400

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

RECEIVED
OCT - 8 1956

Administrative Audit Difference Statement

[illegible]
[illegible]
[illegible]
[illegible], Colorado

FINAL DISTRIBUTION
MADE OCT 5 1956

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

[illegible]

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

Amount Claimed $ [illegible]

Difference $ [illegible]

Amount Approved $ [illegible]

WSM

The reason for the difference was due to:

* [illegible] pending [illegible] of [illegible] relative to [illegible] the [illegible].

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

Mf-104'0
Aug. 1956

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

RECEIVED
OCT - 8 1956

224 New Customhouse
Denver 2, Colorado

October 1, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3881 (Tungsten) Contract Idm-E917, Walby and Clifford, partnership (Tincup, Gypsy and Big Ben claims) San Juan County, Colorado - Operator's Monthly Progress Report for the month of August, 1956 (FINAL)

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 for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except for the following deduction.

Withhold an amount of $500.00 pending resolution of matters relative to closing the account. Contract work was discontinued August 17, 1956 and termination of the contract is pending in the Washington Office.

Remarks

Date of Report - - - - - - - - - - _____
Date Received in Field Office - - September 26, 1956
Date Received in Region Office- -September 27, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E917
Sec. Op. Comm. (2)
Shaw (2)
Townsend)
Harshman) w/copy Engr's Report
Chron

RECEIVED
OCT 3 1956

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
Sept. 27, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea
Supervising Mining Engineer

From: C. M. Harrer

Subject: Bucket DMEA 3881 (Tungsten) Contract 14m-8917, Walby and Clifford partnership, San Juan County, Colorado — Progress report for August 1956

Progress under the contract was examined on September 11, 1956, after contacting Hugh E. Walby. Mr. Walby is recuperating from serious illness. Exploration under the contract stopped August 17, 1956, when the operator's mucking machine broke. All equipment has been removed from the mine and no further work will be done this year.

Progress for the month of August is 52.0 feet of drift southerly under item 4 of the contract. Only 33 feet of drift remain to be driven in order to complete the contract.

The vein strikes about N. 15° W. and dips 40° W. It is 2 to 3.5 feet thick and consists of crushed wall rock, quartz, and clay with minor amounts of pyrite. Parts of the vein are weakly stained with limonite and contained pockets of drusy quartz. At 250 feet in from the portal set, two small patches of huebnerite were noted in drusy quartz; one along the hanging wall and one along the foot wall of the vein. At this location the vein dipped 45° W. and was 3.5 feet wide. The vein continued for an additional 62 feet but is barren of tungsten.

The following units of work and their costs remain unexpended under the contract.

Items	Units	Unit costs under contract	Actual total cost	Cost allowed under contract
Drifting	33 ft.	$36.00	$1,188.00	$1,188.00
Crosscutting	13 ft.	36.00	468.00	468.00
Timbering	133 ft.	6.00	798.00	800.00*
WO_3 assays	40	5.00	200.00	200.00
			$2,654.00	$2,656.00*

*error in contract costs

The operator's forms MP-104 and MP-104A and his narrative report are correct.

Payment is recommended for a total of $2,952.00. Government participation of 75 percent is $2,214.00.

C. M. Harrer

C. M. Harrer
Mining Engineer

CMH/mr
cc: 6
Idm-3917
Chron

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT - 8 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible], 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $ [illegible]

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]	[illegible]				
Drilling						
[illegible]		[illegible]	[illegible]			
Crosscutting		[illegible]	[illegible]			
Drifting	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
(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	[illegible]	[illegible]	[illegible]	2,952.00	7,392.00	10,344.00

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

Date [illegible] *Payee [illegible]

Per Hugh E. Wally Title [illegible]

*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:

$1714.00

Signature [illegible]
(Authorized Certifying Officer)

Date 10/3/56 Vou. No. DMA 57-42

(See other side)

Note: Withheld $500.00

(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-E917 in accordance with the terms of the contract.

Signature C. M. Harrer $2,214.00 Title Mining Engineer Date Sept. 27, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title Executive Officer Date OCT 1 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
OCT - 8 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1956 Docket No. DMEA 5181 Contract No. IGM-8917
Operator's Name Hugh E. Walby & Earl Clifford, Partnership Minerals Tungsten
Address Hugh E. Walby, Box 255, Ouray, 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	$2,952.00	82	$8,712.00	242	$36.00	275	$36.00
Crosscutting	Feet	None	None	432.00	12	36.00	25	36.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Mile	None	None	$1,000.00	3/4 mi.		3/4 mi.	$1,000.00
Adit Rehabilita tion & Repair	Feet	None	None	200.00	65	$3.08	65	total 200.00
TOTAL DISTRIBUTED COSTS		$2,952.00		$10,344.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,952.00		$10,344.00				

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 August, 1956 Operator Hugh E. Walby & Earl Clifford Partners

Per Hugh E. Walby Title Partner

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: Items 1 & 2 of contract are completed. Rehabilitation completed, between 6/15 & 6/28/56 Drifting and Crosscutting started 6/30/56.
8/1/56-8/17/56: Unit drifting on vein 82 Ft. Southeast. Blank zone then a small spot of Hubnerite on hanging wall. Vein very badly broken up.

(Instructions on reverse)

(For Government use only)
C. M. Harris

36
12
7
3/6/57

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
OCT - 8 1956

COPY

NARRATIVE REPORT

We drifted 82 feet by the 17th of August, and had a breakdown on the mucking machine, and as I have been in the hospital most of the last six weeks and couldn't take care of the work, we decided to stop work for this time. We would like to have the contract extended so I could finish next July.

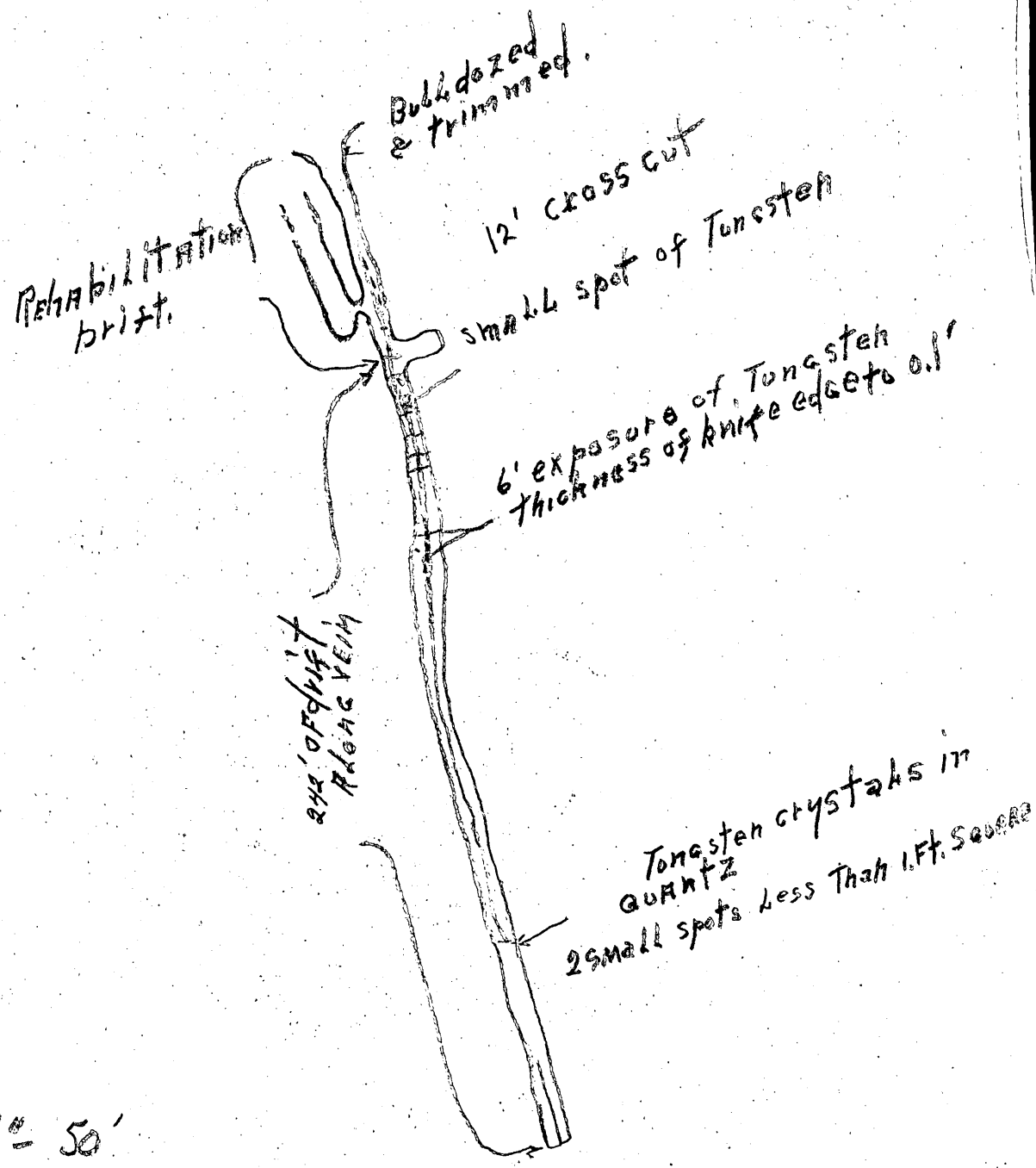
HUGH E. WALBY & EARL CLIFFORD, PARTNERS

Hugh E. Walby

Hugh E. Walby, Partner

Dated September 1, 1956

N.



Scale 1" = 50'

Exploration drift Clifford Walley prospect
San Juan County Colo.

DMER. 3881 Contract Tdm E917

S.

400

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

224 New Customhouse
Denver 2, Colorado

FINAL DISTRIBUTION
MADE AUG 16 1956

August 9, 1956

Memorandum

WSay

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3881 (Tungsten) Contract Idm-E917, Walby and Clifford, Partnership (Tincup, Gypsy and Big Ben claims) San Juan County, Colorado - Operator's Monthly Progress Report for the month of July, 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 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 - - - - - - - - - - - - - - - - - August 1, 1956
Date Received in Field Office- - - - - - - - - August 2, 1956
Date Received in Region Office- - - - - - - - August 7, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E917
Sec. Op. Comm. (2)
Shaw (2)
Chron.

MF-104
July 56
RECEIVED
AUG 9 1956

DMEA
Date Rec'd
AUG 7 1956
BUREAU OF MINES
Denver, Colorado

REGION III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. N. Harrer

Subject: Docket DMEA 3881 (Tungsten) Contract Ida-8917, Walby and Clifford partnership, San Juan County, Colorado — Progress report for July 1956

Progress under the contract was examined July 31, 1956 in the company of Hugh E. Walby. The access road to the property (Item 1) was completed last month. Progress for the month of July consisted wholly of underground work under items 2, 3 and 4 under the contract.

Under item two, 65 feet of old adit was rehabilitated at a cost of $200.00.

Under item three, of the contract, 12 feet of crosscut was completed east of the adit and into the footwall without encountering significant mineralization. During the adit rehabilitation (Item 2) slashing operations, 40 feet in from the portal, holed into a parallel adit about 5 feet to the west. This parallel adit ended 55 feet in from the portal and showed no evidence of tungsten. In consequence, crosscutting to the west is no longer necessary. The cost of work completed under item 3 of the contract is $432.00.

Under item four of the contract, the adit was advanced 160 feet southerly along the vein at a cost of $5,760.00. Within this distance, two small exposures of Huberite were exposed. The first tungsten exposure is 15 feet south of the start of item 4 of the contract and consisted of a small spot of no apparent commercial significance. The second exposure was encountered 82 feet south of the start of item 4 of the contract and consisted of a 6-foot streak along the vein hanging wall, with a maximum thickness of 0.1 foot of combined huberite and quartz. The vein in general consists of quartz and pyrite with occasional crystals of galena. It strikes about N 12° W and dips 36° to 57° westerly.

The operator's forms MF-104 and MF-104A and his narrative report are correct.

Payment is recommended for a total of $6,392.00. Government participation or 75 percent is $4,794.00.

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

CMH/mr
cc: 6
Adm-RSLT
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 July 1956 Docket No. DMEA 3181 Contract No. IDM-5917
Operator's Name Hugh E. Walby & Earl Clifford, Partnership Minerals Tungsten
Address Hugh E. Walby, Box 253, Ouray, Colorado
Contract Amount, $ 13,000.00 Government Participation: 75 % Amount, $ 9,750.00

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						
~~Building~~ Access Road	None	$1,000.00	$1,000.00			
Crosscutting	$432.00	None	432.00			
Drifting	5760.00	None	5,760.00			
Adit Rehabilitation & Repairs	200.00	None	200.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$6392.00	$1,000.00	$7,392.00	6,392.00	1,000.00	7,392.00

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

Date August 1, 1956 Payee Hugh E. Walby & Earl Clifford, Partners

Per Hugh E. Walby Title Partner

*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:

$ 4794.00

Signature
(Authorized Certifying Officer)

Date 8/14/56 Vou. No. 2000 57-19

(See other side)

RECEIVED AUG 20 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-E917 in accordance with the terms of the contract.

Signature C. M. Harrer $4,794.00 Title Mining Engineer Date Aug. 6, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Mulvey Title Executive Officer Date AUG 9 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1956 Docket No. DMEA 3181 Contract No. IDM-E917

Operator's Name Hugh E. Walby & Earl Clifford, Partnership Minerals Tungsten

Address Hugh E. Walby, Box 253, Ouray, 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	$5760.00	160	$5760.00	160	$36.00	275	$ 36.00
Crosscutting	Feet	432.00	12	432.00	12	36.00	25	36.00
~~Raising~~ Rehabilitation & Repair	Feet	200.00	65	200.00	65	3.08*	65	200.00 total
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails				1000.00	3/4 mile			$1000.00
TOTAL DISTRIBUTED COSTS		$6392.00		$7392.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$6392.00		$7392.00				

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 August 1, 1956 Operator Hugh E. Walby & Earl Clifford, Partners

Per Hugh E. Walby Title Partner

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: *Items 1 & 2 of contract are completed. Rehabilitation completed between 6/15 and 6/28/56. Drifitng and crosscutting started 6/30/56.

(For Government use only)

C. M. Harrer

RECEIVED
AUG 20 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

N A R R A T I V E R E P O R T

Work under contract started 15th of June. Rehabilitation adit, which includes cleaning out 36 feet of old tunnel, laying rails, timbering portal and slabbing the drift to make room to work the Joy Mucker safely, and in slabbing drift we broke through the west hanging wall into old drift that runs southerly and parallel to main drift, and the hole is large enough to allow a man to crawl through and examine same, which was done, and nothing worth while was located in there. Then we ran a crosscut 12 easterly in the foot wall with no results; thence 160 feet southerly along vein. After drifting about 15 feet from old breast, we hit a small spot of Rubmerite, then 67 feet on southerly there is Rubmerite exposed on hanging wall for about 6 feet long; it starts out about knife thickness to 1/10th of an inch think. Our vein at this time seems to be turning to iron pirites and does not look very favorable for Rubmerite at this time.

HUGH E. WALBY & EARL CLIFFORD, PARTNERS

Hugh E Walby

Hugh E. Walby, Partner

Dated August 1, 1956.

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

400

124 New Customhouse
Denver 2, Colorado

July 19, 1956

FINAL DISTRIBUTION

MADE JUL 23 1956

3881

RECEIVED
JUL 25 1956

WSM

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3881 (Tungsten) Contract Mm-E917, Walby and Clifford partnership (Tincup, Gypsy and Big Ben claims) San Juan County, Colorado - Operator's Monthly Progress Report for the month of June, 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.

Remarks

Date of Report---------- July 3, 1956
Date Received in Field Office---------- July 12, 1956
Date Received in Region Office---------- July 18, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E917
Sec. Op. Comm. (2)
Shaw (2)
Chron.

Mr. Hood
Jim

DMEA
Date Rec'd.
JUL 18 1956
BUREAU OF MINES
Denver, Colorado

REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
July 16, 1956

RECEIVED
JUL 23 1956

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer

Subject: Docket DMEA 3881 (Tungsten) Contract Idm-E917, Walby and Clifford partnership, San Juan County, Colorado--First progress report; June 1956

Progress under the contract was examined on July 10, 1956 in the company of Hugh E. Walby and Earl Clifford. Work under the contract started June 1, when San Juan County endeavored to establish the access road to the mine portal. The county relinquished the contract to James Porter, a private contractor, on June 8, 1956. Between June 8 and 20, 1956, Mr. Porter completed the access road under item one of the contract. This road averages 10 feet in width and is in excess of 3/4 mile length.

In addition, the operator has improved the portal site and is engaged in rehabilitation of the existing adit and drifting therefrom.

The operator's forms MF-104 and MF-104A and his narrative report are correct.

Payment is recommended for the completed access road for a total of $1,000.00. Government participation of 75 percent is $750.00.

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

CMH:sh

cc 6
Idm-E917
Chron.

RECEIVED
JUL 25 1956

NARRATIVE REPORT

Work under contract on access road to Gypsy and Tin Cup Claim was begun on June 1st, 1956, by San Juan County. The County relinquished the contract to private contractor, James Porter, June 6, 1956. Access road (Item One) to Gypsy and Tin Cup Claim was completed June 20, 1956. This road averages 10 feet in width and is approximately 3/4 mile long.

Hugh E Walby & Earl Clifford Partners.

Hugh E Walby Partner.

HUGH E. WALBY

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

Budget Bureau No. 42-

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 25 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1956 Docket No. DMEA 5161 Contract No. 1DE-B917
Operator's Name Hugh E. Walby & Earl Clifford, Partners Minerals Tungsten
Address c/o Hugh E. Walby, Box 253, Ouray, Colorado
Contract Amount, $3,000.00 Government Participation: 75 % Amount, $2,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form } Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Access Road	$1,000	None	$1,000			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1,000	None	$1,000	1,000.00	—	1,000.00

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

Date July 5, 1956 *Payee Hugh E. Walby and Earl Clifford, Partners

Per Hugh E. Walby Title Partner

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

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

(Instructions on reverse)

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

$750.00

Signature [illegible]
(Authorized Certifying Officer)

Date 7/20/57 Vou. No. DMA 57-10

(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. Jm-E917 in accordance with the terms of the contract.

Signature C. M. Harrer $750.00 Title Mining Engineer Date July 16, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Davey Title Executive Officer Date JUL 19 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
JUL 25 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1956 Docket No. DMEA 3181 Contract No. 1DM-E917
Operator's Name Hugh E. Walby & Earl Clifford, Partners Minerals Tungsten
Address c/o Hugh E. Walby, Box 253, Ouray, 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								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails*	3/4 Mi.	$1,000	3/4 Mi.	$1,000	3/4 Mi.	$1,000	3/4 Mi.	$1,000
TOTAL DISTRIBUTED COSTS		$1,000		$1,000				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,000		$1,000				

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

Date July 3, 1956 Operator Hugh E. Walby and Earl Clifford, Partners

Per Hugh E. Walby Title Partner

REMARKS: * Access road completed during June 1956

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

July 26, 1957

ANDUM

Administrator

A: Division of Iron and Ferro-Alloys

ject: General Summary of Contract and Results Obtained
Docket No. DMEA 3881 - Tungsten
Walby and Clifford (partnership)
Tin Cup, Gypsy and Big Ben claims
San Juan County, Colorado
Contract No. Idm-E917

Operator: Walby and Clifford, a partnership comprising Hugh E. Walby and Earl Clifford, address of partnership c/o Hugh E. Walby, Box 253, Ouray, Colorado.

Operator's Property Rights:
The Operator owns two patented lode mining claims and controls one unpatented lode mining claim located by Earl Clifford, one of the partners. The claims are situated in the S½, sec. 29, T. 42 N., R. 7 W., N.M.P.M., Cement Creek area, Eureka Mining District, San Juan County, Colorado. The patented claims are recorded in the County Treasurer's Office, and the unpatented claim is recorded in the County Recorder's Office of San Juan County, at Silverton, Colorado, as follows:

Patented:

Claim Name	U. S. Survey Number
Tin Cup	19588
Gypsy	19588

Unpatented:

Claim Name	Recorded Book	Recorded Page
Big Ben	183	178

Contract:

(a) Executed February 6, 1956 (Short Form, MF-200A, Rev. June 1954).

(b) Completion period: Work to be commenced on or before May 1, 1956, and to be completed on or before December 1, 1956.

(c) Work authorized:

Fixed Unit Costs

Build Access Road, about 3/4 mile	$ 1,000.00 1/	
Rehabilitate Adit, including timbering approximately 65 feet	200.00 1/	
Crosscut and drift 300 feet @ $36.00/ft	10,800.00	
Timber 133 feet of drift and crosscut @ $6.00/ft (rounded to)	800.00	
Assay 40 samples for WO_3 @ $5.00/spl	200.00	
Estimated Total Cost of Project		$13,000.00
Government Participation @ 75%		9,750.00

1/ The completed work constitutes the unit

Amendment No. 1, executed August 13, 1956, effective February 6, 1956, extended the date for beginning the work from May 1, 1956, to June 1, 1956.

(d) Work completed:

Construct access road	$ 1,000.00	
Rehabilitate adit	200.00	
Drift 242 feet @ $36.00/ft	8,712.00	
Crosscut 12 feet @ $36.00/ft	432.00	
Total accepted Cost of the Contract		$10,344.00
Government Participation @ 75%		7,758.00

Work on the contract started June 1, 1956, and was stopped, a little short of full completion, on August 17, 1956. The contract was terminated by a mutual termination agreement, dated December 28, 1956, effective August 17, 1956.

Audits: A review in lieu of final audit, dated January 28, 1957, was received January 30, 1957.

Reports: The Operator's Final Report, undated, was received by the Field Team on January 24, 1957, and in this office on January 28, 1957. The Final Report of the Field Team, dated January 28, 1957, was received February 20, 1957.

Past Production:

The Conyer group, consisting of the Tin Cup and Gypsy claims, is reported as having been in production early in the 1900s and during the time of World War I. The Bureau of Mines reports the Conyer group as having produced 1,220 units of WO_3.

Present Production:

No tungsten ore is reported to have been produced from the project during the life of the contract, nor since that time, to date.

Certification:

In agreement with the recommendation of the Field Team, this Division recommends that, since exploration did not result in the discovery of significant amounts of tungsten ore, no certification of discovery or development be issued.

Comments: The project consisted of work on the Tin Cup and Gypsy group of claims to explore for tungsten, which occurs as isolated lath-shaped veins in fractured pyroxene-andesite. The Field Team examiners, as the result of their examination, reported that the chance of discovering several small deposits of hubnerite tungsten ore having a moderate over-all tonnage were fairly good, and recommended a contract. Exploratory drifting and crosscutting under the contract showed the existence of a well-defined quartz vein from 1 to 3.5 feet wide. Within the vein, hubnerite occurs as small pockets, patches, and thin discontinuous streaks separated by barren stretches of vein quartz. The exploration work resulted in the discovery of only two small tungsten-bearing areas, and showed conclusively that these areas are too small for exploitation. Concluding that there is little probability of discovering significant amounts of tungsten ore by exploration at the property, the Field Team recommends that no additional exploration be done with Government aid, and states that there are no known ore reserves on the property.

W. S. Martin, Director
Division of Iron and Ferro-Alloys

SPHolt/esf - 7/26/57
cc to: Docket
Code 400
Admr. R. File

224 New Customhouse
Denver 2, Colorado

February 13, 1957

EXTRA COPY DMEA RECEIVED		
DATE	INITIALS	CODE
		130
2/27	WSM	400

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 3881 (Tungsten), Contract No. Idm-8917, H. E. Walby and Earl Clifford (Tin Cup, Gypsy, and Big Ben claims), San Juan County, Colorado - FINAL REPORT

Enclosed are the original and three copies of a joint final engineering and geologic report, dated January 28, 1957, by E. W. Buel, Mining Engineer, Bureau of Mines, and W. P. Pratt, Geologist, Geological Survey, and transmittal thereof, dated January 30, 1957, from John F. Shaw and E. N. Burnham, pertaining to work completed under the subject Contract.

The original and one copy of the Operator's final report were forwarded by memorandum of January 24, 1957.

The Contract was terminated before completion of all the work provided for, by an Agreement dated December 28, 1956, which was made effective August 17, 1956.

The exploration work completed consisted of construction of about 3/4 mile of access roads, rehabilitation of about 65 feet of an adit level, and 254 feet of drifting and crosscutting; at a total accepted cost of $10,344.00, toward which the Government contributed 75%, or an amount of $7,758.00.

Final payment to the Operator was processed by this office January 29, 1957, in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, DMEA, dated January 28, 1957.

Reviewed by
DMEA Contract Administration
2-25-57

The exploration work did not result in the discovery or development of a significant quantity of tungsten ore. Therefore, certification of the project as such is not recommended.

DMEA Field Team, Region III

Original signed by
W. H. TREVER

W. H. Trever

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosure

JWT:prl

cc: Final Report file)
Region III) w/copy of Joint
Harshman) Engineering and
Shaw) Geologic Report.
Townsend
Corres. file
Chron.

IN REPLY REFER TO:

DMEA

DEPARTMENT OF THE INTERIOR

JAN 30 1957

REGION III

DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

January 30, 1957

EXTRA COPY
DMEA
RECEIVED FEB 20 1957

DATE	INITIALS	CODE
		1302

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw
E. N. Harshman

Subject: DMEA Docket 3081 (Tungsten), Contract Idm-E917, N. E. Walby and E. Clifford (Tincup and Gypsy claims), San Juan County, Colorado

Enclosed are the original and eight copies of a joint final report describing the results of exploration completed under Contract Idm-E917.

Exploration consisted of 242 feet of drifting, 12 feet of crosscutting, construction of a 3/4-mile long access road, and rehabilitation of 65 feet of old drift at a total cost of $10,344, Government participation 75 percent or $7,758. Exploration authorized under the contract but not completed consists of 33 feet of drifting and 13 feet of crosscutting. The contract was terminated by mutual agreement on December 28, 1956, with an effective date of August 17, 1956.

Since exploration did not result in the discovery of significant amounts of tungsten ore, additional work, with Government assistance, and Certification of a Discovery are not recommended.

John F. Shaw
Supervising Mining Engineer

E. N. Harshman
Member, Field Team

Enclosures (9)
ENHarshman:mp

Reviewed by
DMEA OPERATING COMMITTEE
2-25-57
(date)

EXTRA COPY
DMEA
RECEIVED FEB 20 1957

DATE	INITIALS	CODE
		130
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UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 3881

Contract No. Idm-5917

H. E. Walby and E. Clifford

Tincup and Gypsy claims

San Juan County, Colorado

Tungsten

Joint Final Engineering and Geological Report

by

E. W. Buel, Mining Engineer
Bureau of Mines

W. P. Pratt, Geologist
Geological Survey

January 28, 1957

Reviewed by
DMEA OPERATING COMMITTEE
2-25-57

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DMEA 3881

Contract No. 1Dm-E917

H. E. WALBY AND E. CLIFFORD
TINCUP AND GYPSY CLAIMS
SAN JUAN COUNTY, COLORADO

INTRODUCTION

Messrs. Hugh E. Walby and Earl Clifford, a partnership, applied for Defense Minerals Exploration Administration assistance to explore for tungsten on the Tincup, Gypsy, and Big Ben claims, San Juan County, Colorado. The applicant's proposed exploration program consisted of access road construction, rehabilitation, improvements, and drifting at an estimated cost of $21,000.

The property was examined on September 20, 1955, by a DMEA examining team consisting of D. R. Macilvren, U. S. Geological Survey, and G. M. Harvey, U. S. Bureau of Mines. Their examination resulted in the recommendation of the property for DMEA exploration assistance. Except for reducing the applicant's cost estimates, which were considered too high, the examining team did not substantially change the exploration program submitted by the applicant.

A tungsten exploration program was authorized for the Tincup, Gypsy, and Big Ben claims under Exploration Project Contract 1Dm-E917,

dated February 6, 1956. The starting and completion dates of the contract, respectively, were on or before May 1, 1956, and December 1, 1956. The allowable cost of the contract was $13,000 and the Government's share $9,750.

LOCATION AND ACCESSIBILITY

The property is in the S 1/2 sec. 29, T. 42 N., R. 7 W., New Mexico principal meridian, San Juan County, Colorado (fig. 1). It is in the Cement Creek area of the Eureka mining district, on the eastern slope of Cement Creek valley near the mouth of Dry Gulch.

The property is readily accessible from Silverton, Colorado, over a well maintained dirt road that passes along Cement Creek to a steep road which leads to the west end of the Tinsup claim. Estimated distance from Silverton is 5 miles.

GEOGRAPHY

The Cement Creek area is in an extremely mountainous region that exhibits typical alpine topography with precipitous peaks, narrow valleys, and deep canyons. The altitude of the district ranges from approximately 9,500 feet along the valley floor of Cement Creek to over 13,400 feet atop Storm Peak which is less

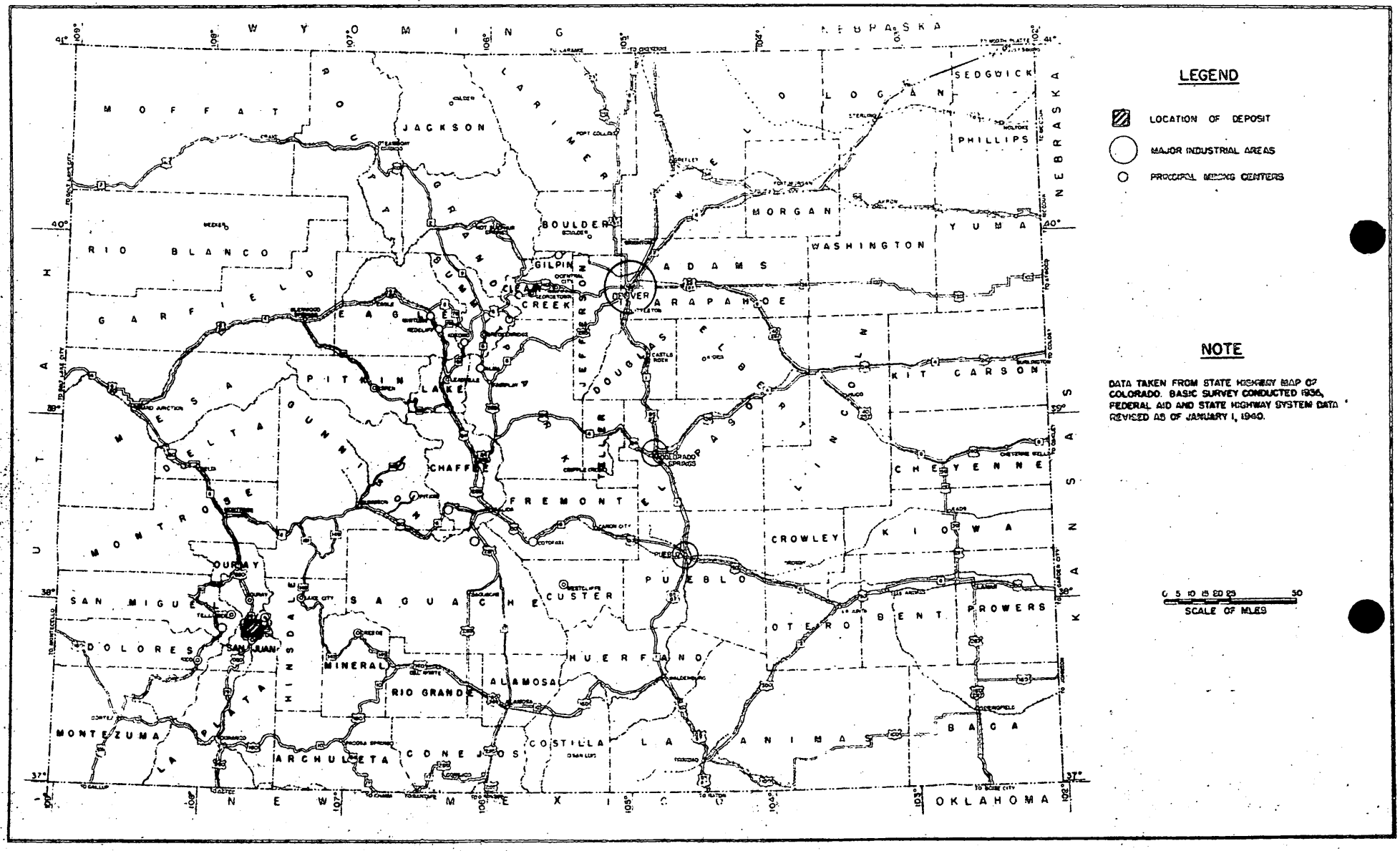

FIGURE 1 - LOCATION MAP, H.E. WALBY AND E. CLIFFORD (GYPSY AND TINCUP) CLAIMS, SAN JUAN COUNTY, COLO. DMEA 3881

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than 1-1/2 miles southeast of the subject claims. The claims lie at altitudes ranging from 10,000 to 12,000 feet.

Native timber is plentiful in the area; most timber for mining needs, however, is brought in from outside of the mining district. Abundant water for mining and domestic uses is found in the district.

The climate includes long and severe winters with heavy snowfalls which result in the suspension of most mining operations within the district. Annual precipitation, mostly as snow, ranges from a low of 25 inches at Silverton to an estimated high of 50 inches on Storm Peak.

Mining labor, equipment, and supplies are available at nearby Silverton and Ouray. Service lines of the Western Colorado Power Co. serve the Eureka mining district.

Three tungsten ore concentrating mills were erected along Cement Creek. As late as 1953, two of these mills were in operation. All of the mills, however, have since been dismantled.

HISTORY AND PRODUCTION

Hubnerite was first discovered in the district sometime before 1900, along Dry Gulch. Considerable mining activity took place before the turn of the century, but no recorded production is known. The first recorded production from the San Juan region was 11,000 pounds

of concentrate (believed to be almost exclusively from the Cement Creek area) containing 69.5 percent WO_3 1/. This ore was concentrated at the Fisher mill near the mouth of Dry Gulch.

Mining continued on a limited scale from 1901 to 1908. From 1908 the district was inactive until 1915, when World War I stimulated interest in tungsten mining. Tungsten operations have been intermittently carried on from World War I to the present. Total production from 1900 through 1953 is estimated as 350,346 pounds (17,517 short-ton units) of tungsten trioxide.

The Conyer group consists of the Tincup and Gypsy claims which is reported as having been in production early in 1900 and during World War I. The Bureau of Mines reports the Conyer group as having produced 1,220 units of WO_3.

The Conyer group was originally the property of Albert Conyer who located the group and had the claims within the group surveyed for patent on August 7, 1914. A mineral patent (Mineral Survey No. 19508) was granted. The Big Ben unpatented claim was recorded on September 30, 1955, by Earl Clifford and added to the Conyer group following the accession of the group by Messrs. Clifford and Walby.

1/ Balser, Carl, Tungsten Potential in the San Juan area, Ouray, San Juan and San Miguel Counties, Colo.: U. S. Bureau of Mines. I. C. 7731 p. 1 & 2, 1956.

PROPERTY RIGHTS

The property consists of three standard lode claims (600 by 1,500 feet) of which the Tinsup and Gypsy are patented and the Big Ben is unpatented (fig. 2). The claims are recorded as follows:

Claim	Book	Page
Tinsup	176	306-308
Gypsy	176	306-308
Big Ben	183	178

The owners of the Tinsup and Gypsy claims are Messrs. H. R. Walby and Earl Clifford of Silverton, Colorado. Mr. Clifford is the owner of the Big Ben claim.

A Consent to Lien for the Big Ben claim was signed by Earl Clifford on February 6, 1956.

DESCRIPTION OF WORKINGS

Prior to the start of DMEA exploration, workings on the property consisted of a number of shallow and almost obliterated pits, an inaccessible shaft, and by several adits of which one is accessible (fig. 2). The open adit extended for a length of 53 feet along a fracture zone containing a hubnerite-quartz vein. Under Contract Lim-2917 one adit was extended 242 feet.

GEOLOGY

District setting

The Cement Creek area is a part of the Eureka mining district of Colorado. The district is underlain almost entirely by flows, tuffs, and dikes, of andesite, latite, and rhyolite, all belonging to the Silverton volcanic series of Tertiary age; in a few places the volcanics are cut by small Tertiary intrusives of rhyolite, quartz monzonite, and porphyries. The ore deposits of the district are hydrothermal veins occupying fissures in the volcanic rocks.

Tinsup-Gypsy area

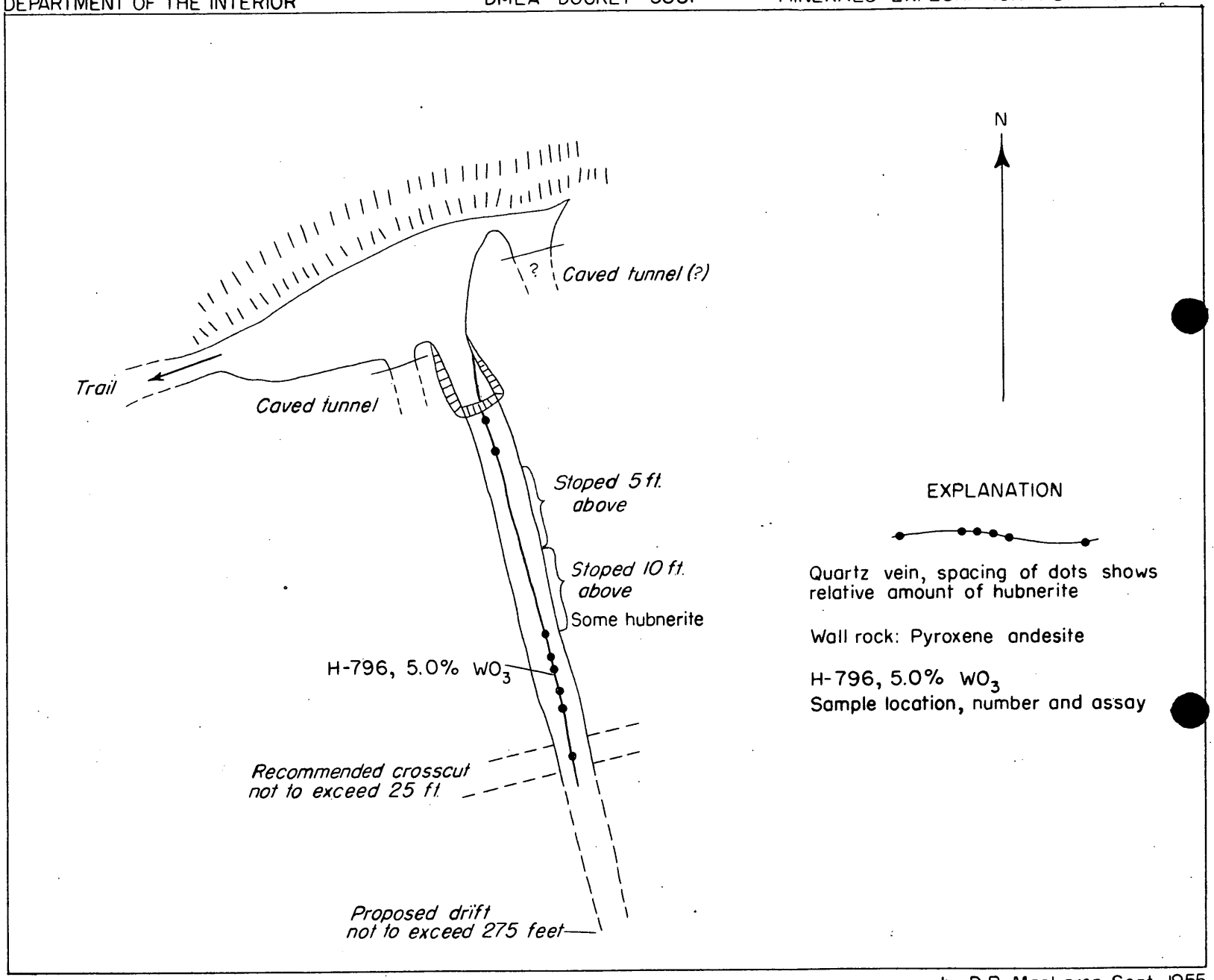
The area around the Tinsup and Gypsy claims is largely underlain by pyroxene andesite flows. The andesite has been considerably fractured and many of the fractures are mineralized. These veins can be differentiated into two types: gold-pyrite-quartz veins and huebnerite-quartz veins; the huebnerite-quartz veins may occur either independently, or as late-stage veins in the walls of the gold-pyrite-quartz veins. Huebnerite, the tungsten-bearing mineral, occurs in the quartz as isolated lath-shaped crystals, radiating masses, and vug fillings. As a rule the huebnerite is erratically distributed in large masses of quartz vein material and silicified rocks; because of its erratic distribution, profitable production has been limited chiefly to periods of urgent demand.

Several previous workings on the property explored huebnerite-quartz veins. The one adit that was open at the time of the examination followed 55 feet along a vein striking S. 14° E. and dipping 57° to 60° SW (fig. 3); thickness of the vein apparently ranged from an inch to over 2 feet, and as seen in the back it contained seams of huebnerite as much as an inch thick and 10 feet long but generally less than a quarter of an inch thick and 2 feet long. For 25 feet along the tunnel the vein was stoped to a maximum height of 10 feet. A 1-foot channel sample cut by the examiners about 4 feet from the stope assayed 3.0 percent WO_3.

The open adit is flanked on each side by a caved adit, one 9 feet to the west and the other 15 feet east; the extent of these adits was not known at the time of the examination, but it was judged from the size of a dump common to the open adit and the one to the west that the west adit might be as much as 50 feet long. The other workings - a shaft, several adits, and some shallow pits - are all filled, caved, or otherwise inaccessible; material on the dumps indicates that some of them were driven on huebnerite-bearing veins.

Geologic basis for exploration

The vein exposed in the open adit cannot be traced on the surface because of thick soil and dense brush and timber; but the vein structure appeared to be strong, and it was reasoned that the vein



by D.R. MacLaren Sept, 1955

FIGURE 3 PLAN SHOWING GEOLOGY IN OPEN TUNNEL AND RECOMMENDED EXPLORATION CROSSCUT AND DRIFT. WALBY AND CLIFFORD PROSPECT, SAN JUAN COUNTY, COLORADO.

20 10 0 20 Feet

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could be expected to continue for at least several hundred feet. Moreover, the closeness of the two flanking tunnels suggested that the exposed vein might be in a fracture zone wider than the open tunnel, and that the zone might contain parallel veins of similar composition. It was therefore concluded that extension of the open adit, with minor crosscutting at its present face, might reasonably lead to the discovery of additional small deposits with a moderate tonnage of tungsten ore.

APPLICANT'S PROJECT PROPOSAL

The applicant proposed to explore the property with DMEA assistance by constructing approximately three-quarters of a mile of access roadway to the exploration area, and by extending the 53-foot adit for a distance of 300 feet. The applicant estimated his cost for road construction at $4,000 and drift cost at $56.67 per foot. Total cost of the program was computed at $21,002 with the Government's share at $15,751.50.

The DMEA examining team concurred essentially with the applicant's proposed exploration program, except that they recommended some crosscutting and considered the applicant's cost figures excessive.

PROJECT OPERATIONS

Description of contract work

Defense Minerals Exploration Administration contract Idm-2517 was consummated on February 6, 1956. It authorized exploration for tungsten ore on the Tinsup, Gypsy, and Big Ben claims at an estimated cost of $13,000, Government participation 75 percent, or $9,750.

The contract provided for the following work:

(1) The construction of approximately three-quarters of a mile of access road to exploration site at existing adit, (2) rehabilitation of the adit, including timbering of approximately 65 feet, (3) crosscutting for a total of not more than 25 feet from the present face of the adit in a westerly and easterly direction in order to locate the hanging wall and footwall and any possible parallel vein, or veins, and (4) continuing the drift for a total of not more than 275 feet in a southerly direction from the face of the adit (Fig. 2). Cost of the project was estimated at $13,000 with the Government contributing $9,750.

Description of work completed

Project operations began June 1, 1956, with the construction of an access roadway to the Tinsup and Gypsy claims. The 3/4-mile roadway was completed June 20, 1956.

Work within the drift started June 15, 1956, with rehabilitation of 65 feet of drift. Crosscut work began June 30, 1956, and a crosscut was driven 12 feet in an easterly direction from the adit. Following the driving of the crosscut, the 55-foot adit was extended southerly for 242 feet before it was decided to discontinue work under the contract. Exploration under the contract stopped August 17, 1956, when the operator's mucking machine broke; he removed all equipment from the property upon receipt of a letter of August 9, 1956, from the Field Team informing him to suspend drifting operations. The applicant was formally notified of the Government's termination of the contract by a Field Team letter of October 1, 1956. Exploration work authorized and remaining under the contract included 13 feet of crosscutting and 33 feet of drifting. The applicant did not conduct any of the sampling authorized in the contract.

What date?

Description of contract amendments

In a letter of April 30, 1956, to the DMEA Field Team, the applicant stated that because of snow the starting date of the contract, on or before May 1, 1956, would have to be postponed. An amendment executed on August 13, 1956, provided for the extension of the starting date from May 1, 1956, to June 1, 1956.

The applicant requested in a letter of August 2, 1956, that, because of the unfavorable appearance of the vein along the drift, permission be granted to raise in three places in the drift in lieu of completing the balance of drifting authorized under the contract. An examining team's memorandum of August 8, 1956, states that additional drifting possibly would not encounter a significant discovery of tungsten ore, and that any raising would not be justified as the drift level is approximately 75 feet below the surface and the tungsten mineralization is not rich enough. In the memorandum it was recommended that the project be terminated.

Cost of the project

Exploration Project Contract Idm-E917 was a short form unit cost contract Form MF-800 A (revised June 1954). The total estimated cost of the contract was $13,000 with the Government contributing $9,750.

Allowable costs under the contract were as follows: cross-cutting and drifting at $36 per foot, timbering at $6 per foot, sample assays at $5 each, road construction at $1,000, and adit rehabilitation at $800.

The units of work and costs authorized and completed under the contract are summarized in Table 1.

Table 1.--Summary of authorized and accepted costs of the project

	Authorized Project Work			Project work Completed	
Type	Units	Unit Cost	Total Cost	Units	Total accepted cost
Drifting	275 ft.	$36.00	$ 9,900.00	242	$ 8,712.00
Crosscutting	25 ft.	36.00	900.00	12	432.00
Timbering	133 ft.	6.00	800.00 (rounded to)	-	-
Rehabilitate adit	job	-	200.00	-	200.00
Build access road	job	-	1,000.00	-	1,000.00
Sample assays	40	5.00	200.00	-	-
Total cost of project			$13,000.00		$10,344.00
Government participation			$ 9,750.00		$ 7,758.00

The Government withheld $500.00 pending resolution of matters relative to closing the contract account.

RESULTS OF PROJECT EXPLORATION

A total of 275 feet of drifting and 25 feet of crosscutting were allowed in the contract. While rehabilitating the main drift in preparation for exploratory work, the applicant broke through the west wall of the drift into an old inaccessible drift that ran parallel to the main drift. An examination of the old drift

did not reveal any favorable indications of tungsten mineralization, and it was deemed unnecessary to crosscut to the west of the main drift. A crosscut was driven for 12 feet east of the main drift, but this also did not reveal any indications of tungsten ore.

Extension of the tunnel followed a vein 1 to 3.5 feet thick which strikes N. 12° to 15° W. and dips 40° to 57° SW (fig. 4). The vein consists principally of crushed wall rock, some clay, small pockets of drusy quartz, minor pyrite, and occasional crystals of galena. Hubnerite occurs at two places in the vein as small pockets, patches, and thin interrupted streaks too small to be of economic significance; the largest of these is a 6-foot streak along the hanging wall, with a maximum thickness of 0.1 foot of hubnerite and quartz. The hubnerite occurrences are separated by stretches of barren vein 65 and 110 feet long, and the last 62 feet of vein is also barren.

On the basis of the exploration completed, the DMEA Field Team concluded that further drifting or crosscutting would not result in the discovery of any significant tungsten ore, and recommended that the contract be terminated. There are no known ore reserves.

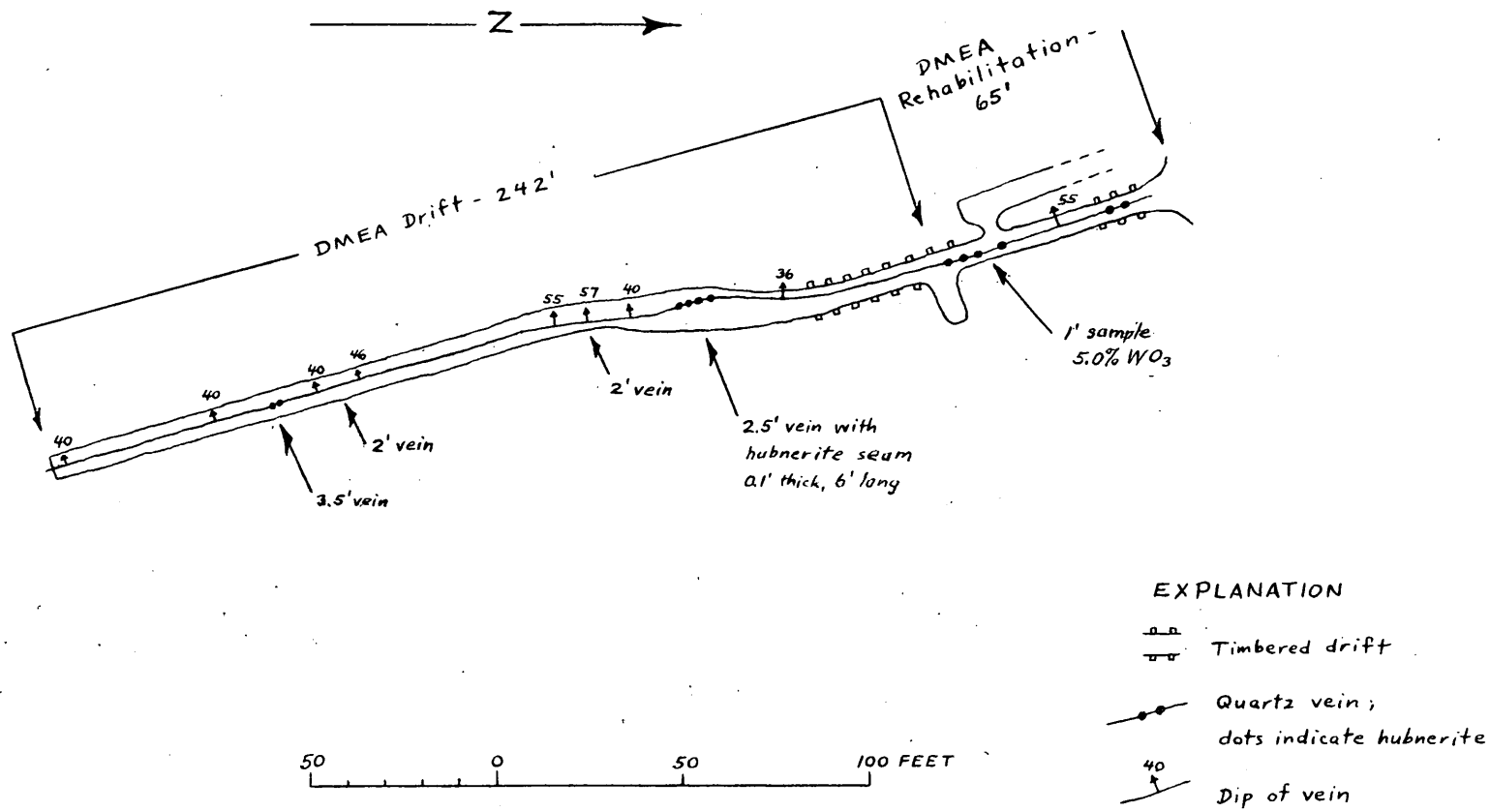

FIGURE 4 - Geologic map of completed exploration, Walby and Clifford (Gypsy and Tincup) property, San Juan County, Colorado

After C.M. Harrer

CONCLUSIONS AND RECOMMENDATIONS

Exploratory drifting and crosscutting showed the existence of a well-defined quartz vein from 1 to 3.5 feet wide. Within the vein, huebnerite occurs as small pockets, patches, and thin discontinuous streaks separated by barren stretches of vein quartz. The exploration work resulted in the discovery of only two small tungsten-bearing areas and showed conclusively that these areas are too small for exploitation. A Certification of Discovery is not recommended. There is little probability of discovering significant amounts of tungsten ore by exploration at the property, and additional exploration with Government assistance is not recommended.

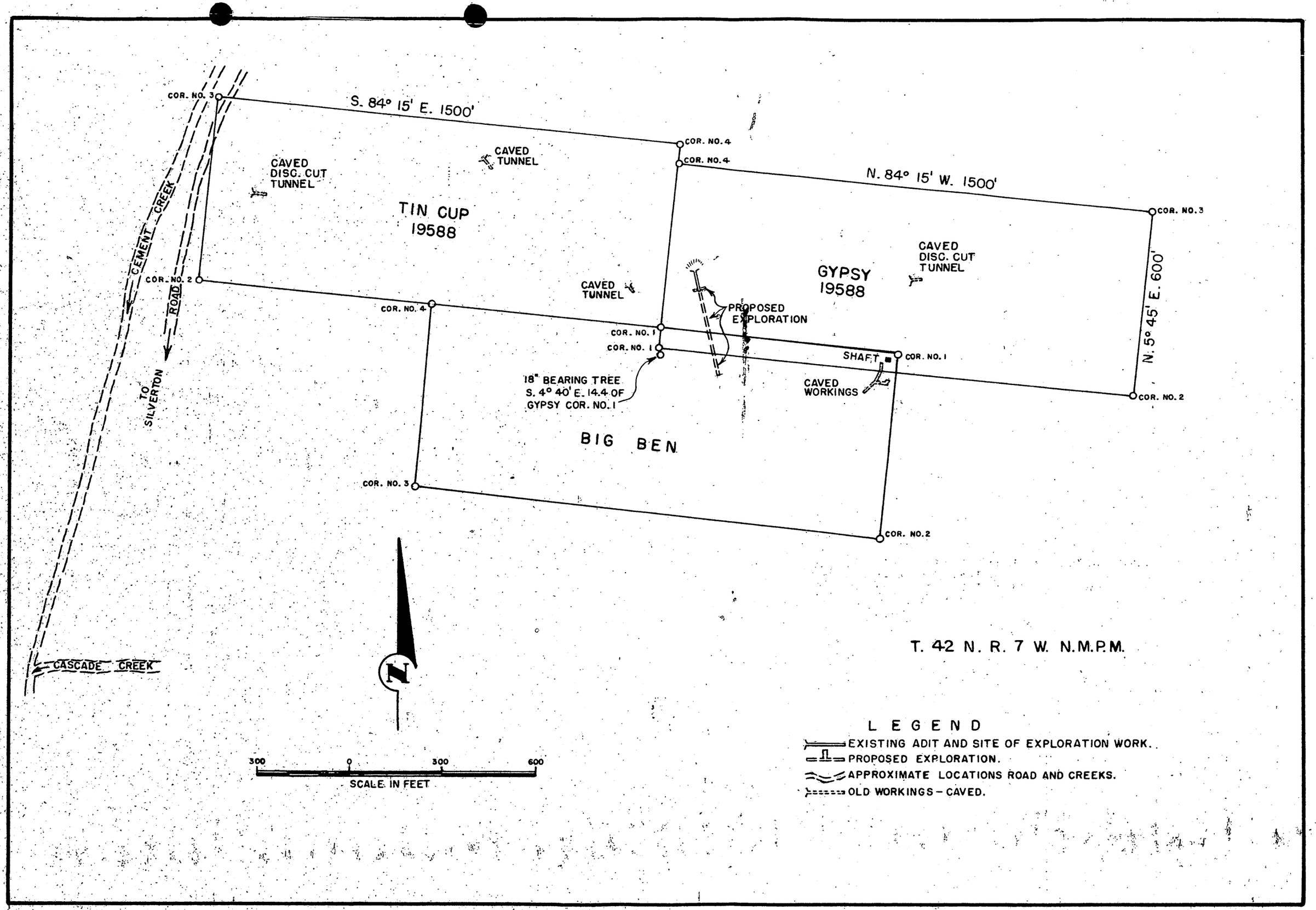

FIGURE 2 - CLAIM AND EXPLORATION MAP, H. E. WALBY AND E. CLIFFORD (GYPSY AND TIN CUP) PROPERTY, SAN JUAN COUNTY, COLO. DMEA 3881

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D.M.E.A.

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224 New Customhouse
Denver 2, Colorado

February 12, 1957

Walby and Clifford
c/o Mrs. Hugh E. Walby
P.O. Box 253
Ouray, Colorado

Re: Docket DMEA-3881 (Tungsten)
Contract Idm-E917
Walby and Clifford
(Tincup, Gypsy and Big Ben claims)
San Juan County, Colorado

Dear Mrs. Walby:

We have received your letter of February 11, 1957, requesting final payment under Contract Idm-E917. Final payment of $500.00 was processed by the Finance Office, Region III, on February 6, 1957, and you should receive the check within a very few days. If you have not received the check by February 15, 1957, please notify this office and we will take immediate action to locate it.

Yours very truly,

Original signed by
W. M. TRAVER

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

JDC:hh

cc
Chmn. Op. Comm. (2))
Harshman)
Shaw (2)) w/copy Oper. letter
Townsend)
Corres. E917)
Chron.)

COPY

Ouray, Colo
Feb 11, 1957

Mr. W. M. Traver
Executive Officer D.M.E.A.
Field Team Region III

Dear Mr. Traver:

We received the termination Agreement on contract No. Idm-E917 January the 7th and signed and returned all copies. Then Jan. the 24th we received our copy saying the contract had been terminated, but so far no money. Now I understand we would receive the last $500 as soon as the contract had been terminated. I need the money so bad to pay some back nine bills and also to take my husband back to the hospital that I wondered if you could tell me why we havn't received it.

Im sorry to be such a bother to you but do need the money so very bad imediatly.

Thank you so much

s/ Mrs. Hugh E. Walby

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

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224 New Customhouse
Denver 2, Colorado

January 24, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 3881 (Tungsten), Contract No. Idm-E917, Walby & Clifford, a Partnership (Tin Cup, Gypsy, and Big Ben claims), San Juan County, Colorado

Enclosed are the original and one copy of a final report submitted by the Operator pertaining to work completed under the subject Contract.

The report is somewhat meager and does not include a map to depict the work. However, under the circumstances, we recommend that it be accepted as complying with Contract requirements relative to the Operator's rendering a final engineering and geologic report upon completion or termination of the Contract work.

Original signed by
W. M. TRAVER

W. M. Traver

JWT:prl

cc: Final Report file, Region III) w/copy of Operator's final report
Harshman)
Shaw)
Townsend
Corres. file
Chron.

Open's.
Final Report

DMEA
DEPARTMENT OF THE INTERIOR
JAN 24 1957
REGION III
DENVER, COLORADO

FINAL REPORT

Work under contract on access road began June 1, 1956. This was done by private contractor at a cost of $1000. The road is 3/4 mile long and about 10 feet wide.

Work on contract drift started June 15 with rehabilitation adit which included cleaning out of 36 feet of old tunnel, laying rails, timbering portal, and slabbing drift to make room to use mucking machine safely. In slabbing drift we broke through the west hanging wall into old drift that runs southerly and parallel to main drift. Nothing worthwhile was located there.

Then we ran a crosscut 12 feet easterly in the footwall with no results. After drifting about 12 feet from old breast we hit a small spot of hubnerite. Then 67 feet southerly there is hubnerite exposed on hanging wall. It starts out about knife thickness to 1/10th of an inch thick. The vein then turned into iron pirites and, with the exception of two very small spots, we didn't find any more hubnerite.

We continued on for a total of 253 feet at which time we stopped work because of breakdowns and ill health. At this time I asked to have the contract extended until next July. My request was denied, and the contract terminated.

HUGH E. WALBY and EARL CLIFFORD,
Partners

Hugh E Walby
Hugh E. Walby, Partner

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

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224 New Customhouse
Denver 2, Colorado

January 29, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3881 (Tungsten) Contract Idm-E917
Walby and Clifford (Tin Cup, Gypsy and Big Ben)
San Juan County, Colorado - FINAL PAYMENT

Reference is made to our memorandum of October 1, 1956, whereby we transmitted the final Form MF-104, Operator's Monthly Report and Voucher for the month of August 1956, and requested that you withhold the amount of $500.00, pending resolution of matters relative to closing the account. The Operator's final report has been received; therefore, we recommend that final payment to the Operator 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 January 28, 1957.

Basis For Final Payment

Total Accepted Cost	$10,344.00
Government participation at 75 percent	7,758.00
Total prior payments	7,258.00
Balance Due The Operator	$ 500.00

Original signed by
W. M. TRAVER

W. M. Traver

JDC:ytl
cc
Chan. Op. Comm. (2)
Shaw (2)
Harshman
Townsend
Corres. Idm-E917
MF-104 File Idm-E917

Chron.

Revised in lieu of
annual audit
1.28.57

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED JAN 30 1957 D.M.E.A.

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Walby and Clifford, A Partnership Composed of
Hugh E. Walby and Earl Clifford
Care of Hugh E. Walby
P. O. Box 853
Ouray, Colorado

WSM

pertaining to Exploration Project Contract No. Idm-E917, Docket No. DMEA-3881 including Amendment No. 1, and Termination Agreement dated December 28, 1956, for the months of June, 1956 to August, 1956, inclusive, covering a project for the exploration of tungsten on property known as Tin Cup, Gypsy, and Big Ben Claims located in San Juan 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		$10,344.00
Exceptions:		
By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$10,344.00

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 Seven thousand, seven hundred fifty-eight and no/100ths Dollars

** $7,758.00 **

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.

January 28, 1957

T. H. Brading, Auditor.

ERIOR

DMEA

14X4401 (01) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to the Office of the Secy.)

T E L E T Y P E

Mr. W. M. Traver, Executive Officer
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

DEC 31 1956

REURTT, 12/26/56 DOCKET DMEA 3881, WALBY AND CLIFFORD, WE WROTE YOU ON DECEMBER 21, AND EXPECT TO MAIL TERMINATION AGREEMENT IMMEDIATELY.

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE

TLChapman:am 12-28-56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. III
Mesrs. R. Holliday, USBM
T. H. Kiilsgaard, USGS

Mr. W. M. Traver, Executive Officer
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

Re: Docket No. DMEA 3881 - Tungsten
Walby and Clifford (partnership)
Tin Cup, Gipsy and Big Ben claims
San Juan County, Colorado
Contract No. Idm-1917

Dear Mr. Traver:

Enclosed are the original and five copies of a proposed Termination Agreement to the above referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of this proposed agreement are satisfactory to you and the Operator, all six copies should be signed by the Operator and the usual distribution made.

If any part of the proposed agreement does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

TLChapman:am 12-28-56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. III
Messrs. R. Helliday, USBM
T. H. Kiilsgaard, USGS

Enclosure

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

224 New Customhouse
Denver 2, Colorado

December 27, 1956

Mrs. Hugh E. Walby
P. O. Box 253
Ouray, Colorado

Re: Docket No. DMEA-3881 (Tungsten)
Contract No. Idm-E917
Walby and Clifford, a Partnership
(Tincup, Gypsy and Big Ben Claims)
San Juan County, Colorado.

Dear Mrs. Walby:

Thanks for your letter of December 21, 1956 and the attached copy of billing from the Illinois Powder Manufacturing Company, which you enclosed for our information. We are returning herewith the copy of the billing and are pleased to learn that a substantial payment has been made toward settling the account.

A Termination Agreement to effect termination of the contract in its present status is being prepared in the Washington office, DMEA, and it will be forwarded to you for signature by the partners as soon as received.

Relative to final payment for work performed under the contract, the payment will be made as soon as the following conditions have been met:

1. Termination Agreement has been executed by the parties concerned.

2. The Operator has rendered a final engineering and geologic report, as provided for under Article 6(c) of the contract.

3. Release to this office of a Report of Review of reported project costs by the Contract Administration and Audit Division.

It is recommended that the required final engineering and geologic report be submitted immediately so that, as soon as the other matters have been resolved, we will be in a position to make final payment.

JWT:bh
cc-Chair.,Op. Comm. (2))w/copy Opera-
Harshman)tor's letter
Shaw)of 12/21/56
Townsend)and attached
Corres. File E-917)billing.
Encl. Chron.

Very truly yours,

Original signed by
W. M. TRAVER

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

Ouray Colo
Dec 21, 1954

W. M. Traver
Executive Office DMEA.
Field Man, Region III

Dear Mr Traver

In answer to your letter of the 17 concerning a bill for powder. We have a bill for $100 which we still owe them and will pay that as soon as we get the remaining money. I am sending the bill for you to see that is what we still owe.

My Husband is still very ill: and is in bed all the time. In fact he may only have a very short time to live and I'd sure like to get these things tended to while he is still able to sign and tend to the business

Very truly Yours
Mrs A. E. Walby

STATEMENT

DUME
PARTMENT OF THE IN
DEC 26 1975
REGION III
DENVER, COLORADO

ILLINOIS POWDER MANUFACTURING COMPANY

INCORPORATED 1907

GOLD MEDAL EXPLOSIVES

602 WALKER BANK BLDG.
SALT LAKE CITY, UTAH

NOV 31

Walby and Clifford
Silverton Colo

4
3
2
1

OLD BALANCE	DATE		FOLIO	MEMO	CHARGES	CREDITS	LAST AMOUNT IN THIS COLUMN IS AMOUNT DUE
525.51	MO 5 56	156		CASH		425.51	100.00

TERMS: 30 DAYS NET

NO CASH DISCOUNT ALLOWED.

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

400

224 New Customhouse
Denver 2, Colorado

December 17, 1956

Messrs. N. E. Walby
and Earl Clifford
P. O. Box 253
Ouray, Colorado

WEM

Re: Docket No. DMEA 3881 (Tungsten)
Contract No. Idm-E917
Walby & Clifford, a Partnership
(Tincup, Gypsy and Big Ben claims)
San Juan County, Colorado

Gentlemen:

We are in receipt of a billing from the Johnson Supply Company, of Durango, Colorado, wherein it is claimed that a bill in the amount of $529.51 for materials and supplies used on work under Contract Idm-E917 has not been paid.

Please advise by return mail as to whether or not the Johnson Supply Company claim is correct, and if so the nature of the bill, and when you expect to reimburse the vendor.

The $500.00 withheld from reimbursement to you will continue to be withheld until all matters that are prerequisite to closing the account and the matter of the delinquent bill have been resolved.

Very truly yours,

Original signed by
W. M. TRAVER

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

JWT: prl

cc: Chairman, Op. Comm. (2)
Harshman
Shaw
Townsend
Corres. file
Chron.

460

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

224 New Customhouse
Denver 2, Colorado

December 17, 1956

Mr. Curtis C. Johnson, Manager
Johnson Supply Company
Durango, Colorado

Re: Docket No. DMEA 3881 (Tungsten)
Contract No. Idm-E917
Walby and Clifford
San Juan County, Colorado

Dear Mr. Johnson:

Reference is made to your letter of November 13, 1956, which was received in this office December 10, 1956, and the prior telephone conversation with you concerning nonpayment of an account with you for supplies used on work under the DMEA Contract No. Idm-E917.

The matter of the delinquent bill is under consideration and you will be advised as to what action, if any, it will be possible for the Government to take in the matter.

Very truly yours,

Original signed by
W. M. TRAVER

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

JWT:prl

cc: Chairman, Op. Comm. (2)
Harshman
Shaw
Townsend
Corres. file
Chron.

RECEIVED
DEC 20 1956

December 17, 1956

MEMORANDUM

To: Associate Solicitor, Division of Minerals Resources

From: Iron & Ferro-Alloys Division, DMEA

Subject: Preparation of Termination Agreement
Docket No. DMEA 3881 - Tungsten
Walby and Clifford
Tincup, Gypsy and Big Ben claims
San Juan County, Colorado
Contract No. 5917

Attached is rough draft of Termination Agreement of the above-captioned contract for your use in preparing in final form.

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

WSMartin/foc
12/17/56
Attachment

cc to: Docket
Code 400

Contract Admin. & Audit Division
Defense Minerals Exploration Adm.

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

400

RETAIN

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

DEC 13 1956

WSM

Your memorandum December 11 asks advice on paying Operator of Docket DMEA-3881, Contract Idm-2917, Walby and Clifford, in view of claim of Johnson Supply Company. Continue to withhold $500.00 and get full information from Operator on claim.

George C. Selfridge

George C. Selfridge
Chairman, Operating Committee

JLChambers/wb
December 13, 1956

Copy to: Docket
Admr. Reading File
Confirmation
Operating Committee
Mr. Holliday
Mr. Killagnard
Mr. Martin
Mr. Chambers

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

DEC 21 1956

Mr. [illegible] Trover
Executive Officer
[illegible] Field Team, Region III
221 New Courthouse
Denver 2, Colorado

Re: Docket No. [illegible]-3[illegible] (Terminated)
[illegible] Kelly and Earl Clifford
Tinsup, Gypsy and Big Pen claims
San Juan County, Colorado
Contract No. [illegible]917

Dear Mr. Trover:

Reference is again made to your memorandum of December 11, 1956, and to our teletype of December 13, 1956, in regard to the above-cited contract.

It has not been, nor is it now, a policy of the Defense Minerals Exploration Administration to become a collection agent, but it has always been our aim to assist where possible in settling a claim between a contractor or a supplier and the operator of a project. It occurred to us, however, that if you call the claim of Mr. Johnson to the attention of the Operator, it might give consideration to settling the indebtedness. Therefore, as soon as you have performed this mission, if everything else is in keeping with the contract, you should make final payment to the Operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Holliday, USBM
Mr. Kiilsgaard, USGS
Mr. Martin
Mr. Chambers

JIChambers/wb/ama
December 20, 1956

Mr. Traver

E917

Reference is again made to your memorandum of December 11, 1956, and our teletype of December 13, 1956, in regard to the above-cited account.

It has not been, nor is it now, a policy of the Defense Minerals Exploration Administration to become a collection agent, but it has always been our aim to assist where possible in settling a claim between a contractor and the operator of a project. ~~Since~~ this project ~~was~~ a fixed unit cost contract we must pay the Operator when the work has been done and judged acceptable ~~under the contract~~, ~~and~~ that is what we propose to do in the long run in this case. But it occurred to us that if we can call the claim of Mr. Johnson to the attention of the Operator, ~~he~~ might give consideration to settling ~~it~~. Therefore, we hope you understand that as soon as you have performed the mission cited above, if everything else is in keeping with the contract, you will make final payment to the Operator.

Operating Committee

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

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

Re: Docket No. DMEA-3681 (Tungsten)
Hugh E. Walby and Earl Clifford
Tinsup, Gypsy and Big Ben claims
San Juan County, Colorado
Contract No. 14n-2987

Dear Mr. Trover:

Reference is again made to your memorandum of December 11, 1956, and to our teletype of December 13, 1956, in regard to the above-cited account.

It has not been, nor is it now, a policy of the Defense Minerals Exploration Administration to become a collection agent, but it has always been our aim to assist where possible in settling a claim between a contractor or a supplier and the operator of a project. As this project is under a fixed unit cost contract, we must pay the Operator when the work has been done and judged acceptable to the Government. That is what we propose to do in the long run in this case. But it occurred to us that if we can call the claim of Mr. Johnson to the attention of the Operator, it might give consideration to settling the indebtedness. Therefore, we hope you understand that as soon as you have performed the mission cited above, if everything else is in keeping with the contract, you will make final payment to the Operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

O. M. Bishop
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Holliday, USBM
Mr. Kiilsgaard, USGS
Mr. Martin
Mr. Chambers

JLChambers/wb
December 14, 1956

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

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

Re: Docket No. DMEA-3881 (Tungsten)
Hugh E. Walby and Earl Clifford
Tincup, Gypsy and Big Ben claims
San Juan County, Colorado
Contract No. Idm-E917

Dear Mr. Traver:

Reference is again made to your memorandum of December 11, 1956, and to our teletype of December 13, 1956, in regard to the above-cited account.

It has not been, nor is it now, a policy of the Defense Minerals Exploration Administration to become a collection agent, but it has always been our aim to assist where possible in settling a claim between a contractor or a supplier and the operator of a project. ~~As this project is under a fixed unit cost contract, we must pay the Operator when the work has been done and judged acceptable to the Government. That is what we propose to do in the long run in this case. But~~ It occurred to us that if ~~we can~~ you call the claim of Mr. Johnson to the attention of the Operator, it might give consideration to settling the indebtedness. Therefore, ~~we hope you understand that~~ as soon as you have performed the mission ~~cited above~~, if everything else is in keeping with the contract, you ~~will~~ should make final payment to the Operator.

Sincerely yours, Moreover

George C. Selfridge
Chairman, Operating Committee

APPROVED:

J. M. Bishop
Member, Bureau of Mines

Thos. H. Kilsgaard
Member, Geological Survey

COPY

DN 235 BUR MINES 12-26-56 4-32

CHAIRMAN OPERATING COMMITTEE, DMEA

REURTT 11-1-56, DOCKET DMEA 3881, CONTRACT IDM-E917,

WALBY AND CLIFFORD.

PLEASE TELETYPE ADVICE AS TO STATUS OF PROPOSED TERMINATION AGREEMENT.

W. M. TRAVER

400

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

RECEIVED DEC 21 1956 D.M.E.A.

224 New Customhouse
Denver 2, Colorado

December 19, 1956

Mrs. Hugh E. Walby
P. O. Box 253
Ouray, Colorado

WJM

Re: Docket No. DMEA 3881 (Tungsten)
Contract No. Idm-E917
Walby & Clifford, a Partnership
(Tincup, Gypsy, and Big Ben claims)
San Juan County, Colorado

Dear Mrs. Walby:

Receipt is acknowledged of your letter of December 17, 1956, concerning payment of the $500.00 withheld in processing the final accounting report pertaining to work completed under Contract No. Idm-E917.

We are indeed sorry to learn of Mr. Walby's continued illness. We sincerely hope that he will have a rapid recovery.

Concerning final payment for work performed under Contract No. Idm-E917, we are prohibited from making final payments under DMEA contracts until the Operator has rendered a final report and accounting, as provided in the Contract, and until all other matters that are a prerequisite to closing the account are resolved.

Undoubtedly, by this time, our letter to Messrs. Walby & Clifford, dated December 17, 1956, has been received, concerning another matter relative to operations under the Contract, reply to which may have a bearing on future action by the Government in conjunction with closing the account.

Very truly yours,

Original signed by
W. M. TRAVER

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

JWT:prl
cc: Chairman, Op. Comm. (2)
Harshman
Shaw
Townsend
Corres. file

Chron.

w/copy of Mrs. Walby's letter of December 17.

Ouray Colo
Dec 17, 1956

RECEIVED
DEC 21 1956

Dear Mr. Trave,

I hate to be such a bother but I am wondering if you have ever heard anything concerning the Walby & Clifford tungsten contract No. I.D.M.E. 917. We have never heard anything of it and I'd sure like to get it tinded to, as my husband is still very sick and we have some bills to pay with the remaining $500. If you have heard anything or can find out about it will you please let me know.

Yours Hugh E. Walby.

Interior

DMEA

14X4401, Revolving Fund,
Defense Production Act,
Interior (Allocated Working Fund to
the Office of the Secretary)

xxxxxxxxxxxxxxxxxxxxxxxxxx

T E L E T Y P E

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

REURTT DOCKET DMEA 3881, WALES AND CLIFFORD, CONTRACT IDM-E917,

WE ARE PREPARING TERMINATION AGREEMENT AS YOU RECOMMENDED.

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE

WSMartin/foc
10/31/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. III
Messrs. R. W. Holliday, USBM
T. H. Killegaard, USGS

400

COPY

DN BWET BUR MINESS DN 235 10-31-56 8-48

CHAIRMAN, OPERATING COMMITTEE, DMEA

RE DOCKET DMEA 3881, CONTRACT IDM-E917, WALBY AND CLIFFORD, OUR MEMORANDUM OF SEPTEMBER 25, 1956. PLEASE TELETYPE ADVICE AS TO STATUS OF RECOMMENDED TERMINATION AGREEMENT.

W M. TRAVER

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

400

RECEIVED
OCT - 3 1956

224 New Customhouse
Denver 2, Colorado

October 1, 1956

Mr. Hugh E. Walby
Walby and Clifford, Partnership
P. O. Box 253
Ouray, Colorado

Re: Docket DMEA 3881 (Tungsten)
Contract Idm-E917
Walby and Clifford, Partnership
Tincup, Gypsy and Big Ben claims
San Juan County, Colorado

Dear Mr. Walby:

Form MF-104, Operator's Monthly Report and Voucher, for August, 1956 has been received in this office and is being processed for payment.

In your narrative report for the period you state that operations under the contract were discontinued because of mechanical breakdown and illness, and request that the contract be extended so that the contract work can be completed in 1957.

Termination of the contract is under consideration by the Washington office of Defense Minerals Exploration Administration at this time. Our recommendations regarding the termination were based on the results of contract work to date and on your letter of August 24, 1956 wherein you informed this office that operations were discontinued as of August 17, 1956 because the vein had pinched out and did not appear favorable to follow any farther.

An amount of $500.00 is withheld from reimbursement to you pending resolution of matters relative to closing the account, which includes

RECEIVED
OCT - 3 1956

1) Termination of the contract.

2) Rendering by your partnership to the Government a final engineering and geologic report in accordance with Article 6 (c) of the contract form.

3) Release to this office of a Report of Review of contract expenditures by the Contract Administration and Audit Division.

If you have any question regarding the above, please feel free to contact this office.

Very truly yours,

W. M. TRAVER

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

JDC:jy
cc: Corresp. E917
Sec. Op. Comm. (2)
Christensen
Harshman
Shaw (2)
Townsend
Chron.

400

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

RECEIVED
SEP 27 1956

224 New Customhouse
Denver 2, Colorado

September 25, 1956

WSM

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 3881 (Tungsten), Contract No. Idm-E917, Walby & Clifford, a Partnership, San Juan County, Colorado

Enclosed is the following material in conjunction with termination of the subject contract:

1. The original and three copies of the Operator's letter of August 24, 1956.

2. The original and three copies of a joint memorandum, dated September 19, 1956, from C. M. Harrer, Mining Engineer, Bureau of Mines, and E. N. Harshman, Geologist, Geological Survey, also Member of the DMEA Field Team, Region III.

We recommend that a suitable termination agreement be prepared to terminate Contract No. Idm-E917, effective as of the close of August 17, 1956.

W. M. Traver

W. M. Traver

Enclosures

Copies sent to RMM

DMEA
Date Rec'd
AUG 27 1956
BUREAU
Denv

Ouray, Colo.
Aug 24, 1956

224, New Customhouse
Denver, 2 Colo.
D.M.E.A. Feild Team, Region #3
W.M. Traver
Exucutive Offic r

Mr. Traver:

We Have discontinued opperations on contract Idm E 917 as of Aug, 17 1956.

The vein has pinched out and doesn't look favorable to follow any farther.

We also recieved the copys of the contract amendment and as soon as we contact Mr. Clifford we will sign it and return it to you.

Sincerely

Walby and Clifford
a partnership
P.o. Box 253
Ouray, Colo.

DMEA
DEPARTMENT OF THE INTERIOR
SEP 20 1956
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
September 19, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw J.S. Shaw
Supervising Mining Engineer

From: C. M. Harrer
E. H. Harshman

Subject: Docket DMEA 3081 (Tungsten) Contract Idm-8917, Walby and Clifford, a partnership, San Juan County, Colorado -- Joint memorandum on recommendations to terminate the contract

The property was examined on September 11, 1956. Work completed under the contract includes 3/4 mile of access road to the mine portal and the underground work shown on the accompanying sketch. Underground work completed under the contract consists of the rehabilitation and repair of the portal, and 65 feet of old drift, 242 feet of new drift along the vein, and 18 feet of crosscut. Only 33 feet of drifting and 13 feet of crosscutting remain to complete the maximum requirements of the contract.

The vein explored is 1 to 3.5 feet wide. It strikes N. 15° W., and dips 40 to 57° W. The vein consists principally of crushed wall rock, some clay, small pockets of drusy quartz and a minor amount of pyrite. Within the vein, huberite ($MnWO_4$) occurs as small pockets, patches and thin interrupted streaks too small to be of economic significance. The tungsten occurrences are separated by barren stretches of vein.

DMEA Exploration has uncovered only two small uneconomic exposures of huberite ($MnWO_4$) not already known, and these are separated by 65 and 110 feet of barren vein.

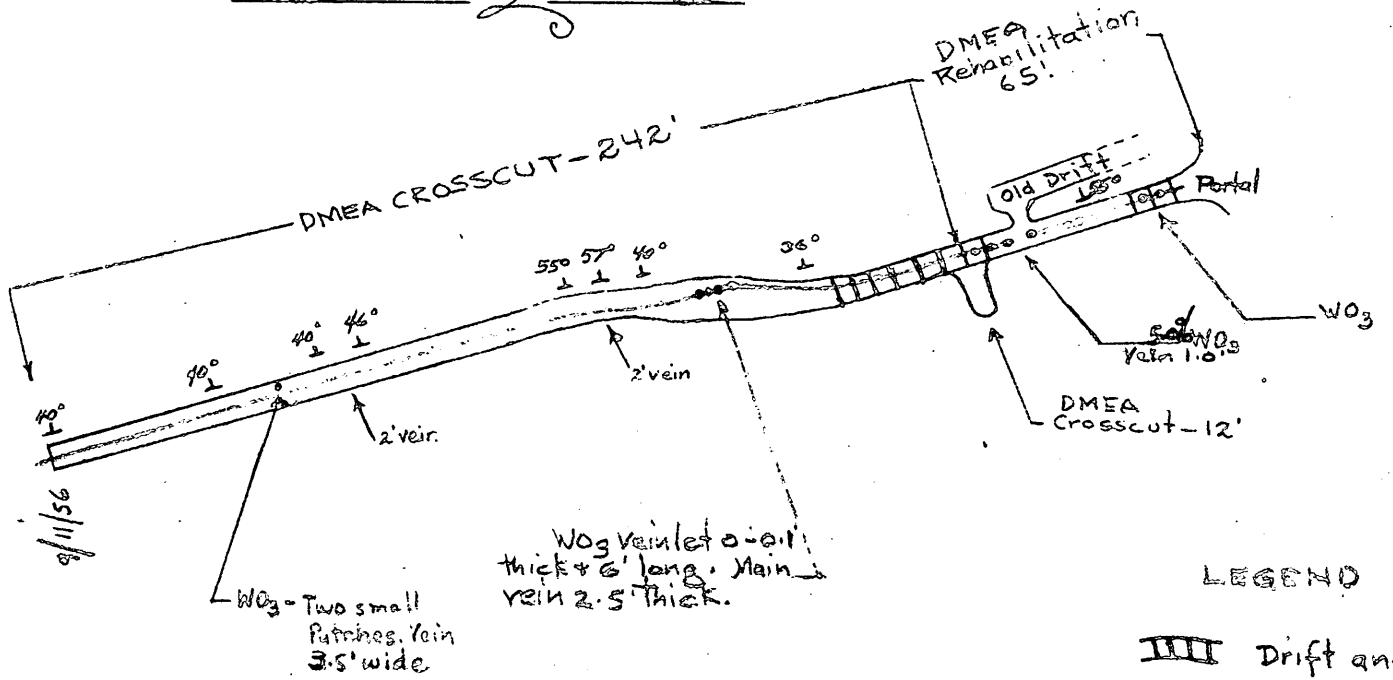
The pattern of tungsten occurrence, as shown on the accompanying sketch, indicates that exposures encountered to date are small and uneconomic; furthermore, the 33 feet of drift and 13 feet of crosscut remaining to complete the maximum requirements of the contract would not add materially to knowledge already gained.

No further exploration participation by DMEA appears justified and it is recommended that this contract be terminated.

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

E. H. Harshman
E. H. Harshman
Member Field Team

CMH/mw
cc: 9
Idm-8917 Chron



LEGEND

Drift and timber sets

Vein with hubnerite ($MnWO_3$) exposures represented as

Dip

Scale 1" = 50'

RECEIVED SEP 27 1956

PLAN OF UNDERGROUND EXPLORATION, H.E. WALBY AND E. CLIFFORD PARTNERSHIP, SAN JUAN COUNTY, COLO. DMEA 3881, CONTRACT Idm-E917

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

400

224 New Customhouse
Denver 2, Colorado

August 28, 1956

WSM

Memorandum

To: E. N. Barshman - w/enclosure
John F. Shea - " "

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3831 (Tungsten), Contract Idm-E917, Walby & Clifford, a Partnership, San Juan County, Colorado

Enclosed is a copy of a letter from Hugh E. Walby, dated August 24, 1956, wherein he advises that they have discontinued operations under Contract Idm-E917 as of August 17, 1956.

Please submit your recommendations relative to terminating the Contract in its present status.

W. M. TRAVER
W. M. Traver

Enclosures

JWT:prl

cc: Chairman, Oper. Comm. (2)
Townsend
Corres. file
Chron.

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

400

RECEIVED
AUG 13 1956

224 New Customhouse
Denver 2, Colorado

August 9, 1956

Mr. Hugh E. Walby
Walby and Clifford, Partnership
P. O. Box 253
Ouray, Colorado

WEM

Re: Docket DMEA 3881 (Tungsten)
Contract Idm-E917
Tincup, Gypsy and Big Ben claims
San Juan County, Colorado

Dear Mr. Walby:

Form MF-104, Operator's Monthly Report and Voucher, for the month of July, 1956 is being processed for payment.

A map or maps showing location and extent of the work performed must be submitted with your next report and with all subsequent reports. The map should be of sufficient scale to show all of the mine workings in detail. The larger scale map in the contract could be traced and extended for this purpose.

In addition to the actual contract work, please show the location of the old drift which you broke into last month.

Very truly yours,

W. M. TRAVER

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

JDC:jy
cc: MF-104 File E917
Corresp. File E917
Sec. Op. Comm. (2)
Shaw (2)
Chron.

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

400

RECEIVED
JUN 14 1956

224 New Customhouse
Denver 2, Colorado

June 11, 1956

WSM

Mr. H. E. Walby
Walby & Clifford
P. O. Box 253
Ouray, Colorado

Re: Docket DMEA 3881 (Tungsten)
Contract Ida-8916
Walby & Clifford, a Partnership
San Juan County, Colorado

Dear Mr. Walby:

Reference is made to your letter of June 7, 1956 wherein you request advice as to the procedure to follow in event Earl Clifford disposes of his interest in the partnership.

Inasmuch as the contract is prepared in favor of "Walby & Clifford, a Partnership Comprised of Hugh E. Walby and Earl Clifford," it will be necessary that the Government approve of the assignment of the contract to yourself and the new partner. In conjunction with the assignment, the following documents would be required:

1. Original and three copies, or four photostats of the original document by which Earl Clifford transfers to a new owner his interest in the partnership and the property described under Article 2 of the contract.

2. The original and five copies of a request from you and the new owner, concurred in by Earl Clifford, that the contract be assigned to yourself and the new owner.

3. If Earl Clifford transfers to a new owner his interest in the Big Ben Unpatented Claim, described in Annex I attached to the contract, it will be necessary that the new owner execute a new form MF-205, "Consent to Lien." However, if Earl Clifford retains his full interest in the Big Ben Claim, we believe that the Consent to Lien that was executed by Earl Clifford will be adequate.

In the event that Earl Clifford does dispose of his interest in the partnership and the property involved under Contract Ldg-2317, you are hereby advised that the Government will not contribute to the costs of any work performed as outlined under Exhibit "A" of the Contract until all matters relative to the assignment of the contract have been resolved.

Very truly yours,

W. M. TRAVER

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

JWT:prl
cc: Chairman, Oper. Comm. (2)) w/copy of Operator's letter of June 7
Earshman)
Shaw)
Townsend)
Corres. file)
Chron.

WU

RECEIVED
JUN 14 1936

Docket No. 3681

OURAY, COLO.

June 7, - 36

D. M. E. A.

Gentlemen

We are starting to build road to the Tin Cup and Gypsy tungsten claims this morning June 7 - 36.

Mr. Earl Clifford my partner wish to sell out his interest in these claims and the man he is wanting to deal with is O.K. with me. Please advise me if he can sell with the loan on the property and what procedure to go thru to get the other man's name on the loan or if it can be done.

Yours very truly

WALNY & CLIFFORD

By /s/ W. E. Walny