DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 2987

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

EXPLORATION ASSISTANCE

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

CYS TO USGS, USBM, 1 cy retained Reg. IV

To:	Code 700	Date	4/20/53
To:	Oper Com	Date	5-6-53
To:	Oper Com	Date	12-14-53
To:	Code 700	Date	12/15/53
To:		Date	
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DO NOT DETACH

CONTROLLED DOCUMENT

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

December 30, 1953

Memorandum

To: Robert E. Adams, Chief
Operations Control & Statistics Division

From: Ernest Wm. Ellis, Chief
Rare & Miscellaneous Metals Division

Subject: Docket No. DMEA-2987 (Uranium)
Blue Creek Mining Company
Blue Creek Mines
Mesa County, Colorado
(Closing of docket)

By letter dated December 22, 1953, from Mr. W. H. King, Executive Officer, Region IV, it is noted that said docket was closed December 2, 1953. The reason for closing was failure on the part of the Applicant to comply with Mr. King's letters requesting clarification of property holdings.

In my opinion, the docket should be closed, but the method employed by the Executive Officer was wrong inasmuch as the recommendation should have been made to this office and such action as deemed necessary would have been taken here. However, since the action has already been taken by the Executive Officer, I believe, in the interest of harmony, no letter should be written to Region IV drawing attention to the method of closing.

Accordingly, I recommend that the docket be considered closed in order to clear the books by the end of this month.

Ernest Wm. Ellis

Ernest Wm. Ellis

cc to: Adm. Reading File
Docket
Mr. Ellis
Mr. Ching

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

Surname
DOCKET COPY

Ellis

December 30, 1953

Memorandum

To: Robert E. Adams, Chief
Operations Control & Statistics Division

From: Ernest Wm. Ellis, Chief
Rare & Miscellaneous Metals Division

Subject: Docket No. DMEA-2987 (Uranium)
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Ernest Wm. Ellis

Ernest Wm. Ellis

EWEllis/gla

cc to: Adm. Reading File
Docket
Mr. Ellis
Mr. Ching

R.C.D. 12-30-53

12/29/53 gla

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

224 New Customhouse
Denver 2, Colorado

December 22, 1953.

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-2987 (Uranium), Blue Creek Mining Company, Mesa County, Colorado.

This is in response to your memorandum dated December 15, 1953 requesting the status of subject docket.

We received no answer from the applicant to our letter of November 2, 1953, copy of which was forwarded your office. Therefore the docket was closed on December 2, 1953.

W H King

W. H. King

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

224 New Customhouse
Denver 2, Colorado

December 22, 1953.

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

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W H King
W. H. King

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

Ching
Larrabee
Selfridge
Hedges
Butler

Mr. M. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

DEC 15 1953

Re: Docket No. DMEA-2937 (Uranium)
Blue Creek Mining Company
Blue Creek Mines
Mesa County, Colorado

Dear Mr. King:

With reference to the captioned application, which was referred to your office on July 7, 1953, it has been noted by your letter of November 2, 1953, that you requested the applicant to supply a new claim map and amended location notices within thirty days, and warned him that unless these documents were received within the stipulated time you would consider the docket closed. Kindly advise us the action taken by your office with respect to this application, in order that our records may be noted accordingly.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JB)

Copies:

J. H. Hedges (JB)
Member, Bureau of Mines

D. M. Larrabee (JB)
Member, Geological Survey

MChing/gla/db
12-14-53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs: H.D.Keiser, Rm.3641
A.P.Butler, Jr., Rm.3212, CSA
Ellis
Ching

R.C.G.
12-15-53

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

Department of the Interior
Defense Minerals Administration
RECEIVED
NOV - 4 1953

224 New Customhouse
Denver 2, Colorado

November 2, 1953.

Mr. C. D. Moslander, Jr.
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

Re: Docket DMEA-2987

Dear Mr. Moslander:

This will acknowledge receipt of your letter dated October 29, 1953 stating that you have filed amended location notices in compliance with Public Law 250.

Your letter of May 14, 1953 stated - "As soon as we receive location notices back from the County Clerk, we will submit the new information and a new claim map which will be fully corrected." As of this date we have not received this information.

If we receive the new claim map and true copies of your amended location notices within thirty days we will be pleased to process your application. If this information is not received within thirty days we will presume that you are no longer interested in the exploration project and we will close the docket.

Very truly yours,

W H King

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

HMC:cwm

cc: Administrator, DMEA
WMTraver
AHKoschmann (2)
Docket
Chron.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 6 1953

224 New Customhouse
Denver 2, Colorado

September 30, 1953

Mr. D. G. Son
Blue Creek Mining Co.
618 Rood Avenue
Grand Junction, Colorado

Re: Docket DMEA 2987

Dear Mr. Son:

Our letter to you dated May 13, 1953, advised you that a check of the records in the Bureau of Land Management indicated possible conflicts with oil and gas leases and A.E.C. withdrawals in the area covered by Blue Creek Mines. We asked you to furnish proof of valid title.

We have had no reply to this letter, so we presume that you are no longer interested in this exploration project, and we will close this docket in thirty days if we do not receive proof of valid title before that time.

Very truly yours,

W. H. King

W. H. King
Executive Officer
DMEA Field Team
Region IV

HMC:es

cc: Docket
Mittendorf
Chron.
Traver
Koschmann (2)

5/19/53 gla

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

MAY 18 1953

224 New Customhouse
Denver 2, Colorado

May 13, 1953

Mr. D. G. Son
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

Re: Docket DMEA 2987

Dear Mr. Son:

Before a field examination is made on your property will you furnish a proof of valid title to your claims since a cursory check of the records in the Bureau of Land Management indicates possible conflicts with oil and gas leases and Atomic Energy Commission withdrawals.

The claim map submitted with your application showing the Climax Group and the Tepee Pole Group does not fully agree with the mining lease and option dated March 28, 1952, nor does it agree with the recorded list of claims shown in the application. Furthermore some of the claims shown in other groups on the claim map are not listed. These differences should be reconciled.

When we receive your proof of valid title and the corrections noted above we will be pleased to continue processing your application.

Yours very truly,

W. H. King

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

Field

cc: C. D. Kittendorf
W. H. Gruver
A. H. Koschmann
Sub
Circ

FILE COPY
SURNAME:

Ellis
Verdel
Hedges
Selfridge
Hagman

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

MAY 7 1953

Messrs. [illegible], John [illegible] Shore
and [illegible] Hess, Partners
Blue [illegible] Mining Company
(1 [illegible] Creek
[illegible] Junction, Colorado

Re: Docket No. [illegible]-29[illegible] (Uranium)
Mesa County, Colorado

Gentlemen:

The application for assistance in exploring your property in Mesa County, Colorado, under the above captioned docket number, has been reviewed by the Lode and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. Your application has been referred for field examination to the Executive Officer of Region IV at the following address:

Mr. [illegible]
Executive Officer, Region IV
DMEA Field Team
2[illegible] [illegible] Interbank Building
Denver 2, Colorado

The Regional Office will contact you at the earliest opportunity in regard to your application.

Sincerely yours,

C. O. Mittendorf
Administrator

Ellis/ecf 5/6/53

cc to: Adm. Reading File
Docket
Mr. Ellis

DMEA Field Team, Region IV (2)

AN.
5-7-53

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

FILE COPY
SURNAME:

Docket F
Effie Selfridge

Mr. L. E. King
Executive Officer
DMEA Field Team, Region IV
Old New Customhouse Building
Denver 2, Colorado

MAY 7 1953

Re: Docket No. [illegible]-29 (Tungsten)
Messrs. Sam, Clare and Hess
d/b/a/ Blue Creek Mining Company
Mesa County, Colorado

Dear Mr. King:

The captioned application is referred to your office for a field examination and recommendation.

Enclosed are copies of memoranda from Mr. Arthur L. Butler, Jr., of the Geological Survey, dated April 23, and from Mr. H. L. Heiser of the Bureau of Mines, dated April 21, 1953.

Likely note the claim map showing the Climax group and the Tepee Hole group does not fully agree with the Mining Lease and Option, dated March 21, 1952, nor does it agree with the recorded list shown in the application. Furthermore some of the claims shown in other groups on the claim map are not listed. These differences should be reconciled.

In your letter of transmittal of April 1, you state that present by some of the claims are on ground covered by oil and gas leases and some are withdrawn by [illegible] and suggest that to ask the Applicant to furnish proof of valid title. We believe since the applicant's address is Grand Junction, Colorado, that a contact with the Applicant thru your office will facilitate the questions on all the land holdings and save time. Any such check should be done prior to a field examination.

A copy of subject application is in your files.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosures:

A. R. Kinkel

J. H. Hedges
Member, Bureau of Mines (SWS)

A. R. Kinkel, Jr.
Member, Geological Survey (SWS)

A.N. 5-7-53

(SWS)

MEEllis/cef 5/6/53

cc to: Adm. Reading File
Oper. Committee
Docket
Messrs. HKeiser, Rm. 3641
ALButler, Jr. Rm. 3206-GSA
Ellis
DMEA Field Team, Reg. IV. (2)

4/27/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

April 24, 1953

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4640

From: H. D. Keiser, Bureau of Mimes Member
Uranium Commodity Committee

Subject: DMEA Docket 2987, D. G. Son, John R. Munro, and E. L. Hess, partners doing business as Blue Creek Mining Co., 618 Rood Avenue, Grand Junction, Colorado.

I have reviewed the application included in the subject docket and discussed it with Arthur P. Butler, Geological Survey Member, and Joseph O. Hosted, representative of the Atomic Energy Commission.

It is recommended that the application be referred to the field team for investigation and report, and that the field team be requested to consult with Mr. Richard P. Fischer, of the Geological Survey, and Mr. Ernest Gordon, of the Atomic Energy Commission, Grand Junction, Colorado.

H. D. Keiser

H. D. Keiser

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 24 1953

STANDARD FORM NO. 64

4/28/53 gla

Office Memorandum • UNITED STATES GOVERNMENT

TO : E. Wm. Ellis, DMEA Member
Uranium Commodity Committee

DATE: April 23, 1953

FROM : Arthur P. Butler, Jr., USGS Member, Uranium Commodity Committee

SUBJECT: Application DMEA Docket 2987 (Uranium), Blue Creek Mining Company, Blue Creek Mines, T. 49, 50, N., R. 17, 18, W., Mesa County, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 27 1953

Comment

The applicant identified in the subject above proposes 57,555 feet of wagon and diamond drilling to explore sandstones of the Morrison formation which are locally uranium-bearing within the area identified above. Some vanadium-uranium ore has been produced from the applicant's properties but the complete record for verifying his statements is not available in the Washington files of the Geological Survey.

The Geological Survey has made comprehensive studies of parts of the area defined in the application and of adjacent areas. The results of this work suggest that the eastern parts of the applicant's property are on ground that is not favorable for numerous or large ore bodies. On the other hand, the presence of known ore bodies suggests that exploration in carefully chosen places may result in the discovery of new ore bodies or definition of the extensions of known ore bodies. Information available in Washington, however, is not sufficient to permit full evaluation of the merits of the application.

Recommendations

1. I recommend that the application be forwarded to the Field Team for review and evaluation.

2. I suggest strongly that the Field Team consult closely and review this application carefully with the staff under R. P. Fischer, Geological Survey, Grand Junction. The Survey geologists there have comprehensive information on this general area and may be of great assistance in evaluating the need for a field examination and in the layout and extent of any plan of exploration that may be warranted.

Arthur P. Butler, Jr.

Arthur P. Butler, Jr.

Copy to: E. Wm. Ellis (2)

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

April 20, 1953

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region IV

DMEA-2987 **Blue Creek Mining Company**

ROBERT E. ADAMS

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

38226

April 20, 1953

Mr. D. G. Son
Blue Creek Mining Co.
618 Road Avenue
Grand Junction, Colorado

Subject: DMEA-2987
Re: Exploration Assistance
Blue Creek Mines

My dear Mr. Son:

The receipt of your application dated April 4, 1953 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2987 and referred to the Rare and Miscellaneous Metals Division.

Kindly refer to DMEA-2987 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams, Chief
Operations Control and
Statistics Division

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
R 20 1953

224 New Customhouse
Denver 2, Colorado

April 15, 1953

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Field Team, Region IV

Subject: (Uranium) - Application of Blue Creek Mining Co., Mesa County, Colorado

Enclosed are three copies of the subject application in the amount of $50,000.00. The fourth copy is being retained in this office.

A cursory check of the records in the office of the Bureau of Land Management indicates that some of the applicant's claims are covered by oil and gas leases, and some claims were withdrawn by the AEC in Public Land Order 494.

It is suggested that the applicant be asked to furnish proof of valid title before a field examination is made.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
APR 20 1953

224 New Customhouse
Denver 2, Colorado

April 15, 1953

Memorandum

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From: Field Team, Region IV

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W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-2987
Metal or Mineral
Date Received 4-20-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: D. G. Son, John R. Munro and E. L. Hess, Partners doing business as Blue Creek Mining Company, 618 Rood Avenue, Grand Junction, Colorado

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. Partnership

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. Not a corporation

(*d*) If a partnership, add to the above statement the names and addresses of all partners.
D. G. Son, John R. Munro and E. L. Hess, P. O. Box 247, Grand Junction, Colorado

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract The claims are located in the Calamity Quadrangle, Mesa County, Colorado; Sections 1, 2, 3, 10, 11 T49N, R18W, and Sections 35, 36, 31, 25, 30 T50N, R17 and 18W.

(*b*) State any mine name by which the property is known. Blue Creek Mines

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Owner in 65 claims. Lease-Option on 15 claims.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Copy Lease Option - Attachment A

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. Attachment B

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. Attachment C

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. Attachment D

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. Attachment E

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. 35 miles over a dirt road to Uravan, Colorado shipping point. 65 Miles to Grand Junction, Colorado supply point.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

16—66551-1

Manpower available in the Grand Junction area. Materials, supplies and equipment available in Grand Junction area. Water available from Blue Creek approximately 5 miles distant. Power required is the diesel or gas engines on drills.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Maps enclosed - Attachment F

(*c*) The work will start within 10 days and be completed within 4 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Attachment G

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). None

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. 2 Drillers 1.75/hr.; 2 Helpers 1.50/h Supervision $500.00/mo.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. Attachment H

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. Operating Equipment owned by the Blue Creek Mining Company

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. No buildings or fixtures. Tent house on property equipped with cooking facilities is sufficient.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. Attachment I

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. Attachment J

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above. Attachment K

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[x] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated April 4, 1953

BLUE CREEK MINING COMPANY
(Applicant)

By E. L. Glass

John R. Munro

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

Recorded at 2:17 o'clock P. M. Jul 30, 1952 Book 569 Page 377
Reception No. 4031 Annie M. Dunston Recorder

MINING LEASE AND OPTION

THIS AGREEMENT, Made and entered into in duplicate as of the 28th day of March, 1952, by and between VIOLA CASTO, sole heir at law and the Administratrix of the Estate of Eddy Craig, deceased, said estate now pending in the County Court of Mesa County, Colorado, hereinafter called Lessor, and D. G. SOM, JOHN R. MUNRO, and E. L. HESS, partners doing business as Blue Creek Mining Company, parties of the second part, hereinafter called Lessees, WITNESSETH:

R E C I T A L S

The above-named deceased at the time of his death was the owner of the following described lode mining claims in Gateway Mining District, Mesa County, Colorado, to-wit:

Parcel 1

Climax group, consisting of the Climax, Blue Ribbon, Deep Creek, Blue Mesa View, Red Horse, Klondike, and Blue Strip.

Parcel 2

Tepee Pole group, consisting of the Tepee Pole, Black Diamond, Lone Cow No. 1, Lone Cow No. 2 and Lone Jack; also the Stormy Treasure, the Calamity View and the Ajax lodes,

the location and amended location certificates thereof being duly of record in the office of the county recorder of said county, to which records reference is hereby made for a more particular description thereof. Lessees are now the holders of a lease upon said mining claims, running from said deceased and expiring April 1, 1952. The administratrix desires to give lessees a lease and option to purchase said mining claims on the following terms and conditions. Accordingly, lessor, for and in consideration of the royalties to be paid and the covenants to be kept and performed by lessees, has leased, let, and demised unto lessees, for the development, mining and sale of ores, all of the mining claims above described and all appurtenances thereunto belonging.

The period of this lease shall be ~~one~~ five year from April 1, 1952, unless sooner terminated by lessor for a violation of any covenant hereinafter provided to be kept and performed by lessees.

LESSEES' COVENANTS

In consideration of said lease, lessees hereby covenant with lessor, as follows:

1. To do and perform each month not less than 15 eight-hour man shifts of work upon one or more of said mining claims, which work shall be upon or for the benefit of said claims, and to do and perform upon all of said mining claims the annual labor required by law, completing the same on or before June 30, 1952, and thereafter during the term hereof, and to execute and record an affidavit so showing.

2. To pay lessor a royalty of 10% of the proceeds of ores mined and sold from said claims, or any of them, except development and haulage charges paid by the Atomic Energy Commission, and, in the event said claims, or any of them, are allotted a bonus by said commission, to pay lessor 50% thereof; all royalty and other payments to be applied upon the purchase price of said mining claims as hereinafter set forth.

3. To pay any production tax which may be levied and assessed against said mining claims during the period of this lease; such taxes to be paid promptly when they become due and payable.

4. To comply with all laws and regulations pertaining to the mining operations to be carried on hereunder by lessees, including the payment of all Federal and State taxes and exactions, and in the event lessees employ four or more employees, to take out Workmen's Compensation Insurance, exhibiting evidence thereof to lessor, or her attorney.

5. To promptly pay and discharge all claims and accounts incurred by lessees hereunder and to indemnify and save harmless lessor from all actions and causes of action of any nature whatsoever, which may or might arise out of mining operations hereunder.

OPTION PROVISIONS

In consideration of the payment of the royalties and the performance of the covenants heretofore required to be kept and performed by lessees, lessor hereby gives and grants to lessees an option to purchase the mining claims described in the lease portion of this agreement, for the total purchase price of $10,000; conditioned that lessees exercise said option by giving lessor at least 30 days previous written notice prior to the expiration of this lease of their intention to so exercise the same,

and in the event of such election, lessor shall procure an abstract or abstracts of title to all of said mining claims, within said period of 30 days, and lessees shall pay lessor said sum of $10,000, less any royalty payments theretofore made, and lessor shall execute and deliver to lessees, or to such persons or corporation as they may designate, a mining deed conveying all the right, title and interest of deceased and of lessor, individually, in and to all said mining claims. Lessee shall accept such title as the abstract shows, both as lessee or purchaser.

FORFEITURE PROVISIONS

Upon violation of any covenant or covenants hereinbefore reserved and on the part of lessees to be paid, kept, or performed, the term of this lease shall, at the option of lessor, expire and the same and said premises, with appurtenances, shall become forfeited to lessor, and said lessor, or her agent, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without process of law, or at the option of lessor, lessees and all persons found in occupation may be proceeded against as guilty of unlawful detainer, and in the event of such termination, all payments of money or royalty theretofore made to lessor shall be and remain the property of lessor and lessees shall have no legal or equitable claim thereto. Expiration, forfeiture, or abandonment of the within lease shall render said option void and the within lease and option shall always be construed as one entire and inseparable agreement.

It is understood that this lease and option has been executed individually by Viola Casto, who is the sole heir of Eudy Craig, deceased, and upon the completion of the administration of said estate will be the owner of said property and, so far as it constitutes a contract of sale, has been executed without compliance with the statutes providing for Court order of sale and notice.

This lease and option shall be binding upon and inure to the benefit of the lawful heirs of said deceased and the personal representatives and assigns of lessees.

WITNESS their names.

x _____

x _____

ADMINISTRATRIX OF THE ESTATE OF
EUDY CRAIG, DECEASED — Lessor.

_____

_____

_____ — Lessees.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT B

Block 3 (f)

Blue Creek Mining Company
Location Certificate As Filed
Mesa County, State of Colorado

		Date of Record	Book	Page
Supply No.	1	March 11, 1952	562	368
	2	"	562	369
	3	"	562	370
	4	"	562	371
	5	"	562	372
	6	"	562	373
	7	"	562	374
	8	"	562	375
	9	"	562	376
	10	"	562	377
	11	"	562	378
	12	"	562	379
	13	"	562	380
	14	"	562	381
	15	"	562	382
	16	"	562	383
	17	"	562	384
	18	"	562	385
	19	"	562	386
	20	"	562	387
	21	"	562	388
Son No.	1	March 11, 1952	562	389
	2	"	562	416
	3	"	562	390
	4	"	562	391
	5	"	562	392
	6	"	562	393
	7	"	562	394
	8	"	562	395
	9	"	562	396
	10	"	562	397
	11	"	562	398
	12	"	562	399
	13	"	562	400
	14	"	562	401
No Pants No	1	March 11, 1952	562	351
	2	"	562	352
	3	"	562	353
	4	"	562	354
	5	"	562	355
	6	"	562	356
	7	"	562	357
	8	"	562	358
	9	"	562	359
	10	"	562	360
	11	"	562	361
	12	"	562	362
	13	"	562	363
	14	"	562	364

C/B

564031

STATE OF COLORADO }
County of MESA } ss
I hereby certify that this instrument was
Filed for record

JUL 30 1952

at 2:17 o'clock P M. and recorded
in Book 269 Page 377
ANNIE M. DUNSTON, County Clerk & Recorder
By Magdalin Dysterna Deputy

Robt L. Parent.

4.05

Blue Creek Mining Company
Location Certificate As Filed
Mesa County, State of Colorado

	Date of Record	Book	Page
No Pants No15	March 11, 1952	562	365
16	"	562	366
17	"	562	367
Dal No. 1	July 8, 1952	568	390
2	"	568	291
3	"	568	392
4	"	568	393
5	"	568	394
6	"	568	395
7	"	568	396
8	"	568	397
9	"	568	398
10	"	568	399
11	"	568	400
12	"	568	401
13	"	568	402
14	"	568	403
15	"	568	404
16	"	568	405
17	"	568	406
18	"	568	407
19	"	568	408
20	"	568	409
21	"	568	410
Stormy Treasure	July 3, 1940	389	310
Calamity View	"	389	310
Tepee Pole	"	389	308
Black Diamond	"	389	308
Lone Cow No.1	"	389	309
Lone Cow No.2	"	389	309
Lone Jack	"	389	310
Climax	May 8, 1940	389	210
Blue Ribbon	"	389	210
Deep Creek	"	389	210
Blue Mesa View	"	389	211
Red Horse	"	389	211
Klondike	"	389	211
Blue Strip	"	389	212
Ajax	January 13, 1941	393	333

Form MF-103
Blue Creek Mining Company
618 Reed Avenue
Grand Junction, Colorado

ATTACHMENT C

Block 4 (a)

There are no mining operations being conducted on the properties at this time. From 1938 to 1951 approximately 1,500 tons of carnotite ore was mined from the Climax Group of claims. There is approximately 150 feet of workings on the property. The Blue Creek Mining Company shipped approximately 50 tons of carnotite ore from the Climax Group in 1948-1951.

The workings are accessible for examination purposes.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT D

Block 4 (b)

Past production figures wigh grades of ore are available at the United States Atomic Energy Commission offices, Grand Junction, Colorado.

It is impossible to calculate ore reserves until a drilling program has been conducted.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT E

Block 4 (c)

The area covered by the claims contains the Salt Wash strata of the Morrison formation. On the Climax Group, the Supply Group and the No Pants Group of claims carnotite ore is exposed on the rims and in the adits. Exploration drilling is needed to determing if ore bodies exist in the areas back of the rims.

On the enclosed map of the claims is designated the areas on which exploration drilling is requested.

ATTACHMENT F (BLOCK 5B)

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			CLIMAX GROUP (Wagon Drill)				
1	2,000	110	25	80	8,800	$ 0.85	$7,480.00
2	2,700	100	25	108	10,800	$ 0.85	$9,180.00
3	3,000	35	40	75	2,625	$ 0.85	$2,231.25
4	2,000	45	50	40	1,800	$ 0.85	$1,530.00
5	1,000	45	50	20	900	$ 0.85	$ 765.00
6	2,500	35	50	50	1,750	$ 0.85	$1,487.50
7	1,800	40	50	36	1,440	$ 0.85	$1,224.00
8	1,500	40	50	30	1,200	$ 0.85	$1,020.00
9	1,300	40	50	26	1,040	$ 0.85	$ 884.00
10	700	35	50	14	490	$ 0.85	$ 416.50
11	350	105	50	7	735	$ 0.85	$ 624.75
12	500	105	25'	20	2,100	$ 0.85	$1,785.00
13	350	105	50'	7	735	$ 0.85	$ 624.75
			TOTAL FOR GROUP----------	513	34,415	$ 0.85	$29,252.75

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B) Cont.

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			SON GROUP, & NO PANTS GROUP, (Wagon Drill)				
14	12,500	100	100	126	12,600	$ 0.85	$10,710.00
		TOTAL FOR GROUP---------		126	12,600	$ 0.85	$10,710.00
			SUPPLY GROUP,(Wagon Drill)				
15	3,200	10 0	100	33	3,300	$ 0.85	$ 2,805.00
		TOTAL FOR GROUP---------		33	3,300	$ 0.85	$ 2,805.00
			DAL GROUP, (Diamond Drill)				
16	1-hole	200Ft.	---	1	200	$ 3.50	$ 700.00
17	1-hole	200Ft.	---	1	200	$ 3.50	$ 700.00
		TOTAL FOR GROUP-------		2	400	$ 3.50	$ 1,400.00

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B) Cont.

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			TEEPEE POLE GROUP, (Wagon Drill)				
18	1,200	30	50	24	720	$ 0.85	$ 612.00
19	1,100	35	50	22	770	$ 0.85	$ 654.50
20	900	40	50	18	720	$ 0.85	$ 612.00
21	700	45	50	14	630	$ 0.85	$ 535.50
22	1,500	40	50	30	1,200	$ 0.85	$1,020.00
23	1,700	40	50	34	1,360	$ 0.85	$1,156.00
24	1,800	4 0	50	36	1,440	$ 0.85	$1,224.00
			TOTAL FOR GROUP----	178	6,840	$ 0.85	$5,814.00
			Grand Total--------	852	57,555	$ 0.85	$49,981.75

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT G

Block 5 (d)

EVERETT L. HESS: Twenty-three years experience as Mine Operator, Mill and Mine Foreman and Master Mechanic, all in the Colorado Plateau Region in connection with the mining and milling of Uranium and Vanadium Ores.

JOHN R. MUNRO: Seventeen years experience in ore buying, purchasing and other activities, all in connection with the Colorado Plateau Uranium and Vanadium industry.

D. O. SON: Fifteen years experience with machinery and different operations, all in connection with the Colorado Plateau Uranium and Vanadium industry.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT H

Block 6 (c)

The Blue Creek Mining Company will do the drilling with their own equipment at cost. It is our estimate that Wagon Drilling can be done for $0.85 per foot of depth for drilling 0' to 100'. Depths greater than 100' will be done with our diamond drill at an estimated cost of $3.50 per foot. We will not know the thickness of the Salt Wash formation until a test hole is drilled. It is our estimate that $50,000.00 will adequately carry the preliminary exploration required. The relative position of the holes is shown on the enclosed maps.

The labor and supervision required will be two drillers @ $1.75/hour, 2 helpers @ $1.50/hour, and one Supervisor @ $500.00/month. These labor and supervision costs are included in the cost per foot of drilling

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT I

Block 6 (f)

No new buildings or improvements necessary.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT J

Block 6 (g)

Probably no repairs to operating equipment necessary. If so, will be taken care of in the cost per foot figures. Workmen's Compensation, Payroll taxes, employer's liability insurance and accounting will be for account of the Blue Creek Mining Company.

Assaying costs will depend entirely on the ore found--for account of the Blue Creek Mining Company.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT K

Block 6 (h)

Contingencies included in the cost per foot of drilling.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved
Budget Bureau N

RECEIVED
APR 20 1953

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-2987
Metal or Mineral
Date Received 4-20-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: D. G. Son, John R. Munro and E. L. Hess, Partners doing business as Blue Creek Mining Company, 618 Rood Avenue, Grand Junction, Colorado

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. Partnership

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. Not a corporation

(*d*) If a partnership, add to the above statement the names and addresses of all partners.
D. G. Son, John R. Munro and E. L. Hess, P. O. Box 247, Grand Junction, Colorado

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract The claims are located in the Calamity Quadrangle, Mesa County, Colorado; Sections 1, 2, 3, 10, 11 T49N, R18W, and Sections 35, 36, 31, 25, 30 T50N, R17 and 18W.

(*b*) State any mine name by which the property is known. Blue Creek Mines

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Owner in 65 claims. Lease-Option on 15 claims.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Copy Lease Option - Attachment A

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. Attachment B

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. Attachment C

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. Attachment D

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. Attachment E

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. 35 miles over a dirt road to Uravan, Colorado shipping point. 65 Miles to Grand Junction, Colorado, supply point.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. 16—66551-1

Manpower available in the Grand Junction area. Materials, supplies and equipment available in Grand Junction area. Water available from Blue Creek approximately 5 miles distant. Power required is the diesel or gas engines on drills.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Maps enclosed - Attachment F

(*c*) The work will start within 10 days and be completed within 4 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Attachment G

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). None

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. 2 Drillers 1.75/hr.; 2 Helpers 1.50/h Supervision $500.00/mo.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. Attachment H

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. Operating Equipment owned by the Blue Creek Mining Company

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. No buildings or fixtures. Tent house on property equipped with cooking facilities is sufficient.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. Attachment I

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. Attachment J

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above. Attachment K

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[x] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated April 4, 1953

BLUE CREEK MINING COMPANY
(Applicant)

By E. G. Hess

R. G. Son

John R. Olmers

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

Recorded at 2:17 o'clock P. M. Jul 30, 1952 Book 569 Page 377
Reception No. 564031 Annie M. Dunston Recorder

MINING LEASE AND OPTION

THIS AGREEMENT, Made and entered into in duplicate as of the 28th day of March, 1952, by and between VIOLA GATTO, sole heir at law and the Administratrix of the Estate of Billy Craig, deceased, said Estate now pending in the County Court of Mesa County, Colorado, hereinafter called Lessor, and D. G. SCM, JOHN R. MUNRO, and E. L. HESS, partners doing business as Blue Creek Mining Company, parties of the second part, hereinafter called Lessee, WITNESSETH:

R E C I T A L S

The above-named deceased at the time of his death was the owner of the following described lode mining claims in Gateway Mining District, Mesa County, Colorado, to-wit:

Parcel 1

Climax group, consisting of the Climax, Blue Ribbon, Deep Creek, Blue Mesa View, Red Heron, Klondike, and Blue Stripe.

Parcel 2

Tepee Tole group, consisting of the Tepee Tole, Black Diamond, Lone Cow No. 1, Lone Cow No. 2 and Lone Jack; also the Stormy Treasure, the Calamity View and the Ajax lodes,

the locations and amended location certificates thereof being duly of record in the office of the county recorder of said county, to which records reference is hereby made for a more particular description thereof. Lessee now has the holders of a lease upon said mining claims, running from said deceased and expiring April 1, 1952. The administratrix desires to give lessee a lease and option to purchase said mining claims on the following terms and conditions. Accordingly, lessor, for and in consideration of the royalties to be paid and the covenants to be kept and performed by lessees, has leased, let, and demised unto lessees, for the development, mining and sale of ores, all of the mining claims above described and all appurtenances thereunto belonging.

The period of this lease shall be ~~one~~ five year from April 1, 1952, unless sooner terminated by lessor for a violation of any covenant hereinafter provided to be kept and performed by lessees.

LESSEES' COVENANTS

In consideration of said lease, lessees hereby covenant with lessor, as follows:

1. To do and perform each month not less than 15 eight-hour man shifts of work upon one or more of said mining claims, which work shall be upon or for the benefit of said claims, and to do and perform upon all of said mining claims the annual labor required by law, completing the same on or before June 30, 1952, and to execute and record an affidavit so showing.

2. To pay lessor a royalty of 10% of the proceeds of ores mined and sold from said claims, or any of them, except development and haulage charges paid by the Atomic Energy Commission, and, in the event said claims, or any of them, are allotted a bonus by said commission, to pay lessor 50% thereof; all royalty and other payments to be applied upon the purchase price of said mining claims as hereinafter set forth.

3. To pay any production tax which may be levied and assessed against said mining claims during the period of this lease; such taxes to be paid promptly when they become due and payable.

4. To comply with all laws and regulations pertaining to the mining operations to be carried on hereunder by lessees, including the payment of all Federal and State taxes and assessments, and in the event lessees employ four or more employees, to take out Workmen's Compensation Insurance, furnishing evidence thereof to lessor, or her attorney.

5. To promptly pay and discharge all claims and accounts incurred by lessees hereunder and to indemnify and save harmless lessor from all actions and causes of action of any nature whatsoever, which may or might arise out of mining operations hereunder.

OPTION PROVISIONS

In consideration of the payment of the royalties and the performance of the covenants heretofore required to be kept and performed by lessees, lessor her by gives and grants to lessees an option to purchase the mining claims described in the lease portion of this agreement, for the total purchase price of $10,000; conditioned that lessees exercise said option by giving lessor at least 30 days previous written notice prior to the expiration of this lease of their intention to so exercise the same,

and in the event of such election, lessor shall procure an abstract or abstracts of title to all of said mining claims, within said period of 30 days, and lessees shall pay lessor said sum of $10,000, less any royalty payments theretofore made, and lessor shall execute and deliver to lessees, or to such persons or corporation as they may designate, a mining deed conveying all the right, title and interest of deceased and of lessor, individually, in and to all said mining claims. Lessee shall accept such title as the abstract shows, both as lessee or purchaser.

FORFEITURE PROVISIONS

Upon violation of any covenant or covenants hereinbefore reserved and on the part of lessees to be paid, kept, or performed, the term of this lease shall, at the option of lessor, expire and the same and said premises, with appurtenances, shall become forfeited to lessor, and said lessor, or her agent, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without process of law, or at the option of lessor, lessees and all persons found in occupation may be proceeded against as guilty of unlawful detainer, and in the event of such termination, all payments of money or royalty theretofore made to lessor shall be and remain the property of lessor and lessees shall have no legal or equitable claim thereto. Expiration, forfeiture, or abandonment of the within lease shall render said option void and the within lease and option shall always be construed as one entire and inseparable agreement.

It is understood that this lease and option has been executed individually by Viola Casto, who is the sole heir of Eddy Craig, deceased, and upon the completion of the administration of said estate will be the owner of said property and, so far as it constitutes a contract of sale, has been executed without compliance with the statutes providing for Court order of sale and notice.

This lease and option shall be binding upon and inure to the benefit of the lawful heirs of said deceased and the personal representatives and assigns of lessees.

WITNESS their names.

x Viola Casto

x Viola Casto

ADMINISTRATRIX OF THE ESTATE OF
EDDY CRAIG, DECEASED Lessor.

E. L. Hyde

W. L. Soo

John R. Munro

Lessees.

C/B

564031

STATE OF COLORADO }
County of MESA } ss
I hereby certify that this instrument was
filed for record

JUL 30 1982

at 2:17 o'clock P M. and recorded
in Book 569 Page 377
MAYNE M. DUMSTON, County Clerk & Recorder

By Magdalin Dysterton Deputy

Robt L. Parent

4.05

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT B

Block 3 (f)

Blue Creek Mining Company
Location Certificate As Filed
Mesa County, State of Colorado

		Date of Record	Book	Page
Supply No.	1	March 11, 1952	562	368
	2	"	562	369
	3	"	562	370
	4	"	562	371
	5	"	562	372
	6	"	562	373
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	11	"	562	378
	12	"	562	379
	13	"	562	380
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	6	"	562	393
	7	"	562	394
	8	"	562	395
	9	"	562	396
	10	"	562	397
	11	"	562	398
	12	"	562	399
	13	"	562	400
	14	"	562	401
No Pants No.	1	March 11, 1952	562	351
	2	"	562	352
	3	"	562	353
	4	"	562	354
	5	"	562	355
	6	"	562	356
	7	"	562	357
	8	"	562	358
	9	"	562	359
	10	"	562	360
	11	"	562	361
	12	"	562	362
	13	"	562	363
	14	"	562	364

Blue Creek Mining Company
Location Certificate As Filed
Mesa County, State of Colorado

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	11	"	568	400
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	78			
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Tepee Pole		"	389	308
Black Diamond		"	389	308
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Blue Strip		"	389	212
Ajax		January 13, 1941	393	333
	15			

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT C

Block 4 (a)

There are no mining operations being conducted on the properties at this time. From 1938 to 1951 approximately 1,500 tons of carnotite ore was mined from the Climax Group of claims. There is approximately 150 feet of workings on the property. The Blue Creek Mining Company shipped approximately 50 tons of carnotite ore from the Climax Group in 1948-1951.

The workings are accessible for examination purposes.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT D

Block 4 (b)

Past production figures wigh grades of ore are available at the United States Atomic Energy Commission offices, Grand Junction, Colorado.

It is imposaible to calculate ore reserves until a drilling program has been conducted.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT E

Block 4 (c)

The area covered by the claims contains the Salt Wash strata of the Morrison formation. On the Climax Group, the Supply Group and the No Pants Group of claims carnotite ore is exposed on the rims and in the adits. Exploration drilling is needed to determing if ore bodies exist in the areas back of the rims.

On the enclosed map of the claims is designated the areas on which exploration drilling is requested.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT C

Block 5 (d)

EVERETT L. HESS: Twenty-three years experience as Mine Operator, Mill and Mine Foreman and Master Mechanic, all in the Colorado Plateau Region in connection with the mining and milling of Uranium and Vanadium Ores.

JOHN R. MUNRO: Seventeen years experience in ore buying, purchasing and other activities, all in connection with the Colorado Plateau Uranium and Vanadium industry.

D. G. SON: Fifteen years experience with machinery and different operations, all in connection with the Colorado Plateau Uranium and Vanadium industry.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT H

Block 6 (c)

The Blue Creek Mining Company will do the drilling with their own equipment at cost. It is our estimate that Wagon Drilling can be done for $0.85 per foot of depth for drilling 0' to 100'. Depths greater than 100' will be done with our diamond drill at an estimated cost of $3.50 per foot. We will not know the thickness of the Salt Wash formation until a test hole is drilled. It is our estimate that $50,000.00 will adequately carry the preliminary exploration required. The relative position of the holes is shown on the enclosed maps.

The labor and supervision required will be two drillers @ $1.75/hour, 2 helpers @ $1.50/hour, and one Supervisor @ $500.00/month. These labor and supervision costs are included in the cost per foot of drilling

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT I

Block 6 (f)

No new buildings or improvements necessary.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT J

Block 6 (g)

Probably no repairs to operating equipment necessary. If so, will be taken care of in the cost per feet figures. Workmen's Compensation, Payroll taxes, employer's liability insurance and accounting will be for account of the Blue Creek Mining Company.

Assaying costs will depend entirely on the ore found--for account of the Blue Creek Mining Company.

Form MF-103
Blue Creek Mining Company
618 Reed Avenue
Grand Junction, Colorado

ATTACHMENT K

Block 6 (h)

Contingencies included in the cost per feet of drilling.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

Form Approved
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. M MEA-2987
Metal or Mineral
Date Received 4-20-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: D. G. Son, John R. Munro and E. L. Hess, Partners doing business as Blue Creek Mining Company, 618 Rood Avenue, Grand Junction, Colorado

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. Partnership

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. Not a corporation

(*d*) If a partnership, add to the above statement the names and addresses of all partners.
D. G. Son, John R. Munro and E. L. Hess, P. O. Box 247, Grand Junction, Colorado

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract The claims are located in the Calamity Quadrangle, Mesa County, Colorado; Sections 1, 2, 3, 10, 11 T49N, R18W, and Sections 35, 36, 31, 25, 30 T50N, R17 and 18W.

(*b*) State any mine name by which the property is known. Blue Creek Mines

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Owner in 65 claims. Lease-Option on 15 claims.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Copy Lease Option - Attachment A

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. Attachment B

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. Attachment C

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. Attachment D

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. Attachment E

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. 35 miles over a dirt road to Uravan, Colorado shipping point. 65 Miles to Grand Junction, Colorado, supply point.

(*e*) State the availability of manpower, materials, supplies, equipment, water and power.

16—66551-1

Manpower available in the Grand Junction area. Materials, supplies and equipment available in Grand Junction area. Water available from Blue Creek approximately 5 miles distant. Power required is the diesel or gas engines on drills.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Maps enclosed - Attachment F

(*c*) The work will start within 10 days and be completed within 4 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. Attachment G

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). None

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. 2 Drillers 1.75/hr.; 2 Helpers 1.50/h Supervision $500.00/mo.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. Attachment H

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. Operating Equipment owned by the Blue Creek Mining Company

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. No buildings or fixtures. Tent house on property equipped with cooking facilities is sufficient.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. Attachment I

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. Attachment J

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above. Attachment K

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[x] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated April 4, 195 3

BLUE CREEK MINING COMPANY
(Applicant)

By E. L. Hess

R. L. Son

John R. Munro

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

Recorded at 2:17 o'clock P. M. Jul 30, 1952 Book 569 Page 377
Reception No. 564031 Annie M. Dunston Recorder

MINING LEASE AND OPTION

THIS AGREEMENT, Made and entered into in duplicate as of the 28th day of March, 1952, by and between VIOLA GASTO, sole heir at law and the Administratrix of the Estate of Eddy Craig, deceased, said estate now pending in the County Court of Mesa County, Colorado, hereinafter called Lessor, and D. G. SON, JOHN R. MUNRO, and E. L. HESS, partners doing business as Blue Creek Mining Company, parties of the second part, hereinafter called Lessees, WITNESSETH:

R E C I T A L S

The above-named deceased at the time of his death was the owner of the following described lode mining claims in Gateway Mining District, Mesa County, Colorado, to-wit:

Parcel 1

Climax group, consisting of the Climax, Blue Ribbon, Deep Creek, Blue Mesa View, Red Horse, Klondike, and Blue Strip.

Parcel 2

Tepee Pole group, consisting of the Tepee Pole, Black Diamond, Lone Cow No. 1, Lone Cow No. 2 and Lone Jack; also the Stormy Treasure, the Calamity View and the Ajax lodes,

the location and amended location certificates thereof being duly of record in the office of the county recorder of said county, to which records reference is hereby made for a more particular description thereof. Lessees are now the holders of a lease upon said mining claims, running from said deceased and expiring April 1, 1952. The administratrix desires to give lessees a lease and option to purchase said mining claims on the following terms and conditions. Accordingly, lessor, for and in consideration of the royalties to be paid and the covenants to be kept and performed by lessees, has leased, let, and demised unto lessees, for the development, mining and sale of ores, all of the mining claims above described and all appurtenances thereunto belonging.

The period of this lease shall be ~~one~~ five year from April 1, 1952, unless sooner terminated by lessor for a violation of any covenant hereinafter provided to be kept and performed by lessees.

LESSEES' COVENANTS

In consideration of said lease, lessees hereby covenant with lessor, as follows:

1. To do and perform each month not less than 15 eight-hour man shifts of work upon one or more of said mining claims, which work shall be upon or for the benefit of said claims, and to do and perform upon all of said mining claims the annual labor required by law, completing the same on or before June 30, 1952, and annually thereafter and to execute and record an affidavit so showing.

2. To pay lessor a royalty of 10% of the proceeds of ores mined and sold from said claims, or any of them, except development and haulage charges paid by the Atomic Energy Commission, and, in the event said claims, or any of them, are allotted a bonus by said commission, to pay lessor 50% thereof; all royalty and other payments to be applied upon the purchase price of said mining claims as hereinafter set forth.

3. To pay any production tax which may be levied and assessed against said mining claims during the period of this lease; such taxes to be paid promptly when they become due and payable.

4. To comply with all laws and regulations pertaining to the mining operations to be carried on hereunder by lessees, including the payment of all Federal and State taxes and exactions, and in the event lessees employ four or more employees, to take out Workmen's Compensation Insurance, exhibiting evidence thereof to lessor, or her attorney.

5. To promptly pay and discharge all claims and accounts incurred by lessees hereunder and to indemnify and save harmless lessor from all actions and causes of action of any nature whatsoever, which may or might arise out of mining operations hereunder.

OPTION PROVISIONS

In consideration of the payment of the royalties and the performance of the covenants heretofore required to be kept and performed by lessees, lessor hereby gives and grants to lessees an option to purchase the mining claims described in the lease portion of this agreement, for the total purchase price of $10,000; conditioned that lessees exercise said option by giving lessor at least 30 days previous written notice prior to the expiration of this lease of their intention to so exercise the same,

and in the event of such election, lessor shall procure an abstract or abstracts of title to all of said mining claims, within said period of 30 days, and lessees shall pay lessor said sum of $10,000, less any royalty payments theretofore made, and lessor shall execute and deliver to lessees, or to such persons or corporation as they may designate, a mining deed conveying all the right, title and interest of deceased and of lessor, individually, in and to all said mining claims. Lessee shall accept such title as the abstract shows, both as lessee or purchaser.

FORFEITURE PROVISIONS

Upon violation of any covenant or covenants hereinbefore reserved and on the part of lessees to be paid, kept, or performed, the term of this lease shall, at the option of lessor, expire and the same and said premises, with appurtenances, shall become forfeited to lessor, and said lessor, or her agent, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without process of law, or at the option of lessor, lessees and all persons found in occupation may be proceeded against as guilty of unlawful detainer, and in the event of such termination, all payments of money or royalty theretofore made to lessor shall be and remain the property of lessor and lessees shall have no legal or equitable claim thereto. Expiration, forfeiture, or abandonment of the within lease shall render said option void and the within lease and option shall always be construed as one entire and inseparable agreement.

It is understood that this lease and option has been executed individually by Viola Casto, who is the sole heir of Eddy Craig, deceased, and upon the completion of the administration of said estate will be the owner of said property and, so far as it constitutes a contract of sale, has been executed without compliance with the statutes providing for Court order of sale and notice.

This lease and option shall be binding upon and inure to the benefit of the lawful heirs of said deceased and the personal representatives and assigns of lessees.

WITNESS their names.

x _____

x _____

ADMINISTRATRIX OF THE ESTATE OF
EDDY CRAIG, DECEASED Lessor.

_____

_____

_____

Lessees.

564031

STATE OF COLORADO }ss
County of MESA
I hereby certify that this instrument was
filed for record

JUL 30 1952

at 2:17 o'clock P M., and recorded
in Book 269 Page 377
ANNIE M. DUNSTON, County Clerk & Recorder
By Magdalin Dysinton Deputy

Robt L. Parsons

4.05

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT B

Block 3 (f)

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Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT C

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There are no mining operations being conducted on the properties at this time. From 1938 to 1951 approximately 1,500 tons of carnotite ore was mined from the Climax Group of claims. There is approximately 150 feet of workings on the property. The Blue Creek Mining Company shipped approximately 50 tons of carnotite ore from the Climax Group in 1948-1951.

The workings are accessible for examination purposes.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT D

Block 4 (b)

Past production figures high grades of ore are available at the United States Atomic Energy Commission offices, Grand Junction, Colorado.

It is impossible to calculate ore reserves until a drilling program has been conducted.

Form MF-103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT E

Block 4 (c)

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Blue Creek Mining Company
618 Reed Avenue
Grand Junction, Colorado

ATTACHMENT G

Block 5 (d)

EVERETT L. HESS: Twenty-three years experience as Mine Operator, Mill and Mine Foreman and Master Mechanic, all in the Colorado Plateau Region in connection with the mining and milling of Uranium and Vanadium Ores.

JOHN R. MUNRO: Seventeen years experience in ore buying, purchasing and other activities, all in connection with the Colorado Plateau Uranium and Vanadium industry.

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Blue Creek Mining Company
618 Rood Avenue
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ATTACHMENT H

Block 6 (c)

The Blue Creek Mining Company will do the drilling with their own equipment at cost. It is our estimate that Wagon Drilling can be done for $0.85 per foot of depth for drilling 0' to 100'. Depths greater than 100' will be done with our diamond drill at an estimated cost of $3.50 per foot. We will not know the thickness of the Salt Wash formation until a test hole is drilled. It is our estimate that $50,000.00 will adequately carry the preliminary exploration required. The relative position of the holes is shown on the enclosed maps.

The labor and supervision required will be two drillers @ $1.75/hour, 2 helpers @ $1.50/hour, and one Supervisor @ $500.00/month. These labor and supervision costs are included in the cost per foot of drilling

Form MF-103
Blue Creek Mining Company
618 Reed Avenue
Grand Junction, Colorado

ATTACHMENT I

Block 6 (f)

No new buildings or improvements necessary.

Form MF-103
Blue Creek Mining Company
618 Reed Avenue
Grand Junction, Colorado

ATTACHMENT J

Block 6 (g)

Probably no repairs to operating equipment necessary. If so, will be taken care of in the cost per foot figures. Workmen's Compensation, Payroll taxes, employer's liability insurance and accounting will be for account of the Blue Creek Mining Company.

Assaying costs will depend entirely on the ore found--for account of the Blue Creek Mining Company.

Form MF-103
Blue Creek Mining Company
618 Reed Avenue
Grand Junction, Colorado

ATTACHMENT K

Block 6 (h)

Contingencies included in the cost per feet of drilling.

ATTACHMENT F (BLOCK 5B)

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			CLIMAX GROUP (Wagon Drill)				
1	2,000	110	25	80	8,800	$ 0.85	$7,480.00
2	2,700	100	25	108	10,800	$ 0.85	$9,180.00
3	3,000	35	40	75	2,625	$ 0.85	$2,231.25
4	2,000	45	50	40	1,800	$ 0.85	$1,530.00
5	1,000	45	50	20	900	$ 0.85	$ 765.00
6	2,500	35	50	50	1,750	$ 0.85	$1,487.50
7	1,800	40	50	36	1,440	$ 0.85	$1,224.00
8	1,500	40	50	30	1,200	$ 0.85	$1,020.00
9	1,300	40	50	26	1,040	$ 0.85	$ 884.00
10	700	35	50	14	490	$ 0.85	$ 416.50
11	350	105	50	7	735	$ 0.85	$ 624.75
12	500	105	25'	20	2,100	$ 0.85	$1,785.00
13	350	105	50'	7	735	$ 0.85	$ 624.75
			TOTAL FOR GROUP----------	513	34,415	$ 0.85	$29,252.75

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B) Cont.

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of Holes
			SOW GROUP, & NO PANTS GROUP, (Wagon Drill)				
14	12,500	100	100	126	12,600	$ 0.85	$10,710.00
		TOTAL FOR GROUP---------		126	12,600	$ 0.85	$10,710.00
			SUPPLY GROUP,(Wagon Drill)				
15	3,200	10 0	100	33	3,300	$ 0.85	$ 2,805.00
		TOTAL FOR GROUP--------		33	3,300	$ 0.85	$ 2,805.00
			DAL GROUP, (Diamond Drill)				
16	1-hole	200Ft.	---	1	200	$ 3.50	$ 700.00
17	1-hole	200Ft.	---	1	200	$ 3.50	$ 700.00
		TOTAL FOR GROUP-------		2	400	$ 3.50	$ 1,400.00

Form H F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B) Cont.

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			TEEPEE POLE GROUP, (Wagon Drill)				
18	1,200	30	50	24	720	$ 0.85	$ 612.00
19	1,100	35	50	22	770	$ 0.85	$ 654.50
20	900	40	50	18	720	$ 0.85	$ 612.00
21	700	45	50	14	630	$ 0.85	$ 535.50
22	1,500	40	50	30	1,200	$ 0.85	$1,020.00
23	1,700	40	50	34	1,360	$ 0.85	$1,156.00
24	1,800	4 0	50	36	1,440	$ 0.85	$1,224.00
			TOTAL FOR GROUP---	178	6,840	$ 0.85	$5,814.00
			Grand Total-------	852	57,555	$ 0.85	$49,981.75

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B)

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			CLIMAX GROUP (Wagon Drill)				
1	2,000	110	25	80	8,800	$ 0.85	$7,480.00
2	2,700	100	25	108	10,800	$ 0.85	$9,180.00
3	3,000	35	40	75	2,625	$ 0.85	$2,231.25
4	2,000	45	50	40	1,800	$ 0.85	$1,530.00
5	1,000	45	50	20	900	$ 0.85	$ 765.00
6	2,500	35	50	50	1,750	$ 0.85	$1,487.50
7	1,800	40	50	36	1,440	$ 0.85	$1,224.00
8	1,500	40	50	30	1,200	$ 0.85	$1,020.00
9	1,300	40	50	26	1,040	$ 0.85	$ 884.00
10	700	35	50	14	490	$ 0.85	$ 416.50
11	350	105	50	7	735	$ 0.85	$ 624.75
12	500	105	25'	20	2,100	$ 0.85	$1,785.00
13	350	105	50'	7	735	$ 0.85	$ 624.75
			TOTAL FOR GROUP----------	513	34,415	$ 0.85	$29,252.75

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B) Cont.

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of Holes
			SON GROUP, & NO PANTS GROUP, (Wagon Drill)				
14	12,500	100	100	126	12,600	$ 0.85	$10,710.00
		TOTAL FOR GROUP---------		126	12,600	$ 0.85	$10,710.00
			SUPPLY GROUP,(Wagon Drill)				
15	3,200	10 0	100	33	3,300	$ 0.85	$ 2,805.00
		TOTAL FOR GROUP--------		33	3,300	$ 0.85	$ 2,805.00
			DAL GROUP, (Diamond Drill)				
16	1-hole	200Ft.	---	1	200	$ 3.50	$ 700.00
17	1-hole	200Ft.	---	1	200	$ 3.50	$ 700.00
		TOTAL FOR GROUP-------		2	400	$ 3.50	$ 1,400.00

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

ATTACHMENT F (BLOCK 5B) Cont.

Drill line no.	Length	Av. Depth of hole	Av. hole spacing	No. of holes	Footage	Cost/ft	Cost/line of holes
			TEEPEE POLE GROUP, (Wagon Drill)				
18	1,200	30	50	24	720	$ 0.85	$ 612.00
19	1,100	35	50	22	770	$ 0.85	$ 654.50
20	900	40	50	18	720	$ 0.85	$ 612.00
21	700	45	50	14	630	$ 0.85	$ 535.50
22	1,500	40	50	30	1,200	$ 0.85	$1,020.00
23	1,700	40	50	34	1,360	$ 0.85	$1,156.00
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			Grand Total-------	852	57,555	$ 0.85	$49,981.75

Form M F - 103
Blue Creek Mining Company
618 Rood Avenue
Grand Junction, Colorado

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICIAL BUSINESS

224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

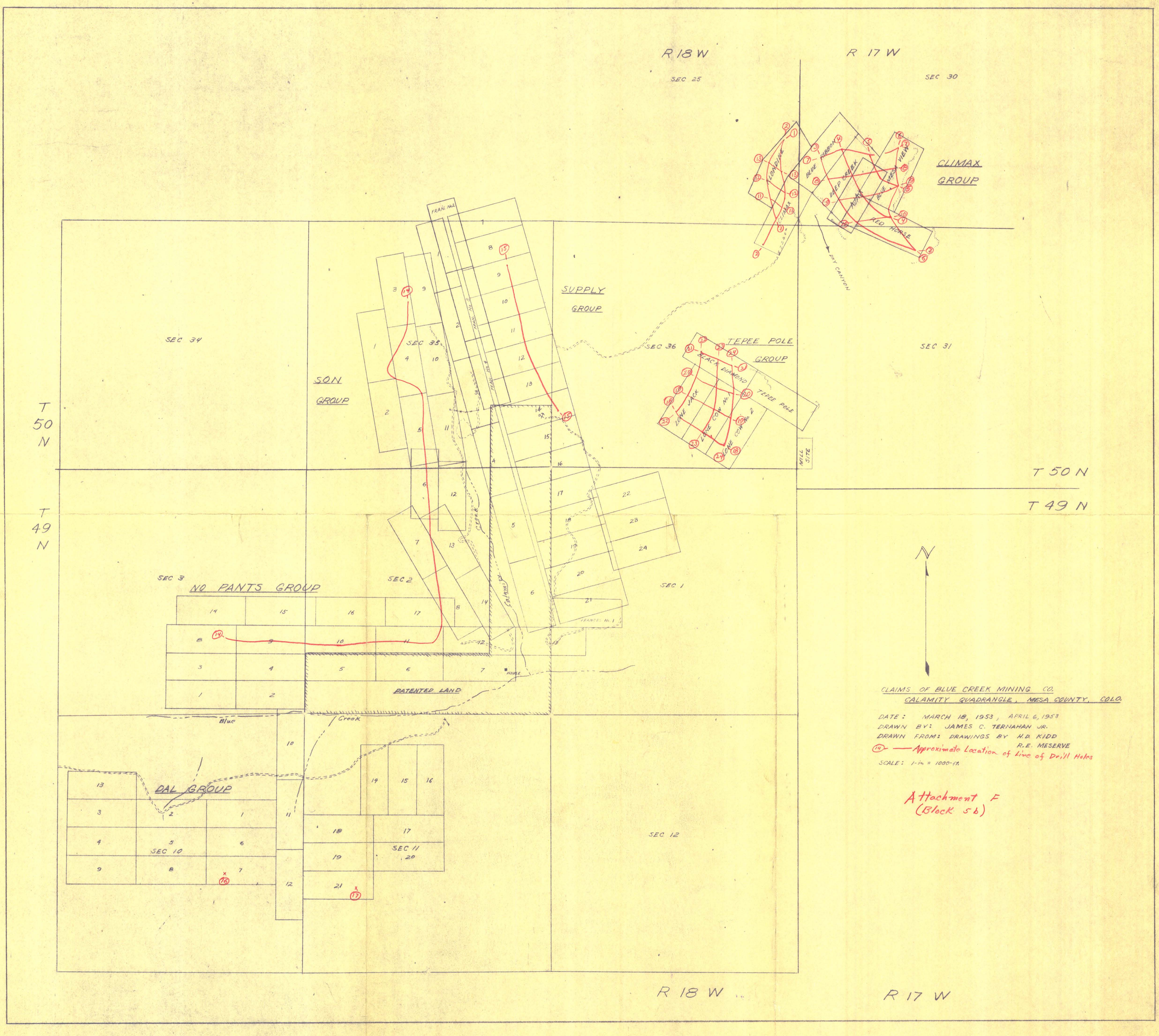
(PMGO

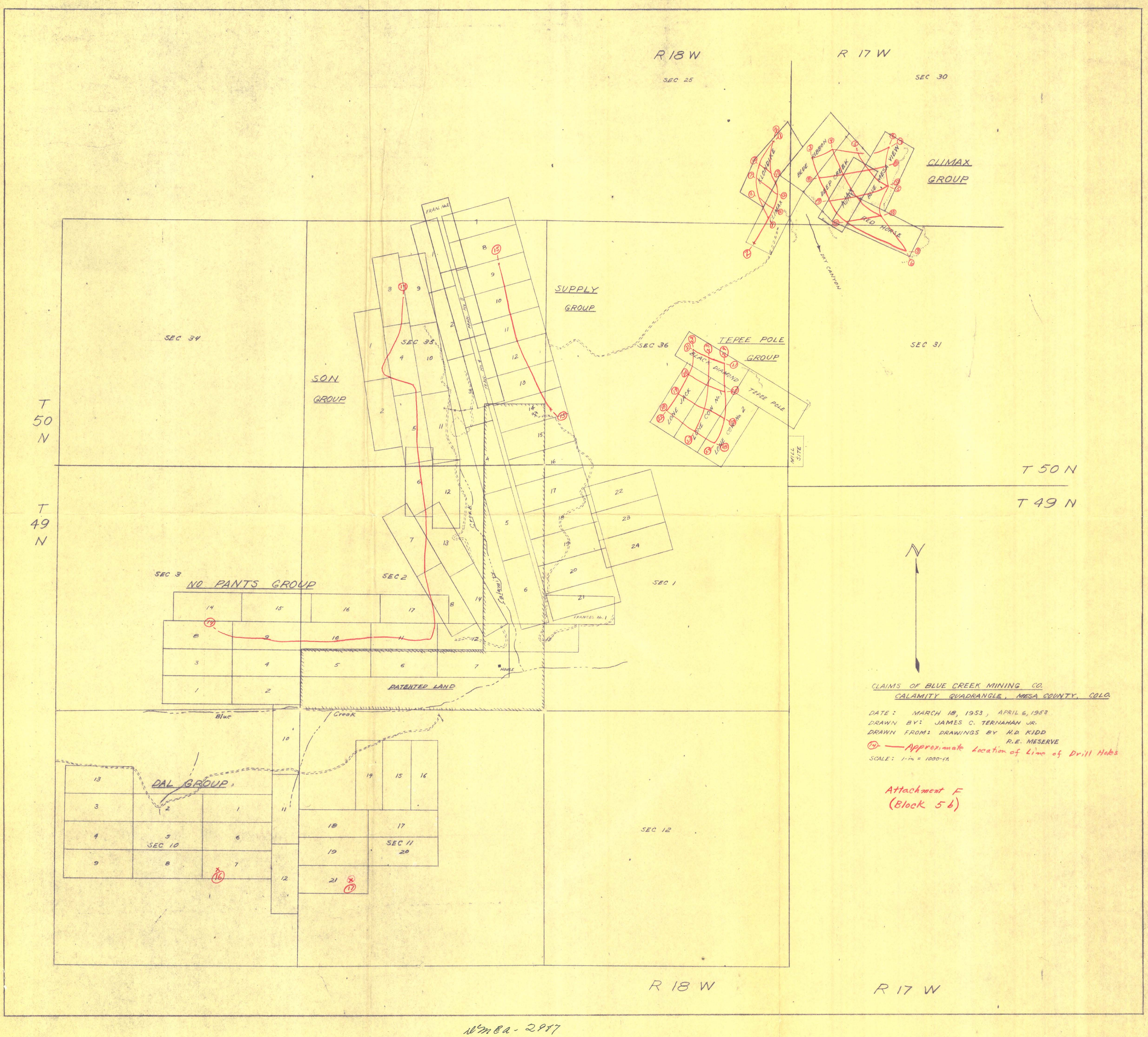
Defense Minerals Exploration Administration

Interior Building

Washington 25, D. C.

1 copy of map enclosed
4-20-53


R 18 W
R 17 W
SEC 25
SEC 30
CLIMAX GROUP
LONDIKE
CLIMAX
BLUE RIBBON
DEEP CREEK
BLUE MESA VIEW
RED HORSE
DRY CANYON
SUPPLY GROUP
SEC 34
SEC 35
SEC 36
SEC 31
SON GROUP
TEPEE POLE GROUP
BLACK DIAMOND
TEPEE POLE
LONE JACK
LONE COW No. 1
LONE COW No. 2
MILL SITE
FRANK No. 2
FRANK No. 3
FRANK No. 4
T 50 N
T 49 N
SEC 3
SEC 2
SEC 1
NO PANTS GROUP
PATENTED LAND
HOME
Blue
Creek
DAL GROUP
SEC 10
SEC 11
SEC 12
N
CLAIMS OF BLUE CREEK MINING CO.
CALAMITY QUADRANGLE, MESA COUNTY, COLO.
DATE: MARCH 18, 1953, APRIL 6, 1953
DRAWN BY: JAMES C. TERNAHAN JR.
DRAWN FROM: DRAWINGS BY H.D. KIDD
R.E. MESERVE
(14) —— Approximate Location of Line of Drill Holes
SCALE: 1-in. = 1000-ft.
Attachment F
(Block 5b)



CLAIMS OF BLUE CREEK MINING CO.
CALAMITY QUADRANGLE, MESA COUNTY, COLO.

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R.E. MESERVE
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SCALE: 1-in = 1000-ft.

Attachment F
(Block 5 b)

UMBa-2987