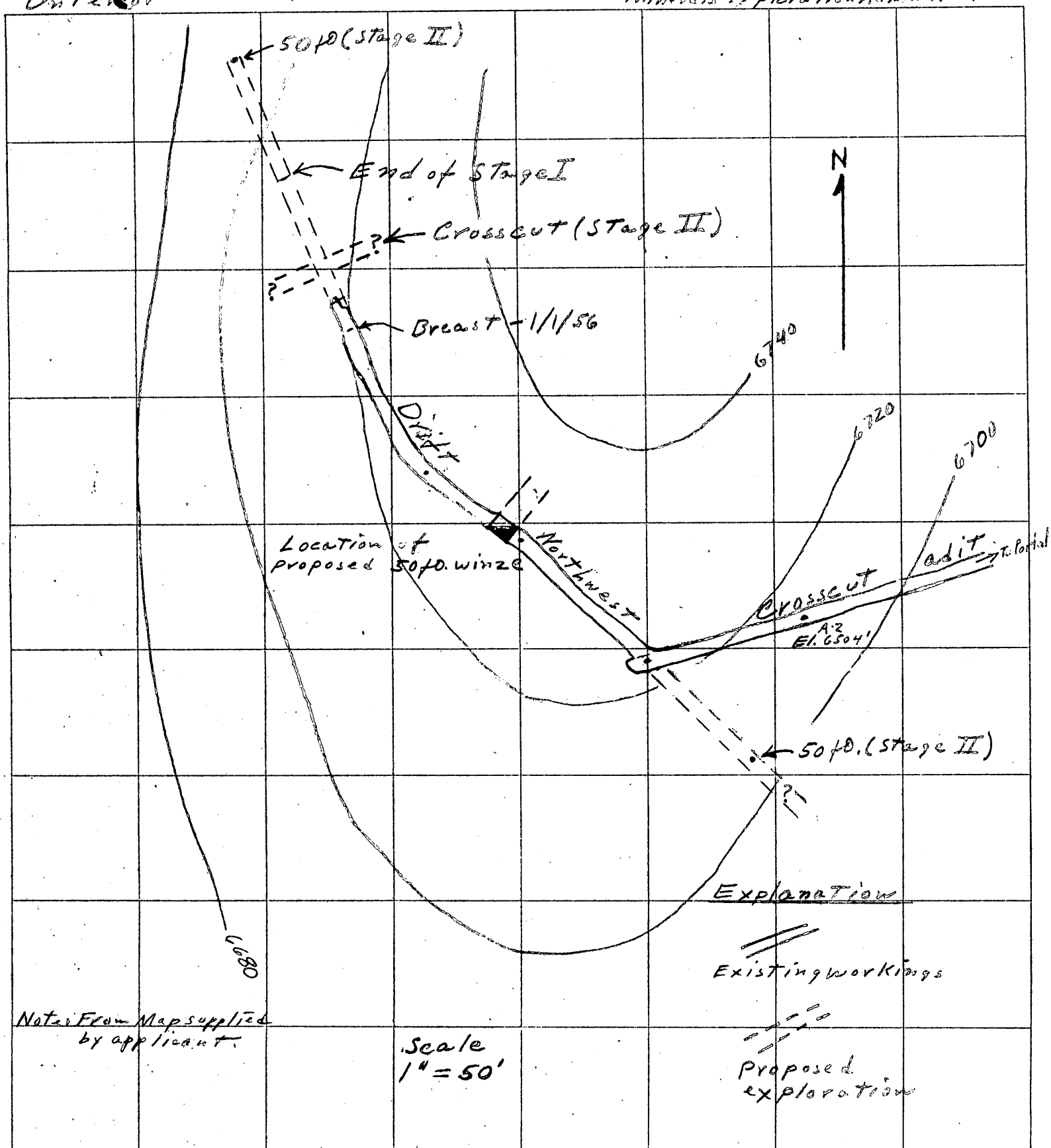


Figure 1.- Map of part of workings of Foothills Mining Company, DMEA 3830, Contract Idaho-E866, Jefferson County, Colorado.

CM Harver - RUKING Jan 1956

"ALBANENE" No. 195M A&E CO., N.Y.
REG. U.S. PAT. OFF.

RECEIVED
JAN 2 6 1956

RECEIVED
JAN 26 1956

Mr. V. M. Traver
Executive Officer,
D. M. E. A.
224 New Custom House
Denver, Colorado

Dear Mr. Traver:

Since the work on the Wright Lease under Contract No. [illegible] is nearing the end of Stage I, we are herewith submitting a proposal for work under Stage II for your consideration and approval.

We prefer the alternative of 50 feet of winning and on the accompanying maps have indicated our choice of winze location with center at 75 feet from the mark established by Mr. Hanor for drift measurement.

This proposed location was selected for the following reasons, briefly stated as follows:

1. Occurrence of ore showing an increase in width and grade in the lower portion of the drift in this area;

2. Steeper dips than average are present here and may have influenced ore deposition favorably;

3. Work firm enough to permit excavation of the operating for installation of hoist and tramming without expensive timbering in shallow ground.

4. We believe that much less collaring and timbering will be found here, than other areas.

If you decide that further [illegible] work should be [illegible] we shall be [illegible] to assist in [illegible] of your office [illegible] work excavations.

Hoping you will find this plan satisfactory, [illegible] [illegible] the cooperation which we in this [illegible]

Very truly,

[illegible]

[illegible]
Dear.

DMEA Form 14

Contra[illegible] No. Idm-E866

Docket No. 3830

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
September 1, 1955	**III**	**Colorado**	**Uranium**

Name and Address of Operator: **Foothills Mining Company**
202 Mercantile Bank Building
Boulder, Colorado

	Reserve	Obligation
Prior Amount	0	11,457.00
Increase	0	0
Decrease	0	234.00
Revised Amount	0	11,223.00

Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington **10/29/57**

22845

Docket No. 3830

Commodity Uranium

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 866

Date of Contract ~~xxxAmendmentxxx~~ September 1, 1955

Name and Address of Operator:

Foothills Mining Company
202 Mercantile Bank Building
Boulder, Colorado

Amount of Government participation ____ $ 11,457.00

Percent of Government participation 75 %

Region: III State: Colorado

E N Talbert
(Name)
for J. L. Chambers, Chief
Contract Administration and
Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington.

9/1/55

54458

Government's copy

RECEIVED

SEP 1 1955

MF-200A
(Revised June 1954)

Docket No. DMEA-3830

Commodity Uranium

Contract No. Idm-E 866

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this SEP 1 1955 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Foothills Mining Company, a Colorado corporation, 635 Hawthorn Ave., whose mailing address is ~~202 Mercantile Bank Building~~ Boulder, Colorado, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and map, Figure 2.

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Colorado, County of Jefferson, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] recorded in Book 878, page 513, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none.

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien of Marcus G. Wright, lessor.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of uranium. The work to be performed is described in Exhibit "A." The Operator on or before October 1, 1955 shall commence the work, and on or before July 31, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work, except as otherwise provided in Exhibit "A" as to stages of work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $15,276.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $11,457.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) 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.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, 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, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within 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.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

FOOTHILLS MINING COMPANY
(Operator)

By Charles A Wilson - Pres

M. J. Kraft
Sec Treas.

THE UNITED STATES OF AMERICA

By O. Mitchendorf
Administrator, Defense Minerals
Exploration Administration

I, M. J. Kraft, certify that I am the Treasurer and secretary of the corporation named as Operator herein; that Charles A. Wilson who signed this contract on behalf of the Operator, was then President 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—70618-1

RECEIVED
SEP 1 5 1955

EXPLORATION PROJECT CONTRACT
FOOTHILLS MINING COMPANY
DOCKET NO. DMEA-3830

ANNEX I

The land referred to in Article 2 of the contract form consists of the NE$\frac{1}{4}$ of the NW$\frac{1}{4}$ of Sec. 32, T. 4 S., R. 70 W., Jefferson County, Colorado; excepting a 100-foot right-of-way for Colorado State Highway No. 74 and a 40-foot right-of-way for the access road to Little Park. The land and the exceptions therefrom are shown on the attached map entitled "Figure 2 - Map of Wright Lease . . ."

RECEIVED
SEP 1 5 1955

EXPLORATION PROJECT CONTRACT
FOOTHILLS MINING COMPANY
DOCKET NO. DMEA-3830

EXHIBIT "A"

Description of the Work

The work consists of exploration by crosscutting and drifting, and possibly raising or sinking, to test a radioactive shear zone at a depth below the zone of oxidation and leaching. The work is tentatively indicated on the attached map entitled "Figure 2 - Map of Wright Lease . . ." Representative samples shall be taken in the radioactive zone as the work progresses and such samples shall be analyzed chemically for uranium. The crosscut and drift shall be timbered as necessary and shall have minimum cross sections of 5 feet by 7 feet in the clear of timbers. Any raise or winze shall have a minimum cross section of 4 feet by 6 feet inside the timbers.

The work is divided into two successive stages, as indicated below. The Operator shall perform Stage I first, and shall thereafter perform as much of Stage II as the Government approves in writing in advance, based upon the results of Stage I.

The location, inclination, direction, and extent of all project work are subject to the approval of the Government.

Stage I

The "proposed crosscut" indicated on Figure 2 was started by the Operator for his own account without contribution by the Government prior to the date of this contract. Accordingly, notwithstanding the date of this contract, the starting point of crosscutting under this contract shall be fixed by the Government, and no costs of crosscutting incurred in advance of this point shall be eligible for contribution by the Government.

From the starting point in the crosscut fixed by the Government, the crosscut shall be continued in a southwesterly direction as indicated on the map, until the radioactive shear zone or vein is encountered. Thereafter, drift along the vein in a northwesterly direction for approximately 200 feet, as indicated on the map. If the estimated figure of 360 feet for Stage I crosscutting and drifting is insufficient to reach the target indicated on

the map, the additional footage required may be transferred from and deducted from the footage estimated for Stage II.

Stage II

Drift, crosscut, and raise a maximum of 100 feet; or, as an alternative, a maximum of 50 feet of fully timbered winze may be sunk. The kind, location, inclination, direction, and extent of Stage II work shall be determined by the Government after completion of Stage I work.

Estimated Costs of the Project

Fixed Unit Costs 1/

Stage I			
360 feet of crosscutting and drifting @ $32.25/ft.		$11,610.00	
50 feet of timbering @ $4.00/ft.		200.00	
30 chemical sample analyses @ $3.00/sample		90.00	$11,900.00
Stage II			
Either:			
100 feet of drifting, crosscutting, and raising @ $32.25/ft;	$3,225.00		
and			
25 feet of timbering @ $4.00/ft.	100.00		
	3,325.00		
Or:			
50 feet of timbered winze @ $66.50/ft.	3,325.00	3,325.00	
17 chemical sample analyses @ $3.00/sample		51.00	3,376.00
Estimated Total Cost of Project			$15,276.00
Government Participation @ 75%			$11,457.00

1/ Any timbering required for drifting, crosscutting, and raising in excess of the amounts estimated herein shall be at the sole cost of the Operator without contribution by the Government. The estimated costs of timbering under Stage II do not apply to the winze.

MF-203
Revised March 24, 1955

RECEIVED
SEP 15 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Foothills Mining Co.
Docket No. DMEA- 3830
Contract No. Idm-E
Contract Date

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Jefferson, State of Colorado, described as follows:1/

Northeast Quarter of Northwest Quarter, Sec.32, T. 4. S., R. 70 W. excepting rights-of-way for State Highway 74 and the access road to Little Park. This property is known as the Wright Lease.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

None

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

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

3/ Write "none" if that is the case. Do not leave lines blank.

RECEIVED
AUG 22 1955

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this 16 day of Aug, 1955.

Marcus B. Wright [Seal]

_____ [Seal]

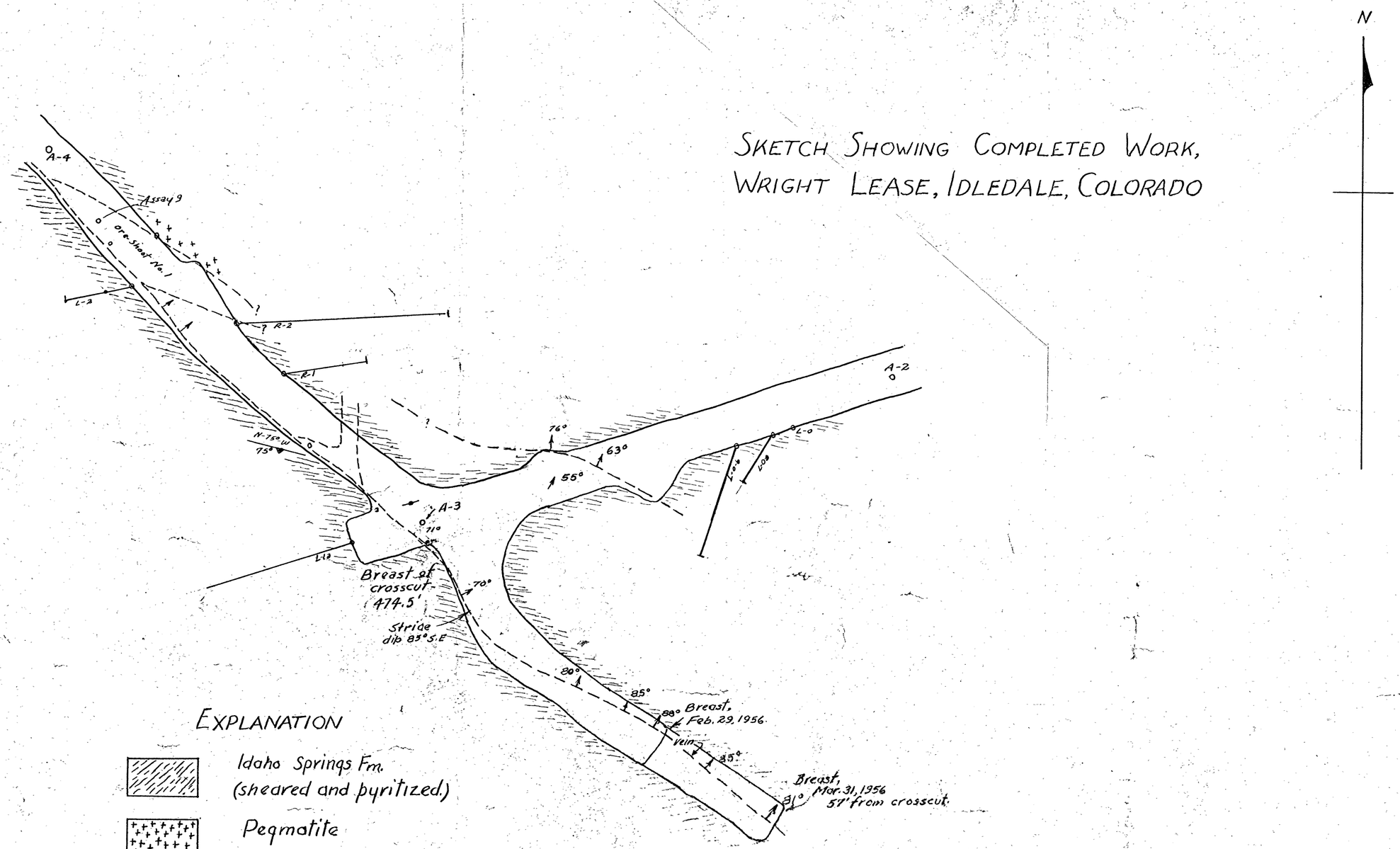
_____ [Seal]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

Sketch Showing Completed Work, Wright Lease, Idledale, Colorado



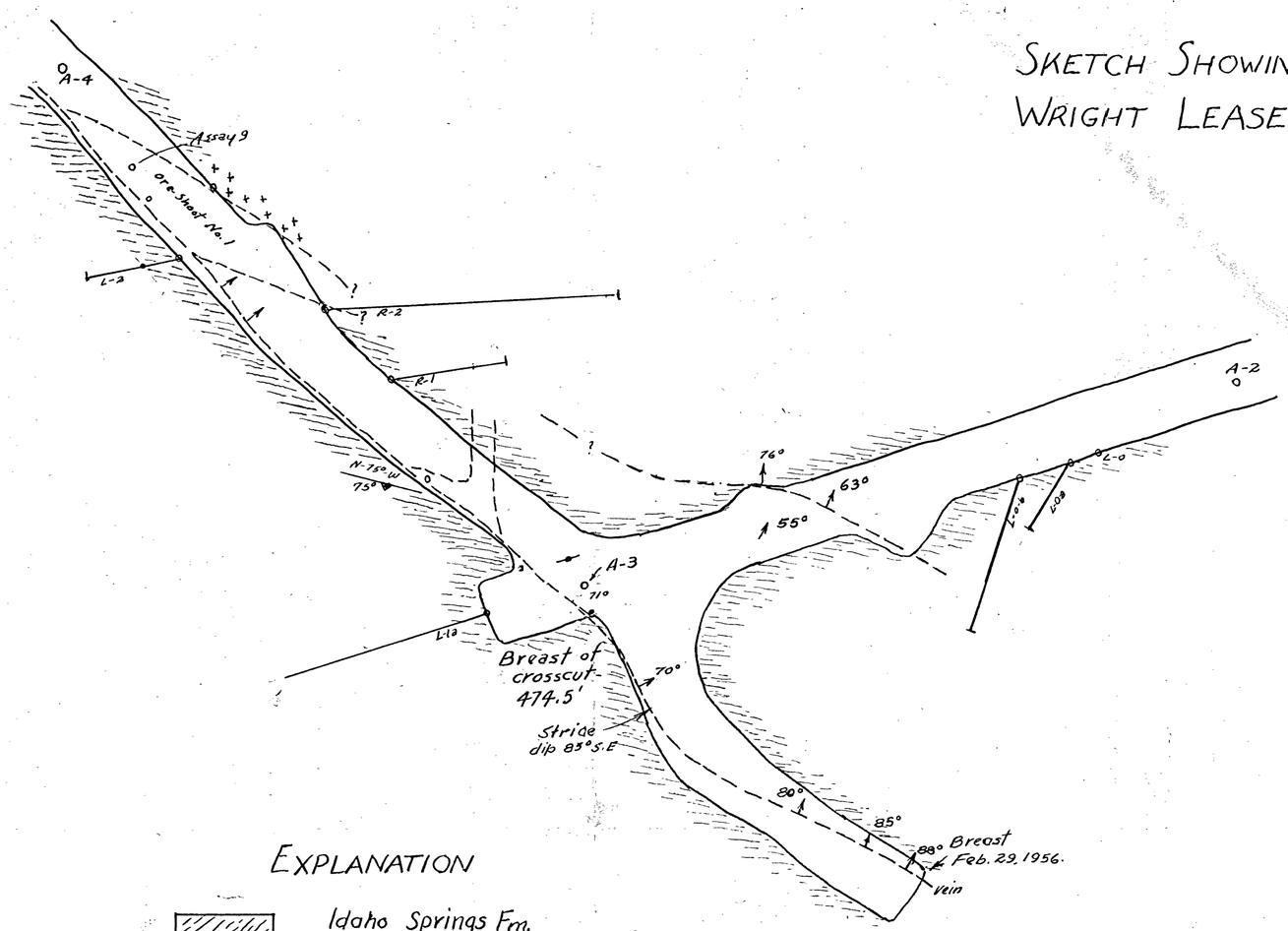
Explanation

- Idaho Springs Fm. (sheared and pyritized.)
- Pegmatite
- Schistosity (75°)
- Vein (60°)

Scale- 1" = 10'

Foothills Mining Co.
by H.L. Bird

Sketch Showing Completed Work, Wright Lease, Idledale, Colorado



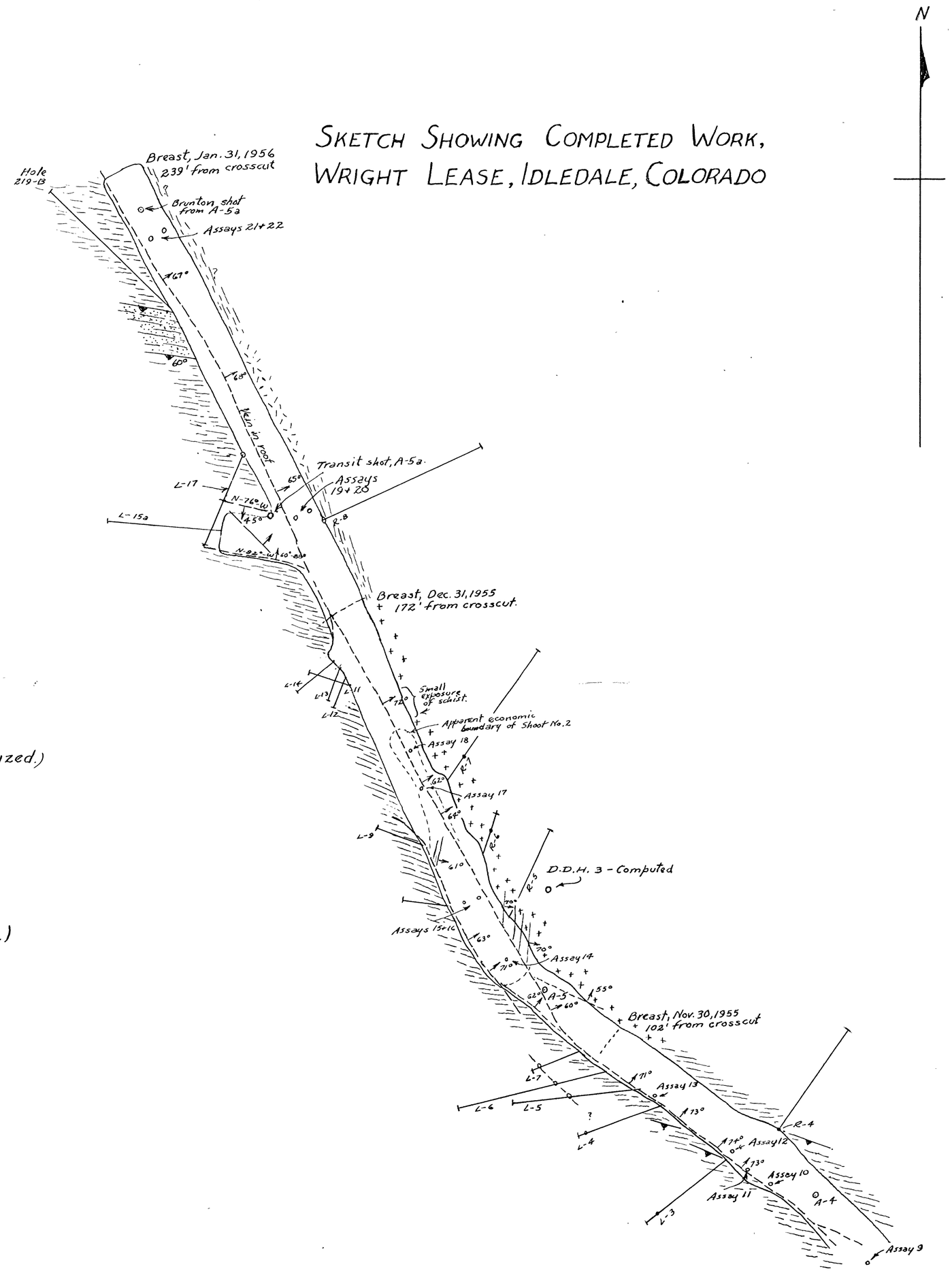
Explanation

- Idaho Springs Fm. (sheared and pyritized.)
- Pegmatite
- Schistosity (75°)
- Vein (60°)

Scale- 1" = 10'

Foothills Mining Co.
by H.L. Bird

SKETCH SHOWING COMPLETED WORK, WRIGHT LEASE, IDLEDALE, COLORADO



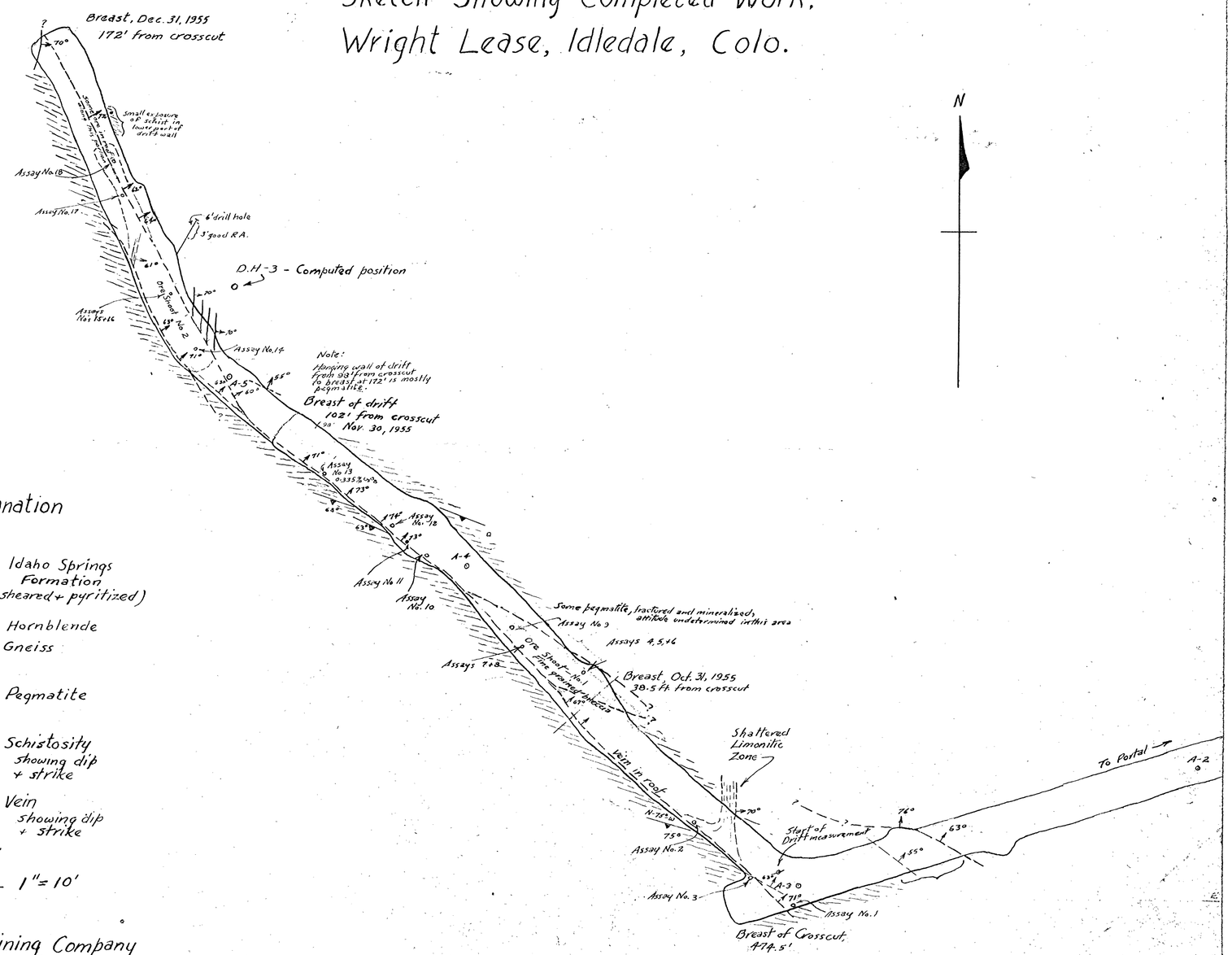
EXPLANATION

- Idaho Springs Fm. (sheared and pyritized.)
- Pegmatite
- Aplite
- Skarn (band in Idaho Springs Fm.)
- Schistosity (70°)
- Vein (60°)

Scale - 1" = 10'

Foothills Mining Co.
by H.L. Bird

Sketch Showing Completed Work, Wright Lease, Idledale, Colo.



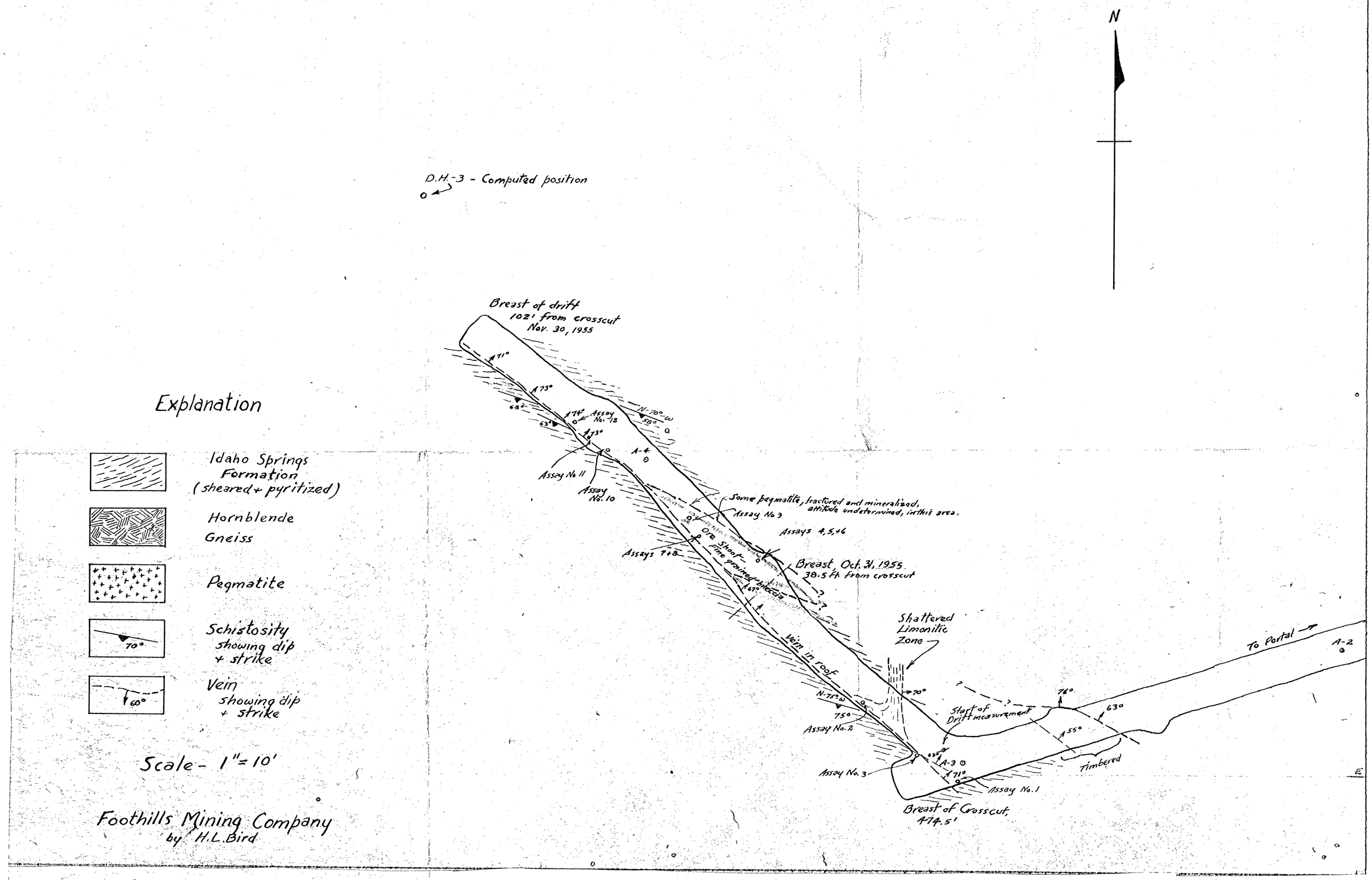
Explanation

- Idaho Springs Formation (sheared + pyritized)
- Hornblende Gneiss
- Pegmatite
- Schistosity showing dip + strike (70°)
- Vein showing dip + strike (60°)

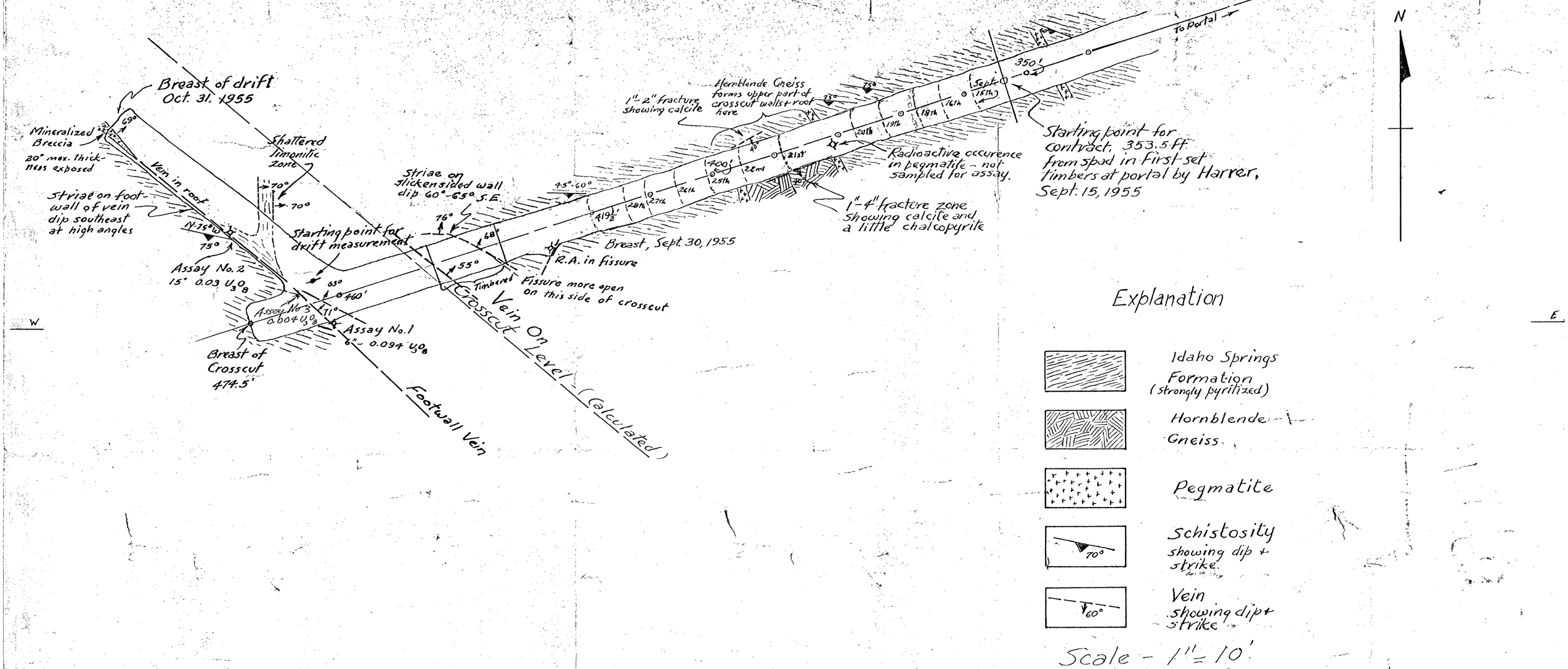
Scale - 1" = 10'

Foothills Mining Company
by H.L. Bird

Sketch Showing Completed Work.
Wright Lease, Idledale, Colo.



Sketch Showing Completed Work, Wright Lease, Idledale, Colo.



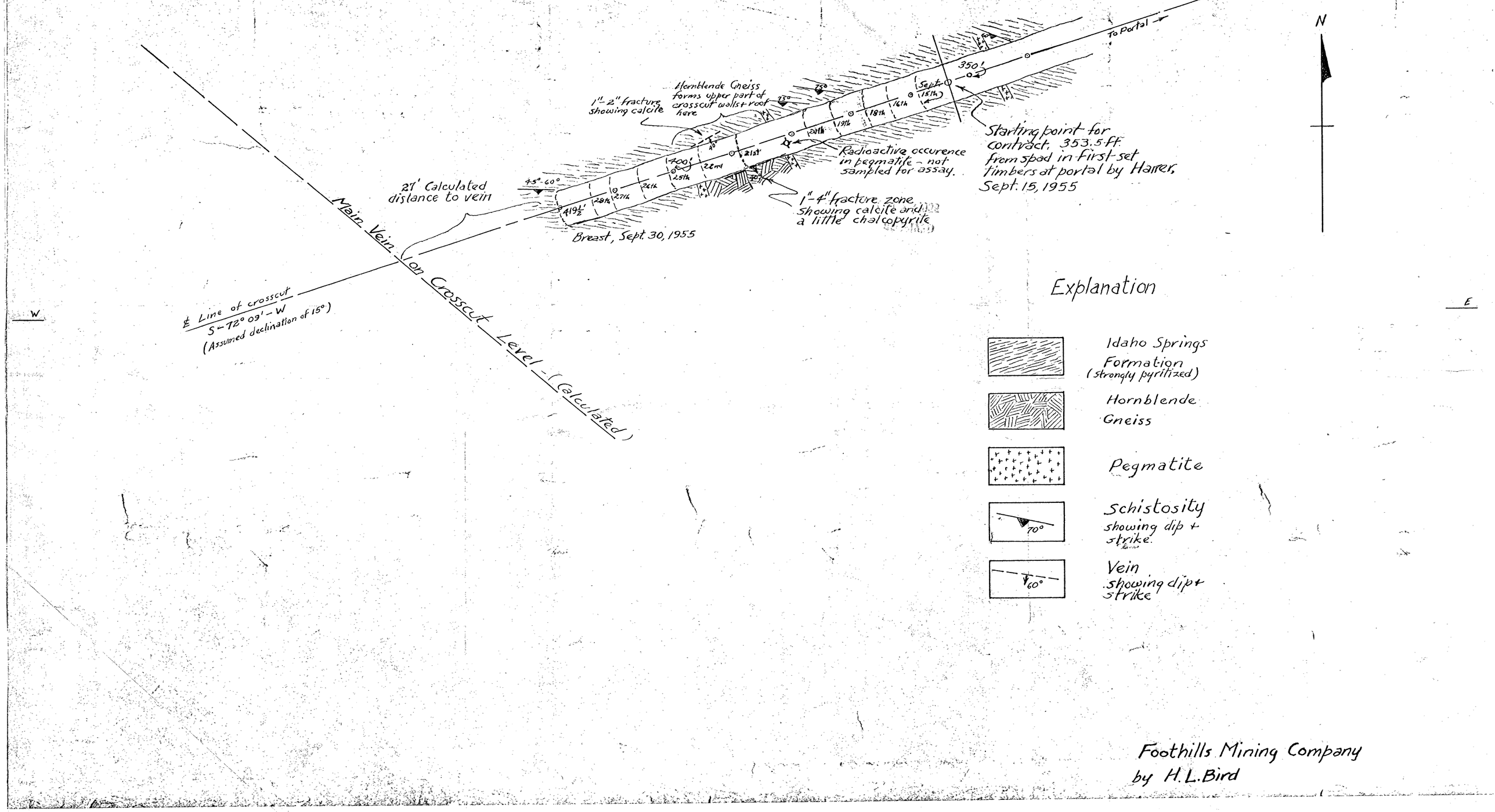
Explanation

- Idaho Springs Formation (strongly pyritized)
- Hornblende Gneiss
- Pegmatite
- Schistosity showing dip + strike. (70°)
- Vein showing dip + strike (60°)

Scale - 1" = 10'

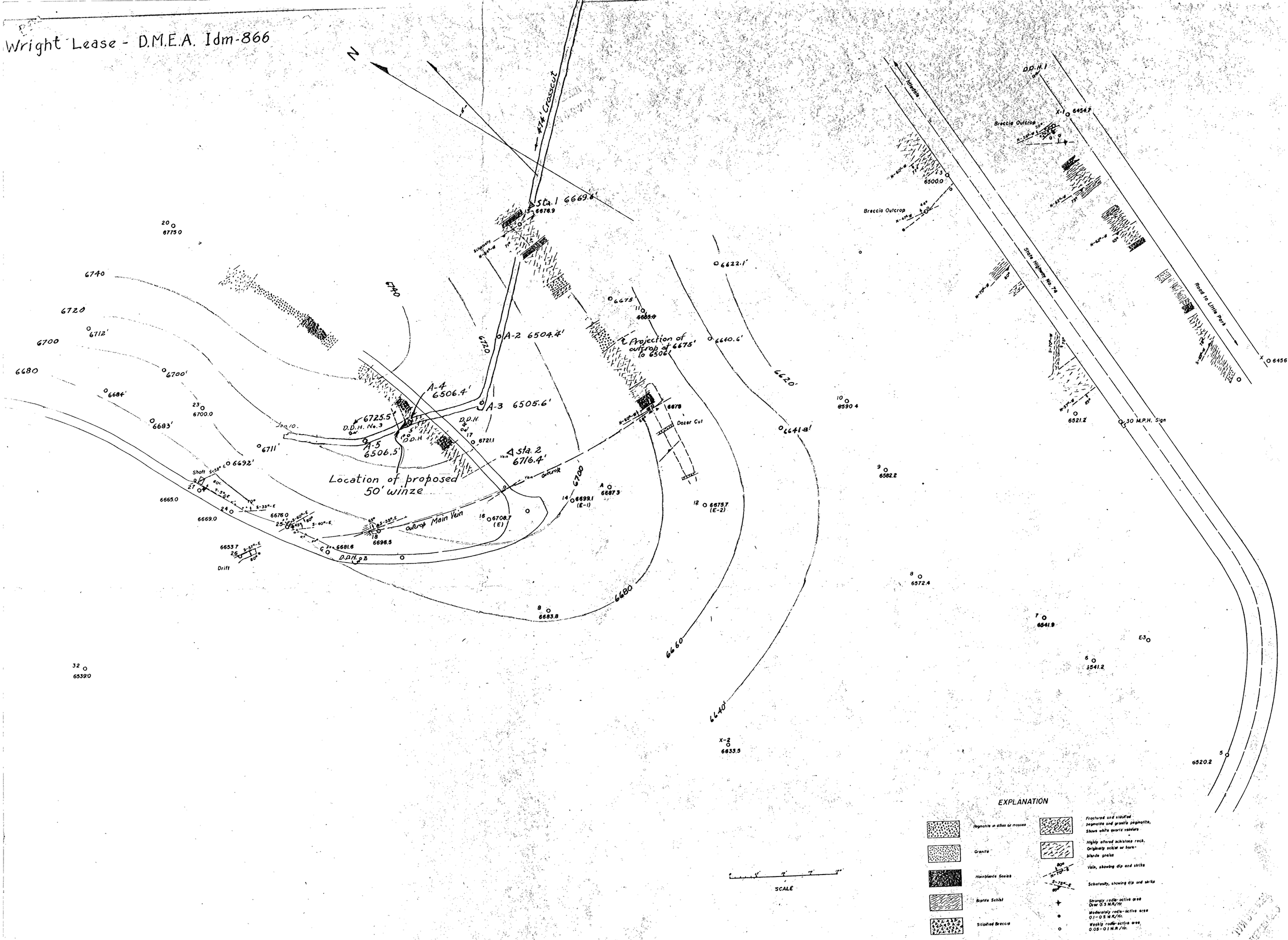
Foothills Mining Company
by H. L. Bird

Sketch Showing Completed Work, Wright Lease, Idledale, Colo.



Foothills Mining Company
by H.L. Bird

Wright Lease - D.M.E.A. Idm-866



EXPLANATION

- Pegmatite in dikes or masses
- Granite
- Hornblende Gneiss
- Biotite Schist
- Silicified Breccia
- Fractured and silicified pegmatite and granite pegmatite. Shows white quartz veinlets
- Highly altered schistose rock. Originally schist or hornblende gneiss
- Vein, showing dip and strike
- Schistosity, showing dip and strike
- Strongly radio-active area Over 0.3 M.R./Hr.
- Moderately radio-active area 0.1-0.3 M.R./Hr.
- Weakly radio-active area 0.05-0.1 M.R./Hr.

Map compiled from original surveys by Roger Malan, A.E.C. and H.L. Bird.

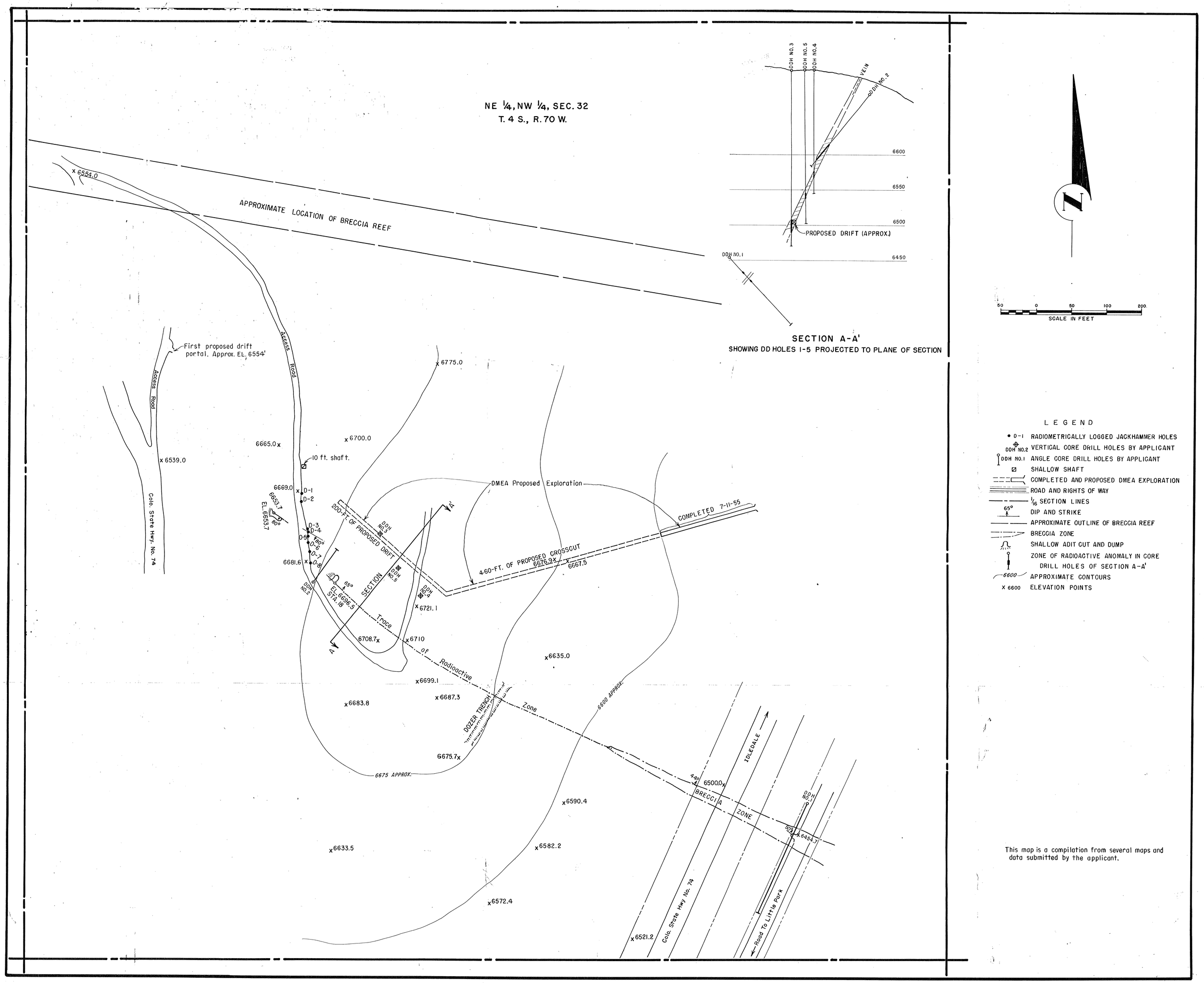


FIGURE 2 - MAP OF WRIGHT LEASE SHOWING PRINCIPAL STRUCTURAL FEATURES, EXISTING WORKINGS, AND PROPOSED EXPLORATION, FOOTHILLS MINING COMPANY, JEFFERSON COUNTY, COLO. DMEA 3830