DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

RECEIVED
OCT 25 1956

I have reviewed the Monthly Reports of:

San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

pertaining to Exploration Project Contract No. Idm-E706, Docket No. DMEA-3390, including Amendment No. 1, for the months of November, 1954 to July, 1955, inclusive, covering a project for the exploration of uranium on property known as Good Hope Claims located in La Plata County, Colorado, approximately twelve miles north and west of Durango.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules , consultation with the Executive Officer of the DMEA Field Team, Region III, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$10,500.00
Exceptions:		
By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$10,500.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Seven thousand, eight hundred seventy-five and 00/100ths Dollars

** $7,875.00 **

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

October 22, 1956

Donald T. Finch, Auditor

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

RECEIVED NOV 15 1956 D.M.E.A.

224 New Customhouse
Denver 2, Colorado

October 23, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3390 (Uranium) Contract Idm-E706, San Juan Uranium Corporation (Good Hope claims) La Plata County, Colorado - FINAL PAYMENT

Reference is made to our memorandum of July 29, 1955, whereby we transmitted the final Form MF-104, Operator's Monthly Report and Voucher for July, 1955, and requested that you withhold the amount of $250.00 from reimbursement to the Operator pending receipt of the Operator's final report and release to this office of a 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 October 22, 1956, which was released to this office October 22, 1956.

Basis for Final Payment

Total Accepted Cost- - - - - - - - - - - - - - - - - - - -	$10,500.00
Government participation at 75 percent- - - - - - - -	7,875.00
Total prior payments- - - - - - - - - - - - - - - - - -	7,625.00
Balance due the Operator	$ 250.00

W. M. TRAVER

W. M. Traver

JDC:jy
cc: MF-104 File E706
Corresp. File
Chairm. Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Chron.

$250.00
10/30/56 Zma 57-52

Form MF-134 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1955 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 2, Okla. Uranium
Contract Amount, $ Government Participation: % Amount, $ 10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 17 ft.	510.00	9990.00	10,500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	510.00	9990.00	10,500.00	510.00	9990.00	10,500.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 12 *Payee San Juan Uranium Corp.
Per R. B. Walter Title President

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

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)

$ 250.00 withheld

RECEIVED
AUG 11 1955

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

* $ 13250 RRC

Signature RRC
(Authorized Certifying Officer)

Date 8-5-55 Vou. No. DMA 56-12
(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. E-706 in accordance with the terms of the contract.

Signature C. M. Harrer $382.50 Title Mining Engineer Date 7-25-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Burk.

Signature W. M. Lower Title Executive Officer Date JUL 29 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1955 Docket No. DMEA 3390 Contract No. Iam-E706

Operator's Name San Juan Uranium Corporation Minerals

Address Fidelity Bldg., Oklahoma City 2, Okla. Uranium

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	Foot	$510.00	17	$10,500.00	350	$30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$510.00	17	10,500.00			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$510.00	17	10,500.00				10,500.00

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 July 12 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

REMARKS: This completes the present contract, with the breast of the tunnel still in broken or faulted ground. The leases ol ore encountered indicate a better grade from Geigercounter readings. The tunnel is considerable drier than it has been

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

(Instructions on reverse)

(For Government use only)

C. M. Harper

INSTRUCTIONS

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

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

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

GPO 872894

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

Administrative Audit Difference Statement

Date: August 5, 1955
Payee's
Reference: July 1955

[illegible]
[illegible] Mfg.
[illegible] City, Ohio.

Gentlemen:

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

Amount Claimed	$ 2,200.00
Difference	$ 510.00
Amount Approved	$
	$ 1,710.00

The reason for the difference was due to:

$510.00 [illegible] on July report pending receipt of final report and release of the final report of audit by the Central Administration and Audit Division.

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

Very sincerely yours,

N.E.Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

July 29, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, Goodhope claims, La Plata County, Colorado - Operator's Monthly Progress Report for the month of July, 1955

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on form MF-104, contingent on your verification of arithmetical accuracy within the report.

Withhold an amount of $250.00 pending receipt of the Operator's final report and release of the final Report of Review by the Contract Administration and Audit Division.

Remarks:

Date of Report.....July 12, 1955
Date Received in Field Office.....July 15, 1955
Date Received in Region Office.....July 26, 1955

W. M. Traver

W. M. Traver

Enclosures

RDB:sr

cc Subject
Sec. Op. Comm. (2)
Townsend
SHAW (2)
Chron

DMEA
Date Rec'd
JUL 26 1955
BUREAU OF MINES
Denver, Colorado

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
July 26, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer

Subject: DMEA 3390, Contract Idm-E706 (Uranium), San Juan Uranium Corporation, Goodhope claims, La Plata County, Colorado - Progress report for July 1955.

The property was examined on July 19, 1955, in the company of E. S. Hoffman, foreman for San Juan Uranium Corporation. The writer was accompanied by Glen Walker of the Bureau of Mines and J. E. O'Rourke of the Geological Survey and Alberto Henrique, Point-4 trainee.

At the time of the examination, the Minaletti drift had been driven a distance of 352 feet from the start of the contract, or 2 feet beyond the limit of the completed contract. The operator's report of 17 feet of advance during July is, therefore, accepted as correct. Total advance under the contract as reported by the operator is now 350 feet and this completes the contract. The operator's forms MF-104 and 104A are correct and his narrative report is adequate. The results of sampling are not yet available but are promised as soon as the results of chemical analyses can be obtained. The gray sandstone exposed in the Minaletti adit dips about 17° to the south. Small amounts of uranium and vanadium occur in thin streaks which appear less than 5 feet long and less than 2 feet thick. None appeared of minable quality or extent. Uranium and vanadium content of the sandstone appears to be generally low by visual inspection. The best showing appeared in a 5-feet streak of greenish sandstone about 340 feet in on the contract which gave a maximum scintillometer reading of 7.5 MR/hr. In general, the mineralized portions of the sandstone do not appear of minable quality or extent.

Since the contract is completed, San Juan Uranium Corporation is entitled to payment of 75 percent of the remaining total expenditures ($510.00), or $382.50, however, payment should probably be withheld until assay results and a final report are received.

C. M. Harrer

C. M. Harrer
Mining Engineer

cc 6
B706
Chron

CMH/cm

MONTHLY REPORT OF OPERATOR

Month of July, 1955

(c) Narrative

Exploratory Project, Contract No. Idm E-706, Docket DMEA 3593 (Uranium) which calls for the extension of the Mimoletti Adit or Tunnel, located on Goodhope No. 2, now extending into Goodhope No. 1, 350 feet in a general westerly direction beyond the face or breast at the time the project was authorized, was advanced a total of 17 feet during the month of July, 1955 thereby completing the contract.

There has been little change in the character of the formation in the last several feet of the tunnel except that the lenses of ore encountered are of a better grade than those cut previously. The fact that the tunnel is drier the last 100 ft. or so could indicate that it is reaching the edge of the fault zone that it has undoubtedly been in from the time the project was started. A larger compressor has been installed so that the operator is in position to carry on the tunnel at an increased rate as well as other operations.

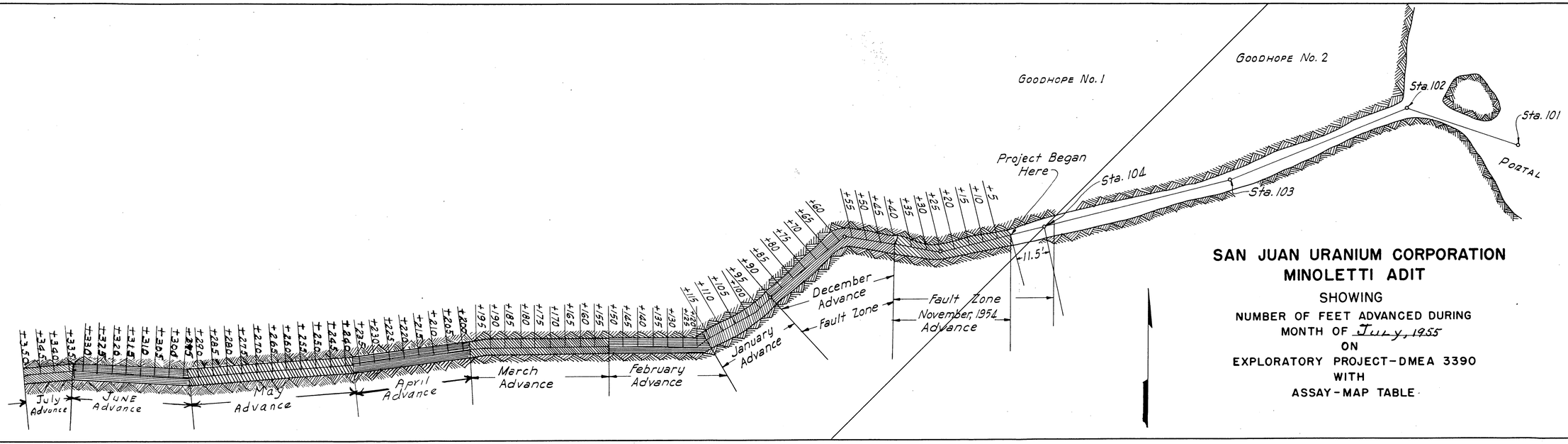
The last group of samples from the tunnel have been sent to the assay office and as soon as the report is received copies will be forwarded to complete the record.

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 5	0.75	0.00	0.20
Plus 10	5	1.32	0.06
Plus 15	5	0.08	0.02
Plus 20	0.75	0.62	0.13
Plus 25	5	0.06	0.02
Plus 30	5	0.20	0.02
Plus 35	5	0.08	0.01
Plus 40	1	0.12	0.01
Plus 45	1	0.13	0.01
Plus 50	0.5	0.13	0.01
Plus 55	0.5	0.15	0.01
Plus 60	1	0.13	0.01
Plus 65	1	0.12	0.01
Plus 70	0.5	0.22	0.02
Plus 75	0.5	0.58	0.02
Plus 80	0.5	0.12	0.01
Plus 85	0.5	0.03	0.01
Plus 90	1	0.08	0.01
Plus 95		0.11	0.01
Plus 100	5	0.17	0.04
Plus 105	5	0.37	0.02
Plus 110	5	0.34	0.01
Plus 115	5	0.02	Trace
Plus 120	5	0.02	Trace
Plus 125	5	Trace	Trace
Plus 130	5	0.30	0.02
Plus 135	5	0.59	0.02
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03
Plus 155		1.55	0.10
Plus 160		0.81	0.17
Plus 165		2.34	0.07
Plus 170	10	1.60	0.10
Plus 175	10	1.40	0.07
Plus 180	12	0.20	0.02
Plus 185	12	0.39	0.01
Plus 190	16	0.03	0.01

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 195	8	0.03	0.05
Plus 200	10	0.02	0.01
Plus 205		1.34	0.18
Plus 210		1.94	0.16
Plus 215		0.64	0.08
Plus 220		0.36	0.07
Plus 225		0.51	0.22
Plus 230		0.68	0.04
Plus 235		0.41	0.03
Plus 240		0.03	Trace
Plus 245		2.86	0.15
Plus 250		0.10	0.06
Plus 255		0.14	0.03
Plus 260		0.59	0.03
Plus 265		0.08	0.02
Plus 270		0.11	0.01
Plus 275		0.10	0.01
Plus 280		0.06	0.02
Plus 285		0.07	0.02
Plus 290		0.09	0.01



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF *July, 1955*

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1955 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals Uranium
Address Fidelity Bldg., Oklahoma City 2, Okla.
Contract Amount, $7,875.00 Government Participation: 75% Amount, $10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 40 ft.	1200.00	8790.00	9990.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1200.00	8790.00	9990.00	1200.00	8790.00	9990.00

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

Date July 11 *Payee San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

RECEIVED AUG 11 1955

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

$ 900.00

Signature [illegible]
(Authorized Certifying Officer)

Date 8-5-55 Vou. No. DMEA-56-12
(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. E-706 in accordance with the terms of the contract.

Signature C. M. Harper $900.00 Title Mining Engineer Date 7-25-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date JUL 29 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;

(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.

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1955 Docket No. DMEA 3390 Contract No. Idm-E706

Operator's Name San Juan Uranium Corporation Minerals

Address Fidelity Bldg., Oklahoma City 2, Okla. Uranium

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	Foot	1200.00	40	$9990.00	333	$30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1200.00	40	$9990.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1200.00	40	$9990.00				10,500.00

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 July 11, 1955 Operator San Juan Uranium Corp.

Per R. B. Watter Title President

REMARKS: At approximately plus 325 encountered the best showing to date, both as to quality and amount. The following round showed that it was a little larger ense than heretofor. Lost some time due to drill breaking down. Character of formation still requires a 24 hole pattern.

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

(Instructions on reverse)

(For Government use only)
C. M. Herrer

INSTRUCTIONS

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

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

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

GPO 872894

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

224 New Customhouse
Denver 2, Colorado

July 29, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, Goodhope claims, La Plata County, Colorado - Operator's Monthly Progress Report for the month of June, 1955

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report.....July 11, 1955
Date Received in Field Office.....July 15, 1955
Date Received in Region Office.....July 26, 1955

W. M. Traver

Enclosures

RDB:sr

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

RECEIVED
AUG 11 1956

DMEA
Date Rec'd
JUL 28 1955
BUREAU OF MINES
Denver, Colorado

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
July 26, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw,
Supervising Mining Engineer

From: C. M. Harrer

Subject: DMEA 3390, Contract Idm-E706 (Uranium), San Juan Uranium Corporation, Goodhope claims, La Plata County, Colorado - Progress report for June 1955.

The property was examined on July 19, 1955, in the company of E. S. Hoffman, foreman for San Juan Uranium Corporation. The writer was accompanied by Glen Walker of the Bureau of Mines and J. E. O'Rourke of the Geological Survey and Alberto Manrique, Point-4 trainee.

At the time of examination, the Mineletti drift had been driven a distance of 352 feet from the start of the contract or 2 feet beyond the limit of the completed contract. San Juan Uranium Corporation's report of 40 feet of advance during June is, therefore, accepted as correct.

The gray sandstone exposed in the Mineletti adit dips about 17° to the south. Small amounts of uranium and vanadium were noted in thin streaks or discontinuous pods less than 5 feet long and less than 2 feet thick. None appeared of minable quality or extent. Uranium and vanadium content appears generally low by visual inspection.

The operator's forms MF-104 and 104A are correct and his narrative report is complete. It is recommended that the operator be paid $900.00, which is 75 percent of the total expenditure reported for the month of June 1955 ($1,200.00).

C. M. Harrer

C. M. Harrer
Mining Engineer

cc 6 ✓
E706
Chron

CMH/em

MONTHLY REPORT OF OPERATOR

Month of June, 1955

(c) Narrative

Exploratory Project, Contract No. Idm E-706, Docket DMEA 3390 (Uranium) which calls for the extension of the Minoletti Adit or Tunnel, located on Goodhope No. 2 now extending into Goodhope No. 1, 350 feet in a general westerly direction beyond the face or breast at the time the project was authorized, was advanced a total of 40 feet during the month of June, 1955 making a total of 333 feet the tunnel has been advanced since the project was started. This leaves only a total of 17 feet to complete our present contract, which will be dug the first part of July.

The character of the formation encountered continues to be about the same, consisting mostly of hard and soft ribs so that the same pattern of 24 holes per round are required to break it. At approximately plus 235 a lense of ore was encountered about 9 ft. in thickness extending almost across the breast, making about the best showing to-date. The Geiger reading indicated that it's Uranium content ranged between 0.35% and 0.50%. However the following round showed this to be just another lense and not the beginning of a large body of ore.

Some time was lost due to a break down of the drill that necissitated sending to the factory for repairs. Since then additional drills have been purchased so that in the future a stand by machine will always be available.

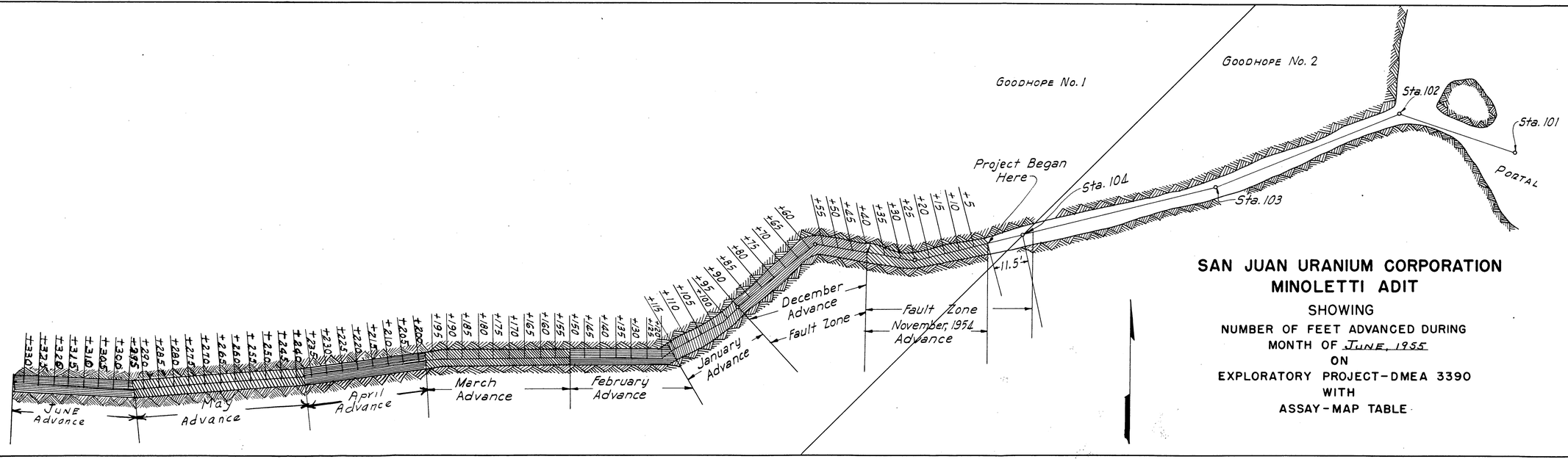
Please note that the Assay Map Table is now complete up to and including plus 290. The balance of the samples taken have been sent to the assay office but returns have not been received.

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 5	0.75	0.00	0.20
Plus 10	5	1.32	0.06
Plus 15	5	0.08	0.02
Plus 20	0.75	0.62	0.13
Plus 25	5	0.06	0.02
Plus 30	5	0.20	0.02
Plus 35	5	0.08	0.01
Plus 40	1	0.12	0.01
Plus 45	1	0.15	0.01
Plus 50	0.5	0.13	0.01
Plus 55	0.5	0.15	0.01
Plus 60	1	0.13	0.01
Plus 65	1	0.12	0.01
Plus 70	0.5	0.22	0.02
Plus 75	0.5	0.56	0.02
Plus 80	0.5	0.12	0.01
Plus 85	0.5	0.03	0.01
Plus 90	1	0.08	0.01
Plus 95		0.11	0.01
Plus 100	5	0.17	0.04
Plus 105	5	0.37	0.02
Plus 110	5	0.34	0.01
Plus 115	5	0.02	Trace
Plus 120	5	0.02	Trace
Plus 125	5	Trace	Trace
Plus 130	5	0.30	0.02
Plus 135	5	0.59	0.02
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03
Plus 155		1.55	0.10
Plus 160		0.81	0.17
Plus 165		2.34	0.07
Plus 170	10	1.60	0.10
Plus 175	10	1.40	0.07
Plus 180	12	0.20	0.02
Plus 185	12	0.39	0.01
Plus 190	16	0.03	0.01
Plus 195	8	0.03	0.05

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 200	10	0.02	0.01
Plus 205		1.84	0.18
Plus 210		1.94	0.16
Plus 215		0.64	0.08
Plus 220		0.36	0.07
Plus 225		3.81	0.22
Plus 230		0.68	0.04
Plus 235		0.41	0.03
Plus 240		0.03	Trace
Plus 245		2.30	0.15
Plus 250		0.19	0.06
Plus 255		0.14	0.03
Plus 260		0.59	0.03
Plus 265		0.08	0.02
Plus 270		0.11	0.01
Plus 275		0.10	0.01
Plus 280		0.06	0.02
Plus 285		0.07	0.02
Plus 290		0.09	0.01



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF JUNE, 1955 ON EXPLORATORY PROJECT-DMEA 3390 WITH ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN 27 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1955 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 2, Oklahoma Uranium
Contract Amount, $7,875.00 Government Participation: 75 % Amount, $10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 56 ft.	$1680.00	$7110.00	$8790.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1680.00	$7110.00	$8790.00	1680.00	7110.00	8790.00

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

Date May 6 *Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

1,000.00
see memo attached $1260.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 6-14-55 Vou. No. OMA-55-97

(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. E 706 in accordance with the terms of the contract.

Signature G. Walker 1260 00 W.H.S. for Title Mng. Engr. Date 6/9/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature W. M. Nauer Title Executive Officer Date JUN 10 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN 2 K 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1955 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 2, Okla. Uranium

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	Foot	$1680.00	56	$8790.00	293	$30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1680.00	56	8790.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1680.00	56	8790.00				10,500.00

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 May 6 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

(Instructions on reverse)

REMARKS: Total footage advance for May was greater than that made during any other month since the Contract was started, leaving only 57 ft. to complete it. This advance was made in spite of several days of bad weather that made traveling difficult. The breast is still in a broken and fractured zone.

(For Government use only)

GWalker

INSTRUCTIONS

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

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

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

GPO 872894

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

224 New Customhouse
Denver 2, Colorado

June 10, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3390 (Uranium), Contract Idm-E706, San Juan Uranium Company, LaPlata County, Colorado - Operator's Monthly Progress Report for the month of May, 1955

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Operator's Report.....May 6, 1955
Date report received in DMEA field office.....June 8, 1955
Date report received in Regional office.....June 10, 1955

The date of the Operator's report, no doubt, should be June 6, 1955 instead of May 6, 1955.

W. M. TRAVER

W. M. Traver

Enclosures

JWT:pw
cc: Subject
Chron
Sec.Op.Comm. (2)
Shaw

DMEA
Date Rec'd.

JUN 10 1955

BUREAU OF MINES
Denver, Colorado

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
June 9, 1955

Memorandum

To: Executive Officer DMEA Field Team, Region III

Through: W. H. King, for
John F. Shaw

WHK

From: Glen Walker

Subject: DMEA 3390, Contract Idm-E706 (Uranium) San Juan Uranium Company, LaPlata County, Colorado - Progress report for May 1955

According to measurements made June 7, 1955, in the Minoletti adit an advance of 56 feet was made during the period. The drift has been driven 306 feet, leaving 44 feet to complete the contract.

The appearance of the vein in the present face is very comparable to last month with the exception that the mineralized sandstone is now 24 inches thick instead of 12 inches. The sample chipped last month from the face assayed .029 percent U_3O_8 and 4.31 percent V_2O_5. The vanadium content of this sample is considerably larger than the average but the thickness of the vein makes mining impractical.

The amounts and extensions on the operator's MF-104's appear to be correct and in order; it is therefore recommended that payment to the contractor in the amount of $1,260 be made, which is 75 percent of the amount claimed.

Glen Walker
Glen Walker
Mining Engineer

enclosures

cc 6
E706
DMEA Chron.

GW/pah

MONTHLY REPORT OF OPERATOR

(c) Narrative Month of May, 1955

Exploratory Project, Contract No. Idm E-706, Docket DMEA 3390 (Uranium) which calls for the extension of the Minoletti Adit or Tunnel, located on Goodhope No. 2, now extending into Goodhope No. 1, 350 feet in a general westerly direction beyond the face or breast at the time the project was authorized, was advanced a total of 56 feet during the month of May, 1955, making a total of 293 feet the tunnel has been advanced since the project was started. This leaves but a total of 57 feet to complete our present contract, which should be dug during the month of June.

It has been our contention from the start of this project, that it would be necessary to extend the tunnel several hundred feet into the mountain, or well beyond the faulted zone before any mineral of real value would be encountered. The lenses and gobs of ore that have been found as the tunnel was advanced have improved in quality, which would lead one to believe any ore body encountered will also be of a higher grade than that found in the tunnel before it encountered the fault. Based on these deductions, plus geological information, we are of the opinion that somewhere between 100 feet to 200 feet beyond the point where our present contract ends, a large body of a good grade of ore will be found.

Some time was lost due to slick roads caused by the heavy rains that fell during the first part of the month. This refers to the County's section of the road, which the County Commissioners have intimated will be put in good shape as soon as our operation warrants. However the weather should be far enough advanced so that there should not be any more lost time on that account, at least during the Summer and Fall months.

Labor, including both miners and muckers, are not as plentiful as they were last year at this time, and the hourly rates have been increased so where we were paying $1.47 per hour, we are now paying $1.67 and no doubt will have to go to $1.75 at least in order to get competent help. We expect to expand our operations on or before June 15 when we should have help enough to permit our working a night shift which in turn will increase the rate of advance of the tunnel.

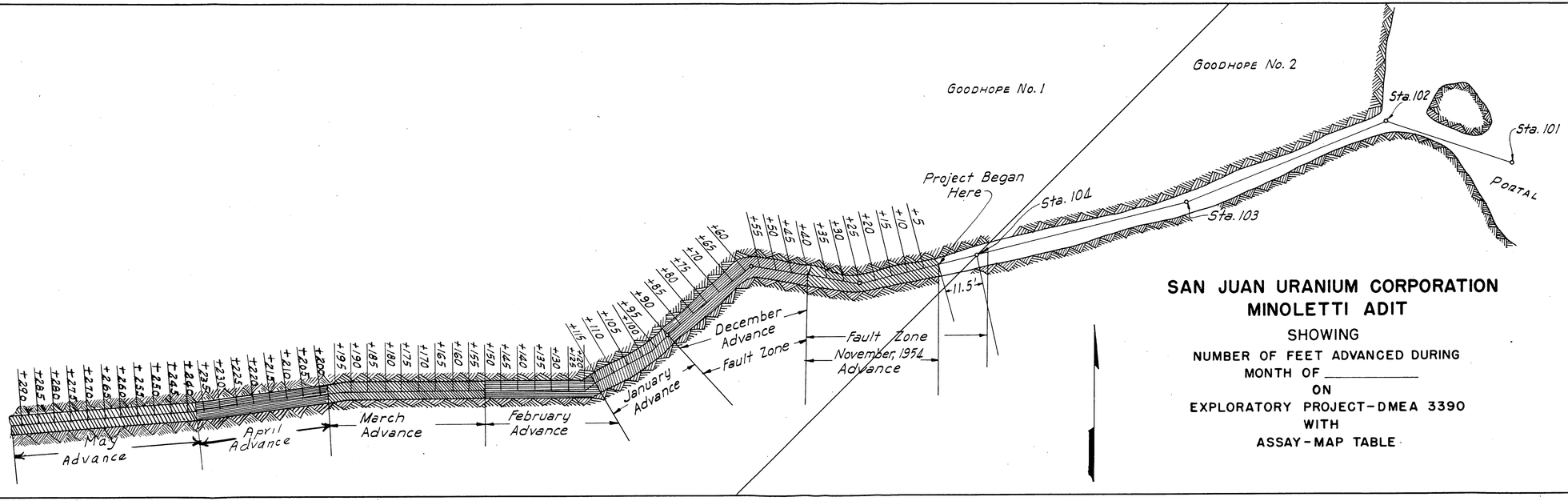
The samples taken at 5 foot intervals during the month were all sent in at one time so that the returns have not been received as yet.

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 5	0.75	0.00	0.20
Plus 10	5	1.32	0.06
Plus 15	5	0.08	0.02
Plus 20	0.75	0.62	0.13
Plus 25	5	0.06	0.02
Plus 30	5	0.20	0.02
Plus 35	5	0.08	0.01
Plus 40	1	0.12	0.01
Plus 45	1	0.13	0.01
Plus 50	0.5	0.13	0.01
Plus 55	0.5	0.15	0.01
Plus 60	1	0.13	0.01
Plus 65	1	0.12	0.01
Plus 70	0.5	0.22	0.02
Plus 75	0.5	0.58	0.02
Plus 80	0.5	0.12	0.01
Plus 85	0.5	0.03	0.01
Plus 90	1	0.08	0.01
Plus 95		0.11	0.01
Plus 100	5	0.17	0.04
Plus 105	5	0.37	0.02
Plus 110	5	0.34	0.01
Plus 115	5	0.02	Trace
Plus 120	5	0.02	Trace
Plus 125	5	Trace	Trace
Plus 130	5	0.30	0.02
Plus 135	5	0.59	0.02
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03
Plus 170	10	1.60	0.10
Plus 175	10	1.40	0.07
Plus 180	12	0.20	0.02
Plus 185	12	0.39	0.01
Plus 190	16	0.03	0.01
Plus 195	8	0.03	0.05
Plus 200	10	0.02	0.01
Plus 205		1.84	0.18
Plus 210		1.94	0.16

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 215		0.64	0.08
Plus 220		0.36	0.07
Plus 225		3.81	0.22
Plus 230		0.68	0.04
Plus 235		0.41	0.03
Plus 240		0.03	Trace



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF _____

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

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

RECEIVED
JUL 27 1955

224 New Customhouse
Denver 2, Colorado

July 25, 1955

Mr. J. L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Chambers:

Reference is made to your letter of July 21, 1955 regarding difference of $60.00 on record of disbursements for month of June with those shown on Strategic and Critical Minerals Exploration Program Monthly Report for Region III.

With regard to the differences, following explanations are advanced:

E-657 Amount shown on MF-104 of $1,000.00 is the amount which was authorized to be paid; however, check for $1,200.00 was written, as the comment that $200.00 was to be withheld was overlooked. Operator has requested additional funds for more exploratory work which in all probability will be approved.

E-706 Amount shown on MF-104 or $1,260.00 is correct, reimbursement to the operator was for $1,000.00 as shown on report. Mrs. Stokes advises that check for $260.00 additional will be issued before end of this month.

I trust this explanation will enable you to make necessary adjustments on your records.

Very truly yours,

T. H. Brading
DMEA Auditor

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Date Rec'd
MAY 10 1955
BUREAU OF MINES
Denver, Colorado

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration
RECEIVED
MAY 23 1955

Month of April, 1955 Docket No. DMEA 3390 Contract No.
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 2, Oklahoma Uranium
Contract Amount, $7,875.00 Government Participation: 75 % Amount, $ 10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 40 Ft.	$1200.00	$5910.00	$7110.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS $	1200.00	$5910.00	$7110.00	1200.00	5910.00	7110.00

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

Date 5-9-1955 *Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

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:

$ 900.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 5-20-55 Vou. No. DMA-55-92
(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. E 706 in accordance with the terms of the contract.

Signature G Walker 900.00 GJB Title Mng Engr Date 5/10/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Graves Title Executive Officer Date MAY 12 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Date Rec'd MAR 10 '55
BUREAU OF MINES
Denver, Colorado

Month of April 1955 Docket No. DMEA 3390 Contract No. Idm-2706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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	Foot	$1200.00	40	$7110.00	237	30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1200.00	40	$7110.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1200.00	40	$7110.00				$10,500.00

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 May 9, 1955 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

REMARKS: Total footage the past Month (April) was not as much as it was hoped it would be, for at least three rounds were lost or approximately 15ft. This loss of time was due to mine car being lost over the dump, road and weather conditions

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

(Instructions on reverse)

(For Government use only)

GWalker

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

May 12, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, LaPlata County, Colorado

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of operator's report.....May 9, 1955
Date report received in DMEA Field office....May 10, 1955
Date report received in Regional office.....May 11, 1955

W. M. TRAVER

W. M. Traver

Enclosures

JWT:pw

cc: Subject
Chron
Sec.Op.Comm. (2)
Shaw

MAY 11 1955
BUREAU OF MINES
Denver, Colorado

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
May 11, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Glen Walker

Subject: DMEA 3390, Contract Idm-E706 (Uranium), San Juan Uranium Corporation, Goodhope claims, La Plata County, Colorado - Progress Report for month of April 1955.

According to measurements made May 4, 1955, in the Minaletti adit an advance of 51 feet was made during the period. The face of the drift is now 250 feet from the starting point and 100 feet is yet to be done to satisfy the DMEA contract.

There is apparently very little change in amount of mineralized material encountered in the past month. A sample was chipped from the face where the mineralized rock was 12 inches thick. The sample taken on April 5, 1955, assayed .03 percent U_3O_8 and .11 percent V_2O_5 and was 6 inches thick.

The operator's forms MF-104 and 104-A appear to be in order, however, he claims only 40 feet advance. It is, therefore, recommended that payment to the contractor in the amount of $900.00, or 75 percent of his claim, be made.

Glen Walker

Glen Walker
Mining Engineer

cc 6
Idm-E706
Chron

GW/cm

Date Rec'd
MAY 1 0 1955
BUREAU OF MINES
Denver, Colorado

Monthly Report of Operator

(C) Narrative Month of April, 1955

Exploratory Project, Contract No. Idm E-706, Docket DMEA 3390 (Uranium) which calls for the extension of the Minoletti Adit or tunnel, located on Goodhope No. 2, now extending into Goodhope No. 1, 350 feet in a general westerly direction beyond the face or breast at the time the project was authorized, was advanced a total of 40 feet during the month of April, 1955, making a total of 237 feet the tunnel has been advanced since the project was started.

While the weather was not quite so severe as it had been during the winter months, it still slowed operations to a certain extent. On the first of the month there was a heavy wind and dust storm, followed by low temperatures near the zero mark. On the 6th of the month about 8" of snow fell and on the 7th 10" additional making the roads almost impassable. Referring to the roads, it was our original plan to put them in shape last Fall so that they could be kept open with a minimum amount of work, however time did not permit. Our present plans call for smoothing them with our dozer as soon as they have dried out enough.

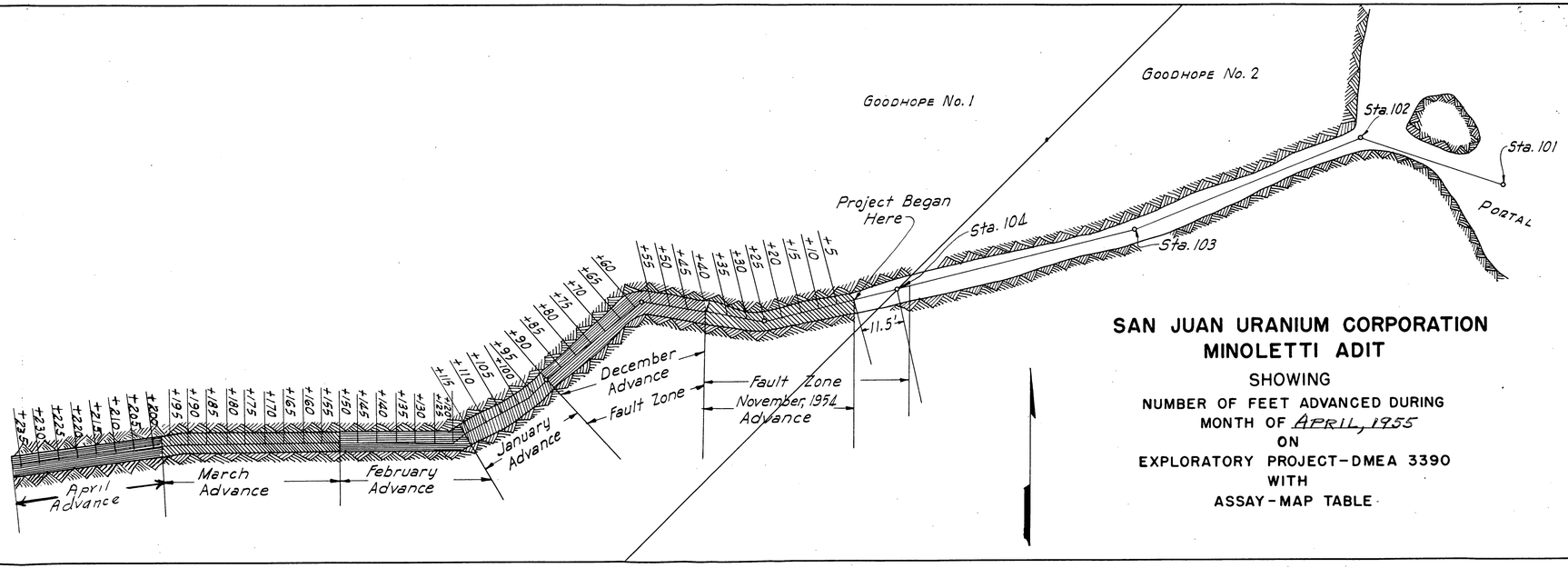
Generally speaking the formation encountered is the same as it has been for some distance, however there is this difference that the streaks of ore are showing up more often, since cutting through a fractured section at approximately plus 205 to plus 230. At about plus 230 a gob of ore was found that weighed about 100 lbs. and showed very good on the geiger-counter. This was the first ore encountered in about 30 feet. At approximately plus 235 a narrow streak of ore has again make it's appearance in the breast, that is good quality.

It is to be noted that our assay sheet is not complete again for April's report, due to the assay office not being able to keep up to-date with returns.

Date Rec'd
MAY
BUREAU OF MINES
Denver, Colorado

ASSAY MAP TABLE

Location Of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 5	0.75	0.00	0.20
Plus 10	5	1.32	0.06
Plus 15	5	0.08	0.02
Plus 20	0.75	0.62	0.13
Plus 25	5	0.06	0.02
Plus 30	5	0.20	0.02
Plus 35	5	0.08	0.01
Plus 40	1	0.12	0.01
Plus 45	1	0.13	0.01
Plus 50	0.5	0.13	0.01
Plus 55	0.5	0.15	0.01
Plus 60	1	0.13	0.01
Plus 65	1	0.12	0.01
Plus 70	0.5	0.22	0.02
Plus 75	0.5	0.58	0.02
Plus 80	0.5	0.12	0.01
Plus 85	0.5	0.03	0.01
Plus 90	1	0.08	0.01
Plus 95		0.11	0.01
Plus 100	5	0.17	0.04
Plus 105	5	0.37	0.02
Plus 110	5	0.34	0.01
Plus 115	5	0.02	Trace
Plus 120	5	0.02	Trace
Plus 125	5	Trace	Trace
Plus 130	5	0.30	0.02
Plus 135	5	0.59	0.02
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03
Plus 170	10 Inches	1.60	0.10
Plus 175	10 "	1.40	0.07
Plus 180	12 "	0.20	0.02
Plus 185	12 "	0.39	0.01
Plus 190	16 "	0.03	0.01
Plus 195	8 "	0.03	0.05
Plus 200	10 "	0.02	0.01



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF *APRIL, 1955*

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 22 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1955 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium
Contract Amount, $ 7,875.00 Government Participation: 75 % Amount, $ 10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 47Ft.	$1410.00	$4500.00	$5910.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1410.00	$4500.00	$5910.00	1410.00	4500.00	5910.00

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

Date April 7, 1955 *Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

$ 1,057.50

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 4-15-55 Vou. No. DMA 55-82

(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. E-706 in accordance with the terms of the contract.

Signature Walker $1057.50 Title Engineer Date 4/13/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Clerk.

Signature W. M. Nance Title Executive Officer Date APR 15 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 5 Docket No. DMEA 3390 Contract No.

Operator's Name Minerals Idm-E706

Address San Juan Uranium Corporation
Fidelity Bldg., Oklahoma City, Okla.

Uranium

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting	Foot	$1410.00	47	$5910.00	197	$30.00	350	$30.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1410.00	47	$5910.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1410.00	47	$5910.00				$10,500.00

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 April 7, 1955 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

REMARKS: Operations were slowed somewhat during March by the severe weather conditions. The rock formation that has been followed from the start of the tunnel has changed considerable during the month, from a section of approximately 3 feet of assorted ore to streaks & lenses.

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

(Instructions on reverse)

(For Government use only)

GWalker

INSTRUCTIONS

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

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

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

GPO 83-38475

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1955

224 New Customhouse
Denver 2, Colorado

April 15, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corp., La Plata County, Colorado - Operator's Monthly Progress Report for the month of March, 1955.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report..... .....April 7, 1955
Date Received in Field Office.....April 12, 1955
Date Received in Region Office.....April 14, 1955

W. M. TRAVER,

W. M. Traver

Enclosures

RDB:sr

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
APR 22 1955

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
April 14, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Glen Walker

Subject: DMEA 3390, Contract Idm-K706 (Uranium) San Juan Uranium Corporation, La Plata County, Colorado - Progress Report for March 1955.

According to measurements made in the Minoletti drift on April 5, 1955, an advance of 35 feet had been made since the last inspection March 10, 1955. A total of 199 feet has been driven which is 2 feet more than claimed by the operator.

The course of the last 41.5 feet is about S. 65 W. At a point 15 feet back of the face a fracture striking S. 20 W. appears to have broken the mineralized horizon considerably. A Geiger counter indicates a much lower grade material from this fracture to the face. A sample was chipped from the 6-inch ore horizon in the face but the analysis are not available.

Because the total advance is greater than that claimed it is recommended that payment in the amount of $1,057.50, which is 75 percent of the claim, be made to the contractor. The totals shown on MF-104 and MF-104A forms appear to be correct and are approved.

Glen Walker
Glen Walker
Mining Engineer

cc 6
Idm-K706
DMEA Chron

GW/em

Monthly Report of Operator

(C) Narrative: Month of March, 1955

Exploratory Project, Contract No. Idm E-706, Docket DMEA 3390 (Uranium) which calls for the extension of the Minoletti Adit or Tunnel, located on Goodhope No. 2, now extending into Goodhope No. 1, 350 feet in a general westerly direction beyond the face or breast at the time the project was authorised, was advanced a total of 47 feet during the month of March, 1955, making a total of 197 feet the tunnel has been advanced since the project was started.

This month as for the last two, severe winter weather slowed down our operation, but to a lesser degree than previously. The deep ruts in the road make traveling a little hazardous and the rancher living at the end of the county road has advised us that we may have to keep off the road for a week or more if conditions should worsen, in order to save it from being torn up. We hope this will not be necessary.

The first part of March we were quite enthused over the change in the rock formation we have been following as I believe your field representative was, as we rather expected the three feet of assorted ore reported at that time would gradually change into a body of solid ore. However instead of this the streaks and lenses became more pronounced becoming thinner instead of thicker until at the end of the month they had almost disappeared. The cross slips encountered no doubt were the cause of the change. At approximately plus 165 we planned on shooting the breast in two different operations in an attempt to separate what could be commercial ore from the waste, but the change mentioned above back to divided streaks and lenses made that impractical.

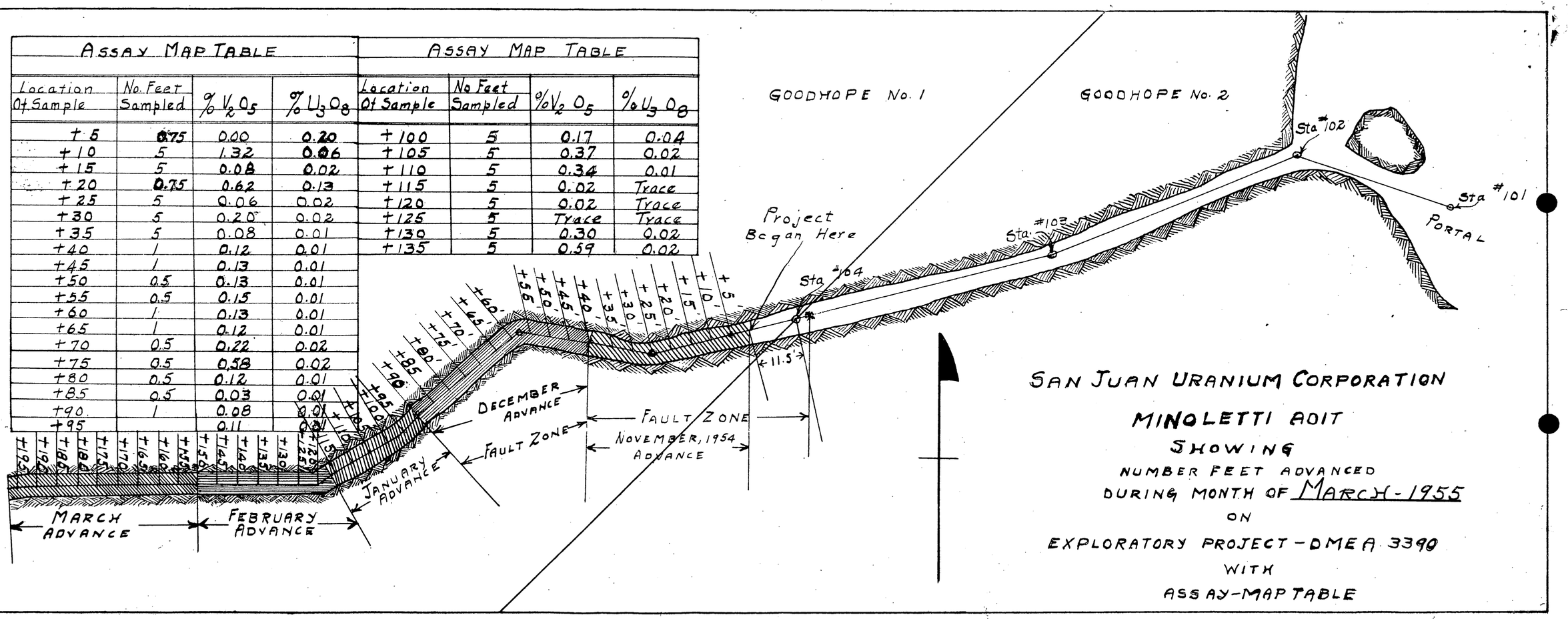
For some unexplained reason to date we have not received the returns on the samples from plus 155 to and including plus 195. I will try and have the assay sheet up to date or as nearly so as possible on next months report.

ASSAY MAP TABLE

Location Of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03

ASSAY MAP TABLE			
Location Of Sample	No. Feet Sampled	% V_2O_5	% U_3O_8
+5	0.75	0.00	0.20
+10	5	1.32	0.06
+15	5	0.08	0.02
+20	0.75	0.62	0.13
+25	5	0.06	0.02
+30	5	0.20	0.02
+35	5	0.08	0.01
+40	1	0.12	0.01
+45	1	0.13	0.01
+50	0.5	0.13	0.01
+55	0.5	0.15	0.01
+60	1	0.13	0.01
+65	1	0.12	0.01
+70	0.5	0.22	0.02
+75	0.5	0.58	0.02
+80	0.5	0.12	0.01
+85	0.5	0.03	0.01
+90	1	0.08	0.01
+95		0.11	0.01

ASSAY MAP TABLE			
Location Of Sample	No Feet Sampled	% V_2O_5	% U_3O_8
+100	5	0.17	0.04
+105	5	0.37	0.02
+110	5	0.34	0.01
+115	5	0.02	Trace
+120	5	0.02	Trace
+125	5	Trace	Trace
+130	5	0.30	0.02
+135	5	0.59	0.02



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF MARCH - 1955

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.5

DMEA
Date Rec'd
MAR 1 1955

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

Month of February, 1955 Docket No. DMEA Contract No. Idms-706
Operator's Name San Juan Uranium Corporation Minerals Colorado
Address Fidelity Bldg., Oklahoma City, Okla. Uranium
Contract Amount, $7,875.00 Government Participation: 75 % Amount, $10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 34 ft.	$1020.00	$3480.00	$4500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1020.00	$3480.00	$4500.00	1020.00	3480.00	4500.00

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

Date 3-7-55 *Payee San Juan Uranium Corporation

Per R. B. Watter Title President

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

→ 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:

$ 765.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 3-18-55 Vou. No. DMA 55-23

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA E 706 in accordance with the terms of the contract.

Signature Gilbertus 765.00 Title Manager Date 3/11/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Clerk

Signature W. M. Lamer Title Executive Officer Date MAR 16 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1955 Docket No. DMEA _____ Contract No. Idm-2706

Operator's Name San Juan Uranium Corporation Minerals _____

Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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	Foot	1020.00	34	4500.00	150	30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1020.00	34	$4500.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1020.00	34	$4500.00				10,500.00

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

Date 3-7-55 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

REMARKS: Operations were slowed down during February as well as in January on account of adverse weather conditions, low temperatures and heavy snow fall. The latter blocked the road so it had to be plowed out.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Monthly Report Of Operator

Month of February, 1955

(C) Narrative:

Exploratory Project, Contract No. Idm E706, Docket DMEA 3390 (Uranium), which calls for the extension of the Minoletti Adit or tunnel, located on Goodhope No. 2, 350 feet in a general westerly direction beyond the fact at the time the project was authorised, was advanced a total of 34 feet during the month of February, 1955, making a total of 150 feet the tunnel has been advanced since the project was started.

This month as last, the severe winter weather slowed down our operations somewhat, though nothing compared to January. The heavy snow fall did necessitate the plowing of the road again with the dozer. The present location of the road makes that a rather difficult job, on account of the many trees. Near the end of the month a snow slide occurred that covered up the air line and stairway and pushed the water pump across the creek.

The formation has changed so that it looks as though we may be getting close to the Western edge of the faulted area. About the first of the month the adit ran through a series of slips that run at right angles to it, with the rock behind them changing to a brown rusty colored sandstone. These cross slips also broke up and split the streak of dark sandstone we had been following. At points plus 125 and plus 130 the fault action was very prominent, however it seems to have decreased from there on which would lead us to believe we can expect we are nearing the edge as mentioned. At about point plus 140 our report shows the dark colored sandstone is still present but with this difference, that spots, streaks and blobs of good green ore are scattered in it, making what we believe is the best showing we have had since we started the project. At point plus 150, or the breast at the end of the month, the blobs of ore are larger, pea green in color with the geiger counter indicating the presence of some uranium oxide.

In checking the assay map you will note that the results of samples plus 75 to plus 100 inclusive are missing. These were taken in order and forwarded to the assay office at Grand Junction but they must have been misplaced or lost. In order to complete the record additional samples will be taken at the designated spots from the roof and sides of the tunnel.

ASSAY MAP TABLE

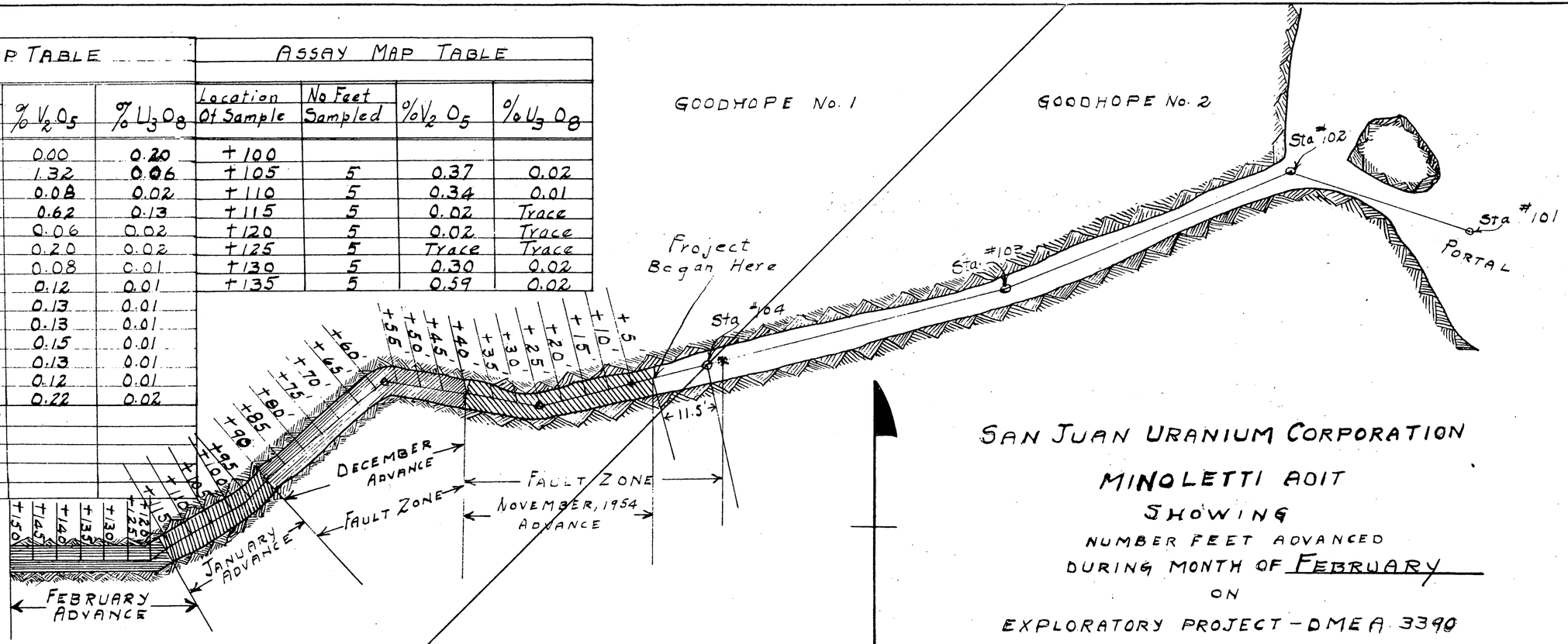
Location Of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03

ASSAY MAP TABLE

Location Of Sample	No. Feet Sampled	% V_2O_5	% U_3O_8
+5	0.75	0.00	0.20
+10	5	1.32	0.06
+15	5	0.08	0.02
+20	0.75	0.62	0.13
+25	5	0.06	0.02
+30	5	0.20	0.02
+35	5	0.08	0.01
+40	1	0.12	0.01
+45	1	0.13	0.01
+50	0.5	0.13	0.01
+55	0.5	0.15	0.01
+60	1	0.13	0.01
+65	1	0.12	0.01
+70	0.5	0.22	0.02
+75	0.5		
+80	0.5		
+85	0.5		
+90	1		
+95			

ASSAY MAP TABLE

Location Of Sample	No Feet Sampled	% V_2O_5	% U_3O_8
+100			
+105	5	0.37	0.02
+110	5	0.34	0.01
+115	5	0.02	Trace
+120	5	0.02	Trace
+125	5	Trace	Trace
+130	5	0.30	0.02
+135	5	0.59	0.02



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF FEBRUARY

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

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

Month of January, 1955 Docket No. DMEA 3390 Contract No. 18m 1706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium
Contract Amount, $7,875.00 Government Participation: 75 % Amount, $10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 26	$700.00	$2700.00	$3400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$700.00	$2700.00	$3400.00	780.00	2700.00	3480.00

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

Date 2-19-55 *Payee San Juan Uranium Corp.

Per R. B. Walter Title President

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

→ 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:

$585.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 3-18-55 Vou. No. DMA-55-23

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 206 in accordance with the terms of the contract.

Signature [illegible] $585.00 Title Manager Date 3/11/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Berk

Signature [illegible] Title Executive Officer Date MAR 16 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53

DMEA
Date Rec'd
FEB 16 1955
BUREAU
Dept.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 5 Docket No. DMEA 3390 Contract No. Idm-2706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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	Foot	$780.00	26	$3480.00	116	$30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		780.00	26	$3480.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		780.00	26	3480.00				10,500.00

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 2-15-55 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

REMARKS: Operations were slowed down during the month of January due to severe weather conditions which blocked the road temporarily. Low temperatures froze up water sump so that a new one had to be dug further back in the tunnel from mouth.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

March 16, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corp., LaPlata County, Colorado - Operator's Monthly Progress Report for the period January and February, 1955

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of January Report.....February 15, 1955
Date Jan. Report Received in Field Office...February 16, 1955
Date of February Report..... March 7, 1955
Date Febr. Report Received in Field Office.....March 10, 1955
Date Combined Report Rec'd in Region Office....March 14, 1955

Advance for month of January, 1955 could not be verified until March 8, 1955 due to weather conditions.

W. M. TRAVER

Enclosures

W. M. Traver

RDB:pw

cc: Subject
Chron
Sec.Op.Comm. (2) ✓
Shaw

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado

March 11, 1955

DMEA
Date Rec'd
MAR 14 1955
BUREAU OF MINES
DENVER, COLORADO

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: John F. Shaw

From: Glen Walker

Subject: DMEA 3390, Contract Idm-E706, San Juan Uranium Corp. La Plata County, Colorado. - Monthly Progress Report for the months of January and February, 1955

Because snow made access to the property impractical on the regular January inspection, the operator's claims were not verified until March 10, 1955. Measurements in the Minoletti adit at that time indicated that an advance of 67.1 ft. had been made since the previous inspection on January 5, 1955. A total of 164.6 ft. have been driven under the contract.

The course of the last 67 feet of drift is about S. 75 W. Within 15 feet of the face a small fracture striking S. 35 W. was passed beyond which the ore perceptibly increased in thickness to slightly over 3 feet. Also, the appearance of the mineralized rock in this area changed favorably; that is, there is less hard gray sandstone included in the ore horizon. A specimen of the better looking material from the face was tested on the nuclear sealer and it indicated 0.70 % U_3O_8.

Because an advance greater than claimed by the operator for the months of January and February was found, it is recommended that payment be made to the operator in the amount of $1,350.00 which is 75% of that claimed for the two months.

Glen Walker
Glen Walker
Mining Engineer

GW:mh

MONTHLY REPORT OF OPERATOR

Month of January, 1955

(c) Narrative:

Exploratory Project, Contract No. Idm S 706, Docket DMSA 3890 (Uranium), which calls for the extension of the Minoletti Adit or tunnel, located on Geodtope No. 2, 350 feet in a general westerly direction beyond the face at the time the project was authorized, was advanced only 26 feet during the month of January, 1955, making a total of 116 feet the adit has been extended since the project was started.

The weather was somewhat severe during January, resulting in slowing down of our operations. On January 2nd, a fall of about one foot of snow, moved and covered up a section of our airline, that had to be uncovered and moved into place. Snow together with a strong wind blocked the road about a mile from the site of our operations so that the crew was unable to reach the job. Our dozer was in the shop for repairs at that particular time so that the road was not opened until January, 18th. It is believed that it will be comparatively easy to keep the road open from now on since it is now open and the dozer is kept handy for immediate use should drifting snow pile up on it again.

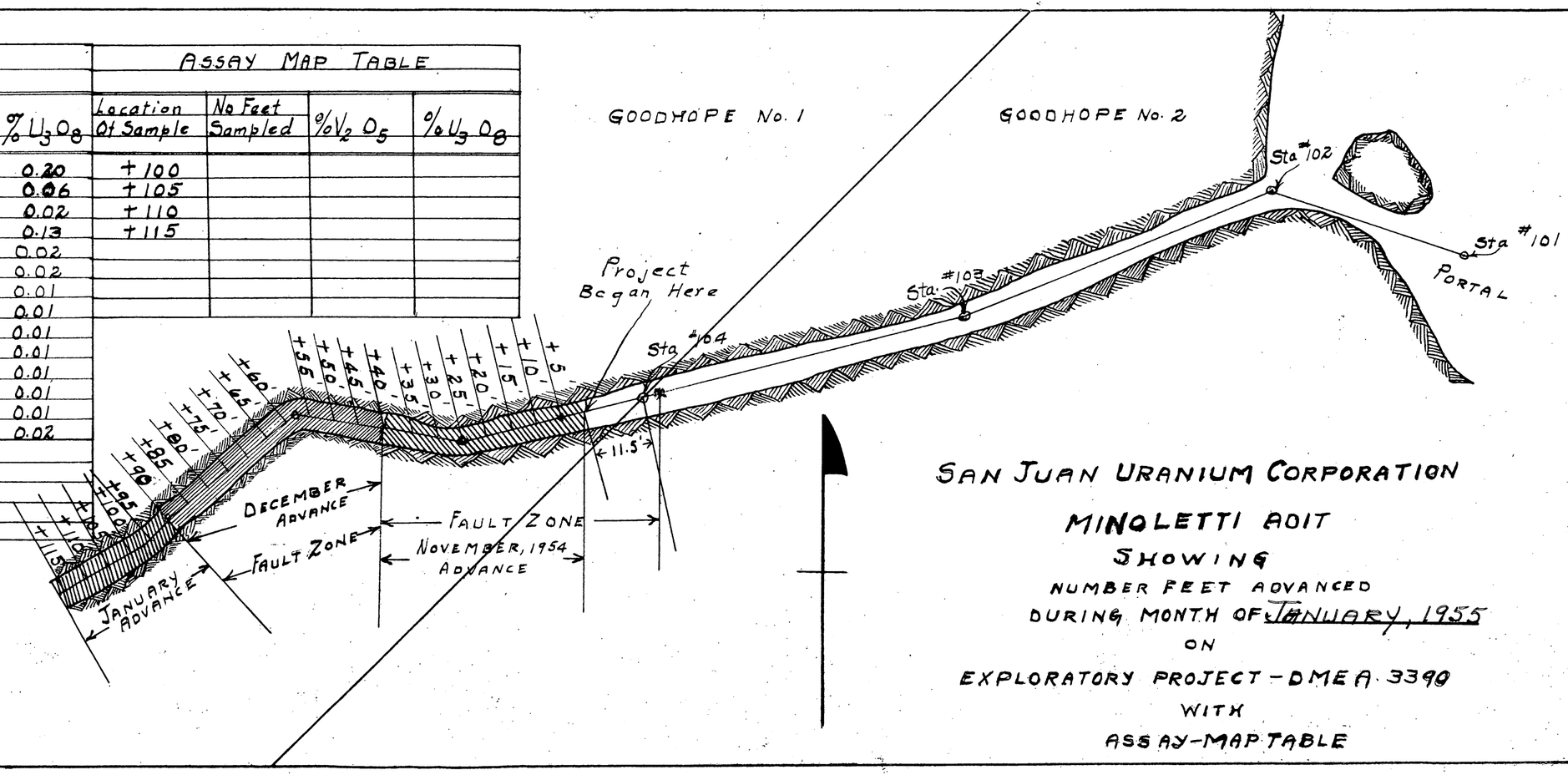
The sump used for storing drilling water was located so close to the mouth of the tunnel that the water froze solid, making it necessary to move it farther in. This delayed extending the tunnel for almost another week. It was hoped this operation could be delayed until February because of the delay the first part of the month but the freezing weather made the move imperative. Due to these delays there were but five rounds drilled in the breast making a little more than five feet per round.

In general the formation is essentially about the same as it has been since the project was started. However there has been some local changes - i.e. the black streak that was being followed and which had an average width of 6" to 8" suddenly took a downward dip, at about the 95 feet station, and widened out to 18". At this point the breast looked better than at any time since the extension of the adit was started. At about the 100 foot station this black streak widened to better than 3 1/2 feet. Here a thin streak of talc showed up containing small irregular bunches of hard black rock that are radio-active.

Note: Assay returns on samples submitted to the laboratory for testing have not been received so will include them in next month's report.

ASSAY MAP TABLE			
Location Of Sample	No. Feet Sampled	% V_2O_5	% U_3O_8
+5	0.75	0.00	0.20
+10	5	1.32	0.06
+15	5	0.08	0.02
+20	0.75	0.62	0.13
+25	5	0.06	0.02
+30	5	0.20	0.02
+35	5	0.08	0.01
+40	1	0.12	0.01
+45	1	0.13	0.01
+50	0.5	0.13	0.01
+55	0.5	0.15	0.01
+60	1	0.13	0.01
+65	1	0.12	0.01
+70	0.5	0.22	0.02
+75	0.5		
+80	0.5		
+85	0.5		
+90	1		
+95			

ASSAY MAP TABLE			
Location Of Sample	No Feet Sampled	% V_2O_5	% U_3O_8
+100			
+105			
+110			
+115			



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF JANUARY, 1955

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

Defense Minerals
RECEIVED
FEB - 3 1955

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

Month of December, 1954 Docket No. DMEA 3390 Contract No. Idm-2706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Oklahoma Uranium
Contract Amount, $7,875.00 Government Participation: 75 % Amount, $10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 40 ft.	1500.00	1200.00	2700.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1500.00	1200.00	2700.00	1500.00	1200.00	2700.00

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

Date Jan. 12, 1956 Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

→ 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:

$ 1125.00

Signature Ransdell R. Cooper
(Authorized Certifying Officer)

Date 1-27-55 Vou. No. DMA 55-59

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 706 in accordance with the terms of the contract.

Signature G. Walker 1125 Ø Title Engineer Date 1/24/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Clerk.

Signature W. M. Sawyer Title Executive Officer Date JAN 26 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A.
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Department of Defense
Defense Minerals
RECEIVED
FEB - 6 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month December 145 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 7, Okla. Uranium

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	Foot	$1500.00	50	$2700.00	90	$30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1500.00	50	2700.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1500.00	50	2700.00				10,500.00

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 January 12 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

224 New Customhouse
Denver 2, Colorado

January 26, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket No. 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, La Plata County, Colorado - Operator's Monthly Progress Report for the month of December, 1954

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report.....January 12, 1955
Date Received in Field Office..... .....January 17, 1955
Date Received in Region Office.....January 25, 1955

W. M. TRAVER

W. M. Traver

Enclosures

RDB:pw

cc: sub
chron
Sec. Op. Comm. (2)✓
Shaw

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
January 24, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw

From: Glen Walker

Subject: DMEA 3390, Contract Idm-E706 (Uranium) San Juan Uranium Corporation, LaPlata County, Colorado - Progress report for December 1954

On January 5, 1955, measurements in the Minoletti adit indicated an advance of 46.5 feet had been made since the last inspection on December 7, 1954. The total driven under the contract is 97.5 feet.

The course of the last 37 feet of the drift was S. 45° W.; the change in direction was due to a variation in strike and dip of the mineralized horizon.

Within one round of the face, the ore deposit thickened from 8 inches to 2 feet. A sample chipped from the left side of the face assayed 0.013 percent U_3O_8 and 0.03 percent V_2O_5. The results of the operator's samples appear to indicate that local thickening of the deposit has no bearing upon its grade. Contrary to the operator's statement that the total advance was in faulted ground, little evidence of faulting was noted. The thickening mentioned appeared to be due to the change in strike and dip of the deposit.

Although the figures for the monthly advance do not correspond because of the differences in previous dates of measurement, the total advance recorded is greater than that claimed. It is recommended that payment to the operator in the amount of $1,125.00 be made, which is 75 percent of that claimed.

Glen Walker
Glen Walker
Mining Engineer

cc 6
E706
DMEA Chron.

GW/pah

MONTHLY REPORT OF OPERATOR

Month of December, 1954

(c) Narrative:

Exploratory Project, Contract No. Idm-E706, Docket DMEA 3390 (Uranium), which calls for extending the Minoletti Adit or tunnel, located on Goodhope No. 2, 350 feet in a general Westerly direction beyond the face at the time the project was authorized, was advanced 50 feet during the month of December, 1954, making a total of 90 feet that the adit has been extended since the project was started. At the end of November, 1954 the face of the adit was in the same faulted area or zone that the advance was started in (see Narrative in Monthly Report of Operator for month of November, 1954) and was still in it at the end of December, 1954. The aerial map of the area shows the presence of two parallel faults that have a strike of a general North-South direction, the East one of which the Minoletti adit had penetrated prior to the start of the project. It is believed that the tunnel has been advanced into the second or West fault. Between plus 55 and plus 60 (see accompanying map) the tunnel was turned sharply in a Southerly direction, in order to bring the ore streak being followed, lower down on the face. This change in direction of the course of the adit was due to a sudden upward dip of the formation.

The ground is still full of hard and soft ribs making it extremely hard to break, so that it is necessary to use a drilling pattern of at least twenty-four (24) holes. However, the average advance per round was increased over that obtained during November, of 3 1/2 feet to 4 feet to 5 feet.

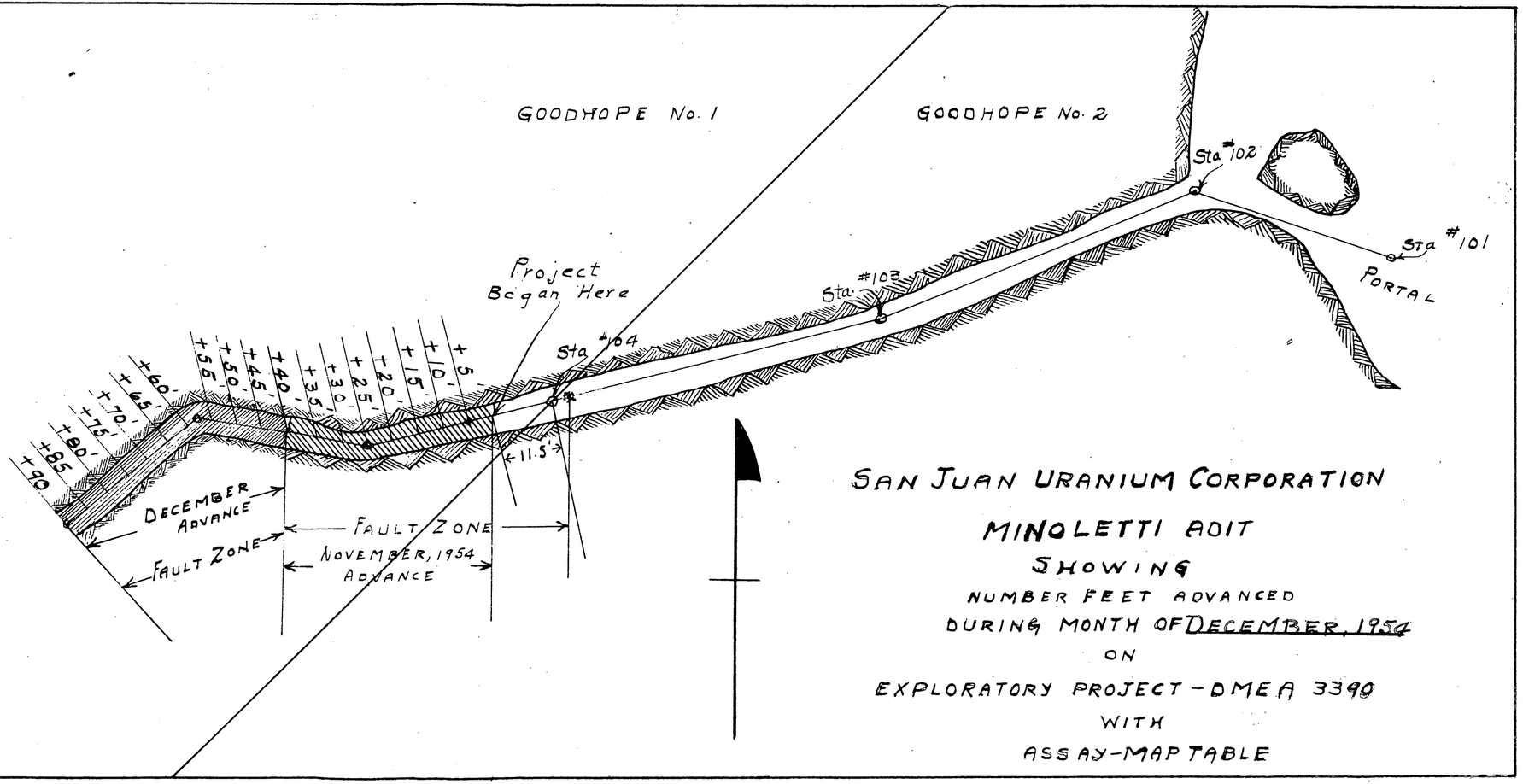
Due to the breakdown of our Rock Drill the first part of December it was necessary to stop operations until repairs were obtained, causing the loss of an estimated ten feet of advance of the adit.

The weather has been somewhat severe with considerable snow on the ground, though it has not interfered with operations.

Note: Samples No.s plus 75 through plus 90 inclusive, were not run by our assayer in time to be included in this month's report, but will be in the January 1955 report.

ASSAY MAP TABLE

Location Of Sample	No. Feet Sampled	% V_2O_5	% U_3O_8
+5	0.75	0.00	0.20
+10	5	1.32	0.06
+15	5	0.08	0.02
+20	0.75	0.62	0.13
+25	5	0.06	0.02
+30	5	0.20	0.02
+35	5	0.08	0.01
+40	1	0.12	0.01
+45	1	0.13	0.01
+50	0.5	0.13	0.01
+55	0.5	0.15	0.01
+60	1	0.13	0.01
+65	1	0.12	0.01
+70	0.5	0.22	0.02
+75	0.5		
+80	0.5		
+85	0.5		
+90	1		



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF DECEMBER, 1954

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

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

Date Rec'd
DEC 23 1954
BUREAU OF MINES
Denver, Colorado

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
RECEIVED

Month of November, 1954 Docket No. DMEA 3390 Contract No. Idm-35706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium
Contract Amount, $ 7,875.00 Government Participation: 75 % Amount, $ 10,500.00

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) Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 40 ft.	$1200.00	None	$1200.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1200.00	None	$1200.00	1200.00		1200.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Dec. 20 *Payee San Juan Uranium Corporation
Per R. B. Walter Title President

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

→ 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:

$ 900.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 12-29-54 Vou. No. DMD-55-45

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm 706 in accordance with the terms of the contract.

Signature Glenn Walker 900.00 WMT Title Engineer Date 12/23/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Burk.

Signature W. H. Rung Title Executive Officer Date DEC 28 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-164A
(April 1952)

Date Rec'd
DEC 2 1954
BUREAU OF MINES
Denver, Colorado

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

RECEIVED

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

Month of November 1954 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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	Foot	$1200.00	40	1200.00	40	30.00	350	30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1200.00	40	1200.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1200.00	40	1200.00				10,500.00

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 20, '54 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

REMARKS: Project beginning at breast of Old Adit which was in a faulted area. Formation was found to consist of Hard & soft ribs, slowing down the advance as a 3 foot advance was all that was made by a majority of the rounds. Formation is very abrasive, wearing out bits very fast.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

December 28, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, (Minoletti adit on Good Hope Claims) La Plata County, Colorado - Operator's Monthly Progress Report for the period November, 1954

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	December 20, 1954
Date Received in Field Office	December 23, 1954
Date Received in Region Office	December 28, 1954

W. H. King

Enclosures

cc: Sec. Opr. Comm. (2) w/MF-104 reports
Traver w/MF-104 report
sub
chron

RDB:ld

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
December 27, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 3390, Contract Idm-E706 (Uranium) San Juan Uranium Corporation (Minoletti adit on Goodhope claims) LaPlata County, Colorado - Progress report for November 1954

Enclosed are the original and four copies of the above progress report, the initial one--forms MF-104 and MF-104A, with narrative, sketch map showing analyses--and the original and six copies of Glen Walker's memorandum covering his inspection of the progress and checking the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Walker inspected the project December 7, 1954, and verified the 40 feet of advance of the Minoletti adit for November reported by the operator in his narrative and entered on the MF-104A forms. This work was as authorized by the contract and is satisfactorily explained in both the narrative and the inspecting engineer's covering memorandum. Entries and extensions are correct on the MF-104 and MF-104A forms. Because of geological conditions encountered, it would appear that perhaps a Survey geologist should visit the operations and offer some suggestions.

Payment is approved and certified on the MF-104 form of $900.00 or 75 percent of the total $1,200.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

cc 5
E706
DMEA Chron.

WMT/pah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Bldg. 20, Room 137
Denver Federal Center
Denver 2, Colorado
December 23, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: Glen Walker

Subject: DMEA 3390, Contract Idm-K706 (Uranium) San Juan Uranium Corp. (Minoletti adit on Goodhope claims), La Plata County, Colorado - Progress report for November 1954

On December 7, 1954, measurements of the advance in the Minoletti adit on the subject project, showed that 51 feet had been made.

The course of the last 26 feet of the drift was approximately N. 75 W.; the turn was necessary because of a change in strike of the sandstone ore horizon.

About 8 inches of mineralized sandstone was carried in the back of the drift; it was sampled but the analysis has not been received. However, the analysis included as a part of the operator's monthly narrative definitely indicates the mineralization becomes weaker with the advance of the adit.

The project superintendent reported an excessive consumption of bits and the uneven hardness of the strata in the face which resulted in a short ragged break of the drift rounds. Use of tungsten carbide bits and drilling of shorter rounds were suggested.

Because an advance greater than that claimed was verified, it is recommended that payment to the contractor be made in the amount of $900.00, which is 75 percent of his claim.

Glen Walker
Glen Walker

GW/dj
cc 6
K706
Chron

DIST. SKOP

Resources Branch

Date Rec'd
DEC 23 1954
BUREAU OF MINES
Denver, Colorado

MONTHLY REPORT OF OPERATION

Month of November, 1954

Bureau of Mines Laboratory
Received

(c) Narrative:

The Exploratory Project, Contract No. Idm-E706, Docket DMEA 3390 (Uranium), which calls for extending the Minoletti adit or tunnel located on Goodhope No. 2, 350 feet in a general Westerly direction beyond the face at the time the project was authorized, was started the first part of November, 1954. The old portion of the adit encountered or ran into a faulted zone and was stopped approximately 15 feet within this zone, so that the advancing of the tunnel was started in the faulted area and was still in it on November, 30th.

The formation was found to be very uneven as it consisted in the main of many hard and soft ribs, which caused the ground to break very badly, only making 3 ft. advance per round in places. A 16 hole pattern per round was tried at the start, that gave very poor results. The number of holes drilled per round has been progressively increased so that the last pattern contained 20 holes which has resulted in a maximum advance of 4.5 feet.

The ground is very abrasive so that anywhere from 36 to 50 bits are required per round of holes drilled.

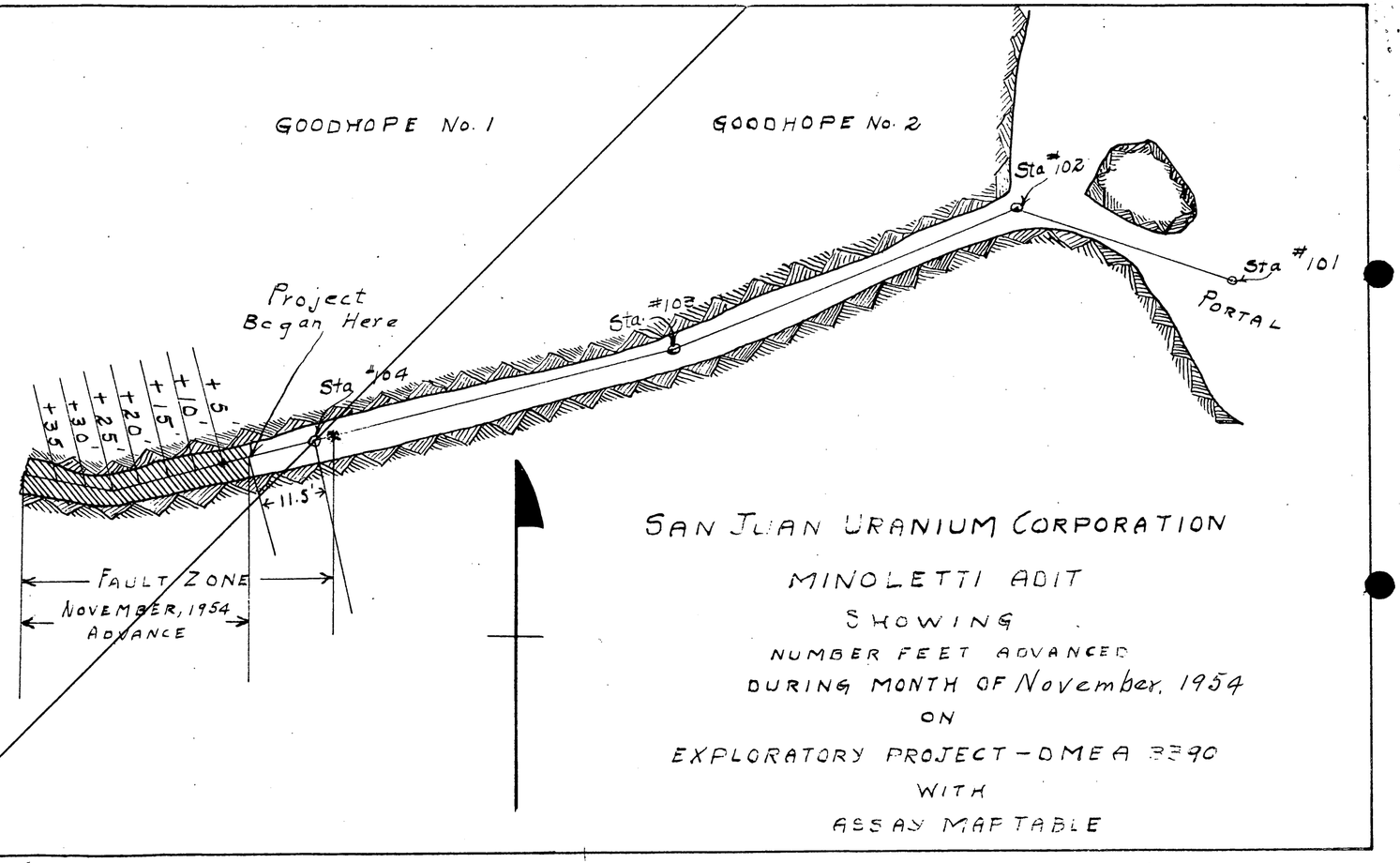
The adit was run on a straight line for about 24 1/2 feet, at which point the limestone was found to take an abrupt or sudden downward dip. In order to keep under the limestone it was necessary to turn the tunnel to the right or North of West, from which point it was straightened out again.

To date no ore has been encountered, with the rock formation having a checkerboard design, caused by it's many black and white squares, due no doubt to the faulted action.

Since the Exploratory Project was started a small shed was constructed which serves as a compressor storage and change room for employees. It was also necessary to build a narrow stairway from the bottom of the cliff near the site of the steel ore-bin up the side of the mountain to the portal of the Minoletti Adit, a distance of approximately 125 feet. This latter was made necessary by the ice and snow that covered the Mt. side making walking up the trail very hazardous.

Note: Samples No.s plus 15 & plus 20 were mislaid so not run. They will be included in December's report.

Assay Map Table			
Location Of Sample	No. Feet Sampled	% V_2O_5	% U_3O_8
+ 5	5	0.00	0.2
+ 10	5	1.32	0.6
+ 15	5		
+ 20	5		
+ 25	5	0.06	0.02
+ 30	5	0.20	0.02
+ 35	5	0.08	0.01



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF November, 1954

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY MAP TABLE

700

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

JAN 8 1957

Mr. L. E. Walter, President
San Juan Uranium Corporation
3003 N. W. 20th Street
Oklahoma City 7, Oklahoma

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Idm-4706
Goodhope Claims
La Plata County, Colorado

Dear Mr. Walter:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government 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 project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. [illegible]

Administrator

MChing/gla
1-4-57
cc to: Admr.'s Reading File
Contract Adm. & Audit Division
Code 700
Mr. Ching
DMEA Field Team, Region III (2)
JECrawford, 3643
TEHillsgaard, 5224
JCHosted, 3210, GSA

700

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

JAN 8 1957

McKelvey & McKelvey
Attorneys at Law
Post Office Box 1160
Durango, Colorado

Attention: Mr. B. Franklin McKelvey

Re: Docket No. [illegible]
Contract No. [illegible]706
San Juan Uranium Corporation
Goathope Claims
La Plata County, Colorado

Gentlemen:

Further to Forest Mr. Ellis' letter of October 10, 1956, to you, we are enclosing six copies of a letter, with attachment, addressed to the owners of the subject property who signed an unlisted Owner's Consent to Lien Form.

Since you represent these owners and their addresses are not available to us, it would be appreciated if you would forward a copy of the letter to each couple indicated. The sixth copy is for your files.

Sincerely yours,

C. J. Mittendorf

Administrator

Enclosures

MChing/gla
1-4-57
cc to: Adm.'s Reading File
Contract Adm. & Audit Division
Code 700
Mr. Ching
[illegible] Field Team, Region III (2)
JMCrawford, 3643
THKillegaard, 5221
JOHosted, 3210, OSA

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

. . . Pikerton and Elsie . . Pikerton JAN 8 1957
. . Lim and Willie . . Lim

. . . Brown
Attorney-in-Fact for
Lloyd Lents and Dora Lents

. . . Lutell and Catherine . . Lutell

. . . Pikerton, Jr., and Carol . . Pikerton

Re: Docket No. DMA-3390 (Uranium)
Contract No. 16-706
San Juan Uranium Corporation
Goodlove Claims
La Plata County, Colorado

Gentlemen:

Reference is made to the United Lessor's consent to lien which you executed in connection with the DMA contract for an exploration project on your property located in La Plata County, Colorado.

For your information, there is enclosed a copy of our letter of this date to Mr. . . . Walter, President, San Juan Uranium Corporation, 3003 N. . . 20th Street, Oklahoma City 7, Oklahoma, advising that the Government relinquishes no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

C. O. Mitteider

Administrator

Copy to: Welvey - Welvey

Ch/ Ile
1-4-57
cc to: Mr. Calle file
Contract and Audit Division
Code 700
Mr. Chin
DMA Field Team, Region III (2)
J. Crawford, 3613
T. Hillsgard, 5224
J. Morted, 3210, GSA

No. 1

AMENDMENT OF CONTRACT: No. Idm-E706

Contract Docket No. DMEA 3390, dated September 13, 1954, between the United States of America and San Juan Uranium Corporation is hereby amended as follows, effective as of the date of the Contract:

> Referring to "Article 3. Exploration project." of Exploration Project Contract form MF-200(A) (February 1952), following the words "and shall bring the project to completion within a period of" delete "six (6) months" and in lieu thereof substitute "one (1) year".

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated APR 5 1955

SAN JUAN URANIUM CORPORATION

By R. B. Walter
R. B. Walter, President

UNITED STATES OF AMERICA

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

Seal

SAN JUAN URANIUM CORPORATION

FIDELITY BUILDING
OKLAHOMA CITY, OKLAHOMA

March 21, 1955

DMEA
Date Rec'd.
MAR 22 1955
BUREAU OF MINES
Denver, Colorado

Defense Minerals Exploration Administration
Mr. W. M. Traver
Executive Officer, DMEA
Field Team, Region III
Denver 2, Colorado

Re: Docket DMEA 3390 (Uranium)
Contract Idm-E706

Dear Mr. Traver:

This letter acknowledges receipt of your letter of March 17, 1955 relative to the completion clause in our Contract Idm-E706, which states that the project was to be brought to completion within a six months period or by March 13, 1954.

Answering your inquiry as to whether or not we are desirous of maintaining the contract in force, please be advised that we are and do hereby request that it be kept in force for an additional six months from March 13, 1955.

Thanking you for your co-operation and advice I remain,

Sincerely yours,

SAN JUAN URANIUM CORPORATION

R. B. Walter

R. B. Walter, President

RBW/jr

Docket No. DMEA - 3390

Commodity Uranium

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 706

Date of Contract ~~or Amendment~~ Sept. 13,1954

Name and Address of Operator:
San Juan Uranium Corporation
Fidelity Bldg.
Oklahoma City, Oklahoma

Amount of Government participation ____ $ 7,875.00

Percent of Government participation 75 %

Region: IV State: Colorado

(Name)
J. L. Chambers
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. ~~9/13/5~~ 9/13/54 54458

MF-200 (A)
(February 1952)

Office of the U.S. Defense Minerals Administration
RECEIVED
SEP 20 1954

DOCKET NO. DMEA 3390

COMMODITY Uranium

Idm-E706

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 13th day of September, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] San Juan Uranium Corporation - Incorporated in Delaware
Fidelity Building
Oklahoma City
Oklahoma

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Colorado, County of La Plata, described as follows:[3] Unpatented lode mining claims as shown on Annex II attached which are recorded in the official records of said County.

the Operator represents and undertakes:[4]

~~(a) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

None

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for[5] Uranium

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay seventy-five (75) percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $7,875.00, which is 75 percent of $10,500.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

~~ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from~~ which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations. See Annex I substituted for this article.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* That part of the second sentence of Article 7 beginning with the word "Provided" is deleted.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

SAN JUAN URANIUM CORPORATION
(Operator)

By R. B. Walter
PRESIDENT

By W S King
Executive Officer, DMEA
Field Team, Region IV

I, P. RAY SCHWOERKE, certify that I am the secretary of the corporation named as Operator herein; that R. B. WALTER who signed this contract on behalf of the Operator, was then PRESIDENT of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

P Ray Schwoerke [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

ANNEX I

SEP 20 1954

The following provisions are in lieu of Article 6:

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

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

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ANNEX II

These claims are recorded in the Office of the County Recorder of La Plata County as follows:

Goodhope Claim No.	Date	Book	Page
1	September 12, 1942	217	570
2	September 12, 1942	217	571
4	September 12, 1942	217	573
5	September 12, 1942	217	574
7	September 12, 1942	246	2
8	September 12, 1942	246	3
9	September 12, 1942	246	4
10	September 12, 1942	246	5
11	September 12, 1942	246	6
12	September 12, 1942	246	7
13	September 12, 1942	246	8
14	October 3, 1942	246	9
15	October 3, 1942	246	10
16	October 3, 1942	246	11
17	October 3, 1942	246	12
18	October 3, 1942	246	13
19	October 3, 1942	246	14
5 Amended	September 13, 1944	246	42
5 Amended	October 16, 1953	246	293

DOCKET DMEA-3390

EXHIBIT "A"

Description of the Work

Extend the Minoletti adit 350 feet westerly beyond the present face, along the mineralized zone at the top of the Entrada sandstone. The work is shown in Figures 2 and 3 which are attached and made a part of EXHIBIT "A".

A channel cut sample will be taken across the width of mineralization at 5-foot intervals of advance from the starting point under the contract. As assay map showing the location and width of samples, assay values of U_3O_8 and V_2O_5 will be kept currently up to date as the work progresses and submitted monthly with each Form MF-104 Operator's Monthly Progress Report and Voucher.

Estimated Cost of the Project

Drifting 350 feet at $30.00 per foot.....	$10,500.00
Government Participation at 75%.....	7,875.00

The above estimated costs include sampling, assaying, mapping and any and all costs incurred in the completion of the work.

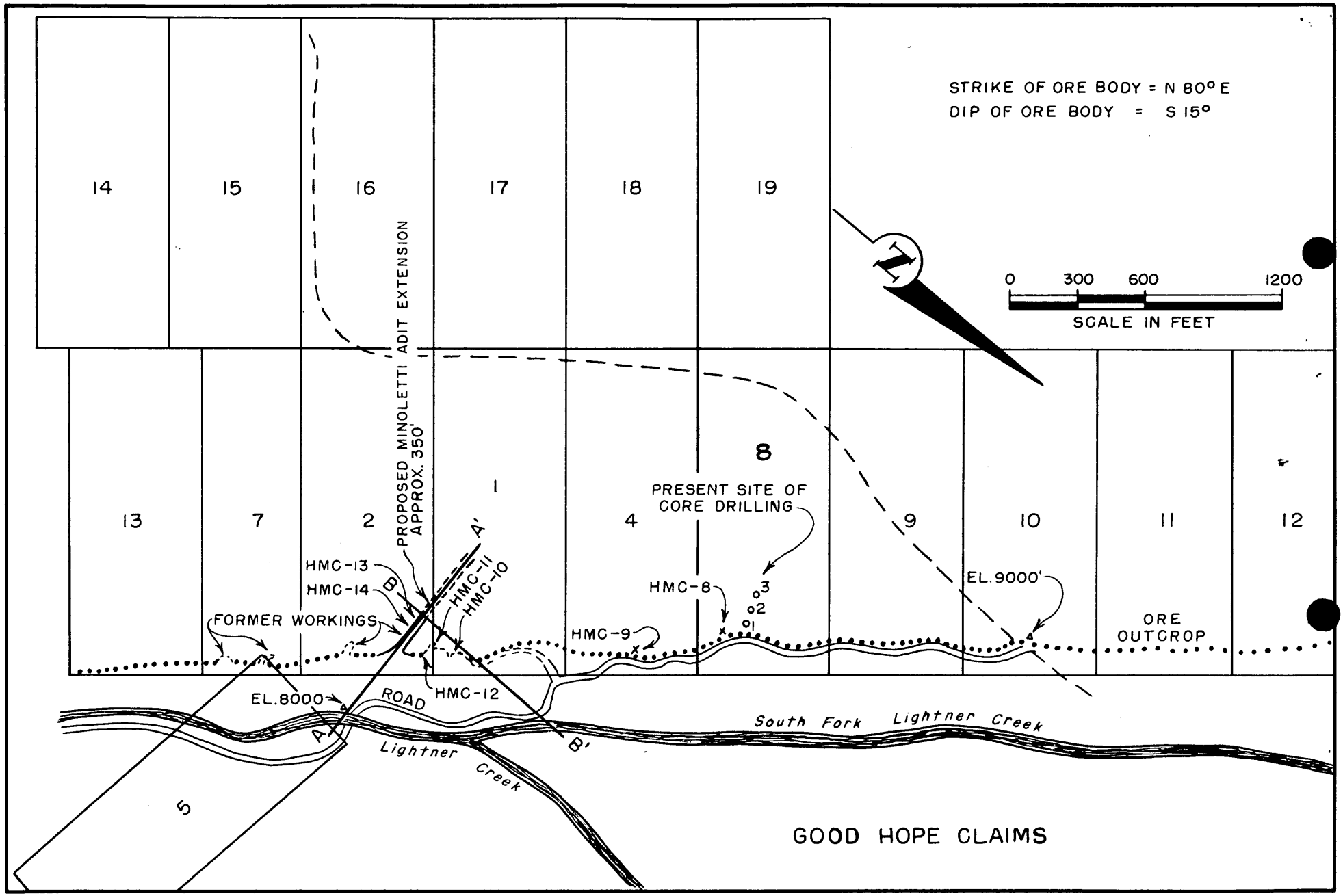


FIGURE 2 - CLAIM MAP SHOWING PROPOSED EXPLORATION, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO.
(DMEA 3390)

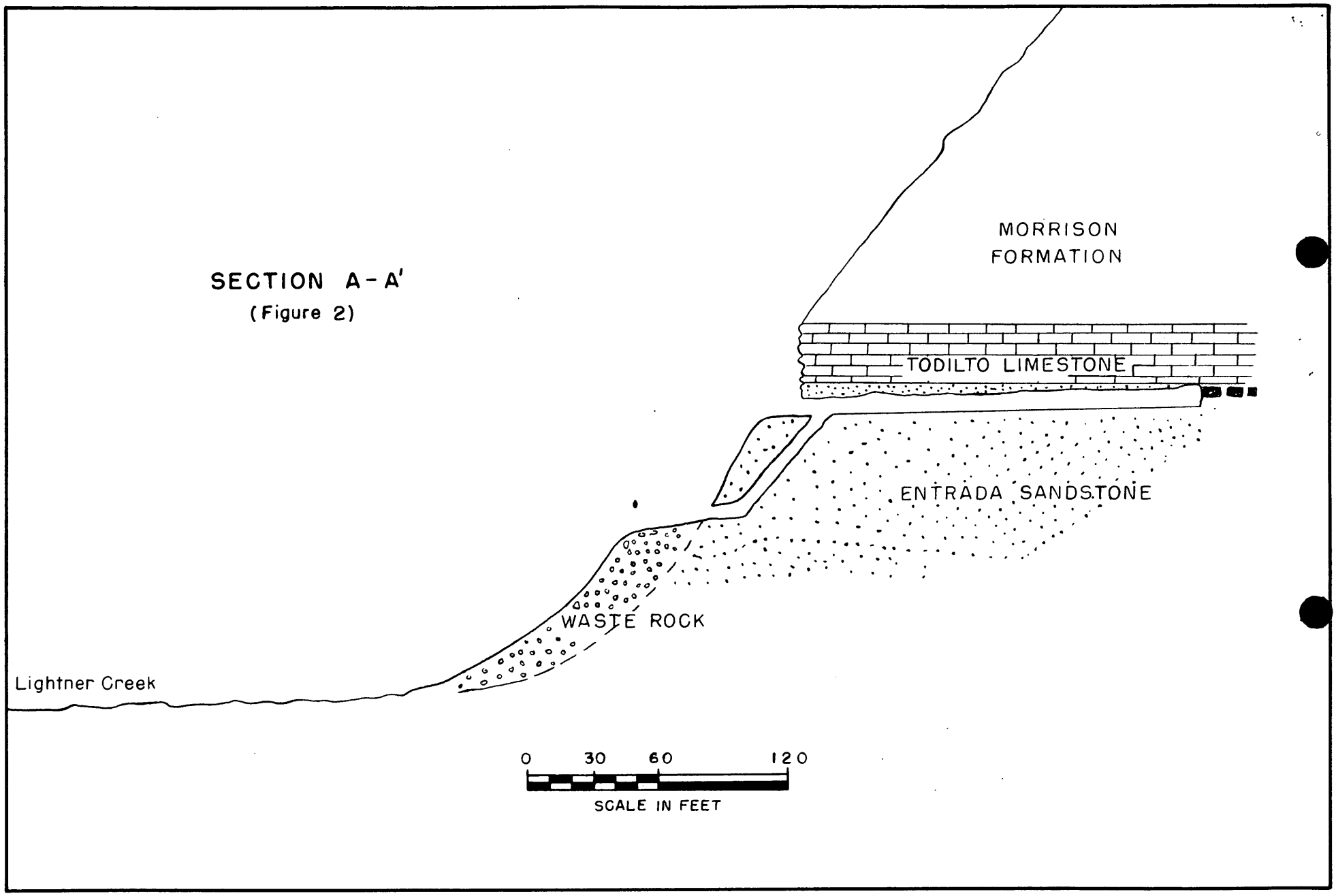


FIGURE 3 - MINOLETTI ADIT, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO. (DMEA 3390)

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

SEP 20 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Colorado, County of La Plata, described as follows:1/

See Annex #2 attached

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions _____

_____

_____

_____

Dated this _____ day of _____, 195___.

_____ [Seal]

_____ [Seal]

_____ [Seal]

ANNEX No. 2

These claims are recorded in the Office of the County Recorder of La Plata County as follows:

Goodhope Claim No.	Date	Book	Page
1	September 12, 1942	217	570
2	September 12, 1942	217	571
4	September 12, 1942	217	573
5	September 12, 1942	217	574
7	September 12, 1942	246	2
8	September 12, 1942	246	3
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16	October 3, 1942	246	11
17	October 3, 1942	246	12
18	October 3, 1942	246	13
19	October 3, 1942	246	14
5 Amended	September 13, 1944	246	42
5 Amended	October 16, 1953	246	293

F. W. Pinkerton
F. W. Pinkerton

Elsie A. Pinkerton
Elsie A. Pinkerton

C. E. Linn
C. E. Linn

Nellie M. Linn
Nellie M. Linn

Fred Brown
Fred Brown, Attorney-in-fact for
Lloyd Zentz and Edna Zentz

A S Butell
A. S. Butell

Catherine E. Butell
Catherine E. Butell

F. W. Pinkerton Jr.
F. W. Pinkerton, Jr.

Carol M. Pinkerton
Carol M. Pinkerton

STATE OF NEW MEXICO) SS
COUNTY OF LOS ALAMOS)

The foregoing consent was acknowledged before me this 27th day of July, 1954 by F. W. Pinkerton, Jr. and Carol M. Pinkerton

Witness my hand and official seal.

Margaret P. Martin
Margaret P. Martin, Notary Public

My Commission Expires May 22, 1955

Notarized this 27th day of July, 1954

STATE OF COLORADO)
) SS
COUNTY OF LA PLATA)

The foregoing consent was acknowledged before me this 29th day of July, 1954 by F. W. Pinkerton, Elsie A. Pinkerton, C. E. Linn, Nellie M. Linn, Fred Brown, Attorney-in-fact for Lloyd Zentz and Edna Zentz, A. S. Butell, and Catherine E. Butell.

Witness my hand and official seal.

My commission expires February 21, 1955.

Notary Public in and for the
County of La Plata, State of
Colorado