OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period January 1, 1959 to January 27, 1960
Docket and Contract Number DMEA 3826, Idm-E883 (Lead-Zinc)
Operator Western Development Company (Bottom Dollar & Black Hornet Prospects)
Santa Fe County, New Mexico

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

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

Remarks:

The present lessee reported there was no production from the subordinated land during the reporting period.

Signed T. M. Romslo
T. M. Romslo

Date February 12, 1960

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

March 17, 1958

Memorandum

To: Wingfield Chamberlain, Statistics Branch
Division of Operation Contract and Statistics

From: Director, Division of Base Metals

Subject: Report on Semi-Annual Reports of Certified Projects for the Period July 1, 1957 thru December 31, 1957.

The following projects were inactive during the cited period.

Docket No.	Contract No.	Name
DMEA-115	Idm-R6	Lupton Mining Company
DMEA-1050	Idm-E35	Utah Lode Company
DMEA-2280	Idm-E448	Utah Lode Company
DMEA-2383	Idm-E337	Verne Byrne
DMEA-2517	Idm-E413	Defender Mining Company
DMEA-3826	Idm-E863	Western Development Company of Delaware

W. R. Griswold

W. R. Griswold

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION
For the period January 1 - June 30, 1957

Base Metals Division Date February 13, 1958

Semi-Annual Report - Certified Project Date

DMEA No. 3826 Operator Western Development Company Contract No. Idm-E 883

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)	33,089	Zn. 6.83; Pb. 5.26; Ag. 2.05
Increase (Operator)		Au. .01
Total		
Decrease (Production)	161	
Net Available	32,928	

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

W. R. Griswold/er

100338

320

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

GEOLOGICAL SURVEY

OCT 20 1965

Western Development Company of Delaware
P. O. Box 1201
Santa Fe, New Mexico

Re: DMEA-3826 (Lead-Zinc)
Western Development Company
of Delaware
Bottom Dollar & Black Hornet Prospects
Santa Fe County, New Mexico
Contract Idm-E883

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated September 4, 1956, all minerals mined or produced from September 29, 1955, to September 29, 1965, were subject to the Government's royalty as set forth in said contract.

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

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON, D.C. 20240

OFFICIAL BUSINESS

GEOLOGICAL SURVEY

POSTAGE AND FEES PAID,
U. S. DEPARTMENT OF THE INTERIOR

90

Not at this address.

RETURNED TO WRITER

REASON CHECKED

Unclaimed ____ Refused ____
Unknown ____
Insufficient address ____
Moved, Left no address ____
No such post office in state ____
Do not remail in this envelope

Western Development Company of Delaware
P. O. Box 1201
Santa Fe, New Mexico

40

SANTA FE
NOV 1
1985

~~120~~
220

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

OCT 20 1955

Mr. and Mrs. Frank Staplin

Santa Fe, New Mexico

Re: DMEA-3826 (Lead-Zinc)
Western Development Company
of Delaware
Bottom Dollar & Black Hornet Prospects
Santa Fe County, New Mexico
Contract Idm-E883

Dear Mr. and Mrs. Staplin:

Enclosed is a copy of a self-explanatory letter of today to Western Development Company of Delaware.

This correspondence relates to the Consent to Lien executed by you on August 24, 1955, under the Defense Minerals Exploration Administration program.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

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

2 0 1965

Western Development Company of Delaware
P. O. Box 1201
Santa Fe, New Mexico

Re: DMEA-3826 (Lead-Zinc)
Western Development Company
of Delaware
Bottom Dollar & Black Hornet Prospects
Santa Fe County, New Mexico
Contract Idm-2883

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated September 4, 1964, all minerals mined or produced from September 29, 1953, to September 29, 1963, were subject to the Government's royalty as set forth in said contract.

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

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON, D. C. 20240

OFFICIAL BUSINESS

GEOLOGICAL SURVEY

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF THE INTERIOR

90
OMB

RETURNED TO WRITER
REASON
Unclaimed
Unknown
Insufficient address
Moved, Left no address
No such post office in state
Refused
Do not remail in this envelope

Mr. and Mrs. Frank Staplin

Santa Fe, New Mexico

40

Griswold
220

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee ☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Irwin H. Griswold

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
2-25-69	

C55—16—71548-4 GPO

3826

DMEA 3826

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

February 20, 1964

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Re: DMEA-3826 (Lead-Zinc)
Western Development Co.
Bottom Dollar & Black
Hornet Prospects
Santa Fe County, N. M.
Contract Idm-E883

Mr. John F. Mendel
Mineral Products Company
708 Morningside Drive, S. E.
Albuquerque, New Mexico

Dear Sir:

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

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

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 2 1964

DATE	INITIALS	CODE
3/3		800
		100
3/3		110
	Griswold	500
		830

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since August 13, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since August 13, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by: Mineral Products Corporation

Name John F. Mendel Title V. Pres.

Address 708 Morningside Dr., SE Date 26 February 1964

4511

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

November 13, 1959

Re: NMFA-3826 (Lead-Zinc)
Western Development Co.
Bottom Dollar & Black
Hornet Prospects
Santa Fe County, N. M.
Contract Idm-1883

Mr. John F. Mendel
Mineral Products Company
708 Morningside Drive, S. E.
Albuquerque, New Mexico

Dear Sir:

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

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

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

Report with registered mail

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since August 19, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since August 19, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

August 10, 1962

Re: DMEA-3826 (Lead-Zinc)
Western Development Co.
Bottom Dollar & Black
Hornet Prospects
Santa Fe County, N. M.
Contract Idm-E883

Mr. John Franklin Mendel
Mineral Products Company
708 Morningside Drive, S. E.
Albuquerque, New Mexico

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 17 1962

DATE	INITIALS	CODE
8/17		800
		100
		110
8/20		500
		220

Dear Mr. Mendel:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **January 27, 1960**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **January 27, 1960**, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name John F Mendel Title V.P.

Address 208 Morningside Dr SE Date 8/13/62

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado
March 31, 1959

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

DATE	INITIALS	CODE
4-3	C	220
"	JH	110
4/6	66	800
4/6	WDR.	500
Region	III	

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team,

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

DMEA Docket 3826 (Lead-zinc)
Contract Idm-E883 (Black Hornet and Bottom Dollar mines)
Mineral Products Company (formerly Western Development Co. of Delaware)
Santa Fe County, N. M.

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

J. W. Townsend

Enclosures

HMC/ff

cc: Semiannual Report File Idm-E 883
Harshman
Belser
Chron.

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting **Period**	July 1, 1958 to Dec. 31, 1958
Docket **and Contract Number**	Docket No. DMEA 3826 (lead-zinc) Contract Idm-E883
Operator	Mineral Products Company (formerly Western Development Company of Delaware) Black Hornet and Bottom Dollar mines, Santa Fe County, N. M.

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

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

Remarks:

Hans Zassenhaus, one of the stockholders and former president, was interviewed. The company is not mining but is assembling a used concentration mill to treat 250 tons per day. They have a 100 hp. Atlas diesel, 9" by 16" jaw crusher, 14" by 28" McFarlane rolls, screened and washed at minus 10 mesh, 12 foot by 20 foot Wilfley with Buford head motion. They are putting in old ball mill for minus 65 mesh grind.

The mill is not yet housed and work was suspended during the winter.

There is no president -- the treasurer is Roy Gamertsfelder
2731 Santa Monica S. E.
Albuquerque, New Mexico

Signed Carl Belser

Carl Belser

Date 3-9-59

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS EXPLORATION ADMINISTRATION~~
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
October 24, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1958

DATE	INITIALS	CODE
10/27	C	220
10/29		110
10/29		800
		500

Memorandum

To: Chairman, Operating Committee, OME

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

Subject: Statement in Lieu of Semiannual Report for the period January 1, 1958 to June 30, 1958

Docket No. DMEA 3826 (Lead-Zinc) Contract Idm-E883 Western Development Company of Delaware, (Black Hornet and Bottom Dollar mines) Santa Fe County, New Mexico

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

E. N. Harshman

E. N. Harshman

Enclosures

OME
DEPARTMENT OF THE INTERIOR
OCT 23 1958
EGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	Jan. 1, 1958 to June 30, 1958
Docket and Contract Number	Docket No. DMEA 3826 (Lead-Zinc) Contract Idm-E883
Operator	Western Development Company of Delaware Black Hornet and Bottom Dollar mines, Santa Fe County, New Mexico

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

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

Remarks:

The Western Development Company was contacted on October 14, 1958 at room 73, Sena Plaza, Santa Fe. It was stated that their interests were transferred to Minerals Products Co., 3000 Carillos Drive, Santa Fe. Han Zassenhaus, former president, who resigned in August, was encountered. They are building a small concentrating mill and will use water from a well on the property. Ore is expected to be produced from the Tom Payne mine but some dump ore from the Black Hornet and Bottom Dollar may be used as a filler. Minerals Products Company, Roy M. Ganertsfelder, vice-president, 2731 Santa Monica, S. E., Albuquerque, N. M.

Carl Belser

Signed Carl Belser

Date 10/17/58

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

March 4, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED

3/6	C	220
6	Corr	100
"	JEP	110
3/7	EEJ	800
3/7	WPB	500

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

DMEA Docket 3826
Contract Idm-E 883
Western Development Company of Delaware
(Bottom Dollar and Black Hornet mines)
Santa Fe County, New Mexico

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

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

Enclosures

MHM:bh

cc: Semiannual Report File E -883
Harshman
DMEA/DFC (2)
Chron.

wsK
M

DMEA
DEPARTMENT OF THE INTERIOR

FEB 24 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1 - December 31, 1957
Docket and Contract Number	Docket DMEA 3826 (Lead-zinc) Contract Idm-E883
Operator	Western Development Company of Delaware Bottom Dollar and Black Hornet mines, Santa Fe County, N. M.

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

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

Remarks:

Both William S. Corah, president, and Z. E. Henderson, secretary, were interviewed. No work has been done at the mine for the past two years. No equipment at mine except hoist house, bin, and head frame. Property said to be sold to Minerals Products Company, 3,000 Cerillos Road, Santa Fe. The Mineral Products Co. will use the shaft to produce water for a washing plant to concentrate dump ore from other dumps. ?

Signed Carl Belser
Carl Belser

Date 2/21/58

DATE	INITIALS	CODE
9-30	C	220
30	Core	100
10/22 9/30	Jwa	500

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

September 27, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 3826 (Lead-Zinc)
Contract Idm-E 883, Western Development Company of Delaware (Bottom Dollar & Black Hornet Claims), Santa Fe, New Mexico

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

Alternate Acting Executive Officer
DMEA Field Team, Region III

Enclosures
MHM/vj

cc: Semiannual Report File E 883
DMEA/DFC
DMEA/G.Jct.
Harshman
Hasler
Chron.

DMEA
ARTMENT OF THE INTERIOR
SEP 26 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	1/1/57 to 6/30/57
Docket and Contract Number	3826 - Contract Idm-E883
Operator	Western Development Company of Delaware

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

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

Remarks:

On July 19, 1957 McMillan telephoned the Western Development Company of Delaware's office at Santa Fe, New Mexico, and was informed by William Scorah, President, that no work had been done during the subject period.

Signed W. D. McMillan

Date 9/24/57

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

March 29, 1957

OPERATION FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
4/1	C	220
4/2	Com	100

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for ~~the period~~ June 20, 1956 through December 31, 1956
DMEA Docket 3826 (Lead-Zinc)
Contract Idm-E 883, Western Development Company of Del. (Bottom Dollar & Black Hornet Claims), Santa Fe County, New Mexico

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

E. N. Harshman

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

Enclosures

MHM /vj

cc: Semiannual Report File E 883
J. F. Shaw (2)
Harshman
Chron.

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

DMEA
DEPARTMENT OF THE INTERIOR
MAR 20 1957
REGION III
DENVER, COLORADO

Reporting Period June 20 -- December 31, 1956
Docket and Contract Number Docket DMEA 3826 - Contract Idm-E883
Operator Western Development Company of Del.

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

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

Remarks: Bottom Dollar, Black Hornet and Teresa Lead-Zinc

All operations inactive.

OFFICIAL FILE COPY
DMEA
RECEIVED 1957

DATE	INITIALS	CODE

Signed W. D. McMillan
W. D. McMillan

Date 3/19/57

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

224 New Customhouse
Denver 2, Colorado

July 5, 1956

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3826 (Lead-Zinc) Contract Idm-E183, Western Development Company of Delaware, Santa Fe County, New Mexico - FINAL PAYMENT

Enclosed are two copies of a memorandum to T. A. Christensen, dated June 26, 1956, relative to final payment under the terms of the subject contract.

W. M. TRAVER

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

June 26, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3826 (Lead-Zinc) Contract Idm-E883, Western Development Company of Delaware, Santa Fe County, New Mexico - FINAL PAYMENT

Reference is made to our memorandum of April 3, 1956 whereby we forwarded Form MF-104, Operator's Monthly Progress Report and Vouchers for the month of January, 1956 and instructed you to withhold from reimbursement to the Operator the entire amount of the Government's contribution pending receipt of the Operator's final report and release of the Report of Review of contract expenditures by the Contract Administration and Audit Division.

The Operator's final report has been received, therefore, we recommend that final payment to the Operator be made on the following basis which is in conformance with the Report of Review of contract expenditures by the Contract Administration and Audit Division dated June 15, 1956 which was released to this office June 26, 1956.

Basis for Final Payment

Total Accepted Cost	$9,466.10
Government Participation at 50 Percent	4,733.05
Total Prior Payments	4,508.75
Balance Due the Operator	$ 224.30

p 224.30
7/3/56

W. M. TRAVER

W. M. Traver

JWT:jy
cc: Reg. III MF-104 File E883
Sec. Op. Comm. (2)
Shaw
Townsend
Chron.

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration RECEIVED

APR 30 1956

224 New Customhouse
Denver 2, Colorado

Date: April 18, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 3826, Contract Idm-E883, (Lead-Zinc), Western Development Co., Santa Fe County, N. New Mexico

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.

(NONE)

Totals:

Past Due Royalties Collected	None
Total Dry Tons (Ore or Cons.) Shipped to Date	160.781
Expiration Date of Royalty Repayment	Not determined
Amount of Government Participation	Not determined
Total Royalty Payments to Date	$162.00
Percent of Loan Repayment	-- --

W. M. Traver

W. M. Traver

vj

cc Royalty File E 883 w/Settlement Sheets
Monthly Royalty Payment File
~~T. A. Christensen~~
J. F. Shaw (2)
Chron.

RECEIVED
APR 9 - 1956

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

FINAL DISTRIBUTION
MADE APR - 5 1956

Administrative Audit Difference Statement

Date: April 4, 1956
Payee's Reference: January 1956

Western Development Company of Delaware
P.O. Box 1201
Santa Fe, New Mexico

Gentlemen:

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

Amount Claimed	$ 94.60
Difference	* $
Amount Approved	$ 94.60

The reason for the difference was due to:

* Withhold entire amount pending receipt of final report.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

RECEIVED
APR 9 - 1956

224 New Customhouse
Denver 2, Colorado

April 3, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3826 (Lead-Zinc), Contract Idm-E883, Western Development Company of Delaware (Cash Entry 101), Santa Fe County, New Mexico
Operator's Monthly Progress Report, for the period January 1956.

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

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Entire payment due the operator is to be withheld pending receipt of the Operator's final report and release of the final Audit Report by the Contract Administration and Audit Division. As $200.00 was previously withheld, the total amount withheld to date is now $247.15.

REMARKS:

Date of Report	February 28, 1956
Date Received in Field Office	March 5, 1956
Date Received in Region Office	March 19, 1956

Processing deferred by R.O. pending receipt of signed copies of Operator's Narrative Report.

W. M. Traver

W. M. Traver

RDB/vj
cc: Sec. Opr. Comm. (2)
Reg. III MF-104 File
J. F. Shaw
Chron.

RECEIVED
APR 9 - 1956

REGION III

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

DMEA
Date Rec'd.
MAR 19 1956
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: John F. Shea
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA Docket 3826, Contract IAm-2863, Western Development Company of Delaware, Cash Entry 101, Santa Fe County, New Mexico. Revised Monthly Report for January, 1956.

During January, 1956, the only work done was splitting core of mineralized holes and analyses of same, with a study of the drill cores and analyses for an evaluation of the results of the exploration project.

In the revised report, charges for supervision, payroll taxes and insurance were reduced from a total of $536.00 to $94.30.

It is recommended that $47.15, which is 50 percent of the amount claimed of $94.30 be approved for payment.

Copies of a map and section through D. D. Hole No. 6, with revised computations of payroll taxes and insurance are enclosed.

W. D. McMillan
W. D. McMillan
Mining Engineer

WDM/mr

Enc 6
IAm-2863
Chron

REVISED

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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APR 9 - 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January 1956 Docket No. DMEA 3826 Contract No. IDM - 883

Operator's Name Western Development Company of Delaware Minerals Lead - Zinc

Address P. O. Box 1201, Santa Fe, New Mexico

Contract Amount, $ 16,710.00 Government Participation: 50 % Amount, $ 8,355.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						4/10/56. J.W.A.
Drilling	-0-	8,239.50	8,239.50			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	33.33	1,000.00	1,033.33			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	-0-	125.00	125.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	59.50	-0-	59.50			
Payroll Taxes	1.67	50.00	51.67			
Liability Insurance	.10	3.00	3.10			
(8) Contingencies (specify):						
TOTALS	94.60	9,417.50	9,512.10	94.60	9,417.50	9,512.10

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

Date Feb. 28, 1956 *Payee Western Development Company of Delaware

Per [signature] Title Secretary

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

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

(Instructions on reverse)

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

$ No Payt

Signature [signature]
(Authorized Certifying Officer)

Date 4/4/56 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 882 in accordance with the terms of the contract.

Signature Wm. Mathews ($47.15) Title Min. Engr Date Mar. 16, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Clerk.

Signature W. M. Jones Title Executive Officer Date APR 3 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

REVISED

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 9 - 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 6 Docket No. DMEA 3826 Contract No. DDM 883
Operator's Name Western Development Company of Delaware Minerals Lead - Zinc
Address P. O. Box 1201, Santa Fe, New Mexico

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
~~Drifting~~ Supervision &								
~~Crosscutting~~ Tech. Serv.	Mo.	33.33	1	1,033.33	3	-	4	2,000.00
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	-0-	0	8,239.50	1,831	4.50	3,150	4.50
Churn								
Auger								
~~Stripping~~ Core Boxes	00	-0-	0	125.00	125	1.00	125	1.00
~~Trenching~~ Payroll Taxes		1.67	-	51.67				)
~~Test Pits~~ Liability Insu		.10	-	3.10				) 200.00
Roads and Trails								
~~Samples~~	Assay	59.50	17	59.50	17	3.50	60	3.50
TOTAL DISTRIBUTED COSTS		94.60	18	9,512.10				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		94.60		9,512.10				16,710.00

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

Date Feb. 28, 1956 Operator Western Development Company of Delaware

Per [signature] Title Secretary

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

(Instructions on reverse)

REMARKS:

(For Government use only) [signature]

INSTRUCTIONS

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

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

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

GPO 872894

DOCKET DEMA 3826 (Pb-Zn)

NARRATIVE REPORT - JANUARY, 1956

During the month of January under Docket DMEA 3826, lead-zinc exploration for Western Development Company of Delaware, on the Cash Entry 101, patented mining claim including the Bottom Dollar, Black Hornet and Teresa veins in the North Cerrillos Area, Santa Fe County, New Mexico was carried on, and the following items were completed:

1. Cores containing vein material from all of the completed drill holes were split and sent to the Socorro Assay Laboratory for lead and zinc assays. As per instructions from Mr. W. D. McMillan, Mining Engineer, Bureau of Mines, a copy of the analysis was sent to him, as well as a minus 1/4 inch size split of all the samples from the assay office. A copy and description of the assays are attached to this narrative report.

2. A thorough study of the resulting diamond drill cores and assays, from a geologic as well as economic standpoint, was made by Western Development Company of Delaware, representatives of the New Mexico Bureau of Mines, and an independent consultant. The results have been evaluated and a request for contract termination has been made to W. M. Traver, Executive Officer, DMEA, Field Team, Region III.

WESTERN DEVELOPMENT COMPANY
of Delaware

By [illegible]
Secretary

DOCKET DMEA 3826 (Pb-Zn)

DESCRIPTION AND ASSAYS OF DIAMOND DRILLING

Hole No. 1. Bottom Dollar Area

136' to 139' Altered and mineralized monzonite
1.52% Pb; 3.88% Zn; Vein width 1.8'

141' to 144' Altered and mineralized monzonite
0.20% Pb; 0.51% Zn; Width 1.8'

144' to 145' High grade sulfides 8" with some altered monzonite
13.75% Pb; 12.65% Zn; Vein width 0.6'

145' to 146.5' Altered and mineralized monzonite
0.17% Pb; 0.37% Zn; Width 0.9'

Hole No. 2. Bottom Dollar Area

206' to 208' Siliceous vein with Pb, Zn and Fe
0.22% Pb; 0.34% Zn; Width 1.0'

Hole No. 3. Bottom Dollar Area

120' to 124' Siliceous vein with Pb, Zn and Fe
7.4% Pb; 8.10% Zn; Vein width 2.0'

Hole No. 4. Bottom Dollar Area

160' to 162' Siliceous vein with Pb, Zn and Fe
0.40% Pb; 2.94% Zn

182' to 185' Siliceous vein with Pb, Zn and Fe
2.05% Pb; 6.10% Zn; Vein width 0.85'

Hole No. 5. Black Hornet Area

172' to 177' Altered monzonite (?) sulfides
0.50% Pb; 0.55% Zn

248' to 252' Altered monzonite (?) sulfides
0.14% Pb; 0.38% Zn

333' to 334' Altered monzonite and ZnS
0.28% Pb; 1.72% Zn

678' to 680' Altered monzonite, SiO_2 and PbS
0.10% Pb; 0.54% Zn

Hole No. 6. Bottom Dollar Area

150' to 158' Alternate bands altered monzonite and high grade Pb-Zn sulfides
1.40% Pb; 2.96% Zn; Vein width 6.4'

388' to 389' Siliceous vein matter and altered monzonite
0.40% Pb; 0.23% Zn

Hole No. 9 Teresa Vein

150' to 151' Siliceous vein matter with Pb, Zn and Fe
1.76% Pb; 2.61% Zn; Vein width 0.6'

157' to 158' Siliceous vein matter with Pb, Zn and Fe
0.21% Pb; 2.46% Zn; Vein width 0.6'

Hole No. 10. Teresa Vein

82' to 82.7' Monzonite and Pb stringers

3.16% Pb; 3.50% Zn; Vein width 0.5'

Note: Vein width calculated to approximate normal width considering dip and angle of holes. Holes No. 3 and No. 4 included for informational purposes only, as they are not included in the drilling program under Contract Idm-E883.

REVISED

Docket DMEA 3826 (Pb-Zn)

COMPUTATION OF PAYROLL TAXES

F. I. C. A. Tax	2.00%
Federal Unemployment Tax	.30%
New Mexico Unemployment Tax	2.70%
Total:	5.00%

$33.33 monthly allowable for Supervision
5%
$ 1.67 Payroll Tax as claimed in Form MF 104

COMPUTATION OF INSURANCE

Workmen's Compensation and Comprehensive Liability:
.30 per $100.00 of remuneration

$33.33 monthly allowable for Supervision
.30
$ .10 Insurance as claimed in Form MF104

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

FINAL DISTRIBUTION
MADE FEB 9 1956

Administrative Audit Difference Statement

Date: February 9, 1956
Payee's
Reference: Dec. 1955

RECEIVED
FEB 13 1956

Uranium Development Co. of Colorado
P O Box [illegible]
Santa Fe, New Mexico

Gentlemen:

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

Amount Claimed	$ 2,[illegible]	
Difference	$	
Amount Approved	$ 2,[illegible]	

The reason for the difference was due to:

* Letter dt. [illegible] pending receipt of drilling or pending receipt of [illegible] relative to closing the account.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

RECEIVED
FEB 13 1956

224 New Customhouse
Denver 2, Colorado

February 6, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3826 (Lead-Zinc) Contract Idm-E883, Western Development Company, Cash Entry No. 1, North Cerrillos District, Santa Fe County, New Mexico. Operator's Monthly Progress Report, for the period December, 1955

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Withhold an amount of $200.00 pending resumption of drilling or, if drilling is not resumed, continue to hold this amount pending resolution of matters relative to closing the account.

Reconciliation with Amount Claimed by Operator on Form MF-104

Amount claimed by Operator on Form MF-104	$2,326.50
Government Participation at 50 percent	1,163.25
Amount withheld	200.00
Recommended payment to Operator	$ 963.25

Remarks

Date of Report----------January 3, 1956
Date Received in Field Office----------January 20, 1956
Date Received in Region Office---------January 25, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E883
Sec. Op. Comm. (2)
Shaw (2)
Townsend w/copy engr's report
Chron.

RECEIVED
FEB 13 1956

DMEA
Date Rec'd.
JAN 25 1956
BUREAU OF MINES
Denver, Colorado

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
January 23, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA 3626, Ida-0883, Western Development Company, Gunk Entry 101, North Carrillos District, Santa Fe County, New Mexico - Progress report for December, 1955

Work performed under the subject contract was examined on December 13, 1955, accompanied by W. E. Scorsh, President, and A. C. Melting, Engineer of Western Development Company, at which date Hole No. 6 had been completed to its objective with a total depth of 400 feet. Eight feet of core was recovered from 190 to 198 feet on the Bottom Dollar structure, consisting of bands of altered monzonite and siliceous lead-zinc veins, from which samples analyzed 1.40 percent lead and 2.96 percent zinc. This hole also cut 1 foot of less than 1 percent lead-zinc between 388 and 389 feet in an unnamed structure.

Since the December, 1955, examination the applicant has placed 3-inch by 3-inch by 4-foot stakes at the collars of each hole, has surveyed the collar elevations and has split the cores containing lead-zinc mineralization. Splits were analyzed at the Socorro Assay Laboratory, Socorro, New Mexico. Duplicates of the Minus ¼ inch material have been received and are being sent to the Bureau of Mines laboratory at Salt Lake City, Utah. Results of the Socorro Assay Laboratory are given below.

Hole No.	(feet) Collar Elevation	Sample No.	(feet) Interval	Analyses Percent Lead	Zinc
1	6320	93	136-139	1.52	3.88
1	6320	94	141-144	0.80	0.51
1	6320	95	144-145	13.75	12.65
1	6320	96	145-146½	0.17	0.37
2	6320	97	206-208	0.82	0.34
3	6335	98	120-124	7.40	8.15
4	6335	99	160-162	0.40	2.94
4	6335	100	182-183	2.05	6.10
5	6060	101	176-177	0.58	0.55
5	6060	102	248-252	0.14	0.35
5	6060	103	333-334	0.85	1.72
5	6060	104	678-680	0.20	0.54
10	6380	105	82-82.6	3.16	3.90
9	6375	106	150-151	1.76	2.41
9	6375	107	157-158	0.21	2.46
6	6320	108	158-158	1.40	2.96
6	6320	109	388-389	0.40	0.83

Western Development Company has shipped three lots of ore to the American Smelting and Refining Company's mill at Deming, New Mexico. Settlement sheets have been received for Lots 1 and 2, for a total of 193 Net Dry Tons with average assays of 10 percent lead and 10 percent zinc. These lots were from the south drift on the 185-foot level of the Bottom Dollar Mine which was in ore for about 90 feet, and is being driven south in waste to reach Hole No. 3, with out 2 feet of ore assaying 7.40 percent lead and 8.15 percent zinc.

Western Development Company is at present undecided about drilling Holes Nos. 7 and 8 of the contract. If they decide not to drill them, they should submit a final report requesting termination of the contract.

Payment of $1163.85 is justified, this being 90 percent of the November cost. It is recommended that $350.00 be withheld until a final report is received.

One copy of the contractor's drill logs were received and are being retained in this office.

W. D. McMillan
Mining Engineer

WDM/mr
cc 6
Mm-2853
Chron.

January 13, 1956

Mr. John F. Shaw
U. S. Bureau of Mines
Room 177, Building 20
Denver Federal Center
Denver 2, Colorado

Re: Bureau Bid 2336 (Indirine) - Contract Idm 8-38

Dear Mr. Shaw:

We submit herewith five copies of the following documents and data constituting the report for the month of December, 1955, in connection with the above contract:

Form MF - 104
Form MF - 104 A
Narrative Report with exhibits

Attached to the original copy of Form MF - 104 you will find a document of the charges as required by the instructions to the form.

If any further information is required, please advise us.

Very truly yours,

WESTERN DEVELOPMENT COMPANY
of Delaware

W. B. Scorah
President

WBS/ph
Enc. 5 sets

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

Budget Bureau No. 42-R1036.5

RECEIVED
FEB 13 1956

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

Month of December, 1955 Docket No. DMEA 3326 Contract No. Idm 883
Operator's Name Western Development Company of Delaware Minerals Lead - Zinc
Address Box 1201, Santa Fe, New Mexico
Contract Amount, $ 16,710.00 Government Participation: 50 % Amount, $ 2,326.50

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~Short Form~~ Contracts:						2/21/56 J.W.C.
Drilling	1,800.00	6,439.50	8,239.50	2/23/56	D.P.K.	
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	500.00	500.00	1,000.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	-0-	125.00	125.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	25.00	25.00	50.00			
Liability Insurance	1.50	1.50	3.00			
(8) Contingencies (specify):						
TOTALS	2,326.50	7,091.00	9,417.50	2,326.50	7,091.00	9,417.50
				1)	526.50	526.50
					6,564.50	8,891.00

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

Date 1/3/56 *Payee Western Development Company of Delaware

Per Alice L. Henderson Title Secretary

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

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

(Instructions on reverse)

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

$ 963.25

Signature
(Authorized Certifying Officer)

Date 2/9/56 Vou. No. 56-68

(See other side)

1) Previous Deduction. Note: Withheld 200.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E833 in accordance with the terms of the contract.

Signature [illegible] ($1163.25) Title Min. Engr Date Jan. 23, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date FEB 6 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
FEB 13 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1955 Docket No. DMEA 3826 Contract No. IDM-883
Operator's Name Western Development Company of Delaware Minerals Lead - Zinc
Address Box 1201, Santa Fe, New Mexico

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
~~Drifting~~ Supervision & ~~Crosscutting~~ Tech.Serv.	Mo.	500.00	1	1,000.00	2	-		
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	1800.00	400	8,239.50	1831	4.50	3150	4.50
Churn								
Auger								
~~Stripping~~ Core Boxes	00	-0-	-0-	125.00	125	1.00	125	1.00
~~Trenching~~ Payroll Taxes	-	25.00	-	50.00	-	-		
~~Test Pits~~ Liability Insu.	-	1.50	-	3.00	-	-		
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2326.50		9,417.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,326.50		9,417.50				15,710.00

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

Date 1/13/56 Operator Western Development Company of Delaware

Per Gene L. Henderson Title Secretary

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

(Instructions on reverse)

REMARKS:

(For Government use only)

Connie Mulkey

INSTRUCTIONS

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

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

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

GPO 872894

Docket DMEA 3826 (Pb-Zn)

NARRATIVE REPORT - DECEMBER, 1955

During the month of December, 400 feet of diamond drilling were completed under Docket DMEA 3826, lead-zinc exploration for Western Development Company of Delaware, on the Cash Entry 101, patented mining claim including the Bottom Dollar, Black Hornet and Teresa veins in the North Cerrillos Area, Santa Fe County, New Mexico.

The footage drilled is distributed as follows: (Note: refer to Exhibit "A" of November, 1955 report, and/or Figure 2 of original contract Docket DMEA 3826 (Pb-Zn)

Hole No. 6 - 400 ft. (hole completed to objective)

The results of the above hole are as follows (See Exhibit "D", December report attached):

Hole No. 6 recovered 8 ft. of core (150-158), Bottom Dollar Structure, containing vein material consisting of alternate bands of altered monsonite and siliceous lead and zinc veins. While there were streaks of excellent galena and sphalerite, the vein material can be only called fair. At 387 ft. of depth a one-foot structure was cored containing very minor sulfide.

Studies are still being made on No. 6 hole as well as the results obtained during November. The cores have been split and sent for assay (Pb and Zn). The laboratory has been instructed to send a split (minus 1/4 inch sizes) of the samples to Mr. McMillan, mining engineer, Bureau of Mines, Denver.

Location markers consisting of 3" x 3" x 4 ft. timbers have been placed on each hole as per Mr. McMillan's instructions. All cores have been indexed and are safely stored in a mill building on the property.

The approximate elevations of the collars of the holes now drilled are:

Hole No. 1 and 2	6320 ft.
Hole No. 3 and 4	6335 ft.
Hole No. 5	6260 ft.
Hole No. 6	6320 ft.
Hole No. 9	6375 ft.
Hole No. 10	6380 ft.

The drillers' log of No. 6 hole is included with this report.

After receiving our assay reports from the drilling that is now completed, we will be able to evaluate the results conclusively. The results will indicate from an economic standpoint whetheror not Holes No. 7 and No. 8 should be drilled.

Attached: Exhibit D - Map of No. 6 Hole

WESTERN DEVELOPMENT COMPANY OF DELAWARE

W. E. Smith, President

DOCUMENTATION OF CHARGES
REPORTED UNDER CATEGORIES 1, 2 AND 7
OF FORM MF-200

Item 1 - Drilling	Attached hereto are the drillers logs from MacPherson Drilling Company covering the drilling of 400 feet of hole.
Item 2 - Supervision	The exploration contract MF-200 contained estimated costs of a supervising engineer at the rate of $500.00 per month for 4 months. The accompanying form MF-104 requests reimbursement for the applicable portion of such cost of supervision for the month of December, 1955, and a certified copy of the payroll is attached hereto.
Item 7 - Miscellaneous	The accompanying form MF-104 requests reimbursement for the applicable portion of payroll taxes and insurance related to the month of December, 1955, and the computation for payroll taxes and insurance is attached hereto.

The undersigned hereby certifies to the truth and accuracy of the foregoing.

WESTERN DEVELOPMENT COMPANY
of Delaware

President

Computation of Payroll Taxes

F.I.C.A. Tax	2.00%
Federal Unemployment Tax	.30%
New Mexico Unemployment Tax	2.70%
Total:	5.00%

$500 monthly allowable for Supervision
5%
$ 25.00 Payroll Tax as claimed in Form MF104

Computation of Insurance

Workmen's Compensation and Comprehensive Liability: .30 per $100 of remuneration

$500 monthly allowable for Supervision
.30
$ 1.50 Insurance as claimed in Form MF104

CORE DRILLING FOUND[illegible]N TESTING SOIL SAMPLING, ET[illegible]

MacPherson Drilling Company

MONTROSE, COLORADO

TELEPHONES 183 and 894-M P. O. BOX 447

FOR CUSTOMER'S USE ONLY	
Register No.	Voucher No.
Terms Approved	Rate Approved
Calculations Checked	
Footage Checked	
Adjustments	
Accounting Distributions	
Audited	Final Approval

INVOICE DATE: December 27, 1955 December Drilling
INVOICE NUMBER: Four
CONTRACT: Western Development Company
TERMS: Contract
LOCATION: [illegible] Co, New Mexico

HOLE NO.	FROM	TO	FOOTAGE	RATE	TOTAL
3 D 56	0	400	400	4.75	1,9[illegible]
Casing Charges					
E Bro BX Case	0	5	5	[illegible].75	[illegible]
AX Case	0	10	5	[illegible]	[illegible]
			To Balance		$1,9[illegible].75

Certified to be a true copy.
WESTERN DEVELOPMENT COMPANY OF DELAWARE

By [illegible]
Secretary

DMEA
Date Rec'd.
FEB 3 1956
BUREAU OF MINES
Denver, Colorado

DAILY PRESS 11-54-250

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

RECEIVED
MAR 15 1956

224 New Customhouse
Denver 2, Colorado

~~March 12, 1956~~

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3826 (Lead-Zinc) Contract Idm-E883, Western Development Company of Delaware, Cash Entry No. 101, North Cerrillos District, Santa Fe County, New Mexico - Reinstatement of costs disallowed from November 1955 voucher

Enclosed are two copies of a memorandum to T. A. Christensen dated March 7, 1956 and two copies of an Administrative Audit Difference Statement pertaining to a reclaim of costs which were disallowed for the month of November, 1955.

W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
MAR 15 1956

224 New Customhouse
Denver 2, Colorado

March 7, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3826 (Lead-Zinc) Contract Idm-E883, Western Development Company of Delaware, Cash Entry No. 101, North Cerrillos District, Santa Fe County, New Mexico-Reinstatement of costs disallowed from November 1955 voucher

Reference is made to our memorandum dated December 28, 1955 wherein we requested that certain amounts be disallowed because of insufficient documentation as follows:

a) the amount of $500.00 claimed for Supervision and Technical Services
b) the amount of $25.00 claimed for payroll taxes
c) the amount of $1.50 claimed for Liability Insurance

Total of disallowances: $526.50

Sufficient documentation of the above costs has now been submitted by the Operator and we therefore recommend that the Government's share of the costs be paid.

Amount of Reclaim----------$526.50

Recommended payment to Operator at 50 percent----$263.25

The original of the Administrative Audit Difference Statement is enclosed.

$263.25

JDC:jy

W. M. TRAVER

cc: MF-104 File E883)
Sec. Op. Comm. (2)) 3/8/56 Dis 56-79
Shaw (2)) w/copy Adm Audit Diff Stmt
Townsend)

W. M. Traver

Enclosure
Chron.

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

Administrative Audit Difference Statement

Date: Jan 17, 1956
Payee's Reference: Dec. 1955

Western Development Co. of Delaware
P O Box 1201
Santa Fe, New Mexico

Gentlemen:

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

Amount Claimed	$ 7,091.00
Difference	$ 526.50
Amount Approved	$ 6,564.50

The reason for the difference was due to:

Disallow:

Supervision & Technical Services	$500.00
Payroll Taxes	25.00
Liability Insurance	1.50
	$526.50

Insufficient documentation was furnished for the three above items.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

RECEIVED

JAN 23 1958

Betty

FINAL DISTRIBUTION

MADE JAN 19 1958

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

Administrative Audit Difference Statement

Date: Jan 17, 1956
Payee's
Reference: Dec. 1955

Western Development Co. of
Delaware
P O Box 1201
Santa Fe, New Mexico

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Difference	$ 526.50
Amount Approved	$ 6,564.50

The reason for the difference was due to:

Disallow:

Supervision & Technical Services	$500.00
Payroll Taxes	25.00
Liability Insurance	1.50
	$526.50

Insufficient documentation was furnished for the three above items.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

UNITED STATES
PARTMENT OF THE INTERIOR
EFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

astonhouse
Colorado

December 28, 1955

mmorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3826 (Lead-Zinc) Contract Idm-E883, Western Development Company of Delaware, Cash Entry 101 Claim, North Cerrillos District, Santa Fe County, New Mexico - Operator's Monthly Progress Report for the period November, 1955

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Disallow

a) the amount of $500.00 claimed for "Supervision and Technical Services"

b) the amount of $25.00 claimed for payroll taxes

c) the amount of $1.50 claimed for Liability Insurance

Insufficient documentation was furnished by the Operator for the three above items. Total of disallowances is $526.50.

Reconciliation with Forms MF-104 and MF-104A

Amount claimed by Operator- - - - - - - -	$7,091.00
Amount disallowed- - - - - - - - - - - - - -	526.50
Approved project expenditures- - - - - - -	$6,564.50

Recommended Government participation at 50 percent- - - - - - - - - - - - - -	$3,282.25

Remarks

Date of Report- - - - - - - - - - - -	December 8, 1955
Date Received in Field Office- - - -	December 13, 1955
Date Received in Region Office- - -	December 20, 1955

W. M. Traver

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E883
Sec. Op. Comm. (2)
Shaw (2)
Townsend w/copy engr's. report
Chron.

DMEA
Date Rec'd
DEC 20 1955
BUREAU OF MINES
Denver, Colorado

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
December 19, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA 3686, Idm-2883, Western Development Company Cash Entry 101 claim, North Cerrillos District, Santa Fe County, New Mexico - Progress report for November 1955

The subject contract was examined on December 13, 1955, accompanied by W. E. Scorah, president, and A. C. Melting, engineer of Western Development Company.

Diamond core drilling was started November 1, 1955, and at the end of the month 7 holes with a total of 1,777 feet had been completed. Hole Nos. 3 and 4 had been drilled before the contract was received and payment is only claimed during November for Hole Nos. 1, 2, 5, 9 and 10 with a total of 1,431 feet.

Due to an error in locating these holes on the ground which were closer to the vein and at steeper angles, the total footage of the 5 holes was 219 feet less than the estimated total depth. Hole No. 5 was drilled at an angle of 40 degrees instead of 45 degrees in the contract, and had a total depth of 705 feet instead of 600 feet in the contract. This depth was required to cut the possible Bottom Dollar vein at a depth of 430 feet.

All of the holes drilled completed their objectives, and visual examination showed fair to good lead-zinc mineralization over vein thickness of 2 inches to 1 foot. In the veins core recovery was poor, and the cuttings were not recovered due to loss of circulating water but grains of galena were brought up in the core barrel.

The company is proceeding to split the core and have it analyzed. While only Hole Nos. 1, 2, 3 and 4 showed indications of lead-zinc commercial ore on the Bottom Dollar vein, both the Black Horset and the Teresa may have commercial ore. In the Cerrillos District the ore shoots pinch and swell both horizontally and vertically. As an example, at the present 125-foot level of the Bottom Dollar

shaft has been in ore for 80 feet to the south and still has 70 feet to reach Hole No. 3, which cut 4 feet of zinc-lead mineralization (2 feet true thickness), while the drift to the north only got into ore grade material at 60 feet. Hole No. 1 with 8 inches of high-grade lead-zinc, with poor recovery, is 90 feet further north.

Western Development Company has shipped two carloads of sorted ore with a third being shipped today, to the A.S.R. Company mill at Deming, New Mexico, but have not as yet received the returns.

It is recommended that $3,545.50 be approved for payment, this being 50 percent of the November 1955 cost.

One copy of the contractor's drill hole logs were received and are being retained in this office.

W. D. McMillan
Mining Engineer

WDM:ph

cc 6
Idm-M863
Chron

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JAN 23 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1955 Docket No. DMEA 3805 Contract No. Idm-X-883
Operator's Name Western Development Company of Delaware Minerals Lead-Zinc
Address P. O. Box 1201, Santa Fe, New Mexico
Contract Amount, $ 16,710.00 Government Participation: 50 % Amount, $ 8,355.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~Short Form~~ Contracts:		✓		1/31/56 W.A.K.		1/26/55. J.W.A.
Drilling	6,439.50	-	6,439.50			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	500.00		500.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	125.00		125.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	25.00		25.00			
Liability Insurance	1.50		1.50			
(8) Contingencies (specify):						
TOTALS	7,091.00		7,091.00	6,564.50		6,564.50

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

Date 12/3/55 *Payee Western Development Company of Delaware

Per Jane L. Henderson Title Secretary

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

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

(Instructions on reverse)

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

$ 3282.25

Signature [illegible]
(Authorized Certifying Officer)

Date 1/13/56 Vou. No. DMA 56-58

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Fdm-8[illegible] in accordance with the terms of the contract.

Signature William D. McMillan ($7091.00) Title Mining Engineer Date Dec. 16, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature W. M. Naver Title Executive Officer Date DEC 28 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JAN 23 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1955 Docket No. DMEA 3926 Contract No. Ida-2-883
Operator's Name Western Development Company of Delaware Minerals Lead-Zinc
Address P. O. Box 1201, Santa Fe, New Mexico

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
~~Drifting~~ Supervision &								
~~Crosscutting~~ Tech. Ser.	No.	500.00	1	500.00	1	-		
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	6,439.50	1,431	6,439.50	1,431	4.50	3,150	4.50
Churn								
Auger								
~~Stripping~~ Core Boxes	Ea.	125.00	125.00	125.00	125.00	1.00	125.	1.00
~~Trenching~~ Payroll Taxes	-	25.00	-	25.00	-	-	-	-
~~Test Pits~~ Lab. Ins.	-	1.50	-	1.50	-	-	-	-
Roads and Trails								
TOTAL DISTRIBUTED COSTS		7,091.00		7,091.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		7,091.00		7,091.00				$ 16,710.00

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

Date December 8, 1955 Operator Western Development Company of Delaware

Per James E. Henderson Title Secretary

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

REMARKS:

(Instructions on reverse)

(For Government use only) William D. McMillan

INSTRUCTIONS

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

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

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

GPO 872894

Docket DMEA 3826 (Pb-Zn)

NARRATIVE REPORT - NOVEMBER, 1955

During the month of November 1431 feet of diamond drilling were completed under Docket DMEA 3826, lead-zinc exploration for Western Development Company of Delaware on the Cash Entry 101, patented mining claim including the Bottom Dollar, Black Hornet and Teresa veins in the North Cerrillos Area, Santa Fe County, New Mexico.

The footage drilled is distributed as follows (Note: see Exhibit A):

Hole No.	1	148 ft.	(Hole completed to objective)
	2	220 ft.	(Hole completed to objective)
	3)	Drilled on company account prior to Contract date	
	4)		
	5	705 ft.	(Hole completed to objective)
	9	148 ft.	(Hole completed to objective)
	10	210 ft.	(Hole completed to objective)

The results of the above holes are as follows (Note: see Exhibits B and C):

Hole No. 1 recovered 8" of good lead-zinc core at 134 ft. of depth. Core recovery was poor; it was personally observed from the cuttings that slightly over two feet of drilling was in a sulfide bearing structure. No assays have been made from the results of this hole nor of the subsequent holes pending further megascopic examination.

Hole No. 2 recovered 2 ft. of core showing lead-zinc values at 206 ft. of depth. Visually, the lead-zinc values are not as high as in Hole No. 1.

Hole No. 3 and Hole No. 4 were done prior to the contract date of DMEA 3826, with results noted on Exhibit B.

Hole No. 5 recovered core indicating the extension of structures found in the Black Hornet shaft and the extension of the Bottom Dollar vein. None of the cores indicated commercial lead or zinc.

Hole No. 9 recovered 6" of silicious lead-zinc and iron core, as well as other minor lead indications, none of which appear to be commercial.

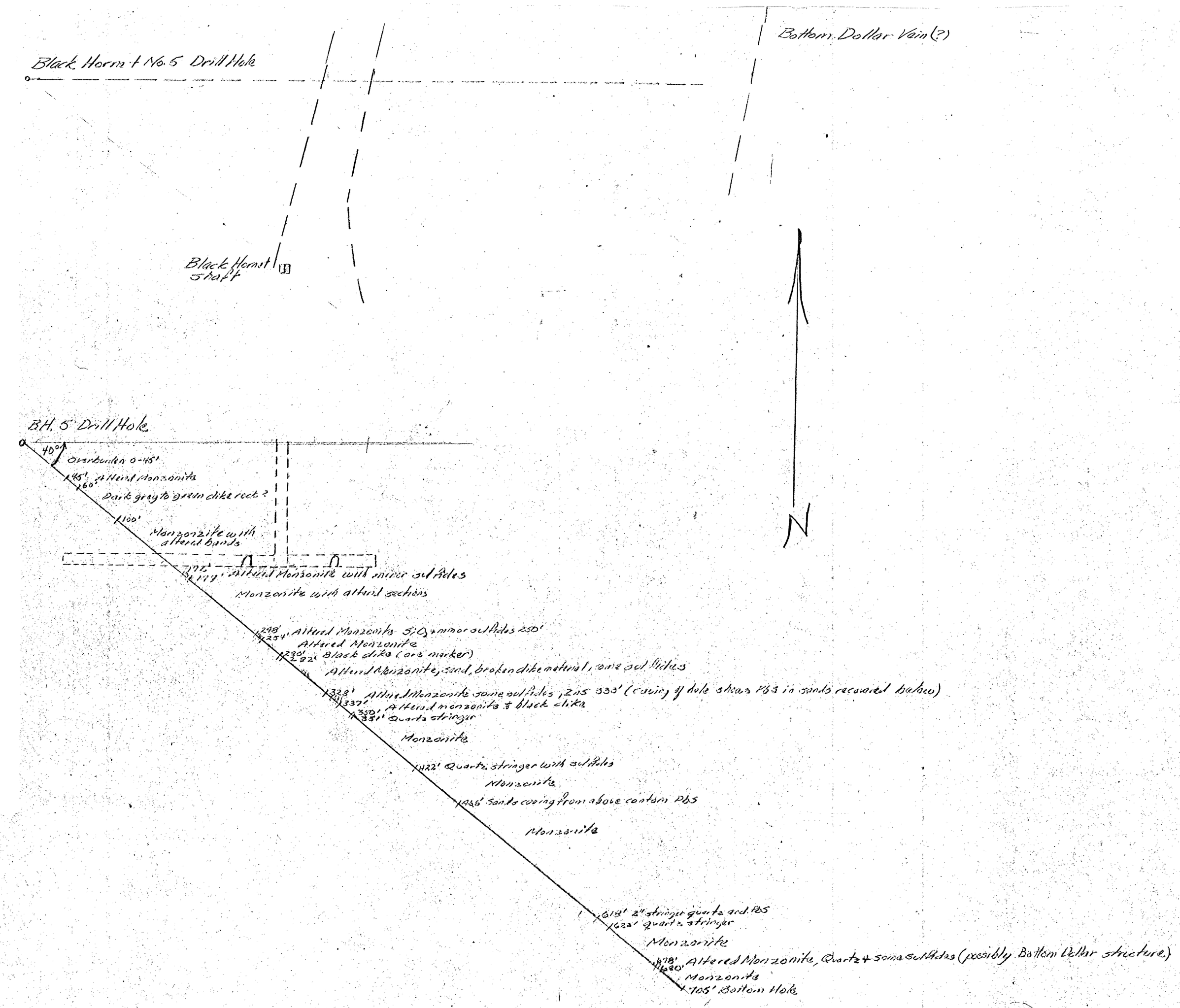
Hole No. 10 recovered 8" of vein material showing 2 inches of lead and zinc.

We have purchased core boxes and have preserved all the cores for inspection by the Federal Bureau of Mines and also the New Mexico Bureau of Mines. After the cores have been adequately studied and the findings recorded, assays of the mineralized sections will be made. At present Hole No. 6 is being drilled. The results obtained from this hole will determine whether or not further holes will be completed,

WESTERN DEVELOPMENT COMPANY
of Delaware

President

Attached: Exhibit A - Proposed Drilling Program
Exhibit B - Details Drill Holes No. 1, 2, 3, 4, 9, 10
Exhibit C - Details Drill Hole No. 5



Cerrillos Mining District

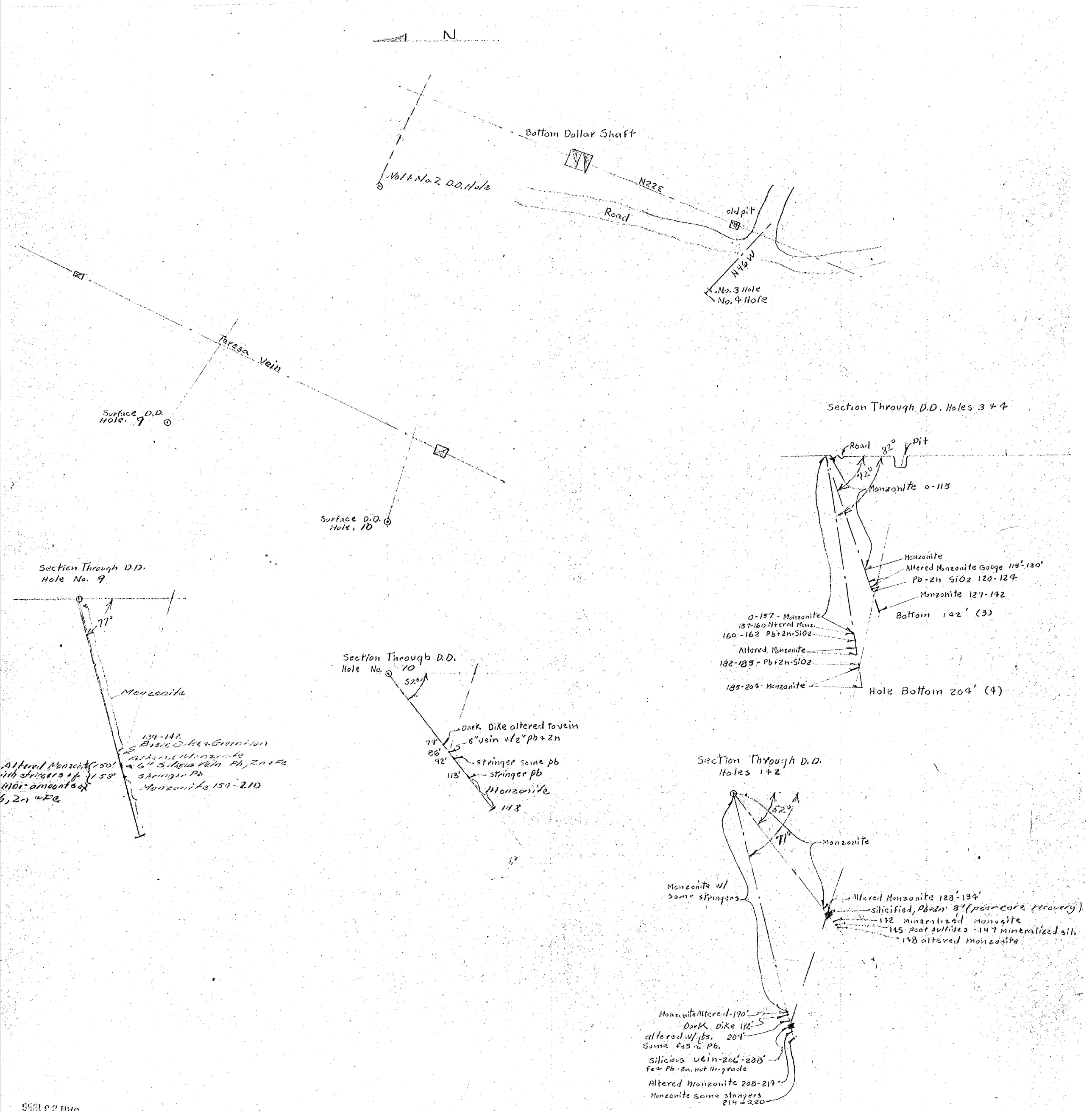
Brunton Survey

Diamond Drill Hole No. 5

Black Hornet Area

Scale 1" = 50'

12/3/55 ADM



Cerrillos Mining District

Brunton Surveys of Bottom Dollar Shaft w/ D. D. Holes

Scale 50' = 1 Inch

11/28/55

acm-JCS

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JAN 23 1986

DMEA 3826 (Pb-Zn)
Exhibit A

PROPOSED DRILLING PROGRAM November, 1955

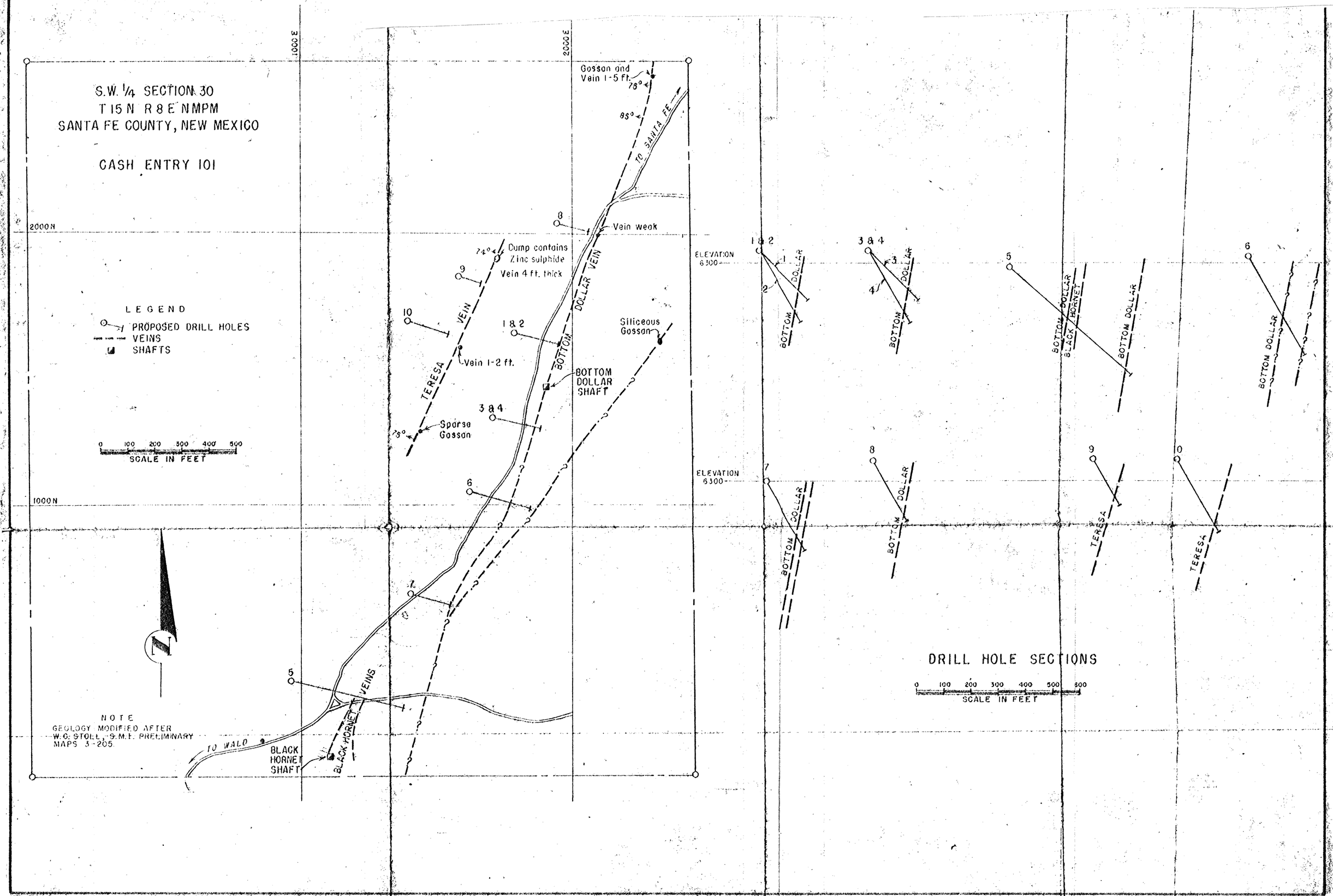
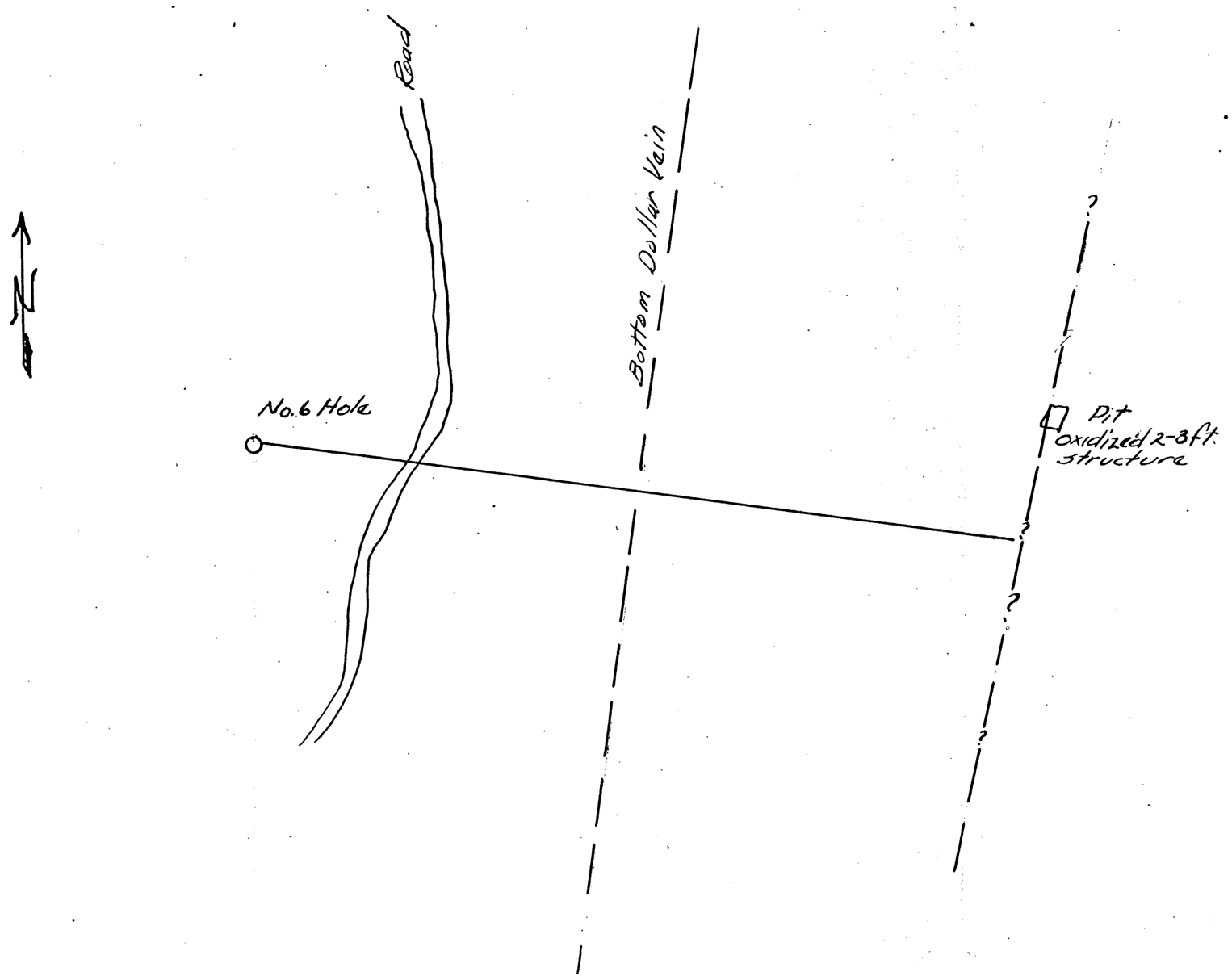


FIGURE 2 - PROPOSED EXPLORATION, WESTERN DEVELOPMENT COMPANY, CASH ENTRY 101, PATENTED MINING CLAIM, BOTTOM DOLLAR, BLACK HORNET, AND TERESA ZINC-LEAD VEINS, NORTH CERRILLOS AREA, SANTA FE COUNTY, NEW MEXICO. DMEA 3826

Diamond Drill Hole No. 6

D.M.E.A. 3826

Refer: Fig. 2. Proposed Exploration DMEA 3826



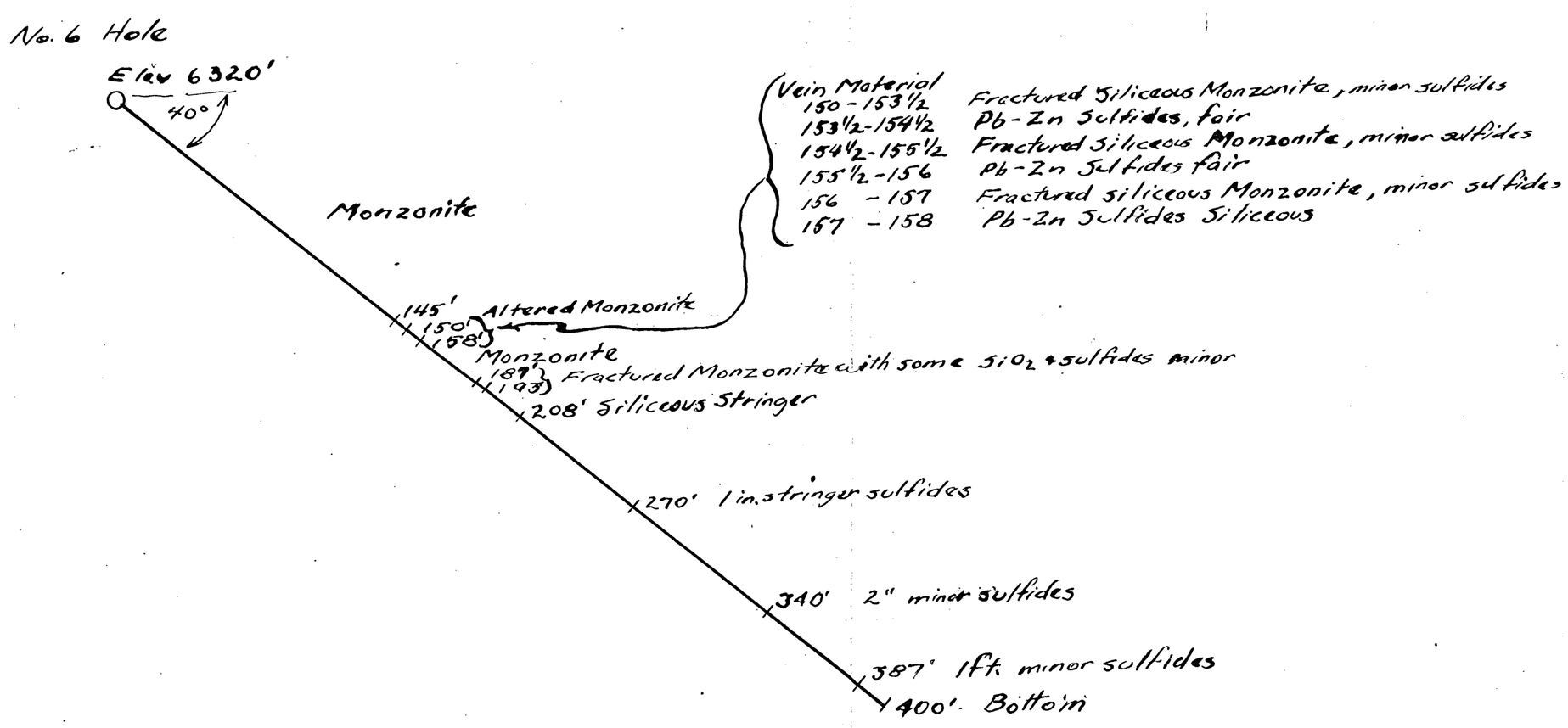
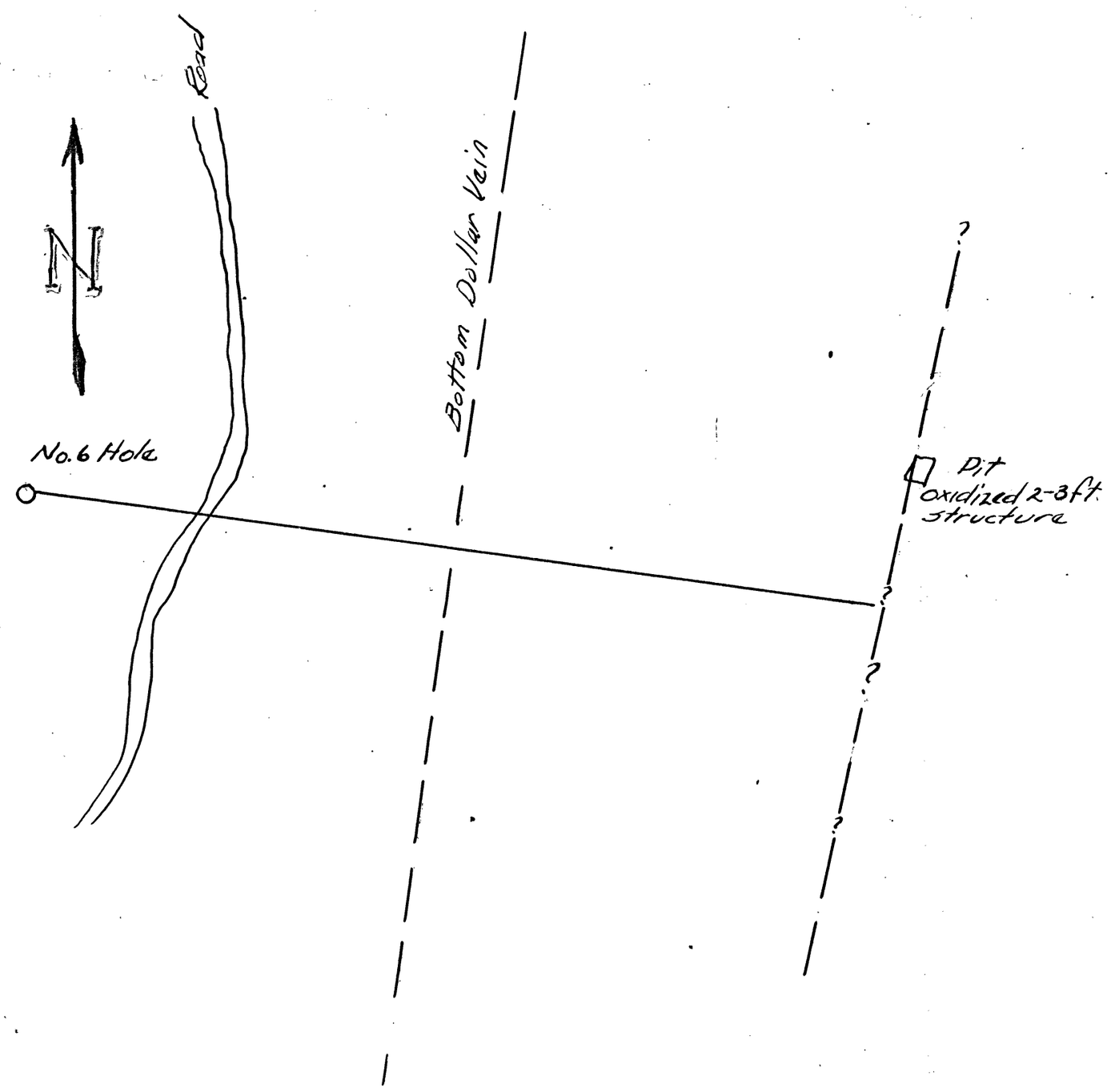


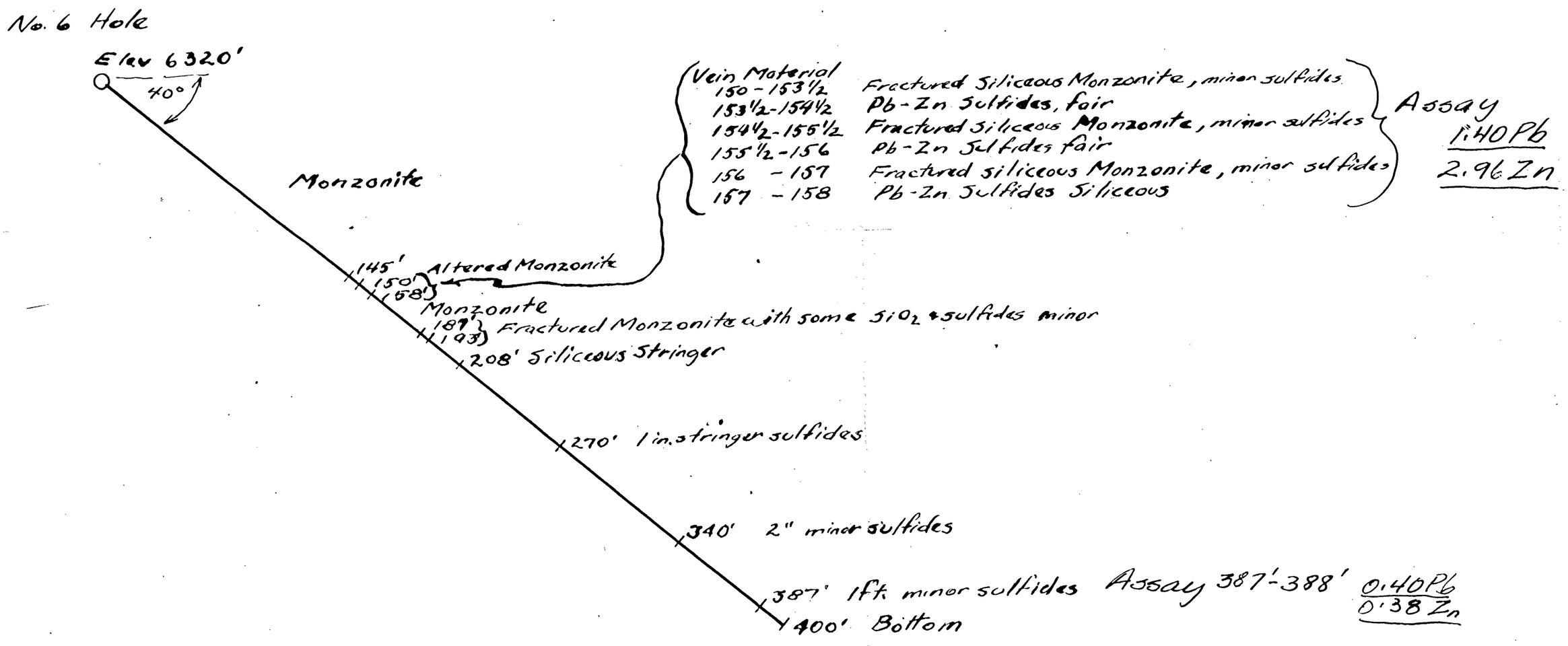
Exhibit "D"

Western Development Company of Delaware
Cerrillos Mining District
Bounton Survey
Scale 1" = 50' Dec '55
ACM

Diamond Drill Hole No. 6
D.M.E.A. 3826

Refer: Fig. 2 Proposed Exploration DMEA 3826





Western Development Company
of
Delaware
Cerrillos Mining District
Bounton Survey
Scale 1" = 50' Dec '55
ACM