Bldg. 20 - Denver Federal Center
Denver, Colo. 80225

EXTRA COPY
O. M. E
RECEIVED
DATE AUG 26 1964
800

August 24, 1964

Mr. Robert Nye
Room 1017
Merchants Bank Bldg.
Indianapolis, Indiana

Re: OMX-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2149

Dear Mr. Nye:

Mr. Melbye's request to drill holes Nos. II-S11 and II-S12 has been reviewed and we believe it is quite possible that these proposed holes might traverse better mineralized areas than did Holes II-S4 and II-S9 in the fault areas; however, the widths of the sub-grade MoS_2 traversed by the two holes drilled indicate that even if the MoS_2 values might be higher in the proposed holes, it is unlikely that a commercially exploitable deposit of molybdenum ore would be found.

As Mr. Selfridge previously stated, unless the last surface hole indicated something considerably better than had been indicated to date, no further consideration for additional surface drilling would be given.

In our opinion the information disclosed by Hole II-S9 has not indicated this area has exceptional possibilities and we therefore must deny your request to drill holes Nos. II-S11 and II-S12.

Yours very truly,

ORIGINAL SIGNED BY
Hugh M. Connors
Acting Field Officer, OMX

cc: C. K. Melbye
Box 309
Golden, Colo.

G. C. Selfridge
Contract 2149
Chron

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149 Stage II
Contract Amount $276,230.00
Gov't. Participation x50 $138,115.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of JULY, 1964

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or Room 1012, Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	-0-	$ 1,200.00	$ 1,200.00			
Drifting	-0-	92,072.00	92,072.00			
Crosscutting	-0-	5,559.00	5,559.00			
Drilling	$2,311.55	41,931.40	44,242.95			
Timbering	-0-	13,364.00	13,364.00			
x-cut, drill st	-0-	4,500.00	4,500.00			
(2) Comp.Air	306.35	1,869.45	2,175.80			
Cons.Cements	-0-	2,550.00	2,550.00			
Outside Consultants						
Incid.Allow.	167.10	2,601.90	2,769.00			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	636.00	636.00			
Payroll Taxes						
Employee's Liability Ins.						
Core boxes	-0-	900.00	900.00			
TOTALS	$2,785.00	167,183.75	$169,968.75	2,785.00	167,183.75	169,968.75

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

Date Aug. 13, 1964 Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,392.50

Signature [illegible]
(Authorized Certifying Officer)

Date 8/19/64 Vou. No. 265-4

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 8-14-64

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
OFFICE OF THE SECRETARY
FISCAL SECTION

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of JULY, 1964 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149 Stage II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	0	2708	$92,072.00			
Crosscutting	Ft	0	163.5	5,559.00			
xxxSurf.Drlg.-NX Raising	Ft	0	2512	11,555.20			
xxxSurf.Drlg.-DX Shafts	Ft	0	2670	10,680.00			
xxxxSurf.Drlg.O.D. Winzes	Ft	0	92	524.40			
Other Underground Timber	Ft	0	1670.5	13,364.00			
Drilling, Core-Diamond NX 0- 500	Ft	557	1801	7,474.15			
NX 500- xxxx 750 Rotary	Ft	0	120	528.00			
xx DX 0-500 Drilling, Non-core-Diamond	Ft	0	1114	4,710.50			
DX 500-750xxx Rotary	Ft	0	674	2,729.70			
DX 750+ xxx Churn	Ft	0	505	2,323.00			
AX xxxxxx Percussion	Ft	0	715	3,718.00			
Miscellaneous Casg.-Cem.	Hr	0	300	2,550.00			
X-cut, drill stas.	Ft	0	150	4,500.00			
Roads and Trails	Hr	0	60	1,200.00			
xxxxIncid.Allow. Stripping	Ft	557	9230	2,769.00			
xxxxxxComp. Air Transmitting	Ft	557	3956	2,175.80			
xxxxxCore boxes Test Pitting	Ea	0	900	900.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				636.00			
TOTAL TO DATE *(per MME Form 60)*				$169,968.75			$169,968.75

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Aug. 13, 1964 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 8-14-64

(INSTRUCTIONS ON REVERSE)

REMARKS (Cont.)

REMARKS (Cont.)

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - JULY, 1964

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under the above OME contract for the month of July is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Exploration work consisted entirely of underground drilling.

Hole II-13

This hole was completed NX size to a depth of 265 feet. No unusual trouble was encountered in the drilling other than mechanical breakdowns of the drilling machine. The depth of this hole was estimated at 200 feet, but the vein had not been encountered at that depth, making it necessary to continue to 265 feet. Two narrow veins were intersected between 225 and 240 feet, and the extra footage showed a decidied decrease in alteration, thereby indicating that the vein was encountered. Core recovery was 99.4%.

Hole II-4

Hole II-4 was completed to a depth of 292 feet, compared to an estimated depth of 400 feet. The target of this hole, the Dakota fault, was intersected at from 264'-281'. Neither the fault zone nor the 11 feet of the footwall were significantly mineralized, thereby making the additional 108 feet unneeded. Core size for the entire hole was NX, and core recovery was 98.8%.

GEOLOGY AND ASSAY RESULTS

Assays of the split core were run by Union Assay Office, Inc. in Salt Lake City and were paid for by Bear Creek Mining Company.

Hole II-13

Rock type in the entire hole was the uniform-grained quartz monzonite. A notable amount of quartz-molybdenite veinlets were encountered, the first from the collar to 79 feet and the second from 129'-240'. Accompanying this mineralization was only weak silicification but at least a moderate amount of secondary orthoclase veining. Chloritization was generally noticeable only along specific faults and narrow veins. Pyritization was stronger that the average for this portion of the Apex stock.

A small 2-inch quartz vein with weak molybdenite was encountered at 133 feet, but there was very little chloritization in the walls as is normal with these veins, and this is not believed to be the main vein being explored. Therefore, the hole was continued, and two much stronger veins were intersected at 225 and 238 feet. The width of the first was one foot and of the second 3 inches. A 2-foot zone of quartz veining was present in the walls, and chloritization was strong. Abundant pyrite was found but only weak molybdenite. Although the wide zones of quartz-molybdenite veining looked interesting, there was apparently very little disseminated molybdenite between, as the best assays ran only between .05 and .09% MoS_2 (See accompanying log).

Hole II-4

The drilling target of the Dakota fault was intersected at from 264'-281'. The substantial molybdenum mineralization found in the fault above in the Indiana drift was not present at this depth, 240 feet below. Chloritization and fault gouge were very intense, and there were molybdenite veinlets and disseminations, but not in sufficient quantity to be of economic interest. A few minor quartz-molybdenite veinlets, 2"-6" in width, were cut in the upper part of the hole, as is normal in the mine area. Rock type was entirely the Apex quartz monzonite.

Hole II-15

This hole was completed in June, but a log was not submitted. A series of narrow quartz-pyrite-molybdenite stringers were cut throughout the hole, and the strongest was at 51 feet, which is believed to be the vein. It is a 6-inch vein of quartz, molybdenite, and pyrite with moderate amounts of chlorite. Mineralization was not considered sufficient enough to assay.

Hole II-14

Since Hole II-13 did not find a strong vein projecting

downward from the ore-grade vein found in Hole II-3, the ore in Hole II-3 must be only a limited lens-like ore shoot. Therefore, it appears unnecessary to drill the deeper Hole II-14. No other specified holes are authorized under the contract, and the program must await disposition of a recently-submitted request for 2 additional surface holes through a transfer of underground drilling footage to surface drilling.

Respectfully submitted,

Charles E. Melbye

August 13, 1964

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: July 31, 1964
ORDER NUMBER: 2-267
INVOICE NUMBER:
CONTRACT: Nye-Apex - underground
TERMS: as per contract
LOCATION: Apex Mine

Nye Metals, Inc.
Blackhawk, Colorado
Attn: Mr. Charles E. Melbye

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# 13	NX 0	265	265'	$4.15	$1,099.75
	Core Boxes		27	1.00	27.00
# 4	NX 0	292	292'	4.15	1,211.80
	Core Boxes		29	1.00	29.00
				TOTAL	$2,367.55

Telephone EMpire 3-3302

Hand Sample Serial 20735-20758

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
W. C. WANLASS, Vice-Pres. & Treas.
LILY M. HOTTINGER, Secretary
P. O. Box 1528
Salt Lake City 10, Utah

Mine Bear Creek Mining Co.
1498 S. Lipan St.
Denver 23, Colorado

RESULTS PER TON OF 2000 POUNDS

July 28, 1964

NUMBER	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent
										Mo	
P-705										0.002	
P-706										0.027	
P-707										0.003	
P-708										0.010	
P-709										0.005	
P-710										0.004	
P-711										0.006	
P-712										0.005	
P-713										0.013	
P-714										None	
P-715										0.002	
P-716										None	
P-717										0.002	
P-718										0.004	
P-719										0.054	
P-720										0.010	
P-721										0.002	
P-722										0.006	
P-723										0.006	
P-724										0.002	
P-725										0.042	
P-726										None	
P-727										None	
P-728										0.002	

Remarks Samples Submitted by Rye Metals, Inc.

Charges $ 120.00

W. C. Wanlass

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 0251
Contract No. 14-23-090-2169 Stage II
Contract Amount $ [illegible]
Gov't. Participation % 50 $ 138,115.00
Mineral(s) [illegible]

OPERATOR'S MONTHLY VOUCHER

For Month of June, 1963

Operator's Name Joe Matals, Inc.
Address Lackhart, Colorado or [illegible] 1017, Merchants and Building, Indiana [illegible], Indiana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	-0-	1,200.00	1,200.00			
Drifting	-0-	92,073.00	92,073.00			
Crosscutting	-0-	3,553.00	3,553.00			
Drilling	1,672.30	40,259.10	41,931.40			
Timbering	-0-	13,304.00	13,304.00			
[illegible]-cut, Drill [illegible]	900.00	3,600.00	4,500.00			
(2) [illegible] Pwr. Air	55.00	1,814.45	1,869.45			
[illegible] Consult.	-0-	2,550.00	2,550.00			
Outside Consultants						
[illegible] Labor	122.40	2,479.30	2,601.70			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	636.00	636.00			
Payroll Taxes						
Employee's Liability Ins.						
Core Boxes	-0-	300.00	300.00			
TOTALS	$2,749.60	164,434.15	167,183.75	2,749.60	164,434.15	167,183.75

OME
DEPARTMENT OF THE INTERIOR
JUL 1964
REGION III
DENVER, COLORADO

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

Date July 1, 1963 Payee Joe Matals, Inc.

Per Robert C. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,374.80

Signature [illegible]
(Authorized Certifying Officer)

Date 7/4/64 Vou. No. 59-1

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Emmons Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Emmons Title Acting Field Officer Date 7-7-64

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

RECEIVED
OFFICE OF THE SECRETARY
JUL 8 1964
FISCAL SECTION

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of [illegible] Docket No. [illegible]

Operator's Name [illegible] Contract No. 14-23-090- [illegible]

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	[illegible]	0	[illegible]	[illegible]			
Crosscutting	[illegible]	0	[illegible]	[illegible]			
Raising	[illegible]	[illegible]	[illegible]	[illegible]			
Shafts	[illegible]	[illegible]	[illegible]	[illegible]			
Winzes	[illegible]	0	[illegible]	[illegible]			
Other Underground	[illegible]	0	[illegible]	[illegible]			
Drilling, Core-Diamond	[illegible]	[illegible]	[illegible]	[illegible]			
[illegible] 500-Raises	[illegible]	0	[illegible]	[illegible]			
Drilling, Non-core-Diamond	[illegible]	0	[illegible]	[illegible]			
[illegible] 500-[illegible] Rotary	[illegible]	0	[illegible]	[illegible]			
[illegible] 750 Other	[illegible]	0	[illegible]	[illegible]			
[illegible] Percussion	[illegible]	0	[illegible]	[illegible]			
Miscellaneous [illegible]		0	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
Roads and Trails	[illegible]	0	[illegible]	[illegible]			
Stripping [illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
Trenching [illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
Testing [illegible]	[illegible]	0	[illegible]	[illegible]			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				[illegible]			
TOTAL TO DATE *(per MME Form 60)*				[illegible]			167,183.75

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 [illegible] Operator [illegible]

Per Robert E. Nye Title

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh McLongmore

Title Acting Field Officer
Government Representative

Date 7-7-64

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - June, 1964

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under the above OME contract for the month of June is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Exploration work consisted of drilling. After completion of the last authorized surface hole, II-59, drilling was resumed again underground to complete the four additional holes allowed under the contract. The two new drill stations needed for three of these four holes were excavated.

Hole II-59

NX drilling was continued to 634 feet, where difficult drilling necessitated switching to BX size, which was used for the balance of the hole. Total authorized depth was 900 feet, but the pre-Cambrian contact was not yet reached, so the hole was continued to 944 feet at the Operator's expense. Drilling progress was good throughout the hole. Core recovery averaged 92%. No cementing was required, and only the casing time to switch from NX to BX was required.

Hole II-13

This hole was drilled NX to the specified depth of 100 feet. Location was from the previous large drill station in the main adit. Bearing was N50°E and angle +1°.

GEOLOGY AND ASSAY RESULTS

Assays of the split core are being run by Union Assay Office, Inc., Salt Lake City, Utah and are being paid for by Bear Creek Mining Company.

Hole II-59

A complete geologic-assay log is included with this report.

The hole has penetrated the interesting gneiss-quartz monzonite contact. Two dacite porphyry dikes were found, one from 195' - 445', and the other at the contact, 135' wide. Each of these were emplaced along major faults, the first along the 3-4 fault, the same NW fault mineralized in Hole 5-4, and the second along the Paton fault, a NE fault, which projects toward the Mt. Chief area. The Paton fault can be seen only in the bulldozer cut and can be projected horizontally from this cut only with the aid of magnetics. It consists not of a definite fault plane but rather a wide 45-foot zone of breccia consisting of cemented fragments of gneiss and dacite porphyry. There are also a number of 1' - 5' aplite dikes as well as narrow dacite porphyry dikes throughout the hole.

Hydrothermal alteration is the strongest encountered thus far in the drilling, and for the first time, consists of intense sericitization as well as strong orthoclase and quartz veining, chloritization, and argillization. Silicification is weaker. Much of the rock in the deeper zone near the contact is almost totally sericite. All of the altered rock is vuggy and intensely brecciated. Accompanying this intense sericite alteration is also the best molybdenum mineralization, encountered to date. These various zones are averaged as follows:

Depth	Width	% MoS_2	Oz Au
210'-235'	25'	.104	
270'-290'	20'	.122	
750'-820'	70'	.208	.01
Within Interval 750'-820'			
765'-770'	5'	1.200	
755'-780'	25'	.444	

The best is, of course, the 70-foot interval 750'-820', averaging .208% MoS_2, with 5' and 25' intervals averaging 1.2% and .444%, respectively. The narrower zones are ore-grade, and the wider 70' zone is approaching economic grade.

The conclusion from this hole is that both molybdenum mineralization and hydrothermal alteration have increased with depth. These results certainly dictate that additional exploration must be done in this area.

Hole II-15

Since this hole was just completed, assays are not back, and a complete log will be turned in next month. A series of narrow quartz stringers with pyrite and molybdenite have been cut through-

out the hole. Two zones at 27'-29' and at 31' could either be the vein, but it is not clear which is correct. Regardless, the vein at this level is not near as strong as that 80' below in Hole II-3. Chloritic alteration is weak with these stringers.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

July 1, 1964

Telephone 363-3302

Hand Sample Serial [illegible]

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

W. C. WANLASS, President
L. G. HALL, Vice President
G. P. WILLIAMS, Treasurer
LILY M. HOTTINGER, Secretary
P. O. Box 1528
Salt Lake City 10, Utah

Mine [illegible] Creek Mining Co.
[illegible] S. Lipan Street
Denver, Colorado

RESULTS PER TON OF 2000 POUNDS

June 2, 194[illegible]

NUMBER	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent
Comp. #1 ([illegible]-651 to [illegible]-653)	Trace			0.006							
Comp. #2 ([illegible]-654 to [illegible]-659)	0.00[illegible]			None							
Comp. #3 ([illegible]-660 to [illegible]-665)	0.00[illegible]			0.006							
Comp. #4 ([illegible]-666 to [illegible]-672)	0.00[illegible]			None							

Remarks

Charges $ 16.00

W. C. Wanlass

Telephone 363-3302

Hand Sample Serial 16323-16326

Mine Bear Creek Mining Co.
1198 S. Lipan St.
Denver, Colorado

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

W. C. WANLASS, President
L. G. HALL, Vice President
G. P. WILLIAMS, Treasurer
LILY M. HOTTINGER, Secretary
P. O. Box 1528
Salt Lake City 10, Utah

RESULTS PER TON OF 2000 POUNDS

June 16, 1964

NUMBER	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent
										Mo	
P-673										0.001	
P-674										0.006	
P-677										0.002	
P-679										0.032	

Remarks Samples submitted by Kyo Metals

Charges $ 20.00

W. C. Wanlass

Telephone 363-3302

Hand Sample Serial 16260-16270

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

W. C. WANLASS, President
L. G. HALL, Vice President
G. P. WILLIAMS, Treasurer
LILY M. HOTTINGER, Secretary
P. O. Box 1528
Salt Lake City 10, Utah

Mine Bear Creek Mining Co.
1198 S. Lipan St.
Denver, Colorado

RESULTS PER TON OF 2000 POUNDS

June 15, 1964

NUMBER	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent
										Mo	
#P-675										0.018	
P-676										0.008	
P-678										0.008	

Remarks Samples Submitted By Nye Vehcle

Charges $ 15.00

W. C. Wanlass

Telephone EMpire 3-3302

Hand
Sample Serial 1540-1541

ASSAY REPORT
UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
W. C. WANLASS, Vice-Pres. & Treas.
LILY M. HOTTINGER, Secretary
P. O. Box 1528
Salt Lake City 10, Utah

Mine Bear Creek Mining Co.
1498 S. Lipan Street
Denver, Colorado

RESULTS PER TON OF 2000 POUNDS

June 3, 1964

NUMBER	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent	Per Cent
										Mo	
P-651										0.005	
P-652										0.004	
P-653										0.002	
P-654										0.001	
P-655										0.004	
P-656										None	
P-657										0.004	
P-658										0.004	
P-659										0.002	
P-660										0.102	
P-661										0.054	
P-662										0.058	
P-663										0.018	
P-664										0.070	
P-665										0.005	
P-666										0.009	
P-667										0.080	
P-668										0.116	
P-669										0.032	
P-670										0.065	
P-671										0.004	
P-672										0.001	

Remarks

$ 110.00

W. C. Wanlass

Telephone EMpire 3-3302

Hand Sample Serial 17257-17282

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
W. C. WANLASS, Vice-Pres. & Treas.
LILY M. HOTTINGER, Secretary
P. O. Box 1528
Salt Lake City 10, Utah

Mine Bear Creek Mining Co.
1498 S. Lipan St.
Denver, Colorado

RESULTS PER TON OF 2000 POUNDS

June 24, 1964

NUMBER	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	IRON Per Cent	LIME Per Cent	Per Cent Mo	Per Cent
P-680										0.058	
P-681										0.069	
P-682										0.033	
P-683										0.721	
P-684										0.373	
P-685										0.137	
P-686										0.022	
P-687										0.029	
P-688										0.014	
P-689										0.149	
P-690										0.025	
P-691										0.017	
P-692										0.037	
P-693										0.061	
P-694										0.005	
P-695										0.004	
P-696										0.004	
P-697										0.150	
P-698										0.012	
P-699										0.040	
P-700										0.014	
P-701										0.016	
P-702										0.012	
P-703										0.005	
P-704										0.006	
Comp. P-680 to P-704	0.010			0.018							

Remarks

Charges $ 129.00

W. C. Wanlass

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: June 30, 1964
ORDER NUMBER: 2-263
INVOICE NUMBER:
CONTRACT: Eye Apex - Surface
TERMS: as per contract
LOCATION: Apex Mine

Eye Metals, Inc.
Blackhawk, Colorado

Attn: Charles E. Kelbye

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
9-9	2X 592	634	42'	$ 4.60	$ 193.20
	3X 634	750	116'	4.20	487.20
	3X 750	944	194'	4.60	892.40
	Casing time		25 hrs.	8.50	212.50
	Cardboard Core Boxes		40 boxes	1.00	40.00
5-10	Overburden 0	20	20'	5.70	114.00
	2X 20	293	273'	4.60	1,255.80
	Casing time		2 hrs.	8.50	17.00
	Cardboard Core Boxes		33 boxes	1.00	33.00
				TOTAL	$3,245.10

Operator's expense

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: June 30, 1964
ORDER NUMBER: 2-267
INVOICE NUMBER:
CONTRACT: Eye Apex-Underground
TERMS: as per contract
LOCATION: Apex Mine

Eye Metals, Inc.
Blackhawk, Colorado

Attn: Charles E. Felbye

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
UG 15	NX 0	100	100'	$ 4.15	$ 415.00
II-15	Cardboard core boxes		10 boxes	1.00	10.00
				TOTAL	$ 425.00

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149 Stage II
Contract Amount $276,230.00
Gov't. Participation % 50 $138,115.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER For Month of MAY, 1964

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colo. or Room 1017, Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	-0-	$ 1,200.00	$ 1,200.00			
Drifting	-0-	92,072.00	92,072.00			
Crosscutting	-0-	5,559.00	5,559.00			
Drilling	$2,740.80	37,518.40	40,259.20			
Timbering	-0-	13,364.00	13,364.00			
X-cut, Drill Sta.	-0-	3,600.00	3,600.00			
Comp. Air	-0-	1,814.45	1,814.45			
xxxxxxxxxxxx Casing-Cementg.	-0-	2,550.00	2,550.00			
Outside Consultants						
xxxIncid. Allow	177.60	2,301.90	2,479.50			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	636.00	636.00			
Payroll Taxes						
Employee's Liability Ins.						
Core Boxes	24.00	876.00	900.00			
TOTALS	$2,942.40	161,491.75	164,434.15	2,942.40	161,491.75	164,434.15

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

Date May 6, 1964 *Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,471.20

Signature [signature]
(Authorized Certifying Officer)

Date 6/22/64 Vou. No. 1695-3

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connore Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connore Title Acting Field Officer Date 6-15-64

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of MAY, 1964 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149 Stage II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	0	2708	$92,072.00			
Crosscutting	Ft	0	163.5	5,559.00			
~~xxxx~~Surf.Dlg. NX	Ft	576	2470	11,362.00			
~~xxxx~~Surf.Dlg. DX	Ft	0	2404	9,616.00			
~~xxxx~~Surf.Dlg.Ovb.	Ft	16	92	524.40			
Other Underground Timber	Ft	0	1670.5	13,364.00			
Drilling, Core-Diamond NX 0-500	Ft	0	1144	4,747.60			
NX 500- ~~xxxx~~750	Ft	0	120	528.00			
Drilling, ~~Non~~-core-Diamond DX 0-500	Ft	0	1114	4,710.50			
DX 500-750 Rotary ~~xxx~~	Ft	0	674	2,729.70			
DX 750+ Churn ~~xxx~~	Ft	0	505	2,323.00			
AX P~~xxxxxx~~	Ft	0	715	3,718.00			
Miscellaneous Casg-Cem.	Hr	0	300	2,550.00			
X-cut,Drill Stns.	Ft	0	120	3,600.00			
Roads and Trails	Hr	0	80	1,200.00			
~~xxxx~~Incid.Allow.	Ft	592	8265	2,479.50			
~~xxxxx~~Comp. Air	Ft	0	3299	1,814.45			
~~xxxxx~~Core boxes	Ea	24	900	900.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				636.00			
TOTAL TO DATE *(per MME Form 60)*				$164,434.15			$164,434.15

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date May 6, 1964 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Lowrey

Title Acting Field Officer
Government Representative

Date 6-15-64

(INSTRUCTIONS ON REVERSE)

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - MAY, 1964

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 8149
Stage II

INTRODUCTION

The Nye Metals exploration program resumed on May 11th, after the winter recess of 4½ months. This was in accordance with the authorized recess which called for resumption of work by May 15th. Exploration completed during May is summarized in this report.

DESCRIPTION OF COMPLETED WORK

All exploration during May consisted of drilling. The drill site for Hole II-89 was excavated with the company bulldozer, but since the maximum allowable hours have been used up, this item is not included in the voucher.

Hole II-89

After completion of 16 feet of overburden drilling to collar the hole, drilling was carried NX size to the present depth of 592 feet and is continuing at that size. Drilling progress is very good, with some shifts getting as high as 60-68 feet. No cementing or casing time has been required. Core recovery has averaged 91.4% thus far. Bearing of the hole is S40°W at -45°.

GEOLOGY AND ASSAY RESULTS

Assays of the split core are being run by Union Assay Office, Inc., Salt Lake City, Utah and are being paid for by Bear Creek Mining Company.

Hole II-89

Inasmuch as the program has only been in progress for 2 weeks, there has been insufficient time to get assay results back. Therefore, a geologic-assay log will be submitted with the June

voucher or whenever the hole is finished during June, whichever is more desirable.

However, a brief description can be made of the geology encountered thus far. The hole was in quartz monzonite up to a major fault zone from 176-194 feet, beyond which are highly sheared and altered dacite porphyry dikes and more quartz monzonite. At 269 feet, a wide dacite porphyry dike was intersected, which continued to 427 feet, a width of 158 feet. The quartz monzonite in this hole is more porphyritic and, when altered, is often very difficult to distinguish from the dacite porphyry complex, which in this hole has a coarser-grained groundmass. At 592 feet, the hole is continuing in quartz monzonite with occasional dacite porphyry dikes.

Significant molybdenum mineralization has been noted from 205-240 feet and from 265-300 feet, with molybdenite readily visible from 210-225 feet and from 270-295 feet.

Alteration is very strong, with abundant sericite noted for the first time in any quantity in the Mountain Chief drilling, as well as strong chloritization and moderate quartz veining and secondary orthoclase. The rock is very vuggy from alteration. Oxidation is strong to about 210 feet. Disseminated specularite is again quite abundant, which, when finely disseminated, is difficult to distinguish from molybdenite. Occasional chalcopyrite can be seen. The entire zone from 176-430 feet is highly brecciated. The fault encountered at 176 feet projects quite well from the fault zone exposed in the cut above Hole II-34 and in Hole II-24. Alteration has diminished from 440 to the present depth of 592 feet.

Respectfully submitted,

Charles E. McElbye

Charles E. McElbye
Geological Engineer
Consultant to Nye Metals, Inc.

June 6, 1964

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: May 31, 1964
ORDER NUMBER: 2-263
INVOICE NUMBER:
CONTRACT: Nye-Apex 64-Surface
TERMS: as per contract
LOCATION: Apex, Colorado

Nye Metals, Inc.
Blackhawk, Colorado

Attn: Mr. Charles Melbye
Box 309,
Golden, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# S-9	Overburden 0	16	16'	$ 5.70	$ 91.20
	NX 16	592	576'	4.60	2,649.60
	Cardboard Core Boxes (NX size)		59 boxes	1.00	59.00
				Total	$2,799.80

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149 Stage II
Contract Amount $270,000.00
Gov't. Participation % 50 $ 135,125.00
Mineral(s) Polymetals

OPERATOR'S MONTHLY VOUCHER

For Month of December, 1963

Operator's Name Rye Patch, Inc.
Address Winnemucca, Nevada or Box 1017, Winnemucca
[illegible], Winnemucca, Nevada

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	-0-	$ 1,200.00	$ 1,200.00			
Drifting	-0-	92,072.00	92,072.00			
Crosscutting	-0-	2,[illegible]	2,[illegible]			
Drilling	8372.00	37,120.40	37,[illegible]			
[illegible]	-0-	13,[illegible]	13,[illegible]			
[illegible]	-0-	3,600.00	3,600.00			
[illegible]	-0-	1,814.45	1,814.45			
(2) Personal Services:						
Supervision & Technical	-0-	2,990.00	2,990.00			
Outside Consultants						
Labor	29.40	2,272.00	2,301.00			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-0-	636.00	636.00			
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.	90.00	822.00	876.00			
TOTALS	$475.40	$161,016.35	$161,491.75	475.40	161,016.35	161,491.75

I certify that the above bill is correct and just and that payment therefor has not been received. Dec. 31, 1963 Rye Patch, Inc.

Date _____ *Payee _____

Per Robert E. Rye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 237.70

Signature OAS
(Authorized Certifying Officer)

Date 2/2/64 Vou. No. 1011-5

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 3149

Signature Hugh M. Emmons Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Emmons Title Acting Field Officer Date 1-22-64

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of December, 1963 Docket No. 6231

Operator's Name Rye Metals, Inc. Contract No. 14-23-090-2149 Stage II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	0	2708	$92,072.00			
Crosscutting	Ft	0	163.5	5,999.00			
Raising	Ft	0	1894	8,712.40			
Shafts	Ft	98	2494	9,616.00			
Winzes	Ft	0	76	433.20			
Other Underground	Ft	0	1670.5	13,364.00			
Drilling, Core-Diamond	Ft	0	1144	4,747.60			
Rotary	Ft	0	120	988.00			
Drilling, Non-core-Diamond	Ft	0	1114	6,710.50			
Rotary	Ft	0	674	2,729.70			
Churn	Ft	0	505	2,323.00			
Percussion	Ft	0	715	3,710.00			
Miscellaneous	Hr	0	500	2,550.00			
	Ft	0	120	3,000.00			
Roads and Trails	Hr	0	60	1,200.00			
Stripping	Ft	98	7673	2,304.90			
Trenching	Ft	0	3600	1,819.40			
Test Pitting	Ea	54	670	876.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				636.00			
TOTAL TO DATE *(per MME Form 60)*				$161,491.75			$161,491.75

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Jan. 20, 1964 Operator Rye Metals, Inc.

Per Robert E. Rye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature

Title
Government Representative

Date

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - DECEMBER, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for December, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Core drilling was continued at the Nye Metals property during December but was considerably hampered again by freezing equipment, internal Boyles Bros. labor troubles, and by badly fractured and caving ground which necessitated cementing many times. Because of the continuing slow progress due largely to the winter weather, the request to recess the program until spring was submitted on December 20th. Therefore, this December voucher will be the last one submitted until work resumes again, as all billable items under the contract to date have been included.

Hole II-58

The hole was stopped at 570 feet for a total of only 98 feet this month, the principal reasons for this small total being stated in the preceeding paragraph. Cementing time this month was 49 hours, making a very high total for the hole of 107 hours. This amount was consumed in getting through a 20-foot zone from 460'-480'. The caving then caused the casing to stick, requiring 27 hours to pull the casing. None of this time is billed in the voucher as the 300-hour total has been used. It is hoped that more casing-cementing time can be allowed on future drilling, as this one hole used 166 hours or over half the allowable hours. This trouble is not an isolated case but has occurred a number of times in the Nye Metals drilling program.

In spite of the trouble, core recovery averaged a respectable 92.7%.

BX core size was used from 188 feet to the bottom. Bearing of the hole was Due East at an angle of -50°.

GEOLOGY AND ASSAY RESULTS

Assays of the split cores and a few sludges were again run by American Metal Climax, Inc. and Duval Corporation at no cost to the Operator.

Hole II-85

A few additional assays were received on the interval from 250'-280'. These are Nos. P-534 thru P-539 on the accompanying assay list from American Metal Climax.

Hole II-87

Additional assays were received on adjacent intervals to those reported last month. These were disappointing in that they did not extend the zones of significant mineralization over .1%. The previous 20-foot zone from 190'-210' averaged .146% MoS_2, and the interval 70'-80' assayed .100% MoS_2. Assays showed mineralization to extend to 240 feet, but none of these ran over .1% MoS_2. A finely disseminated mineral abundantly found throughout this zone and extending to 375 feet was thought to be partly molybdenite but apparently is largely specularite. An increase in specularite in other holes has usually brought a corresponding increase in molybdenite content.

Hole II-88

Purpose of Hole II-88 was to test at depth the same mineralized fault zone found in Hole II-82. Therefore, the hole was located 185 feet west and at a -50° angle. A wide highly faulted zone along the quartz monzonite-dacite porphyry contact was cut from 70'-142'. This showed considerable alterqtion to yellow-brown jarosite and clay minerals similar to the fault in Hole II-82, but this can hardly be the same since the dip would have to be less than 30°. Steep faults are nearly always the rule at the Nye property. On the other hand, significant molybdenum mineralization was encountered from 265'-405' but was not in a highly faulted zone, although brecciation occurred throughout. Rock type was predominantly dacite porphyry with a number of quartz monzonite inclusions. Chalcopyrite was visible at many spots, and specularite and magnetite content was over 5%.

Although molybdenite could be seen at many places in the cores, assays of 5-foot intervals did not exceed .1% MoS_2. The interval from 270'-295' averaged .062% MoS_2, and a deeper zone from 360'-405'

showed a number of assays above .05%. Comparable grades to that in Hole II-S2, 300 feet above, were not found.

The conclusion from this is that further exploration of this anomalous zone extending SW from the Mountain Chief mine should be confined to near the mine. Degree of brecciation and alteration over wide areas is stronger near the old workings. Major faults also intersect which seems to be an important criteria.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

January 20, 1964

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: December 31, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Nye-Apex
TERMS: as per contract
LOCATION: Apex, Colorado (Surface)

Nye Metals, Inc.
Blackhawk, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
S-8	BX 472	500	28'	$ 4.00	$ 112.00
	BX 500	570	70'	4.20	294.00
	Casing time		27 hrs.	8.50	229.50
	Cement time		49 hrs.	8.50	416.50
	Lumnite		1 sk.	7.20	7.20
	Portland		3 sks.	1.55	4.65
	Core Boxes		54 boxes	1.00	54.00
				TOTAL	$1,117.85

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2	Sample No.	% MoS_2
P-534	.023	P-612	.018
P-535	.017	P-613	.012
P-536	.027	P-614	.030
P-537	.022	P-615	.023
P-538	.017	P-616	.017
P-539	.013	P-617	.008
P-540	.015	P-618	.023
P-541	.012	P-619	.008
P-542	.025	P-620	.015
P-543	.025	P-621	.008
P-544	.027	P-622	.008
P-545	.017		
P-546	.018		
P-547	.045		
P-548	.012		
P-549	.080		
P-550	.017		
P-551	.027		
P-585	.010		
P-586	.022		
P-587	.012		
P-588	.023		
P-589	.013		
P-590	.015		
P-591	.013		
P-592	.015		
P-593	.003		
P-594	.042		
P-595	.002		
P-596	.017		
P-597	.003		
P-598	.008		
P-599	.002		
P-600	.008		
P-601	.008		
P-602	.007		
P-603	.022		
P-604	.015		
P-605	.018		
P-606	.007		
P-607	.028		
P-608	.005		
P-609	.017		
P-610	.012		
P-611	.013		

DUVAL CORPORATION

COPPER DIVISION - ESPERANZA PROPERTY

SAHUARITA, ARIZONA

ASSAY REPORT

SAMPLE NO.	% TOTAL Cu.	% MoS_2	COMPOSITE Au.	COMPOSITE Ag.
P - 552	ALL LESS THAN .01	.010		
553		.005		
554		.006		
555		.006		
556		.001		
557		.040	Trace	Nil
558		.052		
559		.071		
560		.097		
561		.022		
562		.068		
563		.023		
564		.038		
565		.050		
566		.003		
567		.012		
568		.025		
569		.021		
570		.020		

A.E.B.

DUVAL CORPORATION

COPPER DIVISION - ESPERANZA PROPERITY

SAHUARITA, ARIZONA

SA'PLE NO.	% TOTAL CU.	% MoS_2
P - 571		.020
572		.025
573	ALL LESS THAN .01	.012
574		.016
575		.031
576		.055
577		.016
578		.035
579		.076
580		.048
581		.045
582		.030
583		.050
584		.056

A. E. B.

ESPERANZA COPPER DIVISION

CERTIFICATE OF ASSAY

December 20, 1963

Special for Geol. Dept.

BEAKER NOS.	MARKS, ETC.	SAMPLE GMS.	Mo		Mo S2 Calc.			
	Pre K-181		.043		.071			
	Corpo (Bal. of Box)		.025		.041			

FORM 311 O.S.

OME
DEPARTMENT OF THE INTERIOR

MME FORM 60
SEPT. 1959

DEC 13 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

C 3 0 1963

Docket No. 6231
Contract No. 14-23-090-2149 Stage II
Contract Amount $276,230.00
Gov't. Participation %50 $138,115.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of November, 1963

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or Room 1017, Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	-0-	$ 1,200.00	$ 1,200.00			
Drifting	-0-	92,072.00	92,072.00			
Crosscutting	-0-	5,559.00	5,559.00			
Drilling	$2,091.80	35,034.60	37,126.40			
Timbering	-0-	13,364.00	13,364.00			
X-cut, drill stae	-0-	3,600.00	3,600.00			
(2 Comp.Air	-0-	1,814.45	1,814.45			
	-0-	2,550.00	2,550.00			
Casing & Cementing						
Outside Consultants						
Incid.Allow.	147.60	2,124.90	2,272.50			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	636.00	636.00			
Payroll Taxes						
Employee's Liability Ins.						
Core boxes	46.00	776.00	822.00			
TOTALS	$2,285.40	$158,730.95	$161,016.35	2,285.40	158,730.95	161,016.35

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

Date Dec. 10, 1963 * Payee Nye Metals, Inc.

Per Robert G. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,142-70

Signature BAB
(Authorized Certifying Officer)

Date 12/18/63 Vou. No. 843-5

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 12-13-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

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SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of November, 1963 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149 Stage II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	0	2708	$92,072.00			
Crosscutting	Ft	0	163.5	5,559.00			
~~Raising~~ Surf. Drlg. NX	Ft	178	1894	8,712.40			
~~Shafts~~ Surf. Drlg. BX	Ft	304	2306	9,224.00			
~~Winzes~~ Surf. Drlg. Ovbd.	Ft	10	76	433.20			
Other Underground Timber	Ft	0	1670.5	13,364.00			
Drilling, Core-Diamond NX 0-500	Ft	0	1144	4,747.60			
NX 500- ~~Rotary~~ 750	Ft	0	120	528.00			
Drilling ~~Core~~-Diamond BX 0-500	Ft	0	1114	4,710.50			
BX 500-750 ~~Rotary~~	Ft	0	674	2,729.70			
BX 750+ ~~Churn~~	Ft	0	505	2,323.00			
AX ~~Percussion~~	Ft	0	715	3,718.00			
Miscellaneous Geog-Cement	Hr	0	300	2,550.00			
X-cut, drill stas.	Ft	0	120	3.600.00			
Roads and Trails	Hr	0	80	1,200.00			
~~Shaft~~ Incid. Allow.	Ft	492	7575	2,272.50			
~~Trenching~~ Comp. Air	Ft	0	3299	1,814.45			
~~Test Pitting~~ Core boxes	Ea	46	822	822.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				636.00			
TOTAL TO DATE *(per MME Form 60)*				$161,016.35			$161,016.35

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 Dec. 10, 1963 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Lemmons

Title Acting Field Officer
Government Representative

Date 12-13-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - NOVEMBER. 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for November, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Core drilling comprised the entire exploration program under the OME contract at the Nye Metals property in November. However, considerable geological-geophysical work and bulldozing was completed at the Operator's expense. Total advance was only 492 feet which was due to a number of troubles, including freezing waterlines, repairs to vehicles and equipment, and during the last week very difficult drilling which required a total of 58 hours cementing. The change has now been made from pumping water from a pond to hauling water by truck and this should alleviate that trouble.

Hole II-87

An additional 20 feet was drilled to its total depth of 601 feet. Bearing was S60°E and the angle -45°. Core recovery averaged 86.2%. The hole was carried NX size to 194 feet and BX size on the balance. This hole was drilled without much trouble and only 4 hours of cementing time was needed. Since the 300 allowable hours of casing and cementing time is used up, no billing for this category is included in this voucher.

Hole II-88

This hole is in progress at 472 feet but has been about at that depth for over a week. A total of 58 hours cementing time has been billed by Boyles Bros. and there will be additional in December. Casing time has taken another 32 hours. NX core size was used to 188 feet.

GEOLOGY AND ASSAY RESULTS

Assays this month were again run by American Metal Climax, Inc. and Duval Corporation at no cost to the Operator.

Hole II-S2

Assays have been received on a test section, 100 feet wide, from the zone near the bottom of the hole which contained 5-10% disseminated pyrite and magnetite with some chalcopyrite and molybdenite. Assays were all low except for a 5-foot zone at 500'-505' which ran .215% MoS_2. The few copper, gold, and silver assays run were all very low. These assays are included as a page in this report rather than submitting an entire new log.

Hole II-S5

The assays from a 110-foot section in the Indiana fault zone were disappointing. Although molybdenite was not visibly abundant, there was considerable jarosite and limonite which was suspected to carry oxide Mo, judging from the case in other holes. However, this was not the case in Hole II-S5. Apparently the iron oxides were derived principally from the disseminated specularite which was very abundant.

Hole II-S6

As mentioned last month, visual logging of this hole did not indicate unusual amounts of disseminated molybdenite, and the assays bore out this conclusion. Alteration and brecciation were generally less intense and therefore the rock at this location was not sufficiently favorable for molybdenite deposition.

Hole II-S7

The geology of this hole was different in that wide aplite dikes were intersected from 66'-212' and another at 318'-322. These are typical light-gray, fine-grained, sugary aplites with occasional small feldspar phenocrysts nearly obliterated by later silicification. They are occasionally vuggy and often brecciated with specularite and molybdenite in the fractures. Pyrite content was noticeably slight. The breccia zone encompassed the aplite zone and extended from 35'-370', and all rock types in this zone, aplite, dacite porphyry, and quartz monzonite, showed intense silica flooding and secondary orthoclase with moderate argillization and possible sericitization. The best molybdenite mineralization occurred in the aplite from 190'-210', which averages .121% MoS_2. This zone, with comparable mineralization appears to extend to 370 feet, but the balance of the assays are not complete. This gives a substantial potential width of 180

feet. The interval at 70'-75' ran .112% MoS_2, and a few additional samples will be taken above 70 feet. The latter part of this 180-foot zone showed the same intense chloritization as in Hole II-S4 together with silica and molybdenite cementing breccia fragments. The last 100 feet was in quartz monzonite which was less altered and mineralized, hence the hole was stopped at 601 feet.

Hole II-S8

This hole is still in progress and a complete discussion together with a drill log will be submitted next month. The last 200 feet has showed unusual amounts of disseminated molybdenite with some chalcopyrite, and a large number of assays are being run.

Magnetic and Geologicall Work

The magnetic survey has been completed and maps and interpretations of this survey, together with a complete review of results will soon be submitted to illustrate the favorable potential ore targets yet to be explored. A long bulldozer cut has been completed at the Operator's expense along the west side of the Mountain Chief area and this furnishes considerable new geological information.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye, Geological E.
Consultant to Nye Metals, Inc.

Hole II-S2- Continued

No.	Depth	% Core	% MoS_2	% Cu	Oz Au	Oz Ag
P-446	500-505	67	.215	.01	Tr	Tr
P-447	505-510	67	.085	.01		
P-448	510-515	74	.030			
P-449	515-520	100	.033	.01		
P-450	520-525	96	.007			
P-451	525-530	91	.010			
P-452	530-535	93	.018			
P-453	535-540	100	.015			
P-454	540-545	100	.010			
P-455	545-550	100	.005			
P-456	550-555	100	.027	.01		
P-457	555-560	100	.010			
P-458	560-565	100	.008			
P-459	565-570	100	.003			
P-460	570-575	100	.023			
P-461	575-580	100	.007			
P-462	580-585	100	.023			
P-463	585-590	100	.010			
P-464	590-595	100	.023			
P-465	595-600	100	.013			

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: November 30, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Nye-Apex
TERMS: as per contract
LOCATION: Apex, Colorado (Surface)

Nye Metals, Inc.
Blackhawk, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
S-7	BX 581	601	20'	$ 4.20	$ 84.00
	Casing time		9 hrs.	8.50	76.50
S-8	NC 0	10	10'	5.70	57.00
	NX 10	188	178'	4.60	818.80
	BX 188	472	284'	4.00	1,136.00
	Casing time		32 hrs.	8.50	272.00
	Cement time		58 hrs.	8.50	493.00
	Cal Seal		6 sks.	10.70	64.20
	Lumnite Cement		3 sks.	7.20	21.60
	Core Boxes		46 boxes	1.00	46.00
				TOTAL	$3,069.10

Assays by American Metal Climax, Inc.

No.	% MoS_2
P-466	.112
P-467	.087
P-468	.047
P-469	.057
P-470	.085
P-471	.023
P-472	.023
P-473	.013
P-474	.012
P-475	.025
P-476	.022
P-477	.018
P-478	.025
P-479	.013
P-480	.010
P-481	.083
P-482	.015
P-483	.018
P-484	.047
P-485	.080
P-486	.052
P-487	.080
P-488	.085
P-489	.010
P-490	.100
P-491	.185
P-492	.092
P-493	.108

FORM #316

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

ASSAY REPORT

NNE Metals			% Mo.	Calculated % MoS2	Ag.	Au.
	SAMPLE NO.	**HOLE NO.**	**% TOTAL CU**	**% ACID SOL. CU**	**% MO.**	**REMARKS**
1	P - 441		.01	.025	.042	
2	442			.005	.008	
3	443			.017	.028	
4	444			.017	.028	
5	445			.011	.018	
6	446		.01	.129	.215	Trace Trace
7	447		.01	.051	.085	
8	448			.018	.030	
9	449		.01	.020	.033	
10	450			.004	.007	
11	451			.006	.010	
12	452			.011	.018	
13	453			.009	.015	
14	454			.006	.010	
15	455			.003	.005	
16	456		.01	.016	.027	
17	457			.006	.010	
18	458			.005	.008	
19	459			.002	.003	
20	460			.014	.023	
21	461			.004	.007	
22	462			.014	.023	
23	463			.006	.010	
24	464			.014	.023	
25	465			.008	.013	
26						
27						
28						
29						
30						

CHEMIST [signature] DATE 12/5/63

Copies: Engineering Office, Pit Office, Assay Office

FORM #316

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

ASSAY REPORT

	NYE Metals SAMPLE NO.	HOLE NO.	% TOTAL CU	% Mo. % ACID SOL CU	Calculated % MoS_2 % MO	REMARKS
1	P - 494			.001	.002	
2	495			.015	.025	
3	496			.006	.011	
4	497			.025	.041	
5	498			.005	.009	
6	499			.011	.018	
7	500			.002	.003	
8	501			.003	.005	
9	502			.001	.001	
10	503			.004	.006	
11	504			.003	.006	
12	505			.006	.011	
13	506			.002	.003	
14	507			Trace	Trace	
15	508			.021	.035	
16	509			.017	.028	
17	510			.027	.045	
18	511			.034	.057	
19	512			.013	.022	
20	513			.015	.024	
21	514			.017	.029	
22	515			.016	.026	
23	516			.002	.003	
24	517			.004	.007	
25	518			.021	.035	
26	519			.022	.037	
27	520			.007	.012	
28	521			.009	.015	
29	522			.013	.022	
30	523			.009	.015	

CHEMIST [illegible] DATE 12/5/63

Copies: Engineering Office, Pit Office, Assay Office

FORM #316

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

ASSAY REPORT

	NVE Metals			% Mo.	Calculated % MoS2	
	SAMPLE NO.	HOLE NO.	% TOTAL CU	% ASCU	% MO	REMARKS
1	P - 524			.003	.004	
2	525			.017	.029	
3	526			.003	.005	
4	527			.007	.012	
5	528			.003	.005	
6	529			.024	.040	
7	530			.023	.039	
8	531			.002	.003	
9	532			.001	.001	
10	533			.005	.008	
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CHEMIST [illegible] DATE 12/5/63

Copies: Engineering Office, Pit Office, Assay Office

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-249 Stage II
Contract Amount $ [illegible]
Gov't. Participation % $ 90 [illegible]
Mineral(s) Poly

OPERATOR'S MONTHLY VOUCHER

For Month of October, 1963

Operator's Name Dyo Petro, Inc.
Address [illegible]

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	$ 166.00	1,034.00	$ 1,200.00			
Drifting	-0-	[illegible]	[illegible]			
Crosscutting	494.00	[illegible]	[illegible]			
Drilling	-0-	[illegible]	[illegible]			
[illegible]	-0-	[illegible]	[illegible]			
[illegible]	-0-	[illegible]	2,814.45			
(2) Personal Services:						
Supervision & Technical	-0-	2,590.00	2,590.00			
Outside Consultants	315.60	[illegible]	2,124.90			
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-0-	656.00	656.00			
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.	176.00	[illegible]	176.00			
TOTALS	$ 5,151.40	153,579.55	$ 158,730.95	$ 5,151.40	153,579.55	158,730.95

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

Date _____ *Payee Dyo Petro, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2,575.70

Signature BAB
(Authorized Certifying Officer)

Date 12/18/63 Vou. No. 8436

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 12-2-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

DEC 9 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of October, 1963 Docket No. 6232

Operator's Name Eyo Metals, Inc. Contract No. 14-23-090-2140 Order 11

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	0	2203	$ 92,072.00			
Crosscutting	ft	0	163.5	5,500.00			
Raising	ft	627	1716	7,003.69			
Shafts	ft	677	2232	6,000.00			
Winzes	ft	18	86	550.00			
Other Underground Timber	ft	0	1670.5	23,350.00			
Drilling, Core-Diamond 0-500	ft	0	1140	6,757.60			
500-750 Rotary	ft	0	150	920.00			
Drilling, Non-core-Diamond 0-500	ft	0	1110	6,710.50			
500-750 Rotary	ft	0	674	2,750.70			
750- Chum	ft	0	505	2,323.00			
Percussion	ft	0	719	3,735.00			
Miscellaneous Cont.-Const.	ft	0	350	2,950.00			
Pool, Drills etc.	ft	0	150	2,600.00			
Roads and Trails	mi	11	60	2,300.00			
Stripping	ft	1052	2083	2,124.90			
Trenching	ft	0	299	1,814.45			
Test Pitting	ft	150	275	275.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				535.00			
TOTAL TO DATE *(per MME Form 60)*				158,730.95			$ 158,730.95

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Nov. 7, 1963 Operator Eyo Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 12-12-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - OCTOBER, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for October, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

All exploration work this month has consisted of core drilling. Total footage was 1052 feet, which was the best thus far considering that the crews were off for the first week of deer season. Daily advance averaged nearly 50 feet.

Hole II-86

This hole was started before II-85 and was therefore completed early in the month to the total depth of 577 feet, or a total footage in October of 123 feet. Drilling was relatively good as a total of only 7 hours cementing time was needed in addition to the normal casing when NX size is reduced to BX, in this case a total of 15 hours for placing and removing casing. Core recovery averaged 92.0%. NX size was carried to 281 feet and BX size to the total depth.

Hole II-85

Drilling of this hole also progressed reasonably well as cementing and casing time totaled 20 hours. Total depth was 348 feet. The bearing was at S7°W and at a -55° angle. The hole was carried NX size to 251 feet and BX to the bottom. Core recovery averaged 93.1%.

Hole II-87

This hole is in progress at 581 feet and is expected to be bottomed in the next day or two. Therefore, the pertinent data as well as drill log will be furnished with the November report. Location is roughly 400 feet W of Hole II-86, bearing is S60°E, and the angle -45°.

In accordance with notification from the Washington OME officem we are informed that the 600 core boxes are not a maximum, and the excess of 76 boxes in September plus the 100 this month are all included in this voucher.

GEOLOGY AND ASSAY RESULTS

Assays are again being run by American Metal Climax, Inc. and Duval Corporation at no cost to the Operator.

Hole II-82

Assays are finally completed on the upper molybdenite zone in this hole and are shown on the assay log. Substantial widths of disseminated molybdenum values are quite interesting, especially since they are near surface.

Depth	Width	% MoS_2
40'- 70'	30'	.106
120'-270'	150'	.111
120'-265'	45'	.154

These values were found in the middle of the breccia zone and both in the dacite porphyry and quartz monzonite, with the higher-grade values in the dacite. A trial run of samples is being assayed from 100 feet of the lower zone of chalcopyrite-pyrite- magnetite mineralization and will be reported next month.

Hole II-84

The colored log was included last month but assays are now completed and are shown on a copy of the log with this report. Assay results are the most encouraging thus far in the program and are averaged as follows for the different widths:

Depth	Width	% MoS_2
465'-640'	175'	.108
465'-565'	100'	.152
500'-560'	60'	.197
520'-530'	10'	.498

These assay widths definitely indicate the possibility of an economic large disseminated molybdenite deposit. Principal values occur both in the dacite porphyry and in the intruded quartz monzonite, although slightly better values are in the dacite where the intense brecciation, chloritization, and secondary orthoclase and silica are found.

It does not appear to be along any major fault although certainly in an intense breccia zone probably associated with the major northwest faulting. No other holes have penetrated this zone, as Hole II-85 was located specifically to test the northeast Indiana vein structure.

Hole II-85

As mentioned above, the purpose was to test the projected Indiana vein structure from the underground workings and visible in the bulldozer cut directly above. The Indiana structure is definitely present but has changed from a well-defined quartz vein as seen underground to a wider zone of disseminated mineralization with only small quartz veinlets. A fair amount of molybdenite could be seen over an apparent width of 112 feet. In addition, there was considerable limonite and jarosite to a vertical depth of about 200 feet, which is suspected to contain some ferri-molybdite. Thin aplite stringers were present, consisting of a pink fine-grained material with tiny feldspar phenocrysts. Strong brecciation could be seen throughout most of the hole with the most intense gouge, brecciation, and molybdenite mineralization centered in the Indiana fault zone over a true width of 85 feet. The same intense chloritization associated with the feldspathization and silicification, as seen in Hole II-84, was logged over two wide zones. Disseminated specularite was abundant, but pyrite content was less than normal.

Hole II-86

Only two narrow dacite porphyry dikes were cut, and this seems to explain the considerable decrease in molybdenum mineralization. A strong fault zone was cut at 120 feet, which could be the same as that in Hole II-82, although very little oxidation products such as jarosite are present, the molybdenite content was less, and brecciation was weaker. The Pre-Cambrian quartz-biotite gneiss was cut at 58 535 feet, but numerous gneiss inclusions were found in the previous 100 feet. The same high pyrite content, as in the lower part of II-82, was present in the bottom 340 feet. It usually averaged 5-10% but was 15-20% in certain sections, but it too died out near the bottom of the hole. Specularite was more abundant than magnetite, and chalcopyrite was sparsely distributed. Molybdenite content was low, indicating again the different ages of each mineralization.

Geological Mapping

A revised geologic map of the Mountain Chief area is included with this report. All the drill holes are shown, as well as our present interpretation of the extent of rock types and brecciation. A magnetic survey will be run next week, which should aid considerably in an interpretation of the geology under the extensive alluvial cover.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: October 31, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Nye Apex-Surface
TERMS: as per contract
LOCATION: Apex, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
S-6	BX 454	500	46'	$ 4.00	$ 184.00
	BX 500	577	77'	4.20	323.40
	Casing time		8 hrs.	8.50	68.00
	Core Boxes		12	1.00	12.00
S-5	NC 0	9	9'	5.70	51.30
	NX 9	251	242'	4.60	1,113.20
	BX 251	348	97'	4.00	388.00
	Casing time		20 hrs.	8.50	170.00
	Core Boxes		37	1.00	37.00
	Lumnite		1 sk.	7.20	7.20
	Portland		3½ sks.	1.55	5.42
S-7	NC 0	9	9'	5.70	51.30
	NX 9	194	185'	4.60	851.00
	BX 194	500	306'	4.00	1,224.00
	BX 500	581	81'	4.20	340.20
	Casing and reaming time		21 hrs.	8.50	178.50
	Core Boxes		51	1.00	51.00
	Cement time		4 hrs.	8.50	34.00
	Lumnite		3 sks.	7.20	21.60
	Cal Seal		1 sk.	10.70	10.70
	Portland		1 sk.	1.55	1.55
				TOTAL	$ 5,123.37

FORM #316

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

ASSAY REPORT

NVE

	SAMPLE NO.	HOLE NO.	% TOTAL CU	% ~~A-S CU~~ % Mo	% MO S_2 Calculated	Ag	REMARKS	Au
1	NVE P-317			.021	.035			
2	318			.091	.152			
3	319			.057	.095			
4	320			.050	.083			
5	321			.072	.120	nil		nil
6	322			.053	.088			
7	323			.060	.100			
8	324			.038	.063			
9	325			.008	.013			
10	326			.053	.088			
11	327			.015	.025			
12	328			.045	.075			
13	329			.018	.030			
14	330			.019	.032			
15	331			.007	.011			
16	332			.030	.050			
17	333			.021	.035			
18	334			.086	.143			
19	335			.229	.382			
20	336			.089	.148			
21	337			.065	.108			
22	338			.062	.103			
23	339			.009	.015	nil		nil
24	340			.060	.100			
25	341			.116	.194			
26	342			.114	.190			
27								
28								
29								
30								

CHEMIST F. M. Tindell

DATE 10/4/63

Copies: Engineering Office, Pit Office, Assay Office

FORM #316

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

ASSAY REPORT

NYE — Calculated

	SAMPLE NO.	HOLE NO.	% TOTAL CU	% ~~ASTY~~ AS CU	% MO	Ag	~~xxxxxxxx~~ REMARKS	Au
1	NYE F-343			.005	.008			
2	344			.012	.020			
3	345			.066	.110			
4	346			.036	.060	nil		nil
5	347			.097	.162			
6	348			.049	.082			
7	349			.067	.112			
8	350			.056	.093			
9	351			.051	.085			
10	352			.022	.036			
11	353			.012	.020			
12	354			.012	.020	nil		nil
13	355			.069	.115			
14	356			.004	.007			
15	357			.218	.364			
16	358			.075	.125			
17	359			.050	.083	nil		nil
18	360			.043	.072			
19	361			.071	.118			
20	362			.055	.092			
21	363			.103	.172			
22								
23								
24								
25								
26								
27								
28								
29								
30								

CHEMIST F. M. Tindell DATE 10/3/63

Copies: Engineering Office, Pit Office, Assay Office

FORM #316

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

ASSAY REPORT

MX % Mo Calculated

	SAMPLE NO.	HOLE NO.	% TOTAL CU	% ASCU	% MoS_2	Ag	REMARKS	Au
1	MX P-364		Sample Less Than .01% Cu	.030	.050			
2	365			.022	.038			
3	366			.074	.129			
4	367			.044	.073			
5	368			.008	.013			
6	369			.028	.047			
7	370			.037	.062			
8	371			.147	.245			
9	372			.048	.080		nil	Trace
10	373			.049	.082			
11	374			.045	.080			
12	375			.014	.023			
13	376			.053	.088			
14	377			.007	.011			
15	378			.008	.013			
16	379			.001	.002			
17	380			nil	nil			
18								
19								
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27								
28								
29								
30								

CHEMIST F. M. Tindall DATE 10/3/63

Copies: Engineering Office, Pit Office, Assay Office

Assays by American Metal Climax, Inc.

Sample	% Tot. Mo	% MoS_2
P-381	.027	.045
P-382	.024	.040
P-383	.033	.055
P-384	.080	.133
P-385	.032	.053
P-386	.061	.102
P-387	.073	.122
P-388	.064	.107
P-389	.004	/007
P-390	.004	.007
P-391	.013	.022
P-392	.038	.063
P-393	.170	.284
P-395	.031	.052
P-396	.033	.055
P-397	.004	.007
P-398	.038	.063
P-399	.042	.070
P-400	.014	.023
P-401	.004	.007
P-402	.013	.022
P-403	.006	.010
P-404	.024	.040
P-405	.038	.063
P-406	.019	.032
P-407	.032	.053
P-408	.004	.007
P-409	.025	.042
P-410	.025	.042
P-411	.014	.023
P-412	.043	.072
P-413	.027	.045
P-414	.026	.043
P-415	.066	.110
P-416	.052	.087
P-417	.061	.102
P-418	.055	.092
P-419	.056	.093
P-420	.054	.090
P-421	.032	.053
P-422	.061	.102
P-423	.075	.125
P-424	.087	.145
P-425	.098	.163
P-426	.278	.464
P-427	.319	.532
P-428	.052	.087

Sample	% Tot. Mo	% MoS_2
P-429	.057	.095
P-430	.061	.102
P-431	.114	.190
P-432	.094	.157
P-433	.120	.200
P-434	/030	.050
P-435	.007	.012
P-436	.011	.018
P-437	.007	.012
P-438	.003	.005
P-439	.003	.005
P-440	.002	.003
P-441	.004	.007

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. [illegible]
Contract No.
14-23-090- [illegible] Stage II
Contract Amount $ [illegible]
Gov't. Participation [illegible] $ [illegible]
Mineral(s) [illegible]

OPERATOR'S MONTHLY VOUCHER

For Month of [illegible], 1963

Operator's Name [illegible], Inc.
Address [illegible], Colorado or Zone VII, [illegible] Bank
[illegible], Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	60.00	975.00	1,035.00			
Drifting	-0-	28,072.00	28,072.00			
Crosscutting	-0-	3,500.00	3,500.00			
Drilling	4,079.20	25,400.00	29,479.20			
[illegible]	-0-	13,300.00	13,300.00			
[illegible]	-0-	3,500.00	3,500.00			
[illegible]	-0.75	1,090.20	1,616.45			
(2) Personal Services:	-0-	2,950.00	2,950.00			
Supervision & Technical						
Outside Consultants						
[illegible] Labor	[illegible]	[illegible]	[illegible]			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	6.00	630.00	636.00			
Analytical Work						
Payroll Taxes						
Employer's Liability Ins.	22.00	578.00	600.00			
TOTALS	[illegible]	[illegible]	[illegible]	5,072.45	148,507.10	153,579.55

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

Date [illegible], 1963 *Payee [illegible], Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2,536.77

Signature BHB
(Authorized Certifying Officer)

Date 12/18/63 Vou. No. 843-7

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Simons Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Simons Title Acting Field Officer Date 10-8-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)"; followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

DEC 30 1963

800

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of [illegible] Docket No. [illegible]

Operator's Name [illegible] Contract No. 14-23-090- [illegible]

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	0	270	$ 92,072.00			
Crosscutting	ft	0	163.5	[illegible]			
Raising	ft	971	1200	[illegible]			
Shafts	ft	600	1325	[illegible]			
Winzes	ft	23	60	273.00			
Other Underground	ft	0	1570.9	13,354.00			
Drilling, Core-Diamond	ft	0	1146	[illegible]			
Rotary	ft	0	100	[illegible]			
Drilling, Non-core-Diamond	ft	0	1116	[illegible]			
Rotary	ft	0	674	[illegible]			
Percussion	ft	-45	559	[illegible]			
Miscellaneous	ft	0	910	[illegible]			
	ft	0	320	[illegible]			
	ft	0	120	[illegible]			
Roads and Trails	ft	4	69	[illegible]			
Stripping	ft	2100	6031	[illegible]			
Trenching	ft	-40	2050	[illegible]			
Test Pitting	ft	22	600	[illegible]			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				[illegible]			
TOTAL TO DATE *(per MME Form 60)*				193,579.59			$ 153,579.55

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 October 7, 1963 Operator [illegible]

Per Robert E. Nye Title [illegible]

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 10-08-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - SEPTEMBER, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Underground Work

No underground work has been completed during the past month other than some timber maintenance.

Core Drilling

Hole II-84 was drilled and completed to a depth of 691 feet. Angle of the hole was -45° and the bearing at S22°W. Casing time was 51 hours, but this is not billed since the total of 300 hours is used up. Overall core recovery was 90.2%.

Hole II-86 was drilled before II-85, in accordance with government approval as per letter of September 17, 1963. This hole is in progress and is at a depth of 454 feet. Location is 400 feet south of Hole II-82, at a -45° angle and in a due East direction. Casing and cementing time have each been only 7 hours thus far.

We have been notified of an error in the July, 1963 voucher with respect to BX underground drilling in Hole II-10. Boyles Bros. Drilling Company made an error of 45 feet in the footage, which was not noticed at that time. Therefore, Boyles Bros. will issue a credit, and the 45 feet is being deducted from this month's voucher under BX underground drilling, incidental allowance, and compressed air categories.

Another error was also found in the Boyles Bros. July invoice. In Hole II-82, the NX size was billed to 458 feet whereas the NX size was actually changed to BX at 396 feet. Therefore, in this month's voucher, 62 feet of NX surface drilling was deducted and 62 feet added to BX drilling, or a total deduction of $37.20.

Another cost category under Stage II is used up, that of core boxes. A total of 98 were used, but only 82 are billed to equal the allowable of 600.

GEOLOGY AND ASSAY RESULTS

Both American Metal Climax, Inc. and Duval Corporation have completed assays this month, as well as two by Herbert M. Ochs.

Core Drilling

Hole II-S1- Additional assays were completed on the upper zones in this hole, thereby completing all assaying of interesting zones. A log summarizing these assays is included. Two wide zones of interest were found. The first from 430'-555' averages .08% MoS_2, 0.1% Cu, and .009 oz Au. Part of this zone, 525'-555', averages .126% MoS_2, .075% Cu, and .018 oz Au. The second zone averages .082% MoS_2 from 670'-745', and copper and gold assays are incomplete.

Hole II-S3- This hole, drilled at the Operator's expense, has been partially assayed, and the log is included. Core recovery was an unusually high 99.7%. Assay results are disappointing, but it does bear out the apparent indication from Hole II-S1 that the better values lie on the hangingwall of the Mountain Chief fault. This hole was purposely collared very near the Mountain Chief fault to explore primarily the footwall side. Subsequent drilling can now be confined to the hangingwall by collaring holes farther northward and towards Jenny Ling gulch. Since this hole pierced the Mt. Chief fault only 100 feet from the surface, the inference is also present that molybdenum values have increased with depth, as shown again in Hole II-S1.

Hole II-S4- A log is included but assays are incomplete. The geology is predominantly that of the dacite porphyry plug intruding the quartz monzonite, but the width appears to be diminishing. Dacite was drilled from 348'-560' and was nearly continuously brecciated. Significant visible molybdenum mineralization is present through the dacite as well as into the quartz monzonite on the south side (Depth of 655'). A few other narrow dacite porphyry and aplite dikes were encountered. Major faulting was found at 68 feet and again over a zone from 310'-370'. The most interesting feature is the presence of molybdenite and quartz cementing breccia fragments throughout the breccia zone. Another different feature is the intense chloritization associated with the molybdenite throughout the breccia. Chlorite alteration accompanies intense secondary orthoclase and flooding of quartz veinlets. Considerable specularite is disseminated in the rock, but jaronite was sparse and then only in the upper 150 feet, indicating that oxidation has not occurred as deeply as near the Mountain Chief mine (500-foot vertical depth). Pyrite content was weak to moderate, probably less than 5%.

Hole II-S6- Since this hole has only started, all comments will be confined to the October report.

Evergreen Mine Area

Considerable geochemical soil and rock sampling has been completed. Work has been confined generally to the area between the Evergreen mine and Oregon Hill. Geological mapping is also being done in an effort to delineate a favorable zone for drilling. The Evergreen mineralization was disseminated chalcopyrite and bornite with some molybdenite in a swarm of quartz monzonite dikes intruding the gneiss. Structural evidence indicates an eastward extension of this mineralization, which would be entirely on Nye Metals ground.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

September 7, 1963

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2	Sample No.	% MoS_2
P-212	.016	P-255	.012
P-213	.061	P-256	.042
P-214	.058	P-257	.012
P-215	.023	P-258	.016
P-216	.024	P-259	.017
P-217	.012	P-260	.042
P-218	.019	P-261	.009
P-219	.019	P-262	.017
P-220	.017	P-263	.031
P-221	.016	P-264	.023
P-222	.040	P-265	.019
P-223	.059	P-266	.014
P-224	.012	P-267	.012
P-225	.023	P-268	.023
P-226	.024		
P-227	.0.4		
P-228	.040		
P-229	.012		
P-230	.038		
P-231	.012		
P-232	.010		
P-233	.024		
P-234	.016		
P-235	.012		
P-236	.010		
P-237	.010		
P-238	.028		
P-239	.023		
P-240	.012		
P-241	.016		
P-242	.007		
P-243	.017		
P-244	.021		
P-245	.005		
P-246	.005		
P-247	.009		
P-248	.010		
P-249	.009		
P-250	.010		
P-251	.030		
P-252	.023		
P-253	.010		
P-254	.012		

DUVAL CORPORATION
COPPER DIVISION — ESPERANZA PROPERTY
SAHUARITA, ARIZONA

CERTIFICATE OF ASSAY

Special for Geology Dept. (Rye Metals, Inc.) September 12, 1964

BEAKER NOS.	MARKS, ETC.	SAMPLE GMS.	% Mo	% MoS_2	% Cu		Composites Ag ozs./ton	Composites Au ozs./ton
	167		.014	.023				
	168		.021	.035			nil	.001
	169		.016	.027				
	170		.015	.025				
	171		.029	.048			nil	.001
	172		.019	.032				
	173		.026	.043				
	176		.031	.052				
	178		.026	.043			nil	.001
	179		.015	.025				
	182		.031	.052				
	183		.045	.075			nil	.001
	184		.018	.030				
	185		.020	.033				
	186		.017	.028				
	187		.022	.037			nil	.001
	188		.005	.008				
	189		.014	.023				
	190		.0003	.001				
	191		Trace	Trace				
	192		Trace	Trace				
	193		Trace	Trace				
	194		.002	.003			nil	.001
	195		.031	.052				
	196		.008	.013				
	197		.011	.018				
	198		.010	.017				
	199		.019	.032				
	200		Trace	Trace				
	201		Trace	Trace				
	202		.016	.027				
	203		.0004	.001				
	204		.0015	.002				
	205		.002	.003				

All samples assayed less than .01% Cu

FORM 311 M.L.

Chief Chemist: F.M. Lindell

HERBERT M. OCHS
CHEMIST & SPECTROGRAPHER
81 South Elati Street -:- RA. 2-8565
DENVER 23, COLORADO

August 5, 1963

Lab #8660-8661

Sye Metals, Inc.
Blackhawk, Colorado

Sample	Molybdenum Sulfide (MoS_2)
P-143	0.18
P-144	0.30

H M Ochs

HERBERT M. OCHS
CHEMIST & SPECTROGRAPHER
81 South Elati Street -:- RA. 2-8565
DENVER 23, COLORADO

August 5, 1963

#8660-8661

Mye Metals, Inc.
Blackhawk, Colorado

Analysis of two samples for MoS_2 @ $3.00	$6.00

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: September 30, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Eye-Apex
TERMS: as per contract
LOCATION: Apex, Colorado (surface)

Eye Metals, Inc.
Blackhawk, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
3-4	BC 0	19	19'	5.70	108.30
	NX 19	240	221'	4.60	1,016.60
	BX 240	500	260'	4.00	1,040.00
	EX 500	691	191'	4.20	802.20
	Casing time		51 hrs.	8.50	433.50
	Core Boxes		56 boxes	1.00	56.00
5-6	BC 0	9	9'	5.70	51.30
	NX 9	281	272'	4.60	1,251.20
	BX 281	454	173'	4.00	692.00
	Casing time		7 hrs.	8.50	59.50
	Cement time		7 hrs.	8.50	59.50
	Inmite		1 sk.	7.20	7.20
	Portland cement		1 sk.	1.55	1.55
	Core Boxes		42 boxes	1.00	42.00
					5,620.85
CREDIT -	Overcharge on July invoice on hole # 2 -				- 37.20
				TOTAL	5,583.65

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: September 30, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Nye-Apex
TERMS: as per contract
LOCATION: Apex, Colo (underground)

Nye Metals, Inc.
Blackhawk, Colorado

Credit Memorandum

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
July 31 Invoice					
# 10	762	1000	overcharge 45'	4.60	$ 207.00

THIS IS A CREDIT MEMO, NOT A INVOICE

November 19, 1963

Memorandum

To: The File

From: Chief, Division of Field Operations

Subject: OME-6289 (Silver)
Richmond Hill Exploration Company, Inc.
Midnight Mine
Pitkin County, Colorado
Contract 2169

On November 18 Mr. Connors called the writer to discuss the clearing of the subject Operator's October voucher. He stated that the independent contractor was billing the Operator $34.50 a foot for drifting while the contract price and real charge was $36.00. He explained that the Operator had advanced $5,000 to the independent contractor (Minerals Engineering) and that the advance was being repaid by a deduction of $1.50 a foot. Later, by teletype, Mr. Connors was informed that the voucher could be cleared provided the independent contractor had acknowledged the business arrangements.

Mr. Connors then wanted to know if 1900 feet of underground drilling under the Nye Metals contract (OME-6231) could not be transferred to surface drilling so that the Operator could continue such drilling until Christmastime. At that time the drills are to be moved underground to finish the approved drilling there. The writer informed Mr. Connors, in keeping with our memorandum to him of November 13, 1963, that the project had been reviewed and a decision reached that further surface drilling was not warranted. He mentioned that some of the holes showed good values and referred to Hole No. II-S2 in which 150 feet averaged 0.111 percent MoS_2, and to Hole II-S4 where 100 feet averaged 0.152 MoS_2. Why Hole No. II-S4 was drilled is not clear. Seemingly, this hole was drilled parallel to, if not within, at least close to the shear zone traversed by Holes Nos. II-S2 and II-S6. When told that .1 to .15 percent MoS_2 did not amount to much, Mr. Connors dropped the matter. Hole II-S2 from 35 to 355 feet averaged 0.085 percent MoS_2.

George C. Selfridge

GCSelfridge/gla (11-19-63)
cc to: Director's Reading File
Docket
CA&A Division ✓ - 2149
Docket OME-6289
Docket OME-6231
Mr. Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
80225

OCT 7 1 '63

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Amended Contract 2149
Rye Metals, Inc.
Rye Molybdenum Mine
Gilpin County, Colorado

800
500

This responds to your memorandum dated October 14, 1963 on the subject contract.

We are trying to find a disseminated molybdenum deposit, if indeed one exists, on the subject property and to date only holes S-2 and S-6 look encouraging. The assays on hole S-2 should be shown on the October voucher and the Operator states that the assays are encouraging.

The following is a resume of surface drilling to date:

II S-1 The best mineralization in this hole was from 435 feet to 745 feet which was at that point only [illegible] feet from the property line.

II S-2 This hole bottomed at 842 feet; from 525 feet to 725 feet was in a disseminated sulfide zone which looked very encouraging. It appeared advisable in this hole to get through the Precambrian into the intrusive again.

II S-3 Company hole - no Government participation.

II S-4 Hole bottomed at 691 feet; from 350 feet to 655 feet a zone of nearly continuous breccia was encountered with significant mineralization.

II 8-6 This hole was bottomed at 577 feet and encountered good sulfide mineralization. It is hoped that some assays on this hole will show on the October voucher.

I agree that the total footage for overburden and core drilling should remain the same, but I recommend an amendment deleting the specification "Bedrock to 500 feet."

Attached is an underground geologic map of the 10,300 foot level. A copy of this same map was forwarded you with my memorandum of August 15, 1963. The hole locations, as shown in amended contract 2149, are shown in red ink, in red circles on this map. Hole No. 10 should have been bottomed at 600 feet in accordance with the contract, but it was bottomed at 1,105 feet. By drilling this extra footage we explored at depth a highly silicified zone with quartz veining and some molybdenum which outcrops on Oregon Hill. This will save drilling a surface hole in the vicinity of no. 3 vein.

Contract hole no. 1 (Operator's hole no. 3 on the map) a mineralized fault zone was encountered in this hole at 420 feet which was believed to be a strand of the Dakota fault. Significant mineralization continued to 520 feet. It was our thought that another strand of the Dakota fault would soon be encountered. We did intersect another strand of this fault near the bottom of the hole but it contained no mineralization. The hole was bottomed at 600 feet.

Again, I agree, as stated on page 4 of the amended contract, "From these stations approximately 12 holes aggregating not more than 7,300 feet should be drilled." This, in my opinion, should be the maximum but more leeway should be given as to the depth of the individual holes.

Hugh M. Connors

Attachment

OCT 14 1963

Memorandum

To: Acting Field Officer, Region III

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

Subject: OMK-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2149

Thanks for your October 4 memorandum in reply to my September 23 inquiry concerning the Stage II drilling under the subject contract. Your explanation satisfactorily clears the bulldozing question, but the matter of underground drill hole locations, attitudes, and depths is still not clear, possibly because the Operator has used different identifying numbers from those listed in the contract's Exhibit A. In view of this, as well as your recommendation for an amendment to permit deeper surface drilling, I have referred your memorandum to the Chief, Division of Field Operations.

Because, as noted in my September 23 memorandum, this contract provides no costs for surface core drilling in excess of 500 foot depths, the Department's Fiscal Section has requested this Division's advice as to the propriety of paying the Operator's September 1963 voucher, which was approved by you on October 8, 1963. This voucher included the costs of hole S-4 which was drilled 191 feet beyond the 500 foot depth.

The original and two copies of the September 1963 MMK Forms 60 and 61, together with attachments, are enclosed for retention in your files until (1) either an amendment is executed or decision is made not to allow the excess depth of the surface holes, and (2) the question regarding the underground holes is resolved. This withholding of approval is suggested in order to protect the Government from possible overpayments.

Enclosures

EDTalbert/ama
October 14, 1963

cc: Docket
Director's Reading File
CA & A Division
Fiscal Section (w/ thermofax cy. of Connors 10/4 memo)
Mr. Talbert

800

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Building 20 - Federal Center
Denver 25, Colorado

RECEIVED
DATE

October 4, 1963

Memorandum

To: K. D. Talbert, Chief
Contract Administration and Audit Division

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Amended Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

This responds to your memorandum of September 23, 1963 on the subject contract. Mr. Melbye informs me that Boylan Bros. will submit a credit memorandum and adjustment will be made on the September voucher to correct the error in Boylan Bros. July 31, 1963 invoice.

Because of the angle of holes S-1 and S-2, we had to go deeper to reach our objective. Will you please prepare an amendment to allow footage over the estimated 500 foot depths.

Mr. Melbye called me by telephone August 26, 1963, and requested permission to drill holes II-S4 and II-S5 and I gave him verbal permission and told him to request a work order in writing, which he did, and I wrote the work order dated September 6, 1963, for these holes. However, the bulldozing for these drill sites was actually performed in August and was so billed.

Hole no. 10 by being extended deeper under Oregon hill saved drilling another hole. Under the circumstances, I consider holes 3, 6, 7, and 10 "approximate" the specifications of the contract.

Original signed by

Hugh M. Connors

cc Chief, Division of Field Operations, OME
Contract Corres 2149
Chron
HMC/lm

SEP 23 1963

Memorandum

To: Acting Field Officer, Region III

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

Subject: OMK-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2189

An informal review of the subject contract has disclosed that the Operator has claimed, you have approved, and the Department's Fiscal Section has authorized contribution to a total of 3,344 feet of Stage II underground drilling through August 1963, whereas a total of only 3,299 appears to have been performed. This difference is due to an error in Boyles Bros. July 31, 1963, invoice wherein 283 feet was charged for drilling hole no. 10 from 762 feet to 1,000 feet.

The review also has disclosed that the Operator has claimed, you have approved, and the Fiscal Section has authorized contribution to a total of 587 feet of Stage II surface drilling, the costs of which are not presently authorized by the contract. The contract provides costs for such drilling only to 500 foot depths, whereas holes S-1 and S-2 were drilled to 745 feet and 842 feet, respectively.

A question also arises as to the propriety of the Operator's charge of 15 hours bulldozing of access roads and drill sites during August 1963. Holes S-1 and S-2 were started in June and July, respectively. Holes S-4 and S-5 were not authorized until September. Could this bulldozing be applicable to hole S-3, which was drilled solely at the Operator's expense?

Another question concerns the underground drill holes. In your opinion do the actual locations, attitudes, and lengths of the four holes drilled through August "approximate" the specifications of the contract? I raise this question because of the variations in lengths, as shown below:

Hole	Contract feet	Actual feet
3	900	600
6	400	900
7	500	694
10	600	1105

It is suggested that: (1) appropriate adjustment be made in your approval of the September 1963 Forms MMX 60 and 61 for the excess charge set forth in the first paragraph of this memorandum; (2) recommendation and justification for amendment of the contract be submitted to cover the matter of the second paragraph; and (3) such explanation or recommendation as may be indicated be furnished in regard to the subject of the third and fourth paragraphs above.

EDTalbert/ama 9-19-63

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

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. [illegible]
Contract No.
14-23-090- [illegible]
Contract Amount $[illegible]
Gov't. Participation % [illegible] $[illegible]
Mineral(s) [illegible]

OPERATOR'S MONTHLY VOUCHER

For Month of [illegible]

Operator's Name [illegible]
Address [illegible]

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	[illegible]	[illegible]	[illegible]	225.00	750.00	975.00
Drifting	—	[illegible]	[illegible]		92,072.00	92,072.00
Crosscutting	—	[illegible]	[illegible]		5,559.00	5,559.00
Drilling	[illegible]	[illegible]	[illegible]	1,628.00	24,232.60	25,860.60
[illegible]	—	[illegible]	[illegible]		13,364.00	13,364.00
[illegible]	—	[illegible]	[illegible]		3,600.00	3,600.00
[illegible]	[illegible]	[illegible]	[illegible]	11.00	1,828.00	1,839.20
(2) Personal Services:						
Supervision & Technical	[illegible]	[illegible]	[illegible]	892.50	1,657.50	2,550.00
Outside Consultants	[illegible]	[illegible]	[illegible]	121.20	1,358.10	1,479.30
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	—	[illegible]	[illegible]	—	630.00	
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.	[illegible]	[illegible]	[illegible]	40.00	538.00	
TOTALS	[illegible]	[illegible]	[illegible]	2,917.70	145,589.40	148,507.10

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

Date _____ *Payee _____

Per Robert E. Nye 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,458.85

Signature [illegible]
(Authorized Certifying Officer)

Date 9/16/63 Vou. No. 414-1

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 9-11-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME

DEPARTMENT OF THE INTERIOR

MME FORM 61
SEPT. 1959

SEP 9 1963

REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of [illegible] Docket No. [illegible]

Operator's Name [illegible] Contract No. 14-23-090- [illegible]

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	[illegible]	0	[illegible]	[illegible]			
Crosscutting	[illegible]	[illegible]	[illegible]	[illegible]			
Raising	[illegible]	[illegible]	[illegible]	[illegible]			
Shaft [illegible]	[illegible]	0	[illegible]	[illegible]			
Winzes	[illegible]	0	[illegible]	[illegible]			
Other Underground	[illegible]	0	[illegible]	[illegible]			
Drilling, Core-Diamond	[illegible]	0	[illegible]	[illegible]			
Rotary	[illegible]	0	[illegible]	[illegible]			
Drilling, Noncore-Diamond	[illegible]	0	[illegible]	[illegible]			
Rotary	[illegible]	[illegible]	[illegible]	[illegible]			
Churn	[illegible]	0	[illegible]	[illegible]			
Percussion	[illegible]	[illegible]	[illegible]	[illegible]			
Miscellaneous							
[illegible]	[illegible]	0	[illegible]	[illegible]			
Roads and Trails	[illegible]	[illegible]	[illegible]	[illegible]			
Stripping	[illegible]	[illegible]	[illegible]	[illegible]			
Trenching	[illegible]	[illegible]	[illegible]	[illegible]			
Test Pitting	[illegible]	[illegible]	[illegible]	[illegible]			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				[illegible]			
TOTAL TO DATE *(per MME Form 60)*				[illegible]			$148,507.10

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 [illegible] Operator [illegible]

Per Robert C. Nye Title [illegible]

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 9-11-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - AUGUST, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for August, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Drifting on the flat cross-vein was discontinued at the end of July and no further work on this vein system was completed during August. This is being done to allow time to evaluate surface drilling and determine whether underground exploration is needed in another area.

Indiana Vein System

No further work was completed.

Core Drilling

Underground Hole II-10 was continued another 20 feet to a total depth of 1105 feet. Overall core recovery was 84.3%. The hole was completed BX size.

Surface Hole II-S2 was advanced another 384 feet to its total depth of 842 feet. Because of the considerable loss of core in certain sections of Hole II-S1, painstaking care was taken in this hole to insure good core recovery. This, of course, resulted in considerable total of 123 hours cementing and 21 hours casing time. This extra care and expense resulted in an excellent core recovery of 96.2% for the hole. Core size was NX to 397 feet and completion at BX size.

At the end of August, 367 hours of casing and cementing time have been used, with a total of 172 hours for August alone. Since only 300 hours are allowed under Stage II, only 105 hours more can be billed to make the total of 300. It is hoped that this can be paid for later on with unused money from other work categories.

Hole II-83 was drilled at the Operator's expense since it was considered a strategic hole, but it had to be located closer than 200 feet to the property line and unqualified for assistance under the OMB contract. The hole was drilled about 450 feet west of Hole II-81, due South at -45°. Total depth was 675 feet. At the end of the month Holes II-84 and II-85 are being planned and a request for approval submitted to the Acting Field Officer.

GEOLOGY AND ASSAY RESULTS

American Metal Climax, Inc. completed only 17 assays this month, but a large number were sent to the Duval Corporation and are not finished in time for this report.

Core Drilling

Hole #II-5: A few additional assays were completed.

No.	Depth	% Core Recovery	% MoS_2
P57	217'-218'	100	.249
P59	585-590'	100	.024
P60	590'-595'	100	.017
P56	612'-617'	100	.021
P58	672'-674'	100	.197

Hole #II-3: Assays have now been completed. The interval from 119'-140', a total of 21 feet, averages .44% MoS_2. Average for 6.5' of this interval averages 1.13% MoS_2. The vein cut in this hole is a new and unexpected one. The only correlation possible with present knowledge is with a fault containing wide quartz-molybdenite veinlets, which cuts the Indiana vein 130 feet north of the main adit. Further exploration of this vein is certainly warranted, in view of the substantial width.

Hole #II-10: No change in geology was encountered from that reported last month, and the hole was stopped at 1105 feet. Quartz veining has increased but without an increase in molybdenite content.

Hole #II-82: The hole was collared in an intense breccia zone similar to that of Hole II-81 and continued in it to 335 feet. This was also the zone of most economic interest, as considerable disseminated molybdenite could be seen over that same width of about 230 feet. Both dacite

porphyry and quartz monzonite were found in the breccia zone in addition to small pre-Cambrian gneiss and alaskite inclusions. The width from 95'-188' was in a major fault zone from which the core recovered was mainly gouge. The gouge contained much limonite and jarosite and usually considerable molybdenite with minor chalcopyrite. The rock throughout the breccia zone is vuggy with mineralization both in the vugs and in veinlets. Quartz veining is very strong. A number of cavities are filled with fluorite.

Another dacite porphyry dike was intruded east of the breccia zone (335'-465'), but it was more weakly altered and mineralized. Disseminated sulphides present show a higher percentage of chalcopyrite. The zone from 480'-722', a horizontal width of 175', is of interest in that the pyrite content markedly increased to 5-10%. Around most pyrite masses is a rim of magnetite and more random grains of chalcopyrite. Molybdenite is more sparse. Host rock is mainly quartz-biotite gneiss with some quartz monzonite. This zone corresponds with the N-S faulted and mineralized area mapped on surface on the ridge due south of the Mountain Chief mine. Pyrite content and general alteration decreased below 800 feet, therefore dictating the stopping of the hole.

Hole #II-83: This hole, drilled by the Operator, has not been completely logged geologically, and a log will be submitted next month. However, disseminated molybdenite is present throughout the hole with the most interesting zone from 150'-650'. The content appears to be considerably higher than that of Hole II-81.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

September 6, 1963

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2
P-46	.014
P-47	.014
P-48	.242
P-49	.021
P-49A	.253
P-50	.804
P-51	2.26
P-52	.092
P-52A	.033
P-53	.017
P-54	.082
P-55	.092
P-56	.021
P-57	.249
P-58	.197
P-59	.024
P-60	.017

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: August 31, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Nye-Apex
TERMS: as per contract
LOCATION: Apex, Colorado (Underground)

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
10	1085	1105	20'	5.60	$ 112.00
	Casing time		28 hrs.	8.50	238.00
	Core Boxes		2 boxes	1.00	2.00
					$ 352.00

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
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SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: August 31, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Rye-Apex
TERMS: as per contract
LOCATION: Apex, Colorado (Surface)

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
S-2	DX 458	500	42'	$ 4.00	$ 168.00
	500	750	250'	4.20	1,050.00
	750	842	92'	4.60	423.20
	Cement time		123 hrs.	8.50	1,045.50
	Casing time		21 hrs.	8.50	178.40
	Cal Seal cement		12 sks.	10.70	128.40
	Lumnite cement		3 sks.	7.20	21.60
	Bran		6 sks.	3.30	19.80
	Core Boxes		38 boxes	1.00	38.00
					$3,073.00

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149
Contract Amount $ 278,225.00
Gov't. Participation % 50 $ 139,113.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of July, 1963

Operator's Name Dye Metals, Inc., Blackhawk, Colorado or
Address Room 711, Merchants Bank Building, Indianapolis Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	$ 750.00	$ -0-	$ 750.00			
Drifting	3,332.00	88,740.00	92,072.00			
Crosscutting	816.00	4,743.00	5,559.00			
Drilling	4,167.60	20,065.00	24,232.60			
Timbering	596.00	12,768.00	13,364.00			
X-cut, Drill Sta.	-0-	3,600.00	3,600.00			
(2) ~~Power~~ Comp. Air	202.40	1,625.80	1,828.20			
~~Power~~ Casing & Cement	-0-	1,657.50	1,657.50			
Outside Consultants						
~~Labor~~ Incid. Allow.	275.40	1,082.70	1,358.10			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	264.00	366.00	630.00			
Payroll Taxes						
Employee's Liability Ins.						
Core boxes	85.00	453.00	538.00			
TOTALS	$10,488.40	$135,101.00	$145,589.40	10,488.40	135,101.00	145,589.40

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

Date August 9, 1963 * Payee Dye Metals, Inc.

Per Robert E. Dye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 5,244.20

Signature BeB
(Authorized Certifying Officer)

Date 8/21/63 Vou. No. 281-3

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Ormore Title _____ Date 8-13-63

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Ormore Title Acting Field Officer Date 8-13-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

INT.DUP.,D.C.59- 61579

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of July, 1963 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090- 2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	98	2708	$92,072.00			
Crosscutting	Ft	24	163.5	5,559.00			
~~xxxx~~Surf.Drlg. NX	Ft	458	858	3,946.80			
~~xxx~~Surf.Drlg. BX	Ft	92	325	1,300.00			
~~xxxx~~Overburden Drlg	Ft	-0-	20	114.00			
Other Underground Timber	Ft	74.5	1670.5	13,364.00			
Drilling, Core-Diamond NX 0-500	Ft	-0-	1144	4,747.60			
BX 500- ~~xxxx~~ 750	Ft	-0-	120	528.00			
Drilling, ~~xxxxx~~ Rotary BX 0-500	Ft	-0-	1114	4,710.50			
BX 500- ~~xxxx~~750	Ft	-0-	674	2,729.70			
BX 750+ ~~xxxx~~ Percussion	Ft	368	530	2,438.00			
AX ~~xxxxxxx~~ Chain	Ft	-0-	715	3,718.00			
Miscellaneous Casing & Cement	Hr	-0-	195	1,657.50			
X-cut, drill stas.	Ft	-0-	120	3,600.00			
Roads and Trails Bulldozer	Hr	50	50	750.00			
~~xxxxxx~~ Shipping Incid. Allow.	Ft	918	4527	1,358.10			
~~xxxxx~~ Trenching Comp. Air	Ft	368	3324	1,828.20			
~~xxxxxx~~ Test Firing Core boxes	Ea	85	538	538.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				630.00			
TOTAL TO DATE *(per MME Form 60)*				$145,589.40			$145,589.40

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Aug. 9, 1963 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 8-13-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - JULY, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for July, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Cross-cutting to find the faulted portion of the Indianapolis vein system south of the Oregon fault was continued another 24 feet. This heading was then stopped early in the month pending the results from Hole II-10 which is still exploring the area 600 feet ahead of the Indianapolis south drift. Drifting was then started on a flat cross-vein which displaced the Indianapolis vein back at Station T53. Advance on this vein was 98 feet. All that remains on cross-cutting or drifting for Stage II is 28.5 feet. The crosscut required no timber, but the drift required 59.5 feet.

Indiana Vein System

Three additional timber sets or a total of 15 feet were required to catch up spots which have showed some caving since their completion.

Core Drilling

Hole II-10 is still in highly faulted and fractured ground which has resulted in an advance of only 368' for the month. No cementing has been needed this month, but binding of the rods due to side pressure and considerable water flow have been the main problems. Only one shift per day has been used for an advance of about 14 feet/shift. Core recovery averaged 84.3% overall. However, average core recovery

was generally better than indicated as one zone from 996'-1076' recovered only 5 feet of core or 6.3%. The balance of the hole without this 80-foot zone averaged 90.3% recovery. Sludges were collected for this 80-foot interval. Hole II-10 is being drilled BX size and will soon be completed BX size.

Surface drilling was continued in Hole II-S1 to its completion depth of 745 feet. Hole II-S2 was then started and is now at 458 feet. Hole II-S1 averaged 81.6% core recovery overall. It was started NX and completed BX size. The main problem has been the loss of water in the vuggy mineralized zones, so that when very low core recovery is obtained, no sludges are available for assays. Hole II-S2 is being drilled with special care being taken to insure continual water return in case bad recovery is encountered. This will undoubtedly necessitate a large amount of cementing, but the extra expense will be justified if continual good samples are obtained for assay.

GEOLOGY AND ASSAY RESULTS

Due to the large backlog of work at the American Metal Climax, Inc. lab in Golden, no assays could be run by them this month, and all were assayed by Charles O. Parker and Company. These were all from Hole II-S1. The Duval Corporation has now agreed to run assays at no cost, which will assist considerably.

Indianapolis Vein System

Cross-cutting was not continued far enough to pickup the faulted portion of the vein system on the south side of the Oregon fault. Since the displacement is not known from surface data, no prediction can be made as to the amount still required.

The drifting to the west on the cross-vein followed a flat vein with a dip of 50°-55°N. The first 35 feet of vein was 6"-1' wide with numerous mineralized cross-fractures, but the last 60' of vein was only a few inches wide. The particular favorable part of the work is that it exposed a zone of vein and wallrock mineralization at least 100 feet wide in an E-W direction. Additional assays are being run, and a calculation of average grade can then be made.

Core Drilling

Hole #II-S1: The general geological description of this hole as given in the June report has not changed from the additional drilling data. The bottom of the hole is still in similar mineralized material, and the hole was stopped only to stay 200 feet from the Nye property line in accordance with the contract. Drilling entered the dacite porphyry

at 618 feet and continued in it to the bottom of the hole. It is apparent from the cross-section that the wide breccia zone or breccia pipe between the Mountain Chief and the next major fault 400 feet northward has been the locus for the main disseminated molybdenum-copper deposit. However, other smaller but significant mineralized breccia zones were cut between the surface and 433 feet. A number of 5-foot widths between 435' and 555' assayed between .1 and .2% MoS_2 and then again between 670' and 745'. Assays for copper and gold are being run for many of these same intervals, and judging from a visual inspection, should be in appreciable amounts. Another feature of note is that the yellow-brown mineral, jarossite (iron sulphate), found in most of the vugs, seems to carry molybdenum values since cores containing considerable jarossite but sparse molybdenite will still assay similarly to cores with more visible molybdenite.

Hole #S-2: This hole started in quartz monzonite and has intersected varying widths of dacite porphyry, alaskite, and aplite. Past 400 feet considerable faulting has been encountered and the rock has become vuggy with the typical assemblage of molybdenite, chalcopyrite, pyrite, and specularite in the vugs and fractures. Alteration has also become very strong, similarly to that of Hole II-S1.

Hole II-10: Drilling was continued in this hole to a greater depth, presently at 1085', principally because it has penetrated well into the Oregon Hill area, and it was thought that further drilling in this hole might determine whether any surface drilling is justified. Two strong fault zones were cut, either of which could be the Oregon fault- the first a flat fault at 215' which correlates with that in the Indianapolis drift and the second a steep fault at 568'. Increased secondary orthoclase and silicification, accompanied by slightly increased molybdenite, were found over a 110-foot zone in the vicinity of the second fault. Beyond 600 feet the quartz monzonite contains progressively greater percentages of mafic minerals, hornblende and biotite, and the composition is changing gradually toward a diorite. This undoubtedly reflects a diminishing alteration southward. The No. 3 vein was intersected at 716'-720', but it was weakly mineralized. An interesting zone of disseminated sulphides in a vuggy quartz monzonite was found from 930'-1048'. The vugs mostly contained pyrite, quartz, and chlorite crystals, but sparse molybdenite and chalcopyrite could be seen. Increased quartz veining is now being found at the bottom of the hole, but little or no molybdenite is present with it. Inclusions of a peculiar mottled gneiss were logged between 800' and 950'. Assays of the few interesting zones will be run next month.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

August 9, 1963

DIAMOND, CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: July 31, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Nye Metals, Inc. - Blackhawk, Colorado
TERMS: as per contract
LOCATION: Apex, Colorado (Surface)

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# S-1	BX 653	745'	92'	4.20	$ 386.40
	Core Boxes		16 boxes	1.00	16.00
# S-2	NC 0	10	10'	4.60	46.00
	NX 10	458	448'	4.60	2,060.80
	Core Boxes		48 boxes	1.00	48.00
				TOTAL	$ 2,557.20
		corrected depth to			
	NX 10	396	386'	4.60	
	BX 396	458	62		

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: July 31, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Nye Metals, Inc. - Blackhawk, Colorado
TERMS: as per contract
LOCATION: Apex, Colorado (Underground)

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# 10	BX 762	1000	283'	$ 4.60	$1,094.80
	BX 1000	1085	85'	5.60	476.00
	Core Boxes		21 boxes	1.00	21.00
					$1,591.80

2114 CURTIS STREET

TELEPHONE MAin 3-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 7955

Date July 22, 19[illegible].

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
				Total Molybdenum as MoS_2				
[illegible]								
1						0.0[illegible]8		
2						0.10		
3						0.0[illegible]5		
4						0.0[illegible]5		
5						0.030		
6a.059.						0.039		
7*						0.0[illegible]8		
8						0.[illegible]3		
9						0.078		
10						0.091		
11						0.071		
12						0.032		
13**						0.039		
14*						0.033		
15						0.054		
16						0.022		
17						0.053		
18						0.054		
19						0.044		
20						0.17		
21						0.092		
22						0.13		
23						0.17		
24						0.013		
25						0.18		

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ _____

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

2114 CURTIS STREET

TELEPHONE MAin 3-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 7958

Date July 26, 1963.

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
				Total Molybdenum as MoS2:				
#26-				0.031%				
#27-				0.069%				
#28-				0.035%				
#29-				0.037%				
#30-				0.031%				
#31-				0.083%				
#32-				0.044%				
#33-				0.032%				
#34-				0.066%				
#35-				0.089%				
#36-				0.046%				
#37-				0.033%				
#38-				0.035%				
#39-				0.034%				
#40-				0.043%				
#41-				0.055%				
#42-				0.034%				
#43-				0.049%				
#44-				0.020%				
#45-				0.026%				
#46-				0.027%				
#47-				0.018%				
#48-				0.060%				
#49-				0.17%				
#50-				0.041%				
#51-				0.066%				
#52-				0.077%				
#53-				0.11%				
#54-				0.059%				
#55-				0.037%				
#56-				0.056%				
					Description:			Total Mo as MoS2:
					#57-			0.11%
					#58-			0.079%
					#59-			0.074%
					#60-			0.053%
					#61-			0.098%
					#62-			0.083%
					#63-			0.11%
					#64-			0.035%
					#65-			0.10%
					#66-			0.054%

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 164.00

CHARLES O. PARKER & CO.

CHEMISTS, ASSAYERS and ENGINEERS

Standard Form No. 1034
7 GAO 5000
1034-108

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

Use continuation sheet(s) if necessary

VOUCHER NO. 104-4

U. S. Interior, Office of the Secretary - Accounting Unit
(Department, bureau, or establishment)

Voucher prepared at Washington 25, D. C.
(Give place and date)

Payee's Account No. _____ Discount Terms _____

TO Nye Metals, Inc.
(Payee)

Room 711, Merchants Bldg., Indianapolis, Indiana
(Address)

PAID BY

Contract No. Date Req. No. Date Invoice Rec'd.
Shipped from to Weight Govt. B/L No.

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT *
Cont. 2149 Reg. III	June 1963	Supplemental payment for the month of June 1963				
		Amount Claimed $13,860.90				
		Amt. due Gov't Share 6,930.45				
		Amount paid 6,390.45				
		Amt. due Operator $ 540.00				540.00
				TOTAL		540.00

PAYMENT:

- COMPLETE ☐
- PARTIAL ☐
- FINAL ☐
- PROGRESS ☐
- ADVANCE ☐

(PAYEE MUST **NOT** USE THIS SPACE)

DIFFERENCES _____

Amount verified; correct for 540.00

(Signature or initials) _____

† Approved for _____ =$ _____

By _____

Title _____

Exchange rate _____ =$1.00

Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.

† _____
(Authorized Certifying Officer) (Date)

THE REVERSE OF THIS FORM MUST BE EXECUTED WHEN PURCHASES ARE MADE OR SERVICES SECURED WITHOUT WRITTEN AGREEMENT IN ANY FORM

ACCOUNTING CLASSIFICATION (Appropriation Symbol must be shown; other classification optional)

14X0108 - $540.00

520 - 540.00 - MME 183 - 540.00 - 33

Paid by
Check No. _____ on Treasurer of the United States
Check No. _____ on _____
(Name of Bank)
Cash, $ _____, on _____, 19____ Payee _____

Per _____

Title _____

* When used in foreign countries, insert name of currency of country in which used.

† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign on the line below "Approved for $ _____", and over his official title.

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036 should be used for abstracting the method of or absence of advertising and award of contract. (See 7 GAO 4500 and 5000.)

U.S. GOVERNMENT PRINTING OFFICE : 1961 O—584441

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6291
Contract No.
14-23-090-340 Item II
Contract Amount $270,226.00
Gov't. Participation % 50 $135,113.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of June, 1963

Operator's Name Lee Metals, Inc.
Address Pine Bluff, Colorado or Box 711, Porchuta Park Building, Victoria Bldg., Texas

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	5,720.00	63,011.00	68,740.00			
Crosscutting	680.00	4,063.00	4,743.00			
Drilling	4,766.90	15,290.10	20,055.00			
Sinking	1,266.00	11,500.00	12,766.00			
X-cut. Drill Cap.	-0-	3,600.00	3,600.00			
(2) Professional Services: Cap. Air	201.00	1,324.00	1,525.00			
Supervision & Technical Serv.	569.50	1,088.00	1,657.50			
Outside Consultants						
Misc. Accts. Rec.	320.70	744.00	1,062.70			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	116.00	250.00	366.00			
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.	155.00	280.00	435.00			
Corp. Taxes						
TOTALS	13,860.90	121,240.10	135,101.00	13,860.90	121,240.10	135,101.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 11, 1963 *Payee Lee Metals, Inc.
Per Robert E. Nye Title President

* When a voucher is signed or received 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: UNDERPD. $540.00 amt

$ 6,390.45

Signature (Authorized Certifying Officer)

Date 7/17/63 Vou. No.

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Enmons Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Enmons Title Acting Field Officer Date 7-12-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

60 & 61

EXTRA COPY
O. M. E.
RECEIVED JUL 18 1963
DATE IN 2148 Stop 11

OPERATOR'S PROGRESS REPORT

For Month of June, 1963

Docket No. 0251

Operator's Name Dyo Rocolo, Inc.

Contract No. 14-23-090-

FOR GOVERNMENT USE 800

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	168.9	2610	$ 68,750.00			
Crosscutting	ft	20	159.9	4,793.00			
Raising	ft	580	400	1,560.00			
Shafts	ft	239	239	952.00			
Winzes	ft	20	20	114.00			
Other Underground	ft	150	1956	12,768.00			
Drilling, Core-Diamond	ft	-0-	1146	4,747.00			
Drilling, Non-core-Diamond: Rotary	ft	-0-	129	521.00			
Drilling, Non-core-Diamond: Churn	ft	216	1116	4,710.90			
Drilling, Non-core-Diamond: Percussion	ft	290	674	2,759.70			
Miscellaneous	ft	12	102	759.20			
Roads and Trails	ft	-0-	715	3,710.00			
Stripping	ft	67	155	1,057.50			
Trenching	ft	-0-	120	3,600.00			
Test Pitting	ft	117	300	1,012.70			
Other Surface Work	ft	476	2955	3,059.00			
	ft	155	455	493.00			
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				226.00			
TOTAL TO DATE (per MME Form 60)				$135,101.00			$135,101.00

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 11, 1963 Operator Dyo Rocolo, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date July 12, 1963

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - JUNE, 1963

NYL METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for June, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

The entire footage of 168.5 feet of drifting and 20 feet of crosscutting this month was done on the Indianapolis vein system. The ground, although not extremely bad, has been sufficiently faulted and broken to require timber. Crosscutting on the south side of the Oregon fault has, of course, been off the vein and has required no timber. This 168.5 feet of drifting completes the 1000 feet allowed under Stage II. All that remains is 150.5 feet of crosscutting or drifting on cross-veins.

Core Drilling

Hole No. II-10 has been continued all month and is now at 762 feet. Extremely faulted and altered ground has made drilling very slow and necessitated 45 hours of cementing time. Total underground drilling footage was 476 feet. Surface drilling was started in the Mountain Chief area, and the first hole, II-S1, is at 653 feet. Total drilling footage for the month was 1129 feet.

Overall drilling progress underground has averaged about 18 feet per day but part of this was done at only one shift per day. Three surface shifts have been used most of the time, but the exact number from which to calculate progress was not readily available while preparing this report. Since Hole II-10 is nearly completed, core recovery will be calculated when the hole is finished. Hole II-S1 has averaged 83.3% recovery thus far. Hole II-10 is still being drilled BX size, and II-S1 was started NX to 420 feet and was then changed to BX.

GEOLOGY AND ASSAY RESULTS

Assays this month were done partly by American Metal Climax, Inc. at no cost, but because of their large present backlog of work, a number of samples had to be sent to Charles O. Parker and Co. Additional assays were completed on Hole Nos. II-3 and II-4.

Indianapolis Vein System

Drifting along the vein system this month has verified the suspected character of the vein to the south, that is, it is no longer one definite vein but rather a "horsetail" zone, in which the system is composed of many parallel mineralized fractures with narrow quartz veinlets and t e normal chloritic alteration. Some of these fractures die out in the hangingwall and other stronger ones appear in the footwall. Molybdenum mineralization between the fractures in this south end is not strong except for the 65-foot zone between Stas. T70 and T73, where numerous discontinuous quartz-molybdenite veinlets can be seen in the walls. Assays will be run on this zone next month. Fracturing and chloritic alteration have continued to be quite intense up to the wide post-mineral fault at Sta. T74, which has displaced the vein system again. Drag indicates left or eastward displacement and crosscutting is being started in that direction. This fault ro ghly coincides with the projected position of the Oregon fault from surface on Oregon Hill, although numerous cross-faults in the previous 150 feet may be part of the zone.

Indiana Vein System

A few additional assays from the last drifting on this vein are shown on the enclosed map. although there was no new advance. These assays verify the low-grade nature of the vein in this area and our reason for transferring the footage to the Indianapolis vein.

Core Drilling

Hole No. II-4- A few assays were completed on this hole and are shown on the enclosed log. The first three assays are from the first vein zone at about 455 feet and the second group from the projected Indianapolis vein zone. A three-foot width ran .081%. although a one-foot width would assay considerably higher.

Hole No. II-10- Progress on this hole has been slow since it has penetrated the entire Oregon fault zone and related faults. Chloritization has been intense throughout, and in certain zones, the quartz monzonite is completely altered to clay minerals and chlorite. Silicification and quartz veining is only weak to moderate, which probably

explains the generally less disseminated molybdenite. Since the hole is nearly completed, the drill log with assays will be turned in with the July report.

Hole No. II-S1- This first surface hole is being drilled in the Mountain Chief area due south at -35°. Nearly the entire hole exhibits a healed breccia type of rock composed of blocks of pre-Cambrian alaskite and quartz-biotite gneiss and Tertiary dacite porphyry and quartz monzonite. Later faulting and brecciation has again occurred in which the mineralization has been emplaced. This consists of molybdenite, chalcopyrite, pyrite, and specularite. The quantities of chalcopyrite are notably greater than has been seen in the mine area. In addition to pyrite along the fractures, there is a disseminated pervasive pyritization. Sulphides often comprise 10-15% of the rock. Alteration consists of a general blanket silicification and quartz veining, argillization of the feldspars particularly in the dacite porphyry, varying amounts of secondary orthoclase often difficult to determine, and some sericitization along fractures. Another alteration feature is the vuggy nature of the rock, in which the vugs are usually filled with one or more of the sulphides, quartz, and specularite. A number of wide mineralized zones have been cut in which the molybdenite and chalcopyrite are truly disseminated. The widest is that from 533 - 654 feet. Host rock is generally what appears to be pre-Cambrian alaskite with numerous dacite porphyry dikes. However, there is a possibility that the alaskite could represent an alteration rock type from introduced quartz and orthoclase. The wide nature of the breccia zone which is not localized along one particular fault suggests a breccia pipe type of deposit, which has very favorable possibilities for a large tonnage low-grade type of molybdenum-copper deposit.

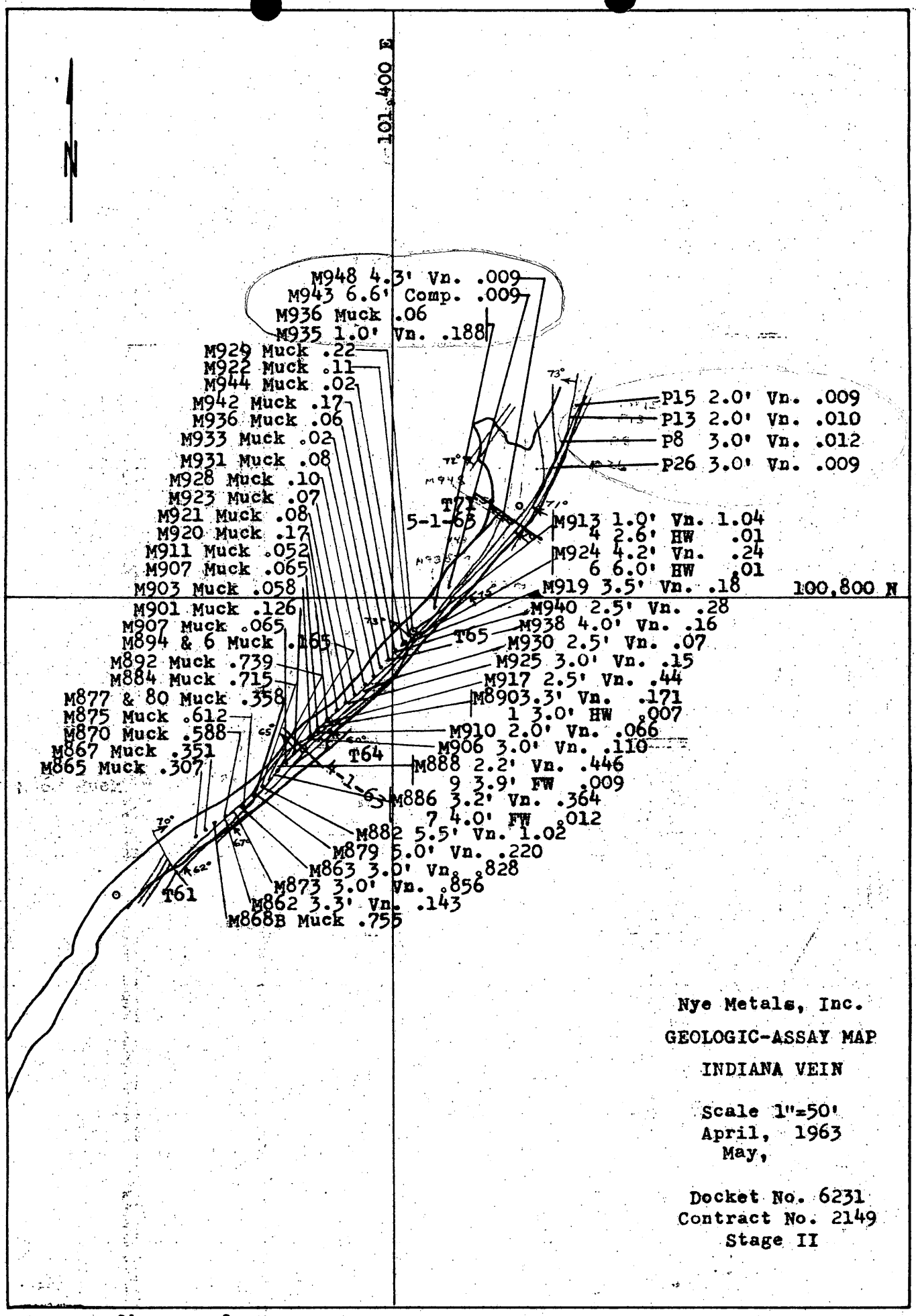
A surface geological map, claim map, and alteration overlays for the Mountain Chief area are now complete and are being submitted with this report.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

July 11, 1963



Nye Metals, Inc.

GEOLOGIC-ASSAY MAP

INDIANA VEIN

Scale 1"=50'
April, 1963
May,

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol. E.

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2
P-1	0.012
P-2	0.016
P-3	0.016
P-4	0.019
P-5	0.017
P-6	0.019
P-7	0.021
P-8	0.012
P-9	0.019
P-10	0.007
P-11	0.007
P-12	0.009
P-13	0.010
P-14	0.010
P-15	0.009
P-16	0.089
P-17	0.019
P-18	0.012
P-19	0.126
P-20	0.017
P-21	0.017
P-22	0.007
P-23	0.005
P-24	0.005
M-935	0.188
M-937	0.014
M-943	0.009
M-945	0.140
M-946	0.197
M-947	0.446
M-948	0.009
M-999	0.019
M-1000	0.042

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS
General Offices and Plant
1624 Pioneer Road P. O. Box 58 HUnter 7-7595
SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: June 30, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Nye-Apex -Underground Nye Metals, Inc.
TERMS: as per contract
LOCATION: Apex, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# 10	BX 286	500	214'	$ 3.80	$ 813.20
	BX 500	750	250'	4.05	1,012.50
	BX 750	762	12'	4.60	55.20
	Cement time		45 hrs.	8.50	382.50
	Inmnite		1 sk.	7.20	7.20
	Core boxes		77 boxes	1.00	77.00
				Total	$2,347.60

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
AUBURN, CALIF.
ST. LOUIS

INVOICE DATE: June 30, 1963
ORDER NUMBER: 2-232
INVOICE NUMBER:
CONTRACT: Rye-Apex -Surface Rye Metals, Inc.
TERMS: as per contract
LOCATION: Apex, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# 1	BQ 0	20	20'	5.70	$ 114.00
	NX 20	420	400'	4.60	1,840.00
	BX 420	500	80'	4.00	320.00
	EX 500	653	153'	4.20	642.60
	Casing time		10 hrs.	8.50	85.00
	Cement time		12 hrs.	8.50	102.00
	Lumnite		5 sks.	7.20	36.00
	Cal Seal		1 sk.	10.70	10.70
	Core Boxes		58	1.00	58.00
					$3,208.30

2114 CURTIS STREET

TELEPHONE MAIn 3-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 749

Date June 27, 1963.

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
Sample by C. E. Melbye:								
			Total Molybdenum as MoS2:					
P-33				0.[illegible]				
P-34				0.[illegible]				
P-35				0.[illegible]				
P-36				0.[illegible]				
P-37				0.[illegible]				
P-38				0.[illegible]				
P-39				0.[illegible]				
P-40				0.[illegible]				
P-41				0.[illegible]				
P-42				0.[illegible]				
P-43				0.[illegible]				
P-44				0.[illegible]				
P-45				0.[illegible]				

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 22.00

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

2114 CURTIS STREET

TELEPHONE MAin 3-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 7947

Date July 2, 1953.

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
			Total Molybdenum as MoO2:					
P-25				0.07%				
P-26				0.09%				
P-27				0.05%				
P-31				0.34%				
P-32				0.13%				
P-3 61				0.084%				
P-62				0.07%				
P-63				0.10%				
M P-~~72~~ 892				0.13%				
P-887 (887)				0.12%				
P-890				0.35%				
P-896				0.08%				
P-901				0.15%				
P-906				0.11%				
P-910				0.06%				
P-911				0.03%				

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 64.00

CHARLES O. PARKER & CO.

CHEMISTS, ASSAYERS and ENGINEERS

OME

DEPARTMENT OF THE INTERIOR

MME FORM 60
SEPT. 1959

JUN 10 1963

REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149
Contract Amount $278,225.00
Gov't. Participation x50 $139,113.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of May, 1963

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colo. or Room 711, Merchants Bank Bldg., Indianapolis, Ind.

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	FOR OPERATOR'S USE: PREVIOUSLY REPORTED	FOR OPERATOR'S USE: TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	FOR GOVERNMENT APPROVAL ONLY: PREVIOUSLY REPORTED	FOR GOVERNMENT APPROVAL ONLY: TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	$3,230.00	$79,781.00	$ 83,011.00			
Crosscutting	1,003.00	3,060.00	4,063.00			
Drilling	3,648.80	11,649.30	15,298.10			
Timbering	1,284.00	10,220.00	11,504.00			
X-cut, drill stas	900.00	2,700.00	3,600.00			
Compressed air	1,364.00	-0-	1,364.00			
(2) Personal Services: Caring & Cementg.	603.50	484.50	1,088.00			
Supervision & Technical						
Outside Consultants						
xxxIncid. Allow.	271.20	472.80	744.00			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	250.00	250.00			
Payroll Taxes						
Employee's Liability Ins.						
Core boxes	58.00	260.00	318.00			
TOTALS	12,362.50	108,877.60	121,240.10	12,362.50	108,877.60	121,240.10

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

Date May 6, 1963 *Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 6,181.25

Signature B+B
(Authorized Certifying Officer)

Date 6/14/63 Vou. No. 6582

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Brown Title _____ Date 6-11-63

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Brown Title Acting Field Officer Date 6-11-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME
DEPARTMENT OF THE INTERIOR
MME FORM 61
SEPT. 1959

JUN 10 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 20 1963

OPERATOR'S PROGRESS REPORT

For Month of May, 1963 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090- 2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	95	2441.5	$83,011.00			
Crosscutting	Ft	29.5	119.5	4,063.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	Ft	160.5	1438	11,504.00			
Drilling, Core Diamond NX 0-500	Ft	526	1144	4,747.60	✓		
NX 500-750	Ft	0	120	528.00	✓		
Drilling, BX 0-500	Ft	260	900	3,897.30			
BX 500-750	Ft	118	424	1,717.20			
BX 750-900	Ft	0	150	690.00			
AX	Ft	0	715	3,718.00			
Miscellaneous Casing-Cementg.	Hr	71	128	1,088.00			
X-cut. drill stns.	Ft	30	120	3,600.00			
Roads and Trails							
Incid. Allow.	Ft	904	2480	744.00			
Comp. Air	Ft	2480	2480	1,364.00			
Core boxes	Ea	58	318	318.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				250.00			
TOTAL TO DATE *(per MME Form 60)*				$121,240.10			$121,240.10

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date May 6, 1963 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Office Government Representative

Date 6-11-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

NARRATIVE REPORT - MAY, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for May, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Advance was slower in this heading during May, since considerable time was spent in putting in a large drill station for Holes II-9 and II-10, as well as some additional footage for tail drift to switch cars. Fault displacement of the vein has necessitated cross-cutting in fairly bad ground. Continual timbering was required, and portions of previous untimbered drift needed timbering for safety. Total advance was 39' of drift and 29.5' of crosscut, in addition to 41' of crosscut at the Operator's expense and 22' of slabbing for the drill station. The latter crosscut and slab area will all be utilized as drill station.

Indiana Vein System

Conditions were similar in this drift, in that the station for Hole II-12 was put in. Because of faulted ground, the station and drift all required timbering. Advance on the vein was 56', and the drill station-tail drift totaled 36', of which only 15 feet is billed for the station. Near the end of the month, work was stopped pending approval to transfer remaining footage to the Indianapolis vein.

Core Drilling

Hole II-4 was continued another 18 feet to a total of 694 feet.

Hole No. II-3 was completed during the month to a depth of 600 feet, thus completing the three holes from the main adit drill station. Hole No. II-10 was started and is now at 286 feet. Total footage for the month was 904 feet.

Drilling progress averaged about 35 feet per day, the same as during April. Casing and cementing time was 34 hours on No. II-4, 21 hours on No. II-3 and 41 hours thus far on No. II-10. Hole No. II-10 has been in a fault zone most of the way with extremely difficult drilling. Core recovery continues to be good: 93.9% in Hole II-4, 90.6% in Hole II-3, and 97.6% thus far in Hole II-10. Hole II-3 was drilled NX size to 335 feet and completed BX size. Hole II-10 could be drilled NX only to 191 feet, due to severe rock brecciation, and is presently being continued BX size.

Access roads have been completed to the Mountain Chief area, using the Operator's D-8 bulldozer. Upon discussions at the end of the month with Mr. Romslo, OME Field Officer, it became evident that bulldozer work is included under Independent contracts rather than Fixed Unit Costs. Since the Operator has always owned a D - 8 bulldozer and it was so stated in our application, a request for amendment will be submitted very shortly.

GEOLOGY AND ASSAY RESULTS

Assays were run by American Metal Climax at no cost. These are all reported on the Hole II-5 assay log.

Indianapolis Vein System

Upon intersecting the northeast fault which displaced the Indianapolis vein, cross-cutting was done to the left or east inasmuch as fault drag indicated a left movement. In about 30 feet the vein was cross-cut and drifting resumed again. The entire advance has been in a highly sheared, brecciated, and chloritized zone. Width of the vein is only from 4-6", but a number of random quartz-molybdenite veinlets are beginning to appear in the walls. Vein dip is about vertical. Furthermore a north-dipping cross-vein, about 0.5' wide and well mineralized, was cut a few feet from the breast. This is parallel to the No. 1 vein but is not far enough south to coincide with the No. 2 vein. The character of the vein and wallrock mineralization appears to be improving southward. Disseminated Molybdenum was also noted throughout the tail drift.

Indiana Vein System

Faulting along this vein system has continued very strong, but the

quartz-orthoclase-molybdenum vein material has diminished considerably, hence our decision to request approval to transfer remaining footage under Stage II to the Indianapolis drift. Dip has remained at about 71°, but the strike is swinging westward.

Core Drilling

Hole No. II-5

Assay results on a sizeable part of the mineralized zone in this hole are included with this report. They are all quite low except for a zone from 235' - 245'. Further analysis must await additional assays.

Hole No. II-4

The last 18 feet disclosed nothing of particular interest.

Hole No. II-3

The most significant zone intersected was that from 70-157', a zone of steep-dipping mineralized fractures and quartz veinlets with moderate to strong secondary orthoclase alteration. True width would be 40 feet. Four narrow 2-inch quartz veins with numerous veinlets between were cut over a width of 9 feet. These were of strong enough intensity to indicate a vein structure, but correlation of these with known veins is surprisingly very difficult. Tentatively, these are believed to be part of a mineralized fault zone cutting the Indiana vein just south of the Dakota fault. A large pre-Cambrian gneiss and alaskite inclusion was cut about halfway in the hole, and it was mineralized in a brecciated zone along the north side. Other zone of significant mineralization, secondary orthoclase, and silicification were found, the most notable near a fault zone at about 470 feet. This is very possibly a branch of the Dakota fault.

Hole No. II-10

Although this hole has not advanced far enough for any conclusions, the main feature of note thus far is the major fault accompanying the No. 1 vein, which has accounted for the slow drilling. Also, the cross vein near the drift breast was cut from 163' - 166' where it is moderately mineralized. Alteration has been mainly an intense chloritization and argillization throughout the fault zone.

Mountain Chief Area

Intensive plane-table surface mapping of the Mountain Chief area is now complete and maps are being drafted, upon which to intelligently base all drilling. Enough positive claim covers were recovered in the field to accurately locate all claims. Acquisition of adjoining

claims is being pushed with all diligence, and four claims have been acquired by tax sale.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

June 6, 1963

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: May 31, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Nye Metals, Inc.
TERMS: as per contract
LOCATION: Apex, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# 7	BX 676	694	18'	$ 4.05	$ 72.90
	Casing time		8 hrs.	8.50	68.00
	~~Delay time~~				$ 140.90
# 3	EC 0	10	10'	4.40	44.00
	NX 10	335	325'	4.15	1,348.75
	BX 335	500	165'	3.80	627.00
	BX 500	600	100'	4.05	405.00
	Cement time		9 hrs.	8.50	76.50
	Lumnite Cement		2 sks.	7.20	14.40
	Casing time		13 hrs.	8.50	110.50
	Core Boxes		58 boxes	1.00	58.00
					$2,684.15
# 10	EC 0	10	10'	4.40	44.00
	NX 10	191	181'	4.15	751.15
	BX 191	286	95'	3.80	361.00
	Cement time		29 hrs.	8.50	246.50
	Cal Seal		2 sks.	10.70	21.40
	Lumnite		2 sks.	7.20	14.40
	Casing time		12 hrs.	8.50	102.00
					$1,540.45
				TOTAL	$4,365.15

MAY 21 1963

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: [illegible]-6231 (Molybdenum)
Rye Metals, Inc.
Rye Molybdenum Mine
Gilpin County, Colorado
Contract 2149

Your May 16 memorandum requests advice as to the procedure for reclaiming costs for compressed air service after the subject Operator signs proposed Amendment No. 1.

Such costs for March and April may be reclaimed either by a supplemental voucher or by inclusion in the Operator's next regular monthly voucher.

In regard to the assay costs, also mentioned in your memorandum, it appears that the Operator's claim, your approval, and the Fiscal Section's payment on the basis of $5.00 per assay were correct. The contract's Category (7) estimate of $4.00 per assay is not a maximum and the Operator's claim is supported by Charles O. Parker & Company's April 18 assay certificate listing 29 MoS2 assays and a charge of $145.00.

[illegible] C. Belfridge

EDTalbert/ama 5-20-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section
Review Committee
Mr. Talbert

Building 20 - Federal Center
Denver 25, Colorado

May 16, 1963

EXTRA COPY O. M. E RECEIVED MAY 20 1963		
DATE		CODE
		800

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

This concerns the Operator's vouchers for March and April, 1963. The cost of air was suspended from the March voucher and was recommended for suspension from the April voucher.

The Operator will be advised, if he signs proposed Amendment No. 1, to claim payment for the air in a supplementary report with MME Form 60 and 61 for the two months concerned. The April voucher included $145.00 for assaying 29 samples at $5.00 each. I now find that the correct allowable total cost for this item is $116.00 for 29 samples at $4.00 each. The Operator will be asked to straighten this out in the supplementary report by entering the $29.00 overpayment as a debit item on the MME Forms.

Please advise if this procedure is o.k.

Original signed by
T. M. Romslo
T. M. Romslo

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6291
Contract No. 14-23-090-[illegible]
Contract Amount $75,225.00
Gov't. Participation 50% $30,113.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of April, 1963

Operator's Name Dyo Metals, Inc., Blackhawk, Colorado or
Address Room 711, Republic Bank Building, Indianapolis, Ind.

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	11,500.00	68,521.00	79,781.00			
Crosscutting	-0-	3,060.00	3,060.00			
Drilling	3,546.60	8,102.70	11,649.30			
Timbering	1,054.00	9,136.00	10,190.00			
X-cut, drift etc.	-0-	2,700.00	2,700.00			
Compressed Air	613.20	500.00	1,113.20			
(2) Personal Services:						
Supervision & Technical	926.50	68.00	994.50			
Outside Consultants						
Labor	262.80	210.00	472.80			
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	165.00	165.00	330.00			
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.	100.00	100.00	200.00			
TOTALS	17,610.10	92,462.70	110,072.80	17,004.90	91,872.70	108,877.60

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

Date May 6, 1963 *Payee Dyo Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 8,502.45

Signature BHB
(Authorized Certifying Officer)

Date 5/17/63 Vou. No. 6044

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature T M Romero Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature T M Romero Title Acting Field Officer Date 5-14-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
MAY 7 - 1963
OFFICE OF THE SECRETARY
FISCAL SECTION

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of April, 1963 Docket No. 6231

Operator's Name Tyo Metals, Inc. Contract No. 14-23-090-249 Page II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	335	2906.9	$ 73,701.00			
Crosscutting	ft	-0-	90	3,060.00			
Raising							
Shafts							
Winzes							
Other Underground: Rotator NX 0-500	ft	121.5	1277.9	10,220.00			
Drilling, Core-Diamond: NX 750	ft	115	618	4,944.00			
Rotary BX 0-500	ft	0	120	960.00			
Drilling, Non-core-Diamond: BX 500-750	ft	302	603	6,030.00			
Rotary	ft	206	306	1,224.00			
Churn	ft	150	150	600.00			
Percussion	ft	-0-	729	3,645.00			
Miscellaneous	ft	49	97	436.50			
Roads and Trails	ft	-0-	90	4,500.00			
Stripping	ft	670	1970	472.80			
Trenching	ft	670	1970	1,182.00			
Test Pitting	ft	150	255	255.00			
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases				250.00			
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				$109,259.80	MR		

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date May 6, 1963 Operator Tyo Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature M M Pomeroy

Title Mining Engineer
Government Representative

Date 5-14-63

(INSTRUCTIONS ON REVERSE)

REMARKS (Cont.)

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

RECEIVED
NOV 1 1963
OFFICE OF THE SECRETARY
FISCAL SECTION

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

May 20, 1963

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: Dye Metals Inc.,
Room 711 Merchants Bank Building,
Indianapolis, Indiana

Amount Claimed:	Differences (Explained Below)	Amount Approved
$ 17,613.10	$ 613.20	$ 17,004.90 (Gov't. Share $ 8,502.45)
Bu. Voucher No.	**Payee's Invoice No.**	**Period**
6044	012 623, Contract 2143	April 1963

EXPLANATION

Amount claimed for compressed air disallowed pending execution of a proposed amendment.

V 60461

EXTRA COPY
O. M. E
RECEIVED MAY 20 1963

DATE	INITIALS	CODE
		800

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

Signature
Opal A. Shelton
Chief, Accounting Unit

Title

74165

Building 20 - Federal Center
Denver 25, Colorado

May 14, 1963

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Rye Metals, Inc.
(Rye Molybdenum mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for April 1963

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, two maps showing the drifting performed during April on the Indianapolis and Indiana vein, a cross section showing Drill Holes II-4 and II-5, and copies of the assay results by the American Metal Climax, Inc. and the Charles O. Parker & Co.

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

Stages II and III of this contract have both Fixed Costs and Actual Costs and the Boyles Brothers bill for drilling, casing, cementing, and core boxes is attached.

It is recommended that the cost of compressed air claimed on MME Form 60, $613.20, be suspended pending execution of a proposed amendment. Subject to your verification of the arithmetical accuracy of the report, it is also recommended that the Operator be reimbursed $8,502.45 which is 50 percent of $17,004.90, the amount claimed on MME Form 60 less the suspended $613.20.

Original signed by
T. M. Romsle
T. M. Romsle

Attachments

NARRATIVE REPORT - APRIL, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for April, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Drifting on this vein was accelerated during April, and 216 feet advance was made. Only the last 16.5 feet required timber, but timber will very likely continue to be required for some time. No unusual problems were encountered.

Indiana Vein System

Although the Indiana drift still requires continual timbering, the ground condition is improving. Total advance was 119 feet.

Core Drilling

Hole No. II-5 was advanced another 200 feet to the specified depth of 900 feet. Hole No. II-4, also from the main adit drill station, was drilled to 676 feet. Total footage for the month was 876 feet.

Drilling progress averaged about 35 feet per day. Casing and cementing time was comparable for each hole; 31 hours for #II-5 and 26 hours thus far on #II-4. Core recovery was excellent, averaging 93.5% in Hole II-5 and 94.3% thus far in Hole II-4. Hole II-5 was completed at BX size. Hole II-4 was started NX size and had to be switched to BX size at 118 feet due to severely faulted ground. It will undoubtedly be completed at BX size also. Sludge samples are collected when necessary.

GEOLOGY AND ASSAY RESULTS

Some assays were again run at no cost by American Metals Climax, Inc., but since their lab has been running at capacity with their own samples, one batch was sent to Charles C. Parker and Company this month. Because of this delay in the Climax assaying, no core assays were completed during April, but a large number will be reported during May. It is expected that the Climax lab will be able to give better service this month.

Indianapolis Vein System

Some of the muck samples from the Indianapolis drift will not be assayed because mineralization was not regarded as significant. The numerous muck samples shown on the assay map indicate the grade for the next 100 feet. However, the last 50-75 feet in the vicinity of No. 1 vein has improved and will be assayed and reported in May.

The vein system has continued as a series of apparent en echelon quartz-molybdenite veinlets, which often die out into the hanging-wall and another appears in the footwall. Widths have averaged about 2 inches and never over 6 inches. However, just north of Sta.T68 a distinct improvement has been noted; the vein or gouge zone is about 2 feet wide with many quartz veinlets and with numerous parallel molybdenite-coated fractures in both walls. Also, at Sta. T68 a northeast vein was encountered which is undoubtedly No. 1 vein at surface on Oregon Hill. It consists of a strong fault zone and well mineralized gouge and quartz stringers at Sta. T68 + 25. A northeast fault, probably part of the No. 1 fault-vein system, has displaced the Indianapolis vein. Slight drag indicates east-ward movement and cross-cutting is being started. Disseminated mineralization in the wallrock has notably increased in the last 75 feet.

Indiana Vein System

The ore shoot encountered during March was drifted on and good values persisted for 75 feet. From Sta. T64 to the face the molybdenite content has been erratic and the quartz vein has split into hanging-wall and footwall veins, each of which are never over a foot wide. The dip has steepend and varies from 65° - 73°. Wallrock mineralization occurs mostly in the footwall.

Core Drilling

Please again consult the geological legend included with the March report for symbols and colors shown on the enclosed drill log.

Hole No. II-5

This first hole was continued to the specified depth of 900 feet to be certain that no important mineralized faults or quartz monzonite dikes were present near the east contact of the Apex stock. This hole penetrated 230 feet into the quartz-biotite gneiss footwall and clearly illustrated that mineralization rapidly diminishes outside the stock. A few quartz monzonite dikes were cut. However, along the entire hole within the stock, nearly every fracture contains some molybdenite and the significant mineralization is indicated on the log and was discussed in the last report.

Hole No. II-4

The angle of this hole was -20° compared to -40° for No. II-5; and the bearing was more northerly, but the two are near enough to be compared on the same enclosed cross-section. The same wide zone of secondary orthoclase, silicification, and significant molybdenite mineralization was cut from 114-460 feet, with a comparable true width of 250 feet. However, the last 70 feet was not as well-mineralized as the comparable zone in Hole II-5. Again, secondary orthoclase was most widespread, occurring as veinlets, crystals, and irregular masses, with the strong silicification occurring in more restricted zones mostly as veinlets. Strong chloritization is mainly fault localized but may occur as blanket alteration over wider zones. Its direct relationship to mineralization is less pronounced than that of orthoclase and silica. Numerous quartz-biotite gneiss and alaskite inclusions were also found.

The Indianapolis vein was intersected from 579' - 585' where it is a 5-foot zone of well-mineralized quartz veinlets and chloritic gouge. Disseminated molybdenite is abundant in the walls for a width of 30 feet. The west one of the two veins found in Hole II-5 is apparently the Indianapolis vein, based on the new 3-point projection. Another unexpected vein was cut at 455-459'. It is 3 feet wide and again well-mineralized. No comparable one was found in the adit above but it correlates with a narrow 2-inch vein along a well-defined fault structure. Since the veins normally pinch and swell, this is very likely the same but just at a narrow portion.

The east contact of the Apex stock was intersected at 637 feet, where mineralization again diminishes in the quartz-biotite gneiss.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Rye Metals, Inc.

May 6, 1963

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2	Sample No.	%MoS_2
M-860	0.585	M-887	0.012
M-861	0.051	M-888	0.446
M-862	0.143	M-889	0.009
M-863	0.828	M-890	0.171
M-864	0.110	M-891	0.007
M-865	0.307	M-892	0.739
M-866	0.077	M-893	0.017
M-867	0.351	M-894	0.216
M-868A	0.021	M-895	0.014
M-868B	0.755	M-896	0.115
M-869	0.755	M-897	0.009
M-870	0.588	M-898	0.112
M-871	0.044	M-899	0.010
M-872	0.056	M-900	0.014
M-873	0.856	M-901	0.126
M-874	0.035	M-902	0.047
M-875	0.612	M-903	0.058
M-876	0.051	M-904	0.031
M-877	0.216	M-905	0.014
M-878	0.042	M-906	0.110
M-879	0.220	M-907	0.065
M-880	0.499	M-908	0.007
M-881	0.023	M-909	0.026
M-882	1.02	M-910	0.066
M-883	0.030	M-911	0.052
M-884	0.715	M-912	0.017
M-886	0.364		

2114 CURTIS STREET

TELEPHONE MAin 3-1852

[redacted]

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 7914

Date April 18, 1963.

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
Molybdenum Sulfide (MoS2)								
#913				1.04%				
#914				0.01%				
#915				0.10%				
#916				0.08%				
#917				0.44%				
#918				0.08%				
#919				0.18%				
#920				0.17%				
#921				0.08%				
#922				0.11%				
#923				0.07%				
#924				0.24%				
#925				0.15%				
#926				0.01%				
#927				0.02%				
#928				0.10%				
#929				0.22%				
#930				0.07%				
#931				0.08%				
#932				0.10%				
#933				0.02%				
#934				0.04%				
#936				0.06%				
#938				0.16%				
#939				0.03%				
#940				0.28%				
#941				0.06%				
#942				0.17%				
#944				0.02%				

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 145.00

CHARLES O. PARKER & CO.

CHEMISTS, ASSAYERS and ENGINEERS

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

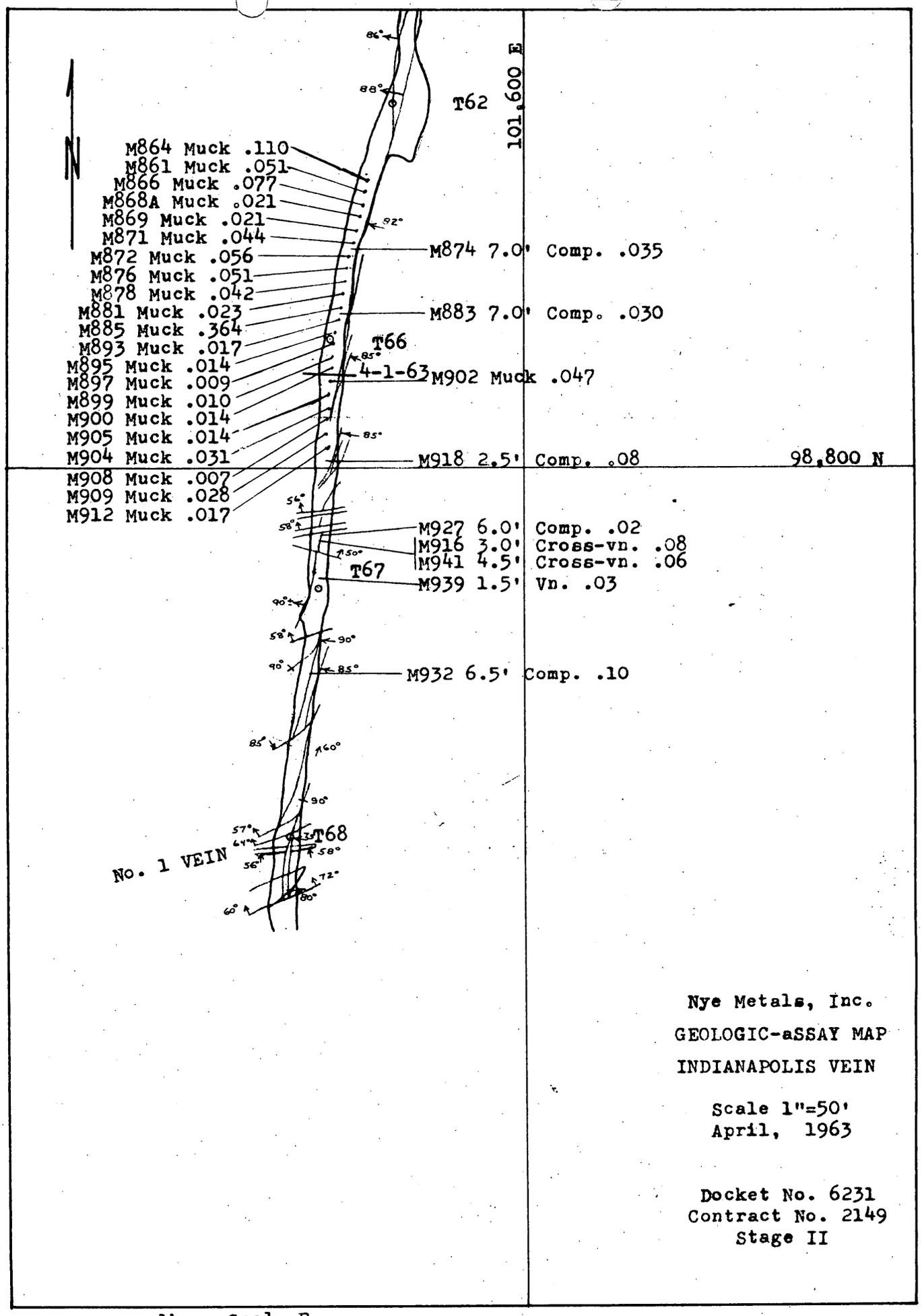
1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: April 30, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Rye Metals, Inc.
TERMS: as per contract
LOCATION: Apex, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
#6	BX 700	750	50'	$ 4.05	$ 202.50
	BX 750	900	150'	4.60	690.00
	Casing hole		10 hrs.	8.50	85.00
	Cement time		13 hrs.	8.50	110.50
	Lumnite cement		2 sacks	7.20	14.40
	Cardboard Core Boxes		89 boxes	1.00	89.00
			sub	total	1,191.40
#7	BX 0	9	9'	4.40	39.60
	BX 9	118	109'	4.15	452.35
	BX 118	500	382'	3.80	1,451.60
	BX 500	676	176	4.05	712.80
	Casing hole		8 hrs.	8.50	68.00
	Cement time		18 hrs.	8.50	153.00
	Lumnite cement		1 sack	7.20	7.20
	Cardboard Core Boxes		71 boxes	1.00	71.00
			sub	total	2,955.55
				TOTAL	$4,146.95



Nye Metals, Inc.

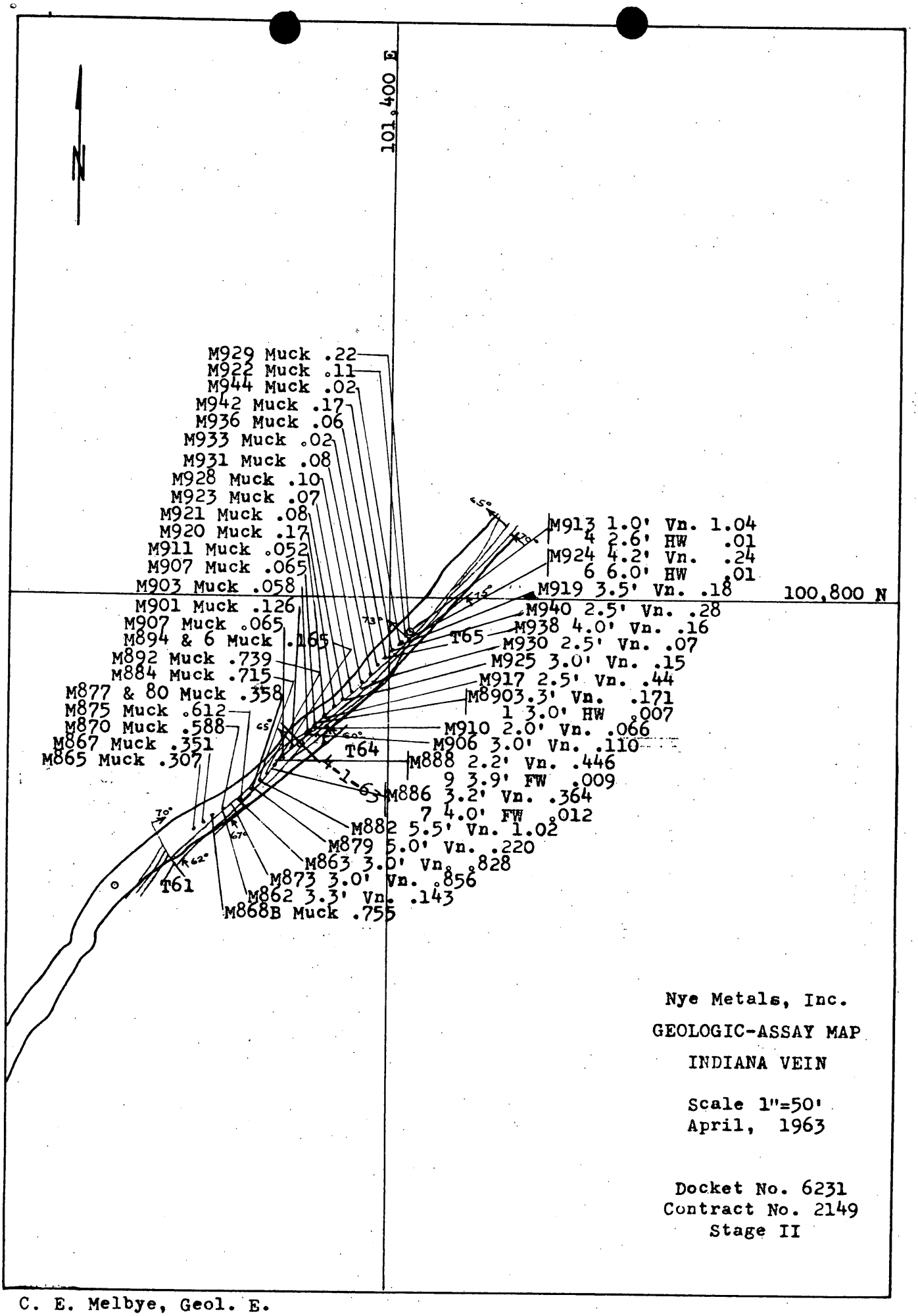
GEOLOGIC-aSSAY MAP

INDIANAPOLIS VEIN

Scale 1"=50'
April, 1963

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED MAY 17 1963
DATE CODE
800

May 14, 1963

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6251 (Molybdenum)
Contract No. 2149
Rye Metals, Inc.
(Rye Molybdenum mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for April 1963

Enclosed are the original and two copies of MMR Form 60 and MMR Form 61, Operator's Narrative Report, two maps showing the drifting performed during April on the Indianapolis and Indiana vein, a cross section showing Drill Holes II-4 and II-5, and copies of the assay results by the American Metal Climax, Inc. and the Charles O. Packer & Co.

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

Stages II and III of this contract have both Fixed Costs and Actual Costs and the Boyles Brothers bill for drilling, casing, cementing, and core boxes is attached.

It is recommended that the cost of compressed air claimed on MMR Form 60, $613.20, be suspended pending execution of a proposed amendment. Subject to your verification of the arithmetical accuracy of the report, it is also recommended that the Operator be reimbursed $8,502.45 which is 50 percent of $17,004.90, the amount claimed on MMR Form 60 less the suspended $613.20.

Original signed by
T. M. Romslo

T. M. Romslo

Attachments

cc Chief, Division of Field Operations, OME
Vouchers Contract No. 2149
Chron
TMR/lm

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
MAY 17 1963
DATE CODE

May 14, 1963

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Amended Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

Reference is made to your memorandum dated May 7, 1963.

The proposed Amendment No. 1 to the subject contract will be submitted for consideration by Mr. Robert E. Nye, the Operator's president, as soon as possible. According to Mr. Charles Melbye, the Operator's consultant, Mr. Nye is presently in Indiana, but can be expected to call at this office and probably sign the proposed amendment upon returning to Denver, about May 17.

In regard to the core-size problem, it is my opinion that Boyles Bros. and the Operator inadvertently failed to mention that wireline equipment would be used. My opinion is based on the information contained in the attached copy of Mr. Melbye's letter dated May 11, 1963, and Mr. Lensch's letter of May 2, 1963, which was forwarded to you May 9, 1963.

In considering this matter, the size of core actually obtained is probably an important factor. According to information obtained today from Mr. Lensch, the Boyles Bros. wireline equipment yields core of the following diameters: BXWL-1.875 inches, NXWL-1.432 inches, and AXWL-1.067 inches. The next lower size coring is done with standard A[illegible] size bits. Thus, the size of core obtained by Boyles Bros. is significantly larger than that obtained with the original wireline equipment that yielded core of the sizes quoted in Mr. Griswold's memorandum dated April 23, 1963.

The amendment to be prepared upon receipt of the signed Amendment No. 1 should provide for coring either to wireline or standard sizes and allow for holes to be started either NX or EX standard sizes or the equivalent in wireline sizes. The presently allowable costs are considered reasonable for wireline drilling, that yields core of adequate sizes, and that normally results in the recovery of more core than obtained in standard-size drilling. Bids for drilling standard-size holes would be expected to be somewhat higher than the presently allowable costs.

Original signed by
T. M. Romslo

T. M. Romslo

Attachment

Memorandum

APR 23 1963

To: Acting Field Officer, Region III

From: ACTING Chief, Division of Field Operations

Subject: OMX-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2149

The subject Amended Contract specifies under General Provisions that Stage II drill holes "shall be started using standard NX core sizes (2 1/8" diameter) and may be reduced if necessary to complete a hole to either the standard BX or AX core size". The contractual estimates include maximum average unit costs for NX, BX, and AX "core size".

The March 1963 MMK Form 60, which you recently approved and forwarded to the Department's Fiscal Section, includes a claim for 700 feet of drilling in hole no. II-5 at the contractual NX and BX core prices. These costs are supported by Boyle Bros. Drilling Company's March 31 invoice which identifies the hole as no. 6 and bills for NX and BX drilling at the contractual prices. The Operator's narrative, however, states "Wireline equipment is being used which recovers a slightly smaller core than normal NX and BX size".

If this drilling was actually done with wireline equipment, it appears that the specifications of the contract as to core size were not met. Furthermore, as we generally consider the wireline sizes of core to be the approximate equivalent to a one size smaller standard core (i.e., NXWL = BX, BXWL = AX, and AXWL = EX), an overpayment by the Government is indicated.

Your comments and recommendations in the matter will be appreciated.

EDTalbert/ama 4-22-63

W. R. Griswold

cc:
Docket
Director's Reading File
CA & A Division
Review Committee
Fiscal Section
Mr. Talbert

OME
EPARTMENT OF THE INTERIOR

MME FORM 60
SEPT. 1959

APR 9 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090- 2149 Stage II
Contract Amount $278,225.00
Gov't. Participation % 50 $ 139,113.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of March, 1963

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or Room 711, Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	$8,704.00	$59,687.00	$68,391.00	8,704.00	59,687.00	68,391.00
Crosscutting	-0-	3,060.00	3,060.00	-	3,060.00	3,060.00
Drilling	$2,927.00 ~~$2,995.00~~	5,175.70	~~8,170.70~~	8,102.70	5,175.70	8,102.70
Timbering	884.00	8,252.00	9,136.00	884.00	8,252.00	9,136.00
X-cut, drill stas.	-0-	2,700.00	2,700.00	-	2,700.00	2,700.00
Compressed air	490.00	-0-	490.00	-	-	-
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Incid. Allow.	210.00	-0-	210.00	210.00	-	210.00
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
Casing	68.00	-0-	68.00	68.00	-	68.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	105.00	105.00	-	105.00	105.00
Payroll Taxes						
Employee's Liability Ins.						
Core boxes	-0-	100.00	100.00	-	100.00	100.00
TOTALS	$13,283.00	$79,079.70	$92,362.70	12,743.00	79,079.70	91,872.70

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

Date April 4, 1963 * Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 6,396.50

Signature BHB
(Authorized Certifying Officer)

Date 4/16/63 Vou. No. 5401

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Emmons Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Emmons Title Acting Field Officer Date 4-9-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME FORM 61
SEPT. 1959

OME
DEPARTMENT OF THE INTERIOR
APR 9 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of March, 1963 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149 Stage II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft	256	2011.5	$68,391.00			
Crosscutting	Ft	0	90	3,060.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	Ft	110.5	1142	9,136.00			
Drilling, Core-Diamond NX 0-500'	Ft	500	500	2,075.00			
NX ~~xxxx~~ 500-750	Ft	120	120	528.00			
Drilling, ~~xx~~ Core-Diamond BX 0-500	Ft	80	338	1,781.70			
AX ~~xxxx~~	Ft	0	715	3,718.00			
Casing ~~xxx~~	Hrs	8	8	68.00			
Percussion							
Miscellaneous Core boxes	Ea	0	100	100.00			
X-cut. Drill stas.	Ft	0	90	2,700.00			
Roads and Trails							
~~xxxxx~~ Incid. Allow.	Ft	700	700	210.00			
~~xxxxx~~ Comp. Air	Ft	700	700	490.00			
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				$92,362.70			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date April 4, 1963 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 4-9-63

(INSTRUCTIONS ON REVERSE)

REMARKS (Cont.)

REMARKS (Cont.)

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

RECEIVED
APR 21 1953
OFFICE OF THE SECRETARY
FISCAL SECTION

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

General Offices and Plant

1624 Pioneer Road P. O. Box 58 HUnter 7-7595

SALT LAKE CITY 10, UTAH

BRANCH OFFICES
PHOENIX
RENO
SPOKANE
DENVER
SACRAMENTO
ST. LOUIS

INVOICE DATE: March 31, 1963
ORDER NUMBER: 2-226
INVOICE NUMBER:
CONTRACT: Nye-Apex - BlackHawk, Colorado
TERMS: as per contract
LOCATION: Apex, Colorado

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
# 6	NX 0	500	500'	$4.15	$2,075.00
	NX 500	620	120'	4.40	528.00
	BX 620	700	80'	4.05	324.00
	Casing hole		8 hours	8.50	68.00
				TOTAL	$2,995.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

April 10, 1963

AIRMAIL

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for March 1963

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, two maps showing the drifting performed during March on the Indianapolis and Indiana vein, a Geological Legend, a cross section showing Drill Hole II-5, and a copy of the assay results by American Metal Climax, Inc.

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

Stages II and III of this contract have both Fixed Costs and Actual Costs and the Boyles Brothers bill for drilling and casing is attached.

On my regular inspection of this property, I inspected the core from Diamond Drill Hole II-5 and the core showed more molybdenum than any hole we have drilled thus far. Assays of the core from this hole should be completed during April 1963.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $6,641.50 which is 50 percent of the amount claimed on MME Form 60.

Hugh M. Connors

Hugh M. Connors

Attachments

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2
M-836	1.87
M-837	0.101
M-838	0.195
M-839	2.73
M-840	1.96
M-841	0.023
M-842	0.058
M-843	0.009
M-844	0.096
M-845	0.042
M-846	0.080
M-847	0.040
M-848	0.045
M-849	0.012
M-850	0.059
M-851	0.014
M-852	0.096
M-853	0.021
M-854	0.160
M-855	0.049
M-856	0.162
M-857	0.009

NARRATIVE REPORT - MARCH, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for March, 1963 is summarized in this report.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Drifting was continued in the south drift on the Indianapolis vein system during the entire month, and total advance was 145.5 feet. No timbering was required, and very little groundwater is being encountered despite rapidly melting surface snow.

Indiana Vein System

Advance in this heading is a different story and very similar to that of February. Total advance was 110.5 feet. Both the quartz vein and footwall fault zone have widened to a total of at least 8 feet which presents a considerable width of heavy ground. Timbering must be kept up to the face at all times, and excessive caving occurs many feet above the timber sets and blocks. The drift was turned back to the right to expose the footwall side for sampling, but since considerable caving has again started, the drift must be turned partly into the hangingwall again. Varying amounts of groundwater compound the difficulties.

Diamond Drilling

Hole No. II-5 from the main adit drill station is nearly completed, having reached a depth of 700 feet. In referring to drill holes

the numbers on the contract map will be used. Since Hole Nos. 1-5 were drilled also under Stage I, the roman numeral designation in front of the number will be used in all subsequent reports and maps.

Drilling progress has been relatively good, averaging about 70 feet per day or 35 feet per shift. Core recovery was 95.3% and dropped below 60% on only 2 short runs. Because of very slow and difficult drilling below 600 feet, the hole size was switched from NX to BX at 620 feet. Wireline equipment is being used which recovers a slightly smaller core than normal NX and BX size. Sludge samples are being collected when core recovery diminishes to any extent.

GEOLOGY AND ASSAY RESULTS

Assays are again being run at no cost by American Metal Climax, Inc., but since their lab is quite busy at this time, the last half month's channel and muck samples could not be finished in time for this report. A new core splitter has been ordered, and the cores for Hole No. II-5 will be split and assayed during April.

Indianapolis Vein System

This vein has continued as a zone of narrow quartz stringers, 2'-3' apart. Some molybdenite and pyrite are present in each, and the strongest split (that which shows the most chloritic alteration) is being followed. The newly-found footwall split, mentioned last month, joined with the one being followed and drifting continues on this structure. Dip is very steep, varying from 82°-85°, which explains the weak vein structure. Ore shoots occur along the vein only where the dip flattens to about 75°-78°.

Indiana Vein System

At Station T61 + 18' the Indiana quartz vein widened to 3.5 feet with high-grade molybdenum mineralization, indicating the beginnings of another ore shoot, as predicted in last month's report. Assays of 2.73% and 1.96% over 3.2 and 3.5-foot widths were obtained. The quartz vein has continued at from 2'-3' widths with good molybdenite values for 75 feet. In addition, the 4'-5' of chloritic gouge in the footwall contains various mineralized quartz stringers, and at the present face, a 1.5-foot footwall quartz vein has now appeared. The dip is only 62°-65°, which is the flattest portion thus far on the Indiana vein.

Drilling

Because of more expanded rock and alteration types involved in this drilling, a new geological legend is included to be used for all subsequent maps.

Hole No. II-5- The geologic log of this hole is included, and since assays are not completed, only zones of significant mineralization are indicated. Three substantial zones of significant mineralization were intersected, the widest being 250 feet. These consist of zones of fractures a few inches apart with molybdenite in nearly every fracture., and accompanied by a flooding of secondary orthoclase in veinlets, crystals, and irregular masses. Strong silicification also occurs at various places within these zones in the form of veinlets and introduced quartz. Weak silicification is present throughout most of the hole. The exact nature of the silica, however, is often difficult to ascertain megascopically, and a number of core samples have been sent for petrographic analysis. Chloritization varies from very weak to strong, and the strong alteration is usually related to definite faults and is limited in extent. Visible molybdenite may or may not occur with the chlorite.

The rock type is mostly the normal quartz monzonite. Biotite content varies considerably but is a gradational change and difficult to log. At 675 feet the east contact of the Apex stock was intersected, and the balance is quartz-biotite gneiss, intruded by an alaskite and a quartz monzonite dike. One major difference from the main adit above is the number of pre-Cambrian biotite gneiss and alaskite inclusions. The alaskite is presumed to be a pre-Cambrian dike as it usually occurs with the biotite gneiss. It consists of a coarse-grained mass of quartz, orthoclase, and plagioclase with minor biotite. Where enclosed by the quartz monzonite, these inclusions are well-mineralized, but molybdenite diminishes considerably in the gneiss beyond the east contact. In addition to these inclusions, a number of aplitic dikes occur which appear to be fine-grained equivalents of the quartz monzonite.

The projection of the Indianapolis vein is somewhat uncertain. A one-foot quartz vein with some molybdenite was cut at the contact, and another zone of narrow quartz-molybdenite stringers occur along a fault at 618 feet. Either one about fits the projection, but in the 460 feet above, considerable dip variations could occur.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

April 4, 1963

Building 20 - Federal Center
Denver 25, Colorado

April 9, 1962

FILE COPY
O. M. E
RECEIVED APR 1963
DATE
800

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

The Contract shows compressed air for drilling (7300 ft. at $0.70/ft.) under Actual Costs.

Boyles Brothers billing for March does not show the $0.70/ft. for air.

I am passing the March voucher for the Operator in which he has included compressed air at $0.70/ft. for the actual amount of drilling claimed by Boyles Brothers.

It appears to me that the air should be included as a Fixed Unit Cost rather than an Actual Cost.

Will you please advise.

Original signed by

Hugh M. Connors

OME
DEPARTMENT OF THE INTERIOR

MME FORM 60
SEPT. 1959

MAR 15 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149 Stage I+ II
Contract Amount $278,225.00
Gov't. Participation % 50 $ 139,113.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of February 1963

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colo., or Room 711 Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	$4,947.00	$54,740.00	$59,687.00	4,947.00	54,740.00	59,687.00
Crosscutting	--	3,060.00	3,060.00		3,060.00	3,060.00
Drilling	--	5,175.70	5,175.70		5,175.00	5,175.70
Timbering	492.00	7,760.00	8,252.00	492.00	7,760.00	8,252.00
X-Cut, Drill Stas	900.00	1,800.00	2,700.00	900.00	1,800.00	2,700.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	--	105.00	105.00			
Payroll Taxes						
Employee's Liability Ins.						
Core boxes	--	100.00	100.00			
TOTALS	$6,339.00	$72,740.70	$79,079.70	6,339.00	72,740.70	79,079.70

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

Date 3-11-63 *Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 3,169.50

Signature BJB
(Authorized Certifying Officer)

Date 3/19/63 Vou. No. 481

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Tonnore Title Acting Field Officer Date 3-15-63

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Tonnore Title Acting Field Officer Date 3-15-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

OME
MENT OF THE INTERIOR
MAR 15 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of February 1963 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149 - Stage II

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	Ft.	145.5	1755.5	$ 59,687.00			
Crosscutting	Ft.	--	90	3,060.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	Ft.	61.5	1031.5	8,252.00			
Drilling, Core-Diamond BX	Ft.	--	258	1,457.70			
Rotary AX	Ft.	--	715	3,718.00			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Core Boxes	Ea.	--	100	100.00			
X-Cut, Drill Stas.	Ft.	30	90	2,700.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				$ 79,079.70			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 3-11-63 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Office
Government Representative

Date 3-15-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

EXTRA COPY
O. M. E
RECEIVED MAR 19 1963
DATE

Building 20 - Federal Center
Denver 25, Colorado

March 15, 1963

AIRMAIL

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for February 1963

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, two maps showing the work performed during February, and a copy of the assay results by American Metal Climax, Inc.

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

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

I made the regular monthly inspection of this property on March 14, 1963. The Operator is presently drilling hole No. 5 which is the first diamond drill hole to be drilled under Stage II of the contract. Both the north heading on the Indiana vein and the south heading of the Indianapolis vein showed small amounts of molybdenite mineralization. The quartz monzonite wall rock in both headings showed very poor mineralization.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $3,169.50 which is 50 percent of the amount claimed on MME Form 60.

Original signed by

Hugh M. Connors

Attachments

NARRATIVE REPORT - FEBRUARY, 1963

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149
Stage II

INTRODUCTION

Exploration work completed under Stage II of the above contract of the Office of Mineral Exploration for February, 1963 is summarized in this report. This is the first work under Stage II, and slightly amended instructions as set forth in the Amended Contract are followed.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Total new advance on the south drift of the Indianapolis vein system was 84 feet. No timbering was required. In addition, the diamond drill station completed in January was advanced another 68.5 feet at the Operator's expense to provide a tail drift for switching cars and as an exploration crosscut. Personnel on this heading were temporarily shifted to preparing the main adit diamond drill station, and drifting will be resumed in March.

Indiana Vein System

Advance has been slow in this drift due to the increasingly heavy ground in the vicinity of a major fault intersection. The last 10 days was entirely spent in spiling through this area and installing closely-spaced timber sets. Advance was only 61.5 feet for the month. This problem is still not past and it will be necessary to stay along the hanging wall side of the vein for a short distance until the ground improves. Considerable groundwater has aggravated the situation.

Diamond Drilling

No drilling was completed, but the main adit drill station, large enough for 3 holes in different directions, was excavated. Boyles Bros. Drilling Company was low bidder on the contract and will be moving in their equipment on or about March 5th.

GEOLOGY AND ASSAY RESULTS

In line with new instructions in the amended contract, muck samples were taken of each round by taking a grab from each car as it reached the mine portal. Channel sampling was continued at about 10-foot intervals. All assays were run at no cost by American Metal Climax, Inc.

Indianapolis Vein System

The Indianapolis vein has split into a number of quartz stringers, each about 1"-2" in width. At about Sta. T60, another footwall split of the vein was indicated in the east rib. Further excavation at this spot disclosed a quartz vein about one foot thick and considerably mineralized with molybdenite. Since this is the strongest split, the drift will be turned slightly eastward to follow this segment of the vein system, which must have split off in the vicinity of the cross-fault at Drill Hole No. 5. The tail drift was extended 74 feet westward partially to determine whether the present drift is on the best portion of the vein system. Since no veins were found, other than the random mineralized fractures in the quartz monzonite walls, we must assume that the drift is on the main part of the Indianapolis vein system.

Indiana Vein System

During this month's advance, the vein exposed in the drift has varied from one foot to a few inches in width. However, a series of mineralized quartz veinlets are exposed over a width of about 7 feet. The heavy ground presently being encountered is the result of three faults, all part of the Indiana system, intersecting at very acute angles and causing a loose zone of fault gouge about 4 feet wide. The heavy water flow readily washed out this loose gouge, resulting in caving for a considerable distance above the drift timbers.

The dip is now flattening to about 72°, which may indicate the beginning of another ore shoot, based on past experience. At this property, ore shoots seldom make where dips are over 80°.

Drilling

As mentioned previously, drilling should start on or about March 5th. The holes marked as Nos. 5, 4, and 3 in the contract will be drilled first and in that order.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

March 5, 1963

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2
M-763	.054
M-788	.035
M-789	.098
M-790	.063
M-791	.073
M-792	.054
M-793	.110
M-794	.122
M-795	.167
M-796	.427
M-797	.038
M-798	.017
M-799	.040
M-800	.010
M-801	.028
M-802	.030
M-803	.253
M-804	.037
M-805	.040
M-806	.061
M-807	.031
M-808	.269
M-809	.017
M-810	.017
M-811	.021
M-812	.033
M-812A	.347
M-813	.042
M-814	.042
M-815	.019
M-816	.002
M-817	.052
M-818	.745
M-819	.012
M-820	.005
M-821	.009
M-822	.099
M-823	.023
M-824	.054
M-825	.044
M-826	.007
M-827	.015
M-828	.047
M-829	.012
M-830	.009
M-831	.005
M-832	.255

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6331
Contract No.
14-23-090- 2169

OPERATOR'S MONTHLY VOUCHER

For Month of January, 1963
Completion of Stage I

Contract Amount $76,650.00
Gov't. Participation x50 $38,325.00
Mineral(s) Molybdenum

Operator's Name Eye Metals, Inc., Buckhorn, Colorado or
Address Box 711, Westerner Tent Building, Rollinsville, Colorado

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	7,497.00	47,243.00	54,740.00	7,497.00	47,243.00	54,740.00
Crosscutting	918.00	2,142.00	3,060.00	918.00	2,142.00	3,060.00
Drilling	1,390.10	3,785.60	5,175.70	1,390.10	3,785.60	5,175.70
Laboratory	1,832.00	5,928.00	7,760.00	1,832.00	5,928.00	7,760.00
Engr., Geol. etc.	450.00	1,350.00	1,800.00	450.00	1,350.00	1,800.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-0-	105.00	105.00	—	105.00	105.00
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.	100.00	-0-	100.00	100.00	—	100.00
TOTALS	12,187.10	60,553.60	72,740.70	12,187.10	60,553.60	72,740.70

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

Date Feb. 6, 1963 *Payee Eye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 6,093.55

Signature BHB
(Authorized Certifying Officer)

Date 2/27/63 Vou. No. 4333

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connor Title _____ Date 2-21-63

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connor Title Acting Field Officer Date 2-21-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of January, 1963 Docket No. 6251

Operator's Name Eye Metals, Inc. Contract No. 14-23-090-2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	1700	220.5	1610	54,700.00			
Crosscutting		27	90	3,060.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	1200	250	970	7,760.00			
Drilling, Core-Diamond DH	1000	50	250	1,437.70			
~~Rotary~~ DH		215	715	5,710.00			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Core boxes	100	100	100	100.00			
8-cat, drill etc.	60	15	60	1,800.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				72,740.70			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 February 6, 1963 Operator Eye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 2-21-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

EXTRA COPY
O. M. E
RECEIVED FEB 28 1963
DATE | | 800

Building 20 - Federal Center
Denver 25, Colorado

February 21, 1963

AIRMAIL

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Rye Metals, Inc.
(Rye Molybdenum mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for January 1963

Enclosed are the original and two copies of BME Form 60 and BME Form 61, Operator's Narrative Report, six maps showing the work performed during January, and a copy of the assay results by American Metal Climax, Inc.

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

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $6,093.55 which is 50 percent of the amount claimed on BME Form 60.

This will be the last voucher on Stage I work.

Original signed by

Hugh M. Connors

Attachments

NARRATIVE REPORT - JANUARY, 1963

COMPLETION OF STAGE I

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149

INTRODUCTION

This report summarizes exploration work completed under the above contract of the Office of Mineral Exploration for the month of January, 1963. With this month's advance, the authorized units of work under Stage I, as defined in the Amended Contract #2149, are complete. The unused funds as shown in the voucher are those from unneeded expenditures such as timbering and assaying.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

The south drift on the Indianapolis vein was advanced 138.5 feet, and, in addition, the last diamond drill station authorized under the contract was put in at survey station T58. This station will be advanced additional footage at the Operator's expense to serve as a necessary stub drift for switching cars. Continual timbering and top lagging was required except for the last 30 feet, but the intense faulting and heavy ground is no longer present.

Indiana Vein System

At the end of December, extremely faulted and heavy ground was encountered in the drift, which required spiling and solid top and side lagging for 30 feet. Although one of the cross-faults displaced the vein, it was necessary to continue out of the heavy fault zone before a right turn could be accomplished. This right turn was made when the ground improved, the vein was crosscut at about 30 feet, and the drift was turned to the left or northeast to continue on the vein. Continual timbering is required. Drifting footage was 82 feet and cross-cutting 27 feet

Diamond Drilling

Hole No. 5 was completed to a depth of 200 feet, and Hole No. 2 was deepened from 145 feet to 171 feet. Only the first 108 feet of Hole No. 2 was previously billed in the October, 1962 voucher. The last 100 feet of Hole No. 5 was in highly fractured ground all the way, which accounted for the overall low core recovery of 47 % and only 29% for the 100 feet. The intensely faulted ground previously encountered in Hole No. 2 continued to be very troublesome, and the 26 feet required nearly a week to drill. In spite of this, core recovery was 76%.

GEOLOGY AND ASSAY RESULTS

Cores were split and assays completed on the apparent interesting zones from Hole Nos. 2 thru 5, and logs are again included for Hole Nos. 3 and 4, previously submitted. All assays were run at no cost by American Metal Climax, Inc.

Indianapolis Vein System

During the early part of January, the drift left the [illegible] cross-fault zone and has continued on a vein which has split into a number of narrow stringers. Strike is nearly due [illegible] or about the same as that north of the fault. Although no high-grade vein has been present for the past 125 feet, the overall values in the walls and vein over about 1-6 feet have varied from .026% - .061% MoS_2. Since the vein is split into two parts North of the fault, there is some doubt as to whether the present drift is on the strongest of the splits. Therefore, a short diamond drill hole will be completed in a west direction by the operator at the new drill station. This will determine whether a stronger vein is present in the hangingwall.

Indiana Vein System

Since considerable footage was consumed in getting through the major fault zone and cross-cutting to the vein again, only a small length of vein was actually seen. Fault movement was normal and displacement about 15 feet. The flat dip near the fault has increased again to the normal one of 75° NW. Vein width of quartz-molybdenite is 1' - 1.5' with another 7'-8' mineralized zone in the footwall. Chloritic alteration is strong. A careful 12' channel sample in the crosscut near the vein (#676) assayed .119% MoS_2, but a number of samples farther south were all less than .05% MoS_2.

Drilling

Hole No. 5

Core recovery for the last 78 feet was low and a number of faults with a possible vein were intersected. These zones were from 120' - 150', 164' - 169', and 195' - 200'. Since the core recovery was very low from 145' - 160', two 10-foot samples were taken although the exact sample divisions could only be estimated. No appreciable assays were obtained, but molybdenite was observed on a number of faults throughout the hole. Silicification and quartz veining was most noticeable from 60' - 160'. The first 15 feet followed a minor E-W vein.

Hole No. 2

Another vein was apparently intersected from 75' - 80' as evidenced by the assay of .450% MoS_2, the fact that only fault gouge was recovered from 82' - 84', and the extremely difficult drilling. This interval is also within the normal quartz monzonite dike from 65' - 82'. However, most of the hole was in the pre-Cambrian biotite gneiss or pegmatite gneiss. Aplite dike material with vein quartz was recovered from 150' - 156', but core recovery was only 16%. The presence of molybdenite and pyrite also indicates another vein at about 156'. The balance of the hole was in biotite gneiss again which accounted for the stopping of the hole at 171 feet. All of the biotite gneiss contained very little visible molybdenite but considerable veinlets and disseminations of pyrite. An additional sample will be taken of the interval 70' - 75'.

Hole Nos. 3 and 4

The geology of these was previously discussed. The intense quartz veining from 100' - 200' in Hole No. 3 was previously discussed. Only occasional molybdenite could be seen, and a 20-foot section was assayed with very low results. This area of the North Indiana drift is obviously out of the stronger mineralized zone, as the vein and wallrock mineralization in the drift was also weak. Hole No. 4 showed more visible films of molybdenite, but assays of two of these zones were low-grade. A narrow quartz vein was cut at the beginning of the hole which assayed .171% MoS_2. Fracturing was generally intense and the secondary orthoclase alteration was quite noticeable, all of which are favorable criteria for subsequent drilling at depth under Stage II.

Respectfully submitted,

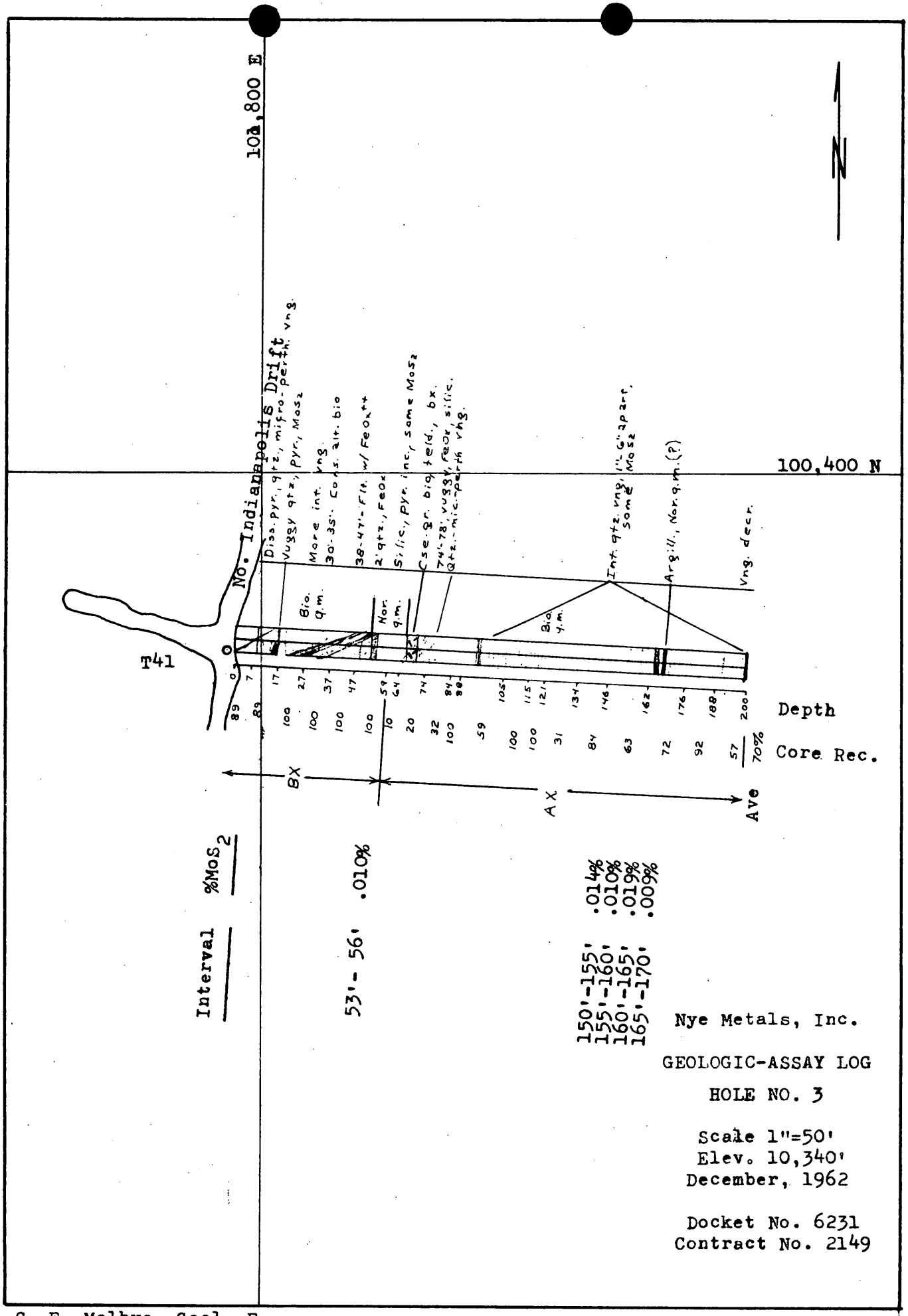
Charles E. Meltye

Charles E. Meltye
Geological Engineer
Consultant to Rye Metals, Inc.

February 6, 1963

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2	Sample No.	% MoS_2
M-621	0.040	M-657	0.084
M-628	0.033	M-658	0.356
M-629	0.211	M-659	0.502
M-630	0.246	M-662	0.148
M-631	0.016	M-663	0.450
M-632	0.364	M-664	0.014
M-633	0.063	M-665	0.012
M-634	0.010	M-666	0.010
M-635	0.014	M-667	0.037
M-636	0.010	M-668	0.052
M-637	0.019	M-669	0.956
M-638	0.009	M-670	2.21
M-639	0.171	M-671	1.53
M-640	0.016	M-672	0.035
M-641	0.019	M-673	1.34
M-642	0.028	M-674	2.96
M-643	0.012	M-675	0.012
M-644	0.007	M-676	0.119
M-645	0.187	M-677	0.047
M-646	0.040	M-678	2.49
M-647	0.092	M-679	0.581
M-648	0.005	M-680	0.026
M-649	0.038	M-681	0.907
M-650	0.028	M-682	1.45
M-651	0.012	M-683	0.971
M-652	0.017	M-684	1.23
M-653	0.021	M-685	0.012
M-654	0.040	M-686	0.215
M-655	01021	M-687	0.412
M-656	0.361		



Nye Metals, Inc.

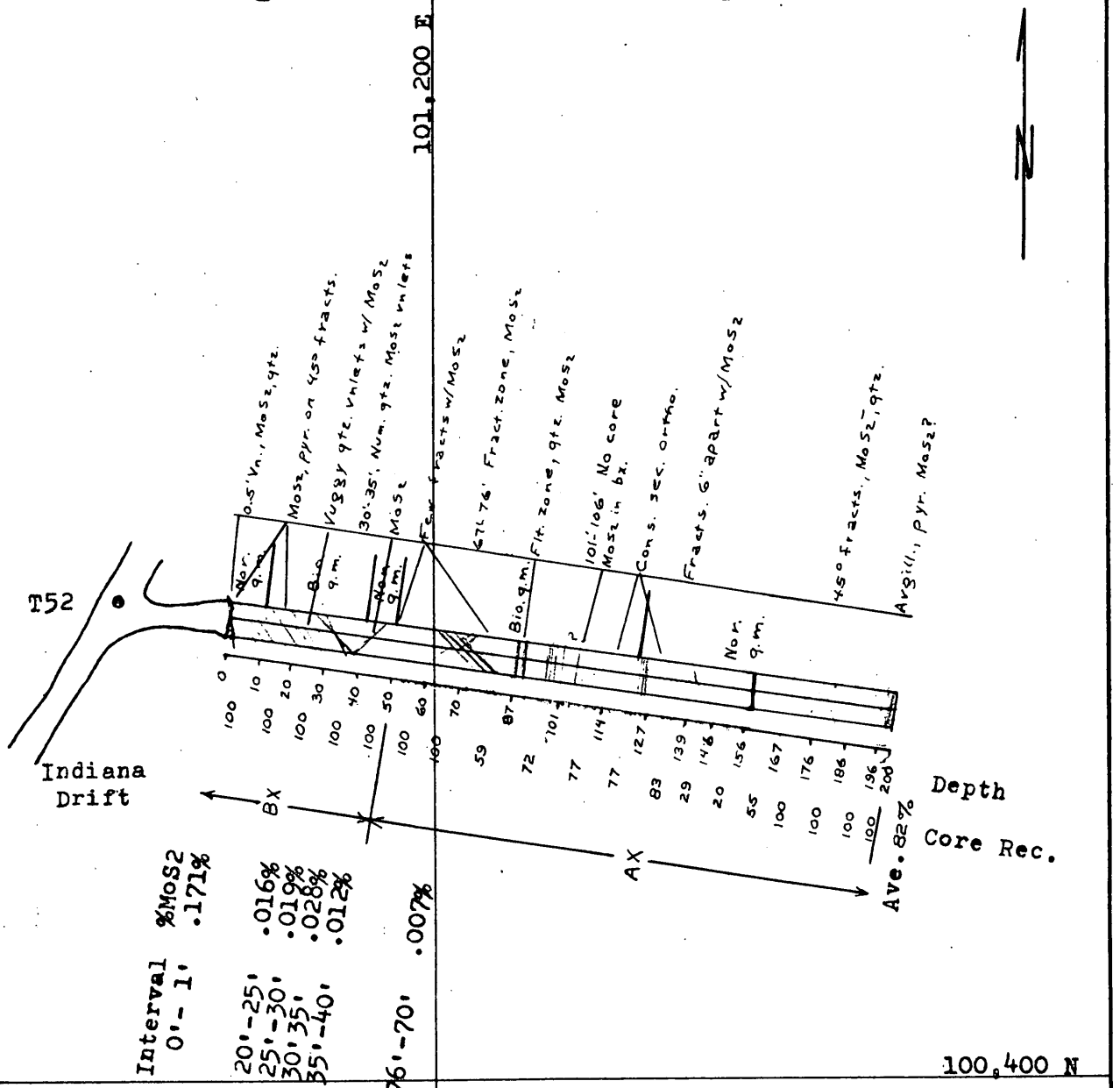
GEOLOGIC-ASSAY LOG

HOLE NO. 3

Scale 1"=50'
Elev. 10,340'
December, 1962

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.



Nye Metals, Inc.

GEOLOGIC-ASSAY LOG

HOLE NO. 4

Scale 1"=50'
Elev. 10,328'
December, 1962

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.

OME
DEPARTMENT OF THE INTERIOR

MME FORM 60
SEPT. 1959

JAN 7 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No.
14-23-090- 2149
Contract Amount $ 76,650.00
Gov't. Participation % 50 $ 38,325.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of December

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or Room 711, Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	5,389.00	$41,854.00	$47,243.00	5,389.00	41,854.00	47,243.00
Crosscutting	-0-	2,142.00	2,142.00	-	2,142.00	2,142.00
Drilling	2,129.05	1,656.55	3,785.60	2,129.05	1,656.55	3,785.60
Timbering	1,104.00	4,824.00	5,928.00	1,104.00	4,824.00	5,928.00
X-cut, drill stns.	900.00	450.00	1,350.00	900.00	450.00	1,350.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	105.00	105.00	-	105.00	105.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	9,522.05	$51,031.55	$60,553.60	9,522.05	51,031.55	60,553.60

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

Date Jan. 3, 1963 *Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 4,761.02

Signature Bob B
(Authorized Certifying Officer)

Date 1/23/63 Vou. No. 3790

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date 1-17-63

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 1-17-63

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME
DEPARTMENT OF THE INTERIOR
MME FORM 61
SEPT. 1959

JAN 7 1963
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of December Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	1700	158.5	1389.5	$47,243.00			
Crosscutting		-0-	63	2,142.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	1200	138	741	5,928.00			
Drilling, Core-Diamond BX	1000	109	208	1,175.20			
~~Rotary~~ AX		291	502	2,610.40			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous X-cut, drill stas.	60	30	45	1,350.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				$60,553.60			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 January 3,1963 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Lennon

Title Acting Field Officer
Government Representative

Date 1-17-63

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

JAN 28 1963
O.M.E.

Building 20 - Federal Center
Denver 25, Colorado

January 18, 1963

AIRMAIL

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for December 1962

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, four maps showing the work performed during December, and a copy of the assay results by American Metal Climax, Inc.

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

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $4,761.02 which is 50 percent of the amount claimed on MME Form 60.

Original signed by

Hugh M. Connors

Attachments

NARRATIVE REPORT - DECEMBER, 1962

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149

INTRODUCTION

This report summarizes exploration work completed under the above contract of the Office of Mineral Exploration for the month of December.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Drifting has continued in the south drift but at a slower pace due to the heavier faulted ground and the necessity of putting in a stub drift for switching and for a diamond drill station. Total drifting footage was 595.5 feet, but additional 29 feet was completed in the stub drift, of which 15 feet was included in the contract as a drill station (Hole No. 5). The extremely faulted ground requires continual timbering with top lagging.

Indiana Vein System

This northeast drift was extended an additional 99 feet along the vein, all of which required timbering. A 37-foot stub drift was also completed to serve for switching and the last 15 feet for a drill station (Hole No. 4).

Diamond Drilling

The balance of the drilling has been contracted to Boyles Bros. Drilling Company, and they completed Hole Nos. 3 and 4 and are nearly finished with Hole No. 5. Only Nos. 3 and 4 are included in the December voucher, each completed to 200 feet.

Drilling footage averaged about 32 feet per one-shift day. No unusual problems were encountered which required casing and cementing. However,

the completion of Hole No. 2, previously drilled to 145 feet, is anticipated to be very troublesome due to severely faulted ground. Logs of Hole Nos. 3 and 4 are included, which show locations, bearings, geology, core recoveries, and core sizes, but assays are not yet completed. Core recoveries averaged 70% and 82%, respectively.

GEOLOGY AND ASSAY RESULTS

Please refer to two plan drift maps and two plan drill logs for the geological data and assays. The assays were again run at no cost by American Metal Climax, Inc.

Indianapolis Vein System

The major fault zone encountered near the end of November has continued to complicate the geology, and the exact relationships are still not clear since there are no surface expressions of the fault with which to correlate. The NE cross-fault is actually a zone 30 feet wide with 5 distinct fault strands evident thus far, each of which has displaced the vein in various directions. Another vein, 4 feet wide, has been encountered in the stub drift, which has a general N-S strike, the same as the Indianapolis vein. It does not appear to have been displaced and may be an important parallel vein. Many subsidiary quartz-molybdenite stringers (1"-2" wide) are present throughout the fault zone, and molybdenum values are therefore quite encouraging in this area (See assay plan map). The present south heading is following a vein about 2 feet wide (Strike N5°E), and a few more rounds should clarify the geological picture. Some additional sampling will be done now that the geology is more clearly understood.

Indiana Vein System

The Indiana vein has continued to be very highly mineralized with substantial portions averaging over 1% MoS_2. The present face, however, is in a zone of intersecting faults and bad ground, and the vein has flattened to 58° with a decrease in values. Assays will be completed on this in January. Two prominent hangingwall veins, about 6" wide and carrying considerable molybdenite, were encountered from T52 to T52 + 70'. However, the footwall vein is 2-3 feet wide, has the most substantial strength, and is being followed in the drift.

Drilling

Hole No. 3- This hole encountered the same highly limonite-stained fault zone cut in the drift, as well as a few other minor faults. The

main feature was the intense quartz veining from 100 - 200 feet, which was expected from surface outcrops on Dakota Hill and was the main reason for drilling the hole. Some molybdenite can be seen throughout but does not appear to be great, and assays will be completed in January. The intensity of both quartz and micro-perthite veining are quite noticeable, as is pyritization. Most of the hole was in the biotite quartz monzonite.

Hole No. 4- Molybdenite was more abundant in this hole and nearly every fracture showed at least a film. A considerable portion of the hole was in the normal quartz monzonite, which seems to be a more favorable host rock, although this is not yet conclusive. Most fractures are at 45° to the hole, and strong faults were cut at 101'-106', 156', and possibly at 200'. Quartz veining is intense only in scattered zones but where present usually is accompanied by molybdenite.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

January 4, 1963

Assays by American Metal Climax, Inc.

Sample No.	% MOS_2
M605	0.410
M606	0.171
M607	0.119
M608	0.746
M609	0.349
M609A	0.664
M610	0.169
M611	0.511
M612	0.774
M613	0.485
M614	0.605
M615	0.978
M616	0.051
M617	0.009
M618	1.23
M619	0.396
M620	1.30
M622	2.59
M623	0.488
M624	0.213
M625	0.052
M626	0.270
M627	0.202

OME
MME FORM 60
SEPT. 1959

DEPARTMENT OF THE INTERIOR

DEC 8 1962

REGION II
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6281
Contract No.
14-23-090- 2140
Contract Amount $76,650.00
Gov't. Participation 50% $38,325.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of December

Operator's Name Sno Molybdenum, Inc., Room 711, Tovabonto Bank
Address Denver, Molybdenum, Ind. or Blackhawk, Colo.

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	10,744.00	31,110.00	41,854.00	10,744.00	31,110.00	41,854.00
Crosscutting	-0-	2,142.00	2,142.00	–	2,142.00	2,142.00
Drilling	-0-	1,656.55	1,656.55	–	1,656.55	1,656.55
Assays	2,604.00	2,220.00	4,824.00	2,604.00	2,220.00	4,824.00
Misc. Field Exp.	-0-	450.00	450.00	–	450.00	450.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	105.00	105.00	–	105.00	105.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	13,348.00	37,683.55	51,031.55	13,348.00	37,683.55	51,031.55

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

Date Dec. 7, 1962 *Payee Sno Molybdenum, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 6,674.00

Signature [illegible]
(Authorized Certifying Officer)

Date 12/26/62 Vou. No. 3302

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Emmons Title Acting Field Officer Date 12-19-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME
DEPARTMENT OF THE INTERIOR

MME FORM 6.1
SEPT. 1959

DEC 8 1962
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of November, 1962 Docket No. 6281

Operator's Name Eyo Metals, Inc. Contract No. 14-23-090-2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	1200	316	1231	61,054.00			
Crosscutting		-0-	63	2,142.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	1200	365.5	603	4,024.00			
Drilling, Core-Diamond		-0-	97	559.35			
Rotary		-0-	211	1,097.20			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Cut, Fill etc.	60	-0-	45	450.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				352,031.55			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date December 7, 1962 Operator Eyo Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 12-19-62

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 27 1962
DATE | INITIALS | CODE
800

Building 20 - Federal Center
Denver 25, Colorado

December 19, 1962

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for November 1962

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, three maps showing the work performed during November, and a copy of the assay results by American Metal Climax, Inc.

I inspected this property December 18, 1962. The Indiana vein was 5 feet wide in the north heading and was strongly mineralized with molybdenite. Increasing amounts of molybdenite were noted in the wall rock which is a highly fractured intrusive. The drift on the Indianapolis vein in the south heading shows many splits and cross fractures. The quartz-monzonite wall rock is disseminated with molybdenite throughout this fractured zone.

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $6,674.00 which is 50 percent of the amount claimed on MME Form 60.

Original signed by

Hugh M. Connors

Attachments

NARRATIVE REPORT - November, 1962

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149

INTRODUCTION

This report summarizes exploration work completed under the above contract of the Office of Mineral Exploration for the month of November.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

The south Indianapolis drift was continued for 152 feet during November, and all except 15 feet required timber, with top lagging and occasional side lagging. The last 50 feet has encountered heavier ground due to a major cross fault which has dragged the vein to the right and due to the intersection of 3 other oblique veins.

Indiana Vein System

Drifting was continued to the northeast for another 164 feet, which required timbering except for 24.5 feet. This untimbered section is the same as mentioned in the October report. Water flow is still considerable.

Drilling

Hole No. 2 was continued to 145 feet where a major fault zone was encountered that stopped further drilling without casing or cementing. Since the company driller took another job and with substantial repairs required on the drill, it was decided to contract the remainder of the drilling which will include completion of Hole No. 2 to about 200 feet. Therefore, no drilling footage is included in this month's voucher.

GEOLOGY AND ASSAY RESULTS

Two drift plan maps graphically illustrate geology and assay results. Assays were run on one section of the Hole No. 1 cores, and a log of the hole is included. American Metal Climax, Inc. again ran the assays this month at no cost to the company.

Indianapolis Vein System

The first 100 feet continued on a vein of about the same grade and width (1.5 - 3.0'). However, at Sta. T48 + 20' a major change has occurred. Two oblique veins, striking about N15°E, intersected the main vein, and an abrupt bending of the vein to the southwest has occurred. This is now known to be due to drag on a major cross-fault intersected at T49 + 20'. The vein is as yet not displaced on this fault but this is a distinct possibility. Another vein was noted in the east or left rib on the south side of the fault, but its relationship is not yet clearly understood. Molybdenite is disseminated throughout this fault and vein intersection zone, as well as the normal amounts in the various veins themselves. The cross-fault strikes N55°E and dips 60° SE. No surface expression of the fault or oblique veins is known on which to make any predictions at this time. The presence of a number of unknown veins has been expected in southward drifting, and this expectation is substantiated by recent developments.

Indiana Vein System

The most notable development has been the intersection of the quartz monzonite stock again at Sta. T50 + 71'. The contact here is a fault contact striking N38°W and dipping 52°-60°NE. The northwest strike at this point definitely shows fault displacement from the last known position in the Dakota fault crosscut. Most of the displacement is probably the expected westward movement on the Dakota fault. The contact in the crosscut was an intrusive type. Molybdenum values have increased in the vein, as shown by assay Nos. M603 and M604. Increased veinlets of crystalline molybdenite have been noted in the walls in contrast to only films of molybdenite in the fractured gneiss. The drift should now remain in the intrusive for the balance of the contract.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

December 7, 1962

Assay Results by American Metal Climax, Inc.

Sample No.	% MoS_2
M-577	0.293
M-578	0.572
M-579	0.092
M-580	0.018
M-581	0.548
M-582	1.12
M-583	0.452
M-584	2.40
M-585	0.685
M-586	1.45
M-587	0.977
M-588	0.581
M-589	1.53
M-590	0.016
M-591	0.016
M-592	0.035
M-593	0.052
M-594	0.066
M-595	0.009
M-596	0.014
M-597	0.494
M-598	0.371
M-599	1.38
M-600	0.286
M-601	0.544
M-602	0.051
M-603	4.30
M-604	1.44

OME
DEPARTMENT OF THE INTERIOR

MME FORM 60
SEPT. 1959

NOV 1962
REGION II
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 14-23-090-2149
Contract Amount $76,650.00
Gov't. Participation %50 $38,325.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of October

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or 711 Merchants Bank Bldg., Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	$8,398.00	$22,712.00	$31,110.00	8,398.00	22,712.00	31,110.00
Crosscutting	-0-	2,142.00	2,142.00	—	2,142.00	2,142.00
Drilling	1,250.15	406.40	1,656.55	1,250.15	406.40	1,656.55
Timbering	1,012.00	1,208.00	2,220.00	1,012.00	1,208.00	2,220.00
X-cut, Drill sta.	-0-	450.00	450.00	—	450.00	450.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	-0-	105.00	105.00	—	105.00	105.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$10,660.15	$27,023.40	$37,683.55	10,660.15	27,023.40	37,683.55

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

Date Nov. 2, 1962 * Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 5,330.07

Signature BHB
(Authorized Certifying Officer)

Date 12/6/62 Vou. No. 2918

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 11-23-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME
DEPARTMENT OF THE INTERIOR

MME FORM 61
SEPT. 1959

NOV 7 1962
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of October, 1962 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090- 2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	1700	247	915	$31,110.00	✓		
Crosscutting		0	63	2,142.00	✓		
Raising							
Shafts							
Winzes							
Other Underground Timber	1200	126.5	277.5	2,220.00			
Drilling, Core-Diamond BX	1000	51	99	559.35			
Rotary AX		185	211	1,097.20			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous X-cut, Drill Sta.	60	0	15	450.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				$37,683.55			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Nov. 2, 1962 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connor

Title Acting Field Officer
Government Representative

Date Nov. 23, 1962

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

3 60 & 61

EXTRA COPY
O. M. E
RECEIVED DEC 7 1962
DATE | INITIALS
800

Building 20 - Federal Center
Denver 25, Colorado

November 26, 1962

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for October 1962

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, three maps showing the work performed during October, and a copy of the assay results by Union Carbide Nuclear and American Metal Climax, Inc.

I inspected this property November 21, 1962. The breast on the Indiana vein is about 3½ feet wide and shows some molybdenum in the wall rock. The Indianapolis vein in the heading going south has widened to 5½ feet. Some mineralization was noted in the quartz-monzonite wall rock.

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $5,330.07 which is 50 percent of the amount claimed on MME Form 60.

Original signed by

Hugh M. Connors

Attachments

NARRATIVE REPORT - October, 1962

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149

INTRODUCTION

This report summarizes exploration work completed under the above Office of Mineral Exploration project for the month of October.

DESCRIPTION OF COMPLETED WORK

Indianapolis Vein System

Drifting was continued northward an additional distance of 73 feet. Outside of one major fault zone, the ground was weakly fractured and no timbering was required. Because of the weaker nature of mineralization to the north, permission was requested in a letter of October 16th to stop this heading and amend the contract to permit drifting southward on the Indianapolis vein. Permission was granted, and the change was immediately initiated.

Accordingly, the mine crew completed 61.5 feet of drifting, of which 37.5 feet required timbering, and the balance will be timbered in November. The ground is not unduly heavy but is fractured and blocky enough to be treacherous without drift sets and top lagging. Side lagging is not required.

Total drifting footage on the Indianapolis vein system was 134.5 feet.

Indiana Vein System

Drifting was continued for 112.5 feet of which 89 feet was timbered. The balance may or may not require timber. An intersecting vein and fault from Sta. T44 + 15' - 40' accounted for considerable caving ground which necessitated timbering directly behind each new drift round. This situation has changed, but water flow is considerable. A contract amendment granted during October permitted continued drifting, since the original 300 feet has been exceeded.

Drilling

Hole No. 1 was completed at 202 feet, and Hole No. 2 is presently to 108 feet and continuing. Total monthly footage was 236 feet- 51 feet BX and 185 feet AX. A major fault zone at about 51 feet in Hole No. 2 necessitated the change to AX core size. Core recovery was 100% in Hole No. 1 and 90% thus far in Hole No. 2.

GEOLOGY AND ASSAY RESULTS

Plan maps of each drift and two drill logs graphically illustrate the geology and assay data. It should be noted that American Metal Climax, Inc. and Union Carbide Nuclear have offered to run assays at no cost, thereby effecting an appreciable saving on contract costs.

Indianapolis Vein System

As previously mentioned, the north vein has decreased in intensity together with a corresponding diminished mineralization in the fractured wallrock. Therefore, in accordance with the amendment, drifting was commenced in the south drift, where the vein has continued from 1.5 - 3.0 feet in width with substantial vein and wallrock mineralization. The intensity of oblique and right-angle fracturing to the vein has continued notably strong, thereby enhancing the possibilities for substantial tonnages of low-grade molybdenum ore. Films, flakes and seams of molybdenite can be seen in most of these fractures.

Indiana Vein System

This vein has continued on the same strike (N30°E) and is still within the pre-Cambrian gneiss. Apparently the vein is influenced by the gneiss-intrusive contact and is presently extending parallel to it, but since outcrops immediately ahead on surface are well within the quartz monzonite, the formation change must occur very soon. Widths are holding at least 2 feet and vary from 2 - 4 feet. Considering the unfavorable gneiss wallrock, vein mineralization is encouragingly strong, and many minor fractures in the walls are also mineralized with molybdenite and pyrite.

Drilling

No cores have been split and assayed thus far, but a core splitter will arrive the first week in November and the interesting sections of core will split and assayed soon thereafter.

Hole No. 1: It was collared in unaltered weakly mineralized quartz-

monzonite but at 20 feet the chloritic alteration and intensity of molybdenite mineralization increases and continues to about 150 feet where a gradual decrease is again noted. From 188 - 202 feet more quartz veining and molybdenite is again noted, but the increase was not considered sufficient to justify continuance of the hole, at least at this time. A major fault zone, consisting of highly chloritic gouge was intersected from 78-84 feet.

Hole No. 2: This hole shows considerable variation in wallrock as well as faulting. The hole was collared in the black biotite gneiss, consisting of at least 75% biotite, which continued to 42.5 feet. This rock is weakly mineralized except for quartz veining and pyrite. The balance of the first 108 feet is in a pegmatite gneiss consisting of a coarse-grained mass of orthoclase, quartz, and plagioclase, in which the feldspars are altered to a green clay (?) mineral. Cutting this gneiss from 65'-81' is a quartz-monzonite dike which is very similar to the normal intrusive rock exposed in the tunnel and is probably an offshoot from the Apex stock. Mineralization noticeably increases in the pegmatite gneiss. Intense faulting was logged at 51, 64, and 85 feet, and the west side of the dike is believed to be the same fault contact exposed at the surface in two old prospect shafts, 250 feet SE of the "500" cut. Secondary orthoclase is present along a few fractures.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

November 5, 1962

Assays by Union Carbide Nuclear

Sample No.	% MoS_2
M558	.22
M559	.007
M560	.70
M561	.127
M562	.43
M563	.062
M564	.084
M565	.100
M566	.48
M567	1.22
M568	.123
M569	.38
M570	.35
M571	1.02
M571A	.022
M572	1.52
M573	1.20

Assays by American Metal Climax, Inc.

Sample No.	% MoS_2
M574	.698
M575	.377
M576	.124

The amount of $2,142.00 for crosscutting was approved on the basis of Amendment No. 1.

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No. 23-090-2149
Contract Amount $76,650.00
Gov't Participation .50 $38,325.00
Mineral(s) Molybdenum

OCT 24 1962

OPERATOR'S MONTHLY VOUCHER

For Month of September

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or 711 Merchants Bank Bldg., Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	$5,355.00	$17,357.00	$22,712.00	5,355.00	17,357.00	22,712.00
Crosscutting	2,142.00	0	2,142.00	2,142.00	—	2,142.00
Drilling	406.40	0	406.40	406.40	—	406.40
Timbering	184.00	1,024.00	1,208.00	184.00	1,024.00	1,208.00
X-cut-Drill Sta.	0	450.00	450.00	—	450.00	450.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	40.00	65.00	105.00	40.00	65.00	105.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$8,127.40	$18,896.00	$27,023.40	8,127.40	18,896.00	27,023.40

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

Date October 1, 1962 Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 4,063.70.

Signature BLB
(Authorized Certifying Officer)

Date 10/22/62 Vou. No. 2129

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 10-16-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

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DEPARTMENT OF THE INTERIOR
1962

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of September Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090-2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	1200	157.5	668	$22,712.00			
Crosscutting		63	63	2,142.00			
Raising							
Shafts							
Winzes							
Other Underground Timber	1200	23	151	1,028.00			
Drilling, Core-Diamond BX	1000	48	48	271.20			
~~BXX~~ AX		26	26	135.20			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
X-cut, Drill Station	60	0	15	450.00			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				105.00			
TOTAL TO DATE *(per MME Form 60)*				$27,023.40			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 October 1, 1962 Operator Nye Metals, Inc.

Per Robert D. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 10-16-62

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

Building 20 - Federal Center
Denver 25, Colorado

October 16, 1962

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for September 1962

Enclosed are the original and two copies of MME Form 60, MME Form 61, Operator's Narrative Report, map showing the drifting accomplished during September, a copy of the assay results from C. O. Parker & Co., and a map showing the incompleted diamond drill hole No. 1.

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $4,063.70 which is 50 percent of the amount claimed on MME Form 60.

Original signed by

Hugh M. Conners

Attachments

NARRATIVE REPORT - September, 1962

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No. 2149

INTRODUCTION

Herewith is summarized the exploration work completed under the Office of Mineral Exploration project for the month of September, 1962.

DESCRIPTION OF COMPLETED WORK

Drifting was continued another 15 feet northward on the Indianapolis vein early in the month. Cross-cutting was then done 63 feet westward to explore for the hanging-wall split of the vein. Since the hanging-wall split had changed strike and was projecting more towards the northeast, the Indianapolis drift was continued northward to intersect this vein rather than make two sharp curves. Total drifting footage is 88 feet. A further discussion of the Indianapolis vein features is contained under Geology and Assay Results. No timbering was required.

Crosscutting for the faulted segment of the Indiana vein was continued at the operator's expense for another 48 feet. The Indiana vein was intersected and drifting was again carried on under the OME contract for a total of 69.5 feet. The ground is highly fractured with 23 feet of timber presently installed and it is very likely that additional timber will be required. Considerable groundwater is also entering the Indiana drift. Drifting now totals 261.5 feet or only 38.5 feet short of the 300 feet allowed on the Indiana vein.

Drilling was started during September but was delayed considerably due to shortage of parts and lack of manpower, and only 74 feet was completed. The hole was started with BX core but the extremely hard silicified rock encountered made it necessary to change to AX size at 48 feet. Core recovery is 100%. Considerably increased drilling footage is anticipated in October. Surface geological mapping was completed over most of the immediate surface area during September and maps will be available in October.

GEOLOGY AND ASSAY RESULTS

Two plan maps of each drift as well as a graphic drill log are included with this report.

Indianapolis Vein

At the end of August, the foot-wall vein had decreased in intensity to only a weakly-mineralized fault. Cross-cutting was then undertaken under Contract Amendment No. 1. It was continued 63 feet to be certain of intersecting the vein but the only quartz vein of any size was the one at 20 feet in the crosscut. This consisted 4 inches of quartz and fault gouge with one inch of pyrite. This same vein has been intersected in the Indianapolis drift but it appears to be cut off by the wide N70°E fault zone shown near the end of the drift. This fault, which I am terming the Dakota fault, may be the same as that in the Indiana drift.

Indiana Vein

The crosscut beyond the Dakota fault intersected the Indiana vein and drifting was continued again on the vein. The vein has changed strike from N45°E to N30°E possibly due to another vein and fault zone which has intersected at Sta. T43 + 45 feet. The wallrock is still pre-Cambrian gneiss but it is expected that the drift will soon be in the quartz monzonite. The two veins in the face now comprise a highly altered zone 3 feet wide with considerable molybdenite near the footwall. In addition, a number of quartz veinlets and fractures in the walls contain molybdenite. Therefore, it is apparent that vein and fracture intensity are both increasing to the northeast.

Drilling

Insufficient drilling has been completed to permit much of any conclusions. Many of the fractures contain films and flakes of molybdenite together with pyrite, specularite, and some quartz. In addition, the feldspathic alteration is particularly noticeable in that secondary orthoclase is introduced along many fractures. At about 20 feet the green chloritic alteration and the pyritization start to increase noticeably. Assays of the core will be included in next month's report. Disseminated chalcopyrite was noted in a silicified zone from 66 feet to 69 feet. Calcite has been introduced along vuggy fractures from 65 feet to 74 feet.

Surface Geology

Surface geological mapping has shown that the Indiana - Indianapolis vein intersection is completely soil covered so that no new information can be gained. Detailed geochemical soil sampling will possibly be undertaken in this area.

RECOMMENDATIONS

It is recommended that consideration be given to allowing additional footage over the present 300 feet on the Indiana vein. This vein is strong and well-mineralized and warrants further exploration.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

2114 CURTIS STREET

TELEPHONE MAin 3-1852

CHARLES O. PARKER & CO.

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 7846

Date Sept. 29, 1962.

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	VALUE PER TON
			Molybdenite (MoS_2)					
M-550			2.18%					
M-551			0.005%					
M-552			0.17%					
M-553			TRACE					
M-554			0.52%					
M-555			0.08%					
M-556			0.01%					
M-557			TRACE					

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 40.00

CHARLES O. PARKER & CO.

CHEMISTS, ASSAYERS and ENGINEERS

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No.
14-23-090-2149
Contract Amount $76,650.00
Gov't. Participation %50 $38,325.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of August

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or 711 Merchants Bank Building, Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	[redacted]					
Drifting	4,811.00	12,546.00	17,357.00	4,811.00	12,546.00	17,357.00
Crosscutting Drill Sta.	450.00	0	450.00	450.00	-	450.00
Drilling						
Timbering	160.00	864.00	1,024.00	160.00	864.00	1,024.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	0	65.00	65.00	-	65.00	65.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	5,421.00	13,475.00	18,896.00	5,421.00	13,475.00	18,896.00

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

Date Sept. 4, 1962 *Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2710.50

Signature Bob B
(Authorized Certifying Officer)

Date 9/18/62 Vou. No. 1457

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 9-14-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OME
DEPARTMENT OF THE INTERIOR

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of August

Docket No. 6231

Operator's Name Nye Metals, Inc.

Contract No. 14-23-090- 2149

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	FOR OPERATOR'S USE: UNITS TO DATE	FOR OPERATOR'S USE: COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	FOR GOVERNMENT USE: APPROVED UNITS TO DATE	FOR GOVERNMENT USE: APPROVED COSTS TO DATE
Drifting	1700	141.5	510.5	17,357.00			
Crosscutting Drill Sta	60	15	15	450.00			
Raising							
Shafts							
Winzes							
Other Underground Timbering	1200	20	128	1,024.00			
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				65.00			
TOTAL TO DATE *(per MME Form 60)*				18,896.00			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date Sept. 4, 1962 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Connors

Title Acting Field Officer
Government Representative

Date 9-14-62

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

Building 20 - Federal Center
Denver 25, Colorado

6 60461

EXTRA COPY
O. M. E
RECEIVED
DATE
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September 14, 1962

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for August 1962

Enclosed are the original and two copies of MME Form 60, MME Form 61, Operator's Narrative Report, maps showing the drifting accomplished during August 1962, and a copy of the assay results for 40 samples which were assayed by the American Metals Climax, Inc.

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $2,710.50 which is 50 percent of the amount claimed on MME Form 60.

Original signed by
Hugh M. Connors

Attachments

NARRATIVE REPORT - August, 1962

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231

Contract No. 2149

INTRODUCTION

Herewith is summarized the exploration work completed under the Office of Mineral Exploration project for the month of August, 1962.

DESCRIPTION OF COMPLETED WORK

Exploration in August has again consisted only of drifting: 118 feet northward on the Indianapolis vein and 23.5 feet northeastward on the Indiana vein. It was intended that diamond drilling should start in August, but a delay in shipment of necessary drill parts made this impossible. Drilling is now projected to start the first part of September. Drifts are at least 6x8 feet in size and timber, rail, air line, water line, and vent pipe have all been installed according to contract specifications. No timbering was required in the Indianapolis drift but 20 feet was required in the Indiana drift near a major northeast fault which has been encountered.

In addition to drifting, one drill station for Hole No. 1 was made at a point 370 feet north of the main tunnel. This crosscut was extended 45 feet at the operator's expense to be used for switching cars as well as for exploration. Since considerable work was done in the Indiana vein area at the operator's expense, the average daily footage under the contract is difficult to calculate this month.

Surveying, mapping, and sampling of both headings have been systematically completed.

GEOLOGY AND ASSAY RESULTS

Two assay maps as well as the large underground geologic map are included with this report.

Indianapolis Vein

This vein northward from Sta. T35 steadily decreased in width and intensity of mineralization until it is presently a fault with no

quartz and only minor molybdenite. Therefore, on August 31, a formal request was made for an amendment to the contract to permit crosscutting to the hanging-wall vein and thence drifting northward again. The presence of a hanging-wall vein was suspected and mentioned in the July narrative report. It was confirmed by the crosscut driven at drill station No. 1. This vein consists of a zone 1.5 feet wide composed of a 6" quartz vein and many quartz veinlets in addition to some molybdenite (See Sample M-536.) The number of oblique northeast fractures along the footwall vein has decreased considerably, thereby accounting for the lower grade of the walls.

Indiana Vein

Drifting was continued early in the month to a point 18.5 feet past Sta. E37. Since the vein was still narrow and "out-of-place" considering a projection of the northwest dip at surface, and a major fault zone was being encountered, it was decided best to crosscut to the northwest and determine whether the present drift is on the best split of the Indiana vein. Crosscutting of this nature was not provided for in the contract and this work was and is being done at the operator's expense. The first short crosscut was abandoned due to very heavy caving ground in the fault zone and another was started and is presently past the fault. If the northwest surface dip continues to this depth, the vein should soon be intersected on the north side of the fault.

Last movement on this fault has been post-mineral and of major intensity. However, there was also much pre-mineral fracturing in this zone as evidenced by considerable mineralization, particularly shown by Sample M526 (12.0 feet of .539% MoS_2). Molybdenite along the fault zone is much more abundant in the quartz monzonite than in the hornblende gneiss, thereby illustrating their relative favorabilities. This fault appears to be the same one encountered 450 feet from the portal, and, if so, will project about 100 feet ahead of the present Indianapolis north face. The fault zone contains rubber gouge, indicating substantial movement, and is from 10 - 15 feet wide.

ANTICIPATED EXPLORATION CHANGES

After the exact nature of the Indiana vein and its associated major northeast fault is known, a decision will have to be made after consultation with government engineers, as to further drifting on the Indiana vein.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

Assay Results - Nye Metals, Inc. August 30, 1962

Assays by American Metal Climax, Inc.

Sample	% MoS_2
M-493	0.073
M-499	0.127
M-500	0.157
M-501	0.016
M-502	0.017
M-503	0.195
M-504	0.023
M-505	0.033
M-506	0.038
M-507	0.028
M-508	0.070
M-518	0.508
M-519	0.073
M-520	0.028
M-522	0.173
M-523	0.150
M-524	0.422
M-525	0.012
M-526	0.539
M-527	0.047
M-528	0.021
M-529	0.066
M-534	0.058
M-535	0.023
M-536	0.131
M-537	0.016
M-538	0.009
M-539	0.061
M-540	0.159
M-541	0.276
M-542	0.366
M-543 (A)	0.279
M-543 (B)	0.244
M-544	0.598
M-545	0.070
M-546	0.010
M-547	0.014
M-548	0.007
M-549	0.009
M-521	0.052

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6231
Contract No.
14-23-090- 2149
Contract Amount $76,650.00
Gov't. Participation 50% $38,325.00
Mineral(s) Molybdenum

OPERATOR'S MONTHLY VOUCHER

For Month of July, 1962

Operator's Name Nye Metals, Inc.
Address Blackhawk, Colorado or 711 Merchants Bank Bldg. Indianapolis, Indiana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting	$12,546.00	-0-	$12,546.00	12,546.00	-0-	12,546.00
Crosscutting						
Drilling						
Timbering	864.00	-0-	864.00	864.00	-0-	864.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	65.00	-0-	65.00	65.00	-0-	65.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS			$13,475.00	13,475.00	-0-	13,475.00

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

Date August 1, 1962 Payee Nye Metals, Inc.

Per Robert E. Nye Title President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 6,737.50

Signature BWB
(Authorized Certifying Officer)

Date 8/21/62 Vou. No. 874

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2149

Signature Hugh M. Connors Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 8-10-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
AUG 13 1962
OFFICE OF THE SECRETARY
FISCAL SECTION

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of July, 1962 Docket No. 6231

Operator's Name Nye Metals, Inc. Contract No. 14-23-090- 2149

OPERATION	UNITS	FOR OPERATOR'S USE			FOR GOVERNMENT USE		
		UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	1200	369	369	$12,546.00			
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground Timbering	1200	108	108	864.00			
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				65.00			
TOTAL TO DATE *(per MME Form 60)*				$13,475.00			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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, 1962 Operator Nye Metals, Inc.

Per Robert E. Nye Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Hugh M. Lemons

Title Acting Field Officer
Government Representative

Date Aug 10, 1962

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

Building 20 - Federal Center
Denver 25, Colorado

RECEIVED AUG 20 1962
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AUG 1 0 1962

AIRMAIL

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
Operator's Monthly Progress Report for July 1962

Enclosed are the original and two copies of MME Form 60, MME Form 61, Operator's Narrative Report, maps showing the drifting accomplished during July 1962, and a copy of the assay results for 13 samples.

This contract is on a short form and work which is allowed is on a fixed unit cost basis.

Subject to your verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $6,737.50 which is 50 percent of the amount claimed on MME Form 60.

Original signed by

Hugh M. Connors

Attachments

2114 CURTIS STREET

TELEPHONE MAin 3-1852

CHARLES O. PARKER & CO.

CHEMISTS • ASSAYERS • ENGINEERS

DENVER 5, COLORADO

Folio 7818

Date July 25, 1962.

Nye Metals, Inc.,
Blackhawk,
Colorado.

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	INSOLUBLE PER CENT	Molybdenite (MoS2)	VALUE PER TON
M-474								13.02%	
M-475								0.09%	
M-476								3.35%	
M-477								0.91%	
M-478								1.84%	
M-479								0.05%	
M-487								0.70%	
M-488								0.25%	
M-489								0.12%	
M-490								0.13%	
M-491								0.15%	
M-492								0.09%	
M-494								0.05%	

Gold at _____ per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit _____

Charge $ 65.00

CHARLES O. PARKER & CO.

CHEMISTS, ASSAYERS and ENGINEERS

NARRATIVE REPORT- JULY, 1962

NYE METALS, INC.

MOLYBDENUM EXPLORATION PROJECT

Gilpin County, Colorado

Docket No. 6231
Contract No; 2149

INTRODUCTION

This report summarizes work completed under the above-described Office of Mineral Exploration project for the last part of June and the entire month of July. Since work was commenced on June 19th, it was agreed that the first voucher and reports would be submitted at the end of July.

DESCRIPTION OF WORK COMPLETED

Exploration work thus far has consisted only of drifting: 200.5 feet northward on the Indianapolis vein and 168.5 feet northeastward on the Indiana vein. All drifts are at least 6 feet x 8 feet in size. Timbering was required only in the Indianapolis drift and is presently installed to a point 25 feet from Sta. T34. The remaining 92 feet to the face is standing well but a few timber sets may be needed if any sloughing of the blocky quartz monzonite appears imminent. Timber(8" x 8") rail (30#), air line (4"), water line (1"), and vent pipe (12") have all been installed according to contract specifications. About 36 working days have been put in, making an average of 10.25 feet per day.

No unusual problems have been encountered. The amount of water being developed varies considerably and is fairly heavy in certain fracture zones.

Both drifts have been transit surveyed and geological mapping completed on a scale of 1" = 50'. In addition, detailed surface geological mapping is in progress to aid in the proper interpretation and guidance of underground exploration, as well as delineate suitable drilling targets.

GEOLOGY AND ASSAY RESULTS

Both veins have remained narrow (less than 0.5 foot) although sometimes two or three quartz molybdenite stringers may be present in the face in addition to molybdenite films along other fractures. Accompanying

geologic-assay maps show all the assays with locations indicated, and these will not be repeated. Assays have not been completed for the last portion of each drift and these will be included next month.

Indianapolis Vein

Nearly every fracture of any consequence will contain some visible molybdenum, particularly in the last 60 feet of drift.

The assays show that the vein, regardless of width, is highly mineralized and the walls contain significant amounts of molybdenum.

The last portion is in a sheeted zone, in which the more closely spaced fractures are nearly all mineralized. Most of them strike N60°W and dip 65° - 70° N. The amount of disseminated pyrite also appears to have increased. A parallel well-mineralized quartz vein (2" wide) was observed at Sta. T31 + 65', which would be cut in the west wall of the drift. This warrants some further attention.

Another feature which bears further investigation is the slight change in vein strike in the vicinity of Sta. T25 from N-S to N10°E. The present drift is following what appears to be the main split. However, a narrow but well-mineralized hanging wall split extends into the wall about 15 feet south of T25.

Indiana Vein

Drifting followed the vein in the pre-Cambrian biotite gneiss to a point at Sta. T33 + 30' where the quartz monzonite intrusive was intersected. This was expected sooner, but the contact swung sharply to the northeast. The vein at the present time is along the gneiss quartz monzonite contact.

Some post mineral faulting was originally expected and indicated on the application map. Two substantial faults have been cut but the first displaced the vein about a foot and the second is as yet unknown but probably similar. As a result, this drift is now to a point where it is obviously on a vein paralleling the projection of the Indiana vein from surface. At the surface dip of 78°, a 45-foot offset to the northwest should occur at the Indiana drift level. The offsetting factor is that no vein was cut farther west in the main tunnel. Possibly it dies out in the gneiss.

REQUESTED EXPLORATION CHANGES OR CLARIFICATION

Indianapolis Vein

Since specific drill sites were not specified in the contract, it is

requested that one drill site be located at the end of the main tunnel. No drill station preparation will be necessary. It should be drilled about 200 feet in a due East direction. The second drill site is requested at a point about 400 feet north of the main tunnel or at Sta. T34 + 90'. The hole is recommended to be drilled about 200 feet in a due West direction. Preparation of a drill station will be necessary. This hole might best be drilled first to explore the possible hangingwall split of the Indianapolis vein, as well as the low-grade wallrock potential.

Indiana Vein

Since drifting thus far has not disclosed any major post-mineral faulting and the present vein appears to be a parallel one of lesser intensity, it is requested that a portion of the drifting footage be applied against cross-cutting to the north to intersect the true Indiana vein. From 50-75 feet of crosscutting will probably be required, depending on any change in dip in 200 feet. This crosscut would have the further advantage of exploring the low-grade molybdenum potential near the gneiss-quartz monzonite contact. Further drifting on the present vein is not recommended, until this geological problem is solved.

Respectfully submitted,

Charles E. Melbye

Charles E. Melbye
Geological Engineer
Consultant to Nye Metals, Inc.

July 31, 1962

Assays by American Metal Climax

		$\%MoS_2$
N480	-	1.75
N481	-	0.042
N482	-	0.044
N483	-	0.558
N484	-	0.072
N485	-	0.085
N486	-	0.717
N495	-	0.026
N496	-	0.042
N497	-	0.412
N498	-	0.298

EXTRA COPY
O. M. E
RECEIVED AUG 13 1962
DATE

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Building 20 - Federal Center
Denver 25, Colorado

AUG 10 1962

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract No. 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

The regular monthly inspection of the subject property was made by me August 9, 1962. You will note on the Operator's Narrative Report, accompanying his voucher for July 1962, that he now believes the vein on which we have been drifting is not the true Indiana vein if his surface projection is correct.

The Operator requested that he be allowed to crosscut from the vein which he believed to be the Indiana vein, to the true Indiana vein.

I suggested, and the Applicant agreed, that he will crosscut at his own expense in a northwesterly direction from the vein we have been following to ascertain if the Indiana vein, which shows so strongly on the surface, is really northwest of the vein we are following.

If the Operator finds, at his own expense, another vein stronger than the one we are now following, an amendment to the contract will be requested.

This operation is getting more publicity than any contract we have in this Region. Bear Creek, a subsidiary of Kennecott, is looking at the property. Also the Climax Molybdenum Company is very interested. The Operator had a letter from Robert Adams, President of Western Nuclear, expressing his interest in the property.

Original signed by
Hugh M. Connors

Memorandum

To: Chief Auditor

From: Chief, Office of Minerals Exploration

Subject: OME-4231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract No. 2149

Will you please prepare a Report of Review on the subject contract in accordance with the February 7, 1966, request (copy enclosed) of the Field Officer of Region III.

You will note from the correspondence in the file that Mr. Nye was informed that $300.00 would be withheld from the final settlement if an acceptable Final Report was not received by March 14, 1966.

(SIGNED) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Division File
Economic Geology File
OME Reading File
OME Docket
Branch of Budget and Finance
✓CAAA
Mr. Selfridge
OME Region III

GCSelfridge/mm (2/15/66)

FEB 4 1966

Mr. Robert Nye
Nye Metals, Inc.,
Room 527, Merchants Bank Building
Indianapolis, Indiana

Re: OME-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract No. 2149

Dear Mr. Nye:

As requested in your letter of January 28, 1966, we are extending the time for filing the final report on the subject project until March 14, 1966.

In reference to our letter of January 27, 1966, we urge you to make prompt payment in the amount of $2,640.69 due the Government on production from your property.

Sincerely yours,

(Signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Nye Metals, Inc.
Black Hawk, Colorado

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region III
OME CA&A file
OME Mr. Selfridge

FEJohnson/bih 2/4/66

B-63-2007.11

CA&A copy

[redacted]

Mr. Robert Rye
Rye Metals, Inc.
Room 1017, Merchants Bank Building
Indianapolis, Indiana

Re: OMM-6231 (Molybdenum)
Rye Metals, Inc.
Rye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2149

Dear Mr. Rye:

In our letter of June 23, 1965, to you, we set forth the status of the work under the subject contract and requested that the proposed Termination Agreement sent you February 12, 1965, be returned. To date, we have not had a reply to our letter.

As it is no longer in the interest of the Government to hold this contract in an "in force" status, the United States of America, acting through the Department of the Interior, Geological Survey hereby terminates Amended Contract No. 2149, OMM-6231 under the provisions of Article 9 thereof.

The Government is relieved of all obligations to contribute to costs incurred after September 1, 1964.

The Operator shall furnish the Government three copies of a final report and accounting which shall include a summary of the general geology, of the work done and costs thereof, the results obtained and an estimate of ore reserves indicated.

All rights of the Government respecting certification of possible production, percentage royalty, and liens to secure the payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the right to recover any overpayment are hereby preserved.

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MMamg/jfg:9/14/65

CC: Director's Reading File
Division File
Economic Geology File
Budget and Finance, Rm. 5408
OMM File
OMM Reading File
OMM Region XIV

Mr. Selfridge (2)

MAY 1 8 1965

Nye Metals, Inc.
Room 711, Merchants Bank Building
Indianapolis, Indiana

Re: OMS-6131 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2149

Gentlemen:

Pursuant to Articles 7 and 16 of the contract, as amended, referred to above, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract and on all production transported through workings to the cost of which the Government contributed in accordance with the "Special Agreement Governing Royalty" of Article 16(b) of the contract from June 6, 1962, to June 6, 1967, or until the sum of $84,984.36 (subject to audit) is fully repaid with interest at the rate of 6 percent per annum, whichever occurs first. The payment of royalties is secured by a lien upon the land and upon any production therefrom.

As presently is being done, royalty payments computed as provided in the contract should be made in favor of the Office of Minerals Exploration and should be mailed or delivered by the purchaser to the Field Officer, Office of Minerals Exploration, Region IIX, Building 20, Federal Center, Denver, Colorado 80225. As heretofore, each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the name of the purchaser, the quantity and grade of the production sold, the price per unit, and the gross proceeds and allowable deductions therefrom.

The Field Officer should be promptly notified of any extended cessation of production. Production unsold or unused six months after extraction from the ground should be reported promptly to the Field Officer.

Attention is specifically invited to the provisions of Article 2(c) of the contract referring to the preservation of the Government's royalty rights. One true copy of any instrument transferring, surrendering, or encumbering any of the said rights shall be furnished to the Field Officer.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/gla (5-13-65)
cc to: Director's Reading File
Docket
CA&A Division
Fiscal Section
Region III
Review Committee (2)
Mr. Selfridge
Mr. Johnson

Audit's Copy

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6831

AMENDMENT NO. 6

It is agreed this 13th day of March, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., hereinafter called the "Operator," that Amended Exploration Contract No. 2149 (OME-6831), dated as of June 6, 1962, as amended, is further amended effective December 21, 1963, as follows:

1. (a) Work under the contract shall be suspended during the period beginning December 21, 1963, and ending not later than May 15, 1964.

(b) No costs incurred by the Operator during the period of suspension shall be allowable for contribution by the Government.

(c) The Government shall not contribute to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of the work.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Hugh McTonnore
Acting Field Office, Region III,
Office of Minerals Exploration

NYE METALS, INC.

By Robert L. Nye

Title President

MME Form 14
March 1961

Contract No. Idm-E) 14-23) 2149

No. 292

Docket No. DMEA) MME) 6231

Date of Action ~~January 6, 1964~~
Executed minus amend.

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Nye Metals, Inc.
Room 711, Merchants Bank Bldg.,
Indianapolis, Ind.

Date of Contract	Region	State	Commodity
June 6, 1962	III	Colorado	Molybdenum

	Reserve	Obligation
Prior Amount	0	$138,115.00
Increase	0	0
Decrease	0	997.00
Revised Amount	0	$137,118.00

Remarks:

cc: 110
800
210

88995-61

JAN 3 [illegible] Auditts Copy

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

AMENDMENT NO. 5

It is agreed this 19th day of December, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., hereinafter called the "Operator," that Amended Exploration Contract No. 2149 (OME-6231), dated as of June 6, 1962, as amended, is further amended effective June 6, 1962, as follows:

1. In Amendment No. 4, Item 2 is revised to read as follows:

In Article 1(b) of the contract the figures $278,225.00 and $139,113.00 are revised to read $274,235.00 and $137,118.00, respectively.

2. In Amendment No. 4, Item 4, under Estimated Cost of the Work, Stage II and Stage III:

(a) Under Actual Costs, the words and figures for "Compressed air for drilling" are deleted with a corresponding reduction in the Total Estimated Actual Costs for each stage.

(b) Under Fixed Unit Costs, the following items are added under Stages II and III, respectively, with a corresponding increase in the Total Estimated Fixed Unit Costs for each stage:

(i) Compressed air for drilling
7300 feet @ $0.55/ft. $4,015.00

(ii) Compressed air for drilling
6000 feet @ $0.55/ft. $3,300.00

(c) The Total Estimated Cost for Stages II and III are revised to read $118,055.00 and $79,530.00, respectively.

3. In Amendment No. 4, Item 4, the SUMMARY is deleted and replaced a s follows:

SUMMARY

Total Estimated Cost Stage I	$76,650.00
Total Estimated Cost Stage II	$118,055.00
Total Estimated Cost Stage III	$ 79,530.00
Total Estimated Cost of Project	$274,235.00
Government Participation @ 50% (rounded)	$137,118.00

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

THE UNITED STATES OF AMERICA

By George Turnich
Acting Director, Office of
Minerals Exploration

WYE METALS, INC.

By Robert E. Dreyer

Title President

Audit's Copy

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OMM-6231

AMENDMENT NO. 4

It is agreed this 27th day of November, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., hereinafter called the "Operator," that Amended Exploration Contract No. 2149 (OMM-6231), dated as of June 6, 1962, as amended, is further amended effective June 6, 1962, as follows:

1. Amendments Nos. 1 and 3 are deleted in their entirety.

2. In Article 1(b) of the contract the figures $278,285.00 and $139,113.00 are revised to read $276,230.00 and $138,115.00, respectively.

3. In Exhibit A of the amended contract under Description of the Work, the descriptions for Stage II and Stage III are deleted and replaced as follows:

Stage II

"The work under Stage II of this amended contract shall consist of extending the south drift on the Indianapolis vein an additional 500 feet and the north drift on the Indiana vein an additional 500 feet. With prior Government approval the alloted footage for exploring either vein may be transferred to the other. Also, an aggregate of not more than 200 feet of drifting or crosscutting from the vein drifts may be performed to explore favorable structures indicated in the drifts or adjacent drill holes. The Government will contribute to the cost of not more than 1,600 feet of drifting on the Indianapolis and Indiana veins and 700 feet of timbering of the drifts and crosscuts under Stage II.

"Five (5) diamond drill stations aggregating not more than 120 feet in length shall be excavated along the Main Adit, the Indianapolis vein, or Indiana vein at locations agreed upon by the Operator and Government. From these stations approximately 8 holes aggregating not more than 6600 feet shall be drilled.

"On the surface access roads and 8 drill stations in the Oregon Hill and Mountain Chief Mine areas shall be prepared at locations agreed upon by the Operator and the Government. Not more than 80 hours of bulldozing for access roads and drill sites shall be allowed under this contract.

"From the prepared drill sites, 8 holes aggregating not more than 5400 feet shall be drilled in the Oregon Hill area to explore Nos. 3, 4, 5, and the Golden Chief veins and/or in the Mountain Chief area to explore the fracture zones and veins in the vicinity of the Mountain Chief fault. The attitude and depth of each hole shall be agreed upon by the Operator and Government.

"The locations of the drifts and tentative locations and directions of the underground holes are shown colored red on Plate 2, entitled "Geologic Map, Rye Mine and Vicinity, showing proposed O.M.E. exploration . . . .," attached hereto and made part hereof.

"The structures to be explored from the surface are shown on Plate 1, entitled "Geologic Map, Rye Metals, Inc., Property . . . .," attached hereto and made part hereof."

Stage III

"The work shall consist of not more than 600 feet of drifting and crosscutting along the south Indianapolis vein, 480 feet of timbering in the drifts and crosscuts, 267 feet of raising on the Indianapolis vein, 120 feet of crosscutting for drill stations, and 6,000 feet of diamond drilling from the underground openings at locations mutually agreed upon by the Operator and Government.

"The raises shall have two compartments, consisting of a combination manway and timberslide and a chute for the muck. The raises shall be timbered with 4" thick cribbing and each compartment shall not be less than 4' x 4' in the clear of the timber."

4. In the Amended Contract all words and figures for Estimated Cost of the Work are deleted and the following is substituted in lieu thereof.

"Stage I

Fixed Unit Costs

1700 feet drifting, @ $34.00/ft.	$57,800.00
50 feet crosscutting for drill stations, @ $30.00/ft.	1,500.00
1200 feet timbering, @ $8.00/ft.	9,600.00
1000 feet core drilling, BX standard core size, @ $3.65/ft. AX standard core size, @ $3.30/ft.	3,650.00
20 hours cementing and redrilling, or reaming and casing drill holes, @ $10.00/hr.	200.00
100 cardboard core boxes, @ $1.00 each	100.00
300 assays for molybdenum, @ $5.00/assay	1,500.00
Total Estimated Cost of Stage I	$76,650.00

Stage II

Actual Costs

Category (1), Independent Contracts

Core Drilling (Underground):

6600 feet	$29,112.50
0 to 500 foot depths	
@ $4.15/ft. BX core size	
$3.80/ft. BX core size	
$3.60/ft. AX core size	

500 to 750 foot depths		
@ $4.40/ft. NX core size		
$4.05/ft. BX core size		
$3.80/ft. AX core size		
Depths in excess of 750 feet		
@ $4.95/ft. NX core size		
$4.60/ft. BX core size		
$4.40/ft. AX core size		
Cementing and drilling out and/or reaming and casing hole		
200 hours @ $8.90/hr.	$ 1,780.00	
Surveying hole and standby time		
50 hours @ $8.90/hr.	445.00	
Compressed air for drilling		
7300 feet @ $0.70/ft.	5,110.00	
Total underground drilling		$36,347.90
<u>Core drilling (Surface)</u>:		
Drilling overburden cased		
200 feet @ $5.70/ft.	$ 1,140.00	
Core drilling		
5000 feet @ $4.60/ft. NX core size	23,000.00	
@ $4.00/ft. BX core size		
@ $3.60/ft. AX core size		

Cementing and drilling out and/or reaming and casing		
100 hours @ $8.50/hr.	$ 850.00	
Surveying hole and standby time		
25 hours @ $8.50/hr.	212.50	
Total surface drilling		$25,202.50
Total Independent Contracts Stage II		$61,550.00

Category (Y), Miscellaneous

Core assayt		
800 cardboard core boxes @ $1.00 ea.	$ 800.00	
500 assays for Mo @ $4.00/assay	2,000.00	$2,800.00
Total Estimated Actual Costs Stage II		$64,350.00

Fixed Unit Costs 1/

Bulldozing access roads and drill sites		
80 hours @ $15.00/hr. for D-8	$ 1,200.00	
$12.00/hr. for D-7 dozer		
120 feet crosscutting for drill stations @ $30.00/ft.	3,600.00	
1200 feet drifting and crosscutting @ $34.00/ft.	40,800.00	
700 feet timbering in drifts and crosscuts @ $8.00/ft.	5,600.00	
Incidental allowance for each foot of drilling 12,000 feet @ $0.30/ft.	3,600.00	
Total Estimated Fixed Unit Costs Stage II		$54,800.00
Total Estimated Cost Stage II		$119,150.00

Stage III

Actual Costs

Category (1), Independent Contracts

Core drilling (Underground):

6000 feet	$26,325.00	
0 to 500 foot depths		
@ $4.15/ft. NX core size		
$3.80/ft. BX core size		
$3.60/ft. AX core size		
500 to 750 foot depths		
@ $4.40/ft. NX core size		
$4.05/ft. BX core size		
$3.80/ft. AX core size		
Over 750 foot depths		
@ $4.95/ft. NX core size		
$4.60/ft. BX core size		
$4.40/ft. AX core size		
Cementing and drilling out and/or reaming and casing hole		
160 hours @ $8.50/hr.	$ 1,360.00	
Surveying hole and standby time		
40 hours @ $8.50/hr.	340.00	
Compressed air for drilling		
6000 feet @ $0.70/ft.	4,200.00	
Total Independent Contracts Stage III		$32,225.00

Category (7). Miscellaneous

None except

250 cardboard core boxes @ $1.00 ea.	$ 250.00	
400 assays for Mo @ $4.00/assay	1,600.00	$ 1,850.00
Total Estimated Actual Costs Stage III		$34,075.00

Fixed Unit Costs 1/

120 feet crosscutting for drill stations @ $30.00 per ft.	$ 3,600.00	
600 ft. drifting and crosscutting @ $34.00 per ft.	20,400.00	
400 ft. timbering in drifts and crosscuts @ $8.00 per ft.	3,200.00	
267 ft. raising @ $65.00 per ft.	17,355.00	
Incidental allowance for each foot of drilling, 6000 ft. @ $0.30 per ft.	1,800.00	
Total Estimated Fixed Unit Costs Stage III		$46,355.00
Total Estimated Cost Stage III		$80,430.00

SUMMARY

Total Estimated Cost Stage I	$76,690.00
Total Estimated Cost Stage II	$119,150.00
Total Estimated Cost Stage III	$ 80,430.00
Total Estimated Cost of Project	$276,230.00
Government Participation at 50%	$138,115.00

1/ "Includes all costs whatever that would otherwise be allowable under categories (2) through (7) except core boxes and assays for Mo."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Tunnicliff
Acting Director, Office of
Minerals Exploration

HYE MINERS, INC.

By Robert E Hye

Title President

NOV 22 1963

AIRMAIL

Mr. Charles E. Melbye
Consultant to Nye Metals, Inc.
P. O. Box 309
Golden, Colorado

Re: CME-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Amended Contract 2149

Dear Mr. Melbye:

This letter is in confirmation of the oral approval given Mr. Nye and you on November 20, 1963, to drill Hole No. II-S9 to check the chemical anomaly indicated in the vicinity of the end of the road in the Mountain Chief Area. This hole is to be collared approximately 1100 feet west-northwest of Hole No. II-S1. The hole will be drilled in a southerly direction at approximately -45° for a length not in excess of 750 feet. Extended the road by visiting

This work order shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/gla (11-22-63)
cc to: Director's Reading File
Docket
CA&A Division
Mr. Selfridge
Region III

Building 20 - Federal Center
Denver 25, Colorado
80225

EXTRA COPY		
RECEIVED OCT 18 1963		
DATE	INITIALS	CODE
		800

October 16, 1963

Mr. Charles E. Melbye
Consultant to Rye Metals, Inc.
P. O. Box 309
Golden, Colorado

Re: OME-6231 (Molybdenum)
Amended Contract 2149
Rye Metals, Inc.
(Rye Molybdenum Mine)
Gilpin County, Colorado
WORK ORDER

Dear Mr. Melbye:

This will confirm prior verbal Government approval for the surface diamond drill hole XI-87 in the Mountain Chief area as shown on the map which accompanied your letter of October 14, 1963.

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

Sincerely yours,

Original signed by

Hugh M. Commers
Acting Field Officer, OME
Region III

cc Robert R. Rye, President
Rye Metals, Inc.
Blackhawk, Colorado

Chief, Division of Field Operations, OME
Contract 2149
Contract Corres. 2149
Chron

HMC/lm

EXTRA COPY
O. M. E.
RECEIVED AUG 9 1963
DATE
800

Audit's Copy

AMENDED EXPLORATION CONTRACT
EYE METALS, INC.
OME-6231

AMENDMENT NO. 3

It is agreed this 31st day of July, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Eye Metals, Inc., hereinafter called the "Operator," that Amended Exploration Contract No. 2149 (OME-6231), dated as of June 6, 1962, as amended, is further amended effective the date of the Amended Contract as follows:

1. In Amendment No. 1, item 2, under Stage II, Actual Costs, Category (1), Independent Contracts, the first item under the words Core Drilling (Surface) is deleted and the figures $21,002.50, $55,040.00, and $57,840.00, for Total surface drilling, Total Independent Contracts Stage II, and Total Estimated Actual Costs Stage II, respectively, are revised to read $20,602.50, $53,840.00, and $56,440.00, respectively.

2. In Amendment No. 1, item 2, under Stage II, Fixed Unit Costs, the following is added:

Bulldozing access roads and drill sites	
80 hours @ $15.00/hr. for D-8	$1,200.00
$12.00/hr. for D-7 dozer	

and the figure $57,015.00 for Total Estimated Fixed Unit Costs Stage II is revised to read $58,215.00.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

NYK METALS, INC.

By Robert E Edge

Title President

[illegible]
[illegible]

[illegible]

[illegible]

800
500

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

signed by

[illegible]

[illegible]
Chief, Division of Field Operations, CME
Contract Corres. 21/5
Chron
HMC/lm

UNITED STATES
DEPARTMENT OF THE INTERIOR
[illegible] MINERALS MANAGEMENT
[illegible] 20 - Mineral Water
Denver 25, Colorado

July 19, [illegible]

Memorandum

To: George C. [illegible], Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Amended Contract [illegible]
Rye Metals, Inc.
(Rye Molybdenum Mine)
Elbert County, Colorado

Attached is a letter from the subject Operator requesting an amendment to the contract for additional work to be carried out on a Fixed Unit Cost.

I recommend that you amend the contract accordingly.

Hugh M. Connors
Hugh M. Connors

Attachment

DEPUTY TYPE
O. M. [illegible]
RECEIVED JUL [illegible]

DATE	[illegible]

CHA[illegible] AND ASSOCIATES

[illegible] - [illegible] - GEOPHYSICAL - [illegible]

Mr. Hugh M. Connors
Acting Field Officer, OMM, Region III
Building 23- Federal Center
Denver, Colorado

Re: OMM-6231
Rye Metals, [illegible]
Blackhawk, [illegible]

Dear Mr. Connors:

As was mentioned in our May narrative report, considerable work had been done by the Operator before the realization [illegible] listed in the contract under Independent Contracts [illegible] Tail Creek. Since Rye Metals, Inc. has always [illegible] and it was so stated in our application, we [illegible] to the contract to permit the use of this [illegible] rate of $15/hour listed in the contract. Two bids [illegible] contractors are enclosed, which indicate a considerable [illegible] per hour in additions to standby time. No standby [illegible] by the Operator even though necessary work on [illegible] intermittent.

Now, we are requesting permission to go from Stage II [illegible] of the contract with respect to underground drifting. [illegible] there on the Indianapolis and Indiana veins under Stage [illegible] and the remaining footage of 151' for cross-cutting [illegible] drifting will be used up in July.

[illegible] consideration of these requests will be greatly [illegible]

Sincerely,

Charles E. [illegible]
Consultant to [illegible]

Audit's Copy

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OMS-6231

AMENDMENT NO. 2

It is agreed this 23rd day of May, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., hereinafter called the "Operator," that Amended Exploration Contract No. 2149, (OMS-6231), dated as of June 6, 1962, as amended, is further amended, effective June 6, 1962, as follows:

1. In Exhibit A, under the heading General Provisions, the second paragraph on page 2 is deleted and the following is substituted:

> "Under Stages II and III of the work the diamond drill holes shall be started using either standard or wire line NX size and may be reduced if necessary to complete a hole to either the standard NX or AX core size, or to the NX or AX wire line size."

2. In Exhibit A, under the heading Estimated Cost of the Work, pages 6, 7, 8, and 9 of Exhibit A, wherever cost specifications appear for core size, such specifications shall apply equally to both standard and wire line work.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Dwayne Finnich
Director, Office of Minerals Exploration

NYE METALS, INC.

By Robert E. Nye

Title President

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED JUN 10
DATE

June 5, 1963

800

Mr. Robert E. Rye, President
Rye Metals, Inc.
Black Hawk, Colorado

Re: OME-6231 (Molybdenum)
Amended Contract 2149
Rye Metals, Inc.
(Rye Molybdenum Mine)
Gilpin County, Colorado

Dear Mr. Rye:

This constitutes approval to drill the first hole under Stage II of the captioned contract as requested in Mr. Melbye's letter of June 5, 1963 with a map showing the hole location, bearing and inclination.

Approval is also granted to discontinue drifting on the Indiana vein, and to apply the remaining allowable footage of drifting on the Indiana vein to the Indianapolis south drift.

Mr. Melbye brought along with his letter for my inspection, field maps of the recently completed detailed surface geologic map. He expects to soon submit to this office two copies of the map.

Sincerely yours,

Original signed by
T. M. Romslo

T. M. Romslo
Acting Field Officer, OME
Region III

cc Mr. Charles E. Melbye
Consultant to Rye Metals, Inc.
2721 Lookout View Drive
P. O. Box 309
Golden, Colorado

Chief, Division of Field Operations, OME
w/original of Mr. Melbye's letter 6/5/63 and copy of the map
Contract Corres. 2149
Chron
TMR/lm

MME Form 14
March 1961

No. 211

Contract No. Idm-E) 14-23) 2149

Docket No. DMEA) MME) 6231

Date of Action ~~May 23, 1963~~ Executed Minus Amendment

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Nye Metals, Inc.
Room 711, Merchants Bank Bldg.,
Indianapolis, Indiana

Date of Contract	Region	State	Commodity
June 6, 1962	III	Colorado	Molybdenum
	Reserve		Obligation
Prior Amount	0		$139,113.00
Increase	00		0
Decrease	~~0~~		~~998.00~~
Revised Amount			$138,115.00

Remarks:

cc: 110
800
210

88995-61

Audit's Copy

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

AMENDMENT NO. 1

It is agreed this 7th day of May, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., hereinafter called the "Operator," that Amended Exploration Contract No. 2149 (OME-6231), dated as of June 6, 1962, is amended effective the date of the amended contract as follows:

1. In Article 1(b) of the contract the figures $278,225.00 and $139,113.00 are revised to read $276,230.00 and $138,115.00, respectively.

2. Under Estimated Cost of the Work, Stages II and III are deleted and the following is substituted in lieu thereof:

Stage II

Actual Costs

Category (1), Independent Contracts

Core Drilling (Underground):

0 to 500 foot depths

4800 feet @ $4.15/ft. NX core size		$19,920.00
	$3.80/ft. BX core size	
	$3.60/ft. AX core size	

500 to 750 foot depths

2150 feet @ $4.40/ft. NX core size		9,460.00
	$4.05/ft. BX core size	
	$3.80/ft. AX core size	

Depths in excess of 750 feet		
350 feet @ $4.95/ft. NX core size	$ 1,732.50	
$4.60/ft. BX core size		
$4.40/ft. AX core size		
Cementing and drilling out and/or reaming and casing hole		
200 hours @ $8.50/hr.	1,700.00	
Surveying hole and standby time		
50 hours @ $8.50/hr.	425.00	
Total underground drilling		$33,237.50
<u>Core Drilling (Surface):</u>		
Bulldozing access roads and drill sites		
80 hours @ $15.00/hr. for D-8	$ 1,200.00	
$12.00/hr. for D-7 dozer		
Drilling overburden cased		
200 feet @ $5.70/ft.	1,140.00	
Core drilling - Bedrock to 500'		
4000 feet @ $4.60/ft. NX core size	18,400.00	
$4.00/ft. BX core size		
$3.60/ft. AX core size		
Cementing and drilling out and/or reaming and casing		
100 hours @ $8.50/hr.	850.00	

Surveying hole and standby time

25 hours @ $8.50/hr.	$ 212.50	
Total surface drilling		$21,802.50
Total Independent Contracts Stage II		$55,040.00

Category (7), Miscellaneous

None Except

600 cardboard core boxes @ $1.00 each	$ 600.00	
500 assays for Mo @ $4.00/assay	2,000.00	$ 2,600.00
Total Estimated Actual Costs Stage II		$57,640.00

Fixed Unit Costs 1/

105 feet crosscutting for drill stations @ $30.00/ft.	$ 3,150.00	
1200 feet drifting and crosscutting @ $34.00/ft.	40,800.00	
700 feet timbering in drifts and crosscuts @ $8.00/ft.	5,600.00	
Compressed air for drilling, 7300 feet @ $0.55/ft.	4,015.00	
Incidental allowance for each foot of drilling 11,500 feet @ $0.30/ft.	3,450.00	
Total Estimated Fixed Unit Costs Stage II		$57,015.00
Total Estimated Cost Stage II		$114,655.00

Stage III

Actual Costs

Category (1), Independent Contracts

Core drilling (Underground):

0 to 500 foot depths

3000 feet @ $4.15/ft. NX core size	$12,450.00	
$3.80/ft. BX core size		
$3.60/ft. AX core size		

500 to 750 foot depths

1466 feet @ $4.40/ft. NX core size	$ 6,450.00	
$4.05/ft. BX core size		
$3.80/ft. AX core size		
Over 750 foot depths:		
1500 feet @ $4.95/ft. NX core size	$ 7,425.00	
$4.60/ft. BX core size		
$4.40/ft. AX core size		
Cementing and drilling out and/or reaming and casing hole		
160 hours @ $8.50/hr.	1,360.00	
Surveying hole and standby time		
40 hours @ $8.50/hr.	340.00	
Total Independent Contracts Stage III		$28,025.00

Category (7), Miscellaneous

None Except

250 cardboard core boxes @ $1.00 each	250.00	
400 assays for Mo @ $4.00/assay	1,600.00	$ 1,850.00
Total Estimated Actual Costs Stage III 1/		$29,875.00

Fixed Unit Costs

120 feet crosscutting for drill stations @ $30.00 per ft.	$ 3,600.00
600 ft. drifting and crosscutting @ $34.00 per ft.	20,400.00

400 ft. timbering in drifts and crosscuts @ $8.00 per ft.	$ 3,200.00	
350 ft. raising @ $65.00 per ft.	22,750.00	
Compressed air for drilling, 6,000 feet @ $0.55/ft.	3,300.00	
Incidental allowance for each foot of drilling, 6,000 feet @ $0.30 per ft.	1,800.00	
Total Estimated Fixed Unit Costs Stage III		$55,050.00
Total Estimated Cost Stage III		$84,925.00

SUMMARY

Total Estimated Cost Stage I	$76,650.00
Total Estimated Cost Stage II	$114,655.00
Total Estimated Cost Stage III	$ 84,925.00
Total Estimated Cost of Project	$276,230.00
Government Participation at 50% (rounded)	$138,115.00

1/ Includes all costs whatever that would otherwise be allowable under categories (2) through (7) except core boxes and assays for Mo.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

NYK METALS, INC.

By Robert E. Nye

Title President

800

Building 20 - Federal Center
Denver 25, Colorado

May 1, 1963

Memorandum

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

From: Acting Field Officer, CMX, Region III

Subject: CMX-6231 (Molybdenum)
Amended Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

This has further reference to the last paragraph in my memorandum of April 30, 1963, on the subject contract.

I recommend that an Amendment be made to provide for use of either wireline or standard equipment on Stage II and Stage III drill holes at no reduction in price to the driller.

Original signed by

Hugh M. Connors

Building 20 - Federal Center
Denver 25, Colorado

February 12, 1963

EXTRA COPY
O. M. E
RECEIVED FEB 15 1963
DATE
SEC

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

Attached are the original and one copy of a letter from the subject Applicant's consultant requesting an amendment to the amended contract to permit the transfer of funds from Stage I to Stages II and III if necessary.

It appears to me that the Operator is insurance minded. I see no other reason why this matter should come up at this time unless he thinks that Climax may cease to do the assaying without charge and there will be a large amount of assaying in Stage II and III.

If you believe this matter to be important, will you prepare the amendment.

Original signed by

Hugh M. Connors

Attachments

February 7, 1963

Mr. Hugh M. Connors, Acting Field Officer
OME, Region III
Building 20, Federal Center
Denver, Colorado

Re: AMENDED EXPLORATION CONTRACT
Nye Metals, Inc.
OME-6231
Contract No. 2149
Gilpin County, Colorado

Dear Mr. Connors:

We are now at the completion of Stage I work except for various unneeded expenditures which have left a surplus of $3,909.30. Since our understanding is that this unused money cannot be applied against other items, such as drifting, we are requesting an amendment to the contract to permit the unused items to be used on Stages II and III, if necessary.

The excess amounts are as follows:

Timbering	230 feet @ $8	$1,840.00
Cementing and redrilling, or reaming and casing drill holes	20 hrs. @ $10	200.00
Assays for molybdenum	279 @ $5	1,395.00
	TOTAL	$3,435.00

Your consideration of this request will be appreciated.

Sincerely,

Charles E. Melbye

Charles E. Melbye
Consultant to Nye Metals, Inc.

M/am

MME Form 14
March 1961

Contract No. Idm-E) 14-23) 2149

Docket No. DMEA) MME) 6231

Date of Action February 12, 1963
Executed amended contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:
Nye Metals, Inc.
Room 711, Merchants Bank Bldg.,
Indianapolis, Indiana

Date of Contract	Region	State	Commodity
June 6, 1962	III	Colorado	Molybdenum

	Reserve	Obligation
Prior Amount	$100,788.00	$38,325.00
Increase	0	100,788.00
Decrease	$100,788.00	0
Revised Amount	0	$139,113.00

Remarks:

cc: 110
800
210

88995-61

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 40 - Federal Center
Denver 25, Colorado

March [illegible] 1963

Memorandum

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

From: Acting Field Officer OME Region III

Subject: OME-627 (Molybdenum)
Amended Contract 2T45
Rye Metals, Inc.
(Rye Molybdenum Mine)
Ouray County, Colorado

Attached are the Government's, Fiscal Section's, and Audit Section's copies of the new Page [illegible] to the subject contract showing that the rate of interest shall be [illegible] percent and which have been initialed by Robert Rye and the Director.

Hugh M. Connors

Hugh M. Connors

Attachments

Audit Section's Copy

MME Form 50
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

[redacted]

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME [redacted]	[redacted]	14-23-090-[redacted]	[redacted]	[redacted]

It is agreed [redacted] (Date) between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

[redacted],

whose mailing address is [redacted], hereinafter called the "Operator, as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), [redacted] (work and costs), [redacted] and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before [redacted] (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within [redacted] months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ [redacted]. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ [redacted] in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

[redacted]

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

[redacted]

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

Audit's Copy

MME Form 50
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FEB 12 1963 O.M.E.

AMENDED EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6231	Molybdenum	14-23-090-2149	Gilpin	Colorado

It is agreed as of June 6, 1962 (Date) between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Nye Metals, Inc., an Indiana corporation

, whose mailing address is Room 711, Merchants Bank Building, Indianapolis, Indiana, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before June 25, 1962 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 40 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ 278,225.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 139,113.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

None

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

See Article 16(a)

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the Operator's gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Article 16 (c)

~~ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.~~

~~The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.~~

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 15. Copeland (Anti-Kickback) Act--Unrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U.S.C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U.S.C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

(a) In Article 7(b)(X) of the contract, substitute the period "twenty-five years" for the period "ten years".

(b) Special Agreement Concerning Royalty. Notwithstanding the certification provisions of this Article 7, and with no further action required on the part of the Government, the Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, or its successor, shall pay to the Government a royalty on production, regardless of where it is produced, which is transported through any workings or any portion of any workings to the cost of which the Government has contributed, for the period described in Article 7(b)(X) above, and pursuant to the terms of Article 7(a) et seq. However, in no event shall more than one royalty be due or paid under this contract on the same production."

(c) "Nondiscrimination. The provisions governing performance of work under Government contracts, as set out in Section 301 of the Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit B and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract.

"In compliance with the Rules and Regulations (41 CFR, Section 60-1.3(a)) issued under Executive Order 10925 of March 6, 1961, the Operator is hereby bound and agrees to include in each subcontract which it shall make with a subcontractor or supplier paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

"The Operator shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall incorporate by reference in each subcontract or purchase order with a subcontractor or supplier paragraphs (1) through (8) of Section 301 of Executive Order 10925 of March 6, 1961, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity."

Executed in quintuplicate this 6 day of Feb., 1963.

Fra Metals, Inc. (Operator) — THE UNITED STATES OF AMERICA

By Robert E. Nye — By George Turnich
Director, Office of Minerals Exploration

Title President

I, DONALD A. O'MARA (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that ROBERT E. NYE (Name), who signed this contract on behalf of the Operator was then PRESIDENT (Title) of said corporation, that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Donald A. O'Mara

[CORPORATE SEAL]

AMENDED EXPLORATION CONTRACT
[illegible] MINERALS, INC.
[illegible]

ANNEX I

The land referred to in Article 2 of the contract consists of sixty-eight (68) patented and sixty-eight (68) unpatented lode mining claims, including all rights pertaining thereto, in sect. 9, 10, 15, 16, 21, and 22, T. 2 S., R. 73 W., 6th Principal Meridian, Gilpin County, Colorado. The Operator is the owner of the claims. Patent and recording data of the claims are as follows:

Patented Claims

Name of Claim	U. S. Patent No.
Smart No. 2	16[illegible]
Ideal	17[illegible]
Klondyke	17[illegible]
Newton	17[illegible]
St. Patrick No. 2	[illegible]
Black Rock	[illegible]
Duke	11[illegible]
Wellington	11[illegible]
Polly Verden	11[illegible]
Zenobe	19[illegible]
Arlington	19[illegible]
Rockhill	18[illegible]
Reindeer	18[illegible]

Patented claims (continued)

Name of Claim	U. S. Patent No.
Bakersvel	18[illegible]
Green Point	18[illegible]
Gordova	18[illegible]
David B.	18[illegible]
Hidalgo	18[illegible]
Kimberly	18[illegible]
Pacific	18[illegible]
Tiago	18[illegible]
Magdalena	18[illegible]
Fairview No. 1	19[illegible]
Fairview No. 2	19[illegible]
Fairview No. 3	19[illegible]
J. H. B.	19[illegible]
K. G. B.	19[illegible]
Hoosier Boy	11[illegible]
Josephine	13[illegible]73
Aurora	13[illegible]73
Annex No. 1	13[illegible]73
Annex No. 2	13[illegible]73
Annex No. 3	13[illegible]73
Blue	14[illegible]

Patented claims (Continued)

Name of Claim	U. S. Patent No.
Golden Forest	14955
Water Lily	14955
Columbine	14955
Iron Shoe	14955
Lone Boy	14955
Little Tepsy	14955
Redemption	12687
Mattie D.	12687
Kline M.	12687
Little Bennie	12687
Golden Cliff [Golden Chief]	12687
Sun Flower	12687
Hard Pan	12692
Barbequer	12692
Gold Belt	12692
N. G. N.	12692
American	12539
Yankee Beetle	12413
Prospect	12413
Hope	12413
Union	13873
Missing Link No. 2	13873

Patented claims (Continued)

Name of Claim	U. S. Patent No.
Fly	13973
Intersection	13973
Kane	13973
Kane No. 1	13973
Kane No. 2	13973
Kane No. 3	13973
Kane No. 4	13973
Beatrice No. 4	13973
Brightside No. 1	13973
Brightside No. 2	13973
Brightside No. 3	13973
Beatrice No. 3	13973

Unpatented Claims

Recorded at the Office of the County Clerk and Recorder, Gunnison City, Gilpin County, Colorado

Name of Claim	Book	Page
Wilma No. 1	226	43
Wilma No. 2	226	42
Wilma No. 3	226	44
Wilma No. 4	226	46
Wilma No. 500	226	45
Battle Mount No. 6	226	47

Unpatented claims (Continued)

Name of Claim	Book	Page
Kettle Knoll No. 7	226	48
Kettle Knoll No. 8	226	49
Nine	226	97
Ten	226	96
Eleven	226	95
Twelve	226	94
Thirteen	226	93
Fourteen	226	92
Fifteen	226	91
Sixteen	226	90
Seventeen Lode	226	107
Eighteen	226	108
Nineteen	226	111
Twenty	226	112
Twenty One	226	113
Twenty Two	226	114
Alvin No. 1	226	318
Alvin No. 2	226	317
Alvin No. 3	226	316
Alvin No. 4	226	315
Alvin No. 5	226	314
Alvin No. 6	232	79

Unpatented claims (Continued)

Name of Claim	Book	Page
Mi's No. 1	239	426
Mi's No. 2	239	427
Mi's No. 3	239	428
Mi's No. 4	239	429
Mi's No. 5	239	430
Mi's No. 6	239	431
Mi's No. 7	239	432
Mi's No. 8	239	433
Mi's No. 9	239	434
Mi's No. 10	239	435
Mi's No. 11	239	436
Mi's No. 12	239	437
Mi's No. 13	239	438
Mi's No. 14	239	439
Mi's No. 15	239	440
Mi's No. 16	239	441
Mi's No. 17	239	442
Mi's No. 18	239	443
Mi's No. 19	239	444
Mi's No. 20	239	445
Mi's No. 21	239	446

Unpatented Claims (Continued)

Name of Claim	Book	Page
Hi's No. 22	239	447
Hi's No. 23	239	448
Hi's No. 24	239	449
Hi's No. 25	239	450
Hi's No. 26	239	451
Hi's No. 27	239	452
Hi's No. 28	239	453
Hi's No. 29	239	454
Hi's No. 30	239	455
Eye's No. 1	239	456
Eye's No. 2	239	457
Eye's No. 3	239	458
Eye's No. 4	239	459
Eye's No. 5	239	460
Eye's No. 6	239	461
Eye's No. 7	239	462
Chay No. 1	239	463
Chay No. 2	239	464
Chay No. 3	239	465
Ian No. 1 through 30	242	202-230

The claims are shown in green on Plate 1 (unrecorded) entitled, "Mining Property of Eye-Hickory Mining, Inc., Agate Mining Dist., Gilpin Co., Colorado . . .," attached hereto and made part hereof.

The Grantor is the owner of the claims.

AMERICAN EXPLORATION COMPANY
NYE MINERALS, INC.
OMS-6031

ANNEX II

This Amended Contract amends and except as otherwise provided herein supersedes an earlier contract between the same parties, Contract 8149 (OMS-6031) dated June 6, 1962, as amended, hereinafter called the "Prior Contract."

NOW THEREFORE, it is mutually agreed that:

1. Effective as of June 6, 1962, the date of the Prior Contract, it is amended and superseded by this Amended Contract in all respects except as otherwise provided. The total contribution of the Government under both the Prior Contract and this Amended Contract shall be repayable under the royalty provisions of this Amended Contract.

The Operator releases and agrees to save the Government harmless from all claims and demands arising out of the Prior Contract except as otherwise provided herein.

AMERICAN EXPLORATION CONTRACT
RYE METALS, INC.
OMS-6231

EXHIBIT A

The purpose of this project is to explore for molybdenum-bearing ore bodies by drifting from the Main Tunnel of the Rye Molybdenum Mine along the Indiana and Indianapolis vein systems, crosscutting from the drifts, and raising from the south Indianapolis drift to the surface. From the drifts, crosscuts, and main adit, and from the surface in the Oregon Hill and Mountain Chief mine areas, diamond drilling will be performed.

The work shall be divided into three stages. The Operator shall perform all of Stage I and Stage II work and as much of Stage III work as is approved in advance by the Government.

General Provisions

No work under this contract may be performed at distances less than 500 feet from exterior property boundaries.

All drifts, crosscuts, and drill stations shall not be less than 6' by 7' in cross section in the clear of timber and shall be timbered as necessary, using standard drift sets of not less than 8" by 8" timber, or equivalent round timber.

All drill stations shall be cut to a depth of not more than 15 feet from the wall of the drift.

Mine rails shall not be less than 30-lbs., air lines of not less than 3-inch and water lines of not less than 1-inch diameter.

The drifts, crosscuts and raises shall be ventilated using not less than 18-inch diameter vent pipe.

All significantly mineralized areas traversed by the drifting, crosscutting and raising shall be sampled normal to their trends at intervals of not more than ten feet. Likewise a representative bulk sample shall be taken of each vein breccia, in areas showing significant mineralization, in work under Stages II and III.

Under Stage I of the work diamond drill holes shall be started using not less than BX standard core size (1 5/8" diameter) and may be reduced to AX standard size (1 1/8" diameter) if necessary to complete a hole.

Under Stages II and III of the work the diamond drill holes shall be started using standard BX core size (2 1/8" diameter) and may be reduced if necessary to complete a hole to either the standard BX or AX core size.

Core from the diamond drilling shall be properly boxed, marked, and stored for later inspection by the Government. With prior Government approval, the Operator may later dispose of such core. Significantly mineralized core shall be split and sampled and the sample assayed for molybdenum. No sample shall represent a core length of greater than five feet.

Facilities shall be provided for the sampling of diamond drill sludges and such sludges shall be retained when drilling in significantly mineralized areas. Whenever, the core recovery is found to have been less than 60 per cent the corresponding retained sludges shall be sampled by quartering as necessary and the sample assayed as indicated above, in addition to the sampling and assaying of such core segments as may have been recovered.

All samples, from whatever source, shall be assayed for molybdenum but before being sent for assay shall be split and one split set aside and made available to the Government, properly marked as to source and location.

Two copies of assay certificates of all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period and showing the locations of all samples taken. The map or sketch should also show the general geological formations and structures traversed by the work performed.

All holes shall be logged geologically and copies of the logs of the completed holes shall likewise be furnished monthly, with the Operator's monthly report.

The Operator shall provide such supervisory and technical services as may be required to complete the work in a satisfactory manner.

The location, direction and extent of each work item shall be subject to prior Government approval.

The bulldozer used for preparation of access roads and drill sites shall be either of a D-8 or D-7 size, or equivalent dozer of other make.

Description of the Work

Stage I

On the Main Tunnel level the north and south drifts on the Indianapolis vein system and the north drift on the Indiana vein system shall be extended to such distances as are approved in advance by the Government. With prior Government approval the Operator may drive crosscuts from these drifts to explore for splits and may continue the principal drifts along such splits.

From the east face of the Main Tunnel, one hole shall be diamond drilled to a depth of approximately 800 feet on the same bearing as the tunnel in this area. With prior Government approval four drill stations shall be constructed in the advanced portions of the drifts on the Indianapolis and Indiana veins. From each station a hole shall be diamond drilled to a depth of about 800 feet in a direction normal to the drift and inclined slightly upward. No hole diamond drilled shall be closer than 800 feet to any other hole diamond drilled under this contract. The location of the drill stations and the direction of each hole shall be mutually agreed upon by the Operator and the Government.

The Government will contribute to no more than 1700 feet of drifting, 60 feet of crosscutting for four drill stations, 1800 feet of timbering in the drifts and crosscuts, 1000 feet of core drilling, 80 hours of cementing and redrilling, or running and cementing drill holes, 150 core boxes, and 300 assays for analyses. Stage I work is indicated in black on Plate 2.

Stage II

The work under Stage II of this amended contract shall consist of extending the north drift on the Indianapolis vein an additional 700 feet and the north drift on the Indiana vein an additional 300 feet. With prior Government approval the allotted footage for exploring either vein may be transferred to the other. Also, an aggregate of not more than 500 feet of drifting or crosscutting from the vein drifts may be performed

to explore favorable structures indicated in the drifts or adjacent drill holes. The Government will contribute to the cost of not more than 1,000 feet of drifting on the Indianapolis and Indiana veins and 700 feet of timbering of the drifts and crosscuts under Stage II.

Seven (7) diamond drill stations aggregating not more than 105 feet in length shall be excavated along the Main Adit, the Indianapolis vein, or Indiana vein. From these stations approximately 12 holes aggregating not more than 7,300 feet shall be drilled.

Approximate Locations and Attitudes of Drill Holes:

UNDERGROUND

Hole No.	Location Station	Project Area	Bearing Degrees	Vertical Angle	Length (Feet)
1	Sta. 1	Main Adit	N.5 W.	-45	500
2	Sta. 1	" "	S.86 E.	-20	900
3	Sta. 1	" "	S.64 E.	-40	900
4	Sta. 2	Indiana Vein	S.35 E.	-12	800
5	Sta. 4	Indianapolis Vein	N.42 W.	-20	700
6	Sta. 4	Indianapolis Vein	S.80 E.	-45	400
7	Sta. 9	" "	N.55 W.	-30	500
8	Sta. 9	" "	S.60 W.	-30	500
9	Sta. 10	" "	East	-5	400
10	Sta. 10	" "	S.5 E.	-20	600
11	Sta. 11	" "	West	-5	400
12	Sta. 7	Indiana Vein	S.60 E.	-30	700

SURFACE

On the surface access roads and 8 drill stations in the Oregon Hill and Mountain Chief Mine areas shall be prepared at locations mutually

agreed upon by the Operator and the Government. Not more than 60 hours of bulldozing for access roads and drill sites shall be allowed under this contract.

From the proposed drill sites, 8 holes aggregating not more than 4,200 feet shall be diamond drilled in the Oregon Hill area to explore Nos. 3, 4, 5, and the Golden Chief veins and in the Mountain Chief area to explore the fracture zones and veins adjacent to the Mountain Chief Shaft. The bearing, vertical angle, and depth of each hole shall be mutually agreed upon by the Operator and the Government.

The locations of the drifts and underground drill holes are shown colored red on Plate 2, entitled "Geologic Map, Rye Mine and Vicinity, showing proposed O.M.M. Exploration . . . . ," attached hereto and made part hereof. The locations and attitude of the drill holes as shown on Plate 2 are approximate and may be changed with prior Government approval.

The structures to be explored in the Oregon Hill and the Mountain Chief mine areas are shown on Plate 1, entitled "Geological Map, Rye Metals, Inc. Property . . .," attached hereto and made part hereof.

Phase III

The work shall consist of not more than 600 feet of drifting and crosscutting along the south Indianapolis vein, 400 feet of timbering in the drifts and crosscuts, 350 feet of raising on the Indianapolis vein from the adit level to the surface, 180 feet of crosscutting for drill stations, and 6,000 feet of diamond drilling from the underground openings at locations mutually agreed upon by the Operator and Government.

The 350-foot raise shall have two compartments, consisting of a combination manway and tramming and a chute for the rock. The raise shall be cribbed with 4" thick lagging and each compartment shall not be less than 4' x 4' in the clear of the crib timber.

Estimated Cost of the Work

Phase I

Fixed Unit Costs

1700 feet drifting, @ $39.00/ft.	$67,800.00
40 feet crosscutting for drill stations, @ $30.00/ft.	1,200.00

1000 feet timbering, @ $8.00/ft.	$ 9,600.00
1000 feet core drilling, NX standard core size, @ $5.65/ft.	5,650.00
AX standard core size @ $5.20/ft.	
20 hours cementing and redrilling, or running and casing drill holes, @ $10.00/hr.	200.00
100 cardboard core boxes @ $2.00 each	100.00
300 assays for molybdenum @ $5.00/assay	1,500.00
Total Estimated Cost of Stage I	$76,650.00

Stage II

Actual Costs

Category (1), Independent Contracts

Core Drilling (Underground):

0 to 500 foot depths

4000 feet @ $4.15/ft. NX core size	$19,900.00
$3.50/ft. NX core size	
$3.00/ft. AX core size	

500 to 750 foot depths

2150 feet @ $4.40/ft. NX core size	9,460.00
$4.05/ft. NX core size	
$3.80/ft. AX core size	

Depths in excess of 750 feet

350 feet @ $4.95/ft. NX core size	1,732.50
$4.60/ft. NX core size	
$4.40/ft. AX core size	

Cementing and drilling out and/or running and casing hole		
200 hours @ $8.50/hr.	$ 1,700.00	
Surveying hole and standby time		
50 hours @ $8.50/hr.	425.00	
Compressed air for drilling		
7300 feet @ $0.70/ft.	5,110.00	
Total underground drilling		$38,347.50
Core Drilling (Surface): ~~RRHXRRKXXRX500X~~		
Bulldozing access roads and drill sites		
80 hours @ $15.00/hr. for D-8	$ 1,200.00	
$12.00/hr. for D-7 dozer		
Drilling overburden casing		
200 feet @ $5.70/ft.	1,140.00	
Core drilling Bedrock to 500'		
4000 feet @ $4.60/ft. EX core size	18,400.00	
@ $4.00/ft. EX core size		
@ $3.60/ft. AX core size		
Cementing and drilling out and/or running and casing		
100 hours @ $8.50/hr.	850.00	
Surveying hole and standby time		
25 hours @ $8.50/hr.	212.50	
Total surface drilling		$21,802.50
Total Independent Contractor Stage II		$60,150.00

Category (7), Miscellaneous

Home Budget

600 cardboard core boxes @ $1.00 each	$ 600.00	
500 assays for Mo @ $4.00/assay	2,000.00	$ 2,600.00
Total Estimated Actual Costs Stage II		$62,750.00

Fixed Unit Costs 1/

105 feet cementing for drill stations @ $30.00/ft.	$ 3,150.00	
1000 feet drifting and cementing @ $34.00/ft.	$40,800.00	
700 feet timbering in drifts and crosscuts @ $8.00/ft.	5,600.00	
Incidental allowance for each foot of drilling 11,500 feet @ $0.30/ft.	3,450.00	
Total Estimated Fixed Unit Costs Stage II		$53,000.00
Total Estimated Cost Stage II		$115,750.00

Stage III

Actual Costs

Category (1), Independent Contracts

Core Drilling (Underground):

0 to 500 foot depths

3000 feet @ $4.15/ft. BX core size	$12,450.00	
$3.80/ft. BX core size		
$3.60/ft. AX core size		

300 to 750 foot depths

1466 feet @ $4.43/ft. NX core size $ 6,490.00

$4.05/ft. BX core size

$3.80/ft. AX core size

Over 750 foot depths:

1500 feet @ $4.95/ft. NX core size 7,425.00

$4.60/ft. BX core size

$4.40/ft. AX core size

Cementing and drilling out and/or reaming and casing hole

160 hours @ $8.50/hr. 1,360.00

Surveying hole and standby time

40 hours @ $8.50/hr. 340.00

Compressed air for drilling

6000 feet @ $0.70/ft. 4,200.00

Total Independent Contracts Stage III $32,825.00

Category (Y), Miscellaneous

Mine Report

250 cardboard core boxes @ $1.00 each 250.00

400 assays for Mo @ $4.00/assay 1,600.00 $ 1,850.00

Total Estimated Actual Costs Stage III $34,075.00

Fixed Unit Costs 1/

100 feet crosscutting for drill stations @ $30.00 per ft.	$ 3,000.00	
600 ft. drifting and crosscutting @ $34.00 per ft.	20,400.00	
400 ft. timbering in drifts and crosscuts @ $8.00 per ft.	3,200.00	
330 ft. raising @ $69.00 per ft.	22,770.00	
Incidental allowance for each foot of drilling, 6000 ft. @ $0.30 per ft.	1,800.00	
Total Estimated Fixed Unit Costs Stage III		$51,170.00
Total Estimated Cost Stage III		$85,825.00

SUMMARY

Total Estimated Cost Stage I	$ 76,650.00
Total Estimated Cost Stage II	115,750.00
Total Estimated Cost Stage III	85,825.00
Total Estimated Cost of Project	$278,225.00
Government Participation at 50% (rounded)	$139,113.00

1/ Includes all costs whatever that would otherwise be allowable under categories (2) through (7) except core boxes and assays for Mo.

EXHIBIT B

Presidential Documents

Title 3—THE PRESIDENT

Executive Order 10925

ESTABLISHING THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

WHEREAS discrimination because of race, creed, color, or national origin is contrary to the Constitutional principles and policies of the United States; and

WHEREAS it is the plain and positive obligation of the United States Government to promote and ensure equal opportunity for all qualified persons, without regard to race, creed, color, or national origin, employed or seeking employment with the Federal Government and on government contracts; and

WHEREAS it is the policy of the executive branch of the Government to encourage by positive measures equal opportunity for all qualified persons within the Government; and

WHEREAS it is in the general interest and welfare of the United States to promote its economy, security, and national defense through the most efficient and effective utilization of all available manpower; and

WHEREAS a review and analysis of existing Executive orders, practices, and government agency procedures relating to government employment and compliance with existing non-discrimination contract provisions reveal an urgent need for expansion and strengthening of efforts to promote full equality of employment opportunity; and

WHEREAS a single governmental committee should be charged with responsibility for accomplishing these objectives:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

PART I—ESTABLISHMENT OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

SECTION 101. There is hereby established the President's Committee on Equal Employment Opportunity.

SEC. 102. The Committee shall be composed as follows:

(a) The Vice President of the United States, who is hereby designated Chairman of the Committee and who shall preside at meetings of the Committee.

(b) The Secretary of Labor, who is hereby designated Vice Chairman of the Committee and who shall act as Chairman in the absence of the Chairman. The Vice Chairman shall have general supervision and direction of the work of the Committee and of the execution and implementation of the policies and purposes of this order.

(c) The Chairman of the Atomic Energy Commission, the Secretary of Commerce, the Attorney General, the Secretary of Defense, the Secretaries of the Army, Navy and Air Force, the Administrator of General Services, the Chairman of the Civil Service Commission, and the Administrator of the National Aeronautics and Space Administration. Each such member may designate an alternate to represent him in his absence.

(d) Such other members as the President may from time to time appoint.

(e) An Executive Vice Chairman, designated by the President, who shall be *ex officio* a member of the Committee. The Executive Vice Chairman shall assist the Chairman, the Vice Chairman and the Committee. Between meetings of the Committee he shall be primarily responsible for carrying out the functions of the Committee and may act for the Committee pursuant to its rules, delegations, and other directives. Final action in individual cases or classes of cases may be taken and final orders may be entered on behalf of the Committee by the Executive Vice Chairman when the Committee so authorizes.

SEC. 103. The Committee shall meet upon the call of the Chairman and at such other times as may be provided by its rules and regulations. It shall (a) consider and adopt rules and regulations to govern its proceedings; (b) provide generally for the procedures and policies to implement this order; (c) consider reports as to progress under this order; (d) consider and act, where necessary or appropriate, upon matters which may be presented to it by any of its members; and (e) make such reports to the President as he may require or the Committee shall deem appropriate. Such reports shall be made at least once annually and shall include specific references to the actions taken and results achieved by each department and agency. The Chairman may appoint sub-committees to make special studies on a continuing basis.

PART II—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

SECTION 201. The President's Committee on Equal Employment Opportunity established by this order is directed immediately to scrutinize and study employment practices of the Government of the United States, and to consider and recommend additional affirmative steps which should be taken by executive departments and agencies to realize more fully the national policy of nondiscrimination within the executive branch of the Government.

SEC. 202. All executive departments and agencies are directed to initiate forthwith studies of current government employment practices within their responsibility. The studies shall be in such form as the Committee may prescribe and shall include statistics on current employment patterns, a review of current procedures, and the recommendation of positive measures for the elimination of any discrimination, direct or indirect, which now exists. Reports and recommendations shall be submitted to the Executive Vice Chairman of the Committee no later than sixty days from the effective date of this order, and the Committee, after considering such reports and recommedations, shall report to the President on the current situation and recommend positive measures to accomplish the objectives of this order.

SEC. 203. The policy expressed in Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin is hereby reaffirmed.

SEC. 204. The President's Committee on Government Employment Policy, established by Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), as amended by Executive Order No. 10722 of August 5, 1957 (22 F.R. 6287), is hereby abolished, and the powers, functions, and duties of that Committee are hereby transferred to, and henceforth shall be vested in, and exercised by, the President's Committee on Equal Employment Opportunity in addition to the powers conferred by this order.

PART III—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—CONTRACTORS' AGREEMENTS

SECTION 301. Except in contracts exempted in accordance with section 303 of this order, all government contracting agencies shall include in every government contract hereafter entered into the following provisions:

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor,

state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

SEC. 302. (a) Each contractor having a contract containing the provisions prescribed in section 301 shall file, and shall cause each of its subcontractors to file, Compliance Reports with the contracting agency, which will be subject to review by the Committee upon its request. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Committee may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or other representative of workers, the Compliance Report shall include such information as to the labor union's or other representative's practices and policies affecting compliance as the Committee may prescribe: *Provided,* that to the extent such information is within the exclusive possession of a labor union or other workers' representative and the labor union or representative shall refuse to furnish such information to the contractor, the contractor shall so certify to the contracting agency as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Committee may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent of any labor union or other workers' representative with which the bidder or prospective contractor deals, together with supporting information, to the effect that the said labor union's or representative's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the labor union or representative either will affirmatively cooperate, within the limits of his legal and contractual authority, in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or representative shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement.

SEC. 303. The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions of section 301 of this order in any specific contract, subcontract, or purchase order. The Committee may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (a) where work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (b) for standard commercial supplies or raw materials; or (c) involving less than specified amounts of money or specified numbers of workers.

SUBPART B—LABOR UNIONS AND REPRESENTATIVES OF WORKERS

SEC. 304. The Committee shall use its best efforts, directly and through contracting agencies, contractors, state and local officials and public and private agencies, and all other available instrumentalities, to cause any labor union, recruiting agency or other representative of workers who is or may be engaged in work under government contracts to cooperate with, and to comply in the implementation of, the purposes of this order.

SEC. 305. The Committee may, to effectuate the purposes of section 304 of this order, hold hearings, public or private, with respect to the practices and policies of any such labor organization. It shall from time to time submit special reports to the President concerning discriminatory practices and policies of any such labor organization, and may recommend remedial action if, in its judgment, such action is necessary or appropriate. It may also notify any Federal, state, or local agency of its conclusions and recommendations with respect to any such labor organization which in its judgment has failed to cooperate with the Committee, contracting agencies, contractors, or subcontractors in carrying out the purposes of this order.

SUBPART C—POWERS AND DUTIES OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY AND OF CONTRACTING AGENCIES

SEC. 306. The Committee shall adopt such rules and regulations and issue such orders as it deems necessary and appropriate to achieve the purposes of this order, including the purposes of Part II hereof relating to discrimination in government employment.

SEC. 307. Each contracting agency shall be primarily responsible for obtaining compliance with the rules, regulations, and orders of the Committee with respect to contracts entered into by such agency or its contractors, or affecting its own employment practices. All contracting agencies shall comply with the Committee's rules in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Executive order and of the rules, regulations, and orders of the Committee pursuant hereto. They are directed to cooperate with the Committee, and to furnish the Committee such information and assistance as it may require in the performance of its functions under this order. They are further directed to appoint or designate, from among the agency's personnel, compliance officers. It shall be the duty of such officers to seek compliance with the objectives of this order by conference, conciliation, mediation, or persuasion.

SEC. 308. The Committee is authorized to delegate to any officer, agency, or employee in the executive branch of the

Government any function of the Committee under this order, except the authority to promulgate rules and regulations of a general nature.

SEC. 309. (a) The Committee may itself investigate the employment practices of any government contractor or subcontractor, or initiate such investigation by the appropriate contracting agency or through the Secretary of Labor, to determine whether or not the contractual provisions specified in section 301 of this order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Commitee, and the investigating agency shall report to the Committee any action taken or recommended.

(b) The Committee may receive and cause to be investigated complaints by employees or prospective employees of a government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in section 301 of this Order. The appropriate contracting agency or the Secretary of Labor, as the case may be, shall report to the Committee what action has been taken or is recommended with regard to such complaints.

SEC. 310. (a) The Committee, or any agency or officer of the United States designated by rule, regulation, or order of the Committee, may hold such hearings, public or private, as the Committee may deem advisable for compliance, enforcement, or educational purposes.

(b) The Committee may hold, or cause to be held, hearings in accordance with subsection (a) of this section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this order, except that no order for debarment of any contractor from further government contracts shall be made without a hearing.

SEC. 311. The Committee shall encourage the furtherance of an educational program by employer, labor, civic, educational, religious, and other nongovernmental groups in order to eliminate or reduce the basic causes of discrimination in employment on the ground of race, creed, color, or national origin.

SUBPART D—SANCTIONS AND PENALTIES

SEC. 312. In accordance with such rules, regulations or orders as the Committee may issue or adopt, the Committee or the appropriate contracting agency may:

(a) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this order or of the rules, regulations, and orders of the Committee.

(b) Recommend to the Department of Justice that, in cases where there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in section 301 of this order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the aforesaid provisions.

(c) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Committee as the case may be.

(d) Terminate, or cause to be terminated, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be terminated absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the contracting agency.

(e) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any non-complying contractor, until such contractor has satisfied the Committee that he has established and will carry out personnel and employment policies in compliance with the provisions of this order.

(f) Under rules and regulations prescribed by the committee, each contracting agency shall make reasonable efforts within a reasonable time limitation to secure compliance with the contract provisions of this order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under paragraph (b) of this section, or before a contract shall be terminated in whole or in part under paragraph (d) of this section for failure of a contractor or subcontractor to comply with the contract provisions of this order.

SEC. 313. Any contracting agency taking any action authorized by this section, whether on its own motion, or as directed by the Committee, or under the Committee's rules and regulations, shall promptly notify the Committee of such action or reasons for not acting. Where the Committee itself makes a determination under this section, it shall promptly notify the appropriate contracting agency of the action recommended. The agency shall take such action and shall report the results thereof to the Committee within such time as the Committee shall provide.

SEC. 314. If the Committee shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this order or submits a program for compliance acceptable to the Committee or, if the Committee so authorizes, to the contracting agency.

SEC. 315. Whenever a contracting agency terminates a contract, or whenever a contractor has been debarred from further government contracts, because of noncompliance with the contractor provisions with regard to nondiscrimination, the Committee, or the contracting agency involved, shall promptly notify the Comptroller General of the United States.

SUBPART E—CERTIFICATES OF MERIT

SEC. 316. The Committee may provide for issuance of a United States Government Certificate of Merit to employers or employee organizations which are or may hereafter be engaged in work under government contracts, if the Committee is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading and other practices and policies of the employee organization, conform to the purposes and provisions of this order.

SEC. 317. Any Certificate of Merit may at any time be suspended or revoked by the Committee if the holder thereof, in the judgment of the Committee, has failed to comply with the provisions of this order.

SEC. 318. The Committee may provide for the exemption of any employer or employee organization from any requirement for furnishing information as to compliance if such employer or employee organization has been awarded a Certificate of Merit which has not been suspended or revoked.

PART IV—MISCELLANEOUS

SECTION 401. Each contracting agency (except the Department of Justice) shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691): *Provided*, that no agency shall supply more than fifty per cent of the funds necessary to carry out the purposes of this order. The Department of Labor shall provide necessary space and facilities for the Committee. In the case of the Department of Justice, the contribution shall be limited to furnishing legal services.

SEC. 402. This order shall become effective thirty days after its execution. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this order and of the rules and regulations of the Committee.

SEC. 403. Executive Order No. 10479 of August 13, 1953 (18 F.R. 4899), together with Executive Orders Nos. 10482 of August 15, 1953 (18 F.R. 4944), and 10733 of October 10, 1957 (22 F.R. 8135), amending that order, and Executive Order No. 10557 of September 3, 1954 (19 F.R. 5655), are hereby revoked, and the Government Contract Committee established by Executive Order No. 10479 is abolished. All records and property of or in the custody of the said Committee are hereby transferred to the President's Committee on Equal Employment Opportunity, which shall wind up the outstanding affairs of the Government Contract Committee.

JOHN F. KENNEDY

THE WHITE HOUSE,
March 6, 1961.

[F.R. Doc. 61-2093; Filed, Mar. 7, 1961; 10:06 a.m.] 90048

MME Form 14
March 1961

No. 181

Contract No. Idm-E) 14-23) **2149**

Docket No. DMEA) MME) ~~6231~~

Date of Action **January 23, 1963**
Amended contract approved

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:
Nye Metals, Inc.
Room 711, Merchants Bank Bldg.,
Indianapolis, Indiana

Date of Contract	Region	State	Commodity
June 6, 1962	**III**	**Colorado**	**Molybdenum**

	Reserve	Obligation
Prior Amount	**0**	**$38,325.00**
Increase	**$100,788.00**	**0**
Decrease	**0**	**0**
Revised Amount	**$100,788.00**	**$38,325.00**

Remarks:

cc: 110
800 ✓
210

88995-61

Building 20 - Federal Center
Denver 25, Colorado

RECEIVED Dec 31 1962

December 28, 1962

800

Mr. Robert E. Nye, President
Nye Metals, Inc.
Black Hawk, Colorado

Re: OME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

Dear Mr. Nye:

This constitutes approval to drill hole No. 5 as requested in Mr. Melbye's letter of December 27, 1962 with hole location as shown on the map which was attached.

Nothing in this work approval shall be construed to increase the total estimated cost of the project, the aggregate amount which the Government may be required to contribute, or the "Fixed Unit Cost" of any item of work.

Yours very truly,

Original signed by

T. M. Romalo
Acting Field Officer, OME
Region III

cc Mr. Charles K. Melbye
Consultant to Nye Metals, Inc.
2721 Lookout View Drive
P. O. Box 309
Golden, Colorado

Chief, Division of Field Operations, OME
w/original of Mr. Melbye's letter 12/27/62 and copy of the map

Contract Corres. 2149
Chron
TMR/lm

Building 20 - Federal Center
Denver 25, Colorado

December 19, 1962

Mr. Robert E. Rye, President
Rye Metals, Inc.
Black Hawk, Colorado

800

Re: OME-6231 (Molybdenum)
Contract 2149
Rye Metals, Inc.
(Rye Molybdenum Mine)
Gilpin County, Colorado

Dear Mr. Rye:

This confirms verbal approval to drill holes No. 3 and 4 as requested in your letter of December 8, 1962 with hole locations as shown on the maps which were attached.

Nothing in this work approval shall be construed to increase the total estimated cost of the project, the aggregate amount which the Government may be required to contribute, or the "Fixed Unit Cost" of any item of work.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

cc Mr. Charles E. Melbye
Consultant to Rye Metals, Inc.
2721 Lookout View Drive
P. O. Box 309
Golden, Colorado

Chief, Division of Field Operations, OME
Contract Corres. 2149
Chron

HMC/lm

OMB
DEPARTMENT OF THE INTERIOR
DEC 1962

December 8, 1962

Mr. Hugh M. Connors, Acting Field Officer
OME, Region III
Building 20, Federal Center
Denver, Colorado

Re: Nye Metals, Inc.
Docket No. 6231
Contract No. 2149
Gilpin County, Colorado

Dear Mr. Connors:

This letter constitutes our formal request for permission to drill Hole Nos. 3 and 4 at the locations specified on the enclosed maps.

Hole No. 3 will be drilled about S75°E from the junction of the last crosscut in the north Indianapolis drift. This hole should intersect a zone which on surface shows considerable sheeting and quartz veining.

Hole No. 4 is located at the present end of the Indiana drift. Its bearing will be about S60°E, and its purpose is to explore the fractured and mineralized quartz monzonite between the Indiana and Indianapolis vein systems.

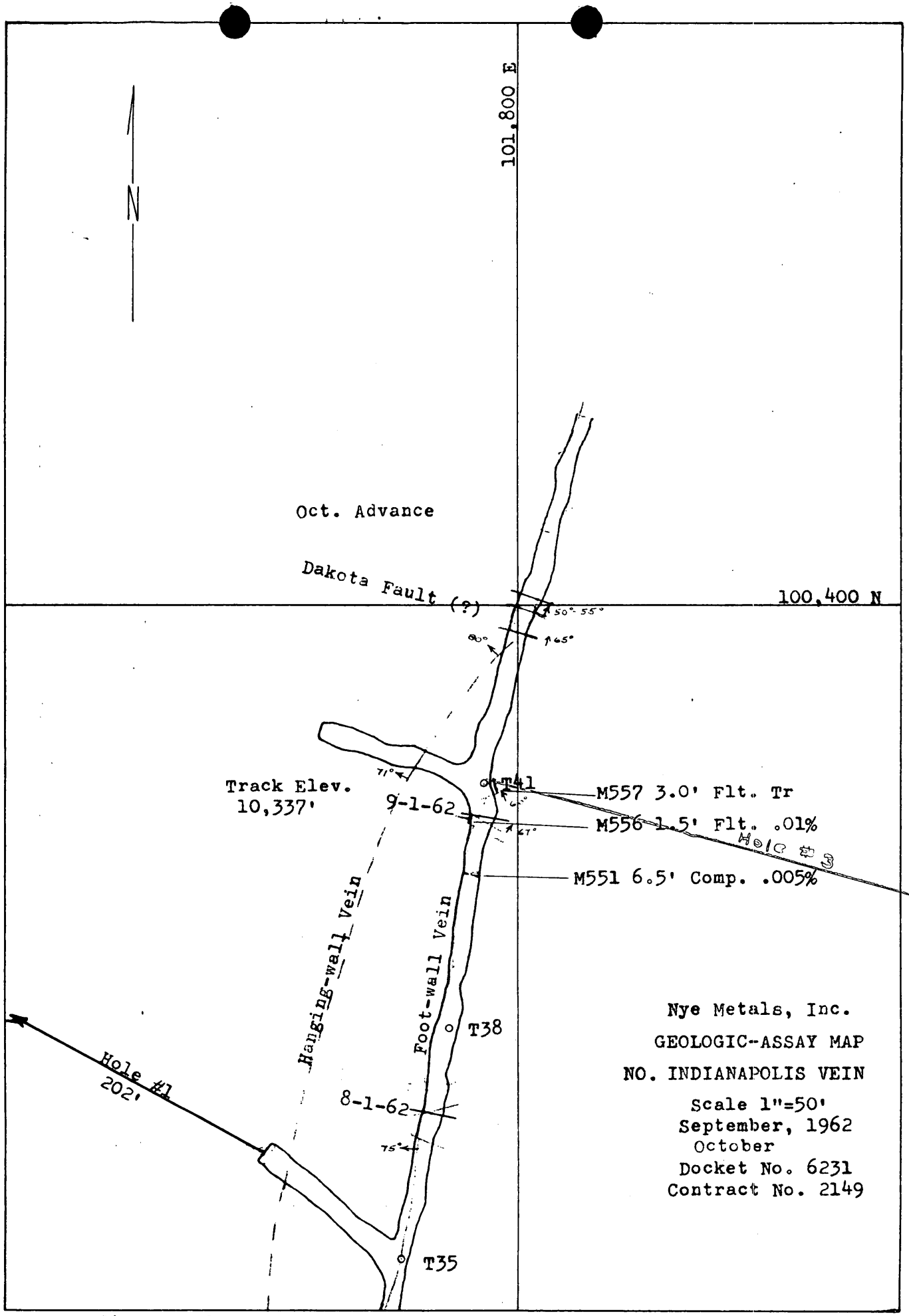
Your consideration of our request will be appreciated.

Sincerely,

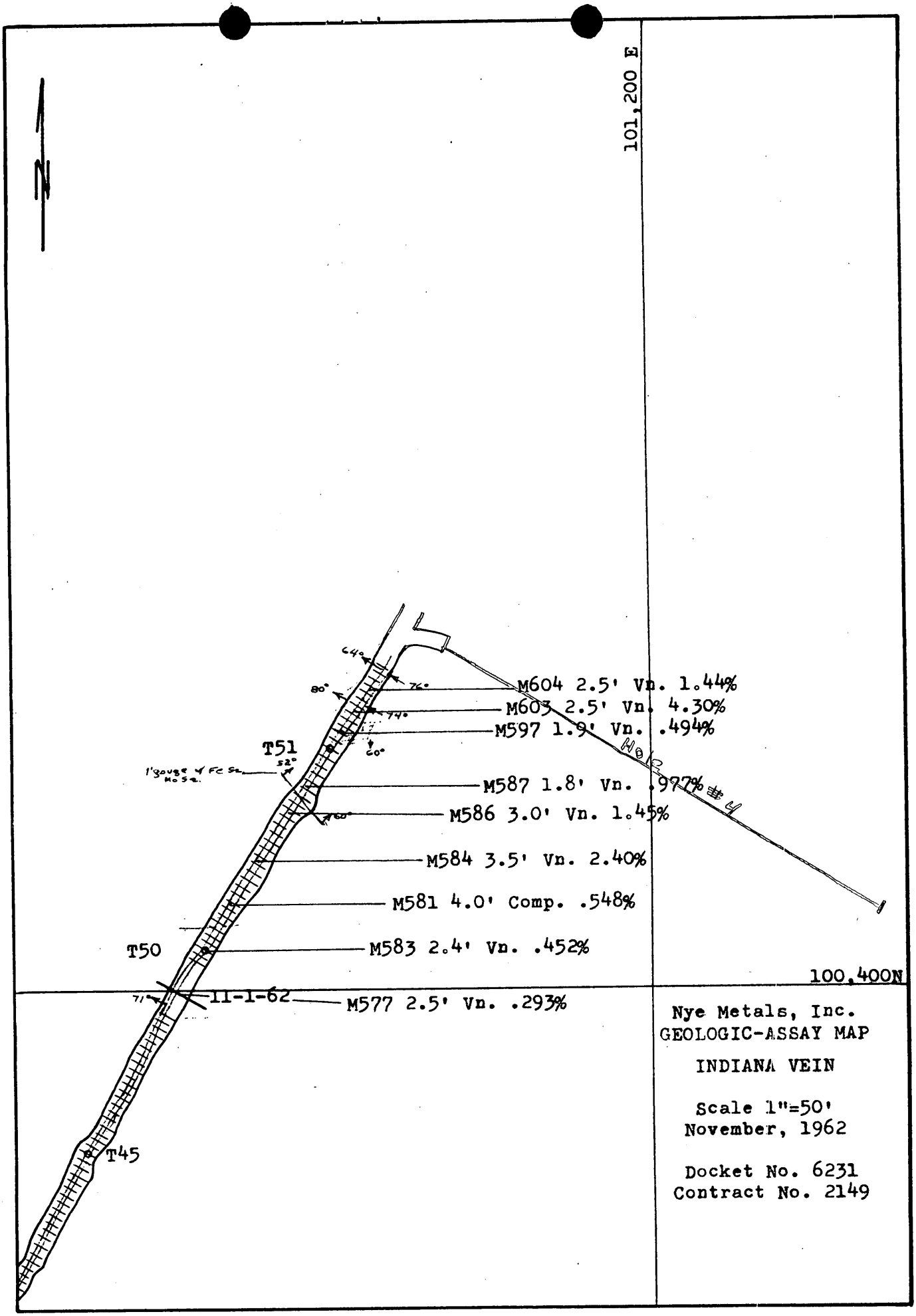
Charles E. Melbye

Charles E. Melbye
Consultant to Nye Metals, Inc

M/am
cc: Nye Metals, Inc.



C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.

Audit's Copy

EXPLORATION CONTRACT
NYE METALS, INC.
OMS-6231

AMENDMENT NO. 2

It is agreed this 16th day of October, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., hereinafter called the "Operator," that Exploration Contract No. 2149 (OMS-6231), dated June 6, 1962, as amended, is further amended, effective June 6, 1962, as follows:

1. In Amendment No. 1, dated September 17, 1962, item 3 is deleted and in Exhibit A under Description of the Work, as amended by Amendment No. 1, the first three paragraphs are deleted and there is substituted in lieu thereof the following:

"On the Main Tunnel level the north and south drifts on the Indianapolis vein system and the north drift on the Indiana vein system shall be extended to such distances as are approved in advance by the Government. With prior Government approval the Operator may drive crosscuts from these drifts to explore for splits and may continue the principal drifts along such splits.

"From the east face of the Main Tunnel, one hole shall be diamond drilled to a depth of approximately 200 feet on the same bearing as the tunnel in this area. With prior Government approval four drill stations shall be excavated in the advanced sections of the drifts on the Indianapolis and Indiana veins. From each station a hole shall be diamond drilled to a depth of about 200 feet in a direction normal to the drift and inclined slightly upward. No hole diamond drilled shall be closer than 200 feet to any other hole diamond drilled under this contract. The location of the drill stations and the direction of each hole shall be mutually agreed upon by the Operator and the Government."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

NYE METALS, INC.

By Robert E. Nye

Title Pres

EXTRA COPY O. M. E RECEIVED 0 3		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

November 28, 1962

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

The date of the agreement on line 1 of Amendment No. 2 to the subject contract was left blank.

I took the liberty of inserting the 16th day of October, 1962 as the date of agreement on all copies of the Amendment and I will forward the copies to the Operator.

Original signed by

Hugh M. Connors

OCT 19 1962

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: OMM-6231 (Molybdenum)
Nye Metals, Inc.
Nye Molybdenum Mine
Gilpin County, Colorado
Contract 2149

In accordance with your memorandum of October 16, 1962, we will prepare an amendment transferring the remaining footage in the referenced contract to the Indiana north heading and Indianapolis south heading.

George C. Selfridge

WMMurphy/mm
10/19/62
cc: Director's reading
Region III
CAAA Division ✓
Review Committee
Docket

Building 20 - Federal Center
Denver 25, Colorado

October 4, 1962

EXTRA COPY
O. M. E
RECEIVED OCT 8 1962
800

Mr. Robert E. Rye, President
Rye Metals, Inc.
Black Hawk, Colorado

Re: OME-6231 (Molybdenum)
Contract 2149
Rye Metals, Inc.
(Rye Molybdenum Mine)
Gilpin County, Colorado

Dear Mr. Rye:

This confirms verbal approval for 63 feet of crosscutting on the Indianapolis Vein accomplished during September 1962.

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

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME (2)
Contract 2149
Contract Corres. 2149
Chron

Audit's Copy

EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

AMENDMENT NO. 1

It is agreed this 17th day of September, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Nye Metals, Inc., hereinafter called the "Operator", that Exploration Contract No. 2149 (Docket OME-6231), dated June 6, 1962, is amended, effective September 1, 1962, as follows:

1. In Exhibit A the first paragraph is deleted and there is substituted in lieu thereof the following:

"The purpose of this project is to explore for molybdenum-bearing ore bodies by drifting from the Main Tunnel of the Nye Molybdenum mine along two vein systems, crosscutting from the drifts, and diamond drilling from the drifts or crosscuts into the surrounding Tertiary quartz monzonite."

2. Where the words "drift", "drifts", or "drifting" are written in Exhibit A under General Provisions, Description of the Work, and Estimated Cost of Project, the words "and crosscut", "and crosscuts", or "and crosscutting" are added where applicable.

3. In Exhibit A under Description of the Work, the first paragraph is deleted and there is substituted in lieu thereof the following:

"On the Main Tunnel level the north drift shall be continued on the Indianapolis vein structure an additional 1200 feet or to the intersection of the Indianapolis and Indiana veins, whichever is the lesser. With prior Government approval the Operator may drive crosscuts from the drift to explore for splits of the Indianapolis vein and may continue the principal drift in a northerly direction along such a split. With prior Government approval any unused drift or crosscut footage remaining in the Contract when the intersection of the Indianapolis and Indiana veins is reached may be used to explore either of these veins."

4. The first paragraph of Article 14, of the Contract, is deleted, and the following is substituted in lieu thereof as subparagraph "(A)":

"(A). Nondiscrimination. The provisions governing performance of work under Government contracts, as set out in Section 301 of the Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit B and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract.

"In compliance with the Rules and Regulations (41 CFR, Section 60-1.3(a)) issued under Executive Order 10925 of March 6, 1961, the Operator is hereby bound and agrees to include in each subcontract which it shall make with a subcontractor or supplier paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

"The Operator shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall incorporate by reference in each subcontract or purchase order with a subcontractor or supplier paragraphs (1) through (6) of Section 301 of Executive Order 10925 of March 6, 1961, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity."

The second paragraph of said Article 14 referring to the new subparagraph (i) of Article 6 is designated subparagraph "(B)".

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Jesse Smith
Director, Office of Minerals Exploration

NYE METALS, INC.

By Robert E. Nye

Title Pres

Presidential Documents

Title 3—THE PRESIDENT

Executive Order 10925

ESTABLISHING THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

WHEREAS discrimination because of race, creed, color, or national origin is contrary to the Constitutional principles and policies of the United States; and

WHEREAS it is the plain and positive obligation of the United States Government to promote and ensure equal opportunity for all qualified persons, without regard to race, creed, color, or national origin, employed or seeking employment with the Federal Government and on government contracts; and

WHEREAS it is the policy of the executive branch of the Government to encourage by positive measures equal opportunity for all qualified persons within the Government; and

WHEREAS it is in the general interest and welfare of the United States to promote its economy, security, and national defense through the most efficient and effective utilization of all available manpower; and

WHEREAS a review and analysis of existing Executive orders, practices, and government agency procedures relating to government employment and compliance with existing non-discrimination contract provisions reveal an urgent need for expansion and strengthening of efforts to promote full equality of employment opportunity; and

WHEREAS a single governmental committee should be charged with responsibility for accomplishing these objectives:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

PART I—ESTABLISHMENT OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

SECTION 101. There is hereby established the President's Committee on Equal Employment Opportunity.

SEC. 102. The Committee shall be composed as follows:

(a) The Vice President of the United States, who is hereby designated Chairman of the Committee and who shall preside at meetings of the Committee.

(b) The Secretary of Labor, who is hereby designated Vice Chairman of the Committee and who shall act as Chairman in the absence of the Chairman. The Vice Chairman shall have general supervision and direction of the work of the Committee and of the execution and implementation of the policies and purposes of this order.

(c) The Chairman of the Atomic Energy Commission, the Secretary of Commerce, the Attorney General, the Secretary of Defense, the Secretaries of the Army, Navy and Air Force, the Administrator of General Services, the Chairman of the Civil Service Commission, and the Administrator of the National Aeronautics and Space Administration. Each such member may designate an alternate to represent him in his absence.

(d) Such other members as the President may from time to time appoint.

(e) An Executive Vice Chairman, designated by the President, who shall be *ex officio* a member of the Committee. The Executive Vice Chairman shall assist the Chairman, the Vice Chairman and the Committee. Between meetings of the Committee he shall be primarily responsible for carrying out the functions of the Committee and may act for the Committee pursuant to its rules, delegations, and other directives. Final action in individual cases or classes of cases may be taken and final orders may be entered on behalf of the Committee by the Executive Vice Chairman when the Committee so authorizes.

SEC. 103. The Committee shall meet upon the call of the Chairman and at such other times as may be provided by its rules and regulations. It shall (a) consider and adopt rules and regulations to govern its proceedings; (b) provide generally for the procedures and policies to implement this order; (c) consider reports as to progress under this order; (d) consider and act, where necessary or appropriate, upon matters which may be presented to it by any of its members; and (e) make such reports to the President as he may require or the Committee shall deem appropriate. Such reports shall be made at least once annually and shall include specific references to the actions taken and results achieved by each department and agency. The Chairman may appoint sub-committees to make special studies on a continuing basis.

PART II—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

SECTION 201. The President's Committee on Equal Employment Opportunity established by this order is directed immediately to scrutinize and study employment practices of the Government of the United States, and to consider and recommend additional affirmative steps which should be taken by executive departments and agencies to realize more fully the national policy of nondiscrimination within the executive branch of the Government.

SEC. 202. All executive departments and agencies are directed to initiate forthwith studies of current government employment practices within their responsibility. The studies shall be in such form as the Committee may prescribe and shall include statistics on current employment patterns, a review of current procedures, and the recommendation of positive measures for the elimination of any discrimination, direct or indirect, which now exists. Reports and recommendations shall be submitted to the Executive Vice Chairman of the Committee no later than sixty days from the effective date of this order, and the Committee, after considering such reports and recommedations, shall report to the President on the current situation and recommend positive measures to accomplish the objectives of this order.

SEC. 203. The policy expressed in Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin is hereby reaffirmed.

SEC. 204. The President's Committee on Government Employment Policy, established by Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), as amended by Executive Order No. 10722 of August 5, 1957 (22 F.R. 6287), is hereby abolished, and the powers, functions, and duties of that Committee are hereby transferred to, and henceforth shall be vested in, and exercised by, the President's Committee on Equal Employment Opportunity in addition to the powers conferred by this order.

PART III—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—CONTRACTORS' AGREEMENTS

SECTION 301. Except in contracts exempted in accordance with section 303 of this order, all government contracting agencies shall include in every government contract hereafter entered into the following provisions:

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor,

state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

SEC. 302. (a) Each contractor having a contract containing the provisions prescribed in section 301 shall file, and shall cause each of its subcontractors to file, Compliance Reports with the contracting agency, which will be subject to review by the Committee upon its request. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Committee may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or other representative of workers, the Compliance Report shall include such information as to the labor union's or other representative's practices and policies affecting compliance as the Committee may prescribe: *Provided,* that to the extent such information is within the exclusive possession of a labor union or other workers' representative and the labor union or representative shall refuse to furnish such information to the contractor, the contractor shall so certify to the contracting agency as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Committee may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent of any labor union or other workers' representative with which the bidder or prospective contractor deals, together with supporting information, to the effect that the said labor union's or representative's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the labor union or representative either will affirmatively cooperate, within the limits of his legal and contractual authority, in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or representative shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement.

SEC. 303. The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions of section 301 of this order in any specific contract, subcontract, or purchase order. The Committee may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (a) where work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (b) for standard commercial supplies or raw materials; or (c) involving less than specified amounts of money or specified numbers of workers.

SUBPART B—LABOR UNIONS AND REPRESENTATIVES OF WORKERS

SEC. 304. The Committee shall use its best efforts, directly and through contracting agencies, contractors, state and local officials and public and private agencies, and all other available instrumentalities, to cause any labor union, recruiting agency or other representative of workers who is or may be engaged in work under government contracts to cooperate with, and to comply in the implementation of, the purposes of this order.

SEC. 305. The Committee may, to effectuate the purposes of section 304 of this order, hold hearings, public or private, with respect to the practices and policies of any such labor organization. It shall from time to time submit special reports to the President concerning discriminatory practices and policies of any such labor organization, and may recommend remedial action if, in its judgment, such action is necessary or appropriate. It may also notify any Federal, state, or local agency of its conclusions and recommendations with respect to any such labor organization which in its judgment has failed to cooperate with the Committee, contracting agencies, contractors, or subcontractors in carrying out the purposes of this order.

SUBPART C—POWERS AND DUTIES OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY AND OF CONTRACTING AGENCIES

SEC. 306. The Committee shall adopt such rules and regulations and issue such orders as it deems necessary and appropriate to achieve the purposes of this order, including the purposes of Part II hereof relating to discrimination in government employment.

SEC. 307. Each contracting agency shall be primarily responsible for obtaining compliance with the rules, regulations, and orders of the Committee with respect to contracts entered into by such agency or its contractors, or affecting its own employment practices. All contracting agencies shall comply with the Committee's rules in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Executive order and of the rules, regulations, and orders of the Committee pursuant hereto. They are directed to cooperate with the Committee, and to furnish the Committee such information and assistance as it may require in the performance of its functions under this order. They are further directed to appoint or designate, from among the agency's personnel, compliance officers. It shall be the duty of such officers to seek compliance with the objectives of this order by conference, conciliation, mediation, or persuasion.

SEC. 308. The Committee is authorized to delegate to any officer, agency, or employee in the executive branch of the

Government any function of the Committee under this order, except the authority to promulgate rules and regulations of a general nature.

SEC. 309. (a) The Committee may itself investigate the employment practices of any government contractor or subcontractor, or initiate such investigation by the appropriate contracting agency or through the Secretary of Labor, to determine whether or not the contractual provisions specified in section 301 of this order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Commitee, and the investigating agency shall report to the Committee any action taken or recommended.

(b) The Committee may receive and cause to be investigated complaints by employees or prospective employees of a government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in section 301 of this Order. The appropriate contracting agency or the Secretary of Labor, as the case may be, shall report to the Committee what action has been taken or is recommended with regard to such complaints.

SEC. 310. (a) The Committee, or any agency or officer of the United States designated by rule, regulation, or order of the Committee, may hold such hearings, public or private, as the Committee may deem advisable for compliance, enforcement, or educational purposes.

(b) The Committee may hold, or cause to be held, hearings in accordance with subsection (a) of this section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this order, except that no order for debarment of any contractor from further government contracts shall be made without a hearing.

SEC. 311. The Committee shall encourage the furtherance of an educational program by employer, labor, civic, educational, religious, and other nongovernmental groups in order to eliminate or reduce the basic causes of discrimination in employment on the ground of race, creed, color, or national origin.

SUBPART D—SANCTIONS AND PENALTIES

SEC. 312. In accordance with such rules, regulations or orders as the Committee may issue or adopt, the Committee or the appropriate contracting agency may:

(a) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this order or of the rules, regulations, and orders of the Committee.

(b) Recommend to the Department of Justice that, in cases where there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in section 301 of this order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the aforesaid provisions.

(c) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Committee as the case may be.

(d) Terminate, or cause to be terminated, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be terminated absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the contracting agency.

(e) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any non-complying contractor, until such contractor has satisfied the Committee that he has established and will carry out personnel and employment policies in compliance with the provisions of this order.

(f) Under rules and regulations prescribed by the committee, each contracting agency shall make reasonable efforts within a reasonable time limitation to secure compliance with the contract provisions of this order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under paragraph (b) of this section, or before a contract shall be terminated in whole or in part under paragraph (d) of this section for failure of a contractor or subcontractor to comply with the contract provisions of this order.

SEC. 313. Any contracting agency taking any action authorized by this section, whether on its own motion, or as directed by the Committee, or under the Committee's rules and regulations, shall promptly notify the Committee of such action or reasons for not acting. Where the Committee itself makes a determination under this section, it shall promptly notify the appropriate contracting agency of the action recommended. The agency shall take such action and shall report the results thereof to the Committee within such time as the Committee shall provide.

SEC. 314. If the Committee shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this order or submits a program for compliance acceptable to the Committee or, if the Committee so authorizes, to the contracting agency.

SEC. 315. Whenever a contracting agency terminates a contract, or whenever a contractor has been debarred from further government contracts, because of noncompliance with the contractor provisions with regard to nondiscrimination, the Committee, or the contracting agency involved, shall promptly notify the Comptroller General of the United States.

SUBPART E—CERTIFICATES OF MERIT

SEC. 316. The Committee may provide for issuance of a United States Government Certificate of Merit to employers or employee organizations which are or may hereafter be engaged in work under government contracts, if the Committee is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading and other practices and policies of the employee organization, conform to the purposes and provisions of this order.

SEC. 317. Any Certificate of Merit may at any time be suspended or revoked by the Committee if the holder thereof, in the judgment of the Committee, has failed to comply with the provisions of this order.

SEC. 318. The Committee may provide for the exemption of any employer or employee organization from any requirement for furnishing information as to compliance if such employer or employee organization has been awarded a Certificate of Merit which has not been suspended or revoked.

PART IV—MISCELLANEOUS

SECTION 401. Each contracting agency (except the Department of Justice) shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691): *Provided*, that no agency shall supply more than fifty per cent of the funds necessary to carry out the purposes of this order. The Department of Labor shall provide necessary space and facilities for the Committee. In the case of the Department of Justice, the contribution shall be limited to furnishing legal services.

SEC. 402. This order shall become effective thirty days after its execution. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this order and of the rules and regulations of the Committee.

SEC. 403. Executive Order No. 10479 of August 13, 1953 (18 F.R. 4899), together with Executive Orders Nos. 10482 of August 15, 1953 (18 F.R. 4944), and 10733 of October 10, 1957 (22 F.R. 8135), amending that order, and Executive Order No. 10557 of September 3, 1954 (19 F.R. 5655), are hereby revoked, and the Government Contract Committee established by Executive Order No. 10479 is abolished. All records and property of or in the custody of the said Committee are hereby transferred to the President's Committee on Equal Employment Opportunity, which shall wind up the outstanding affairs of the Government Contract Committee.

JOHN F. KENNEDY

THE WHITE HOUSE,
March 6, 1961.

[F.R. Doc. 61-2093; Filed, Mar. 7, 1961; 10:06 a.m.] 90048

Building 20 - Federal Center
Denver 25, Colorado

October 2, 1962

Memorandum

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

From: Acting Field Officer, GME, Region III

Subject: GME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

Enclosed are the Government's Audit's, and Fiscal Sections executed copies of the subject contract.

Original signed by

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED SEP 13
800

September 10, 1962

Mr. Robert E. Rye, President
Rye Metals, Inc.
Black Hawk, Colorado

Re: GMS-6231 (Molybdenum)
Contract 2149
Rye Metals, Inc.
(Rye Molybdenum Mine)
Gilpin County, Colorado
Work Approval

This has further reference to my meeting today with your geologist, Mr. Charles Melbye, regarding the procedure to be followed on Indiana vein system.

This constitutes Government approval to drift northeasterly on the vein, believed to be the Indiana vein, on the north side of the fault at coordinates 100220N and 100950E.

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

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME (2)
Contract 2149
Contract Corres 2149
Chron

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED AUG 16 1962

August 13, 1962

Mr. Robert K. Nye, President
Nye Metals, Inc.
Black Hawk, Colorado

Re: QME-6831 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado

Dear Mr. Nye:

This constitutes Government approval to drill the following holes in accordance with the contract:

Hole No. 1 In a westerly direction approximately 200 feet in length from a point on the Indianapolis vein about 500 feet north of the main tunnel as shown on the sketch map accompanying the contract.

Hole No. 2 In a southeasterly direction approximately 200 feet in length from the breast of the main tunnel, which is about 50 feet southeast of the Indianapolis vein shown on the sketch map accompanying the contract, "Diamond Drill Hole No. 1."

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

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME
Contract 2149
Contract Corres 2149
Chron

MME Form 14
March 1961

No. 152

Contract No. Idm-E) 14-23) 2149

Docket No. DMEA) MME) 6231

Date of Action June 21, 1962
Executed contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:
Nye Metals, Inc.
Room 711, Merchants Bank Building
Indianapolis, Indiana

Date of Contract	Region	State	Commodity
June 6, 1962	III	Colorado	Molybdenum

	Reserve	Obligation
Prior Amount	$38,325.00	0
Increase	0	$38,325.00
Decrease	38,325.00	0
Revised Amount	0	$38,325.00

Remarks:

6% interest

cc: 110
800
210

88995-61

MME Form [illegible]
Feb. 1959

JUN 21 1962
OME

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Audit's Copy

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME-6231	Molybdenum	14-23-090- 2149	Gilpin	Colorado

It is agreed JUN 6 1962 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Rya Metals, Inc., an Indiana corporation,

whose mailing address is Room 711, Merchants Bank Building, Indianapolis, Indiana, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before JUN 25 1962 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 24 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $ 76,650.00. The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $38,325.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

None

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

None

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the [redacted] gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

See Article 14

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

See Article 14

~~ARTICLE 10. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.~~

~~The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.~~

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

The provisions governing performance of work under Government contracts, as set out in Section 301 of Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit 3 and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract, and shall be included in all contracts executed by the Operator for the performance of work contemplated by this contract, and for that purpose the term "contract" shall be deemed to refer to this instrument and to contracts executed by the Operator and the term "contractor" shall be deemed to refer to the Operator and to contractors executed contracts by the Operator.

A new subparagraph (i) is added to Article 6 of this contract to read as follows:

"(i) Special Agreement Concerning Royalty. Notwithstanding the contribution provisions of this Article 6, and with no further action required on the part of the Government, the Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, or its successor, shall pay to the Government a royalty on production, regardless of where it is produced, which is transported through any workings or any portion of any workings to the cost of which the Government has contributed, for the period described in Article 6(h)(ii) above, and pursuant to the terms of Article 6(e) et seq. However, in no event shall more than one royalty be due or paid under this contract on the same production."

Executed in quintuplicate the day and year first above written.

UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

KIT METALS, INC.

By Robert E. Hyde

Title PRESIDENT

I, Donald A. O'Mara (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that ROBERT E. NYE (Name), who signed this contract on behalf of the Operator, was then PRESIDENT (Title) of said corporation, that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Donald A. O'Mara

[CORPORATE SEAL]

EXPLORATION CONTRACT
NIX METALS, INC.
OMR-6231

ANNEX I

The land referred to in Article 2 of the contract consists of sixty-seven (67) patented and sixty-eight (68) unpatented lode mining claims, including all rights pertaining thereto, in secs. 9, 10, 15, 16, 21, and 22, T. 2 S., R. 73 W., 6th Principal Meridian, Gilpin County, Colorado. The Operator is the owner of the claims. Patent and recording data of the claims are as follows:

Patented Claims

Name of Claim	U.S. Patent No.
Smart No. 2	16584
Ideal	17183
Klondyke	17183
Dawson	17183
St. Patrick No. 2	9881
Black Hawk	9881
Duke	11834
Wellington	11834
Dolly Varden	11834
Jumbo	19595
Arlington	19595
Rocktail	12420
Belcher	12420

Patented claims (continued)

Name of Claim	U.S. Patent No.
Balmoral	12420
Cream Point	12420
Cordova	12420
David B.	12420
Hildalgo	12420
Kimberly	12420
Pacific	12420
Tioga	12420
Magdalena	12420
Fairview No. 1	19021
Fairview No. 2	19021
Fairview No. 3	19021
J. M. B.	19021
M. C. B.	19021
Hoosier Boy	11355
Josephine	13873
Aurora	13873
Annex No. 1	13873
Annex No. 2	13873
Annex No. 3	13873
Edna	14955

Patented claims (Continued)

Name of Claim	U.S. Patent No.
Golden Forest	14955
Water Lily	14955
Columbine	14955
Iron Shoe	14955
Lucon Bay	14955
Little Topsy	14955
Redemption	12627
Mattie D.	12627
Eliza M.	12627
Little Bessie	12627
Golden Cliff	12627
Sun Flower	12627
Hard Pan	12292
Exchequer	12292
Gold Belt	12292
E. G. E.	12292
American	12530
Yankee Doodle	12413
Prospect	12413
Hope	12413
Union	13073
Missing Link No. 2	13073

Patented claims (continued)

Name of Claim	U.S. Patent No.
Fly	13873
Intersection	13873
Home	13873
Home No. 1	13873
Home No. 2	13873
Home No. 3	13873
Home No. 4	13873
Beatrice No. 4	13873
Brightside No. 1	13873
Brightside No. 2	13873
Brightside No. 3	13873

Unpatented Claims

Recorded at the Office of the County Clerk and Recorder, Central City, Gilpin County, Colorado

Name of Claim	Book	Page
Wilma No. 1	226	43
Wilma No. 2	226	42
Wilma No. 3	226	44
Wilma No. 4	226	46
Wilma No. 500	226	45
Nettie Hazel No. 6	226	47

Unpatented claims (continued)

Name of Claim	Book	Page
Nettie Hazel No. 7	286	48
Nettie Hazel No. 8	286	49
Nine	226	97
Ten	226	96
Eleven	226	95
Twelve	226	94
Thirteen	226	93
Fourteen	226	92
Fifteen	226	91
Sixteen	226	90
Seventeen Lode	226	107
Eighteen	226	108
Nineteen	226	111
Twenty	226	112
Twenty One	226	113
Twenty Two	226	114
Alvin No. 1	226	318
Alvin No. 2	226	317
Alvin No. 3	226	316
Alvin No. 4	226	315
Alvin No. 5	226	314
Alvin No. 6	232	79

Unpatented claims (continued)

Name of Claim	Book	Page
Mi's No. 1	239	426
Mi's No. 2	239	427
Mi's No. 3	239	428
Mi's No. 4	239	429
Mi's No. 5	239	430
Mi's No. 6	239	431
Mi's No. 7	239	432
Mi's No. 8	239	433
Mi's No. 9	239	434
Mi's No. 10	239	435
Mi's No. 11	239	436
Mi's No. 12	239	437
Mi's No. 13	239	438
Mi's No. 14	239	439
Mi's No. 15	239	440
Mi's No. 16	239	441
Mi's No. 17	239	442
Mi's No. 18	239	443
Mi's No. 19	239	444
Mi's No. 20	239	445
Mi's No. 21	239	446

Unpatented claims (continued)

Name of Claim	Book	Page
Hi's No. 22	239	447
Hi's No. 23	239	448
Hi's No. 24	239	449
Hi's No. 25	239	450
Hi's No. 26	239	451
Hi's No. 27	239	452
Hi's No. 28	239	453
Hi's No. 29	239	454
Hi's No. 30	239	455
Rye's No. 1	239	456
Rye's No. 2	239	457
Rye's No. 3	239	458
Rye's No. 4	239	459
Rye's No. 5	239	460
Rye's No. 6	239	461
Rye's No. 7	239	462
Chay No. 1	239	463
Chay No. 2	239	464
Chay No. 3	239	465

The claims are shown in green on Plate 1 entitled, "Mining Property of Rye-Mathews Mining, Inc., Apex Mining Dist., Gilpin Co., Colorado . . . . ," attached hereto and made part hereof.

The Operator is the owner of the claims.

EXPLORATION CONTRACT
NYE METALS, INC.
OMX-6831

EXHIBIT A

The purpose of this project is to explore for molybdenum-bearing ore bodies by drifting from the Main Tunnel of the Nye-Molybdenum Mine along two vein systems and diamond drilling from the drifts into the surrounding Tertiary quartz monzonite.

General Provisions

All significantly mineralized areas traversed in the drifts shall be sampled by cutting channels normal to their trends at intervals of not more than 10 feet. Each such drift sample shall be divided and one split shall be assayed for molybdenum. The remaining split of each drift sample shall be stored in a suitable container properly identified as to location. Diamond drill core showing significant mineralization shall be divided and one split shall be assayed for molybdenum; each such core sample shall represent not more than a 5-foot length of hole. The remaining split of each core sample shall be placed in a core box with the other core recovered. The core boxes shall be identified as to hole number, and markers shall be placed in the core sections to indicate the depths represented.

The stored drift samples and core shall be made available for Government inspection and possible use. With prior Government approval, the Operator may dispose of the stored samples and core.

True copies of assay certificates for all samples shall be submitted with the Operator's monthly report which shall also include a map or sketch showing the work completed during the reporting period. The map or sketch should show the general geological formations and structures traversed by the drifts and diamond drill holes, and the location and assay value of the samples.

The Operator shall provide such supervisory and technical services as may be required to complete the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not participate in the cost of work done at locations nearer than 200 feet to any property not described in Annex I.

Description of the Work

On the Main Tunnel level the north drift shall be continued on the Indianapolis vein an additional 1200 feet or to the intersection of the Indianapolis and Indiana veins, whichever is the lesser. With prior Government approval, 200 feet of drifting from the point of intersection may be done on either vein.

From the east face of the Main Tunnel, one hole shall be diamond drilled to a depth of approximately 200 feet on the same bearing as the tunnel in this area. In the advanced section of the north drift on the Indianapolis vein four drill stations shall be excavated and from each station a hole shall be diamond drilled to a depth of about 200 feet in a direction normal to the drift and inclined slightly upward. These holes shall be drilled either east or west at intervals of not less than 200 feet. The location of the drill stations and the direction of each hole shall be mutually agreed upon by the Operator and the Government.

From the present face of the Indiana vein (portal elevation 10,543 feet) a drift shall be driven an additional 300 feet in a northeasterly direction along the vein.

All drifts and drill stations shall not be less than 6' x 8' in cross section in the clear of timber and shall be timbered as necessary using standard drift sets of not less than 8" x 8" timber, or equivalent round timber. The four drill stations shall each be cut to an approximate depth of 15 feet from the wall of the drift.

Mine rails shall be of not less than 30 pound size, air lines not less than 4 inches in diameter, and water lines not less than 1 inch in diameter. The drifts shall be ventilated, using not less than 12-inch diameter vent pipe.

Diamond drill holes shall be started not less than BX standard core size (1-5/8-inch); however, the diameter may be reduced to AX standard size if necessary to complete a hole in caving ground.

The Government will contribute to no more than 1700 feet of drifting, 60 feet of crosscutting for four drill stations, 1200 feet of timbering in the drifts and crosscuts, 1000 feet of core drilling, 20 hours of cementing and redrilling, or reaming and casing drill holes, 100 core boxes, and 300 assays for molybdenum.

The approximate location and extent of the drifts and diamond drill holes are shown in red on Plate 3 entitled, "Rye Metals, Inc., Sketch Map Showing Proposed GMM Exploration . . .", attached hereto and made part hereof.

Estimated Cost of Project

Fixed Unit Costs

1700 feet drifting, @ $34.00/ft.	$57,800.00
60 feet crosscutting for drill stations, @ $30.00/ft.	1,800.00
1200 feet timbering, @ $8.00/ft.	9,600.00
1000 feet core drilling, BX standard core size, @ $5.65/ft.	5,650.00
AX standard core size @ $5.20/ft.	
20 hours cementing and redrilling, or reaming and casing drill holes, @ $10.00/hr.	200.00
100 cardboard core boxes @ $1.00 each	100.00
300 assays for molybdenum @ $5.00/assay	1,500.00
Total Estimated Cost of Project	$76,650.00
Government Participation @ 50%	$38,325.00

EXHIBIT B

Presidential Documents

Title 3—THE PRESIDENT

Executive Order 10925

ESTABLISHING THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

WHEREAS discrimination because of race, creed, color, or national origin is contrary to the Constitutional principles and policies of the United States; and

WHEREAS it is the plain and positive obligation of the United States Government to promote and ensure equal opportunity for all qualified persons, without regard to race, creed, color, or national origin, employed or seeking employment with the Federal Government and on government contracts; and

WHEREAS it is the policy of the executive branch of the Government to encourage by positive measures equal opportunity for all qualified persons within the Government; and

WHEREAS it is in the general interest and welfare of the United States to promote its economy, security, and national defense through the most efficient and effective utilization of all available manpower; and

WHEREAS a review and analysis of existing Executive orders, practices, and government agency procedures relating to government employment and compliance with existing non-discrimination contract provisions reveal an urgent need for expansion and strengthening of efforts to promote full equality of employment opportunity; and

WHEREAS a single governmental committee should be charged with responsibility for accomplishing these objectives:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

PART I—ESTABLISHMENT OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

SECTION 101. There is hereby established the President's Committee on Equal Employment Opportunity.

SEC. 102. The Committee shall be composed as follows:

(a) The Vice President of the United States, who is hereby designated Chairman of the Committee and who shall preside at meetings of the Committee.

(b) The Secretary of Labor, who is hereby designated Vice Chairman of the Committee and who shall act as Chairman in the absence of the Chairman. The Vice Chairman shall have general supervision and direction of the work of the Committee and of the execution and implementation of the policies and purposes of this order.

(c) The Chairman of the Atomic Energy Commission, the Secretary of Commerce, the Attorney General, the Secretary of Defense, the Secretaries of the Army, Navy and Air Force, the Administrator of General Services, the Chairman of the Civil Service Commission, and the Administrator of the National Aeronautics and Space Administration. Each such member may designate an alternate to represent him in his absence.

(d) Such other members as the President may from time to time appoint.

(e) An Executive Vice Chairman, designated by the President, who shall be *ex officio* a member of the Committee. The Executive Vice Chairman shall assist the Chairman, the Vice Chairman and the Committee. Between meetings of the Committee he shall be primarily responsible for carrying out the functions of the Committee and may act for the Committee pursuant to its rules, delegations, and other directives. Final action in individual cases or classes of cases may be taken and final orders may be entered on behalf of the Committee by the Executive Vice Chairman when the Committee so authorizes.

SEC. 103. The Committee shall meet upon the call of the Chairman and at such other times as may be provided by its rules and regulations. It shall (a) consider and adopt rules and regulations to govern its proceedings; (b) provide generally for the procedures and policies to implement this order; (c) consider reports as to progress under this order; (d) consider and act, where necessary or appropriate, upon matters which may be presented to it by any of its members; and (e) make such reports to the President as he may require or the Committee shall deem appropriate. Such reports shall be made at least once annually and shall include specific references to the actions taken and results achieved by each department and agency. The Chairman may appoint sub-committees to make special studies on a continuing basis.

PART II—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

SECTION 201. The President's Committee on Equal Employment Opportunity established by this order is directed immediately to scrutinize and study employment practices of the Government of the United States, and to consider and recommend additional affirmative steps which should be taken by executive departments and agencies to realize more fully the national policy of nondiscrimination within the executive branch of the Government.

SEC. 202. All executive departments and agencies are directed to initiate forthwith studies of current government employment practices within their responsibility. The studies shall be in such form as the Committee may prescribe and shall include statistics on current employment patterns, a review of current procedures, and the recommendation of positive measures for the elimination of any discrimination, direct or indirect, which now exists. Reports and recommendations shall be submitted to the Executive Vice Chairman of the Committee no later than sixty days from the effective date of this order, and the Committee, after considering such reports and recommedations, shall report to the President on the current situation and recommend positive measures to accomplish the objectives of this order.

SEC. 203. The policy expressed in Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin is hereby reaffirmed.

SEC. 204. The President's Committee on Government Employment Policy, established by Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), as amended by Executive Order No. 10722 of August 5, 1957 (22 F.R. 6287), is hereby abolished, and the powers, functions, and duties of that Committee are hereby transferred to, and henceforth shall be vested in, and exercised by, the President's Committee on Equal Employment Opportunity in addition to the powers conferred by this order.

PART III—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—CONTRACTORS' AGREEMENTS

SECTION 301. Except in contracts exempted in accordance with section 303 of this order, all government contracting agencies shall include in every government contract hereafter entered into the following provisions:

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor,

state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

SEC. 302. (a) Each contractor having a contract containing the provisions prescribed in section 301 shall file, and shall cause each of its subcontractors to file, Compliance Reports with the contracting agency, which will be subject to review by the Committee upon its request. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Committee may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or other representative of workers, the Compliance Report shall include such information as to the labor union's or other representative's practices and policies affecting compliance as the Committee may prescribe: *Provided,* that to the extent such information is within the exclusive possession of a labor union or other workers' representative and the labor union or representative shall refuse to furnish such information to the contractor, the contractor shall so certify to the contracting agency as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Committee may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent of any labor union or other workers' representative with which the bidder or prospective contractor deals, together with supporting information, to the effect that the said labor union's or representative's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the labor union or representative either will affirmatively cooperate, within the limits of his legal and contractual authority, in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or representative shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement.

SEC. 303. The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions of section 301 of this order in any specific contract, subcontract, or purchase order. The Committee may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (a) where work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (b) for standard commercial supplies or raw materials; or (c) involving less than specified amounts of money or specified numbers of workers.

SUBPART B—LABOR UNIONS AND REPRESENTATIVES OF WORKERS

SEC. 304. The Committee shall use its best efforts, directly and through contracting agencies, contractors, state and local officials and public and private agencies, and all other available instrumentalities, to cause any labor union, recruiting agency or other representative of workers who is or may be engaged in work under government contracts to cooperate with, and to comply in the implementation of, the purposes of this order.

SEC. 305. The Committee may, to effectuate the purposes of section 304 of this order, hold hearings, public or private, with respect to the practices and policies of any such labor organization. It shall from time to time submit special reports to the President concerning discriminatory practices and policies of any such labor organization, and may recommend remedial action if, in its judgment, such action is necessary or appropriate. It may also notify any Federal, state, or local agency of its conclusions and recommendations with respect to any such labor organization which in its judgment has failed to cooperate with the Committee, contracting agencies, contractors, or subcontractors in carrying out the purposes of this order.

SUBPART C—POWERS AND DUTIES OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY AND OF CONTRACTING AGENCIES

SEC. 306. The Committee shall adopt such rules and regulations and issue such orders as it deems necessary and appropriate to achieve the purposes of this order, including the purposes of Part II hereof relating to discrimination in government employment.

SEC. 307. Each contracting agency shall be primarily responsible for obtaining compliance with the rules, regulations, and orders of the Committee with respect to contracts entered into by such agency or its contractors, or affecting its own employment practices. All contracting agencies shall comply with the Committee's rules in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Executive order and of the rules, regulations, and orders of the Committee pursuant hereto. They are directed to cooperate with the Committee, and to furnish the Committee such information and assistance as it may require in the performance of its functions under this order. They are further directed to appoint or designate, from among the agency's personnel, compliance officers. It shall be the duty of such officers to seek compliance with the objectives of this order by conference, conciliation, mediation, or persuasion.

SEC. 308. The Committee is authorized to delegate to any officer, agency, or employee in the executive branch of the

Government any function of the Committee under this order, except the authority to promulgate rules and regulations of a general nature.

SEC. 309. (a) The Committee may itself investigate the employment practices of any government contractor or subcontractor, or initiate such investigation by the appropriate contracting agency or through the Secretary of Labor, to determine whether or not the contractual provisions specified in section 301 of this order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Commitee, and the investigating agency shall report to the Committee any action taken or recommended.

(b) The Committee may receive and cause to be investigated complaints by employees or prospective employees of a government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in section 301 of this Order. The appropriate contracting agency or the Secretary of Labor, as the case may be, shall report to the Committee what action has been taken or is recommended with regard to such complaints.

SEC. 310. (a) The Committee, or any agency or officer of the United States designated by rule, regulation, or order of the Committee, may hold such hearings, public or private, as the Committee may deem advisable for compliance, enforcement, or educational purposes.

(b) The Committee may hold, or cause to be held, hearings in accordance with subsection (a) of this section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this order, except that no order for debarment of any contractor from further government contracts shall be made without a hearing.

SEC. 311. The Committee shall encourage the furtherance of an educational program by employer, labor, civic, educational, religious, and other nongovernmental groups in order to eliminate or reduce the basic causes of discrimination in employment on the ground of race, creed, color, or national origin.

SUBPART D—SANCTIONS AND PENALTIES

SEC. 312. In accordance with such rules, regulations or orders as the Committee may issue or adopt, the Committee or the appropriate contracting agency may:

(a) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this order or of the rules, regulations, and orders of the Committee.

(b) Recommend to the Department of Justice that, in cases where there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in section 301 of this order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the aforesaid provisions.

(c) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Committee as the case may be.

(d) Terminate, or cause to be terminated, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be terminated absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the contracting agency.

(e) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any non-complying contractor, until such contractor has satisfied the Committee that he has established and will carry out personnel and employment policies in compliance with the provisions of this order.

(f) Under rules and regulations prescribed by the committee, each contracting agency shall make reasonable efforts within a reasonable time limitation to secure compliance with the contract provisions of this order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under paragraph (b) of this section, or before a contract shall be terminated in whole or in part under paragraph (d) of this section for failure of a contractor or subcontractor to comply with the contract provisions of this order.

SEC. 313. Any contracting agency taking any action authorized by this section, whether on its own motion, or as directed by the Committee, or under the Committee's rules and regulations, shall promptly notify the Committee of such action or reasons for not acting. Where the Committee itself makes a determination under this section, it shall promptly notify the appropriate contracting agency of the action recommended. The agency shall take such action and shall report the results thereof to the Committee within such time as the Committee shall provide.

SEC. 314. If the Committee shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this order or submits a program for compliance acceptable to the Committee or, if the Committee so authorizes, to the contracting agency.

SEC. 315. Whenever a contracting agency terminates a contract, or whenever a contractor has been debarred from further government contracts, because of noncompliance with the contractor provisions with regard to nondiscrimination, the Committee, or the contracting agency involved, shall promptly notify the Comptroller General of the United States.

SUBPART E—CERTIFICATES OF MERIT

SEC. 316. The Committee may provide for issuance of a United States Government Certificate of Merit to employers or employee organizations which are or may hereafter be engaged in work under government contracts, if the Committee is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading and other practices and policies of the employee organization, conform to the purposes and provisions of this order.

SEC. 317. Any Certificate of Merit may at any time be suspended or revoked by the Committee if the holder thereof, in the judgment of the Committee, has failed to comply with the provisions of this order.

SEC. 318. The Committee may provide for the exemption of any employer or employee organization from any requirement for furnishing information as to compliance if such employer or employee organization has been awarded a Certificate of Merit which has not been suspended or revoked.

PART IV—MISCELLANEOUS

SECTION 401. Each contracting agency (except the Department of Justice) shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691): *Provided*, that no agency shall supply more than fifty per cent of the funds necessary to carry out the purposes of this order. The Department of Labor shall provide necessary space and facilities for the Committee. In the case of the Department of Justice, the contribution shall be limited to furnishing legal services.

SEC. 402. This order shall become effective thirty days after its execution. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this order and of the rules and regulations of the Committee.

SEC. 403. Executive Order No. 10479 of August 13, 1953 (18 F.R. 4899), together with Executive Orders Nos. 10482 of August 15, 1953 (18 F.R. 4944), and 10733 of October 10, 1957 (22 F.R. 8135), amending that order, and Executive Order No. 10557 of September 3, 1954 (19 F.R. 5655), are hereby revoked, and the Government Contract Committee established by Executive Order No. 10479 is abolished. All records and property of or in the custody of the said Committee are hereby transferred to the President's Committee on Equal Employment Opportunity, which shall wind up the outstanding affairs of the Government Contract Committee.

JOHN F. KENNEDY

THE WHITE HOUSE,
March 6, 1961.

[F.R. Doc. 61-2093; Filed, Mar. 7, 1961; 10:06 a.m.] 90048

MME Form 14
March 1961

No. 149

Contract No. Idm-E) 14-23) 2149

Docket No. DMEA) MME) 6251

Date of Action June 6, 1962
Approved contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Nye Metals, Inc.
Room 711, Merchants Bank Building,
Indianapolis, Indiana

Date of Contract	Region	State	Commodity
June 6, 1962	III	Colorado	Molybdenum

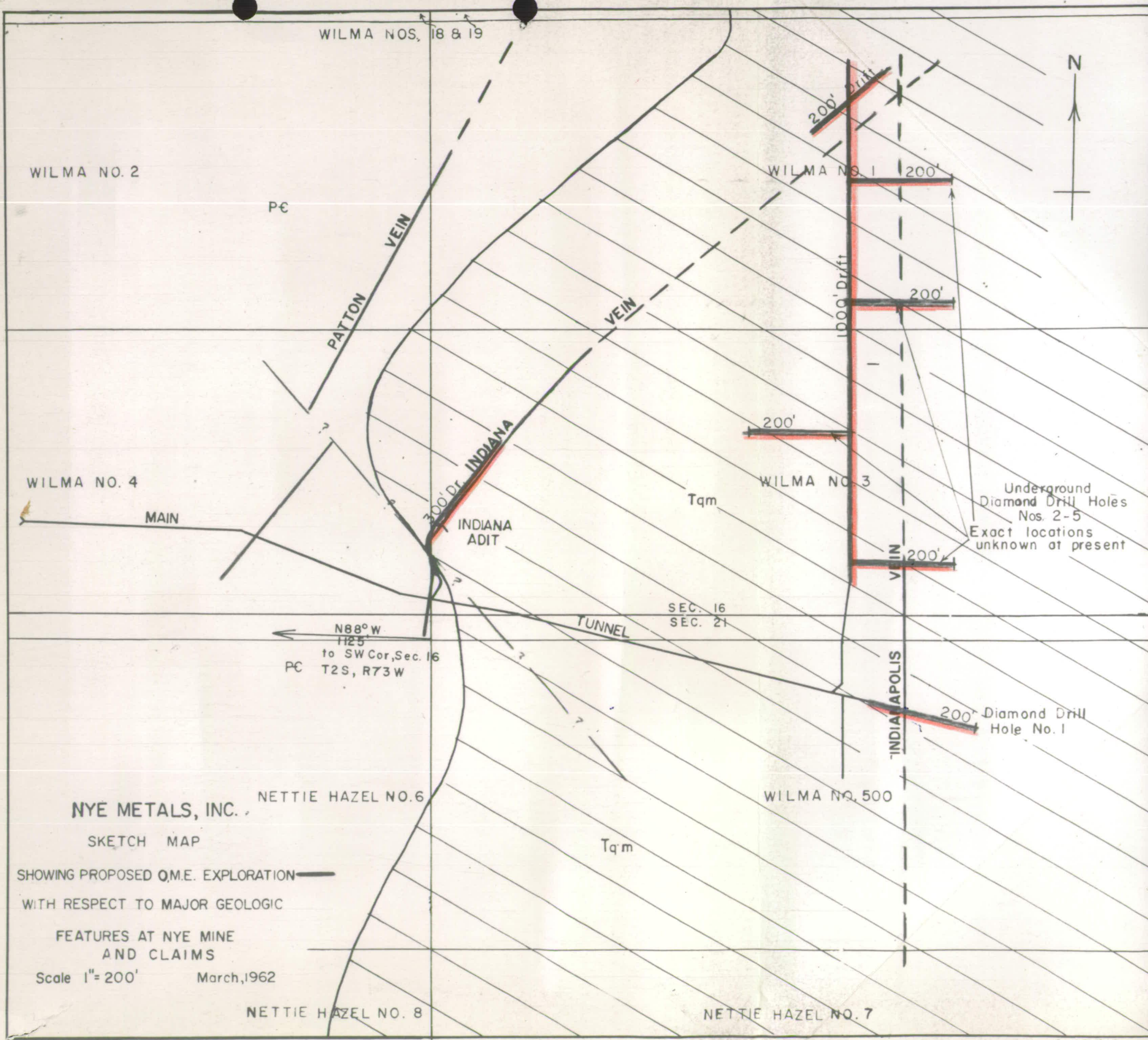
	Reserve	Obligation
Prior Amount	0	0
Increase	$38,325.00	0
Decrease	0	0
Revised Amount	$38,325.00	0

Remarks:

6% interest

cc: 110
800
210

88995-61



NYE METALS, INC.

SKETCH MAP

SHOWING PROPOSED O.M.E. EXPLORATION

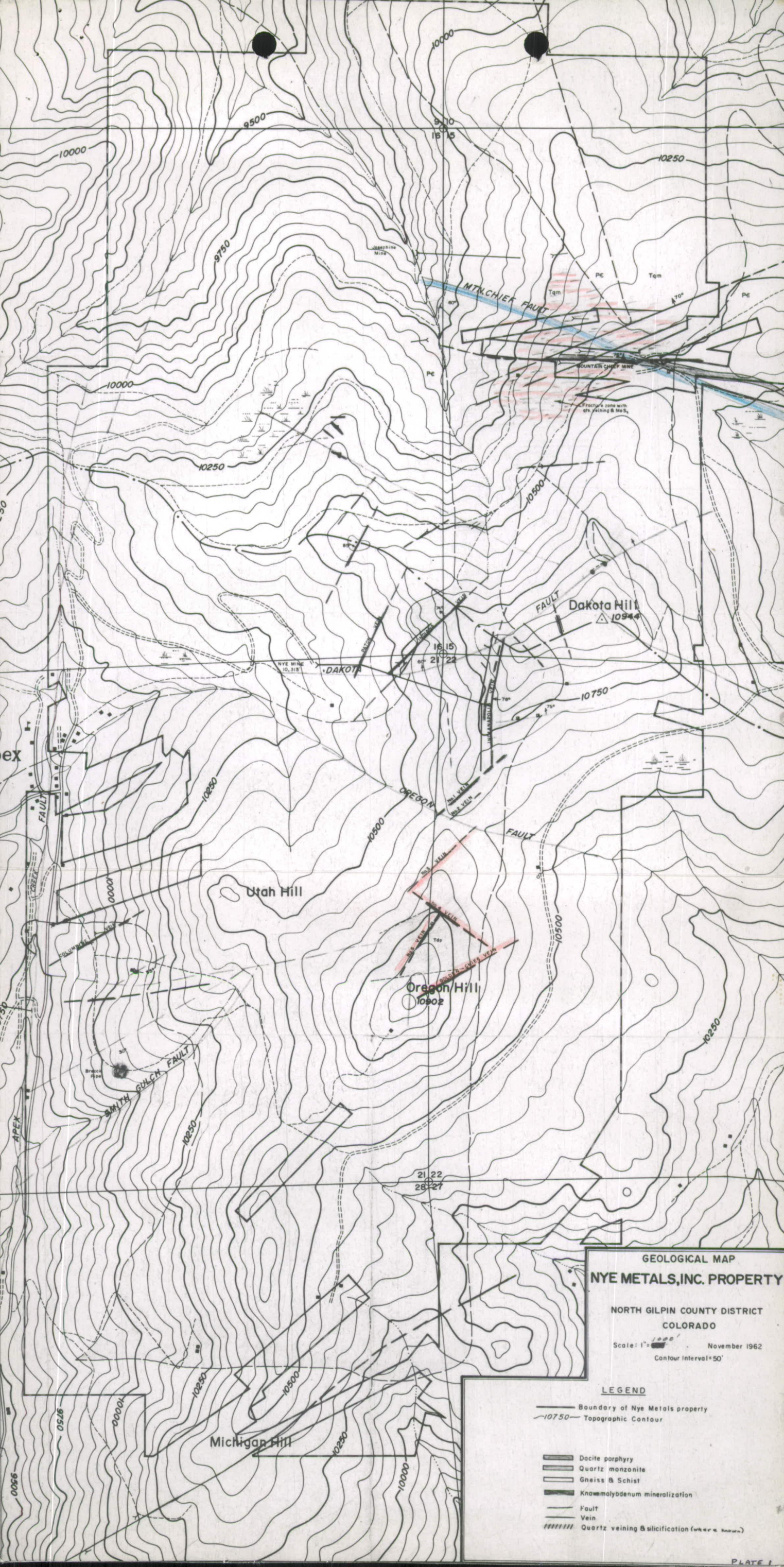
WITH RESPECT TO MAJOR GEOLOGIC

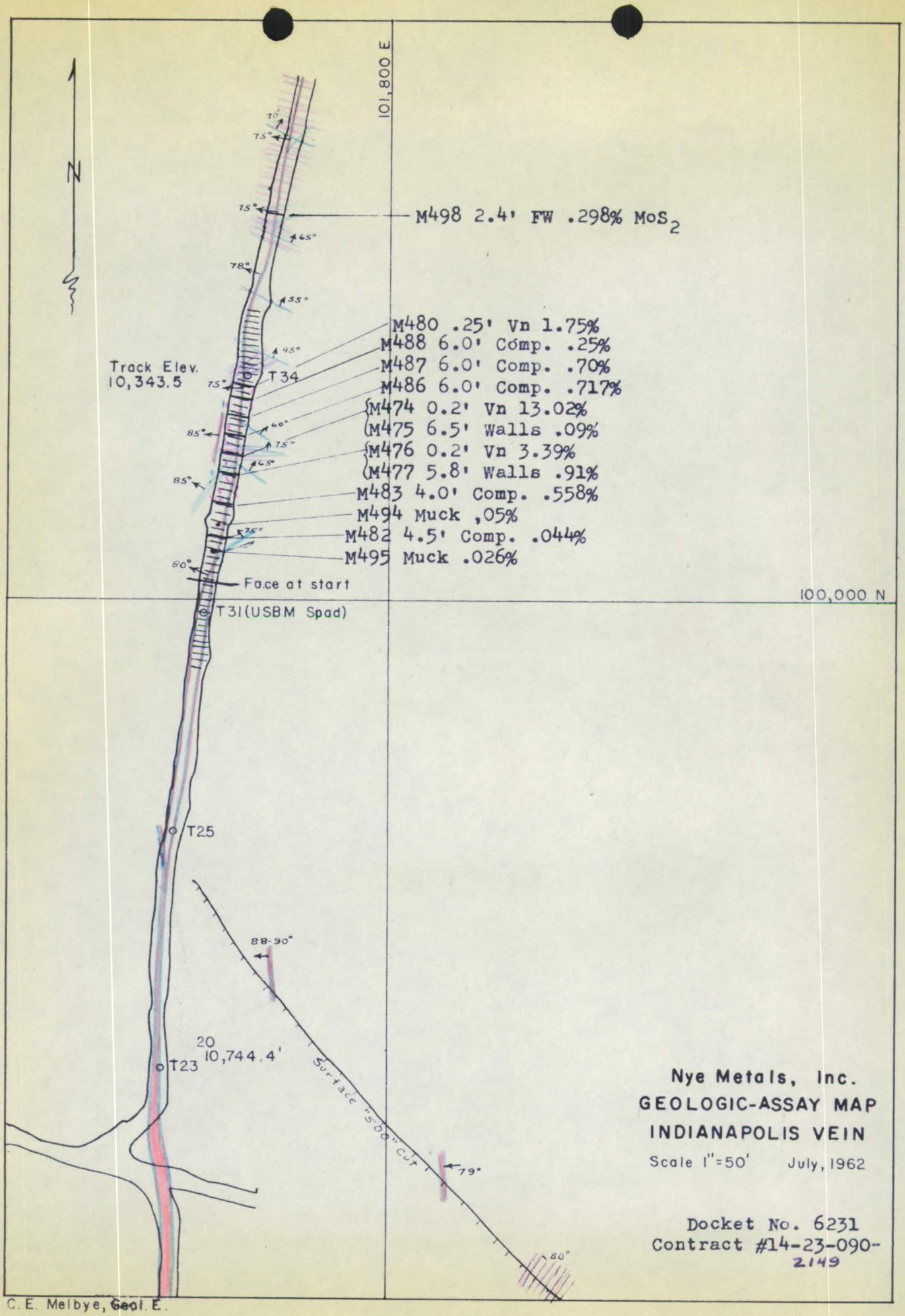
FEATURES AT NYE MINE AND CLAIMS

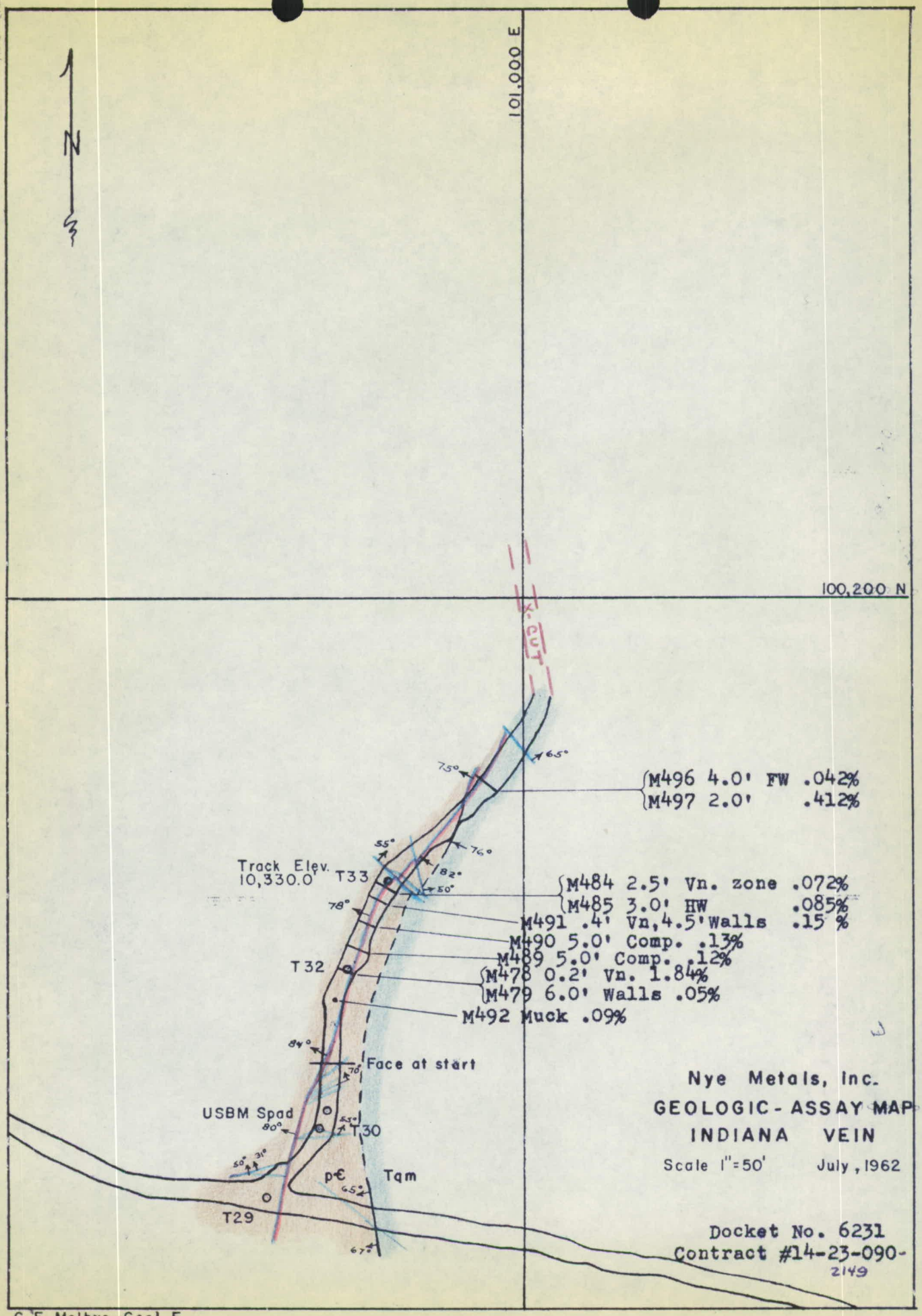
Scale 1" = 200' March, 1962

C.E. MILBYE, Geol. E.

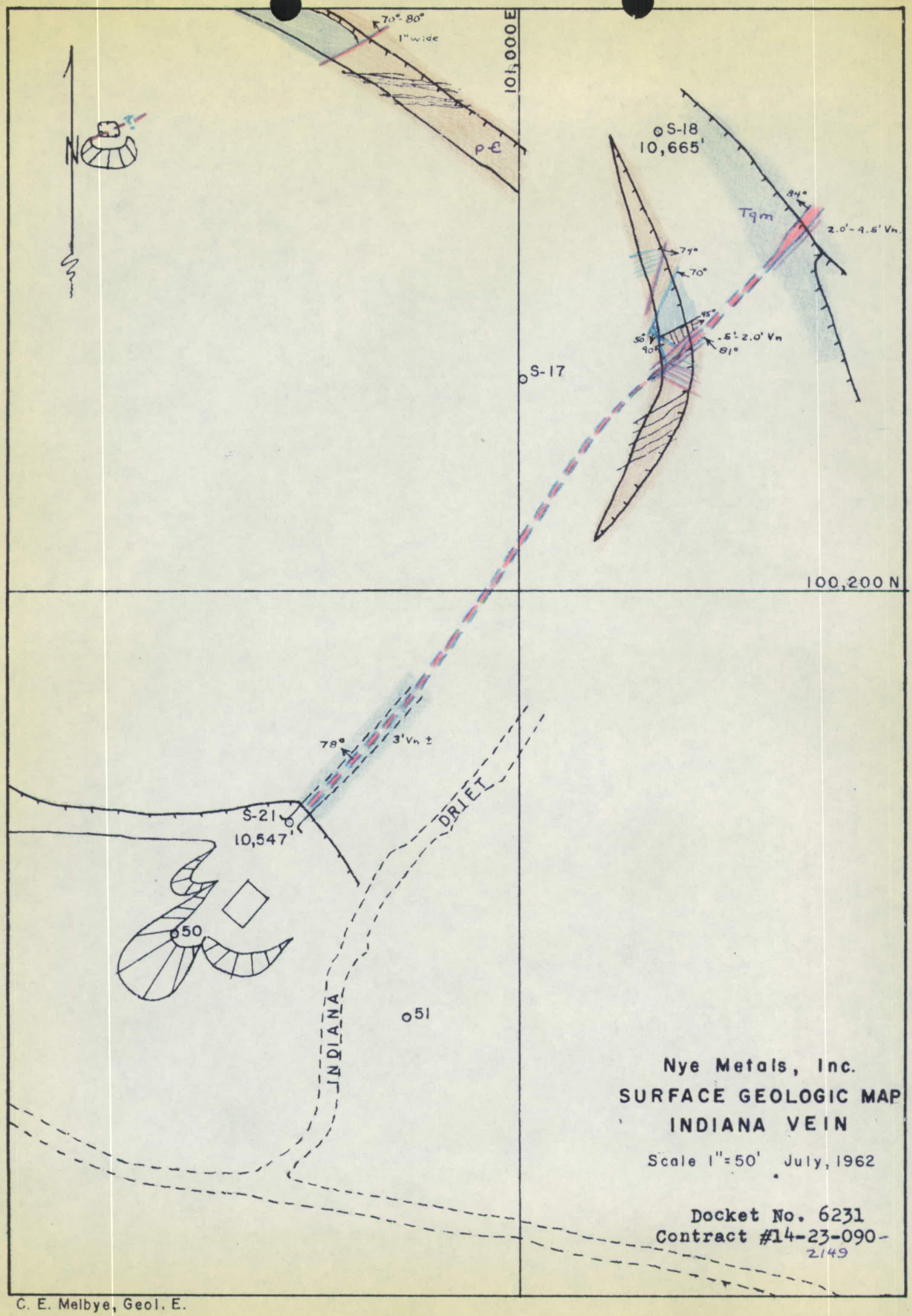
PLATE 3


GEOLOGICAL MAP
NYE METALS, INC. PROPERTY
NORTH GILPIN COUNTY DISTRICT
COLORADO
Scale: 1" = 1000'
November 1962
Contour Interval = 50'
LEGEND
Boundary of Nye Metals property
10750 Topographic Contour
Dacite porphyry
Quartz monzonite
Gneiss & Schist
Knowmolybdenum mineralization
Fault
Vein
Quartz veining & silicification (where known)
MTN. CHIEF FAULT
MOUNTAIN CHIEF MINE
Fracture zone with qtz. veining & MoS2
Josephine Mine
Dakota Hill
10944
DAKOTA
NYE MINE
10,318'
OREGON
FAULT
Utah Hill
Oregon Hill
10902
SMITH GULCH FAULT
Breccia Pipe
APEX
Michigan Hill
PLATE I

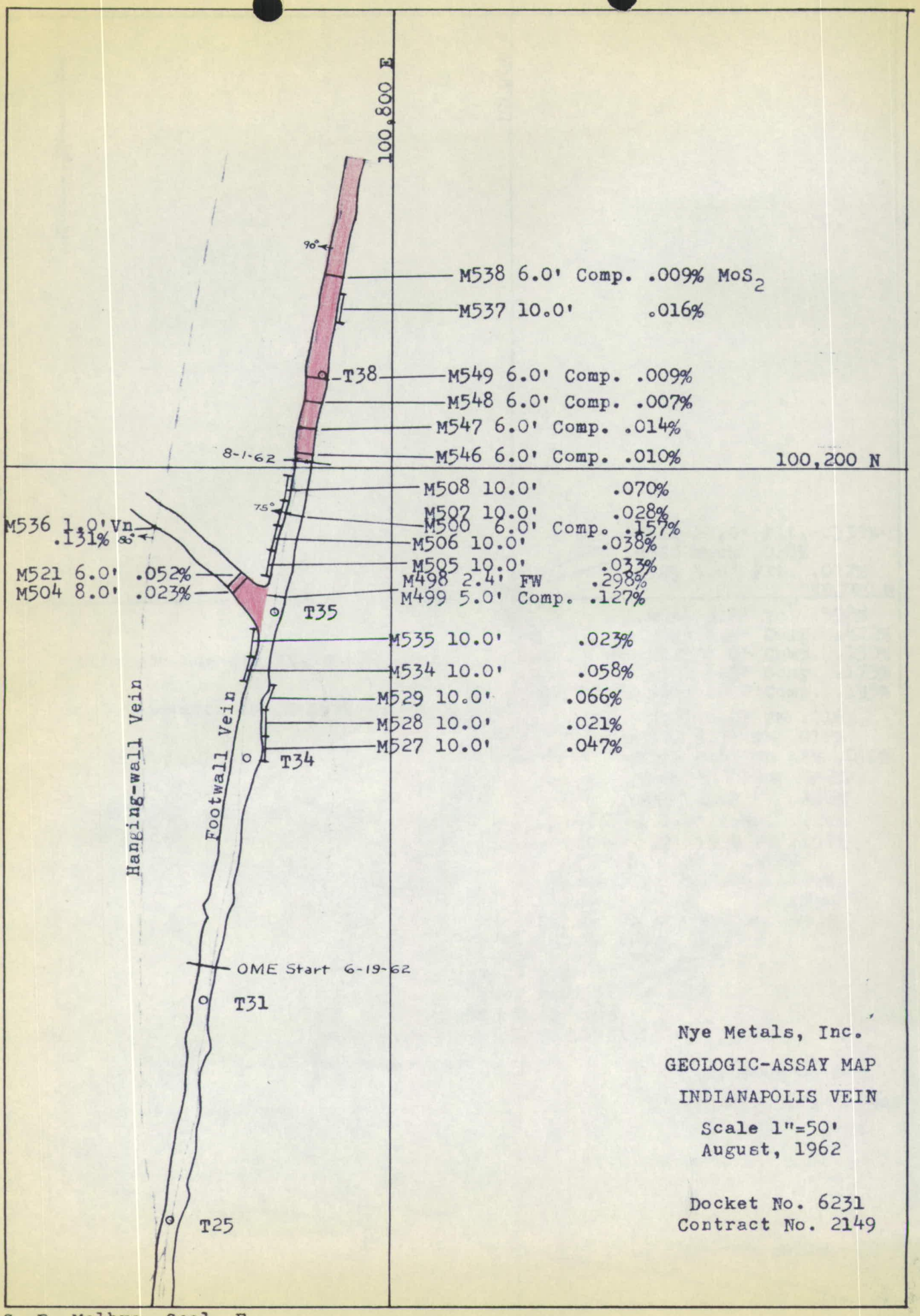

N
101,800 E
100,000 N
M498 2.4' FW .298% MoS_2
M480 .25' Vn 1.75%
M488 6.0' Comp. .25%
M487 6.0' Comp. .70%
M486 6.0' Comp. .717%
M474 0.2' Vn 13.02%
M475 6.5' Walls .09%
M476 0.2' Vn 3.39%
M477 5.8' Walls .91%
M483 4.0' Comp. .558%
M494 Muck .05%
M482 4.5' Comp. .044%
M495 Muck .026%
Track Elev.
10,343.5
T34
Face at start
T31 (USBM Spad)
T25
T23
20
10,744.4'
88-90°
Surface "500" cut
79°
80°
Nye Metals, Inc.
GEOLOGIC-ASSAY MAP
INDIANAPOLIS VEIN
Scale 1"=50'
July, 1962
Docket No. 6231
Contract #14-23-090-2149
C. E. Melbye, Geol. E.



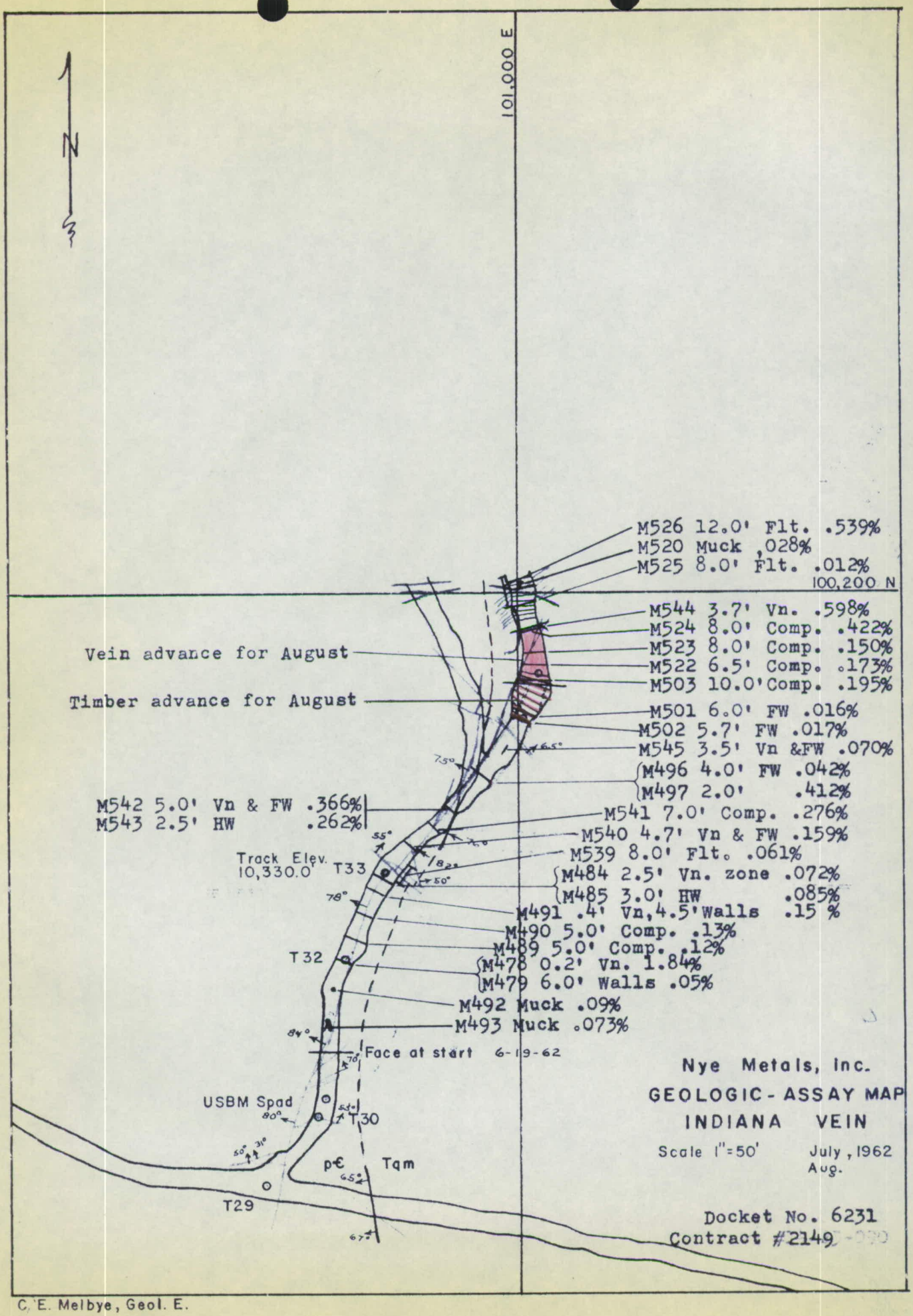
C. E. Melbye, Geol. E.



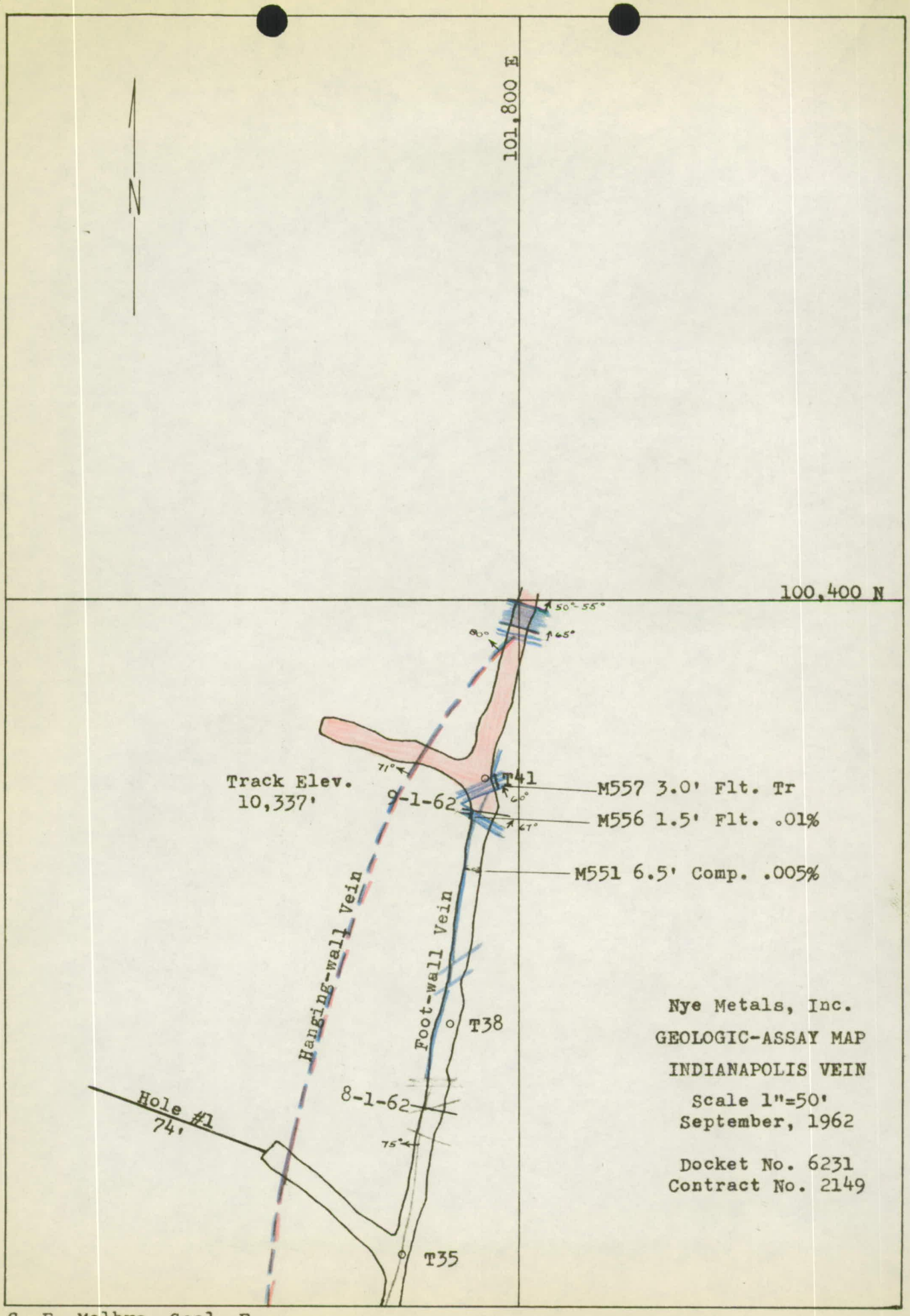
C. E. Melbye, Geol. E.



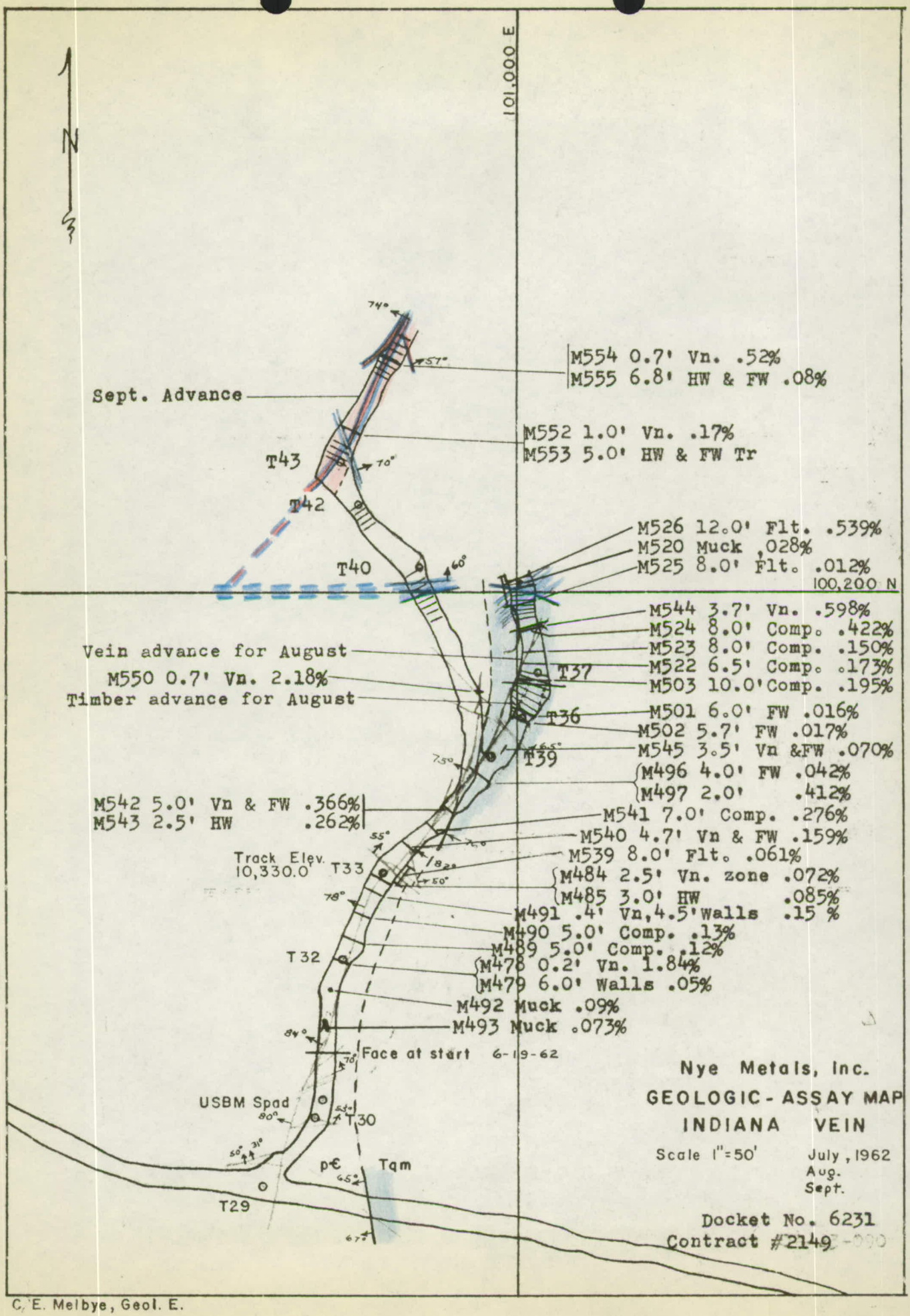
C. E. Melbye, Geol. E.



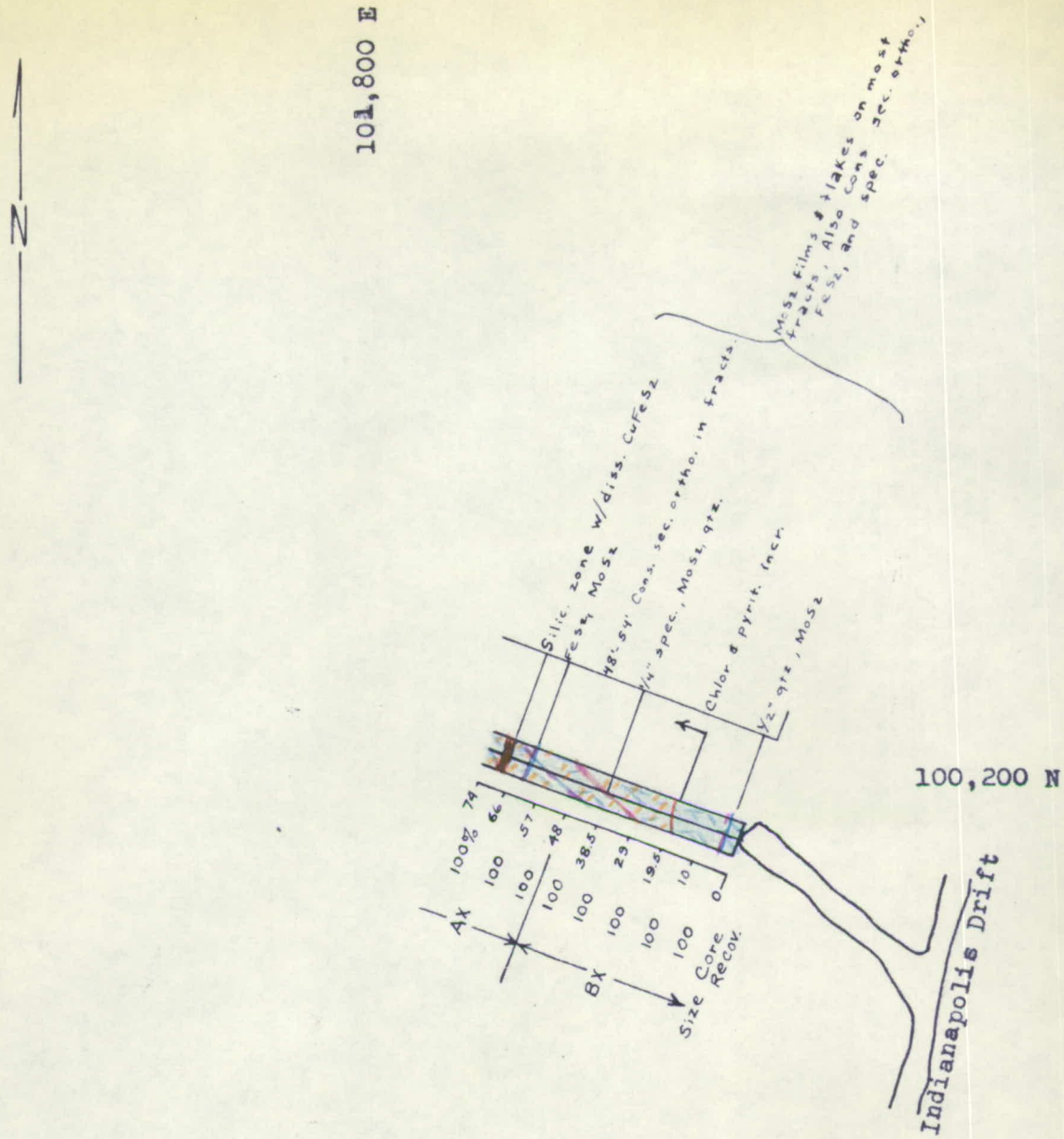
C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



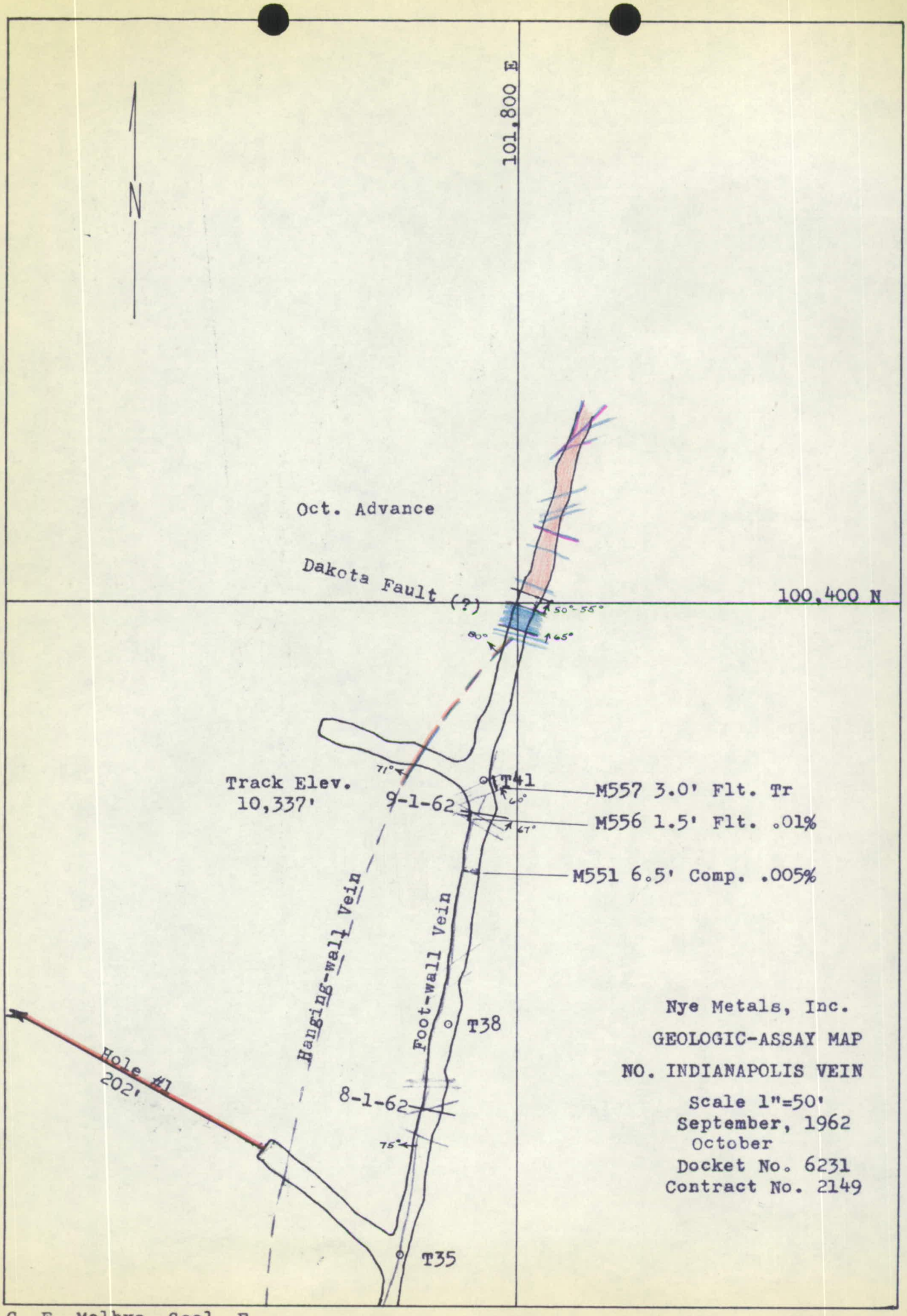
Nye Metals, Inc.

GEOLOGIC-ASSAY LOG

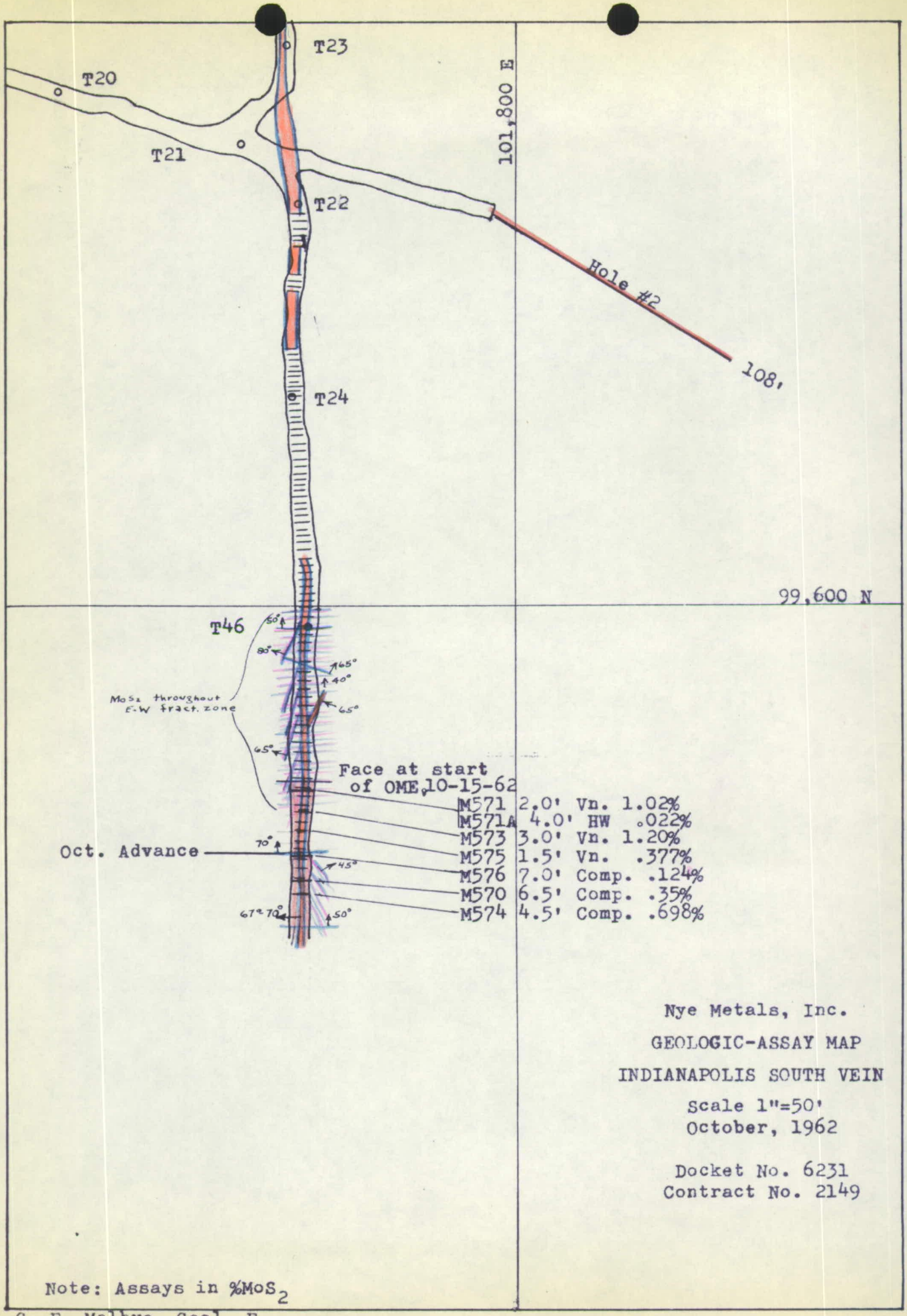
HOLE NO. 1

Scale 1"=50'
Elev. 10,340'
September, 1962
Docket No. 6231
Contract No. 2149

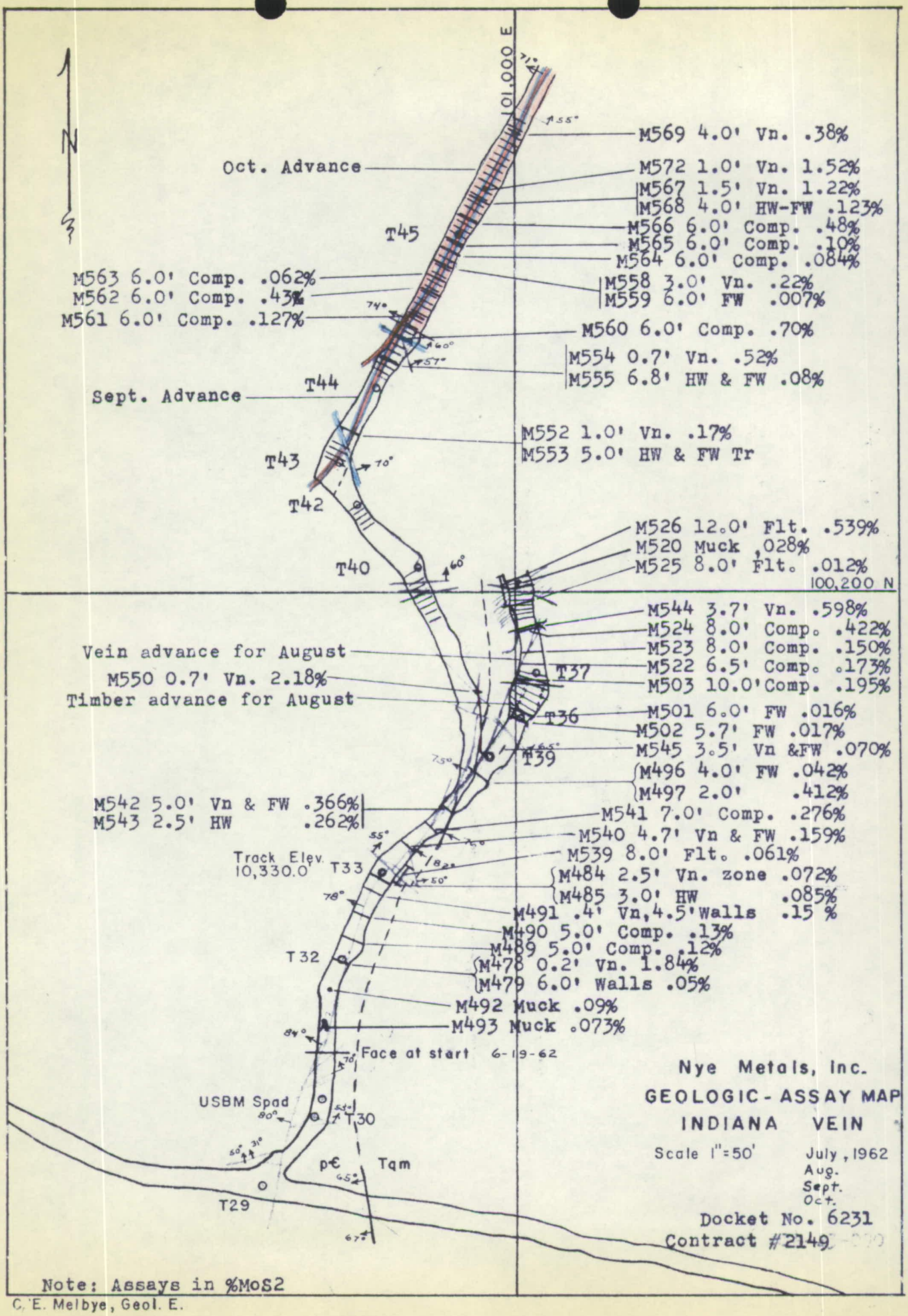
C. E. Melbye, Geol. E.

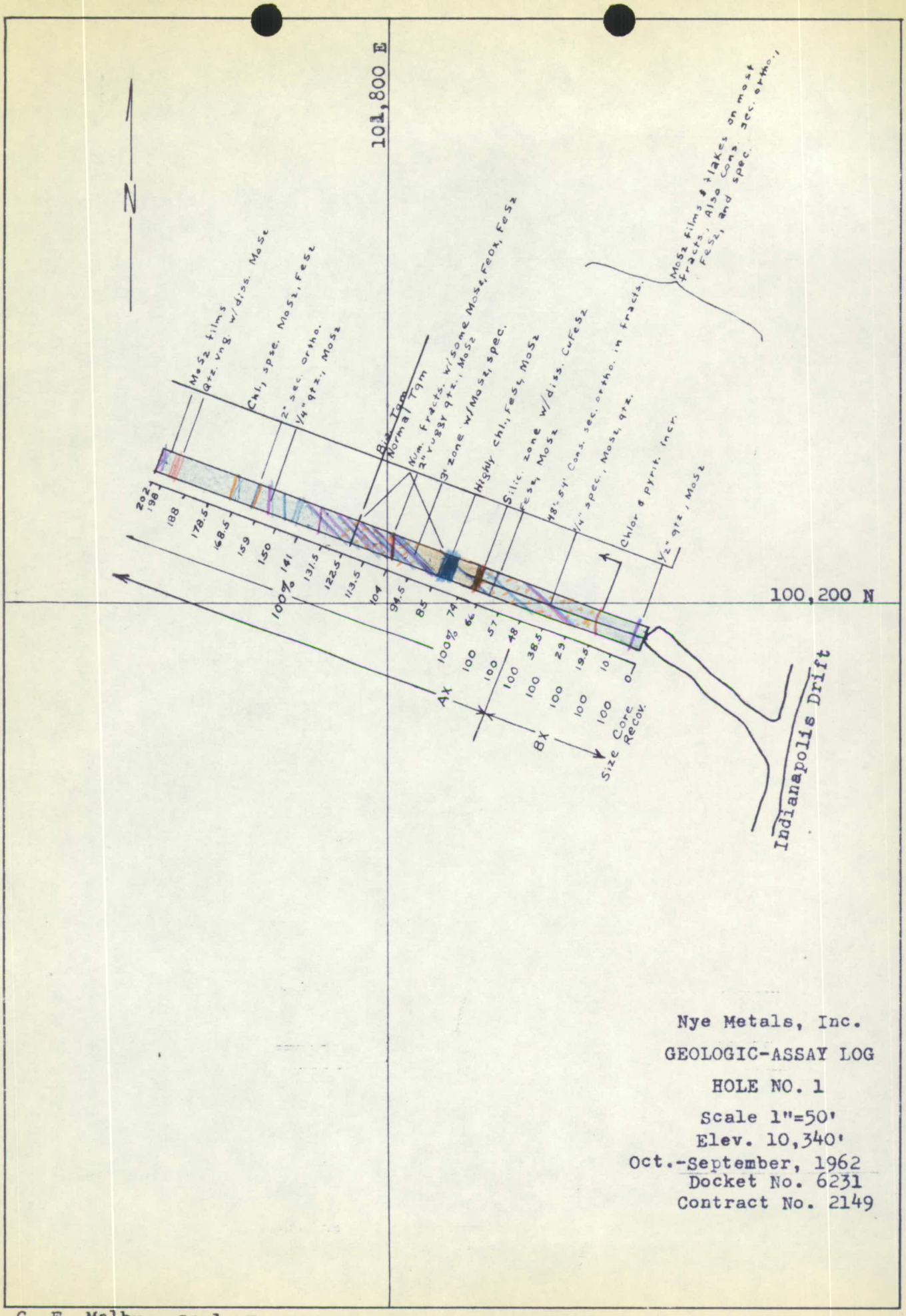


C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.


N
101,000 E
100,200 N
Oct. Advance
Sept. Advance
Vein advance for August
Timber advance for August
Track Elev. 10,330.0'
Face at start 6-19-62
USBM Spad
T45
T44
T43
T42
T40
T37
T36
T39
T33
T32
T30
T29
pЄ
Tqm
M569 4.0' Vn. .38%
M572 1.0' Vn. 1.52%
M567 1.5' Vn. 1.22%
M568 4.0' HW-FW .123%
M566 6.0' Comp. .48%
M565 6.0' Comp. .10%
M564 6.0' Comp. .084%
M558 3.0' Vn. .22%
M559 6.0' FW .007%
M563 6.0' Comp. .062%
M562 6.0' Comp. .43%
M561 6.0' Comp. .127%
M560 6.0' Comp. .70%
M554 0.7' Vn. .52%
M555 6.8' HW & FW .08%
M552 1.0' Vn. .17%
M553 5.0' HW & FW Tr
M526 12.0' Flt. .539%
M520 Muck .028%
M525 8.0' Flt. .012%
M544 3.7' Vn. .598%
M524 8.0' Comp. .422%
M523 8.0' Comp. .150%
M522 6.5' Comp. .173%
M503 10.0' Comp. .195%
M501 6.0' FW .016%
M502 5.7' FW .017%
M545 3.5' Vn &FW .070%
M496 4.0' FW .042%
M497 2.0' .412%
M550 0.7' Vn. 2.18%
M542 5.0' Vn & FW .366%
M543 2.5' HW .262%
M541 7.0' Comp. .276%
M540 4.7' Vn & FW .159%
M539 8.0' Flt. .061%
M484 2.5' Vn. zone .072%
M485 3.0' HW .085%
M491 .4' Vn, 4.5' Walls .15 %
M490 5.0' Comp. .13%
M489 5.0' Comp. .12%
M478 0.2' Vn. 1.84%
M479 6.0' Walls .05%
M492 Muck .09%
M493 Muck .073%
Nye Metals, Inc.
GEOLOGIC-ASSAY MAP
INDIANA VEIN
Scale 1"=50'
July, 1962
Aug.
Sept.
Oct.
Docket No. 6231
Contract #2149
Note: Assays in %MoS2
C. E. Melbye, Geol. E.



Nye Metals, Inc.

GEOLOGIC-ASSAY LOG

HOLE NO. 1

Scale 1"=50'

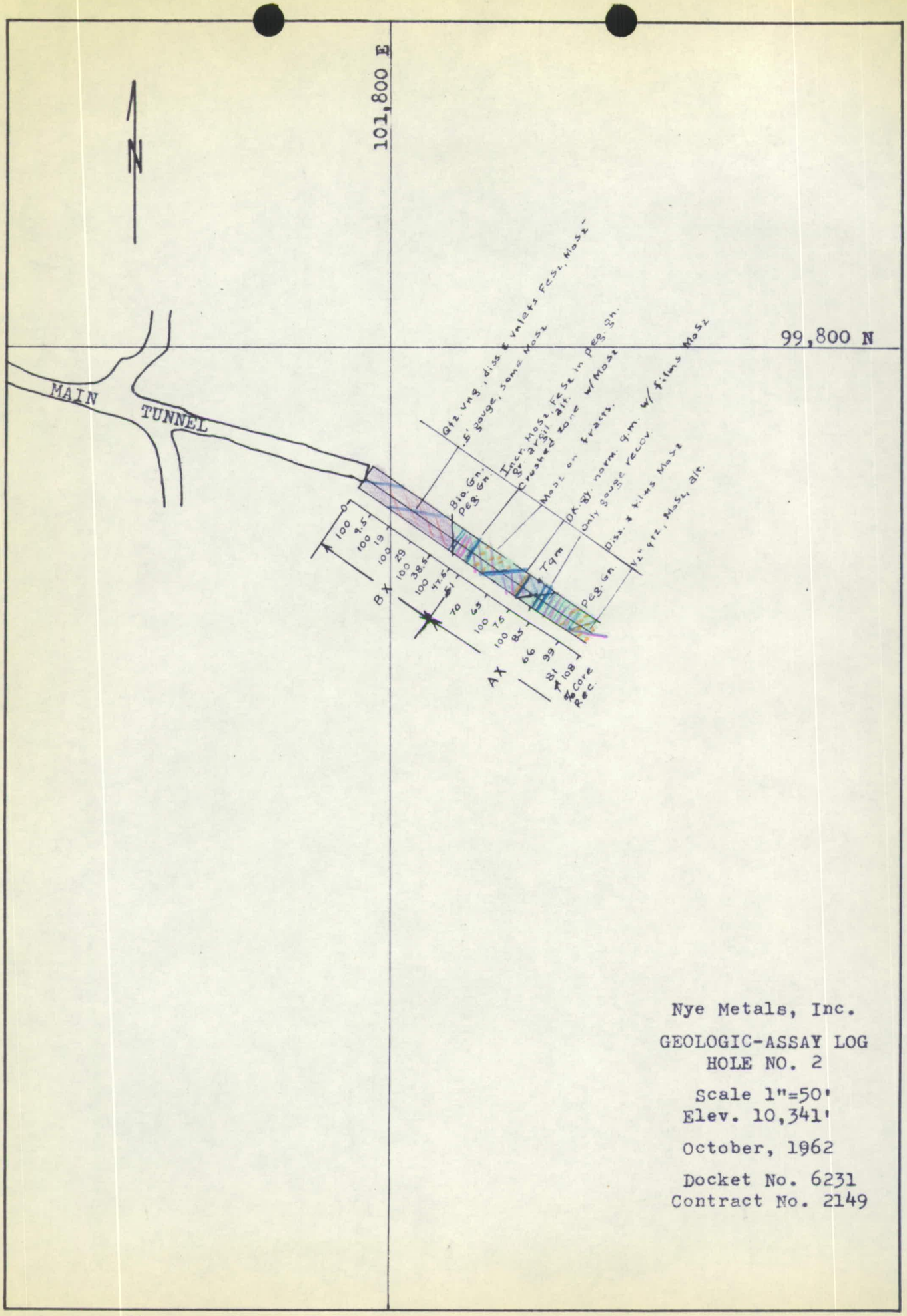
Elev. 10,340'

Oct.-September, 1962

Docket No. 6231

Contract No. 2149

C. E. Melbye, Geol. E.



Nye Metals, Inc.

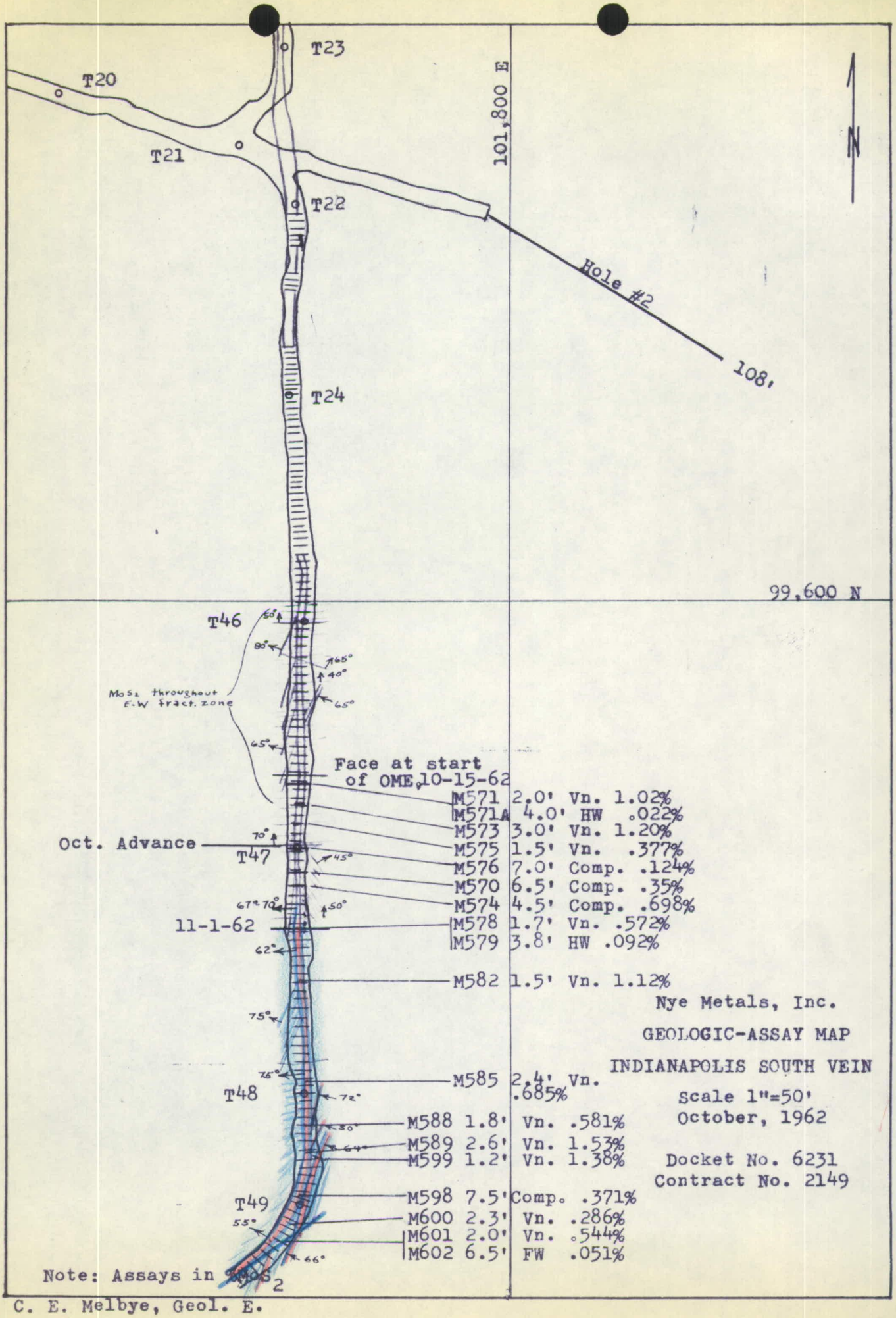
GEOLOGIC-ASSAY LOG
HOLE NO. 2

Scale 1"=50'
Elev. 10,341'

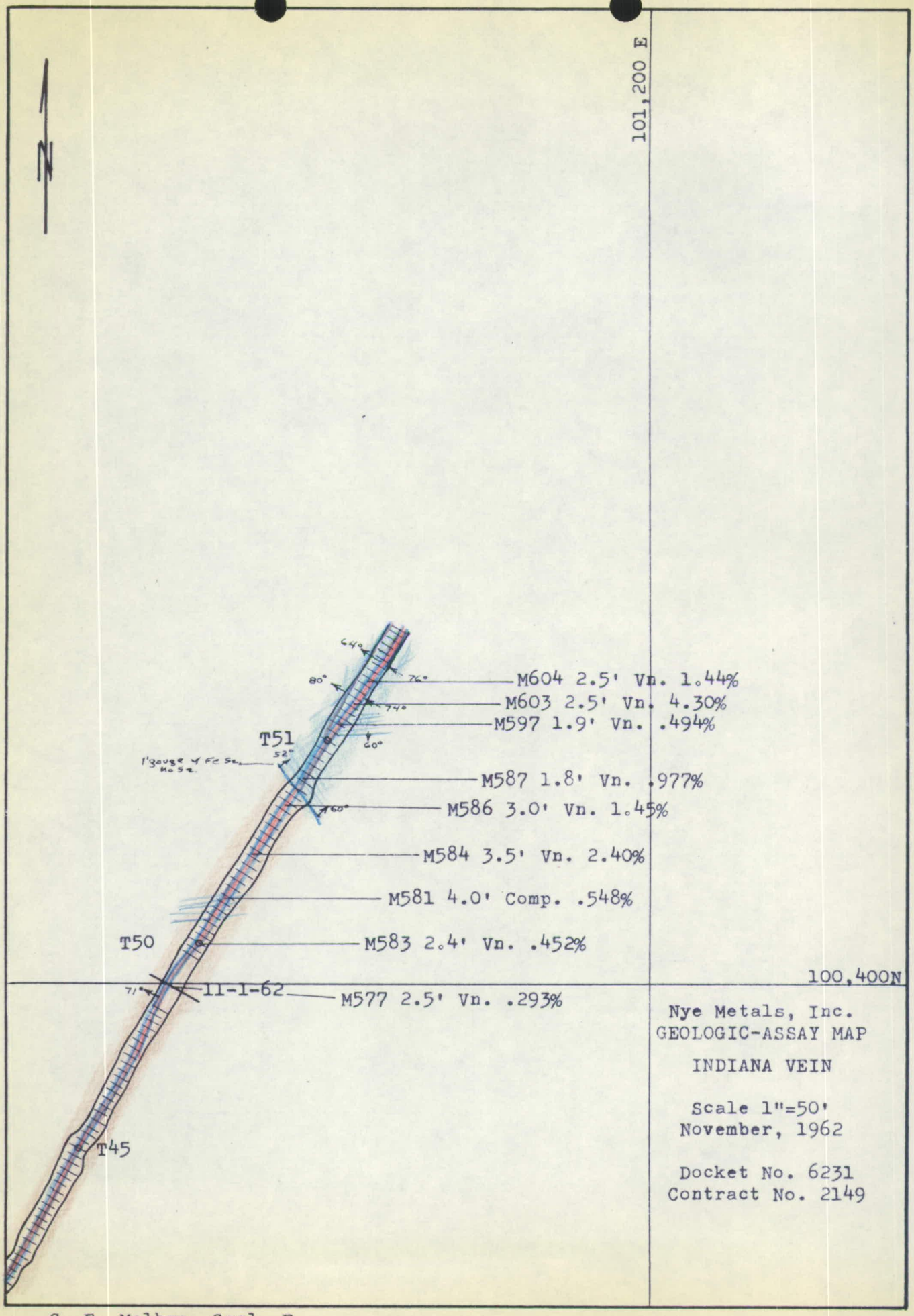
October, 1962

Docket No. 6231
Contract No. 2149

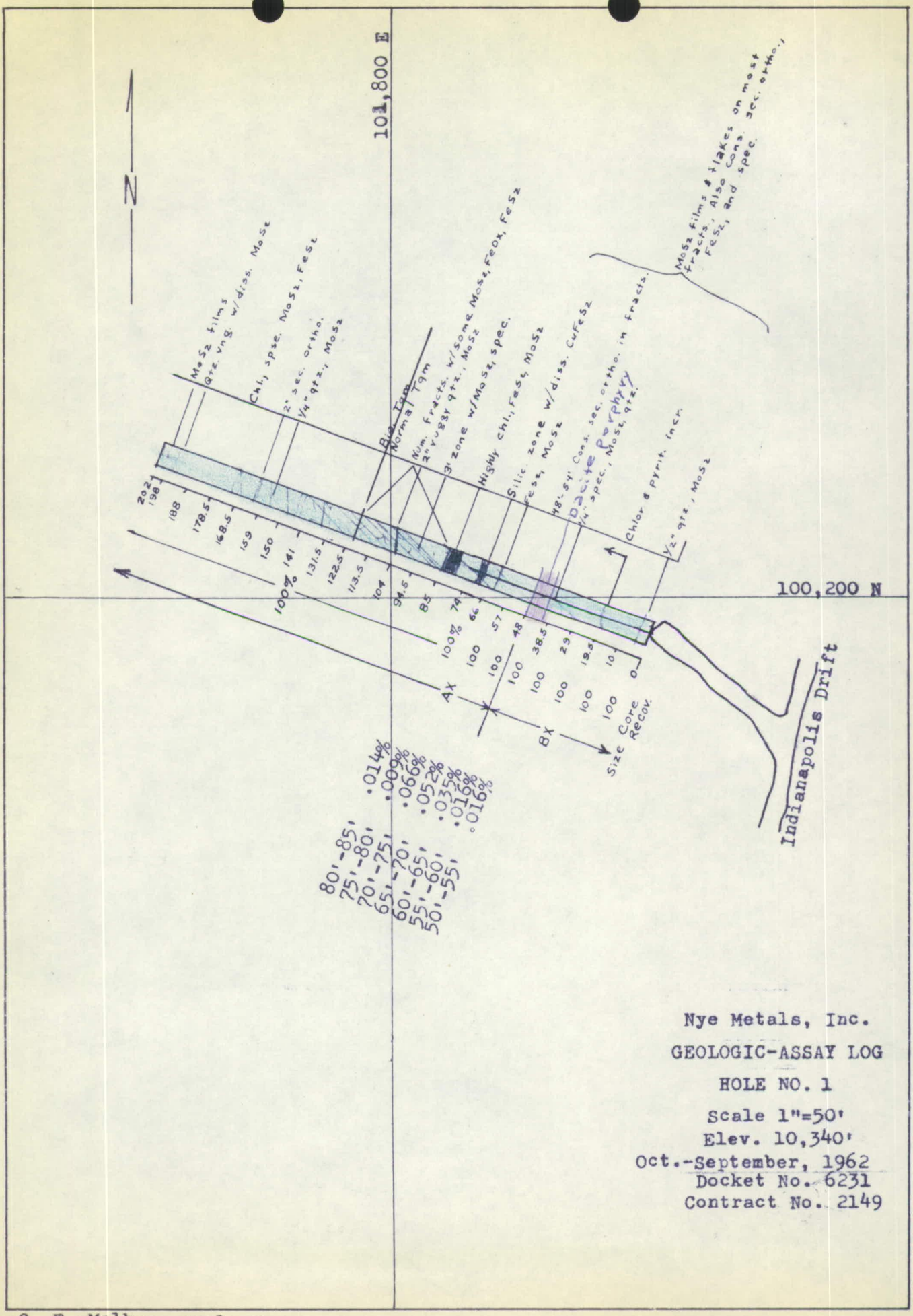
C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



Nye Metals, Inc.

GEOLOGIC-ASSAY LOG

HOLE NO. 1

Scale 1"=50'

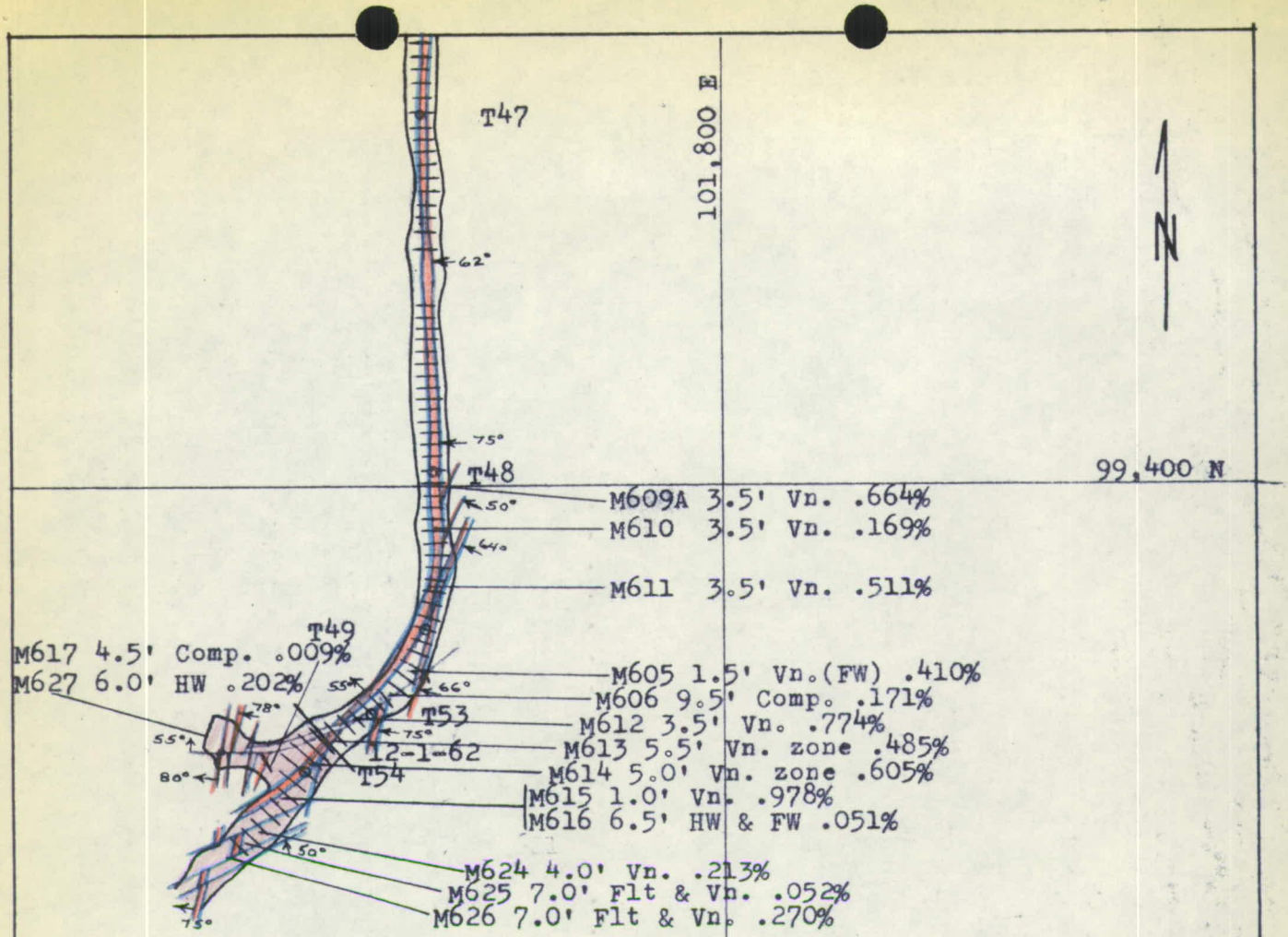
Elev. 10,340'

Oct.-September, 1962

Docket No. 6231

Contract No. 2149

C. E. Melbye, Geol. E.



Nye Metals, Inc.

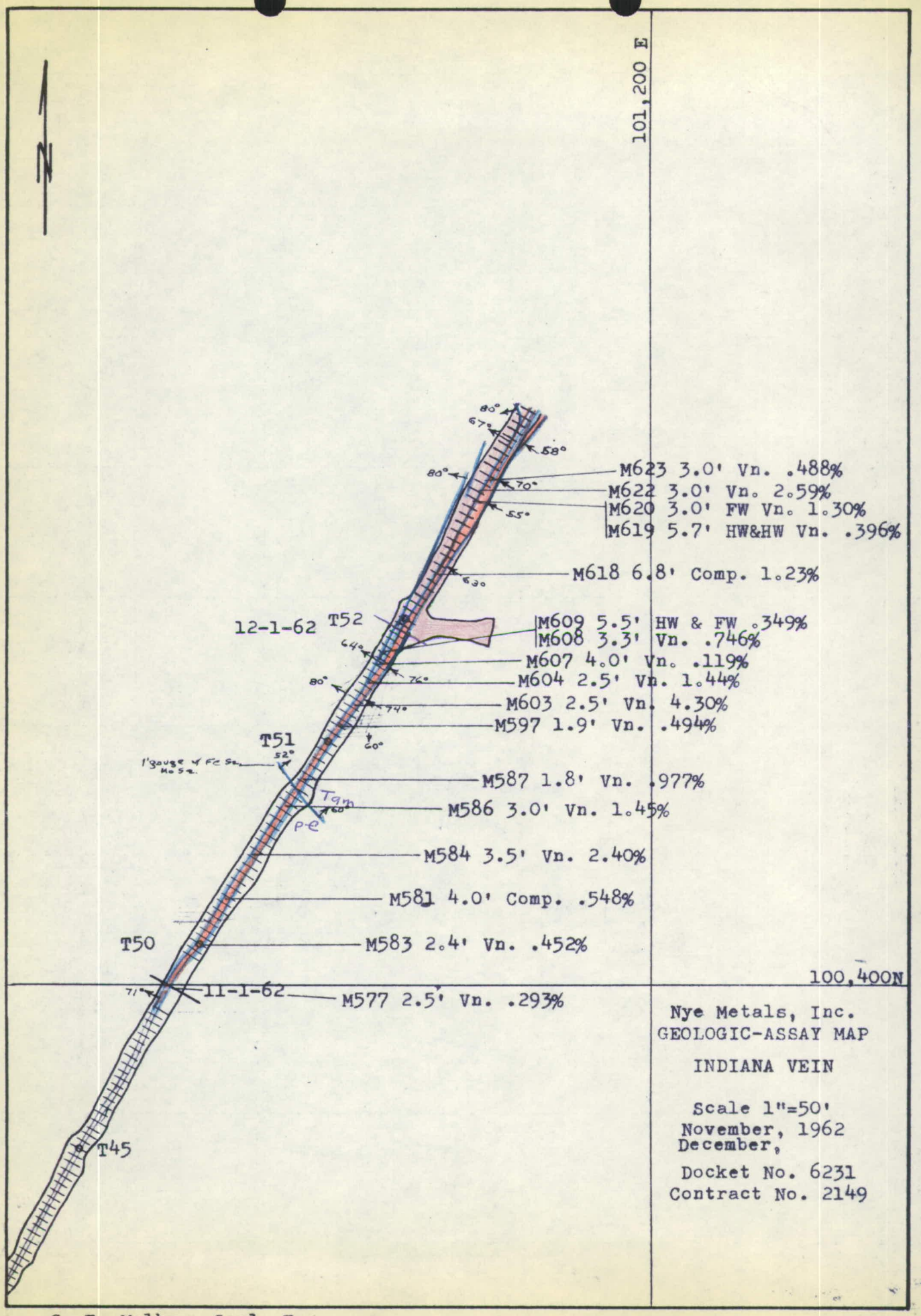
GEOLOGIC-ASSAY MAP

INDIANAPOLIS SOUTH VEIN

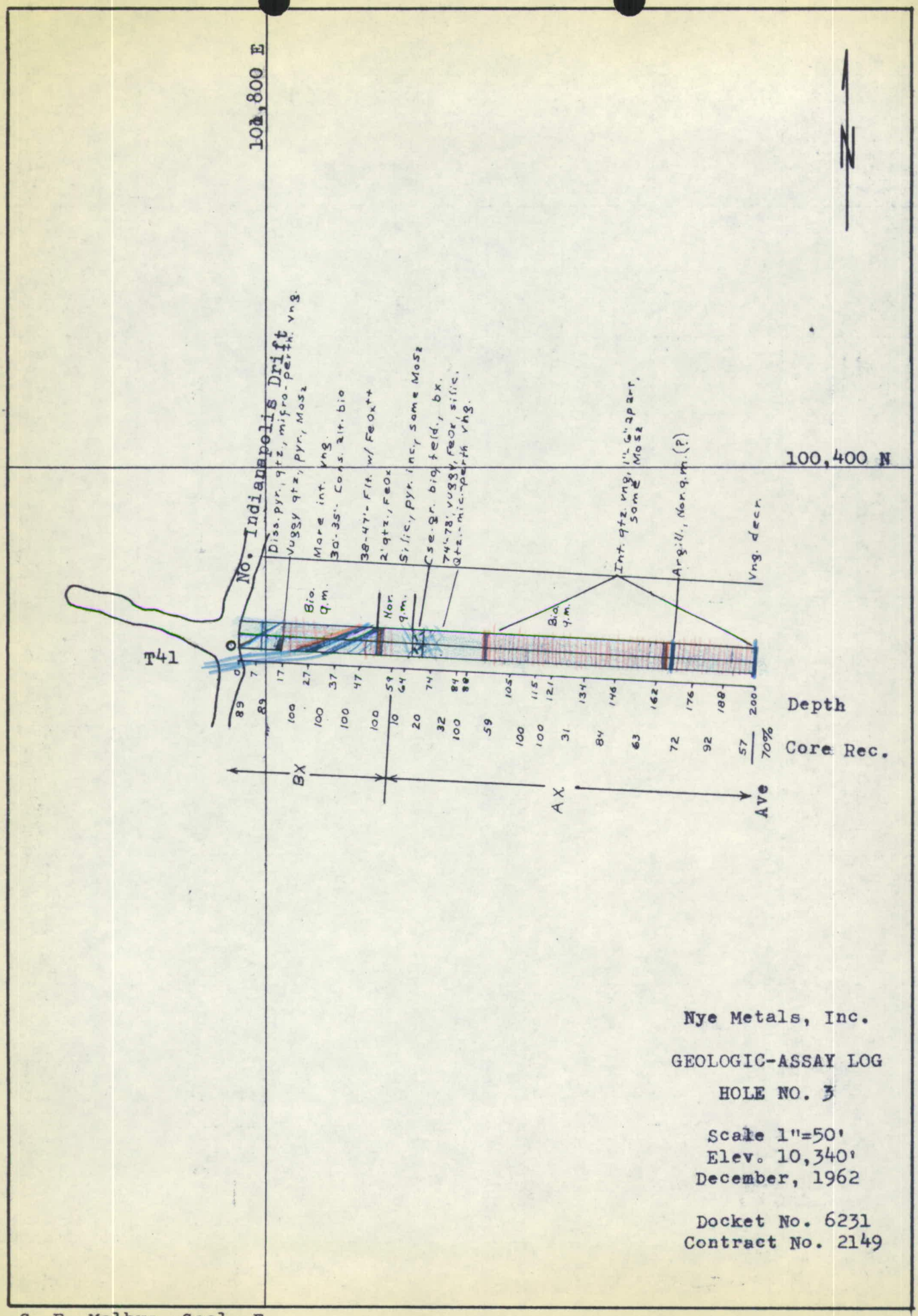
Scale 1"=50'
December, 1962

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



Nye Metals, Inc.

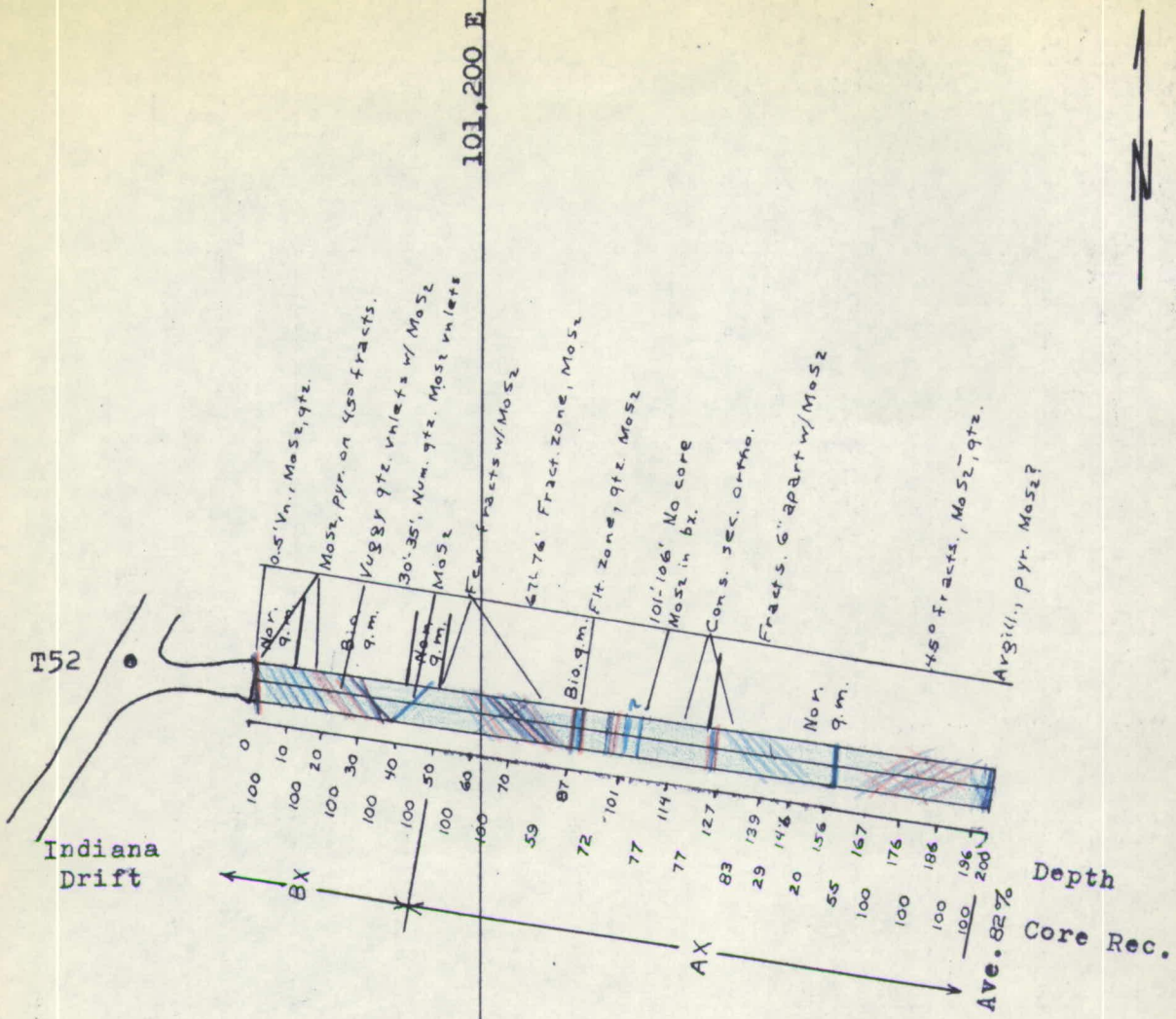
GEOLOGIC-ASSAY LOG

HOLE NO. 3

Scale 1"=50'
Elev. 10,340'
December, 1962

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.



Nye Metals, Inc.

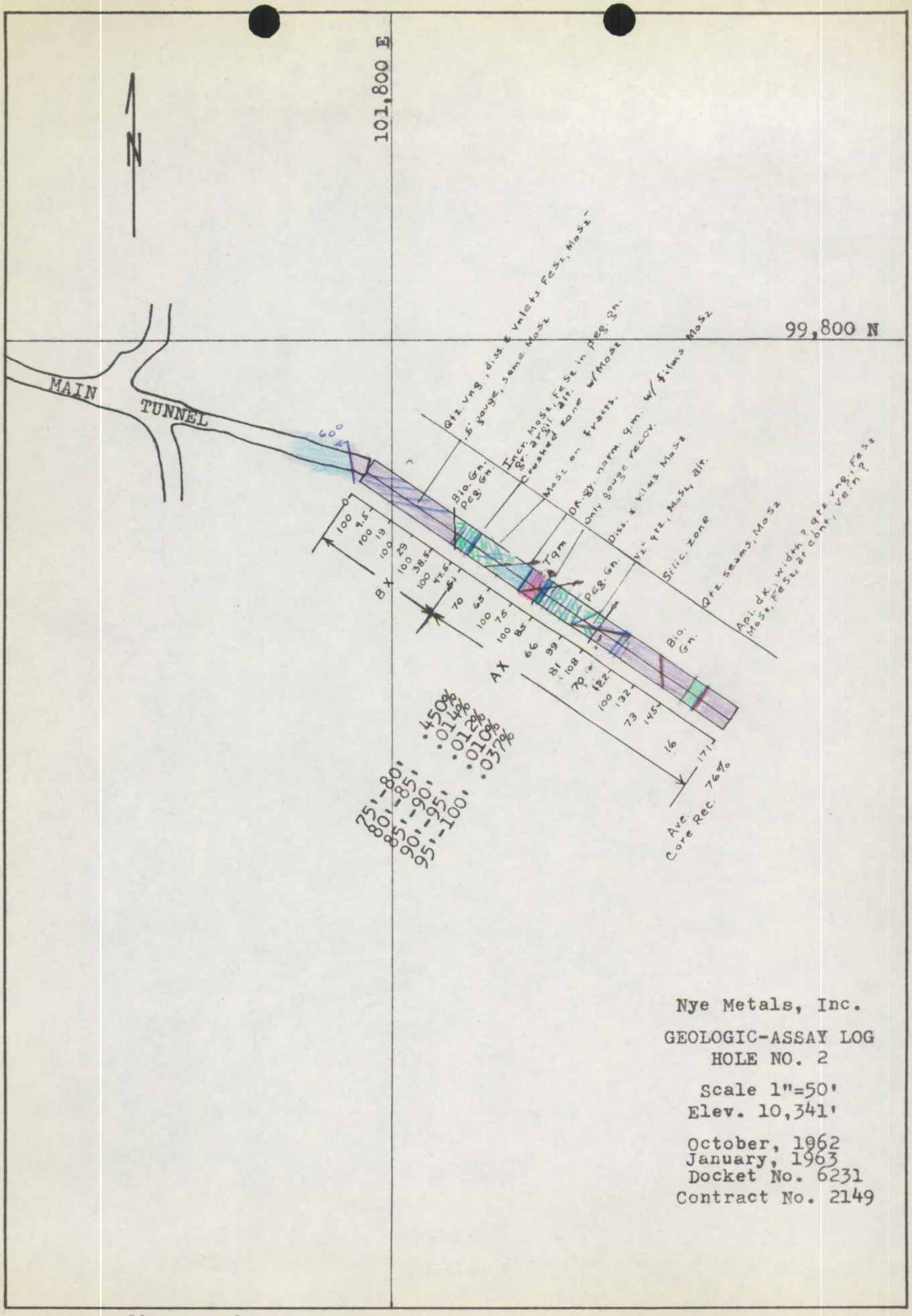
GEOLOGIC-ASSAY LOG

HOLE NO. 4

Scale 1"=50'
Elev. 10,328'
December, 1962

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.



Nye Metals, Inc.

GEOLOGIC-ASSAY LOG
HOLE NO. 2

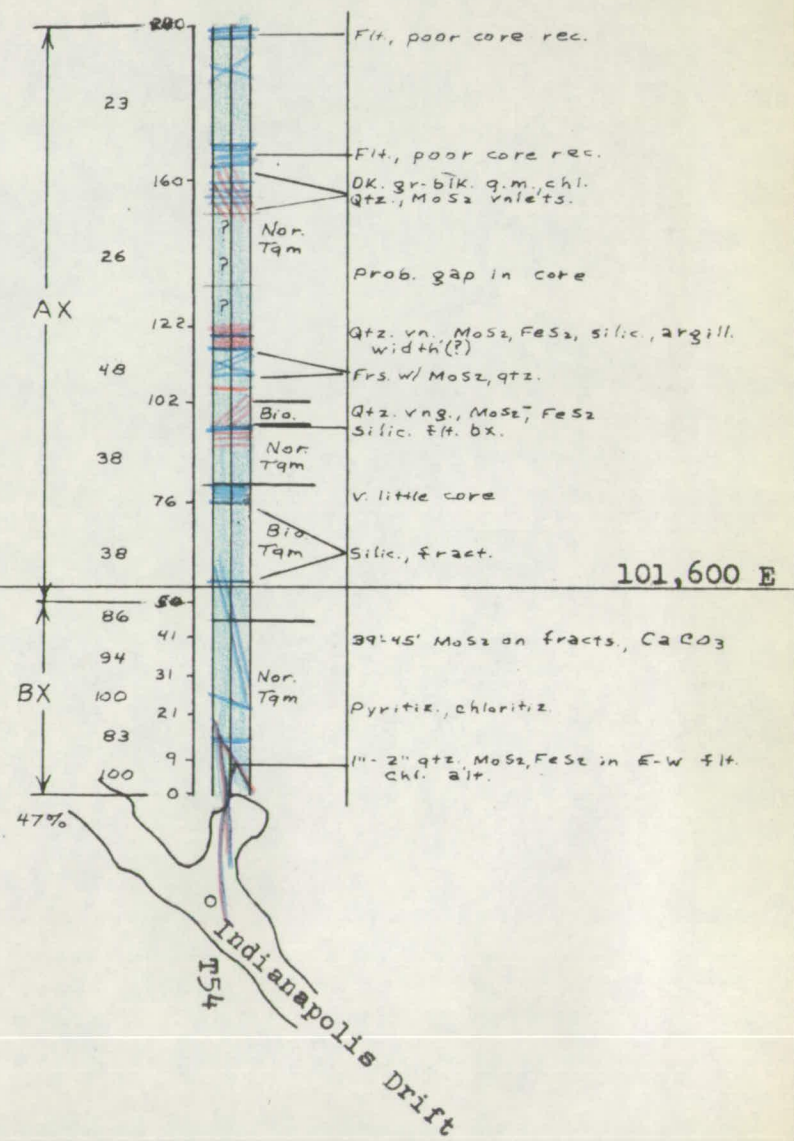
Scale 1"=50'
Elev. 10,341'

October, 1962
January, 1963
Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.

Interval	%MoS_2
Est.155'-160'	.021%
Est.145'-155'	.017%
Est.135'-145'	.012%
122'+	.038%
40'- 45'	.005%
5'- 9'	.092%
0'- 5'	.040%

Ave. Core Rec. 47%



99,200 N

Nye Metals, Inc.

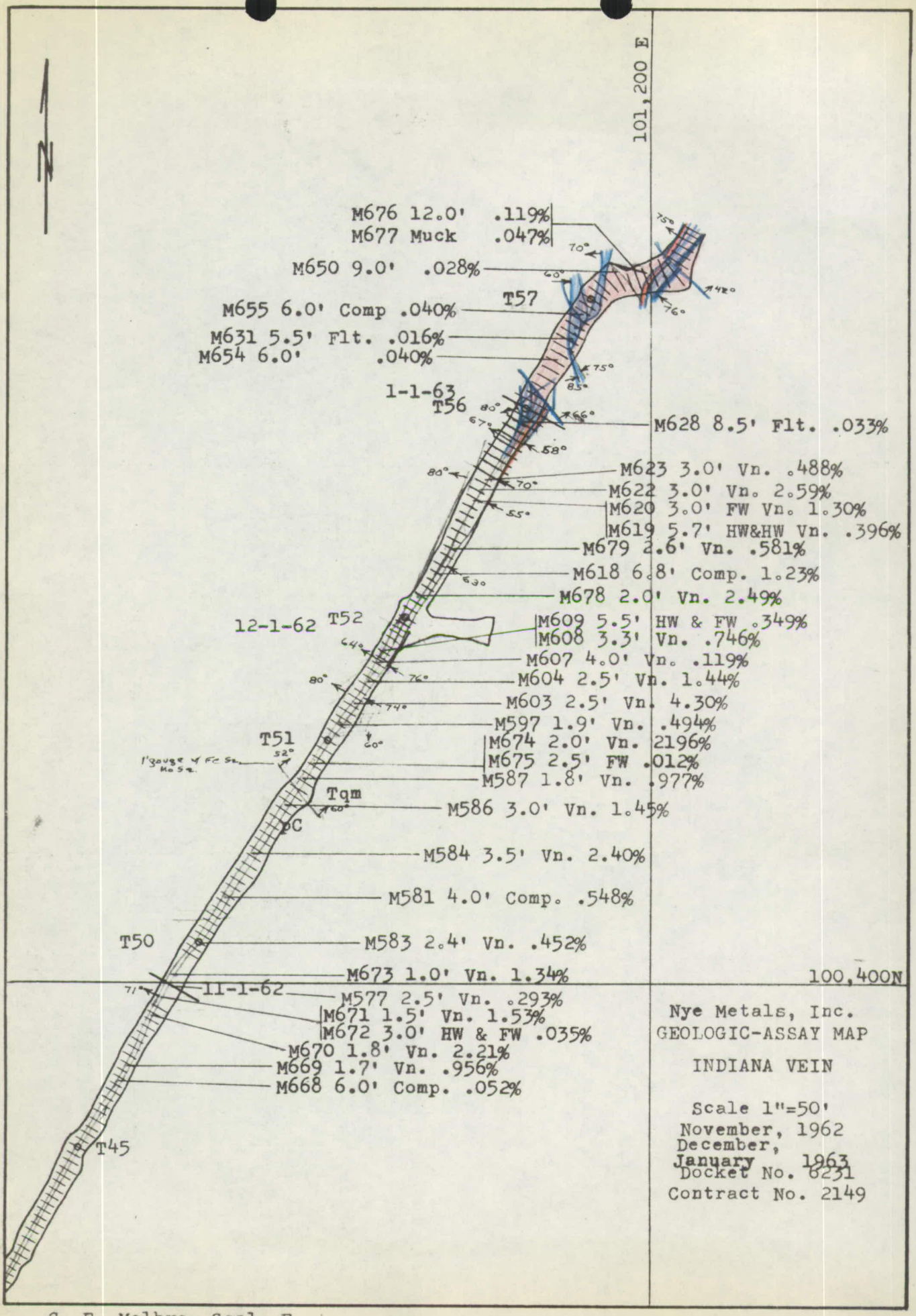
GEOLOGIC-ASSAY LOG

HOLE NO. 5

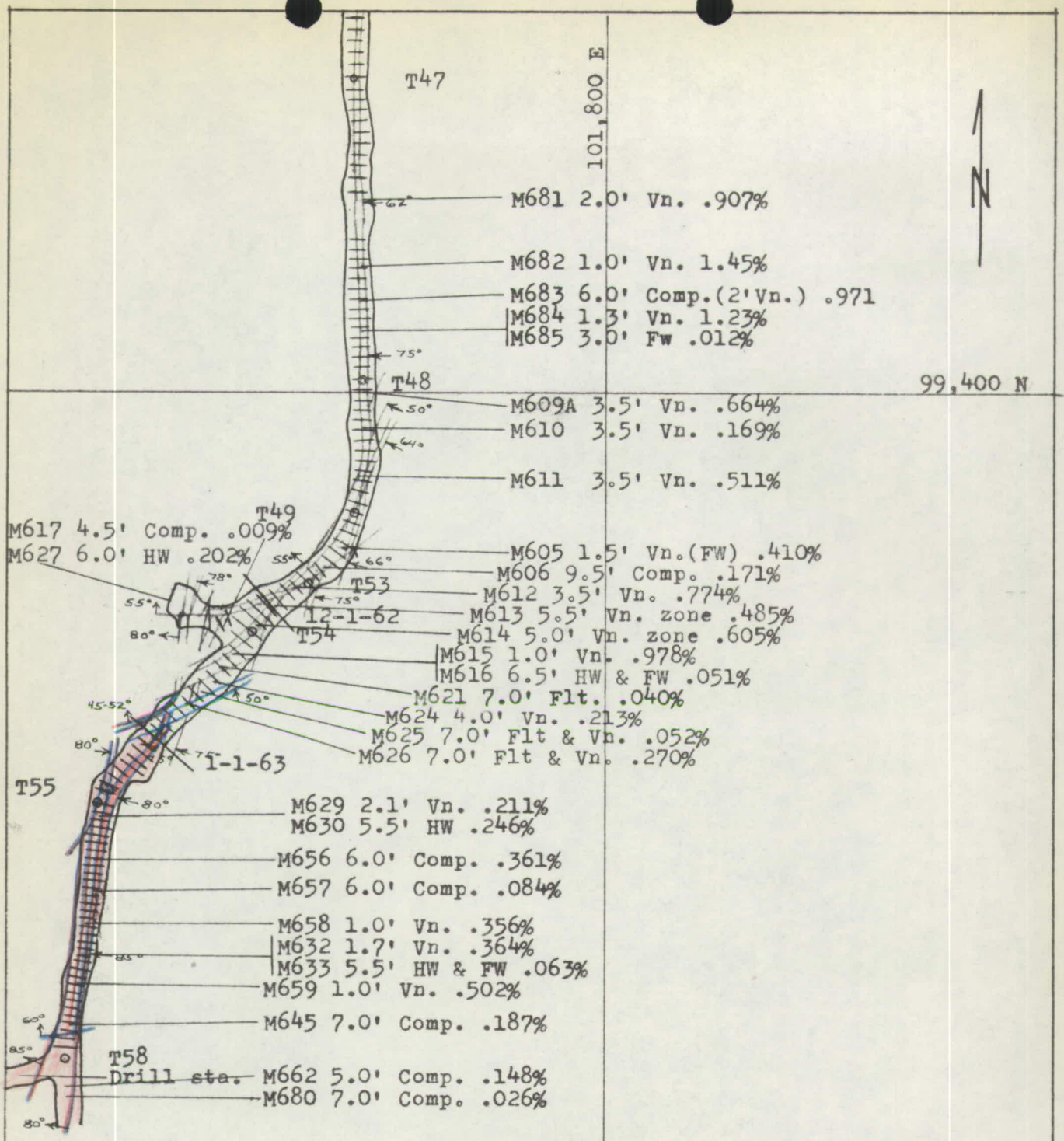
Scale 1"=50'
Elev. 10,337'
January, 1963

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



Nye Metals, Inc.

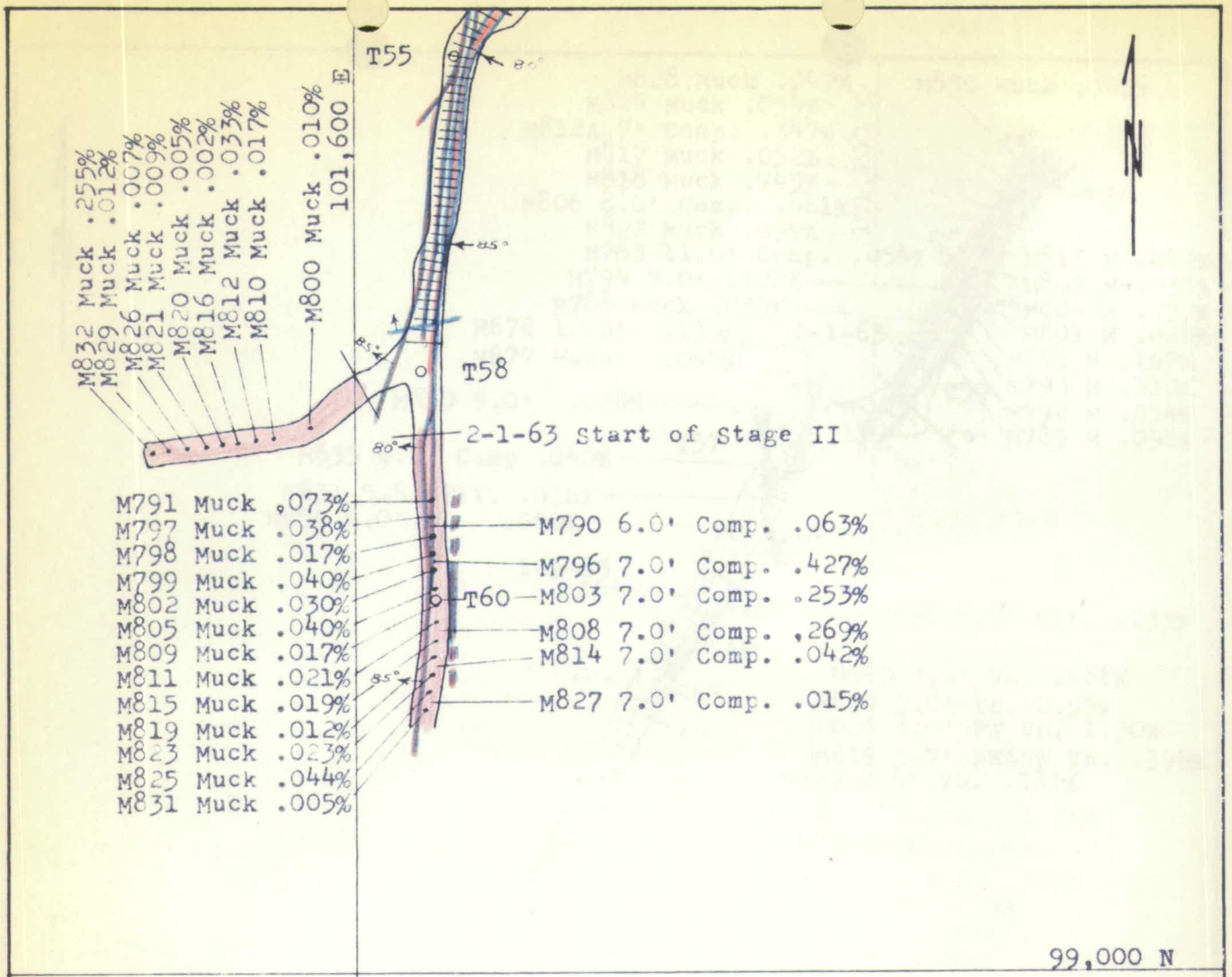
GEOLOGIC-ASSAY MAP

INDIANAPOLIS SOUTH VEIN

Scale 1"=50'
December, 1962
January , 1963

Docket No. 6231
Contract No. 2149

C. E. Melbye, Geol. E.



Nye Metals, Inc.

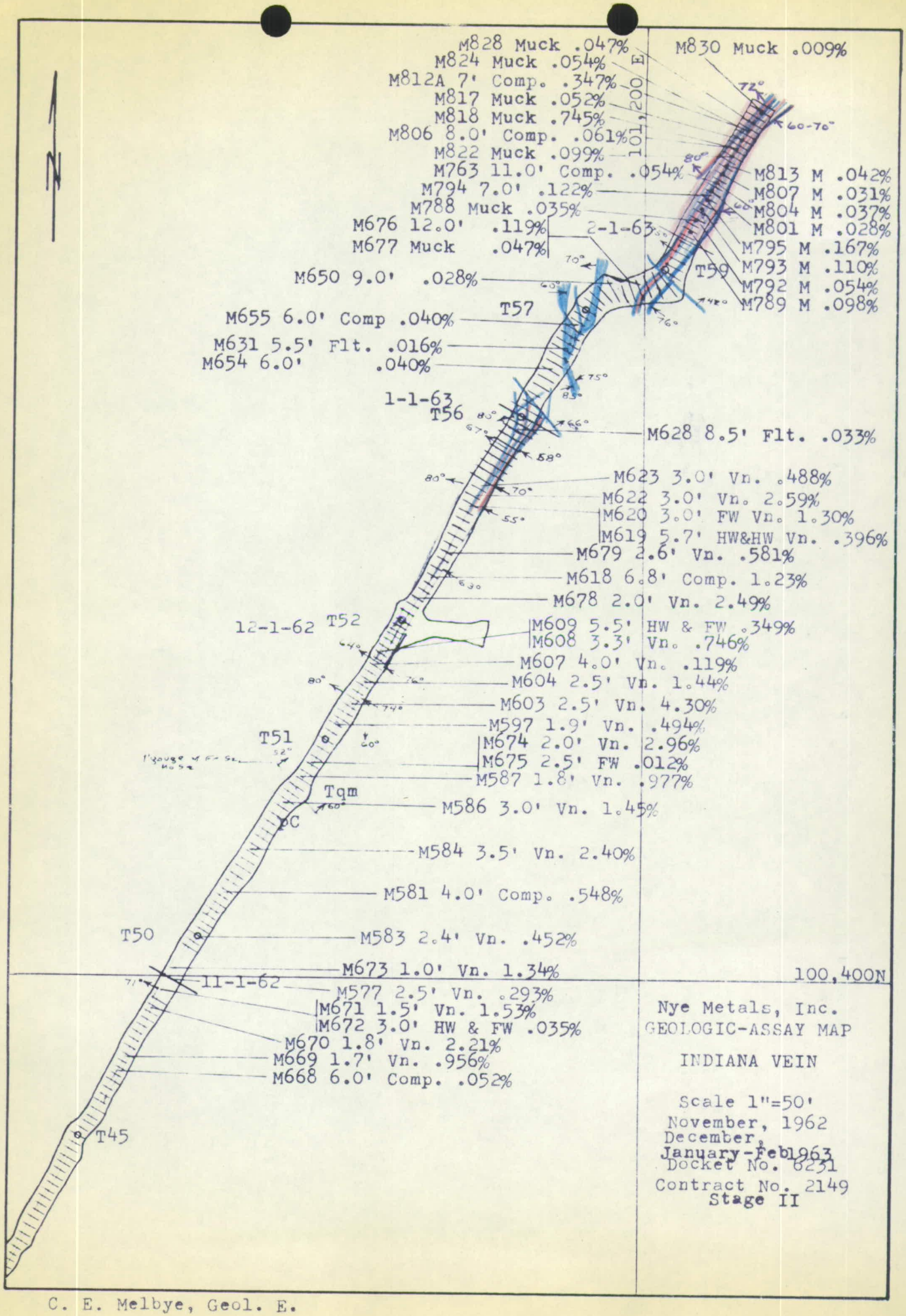
GEOLOGIC-ASSAY MAP

INDIANAPOLIS VEIN

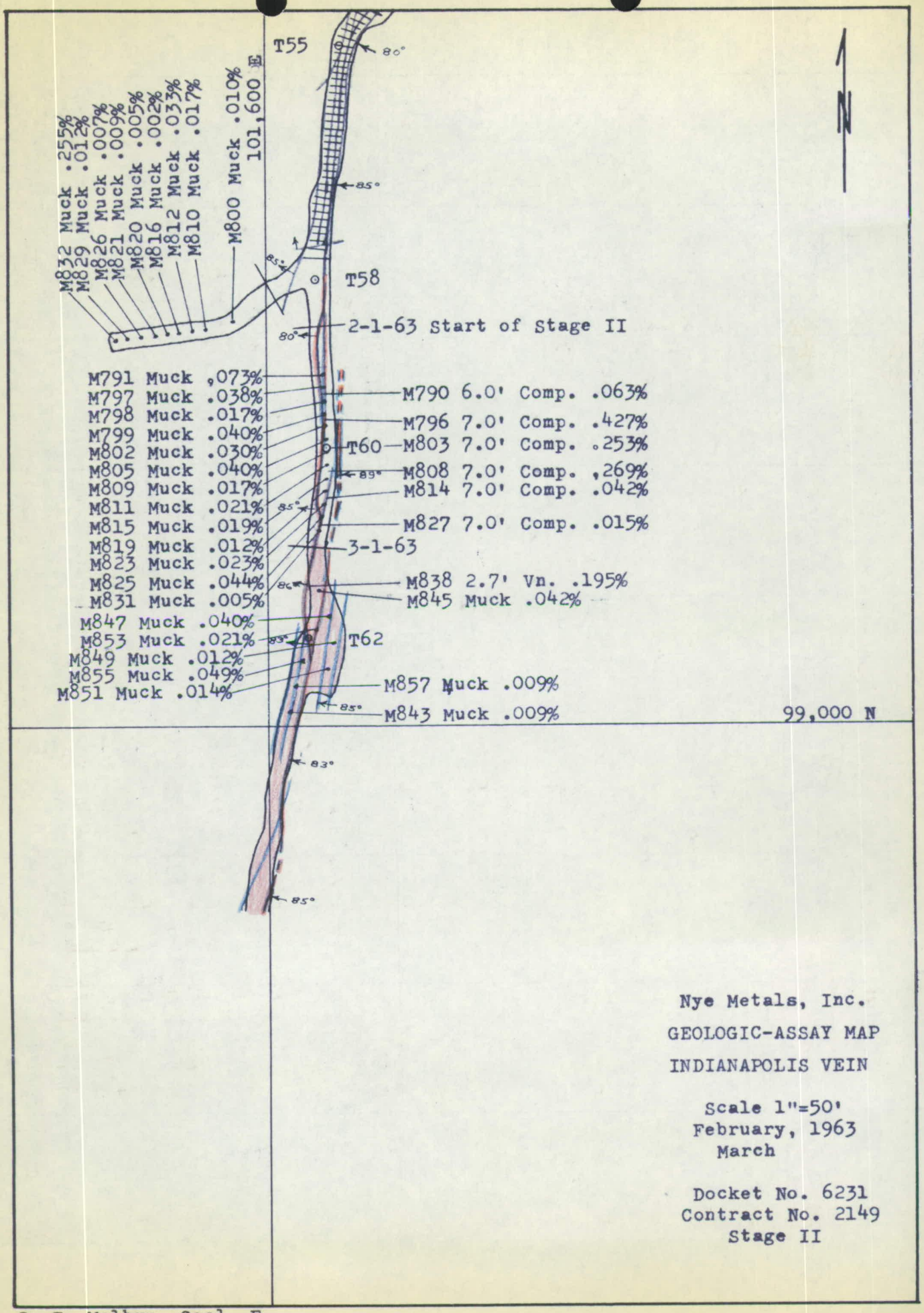
Scale 1"=50'
February, 1963

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



Nye Metals, Inc.

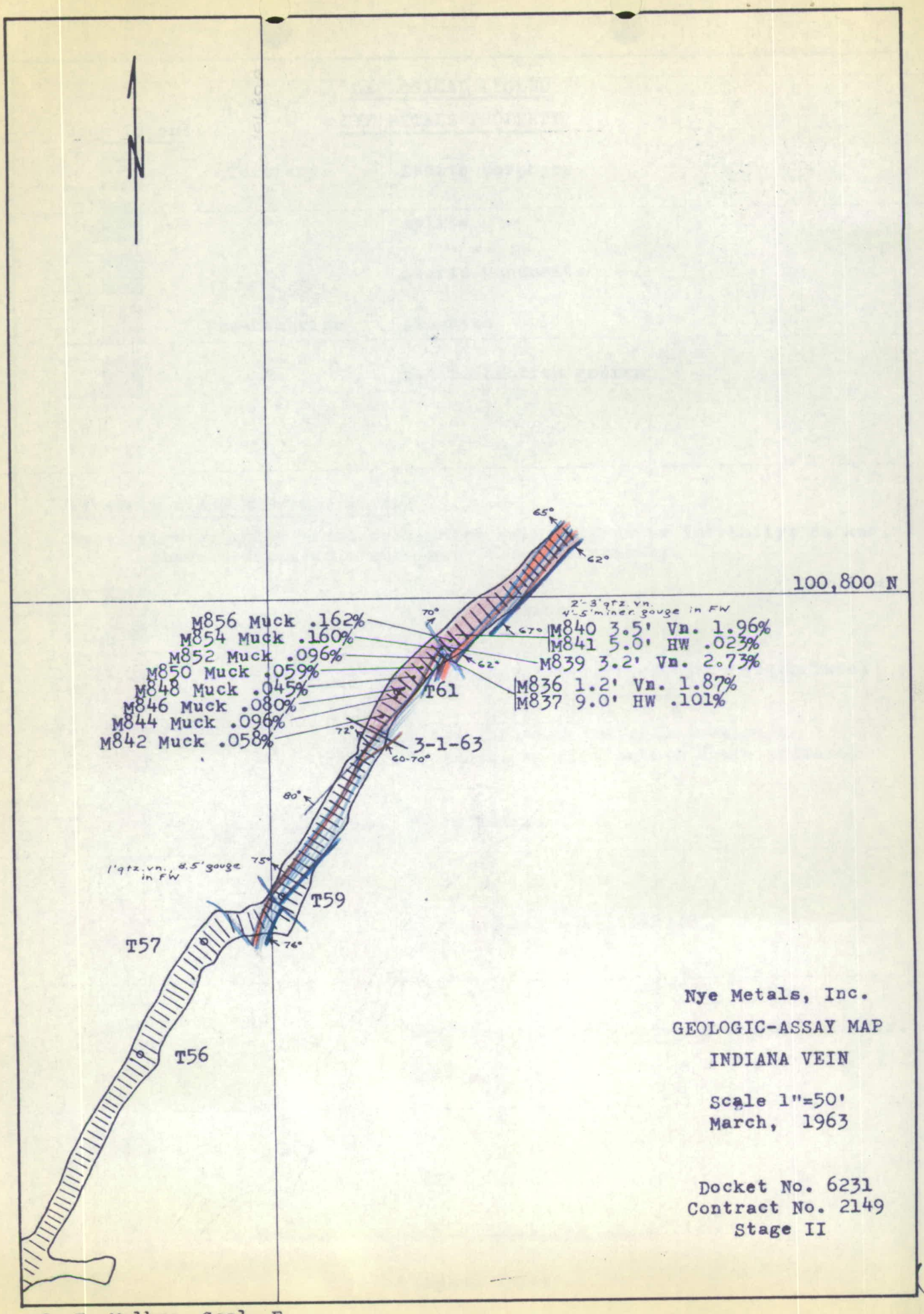
GEOLOGIC-ASSAY MAP

INDIANAPOLIS VEIN

Scale 1"=50'
February, 1963
March

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.

GEOLOGICAL LEGEND

NYE METALS PROPERTY

Rock Types:

	Tertiary	Dacite porphyry
	"	Aplite
	"	Quartz Monzonite
	Pre-Cambrian	Alaskite
	"	Quartz-biotite gneiss

Alteration and Mineralization:

Note: Lighter color shade designates weak alteration intensity; darker shade designates moderate to strong intensity.

		Chloritization
		K-feldspathization(Secondary orthoclase)
		Silicification and quartz veining (Includes sericitization where present)
	(Stippling superimposed on alt. color)	Pyritization
	Drill log	Molybdenum mineralization

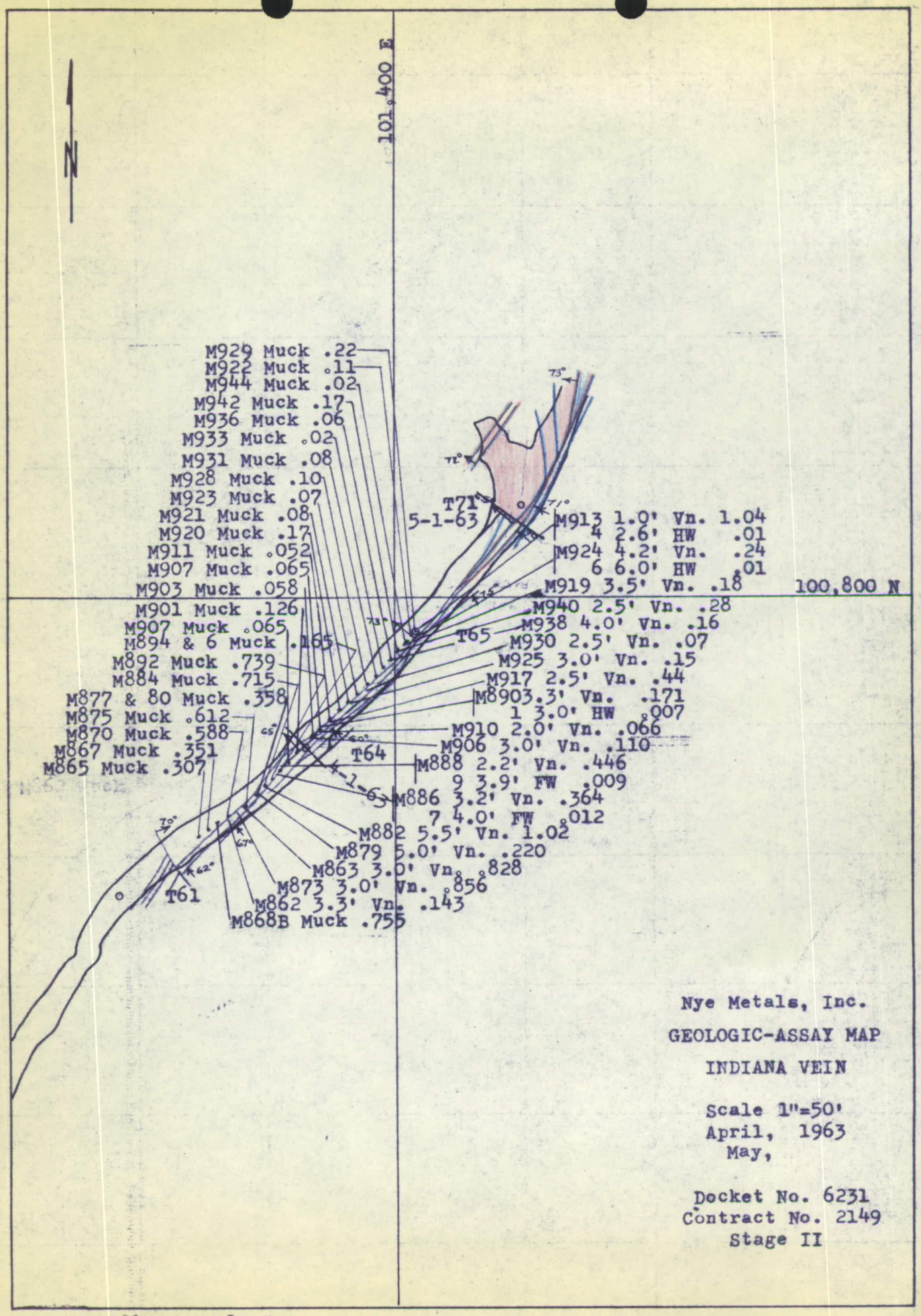
Structure:

75°	Faults- dashed where projected or inferred.
85°	Joints

Culture:

	Dump
	Cut or prospect pit
	Lagged drift

C. E. Melbye, Geol. E.



Nye Metals, Inc.

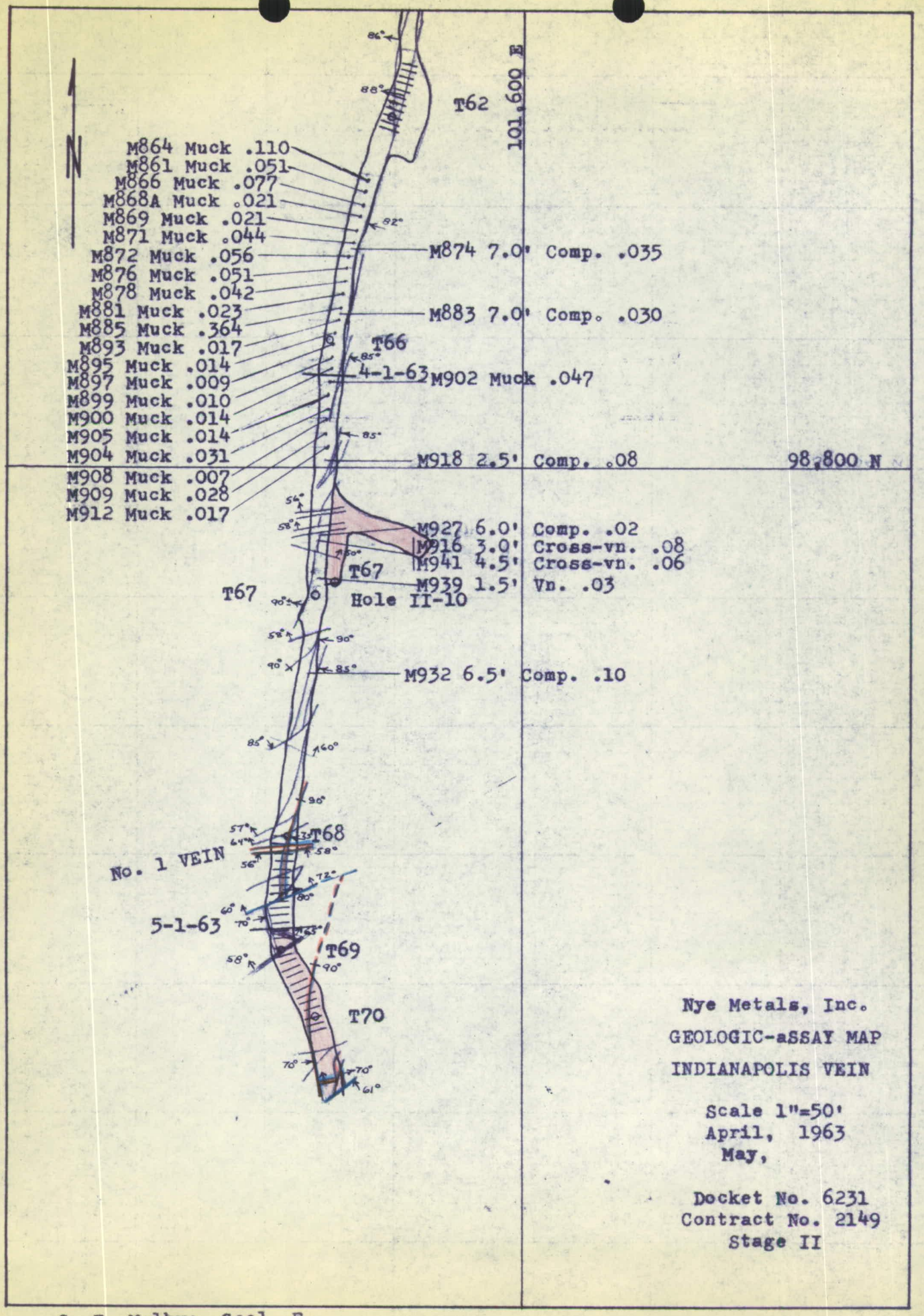
GEOLOGIC-ASSAY MAP

INDIANA VEIN

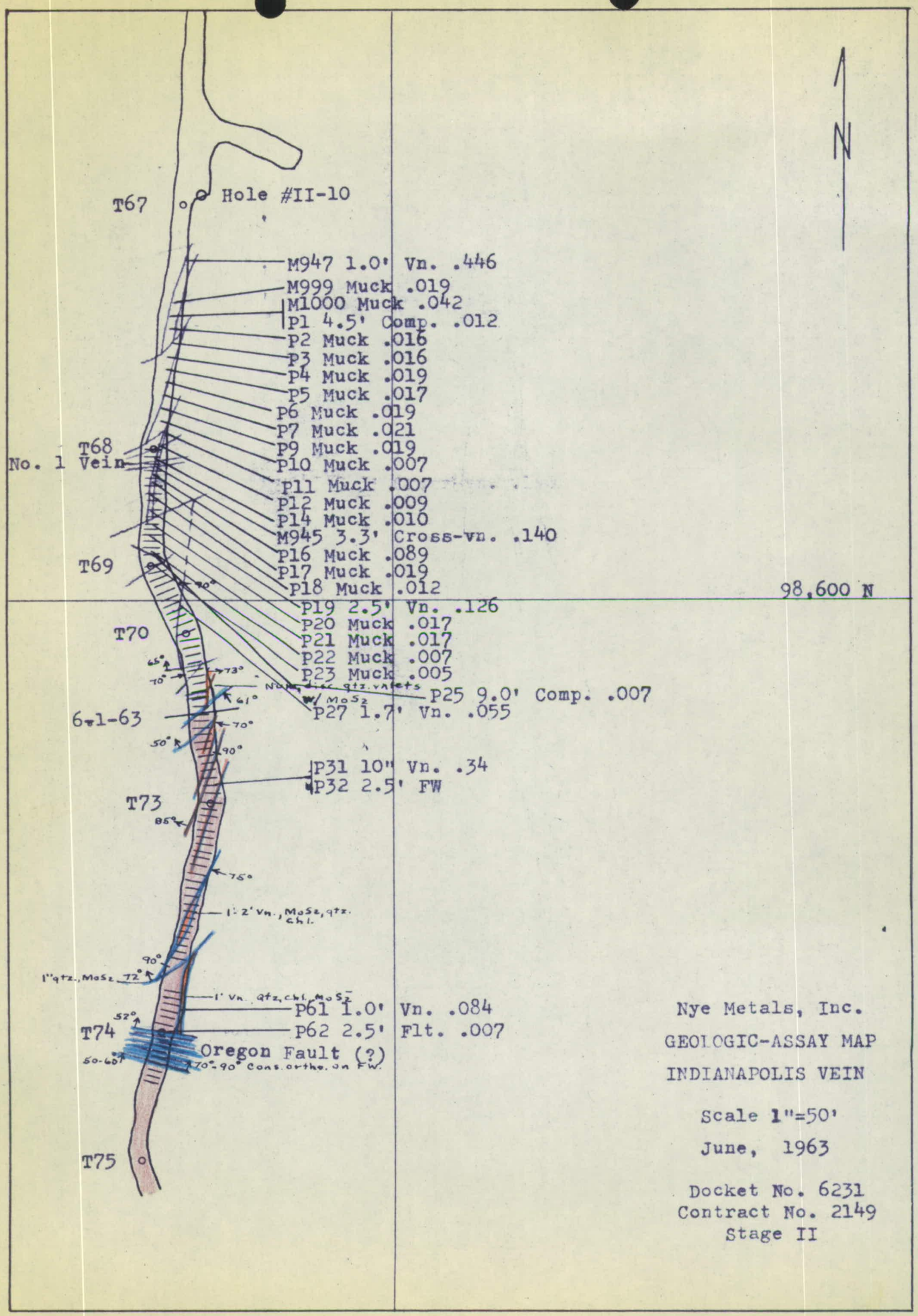
Scale 1"=50'
April, 1963
May,

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol. E.



C. E. Melbye, Geol. E.



Nye Metals, Inc.

GEOLOGIC-ASSAY MAP

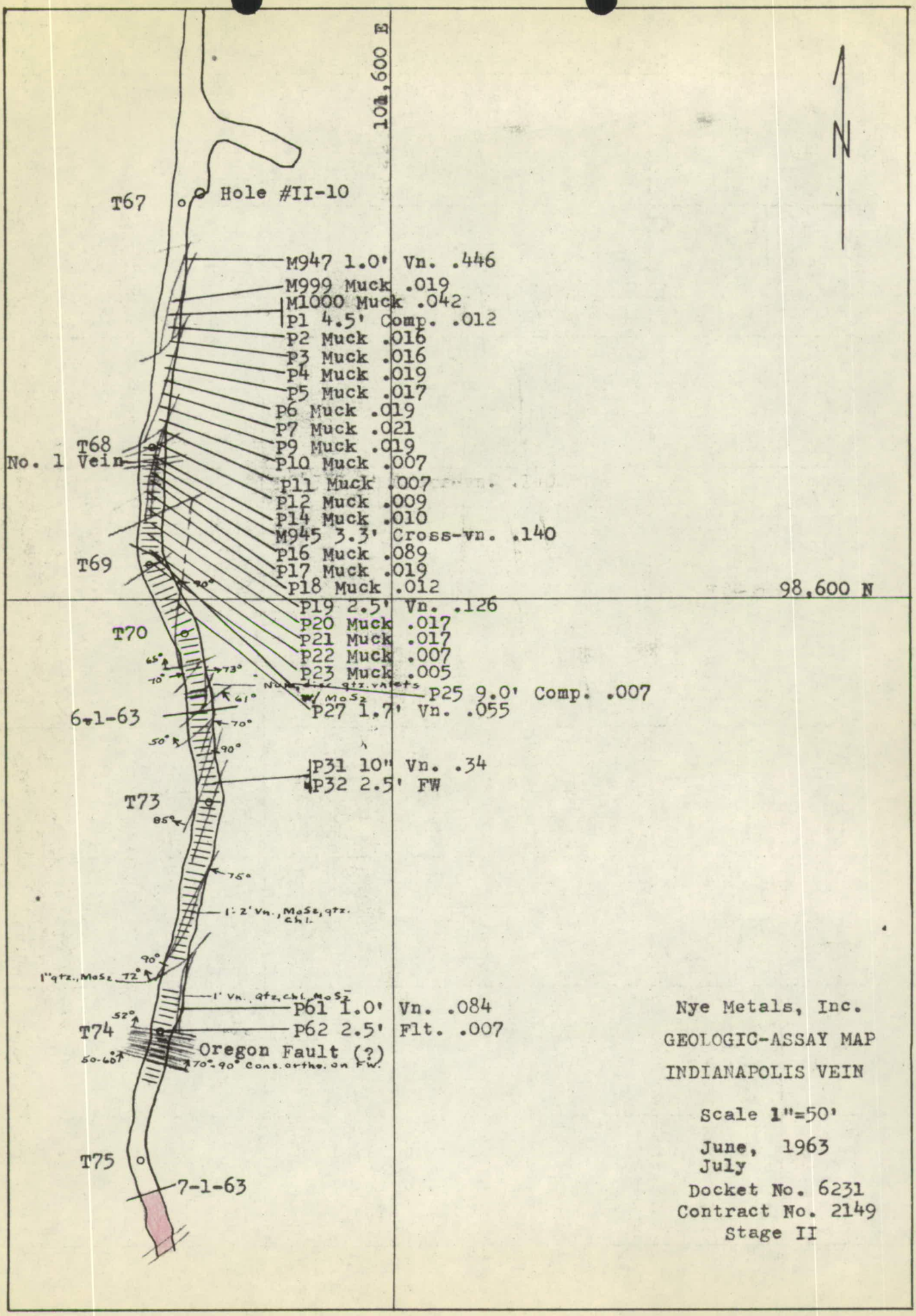
INDIANAPOLIS VEIN

Scale 1"=50'

June, 1963

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol.E.



Nye Metals, Inc.

GEOLOGIC-ASSAY MAP

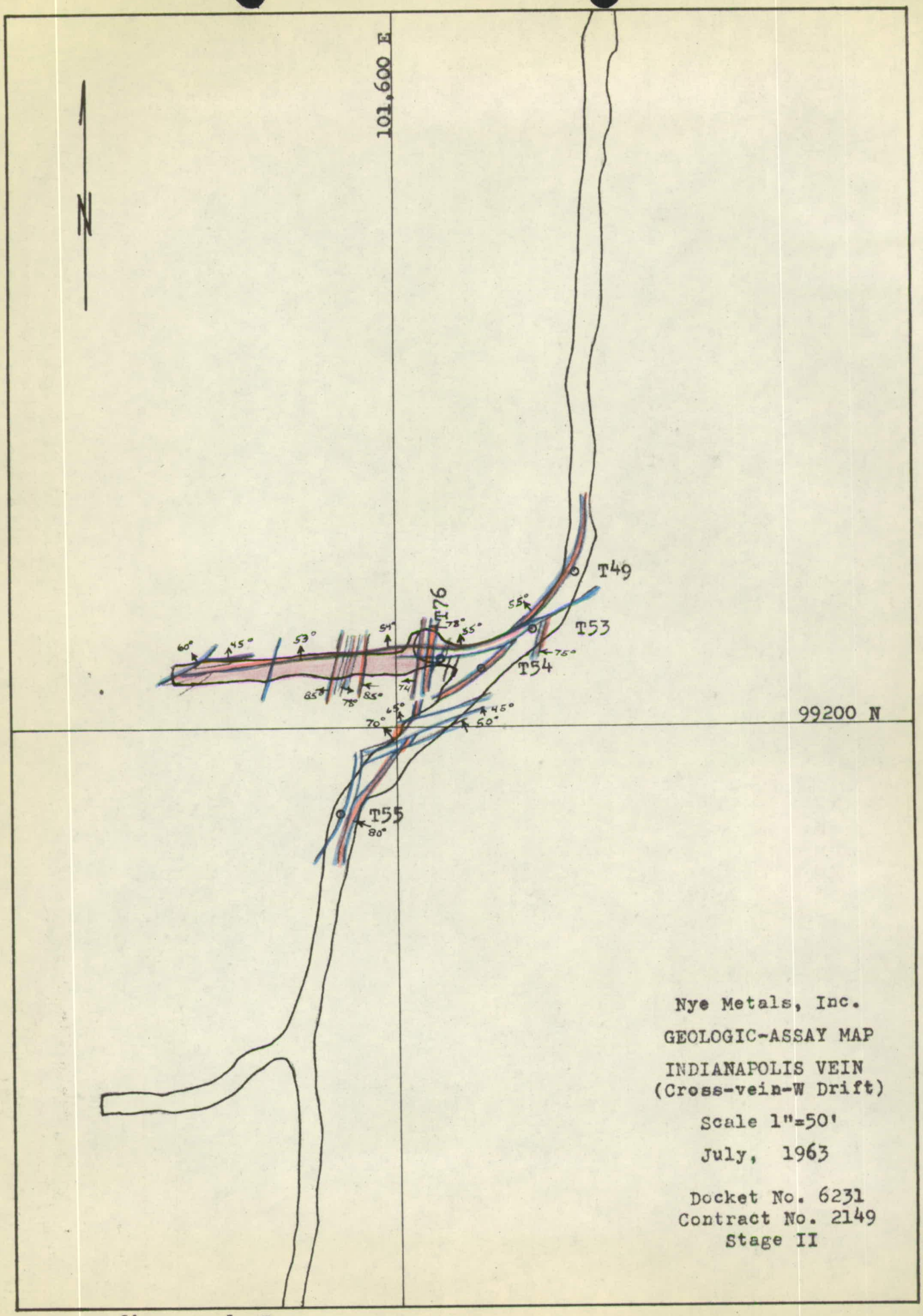
INDIANAPOLIS VEIN

Scale 1"=50'

June, 1963
July

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol.E.



Nye Metals, Inc.

GEOLOGIC-ASSAY MAP

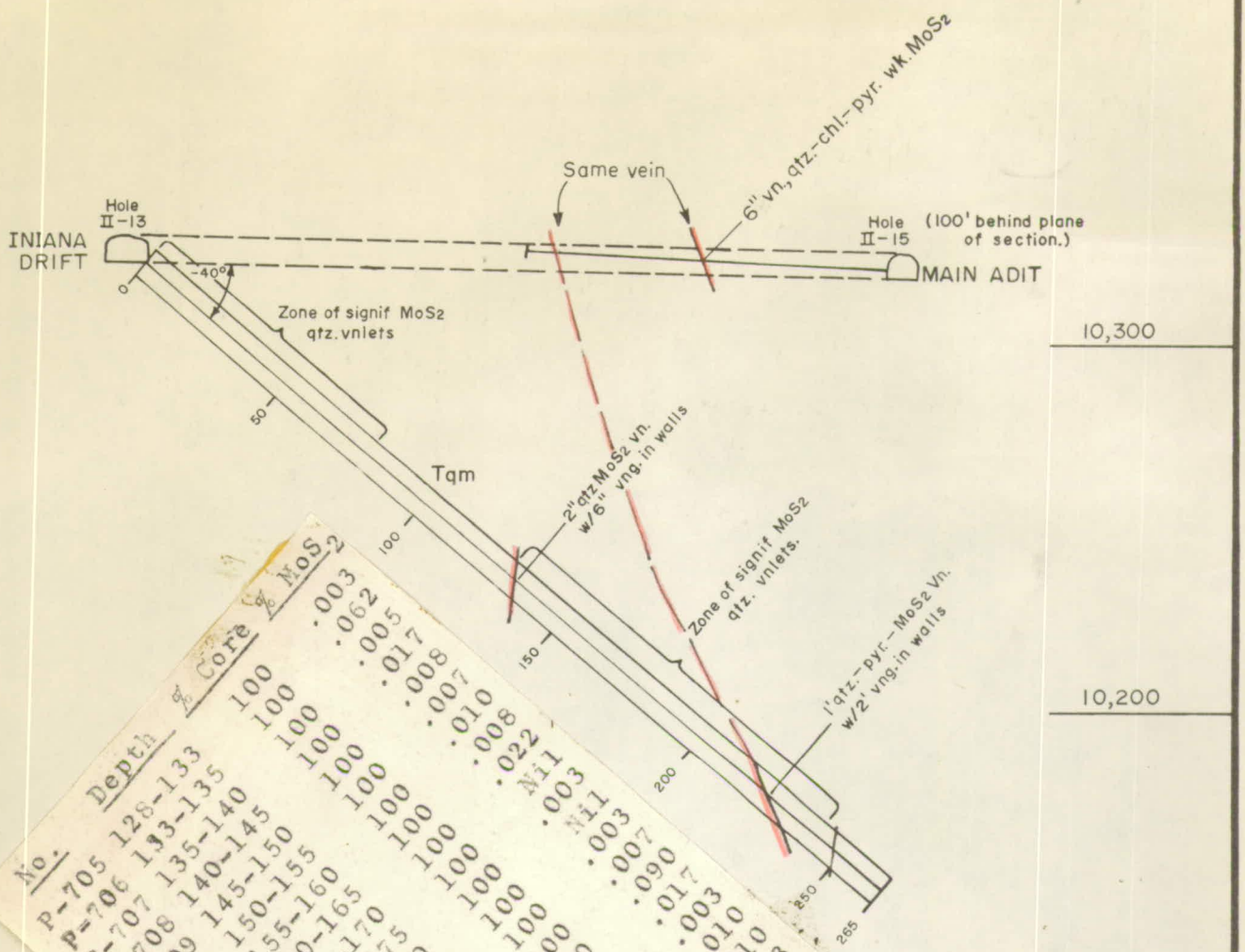
INDIANAPOLIS VEIN
(Cross-vein-W Drift)

Scale 1"=50'

July, 1963

Docket No. 6231
Contract No. 2149
Stage II

C. E. Melbye, Geol. E.



No.	Depth	% Core	% MoS_2
P-705	128-133	100	.003
P-706	133-135	100	.062
P-707	135-140	100	.005
P-708	140-145	100	.017
P-709	145-150	100	.008
P-710	150-155	100	.007
P-711	155-160	100	.010
P-712	160-165	100	.008
P-713	165-170	100	.022
P-714	170-175	100	Nil
P-715	175-180	100	.003
P-716	180-185	100	Nil
P-717	185-190	100	.003
P-718	190-195	100	.007
P-719	195-200	100	.090
P-720	200-205	100	.017
P-721	205-210	100	.003
P-722	210-215	100	.010
P-723	215-220	100	.010
P-724	220-223	100	.013
P-725	223-226	100	.070
P-726	226-230	91	Nil
P-727	230-235	91	Nil
P-728	235-240	91	.015

NYE METALS INC.

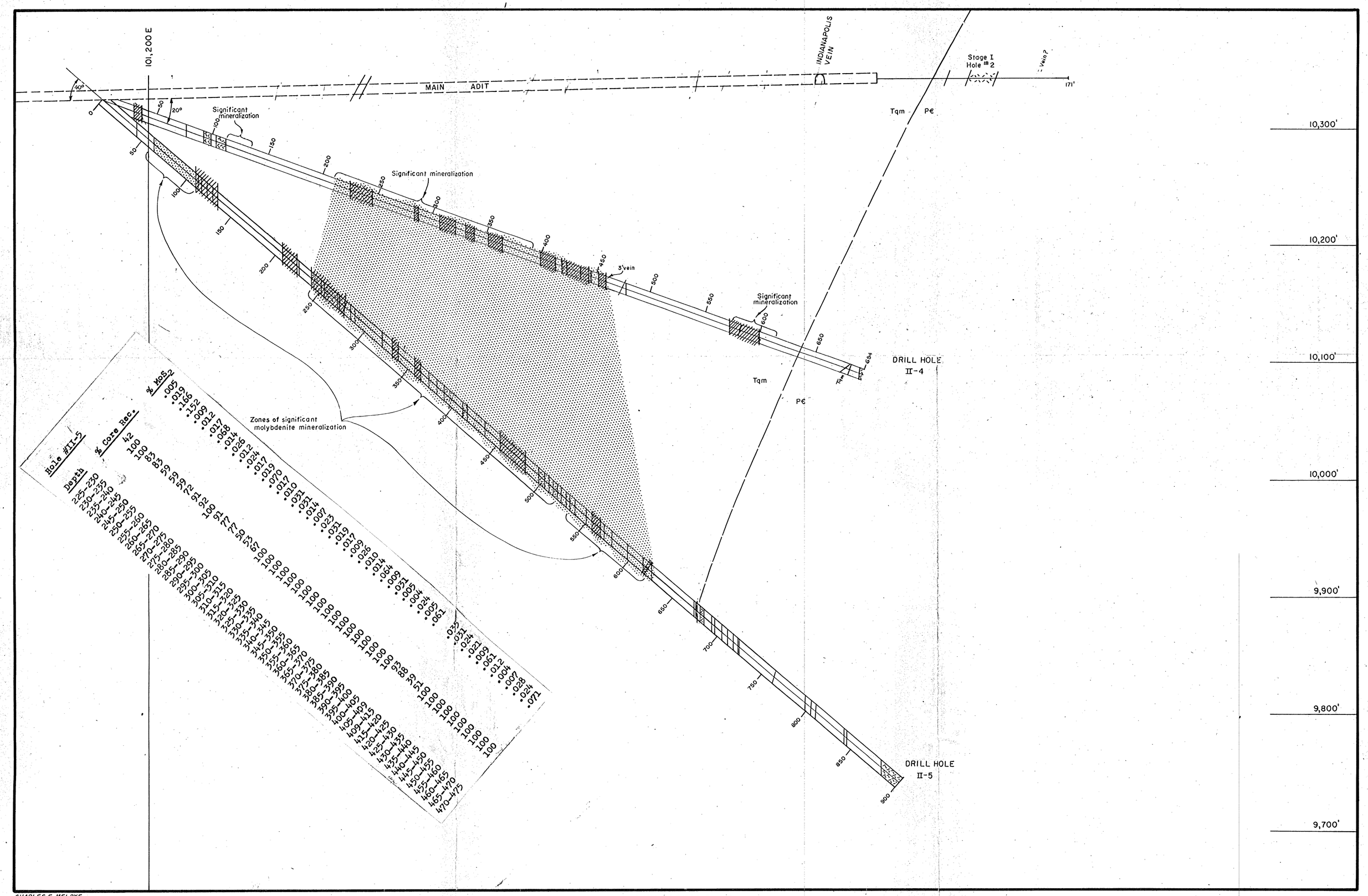
GEOLOGIC ASSAY LOG

HOLES II-13 & II-15

Section looking N 75°E

Scale: 1"=50' August, 1964

Docket No. 6231
Contract No. 2149



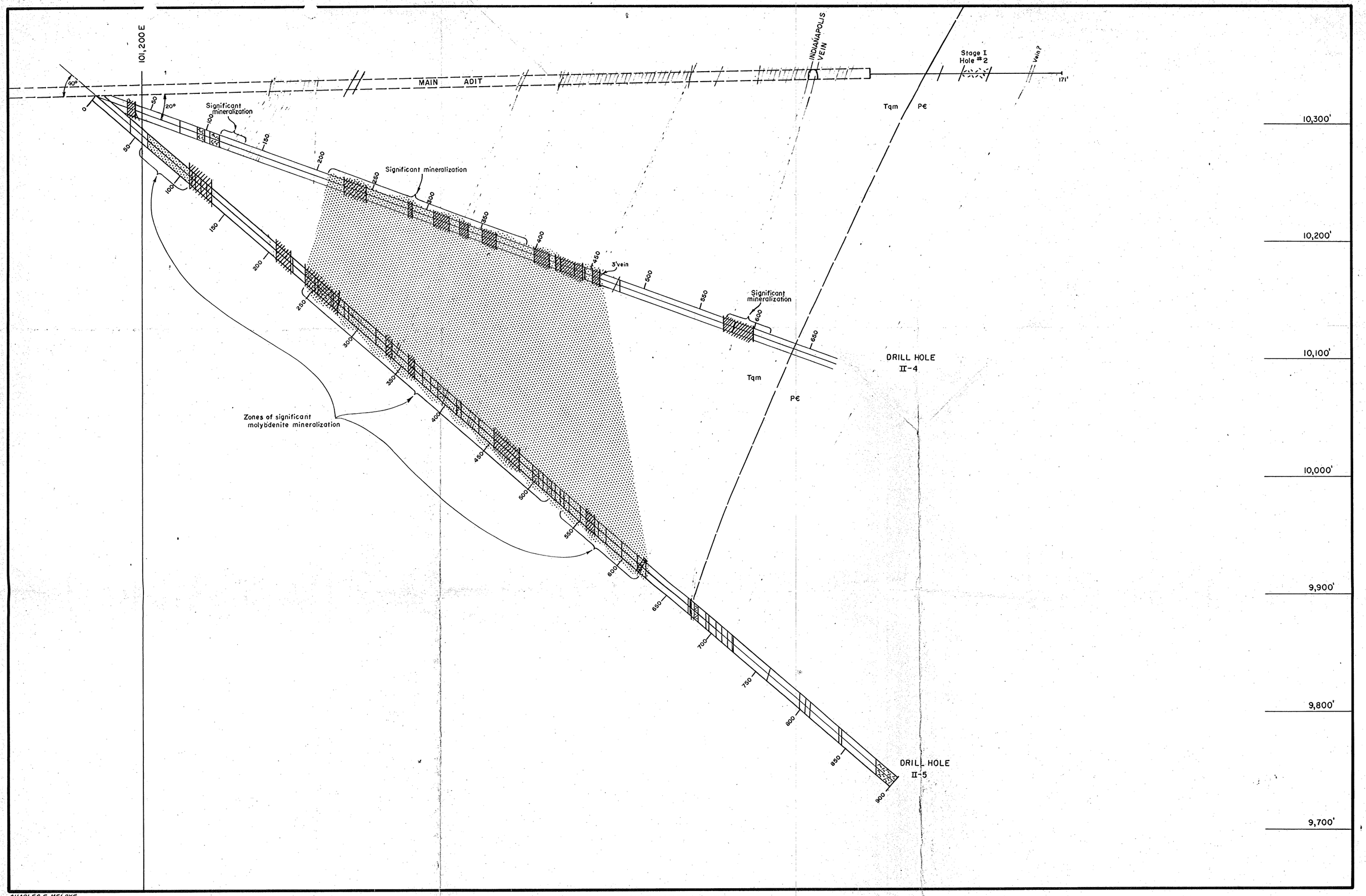
CHARLES E. MELBYE
Geological Engineer

NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION
DRILL HOLE II-4
AND
DRILL HOLE II-5

Scale 1"=50' Elev. 10,325'
Section Looking North
March 1963

Docket No. 6231
Contract No. 2149



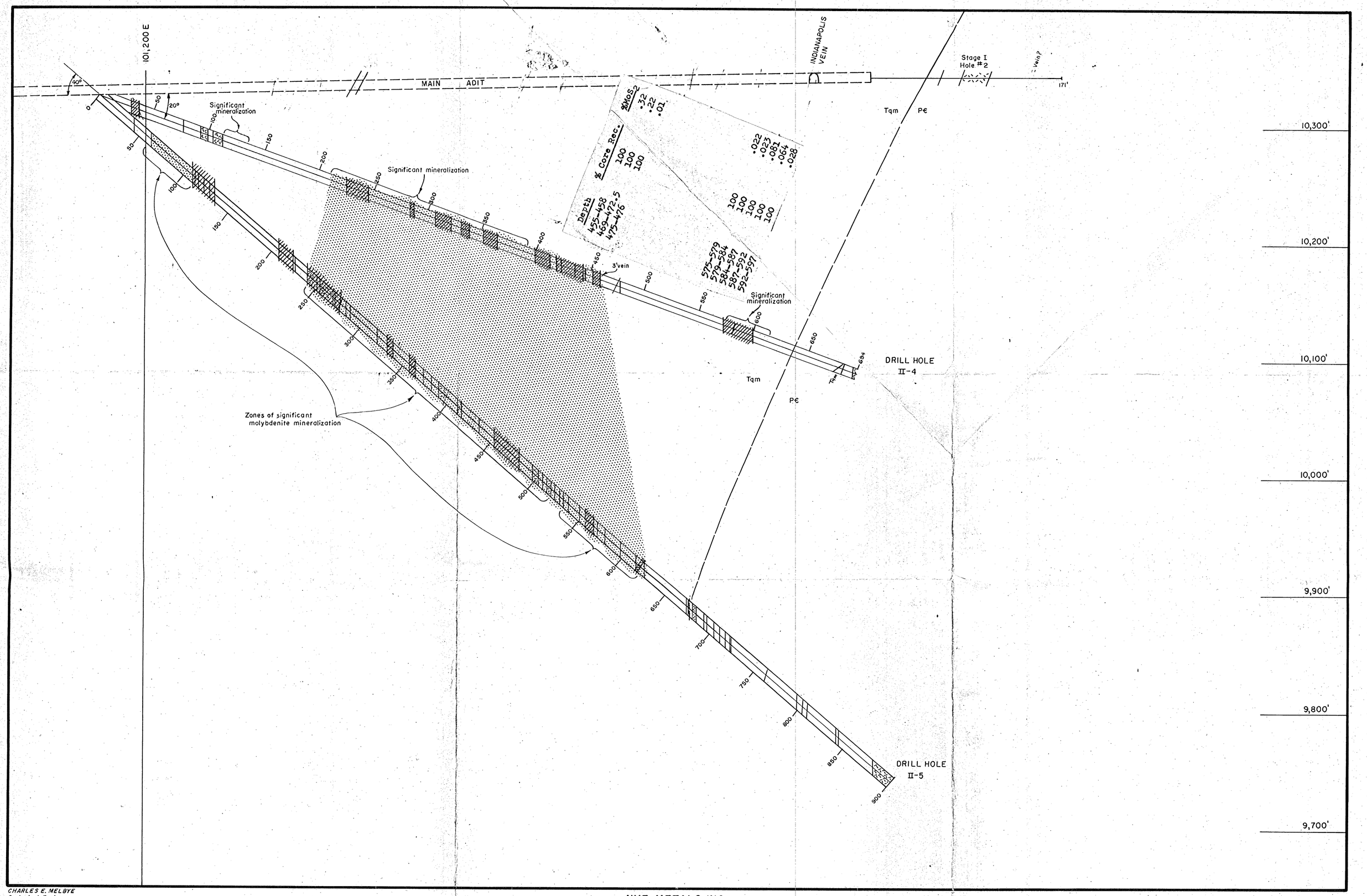
CHARLES E. NELBYE
Geological Engineer

NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION
DRILL HOLE II-4
AND
DRILL HOLE II-5

Scale 1"=50' Elev. 10,325'
Section Looking North
March 1963

Docket No. 6231
Contract No. 2149



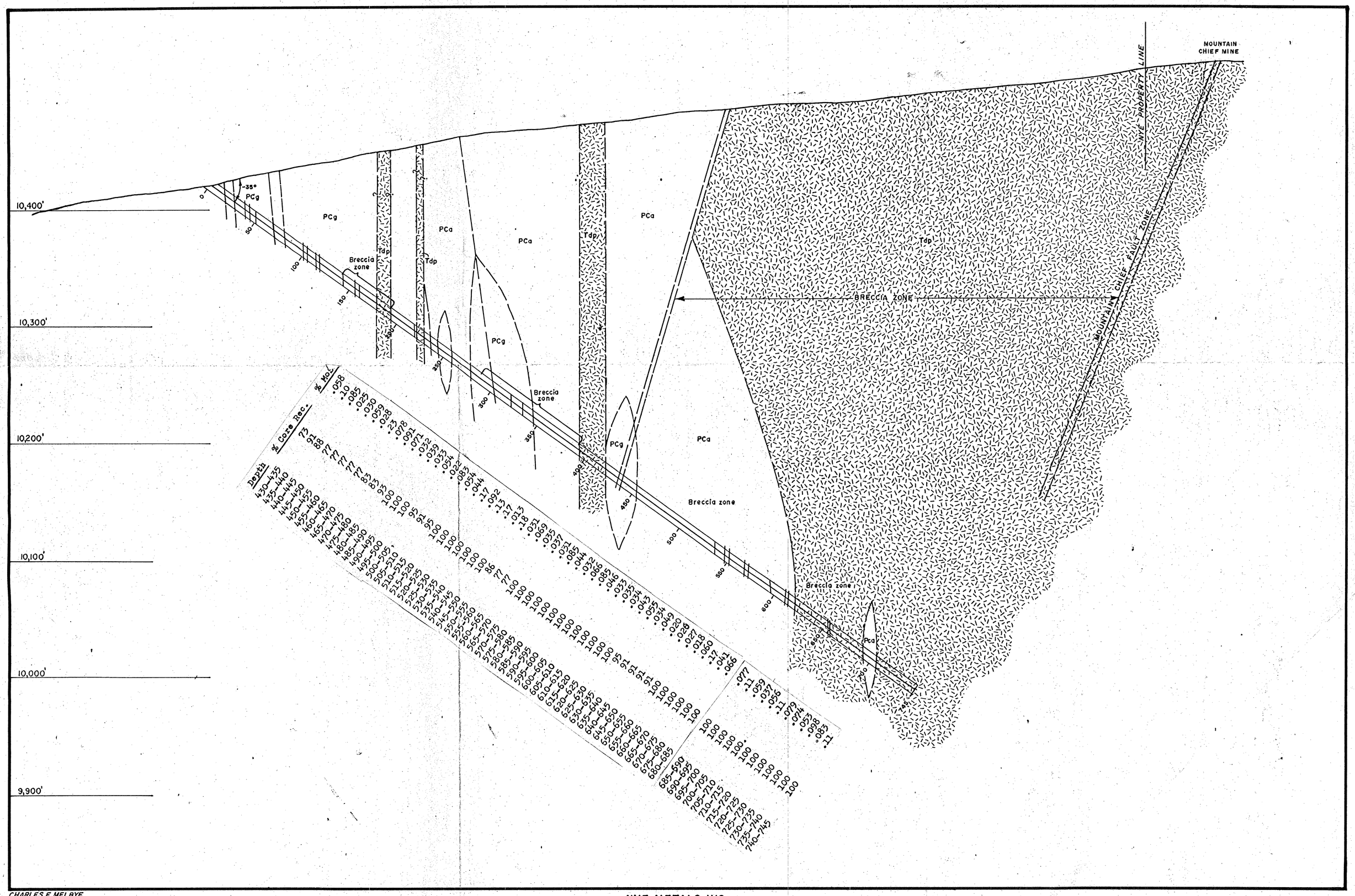
CHARLES E. MELBYE
Geological Engineer

NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION
DRILL HOLE II-4
AND
DRILL. HOLE II-5

Scale 1"=50' Elev. 10,325'
Section Looking North
March 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

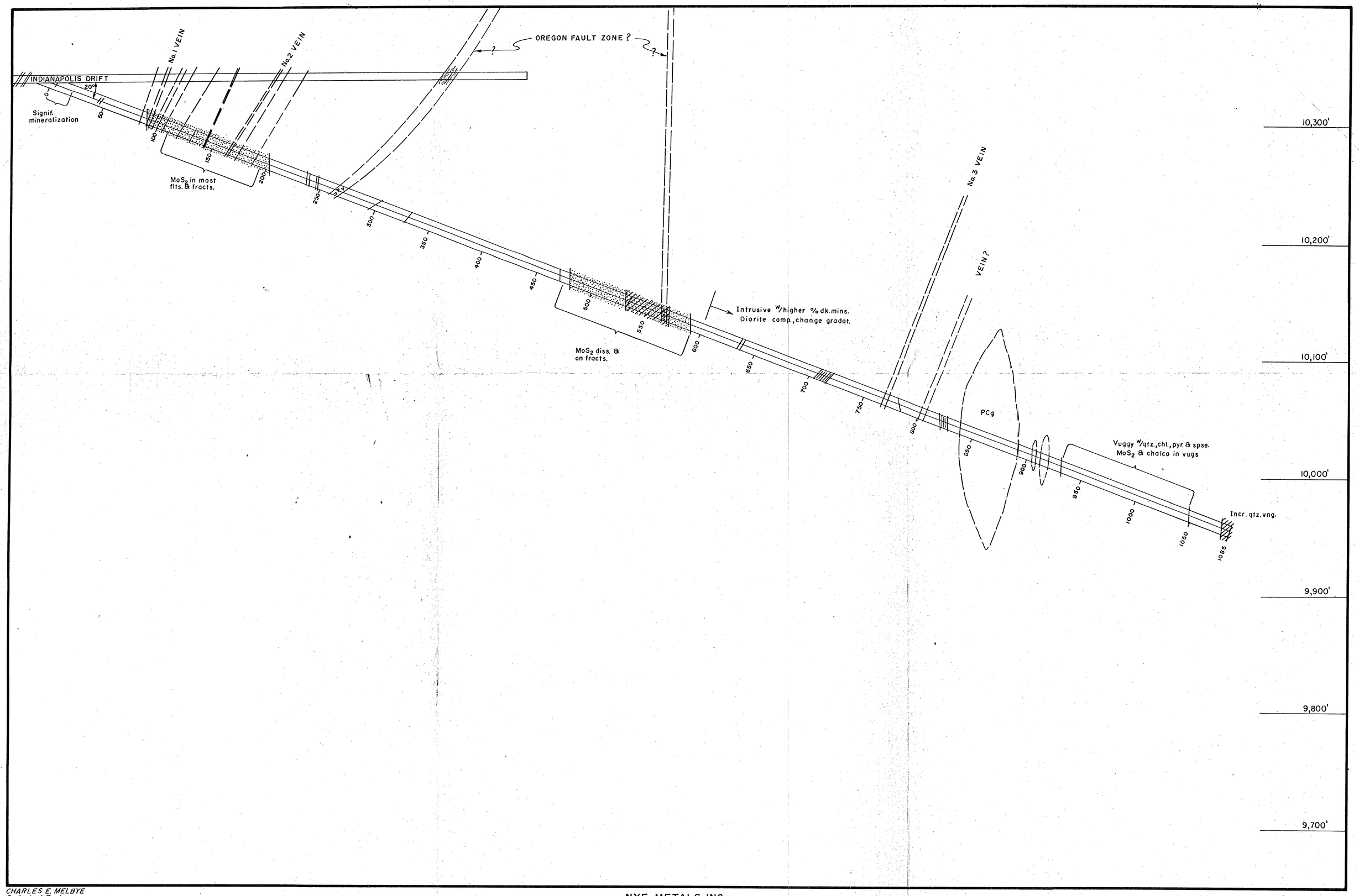
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-SI

Scale 1"=50' Elev. 10,420'
Section Looking East
July 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

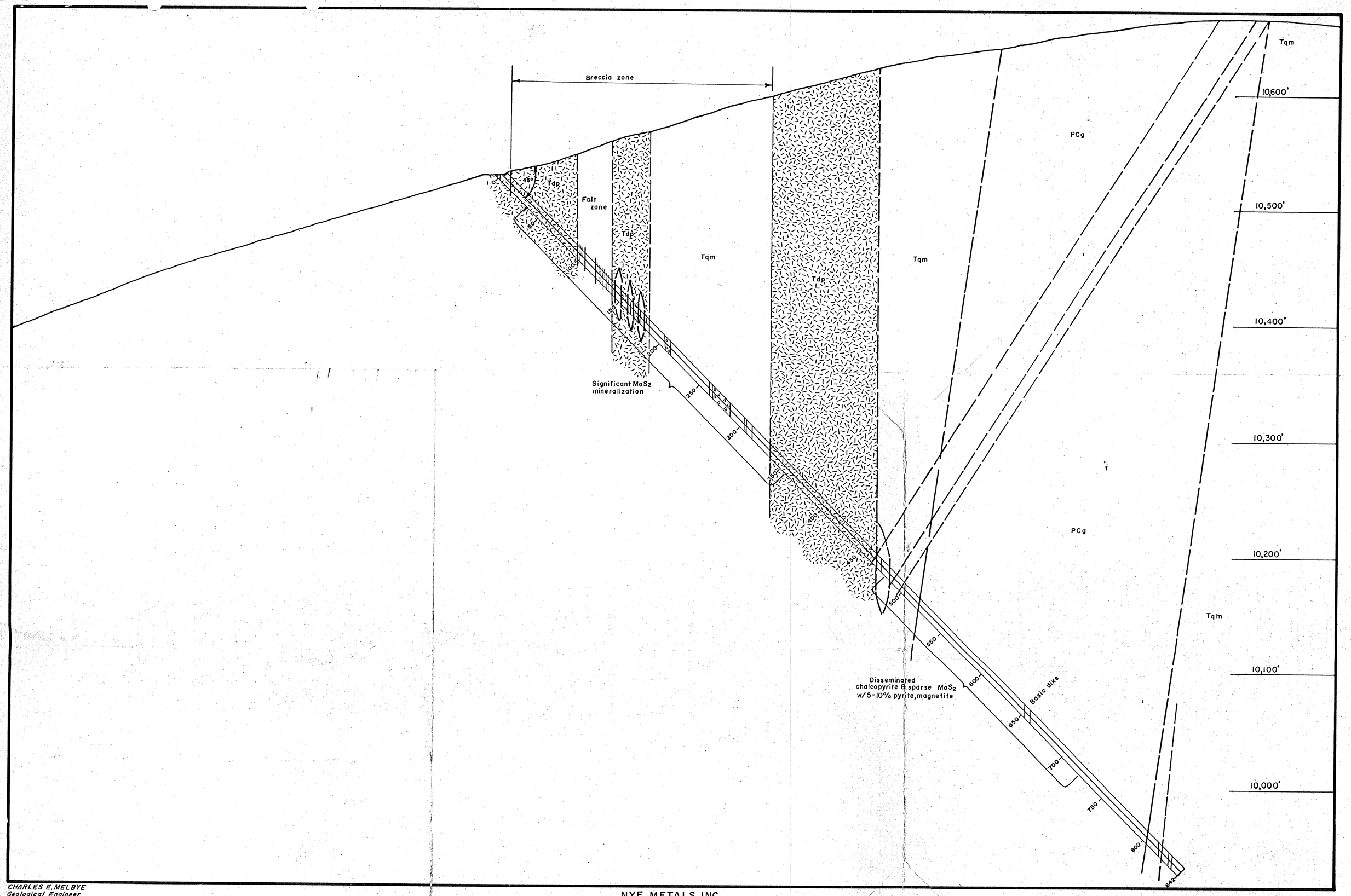
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-10

Scale 1" = 50' Elev. 10,337'
Section Looking East
June 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

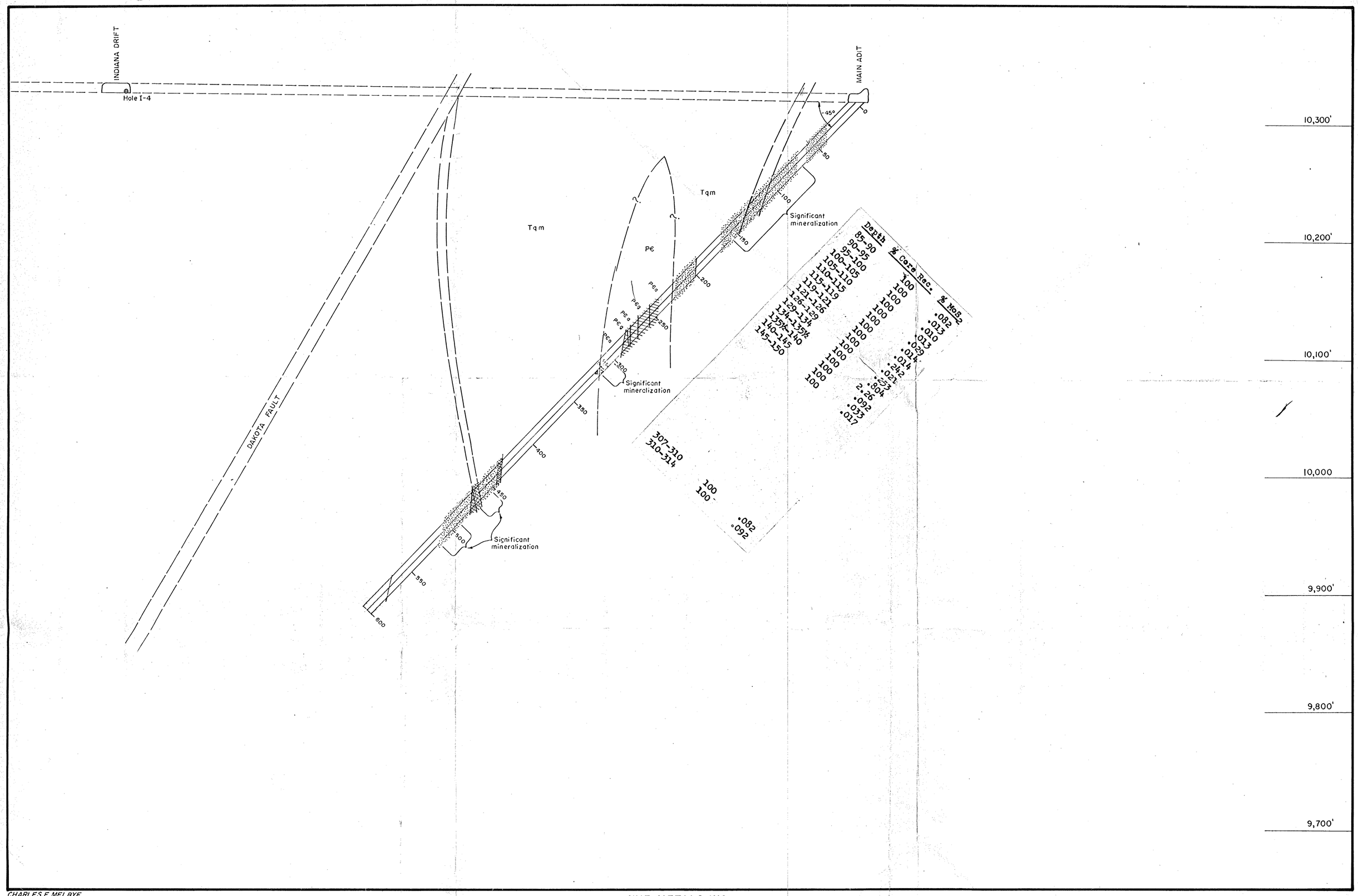
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-S2

Scale 1"=50' Elev. 10,527'
E-W Section Looking North
September 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

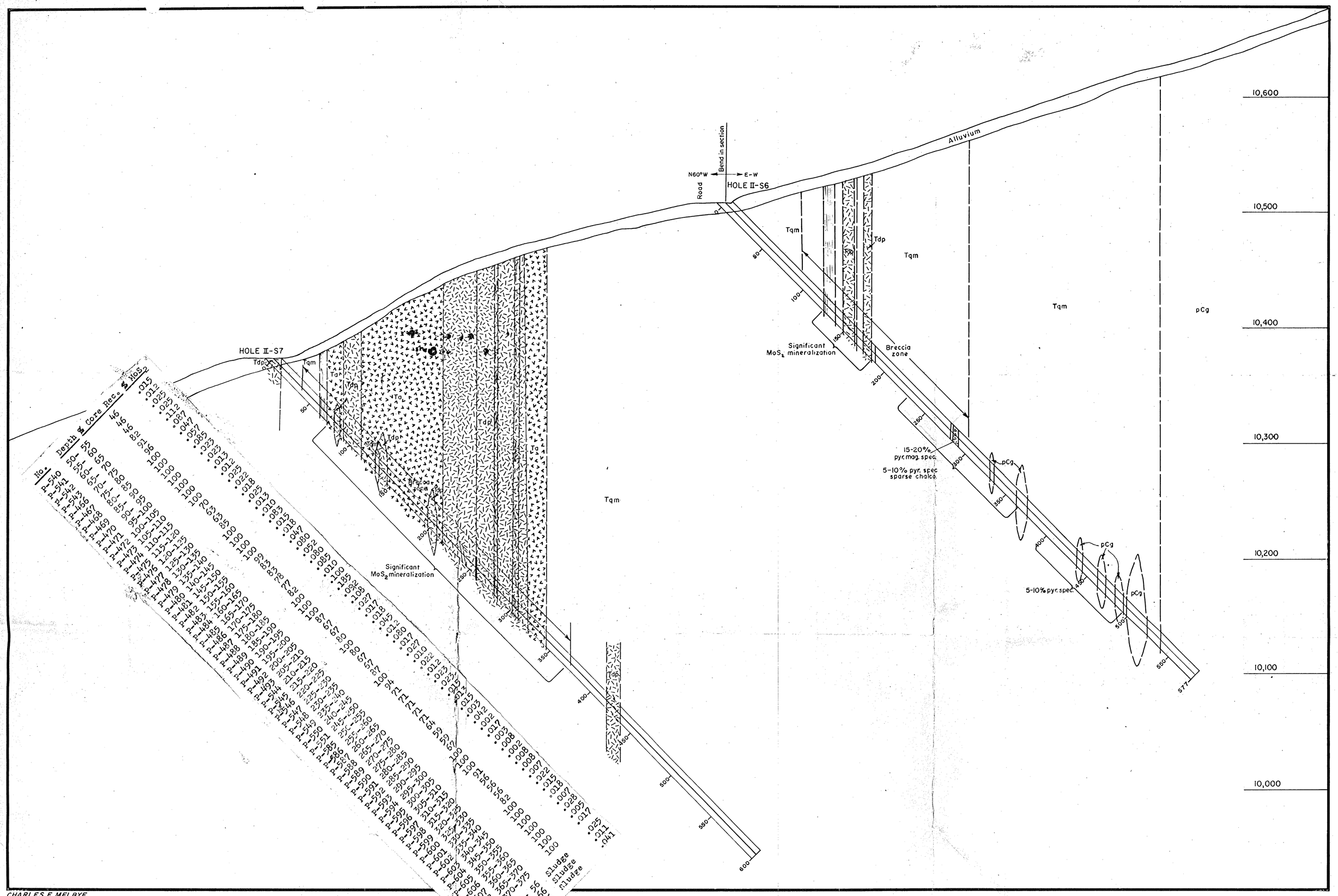
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-3

Scale 1" = 50' Elev. 10,326'
Section Looking East
May 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

NYE METALS INC.

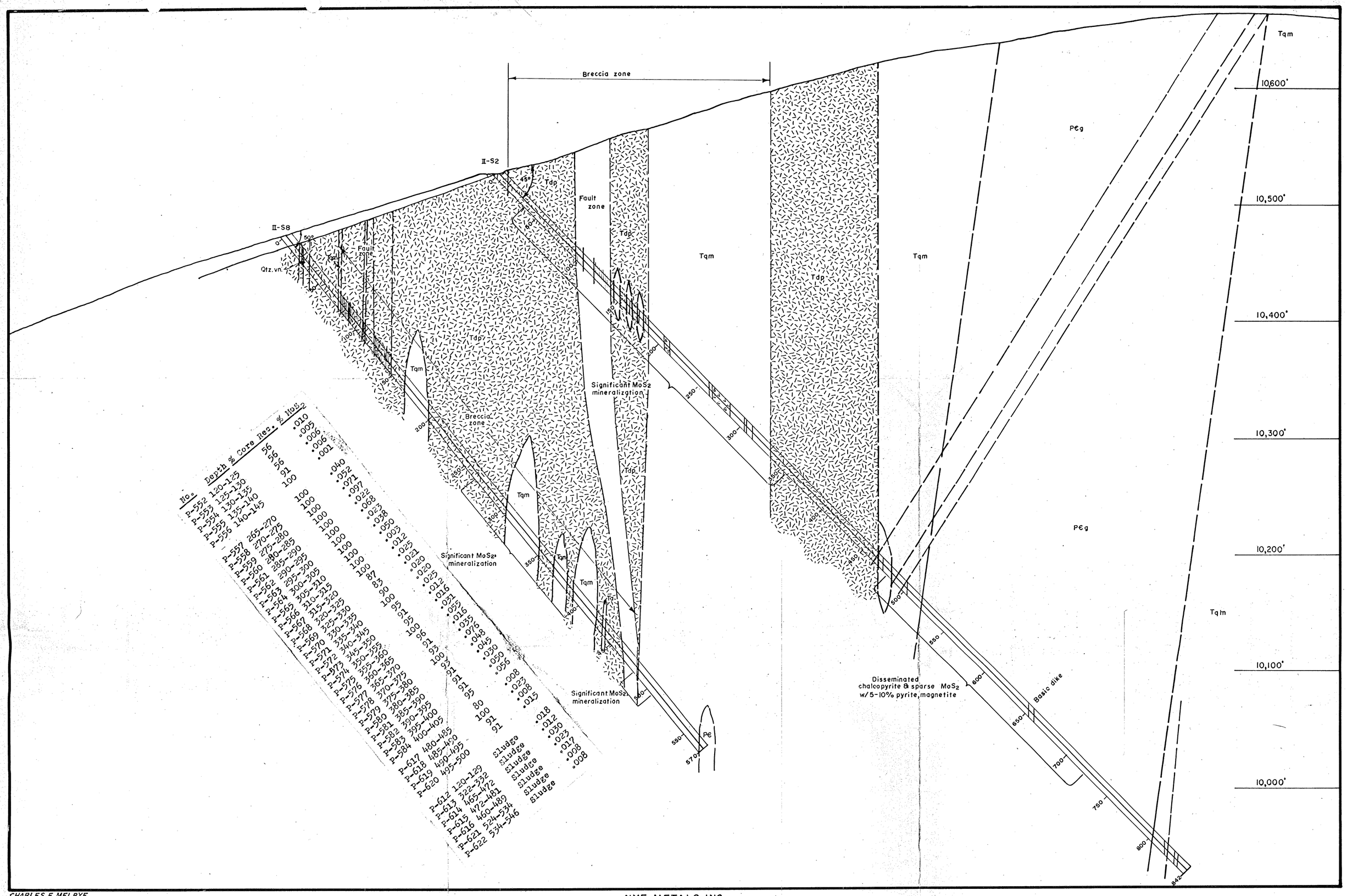
GEOLOGIC-ASSAY CROSS-SECTION
DRILL HOLE NO. II-S6 & II-S7

Scale 1"=50' Elev. 10,508' & 10,376'

E-W Section Looking North

November 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

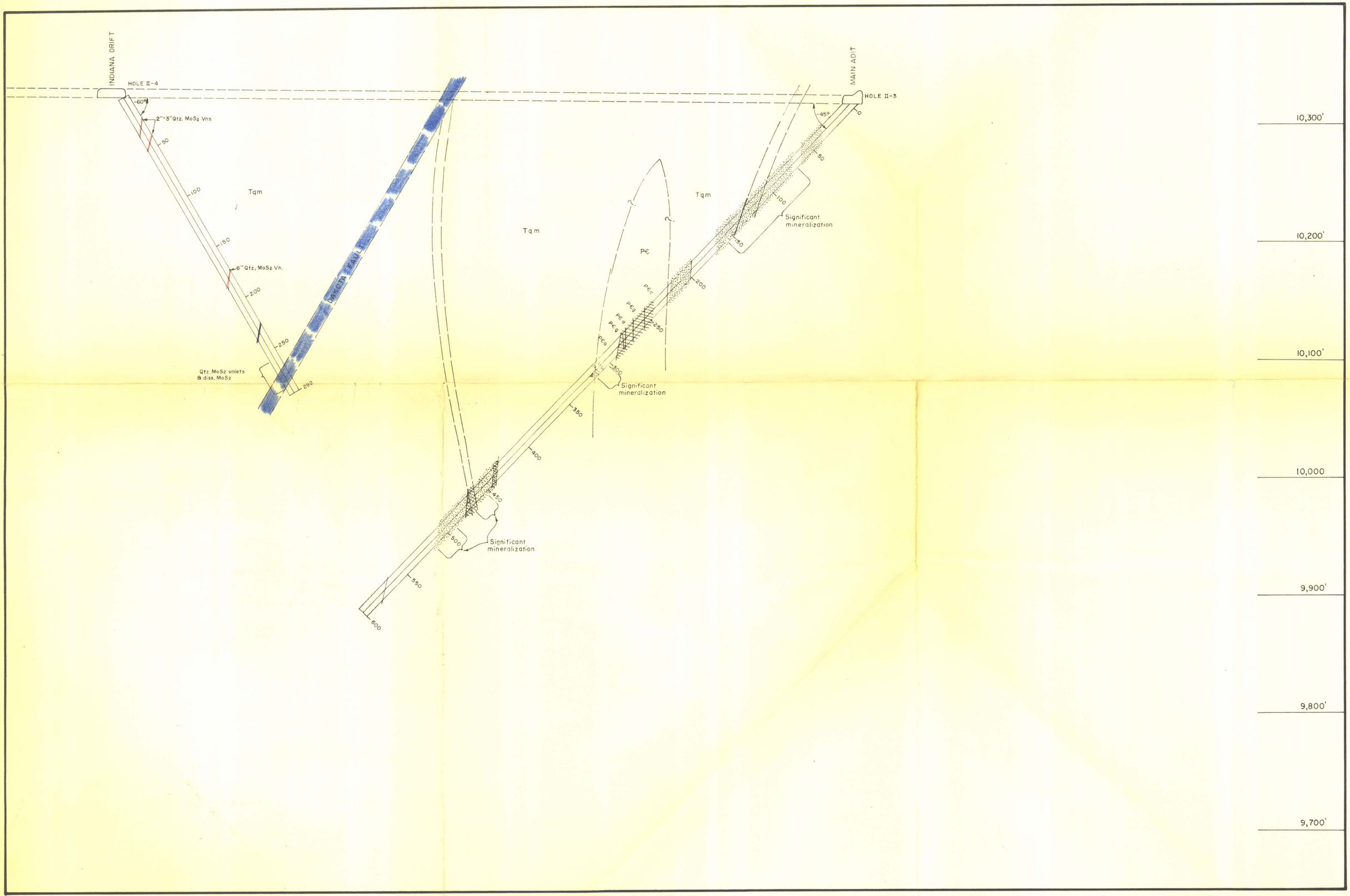
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE NO. II-S2 & II-S8

Scale 1" = 50' Elev. 10,527'
E-W Section Looking North
September 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

NYE METALS INC.

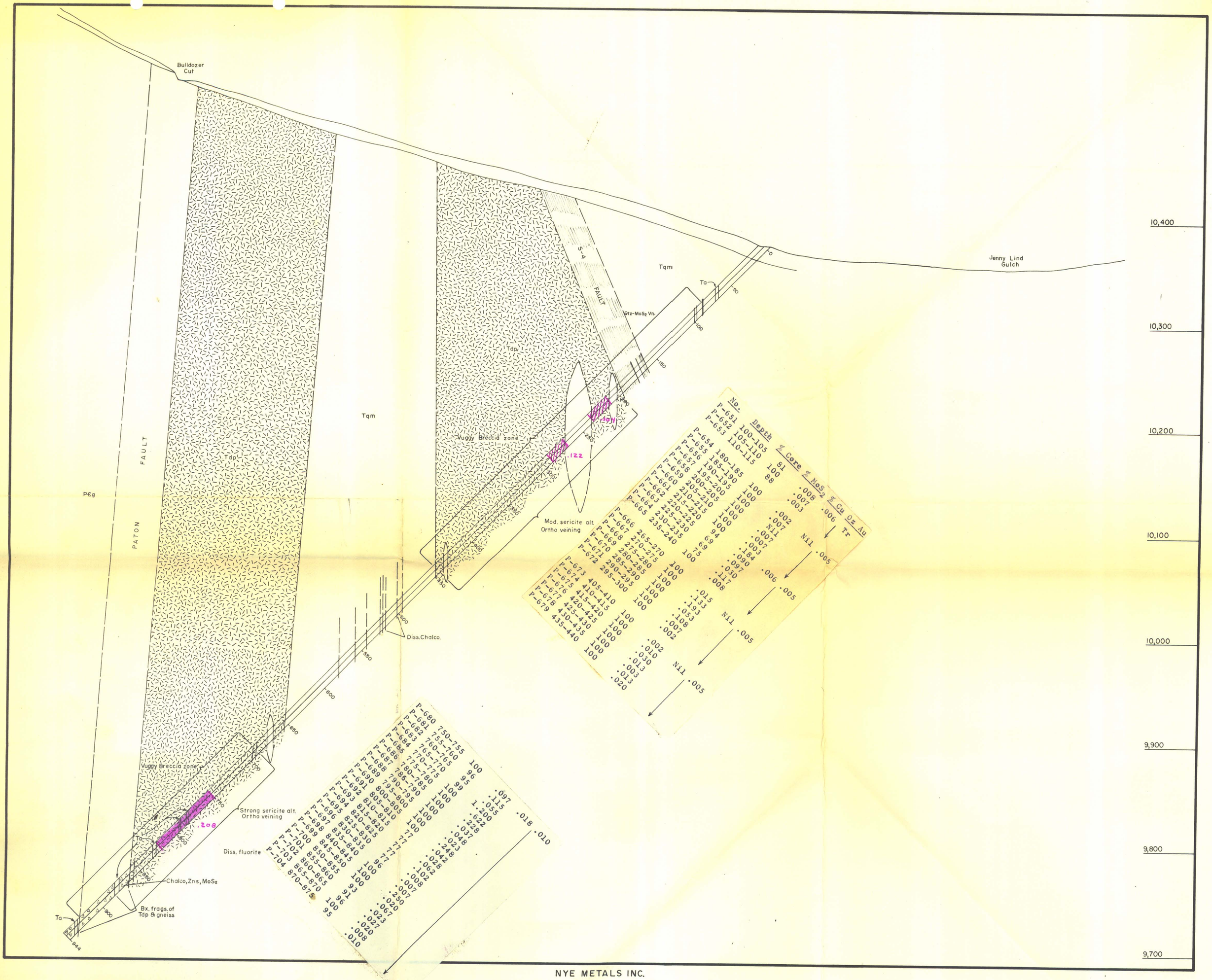
GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-3 & II-4

Scale 1" = 50' Elev. 10,326'
Section Looking East

May 1963 Aug. 1964

Docket No. 6231
Contract No. 2149



No.	Depth	% Core	% MoS2	% Cu	Oz Au
P-651	100-105	81	.008	.006	Tr
P-652	105-110	100	.007		
P-653	110-115	88	.003		
P-654	180-185	100			
P-655	185-190	100			
P-656	190-195	100			
P-657	195-200	100			
P-658	200-205	100			
P-659	205-210	100			
P-660	210-215	100			
P-661	215-220	100			
P-662	220-225	100			
P-663	225-230	100			
P-664	230-235	94	.002		
P-665	235-240	69	.007		
P-666	265-270	75	Nil		
P-667	270-275	100	.007		
P-668	275-280	100	.003		
P-669	280-285	100	.184		
P-670	285-290	100	.090		
P-671	290-295	100	.097	.006	.005
P-672	295-300	100	.030		
P-673	405-410	100	.117		
P-674	410-415	100	.008		
P-675	415-420	100			
P-676	420-425	100	.015		
P-677	425-430	100	.133		
P-678	430-435	100	.193		
P-679	435-440	100	.053		
P-680	750-755	100	.108		
P-681	755-760	96	.007		
P-682	760-765	95	.002		
P-683	765-770	99			
P-684	770-775	100	.002		
P-685	775-780	100	.010		
P-686	780-785	100	.030		
P-687	785-790	100	.013		
P-688	790-795	100	.003		
P-689	795-800	100	.013		
P-690	800-805	100	.020		
P-691	805-810	100			
P-692	810-815	100			
P-693	815-820	100			
P-694	820-825	100			
P-695	825-830	100			
P-696	830-835	77			
P-697	835-840	77			
P-698	840-845	77			
P-699	845-850	77			
P-700	850-855	96			
P-701	855-860	100			
P-702	860-865	100			
P-703	865-870	93			
P-704	870-875	91			
		96			
		100			
		95			
			.097	.018	.010
			.115		
			.055		
			1.200		
			.622		
			.228		
			.037		
			.048		
			.023		
			.248		
			.042		
			.028		
			.062		
			.102		
			.008		
			.007		
			.250		
			.020		
			.067		
			.023		
			.027		
			.020		
			.008		
			.010		

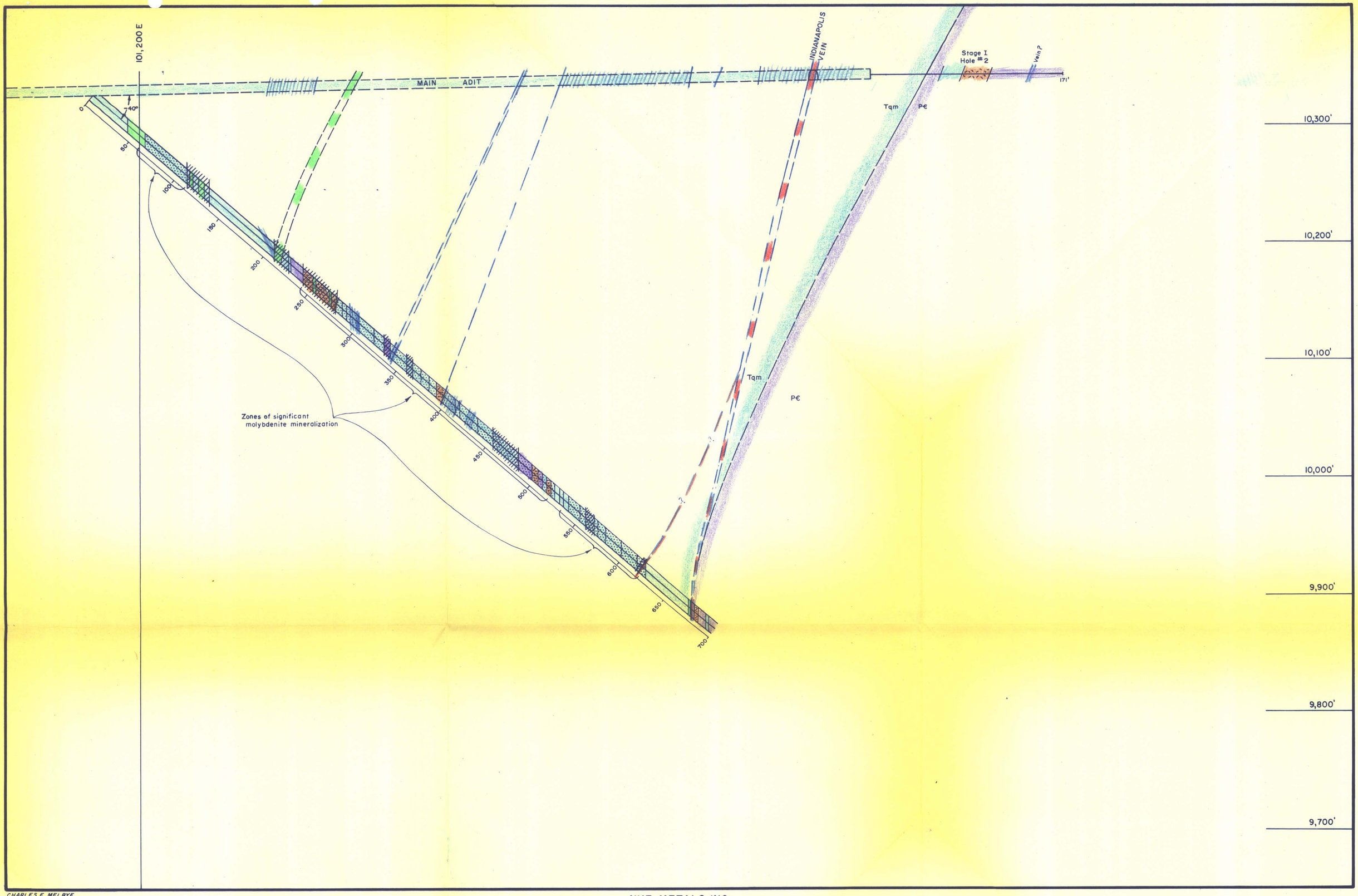
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-S9

Scale: 1" = 50' Elev. 10,380'
N40°E Section Looking N. W.
June 1964

Docket No. 6231
Contract No. 2149



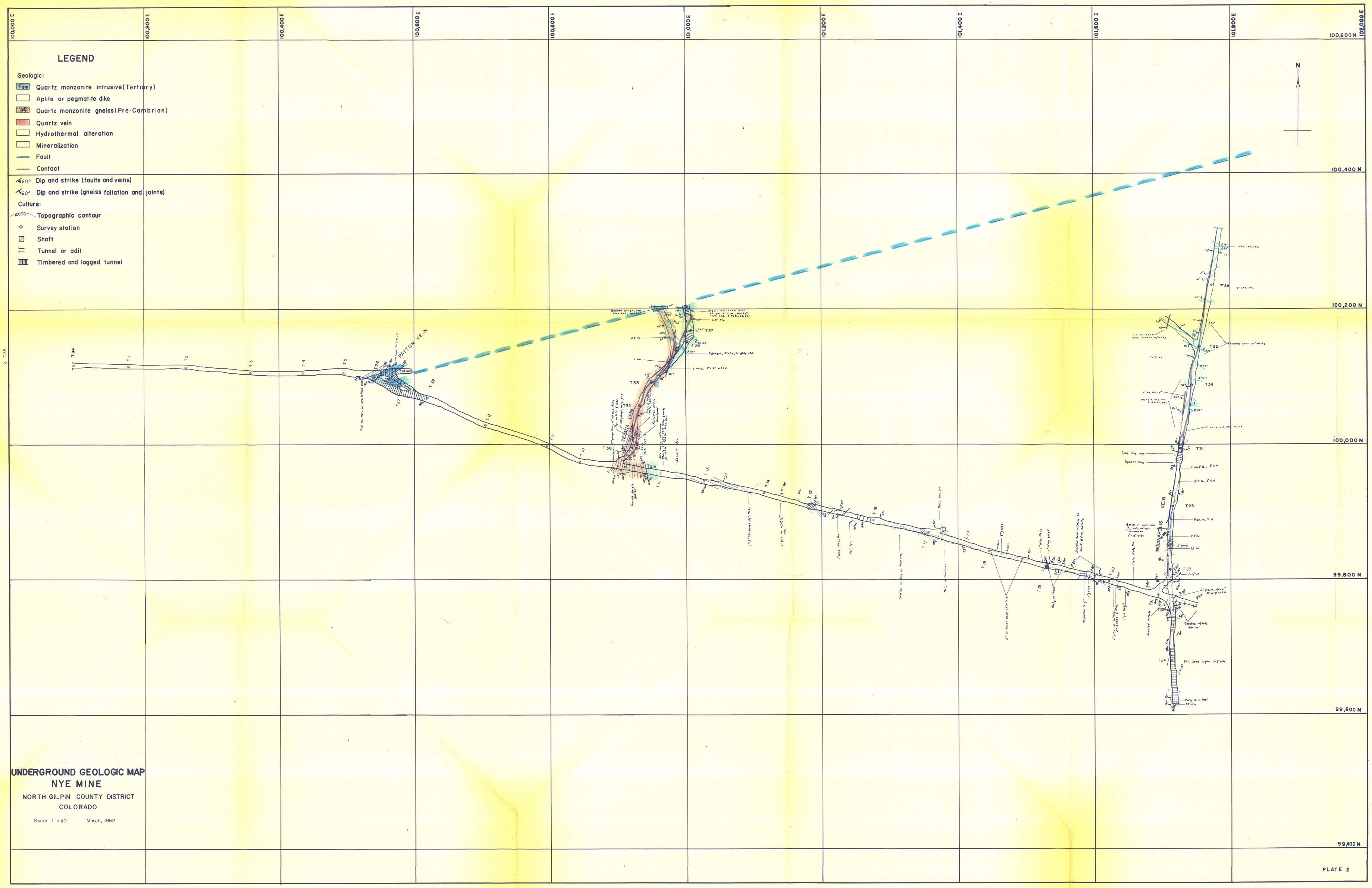
CHARLES E. MELBYE
Geological Engineer

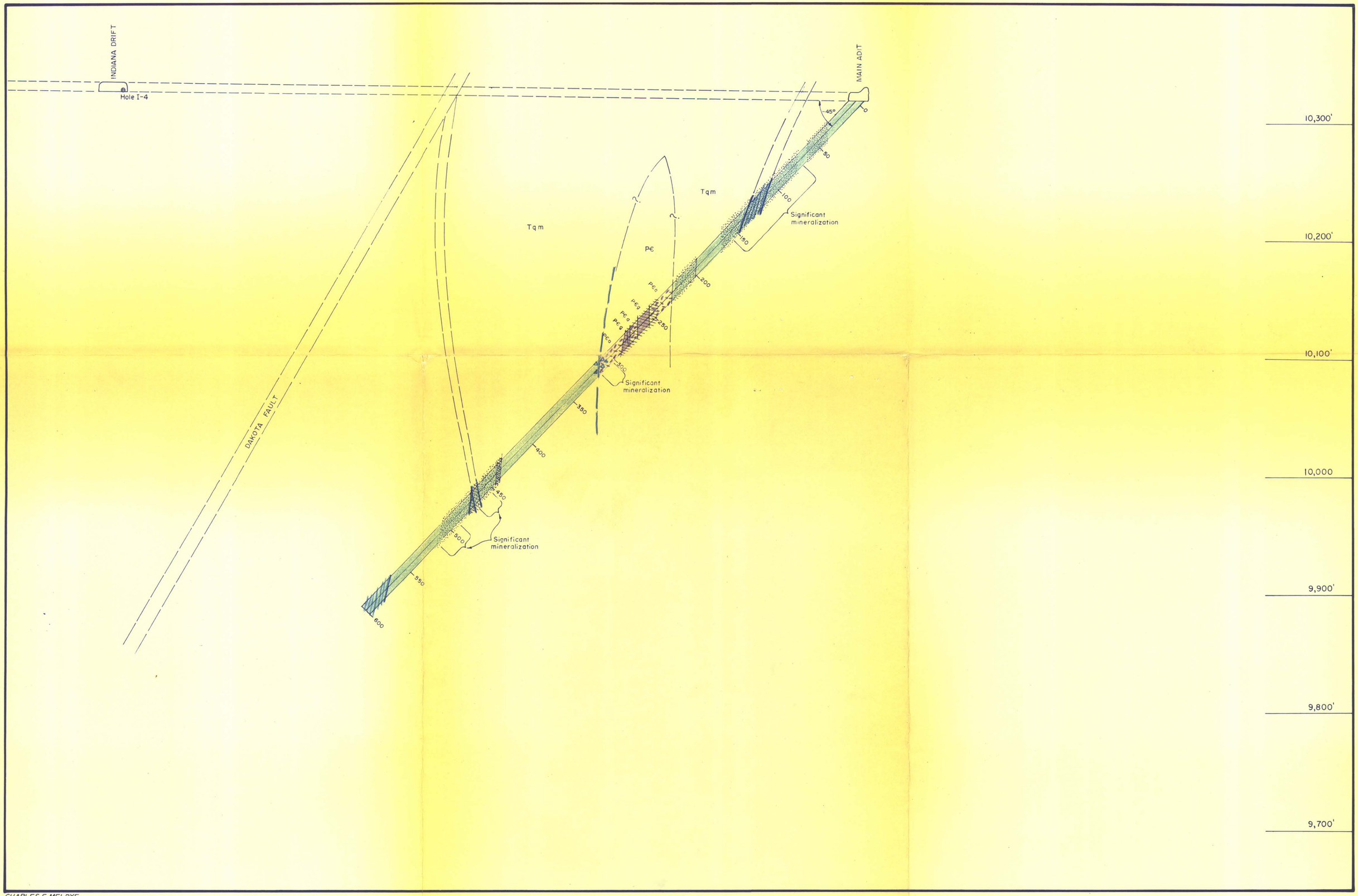
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION
DRILL HOLE II-5

Scale 1"=50' Elev. 10,325'
Section Looking North
March 1963

Docket No. 6231
Contract No. 2149


100,000 E
100,200 E
100,400 E
100,600 E
100,800 E
101,000 E
101,200 E
101,400 E
101,600 E
101,800 E
102,000 E
100,600 N
100,400 N
100,200 N
100,000 N
99,800 N
99,600 N
99,400 N
LEGEND
Geologic:
Tqm Quartz monzonite intrusive (Tertiary)
Aplite or pegmatite dike
pCm Quartz monzonite gneiss (Pre-Cambrian)
Quartz vein
Hydrothermal alteration
Mineralization
Fault
Contact
80° Dip and strike (faults and veins)
60° Dip and strike (gneiss foliation and joints)
Culture:
10000 Topographic contour
Survey station
Shaft
Tunnel or adit
Timbered and lagged tunnel
N
PATTON VEIN
INDIANAPOLIS VEIN
T-84
T1
T2
T3
T4
T5
T6
T7
T8
T9
T10
T12
T13
T14
T15
T16
T17
T18
T19
T20
T23
T24
T25
T26
T27
T28
T30
T31
T32
T33
T34
T35
T36
T37
T38
Tqm
Caved
Sparse Moly
Main vn. 5" wide
2.0' vn.
15' vn.
Shattered w/Moly. Dim. pyr.
Flt. zone w/fm. 1'-2' wide
Moly. in fractures
Sparse Moly. in fractures
Moly. in fractures
Sparse Moly. in fractures
Moly. in fractures
Sparse Moly. in fractures
Sparse Moly. in fractures
Sparse



CHARLES E MELBYE
Geological Engineer

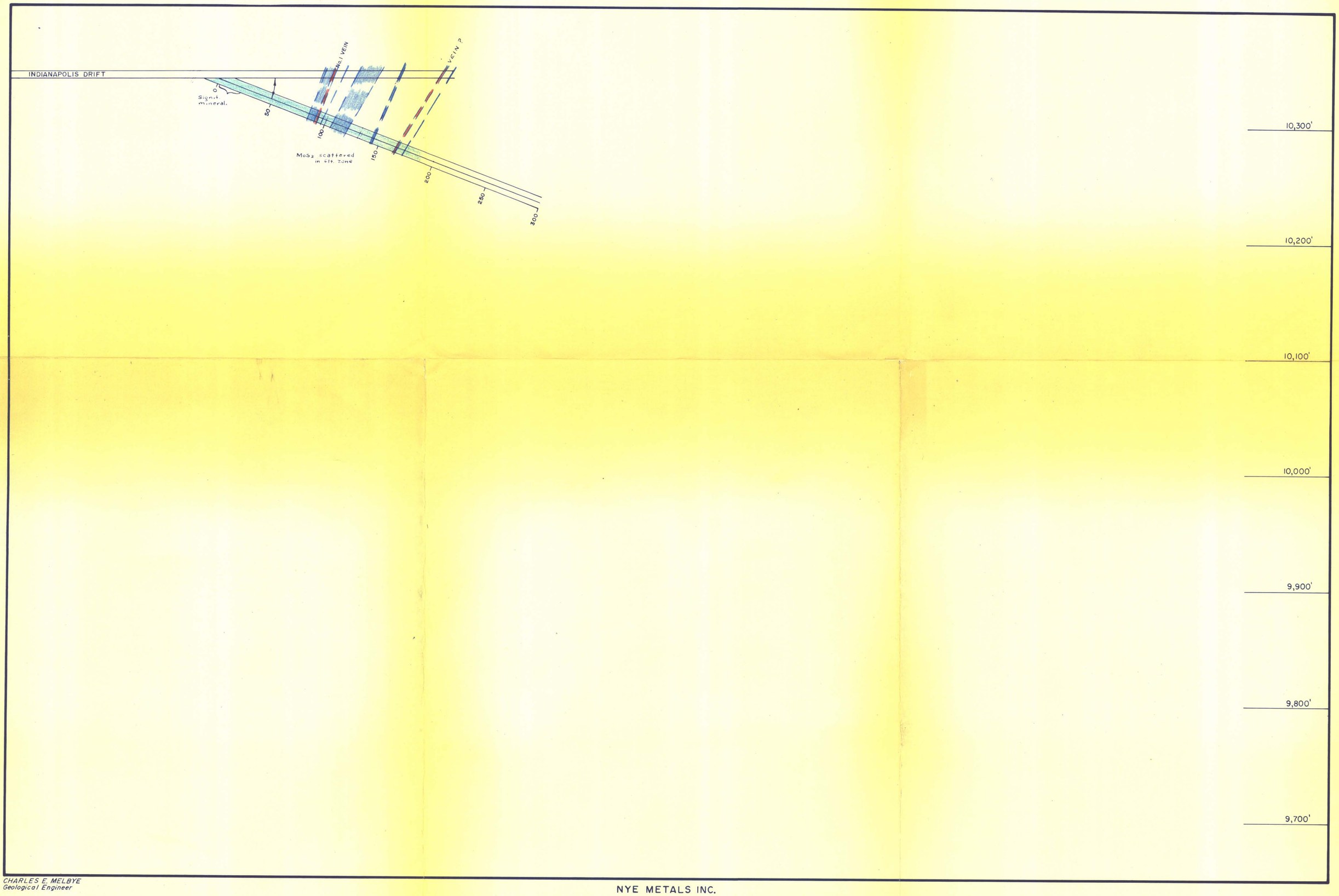
NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-3

Scale 1" = 50' Elev. 10,326'
Section Looking East
May 1963

Docket No. 6231
Contract No. 2149



CHARLES E. MELBYE
Geological Engineer

NYE METALS INC.

GEOLOGIC-ASSAY CROSS-SECTION

DRILL HOLE II-10

Scale 1" = 50' Elev. 10,337'
Section Looking North

June 1963

Docket No. 6231
Contract No. 2149

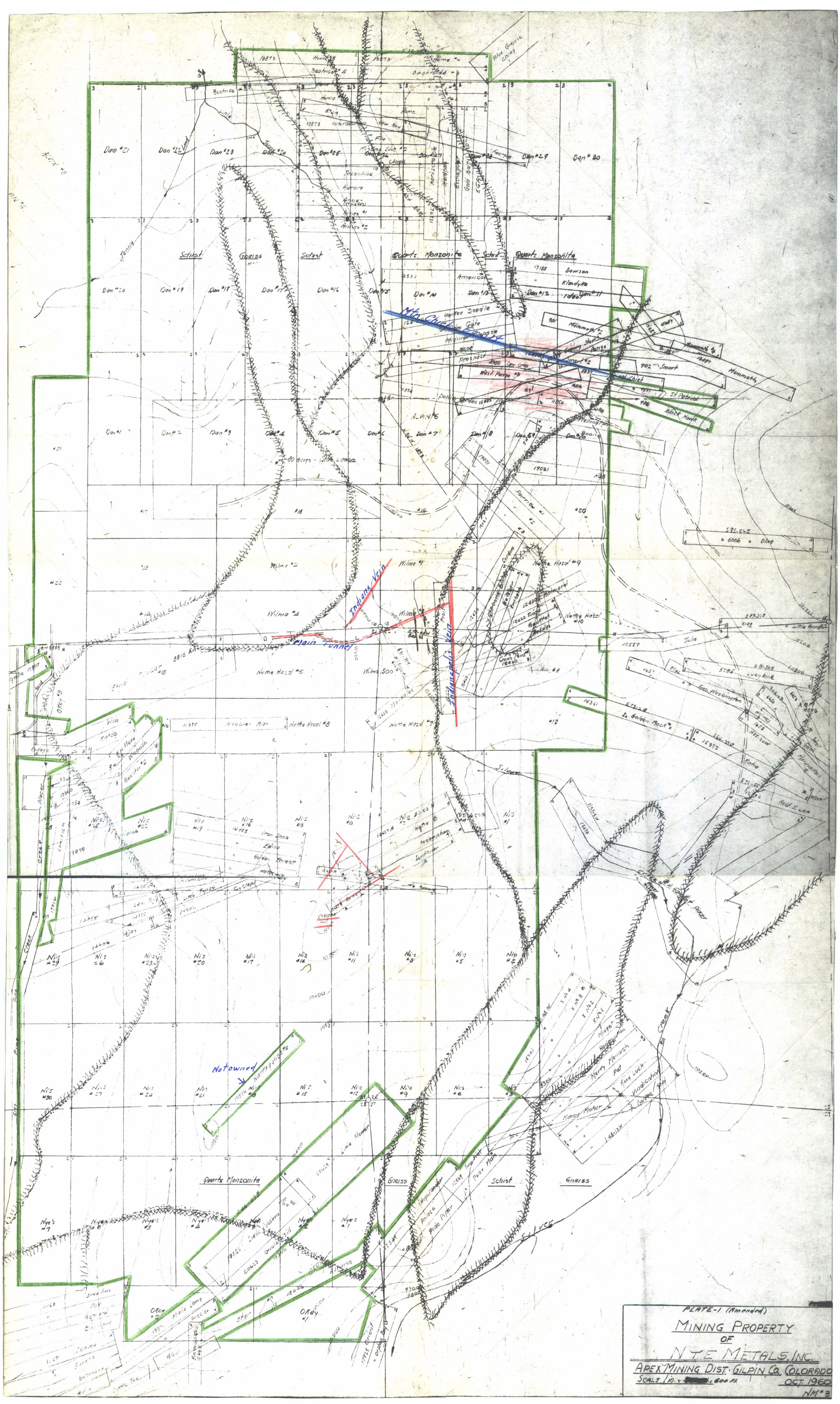
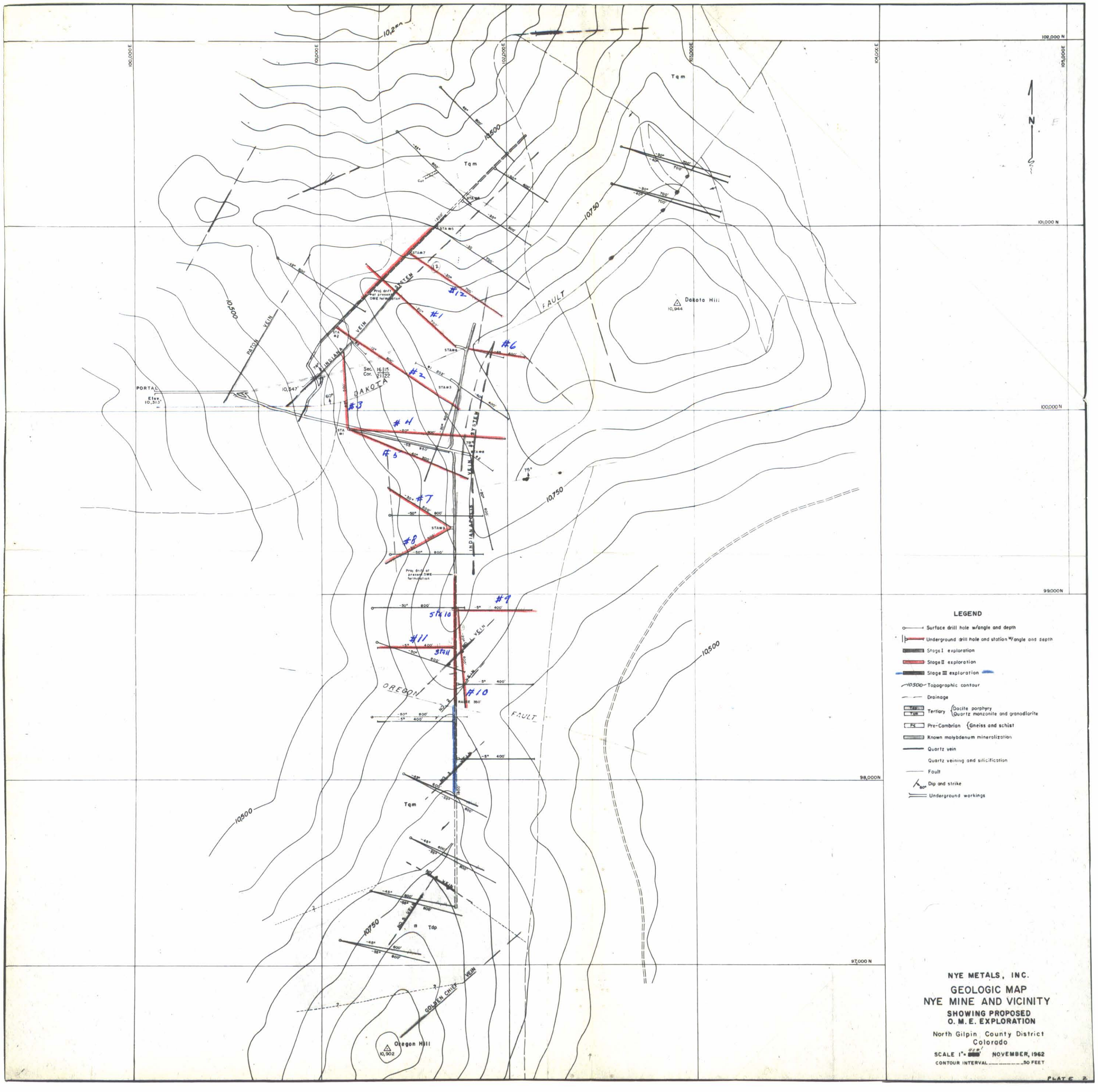
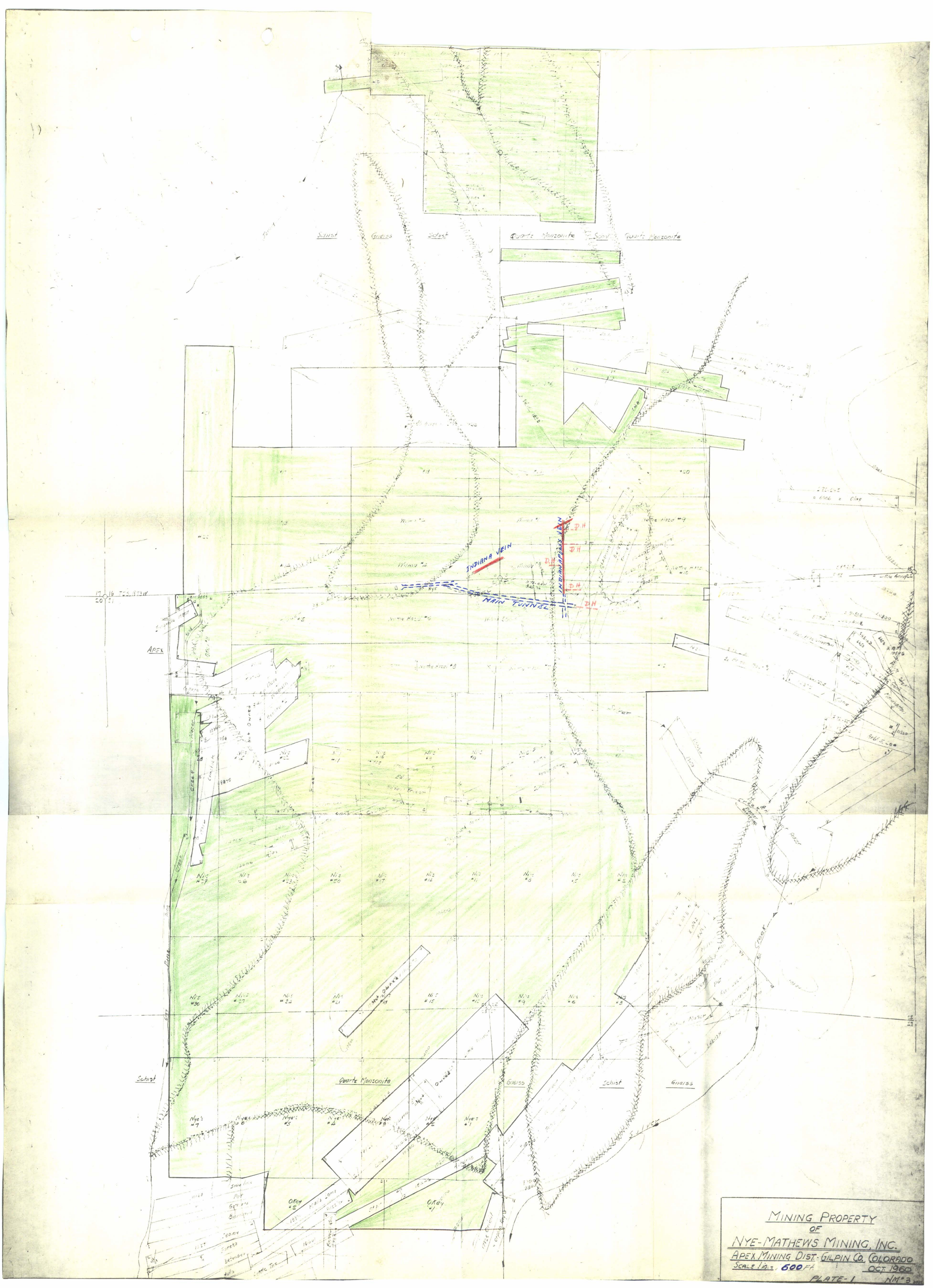


PLATE-1 (Amended)
MINING PROPERTY
OF
NYE METALS, INC.
APEX MINING DIST. - GILPIN CO. COLORADO
SCALE 1 in. = [redacted] = 600 FT.
OCT. 1960
NM #3
Mtn Chief Extension
Indiana Vein
Main Tunnel
Indianapolis Vein
Not owned
Quartz Monzonite
Schist
Gneiss
Dan #21
Dan #22
Dan #23
Dan #24
Dan #25
Dan #20
Dan #19
Dan #18
Dan #17
Dan #16
Dan #15
Dan #14
Dan #13
Dan #12
Dan #11
Dan #1
Dan #2
Dan #3
Dan #4
Dan #5
Dan #6
Dan #7
Dan #8
Dan #9
Dan #10
Wilma #4
Wilma #5
Wilma #6
Wilma #7
Nettie Hazel #5
Nettie Hazel #6
Nettie Hazel #7
Nettie Hazel #8
Nettie Hazel #9
Nettie Hazel #10
Mammoth
St. Patrick
Black Hawk
Dawson
Klondyke
Julia
Little Annie
Lucy Ann
Geo. Washington
Golden Rock
Rebt. E. Lee
Nye's #1
Nye's #2
Nye's #3
Nye's #4
Nye's #5
Nye's #6
Nye's #7
Okey #1
Okey #2
Okey #3
Highlander
Palace
Pied Piper
Poor Man
Money Maker
Merry Monarch
Pet
Good Luck
Vindication
Redemption
Sunflower
Iron Shoe
Edna
Golden Forest
Cyclops
Little Topsy
Ajax
Hoosier Bar
Wabash
Booster
Reliance
Silver


100,000 E
101,000 E
102,000 E
103,000 E
104,000 E
105,000 E
102,000 N
101,000 N
100,000 N
99,000 N
98,000 N
97,000 N
N
Tqm
Tdp
10,250
10,500
10,750
Dakota Hill
10,944
Oregon Hill
10,902
FAULT
PATON VEIN
INDIANA VEIN
DAKOTA
OREGON
GOLDEN CHIEF VEIN
INDIANAPOLIS VEIN SYSTEM
PORTAL
Elev. 10,313'
10,547'
Sec. Cor. 16 15 21 22
Proj. drift at present OME formation
STA #1
STA #2
STA #3
STA #4
STA #5
STA #7
STA #8
STA #9
STA #10
STA #11
#1
#2
#3
#4
#5
#6
#7
#8
#9
#10
#11
#12
LEGEND
Surface drill hole w/angle and depth
Underground drill hole and station w/angle and depth
Stage I exploration
Stage II exploration
Stage III exploration
10500 Topographic contour
Drainage
Tertiary {Dacite porphyry / Quartz monzonite and granodiorite
Pre-Cambrian {Gneiss and schist
Known molybdenum mineralization
Quartz vein
Quartz veining and silicification
Fault
Dip and strike
Underground workings
NYE METALS, INC.
GEOLOGIC MAP
NYE MINE AND VICINITY
SHOWING PROPOSED
O. M. E. EXPLORATION
North Gilpin County District
Colorado
SCALE 1" = 400'
NOVEMBER, 1962
CONTOUR INTERVAL 50 FEET
PLATE 2


Schist
Gneiss
Schist
Quartz Monzonite
Schist
Quartz Monzonite
INDIANA VEIN
INDIANA DIKE VEIN
D.H.
MAIN TUNNEL
APEX
Quartz Monzonite
Schist
Gneiss
Schist
Gneiss
MINING PROPERTY
OF
NYE-MATHEWS MINING, INC.
APEX MINING DIST. - GILPIN CO. COLORADO
SCALE 1 in. = 600 FT.
OCT. 1960
PLATE-1
NM#3