April 13, 1955

Memorandum

To: Hazel Berry, Operating Committee

From: Grace L. Ault, Rare & Miscellaneous Metals Division

Subject: Amendment No. 1, dated April 5, 1955
Docket No. DMEA-3390 (Uranium)
Contract Idm-E706
San Juan Uranium Corporation
LaPlata County, Colorado

Mr. Knouse has reviewed and approved the above-named amendment, suggesting that it be further reviewed by the Legal Division.

Mr. Ellis, in addition, comments as follows:

"Amendment No. 1 (DMEA-3390) does not extend the repayment period. However, total period of contract is only 1 year and amount small, so perhaps it is not necessary to correct the Field Team."

/s/ Grace L. Ault

Grace L. Ault

Date April 1[illegible]

To: Mr. Knouse

Docket No. DMEA-3390 (Uranium) San Juan Uranium Corp.
Contract No. Idm-E706

Attached is Amendment No. 1, dated April 5, 1955

to be reviewed.

Approved F L Knouse

Other action Legal Div. for review.

Please return this slip to me for my records.

Grace Ault

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

224 New Customhouse
Denver 2, Colorado

April 5, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are the original and two copies of Amendment No. 1 to Contract Idm-E706 which has been executed to extend the period for completion of the project work from 6 months to one year. Also enclosed are three copies of the operator's letter requesting the extension of the completion period.

Copies of the amendment have been given to the operator, the Finance Office, Region III, and a copy has been retained for our files.

W. M. Traver

W. M. Traver

Enclosures

No. 1

AMENDMENT OF CONTRACT: No. Idm-E706

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

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

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

Dated APR 5 1955

SAN JUAN URANIUM CORPORATION

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

UNITED STATES OF AMERICA

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

Seal

SAN JUAN URANIUM CORPORATION

FIDELITY BUILDING
OKLAHOMA CITY, OKLAHOMA

March 21, 1955

Bureau of Mines
RECEIVED
Date APR 1 1
MAR 22 1955
BUREAU OF MINES
Denver, Colorado

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

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

Dear Mr. Traver:

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

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

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

Sincerely yours,

SAN JUAN URANIUM CORPORATION

R. B. Walter

R. B. Walter, President

RBW/jr

September 24, 1954

Memorandum

To: Hazel Berry, Operating Committee

From: Grace L. Ault, Rare & Misc. Metals Division

Subject: Contract finalized by Region IV

Mr. Ellis has reviewed and approved Contract No. Idm-E706, Docket No. DMEA-3390 (Uranium) San Juan Uranium Corporation, in the total amount of $10,500.00, with Government particiation at 75 percent, or $7,875.00.

/s/ Grace L. Ault

Grace L. Ault

Date 9/22/54

To: Mr. Ellis (new contract for assignment to engineer)

Docket No. DMEA-3390 San Juan Uranium Corporation
Contract No. Idm-E706
Attached is ~~[illegible]~~ Region IV contract, dated September 13, 1954

to be reviewed.

Approved _____

Other action _____

Please return this slip to me for my records.

Mrs. Ault

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

SEP 20 19

224 New Customhouse
Denver 2, Colorado

September 13, 1954

REGISTERED

Memorandum

To: Administrator, DMEA, Attention Code 200

From: Executive Officer, DMEA Field Team, Region IV

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

Enclosed are the original and two copies of Contract Idm-E706 and the original and one copy of Form 3b.

Copies of the contract have been given to the operator, the Finance Office, Region IV, and a copy has been retained for our files.

The four Washington office copies of the Field Team's report of examination cannot be located in this office, therefore we believe they may have been inadvertently forwarded to you at the time they were assembled, with our memorandum of July 19, 1954. Please check your files and advise us as to whether or not four copies of the report were received.

John F. Shaw

John F. Shaw, for
W. H. King

Enclosures

MF-200 (A)
(February 1952)

DOCKET DMEA 3390

COMMODITY Uranium

Idm-E706 SEP 20 1954

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

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

hereinafter called the "Operator," as follows:

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

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

the Operator represents and undertakes:[4]

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

None

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

SAN JUAN URANIUM CORPORATION
(Operator)

By R. B. Walter
PRESIDENT

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

P Ray Schwoerke [CORPORATE SEAL]

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

SEP 20 1954

ANNEX I

The following provisions are in lieu of Article 6:

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

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

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

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

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

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

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

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

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

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

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

58694

ANNEX II

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

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

DOCKET DMRA-3390

EXHIBIT "A"

Description of the Work

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

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

Estimated Cost of the Project

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

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

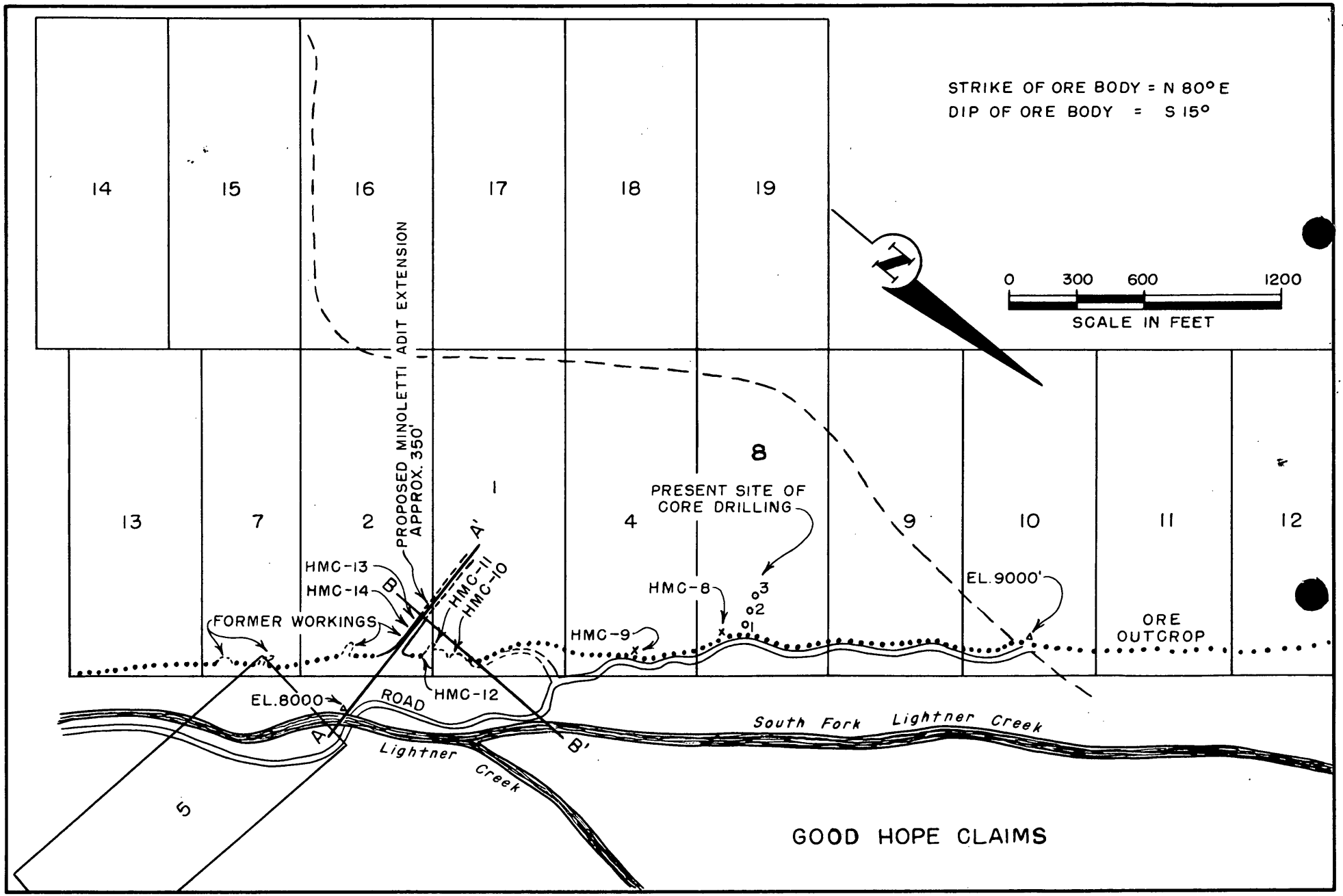

FIGURE 2 - CLAIM MAP SHOWING PROPOSED EXPLORATION, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO. (DMEA 3390)

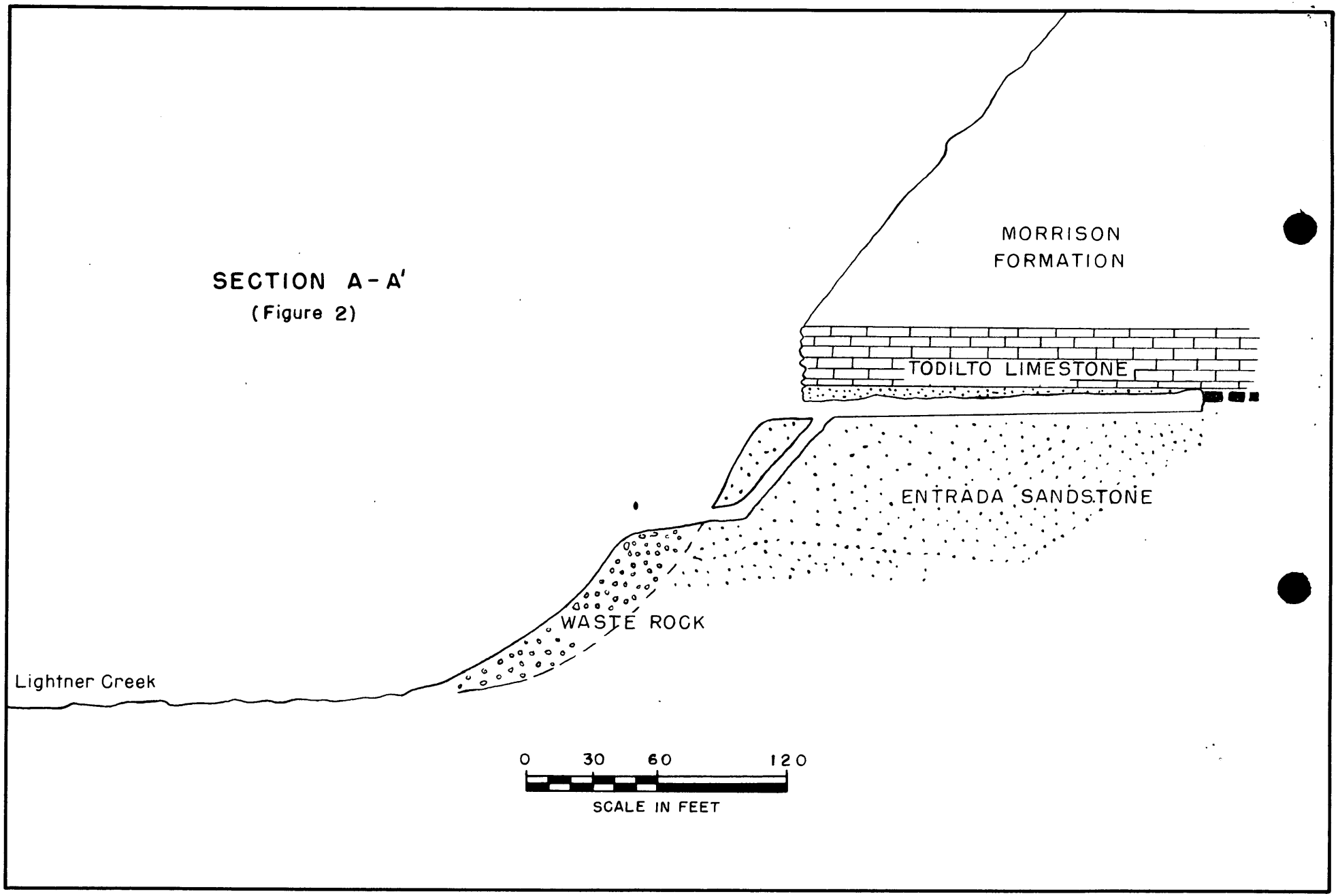

FIGURE 3 - MINOLETTI ADIT, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO. (DMEA 3390)

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

SEP 20 1954

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

See Annex #2 attached

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

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

hereinafter called the "Operator"; and

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

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

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

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

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

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

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

(OVER)

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

4. Changes and added provisions _____

_____

_____

_____

Dated this _____ day of _____, 195___.

_____ [Seal]

_____ [Seal]

_____ [Seal]

ANNEX No. 2

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

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

F. W. Pinkerton

A. L. Butell

Elsie A. Pinkerton

Catherine E. Butell

C. E. Linn

F. W. Pinkerton, Jr.

Nellie M. Linn

Carol M. Pinkerton

STATE OF NEW MEXICO)
COUNTY OF LOS ALAMOS) SS

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

Witness my hand and official seal.

Margaret P. [illegible]

[illegible], 1954

[illegible] 1954

STATE OF COLORADO)
) SS
COUNTY OF LA PLATA)

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

Witness my hand and official seal.

My commission expires February 21, 1955.

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

ed

tified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of Dec. 28, 1956
Incl. Voucher for July, 1955

San Juan Uranium Corporation

State Colorado

Commodity Uranium

[ ] Actual Cost

[X] Agreed Unit Costs

Docket No. DMEA-3390

Idm-E No. Idm-E706

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	350	$ 10,500	350	$ 10,500	$ 10,500
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$ 10,500		$ 10,500	$ 10,500

Prepared by Michael Ching

71626

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

JAN 8 1957

Mr. [illegible] Walter, President
San Juan Uranium Corporation
3003 N. W. 20th Street
Oklahoma City 7, Oklahoma

Re: Docket No. [illegible]-3390 (Uranium)
Contract No. [illegible]-706
Goodhope Claims
La Plata County, Colorado

Dear Mr. Walter:

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

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

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

Sincerely yours,

G. O. Mitchell

Administrator

MChing/sla
1-4-57
cc to: Adm.'s Reading File
Contract Adm. & Audit Division
Code 700
Mr. Ching
DMEA Field Team, Region III (2)
J Crawford, 3643
TKHillsgaard, 5224
JWested, 3210, GSA

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

F. W. Pinkerton and Elsie A. Pinkerton
. N. Linn and Nellie M. Linn

Fred Brown
Attorney-in-fact for
Lloyd Zents and Edna Zents

A. S. Butell and Catherine M. Butell

F. W. Pinkerton, Jr., and Carol M. Pinkerton

Re: Docket No. DMA-3390 (Uranium)
Contract No. Ida-2706
San Juan Uranium Corporation
Goodhope Claims
La Plata County, Colorado

Dear Sirs and Madames:

Reference is made to the undated Owner's Consent to Lien which you executed in connection with the DMEA contract for an exploration project on your property located in La Plata County, Colorado.

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

Sincerely yours,

G. O. Pittendorf

Administrator

Copy to: McKelvey & McKelvey

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

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

JAN 8 1957

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

Attention: Mr. R. Franklin McKelvey

Re: Docket No. DMA-3390 (Uranium)
Contract No. Idm-E706
San Juan Uranium Corporation
Goodhope Claims
La Plata County, Colorado

Gentlemen:

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

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

Sincerely yours,

C. O. McCormick

Administrator

Enclosures

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

December 31, 1956

Project Summary Report

By: Michael Ching

1. Docket No. DMEA-3390 (Uranium)
Contract No. Idm-E706

Operator: San Juan Uranium Corporation, a Delaware corporation
Fidelity Building
Oklahoma City, Oklahoma

Property: 17 unpatented lode mining claims, Goodhope Nos. 1-2, 4-5, and 7-19, located in an unsurveyed area in T. 36 N., R. 10 E., N.M.P.M., La Plata County, Colorado

Operator's Property Rights:

Operaor is a lessee. Owner's Consent to Lien (undated) executed by F. W. Pinkerton, ElsieA. Pinkerton, C. E. Linn, Nelli M. Linn, Fred Brown (Attorney-in-fact for Lloyd Zentz and Edna Zentz), A. S. Butell, Catharine E. Butell, F. W. Pinkerton, Jr., and Carol M. Pinkerton.

2. Contract (Short Form), dated September 13, 1954

Contract completion date, as amended, September 13, 1955.

Work Authorized -

Extend the Minoletti adit 350 feet westerly beyond the present face, along the mineralized zone at the top of the Entrada sandstone.

Estimated Cost:

350 feet drifting @ $30.00/ft.	$10,500.00
Government participation @ 75%	$ 7,875.00

Amendments -

No. 1 - Extends completion period from 6 months to 1 year.

Work completed -

The project work was started November 30, 1954, and completed in July, 1955. There was considerable delay because of

severe winter weather and equipment breakdowns. Drifting began at the face of the existing adit, 180 feet from the portal, and was advanced 352 feet in a southwesterly and westerly direction. Samples were taken at 5-foot intervals. The unit cost of $30.00 per foot included all costs. Only the authorized 350 feet were allowed.

350 ft. drifting @ $30.00/ft.	$10,500.00
Government participation @ 75%	$ 7,875.00

3. Auditor's Report of Review, dated October 22, 1956

Total cost as billed by Operator		$10,500.00
Exceptions	None	-
Total accepted cost		$10,500.00
Government participation @ 75%		$ 7,875.00

4. Certification of Discovery - None

5. Comments and Results:

Drifting progress was slower than anticipated, averaging less than 50 feet per month.

The uranium-vanadium deposits of the area are in the upper part of the Entrada sandstone, from 1 to 4 feet below the contact with the overlying Pony Express limestone member of the Wanakah formation. They occur as irregularly spaced rolls, lenses and pods, which range from a few inches to 4 feet thick and from 1 to 15 feet long. Average thickness is about 8 inches. The largest deposit encountered in the adit was about 2 feet thick and extended for about 15 feet along the adit walls, but the material was not of ore grade. Elsewhere in the adit the ore horizon contained only narrow stringers or small thin pods of mineralized material. Mineralization consists mostly of vanadium, with minor amounts of uranium. Of 70 samples taken by the Operator at 5-foot intervals along the drift, only two assayed 0.20% U_3O_8 or better. One was taken over a width of .75 feet and the other was a grab sample. A good portion of the samples were grab samples, the assays of which ranged from a trace to 0.18% U_3O_8. Channel samples taken across mineralized sections ranged in width from 0.7 to 5 feet and the assays were usually of the order of 0.01 and 0.02% U_3O_8. Five channel samples taken by the field examiners along the adit ranged from 0.5 to 2.0 feet in width, and only one was of ore grade (0.20% U_3O_8 and 2.21% V_2O_5).

It is concluded that the deposits exposed by this exploration project are too small and too low grade to be of significance. A certification of discovery is not warranted. There is no geologic reason to assume that a

further extension of the adit would expose ore bodies of greater significance.

A request by the Operator for more funds and work on this and other nearby claims was denied on July 3, 1956.

/s/ Michael Ching

Michael Ching

MChing/gla
cc to: Admr.'s Reading File
Docket(original)
Code 700
Mr. Ching

EXTRA COPY DMEA		
RECEIVED JAN 3 1957		
DATE	INITIALS	CODE
		700

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

Date January 2, 1957

DMEA Docket No. 3621
DMEA Contract No. Idm-E802
Commodity Uranium
Name of applicant Colamer Corporation
Name of property Christmas Day Group
Location of property Valencia and McKinley Counties, New Mexico
Estimated cost of project $7,780.00

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Review of Final Report
(Application, Field Team Report, etc.)

1. Date of subject document: 12/5/56. 2. Date received by reviewer: 12/18/56

3. Prior reports on this property known to reviewer: Yes ☐ No ☐

4. Prior reports on nearby properties known to reviewer: Yes ☐ No ☐

5. Information available on past production: Yes ☐ No ☐

6. Other pertinent factors known to reviewer: Yes ☐ No ☐

7. Explain items marked yes above:

8. Factors meeting special consideration:
   a. Location ☐
   b. Ownership ☐
   c. Evidence of mineralization ☐
   d. Geology ☐
   e. Proposed exploration method ☐
   f. Alternate exploration method ☐
   g. Costs ☐
   h. _____ ☐

9. Action advised:
   a. Obtain information from applicant ☐
   b. Refer to Field Team ☐
   c. Denial ☐
   d. Agree with Field Team ☒
   e. Disagree with Field Team ☐
   f. Suggest alternate plan ☐
   g. Request another examination ☐
   h. Approval ☐
   i. Consult with Mr. _____ at _____ this office.

10. Remarks: (Use back of page if necessary) **Certification of a discovery is not recommended. Mr. J. O. Hosted, Washington representative of the Atomic Energy Commission, assisted in the review.**

12/7/56 gla

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

224 New Customhouse
Denver 2, Colorado

November 27, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 3390 (Uranium), Contract No. Idm-8706, San Juan Uranium Corporation (Good Hope claim), La Plata County, Colorado - FINAL REPORT

Enclosed are the original and three copies of a joint final engineering and geologic report, dated November, 1956, by C. M. Harrer, Mining Engineer, Bureau of Mines, and E. N. Harshman, Geologist, Geological Survey, pertaining to the work completed under the subject contract, and transmittal thereof, dated November 26, 1956, from John F. Shaw and E. N. Harshman.

The original and one copy of the Operator's final report were forwarded to you by memorandum of October 10, 1956.

Final payment to the Operator was processed by this office October 23, 1956, in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, dated October 22, 1956.

The exploration work completed consisted of 350 feet of drifting, at a total accepted cost of $10,500.00, toward which the Government contributed 75%, or an amount of $7,875.00.

The exploration work performed did not result in the discovery or development of a significant quantity of uranium ore. Therefore, Certification of the project as such is not recommended.

Original signed by
W. M. TRAVER

W. M. Traver

Original signed by
E. N. HARSHMAN

E. N. Harshman

Reviewed by
DMEA OPERATING COMMITTEE
12-7-56

Final Field
Team report

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGIONXXX

Building 20
Denver Federal Center
Denver 2, Colorado
November 26, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw
E. N. Harshman

Subject: DMEA 3390 (Uranium) Contract Idm-2706, San Juan Uranium Corporation, (Good Hope claims) La Plata County, Colorado - Final Report

Enclosed are the original and 9 copies of the final engineering and geologic report on the subject project by C. N. Harrer, mining engineer, and E. N. Harshman, geologist.

The Good Hope group of claims was explored with Government assistance during the period November 1, 1954 - July 1955. The contract called for doing 350 feet of drifting. This was completed, and 70 samples taken by the operator along the drift indicated that no significant ore bodies had been found. An additional 16 samples taken by DMEA personnel confirmed this.

The cost of the project was $10,500.00, the Government's part at 75 percent was $7,875.00.

The operator made two requests for additional assistance in the amounts of $400,000.00 and $71,568.00.

The examining team recommended that these requests be denied and that no Certificate of Discovery be issued.

John F. Shaw
Supervising Mining Engineer

E. N. Harshman
Member Field Team

Reviewed by
DMEA OPERATING COMMITTEE
12-7-56

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 3396, Contract Idm-2706
SAN JUAN URANIUM CORPORATION
LA PLATA COUNTY, COLORADO

Uranium

Joint Engineering and Geologic Final Report

by

C. M. Harvey, Mining Engineer
Bureau of Mines

R. N. Hershman, Geologist
Geological Survey

November 1956

Reviewed by
DMEA OPERATING OFFICER
12-7-56

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Annex I ..... Follows page 9

ILLUSTRATIONS

FIGURES — Follows page 9

1. Location map, San Juan Uranium Corporation (Good Hope Group) in Ouray County, Colorado
2. Claim and exploration map, San Juan Uranium Corporation (Good Hope Group) in Ouray County, Colorado
3. Exploration and sample location map of Minnie-Bell adit, San Juan Uranium Corporation (Good Hope Group) in Ouray County, Colorado

DMEA 3390
GOOD HOPE GROUP OF CLAIMS
SAN JUAN URANIUM CORPORATION
LA PLATA COUNTY, COLORADO

INTRODUCTION AND SUMMARY

On December 17, 1954, exploration contract Idm-E706 was activated between San Juan Uranium Corporation and the Defense Minerals Exploration Administration to explore the Good Hope group of claims for uranium.

The claims are standard 600 feet by 1500 feet unpatented locations along Lightner Creek, in the San Juan National Forest, T. 36 N., R. 10 E., New Mexico principal meridian, La Plata County, Colorado.

The object of this project was to explore the Good Hope No. 1 and No. 2 claims for roscoelite-type uranium-vanadium deposits by extending the existing Minaletti adit 350 feet westerly. The contract called for an expenditure of $10,500.00 with Government participation of 75 percent.

Exploration under the contract started on November 1, 1954, and the 350 feet of drift allowed under the contract was completed in July 1955. The operator also sampled the drift at 5-foot intervals and submitted the vanadium and uranium analyses for 70 samples.

Total cost of exploration is $10,500.00, and Government participation of 75 percent is $7,875.00.

Two requests for additional exploration assistance in the amounts of $400,000.00 and $71,368.00 were recommended for denial.

Exploration under DMEA has exposed sandstone containing definite but small and sporadic occurrences of vanadium with only very minor amounts of uranium. The deposit cannot be considered as a significant source of uranium ore.

No further exploration with DMEA participation is recommended, and no Certification of Discovery is recommended.

LOCATION OF THE PROPERTY

The Good Hope group of claims, Nos. 1, 2, 4, 5 and 7 to 19 are in an unsurveyed area of the San Juan National Forest, T. 35 N., R. 10 E., New Mexico principal meridian, La Plata County, Colorado (figs. 1 and 2). The claims are along the south fork of Lightner Creek at elevations ranging from 8,000 to 9,000 feet. The property is reached from Durango, Colorado, by driving 3 miles west over U. S. Highway 160, thence 6 miles north over a dirt county road, thence 3 miles northwest over a rough access road to the southeast corner of the claims. The terrain is rugged, with steep, forested slopes. The nearest purchasing and processing facilities for uranium ore are at Durango, 12 miles southeast of the property.

OWNERSHIP AND EXTENT

The Good Hope group of unpatented, standard lode locations (fig. 2) are owned by A. S. and Catherine M. Dutall, F. W. and Elsie A. Fisherton, C. E. and Hallie M. Line and Lloyd and Conal M. Sauer. The property was leased to W. M. and Dottie Squilicant on March 9, 1954. Mr. Squilicant assigned his lease to San Juan Uranium Corporation on March 17, 1954. The property includes 19 claims, each of which are 600 feet wide and 1500 feet long. They are recorded in the Office of the La Plata County Clerk and Recorder as follows:

Claim	Certificate Number	Date	Book	Page
Good Hope	1 171,618	Sept. 12, 1942	217	570
	2 19	"	"	571
	4 21	"	"	573
	5 22	"	"	574
	7 24	"	246	2
	8 25	"	"	3
	9 26	"	"	4
	10 27	"	"	5
	11 28	"	"	6
	12 29	"	"	7
	13 30	"	"	8
	14 171,208	Oct. 3, 1942	"	9
	15 9	"	"	10
	16 10	"	"	11
	17 11	"	"	12
	18 12	"	"	13
	19 13	"	"	14
amended	5 171,341	Sept. 13, 1944	"	42
"	5 834,737	Sept. 16, 1953	"	895

The claims are subordinated under the contract.

Mr. A. S. Rutell was contacted at Durango on May 9, 1956, and stated that the lease to the Good Hope claims was terminated as of May 5, 1956, because San Juan Uranium Corporation failed to carry out its terms of the lease. The owners are now trying to interest others in its further development. The claims comprise about 352 acres.

HISTORY AND PRODUCTION

The operator claims that about 1,000 tons of vanadium ore, averaging 2.85 percent V_2O_5 was produced from the property during World War II. At that time no payment was made for uranium, and no records are available to establish the uranium content of the ore.

The property was examined by a Geological Survey and Bureau of Mines team on June 16, 1954, for the Defense Minerals Exploration Administration and a contract DMx-2706 was activated on Dec. 17, 1954.

On Dec. 17, 1954, San Juan Uranium Corporation requested that the

contract be amended to provide for a much larger program. The operator proposed to drive three 5- by 7-foot adits on the Good Hope No. 3, Good Hope No. 9 and Nevada No. 4 claims for a total length of 2,172 feet, starting from rimrock locations. In addition, it proposed to core drill 14,975 feet of holes 60 to 600 feet deep. Total cost of this additional program was estimated at about $400,000.00. The property was again examined for DMEA on July 19, 1955, and the operator's request was denied.

On May 26, 1955, San Juan Uranium Corporation again requested consideration of additional exploration assistance in the amount of $71,568.00, to extend the Minoletti adit 300 feet, and to drive three 300-foot adits from rimrock locations to explore the Good Hope No. 3, Nevada No. 3 and Atom No. 3 claims. The property was examined again on May 9, 1956. At this time the property had been repossessed by the owners through default on the part of San Juan Uranium Corp. This request was also recommended for denial. In the last two requests the Good Hope No. 3, Nevada Nos. 3 and 4, and Atom No. 3 claims were subordinated under the proposed amendments.

GEOLOGY AND ORE DEPOSITS

The geology and ore deposits of the La Plata Mountains are described by Edwin B. Eckel (1949) in the U. S. Geological Survey Professional Paper 219. The following summary of the regional geologic setting is taken largely from that publication.

The La Plata Mountains are composed of sedimentary rocks, ranging in age from Pennsylvanian to Cretaceous, and sills, stocks, and dikes of porphyritic and non-porphyritic igneous rocks of late Cretaceous or early Tertiary age.

The major structural feature is a domal uplift of the sedimentary rocks. The dome is about 15 miles in diameter and is partly bounded by a horseshoe-shaped hinge fold, open toward the south and encircling the central part of the mountains. Major and minor faults have broken the sediments, particularly along the hinge line and along the north and northeast edge of the dome. The maximum uplift of the sediments is about 6,000 feet. Zokal concludes that doming was caused in part by intrusion of the many sills now exposed in the area and in part by folding in the basement rocks.

The Geodhope group of claims is in an area of gently-dipping sedimentary rocks on the southern flank of the La Plata Mountains. Erosion has exposed a thick section of sandstone, limestone, mudstone, and shale. Progressively from the bottom upward the formations are: the Dolores formations of Triassic age, consisting of 400 to 500 feet of red shale and mudstones; the Entrada sandstone of upper Jurassic age 80 to 100 feet thick; the Wanakah formation of upper Jurassic age, consisting of 20 to 25 feet of limestone (Pony Express member) overlain by 100 to 125 feet of sandstone and marl; and the Junction Creek sandstones of upper Jurassic age, 200 to 300 feet thick.

No major faults or folds were recognized in the immediate vicinity of the claims. Minor faults, shear zones and folds are seen in the cliff face along Lightner Creek and in the DMEA adit. They did not complicate exploration of the deposit.

The vanadium-uranium deposits of the Lightner Creek area are in the upper part of the Entrada sandstone, from 1 to 4 feet below the contact with the overlying Pony Express limestone member of the Wanakah formation. This limestone may correlate with the Todilto limestone present in the Grants

uranium district to the south. The formations strike about N. 80° E. and dip 10° to 20° south.

The mineralized zone appears to be continuous over a wide area southwest of the south fork of Lightner Creek. It can be traced without interruption along at least 400 feet of cliff face near the workings shown on figure 2, in road cuts extending more than 2,000 feet northwest from these workings, and in the DMEA Minoletti adit. The location of samples are shown on figures 2 and 3. The results of assaying are tabulated in Annex I.

Exploration and limited mining operations have shown the mineralized material to be in a tabular zone ranging from a few inches to 4 feet in thickness. The "ore" is classed as a rauscelite and carnotite type, high in vanadium and low in uranium.

Mineralized material occurs in irregularly spaced rolls, lenses, and pods, generally flattened on the bottom, and pitching southwesterly. Individual pods are connected by mineralized seams or bands, in some places not over a quarter of an inch thick but always present. The lower contact between the mineralized material and sandstone is rather sharp, and in some places is marked by a thin clay seam; the upper contact is gradational. The factors governing the position, size and grade of individual mineralized pods are not readily apparent but the position of some of the pods may be governed by crossbedding and minor faulting in the Entrada sandstone.

Individual pods, lenses, or rolls range from a few inches to 4 feet thick and from 1 to 10 feet long. The average thickness is estimated to be about 8 inches.

Work under the DMEA contract started at a point 180 feet from the portal of the Minoletti tunnel. Minor faulting somewhat disturbed the ore horizon for the first 100 feet of adit driven under the contract;

the remaining 252 feet of adit was driven in somewhat fractured but relatively undisturbed sandstone. The ore-bearing horizon exposed in the underground workings contains fewer and smaller pods of mineralized material than did the old workings on the cliff face. The largest pod of mineralized material was encountered in the adit at a point about 150 feet from the starting point. Here a small pod, about 2 feet in thickness is exposed for about 13 feet along the adit walls. The material is not ore grade. Elsewhere in the adit the ore horizon contains only narrow stringers or small thin pods of mineralized material.

Although the operator contends that additional drifting to the southwest would certainly discover material of ore grade and thickness, there is no geologic reason to assume that mineralized sandstone greatly different from that exposed in the present adit would be encountered.

ORE RESERVES

Although very selective mining at certain points in the Minoletti adit might result in the production of a few tons of ore-grade material the average grade of the material in the mineralized zone as shown in Annex I is far below ore grade.

No estimate of ore reserves is possible due to the erratic distribution of uranium and vanadium in narrow streaks and small, discontinuous pods.

THE PROJECT

Description of work completed:

Defense Minerals Exploration Administration contract Idn-2706 was signed on December 17, 1954, and work under the contract started November 30, 1954. At this time the Minoletti adit (figs. 2 and 3) from which

exploration was to start, had been driven 180 feet southwesterly.

Work under the contract consisted of advancing the Minoletti adit southwesterly and westerly 352 feet. This is 2 feet in excess of contract stipulations. Work under the contract was completed in July 1955. The Minoletti adit is now 532 feet long. The advance of the Minoletti adit was sampled at 5 foot intervals. The resulting 70 samples (fig. 3) were analyzed for their uranium and vanadium content, and the results are tabulated as Annex I. The results of 16 samples taken by DMEA are also included.

Cost of the project:

The authorized and accepted costs of the project are summarized below. The summary also includes the units of work.

Summary of Costs and Project Work

Work authorized by contract				Work Completed	
Type of Work	Units	Unit Cost	Total Cost	Units	Approved Cost
Drifting	350 feet	$30.00 per foot	$10,500.00	352 ft.	$10,500.00
Sampling & assaying	sample every 5 ft.	Included in drifting cost	Included in drifting cost	70 samples	Included in drifting cost

The Government withholds $250.00 from the operator pending resolution of all matters relative to the closing of the project account.

Project equipment:

The fixed unit price stipulated in the contract includes all costs for equipment and supplies necessary to complete exploration satisfactorily, and reflects any salvage value. The Government is therefore not concerned with the disposition of any property upon termination of the contract.

Efficiency of operations:

Advance under the contract ranges from 26to 56 feet of drift per month. Considerable delay occurred because of severe winter weather and equipment breakdowns. The work was performed slower than expected.

CONCLUSIONS AND RECOMMENDATIONS

The material exposed by the DMEA work on the Good Hope group of claims contains appreciable amounts of vanadium but only minor amounts of uranium. The deposit cannot be considered as a significant source of uranium ore.

Extension of the Minoletti adit 350 feet under DMEA has resulted in the exposure of small, lenticular bodies of very low grade vanadium-uranium ore with occasional small streaks of higher-grade material.

No significant discovery of uranium has been made and therefore no Certification of Discovery is recommended.

No further exploration with DMEA assistance is recommended.

ANNEX I

Results of sampling under DMEA contract Idm-5706 (figs. 2 and 3)

Location of sample	Sampler	Width sampled feet	Percent U_3O_8	Percent V_2O_5	Remarks
0 plus 0	San Juan Uranium Corp.	-	-	-	Start of contract, 180 feet from the portal of the Minoletti adit (fig. 3)
plus 5	"	0.75	0.00	0.00	Minoletti adit (fig. 3)
10	"	5.0	0.06	1.32	"
15	"	5.0	0.02	0.08	"
20	"	0.75	0.13	0.62	"
25	"	5.0	0.02	0.86	"
30	"	5.0	0.02	0.20	"
35	"	5.0	0.01	0.08	"
40	"	1.0	0.01	0.12	"
45	"	1.0	0.01	0.13	"
50	"	0.5	0.01	0.13	"
55	"	0.5	0.01	0.15	"
60	"	1.0	0.01	0.13	"
65	"	1.0	0.01	0.12	"
70	"	0.5	0.02	0.22	"
75	"	0.5	0.02	0.58	"
80	"	0.5	0.01	0.12	"
85	"	0.5	0.01	0.03	"
90	"	1.0	0.01	0.08	"
95	"	Grab	0.01	0.11	"
100	"	3.5	0.04	0.17	"
105	"	5.0	0.02	0.37	"
110	"	5.0	0.01	0.34	"
115	"	5.0	Trace	0.02	"
120	"	5.0	Trace	0.02	"
125	"	5.0	Trace	Trace	"
130	"	5.0	0.02	0.30	"
135	"	5.0	0.02	0.59	"
140	"	5.0	0.07	0.42	"
145	"	5.0	0.08	0.79	"
150	"	5.0	0.03	0.74	"
155	"	Grab	0.10	1.55	"
160	"	Grab	0.17	0.81	"
165	"	Grab	0.07	2.34	"
170	"	0.8	0.10	1.60	"
175	"	0.8	0.07	1.40	"
180	"	1.0	0.02	0.20	"
185	"	1.0	0.01	0.39	"
190	"	1.3	0.01	0.03	"
195	"	0.7	0.05	0.03	"
200	"	0.8	0.01	0.02	"
205	"	Grab	0.18	1.84	"
210	"	"	0.16	1.94	"
215	"	"	0.06	0.64	"

	220	"	Grab	0.07	0.36	Minaletti adit (figure 3)
	225	"	"	0.22	3.81	"
	230	"	"	0.04	0.68	"
	235	"	"	0.03	0.41	"
	240	"	"	Trace	0.03	"
	245	"	"	0.15	2.86	"
	250	"	"	0.06	0.10	"
	255	"	"	0.03	0.14	"
	260	"	"	0.03	0.59	"
	265	"	"	0.02	0.08	"
	270	"	"	0.01	0.11	"
	275	"	"	0.01	0.10	"
	280	"	"	0.02	0.06	"
	285	"	"	0.02	0.07	"
	290	"	"	0.01	0.07	"
	295	"	"	0.01	0.14	"
	300	"	"	0.01	0.08	"
	305	"	"	0.01	0.11	"
	310	"	"	0.02	0.14	"
	315	"	"	0.03	0.46	"
	320	"	"	0.04	0.71	"
	325	"	"	0.06	0.70	"
	330	"	"	0.08	0.61	"
	335	"	"	0.14	1.14	"
	340	"	"	0.12	1.46	"
	345	"	"	0.18	2.18	"
	350	"	"	0.12	2.50	"
0 plus	0	DMEA	1.7	0.045	1.36	"
	40	"	1.3	0.196	2.21	"
	51	"	0.7	0.005	0.90	"
	97	"	0.7	0.013	0.03	"
	199	"	0.5	0.031	0.11	"
	250	"	1.0	0.020	4.31	"
	306	"	2.0	0.016	0.02	"
	342	"	3.0	0.036	2.80	"
	-	"	Grab	0.045	0.99	Across the valley from the Minaletti adit (east) in old workings
	1900 feet NW of Minaletti adit (fig. 2) DMEA 0.9			0.020	2.66	1.25 feet below bottom of Todilto LS. Rim rock exposure
	1100 feet NW of Minaletti adit (fig. 2) DMEA 0.6			0.038	4.58	3 feet below bottom of Todilto LS. Rimrock exposure
	250 feet NW of Minaletti adit (fig. 2) DMEA 1.0			0.374	5.73	Shallow rooms in rimrock. Breast is 5 feet in. Exposure is 10 ft. from sample below

240 feet NW of Minoletti adit
(fig. 2)

DMEA	0.2	0.477	24.60	Shallow room in rimrock, 10 feet from above room

First room above Minoletti adit

DMEA	1.0	0.273	11.1	Outer edge of lens

Face of Minoletti adit
180 feet in from portal

DMEA	1.8	0.045	1.36	Streak in breast of adit at start of DMEA contract

140 feet in from portal of Minoletti adit

DMEA	1.3	0.196	2.21	15-inch streak on south side of a mined out lens 40 feet back from breast and start of DMEA contract

Apr. 18-'55

Note:

Amendment No. 1
(DIMEA-3390) does
not extend the repay-
ment period. However
total period of contract
is only 1 year & amount
small so perhaps it is
not necessary to correct
the Field Team.

EBB

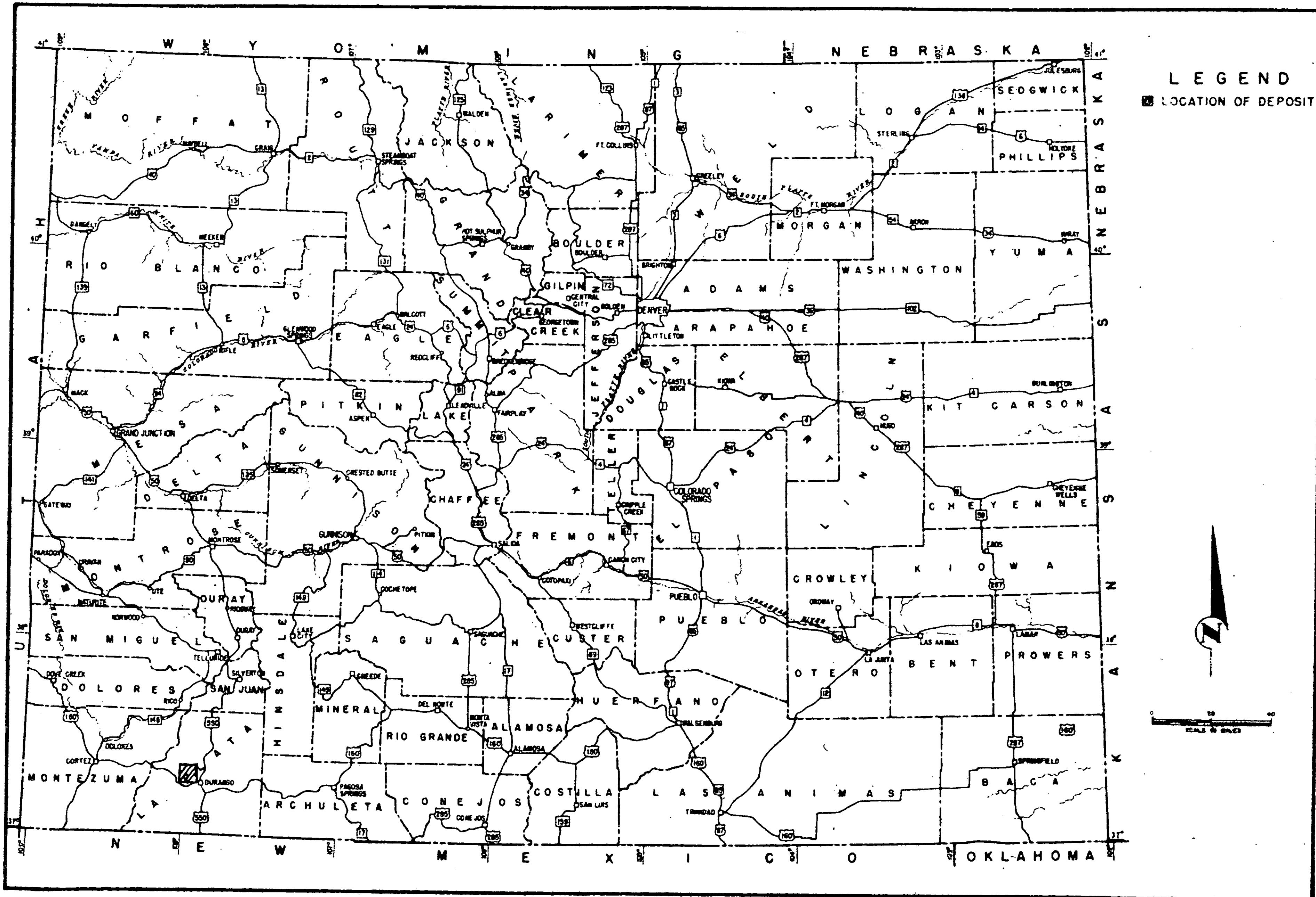


FIGURE 1 - LOCATION MAP, SAN JUAN URANIUM CORPORATION, (GOOD HOPE GROUP), LA PLATA COUNTY, COLO. DMEA 3390
CONTRACT Idm-E706

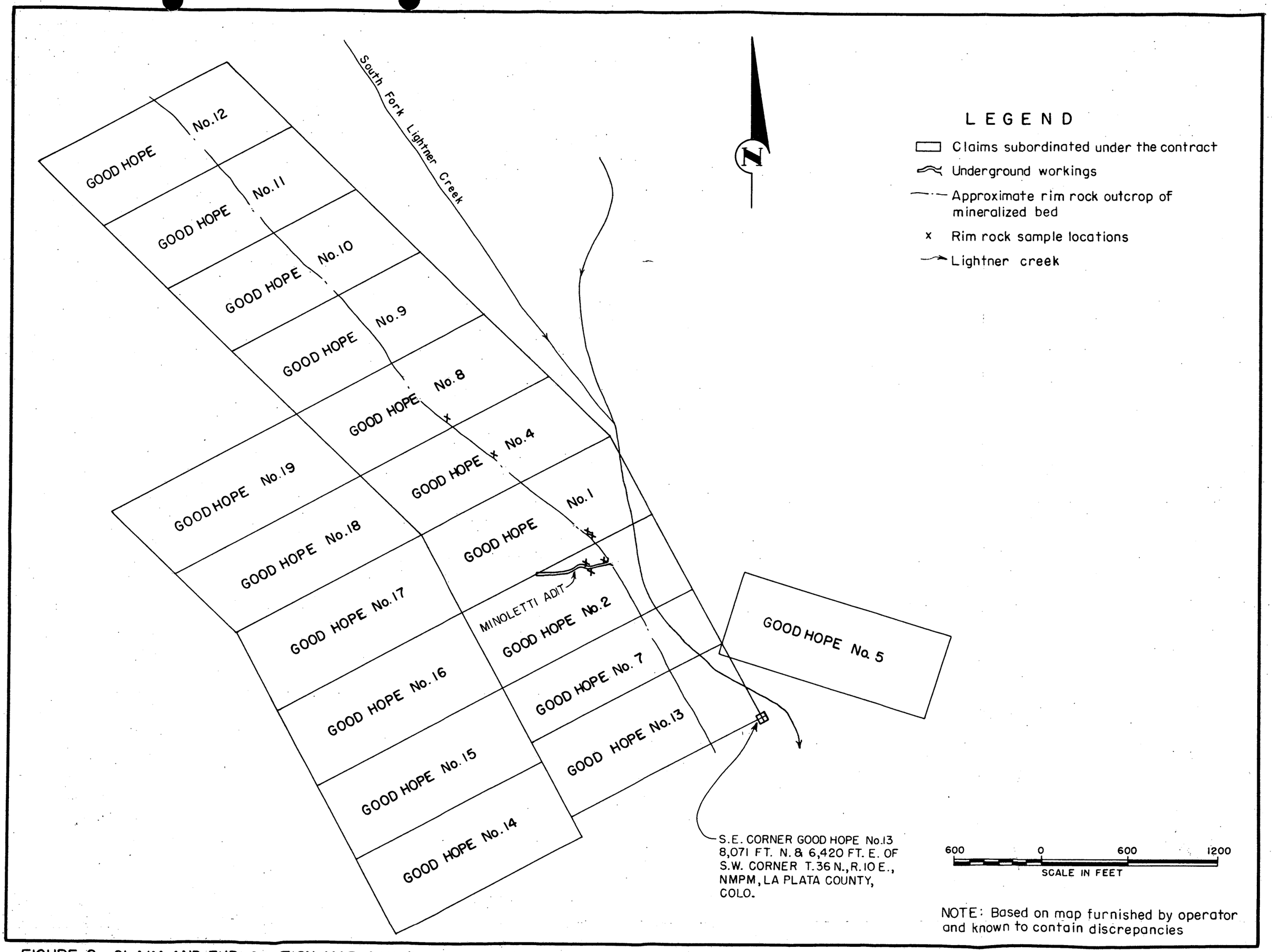


FIGURE 2 - CLAIM AND EXPLORATION MAP, SAN JUAN URANIUM CORPORATION, (GOOD HOPE GROUP) LA PLATA COUNTY, COLO. DMEA 3390, CONTRACT Idm-E706

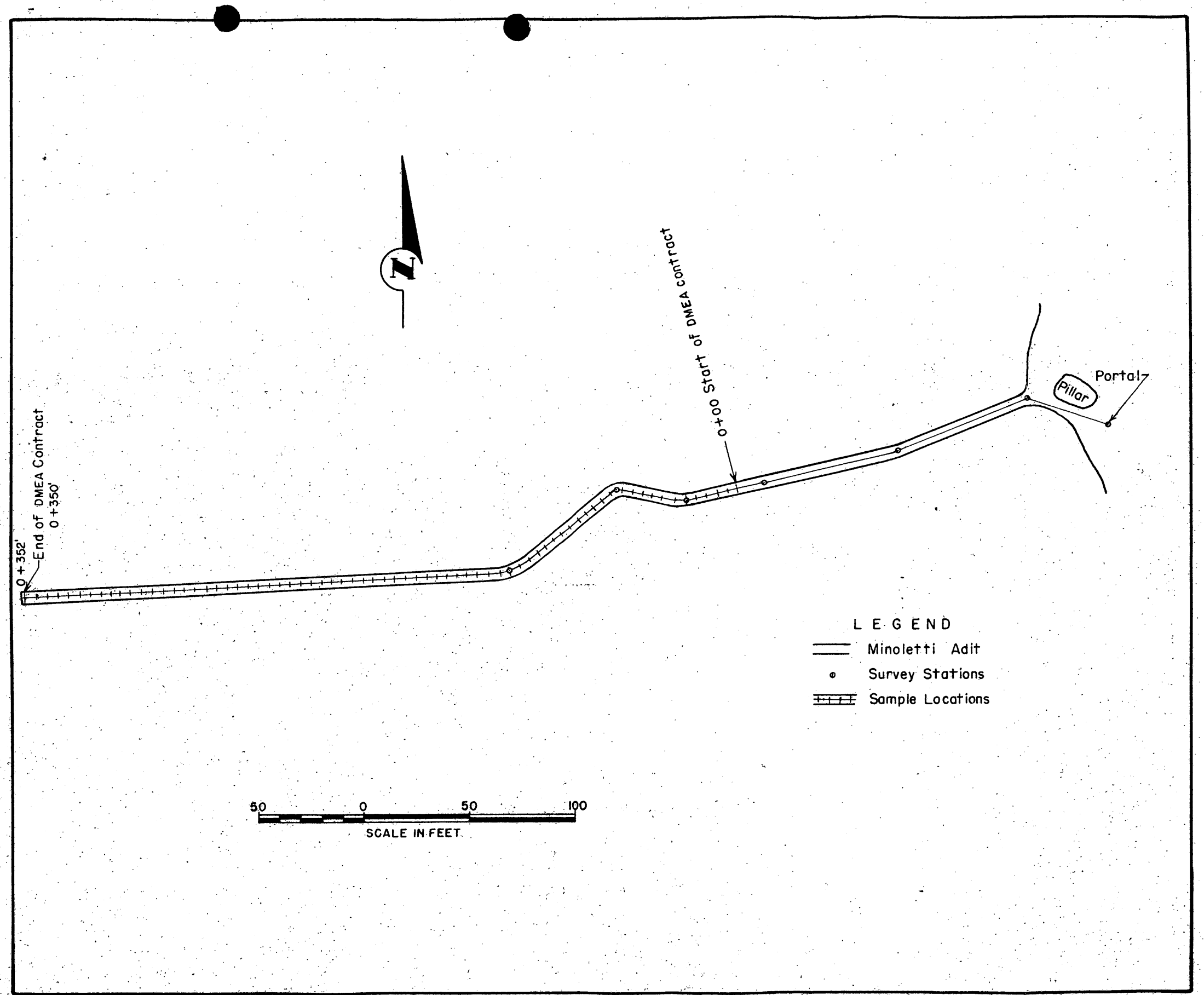


FIGURE 3- EXPLORATION AND SAMPLE LOCATION MAP OF MINOLETTI ADIT, SAN JUAN URANIUM CORPORATION, (GOOD HOPE GROUP)
LA PLATA COUNTY, COLO. DMEA 3390, CONTRACT Idm-E 706

12/17/56 gla

700

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

RECEIVED DEC 14 1956 D.M.E.A.

Date December 14, 1956

DMEA Docket No. 3390
DMEA Contract No.
Commodity Uranium
Name of applicant San Juan Uranium Corp.
Name of property Good Hope Claim
Location of property La Plata County, Colo.
Estimated cost of project $10,500.

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Review of Final Report
(Application, Field Team Report, etc.)

1. Date of subject document: 11/27/56. 2. Date received by reviewer: 12/10/56.

3. Prior reports on this property known to reviewer: Yes ☐ No ☐

4. Prior reports on nearby properties known to reviewer: Yes ☐ No ☐

5. Information available on past production: Yes ☐ No ☐

6. Other pertinent factors known to reviewer: Yes ☐ No ☐

7. Explain items marked yes above:

8. Factors needing special consideration:
   a. Location ☐
   b. Ownership ☐
   c. Evidence of mineralization ☐
   d. Geology ☐
   e. Proposed exploration method ☐
   f. Alternate exploration method ☐
   g. Costs ☐
   h. ____ ☐

9. Action advised:
   a. Obtain information from applicant ☐
   b. Refer to Field Team ☐
   c. Denial ☐
   d. Agree with Field Team ☒
      i. Consult with Mr. ____ at ____ AEC office.
   e. Disagree with Field Team ☐
   f. Suggest alternate plan ☐
   g. Request another examination ☐
   h. Approval ☐

10. Remarks: (Use back of page if necessary) Certification of project as a discovery or development is not recommended. Mr. J. O. Hosted, Washington representative of the Atomic Energy Commission, assisted in the review.

11-15-56

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

224 New Customhouse
Denver 2, Colorado

November 13, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of a memorandum to T. A. Christensen, dated October 23, 1956, relative to final payment under the terms of the subject contract.

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures

jy
cc: MF-104 File E706
Shaw (2)
Chron.

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

224 New Customhouse
Denver 2, Colorado

October 23, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

Reference is made to our memorandum of July 29, 1955, whereby we transmitted the final Form MF-104, Operator's Monthly Report and Voucher for July, 1955, and requested that you withhold the amount of $250.00 from reimbursement to the Operator pending receipt of the Operator's final report and release to this office of a Report of Review of contract expenditures by the Contract Administration and Audit Division.

The Operator's final report has been received; therefore, we recommend that final payment to the Operator be made on the following basis, which is in conformance with the Report of Review of contract expenditures by the Contract Administration and Audit Division dated October 22, 1956, which was released to this office October 22, 1956.

Basis for Final Payment

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

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

W. M. TRAVER

W. M. Traver

Ob 250.00

10/30/56 Zona 57-52

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

RECEIVED
OCT 25 1956

I have reviewed the Monthly Reports of:

San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

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

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

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

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

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

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

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

** $7,875.00 **

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

October 22, 1956

Donald T. Finch, Auditor

Audit Report
of Review

OCT 15 1956

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

RECEIVED
OCT 15 1956

224 New Customhouse
Denver 2, Colorado

October 10, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3390 (Uranium), Contract No. Idm-E706, San Juan Uranium Corporation (Good Hope claims et al.), La Plata County, Colorado.

Enclosed are the original and one copy of a final report submitted by the Operator pertaining to work completed under the subject contract.

The Operator did not supply a map to show the work completed. However, under the circumstances, the report is deemed acceptable, as the engineering and geologic report by Government personnel will contain the maps that are necessary to indicate the work performed.

Advance information indicates that Certification of the project as a discovery or development resulting from the DMEA exploration work performed will not be recommended.

E. N. Harshman

E. N. Harshman

Enclosures

RECEIVED
OCT 15 1956

San Juan Uranium Corporation,
3003 - Northwest 20th.,
Oklahoma City 7, Oklahoma.

Docket No. DMEA 3390
Commodity - Uranium
Idm - E706

EXPLORATION PROJECT CONTRACT

Article 5 (b) Final Report

The Goodhope group of claims,leased by "San Juan Uranium Corporation",located near Dirango, Colorado,upon which the subject "Exploration Project" was carried forward with the contract being completed during July, 1955,lie in the mountainous terrain of the La Plata mountains. The outcropping formations are of sedimentary origin,with the values of both Uranium and Vanadium being found in the upper section of the Entrada sandstone. These formations were found to dip approximately 15 degrees to the South into the San Juan Basin.

Prior to the time this group of claims was taken over by San Juan Uranium Corporation,a 180 foot tunnel had been driven in on Goodhope No. 1,evidently following the mineralized section as the Todilto limestone was exposed in the roof through out it's entire length. This tunnel penetrated a faulted section at approximately 165 feet in from it's mouth as it was exposed in the last 15 feet.

At the time the DMEA loan was applied for the Corporation planned on starting a new tunnel rather than carry the 180 foot tunnel forward because of it's having penetrated a faulted section of the formation. However at the suggestion of the DMEA field party that inspected our claims,we agreed to abandon the idea of a new tunnel and carry the old one forward. However since this 180 foot tunnel had encountered a faulted section,we were convinced that the true vien or ore body,which the previous operators had followed for the first 165 feet,would not be found until the faulted section had been completely cut through. We believe the field Engineer for the DMEA was convinced of that too.

The tunnel was carried forward the 350 feet as set out in our contract,but was in the faulted section the entire time and still in it when stopped. This faulted section varied in mineral content at times,though as a whole assays of samples taken showed but traces,with the exception of the last few. Since these last samples showed an increase of mineral content of both Uranium and Vanadium we felt the tunnel should have been carried forwarded at least another 100 feet,as we believe the true vien or ore body will be found when the faulted section is once penetrated.

No commercial ore was encountered in extending the 180 foot tunnel so no ore reserves were blocked out.

Address:
3003 - N.W. 20th.,
Oklahoma City 7,Okla.

San Juan Uranium Corporation

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

Operator's final report

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

OCT 10 1956

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

Attention: Mr. R. Franklin McKelvey

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Ldm-E706
San Juan Uranium Corporation
Goodhope Claims, et al.
La Plata County, Colorado

Gentlemen:

Reference is made to your letter of October 5, 1956, regarding the possibility of cancelling out the Owner's Consent to Lien signed by various owners of the subject property.

It is our policy to consider an Owner's Consent to Lien as being in full force and effect until an exploration project is closed on our books and records. In this case such closing is dependent upon our final analysis of the results of the project. Such analysis is pending our receipt of all final engineering and geological reports.

We regret that there has been some delay in the preparation of these reports. We shall be pleased to communicate with you as soon as our books and records on this project have been closed.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

MChing/izm 10-10-56
cc to: Docket
Code 700
Mr. Ching
Admr.'s Reading File
DMEA Field Team, Reg. III (2)
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

McKelvey & McKelvey
Attorneys at Law
Post Office Box 1160
Telephone 1530
Durango, Colorado

Rec'd Oct 8-1956

October 5, 1956

Defense Minerals Exploration Administration
United States Department of Interior
Washington 25, D. C.

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Idm-E706
San Juan Uranium Corporation
Good Hope Group
La Plata County, Colorado

Attention: Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

Dear Mr. Ellis:

This letter is written on behalf of Mr. A. S. Butell and others, the owners of certain Uranium Mining Claims located in La Plata County Colorado, which formerly were leased to the San Juan Corporation to which corporation a DMEA Loan was made for exploratory work on the Good Hope and other claims.

C
O
P
Y

Please be advised that the Lease as held by San Juan Uranium Corporation has been cancelled out by the owners for failure to comply with the terms of those leases and the San Juan Uranium Corporation now has no further interest in those claims. Thus, this letter is written to ascertain if the Owner's Consent to Lien pursuant to that indebtedness of the San Juan Uranium Corporation could be cancelled out.

We feel that under the circumstances it would be just and proper that any contingent liability of the owners should be cancelled due to the fact San Juan Uranium Corporation did not live up to its provisions in the leases and all of those leases have been cancelled. May I please hear from you in this matter?

Sincerely yours,

McKELVEY & McKELVEY

/s/ R. Franklin McKelvey

BY
R. Franklin McKelvey

RFM:ds

9/17/56 gla

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

RECEIVED
SEP 17 1956

224 New Customhouse
Denver 2, Colorado

September 14, 1956

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

Re: Docket DMEA 3390 (Uranium)
Contract Idm-E706
San Juan Uranium Corporation
(Goodhope claims et al.)
La Plata County, Colorado

Dear Mr. Walter:

In response to your letter of September 13, 1956 there is enclosed a photo copy of our letter of July 13, 1956 regarding the final engineering and geologic report on the captioned Contract as required by Article 5(b) thereof.

Please furnish this required report promptly in order that we and the Washington Office may close our books and records on the project.

Very truly yours,

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

Enclosure

WMT:prl

cc: Secretary, Op. Comm. (2) } w/copy of Walter's letter.
Marshman
Shaw
Townsend
Corres. E706
Chron.

. 20th Street

Phone Windsor 3-1573

R. B. WALTER
Mining Engineer
Oklahoma City 7, Okla.

RECEIVED
SEP 17 1956

September 13th, 1956

COPY

Mr. W. M. Traver
Executive Officer, DMEA
Field Team, Region III
224 - New Customhouse
Denver 2, Colorado

Re: Docket DMEA 3390 (Uranium)
Contract Idm-E706
San Juan Uranium Corporation
(Goodhope Claims, et al.)
La Plata County, Colorado.

Dear Mr. Traver:

Replying to your letter of August 20, 1956, can only say that I am indeed very sorry, that the final engineering and geologic report pertaining to the work completed under Contract Idm-E706, has not been forwarded.

The writer has been out of the city for quite some time and since all such work and reports have always been left for me to do, this report was not made out.

I do not have your letter of the 13th of July so am wondering whether I am supposed to have a report blank to fill out and if not what information is required that I have not already forwarded with my past monthly reports?

As soon as I know what is required I shall be only too glad to make up the report and send it in.

Please observe the change of address as given: R. B. Walter, 3003 - N. W. 20th., Oklahoma City 7, Oklahoma.

Very truly yours,

/s/ R. B. Walter
R. B. Walter, President, San Juan

8/22/56

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

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

August 20, 1956

Mr. R. B. Walker, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket DMEA 3390 (Uranium)
Contract Idm-2706
San Juan Uranium Corporation
(Goodhope Claims, et al.)
LaPlata County, Colorado

Dear Mr. Walker:

Reference is made to the letter from this office, dated July 13, 1956, wherein we called your attention to the provisions of Article 5 (b) of the Contract relative to your rendering a final engineering and geologic report pertaining to the work completed under Contract Idm-2706.

We requested your prompt attention to the matter of rendering your final report and as we have heard nothing from you in the matter, we are again calling it to your attention and request immediate compliance with the provisions of Article 5 (b) of the Contract.

Very truly yours,

W. M. Traver

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

JWT:prl

cc: Chairman, Oper. Comm. (2)
Harshman
Shaw (2)
Townsend
Corres. file
Chron.

RECEIVED
AUG 27 1956

700

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

W. M. Traver
Executive Officer
DMEA Field Team, Region III
234 New Customhouse Building
Denver 2, Colorado

JUL 2 9 1956

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Idm-2706
Goodhope Claims, et al.
La Plata County, Colorado

Dear Mr. Traver:

Reference is made to your memorandum of July 13, 1956, regarding advice to Mr. A. S. Batell when the subject project is closed on our books and records.

As you know, we are in a position to close our books and records on a project only after the final reports of the Operator, Field Team, and Auditors have been received. Accordingly, it is suggested that the first two reports be made available to this office as soon as possible.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

MChing/izm 7-17-56
cc to: Docket
Code 700
Mr. Ching
Admr.'s Reading File
Operating Committee

Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210k GSA

7-16-56

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

RECEIVED
JUL 16 1956

July 13, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 3390 (Uranium) Contract Idm-2706, San Juan Uranium Corporation (Goodhope claims et al.) LaPlata County, Colorado

Mr. Ernest Wm. Ellis' letter to Mr. A. S. Butell on the subject docket dated June 13, 1956 stated that Mr. Butell would be advised promptly when the subject project is closed on our books and records.

When Mr. Butell is finally notified, we will appreciate receiving a copy of the letter.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

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

RECEIVED
JUL 16 1956

224 New Customhouse
Denver 2, Colorado

July 13, 1956

Mr. R. B. Walter, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket DMEA-3390 (Uranium)
Contract Idm-E706
San Juan Uranium Corporation
Good Hope claims, et al.
La Plata County, Colorado

Dear Mr. Walter:

Reference is made to the Washington Office letter, dated July 3, 1956, advising you that your application for additional exploration assistance is denied.

Inasmuch as Government approval for additional work will not be forthcoming and as all previously approved work has been completed, your attention is called to the provision of Article 5 (b) of the contract form relative to the rendering by your company of an adequate final engineering and geologic report covering all work performed under the contract.

Final payment involving the amount withheld from your July, 1955 voucher will be processed after receipt of the above final report and release to this office of a Report of Review of contract expenditures by the Contract Administration and Audit Division, DMEA. We are desirous of closing the account at an early date, therefore, you are requested to give this matter your immediate attention.

Very truly yours,

W. M. TRAVER

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

JDC:jy
Corresp. E706
Sec. Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Chron.

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

JUL 3 - 1956

contract file

Mr. R. B. Walter, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Idm-8706
Goodhope Claims, et al.
La Plata County, Colorado

Dear Mr. Walter:

Your application, dated May 26, 1955, for additional work and funds under the subject exploration contract, and other information available to us in Washington concerning the captioned property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing significant ore reserves is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for additional exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing the proposed work to our attention.

Sincerely yours,

S. G. Ming[illegible]

Administrator

MChing/gla
6-30-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKillsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
DMEA Field Team, Region III (2)
Code 700 Mr. Ching

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

June 30, 1956

Summary of Proposed Project

Object: Denial of application for additional funds and work.

Docket No.: DMEA-3390 (Contract No. Idm-E706)

Commodity: Uranium

Applicant: San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Property: 56 claims; Goodhope Nos. 1-19, Nevada Nos. 1-9, Atom Nos. 1-9, Bald Mountain Nos. 1-10, Lady Maurine Nos. 1-3, Hope No. 1, Hope No. 2, Silver Mountain No. 1, Silver Mountain No. 2, Good Hope Millsite and Lost Canyon No. 1, La Plata County, Colorado. Area is unsurveyed. Applicant is the Lessee.

Date of Application: First Supplement of December 17, 1954, superseded by Second Supplement of May 26, 1955.

Amount of Application: First Supplement for $400,000.00, superseded by Second Supplement for $71,568.00.

Work Proposed: Second Supplement - Extend the adit previously driven under this contract an additional 300 feet. Drive 3 new adits, one each on the Nevada No. 3, Good Hope No. 3 and Atom No. 3 claims. Each adit to be approximately 500 feet long. Cost: 1800 ft. drifting @ $39.76/ft. - $71,568.00

Field Team Report: August 12, 1955 - J. E. O'Rourke, USGS, and C. M. Harrer, USBM

Uraniferous deposits of the "roscoelite" type occur discontinuously along several thousand feet of rim rock exposure in this area. The mineralized zone is found at a poorly defined stratigraphic horizon in the Entrada formation from 1 to 2 feet below the base of the Pony Express limestone member of the Wanakah formation. The thickness of the zone was found not to exceed 3 feet and probably averages about 8 inches. The longest

continuously mineralized body observed was 95 feet long and 8 to 12 inches thick on the Goodhope No. 4 claim. Assay results of samples taken by the Applicant at 5-foot intervals along 290 feet of the Minoletti adit, driven under the subject contract, showed that the mineralized zone contains little uranium. There is no known geologic reason to assume that any deposits found in the areas to be explored under the expanded program requested will differ appreciably in grade or thickness from that found in the Minoletti adit. A composite sample from old workings at some of the proposed adit sites contained 0.045% U_3O_8 and 0.99% V_2O_5. It is recommended that the Applicant's request for additional exploration assistance be denied.

(Supplement to Field Team report)

Supplemental Report of Examination - June 5, 1956, C. M. Herrer, USBM, and D. R. Maclaren, USGS.

This report applies mostly to the Atom group of claims which were not previously ready for inspection.

Small, weak concentrations of uranium-vanadium of the "roscoelite" type occur discontinuously in the rim rock exposure on the Atom No. 3 claim. The outcrop and proposed adit site have been stripped for about 270 feet and a weakly radioactive zone has been exposed for 100 feet. The mineralized zone is very spotty and limited to a greenish sandstone 2 to 3 feet thick just below the Pony Express limestone. Sample H-842, taken over a 2-foot width of the most radioactive part of the outcrop, assayed 0.01% U_3O_8 and 2.16% V_2O_5. Sample H-843, a composite of the best appearing material, assayed 0.01% U_3O_8 and 1.71% V_2O_5.

The radioactive zone occurs in the same stratigraphic horizon as the several thousand feet of rim exposure on the Good Hope and Nevada groups of claims and the mineralization is also very similar. There is no apparent geologic reason to assume that the deposit will differ appreciably in grade or thickness from other exposures examined on the Good Hope and Nevada claims and in the Minoletti adit driven under the subject contract. For these reasons, it is recommended that the application for further exploration be denied.

One of the owners of the property leased by the Applicant advised the examiners that the lease held by the Applicant was cancelled on May 5, 1956, for failure to carry out its terms.

Commodity Committee Members' Comments:

Geological Survey - N. E. Nelson, September 1, 1955.

Drifting completed under the contract revealed little ore. A continuously mineralized body 95 feet long and 8-12 inches thick waseexposed. Of 55 samples taken at 5-foot intervals along the drift, 6 assayed above 0.10% U_3O_8. However, the examiners state that the work has shown that the zone contains little uranium. The evidence submitted does not justify the new program outlined by theApplicant. Concurs with the denial recommendations of the Field Team.

Supplemental comments, dated June 13, 1956, resulting from supplemental Report of Examination, dated June 5, 1956:

Concurs with the conclusions and recommendation for denial of the Field Team.

Bureau of Mines - John E. Crawford - September 16, 1955, and June 28, 1956.

Discussed original and supplemental reports of examination with the representative of the AEC. Concurs with the Field Team that the results of sampling and work done under the exploration contract, do not warrant the requested additional work and that the application should be denied.

Rare and Miscellaneous Metals Division - Michael Ching, September 12, 1955, and June 29, 1956.

The examiners' first report on the request for additional funds applies to the Applicant's first supplemental request of December 17, 1954, which was for the amount of $400,000.00. However, this request was modified by a second supplemental request, dated May 26, 1955, which was for only $71,568.00. The examiners' supplemental report covers the second request and their conclusions in both instances were that rim exposures, together with the work completed under the contract in the Minoletti adit, has shown that the mineralized zone contains little uranium and that there is no known geologic reason to assume that the proposed additional work will expose higher grade deposits.

Conclusions and Recommendations:

The work completed under the subject contract has indicated the limited possibilities of this property. It is recommended that the application for additional exploration work be denied.

/s/ F. L. Knouse

F. L. Knouse
Rare & Miscellaneous Metals Division

MChing/gla 6-30-56
cc to: Admr.'s Reading File Code 700
Operating Committee Mr. Ching
Docket (original)

6/28/56

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

June 28, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Joint Supplemental Report of Examination, DMEA Docket 3390 (Uranium) San Juan Uranium Corporation, LaPlata County, Colorado

I have reviewed the joint supplemental report of examination, DMEA Docket 3390, San Juan Uranium Corporation, LaPlata County, Colorado, dated June 5 and received in this office June 11, 1956. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We concur that there is little reason to believe that the deposit exposed on the Atom No. 3 claim will be of any greater significance than the exposures on the Good Hope claims, which have been explored under DMEA contract. The application for additional funds should be denied.

John E. Crawford

RECEIVED
JUN 28 1956

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

June 28, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Joint Supplemental Report of Examination, DMEA Docket 3390 (Uranium) San Juan Uranium Corporation, LaPlata County, Colorado

I have reviewed the joint supplemental report of examination, DMEA Docket 3390, San Juan Uranium Corporation, LaPlata County, Colorado, dated June 5 and received in this office June 11, 1956. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We concur that there is little reason to believe that the deposit exposed on the Atom No. 3 claim will be of any greater significance than the exposures on the Good Hope claims, which have been explored under DMEA contract. The application for additional funds should be denied.

John E. Crawford

RECEIVED
JUN 28 1956

6/14/56 gla

IN REPLY REFER TO:

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

RECEIVED
JUN 14 1956

June 13, 1956

Re: DMA 3390 Idm-706
San Juan Uranium Corp.
Atom Claim
La Plata Co., Colo.
$71,568.00 - Uranium

Memorandum

To: . . Ellis, Defense Minerals Exploration Administration

From: W. . Nelson, U. S. Geological Survey

Subject: Review of Field Team report on application for an amendment.

Following the completion of a contract for 350 feet of drifting in the Pinoletti adit in the course of which little mineralization of significance was found, the applicant applied for an extension involving roughly $400,000 worth of work. Before the application was acted upon another one was submitted requesting assistance on a $71,568.00 project in a place not covered by the examination prompted by the application for assistance on the $400,000 project.

The subject Field Team report covers the new area, the Atom claim, on which the applicant proposed to drive a 500 foot adit, to explore a thin weakly radioactive zone opened by bulldozer for 270 feet. The examiners found no reason for thinking the results would be better than those obtained on the Good Hope claim in the Pinoletti adit driven under the original DMA contract. Also it was learned that the lease of the San Juan Uranium Corp. was cancelled May 5, 1956. Therefore the corporation may no longer be interested in the application. At any rate the examiners and the Field Team recommend denial of the application for an amendment.

I concur with that recommendation.

W. S. Nelson

W. . Nelson

W.Nelson:btr
6/13/56

cc: J. E. Crawford, Rm. 3641
J. U. Hosted, Rm. 3210
Director's reading file (4212)
Branch Reading File
DMA (3)
Chron. file. Docket file.

IN REPLY REFER TO:

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

June 13, 195[illegible]

RECEIVED

Re: [illegible] 3390 Idaho-Mont.
San Juan Uranium Corp.
[illegible] claim
[illegible] Co., Ala.
171,[illegible]8.30 - Uranium

MEMORANDUM

To: [illegible] Ellis, Defense Minerals Exploration Administration

From: [illegible] Nelson, U. S. Geological Survey

Subject: Review of Field Team report on application for an amendment.

Following the completion of a contract for 3[illegible] feet of drifting in the Incletti adit in the course of which little mineralization of significance was found, the applicant applied for an extension involving roughly [illegible] worth of work. Before the application was acted upon another one was submitted requesting assistance on a 171,[illegible] project in a place not covered by the examination prompted by the application for assistance on the [illegible] project.

The subject Field Team report covers the new area, the [illegible] claim, on which the applicant proposed to drive a [illegible] foot adit, to explore a thin weakly radioactive zone opened by bulldozer for 27 feet. The examiners found no reason for thinking the results would be better than those obtained on the [illegible] claim in the Incletti adit driven under the original [illegible] contract. So it was learned that the lease of the San Juan Uranium Corp. was cancelled May [illegible], 195[illegible]. Therefore the corporation may no longer be interested in the application. At any rate the examiners and the Field Team recommend denial of the application for an amendment.

I concur with that recommendation.

W. S. Nelson

[illegible] Nelson

W Falconiter
[illegible] 6/13/5[illegible]

cc: J. [illegible] Crawford, m. 3641
J. [illegible] Coated, m. 3210
Director's reading file (1212)
Branch reading file
(3)
Branch file. Docket file.

JUN 1956

Mr. A. E. Butell
1932 Glenfiele Avenue
Uranium, Colorado

Re: Docket No. [illegible]-3370 (Uranium)
Contract No. [illegible]-[illegible]
San Juan Uranium Corporation
Good Hope Group
[illegible] County, Colorado

Dear Mr. Butell:

Reference is made to your letter of June 3, 1956, addressed to our Denver office, requesting possible indebtedness to the [illegible] by the owners of the subject claims.

The San Juan Uranium Corporation has before us a request for additional exploratory work on the Good Hope and other nearby claim groups. Pending a decision on this request we have been holding the subject contract open. We expect to make such decision in the very near future.

San Juan Uranium Corporation has not advised this office that its lease on the Good Hope claims has been cancelled. Regardless of this, until such time that the subject project is closed on our books and records, we must consider the Owner's Consent to Lien signed by you and other owners as being in full force and effect. However, we shall advise you promptly when such closing takes place.

Sincerely yours,

Ernest Wm. Ellis, Chief
Bare and Miscellaneous
Metals Division

EChing/ai
6/13/56
cc to: Adur's Reading File
Docket
Messrs. TEKillemard, Rm.5224
JECrawford, Rm. 3641
JOHosted, GSA Rm. 3210
GSA Field Term, Region III (2)
Code 700
Mr. Ching

6/11/56 gla

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

June 7, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 3390 (Uranium) Contract Idm-F706, San Juan Uranium Corporation, (Good Hope group), LaPlata County, Colorado

Enclosed are the original and three copies of a letter dated June 3, 1956 from A. S. Butell, one of the owners of the Good Hope claims. He requests information as to the indebtedness of the owners of the Good Hope claims to the Defense Minerals Exploration Administration.

The request for additional funds by the San Juan Uranium Corporation has been recommended for denial by this office, and the joint supplemental Report of Examination is being forwarded you this date.

Will you please reply to Mr. Butell's letter. Two copies of our letter to Mr. Butell are attached.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

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

June 7, 1956

224 New Customhouse
Denver 2, Colorado

Mr. A. S. Rutell, Owner
1932 Glenisle Avenue
Durango, Colorado

Re: Docket DMEA 3390 (Uranium), Contract
Idm-E706, San Juan Uranium Corporation,
(Good Hope group), LaPlata County,
Colorado

Dear Mr. Rutell:

This will acknowledge receipt of your letter dated June 3, 1956 requesting information of any indebtedness the owners of the captioned property might have to the Defense Minerals Exploration Administration.

Your letter has been forwarded to the Washington Office, DMEA, for their reply.

Very truly yours,

W. M. TRAVER,

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

WMC:ab

cc: Corresp. File E706
Royalty File E706
Chair. Op. Comm. (2)
Harshman
Townsend
Chren.

COPY

Durango, Colorado
June 3rd, 1956

Defense Minerals Exploration Assistance
United States Government
Denver, Colorado

Dear Sir:

Am writing in regard to the assistance from the DMEA to the San Juan Uranium Corporation of Oklahoma City, on the Good Hope Property situated on Lightner Creek in La Plata County, Colorado.

It is our understanding that the assistance was cancelled out for reasons of insufficient showings of ore. We presume that this clears the owners of any indebtedness to the DMEA since the San Juan Uranium Corporation are no longer connected with the property. Please advise.

Thanking you for a prompt reply, I remain,

Yours truly,

/S/ A. S. Rutell
Owner

A. S. Rutell
1932 Glenisle Ave
Durango, Colorado

COPY

Durango, Colorado
June 3rd, 1956

Defense Minerals Exploration Assistance
United States Government
Denver, Colorado

Dear Sir:

Am writing in regard to the assistance from the DMEA to the San Juan Uranium Corporation of Oklahoma City, on the Good Hope Property situated on Lightner Creek in La Plata County, Colorado.

It is our understanding that the assistance was cancelled out for reasons of insufficient showings of ore. We presume that this clears the owners of any indebtedness to the DMEA since the San Juan Uranium Corporation are no longer connected with the property. Please advise.

Thanking you for a prompt reply, I remain,

Yours truly,

/S/ A. S. Butell
Owner

A. S. Butell
1932 Glenisle Ave
Durango, Colorado

6/11/56 gla

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

June 7, 1956

25th New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Supplemental Report of Examination, Docket DMEA 3390 (Uranium) Contract Ldp-2766, San Juan Uranium Corporation, LaPlata County, Colorado

Enclosed are the original and three copies of a joint geologic and engineering report on the supplemental examination of the Atom group of claims. The Applicant Corporation requested additional funds in the amount of $71,968.00.

The field examiners found no apparent geologic reason to assume that the deposit exposed on the Atom No. 3 claim will differ appreciably in grade or thickness from the exposures on the Good Hope claims which have been the subject of DMEA exploration. They recommend that the application for additional funds be denied. We concur in this recommendation.

Mr. A. E. Retall, one of the owners of the property, stated that the San Juan Uranium Corporation's Lease was cancelled on May 5, 1956 for failure to carry out the terms of the contract.

DMEA Field Team, Region III

W. M. Travey

By W. M. Tracey
Executive Officer

IN REPLY REFER TO:
DMEA
Date Rec'd.
JUN 6 1956
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

June 5, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman
J. F. Shaw

From: C. M. Harrer
D. R. MacLaren

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, La Plata County, Colorado - Joint geologic and engineering report on a supplemental examination of the Atom group of claims

On May 26, 1955, San Juan Uranium Corporation requested additional funds in the amount of $71,568.00 to drive 1,800 feet of adit as follows:

(a) Advance the Minoletti adit on the Good Hope No. 2 claim an additional 300 feet.

(b) Explore the outcrop near the south side line of the Good Hope No. 3 claim with 500 feet of adit.

(c) Explore the outcrop near the north side line of the Nevada No. 3 claim with 500 feet of adit.

(d) Explore the outcrop near the center of the Atom No. 3 claim with 500 feet of adit.

Further exploration on the Good Hope and Nevada groups of claims was recommended for denial in a joint geologic and engineering report dated August 12, 1955.

The Atom group of claims was examined on May 9, 1956, in the company of A. S. Butell, part owner of the property.

Small and weak concentrations of uranium-vanadium of the "roscoelite" type occur discontinuously in the rim rock exposure on the Atom No. 3 claim. San Juan Uranium Corporation proposed to explore the most promising part of the outcrop with 500 feet of adit. The portal of this proposed adit is 71 feet southwest of the discovery post on the Atom No. 3 claim. The outcrop and proposed adit site (fig. 1) have been stripped for about 270 feet, and a weakly radioactive zone has been exposed for 100 feet. The radioactive, mineralized zone is very spotty and limited to a greenish sandstone, 2 to 3 feet thick, just below the Pony Express limestone of Upper Jurassic age. Sample H-842 was taken over a 2-foot width of the most radioactive part of the outcrop at the proposed adit site and assayed 0.012 percent U_3O_8 and 2.16 percent V_2O_5. Sample H-843, which is a composite of the best appearing uranium-vanadium, assayed 0.010 percent U_3O_8 and 1.71 percent V_2O_5. With a background of 0.01 MR/hr, the highest readings on an Eberline Geiger counter model E112 was 4 to 10 times background.

The rim rock exposure of radioactive greenish sandstone on the Atom No. 3 claim in the Deep Creek area is in the same stratigraphic horizon as the several thousands of feet of rim exposure on the Good Hope and Nevada groups of claims in the adjacent Lightner Creek area, and its uranium and vanadium content is also very similar. There is no apparent geologic reason to assume that the deposit exposed

on the Atom No. 3 claim (fig. 1) which the applicant proposes to explore under the expanded program will differ appreciably in grade or thickness from the other exposures examined on the ten Good Hope claims; the Nevada claims 3, 4, and 5; and the Minoletti adit driven under DMEA contract. For these reasons it is recommended that further exploration as outlined in the applicant's request for DMEA exploration assistance, dated May 26, 1955, be denied.

Mr. A. S. Butell of 1932 Glenisle, Durango, Colorado, who is part owner of all the property leased by San Juan Uranium Corporation states that the San Juan Uranium Corporation's lease was cancelled on May 5, 1956, for failure to carry out the terms of the contract. Mr. Butell is presently negotiating with other parties to purchase or carry on exploration of the property.

In consequence, San Juan Uranium Corporation's application for additional DMEA exploration assistance on the subject property appears to be void.

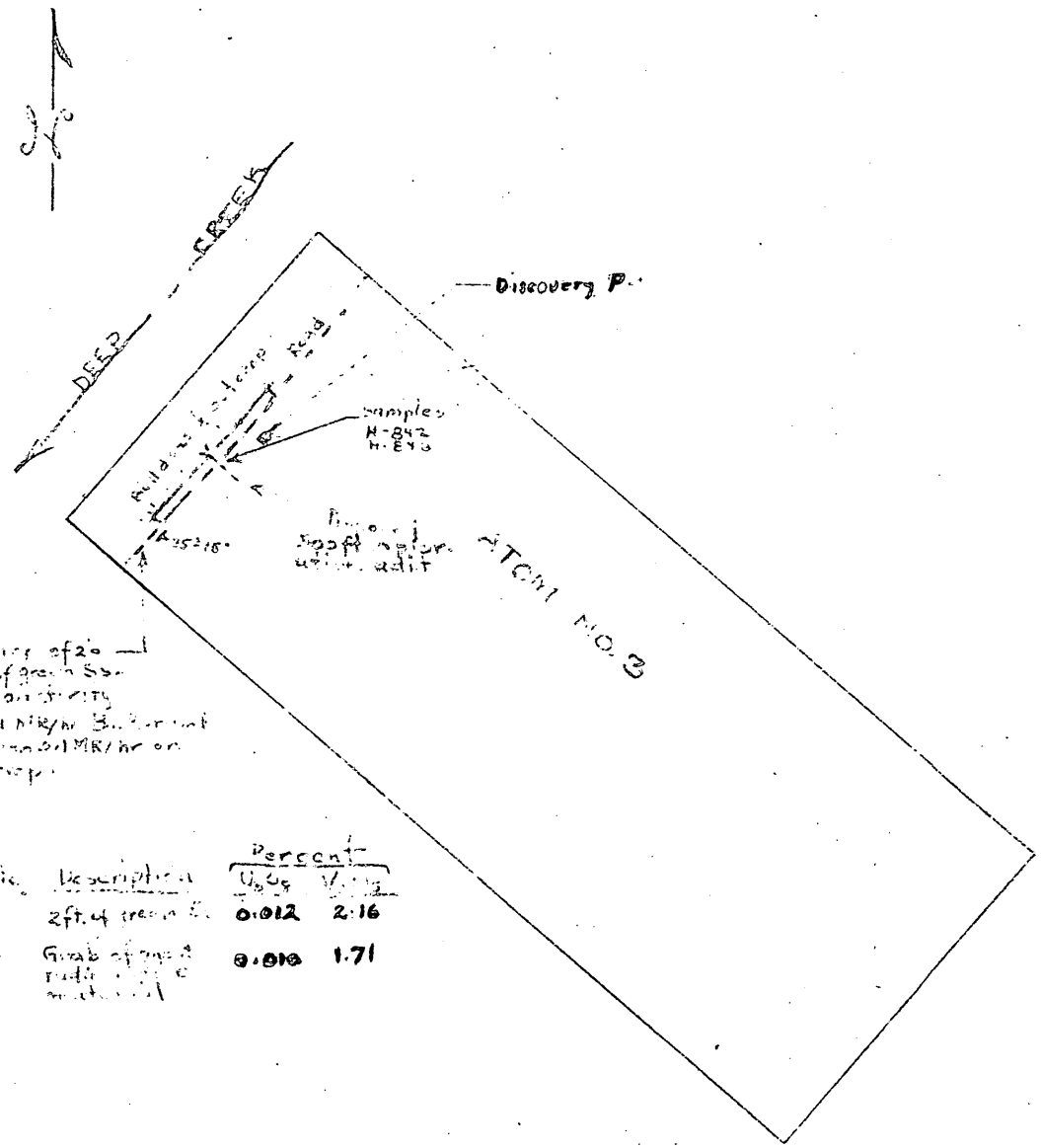
C. M. Harrer

C. M. Harrer, Mining Engineer

D R MacLaren

D. R. MacLaren, Geologist

arh



Sample	Description	Percent U_3O_8	Percent V_2O_5
H-842	2ft. of green ss.	0.012	2.16
H-843	Grab of green [illegible] material	0.010	1.71

Fig. 3 Sketch of Atom No. 3 Claim showing only exposures, sampling and proposed exploration adits
San Juan Uranium Corp., La Plata County, Colo. DMEA 3390

11-25-55

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

224 New Customhouse
Denver 2, Colorado

November 23, 1955

Memorandum

To: E. N. Harshman
J. F. Shaw

From: Executive Officer, DMEA Field Team, Region III

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

Mr. R. B. Walter, President of the San Juan Uranium Corporation, telephoned from Oklahoma City today and informed us that the subject property is now ready for a field examination.

He requests that the field examiners contact Earnest Hoffman, 649 Seventh Street, Durango, Colorado so that he may accompany the field examiners. Mr. Hoffman's telephone number is Durango 1841J.

W. M. Traver

By J. W. Townsend
J. W. Townsend

HMC:jy
cc: Corresp. File E706
Sec. Op. Comm. (2)
Townsend
Chron.

RECEIVED

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

224 New Customhouse
Denver 2, Colorado

November 23, 1955

Memorandum

To: E. N. Harshman
J. F. Shaw

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3290, Contract Idm-E706 (Uranium), San Juan Uranium Corporation, La Plata County, Colorado

Mr. R. B. Walter, President of the San Juan Uranium Corporation, telephoned from Oklahoma City today and informed us that the subject property is now ready for a field examination.

He requests that the field examiners contact Earnest Hoffman, 649 Seventh Street, Durango, Colorado so that he may accompany the field examiners. Mr. Hoffman's telephone number is Durango 1861J.

W. M. Traver

By J. W. Townsend
J. W. Townsend

HMC:jy
cc: Corresp. File E706
Sec. Op. Comm. (2)
Townsend
Chron.

RECEIVED
NOV 25 1955

1/6/56 gla

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

January 4, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

This responds to your letter of December 23, 1955 on the subject docket. The property is still inaccessible due to heavy snow, and the applicant will advise when weather conditions will permit a field examination.

W. M. Traver

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

DEC 23 1955

Mr. E. M. Harshman
Acting Executive Officer
DMEA Field Team, Region III
2th New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Ida-K706
San Juan Uranium Corp.
Good Hope Group
La Plata County, Colorado

Dear Mr. Harshman:

This is with respect to the Operator's request for additional work and funds under the subject contract.

A Report of Examination, dated August 12, 1955, recommended denial of the Operator's request of December 17, 1954, which was for a program estimated to cost $600,000.00. An amended request, dated May 26, 1955, for a program estimated to cost $71,568.00, was not entirely covered by the aforementioned Report of Examination; consequently, the Field Team has made several attempts to arrange a further examination of the property with the Operator.

A review of the Operator's amended request and of the examiners' report indicates that the report is applicable to all claims on which work is proposed, except the Atom claims. The Operator has given no justification, geological or otherwise, for the proposed work on the Atom claims.

We have had no word from your office since Mr. Traver's letter of October 3 to the Operator, requesting advice as to when a field examination could be made. Kindly advise us regarding the present status of this project.

MChing/gla 12-21-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JCHosted, Rm. 3210, GSA
Code 700 Mr. Ching

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

/s/ Robert W. Gechan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

10/6/55 gla

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

RECEIVED OCT 1955

October 3, 1955

224 New Customhouse
Denver 2, Colorado

Mr. R. B. Walter, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket DMEA 3390, Contract Idm-E706 (Uranium), San Juan Uranium Corporation, La Plata County, Colorado

Dear Mr. Walter:

We have had no reply to our letter of September 15, 1955 in which we requested you to advise us the date you expect your work will be completed so that the examination can be scheduled for an early date.

Will you please advise by return mail the date you now expect a field examination could be made on the subject property.

Yours very truly,

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

HMC:ab
cc: Sec. Opr. Comm. (2)
Harshman
Shaw (2)
Contract Idm-E706
Townsend
Chron.

9/16/55 gla

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

RECEIVED
SEP 16 1955

September 16, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Report of examination, DMEA Docket 3390, Contract Idm-E706, San Juan Uranium Corporation, Good Hope Group, La Plata County, Colorado

I have reviewed the Field Team report of examination, San Juan Uranium Corporation, DMEA Docket 3390; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant has requested extensive exploration project comprising 8,172 feet of drifting and 14,975 feet of core drilling at an estimated total cost of $400,000.00.

The field examiners conclude that the subject property is geologically unfavorable for the discovery of any appreciable amounts of uranium. Results of composite samples taken from old workings at the proposed new adit sites do not warrant this expensive exploration program.

We concur in the recommendation that the request made on December 17, 1954, by the applicant for additional DMEA assistance be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

John E. Crawford

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

RECEIVED
SEP 16 1955

September 16, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Report of examination, DMEA Docket 3390, Contract Idm-E706, San Juan Uranium Corporation, Good Hope Group, La Plata County, Colorado

I have reviewed the Field Team report of examination, San Juan Uranium Corporation, DMEA Docket 3390; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant has requested extensive exploration project comprising 2,172 feet of drifting and 14,975 feet of core drilling at an estimated total cost of $400,000.00.

The field examiners conclude that the subject property is geologically unfavorable for the discovery of any appreciable amounts of uranium. Results of composite samples taken from old workings at the proposed new adit sites do not warrant this expensive exploration program.

We concur in the recommendation that the request made on December 17, 1954, by the applicant for additional DMEA assistance be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

John E. Crawford

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

RECEIVED
SEP 19 1955

September 15, 1955

224 New Customhouse
Denver 2, Colorado

Mr. R. B. Walter, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket DMEA 3390, Contract Idm-E706, (Uranium), San Juan Uranium Corporation, La Plata County, Colorado

Dear Mr. Walter:

This will acknowledge receipt of your letter dated September 7, 1955 in which you requested the additional examination of your property be postponed until such time that you advise this office that your tunnel sites are readily accessible.

Will you please advise this office by return mail the date you now expect your work will be completed so that the examination can be scheduled for an early date.

Very truly yours,

W. M. Traver

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

HMC:ab
cc: Sec. Opr. Comm. (2)
Harshman
Shaw (2)
Contract Idm-E706
Chron.

9/19/55 gl

RECEIVED
SEP 16 1955

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

September 14, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3390, Contract Idm-#706, (Uranium), San Juan Uranium Corporation, La Plata County, Colorado

This has reference to our teletype this date on the subject docket.

Enclosed is a copy of a letter from the Operator which is essentially correct as to the two Amendments he submitted.

The Operator forwarded four copies of his proposed Amendment requesting additional funds totaling $71,568.00. This request was dated May 26, 1955 and we forwarded three copies to you June 2, 1955 retaining one copy in our file.

Your review of the application for additional funds was forwarded this office June 23, 1955. Through an error in this office, this Operator's prior application for $400,000.00 was sent to the field for an examination. The joint report of that field examination recommending denial was transmitted to you August 17, 1955.

We are now sending our only copy of the Operator's request for $71,568.00 to the field for their recommendations. Four copies of their report will be forwarded you as soon as available.

W. M. Traver

W. M. Traver

Enclosure

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

RECEIVED
SEP 1 1955

September 14, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. F. Shaw (With brochure)
E. N. Harshman

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed is a copy of a letter from the subject Operator dated September 7, 1955 and a copy of our letter to the Chairman of the Operating Committee. Also enclosed is our only copy of the Operator's request for $41,568.00, additional funds.

Will you please give us your joint recommendations on this proposed Amendment.

W. M. Traver

W. M. Traver

Enclosures

HMC:ab
cc: Chair. Oper. Comm. (2)
Townsend
Contract E706
Chron.

SAN JUAN URANIUM CORPORATION

FIDELITY BUILDING

OKLAHOMA CITY, OKLAHOMA

RECEIVED

SEP 12 1955

Div. of Mineral Technology
BUREAU OF MINES
Denver Experiment Station
Denver, Colorado

September 7, 1955

Mr John F Shaw, Supervising Mining Engineer
Building 20, Room 137
Denver Federal Center
Denver 2, Colorado

Re: IDM-E706 Docket DME A 3390
Application for Additional Funds

Dear Mr Shaw:

This is a rather belated reply to your letter of August 1, 1955 relative to our (San Juan Uranium Corporation) application for additional funds under Idm-E706 docket DMEA 3390.

The fact that we have made out and forwarded two separate amendments to our contract Idm-E706, one dated December 17, 1954 and the second dated May 26, 1955, is undoubtedly the cause of what we might call a misunderstanding, as additional mining leases are included in the latter or amendment No. 2.

Filing our amendment No. 1 to contract Idm-E706 was premature on our part. After further consideration we decided we would be interested in securing a loan for driving tunnels only. It was then that we decided to file a second amendment to contract Idm-E706, which was dated May 26, 1955, and was in the amount of $71,568.00. This amendment (Amendment No. 2) listed the mining claims envolved as:

Goodhope Nos. 1 to 19 inclusive
Nevada Nos. 1 to 9 inclusive
Hope Nos. 1 and 2
Lady Maurine Nos. 1, 2 and 3
Silver Mountain Nos. 1 and 2
Lost Canyon No. 1,

all located on Main and South Lightner Creeks, and:

Atom Nos. 1 to 9 inclusive,

on Deep Creek, and all located in LaPlata County, Colorado.

In our Amendment No. 2 the proposed exploratory work consists of the driving of three (3) 5' X 7' new tunnels, one to be located on Nevada No. 3, one on Goodhope No. 3 and one on Atom No. 3, and continue driving of the original tunnel located on Goodhope No. 2.

On July 19, 1955 your field examiners completed checking the tunnel on Goodhope No. 2 under contract Idm-706, then made a partial examination of the additional claims. I understood our Mr Hoffman, Mine Superintendent to say that your field examiners advised him that they would not have time to complete their examination that day so would return. It was at that time that I called Mr H. M. Connors to suggest that the field examiners not return until we advised that the road to the Atom Claims was completed and an opening made, and also a site chosen for the tunnel on Goodhope No. 3.

SAN JUAN URANIUM CORPORATION

FIDELITY BUILDING

OKLAHOMA CITY, OKLAHOMA

Under date of July 29, 1955 I received a letter from Mr Traver referring to my long distance telephone conversation with Mr H. M. Connors and advising us that the examination of our property had been completed July 19, 1955. It was upon receipt of this letter that I was sure that there was a possible mix-up in the Amendments, even thou Mr Traver did refer to the sum of money set out in our Amendment No.2. However, since our road to the Atom Claims was not completed and we had not definitely chosen a tunnel site on Goodhope No. 3, I thought it just as well to let the matter rest until such time as this work on our part was finished. Due to adverse weather conditions we have not been able to make as good progress on building the road over the mountain as we had hoped we would, so suggest that any additional examination of our property that will be necessary be postponed until such time we advise your office that our work has been carried forward to a point where the sites for both the Atom and Goodhope No. 3 tunnels are readily accessible.

In closing allow me to say that we are very sorry indeed that we filed Amendment No. 1 to contract Idm-E706. We were ill advised at that time. We are only interested in securing assistance in carrying the tunnels forward.

Your early comments will be greatly appreciated.

Very truly yours

R. B. Walter

R. B. Walter, President
San Juan Uranium Corporation

RBW:prs

C
O
P
Y

TELETYPE

DN 235 BUR MINES 9-14-55 (9 AM

CHAIRMAN, OPERATING COMMITTEE, DEMA

RE DOCKET DMEA 3390, CONTRACT E-706, SAN JUAN URANIUM CORP. PLEASE HOLD IN ABEYANCE ADVICE TO OPERATOR ON HIS REQUEST FOR ADDITIONAL FUNDS IF POSSIBLE. LETTER OF EXPLANATION FOLLOWS.

W M TRAVER

9/6/55 gla

IN REPLY REFER TO:

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

RECEIVED
SEP - 1 1955

September 1, 1955

Re: DMEA-3390, Idm-E706
San Juan Uranium Corp.
Good Hope Group
La Plata Co., Colorado
$10,500.00 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of report on request for additional funds for expanded program.

Under Contract Idm-E706 the applicant did work which was completed in July 1955. The drifting revealed little ore. The applicant now wants to greatly extend the program, the new work to consist of 2,172 feet of drifting and 14,975 feet of core drilling. The estimated cost is approximately $400,000.

The uraniferous deposits of the "roscoelite" type occur in the Entrada formation. The Minoletti adit work, under E706, exposed a continuously mineralized body 93 feet long and 8 to 12 inches thick along most of its length on the Good Hope No. 4 claim. Of 55 samples taken at 5-foot intervals, by the operator, from 0-290 feet in the Minoletti adit, 8 assayed above 0.08% U_3O_8, and 6 above 0.10%;

Location	Feet sampled	% V_2O_5	% U_3O_8
Plus 5'	0.75	0.00	0.20
" 20'	0.75	0.62	0.13
" 170'	10.0	1.00	0.10
" 205'	Not given	1.84	0.18
" 210'	" "	1.94	0.16
" 245'	" "	2.86	0.15

The "Feet sampled" figures mean little as given, but the assays could warrant "repeats". However the examiners say " . . . work completed in the Minoletti adit has shown that the zone contains little uranium." Certainly the evidence submitted does not justify the new work program outlined by the applicant.

I concur with the denial recommendation of the Field Team.

N. E. Nelson

NENelson:iml
G-9/1/55
cc: Director's reading, 4212; Branch reading, 4212; DMEA (3); Docket File; J. E. Crawford, 3641; J.O.Hosted. 3210

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
SEP 2 1955

September 1, 1955

Re: DMEA-3390, Ida-E706
San Juan Uranium Corp.
Good Hope Group
La Plata Co., Colorado
$10,500.00 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of report on request for additional funds for expanded program.

Under Contract Ida-E706 the applicant did work which was completed in July 1955. The drifting revealed little ore. The applicant now wants to greatly extend the program, the new work to consist of 2,172 feet of drifting and 14,975 feet of core drilling. The estimated cost is approximately $400,000.

The uraniferous deposits of the "roscoelite" type occur in the Entrada formation. The Minaletti adit work, under E706, exposed a continuously mineralized body 95 feet long and 8 to 12 inches thick along most of its length on the Good Hope No. 4 claim. Of 55 samples taken at 5-foot intervals, by the operator, from 0-290 feet in the Minaletti adit, 8 assayed above 0.08% U_3O_8, and 6 above 0.10%;

Location	Feet sampled	% V_2O_5	% U_3O_8
Flat 5'	0.75	0.00	0.20
" 20'	0.75	0.02	0.13
" 170'	10.0	1.60	0.10
" 205'	Not given	1.84	0.18
" 210'	" "	1.94	0.16
" 245'	" "	2.86	0.15

The "Feet sampled" figures mean little as given, but the assays could warrant "reports". However the examiners say " . . . work completed in the Minaletti adit has shown that the zone contains little uranium." Certainly the evidence submitted does not justify the new work program outlined by the applicant.

I concur with the denial recommendation of the Field Team.

N. E. Nelson

NENelson:iml
G-9/1/55
cc: Director's reading, 4212; Branch reading, 4212; DMEA (3); Docket File; J. B. Crawford, 4212; J. C. Vostrey, 3210 N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
SEP - 2 1955

September 1, 1955

Re: DMEA-3390, Idm-2706
San Juan Uranium Corp.
Good Hope Group
La Plata Co., Colorado
$10,500.00 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of report on request for additional funds for expanded program.

Under Contract Idm-2706 the applicant did work which was completed in July 1955. The drifting revealed little ore. The applicant now wants to greatly extend the program, the new work to consist of 2,172 feet of drifting and 14,975 feet of core drilling. The estimated cost is approximately $400,000.

The uraniferous deposits of the "roscoelite" type occur in the Entrada formation. The Minaletti adit work, under 2706, exposed a continuously mineralized body 95 feet long and 8 to 12 inches thick along most of its length on the Good Hope No. 4 claim. Of 55 samples taken at 5-foot intervals, by the operator, from 0-290 feet in the Minaletti adit, 8 averaged above 0.08% U_3O_8, and 6 above 0.10%;

Location	Feet sampled	% V_2O_5	% U_3O_8
Fine 5'	0.75	0.00	0.20
" 20'	0.75	0.62	0.13
" 170'	10.0	1.60	0.10
" 205'	Not given	1.84	0.18
" 210'	" "	1.94	0.16
" 245'	" "	2.86	0.15

The "Feet sampled" figures mean little as given, but the assays could warrant "repeats". However the consultants say " . . . work completed in the Minaletti adit has shown that the zone contains little uranium." Certainly the evidence submitted does not justify the new work program outlined by the applicant.

I concur with the denial recommendation of the Field Team.

N. E. Nelson

NENelson:iml
G-9/1/55
cc: Director's reading, 4212; Branch reading, 4212; DMEA (3); Docket File; J. R. Fraser; Salt Lake Region; 3210 N. Nelson

8/12 report

8/26/55 gla

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

August 17, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Report of Examination, DMEA Docket 3390 (Uranium), Contract Idm-5706, San Juan Uranium Corporation, Good Hope Group, La Plata County, Colorado

Enclosed are the original and three copies of the report pertaining to the above application.

We recommend that the applicant's request for additional exploration assistance be denied.

Field Team Region III

W. M. Traver
W. M. Traver

E. N. Harshman
E. N. Harshman

RECEIVED
AUG 24 1955

Reviewed by
DMEA OPERATING COMMITTEE
8-29-56
(date)

TRANSMITTED

AUG 17 1955

UNITED STATES

DEPARTMENT OF THE INTERIOR

Defense Minerals Exploration Administration

Denver Federal Center

Denver, Colorado

GEOLOGICAL SURVEY

IN REPLY REFER TO:

DMEA

Date Rec'd.

AUG 15 1955

BUREAU OF MINES

Denver, Colorado

August 12, 1955

Through: E. N. Harshman E.N.H.
Member, DMEA Field Team, and
J. F. Shaw
Supervising Mining Engineer

Memorandum

To: Executive Officer, DMEA Field Team, Region III

RECEIVED AUG 24 1955

From: J. E. O'Rourke and C. M. Harrer

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation (Good Hope group), La Plata County, Colorado - Joint geologic and engineering report on request for additional funds for an expanded exploration program

On September 13, 1954, San Juan Uranium Corporation of Oklahoma City, Oklahoma, entered into an exploration contract with the Defense Minerals Exploration Administration for 350 feet of drifting at a total cost of $10,500.00.

On December 17, 1954, the subject company requested a greatly expanded addition to the above exploration program to further explore their property.

The property was examined for the Defense Minerals Exploration Administration on July 19, 1955, by a joint team consisting of members of the Geological Survey and Bureau of Mines. Ernest Hofman, foreman, was contacted on the property.

The Goodhope and Nevada groups of claims are located in an unsurveyed area in the San Juan National Forest in T. 36 N., R's 9 and 10 E., La Plata County, Colorado, figure 1.

The original contract was completed during July 1955. San Juan Uranium Corporation now propose to drive three 5 x 7-foot adits on their Goodhope No. 3, Goodhope No. 9, and Nevada No. 4 claims. Each adit would be about 724 feet long for a total of 2,172 feet. In addition, they propose 14,975 feet of core drilling at two general locations. Holes would be 60 to 600 feet deep. Their presentation of costs is very

Reviewed by
DMEA OPERATING COMMITTEE

(date)

confusing and in excess of requirements to complete the job. Total cost of the project is estimated at approximately $400,000.00.

Claims No. 3, 4, and 5 of the Nevada group were examined and a map (fig. 2) made of the mine workings. The areas between the Mineletti adit, on the Goodhope No. 2 claim and the Goodhope No. 10 claim was also studied. The Goodhope No. 3 claim had been examined during a previous examination by D. R. MacLaren.

Uraniferous deposits of the "roscoelite" type occur discontinuously along several thousand feet of rim rock exposure in these areas. The mineralized zone is found at an indefinitely defined stratigraphic horizon in the Entrada formation from 1 to 2 feet below the base of the Pony Express limestone member of the Wanakah formation. The thickness of the zone was not seen to exceed 3 feet, and probably averages about 8 inches. The longest continuously exposed mineralized body observed is located on the Goodhope No. 4 claim. It is 95 feet long and 8 to 12 inches thick along most of its length.

Assay results of samples taken by the applicant at 5-foot intervals along the first 290 feet of the 350-foot extension of the Mineletti adit (driven under Contract Idm-8701) follow:

Location	Feet sampled	% V_2O_5	% U_3O_8
Plus 5	0.75	0.00	0.20
10	5.00	1.32	0.06
15	5.00	0.08	0.02
20	0.75	0.62	0.13
25	5.00	0.06	0.02
30	5.00	0.20	0.02
35	5.00	0.08	0.01
40	1.00	0.12	0.01
45	1.00	0.13	0.01
50	0.50	0.13	0.01
55	0.50	0.15	0.01
60	1.00	0.13	0.01
65	1.00	0.12	0.01
70	0.50	0.22	0.02
75	0.50	0.58	0.02
80	0.50	0.12	0.01
85	0.50	0.03	0.01
90	1.00	0.08	0.01
95	---	0.11	0.01
100	5.00	0.17	0.04
105	5.00	0.37	0.02
110	5.00	0.34	0.01
115	5.00	0.02	Trace
120	5.00	0.02	Trace

Location	Feet sampled	% V_2O_5	% U_3O_8
125	5.00	Trace	Trace
130	5.00	0.30	0.02
135	5.00	0.59	0.02
140	5.00	0.42	0.07
145	5.00	0.79	0.08
150	5.00	0.74	0.03
170	10.00	1.60	0.10
175	10.00	1.40	0.07
180	12.00	0.20	0.02
185	12.00	0.39	0.01
190	16.00	0.03	0.01
195	8.00	0.03	0.05
200	10.00	0.02	0.01
205	---	1.84	0.18
210	---	1.94	0.16
215		0.64	0.08
220		0.36	0.07
225		0.36	0.07
230		0.68	0.04
235		0.41	0.03
240		0.03	Trace
245		2.86	0.15
250		0.19	0.06
255		0.24	0.03
260		0.59	0.03
265		0.08	0.02
270		0.11	0.01
275		0.10	0.01
280		0.06	0.02
285		0.07	0.02
290		0.09	0.01
342	(U.S.Bureau of Mines sample)	2.20	0.036

In spite of the fact that four of the seven samples taken during the initial examination of the property indicated a significant uranium content in the mineralized zone, work completed in the Minoletti adit has shown that the zone contains little uranium.

There is no known geologic reason to assume that the deposits in the areas that the applicant proposes to explore under the expanded program will differ appreciably in grade or thickness from the uneconomic deposit disclosed in the Minoletti adit. A composite sample from old workings at the proposed new adit sites contained 0.045 percent U_3O_8 and 0.99 percent V_2O_5.

It is therefore recommended that San Juan Uranium Corporation's request for additional exploration assistance amounting to approximately $400,000.00 be denied.

Joseph E. O'Rourke

J. E. O'Rourke
Geologist, Geological Survey

C. M. Harrer

C. M. Harrer
Mining Engineer, Bureau of Mines

JEO'Rourke:arh

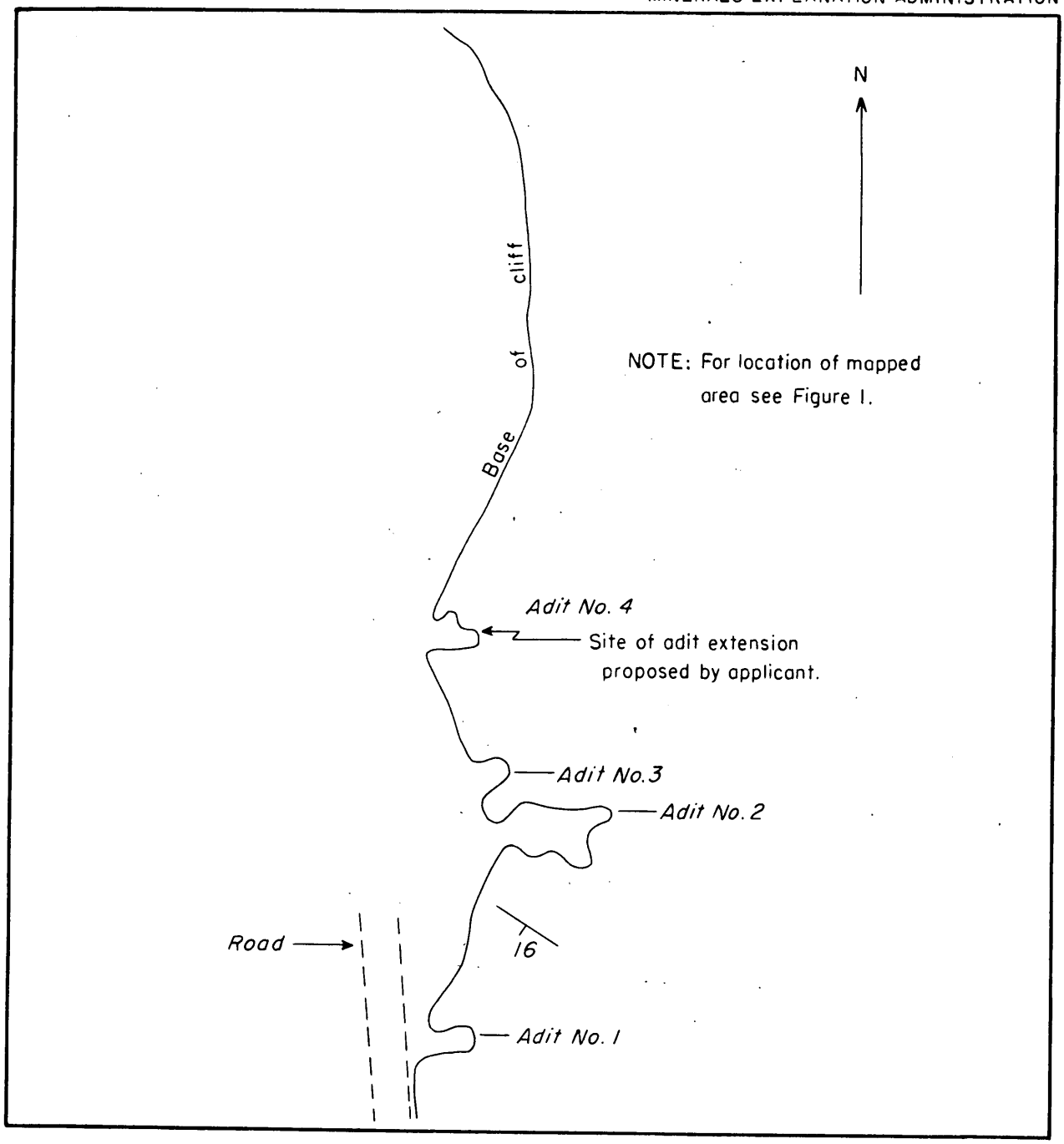


FIGURE 2.-PLAN MAP OF WORKINGS ON NEVADA CLAIMS, LIGHTNER CREEK, LA PLATA CO., COLORADO

0 50 100 Feet

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

Durango
Colorado

August 9, 1955

224
D

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of the Operator's Monthly Progress Report, form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data pertaining to work under the subject contract for the month of July, 1955.

W. M. Traver

W. M. Traver

Enclosures

RECEIVED
AUG 11 1955

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

Administrative Audit Difference Statement

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

[illegible]

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

Amount Claimed $ [illegible]

Difference $

Amount Approved $ [illegible]

The reason for the difference was due to:

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

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

224 New Customhouse
Denver 2, Colorado

July 29, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

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

Remarks:

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

W. M. Traver

W. M. Traver

Enclosures

RDB:sr

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

DMEA
Date Rec'd.

JUL 26 1955

BUREAU OF MINES
Denver, Colorado

Region III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer

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

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

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

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

C. M. Harrer

C. M. Harrer
Mining Engineer

cc 6
E706
Chron

CMH/cm

m 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, 195 5 Docket No. DMEA 3390 Contract No. Idm-E706

Operator's Name San Juan Uranium Corporation Minerals

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

Contract Amount, $ Government Participation: % Amount, $ 10,500.00

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

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

Date July 12 *Payee San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

* 250.00 Withheld

RECEIVED AUG 11 1955

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

$ 132.50

Signature
(Authorized Certifying Officer)

Date 8-5-55 Vou. No. DMA-56-12

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Bk.

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

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

Operator's Name San Juan Uranium Corporation Minerals

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

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	$510.00	17	$10,500.00	350	$30.00	350	$30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		510.00	17	10,500.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		510.00	17	10,500.00				10,500.00

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

Date July 12 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

(For Government use only)

C. M. Harper

INSTRUCTIONS

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

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

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

GPO 872894

MONTHLY REPORT OF OPERATOR

Month of July, 1955

(c) Narrative

Exploratory Project, Contract No. Idm E-706, Docket DMEA 3390 (Uranium) which calls for the extension of the Minoletti Adit or Tunnel, located on Goodhope No. 2, now extending into Goodhope No. 1, 350 feet in a general westerly direction beyond the face or breast at the time the project was authorized, was advanced a total of 17 feet during the month of July, 1955 thereby completing the contract.

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

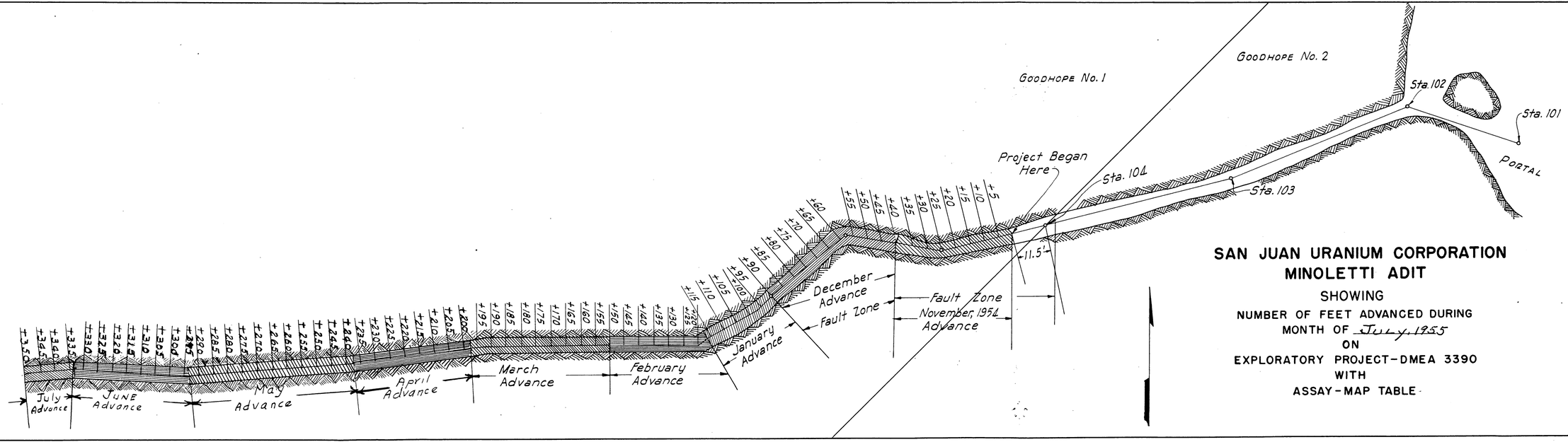
The last group of samples from the tunnel have been sent to the assay office and as soon as the report is received copies will be forwarded to complete the record.

ASSAY MAP TABLE

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

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 195	8	0.03	0.05
Plus 200	10	0.02	0.01
Plus 205		1.84	0.18
Plus 210		1.94	0.16
Plus 215		0.64	0.08
Plus 220		0.36	0.07
Plus 225		3.81	0.22
Plus 230		0.68	0.04
Plus 235		0.41	0.03
Plus 240		0.03	Trace
Plus 245		2.86	0.15
Plus 250		0.19	0.06
Plus 255		0.14	0.03
Plus 260		0.59	0.03
Plus 265		0.08	0.02
Plus 270		0.11	0.01
Plus 275		0.10	0.01
Plus 280		0.06	0.02
Plus 285		0.07	0.02
Plus 290		0.09	0.01



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF July, 1955

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

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

224 New Customhouse
Denver 2, Colorado

August 9, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of the Operator's Monthly Progress Report, form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data pertaining to work under the subject contract for the month of June, 1955.

W. M. Traver

W. M. Traver

Enclosures

RECEIVED
AUG 11 1955

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

224 New Customhouse
Denver 2, Colorado

July 29, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

Remarks:

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

W. M. Traver

Enclosures

RDB:sr

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

DMEA
Date Rec'd.

JUL 26 1955

BUREAU OF MINES
Denver, Colorado

Region III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw,
Supervising Mining Engineer

From: C. M. Harrer

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

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

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

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

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

C. M. Harrer
C. M. Harrer
Mining Engineer

cc 6
E706
Chron

CMH/cm

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

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

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

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

Date July 11 *Payee San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

RECEIVED AUG 11 1955

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

$ 900.00

Signature RBW
(Authorized Certifying Officer)

Date 8-5-55 Vou. No. DMA-56-12
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Burk.

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1955 Docket No. DMEA 3390 Contract No. Idm-R706

Operator's Name San Juan Uranium Corporation Minerals

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

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

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

Date July 11, 1955 Operator San Juan Uranium Corp.

Per R. B. Watter Title President

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

(Instructions on reverse)

(For Government use only)
C. M. Harper

INSTRUCTIONS

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

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

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

GPO 872894

2.

MONTHLY REPORT OF OPERATOR

Month of June, 1955

(c) Narrative

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

The character of the formation encountered continues to be about the same, consisting mostly of hard and soft ribs so that the same pattern of 24 holes per round are required to break it. At approximately plus 235 a lense of ore was encountered about 3 ft. in thickness extending almost across the breast, making about the best showing to-date. The Geiger reading indicated that it's Uranium content ranged between 0.35% and 0.5%. However the following round showed this to be just another lense and not the beginning of a large body of ore.

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

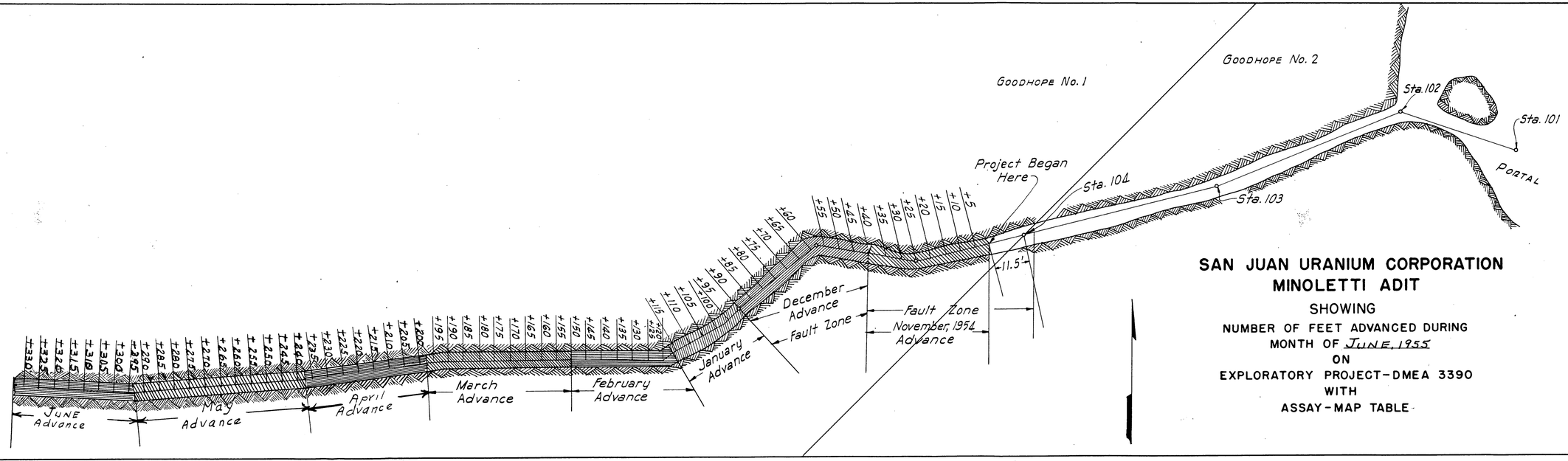
Please note that the Assay Map Table is now complete up to and including plus 290. The balance of the samples taken have been sent to the assay office but returns have not been received.

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 5	6.75	0.00	0.20
Plus 10	5	1.32	0.06
Plus 15	5	0.03	0.02
Plus 20	0.75	0.62	0.13
Plus 25	5	0.06	0.02
Plus 30	5	0.20	0.02
Plus 35	5	0.08	0.01
Plus 40	1	0.12	0.01
Plus 45	1	0.15	0.01
Plus 50	0.5	0.13	0.01
Plus 55	0.5	0.15	0.01
Plus 60	1	0.13	0.01
Plus 65	1	0.12	0.01
Plus 70	0.5	0.22	0.02
Plus 75	0.5	0.56	0.02
Plus 80	0.5	0.12	0.01
Plus 85	0.5	0.03	0.01
Plus 90	1	0.06	0.01
Plus 95		0.11	0.01
Plus 100	5	0.17	0.04
Plus 105	5	0.37	0.02
Plus 110	5	0.34	0.01
Plus 115	5	0.02	Trace
Plus 120	5	0.02	Trace
Plus 125	5	Trace	Trace
Plus 130	5	0.30	0.02
Plus 135	5	0.59	0.02
Plus 140	5	0.62	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03
Plus 155		1.55	0.10
Plus 160		0.81	0.17
Plus 165		2.34	0.07
Plus 170	10	1.60	0.10
Plus 175	10	1.40	0.07
Plus 180	12	0.20	0.02
Plus 185	12	0.39	0.01
Plus 190	16	0.03	0.01
Plus 195	8	0.03	0.05

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 200	10	0.02	0.01
Plus 205		1.84	0.18 ✓
Plus 210		1.94	0.16 ✓
Plus 215		0.64	0.08
Plus 220		0.36	0.07
Plus 225		3.81	0.22 ✓
Plus 230		0.03	0.04
Plus 235		0.41	0.03
Plus 240		0.03	Trace
Plus 245		2.80	0.15 ✓
Plus 250		0.19	0.06
Plus 255		0.14	0.03
Plus 260		0.09	0.03
Plus 265		0.08	0.02
Plus 270		0.11	0.01
Plus 275		0.10	0.01
Plus 280		0.06	0.02
Plus 285		0.07	0.02
Plus 290		0.09	0.01



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF JUNE, 1955

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

8/2/55 gla

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

RECEIVED
AUG - 1 1955

224 New Customhouse
Denver 2, Colorado

July 29, 1955

Mr. R. B. Walter, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket DMEA-3390
Contract Idm-E706

Dear Mr. Walter:

This has reference to your long distance telephone call this date to Mr. H. M. Connors in which you requested a delay in the field examination of your property.

A field examination was made in accordance with your request for an amendment in the amount of $71,566.00. We are advised that the examination of your property was completed July 19, 1955; the field examiners were accompanied by a representative of your corporation.

Very truly yours,

W. M. Traver

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

HMC:sr

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

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

RECEIVED
JUL - 5 1955

224 New Customhouse
Denver 2, Colorado

June 28, 1955

Memorandum

To: J. F. Shaw w/brochure
E. N. Harshman

From: Field Team, Region III

Subject: Docket DMEA-3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, Good Hope and Nevada claims, LaPlata County, Colorado

Enclosed is the subject application for an amendment to the present contract in the amount of $142,892.10. Your attention is invited to the attached letter from the Chairman of the Operating Committee and the memoranda from John Crawford and R. D. Trace.

A field examination and suitable reports are required.

W. M. TRAVER

W. M. Traver

E. N. Harshman

E. N. Harshman

Field Team, Region III

Enclosures

HMC:pw

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

Mr. R. K. Grover
Executive Officer
DMEA Field Team, Region III
722 New Customhouse Building
Denver 2, Colorado

JUN 23 1955

re: Docket No. DMEA-1390 (Uranium)
Contract No. Idm-3706
San Juan Uranium Corporation
Good Hope Claims
La Plata County, Colorado

Dear Mr. Grover:

The captioned application transmitted with your memorandum of June 2, for additional Government aid to further explore the subject property is referred to Region III Field Team for either a field examination or recommendations for the proposed project based on available information in your office.

Enclosed are copies of memoranda from Mr. John A. Crawford dated June 10, and Mr. A. B. Frame, dated June 16, 1955, members of the Uranium Commodity Committee.

If the Field Team recommends an additional program approved by the operator, please furnish us the necessary information to draft an amendment. In this connection, we will require the recording dates for all claims to be added to the project, and also leases and Consents to Lien for all claims not owned by the applicant. The recording data submitted in the application lists the claims as "Hope" and "Lost Canyon," whereas the map submitted entitled "Mining Claims, San Juan Uranium Corporation," shows claims Hope No. 1 and Lost Canyon No. 1. If these claims are to be included in the project, we will require copies of a claim map which shows the claims as they are recorded.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

FLKnowslam
6-20-55

cc to: Admr. Reading File — Code 700
Docket — Mr. Knowles
Operating Committee
Messrs. J. A. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5224
J. A. Heated, Rm. 3210, GSA

APPROVED:

J. H. Hedges
~~Acting Director of Mines~~

Thor H. Kiilsgaard

Director, Geological Survey

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

224 New Customhouse
Denver 2, Colorado

June 22, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of the Operator's Monthly Progress Report, form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data pertaining to work under the subject contract for the month of May, 1955.

W. M. Traver

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

June 10, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

Remarks:

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

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

W. M. TRAVER

Enclosures

W. M. Traver

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

DMEA
Date Rec'd.

JUN 10 1955

BUREAU OF MINES
Denver, Colorado

Region III

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

Memorandum

To: Executive Officer DMEA Field Team, Region III

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

From: Glen Walker

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

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

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

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

Glen Walker
Glen Walker
Mining Engineer

enclosures

cc 6
E706
DMEA Chron.

GW/pah

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN 27 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 195 5 Docket No. DMEA 3390 Contract No. Idm-5706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 2, Okla. Uranium

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

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

Date May 6 Operator San Juan Uranium Corp.

Per R. B. Walker Title President

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

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

(Instructions on reverse)

(For Government use only)

Gilbalm

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 May, 195 5 Docket No. DMEA 3390 Contract No. Idm-E706

Operator's Name San Juan Uranium Corporation Minerals

Address Fidelity Bldg., Oklahoma City 2, Oklahoma Uranium

Contract Amount, $ 7,875.00 Government Participation: 75 % Amount, $ 10,500.00

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

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

Date May 6 *Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

$ 12 60 00

Signature Randell R. Cooper
(Authorized Certifying Officer)

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

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E706 in accordance with the terms of the contract.

Signature [illegible] 1260.00 [illegible] for [illegible], Title Mng[illegible] Date 6/9/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MONTHLY REPORT OF OPERATOR

(c) Narrative Month of May, 1955

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

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

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

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

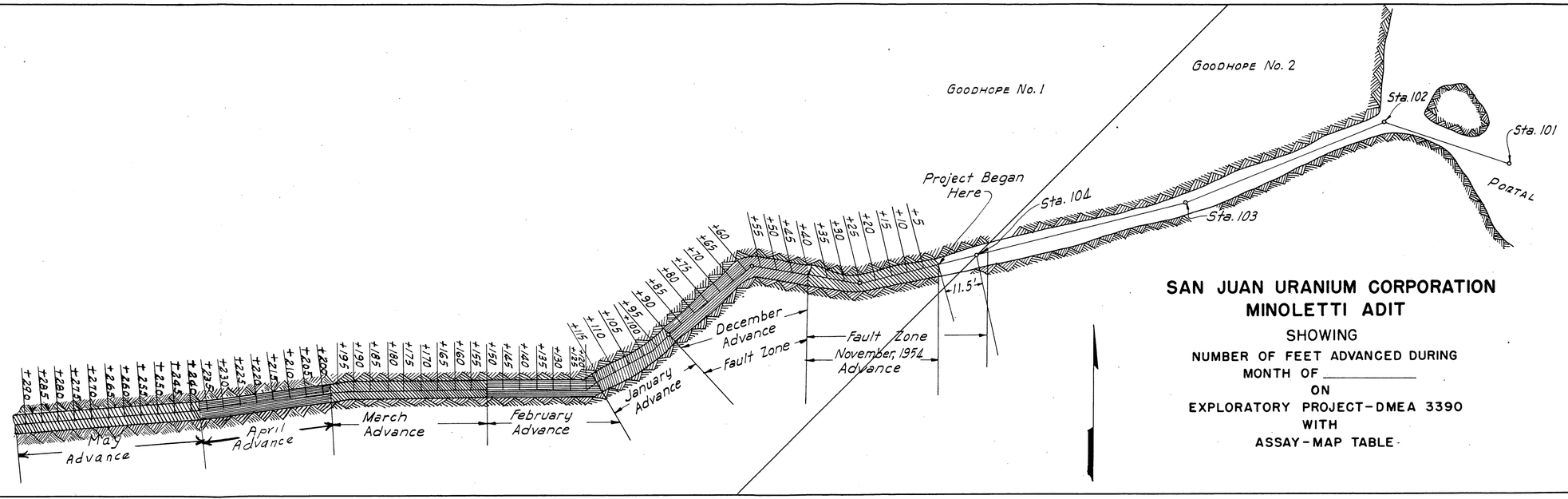
The samples taken at 5 foot intervals during the month were all sent in at one time so that the returns have not been received as yet.

ASSAY MAP TABLE

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

ASSAY MAP TABLE

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



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF _____

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

IN REPLY REFER TO:

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

RECEIVED
JUN 17 1955

June 16, 1955

Re: DMEA-3390
Zim-8706
San Juan Uran. Corp.
Lightner Creek Area
La Plata Co., Colo.

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: R. D. Trace, U. S. Geological Survey

Subject: Review of proposed amendment

The operator proposes to drive three new tunnels (in addition to the tunnel now being driven), each for 500 feet.

The proposed amendment is essentially a new application, and should be referred to the Field Team.

The program appears rather ambitious to me. I always thought of the Lightner Creek deposits as being low in grade.

R. D. Trace

RDTrace:hlm
G-6/16/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior
J. O. Nested, 3210 GSA

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

RECEIVED
JUN 17 1955

224 New Customhouse
Denver 2, Colorado

June 2, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are three copies of an application for an amendment to the subject contract in the amount of $71,568.00. One copy is being retained in this office.

This application is apparently the result of Mr. Mittendorf's letter to the applicant, dated January 26, 1955, a copy of which was forwarded to this office.

/s/ W. M. Traver,

W. M. Traver

Enclosures

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o
p
y

SAN JUAN URANIUM CORPORATION

FIDELITY BUILDING
OKLAHOMA CITY, OKLAHOMA

May 26, 1955

RECEIVED
JUN - 7 1955

RECEIVED
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Date Rec'd
BUREAU OF MINES
DENVER, COLORADO

U. S. Department of the Interior
Bureau of Mines
Mr. W. M. Traver
Building 20, Room 137
Denver Federal Center
Denver 2, Colorado

Re: DMEA 3390, Contract Idm-E706

Dear Mr. Traver:

Enclosed are four copies of our proposed amendment to Docket No. DMEA-3390 (Uranium), Contract No. Idm-E706, Goodhope claims, La Plata County, Colorado, which we trust you will find in order.

Very truly yours,

SAN JUAN URANIUM CORPORATION

R. B. Walter

By: R. B. Walter, President

RBW/jr
Enclosed

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN - 7 1956

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. _____
Metal or Mineral _____
Date Received _____
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:

San Juan Uranium Corporation
Fidelity Building
Oklahoma City 2, Oklahoma

(*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. See Page #1

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. See Page #1

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

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

See Page #1-A

(*b*) State any mine name by which the property is known. See Page #1

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Assignee

(*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. See Page #1

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Page #1-A

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. See Page #2

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. See Page #3

(*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. See Page #3

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Page #4

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. See Page #4

5. *The exploration project.*—(*a*) State the mineral or minerals for which you will be 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. See Page #5

(*c*) The work will start within 60 days and be completed within 24 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. See Page #5

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.). See Page #5

(*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. See Pages #5 and #6

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. See Page #6

(*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. See Pages #6 and #7

(*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. See Page #7

(*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. See Page #7

(*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. See Pages #7 and #8

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above. See Page #8

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)? See Page #11

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

[X] Money [X] 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 May 26, 1955

San Juan Uranium Corporation
(Applicant)

By R. B. Walter

R. B. Walter, President

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

RECEIVED
JUN - 7 1956

AMENDMENT TO SAN JUAN URANIUM CORPORATION'S EXPLORATION PROJECT CONTRACT NO. Idm-E706, DOCKET NO. DMEA 3390 (URANIUM)

1. (a) San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

(b) Incorporated in the State of Delaware

(c) President: Rollie B. Walter, Fidelity Building, Oklahoma City, Oklahoma
Vice President: E. W. Whitney, Jr., 2633 N. W. Park, Oklahoma City, Oklahoma
Secretary - Treasurer: P. Ray Schwoerke, Fidelity Building, Oklahoma City, Oklahoma

3. (b) Goodhope claims No.s 1 to 19 inclusive, Nevada claims No.s 1 to 9 inclusive, Hope No.s 1 and 2, Goodhope Millsite, Lady Maurine No.s 1, 2 and 3, Silver Mt. No.s 1 and 2, and Lost Canyon No. 1, all located on Main and South Lightner Creeks; Atom claims No.s 1 to 9 inclusive, on Deep Creek, all in La Plata County, Colorado.

(b-1) The additional claims included in this amended application are - Goodhope No.s 3 and 6, Nevada No.s 1 to 7 inclusive, Bald Mountain No.s 1 to 10 inclusive, Hope No.s 1 and 2, Goodhope Millsite, Lady Maurine No.s 1, 2 and 3, Silver Mt., No.s 1 and 2, Lost Canyon No. 1, and Atom No.s 1 to 9 inclusive.

(d) All claims are covered by leases now on file at the County Court House for La Plata County, Colorado, in Durango, Colorado.

NAME	CERTIFICATE NO	RECORDED BOOK	RECORDED PAGE
Good Hope No. 1	171018	217	570
Good Hope No. 2	171019	217	571
Good Hope No. 3	171020	217	572
Good Hope No. 4	171021	217	573
Good Hope No. 5	171022	217	574
Good Hope No. 6	171023	246	1
Good Hope No. 7	171024	246	2
Good Hope No. 8	171025	246	3
Good Hope No. 9	171026	246	4
Good Hope No. 10	171027	246	5
Good Hope No. 11	171028	246	6
Good Hope No. 12	171029	246	7
Good Hope No. 13	171030	246	8
Good Hope No. 14	171208	246	9
Good Hope No. 15	171209	246	10
Good Hope No. 16	171210	246	11
Good Hope No. 17	171211	246	12
Good Hope No. 18	171212	246	13
Good Hope No. 19	171213	246	14
Good Hope Amended No. 3	234736	246	292
Good Hope Amended No. 5	177341	246	42
Good Hope Amended No. 5	234737	246	293
Good Hope Amended No. 6	234738	246	294
Nevada No. 1	198735	246	131
Nevada No. 2	198736	246	132
Nevada No. 3	198737	246	133
Nevada No. 4	198738	246	134
Nevada No. 5	198739	246	135
Nevada No. 6	198740	246	136
Nevada No. 7	198741	246	137
Nevada No. 8	239117	334	55
Nevada No. 9	239118	334	56
Atom No. 1	239110	334	48
Atom No. 2	239111	334	49
AtomNo. 3	239112	334	50
Atom No. 4	239113	334	51
Atom No. 5	239114	334	52

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avneue, Durango, Colorado

NAME	CERTIFICATE NO.	RECORDED BOOK	RECORDED PAGE
Atom No. 6	239115	334	53
Atom No. 7	239116	334	54
Atom No. 8	241790	334	491
Atom No. 9	241791	334	492
Hope	238710	334	18
Hope No. 2	238711	334	19
Good Hope Mill Site	238709	334	17
Bald Mountain No. 1	239599	334	133
Bald Mountain No. 2	239600	334	134
Bald Mountain No. 3	239601	334	135
Bald Mountain No. 4	243142	336	111
Bald Mountain No. 5	243143	336	112
Bald Mountain No. 6	243144	336	113
Bald Mountain No. 7	243145	336	114
Bald Mountain No. 8	243146	336	115
Bald Mountain No. 9	243147	336	116
Bald Mountain No. 10	243148	336	117
Lady Maurine No. 1	135761	217	339
Lady Maurine No. 2	146498	217	382
Lady Maurine No. 3	182416	246	68
Silver Mountain	203822	246	156
Silver Mountain No. 2	241789	334	490
Lost Canyon	151479	217	403

The reception No. and Certificate No. are one and the same thing.

4. PHYSICAL DESCRIPTION

(a) Some exploratory work has been carried out at several locations along the vein outcrop. These operations consist in the main of a 180 foot tunnel on Goodhope No. 2, 60 foot tunnels on Goodhope No. 7 and 13, and several openings that vary from a few feet in width to 50 feet in wideth, extending in from the outcrop from 10 feet to 50 feet on several additional Goodhope claims.

A small amount of exploratory work has also been done on the Nevada group, that consists mainly of an opening on the Nevada No. 4 approximately ten to fifteen feet wide and twenty-five feet deep and an opening on Nevada No. 5, approximately ten to fifteen feet wide and thirty feet deep, in from the outcrop.

The most recent exploratory work carried out on these groups of claims was the drilling of six core holes on Goodhope No. 8. The results obtained from these holes, show that they were located in a faulted zone where underground water could circulate freely and had leached out most of the mineral content, both uranium and vanadium oxides, that may have been in the vein when it was deposited. The holes were located progressively farther in from the outcrop, the first 50 feet, the second 100 feet, the third 150 feet, the fourth 200 feet, with the fifth and sixth farther down the dip. The first hole showed an approximate 4 feet of mineralized section, the 2nd hole 5 feet, with the thickness increasing with each hole drilled. Each core showed the presence of thin sections of good ore with 14 inches showing in hole No. 3.

The 180 foot tunnel located on Goodhope No. 2 is now being advanced under San Juan Uranium Corporation's Exploratory Project Contract No. Idm-E706, Docket No. DMEA 3390 (Uranium), and as of May 1st, 1955 had reached a total depth of 417 feet.

The tunnel known as the Minoletti Adit had been run approximately 180 feet at the time the mining claims in question were acquired by San Juan Uranium Corporation. It had encountered a faulted zone at about 165 feet and was stopped approximately 15 feet within this zone, so that the advancing of the tunnel was started in the faulted area. The "Aerial" map of the section, where the claims are located shows the fault and indicates that it may be anywhere from 400 feet to 500 feet or more in thickness. In the last 100 feet driven a number of lenses and gobs of ore was encountered that gave a good reading on the Geiger Counter. The quality of these lenses and gobs of ore has increased materially in the last 50 feet of the tunnel.

Most of the mine workings are readily accessible, with the exception of two of the shorter tunnels, which are open but the floors are covered with some six inches of water.

(b) Past production: During the latter part of World War II, approximately 1,000 tons of ore were mined and shipped to the mill at Durango, Colorado. Most of this tonnage came from the Goodhope group of claims, which averaged 2.85% vanadium oxide, the only value reported on. All of this ore contained uranium oxide as well as vanadium oxide, but there is no record or report available that discloses what the percent of the former might have been. In addition to this tonnage mined and shipped from the Goodhope group, some two to three hundred tons of ore have been mined and shipped from Nevada No.s 4 and 5, that averaged approximately 0.15% Uranium Oxide and 2.50% Vanadium Oxide.

There is no production from these claims at the present time nor any known ore reserves.

(c) The groups of mining claims under consideration, are located in the mountainous terrain of the La Plata Mountains, The formations that outcrop in the area covered by these claims, are of sedimentary origin, ranging in age from Permian to upper Cretaceous, that dip at an average of 15° to the South into the San Juan Basin. Northward these sedimentary beds have been cut occasionaly by Tertiary intrusions, leaving mineralized zones in the limestone beds. The Uranium and Vanadium oxides appear to have been deposited in the upper Entrada sandstone formation simultaneously with the sand.

The uranium-vanadium ore is a "Roscoelite" type ore, which is typically a high vanadium and low uranium primary ore. From surface observations, the mineralized section is irregular, varying from a few inches to four feet in thickness and from zero to six feet below the contact, with the todilto limestone formation above.

The Entrado sandstone is a highly cross-bedded formation, which would suggest "Eolian" deposition. The mineralized section appears to follow the pattern of the cross-bedding planes or "Rolls". The vein outcrop can be traced continously along the west ends of those claims facing main Lightner Creek or Goodhope No.s 3 and 6, and Nevada No.s 3 to 7 inclusive, as well as across those Goodhope claims located West and South of Main Lightner and the South Fork respectively.

The old workings, from which the ore mined and shopped was taken, are shallow and irregular and offer very little in the way of information as to the

expected mineral content or continuity of the ore back from the outcrop. Since both uranium and vanadium oxides leach readily where exposed, the vein outcrop as well as the old workings are of little or no value for accurate sampling.

In order that the applicant may plan an efficient and economical mining operation and determine whether a sufficient ore body or bodies exist, it is necessary to investigate the nature and occurance of the vein material, - will the series of rolls be found closer together or farther apart, do they increase in thickness and extend beyond the zone of surface leaching?

Attached is a map showing the location of the several groups of mining claims, the Goodhope, Nevada, Hope and Bald Mountain groups on main and South Lightner creeks, together with a group of six claims on upper Main Lightner Creek, and the Atom group on Deep Creek. It shows a layout of the proposed exploratory work as detailed in this Amendment to Contract No. Idm-E706, Docket No. DMEA 3390.

(d) These groups of claims, known as the Lightner and Deep Creek groups, lies approximately twelve (12) miles N. W. of Durango, Colorado, and can be reached over U. S. Highway No. 160 to a point three (3) miles West of Durango thence in a Northerly direction over a graded county road for a distance of six (6) miles, thence North over a private road to the property a distance of three (3) miles.

(e) Availability of Manpower: Due to the closing down of several mining properties in the Silverton, Colorado mining district there will be suitable man power available.

Materials and Supplies: Supply stores, lumber yards, hardware stores and other establishments, located in Durango, stock the necessary materials and supplies, that will be required.

Equipment: Equipment other than what can be obtained in Durango, can be purchased in Grand Junction or Denver, Colorado.

Water: There is sufficient water for all purposes in Lightner Creek, that flows all year. In addition there are several springs on the property that provide considerable water.

power: Electric power can be secured from "The Western Colorado Power Company", who have advised that their company will construct a power line to the property for the sum of $15,000.00. This amount to be advanced by the "San Juan Uranium Corporation" which will be refunded through one quarter (1/4) of the monthly power bill over a period of five years or until paid out.

For the proposed exploratory operations, gasoline or diesel driven motors will be used.

5. THE EXPLORATORY PROJECT:

(a) See Application form.

(b) The proposed exploratory work consists of the driving of three (3) 5'x7' new tunnels, one to be located on Nevada No. 3, one on Goodhope No. 3 and one on Atom No. 3, and will be in addition to that on Goodhope No. 2 which is now being driven ahead under Exploratory Project Contract No. Idm-E706, Docket No. DMEA 3390 (Uranium). It is planned to drive each of the new tunnels approximately 500 feet, and the present one now being driven on Goodhope No. 2, 300 feet beyond the point where the above exploratory Project Contract will carry it, or from approximately 530 feet from the portal. Each of these tunnels will be carried forward on grade, following the contour of the vein as it dips to the South. This exploratory work should carry each of the proposed new tunnels well beyond the leaching zone and the present one through the faulted and broken area, it is expected that it may still be in, when the present contract is completed thus making it possible to better evaluate the property with a greater degree of accuracy than would otherwise be possible. - We have been advised by geologists, who have made a study of the area covered by our claims, that in their opinion a body of high grade ore should be encountered at a point approximately 650 feet in from the portal of the present tunnel on Goodhope No. 2. This would be from 100 to 150 feet beyond the point where the present contract will carry it. -

(c) See Application Blank

(d) The applicant, President and operating manager for San Juan Uranium Corporation, is a graduate Mining Engineer, from the School of Mines, University of Minnesota, Class of 1912. He has been engaged in engineering and mining the greater part of the time since graduating, has served in an executive capacity in numerous mining and oil companies. The past few years he has carried on a consulting engineer's practice in Oklahoma City, Oklahoma. At present he is located at Oklahoma City, Oklahoma, but will personally supervise the proposed exploratory work or operations.

6. ESTIMATE OF COSTS:

(a) Independent contracts: Cat - Bull dozer, Claim Road construction and repair: $12.50 per hour - $100.00 per 8 hour day.

(b) Labor: To carry the proposed tunnels forward.

8 - Miners)	Guaranteed hourly rate:
8 - Muckers)	$1.57 and $1.49 respectively
10 - Laborers)	$1.25 per hour

Supervision: Foreman - $500.00 per month
Office Help: Clerk - $300.00 per month

(c) Operating Materials and Supplies.

Carbide - $11.35 per 100 lbs.
Explosives - Gelex 35%, $21.00 per 100 lbs. in ton lots.
Mine Rail - 20 lbs. - $8.55 per 100 lbs.
Fish or tie plates - $0.60 per paid
Truck spikes - $18.00 per 100 lbs.

Hand tools:	Miners pick at $3.15 each
	Miner's pick handle at $1.30 each
	Shovels at $3.95 each
	Bar-down Bar - 8 feet at $7.00
Pipe & Fittings:	1" black pipe - $22.10 per 100 ft.
	2" black pipe - $46.24 per 100 ft.
	4" line pipe - seamless - $128.53 per 100 ft.
	1" fittings - $0.35 average each
	2" fittings - $0.60 average each
Lumber:	1" boards - $120.00 per 1000 Bd. Ft.
	Dimension - $90.00 per 1000 Bd. Ft.
	Timber - $85.00 Per 1000 Bd. Ft.
Nails:	$0.15 per pound
Drill Steel:	2' - length - $4.81 each
	4' - length - $6.56 each
	6' - length - $9.56 each

Bits for drilling - $0.23 1/2 each
Gasoline - $0.32 1/2 per Gal.
Oil - $1.80 per Gal.
Rock Oil - $0.80 per Gal.
8" vent pipe - $69.35 per 100 foot.

(d) Operating Equipment:

The following is owned by the applicant and will be used in carrying on the proposed exploratory work.

1 - 125 Cu. ft. compressor - Jaeger	$ 3,365.00
1 - 600 Cu. ft. compressor - Jaeger	15,300.00
1 - Model 12B Eimco Mucker, 18" guage	3,120.00
4 - 380 Thor Drill with leg & Oiler	2,660.00
3 - Thor water tanks	210.00
1 - Dodge Power Wagon, to be used in transporting men and material	3,310.00
1 - 60 Ton steel ore bin - erected	3,000.00
1 - 1948 Dodge Tractor	2,581.00

1 - International TD18A Tractor equipped angledozer & front P.C.U.	21,273.00
1 - Blower	250.00
1 - Geiger Counter	102.00
1 - K & E Transit - complete w/ 200 ft. tape	1,031.00
Total vaulation of equipment owned by the Applicant and to be used for carrying on the proposed exploratory work -	$56,202.00

Operating Equipment to be purchased:

5 - Ore cars - 18" gauge - 20 Cu. Ft. capacity Roller Bearing - Each $246.50	1,232.50
3 - Blowers @$356.50	1,069.50
	$ 3,302.00

(e) None

(f) New Buildings, Improvements, Installationa:

3 - 60 Ton wooden ore bins, covered	$ 6,000.00
Air and water lines	
2" - Black pipe 3,000 ft. @$46.24 per 100 ft.	1,387.20
1" - Black pipe 3,000 ft. @$22.10 per 100 ft.	663.00
Pipe fittings	200.00
Mine Rail - 18" gauge 20 lb. - 2000 ft. @$0.57	1,140.00
Fish plates - 100 @$0.60	60.00
Vent pipe - 2000 ft. 8" @$69.35 per 100 ft.	1,387.00
Timber & Lagging	350.00
Track Spikes 500 lbs. @$18.00	90.00
	$11,277.00

Road Construction:

Claim roads to proposed locations of tunnels	1,000.00

(g) Miscellaneous:

Maintenance & repair of equipment; 125 Cu. Ft. Compressor	110.00

600 Cu. Ft. Compressor	200.00
Thor Drills	200.00
Assaying	2,000.00
Liability Insurance	300.00
Payroll Tax	300.00
Clerk (Accounting)	2,500.00
Total (g)	$ 5,610.00

(h) Contingencies:

(b) Labor	300.00
(c) Operating Material & Supplies	400.00
(d) Operating Equipment	300.00
Total (h)	$ 1,000.00

ESTIMATED TOTAL COST OF PROJECT TOTALS
UNDER ALL HEADINGS

6. (b) Labor:

Labor - Miners	$ 3,200.00	
Labor - Muckers	3,000.00	
Labor - Laborers	1,000.00	
Supervision	3,000.00	
Total (b)		$10,200.00

(c) Operating Materials & Supplies:

Explosives	2,172.00	
Carbide	75.00	
Mine track & ditch	1,500.00	
Tools	125.00	
Drill Steel & Bits	2,000.00	
Air Line & Water Line	2,500.00	
Blowers & Vent Line	2,500.00	
Compressor Operation	1,200.00	
Drill Operation	375.00	
Sharpening Tools	550.00	
Total (c)		12,997.00

(d) Operating Equipment:

Equipment owned by applicant and will be used in carrying on the proposed exploratory work.

Total Value 56,202.00

Operating Equipment to be purchased:		
Total Value	2,302.00	
Dodge Power Wagon		
Operation	1,810.00	
Total (d)		$60,314.00

(e) None

(f) New Buildings, Improvement, Installation:		
As listed above	11,277.00	
Road Construction	1,000.00	
Total (f)		12,277.00

(g) Miscellanous:	
Maintenance & Repair of Equipment Listed above - Total Cost	5,610.00
(h) Contingencies:	
Listed above - Total Cost	1,000.00

Estimated cost of driving the proposed tunnels on the Exploratory Project, based on a four foot advance per day for 22 days per month, or 88 feet:

Sub-Headings	Cost per Foot
Labor-Miners & Muckers	$12.50
Explosives	3.00
Caps and Fuse	1.00
Labor - Laborers	1.00
Compressor & Drill Equipment	2.85
Dodge Power Wagon - Operation	2.50
Maintenance & Repair - Compressor	.15
Maintenance & Repair - Drill	.25
Assaying	1.00
Liability Insurance	.77
Payroll Tax	.60
Supervision	1.45
Engineering	1.45
Clerk - accounting	.85
Carbide	1.52
Track & Ditch	1.84
Drill Steel & Bits	2.50
Tools	.15
Airline & Waterline - Installed	1.50
Compressor - Operation & Depreciation	1.50
Drill Operation	.50
Sharpening Steel & Picks	.75
Blower & 8 in. vent line	1.50
Contingencies	2.00
Total Estimated cost of proposed tunnels	$39.76

1800 x 39.76 = $71,568.00

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

7. (b) The applicant proposes to use his Dodge Power Wagon for transporting men and material from sources of supply, (Durango, Colorado) to the project, charging the cost of operation or .20 cents per mile driven. Estimated mileage per each working day 50 miles or a total cost per day of $10.00, or $2.00 per foot advance of the proposed tunnels. Estimated total length of each of three tunnels, 500 ft. or a total of 1500 ft., plus 300 ft. that it is proposed to advance the present tunnel or a grand total of 1800 ft.

Amount to be furnished through this piece of equipment will be:

1800 x $2.50 = $4,500.00

Estimated use - allowance for operating equipment owned by the applicant:

1800 ft. of tunnel @$2.85 = $5,130.00

Summary of cost of equipment to be used:

Dodge Power wagon	$4,500.00
Operating Equipment	5,130.00
	$9,630.00

Amount to be furnished by applicant either as cash or in use of equipment;

Total estimated cost of project	$71,568.00
Applicant's share 1/4 or	17,892.00
Through use of equipment	9,630.00
Total cash that will be furnished	$ 8,262.00

SAN JUAN URANIUM CORPORATION
Actual cost of Advancing
The Minoletti Tunnel
For the 1st 4 months of 1955

	1955	Jan.	Feb.	Mar.	April
Payroll	$3,753.28	$ 986.08	$ 826.24	$ 985.36	$ 955.60
Insurance	325.12	92.28	77.28	78.28	77.28
Freight & Cartage	22.18	3.31	1.99		16.88
Repairs to Equipment	45.00				45.00
Supplies	787.77	257.35	213.75	192.12	124.55
Dynamite & Powder	245.82				245.82
Engineering & Geology	100.57			100.57	
Employee Transportation	262.50	75.00	60.00	67.50	60.00
Maintenance-Trucks	460.07	7.01-	405.63	61.45	
2% OAB Tax	75.07	19.72	16.52	19.71	19.12
Employment Contribution	112.60	29.58	24.79	29.56	28.67
Totals	$6,189.98	$1,456.31	$1,626.20	$1,534.55	$1,572.92

SUMMARY

Total Footage 1955	147 Feet
Cost per foot	$42.108
DMEA Contribution	$22.50
San Juan Contribution	$19.608

Note:
Expense items shown above are only those connected with the advancing of the tunnel.

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

SUMMARY REPORT
On
Docket No. DMEA-3390 (Uranium)
Contract No. Idm-E706
Goodhope Claims
La Plata County, Colorado

Actual work on advancing the Minoletti Adit located on Goodhope claim No. 2 was started the first part of November, 1954. This tunnel had been carried forward 180 feet at the time the property was acquired by the operator and was stopped in a fault zone, after having penetrated it approximately 15 feet. The aerial map of this area shows that this faulted zone could be anywhere from 400 ft. to 500 ft. thick, which would mean that the tunnel should be advanced a total of 450 ft. to 500 ft. in order to drive through it and pick up the ore body that can be expected beyond the fault. In other words unless the tunnel is carried beyond the broken and/or faulted area a commercial body of ore cannot expected to be encountered.

Operations were slowed down during the winter months by the severe winter weather, so that the tunnel was not advanced as rapidly as it was estimated that it would. The fact that the ground was broken by cross slips, some of which were considerably harder that others, made mining operations more difficult. It requires a pattern of 24 holes to break out a round of muck that makes from 22 to 24 cars.

Up to the present time work has been carried on on the daylight shift only, but as soon as additional help can be hired, a night shift will be put on, so that drilling, blasting, track laying and attendant work will be done on the day shift, with mucking done on the night shift. This added operation should practically double the advance so that it should average between 4 ft. and 5 ft. per day.

The small 125 cu. ft. compressor will be replaced with a 600 cu. ft. which will furnish enough air to run a mucking machine, in addition to that required for drilling.

On the following page is an outline of the actual cost of advancing the Minoletti tunnel as revealed by the operator's books.

6/13/55 gla

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

June 10, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

RECEIVED
JUN 13 1955

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Application for amendment, DMEA Docket 3390, Contract Idm-E706, San Juan Uranium Corp., LaPlata County, Colorado

I have reviewed the application for amendment, San Juan Uranium Corp., DMEA Docket 3390; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We suggest that the application be referred to the Field Team for study and possible examination.

The application for amendment is being forwarded to Mr. Thor H. Kiilsgaard of the U. S. Geological Survey, in accordance with your request of May 9.

John E. Crawford

6/7/55

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

RECEIVED
JUN - 7 1955

224 New Customhouse
Denver 2, Colorado

June 2, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are three copies of an application for an amendment to the subject contract in the amount of $71,568.00. One copy is being retained in this office.

This application is apparently the result of Mr. Mittendorf's letter to the applicant, dated January 26, 1955, a copy of which was forwarded to this office.

W. M. TRAVER,

W. M. Traver

Enclosures

SAN JUAN URANIUM CORPORATION

FIDELITY BUILDING
OKLAHOMA CITY, OKLAHOMA

May 26, 1955

RECEIVED
JUN - 7 1955

Date Rec'd
MAY 27 1955
BUREAU OF MINES
Denver, Colorado

DMEA
Date Rec'd
MAY 31 1955
BUREAU OF MINES
Denver, Colorado

U. S. Department of the Interior
Bureau of Mines
Mr. W. M. Traver
Building 20, Room 137
Denver Federal Center
Denver 2, Colorado

Re: DMEA 3390, Contract Idm-E706

Dear Mr. Traver:

Enclosed are four copies of our proposed amendment to Docket No. DMEA-3390 (Uranium), Contract No. Idm-E706, Goodhope claims, La Plata County, Colorado, which we trust you will find in order.

Very truly yours,

SAN JUAN URANIUM CORPORATION

R. B. Walter

By: R. B. Walter, President

RBW/jr
Enclosed

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN - 7 1955

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. .....
Metal or Mineral .....
Date Received .....
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:

San Juan Uranium Corporation
Fidelity Building
Oklahoma City 2, Oklahoma

(*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. See Page #1

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. See Page #1

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

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

See Page #1-A

(*b*) State any mine name by which the property is known. See Page #1

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Assignee

(*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. See Page #1

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Page #1-A

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. See Page #2

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. See Page #3

(*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. See Page #3

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Page #4

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. See Page #4

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. See Page #5

(*c*) The work will start within 60 days and be completed within 24 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. See Page #5

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.). See Page #5

(*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. See Pages #5 and #6

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. See Page #6

(*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. See Pages #6 and #7

(*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. See Page #7

(*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. See Page #7

(*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. See Pages #7 and #8

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above. See Page #8

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)? See Page #11

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

[X] Money [X] 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 May 26, 1955

San Juan Uranium Corporation
(Applicant)

By R. B. Walter

R. B. Walter, President

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

RECEIVED
JUN - 7 1956

AMENDMENT TO SAN JUAN URANIUM CORPORATION'S EXPLORATION PROJECT CONTRACT NO. Idm-E706, DOCKET NO. DMEA 3390 (URANIUM)

1. (a) San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

(b) Incorporated in the State of Delaware

(c) President: Rollie B. Walter, Fidelity Building, Oklahoma City, Oklahoma
Vice President: E. W. Whitney, Jr., 2633 N. W. Park, Oklahoma City, Oklahoma
Secretary - Treasurer: P. Ray Schwoerke, Fidelity Building, Oklahoma City, Oklahoma

3. (b) Goodhope claims No. s 1 to 19 inclusive, Nevada claims No. s 1 to 9 inclusive, Hope No. s 1 and 2, Goodhope Millsite, Lady Maurine No. s 1, 2 and 3, Silver Mt. No. s 1 and 2, and Lost Canyon No. 1, all located on Main and South Lightner Creeks; Atom claims No. s 1 to 9 inclusive, on Deep Creek, all in La Plata County, Colorado.

(b-1) The additional claims included in this amended application are - Goodhope No. s 3 and 6, Nevada No. s 1 to 7 inclusive, Bald Mountain No. s 1 to 10 inclusive, Hope No. s 1 and 2, Goodhope Millsite, Lady Maurine No. s 1, 2 and 3, Silver Mt., No. s 1 and 2, Lost Canyon No. 1, and Atom No. s 1 to 9 inclusive.

(d) All claims are covered by leases now on file at the County Court House for La Plata County, Colorado, in Durango, Colorado.

NAME	CERTIFICATE NO	RECORDED BOOK	RECORDED PAGE
Good Hope No. 1	171018	217	570
Good Hope No. 2	171019	217	571
Good Hope No. 3	171020	217	572
Good Hope No. 4	171021	217	573
Good Hope No. 5	171022	217	574
Good Hope No. 6	171023	246	1
Good Hope No. 7	171024	246	2
Good Hope No. 8	171025	246	3
Good Hope No. 9	171026	246	4
Good Hope No. 10	171027	246	5
Good Hope No. 11	171028	246	6
Good Hope No. 12	171029	246	7
Good Hope No. 13	171030	246	8
Good Hope No. 14	171208	246	9
Good Hope No. 15	171209	246	10
Good Hope No. 16	171210	246	11
Good Hope No. 17	171211	246	12
Good Hope No. 18	171212	246	13
Good Hope No. 19	171213	246	14
Good Hope Amended No. 3	234736	246	292
Good Hope Amended No. 5	177341	246	42
Good Hope Amended No. 5	234737	246	293
Good Hope Amended No. 6	234738	246	294
Nevada No. 1	198735	246	131
Nevada No. 2	198736	246	132
Nevada No. 3	198737	246	133
Nevada No. 4	198738	246	134
Nevada No. 5	198739	246	135
Nevada No. 6	198740	246	136
Nevada No. 7	198741	246	137
Nevada No. 8	239117	334	55
Nevada No. 9	239118	334	56
Atom No. 1	239110	334	48
Atom No. 2	239111	334	49
AtomNo. 3	239112	334	50
Atom No. 4	239113	334	51
Atom No. 5	239114	334	52

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avneue, Durango, Colorado

NAME	CERTIFICATE NO.	RECORDED BOOK	RECORDED PAGE
Atom No. 6	239115	334	53
Atom No. 7	239116	334	54
Atom No. 8	241790	334	491
Atom No. 9	241791	334	492
Hope	238710	334	18
Hope No. 2	238711	334	19
Good Hope Mill Site	238709	334	17
Bald Mountain No. 1	239599	334	133
Bald Mountain No. 2	239600	334	134
Bald Mountain No. 3	239601	334	135
Bald Mountain No. 4	243142	336	111
Bald Mountain No. 5	243143	336	112
Bald Mountain No. 6	243144	336	113
Bald Mountain No. 7	243145	336	114
Bald Mountain No. 8	243146	336	115
Bald Mountain No. 9	243147	336	116
Bald Mountain No. 10	243148	336	117
Lady Maurine No. 1	135761	217	339
Lady Maurine No. 2	146498	217	382
Lady Maurine No. 3	182416	246	68
Silver Mountain No!	203822	246	156
Silver Mountain No. 2	241789	334	490
Lost Canyon No!	151479	217	403

The reception No. and Certificate No. are one and the same thing.

4. PHYSICAL DESCRIPTION

(a) Some exploratory work has been carried out at several locations along the vein outcrop. These operations consist in the main of a 180 foot tunnel on Goodhope No. 2, 60 foot tunnels on Goodhope No. 7 and 13, and several openings that vary from a few feet in width to 50 feet in wideth, extending in from the outcrop from 10 feet to 50 feet on several additional Goodhope claims.

A small amount of exploratory work has also been done on the Nevada group, that consists mainly of an opening on the Nevada No. 4 approximately ten to fifteen feet wide and twenty-five feet deep and an opening on Nevada No. 5, approximately ten to fifteen feet wide and thirty feet deep, in from the outcrop.

The most recent exploratory work carried out on these groups of claims was the drilling of six core holes on Goodhope No. 8. The results obtained from these holes, show that they were located in a faulted zone where underground water could circulate freely and had leached out most of the mineral content, both uranium and vanadium oxides, that may have been in the vein when it was deposited. The holes were located progressively farther in from the outcrop, the first 50 feet, the second 100 feet, the third 150 feet, the fourth 200 feet, with the fifth and sixth farther down the dip. The first hole showed an approximate 4 feet of mineralized section, the 2nd hole 5 feet, with the thickness increasing with each hole drilled. Each core showed the presence of thin sections of good ore with 14 inches showing in hole No. 3.

The 180 foot tunnel located on Goodhope No. 2 is now being advanced under San Juan Uranium Corporation's Exploratory Project Contract No. Idm-E706, Docket No. DMEA 3390 (Uranium), and as of May 1st, 1955 had reached a total depth of 417 feet.

The tunnel known as the Minoletti Adit had been run approximately 180 feet at the time the mining claims in question were acquired by San Juan Uranium Corporation. It had encountered a faulted zone at about 165 feet and was stopped approximately 15 feet within this zone, so that the advancing of the tunnel was started in the faulted area. The "Aerial" map of the section, where the claims are located shows the fault and indicates that it may be anywhere from 400 feet to 500 feet or more in thickness. In the last 100 feet driven a number of lenses and gobs of ore was encountered that gave a good reading on the Geiger Counter. The quality of these lenses and gobs of ore has increased materially in the last 50 feet of the tunnel.

Most of the mine workings are readily accessible, with the exception of two of the shorter tunnels, which are open but the floors are covered with some six inches of water.

(b) Past production: During the latter part of World War II, approximately 1,000 tons of ore were mined and shipped to the mill at Durango, Colorado. Most of this tonnage came from the Goodhope group of claims, which averaged 2.85% vanadium oxide, the only value reported on. All of this ore contained uranium oxide as well as vanadium oxide, but there is no record or report available that discloses what the percent of the former might have been. In addition to this tonnage mined and shipped from the Goodhope group, some two to three hundred tons of ore have been mined and shipped from Nevada No.s 4 and 5, that averaged approximately 0.15% Uranium Oxide and 2.50% Vanadium Oxide.

There is no production from these claims at the present time nor any known ore reserves.

(c) The groups of mining claims under consideration, are located in the mountainous terrain of the La Plata Mountains. The formations that outcrop in the area covered by these claims, are of sedimentary origin, ranging in age from Permian to upper Cretaceous, that dip at an average of 15° to the South into the San Juan Basin. Northward these sedimentary beds have been cut occasionaly by Tertiary intrusions, leaving mineralized zones in the limestone beds. The Uranium and Vanadium oxides appear to have been deposited in the upper Entrada sandstone formation simultaneously with the sand.

The uranium-vanadium ore is a "Roscoelite" type ore, which is typically a high vanadium and low uranium primary ore. From surface observations, the mineralized section is irregular, varying from a few inches to four feet in thickness and from zero to six feet below the contact, with the todilto limestone formation above.

The Entrado sandstone is a highly cross-bedded formation, which would suggest "Eolian" deposition. The mineralized section appears to follow the pattern of the cross-bedding planes or "Rolls". The vein outcrop can be traced continously along the west ends of those claims facing main Lightner Creek or Goodhope No.s 3 and 6, and Nevada No.s 3 to 7 inclusive, as well as across those Goodhope claims located West and South of Main Lightner and the South Fork respectively.

The old workings, from which the ore mined and shopped was taken, are shallow and irregular and offer very little in the way of information as to the

expected mineral content or continuity of the ore back from the outcrop. Since both uranium and vanadium oxides leach readily where exposed, the vein outcrop as well as the old workings are of little or no value for accurate sampling.

In order that the applicant may plan an efficient and economical mining operation and determine whether a sufficient ore body or bodies exist, it is necessary to investigate the nature and occurance of the vein material, - will the series of rolls be found closer together or farther apart, do they increase in thickness and extend beyond the zone of surface leaching?

Attached is a map showing the location of the several groups of mining claims, the Goodhope, Nevada, Hope and Bald Mountain groups on main and South Lightner creeks, together with a group of six claims on upper Main Lightner Creek, and the Atom group on Deep Creek. It shows a layout of the proposed exploratory work as detailed in this Amendment to Contract No. Idm-2706, Docket No. DMEA 3390.

(d) These groups of claims, known as the Lightner and Deep Creek groups, lies approximately twelve (12) miles N. W. of Durango, Colorado, and can be reached over U. S. Highway No. 160 to a point three (3) miles West of Durango thence in a Northerly direction over a graded county road for a distance of six (6) miles, thence North over a private road to the property a distance of three (3) miles.

(e) Availability of manpower: Due to the closing down of several mining properties in the Silverton, Colorado mining district there will be suitable man power available.

Materials and Supplies: Supply stores, lumber yards, hardware stores and other establishments, located in Durango, stock the necessary materials and supplies, that will be required.

Equipment: Equipment other than what can be obtained in Durango, can be purchased in Grand Junction or Denver, Colorado.

Water: There is sufficient water for all purposes in Lightner Creek, that flows all year. In addition there are several springs on the property that provide considerable water.

power: Electric power can be secured from "The Western Colorado Power Company", who have advised that their company will construct a power line to the property for the sum of $15,000.00. This amount to be advanced by the "San Juan Uranium Corporation" which will be refunded through one quarter (1/4) of the monthly power bill over a period of five years or until paid out.

For the proposed exploratory operations, gasoline or diesel driven motors will be used.

5. THE EXPLORATORY PROJECT:

(a) See Application form.

(b) The proposed exploratory work consists of the driving of three (3) 5'x7' new tunnels, one to be located on Nevada No. 3, one on Goodhope No. 3 and one on Atom No. 3, and will be in addition to that on Goodhope No. 2 which is now being driven ahead under Exploratory Project Contract No. Idm-E#06, Docket No. DMEA 3390 (Uranium). It is planned to drive each of the new tunnels approximately 500 feet, and the present one now being driven on Goodhope No. 2, 300 feet beyond the point where the above exploratory Project Contract will carry it, or from approximately 530 feet from the portal. Each of these tunnels will be carried forward on grade, following the contour of the vein as it dips to the South. This exploratory work should carry each of the proposed new tunnels well beyond the leaching zone and the present one through the faulted and broken area, it is expected that it may still be in, when the present contract is completed thus making it possible to better evaluate the property with a greater degree of accuracy than would otherwise be possible. - We have been advised by geologists, who have made a study of the area covered by our claims, that in their opinion a body of high grade ore should be encountered at a point approximately 650 feet in from the portal of the present tunnel on Goodhope No. 2. This would be from 100 to 150 feet beyond the point where the present contract will carry it. -

(c) See Application Blank

(d) The applicant, President and operating manager for San Juan Uranium Corporation, is a graduate Mining Engineer, from the School of Mines, University of Minnesota, Class of 1912. He has been engaged in engineering and mining the greater part of the time since graduating, has served in an executive capacity in numerous mining and oil companies. The past few years he has carried on a consulting engineer's practice in Oklahoma City, Oklahoma. At present he is located at Oklahoma City, Oklahoma, but will personally supervise the proposed exploratory work or operations.

6. ESTIMATE OF COSTS:

(a) Independent contracts: Cat - Bull dozer, Claim Road construction and repair: $12.50 per hour - $100.00 per 8 hour day.

(b) Labor: To carry the proposed tunnels forward.

8 - Miners)	Guaranteed hourly rate:
8 - Muckers)	$1.57 and $1.49 respectively
10 - Laborers)	$1.25 per hour

Supervision: Foreman - $500.00 per month
Office Help: Clerk - $300.00 per month

(c) Operating Materials and Supplies.

Carbide - $11.55 per 100 lbs.
Explosives - Gelex 35%, $21.00 per 100 lbs. in ton lots.
Mine Rail - 20 lbs. - $8.55 per 100 lbs.
Fish or tie plates - $0.60 per paid
Truck spikes - $18.00 per 100 lbs.

Hand tools:	Miners pick at $3.15 each
	Miner's pick handle at $1.30 each
	Shovels at $3.95 each
	Bar-down Bar - 8 feet at $7.00
Pipe & Fittings:	1" black pipe - $22.10 per 100 ft.
	2" black pipe - $46.24 per 100 ft.
	4" line pipe - seamless - $123.53 per 100 ft.
	1" fittings - $0.35 average each
	2" fittings - $0.60 average each
Lumber:	1" boards - $120.00 per 1000 Bd. Ft.
	Dimension - $90.00 per 1000 Bd. Ft.
	Timber - $85.00 Per 1000 Bd. Ft.
Nails:	$0.15 per pound
Drill Steel:	2' - length - $4.81 each
	4' - length - $6.56 each
	6' - length - $9.56 each

Bits for drilling - $0.23 1/2 each
Gasoline - $0.32 1/2 per Gal.
Oil - $1.80 per Gal.
Rock Oil - $[illegible].03 per Gal.
8" vent pipe - $69.35 per 100 foot.

(d) Operating Equipment:

The following is owned by the applicant and will be used in carrying on the proposed exploratory work.

1 - 125 Cu. ft. compressor - Jaeger	$ 3,365.00
1 - 600 Cu. ft. compressor - Jaeger	15,300.00
1 - Model 12B Elmco Mucker, 18" guage	3,120.00
4 - 380 Thor, Drill with leg & Oiler	2,660.00
3 - Thor water tanks	210.00
1 - Dodge Power Wagon, to be used in transporting men and material	3,310.00
1 - 60 Ton steel ore bin - erected	3,000.00
1 - 1948 Dodge Tractor	2,581.00

1 - International TD18A Tractor equipped angledozer & front P.C.U.	21,273.00
1 - Blower	250.00
1 - Geiger Counter	102.00
1 - K & E Transit - complete w/ 200 ft. tape	1,031.00
Total vaulation of equipment owned by the Applicant and to be used for carrying on the proposed exploratory work -	$56,202.00

Operating Equipment to be purchased:

5 - Ore cars - 18" gauge - 20 Cu. Ft. capacity Roller Bearing - Each $246.50	1,232.50
3 - Blowers @$356.50	1,069.50
	$ 3,302.00

(e) None

(f) New Buildings, Improvements, Installationa:

3 - 60 Ton wooden ore bins, covered	$ 6,000.00
Air and water lines	
2" - Block pipe 3,000 ft. @$46.24 per 100 ft.	1,387.20
1" - Black pipe 3,000 ft. @$22.10 per 100 ft.	663.00
Pipe fittings	200.00
Mine Rail - 18" gauge 20 lb. - 2000 ft. @$0.57	1,140.00
Fish plates - 100 @$0.60	60.00
Vent pipe - 2000 ft. 8" @$69.35 per 100 ft.	1,387.00
Timber & Lagging	350.00
Track Spikes 500 lbs. @$18.00	90.00
	$11,277.00

Road Construction:

Claim roads to proposed locations of tunnels	1,000.00

(g) Miscellaneous:

Maintenance & repair of equipment; 125 Cu. Ft. Compressor	110.00

600 Cu. Ft. Compressor	200.00
Thor Drills	200.00
Assaying	2,000.00
Liability Insurance	300.00
Payroll Tax	300.00
Clerk (Accounting)	2,500.00
Total (g)	$ 5,610.00

(h) Contingencies:

(b) Labor	300.00
(c) Operating Material & Supplies	400.00
(d) Operating Equipment	300.00
Total (h)	$ 1,000.00

ESTIMATED TOTAL COST OF PROJECT TOTALS
UNDER ALL HEADINGS

6. (b) Labor:

Labor - Miners	$ 3,200.00	
Labor - Muckers	3,000.00	
Labor - Laborers	1,000.00	
Supervision	3,000.00	
Total (b)		$10,200.00

(c) Operating Materials & Supplies:

Explosives	2,172.00	
Carbide	75.00	
Mine track & ditch	1,500.00	
Tools	125.00	
Drill Steel & Bits	2,000.00	
Air Line & Water Line	2,500.00	
Blowers & Vent Line	2,500.00	
Compressor Operation	1,200.00	
Drill Operation	375.00	
Sharpening Tools	550.00	
Total (c)		12,997.00

(d) Operating Equipment:

Equipment owned by applicant and will be used in carrying on the proposed exploratory work.

Total Value 56,202.00

Operating Equipment to be purchased:		
Total Value	2,302.00	
Dodge Power Wagon		
Operation	1,810.00	
Total (d)		$60,314.00

(e) None

(f) New Buildings, Improvement, Installation:		
As listed above	11,277.00	
Road Construction	1,000.00	
Total (f)		12,277.00

(g) Miscellanous:	
Maintenance & Repair of Equipment Listed above - Total Cost	5,610.00
(h) Contingencies:	
Listed above - Total Cost	1,000.00

Estimated cost of driving the proposed tunnels on the Exploratory Project, based on a four foot advance per day for 22 days per month, or 88 feet:

Sub-Headings	Cost per Foot
Labor-Miners & Muckers	$12.50
Explosives	3.00
Caps and Fuse	1.00
Labor - Laborers	1.00
Compressor & Drill Equipment	2.85
Dodge Power Wagon - Operation	2.50
Maintenance & Repair - Compressor	.15
Maintenance & Repair - Drill	.25
Assaying	1.00
Liability Insurance	.77
Payroll Tax	.60
Supervision	1.45
Engineering	1.45
Clerk - accounting	.85
Carbide	1.52
Track & Ditch	1.84
Drill Steel & Bits	2.50
Tools	.15
Airline & Waterline - Installed	1.50
Compressor - Operation & Depreciation	1.50
Drill Operation	.50
Sharpening Steel & Picks	.75
Blower & 8 in. vent line	1.50
Contingencies	2.00

Total Estimated cost of proposed tunnels $39.76

1800 x 39.76 = $71,568.00

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

7. (b) The applicant proposes to use his Dodge Power Wagon for transporting men and material from sources of supply, (Durango, Colorado) to the project, charging the cost of operation or .20 cents per mile driven. Estimated mileage per each working day 50 miles or a total cost per day of $10.00, or $2.00 per foot advance of the proposed tunnels. Estimated total length of each of three tunnels, 500 ft. or a total of 1500 ft., plus 300 ft. that it is proposed to advance the present tunnel or a grand total of 1800 ft.

Amount to be furnished through this piece of equipment will be:

1800 x $2.50 = $4,500.00

Estimated use - allowance for operating equipment owned by the applicant:

1800 ft. of tunnel @$2.85 = $5,130.00

Summary of cost of equipment to be used:

Dodge Power wagon	$4,500.00
Operating Equipment	5,130.00
	$9,630.00

Amount to be furnished by applicant either as cash or in use of equipment:

Total estimated cost of project	$71,568.00
Applicant's share 1/4 or	17,892.00
Through use of equipment	9,630.00
Total cash that will be furnished	$ 8,262.00

SAN JUAN URANIUM CORPORATION
Actual cost of Advancing
The Minoletti Tunnel
For the 1st 4 months of 1955

	1955	Jan.	Feb.	Mar.	April
Payroll	$3,753.28	$ 986.08	$ 826.24	$ 985.36	$ 955.60
Insurance	325.12	92.28	77.28	78.28	77.28
Freight & Cartage	22.18	3.31	1.99		16.88
Repairs to Equipment	45.00				45.00
Supplies	787.77	257.35	213.75	192.12	124.55
Dynamite & Powder	245.82				245.82
Engineering & Geology	100.57			100.57	
Employee Transportation	262.50	75.00	60.00	67.50	60.00
Maintenance-Taucks	460.07	7.01-	405.63	61.45	
2% OAB Tax	75.07	19.72	16.52	19.71	19.12
Employment Contribution	112.60	29.58	24.79	29.56	28.67
Totals	$6,189.98	$1,456.31	$1,626.20	$1,534.55	$1,572.92

SUMMARY

Total Footage 1955	147 Feet
Cost per foot	$42.108
DMEA Contribution	$22.50
San Juan Contribution	$19.608

Note:
Expense items shown above are only those connected with the advancing of the tunnel.

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

SUMMARY REPORT
On
Docket No. DMEA-3390 (Uranium)
Contract No. Idm-E706
Goodhope Claims
La Plata County, Colorado

Actual work on advancing the Minoletti Adit located on Goodhope claim No. 2 was started the first part of November, 1954. This tunnel had been carried forward 180 feet at the time the property was acquired by the operator and was stopped in a fault zone, after having penetrated it approximately 15 feet. The aerial map of this area shows that this faulted zone could be anywhere from 400 ft. to 500 ft. thick, which would mean that the tunnel should be advanced a total of 450 ft. to 500 ft. in order to drive through it and pick up the ore body that can be expected beyond the fault. In other words unless the tunnel is carried beyond the broken and/or faulted area a commercial body of ore cannot expected to be encountered.

Operations were slowed down during the winter months by the severe winter weather, so that the tunnel was not advanced as rapidly as it was estimated that it would. The fact that the ground was broken by cross slips, some of which were considerably harder that others, made mining operations more difficult. It requires a pattern of 24 holes to break out a round of muck that makes from 22 to 24 cars.

Up to the present time work has been carried on on the daylight shift only, but as soon as additional help can be hired, a night shift will be put on, so that drilling, blasting, track laying and attendant work will be done on the day shift, with mucking done on the night shift. This added operation should practically double the advance so that it should average between 4 ft. and 5 ft. per day.

The small 125 cu. ft. compressor will be replaced with a 600 cu. ft. which will furnish enough air to run a mucking machine, in addition to that required for drilling.

On the following page is an outline of the actual cost of advancing the Minoletti tunnel as revealed by the operator's books.

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: 1770 West 3rd Avenue, Durango, Colorado

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

224 New Customhouse
Denver 2, Colorado

May 20, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of April, 1955.

W. M. TRAVER,

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

May 12, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

Remarks:

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

W. M. TRAVER

Enclosures

W. M. Traver

JWT:pw

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

DMEA
Date Rec'd.

MAY 11 1955

BUREAU OF MINES
Denver

Region III

Building 20, Room 157
Denver Federal Center
Denver 2, Colorado
May 11, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Glen Walker

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

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

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

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

Glen Walker
Glen Walker
Mining Engineer

cc 6
Idm-E706
Chron

GW/cm

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1955 Docket No. DMEA 3390 Contract No. DMA-2706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City 2, Oklahoma Uranium
Contract Amount, $7,875.00 Government Participation: 75% Amount, $10,500.00

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

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

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

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

$900.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 5-20-55 Vou. No. DMA-55-92

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E706 in accordance with the terms of the contract.

Signature G Walker 900 00 Title Mngr Date 5/10/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

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

Month of April 1955 Docket No. DMEA 3390 Contract No. Idm-2796
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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

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

Date May 9, 1955 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

(For Government use only)

Walker

INSTRUCTIONS

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

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

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

GPO 83-38475

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

Monthly Report of Operator

(C) Narrative Month of April, 1955

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

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

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

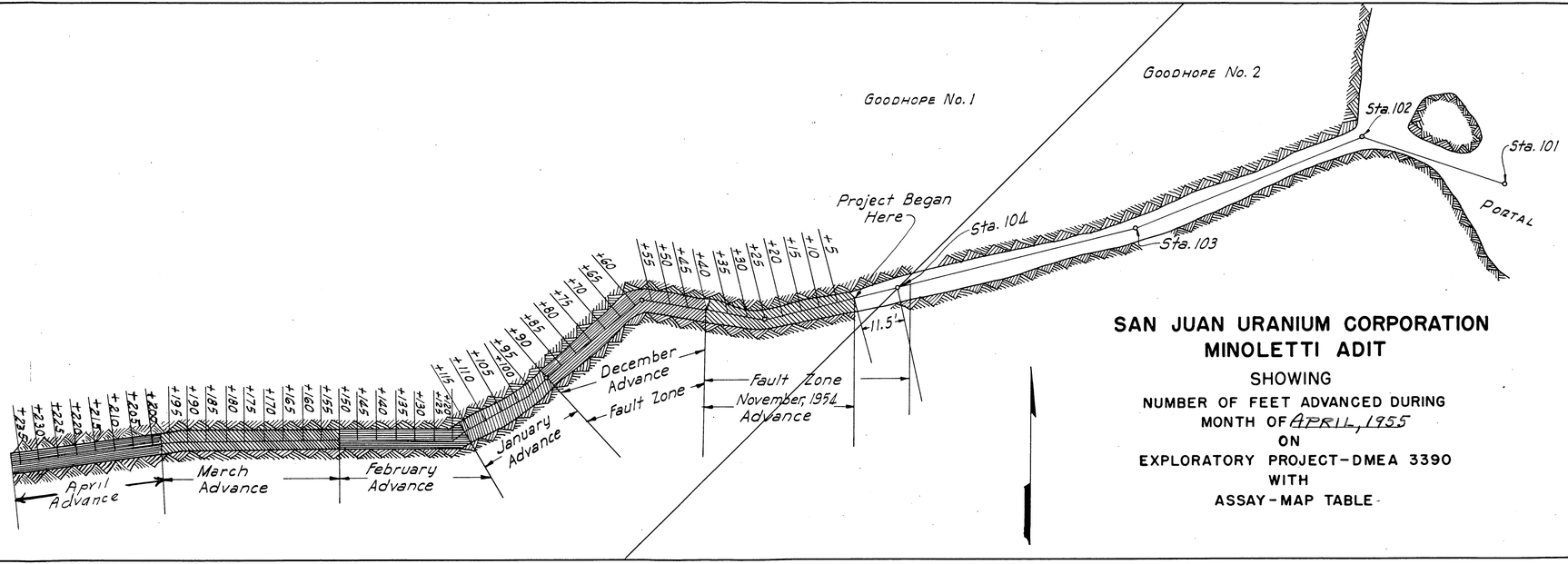
It is to be noted that our assay sheet is not complete again for April's report, due to the assay office not being able to keep up to-date with returns.

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

ASSAY MAP TABLE

Location Of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 5	0.75	0.00	0.20
Plus 10	5	1.32	0.06
Plus 15	5	0.08	0.02
Plus 20	0.75	0.62	0.13
Plus 25	5	0.06	0.02
Plus 30	5	0.20	0.02
Plus 35	5	0.08	0.01
Plus 40	1	0.12	0.01
Plus 45	1	0.13	0.01
Plus 50	0.5	0.13	0.01
Plus 55	0.5	0.15	0.01
Plus 60	1	0.13	0.01
Plus 65	1	0.12	0.01
Plus 70	0.5	0.22	0.02
Plus 75	0.5	0.38	0.02
Plus 80	0.5	0.12	0.01
Plus 85	0.5	0.03	0.01
Plus 90	1	0.08	0.01
Plus 95		0.11	0.01
Plus 100	5	0.17	0.04
Plus 105	5	0.37	0.02
Plus 110	5	0.33	0.01
Plus 115	5	0.02	Trace
Plus 120	5	0.02	Trace
Plus 125	5	Trace	Trace
Plus 130	5	0.30	0.02
Plus 135	5	0.59	0.02
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03
Plus 170	10 Inches	1.60	0.10
Plus 175	10 "	1.40	0.07
Plus 180	12 "	0.20	0.02
Plus 185	12 "	0.39	0.01
Plus 190	16 "	0.03	0.01
Plus 195	8 "	0.03	0.05
Plus 200	10 "	0.02	0.01

5/26 – [illegible]



SAN JUAN URANIUM CORPORATION
MINOLETTI ADIT

SHOWING

NUMBER OF FEET ADVANCED DURING MONTH OF APRIL, 1955

ON

EXPLORATORY PROJECT-DMEA 3390

WITH

ASSAY-MAP TABLE

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

RECEIVED
APR 22 1955

224 New Customhouse
Denver 2, Colorado

April 19, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of March, 1955.

W. M. TRAVER

Enclosures

W. M. Traver

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

224 New Customhouse
Denver 2, Colorado

April 15, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

Remarks:

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

W. M. TRAVER,

W. M. Traver

Enclosures

RDB:sr

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

DMEA
Date Rec'd
APR 14 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

BUREAU OF MINES
Denver, Colorado

Region III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Glen Walker

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

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

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

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

Glen Walker
Glen Walker
Mining Engineer

cc 6
Idm-K706
DMEA Chron

GW/cm

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

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

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

Date April 7, 1955 *Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

$ 1,057.50

Signature Randell R. Cooper (Authorized Certifying Officer)

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

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E706 in accordance with the terms of the contract.

Signature [illegible] $1057.50 Title Mgr. Date 4/13/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Berk.

Signature [illegible] Title Executive Officer Date APR 15 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-101A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1955 Docket No. DMEA 3390 Contract No. Idm-5706

Operator's Name San Juan Uranium Corporation Minerals

Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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

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

Date April 7, 1955 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

(For Government use only)

RBWalter

INSTRUCTIONS

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

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

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

GPO 83-38475

Monthly Report of Operator

(C) Narrative: Month of March, 1955

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

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

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

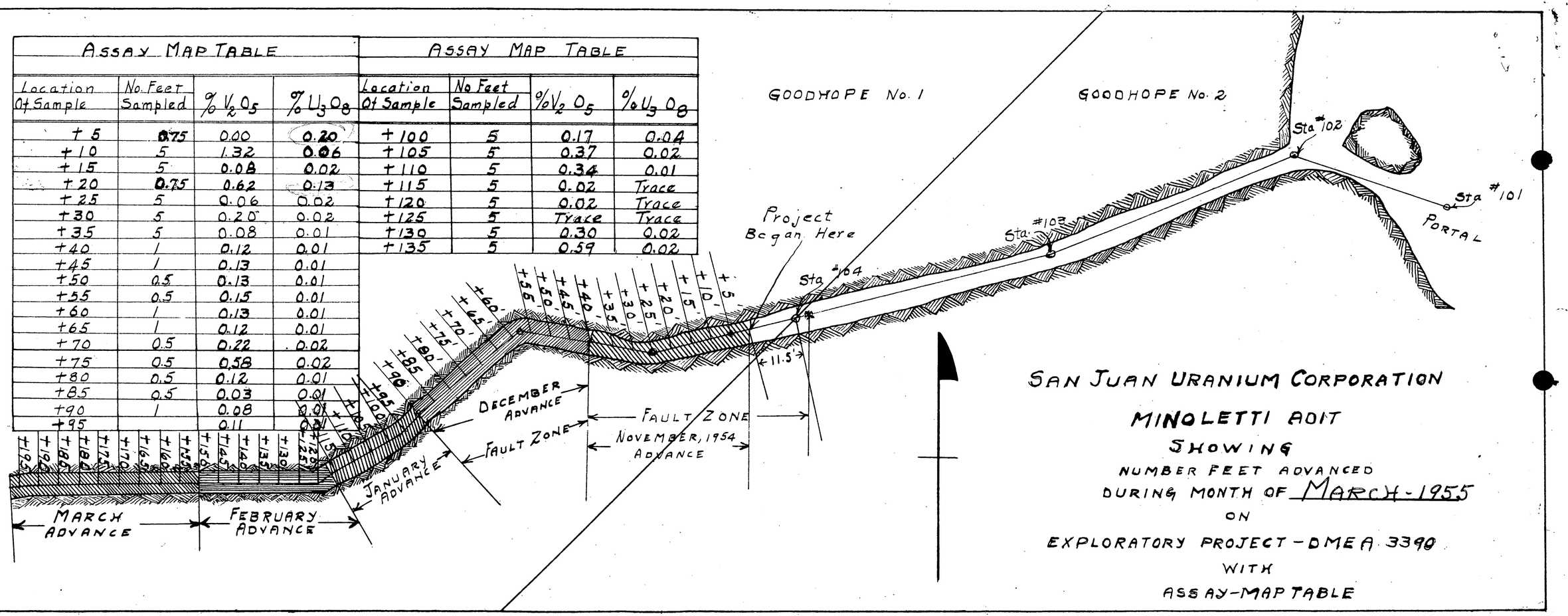
For some unexplained reason to date we have not received the returns on the samples from plus 155 to and including plus 195. I will try and have the assay sheet up to date or as nearly so as possible on next months report.

ASSAY MAP TABLE

Location of Sample	No. Feet Sampled	%V_2O_5	%U_3O_8
Plus 150	5	0.42	0.07
Plus 145	5	0.79	0.03
Plus 150	5	0.74	0.03

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

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



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF MARCH - 1955

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

4/4/55 gla

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

224 New Customhouse
Denver 2, Colorado

March 30, 1955

Mr. R. B. Walker, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

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

Dear Mr. Walker:

Enclosed are the original and five copies of Amendment No. 1 to Contract Idm-E706 which we have prepared in conformance with your request of March 21, 1955 to extend the period for completion of the project work from six months to one year.

All copies of the amendment should be signed by you, the corporate seal affixed, and returned to this office, leaving the date blank.

Upon signature by the Executive Officer, DMEA Field Team, Region III for the Government, your copy of the amendment will be forwarded to you.

Very truly yours,

W. M. Traver

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

Enclosures

JWT:sr

cc Chairman Op. Comm. (2)
Harshman
Shaw
Townsend
Subject
Chron

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

224 New Customhouse
Denver 2, Colorado

March 21, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the months of January and February, 1955.

W. M. Traver

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

March 16, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

Remarks:

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

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

W. M. TRAVER

W. M. Traver

Enclosures

RDB:gw

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

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

March 11, 1955

DMEA
Date Rec'd
MAR 14

Memorandum

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

From: Glen Walker

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

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

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

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

Glen Walker

Glen Walker
Mining Engineer

GW:mh

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

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

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

Month of January, 1953 Docket No. DMEA 3390 Contract No. 10[illegible]700

Operator's Name San Juan Uranium Corporation Minerals

Address Liberty Bldg., Oklahoma City, Okla. Uranium

Contract Amount, $7,675.00 Government Participation: 75 % Amount, $10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 36	$780.00	$2700.00	$3480.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$780.00	$2700.00	$3480.00	780.00	2700.00	3480.00

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

Date 2-19-53 *Payee San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

$585.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 3-18-53 Vou. No. DMA-53-23

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 906 in accordance with the terms of the contract.

Signature Gilbert 585.00 JS Title Manager Date 3/11/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Clerk.

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DMEA
Date Rec'd.
FEB 16 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 5 Docket No. DMEA 3350 Contract No. 14-2706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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

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

Date 2-15-55 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

MONTHLY REPORT OF OPERATOR

Month of January, 1959

(c) Narrative:

Exploratory Project, Contract No. Idm S 700, Docket DMEA 3300 (Uranium), which calls for the extension of the Minoletti Adit or tunnel, located on Goodhope No. 2, 330 feet in a general westerly direction beyond the face at the time the project was authorized, was advanced only 36 feet during the month of January, 1959, making a total of 114 feet the adit has been extended since the project was started.

The weather was somewhat severe during January, resulting in slowing down of our operations. On January 2nd, a fall of about one foot of snow, moved and covered up a section of our airline, that had to be uncovered and moved into place. Snow together with a strong wind blocked the road about a mile from the site of our operations so that the crew was unable to reach the job. Our dozer was in the shop for repairs at that particular time so that the road was not opened until January, 16th. It is believed that it will be comparatively easy to keep the road open from now on since it is now open and the dozer is kept handy for immediate use should drifting snow pile up on it again.

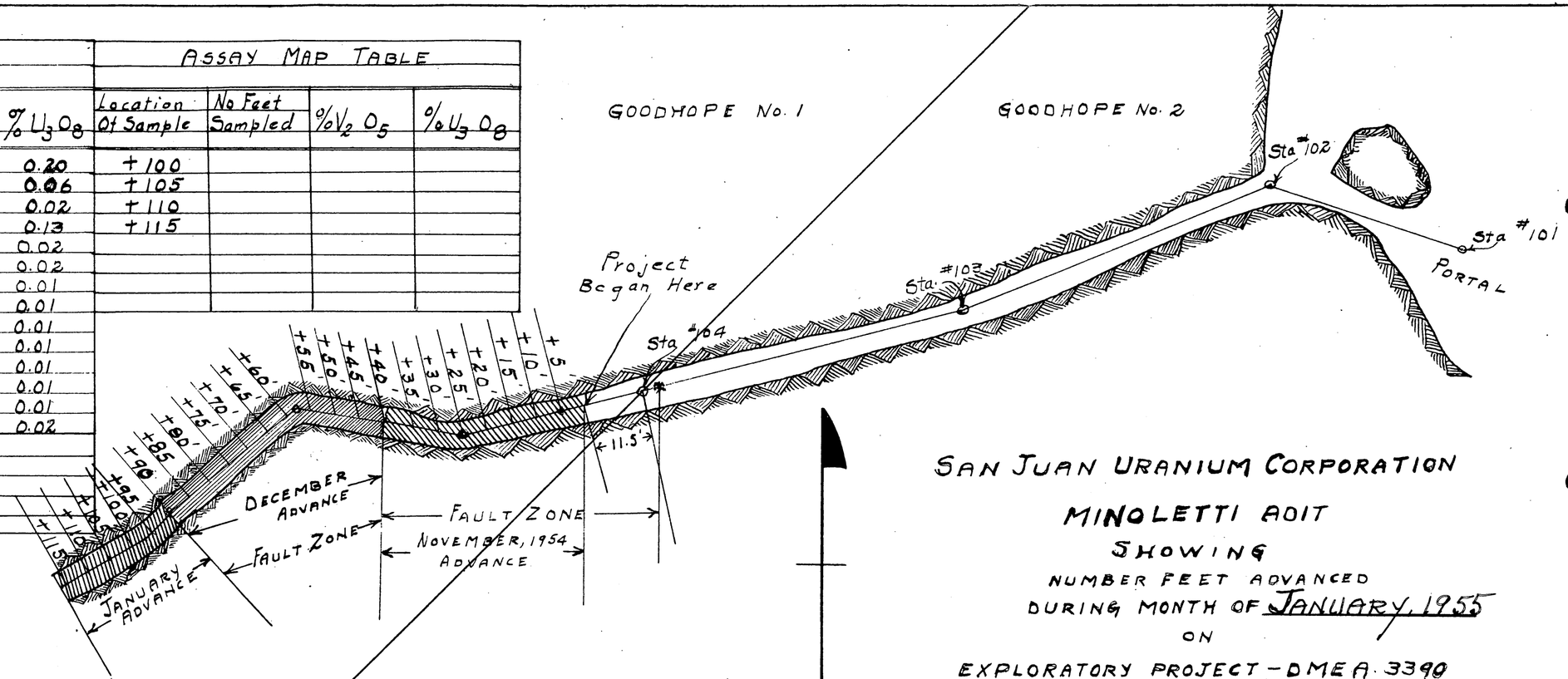
The sump used for storing drilling water was located so close to the mouth of the tunnel that the water froze solid, making it necessary to move it farther in. This delayed extending the tunnel for almost another week. It was hoped this operation could be delayed until February because of the delay the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

In general the formation is essentially about the same as it has been since the project was started. However there has been some local changes - i.e. the black streak that was being followed and which had an average width of 6" to 8" suddenly took a downward dip, at about the 95 foot station, and widened out to 16". At this point the breast looked better than at any time since the extension of the adit was started. At about the 100 foot station this black streak widened to better than 3 1/2 feet. Here a thin streak of talc showed up containing small irregular bunches of hard black rock that are radio-active.

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

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

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



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF JANUARY, 1955

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

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

Budget Bureau No. 42-R1036.5

DMEA
Date Rec'd.
MAR 1? 1955

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

Month of February, 1955 Docket No. DMEA Contract No. DMEA-5706
Operator's Name San Juan Uranium Corporation Minerals Denver, Colo.
Address Fidelity Bldg., Oklahoma City, Okla. Uranium
Contract Amount, $7,875.00 Government Participation: 75 % Amount, $10,500.00

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

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

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

Per R. B. Watter Title President

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

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

(Instructions on reverse)

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

$ 765.00

Signature [illegible] (Authorized Certifying Officer)

Date 3-18-55 Vou. No. DMA-55-73

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

Signature Gilbertus 765.00 Title Mngrcmp Date 7/11/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Berk.

Signature W. M. Traver Title Executive Officer Date MAR 10 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1955 Docket No. DMEA _____ Contract No. 1dm-2706

Operator's Name San Juan Uranium Corporation Minerals _____

Address Fidelity Bldg., Oklahoma City, Okla. Uranium

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

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

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

Per R. B. Walter Title President

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

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Monthly Report Of Operator

Month of February, 1955

(C) Narrative:

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

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

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

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

ASSAY MAP TABLE

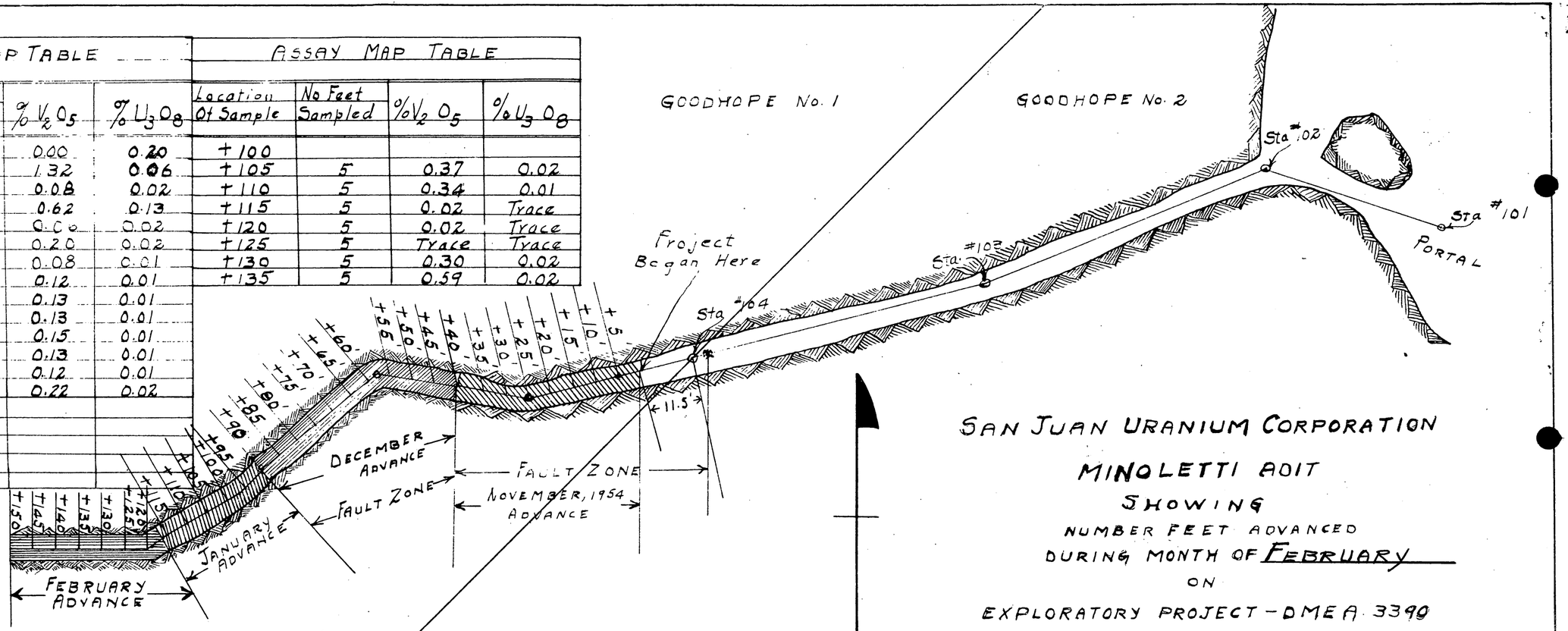
Location Of Sample	No. Feet Sampled	$\%V_2O_5$	$\%U_3O_8$
Plus 140	5	0.42	0.07
Plus 145	5	0.79	0.08
Plus 150	5	0.74	0.03

ASSAY MAP TABLE

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

ASSAY MAP TABLE

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



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF FEBRUARY

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

3/22/55 gla

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

224 New Customhouse
Denver 2, Colorado

March 17, 1955

Mr. R. D. Walters, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

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

Dear Mr. Walters:

Your attention is directed to the provisions of Article 3 of Exploration Project Contract form MF-200(A) on which Contract Idm-E706 is prepared. Article 3 stipulates that the project shall be brought to completion within a period of six months from the date of the contract, or in effect by March 13, 1955.

If you are desirous of maintaining the contract in force beyong March 13, 1955 you should immediately request an extension of the period for the completion of the project work for such additional time as you deem will be necessary to enable you to complete the work authorized.

We will appreciate hearing from you on this matter at your earliest convenience.

Very truly yours,

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

JWT:sr

cc Chairman Op. Comm. (2)
Harshman
Shaw
Townsend
Subject
Chron

224 New Customhouse
Denver 2, Colorado

January 31, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-3390 (Uranium), Contract Idm-E706,
San Juan Uranium Corporation, La Plata County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of August, 1954.

W. M. TRAVER

W. M. Traver

Enclosures

pw

224 New Customhouse
Denver 2, Colorado

January 26, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

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

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

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

Remarks:

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

W. M. TRAVER

W. M. Traver

Enclosures

RDB:pw

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
FEB - 3 1955

Region III

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

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw

From: Glen Walker

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

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

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

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

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

Glen Walker
Glen Walker
Mining Engineer

cc 6
E706
DMEA Chron.

GW/pah

94 (Rev.)
(1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval Expires 1-31-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

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

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

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

Date Jan. 12, 1955 Payee San Juan Uranium Corporation

Per R. B. Walter Title President

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

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

(Instructions on reverse)

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

$1125.00

Signature Randal R. Cooper
(Authorized Certifying Officer)

Date 1-27-55 Vou. No. DMA-55-59
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature G. Walker 9/125 co JA Title Manager Date 1/24/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Berk

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

F-104A
(1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1955

Month of December 1954 Docket No. DMEA 3390 Contract No. Idm-E706
Operator's Name San Juan Uranium Corporation Minerals Uranium
Address Fidelity Bldg., Oklahoma City 7, Okla.

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

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

Date January 12 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

MONTHLY REPORT OF OPERATOR

Month of December, 1954

(c) Narrative:

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

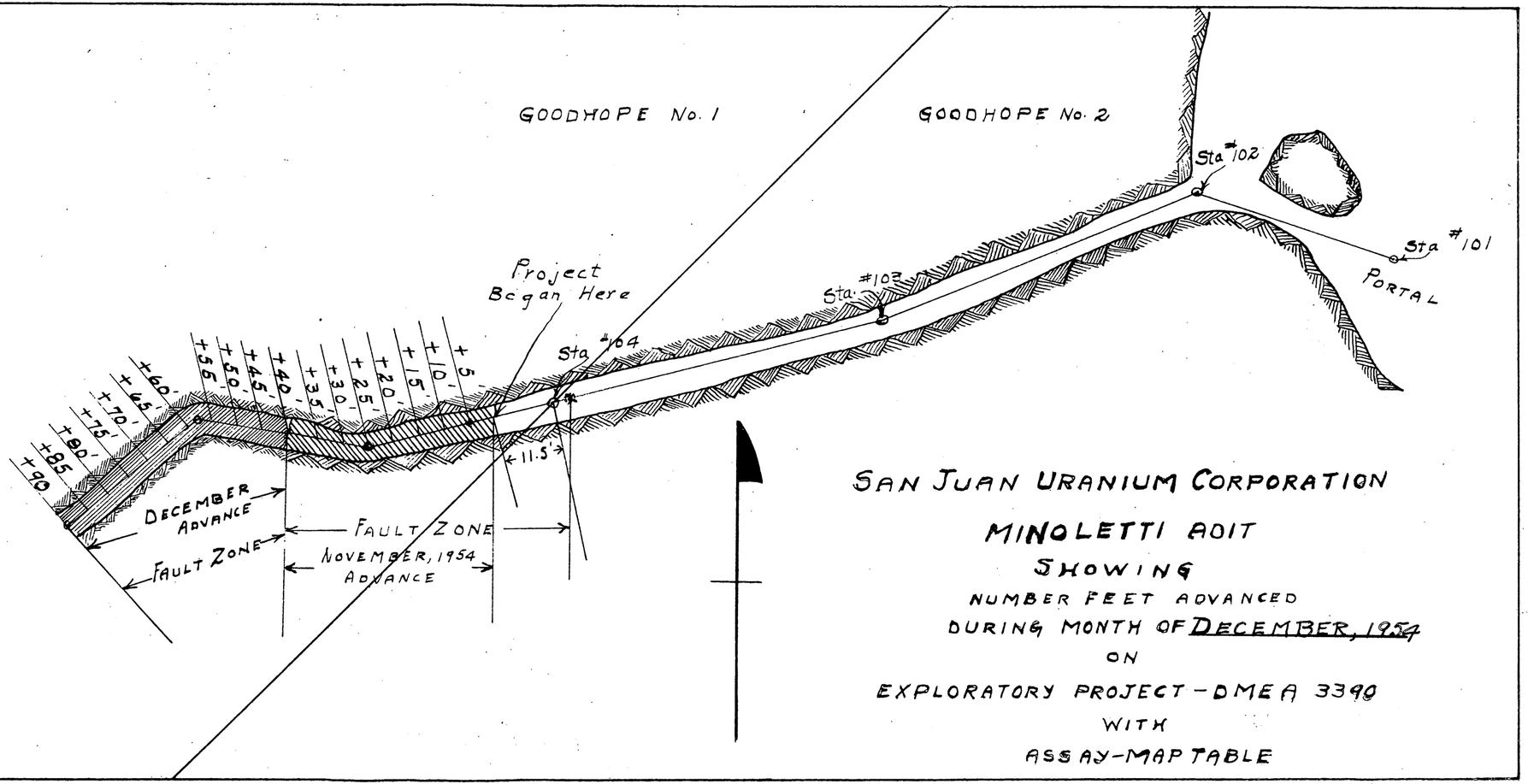
The ground is still full of hard and soft ribs making it extremely hard to break, so that it is necessary to use a drilling pattern of at least twenty-four (24) holes. However, the average advance per round was increased over that obtained during November, of 3 1/2 feet to 4 feet to 5 feet.

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

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

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

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



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF DECEMBER, 1954

ON

EXPLORATORY PROJECT - DMEA 3390

WITH

ASSAY-MAP TABLE

224 New Customhouse
Denver 2, Colorado

January 27,1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 3390, (Uranium), Contract No. Idm-E706, San Juan Uranium Corp., La Plata County, Colorado

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of November, 1954.

W. M. TRAVER

Enclosures

W. M. Traver

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

224 New Customhouse
Denver 2, Colorado

December 28, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

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

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

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

Remarks:

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

W. H. King

W. H. King

Enclosures

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

RDB:ld

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

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

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

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

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

W. M. Traver

W. M. Traver

enclosures

cc 5
E706
DMEA Chron.

WMT/pah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

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

Memorandum

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

From: Glen Walker

Subject: DMEA 3390, Contract Idm-2706 (Uranium) San Juan Uranium Corp. (Minoletti adit on Goodhope claims), La Plata County, Colorado - Progress report for November 1954

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

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

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

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

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

Glen Walker

Glen Walker

GW/aj
cc 6
2706
Chron

Form [illegible] (April [illegible])

Date Rec'd
DEC 23 1954
BUREAU OF MINES

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

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

RECEIVED

Month of November, 1954 Docket No. DMEA 3399 Contract No. Idm-3706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium
Contract Amount, $ 7,875.00 Government Participation: 75 % Amount, $ 10,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 40 ft.	$1200.00	None	$1200.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1200.00	None	$1200.00	1200.00		1200.00

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

Date Dec. 20 *Payee San Juan Uranium Corporation

Per R. B. Watter Title President

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

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

(Instructions on reverse)

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

$ 900.00

Signature Randell R. Cooper
(Authorized Certifying Officer)

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

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature Glen Walker 9 00 a.m. Title Mng Engr Date 12/23/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Dept.

Signature W H Berry Title Executive Officer Date DEC 28 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form B
(April 195

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

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

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

Month of November 195 4 Docket No. DMEA 3390 Contract No. Idm-5706
Operator's Name San Juan Uranium Corporation Minerals
Address Fidelity Bldg., Oklahoma City, Okla. Uranium

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	$1200.00	40	1200.00	40	30.00	350	30.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1200.00	40	1200.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1200.00	40	1200.00				10,500.00

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

Date December 20, '54 Operator San Juan Uranium Corp.

Per R. B. Walter Title President

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

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Resources Branch

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

MONTHLY REPORT OF OPERATION

Month of November, 1954

(c) Narrative:

The Exploratory Project, Contract No. Idm-5706, Docket DMEA 3393 (Uranium), which calls for extending the Minoletti adit or tunnel located on Goodhope No. 2, 350 feet in a general Westerly direction beyond the face at the time the project was authorized, was started the first part of November, 1954. The old portion of the adit encountered or ran into a faulted zone and was stopped approximately 15 feet within this zone, so that the advancing of the tunnel was started in the faulted area and was still in it on November, 30th.

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

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

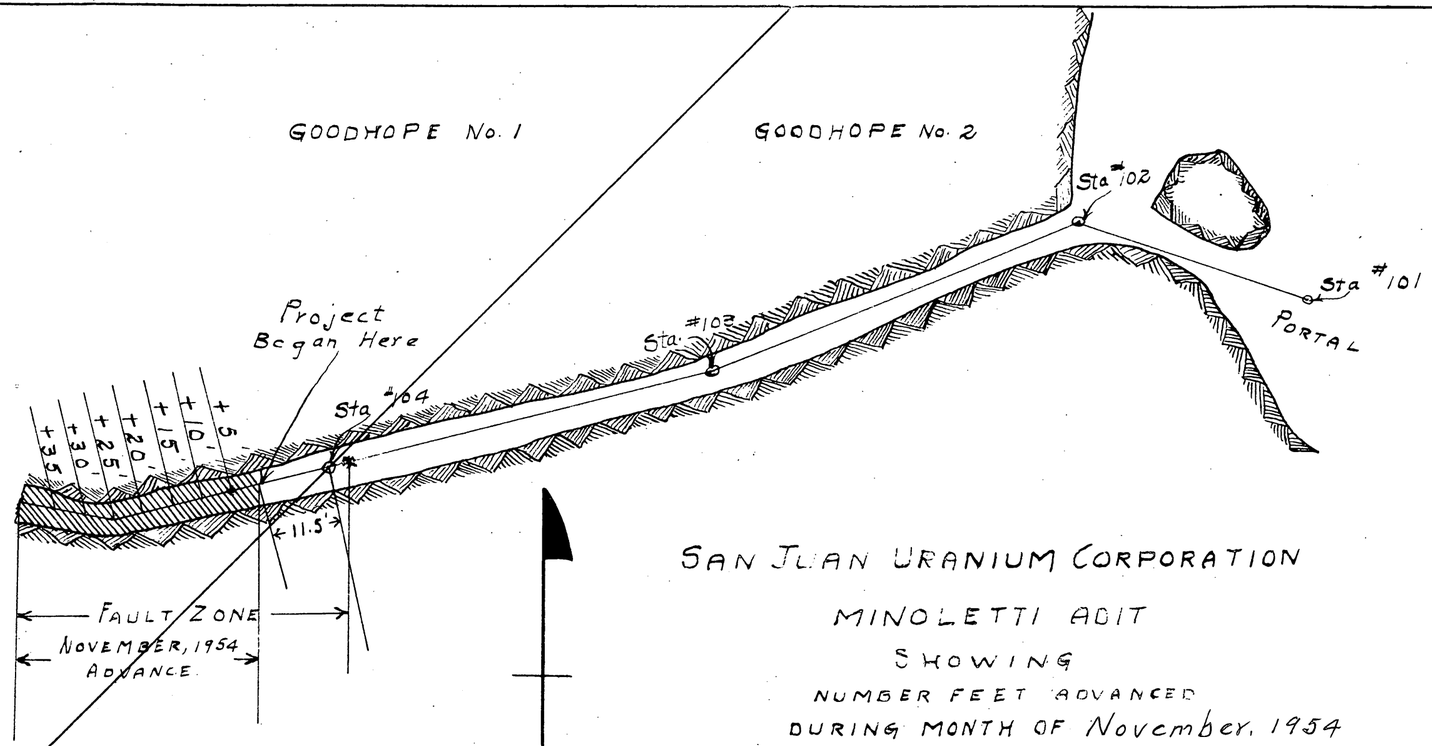
The adit was run on a straight line for about 24 1/2 feet, at which point the limestone was found to take an abrupt or sudden downward dip. In order to keep under the limestone it was necessary to turn the tunnel to the right or North of West, from which point it was straightened out again.

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

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

Note: Samples No.s plus 15 & plus 30 were misloid so not run. They will be included in December's report.

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



SAN JUAN URANIUM CORPORATION

MINOLETTI ADIT

SHOWING

NUMBER FEET ADVANCED

DURING MONTH OF November, 1954

ON

EXPLORATORY PROJECT - DMEA 3290

WITH

ASSAY MAP TABLE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 1/31

REFERRED TO:

1. ~~Mr. Ellis~~ 700
2. Mr. Knouse
3. Contract file
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: You will note from copy of letter in file that the Operator's request for additional funds was denied for the present in letter mailed 1/26/55, with 2 copies to Mr. Traver. gla

Check (X) before the items needing attention.

Reply not required at every of letter to operator but to Traver when we have answer

ROBERT E. ADAMS
Initials of sender.

GPO 16—63815-1

this memo.

J.K. 2-1-55

1/31/55 gla

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 31 1955

224 New Customhouse
Denver 2, Colorado

January 27, 1955

Memorandum:

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Request for Amendment, DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, La Plata County, Colorado

Please furnish us the advice requested in our memorandum dated December 22, 1954 concerning the request for amendment, a copy of which was furnished to your office.

W. M. TRAVER

W. M. Traver

JAN 26 1955

Mr. R. B. Walter, President
San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

Re: Docket No. DMEA-3390 (Uranium)
Contract No. Ide-1706
Good Hope claims
La Plata County, Colorado
Proposed amendment

Dear Mr. Walter:

This is with reference to your application for additional Government aid to further explore the subject property. The additional total cost of the proposed work is $160,000.00.

Since the original contract was executed only a small percentage of the work set forth therein has been completed. Therefore, we are unable at this time to evaluate the findings and render a decision on the above proposal. If, after the work outlined in the original contract is nearly completed, you request a further review of the above proposal it will then be considered in the light of the findings at that time.

Sincerely yours,

C. D. Whitehead

Administrator

FLKnouse:am
1-26-55
copies to: Admr. Reading File
Operating Committee
Docket
Messrs. J. A. Crawford, Rm. 3641
T. H. Killegaard, Rm. 5224
J. O. Nested, Rm. 3210,GSA
Code 700
Mr. Knouse
DMEA Field Team, Region III(2)

1/24/55 gla

IN REPLY REFER TO:

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

January 24, 1955

Re: DMEA-3390
San Juan Uranium
Corp.
(Good Hope & Nevada
Claims)
La Plata Co., Colo.
$10,500 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: R. L. Bassett, U. S. Geological Survey

Subject: Proposed amendment to increase contract to $10,500

The operator's proposed amendment to increase his present contract is unreasonable and should not be further considered at this time.

The Minoletti adit work should be completed before any additional exploration is planned for the Good Hope and Nevada claim groups.

R. L. Bassett

RLBassett:hlm
G-1/24/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior

IN REPLY REFER TO:

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

January 24, 1955

Re: DMEA-3390
San Juan Uranium
Corp.
(Good Hope & Nevada
Claims)
La Plata Co., Colo.
$10,500 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: R. L. Bassett, U. S. Geological Survey

Subject: Proposed amendment to increase contract to $410,500

The operator's proposed amendment to increase his present contract is unreasonable and should not be further considered at this time.

The Minaletti adit work should be completed before any additional exploration is planned for the Good Hope and Nevada claim groups.

R. L. Bassett

RLBassett:hlm
G-1/24/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. R. Crawford, 3641 Interior

IN REPLY REFER TO:

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

January 24, 1955

Re: DMEA-3390
San Juan Uranium
Corp.
(Good Hope & Nevada
Claims)
La Plata Co., Colo.
$10,500 - Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: E. L. Hewemb, U. S. Geological Survey

Subject: Proposed amendment to increase contract to $10,500

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The Minaletti adit work should be completed before any additional exploration is planned for the Good Hope and Nevada claim groups.

E. L. Hewemb

ELHewemb:hln
G-1/24/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior

1/21/55 gla

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

DEPARTMENT OF THE INTERIOR
Minerals Administration
JAN 21 1955

January 20, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: DMEA Docket 3390 (Idm-E706), San Juan Uranium Corporation, Fidelity Building, Oklahoma City, Oklahoma

I have reviewed the proposed amendment to DMEA Contract Idm-E706, Docket No. 3390, submitted by the San Juan Uranium Corporation, and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission.

We suggest that the present contract of the San Juan Corporation with DMEA be completed and the results of work under the contract be reviewed by the Field Team prior to consideration of the proposed amendment which is attached herewith.

John E. Crawford

Attachment

Copy to: Branch of Rare and Precious Metals
Division of Minerals
J. O. Hosted (2)
J. E. Crawford
F i l e s

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

DEPARTMENT OF THE INTERIOR
Minerals Admin.
JAN 21 1955

January 20, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 1445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: DMEA Docket 3390 (Idm-E706), San Juan Uranium Corporation, Fidelity Building, Oklahoma City, Oklahoma

I have reviewed the proposed amendment to DMEA Contract Idm-E706, Docket No. 3390, submitted by the San Juan Uranium Corporation, and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission.

We suggest that the present contract of the San Juan Corporation with DMEA be completed and the results of work under the contract be reviewed by the Field Team prior to consideration of the proposed amendment which is attached herewith.

John E. Crawford

Attachment

Copy to: Branch of Rare and Precious Metals
Division of Minerals
J. O. Hosted (2)
J. E. Crawford
F i l e s

1/3/55-gta

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

224 New Customhouse
Denver 2, Colorado

December 22, 1954

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Request for amendment, DMEA Docket 3390 (Uranium)
Contract Idm-E706, San Juan Uranium Corporation

Enclosed is a complete copy of a request for an amendment to Contract Idm-E706 submitted by San Juan Uranium Corporation.

Contract Idm-E706 was prepared in this office and provides for 350 feet of drifting at a total cost of $10,500.00 (Government amount $7,875.00). Our records indicate that 40 feet of drifting has been completed to date, but payment to the operator has not been made as the original MF-104 forms received were in error.

It appears to us that the consideration of this amendment, especially before the completion of work authorized under the existing contract, would not be in the best interests of the Government. Copies of the report of examination were forwarded to your office. This work proposed is in addition to that authorized and not in lieu of it.

Acceptance of this application must be decided at the Washington level, but we do not consider an amendment for $400,000.00 to a $10,500.00 contract to be appropriate, at least before completion of the authorized work. Please advise us of your recommendations.

W. H. King
W. H. King

Enclosure

RDB:mn

cc: Contract Idm-E706 Corres.
J.W.Townsend
Chron.

SAN JUAN URANIUM CORPORATION
FIDELITY BUILDING
OKLAHOMA CITY, OKLAHOMA

December 17, 1954

Re: Amendment to Contract
Idm-E706 Docket DMEA 3390

Mr. W. H. King, Executive Officer
DMEA, Region IV
224 New Customhouse
Denver 2, Colorado

Dear Mr. King:

Attached you will find San Juan Uranium Corporation's Amendment to Contract Idm-E706, Docket DMEA 3390 (Uranium) which I trust you will find in order in so far as the material content is concerned.

On Page #1, item 3(d) you will find the statement that the additional claims included in this amendment are covered by the lease now on file under the above mentioned contract.

In checking the "Owner's consent to Lieu", in connection with the corporation's previous application for aid in an Exploratory Project which is now on file with Contract Docket DMEA 3390, we have found that it only covers those claims included in that contract. The necessary blanks "Owner's Consent to Lieu", are being sent to the corporation's representative at Durango, Colorado to be executed and will then be forwarded to your office.

Please advise at your earliest convenience if there are any additional requirements or information needed.

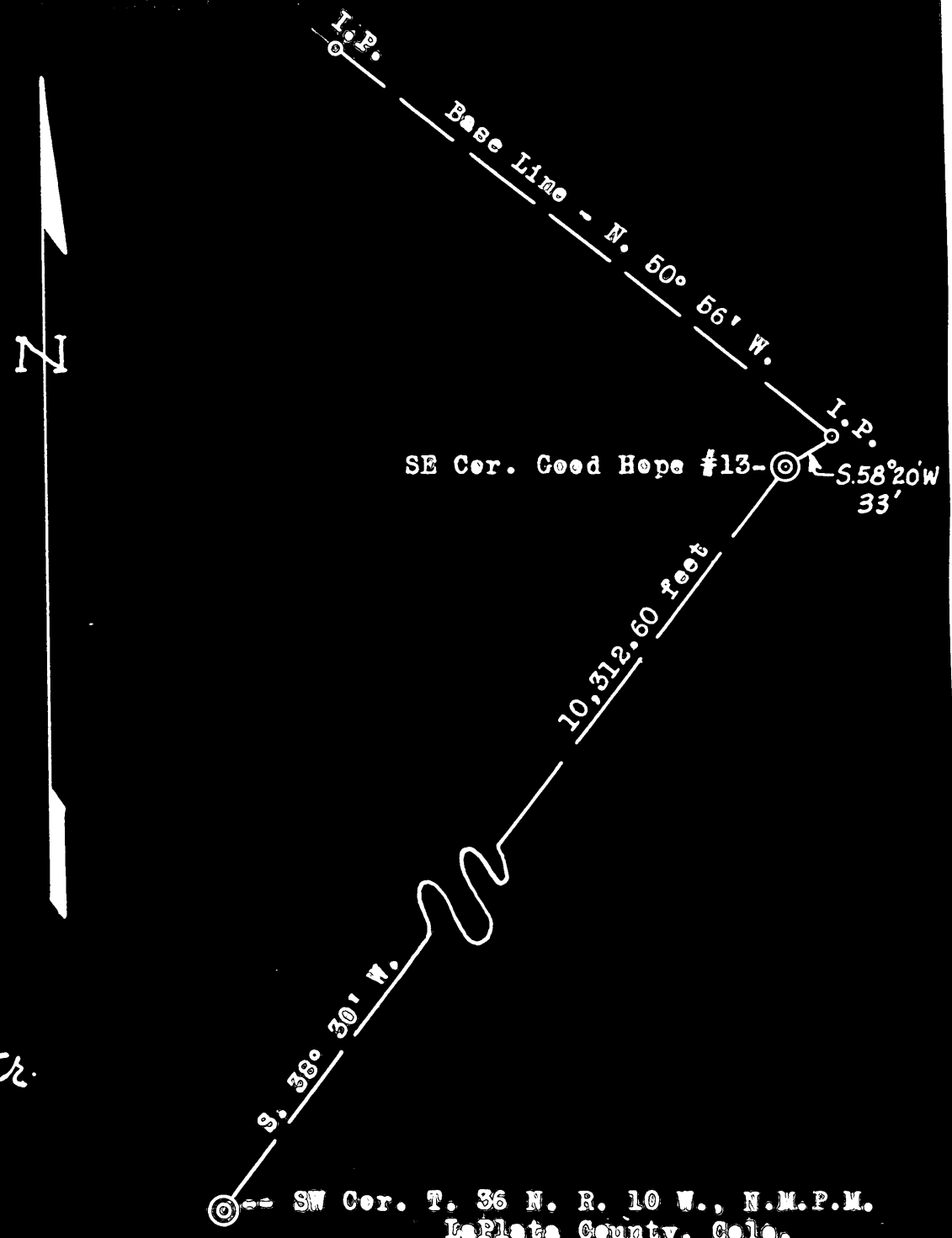
Very truly yours,

SAN JUAN URANIUM CORPORATION

R. B. Walter

R. B. Walter
President

RBW/jr



This is to certify that the accompanying map was prepared from field notes of actual surveys, and that the same are true and correct to the best of my knowledge and belief.

Allison L. Kroeger
Reg. Professional Engr.
Colo. Reg. No. 3

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
DEC 27 1951

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. .....
Metal or Mineral .....
Date Received .....
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:

San Juan Uranium Corporation
Fidelity Building
Oklahoma City, Oklahoma

(*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. See Page #1

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. See Page #1

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

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

See Page #1-A

(*b*) State any mine name by which the property is known. See Page #1

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Assignee

(*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. See Page #1

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Page #1-A

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. See Page #2

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. See Page #2

(*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. See Page #3 and #4

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. See Page #4

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. See Page #4

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. See Page #5

(*c*) The work will start within 60 days and be completed within 24 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. See Page #5 and #6

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.). See Page #6 and #11

(*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. See Page #6 and #11

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. See Page #6, #7 and #11

(*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. See Page #7, #8, #9, and #12

(*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.

(*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. See Page 9, 10, 12

(*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. See Page #11 and #12

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above. See Page #11 and 12

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 [x] 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 December, 17th, 1954

San Juan Uranium Corporation
(Applicant)

By R. B. Walter
President

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

DEPARTMENT OF THE INTERIOR
Bureau of Mines Information
DEC 27 1954

AMENDMENT TO SAN JUAN URANIUM CORPORATION'S EXPLORATION PROJECT CONTRACT NO. Idm-E706, DOCKET NO. DMEA 3390 (URANIUM)

1. (a) San Juan Uranium Corporation
Main office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: No. 7 Turner Building, Durango, Colorado

(b) Incorporated in the State of Delaware

(c) President: Rollie B. Walter, Fidelity Building, Oklahoma City, Oklahoma
Vice President: James B. Kenney, No. 7 Turner Bldg., Durango Colorado
Secretary - Treasurer: P. Ray Schwoerke, Fidelity Bldg., Oklahoma City, Oklahoma

3. (b) Goodhope Claims Nos. 1 to19 and Nevada Claims Nos. 1 to 7, Located on Lightner Creek, La Plata County, Colorado

(d) The additional claims included in this amended application - Goodhope Nos. 3 and 6 and Nevada Nos. 1 to 7 inclusive - are covered by the lease now on file under contract No. Idm-E706, Docket No. DMEA 3390 (Uranium).

These claims are recorded in the office of the County Recorded of La Plata County as follows:

Goodhope Claim No.	Certificate No.	Date	Book	Page
Goodhope	171018	September 12, 1942	217	570
2	171019	September 12, 1942	217	571
3	171020	September 12, 1942	217	572
4	171021	September 12, 1942	217	573
5	171022	September 12, 1942	217	574
6	171023	September 12, 1942	246	1
7	171024	September 12, 1942	246	2
8	171025	September 12, 1942	246	3
9	171026	September 12, 1942	246	4
10	171027	September 12, 1942	246	5
11	171028	September 12, 1942	246	6
12	171029	September 12, 1942	246	7
13	171030	September 12, 1942	246	8
14	171208	October 3, 1942	246	9
15	171209	October 3, 1942	246	10
16	171210	October 3, 1942	246	11
17	171211	October 3, 1942	246	12
18	171212	October 3, 1942	246	13
19	171213	October 3, 1942	246	14
3 Amended	234736	October 16, 1953	246	292
5 Amended	177341	September 13, 1944	246	42
5 Amended	234737	October 16, 1953	246	293
6 Amended	234738	October 16, 1953	246	294

Nevada Claim No.				
1	198735	September 18, 1948	246	131
2	198736	September 18, 1948	246	132
3	198737	September 18, 1948	246	133
4	198738	September 18, 1948	246	134
5	198739	September 18, 1948	246	135
6	198740	September 18, 1948	246	136
7	198741	September 18, 1948	246	137

4. PHYSICAL DESCRIPTION

(a) Some exploratory work has been carried out at several locations along the vein outcrop. These operations consist in the main of a 180 foot tunnel on Goodhope No. 2, 60 foot tunnels on Goodhope No. 7 and 13, and several openings that vary from a few feet in width to 50 feet in wideth, extending in from the outcrop from 10 feet to 50 feet on several additional Goodhope claims.

A small amount of exploratory work has also been done on the Nevada group, that consists mainly of an opening on the Nevada No. 4 approximately ten to fifteen feet wide and twenty-five feet deep and an opening on Nevada No. 5, approximately ten to fifteen feet wide and thirty feet deep, in from the outcrop.

The most recent exploratory work carried out on these groups of claims was the drilling of six core holes on Goodhope No. 8. The results obtained from these holes, show that they were located in a faulted zone where underground water could circulate freely and had leached out most of the mineral content, both uranium and vanadium oxides, that may have been in the vein when it was deposited. The holes were located progressively farther in from the outcrop, the first 50 feet, the second 100 feet, the third 150 feet, the fourth 200 feet, with the fifth and sixth farther down the dip. The first hole showed an approximate 4 feet of mineralized section, the 2nd hole 5 feet, with the thickness increasing with each hole drilled. Each core showed the presence of thin sections of good ore with 14 inches showing in hole No. 3.

The 180 foot tunnel located on Goodhope No. 2 is now being advanced under San Juan Uranium Corporations Exploratory Project Contract No. Idm-E706, Docket No. DMEA 3390 (Uranium).

Most of the mine workings are readily accessible, with the exception of two of the shorter tunnels, which are open but the floors are covered with some six inches of water.

(b) Past Production: During the latter part of World War II, approximately 1,000 tons of ore were mined and shipped to the mill at Durango, Colorado. Most of this tonnage came from the Goodhope group of claims, which averaged 2.85% vanadium oxide, the only value reported on. All of this ore contained uranium oxide as well as vanadium oxide, but there is no record or report available that discloses what the percent of the former might have been. In addition to this tonnage mined and shipped from the Goodhope group, some two to three hundred tons of ore have been mined and shipped from Nevada No.s 4 and 5, that averaged approximately 0.15%

Uranium Oxide and 2.50% Vanadium Oxide.

There is no production from these claims at the present time nor any known ore reserves.

(c) The groups of mining claims under consideration, are located in the mountainous terrain of the La Plata Mountains. The formations that outcrop in the area covered by these claims, are of sedimentary origin, ranging in age from Permian to upper Cretaceous, that dip at an average of 15° to the South into the San Juan Basin. Northward these sedimentary beds have been cut occasionaly by Tertiary intrusions, leaving mineralized zones in the limestone beds. The Uranium and Vanadium oxides appear to have been deposited in the upper Entrada sandstone formation simultaneously with the sand.

The uranium-vanadium ore is a "Roscoelite" type ore, which is typically a high vanadium and low uranium primary ore. From surface observations, the mineralized section is irregular, varying from a few inches to four feet in thickness and from zero to six feet below the contact, with the todilto limestone formation above.

The Entrado sandstone is a highly cross-bedded formation, which would suggest "Eolian" deposition. The mineralized section appears to follow the pattern of the cross-bedding planes or "Rolls". The vein outcrop can be traced continously along the west ends of those claims facing main Lightner Creek or Goodhope No.s 3 and 6, and Nevada No.s 3 to 7 inclusive, as well as across those Goodhope claims located West and South of Main Lightner and the South Fork respectively.

The old workings, from which the ore mined and shipped was taken, are shallow and irregular and offer very little in the way of information as to the expected mineral content or continuity of the ore back from the outcrop. Since both uranium and vanadium oxides leach readily where exposed, the vein outcrop as well as the old workings are of little or no value for accurate sampling.

In order that the applicant may plan an efficient and economical mining operation and determine whether a sufficient ore body or bodies exist, it is necessary to investigate the nature and occurance of the vein material, - will the series of rolls be found closer together or farther apart, do they increase in thickness and extend beyond the zone of surface leaching?

Attached is one map, two sketches and one photostat. The first is a base map showing the location of both the Goodhope and Nevada groups of claims on Lightner Creek and a layout of the proposed exploratory work as detailed in the accompanying amendment to Contract No. Idm-E706, Docket No. DMEA 3390.

Sketch marked No. 2 shows the proposed pattern of core drilling on the Nevada Group, while sketch marked No. 3 shows the proposed pattern along the Big Stick Ditch Co. ditch. The photostat showing the location of the S.E.Cor. of Goodhope No. 13 with reference to the S.W. Cor. of T-36-N R-10-W N.M.P.M. is included since both groups of claims are in an unsurveyed area. One photostat only has been included and is attached to the original.

(d) This group of claims, known as the Lightner Creek group, lies approximately twelve (12) miles N. W. of Durango, Colorado, and can be reached over U. S. Highway No. 160 to a point three (3) miles West of Durango thence in a Northerly direction over a graded county road for a distance of six (6) miles, thence North over a private road to the property a distance of three (3) miles.

Distances to shipping points: The applicant and/or operator expects to ship all the ore mined to the V.C.A. mill at Durango, by truck a distance of twelve (12) miles, however should some of the ore run high in uranium oxide and low in vanadium oxide, it will be shipped to the buying depot located at Monticello, Utah, a distance of one hundred (100) miles, also by truck.

Supply and residence points: Durango, Colorado, will be the supply, as well as the residence point, as all employees will live there, being transported to and from the property, until such time as miners quarters can be built adjacent to the mine.

(e) Availability of Manpower: Due to the closing down of several mining properties in the Silverton, Colorado mining district there will be suitable man power available.

Materials and Supplies: Supply stores, lumber yards, hardware stores and other establishments, located in Durango, stock the necessary materials and supplies, that will be required.

Equipment: Equipment other than what can be obtained in Durango, can be purchased in Grand Junction or Denver, Colorado.

Water: There is sufficient water for all purposes in Lightner Creek, that flows all year. In addition there are several springs on the property that provide considerable water.

San Juan Uranium Corporation
Main Office: Fidelity Building, Oklahoma City, Oklahoma
Branch Office: No. 7 Turner Building, Durango, Colorado

Power: Electric power can be secured from "The Western Colorado Power Company", who have advised that their company will construct a power line to the property for the sum of $15,000.00. This amount to be advanced by the "San Juan Uranium Corporation" which will be refunded through one quarter (1/4) of the monthly power bill over a period of five years or until paid out.

For the proposed exploratory operations, gasoline or diesel driven motors will be used.

5. THE EXPLORATORY PROJECT:

(a) See application form.

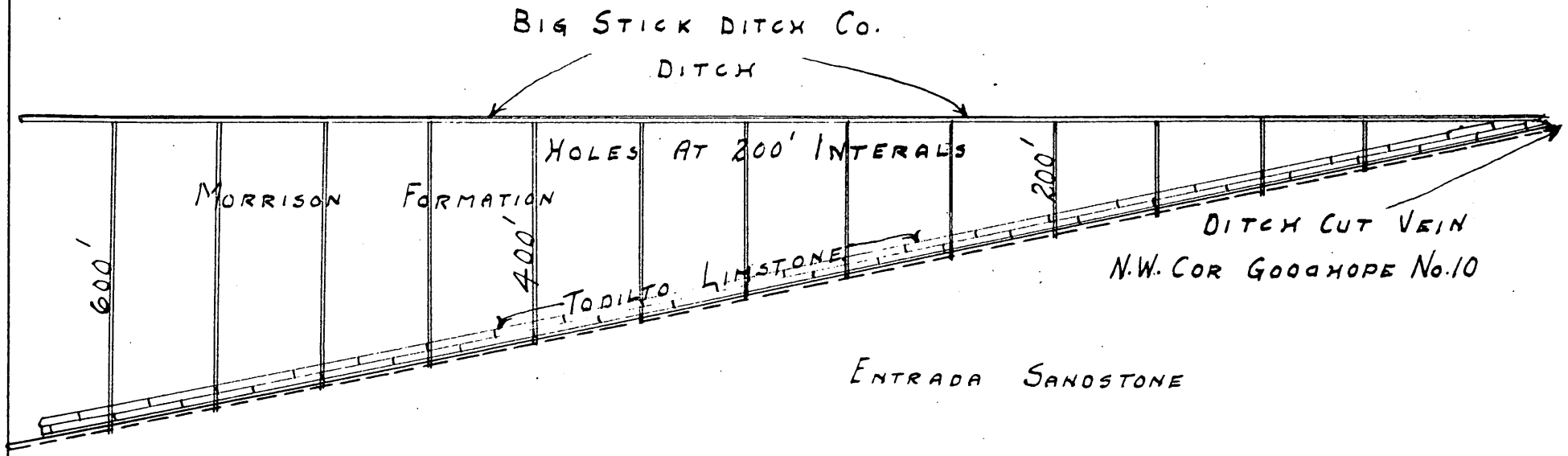
(b) The proposed exploratory work consists of the driving of three (3) 5'x7' new tunnels and the drilling of approximately 15,000 ft. of hole on several of the claims. The proposed new tunnels are to be located on Goodhope No.s 3 and 9, and Nevada No. 4 (See Map No. 1) and will be in addition to that on Goodhope No. 2 which is now being driven ahead under Exploration Project Contract No. Idm-E706, Docket No. DMEA 3390 (Uranium). It is planned to drive each of them approximately 724 feet, carried forward on grade, following the contour of the vein as it dips to the south. This should carry each of these proposed tunnels well beyond the apparent leaching zone, thus making it possible to evaluate the property with a greater degree of accuracy than would otherwise be possible.

Proposed Core Drilling: It is proposed to drill a number of holes at 200 foot intervals, along the partially completed "Big Stick Ditch Co.'s" irrigation ditch, which is being constructed across a number of the Goodhope Claims, located west of Lightner Creek. (See Map). Estimated depth of these holes will vary from approximately 60 feet near the Southwest line of Goodhope No. 10, or where the ditch cuts through the vein, to an estimated 600 feet toward the south.

Part of the proposed core drilling is to be done on Nevada No.s 3 and 4, where it is estimated the holes will range in depth from 200 to 300 feet. It is planned to drill at ten (10) locations, in this area, spaced at 300 feet intervals with five (5) holes being drilled at each one. One hole is to be drilled vertically and one to the four cardinal points each at an angle of 65° to 70°.

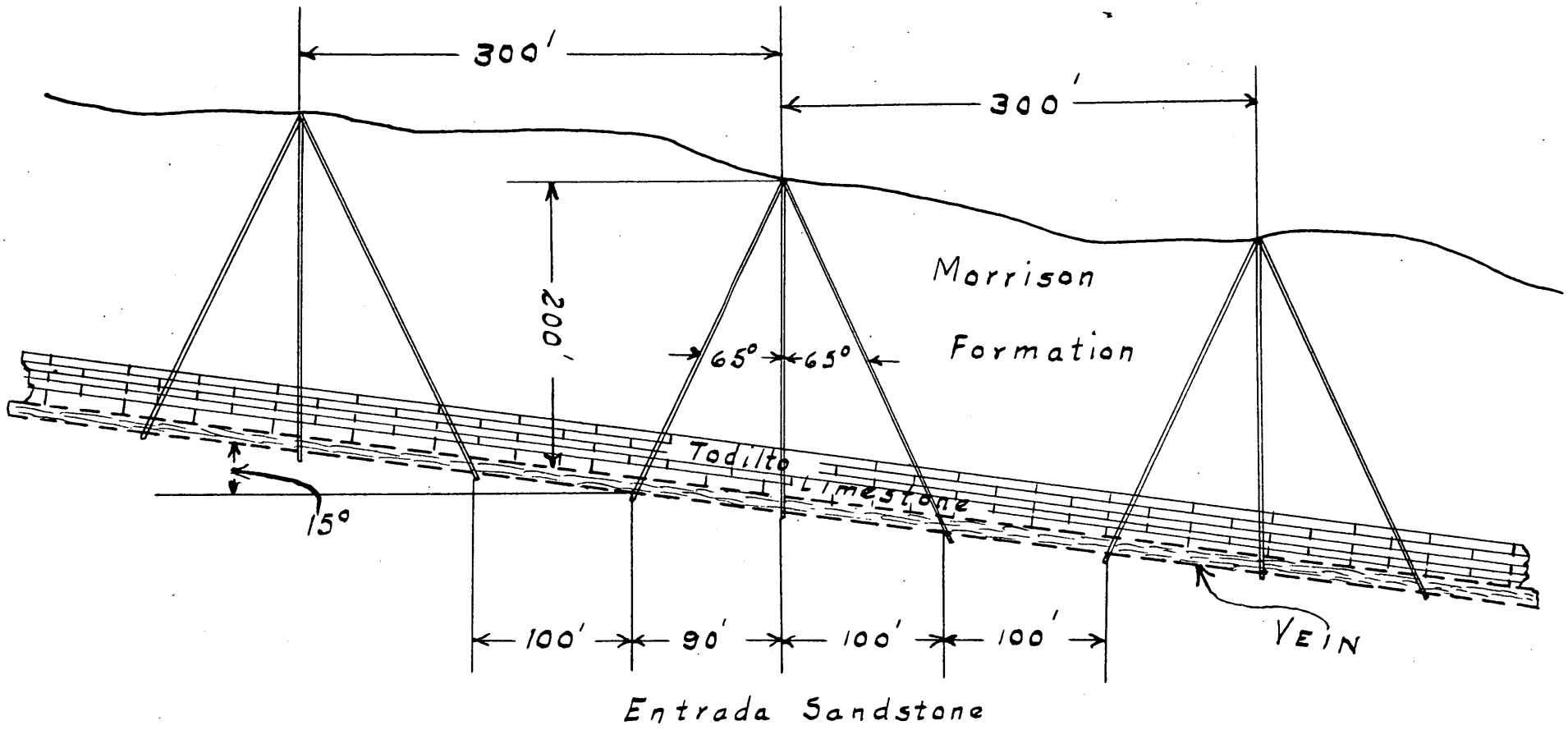
(c) See Application Blank.

(d) The applicant, President and operating manager for San Juan Uranium Corporation, is a graduate Mining Engineer, from the School of Mines, University of Minnesota, Class of 1912. He has been engaged in engineering and mining the greater part of the time since graduating, has served in an executive



SAN JUAN URANIUM CORPORATION
PROPOSED
CORE DRILLING PATTERN
FROM DITCH LINE

No 3



SAN JUAN URANIUM CORPORATION
PROPOSED
CORE DRILLING PATTERN
NEVADA Nos 3 & 4

No. 2

capacity in numerous mining and oil companies. The past few years he has carried on a consulting engineer's practice in Oklahoma City, Oklahoma. At present he is located at Oklahoma City, Oklahoma, but will personally supervise the proposed exploratory work or operations.

6. ESTIMATE OF COSTS:

(a) Independent contracts: Cat - Bull dozer, Claim Road construction and repair: $12.50 per hour - $100.00 per 8 hour day.
Core-drilling - $3.25 per foot - Up to 400 foot holes
Core-drilling - $3.75 per foot - Up to 400 to 600 foot holes

(b) Labor: To carry the proposed tunnels forward.

8 - Miners)	$12.50 per foot advance of 5'x7'
8 - Muckers)	Tunnel - Guaranteed hourly rate
)	$1.47 and $1.39 respectively
10 - Laborers)	$1.25 per hour

Supervision: Foreman - $500.00 per month
Consultants: Engineer - $500.00 per month
Office Help: Clerk - $300.00 per month

(c) Operating Materials and Supplies.
Carbide - $11.35 per 100 lbs.
Explosives - Gelex 35%, $21.00 per 100 lbs. in ton lots.
Electric Blasting Caps - $16.85 and $18.85 per 100
Electric Wire No. 14 - 250 feet - $11.00
Mine Rail - 20 lbs. - $8.55 per 100 lbs.
Fish or tie plates - $0.60 per pair
Truck spikes - $18.00 per 100 lbs.
Hand Tools: Miners pick at $3.15 each
Miner's pick handle at $1.30 each
Shovels at $3.95 each
Bar-down Bar - 8 feet at $7.00
Pipe & Fittings: 1" black pipe - $22.10 per 100 ft.
2" black pipe - $46.24 per 100 ft.
4" line pipe - seamless - $128.53 per 100 ft.
1" fittings - $0.35 average each
2" fittings - $0.60 average each
Lumber: 1" boards - $120.00 per 1000 Bd. Ft.
Dimension - $90.00 per 1000 Bd. Ft.
Timber - $85.00 per 1000 Bd. Ft.

Nails: $0.15 per pound
Drill Steel: 2' - length - $4.81 each
4' - length - $6.56 each
6' - length - $9.56 each
Bits for drilling - $0.23 1/2 each
Gasoline - $0.32 1/2 per Gal.
Oil - $1.80 per Gal.
Rock Oil - $0.88 per gal.
8" vent pipe - $69.35 per 100 foot.

(d) Operating Equipment:

1 - 125 cu.ft. compressor - Jaeger New s/NC - 14945	
Rental purchase contract - Monthly rental	$ 164.10
1 - Thor 389 Sinker Leg combination new s/N 112496	
Rental purchase contract - Monthly rental	76.50
1 - Water tank for sinker leg combination	
Rental purchase contract - Monthly rental	10.20

Following operating equipment is owned by the applicant and will be used in carrying on the proposed exploratory work:

1 - Dodge Power wagon, new to be used in transporting Men and material	3,310.00
1 - 60 ton steel ore bin - erected	3,000.00
1 - Model HA FWD 2 1/2 Ton truck	12,713.50
1 - 1948 Dodge Truck tractor, winch & gin pole	2,581.00
1 - 1948 Willys Pick-up truck	750.00
1 - 1947 Willys Jeep	500.00
1 - International TD18A Tractor equipped with angledozer and front P.C.U. with used Carco model G. winch	21,273.96
1 - Joy #12B Core Drilling Rig-complete	12,500.00
1 - Pump and gasoline engine	700.00
1 - Geiger counter	102.09
1 - K&E Transit - complete with 200 ft. tape Rod and poles	1,031.93
1 - Skid mounted 1200 gal. tank	400.00
TOTAL VALUATION OF EQUIPMENT OWNED BY APPLICANT	$58,862.48

Operating Equipment to be Purchased:

1 - 600 cu.ft. air compressor, Jaeger "air plus" to be used in advancing the tunnel on Goodhope No. 2, replacing the applicants 125 cu.ft. compressor now being used and for running the proposed tunnel on Goodhope #3			$13,190.00
2 - 250 cu.ft. air compressors, Jaeger air plus @$7,302.32	Total		$14,604.64
To be used in advancing the tunnel on Goodhope No. 9, and that on Nevada No. 4.			
4 - Thor 389 sinker leg combinations s/N-112496 complete with line oiler, Thor water tank, hose, hose couplings, fittings etc. @$971.61	Total		$ 3,886.44
1 - Water Pump and Engine - 75 G.P.M. at 500 lbs. pressure			$ 3,495.00
3 - 250 Gal. water tanks @$50.00			150.00
4 - Sm. Mechanical Muckers @$2,950.00			11,800.00
3 - Blowers @$356.50			1,069.50
4 - Atlas 1 1/2 ton "J" storage battery locomotives, complete with battery of 20 cells MVM-15 exide Ironclad	Price each	$4,112.00	
	Freight	248.10	
		$4,361.10 Total	17,440.40
4 - Battery charging Motor-Generator sets, to charge battery of 20 cells MVM-15 Exide Ironclad in 8 hrs.	Price each	$ 937.00	
	Freight	28.00	
		$ 965.00 Total	3,860.00
1 - Gardner-Denver Air hoist-Model HB-Rope Cap. 275'-3/8"			550.00
20 - Ore cars - 18" gauge 20 cu.ft. capacity - Roller Bearing. Each $246.50			4,930.00
1 - 100K.W.-Generator-Murphy Diesel Set.	Price each	$10,500.00	
	Freight	700.00	
		Total	11,200.00
1 - Platform Beam Type Scales - Fairbanks Morse Dial - 24'x10' - Wood deck -		$ 2,107.00	
	Freight	317.66	
	Installation	300.00	
		Total Installed	2,722.66

4 - Electric Batteries & Detonators @$60.00	$ 240.00
12 - Muck Sheets @$25.00	300.00
25 - Edision - battery lamps - with battery @$25.00	625.00
2 - Continental Motors - Tiny Tim portable Generating Units for charging bateries @$151.95	303.90
2 - Magnet & Filler - for charging batteries @$5.00	10.00

(e) None

(f) New Buildings, improvements, installations.

3 - 60 ton wood ore bins - erected & covered @$2000.00	6,000.00
Trestle work connecting ore bins to tunnels and necessary waste rock trestle & track estimate cost each tunnel - $900.00 Total	2,700.00
Installing 250 gal. water tank with 1" line for filling - Material & labor $150.00 each	450.00
Air Lines:	
4" - from compressor site on Goodhope Millsite to proposed tunnel entrance on Goodhope No. 3, - 800 ft.	
4" from compressor site on Goodhope Millsite to tunnel entrance on Goodhope No. 2 and to face (Estimated advance) - 500 Ft.	
4" from compressors to proposed tunnel sites on Goodhope No. 9 and Nevada No. 4, Estimated footage for each, 150 ft. - 300 ft.	
Total footage of 4" line - 1600 ft. @$128.53 per 100 ft.	2,056.48
Cost of installation 4" pipe	2,500.00
Water Lines:	
2" waterline from pump station on Lightner Creek to "Big Stick Ditch Co." ditch on West group of claims - 1200 ft.	
2" Water line from pump station on Lightner Creek to Reservoir on Nevada No. 4, storage for core-drilling water - 2500 ft.	
Total 2" water line - 3700 ft. @ $46.24 per 100 ft.	1,710.88
Cost of Installation 2" pipe	2,500.00
1" water lines - following "Big Stick Ditch Co." ditch and from reservoir on Nevada No. 4 to drilling sites. Estimated footage 3000 ft. @ $22.10 per 100 ft.	663.00
Cost of Installation of 1" pipe	500.00

Pipe fittings;			
4" fittings	$200.00		
2" fittings	200.00		
1" fittings	100.00	Total	$ 500.00
Mine track:			
18" gauge, 20 lb. - Estimated footage of waste track and to ore bin - each of 3 new tunnels - 150 ft. total 450 ft.			
Mine Rail - 900 ft. @$0.57			513.00
Fish plates - 60 @$0.60			36.00
Vent Pipe - for air supply in tunnels			
2000 ft. - 8" vent pipe @$69.35 per 100 ft.			1,387.00
Average cost of starting tunnel:			
Bulldozer - constructing road, leveling site for ore-bin & entrance, 5 days @$100.00		$ 500.00	
Labor - 100 Hrs. @$1.25		125.00	
Timber & Lagging		324.00	
Total cost of starting one tunnel		$ 969.00	
Total cost of 3 tunnels			2,907.00
Communication System:			
Radio - General Electric Co.			
2 stations installed		$3,110.00	
2 antenna towers @$1,150.00		2,300.00	
2 mobile unites @$521.00		1,042.00	
2 weatherproof boxes @$40.00		80.00	
Tax		75.00	
Freight		100.00	
Total cost			6,807.00
Road Construction:			
Claim roads for core drilling operations 2.0 miles @ $2,500.00			5,000.00
Access Road:			
From end of county road at Stuart Ranch House to Goodhope No. 2 Tunnel - To be built to National Forest Specifications - 14 ft. wide, 6 In. Crown, Culverts where needed for drainage, surfaced with Good gravel 3 miles @$15,000,00 per mile including 2 bridges over Lightner Creek			$45,000.00
Proposed Buildings to be Constructed:			
Field Office		$ 7,500.00	
Compressor Building		5,000.00	
Miner's Quarters		20,000.00	
Garage - Truck & Car Storage		3,000.00	
Total buildings			$35,500.00

(g) Miscellaneous:

Maintenance & repair of equipment		
125 cu. ft. compressor	$ 108.60	
Thor Drill	181.00	
Assaying	724.00	
Liability Insurance	557.48	
Payroll Tax	434.40	
Clerk (Accounting)	2,468.84	
Field office expense	724.00	
Total (g)		$ 5,198.32

(h) Contingencies:

(b) Labor	$ 460.00	
(c) Operating Material & Supplies	528.00	
(d) Operating Equipment	460.00	
Total (h)		1,448.00

ESTIMATED TOTAL COST OF PROJECT
TOTALS UNDER ALL HEADINGS

6. (a) Independent contracts:

Core Drilling:		
12310 plus or minus ft. at $3.25 per ft.	$40,007.50	
2665 plus or minus ft. at $3.75 per ft.	9,992.50	
Total (a)		50,000.00

(b) Labor:

Labor - Miners	$ 9,050.00	
Labor - Laborers	1,448.00	
Supervision	4,112.32	
Consultants:		
Engineering	4,112.32	
Total (b)		18,722.64

(c) Operating Materials & Supplies:

Explosives	$ 2,172.00	
Electric Blasting Caps & Wire	1,810.00	
Edision Battery Lamps	724.00	
Mine track & ditch	1,332.16	
Tools	108.60	
Drill steel & bits	1,810.00	
Air Line & water line	1,086.00	
Blower & vent line	1,086.00	
Compressor operation	1,086.00	
Drill operation	362.00	
Sharpening steel & picks	543.00	
Total (c)		12,119.76

(d) Operating Equipment:

Compressor & drill equipment rental	$ 2,063.40	
Dodge Power Wagon - Operation	1,810.00	
Total		$ 3,873.40
Other equipment owned by the applicant and will be used in carrying on the proposed exploratory work-as listed above		
Total value	55,552.48	
Operating equipment to be purchased listed above - Total cost	90,377.54	
Total (d) to be purchased		90,377.54

(e) None

(f) New Buildings, Improvements, Installations:

New buildings; as listed - Total cost		$35,500.00	
Improvements:			
Claim Roads	$ 5,000.00		
Access Road	45,000.00		
Total		50,000.00	
Installations:			
As listed - Total cost		31,230.00	
Total (f)			116,730.36

(g) Miscellaneous:

Maintenance & Repair of Equipment Listed above - Total cost	5,198.32

(h) Contingencies:

Listed above - total cost	1,448.00

ESTIMATED COST OF DRIVING PROPOSED TUNNELS

Due to the increased cost in driving a tunnel as it is advanced in from the Portal, it is estimated that the cost per foot of advancing the proposed tunnels on this Exploratory Project will increase 15% on the second 250 feet of advance or from 251 to 500 feet. With another 15% increase beyond 500 feet or from 501 to 724 feet, the total length of each tunnel.

Estimated cost per foot of driving each of the three (3) proposed tunnels is $57.13 (see estimated cost table) for the first 250 feet or

Total of	$14,282.50	
Second 250 feet or from 251 to 500 feet a 15% increase or $65.70 per ft.		
Total of	16,425.00	
An additional 15% increase above 500 feet or from 501 to 724 ft. or $75.55		
Total of	16,923.20	
Total estimated cost each tunnel	$47,630.70	
Total estimated cost three (3) proposed tunnels		$142,892.10

Extimated cost of driving the proposed tunnels on the Exploratory Project - showing grand totals, Totals for each accounting period or one month and estimated cost per foot of tunnel driven, based on an average advance of 4 feet per day for 22 days per month, making an estimated advance of 88 feet per accounting period.

(Note:-Estimated average advance of 4 feet per day is based on experience of driving tunnel on Goodhope No. 2 under present Exploratory Project Contract)

Sub-Headings	Each Tunnel Grand Total	Each Tunnel Monthly Total	Cost per Foot
Labor-Miners	$ 9,050.00	$1,100.00	$12.50
Explosives	2,172.00	264.00	3.00
Electric Caps & Wire	1,810.00	220.00	2.50
Labor - Laborers	1,448.00	176.00	2.00
Compressor & Drill Equipment	2,063.40	250.80	2.85
Dodge Power Wagon - Operation	1,810.00	220.00	2.50
Maintenance & Repair - Compressor	108.60	13.20	.15
Maintenance & Repair - Drill	181.00	22.00	.25
Field Office Expense - Rent, Telephone	724.00	88.00	1.00
Assaying	724.00	88.00	1.00
Liability Insurance	557.48	67.76	.77
Payroll Tax	434.40	52.80	.60
Supervision	4,112.32	499.84	5.68
Engineering	4,112.32	499.84	5.68
Clerk	2,468.84	300.08	3.41
Edision Battery Lamps - Operation	724.00	88.00	1.00
Track & Ditch	1,332.16	161.92	1.84
Tools	108.60	13.20	.15
Drill Steel & Bits	1,810.00	220.00	2.50
Airline & Waterline - Installed	1,086.00	132.00	1.50
Compressor - Operation & Depreciation	1,086.00	132.00	1.50
Drill Operation	362.00	44.00	.50
Sharpening Steel & Picks	543.00	66.00	.75
Blower & 8 in. vent line	1,086.00	132.00	1.50
Contingencies	1,448.00	176.00	2.00
TOTALS	$41,362.12	$5,027.44	$57.13

7. (b) The applicant proposes to use his Dodge Power Wagon for transporting men and material from sources of supply, (Durango, Colorado) to the project, charging the cost of operation or 20 cents per mile driven. Estimated mileage per each working day 50 miles or a total cost per day of $10.00, or $2.50 per foot advance of the proposed tunnels. Estimated total length of each tunnel 724 feet, so that the amount to be furnished through this piece of equipment will be:

3 X 724 X $2.50 = $5,430.00

Applicant is now purchasing compressor and drill equipment with accessories on a rental purchase agreement, so that the monthly rentals over the time the project is in progress will be applied to his cost, as neither piece of equipment will be used on any other work during this time.

Rental payments are estimated to be $2.85 per foot of advance of the proposed tunnels or a total of $6,189.00.

Summary of Cost of Equipment to be used:

Dodge Power Wagon	$ 5,430.00
Drilling Equipment	6,189.00
Total	$11,619.00

Total to be furnished by the applicant either as cash or in use of equipment:	$100,000.00
Through use of equipment:	$ 11,619.00
Total cash that will be furnished	$ 88,381.00

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6-11-56

REFERRED TO:

DMEA-3390

1. ~~Mr. Crawford, Rm. 5643~~
2. Mr. Ching, Rm. 4445
3.
4.

FOR:

	Action	X	Recommendation
	Approval		Record
X	Comment		of
	Conference		Referring
	Consideration		to
	Filing		Reply for signature of
	Instructions		
	Investigation		Rewriting
	Initials		Signature
	Mailing		Suggestions
	Previous correspondence		Your information

REMARKS:
Applicant's request for additional exploration.

Check (X) before the items needing attention.

Ernest Wm. Ellis

gla *Initials of sender.*

GPO 16—63815-1

IN REPLY REFER TO:

DMEA
Date Rec'd.

JUN 6 1956

BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

June 5, 1956

RECEIVED
JUN 1 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman
J. F. Shaw

From: C. M. Harrer
D. R. MacLaren

Subject: DMEA Docket 3390 (Uranium), Contract Idm-E706, San Juan Uranium Corporation, La Plata County, Colorado - Joint geologic and engineering report on a supplemental examination of the Atom group of claims

On May 26, 1955, San Juan Uranium Corporation requested additional funds in the amount of $71,568.00 to drive 1,800 feet of adit as follows:

(a) Advance the Minoletti adit on the Good Hope No. 2 claim an additional 300 feet.

(b) Explore the outcrop near the south side line of the Good Hope No. 3 claim with 500 feet of adit.

(c) Explore the outcrop near the north side line of the Nevada No. 3 claim with 500 feet of adit.

(d) Explore the outcrop near the center of the Atom No. 3 claim with 500 feet of adit.

Further exploration on the Good Hope and Nevada groups of claims was recommended for denial in a joint geologic and engineering report dated August 12, 1955.

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

June 7, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Supplemental Report of Examination, Docket DMEA 3390 (Uranium) Contract Edm-#706, San Juan Uranium Corporation, LaPlata County, Colorado

Enclosed are the original and three copies of a joint geologic and engineering report on the supplemental examination of the Atom group of claims. The Applicant Corporation requested additional funds in the amount of $71,568.00.

The field examiners found no apparent geologic reason to assume that the deposit exposed on the Atom No. 3 claim will differ appreciably in grade or thickness from the exposures on the Good Hope claims which have been the subject of DMEA exploration. They recommend that the application for additional funds be denied. We concur in this recommendation.

Mr. A. S. Ertell, one of the owners of the property, stated that the San Juan Uranium Corporation's lease was cancelled on May 5, 1956 for failure to carry out the terms of the contract.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

The Atom group of claims was examined on May 9, 1956, in the company of A. S. Butell, part owner of the property.

Small and weak concentrations of uranium-vanadium of the "roscoelite" type occur discontinuously in the rim rock exposure on the Atom No. 3 claim. San Juan Uranium Corporation proposed to explore the most promising part of the outcrop with 500 feet of adit. The portal of this proposed adit is 71 feet southwest of the discovery post on the Atom No. 3 claim. The outcrop and proposed adit site (fig. 1) have been stripped for about 270 feet, and a weakly radioactive zone has been exposed for 100 feet. The radioactive, mineralized zone is very spotty and limited to a greenish sandstone, 2 to 3 feet thick, just below the Pony Express limestone of Upper Jurassic age. Sample H-842 was taken over a 2-foot width of the most radioactive part of the outcrop at the proposed adit site and assayed 0.012 percent U_3O_8 and 2.16 percent V_2O_5. Sample H-843, which is a composite of the best appearing uranium-vanadium, assayed 0.010 percent U_3O_8 and 1.71 percent V_2O_5. With a background of 0.01 MR/hr, the highest readings on an Eberline Geiger counter model E112 was 4 to 10 times background.

The rim rock exposure of radioactive greenish sandstone on the Atom No. 3 claim in the Deep Creek area is in the same stratigraphic horizon as the several thousands of feet of rim exposure on the Good Hope and Nevada groups of claims in the adjacent Lightner Creek area, and its uranium and vanadium content is also very similar. There is no apparent geologic reason to assume that the deposit exposed

on the Atom No. 3 claim (fig. 1) which the applicant proposes to explore under the expanded program will differ appreciably in grade or thickness from the other exposures examined on the ten Good Hope claims; the Nevada claims 3, 4, and 5; and the Minoletti adit driven under DMEA contract. For these reasons it is recommended that further exploration as outlined in the applicant's request for DMEA exploration assistance, dated May 26, 1955, be denied.

Mr. A. S. Butell of 1932 Glenisle, Durango, Colorado, who is part owner of all the property leased by San Juan Uranium Corporation states that the San Juan Uranium Corporation's lease was cancelled on May 5, 1956, for failure to carry out the terms of the contract. Mr. Butell is presently negotiating with other parties to purchase or carry on exploration of the property.

In consequence, San Juan Uranium Corporation's application for additional DMEA exploration assistance on the subject property appears to be void.

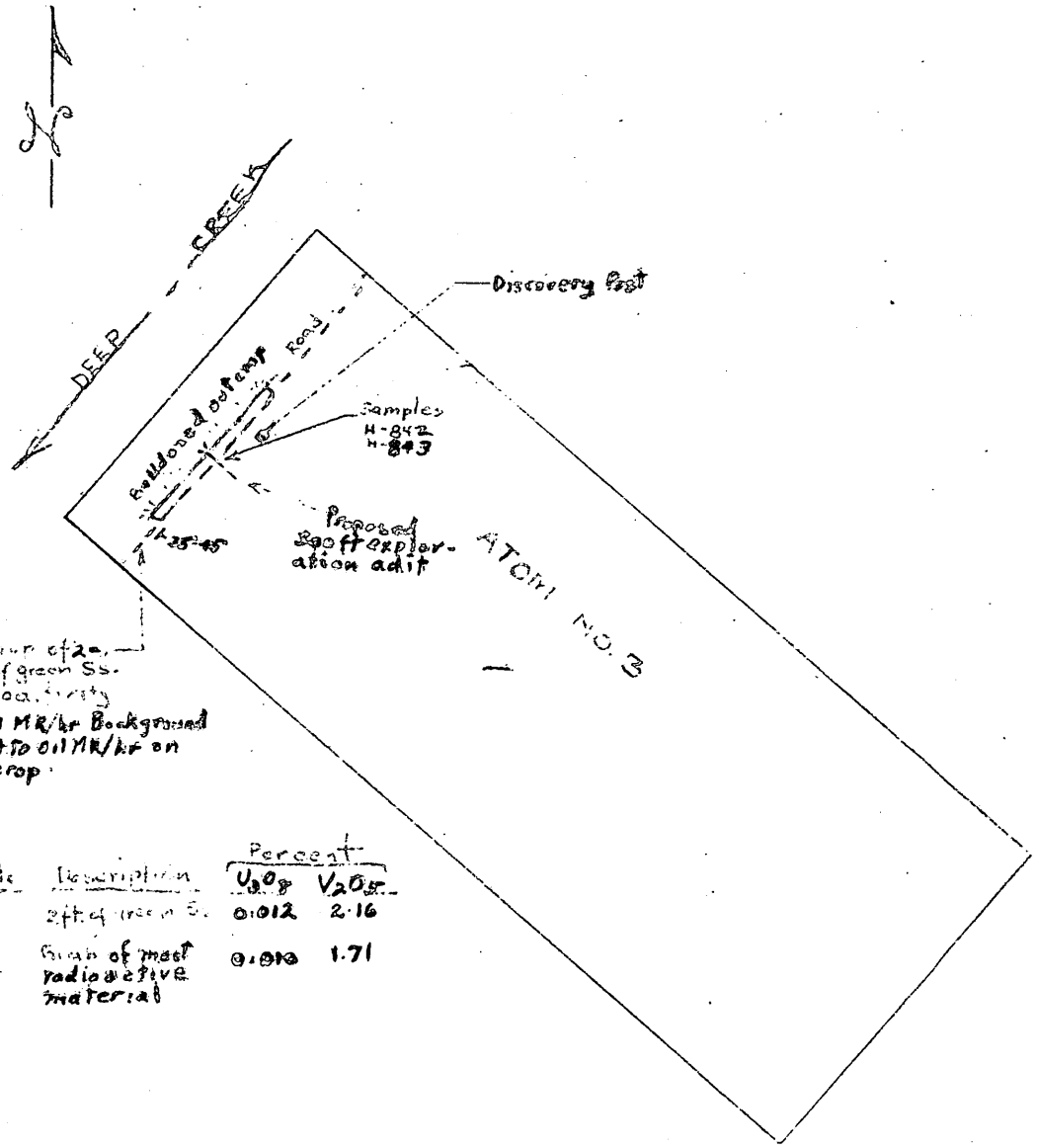
C. M. Harrer

C. M. Harrer, Mining Engineer

D R MacLaren

D. R. MacLaren, Geologist

arh



Scale 1" = 300'

Sample	Description	Percent U_3O_8	Percent V_2O_5
H-842	2 ft of green Ss.	0.012	2.16
H-843	Grab of most radioactive material	0.010	1.71

Fig. 4 Sketch of Atom No. 3 Claim showing only exposures, sampling and proposed exploration adit, San Juan Uranium Corp., La Plata County, Colorado. Date 3390

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6-11-56

REFERRED TO:

DMEA-3390

1. ~~Mr. Killsgaard, Rm. 5224~~
2. Mr. Ching, Rm. 4445
3.
4.

FOR:

	Action	X	Recommendation
	Approval		Record
X	Comment		of
	Conference		Referring
	Consideration		to
	Filing		Reply for signature of
	Instructions		
	Investigation		Rewriting
	Initials		Signature
	Mailing		Suggestions
	Previous correspondence		Your information

REMARKS:

Applicant's request for additional exploration.

Check (X) before the items needing attention.

Ernest Wm. Ellis

gla *Initials of sender.*

GPO 16—63815-1

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

June 7, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Supplemental Report of Examination, Docket DMEA 3390 (Uranium) Contract Dmr-1706, San Juan Uranium Corporation, LaPlata County, Colorado

Enclosed are the original and three copies of a joint geologic and engineering report on the supplemental examination of the Atom group of claims. The Applicant Corporation requested additional funds in the amount of $71,568.00.

The field examiners found no apparent geologic reason to assume that the deposit exposed on the Atom No. 3 claim will differ appreciably in grade or thickness from the exposures on the Good Hope claims which have been the subject of DMEA exploration. They recommend that the application for additional funds be denied. We concur in this recommendation.

Mr. A. S. Ratell, one of the owners of the property, stated that the San Juan Uranium Corporation's Lease was cancelled on May 5, 1956 for failure to carry out the terms of the contract.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

IN REPLY REFER TO:

DMEA
Date Rec'd.

JUN 6 1956

BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

June 5, 1956

RECEIVED
JUN 11 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: R. N. Hartman
J. F. Shaw

From: C. M. Harrer
D. R. MacLaren

Subject: DMEA Docket 3390 (Uranium), Contract Idm-2706, San Juan Uranium Corporation, La Plata County, Colorado - Joint geologic and engineering report on a supplemental examination of the Atom group of claims

On May 26, 1955, San Juan Uranium Corporation requested additional funds in the amount of $71,568.00 to drive 1,800 feet of adit as follows:

(a) Advance the Minoletti adit on the Good Hope No. 2 claim an additional 300 feet.

(b) Explore the outcrop near the south side line of the Good Hope No. 3 claim with 500 feet of adit.

(c) Explore the outcrop near the north side line of the Nevada No. 3 claim with 500 feet of adit.

(d) Explore the outcrop near the center of the Atom No. 3 claim with 500 feet of adit.

Further exploration on the Good Hope and Nevada groups of claims was recommended for denial in a joint geologic and engineering report dated August 12, 1955.

The Atom group of claims was examined on May 9, 1956, in the company of A. S. Rutell, part owner of the property.

Small and weak concentrations of uranium-vanadium of the "roscoelite" type occur discontinuously in the rim rock exposure on the Atom No. 3 claim. San Juan Uranium Corporation proposed to explore the most promising part of the outcrop with 500 feet of adit. The portal of this proposed adit is 71 feet southwest of the discovery post on the Atom No. 3 claim. The outcrop and proposed adit site (fig. 1) have been stripped for about 270 feet, and a weakly radioactive zone has been exposed for 100 feet. The radioactive, mineralized zone is very spotty and limited to a greenish sandstone, 2 to 3 feet thick, just below the Pony Express limestone of Upper Jurassic age. Sample H-842 was taken over a 2-foot width of the most radioactive part of the outcrop at the proposed adit site and assayed 0.012 percent U_3O_8 and 2.16 percent V_2O_5. Sample H-843, which is a composite of the best appearing uranium-vanadium, assayed 0.010 percent U_3O_8 and 1.71 percent V_2O_5. With a background of 0.01 MR/hr, the highest readings on an Eberline Geiger counter model E112 was 4 to 10 times background.

The rim rock exposure of radioactive greenish sandstone on the Atom No. 3 claim in the Deep Creek area is in the same stratigraphic horizon as the several thousands of feet of rim exposure on the Good Hope and Nevada groups of claims in the adjacent Lightner Creek area, and its uranium and vanadium content is also very similar. There is no apparent geologic reason to assume that the deposit exposed

on the Atom No. 3 claim (fig. 1) which the applicant proposes to explore under the expanded program will differ appreciably in grade or thickness from the other exposures examined on the ten Good Hope claims; the Nevada claims 3, 4, and 5; and the Minoletti adit driven under DMEA contract. For these reasons it is recommended that further exploration as outlined in the applicant's request for DMEA exploration assistance, dated May 26, 1955, be denied.

Mr. A. S. Butell of 1932 Glenisle, Durango, Colorado, who is part owner of all the property leased by San Juan Uranium Corporation states that the San Juan Uranium Corporation's lease was cancelled on May 5, 1956, for failure to carry out the terms of the contract. Mr. Butell is presently negotiating with other parties to purchase or carry on exploration of the property.

In consequence, San Juan Uranium Corporation's application for additional DMEA exploration assistance on the subject property appears to be void.

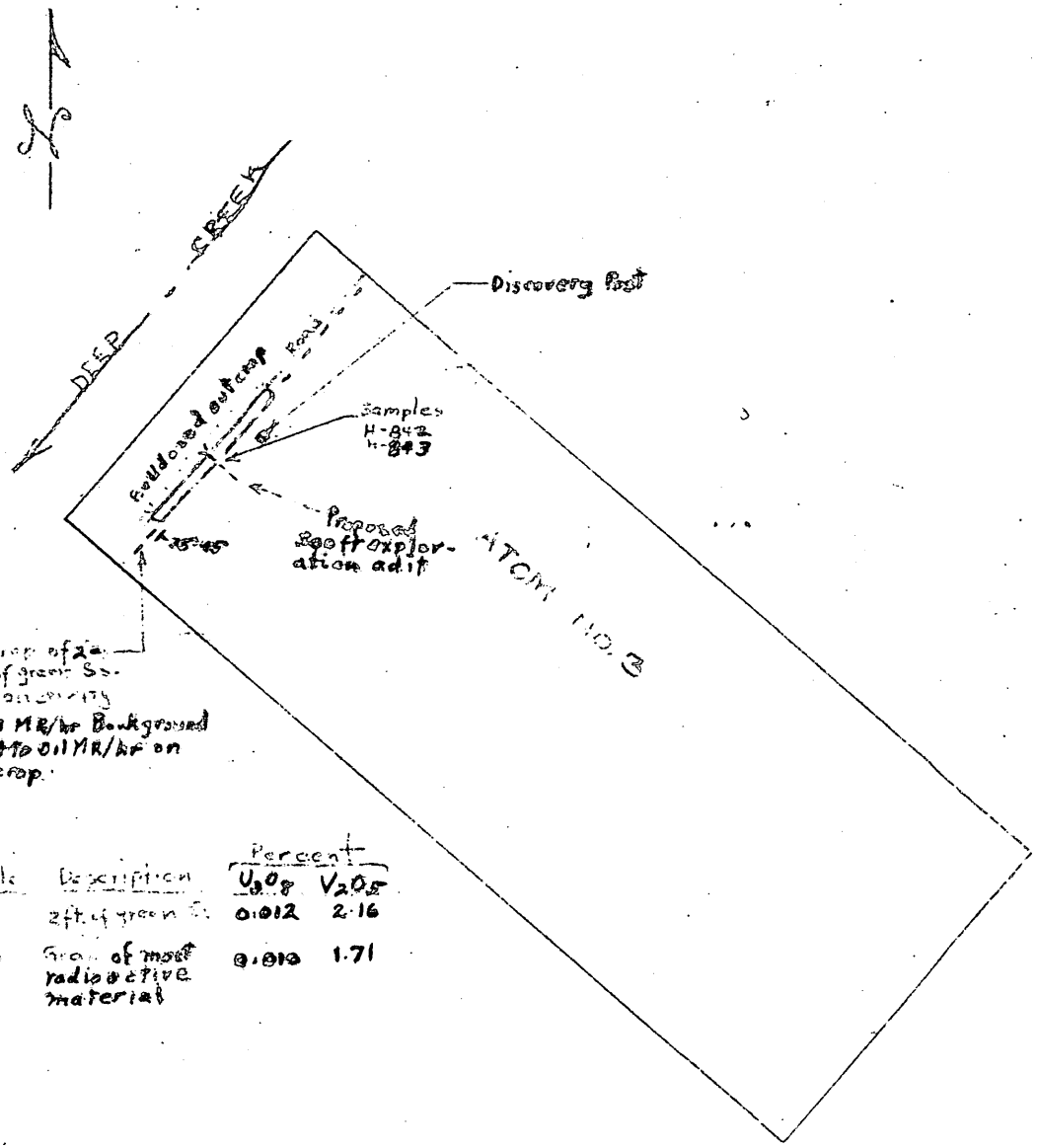
C. M. Harrer

C. M. Harrer, Mining Engineer

D R MacLaren

D. R. MacLaren, Geologist

arh



Scale 1" = 300'

Sample	Description	Percent U_3O_8	Percent V_2O_5
H-842	2 ft. of green Sa.	0.012	2.16
H-843	Grab of most radioactive material	0.010	1.71

Fig. 2 Sketch of Atom No. 3 Claim showing only exposures, sampling and proposed exploration adit, San Juan Mining Corp., La Plata County, Colorado. Scale 3390

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

October 20, 1954

Memorandum

To: The Administrator, DMEA

Attention: Mr. E. W. Ellis

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-3390 (uranium), Contract Idm-E706, San Juan Uranium Corporation

We have reviewed the subject contract executed in Region IV.

The Operator's interest in the land depends upon a lease assigned by an instrument executed sometime in March 1954. A copy of the assignment is in the docket, but not the lease. The Owner's Consent to Lien is attached to the contract.

We have approved the contract with the assumption that the lease satisfies our requirements.

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachment

~~JLHofflund/emd~~
HCRubin/emd
Copy to: DMEA Docket
Solicitor's Docket
E. W. Ellis (2)
J. L. Hofflund
H. C. Rubin
chron.

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

SEP 29 1954

Mr. [illegible] King
Executive Officer
[illegible] Field Team, Region [illegible]
22[illegible] [illegible] Building
Denver 2, Colorado

Re: Docket No. [illegible]A-3320 (Uranium)
Contract No. [illegible]-7[illegible]
San Juan Uranium Corp.
Good Hope Claims
Mesa County, Colorado

Dear Mr. King:

A memorandum from Mr. John P. Shaw dated September 13 inquires if the four Washington copies of the Field Team's report of examination of the captioned project accompanied the Field Team memorandum of July 19, 1954. This is to advise you that the four copies did accompany the memorandum of July 19.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Director, Bureau of Mines

Thor H. Eilegaard
Director, Geological Survey

EWEllis/gla 9-24, 1954
cc to: Admr's Reading File
Operating Committee
Docket
Messrs. J. E. Crawford, Rm. 3641
A. P. Butler, Jr., Rm. 5227
Code 700

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

August 5, 1954

Arthur F. Butler, Jr., USGS Member, Uranium Commodity Committee

Field Team Report of examination, DMEA Docket 3390 (uranium), San Juan Uranium Corp., Durango, Colo., applicant; Good hope claim group, unsurveyed Sec., T. 36 N., R. 10 and 11 W., La Plata County, Colorado

As the result of examination of the applicant's property, the Field Team examiners recommended driving 350 feet of adit to explore for uranium and vanadium ore in the upper part of the Entrada formation. A contract is being executed in Region IV.

Thin seams of mineralized rock are continuous for 400 feet in the vicinity of the workings and thicken locally to flat-bottomed rolls lenses, and pods as much as 4 feet thick and from 1 to 10 feet long. The applicant reports that 1,000 tons of ore have been mined, and 336 tons recorded by Union Mines Development Corporation assayed 0.134 percent U_3O_8.

The continuity of mineralized rock and the known distribution of thicker parts suggest that the proposed exploration may result in finding possibly significant amounts of ore. The Field Team, therefore, recommended driving a 350 foot extension of the Minnelotti tunnel.

I concur.

Copy to: E. Wm. Ellis (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Mines

August 2, 1954

Memorandum

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

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

Subject: DMEA Docket 3390, San Juan Uranium Corporation, Good Hope claims, La Plata County, Colorado

I have reviewed the subject report and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission.

I concur in the recommendation of the Field Team that a contract be executed in the total amount of $10,500, with Government participation of $7,875.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the routing slip attached thereto.

/s/ H. D. Keiser

H. D.Keiser

c
o
p
y

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

224 New Customhouse
Denver 2, Colorado

July 19, 1954.

Memorandum

To: Administrator, Defense Minerals Exploration Administration

From: Field Team, Region IV

Subject: Report of Examination - DMEA Docket 3390 (Uranium), San Juan Uranium Corporation, Good Hope claims, La Plata County, Colorado.

The application for Government assistance in exploration work estimated to cost $10,500.00 has been approved by us and a contract is being prepared.

Government participation will be 75 percent, or $7,875.00.

Four copies of the Report of Examination will be forwarded when the contract is processed. However, the 4 copies were enclosed with this memo.

W. H. King

W. H. King

E. N. Hawkman
for A. H. Koschmann

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

July 19, 1954.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Report of Examination - DMEA Docket 3390 (Uranium), San Juan Uranium Corporation, Good Hope claims, La Plata County, Colorado.

Enclosed are eleven copies of the engineering report of examination on the above docket.

The applicant requested $31,250.00 to drive an adit 600 feet along the mineralized zone at the top of Entrada sandstone.

The engineer examiner recommends extending the existing adit 350 feet at a total cost of $10,500.00, Government participation $7,875.00.

We concur in this recommendation.

W. H. King

W. H. King

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
July 6, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

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

Subject: DMEA 3390 (Uranium), San Juan Uranium Corporation (Goodhope claims), LaPlata County, Colo.

Transmitted herewith are the original and ten copies of a "Summary, Conclusions, and Recommendations" by H. M. Connors, Bureau of Mines, and E. N. Harshman, Geological Survey, and of H. M. Connors' engineering report on the above docket.

Connors concludes that the strong ore bearing outcrop traced across 10 Goodhope lode claims, and a sizeable past production of vanadium ore during World War II when the uranium content, although doubtless present, was not paid for, justifies exploration. Core drilling from surface is considered an unsatisfactory method of exploration in this case and the applicant's proposal is unsatisfactory also because the suggested adit due to the topography would be only 25 feet below surface after 200 feet of adit advance was completed. He recommends in place of the requested work the extension of an existing adit, the Minoletti, with a portal on the Goodhope No. 1 claim 350 feet along the mineralized zone at the top of the Entrada sandstone. A short-form, unit-cost contract is suggested with drifting at $30.00 a foot for a total cost of $10,500.00, Government participation $7,875.00.

I concur with his conclusions and recommendations.

The brochure furnished with your memorandum of June 8, 1954, instructing us to make a field examination and prepare a report, is returned herewith.

W. M. Traver

W. M. Traver

enclosures

WMT/kp

cc 10
DMEA 3390
Chron

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

July 8, 1954

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 3390, San Juan Uranium Corporation, La Plata County, Colorado

Enclosed are 11 copies of a geologic report by E. N. Harshman of the U. S. Geological Survey covering the above docket.

Vanadium-uranium ore occurs in a zone at the top of the Entrada sandstone and appears to be continuous over a fairly large area. Assays of the ore by the U. S. Bureau of Mines indicate that the ore contains from 2.21 to 24.6% V_2O_5 and at least 0.20% U_3O_8. Harshman concludes that exploration is warranted and recommends approval of a program of drifting. I concur with this recommendation.

E. N. Harshman
for A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (11)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA 3196, Goodhope Claims

San Juan Uranium Corporation

LaPlata County, Colo.

Uranium

E. M. Connors, Mining Engineer
Bureau of Mines

E. N. Harshman, Geologist
Geological Survey

July 1, 1954

IMRA 3390

GOODHEART CLAIMS
SAN JUAN URANIUM CORPORATION
LaPLATA COUNTY, COLO.

Summary, Conclusions, and Recommendations

By H. M. Greaves
Mining Engineer
Bureau of Mines

R. H. Bachman
Geologist
Geological Survey

DMEA 3390

GOODHOPE CLAIMS
SAN JUAN URANIUM CORPORATION
LaPLATA COUNTY, COLO.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By H. M. Gunnoe and H. N. Barnhart

The San Juan Uranium Corporation made application for Government assistance to explore the Goodhope claims, LaPlata County, Colo., for uranium. The applicant proposed to drive a new adit, 600 feet, along a mineralized zone, beginning at a point on the outcrop near the center line of the Goodhope No. 1 claim. The proposed exploration program was estimated by the applicant to cost $31,230.00.

The application, assigned Docket No. DMEA 3390, was referred to the Bureau of Mines and Geological Survey for investigation, and a field examination of the property by a Region IV examining team was made June 16, 1954.

Vanadium-uranium ore occurs in a 1/4-inch to 4-foot thick zone near the top of the Entrada sandstone of upper Jurassic age. This zone appears to be continuous over a wide area. Ore occurs in irregularly spaced rolls, lenses, and pods, generally flattened on the bottom and pitching southeasterly. Individual pods are connected by seams or bands of ore, in some places not over 1/4 inch thick. Limited mining operations have exposed ore as much as 4 feet thick.

The examiners concluded that a modified exploration program is warranted which should result in the discovery of significant amounts

of uranium and vanadium ore, and recommend extending the Minaletti adit an additional 350 feet along the mineralized zone. This recommended program was estimated to cost $10,500.00, Government participation 75 percent or $7,875.00.

SAN JUAN URANIUM CORPORATION

LA PLATA COUNTY, COLORADO

DMEA DOCKET 3390

Geologic Report

By E. M. Harshman
U. S. Geological Survey

SAN JUAN URANIUM CORPORATION
LA PLATA COUNTY, COLORADO

INTRODUCTION

The San Juan Uranium Corporation, Silver Spur Motel, Durango, Colorado, has applied to the Defense Minerals Exploration Administration for assistance to explore for uranium ore on the Goodhope Claim group. They propose to explore a bedded deposit of vanadium-uranium ore by a 600 foot drift at an estimated cost of $31,200.00.

The property is located in an unsurveyed portion of the San Juan National Forest in T. 38 N., R. 10 and 11 W., New Mexico Principal Meridian, La Plata County, Colorado. It is about 9 miles (airline) northwest of Durango, Colorado, and is reached by 3.9 miles of paved highway (U.S. 160 west from Durango) and 5 miles of fair dirt road along Lightner Creek. Figure 1 of the Engineering Report shows the location of the claims and the access roads.

The claims were examined on June 16, 1954, in company with H. N. Connors, U. S. Bureau of Mines, R. B. Walter, president of the San Juan Uranium Corporation, Paul E. Clark, Supervising geologist-engineer for the corporation, and F. W. Pinkerton, foreman and one of the original claim locators.

It is concluded that exploration on the Goodhope claims may lead to the discovery of significant amounts of vanadium-uranium ore, and a program of drifting on the ore zone is recommended.

GEOLOGY AND ORE DEPOSITS

The geology and ore deposits of the La Plata Mountains are described by Edwin B. Eckel (1949) in U. S. Geological Survey Professional

Paper 319. The following summary of the regional geologic setting is taken largely from that publication.

The La Plata mountains are composed of sedimentary rocks, ranging in age from Pennsylvanian to Cretaceous, and sills, stocks, and dikes of porphyritic and non-porphyritic igneous rocks of late Cretaceous or early Tertiary age.

The major structural feature is a dome: uplift of the sedimentary rocks. The dome is about 13 miles in diameter and is partly bounded by a horseshoe-shaped hinge fold, open toward the south and encircling the central part of the mountains. Major and minor faults have broken the sediments, particularly along the hinge line and along the north and northwest edge of the dome. The maximum uplift of the sediments is about 6,000 feet. Kelsey concludes that doming was caused in part by intrusion of the many sills now exposed in the area and in part by folding in the basement rocks.

The Guadupe group of claims is in an area of gently dipping sedimentary rocks on the southern flank of the La Plata Mountains. Erosion has exposed a thick section of sandstone, limestone, mudstone, and shale. Progressively from the bottom upward the formations are: the Dolores formation of Triassic age, consisting of 400 to 500 feet of red shale and mudstone; the Entrada sandstone of Upper Jurassic age, 80 to 100 feet thick; the Wanakah formation of Upper Jurassic age, consisting of 20 to 25 feet of limestone (Pony Express member) overlain by 100 to 125 feet of sandstone and marl; and the Junction Creek sandstone of Upper Jurassic age, 200 to 300 feet thick.

No major faults or folds were recognized in the immediate vicinity of the claims. Minor faults, shear zones and folds have disturbed the sedimentary rocks but the presence of these features should

not complicate exploration of the deposit.

The vanadium-uranium ore deposits of the Lightner Creek area are in the upper part of the Entrada sandstone, from 1 to 4 feet below the contact with the overlying Pony Express limestone member of the Wanakah formation. This limestone is called the Todilto limestone by the applicant but the correlation between the Pony Express and the true Todilto limestone is not proven.

The ore-bearing zone appears to be continuous over a wide area southwest of the south fork of Lightner Creek. It can be traced without interruption along at least 400 feet of cliff face near the workings shown on Figure 4, and almost without interruption in road cuts extending more than 2,000 feet northwest from these workings.

Prospecting and limited mining operations have shown the ore to be in a tabular zone ranging from a few inches to 4 feet in thickness. The ore is tentatively classed as a roscoelite and carnotite type, high in vanadium.

Ore occurs in irregularly spaced rolls, lenses, and pods, generally flattened on the bottom, and pitching southeasterly. Individual pods are connected by seams or bands of ore, in some places not over 1/4 inch thick but always present. The lower contact between the ore and sandstone is rather sharp and in some places is marked by a thin clay seam; the upper contact is gradational. The factors governing the position, size, and grade of individual ore pods are not readily apparent but the position of some of the pods may be governed by cross-bedding in the Entrada sandstone.

Individual pods, lenses, or rolls of ore range from a few inches to 4 feet in thickness and from 1 to 10 feet in length. The average thickness of the ore is estimated to be about 1.0 foot.

SAMPLES

Seven samples of ore were taken from the outcrop of the mineralized sandstone. All sample locations are shown on figure 2 in the engineering report and 5 of the 7 locations are shown on figure 4 of this report. Most of the samples represent ore left at the borders of thicker ore pods removed by previous mining operations. Assays of the samples by the U. S. Bureau of Mines laboratories, Salt Lake City, Utah, follow:

Sample No.	Description	% UO_2	% V_2O_5	% $CaCO_3$
HMC-8	11 inch cut of ore in zone 15 inches below Pony Express limestone	0.020	2.66	8.60
HMC-9	7 inch cut of ore in zone 3 feet below Pony Express limestone	0.038	4.58	1.40
HMC-10	12 inch cut in northwestern part of cliff workings	0.374	5.73	1.40
HMC-11	2 inch cut in workings 90 feet southeast of HMC-10	0.477	24.60	1.40
HMC-12	12 inch cut on edge of mined ore lens in first working northwest of Minoletti Tunnel	0.273	11.10	1.40
HMC-13	20 inch sample at face of Minoletti Tunnel	0.045	1.36	6.8
HMC-14	15 inch cut from south side of Minoletti Tunnel (edge of mined out ore lens) 40 feet from face of tunnel	0.196	2.21	3.60

ORE RESERVES

An inferred ore reserve of several thousand tons is indicated by the length of the outcrop along the cliff face and the assays of samples taken by the examining team.

REPORTED PRODUCTION

The applicant reports a production of 1,000 tons of ore containing 2.[illegible]% V_2O_5 and an unknown amount of U_3O_8. Stanton B. Keith (1943) in a U.S.B.C. report on the property, gives a production of 336 short dry tons of ore containing 2.94% V_2O_5 and about 0.13% U_3O_8. The U_3O_8 content was obtained by assaying the mill pulps on a "Michele" laboratory counter.

EXPLORATION PROGRAM

The applicant proposed to explore the deposit by means of a 600 foot adit to be driven from the cliff face westerly along the ore zone (figure 4). The estimated cost of the programme $31,250.00. The examining team feels that the deposit can be explored to better advantage and at less cost ($10,500) by extending the Minoletti tunnel 350 feet westerly along the ore zone (figure 4). The adit proposed by the applicant lies close to and parallel with the outcrop and although the exploration would supplement ore width and grade data obtained by sampling the outcrop, it would not give a maximum of data on the extent of deposit. The precipitous character of the cliff face above the old workings makes exploration by drilling impractical.

CONCLUSIONS AND RECOMMENDATIONS

The Goodhope claim group of the San Juan Uranium Corporation appears to contain vanadium-uranium deposits of commercial grade. Exploration appears warranted. The outcrop of the ore zone is continuous for several thousand feet as shown on figure 2 of the engineering report and figure 4 of this report. The ore ranges from 1/4 inch to 4 feet in thickness and may prove to average about 1 feet thick. Although it is a high vanadium type ore, assays of representative samples from the outcrop

and old workings indicate a content of from 0.020 to 0.477 percent U_3O_8. Four of the five samples, taken in the area proposed for exploration, contain at least 0.20% U_3O_8 and 2.21 to 24.0% V_2O_5. The grade of the ore as indicated by the examining team's samples is somewhat higher than the record of shipments reported in Keith's (1943) U.M.D.C. report.

It is recommended that a program be approved for exploring the deposit by extending the Minoletti tunnel 350 feet westerly along the ore zone (figure 4) at a cost, estimated by the U. S. Bureau of Mines, of $10,300. This program has been discussed with the applicant and is acceptable to him.

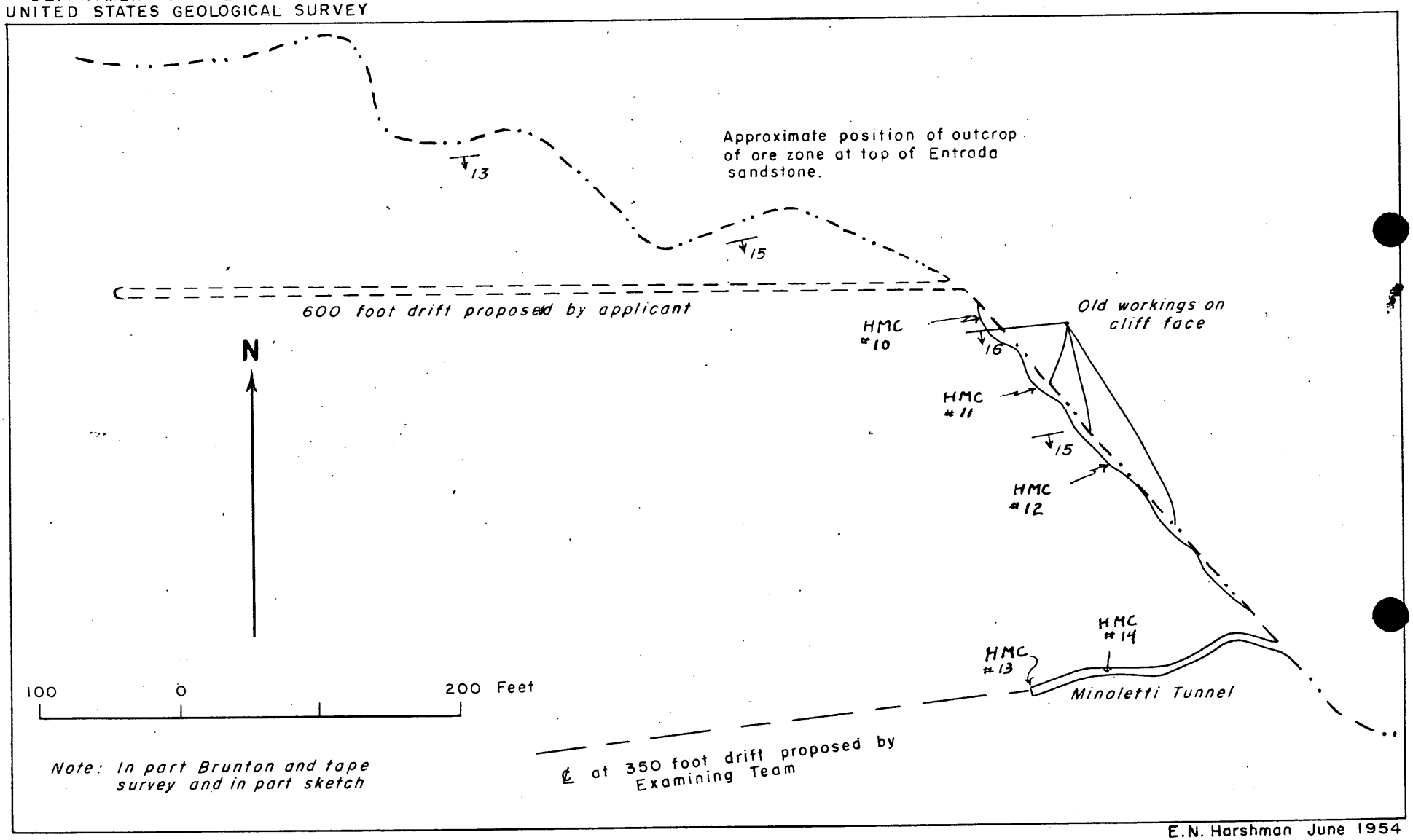
REFERENCES

Keith, S. B. (1943) U.M.D.C. Report, Report on Lightner Creek District, San Juan Basin Area, Colorado.

Eckel, E. B. (1949); Geology and Ore Deposits of the La Plata District, Colorado: U. S. Geological Survey Professional Paper 219.

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

DMEA DOCKET 3390



E.N. Harshman June 1954

FIGURE 4.- SKETCH MAP OF ORE-ZONE OUTCROP AND PROPOSED EXPLORATION PROGRAM SAN JUAN URANIUM CORP, LA PLATA COUNTY, COLORADO.

MSHA 3390

GOODRICH GLADE
SAN JUAN MINERAL CORPORATION
LaPLATA COUNTY, COLO.

Engineering Report

By [redacted]
[redacted]
Bureau of Mines

INDEX 3390

GOODSPEED CLAIMS
SAN JUAN URANIUM CORPORATION
LaPLATA COUNTY, COLO.

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*See figure with geologic report.

RMA 3390

GOODHOPE CLAIMS
SAN JUAN URANIUM CORPORATION
LaPLATA COUNTY, COLO.

INSPECTION REPORT

By Hugh M. Conners

INTRODUCTION

The San Juan Uranium Corporation has applied to the Defense Minerals Exploration Administration for assistance to explore for uranium on the Goodhope lode claims, LaPlata County, Colo. (fig. 1). The applicant proposed to drive a 5- x 7-foot adit in a westerly direction along the mineralized zone a distance of 650 feet from the outcrop on Goodhope No. 1 claim as shown in figure 2. According to the management, several openings had been made along the outcrop, but none had been driven far enough to explore the deposit beyond the apparent leached zone. The applicant estimated the total cost of the project at $31,250.00.

The Goodhope claims were inspected on June 16, 1954, by Defense Minerals Exploration Administration representatives, accompanied by R. B. Walter, president, San Juan Uranium Corporation, and Paul E. Clark, engineer and geologist. After examining and sampling the outcrop and exposed, old workings, it was concluded that further exploration is warranted by a modified program.

ACKNOWLEDGMENTS

Acknowledgments are made to R. B. Walter and Paul E. Clark who assisted the inspecting team in every way possible.

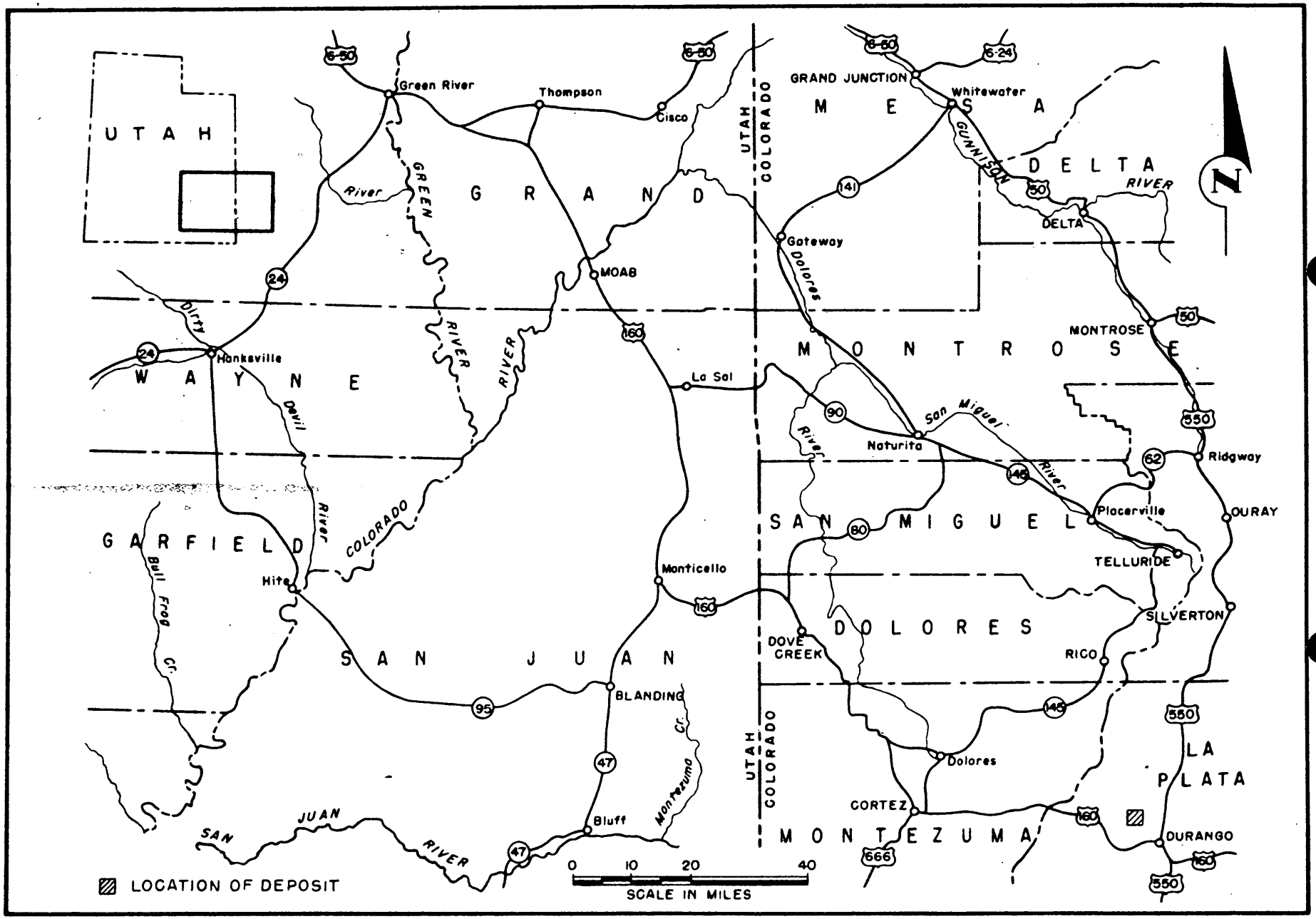


FIGURE 1 - LOCATION MAP, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO. (DMEA 3390)

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Goodhope lode claims Nos. 1, 2, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, and 19 are located in an unsurveyed area in the San Juan National Forest in T. 36 N., R. 10 or 11 W. The company has hired the LaPlata County surveyor to establish the exact location. This group of claims is on the west side of the South Fork of Lightner Creek. The Goodhope claims Nos. 3 and 6, and Nevada claims Nos. 1, 2, 3, 4, 5, 6, and 7, which are a part of the "Assignment of Mining Lease" submitted with the application, lie on the east side of the South Fork of Lightner Creek and will receive no benefit from the proposed exploration work. The subject property can be reached over U. S. Highway 160 to a point 3 miles west of Durango, thence in a northerly direction over a graded county road for a distance of 6 miles, at which point a private road extends 3 miles northwesterly to the southeast corner of the property. The elevation at this point is approximately 8,000 feet. The mountain on which these claims are located slopes upward abruptly from the cliff faces where the outcrop is exposed, making preparation for diamond drilling very costly and requiring long holes to penetrate the ore horizon. Labor is plentiful in the area and supplies may be obtained at Durango. Milling facilities are available at Durango, a distance of 12 miles.

HISTORY AND PROSPECTING

The applicant claims that the property produced approximately 1,000 tons of ore that averaged 2.85 percent V_2O_5 during World War II. At that time no payment was made for uranium, and the applicant has no

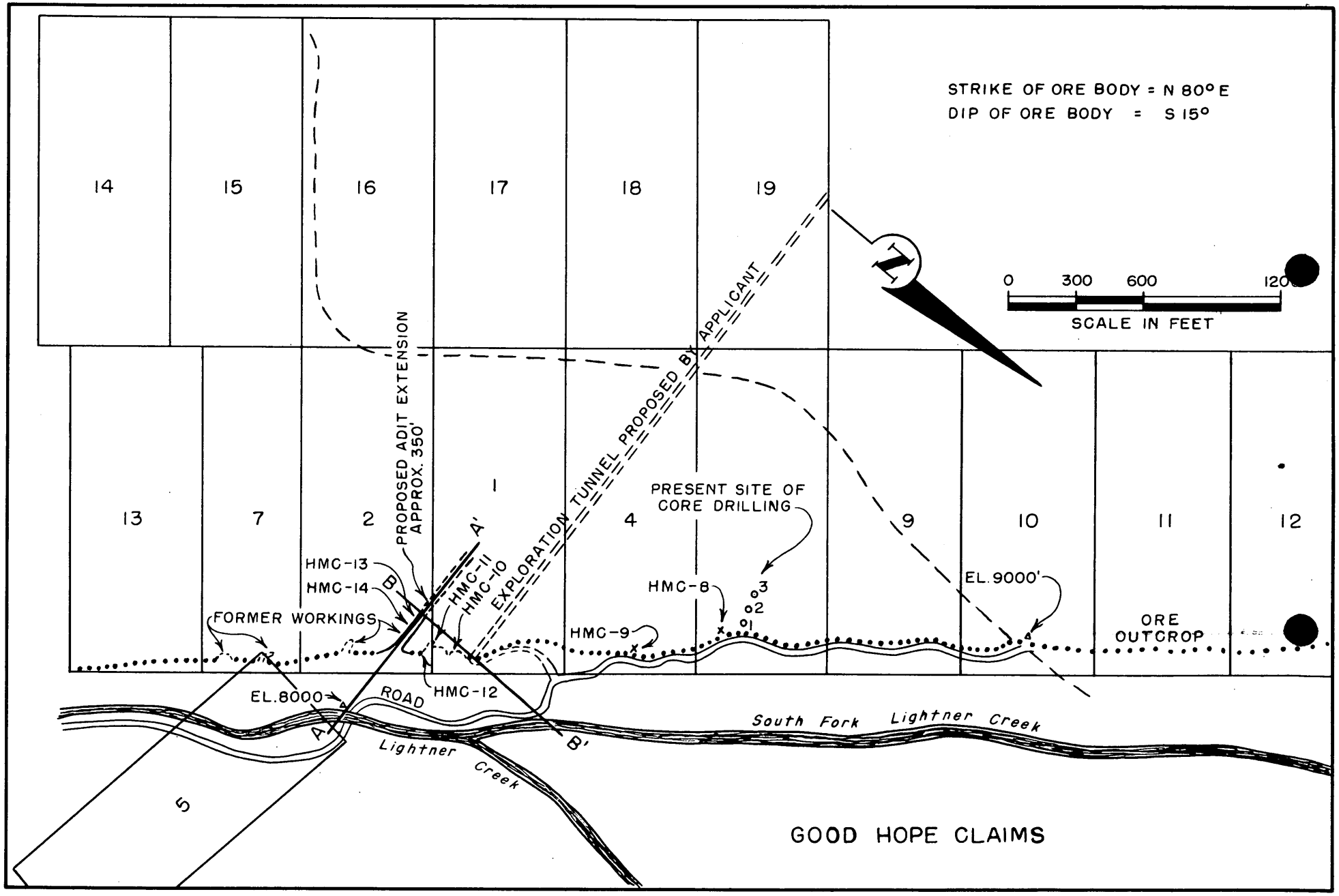


FIGURE 2 - CLAIM MAP, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO. (DMEA 3390)

knowledge of the uranium content in this ore which was shipped to the mill at Durango.

OWNERSHIP

The "Assignment of Mining Lease" which accompanied the application indicates that F. V. and Elsie A. Pinkerton, A. S. and Catherine M. Bubell, C. E. Idom and _____ Idom, his wife, Fred Brown, attorney-in-fact for Lloyd Zents and _____ Zents, his wife; and F. V. Pinkerton, Jr., and Carol M. Pinkerton, his wife, leased the property to William H. and Bettie Shallcross who sometime later, date not shown, assigned the lease to the San Juan Uranium Corporation, incorporated in the State of Delaware.

The application states that the claims are recorded in the office of the County Recorder of LaPlata County, Colo., as follows:

Condition Claim No.	Date	Book	Page
1	September 18, 1942	217	570
2	September 18, 1942	217	571
4	September 18, 1942	217	573
5	September 18, 1942	217	574
7	September 18, 1942	246	2
8	September 18, 1942	246	3
9	September 18, 1942	246	4
10	September 18, 1942	246	5
11	September 18, 1942	246	6
12	September 18, 1942	246	7
13	September 18, 1942	246	8
14	October 3, 1942	246	9
15	October 3, 1942	246	10
16	October 3, 1942	246	11
17	October 3, 1942	246	12
18	October 3, 1942	246	13
19	October 3, 1942	246	14
Amended 3	September 13, 1944	246	42
Amended 3	October 16, 1953	246	253

DESCRIPTION OF THE DEPOSITS

The formations that outcrop on the Goodhope claims are of sedimentary origin. The ore horizon appears to be in the top of the Entrada sandstone and just below the bottom of the Todilto limestone, with a strike of N. 80° E. and a dip of S. 15°. Some minor faulting was noted in the Minelotti tunnel which is 180 feet in length and the longest tunnel on the property. Other old workings are shallow and irregular, resemble cliff dwellings, and extend from 10 to 30 feet beyond the outcrop. The ore is tyuyamunite which is typically high vanadium and low uranium content. The vein outcrop can be traced continuously along the east side of the group of claims and the mineralized section is irregular, varying from a few inches to 3 feet in thickness.

MINERALS ORE RESERVES

Inferred ore reserves are estimated as a few thousand tons, based on past production and examination of the outcrop.

PRESENT STATUS

Exploration and Development

During World War II approximately 1,000 tons of ore were mined and shipped to the mill at Durango. This production came from the old workings, consisting of the Minelotti adit (fig. 3), 180 feet in length and located on the Goodhope No. 2 claim, and several openings in the cliff face that vary from a few feet to 30 feet in width and extend in from the outcrop about 10 to 30 feet.

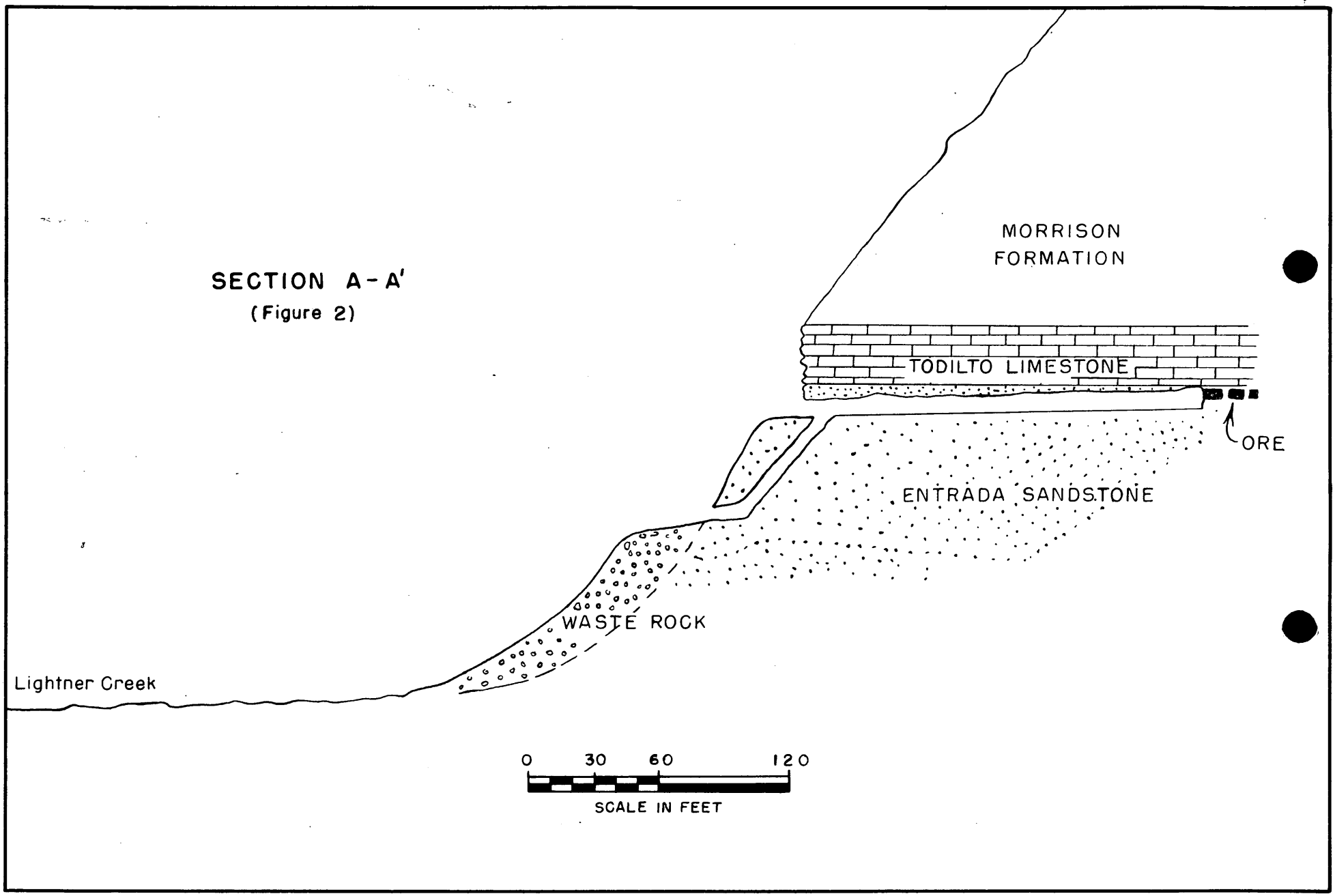


FIGURE 3 - MINOLETTI ADIT, SAN JUAN URANIUM CORP., LA PLATA COUNTY, COLO. (DMEA 3390)

Core drilling is now in progress and three holes have been completed on the Goodhope No. 8 claim. The approximate location of these holes is shown on figure 2. The cores were not available for inspection by the field examiners. The applicant stated that the first two holes showed mineralized zones of 4 and 5 feet, respectively. The third hole was reported to have penetrated 14 feet of ore.

Seven samples were taken by the field examiners at locations as shown on figure 2 as follows:

Sample number	Goodhope claim number	Sample width (inches)	Description	U_3O_8 (percent)	V_2O_5 (percent)	$CaCO_3$ (percent)
EMC-8	8	11	11" streak 15" below bottom of Todilto limestone.....	0.080	2.66	8.6
EMC-9	4	7	7" streak 36" below bottom of Todilto limestone.....	0.038	4.58	1.4
EMC-10	1	12	12" streak in top room of old workings approximately 5 feet in from cliff face.....	0.374	5.73	1.4
EMC-11	1	8	8" streak in second room 10 feet southeast of top room.....	0.477	24.6	1.4
EMC-12	2	12	Outer edge of lens in first room above Mineletti adit.....	0.873	11.1	1.4
EMC-13	2	20	Face of Mineletti adit...	0.045	1.36	6.8
EMC-14	2	15	15" streak on south side of a mined out lens, 40 feet from face of Mineletti tunnel.....	0.196	2.21	3.6

Mining Equipment and Other Facilities

Equipment now on the property consists of a new Jaeger 125-c.f.m. compressor, a Thor 380 sinker leg combination with water tank, and a new Dodge Power Wagon. There are no buildings, mine cars, rails, or pipe on the property. Jeep trails have been built beyond the Mineletti adit.

PROJECT PROPOSALS, WITH COSTS

The applicant proposed to drive a 5- x 7-foot adit, 600 feet on the vein, beginning at a point on the outcrop near the center line of the Goodhope No. 1 claim. His estimate of the total cost of the project was as follows:

(a)	Independent contracts:		
	Bulldozer--road repairs		$ 300.00
(b)	Labor:		
	Miners	$7,338.00	
	Laborers	1,888.00	
	Supervision	3,055.00	
	Consultants,		
	Engineering	305.50	
	Clerk	1,833.00	
	Total		13,747.50
(c)	Operating materials and supplies:		
	Carbide	305.50	
	Explosives	1,830.00	
	Caps	458.25	
	Mine track and ditch	1,069.85	
	Tools	61.10	
	Drill steel and bits	1,883.10	
	Air and water lines	611.00	
	Compressor operation	366.60	
	Drill operation	844.40	
	Sharpening steel and picks	458.25	
	Total		6,687.45
(d)	Operating equipment:		
	Compressor and drill rental	1,393.08	
	Dodge Power Wagon operation	1,888.00	
	To be purchased--		
	Water pump and line	500.00	
	Water tank	75.00	
	Hand forge	103.31	
	Conveyor and buckets	600.00	
	4 muck sheets	100.00	
	Retorator	60.00	
	2 mine cars	570.00	
	Total		4,683.39
(e)	None		

(f) New buildings, improvements, installations:

Office building	$2,000.00	
Office furniture	500.00	
Change house	300.00	
Total		$ 2,800.00

(g) Miscellaneous:

Maintenance and repair of equipment		
Compressor	91.65	
Drill	152.75	
Conveyor	213.85	
Assaying	611.00	
Liability insurance	470.47	
Payroll tax	329.94	
Total		1,869.66

(h) Contingencies - Total	1,888.00
Grand total	$31,250.00

APPLICANT'S SUMMARY OF COSTS

The applicant's summary of costs excludes items to be purchased and is based on an average advance of 5 feet per day for 22 days per month, making an estimated total advance of 110 feet per month.

Sub-Headings	Grand total	Monthly total	Cost per foot
Labor-miners	$ 7,332.00	$1,320.00	$12.00
Explosives	1,830.00	330.00	3.00
Electric caps and wire	458.25	82.50	.75
Labor	1,222.00	220.00	2.00
Compressor and drill equipment	1,393.08	250.00	2.28
Dodge Power Wagon operation	1,222.00	220.00	2.00
Maintenance and repair-Compressor	92.65	16.50	.15
-Drill	152.75	27.50	.25
-Conveyor	213.85	38.50	.35
Assaying	611.00	110.00	1.00
Liability insurance	470.47	84.70	.77
Payroll tax	329.94	59.40	.54
Supervision	3,055.00	550.00	5.00
Engineering	305.50	55.00	.50
Clerk	1,833.00	330.00	3.00
Carbide	305.50	55.00	.50
Trench and ditch	1,069.25	192.50	1.75

(Continued)

Sub-Headings	Grand total	Monthly total	Cost per foot
Tools	$ 61.10	$ 11.00	$ 0.10
Drill steel and bits	1,283.10	231.00	2.10
Air and water lines	611.00	110.00	1.00
Compressor-operation	366.60	66.00	.60
Drill-operation	244.40	44.00	.40
Sharpening steel and picks	458.25	82.50	.75
Contingencies	1,222.00	220.00	2.00
Totals	$26,141.69*	$4,706.90*	$42.79

*Totals should be $26,142.69 and $4,706.10

CONCLUSIONS

The strong outcrop which can be traced across the width of ten lode claims, the favorable formations, and past production warrant some exploration to determine the character and tenure of the mineralized zone beyond the zone of surface leaching. Core drilling would be unsatisfactory because of the steep terrain, long holes, and difficulty of obtaining core in the fractured mineralized zone.

The applicant's proposed adit location is not satisfactory because an abrupt bend in the outcrop above the portal site would make the adit approximately 25 feet from surface at one point after 200 feet of drifting had been accomplished (see fig. 4 with geologic report).

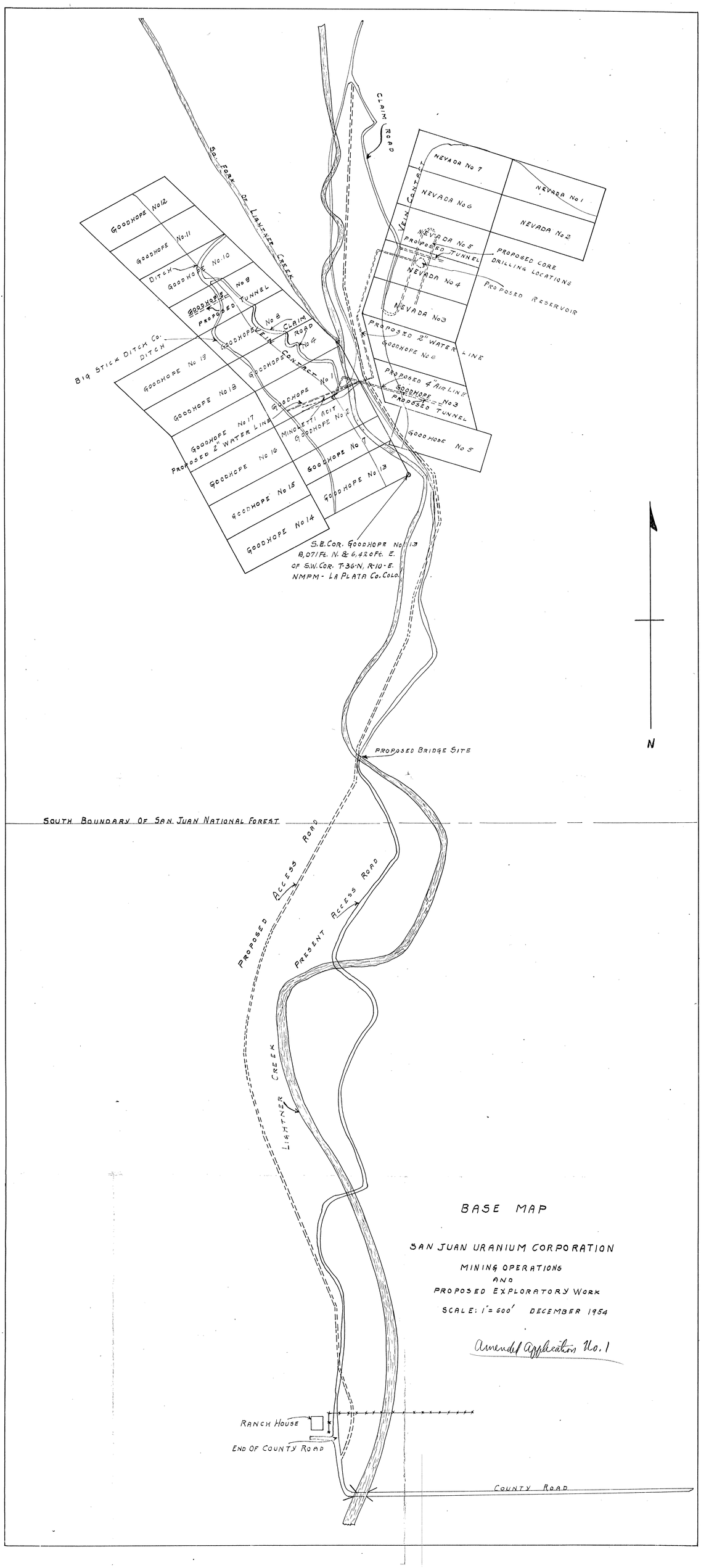
Extending the Minoletti adit, which has already been driven approximately 180 feet, along the mineralized zone will give more backs and deeper penetration of the mineralized zone at less cost. This plan has been discussed with the applicant and meets with his approval.

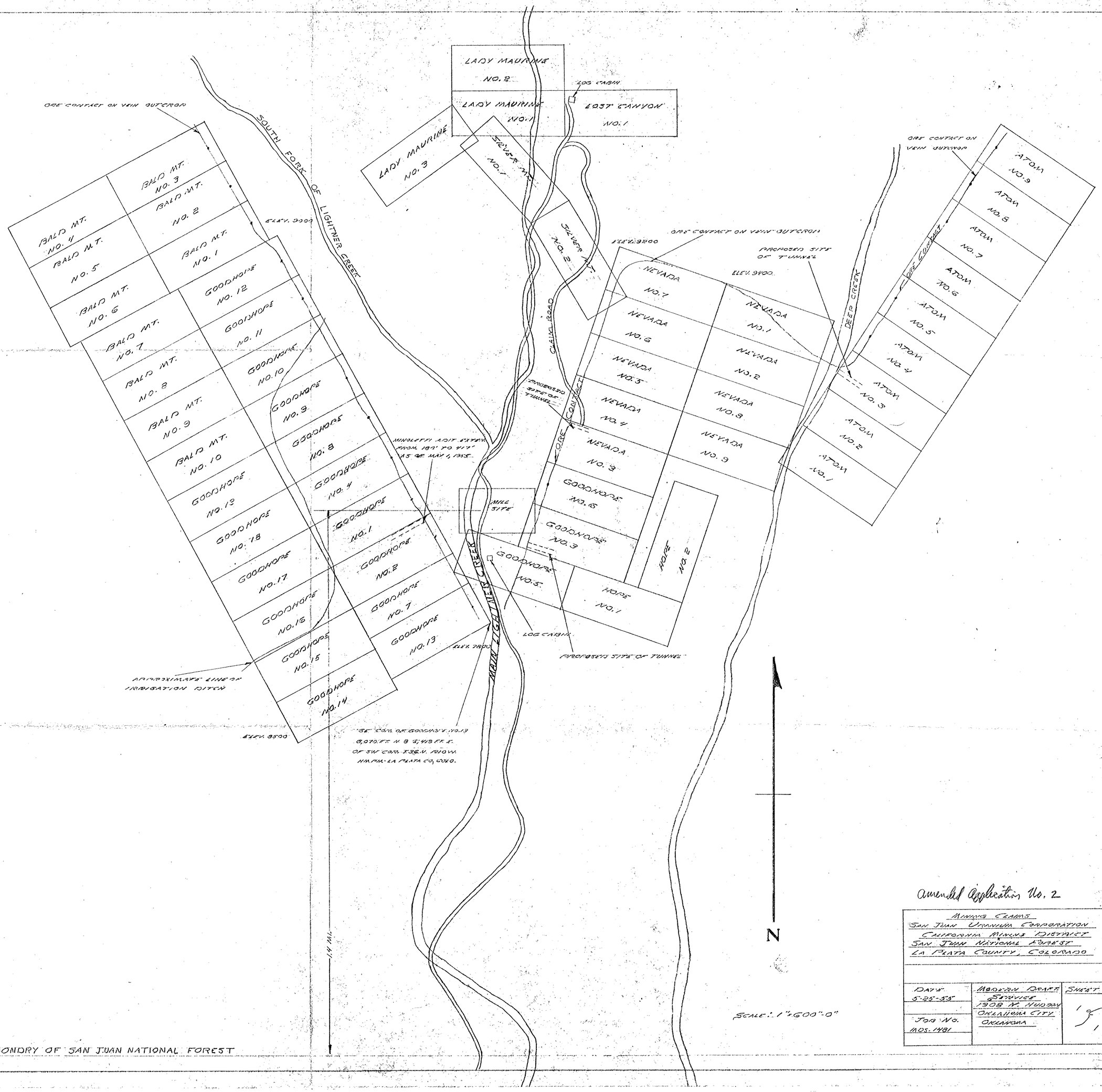
The applicant, Mr. R. B. Walter, president of the San Juan Uranium Corporation, is a mining engineer with a wide experience in mining operations and highly qualified to conduct the exploratory work.

RECOMMENDATIONS

It is recommended that a short-form, Defense Minerals Exploration Administration contract be prepared for the applicant to extend the Minaletti adit 350 feet beyond the present face, in a westerly direction along the mineralized zone at the top of the Entrada sandstone. A unit cost of $30.00 per foot for a 5- x 7-foot drift is agreeable to the applicant. This price includes sampling and assaying one sample for each drift round, or a total of 70 samples. The total cost of the modified exploratory program would be $10,500.00, Government participation 75 percent or $7,875.00.

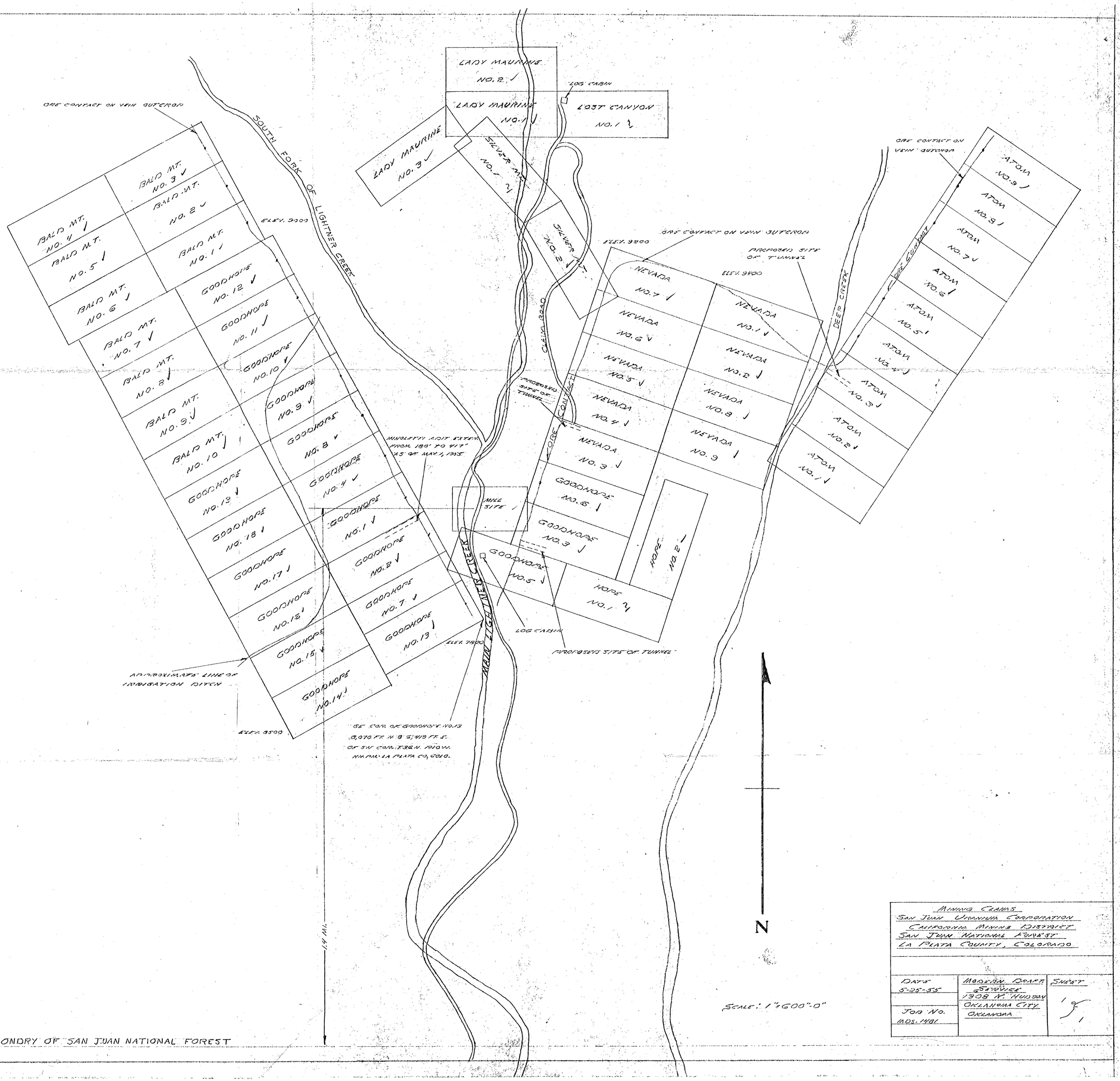
/kp


CLAIM ROAD
SO. FORK OF LIGHTNER CREEK
NEVADA No 7
NEVADA No 1
NEVADA No 6
NEVADA No 2
VEIN CONTACT
NEVADA No 5
PROPOSED TUNNEL
PROPOSED CORE DRILLING LOCATIONS
NEVADA No 4
PROPOSED RESERVOIR
NEVADA No 3
PROPOSED 2" WATER LINE
GOODHOPE No 6
PROPOSED 4" AIR LINE
GOODHOPE No 3
PROPOSED TUNNEL
GOODHOPE No 5
GOODHOPE No 12
GOODHOPE No 11
DITCH
GOODHOPE No 10
GOODHOPE No 9
PROPOSED TUNNEL
GOODHOPE No 8
CLAIM ROAD
No 4
BIG STICK DITCH CO. DITCH
GOODHOPE No 19
GOODHOPE No 18
GOODHOPE No 17
PROPOSED 2" WATER LINE
GOODHOPE No 16
GOODHOPE No 15
GOODHOPE No 14
GOODHOPE No 1
GOODHOPE No 2
MINGLETTI ADIT
GOODHOPE No 7
GOODHOPE No 13
S.E. COR. GOODHOPE No 13
8,071 Ft. N. & 6,420 Ft. E.
OF S.W. COR. T-36-N, R-10-E.
NMPM - LA PLATA Co. COLO.
N
PROPOSED BRIDGE SITE
SOUTH BOUNDARY OF SAN JUAN NATIONAL FOREST
PROPOSED ACCESS ROAD
PRESENT ACCESS ROAD
LIGHTNER CREEK
BASE MAP
SAN JUAN URANIUM CORPORATION
MINING OPERATIONS
AND
PROPOSED EXPLORATORY WORK
SCALE: 1" = 600'
DECEMBER 1954
Amended Application No. 1
RANCH HOUSE
END OF COUNTY ROAD
COUNTY ROAD



Amended Application No. 2

Mining Claims San Juan Uranium Corporation California Mining District San Juan National Forest La Plata County, Colorado		
Date 5-25-55	Modern Draft Service 1308 N. Hudson Oklahoma City Oklahoma	Sheet 1 of 1
Job No. MOS-1481		



MINING CLAIMS
SAN JUAN URANIUM CORPORATION
CALIFORNIA MINING DISTRICT
SAN JUAN NATIONAL FOREST
LA PLATA COUNTY, COLORADO

DATE 5-25-55	MODERN DRAFT & SERVICE 1308 N. HUDSON OKLAHOMA CITY OKLAHOMA	SHEET 1 of 1
JOB NO. MDS. 1481		

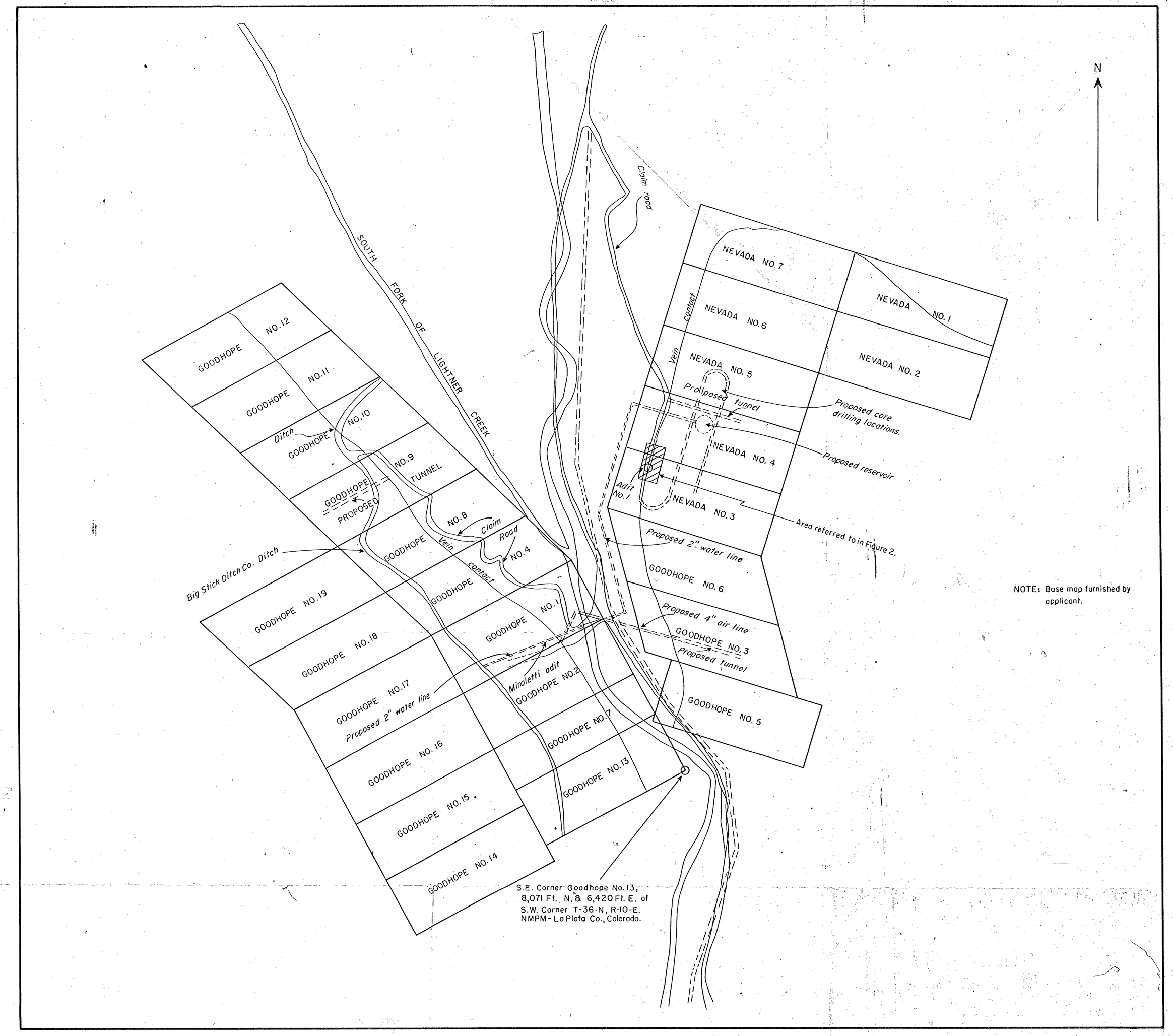


FIGURE 1.-PLAN MAP OF GOODHOPE AND NEVADA CLAIMS, LA PLATA CO., COLORADO