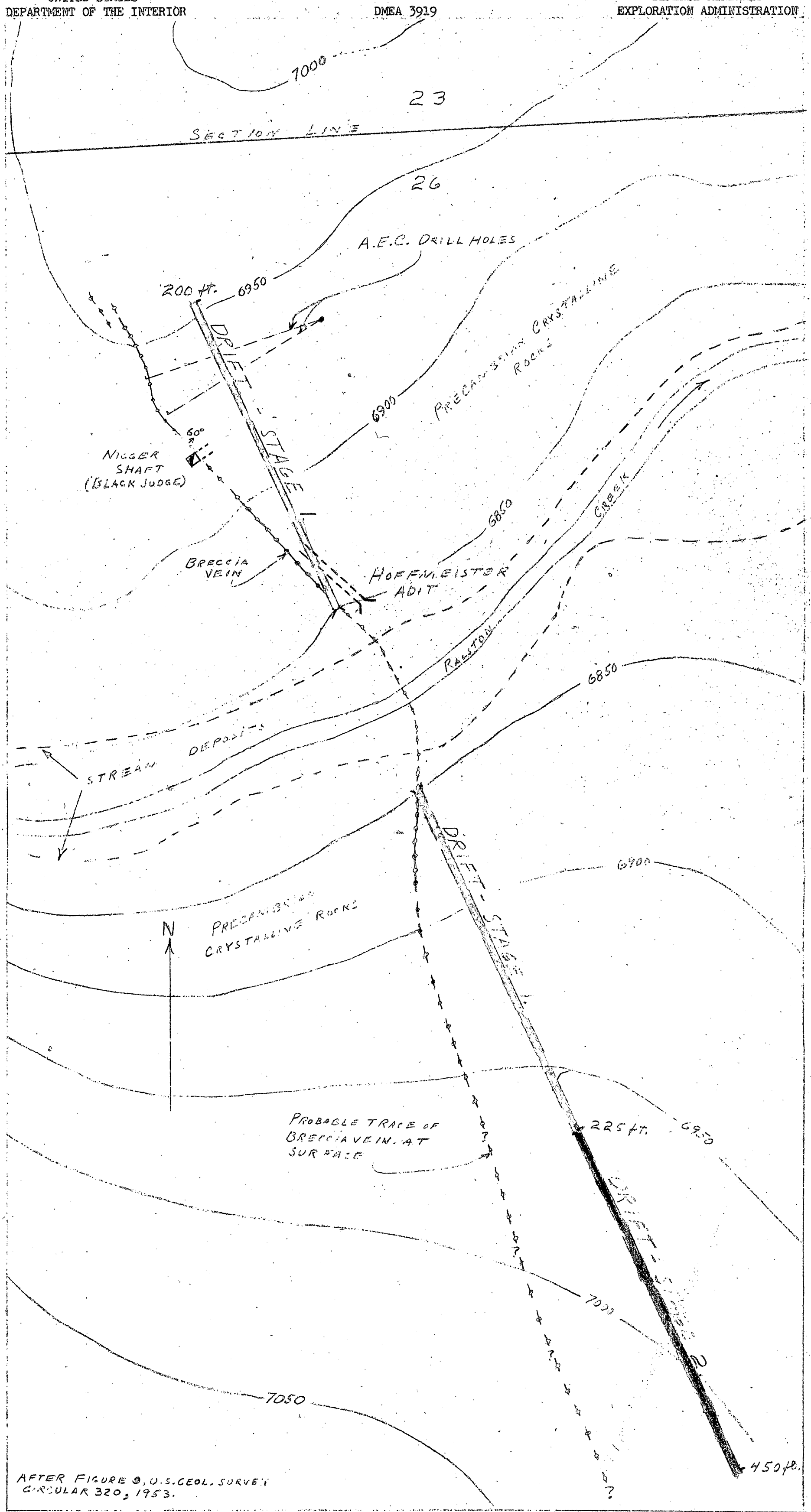
UNITED STATES
DEPARTMENT OF THE INTERIOR

DMEA 3919

PREPARED FOR THE
DEFENSE MINERALS
EXPLORATION ADMINISTRATION



R.U. KING October 1955

FIGURE 3.- GEOLOGIC MAP, SHOWING RECONNAISSANCE EXPLORATION, HOFFMEISTER PROJECT, JEFFERSON COUNTY, COLORADO

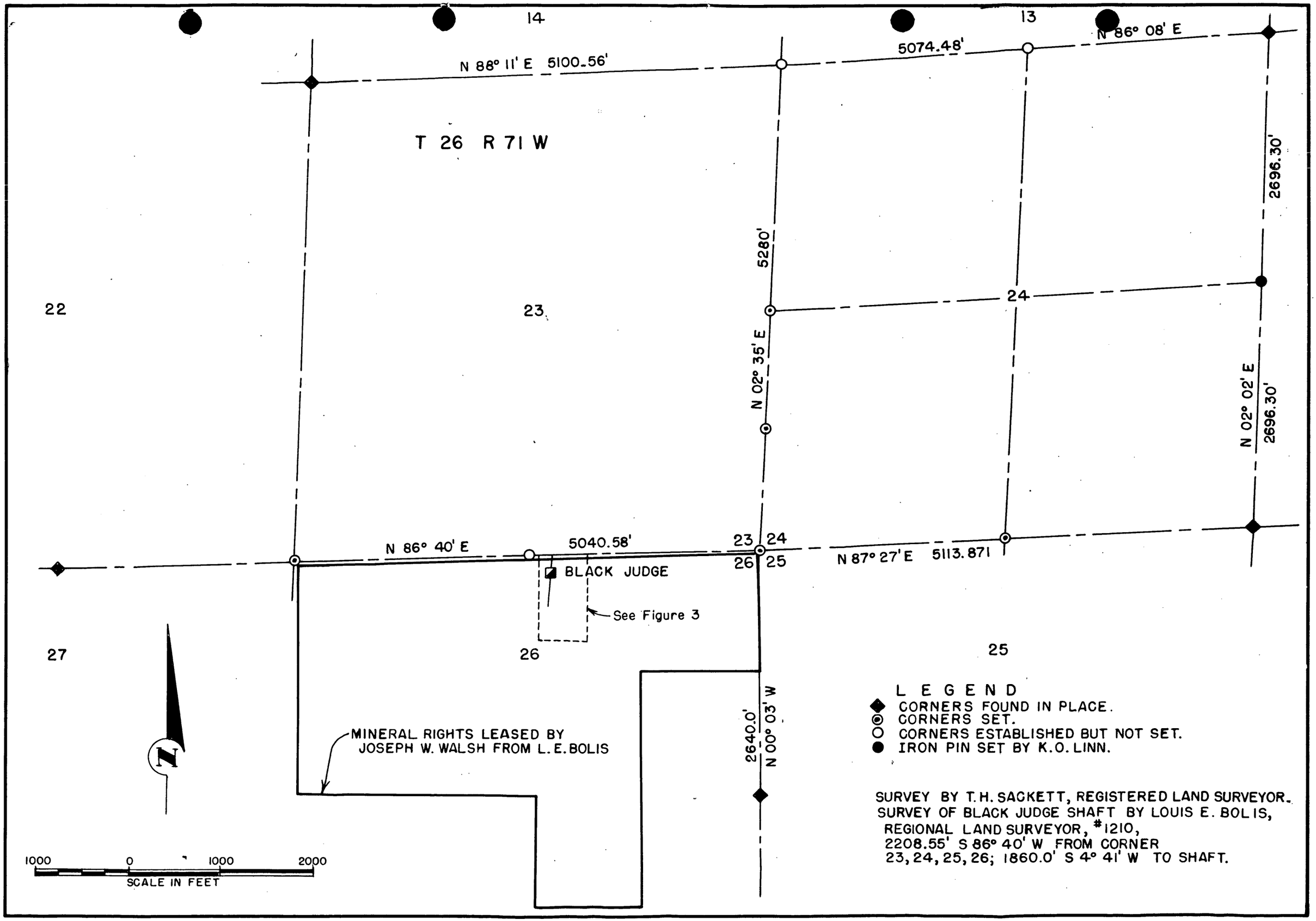


FIGURE 2 - LOCATION OF JOSEPH W. WALSH MINERAL LEASE, RALSTON CREEK MINING DISTRICT, JEFFERSON COUNTY, COLO. DMEA 3919

Contract Adm. & Audit Division

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

To: Mr. Joseph W. Walsh
4925 Montview Blvd.
Denver 7, Colorado

Pursuant to the provisions of Exploration Project Contract No. Idm-X915, dated February 3, 1956, (Docket No. DMEA-3919), hereinafter called the "contract," between you and the United States of America, hereinafter called the "Government," to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development upon which production may be made has resulted from the exploration work.

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

Underground exploration in section 26 exposed uranium mineralized bodies of ore grade along a breccia zone in metamorphic rocks of Precambrian age.

Dated: JUN 23 1958

THE UNITED STATES OF AMERICA

By C. Mitteusord
Administrator, Defense Minerals Exploration Administration

se/gla
8

or
Dahlberg, Golden, Colorado
. Boles, Golden, Colorado
. Johnson, Director, Div. of
Materials, AEC
. Youngberg, AEC Grand Junction
Atlans Office
tt Adm. & Audit Division
eld Team, Region III (2)
Office

Reading File
Johnson
Ing Committee
D. Lamb, Rm. 3608
Kilsgaard, Rm. 5224
Knouse

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

JUN 24 1958

Mr. Joseph S. Walsh
4325 Montview Blvd.
Denver 7, Colorado

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-5915
Hoffmeister Prospect
Jefferson County, Colorado

Dear Mr. Walsh:

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

By the terms of the Exploration Project Contract, as amended, and of the certification, all minerals mined or produced from February 3, 1956, to February 3, 1969, are subject to the Government's percentage royalty as set forth in the contract until the amount contributed by the Government is repaid.

Payments should continue to be made to the Executive Officer, DMEA Field Team, Region III, 224 New Customhouse Building, Denver 2, Colorado. Checks should be payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the check directly to the Executive Officer. Any bonus payments or allowances received by you from production are considered to be a part of the purchase price to which the Government's royalty applies. Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify the Executive Officer of any changes in ownership or production rights that might have any effect on the Government's right to its percentage

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Copies to:

Oscar Dahlberg, Golden, Colorado
Louis E. Boles, Golden, Colorado

FLKnouse/gla
6-18-58
cc to: Admr.'s Reading File
Frank E. Johnson
Operating Committee
Frank D. Lamb, Rm. 3608
T. H. Killagaard, Rm. 5224
Field Team, Region III (2)
Contract Adm. & Audit Division
FLKnouse

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

Mr. Oscar Dahlberg

Golden, Colorado

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-8915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Mr. Dahlberg:

Enclosed is a copy of a certification of discovery or development, with copy of covering letter to the Operator, which has been issued pursuant to the terms of the above-cited contract.

This correspondence relates to the Consent to Lien and the Subordination Agreement, both signed by you on November 29, 1955. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transferee or lessee of any part of your interest in the land or the production therefrom.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

Identical letter to:
Louis E. Boles, Golden, Colorado

FLKnouse/gla
6-18-58
cc to: Admr.'s Reading File
Frank E. Johnson
Operating Committee
Contract Adm. & Audit Division
FLKnouse
DMEA FT. Region III (2)

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

DEC 4 1958

Mr. Joseph W. Walsh
4929 Montview Blvd.
Denver 7, Colorado

Re: Docket No. DMLA-3919 (Uranium)
Contract No. Idm-2915
Hoffmeister Prospect
Jefferson County, Colorado

Dear Mr. Walsh:

Reference is made to our letter of June 24, 1958, enclosing a certification of discovery covering the subject property.

At the time of our letter the exact amount contributed by the Government under this project was subject to audit. Our auditors have subsequently determined the amount as $13,640.63. This is the amount to be repaid by your company through royalty payments on production. Payments should continue to be made in accordance with the instructions contained in the above-mentioned letter.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copies to:
Oscar Dahlberg, Golden, Colorado
Louis B. Boles, Golden, Colorado

FLKnouse/gla
11-25-58
cc to: Director's Reading File
Mr. Frank E. Johnson
F. L. Knouse
Division of Contract & Audit
OME Field Team, Region III (2)

DEC 4 1958

Mr. Oscar Dahlberg

Golden, Colorado

Re: Docket No. [illegible] (Remand)
Contract No. [illegible]
Joseph W. Walsh
Radioactive Prospect
Jefferson County, Colorado

Dear Mr. Dahlberg:

Reference is made to our letter of June 24, 1958, which relates to a certification of discovery or development for the subject project and the Government's prior lien on the land and production therefrom.

For your additional information there is enclosed a copy of a letter of even date to the operator which sets forth the amount of the Government's contribution to the above exploration project.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

Filename/kkk
Dec. 3, 1958

cc to: Docket
Dir. Reading File
Mr. Johnson
Mr. Kanne
Mr. Chambers
GSR Field Team, Reg. III (2)

DEC 4 1958

Mr. Louis K. Bolen

Golden, Colorado

Re: Docket No. [illegible]-3919 (Uranium)
Sandsheet No. Idm-[illegible]
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Mr. Bolen:

Reference is made to our letter of June 24, 1958, which relates to a certification of discovery or development for the subject project and the Government's prior lien on the land and production therefrom.

For your additional information there is enclosed a copy of a letter of even date to the operator which sets forth the amount of the Government's contribution to the above exploration project.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

FIKnouse/bih
Dec. 2, 1958

cc to: Docket
Dir. Reading File
Mr. Johnson
Mr. Knouse
Mr. Chambers
OME Field Team, Reg. III (2)

DMEA
JUL 30 1958
CODE
800

224 New Customhouse
Denver 2, Colorado
July 28, 1958

Mr. Joseph W. Walsh
4925 Westview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract No. I4m-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

In reference to item 1 of our letter of July 24, 1958, the Washington Office, DMEA, has advised us that since the project work has been essentially completed, the execution of a TERMINATION AMENDMENT is considered unnecessary.

Since the Contract is considered completed, your attention is directed to the requirement under Article 7 (c) of the contract form regarding the rendering of a final report pertaining to work completed under the Contract.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

JWT:prl

cc: Chem. Op. Comm. (2)
Harelman
DMEA/DFC (Salsbury)
Corres.
Cooper
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 24 1958
DATE

Audit Copy

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMEA 3919
CONTRACT NO. Idm-8915

AMENDMENT NO. 7

It is agreed this 9th day of May, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joseph W. Walsh, hereinafter called the "Operator," refiling to that certain exploration Project Contract No. Idm-8915, Docket No. DMEA 3919, dated February 3, 1956, hereinafter called the "Contract," that the Contract is further amended as follows:

In lieu of drilling all five (5) Stage II drill holes from the surface as provided for by Amendment No. 3, dated April 22, 1957, three (3) of the holes may be drilled to the same objectives from points in the 100-foot level workings which were driven solely at the Operator's expense without contribution by the Government.

Preparation of underground drill stations is not considered necessary; therefore, any costs incurred by the Operator in preparation of drill stations will not be allowed as costs to the project to which the Government contributes its appropriate share under the terms of the contract.

The exact location, extent, and attitude of the three possible drill holes from underground stations are subject to prior written approval by the Government.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in quintuplicate the day and year first above written.

UNITED STATES OF AMERICA

Joseph W. Walsh
Joseph W. Walsh
Operator

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

EXTRA COPY
DMEA
RECEIVED MAY 23 1958

DATE	INITIALS	CODE
		800

22d Ave Chateauroux
Denver 8, Colorado
May 22, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Project No. DMEA 3919 (Uranium), Contract No. Nbs-3815, Joseph V. Walsh (Multiplator Prospect), Jackson County, Colorado

Enclosed are the following in conjunction with operations under the subject contract:

1. Joint memorandum, dated May 6, 1958, from R. U. King, Geologist, Geological Survey, and W. V. Winkel, Mining Engineer, Bureau of Mines, pertaining to the Operator's request of May 1, 1958 for Government approval for the drilling of Hole No. 4 as provided by Amendment No. 3.

2. Letter from the DMEA Field Team, Region III, to the Operator, dated May 8, 1958, denying the Operator's request to drill hole No. 4 from its surface location as provided for by Amendment No. 3.

3. Two copies of the Operator's letter of May 8, 1958 requesting the Government's approval for the drilling of holes Nos. 8, 9, and 6 from underground positions.

4. The Government's and Public copies of Amendment No. 7 to the contract, which has been executed to authorize a change of collar locations of drill holes from surface to underground positions.

5. Three copies of a joint memorandum, dated May 19, 1958, from R. U. King, Geologist, Geological Survey, and W. V. Winkel, Mining Engineer, Bureau of Mines, pertaining to the Operator's request for approval of the underground drilling.

6. Verbal copies of approval from the DMA Field Team, Region III, for the drilling of holes No. 2, 3, and 4 from underground positions.

Copies of the work detail, Amendment No. 1, and subsequent work approval have been distributed to the Operator, the Finance Office, and others concerned in Region III.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JWT:pri

cc: Finance Office,
Region III - w/copy of material under items 2, 4, and 6.

Harshman
DMA/DRC (Minkel)
Central file
Technical
Chron.

} w/copy of enclosures.

EXTRA COPY
DMEA
RECEIVED MAY 23 1958
DATE | CODE

20th Ave Continuous
Denver 9, Colorado
May 20, 1958

Mr. Franklin A. Barnett, Sr.
Supervising Engineer
Mine Shaft
1455 - 14th Street
Golden, Colorado

Re: Docket No. DMA 7919 (Section)
Contract No. Dmc-6215
Joseph V. Walsh
(Subsidiary Prospect)
Jefferson County, Colorado

Dear Mr. Barnett:

In reference to your letter of May 6, 1958 requesting the Government's approval for the drilling of holes 2, 3, and 4 from underground collar locations, this constitutes the Government's approval for the drilling of the holes from underground locations from the 100-foot level workings at elevations of 6,765 feet as follows:

Hole No.	Hole to be Directed Bearing	Inclination
2	S 80° W	-20°
3	S 70° W	-20°
4	S 55° W	-20°

The underground locations of the three above approved holes are indicated on the map entitled, "Underground Drill Hole Locations Near Blue Jefferson County, Colorado DMA - 7919 - Contract Dmc-6215," dated May 15, 1958, which is attached hereto and made a part of this work approval.

In conjunction with the foregoing, enclosed is the "Operator's Copy" of Amendment No. 7, which has been executed to change the collar locations of the drill holes from surface to underground positions.

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

JHW:pk
cc: Chm. Sp. Cons. (3)
Project Engr., Region III
Contract File, Region III
[illegible] (Trustee)
Denver, File
Secretary
Chrono.

Very truly yours,

DMA Field Area, Region III

By E. H. Hendelman
E. H. Hendelman

By J. V. Townsend
J. V. Townsend
Acting Director

cc: Mr. Joseph V. Walsh

DMEA
DEPARTMENT OF THE INTERIOR

MAY 20 1958
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
May 19, 1958

Memorandum

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

From: R. W. King and W. W. Vinkel

Subject: Docket DMEA 3819 (Uranium) Contract IAm-8915,
Joseph W. Walsh (Huffhunter Prospect-Mesa mine)
Jefferson County, Colorado

In a letter dated May 1, 1958 the operator requested approval to drill Stage II hole No. 4. He also stated that completed holes Nos. 1 and 5 proved the existence of two veins below the adit level; however, neither of these veins were significantly mineralized where cored by Stage II holes Nos. 1 and 5.

In a joint memorandum dated May 6, 1958 it was recommended that the unexplored part of the Mesa vein between completed holes Nos. 1 and 5 be explored by drill holes from underground locations in the 6765 elevation drift. A considerable reduction in drilling footage would result from making use of the existing workings.

It was agreed with the managing geologist that underground drilling would be feasible, and could be accomplished at no extra cost per foot of hole now extra charge for drill site preparation.

In a request dated May 8, 1958 the operator requests permission to drill Stage II holes Nos. 2, 3, and 4 from drift 6765 at drill sites shown on a geologic map submitted with the request. The locations designated for holes Nos. 2 and 3 are adjacent to the shaft station for the purpose of avoiding most of the underground drill station preparation and to allow angle clearance for 10 foot drill rods. The collar locations of holes 2 and 3 involve drilling excess footage at an acute angle to the indicated strike of the Mesa vein and increases the total footage for these two holes by 43 percent.

It is recommended that drill holes Nos. 2 and 3 be collared and drilled on the bearings shown on the following chart and the accompanying sketch map of "Underground Drill Hole Locations."

Hole No.	Dist. From Base "A"	Bearing From Base "A"	Elev. Collar	Drill Hole Bearing
2	127'	N. 24 W.	6765	S. 80 W.
3	44'	N. 33 W.	"	S. 70 W.
4	18'	N. 64 E.	"	S. 16 W.

Each hole is located to intersect the Mana vein at least 75 feet from any previously drilled hole.

R. V. King
Geologist

W. W. Winkel
W. W. Winkel
Mining Engineer

cc: 9
Idm-2315
ahrem

Franklin A. Seward, Jr.
CONSULTING GEOLOGIST - GEOPHYSICAL ENGINEER
CR 0-2217
1403 20TH STREET
GOLDEN, COLORADO

May 8, 1958

EXTRA COPY
DMEA
RECEIVED MAY 23 1958

Executive Officer
Defense Minerals Exploration Administration
224 New Customs House
Denver 2, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract No. Idm - 915
Joseph W. Walsh, Operator
Mena Mine (Hoffmeister prospect)
Jefferson Co., Colorado

Dear Sir:

This is to request permission to drill holes numbers 2, 3, and 4 under DMEA Project Contract No. Idm. E-915, Docket No. DMEA 3919, as ammended, with the following revisions of locations and attitudes.

All three holes are to be located in the subsurface drift on the Lagrima vein of the 6765 ft. elevation.

Hole Number	Distance Base A	Bearing from Base A	Elev. of collar	Bearing of hole
2	96'	N23°W	6765	N60°W
3	84'	N23°W	6765	S15°W
4	18'	N61°E	6765	S8°W

Hole	Inclination of hole	Estimated Max length
2	- 20°	75'
3	- 20°	75'
4	- 20°	75'

Each hole is designed to intersect the Mena vein at least 75 feet from any previously drilled hole or from exploration workings on the vein at elevations of approximately 6845 to 6850 feet.

Very truly yours

Franklin A. Seward, Jr. GpE,
Supervising Engineer, Mena Mines
for Joseph W. Walsh, Operator

FAS/oo

224 Post Customhouse
Denver 2, Colorado
May 8, 1958

Mr. Franklin A. Seward, Jr.
Supervising Engineer for
Joseph W. Walsh
1403 - 20th Street
Golden, Colorado

Re: Docket No. DMEA 3919 ([illegible])
Contract No. IDm-8915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Seward:

Reference is made to your letter of May 1, 1958, wherein you request the Government's permission to drill hole No. 4 as initially provided for by Amendment No. 3.

The existence of 100-foot level workings driven on another vein by the Operator at his sole expense, which lie from 30 to 50 feet in the hanging wall of the Mesa vein, indicates a more economical location for the balance of the holes which were provided for by Amendment No. 3. Therefore, your request for permission to drill hole No. 4 from the surface is denied.

Holes drilled from the underground workings toward the original objectives of the three remaining holes would save approximately 150 feet of drilling per hole. Therefore, should you favor underground locations for the remaining holes, we suggest that an appropriate request for Government approval of the underground hole locations be submitted for the consideration of this office.

Very truly yours,

DMEA Field Team, Region III

By E. H. Harshman
E. H. Harshman

By J. W. Townsend
J. W. Townsend
Acting Member

cc: Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

JWT:prl
cc: Chma. Op. Comm. (3)
Finance Office, Reg. III
Amendment File, Reg. III
Harshman
DMEA/DFC (Winkel)
Townsend
Corres. file
Chron.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

EXTRA COPY
DMEA
RECEIVED MAY 23 1958

DATE	INITIALS	CODE
	May 6, 1958	

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. W. Horsman

From: R. U. King
W. W. Winkel

Subject: Docket DMEA 3919 (Uranium), Contract Idm-E 915, Joseph W. Walsh (Hoffmeister prospect), Jefferson County, Colorado

In a letter dated May 1, 1958, the operator requested approval to drill Stage II hole no. 4. He states that the information obtained from Stage II holes nos. 1 and 5 proves the existence of two veins below the adit level, and that certain explorations carried out on his own account, that consisted of drifting, etc., on a sub-level, was performed on a hanging wall vein split and not on the Mena vein.

Although two veins are recognized, neither of these veins were significantly mineralized at the places where they were cut by Stage II holes nos. 1 and 5. A total of 1,000 feet of drilling is laid out for Stage II of this contract (amended) distributed in five tentatively located surface core drill holes. Three tentatively located holes remain in the program, which if drilled according to the contract, would intersect the Mena vein at 75-foot centers along strike and 100 feet down dip from the adit level, and would adequately explore the vein for uranium.

In view of the existence of the drift (elev. 6,760 ft.) 30 to 50 feet in the hanging wall of the Mena vein, it is recommended that the unexplored part of the Mena vein between holes 1 and 5 be explored by core drill holes from underground locations in this drift. A substantial reduction in total drilling footage would result from making use of the existing workings.

During a conference with the operator's Supervising Engineer, the feasibility of drilling from underground locations was discussed, and he indicated that such drilling could be done at no increase in costs per foot, and no charges for drill site preparation because the shortened holes would require not more than 5-foot drill rods.

It is recommended that the applicant's request for approval for drilling hole no. 4 be denied. It is recommended, however, that favorable consideration be given to substituting three holes from underground location, for the three holes designated in the contract, and designed to intersect the Mena vein in the same locations.

R. U. King, Geologist

W. W. Winkel, Mining Engineer

RUKing:arh

224 New Customhouse
Denver 2, Colorado
April 11, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3919 (Uranium), Contract No. Idm-E915, Joseph W. Walsh (Hoffmeister Prospect), Jefferson County, Colorado

Enclosed are three copies of confirmation of verbal work approval issued by the DMEA Field Team, Region III.

Also enclosed are two copies of the Operator's request, dated March 22, 1958, and three copies of a joint memorandum, dated April 9, 1958, from W. W. Winkel, Mining Engineer, Bureau of Mines, and R. U. King, Geologist, Geological Survey, pertaining to the matter.

Copies of the confirmation of verbal work approval have been distributed to the Operator, the Finance Office, and others concerned in Region III.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JWT:prl

cc: Finance Office,
Region III - w/copy of confirmation of work approval.
Harshman } w/copy of confirmation of work
DMEA/DFC (Winkel) } approval and joint memorandum.
Corres. file - w/copy of Operator's request, confirmation of work approval, and joint memorandum.
Townsend
Chron.

224 New Customhouse
Denver 2, Colorado
April 11, 1956

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract No. Idm-3915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

In reference to Mr. Seward's letter of March 22, 1956, this constitutes confirmation of verbal approval given by the Government on March 24 and April 6, 1956 for the drilling of holes numbers 1 and 5, as provided for by Amendment No. 5 as amended by Amendment No. 6. The holes will be drilled at the approximate locations indicated on the map attached to and made a part of Amendment No. 5 and will be directed on the bearing and at the inclination indicated therefor in Amendment No. 5.

The objective of the two holes is to explore for and cut the Mena vein at depth and it is estimated that the holes will each be approximately 200 feet in length.

Nothing in this confirmation of verbal work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Very truly yours,

DMEA Field Team, Region III

By E. N. Harshman
E. N. Harshman

By J. W. Townsend
J. W. Townsend
Acting Manager

cc: Mr. Franklin A. Seward, Jr.
Consulting Geologist
1403 - 20th Street
Golden, Colorado

JWT:prl

cc: Comm. Op. Comm. (3)
Finance Office, Reg. III
Amendment file, Reg. III
Harshman
DMEA/DFC (Winkel)

cc: Corres. file
Townsend
Chron.

IN REPLY REFER TO:

DMEA
DEPARTMENT OF THE INTERIOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

APR 10 1958
EXTRA COPY
REGION III
DMEA
DENVER, COLORADO
RECEIVED APR 14 1958

DATE	INITIALS	CODE

April 9, 1958

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman EMH

From: W. W. Winkel
R. U. King

Subject: DMEA Docket No. 3919 (Uranium), Contract No. Idm-E 915, Joseph W. Walsh, Operator, Mena mine (Hoffmeister prospect), Jefferson County, Colorado

The operator of the subject contract project, in a letter dated March 22, 1958, requested approval of certain revisions in the drilling program under Stage II. The proposed revisions in Stage II drilling are based on an evaluation of Stage I exploration and subsequent shafting and mining performed on his own account during contract recess; they consist of changes in bearing and inclination of two holes, and deferral of two holes pending further evaluation.

Stage I exploration consisted of 400 feet of drifting in two adits and resulted in the discovery of two uranium ore shoots, one in the north adit, and one at the portal of the south adit. Subsequent mining performed by the operator solely at his own expense consisted of a 90-foot shaft, 150 feet of drifting from the bottom of the shaft and about 70 feet of raising at two locations along the drift south of

the shaft. The drift (elev. 6,865) and raises follow a Cu-Ag bearing vein that strikes from NW to north and dips 53° east. The position of the vein in the drift at elevation 6,765 feet falls within 5 feet, at one point, of the position of the Mena vein projected to that elevation from the adit. Although the dip and strike of the vein in the drift diverge somewhat from the Mena vein, these changes are no greater than those that occur in the exposed parts of the Mena vein on the surface and in the north and south adits.

The operator's managing geologist concludes that the Cu-Ag bearing vein discovered in the lower workings is a separate vein or a hanging wall split of the Mena vein and has named it the Lagrima vein. Factual data to substantiate this interpretation, however, is not yet available. Such data could readily be obtained by crosscutting westward from the drift for from 5 to 30 feet. To date the operator has not indicated his interest in performing this work.

We conclude that sufficient evidence has not been presented to justify the changes requested in the operator's letter of March 22, 1958, and recommend approval at this time of holes nos. 1 and 5 without changes from their approved locations as follows:

Hole no. 1: bearing S 75° W, inclination--67°, estimated maximum length 200 feet.

Hole no. 5: bearing S 33° W, inclination--45° estimated maximum length 200 feet.

We recommend that approval of holes 2, 3, and 4 be deferred pending evaluation of results of the above two recommended holes.

Verbal approval to drill hole no. 1 was given the operator on March 24, 1958, and verbal approval given to drill hole no. 5 was given on April 8, 1958.

W. W. Winkel

W. W. Winkel
Mining Engineer

R U King

R. U. King
Geologist

RUKing:mp

[illegible] Crestview 3-2117
1400 10th Street
[illegible]
Golden, Colorado

March 22, 1958

DMEA
DEPARTMENT OF THE INTERIOR
MAR 24 1958
REGION III
DENVER, COLORADO

Executive Officer
Defense Minerals Exploration Administration
224 New Customs House
Denver 2, Colorado

Re: Docket No. DMEA 3919 (uranium)
Contract No. Idm [illegible]-315
Joseph [illegible]. Walsh, Operator
Mena Mine (Hoffmeister prospect)
Jefferson County, Colo.

Attn: Mr. Townsend

Dear Sir:

This is to request approval to continue work on the second stage drilling program under Amendments [illegible], and [illegible], to Contract No. Idm [illegible]-315, Docket No. DMEA-3919, with the following revisions, as of March 22, 1958:

Diamond Drill Holes

#1 - - - No change requested

#2, #3 - - - request action be deffered pending further geologic evaluation.

#4 - - - Inclination increased from -45° to - 60°

#5 - - - Bearing of hole changed from 333° to 317° and inclination increased from -45° to -70°.

The above results are requested as the result of further underground exploration and geologic evaluation subsequent to the program as proposed in Amendment No. 3, dated April 22, 1957.

Transit survey and geologic examination have indicated that the drift and stope from the 100 foot level are not on the Mena vein which has been mineralized and mined in the drifts and stopes from the surface adits.

Drill hole #1, is not affected by the results of mining operations carried out subsequent to the original drilling proposal and no change in attitude or location is requested.

Drill holes [illegible] and [illegible] would pass through or immediately below the new workings on the Lagrima vein. While these holes in their present attitudes might be used to evaluate the more steeply dipping Luna vein, it is believed that more efficient use may be made of them through further geologic evaluation and it is therefore requested that final selection of location and attitude be temporarily deferred.

Drill holes [illegible]4 and [illegible]5 are located as originally proposed but it is requested that the inclination of [illegible]4 be increased to -30° and the bearing of [illegible]5 be changed to S17°[illegible] and the inclination increased to -70°. The rake (southeasterly trending) of the mineralized structure in the Luna vein as originally projected by U. S. Geological Survey geologists has been structurally indicated in the workings on the Lagrima vein. The change in attitudes of these two drill holes is designed to cause them to intersect the veins in this potentially more favorable area.

The accompanying map and cross sections indicate the changes requested.

Respectfully submitted,

Franklin A. Seward

Franklin A. Seward, Jr., CPG.
Geologist and Supervising Engineer

For: Joseph [illegible]. Ralph, Operator

2 Enc.
cc: J. [illegible]. Ralph
FAS/os

224 New Customhouse
Denver 2, Colorado

April 10, 1958

D
ECEIVE 14
DATE
800

CERTIFIED MAIL

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket DMEA 3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Enclosed is a photo copy of our letter to you, dated March 4, 1958, for which we have received no reply.

To protect the Government's interest, further reimbursement to you for the Government's portion of the costs of work performed under the contract will be withheld until the matter of delinquent royalty is resolved.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

Enc.

MHM:bh
cc: Sec. Op. Comm. (2)
DMEA/DFC (2)
Corres. File
Royalty File
Townsend
Chron.

224 New Customhouse
Denver 2, Colorado
April 10, 1958

EXTRA COPY
DMEA
RECEIVED APR 14 1958
DATE | INITIALS | CODE
Foc

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh, (Hoffmeister Prospect) Jefferson County, Colorado

Enclosed are two copies of a letter dated April 3, 1958, from the subject Operator, advising that Franklin A. Seward, Jr., is authorized to act as agent for the Operator.

From our discussions with the Operator and Mr. Seward, we understand that Mr. Seward is to supervise the project work, prepare the narrative section for monthly reports and to submit requests for work approval. All other matters pertaining to the contract will be handled by the Operator himself.

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosure

JDC:HmH

cc: Harshman
DMEA/DFC
Townsend
} w/copy of Operator's letter of 4/3/58
Corres.file, Reg.III)
Chron

DMEA
DEPARTMENT OF THE INTERIOR
APR 8 - 1958
REGION III
DENVER, COLORADO

4925 Montview Blvd.
Denver, Colorado
April 3, 1958

Executive Officer, DMEA
Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-3919 (Uranium)
Contract Idm-E-915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colo.

Dear Sir:

This is to advise you that I have designated Mr. Franklin A. Seward, Jr., CpE to act as Agent for me in all matters pertaining to this Contract except the actual signing of any Amendments that might arise concerning the Contract.

Very truly yours,
Joseph W. Walsh
Joseph W. Walsh

1 - Original
5 - Copies
cc: F. A. Seward, Jr.

FRANKLIN A. SEWARD, JR.
GEOLOGIST . GEOPHYSICAL ENGINEER
XXXXXX PHONE XXX CRestview 9-2217
1403 20th Street
XXXXXXXXXXXXXXXX
Golden, Colorado
March 29, 1958

DMEA
DEPARTMENT OF THE INTERIOR
APR 1 - 1958
REGION III
DENVER, COLORADO

Exceutive Officer
Defense Minerals Exploration Admin.
224 New Customs House
Denver 2, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract No. Idm-E-915
Joseph W. Walsh, Operator
Mena Mine (Hoffmeister prospect)
Jefferson Co., Colorado

Dear Sir:

This will inform you that work was commenced on the second stage drilling program of the above named contract under verbal approval of Mr. R.U. King, USGS DMEA field team, on March 29, 1958.

Very truly yours,

Franklin A. Seward Jr.

Franklin A. Seward, Jr.
Supervising Engineer
for: Joseph W. Walsh, Operator

4-2-58 copies distributed to
Chm Op Comm (G.V.
Horsburgh
DMEA, DEC
Townsend
Torres file

Audit Copy

4

CODE

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMEA 3919
CONTRACT NO. 16m-3915

AMENDMENT NO. 6

It is agreed this 26th day of March, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joseph W. Walsh, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. 16m-3915, Docket No. DMEA 3919, dated February 3, 1956, hereinafter called the "Contract," that the Contract is further amended as follows:

Referring to Amendment No. 3, dated April 28, 1957, item 3, delete the third paragraph, which reads:

"The depths, directions, and inclinations that these holes shall be drilled are as follows:"

and in lieu thereof, substitute the following:

"The tentative depths, directions, and inclinations for the drilling of these holes are as follows, which may be varied to fit conditions found to exists, such variation subject to the prior written approval by the Government."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in quintuplicate the day and year first above written.

Joseph W. Walsh
Joseph W. Walsh (Operator)

UNITED STATES OF AMERICA

By E. M. Hendleman
Acting Executive Officer, DMEA
Field Team, Region III

OFFICE FILE COPY
DMEA
RECEIVED APR 4 1958
DATE

224 New Customhouse
Denver 2, Colorado
April 1, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3919 (Uranium), Contract No. Idm-E915, Joseph H. Walsh (Hoffmeister Prospect), Jefferson County, Colorado

Enclosed are the Government's andAudit copies of Amendment No.6 to Contract No. Idm-E915, which has been executed to modify, in part, the description of drilling to be performed under Stage II of the contract, in order to provide necessary leeway in the location and attitude of the drilling to fit conditions encountered as the work progresses.

Also enclosed are two copies of the Operator's letter of March 25, 1958 requesting the amendment.

Copies of the amendment have been distributed to the Operator, the Finance Office, and to others concerned.

Original signed
E. N. HARSHMAN

E. N. Harshman

Enclosures

JWT:prl

cc: Finance Office - w/copy of Amendment No. 6
Harshman) w/copy of Amendment
DMEA/DFC (Winkel)) no. 6 and Operator's
Corres. file) letter of March 25.
Townsend
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

MAR 26 1958
REGION III
DENVER, COLORADO

4925 Montview Blvd.
Denver 7, Colorado
March 25, 1958

Executive Officer, DMEA
Field Team, Regional III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-3919 (Uranium)
Contract Idm-E-915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Sir:

May I first quote from Amendment No.3, Item 3, Paragraph 3, of this Contract, the following:

" The depths, directions, and inclinations that these holes shall be drilled are as follows:

Hole No.	Direction	Inclination	Depth Feet
1	S 75 Deg.W	-67 Deg.	200
2	S 78 Deg.W	-45 Deg.	200
3	S 35 Deg.W	-45 Deg.	200
4	S 75 Deg.W	-45 Deg.	200
5	S 33 Deg.W	-45 Deg.	200

Since April 22, 1957, the date of this Amendment, I have completed extensive underground exploration work on this property as my map submitted to you as of March 22, 1958 indicates. As a result of this underground work on my part directions, inclinations and depths of above listed drill holes are not exactly located to desireable locations.

As a result I would like to request that I be provided with a leaveway on these drill holes in order that they might be somewhat varied so that better drilling results might be accomplished. Also I request that I be permitted to drill five holes not to exceed an aggregate total depth of 1000 feet.

This request to Amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Very truly yours,
Joseph W. Walsh
Joseph W. Walsh
Operator

Audit copy

DMEA
RECEIVED MAR 19 1958
CODE
800

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMEA-3919

AMENDMENT NO. 5

It is agreed this 10th day of March, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joseph W. Walsh, hereinafter called the "Operator," that Exploration Project Contract No. IDA-3919, Docket No. DMEA 3919, dated February 3, 1956, hereinafter called the "Contract," as amended, is further amended as follows:

1. The date fixed by Amendment No. 4 for completion of the work is extended from November 1, 1957, to June 30, 1958.

2. (a) Work under the Contract shall be suspended during the period beginning September 10, 1957, and ending not later than April 1, 1958.

(b) The Government shall not contribute to any costs incurred by the Operator during the period of suspension, nor to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

3. The maximum period for royalty payments and the lien to secure the payment thereof, provided for in the Contract, is increased from twelve (12) to thirteen (13) years.

4. It is of the essence of this Contract that the work be resumed on or before the termination of the period

here fixed for suspension, and be completed before the termination of the period fixed for completion; and if not so resumed and completed, in the manner required by the Contract, the following provisions shall thereupon become effective:

(a) The Contract and all obligations of the parties thereunder, except as hereinafter otherwise provided, shall be and are hereby terminated, as follows:

(i) Effective October 1, 1956, if the work has not been resumed on or before April 1, 1958.

(ii) Effective June 30, 1958, if the work is resumed on or before April 1, 1958, but is not completed on or before June 30, 1958.

(b) The Government will contribute only to allowable costs incurred prior to the relevant effective date set forth in 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

(d) All rights of the Government respecting percentage royalty and liens to secure the payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayment, are hereby preserved.

(e) The Operator hereby releases and agrees to save the Government h rmless from all claims or demands under or arising out of the Contract, except as otherwise provided for in this Amendment No. 5.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate total

amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C Mitteudorf
Administrator, Defense Minerals
Exploration Administration

Joseph W. Walsh
JOSEPH W. WALSH (Operator)

224 New Customhouse
Denver 2, Colorado

March 17, 1958

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Enclosed is the "Operator's Copy" of Amendment No. 5 to Contract No. Idm-E915, which has been executed to extend the date fixed for completion of the work to June 30, 1958 and to provide for suspension of operations to end not later than April 1, 1958.

Your attention is specifically directed to the provisions of items 4 and 4(a) of the Amendment regarding resumption and completion of the balance of work provided for in the Contract.

As discussed with you some time ago on your visit to this office, a prerequisite to commencing the drilling under Stage II is the rendering by you of a request for the Government's approval of such drilling as you wish to perform. Since your request has not been received to date, the matter should be expedited if you intend to commence work on or before April 1, 1958.

Very truly yours,

Original signed by
W. H. KING

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

Enclosure

JWT:prl
cc: Chmn. Op. Comm. (2)
Harshman
DMEA/DFC (Winkel)
Corres. file
Townsend
Chron.

Audit Copy
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DMEA
RECEIVED AUG 15 1957
DATE | INITIALS | CODE

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMEA 3919
CONTRACT NO. Idm-2915

AMENDMENT NO. 4

It is agreed this 31st day of July, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joseph W. Walsh, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-2915, Docket No. DMEA 3919, dated February 3, 1956, hereinafter called the "Contract," that:

1. The date fixed in Article 3 on or before which the work shall be completed, as amended by Amendment No. 3, is extended from August 1, 1957 to November 1, 1957.

2.(a) Work under the Contract shall be suspended during the period beginning October 1, 1956 and ending not later than September 10, 1957.

(b) No costs incurred by the Operator during the period of suspension of operations shall be allowable for contribution by the Government, and the Government shall not contribute to any costs of rehabilitation or repair which, in its opinion, would not have occurred if there had been no suspension of the work.

(c) The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension of operations shall preserve and protect the project work and any property in which the government has an interest.

3. The maximum period for payment of royalty and lien for payment thereof, provided for in the Contract, is increased to twelve (12) years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in quintuplicate the day and year first above written.

OPERATOR

By Joseph W. Walsh
Joseph W. Walsh

UNITED STATES OF AMERICA

By E. H. Kriebelman
Acting Executive Officer, RMA
Field Team, Region III

EXTRA COPY DMEA RECEIVED AUG 15 1957		
DATE	INITIALS	CODE
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224 New Customhouse
Denver 2, Colorado

August 13, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3919 (Uranium), Contract No. Idm-E915, Joseph W. Walsh (Hoffmeister Prospect), Jefferson County, Colorado

Enclosed are the Government's and Audit copies of Amendment No. 4 to Contract No. Idm-E915, which has been executed in conformance with your teletype of 8/2/57 to extend the date fixed on or before which work will be completed from August 1, 1957 to November 1, 1957; provide for a recess of operations from October 1, 1956 to end not later than September 10, 1957; and increase the maximum period for payment of royalty and lien for payment thereof to twelve years from the date of the Contract.

Also enclosed are three copies each of the Operator's letters of July 15 and August 30, 1957 (the latter should have been dated July 30, 1957), pertaining to the Amendment.

Copies of the Amendment have been distributed to the Operator, the Finance Office, Region III, and to others concerned.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JWT:prl

cc: Finance Office,
Region III - w/copy of Amendment No. 4
Harshman) w/copy of Amendment No. 4
DMEA/DFC) and Operator's two
Corres. file) letters.
Townsend
Chron.

MME Form 14
Sept. 1958

Contract No. Idm-E) 915
~~xxxx)~~

Docket No. DMEA) 3919
~~xxxx)~~

Date of Action November 20, 1958

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Terminated contract

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor: Joseph W. Walsh
Room 830
First National Bank Bldg.
Denver, Colorado

Date of Contract	Region	State	Commodity
February 3, 1956	III	Colorado	Uranium
	Reserve		Obligation
Prior Amount	0		16,131.00
Increase	0		0
Decrease	0		2,490.37
Revised Amount	0		13,640.63

Remarks:

cc: 800
210

43244

Contract No. Idm-E 915

Docket No. 3919

DEPARTMENT OF THE INTERIOR **Reducing Amendment**

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Date of Contract	Region	State	Commodity
February 3, 1956	III	Colorado	Uranium

Name and Address of Operator: Joseph W. Walsh
Room 830
First National Bank Bldg.
Denver, Colorado

	Reserve	Obligation
Prior Amount	0	$16,953.00
Increase	0	0
Decrease	0	822.00
Revised Amount	0	$16,131.00

Remarks:

ALLEN S. DAKAN
(Name)

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

Date Delivered to Bureau of Mines, Washington 5/1/57

9896

Audit Copy

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMEA-3919

Amendment No. 3

It is agreed this 22nd day of April, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"), and Joseph W. Walsh (hereinafter called the "Operator"), that Exploration Project Contract No. Idm-E915, Docket No. DMEA-3919, dated February 3, 1956, as amended, (hereinafter called the "Contract"), is further amended as follows:

1. In Article 3 of the contract, the date fixed for completion of the work is further extended from May 1, 1957, to August 1, 1957.

2. In Exhibit "A" under Description of the Work, add to the first paragraph:

> "The work also includes diamond core drilling from the surface to explore for the downward projection of the mineralized breccia (Mena vein) below the adits completed in Stage I."

3. In Exhibit "A" under Description of the Work, Stage II drifting is deleted and a new Stage II is substituted, as follows:

> "Prepare access roads and drill sites with a Model D-8 Caterpillar tractor w/dozer or an equivalent size unit, and drill five diamond core holes at the locations marked Nos. 1 through 5, on the attached map entitled 'Geologic Map Hoffmeister Prospect, Mena Mine, Jefferson County, Colorado.'
>
> "The depths, directions, and inclinations that these holes shall be drilled are as follows:

Hole No.	Direction	Inclination	Depth Feet
1	S 75° W	-67°	200
2	S 78° W	-45°	200
3	S 35° W	-45°	200
4	S 75° W	-45°	200
5	S 33° W	-45°	200

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RECEIVED MAY 1 1957
DATE | INITIAL | CODE
800

"Each hole shall be drilled with a diamond core bit. The minimum size of core shall be AX. All holes shall be reamed and cased as necessary.

"All core and cuttings from each hole shall be saved and checked for radioactivity. Cored sections indicating significant radioactivity shall be split into halves, and one-half of the drill core shall be analyzed chemically for U_3O_8 and the other half of the core and one-half of the cuttings from all the mineralized sections shall be furnished to the Government upon request. All the remaining core and cuttings shall be properly boxed, labeled, and stored pending the Government's final inspection.

"All drill holes shall be logged geologically and probed for radioactivity, and four copies of each log shall be furnished to the Government with the Operator's monthly report. No payment shall be made for an incompleted drill hole."

4. In Exhibit "A" under Estimated Costs of the Project, the estimate for Stage II is revised to read as follows:

"Category (1) Independent Contracts 2/

8 hours of actual operating time, tractor w/dozer, including operator and all necessary costs of bulldozing whatsoever, @ $12.00/hr.	$ 96.00	
1,000 feet of core drilling @ $5.00/ft.	5,000.00	
1,000 feet of radiometric hole probing @ $0.15/ft.	150.00	$5,246.00

Category (2) Personal Services

Subcategories (a) and (b) Supervision and Technical Services

1 Supervising engineer, 2¼ months @ $400.00/mo.	$ 900.00	

2/ The provision in footnote 1/ of Exhibit "A" respecting the Operator's election shall also apply to the drilling. However, if an independent contractor performs the drilling, the allowable unit cost per foot of drilling shall be the average unit cost per foot computed on the basis of all the actual unit costs of drilling incurred by the Operator: Provided, That the Government will not contribute to any portion of an average unit cost that exceeds the estimated unit cost of drilling.

Subcategory (c) Labor	None	
Category (3) Operating Materials and Supplies		
40* Cardboard core boxes @ $0.75* each	$ 30.00	
Sample sacks	10.00*	$ 40.00
Category (4) Operating Equipment	None	
Category (5) Initial Rehabilitation and Repairs	None	
Category (6) New Buildings, Fixtures and Installations	None	
Category (7) Miscellaneous		
20* Chemical analyses for U_3O_8 @ $5.00*/each sample	$100.00	
Accounting and office expense, 2¼ months @ $50.00*/mo.	112.50	212.50
Estimated Total Cost, Stage II (originally $7,495.00)		$6,398.50*

5. In Exhibit "A" under Estimated Costs of the Project, the totals are revised to read as follows:

"Estimated Total Cost of Project (rounded to)	$21,508.00
"Government Participation @ 75 percent	$16,131.00"

6. In Article 5 of the contract, the figures "$21,508.00" and "$16,131.00" are substituted for the figures "$22,604.00" and "$16,953.00," respectively.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C P Mettendorf
Administrator, Defense Minerals
Exploration Administration

Joseph W. Walsh
Joseph W. Walsh

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMEA 3919
CONTRACT NO. 14m-3915

AMENDMENT NO. 2

It is agreed this 14th day of November, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joseph W. Walsh, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. 14m-3915, Docket No. DMEA 3919, dated February 3, 1956, hereinafter called the "Contract," that:

1. The date fixed in Article 3 of the Contract Form, as amended by Amendment No. 1, as the date on or before which the Operator shall have completed the work, is extended from December 1, 1956, to May 1, 1957.

2. The maximum period for payment of royalties and lien for payment thereof, provided for in the Contract, is increased to eleven (11) years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in quadruplicate the day and year first above written.

OPERATOR

By Joseph W. Walsh
Joseph W. Walsh

UNITED STATES OF AMERICA

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

RECEIVED
NOV 15 1956
DMEA

4920 Montview Blvd.
Denver, Colorado
November 9, 1956

Executive Officer, DMEA
Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-3915 (Uranium)
Contract Idm-U-915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Sir:

Amendment No.1 to this contract granting an extension of completion is about to expire. The completion expiration date is now December 1, 1956.

Stage I of this contract has been completed. Stage II has not been approved or disapproved as yet and as a result has not yet been started.

As soon as I can complete all of the necessary facts and figures I am going to present them to you and request some revisions in Stage II. This is going to take me some time and it will of course take your departmentsome time to approve or reject Stage II of this contract after I have submitted the requset.

With this time element taken into consideration and also bearing in mind normal inclement weather that we will have to contend with the next few weeks and months I wish to hereby request an additional 150 days extension of time or until May 1, 1957 to complete this contract.

In making this request for additional time for approval and completion of Stage II I do not now wish to make any other requests as to costs, independent contracts, direction and so forth.

With these facts in mind I would greatly appreciate the extension of time requested on this contract.

Very truly yours,

Joseph W. Walsh

Joseph W. Walsh
Operator

1 - Original
5 - Copies

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO: NMA 3919
CONTRACT NO: 14m-2815

RECEIVED
JUL 30 1956

AMENDMENT NO. 1

It is agreed this 17th day of July, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joseph W. Walsh, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. 14m-2815, Docket No. NMA 3919, dated February 3, 1956, hereinafter called the "Contract," that:

1. The date fixed under "Article 3" of Exploration Project Contract Form MP-200 (Revised June 1954) as the date on or before which the Operator shall have completed the work is extended from "August 1, 1956" to "December 1, 1956."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in contemplate the day and year first above written.

THE UNITED STATES OF AMERICA

By W. M. Weaver
W. M. Weaver
Executive Officer, DMEA
Field Team, Region XIX

OPERATOR

Joseph W. Walsh
Joseph W. Walsh

DMEA
Date Rec'd.

JUL 17 1956

BUREAU OF MINES
Denver, Colorado

4925 Montview Blvd.
Denver 7, Colorado
July 16, 1956

Executive Officer, DMEA
Field Team, Region 3
224 New Customhouse
Denver 2, Colorado

RECEIVED
JUL 30 1956

Re: Docket DMEA-3919(Uranium)
Contract Idm-E915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Sir:

This is to advise you that it will be impossible for me to complete all authorized work, for Contract Idm-E915, by the completion date of August 1, 1956.

As of the end of the working day of July 15, 1956 there has been completed 224 feet of drifting southeasterly from the adit portal along the mineralized breccia vein. Also 51 feet of drifting northwesterly from the adit portal along the mineralized breccia vein has been completed.

This leaves 149 feet of drifting northwesterly to complete Stage 1 of the Contract and all of Stage 2 that might be approved by the Government to be completed.

I hereby wish to request of you a sixty (60) day extension of time to complete Stage 1 of this contract or until October 1, 1956. Stage 2, should it be approved by the Government, is set up on a basis of one and three-quarter (1 3/4) months to complete drifting. I hereby wish to request that Stage 2 be extended 60 days beyond October 1, 1956 to December 1, 1956 should the Government approve all of Stage 2. In making this request for additional time for completion I do not now wish to make any other requests as to costs, independent contract, direction etc.

There are a number of reasons why this drifting has progressed slower than originally anticipated. Most outstanding problems have been that of machinery and manpower. As per the Contract I, as Operator, let the drifting contract work to the firm of Peart and Swerdfeger of Boulder, Colorado. Within seven days after I let this contract to this firm Mr. Peart, co-partner of the firm, was taken seriously ill and died late in May of this year in a Denver hospital. Mr. Peart, being the mining engineer of their firm, was the partner who directed the firm and its mining contracts. His illness and death

Re: Docket DMEA-3919(Uranium)
Contract Idm-E915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

caused a severe hardship on the drifting contract this firm and I had and as a result the first sixty (60) days that we were in operation were most slow. I could give you many of the reasons for the delays but will just name a few of the most important - (1) Before the Contractor had a large enough compressor on this job they brought in and took out three (3) different compressor units. (2) Their manpower turnover was almost weekly. (3) They were most lax in keeping necessary supplies on the job, and so on. After contending with these problems for what I considered was more than enough time even with the serious illness in their organization I advised them on May 11, 1956 that unless certain corrective measures were taken by May 15, 1956 that I considered our contract breeched and terminated. They did adjust these problems and have been doing a good job of contract drifting since that time. Had Mr. Peart remained in good health, as he was when we signed the contract , and lived, I am confident that this Contract Idm- E915 we would have finished ahead of schedule.

As my monthly reports to you have shown we have opened and exposed some excellent uranium ore.

With these facts in mind I would greatly appreciate the extension of time requested on this contract.

Very truly yours,

Joseph W. Walsh

Joseph W. Walsh

JWW/SH

Encl. Original
Five Copies

Traver memo 6/7/56 changes address to:

Joseph W. Walsh
4925 Montview Blvd.,
Denver 7, Colorado

Doc copy

RECEIVED

FEB 13 1956

MF-200
(Revised June 1954)

Docket No. DMEA -3919

Commodity- Uranium

Contract No. Idm-E 915

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this FEB 3 1956 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Joseph W. Walsh,

whose mailing address is Room 330, First National Bank Building Denver, Colorado,

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and two maps, Figure 2 and Figure 3.

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

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

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee-optionee of [5] mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] agreement, [7] recorded in Book 909, page 341-349, official records of said County; and

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

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

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

of the land (lessor, seller, optionor, etc.), are attached, as follows: "Consent to Lien" and "Subordination Agreement" of Oscar Dahlberg and Louis E. Bolis, both dated November 29, 1955.

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Uranium. The work to be performed is described in Exhibit "A." The Operator on or before March 1, 1956, shall commence the work, and on or before August 1, 1956 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~[illegible]~~ have completed the work, ~~[illegible]~~ except as otherwise provided in Exhibit "A" with respect to stages of work.

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

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

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

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $22,604.00. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $16,953.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work. **See Article 13.**

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

The last sentence in the first paragraph of Article 6(a) is deleted.

Robin Dunger
"Appd. Sol. Off."
F. L. Kuoppe
Ellis
Talbot
Selfridge
Fejman

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. D. Mitchell
Administrator, Defense Minerals
Exploration Administration

JOSEPH W. WALSH
(Operator)

~~By~~ Joseph W. Walsh

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMRA-3919

RECEIVED
FEB 13 1973

ANNEX I

The land referred to in Article 2 of the contract form consists of 320 acres all situated in sec. 26, T. 2 S., R. 71 W., 6th Principal Base and Meridian, Jefferson County, Colorado, as follows:

Northwest one-quarter (¼)	160 acres
North half of the Northeast one-quarter (½)	80 acres
Southwest one-quarter (¼) of the Northeast one-quarter (¼)	40 acres
Northwest one-quarter (¼) of the Southeast one-quarter (¼)	40 acres
Total	320 acres

The location of the property is shown on the attached map entitled "Figure 2 - Location of Joseph W. Walsh Mineral Lease, Ralston Creek Mining District, Jefferson County, Colo. DMRA-3919."

EXPLORATION PROJECT CONTRACT
JOSEPH W. WALSH
DOCKET NO. DMSA-3919

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore for uranium-bearing ore by drifting from two surface sites along a mineralized breccia vein.

Before drifting is started, about one-half (½) mile of access road shall be rehabilitated and relocated to the portals of each adit, and the adit portals shall be excavated, with a Model D-8 Caterpillar tractor with dozer or an equivalent size tractor unit.

The drifting shall be performed in two stages: Stage I shall be completed first, and as much of Stage II shall be performed as is approved by the Government. The location of the drifting for Stage I is shown in red color and for Stage II in blue color on the attached map entitled "Figure 3 - Geologic Map, Showing Recommended Exploration, Hoffmeister Prospect, Jefferson County, Colorado."

Stage I

Stage I consists of drifting 200 feet northwesterly and 225 feet southeasterly from the adit portals along the mineralized breccia vein.

Stage II

Stage II consists of not more than 225 feet of drifting along the mineralized breccia vein southeasterly from the face or end of the southeasterly drift described in Stage I.

General Provisions

The cross-sectional dimensions of the drifts shall be not less than 5 feet by 7 feet inside the timbers, and the drifts shall be timbered with standard drift sets where necessary.

The Operator shall furnish the Government with such samples as it specifies, and the method of all sampling and all sample determinations and the direction, inclination, and extent of all workings

are subject to the approval of the Government. Not more than 85 samples shall be analyzed chemically for U_3O_8 for Stage I and not more than 45 samples shall be analyzed chemically for U_3O_8 for Stage II.

The project shall be directed by a qualified engineer on a full-time basis, and he shall do the required surveying, mapping, and sampling, and shall prepare all reports required under this contract.

Estimated Costs of the Project
(In addition to maximums set forth in Article 6, an asterisk indicates maximum.)

Stage I 1/

Category (1) Independent Contracts

90 hours of operation of tractor with dozer, including operator and all other costs of bulldozing whatsoever @ $12.00/hr.	$ 1,080.00
425 feet of drift @ $28.95/ft., including timbering and all other costs of drifting whatsoever	12,303.75

Category (2) Personal Services

Subcategories (a) and (b) Supervision and Technical Services

1 Supervising engineer @ $400.00/mo. - 3-1/4 months	1,300.00

Subcategory (c) Labor

None

1/ The Operator may elect to perform the drifting in lieu of an Independent Contract, and in such event the estimates for labor under Category (2) and the estimates for Categories (3) through (7) are waived: Provided, however, that the Government will contribute to these actual costs that do not exceed on an average the estimated unit cost for drifting, computed monthly. However, allowable costs under a stage of work which exceed said maximum units may be credited against subsequent monthly vouchers for the same stage up to said maximum units. The waiver of Category (7) does not apply to estimated costs of chemical analyses.

Category (3) Operating Materials and Supplies

None

Category (4) Operating Equipment

None

Category (5) Initial Rehabilitation and Repairs

None

Category (6) New Buildings, Fixtures, and Installations

None

Category (7) Miscellaneous

85 chemical analyses for U_3O_8
@ $5.00* each/sample $ 425.00*

Estimated Total Cost, Stage I $15,108.75

Stage II 1/

Category (1) Independent Contracts

225 feet of drift @ $29.20/ft., including timbering and all other costs of drifting whatsoever 6,570.00

Category (2) Personal Services

Subcategories (a) and (b) Supervision and Technical Services

1 Supervising Engineer @ $400.00/mo.
- 1-3/4 months 700.00

Subcategory (c) Labor

None

Category (3) Operating Materials and Supplies

None

1/ See footnote 1/, page 2.

Category (4) Operating Equipment

None

Category (5) Initial Rehabilitation and Repairs

None

Category (6) New Buildings, Fixtures, and Installations

None

Category (7) Miscellaneous

45 chemical analyses for U_3O_8 @ $5.00* each/sample	$ 225.00*	
Estimated Total Cost, Stage II		$ 7,495.00
Estimated Total Cost of Project (rounded to)		$22,404.00
Government Participation @ 75 percent		$16,953.00

RECEIVED
- 5 1955

RECEIVED
FEB 13 1956

MF-201
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Joseph W. Walsh
Docket No. DMEA- 3919
Contract No. Idm-E
Contract Date

SUBORDINATION AGREEMENT

To the United States of America:

Referring to that certain land in the County of Jefferson, State of Colorado, described [redacted]

in an agreement dated March 9, 1955 and recorded in Book 909, Pages 341 to 349 inclusive, official records of said county

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

1. Subordinates whatever right, claim, lien or encumbrance the undersigned may have in or against the land to whatever interests, equities, and rights the Government may acquire under the contract (a) with respect to purchased property in or upon the land to the cost of which it has contributed, including the right to dismantle, sever, and remove it from the land; and (b) with respect to a percentage royalty on production from the land and a lien to secure the payment thereof; and

2. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Subordination Agreement; and (b) to give advance notice of this Subordination Agreement to any transferee of the right, claim, lien, or encumbrance hereby subordinated; and

3. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Subordination Agreement shall extend and apply thereto.

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.

(OVER)

Dated this 29 day of november, 1955

Oscar Dahlberg [Seal]

Louis E. Bolis [Seal]

_____ [Seal]

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

_____

[Corporate Seal]

MF-203
Revised March 24, 1955

RECEIVED
DEC - 5 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Joseph W. Walsh
Docket No. DMEA- 3919
Contract No. Idm-E
Contract Date

RECEIVED
FEB 13 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Jefferson, State of Colorado, described [redacted]

in an agreement dated March 9, 1955 and recorded in Book 909, Pages 341 to 349 inclusive, official records of said county

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

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

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

5% reserved royalty to Oscar Dahlberg and Louis E. Bolis

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

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

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

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

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

5. Added provision: None

Dated this 29 day of November, 1955.

Oscar Dahlberg [Seal]

Louis E. Bolis [Seal]

[Seal]

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

_____

[Corporate Seal]

Docket No. 3919

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 915

Date of Contract February 3, 1956

Name and Address of Operator:

Joseph W. Walsh
Room 830
First National Bank Building
Denver, Colorado

Amount of Government participation $16,953.00

Percent of Government participation 75 %

Region: III State: Colorado

E. H. Talbert
(Name)

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

Date Delivered to Bureau of Mines, Washington. 2/3/56

54458

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E915, Docket DMEA-3919 (uranium), dated February 3, 1956, with

Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property variously referred to as the Hoffmeister Prospect, Mena Mine, and Joseph W. Walsh Mineral Lease located in Jefferson County, Colorado, during the period November 28, 1961, through June 14, 1963.

A certification of discovery or development was issued on June 23, 1958, and, in accordance with Article 8 and Amendment No. 5 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 13 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. A Report of Review dated November 3, 1958, indicated accepted costs under the exploration contract amounting to $18,187.51 with the Government's contribution on a 75 percent basis being $13,640.63.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review found the total sales subject to the Government's royalty for the period to be $2,642.63. Royalty payable to the Government at the rate specified in the contract is $132.13.

A prior Report of Royalty Review found the sales subject to the Government's royalty through November 27, 1961, to be $44,939.74, which added to the sales for this subsequent period make a total of $47,582.37. The royalty account as of November 27, 1961, was:

Total Royalty Payable	$2,247.00
Total Royalty Payable	2,247.00
Balance of Royalty Due	$ -0-

As of June 14, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$2,379.13
Total Royalty Paid	2,379.13
Balance of Royalty Due	$ -0-

June 18, 1963

C. E. Fisher, OME Auditor

Idm-E915 Joseph W. Walsh DMEA-3919

STATUS OF PROJECT, SCOPE OF REVIEW AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the property thereunder. The property consists of 320 acres situated in sec. 26, T. 2 S., R. 71 W., 6th P.B.M. The Operator was in possession of the property at the time of execution of the exploration contract by virtue of a lease-option agreement dated March 9, 1955, with Oscar Dahlberg, owner of the surface rights, and Louis E. Bolis, owner of the mineral rights. These parties executed a Subordination Agreement and a Consent to Lien with respect to the property on November 29, 1955.

During the period covered by this review only three sales of uranium ore were made. These were covered by Cotter Corporation liquidations Nos. 6, 7, and 8. The Government's royalty was withheld by the buyer and paid directly to OME. This review included a recomputation of the settlements. A summary of the sales and royalty account during this period and since the date of the contract follows:

			This Period	To Date
Sales:	SDT Ore		145.088	1,186.693
	Contents, Lbs. -	U_3O_8	554.43	6,328.91
		V_2O_5	-0-	46.78
Value:	U_3O_8 -	Base	$3,777.60	$25,972.06
		Premiums	-0-	1,307.13
		Development	-0-	2,540.90
		Haulage	559.65	7,065.37
		Bonus	-0-	16,042.68
	V_2O_5		-0-	14.50
	Total		$4,337.25	$52,942.64
	Less:	Penalties	-0-	1,230.28
		Charges	1,694.62	4,129.99
	Proceeds		$2,642.63	$47,582.37
Royalty Payable			$ 132.13	$ 2,379.13
Royalty Paid			132.13	2,379.13
Balance of Royalty Due			$ -0-	$ -0-

The last settlement included in this review related to liquidation No. 8, shipper's lot No. 9, covering a shipment to Cotter

Corporation during July 1962 on which royalty amounting to $48.90 was received by the Department's Fiscal Section on August 24, 1962.

In response to inquiry by MME Form 63 the Operator advised on June 14, 1963, that there had been no change in ownership, lease, or sublease and that there had been no production from the land subject to the contract since July 1962.

The findings of this review are subject to revision in the event of future audit by the Government of the Operator's records or examination of the stoped areas.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that all sales of production have been reported and proper royalty thereon paid; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

EXTRA COPY
O. M. E
RECEIVED JUL 8 63
DATE
800

Building 20 - Federal Center
Denver 25, Colorado

July 2, 1963

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: DMEA-3919 (Uranium)
Contract Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Enclosed is a copy of the Report of Royalty Review on the subject contract dated June 18, 1963 covering the period November 28, 1961, through June 14, 1963, which shows that the royalty account is in balance as of the date of the Report of Royalty Review.

Sincerely yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosure
cc Chief, Division of Field Operations
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. Idm-E915
Chron
HMC/lm

Building 20 - Federal Center
Denver 25, Colorado

July 2, 1963

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: RMRA-3919 (Uranium)
Contract Idm-E915
Joseph W. Walsh
(Huffmeister Prospect)
Jefferson County, Colorado

Attached is the original Report of Royalty Review dated June 18, 1963, on the subject property covering the period November 28, 1961, through June 14, 1963.

Original signed by

Hugh M. Connors

Attachments

cc Chief, Division of Field Operations
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. Idm-E915
Chron
HMC/lm

JUN 19 1963

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idu-E913

The original and two copies of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, U. S. Department of the Interior, Washington 25, D. C.;
(b) One copy for the Operator; and
(c) One copy for your files.

As evidence of your concurrence, a copy of your letter transmitting the Operator's copy should be furnished this Division. If for any reason you do not concur, the original and both copies of the report should be returned to this Division with your comments.

Enclosures

CEFisher/ama 6-19-63

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

E-915

For royalty payment of $48.90, dated August 24, 1962, see transmittal letter file.

E-915

For royalty payment of $22.03, dated April 12, 1962, see transmittal letter file.

Building 20 - Federal Center
Denver 25, Colorado

March 12, 1962

EXTRA COPY
O. M. E
RECEIVED MAR. 14
800

W. K. Carhartt
Assistant Manager
Cotter Corporation
P. O. Box 751
Canon City, Colorado

Re: DMEA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Carhartt:

This responds to your letter of March 9, 1962 on the captioned contract. Our records in this office, which are subject to audit, show the balance due the Government, on royalty from the production of ore before February 3, 1969, is $11,332.23.

A copy of your letter is being forwarded the Washington office OME and they will advise you if the loan balance quoted above is incorrect.

Yours very truly,

Original signed by

Hugh M. Conners
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME
With original and one copy of W. K. Carhartt's letter 3/9/62
Royalty Corres. E915
Chron

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

March 9, 1962

CRestwood 5-3367 68

OME
DEPARTMENT OF THE INTERIOR

Hugh M. Connors
Acting Field Officer, OME
Building 20 - Federal Center
Denver 25, Colorado

Re: DMEA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Conners:

A subsidiary of Cotter Corporation called Magdalena Mining and Milling Company has entered into an agreement with Joe Walsh concerning the Mena Mine.

It would be appreciated if we could obtain the present DMEA loan balance, since Magdalena Mining and Milling Company will in case of all future shipments and liquidations, deduct and pay the proper amount directly to your office.

Very truly yours,

COTTER CORPORATION

W. K. Carhartt
Assistant Manager

WKC:blb

cc: SF
JW - file
WKC
num.

E-915

For royalty payment of $61.20, dated December 26, 1961, see transmittal letter file.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-8915, Docket DMEA-3919 (uranium), dated February 3, 1956, with

Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property variously referred to as the Hoffmeister Prospect, Mena Mine, and Joseph W. Walsh Mineral Lease located in Jefferson County, Colorado, during the period October 6, 1960, through November 27, 1961.

A certification of discovery or development was issued on June 23, 1958, and, in accordance with Article 8 and Amendment No. 5 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 13 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. A Report of Review dated November 3, 1958, indicated accepted costs under the exploration contract amounting to $18,187.51 with the Government's contribution on a 75 percent basis being $13,640.63.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established the total sales subject to the Government's royalty for the period to be $4,264.89. Royalty payable to the Government at the rate specified in the contract is $213.25.

A prior Report of Royalty Review found the sales subject to the Government's royalty through October 5, 1960, to be $40,674.85, which added to the sales for this subsequent period make a total of $44,939.74. The royalty account as of October 5, 1960, was:

Total Royalty Payable	$2,033.75
Total Royalty Paid	1,768.10
Balance of Royalty Due	$ 265.65

At November 27, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$2,247.00
Total Royalty Paid	2,247.00
Balance of Royalty Due	$ -0-

December 1, 1961

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

During the period covered by this review only two sales of uranium ore were made. These were covered by liquidations nos. 4 and 5, dated February 16, 1961, and May 31, 1961, by the Cotter Corporation mill at Canon City, Colorado. This review included a recomputation of the settlements. A summary of sales during this and prior periods follows:

			2/3/56 to 10/5/60	10/6/60 to 11/27/61	2/3/56 to 11/27/61
Sales:	SDT of Ore		881.264	160.341	1,041.605
	Content, Lbs. -	U_3O_8	5,081.78	692.70	5,774.48
		V_2O_5	46.78	-0-	46.78
Value:	U_3O_8 -	Base	$17,276.29	$4,918.17	$22,194.46
		Premiums	1,307.13	-0-	1,307.13
		Development	2,540.90	-0-	2,540.90
		Haulage	5,498.80	1,006.92	6,505.72
		Bonus	16,042.68	-0-	16,042.68
	V_2O_5		14.50	-0-	14.50
	Total		42,680.30	5,925.09	48,605.39
	Less:	Penalties	1,230.28	-0-	1,230.28
		Charges	775.17	1,660.20	2,435.37
	Proceeds		$40,674.85	$4,264.89	$44,939.74
Royalty @ 5%			$ 2,033.75	$ 213.25	$ 2,247.00

Up until January 10, 1961, the Operator ignored requests for payment of the $265.65, stated in the prior Report of Royalty Review as being delinquently due royalty. At that time he remitted $100.00 on account and promised to liquidate the balance by two monthly payments. As this promise was not fulfilled and the Operator ignored a demand for payment, the indebtedness was considered administratively uncollectible and reported to the Claims Division of the U. S. General Accounting Office. Liquidation of the indebtedness was effected through that office during October 1961.

Royalty on the two settlements during the period of this review was deducted and remitted by the purchaser.

Under the provisions of this contract, the Operator is obligated, as principal if the producer or as surety if not the producer, to pay the Government's percentage royalty on all minerals produced from land under the contract.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate that all sales of production have been reported and proper royalty thereon paid; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

JOSEPH W. WALSH

4925 Montview Blvd.

Denver 7, Colorado

Contract No.	Docket No.
Idm E915	DMEA-3919

Prepared by (Signature)	Date
Original signed by Hugh M. Connors	11-27-61

Yes	No		
X		1.	(a) Does the Operator stockpile ore subject to royalty repayment?
?			(b) If so, is segregation and identification procedure adequate?
	X	2.	(a) Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
			(b) If so, is the allocation of the commingled production equitable?
X		3.	(a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
			(b) If so, are adequate records maintained on such material to protect the Government's interest?
?		4.	Are the assay controls in effect adequate?
?		5.	Does the manner of disposing of production give the Government its fair royalty returns?
	X	6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
	X	7.	Does the Operator buy from or sell to other Operators?

8. Current status of property. (Check one).

- [X] Operating.
- [ ] Inactive.
- [ ] Abandoned.

Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

Please disregard MME Form 22 dated 11-17-61. Royalty was received on the two shipments of ore in the first half of 1961.

84861-60

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

Joseph W. Walsh

4925 Montview Blvd.

Denver 7, Colorado

Contract No.	Docket No.
E915	DMEA-3919

Prepared by (Signature)	Date
Hugh M. Connors	11-17-61

Yes	No		
X		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
?		(b)	If so, is segregation and identification procedure adequate?
	X	2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
X		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
?		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		~~4.~~	~~Are the assay controls in effect adequate?~~
Not Yet		5.	Does the manner of disposing of production give the Government its fair royalty returns?
	X	6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
	X	7.	Does the Operator buy from or sell to other Operators?

8. Current status of property. (Check one).

- [X] Operating.
- [ ] Inactive.
- [ ] Abandoned.

Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

Two shipments of ore were made from this property during the first half of 1961 on which this office received no royalty. I have requested the mill to forward me two copies of settlement sheets.

84861-60

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED DEC 1961

DATE	INITIALS

800

December 11, 1961

Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: DMEA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Enclosed is a copy of the Report of Royalty Review on the captioned property dated December 1, 1961 for the period October 6, 1960, through November 27, 1961, which shows that no royalty is due the Government at this time.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, CME
Region III

Enclosure

HMC/lm
cc Chief, Division of Field Operations, CME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. Idm E915
Chron

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED DEC 15 1961
DATE

December 11, 1961

Memorandum

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

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

Subject: BMRA-3919 (Uranium)
Contract Ldm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Attached is the original Report of Royalty Review on the subject property dated December 1, 1961 covering the period October 6, 1960, through November 27, 1961.

Hugh M. Connors

Attachment
HMC/lm
cc Chief, Division of Field Operations (2)
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. E915
Chron

DEC 1 1961

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-E915

The original and two copies of a Report of Royalty Review covering the subject contract are attached. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.;
(b) One copy for the Operator; and
(c) One copy for your files.

As evidence of your concurrence, a copy of your letter transmitting the copy of the report to the Operator should be furnished this Division. If for any reason you do not concur, the original and both copies of the report should be returned to this Division with your comments.

Attachments

EDTalbert/ama 12-1-61

cc:
Docket
Director's Reading File
CA & A Division
Mr. Rothrock

Building 20 - Federal Center
Denver 25, Colorado

November 27, 1961

EXTRA COPY
O. M. E.
RECEIVED NOV 29 1961

DATE	INITIALS	CODE
		800

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: DMRA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

This responds to your memorandum of November 21, 1961 on the subject contract.

Attached is a copy of a letter to Mr. Gaskin acknowledging my mistake.

Original signed by

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

November 27, 1961

EXTRA COPY
O. M. E
RECEIVED NOV 29 1961

DATE	INITIALS	CODE

R. J. Gaskin, Treasurer
Cotter Corporation
P. O. Box 627
Santa Fe, New Mexico

Re: DMEA-3919 (Uranium)
Contract Km E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Gaskin:

Thank you for your letter of November 24, 1961 and the settlement sheets which were attached.

Please disregard my letter to you dated November 17, 1961 and accept my apologies for writing it. Our records now show that the Government has received the proper amount of royalty due on liquidations no. 4 and 5 from the captioned property. We appreciate your withholding the royalty from each shipment of ore and forwarding it to this office and request that you continue to do so.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME, w/copy of Gaskin's letter and settlement sheets
Royalty Corres. E915
Chron

Cotter Corporation
P. O. BOX 627
Santa Fe, New Mexico

November 24, 1961

EXTRA COPY
O. M. E
RECEIVED NOV 29 1961

DATE	INITIALS	CODE
	OME	
DEPARTMENT OF THE INTERIOR		
10/2 . 196		
	REGION III	

DENVER, COLORADO

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

RE: DMEA-3919 (Uranium)
Contract Idm E 915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Gentlemen:

We have your letter of November 17th regarding ore liquidations by Cotter mill of the above property.

The February and May settlement sheets referred to in your letter were mailed to you in the respective months accompanied by our check No. 2631 in the amount of $111.12 dated February 20th, and our check No. 2986 in the amount of $102.13 dated May 26th. I am enclosing duplicate copies of the liquidation sheets for your files.

I cannot understand why your records show these two items unpaid as we have the cancelled checks in our files.

Very truly yours,

R. J. Gaskin
Treasurer

RJG:mlr
encs.

NOV 21 1961

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: DMRA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idx-R915

Although I concur in your opinion of the subject Operator, as expressed in your November 17 memorandum, we have no recourse but to follow prescribed procedures regarding the collection of debts due the Government.

Under the provisions of 4 GAO 5000, agencies are required to use all administrative means reasonably available and consistent with good business practices, including timely and aggressive demands upon the debtor, to collect debts determined to be due. Part 344.1 of the Departmental Manual requires timely, forceful and persistent action in our collection efforts prior to the determination that a debt is administratively uncollectible and reportable to the Claims Division of the General Accounting Office.

Accordingly, upon receipt of the information requested in your November 17 letter to the Cotter Corporation, you should calculate the royalty due and promptly send a demand letter to the Operator. If remittance is not received within thirty days, another demand should be addressed to the Operator. If, after another thirty days, this last demand is also unsuccessful, the matter should be referred to this office for further action. If our collection efforts are likewise unproductive, we will report the debt to the General Accounting Office as being administratively uncollectible.

In other words, we must follow the same general procedure used in connection with the past indebtedness of $165.65, which was reported to the General Accounting Office on March 17, 1961. The collection of this debt was listed in the October 1961 report of fiscal transactions, a copy of which was sent to you by my November 6 memorandum.

George C. Selfridge

EDTalbert/ama
November 20, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

P. S. It is suggested that, in acknowledging receipt of the settlement sheets, you request the Cotter Corporation to deduct and remit the percentage royalty on all future shipments by the Operator.

800

Building 20 - Federal Center
Denver 25, Colorado

November 17, 1961

Cotter Corporation
First National Bank Building
P. O. Box 751
Canon City, Colorado

Re: DMRA-3919 (Uranium)
Contract Idn E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Gentlemen:

Two shipments of ore were received at your mill during the first half of 1961 on which royalty was due the Government but has not as yet been received by this office.

Will you please forward this office two copies of the settlement sheets for the following shipments of ore:

Month	Dry Tons	Pounds U_3O_8
February	72.71	417.35
May	87.63	369.81

I assume there probably have been more shipments of ore from this property to your mill during the second half of 1961. Will you please forward this office two copies of all settlements sheets of ore from this property for the entire year of 1961.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

HMC/lm
CC Chief, Division of Field Operations, OME
Royalty Corres E915
Chron

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E.
RECEIVED NOV 20 1961

DATE	INITIALS	CODE
		800

November 17, 1961

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: DMEA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

I am not happy with the attitude of the subject Operator. A review of the AEC production records for the first two quarters of 1961 show that two shipments of ore have been made from the property during that period on which we have not received royalty.

The Operator has failed in the past to keep his agreements with me and he has failed, apparently, to keep his agreement with you dated January 10, 1961. There is absolutely no excuse for this Operator withholding money due the Government because he is a wealthy man.

I recommend that drastic action be taken by your office to collect the money due the Government.

Original signed by

Hugh M. Connors

NOV 13 1961

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-3919 (Uranium)
Joseph W. Walsh
Raffmeister Prospect
Jefferson County, Colorado
Contract Idm-E913

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

EDTalbert/ama
November 13, 1961

Copy to: Docket
Director's Reading File
CA & A Division

E-915

For royalty payment of $165.65, dated October 25, 1961, see from Joseph W. Walsh Monthly Report for October 1961. Check received/from General Accounting Office by Fiscal Section.

E-915

For royalty payment of $102.13, dated June 1, 1961, see transmittal letter file.

MAY 2 1961

Chief, Debt Section
Claims Division
General Accounting Office
Washington 25, D. C.

Your Re: DW-Z 2111990-ADH-6
Our Re: DMSA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-5915

Gentlemen:

Your April 26 letter requests a statement of the dates of shipments, net value of each, number of long dry tons, value per ton, and the royalty rate in support of the $165.65 indebtedness reported by my March 17 letter.

Uranium ores are handled on a short dry ton rather than a long dry ton basis. Also, settlement documents indicate dates of receipt by the A.E.C. buying station and the settlement dates rather than the dates of shipment. With these exceptions the requested statement follows:

Liquidation No.	1	606
Date Received	7/1-8/59	2/9/60
Settlement Date	7/17/59	2/23/60
Short Dry Tons	70.172	54.644
Proceeds:		
Receiving Station	$2,090.74	$ 814.02
A.E.C. Bonus	1,375.36	1,032.78
Total	$3,466.10	$1,846.80
Value Per Ton	$ 49.39	$ 33.80
Royalty at 5%	$ 173.31	$ 92.34

The $265.65 indebtedness for royalty on these two shipments was reduced to $165.65 by a remittance of $100.00 which accompanied Mr. Walsh's letter of January 10, 1961. A copy of this letter, in which the indebtedness was acknowledged, was included in the enclosures with my March 17 letter.

Sincerely yours,

EDTalbert/ama
May 1, 1961

(signed) FRANK E. JOHNSON
Acting Director

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

UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON 25, D. C.

CLAIMS DIVISION

IN REPLY PLEASE QUOTE

DW-Z 2111990-ADH-6

EXTRA COPY
O. M. E
RECEIVED MAY 1 1961

DATE	INITIALS	CODE

United States Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract IDM-E915

Gentlemen:

Reference is made to your letter dated March 17, 1961 relative to the indebtedness of Joseph W. Walsh to the United States in the amount of $165.65 under the cited contract.

In this connection it is requested that this office be furnished a statement showing the dates of the shipments, net value of each, number of long dry tons, value per ton and the royalty rate, to support the indebtedness.

Very truly yours,

Chief, Debt Section

By: E. W. BRANDENBURG

DOCUMENT REQUEST
OAS-72 (Nov 8-60)

[illegible] CONTROL OFFICE
RECORDS MANAGEMENT AND SERVICES BRANCH
RECORDS INFORMATION UNIT
WASHINGTON [illegible]
April [illegible], 1961

OAS-RI-2-211990-WEO
Joseph W. Walsh

Frank E. Johnson, Acting Director
Office of Minerals Exploration
U. S. Department of the Interior
Washington [illegible]

[illegible] CONTRACTOR

Idm-E915 Joseph W. Walsh
4925 Montview Blvd., Denver 7, Colorado

B.O. VOL. NO.	[illegible]	[illegible]

The original [illegible]
If the [illegible]
Why the [illegible]

[illegible]

From: Office of Minerals [illegible]
U. S. Department of the Interior
Washington 25, [illegible]

4-14-61

To: U. S. GENERAL [illegible]
RECORDS [illegible]

☒ FORWARDED [illegible]

Signed:

Frank E. Johnson Acting Director

☐ THE DOCUMENTS FORWARDED [illegible]

[illegible] (Unit Head Records [illegible])

[illegible]

[illegible] [illegible] 1, 1976 and attach-
ments:

[illegible]
[illegible]
[illegible]
[illegible] and
[illegible]
[illegible]
[illegible]
[illegible] map), [illegible], [illegible] and [illegible]

EXTRA COPY O. M. E RECEIVED MAR 22 1961		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

March 20, 1961

Memorandum

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

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

Subject: DMEA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

A check of AEC production records for the third and fourth quarters of 1960 show no production of ore from the subject property.

original signed by

Hugh M. Connors

MAR 1 7 1961

Claims Division
General Accounting Office
Washington 25, D. C.

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-2915

Gentlemen:

In accordance with the provisions of 4 GAO 5000 and the Comptroller General's decision B-136448 of July 31, 1958, there is referred to you the matter of delinquent royalty in the amount of $165.65 on minerals production applicable to Defense Minerals Exploration Administration contract Idm-2915 with Joseph W. Walsh. The facts pertinent to the determination of this debt and the collection efforts of this office, as successor to the DMEA, follow.

On February 5, 1956, Joseph W. Walsh, whose present address is 4925 Montview Boulevard, Denver 7, Colorado, entered into contract Idm-2915 with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration. In general, the contract, as amended, provided that: (a) Joseph W. Walsh (hereinafter referred to as the Operator) should conduct an exploration project for uranium as outlined in the contract; (b) the Government would pay the Operator 75 percent of the allowable costs incurred; and (c) if the Government certified that a discovery or development resulted from the work, the Operator, as principal if the producer or as surety if not the producer, should pay the Government a percentage royalty on the gross proceeds from sales of any mineral production from the land described in the contract for a period of thirteen years from the date of the contract or until the amount contributed by the Government is repaid.

As the Operator was a lessee-optionee of the land under the contract, the execution by the landowners of a Subordination Agreement and a Consent to Lien was a prerequisite to the award of the exploration contract. Such documents, which were executed on November 29, 1955, by Oscar Dahlberg and Louis E. Bolis, both of Golden, Colorado, subordinated all their rights under the lease with the Operator to the

interests, equities, and rights of the Government under the contract and granted to the Government a lien upon the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty provided by the exploration contract. The land is described in a lease dated March 9, 1955, recorded in Book 909, pages 341 to 349, of the official records of Jefferson County, Colorado. It consists of 320 acres situated in the NW¼, N½ of NE¼, SW¼ of NE¼, and NW¼ of SE¼ of Sec. 26, T. 2 S., R. 71 W., 6th Principal Meridian and Base, Jefferson County, Colorado.

After completion of the exploration work under the contract, to which the Government contributed $13,640.63, a Certification of Discovery or Development was issued on June 23, 1958. The Operator sold uranium ore produced from the land and paid the Government an aggregate of $1,979.22 in royalty. The Operator failed, however, to pay a royalty to the Government on two ore shipments, one during July 1959 and one during April 1960.

On April 4, 1960, the Executive Officer, OME Field Team, Region III, addressed a letter to the Operator requesting payment of $173.31 in royalty on the first of these shipments. A follow-up demand was made by the Acting Field Officer, as successor to the Executive Officer, in a letter dated May 4, 1960. Neither remittance nor reply resulted from these letters.

On June 13, 1960, this office sent a letter by certified mail requesting payment of the delinquent royalty. As neither payment nor reply was received, and subsequent investigation disclosed the second shipment on which royalty had not been paid, this office sent another letter by certified mail on October 4, 1960, requesting payment of $265.65 in past due royalty. This letter, likewise, bore no results.

Under date of December 14, 1960, a further demand was sent to the Operator by certified mail, with return receipt requested. Similar letters were sent to each of the landowners. In a reply dated January 10, 1961, the Operator admitted the indebtedness, remitted $100.00 on account, and promised to pay an additional $100.00 on February 15, 1961, and the balance of $65.65 on March 15, 1961. By letter dated January 12, 1961, this office acknowledged receipt of the $100.00 remittance and acquiesced to the proposed payment schedule. No further remittance or communication, however, has been received, even though an additional follow-up letter was addressed to the Operator on March 3, 1961.

Copies of all correspondence from June 13, 1960, to date, as referred to in the preceding paragraphs, are enclosed.

All means administratively available to this office to effect collection of this $165.65 indebtedness for royalty have been unsuccessful. Accordingly, the matter is reported to you for such action as may be deemed appropriate. In the event of collection, proceeds are for deposit to "14X4401 Revolving Fund, Defense Production Act, Interior".

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosures

EDTalbert/ama
March 17, 1961

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

E-915

For royalty payment of $111.12, dated February 23, 1961, see transmittal letter file.

MAR 3 1961

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-8915

Dear Mr. Walsh:

By letter dated January 12, 1961, I advised you that further collection action in the matter of your indebtedness under the referenced contract would be withheld provided that the balance due was liquidated promptly on the schedule set forth in your January 10 letter.

It was hoped that payments would be received as promised, thereby alleviating the need for additional collection action and probable further costs to you. To this date, however, you have failed to make the payment of $100.00 promised for February 15.

I trust that you will favor us with your prompt remittance of the entire balance due of $165.65 in order that this matter may be closed without further action. If payment is not received by March 15, I will have no alternative but to refer the matter to the Comptroller General of the United States.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

EDTalbert/ama
March 2, 1961

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

JAN 1 2 1961

Mr. Joseph W. Walsh
4925 Mentview Boulevard
Denver 7, Colorado

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Ide-8915

Dear Mr. Walsh:

Receipt is acknowledged of your January 10 letter enclosing your $100.00 check in partial liquidation of the delinquent royalty due the Government and presenting a proposal for payment of the balance.

Further collection action in this matter will be withheld provided that the balance due is liquidated promptly on the schedule set forth in your letter, that is, $100.00 on February 15, 1961, and $65.65 on March 15, 1961.

Please make future checks payable to the Office of Minerals Exploration.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

EDTalbert/ama
January 11, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2) w/copies of incoming ltr.

JAN 1 1 1961

Memorandum

To: Chief, Fiscal Section
Division of Administrative Services
Office of the Secretary

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

Subject: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-3915

Attached for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is Mena Mine's check no. 3409, dated January 10, 1961, in the amount of $100.00, drawn on The Central Bank and Trust Company, Denver, Colorado.

This check represents a partial liquidation of the subject operator's indebtedness for delinquent royalty.

Attachment

EDTalbert/ama
January 11, 1961

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

E-915

For royalty payment of $100.00, dated January 10, 1961, see transmittal letter file.

4925 Montview Blvd.
Denver 7, Colorado
January 10, 1961

Mr. Frank E. Johnson
U. S. Dept. of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Mena Mine
Jefferson County, Colorado
Contract Idm-E915

Dear Mr. Johnson:

I have been very lax in answering your requests for payment of the $265.65 royalty I owe you. Always in hopes that I would be able to raise enough money to pay you it in full.

Enclosed is my check for $100.00 to apply towards this royalty. I will be able to send you an additional $100.00 on February 15, 1961 and the balance of $65.65 on March 15, 1961. Sincerely hope that this type of settlement will be agreeable with you.

Thank you for the consideration you will give this request and I await your reply.

Sincerely yours,

Joseph W. Walsh

DEC 14 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract 14-0-0915

Dear Mr. Walsh:

By letter dated October 4, 1960, I requested your remittance of delinquent royalty due the Government under the referenced contract in the amount of $265.65 or a partial payment on account coupled with submission of a plan for the orderly liquidation of the balance. To date neither a remittance nor a reply has been received.

This office does not have the authority to postpone indefinitely such action as may be necessary to enforce the collection of royalty properly due the Government under the provisions of an exploration project contract. Accordingly, if payment of the delinquent royalty is not received within 30 days of the date of this letter, I will have no alternative but to report this delinquency to the Comptroller General of the United States for such action as may be in the interest of the Government.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

EDTalbert/ama
December 8, 1960

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

DEC 14 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Oscar Dahlberg
Golden, Colorado

Re: UMRA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-E915

Dear Mr. Dahlberg:

Enclosed is a copy of my letter of this date to Joseph W. Walsh demanding payment within 30 days of delinquent royalty in the amount of $265.65 due the Government under the provisions of the referenced contract.

In consideration of the contract and as an inducement to the Government to enter into it, a Consent to Lien and a Subordination Agreement were executed by you on November 29, 1955. Under the provisions of these documents, you subordinated your rights in or against the land under the contract and granted to the Government a lien upon all of your right, title, and interest in such land and upon any production of minerals therefrom to secure the payment of the Government's royalty on production.

Accordingly, if this demand for payment of the delinquent royalty is not satisfied within 30 days, legal proceedings under the terms of this lien may be involved in whatever action the Comptroller General of the United States may initiate. Prompt payment by either Mr. Walsh, you, or your co-signer, Mr. Bolis, will alleviate the need of further proceedings and probable further costs to all parties concerned.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

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

EDTalbert/ama
December 8, 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

DEC 14 1960

Mr. Louis E. Bolis
Golden, Colorado

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-8915

Dear Mr. Bolis:

Enclosed is a copy of my letter of this date to Joseph W. Walsh demanding payment within 30 days of delinquent royalty in the amount of $265.85 due the Government under the provisions of the referenced contract.

In consideration of the contract and as an inducement to the Government to enter into it, a Consent to Lien and a Subordination Agreement were executed by you on November 29, 1955. Under the provisions of these documents, you subordinated your rights in or against the land under the contract and granted to the Government a lien upon all of your right, title, and interest in such land and upon any production of minerals therefrom to secure the payment of the Government's royalty on production.

Accordingly, if this demand for payment of the delinquent royalty is not satisfied within 30 days, legal proceedings under the terms of this lien may be involved in whatever action the Comptroller General of the United States may initiate. Prompt payment by either Mr. Walsh, you, or your co-signer, Mr. Dahlberg, will alleviate the need of further proceedings and probable further costs to all parties concerned.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

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

EDTalbert/ama
December 8, 1960

800

Building 20 - Federal Center
Denver 25, Colorado

December 5, 1960

Memorandum

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

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

Subject: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mena Mines
(320 acres of Sec. 26, T 2 S., R 71 W.)
Jefferson County, Colorado

A review of the file on this project indicates that the Operator paid no more attention to the Acting Director's letter of October 4, 1960 than he did to any of my letters. This Operator thinks we are bluffing and I hope that the pressure will be put on him.

I talked to James Woodnanse, the A.E.C. engineer, in whose bailiwick the subject property is located, he informed me that the property is now being operated on a small scale but that no shipments have been made since liquidation No. 3, of which we have a record. Mr. Woodnanse states that the most we can hope for from this property, would be about 50 tons of ore every two months which would assay about 0.25 percent U_3O_8.

Original signed by

Hugh M. Connors

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-8915, Docket No. DMEA-3919 (Uranium), dated February 3, 1956, with

Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Mana Mine located in Jefferson County, Colorado, during the period October 7, 1958, through October 5, 1960.

A certification of discovery or development was issued on June 23, 1958, and, in accordance with Article 8 and Amendment No. 5 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 13 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. A Report of Review in lieu of final audit dated November 3, 1958, indicated accepted costs under the exploration contract amounting to $18,187.51 with the Government's contribution, on a 75 percent basis, being $13,640.63.

The scope of review and the reasons therefor are stated on page 2.

This review established the total sales of uranium ore for the period to be $7,473.82. Royalty due the Government at rates specified in the contract is $373.70.

A prior Report of Royalty Review found the sales subject to Government royalty through October 6, 1958, to be $33,201.03 which added to the sales for this subsequent period make a total of $40,674.85. The royalty account as of October 6, 1958, was:

Total Royalty Due	$1,660.05
Total Royalty Paid	1,238.96
Balance of Royalty Due	$ 421.09

At October 5, 1960, the royalty account of this project was found to be:

Total Royalty Due	$2,033.75
Total Royalty Paid	1,768.10
Balance of Royalty Due	$ 265.65

C. E. Fisher

C. E. Fisher, OME Auditor

October 26, 1960

Idm-E915 Joseph W. Walsh DMEA-3919

Scope of Review and Reasons Therefor

My review included a tabulation and recomputation of copies of settlement sheets received in support of royalty paid, plus two settlement sheets on which royalty has not been received as of the date of this report. This tabulation is filed with my audit work-papers and is summarized on the attached Exhibit "A". The balance of royalty due the Government ($265.65) relates to proceeds in connection with Cotter Corporation liquidation No. 1, dated July 5, 1959, and Susquenhanna Western, Inc., liquidation No. 606, dated February 23, 1960, as follows:

Liq. No.	SDT Ore	Proceeds Rec. Station	AEC Bonus	Total	Per SDT	Royalty due @ 5%
1	70.172	$2,090.74	$1,375.36	$3,466.10	$49.39	$173.31
606	34.644	814.02	1,032.78	1,846.80	53.80	92.34
				Total		$265.65

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Reports by field representatives of the Government and other correspondence and documents in the Washington office files indicate that all production subject to royalty since the date of the exploration contract has been accounted for and proper royalty has been paid, except as indicated; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Exhibit "A"

Idm-E915 | Joseph W. Walsh | DMEA-3919

Summary of Production, Sales and Royalty

Period	2/3/56 to 10/6/58	10/7/58 to 10/5/60	2/3/56 to 10/5/60
Production			
Ore - SDT	694.955	186.309	881.264
U_3O_8 - Pounds	4,005.59	1,076.19	5,081.78
" - " excess 4#/SDT	1,405.50	330.95	1,736.45
" - " " 10#/SDT	19.12		19.12
V_2O_5 - Pounds	46.78		46.78
Value			
U_3O_8 - Base	$13,509.63	$3,766.16	$17,276.29
" - Excess 4#/SDT	1,034.14	248.21	1,302.35
" - " 10#/SDT	4.78		4.78
V_2O_5	14.50		14.50
Development allowance	2,002.82	538.08	2,540.90
Haulage allowance	4,345.96	1,152.84	5,498.80
Excess lime penalty	(1,230.28)		(1,230.28)
Sampling charge	(10.15)		(10.15)
Milling charge		(765.02)	(765.02)
Totals Receiving Stations	$19,691.40	$4,940.77	$24,632.17
AEC Production Bonus	13,509.65	2,533.05	16,042.68
Total value subject to royalty	$33,201.05	$7,473.82	$40,674.85
Royalty Due	$ 1,660.05	$ 373.70	$ 2,033.75
Royalty Paid	1,660.05	108.05	1,768.10
Balance of Royalty Due	$ -0-	$ 265.65	$ 265.65

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

EXTRA COPY
O. M. E
RECEIVED OCT 7 1960

DATE	INITIALS	CODE

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Joseph Walsh

Address 4925 Montview Blvd.

Denver 7, Colorado

Exploration Contract No. Idm E915

Docket No. DMEA 3919

			Check One Yes	Check One No
1.	(a)	Does the Operator stockpile ore subject to royalty repayment?		X
	(b)	If so, is segregation and identification procedure adequate?		
2.	(a)	Does Operator commingle production subject to DMEA or OME royalties with exempt production?		X
	(b)	If so, do you consider the allocation of the commingled production equitable?		
3.	(a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		X
	(b)	If so, are adequate records maintained on such material to protect the Government's interest?		
4.		Do you consider the assay controls in effect are adequate?	X	
5.		Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6.		Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?		X
7.		Does the Operator buy from or sell to other Operators?		X
8.		Comment on any item 2 (b) to 6 if answer is No.		

Operator has failed to notify this office of some shipments of ore, and has not replied to our letters demanding payment of royalty due the Government

10-5-60
Date

Hugh M. Connors
Mining Engineer
Hugh M. Connors

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
RECEIVED NOV 3 1960
DATE CODE
11/3 Cal 210
800

November 1, 1960

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mena Mines
(320 acres of Sec. 26, T 2 S., R 71 W.)
Jefferson County, Colorado

Dear Mr. Walsh:

Enclosed is a copy of the Report of Royalty Review on the captioned property dated October 26, 1960, which shows that the balance of Royalty due the Government is $265.65. Will you please forward this office your check for $265.65 to bring the Royalty account into balance.

Yours very truly,

Original signed by IM

For

Hugh M. Connors
Acting Field Officer
OME, Region III

Enclosure

IM

cc: E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Chief, Division of Field Operations (2)
Royalty Corres E915
Chron

EXTRA COPY O. M. E RECEIVED NOV 3 1960		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

November 1, 1960

Memorandum

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

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

Subject: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mena Mines
(320 acres of Sec. 26, T 4 S., R 71 W.)
Jefferson County, Colorado

Attached is the original Report of Royalty Review on the subject property dated October 26, 1960 covering the period October 7, 1958, through October 5, 1960.

Original signed by

IM

For
Hugh M. Connors

Attachments
IM
cc Chief, Division of Field Operations (2)
Royalty Corres. E915
Chron

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

OCT 3 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 7 1960

DATE	INITIALS	CODE
1		800

Memorandum

To: Acting Field Officer, Region III

From: for E. D. Talbert, Acting Chief
Contract Administration and Audit Division

Subject: DMEA-3919 (Uranium)
Joseph W. Walsh
Mena Mine
Jefferson County, Colorado
Contract Idm-E915

This Division is in the process of preparing a Report of Royalty Review for the subject contract based on records in the Washington office.

Please furnish an original and one copy of the Check Sheet of Examining Engineer relating to this contract.

CERTIFIED MAIL

OCT 4 1960

Mr. Joseph W. Walsh
4925 Mentview Boulevard
Denver 7, Colorado

Re: DMEA-3919 (Uranium)
Joseph W. Walsh
Mena Mine
Jefferson County, Colorado
Contract Idm-8915

Dear Mr. Walsh:

Reply has not been received to our letter to you dated June 13, 1960, wherein demand was made for the payment of royalty due to the Government in the amount of $173.31 on Shippers Lot No. 1 received by the Cotter Corporation during the period July 3 to 8, 1959, and the AEC initial production bonus applicable to that sale.

Further investigation has disclosed that the Government is also due royalty in connection with a sale of uranium ore to Susquehanna-Western, Inc., covered by their settlement statement No. 606, dated February 23, 1960. The proceeds from this sale, after deduction of treatment charges, amounted to $814.02 plus $1,032.78 production bonus paid by the AEC in April 1960, or a total of $1,846.80. Royalty is due to the Government on this sale in the amount of $92.34 making the total known royalty now due and unpaid $265.65.

Your early remittance of the latter amount or a partial payment on account coupled with the submission of a plan for the orderly liquidation of this past due account is requested.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

CEFisher/ama
October 3, 1960

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

OCT 3 1960

Memorandum

To: Acting Field Officer, Region III

From: E. D. Talbert, Acting Chief /s/ C. E. Fisher for
Contract Administration and Audit Division

Subject: DMRA-3919 (Uranium)
Joseph W. Walsh
Mena Mine
Jefferson County, Colorado
Contract Idm-E915

This Division is in the process of preparing a Report of Royalty Review for the subject contract based on records in the Washington office.

Please furnish an original and one copy of the Check Sheet of Examining Engineer relating to this contract.

CEFisher/ama
October 3, 1960

Copy to: Docket
Director's Reading File
CA & A Division

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED SEP 23 1960

DATE	INITIALS	CODE
		800

September 21, 1960

Memorandum

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

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

Subject: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mena Mines
(320 acres in Sec. 26, T 2 S., R 71 W.)
Jefferson County, Colorado

Attached are the original and one copy of a letter from R. H. Toole, A.E.C., stating that the bonus payment has been made on liquidation No. 606.

Our corrected records now show that the Operator owes the Government $265.65 in past due royalties as follows:

Liq. No.	Net Proceeds	Dry Tons	Value Per Ton	Royalty Due	Bonus Payment	Bonus Royalty Due
1	$2,090.74	70.172	$ 29.79	$104.54	$1375.36	$ 68.77
606	814.02	54.644	14.90	40.70	1032.78	51.64)
				$145.24		$120.41

Original signed by

Hugh M. Connors

Attachments

UNITED STATES
ATOMIC ENERGY COMMISSION
GRAND JUNCTION OPERATIONS OFFICE
GRAND JUNCTION, COLORADO

September 20, 1960

IN REPLY REFER TO: PLD:RHT

EXTRA COPY O. M. E RECEIVED SEP 23 1960		
DATE	INITIALS	CODE

OME
DEPARTMENT OF THE INTERIOR

Hugh M. Connors
Acting Field Officer
OME, Region III
United States Dept. of the Interior
Building 20 - Federal Center
Denver 25, Colorado

RE: DMEA-3919 (Uranium)
Contract Idm-E915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Mr. Connors:

Liquidation No. 606, Susquehanna Western Inc. mill in Riverton, Wyoming, has received bonus payment in the amount of $1,032.78, paid in April, 1960, to Joseph W. Walsh.

Very truly yours,

R. H. Toole

R. H. Toole, Chief
Leasing & Development Branch
Production Evaluation Division

EXTRA COPY O. M. E RECEIVED SEP 8 1960		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

September 6, 1960

Memorandum

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

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

Subject: Docket No. [redacted]-3919 (Uranium)
Contract Em-E915
Joseph W. Walsh
Raffaelator Prospect
Jefferson County, Colorado

This has further reference to your memorandum of August 30, 1960 on the subject project.

No AEC production bonus will be due on liquidation No. 3 shipped to the Cotter Corporation because this shipment was received by them after March 31, 1960, which date ended all bonus payments.

Attached are two copies of the letter to H. H. Toole requesting information on liquidation No. 606 which probably was eligible for bonus. When we receive a reply from Mr. Toole you will be advised.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc: Suspense
Royalty Corres E915
Chron

EXTRA COPY D. M. E. RECEIVED SEP 8 1960		
DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

September 6, 1960

R. E. Thole, Chief
Mining & Development Branch
Production & Evaluation Division
U. S. Atomic Energy Commission
Grand Junction Operator's Office
Grand Junction, Colorado

Re: [illegible]-3919 (Uranium)
Contract E[illegible]-E915
Joseph W. Walek
Westminster Prospect
Jefferson County, Colorado

Dear Mr. Thole:

Liquidation No. 606 from the captioned property was purchased by the Susquehanna Western Inc. mill at Riverton, Wyoming on February 23, 1960.

Will you please advise if the bonus on this shipment has been paid to the Operator and if so what was the amount of bonus.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer
OME, Region III

HMC/lm
cc: Chief, Division of Field Operations (2)
Suspense
Contract E915 Royalty Corres
Chron

AUG 30 1960

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: DMEA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Ida-E915

The amount of $214.01 stated in your memoranda dated August 17 and 22, 1960, as being past due from the subject Operator does not include royalty applicable to any ASC production bonus on sales covered by Susquenhanna Western liquidation No. 606 or Cotter Corporation liquidation No. 3.

The records of the Washington office indicate that $15,000.90, being the production bonus applicable to 4,434.24 pounds of U_3O_8, has been included in the computation of royalty due. Thus, it would appear that the 295.08 pounds and 310.16 pounds of U_3O_8 sold under the above liquidations may also be subject to the production bonus applicable to the first 10,000 pounds of production from the mine.

Your advice in this matter will be appreciated.

George C. Selfridge

CEFisher/ama
August 30, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

EXTRA COPY
O. M. E
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DATE | INITIALS | CODE
800

Building 20 - Federal Center
Denver 25, Colorado

August 22, 1960

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-3919 (Uranium)
Contract Idm E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

This responds to the last paragraph of your memorandum dated August 17, 1960.

Attached is a copy of the reply to Mr. Townsend's letter to Cotter Corporation dated March 24, 1960. You will note that the 58.29 tons was not of ore grade. Attached also is a copy of Liquidation No. 2 for the .77 tons of ore mentioned in Mr. Townsend's letter. You will note that this shipment also did not pay.

The only shipment that did pay of the three shipments mentioned in Mr. Townsend's letter was Liquidation No. 1 which contained 70.17 tons of ore, the net proceeds of which amounted to $8,090.74. A copy of this settlement sheet will be forwarded you when we receive the amount of royalty due.

According to our records the Operator now owes the Government $914.61 in past due royalties as stated in our memorandum to you dated August 17, 1960.

Original signed by

Hugh M. Connors

Attachments

HMC/lm
cc: Royalty Corres. E915
Suspense
Chron

EXTRA COPY
O. M. E
RECEIVED 12 1960
DATE CODE
900

Building 20 - Federal Center
Denver 25, Colorado

August 17, 1960

Memorandum

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

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

Subject: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mum Mines
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

This has further reference to our memorandum dated August 12, 1960 on the subject contract. Attached are two copies of the settlement sheets mentioned in our previous memorandum. The Cotter Corporation withheld and paid OME the royalty on liquidation No. 3, however, the royalty on liquidation No. 606 for ore sold to Susquehanna Western Inc. at Riverton, Wyoming has not been paid.

According to our records the Operator now owes the Government $214.01 in past due royalties as follows:

Liq. No.	Net Proceeds	Dry Tons	Value Per Ton	Royalty Due	Bonus Payment	Bonus Royalty Due
1	$2,090.74	70.172	$ 29.79	$104.54	$1375.36	$ 68.77
606	814.02	54.644	14.90	40.70		
				$145.24		$ 68.77

Original signed by

Hugh M. Connors

Attachments
HMC/lm
CC: w/orig. to Chief, Division of Field Operations (1)
Royalty Corres. E915
,Suspense
Chron

AUG 17 1960

Memorandum

To: Acting Field Officer, Region III

From: ACTING Chief, Division of Field Operations

Subject: DMRA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract Idm-8915

Thanks for your memorandum dated August 12, 1960, calling attention to the royalty status of this contract and enclosing copies of your letters of that date to the Cotter Corporation and Susquehanna Western, Inc.

As there is evidence that additional royalty to that referred to in the Acting Director's letter to the Operator dated June 13, 1960, may be due we will defer a tracer letter to Mr. Walsh pending receipt of the settlement sheets which you have requested.

It is noted that your letter to the Cotter Corporation inquires regarding 54.06 dry tons shipped in April 1960. Check No. 1643, amount $92.19, forwarded with Abstract of Remittances No. 6-5 dated June 20, 1960, pertains to royalty on 54.058 dry tons received at that Company's plant in April 1960 which may be the same shipment referred to in your letter.

A further review of our file discloses that Mr. Townsend's letter dated March 24, 1960, to Cotter Corporation requested copies of settlement sheets for three shipments during the third and fourth quarters of 1959, whereas, subsequent demands for payment of royalty related to only one of the shipments. Your advice will be appreciated.

W. R. Griswold

CEFisher/ama
August 16, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

EXTRA COPY
O. M. E
RECEIVED AUG 15 1960
DATE | INITIALS | CODE
800

Building 20 - Federal Center
Denver 25, Colorado

August 12, 1960

Memorandum

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

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

Subject: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mena Mines
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

We have received no advice from you or the subject Operator regarding the Acting Director's letter to the Operator dated June 13, 1960.

The AEC records show that Mr. Walsh continues to ship ore from the subordinated land and the Government is not receiving royalty.

Attached are copies of letters to the Cotter Corporation and Susquehanna Western Inc. requesting copies of settlement sheets. As soon as these settlement sheets are received, copies of each will be forwarded you.

Original signed by

Hugh M. Connors

Attachments

cc: Royalty Corres E915
Suspense
Chron

Building 20 - Federal Center
Denver 25, Colorado

August 12, 1960

EXTENSION
OFFICE
RECEIVED AUG 15
DATE
NAME
CODE

Mr. W. K. Carhartt, Office Manager
Cotter Corporation
First National Bank Building
P. O. Box 751
Canyon City, Colorado

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Mana Mines
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

Dear Mr. Carhartt:

The records show that you received 54.06 dry tons of ore containing 216.24 pounds of U_3O_8 from the captioned property in April 1960.

Will you please forward this office two copies of the settlement sheet for that shipment of ore.

This property is subordinated to the Government by virtue of a DMEA loan and royalty is due the Government on all production of ore from the property.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer
OME, Region III

HMC/lm
cc: Chief, Division of Field Operations (2)
Royalty Corres. E915
Suspense
Chron

Building 20 - Federal Center
Denver 25, Colorado

August 12, 1960

Susquehanna Western Inc.
777 Grant Street
Denver, Colorado

Attention: T. J. Vogenthaler

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh - Nina Mines
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

Dear Mr. Vogenthaler:

The records show that 54.64 dry tons of ore containing 295.08 pounds U_3O_8 were received at your mill in Riverton, Wyoming from the captioned property during February 1960.

Will you please forward this office two copies of the settlement sheet for the above mentioned liquidation.

8/17/60

This property is subordinated to the Government by virtue of a DMEA loan and royalty is due the Government on all production.

Yours very truly,

Original signed by

Hugh M. Commers
Acting Field Officer
OME, Region III

HMC/lm
cc: Chief, Division of Field Operations (2)
Royalty Corres. E915
Suspense
Chron

E-915

For royalty payment of $92.19, dated June 20, 1960, see transmittal letter file.

JUN 13 1960

CERTIFIED - RETURN RECEIPT

Mr. Joseph W. Walsh
~~Mena Mines~~
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMRA-3919 (Uranium)
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado
Contract No. Idm-8915

Dear Mr. Walsh:

The Acting Field Officer, DMB, Region III, Denver, Colorado, has referred the matter of collection of past due royalty under provisions of the subject contract to this office for necessary attention inasmuch as reply has not been received to his letters to you dated April 4, 1960, and May 4, 1960.

The royalty due amounts to $104.54 applicable to Shippers Lot No. 1 received by Cotter Corporation during the period July 3 to 8, 1959, on which the net proceeds amounted to $2,090.74 as shown by Liquidation No. 1, dated July 17, 1959. In addition, royalty amounting to $68.77 is due if the initial production bonus applicable to this sale has been received from the AEC.

This office is charged with the responsibility of collecting any royalty due to the Government under terms of DMRA contracts. Demand is thereforemade for the prompt payment of the amount of $104.54, plus $68.77, or a total of $173.31, if the bonus has been received.

Your early attention to this matter is requested.

Sincerely yours,

George C. Selfridge

Acting Director

CEFisher/ama
June 10, 1960

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

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

May 4, 1960

EXTRA COPY O. M. E RECEIVED MAY 6 1960		
DATE	INITIALS	CODE
		800

Mr. Joseph W. Walsh
Mena Mines
4925 Montview Boulevard
Denver 7, Colorado

Dear Mr. Walsh:

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh
(320 acres in Sec. 26,
T 2 S, R 71 W)
Jefferson County, Colorado

We have had no reply to our letter to you dated April 4, 1960, in which we requested the payment of past due royalty.

If we do not receive the amount of royalty due the Government before June 3, 1960, we will have no recourse but to turn the matter over to the Washington office for such action as they deem necessary to protect the Government's interest.

Very truly yours,

Original Signed

Hugh M. Connors
Acting Field Officer
OME, Region III

cc: Chief, Division of Field Operations (2)
Royalty Correspondence E915

EXTRA COPY O. M. E RECEIVED APR 6 1960		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

April 4, 1960

Mr. Joseph W. Walsh
Nana Mines
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMRA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

Dear Mr. Walsh:

This has further reference to our letter to you dated March 24, 1960. Cotter Corporation has supplied settlement sheets, which show that you owe royalty only on Liquidation No. 1 which is computed as follows:

Net Proceeds	Dry Tons	Value Per Ton	Royalty Due	Bonus Payment	Bonus Royalty Due
$2,090.74	70.172	$29.79	$104.54	$1375.36	$68.77

Will you please forward this office your check by return mail in the amount of $104.54 and your check for $68.77 as soon as your bonus payment is received.

Very truly yours,

Original signed by

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

HMC/bjo

cc: Chmn. Op. Comm. (2)
Royalty corres. E915
Suspense
Charon.

Extra

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 28 1960

DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

March 24, 1960

Mr. W. K. Carhartt
Office Manager, Cotter Corporation
First National Bank Building
Canyon City, Colorado

Re: Docket No. DMEA-3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

Dear Mr. Carhartt:

It is noted that three shipments of ore were received by Cotter Corporation during the third and fourth quarters of 1959 from the captioned property. These shipments were as follows:

Tons	Pounds U3O8
70.17	392.96
58.29	326.42
.77	76.30

Will you please forward this office two copies of each settlement sheet for the above-mentioned liquidations.

This property is subordinated to the Government by virtue of a DMEA loan and royalty is due the Government on all production.

Very truly yours,

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

HMC/bjo

cc: Chmn. Op. Comm. (2)
Royalty Corres. E915
Suspense
Chron
Joseph W. Walsh
4925 Montview Blvd.
Denver 7, Colo.

EXTRA COPY
O. M. E.
RECEIVED MAR 30 1960

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

March 24, 1960

Mr. Joseph W. Walsh
Mesa Mines
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMRA-3919 (Uranium)
Contract No. I&m-E915
Joseph W. Walsh
(320 acres in Sec. 26, T 2 S, R 71 W)
Jefferson County, Colorado

Dear Mr. Walsh:

The captioned contract is in your name, and it is noted that shipments of ore have been made from the property in the name of Mesa Mines. In accordance with the contract, will you please forward this office two copies of the legal document giving Mesa Mines the right to mine and remove ore from the subordinated land. Also, please notify all purchasers of ore from the property that royalty is due the Government on all production.

Enclosed is a copy of a letter to Cotter Corporation requesting settlement sheets and when they are received by this office, we will compute the amount of royalty due and advise you.

Very truly yours,

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

Enclosure

EMC/bjo

cc: Chmn. Op. Comm. (2)
Royalty Corres. E915
Suspense
Chron

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

CERTIFICATE OF DEPOSIT
Standard Form 219

2/2/60 (Date sent)

75 (Deposit No.)

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 313

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

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

(3) The Sum of $ 6.25

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 6.25		$

E-005

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

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

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

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

B. F. Lacomoff
(Authorized signature)

FEB 2 1960
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor.

DENVER BRANCH
FEDERAL RESERVE BANK

1960 FEB 2 PM 12 02

MAIL DEPT-2

E-915 Gough
Walsh 6.25

EXTRA COPY
O. M. E
RECEIVED FEB 1 1960

DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado
January 27, 1960

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract Ida-E915
Joseph W. Walsh
(McFheister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

The bonus payment on Liquidation No. 4592 amounted to $124.91. The bonus royalty due the Government is $6.25. Will you please forward your check for $6.25 to this office to bring the account into balance.

Very truly yours,

Original signed by

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

BMC:ltm

cc: Chem. Op. Comm. (2)
Rgy. Corres. E915
Chron.

MENA MINES
JOSEPH W. WALSH
OPERATOR

OME
DEPARTMENT OF THE INTERIOR
NOV 20 1959
REGION III
DENVER, COLORADO

OFFICE
4085 MONTVIEW BLVD.
DENVER 7, COLORADO
FLORIDA 5-4718

EXTRA COPY
O. M. E.
RECEIVED NOV 27 1959

DATE	INITIALS	CODE
		800

November 18, 1959

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

Re: Docket No. DMEA 3010 (Uranium)
Contract Idm-5915
Joseph W. Walsh
(Haffmeister Prospect)
Jefferson County, Colorado

Dear Sir:

The stockpiled ore you refer to in your letter of November 17,1959 is still stockpiled on the above property.

The following companies have tested this ore and found it not amenable to their milling process and have refused to purchase any of this ore. The companies are: Union Carbide Nuclear, Rifle, Colo., Climax Uranium Co., Grand Junction, Colo., Vitro Minerals Co., Salt Lake City, Utah, Mines Development Co., Edgemont, Colorado, Fremont Minerals Inc., Riverton, Wyoming, Texas-Zinc Minerals, Mexican Hat, Utah, Kerrmac Nuclear Fuels Corp., Grants, New Mexico and Gunnison Mining and Milling Co., Gunnison, Colorado. As you may realize from this I've tried them all.

Our ore is amenable at the Cotter Corp, Canon City, Colo. mill and we will have a small allotment of 7200 lbs. of U_3O_8 to this mill per year when they start operating their larger mill next spring. Just a few weeks ago, on October 28, 1959, I was advised by members of the AEC Ore Procurement Division at Grand Junction, Colorado that if the new and larger mill contract is signed between the Cotter Corporation and the AEC it will become effective on March 1, 1960 and at that time we will be able to commence shipments to that mill under our allotment. They added that as of that date they didn't see any reason that the new contract wouldn't be signed.

I asked them what I was supposed to do for an ore market from that date until March 1, 1960. I was told that they (AEC) could not furnish any market for us until the new Cotter Corp. contract became effective and operative which they thought would be March 1, 1960.

I'm certainly interested in selling this ore - maybe you can offer some suggestions where I might dispose of it. Will advise you when I do make shipments but as of this date it doesn't look very hopeful until next spring.

Very truly yours,

Joseph W. Walsh

Chairman (3)

EXTRA COPY O. M. E. RECEIVED NOV 20 1959		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado
November 17, 1959

CERTIFIED MAIL

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract EMu-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

We have had no reply to our letter to you dated October 12, 1959, in which we requested information as to the disposition of the 300 tons of ore which had been stockpiled.

Will you please advise what disposition has been made of the stockpiled ore, and also if any shipments have been made from the property after Liquidation No. 4592.

Very truly yours,

Original signed by

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

RMC:ltm

cc: Chmn. Op. Comm. (2)
Roy. Corres. E915
Semiannual Rept. file, E915
Chron.

EXTRA COPY O. M. E. RECEIVED OCT 14 1959		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

October 12, 1959

Mr. Joseph W. Walsh
4285 Hearview Boulevard
Denver 7, Colorado

Re: Docket No. [illegible] 3919 (Vanadium)
Contract [illegible]
Joseph W. Walsh
(McCallister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

On the last inspection of your property it was noted that a stockpile estimated to contain 300 tons of 0.40 percent V_2O_5 was on the surface because at that time no mill would take the ore.

The last shipment from the property on which we have a record was Liquidation No. 4992, shipped during December 1958.

Will you please advise what disposition has been made of the stockpiled ore and also if any shipments have been made after Liquidation No. 4992.

Very truly yours,

Original signed by

J. W. [illegible]
Executive Officer, [illegible]
Field Team, Region III

[illegible]:lbm

cc: Chem. Op. Comm. (2)
Reg. Corres. 3915
Semiannual 3915
Chron.

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

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected	
(1) Office Deposit Symbol: 9013	(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Denver, Colo.

1/22/59 (Date sent) 100 (Deposit No.)

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

(3) The Sum of $ 5,411.33

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 5,411.33		$

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

E-915

(5)
14-23-040
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colo.

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

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

Stanley Margrave
(Authorized signature)

JAN 22 1959
(Date of credit in Treasurer's account)

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

E-984
Pinnacle Exploration 5408.19

E-915 Joseph
Walsh

3.14
5,411.33

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 27 1959

DATE	INITIALS	CODE
1/27	J.t. g.	225 800

1959 JAN 22 AM 11 50
MAIL DEPT

MENA MINES

JOSEPH W. WALSH
OPERATOR

OFFICE
4925 MONTVIEW DRIVE
DENVER 7, COLORADO
FLORIDA 5-4712

OME
DEPARTMENT OF THE INTERIOR
JAN 22 1959
REGION III
DENVER, COLORADO

January 21, 1959

Executive Officer
OME Field Team, Region III
224 New Customhouse
Denver 2, Colorado

DATE	INITIALS	
		800

Re: Docket DMEA 3919 (Uranium)
Contract IGn-5915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Sir:

Per your letter January 9, 1959 enclosed find my check in the amount of $3.14 which is the balance of royalty due the Government on Liquidation No. 4592.

I have not received the bonus on this settlement as I just today filed with the Atomic Energy Commission at Grand Junction, Colorado for it. I applied for a total bonus payment of $124.91 on this settlement. As soon as I receive this bonus I will send you the royalty payment on it due the Government.

Very truly yours,

Joseph W. Walsh
Joseph W. Walsh

224 New Customhouse
Denver 2, Colorado

January 9, 1959

JAN 12 1959
800

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket DMEA 3919 (Uranium)
Contract Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

We have received a check for $6.47, from Lucius Pitkin, Inc., as DMEA royalty payment on Liquidation No. 4592. This amount is in error since the 5 percent royalty applies to the total gross value, which was $192.27, 5 percent of which is $9.61.

Please forward this office your check for $3.14, which is the balance of royalty due the Government on Liquidation No. 4592. The bonus royalty due the Government is payable as soon as you receive your bonus payment.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

HMC:jy

cc: Chm. Op. Comm. (2)
Harshman
Belser
Royalty file E915
Chron.

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

CERTIFICATE OF DEPOSIT
Standard Form 219

1/8/59 (Date sent)

94 (Deposit No.)

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 9013

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

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

(3) The Sum of $ 6.47

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 6.47		$ E-915

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

(5)
14-23-040
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colo.
Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

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

Ruth Stowers
(Authorized signature)

JAN 8 1959
(Date of credit in Treasurer's account)

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

E. 915 Walsh
6.47

DENVER
FEDERAL

1959 JAN 8 PM 12 36

MAIL DEPT.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 13 1959

DATE	INITIALS	CODE
1/13	J.g.	225
		800

For Certificate of Deposit No. 84, dated November 28, 1958, giving royalty payment of $421.09, see E-649.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

10/13 C 220 800

FIRST REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Idm-3915, Docket No. DMEA 3919 (Uranium) dated February 3, 1956, including Amendments Nos. 1 through 6, with

Joseph W. Walsh
4925 Montview Blvd.
Denver 7, Colorado

for the purpose of determining the amount of royalties due the United States Government on the sale of Uranium bearing ores produced from the Hoffmeister Prospect, commonly known as the Mena Mine located in Jefferson County, Colorado, during the period February 3, 1956 through October 6, 1958.

The status of the project, scope of the review and reasons therefor are stated on Page 2.

My review established the total sales of Uranium bearing ores for this period to be $33,201.03. Royalty due the United States Government at the contract rate of 5 percent is $1,660.05. The royalty paid and the balance due are as follows:

Total Royalty Due	$1,660.05
Total Royalty Paid	1,238.96
Balance of Royalty Due	$ 421.09

(See Schedule No. 2 attached)

Donald T. Finch
Donald T. Finch, OME Auditor

October 7, 1958

STATUS OF THE PROJECT, DESCRIPTION OF REVIEW
AND REASONS THEREFOR

CONTRACT Idm-E915 DOCKET DMEA-3919

The exploration work under the contract has been completed. Report of Review for cost of exploration has not been completed pending receipt of Operator's final engineering and geological report. The Field Team, Region III, has accepted (subject to final audit or review) total costs reflected by the Operator's MF-104 report for June, 1958, of $18,187.51; the Government's participation at 75 percent being $13,640.63. The Field Team has withheld $500.00 of the Government's participation pending receipt of Operator's final report and the completion of Report of Review by the Contract Administration and Audit Division. Net payments by the Government have therefore been $13,140.63.

A Certificate of Discovery or Development dated June 23, 1958, has been issued. In accordance with the contract, royalty is payable on all minerals mined or produced from the land described in Annex No. 1, Article 2 for a period of 13 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.

My review included a tabulation and recomputation of all ore settlement sheets and load sheets in the files of the Executive Officer, OME Field Team, Region III, for the period February 3, 1956 through October 6, 1958, and correspondence with the Chief of Accounting Branch, Finance Division, Field Operations Office, Atomic Energy Commission, Grand Junction, Colorado.

The producer's reported sales were reconciled with the production records maintained by AEC. The Operator's unused balance of 5,994.41 lbs. U_3O_8 available for AEC production bonus was also confirmed with AEC. Royalties paid were reconciled with the OME Finance Office, Denver, Colorado.

The review was made in lieu of an on-site audit of the producer's accounts for the following reasons:

(a) All reported production was reconciled with records of the Atomic Energy Commission.

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

(c) The administrative cost to the Government of an on-site audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Schedule No. 1

JOSEPH W. WALSH

SUMMARY OF PRODUCTION, SALES AND ROYALTIES

MENA MINE

CONTRACT Idm-E915 DOCKET NO. DMMA-3919

Purchaser	Union Carbide Nuclear Co.	Lucius Pitkin, Inc.	Total
Period	2/3/56 to 9/21/56	9/22/56 10/6/58	2/3/56 to 10/6/58
Gross Weight, Lbs.	92,440	1,336,070	1,428,510
Dry Weight, Lbs.	91,984.70	1,297,930	1,389,914.7
Dry Weight, Tons	45.99	648.965	694.955
Assays (Average)			
U_3O_8	.3668	.2826	.2882
V_2O_5	.05	-	Trace
Pounds U_3O_8	337.43	3,668.16	4,005.59
Base Payment U_3O_8	$1,181.02	$12,328.61	$13,509.63
Development Allowance	$ 168.73	$ 1,834.09	$ 2,002.82
Premiums			
Excess 4 lbs. U_3O_8 per Ton			
Excess lbs. U_3O_8	153.47	1,252.03	1,405.50
Amount at 75¢ per excess lb.	$ 115.10	$ 939.04	$ 1,054.14
Excess 20 lbs. U_3O_8 per Ton			
Excess lbs. U_3O_8	10.57	8.55	19.12
Amount at 25¢ per excess lb.	$ 2.64	$ 2.14	$ 4.78
Haulage Allowance			
Gross Weight, Tons	46.22	668.035	714.255
Average per Ton	7.31	6.00	6.08
Haulage Allowance	$ 337.75	$ 4,008.21	$ 4,345.96
Pounds V_2O_5	46.78	-	46.78
Amount at 31¢ per lb.	$ 14.50	-	$ 14.50
Excess Lime Penalty	$ 175.28	$ 1,055.00	$ 1,230.28
Sampling Charges		$ 10.15	$ 10.15
Total Receiving Station Payments	$1,644.46	$18,046.94	$19,691.40
A.E.C. Production Bonus	1,181.02	12,328.61	13,509.63
Total Value Subject to Royalties	$2,825.48	$30,375.55	$33,201.03
Average Value per Dry Ton	$ 61.44	$ 46.81	$ 47.77
Royalty Percentage	5%	5%	5%
Royalties Due	$ 141.27	$ 1,518.78	$ 1,660.05
Royalties Paid	141.27	1,097.69	1,238.96
Balance Royalties Due (See Schedule No. 2)	$ 0.00	$ 421.09	$ 421.09

The last liquidation settlement in the above is Lucius Pitkin, Inc. dated 7/25/58.

The last Certificate of Deposit included in the above is No. CD 59-29 dated 8/15/58.

Schedule No. 2

JOSEPH W. WALSH

SCHEDULE OF BALANCE OF ROYALTIES DUE

CONTRACT Idm-E915

DOCKET NO. DMEA-3919

Purchaser	Date 1958	Liquidation Settlement No.	Balance of Royalty Due
Lucius Pitkin, Inc.	6-30	4693	$140.76
	6-30	4694	114.88
	6-30	4695	93.62
	7-25	4749	71.83
Total Balance of Royalties Due			$421.09

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Joseph W. Walsh

Address 4925 Montview Boulevard

Denver 7, Colorado

(Hoffmeister Project - Mena Mine - Jefferson County, Colorado)

Exploration Contract No. Idm-E 915 Docket No. DMEA 3919

	Check One	
	Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment? Small amounts on surface	X	
(b) If so, is segregation and identification procedure adequate?	X	
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		X
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		X
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	X	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	X	
7. Does the Operator buy from or sell to other Operators?		X
8. Comment on any item 2(b) to 6, if answer is No.		

Date 10/9/58

Carl Belser

Mining Engineer

Carl Belser

OCT 14 1958

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

Re: Docket No. DMEA-3919 (Uranium)
Joseph W. Walsh
Contract No. Idm-E915

Dear Mr. Finch:

Your Report of Royalty Review covering the referenced project is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

GMcCarthy/GMcC
October 14, 1958

cc: Docket
Director's Reading File
Mr. Chambers

224 New Customhouse
Denver 2, Colorado
October 7, 1958

EXTRA COPY
O. M. F.
RECEIVED OCT 10 1958
DATE | INITIALS | CODE
800

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

We have not received your check for $421.05 requested in our letter to you, dated August 15, 1958.

Will you please advise when we may expect to receive your check for $421.05, which is the balance of the royalty due the Government at this time.

Very truly yours,

Original signed by
E. N. HARSHMAN
E. N. Harshman
Acting Executive Officer
OME Field Team, Region III

HMC:hmb

cc: Chmn Op. Comm. (2)
OME/DFC
Corres.file, Reg. III
Royalty file, E915
Chron

E-915

For Certificate of Deposit No. 29, dated August 15, 1958, giving royalty payment of $47.33, see E-360.

RECEIVED AUG 18
DATE | INITIALS | CODE
800

224 New Customhouse
Denver 2, Colorado
August 15, 1958

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract No. Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Checks received as royalties on production from the captioned property, covered by the below listed settlement sheet liquidation numbers, has resulted in a net underpayment of $421.05 to DMEA as follows:

Liq. No.	Royalty Due	Royalty Paid	Royalty Due on AEC Bonus	Royalty Paid on AEC Bonus
4693	$154.02	$119.30	$106.00	$0.00
4694	121.37	87.30	80.81	0.00
4695	97.53	67.93	64.02	0.00
4749	72.74	47.33	46.42	0.00
	$445.66	$321.86	$297.25	$0.00

Total Royalty Due	$742.91
Total Royalty Paid	321.86
Balance Royalty Due	$421.05

The underpayment in each instance is due to the ore purchaser not including the development and haulage allowances when computing royalties, and your not submitting royalties on AEC initial production bonuses which you are eligible to for the production.

Please submit your check for $421.05 by return mail made payable to the Defense Minerals Exploration Administration and sent to the Executive Officer, DMEA Field Team, Region III, 224 New Customhouse, Denver 2, Colorado.

MHM:dz
cc: Sec. Op. Comm. 2
DMEA/DFC 2
Corres. File E915
Royalty File E915
Chron.

Very truly yours,
Original signed by
J. W. TOWNSEND
J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

For Certificate of Deposit No. 4, dated July 9, 1958, giving royalty payment of $87.30, $67.93, and $119.30, see E-638.

TRIPLICATE
Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957
by Treasury Department, Fiscal Service.

Treasury Department Circular No. 945 -

CERTIFICATE OF DEPOSIT
Standard Form 219

5/9/58 (Date sent)

132 (Deposit No.)

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 9013

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

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

(3) The Sum of $ 305.17

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 305.17		$

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

(5)

14-23-040
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

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

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

(Authorized signature)

MAY 9 - 1958
(Date of credit in Treasurer's account)

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

E-1124	Leadville Lead	$180.70
E-915	Joseph W. Walsh	124.47
		305.17

ORIGINAL FILE COPY
DMEA
RECEIVED NOV 12 1958
BY
CODE
5/12 Hsk 225-
800

1958 MAY 9 PM 12 04

22A New Customhouse
Denver 2, Colorado

May 9, 1958

800

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket DMEA 3919 (Uranium)
Contract Ldm-8915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Your check for $124.47 has been credited to your royalty account as follows:

Liq. No.	Tons	Royalty Due	Royalty Paid
3023	55.959	$84.18	$84.18
3073	45.510	$40.29	$40.29

The matter of delinquent royalty, brought to your attention by letters dated March 4, 1958 and April 10, 1958, respectively, is considered as resolved.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

MHM:jy
cc: Sec. Op. Comm. (2)
DMEA, DFC (2)
Corres. File
Royalty File
Townsend
Chron.

EXTRA COPY
DMEA
RECEIVED MAR 6 1958
DATE | INITIALS | CODE
800

224 New Customhouse
Denver 2, Colorado

March 4, 1958

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket DMEA 3919 (Uranium)
Contract Idm-E915
Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

A check of AEC production records indicates that 490 tons of production subject to DMEA royalty has been produced from the land described in the above-captioned contract. Our records indicate that royalty has been paid on only 332.6 tons of production.

We will appreciate your providing this office with three copies of the settlement sheets and royalties for the unreported production.

Very truly yours,

Original signed by
W. H. KING

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

MHM:jy
cc: Sec. Op. Comm. (2)
DMEA,DFC (2)
Corres. E915
Royalty File
Townsend
Chron.

E-915

For Certificate of Deposit No. 115, dated February 26, 1957, giving royalty payment of $143.44, see E-440.

TRIPLICATE

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

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 413 Treasury Regional Office, Denver, Colo. 1/23/57
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

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

for accounts listed below. SCHEDULE NOS.

DEPOSIT NO. 14-23-040-100

$ 286.49

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		286.49

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

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

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

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

Bonnell
(Authorized signature)

1/23/57
(Date of credit in Treasurer's account)

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

16—59686b-1 GPO

E-915 Jos Walsh 286.49

1957 JAN 23 PM 12 38

MAIL DEPT.

E-915

For Certificate of Deposit No. 85, dated December 21, 1956, giving royalty payment of $166.28, see E-875.

Denver, Colo.

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit 413 Treasury Regional Office, Denver, Colo. 11/9/56
of
(Name, title, and disbursing or other identification symbol of accountable officer) (Date of deposit)

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

for accounts listed below. SCHEDULE NOS.

DEPOSIT NO. 14-23-010-64

$ 80.55

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
1484401	E 915	80.55

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

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

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

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

B. Gibson
(Authorized signature)

11/9/56
(Date of credit in Treasurer's account)

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

16—59686b-1 GPO

TRIPLICATE

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

Joseph W. Walsh E-915 80.55

1956 NOV 9 AM 11 50
MATH. DEPT.

E-915

For Certificate of Deposit No. 49, dated October 9, 1956, giving royalty payment of $5.73, see E-53.

E-915

For Certificate of Deposit No. 43, dated September 28, 1956, giving royalty payment of $19.08, see E-577.

E-915

For Certificate of Deposit No. 42, dated September 26, 1956, giving royalty payment of $44.81, see E-6.

E-915

For Certificate of Deposit No. 36, dated September 12, 1956, giving royalty payment of $39.85, see E-445.

For Certificate of Deposit No. 18, dated July 31, 1956, giving royalty repayment of $6.40, see E-7.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Joseph W. Walsh
4925 Montview Blvd.
Denver 7, Colorado.

pertaining to Exploration Project Contract No. Idm-R915, DMEA No. 3919, including Amendments Nos. 1 through 7, for the period February 3, 1956 to June 30, 1958, inclusive, covering a project for the exploration of Uranium on property known as Hoffmeister Prospect (Mena Mine) located in Jefferson County, Colorado.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 reasons given on the attachment to this report.

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

Total cost as billed by Contractor		$18,211.70
Exceptions: (Schedule attached)		
Prior to this review	$24.19	
Herewith	0.00	24.19
Total Accepted Cost		$18,187.51

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 Thirteen thousand, six hundred forty and 63/100ths Dollars is 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.

Amount payable to Operator	$13,640.63
Amount reimbursed	13,140.63
Balance due Operator	$ 500.00

November 3, 1958

Donald T. Finch

Donald T. Finch, OME Auditor.

REASONS FOR REPORT OF REVIEW IN LIEU OF FINAL AUDIT

JOSEPH W. WALSH

CONTRACT Idm-E915 DOCKET DMEA-3919

(a) The Monthly Reports were supported by documentary proof of that portion ($13,187.87) of the costs which covered work performed at unit rates under independent contracts (per summary attached.)

(b) The balance ($4,999.64) was supported by documentary proof of the costs incurred under contract provisions for contribution by the Government on the basis of actual costs incurred (per summary attached.)

(c) The administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder.

SUMMARY OF DOCUMENTED COSTS

JOSEPH W. WALSH

CONTRACT Idm-E915 | DOCKET IMEA 3919

		STAGE I	STAGE II	TOTAL
Independent Contracts				
Bulldozing: 65¼ hours @ $12.00/hr.		$ 783.00		$ 783.00
Bulldozing: 5½ hours @ $11.5909/hr.			$ 63.75	63.75
Drifting: 337.167 feet @ $28.95/ft.		9,760.97		9,760.97
Diamond Drilling: 501 feet @ $5.00/ft.			2,505.00	2,505.00
Radiometric Probing: 501 feet @ 15¢/ft.			75.15	75.15
Total Independent Contracts		$10,543.97	$2,643.90	$13,187.87
Other Documented Costs				
Drifting Operator's Own Crew				
86.833 feet at total cost of	$2,888.51			
Adjusted to conform to limitation, Page 2, Exhibit A of Contract of maximum of $28.95 per foot	374.68	$ 2,513.83		$ 2,513.83
Supervision		1,300.00	875.81	2,175.81
Core Boxes				
40 boxes at total cost of	$ 39.45			
Adjusted to conform to limitation, Page 2, Exhibit A of Contract of maximum of 75¢ each	9.45		30.00	30.00
Chemical Analyses @ $5.00 each		160.00	20.00	180.00
Accounting: 2 mos. by Certified Public Accountant @ $50.00/mo.			100.00	100.00
Total Other Documented Costs		$ 3,973.83	$1,025.81	$ 4,999.64
TOTAL ACCEPTED COSTS		$14,517.80	$3,669.71	$18,187.51

SCHEDULE OF EXCEPTIONS

Prior to this Review

Supervision

10 hours of Supervision claimed in excess of actual reported time of 52 hours for May, 1958, disallowed by Field Team $24.19

NOV 7 1958

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

Re: Docket No. DMEA-3919 (Uranium)
Joseph W. Walsh
Contract No. Idm-8915

Dear Mr. Finch:

Your Report of Review on the above-cited project is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

GMcCarthy/GMcC
November 7, 1958

cc: Docket
Director's Reading File
Mr. Chambers

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

OFFICE OF MINERALS EXPLORATION
284 New Customhouse
Denver 2, Colorado
November 18, 1958

COPY
RECEIVED
DATE 1958
CODE

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 3919 (Uranium) Contract Idm-R915
Joseph W. Walsh (Hoffmeister Prospect) Jefferson
County, Colorado - FINAL PAYMENT

Reference is made to our memorandum of July 23, 1958, whereby we forwarded the final Form MP-104, Operator's Monthly Report and Voucher, for the period, May-June 1958, and requested that you withhold an amount of $500.00 from reimbursement to the Operator, pending resolution of matters prerequisite to closing the account.

The Operator has submitted its final report as required by the contract and all matters prerequisite to closing the account have been resolved. By letter of November 14, 1958, copy of which is enclosed, the Operator has requested that past due royalties on production be deducted from final payment. We recommend that final payment be made on the following basis, which is in accordance with the Report of Review of reported project costs, dated November 3, 1958, and the First Report of Royalty Review, dated October 7, 1958, by the Contract Administration and Audit Division, OME.

Basis for Final Payment

Total accepted cost----------	$18,187.51
Government participation at 75 percent------	13,640.63
Total prior payments----------	13,140.63
Balance due----------	$ 500.00

The amount of past due royalty is to be deducted from final payment, therefore checks are to be drawn as follows:

1. Check in amount of $421.09 payable to Office of Minerals Exploration as royalties due to the Government, to be forwarded through this office for entering on our records---------- $421.09

2. Check in amount of $78.91 payable to the Operator as the balance of final payment---------- 78.91

Total---------- $500.00

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosure

JBC:hmh

cc: Chem. Op. Comm. (2)
Harshman
Belser, OGE/DPC
Corres. file, Reg. III
MF-104 file, Reg. III
Cooper
Chron

} w/copy of Operator's letter of 11/14/58

Paid $500.00
RHO

11-19-58 DMEA-59-63

OME
DEPARTMENT OF THE INTERIOR

NOV 17 1958
REGION III
DENVER, COLORADO

Joseph W. Walsh
4925 Montview Blvd.
Denver 7, Colorado
November 14, 1958

Executive Officer, DMEA
Field Team, Region III
224 New Customhouse
Denver 2, Colorado

EXTRA COPY
O. M. E.
RECEIVED NOV 28 1958

	INITIALS	DATE

Re: Docket DMEA-3919 (Uranium)
Contract Idm-E-915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Sir:

Reference is made to your letter of November 12, 1958 whereby you advised me that final payment of $500.00 that had been withheld from reimbursement to me was now in a position to be paid.

I hereby request that you withhold from this payment the amount of $421.09 due you in royalties and send the balance to me.

Very truly yours,

Joseph W. Walsh

Joseph W. Walsh
Operator

1 - Original
5 - Copies

OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
November 12, 1958

EXTRA COPY
O. M. E.
RECEIVED
DATE
800

Mr. Joseph W. Walsh
4925 Montview Boulevard
Denver 7, Colorado

Re: Docket No. DMEA 3919 (Uranium)
Contract Mm-E915, Joseph W. Walsh
(Hoffmeister Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

We are now in position to make final payment to you for the amount of $500.00 which was withheld from reimbursement to you in processing your final voucher for the period May-June, 1958; however, review of the royalty files reveals that an amount of $421.09 is due the Government, as indicated by the First Report of Royalty Review, dated October 7, 1958, a copy of which has been forwarded to you.

Please reply by return mail, and either enclose your check for royalty due in the amount of $421.09, or inform this office that you prefer that the royalty due be deducted from final payment to you. If no reply is received in this office by November 21, 1958, final payment will be processed and the past due royalty deducted therefrom.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

JDC/ff
cc: Chmn. Op. Comm. (2)
Harshman
Belser
Royalty file, E915
Corres. file, Reg. III
Cooper
Chron.

EXTRA COPY
O. M. E.
RECEIVED OCT 30 1958

DATE	INITIALS	CODE
		800

224 New Customhouse
Denver 2, Colorado
October 28, 1958

Memorandum

To: Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh, (Hofmeister prospect) Jefferson County, Colorado

The subject contract is considered completed and the Operator was so notified by letter from the Administrator, dated July 23, 1958, a copy of which is enclosed for your records.

The Operator has rendered its final report as required by the contract, therefore final payment of the Operator's account is in order, contingent on release to this office of a Certificate and Report of Audit or Report of Review of reported project costs, whichever the case indicates.

None of the acceptable work under the contract was performed at fixed unit costs.

The amount of $500.00 was withheld from reimbursement to the Operator in processing the final accounting report and voucher for the month of June, 1958.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosure

JDC:hmh

cc: Chmn. Op. Comm. (2)
Harshman
Corres. file, Reg. III
Cooper
Chron

224 New Customhouse
Denver 2, Colorado
September 24, 1958

800

Mr. Joseph W. Walsh
4985 Hawview Boulevard
Denver 7, Colorado

Re: Docket No. [illegible] 3919 (Uranium)
Contract No. [illegible]
Joseph W. Walsh
([illegible] Prospect)
Jefferson County, Colorado

Dear Mr. Walsh:

Reference is made to our letter of July 28, 1958, whereby we advised you of the requirement under Article 7 (e) of the captioned contract relative to the rendering to the Government of a final report pertaining to the work completed under the contract. To date, we have received no information from you concerning the required final report.

Please forward to this office by October 10, 1958, either the required five copies of the final report or a firm commitment as to the date on or before which the report will be received in this office. Otherwise, the matter will be referred to the Washington Office for consideration and appropriate action, due to your failure to comply with the contract provisions.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer

JDS:yrl

cc: DMA/Washington (2)
Harshman
Balser DMA/DPC
Corres. file
Cooper
Chron.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUL 28 1958 D.M.E.A.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1958 Docket No. DMEA 3919 Contract No. DMS-915
Operator's Name Joseph W. Walsh Minerals Uranium
Address 4925 Montview Blvd., Denver 7, Colorado
Contract Amount, $21,500 Government Participation: 75 % Amount, $ 16,131.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors:						
Drilling	545.00	1,960.00	2,505.00			
Bulldozing		846.75	846.75			
Crosscutting						
Drifting	- - - -	9,760.97	9,760.97			
Radiometric Probing	16.35	58.80	75.15			
(2) Labor and Supervision:						
Labor	- - - -	1,117.32	1,117.32			
Supervision	500.00	1,700.00	2,200.00			
Technical Services						
(3) Operating Mat'ls. and Supplies: Core Boxes	3.75	26.25	30.00			
Timber	- - - -	230.78	230.78			
Explosives	- - - -	213.66	213.66			
Pipe	- - - -	74.72	74.72			
Track	- - - -	85.62	85.62			
Drill Steel & Bits	- - - -	108.88	108.88			
Diesel Fuel & Gas	- - - -	223.14	223.14			
(4) Operating Equipment:						
Rental	- - - -	355.00	355.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	- - - -	180.00	180.00			
Payroll Taxes	- - - -	31.84	31.84			
Liability Insurance	- - - -	50.00	50.00			
Sales Tax	- - - -	14.87	14.87			
Accounting & Office	50.00	50.00	100.00			
(8) Contingencies (specify):						
TOTALS	1,115.10	17,096.60	18,211.70	1091.81	17,095.70	18,187.51

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

Date June 27, '58 *Payee Joseph W. Walsh

Per _____ Title Operator

*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:

$818.86

Signature _____ (Authorized Certifying Officer)

Date 7/25/58 Voucher No. 59-8

(See other side)

500.00 Mitchell
500.00 Reinstated
.90 previously disallowed
.90 allowed

(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. Ihr 2915 in accordance with the terms of the contract.

Signature M. R. Falsbury #53633 Title Mining Engineer Date 7-8-58

Certified for Engineering Allowability

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title alternate acting Executive Officer Date JUL 23 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1950 Docket No. DMEA 3-10 Contract No. [illegible]
Operator's Name Joseph W. Walsh Minerals [illegible]
Address 1025 Cranview Rd., Denver 7, Colorado

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	- - - -	- - - -	12,[illegible]	425	[illegible]	[illegible]	[illegible]
Crosscutting	ft.	- - - -	- - - -	[illegible]	65-1/4	12.00	[illegible]	12.00
Raising	ft.	- - - -	- - - -	1,[illegible]	3-1/4	[illegible]	3-1/4	[illegible]
Shafts	ft.	- - - -	- - - -	[illegible]	32	5.00	65	5.00
Winzes								
Drilling: Core	ft.	545.00	109	2,[illegible]	501	5.00	100.0	5.00
Churn	hr.	- - - -	- - - -	[illegible]	5-1/2	12.00	8	12.00
Auger	ft.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0.15
Stripping	hr.	[illegible]	1-1/4	[illegible]	2-1/4	[illegible]	2-1/4	[illegible]
Trenching	ft.	[illegible]	[illegible]	[illegible]	16	[illegible]	16	0.75
Test Pits	ft.	- - - -	- - - -	- - - -	- - - -	- - - -	- - -	15.00
Roads and Trails	mi.	- - - -	- - - -	- - - -	- - - -	- - - -	20	5.00
[illegible]	ea.	50.00	1	[illegible]	2	[illegible]	2-1/4	5.00
TOTAL DISTRIBUTED COSTS		1,116.10		12,211.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,116.10		12,211.50				

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.

REMARKS:

Date June 27, 1950 Operator Joseph W. Walsh

Per _____ Title Operator

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 872894

FINAL DISTRIBUTION MADE JUL 25 1958

EXPLORATION DIVISION
RECEIVED JUL 28 1958

DATE	PARTICULARS	CODE
7/28	Com	100
		800

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

Administrative Audit Difference Statement

Date: July 24, 1958
Payee's Reference: June 1958

Mr. Joseph W. Walsh
4985 Montview Boulevard
Denver 7, Colorado

Dear Mr. Walsh:

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

Amount Claimed $ 1,115.10

Difference $ 23.29

Amount Approved $ 1,091.81

The reason for the difference was due to:

Disallowed, Supervision

The Operator has reported a total of 62 hours supervision during May, 1958. The time breakdown shown on the time record submitted by the Operator reveals that only 52 hours were spent on supervision during the month; therefore, the reported cost for 10 hours of supervision is disallowed, as follows:

Supervision reported for May 1958, 62 hours at total cost of ---------- $ 150.00
Allowable, 52/62 x $150.00 ---------- 126.81
Supervision costs disallowed ---------- $ 23.19

Reinstated, Drilling Costs

Review of Form MP-104 for September 1956, reveals that

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

the total accepted drifting costs are in error in the amount of $0.90, therefore the following reinstatement is required in order to reconcile the account.

Reinstated the amount of $500.00 which was withheld from reimbursement to the Operator in processing the April, 1958 voucher.

Withheld an amount of $500.00 from reimbursement to the Operator, pending resolution of matters prerequisite to closing the account. All presently approved work has been completed, and the contract is to be terminated in its present status.

224 New Customhouse
Denver 2, Colorado
July 23, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh, (Hoffmeister Prospect) (Mena mine) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of May-June, 1958

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

Except as otherwise indicated below, we consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended on the following basis contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Disallowance, Supervision

The Operator has reported a total of 62 hours supervision during May, 1958. The time breakdown shown on the time record submitted by the Operator reveals that only 52 hours were spent on supervision during the month; therefore, the reported cost for 10 hours of supervision is to be disallowed, as follows:

Supervision reported for May 1958, 62 hours at total cost of	$ 150.00
Allowable, 52/62 x $150.00	125.81
Supervision costs to be disallowed	$ 24.19

Reinstatement, Drifting Costs

Review of Form MF-104 for September 1956, reveals that the total accepted drifting costs are in error in the

amount of $0.90, therefore the following reinstatement is required in order to reconcile the account.

Total allowable drifting costs, 424 feet at $28.95 per foot	$12,274.80
Total drifting costs accepted by the Government to date	12,273.90
Drifting costs to be reinstated	$ 0.90

Reinstate the amount of $500.00 which was withheld from reimbursement to the Operator in processing the April, 1958 voucher.

Withhold an amount of $500.00 from reimbursement to the Operator, pending resolution of matters prerequisite to closing the account. All presently approved work has been completed, and the contract is to be terminated in its present status.

Reconciliation with Amount Reported by the Operator on Form MF-104 for May-June, 1958

Amount reported on Form MF-104 for May-June, 1958		$ 1,115.10
Amount to be disallowed	$ 24.19	
Amount to be reinstated	0.90	
Net Deduction		23.29
Acceptable costs for May-June, 1958		$ 1,091.81
Government participation at 75 percent		818.86
Amount to be reinstated	500.00	
Amount to be withheld	500.00	
Net reinstatement or deduction		0.00
Balance due the Operator		$ 818.86

Remarks:

Date of Report ---------- June 27, 1958
Date Received in Field Office ---------- July 1, 1958
Date Received in Region Office ---------- July 9, 1958

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JDC:hmh
cc: Chem. Op. Comm. (2)
IMFA/DFC (Salsbury)
MF-104 file, Reg. III 2
Harshman) w/copy of
Cooper) Engr's report
Chron

DMEA
DEPARTMENT OF THE INTERIOR

JUL 9 - 1958

REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
July 8, 1958

Memorandum

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

From: M. K. Salsbury

Subject: Docket DMEA 3919 (Uranium) Contract Idm-8915,
Joseph W. Walsh (Hoffmeister Prospect) (Mena Mine)
Jefferson County, Colorado -- Progress report for May - June 1958

The subject project was inspected on July 7, 1958 by a Bureau of Mines engineer accompanied by F. A. Bermant, geologist for the operator.

The operator claims reimbursement for the following items in connection with drilling in 2 holes (Nos. 2 and 4).

109 ft. core drilling at $5.00/ft.	$545.00
109 ft. hole pushing at 0.15/ft.	16.35
1 1/4 month personal services (geologist - supervision)	500.00
5 core boxes at $0.75/ea.	3.75
Accounting 1 month	50.00
Total claimed for June	$1,115.10

The operator's report is dated June 1958 but the work was done in May and June. No claim was made in May 1958.

Submitted in quintuplicate with the claim for June 1958 were MF-104 and MF-104A forms, a narrative report with maps, lithologic and gamma-ray logs, and one copy each of invoices for drilling, gamma-ray in-hole logging, core boxes, accounting and geologist's services. Documentation is considered to be satisfactory. Monthly and cumulative totals on the accounting forms appear to be correct.

All claims are in accordance with the terms of the contract, amendments thereto, and a work approval dated May 20, 1958, and do not exceed contract maximums. Only 5 out of 11 core boxes used are claimed because the maximum number of boxes called for in the contract had been reached. In the case of the personal services of the geologist, claim is made for 3/8 month in May 1958 and 7/8 month in June 1958 based on 62 hours and 147 hours respectively. This is apparently computed on a

standard month of 20 working days or 160 hours. This claim appears to be allowable inasmuch as drilling was done in both May and June.

A physical inspection of the core from holes Nos. 2 and 4 was made. The core was contained in 11 boxes and checks results reported by the operator. Recovery was generally good except that in the interval 57 to 69 feet in hole No. 4, only 7 feet of core was recovered out of 12 feet drilled.

Authorized work under the contract has now been completed. Results of Stage II drilling in holes 2 and 4 were essentially negative. Authorized hole No. 3 will not be drilled as the operator drove a crosscut which served the same purpose at his own expense. Results were negative.

A proposal for geo-chemical work made by the operator is being recommended for denial by the RMSA field examiners.

Payment is recommended of $836.33, or 75 percent of the amount claimed in June 1958, $1,115.10, which covers work done in both May and June 1958. The sum of $500.00 should be continued to be withheld pending resolution of matters prerequisite to closing the account.

M. H. Salsbury
Mining Engineer

MHS/mw
cc: 6
Edm-8915
chron

NARRATIVE REPORT

Joseph V. Walsh Operator
Mena Mine, Jefferson Co., Colo.
Docket No. DTA 5919, Contract No. Ida D-915

The following report is of the work done under the above contract during the months of May and June, 1958.

Included with this report are:
1. Drill hole (core) logs of No. 2 and 4.
2. Gamma ray logs of No. 2 and 4.
3. Geologic sections of drill holes 2 and 4.

A base map including plan locations and geology of those drill holes is attached to summary narrative report accompanying this report.

Prior to receiving approval of drill holes No. 2, 3, and 4, on May 20, 1958 a contract was negotiated by the operator and work commenced to crosscut from the Lagrian vein to the Mena vein. This crosscut followed approximately, and eliminated the need for, drill hole No. 3. This crosscut was driven approximately 50 feet S 60° W. It intersected a number of thin calcite healed shears none of which were definitely identifiable as the Mena vein.

Drill hole No. 4 was drilled approximately S 15° W at an inclination of -20°. It intersected a number of calcite healed shears with minor breccia zones. It cut 2.0 foot of hematite stained quartz or quartzite which has been tentatively identified as the Mena vein. No mineralization was observed and gamma-ray probe indicated no radioactivity.

Drill hole No. 2 was drilled approximately S 80° W at an inclination of -20°. It encountered a 0.2 foot coarse silicified gneiss and hematite stained breccia at 28.5 feet. No mineralization was observed and the gamma ray probe indicated no radioactivity.

This work completes the second stage drilling program under the above contract.

Respectfully submitted:

Franklin A. Sowerd Jr.

Franklin A. Sowerd, Jr., CPE.
Supervising Engineer

Drill Hole Logs

Drill hole DTA no. 4
Collar Elev: 6765
Location: 18' N 60° E if base A
Core Recovery 95%

Bearing of hole S 15° W
Inclination -20°
Total depth 69

0-69 foot

Lime- silicate - hornblende-gneiss
locally fractured with lime cement

foot	
	Brecciated 5-5.5 ; 6
10.0	fractured and brecciated
13.0	calcite shear - some brecciation
14.5	do. do.
18-19	brecciated and vuggy
24	0.2 ft. breccia zone
29.5	1.0 ft. hematite stained quartz (silicified gneiss) (Mean Vein)
30.5	1.0 ft. lime silicate rock with hematite stained quartz stringers
38	calcite healed shear
42	sheared and broken
49-56	broken, small brecciated calcite shears
57-69	broken and blocky

Drill hole DTA No. 2
Collar elev.-6765
Location- 125ft N 25°W base A
Core recovery - 95%

Bearing of hole - S 60°W
Inclination - -20°
Total depth - 40 ft

0 - 40 foot

Lime silicate - hornblende gneiss
locally fractured and sheared with
lime cement

28.5	0.2 ft coarse silicified gneiss breccia with some hematite stain. (Mean Vein)

Gamma - Ray Logs

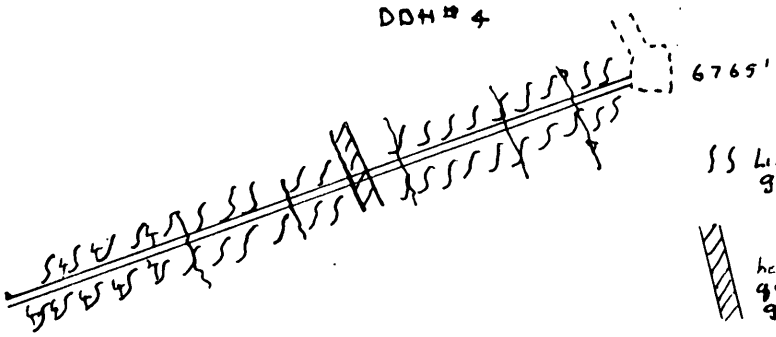
DTA No. 4
Babbol probe No. 1.
Calib: in hole .44/4
out hole .44/4

foot		
69	—	.01/5
65	—	.01/5
to		
31	—	.01/5
30	—	.03/5
25	—	.02/5
20	—	.02/5
to		
0	—	.02/5

DTA No. 2
Babbol probe No. 1
Calib: in hole .44/4
out hole .45/4

foot		
40	—	.02/5
35	—	.02/5
30	—	.03/5
25	—	.01/5
20	—	.01/5
to		
0	—	.02/5

DDH # 4



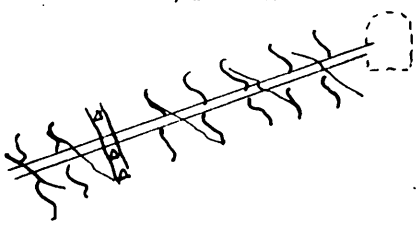
Lime silicate-hornblende gneiss

hematite stained quartz and silicified gneiss

thin minor calcite healed shears occasionally brecciated

broken and blocky rock

DDH # 2



Lime silicate-hornblende gneiss with numerous thin calcite healed shears

0.2' silicified coarse quartz and gneiss breccia zone

Geologic Sections through Drill Holes # 2 and # 4

Scale: 1" = 20'

FAS June-'58

EXTRA COPY
D M E A
RECEIVED JUL 20 1978

DATE	INITIALS	CODE

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

RECEIVED MAY 19 1958 DMEA

Month of April, 1958 Docket No. DMEA 3919 Contract No. Idm-B 915
Operator's Name JOSEPH W. WALSH Minerals Uranium
Address 4925 Montview Blvd. - Denver 7, Colo.
Contract Amount, $ 21,508.00 Government Participation: 75 % Amount, $ 16,131.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~Short Form~~ Contracts:						
Drilling	$ 1960.00	-------	$1960.00			
Bulldozing	63.75	$ 783.00	846.75			
Crosscutting						
Drifting	------	9760.97	9760.97			
Radiometric Probing	58.80	-------	58.80			
(2) Labor and Supervision:						
Labor	------	1117.32	1117.32			
Supervision	400.00	1300.00	1700.00			
Technical Services						
(3) Operating Mat'ls. and Supplies: Core Boxes	26.25	------	26.25			
Timber		230.78	230.78			
Explosives	------	213.66	213.66			
Pipe	------	74.72	74.72			
Track	------	85.62	85.62			
Drill Steel & Bits	------	108.88	108.88			
Diesel Fuel & Gas	------	223.14	223.14			
(4) Operating Equipment:						
Rental	------	355.00	355.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	------	180.00	180.00			
Payroll Taxes	------	31.84	31.84			
Liability Insurance	------	58.00	58.00			
Sales Tax	------	14.87	14.87			
Accounting & Office	50.00	-------	50.00			
(8) Contingencies (specify):						
TOTALS	$ 2558.80	$14537.80	$17096.60	2558.80	14,536.90	17,095.70

DMEA
DEPARTMENT OF THE INTERIOR
MAY 5 1958
REGION III
DENVER, COLORADO

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

Date MAY 1 1958 *Payee Joseph W. Walsh

Per _____ Title Operator

*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:

$ 1919.10

Signature RRC
(Authorized Certifying Officer)

Date 5/15/58 Vou. No. DMA-58-123
(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-915 in accordance with the terms of the contract.

Signature W. W. Winfield Title Mining Engineer Date May 12, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE Checked for Engineering Allowability

Signature E. M. Hawkins Title acting Executive Officer Date MAY 13 1958

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

RECEIVED MAY 29 1958 D.M.E.A.

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

Month of April 1958 Docket No. DMEA 3919 Contract No. Idm-B 915
Operator's Name JOSEPH W. WALSH Minerals Uranium
Address 4925 Montview Blvd. Denver 7, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
			STAGE I					
Drifting	Ft.	-----	-----	$12274.80	425	$28.95	425	$ 28.95
Crosscutting Bulldozing	Hr.	-----	-----	783.00	65½	12.00	90	12.00
Raising Pers. Service	Mo.	-----	-----	1300.00	3¼	400.00	3¼	400.00
Shafts Chem. Analys.	No.	-----	-----	180.00	32	5.00	85	5.00
Winzes			STAGE II					
Drilling: Core	Ft.	1960.00	392	1960.00	392	5.00	1000	5.00
Churn Bulldozing	Hr.	63.75	5½	63.75	5½	12.00	8	12.00
Auger Hole Probing	Ft.	58.80	392	58.80	392	00.15	1000	00.15
Stripping Pers. Serv.	Mo.	400.00	1	400.00	1	400.00	2¼	400.00
Trenching Core Boxes	Ea.	26.25	35	26.25	35	00.75	40	00.75
Test Pits Sample Bags	Ea.	-----	-----	-----	-----	-----	--	10.00
Roads and Trails Chemical Assays	Ea.	-----	-----	-----	-----	-----	20	5.00
Accounting-Office	Mo.	50.00	1	50.00	1	50.00	2¼	50.00
TOTAL DISTRIBUTED COSTS	$	2558.80		$ 17096.60				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS	$	2558.80		$ 17096.60				

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 1 1958 Operator Joseph W. Walsh

Per Title Operator

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:

Mildred Wirbel

(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".

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GPO 872894

58-123

FINAL DISTRIBUTION

MADE MAY 15 1958

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

Administrative Audit Difference Statement

Mr. Joseph W. Walsh
[illegible] Westview Boulevard
Denver 7, Colorado

Date: May 12, 1958
Payee's Reference: April 1958

Dear Mr. Walsh:

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

Amount Claimed $ 2,558.00

Difference $ None

Amount Approved $ 2,558.00

The reason for the difference was due to:

Deducted the amount of $901.00, which was withheld from reimbursement to the Operator in processing the September 1956 Voucher.

Withheld an amount of $500.00 pending performance of additional work. If additional work is not approved by the Government and performed by the Operator, the amount of $500.00 will be withheld pending resolution of matters prerequisite to closing the account.

EXTRA COPY
DMEA
RECEIVED MAY 19 1958

DATE	INITIALS	CODE
5/19	Com	100
		800

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

Very sincerely yours,

RRO

[redacted]

Randal R. Cooper
Fiscal Officer, Region III

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

224 New Customhouse
Denver 2, Colorado
May 13, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 3919, (Uranium) Contract Idm-E915, Joseph W. Walsh, Hoffmeister Prospect, (Mima mine) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of April, 1958

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

The work is being performed partly under independent subcontract, and partly at fixed unit costs. The drilling rates are as low or lower than the rates contained in the lowest and best bid submitted with the application. Bids were not submitted for bulldozer work; however, the bulldozing rates are in line with the standard rates prevailing in the project locality for the size and make of bulldozer used on the project. Under the circumstances, the rates for the work performed under independent subcontract are considered to be reasonable.

Except as otherwise indicated below, we consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended on the following basis contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

<u>Reinstate</u> the amount of $500.00, which was withheld from reimbursement to the Operator in processing the September 1956, Voucher.

Withhold an amount of $500.00 pending performance of additional work. If additional work is not approved by the Government and performed by the Operator, continue to withhold the amount of $500.00 pending resolution of matters prerequisite to closing the account.

Reconciliation With the Amounts Reported by the Operator on Forms MF-104 for April, 1958

Amount reported on Form MF-104 for April, 1958		$2,558.80
Government participation at 75 percent		1,919.10
Amount to be reinstated	$500.00	
Amount to be withheld	500.00	
Net deduction or reinstatement		0.00
Balance due the Operator		$1,919.10

Remarks:

Date of Report----------May 1, 1958
Date Received in Field Office----------May 7, 1958
Date Received in Region Office----------May 12, 1958

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
DMEA/BPC
MF-104 file, Reg. III
Harshman) w/copy of
Townsend) Engr's Report

Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION III

BUILDING 20
DENVER FEDERAL CENTER
DENVER 2, COLORADO

May 12, 1958

Memorandum

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

From: W. W. Winkel

Subject: Docket DMEA 3919 (Uranium) Contract Idm-1915, Joseph W Walsh, Hoffmeister Prospect, (Mina mine) Jefferson County, Colorado - Progress report for April 1958

Inspection of Stage II work, claimed for April 1958, was made on May 8, 1958. The inspecting engineer was accompanied by F. A. Seward, geologist for the operator.

DMEA drill holes, completed under Stage II, were hole No. 1, completed at 186 feet, and No. 5, completed at 206 feet, at total of 392 feet of core drilling. The operator also claims one month for geologist's service, one month for office and accounting, 5-1/2 hours dozer time, 392 feet of probing time, and 35 core boxes.

The operator has submitted a narrative report in quintuplicate with maps and cross-sections showing location and inclination of completed drill holes, forms MF-104 and 104A, lithologic logs and radiometric logs, and dozer contractor's invoice. Other documentation is not required by the contract.

Payment of $1,919.10 or 75 percent of the amount claimed $2,558.80 is recommended by the inspecting engineer.

W. W. Winkel
W. W. Winkel
Mining Engineer

DMEA
DEPARTMENT OF THE INTERIOR
MAY 12 1958
REGION III
DENVER, COLORADO

WWW/bh
cc: 6
DMEA 3919
Chron

May 2, 1956

Executive Officer, DMEA
Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-3919(Uranium)
Contract Idm-E 915
Joseph W. Welsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Sir:

In paragraph 3, page 1 of your letter to me dated October 29, 1956 under caption "Amount Witheld" you stated, "Stage I work has been completed, therefore an amount of $500.00 is withheld from reimbursement to you pending possible additional work under the contract."

Accompanying reports show that work was approved and has been completed under this contract. Would appreciate it greatly if you would now reimburse me the $500.00 you have been withholding.

Very truly yours,

Joseph W. Walsh

Joseph W. Walsh
Operator

[illegible]

Joseph [illegible] Walsh, Operator
Mena Mine, Jefferson County, Colo.
Project No - [illegible] 3919, Contract No. Adm. 8 - 919

During the latter part of March and for the April report period the following work was completed on the Mena Mine exploration project:

1. All access roads and drill sites prepared
2. Diamond drill hole DMA No. 1 completed to 136'.
3. Diamond drill hole DMA No. 3 completed to 206'.

Included with this report are:

1. Drill hole logs of Nos. 1 and 3.
2. Gamma ray logs of Nos. 1 and 3.
3. Base map showing work performed and plan geology.
4. Geologic sections of drill holes showing vein intersections.
5. Sketch map of recent mine work not performed under DMA contract but included for correlation purposes.

None of the core of drill holes No. 1 or No. 3 was split or sampled. Gamma ray probe results of these holes indicated no uranium mineralization.

Drill hole No. 1 cut the Lagrima vein at a drill hole depth of from 1[illegible] to 136 feet and the Mena vein at a drill hole depth of from 136 to 162 feet. These intersections substantiated projections of the veins from mine workings.

Drill hole No. 3 cut a number of thin breccia zones. The Lagrima vein was obvious in the core and was intersected at a drill hole depth of about 109 feet. This intersection was substantiated by projection of the Lagrima vein from workings on the 6768 ft. level. Immediate recognition of the Mena vein was obscured by the presence of numerous minor breccia zones in the drill hole. The hole was continued to 206 feet and cut two major breccia zones at 146 ft and at 200 ft. These veins had been reported as a split in the Mena vein 25 ft south of the south portal with the westerly split mapped as the stronger branch. Subsequent winzing in the south portal and detailed geologic examination following completion of hole No. 3 showed the presence of two intersecting veins rather than a split. From this information the structures as shown in the attached section of hole No. 3 were projected and the intersections substantiated.

Ore grade mineralization in commercial quantities was found along the intersection of the above mentioned veins at a depth of from 6322 ft to 6319 ft on the hanging walls of both veins.

On the basis of this new information it has been requested that permission be granted to drill hole No. 4 as originally described in amendment No. 3 to the contract.

Franklin A. Leonard

Franklin A. Leonard, Jr.

[illegible]

Hole No. [illegible] Project [illegible] 6010
Hole Elev. [illegible] Project Number [illegible] 015

Drill Hole Data [illegible]

Collar Elev: 6303 (approx.)
Hole Size: 6" @ 10° [illegible]
Core Recovery: [illegible]

Depth of Hole: [illegible]
Inclination: -90°

Geol.

0-75 Alluvial silicious gravel
Sandy, with [illegible] and [illegible] cobbles to 20'
[illegible] [illegible] and [illegible] [illegible] [illegible]

75-79 Granite
Coarse
Subhedral
[illegible] to [illegible]

79-84 Dark siliceous gneiss

84-94 Coarse Dacite - [illegible] to 108

94-100 Dark siliceous gneiss
94-[illegible]' - [illegible]

100-105 Altered and silicified granite and gneiss
Fractured and locally brecciated
[illegible] from [illegible] to [illegible]

105-[illegible] Dark [illegible] [illegible] [illegible] [illegible] 105-[illegible]
[illegible]' [illegible] 1[illegible]'

[illegible]-[illegible] [illegible] [illegible] [illegible] [illegible] [illegible]
[illegible], [illegible], [illegible] with calcite crystals
[illegible] 130', 137.5', 140' [illegible] 150.5'

[illegible]-[illegible] Dark siliceous gneiss

[illegible]-[illegible] Granite porphyry
Coarse [illegible]
[illegible]

[illegible]-[illegible] Dark silicious gneiss [illegible] [illegible] 189

Drill Hole [illegible]
Collar Elev: [illegible] (approx.)
Hole Size: [illegible]' @ [illegible]° [illegible]
Core Recovery: [illegible] [illegible] [illegible]
[illegible]-[illegible]' Overburden - [illegible] [illegible]

Depth of Hole: [illegible]
Inclination: -90°

10-11 [illegible] - [illegible]
[illegible] - [illegible]

11-20 [illegible]

20-30 [illegible]
[illegible]

30-35 [illegible]
[illegible]

35-96 [illegible]
[illegible]
[illegible]
[illegible]
[illegible] 1.5' [illegible] 2.0' [illegible]
[illegible] .1'

96-100 [illegible]
[illegible] - [illegible]
[illegible] - [illegible]
[illegible]

[illegible]-160 [illegible] - [illegible]
[illegible]
[illegible]
[illegible]
[illegible]

[illegible]-160 [illegible]
[illegible]
[illegible]
[illegible]
[illegible] 104

107.2-[illegible] [illegible] - [illegible]
0.5 [illegible]

[illegible]

[illegible]	count	[illegible]
[illegible]	.07/6	
[illegible]	.03/6	
[illegible]	.06/6	
[illegible]	.04/6	

feet	count	feet	count
[illegible]	[illegible]	[illegible]	[illegible]

EXTRA COPY
DMEA
RECEIVED APR 14 1958
DATE | INITIALS | CODE
4/15 | Corm | 10-C
7-C

224 New Customhouse
Denver 2, Colorado
April 8, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado - Progress Report for March 1958

Enclosed is a letter dated April 4, 1958, from the subject Operator, concerning progress under the contract during March, 1958.

As only a small amount of work was completed during the period this work will be included on voucher and accounting Forms MF-104 and MF-104A for April, 1958.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosure

JDC:hmh

cc: Harshman)
DMEA/DFC) w/copy of
Townsend) Oper. letter of
MF-104 file,Reg.III) 4/4/58
Corres.file,Reg.III)
Chron

DMEA
DEPARTMENT OF THE INTERIOR
APR 8 - 1958
REGION III
DENVER, COLORADO

4925 Montview Blvd.
Denver 7, Colorado
April 4, 1958

Executive Officer, DMEA
Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-3919 (Uranium)
Contract Idm-E-915
Joseph W. Walsh
Hoffmeister Prospect
Jefferson County, Colorado

Dear Sir:

The bulldozing work was the only work completed under this Contract during the month of March, 1958. As this was a very limited and small amount of work no reports for the month of March 1958 will be submitted to you. Instead this bulldozing work will be included in all of the reports of the month of April, 1958.

Very truly yours,
Joseph W. Walsh
Joseph W. Walsh
Operator

1 - Original
5 - Copies
cc; F. A. Seward

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

Budget Bureau No. 42-R1036.5

RECEIVED NOV 8 1956 D.M.E.A.

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

Month of SEPTEMBER, 1956 Docket No. DMEA3919 Contract No. Idm-E915
Operator's Name JOSEPH W. WALSH Minerals URANIUM
Address 4925 MONTVIEW BLVD. - DENVER 7, COLO.
Contract Amount, $22,604.00 Government Participation: 75 % Amount, $ 16,953.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling					Clerical error on	
Bulldozing	-------	$ 783.00	$ 783.00		1st Payment	
Crosscutting						
Drifting	-------	$9760.97	$9760.97		9760.07	9760.07
(2) Labor and Supervision:						
Labor	$1492.00	-------	$1492.00			
Supervision	-------	$1300.00	$1300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	$ 230.78	-------	$ 230.78			
Explosives	$ 213.66	-------	$ 213.66			
Pipe	$ 74.72	-------	$ 74.72			
Track	$ 85.62	-------	$ 85.62			
Drill Steel&Bits	$ 108.88	-------	$ 108.88			
DieselFuel&Gas	$ 223.14	-------	$ 223.14			
(4) Operating Equipment:						
Rental	$ 355.00	-------	$ 355.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ 25.00	$-160.00	$ 185.00			
Payroll Taxes	$ 31.84	-------	$ 31.84			
Liability Insurance	$ 58.00	-------	$ 58.00			
Sales Tax	$ 14.87	-------	$ 14.87			
(8) Contingencies (specify):						
						14,536.90
TOTALS	$2913.51	$12,003.97	$14,917.48	2,533.83	12,003.07	14,537.80

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

Date 10-5-56 *Payee Joseph W. Walsh

Per _____ Title Operator

*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:

$ 1400 39

Signature _____ (Authorized Certifying Officer)

Date 10/31/56 Vou. No. 57-53

(See other side)

Note: Withheld 500.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-915 in accordance with the terms of the contract.

Signature D. E. Redman 1900-37 Title Min Engr Date Oct 19, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Ivey Title Executive Officer Date OCT 29 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED NOV 8 1956

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

Month of September 1956 Docket No. DMEA 3919 Contract No. Idm-E915
Operator's Name JOSEPH W. WALSH Minerals URANIUM
Address 4925 MONTVIEW BLVD. - DENVER 7, COLO.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
			STAGE I					
Drifting	Foot	$2888.51	87	$12649.48	424'2"	$ 28.95	425	$ 28.95
Bulldozing	Hour	------	--	$ 783.00	65¼	$ 12.00	90	$ 12.00
Pers. Serv.	Mo.	------	--	$ 1300.00	3¼	$400.00	3¼	$ 400.00
Chem. Analy.	No.	$ 25.00	5	$ 185.00	32	$ 5.00	85	$ 5.00
Winzes								
Drilling: Core								
Churn								
Auger								
			STAGE II					
Drifting	Foot	------	--	-------	----	----	225	$ 29.20
Bulldozing	Hour	------	--	-------	----	----	---	-----
Pers. Serv.	Mo.	------	---	-------	----	----	1.75	$ 400.00
Chem. Analy.	No.	------	--	-------	----	----	45	$ 5.00
TOTAL DISTRIBUTED COSTS		$2913.51		$14,917.48				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2913.51		$14,917.48				

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 10-5-56 Operator Joseph W. Walsh

Per Title Operator

REMARKS: Costs this month for drifting exceeded allowable costs per contract by $4.1708 per foot or a total of $362.86

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) W. E. Redmon.

INSTRUCTIONS

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

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

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

GPO 872894

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

Administrative Audit Difference Statement

Joseph G. Walsh
[illegible] Montview Blvd.
Denver, Colorado

FINAL DISTRIBUTION

MADE NOV 6 1956

Date: October 31, 1956
Payee's Reference: September 1956

Gentlemen:

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

Amount Claimed	$	2,909.51
Difference	$	377.60
Amount Approved	$	* 2,533.03

The reason for the difference was due to:

Disallow:

Claimed 97 ft. drilling at a total cost of	(3,000.51	
Total acceptable cost, 93 ft, 10 in. @ 27.09 per ft.	2,523.03	
Total drilling disallowed.		377.60
Claimed 5 samples analyzed at 5.00 each.	(25.00	
Accepted cost for work actually performed, 4 samples @ (5.00 each.	20.00	
Amount to be disallowed.		5.00
Total amount to be disallowed.		(377.60

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

* Withhold (500.00 pending possible additional work under stage II.

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

October 29, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of September, 1956 (STAGE I COMPLETED)

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

Except as otherwise noted below it is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended on the following basis, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Disallowance, Drifting

Amount reported by Operator, 87 feet at a total cost of- - - - - - - - - - - - - - - - - -	$2,888.51	
Total acceptable cost, 86 feet, 10 inches, (balance of authorized drifting, north adit), at $28.95 per foot- - - - - - - - - - -	2,513.83	
* Amount to be disallowed		$374.68

*Includes specific disallowances of $4.00 reported as payroll tax for Allan G. Bird, Consulting Geologist. No payroll tax (F.I.C.A.) is allowable in conjunction with professional services performed on a contract basis.

Carried Forward		$374.68

Disallowance, Sampling and Analysis

Amount reported by Operator, 5 samples analyzed at Fixed Unit Cost of $5.00 per sample- - - - - - - - - - - - - - - - - - - -	$25.00	
Accepted cost for analytical work actually performed, 4 samples analyzed at Fixed Unit Cost of $5.00 per sample- - - - - -	20.00	
Amount to be disallowed		5.00
Total amount to be disallowed		$379.68

Amount to be Withheld

Stage I work has been completed, therefore withhold an amount of $500.00 pending possible additional work under Stage II of the contract. If additional work is not approved by the Government and performed by the Operator, continue to hold the amount of $500.00 pending resolution of matters relative to closing the account.

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

Amount reported on Form MF-104 for September, 1956- -	$2,913.51
Total amount to be disallowed- - - - - - - - - - - - - - - - -	379.68
Total accepted cost	$2,533.83
Government participation at 75 percent- - - - - - - - - -	$1,900.37
Amount to be withheld- - - - - - - - - - - - - - - - - - - -	500.00
Recommended payment to the Operator	$1,400.37

The September drifting was performed by the Operator in lieu of subcontracting the work, which is in conformance with the contract terms, Exhibit "A", page 2, footnote 1. Reference is also made to our letter of concurrence to the Operator, dated August 1, 1956.

Remarks

Date of Report- - - - - - - - - - - - - - - - October 5, 1956
Date Received in Field Office- - - - - - - - October 11, 1956
Date Received in Region Office- - - - - - - October 22, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures

JDC:jy
cc: MF-104 File E915
Cham. Op. Comm. (2)
Shaw (2)
Harshman)
Townsend) w/copy engr's report
Chron.

REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
October 22, 1956

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: D. E. Redmon

Subject: Docket DMEA 3919 (Uranium) Joseph W. Walsh, Hoffmeister Prospect, (Mama Mine) Jefferson County, Colo. —Progress report for September 1956.

The property was inspected October 15, 1956, by D. E. Redmon and C. Belser, Bureau of Mines engineers, accompanied by J. W. Walsh, lessee.

Advance in the northwest adit was found to be 87 feet as reported by the operator for the month of September, 1956. However, payment was made for 43 feet 8 inches in July, so only 86 feet 10 inches can be allowed for September to complete the contract footage of 200 feet in the northwest adit.

The operator's narrative report and map are adequate and all work was in accordance with contract specifications.

The operator reported costs in excess of maximum contract allowances. Payment should be authorized as follows:

86 feet 10 inches of 5- by 7-feet adit, clear of timber at $28.95 a foot	$2,513.82
4 chemical analysis at $5.00 each	20.00
Total approved costs	$2,533.82

It is recommended that 75 percent of the above amount, which is $1,900.37, be approved for payment. The assay reports and receipts for payment are attached to the original copy of this report.

This advance completes stage I of the contract. It is recommended that $250.00 be withheld pending approval of stage II or termination of the contract.

D. E. Redmon
D. E. Redmon
Mining Engineer

cc: 6
DMEA 3919
Chron

NARRATIVE REPORT

THIS REPORT CONCERNS THE HOFFMEISTER PROSPECT- "MENA MINE", WHICH LIES IN THE NORTH-CENTRAL PORTION OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 71 WEST, 6th P.M. JEFFERSON COUNTY, COLORADO

FORMS MF-104 and MF-104A ARE SUBMITTED FOR THIS SEPTEMBER PERIOD UNDER "SHORT FORM" CONTRACTS AS OPERATOR PERFORMED DRIFTING FROM SEPTEMBER 1, 1956 TO SEPTEMBER 30,1956. IN THE PAST THEY WERE SUBMITTED UNDER "INDEPENDENT CONTRACTS". THIS PRIVILEGE WAS GRANTED BY EXECUTIVE OFFICER, D. M. E. A., REGION III BY LETTER DATED AUGUST 1, 1956 PER FOOTNOTE 1/IN EXHIBIT "A" ATTACHED TO THIS CONTRACT WHEREIN OPERATOR MAY ELECT TO PERFORM THE DRIFTING IN LIEU OF AN INDEPENDENT CONTRACT.

THE NORTH ADIT WAS ADVANCED 87 FEET DURING THE MONTH OF SEPTEMBER. THIS PLACES THE BREAST OF THE DRIFT 182.5 FEET NORTH OF SURVEY STATION #8, LOCATED IN THE CAP OF THE FIRST SET OF TIMBER AT THE PORTAL. THE STARTING POINT OF THIS D. M. E. A. CONTRACT, MARKED BY A PIN 17.5 FEET SOUTH OF STATION #8, IS 200 FEET FROM THE BREAST ON SEPTEMBER 30, 1956.

DURING THIS PERIOD THE NORTH-NORTHWEST

TRENDING BRECCIATED VEIN WAS FOLLOWED WITH A VERY SLIGHT RADIOACTIVITY BEING ENCOUNTERED THROUGHOUT THE LENGTH OF THE DRIFT. AS HAS BEEN NOTED PREVIOUSLY THE AREA HAS UNDERGONE INTENSE FAULTING AND BRECCIATION. AT LEAST THREE SEPARATE GENERATIONS OF FAULTING HAVE BEEN OBSERVED IN THE ADIT. THIS BRECCIATED VEIN STRIKES APPROXIMATELY N 35 W AND DIPS 65 TO 70 DEGREES TO THE NORTHEAST. DRAG OF PREEXISTING FAULTS CREATED BY MOVEMENT ALONG THE MENA VEIN INDICATED THAT THE MENA VEIN IS A REVERSE FAULT HAVING A GREATER COMPONENT OF VERTICAL RATHER THAN HORIZONTAL MOVEMENT. THIS FAULT IS PROBABLY A TENSION FRACTURE CAUSED BY REVERSE FAULT MOVEMENT ALONG THE MAJOR BRECCIA REEF WHICH IS LOCATED A FEW HUNDRED FEET TO THE NORTHEAST OF THE MENA VEIN. THE TERM BRECCIA REEF IS A LOCAL TERM USED TO DESCRIBE HIGHLY FRACTURED AND BRECCIATED FAULT ZONES OF GREAT MAGNITUDE WHICH DISECT THE PRECAMBRIAN AND EARLY TERTIARY ROCKS OF THE COLORADO FRONT RANGE.

DURING THIS PERIOD OF SEPTEMBER 1956 SHIPMENTS WERE MADE TO THE UNION CARBIDE NUCLEAR COMPANY, RIFLE, COLORADO. THE FOLLOWING SETTLEMENT FOR THE MONTH WAS RECEIVED.

NET WEIGHT POUNDS.....31,600
%H_2O..... 0.3

DRY WEIGHT POUNDS.....31,506.08

U_3O_8 ASSAY.....0.32%

V_2O_5 ASSAY..... NIL

$CaCO_3$ASSAY.....13.5%

PURCHASER ADVISED OPERATOR THAT 5% OF ORE VALUE WAS PAID TO DEFENSE MINERALS EXPLORATION ADMINISTRATION, DENVER, COLORADO.

THERE IS APPROXIMATELY 20 TONS OF ORE NOW STOCK PILED AT THE MINE SITE. THIS ORE AS WELL AS THE ORE SHIPPED DURING THE MONTH OF SEPTEMBER WAS MINED FROM THE NORTH ADIT.

THIS COMPLETES STAGE I OF THIS CONTRACT. WITHIN A FEW DAYS, AS SOON AS ALL INFORMATION IS COMPILED, OPERATOR WILL REQUEST APPROVAL FROM DEFENSE MINERALS EXPLORATION ADMINISTRATION AUTHORITIES TO CONTINUE WITH STAGE II OF THIS CONTRACT.

MAPS COVERING ALL WORK IS ATTACHED TO THIS REPORT: THE BALANCE OF PERTINENT DATA CONCERNING OPERATION IS TABULATED ON FOLLOWING PAGES.

Signed: Joseph W. Walsh
Joseph W. Walsh-Operator

SPECIMEN ASSAY REPORTS FOR SEPTEMBER

NO. 14	136'	NORTH	ADIT	...	0.033 % U_3O_8
NO. 15	173'	NORTH	ADIT	...	0.015 % U_3O_8
NO. 16	200'	NORTH	ADIT	...	0.03 % U_3O_8
*NO. L-4	81'	NORTH	ADIT	...	1.225 % U_3O_8
"	"	"	"	...	5.1 ozs. Silver
"	"	"	"	...	4.00 % Copper
"	"	"	"	...	0.12 % Bismuth

* ASSAYS L-4 TAKEN FROM HANGING WALL.
NUMERICAL ASSAYS TAKEN FROM FOOTWALL
OF BRECCIATED VEIN.

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 August, 1956 Docket No. DMEA 3919 Contract No. Idm-E915
Operator's Name Joseph W. Walsh Minerals Uranium
Address 4925 Montview Blvd. -Denver 7, Colo.
Contract Amount, $22,604.00 Government Participation: 75% Amount, $16,953.00

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	$ 180.00	$ 603.00	$ 783.00			
Crosscutting					clerical error on last page.	
Drifting	$1259.32	~~$8501.65~~	~~$9760.97~~		8500.75	9760.07
(2) Labor and Supervision:						
Labor						
Supervision	$ -----	$1300.00	$1300.00			
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	$ 25.00	$ 135.00	$ 160.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1464.32	$10539.65	$12003.97	1464.32	10,538.75	12,003.07

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-4-56 *Payee Joseph W. Walsh
Per Title Operator

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

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

(Instructions on reverse)

RECEIVED SEP 26 1956

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1098.24
Signature (Authorized Certifying Officer)
Date 9/24/56 Vou. No. DMA 57-38
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E915 in accordance with the terms of the contract.

Signature Leon A. Mullen ($1098.24) Title Min. Engr. Date 9/17/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Lamy Title Executive Officer Date SEP 21 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of AUGUST 1956 Docket No. DMEA3919 Contract No. Idm-E915

Operator's Name JOSEPH W. WALSH Minerals URANIUM

Address 4925 MONTVIEW BLVD. - DENVER 7, COLO.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
			STAGE I					
DRIFTING	FOOT	$1259.32	43'6"	$9760.97	337'2"	$28.95	425	$ 28.95
BULLDOZING	HRS	$ 180.00	15	$ 783.00	65¼	$12.00	90	$ 12.00
PERS. SERV.	MO.	$-------	-----	$1300.00	3¼	$400.00	3¼	$ 400.00
CHEM. ANALY.	NO.	$ 25.00	5	$ 160.00	27	$ 5.00	85	$ 5.00
Winzes								
Drilling: Core								
Churn								
Auger								
			STAGE II					
DRIFTING	FOOT	------	-----	--------	-------	-----	225	$ 29.20
BULLDOZING	HOUR	------	-----	--------	-------	-----	---	-----
PERS. SERV.	MONTH	------	-----	--------	-------	-----	1.75	$ 400.00
CHEM. ANALY.	NO.	------	-----	--------	-------	-----	45	$ 5.00
Total Distributed Costs		$1464.32	---	$12003.97				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$1464.32	---	$12003.97				

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 9-4-56 Operator Joseph W. Walsh

Per ..... Title Operator

Remarks: All drifting and chemical analysis work done this period on North Tunnel of Stage II.

JWW.

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) [illegible]

RECEIVED

SEP 26 1956

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
SEP 26 1956

224 New Customhouse
Denver 2, Colorado

September 21, 1956

FINAL DISTRIBUTION
MADE SEP 24 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of August, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Approval was given by this office on August 1, 1956 for the Operator to perform the drifting himself if he so elected. However, the Operator has secured the services of another contractor, and therefore has not changed his method of reporting costs for drifting.

Remarks

Date of Report- - - - - - - - - - - - - - - September 4, 1956
Date Received in Field Office- - - - - September 17, 1956
Date Received in Region Office- - - - September 19, 1956

W. M. TRAVER
W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E915
Sec. Op. Comm. (2)
Shaw (2)
Marshman)
Townsend) w/copy engr's report Chron.

Note: Operator requested bags not to be [illegible] because of hauling allowance

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
September 18, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA Docket 3919, (Uranium) Joseph W. Walsh, Hoffmeister Prospect (Hanna Mine) Jefferson County, Colorado -- Progress report for August 1956 - Contract Idm-3915

An inspection of progress during August 1956 was made on September 12, 1956.

The only work done during August was in the northwest adit where an advance of 43.5 feet was made, placing the breast 95.5 feet north of Survey Point No. 8, and 113 feet from the DMEA starting point. The directions shown on the map were checked with a Brunton compass, and the uranium mineralization shown on the applicant's map was found to be as indicated.

The operator's narrative report and map are adequate, and all work was in accordance with contract specifications.

The following costs were checked and found to be correct:

43.5 feet of 5- by 7-foot adit, clear of timbers at $28.95 a foot	$1259.32
Bulldozer on access road, 15 hours at $12.00 an hour	180.00
5 chemical analyses at $5.00 each	25.00
Total approved costs	$1464.32

It is recommended that 75 percent of the amount claimed amounting to $1098.24 be approved for payment. The assay reports and receipts for payment are attached to the original copy of the report.

W. D. McMillan
Mining Engineer

WDM/mr
cc: 6 Idm-3915 Chrom

NARRATIVE REPORT

THIS REPORT CONCERNS THE "HOFFMEISTER PROSPECT" - "MENA MINE", WHICH LIES IN THE NORTH-CENTRAL PORTION OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 71 WEST, 6th P.M. JEFFERSON COUNTY, COLORADO.

THE NORTH ADIT WAS ADVANCED 43.5 FEET DURING THE MONTH OF AUGUST. THIS PLACES THE BREAST OF THE DRIFT 95.5 FEET NORTH OF SURVEY STATION # 8, LOCATED IN THE CAP OF THE FIRST SET OF TIMBER AT THE PORTAL. THE STARTING POINT OF THIS D.M.E.A. CONTRACT, MARKED BY A PIN 17.5 FEET SOUTH OF STATION # 8, IS 113 FEET FROM THE BREAST ON AUGUST 31, 1956.

AN ORE SHOOT CONTAINING EXCELLENT GRADE PITCHBLENDE MINERALIZATION WAS ENCOUNTERED IN THE NORTH ADIT AT 61.5 FEET TO 91.5 FEET FROM THE PORTAL. THE ORE OCCURRENCE HAS RESULTED FROM A SUDDEN CHANGE IN STRIKE OF THE MENA VEIN. FROM GEOLOGIC INFORMATION OBTAINED IN THE DRIFT, IT APPEARS THAT THIS LOCAL CHANGE IN DIRECTION OF THE MENA VEIN WILL PERSIST THROUGH TO THE SURFACE. PRE* VIOUS GEOLOGIC MAPPING DONE BY ADAMS, GUDE, AND BERONI OF THE U.S. GEOLOGICAL SURVEY

SHOWS A CHANGE OF STRIKE ON THE MENA VEIN AT THE SURFACE APPROXIMATELY 40 FEET NORTH OF THE OLD HOFFMEISTER SHAFT. FROM THE DIRECTION OF MOVEMENT OF THE OPPOSITE WALLS OF THE MENA VEIN THIS CHANGE IN STRIKE SHOULD PROJECT DOWNWARD FROM THE SURFACE AND INTERSECT THE ORE SHOOT ENCOUNTERED IN THE ADIT. IT IS HIGHLY PROBABLE THAT WITHIN THIS ZONE THAT ADDITIONAL ORE BODIES ARE LIKELY TO BE FOUND.

THE ORE SHOOT IS 30 FEET LONG AND IS LENTICULAR IN SHAPE. THE WIDTH VARIES FROM SIX INCHES TO FOUR FEET. THE VEIN MATERIAL CONSISTS OF BLEACHED AND BRECCIATED HORNBLENDE GNEISS WITH NUMEROUS SMALL STRINGERS OF PITCHBLENDE AND CARBONATE OCCUPYING THE OPEN SPACES IN THE BRECCIA. THE HEAVIEST CONCENTRATION OF PITCHBLENDE OCCURS ADJACENT TO THE STEEPLY DIPPING MENA VEIN. THE PITCHBLENDE IS THE HARD BLACK SHINY VARIETY. APPROXIMATELY 50 TONS OF ORE CAN BE SEEN IN THE BACK OF THE DRIFT. THE UPWARD OR DOWNWARD EXTENT OF THIS ORE BODY IS NOT KNOWN.

ONE HUNDRED AND THREE TONS OF ORE WERE SHIPPED DURING THE MONTH OF AUGUST. NO ASSAY RETURNS ARE AVAILABLE AT THE TIME OF THIS REPORT; HOWEVER, THIS INFORMATION WILL BE INCLUDED IN THE SEPTEMBER REPORT. OPERATOR

ADVISED MILLS THAT 5 % OF ORE VALUE EXCLUDING HAULING ALLOWANCE ONLY WAS TO BE PAID TO DEFENSE MINERALS EXPLORATION ADMINISTRATION, DENVER, COLORADO BY PURCHASER.

THE CROSSCUT WORK IN THE SOUTH TUNNEL WORKINGS WHICH WAS COMMENCED AND REPORTED IN JULY WERE CONTINUED. THE CROSSCUT, WHICH IS BEING DRIVEN ON A CROSS FAULT WHICH HAS APPARENTLY CUT AND DISPLACED THE MENA VEIN, WAS ADVANCED 24 FEET TO A TOTAL DISTANCE OF 42 FEET TO THE SOUTH OF SURVEY STATION # 5. SOME RADIOACTIVITY OF CONSEQUENCE HAS BEEN ENCOUNTERED IN THIS CROSSCUT. (SEE PLAN MAP). THIS CROSSCUTTING HAS BEEN PERFORMED BY THE OPERATOR AT HIS EXPENSE BEYOND THE CHARGEABLE ITEMS OF THIS CONTRACT AND IS NOT INCLUDED IN THE ENCLOSED MF-104 OR MF-104A FOR AUGUST.

DURING THE PERIOD OF THIS REPORT AUGUST 1,1956 TO AUGUST 31, 1956 15 HOURS OF BULLDOZING WORK WAS COMPLETED. THIS WORK CONSISTED OF RELOCATING AND REHABILITATING A PORTION OF THE ACCESS ROAD. THE GRADE PREVIOUSLY CARRIED ON THIS ROAD WAS MUCH TO GREAT AND WE HAD CONSIDERABLE TROUBLE IN GETTING FUEL AND SUPPLIES OVER IT.

MAP COVERING ALL WORK IS ATTACHED TO THIS REPORT. THE BALANCE OF PERTINENT DATA CONCERNING OPERATION IS TABULATED ON THE FOLLOWING PAGES.

SIGNED: Joseph W. Walsh
JOSEPH W. WALSH
RES. ENGINEER &
OPERATOR

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

Budget Bureau No. 42-R1036.5

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

Month of JULY, 1956 Docket No. DMEA 3919 Contract No. IDM-E915
Operator's Name JOSEPH M. WALSH Minerals URANIUM
Address 4925 MONTVIEW BLVD. - DENVER 7, COLO.
Contract Amount, $ 22,604.00 Government Participation: 75 % Amount, $ 16,953.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts:						
Drilling						
Bulldozing		$ 603.00	$ 603.00			
Crosscutting						
Drifting	$1264.15	$7237.50	$8501.65		7236.60	8500.75
(2) Labor and Supervision:						
Labor						
Supervision		$1300.00	$1300.00			
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	$ 45.00	$ 90.00	$ 135.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1309.15	$9230.50	$10,539.65	1309.15	9229.60	10538.75

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

Date 8-1-56 *Payee Joseph M. Walsh

Per _____ Title Operator

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

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

(Instructions on reverse)

RECEIVED AUG 30 1956

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

$ 981.86

Signature _____ (Authorized Certifying Officer)

Date 8/14/56 Voucher No. DMA 57-19

(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. Telm-95 in accordance with the terms of the contract.

Signature [illegible] Title Min. Engr Date 8/6/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: 981-86

Signature [illegible] Title Executive Officer Date AUG 9 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MU-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JULY 1956 Docket No. DMEA 3919 Contract No IDM-E915

Operator's Name JOSEPH W. WALSH Minerals URANIUM

Address 4925 MONTVIEW BLVD. - DENVER 7, COLO.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
			STAGE I					
Drifting ****DRIFTING	FOOT	$1264.15	43'8"	$8501.65	293'8"	$ 28.95	425	$ 28.95
Crosscutting ****BULLDOZING	HOUR	******	****	$ 603.00	50.25	$ 12.00	90	$ 12.00
Raising ****PERSONAL SERV.	MONTH	******	****	$1300.00	3.25	$400.00	3.25	$ 400.00
Shafts ****CHEM ANALYS	NO.	$ 45.00	9	$ 135.00	27	$ 5.00	85	$ 5.00
Winzes								
Drilling: Core								
Churn								
Auger								
			STAGE II					
Stripping ****DRIFTING	FOOT	NONE	NONE	NONE	NONE	NONE	225	$ 29.20
Trenching ****BULLDOZING	HOUR	NONE	NONE	NONE	NONE	NONE	****	*****
Test Pits ****PERS. SERV.	MONTH	NONE	NONE	NONE	NONE	NONE	1.75	$ 400.00
Roads and Trails **********								
CHEMICAL ANALYSIS	NO.	NONE	NONE	NONE	NONE	NONE	45	$ 5.00
Total Distributed Costs		$1309.15	****	$10,539.65				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.						Stage I		$15,108.00
						Stage II		$ 7,495.00
Total Costs		$1309.15		$10,539.65				$22,603.00

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 8-1-56 Operator Joseph W. Walsh

Per _____ Title Operator

Remarks: All drifting and chemical analysis work done this period on North Tunnel of Stage I.
As shown in attached paid statements, cost per foot of drifting is considerably greater than costs allowed by this contract.

→ 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) W. W. McMillan

RECEIVED
AUG 20 1956

INSTRUCTIONS

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

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

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

GPO 872894

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

224 New Customhouse
Denver 2, Colorado

August 9, 1956

FINAL DISTRIBUTION
MADE AUG 16 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of July, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report- - - - - - - - - - - - - - - - - August 1, 1956
Date Received in Field Office- - - - - - - - - August 3, 1956
Date Received in Region Office- - - - - - - - August 7, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E915
Sec. Op. Comm. (2)
Shaw (2)
Chron.

RECEIVED
AUG 20 1956

DMEA
Date Rec'd.

AUG 7 1956

BUREAU OF MINES
Denver, Colorado

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

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: Docket DMEA 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh, Hoffmeister Prospect (Mama Mine) Jefferson County, Colorado. - Progress report for July 1956.

An inspection of the work done during July, 1956 was made on August 1, 1956, accompanied by Joseph W. Walsh. The only work done was in the north-west adit, which had been advanced 43 feet 8 inches, bringing the face as of July 31, 1956 to 69 feet 8 inches. Directions shown on the applicant's map were checked by a Brunton compass. In the hanging wall part of the face there was a 6-inch seam of ore grade uranium mineralization. The operator did some work on his own account near the portal of the south-east adit following a vein of uranium ore bearing S. 27° E., and dipping at 20° northeast.

The operator's narrative report and the map are adequate, and the work was in accordance with contract specifications.

The following claims have been check and are valid:

43 feet 8 inches of 5 feet by 7 feet adit, clear of timbers at $28.95 a foot	$1,264.15
9 chemical analyses at $5.00 each	45.00
Total	$1,309.15

It is recommended that 75 percent of the amount claimed or $981.86 be approved for payment. The assay reports and receipts for all payments are attached to the original copy of the report.

W. D. McMillan
Mining Engineer

WDM/sn
cc: 6
Idm-E915
Chron.

RECEIVED
AUG 30 1956

NARRATIVE REPORT

THIS REPORT CONCERNS THE "HOFFMEISTER PROSPECT" - "MENA MINE", WHICH LIES IN THE NORTH-CENTRAL PORTION OF SECTION 26, TOWNSHIP 2 SOUTH, RANGE 71 WEST, 6th P.M. JEFFERSON COUNTY, COLORADO.

DURING THE PERIOD FROM JULY 1, 1956 THRU JULY 31, 1956 A TOTAL OF 43' 8" WAS DRIVEN ON THE NORTH ADIT. THIS BRINGS THE TOTAL FOOTAGE ON THE NORTH ADIT TO A TOTAL OF 69' 8".

AT A POINT 20' 3" FROM THE POINT OF ORIGIN OF THE SOUTH ADIT UNDERHANDING EXPLORATION WORK WAS DONE ON THE KNOWN HIGH GRADE MINERALIZED ZONE TO A DEPTH OF 3' 9" AND WIDTH OF 3' 11". APPROXIMATELY THREE TONS OF GOOD COMMERCIAL URANIUM ORE WAS STOCKPILED FROM THIS UNDERHAND WORK. IT WAS FOUND THAT AT A POINT 33' 1" FROM POINT OF ORIGIN THE VEIN STRUCTURE WAS TURNED AND LAID OVER TO A S 27 DEGREE 30 E BEARING. THEN 9' 4" OF 8' x 10' CROSSCUTTING WAS WORKED ON THE S 27 DEGREE

30 E BEARING FROM THE FOOTWALL SIDE OF THE PRESENT SOUTH TUNNEL WORKINGS. AT PRESENT THE VEIN STRUCTURE IS ALMOST HORIZONTAL AND 39" WIDE CARRYING GOOD RADIOACTIVITY ON THE FOOTWALL SIDE. THIS CROSSCUTTING MUST BE CONTINUED FURTHER BEFORE ANY DEFINITE STATEMENTS CAN BE MADE CONCERNING THIS STRUCTURE AND ITS POTENTIALITIES. THIS UNDERHAND WORK AND CROSSCUTTING HAS BEEN PERFORMED BY THE OPERATOR AT HIS EXPENSE BEYOND THE CHARGEABLE ITEMS OF THIS CONTRACT AND IS NOT INCLUDED IN THE ENCLOSED MF-104 OR MF-104A FOR JULY.

ON JULY 14, 1956 A SMALL TEST SHIPMENT OF ORE WAS HAULED BY OPERATOR'S TRUCK TO UNION CARBIDE NUCLEAR COMPANY, RIFLE, COLORADO. THIS SHIPMENT WAS MADE AT THE REQUEST OF THE PURCHASER IN ORDER THAT THEY MIGHT DETERMINE IF THIS ORE IS AMENABLE TO THEIR MILLING CIRCUITS. ON JULY 24, 1956 THE FOLLOWING ORE SETTLEMENT WAS RECEIVED FROM THE PURCHASER.

NET WEIGHT POUNDS.....3660

%H_2O..... 0.5

DRY WEIGHT POUNDS.....3641.70

U_3O_8 ASSAY..... 0.79

V_2O_5 ASSAY..... 0.25

$CaCO_3$ ASSAY..... 18.6

PURCHASER ADVISED OPERATOR THAT 5% OF ORE VALUE EXCLUDING HAULING ALLOWANCE ONLY WAS PAID TO DEFENSE MINERALS EXPLORATION ADMINISTRATION, DENVER, COLORADO.

THERE IS APPROXIMATELY 8 TONS OF ORE NOW STOCK PILED AT THE MINE SITE. THIS ORE AS WELL AS THE ORE SHIPPED WAS MINED FROM THE UNDERHAND AND CROSSCUTTING WORK PERFORMED ON SOUTH TUNNEL.

ON JULY 19, 1956 THE UNITED STATES ATOMIC ENERGY COMMISSION EXECUTED TO THIS OPERATOR CONTRACT NO. AT(05-1)-924 WHICH PROVIDES FOR THEIR ACCEPTANCE OF A MAXIMUM OF 300 TONS OF URANIUM ORE FROM THIS PROPERTY FOR THE PERIOD JULY 1, 1956, TO SEPTEMBER 30, 1956. DELIVERIES ARE TO BE MADE TO THE U.S. ATOMIC ENERGY COMMISSION, c/o VITRO URANIUM COMPANY, SALT LAKE CITY, UTAH.

JULY 16, 1956 OPERATOR REQUESTED OF EXECUTIVE OFFICER, D.M.E.A. REGION III AN EXTENSION OF TIME ON THIS CONTRACT WHICH EXPIRED AUGUST 1, 1956. ON JULY 23, 1956 AN EXTENSION OF TIME FOR COMPLETION OF WORK WAS GRANTED FROM AUGUST 1, 1956 TO DECEMBER 1, 1956.

BECAUSE OF THE ABNORMALLY SLOW DRIFTING PROGRESS THE SUB-CONTRACTOR HAS MADE ON THIS DRIFTING WORK OPERATOR REQUESTED PERMISSION ON JULY 28, 1956 FROM EXECUTIVE OFFICER, D.M.E.A. REGION III TO PERFORM THIS DRIFT WORK PER FOOTNOTE 1/ IN EXHIBIT "A" ATTACHED TO THIS CONTRACT WHEREIN OPERATOR MAY ELECT TO PERFORM THE DRIFTING IN LIEU OF AN INDEPENDENT CONTRACT.

MAP COVERING ALL WORK IS ENCLOSED IN REAR ENVELOPE OF THIS FOLDER. THE BALANCE OF PERTINENT DATA CONCERNING OPERATION IS TABULATED ON THE FOLLOWING PAGES.

SIGNED: Joseph W. Walsh

JOSEPH W. WALSH
RES. ENGINEER &
OPERATOR

SPECIMEN ASSAY REPORTS FOR JULY

NO. 4	28'7"	MENA NORTH	...	0.277% U_3O_8
NO. 5	39'11"	MENA NORTH	...	0.10% U_3O_8
NO. 6	47'5"	MENA NORTH	...	2.00% U_3O_8
NO. 7	53'9"	MENA NORTH	...	0.05% U_3O_8
NO. 8	58'1"	MENA NORTH	...	0.03% U_3O_8
NO. 9	64'4"	MENA NORTH	...	0.02% U_3O_8
*NO. L-1	23'2"	MENA NORTH	...	0.041% U_3O_8
*NO. L-2	34'5"	MENA NORTH	...	0.232% U_3O_8
*NO. L-3	42'10"	MENA NORTH	...	0.21% U_3O_8

*Assays L-1,L-2,L-3 taken from Hanging Wall. Numerical assays taken from Footwall of brecciated vein.

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

DMEA Date Rec'd. JUL 9 1956

BUREAU OF MINES Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED JUL 25 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1956 Docket No. DMEA 3919 Contract No. Idm-E915

Operator's Name Joseph W. Walsh Minerals Uranium

Address 4925 Montview Blvd. Denver 7, Colo.

Contract Amount, $22,604.00 Government Participation: 75 % Amount, $16,953.00

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 Contracts:						
Drilling						
Bulldozing	------	$ 603.00	$ 603.00			
Crosscutting						
Drifting	$1881.75	$ 5355.75	$ 7237.50		5354.85	7236.60
(2) Labor and Supervision:						
Labor						
Supervision	$ 100.00	$1200.00	$ 1300.00			
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	$ 15.00	$ 75.00	$ 90.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1996.75	$7233.75	$9230.50	1,996.75	7232.85	9229.60

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

Date 7-3-56 *Payee Joseph W. Walsh

Per _____ Title Operator

*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:

$1497.56

Signature _____ (Authorized Certifying Officer)

Date 7/20/56 Vou. No. DMA 57-9

(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. Adm. E915 in accordance with the terms of the contract.

Signature W. D. McMullen P#1497.54 Title Min. Engr Date July 6, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Shaver Title Executive Officer Date JUL 18 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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".

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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)

DMEA
Date Rec'd.
JUL 9 1956

BUREAU OF MINES
Denver, Colorado

Budget Bureau No. 42-R1151.2

RECEIVED
JUL 25 1956

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

Month of June 1956 Docket No. DMEA 3919 Contract No. Idm-E915
Operator's Name Joseph W. Walsh Minerals Uranium
Address 4925 Montview Blvd. Denver 7, Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
				STAGE I				
Drifting								
Drifting	Foot	$1881.75	65	$7237.50	250	$28.95	425	$ 28.95
Bulldozing	Hour	-------	--	$ 603.00	50¼	$12.00	90	$ 12.00
Personal Serv	Month	$100.00	.25	$1300.00	3.25	$400.00	3.25	$ 400.00
Chem. Analys.	No.	$ 15.00	3	$ 90.00	18	$ 5.00	85	$ 5.00
Drilling: Core								
Churn								
Auger				STAGE II				
Drifting	Foot	None	None	None	None	None	225	$ 29.20
Bulldozing	Hour	None	None	None	None	None	---	------
Pers. Serv.	Month	None	None	None	None	None	1.75	$ 400.00
Roads and Trails								
Chemical Analysis	No.	None	None	None	None	None	45	$ 5.00
TOTAL DISTRIBUTED COSTS		$1996.75	----	$9230.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1996.75	----	$9230.50				

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 7-3-56 Operator Joseph W. Walsh

Per _____ Title Operator

REMARKS: As shown in attached Paid Statements, cost per foot of drifting is considerably greater than costs allowed by this contract.

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) Wm. McLean

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
JUL 25 1956

224 New Customhouse
Denver 2, Colorado

July 18, 1956

FINAL DISTRIBUTION

MADE JUL 23 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of June, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report---------- July 3, 1956
Date Received in Field Office---------- July 5, 1956
Date Received in Region Office---------- July 9, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E915
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.
JUL 9 1956
BUREAU OF MINES
Denver, Colorado

RECEIVED
JUL 25 1956

REGION III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh, Hoffmeister Prospect, Jefferson County, Colorado -- Progress report for June 1956

Progress at the Hoffmeister Prospect, Contract Idm-E915, was checked on July 3, 1956, accompanied by Joseph W. Walsh, applicant, and Gordon Kluge, superintendent.

The total advance in the southeast adit was 45 feet, with the face at 224.0 feet from the portal, which completes within 1 foot Stage I of the southeast adit. The direction of the last part is S 75° E, with a dip of 60° to the south.

The northwest adit was advanced 20 feet N 40° W along the shear zone with the face at 26 feet from the portal. Another round had been drilled, and was blasted as we left the canyon.

The narrative report is adequate with a map of both adits and invoice for resident engineer's salary and 3 chemical analyses.

The total amount claimed during June, 1956 by the applicant of $1996.75 is approved. Government participation at 75 percent is $1497.56.

W. D. McMillan
Mining Engineer

WDM/mw
Idm-E915
Chron
cc: 6

RECEIVED
JUL 25 1956

NARRATIVE REPORT FOR JUNE - 1956

to the

DEFENSE MINERALS EXPLORATION ADMINISTRATION

******

Contract Idm - E 915

Docket No. 3919 (Uranium)

******

Joseph W. Walsh (Operator)

4925 Montview Boulevard

Denver 7, Colorado

NARRATIVE REPORT

This report concerns the "Hoffmeister Prospect", which lies in the North-Central portion of Section 26, Township 2 South, Range 71 West, 6th P.M..

The name of the property as of July 1, 1956, has been changed to the "Mena" mine.

The South Adit will be referred to as the Mena South, and the North Adit as the Mena North.

During the period of June 1, 1956 thru June 30, 1956, a total of 45' 0" was driven on the Mena South. This footage brings the grand total on the Mena South to 224' 0".

The distance of 224' 0" completes Part I

of Stage I of this contract that originally called for 225' 0".

Upon completion of Stage I of the Mena South, full time operations began on the Mena North Adit. At the end of this period, (June 30, 1956), 26' 0" of exploration tunnel has been completed. Due to the structure and detrital matter at a point 18' 5" from the point of origin it was necessary to install timber. From the first set, to the foot-wall of the face is 8' 3".

The breakdown for both the Mena North and the Mena South Adit for the June period is as follows:

Mena North	20' 0"
Mena South	45' 0"
Total	65' 0"

During this period one diamond drill hole was drilled on the South-easterly side of the Mena South Adit portal. The purpose of this drill hole, (67' 4" deep), was an effort to cut a body of possible commercial grade ore, that was suspected at a point approximently 27' 0" from the point of beginning. Core recovery, (3/4"), ran approximently 55%. The recovered core showed no structure similar to what showed on the foot-wall. The hole caved, and a probe-log was limited to 17' 0", all of which was barren.

In addition to current equipment of the operation, a 1952 Ford 2 ton dump truck, (capacity 5 ton bed), was purchased to expidite the handling

of supplies to, and production from, this contract area. The truck was adapted to serve as an ore bin until operations call for facilities of higher volume.

While driving the Mena North exploratory Adit, approximently 30 tons of what appears to be low grade ore was hand sorted and stock piled near the black-top highway that runs parallel to the Coal Creek area.

The balance of pertinent data concerning this operation is tabulated on the following pages.

Signed Gordon Kluge
Gordon Kluge
(Res. Engineer)

Signed Joseph W. Walsh
Joseph W. Walsh
(Operator)

SPECIMEN ASSAY REPORTS FOR JUNE

******

No. 14	184' 4"	Mena South	...	0.023% U_3O_8
No. 2	11' 7"	Mena North	...	0.187% U_3O_8
No. 3	18' 3"	Mena North	...	0.520% U_3O_8

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 May 1956 Docket No. DMEA 3919 Contract No. Idm-3915
Operator's Name Joseph W. Walsh Minerals Uranium
Address 4925 Montview Blvd., Denver, Colo.
Contract Amount, $ 22,604.00 Government Participation: 75 % Amount, $ 16,953.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~XXXXXX~~ Short Form Contracts:						
Drilling	270.00	533.00	803.00			
Bulldozing						
Crosscutting	2991.85	2373.00	5365.75			
Drifting						
(2) Labor and Supervision:						
Labor	400.00	800.00	1200.00			
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	40.00	35.00	75.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
					3541.00	7232.85 Acc
TOTALS	3691.85	3541.90	7233.75	3,691.85	3,541.90	7,233.75

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

Date June 6, 1956 *Payee Joseph W. Walsh

Per _____ Title Operator

*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:

$ 2768.89

Signature _____ (Authorized Certifying Officer)

Date 7/5/56 Voucher DMA 57-4

(See other side)

JUL 9 - 1956

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E915 in accordance with the terms of the contract.

Signature Wm. Mullen (2768, 89) Title Min. Engr. Date 6/13/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

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 May 1956 Docket No. DMEA 3919 Contract No. Idm-E915
Operator's Name Joseph W. Walsh Minerals Uranium
Address 4925 Montview Blvd. Denver 7, Colo.*

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
				STAGE I				
Drifting	Foot	$2981.85	105	$5355.75	185	$28.95	425	$ 28.95
Bulldozing	Hour	270.00	22½	603.00	50½	12.00	90	12.00
Personal Serv	Month	400.00	1	$1200.00	3	$400.00	3.25	$ 400.00
Chem. Analys.	No.	40.00	8	75.00	15	$ 5.00	85	$ 5.00
Drilling: Core								
Churn								
Auger								
				STAGE II				
Drifting	Foot	None	None	None	None	None	225	$ 29.20
Bulldozing	Hour	None	None	None	None	None	---	------
Pers. Serv.	Month	None	None	None	None	None	1.75	$ 400.00
Chemical Analysis	No	None	None	None	None	None	45	$ 5.00
Total Distributed Costs		$3691.85	---	$7233.75				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.					Stage I			$15,108.00
					Stage II			7,495.00
Total Costs		$3691.85		$7233.75				$22,604.00

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 June 6, 1956 Operator Joseph W. Walsh

Per _____ Title Operator

Remarks: As shown in attached Paid Statements, cost per foot of drifting is considerably greater than costs allowed by this contract

*Note change of address per letter to Executive Field Officer, Region 3, Denver, Colo., dated 6/2/56

→ 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) W. O. McWilliam

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 3, 1956

FINAL DISTRIBUTION
JUL 6 1956
MADE

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of May, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report----------June 6, 1956
Date Received in Field Office---------- June 8, 1956
Date Received in Region Office---------- July 3, 1956

W. M. TRAVER

W. M. Traver

Enclosures

JWT:jy
cc: MF-104 File E915
Sec. Op. Comm. (2)
Shaw
Chren.

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

REGION III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: Docket DMEA 3919 (Uranium) Contract IAm-2913, Joseph W. Walsh, (Hoffmeister Prospect) Jefferson County, Colorado -- Progress report for May 1956

Progress at the Hoffmeister Prospect, Contract IAm-2913 was checked on June 13, 1956, accompanied by Joseph W. Walsh, applicant, and Gordon Kluge, superintendent.

In the southeast adit an advance of 97 feet was measured and in the northwest adit an advance of 6 feet was measured. The northwest adit is located according to Figure 3 of the contract and is being driven about N 20° W. The total advance in the southeast adit as of May 30 was 179.2 feet and on June 13th another 14.5 feet had been driven, putting the face at 193.8 feet. Reconciliation regarding the deviation in direction of the southeast adit from the approximate direction shown on the map (fig. 3) of the contract is made in Exhibit A of the contract which is as follows:

Stage I "Stage I consists of drifting 200 feet northwesterly and 225 feet southeasterly along the mineralized breccia zone."

The attitude of the mineralized breccia zone has wide variations from S 25° E through S 60° E to due East at the face on June 13, 1956. The adit throughout has been in the mineralized breccia zone. Maps of both adits are enclosed with the report.

Of the eight samples taken, uranium ore was only found in sample 12 in the south adit with 0.172% U_3O_8 and in the north adit with 0.12% U_3O_8.

The narrative report is adequate, with a map of the southeast adit, and invoices for 22 ½ hours of bulldozing at $12.00 an hour, 8 chemical analyses at $5.00 each, and the resident engineer's salary of $400.00 are attached to the original copy of the report.

The total amount claimed during May 1956 by the applicant of $3,691.85 is approved. Government participation at 75 percent is $2,768.89.

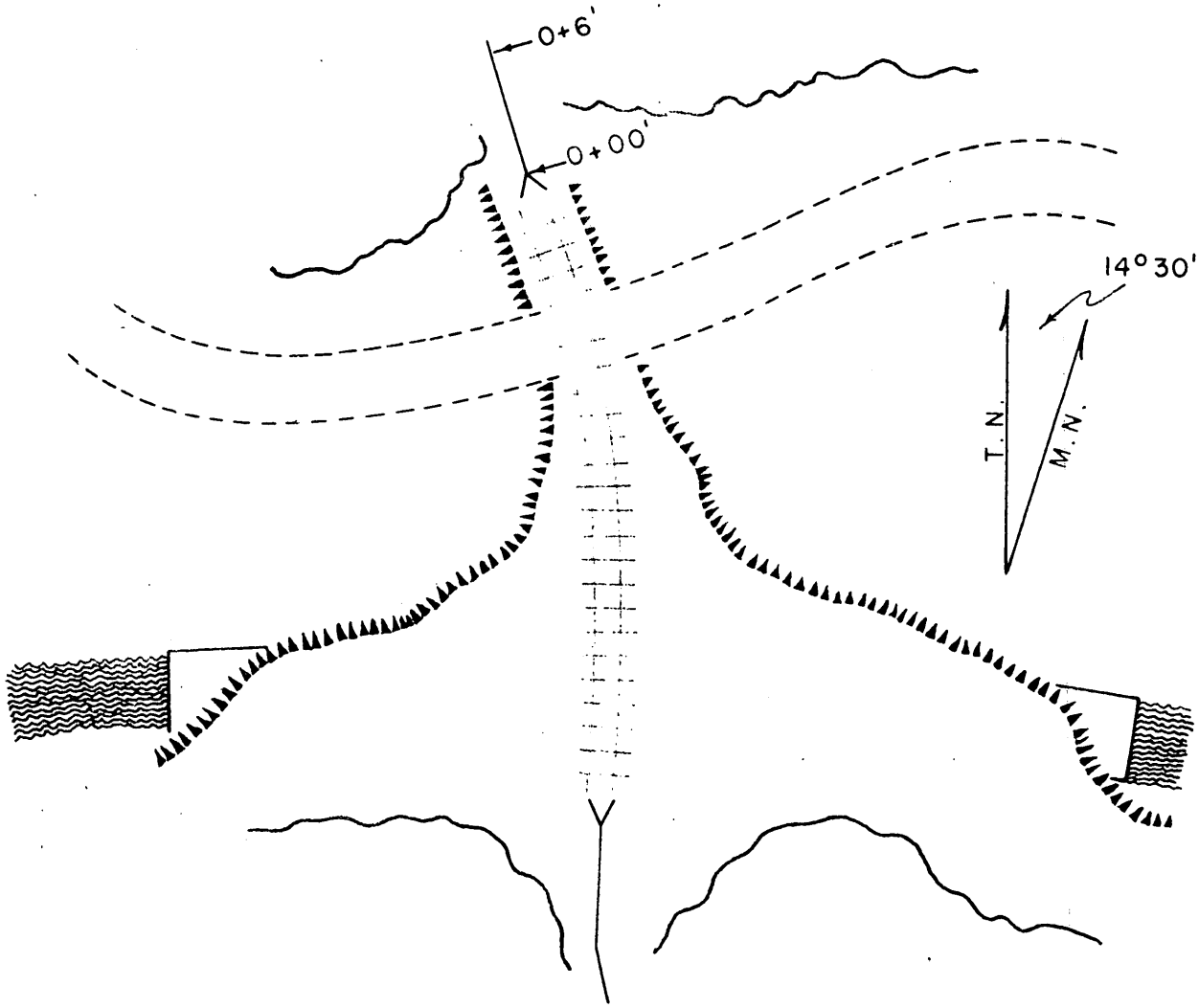
W. D. McMillan
Mining Engineer

WDM/mw
cc: 6
Idm-8915
Chron

SCHEMATIC DIAGRAM SHOWING THE POSITION OF THE NORTH ADIT WITH REFERENCE TO THE SOUTH ADIT

HOFFMEISTER PROSPECT

JEFFERSON COUNTY, COLORADO



DOCKET 3919 (URANIUM)

CONTRACT Idm - E 915

OPERATED BY: JOSEPH W WALSH
4925 MONTVIEW BLVD.
DENVER 7, COLORADO

JUNE 21, 1956

NARRATIVE REPORT

This report deals with the May, 1956, period of operation at the "Hoffmeister Prospect".

During the month of May, an additional 97' 0" of drift was completed on the South Adit. The total distance on the South Adit for the month of May, (97' 0"), plus the previous footage of 82' 0", bring the sum total distance to 179' 0".

On 24 May, 1956, the first "round" of the North Adit was shot. A section of drill steel was temporarily used to mark the "point of beginning".

Due to the detrital structure, all measurements were taken from an offset of 1' 0" to the South East of the drill steel.

Full scale operations on the North Adit will not begin until Stage I, of the South Adit, is completed. The footage from the point of origin on the North Adit to the face, at the close of this period is 6' 0".

The total footage for the period, (May 1, 1956 to May 31, 1956), for both the North and South Adit is 103' 0".

As of this date, (May 31,1956), 22½ hours of bulldozing was completed.

The work consisted of:

1. The placing of two additional culverts in the bed of Ralston Creek.
2. The clearing of an area, on the South side of Ralston Creek, for the living quarters.

3. The moving of the living quarters to the upper camp site.

4. The cutting of a road from the new camp area to the existing road, that runs to the Easterly property fence line.

5. The cutting of an exploratory cut, approximately 400' South East of the South Adit portal.

The culverts that were previously laid in the bed of Ralston Creek were sufficent in both length and diameter to carry the expected run off, but in order to bridge between the North and South Adit, and to create additional dump space for future use, two supplementary culverts were installed.

The balance of pertinent data concerning this

operation is tabulated on the following pages.

Signed Gordon Kluge
Gordon Kluge
(Res. Engineer)

Signed Joseph W. Walsh
Joseph W. Walsh
(Operator)

SPECIMEN ASSAY REPORTS

No. 7	94'4"	SOUTH ADIT	...	0.01 % U_3O_8
No. 8	100'9"	" "	...	0.05 % U_3O_8
No. 9	106'8"	" "	...	0.002 % U_3O_8
No. 10	112'10"	" "	...	0.034 % U_3O_8
No. 11	119'6"	" "	...	0.02 % U_3O_8
No. 12	125'9"	" "	...	0.172 % U_3O_8
No. 13	157'1"	" "	...	0.063 % U_3O_8
No. 14	6'0"	NORTH ADIT	...	0.12 % U_3O_8

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

Budget Bureau No. 42-R1036.5

RECEIVED

MAY 28 1956

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

Month of APRIL, 1956 Docket No. DMEA 3919 Contract No. Idm-3015

Operator's Name JOSEPH W. WALSH Minerals URANIUM

Address 1700 NATIONAL BANK BLD., DENVER, COLO.

Contract Amount, $ 22,604.00 Government Participation: 75 % Amount, $ 16,953.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~Short Term~~ Contracts:						
Drilling	None	583.00	583.00			
Bulldozing						
Crosscutting						
Drifting	1092.25	781.65	1873.90			
(2) Labor and Supervision:						
Labor						
Supervision	400.00	400.00	800.00			
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	30.00	5.00	35.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
					1518.75	3541.00
TOTALS	2022.25	1519.65	3541.90	2,022.25	1,519.65	3,541.90

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

Date May 4, 1956 *Payee Joseph W. Walsh

Per _____ Title Operator

*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:

$ 1516.69

Signature _____
(Authorized Certifying Officer)

Date 5/22/56 Vou. No. DMA 56-109

(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. JGMrE915 in accordance with the terms of the contract.

Signature W. McWilliams (B 1516.69) Title Mining Engr. Date May 19, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Shaver Title Executive Officer Date MAY 16 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAY 28 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of APRIL 1956 Docket No. DMEA 3919 Contract No. Idm-E915
Operator's Name JOSEPH W. WALSH Minerals URANIUM
Address FIRST NATIONAL BANK BLDG., DENVER, COLO.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
			STAGE 1					
~~Sinking~~ ~~Crosscutting~~ DRIFTING	Foot	$1592.25	55	$2373.90	82	$28.95	425	$ 28.95
~~Raising~~ BULLDOZING	Hour	None	None	$ 333.00	27.75	$12.00	90	$ 12.00
~~Shaft~~ PERSONAL SERV.	Month	$ 400.00	1	$ 800.00	2	$400.00	3.25	$ 400.00
~~Mill~~ CHEMICAL ANALYSIS	No.	$ 30.00	6	$ 35.00	7	$ 5.00	85	$ 5.00
Drilling: Core								
Churn								
Auger								
			STAGE 2					
~~Sinking~~ ~~Crosscutting~~ DRIFTING	Foot	NONE	NONE	NONE	NONE	NONE	225	$ 20.20
~~Raising~~ BULLDOZING	Hour	NONE	NONE	NONE	NONE	NONE	---	$ -------
~~Shaft~~ PERS. SERV.	Month	NONE	NONE	NONE	NONE	NONE	1.75	$ 400.00
~~Mill~~ CHEMICAL ANALYSIS	No.	NONE	NONE	NONE	NONE	NONE	45	$ 5.00
Total Distributed Costs		$2022.25	--	$3541.90				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.						STAGE 1		$15,108.00
						STAGE 2		7,495.00
Total Costs		$2022.25		$3541.90				

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 4, 1956 Operator Joseph W. Walsh

Per Title Operator

Remarks: As shown on attached Paid Statement cost per foot of drifting is considerably greater than the costs allowed by this contract

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)

Wm. e. Mullen

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
MAY 28 1956

224 New Customhouse
Denver 2, Colorado

May 16, 1956

FINAL DISTRIBUTION
MADE MAY 24 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Uranium Prospect) Jefferson County, Colorado - Operator's Monthly Progress Report for the month of April, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report----------May 4, 1956
Date Received in Field Office---------- May 10, 1956
Date Received in Region Office---------- May 11, 1956

W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E915
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.

RECEIVED
MAY 11 1956
MAY 28 1956
BUREAU OF MINES
Denver, Colorado
Building 20
Denver Federal Center
Denver 2, Colorado

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA Docket 3919, Contract Idm-E915 (Uranium)
Joseph W. Walsh (Hoffmeister Uranium Prospect)
Jefferson County, Colorado - Progress report
for April, 1956

An inspection of the work done during April, 1956 was made on May 9, 1956, accompanied by Joseph W. Walsh and Gordon Kiege, engineer for the applicant. Progress during April was 55.0 feet, bringing the total on April 30 to 82.0 feet. The face of the adit on May 9, 1956 was at 100 feet, leaving 125 feet to be driven under Stage I of the southeast adit. Eight inches of 5.18 percent U_3O_8 was found at 32.0 feet and in a west crosscut at 43.25 feet 9 inches of uranium mineralization of 0.12 percent U_3O_8. A 4-inch sample at 82.0 feet contained only 0.06 percent U_3O_8. Only low radiometric counts were found to the present face.

The operator's narrative report and the map are adequate, and the work is in accordance with the contract specifications.

The following claims have been checked and are valid.

Supervision - 1 month at $400.00	$400.00
55.2 feet of 5 ft. by 7 ft. adit	1592.25
Clear of timbers at $28.95 a foot	
6 chemical analyses at $5.00 ea.	30.00
	$2022.25

It is recommended that 75 percent of the amount claimed or $1516.69 be approved for payment. The assay reports and receipts for all payments are attached to the original copy of the report.

W. D. McMillan
Mining Engineer

WDM/mw
cc: 6
E915
Chron

RECEIVED
MAY 28 1956

NARRATIVE REPORT

The area concerned is known as the "Hoffmeister Prospect", which is located in Jefferson County, Colorado, approximately sixteen miles north of Golden.

During the month of April, 1956, an additional 55' 2" of exploration tunnel was driven on this contract. This brings the total footage to 82' 2" of tunnel.

At a point 43' 3" from the point of origin of the main tunnel, a cross-cut round was put into the right (westerly) wall. A chemical assay showed 0.116% U_3O_8 in a sample taken at the face of that cut.

A similar exploratory cut was made in the easterly side of the main tunnel 40' 6" from the point of origin.

This cut is 3' 8" long. No radio activity was found in the face of this cut.

Neither of these exploratory cross-cuts has been included in this April report on Forms MF-104, and MF-104A.

Heavier equipment was put into operation during April, in order to more efficiently handle the extremely tough terrain (hornblende gneiss).

The 48' 8" of culvert, 5' in diameter that was installed to by-pass Ralston Creek is now almost completely covered by the dump. It is evident that this culvert is more than ample to carry off the Spring rains and high water from melting snows.

The balance of pertinent data re this operation is tabulated on the following pages.

Signed Gordon Kluge
Gordon Kluge
(Resident Engineer)

Signed Joseph W. Walsh
Joseph W. Walsh
(Operator)

SPECIMEN ASSAY REPORT

RECEIVED
MAY 28 1956

FOR

THE "HOFFMEISTER PROSPECT"

JEFFERSON COUNTY, COLORADO

NUMBER	DISTANCE	% U_3O_8	MINERALIZATION WIDTH
1	13' 6"	0.36	8"
A	20' 9"	0.18	14"
A_1	20' 9"	0.83	14"
2	27' 0"	14.23	20"
3	32' 0"	5.18	8"
4	58' 4"	0.09	6"
5	76' 2"	0.03	26"
6	82' 2"	0.06	4"
CROSS-CUT	43' 3"	0.12	9"

NOTE: No. A - SPECTROGRAPHIC ANALYSIS
No. A_1 - CHEMICAL ASSAY

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED APR 10 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1956, 195.... Docket No. DMEA 3919 Contract No. Idm-E915
Operator's Name Jos. W. Walsh Minerals Uranium
Address First Nat. Bank Bldg., Denver 2, Colo.
Contract Amount, $22,604.00 Government Participation: 75 % Amount, $16,953.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent ~~XXXXXX~~ Contracts:						
Drilling						
Bulldozing	333.00	none	333.00			
Crosscutting						
Drifting	780.75	none	780.75			
(2) Labor and Supervision:						
Labor						
Supervision	400.00	none	400.00			
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	5.00	none	5.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1518.75	----	1518.75	1,518.75	—	1,518.75

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Apr. 5 '56 *Payee Joseph W. Walsh
Per ..... Title Owner

*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:

$ 1139.06

Signature [illegible]
(Authorized Certifying Officer)

Date 4/12/56 Vou. No. DMA 56-94
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. TAM E-915 in accordance with the terms of the contract.

Signature [illegible] ($ 1139.74) Title Min. Engr. Date April 6, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date APR 11 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 19 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Mar. 1956 Docket No. DMEA 3919 Contract No. Idm-E915

Operator's Name Jos. W. Walsh Minerals Uranium

Address First Nat. Bank Bldg., Denver 2 Colo.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
			STAGE I					
Drifting	Ft.	780.75	27'	780.75	27	28.95	425	28.95
Bulldozing	Hr.	333.00	27.75	333.00	27.75	12.00	90	12.00
Pers. Serv.	Mo.	400.00	1	400.00	1	400.00	3½	400.00
Chem. Anal.	No.	5.00	1	5.00	1	5.00	85	5.00
Winzes								
Drilling: Core								
Churn			Stage	II				
Auger								
Drifting	Ft.	none	none	none	none	none	225	29.20
Bulldoz'g	Hr.	none	none	none	none	none	---	-----
Pers. Serv.	Mo.	none	none	none	none	none	1.75	400.00
Ch. Ana	No.	none	none	none	none	none	45	5.00
TOTAL DISTRIBUTED COSTS		1518.75	XXXXXX	1518.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		none						
Initial Rehabilitation and Repairs		none						
New Buildings, Improvements, etc.		none					Stage I	15,108.00
							Stage II	7,495.00
TOTAL COSTS		1518.75		1518.75				22,604.00

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 r. 5, 1956 Operator Joseph W. Walsh

Per Title Owner

REMARKS: The report covers the period of Feb. 27 tp Mar. 31, 1956, inclusive.

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)

George Miller

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
APR 19 1956

224 New Customhouse
Denver 2, Colorado

April 11, 1956

FINAL DISTRIBUTION
MADE APR 17 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3919 (Uranium) Contract Idm-E915, Joseph W. Walsh (Hoffmeister Prospect) Jefferson County, Colorado. Operator's Monthly Progress Report for the period February 27 to March 31, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

The $1,518.75 total costs reported for the period on the Operator's MF-104 are approved. Reimbursement to the Operator of 75 percent of the approved reported costs, or $1,139.06 is approved.

Remarks

Date of Report----------April 5, 1956
Date Received in Field Office---------- April 6, 1956
Date Received in Region Office---------- April 9, 1956

W. M. TRAVER

W. M. Traver

Enclosures
HMC:jy
cc: MF-104 File E915
Sec. Op. Comm. (2)
Shaw (2)
Chron.

Region III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: W. D. MacMillan
Through: John F. Shaw
Supervising Mining Engineer

Subject: DMEA Docket 3919 (Uranium), Contract 14m-3915, Joseph W. Walsh, Heffmeister Uranium Prospect, Jefferson County, Colorado -- Progress Report for period February 27 to March 31, 1956.

An inspection of the work done during the period from February 27th to March 31st was made on April 3, 1956, accompanied by Robert W. King of the Geological Survey, Joseph W. Walsh, the applicant, and Gordon Kluge, engineer of the applicant.

Work accomplished during the period consisted of about 1/2 mile of relocated road, excavation for the portal of the southeast adit, transportation and installation of a rented air compressor, jackleg drill, muking machine, air and water hose, 2 mine cars, rail and ties and driving 27 ft. of the S.E. adit. All the work was well performed. In addition to the work authorized by the contract, a house trailer was installed for housing the labor and three used boilers were purchased for a culvert in Ralston creek.

The adit was started in a direction S. 40 degrees E. and at the face had encountered the hanging wall of the breccia-reef which strikes S. 25 degrees E., and the adit is being turned to follow the hanging wall. Samples taken to date were at 13.5 feet from the portal--8 inches at 0.36 U_3O_8, and at 27 feet 20 inches at 14.23 percent U_3O_8.

Work was hampered by snow and sub-zero weather during the first part of March when only one shift was worked. Early in April, two shifts will be worked in the southeast adit and later one shift will be started on the northwest adit.

The applicant claimed the following costs:

27.75 hours of bulldozing at $12.00 per hour	$ 333.00
Supervision, 1 mo. at $400.00 per month	400.00
27.0 feet of 5 ft. by 7 ft., clear of timbers at $28.95 a foot	781.65
1 chemical analysis at $5.00	2.00
Total	$1,519.65

It is recommended that 75 percent of the amount claimed or $1,139.74 be approved for payment, even though through a mathematical error this is $0.90 more than claimed by the operator.

The assay reports are attached to the original narrative report, but only one of these is claimed in this report.

W. D. McMillan
Mining Engineer

cc 6
Idm-E915
Chron.

WDM/em

RECEIVED
APR 19 1956

NARRATIVE REPORT

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

Contract Idm-E 915; Docket 3919 (Uranium)

Operations from Feb. 27, 1956 through March 31, 1956

Joseph W. Walsh, 1028 First National Bank Building
Denver 2, Colorado

The area concerned is known as the "Hoffmeister Prospect", which lies in the north-central portion of Section 26, Township 2 South, Range 71 West, 6th P.M.

The following report describes all of the work done by the contractee, much of which is outside the chargeable items which are in the contract. The purpose of including this data in this report is to put on record the contractees efforts to turn this area into a producing property, above and beyond the assistance awarded by a Federal Agency.

Actual operations began February 27, 1956, by bulldozing an access road into the property, over which machinery could be hauled in and production hauled out. This consisted of approximately one mile of one-way road, at gradients that are within practical limits of utility. Prior to February 27, 1956, 148.5 hours of bulldozing time was required for this work.

After the contract was awarded, 27¾ hours of bulldozing was done to prepare the entry point of the exploration tunnel on the southerly side of Ralston Creek, and to build an access road from the creek level up to this entry-point.

Living quarters (7' x 18' trailer) were hauled in and set up. 1320 linear ft. of 4" lagging timbers, and 8" to 12" stulls (128 linear ft.) were delivered and stacked by the contractee.

Also, the contractee purchased and delivered in 3 sections a 5' diameter culvert whose overall length of 48' 8". This culvert was laid in the bed of Ralston Creek. The purpose of this culvert is to allow free flow of water in Ralston Creek, even under "flash-flood" conditions. Additional dump space was created by covering of these culvert sections.

As work progresses, the waste rock or dump material from the exploration tunnel will eventually cover both banks of Ralston Creek. This culvert will offer relief to any high water that may occur during this operation. Since the diameter of these culverts is 5', the clearing of debris from within is highly accessible.

The actual tunnel work has been subcontracted to Peart and Swerdfeger, 844-15th Street, Boulder, Colorado, at $43.00 per ft., excluding timering. These men were the lowest bidders obtainable, who at the same time could offer a record of competence that promised satifactory fulfillment of the subcontract.

The first "round" of the tunnel was fired March 8, 1956. It caused a small avalanche (half-expected) of surface detrital rock and soil from the steep slope above. A drill hole was driven into the westerly side of this first round to mark the "point of beginning" of this exploration tunnel. The overburden was known to be loose, but too tight for bulldozing clearance.

Hence: The first 16' 7" of the entry into the mountain are actually "trench", the material from which was too tight for a bulldozer to clean off, and too loose to withstand the blasting necessary to actually begin a tunnel wholly underground.

Since February 27, 1956, a total of 6 working days were lost due to bad weather which made the location inaccessible.

At this date March 31, 1956, this entry point has been timbered, and the tunnel is now actually "en process", in that it is getting into a depth beyond the zone of detrital weathering and/er frost fracturing. Further timbering will be a matter of deep structural fractures, faulting or joint-complexes.

In the accompanying form MF-104, the contractee is listing one-half of the horizontal footage from the place-of-beginning to the point at which the rectangular entry is actually bounded on four sides by solid rock-in-place. The "place-of-beginning" marks the end of bulldozer attempts to scrape off a rock face into which a standard round of holes could be drilled.

The contractee has already obtained a "shipping permit" from the Atomic Energy Commission. The No. is P-2986 (dated February 20, 1956).

Shipment is proposed to the Vitro Uranium Co., at Salt Lake City, Utah. Their ore-buyer, Robert B. Coleman, has

assured us that they are very much interested in this type of ore, and that his company is interested in obtaining and making assays of U_3O_8 content on any reasonable number of samples taken in this exploration tunnel.

Attached is a schematic diagram of the position and grade of the samples taken to date, showing the position in plan and elevation from which these samples were taken, and the type of assay. Meanwhile, from each such sample a portion is retained by the contractee as a "comparison control" for future reference.

SUMMARY

As of this date (March 31, 1956), much or even most of the preliminary work has been done:-

1. The exploration tunnel is actually "underground".
2. Access roads of usable grade are installed.
3. A five-foot diameter culvert to by-pass even flash flood water has been installed in Ralston Creek.
4. Competent sub-contractors are doing the actual work. Powder, fuse, caps, timbers, rails, spikes, ties, pipe, and couplings, compressor, mucking machine, air and water hose, drilling hammers, steel drills, operating hand-tools (picks, shovels, wrenches, hammers et al) ---- these and a host of other items are now on hand at the location. In addition there are living quarters and water supply for a small crew.

5. There has been a "resident engineer" on the ground since March 1, 1956. This man will continue to be on the ground daily. His duties shall be to keep up-to-date records of the contract, mapping of the exploration tunnel; sampling, and general engineering functions.

Very truly yours,

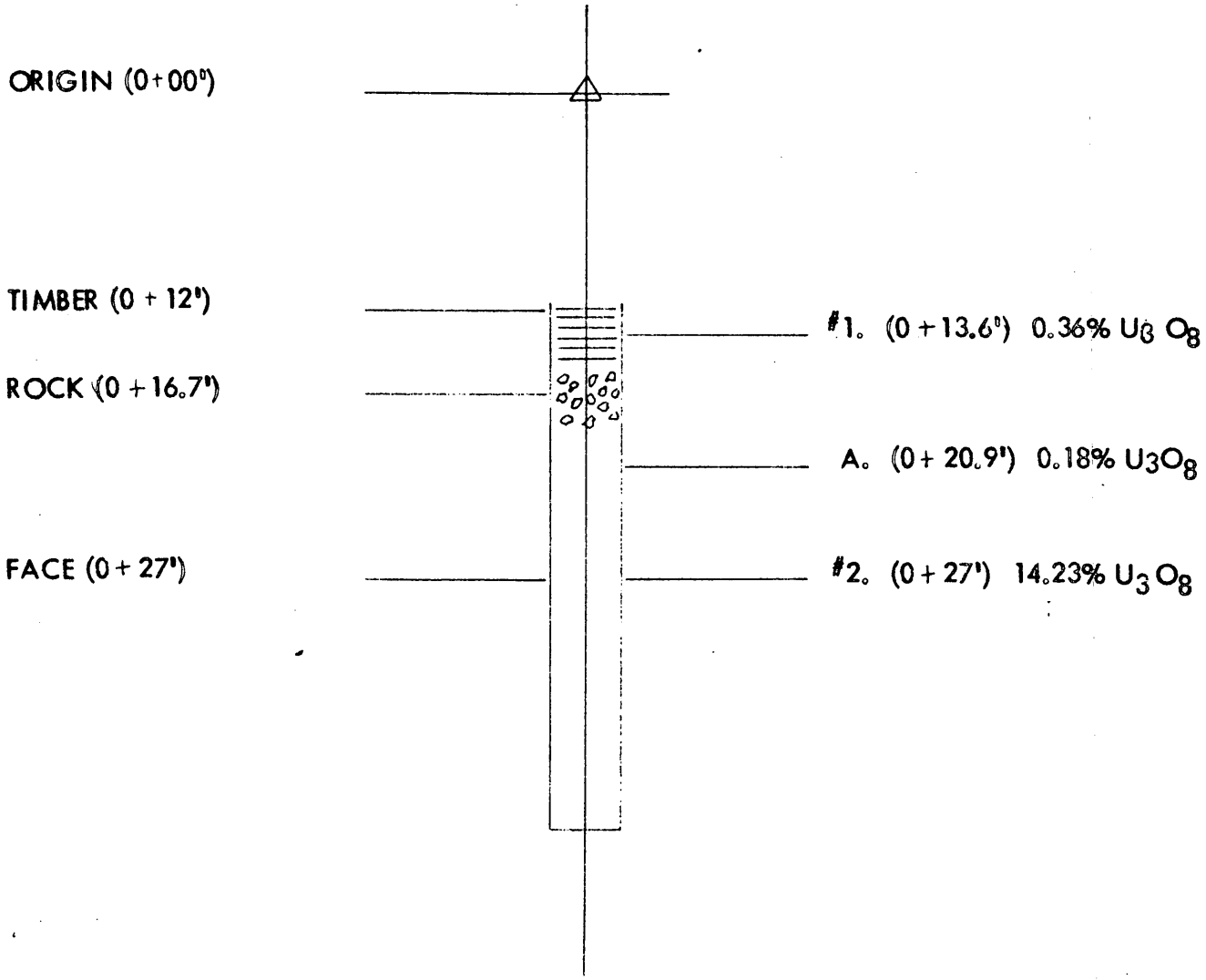
Gordon Kluge
Res. Engineer

Approved:

Paul H. Keating
Paul H. Keating

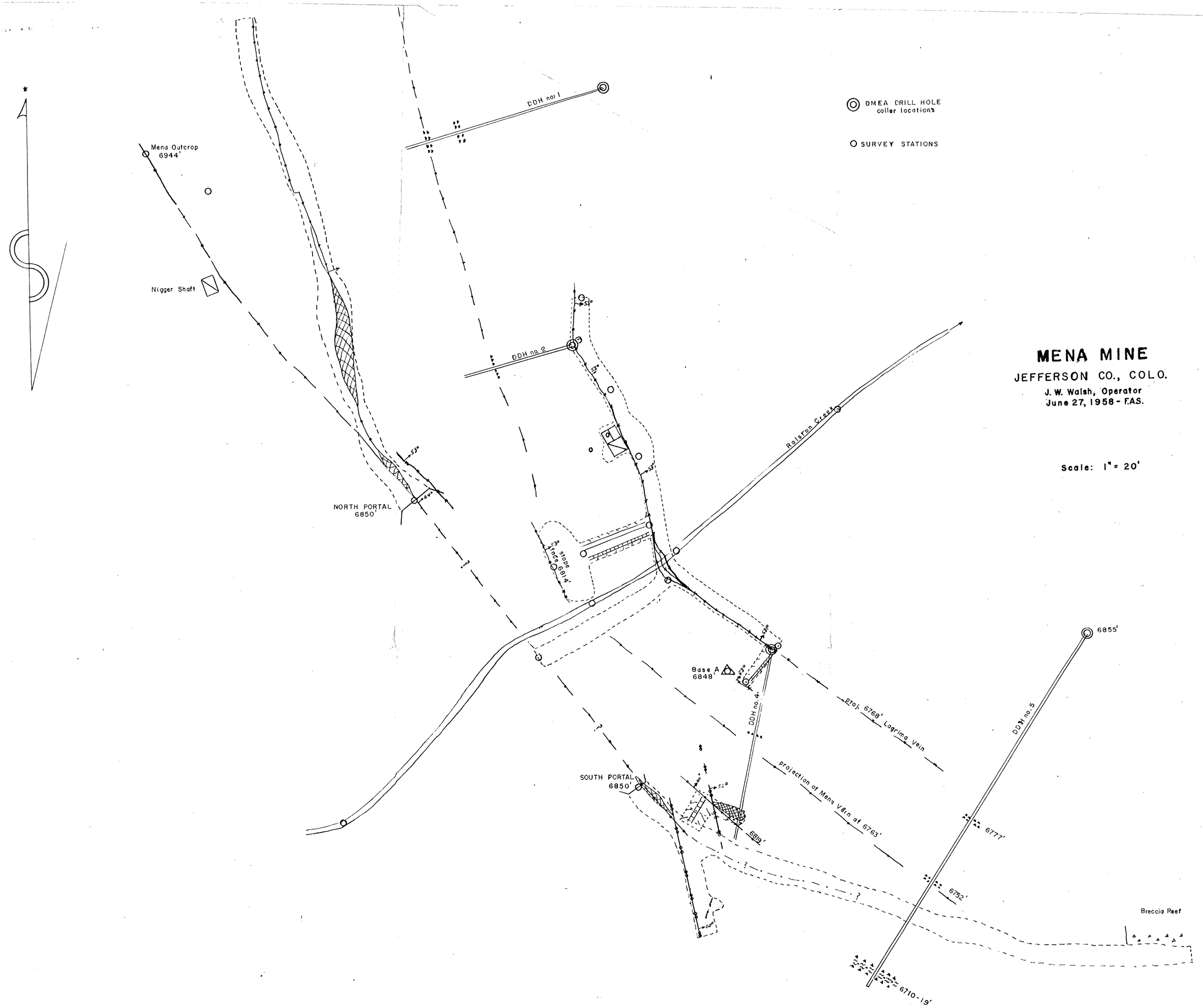
Joseph W. Walsh
Operator
April 4, 1956

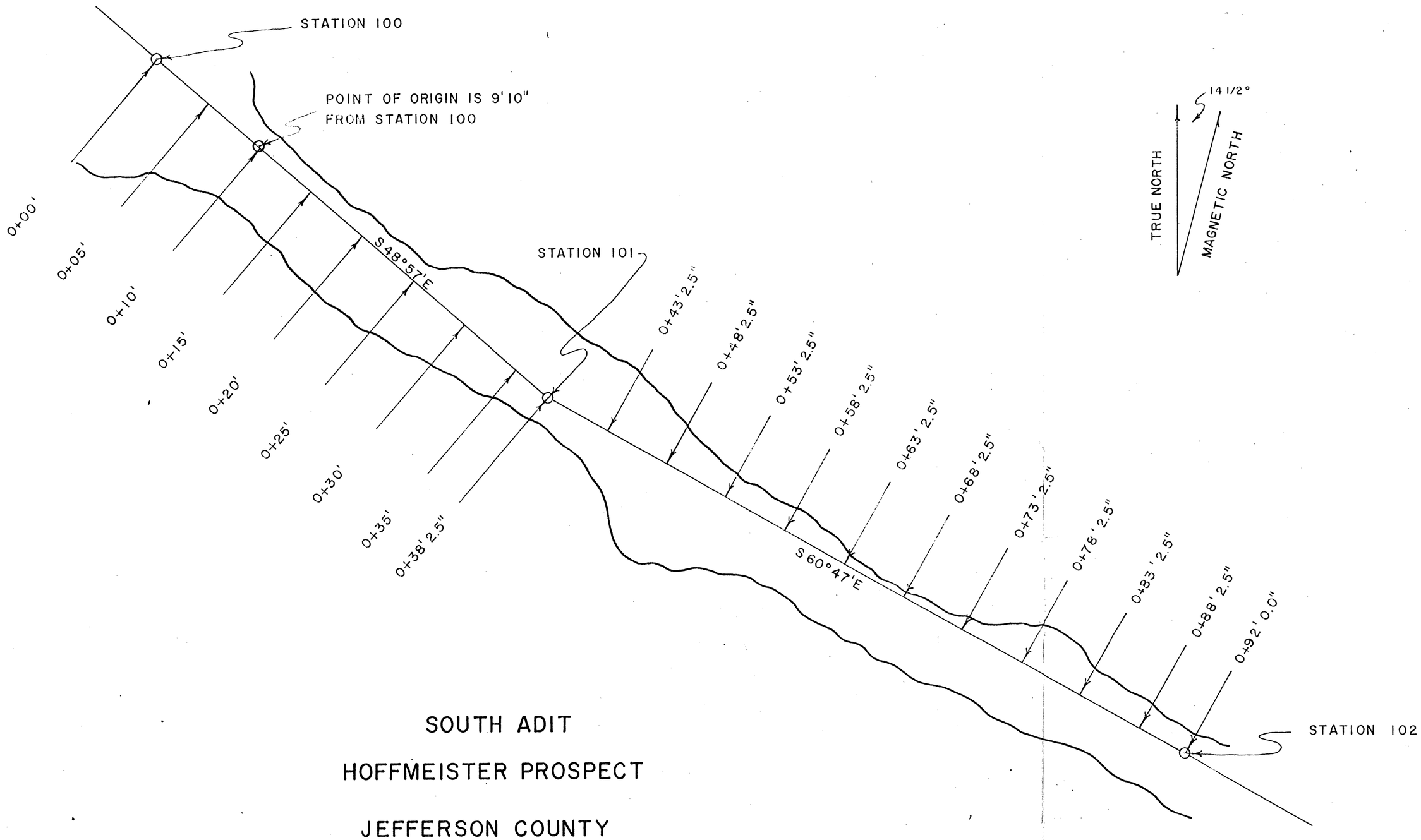
SCHEMATIC DIAGRAM OF THE EXPLORATION TUNNEL BEING STARTED ON DMEA CONTRACT Idm-E 915
BY
Joseph W. Walsh - Denver 2, Colorado
Feb. 27 to March 31, 1956



EXPLANATION:- THIS SHOWS THE POSITION OF ASSAYS AND ANALYSIS OF SAMPLES TAKEN IN THE EXPLORATION TUNNEL ON DMEA DOCKET 3919 CONTRACT Idm-E 915 AS OF MARCH 31, 1956. ALL CHEMICAL ASSAYS ARE NUMBERED 1, 2, 3, 4, -ETC. ALL SPECTROGRAPHIC ANALYSIS ARE LETTERED A, B, C, - ETC. THIS MAP IS NOT DRAWN TO SCALE.

Joseph W. Walsh
Operator
April 4, 1956


DMEA DRILL HOLE collar locations
SURVEY STATIONS
MENA MINE
JEFFERSON CO., COLO.
J. W. Walsh, Operator
June 27, 1958 - F.A.S.
Scale: 1" = 20'
Mena Outcrop 6944'
Nigger Shaft
DDH no. 1
DDH no. 2
DDH no. 4
DDH no. 5
Ralston Creek
NORTH PORTAL 6850'
SOUTH PORTAL 6850'
38° slope face 6814'
Base A 6848'
Proj. 6768' Logrima Vein
projection of Mena Vein at 6763'
6819'
6855'
6777'
6752'
6710-19'
Breccia Reef
53°
64°
52°



SOUTH ADIT

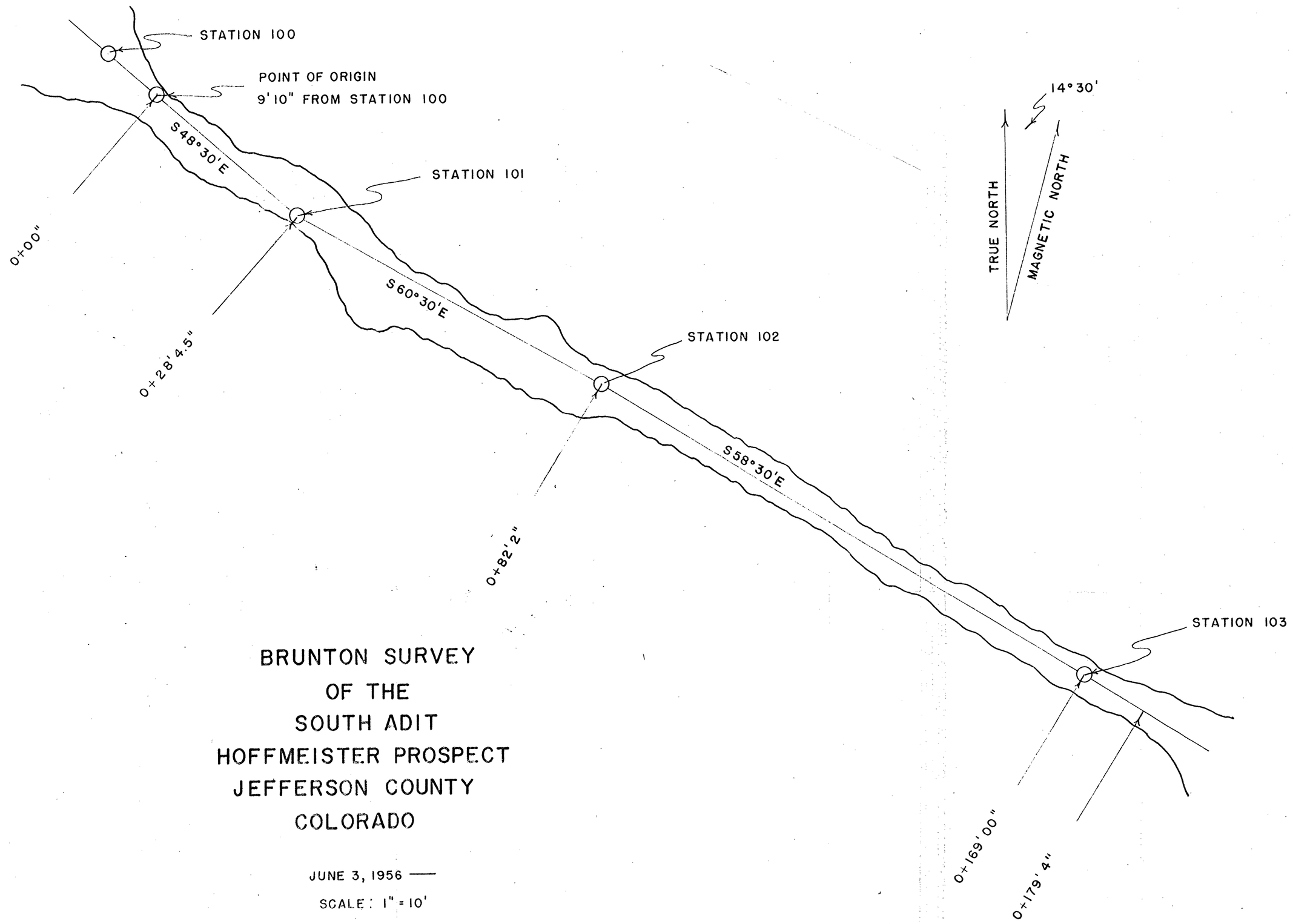
HOFFMEISTER PROSPECT

JEFFERSON COUNTY

COLORADO

MAY 3, 1956

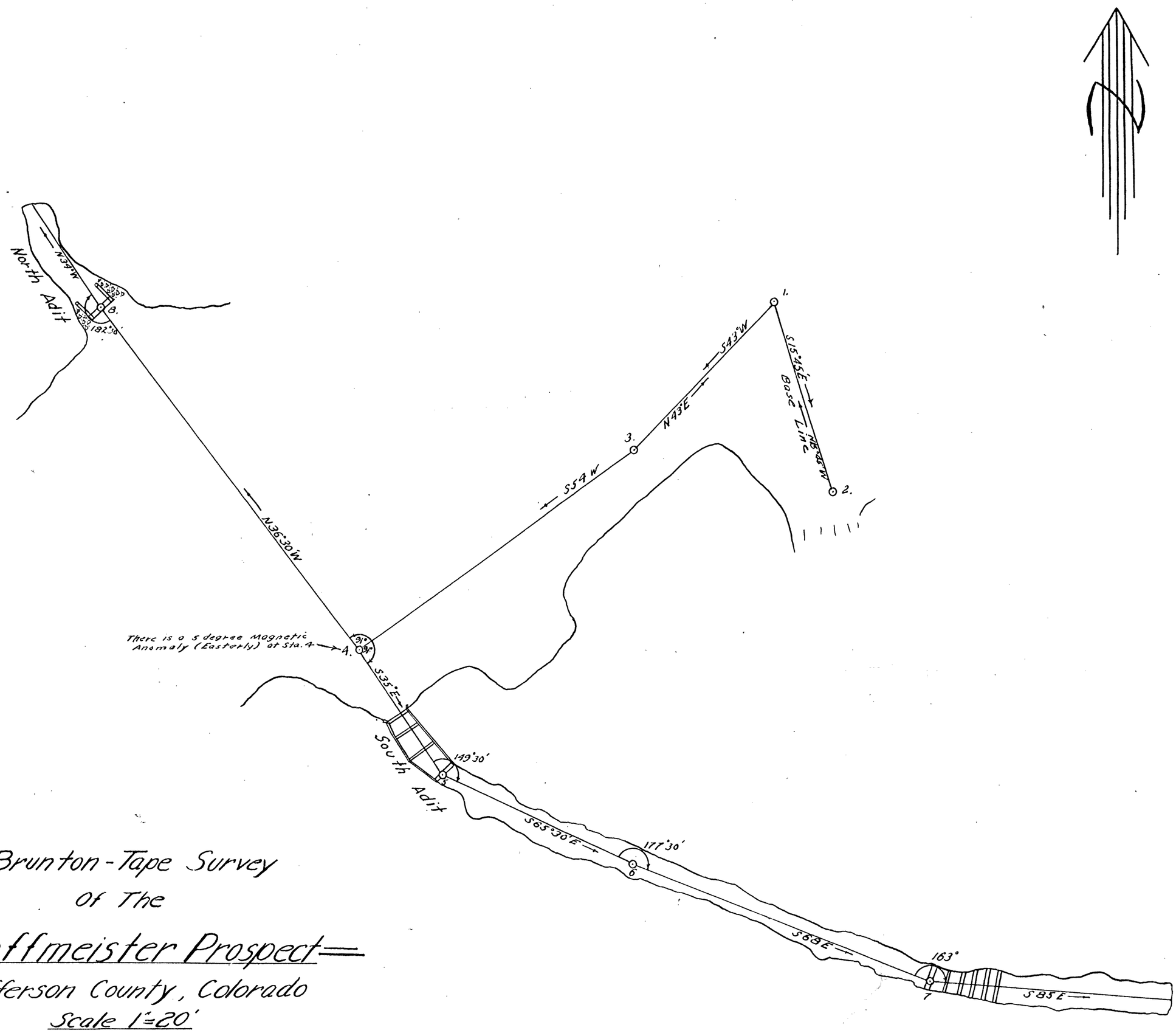
SCALE: 1" = 5'



BRUNTON SURVEY
OF THE
SOUTH ADIT
HOFFMEISTER PROSPECT
JEFFERSON COUNTY
COLORADO

JUNE 3, 1956 —

SCALE: 1" = 10'



Brunton-Tape Survey of The

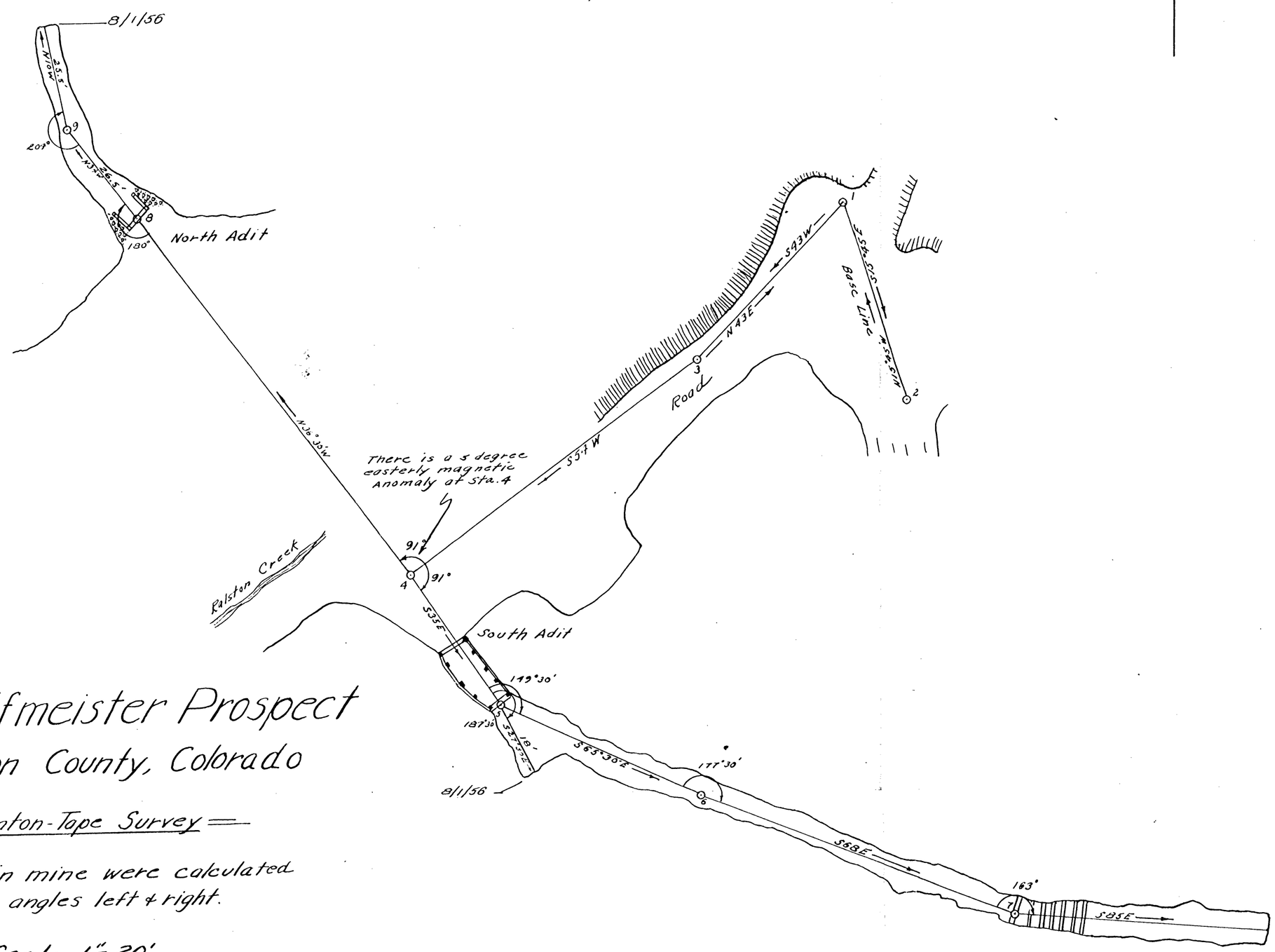
Hoffmeister Prospect

Jefferson County, Colorado

Scale 1"=20'

July 14, 1956 By Allon G. Bird

Joseph W. Walsh Operator



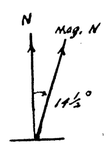
The Hoffmeister Prospect

Jefferson County, Colorado

— Brunton-Tape Survey —

Bearings in mine were calculated from angles left + right.

Scale 1" = 20'

August 1, 1956

By Allan G. Bird