See Folder No. 4-A for Monthly Reports and Vouchers

beginning January, 1959

FINAL DISTRIBUTION

MADE JAN 29 1959

224 New Customhouse
Denver 2, Colorado
January 23, 1959

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O. M. E.
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2-2	G	220
"	[illegible]	110
2/12	Murphy	700

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-10094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County New Mexico - Operator's Monthly Progress Report for the month of December, 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report----------January 15, 1959
Date Received in Field Office----------January 19, 1959
Date Received in Region Office---------January 21, 1959

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
Belser, OME/DFC
MF-104 file, Reg. III
Harshman - w/copy Engr's Report
Chron

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1959
REGION III
DENVER, COLORADO

Jan. 20, 1959

Memorandum

To: Executive Officer, OME Field Team, Region III

From: Carl Belser

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for December 1958

Operations on the subject contract were inspected Jan. 14, 1959 in company with the operator's manager, A. L. Greelin.

The operator claims payment for 500 feet of core drilling and 50 chemical analyses during December 1958.

Contract measurements:

Hole No.	Total Depth	Direction	Size	Boxes	Assays	Core Recovery
24		Flat	BX - 330'	11	50	49.75
	500	N. 90° W.	AX - 170'	3		

Hole No. 22 was down 110 feet at the time of the inspection.

The following allowable Stage II work was done in December 1958:

500 feet core drilling at $5.00/ft.	$2,500.00
50 chemical analyses (see drill hole map) at $3.00/ea.	150.00
	$2,650.00

Payment of 50 percent of the above amount or $1,325.00 is recommended.

The individual drilling contractor has been changed from Minerals Engineering Company to Boyles Brothers.

Carl Belser
Carl Belser
Mining Engineer

CB/m
cc: O
Idm-E1094
chron

C O N T E N T S

December 1958

1. Narrative Report

2. Form MF-104A

3. Form MF-104

4. Core Log Drill Hole No. 24

5. Map Drill Hole No. 24

NARRATIVE REPORT

December 1958

OME
DEPARTMENT OF THE INTERIOR
JAN 16 1959
REGION III
DENVER, COLORADO

Mr. J. W. Townsend
Executive Officer, O. M. E.
Field Team III
224 New Customhouse
Denver 2, Colorado

Dear Sir;

During the period December 1 through December 31, 1958, there were 24 working days, 4 Sundays, and 3 days off for the Christmas holidays. There were 24 days worked.

Diamond Drill hole No. 24 was completed to 500 ft. It was started on November 28th and finished December 15th. There were no other holes started during December.

Development work was carried on in No. I CxN and No. 7 CxN.

A. L. Greslin

A. L. Greslin, Manager

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

FEB 2 1959 O.M.E.

Month of December 1958 Docket No. DMEA 4568 Contract No. IDM-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y

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 & Crosscutting	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta.	ft	0.00	-0-	3154.53	71	44.43	115	44.43
Timbering	ft	0.00	-0-	2516.40	932	2.70	1000	2.70
Analyses	SPL	0.00	-0-	2826.00	942	3.00	1100	3.00
Ream - Case	ft	0.00	-0-	500.00	500	1.00	500	1.00
Drilling: Core	ft	0.00	-0-	37535.00	7507	5.00	9000	5.00
				STAGE II				
Drift Crosscut	ft	0.00	-0-	123382.11	2778	44.43	6160	44.43
Drill Sta.	ft	0.00	-0-	3110.10	70	44.43	250	44.43
Timbering	ft	0.00	-0-	5429.70	2011	2.70	6160	2.70
Analyses	SPL	150.00	50	2547.00	849	3.00	3177	3.00
Ream-Case	ft	0.00	-0-	1000.00	1000	1.00	1000	1.00
Core Drill	ft	2500.00	500	14535.00	2907	5.00	19500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2650.00		240965.84				

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

Date Jan 15, 1959 Operator Molybdenum Corp. of America

Per A. L. Greskin Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only) Earl Belm

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

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

FEB 2 1959 O.M.E.

Month of December, 1958 Docket No. DMEA 4568 Contract No. DMA-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y
Contract Amount, $ 510,500.00 Government Participation: 50 % Amount, $255,250.00

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	2500.00	49570.00	52070.00			
~~Bulldozing~~ Drill Sta	0.00	6264.63	6264.63			
Crosscutting - Drift	0.00	167812.11	167812.11			
~~Drilling~~ Timber	0.00	7946.10	7946.10			
Analyses	150.00	5223.00	5373.00			
(2) ~~[illegible]~~						
~~[illegible]~~ Ream - Case	0.00	1500.00	1500.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2650.00	238315.84	240965.84	2650.00	238315.84	240965.84

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

Date ~~Feb.~~ Jan. 15, 59 *Payee Molybdenum Corporation of America

Per [signature] Title Manager

*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:

$1325.00

Signature [signature] (Authorized Certifying Officer)

Date 1/28/59 Vou. No. DMEA 59-85

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 1094 in accordance with the terms of the contract.

Signature Carl Bdu ($1,325.00) Title Mining Engineer Date 1/19/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date JAN 23 1959

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.

CORE LOG
DATE DRILLED
% CORE RECOVERY

DIAMOND DRILL HOLE NO. 24
11/28 TO 12/15/58
49.75 %

	Distance From	Distance To	Core Spl. No.	Core Wt Lb.	Core Wt Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	0	4		9	0	5143				Transition
2	4	10		3		2000				"
3	0	10	6073	12		3636	0.07	6080	0.07	
4	10	13		2	8	3333				"
5	13	16		4	10	6167				"
6	16	20		4	12	4750				"
7	10	20	6074	11	14	4750	0.07	6081	0.07	
8	20	21		4	6	100.00				"
9	21	27		10	6	6917				"
10	27	30		3	4	4333				"
11	20	30	6075	18		7200	0.07	6082	0.07	
12	30	31		3		100.00				"
13	31	34		4	10	6167				"
14	34	38		7		7000				"
15	38	40		2	12	5500				"
16	30	40	6076	17	6	6950	0.07	6083	0.07	
17	40	41		4	8	100.00				"
18	41	50		10	10	4722				"
19	40	50	6077	15	2	6050	0.07	6084	0.07	
20	50	51		3	8	100.00				"
21	51	59		12	4	6125				"
22	59	60		7	4	100.00				"
23	50	60	6078	23		9200	0.15	6085	0.15	
24	60	66		5	4	3500				"
25	66	70		8		8000				"
26	60	70	6079	13	4	5300	0.07	6086	0.10	
27	70	74		3	8	3500				"
28	74	80		12	12	8500				"
29	70	80	6088	16	4	6500	0.05	6087	0.07	
30	80	84		4	12	4750				"
31	84	89		9		7200				"
32	89	90		9	14	100.00				"
33	80	90	6089	23	10	9450	0.05	7005	0.10	
34	90	99		8		3556				"
35	99	100		9	4	100.00				"
36	90	100	6090	17	4	6900	0.05	7006	0.10	
37	100	103		5	8	7333				"
38	103	110		5	8	3143				"
39	100	110	6091	11		4400		7007	0.10	
40	110	111		3		100.00				"
41	111	118		9	12	5572				"
42	118	120		6	6	100.00				"
43	110	120	7018	19	2	7650	0.07	7008	0.07	
44	120	128		9	14	4938				"
45	128	130		10	8	100.00				"
46	120	130	7019	20	6	8150	0.07	7009	0.07	
47										

CORE LOG — DIAMOND DRILL HOLE NO. 24

DATE DRILLED — 11/28 TO 12/15/58

% CORE RECOVERY — 49.75 %

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	130	137		4	10	2643				Transition
2	137	140		8	14	100.00				"
3	130	140	7020	13	8	5400	0.05	7010	0.07	
4	140 146	146 150		6 9	4 6	4167 9375				" "
5	140	150	7021	15	10	6250	0.07	7011	0.10	
6	150	156		8	4	5500				"
7	156	160		5	8	5500				"
8	150	160	7022	13	12	5500	0.05	7012	0.07	
9	160 162	162 164		5 4		100.00 8000				" "
10	164	168		5	12	5750				"
11	168	170		4	12	9500				"
12	160	170	7023	19	8	7800	0.05	7013	0.07	
13	170 173	173 180		2 9	8 8	3333 5429				" "
14	170	180	7024	12		4800	0.05	7014	0.05	
15	180	181		3		100.00				"
16	181	190		5	10	2500				"
17	180	190	7025	8	10	3460	0.05	7015	0.07	
18	190	191		13	2	100.00				"
19	191	200		12		5333				"
20	190	200	7026	25	2	100.00	0.05	7016	0.07	
21	200 201	201 206		5 10	4 	100.00 8000				" "
22	206	210		8	2	8125				Glassy Volcanics
23	200	210	7027	23	6	9350	0.05	7017	0.07	
24	200	216		9	12	6500				" "
25	216	220		13		100.00				" "
26	210	220	7028	22	12	9100	0.05	7033	0.10	
27	220	226		4	2	2750				" "
28	226	230		10	14	100.00				" "
29	220 230	230 236	7029	15 5	 8	100.00 3667	0.07	7034	0.05	
30	236	240		7	12	7750				" "
31	230	240	7030	13	4	5300	0.07	7035	0.05	
32	240	242		1	8	3000				Transition
33	242	250		11	12	5875				"
34	240	250	7044	13	4	5300	0.05	7036	0.07	
35	250	257		3		4000				"
36	251	257		9		6000				"
37	257	260		3	6	4500				"
38	250	260	7045	15	6	6150	0.02	7056	0.10	
39	260	261		3	2	100.00				"
40	261	267		6	12	5400				"
41	267	270		8		100.00				"
42										
43										
44										
45										
46										
47										

CORE LOG — DIAMOND DRILL HOLE NO. 24

DATE DRILLED — 11/28 TO 12/15/58

% CORE RECOVERY — 49.75 %

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks	
1	260	270	7046	17	14	7150	0.05	7057	0.05		1
2	270	272		3	4	6500				Transition	2
3	272	278		5	4	3500				"	3
4	278	280		2	14	5750				"	4
5	270	280	7069	11	6	4550	0.02	7058	0.05		5
6	280	281		2	12	100.00				"	6
7	281	290		5	6	2688				"	7
8	280	290	7070	8	2	3250	0.02	7059	0.05		8
9	290	291		3		100.00				"	9
10	291	299		2	14	1438				"	10
11	299	300			14	3500				"	11
12	290	300	7071	6	12	2700	0.05	7060	0.10		12
13	300	304		1	6	1375				"	13
14	304	310		2	14	1917				"	14
15	300	310	7072	4	4	1700	0.05	7061	0.05		15
16	310	311		1	8	6000				"	16
17	311	320		4	4	1889				"	17
18	310	320	7073	5	12	2300	0.10	7062	0.10		18
19	320	321		1	14	7500				"	19
20	321	326			12	0600				"	20
21	326	330			10	0625				"	21
22	320	330	7074	3	4	1300	0.05	7063	0.07		22
23	330	336		1		0667				"	23
24	336	339		1	12	1556				"	24
25	339	340			2	0500				"	25
26	330	340	7103	2	14	1150	0.10	7091	0.10		26
27	340	350			4	0200		7092	0.10	"	27
28	350	351			2	1000				"	28
29	351	354			14	2333				"	29
30	354	360			4	0333				"	30
31	350	360		1	4	1000		7093	0.10		31
32	340	360	7104	1	8	0600	0.10				32
33	360	361			2	1000				"	33
34	361	366			4	0400				"	34
35	366	370			2	0250				"	35
36	360	370			8	0400		7094	0.12		36
37	370	371			2	1000				"	37
38	371	380			8	0444				"	38
39	370	380			10	0500		7095	0.10		39
40	360	380	7105	1	2	0450	0.10				40
41	380	390			4	0200		7096	0.10	"	41
42	390	391			12	6000				"	42
43	391	400		1	2	1000				"	43
44	390	400		1	14	1500		7097			44
45	380	400	7106	2	2	0850	0.15				45
46	400	401			14	7000				"	46
47											47

CORE LOG — DIAMOND DRILL HOLE NO.24

DATE DRILLED — 11/28 TO 12/15/58

% CORE RECOVERY — 49.75 %

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks	
1	401	409		5	6	5375				Transition	1
2	409	410		2	4	100.00				"	2
3	400	410	7107	8	8	6800	0.10	7146	0.07		3
4	410	416		1	8	2000				"	4
5	416	420		1	10	3250				"	5
6	410	420	7108	3	2	2500	0.12	7147	0.12		6
7	420	423			12	2000				"	7
8	423	430		1	8	1714				"	8
9	420	430	7109	2	4	1800	0.12	7148	0.12		9
10	430	431		1		8000				"	10
11	431	440		2	12	100.00				"	11
12	430	440	7156	3	12	3000	0.05	7149	0.10		12
13	440	441		1	4	100.00				"	13
14	441	445		1	2	2250				"	14
15	445	450			2	0200				"	15
16	440	450	7157	2	8	2000	0.05	7150	0.07		16
17	450	451			6	3000				Aplite IOts of Quartz	17
18	451	460			12	0666				" " " "	18
19	450	460	7158	1	2	0900	0.00	7151	0.10		19
20	460	460			6	3000				" " " "	20
21	461	470		1	6	1222				" " " "	21
22	460	470	7159	1	12	1400	0.00	7152	0.12		22
23	470	471			10	5000				" " " "	23
24	471	480		3	4	2889				" " " "	24
25	470	480	7160	3	14	3100	0.02	7153	0.07		25
26	481	485		1	12	3500				" " " "	26
27	485	490			4	8400				" " " "	27
28	480	490	7161	3	14	3100	0.05	7154	0.10		28
29	490	500	7162	1	4	1000	0.05	7155	0.10	" " " "	29
30											30
31											31
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34											34
35											35
36											36
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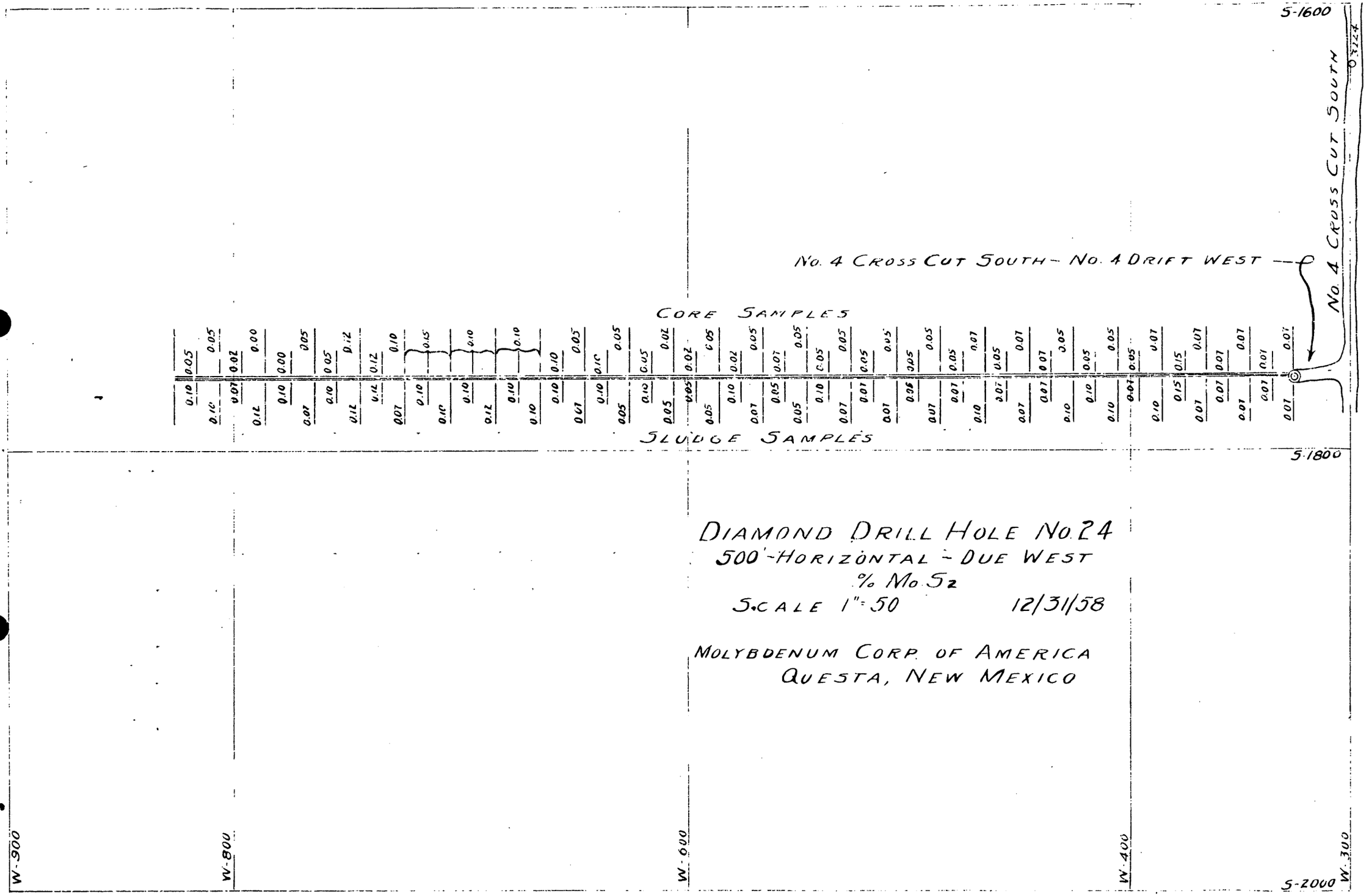


DIAMOND DRILL HOLE No. 24
500'-HORIZONTAL - DUE WEST
% MoS_2
SCALE 1" = 50 12/31/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 30 1958

DATE	INITIALS	CODE
12/30	J. G.	221
4	Murphy	200

224 New Customhouse
Denver 2, Colorado

FINAL DISTRIBUTION
MADE DEC 22 1958

December 19, 1958

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract No. Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of November 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

REMARKS:

Date of Report ----------December 13, 1958
Date Received in Field Office --------December 17, 1958
Date Received in Region Office -------December 19, 1958

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JDC:jy
cc: Chm. Op. Comm. (2)
Belser, OME/DFC
MF-104 file, Reg. III
Harshman w/copy of Engr's. Report
Chron.

OME
DEPARTMENT OF THE INTERIOR
DEC 19 1958
REGION III
DENVER, COLORADO

Dec. 18, 1958

Memorandum

To: Executive Officer, OME Field Team, Region III

From: Carl Belser

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for the month of November 1958

Operations on the subject contract were inspected on December 2, 1958 in company with A. L. Greslin, manager.

The operator claims payment for 5 feet of drill station, 1,000 feet of Stage II core drilling, and 100 chemical analyses for November 1958.

Contract Measurements:

Hole No.	Total Depth	Station	Direction	Dip	Boxes	Size	Assays	Core Recovery
21	500	5' x 10' x 8'	S. 45° E.	-45°	16	BX	50	37.1
25	500	0		-90°	13	BX	50	51.7
2	1,000	5' station			29	BX	100	44.4

In addition Hole No. 24 was being drilled flat N. 90° W. and was in 100 feet. It will be claimed in December.

The following allowable Stage II work was done in November 1958:

Advancing No. 21 drill station 5 feet at $44.43/ft.	$222.15
100 chemical analyses (see drill hole maps) at $3.00/ea.	300.00
1,000 ft. core drilling at $5.00/ft.	5,000.00
413 ft. reaming and casing at $1.00/ft.	413.00
	$5,935.15

Payment of 50 percent of the above amount or $2,967.58 is recommended.

The contractor has not adjusted his accounts to the 1 foot of crosscut ($44.33) made in September.

Carl Belser
Carl Belser
Mining Engineer

CB/mw cc: 6 Idm-E1094 chron

C O N T E N T S

November 1958

1. Narrative Report

2. Form MF-104A

3. Form MF-104

4. Core Log - Drill Hole No. 21

5. Map - Drill Hole No. 21

6. Core Log - Drill Hole No. 25

7. Map - Drill Hole No. 25

NARRATIVE REPORT

November 1958

Questa, New Mexico
December 13, 1958

Mr. J. W. Townsend
Executive Officer, O.M.E.
Field Team III
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period November 1 thru November 30, 1958 there were 24 working days, 5 Sundays and one holiday, Thanksgiving day. There were 24 days worked in the mine.

Drill hole No. 21 was completed to 500 feet and drill hole No. 25 was completed to 500 feet. Drill hole No. 24 was started but not completed during the month.

Development work was carried on in No. 1 CxN and 7 CxN.

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

DEC 30 1958
O.M.E.

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

Month of November 1958 Docket No. DMEA 456S Contract No. IDE-E-1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y

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 & Crosscut	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta	ft	0.00	-0-	3154.53	71	44.43	115	44.43
Timbering	ft	0.00	-0-	2516.40	932	2.70	1000	2.70
Analyses	Spl	0.00	-0-	2826.00	942	3.00	1100	3.00
Ream & Case	ft	0.00	-0-	500.00	500	1.00	500	1.00
Drilling: Core	ft	0.00	-0-	37535.00	7507	5.00	9000	5.00
				STAGE II				
Drift & Crosscut	ft	0.00	-0-	123382.11	2778	44.43	6160	44.43
Drill Sta.	ft	222.15	5	3110.10	70	44.43	250	44.43
Timbering	ft	0.00	-0-	5429.70	2011	2.70	6160	2.70
Analyses	Spl	300.00	100	2397.00	799	3.00	3177	3.00
Core Drill	Ft	5000.00	1000	12035.00	2407	5.00	19500	5.00
Ream & Case		413.00	413	1000.00	1000	1.00	1000	1.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		5935.15		238315.84				

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 12/13/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Carl Belin OME
DEPARTMENT OF THE INTERIOR
DEC 16 1958
REGION III
DENVER, COLORADO

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

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

DEC 30 1958 O.M.E.

Month of November, 1958 Docket No. DMEA 4568 Contract No. DMA-E-1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y
Contract Amount, $510,500.00 Government Participation: 50 % Amount, $255.250.00

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	5000.00	44570.00	49570.00			
~~xxxxxxx~~ Drill Sta	222.15	6042.48	6264.63			
Crosscutting & Drift	0.00	167812.11	167812.11			
~~xxxxxx~~ Timber	0.00	7946.10	7946.10			
Analyses	300.00	4923.00	5223.00			
(2) ~~xxxxxxxx~~ Supervision:						
~~xxx~~ Bean - Case	413.00	1087.00	1500.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	5935.15	232380.69	238315.84	5935.15	232380.69	238315.84

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12/13/58 *Payee Molybdenum Corp. of America
Per A. B. Greaves Title Manager

*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:

$2967.56

Signature [illegible]
(Authorized Certifying Officer)

Date 12/22/58 Vou. No. DMEA 59-77

(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. Pdm-E1044 in accordance with the terms of the contract.

Signature Carl Behm (2,967,58) Title Mining Engineer Date 12/18/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date DEC 19 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.

CORE LOG — DIAMOND DRILL HOLE NO. 21

Date Drilled — November 1958

% CORE RECOVERY — 37.08%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
0	5		0		-0-				Greenrock
5	10		4	4	1889				"
0	10	5101	4	4	0944	0.07	5175	0.15	"
10	20	5102	4		0889	0.25	5176	0.40	"
20	21		3	4	7222				"
21	29		8	6	2326				"
29	30		1	8	3333				"
20	30	5103	13	2	2917	0.15	5177	0.32	"
30	31		1	14	4167				"
31	33		5	12	6389				"
33	40		14	10	4643				"
30	40	5104	22	4	4944	0.07	5178	0.20	
40	50	5147	11	8	2556	0.22	5179	0.50	"
50	60	5148	15	10	3472	0.27	5180	0.47	
60	66		14	2	5231				"
66	70		11	4	6250				Transition
60	70	5149	25	6	5639	0.12	5181	0.30	
70	80	5150	24	4	5389	0.10	5182	0.50	"
80	81		3	6	7500				"
81	87		16	2	5513				"
87	90		7	12	6889				"
80	90	5151	27	4	6056	0.20	5183	0.30	
90	96		6		2222				Quartz & Granite
96	100		8	12	4861				" "
90	100	5152	14	12	3278	0.12	5184	0.17	" "
100	101		3	12	8333				" "
101	110		14	4	3519				" "
100	110	5153	18		4000	0.10	5185	0.17	
110	120	5154	10	12	2389	0.17	5186	0.20	" "
120	121		4	8	7778				" "
121	130		22		5432				" "
120	130	5155	26	8	5889	0.12	5187	0.25	" "
130	136		9	6	3472				" "
136	140		3		3871				" "
130	140	5156	12	6	6387	0.89	5188	0.20	" "
140	141		1	14	9677				" "
141	146		9	14	7484				Transition
146	150		3	4	4194				"
140	150	5157	15		7742	0.30	5189	0.27	
150	151		1	12	9032				"
151	160		11	2	6380				"
150	160	5158	12	14	6845	0.30	5190	0.35	
160	166		2	14	2473				Quartz & Granite
166	170		6	6	8226				Porphyry
160	170	5159	8	4	4258	0.17	5191	0.25	
170	176		5	8	4731				Greenrock

CORE LOG DIAMOND DRILL HOLE NO. 21

DATE DRILLED NOVEMBER 1958

% CORE REC. 37.08%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
176	178		3	8	9032				Transition Rock
178	180		3	12					"
170	180	5160	14	12	7613	0.12	5387	0.40	
180	190	5161	7	14	4065	0.07	5388	0.35	"
190	191		1	14	9677				"
191	200		5	2	2939				"
190	200	5162	7		3613	0.10	5389	0.25	"
200	201		1	14	9677				"
201	210		4	2	2007				"
200	210	5163	6		2903	0.05	5390	0.27	
210	211		1	10	8387				"
211	220		8		4588				"
210	220	5164	9	10	4968	0.10	5391	0.32	
220	221		1	6	7097				"
221	230		6	6	3656				"
220	230	5402	7	12	4000	0.17	5392	0.25	
230	231			12	3871				"
231	240		12	2	6953				"
230	240	5403	12	14	6645	0.50	5393	0.20	
240	241			14	7368				"
241	250		1	8	1395				"
240	250	5404	2	6	1959	0.12	5394	0.20	
250	251		1		8421				"
251	260			14	0814				Aplite-Granite-Quartz
250	260	5405	1	14	1546	0.17	5395	0.25	
260	261			10	5263				"
261	270			2	0114				"
260	270			12	0616		5396	0.22	
270	271			2	1052				"
271	273		1	10	6842				"
273	275		1	8	6315				"
275	280			6	0631				"
270	280		3	10	3052		5397	0.17	
260	280	5406	4	6	3684	0.12			"
280	281			12	6316				"
281	286		1	10	2737				"
286	290			14	1842				"
280	290	5407	3	4	2737	0.20	5398	0.15	
290	291			8	4211				"
291	296			6	0632				"
296	300		1	14	3947				"
290	300	5408	2	12	2316	0.10	5399	0.22	
300	306		1	6	1930				"
306	308		1	12	7368				"
308	310		2	2	8947				"
300	310	5409	5	4	4421	0.20	5400	0.17	

CORE LOG — DIAMOND DRILL HOLE NO. 21

DATE DRILLED — NOVEMBER 1958

% CORE REC. — 37.08%

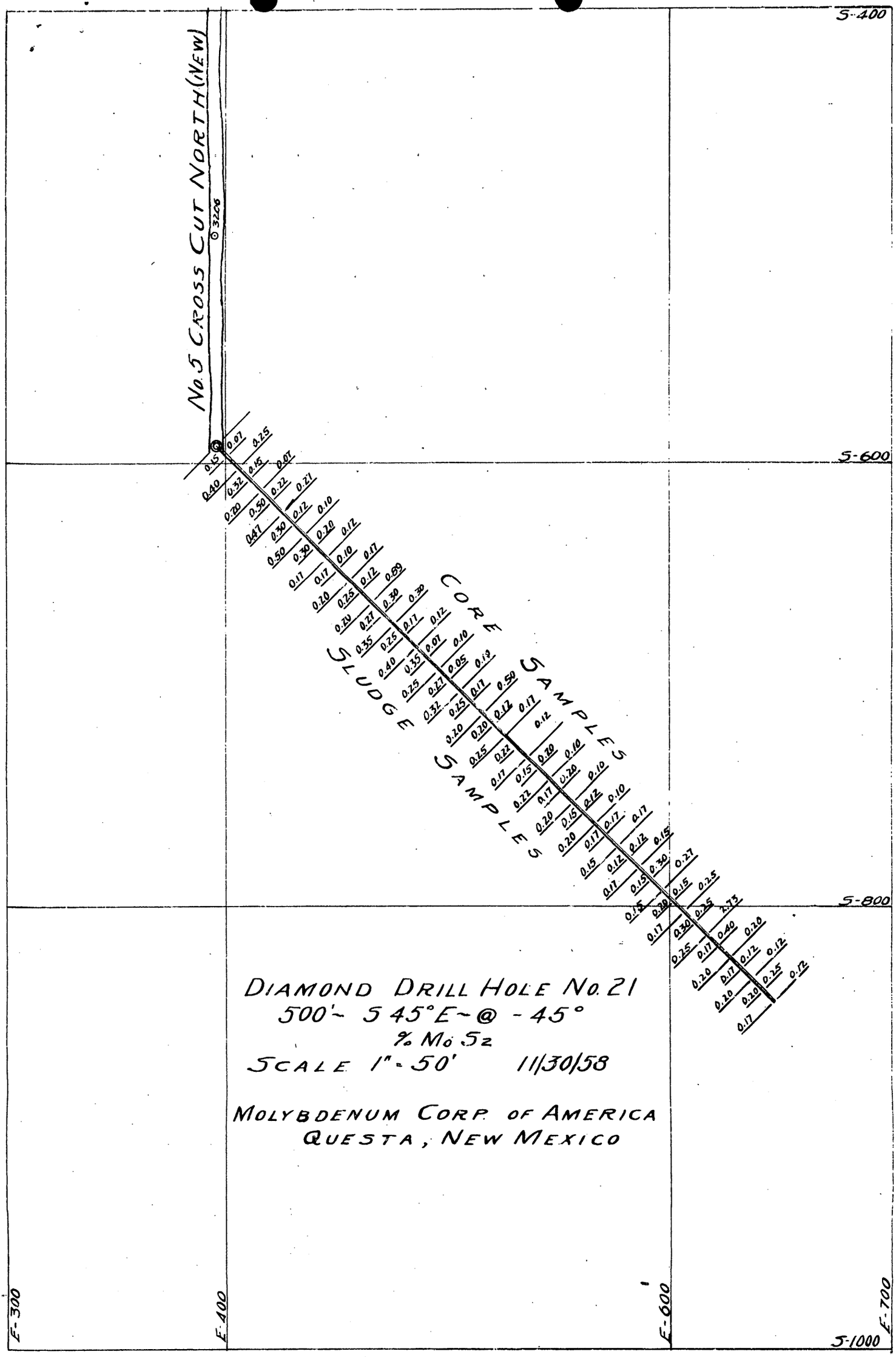
Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
310	313		3	8	9825				Aplite
313	314			12	6316				"
314	318		3		6316				"
318	320			12	3158				"
310	320	5410	8		0421	0.10	5401	0.20	
320	321			12	6316				"
321	325		1	12	3684				"
325	328		1	12	4912				"
328	330		1		4211				"
320	330	5411	5	4	4421	0.12	5416	0.15	
330	331		1	2	9474				"
331	336			10	1316				"
336	340		1	8	3158				"
330	340	5412	3	4	2737	0.10	5417	0.20	
340	341		1	2	9474				Transition
341	350		2	8	5263				"
340	350	5413	3	10	3053	0.17	5418	0.17	
350	351		1	1	8947				"
351	356		2	13	4737				"
356	360		2	10	4421				"
350	360	5414	6	8	5474	0.17	5419	0.15	
360	366		2		2807				"
366	370		1	4	2632				"
360	370	5415	3	4	2737	0.12	5420	0.12	
370	371			12	6316				Aplite
371	376		2		3368				"
376	380			8	1053				"
370	380	5431	3	4	2737	0.15	5480	0.17	
380	386			10	0877				"
386	390		1		2105				"
380	390	5432	1	10	1368	0.30	5421	0.15	
390	398			12	0789				"
398	400			12	3158				"
390	400	5433	1	8	1263	0.27	5422	0.15	
400	401			10	5263				"
401	410			14	0819				"
400	410	5434	1	8	1263	0.15	5423	0.20	
410	411			12	6316				"
411	416		2	8	4211				"
416	420		2	2	4474				"
410	420	5435	5	6	4526	0.25	5424	0.17	
420	426		1	6	1930				"
426	430			4	0526				"
420	430	5441	1	10	1368	0.25	5425	0.30	
430	436			12	1053				"
436	440			2	0263				Transition

CORE LOG — DIAMOND DRILL HOLE NO. 21

DATE DRILLED — NOVEMBER 1958

% CORE RECOVERY — 37.08%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
430	440	5442		14	0737	2.73	5426	0.25	
440	441			2	1053				Transition
441	450		1	10	1520				Aplite
440	450	5443	1	12	1474	0.40	5427	0.17	
450	451			8	4211				"
451	456			8	0842				"
456	460		1	10	3421				Transition
450	460	5444	2	10	2211	0.20	5428	0.20	
460	465		1		1684				"
465	470		3	8	5895				"
460	470	5445	4	8	3789	0.12	5429	0.17	
470	474		2	8	5263				"
474	477		1	8	4271				"
477	480			8	1403				Aplite
470	480	5446	4	8	3739	0.12	5430	0.20	
480	486		1	2	1579				Transition
486	490			12	1579				"
480	490	5447	1	14	1579	0.25	5449	0.20	
490	496			14	1228				"
496	500			8	1053				"
490	500	5448	1	6	1158	0.12	5450	0.17	


S-400
S-600
S-800
S-1000
E-300
E-400
E-600
E-700
No. 5 CROSS CUT NORTH (NEW)
3206
CORE SAMPLES
SLUDGE SAMPLES
DIAMOND DRILL HOLE No. 21
500'- S 45° E - @ - 45°
% Mo S2
SCALE 1" = 50'
11/30/58
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

CORE LOG — DIAMOND DRILL HOLE NO. 25

DATE DRILLED — NOVEMBER 1958

% CORE RECOVERY — 51.68%

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz	Core % Rec.	Sludge % MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	0	4		1	6	1486				Greenrock
2	4	6		3	6	5806				"
3	6	9		3	4	5591				"
4	9	10		2	6	100.00				"
5	0	10	5465	10	6	4486	0.07	5475	0.07	
6	10	11		2	5	100.00				"
7	11	14		6	15	100.00				"
8	14	20		3	14	2793				"
9	10	20	5466	13	2	5676	0.10	5476		
10	20	21		2	5	100.00				"
11	21	30		3	15	1892				"
12	20	30	5467	6	4	2703	0.07	5477	0.07	
13	30	31		2	5	100.00				"
14	31	40		6	7	3093				"
15	30	40	5468	8	12	3784	0.07	5478	0.07	
16	40	41		1	14	8108				"
17	41	48		16		9884				"
18	48	49		2	4	9730				"
19	49	50		4	6	100.00				"
20	40	50	5469	27		100.00	0.07	5479	0.07	
21	50	51		4	10	100.00				"
22	51	60		5	6	2583				"
23	50	60	5470	10	4	4432	0.07	5492	0.07	
24	60	61		5	4	100.00				"
25	61	67		10	2	7297				"
26	67	70		5	8	7928				"
27	60	70	5471	20	14	9027	0.07	54.93	0.07	
28	70	72		3	14	8378				"
29	72	75		4	10	6667				"
30	75	80		9	12	8432				"
31	70	80	5472	18	4	7892	0.05	5494	0.07	
32	80	81		1	12	7566				"
33	81	90		7	6	3544				"
34	80	90	5473	9	2	3946	0.05	5495	0.07	
35	90	91		8	12	100.00				"
36	91	100		7	2	3423				"
37	90	100	5474	15	14	6865	0.05	5496	0.07	
38	100	101		8		100.00				"
39	101	109		15		7601				"
40	109	110		5		100.00				"
41	100	110	5505			100.00	0.05	5497	0.07	
42	110	119		15	12	7568				"
43	119	120		5	8	100.00				"
44	110	120	5506	21	4	9189	0.05	5498	0.07	
45	120	129		12	4	5736				"
46	129	130		4	4	100.00				"
47										

CORE LOG — DIAMOND DRILL HOLE NO. 25

DATE DRILLED — NOVEMBER 1958

% CORE RECOVERY — 51.68%

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	120	130	5507	16	8	7135	0.02	5499	0.07	
2	130	139		8	8	4084				Transition
3	139	140		9	12	100.00				"
4	130	140	5508	18	4	7892	0.02	5500	0.02	
5	140	149		8	8	4084				"
6	149	150		9	2	100.00				"
7	140	150	5509	17	10	7622	0.02	5501	0.05	
8	150	159		8	2	3904				"
9	159	160		5	2	100.00				"
10	150	160	5510	13	4	5730	0.02	5502	0.07	
11	160	166		7		5054				"
12	166	170		5	2	5541				"
13	160	170	5511	12	2	5243	0.02	5503	0.07	
14	170	171		3	6	100.00				"
15	171	180		9	6	5792				"
16	170	180	5512	12	12	5514	0.02	5504	0.05	
17	180	181		7	8	100.00				"
18	181	190		16	12	8048				"
19	180	190	5513	24	4	100.00	0.02	5527	0.07	
20	190	197		13	14	8571				"
21	197	200		9		100.00				"
22	190	200	5514	22	14	9892	0.02	5528	0.07	
23	200	205		5	2	4433				"
24	205	210		4	12	4108				"
25	200	210	5524	9	14	4200	0.05	5529	0.05	
26	210	212		4	12	100.00				Aplite-Quartz
27	212	213		1	10	7027				" "
28	213	215		3	2	6757				" "
29	215	218		5	10	8108				" "
30	218	220		2	12	5946				" "
31	210	220	5525	17	14	7730	0.05	5530	0.05	
32	220	223		5	2	7387				" "
33	223	230		7		4324				" "
34	220	230	5526	12	2	5243	0.05	5531	0.05	
35	230	231		4	4	100.00				" "
36	231	236		8	14	7676				" "
37	236	240		4	14	5270				Transition
38	230	240	5534	18		7784	0.05	5532	0.05	
39	240	241		4	2	100.00				"
40	241	248		11	12	7259				"
41	248	250		3	12	8108				"
42	240	250	5535	19	10	8496	0.05	5533	0.05	
43	250	254		7	6	7973				"
44	254	260		10	8	7566				"
45	250	260	5536	17	14	7730	0.07	5578	0.05	
46	260	263		3	12	5405				"
47										

CORE LOG DIAMOND DRILL HOLE NO. 25

DATE DRILLED NOVEMBER 1958

% CORE RECOVERY 51.68%

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	263	270		11	4	6950				Transition
2	260	270	5537	15		6486	0.05	5579	0.05	
3	270	273		5	4	7568				"
4	273	276		2	2	3063				"
5	276	280		1	12	1891				"
6	270	280	5589	9	2	3946	0.07	5580	0.07	
7	280	284		2	4	2433				"
8	284	288			12	8009				"
9	288	290			6	8108				"
10	280	290	5590	3	6	1459	0.07	5581	0.05	
11	290	300	5591	1	2	4865	0.05	5582	0.05	"
12	300	310	5592	2	8	1081	0.05	5583	0.07	"
13	310	320	5593	1	8	0849	0.05	5584	0.05	"
14	320	330	5594	2	12	1189	0.07	5585	0.05	"
15	330	338		2	2	2138				"
16	338	340			12	3077				"
17	330	340	5595	2	14	1443	0.05	6006	0.07	
18	340	346			0	-0-				"
19	346	350			2	-0-				"
20	* 340	350			2	00-		6007	0.07	
21	350	356			0	-0-				"
22	356	360			0	-0-				"
23	* 350	360			0	-0-		6008	0.10	
24	* 360	370			0	-0-		6009	0.07	"
25	* 370	380			4	0206		6010	0.07	"
26	* 380	390			2	0103		6011	0.07	"
27	* 390	400			6	0392		6012	0.07	"
28	340	400	5596		14	0120	0.02			
29	400	406		1		1379				"
30	406	409		1	4	3438				"
31	409	410			4	2105				"
32	400	410	5597	2	8	2061	0.05	6013	0.07	
33	410	415			8	0825				"
34	415	416			6	3158				"
35	416	420			12	1538				"
36	410	420	6004	1	10	1340	0.05	6014	0.10	
37	420	425			0	-0-				
38	425	430			0	-0-				
39	* 420	430			0	-0-		6015	0.07	
40	430	431			0	-0-				
41	431	440		2	8	2286				Aplite
42	430	440		2	8	2062		6016	0.07	"
43	420	440	6005	2	8	1031	0.07			
44	440	446		2	4	3103				"
45	446	450		1	10	3333				Transition
46	440	450	6063	3	14	3196	0.07	6067	0.05	
47										

CORE LOG — DIAMOND DRILL HOLE NO. 25

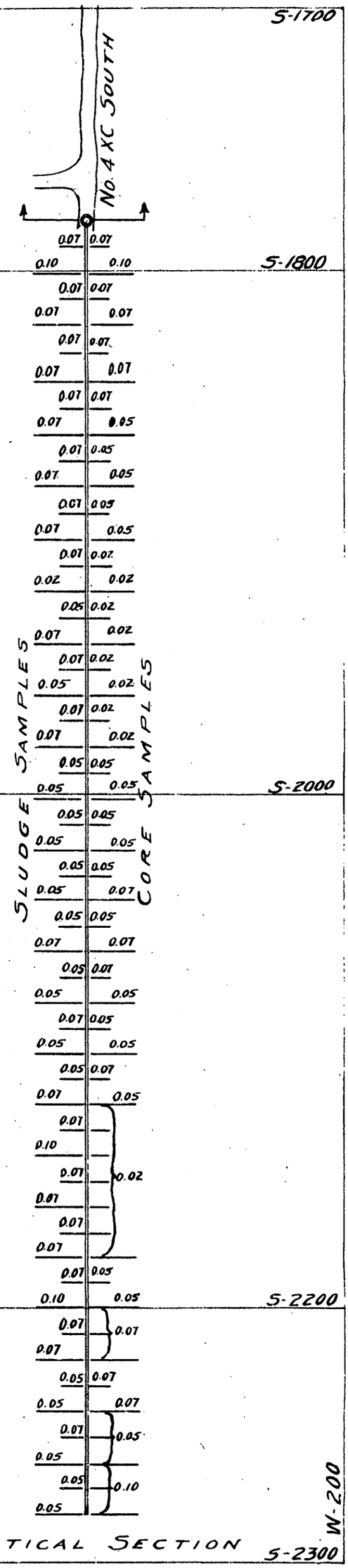
DATE DRILLED — NOVEMBER 1958

% CORE RECOVERY — 51.68%

	Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	450	451		2	4	100.00				Transition
2	451	454			6	1035				Aplite
3	454	460			6	0345				*
4	450	460	6064	2	14	2371	0.07	6068	0.05	
5	460	464			10	1282				*
6	464	470			2	0172				*
7	* 460	470			12	0690		6069	0.07	
8	470	474			4	0513				*
9	474	480			6	0517				*
10	* 470	480			10	0515		6070	0.05	*
11	460	480	6065	1	6	1134	0.05			
12	480	484			6	0769				*
13	484	490			2	0172				*
14	* 480	490			8	0412		6071	0.05	
15	490	491			2	1052				*
16	491	500			8	0457				*
17	490	500			10	0515		6072	0.05	
18	480	500	6066	1	2	0929	0.10			

* Not enough core for assay

No. 4 XC South ~ No. 4 Drift West



DIAMOND DRILL HOLE No. 25
500' @ - 90°
% MoS_2
SCALE 1" = 50' 11/30/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

VERTICAL SECTION

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
November 18, 1958

FINAL DISTRIBUTION
NOV 20 1958
MADE

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 24 1958

DATE	INITIALS	CODE
11/24	C	220
"	JH	110
11/25	Murphy	700

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract ~~Idm-E1094~~
Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of October, 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report----------November 8, 1958
Date Received in Field Office----------November 11, 1958
Date Received in Region Office----------November 17, 1958

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
Belser, OME/DFC
MF-104 file, Reg. III
Harshman - w/copy of Engr's report
Chron

OME
DEPARTMENT OF THE INTERIOR
NOV 17 1958
REGION III
DENVER, COLORADO

Nov. 14, 1958

Memorandum

To: Executive Officer, OME Field Team, Reg. III

From: Carl Belser

Subject: Docket No. DMRA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corp. of America (Moly or Questa mine) Taos County, N. M. -- Progress report for October 1958

Operations under the subject contract were inspected on November 12, 1958 in company with the operator's manager, A. L. Greslin.

The operator claims payment in October 1958 for 500 feet of core drilling at Hole No. 23. Hole No. 21, 500 feet in length, was drilled in November 1958 and will not be claimed until next month.

Contract Measurements
Only core hole No. 23 was drilled in October 1958. A total of 315 feet of reaming and casing was required to drill the hole. The assay map shows 50 samples. The core was badly broken up and recovery was low (21.41 percent).

The following Stage II drilling (Hole 23) is allowable for October 1958.

500 feet core drilling at $5.00/ft.	$2,500.00
315 feet reaming and casing at $1/ft.	315.00
50 chemical analysis at $3/ea.	150.00
	$2,965.00

Payment of 50 percent of the above amount or $1,482.50 is recommended.

Some visable molybdenite was noticed in the core. Stage II crosscut units should read 2,777 instead of 2,778.

Carl Belser
Carl Belser
Mining Engineer

CB/mw
cc: 6
Idm-E1094
chron

C O N T E N T S

October 1958

1. Narrative Report

2. Form MF-104A

3. Form MF-104

4. Core Log - Drill Hole No. 23

5. Map - Drill Hole No. 23

NARRATIVE REPORT

October 1958

Questa, New Mexico
November 8, 1958

Mr. J. W. Townsend
Executive Officer, O.M.E.
Field Team III
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period October 1 thru October 31, 1958 there were 27 working days and 4 Sundays. 27 days were worked in the mine.

Drill hole No. 23 was completed to 500 feet. Drilling was started on drill hole No. 21 but wasn't completed during this month.

Work was carried on in No. 1 CxN and in No. 7 CxN.

We are deducting the 1 foot in excess of the 1500 feet reported for No. 4 CxS.

A. L. Greslin

A. L. Greslin, Manager

OME
DEPARTMENT OF THE INTERIOR
NOV 10 1958
REGION III
DENVER, COLORADO

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED NOV 24 1958 O.M.E.

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

Month of October 1958 Docket No. DMEA 456g Contract No. DMEE 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y

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 & Crosscut	ft	00.0	-0-	44430.00	1000	44.43	1000	44.43
~~Crosscutting~~ Drill Sta	ft	0.00	-0-	3154.53	71	44.43	115	44.43
~~Raising~~ Timbering	ft	0.00	-0-	2516.40	932	2.70	1000	2.70
~~Shaft~~ Analyses	SPL	0.00	-0-	2826.00	942	3.00	1100	3.00
~~Winze~~ Ream & Case	ft	0.00	-0-	500.00	500	1.00	500	1.00
Drilling: Core	ft	0.00	-0-	37535.00	7507	5.00	9000	5.00
				STAGE II				
Drift ~~Auger~~ Crosscut	ft	0.00	-0-	123382.11	2778	44.43	6160	44.43
~~Stoping~~ Drill Sta	ft	0.00	-0-	2887.95	65	44.43	250	44.43
~~Stoping~~ Timbering	ft	0.00	-0-	5429.70	2011	2.70	6160	2.70
~~Drifting~~ Analyses	SPL	150.00	50	2097.00	699	3.00	3177	3.00
~~Rehabilitation~~ Ream-Case	ft	315.00	315	587.00	587	1.00	1000	5.00
Core Drill	ft	2500.00	500	7035.00	1407	5.00	19500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2965.00		232380.69				

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 11/8/58 Operator Molybdenum Corp. of America

Per A. B. Greeley Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only) Earl Belm

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

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

Budget Bureau No. 42-R1036.5

RECEIVED NOV 24 1958 DMEA

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

Month of October, 1958 Docket No. DMEA 4568 Contract No. IDM-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y
Contract Amount, $510,500.00 Government Participation: 50 % Amount, $ 255,250.00

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	2500.00	42070.00	44570.00			
Drill Sta.	0.00	6042.48	6042.48			
Crosscutting & Drift	0.00	167812.11	167812.11			
Timber	0.00	7946.10	7946.10			
Analyses	150.00	4773.00	4923.00			
(2)						
Ream & Case	315.00	772.00	1087.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2965.00	229415.69	232380.69	2965.00	229415.69	232,380.69

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10/8/58 *Payee Molybdenum Corporation of America
Per [signature] Title Manager

*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:

$1482.50

Signature [signature]
(Authorized Certifying Officer)

Date 11-19-58 Vou. No. DMEA-59-63
(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. Idn-E1094 in accordance with the terms of the contract.

Signature Carl Belan ($6,482.50) Title Mining Engineer Date 11/14/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date NOV 18 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.

CORE LOG — DIAMOND DRILL HOLE NO. 23

DATE DRILLED — OCTOBER 1958

% CORE RECOVERY — 21.41%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. oz	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
0	5			12	0649				Transition
5	10		1	2	0973				Aplite
0	10	4490	1	14	0811	0 10	4503	0.12	
10	12			10	1351				"
12	20		1	10	0878				"
10	20	4491	2	4	0973	0 22	4504	0.10	
20	22			12	1622				Transition
22	30		1	2	0608				Transition
20	30	4492	1	14	0811	0 15	4505	0.22	
30	36			10	0450		4506	0.17	"
36	40		4	6	4728		4507	0.27	"
30	40	4493	5		2162	0.25			
40	43		1	4	1802				"
43	50		1	10	1004		4508	0.17	"
40	50	4494	2	14	1243	0.10			
50	56		2	14	2072		4508	0.25	"
56	60		4	10	5000				"
50	60	4495	7	8	3243	0.10			
60	66		5		3604		4510	0.17	"
66	70		4	8	6000		4511	0.17	"
60	70	4496	9	8	4108	0.12			
70	72		3	8	7568				"
72	76		6	4	6757				"
76	79		4	2	5946				"
79	80		1	8	6486				"
70	80	4497	15	6	6649	0.12	4512	0.15	
80	82		1	12	3784				"
82	90		5		2703				"
80	90	4498	6	12	2919	0.10	4513	0.15	
90	92		2	8	5405				"
92	100		10	4	5541				"
90	100	4499	12	12	5514	0.10	4514	0.15	
100	101		2	4	9730				"
101	110		7	2	3423				"
100	110	4500	9	6	4054	0.12	4515	0.15	
110	112		2	12	5946				"
112	120		13	4	7162				"
110	120	4501	16		6919	0.05	4516	0.15	
120	121		1	12	7568				"
121	128		14	8	7027				"
128	130		2	2	4594		4517	0.15	"
120	130	4502	18	6	7946	0.07	4518	0.25	
130	132		3	6	7297		4519	0.12	"
132	139		8	6	5174		4520	0.20	Granite-Quartz-MoS2
139	140		2		8649				Transition
130	140	4228	13	12	5946	0.17			

CORE LOG — DIAMOND DRILL HOLE NO. 23

DATE DRILLED — OCTOBER 1958

% CORE RECOVERY — 21.41%

Distance From	Distance To	Core Spl. No.	Core W%. Lb.	Core W%. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
140	149		5	8	2643		4521	0.20	Transition
149	150		1	8	6486		4542	0.17	"
140	150	4229	7		3027	0.20			
150	156		10	8	7568				"
156	158		4	8	10000				"
158	160		4	8	10000				" Streaks MoS2
150	160	4230	19	8	8432	0.30	4543	0.17	
160	165		6	4	5405				"
165	170		1	14	1622				"
160	170	4640	8	2	3514	0.35	4544	0.22	
170	175		3	4	2811				"
175	180		2		1730				"
170	180	4641	5	4	2270	0.07	4545	0.20	
180	181		2	5	10000				"
181	190			13	0390				"
180	190	4642	3	2	1351	0.15	4546	0.22	
190	191		1		4324				"
191	200			8	0240				"
190	200	4643	1	8	0649	0.12	4547	0.20	
200	201			8	2162				"
201	210		4	4	2042				"
200	210	4644	4	12	2054	0.15	4809	0.32	
210	211		1		4324				"
211	219		7	14	4257				"
219	220			6	1622				"
210	220	4802	9	4	4000	0.12	4810	0.30	
220	229		3		2424				"
229	230			12	5455				"
220	230	4803	3	12	2727	0.10	4820	0.20	
230	231			14	6364				"
231	240		4	2	3333				Transition to 233
230	240	4804	5		3636	0.07	4821	0.25	Aplite
240	243			6	1017				Aplite
243	250			4	0294				" & Transition
240	250	4805		10	0515	0.07	4822	0.20	
250	260	4806	7	12	6392	0.07	4823	0.20	Porphyry after 255
260	270	4807	2	8	2062	0.05	4824	0.12	"
270	276			8	0690				"
276	280			8	1026				"
270	280	4808	1		0825	0.05	4825	0.15	"
280	281			2	1053				"
281	290			14	0800				"
280	290	4898	1		0825	0.07	4826	0.20	
290	291			12	6316				"
291	300			6	0343				"
290	300	4899	1	2	0928	0.05	4827	0.15	

CORE LOG — DIAMOND DRILL HOLE NO. 23

DATE DRILLED — OCTOBER 1958

% CORE RECOVERY — 21.41%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
300	306			12	1034				Transition & Quartz
306	310			6	0769				" "
300	310	4900	1	2	0928	0.12	4828	0.17	" "
310	311			4	2105				Aplite
311	316			0	-0-				"
316	320			0	-0-				"
* 310	320			0	-0-		4906	0.50	"
320	325			0	-0-				"
325	330			0	-0-				"
* 320	330			0	-0-		4907	0.42	"
330	331			0	-0-				"
331	336			6	0619				"
336	340			14	1795				"
* 330	340		1	4	1031		4908	0.32	"
340	346			12	1034				"
346	350			2	0256				"
* 340	350		1	2	0929		4909	0.42	"
350	356			2	0172				"
356	360			6	0769				"
* 350	360			8	0412		4910	0.32	"
310	360	4901	2	14	0414	0.12			
360	366			8	0690				Porphyry
366	370			10	1282				"
* 360	370		1	2	0928		4911	0.25	"
370	376			10	0862				"
376	380			8	1026				"
* 370	380		1	2	0927		4912	0.22	"
360	380	4902	2	4	1856	0.10			"
380	381			6	3158				Transition
381	390		2	8	2286				"
380	390	4903	2	14	2371	0.17	4913	0.37	"
390	391		1	2	9473				Aplite
391	400		1	4	1142				"
390	400	4904	2	6	1959	0.12	4917	0.27	"
400	401			6	3158				"
401	410		1	2	1029				"
400	410	4905	1	8	1237	0.12	4918	0.27	"
410	411			4	2105				"
411	416		1	2	1856				"
416	420			6	0769				"
410	420	4941	1	12	1443	0.12	4919	0.25	"
420	426		1		1379				"
426	430			4	0513				"
420	430	4942	1	4	1031	0.10	4920	0.27	"
430	431			4	2105				"
431	440			6	0343				"

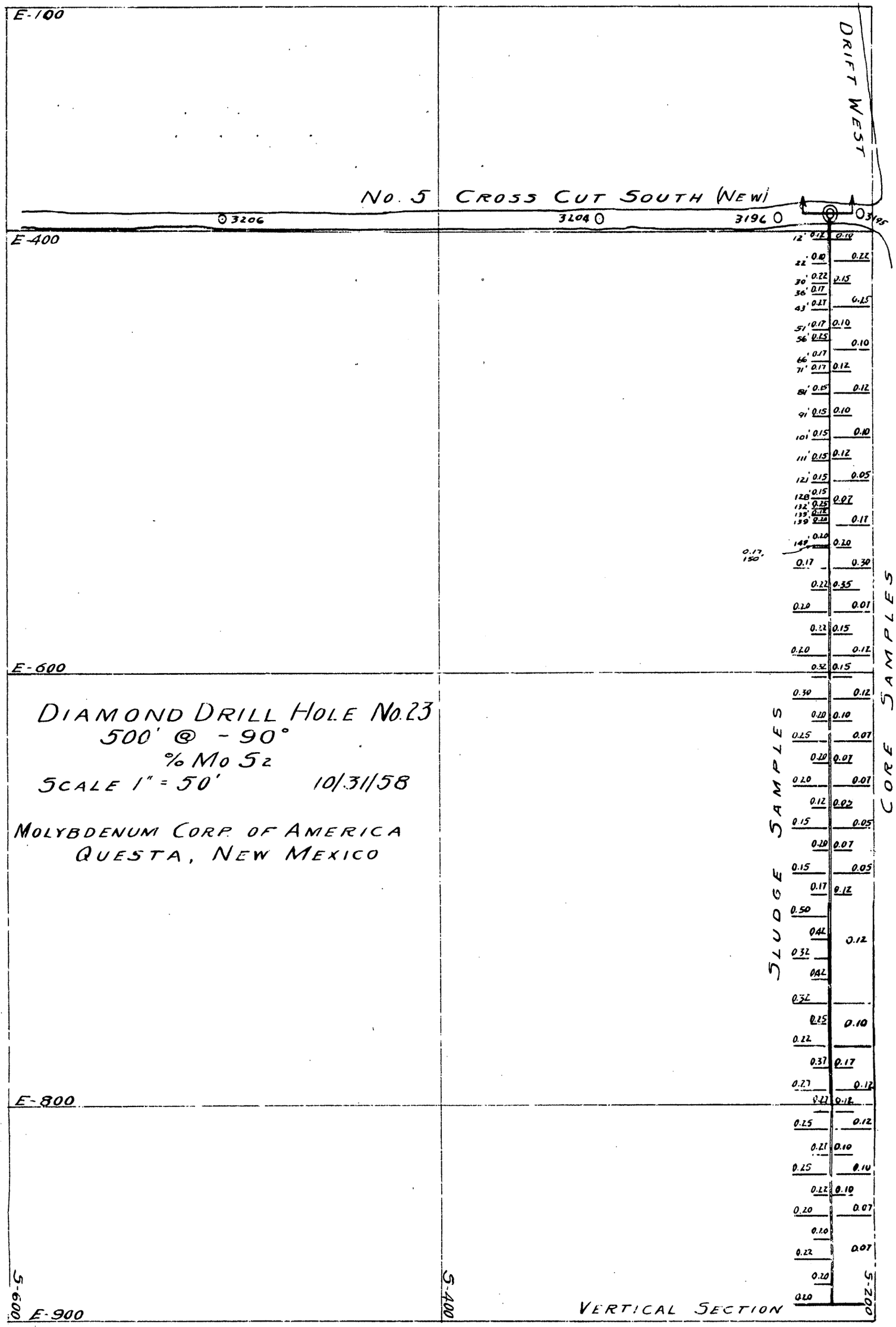
CORE LOG — DIAMOND DRILL HOLE NO. 23

DATE DRILLED — OCTOBER 1958

% CORE RECOVERY — 21.41%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
430	440	4943		10	0515	0.10	4921	0.25	Aplite
440	441			4	2105				"
441	446			6	0619				"
446	450			2	0256				"
440	450	4944		12	0619	0.10	4922	0.22	
450	456			6	0517				"
456	460			6	0769				"
450	460	4945		12	0619	0.07	4923	0.20	"
460	461			2	1053				"
461	470			4	0228				"
* 460	470			6	0309		4924		"
470	471			2	1053				"
471	476			2	0206				"
476	480			2	0256				"
* 470	480			6	0309		4925	0.22	"
480	486			2	0172				"
486	490			2	0256				"
* 480	490			4	1026		4926	0.20	"
490	496			2	0172				"
496	500			4	0513				"
* 490	500			6	0309		4927	0.20	"
460	500	4946	1	6	0284	0.07			"

* Not enough Core for a Sample


E-100
DRIFT WEST
NO. 5 CROSS CUT SOUTH (NEW)
3206
3204
3196
3195
E-400
12' 0.12 0.10
22' 0.10 0.22
30' 0.22 0.15
36' 0.17
43' 0.27 0.25
51' 0.17 0.10
56' 0.25 0.10
66' 0.17
71' 0.17 0.12
81' 0.15 0.12
91' 0.15 0.10
101' 0.15 0.10
111' 0.15 0.12
121' 0.15 0.05
128' 0.15
132' 0.25 0.07
139' 0.12
139' 0.20 0.17
149' 0.20 0.20
0.17, 150'
0.17 0.30
0.22 0.35
0.20 0.01
0.22 0.15
0.20 0.12
E-600
0.32 0.15
0.30 0.12
0.20 0.10
0.25 0.07
0.20 0.07
0.20 0.07
0.12 0.02
0.15 0.05
0.20 0.07
0.15 0.05
0.17 0.12
0.50
0.42 0.12
0.32
0.42
0.32
0.25 0.10
0.22
0.37 0.17
0.27 0.12
E-800
0.25 0.12
0.21 0.10
0.25 0.10
0.22 0.10
0.20 0.07
0.20
0.22 0.07
0.20
0.20
E-900
5-600
5-400
5-200
VERTICAL SECTION
SLUDGE SAMPLES
CORE SAMPLES
DIAMOND DRILL HOLE NO. 23
500' @ -90°
% MoS2
SCALE 1" = 50'
10/31/58
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

FINAL DISTRIBUTION

MADE NOV 1 0 1958

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 13 1958

DATE	INITIALS	CODE
11/13	C	220
"	FEB	110

Administrative Payee's Statement

Date: November 7, 1958

Payee's Reference: September 1958

DMEA-4568

Molybdenum Corporation
500 Fifth Avenue
New York 18, New York

Gentlemen:

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

Amount Claimed	$	11,178.70
Difference	$	44.43
Amount Approved	$	11,134.27

The reason for the difference was due to:

Disallowed 1 foot of crosscutting.
1500 feet of crosscutting in the No. 4 crosscut is the maximum allowable under terms of contract.

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

Very sincerely yours,

XXXXXXXXXXXX Randel R. Cooper
XXXXXXXXXXXX Authorized Certifying Officer

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

224 New Customhouse
Denver 2, Colorado
November 5, 1958

Memorandum

To: T. A. Christensen

From: Executive Officer, CME Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of September, 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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

Disallowance, Crosscutting

Records in this office indicate that the following footage has been reported for the No. 4 Crosscut South.

Month Reported	Footage
December, 1957	31'
January, 1958	122'
February, "	153'
March, "	132'
April, "	207'
May, "	225'
June, "	139'
July, "	179'
August, "	171'
September, "	142'
Total----------	1501 feet.

Only 1500 feet of crosscutting in the No. 4 Crosscut South has been approved by the Government, therefore the reported cost for 1 foot of crosscutting is to be disallowed, as follows:

Disallow 1 foot crosscutting at $44.43/ft---------- $ 44.43

Reconciliation With Amount Reported by the Operator on Form MF-104 for September, 1958

Amount reported on Form MF-104 for September, 1958----------	$11,178.70
Amount to be disallowed----------	44.43
Acceptable cost for September, 1958----------	$11,134.27
Government participation at 50 percent----------	$ 5,567.13

Remarks:

Date of Report----------	October 14, 1958
Date Received in Field Office----------	October 20, 1958
Date Received in Region Office----------	October 22, 1958

Original signed
J. W. TOWNSEND

J. W. Townsend

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
Belser, GMR/DFC
MF-104 file, Reg. III
Harshman) w/copy of
Cooper) Engr's Report
Chron

OME
DEPARTMENT OF THE INTERIOR

OCT 22 1958
REGION III
DENVER, COLORADO

Oct. 21, 1958

Memorandum

To: Executive Officer, OME

From: Carl Balser

Subject: Docket No. DMEA 4568 (Molybdenum) Contract I4m-K109h,
Molybdenum Corp. of America (Moly or Quanta mine)
Taos County, N. M. -- Progress report for September 1958

Operations under the subject contract were inspected on October 14, 1958 in company with the operator's manager, A. L. Greslin.

The operator claims payment in September 1958 for 142 feet of advance in No. 4 - EC-8, 48 feet of drilling stations at holes 23, 24, and 25, 79 chemical analysis and 500 feet of core drilling in hole No. 20.

Contract Measurements

The 79 assays check with the assay maps and core samples.

Diamond drill hole No. 20 core was checked. Core AX. Core recovery very poor -- about 20 percent. Hole was drilled to a depth of 500 feet. Diamond drill station 23 was raised on for 11 feet, Station No. 24 approximately 23 feet as claimed (23 feet of drift), and Station No. 25 was 14 feet (9' x 19' x 5')

Timber -- none

Advance No. 4-EC-8
Face 10/14/58 Station 3223 plus 159.0'
Face 9/1/58 Station 3224 plus 8.0'
Advance 151.0' or 9 feet more than the amount claimed.
Total length claimed is 1358.0' plus 142' or 1500.0'.
The following is approved:

Stage I -- nothing

Stage II

500 feet of core drilling at $5/ft.	$2,500.00
142 feet of crosscutting at $44.43/ft.	6,309.06
48 feet of drill stations (23 + 11 + 14) at $44.43/ft.	2,132.64
79 chemical analyses at $3/ea.	237.00
	$11,178.70

Payment of 50 percent of the above amount, or $5,589.35 is recommended.

No. 4-KC-8 ended with visible molybdenite faces as shown on the assay map.

At the time of inspection diamond drill hole No. 23 was finished at a depth of 300 feet.

Carl Belser
Carl Belser
Mining Engineer

CB/mr
cc: 6
Idm-K1094
chron

C O N T E N T S

SEPTEMBER 1958

1. Narrative Report
2. Form MF-104A
3. Form MF-104
4. Geology Map No. 4 CxS
5. Progress & Timber Map No. 4 CxS
6. Chip and Assay Map No. 4 CxS
7. Core Log - Drill Hole No. 20
8. Map - Drill Hole No. 20

NARRATIVE REPORT

September 1958

Questa, New Mexico
October 14, 1958

Mr. J. W. Townsend
Alternate Acting Executive Officer
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period September 1 through September 30, 1958 there were 25 working days, 4 Sundays and we were off for Labor Day.

No. 4 CxS was worked on a two shift basis and was completed to the approved footage.

142 feet of advance were made in No. 4 CxS. This was in transition rock. There was no timbering in this place.

23 feet of work were done on No. 4 CxS to make room to drill hole No. 24.

11 feet of raise work were done to make room to drill hole No. 23 in No. 5 CxS.

14 feet of raise work were done to make room to drill hole No. 25 in No. 4 CxS.

Drill hole no. 20 was completed to 500 feet.

OME
DEPARTMENT OF THE INTERIOR
OCT 17 1958
REGION III
DENVER, COLORADO

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED NOV 18 1958 O.M.E.

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

Month of Sept 195 8 Docket No. DMEA 4568 Contract No. DMEA 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Averne New York 22, N Y

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 & Crosscut	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta	ft	0.00	-0-	3154.53	71	44.43	115	44.43
Timbering	ft	0.00	-0-	2516.40	932	2.70	1000	2.70
Analyses	SPL	0.00	-0-	2826.00	942	3.00	1100	3.00
Regm & Case	ft	0.00	-0-	500.00	500	1.00	500	1.00
Drilling: Core	ft	0.00	-0-	37535.00	7507	5.00	9000	5.00
				STAGE II				
Drift & Crosscut	ft	6309.06	142	123426.54	2778	44.43	6160	44.43
Drill Sta.	ft	2132.64	48	2887.95	65	44.43	259	44.43
Timbering	ft	00.00	-0-	5429.70	2011	2.70	6160	2.70
Analyses	SPL	237.00	79	1947.00	649	3.00	3177	3.00
Regm & Case	ft	0.00	-0-	272.00	272	1.00	1000	1.00
Core Drill	ft	2500.00	500	4535.00	907	5.00	19500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		11178.70		229460.12				

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 10.14/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only) Carl Belser

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED NOV 13 1958 DMEA

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 8 1958 Docket No. DMEA 4568 Contract No. DMLE 1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 375 Park Avenue New York 22, N.Y.

Contract Amount, $ 510,500.00 Government Participation: 50 % Amount, $ 255,250.00

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:	2500.00	39570.00	42070.00			
~~Drillers~~ Drill Sta	2132.64	3909.84	6042.48			
Bulldozing & Drift	6309.06	161547.48	167856.54			
~~Crosscutting~~ Timber	0.00	7946.10	7946.10			
~~Drill~~ Analyses	237.00	4536.00	4773.00			
(2) ~~Labor and Supervision~~ ~~Rear & Case~~	0.00	772.00	772.00			
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	11178.70	218281.42	229460.12	11342.7	218281.	229415.69

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

Date 10/14/58 Payee* Molybdenum Corp. of America

Per A. R. Gresham Title Manager

*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:

$ 5,567.14

Signature RRC (Authorized Certifying Officer)

Date 11-7-58 Vou. No. DMEA-59-60

(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. Tdm-E1094 in accordance with the terms of the contract.

Signature Carl Behn (95,589,35) Title Mining Engineer Date 10/21/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date NOV 5 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).

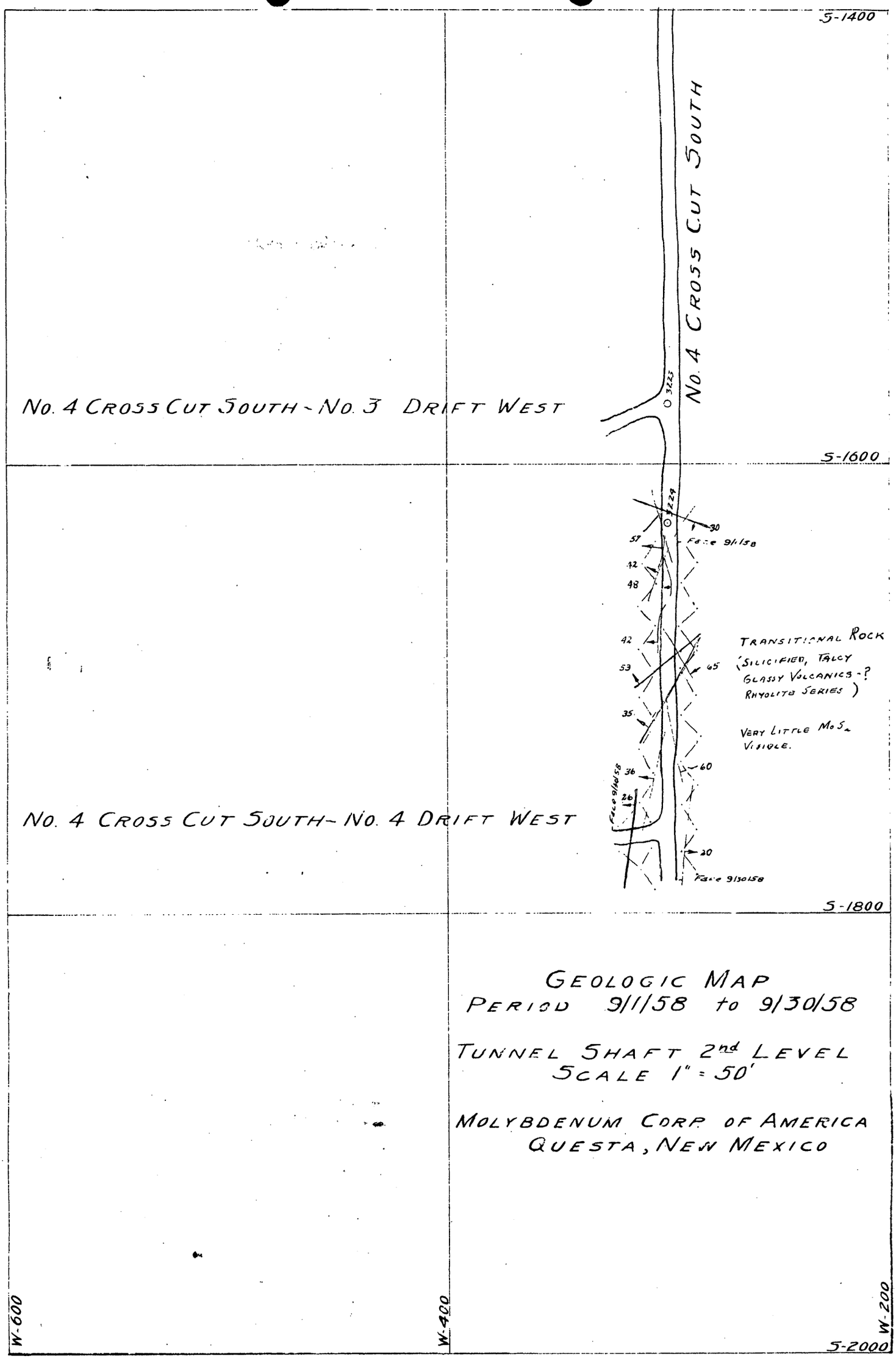
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.


5-1400
No. 4 Cross Cut South
No. 4 Cross Cut South - No. 3 Drift West
3225
5-1600
3229
30
Face 9/1/58
57
42
48
42
53
65
35
36
60
26
20
Face 9/30/58
Face 9/30/58
Transitional Rock
(Silicified, Talcy
Glassy Volcanics - ?
Rhyolite Series)
Very Little MoS2
Visible.
No. 4 Cross Cut South - No. 4 Drift West
5-1800
Geologic Map
Period 9/1/58 to 9/30/58
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico
W-600
W-400
W-200
5-2000

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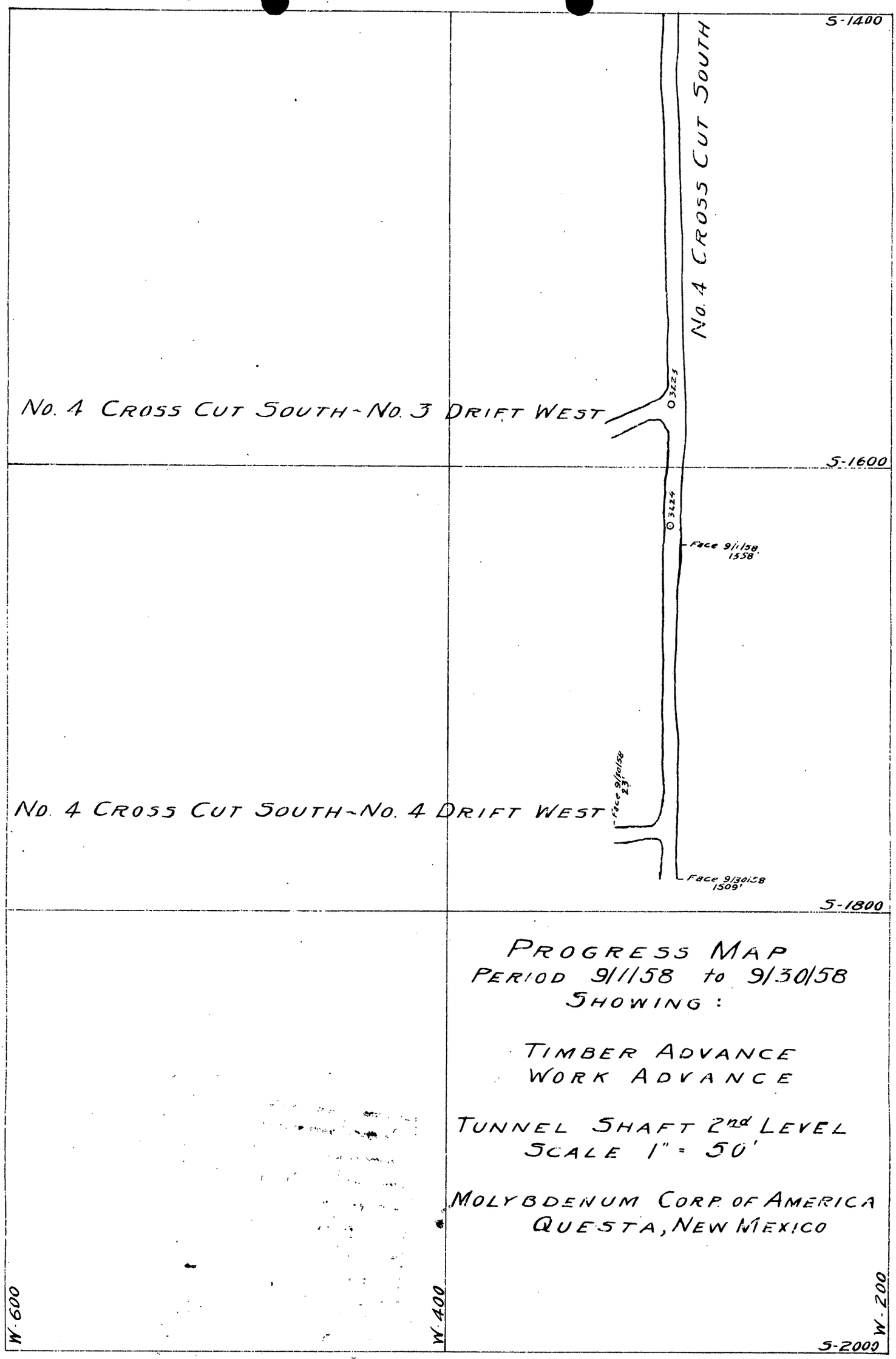
DATE	INITIALS	CODE


S-1400
No. 4 Cross Cut South
No. 4 Cross Cut South - No. 3 Drift West
S-1600
Face 9/1/58
1558'
No. 4 Cross Cut South - No. 4 Drift West
Face 9/10/58
23'
Face 9/30/58
1509'
S-1800
PROGRESS MAP
PERIOD 9/1/58 to 9/30/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
W-600
W-400
W-200
S-2000

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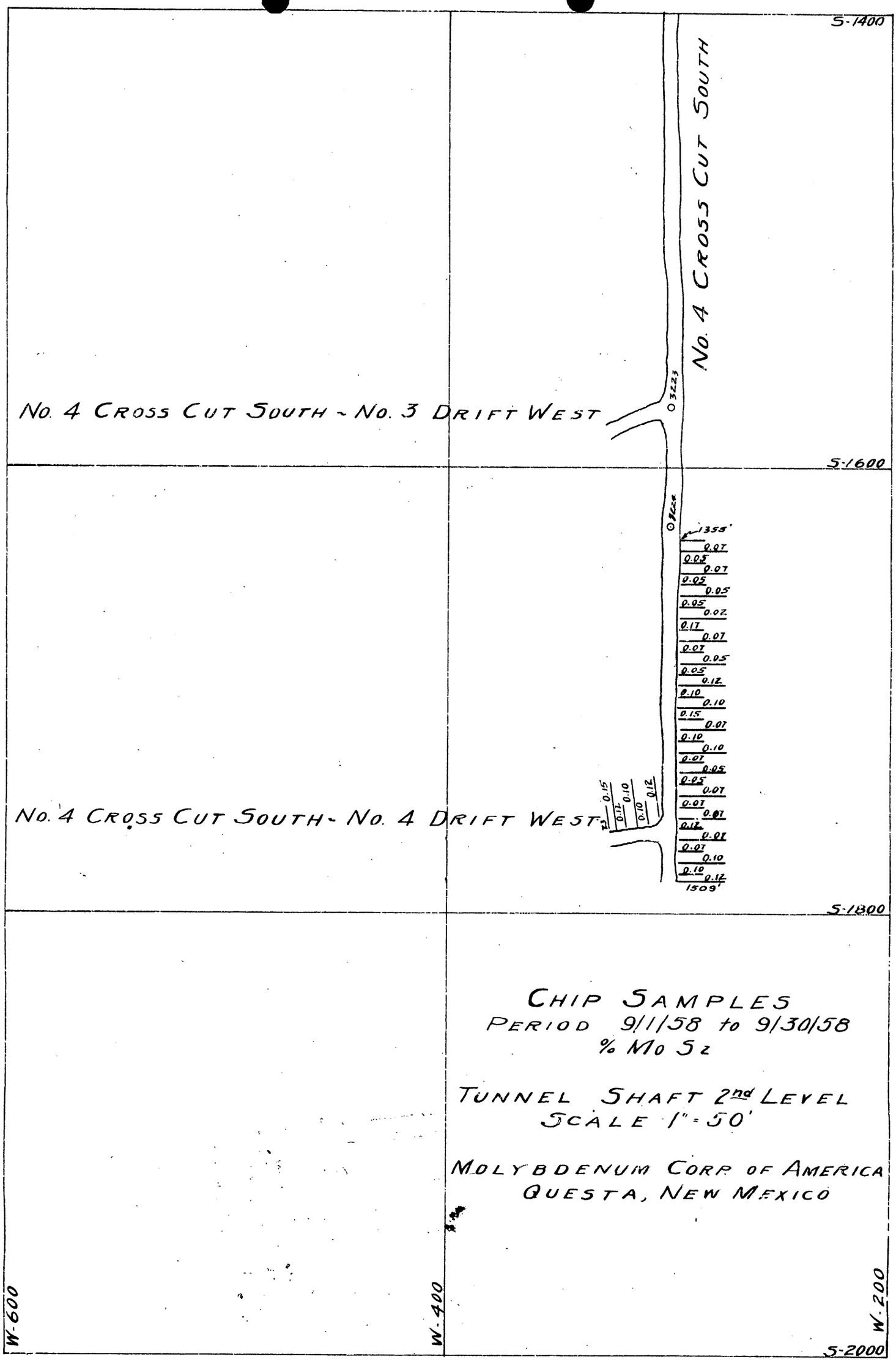
DATE	INITIALS	CODE


S-1400
No. 4 Cross Cut South
No. 4 Cross Cut South - No. 3 Drift West
3223
S-1600
1355'
0.07
0.05
0.07
0.05
0.05
0.05
0.05
0.07
0.17
0.07
0.07
0.05
0.05
0.12
0.10
0.10
0.15
0.07
0.10
0.10
0.07
0.05
0.05
0.07
0.07
0.07
0.12
0.07
0.07
0.10
0.10
0.12
1509'
No. 4 Cross Cut South - No. 4 Drift West
0.15
0.12
0.10
0.10
0.12
S-1800
Chip Samples
Period 9/1/58 to 9/30/58
% Mo S2
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico
W-600
W-400
W-200
S-2000

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RECEIVED NOV 13 1958

DATE	INITIALS	CODE

CORE LOG — DIAMOND DRILL HOLE NO. 20

DATE DRILLED — SEPTEMBER 1958

% CORE RECOVERY — 19.68%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
0	10	3967	1	0	0727	0.05	3975	0.17	Transition
10	15		1	4	1818				"
15	20			12	1091				Granite
10	20	3968	2	0	1455	0.12	3976	0.20	
20	25			4	0364				"
25	30			4	0364				"
* 20	30			8	0364		3977	0.27	Transition
30	35			4	0364				"
35	40			4	0364				"
* 30	40			8	0364		3978	0.22	
20	40	3969	1	0	0364	0.10			
40	45		1	10	2364				"
45	50		1	12	2545				"
40	50	3970	3	6	2455	0.10	3979	0.17	
50	55			10	0909				"
55	60			6	0545				"
50	60	3971	1	0	0727	0.12	3980	0.20	
60	65			8	0727				"
65	70			8	0727				"
60	70	3972	1	0	0727	0.12	3981	0.15	
70	75		1	6	2000				Granite
75	80		2	0	2909				"
70	80	3973	3	6	2455	0.20	3982	0.12	Granite
80	85		1	0	1455				"
85	90		1	6	2000				"
80	90	3974	2	6	1727	0.07	3983	0.15	
90	95		2	4	3273				"
95	100		1	4	1818				"
90	100	3989	3	8	2545	0.05	3984	0.12	
100	110	3990	4	0	2909	0.07	3985	0.12	Transition & Granite
110	120	3991	2	12	2000	0.10	3986	0.12	"
120	130	3992	2	6	1727	0.05	3987	0.10	"
130	140	3993	2	4	1636	0.10	3988	0.15	"
140	150	3994	2	10	1909	0.17	3996	0.17	"
150	160	3995	3	12	2727	0.10	3997	0.20	"
160	170	4016	2	2	1545	0.25	3998	0.20	"
170	180	4017	2	10	1909	0.15	3999	0.20	"
180	190	4018	1	2	0818	0.10	4000	0.20	"
190	200	4019	1	12	1273	0.17	4001	0.22	"
200	210	4020	3	8	2545	0.17	4014	0.17	"
210	220	4021	3	0	2182	0.10	4015	0.15	"
220	225		1	0	1524				"
225	230		4	6	6667				" with Quartz-FeS2
220	230	4022	5	6	4095	0.10	4290	0.10	
230	235		3	12	5714				"
235	240		1	10	2476				"

CORE LOG DIAMOND DRILL HOLE NO. 20

DATE DRILLED SEPTEMBER 1958

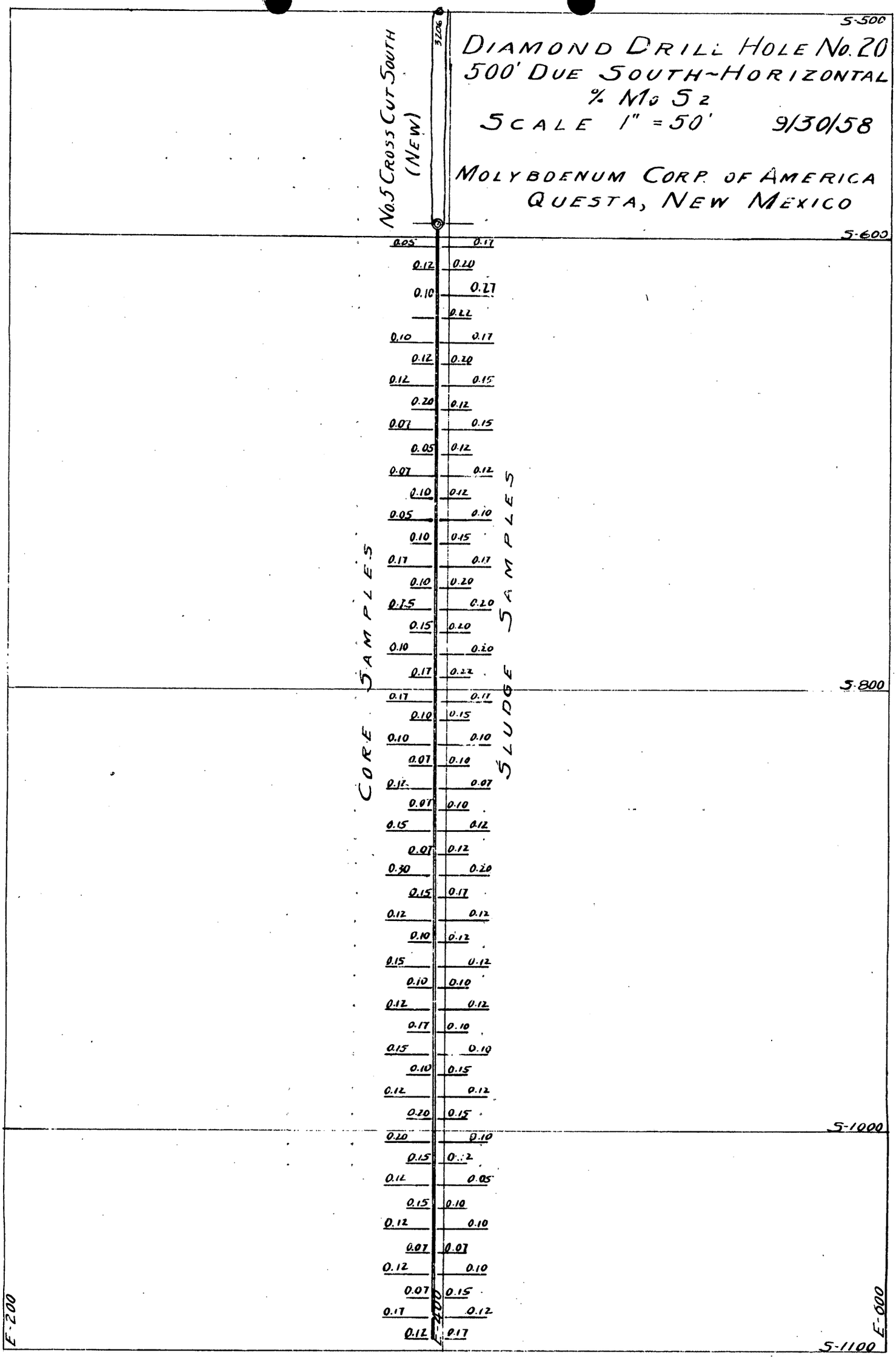
% CORE RECOVERY 19.68%

Distance From	Distance To	Core Spl. No.	Core Wt. Lb.	Core Wt. Oz.	Core % Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
230	240	4285	5	6	40.95	0.07	4291	0.10	Transition
240	250	4286	9	0	6857	0.12	4292	0.07	"
250	260	4287	4	10	3524	0.07	4293	0.10	"
260	270	4288	2	12	2095	0.15	4294	0.12	"
270	280	4289	1	4	0952	0.07	4295	0.12	" & Aplite
280	285		1	4	1905				" "
285	287		2	0	7619				" "
287	290		1	0	2540				Transition
280	290	4473	3	0	2286	0.30	4319	0.20	"
290	293		4	0	100.00				"
293	300		2	14	3129				"
290	300	4474	6	14	5238	0.15	4320	0.17	"
300	310	4475	3	0	2286	0.12	4321	0.12	"
310	320	4476	1	14	1429	0.10	4322	0.12	"
320	325			14	1333				Porphyry
325	330			12	1143				"
320	330	4477	1	10	1238	0.15	4323	0.12	Porphyrry
330	340	4478	1	10	1238	0.10	4324	0.10	"
340	350	4479	1	6	1048	0.12	4325	0.12	Aplite
350	355		1	2	1714				"
355	360		1	2	1714				"
350	360	4480	2	4	1714	0.17	4326	0.10	
360	370	4531	1	12	1333	0.15	4327	0.10	Quartz-Granite-MoS2
370	380	4532	1	8	1143	0.10	4481	0.15	" "
380	390	4533	1	8	1143	0.12	4482	0.12	" "
390	400	4534		12	0571	0.20	4483	0.15	" "
400	410	4535	1	0	0762	0.20	4484	0.10	
410	420	4536	2	4	1714	0.15	4485	0.12	Transition
420	430	4537	1	12	1333	0.12	4486	0.05	"
430	440	4538	1	10	1238	0.15	4487	0.10	"
440	450	4539	1	4	0952	0.12	4488	0.10	"
450	460	4540	3	0	2286	0.07	4489	0.07	"
460	470	4541	2	2	16.19	0.12	4566	0.10	"
470	480	4563	3	8	26.67	0.07	4567	0.15	"
480	490	4564	4	0	30.48	0.17	4568	0.12	Aplite - Quartz
490	500	4565	2	10	20. 00	0.12	4569	0.17	" "

DIAMOND DRILL HOLE No. 20
500' DUE SOUTH ~ HORIZONTAL
% MoS_2

SCALE 1" = 50' 9/30/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



FINAL DISTRIBUTION

MADE OCT 1 1958

224 New Customhouse
Denver 2, Colorado
October 9, 1958

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O. M. E.
RECEIVED OCT 16 1958

DATE	INITIALS	CODE
10/16	C	220
"	TEJ	110
	[illegible]	700

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMA 4568 (Molybdenum), Contract No. DMC 21094, Molybdenum Corporation of America (Molycorp Questa mine), Taos County, New Mexico - Operator's Monthly Progress Report for the Month of August, 1958

Enclosed are the original and four copies each of Forms MP-104 and MP-104A, Operator's narrative report, and engineer's report for the above period.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MP-200A; therefore, documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MP-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

REMARKS:

Date of Report - - - - - - - - - - - - September 20, 1958
Date received in field office - - - - September 23, 1958
Date received in Region office - - - - September 30, 1958.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JDC:pwl

cc: Chmn. Op. Comm. (2)
Balsar, OME/DFC
MP-104 file, Region III
Harshman - w/copy of engineer's report
Chron.

OME
DEPARTMENT OF THE INTERIOR

REGION III

SEP 30 1958
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
Sept. 26, 1958

Memorandum

To: Executive Officer, OME

From: Carl Belser

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, N. M. -- Progress report for August 1958

Operations under the subject contract were inspected on September 11, 1958 in company with the operator's manager, A. L. Greslin.

Advance in two Stage II drifts (No. 4 XC S and the Drift West and its timbered portion) were measured. The hole locations and cores of holes Nos. 15 and 16 examined and the new station for hole No. 20 inspected.

The operator claims payment in August 1958 for 171 feet of advance in No. 4 XC S and 114 feet of advance and 106 feet of timbering in the Drift West. A drill station for hole No. 20 in No. 5 XC S equivalent to 5 feet of raising and 58 analyses for molybdenum as shown on their maps for the Stage II work. In the Stage I work the operator claims payment for 671 feet of core drilling in holes Nos. 15 and 16 and 68 analyses for molybdenum as shown on the maps.

All work was in accordance to provisions in the contract. Both faces contained visable molybdenum.

CONTRACT MEASUREMENTS

Advance
No. 4 XC S

Face 9/11/58 station 3224 plus	84.0 ft.
station 3223-3224	54.5 ft.
station 3219-3223	108.5 ft.
total	246.5
face 7/31/58 station 3219 plus	-68.5
	178.0 ft. or 7 ft. more than the amount claimed.

Total length 1,358 ft. (1,187 + 171)

Drift West

Face 9/11/58 station 3222 plus	47.0 ft.
station 3221-3222	104.0 ft.
Face 7/31/58 station	151.0 ft.
3221 plus	34.0 ft.
	117 ft. or 3 ft. more than claimed

Total length 1,093.5 + 114.0 equals 1,207.5

Timber

Station 2222 minus	68 ft.
station 2222 plus	38 ft.
Total	106 ft.

Diamond drill hole No. 15
Core checked, abandoned at 426 ft.

Diamond drill hole No. 16
Core checked, abandoned at 245 ft.

Total 671 feet

Raise for station over hole No. 20, 5 X 8
Rough measure - 6 ft. x 8 ft. x 9 ft. or 1 ft. better than claimed

The following is approved:

Stage I

671 ft. of core drilling at $5/ft.	$3,355.00
68 analyses for molybdenum at $3/ea.	204.00
Total	$3,559.00

Stage II

285 ft. of crosscutting and drifting at $44.43/ft.	$12,662.55
5 ft. station raising at $44.43/ft.	222.15
106 ft. timbering at $2.70/ft.	286.20
58 analyses for molybdenum at $3/ea.	174.00
Total	$13,344.90
Total for August (Stages I and II)	$16,903.90

Payment of 50 percent of the above amount or $8,451.95 is recommended.

Carl Belser
Carl Belser
Mining Engineer

CB/mr
cc: 6 Idm-M1094 chron

C O N T E N T S

August 1958

1. Narrative Report
2. Form MF-104A
3. Form MF-104
4. Geology Map - No. 4 CxS
5. Geology Map - Dft W
6. Progress & Timber Map - No. 4 CxS
7. Progress & Timber Map - Dft W
8. Chip Assay Map - No. 4 CxS
9. Chip Assay Map - Dft W
10. Core Log - Drill Hole No. 15
11. Core Log - Drill Hole No. 16
12. Map - Drill Hole No. 15 and 16

NARRATIVE REPORT

August 1958

Questa, New Mexico
September 16, 1958

Mr. J. W. Townsend
Alternate Acting Executive Officer
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period August 1 through August 31, 1958 there were 26 working days and 5 Sundays. There were 26 days worked in the mine.

No. 4 Crosscut South was worked on a two shift basis and drift west was worked on a one shift basis.

171 feet of advance were made in No. 4 CxS. This was in transition rock, very blocky and hard. There was no timbering in this place.

114 feet of advance were made in drift west. This was in transition rock. 106 feet of timbering were done in this place.

Diamond drill hole No. 15 was completed to 426 feet when it had to be stopped due to the bad ground encountered.

Diamond drill hole No. 16 was completed to 245 feet when it had to be stopped due to caving ground encountered.

5 feet of raise work were done in No. 5 CxS to prepare for drilling diamond drill hole No. 20.

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
SEP 10 1958
O.M.E.

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

Month of August 1958 Docket No. DMEA [illegible] Contract No. IDM F 1074
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 345 Park Avenue New York 22, N.Y.

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 Crosscutting	Ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
~~Crosscutting~~ Drill Sta.	Ft	0.00	-0-	3154.53	71	44.43	115	44.43
~~Raising~~ Timbering	Ft	0.00	-0-	2516.40	932	2.70	1000	2.70
~~Shafts~~ Analyses	Spl.	208.00	68	2926.00	942	3.00	1100	3.00
~~Winzes~~ Rehab & Case	Ft	0.00	-0-	500.00	500	1.00	500	1.00
Drilling: Core Core	Ft	3355.00	671	37535.00	7507	5.00	9000	5.00
~~Churn~~				STAGE II				
Drift + ~~Auger~~ Crosscut	Ft	12662.55	285	117117.48	2636	44.43	6160	44.43
~~Stripping~~ Drill Sta.	Ft	222.15	5	755.31	17	44.43	250	44.43
~~Trenching~~ Timbering	Ft	286.20	106	5429.70	2011	2.70	6160	2.70
~~Test Pits~~ Analyses	Spl.	174.00	58	1710.00	570	3.00	3177	3.00
~~Roads and Trails~~ Rehab & Case	Ft	0.00	-0-	212.00	212	1.00	1000	1.00
Core Drill	Ft	0.00	-0-	2035.00	407	5.00	17500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		16783.70		218231.42				

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 9/20/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only) Carl Bilson OME, Reg. 3
SEP 22 1958

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

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 OCT 16 1958 D.M.E.

Month of August, 1958 Docket No. DMEA 4[illegible] Contract No. IDM E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, [illegible]
Contract Amount, $ 510,500.00 Government Participation: 50 % Amount, $ 255,250.00

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	3355.00	36215.00	39570.00			
Bulldozing Drill Sta.	222.15	3687.69	3909.84			
Crosscutting Drift	12662.55	148884.93	161547.48			
Drifting Timber	286.20	7659.90	7946.10			
Supplies	378.00	4158.00	4536.00			
(2) Labor and Supervision:						
Labor Rent + Pass	0.00	772.00	772.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
		201377.52				
TOTALS	16903.70	~~[illegible]~~	218281.42	16903.70	201,377.52	218281.42

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

Date 9/30/58 *Payee Molybdenum Corp. of America

Per R. L. Gressler Title Manager

*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:

$ 8451.95

Signature RAC
(Authorized Certifying Officer)

Date 10-10-58 Vou. No. DMEA-5979
(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-E1094 in accordance with the terms of the contract.

Signature Carl Bohn (78,451.95) Title Mining Engineer Date 9/26/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature E. M. Hendrickson Title acting Executive Officer Date OCT 9 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).

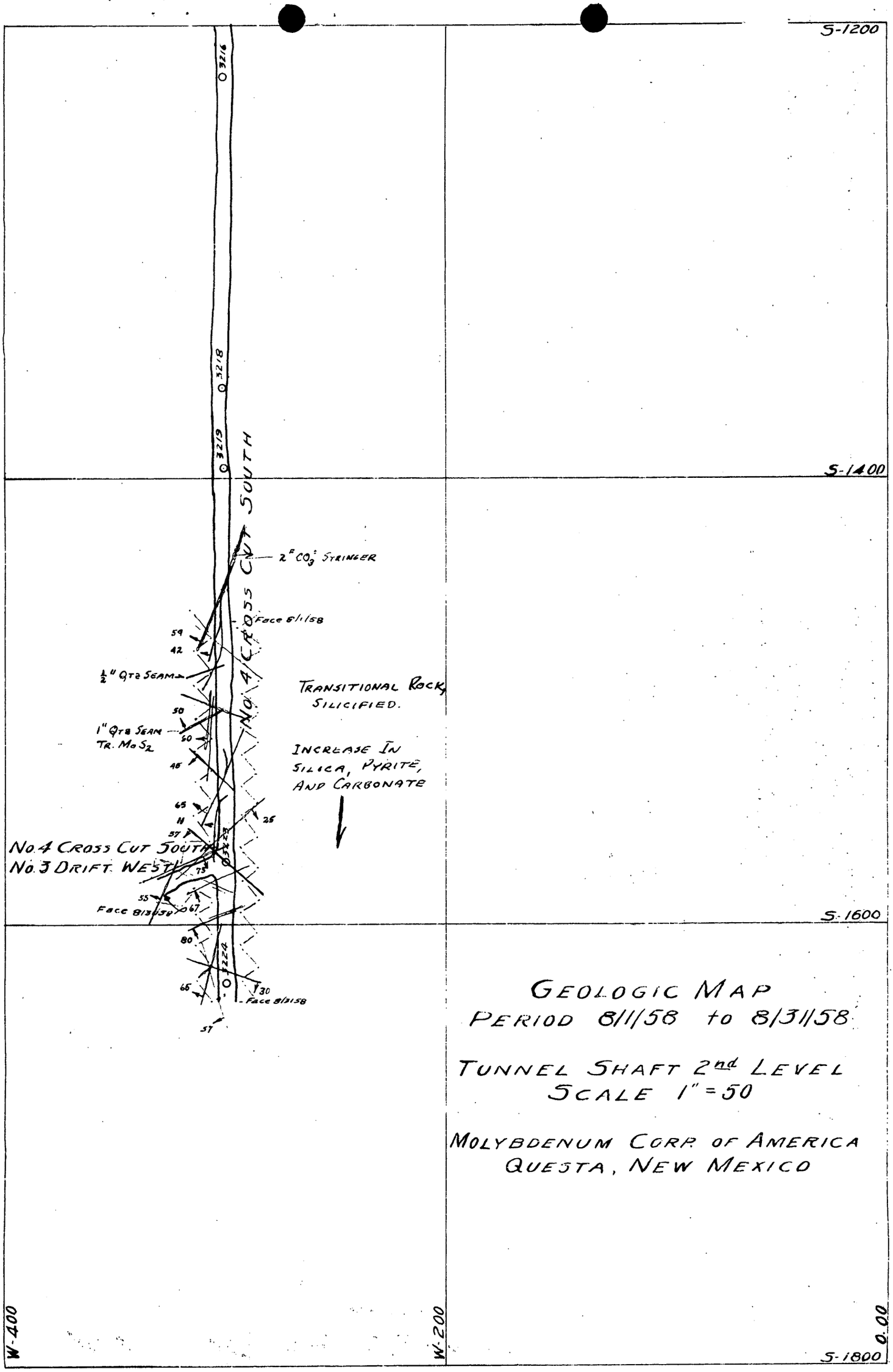
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.

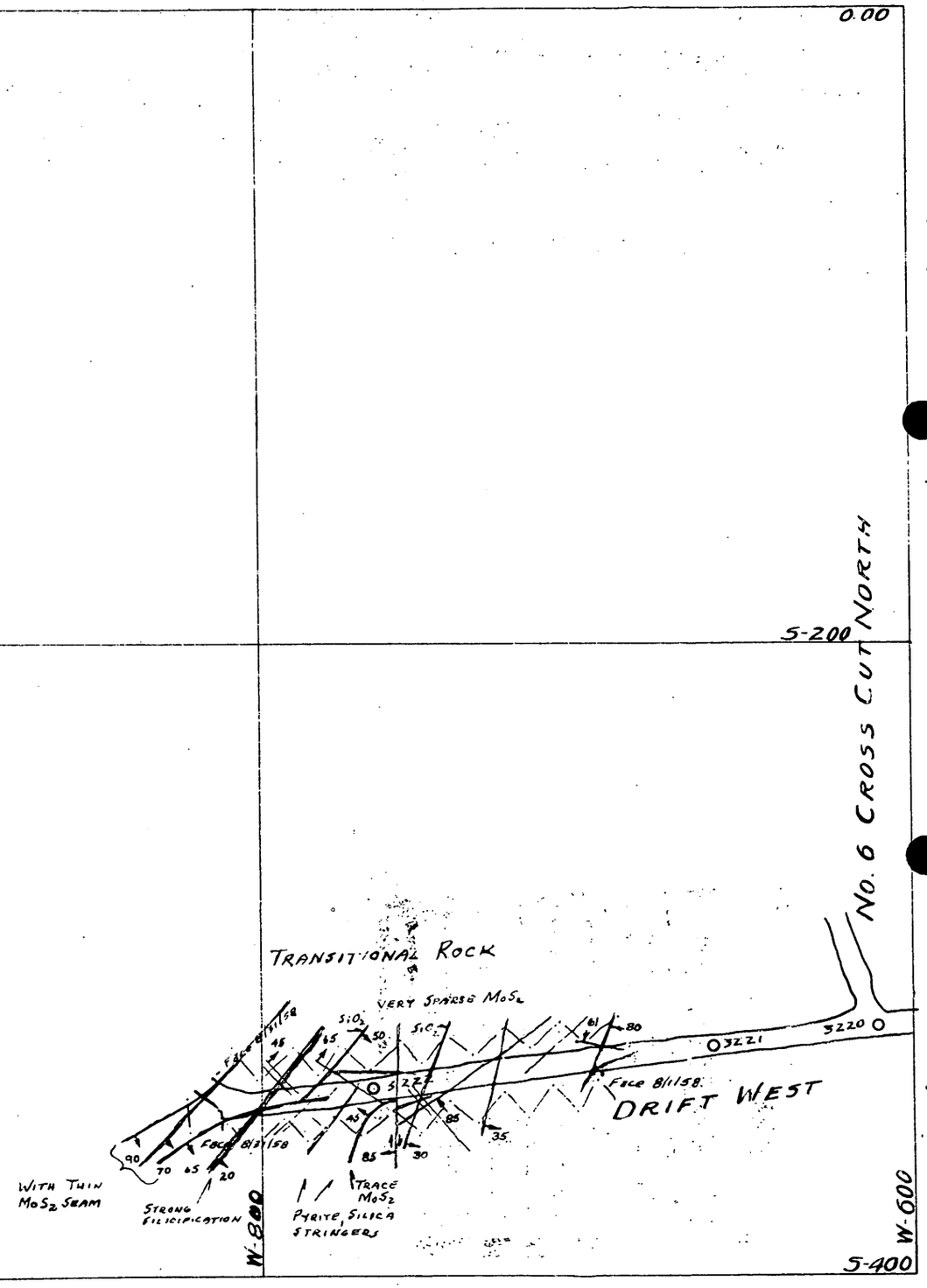
Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number 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.

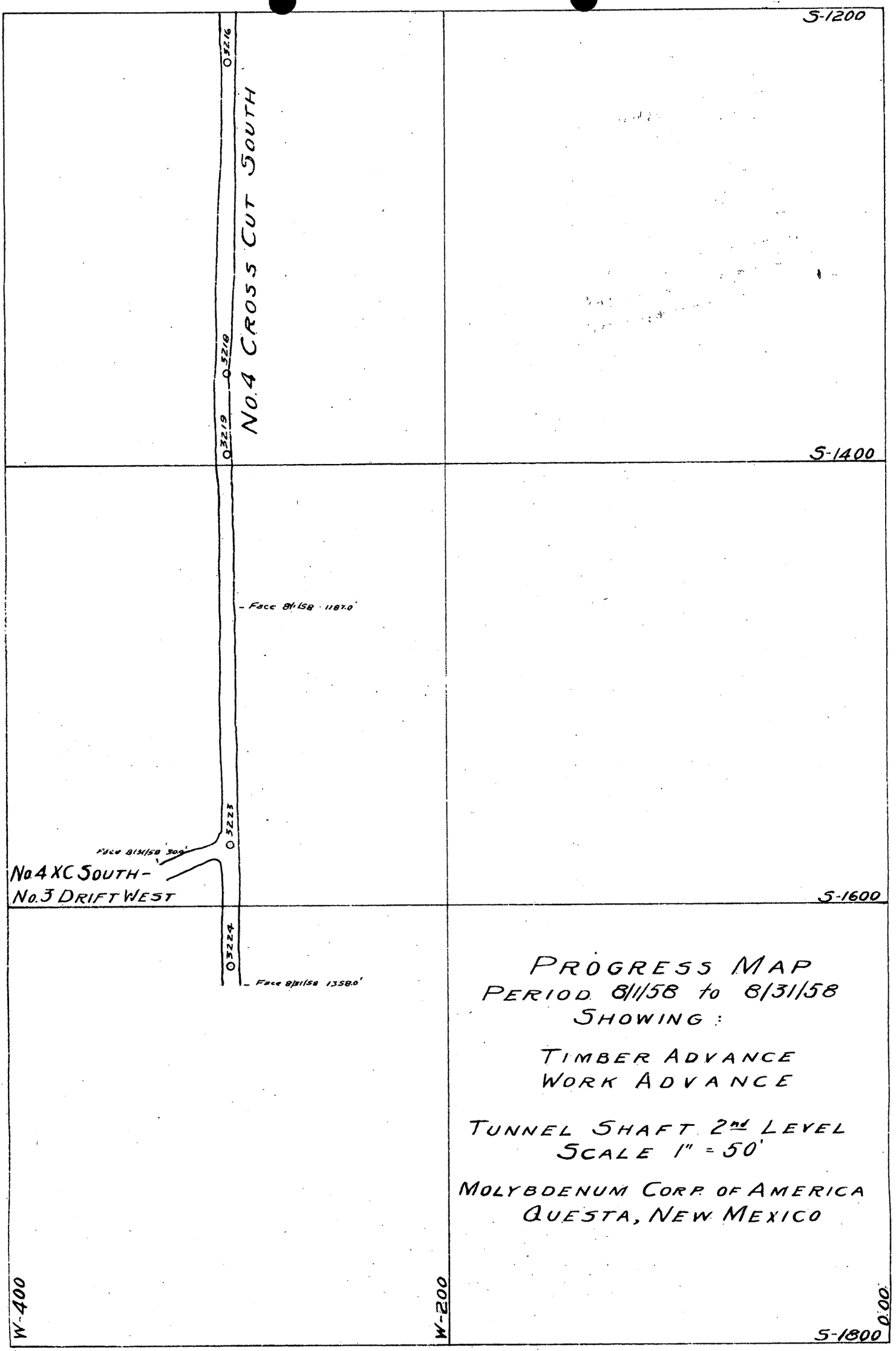

S-1200
S-1400
S-1600
S-1800
W-400
W-200
0.00
3216
3218
3219
3224
No. 4 CROSS CUT SOUTH
2" CO_3 STRINGER
Face 6/1/58
59
42
½" QTZ SEAM
TRANSITIONAL ROCK, SILICIFIED.
50
1" QTZ SEAM
TR. MoS_2
50
46
INCREASE IN SILICA, PYRITE, AND CARBONATE
65
N
57
26
No. 4 CROSS CUT SOUTH
No. 3 DRIFT WEST
75
55
Face 8/13/58
67
80
66
30
Face 8/31/58
57
GEOLOGIC MAP
PERIOD 8/1/58 to 8/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

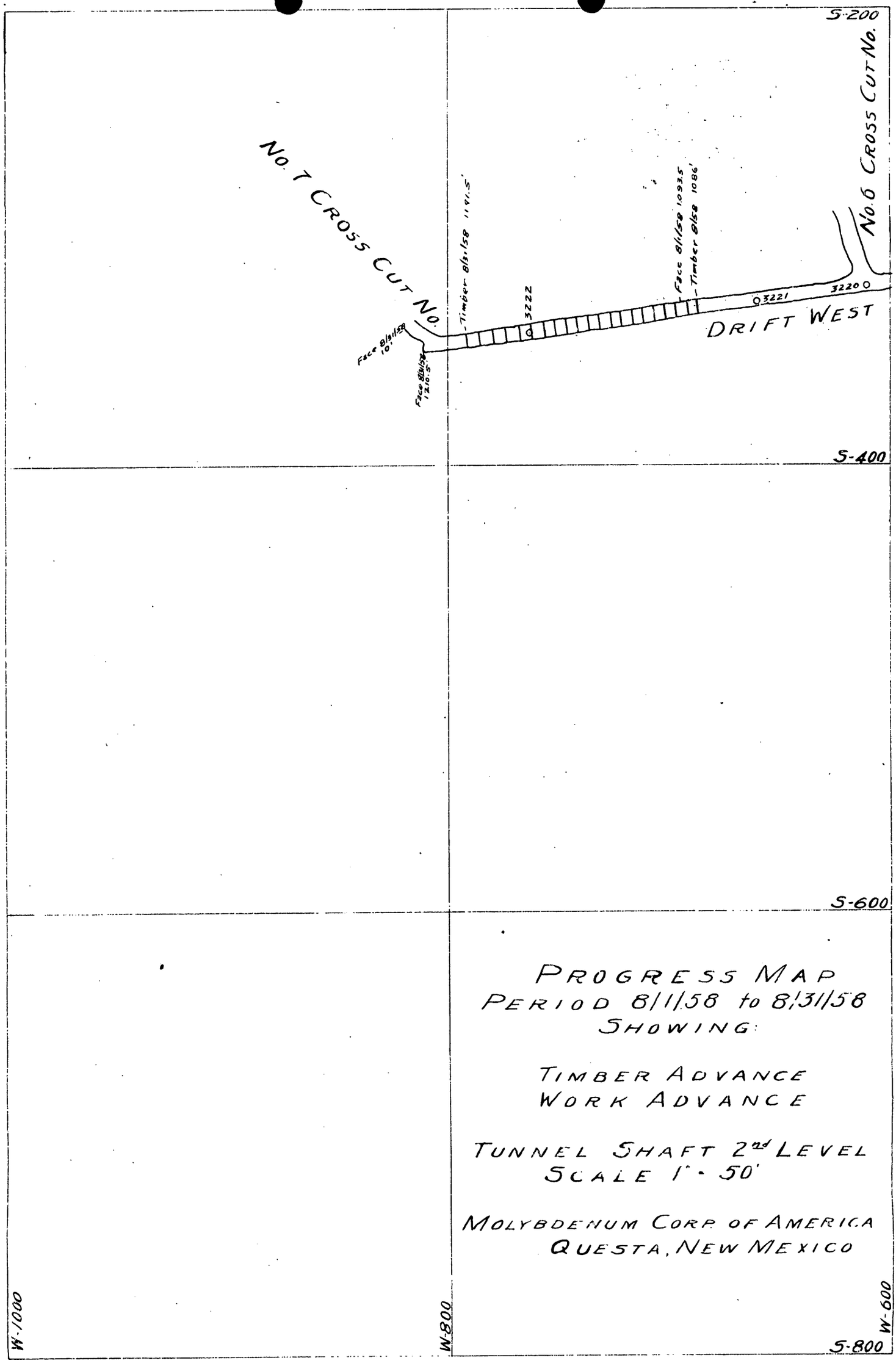
GEOLOGIC MAP
PERIOD 8/1/58 to 8/31/58

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO




S-1200
S-1400
S-1600
S-1800
W-400
W-200
0.00
No.4 CROSS CUT SOUTH
0.3216
0.3218
0.3219
0.3223
0.3224
Face 8/1/58 1187.0'
Face 8/31/58 30.0'
Face 8/31/58 1358.0'
No.4 XC SOUTH-
No.3 DRIFT WEST
PROGRESS MAP
PERIOD 8/1/58 to 8/31/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

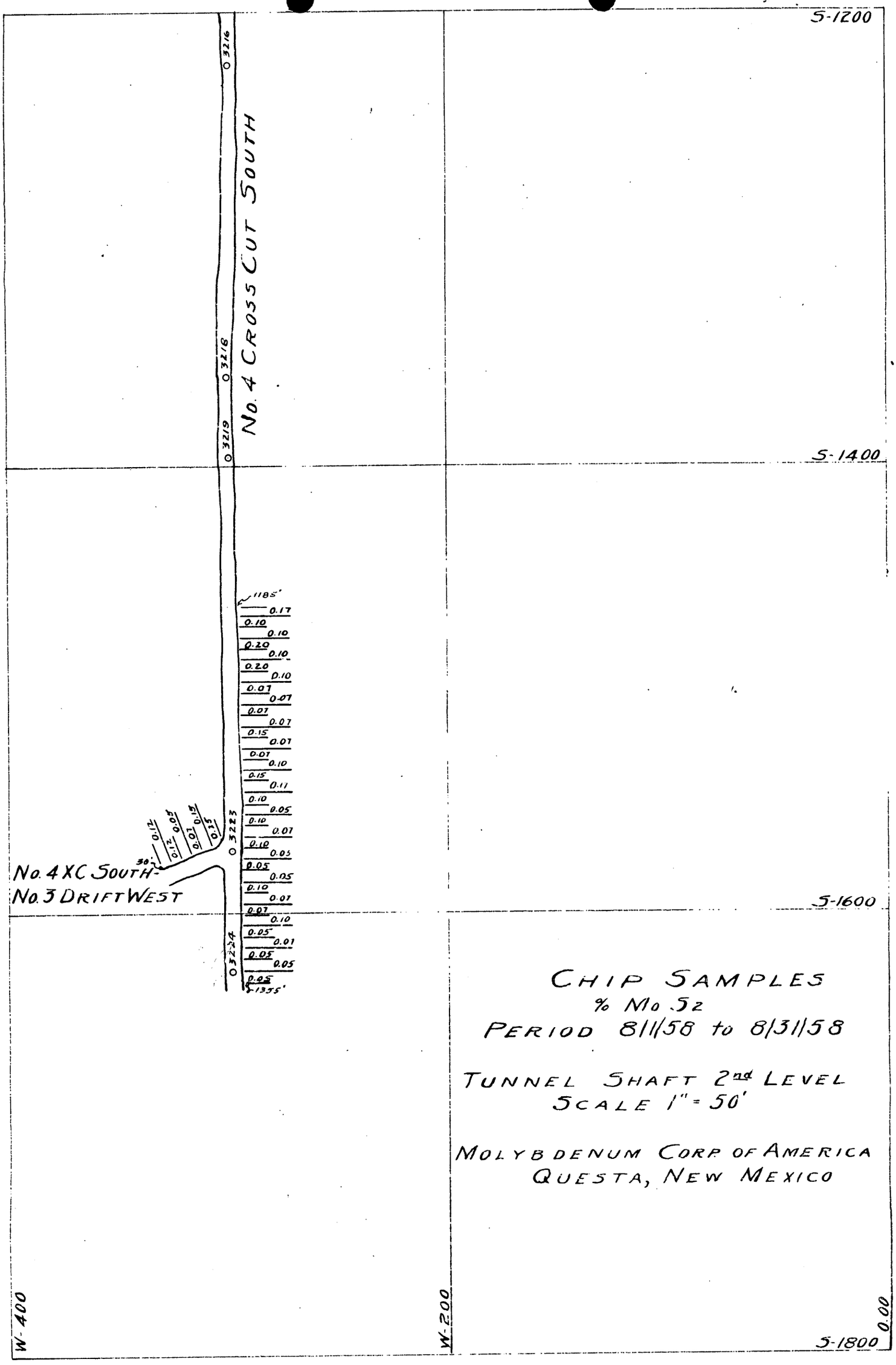


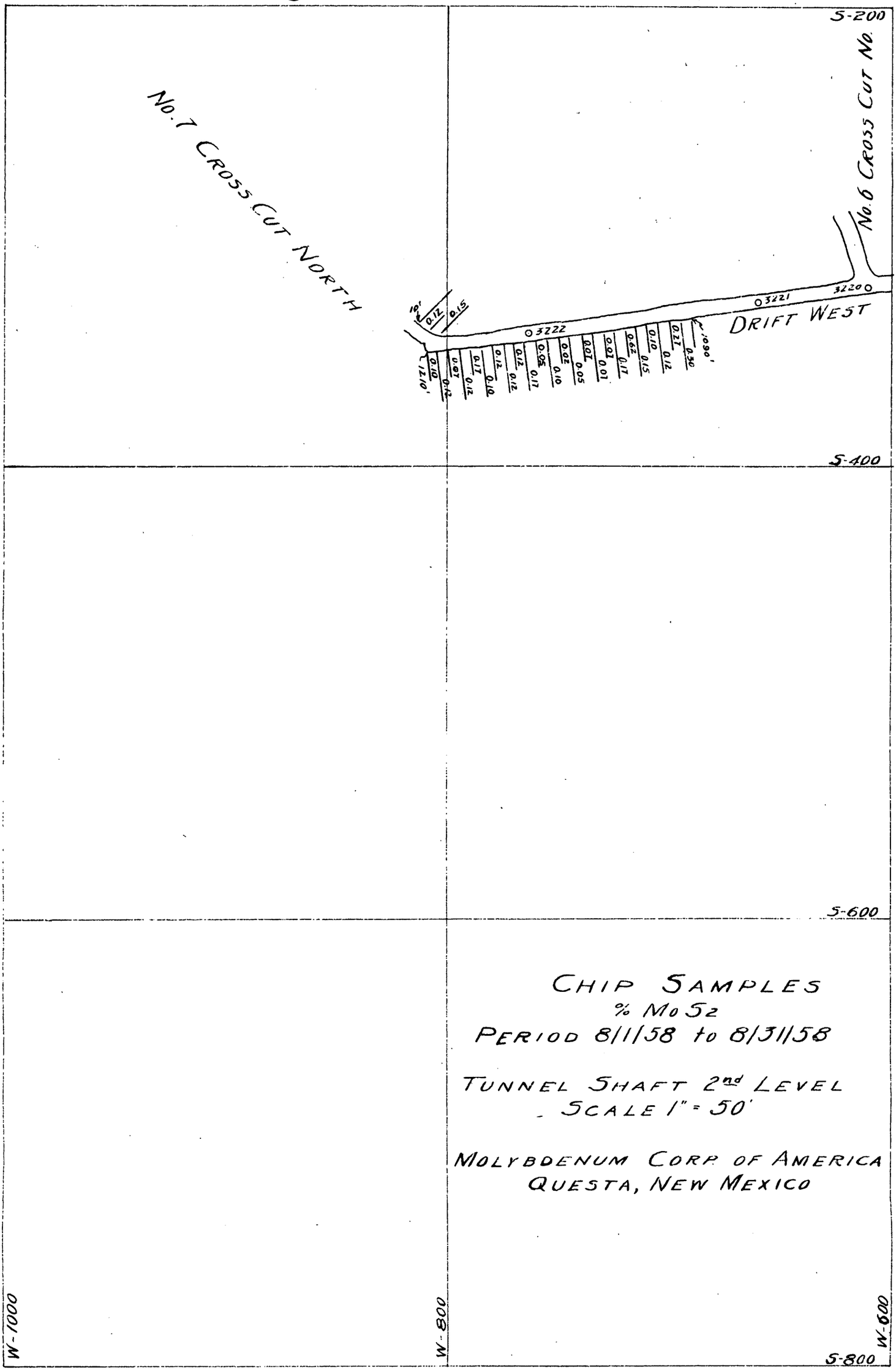
PROGRESS MAP
PERIOD 8/1/58 to 8/31/58
SHOWING:

TIMBER ADVANCE
WORK ADVANCE

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


5-1200
5-1400
5-1600
5-1800
W-400
W-200
0.00
No. 4 CROSS CUT SOUTH
3216
3218
3219
3223
3224
1185'
1355'
0.17
0.10
0.10
0.20
0.10
0.20
0.10
0.07
0.07
0.07
0.07
0.15
0.07
0.07
0.10
0.15
0.11
0.10
0.05
0.10
0.07
0.10
0.05
0.05
0.05
0.10
0.07
0.07
0.10
0.05
0.01
0.05
0.05
0.05
0.12
0.12
0.05
0.07
0.15
0.25
30'
No. 4 XC SOUTH-
No. 3 DRIFT WEST
CHIP SAMPLES
% Mo S2
PERIOD 8/1/58 to 8/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


S-200
No. 6 Cross Cut No.
No. 7 Cross Cut North
Drift West
3220
3221
3222
10'
0.12
0.15
0.10
0.07
0.12
0.17
0.12
0.12
0.12
0.12
0.17
0.05
0.02
0.10
0.05
0.01
0.01
0.01
0.17
0.62
0.15
0.10
0.12
0.27
0.30
10'
90'
S-400
S-600
Chip Samples
% MoS2
Period 8/1/58 to 8/31/58
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico
W-1000
W-800
W-600
S-800

Core Log — Diamond Drill Hole No. 15

Date Drilled — August 1958

Core Recovery — 07.43%

	Distance From	Distance To	Core Spl. No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	0	7		1	12	20.59				Aplite
2	7	10		1	8	41.37				"
3	0	10	3812	3	4	26.80	0.10	3821	0.15	
4	10	15			2	02.06				"
5	15	20			4	04.12				"
6 *	10	20			6	03.09		3822	0.12	"
7	20	25			4	04.12				"
8	25	30			4	04.12				"
9 *	20	30			8	04.12		3823	0.17	
10	10	30	3813		14	03.61	0.10			
11	30	35			2	02.06				"
12	35	40			2	02.06				"
13 *	30	40			4	02.06		3824	0.15	
14	40	45			4	04.12				"
15	45	50			6	06.18				"
16 *	40	50			10	05.15		3825	0.17	
17	30	50	3814		14	03.61	0.10			
18	50	55		-0-						
19	55	60			6	06.19				"
20 *	50	60			6	03.09		3826	0.17	
21	60	65			4	04.12				"
22	65	70			2	02.06				"
23 *	60	70			6	03.09		3827	0.17	
24	50	70	3815		12	03.09	0.15			
25	70	75		-0-						
26	75	80		1		16.49				"
27	70	80	3816	1		08.25	0.12	3828	0.20	
28	80	90	3817	1		08.25	0.10	3829	0.15	"
29 *	90	100			4	02.06		3830	0.12	"
30	100	110			8	04.12		3831	0.15	"
31	90	110	3818		12	03.09	0.07			
32 *	110	120			4	02.06		3832	0.10	"
33 *	120	130			4	02.06		3848	0.15	"
34 *	130	140			4	02.06		3849	0.15	"
35	110	140	3833		12	02.06	0.12			
36	140	150	3834	1	8	12.37	0.17	3850	0.10	" To Transition at 142'
37	150	160	3835		14	07.22	0.10	3851	0.15	Transition
38	160	170	3836	3	2	25.77	0.12	3852	0.17	"
39	170	180	3837	2		[illegible]	[illegible]			
40	170	180	3837	2		16.49	0.12	3853	0.07	"
41 *	180	190			4	02.06		3854	0.10	"
42 *	190	200			10	05.15		3855	0.10	"
43	180	200	3838		14	03.61	0.12			" Some Quartz
44	200	210	3839	2	6	19.59	0.10	3856	0.07	"
45	210	220	3840	1	0	08.25	0.10	3857	0.17	Aplite
46	220	230	3841		8	04.12	0.07	3893	0.10	"
47	230	235			2	02.06				Transition

Core Log — Diamond Drill Hole No. 15

Date Drilled — August 1958

% Core Recovery — 07.43% — (page 2)

Distance From	Distance To	Core Spl. No.	Core Weight Lb.	Core Weight oz.	% Core Rec.	MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
235	240			4	04.12				Transition--Some Quartz
* 230	240			6	03.09		3894	0.12	
* 240	250			6	03.09		3895	0.10	" " "
230	250	3842		13	03.09	0.07			
* 250	260			6	03.09		3896	0.10	" " "
260	265			4	04.12				" " "
265	270			8	08.25				" " "
* 260	270			12	06.19		3897	0.12	"
250	270	3843	1	2	04.64	0.15			" " "
270	275		1		16.49				"
275	280			4	04.12				"
270	280	3907	1	4	10.31	0.10	3898	0.10	"
280	290	3908		14	07.22	0.07	3899	0.12	"
290	300	3909		12	06.19	0.10	3922	0.10	"
* 300	310			4	02.06		3923	0.17	"
310	320			10	05.15		3924	0.07	" Some Quartz
300	320	3910		14	03.61	0.10			
* 320	330			2	0103		3925	0.07	"
330	340			2	0103		3926	0.10	"
* 340	350		2	8	20.62		3927	0.10	"
320	350	3911	2	12	11.34	0.10			"
350	355		1	6	22.68				"
355	360			8	08.25				"
350	360	3912	1	14	15.46	0.20	3928	0.12	"
360	365			8	08.25				"
365	370			14	14.43				"
360	370	3912	1	6	11.34	0.10	3943	0.10	"
* 370	380			6	03.09		3944	0.12	Aplite
380	390		1	8	12.37		3945	0.12	"
370	390	3914	1	14	0773	0.10			"
390	400	3915	2		16.49	0.07	3946	0.15	"
400	410	3916		12	06.18	0.07	3947	0.10	Transition
* 410	420			8	04.12		3948	0.12	"
420	426			2	01.72		3949	0.15	"
410	426	3966		10	03.23	0.07			

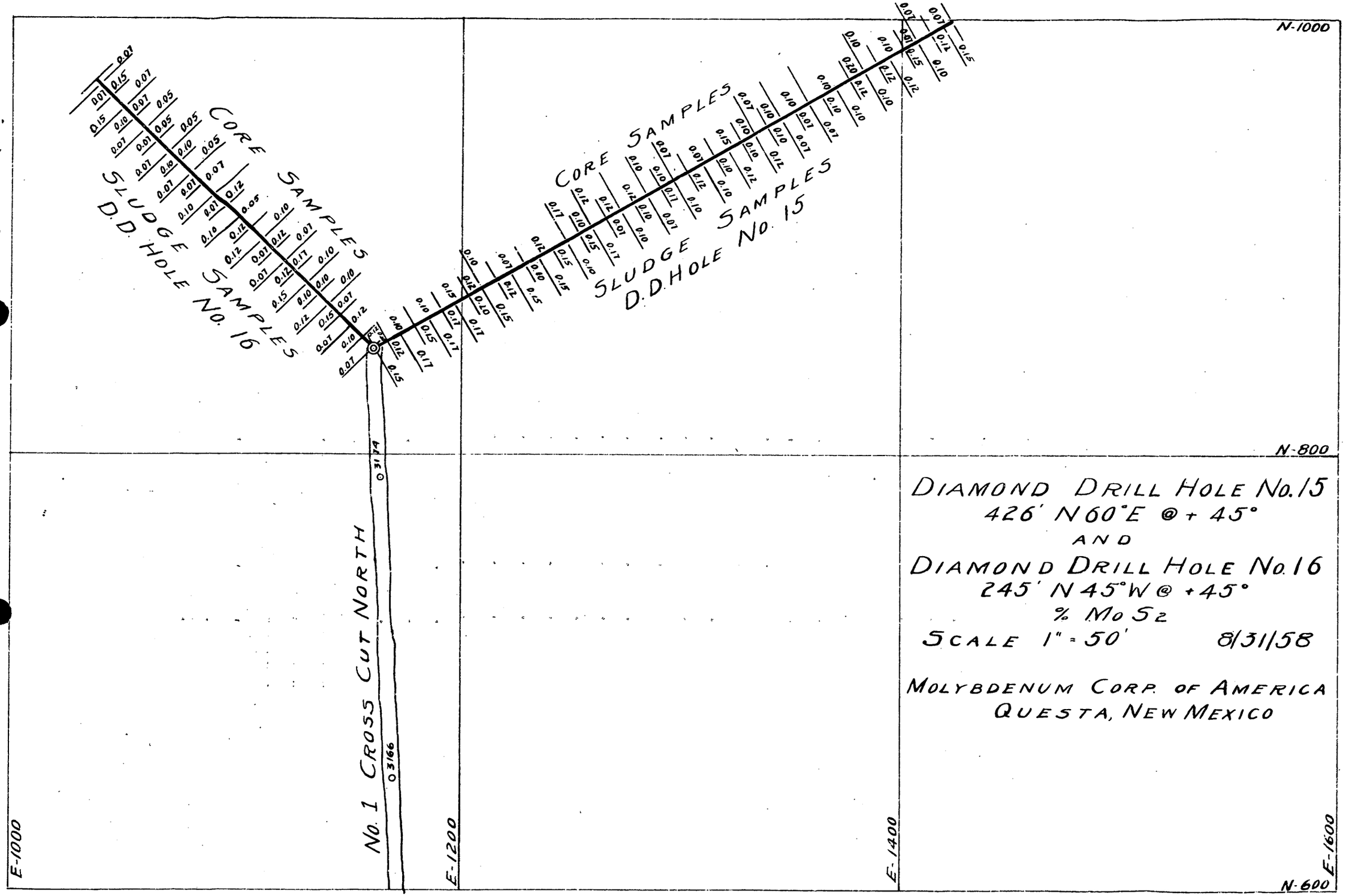
Core Log — Diamond Drill Hole No. 16

Date Drilled — August 1958

% Core Recovery — 14.26%

	Distance From	Distance To	Core Spl. No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks
1	0	5			8	08.25				Aplite
2	5	10			4	04.12				"
3	0	10	3735		12	06.19	0.12	3754	0.07	
4	10	15		-0-		-0-				
5	15	20		-0-		-0-				
6 *	10	20		-0-		-0-		3755	0.10	
7	20	27		5	2	6029				" And Transition
8	27	30			10	17.24				" " "
9	20	30		5	12	47.42		3756	0.07	
10	10	30	3736	5	12	23.71	0.12			
11	30	40	3737	1	10	13.40	0.07	3757	0.15	Porphyry
12	40	50	3738		10	05.15	0.10	3758	0.12	"
13	50	60	3739	2	2	17:53	0:10	3759	0:10	"
14	60	70	3740	1	0	08:25	0:10	3760	0:15	"
15	70	80	3741	4	4	35:05	0:17	3761	0:12	"
16	80	90	3742	1	8	12:37	0:07	3762	0:07	"
17	90	100	3743	1	8	12.37	0.12	3763	0.07	" And Aplite
18	100	110	3744	2	8	2061	0.10	3764	0:12	"
19 *	110	120			4	02:06		3765	0:12	
20	120	130			12	06:18		3766	0.10	"
21	110	130	3745	1	0	04.12	0.05			"
22	130	140	3746		10	05:15	0.12	3767	0:07	"
23	140	150			4	02.06		3768	0.10	"
24	150	160			4	02.06		3769	0.07	"
25	140	160	3747		8	02.06	0.07			"
26	160	170	3748		14	07.22	0.05	3770	0.07	"
27	170	180	3749	1	10	13.40	0.10	3771	0.10	"
28	180	190	3750	1	8	14.43	0.05	3772	0.07	"
29	190	200	3751	1	14	15.46	0.05	3773	0.07	"
30	200	210	3752	1	10	1340	0.05	3774	0:07	"
31	210	220	3753	1	0	08.25	0.07	3785	0.10	"
32	220	225		2	2	35:05				"
33	225	230		1	0	16.49				"
34	220	230	3809	3	2	25.77	0.07	3786	0.15	
35	230	235		1	0	16.49				"
36	235	240		1	12	28.87				"
37	230	240	3810	2	12	22.68	0:15	3787	0.07	"
38	240	245	3811	2	8	41.24	0.07			"

* Not enough core for sample


N-1000
N-800
N-600
E-1000
E-1200
E-1400
E-1600
CORE SAMPLES
SLUDGE SAMPLES
D.D. HOLE No. 16
CORE SAMPLES
SLUDGE SAMPLES
D.D. HOLE No. 15
No. 1 CROSS CUT NORTH
3174
3166
DIAMOND DRILL HOLE No. 15
426' N60°E @ + 45°
AND
DIAMOND DRILL HOLE No. 16
245' N45°W @ +45°
% MoS2
SCALE 1" = 50'
8/31/58
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

FINAL FILE COPY
DMEA
RECEIVED SEP 2 1958

DATE	INITIALS	CODE
9/2	C	220
"	Jy	110
"	Chm	700
	(Murphy)	

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

FINAL DISTRIBUTION
MADE AUG 26 1958

Administrative Audit Difference Statement

[redacted]
[redacted]
[redacted]

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

DMEA-4568

[redacted]

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

Amount Claimed $ [redacted]

Difference $ [redacted]

Amount Approved $ [redacted]

The reason for the difference was due to:

[redacted]

[redacted]

[redacted]

[redacted]

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

224 New Customhouse
Denver 2, Colorado
August 25, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4568 (Molybdenum) Contract No. Idm-E1094, Molybdenum Corporation of America (Moly or Questa Mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of July, 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. All work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

Disallowance, Reaming and Casing

During June 1958, the reaming and casing provided for in Stage I was exceeded by 145 feet, but due to oversight, the reported cost for the excess reaming and casing was not disallowed. During July 1958, an additional 110 feet of excess reaming and casing was reported on Form MF-104. The reported cost for excess reaming and casing is to be disallowed as follows:

Excess reaming and casing reported on Form MF-104 for June 1958, 145 feet at $1.00 per foot ----------	$145.00
Excess reaming and casing reported on Form MF-104 for July 1958, 110 feet at $1.00 per foot ----------	110.00
Total amount to be disallowed ----------	$255.00

Reconciliation with amount reported by the Operator on Form MF-104 for July 1958

Amount reported on Form MF-104 for July 1958	$17,755.45
Amount to be disallowed	255.00
Acceptable costs for July 1958	$17,500.45
Government participation at 50 percent	$ 8,750.23

Remarks:

Date of Report	August 15, 1958
Date Received in Field Office	August 18, 1958
Date Received in Regional Office	August 21, 1958

Original signed by
J. W. TOWNSEND

J. W. Townsend

HMC:dz

cc: Chman. Op. Comm. (2)
Salsbury, RMRA/RPC
MF-104 File, Reg. II
Harshman)
Cooper)w/cy of Engineer's report
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

AUG 21 1958

REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
August 20, 1958

Memorandum

To: Alternate Acting Executive Officer, DMEA Field Team, Reg. III

From: M. H. Salsbury

Subject: Docket No. DMEA 4968 (Molybdenum) Contract Ida-K1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, N. M. -- Progress report for July 1958

Operations under the subject contract were inspected on August 14, 1958 by M. H. Salsbury in company with the operator's manager, A. L. Greslin.

Advance in 2 headings currently being driven under Stage II was in excess of the amounts claimed for July 1958. The face of the No. 4 XC S was at 164 feet beyond survey station 3219 or 99.5 feet beyond the point of advance claimed. The face of the Drift West was at 95 feet beyond survey station 3221, or 61 feet beyond the point of advance claimed.

The operator claims payment in July 1958 for 179 feet of advance and 76 feet of timbering in No. 4 XC S and 78 feet of advance and 79 feet of timbering in the Drift West. Timbering in the No. 6 XC N, not DMEA work, was not claimed. Claimed in Stage I are 1000 feet of diamond drilling, including 118 feet of reaming and casing in holes No. 3 and 5 and 8 feet of raising to complete a drill station for holes No. 15 and 16. Chemical analyses for molybdenum of 100 samples in Stage I and 51 samples in Stage II are also claimed.

All work was done in accordance with the fixed cost contract, amendments and work approvals, are within contract maximums, and were verified by the DMEA inspector.

CONTRACT MEASUREMENTS
Stage II

Advance
No. 4 XC S
face 7-31-58 station 3219 + 68.5 ft.
stations 3218 to 3219 35.5 ft.
stations 3216 to 3218 135.5 ft.
239.5 ft.
face 6-30-58 station 3216 + 60.5 ft.
advance claimed in July 1958 179.0 ft.
total length No. 4 XC S from start 1,187.0 ft.

Drift West

face 7-31-58 station 3821 +	34.0 ft.
stations 3820 to 3821	50.5 ft.
stations 3817 to 3820	46.0 ft.
	130.5 ft.
face 6-30-58 station 3817 +	53.0
advance according to measurement	77.5 ft.
advance claimed in July 1958	78.0 ft.
total length Drift West from start	1,093.5 ft.

total advance claimed in July 1958 157 ft.

Timbering

No. 4 XC 2

stop at station 3816 +	132.75 ft.
start at station 3816 +	57.0 ft.
timbering according to measurement	75.75 ft.
timbering claimed in July 1958	76.0 ft.

Drift West

stop at station 3821 +	0.5 ft.
station 3820 to station 3821	50.5 ft.
station 3817 to station 3820	46.0 ft.
	97.0 ft.
start at station 3817 +	18.0 ft.
claimed in July 1958	79.0 ft.

total timbering claimed in July 1958 155 ft.

The No. 4 XC 2 passed from green rock to transitional rock described as largely splitic. Content of molybdenum sulfide was small (from 0.10 percent to 0.32 percent). On August 14, the face was in rock which probably contains less than 0.10 percent MoS_2, however it was still "visible."

The Drift West was driven in transitional rock also described as splitic. MoS_2 content ranged from 0.15 percent to 0.45 percent. The MoS_2 content in the face on August 14 appeared to be about the same. Diamond Drill Hole No. 3, 500 feet deep, penetrated granite, green rock and transition rock, bottoming in the latter. Core recovery was 28.82 percent. Diamond Drill Hole No. 5, 500 feet deep, penetrated splite and transition rock, bottoming in the latter. Five feet of porphyry was found from 385 to 410 feet. Core recovery was 37.39 percent. Mineralization in both holes showed increase with depth, that is, with distance above the second level.

Diamond Drill Hole No. 15 was being drilled on August 14. It had reached a depth of 565 feet largely in porphyry with considerable difficulty because of caving ground. Verbal permission to stop at this depth was obtained from the DMRA Field Team.

The Government's splits of pulps from samples cut in the first 900 feet of the Drift West, and from the cores of Diamond Drill Holes Nos. 1, 2, and 3 were brought to Denver Federal Center.

The operator has submitted in quintuplicate for July 1958, accounting forms, a narrative report with maps, drill hole logs and assay results on drill core, sludge and mine samples. Cost of assaying core is not claimed. Monthly and cumulative totals on the accounting forms appear to be correctly extended.

Payment of $8,877.73 or 50 percent of the amount claimed in July 1958, $17,755.45, is recommended for approval.

W. H. Salabsky
Mining Engineer

WHS/mr
cc: 6
Idm-21094
chron

C O N T E N T S

July 1958

1. Narrative Report
2, Form MF-104A
3, Form MF-104
4. Geology Map - No. 4 CxS
5. Geology Map - Dft W
6. Progress & Timber Map - No. 4 CxS
7. Progress & Timber Map - Dft W
8. Chip Assay Map - No. 4 CxS
9. Chip Assay Map - Dft W
10. Core Log - Drill Hole No. 3
11. Core Log - Drill Hole No. 5
12. Map - Drill Hole No. 3
13. Map - Drill Hole No. 5

DMEA
DEPARTMENT OF THE INTERIOR
AUG 14 1958
REGION III
DENVER, COLORADO

Narrative Report for July 1958

Questa, New Mexico
August 15, 1958

Mr. J. W. Townsend
Alternate Acting Executive Officer
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period July 1 through July 31, 1958 there were 24 working days and 4 Sundays. We were down 3 days for Independence Day, July 3-4-5.

No. 4 CxS was worked on a two shift basis and Drift West was worked on a one shift basis.

179 feet of advance were made in No. 4 CxS. This was mostly transition rock with some spots of Aplite. There were 76 feet of timbering in this place.

78 feet of advance were made in drift west. This was in transition rock. 79 feet of timbering were done in this place.

Diamond Drill Hole No. 3 was completed to 500 feet. No. 5 Drill Hole was also completed to 500 ft.

8 feet of raise work were done to make enough room to drill holes No. 15 and 16 in the breast of No. 1 CxN.

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED SEP. 2 1958 D.M.E.A.

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

Month of July 1958 Docket No. DMEA 4568 Contract No. DMC-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y

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 & Crosscut	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta.	ft	355.44	8	3154.53	71	44.43	115	44.43
Timbering	ft	0.00	-0-	2516.40	932	2.70	1000	2.70
Analyses	Spl	300.00	100	2622.00	874	3.00	1100	3.00
Ream & Case	ft	110.00	110	755.00	755.00	1.00	500	1.00
Drilling: Core	ft	5000.00	1000	34180.00	6836	5.00	9000	5.00
Churn				STAGE II				
Drift & Crosscut	ft	11418.51	257	104454.93	2351	44.43	6160	44.43
Drill Sta.	ft	0.00	-0-	533.16	12	44.43	250	44.43
Timbering	ft	418.50	155	5143.50	1905	2.70	6160	2.70
Analyses	Spl	153.00	51	1536.00	512	3.00	3177	3.00
Ream&Case	ft	0.00	-0-	272.00	272	1.00	1000	1.00
Core Drill	ft	0.00	-0-	2035.00	407	5.00	19500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		17755.45		201632.52				

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 8/15/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

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 SEP 2 1958 DMEA

Month of ~~August~~ July, 1958 Docket No. DMEA 4568 Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue, New York 22, N Y
Contract Amount, $ 510,500.00 Government Participation: 50 % Amount, $ 255,250.00

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	5000.00	31215.00	36215.00			
Drill Sta.	355.44	3332.25	3687.69			
Crosscutting & Drift	11418.51	137466.42	148884.93			
Timber	418.50	7241.40	7659.90			
Analyses	453.00	3705.00	4158.00			
(2) Rent & Case	110.00	917.00	1027.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	17755.45	183877.07	201632.52	17,500.45	183,877.07	201,377.52

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

Date 8/15/58 *Payee Molybdenum Corp. of America

Per A. R. Gresline Title Manager

*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:

$ 8750.23

Signature [illegible]
(Authorized Certifying Officer)

Date 8/26/58 Voucher No. DMA 59-27

(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 1094 in accordance with the terms of the contract.

Signature [illegible] $8,877.73 Title Mining Engineer Date 8-20-58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Alternate Acting Executive Officer Date AUG 25 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).

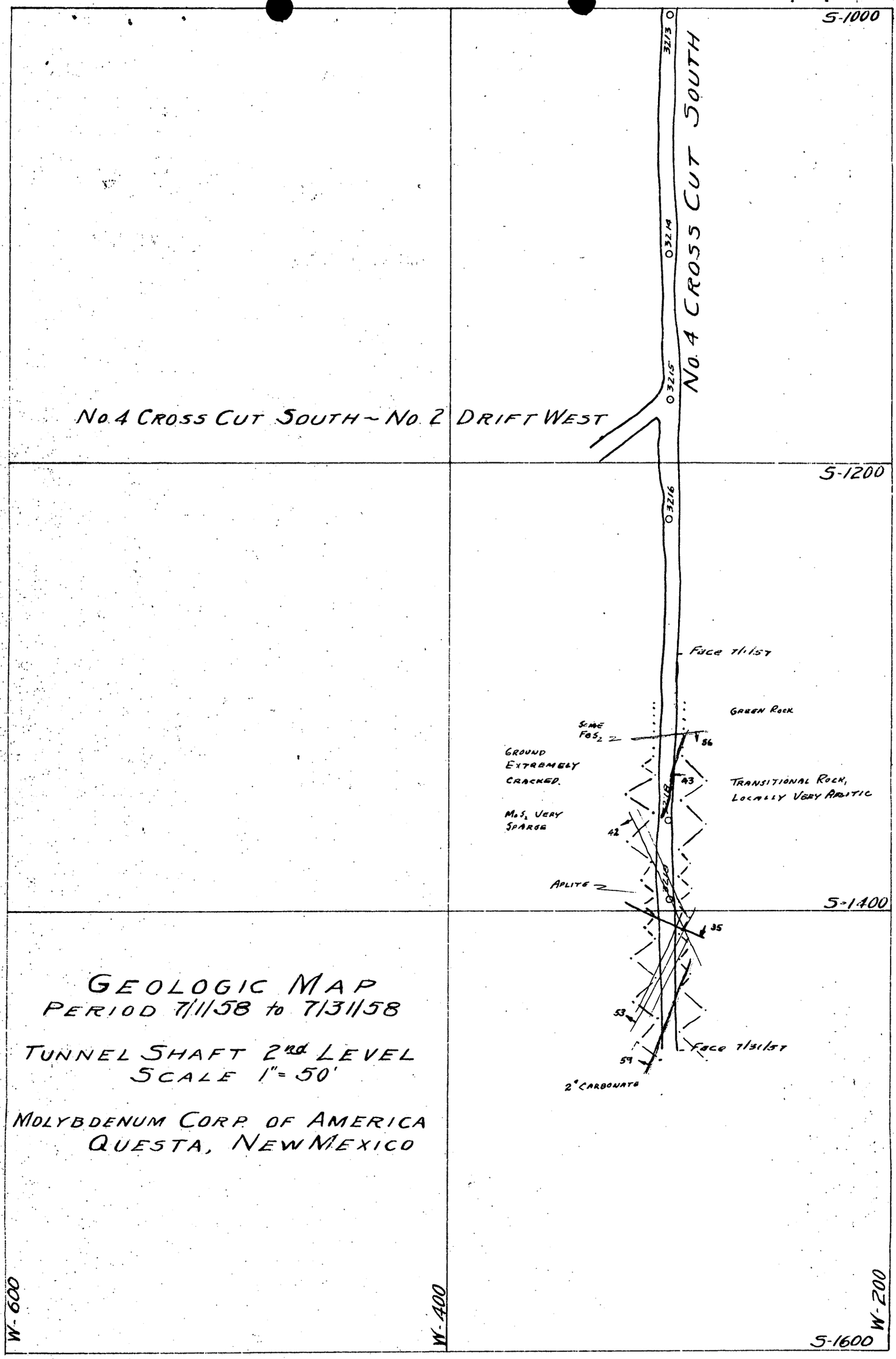
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

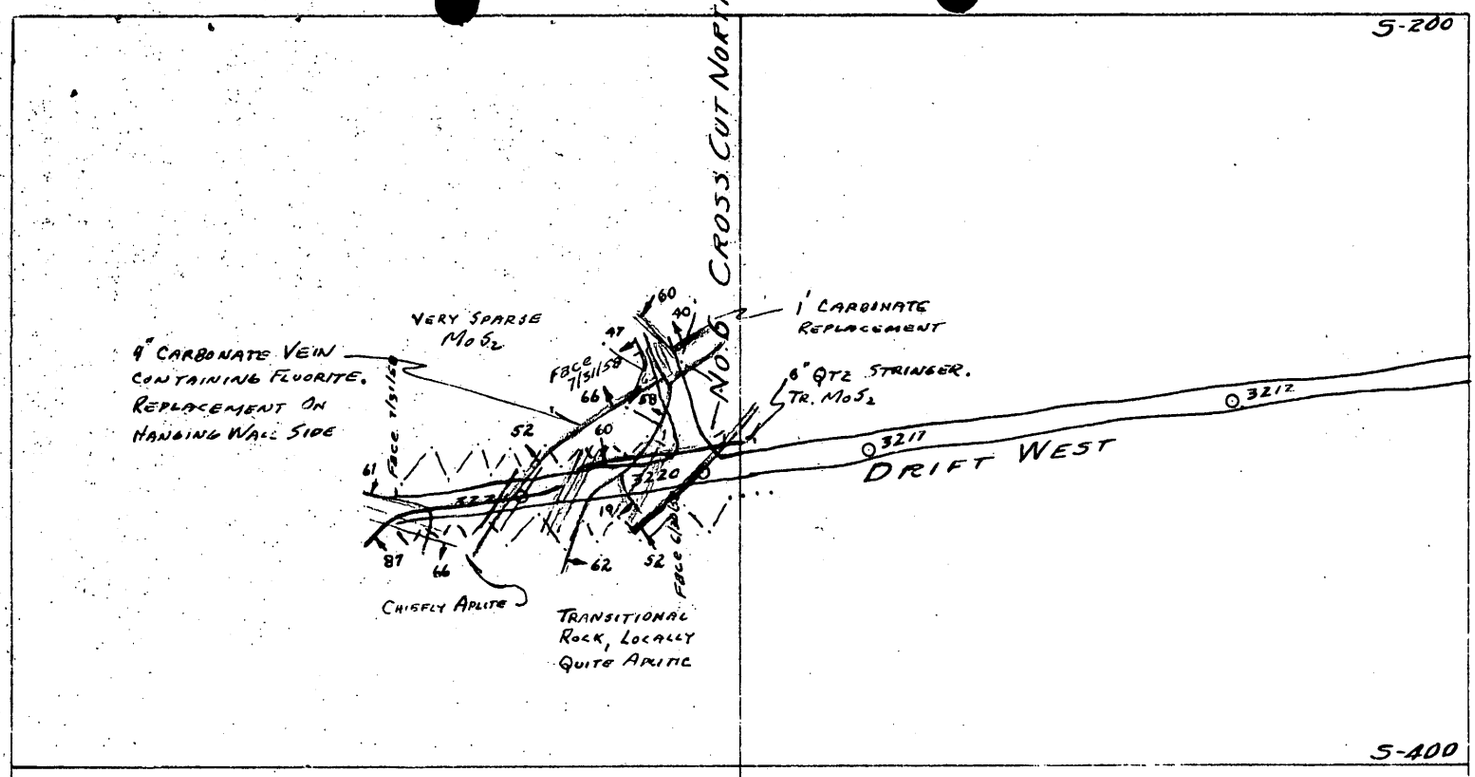
Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported 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.


S-1000
S-1200
S-1400
S-1600
W-600
W-400
W-200
No. 4 Cross Cut South
No. 4 Cross Cut South ~ No. 2 Drift West
3213
3214
3215
3216
3218
3219
Face 7/1/57
Green Rock
Some FeS2
56
Ground Extremely Cracked.
43
Transitional Rock, Locally Very Aplitic
MoS2 Very Sparce
42
Aplite
35
53
59
Face 7/31/57
2" Carbonate
Geologic Map
Period 7/1/58 to 7/31/58
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico



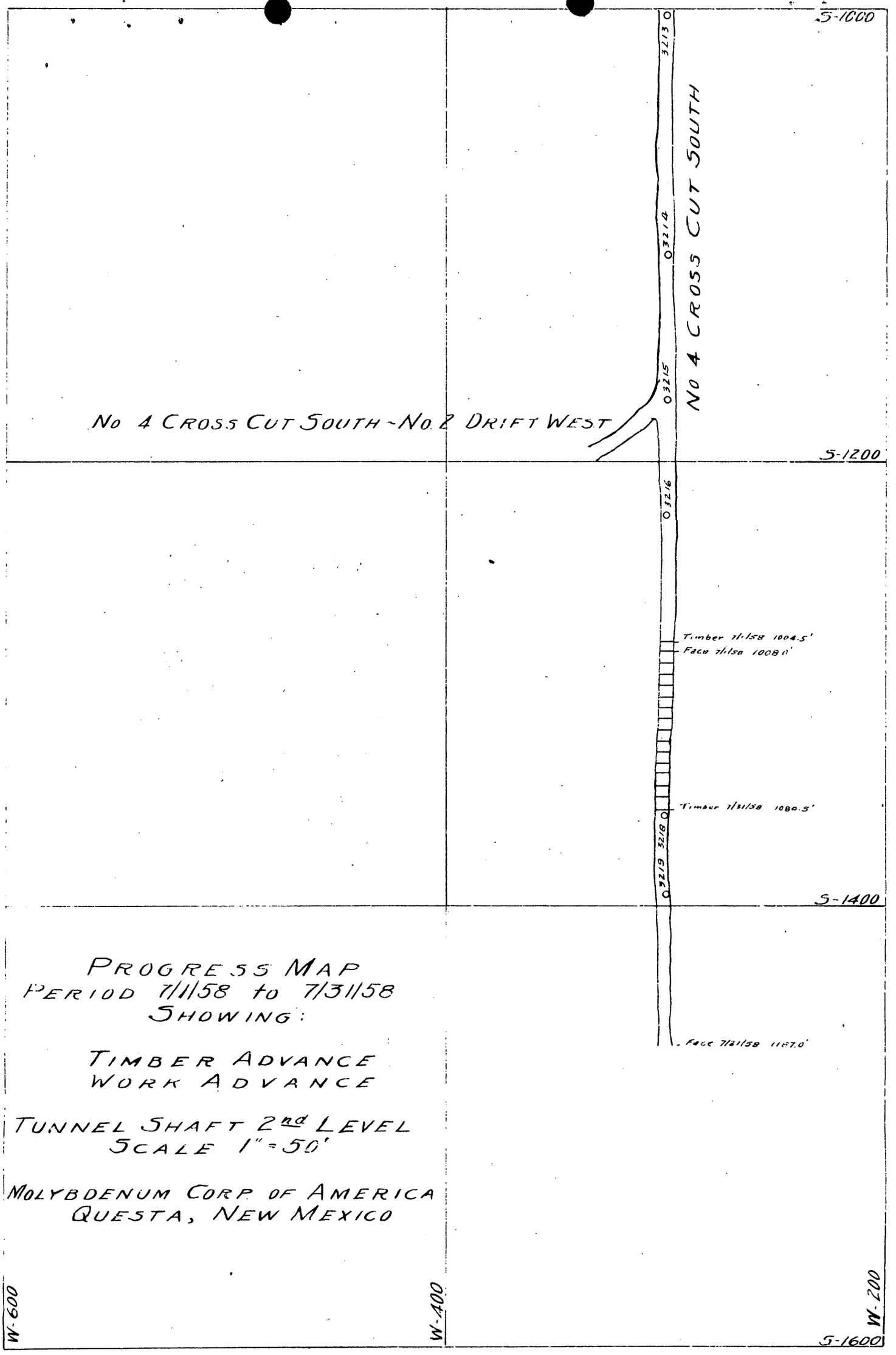
5-600

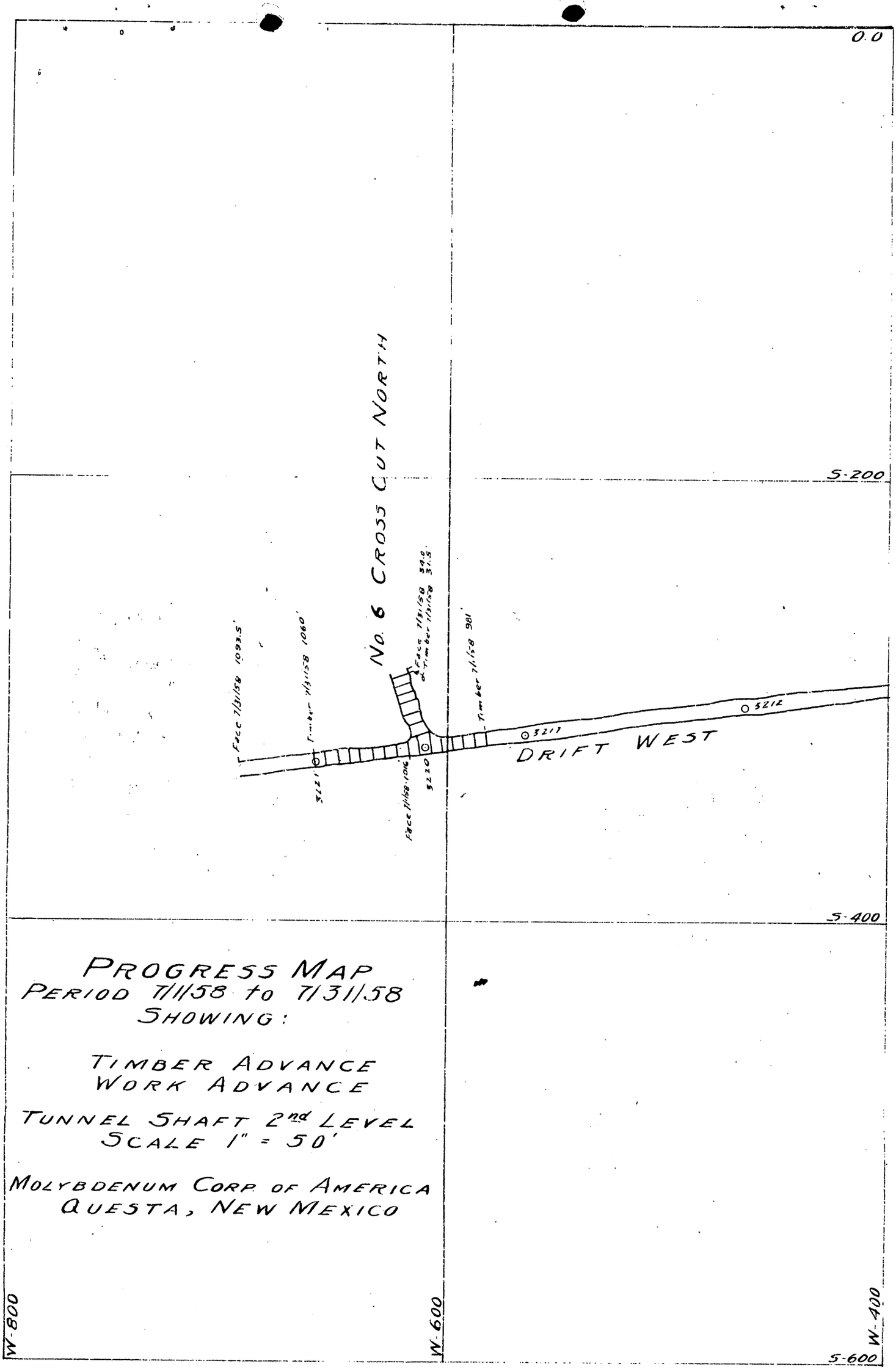
GEOLOGIC MAP
PERIOD 7/1/58 to 7/31/58

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

W-800 W-600 W-400 5-800


S-1000
3213
3214
3215
3216
3218
3219
NO 4 CROSS CUT SOUTH
NO 4 CROSS CUT SOUTH - NO 2 DRIFT WEST
S-1200
Timber 7/1/58 1004.5'
Face 7/1/58 1008.0'
Timber 7/31/58 1080.5'
S-1400
Face 7/31/58 1187.0'
PROGRESS MAP
PERIOD 7/1/58 to 7/31/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
W-600
W-400
W-200
S-1600

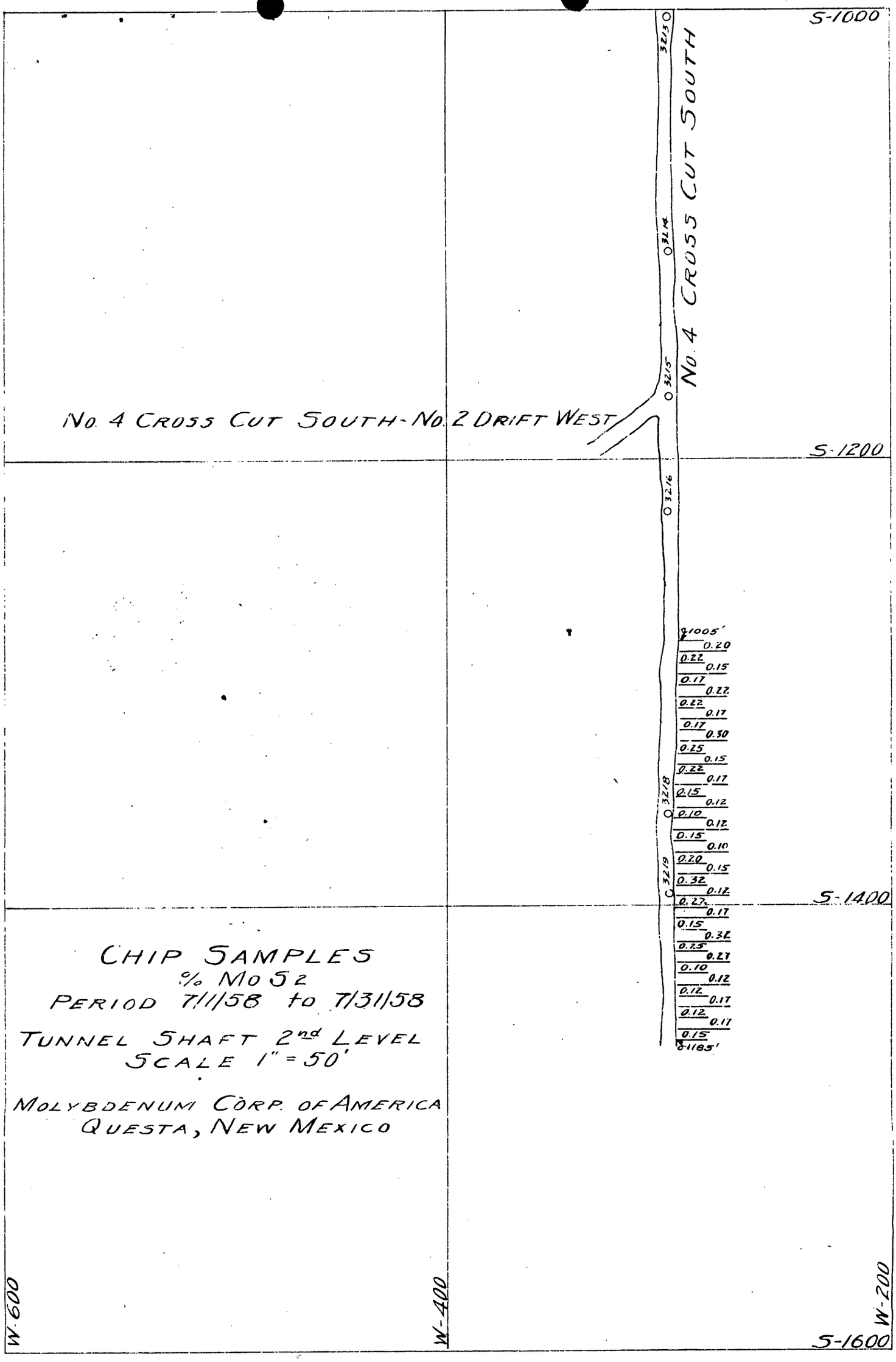


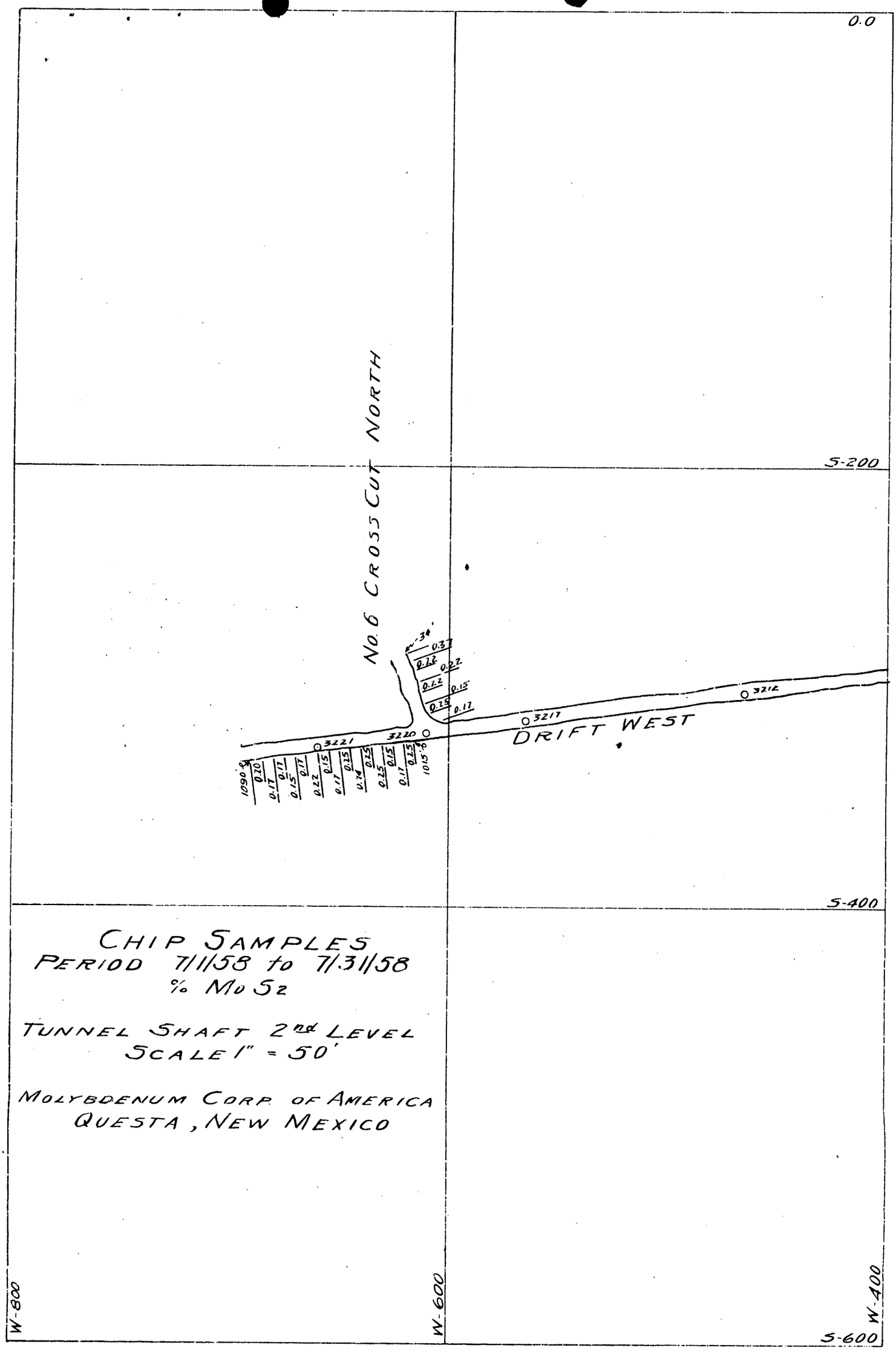
PROGRESS MAP
PERIOD 7/1/58 to 7/31/58
SHOWING:

TIMBER ADVANCE
WORK ADVANCE

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


S-1000
No. 4 CROSS CUT SOUTH
3213
3214
3215
No. 4 CROSS CUT SOUTH-No. 2 DRIFT WEST
S-1200
3216
1005'
0.20
0.22
0.15
0.17
0.22
0.22
0.17
0.17
0.30
0.25
0.15
0.22
0.17
0.15
0.12
0.10
0.12
0.15
0.10
0.20
0.15
0.32
0.12
0.27
0.17
0.15
0.32
0.25
0.27
0.10
0.12
0.12
0.17
0.12
0.17
0.15
1185'
3218
3219
S-1400
CHIP SAMPLES
% MoS2
PERIOD 7/1/58 to 7/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
W-600
W-400
W-200
S-1600


0.0
S-200
S-400
S-600
W-800
W-600
W-400
NO. 6 CROSS CUT NORTH
DRIFT WEST
3212
3217
3220
3221
1090'
1015'
0.37
0.22
0.22
0.22
0.15
0.29
0.17
0.10
0.17
0.17
0.15
0.17
0.22
0.15
0.17
0.15
0.14
0.25
0.25
0.15
0.17
0.25
CHIP SAMPLES
PERIOD 7/1/58 to 7/31/58
% MoS2
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

Core Log — Diamond Drill Hole No. 3

Date Drilled — July 1958

Core Recovery — 28.82 %

Footage From	Footage To	Core Sample No.	Core Weight lb.	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0	10	2473	7	4	59.79	0.10	2532	0.10	Granite
10	12			14	35.90				"
12	15			8	13.79				"
15	20		1	4	20.62				"
10	20	2474	2	10	21.65	0.07	2533	0.10	
20	25			6	06.19				"
25	30		1	10	26.80				"
20	30	2475	2	0	24.75	0.12	2534	0.15	
30	35		1	4	20.62				"
35	40			8	08.25				"
30	40	2476	1	12	14.43	0.07	2535	0.12	
40	45			12	12.37				"
45	50			8	08.25				"
40	50	2477	1	4	10.31	0.10	2536	0.07	
50	60	2478	2	0	16.49	0.05	2537	0.07	"
60	65		1	8	24.74				"
65	70		1	10	26.80				"
60	70	2479	3	2	25.77	0.15	2538	0.12	
70	74		1	14	38.46				"
74	80		1	8	20.69				"
70	80	2480	3	6	27.84	0.10	2539	0.12	
80	84		4		82.05				"
84	90		1		13.79				"
80	90	2481	5	0	39.18	0.07	2540	0.12	
90	95		1	6	22.68				"
95	100			10	10.31				"
90	100	2482	2		16.49	0.05	2541	0.12	
100	110	2483		14	07.22	0.07	2542	0.15	"
110	120	2484		10	05.15	0.05	2543	0.12	"
120	130	2485	1	2	09.28	0.12	2544	0.10	"
130	140	2486	4	0	06.95	0.05	2545	0.12	Transition Rock
140	145		1	6	61.54				"
145	150		1	0	16.49				"
140	150	2487	2	6	19.59	0.05	2546	0.15	
150	155		1	10	26.80				"
155	160				-0-				
150	160	2518	1	10	1340	0.05	2547	0.15	
160	165		0	0	-0-				
165	170			12	12.37				Granite
160	170	2519		12	06.19	0.05	2548	0.12	
170	175			4	04.12				"
175	180		1	6	22.68				"
170	180	2520	1	10	13.40	0.07	2549	0.10	
180	185			6	06.19				"
185	190		4	8	74.23				Transition
180	190	2521	4	14	40.21	0.05	2550	0.10	

Core Log Diamond Drill Hole #3 Cont'd

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2		Remarks
190	195		1	8	24.74				Transition Rock	
195	200	X	3	14	63.92				Granite at 198 ft	
190	200	2522	5	6	44.33	0.05	2551	0.07	"	
200	205		1	14	30.93				"	
205	210		2	8	41.24				"	
200	210	2587	4	6	36.08	0.10	2552	0.15		
210	215		1	4	20.62				"	
215	220			6	06.19				"	
210	220	2588	1	10	13.40	0.10	2604	0.20		
220	225			8	08.25				"	
225	230		2	0	32.99				"	
220	230	2589	2	8	20.62	0.05	2605	0.20		
230	234			8	1026				Greenrock	
234	235			8	42.11				"	
235	240		1	12	28.87				"	
230	240	2590	2	12	22.68	0.05	2606	0.32		
240	250	2591	2	8	20.62	0.05	2607	0.22	"	
250	260	2592	2	4	18.56	0.22	2608	0.37	"	With 6" Granite
260	262		1		41.03				"	
262	270		1	4	12.90				"	
260	270	2593	2	4	18.56	0.07	2609	0.15		
270	280	2594	1	8	1237	0.17	2610	0.42	"	
280	290	2595	4	4	35.05	0.15	2611	0.32	"	
290	295		1	12	14.21				"	
295	300		2	4	37.11				"	
290	300	2596	4		32.99	0.15	2612	0.30		
300	305		2	4	37.11				"	
305	310			6	06.19				"	
300	310	3597	2	10	2165	0.15	2613	0.17		
310	315			8	08.25				"	
315	320		1	12	28.87				"	
310	320	2598	2	4	18.56	0.10	2614	0.15		
320	325			8	08.25				"	
325	330		5	4	86.60				"	
320	330	2599	5	12	47.42	0.10	2615	0.12		
330	335		4	10	76.29				Transition Rock	
335	340		3	2	51.55				"	
330	340	2600	7	12	75.26	0.12	2616	0.12		
340	345		2	10	43.30				"	
345	350		2	8	41.24				"	
340	350	2601	5	2	42.27	0.10	2617	0.10		
350	355		2	12	45.36				"	
355	360		1	12	28.87				"	
350	360	2602	4	8	37.11	0.07	2618	0.12		
360	370	2603	5	4	43.30	0.10	2619	0.17	"	
370	372	2621		6	15.38	0.20	2620	0.20	"	

Core Log Diamond Drill Hole No. 3 Cont'd

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
372	375			12	20.68				Transition Rock
375	380		4	2	68.04				"
372	380	3363	4	14	51.61	0.15	3328	0.22	
380	385		1	4	20.62				"
385	390		3	10	59.79				"
380	390	3364	4	14	41.24	0.07	3358	0.17	
390	392		2	6	97.44				"
392	398		3	14	53.45				"
398	400			10	25.64				"
390	400	3365	6	14	56.70	0.12	3359	0.17	
400	406			6	05.17				"
406	410		3	12	76.92				"
400	410	3366	4	2	34.02	0.15	3360	0.22	
410	420	3367	5	6	44.33	0.25	3361	0.20	"
420	430	3368	3	14	31.96	0.15	3362	0.22	"
430	438		5		51.61				"
438	440		1	2	46.15				"
430	440	3484	6	2	50.52	0.25	3491	0.22	
440	450	3485	5	12	47.42	0.12	3492	0.17	"
450	460	3486	5	10	46.39	0.22	3493	0.22	"
460	470	3487		14	07.22	0.12	3494	0.20	"
470	480	3488	3	2	25.77	0.17	3495	0.20	"
480	485		1	4	20.62				"
485	490		1		16.49				"
480	490	3489	2	5	18.56	0.25	3496	0.35	
490	492		1	12	71.79				"
492	500		2	10	27.10				"
490	500	3490	4	6	36.08	0.20	3497	0.35	

Core Log — Diamond Drill Hole No. 5

Date Drilled — July 1958

Core Recovery — 37.39%

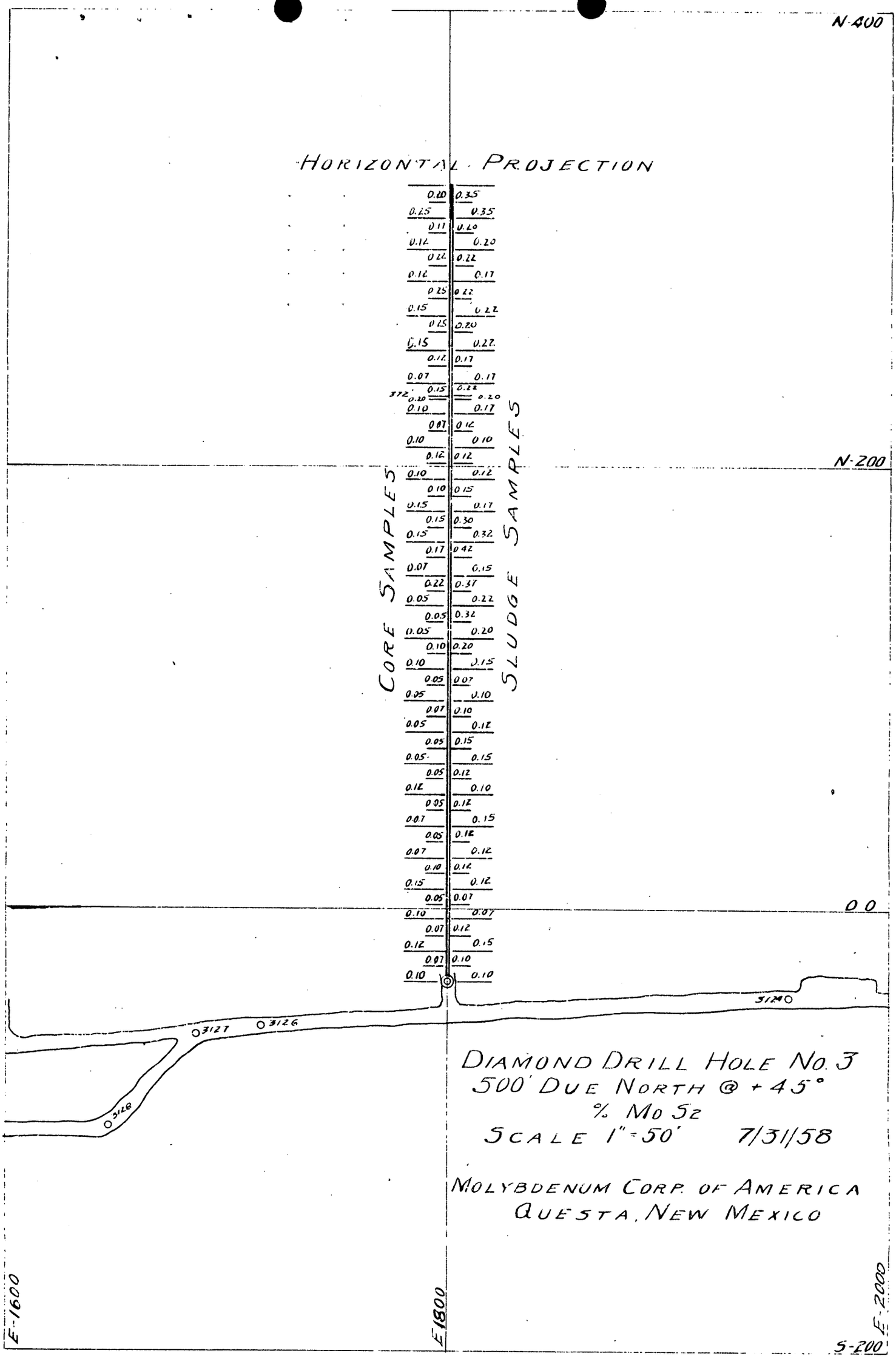
	Footage From	Footage To	Core Spl. No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks	
1	0	5		2	10	43.30				Aplite	1
2	5	10			10	10.31				"	2
3	0	10	3556	3	4	26.80	0.10	3515	0.12		3
4	10	15			4	04.12				"	4
5	15	20			10	10.31				"	5
6	10	20	3557		14	07.22	0.07	3516	0.12		6
7	20	25			4	04.12				"	7
8	25	30			10	10.31				"	8
9	20	30	3558		14	07.22	0.05	3517	0.12		9
10	30	35			6	06.19				"	10
11	35	40			8	08.25				"	11
12	30	40	3559		14	07.22	0.07	3518	0.42		12
13	40	45		-0-							13
14	45	50		-0-							14
15 *	40	50		-0-				3528	0.25		15
16	50	55		-0-							16
17	55	60		-0-							17
18 *	50	60		-0-				3529	0.27		18
19	60	65			4	04.12				"	19
20	65	70			2	02.06				"	20
21 *	60	70			6	03.09		3530	0.22		21
22	70	75			6	06.19				"	22
23	75	80			4	04.12				"	23
24 *	70	80			10	05.15		3531	0.17		24
25	40	80	3560	1	14	03.87	0.07				25
26	80	85			8	08.25				Aplite & Transition	26
27	85	90			2	02.06				" "	27
28	80	90	3561		10	05.15	0.10	3532	0.25	" "	28
29	90	95		1	0	16.49				"	29
30	95	100			4	04.12				"	30
31	90	100	3562	1	4	10.31	0.15	3533	0.20		31
32	100	105			12	12.37				" "	32
33	105	110			4	04.12				" "	33
34	100	110	3563	1	0	08.25	0.10	3534	0.25		34
35	110	115		-0-							35
36	115	120			4	04.12				" "	36
37 *	110	120			4	02.06		3535	0.25	" "	37
38	120	125			8	07.62				Transition	38
39	125	130			4	03.81				"	39
40	120	130			12	05.71		3536	0.17		40
41	110	130	3564	1	12	06.67	0.10				41
42	130	135			6	05.71				"	42
43	135	140			12	11.43				"	43
44	130	140	3565	1	2	08.57	0.22	3537	0.17		44
45	140	145		1	6	20.95				"	45
46	145	150		3	6	51.43				"	46
47	140	150	3567	4	12	36.19	0.10	3538	0.17		47

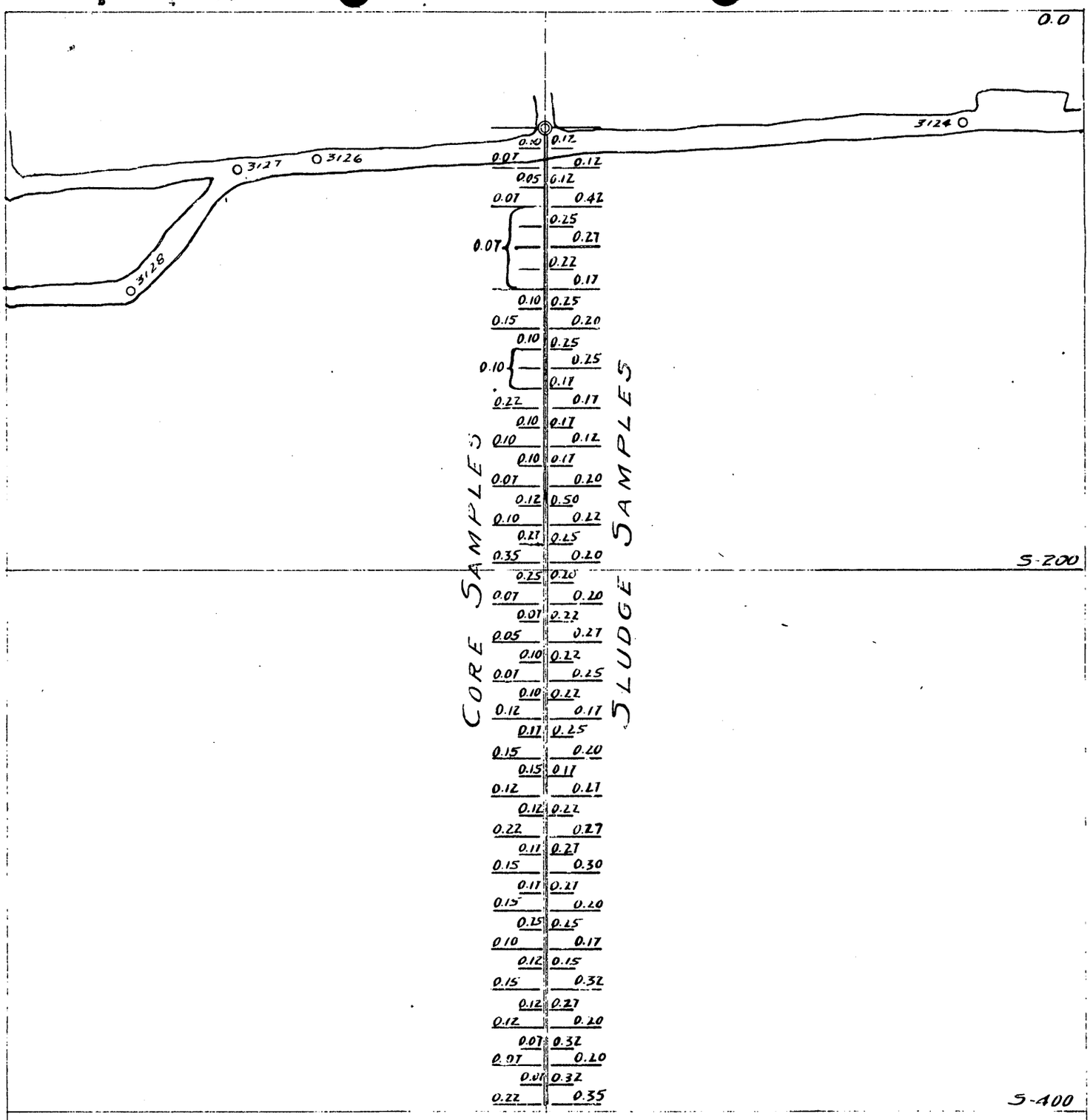
Co re Log Diamond Drill Hole No. 5 Cont'd

	Distance From	Distance To	Core Spl. No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Spl. No.	Sludge % MoS2	Remarks	
1	150	160	3568	2	6	18.10	0.10	3539	0.12	Transition	1
2	160	165			8	07.62				"	2
3	165	170			12	11.43				"	3
4	160	170	3569	1	4	09.52	0.10	3540	0.17		4
5	170	180	3570	2	2	16.19	0.07	3541	0.20	"	5
6	180	190	3571		12	05.71	0.12	3542	0.50	"	6
7	190	195		1	2	17.14				"	7
8	195	200			14	13.33				"	8
9	190	200	3572	2		17.14	0.10	3543	0.22		9
10	200	205			10	09.52				"	10
11	205	210		3	6	51.43				Black Porphyry	11
12	200	210	3573	4		30.48	0.27	3544	0.25	Transition	12
13	210	220	3574	7	6	56.19	0.35	3545	0.20	"	13
14	220	225		1	0	15.24				"	14
15	225	230		1	4	19.05				"	15
16	220	230	3575	2	4	17.14	0.25	3604	0.20	"	16
17	230	240	3576	3	8	26.67	0.07	3605	0.20	"	17
18	240	250	3577	46	2	46.67	0.07	3606	0.22	"	18
19	250	260	3578	7	10	58.10	0.05	3607	0.27	"	19
20	260	267		6	12	73.47				"	20
21	267	270		1	14	47.62				"	21
22	260	270	3579	8	10	65.71	0.10	3608	0.22		22
23	270	280	3580	13	2	99.05	0.07	3609	0.25	"	23
24	280	290	3595	11	4	85.71	0.10	3610	0.22	"	24
25	290	300	3596	11	10	88.57	0.12	3611	0.17	"	25
26	300	310	3597	11	4	90.48	0.17	3612	0.25	"	26
27	310	313		1	6	34.92				"	27
28	313	320		7	2	77.55				"	28
29	310	320	3598	8	8	64.76	0.15	3613	0.20		29
30	320	330	3599	11	8	87.62	0.15	3614	0.17	"	30
31	330	340	3600	3	0	22.86	0.12	3615	0.27	"	31
32	340	343		2	6	60.32				"	32
33	343	350		7	0	76.19				"	33
34	340	350	3601	9	6	71.43	0.12	3616	0.22	"	34
35	350	360	3602	12	2	92.38	0.22	3617	0.27	"	35
36	360	370	3603	4	8	85.71	0.17	3618	0.27	"	36
37	370	380	3625	10	4	78.10	0.15	3638	0.30	"	37
38	380	390	3626	5	2	39.05	0.17	3639	0.27	"	38
39	390	398		8	10	82.14				"	39
40	398	400		1	2	42.86				"	40
41	390	400	3627	9	12	69.52	0.15	3651	0.20	"	41
42	400	410	3628	10	10	80.95	0.25	3652	0.25	"	42
43	410	420	3629	4	4	32.38	0.10	3653	0.17	"	43
44	420	430	3630	1	14	14.29	0.12	3654	0.15		44
45	430	440	3631	4	14	37.14	0.15	3655	0.32	"	45
46	440	450	3632	7	14	60.00	0.12	3656	0.27	"	46
47											47

Core Log Diamond Drill Hole No. 5 Cont'd

	Distance From	Distance To	Core Spl. No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sol. No.	Sludge % MoS2	Remarks
1	450	460	3633	1	10	12.38	0.12	3657	0.20	Transition
2	460	470	3634	7	6	56.19	0.07	3658	0.32	"
3	470	480	3635	4	2	31.43	0.07	3659	0.20	"
4	480	490	3636	6	4	47.62	0.07	3660	0.32	"
5	490	500	3637	4	4	32.38	0.22	3661	0.35	"
12	* Not enough core for sample									


N-400
HORIZONTAL PROJECTION
CORE SAMPLES
SLUDGE SAMPLES
0.20 0.35
0.25 0.35
0.11 0.20
0.12 0.20
0.22 0.22
0.12 0.17
0.25 0.22
0.15 0.22
0.25 0.20
0.15 0.22
0.12 0.17
0.07 0.17
0.15 0.22
372 0.20 0.20
0.10 0.17
0.07 0.12
0.10 0.10
0.12 0.12
N-200
0.10 0.12
0.10 0.15
0.15 0.17
0.15 0.30
0.15 0.32
0.17 0.42
0.07 0.15
0.22 0.37
0.05 0.22
0.05 0.32
0.05 0.20
0.10 0.20
0.10 0.15
0.05 0.07
0.05 0.10
0.07 0.10
0.05 0.12
0.05 0.15
0.05 0.15
0.05 0.12
0.12 0.10
0.05 0.12
0.07 0.15
0.05 0.12
0.07 0.12
0.10 0.12
0.15 0.12
0.05 0.07
0.10 0.07
0.07 0.12
0.12 0.15
0.07 0.10
0.10 0.10
0.0
3124
3127
3126
3128
DIAMOND DRILL HOLE NO. 3
500' DUE NORTH @ +45°
% MO S2
SCALE 1" = 50'
7/31/58
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
E-1600
E1800
E-2000
S-200



HORIZONTAL PROJECTION

DIAMOND DRILL HOLE NO 5
500' DUE SOUTH @ + 45°
% MoS2
SCALE 1" = 50' 7/31/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

Ay to 100, 80

COPY
DMEA
RECEIVED AUG 4 1958

DATE	INITIALS	CODE
8/4	H. g.	225
11		110
		700

FINAL DISTRIBUTION
MADE JUL 31 1958

224 New Customhouse
Denver 2, Colorado

July 30, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4568 (Molybdenum) Contract No. Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report---------- July 15, 1958
Date Received in Field Office---------- July 21, 1958
Date Received in Region Office---------- July 24, 1958

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

MHM:jy

cc: Chmn. Op. Comm. (2)
DMEA,DFC
MF-104 File, Reg. III
Harshman - w/copy Engr's. report
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

JUL 24 1958
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
July 24, 1958

Memorandum

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

From: M. H. Salsbury

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corp. of America (Moly or Questa mine) Taos County, N. M. -- Progress report for June 1958

Operations under the subject contract were inspected on July 17, 1958 by M. H. Salsbury in company with the operator's manager, A. L. Greslin.

Advance in the headings up to the day of inspection was in excess of the amounts claimed for June 1958. The face of the No. 4 XC S (Stage II) was at 148 feet beyond survey station 3216 or 87.5 feet beyond the point of advance claimed. The face of the Drift West (Stage II) was 78 feet beyond survey station 3217 or 24 feet beyond the point of advance claimed. AX core from diamond drill hole No. 9, 500 feet deep was examined and found to represent the footage claimed. Core recovery averaged only 6.54 percent.

Chemical analyses of 100 samples for MoS_2 were claimed. No claim was made for 34 chemical analyses of drill core. Preparation of drill stations for holes Nos. 15 and 16, next to be drilled, in the amount of 8 feet, and for hole No. 3 now being drilled, in the amount of 4 feet is claimed.

All work was done in accordance with the fixed cost contract, amendments thereto, and work approvals, and is within contract maximums.

CONTRACT MEASUREMENTS
Stage II

No. 4 XC South, face 7/17/58 at station 3216 + 148 feet

Face 6/30/58, station 3216 +	60.5 ft.
station 3214 to station 3215	65.0 ft.
station 3215 to station 3216	51.5 ft.
	177.0 ft.
Face 5/31/58, station 3214 +	38.0 ft.
Claimed for No. 4 XC South in June 1958	139.0 ft.

Total length No. 4 XC S from start -- 1008 ft.

Drift West, face 7/17/58 at station 3217 + 78.0 ft.
Face 6/30/58 station 3217 + 53.0 ft.
Station 3212 to station 3217 100.5 ft.
153.5 ft.
Face 5/31/58 station 3212 + 43.5 ft.
Claimed for Drift West in June 1958 110.0 ft.
Total advance claimed in June 1958 249.0 ft.
Total length Drift West from start of DMEA 1016 ft.

A stub drift was excavated in the No. 4 XC South at station 3215. No claim was made for this or for analyses of samples taken in the stub drift.

Timbering claimed by the operator and verified by the DMEA inspector is as follows:

Stage II
No. 4 Crosscut South
Stop at station 3216 plus 57.0 ft.
Station 3215 to station 3216 51.5 ft.
Start at station 3215 minus 38.0 ft. 146.5 ft.

Drift West
Stop at station 3217 plus 18.0 ft.
Start at station 3217 minus 88.5 ft. 106.5 ft.

Stop at station 3209 + 87.0 ft.
Start at station 3209 + 76.0 ft. 11.0 ft.

Stop at station 3208 plus 37.0 ft.
Start at station 3207 plus 31.0 ft. 6.0 ft.

Total measured by DMEA inspector 269.0 ft.
Total claimed in June 1958 279.0 ft.

Stage I (In Drift West)
Stop at station 3180 plus 103 ft.
Start at station 3180 plus 90 ft.
Measured by DMEA inspector 13 ft.
Claimed in June 1958 Stage I 13 ft.

Claims for heading advance are in accordance with the DMEA measurements, and claims for timbering are considered to be virtually in agreement. Any discrepancies in progress measurements can be adjusted when headings are completed at which time the total claims can be checked.

On July 17, 1958 the No. 4 Crosscut South had been advanced to approximately coordinate S.1372. A work approval dated June 23, 1958 authorizes extension of the No. 4 Crosscut South to coordinate S.1800. The Drift West had been advanced to coordinate W.642. The Drift West is presently authorized to coordinate W.800. Both No. 4 Crosscut South and the Drift West were driven

through transition rock described as aplitic or granitic. The country rock was badly broken throughout and the headings were timbered continuously. Three places in previously driven unsupported sections had to be timbered also. There was visible MoS_2 throughout the area traversed by the headings. An increase in MoS_2 content toward the face is indicated by samples from the No. 4 Crosscut South.

Diamond drill hole No. 9, drilled vertically down 500 feet at survey station 3139, exhibited Mo S_2 throughout in low concentrations (0.07 to 0.22 percent MoS_2). The hole bottomed in aplite (granite).

The operator has submitted in quintuplicate for June 1958, accounting forms, a narrative report with maps, a drill hole log and assay results on drill core, sludge, and mine samples. Monthly and cumulative totals appear to be correctly reported.

Payment is recommended on the following items:

Stage I	
Diamond drilling 500 feet at $5.00/ft.	$2,500.00
Reaming and Casing 396 ft. at $1.00/ft.	396.00
Excavating drill stations 12 ft. at $44.43/ft.	533.16
Timbering 13 ft. at $2.70/ft.	35.10
Analyses of 50 sludge samples for MoS_2 at $3.00/ea.	150.00
Total Stage I	$3,614.26
Stage II	
Drifting and crosscutting 249 ft. at $44.43/ft.	$11,063.07
Timbering 270 ft. at $2.70/ft.	729.00
Analyses of 50 mine samples for MoS_2 at $3.00/ea.	150.00
Total Stage II	$11,942.07
Total claimed and recommended for approval in June 1958	$15,556.33

Payment is recommended for June 1958 of $7,778.17, or 50 percent of the amount claimed, $15,556.33

M. H. Salsbury
Mining Engineer

MHS/mw
cc: 6
Idm-E1094
chron

C O N T E N T S

June 1958

1. Narrative Report
2. Form MF-104A
3. Form MF-104
4. Geology Map - No. 4 Cut
5. Geology Map - Drift V
6. Progress & Timber Map - No. 4 Cut
7. Progress & Timber Map - Drift V
8. Chip Assay Map - No. 4 Cut
9. Chip Assay Map - Drift V
10. Core Log - Drill Hole No. 9
11. Map - Drill Hole No. 9

NARRATIVE REPORT FOR JUNE 1958

DMEA
DEPARTMENT OF THE INTERIOR
JUL 17 1958
REGION III
DENVER, COLORADO

Questa, New Mexico
July 15, 1958

Mr. E. N. Herehman, Acting Director DMEA
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period June 1 through June 30, 1958 there were 25 working days and 5 Sundays. There were 25 days worked in the mine.

No. 4 Cx3 was worked on a two shift basis and Drift West was worked on a one shift basis.

139 feet of advance were made in No. 4 Cx3. This was in Transition rock for the first 100 feet and then Red rock the rest of the distance. There was 147 feet of timbering in this place.

110 feet of advance were made in Drift West. This was in transition rock. 133 feet of timbering were done in this place.

Diamond drill hole No. 9 was completed to 500 feet. In this hole we had to ream and case 240 feet, then cement another 147 feet to be able to finish the hole.

12 feet of raise work were done in Stage I of the contract. 8 feet of this was done in No. 1 Cx11 to get ready to drill holes No. 15 and 16. 4 feet were done in the drill station at Coordinate E-1900.

13 feet of timbering were done in stage I of Drift west. This wasn't timbered before but is getting loose now and had to be timbered.

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1958 Docket No. DMEA 4568 Contract No. DMA-T 1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 375 Park Avenue New York 22, N Y

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 & Crosscut	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta.	ft	533.16	12	2799.09	63	44.43	115	44.43
Timbering	ft	35.10	13	2516.40	932	2.70	1000	2.70
Analyses	Spl	150.00	50	2322.00	774	3.00	1100	3.00
Room & Case	ft	396.00	396	645.00	645	1.00	500	1.00
Drilling: Core	ft	2500.00	500	29180.00	5836	5.00	9000	5.00
				STAGE II				
Drifting Crosscut	ft	11063.07	249	93036.42	2094	44.43	6160	44.43
Drill Sta	ft	0.00	-0-	533.16	12	44.43	250	44.43
Timbering	ft	729.00	270	4725.00	1750	2.70	6160	2.70
Analyses	Spl	150.00	50	1383.00	461	3.00	3177	3.00
Room-Case	ft	0.00	-0-	272.00	272	1.00	1000	1.00
Core Drill	ft	0.00	-0-	2035.00	407	5.00	19500	5.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		15556.33		185877.07				

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 July 15, 1958 Operator Molybdenum Corporation of America

Per [signature] Title Manager

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

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 AUG 1 1958

Month of June, 195 8 Docket No. DMEA 4566 Contract No. 10[illegible]-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y
Contract Amount, $510,500.00 Government Participation: 50 % Amount, $255,250.00

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	2500.00	28715.00	31215.00			
[redacted] Drill Sta.	533.16	2799.09	3332.25			
Crosscutting & Drift	11063.07	126403.35	137466.42			
[redacted] Timber	764.10	6477.30	7241.40			
Analyses	300.00	3405.00	3705.00			
(2) [redacted]						
[redacted] Rem & Case	396.00	521.00	917.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	15556.33	168320.74	183877.07	15556.33	168320.74	183,877.07

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 15 1958 *Payee Molybdenum Corp. of America
Per [signature] Title Manager

*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:
$ 7778.17
Signature [signature] (Authorized Certifying Officer)
Date 7/30/58 Vou. No. DMA 59-13
(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. IdmE1094 in accordance with the terms of the contract.

Signature M. K. Lakshmy #777817 Title Mining Engineer Date 7-24-58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Accounting

Signature J. W. Fernsund Title Alternate acting Executive Officer Date JUL 30 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).

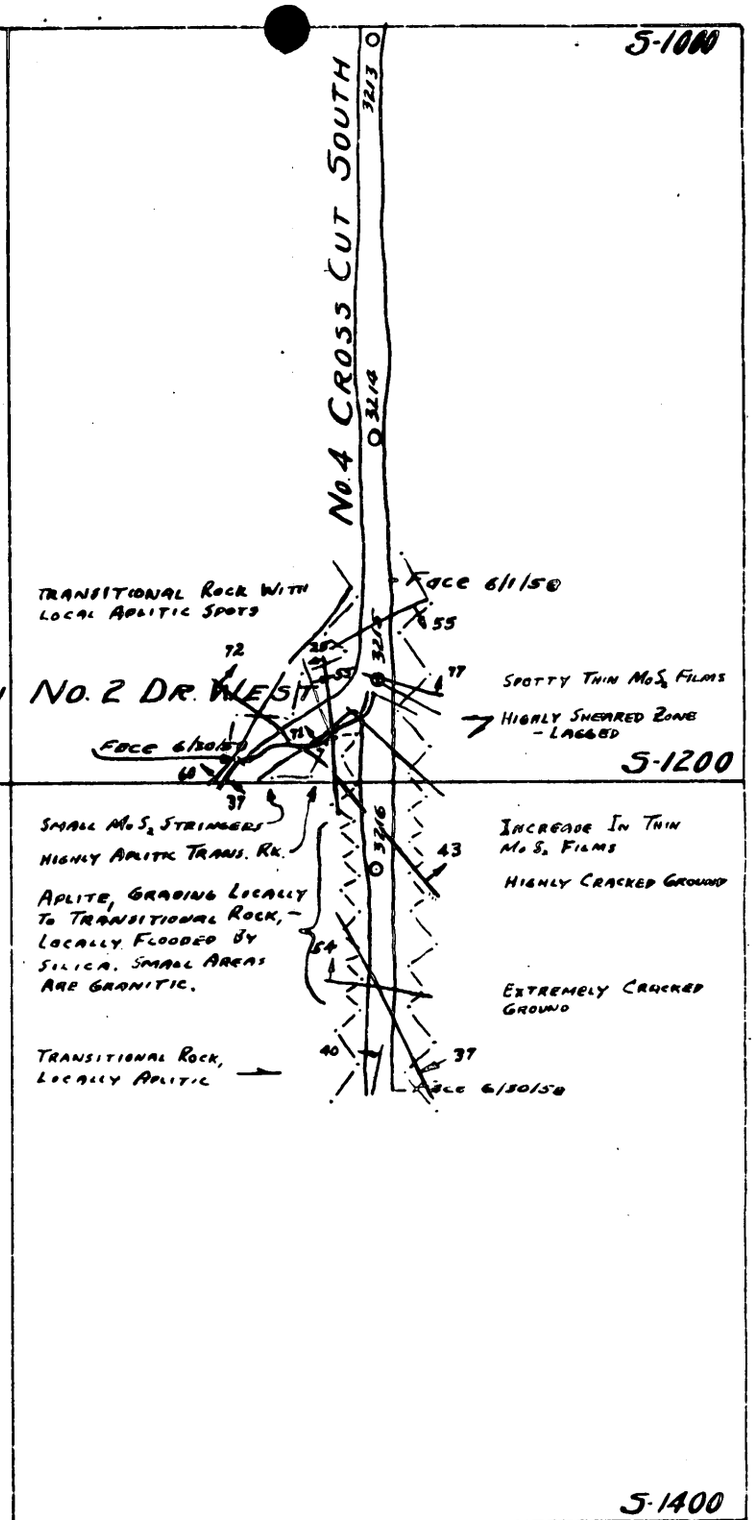
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.



No. 4 Cross Cut South

No. 2 Dr. West

Geologic Map
Period 6/1/58 to 6/30/58

Tunnel Shaft 2nd Level
Scale 1" = 50'

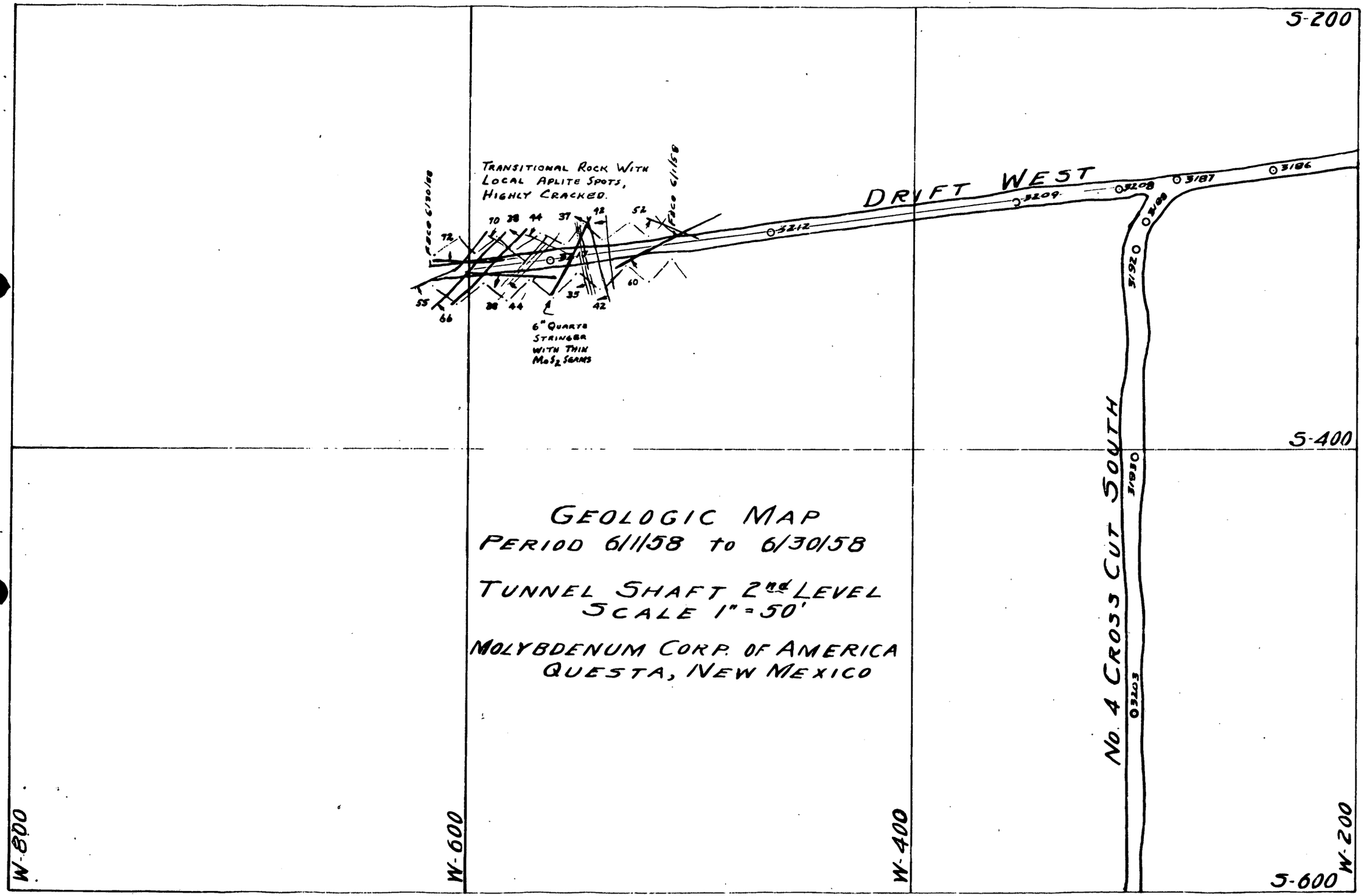
Molybdenum Corp. of America
Questa, New Mexico

W-600

W-400

W-200

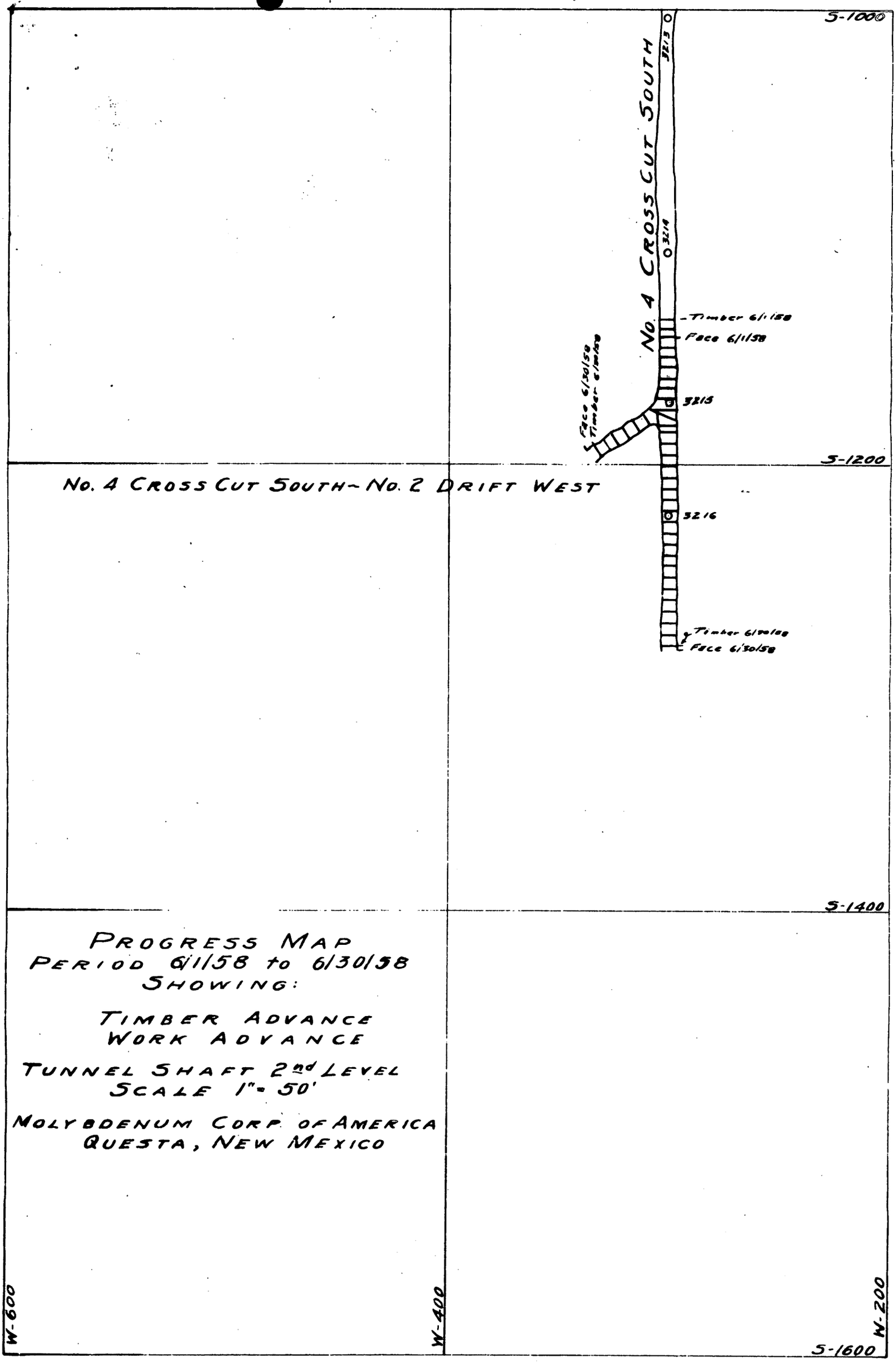
5-1600

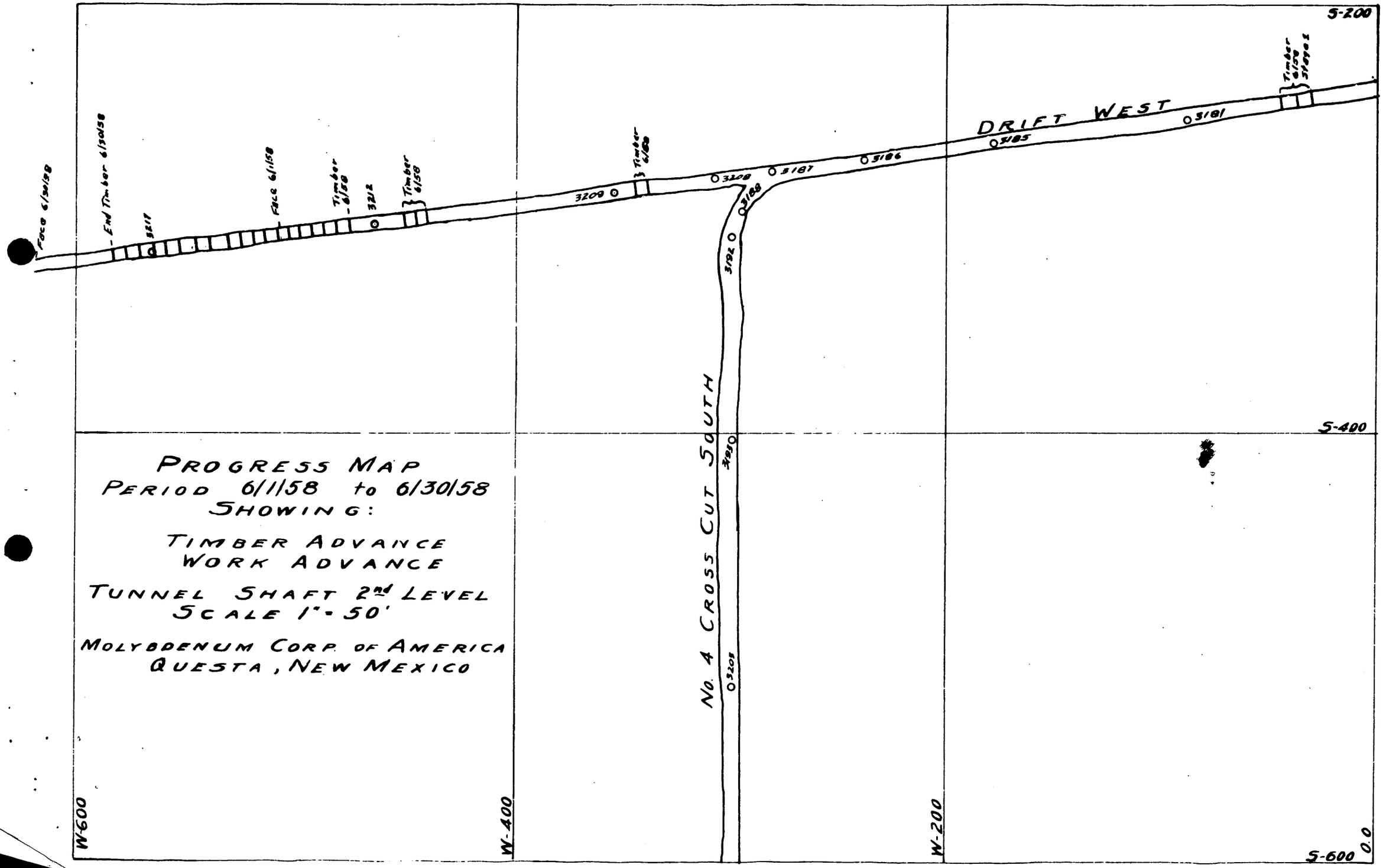


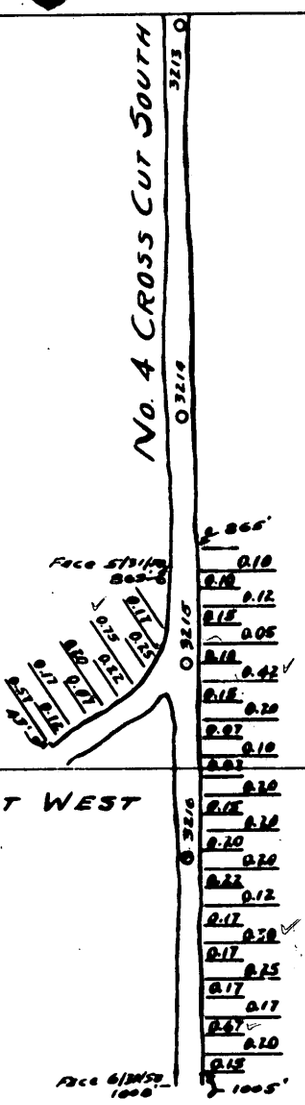
GEOLOGIC MAP
PERIOD 6/1/58 to 6/30/58

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


5-1000
No. 4 Cross Cut South
3213
3214
Timber 6/1/58
Face 6/1/58
Face 6/30/58
Timber 6/30/58
3215
5-1200
No. 4 Cross Cut South - No. 2 Drift West
3216
Timber 6/30/58
Face 6/30/58
5-1400
Progress Map
Period 6/1/58 to 6/30/58
Showing:
Timber Advance
Work Advance
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico
W-600
W-400
W-200
5-1600


PROGRESS MAP
PERIOD 6/1/58 to 6/30/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
DRIFT WEST
No. 4 CROSS CUT SOUTH
S-200
S-400
S-600
W-600
W-400
W-200
0.0
Face 6/30/58
End Timber 6/30/58
3217
Face 6/1/58
Timber 6/58
3212
Timber 6/58
3209
Timber 6/58
3208
3188
3187
3186
3185
3181
Timber 6/58
3192
3205



5-1000

5-1200

No. 4 Cross Cut South – No. 2 Drift West

5-1400

Chip Samples
% MoS_2
Period 6/1/58 to 6/30/58

Tunnel Shaft 2nd Level
Scale 1" = 50'

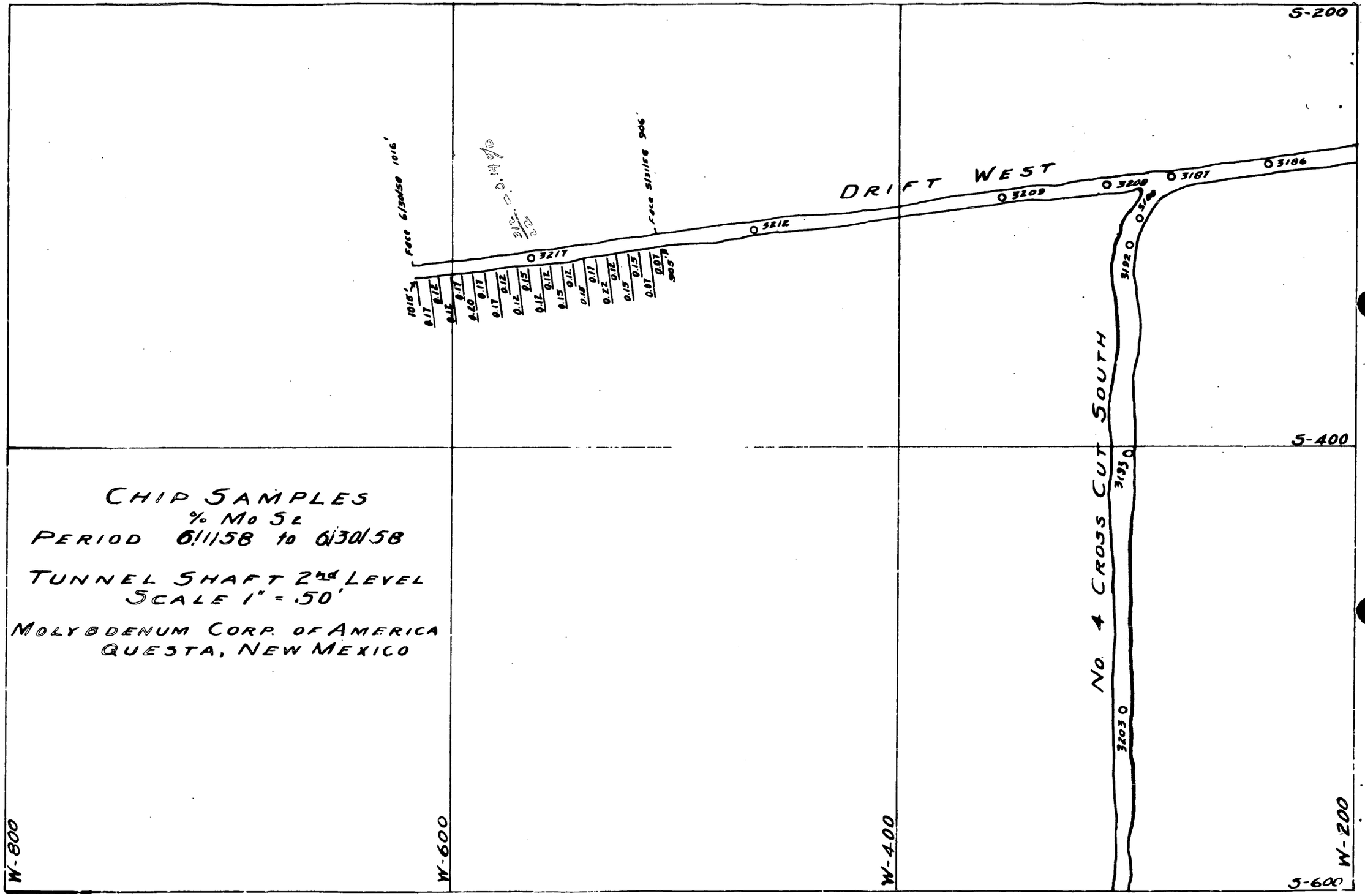
Molybdenum Corp. of America
Questa, New Mexico

W-600

W-400

W-200

5-1600


CHIP SAMPLES
% Mo S2
PERIOD 6/1/58 to 6/30/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
DRIFT WEST
No. 4 CROSS CUT SOUTH
Face 6/30/58 1016'
Face 5/31/58 906'
1015'
0.17
0.12
0.17
0.20
0.11
0.17
0.12
0.12
0.15
0.12
0.12
0.15
0.12
0.12
0.18
0.11
0.22
0.12
0.15
0.15
0.07
0.07
905'
3217
3212
3209
3208
3187
3186
3182
3193
3203
S-200
S-400
S-600
W-800
W-600
W-400
W-200

Core Log — Diamond Drill Hole No. 9

Date Drilled — June 1958

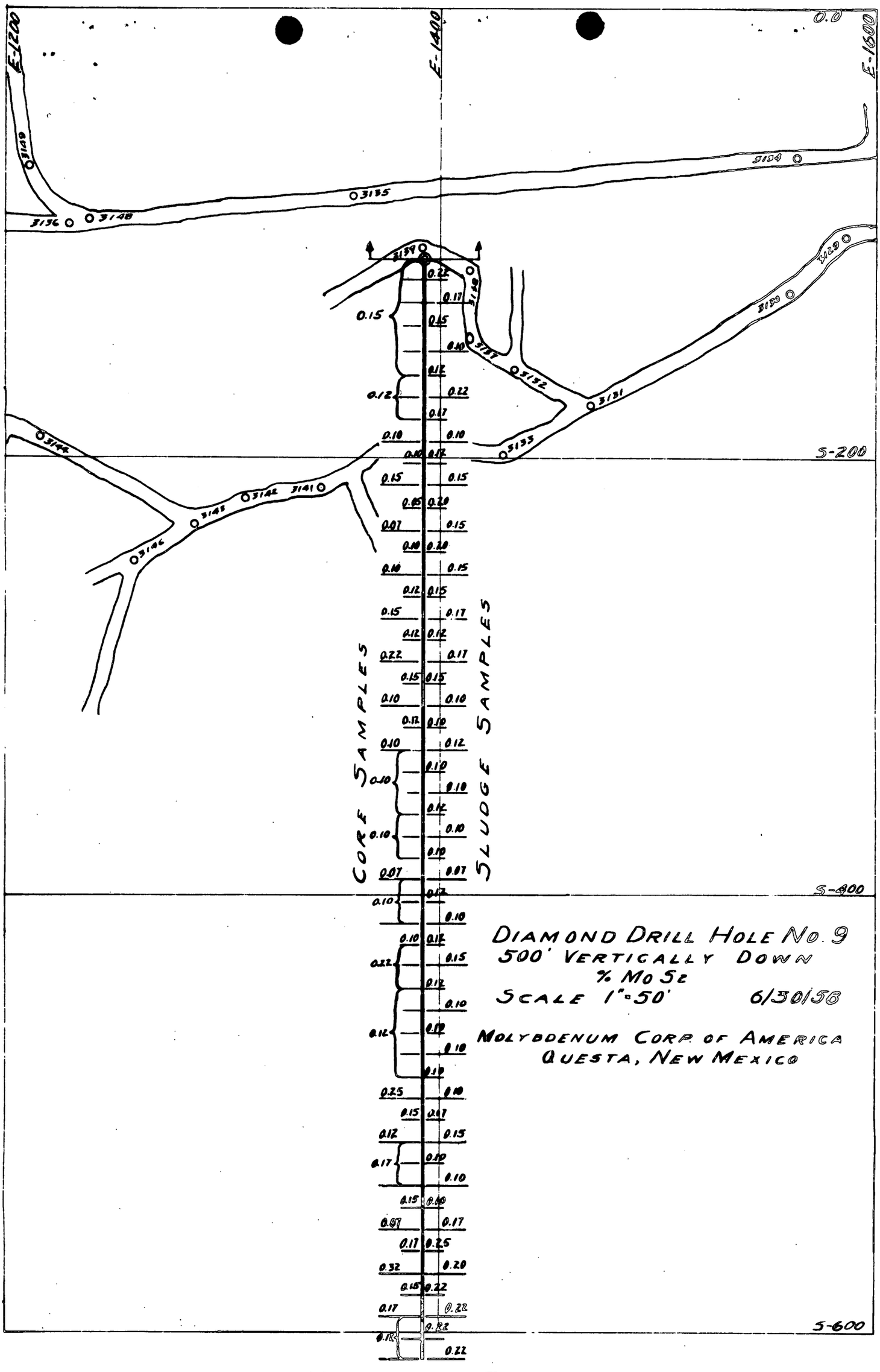
Actual Recovery — 06.54%

Footage From	Footage To	Core SPL No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2		Remarks
0	10			8	04.12		3076	0.22	Aplite	
10	20		0	0			3077	0.17		
20	30			2	01.03		3078	0.15	"	
30	40			2	01.03		3079	0.10	"	
40	50			6	03.09		3080	0.12	"	
10	50	3062	1	2	02.32	0.15			"	
50	60			4	02.06		3081	0.22	"	
60	70			6	03.09		3082	0.17	"	
50	70	3063		10	02.58	0.12				
70	80	3064		12	06.19	0.10	3083	0.10	"	
80	85			14	14.43				"	
85	90			12	12.37				"	
80	90	3065	1	10	13.40	0.10	3084	0.15		
90	100	3066	1		08.25	0.15	3085	0.12	"	
100	110	3067		12	06.19	0.05	3086	0.20	"	
110	120	3068		8	04.12	0.07	3101	0.15	"	
120	130	3069	1		08.25	0.10	3102	0.20	"	
130	136			8	06.90				"	
136	140			4	05.13				"	
130	140	3070		12	06.19	0.10	3103	0.15		
140	150	3071		14	07.22	0.12	3104	0.15	"	
150	160	3072		8	04.12	0.15	3105	0.17	"	
160	170	3073	1		08.25	0.12	3106	0.12	"	
170	180	3074		12	06.19	0.22	3107	0.17	"	
180	190	3075		10	05.15	0.15	3108	0.15	"	
190	195		2	2	35.05				"	
195	200			12	12.37					
190	200	3307	2	14	23.71	0.10	3109	0.10		
200	205			4	04.12				"	
205	210			12	12.37				"	
200	210	3308	1		08.25	0.12	3110	0.10		
210	215			4	04.12				Transition	
215	220			8	08.25				Aplite	
210	220	3309		12	06.19	0.10	3111	0.12		
220	230			2	01.03		3112	0.10	Transition	
230	234			4	05.17				"	
234	240			2	01.72				"	
230	240			6	03.09		3113	0.10	"	
240	250			14	07.22		3114	0.12	"	
220	250	3310	1	14	05.15	0.10				
250	257			4	02.94				Aplite	
257	260			4	06.90				"	
250	260			8	04.12		3263	0.10	"	
260	262			2	05.13				"	
262	270			6	03.87				"	
260	270						3264	0.10	"	

9

Core Log Diamond Drill Hole No. 9 Cont'd

Distance From	Distance To	Core Spl. No.	Core Weight lb	Core Weight oz	Core % Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2		Remarks
250	270	3311	1		04.12				Aplite	
270	280	3312		10	05.15	0.07	3265	0.07	"	
280	290			4	02.06		3266	0.12	"	
290	296			4	03.44				"	
296	300			10	12.82				"	
290	300			14	07.22		3274	0.10	"	
280	300	3313	1	2	04.64	0.10			"	
300	310	3314	1	14	10.31	0.10	3275	0.12	"	
310	320			4	02.06		3276	0.15	"	
320	330			4	02.06		3277	0.12	"	
310	330	3315		8	02.06	0.22			"	
330	340			2	01.03		3278	0.10	"	
340	350			2	01.03		3279	0.10	"	
350	360						3280	0.10	"	
360	370			10	05.15		3281	0.10	"	
330	370	3316		14	01.80	0.12			"	
370	380	3317	1		08.25	0.25	3282	0.10	"	
380	390	3318		14	07.22	0.15	3283	0.17	"	
390	400	3319	2	12	22.68	0.12	3284	0.15	"	
400	410			6	03.09		3285	0.10	"	
410	420			12	06.19		3286	0.10	"	
400	420	3320	1	2	04.64	0.17			"	
420	430	3321		12	06.19	0.15	3287	0.10	"	
430	440	3322		10	05.15	0.07	3288	0.17	"	
440	446			14	12.07				"	
446	450			8	10.26				"	
440	450	3323	1	6	11.34	0.17	3292	0.25	"	
450	460	3324	1	10	13.40	0.32	3293	0.20	"	
460	470	3325	1	8	13.37	0.15	3294	0.22	"	
470	480	3326		10	05.15	0.17	3295	0.22	"	
480	490			4	02.06		3296	0.22	"	
490	500		3	6	27.84				"	
480	500	3327	3	10	14.95	0.12	3297	0.22	"	



VERTICAL SECTION

FINAL DISTRIBUTION

MADE JUL 15 1958

224 New Customhouse
Denver 2, Colorado
July 10, 1958

7/21 C 220
" 1/2 110
~~11 7/11 70~~

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idaho-K10ph, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the Month of May, 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report----------June 14, 1958
Date Received in Field Office----------June 19, 1958
Date Received in Region Office----------July 1, 1958

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

MBM:hmh

cc: Chmn. Op. Comm. (2)
DMEA/DFC
MF-104 file, Reg. III
Harshman - w/copy Engr's report
Chron

DMEA
DEPARTMENT OF THE INTERIOR
JUL 9 - 1958
REGION III
DENVER, COLORADO

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

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
June 30, 1958

Memorandum

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

From: M. N. Salsbury

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Ida-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for May 1958

Work under the subject contract was inspected on June 11, 1958 by W. W. Winkel in company with the operator's manager, A. L. Greslin.

At the time of the inspection, the work completed was in excess of the amounts claimed for May 1958. The face of the No. 4 XC8 (Stage II) was at 78.0 feet beyond survey station 3214 or 38 feet beyond the point of advance claimed. The face of the Drift West (Stage II) was 76.0 feet beyond survey station 3212 or 32 feet beyond the point of advance claimed. Core from diamond drill holes No. 4 and No. 10 (Stage I), each 500 feet deep was inspected and found to check the footages claimed.

Chemical analyses of 100 samples of drill core and sludge and 73 mine samples were claimed.

All work was done in accordance with provisions of the contract amendments and work approvals and within contract maximums.

CONTRACT MEASUREMENTS
STAGE II

No. 4 XC south face 6/12/58 station 3214 +78.0	
face - 5/31/58 station 3214 + 38.0 ft.	
from station 3210 to station 3213	125.5 ft.
from station 3213 to station 3214	102.5 ft.
	267.0 ft.
face 4/30/58 station 3210 +	41.7 ft.
total for No. 4 XC South	225.3 ft.

Drift West face 6/12/58 station 3212 + 76.0 ft.	
face 5/31/58 station 3212 +	43.5 ft.
station 3209 to station 3212	112.5 ft.
	156.0 ft.
face 4/30/58 station 3209 +	19.5 ft.
total for Drift West	136.5 ft.
total claimed in May	141.0 ft.
excess	5.5 ft.
total driven in May 1958	361.8 ft.
total claimed in May 1958	366 ft.

The position of the face of the Drift West on May 1, 1958 as reported by the DMEA inspector was 19.5 feet beyond survey station 3209 which gave a measurement for April advance of 63.5 feet or 6.5 feet more than was claimed in that month. This is approximately compensated in May 1958 by the 5.5 feet claimed in excess of the May advance measured. The discrepancy lies in designating the exact position of the face on the first of the month as checked by the DMEA inspector several weeks later. In any case the measurements on the date of the DMEA inspector's visit, June 11, show advances for May in both headings substantially greater than claimed.

Timbering claimed by the operator, and verified by the DMEA inspector:

No. 4 Crosscut South		
Stop at survey station 3207 + 42.0 ft.		
Start at survey station 3207 + 33.5 ft.	8.5 ft.	
Stop at survey station 3210 + 53.0 ft.		
Start at survey station 3210 + 24.5 ft.	28.5 ft.	
Stop at survey station 3210 + 80.0 ft.		
Start at survey station 3210 + 68.5 ft.	11.5 ft.	
Stop at survey station 3211 plus 18.5 ft.		
Start at survey station 3211 minus 5.0 ft.	23.5 ft.	
Stop at survey station 3214 + 27.0 ft.		
Start at survey station 3214 - 63.5 ft.	90.5 ft.	
Total in No. 4 Crosscut South		162.5 ft.
Drift West		
Stop at survey station 3209 + 80.5 ft.		
Start at survey station 3209 + 30.0 ft.	50.5 ft.	
Stop at survey station 3212 + 12.0 ft.		
Start at survey station 3212 - 13.0 ft.	25.0 ft.	
Total in Drift West		75.5 ft.
Total timbering claimed in May 1958		238.0 ft.

Advance in the No. 4 crosscut south has proceeded to approximately coordinate S.1148. The face is in transitional rock and the crosscut shows visible molybdenum throughout the section driven in May. A work approval dated April 14, 1958 authorizes extension of the No. 4 crosscut south to approximately coordinate S.1300.

Advance in the drift west has proceeded to coordinate W.510. The face is in transitional rock and the drift shows visible molybdenum throughout the section driven in May. Amendment No. 2 authorizes extension of the drift west to approximately coordinate W.800.

Diamond drill holes Nos. 4 and 10 exhibit MoS_2 throughout their length.

The operator has submitted in quintuplicate for May 1958, accounting forms, a narrative report with maps, drill hole logs and assays of drill core, sludge and mine samples. Monthly and cumulative totals appear to be correctly entered.

Payment is recommended of the following:

Stage I	
Diamond drilling 1000 feet at $5.00/ft.	$5,000.00
Chemical analyses of 100 samples for MoS_2 at $3.00/ea.	300.00
Stage II	
Drifts and crosscuts 366 feet at $44.43/ft.	16,261.38
Timbering 238 feet at $2.70/ft.	642.60
Chemical analyses, 73 at $3.00/ea.	219.00
Total claimed for May 1958	$22,422.98

Payment is recommended for May 1958 of $11,211.49 or 50 percent of the amount claimed, $22,422.98.

M. H. Salsbury
M. H. Salsbury
Mining Engineer

W. W. Winkel

MHS/mr
cc: 6
Idm-21094
chron

C O N T E N T S
May 1950

1. Narrative Report
2. Form - MP-104A
3. Form - MP-104
4. Geology Map No. 4 Gas
5. Geology Map Drft W
6. Progress and Timber Map No. 4 Gas
7. Progress and Timber Map Drft W
8. Chip Assay Map - No. 4 Gas
9. Chip Assay Map - Drft W
10. Core Log - Drill Hole No. 4
11. Core Log - Drill Hole No. 10
12. Drill Hole Map - Drill Hole No. 4
13. Drill Hole Map - Drill Hole No. 10

NARRATIVE REPORT FOR MAY 1958

Quonset, New Mexico
June 16, 1958

Mr. V. E. King, Executive Officer, DMEA
Defense Minerals Exploration Administration
324 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period May 1 through 31, 1958 there were 27 working days and 4 Sundays. There were 27 days worked in the mine.

No. 4 Gas was worked on a two shift basis and Drift West was worked on a one shift basis.

335 feet = 8-1/day of advance were made in No. 4Gas. This was in Redrock for the first 175 feet with a small zone of transition rock at about 100 feet, then transition rock the last 10 feet. 163 feet of this was timbered.

161 feet = 5-2/shift of advance were made in drift west. This was in transition rock. 73 feet of this was timbered.

Two diamond drill holes were completed during this month. Drill Hole No. 4 was completed to 500 feet and drill hole No. 10 was completed to 600 feet. Both of these holes were in stage I of the contract.

A. L. Greelin

A. L. Greelin, Manager

DMEA
DEPARTMENT OF THE INTERIOR
JUN 18 1958
REGION III
DENVER, COLORADO

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUL 21 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1958 Docket No. DMEA 4568 Contract No. DMEA 1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 375 Park Avenue New York 22, N.Y.

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 A Crosscut	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta	ft	0.00	-0-	2265.93	51	44.43	115	44.43
Timbering	ft	0.00	-0-	2481.30	919	2.70	1000	2.70
Analyses	Spl	300.00	100	2172.00	724	3.00	1100	3.00
Team & Case	ft	0.00	-0-	249.00	249	1.00	500	1.00
Drilling: Core	ft	5000.00	1000	26680.00	5336	5.00	9000	5.00
				STAGE II				
Drifting Crosscut	ft	16261.38	366	81973.35	1845	44.43	6160	44.43
Drill Sta	ft	0.00	-0-	533.16	12	44.43	250	44.43
Timbering	ft	642.60	238	3996.00	1480	2.70	6160	2.70
Analyses	Spl	219.00	73	1233.00	411	3.00	3177	3.00
Team-Case	ft	0.00	-0-	272.00	272	1.00	1000	1.00
Core Drill	ft	0.00	-0-	2035.00	407	5.00	19500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		22422.98		168320.74				

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 6/14/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

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)

RECEIVED
JUN 19 1958
Div. of Mineral Technology
BUREAU OF MINES
Denver Experiment Station
Denver, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
JUN 18 1958
REGION III
DENVER, COLORADO

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUL 21 1958 DMEA

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1958 Docket No. DMEA 456g Contract No. IDM-7109

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 375 Park Avenue New York 22, N.Y.

Contract Amount, $ 510,500.00 Government Participation: 50% Amount, $ 255,250.00

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	5000.00	23715.00	28715.00			
Drill Sta.	0.00	2799.09	2799.09			
Crosscutting & Drift	16261.38	110141.97	126403.35			
Timber	842.60	5834.70	6677.30			
Analyses	519.00	2886.00	3405.00			
(2) Other Contracts:						
Hamilton & Cano	0.00	521.00	521.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	22422.98	145897.76	168320.74	22422.98	145,897.76	168,320.74

RECEIVED
JUN 19 1958
Div. of Mineral Technology
BUREAU OF MINES
Denver Experiment Station
Denver, Colorado

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

Date 6/14/58 *Payee Molybdenum Corp. of America

Per [signature] Title Manager

*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:

$11,211.49

Signature [signature]
(Authorized Certifying Officer)

Date 7/14/58 Voucher No. 59-3

(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. K1094 in accordance with the terms of the contract.

Signature [illegible] $11,211.49 Title Mining Engineer Date 6-30-58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Alternate Acting Executive Officer Date JUL 10 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).

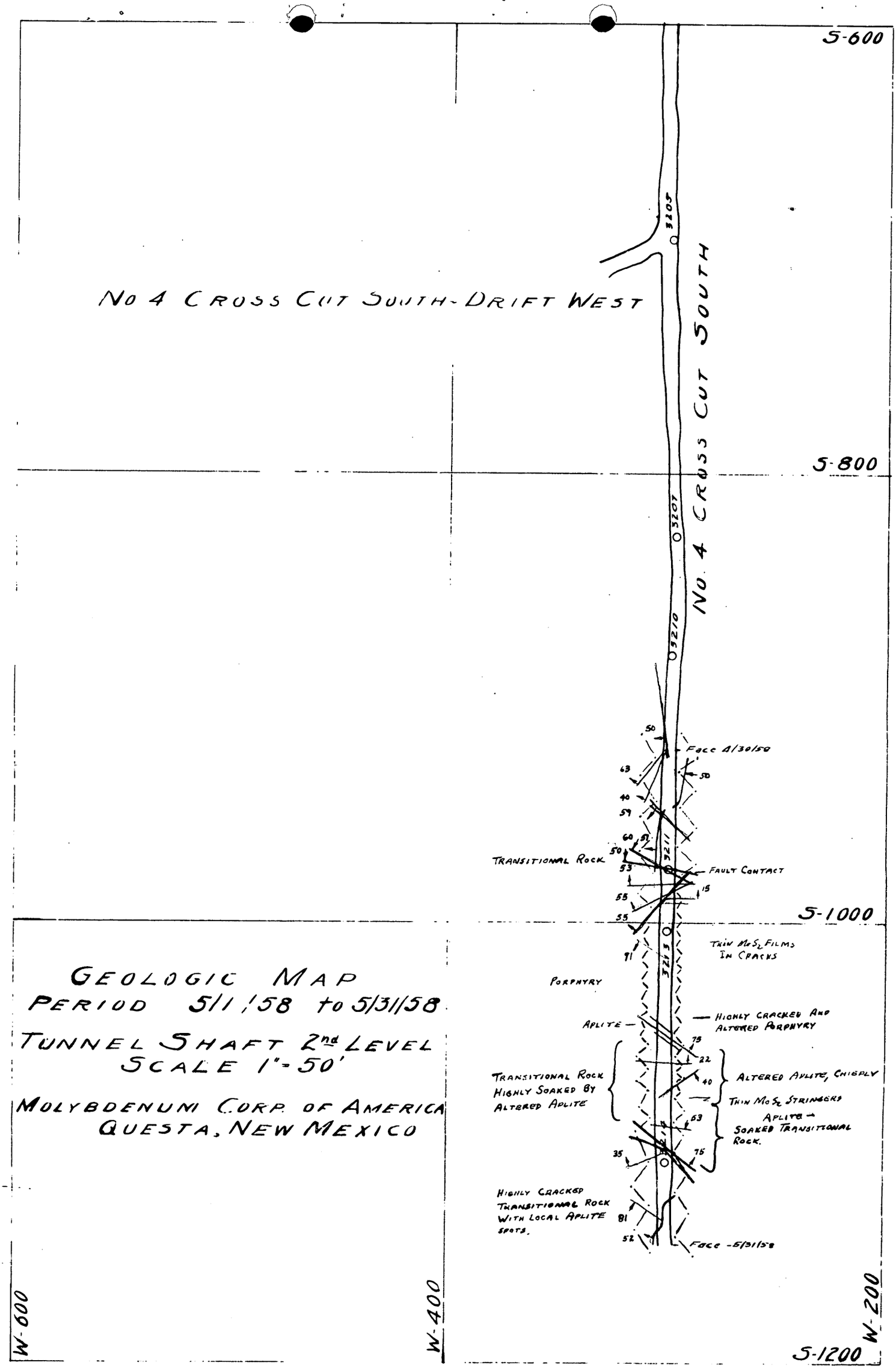
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.

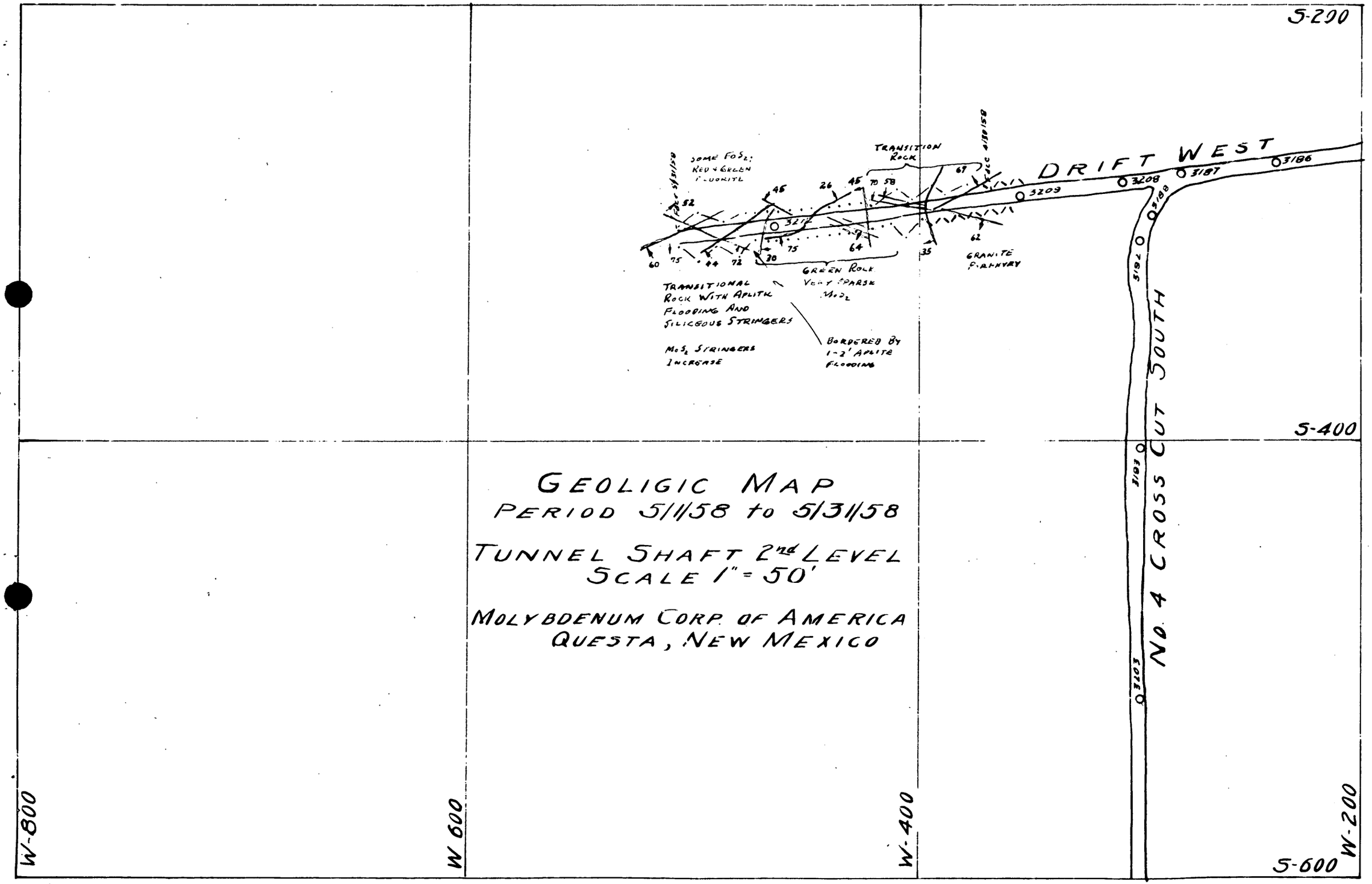
Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number 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.

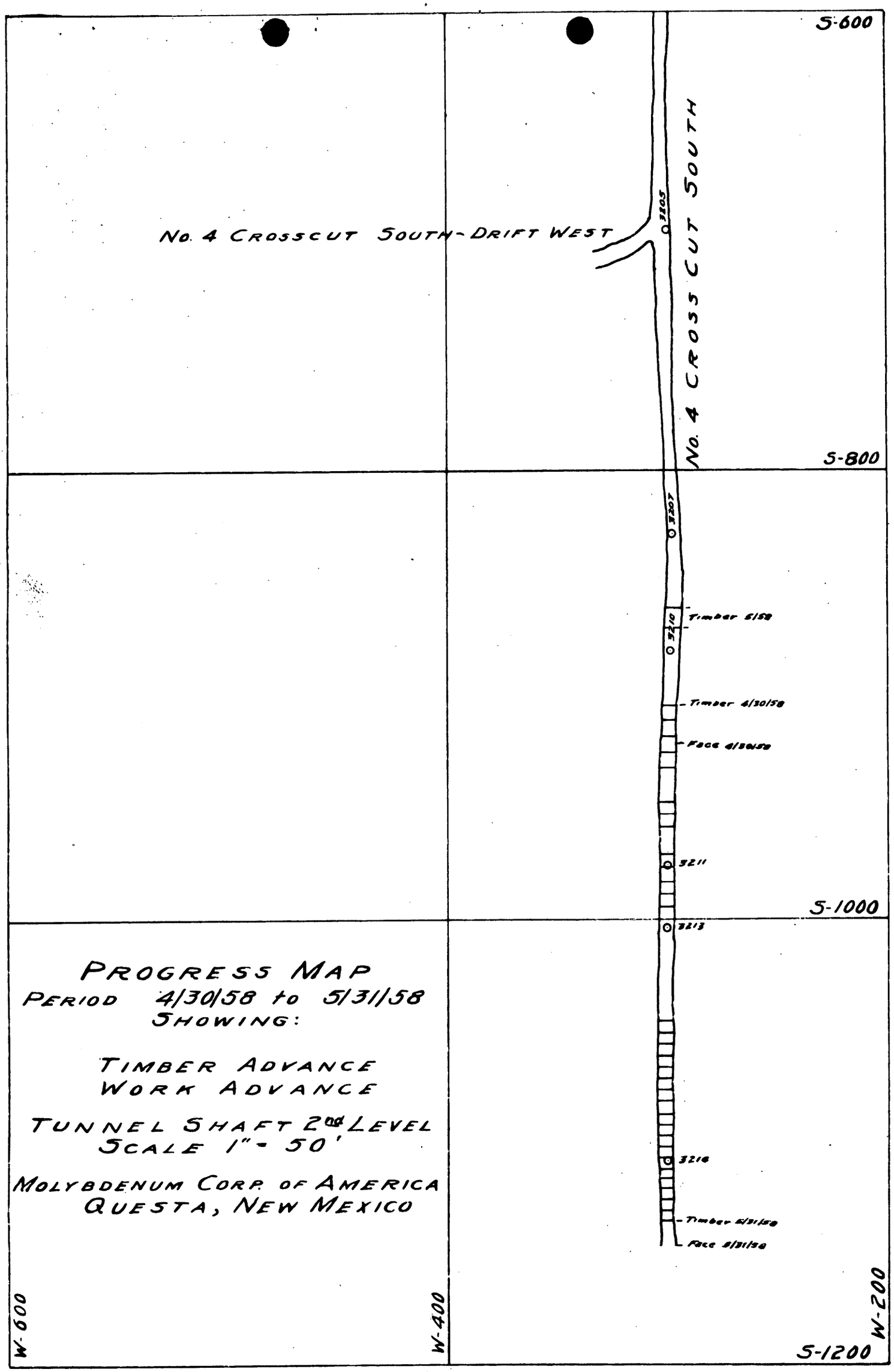


Geologic Map
Period 5/1/58 to 5/31/58

Tunnel Shaft 2nd Level
Scale 1" = 50'

Molybdenum Corp. of America
Questa, New Mexico


5-200
DRIFT WEST
3186
3187
3188
3208
3209
TRANSITION ROCK
SOME FeS2; RED & GREEN FLUORITE
GREEN ROCK VERY SPARSE MoS2
GRANITE PARKWAY
TRANSITIONAL ROCK WITH APLITE FLOODING AND SILICEOUS STRINGERS
MoS2 STRINGERS INCREASE
BORDERED BY 1-2' APLITE FLOODING
5-400
NO. 4 CROSS CUT SOUTH
3182
3183
3203
GEOLIGIC MAP
PERIOD 5/1/58 to 5/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
W-800
W 600
W-400
W-200
5-600

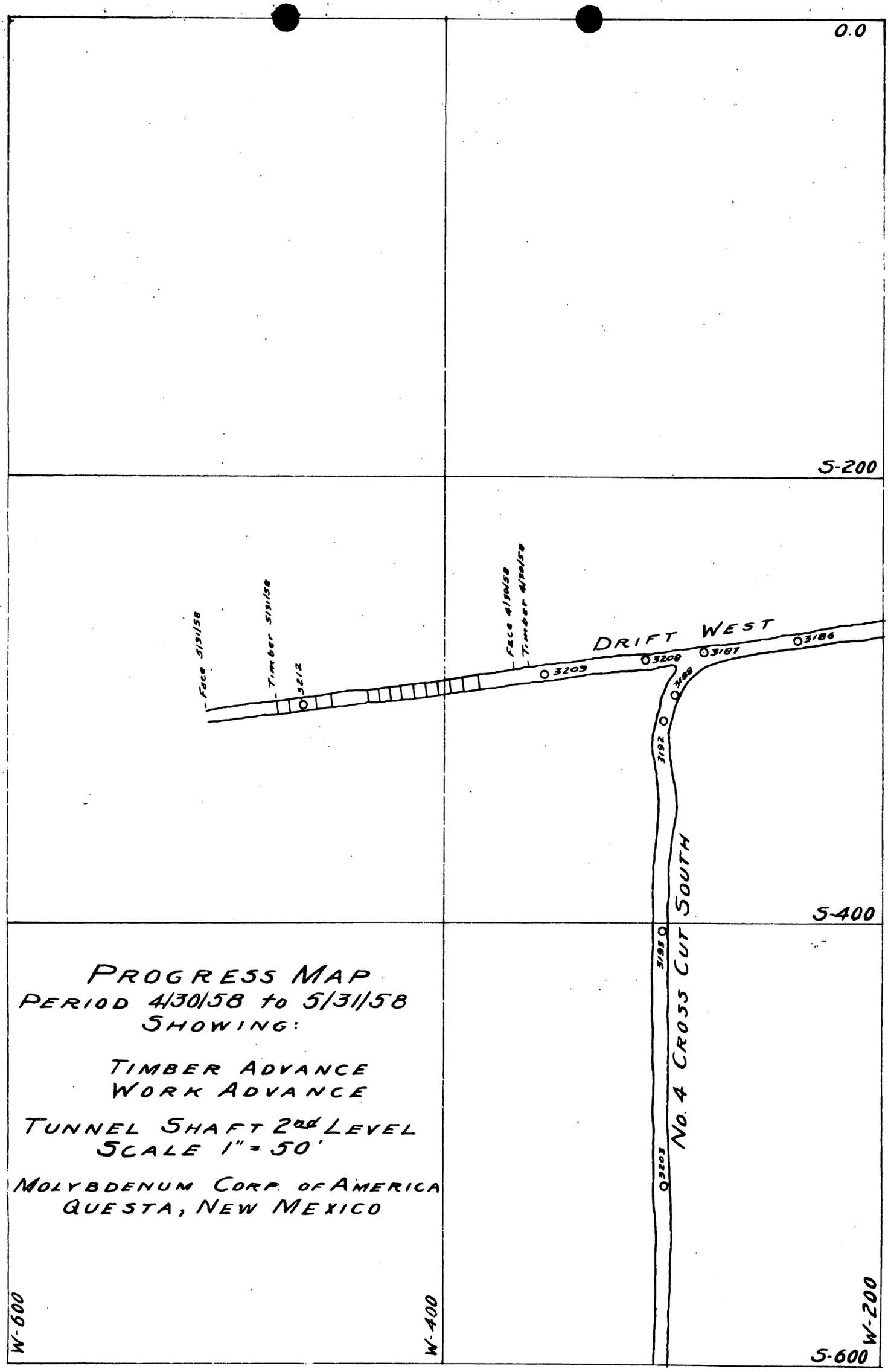


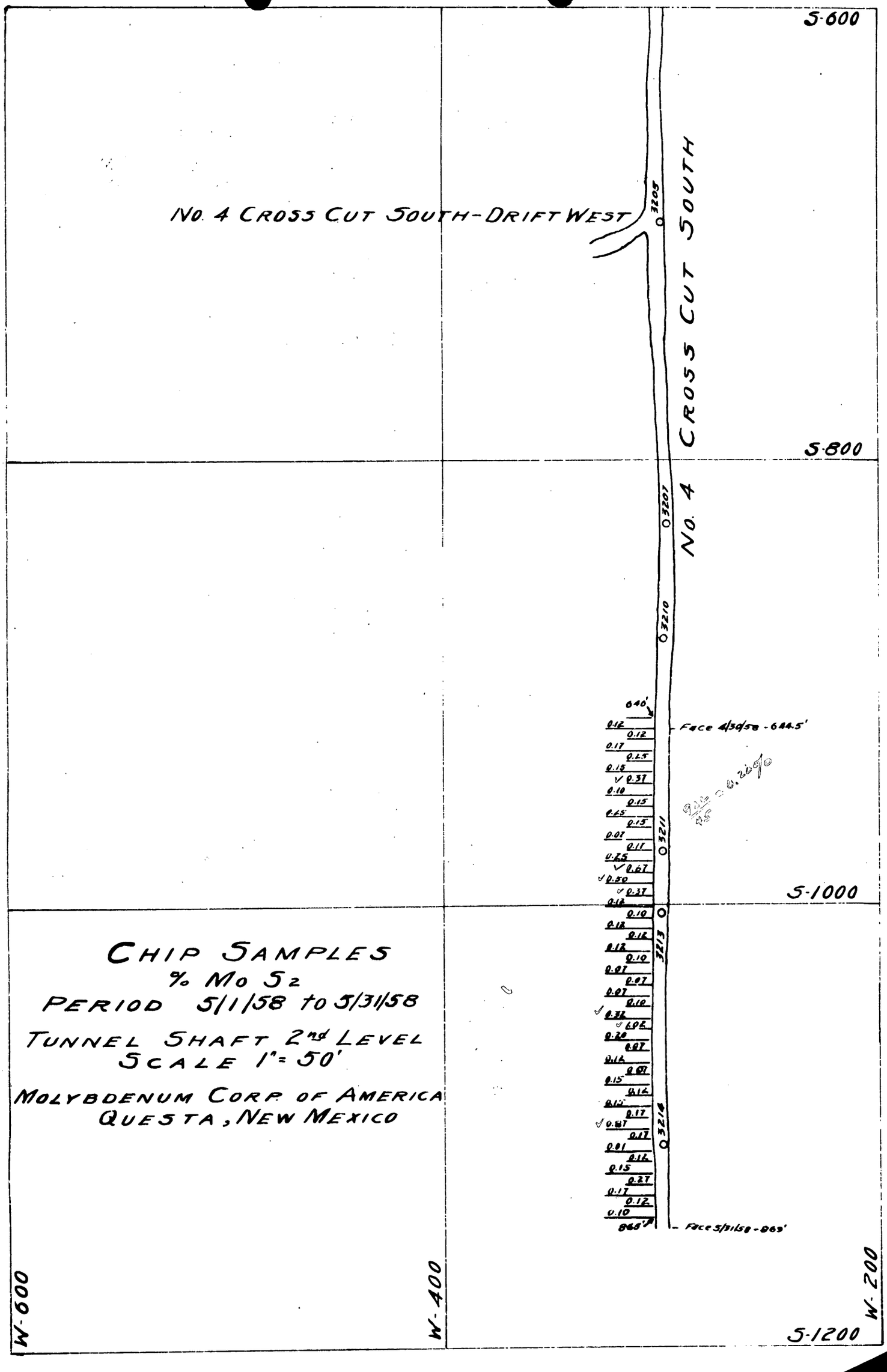
PROGRESS MAP
PERIOD 4/30/58 to 5/31/58
SHOWING:

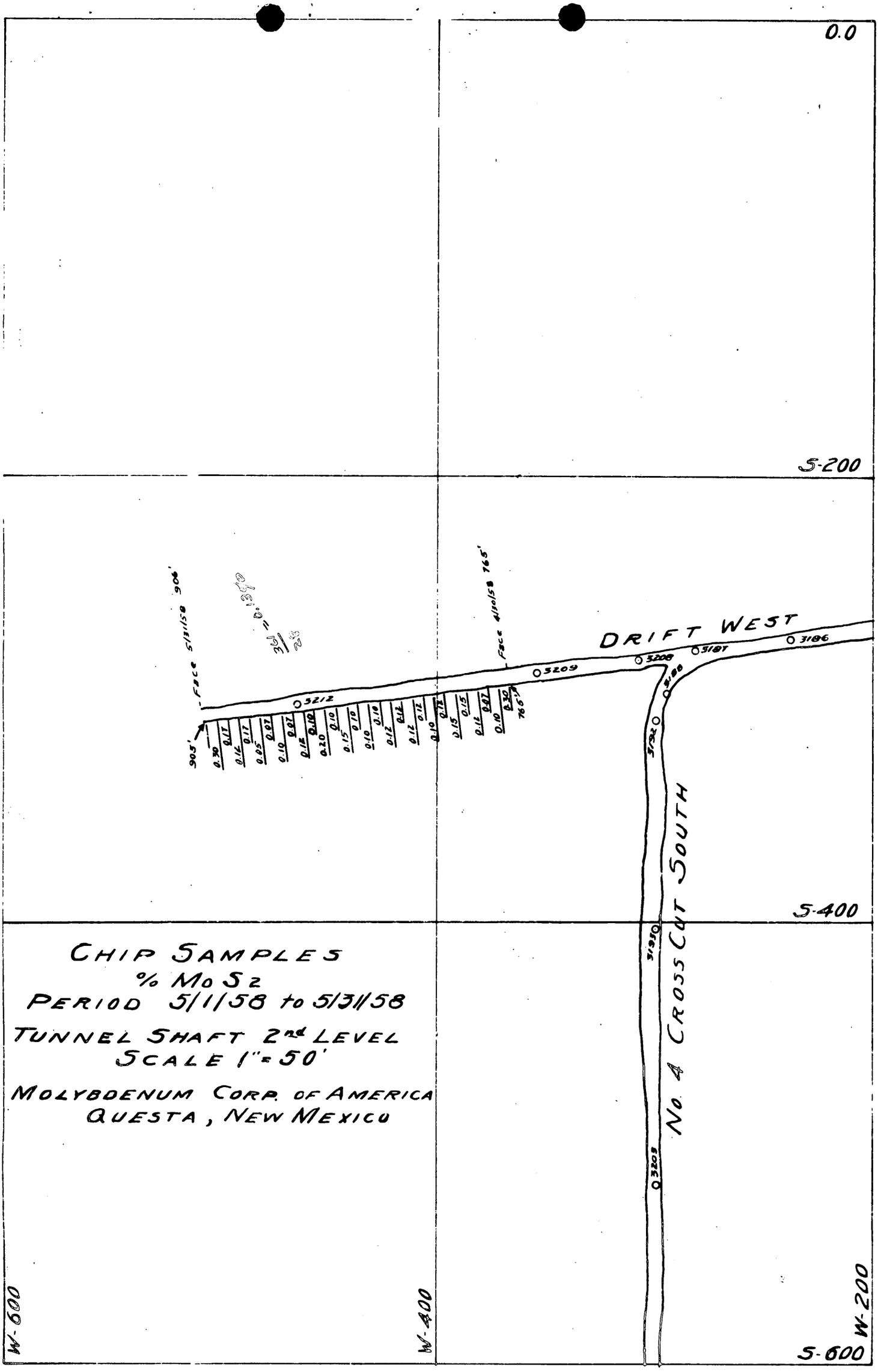
TIMBER ADVANCE
WORK ADVANCE

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


0.0
5-200
5-400
5-600
W-600
W-400
W-200
Face 5/31/58
Timber 5/31/58
3212
Face 4/30/58
Timber 4/30/58
3209
DRIFT WEST
3208
3187
3186
3189
3192
3195
3203
No. 4 CROSS CUT SOUTH
PROGRESS MAP
PERIOD 4/30/58 to 5/31/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


S-600
S-800
S-1000
S-1200
W-600
W-400
W-200
No. 4 Cross Cut South-Drift West
No. 4 Cross Cut South
3205
3201
3210
3211
3213
3214
640'
Face 4/30/58 - 644.5'
0.12
0.12
0.17
0.25
0.15
0.37
0.10
0.15
0.25
0.15
0.07
0.11
0.25
0.67
0.50
0.37
0.12
0.10
0.12
0.12
0.12
0.10
0.07
0.07
0.07
0.10
0.32
0.02
0.20
0.07
0.16
0.07
0.15
0.16
0.17
0.17
0.01
0.16
0.15
0.27
0.17
0.12
0.10
865'
Face 5/31/58 - 865'
Chip Samples
% Mo S2
Period 5/1/58 to 5/31/58
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico



CHIP SAMPLES
% MoS_2
PERIOD 5/1/58 to 5/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

Core Log — Diamond Drill Hole No. 4

Date Drilled — May 1958

Core Recovery — 23.90%

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0	10	2632	1	14	15.46	0.10	2648	0.17	Aplite - Quartz
10	16			14	12.07				"
16	20				.	.		.	
10	20	2633	0	14	07.22	0.10	2649	0.12	
20	26			6	05.17			.	"
26	30		1	0	20.51	.		.	"
20	30	2634	1	6	21.15	0.10	2650	0.10	
30	31			8	42.11				"
31	36		1	2	18.36				"
36	40			10	12.82	.		.	"
30	40	2635	2	4	18.56	0.10	2651	0.12	
40	41			14	73.68				"
41	46			2	02.06				"
46	50			2	02.57	.		.	"
40	50	2636	1	2	09.28	0.17	2652	0.12	
50	51			4	21.05				"
51	56		3	4	53.61				"
56	60		1	4	25.84				" Good MoS2
50	60	2637	4	12	39.17	0.25	2653	0.15	
60	65			16	16.49				" " "
65	70		2	8	41.24	.		.	" " "
60	70	2638	3	8	28.87	0.22	2654	0.75	
70	75		2	0	32.98				" Some "
75	80		1	14	30.93	.		.	"
70	80	2639	3	14	31.96	0.07	2655	0.42	
80	85		1		16.49				"
85	90			10	10.31	.		.	" Quartz
80	90	2640	1	10	13.40	0.10	2656	0.22	
90	95			14	14.43				" "
95	100			12	12.37	.		.	" "
90	100	2641	1	10	13.40	0.20	2657	0.20	
100	105				.				
105	110		1		16.49	.		.	"
100	110	2642	1		08.25	0.07	2658	0.12	"
110	115			4	04.12				" " Flourite
115	120			6	06.19	.		.	" " "
110	120	2643		10	05.15	0.07	2659	0.12	
120	121			2	10.53				"
121	126			4	04.12				"
126	130			10	12.82				"
120	130	2644	1		08.25	0.07	2660	0.12	
130	136			12	10.34				"
136	140			6	07.69	.		.	"
130	140	2645	1	2	09.28	0.07	2661	0.12	
140	146			4	03.45				"
146	150			14	17.95				"

4

Core Log: Diamond Drill Hole No. 4 Cont'd

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
140	150	2646	1	2	09.28	0.07	2662	0.10	Aplite
150	156			6	05.17				"
156	160			14	17.95				"
150	160	2647	1	4	10.31	0.07	2663	0.10	
160	161			8	42.11				"
161	166		1	8	24.74				"
166	170		2	0	55.17				"
160	170	2795	4	0	32.99	0.07	2664	0.10	
170	176		2	8	34.48				"
176	180		1		20.31				"
170	180	2796	3	8	28.87	0.17	2665	0.12	
180	186			8	06.90				"
186	190			12	15.38				"
180	190	2797	1	4	10.31	0.05	2666	0.15	
190	196			10	08.62				"
196	200			8	10.26				"
190	200	2798	1	2	09.28	0.07	2667	0.15	
200	206		1	2	15.52				"
206	210			6	07.69				"
200	210	2799	1	8	12.37	0.10	2668	0.17	"
210	211			12	63.16				"
211	220			2	01.14				"
210	220	2800		14	07.22	0.10	2669	0.15	
220	221			2	10.53				"
221	230			2	01.14				"
220	230			4	01.94		2701	0.07	
230	231			2	10.55				"
231	240		3	0	27.43				
230	240						2702	0.07	
220	240	2801	3	6	26.10	0.07			"
240	241		11	0	84.21				"
241	250		1	12	16.00				"
240	250	2802	2	12	22.68	0.07	2703	0.07	
250	251		1	0	84.21				"
251	258		1	2	10.29				"
258	260			2	05.13				"
250	260	2803	2	4	18.56	0.12	2837	0.10	
260	265			2	02.06				"
265	270			12	12.37				"
260	270	2804		14	07.22	0.10	2838	0.10	
270	280	2805	2	8	20.62	0.12	2839	0.42	"
280	290	2806	1	14	15.46	0.15	2840	0.15	"
290	300	2816	1	10	13.40	0.05	2841	0.10	"
300	310	2817		10	08.25	0.15	2842	0.07	"
310	320	2818	2	12	22.68	0.12	2843	0.10	"
320	330	2819	1	2	09.28	0.12	2844	0.12	"
330	340	2820		12	06.19	0.07	2845	0.15	"

Core Log: Diamond Drill Hole No. 4 Cont'd

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
340	350	2821	1	12	14.43	0.10	2846	0.07	Aplite
350	360	2822		10	05.15	0.07	2847	0.07	"
360	370	2823	1	12	14.43	0.12	2848	0.05	" Some Good MoS2
370	380	2824	1		08.25	0.10	2849	0.07	"
380	390	2825	1	4	28.35	0.05	2850	0.07	"
390	400	2826	2	14	23.71	0.20	2851	0.15	" " " "
400	410	2827		12	06.19	0.20	2852	0.15	"
410	420	2828		8	04.12	0.17	2853	0.12	"
420	430	2829	1		08.25	0.12	2854	0.10	"
430	435			8	08.25				"
435	440			6	06.19				"
430	440	2830		14	07.22	0.15	2855	0.12	"
440	445			6	06.19				"
445	450			4	04.12				"
440	450	2831		10	05.15	0.10	2861	0.12	"
450	455			4	04.12				"
455	460		1		16.49				"
450	460	2832	1	4	10.31	0.10	2862	0.15	
460	463			8	13.79				"
463	470		1		11.76				"
460	470	2833	1	8	41.38	0.22	2863	0.25	
470	480	2834	1	2	09.29	0.17	2864	0.17	"
480	482			4	10.53				"
482	490		3	6	34.84				"
480	490	2835	3	10	29.90	0.15	2865	0.30	"
490	491			10	52.63				"
491	500		2	4	20.57				"
490	500	2836	2	14	23.71	0.15	2866	0.15	"

Core Log — Diamond Drill Hole No. 10

Date Drilled — May 1958

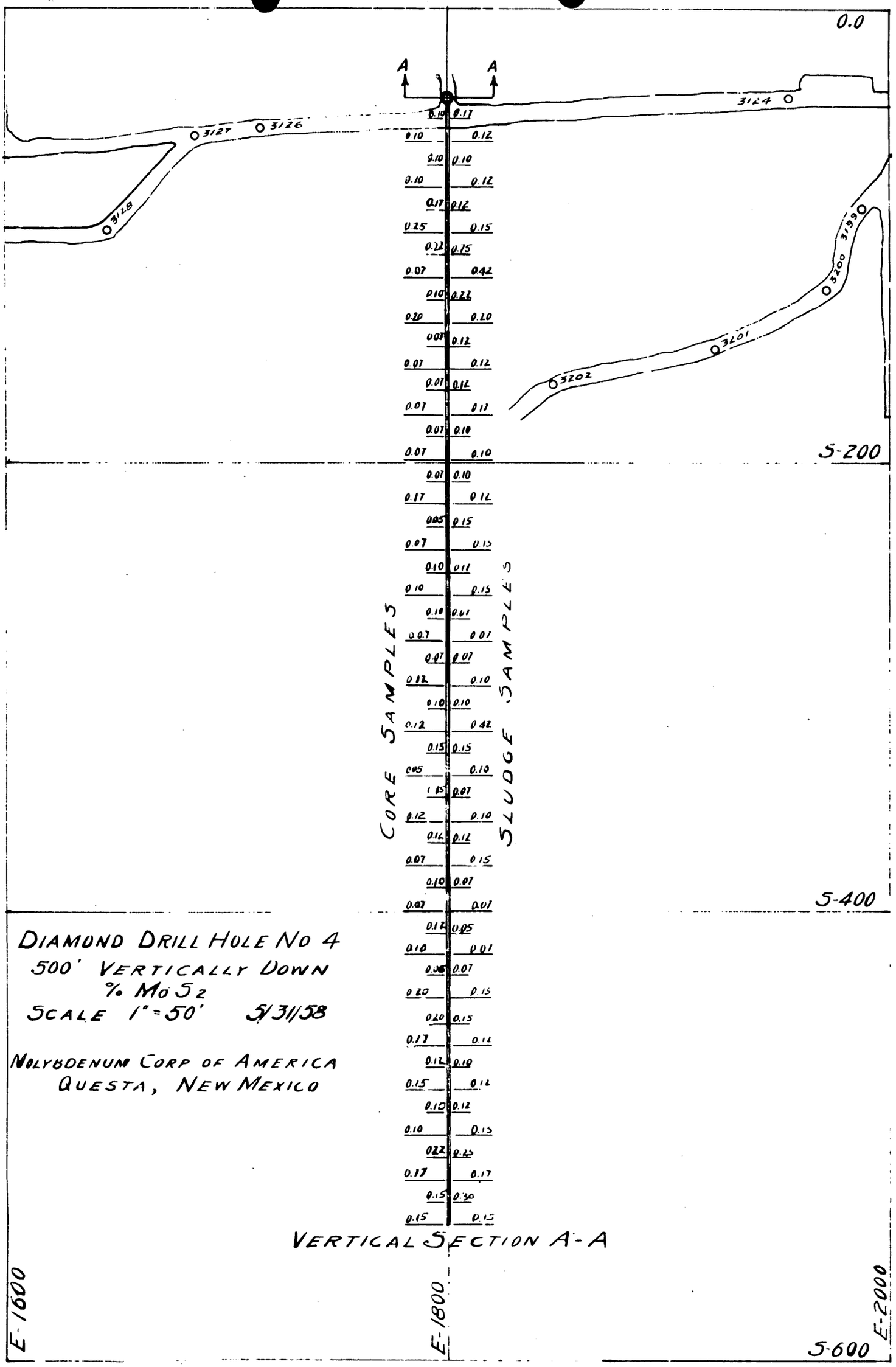
Core Recovery — 45.30%

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	Core % Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0	3		2	8	33.33				Aplite
3	6		2	14	38.33				Porphyry
6	8		1	14	37.50				"
8	10		1		20.00				"
0	10	2867	8	4	33.00	0.17	2990	0.35	
10	15			14	14.43				"
15	20		1	8	24.74				"
10	20	2868	2	6	19.59	0.10	2991	0.35	
20	25		2	8	41.24				Aplite
25	30		1		16.49				"
20	30	2869	3	8	28.87	0.35	2992	1.04	
30	40	2870	6	10	54.64	0.12	2993	0.37	"
40	50	2871	2	8	20.62	0.12	2994	0.35	Transition
50	60	2872	2	12	22.68	0.22	2995	0.85	"
60	70	2873	1	8	12.37	0.15	2996	0.62	Aplite
70	80	2874	1	14	15.46	0.12	2997	0.37	Transition
80	90	2875	1	4	10.31	0.10	2998	0.37	"
90	100	2949	4	14	39.18	0.22	2999	0.37	"
100	103		3	4	59.66				"
103	105		1	8	63.16				Aplite
105	110		1	8	24.74				"
100	110	2950	6	4	51.55	0.15	3000	0.20	
110	120	2951	5	4	43.30	0.22	3001	0.27	Transition
120	130	2952	2	14	23.71	0.17	3002	0.27	"
130	140	2953	5	6	44.33	0.15	3003	0.25	"
140	150	2954	11	4	92.78	0.17	3004	0.25	"
150	154		3	4	68.42				"
154	160		4	6	60.34				"
150	160	2955	7	10	62.89	0.12	3005	0.17	"
160	170	2956	9	12	80.41	0.12	3006	0.15	"
170	178		8		81.29				"
178	180		2		84.21				"
170	180	2957	10		81.44	0.12	3007	0.17	"
180	190	2958	9		72.16	0.05	3008	0.15	"
190	199		9	8	84.57				"
199	200			10	52.63				"
190	200	2959	12	4	100.00	0.17	3009	0.15	"
200	210	2960	10	10	87.63	0.10	3010	0.17	"
210	220	2969	5	8	45.36	0.12	3011	0.20	"
220	223		1	14	51.72				"
223	230		4	12	55.88				"
220	230	2970	6	10	54.64	0.70	3012	0.47	"
230	240	2971	4	10	38.15	0.15	3012	0.37	"
240	250	2972	10	6	85.57	0.45	3035	0.37	"
250	255		1	14	30.93				"
255	260		2	10	43.30				"

10

Core Log Diamond Drill Hole No. 10 Cont'd

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	Core % Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
250	260	2973	4	8	37.11	0.20	3036	0.37	Transition
260	270	2974	12	2	100.0	0.25	3037	0.40	"
270	280	2975	10	2	83.51	0.25	3038	0.37	"
280	290	2976	7	4	59.79	0.12	3039	0.25	"
290	300	2977	7	14	64.95	0.12	3040	0.22	"
300	310	2978	2	2	17.53	0.12	3041	0.22	"
310	320	2979	5	8	43.36	0.10	3042	0.17	"
320	325		4	2	68.04				Black Porphyry
325	330		3	14	63.92				" " & Granite
320	330	2980	8		65.98	0.10	3043	0.25	
330	334		3		60.27				" " "
334	340		1	10	23.41				Transition
330	340	2981	4	10	38.15	0.10	3044	0.12	"
340	343		1	6	37.93				"
343	350		1	8	17.65				"
340	350	2982	2	14	23.71	0.10	3045	0.15	"
350	360	2983	2	10	21.65	0.20	3046	0.17	Black Porphyry
360	365		1	8	24.74				Transition
365	370			6	06.19				"
360	370	2984	1	14	15.46	0.07	3047	0.15	"
370	380	2985	4	4	35.05	0.10	3048	0.15	"
380	390	2986	10	10	87.63	0.12	3049	0.20	"
390	400	2987	4	4	35.05	0.10	3050	0.17	"
400	410	2988	4	12	39.18	0.17	3051	0.17	"
410	420	2989	11	2	91.75	0.20	3052	0.20	"
420	425			10	10.31				"
425	430		1	12	28.87				"
420	430	3014	2	6	19.59	0.10	3053	0.20	
430	440	3015	1	2	09.28	0.07	3054	0.17	"
440	450	3016	4	6	36.08	0.17	3055	0.25	"
450	453		1	4	34.48				"
453	455			8	21.05				"
455	460		1	8	24.74				"
450	460	3017	3	4	26.80	0.17	3057	0.30	
460	465		1	2	18.56				"
465	470		2		32.99				"
460	470	3018	3	2	25.77	0.12	3058	0.42	
470	475			14	14.43				"
475	480								
470	480	3019		14	07.22	0.12	3059	0.50	
480	485			4	04.12				"
485	490			12	12.37				"
480	490	3020	1		08.25	0.10	3060	0.20	
490	500	3021	1	12	14.43	0.15	3061	0.27	"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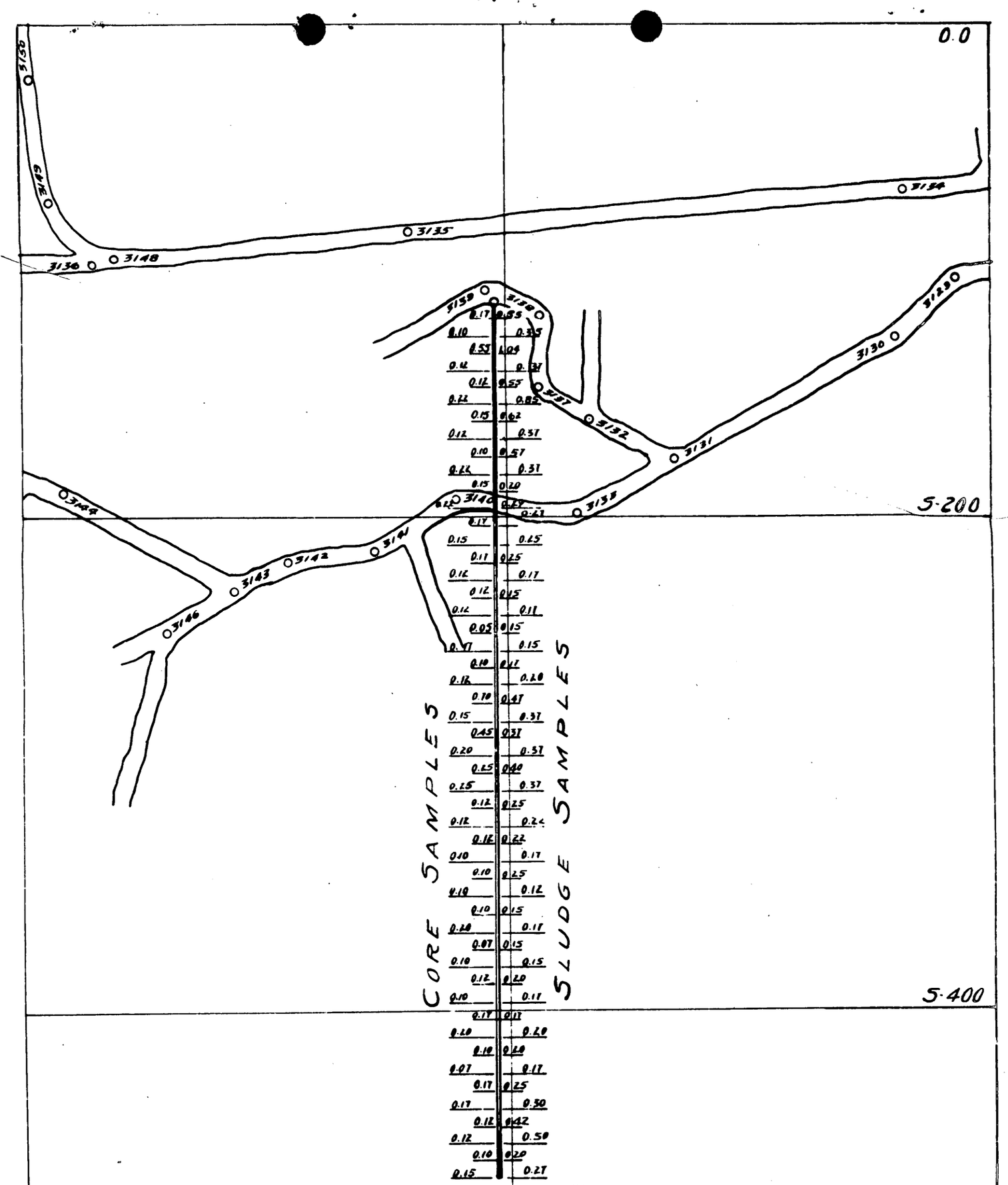
3124
3127
3126
3128
3199
3200
3201
3202
5-200
5-400
5-600
E-1600
E-1800
E-2000
CORE SAMPLES
SLUDGE SAMPLES
DIAMOND DRILL HOLE NO 4
500' VERTICALLY DOWN
% MoS2
SCALE 1" = 50'
5/31/58
MOLYBDENUM CORP OF AMERICA
QUESTA, NEW MEXICO
VERTICAL SECTION A-A



HORIZONTAL PROJECTION

DIAMOND DRILL HOLE NO. 10
500' @ +45° DUE SOUTH
% MoS_2
SCALE 1" = 50' 5/31/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

FINAL DISTRIBUTION

MADE JUN 2 1958

224 New Customhouse
Denver 2, Colorado
May 22, 1958

DMEA
JUN 4 1958

6/4	C	220
		110
		110

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4568 (Molybdenum) Contract DMs-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report----------May 15, 1958
Date Received in Field Office----------May 20, 1958
Date Received in Region Office----------May 22, 1958

Original signed by
J. W. TOWNSEND
for E. N. Harshman

Enclosures

JDC:hmh

cc: Chem. Op. Comm. (2)
DMEA/DFC
MF-104 file, Reg. III
Harshman - w/copy Engr's report
Chron

REGION III

DMEA
DEPARTMENT OF THE INTERIOR
MAY 22 1958
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
May 22, 1958

Memorandum

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

From: W. W. Winkel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for April 1958

Inspection of the completed work for April 1958 was made on May 14, 1958, in company with A. L. Greslin, manager for the operator.

On the day of inspection all reported work units were completed well in advance of the claims for April 1958. No. 5 XC-S was advanced 67.3 feet or 5.3 feet beyond the 400 foot length authorized, and 61 feet of timbering completed. No. 4 XC-S was advanced 207 feet, and 72 feet of timbering completed. Drift West was advanced 57 feet, and 29 feet of timbering completed. Raising at drill station E-1400 (drill hole #10) totaled 8 feet. The chemical assays, as shown on assay maps total 67.

CONTRACT MEASUREMENTS

No. 4 XC-South			
Sta. #3205	- To Face of Drift	18 ft.	4/1/58
"	- End of Timber	8 ft.	"
"	- #3207	131.20	
#3207	- #3210	52.07	
#3210	- To Face of Drift	41.7	5/1/58
"	- End of timber	25.2	"
No. 5 XC-South			
Sta. #3206	- To Face of Drift	26.0	4/1/58
"	- End of Timber	18.0	"
"	- To Face of Drift	93.3	5/1/58
"	- End of Timber	79.0	"
Drift West			
Sta. #3187	- Face of Drift	30.0	4/1/58
"	- #3208	26.32	
#3208	- #3209	47.69	
#3209	- To Face of Drift	19.5	5/1/58
"	- End of Timber	5.5	"

The operator has submitted a narrative report in quintuplicate with maps showing extent of drifting, timbering, sampling & assays, and geologic structures, Forms MF-104 and 104A for Stages I and II. Other documentation to support this claim is not required by the contract.

Payment of $7,739.01 or 50 percent of the amount claimed $15,478.02 is recommended by the inspecting engineer.

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

WWW/mw
cc: 6
Idm-E1094
chron

C O N T E N T S

1. Narrative Report

2. Form MF-104A

3. Form MF-104

4. Geology Map - No. 5 CxS

5. Geology Map - No. 4 CxS - Dft W

6. Progress and Timber Map - No. 5 CxS

7. Progress and Timber Map - No. 4 CxS - Dft W

8. Chip Assay Map - No. 5 CxS

9. Chip Assay Map - No. 4 CxS - Dft W

NARRATIVE REPORT FOR APRIL 1958

Questa, New Mexico
May 15, 1958

Mr. W. H. King, Executive Officer, DMEA
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period April 1 through April 30, 1958 there were 26 working days and 5 Sundays. There were 26 days worked in the mine.

No. 4 CxS was worked on a two shift basis; No. 5 CxS and Drift West were worked on a one shift basis.

207 feet of advance were made in No. 4 CxS. This was in transition rock then redrock and then transition rock. (see Geology map). 76 feet of this was timbered.

67 feet of advance were made in No. 5 CxS. This completed the 400 feet approved for this crosscut. We are reporting 62 feet of work as the 67 feet made it 405 feet total. This was in transition rock. 66 feet of timbering were done in this place.

57 feet of advance were made in drift west. This was in porphyry. 30 feet of this was timbered.

There were 8 feet of raising in the diamond drill station at coordinate E 1400.

No diamond drill holes were finished this month.

A. L. Greslin, Manager

DMEA
DEPARTMENT OF THE INTERIOR
MAY 19 1958
REGION III
DENVER, COLORADO

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED JUN 4

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

Month of April 1958 Docket No. DMEA 4568 Contract No. IDM E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N Y

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 & Crosscut	ft	0.00	-0-	44430.00	1000	44.43	1000	44.43
Drill Sta.	ft	355.44	8	2265.93	51	44.43	115	44.43
Timbering	ft	0.00	-0-	2481.30	919	2.70	1000	2.70
Analyses	Spl	0.00	-0-	1872.00	624	3.00	1100	3.00
Resn & Case	ft	0.00	-0-	249.00	249	1.00	500	1.00
Drilling: Core	ft	0.00	-0-	21680.00	4336	5.00	9000	5.00
				STAGE II				
Drift Crosscut	ft	14484.18	326	65711.97	1479	44.43	6160	44.43
Drill Sta.	ft	0.00	-0-	533.16	12	44.43	250	44.43
Timbering	ft	437.40	162	3353.40	1242	2.70	6160	2.70
Analyses	Spl	201.00	67	1014.00	338	3.00	3177	3.00
Resn. Case	ft	0.00	-0-	272.00	272	1.00	1000	1.00
Core Drill	ft	0.00	-0-	2035.00	407	5.00	19500	5.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		15478.02		145897.76				

15478.02

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 5/15/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

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:

W. W. Winkel

(For Government use only)

DMEA
DEPARTMENT OF THE INTERIOR
MAY 22 1958
REGION III
DENVER, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR
MAY 19 1958
REGION III
DENVER, COLORADO

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

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 April 1958 Docket No. DMEA 4568 Contract No. IDM-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue, New York 22, N Y
Contract Amount, $ 510,500.00 Government Participation: 50 % Amount, $ 255,250.00

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	0.00	23715.00	23715.00			
~~xxxxxxx~~ Drill Sta.	355.44	2443.65	2799.09			
Crosscutting & Drifting	14484.18	95657.79	110141.97			
~~xxxxxx~~ Timber	437.40	5397.30	5834.70			
Analyses	201.00	2685.00	2886.00			
(2) ~~xxxxxxxxxxxx~~:						
~~xxxxx~~ Ream & Case	0.00	521.00	521.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	15478.02	130419.74	145897.76	15478.02	130419.74	145897.76

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 5/15/58 *Payee Molybdenum Corporation of America
Per [signature] Title Manager

*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:
$ 7,739.01 ~~7,922.50~~
Signature RRQ
(Authorized Certifying Officer)
Date 5/26/58 Vou. No. DMA-58-126
(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 1094 in accordance with the terms of the contract.

Signature W. W. Winkel Title Mining Engineer Date May 21, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Approved for Engineering Allowability

Signature E. N. Harshman for acting Title Executive Officer, Date MAY 22 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).

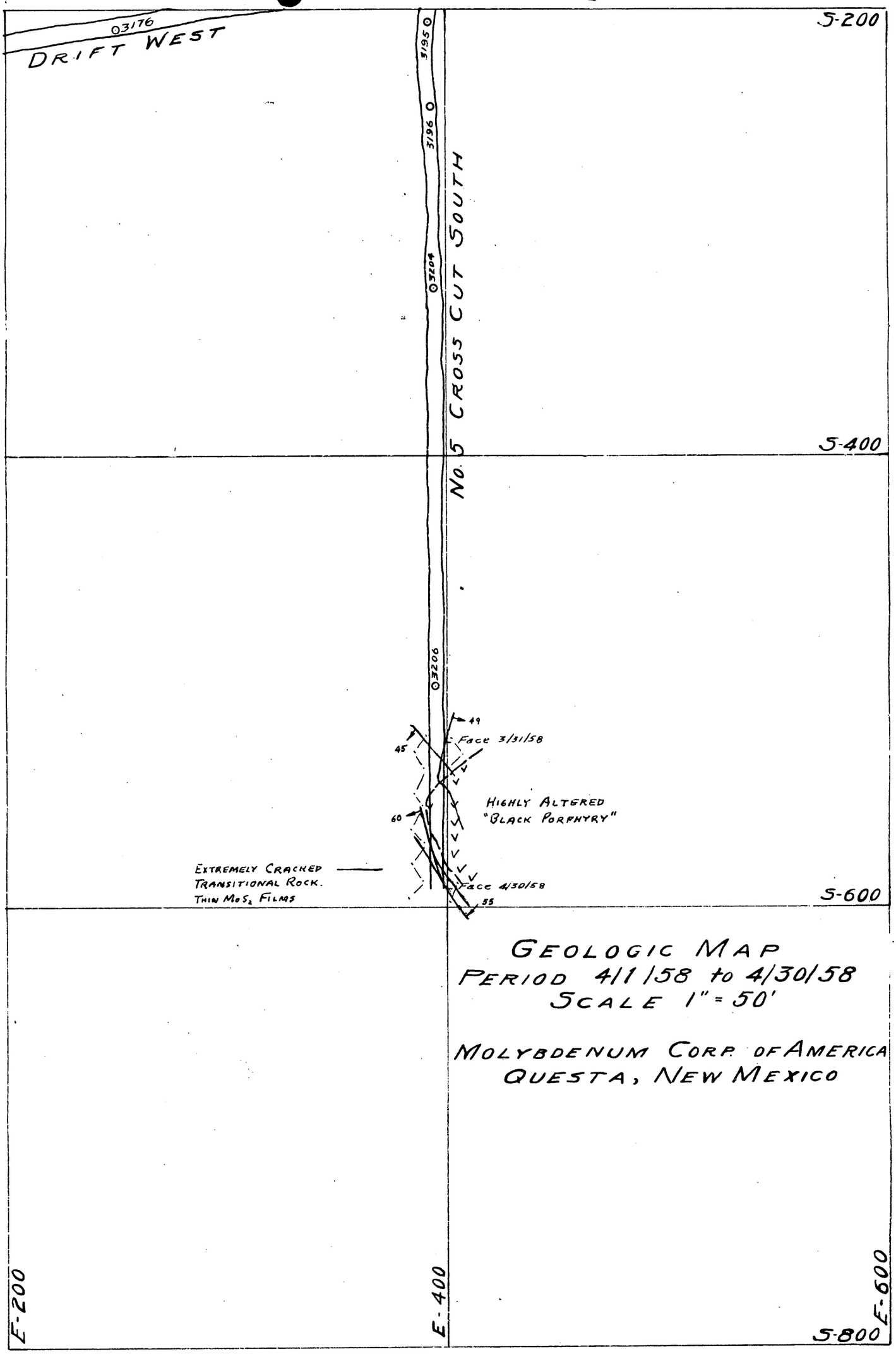
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.

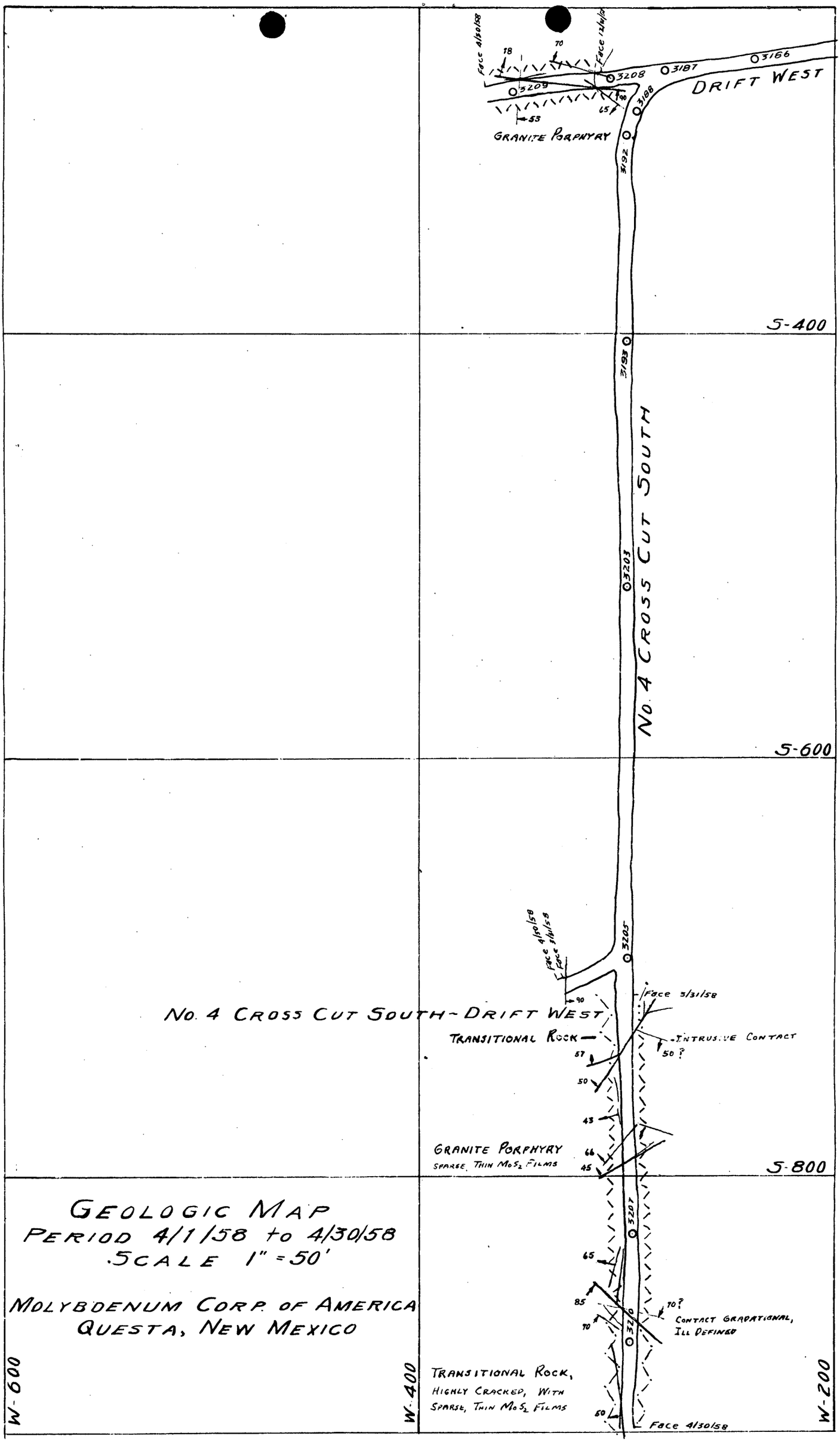
The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. 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.



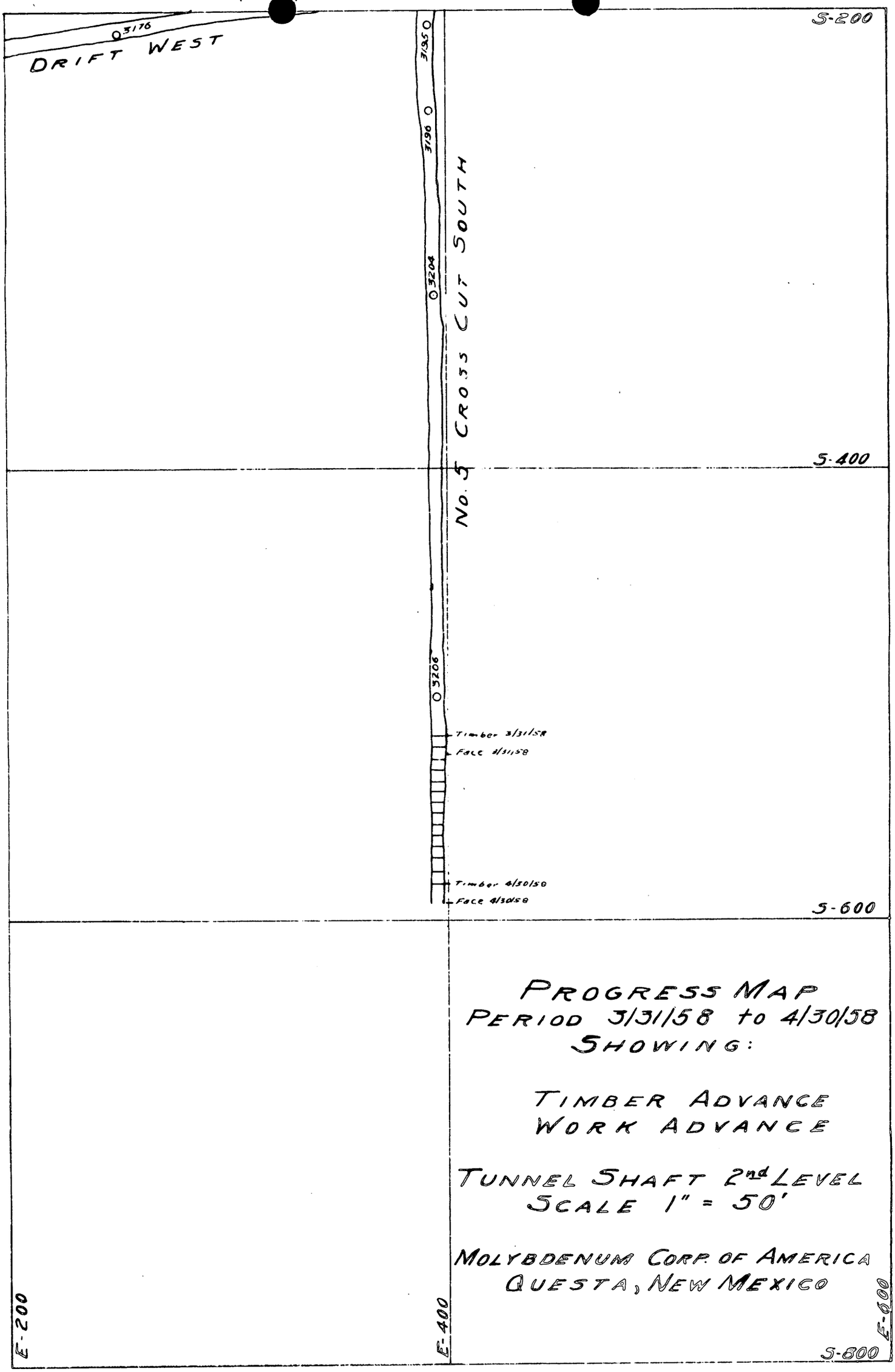
GEOLOGIC MAP
PERIOD 4/1/58 to 4/30/58
SCALE 1" = 50'

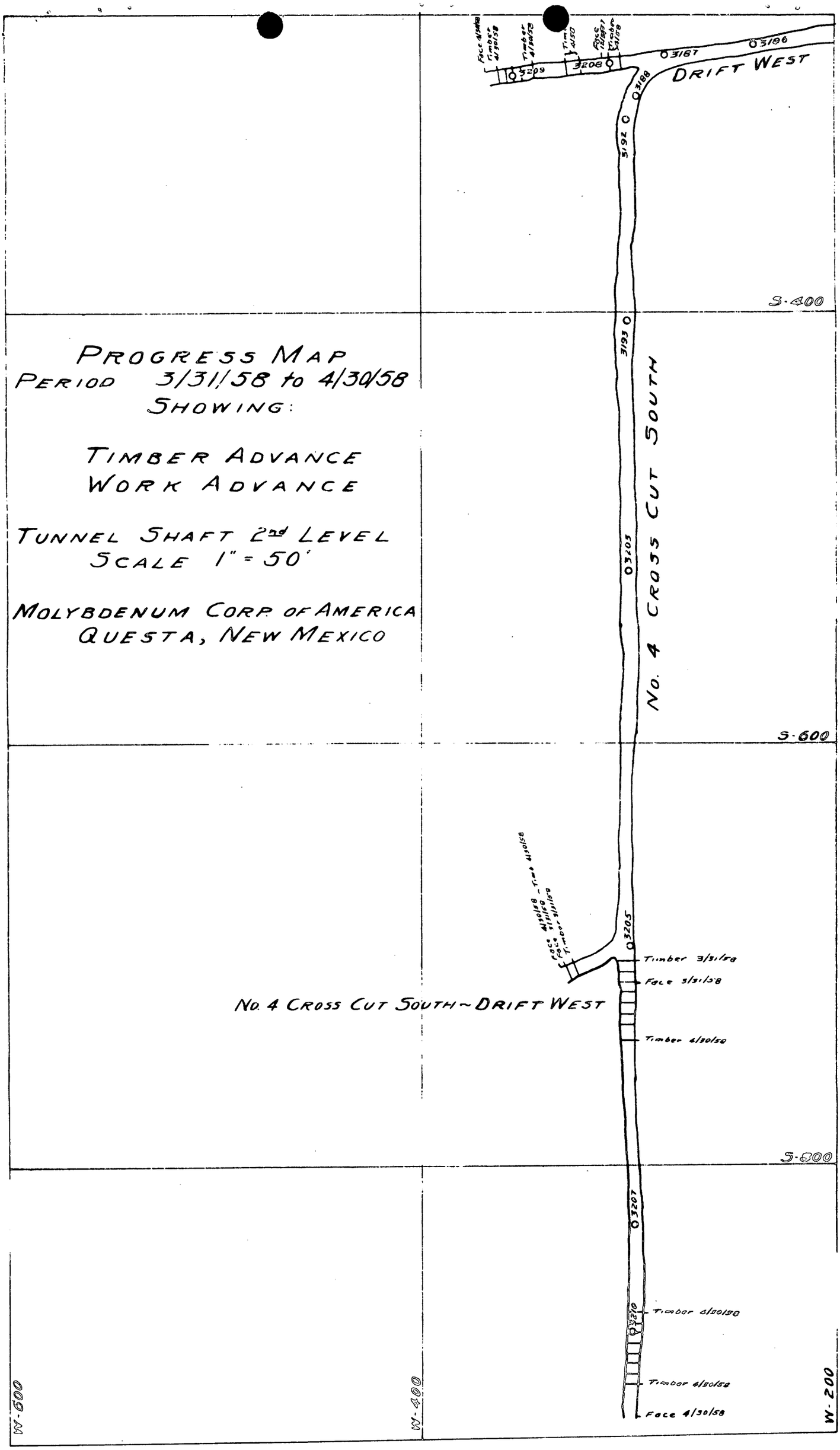
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

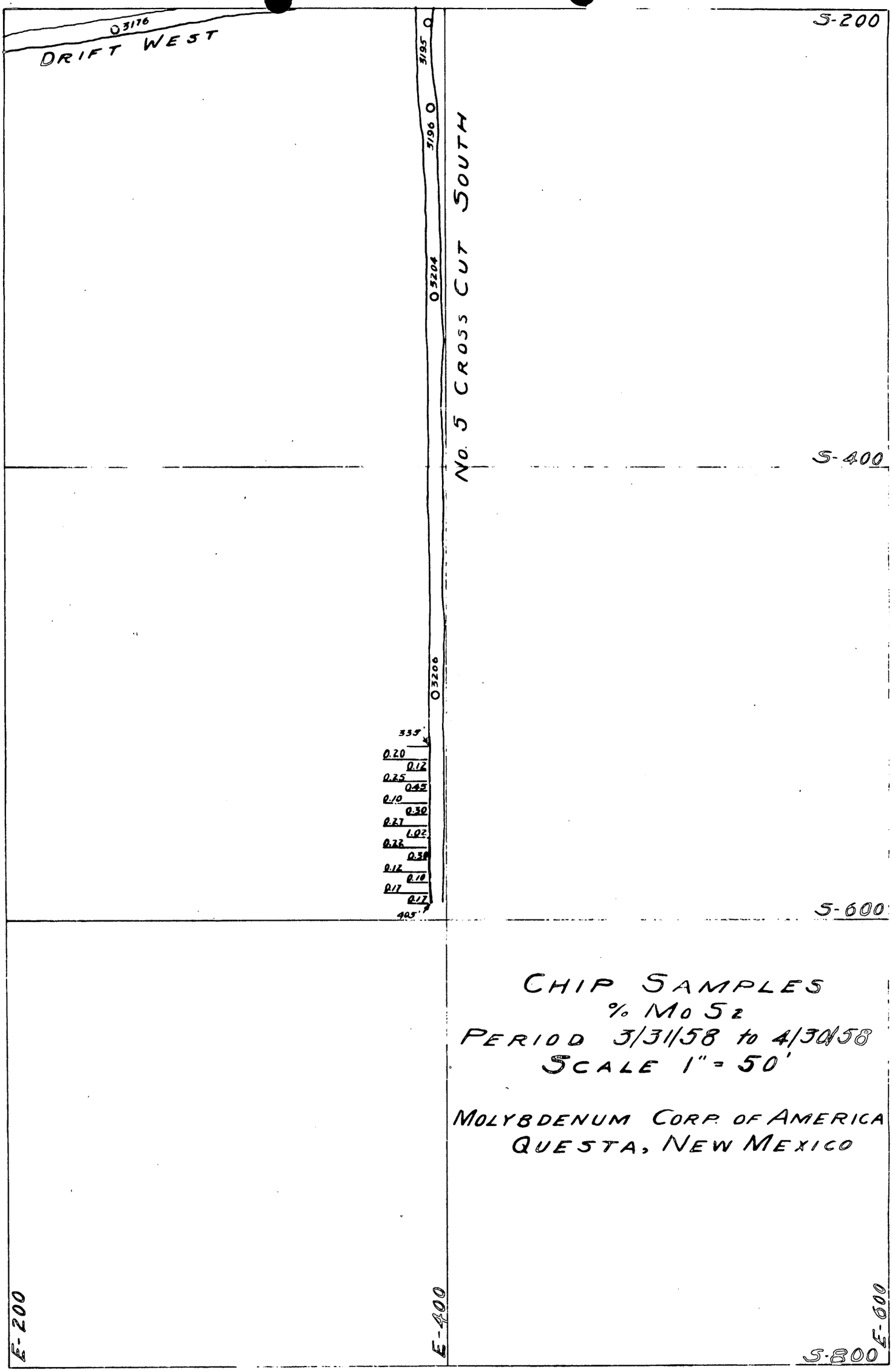


GEOLOGIC MAP
PERIOD 4/1/58 to 4/30/58
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

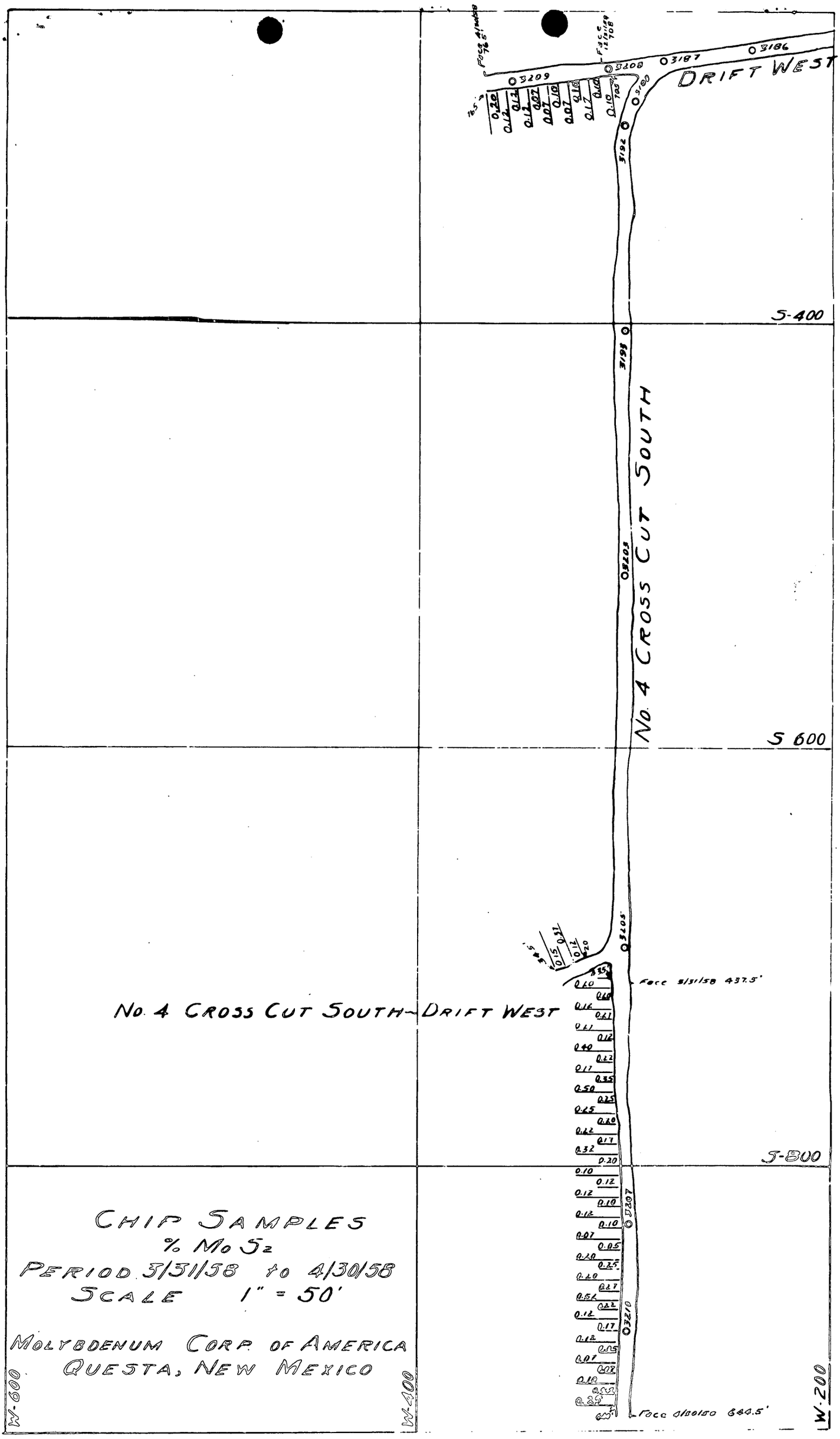

S-200
3176
DRIFT WEST
3195
3196
3204
No. 5 CROSS CUT SOUTH
S-400
3206
Timber 3/31/58
Face 3/31/58
Timber 4/30/58
Face 4/30/58
S-600
PROGRESS MAP
PERIOD 3/31/58 to 4/30/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
E-200
E-400
E-600
S-800


PROGRESS MAP
PERIOD 3/31/58 to 4/30/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
DRIFT WEST
NO. 4 CROSS CUT SOUTH
NO. 4 CROSS CUT SOUTH ~ DRIFT WEST
Timber 3/31/58
Face 3/31/58
Timber 4/30/58
Timber 4/30/58
Face 4/30/58
S-400
S-600
S-800
W-600
W-400
W-200



CHIP SAMPLES
% MoS2
PERIOD 3/31/58 to 4/30/58
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


DRIFT WEST
No. 4 CROSS CUT SOUTH
No. 4 CROSS CUT SOUTH—DRIFT WEST
S-400
S 600
S-800
W-600
W-400
W-200
CHIP SAMPLES
% MoS2
PERIOD 3/31/58 to 4/30/58
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

FINAL DISTRIBUTION
MADE MAY 15 1958

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

Administrative Audit Difference Statement

Molybdenum Corporation of America
500 Fifth Avenue
New York 18, New York

Date: May 13, 1958
Payee's Reference: March 1958

DME A-4568

Gentlemen:

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

Amount Claimed $ 18,368.32

Difference $ 1,130.00

Amount Approved $ 19,498.32

The reason for the difference was due to:

Reinstated:

1. Reported cost for 200 feet of drilling at $5.00 per foot--- $1,000.00
2. Reported cost for 70 feet running and casing at $1.00 per foot ---------- 70.00
3. Reported cost for 20 analyses at $3.00 per sample ---------- 60.00

Total amount reinstated ---------- $1,130.00

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

Very sincerely yours,

Randel R. Cooper
Fiscal Officer, Region III

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

224 New Customhouse
Denver 2, Colorado
May 8, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4568 (Molybdenum) Contract IAm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of March, 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

Reinstatement

Hole No. 13A has now been approved by the Government; therefore, the following related costs previously disallowed in conjunction with processing the December 1957 voucher are to be reinstated as follows:

Reinstate:

1. Reported cost for 200 feet of drilling at $5.00 per foot ---------- $1000.00
2. Reported cost for 70 feet reaming and casing at $1.00 per foot ---------- 70.00
3. Reported cost for 20 analyses at $3.00 per sample -- 60.00

Total amount to be reinstated ---------- $1130.00

Reconciliation With Amount Reported by the Operator on Form MF-104 for March, 1958

Amount reported on Form MF-104 for March, 1958	$18,368.32
Amount to be reinstated	1,130.00
Acceptable cost	19,498.32

Government participation at 50 percent ---------- $ 9,749.16

Remarks:

Date of Report ---------- April 30, 1958
Date Received in Field Office ---------- May 2, 1958
Date Received in Region Office ---------- May 7, 1958

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
DMEA/DFC
MF-104 file, Reg. III
Harshman) w/copy Engr's
Townsend) Report
Chron

REGION III

DMEA
DEPARTMENT OF THE INTERIOR
MAY 7 1958
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
May 6, 1958

Memorandum

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

From: W. W. Winkel
E. W. Buel

Subject: Docket DMEA 4368 (Molybdenum) Contract Idm-E 1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for March 1958

Inspection of the work completed during the report period of March 1958 was made on April 16, 1958 by E. W. Buel, Bureau of Mines engineer; he was accompanied by A. L. Grealin, manager for the operator.

On the day of inspection all drifting, timbering, drilling, and sampling were well in advance of the footages reported for March 1958. Drifting in the 4 XC-South was advanced 132 feet, and 141 feet of timbering was placed. No. 5 XC-South was advanced 140 feet, and 140 feet of timbering was placed. One set of timber, 5 feet, was placed in West drift at 10 feet east of Station #3181 under Stage I. Diamond core drilling totaled 824 feet which also involved 447 feet of reaming and casing. Chemical assays totaled 120, as per check of assay maps of crosscuts and drill holes.

The operator's narrative report states that 924 feet of diamond drilling was completed. The correct total for drill holes Nos. 7 and (18) 5 XC-South should be 824 feet.

Forms MF-104 and 104A, under the columns "Cost to Date" and "Units to Date" show the revised and corrected totals for work on old 5 XC-South disallowed by memorandum dated March 18, 1958.

DMEA drill hole 13A, disallowed by memorandum dated March 18, 1958, was later approved as being completed by letter to the operator dated April 17, 1958. Therefore, the following items, not claimed for the March reporting period, are recommended for inclusion in this claim:

200 feet diamond core drilling at $5.00 ft.	$1,000.00
70. feet ream and case hole at $1.00 ft.	70.00
20 assays at $3.00 ea.	60.00
Total reinstated costs on drill hole 13A	$1,130.00

Tabulation of contract measurements, corrected to the claimed footages to March 31, 1958, follows:

No. 4 XC-South		
Sta. #3205	- To face of drift	18 ft.
" "	- End of timbering	8 ft.
" "	- To face of W. drift	34 ft.
" "	- End of timbering, W. drift	29 ft.
No. 5 XC-South		
Sta. #3206	- To face of drift	26 ft.
" "	- End of timbering	18 ft.
Drift West		
Sta. #3187	- To face of drift	30 ft.
" #3180	- To west post of 5 ft. set	138 ft.
No. 5 XC-North		
Sta. #3191	- To face of drift	94 ft.
" "	- End of timbering	92 ft.

The operator has submitted a narrative report in quintuplicate with maps showing extent of drifting, timbering, chip sampling and assays, and geologic structures, revised forms MF-104 and 104A for Stages I and II, logs and assay logs for drill holes Nos. 7 and 18. Other documentation to support this claim is not required by the contract.

Payment of $9,749.16 or 50 percent of the amount claimed $18,368.32, plus the amount withheld for completed drill hole 13A, $1,130.00, is recommended by the examining engineer.

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

for E. W. Beal
Mining Engineer

WWW/mw
cc: 6
Idm-E1094
chron

C O N T E N T S

March 1958

1. Narrative Report
2. Form - MF-104A - Stage I
3. Form - MF-104A - Stage II
4. Form - MF-104
5. Geology Map - No. 4 CxS
6. Geology Map - No. 5 CxS
7. Progress & Timber Map - No. 4 CxS
8. Progress & Timber Map - No. 5 CxS
9. Chip Assay Map - No. 4 CxS
10. Chip Assay Map - No. 5 CxS
11. Map - Diamond Drill Hole No. 7
12. Map - Diamond Drill Hole No. (18) 5 CxS
13. Log & Assays - Diamond Drill Hole No. 7
14. Log & Assays - Diamond Drill Hole No. (18) 5 CxS

NARRATIVE REPORT FOR MARCH 1958

Questa, New Mexico
April 15, 1958

Mr. W. H. King, Executive Officer, DMEA
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period March 1 through March 31, 1958, there were 26 working days and 5 sundays.

No. 4 CxS was worked on a two shift basis. No. 5 CxS was worked on a one shift basis.

132 feet of advance were made in No. 4 CxS. This was in transition rock with some MoS2 showing. 141 feet of timbering were done in this place. There was more MoS2 showing after we went through the Porphyry.

140 feet of advance were made in No. 5 CxS. This was in transition rock. There were 140 feet of timbering in this place.

There were 12 feet of raising done during the month in stage I. 8 feet in drill station at E-1600 and 4 feet in the drill station at E-1800.

5 feet of timbering were done in Stage I, Drift West.

924 feet of diamond drilling were done. Of this there were 417 feet in drill hole No. 7 and 407 feet in drill hole No. (18) old No. 5 CxS. 3 feet of core was lost in the hole when the rods stuck.

447 feet of reaming & casing were done. Of this there were 272 feet in drill hole No. (18) 5 CxS and 175 feet in drill hole No. 7.

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAY 19

REVISED

OPERATOR'S UNIT COST AND PROGRESS REPORT

REVISED

Month of March 1958 Docket No. DMEA 4568 Contract No. IDM E 1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 375 Park Avenue New York 22, N Y

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 & Crosscut	ft	0.00	0	44430.00	1000	44.43	1000	44.43
Drill Sta.	ft	533.16	12	1910.49	43	44.43	115	44.43
Timbering	ft	13.50	5	2481.30	919	2.70	1000	2.70
Analyses	Spl	126.00	42	1872.00	624	3.00	1100	3.00
Ream & Case	ft	175.00	175	249.00	249	1.00	500	1.00
Drilling: Core	ft	2085.00	417	21680.00	4336	5.00	9000	5.00
				STAGE II				
Drift Crosscut	ft	12084.96	272	51227.79	1153	44.43	6160	44.43
Drill Sta.	ft	0.00	0	533.16	12	44.43	250	44.43
Timbering	ft	758.70	281	2916.00	1080	2.70	6160	2.70
Analyses	Spl	285.00	95	813.00	271	3.00	3177	3.00
Ream-Case	ft	272.00	272	272.00	272	1.00	1000	1.00
Core Drill	ft	2035.00	407	2035.00	407	5.00	19500	5.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		18368.32		130419.74				

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

Date April 30, 1958 Operator Molybdenum Corp. of America

Per [signature] Title Manager

Remarks:

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

(Instructions on reverse)

W. W. Winkel

(For Government use only)

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

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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAY 19 1958

REVISED

OPERATOR'S MONTHLY REPORT AND VOUCHER

REVISED

Month of March, 1958 Docket No. DMEA 4568 Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 375 Park Avenue New York 22, N.Y.
Contract Amount, $ 510,500.00 Government Participation: 50% Amount, $ 255,250.00

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	4120.00	19595.00	23715.00			
~~Building~~ Drill Sta	533.16	1910.49	2443.65			
Crosscutting & Drifting	12084.96	83572.83	95657.79			
~~Building~~ Timber	772.20	4625.10	5397.30			
Analyses	411.00	2274.00	2685.00			
(2) ~~Labor and Supervision~~ ~~Labor~~ Room & Case	447.00	74.00	521.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	18368.32	112051.42	130419.74	19498.32	116086.87	130419.74

D 3165143

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4/30/58 *Payee Molybdenum Corp. of America
Per [signature] Title Manager

*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:
110921.42
$ 9,749.16
Signature [signature]
(Authorized Certifying Officer)
Date 5/13/58 Vou. No. DMA-58-121
(See other side)

Previously disallowed

(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-1094 in accordance with the terms of the contract.

Signature W. W. Winkel Title Mining Engr. Date May 5, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature E. N. Hansmann Title Acting Executive Officer Date MAY 8 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).

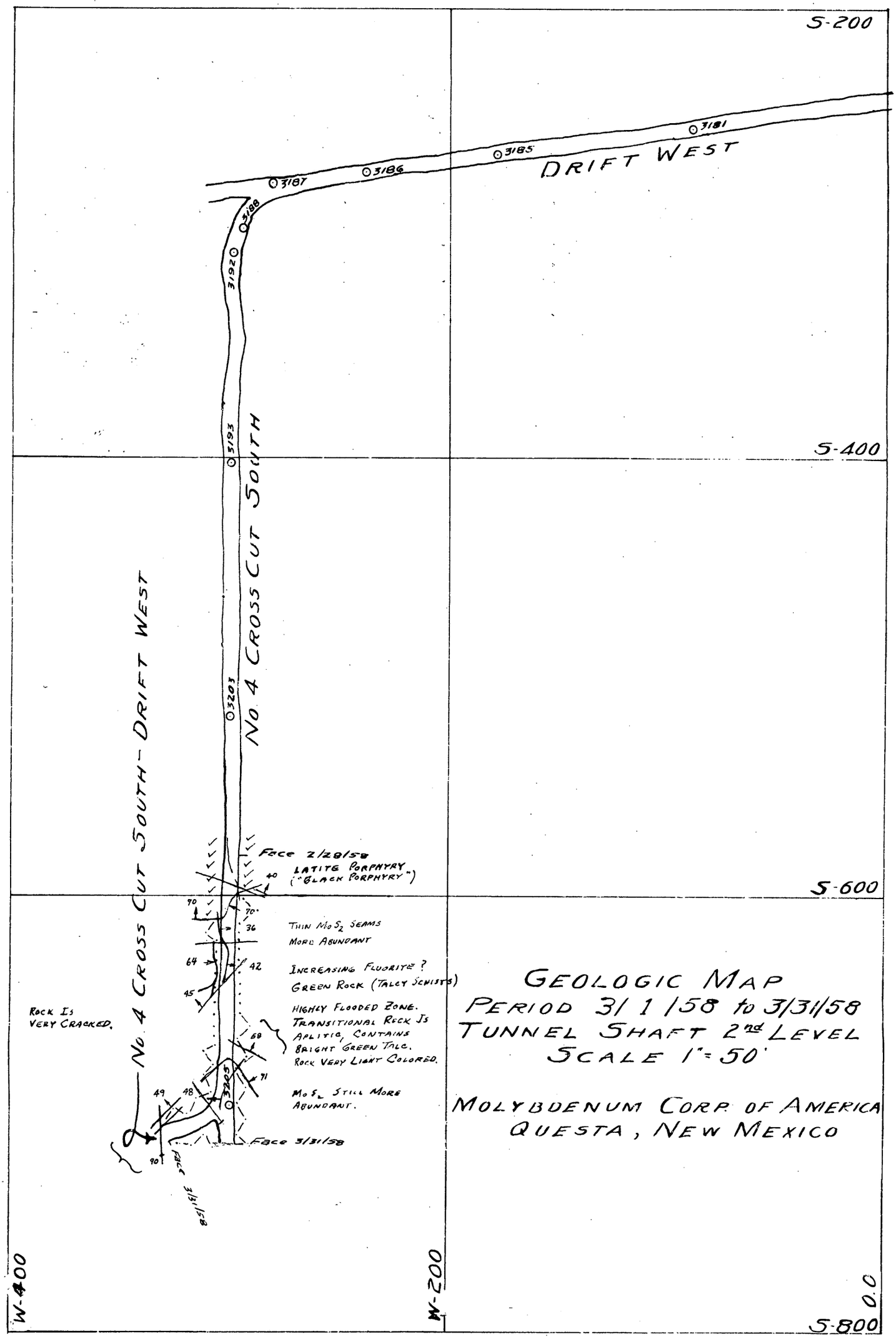
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

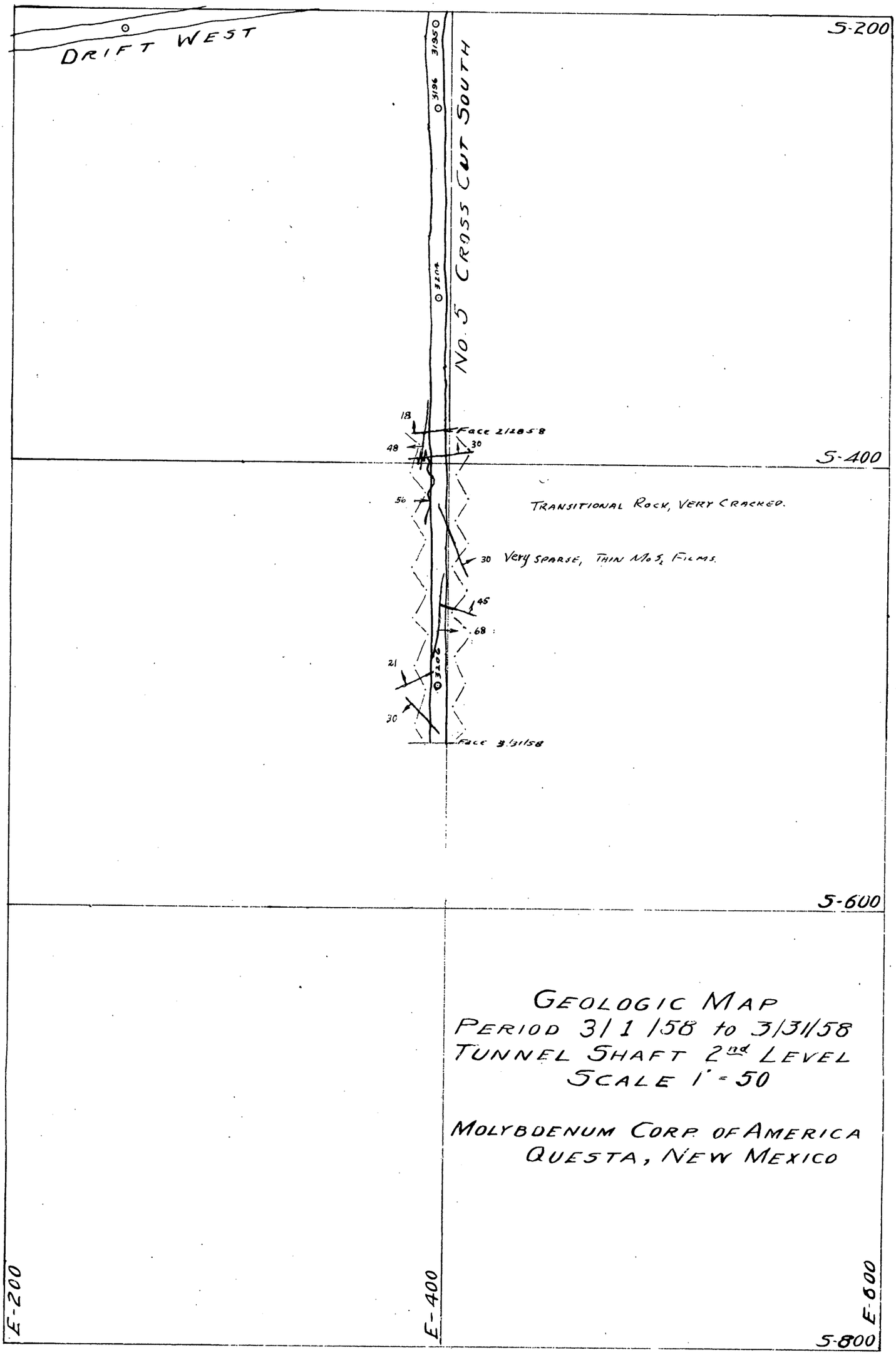
Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported 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.

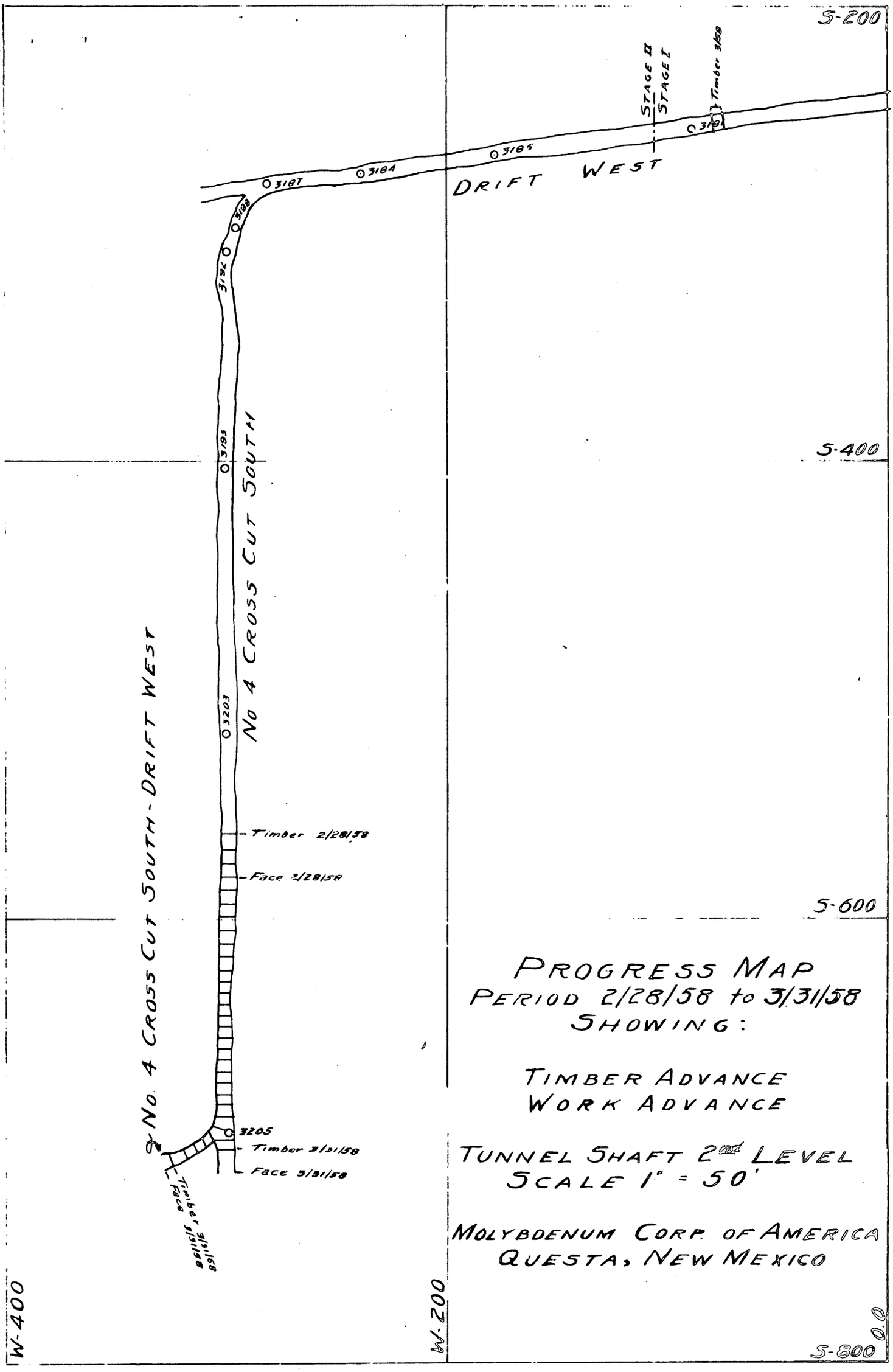
Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number 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.

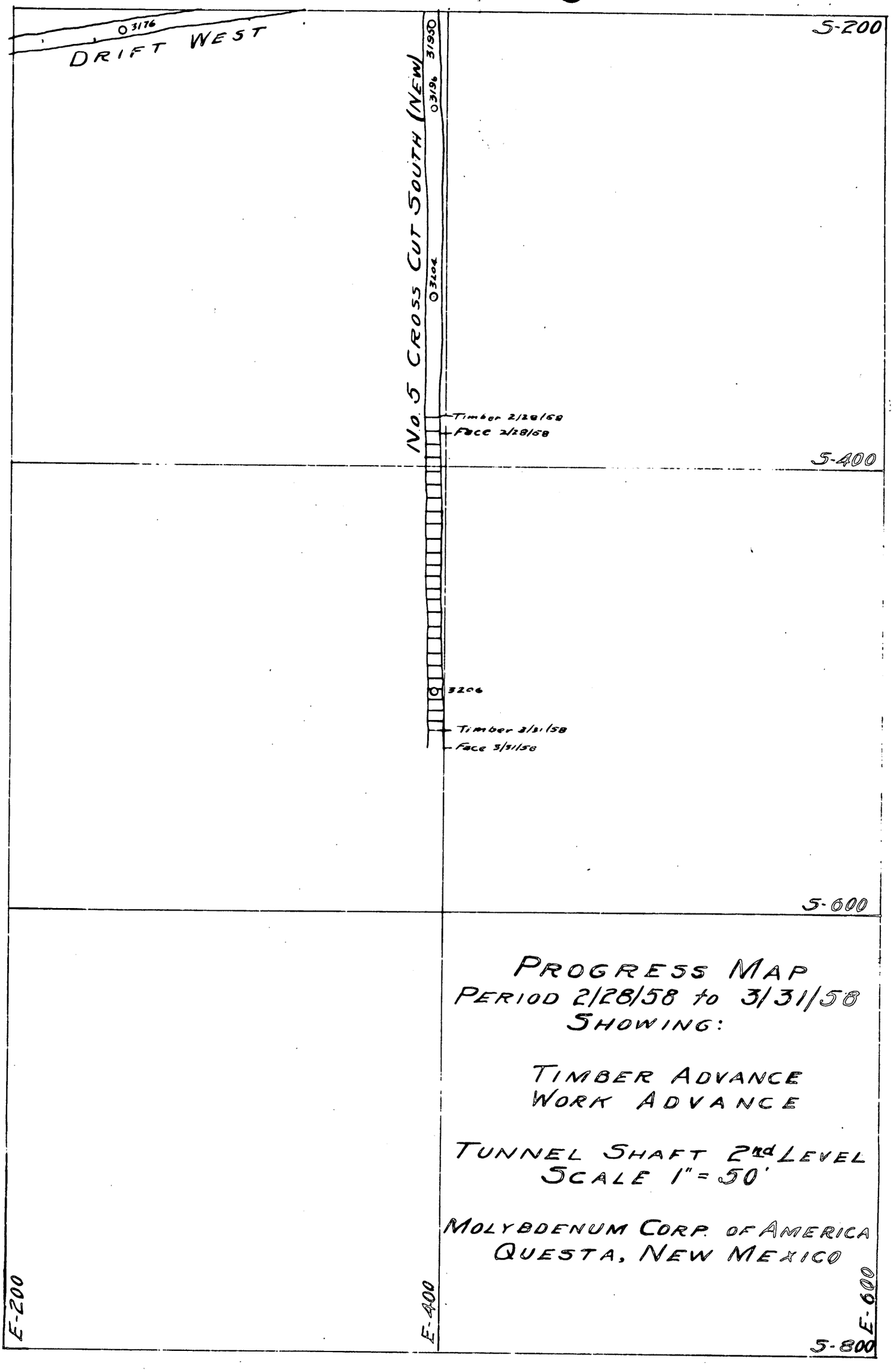

S-200
S-400
S-600
S-800
W-400
W-200
0.0
DRIFT WEST
3181
3185
3186
3187
3188
3192
3193
3203
3205
No 4 CROSS CUT SOUTH
No 4 CROSS CUT SOUTH - DRIFT WEST
Face 2/28/58
LATITE PORPHYRY
("BLACK PORPHYRY")
40
90
70
36
THIN MoS2 SEAMS
MORE ABUNDANT
64
42
INCREASING FLUORITE ?
GREEN ROCK (TALCY SCHISTS)
45
HIGHLY FLOODED ZONE.
TRANSITIONAL ROCK IS
APLITIC, CONTAINS
BRIGHT GREEN TALC.
ROCK VERY LIGHT COLORED.
ROCK IS
VERY CRACKED.
68
71
MoS2 STILL MORE
ABUNDANT.
49
48
Face 3/31/58
90
Face 3/31/58
GEOLOGIC MAP
PERIOD 3/1/58 to 3/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

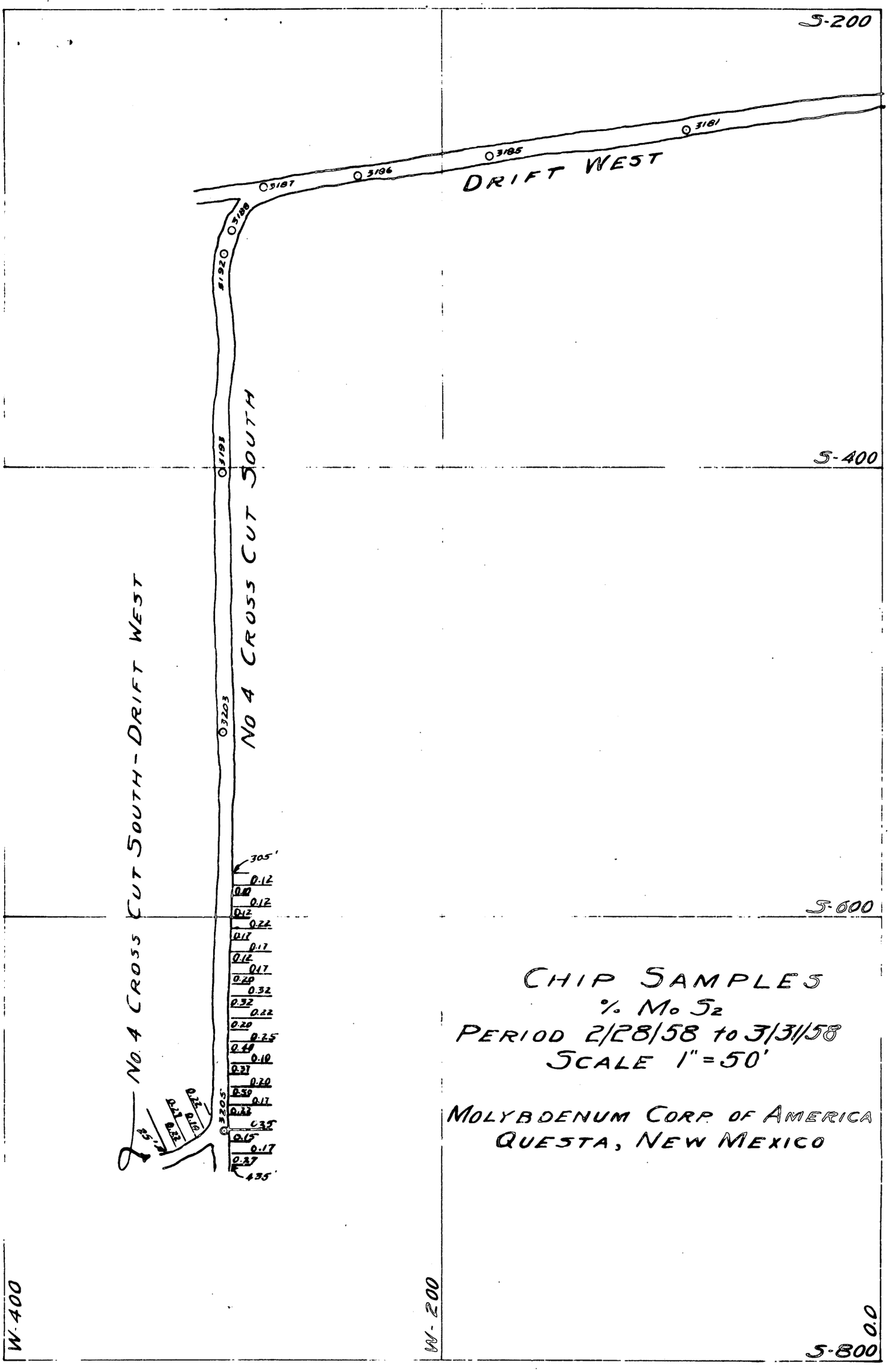


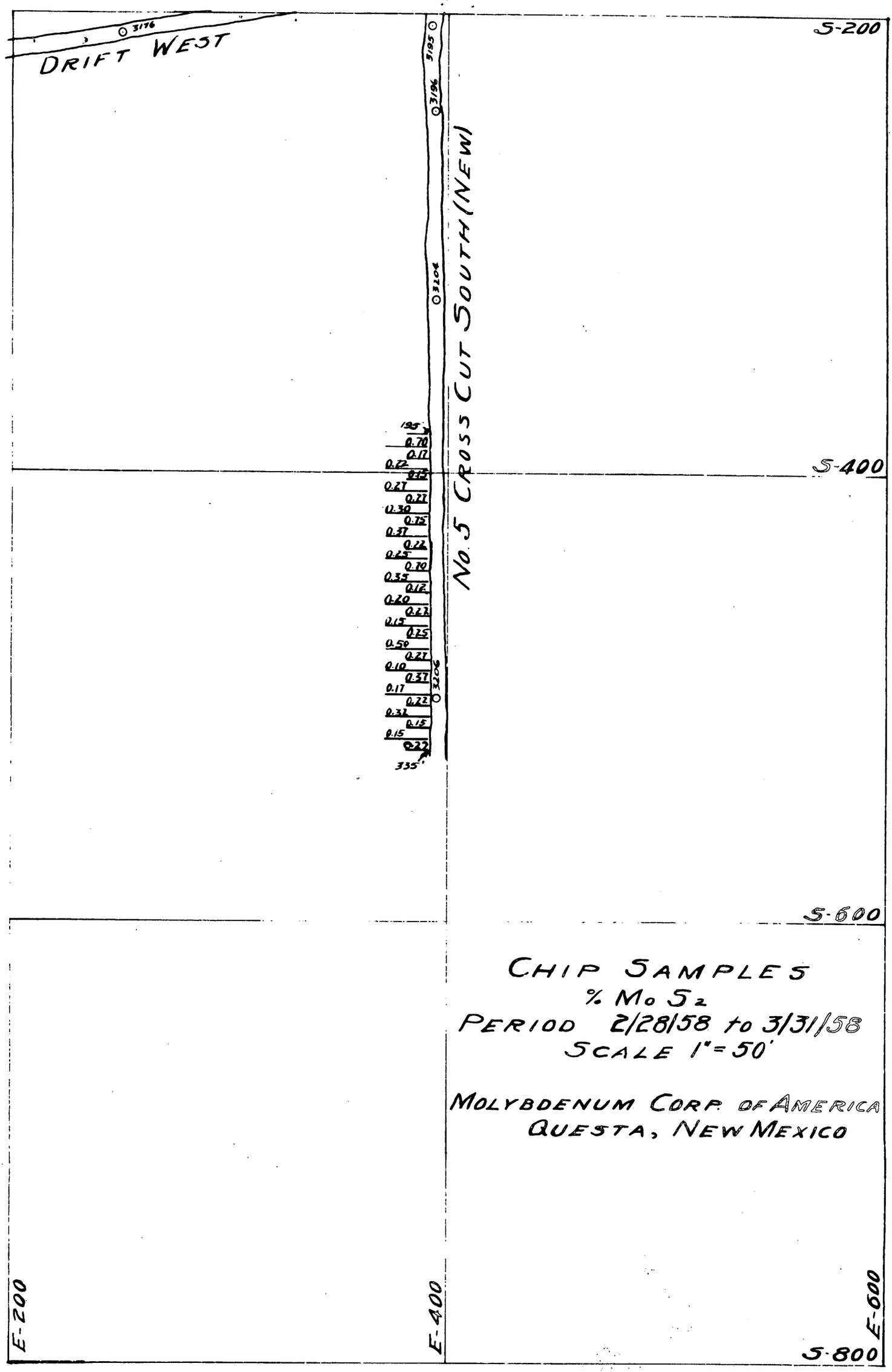
GEOLOGIC MAP
PERIOD 3/1/58 to 3/31/58
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


S-200
S-400
S-600
S-800
W-200
W-400
STAGE II
STAGE I
Timber 3/58
3189
3185
3184
3181
3188
3192
3193
3203
3205
DRIFT WEST
No 4 CROSS CUT SOUTH
No. 4 CROSS CUT SOUTH - DRIFT WEST
Timber 2/28/58
Face 2/28/58
Timber 3/31/58
Face 3/31/58
Timber 3/31/58
Face 3/31/58
PROGRESS MAP
PERIOD 2/28/58 to 3/31/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

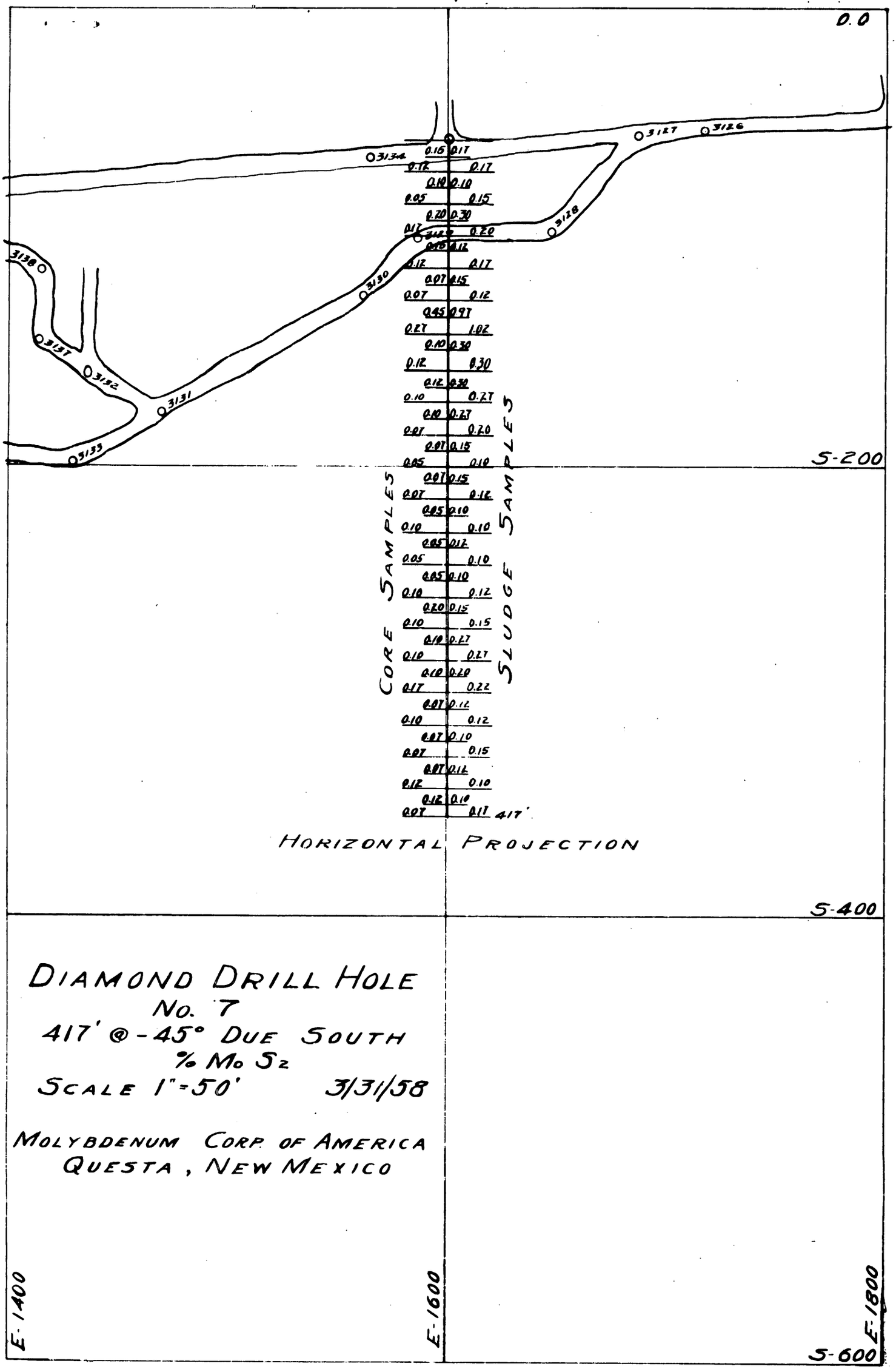

DRIFT WEST
3176
No. 5 CROSS CUT SOUTH (NEW)
3190
3190
3204
Timber 2/28/58
Face 2/28/58
3206
Timber 3/31/58
Face 3/31/58
5-200
5-400
5-600
5-800
E-200
E-400
E-600
PROGRESS MAP
PERIOD 2/28/58 to 3/31/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


S-200
S-400
S-600
S-800
W-400
W-200
0.0
DRIFT WEST
3181
3185
3186
3187
3188
3192
3198
3203
3205'
NO 4 CROSS CUT SOUTH
NO 4 CROSS CUT SOUTH - DRIFT WEST
305'
0.12
0.10
0.12
0.12
0.22
0.17
0.17
0.12
0.17
0.20
0.32
0.32
0.22
0.20
0.25
0.48
0.10
0.37
0.20
0.50
0.17
0.22
0.32
0.15
0.17
0.27
435'
0.22
0.19
0.21
0.32
25'
CHIP SAMPLES
% Mo S2
PERIOD 2/28/58 to 3/31/58
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



CHIP SAMPLES
% MoS_2
PERIOD 2/28/58 to 3/31/58
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



DIAMOND DRILL HOLE
No. 7
417' @ -45° DUE SOUTH
% Mo S_2
SCALE 1"=50' 3/31/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

0.0

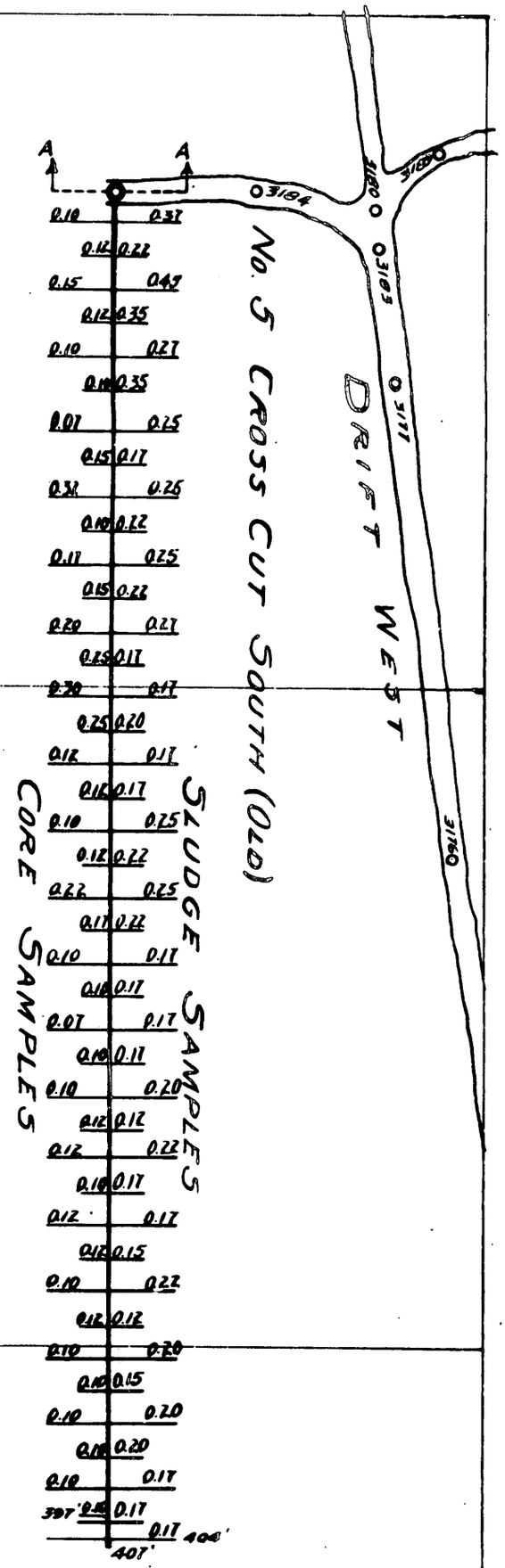
E-200

E-400

DIAMOND DRILL HOLE
NO. 5 CX SOUTH
407'- VERTICAL-DOWN
VERTICAL SECTION
% MoS2

SCALE 1" = 50' 3/31/58

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



VERTICAL SECTION A-A

S-600 E-600

S-400

S-200

Core Log — Diamond Drill hole No. 7

Date Drilled — March 1958

Core Recovery — 18.21%

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2		Remarks
0	10	2335	1	0	8.25	0.15	2324	0.17	Granite	Fair MoS2 at 6 feet
10	13		1	4	34.48				"	Flourite
13	16		1	0	27.59				"	
16	17		1	0	84.21				"	
17	19		1	6	56.41				"	
19	20		1	2	94.74				"	
10	20	2336	5	12	47.42	0.12	2325	0.17		
20	22		1	0	41.03				"	
22	25		1	0	27.59				"	
25	30		-	-	-					
20	30	2337	2	0	16.49	0.10	2326	0.10		
30	34		-	-	-					
34	37		0	8	13.79				"	
37	40		0	8	13.79				"	Flourite
30	40	2338	1	0	8.25	0.05	2327	0.15		
40	45		0	6	6.19				"	
45	50		1	0	16.49				"	
40	50	2339	1	6	11.34	0.20	2328	0.30		
50	55		0	2	2.06				"	
55	56		0	6	31.58				"	
56	60		0	10	12.82				"	
50	60	2340	1	2	9.28	0.17	2329	0.20		
60	65		0	2	2.06				"	
65	70		0	6	6.19				"	
60	70	2341	0	8	4.12	0.15	2330	0.12	"	
70	73		0	10	17.24				"	
73	75		0	0	-0-				"	
75	80		0	6	6.19				"	
70	80	2342	1	0	8.25	0.12	2331	0.17		
80	85		0	2	2.06				"	
85	90		0	4	4.12					
* 80	90		0	6	3.09		2332	0.15		
90	95		0	4	4.12					
95	100		0	4	4.12				Granite - Aplite	Not much MoS2
90	100		0	8	4.12					
80	100	2368	1	0	2.06	0.07	2333	0.12		
100	105		0	2	2.06					"
105	110		0	8	8.25					"
100	110	2369	0	10	5.15	0.45	2334	0.97		" Some MoS2
110	115		0	14	14.43					" " "
115	119		2	12	56.41					"
119	120		0	10	52.63					"
110	120	2370	4	4	35.05	0.27	2343	1.02		
120	124		1	2	23.08					"
124	125		0	2	10.53					"
125	130		0	2	2.06					"

Core Log Diamond Drill Hole No. 7 Cont'd

Footage From	Footage To	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2		Remarks
120	130	2371	1	6	11.34		2344	0.30	Aplite	
130	135		0	2	2.06				"	
135	140		0	2	2.06				"	
130	140		0	4	2.06		2345	0.30	"	
140	145		0	10	10.30				"	
145	150		0	12	12.37				"	
140	150		1	10	13.40		2346	0.30	"	
130	150	2372	1	14	15.46	0.12			"	
150	155		0	2	2.06					
155	160		1	0	16.49				"	Some MoS2 & Flourite
150	160	2373	1	2	9.28	0.10	2441	0.27	"	
160	165		1	4	20.62				"	
165	170		0	12	12.37				"	
160	170	2374	2	0	16.49	0.10	2442	0.27	"	
170	175		0	14	14.43				"	
175	178		0	2	3.45				"	
178	180		0	2	5.26				"	
170	180	2375	1	2	9.28	0.07	2443	0.20	"	
180	185		0	8	8.25				"	
185	190		1	4	20.62				"	
180	190	2376	1	12	14.43	0.07	2444	0.15	"	
190	195		0	14	1443				"	
195	200		5	14	96.91				"	
190	200	2377	6	12	56.70	0.05	2445	0.10	"	
200	205		2	12	45.36				"	
205	210		4	8	74.23				"	
200	210	2378	7	4	59.79	0.07	2446	0.15	"	
210	215		4	6	72.16				"	
215	220		0	4	4.12				"	
210	220	2379	4	10	38.14	0.07	2447	0.12	"	
220	223		0	6	10.34				"	
223	227		1	12	35.90				"	
227	230		1	0	27.58				"	
220	230	2380	3	2	25.77	0.05	2448	0.10	"	
230	237		0	12	8.82				"	
237	240		1	0	27.59				"	
230	240	2381	1	12	14.43	0.10	2449	0.10	"	
240	250	2382	1	2	18.56	0.05	2450	0.12	"	
250	260	2383	3	14	31.96	0.05	2451	0.10	"	
260	266		1	0	13.79				"	
266	270		3	10	74.36				"	
260	270	2384	4	10	38.14	0.05	2452	0.10	"	
270	276		1	2	15.52				"	
276	280		0	14	17.95				"	
270	280	2385	2	0	16.49	0.10	2453	0.12	"	
280	285		0	8	8.25				"	

Core Log: Diamond Drill Hole No. 7 Cont'd

Footage From	Footage To	Core Sample No	Core Weight lb	Core Weight oz	% Core Rec.	% MoS_2	Sludge Sample No.	Sludge % MoS_2		Remarks
285	290		2	6	22.68				Aplite	
280	290	2386	2	14	15.46	0.20	2454	0.15	"	
290	295		1	8	24.74				"	
295	300		2	10	43.30				"	Hi Grade Vein MoS_2-Fe
290	300	2387	4	2	34.02	0.10	2455	0.15	"	
* 300	310		0	4	2.06		2456	0.27	"	
* 310	320						2457	0.27		
300	320	2388	1	8	6.19	0.10			"	
320	330	2389	2	10	21.65	0.10	2458	0.20	"	
330	340	2390	1	12	14.43	0.17	2459	0.22	"	
340	348		0	12	7.74				"	
348	350		0	4	10.53				"	
340	350	2391	1	12	39.18	0.07	2460	0.12	"	
350	355		1	10	26.80				"	
355	358		2	0	55.17				"	
358	360		0	2	5.26				"	
350	360	2392	3	12	30.93	0.10	2461	0.12	"	
360	366		0	10	8.62				"	
366	370		0	12	15.38				"	
360	370	2393	1	6	11.34	0.07	2462	0.10	"	
370	380	2394	1	0	8.25	0.07	2463	0.15	"	
380	390	2395	1	0	8.25	0.07	2464	0.12	"	
390	398		1	0	10.32				"	
398	400		0	12	31.58				"	
390	400	2400	1	12	14.43	0.12	2465	0.10	"	
400	405		1	0	16.49				"	
405	410		1	6	22.68				"	
400	410	2401	2	6	19.59	0.12	2466	0.10	"	
410	417	2402	0	12	8.32	0.07	2467	0.17	"	

* Not Enough Core for Sample

Core Log — Diamond Drill Hole No. 5 CxS

Date Drilled — March 1958

Actual Recovery — 20.59%

Footage From	Footage To	Wt of Core lb	Wt of Core oz	% Core Rec.	Core Sample No.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0	10	1	4	10.31	1791	0.10	1822	0.37	Greenrock
10	20	3	0	32.99	1792	0.12	1823	0.22	"
20	30	1	6	11.34	1793	0.15	1824	0.45	"
30	40	1	4	10.31	1794	0.12	1825	0.35	"
40	50	2	2	17.53	1795	0.10	1826	0.27	"
50	60	1	10	13.40	1796	0.10	1827	0.35	"
60	70	1	0	8.25	1797	0.07	1828	0.25	"
70	80	2	2	17.53	1798	0.15	1829	0.17	"
80	90	1	14	15.46	1799	0.32	1830	0.25	"
90	100	3	12	30.93	1800	0.10	1831	0.22	"
100	110	1	6	11.34	1801	0.17	1832	0.25	"
110	120	2	4	18.56	1802	0.15	1833	0.22	"
120	130	1	6	11.34	1803	0.20	1834	0.27	"
130	140	1	2	9.28	1804	0.25	1835	0.17	"
140	150	1	6	11.34	1805	0.30	1836	0.17	"
150	160	2	10	21.65	1806	0.25	1837	0.20	"
160	170	2	10	21.65	1807	0.12	1838	0.17	"
170	180	3	14	31.96	1808	0.12	1839	0.17	"
180	190	3	10	29.90	1809	0.10	1840	0.25	"
190	200	4	14	40.21	1810	0.12	1841	0.22	"
200	210	4	8	37.11	1811	0.22	1842	0.25	"
210	220	4	2	34.02	1812	0.17	1843	0.22	"
220	230	1	14	15.46	1813	0.10	1844	0.17	"
230	240	6	6	52.58	1814	0.10	1845	0.17	"
240	250	3	10	29.90	1815	0.07	1846	0.17	"
250	260	4	2	34.02	1816	0.10	1847	0.17	"
260	270	5	6	44.33	1817	0.10	1848	0.20	"
* 270	280	-	-	-	-	-	1849	0.12	"
270	290	1	12	14.43	1900	0.12	1883	0.22	"
290	300	1	2	9.28	2269	0.10	2276	0.17	"
300	305	2	4	37.11					"
305	310	2	4	37.11					"
300	310	4	8	37.11	2270	0.12	2277	0.17	"
310	311	1	0	84.21					"
311	320	3	12	34.29					"
310	320	4	12	39.18	2271	0.12	2278	0.15	"
320	322	2	4	92.30					"
322	327	1	8	24.74					"
327	330	1	4	34.48					Granite with lots of Quartz
320	330	5	0	41.24	2272	0.10	2279	0.22	"
330	337	2	2	25.00					"
337	340	0	4	6.90					"
330	340	2	6	19.59	2273	0.12	2280	0.12	"
340	347	2	2	1.47					"
347	350	0	14	24.14					"
340	350	-	16	8.25	2274	0.10	2281	0.20	"

Core Log: Diamond Drill Hole No. 5 CxS Cont'd

Date Drilled March 1958

Actual Recovery 20.59%

Footage From	Footage To	Wt of Core lb	Wt of Core oz	% Core Rec.	Core Sample No.	% MoS2	Sludge Sample No.	Sludge % MoS2		Remarks
350	351	-	10	52.63					Granite	
351	360	6	2	1.14					"	
* 350	360	0	12	6.18			2282	0.15	"	
360	367	0	2	1.47					"	
367	370	0	2	3.45					"	
350	370	1	0	8.25	2275	0.10	2283	0.20	"	
370	376	-	2	1.72					"	
376	377	-	10	52.63					"	
377	380	-	10	17.24					"	
370	380	1	6	11.34	2288	0.10	2284	0.20	"	
380	387	0	8	5.88					"	
387	390	0	8	13.79					"	
390	397	0	6	4.41					"	
380	390	1	6	6.67	2289	0.10	2285	0.17	"	
390	400						2286	0.17	"	
400	404						2287	0.17	"	

* Not enough core for sample

FINAL DISTRIBUTION

MADE APR 2 1958

224 New Customhouse
Denver 2, Colorado
March 27, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the Month of February, 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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report---------- [illegible]h 15, 1958
Date Received in Field Office---- [illegible]ch 19, 1958
Date Received in Region Office--- [illegible]rch 26, 1958

Original signed by
N. HARSHMAN
[illegible]. N. Harshman

Enclosures

JDC:hmh

cc: Chem. Op. Comm. (2)
DMEA/DPC
MF-104 file, Reg. III
Harshman - w/copy Engr's Report
Chron

DMEA
RECEIVED APR 4 1958
DATE | INITIALS | CODE

DMEA
DEPARTMENT OF THE INTERIOR

REGION III

MAR 26 1958
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
March 25, 1958

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Edward W. Buel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, N. M. -- Progress report for February 1958

An inspection of the subject property was made on March 11, 1958, by R. U. King, Geological Survey, and the writer. The inspecting team was accompanied by Mr. A. L. Grealin, manager.

The new work units checked during the inspection of March 11, 1958, consisted of work in the No. 5 XC-north, No. 4 XC-south, No. 5 XC-south, diamond drilling in the "old" No. 5 XC-south, and other work areas.

The total new work units verified 1/ are tabulated as follows:

No. 5 XC-north
Sta. 3191 to face of drift - 93 ft.
Sta. 3191 to end of timbering - 91 ft.

No. 5 XC-south
Sta. 3204 to face of drift - 110 ft.
Sta. 3204 to end of timbering - 102 ft.

No. 4 XC-south
Sta. 3203 to face of drift - 122 ft.
Sta. 3203 to end of timber - 109 ft.

D. D. No. 6
Bottomed at 500 ft.
Estimated core recovery 6%

D. D. No. 8
Bottomed at 500 ft.
Estimated core recovery 55%

Hole in "old" No. 5 XC-south
Hole down to 407 ft.
Core recovery - not known

1/ As of 3/11/58

The operator asks payment for the following items in his MF-104's for February 1958:

Stage I

Drifting and crosscutting - none	Analyses - 100
Diamond drill stations - none	Core drilling - 1000 ft.
Timbering - 7 ft.	Reaming - none
	Casing - none

Stage II

Drifting and crosscutting - 280 ft.	Analyses - 56
Diamond drill stations - 4 ft.	Core drilling - none
Timbering - 262 ft.	Reaming - none
	Casing - none

All of the units claimed by the operator are recommended for payment. The operator requests payment for $18,812.42 of which the Government's share at 50% is $9,406.21.

A number of disallowances were made on the vouchers for December 1957 and January 1958. These disallowances were made after the operator submitted his current MF-104's. Therefore, the total units to date and costs to date were not adjusted by the operator.

Edward W. Buel

Edward W. Buel
Mining Engineer

EWB/mw
cc: 6
Idm-E1094
chron

DMEA
DEPARTMENT OF THE INTERIOR
MAR 18 1958
REGION III
DENVER, COLORADO

ORIGINAL FILE COPY
DMEA
RECEIVED APR 4 1958

C O N T E N T S

February 1958

1. Narrative Report
2. Form - IP-104A - Stage I
3. Form - IP-104A - Stage II
4. Form - IP-104
5. Geology Map - No. 4 GM
6. Geology Map - No. 5 GM
7. Progress & Timber Map - No. 4 GM
8. Progress & Timber Map - No. 5 GM
9. Chip Assay Map - No. 4 GM
10. Chip Assay Map - No. 5 GM
11. Diamond Drill Hole No. 6 - Map
12. Diamond Drill Hole No. 6A- Map
13. Log & Assay Diamond Drill Hole No. 6
14. Log & Assay Diamond Drill Hole No. 6A

NARRATIVE REPORT FOR FEBRUARY 1958

DMEA
DEPARTMENT OF THE INTERIOR
MAR 18 1958
REGION III
DENVER, COLORADO

Questa, New Mexico
March 13, 1958

Mr. V. E. King, Executive Officer, DMEA
Defense Minerals Exploration Administration
334 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period February 1 through February 28, 1958, there were 24 working days and 4 Sundays.

The No. 4 Crosscut South was worked on a two shift basis. No. 5 Crosscut south was worked on a one shift basis.

153 feet of advance was made in the No. 4 crosscut south. This was in Porphyry and transition rock with some heavy shoring. 141 feet of this was timbered.

127 feet of advance was made in No. 5 crosscut South. This was in transition rock. 121 feet of this was timbered.

7 feet of timbering were done in Stage 7 in the drift West. (See advance & timber Map)

4 feet of raise work were done in the old No. 5 ore stub to make room for diamond drilling.

Diamond Drill Hole No. 6 was completed to 500 feet and Hole No. 6A was completed to 500 feet. See Drill log and map.

A. L. Grosklin

A. L. Grosklin, Manager

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 February 1958 Docket No. DMEA 4568 Contract No. DMEA 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N.Y.

OPERATION Stage I	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting and Crosscutting	ft	-0-	-0-	4430.00	100	44.43	100	44.43
Raising D.D. Stations	ft	-0-	-0-	1377.33	31	44.43	115	44.43
Shafts Timbering	ft	18.90	7	2467.80	914	2.70	1000	2.70
Winzes Analyses	ea	300.00	100	1746.00	522	3.00	1100	3.00
Drilling: Core	ft	5000.00	1000	19595.00	3919	5.00	3000	5.00
Churn Drilling and Auger Casing	ft	-0-	-0-	74.00	74	1.00	500	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		5318.90		69630.13				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date 3/15/58 Operator Molybdenum Corp. of America

Per A. R. Lassalle Title Manager

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

Remarks:

(Instructions on reverse)

(For Government use only)

Edward W. Buel

DMEA
DEPARTMENT OF THE INTERIOR
MAR 26 1958
REGION III
DENVER, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR
MAR 18 1958
REGION III
DENVER, COLORADO

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

Form ME-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 February 195 8 Docket No. DMEA 4568 Contract No. DMEA 1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N.Y.

OPERATION Stage II	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting and								
Crosscutting	ft	12440.40	280	42919.38	966	44.43	6160	44.43
Raising D.D. Stations	ft	177.72	4	533.16	12	44.43	250	44.43
Timbering	ft	707.40	262	2368.20	876	2.70	6160	2.70
Abalysis	ea	168.00	56	579.00	193	3.00	3177	3.00
Drilling: Core	ft	-0-	-0-	-0-	-0-	5.00	19500	5.00
Cementing and Casing	ft	-0-	-0-	-0-	-0-	1.00	1000	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		13453.52		46396.74				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date 3/15/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

Remarks:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

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

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 February, 1958 Docket No. DMEA 456 Contract No. [illegible] 1004
Operator's Name Molybdenum Corp. of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N.Y.
Contract Amount, $10,000.00 Government Participation: 50 % Amount, $255,250.00

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	5000.00	14595.00	19595.00			
Stations	177.72	1732.77	1910.49			
Timber	726.30	4106.70	4833.00			
Drifting	12440.40	74908.95	87349.35			
Analyses	466.00	1859.00	2325.00			
(2) Labor and Supervision:						
Iron & Casing	-0-	74.00	74.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	18812.42	97274.45	116086.87	18812.42	97274.45	116086.87

D 5 165.45 D 5 165.45

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

Date 3/13/58 *Payee Molybdenum Corp. of America

Per [signature] Title Manager

*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: 92,109.00 110 921.42

$ 9406.19

Signature [signature]
(Authorized Certifying Officer)

Date 4/1/58 Vou. No. DMA 58-105

(See other side)

D Earnings disallowed

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Dm-E 1094 in accordance with the terms of the contract.

Signature Edward W. Buel $9406.21 Title Mining Engr Date 3/25/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature E. M. Hanchman Title acting Executive Officer Date MAR 27 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).

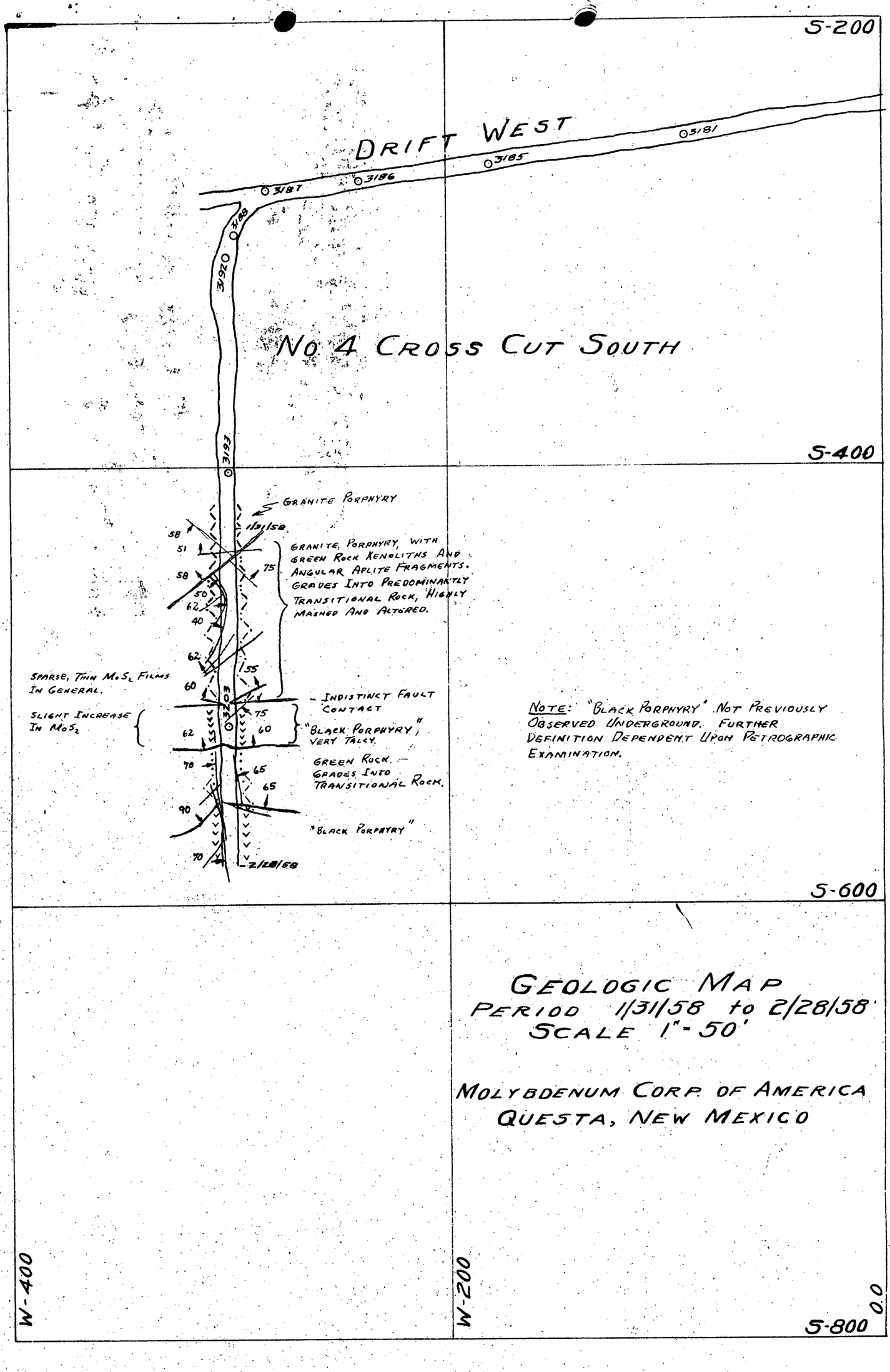
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

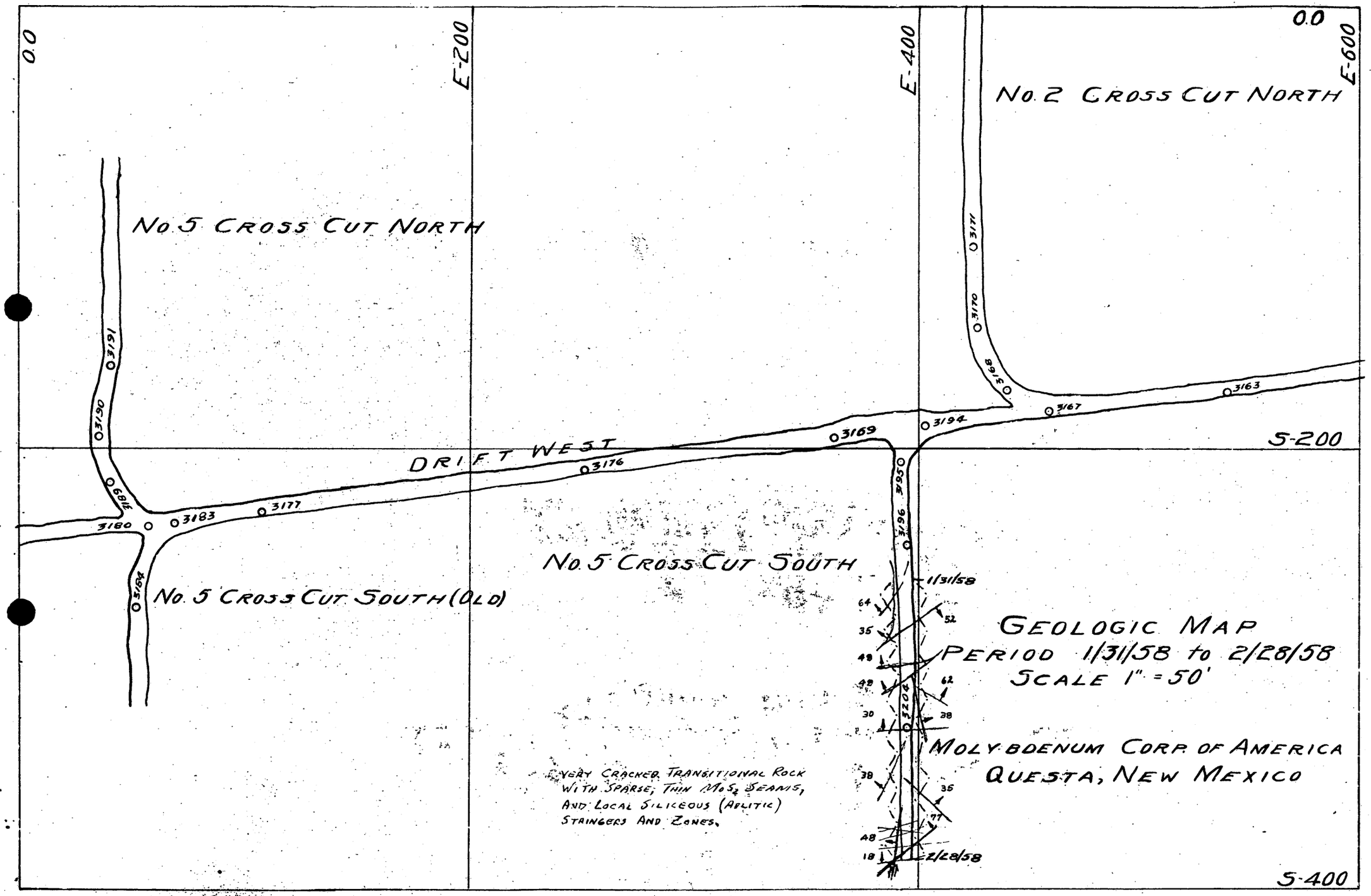
Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported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

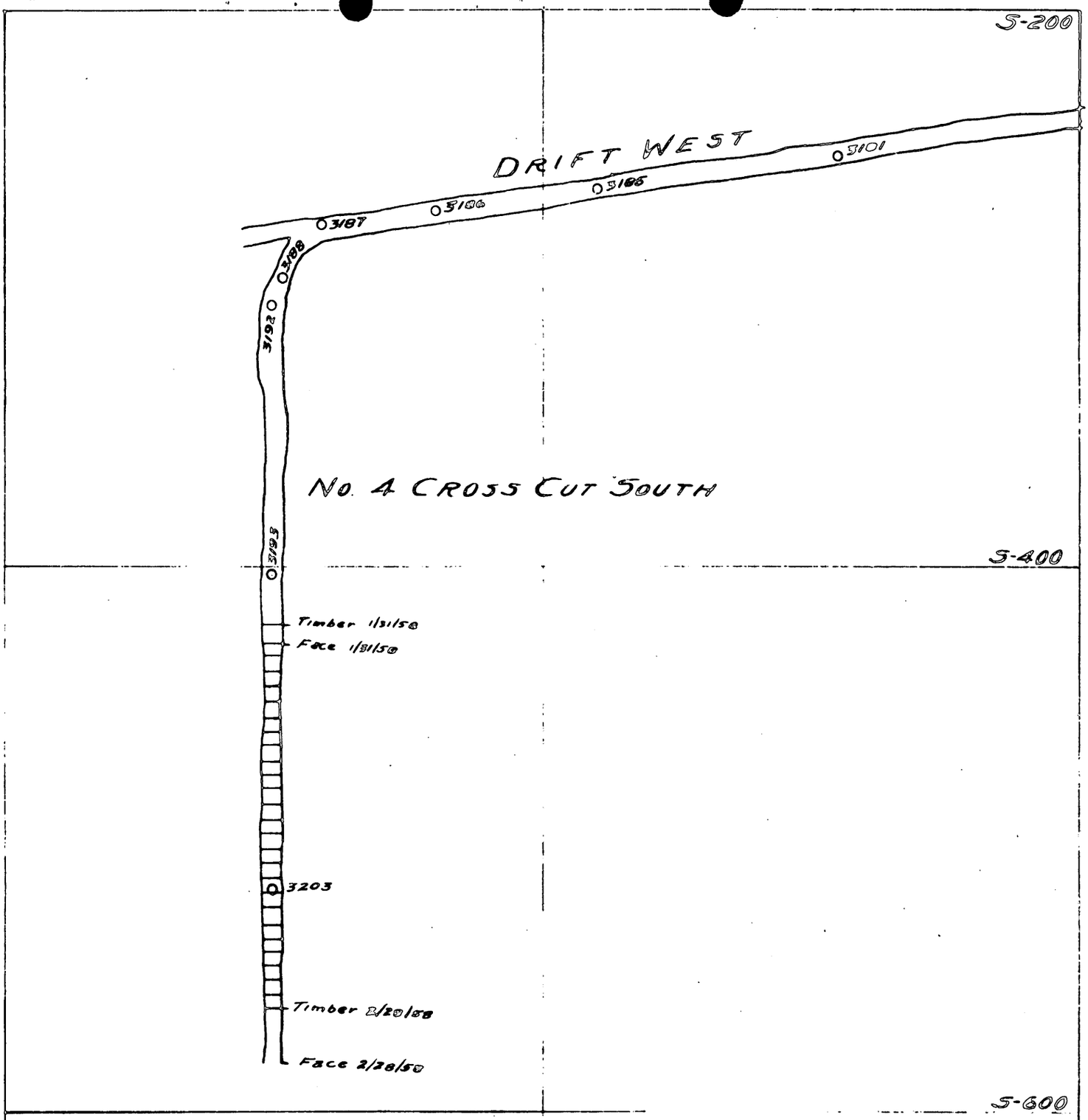
Item (8) includes any unforeseen costs not included in the other seven categories.

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.


5-200
DRIFT WEST
3181
3185
3186
3187
3188
3192
3193
NO 4 CROSS CUT SOUTH
5-400
GRANITE PORPHYRY
1/31/58
GRANITE PORPHYRY, WITH GREEN ROCK XENOLITHS AND ANGULAR APLITE FRAGMENTS. GRADES INTO PREDOMINANTLY TRANSITIONAL ROCK, HIGHLY MASHED AND ALTERED.
SPARSE, THIN MoS_2 FILMS IN GENERAL.
SLIGHT INCREASE IN MoS_2
INDISTINCT FAULT CONTACT
"BLACK PORPHYRY", VERY TALCY.
GREEN ROCK. — GRADES INTO TRANSITIONAL ROCK.
"BLACK PORPHYRY"
2/28/58
NOTE: "BLACK PORPHYRY" NOT PREVIOUSLY OBSERVED UNDERGROUND. FURTHER DEFINITION DEPENDENT UPON PETROGRAPHIC EXAMINATION.
5-600
GEOLOGIC MAP
PERIOD 1/31/58 to 2/28/58
SCALE 1"-50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
W-400
W-200
5-800


0.0
E-200
E-400
0.0
E-600
No. 2 Cross Cut North
No. 5 Cross Cut North
3191
3190
3181
3180
3183
3177
3176
3169
3194
3167
3163
3171
3170
3168
3195
3196
3204
5-200
Drift West
No. 5 Cross Cut South
No. 5 Cross Cut South (Old)
3184
1/31/58
64
35
48
48
30
38
48
18
52
62
28
35
77
2/28/58
Geologic Map
Period 1/31/58 to 2/28/58
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico
Very Cracked Transitional Rock
With Sparse, Thin MoS_2 Seams,
And Local Siliceous (Aplitic)
Stringers And Zones.
5-400

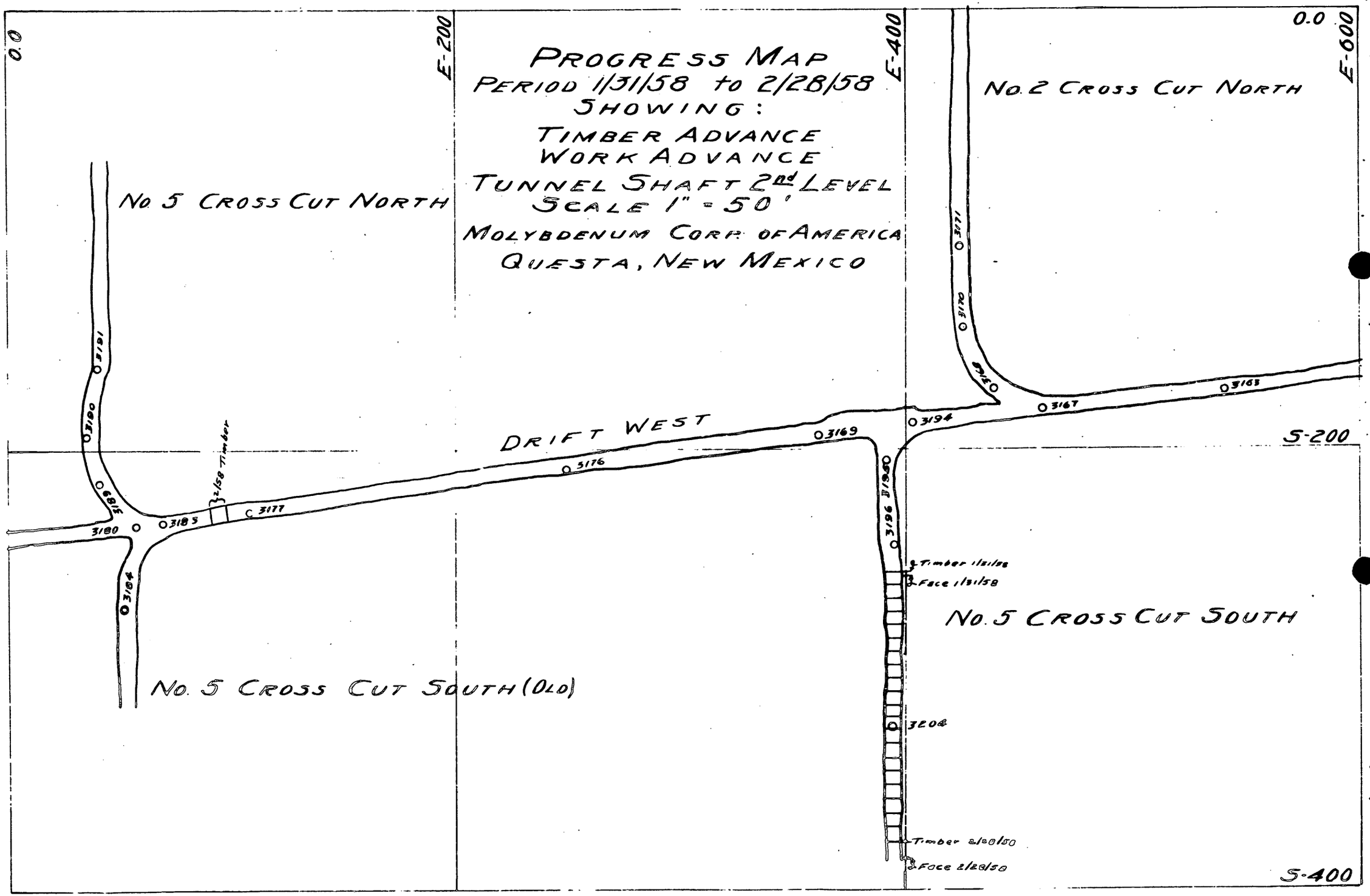


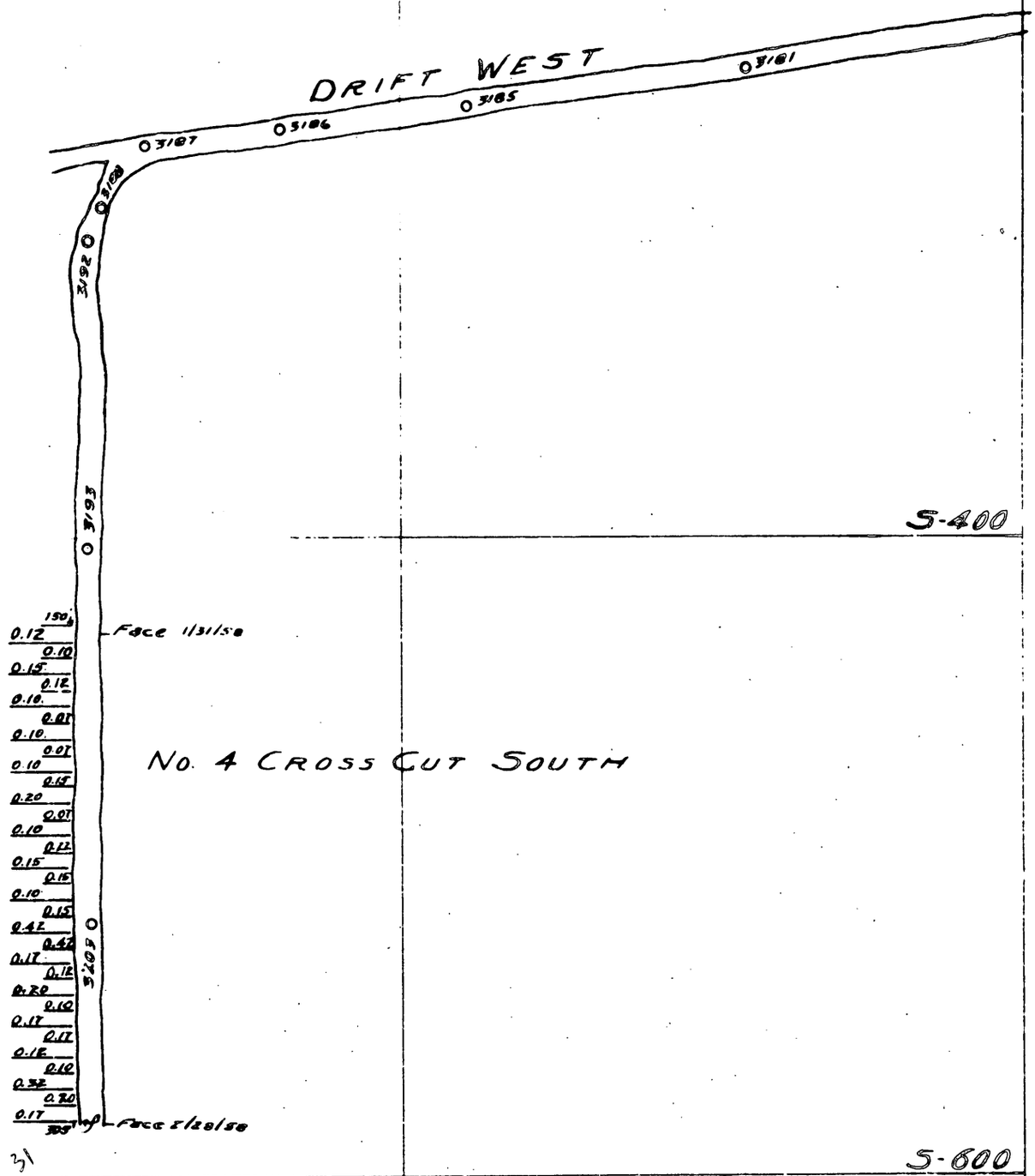
PROGRESS MAP
PERIOD 1/31/58 to 2/28/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE

TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

W-400 W-200 0.0 S-600


PROGRESS MAP
PERIOD 1/31/58 to 2/28/58
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
E-600
S-200
S-400
No. 5 CROSS CUT NORTH
No. 2 CROSS CUT NORTH
No. 5 CROSS CUT SOUTH
No. 5 CROSS CUT SOUTH (OLD)
DRIFT WEST
3191
3190
6815
3180
3185
3184
2/58 Timber
3177
3176
3169
3194
3167
3163
3171
3196
Timber 1/31/58
Face 1/31/58
3204
Timber 2/28/58
Face 2/28/58



CHIP SAMPLES
% MoS_2
PERIOD 1/31/58 to 2/28/58
SCALE 1" = 50'

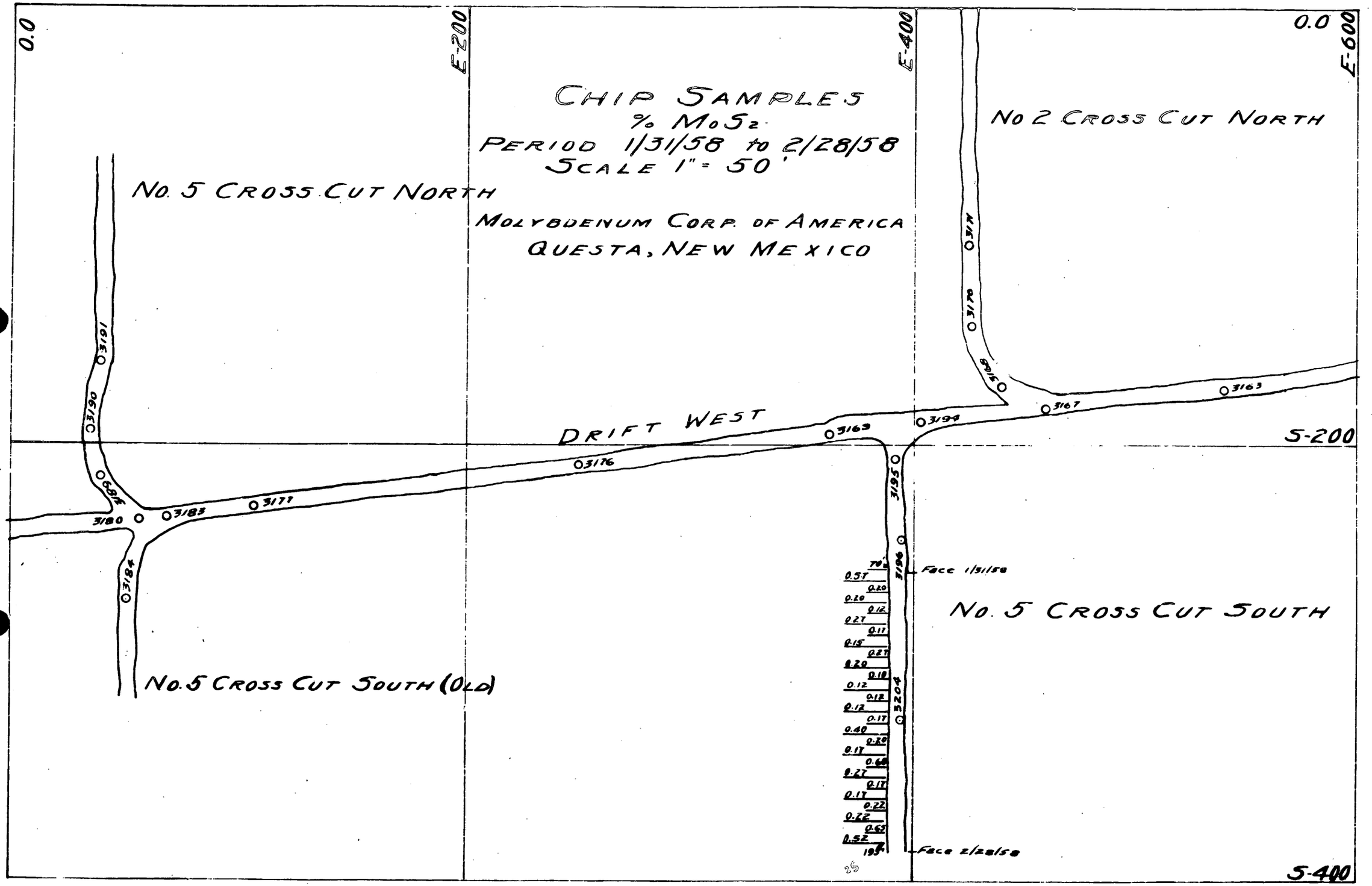
MOLYBDENUM CORP. OF AMERICA

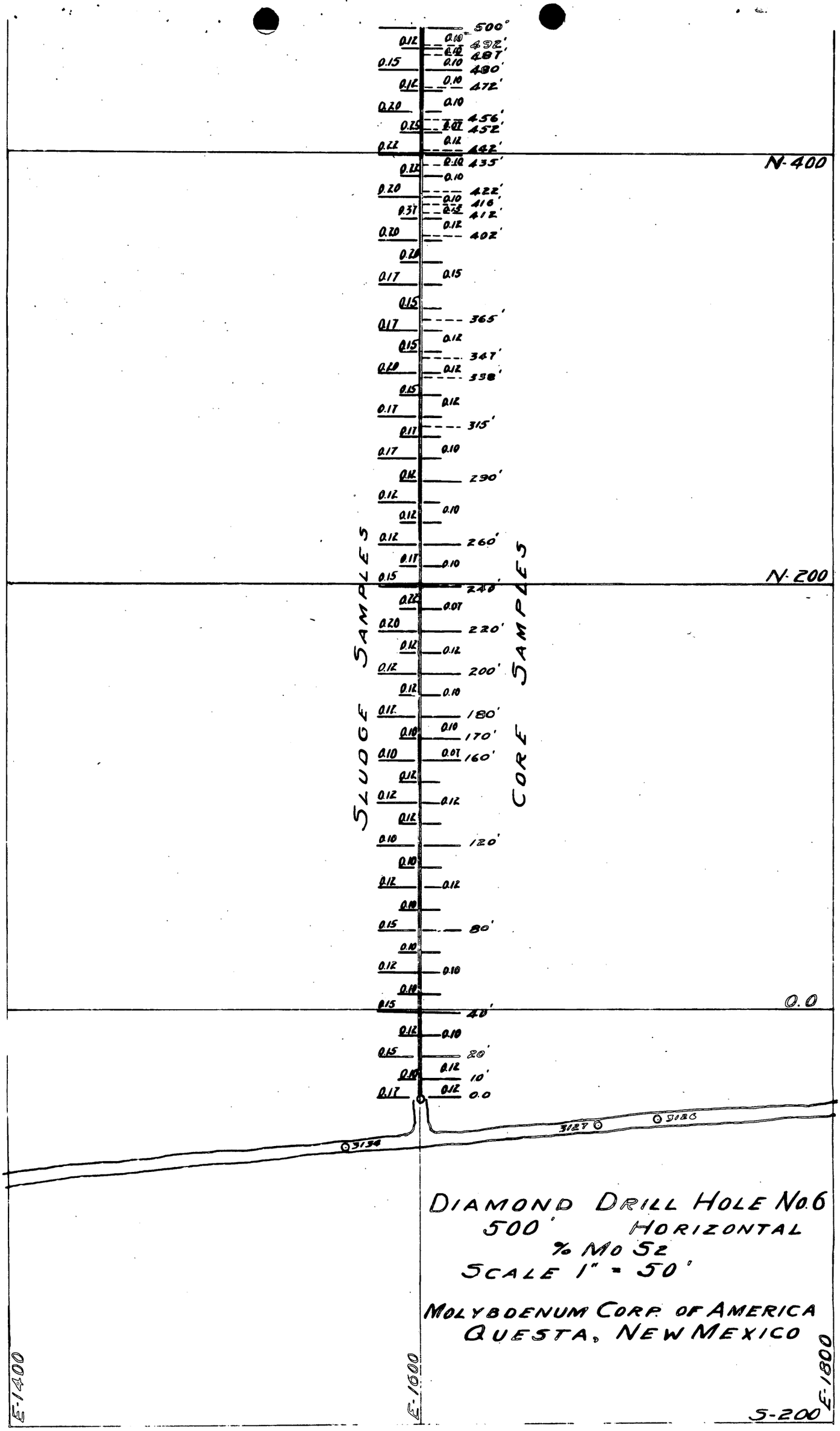
QUESTA, NEW MEXICO

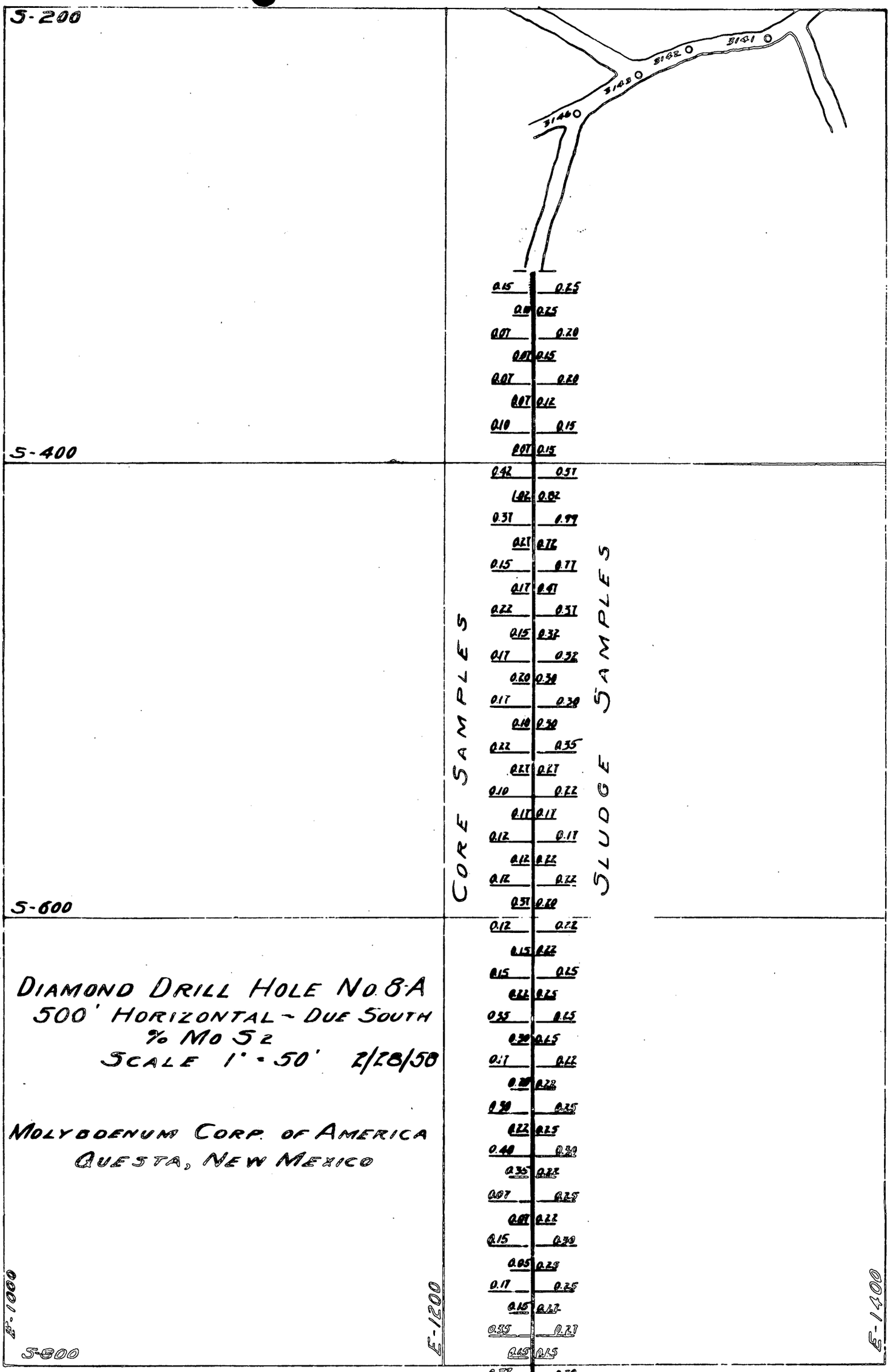
W-400

W-200

S-800


CHIP SAMPLES
% MoS2
PERIOD 1/31/58 to 2/28/58
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
0.0
E-600
No. 5 CROSS CUT NORTH
No 2 CROSS CUT NORTH
DRIFT WEST
5-200
5-400
No. 5 CROSS CUT SOUTH
No. 5 CROSS CUT SOUTH (OLD)
Face 1/31/58
Face 2/28/58
3161
3190
3180
3183
3177
3176
3163
3194
3167
3163
3195
3196
3204
3184
0.57
0.20
0.20
0.12
0.27
0.11
0.15
0.27
0.20
0.10
0.12
0.12
0.12
0.17
0.40
0.20
0.17
0.66
0.27
0.17
0.17
0.22
0.22
0.62
0.52


500'
492'
487'
480'
472'
456'
452'
442'
435'
422'
416'
412'
402'
365'
347'
338'
315'
290'
260'
240'
220'
200'
180'
170'
160'
120'
80'
40'
20'
10'
0.0
N-400
N-200
0.0
SLUDGE SAMPLES
CORE SAMPLES
3134
3127
3126
DIAMOND DRILL HOLE No.6
500' HORIZONTAL
% MO S2
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
E-1400
E-1600
E-1800
S-200


S-200
S-400
S-600
S-800
E-1000
E-1200
E-1400
S141
S142
S143
S146
CORE SAMPLES
SLUDGE SAMPLES
0.15 0.25
0.10 0.25
0.07 0.20
0.07 0.15
0.07 0.20
0.07 0.12
0.10 0.15
0.07 0.15
0.42 0.51
1.02 0.82
0.31 0.99
0.27 0.72
0.15 0.77
0.17 0.47
0.22 0.37
0.15 0.32
0.17 0.32
0.20 0.30
0.17 0.30
0.10 0.30
0.22 0.35
0.27 0.27
0.10 0.22
0.17 0.17
0.12 0.17
0.12 0.22
0.12 0.22
0.31 0.20
0.12 0.22
0.15 0.22
0.15 0.25
0.22 0.25
0.35 0.15
0.30 0.15
0.17 0.22
0.20 0.22
0.30 0.35
0.22 0.25
0.40 0.30
0.35 0.22
0.07 0.25
0.07 0.22
0.15 0.30
0.05 0.25
0.17 0.25
0.15 0.27
0.35 0.27
0.15 0.15
0.32 0.30
0.15 0.25
DIAMOND DRILL HOLE NO. 8-A
500' HORIZONTAL - DUE SOUTH
% MO S2
SCALE 1" = 50' 2/28/58
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

CORE LOG — DIAMOND DRILL HOLE NO. 6

DATE DRILLED — FEBRUARY, 1958

CORE RECOVERY — 5.90 PER CENT

	Footage From	Footage To	Core Sample No.	Core Weight Lb	Core Weight Oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	REMARKS
	0	10	1914	1	4	10.32	0.12	1965	0.17	Aplite with lots of Quartz
	10	20	1915	1	4	10.32	0.12	1966	0.10	" " "
*	20	30	---	0	4	2.06	---	1967	0.15	" " "
	30	40	---	-	-	---	---	1968	0.12	" " "
	20	40	1916	0	14	7.22	0.10			" " "
*	40	50	---	0	8	4.12	---	1969	0.15	" " "
	50	60	---	0	0	---	---	1970	0.10	" " "
	60	70	---	0	2	1.03	---	1971	0.12	" " "
	40	80	1917	0	14	1.80	0.10			" " "
	70	80	---	-	-	---	---	1972	0.10	" " "
*	80	90	---	0	6	3.09	---	1973	0.15	" " "
	90	100	---	0	4	2.06	---	1983	0.10	" " "
	100	110	---	0	2	1.03	---	1984	0.12	" " "
	80	120	1918	0	14	1.80	0.12			" " "
	110	120	---	-	-	---	---	1985	0.10	" " "
	120	130	---	0	0	---	---	1986	0.10	" " "
*	130	140	---	0	2	---	---	1987	0.12	" " "
	140	150	---	0	4	2.06	---	1988	0.12	" " "
	120	160	1919	0	10	2.03	0.12			" " "
	150	160	---	-	-	---	---	1989	0.12	" " "
	160	170	1920	1	8	12.37	0.07	1990	0.10	" " "
	170	180	1921	1	2	9.28	0.10	1991	0.10	" " "
*	180	190	---	0	6	3.09	---	1992	0.12	" " "
	180	200	1922	0	10	1.29	0.10			" " "
	190	200	---	-	-	---	---	1993	0.12	" " "
*	200	210	---	0	4	2.06	---	1994	0.12	" " "
	200	220	1923	0	10	2.58	0.12			" " "
	210	220	---	-	-	---	---	1995	0.12	" " "
*	220	230	---	0	4	2.06	---	1996	0.20	" " "
	220	240	1924	0	10	2.58	0.07			" " "
	230	240	---	-	-	---	---	1997	0.22	" " "
*	240	250	---	0	10	5.15	---	1998	0.15	" " "
	240	260	1925	0	14	3.61	0.10			" " "
	250	260	---	-	-	---	---	1999	0.17	" " "
*	260	270	---	0	6	3.09	---	2000	0.12	" " "
	270	280	---	0	4	2.06	---	2001	0.12	" " "
	260	290	1926	0	14	2.85	0.10			" " "
	280	290	---	-	-	---	---	2002	0.12	" " "
*	290	300	---	0	2	1.03	---	2003	0.12	" " "
	300	310	---	0	10	5.16	---	2004	0.17	" " "
	290	315	2031	1	8	4.95	0.10			" " "
	310	320	---	-	-	---	---	2005	0.17	" " "
*	315	320	---	0	4	4.12	---			" " "
	320	323	---	0	2	3.08	---			" " "
	323	330	---	0	6	4.41	---			" " "
	320	330	---	-	-	---	---	2006	0.17	" " "

* Not Sufficient Core for Sample

Core Log Diamond Drill Hole #6 Cont'd

Date Drilled February 1958

	Footage From	Footage To	Core Sample No	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
	315	338	2032	1	10	5.83	0.12			Aplite with Lots of Quartz
	338	347	2033	1	4	11.43	0.12			"
	330	340						2007	0.15	"
•	347	356		0	4	2.29				"
•	340	350						2008	0.20	"
•	356	359		0	4	6.89				"
	347	365	2034	1	4	5.73	0.12			"
	350	360						2009	0.15	"
•	365	372		0	0	---				"
	360	370						2010	0.17	"
•	372	382		0	6	3.09				"
	370	380						2011	0.15	"
•	382	392		0	4	2.06				"
•	392	397		0	2	2.06				"
	365	402	2035	1	4	2.78	0.15			"
•	402	404		0	4	10.26				"
	380	390						2012	0.17	"
	390	400						2013	0120	"
	402	412	2036	1	6	11.34	0.12			"
•	400	412						2014	0.20	"
	412	416	2037	0	12	15.38	0.15			"
	416	422	2038	1	6	18.97	0.10			"
	410	420						2015	0.37	"
•	422	430		0	6	3.87				"
	422	435	2039	1	14	2.52	0.10			"
	435	442	2040	1	14	22.06	0.10			"
	420	430						2023	0.20	"
	430	440						2024	0.22	"
•	442	445		0	4	6.89				"
	442	452	2041	1	8	12.37	0.12			"
	440	450						2025	0.22	"
	452	456	2042	0	14	17.95	0.07			"
•	456	465		0	4	2.29				"
	456	472	2051	1	6	18.97	0.10			"
	450	460						2026	0.25	"
	460	470						2027	0.20	"
	472	480	2052	0	12	7.74	0.10			"
	470	480						2028	0.12	"
	480	487	2053	0	8	5.88	0.10			"
	487	492	2054	1	14	30.92	0.10			"
	480	490						2029	0.15	"
•	492	497		0	6	6.19				"
	492	500	2055	1	6	14.19	0.10			"
	490	500						2030	0.12	"

• Not enough core to sample

Core Log — Diamond drill hole No. 5-A

Date Drilled — February 1958

Core Recovery — 54.59%

Footage From	Footage To	Wt of Core lb	Wt of Core oz	% Core Rec.	Core Sample No.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0	2	2	0	82.05					Transition Rock
2	4	1	10	66.67					" "
4	6	3	14	100.00					" "
6	8	3	10	100.00					Granite
8	10	1	10	66.67					Transition Rock
0	10	12	12	100.00	2056	0.15	2095	0.25	
10	16	1	14	25.86					" "
16	18	3	6	100.00					" "
18	20	2	0	82.05					" "
10	20	7	8	61.68	2057	0.10	2096	0.25	
20	25	3	0	49.48					Very Dark Transition Rock
25	30	3	2	51.55					" " " "
20	30	6	2	50.52	2158	0.07	2097	0.20	
30	33	1	8	41.38					" " " "
33	40	6	6	76.47					" " " "
30	40	7	14	84.95	2059	0.07	2098	0.15	
40	45	4	8	74.23					" " " "
45	50	4	2	68.04					" " " "
40	50	8	10	67.01	2060	0.07	2099	0.20	
50	55	3	12	61.68					" " " "
55	57	1	6	56.41					" " " "
57	60	2	10	72.41					" " " "
50	60	7	12	63.92	2061	0.07	2100	0.12	
60	65	3	10	59.79					" " " "
65	70	3	0	49.48					" " " "
60	70	6	10	55.67	2062	0.10	2101	0.15	
70	80	0	8	4.12	2063	0.07	2102	0.15	
80	81	1	4	100.00					Contact Rock
81	84	1	0	27.59					Partly Granite with MoS2
84	90	1	0	13.79					Granite " "
80	90	3	4	26.80	2064	0.42	2103	0.57	
90	95	1	6	22.68					" " "
95	100	1	4	20.62					" " "
90	100	2	10	21.65	2065	1.02	2104	0.82	
100	104	2	8	3077					Mostly Granite with MoS2
104	109	3	2	51.55					" " "
109	110	1	4	1143					" " "
100	110	6	14	57.73	2066	0.37	2105	0.99	
110	117	2	14	33.82					Dark Transition Rock
117	120	0	12	2069					" " "
110	120	3	10	2959	2067	0.27	2106	0.72	
120	123	0	8	13.79					" " "
123	125	1	10	66.67					" " "
125	130	3	6	55.67					" " "
120	130	6	0	49.48	2068	0.15	2107	0.77	
130	135	3	10	59.79					

8a

Core Log Diamond Drill Hole #8-A Cont'd

Date Drilled February 1958

Distance From	Distance To	Wt of Core lb	Wt of Core oz	% Core Rec.	Core Sample No.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
135	140	1	14	30.93					Dark Transition Rock
130	140	5	8	45.36	2069	0.17	2108	0.42	
140	150	3	0	24.74	2070	0.22	2109	0.37	" " " & Granite
150	155	3	10	59.79					" " " "
155	160	0	12	12.37					Broken Up Greenrock
150	160	4	6	36.08	2071	0.15	2110	0.32	
160	163	1	0	27.59					Dark Transition Rock
163	168	3	2	51.55					" " "
168	170	2	14	100.00					" " "
160	170	7	0	57.73	2072	0.17	2111	0.32	
170	175	2	2	35.05					" " "
175	180	4	4	70.10					" " "
170	180	6	6	52.58	2073	0.20	2112	0.30	
180	185	3	10	59.79					Greenrock
185	190	4	0	65.98					"
180	190	7	10	62.89	2074	0.17	2113	0.30	
190	193	0	14	24.14					"
193	200	7	8	88.24					"
190	200	8	6	69.07	2075	0.10	2114	0.30	
200	210	10	6	85.57	2076	0.22	2115	0.35	Transition Rock
210	220	11	0	90.72	2085	0.27	2116	0.27	" "
220	230	11	8	94.85	2086	0.10	2117	0.22	" "
230	240	8	12	96.91	2087	0.17	2118	0.17	" "
240	250	6	8	53.61	2088	0.12	2171	0.17	" "
250	256	4	10	63.79					" "
256	260	1	10	33.33					" "
250	260	6	4	51.55	2089	0.12	2172	0.22	
260	265	8	0	100.00					" "
265	270	2	4	37.11					" "
260	270	10	4	84.54	2090	0.12	2173	0.22	
270	272	1	4	51.28					" "
272	275	2	10	71.19					" "
275	279	3	4	66.67					" "
279	280	1	8	100.00					" "
270	280	8	10	65.71	2091	0.37	2174	0.20	
280	288	4	0	100.00					" "
288	290	1	4	47.62					" "
280	290	5	4	40.00	2092	0.12	2175	0.22	
290	298	2	6	22.62					" "
298	300	1	8	57.14					" "
290	300	3	14	25.52	2093	0.15	2176	0.22	
300	303	2	0	50.79					" "
303	309	4	0	49.21					" "
309	310	1	4	95.24					" "
300	310	7	4	55.24	2094	0.15	2215	0.25	
310	319	10	8	88.89					" "

Core Log Diamond Drill Hole #8-A Cont'd

Date Drilled February 1958

Footage From	Footage To	Wt of Core lb	Wt of Core oz	% Core Rec.	Core Sample No.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
319	320	1	0	76.19					Granite
310	320	11	8	87.62	2162	0.22	2216	0.25	
320	325	3	10	55.24					" & Quartz
325	330	6	12	100.00					Transition Rock
320	330	10	6	79.05	2163	0.35	2217	0.25	
330	340	11	10	88.57	2164	0.30	2218	0.25	" "
340	344	3	12	71.43					" "
344	350	5	4	66.67					" "
340	350	9	0	68.57	2165	0.17	2219	0.22	
350	360	10	6	79.05	2166	0.20	2223	0.22	" " 5" Good MoS2
360	366	3	0	38.10					" "
366	370	3	8	66.67					Blue Quartz with MoS2
360	370	6	8	49.52	2167	0.30	2224	0.25	
370	375	4	10	70.48					" " " "
375	380	6	2	93.33					Schist with Seams of MoS2
370	380	10	12	81.90	2168	0.22	2225	0.25	
380	385	3	0	45.72					" " " "
385	387	3	4	100.00					Contact Schist to Quartz
387	390	3	0	76.19					Good Quartz and Banded MoS2
380	390	8	4	70.48	2169	0.40	2226	0.30	
390	395	3	0	45.71					" " " " "
395	400	1	12	26.67					Contact Quartz to Granite
390	400	4	12	36.19	2170	0.35	2227	0.22	
400	404	1	10	30.95					Granite
404	407	0	14	22.22					"
407	410	0	4	6.35					"
400	410	2	12	20.95	2205	0.07	2228	0.25	
410	420	1	10	11.43	2206	0.07	2229	0.22	"
420	423	0	12	19.05					"
423	425	1	0	38.10					"
425	430	4	0	60.95					"
420	430	5	12	43.81	2207	0.15	2230	0.30	
430	435	4	6	66.67					"
435	440	2	0	30.47					"
430	440	6	6	48.57	2208	0.05	2231	0.25	
440	441	0	8	38.09					"
441	447	3	14	49.21					Dark Transition Rock
447	450	1	14	47.62					" " "
440	450	6	4	47.62	2209	0.17	2232	0.25	
450	454	1	12	33.33					" " "
454	460	5	8	69.84					" " "
450	460	7	4	55.24	2210	0.15	2233	0.22	
460	463	4	8	100.00					" " " 5" Granite
463	466	3	4	82.54					" " " With Quartz
466	470	4	4	80.95					" " " " "
460	470	12	0	91.43	2211	0.35	2234	0.27	

Core Log Diamond Drill Hole No. 5-A Cont'd

Drilled: February 1958

Footage From	Footage To	Wt of Core lb	Wt of Core oz	% Core Rec.	Core Sample No.	% Mo S2	Sludge Sample No	Sludge % MoS2	Remarks
470	476	8	2	100.00					Dark Transition Rock
476	480	5	12	100.00					" " "
470	480	13	14	100.00	22.12	0.15	2235	0.25	
480	486	5	0	63.49					" " "
486	490	5	4	100.00					" " "
480	490	10	4	78.10	2213	0.32	2236	0.30	
490	495	5	4	80.00					" " "
495	500	2	12	41.90					" " "
490	500	8	0	60.95	2214	0.15	2237	0.25	

FINAL DISTRIBUTION

MADE MAR 21 1958

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

Administrative Audit Difference Statement

Molybdenum Corporation of America
500 Fifth Avenue
New York 18, New York

Date: March 21, 1958
Payee's Reference: January 1958

Gentlemen:

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

Amount Claimed	$	15,318.14
Difference	$	51.00
Amount Approved	$	15,267.14

The reason for the difference was due to:

Disallowance, Chemical Analyses

A review of the sample data indicates that a total of 116 samples were analyzed during the period; however, 17 of the samples reported for Stage II were taken in an unauthorized crosscut, and therefore are not allowable. The reported cost for 17 assays is disallowed.

Disallowed, reported cost for 17 assays at $3.00 ---------- $51.00

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

Very sincerely yours,

N. E. Stokes
Audit Section

ORIGINAL FILE COPY
DMEA
RECEIVED MAR 24 1958

DATE	INITIALS	CODE
3/24	C	220
"	[illegible]	110
"	[illegible]	[illegible]

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

224 New Customhouse
Denver 2, Colorado
March 18, 1958

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of January, 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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

<u>Disallowance, Chemical Analyses</u>

A review of the sample data indicates that a total of 116 samples were analyzed during the period; however, 17 of the samples reported for Stage II were taken in an unauthorized crosscut, and, therefore are not allowable. The reported cost for 17 assays is to disallowed.

Disallow, reported cost for 17 assays at $3.00------ $ 51.00

Reconciliation with Amount Reported by the Operator on Form MF-104 for January, 1958

Amount reported on Form MF-104 for January 1958	$15,318.14
Amount to be disallowed	51.00
Acceptable cost for January, 1958	15,267.14
Government participation at 50 percent	$ 7,633.57

Note: Disallowances recommended in this memorandum differ from the recommendations contained in the engineer's report because of additional disallowance of analyses in "Old" No. 5 cross-cut South.

Remarks:

Date of Report ---------- February 15, 1958
Date Received in Field Office ---------- February 25, 1958
Date Received in Region Office ---------- March 13, 1958
Reason for delay: Processing delayed due to prolonged illness by DMEA engineer assigned to the project.

Original signed by
W. H. KING

W. H. King

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
DMEA/DFC
MF-104 file, Reg. III
Harshman) w/copy of
Townsend) Engr's report
Chron

DMEA
DEPARTMENT OF THE INTERIOR

REGION III

MAR 13 1958
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
March 13, 1958

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Edward W. Buel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, N. M. -- Progress report for December 1957 -- January 1958

At the request of the Field Team, an inspection of the subject property was made by R. U. King, Geological Survey, and the writer on March 11, 1958. During the course of the inspection, the examiners were accompanied by A. L. Greslin, general manager. The last inspection made of the property was conducted during a period from January 9 to 14, 1958, by W. W. Winkel, Bureau of Mines. Shortly after his visit, Mr. Winkel became ill, which has resulted in the operator's MF-104's for December 1957 and January 1958 not being processed. The work units claimed by the operator were checked by the writer during the last inspection, or are verified from other sources of information.

The new work units checked during the inspection of March 11, 1958, consisted of work in the No. 5 XC-north, No. 4 XC-south, No. 5 XC-south, diamond drilling in the "old" No. 5 XC-south, and other work areas.

The total new work units verified 1/ are tabulated as follows:

No. 5 XC-north
Sta. 3191 to face of drift - 93 ft.
Sta. 3191 to end of timbering - 91 ft.

No. 5 XC-south
Sta. 3204 to face of drift - 110 ft.
Sta. 3204 to end of timbering - 102 ft.

No. 4 XC-south
Sta. 3203 to face of drift - 122 ft.
Sta. 3203 to end of timber - 109 ft.

1/ As of 3/11/58

D. D. No. 6
Bottomed at 500 ft.
Estimated core recovery 6%

D. D. No. 8
Bottomed at 500 ft.
Estimated core recovery 55%

Hole in "old" No. 5 XC-south
Hole down to 407 ft.
Core recovery - not known

The operator requests reimbursement for the following items:
104's for December 1957
Stage I
Timbering - 6 ft. Core drilling - 620 ft.
Analyses - 62 Reaming and casing - 70 ft.

Stage II
Drifting and crosscutting - 307 ft. Analyses - 44
D. D. Stations - 8 ft. Timbering - 283 ft.

All of these units are recommended for payment except for a disallowance of 85 feet of drifting and 77 feet of timbering performed in an unauthorized drift, referred to as the "old" No. 5 XC-south, under Stage II. The operator requests payment for $18,263.75 of which $3,984.45 is recommended for disallowance making a remainder of $14,279.30. Of this latter amount, the Government's share at 50% is $7,139.65.

104's for January 1958
Stage I
Timbering - 9 ft. Core drilling - 463 ft.
Analyses - 46

Stage II
Drifting and crosscutting - 268 ft. Analyses - 70
Timbering - 268 ft.

All of the above units are recommended for payment except for 6 analyses which are not accounted for on the assay maps and drill log. It should be noted that the operator did not distribute his sample analyses properly with respect to Stages I and II. From the operator's supporting maps and drill log, the analyses should be distributed 86 under Stage I and 24 under Stage II. Previous month's disallowances for drifting and crosscutting and timbering were not made by the operator; hence his totals and amounts are in need of adjustment.

The operator requests reimbursement of $15,318.14 of which $18.00 is recommended for disallowance. The remainder is $15,300.14 of which the Government's share at 50% is $7,650.07.

Edward W. Buel

Edward W. Buel
Mining Engineer

EWB/mw cc: 6 Idm-E1094 chron

C O N T E N T S

January 1950

1. Narrative Report
2. Form PF-1041A (Stage I)
3. Form PF-1041A (Stage II)
4. Form PF-104
5. Geology Map - No. 4 Crosscut South
6. Geology Map - No. 5 Crosscut North - No. 5 Crosscut South
7. Explanation of Geology Maps
8. Progress Map - No. 5 Crosscut North - No. 5 Crosscut South
9. Progress Map - No. 4 Crosscut South
10. Diamond Drill Hole No. 3 Grid Map
11. Chip Assay Map - No. 5 Crosscut North - No. 5 Crosscut South
    No. 5 Crosscut South (old)
12. Chip Assay Map - No. 4 Crosscut South
13. Log and Assay - Diamond Drill Hole No. 3 Grid

[illegible]RAT[illegible]VE REPORT FOR JANUAR[illegible] 1958

Questa, New Mexico
February 15, 1958

Mr. V. E. King, Executive Officer, D.M.E.A.
Defense Minerals Exploration Administration
234 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period January 1 through January 31, 1958 there were 27 working days. We worked 24 days. The mine was down three days to repair a broken axle on the main tunnel haulage motor, and were off four Sundays.

The No. 4 Gm was worked on a two shift basis. The No. 5 Gm was worked on a one shift basis for part of the month then we stopped this place for awhile to see if it would settle down a bit. It is very heavy ground, worse than the No. 3 Gm. We plan on going back in this place a little later. We moved the crew from No. 5 crosscut north to No. 5 crosscut south.

There were 183 feet of advance in the No. 4 Gm. This was in Porphyry with some Moss some showing. 75 feet of advance were done in No. 5 crosscut North. This was in transition rock with some small bunches of redrock showing in the last part. 71 feet of advance were done in the No. 5 crosscut south. This was in transition rock with some Moss showing.

70 feet of timber were put in the No. 5 crosscut north. 110 feet of timber were put in the No. 4 crosscut south and 70 feet of timber were put in the No. 5 crosscut south.

There were 0 feet of timber put in the drift west in stage I of the contract.

Diamond drill hole No. 2 Gm was drilled to a depth of 633 feet. We had to stop this hole. The ground kept squeezing in and we couldn't get the drill rods in or out of the hole.

All the chip samples were taken in all the places up through January 31, 1958.

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

A. L. Greslin, Manager

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
MAR 24 1958
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1958 Docket No. DMEA 456S Contract No. DMA-1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N.Y.

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 Stage I and								
Crosscutting	ft	-0-	-0-	44120.00	1000	44.43	1000	44.43
Raising D.D.S stations	ft	-0-	-0-	1377.33	31	44.43	115	44.43
~~Mucks~~ Timbering	ft	24.30	9	2446.90	907	2.70	1000	2.70
~~Diamond~~ Analyses	ea	135.00	45	1446.00	482	3.00	1100	3.00
Drilling: Core	ft	2315.00	463	14595.00	2919	5.00	9000	5.00
~~Blast~~ Reaming & ~~Rock~~ Coring	ft	-0-	-0-	74.00	74	1.00	500	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2477.30		64371.23				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date 2/15/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edmund W. Burl

DMEA
DEPARTMENT OF THE INTERIOR
FEB 24 1958
REGION III
DENVER COLORADO

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED MAR 24 1958 D.M.E.A.

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

Month of January 1958 Docket No. DMEA 4568 Contract No. [illegible]-21094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N.Y.

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 II								
Drifting and Crosscutting	ft	11907.24	268	30476.98	686	44.43	6160	44.43
Raising D.D.S stations	ft	-0-	-0-	355.44	8	44.43	250	44.43
~~Shaft~~ Timbering	ft	723.60	268	1657.80	614	2.70	6160	2.70
~~Water~~ Analyses	ea	210.00	70	411.00	137	3.00	3177	3.00
Drilling: Core	ft	-0-	-0-	-0-	-0-	5.00	19500	5.00
Churn ~~Rear~~ Reaming & ~~Auger~~ Casing	ft	-0-	-0-	-0-	-0-	1.00	1000	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		12840.84		32903.22				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date 2/15/58 Operator Molybdenum Corp. of America

Per [signature] Title Manager

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

Remarks:

(Instructions on reverse)

(For Government use only)

Edward W. Buck

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.

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GPO 872894

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 MAR 24 '58 D.M.E.A.

Month of January, 195 8 Docket No. DMEA 4568 Contract No. DMA-1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N.Y.
Contract Amount, $ 510,500.00 Government Participation: 50% Amount, $ 255,250.00

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	2315.00	12280.00	14595.00			
Bulldozing	-0-	1732.77	1732.77			
Crosscutting Timber	747.90	3358.80	4106.70			
Drifting	11907.24	63001.74	74908.98			
Analyses	346.00	1509.00	1857.00			
(2) Labor and Supervision:						
Labor Room & Casing	-0-	74.00	74.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	15316.14	81956.31	97274.45	5,267.14 1)	81,956.31 04	97,223.45 1) 04

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

Date 3/15/58 *Payee Molybdenum Corp. of America

Per [signature] Title Manager

*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: 2) 5114.45 2) 5114.45 76,841.90 92,109.04

$ 7633.57

Signature [signature]
(Authorized Certifying Officer)

Date 3/19/58 Vou. No. DMA-58-100
(See other side)

1) Mil adjustment
2) Previously disallowed

(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. DMA-E1094 in accordance with the terms of the contract.

Signature Edward W. Bud $7650.07 Title Mining Engr Date 3/13/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Checked for Engineering Allowability

Signature W H King Title Executive Officer Date MAR 18 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).

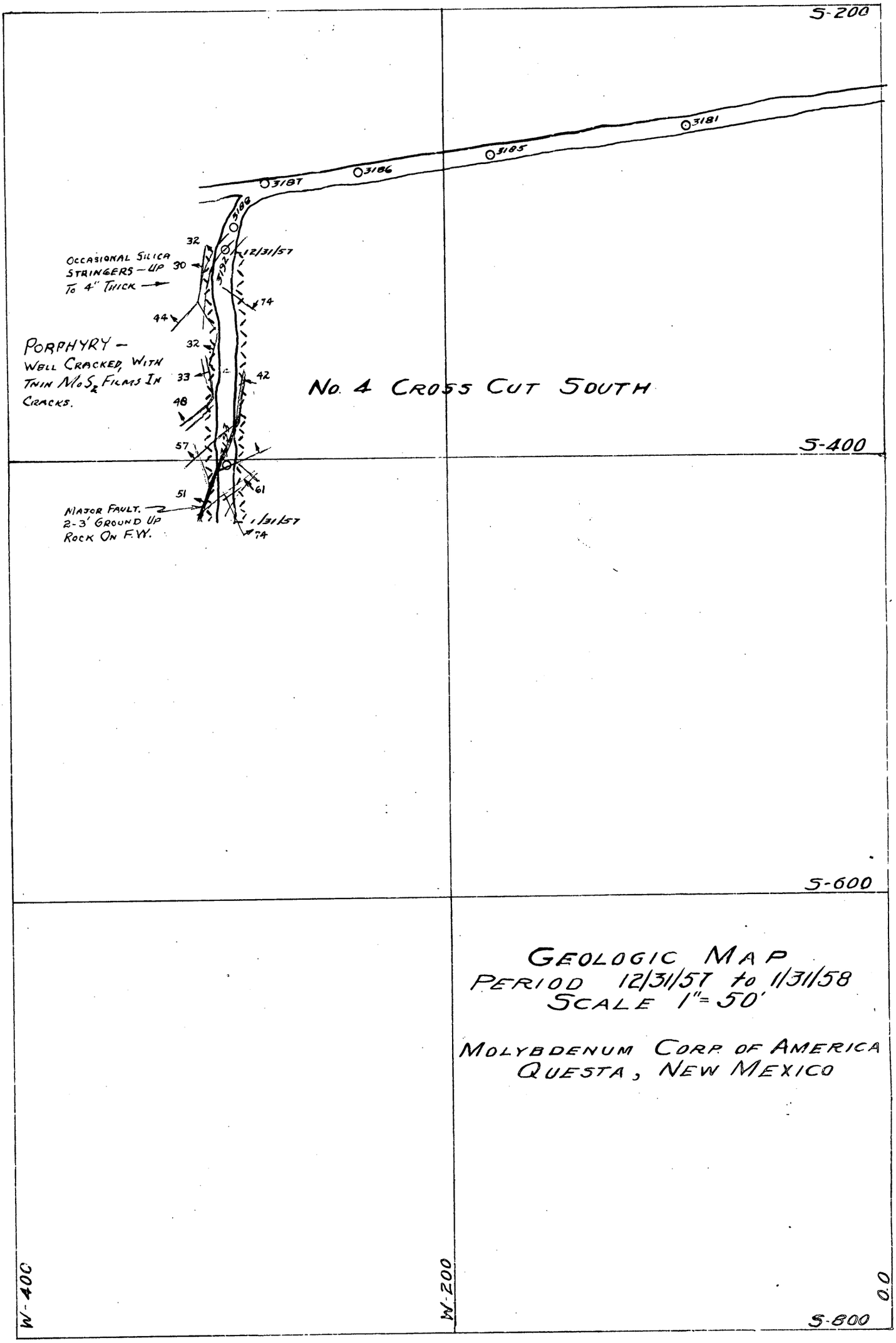
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

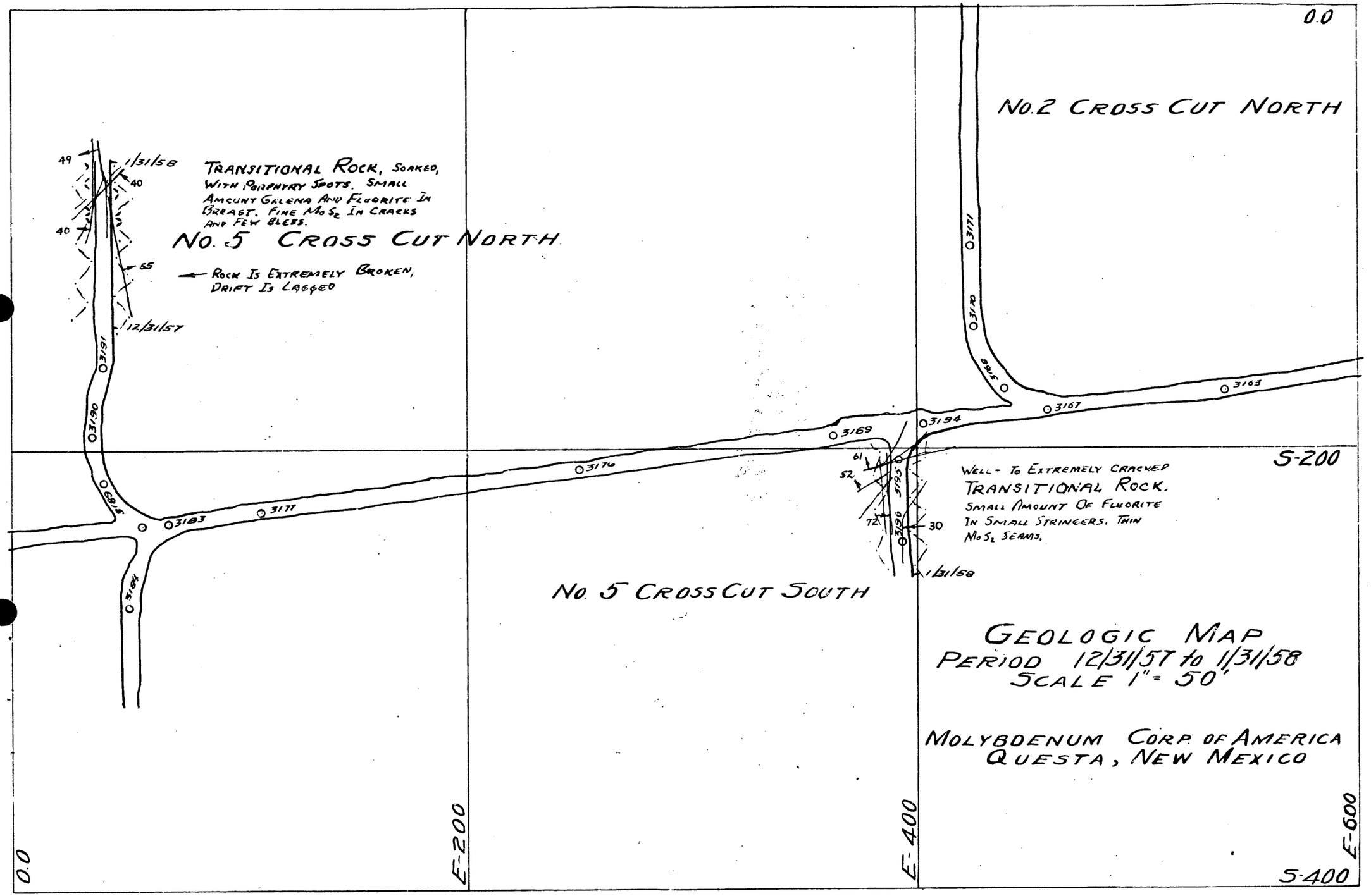
Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported 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.

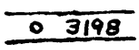
The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. 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.

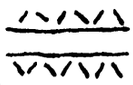

5-200
3181
3185
3186
3187
3188
3197
12/31/57
32
30
74
44
32
33
42
48
57
61
51
1/31/57
74
OCCASIONAL SILICA STRINGERS — UP TO 4" THICK
PORPHYRY — WELL CRACKED, WITH THIN MoS2 FILMS IN CRACKS.
MAJOR FAULT. 2-3' GROUND UP ROCK ON F.W.
NO. 4 CROSS CUT SOUTH
5-400
5-600
GEOLOGIC MAP
PERIOD 12/31/57 to 1/31/58
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
W-400
W-200
0.0
5-800


0.0
No. 2 Cross Cut North
49
1/31/58
40
40
55
12/31/57
Transitional Rock, Soaked, With Porphyry Spots. Small Amount Galena And Fluorite In Breast. Fine MoS_2 In Cracks And Few Blebs.
No. 5 Cross Cut North
Rock Is Extremely Broken, Drift Is Lagged
3191
3190
3189
3183
3184
3177
3176
3169
3194
3171
3170
3168
3167
3163
S-200
61
52
72
30
3195
3196
1/31/58
Well- To Extremely Cracked Transitional Rock. Small Amount Of Fluorite In Small Stringers. Thin MoS_2 Seams.
No. 5 Cross Cut South
Geologic Map
Period 12/31/57 to 1/31/58
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico
0.0
E-200
E-400
E-600
S-400

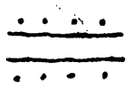
EXPLANATION OF GEOLOGIC MAPS
Molybdenum Corporation of America, Questa, New Mexico
Jan 31, 1958



Crosscut or drift, showing location and number of a survey point.



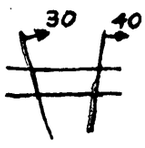
Workings in porphyritic granite or granite porphyry ("Red Rock").



Workings in metasediments or volcanics ("Green Rock").

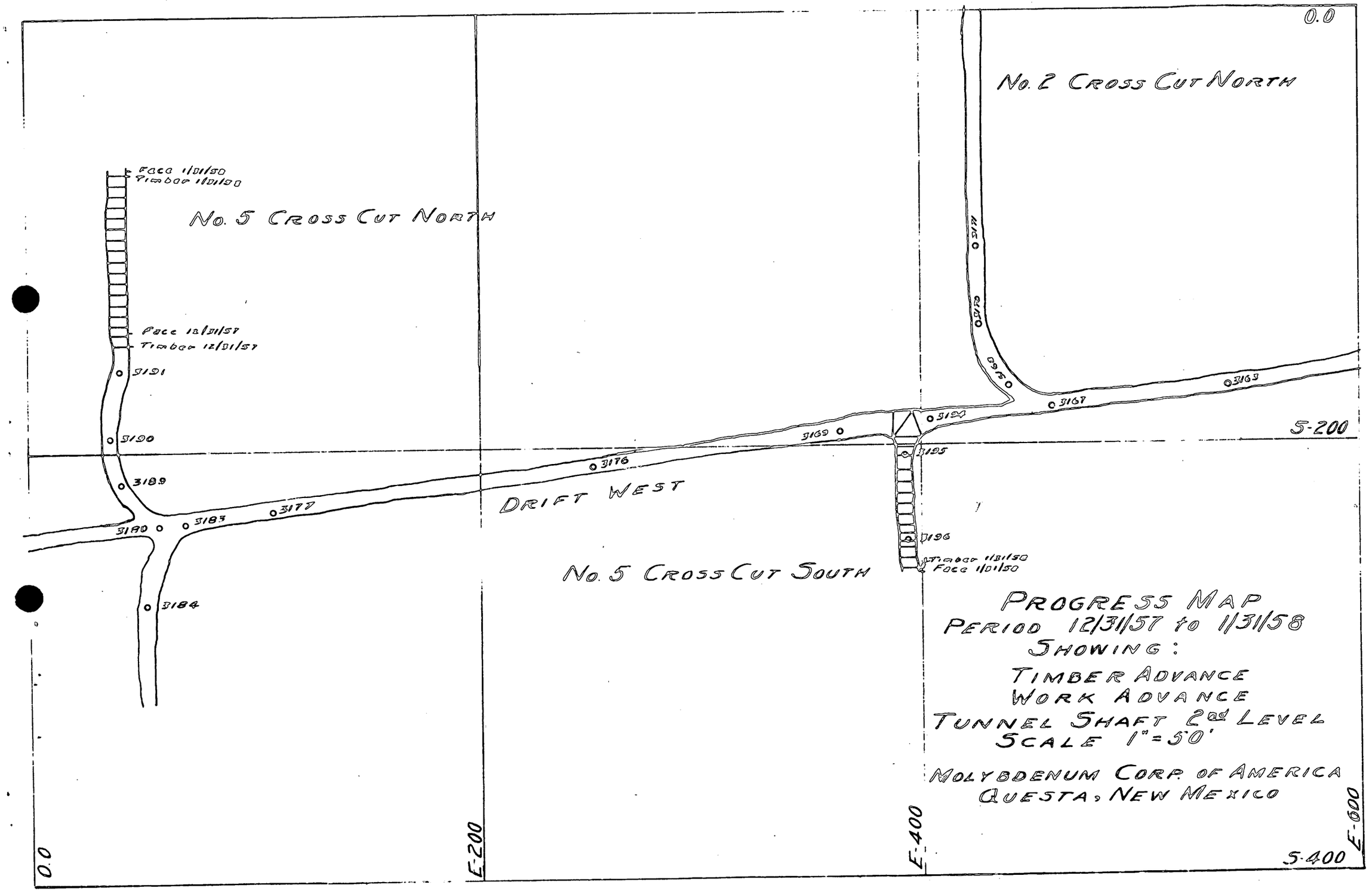
NOTE: This symbol was accidentally used to denote "Red Rock" on previous monthly D.M.E.A. reports, and these should be corrected. Green rock itself was not encountered and changes other than this are not necessary.

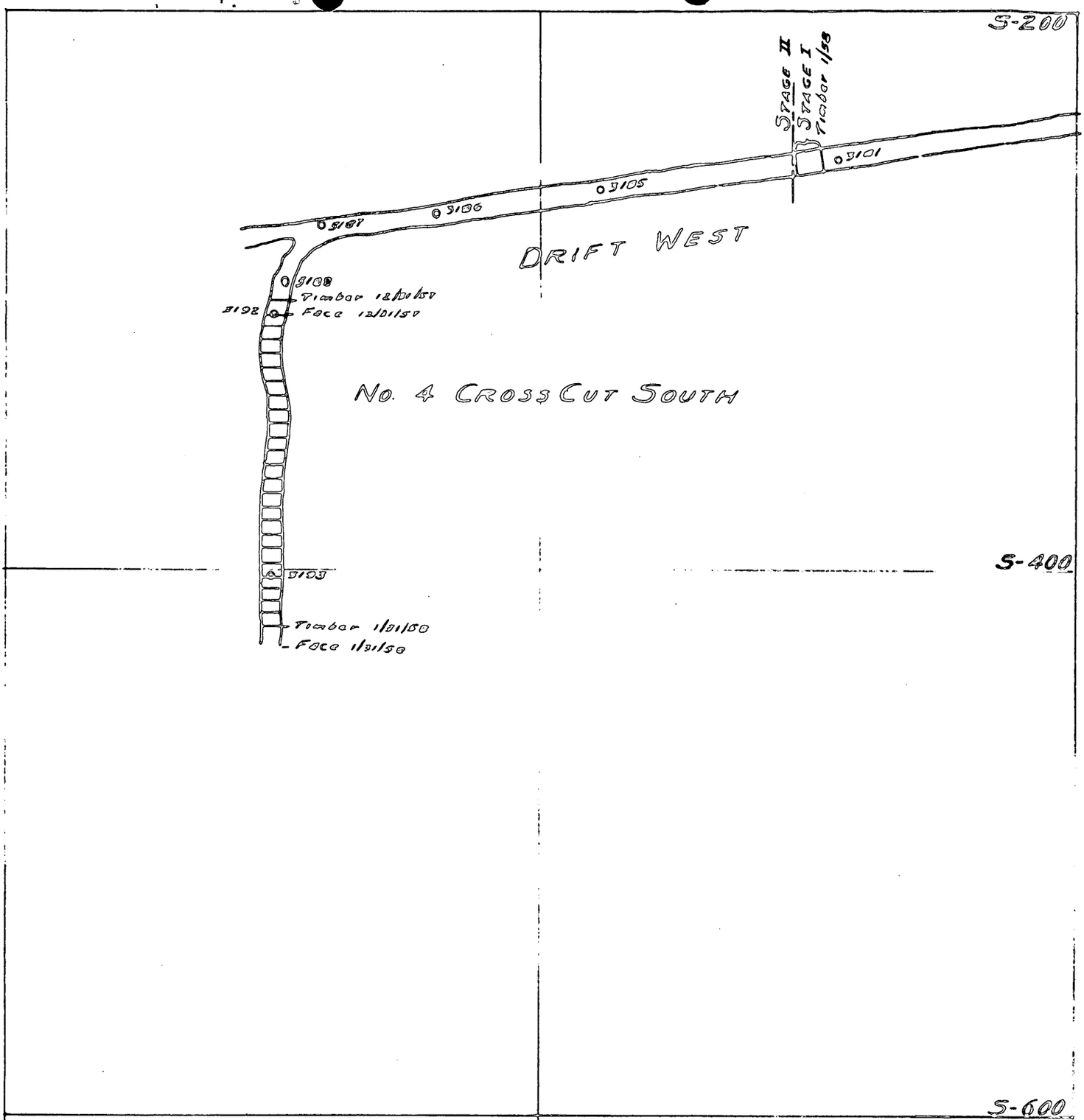
Workings in "Transitional" rock, which is in general intermediate in character to the two types given above, consisting chiefly of "Green Rock" which has been altered as a result of igneous activity. This rock normally exhibits small dikes or veining or flooding by silica (?), aplitic granite, or porphyry; and is considered to be separate from the normal development of chlorite and talc which may be also be found throughout the "Green Rock".



Strike and Dip of slips and fractures in the workings at chest level projection. Relative intensities of movement (blue) and mineralization (red) are shown by color intensity. Fine MoS_2 coatings occur in nearly all fractures. Only the more important features are thus shown.

J.H.Heinicke
Geological Engineer


0.0
No. 2 Cross Cut North
Face 1/31/50
Timber 1/31/50
No. 5 Cross Cut North
Face 12/31/57
Timber 12/31/57
3191
3190
3189
3180
3183
3177
3176
3169
3154
3167
3163
3195
3196
Timber 1/31/50
Face 1/31/50
3184
Drift West
No. 5 Cross Cut South
5-200
5-400
E-200
E-400
E-600
0.0
Progress Map
Period 12/31/57 to 1/31/58
Showing:
Timber Advance
Work Advance
Tunnel Shaft 2nd Level
Scale 1" = 50'
Molybdenum Corp. of America
Questa, New Mexico



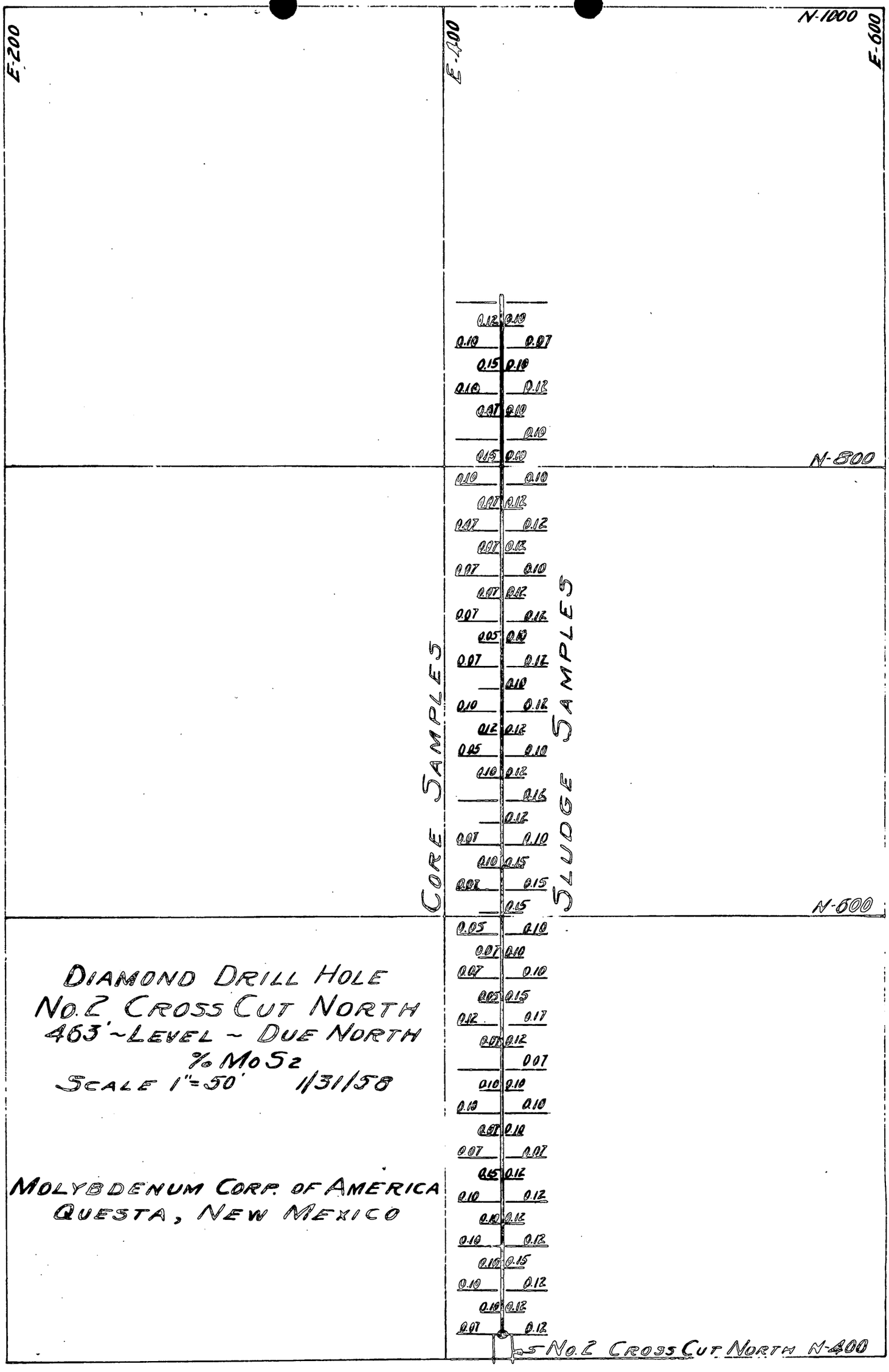
PROGRESS MAP
PERIOD 12/31/57 to 1/31/58
SHOWING:

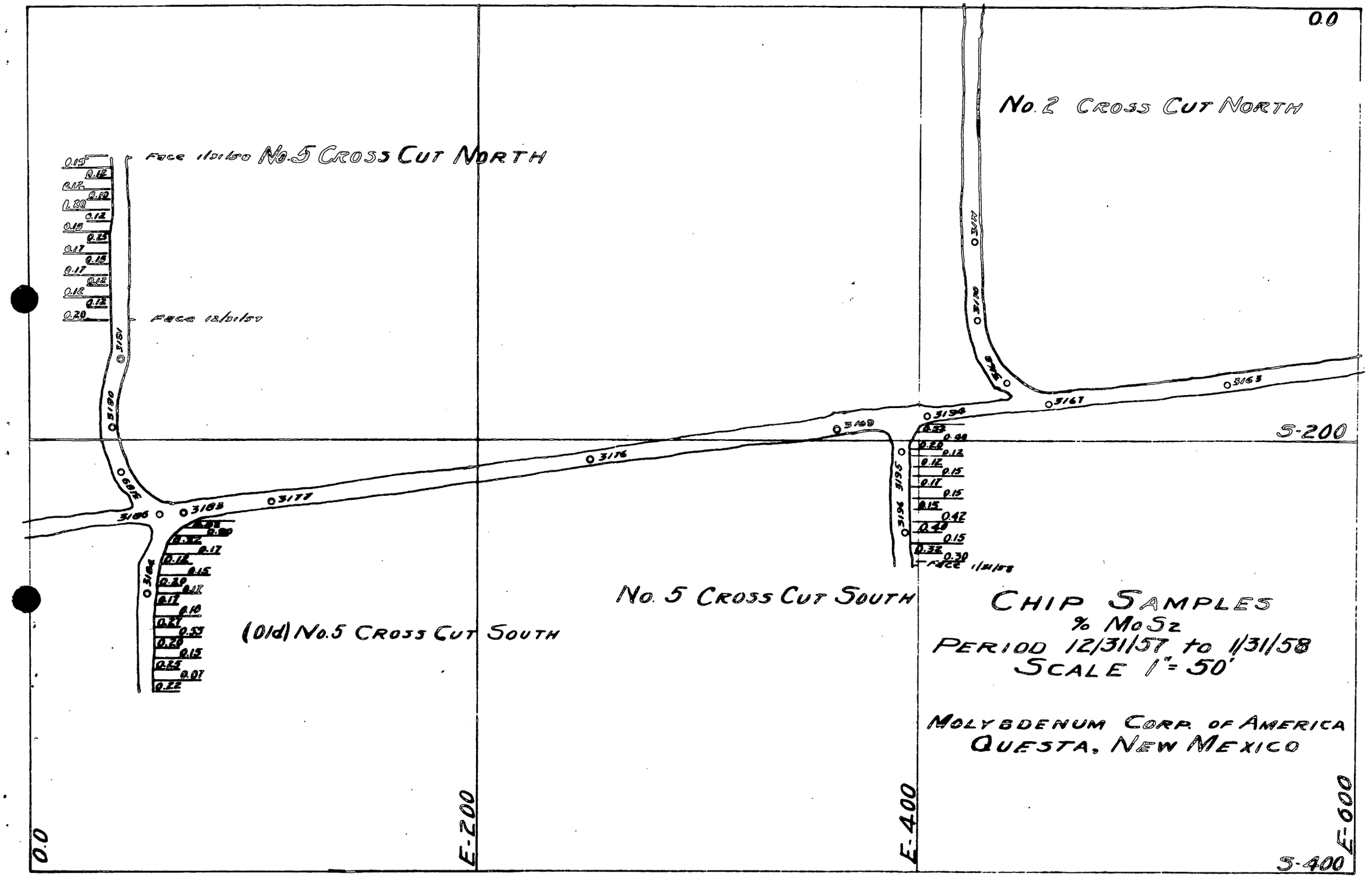
TIMBER ADVANCE
WORK ADVANCE

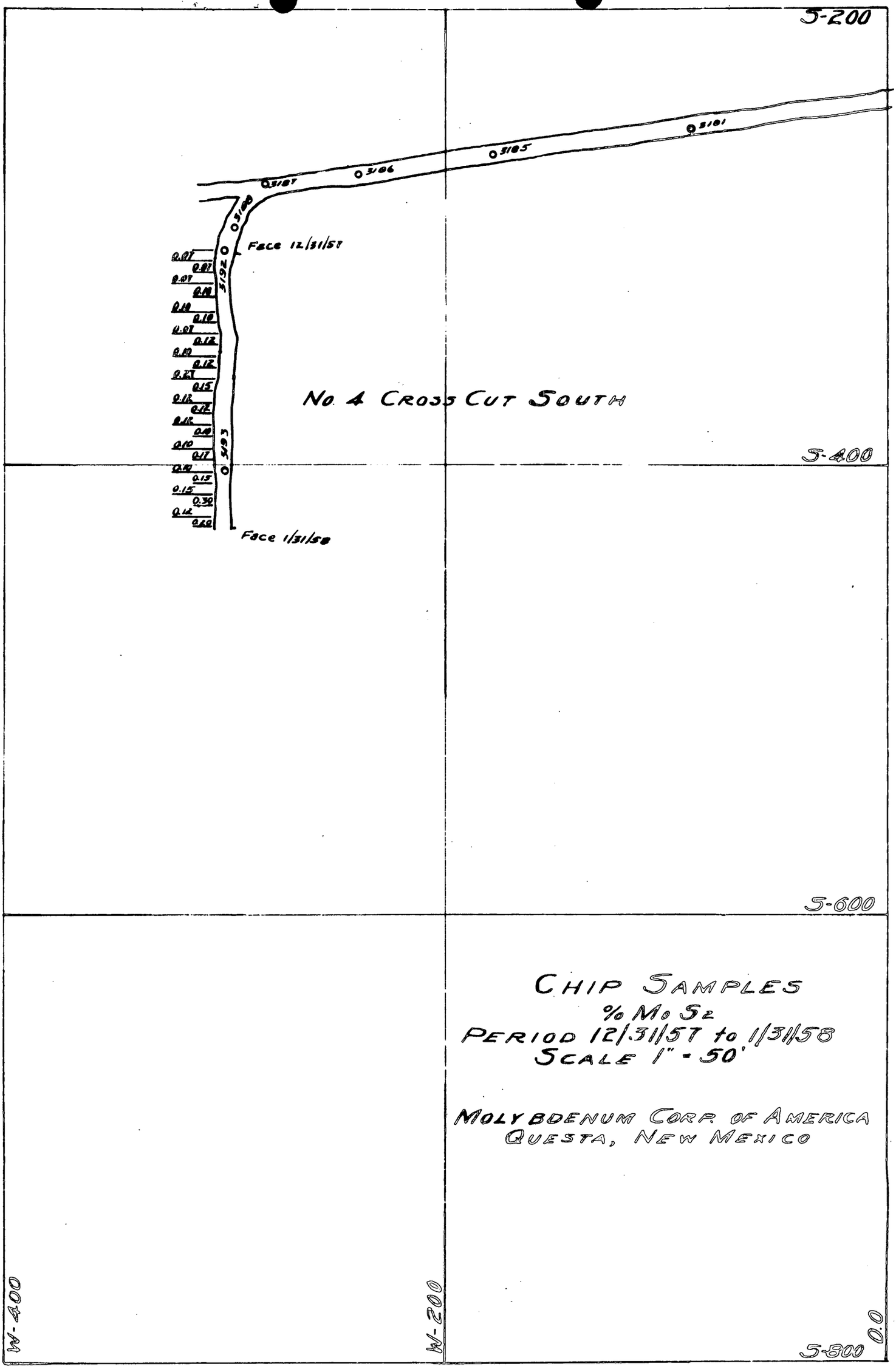
TUNNEL SHAFT 2nd LEVEL
SCALE 1" - 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

W-400 W-200 0.0 S-800


E-200
E-400
N-1000
E-600
N-800
N-600
N-400
CORE SAMPLES
SLUDGE SAMPLES
DIAMOND DRILL HOLE
NO. 2 CROSS CUT NORTH
463'-LEVEL - DUE NORTH
% MoS2
SCALE 1"=50' 1/31/58
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
NO. 2 CROSS CUT NORTH


0.0
No. 2 CROSS CUT NORTH
FACE 1/31/58 No. 5 CROSS CUT NORTH
FACE 12/31/57
3151
3150
3163
3167
3168
3176
3177
3183
3186
3184
3194
3195
S-200
No. 5 CROSS CUT SOUTH
(Old) No. 5 CROSS CUT SOUTH
CHIP SAMPLES
% MoS2
PERIOD 12/31/57 to 1/31/58
SCALE 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
E-600
S-400


S-200
3181
3185
3186
3187
3188
Face 12/31/57
3192
0.07
0.07
0.07
0.14
0.10
0.10
0.07
0.12
0.10
0.12
0.27
0.15
0.18
0.12
0.15
0.08
0.10
0.17
0.30
0.15
0.15
0.30
0.12
0.62
3193
Face 1/31/58
No. 4 Cross Cut South
S-400
S-600
Chip Samples
% Mo S2
Period 12/31/57 to 1/31/58
Scale 1" - 50'
Molybdenum Corp. of America
Questa, New Mexico
W-400
W-200
S-800
0.0

Core Log — Diamond Drill Hole #2CXN

Date Drilled — January, 1958

Core Recovery — 14.16% — Depth of Hole: 463 Feet

Footage	Core Sample No	Core Weight Lb	Core Weight Oz	% Core Rec.	% No S2	Sludge Sample No.	Sludge % No S 2	Remarks
0 to 10	1696	4	12	39.18	0.07	1736	0.12	Transition Rock (Greenrock)
10 to 20	1697	2	2	17.53	0.10	1737	0.12	" " "
20 to 30	1698	1	6	11.34	0.10	1738	0.12	" " "
30 to 40	1699	2	10	21.65	0.10	1739	0.15	" " "
40 to 50	1700	2	4	18.56	0.10	1740	0.12	" " "
50 to 60	1701	3	4	26.80	0.10	1741	0.12	" " "
60 to 70	1702	2	14	23.71	0.10	1742	0.12	" " "
70 to 80	1703	1	0	8.25	0.15	1743	0.12	" " "
80 to 90	1704	3	14	31.96	0.07	1744	0.07	" " "
90 to 100	1705	4	12	39.18	0.07	1745	0.10	" " "
100 to 110	1706	5	4	43.30	0.10	1746	0.10	" " "
110 to 120	1707	1	6	11.34	0.10	1747	0.10	" " "
*120 to 130	---	0	4	2.06	---	1748	0.07	* Not sufficient sample for assay
130 to 140	1708	1	0	8.25	0.07	1749	0.12	" " "
140 to 150	1709	2	10	21.65	0.12	1750	0.17	" " "
150 to 160	1710	1	2	9.28	0.05	1751	0.15	" " "
160 to 170	1711	1	10	13.40	0.07	1752	0.10	" " "
170 to 180	1712	1	12	14.43	0.07	1753	0.10	" " "
180 to 190	1713	0	14	7.22	0.05	1754	0.10	" " "
*190 to 200	---	0	2	1.03	---	1755	0.15	* Not sufficient sample for assay
200 to 210	1714	0	10	5.15	0.07	1756	0.15	" " "
210 to 220	1715	2	4	18.56	0.10	1757	0.15	" " "
220 to 230	1716	0	10	5.15	0.07	1758	0.10	" " "
230 to 240	---	0	10	5.15	---	1759	0.12	" " "
240 to 250	---	0	2	1.03	---	1760	0.12	" " "
250 to 260	1717	0	14	7.22	0.10	1761	0.12	" " "
260 to 270	1718	1	14	15.46	0.05	1762	0.10	" " "
260 to 280	1719	1	14	15.46	0.12	1763	0.12	" " "
280 to 290	1720	0	12	6.19	0.10	1764	0.12	" " "
*290 to 300	---	0	4	2.06	---	1765	0.10	* Not sufficient sample for assay
300 to 310	1721	0	14	7.22	0.07	1766	0.12	" " "
310 to 320	1722	3	10	29.90	0.05	1767	0.10	" " "
320 to 330	1723	4	2	35.05	0.07	1768	0.12	" " "
330 to 340	1724	1	14	15.46	0.07	1769	0.12	" " "
340 to 350	1725	1	6	11.34	0.07	1770	0.10	" " "
350 to 360	1726	1	2	9.28	0.07	1771	0.12	" " "
369 to 370	1727	1	0	8.25	0.07	1772	0.12	" " "
370 to 380	1728	1	4	10.31	0.07	1773	0.12	" " "
380 to 390	1729	1	12	14.43	0.10	1774	0.10	" " "
390 to 400	1730	1	4	10.31	0.15	1775	0.10	" " "
*400 to 410	---	0	6	3.09	---	1776	0.10	* Not sufficient sample for assay
410 to 420	1731	1	2	9.28	0.07	1777	0.10	" " "
420 to 430	1732	0	14	9.22	0.10	1778	0.12	" " "
430 to 440	1733	3	6	27.84	0.15	1779	0.10	" " "
440 to 450	1734	1	10	13.40	0.10	1780	0.07	" " "
450 to 460	1735	1	10	13.40	0.12	1781	0.10	" " "

2CXN

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

FINAL DISTRIBUTION
MADE MAR 21 1958

Administrative Audit Difference Statement

[redacted]

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

[redacted]

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

Amount Claimed	$	[redacted]
Difference	$	[redacted]
Amount Approved	$	[redacted]

The reason for the difference was due to:

[redacted]

[redacted]

[redacted]

[redacted] ---------- [redacted]

[redacted]

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 24 1958
DATE | | CODE
3/24 | C | 220
4 | | 110
15 | | 700

Timbering:

A total of 77 feet of timbering was set in the "Old" No. 5 cross-cut South. The reported cost for 77 feet of timbering is disallowed.

Disallowed reported cost for 77 feet timbering at $2.70 ----------	$207.90

Diamond Drilling:

Hole No. 13A was drilled to a depth of 200 feet, but was not completed because of caving. The contract stipulates that the Government will not contribute to the cost of an incompleted hole; therefore, the reported cost for 200 feet of diamond drilling is disallowed. (Hole No. 2, which was stopped at 420 feet is considered completed.)

Disallowed, reported cost for 200 feet diamond drilling at $5.00 per foot ----------	$1,000.00
Disallowed, reported cost for 70 feet casing in hole No. 13A at $1.00 per foot ----------	$ 70.00

Chemical Analyses:

Twenty core samples from hole No. 13A were analyzed for MoS_2. The hole is not completed; therefore, the analyses are not allowable.

Disallowed, reported cost for 20 analyses at $3.00 ------	$ 60.00
Total amount to be disallowed ----------	$5,114.45

224 New Customhouse
Denver 2, Colorado
March 18, 1958

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of December, 1957

Enclosed are the original and four copies of Forms MF-104 and MF-104A, Operator's Narrative Report and supporting data for the above period. The engineer's report covering the December 1957, and January 1958, progress is attached to the January 1958, voucher.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

Disallowances

Drifting and Crosscutting:

The "Old" No. 5 cross-cut South was driven 85 feet at a location not approved by the Government, therefore, the reported cost for crosscutting in this crosscut is to be disallowed.

Disallow, reported cost for 85 feet crosscutting at $44.43----------$3,776.55

Timbering:

A total of 77 feet of timbering was set in the "Old" No. 5 cross-cut South. The reported cost for 77 feet of Timbering is to be disallowed.

Disallow, reported cost for 77 feet timbering at $2.70 ---------- $ 207.90

Diamond Drilling:

Hole No. 13A was drilled to a depth of 200 feet, but was not completed because of caving. The contract stipulates that the Government will not contribute to the cost of an incompleted hole, therefore, the reported cost for 200 feet of diamond drilling is to be disallowed. (Hole No. 2, which was stopped at 420 feet is considered completed).

Disallow, reported cost for 200 feet diamond drilling at $5.00 per foot ---------- 1000.00

Disallow, reported cost for 70 feet casing in hole No. 13A at $1.00 per foot ---------- 70.00

Chemical Analyses:

Twenty core samples from hole No. 13A were analyzed for MoS_2. The hole is not completed, therefore, the analyses are not allowable.

Disallow, reported cost for 20 analyses at $3.00 --------- 60.00

Total amount to be disallowed ---------- $5114.45

Reconciliation with Amount Reported by the Operator on Form MF-104 for December, 1957

Amount reported on Form MF-104 for December, 1957 ----------	$18,263.75
Amount to be disallowed ----------	5,114.45
Acceptable cost for December, 1957 ----------	13,149.30
Government participation at 50 percent ----------	$ 6,574.65

Note: Disallowances recomended in this memorandum differ from the recommendations contained in the engineer's report because of additional disallowance of hole No. 13-A.

Remarks:

Date of Report----------January 15, 1958
Date Received in Field Office------January 20, 1958
Date Received in Region Office-----March 13, 1958
Reason for delay: Processing delayed due to prolonged illness by DMEA engineer assigned to the project.

Original signed by
W. H. KING

W. H. King

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
DMEA/DFC
MF-104 file, Reg. III
Harshman) w/copy of Engr's
Townsend) report
Charon

C O N T E N T S

December 1957

1. Narrative Report
2. Form MF-104A (Stage 1)
3. Form MF-104A (Stage 2)
4. Form MF-104
5. Geology Map - No. 5 CxN, Dft W, No. 4 CxS
6. Progress and Timber Map
7. Chip Assay Map
8. Log and Assay, D. D. Hole 13-A
9. Log and Assay, D. D. Hole #2
10. Diamond Drill Hole No. 13-A, Map
11. Diamond Drill Hole No. 2 , Map

NARRATIVE REPORT FOR DECEMBER 1957

Questa, New Mexico
January 15, 1958

DMEA
DEPARTMENT OF THE INTERIOR
JAN 17 1958
REGION III
DENVER, COLORADO

Mr. W. H. King, Executive Officer, D.M.E.A.

Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period, December 1 through December 31, 1957 there were twenty three working days in the mine. There were five Sundays off and three days for Christmas holiday.

The west drift and No. 4 crosscut south were worked on a two shift basis.

No. 5 crosscut north was worked on a one shift basis.

There were 97 feet of advance in drift west. This was all in Porphyry rock containing some visible MoS2. 94 feet of advance were done in No. 5 crosscut north. This was in Transition rock and very heavy ground. Most of the timber sets had to be doubled. 31 feet of advance were done in No. 4 Crosscut South. This was in Porphyry.

94 feet of timber were put in the drift west. 6 feet of this was in stage 1. 92 feet of timber were put in No. 5 Crosscut North. 26 feet of timber were put in No. 4 crosscut South.

Diamond drill hole No. 13-A was drilled to a depth of 200 feet and had to be stopped. The drillers hit loose ground at 50 to 70 feet and had to case it to 70 feet, then hit more loose ground at the end of this hole and couldn't go any deeper.

Diamond drill hole No. 2 was drilled to a depth of 420 feet when it had to be stopped. They hit caving ground that kept caving in to the hole and couldn't get their rods in or out.

No. 5 crosscut south was completed in to 85 feet before it was stopped and changed to coordinate 400 E. It has 77 feet of timber and 8 feet of raise work for drilling the down hole in Stage II, of the diamond drilling contract.

A. L. Greslin

A. L. Greslin, Manager

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED MAR 24 1958 D.M.E.A.

Month of December 195 7 Docket No. DMEA 4568 Contract No. IDM-E1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N Y

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 and Crosscutting	Ft	-0-	-0-	44430.00	1000	44.43	1000	44.43
Raising D.D. Stations	ft	-0-	-0-	1377.33	31	44.43	115	44.43
Shafts XXX Timbering	ft	16.20	6	2424.60	898	2.70	1000	2.70
Winzes XXXX Analyses	ea	186.00	62	1308.00	436	3.00	1100	3.00
Drilling: Core	ft	3100.00	620	12280.00	2456	5.00	9000	5.00
Churn XXXX Reaming & Auger XXXX Casing	ft	70.00	70	74.00	74	1.00	500	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3372.20		61893.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date 1/15/58 Operator Molybdenum Corp. of America

Per G. Gilbreath Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buck

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

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

RECEIVED JAN 14 1958 D.M.E.A.

Month of December 1957 Docket No. DMEA 4568 Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N Y

OPERATION Stage II	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting and								
Crosscutting	ft	13640.01	307	18571.74	418	44.43	6160	44.43
Raising DD Stations	ft	355.44	8	355.44	8	44.43	250	44.43
~~xxxx~~ Timbering	ft	764.10	283	934.20	346	2.70	6160	2.70
~~xxxx~~ Analyses	ea	132.00	44	201.00	67	3.00	3177	3.00
Drilling: Core	ft	-0-	-0-	-0-	-0-	5.00	19500	5.00
~~xxxx~~ Reaming &								
~~xxxx~~ Casing	ft	-0-	-0-	-0-	-0-	1.00	1000	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		14891.55		20062.38				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date January 15, 1958 Operator Molybdenum Corp. of America

Per [signature] Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

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

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 December 1957 Docket No. DMEA 4568 Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N Y
Contract Amount, $510,500.00 Government Participation: 50 % Amount, $255,250.00

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	3100.00	9180.00	12280.00			
~~Blasting~~ DD Stations	355.44	1377.33	1732.77			
~~Timbering~~ Timber	780.30	2578.50	3358.80			
Drifting	13640.01	49361.73	63001.74			
Analyses	318.00	1191.00	1509.00			
(2) ~~Labor~~ Reaming & Casing	70.00	4.00	74.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	18263.75	63692.56	81956.31	3,149.30	63692.56	76,841.86

I certify that the above bill is correct and just and that payment therefor has not been received.
Date January 15'58 Payee Molybdenum Corp. of America
Per [signature] Title Manager

*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.

D Mill adjustment (Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 63692.60 76 841.90

$6,574.65

Signature [signature]
(Authorized Certifying Officer)

Date 3/19/58 Vou. No. DMA-58-100
(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. DAm-81044 in accordance with the terms of the contract.

Signature Edward W. Buel #7139.65 Title Mining Engr Date 3/13/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Checked for Engineering Allowability

Signature W S King Title Executive Officer Date MAR 18 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.

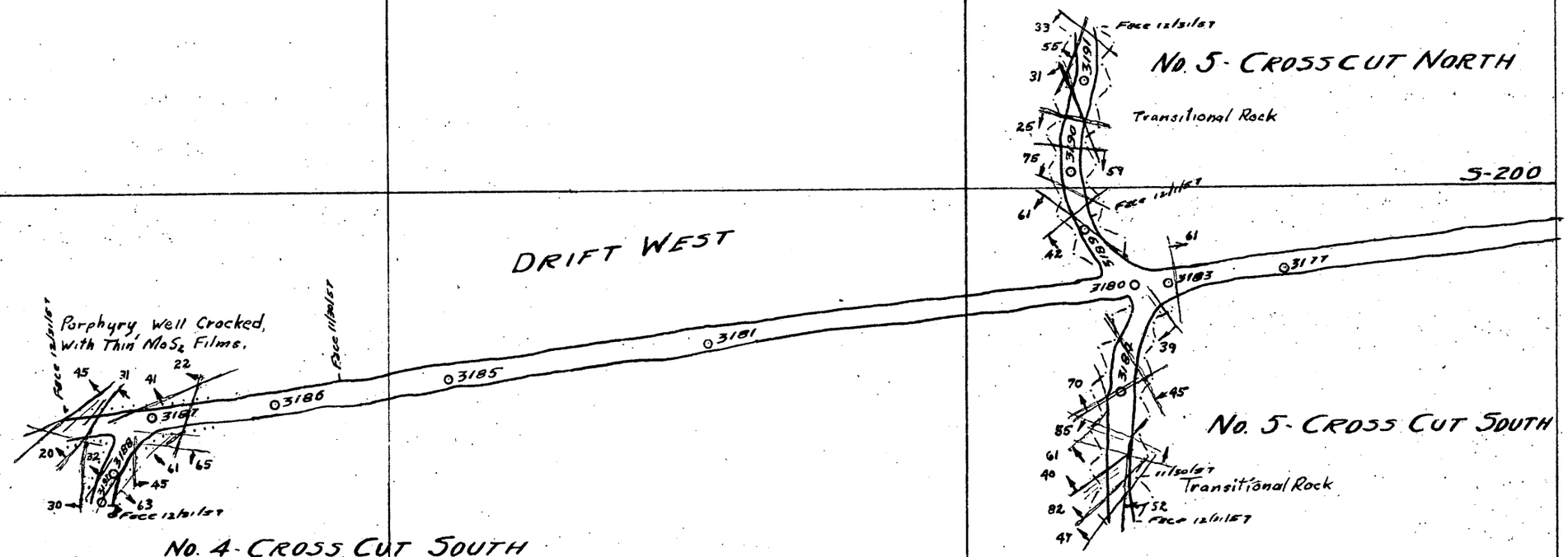
The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. 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.

GEOLOGIC MAP
PERIOD 12/1/57 - 12/31/57

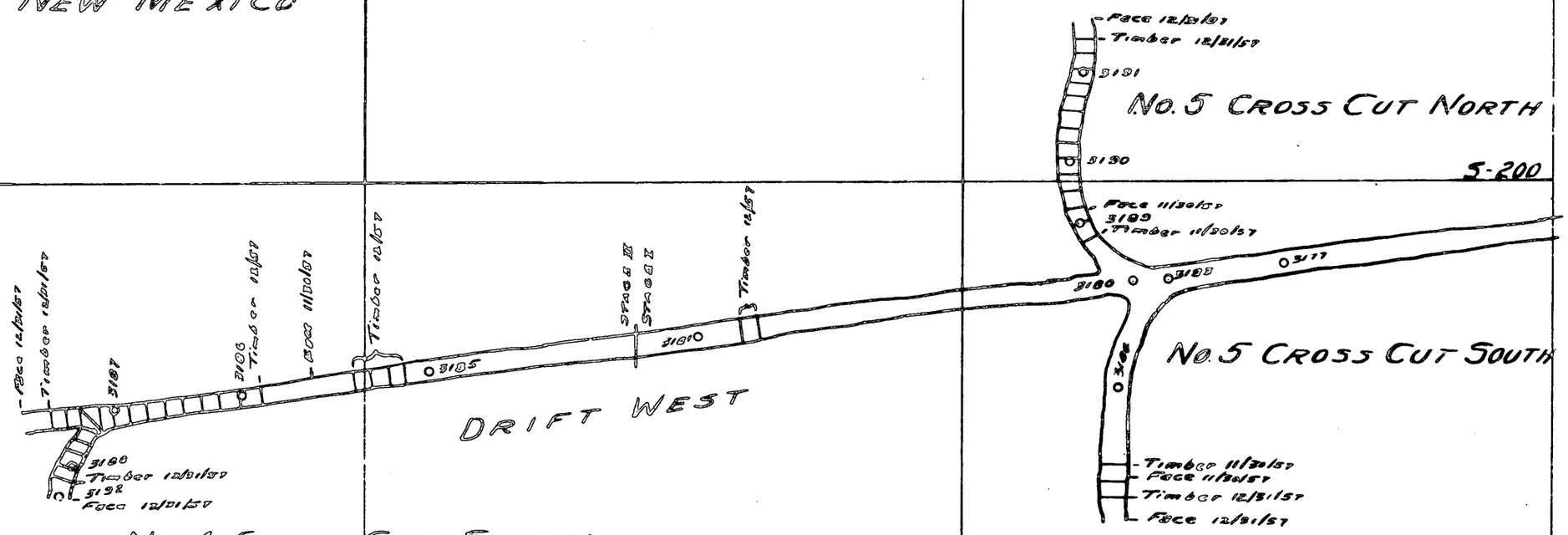
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



PROGRESS MAP
PERIOD 12/1/57 to 12/31/57
SHOWING:
TIMBER ADVANCE
WORK ADVANCE
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

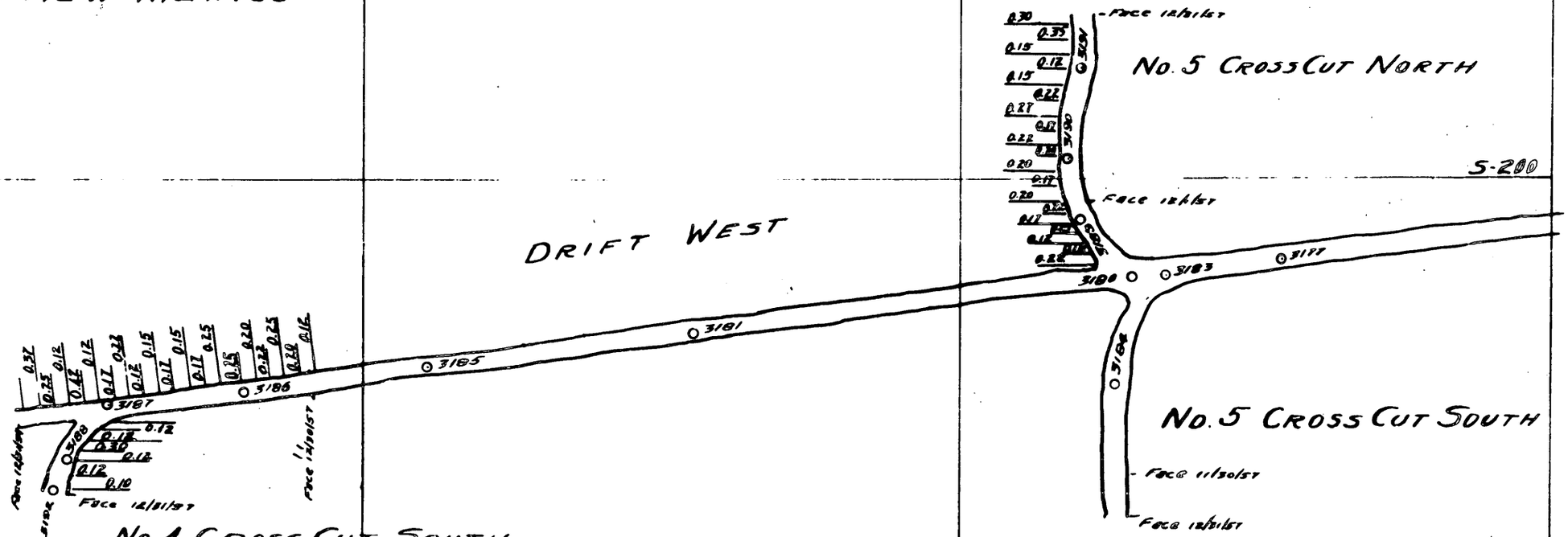
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



W-400 W-200 0.0 S-400

CHIP SAMPLES
% Mo S_2
PERIOD 12/1/57 to 12/31/57
TUNNEL SHAFT 2nd LEVEL
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



Core Log Diamond Drill Hole #13-A

Date Drilled December 1957

Core Recovered 33.65%

Footage	Core Sample No	Core Weight Lb	Core Weight Oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0 to 10	1318		10	05.15	0.07	1337	0.07	Transition Rock
10 to 20	1319	4	0	32.99	0.12	1338	0.10	" "
20 to 30	1320	4	14	40.21	0.12	1339	0.07	" "
30 to 40	1321	7	4	59.79	0.10	1340	0.07	" "
40 to 50	1322	5	0	41.24	0.07	1341	0.07	" "
50 to 60	1383	4	4	35.05	0.50	1342	0.12	" "
60 to 70	1384	5	10	46.39	0.15	1387	0.22	" "
70 to 80	1385	7	8	61.85	0.25	1388	0.20	" "
80 to 90	1386	3	2	25.77	0.52	1389	0.37	" "
90 to 100	1459	3	14	31.96	0.45	1390	0.27	" "
100 to 110	1460	0	14	07.22	0.17	1420	0.27	" "
110 to 120	1461	0	14	07.22	0.30	1421	0.30	" "
120 to 130	1462	3	2	25.77	0.32	1422	0.30	" "
130 to 140	1463	5	8	45.36	0.27	1423	0.30	" "
140 to 150	1464	8	2	67.01	0.22	1424	0.27	" "
150 to 160	1465	2	0	16.49	0.40	1425	0.32	" "
160 to 170	1489	1	12	14.43	0.42	1493	0.40	" "
170 to 180	1490	7	.0	57.73	0.20	1494	0.37	" "
180 to 190	1491	4	2	34.02	0.32	1503	0.40	Granite
190 to 200	1492	2	2	17.53	0.20	1508	0.35	"

13a

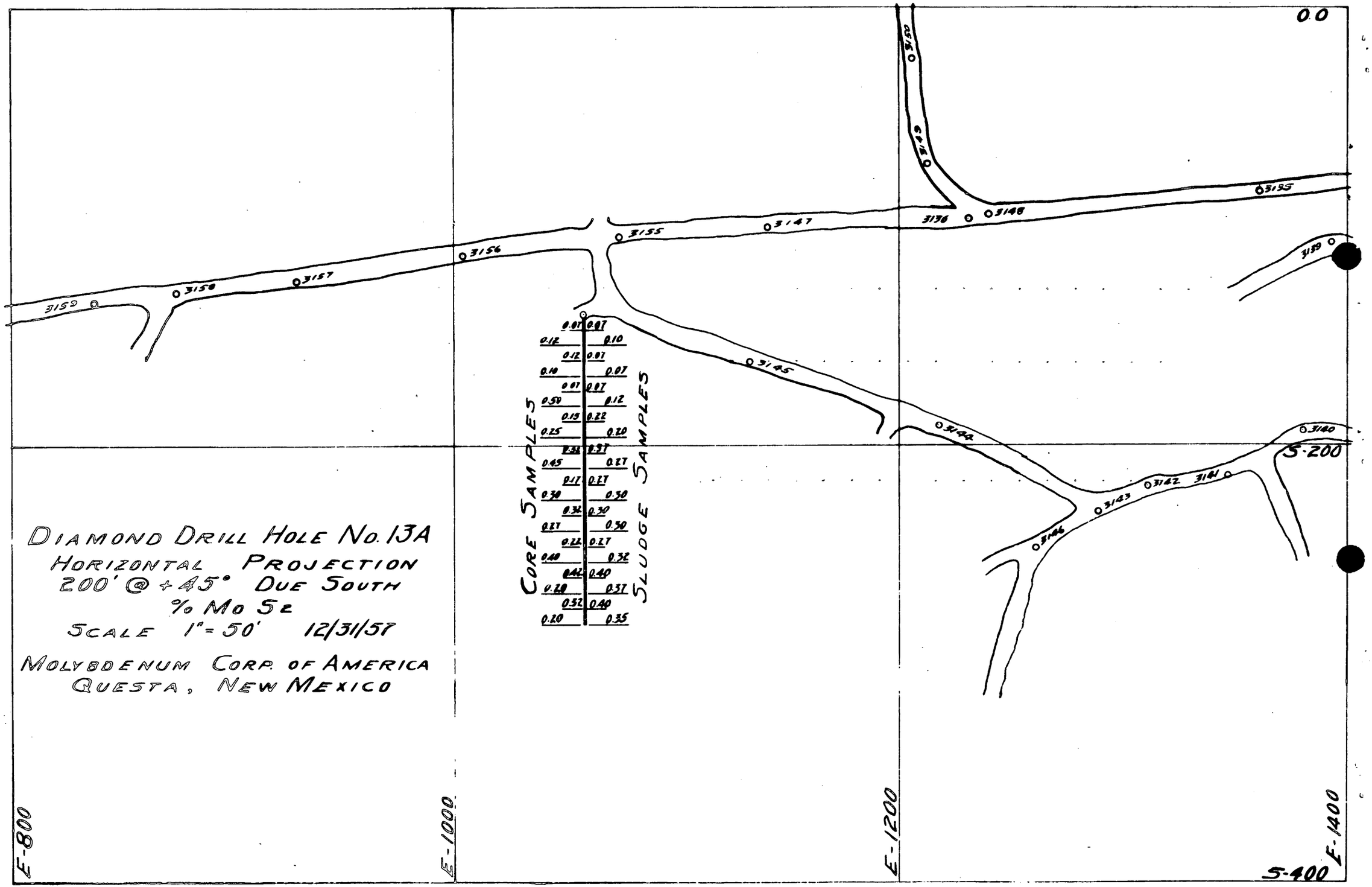
Core Log — Diamond Drill Hole #2

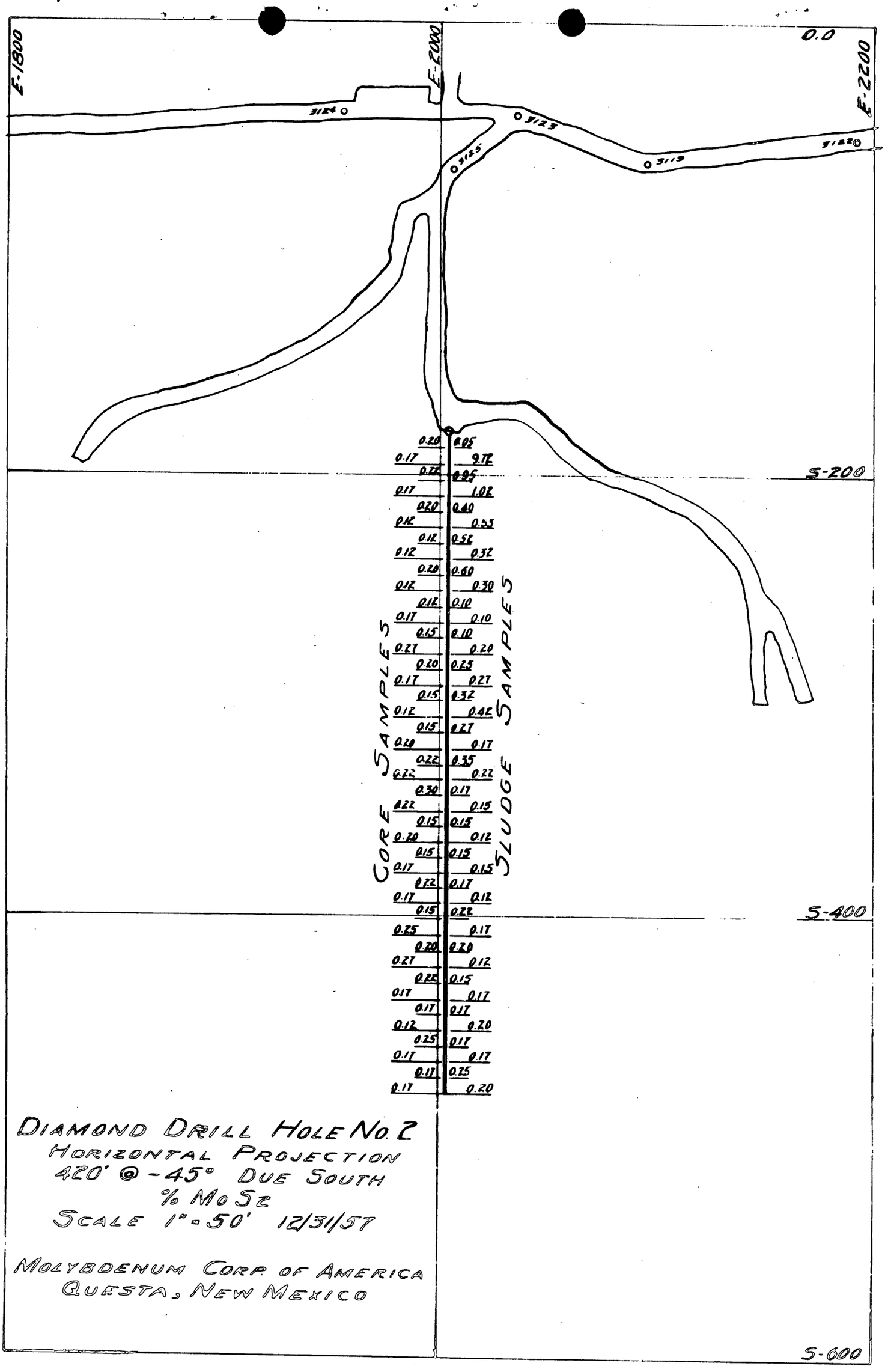
Date Drilled — December 1957

Core Recovery — 17.21%

Footage	Core Sample No.	Core Weight Lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No	Sludge % MoS2	Remarks	
0 to 10	1505	1	12	14.43	0.20	1645	0.05	Transition Rock (Green Rock)	
10 to 20	1506	0	12	06.19	0.17	1646	9.72	" " "	
20 to 30	1507	1	0	08.25	0.22	1647	0.95	" " "	
30 to 40	1508	1	0	08.25	0.17	1648	1.02	" " "	
40 to 50	1509	1	4	10.31	0.20	1649	0.40	" " "	
50 to 60	1510	2	4	18.56	0.12	1650	0.55	" " "	
60 to 70	1511	3	14	31.96	0.12	1651	0.52	" " "	
70 to 80	1512	2	4	18.56	0.12	1652	0.32	" " "	
80 to 90	1513	0	10	05.15	0.20	1653	0.60	Granite	
90 to 100	1514	3	4	26.80	0.12	1654	0.30	"	
100 to 110	1515	1	6	11.34	0.12	1655	0.10	"	
110 to 120	1516	1	6	11.34	0.17	1656	0.10	"	
120 to 130	1517	0	10	05.16	0.15	1657	0.10	"	
130 to 140	1518	2	o	16.49	0.27	1658	0.20	"	
140 to 150	1519	1	14	15.46	0.20	1659	0.25	"	
150 to 160	1520	5	10	46.39	0.17	1660	0.27	"	
160 to 170	1521	5	8	45.36	0.15	1661	0.32	"	
170 to 180	1530	1	6	11.34	0.12	1662	0.42	"	
180 to 190	1531	3	10	29.90	0.15	1663	0.27	"	
190 to 200	1532	3	8	28.87	0.20	1664	0.17	"	
200 to 210	1533	3	6	27.84	0.22	1665	0.35	"	
210 to 220	1534	2	10	21.65	0.22	1666	0.22	"	
220 to 230	1535	2	2	17.53	0.30	1667	0.17	"	
230 to 240	1536	1	10	13.40	0.22	1668	0.15	"	
240 to 250	1537	0	14	07.22	0.15	1669	0.15	"	
250 to 260	1538	3	12	30.93	0.20	1670	0.12	"	
260 to 270	1539	4	10	37.11	0.15	1671	0.15	"	
270 to 280	1540	2	12	22.68	0.17	1672	0.15	"	
280 to 290	1541	2	2	17.53	0.22	1673	0.17	"	
290 to 300	1542	0	14	02.22	o.17	1674	0.12	"	
300 to 310	1543	1	8	12.37	0.15	1675	0.22	"	
310 to 320	1544	1	10	13.40	0.25	1676	0.17	"	
320 to 330	1545	0	12	06.19	0.20	1677	0.20	"	
330 to 340	1546	0	12	06.19	0.27	1678	0.12	"	
340 to 350	1547	1	0	08.47	0.22	1679	0.15	"	
350 to 360	1548	1	12	14.43	0.17	1680	0.17	"	Caving Ground
360 to 370	1549	1	6	11.34	0.17	1681	0.17	Granite with Fluurite	
370 to 380	1550	3	0	24.74	0.12	1682	0.20	"	
380 to 390	1551	2	4	18.56	0.25	1683	0.17		
390 to 400	1552	0	12	06.19	0.17	1684	0.17	"	
400 to 410	1553	2	10	21.65	0.17	1685	0.25	"	
410 to 420	1554	0	12	06.19	0.17	1686	0.20	"	

2


0.0
3150
3149
3135
3148
3136
3147
3155
3156
3157
3158
3159
3139
3145
3144
3140
S-200
3141
3142
3143
3146
CORE SAMPLES
SLUDGE SAMPLES
0.07 0.07
0.12 0.10
0.12 0.07
0.10 0.07
0.07 0.07
0.50 0.12
0.15 0.22
0.25 0.20
0.32 0.37
0.45 0.27
0.17 0.27
0.30 0.30
0.32 0.30
0.27 0.30
0.22 0.27
0.40 0.32
0.42 0.40
0.28 0.37
0.32 0.40
0.20 0.35
DIAMOND DRILL HOLE NO. 13A
HORIZONTAL PROJECTION
200' @ +45° DUE SOUTH
% MO S2
SCALE 1" = 50' 12/31/57
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
E-800
E-1000
E-1200
E-1400
S-400



DIAMOND DRILL HOLE NO. 2
HORIZONTAL PROJECTION
420' @ -45° DUE SOUTH
% MoS2
SCALE 1" = 50' 12/31/57

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

OFFICE FILE
DMEA
RECEIVED FEB 24 1958

DATE	INITIALS	COPY
2/24	C	220
"		110
2/25		700
	Memorandum	

224 New Customhouse
Denver 2, Colorado
February 17, 1958

FINAL DISTRIBUTION
MADE FEB 20 1958

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of November, 1957

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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report----------December 14, 1957
Date Received in Field Office---------December 20, 1957
Date Received in Region Office--------February 13, 1958

Original signed by
W. H. KING

W. H. King

Enclosures

MHM:hmh

cc: Chmn. Op. Comm. (2)
DMEA, DFC
MF-104 file, Reg. III
Harshman - w/copy of Engr. report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

BUILDING 20
DENVER FEDERAL CENTER
DENVER 2, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR

FEB 13 1958
REGION III
DENVER, COLORADO

February 4, 1958

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: W. W. Winkel

Subject: Docket DMEA-4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for November 1957

Progress at the subject property was inspected December 10, 1957. The inspecting engineer was accompanied by A. L. Greslin, manager for the operator.

On the day measurements were made all drifting and timbering was well in advance of the footages shown on the 104A forms. No visable markers remained which would indicate the advance claimed by the respective drifting crews. All measurements are made from the nearest survey station.

The face of No. 2 crosscut north was measured to 26.3 ahead of Sta. 3182, an advance of 109.0 feet. The timbering was measured to 13 feet ahead of Sta. 3182. The timbering totaled 109 feet. The operator, for reasons not known to the writer, only claims 64 feet of drifting in this crosscut.

The face of the West drift was advanced to 38 feet ahead of Sta. 3185, or 95 feet for the report period. The timbering was advanced to 6.8 feet ahead of Sta. 3185. Total timbering in drift West was 113 feet.

Drill hole No. 12A was completed at a depth of 500 feet.

Contract Measurements

No. 2 Crosscut North

Sta. 3179 - to face of drift	10/31/57	19.3 feet
Sta. 3179 - to end of timbering	10/31/57	6.0 feet
Sta. 3179 - to Sta. 3182		101.98 feet
Sta. 3182 - to face of drift	11/30/57	26.3 feet
Sta. 3182 - to end of timbering	11/30/57	13.0 feet

West drift

Sta. 3181 - to face of drift	10/31/57	33.1	feet
Sta. 3180 - to end of timbering	10/31/57	79.0	feet
Sta. 3180 - to Sta. 3181		148.22	feet
Sta. 3181 - to Sta. 3185		90.10	feet
Sta. 3185 - to face of drift	11/30/57	38.0	feet
Sta. 3185 - to end of timbering	11/30/57	6.8	feet

The operator has submitted a narrative report for November 1957 in quintuplicate with maps showing extent of drifting, timbering, assays, and geologic structures, forms MF-104 and 104A for Stages I and II, log and assays for drill hole 12A, completed during the period.

Channel sampling of all drifting has been completed to date, and serves as documentation to support the claim for November 1957. The operator has also submitted sample logs of drill holes Nos. 1, 11, and 14.

The operator claims payment for 171 assays run during the reporting period, but did not itemize the location of these assays. It is assumed that 51 assays were for drill hole 12A, 19 chip sample assays in the West drift, and 101 chip sample assays for No. 2 cross-cut North. The channel sampling conforms with specifications of the contract.

Payment of $5,343.08 or 50 percent of the amount claimed $10,686.17 is recommended by the inspecting engineer.

H. M. Connors
for W. W. Winkel
Mining Engineer

cc 6
Idm-E1094
Chron.

WWW:ph

C O N T E N T S

November 1957

1. Narrative Report
2. Form MF-104A (Stage 1)
3. Form MF-104A (Stage 2)
4. Form MF-104
5. Geology Map (No. 2 CxN)
6. Geology Map (Dft W)
7. Progress & Timber Map (No. 2 CxN)
8. Progress & Timber Map (Dft W)
9. Chip Assay Map (Dft W)
10. Chip Assay Map (No. 2 CxN)
11. Log & Assays (D.D. Hole 12a)
12. Diamond Drill Hole No. 1 - Map
13. Diamond Drill Hole No. 14- Map
14. Diamond Drill Hole No. 11- Map
15. Diamond Drill Hole No. 12a-Map

NARRATIVE REPORT FOR NOVEMBER 1957

Questa, New Mexico
December 14, 1957

Mr. W. H. King, Executive Officer, D.M.E.A.
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

During the period November 1 through November 30, 1957, there were twenty five working days. We were down the four Sundays and Thanksgiving day.

The West drift was worked on a two shift basis and the No. 2 CxN on a one shift basis.

With this report the Chip sampling will be up to date in all the working places.

95 feet of advance were done in the drift west. This was all in Porphyry with some MoS2 showing. 64 feet of advance were done in No. 2 CxN. This was in Porphyry with MoS2 showing. The work in this place was completed. The last round in this place broke through the Porphyry into Transition rock with a 6 inch vein of good MoS2.

There were 63 feet of timbering in Stage II and 49 feet of timbering in stage I, in the west drift.

109 feet of timbering were done in the No. 2 CxN.

Diamond Drill hole No. 12-a was completed to 500 feet.

A. L. Greslin

A. L. Greslin, Manager

DMEA
DEPARTMENT OF THE INTERIOR
DEC 19 1957
REGION III
DENVER, COLORADO

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED FEB 24 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1957 Docket No. DMEA 4568 Contract No. IDM-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, New York

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 and								
Crosscutting	ft	2843.52	64	44430.00	1000	44.43	1000	44.43
Raising D.D. Stations	ft	-0-	-0-	1377.33	31	44.43	115	44.43
~~Stoping~~ Timbering	ft	434.70	161	2408.40	892	2.70	1000	2.70
~~Waste~~ Analyses	ea	453.00	151	1122.00	374	3.00	1100	3.00
Drilling: Core	ft	2500.00	500	9180.00	1836	5.00	9000	5.00
~~Blast~~ Reaming								
and ~~Wages~~ Casing	ft	4.00	4	4.00	4	1.00	500	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		6235.22		58521.73				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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 12/14/57 Operator Molybdenum Corpo of America

Per A. L. Gresham Title Manager

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:

W. W. Winfel

(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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
DEC 24 1957
D.M.E.A.

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

Month of November 1957 Docket No. DMEA 4568 Contract No. IDM-E 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, New York

OPERATION Stage II	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting and Crosscutting	Ft	4220.85	95	4931.73	111	44.43	6160	44.43
Raising D.D. Stations	Ft	-0-	-0-	-0-	-0-	44.43	250	44.43
~~xxxx~~ Timbering	Ft	170.10	63	170.10	63	2.70	6160	2.70
~~xxxxx~~ Analyses	Ea	60.00	20	69.00	23	3.00	3177	3.00
Drilling: Core	Ft	-0-	-0-	-0-	-0-	5.00	19500	5.00
~~xxxxx~~Reaming and ~~xxxx~~ Casing	Ft	-0-	-0-	-0-	-0-	1.00	1000	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		4450.95		5170.83				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 12/14/57 Operator Molybdenum Corp. of America

Per A. A. Gresslin Title Manager

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:

W. W. Winkel

(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

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED DEC 24 1958 DMEA

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1957 Docket No. DMEA 4568 Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N.Y.
Contract Amount, $ 510,500.00 Government Participation: 50 % Amount, $ 255,250.00

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	2500.00	6680.00	9180.00			
D. D. Station	-0-	1377.33	1377.33			
Timber	604.80	1973.70	2578.50			
Drifting	7064.37	42297.36	49361.73			
Analyses	513.00	678.00	1191.00			
(2) [illegible]:						
Reaming & Casing	4.00	-0-	4.00			
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						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	10686.17	53006.39	63692.56	10686.17	53006.39	63692.56

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

Date 12/14/57 *Payee Molybdenum Corp. of America

Per [signature] Title Manager

*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:

$ 5343.09

Signature [signature]
(Authorized Certifying Officer)

Date 2/18/58 Vou. No. DMA 58-89

(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-1094 in accordance with the terms of the contract.

Signature W. W. Winkel Title Mining Engineer Date Jan. 30, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked Engin. Allowability

Signature W. R. King Title Executive Officer Date FEB 17 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).

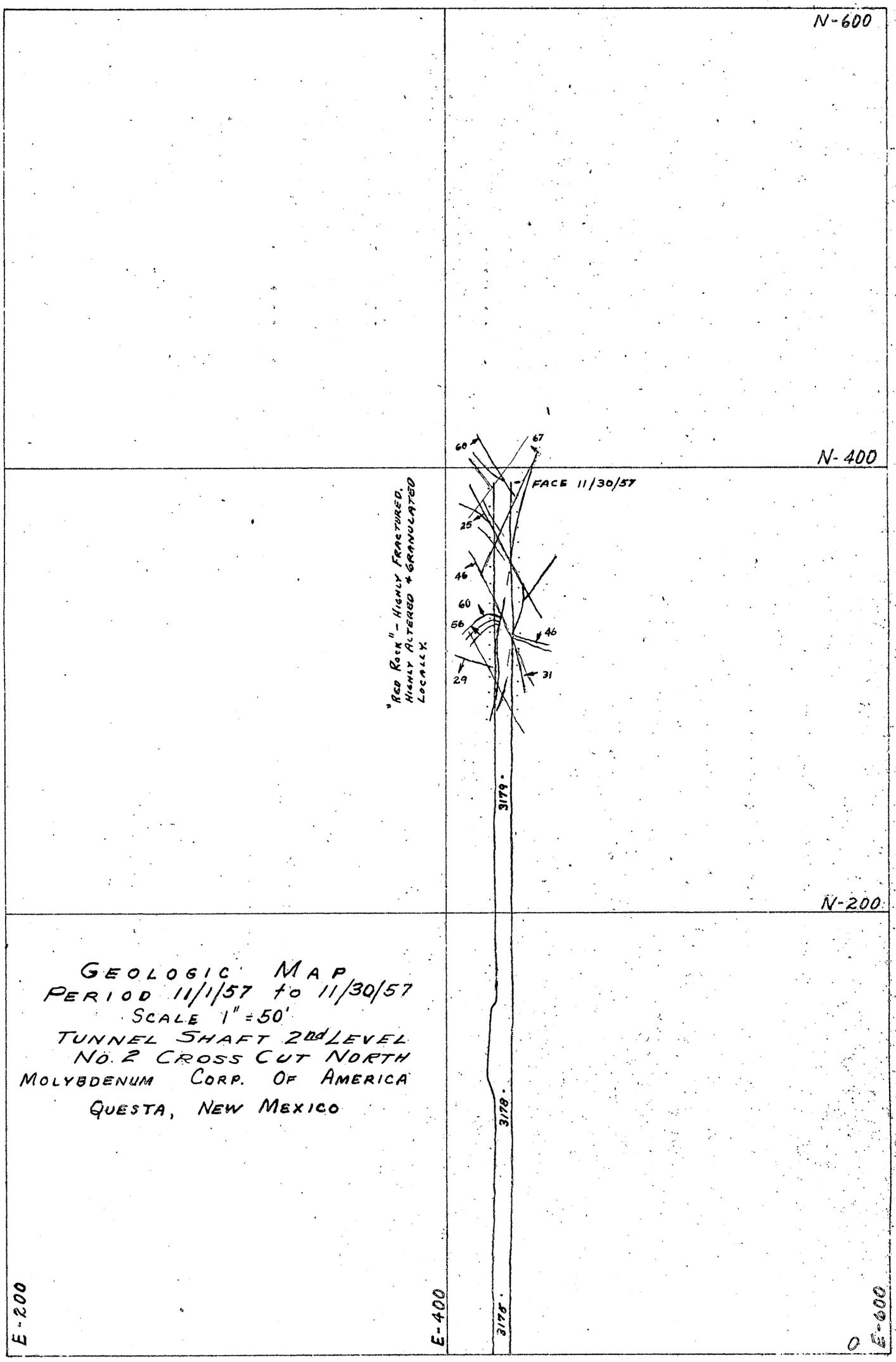
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.

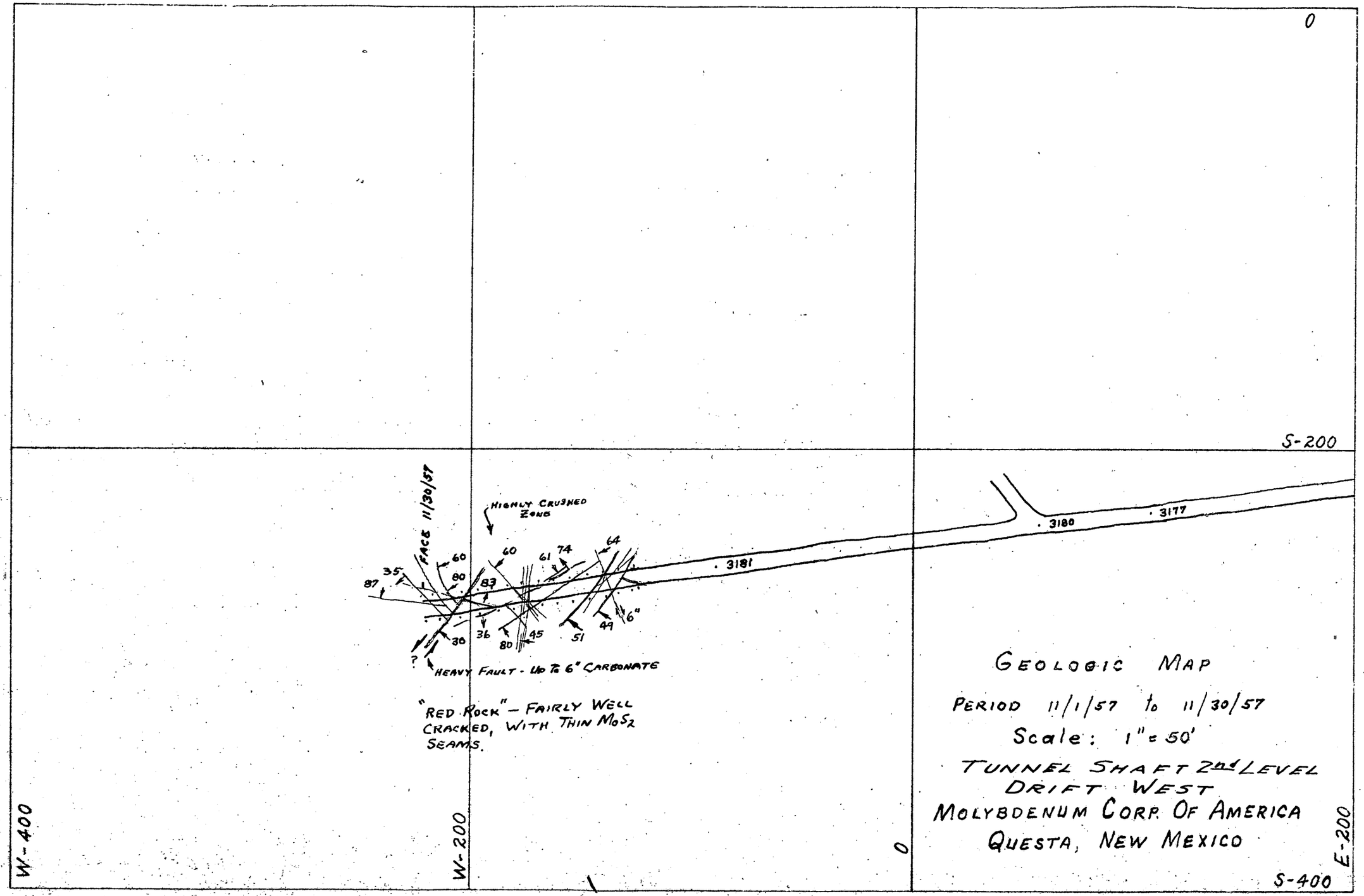
The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. 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.


N-600
N-400
N-200
E-200
E-400
E-600
FACE 11/30/57
60
67
25
46
60
56
46
29
31
"RED ROCK" - HIGHLY FRACTURED.
HIGHLY ALTERED + GRANULATED
LOCALLY.
3179.
3178.
3178.
GEOLOGIC MAP
PERIOD 11/1/57 to 11/30/57
SCALE 1" = 50'
TUNNEL SHAFT 2nd LEVEL
NO. 2 CROSS CUT NORTH
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

ORIGINAL FILE COPY
DMEA
RECEIVED FEB 24 1958

DATE	INITIALS	CODE

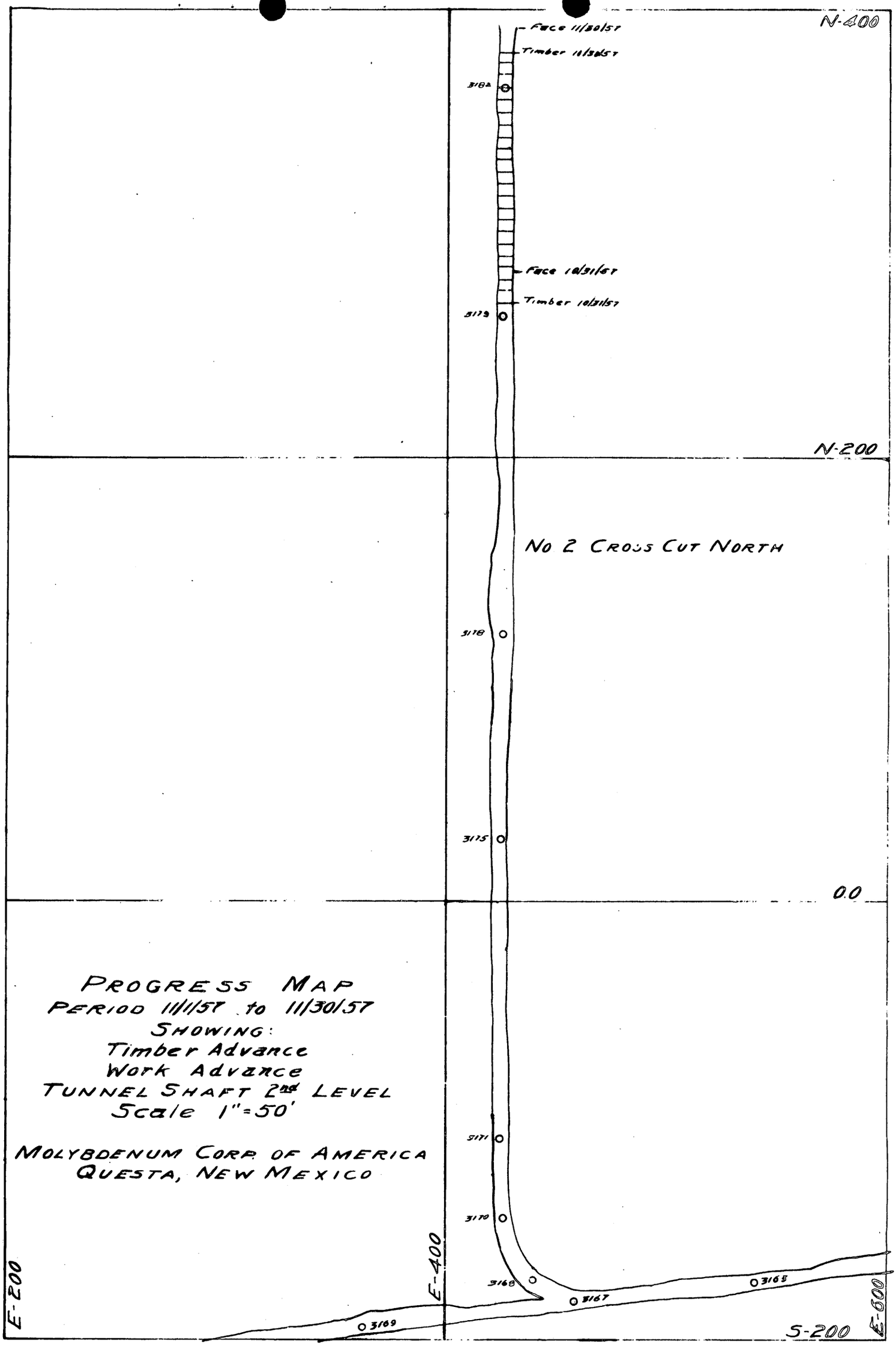


GEOLOGIC MAP

PERIOD 11/1/57 to 11/30/57

Scale: 1" = 50'

TUNNEL SHAFT 2nd LEVEL
DRIFT WEST
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

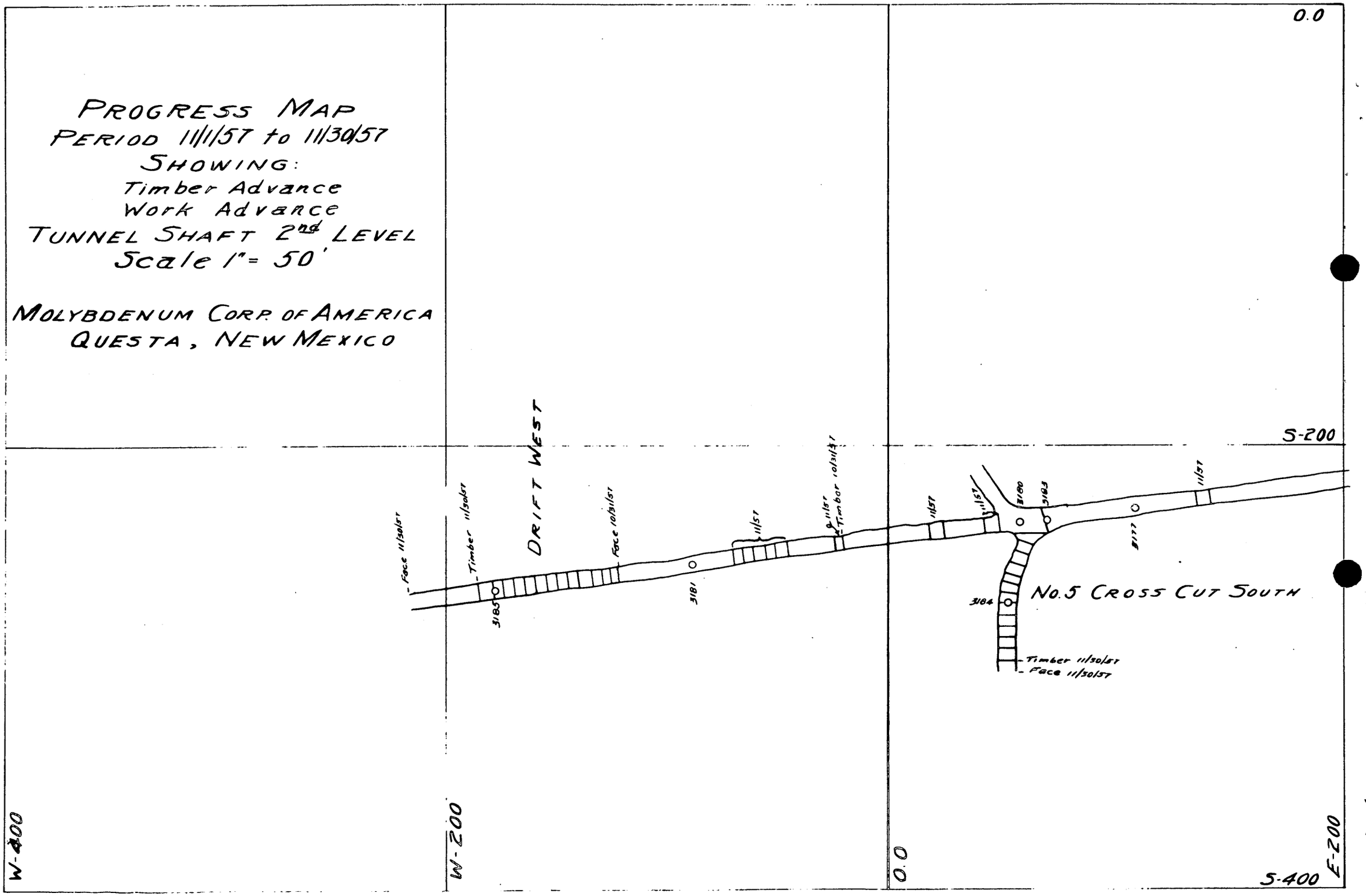


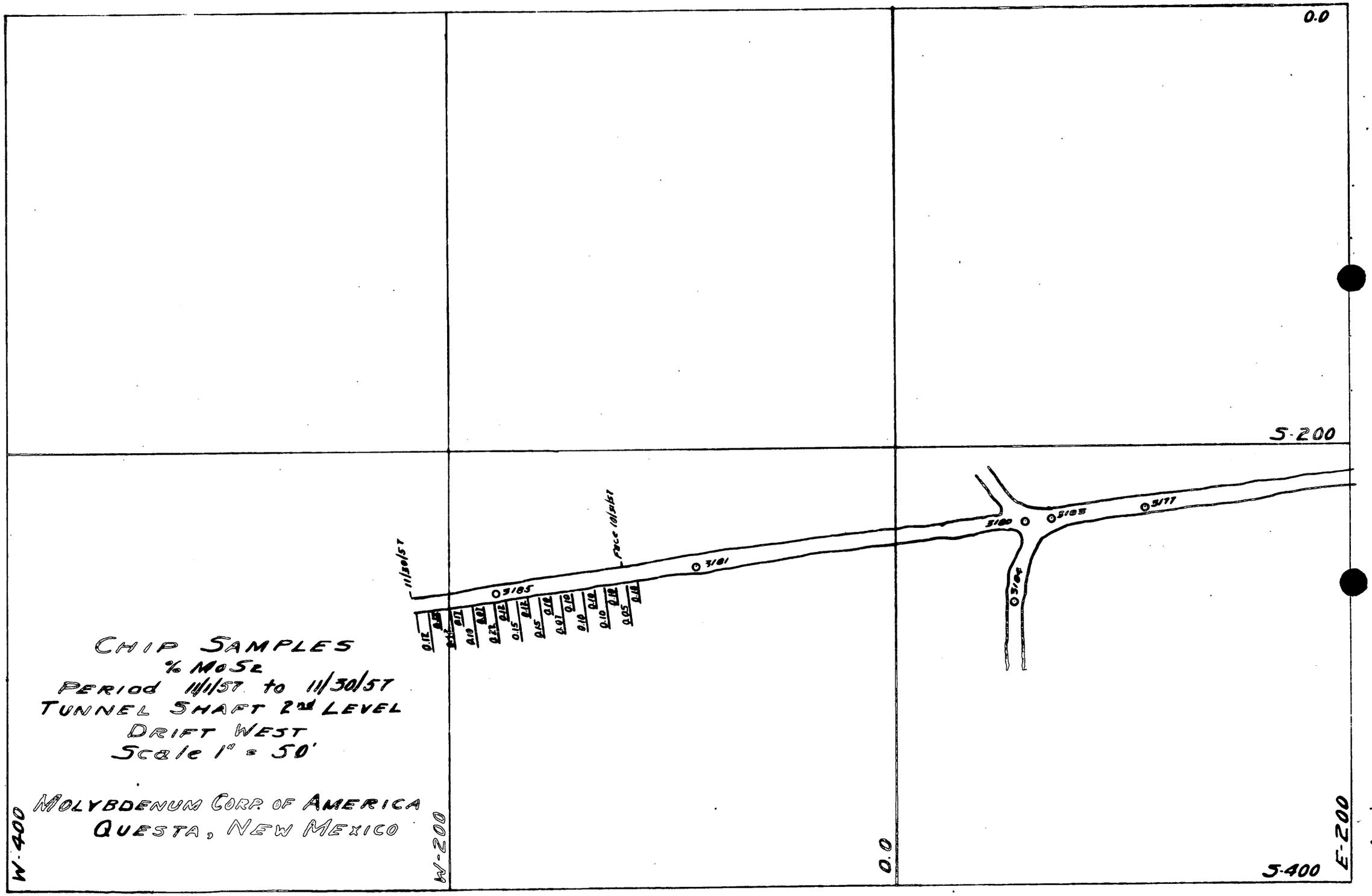
PROGRESS MAP
PERIOD 11/1/57 to 11/30/57
SHOWING:
Timber Advance
Work Advance
TUNNEL SHAFT 2nd LEVEL
Scale 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

PROGRESS MAP
PERIOD 11/1/57 to 11/30/57
SHOWING:
Timber Advance
Work Advance
TUNNEL SHAFT 2nd LEVEL
Scale 1" = 50'

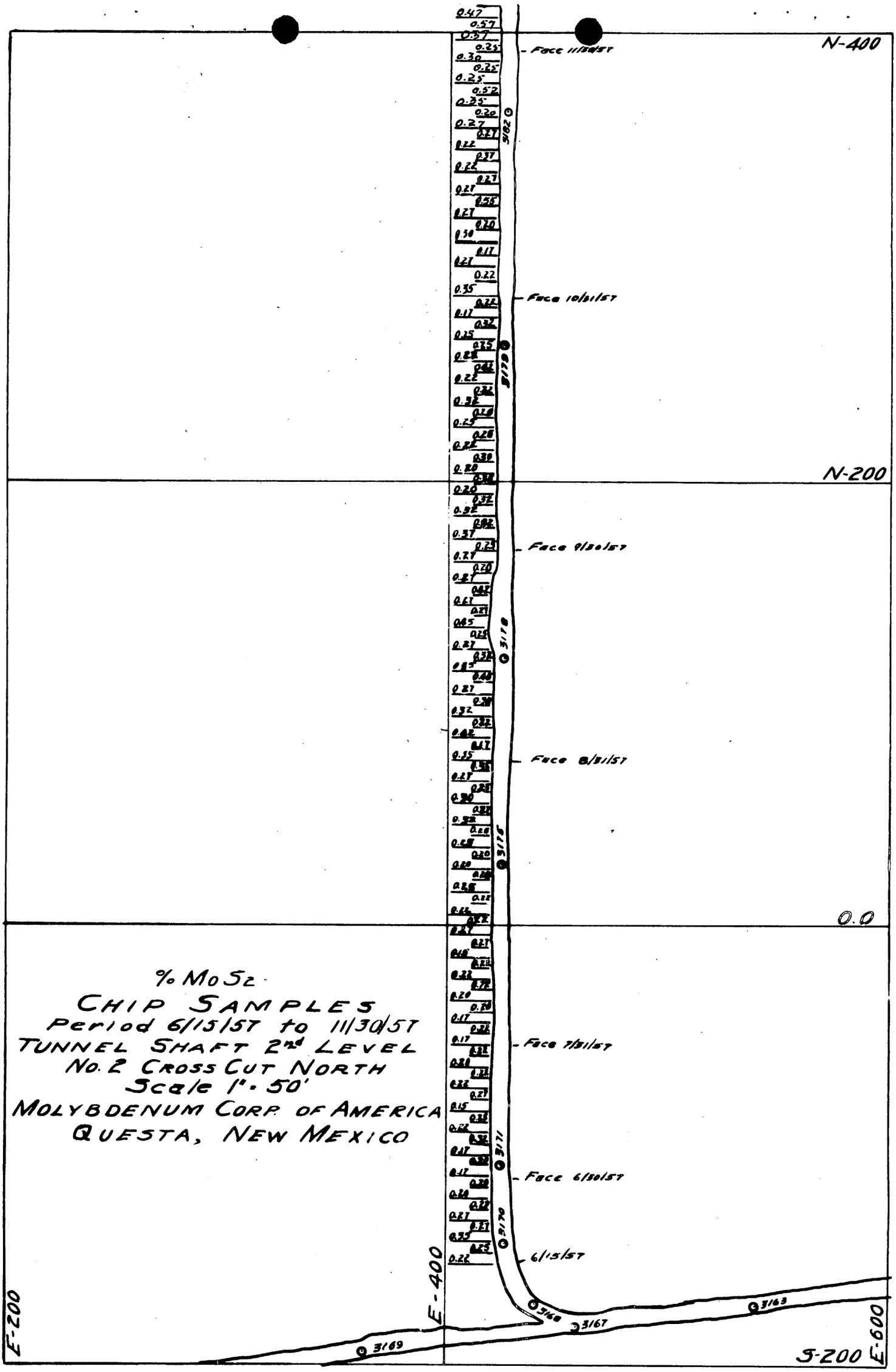
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO





CHIP SAMPLES
% MoS2
PERIOD 11/1/57 to 11/30/57
TUNNEL SHAFT 2nd LEVEL
DRIFT WEST
Scale 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


N-400
N-200
0.0
S-200
E-200
E-400
E-600
Face 11/30/57
Face 10/31/57
Face 9/30/57
Face 8/31/57
Face 7/31/57
Face 6/30/57
6/15/57
3162
3161
3160
3159
3158
3157
3156
3155
3154
3168
3167
3163
3169
% MoS2
CHIP SAMPLES
Period 6/15/57 to 11/30/57
TUNNEL SHAFT 2nd LEVEL
No. 2 CROSS CUT NORTH
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

Core Log — Diamond Drill Hole No. 12-a

Date Drilled — November 1957

Core Recovery — 7.99%

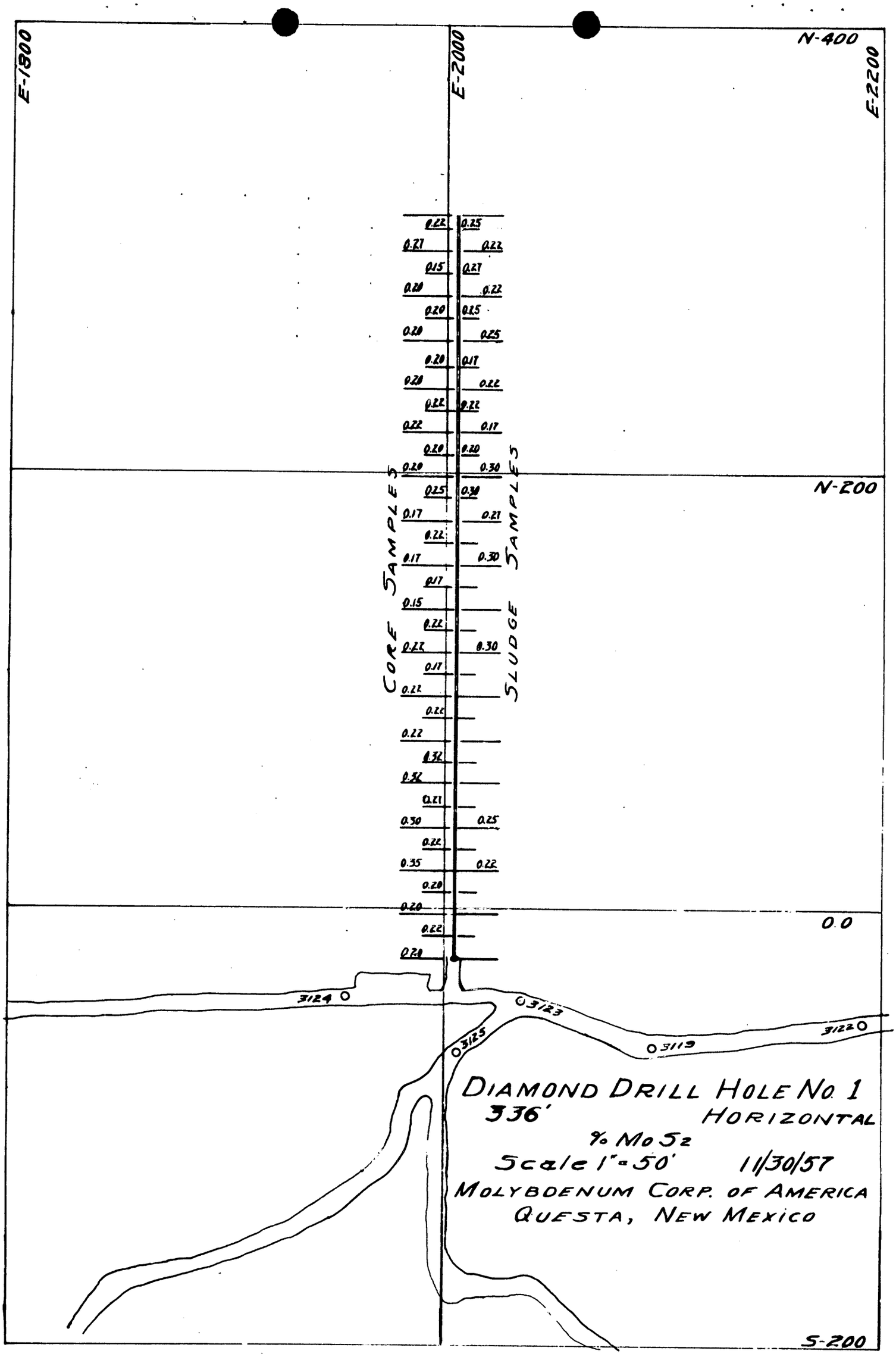
Footage	Core Sample No.	Core Wt. Lbs.	Core Wt. Oz.	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	REMARKS
0 to 10	1197	1	0	08.25	0.15	1226	0.57	Granite with MoS2 badly fractured
10 to 20	1198	1	10	13.40	0.22	1227	0.37	" " " " "
20 to 30	1199	1	8	12.37	0.17	1228	0.35	" " " " "
30 to 40	1200	1	4	10.31	0.17	1229	0.35	" " " " "
40 to 50	1201	1	4	10.31	0.15	1230	0.35	" " " " "
50 to 60	1202	0	10	05.15	0.15	1231	0.32	" " " " "
60 to 70	1203	0	8	04.12	0.15	1232	0.30	" " " " "
70 to 80	1204	1	6	11.34	0.15	1233	0.32	" " " " "
80 to 90	1207	1	12	14.43	0.27	1234	0.27	" " " " "
90 to 100	1208	0	14	07.22	0.17	1235	0.25	" " " " "
100 to 110	1209	1	8	12.37	0.25	1236	0.25	" " " " "
110 to 120	1210	1	0	08.25	0.25	1237	0.35	" " " " "
* 120 to 130	----	0	4	02.06	---	1238	0.35	" " " " "
120 to 140	1211	0	10	02.58	0.20	1239	0.30	" " " " "
* 140 to 150	----	0	4	02.06	---	1240	0.27	" " " " "
140 to 160	1212	0	14	03.61	0.20	1244	0.25	" " " " "
160 to 170	1213	1	4	10.31	0.17	1245	0.25	" " " " "
170 to 180	1214	0	14	07.22	0.20	1246	0.20	" " " " "
180 to 190	1215	0	12	06.18	0.20	1247	0.30	" " " " "
190 to 200	1216	0	10	05.15	0.20	1248	0.30	" " " " "
* 200 to 210	----	0	0	---	---	1249	0.22	" " " " "
* 200 to 220	----	0	0	01.03	---	1250	0.25	" " " " "
200 to 230	1217	1	6	03.77	0.27	1251	0.32	" " " " "
230 to 240	1218	0	10	05.15	0.25	1252	0.25	" " " " "
* 240 to 250	----	0	4	02.06	---	1253	0.20	" " " " "
240 to 260	1219	1	10	12.37	0.20	1254	0.20	" " " " "
260 to 270	1220	1	0	08.25	0.20	1255	0.25	" " " " "
270 to 280	1221	2	2	17.53	0.17	1256	0.27	" " " " "
180 to 290	1222	3	0	24.74	0.25	1257	0.25	" " " " "
290 to 300	1223	1	14	15.46	0.25	1258	0.25	" " " " "
300 to 310	1224	1	6	11.34	0.20	1259	0.30	" " " " "
310 to 315	1225	1	2	18.56	0.25	1260	0.20	" " " " "
315 to 320	1289	1	0	16.50	0.35	1261	0.27	" " " " "
* 320 to 330	----	0	2	01.03	---	1262	0.22	" " " " "
* 320 to 340	----	0	2	0000	---	1263	0.27	" " " " "
320 to 350	1290	1	0	02.75	0.22	1264	0.27	" " " " "
* 350 to 360	----	0	0	----	---	1265	0.27	" " " " "
* 350 to 370	----	0	2	00.52	---	1266	0.30	" " " " "
350 to 380	1291	0	10	01.72	0.22	1267	0.27	" " " " "
380 to 390	1292	1	10	12.37	0.22	1268	0.20	" " " " "
390 to 400	1293	1	14	15.46	0.22	1269	0.17	" " " " "
* 400 to 410	----	0	2	01.03	---	1270	0.15	" " " " "
* 400 to 420	----	0	2	00.00	---	1271	0.22	" " " " "
* 400 to 430	----	0	2	00.00	---	1272	0.22	" " " " "
400 to 440	1294		12	01.55	0.20	1273	0.20	" " " " "
440 to 450	1295	2	14	23.71	0.17	1274	0.22	" " " " "

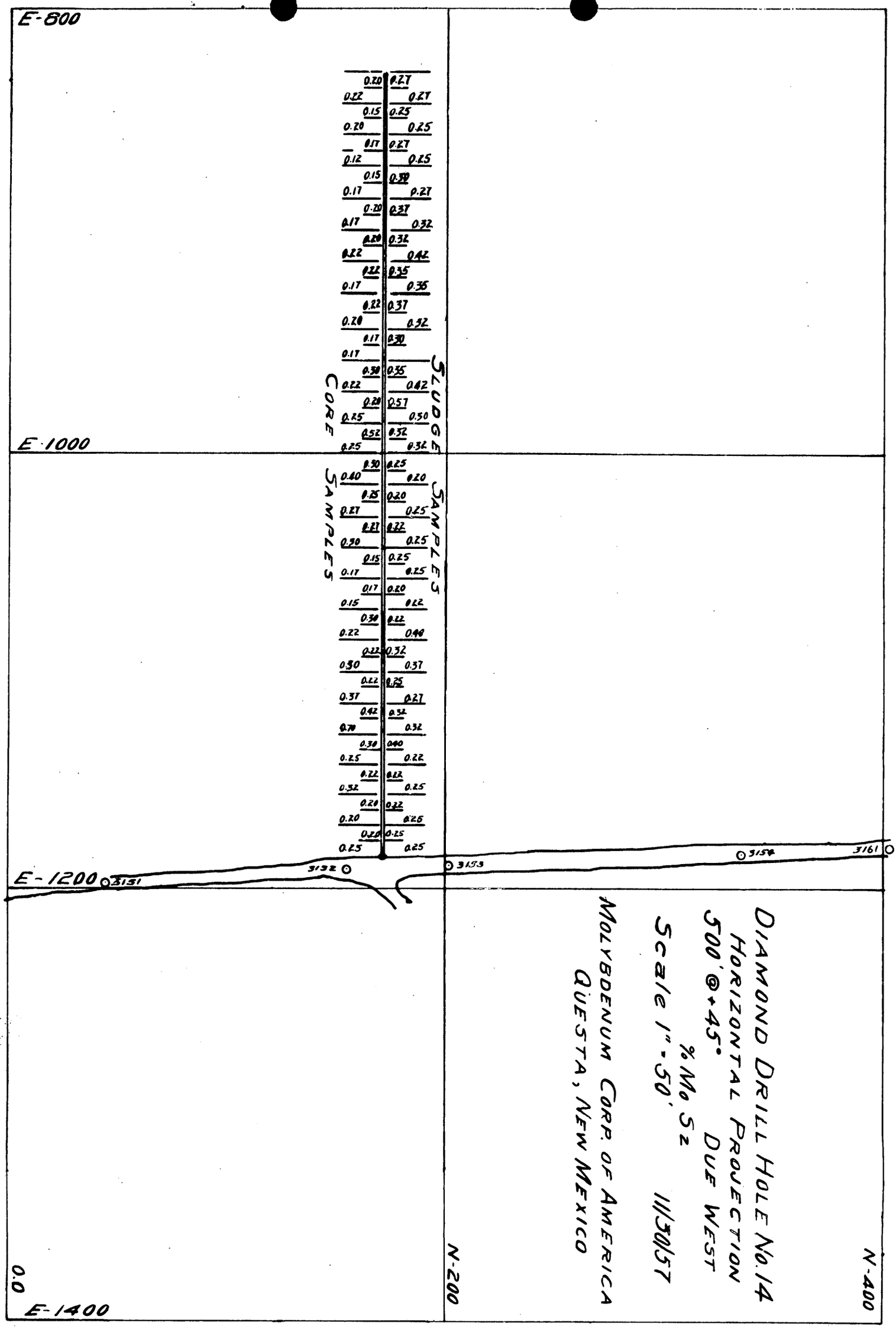
12-a

Core Log Diamond Drill Hole No 12-a

Footage	Core Sample No.	Core Sample Wt.	% Core Rec.	% MoS2	Sludge Sample No.	Sludge Sample % MoS2	REMARKS
450 to 460	1296	0 12	06.19	0.20	---	---	Granite with MoS2-badly fractured
460 to 470	1297	0 8	04.12	0.25	1276	0.25	" " " " "
470 to 480	1302	0 12	06.19	0.25	1276	0.25	" " " " "
* 480 to 490	----	0 4	02.06	---	1277	0.20	" " " " "
480 to 500	1303	0 10	02.58	0.22	1301	0.30	" " " " "

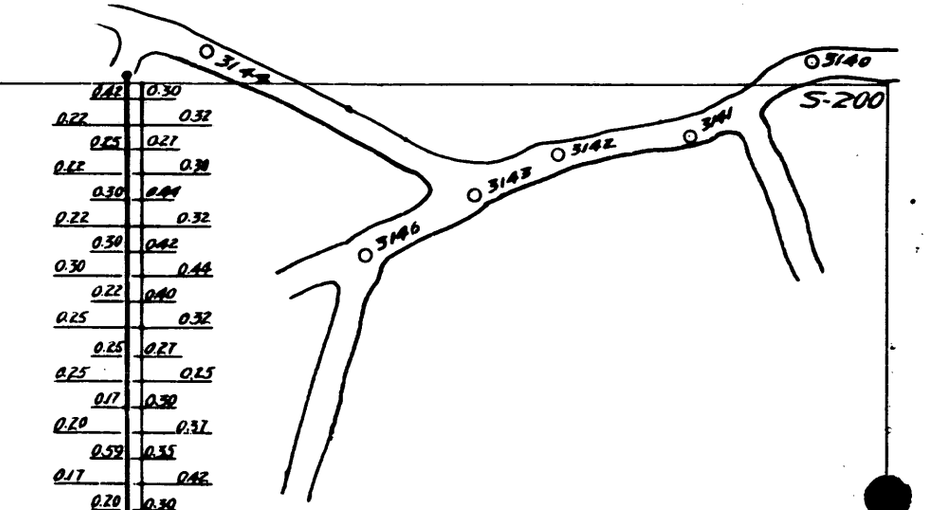
* Note - Not enough Core For Sample


E-1800
E-2000
N-400
E-2200
N-200
0.0
S-200
CORE SAMPLES
SLUDGE SAMPLES
0.22 0.25
0.27 0.22
0.15 0.27
0.20 0.22
0.20 0.25
0.20 0.25
0.20 0.17
0.20 0.22
0.22 0.22
0.22 0.17
0.20 0.20
0.20 0.30
0.25 0.30
0.17 0.21
0.22
0.17 0.30
0.17
0.15
0.22
0.22 0.30
0.17
0.22
0.22
0.22
0.32
0.32
0.21
0.30 0.25
0.22
0.35 0.22
0.20
0.20
0.22
0.20
3124
3123
3125
3119
3122
DIAMOND DRILL HOLE NO. 1
336'
HORIZONTAL
% MoS2
Scale 1" = 50'
11/30/57
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


E-800
E-1000
E-1200
E-1400
N-200
N-400
0.0
CORE SAMPLES
SLUDGE SAMPLES
3151
3152
3153
3154
3161
DIAMOND DRILL HOLE No. 14
HORIZONTAL PROJECTION
500' @ +45° DUE WEST
% Mo S2
Scale 1" = 50'
11/30/57
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

DIAMOND DRILL HOLE NO. 11
HORIZONTAL PROJECTION
500' @ -45° DUE SOUTH
% MoS2
Scale 1" = 50' 11/30/57

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEX.



CORE SAMPLES	SLUDGE SAMPLES
0.42	0.30
0.22	0.32
0.25	0.21
0.22	0.38
0.30	0.44
0.22	0.32
0.30	0.42
0.30	0.44
0.22	0.40
0.25	0.32
0.25	0.27
0.25	0.25
0.17	0.30
0.20	0.31
0.59	0.35
0.17	0.42
0.20	0.30
0.20	0.25
0.17	0.27
0.20	0.42
0.20	0.44
0.17	0.52
0.22	0.35
0.25	0.49
0.20	0.49
0.32	0.39
0.72	0.49
0.20	0.40
0.37	0.47
0.20	1.14
0.20	0.74
0.17	0.89
0.17	0.44
0.20	0.49
0.12	0.37
0.17	0.52
0.45	0.47
0.22	0.52
0.22	0.89
0.30	0.61
0.30	0.54
0.49	0.77
0.27	1.11
0.25	0.54
0.37	0.49
0.37	0.42
0.32	0.42
0.35	0.79
0.22	1.28
0.20	0.64

S-400

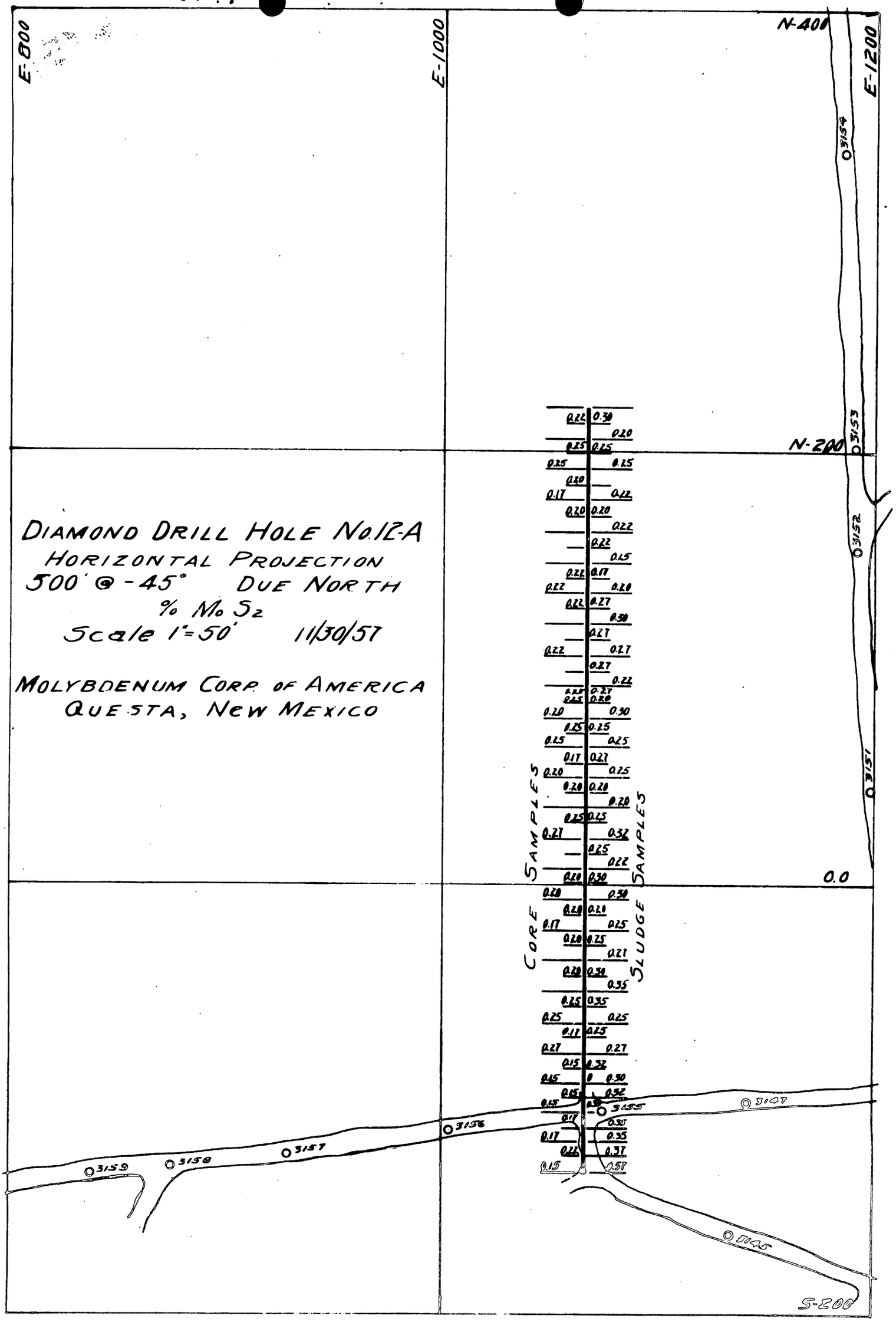
S-600

E-800

E-1000

E-1200

E-1400


E-800
E-1000
N-400
E-1200
N-200
0.0
S-200
CORE SAMPLES
SLUDGE SAMPLES
3154
3153
3152
3151
3155
3156
3157
3158
3159
3107
3145
DIAMOND DRILL HOLE NO.12-A
HORIZONTAL PROJECTION
500' @ -45° DUE NORTH
% MoS2
Scale 1"=50'
11/30/57
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

FINAL DISTRIBUTION
DEC 6 1957
RECEIVED
DATE CODE
12/9 110
700

224 New Customhouse
Denver 2, Colorado
December 3, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Progress Report for the month of October, 1957

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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Remarks:

Date of Report----------November 14, 1957
Date Received in Field Office----------November 19, 1957
Date Received in Region Office----------December 2, 1957

Original signed by
W. H. KING
W. H. King

Enclosures
JDC:hmh
cc: Chmn. Op. Comm. (2)) w/complete
DMEA, DFC) report
MF-104 file, Reg. III)
Harshman, w/copy of Engr. report
Chron

EXTRA COPY
DMEA
REGISTRY
FILE CODE

DMEA
DEPARTMENT OF THE INTERIOR

REGION III

DEC 2 - 1957
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
Nov. 29, 1957

Memorandum

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

From: W. W. Winkel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-81094
Molybdenum Corp. of America (Moly or Questa Mine)
Taos County, N. M. -- Progress report for October 1957

Progress at the subject property was inspected November 6, 1957. The inspecting engineer was accompanied by A. L. Greslin, manager for the operator, and R. U. King, member of the U. S. Geological Survey, DMEA section.

The face of No. 2 crosscut North was measured to 19.3 feet ahead of Sta. 3179, an advance of 112 feet of drifting. The timbering was measured to 11.8 feet ahead of Sta. 3179. The total of timber sets placed was 118 feet.

Drifting in the West drift was advanced to 33.1 feet ahead of Sta. 3181, or 187 feet for the period. The end of the last set of timber placed was 79 feet ahead of Sta. 3180. The timber placed totaled 71 feet.

Drill hole No. 14 was completed at a depth of 500 feet. Hole No. 11 was also completed at a depth of 500 feet.

Preparation of drill station consisted of 5 feet of raising.

The operator claims payment for 196 assays. The assay results on drill holes Nos. 11 and 14 total 193 under Stage I drilling. The 3 channel sample assays from the West drift are claimed under Stage II.
No! 102 drift samples, 94 core samples

Stage I and II contract measurements

No. 2 Crosscut North

Sta.	3178 - to face of drift	9/30/57	47.5 ft.
"	3178 - 3179		140.17 "
"	3179 - to face of drift	10/31/57	19.3 "
"	3178 - to end of timber	9/30/57	28.0 "
"	3179 - to end of timber	10/31/57	6.0 "

West drift

Sta.	3177		45.2 ft.
"	3177 - 3180		50.93 "
"	3180 - 3181		148.15 "
"	3181 - face of drift	10/31/57	33.1 "
"	3180 - end of timber	10/31/57	79.0"

West drift (cont) Sta. 3177 - end of timber 9/30/57 0.0 ft.

The operator has submitted a narrative report for October 1957 in quintuplicate with maps showing extent of drifting, timbering, and assays; geologic maps, forms MF-104 and 104A for Stages I and II, logs and assays for completed drill holes for the reporting period.

Documentation to support the claims for drifting and timbering in the West drift, and drill holes Nos. 11 and 14, has been submitted. Channel sampling and assays for No. 2 crosscut North is in process of being completed, and will be reported with the November 1957 claim. The drift channel sampling conforms with specifications in the contract and is sufficiently progressed to support the claim for drifting in the No. 2 Crosscut North.

Payment of $9,802.51 or 50 percent of the amount claimed $19,605.02 is recommended by the inspecting engineer.

W. W. Winkel
Mining Engineer

WWW/mr
cc: 6
Idm-E1094
chron

CONTENTS

OCTOBER 1957

1. Descriptive Report
2. Form NP 104 A (Stage 1)
3. Form NP 104 A (Stage 2)
4. Form NP 104
5. Geology Map (No. 2 GXS)
6. Geology Map (DFT W)
7. Progress and Timber Map (No. 3 GXS)
8. Progress and Timber Map (DFT W)
9. Grip Assay Map (DFT W)
10. Log and Assays Diamond Drill Hole 434
11. Log and Assays Drill Hole 411

NARRATIVE REPORT FOR OCTOBER 1957

Questa, New Mexico
November 14, 1957

Mr. W.H. King, Executive Officer, D.M.E.A.
Defense Minerals Exploration Administration
324 New Customhouse
Denver 3, Colorado

Re: Docket No. D.M.E.A. 4238
(Molybdenum)
Molybdenum Corporation of America
(Moly or Questa Mine)
Taos County, N. Mex.

Dear Sir:

During the period October 1 through October 31, 1957 there were twenty-seven (27) working days. Four Sundays of no work.

The drift west was worked on a two shift basis and No. 20XM was worked on one shift basis.

We are enclosing in the report the chip sample assays for the drift west to October 31, 1957. The chip sampling for No. 20XM will be completed during November and will be included with the report for November.

During this period there were 197 ft. of advance in the drift west with 71 feet of timbering.

There were 113 ft. of advance in the No. 20XM with 116 ft. of timbering in this place.

The rock in both headings was transition rock for a way, then porphyry for the last part of the month.

Diamond drill hole No. 14 was completed during the month and Diamond drill hole No. 11 was completed. Both were drilled to 500 ft. depth.

Five feet of raise work was done in diamond drill station at coordinate 1465 E.

DMEA
DEPARTMENT OF THE INTERIOR
NOV 18 1957
REGION III
DENVER, COLORADO

A.L. Grealin, Manager

A. L. Grealin

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 DEC 9 1957 D.M.E.A.

Month of October 195 7 Docket No. DMEA 1568 Contract No. DU-M094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N Y

Contract Amount, $ 510,500.00 Government Participation 50 % Amount, $ 255,250.00

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	5000.00	1680.00	6680.00			
~~Bulldozing~~ D.D. Stations	222.15	1155.18	1377.33			
Crosscutting & Tinter	510.30	1463.40	1973.70			
Drifting	13264.57	29012.79	42297.36			
Analyses	588.00	90.00	678.00			
(2) ~~Labor and Supervision~~:						
~~Labor~~ Fem & Casing	-0-	-0-	-0-			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	19605.02	33401.37	53006.39	19605.02	33401.37	53006.39

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

Date Nov. 14, 1957 *Payee Molybdenum Corporation of America

Per P. L. Gresham Title Manager

*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:

$ 9802.51

Signature (Authorized Certifying Officer)

Date 12/4/57 Voucher DMA 58-68

(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-1094 in accordance with the terms of the contract.

Signature W. W. Winkel Title Mining Engr. Date Nov. 25, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H King Title Executive Officer Date DEC 3 1957

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 DEC 9 1957 D.M.E.A.

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

Month of October 1957 Docket No. DMEA 456S Contract No. IM-F109

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N Y

OPERATION Stage 1	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting and								
Crosscutting	ft	12573.69	283	41586.48	936	44.43	1000	44.43
Raising D.D. Station	FT	222.15	5	1377.33	31	44.43	115	44.43
~~Underreaming~~ Cintering	ft	510.30	189	1973.70	731	2.70	1000	2.70
~~Assays~~ Analyses	ea	579.00	193	669.00	223	3.00	1100	3.00
Drilling: Core	ft	5000.00	1000	6680.00	1336	5.00	9000	5.00
~~Core~~ Reaming & ~~Auger~~ Casing	ft	-0-	-0-	-0-	-0-	1.00	500	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		18885.14		52286.51				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
Total Costs								

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

Date Nov. 14, 1957 Operator Molybdenum Corp. of America

Per [signature] Title Manager

Remarks: W. W. Winkel

→ 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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

RECEIVED DEC 9 1957 D.M.E.A.

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

Month of October 1957 Docket No. DMEA 4568 Contract No. DMI-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N Y

OPERATION Stage 2	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting	ft	710.88	16	710.88	16	44.43	6160	44.43
Raising D. D. Station	ft	-0-	-0-	-0-	-0-	44.43	250	44.43
Timbering	ft	-0-	-0-	-0-	-0-	2.70	6160	2.70
Analyses	ea	9.00	3	9.00	3	3.00	3177	3.00
Drilling: Core	ft	-0-	-0-	-0-	-0-	5.00	19500	5.00
Reaming & Casing	ft	-0-	-0-	-0-	-0-	1.00	1000	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
		719.88		719.88				
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date Nov. 14, 1957 Operator Molybdenum Corp. of America

Per A. R. Gresham Title Manager

Remarks: W. W. Winkel

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

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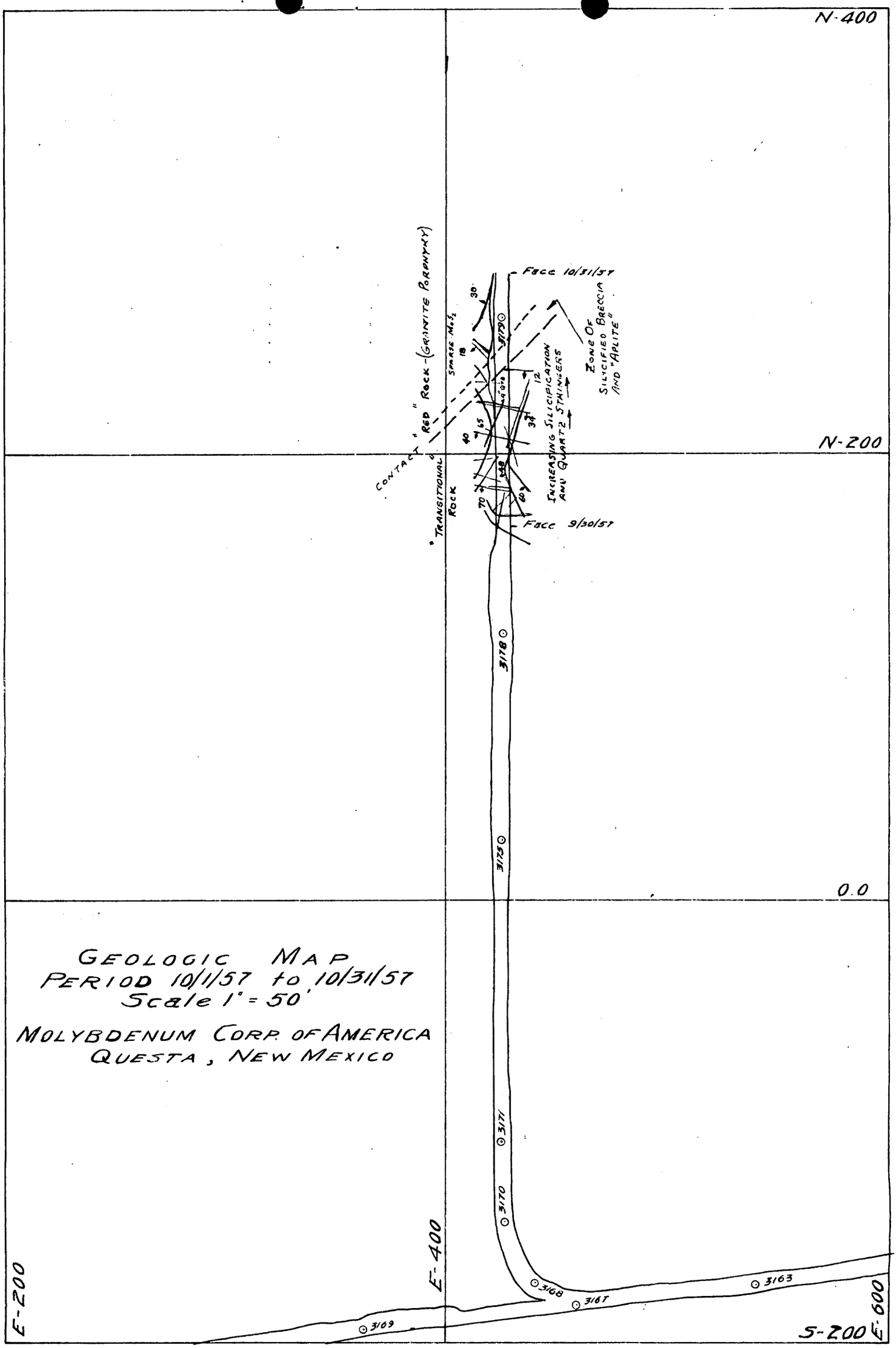
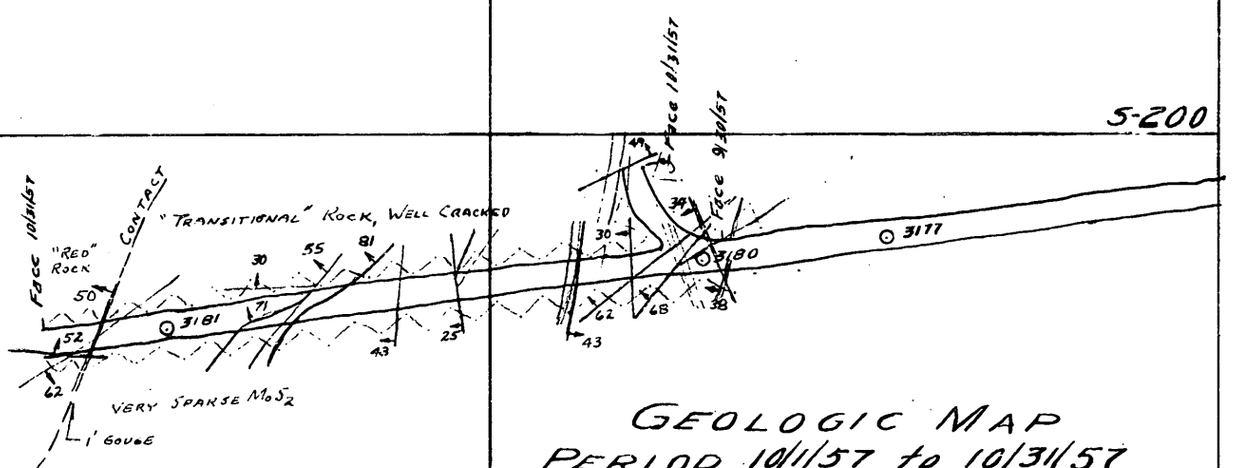
GPO 872894



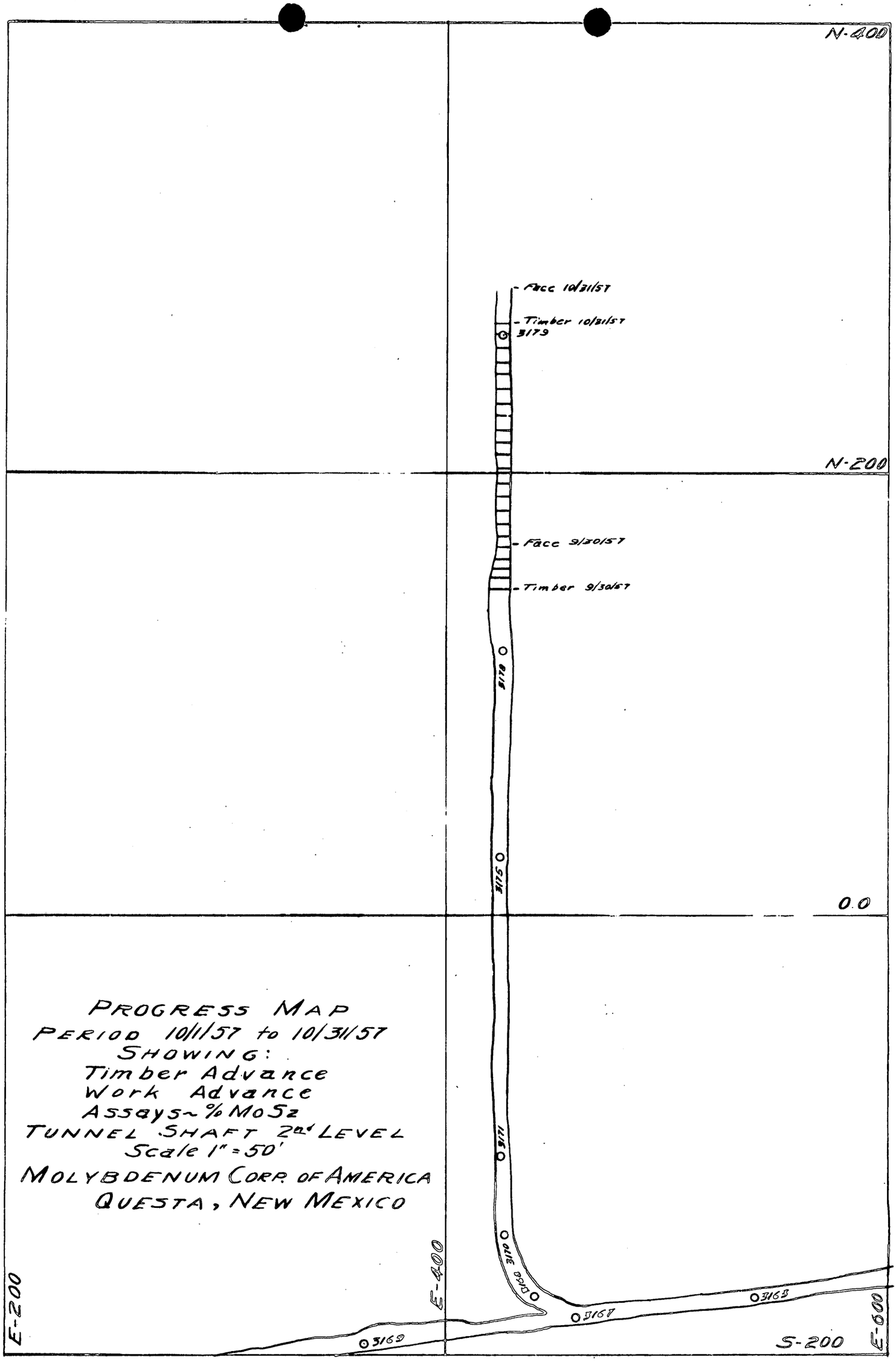
GEOLOGIC MAP
PERIOD 10/1/57 to 10/31/57
Scale 1" = 50'

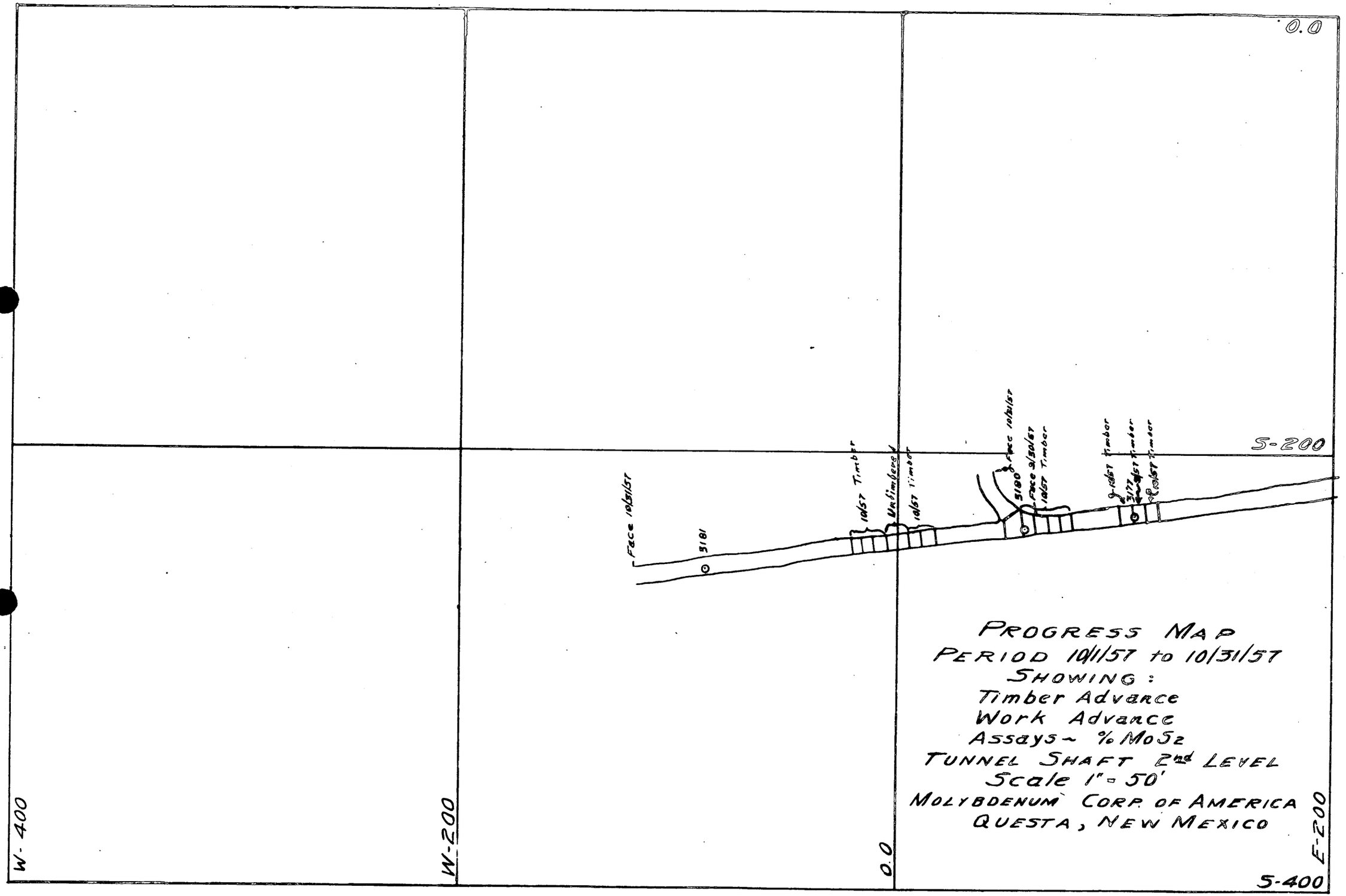
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



Geologic Map
Period 10/1/57 to 10/31/57
Scale 1" = 50'

Molybdenum Corp. of America
Questa, New Mexico


N-400
Face 10/31/57
Timber 10/31/57
3179
N-200
Face 9/30/57
Timber 9/30/57
3118
3115
0.0
PROGRESS MAP
PERIOD 10/1/57 to 10/31/57
SHOWING:
Timber Advance
Work Advance
Assays ~ % MoS2
TUNNEL SHAFT 2nd LEVEL
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
3111
3110
Dip
3168
3167
3169
E-200
E-400
S-200
E-600



PROGRESS MAP
PERIOD 10/1/57 to 10/31/57
SHOWING:
Timber Advance
Work Advance
Assays ~ % MoS_2
TUNNEL SHAFT 2nd LEVEL
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

0.0
W-200
0.0
E-200
E-400
S-400
S-200
Face 10/31/57
Face 8/31/57
Face 8/31/57
Face 6/30/57
Face 6/30/57
6/15/57
3181
3180
3177
3176
3169
0.20 0.45
0.12 0.12
0.12 0.12
0.20 0.14
0.17 0.20
0.20 0.17
0.17 0.20
0.15 0.20
0.20 0.22
0.22 0.20
0.22 0.17
0.20 0.20
0.20 0.20
0.22 0.15
0.22 0.42
0.42 0.25
0.25 0.20
0.50 0.27
0.27 0.27
0.20 0.22
0.22 0.20
0.20 0.20
0.42 0.42
0.27 0.22
0.22 0.42
0.81 0.40
0.44 0.62
0.42 0.56
0.22 0.25
0.42 0.20
0.20 0.45
0.12 0.22
0.17 0.22
0.22 0.20
0.33 0.22
0.42 0.40
0.33 0.42
0.42 0.40
0.42 0.44
0.25 0.30
0.30 0.27
0.17 0.22
0.22 0.20
0.22 0.20
0.22 0.20
0.20 0.22
0.22 0.20
0.20 0.20
0.20 0.20
0.20

Core Log — Diamond Drill Hole No. 14

Date Drilled: September 5 to October 17, 1957

Recovery of Hole: 26.10% +45°

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14

Footage	Core Sample No.	Core Weight lb	Core Weight oz	%Core Rec.	%MoS2	Sludge Sample No.	Sludge %MoS2	Remarks
0 to 10	603	1	4	10.31	0.25	636	0.25	Aplite-Hard but broken-Qtz-Fe-MoS2
10 to 20	604	3	2	25.77	0.20	637	0.25	" " " " "
20 to 30	605	3	0	24.74	0.20	638	0.25	" " with 12" Porphyry
30 to 40	606	1	8	12.37	0.20	639	0.25	Transition rock badly broken
40 to 50	612	2	10	21.65	0.32	640	0.25	" " seam of MoS2
50 to 60	613	3	14	31.96	0.22	641	0.22	2 feet Aplite then Transition Rock
60 to 70	614	2	8	20.62	0.25	648	0.22	18" " " " "
70 to 80	615	3	0	24.74	0.30	649	0.40	Transition Rock, Hard - Broken
80 to 90	616	4	6	36.08	0.70	650	0.32	" " Soft - Uniform
90 to 100	617	3	2	25.77	0.42	651	0.32	" "
100 to 110	618	1	14	15.46	0.37	652	0.27	" "
110 to 120	619	4	0	32.99	0.22	653	0.25	" " Very Soft
120 to 130	733	2	12	22.68	0.30	654	0.37	" " Soft
130 to 140	734	2	2	17.53	0.22	655	0.32	" " "
140 to 150	735	2	14	23.71	0.22	662	0.40	" " "
150 to 160	736	3	0	24.74	0.30	663	0.22	" " Blocky
160 to 170	737	1	8	12.37	0.15	706	0.22	" " "
170 to 180	738	1	6	13.40	0.17	708	0.20	" " Some hard streaks
180 to 190	739	1	14	15.46	0.17	709	0.25	" " " " "
190 to 200	740	2	8	20.62	0.15	710	0.25	" " " " "
200 to 210	805	2	14	23.71	0.30	711	0.25	" " Streaks of Granite
210 to 220	806	2	12	22.68	0.27	712	0.22	" " " " "
220 to 230	807	1	8	12.37	0.27	713	0.25	" " with hard streaks
230 to 240	808	1	8	12.37	0.25	726	0.20	" " " " "
240 to 250	809	2	10	21.65	0.40	727	0.20	" " " " "
250 to 260	810	4	8	37.11	0.30	728	0.25	" " " " "
260 to 270	811	2	12	22.68	0.25	823	0.32	" " " " "
270 to 280	812	1	10	13.40	0.52	824	0.32	" " " " "
280 to 290	816	1	4	10.31	0.25	829	0.30	" " " " "
290 to 300	817	1	4	10.31	0.20	830	0.57	" " " " "
300 to 310	818	3	0	24.74	0.22	831	0.42	" " " " "
310 to 320	819	3	2	25.77	0.30	832	0.35	" " " " "
320 to 330	820	2	10	21.65	0.17	-	-	" " " " "
330 to 340	821	2	14	23.71	0.17	868	0.30	" " " " "
340 to 350	822	7	14	64.95	0.20	869	0.32	" " " " "
350 to 360	895	7	12	63.92	0.22	870	0.37	" " " " "
360 to 370	896	5	0	41.24	0.17	871	0.35	" " " " "
370 to 380	897	4	4	35.05	0.22	872	0.35	" " " " "
380 to 390	898	0	10	5.15	0.22	873	0.42	" " Soft
390 to 400	899	1	8	12.37	0.20	874	0.32	" " "
400 to 410	900	1	10	13.40	0.17	875	0.32	" " "
410 to 420	901	1	0	8.25	0.20	881	0.37	" " Hard
420 to 430	902	8	10	71.13	0.17	882	0.27	" " "
430 to 440	909	9	10	79.38	0.15	883	0.30	" " "
440 to 450	910	6	6	52.58	0.12	884	0.25	" " "
450 to 460	917	6	4	51.55	0.17	885	0.27	" " "

Core Log Diamond Drill Hole No. 14 (Cont'd)

Footage	Core Sample No.	Core Weight lb	Core Weight oz	%Core Rec.	%MoS2	Sludge Sample No.	Sludge %MoS2	Remarks		
460 to 470	918	3	14	31.96	0.20	886	0.25	Transition	Rock	Hard
470 to 480	919	2	12	22.68	0.15	887	0.25	"	"	"
480 to 490	920	2	2	17.53	0.22	888	0.27	"	"	"
490 to 500	921	2	4	18.56	0.20	889	0.27	"	"	"

Note: * (Not enough core to make sample)

Core Log — Diamond Drill Hole No. 11

Date Drilled: October 18 to October 30, 1957

Actual Recovery: 9.32% — 45°

Footage	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
0 to 10	1034	0	14	7.22	0.42	1095	0.30	Granite - Marl
10 to 20	1035	1	0	8.25	0.22	1096	0.32	" "
20 to 30	1036	0	12	6.19	0.25	1097	0.27	" "
30 to 40	1037	2	2	17.53	0.22	1098	0.30	" "
40 to 50	1038	1	2	9.28	0.30	1099	0.44	" "
50 to 60	1039	0	8	4.12	0.22	1100	0.32	" "
• 60 to 70	-	0	6	3.09	-	1101	0.42	" "
60 to 80	1040	1	0	4.13	0.30	1102	0.44	" "
80 to 90	1041	0	12	6.19	0.22	1103	0.40	" "
• 90 to 100	-	0	6	3.09	-	1104	0.32	" "
90 to 110	1042	0	14	3.61	0.25	1105	0.27	" "
110 to 120	1043	1	4	10.31	0.25	1106	0.25	Porphyry "
120 to 130	1062	1	4	10.31	0.17	1107	0.30	" " With some MoS2
130 to 140	1063	2	14	23.71	0.20	1108	0.37	Granite With Qtz-Py-MoS2
140 to 150	1064	1	6	13.40	0.39	1109	0.35	" " " " "
150 to 160	1065	0	12	6.19	0.17	1110	0.42	" " " " "
• 160 to 170	-	0	0	0	-	1111	0.30	" " " " "
160 to 180	1066	0	6	1.55	0.20	1112	0.25	" " " " "
180 to 190	1067	0	6	3.09	0.17	1113	0.27	" " " " "
190 to 200	1068	0	14	7.22	0.20	1114	0.42	" " " " "
200 to 210	1069	1	0	8.25	0.20	1115	0.40	" " " " "
210 to 220	1070	1	4	10.31	0.17	1116	0.52	" " " " "
220 to 230	1071	3	0	24.74	0.22	1117	0.35	" " " " "
230 to 240	1072	1	6	13.40	0.25	1118	0.49	" " " " "
240 to 250	1073	3	4	26.80	0.20	1119	0.49	" " " " "
250 to 260	1074	4	0	32.99	0.32	1120	0.59	" " " " "
260 to 270	1075	0	12	6.19	0.72	1121	0.49	" " " " "
270 to 280	1076	1	0	8.25	0.20	1122	0.40	" " " " "
280 to 290	1077	2	0	16.49	0.37	1123	0.47	" " " " "
290 to 300	1078	1	0	8.25	0.20	1124	1.14	" " " " "
300 to 310	1079	2	0	16.49	0.20	1125	0.74	" " " " "
310 to 320	1080	1	2	9.28	0.17	1126	0.49	" " " " "
320 to 330	1081	0	14	7.22	0.17	1127	0.44	" " " " "
330 to 340	1082	1	2	9.28	0.20	1128	0.49	" " " " "
340 to 350	1083	0	10	5.15	0.12	1129	0.57	" " " " "
350 to 360	1084	0	12	6.19	0.17	1230	0.52	" " " " "
360 to 370	1085	1	0	8.25	0.15	1131	0.47	" " " " "
• 370 to 380	-	0	6	3.09	-	1132	0.52	" " " " "
370 to 390	1086	0	14	1.55	0.22	1133	0.69	" " " " "
• 390 to 400	-	0	0	0	-	1134	0.67	" " " " "
390 to 410	1087	0	10	5.15	0.30	1135	0.54	" " " " "
410 to 420	1088	1	2	9.28	0.49	1136	0.77	" " " " "
420 to 430	1089	1	0	8.25	0.27	1137	1.11	" " " " "
430 to 440	1090	0	12	6.19	0.25	1138	0.54	" " " " "
• 440 to 450	-	0	4	2.06	-	1139	0.49	" " " " "
440 to 460	1091	1	6	5.67	0.37	1140	0.42	" " " " "

11

Core Log Diamond Drill Hole No. 11 (Cont'd)

Footage	Core Sample No.	Core Weight lb	Core Weight oz	% Core Rec.	% MoS2	Sludge Sample No.	Sludge % MoS2	Remarks
460 to 470	1092	1	4	1031	0.32	1141	0.48	Granite with Qtz-Fe-MoS2
470 to 480	1093	0	12	6.19	0.35	1142	0.79	" " " " "
480 to 490	1094	1	14	10.31	0.22	1143	1.28	" " " " "
490 to 500	1095	1	14	15.46	0.20	1144	0.67	" " " " "

* Note (Not enough core to make sample)

1957
12/9 110
700

FINAL DISTRIBUTION
MADE DEC 6 1957

224 New Customhouse
Denver 2, Colorado
December 3, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Progress Report for the month of September, 1957

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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50% of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

The Operator reported a portion of the drifting under Stage II. It has now been determined that the September drifting was all performed under Stage I, and the Operator has made the necessary adjustments in conjunction with the October 1957 voucher, which has now been received in this office.

Processing of this report has been deferred pending the establishment of an acceptable method of sampling in the drifts and crosscuts. The sampling is now being performed in accordance with the terms of the contract.

Remarks:

Date of Report----------October 25, 1957
Date Received in Field Office------November 19, 1957
Date Received in Region Office-----December 2, 1957

Enclosures
JDC:hmh
cc: Chmn. Op. Comm. (2))
DMEA, DFC)w/complete
MF-104 file,Reg.III) report

Harshman, w/copy of Engr/report
Chron

Original signed by
W. H. KING
W. H. King

DMEA
DEPARTMENT OF THE INTERIOR
RECEIVED
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REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
Nov. 27, 1957

Memorandum

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

From: W. W. Winkel

Subject: Docket DMEA 4568 (Molybdenum) Contract IAm-E1094
Molybdenum Corp. of America (Moly or Questa Mine)
Taos County, N. M. -- Progress report for September 1957

Progress under the subject contract was inspected October 2, 1957. The inspecting engineer was accompanied by A. L. Greslin, manager of the property.

On the day of inspection the face of No. 2 crosscut North was measured to 47.5 feet ahead of Sta. 3178, an advance of 95.0 feet for the report period. The timbering was measured to 28 feet ahead of Sta. 3178, plus one set of timber replaced during August. This totaled 96 feet of timbering in No. 2 Crosscut North.

The West drift was advanced to 45.2 feet ahead of Sta. 3177, an advance of 137 feet. The end of the last timbering was at Sta. 3177, plus 0. feet. The total timbering placed was 81 feet.

Five feet of additional raising was completed at drill station No. 14.

Diamond drill hole No. 1 was bottomed at 336 feet, at which depth it is considered to have reached its objective.

Stage 1 contract measurements to 9/30/57

No. 2 Crosscut North

Sta. No. 3175 - face of drift	8/31/57	47.5 ft.
Sta. No. 3175 - 3178		94.0 "
Sta. No. 3178 - face of drift	9/30/57	47.5 "
Sta. No. 3175 - end of timbering	8/31/57	28.5 "
Sta. No. 3178 - " " "	9/30/57	34.0 "

West Drift

Sta. No. 3176 - face of drift	8/31/57	51.5 ft.
Sta. No. 3176 - 3177		143.3 "
Sta. No. 3177 - face of drift	9/30/57	45.2 "
Sta. No. 3176 - end of timbering	8/31/57	17.5 "
Sta. No. 3177 - end of timbering	9/30/57	0.0 "

The operator has submitted a narrative report for Sept. 1957 in quintuplicate with maps showing plan of drifting, extent and location of timber sets, geologic maps, forms MF-104 and 104A for Stages I and II, and the log and assays for drill hole No. 1. Documentation to support the claims for drifting and timbering in the West drift has been submitted in acceptable form and complies with the specifications of the contract. Channel sampling and assays of all drifting in No. 2 crosscut North is currently being completed in conformance with the contract, and the results and claim for assays will be submitted with the November 1957 claim.

Payment of $6,388.91 or 50 percent of the amount claimed $12,777.81 is recommended by the inspecting engineer.

A. M. Fordnoe
for W. W. Winkel
Mining Engineer

WWW/mw
cc: 6
Idm-E1094
chron

DMEA
DEPARTMENT OF THE INTERIOR
OCT 14 1957
REGION III
DENVER, COLORADO

CONTENTS

SEPTEMBER 1957

1. Narrative Report
2. Form 104 (Stage 1)
3. Form 104 (Stage 2)
4. Form 104A (Stage 1)
5. Form 104A (Stage 2)
6. Progress and Timber Map
7. Geological Map
8. Log and Assays For Drill Hole #1

RECEIVED
DATE

NARRATIVE REPORT FOR SEPTEMBER 1957

Mr. W. H. King, Executive Officer D.M.E.A.
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
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Questa, New Mexico
October 7, 1957

Re: Docket No.D.M.E.A. 4568
(Molybdenum)
Molybdenum Corporation of America
(Moly or Questa Mine)
Taos County, New Mexico

Dear Sir;

During the period of September 1 through September 30, 1957 there were 24 working days. 5 Sundays and Labor day that were not work days.

We started two shifts in the west drift on September 23rd and worked two shifts there through the balance of the month. The No.2 crosscut north was worked on one shift.

During this time there were 137 ft of advance in the drift west, and 95 ft of advance in the No.2 crosscut north.

There were 81 ft of timbering in the drift west, and 96 ft of timbering in the No. 2 crosscut north.

We put the assays (grab samples) on the progress and timber map, but did not include them in form 104 and 104A. We hope to have the chip samples by about the 15th of October.

The rock in both headings is about the same. Dark colored, blocky hard, very badly fractured with MoS2 on all the faces and some good streaks ofquartz with Fe and MoS2. Mostly transition rock with some spots of redrock.

The diamond drill hole No. 1 was stopped at 336 ft. There was very little MoS2 showing on the last few feet, but still carried some MoS2. (See Log report for Drill hole #1)

There was 270 ft of diamond drilling in hole No.14. The drill crew were having trouble with the drill and some of the helpers quit.

5 ft of raise work was done to get the station ready to drill hole No.14.

A. L. Greslin

Al L. Greslin, Manager

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DMEA
DEPARTMENT OF THE INTERIOR
OCT 28 1957
REGION III
DENVER, COLORADO

Questa, New Mexico
October 25, 1957

Mr. H. W. Marshman
Acting Executive Officer
D.M.E.A. Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA 4569
Molybdenum
Contract IDM-21094
Molybdenum Corp. of America
(Moly or Questa Mine)
Taos County, New Mexico

Dear Mr. Marshman;

Enclosed please find Form MT-104 for the month of September 1957, revised as per your instructions of October 22, 1957 to be incorporated with the September report.

On this act we are including the analyses costs for the diamond drilling of hole number one, which was completed during September 1957.

Yours very truly,

A. L. Grealin

A. L. Grealin, Manager

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 September, 1957 Docket No. DMEA 4568 Contract No. DMX-R1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N Y

Contract Amount, $510,500.00 Government Participation: 50 % Amount, $255,250.00

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	1680.00	-0-	1680.00			
~~Boxing~~ D D Stations	222.15	933.03	1155.18			
Crosscutting & Timbering	477.90	985.50	1463.40			
Drifting	10307.76	18705.03	29012.79			
Analyses	90.00	-0-	90.00			
(2) ~~Intermediate Contractors~~ ~~Rem~~ Rem & Casing	-0-	-0-	-0-			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	12777.81	20623.56	33401.37	12777.81	20,623.56	33,401.37

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

Date October 25, 57 *Payee Molybdenum Corporation of America

Per [signature] Title Manager

*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:

$6388.91

Signature [signature] (Authorized Certifying Officer)

Date 12/4/57 Voucher DMEA 58-68 (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-1094 in accordance with the terms of the contract.

Signature W. W. Winkel Title Mining Engr. Date Nov. 25, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. Kang Title Executive Officer Date DEC 3 1957

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 September 1957 Docket No. DMEA 4568 Contract No. IDM-E1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting and								
Crosscutting	FT	9152.58	206	27857.61	627	44.43	1000	44.43
Raising D. D. Stations	ft	222.15	5	1155.18	26	44.43	115	44.43
Timbering	ft	477.90	177	1463.40	542	2.70	1000	2.70
Analyses	ea	-0-	-0-	-0-	-0-	3.00	1100	3.00
Drilling: Core	ft	1680.00	336	1680.00	336	5.00	9000	5.00
Reaming &								
Casing	ft	-0-	-0-	-0-	-0-	1.00	500	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		11532.63		32156.19				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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: W. W. Winkel

Date October 7, 1957 Operator Molybdenum Corp. of America

Per [signature] Title Manager

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED OCT 9 1957 M.E.A.

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

Month of September 1957 Docket No. DMEA 4568 Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, N Y

OPERATION Stage 2	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting and								
Crosscutting	ft	1155.18	26	1155.18	26	44.43	6160	44.43
Raising D. D. Station	ft	-0-	-0-	-0-	-0-	-0-	250	44.43
~~Stats~~ Timbering	ft	-0-	-0-	-0-	-0-	-0-	6160	44.43
~~Xxxx~~ Analyses	ea	-0-	-0-	-0-	-0-	-0-	3177	3.00
Drilling: Core	ft	-0-	-0-	-0-	-0-	-0-	19500	5.00
Reaming ~~Chm~~ & Casing	ft	-0-	-0-	-0-	-0-	-0-	1000	1.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1155.18		1155.18				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date October 7, 1957 Operator Molybdenum Corp. of America

Per A. B. Gruskin Title Manager

Remarks: W. W. Winkel

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.

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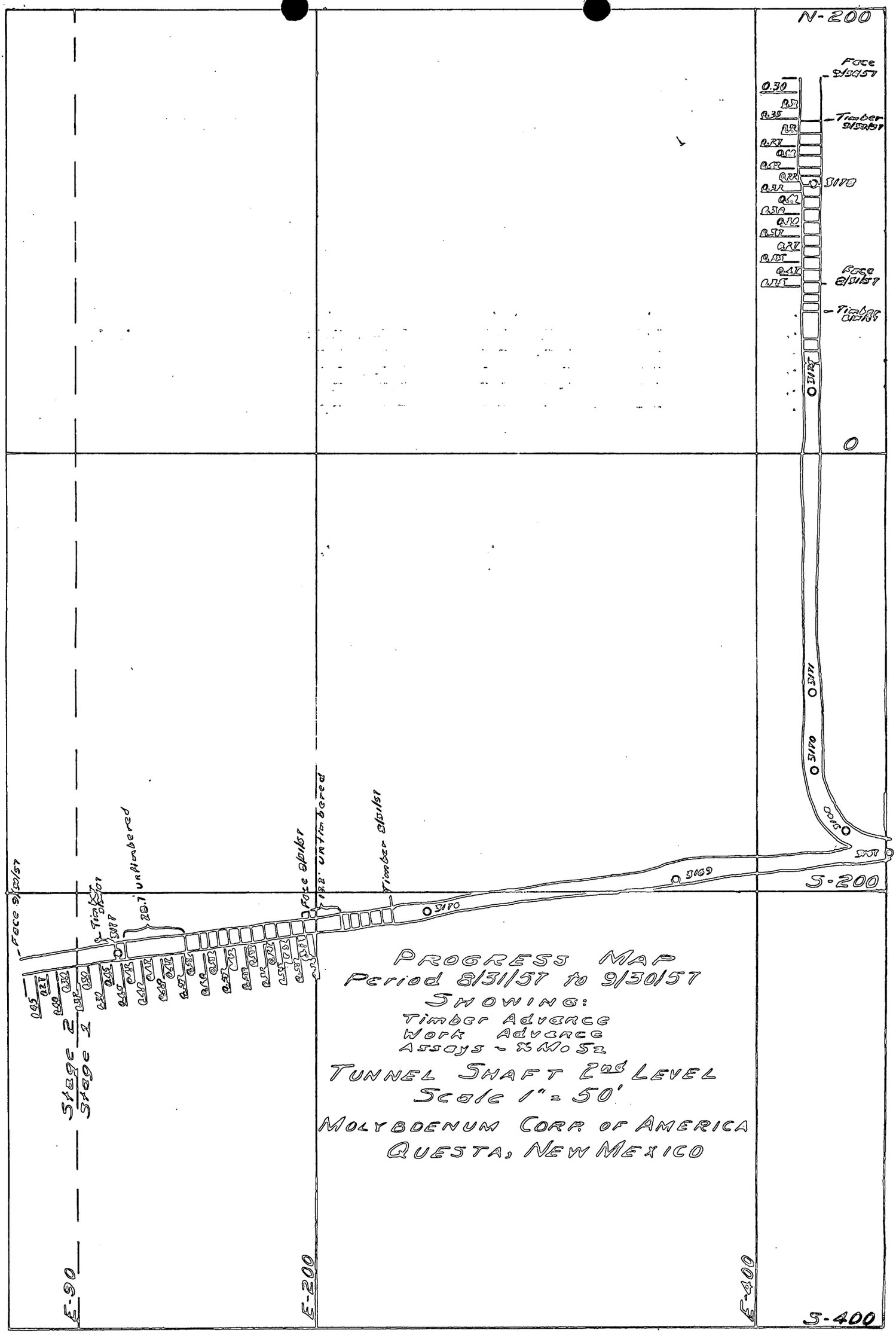
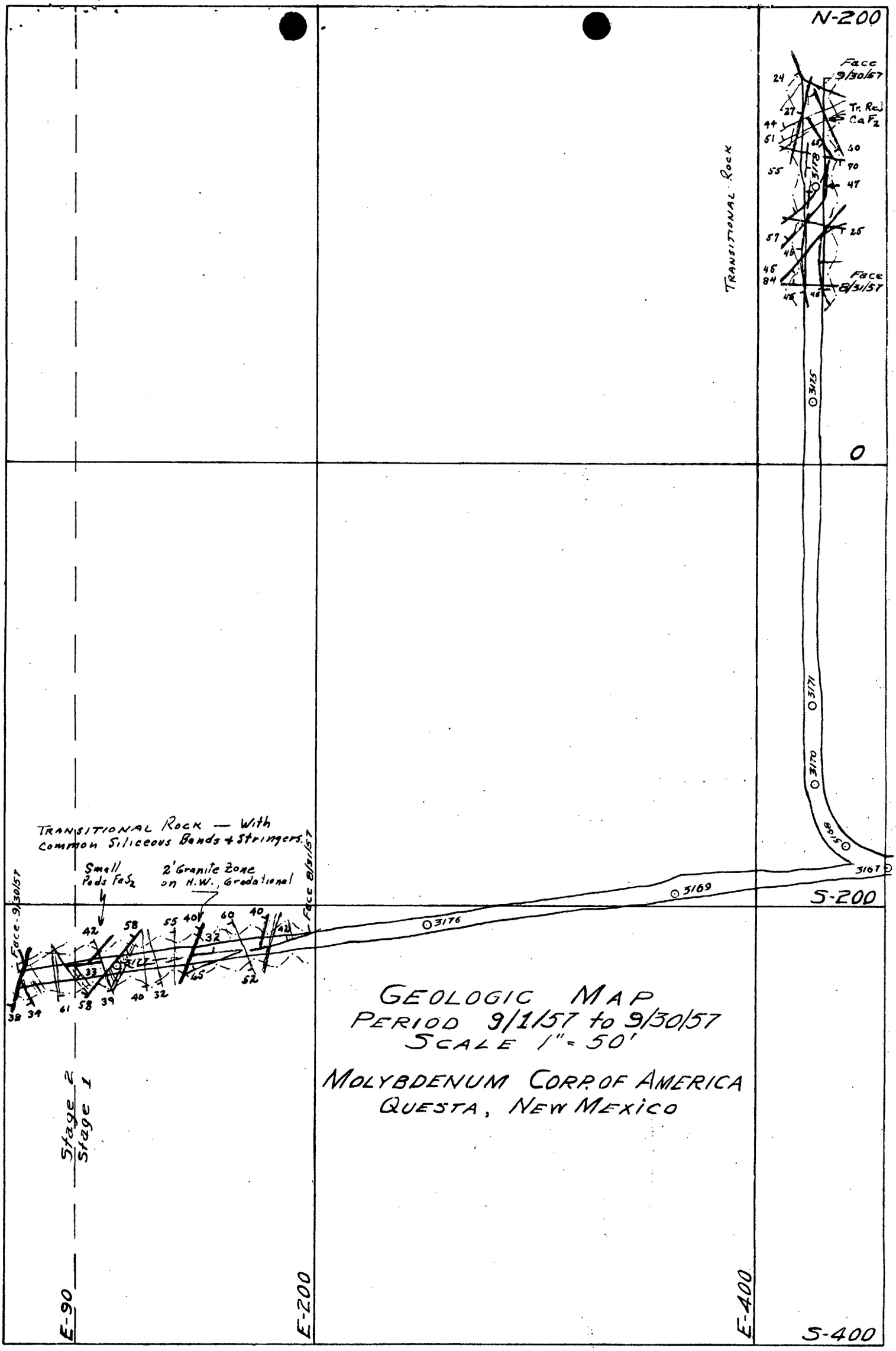
GPO 872894


N-200
Face 9/30/57
Timber 9/30/57
Face 8/31/57
Timber 8/31/57
S-200
S-400
E-90
E-200
E-400
Stage 2
Stage 1
Face 9/30/57
Timber 9/30/57
20.7' untimbered
Face 8/31/57
19.8' untimbered
Timber 8/31/57
PROGRESS MAP
Period 8/31/57 to 9/30/57
SHOWING:
Timber Advance
Work Advance
Assays - % MoS2
TUNNEL SHAFT 2nd LEVEL
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO



GEOLOGIC MAP
PERIOD 9/1/57 to 9/30/57
SCALE 1" = 50'

MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO

CORE LOG DIAMOND DRILL HOLE # 1

DATE DRILLED July 25 to Sept. 4, 1957

Hor.

Footage	Core Sample No.	Core Weight Lb.	Core Weight Oz	%Core Rec.	%MoS2	Sludge Sample No.	Sludge %MoS2	REMARKS
0' to 10'	462	7	8	.6173	0.20	-0-	-0-	Aplite with streaks of MoS2
10' to 20'	463	9	6	.7716	0.22	-0-	-0-	" " " "
20' to 30'	464	8	13	.7251	0.20	-0-	-0-	Aplite with FeS2-MoS2 Qtz-Fluorite
30' to 40'	465	10	8	.8642	0.20	-0-	-0-	" " " " " "
40' to 50'	513	8	8	.6996	0.35	572	0.22	" " " " " "
50' to 60'	514	4	3	.3447	0.22	-0-	-0-	" " " " " "
60' to 70'	515	6	12	.5556	0.30	573	0.25	" " " " " "
70' to 80'	516	6	0	.4938	0.27	-0-	-0-	" " " " " "
*80' to 90'	-0-	-0-		-0-	-0-	-0-	-0-	- - - - - -
80' to 100'	517	2	6	.0977	0.32	-0-	-0-	Aplite Soft-Green Flourite-Qtz.-MoS2
100' to 110'	523	4	8	.3704	0.22	-0-	-0-	" " " " "
*110' to 120'	-0-	-0-		-0-	-0-	-0-	-0-	- - - - -
110' to 130'	524	5	4	.2160	0.22	-0-	-0-	" " " " "
130' to 140'	524	5	6	.4424	.17	-0-	-0-	Aplite Hard-Qtz-MoS2
*140' to 150'	-0-	0	8	.0412	-0-	574	0.30	
140' to 160'	526	5	4	.4321	0.22	-0-	-0-	Aplite-Badly broken-Qtz-Fe-MoS2
160' to 170'	527	6	8	.5350	0.15	-0-	-0-	" " " " "
170' to 180'	528	2	12	.2263	0.17	-0-	-0-	" " " " "
180' to 190'	529	4	8	.3711	0.17	575	0.30	Aplite Hard some MoS2
190' to 200'	530	1	0	.0825	0.22	-0-	-0-	" " " "
200' to 210'	531	2	4	.1856	0.17	576	0.27	" " " "
210' to 220'	537	2	8	.2062	0.25	577	0.30	" " " "
*220' to 230'	-0-	0	8	.0412	-0-	578	0.30	- - - -
220' to 240'	538	0	14	.0722	0.20	585	0.20	" " " "
240' to 250'	552	0	8	.0412	0.22	586	0.17	" " " "
250' to 260'	553	0	14	.0722	0.22	587	0.22	" " " "
260' to 270'	554	0	10	.0515	0.20	588	0.22	" " " "
270' to 280'	555	2	14	.2371	0.20	589	0.17	" " " "
280' to 290'	556	1	0	.0825	0.20	590	0.25	" " " "
290' to 300'	557	2	4	.1856	0.20	591	0.25	" " " "
300' to 310'	558	1	14	.1546	0.20	592	0.22	" " " "
310' to 320'	559	1	4	.1031	0.15	600	0.27	" " " "
320' to 330'	560	0	6	.0309	0.27	601	0.ss	" " " "
330' to 336'	561	1	12	.1443	0.22	602	0.25	" " " "

*NOTE: not enough core to make samples

FINAL DISTRIBUTION

MADE DEC 6 1957

224 New Customhouse
Denver 2, Colorado
December 3, 1957

DMEA
RECEIVED DEC 9 1957

DATE		CODE
12/9	968	110
"	Murphy	700

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America, (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report for the month of August, 1957

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.

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 50% of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report.

Processing of this report has been deferred pending the establishment of an acceptable method of sampling in the drifts and cross cuts. The sampling is now being performed in accordance with the terms of the contract.

Remarks:

Date of Report----------September 12, 1957
Date Received in Field Office----November 19, 1957
Date Received in Region Office---November 29, 1957

Enclosures

Original signed by
W. H. KING
W. H. King

JDC:HMH
cc: Chmn. Op. Comm. (2)) w/complete
DMEA/DFC) report
MF-104 file, Reg. III)
Harshman - w/copy of Engr's report
Chron

DMEA
RECEIVED DEC 9 1957
DATE | INITIALS | CODE

DMEA
DEPARTMENT OF THE INTERIOR

NOV 29 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
Nov. 27, 1957

Memorandum

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

From: W. W. Winkel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-21094
Molybdenum Corp. of America (Moly or Questa Mine)
Taos County, N. M. -- Progress report for August 1957

Progress under the subject contract was inspected Sept. 4, 1957. The inspecting engineer was accompanied by A. L. Greslin, manager of the property, and D. H. Richter, a member of the U. S. Geological Survey, DMEA section.

On the day of inspection the face of No. 2 crosscut North was 188.6 feet ahead of survey sta. 3171 and 184.1 feet at the end of August, an advance of 130.1 feet. The timbering was measured to 47 feet ahead of Sta. 3175 or deducting 2 sets not in place, the measured timbering was 115.1 feet or to 37.5 ahead of Sta. 3175.

The West drift face was advanced to 54.0 feet ahead of Sta. 3176, or to 51.5 feet for August. The timbering was advanced to 28.0 feet ahead of Sta. 3176 or 17.5 feet at the end of August, an advance of 98.9 feet for contract timbering.

Raising at drill station E-1400 measured 5 feet, at drill station #14 5 feet, and drill station E-100 6 feet. The total raising at drill stations totals 16 feet for August.

Drill hole No. 1 was completed on the day of inspection but was incomplete at the end of this reporting period. The operator has also deleted all assay charges made on mine car grab sampling, which were not in accordance with the contract specifications.

Stage I contract measurements to 8/31/57
No. 2 Crosscut North

Sta. No. 3170 - 3171			35.0 feet
" " 3171 - face of drift		8/31/57	184.1 "
" " 3171 - face of drift		7/31/57	54.0 "
" " 3171 - 3175			136.6 "
" " 3175 - face of drift		8/31/57	47.5 "
" " 3171 - end of timbering		7/31/57	47.0 "
" " 3175 - " " "		8/31/57	37.5 "

West drift

Sta. No. 3169 to face of drift	7/31/57	39.0 feet
" " 3169 to 3176		112.4 "
" " 3176 to face of drift	8/31/57	51.5 "
" " 3169 to end of timbering	7/31/57	31.0 "
" " 3176 to end of timbering	8/31/57	17.5 "

The operator has submitted a narrative report for August 1957 in quintuplicate with maps showing plan of drifting, location of timbering, and results of grab-sampling assays; geologic maps, forms MF-104 and 104A.

The grab sampling of loaded mine cars does not conform to specifications contained in the contract, and no claim for assays is reported. Documentation to support the claim for drifting and timbering in the West drift has been submitted in acceptable form. The channel sampling and resulting assays of contract drifting in the No. 2 crosscut North is currently being completed, and conforms to specifications of the contract. The claim for these assays will be submitted with the November 1957 claim.

Payment of $6,309.16 or 50 percent of the amount claimed, $12,618.33 is recommended by the inspecting engineer.

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

WWW/mr
cc: 6
Idm-21094
chron

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1957
REGION III
DENVER, COLORADO

CONTENTS

AUGUST 1957

1. Narrative Report
2. Form MF 104
3. Form MF 104A
4. Progress and Timber Map
5. Geological Map

CENTRAL FILE COPY
DMEA
RECEIVED DEC 9 1957

DATE	INITIALS	CODE

NARRATIVE REPORT FOR AUGUST 1957

Questa, New Mexico
September 12, 1957

Mr. W. H. King, Executive Officer D.M.E.A.
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Re: Docket No. D.M.E.A. 4568
(Molybdenum)
Molybdenum Corporation of America
(Moly or Questa Mine)
Taos County, New Mexico

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1957
REGION III
DENVER, COLORADO

Dear Sir:

During the period of August 1 through August 31, 1957 there were 27 working days. The mine worked all 27 days.

During this time there were 124.9 feet of advance in the drift west and 130.1 feet of advance in the No. 2 crosscut north.

There were 98.9 feet of timbering in the west drift and 115.1 feet of timbering in the No. 2 crosscut north.

We put the assays (grab sample) on the progress and timber map only as a guide but did not include them in form 104 and 104A.

The rock in both headings is about the same, very badly fractured with MoS_2 showing in the fractures and also in the rock itself. It is a transitional rock (redrock and greenrock blended together), quite hard but has to be timbered all the way. If not timbered immediately it has to be done shortly after.

The diamond drill hole No. 1 was stopped at 336 feet on September 4th. This was not included in form 104 and 104A since it was not completed before the end of August. The last 40 feet was mostly Quartz with very little MoS_2 showing.

5 feet of raise work was done in diamond drill station at coordinate E1400. 5 feet of raise work was done in the first drill station in the No. 1 crosscut north for drill hole 14 and 6 feet of work was done at diamond drill station at E 1000.

DMEA
RECEIVED DEC 9 1957
DATE | INITIALS | CODE

A. L. Greslin, Manager

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 DEC 9 1957 D.M.E.A.

Month of August 1957 Docket No. DMEA Contract No. IDM-E1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 18, New York
Contract Amount, $ 510,500.00 Government Participation 50 % Amount, $ 255,250.00

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	-0-	-0-	-0-			
~~[illegible]~~ Timbering	577.80	407.70	985.50			
Crosscutting and						
Drifting	11329.65	7375.38	18705.03			
D. Drill Stations	710.88	222.15	933.03			
(2) Labor and Supervision:						
~~[illegible]~~ Analyses	-0-	-0-	-0-			
~~[illegible]~~ Reaming &						
~~Technical Services~~ Casing	-0-	-0-	-0-			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	12618.33	8005.23	20623.56	12,618.33	8,005.23	20,623.56

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1957
REGION III
DENVER, COLORADO

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9/12/57 *Payee Molybdenum Corporation of America
Per A. L. Gresham Title Manager

*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:
$ 6309.17
Signature [illegible] (Authorized Certifying Officer)
Date 12/4/57 Vou. No. DMEA 58-68
(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-1094 in accordance with the terms of the contract.

Signature W. W. Winkel Title Mining Engineer Date Nov. 25, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date DEC 3 1957

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 1957 Docket No. DMEA 4568 Contract No. DDM-E1094

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, New York

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								
Crosscutting: and		5,549.31	124.9	12,924.69				
Raising	ft	~~1329.65~~	~~255~~	~~18705.03~~	421	44.43	1000	44.43
Shafts D. D. Station	ft	710.88	16	933.03	21	44.43	115	44.43
~~xxxx~~ Timbering	ft	~~577.80~~ 267.03	~~214~~ 98.9	~~985.50~~ 674.73	325	2.70	1000	2.70
Winzes ~~xxxx~~ Analyses	ea	-0-	-0-	-0-	-0-	-0-	1100	3.00
Drilling: Core	ft	-0-	-0-	-0-	-0-	-0-	9000	5.00
Churn								
Auger								
Stripping								
~~xxxxx~~ Reaming &								
Trenching ~~xxxxx~~ casing	ft	-0-	-0-	-0-	-0-	-0-	500	1.00
Test Pits								
Roads and Trails								
Total Distributed Costs		~~12618.33~~ 6,527.22		14,532.45 ~~20623.56~~				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								510,500.00

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

Date 9/12/57 Operator Molybdenum Corp. of America

Per [signature] Title Manager

Remarks: W. W. Winkler

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1957
REGION III
DENVER, COLORADO

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)

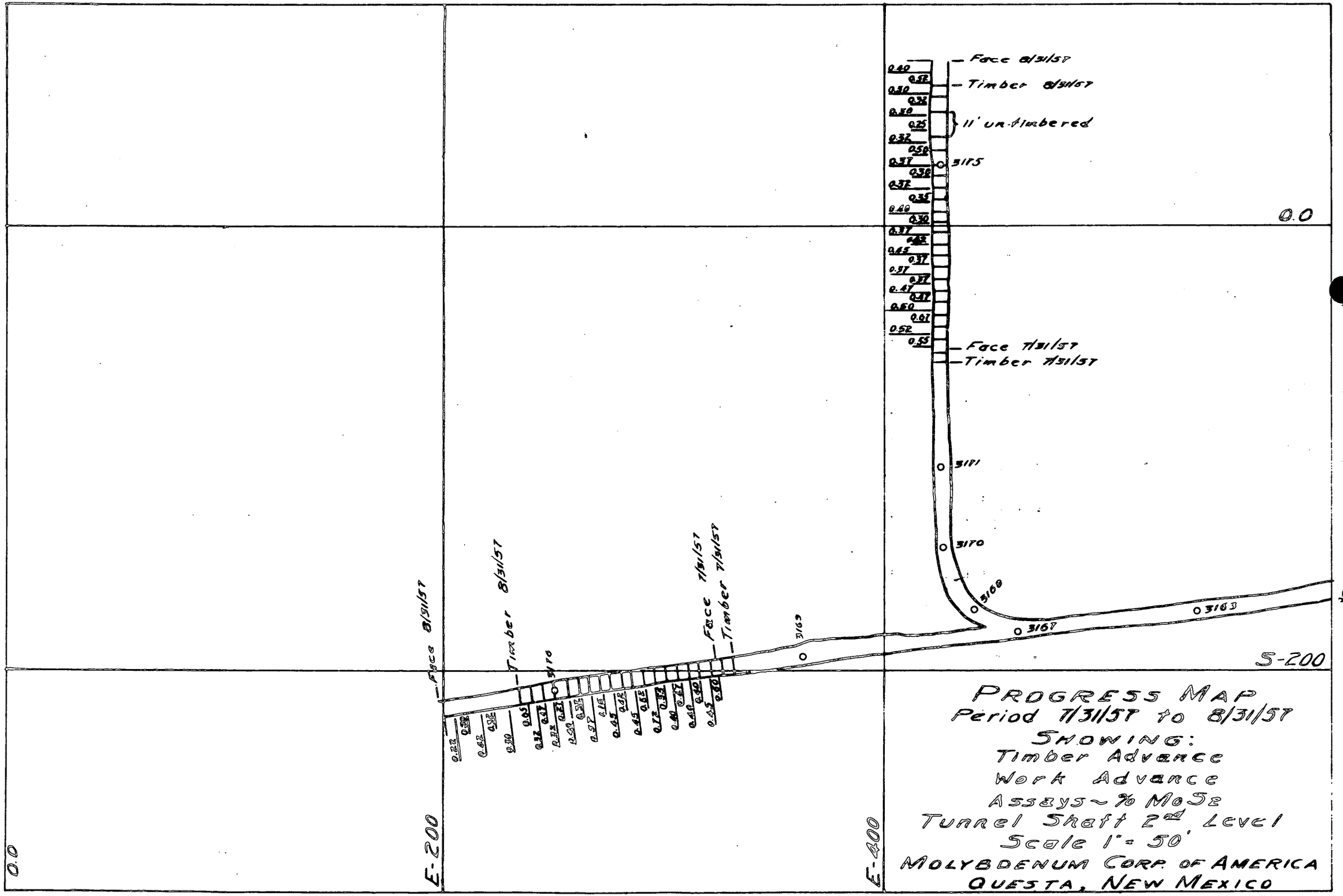
INSTRUCTIONS

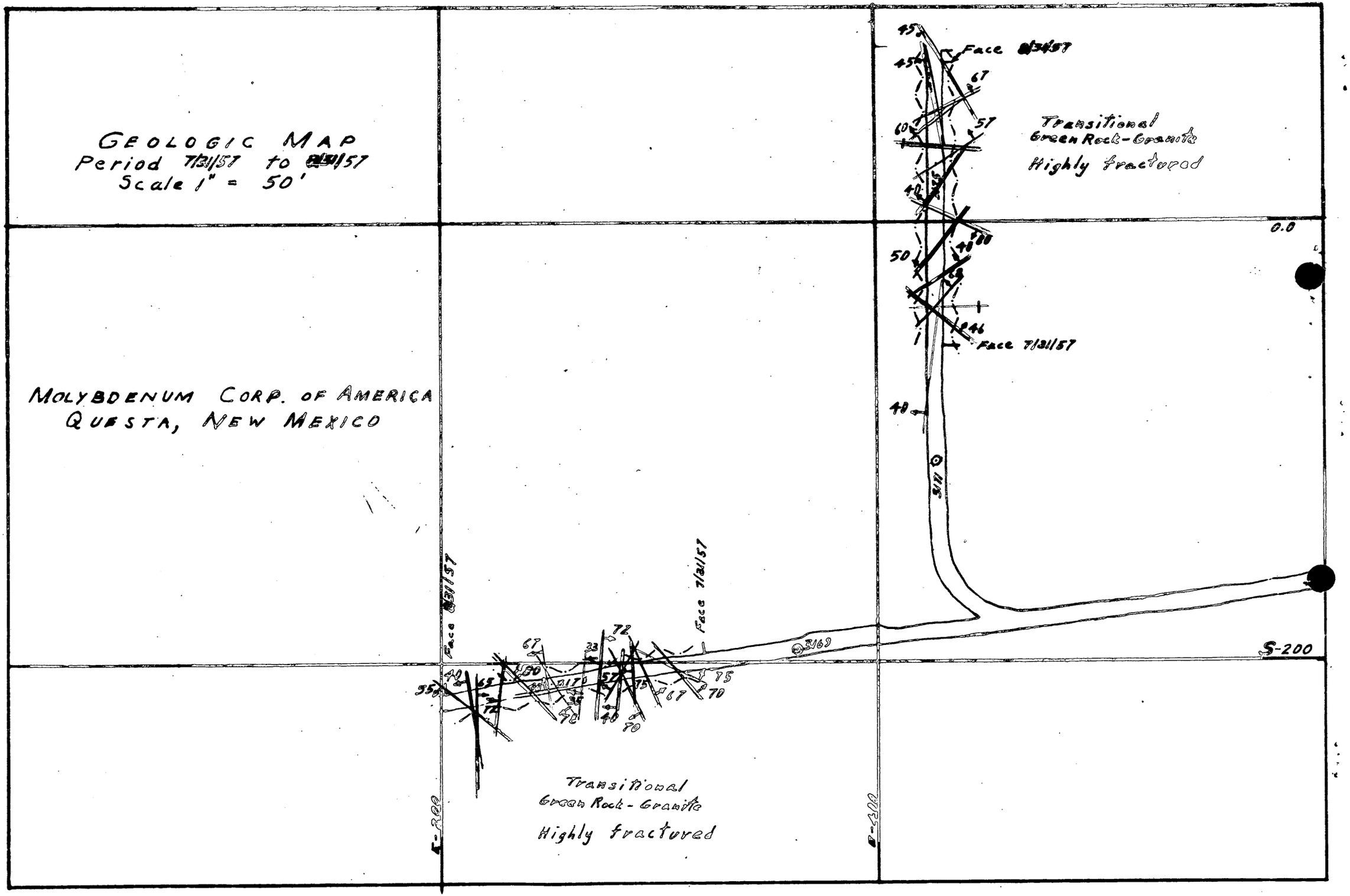
Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better 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


Face 8/31/57
Timber 8/31/57
11' un-timbered
3175
0.0
Face 7/31/57
Timber 7/31/57
3171
3170
3169
3167
3163
S-200
Face 8/31/57
Timber 8/31/57
3170
Face 7/31/57
Timber 7/31/57
3169
E-200
E-400
0.0
PROGRESS MAP
Period 7/31/57 to 8/31/57
SHOWING:
Timber Advance
Work Advance
Assays ~ % MoS2
Tunnel Shaft 2nd Level
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO


GEOLOGIC MAP
Period 7/31/57 to 8/31/57
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
Face 8/31/57
Face 7/31/57
Transitional
Green Rock-Granite
Highly fractured
Transitional
Green Rock-Granite
Highly fractured
0.0
S-200
E-200
E-300

FINAL DISTRIBUTION MADE AUG 21 1957

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III
22[illegible] [illegible] [illegible], Denver 2, Colorado

Administrative Audit Difference Statement

Molybdenum Corporation of America
[illegible] Fifth Avenue
New York 15, New York

Date: August 21, 1957
Payee's Reference: July 1957

Gentlemen:

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

Amount Claimed $ 4,301.10

Difference $ 63.00

Amount Approved $ 4,238.10

The reason for the difference was due to:

Disallowance:

21 sample analyses @ $3.00 each. ($63.00)

(These samples were not taken in the manner prescribed in the contract & are therefore not acceptable to the Government).

EXTRA COPY
DMEA
RECEIVED AUG 23 1957

DATE	INITIALS	CODE
8/23	[illegible]	[illegible]

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

224 New Customhouse
Denver 2, Colorado

August 16, 1957

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket-4568 (Molybdenum) Contract Idm-41094
Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report, for the month of July, 1957

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. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

<u>Disallowance, Analyses</u>

The contract requires that horizontal channel samples be cut in the mineralized portions of the drifts and crosscuts. The 21 samples taken during July, 1957, were not taken in the manner prescribed in the contract, and are therefore not acceptable to the Government.

Disallow the reported cost of 21 Sample Analyses at $3.00 per sample---------- $63.00

Reconciliation with Amount Reported by the Operator on Form MF-104 for July, 1957

Amount reported on Form MF-104 for July, 1957	$4,361.40
Amount to be disallowed	63.00
Acceptable cost for July, 1957	4,298.40
Government participation at 50 percent	$2,149.20

Remarks

Date of Report--------August 3, 1957
Date Received in Field Office----------August 13, 1957
Date Received in Region Office---------August 16, 1957

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

Enclosures

JDC:hmh
cc: Chmn. Op. Comm. (2))
DMRA/DFC)w/copy of complete report
MF-104 file, Reg. III)

Harshman) w/copy of Engr's
Townsend) report
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

AUG 16 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
August 15, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: W. W. Winkel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for the month of July 1957

Progress at the subject property was inspected on August 6, 1957. The inspecting engineer was accompanied by A. L. Greslin, manager of the property.

The face of No. 2 crosscut was 29.0 feet ahead of Sta. No. 3170 on June 30, 1957, and was advanced to 89.0 feet on July 31, 1957, or 54.0 feet ahead of Sta. No. 3171. Timbering was at 5.0 feet ahead of Sta. No. 3170, and was timbered to 82.0 feet ahead of Sta. No. 3170, or 47.0 feet ahead of Sta. 3170.

The face of West drift was 14.0 feet ahead of Sta. 3169 on 6/30/57, and was advanced to 39.0 feet on 7/31/57. End of timbering was at 94.0 feet ahead of Sta. 3167 and was timbered to 125 feet ahead of Sta. 3167, or 31.0 feet ahead of Sta. 3169.

Diamond drilling was started on July 25, 1957. Five feet of raise was driven at this drill station, Section E-1800. Hole No. 1 was drilled 158 feet horizontally at the time of inspection. Core recovery was reported to be very low in some sections of this hole. In the interval from 72 to 131 feet the core recovery was only 18 feet, or about 30.5 percent.

STAGE I CONTRACT WORK

No. 2 Crosscut North

Sta. 3170 to face, 6/30/57 was	29.0 feet
Sta. 3170 to Sta. 3171	35.0 feet
Sta. 3171 to face, 7/31/57 is	54.0 feet
Sta. 3170 to start of timbering 7/1/57	5.0 feet
Sta. 3171 to end of timbering 7/31/57	47.0 feet

West Drift

Sta. 3169 to face, 6/30/57	14.0 feet
Sta. 3169 to face, 7/31/57	39.0 feet
Sta. 3169 to end of timbering, 6/30/57	94.0 feet
Sta. 3167 - 3169	97.0 feet
Sta. 3169 to end of timbering, 7/31/57	31.0 feet

All drifting, timbering, and raising has conformed with provisions of the contract.

The operator has submitted a narrative report for July 1957 in quintuplicate with maps showing plan of drifting completed, extent of timbering and results of assays in terms of MoS_2, geologic maps, Forms MF-104 and 104A, and laboratory reports of assays. Other documentation to support this claim is not required by the contract.

The claim for 21 assays of grab sampling loaded mine cars does not conform to sampling specifications contained in the contract. All drifting under the contract is to be resampled by cutting a horizontal channel. The claim for assays is recommended for disallowance.

Payment of $2,149.20 or 50 percent of the amount claimed $4,361.40, less $63.00 (21 assays at $3.00 each) is recommended by the inspecting engineer.

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

WWW/mr
cc: 6
IAm-21094
ehren

CONTENTS

JULY 1957

1. Narrative Report

2. Daily Laboratory Report

3. Form M. F. 104

4. Form M. F. 104A

5. Progress and Timber Map

6. Geological Map

MARM[illegible]B REPORT FOR JULY 1957

Questa, New Mexico
August 8, 1957

Mr. V. E. King, Executive Officer D.M.E.A.
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Re: Docket No. D. M. E. A 4565
(Molybdenum)
Contract No. IMX-21094
Molybdenum Corporation of
America(Moly or Questa Mine)
Taos County, New Mexico

Dear Sir:

During the period July 1 through July 31, 1957, there were 24 working days. The mine was down July 4-5-6- for Independence Day holiday.

During this time there were 25 feet of advance in the west drift and 60 feet of advance in No.2 crosscut north.

21 analysis were made from grab samples taken from the loaded cars of the above work. 111 feet of timbering were done during this period. Of this there were 34 feet in the west drift and 77 feet in the No. 2 crosscut north.

The ground in both headings is quite soft and broken up. It has to be timbered all the way. There is quite a bit of MoS2 showing, especially in the slips in the rock.

Diamond drilling was started on July 25, 1957. 5 feet of raising were done in the diamond drill station at Section B 1600.

A. L. Grealin

A. L. Grealin, Manager

FORM NO. 4--10 PADS--4-57

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/1/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT W	340		0.22			

ASSAYER

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/2/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT W	342		0.42			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/8/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w [illegible]	345		30			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/9/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w	347		0.30			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/10/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w	352		0.35			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date [illegible]

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
[illegible]	[illegible]		[illegible]			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, N[redacted]MEXICO

Daily Laboratory Report

Date 7/13/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW #2 C&N	358		0.27			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/14/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w/ 2 Cx N	359		0.32			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/17/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DET w 3 CAN	366		0.30			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/19/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW #2 CXN	369		0.32			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/20/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DETW 3rd 3 CXN	321		0.45			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/22/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DETW #2 Cxn	223		0.55			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/23/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DD Tw Fg Ox N	375		0.42			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/24/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTu F_2 CIN	376		0.32			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/5/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW	379		0.32			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/27/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW	381		0.32			
DFTW & CxN	382		0.37			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 7/29/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w	383		0.45			
DFT w H_2 CxN	384		0.52			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, N[illegible] MEXICO

Daily Laboratory Report

Date 7/[illegible]/[illegible]

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT [illegible]	386		.25			
DFT [illegible]	387		.20			

ASSAYER [illegible]

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, 1957 Docket No. DMEA 4558 Contract No. DMA-7 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue New York 18, N. Y.
Contract Amount, $510,500.00 Government Participation: 50 % Amount, $255,250.00

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
Stage I						
(1) Independent Short Form Contracts:						
Drilling	-0-	-0-	-0-			
Bulldozing Platform	288.70	109.00	407.70			
Crosscutting and						
Drifting	3776.59	3596.67	7373.38			
D D Stations	828.15	-0-	828.15			
(2) Labor and Supervision:						
~~Labor~~ Analysis	~~63.00~~	~~39.00~~	~~102.00~~			
~~Supervision~~ Sampling &						
~~Technical Services~~ Coring	-0-	-0-	-0-			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~4,361.40~~	3,745.83	~~8,107.23~~	4,298.40	3,745.83	8,044.23
				11-	39.00	39.00
					3706.83	8,005.23
					$2149.20	

DMEA
DEPARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR
AUG 13 1957
DENVER, COLORADO

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8/8/57 *Payee Molybdenum Corp. of America
Per [signature] Title Manager

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of
Signature [signature] (Authorized Certifying Officer)
Date 8/21/57 Voucher No. DMA 58-19 (See other side)

RECEIVED AUG 23

*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)

Previous Disallowance

(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-1094 in accordance with the terms of the contract.

Signature W. W. Winkel ($2,149.25) Title Mining Engr. Date Aug. 15, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. F. Hawkins Title Acting Executive Officer Date AUG 16 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1957 Docket No. DMEA 4568 Contract No. DMEA 1094
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, N.Y. 18 N.Y.

OPERATION Stage I	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting and								
Crosscutting	Ft.	3776.55	85	7375.38	166	44.43	1000	44.43
Raising D D Station	Ft.	222.15	5	222.15	5	44.43	115	44.43
Shafts Exploring	Ft	299.70	111	407.70	151	2.70	1000	2.70
Winzes Analysis	No.	63.00	21	102.00	34	3.00	1100	3.00
Drilling: Core	Ft.	-0-	-0-	-0-	-0-	-0-	5000	5.00
Churn								
Auger								
Stripping Sampling & Testing								
Trenching	Ft	-0-	-0-	-0-	-0-	-0-	500	1.00
Test Pits								
Roads and Trails								
Total Distributed Costs		~~4561.40~~ 4,298.40		~~8107.23~~ 8,005.23				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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 8/8/1957 Operator Molybdenum Corp. of America

Per [signature] Title Manager

Remarks: W. W. Winkel

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)

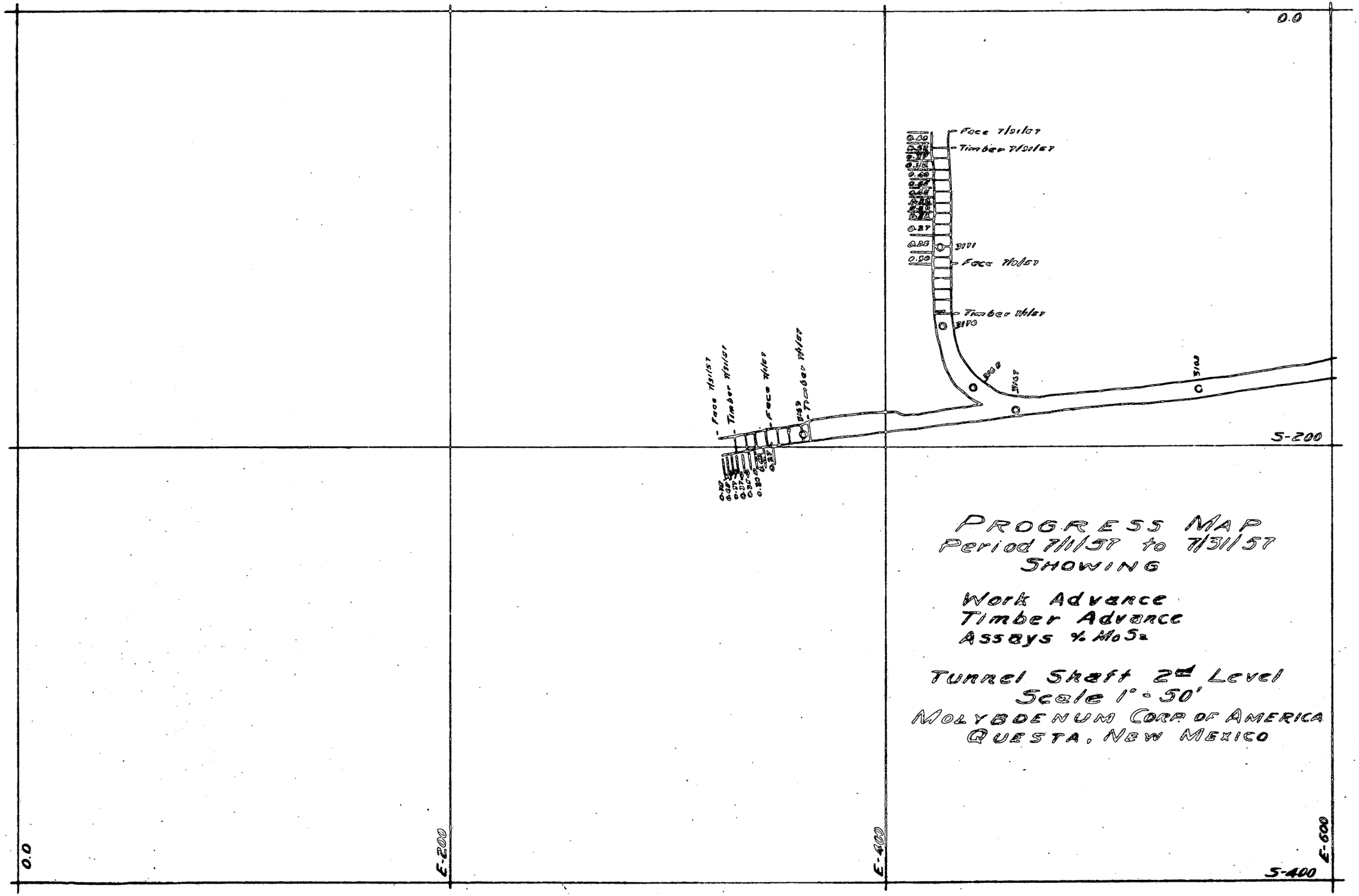
INSTRUCTIONS

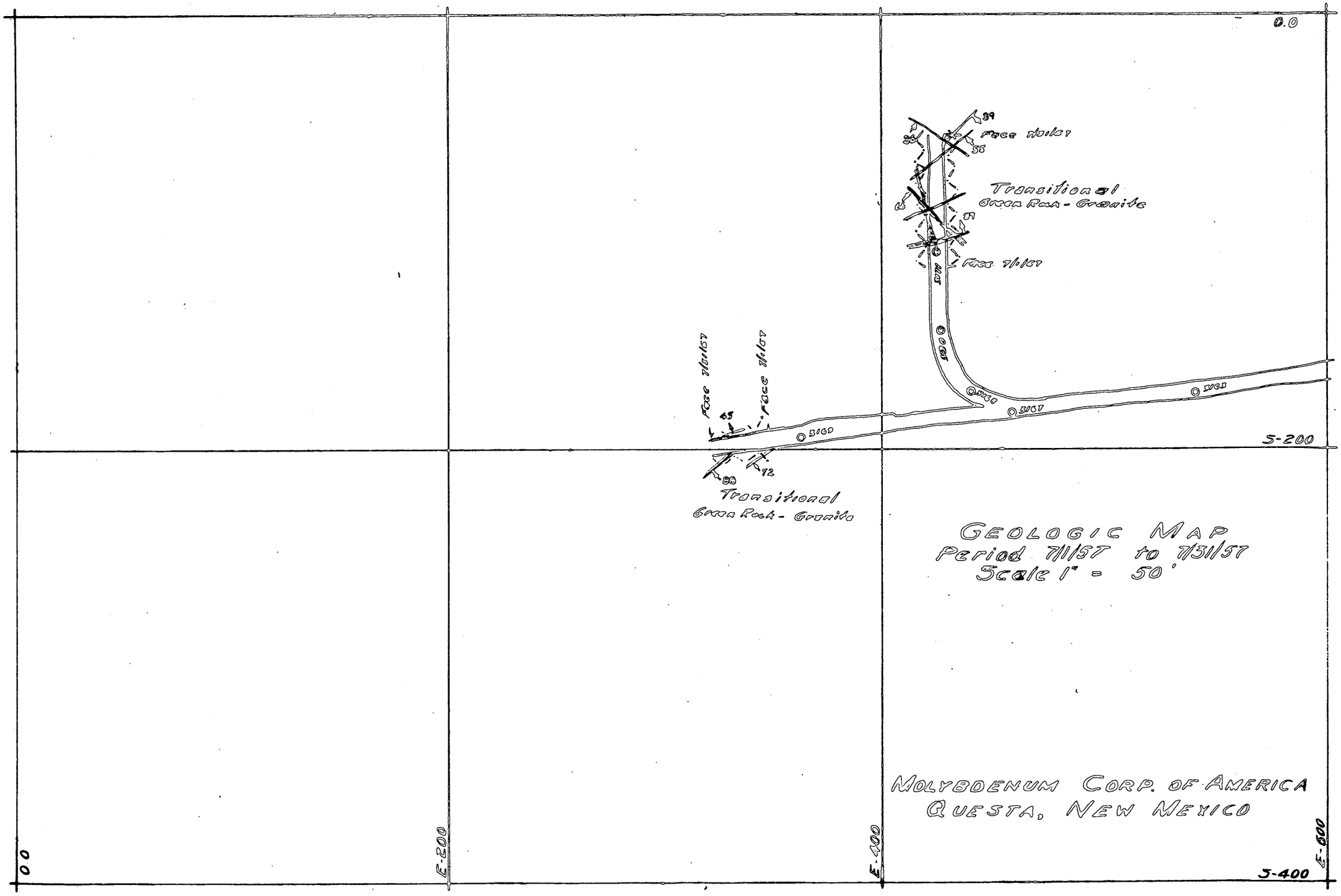
Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better 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


0.0
Face 7/31/57
Timber 7/31/57
0.27
0.80
0.90
3101
Face 7/10/57
Timber 7/10/57
3170
3168
3167
3163
Face 7/5/57
Timber 7/5/57
Face 7/1/57
Timber 7/1/57
Face 7/1/57
Timber 7/1/57
5-200
PROGRESS MAP
Period 7/1/57 to 7/31/57
SHOWING
Work Advance
Timber Advance
Assays % MoS2
Tunnel Shaft 2nd Level
Scale 1" = 50'
MOLYBDENUM CORP OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
E-600
5-400


0.0
Face 7/1/57
39
36
56
Transitional
Green Rock - Granite
Face 7/1/57
Face 7/1/57
Face 7/1/57
45
5100
5-200
56
72
Transitional
Green Rock - Green
GEOLOGIC MAP
Period 7/1/57 to 7/31/57
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
E-600
5-400

FINAL DISTRIBUTION

MADE AUG 21 1957

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

[illegible] Denver 2, Colorado

Administrative Audit Difference Statement

[illegible] Corporation of America
[illegible]
[illegible]

Date: August 21, 1957
Payee's
Reference: June 1957

Gentlemen:

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

Amount Claimed	$	3,745.03
Difference	$	39.00
Amount Approved	$	3,706.03

The reason for the difference was due to:

Disallow:
13 sample analyses @ $3.00 each $39.00
(These samples were not taken in the manner prescribed in the Contract and are therefore not acceptable to the Government).

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

EXTRA COPY
RECEIVED 23 1957

DATE	INITIALS	CODE
8/23	[illegible]	[illegible]

Very sincerely yours,

N. E. Stokes
Audit Section

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

224 New Customhouse
Denver 2, Colorado

August 16, 1957

Memorandum

To: T. A. Christensen

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

Subject: Docket DMEA-4566 (Molybdenum) Contract Idm-21094
Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico - Operator's Monthly Progress Report, for the month of June, 1957

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. All of the work was performed at 'Fixed Unit Costs' under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator on the following basis, contingent on your verification of applicable rates and arithmetical accuracy within the report.

<u>Disallowance, Analyses</u>

The contract requires that horizontal channel samples be cut in the mineralized portions of the drifts and crosscuts. The 13 samples taken during June, 1957, were not taken in the manner prescribed in the contract, and are therefore not acceptable to the Government.

Disallow the reported cost of 13 Sample Analyses at $3.00 per sample---------- $39.00

Reconciliation with Amount Reported by the Operator on Form MF-104 for June 1957

Amount reported on Form MF-104 for June, 1957	$3,745.83
Amount to be disallowed	39.00
Acceptable cost for June, 1957	3,706.83
Government participation at 50 percent	$1,853.42

Remarks

Date of Report----------August 7, 1957
Date Received in Field Office----------August 13, 1957
Date Received in Region Office----------August 16, 1957

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

Enclosures

JDC:hmh
cc: Chrm. Op. Comm. (2) } w/copy complete report
IMEA/DPC
MF-104 file, Reg. III)

Harshman) w/copy Engr's
Townsend) report
Chron

DMEA
DEPARTMENT OF THE INTERIOR

REGION III

AUG 16 1957
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
August 15, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: W. W. Winkel

Subject: Docket DMEA 4568 (Molybdenum) Contract Idm-E1094, Molybdenum Corporation of America (Moly or Questa mine) Taos County, New Mexico -- Progress report for the month of June 1957

Progress at the subject property was inspected on August 6, 1957. The inspecting engineer was accompanied by A. L. Greslin, manager of the property.

The face of No. 2 crosscut North was 21.0 feet ahead of survey station No. 3168 at the start of contract work on June 15, 1957, and was advanced to 60.0 feet on June 30, 1957. Survey station No. 3170 was established 31.0 feet ahead of No. 3168, or 29.0 feet back from the face as of June 30, 1957. The total drifting in this crosscut was 39.0 feet. Timbering was started at 21.0 feet ahead of Sta. No. 3168 and was continued to 36.0 feet, or a total of 15.0 feet for June. The end of the last set was 5.0 feet ahead of Sta. No. 3170.

The West drift face was at 69.0 feet ahead of Sta. No. 3167 at the start of contract work on June 15, 1957, and was advanced to 111.0 feet on June 30, 1957. Sta. No. 3169 was established 97.0 feet ahead of Sta. No. 3167, or 14.0 feet back from face of drift on June 30, 1957. Total drifting for June was 42.0 feet. Timbering, under the contract, was started at 69.0 feet ahead of Sta. No. 3167 and was set to 94.0 feet on June 30, 1957, a total of 25.0 feet of timbering.

STAGE I CONTRACT WORK

No. 2 Crosscut North

Sta. No. 3168 to face, June 15, 1957	21.0 feet
Sta. No. 3168 to No. 3170	31.0 feet
Sta. No. 3170 to face, June 30, 1957	29.0 feet
Sta. No. 3168 to start of timbering, June 15, 1957	21.0 feet
Sta. No. 3170 to end of timbering, June 30, 1957	5.0 feet

West Drift

Sta. No. 3167 to face, June 15, 1957	69.0 feet
Sta. No. 3167 to No. 3169	97.0 feet
Sta. No. 3169 to face, June 30, 1957	14.0 feet
Sta. No. 3167 to start of timbering, June 15, 1957	69.0 feet
Sta. No. 3167 to end of timbering, June 30, 1957	94.0 feet

Grab samples were taken from loaded mine cars, and 5 assays were made of material from the No. 2 crosscut North and 8 assays of material from West drift (see progress map). The operator has been informed that this method of sampling is not acceptable under the terms of the contract, and that horizontal channel samples would have to be taken and assayed prior to any allowance for assays under contract terms. The operator has agreed to cut horizontal channel samples of all drifts and crosscuts completed under the contract.

The operator has submitted a narrative report for June 1957 in quintuplicate with maps showing plan of drifting completed, extent of timbering, and results of assays in terms of MoS_2, geologic maps, Forms MF-104 and 104A, and laboratory reports of assays. Other documentation to support this claim is not required by the contract.

All drifting and timbering conformed with provisions of the contract.

The claim for 13 assays of grab sampling does not conform with provisions of the contract, and is recommended for disallowance.

Payment of $1,853.42 or 50 percent of the amount claimed $3,745.83, less $39.00 (13 assays at $3.00 each) is recommended by the inspecting engineer.

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

WWW/mw
cc: 6
Idm-E1094
chron

CONTENTS

JUN 1957

1. Narrative Report
2. Daily Laboratory Report
3. Form N.F. 104
4. Form N.F. 104A
5. Progress and Timber Map
6. Ecological Map

Questa, New Mexico
August 7, 1957

Mr. W. H. King, Executive Officer D.M.E.A.
Defense Minerals Exploration Administration
236 New Customhouse
Denver 2, Colorado

Re: Docket No. D.M.E.A. 4588
(Molybdenum)
Contract No. IDM-E1094
Molybdenum Corporation of
America (Moly or Questa Mine)
Taos County, New Mexico

Dear Sir:

During the period June 16 to June 30, 1957, there were 13 working days. During the 13 days there were 42 feet of advance in the west drift and 30 feet of advance in No. 2 crosscut north.

Only one crew could be worked in these two headings as we had to cut a switch station to be able to handle the empty and loaded cars.

13 analyses were made from grab samples taken of the loaded cars from the above work. (see map attached)

40 feet of timbering were done during this period. Of this there were 25 feet of timbering in the west drift and 15 feet in No. 2 crosscut north.

The ground in the west drift is greenrock, very soft and badly fractured. There is some MoS2 on the faces. The ground in the No. 2 crosscut north is greenrock, medium hard, blocky with small streaks of quartz and MoS2.

A. L. Greelin Manager

DMEA
DEPARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUEST[illegible]EW MEXICO

Daily Laboratory Report

Date 6/15/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT TW	314		0.45			
DFT w H_2O_2 Ox.	315		0.45			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 6/17/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW #5 CxN	317		0 42			

ASSAYER JL

FORM NO. 4--10 PADS--4-57

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 6/18/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW	319		0.32			

ASSAYER

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date_____

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu

ASSAYER_____

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 6/20/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w #2 Cyn	323		0.30			

ASSAYER JL

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date _____

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu

ASSAYER _____

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 6/22/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFT w #2 Can	227		0.52			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date [illegible]

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DIT no	[illegible]		[illegible]			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 6/25/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW	321		6.27			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 K

MOLYBDENUM CORPORATION OF AMERICA

QUEST[illegible] NEW MEXICO

Daily Laboratory Report

Date 6/26/59

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTu 3 EXN	333		.32			

ASSAYER [illegible]

FORM NO. 4--10 PADS--4-57 [K]

MOLYBDENUM CORPORATION OF AMERICA

QUESTA, NEW MEXICO

Daily Laboratory Report

Date 6/27/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW	335		0.32			

ASSAYER [signature]

FORM NO. 4--10 PADS--4-57 (K)

MOLYBDENUM CORPORATION OF AMERICA

QUEST[illegible]EW MEXICO

Daily Laboratory Report

Date 6/28/57

DESCRIPTION	SAMPLE NO.	%H_2O	%MoS_2	%FeS_2	%SiO_2	%Cu
DFTW	337		0.42			

ASSAYER JL

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

Budget Bureau No. 42-R1036.5

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

Month of June, 1957 Docket No. DMEA 4560 Contract No. DMA-21004
Operator's Name Molybdenum Corporation of America Minerals Molybdenum
Address 500 Fifth Avenue, New York 36, N.Y.
Contract Amount, $510,500.00 Government Participation: 50 % Amount, $255,250.00

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
Stage I						
(1) Independent Contracts:						
Short Form Drilling & Geoprospecting	3590.83	-0-	3590.83			
Bulldozing Timbering	100.00	-0-	100.00			
Crosscutting D. Drill	-0-	-0-	-0-			
Drifting Monitor & Geoing	-0-	-0-	-0-			
(2) Labor and Supervision:						
Labor Drill						
Supervision Stations	-0-	-0-	-0-			
Technical Services						
(3) Operating Mat'ls and Supplies:						
Timber Analyses	~~30.00~~	-0-	~~30.00~~			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~3765.83~~	-0-	~~3765.83~~	3706.83	—	3706.83

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Aug. 7, 1957 Payee Molybdenum Corporation of America
Per A. R. Sneden Title

*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:

$1853.42

Signature
(Authorized Certifying Officer)

Date 8/21/57 Vou. No. DMA 58-19
(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. E 1094 in accordance with the terms of the contract.

Signature W. W. Winkel ($1,853.42) Title Min. Engr. Date Aug 14, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hirschman Title acting Executive Officer Date AUG 16 1957

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 June 1957 Docket No. DMEA 4960 Contract No. [illegible]

Operator's Name Molybdenum Corporation of America Minerals Molybdenum

Address 500 Fifth Avenue, New York 18, N.Y.

OPERATION Stage I	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting & Crosscutting	ft	3598.83	81	3598.83	81	44.43	1000	44.43
~~Crosscutting~~ Timbering	ft	108.00	40	108.00	40	2.70	1000	2.70
~~Raising~~ D. Drilling	ft	-0-	-0-	-0-	-0-	-0-	9000	5.00
~~Stope~~ Reinforcing	ft	-0-	-0-	-0-	-0-	-0-	500	1.00
~~Winzes~~ Drill Stations	ft	-0-	-0-	-0-	-0-	-0-	115	44.43
~~Drilling Core~~ Analyses	ea	~~39.00~~	~~13~~	~~39.00~~	~~13~~	3.00	1100	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		~~3745.83~~		~~3745.83~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date Aug. 7, 1957 Operator Molybdenum Corporation of America

Per [signature] Title Manager

REMARKS: W. W. Winkel

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)

DMEA
DEPARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

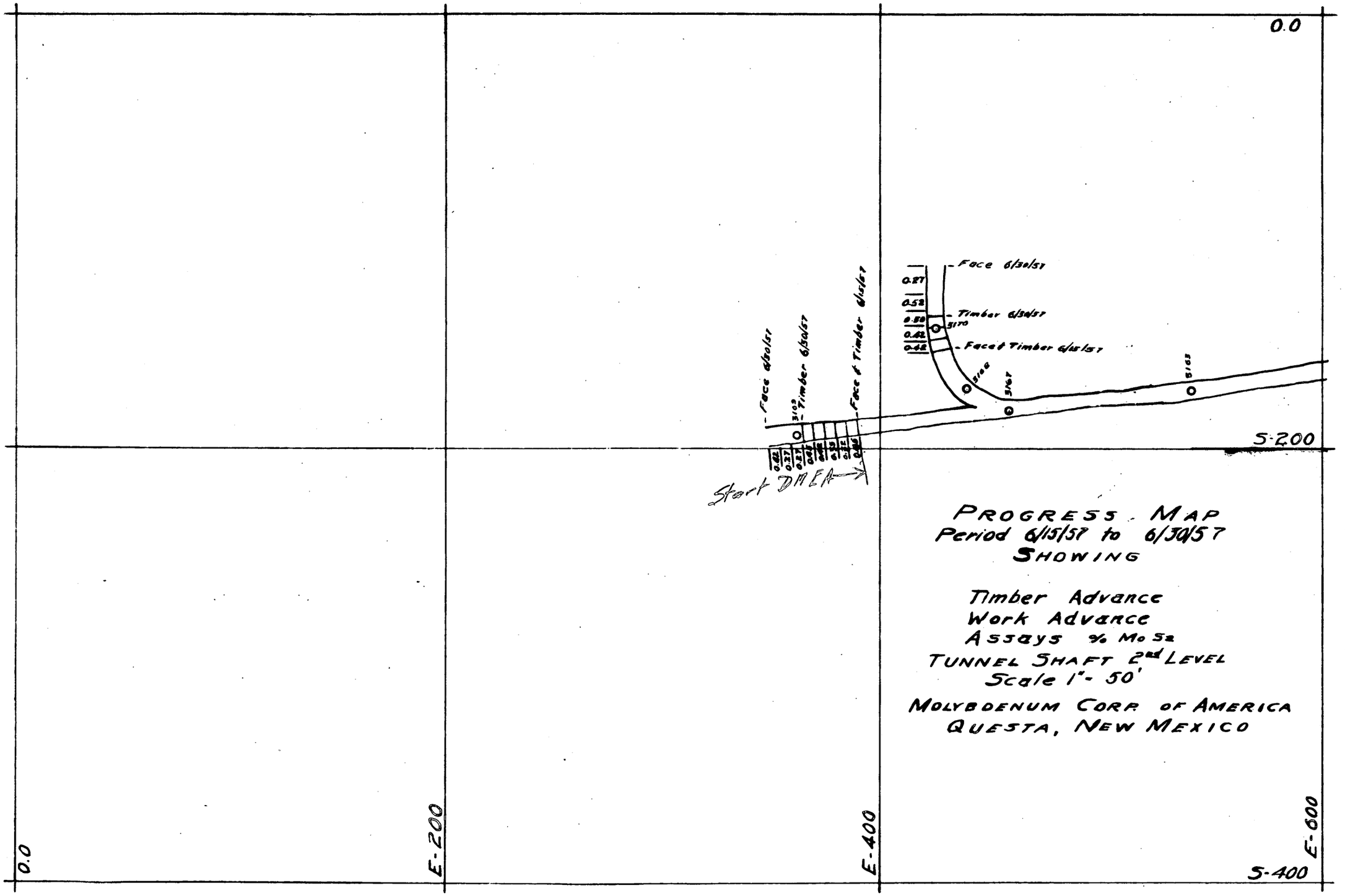
INSTRUCTIONS

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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Timber 6/30/57
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Face & Timber 6/15/57
3168
3167
3163
3162
Face 6/30/57
Timber 6/30/57
Face & Timber 6/15/57
0.42
0.27
0.27
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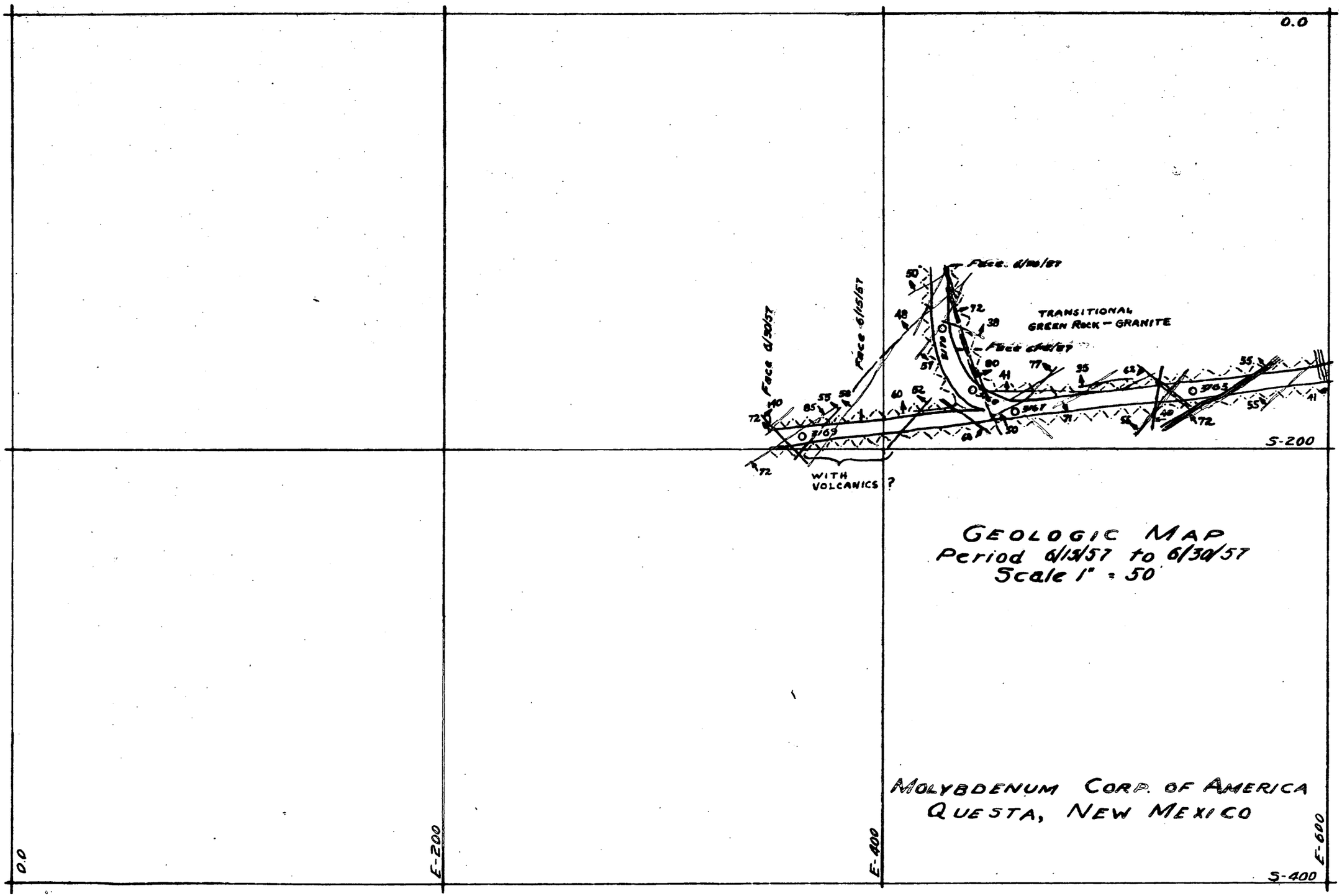
0.42
0.50
0.52
0.27
0.42
Start DMEA
5-200
PROGRESS MAP
Period 6/15/57 to 6/30/57
SHOWING
Timber Advance
Work Advance
Assays % Mo S2
TUNNEL SHAFT 2nd LEVEL
Scale 1" - 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
E-600
5-400

EXTRA COPY
D M E A
RECEIVED [illegible] 1957

DATE	INITIALS	CODE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Face 6/30/57
Face 6/15/57
Face 6/28/57
Face 6/28/57
TRANSITIONAL
GREEN ROCK — GRANITE
WITH
VOLCANICS ?
S-200
GEOLOGIC MAP
Period 6/15/57 to 6/30/57
Scale 1" = 50'
MOLYBDENUM CORP. OF AMERICA
QUESTA, NEW MEXICO
0.0
E-200
E-400
E-600
S-400