4/14/55 gla

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

224 New Customhouse
Denver 2, Colorado

April 8, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3528 (Uranium), Agnew-Smyth, Partnership, Mesa County, Colorado

Enclosed is a copy of a letter received from the subject applicant requesting that his application be withdrawn.

Based on this letter, we have considered this docket closed.

W. M. Traver

W. M. Traver

Enclosures

UNITED STATES
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W. M. TRAVER

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Enclosures

APR 8 1955
BUREAU OF MINES
Denver, Colorado

April 4, 1955

Mr. W. H. Traver
Executive Officer, DMEA
224 New Customhouse
Denver 2, Colorado

Re Docket DMEA - 3528 (Uranium)
Agnew-Smyth Partnership
Mesa County, Colorado

Dear Mr. Traver:

This will acknowledge your letter of March 22, 1955 regarding the current status of the property we had under option in Mesa County.

For a variety of reasons it was decided not to exercise the option hence we are no longer interested in this property.

Please consider this letter a request to withdraw our application for a DMEA loan.

Thank you for your kindness in this matter.

Yours truly,
Agnew-Smyth

Theodore H. Smyth

by Theodore H. Smyth

925 Las Palmas Drive
Santa Barbara, California

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

224 New Customhouse
Denver 2, Colorado

March 22, 1955

Mr. Theodore H. Smyth
Minerals Engineering Co.
801 Fourth Avenue
Grand Junction, Colorado

Re: Docket DMEA-3528 (Uranium)
Agnew, Smyth, Partnership
Mesa County, Colorado

Dear Mr. Smyth:

Re-examination of the captioned property by DMEA geologists has been deferred due to severe winter weather conditions. You furnished this office with a revised drilling program on December 11 and Mr. Eicher of the USGS with a geological map on December 13, 1954.

Before we instruct the field to make a re-examination of the property, will you please, at your earliest convenience, inform this office of the present status of deferred payments under your Option to Purchase Agreement covering the unowned property included in the loan application.

Further action will be deferred until we received this information.

Very truly yours,

W. M. TRAVER,

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

WMT:pw

cc: Subject
Chron
Harshman
Williams
Chairman Op.Comm.
Shaw

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

224 New Customhouse
Denver 2, Colorado

October 8, 1954

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: Code 200

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docketing for Exploration Assistance

Enclosed herewith in duplicate is DMEA Form 3a and MF-103 and supporting data pertaining to the following applications for Government assistance in exploration work:

Agnew-Smyth (Uranium)

George B. Friden (Uranium)

W. H. King

Enclosures

ADAMS, HECKMAN & TRAYLOR
ATTORNEYS AT LAW
P. O. BOX 266
201 ELECTRIC BUILDING
GRAND JUNCTION, COLO.
TELEPHONE 3665

E. B. ADAMS SCOTT W. HECKMAN CHARLES J. TRAYLOR
WM. M. ELA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 14 1954

October 7, 1954

noted 10/11/54
J.L.H.

Mr. J. L. Hofflund
Acting Assistant Solicitor of
Defense Minerals
U. S. Department of the Interior
Office of the Solicitor
Washington 25, D.C.

DMEA-3528

Dear Mr. Hofflund:

Thank you kindly for your letter of October 4, 1954 addressed to this office in the matter of Agnew-Smyth DMEA loan application. We found your letter helpful and that it answered our questions quite well. To answer your question set out in paragraph 4 of your letter, Agnew-Smyth do have more than sixty days - namely six months - in which to exercise their option; also, we can let you know that we have re-filed the loan application with the Denver office. If we need any more help from your quarter, we will write to you.

Thank you kindly, again.

Very truly yours,

ADAMS, HECKMAN & TRAYLOR

Wm. M. Ela

Wm. M. Ela

WME/joy

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3528
Metal or Mineral Uranium
Date Received
Estimated Cost $24,620
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: Agnew, Smyth (Partnership, Colorado), c/o Minerals Engineering Company, 801 Fourth Avenue (P. O. Box 957), Grand Junction, Colorado

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

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

(*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

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

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

(*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.

(*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.

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.

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

(*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.

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

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

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

.....

(*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.

(*c*) The work will start within ..... days and be completed within ..... 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.

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.).

(*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.

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

(*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.

(*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.

(*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.

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

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)?

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated August 27, 1954, 195...

Agnew, Smyth
(Applicant)

By R. H. Beck
R. H. Beck

Jasper C. Hicks
Jasper C. Hicks
Agents

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

1 (d) Charles B. Agnew
Jane G. Agnew
R. D. 3,
Wilton, Connecticut

Theodore H. Smyth
Elizabeth M. Smyth
925 Las Palmes Drive
Santa Barbara, California

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

3 (a) This property consists of 16 unpatented lode mining claims in Mesa County, Colorado, on the southern half of Flat Top Mesa. Book and page numbers for recorded location notices are given below.

(b) This property has no recognized mine or group name.

(c) Charles D. Agnew and Theodore H. Smyth held 14 claims under an agreement which is an option to purchase, which has been exercised with deferred payments to be paid as due. A copy of this document is attached.

The two Claims listed as , Dugway No. land Dugway No. 2 are located by Agnew and Smyth.

(d) Agreement attached.

(e) There are no liens or encumbrances on the property.

(f) Book and page numbers for recorded location notices:

Original Location:	Book	Page	Date
Triangle	291	478	4-5-40
Trail	291	523	11-1-39
Agate	291	521	11-1-39
Arrow Head	291	522	11-1-39
Lookout	291	533	4-5-40
Big Ben	291	533	4-5-40
Big Indian	291	523	11-1-39
Big Maverick	378	53	1-23-39
Big Maverick No. 1	378	54	1-13-39
Big Maverick No. 2	528	265	7-3-50
Big Maverick No. 3	528	266	7-3-50
Big Maverick No. 4	528	267	7-3-50
Big Maverick No. 5	528	268	7-3-50
Amended Location:			
Triangle	506	216	6-27-49
Trail	506	219	6-27-49
Agate	506	218	6-27-49
Arrow Head	506	217	6-27-49
Lookout	506	220	6-27-49
Big Ben	528	270	7-3-50
Big Indian	506	221	6-27-49
Big Maverick	528	269	7-3-50
Big Maverick No. 1	506	215	6-27-49
Second Amended Location:			
Triangle	612	599	8-9-54
Trail	612	600	8-9-54
Agate	613	2	8-9-54
Arrow Head	613	4	8-9-54
Lookout	613	1	8-9-54

Second Amended Location: (Continued)

Big Ben	613	5	8-9-54
Big Indian	613	3	8-9-54
Big Maverick	612	595	8-9-54
Big Maverick No. 1	612	594	8-9-54
Big Maverick No. 2	612	595	8-9-54
Big Maverick No. 3	612	596	8-9-54
Big Maverick No. 4	612	597	8-9-54
Big Maverick No. 5	612	598	8-9-54
Dugway	613	37	8-11-54
Dugway No. 1	615	357	8-27-54
Dugway No. 2	615	358	8-27-54

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

4 (a) There are no operations now being conducted on the property either mining or exploration. There are openings known to have been made in three different locations. A small open pit, 30 feet in diameter and five feet maximum depth is located near the center of the Big Maverick Claim. A shaft which has been sunk about the center of the Trail Claim is now filled in to a depth of six feet. Two parallel tunnels 4x5 feet cross section and trending South 85° West are located on the Big Maverick No. 1 Claim--one is 20 feet deep and the other 100 feet. Some low grade ore was found in the longer tunnel but we have no record of any shipments from this location. (see Topographic Map attached).

This group of claims has had scattered groups of holes drilled with jackhammer and wagon drill, but this work was done by parties interested only in quick recovery of lots of shallow ore. As a result of this approach no attempt was made to locate the holes properly on nay map or even to note a location relative to any recognizable ground point on the drill log. Information contained in the logs available is considered to be so scanty as to be of no benefit in attempting to locate or evaluate an ore body. The few longest of these holes only penetrates approximately one-fourth of the total potential producing formation available. An attempt was made to probe the holes that could be found but most of the holes were plugged not far below the surface. The few holes that could be entered could not be definitely connected with their proper log, but of these few holes some did show traces of radiation. In spite of all this negative information, we feel that in the aggregate the minor amounts of information available from drill men, small miners and others with any knowledge of the property indicates that the presence of some mineralization has been demonstrated and that a properly laid-out grid system drilling pattern correctly logged, assayed and mapped would have a strong probability of success. (see Topographic Map attached).

4 (b) April 1950, Dan Kelly made one shipment from Big Maverick. Copy of the settlement sheet is attached.

A letter to Mr. Kelly from the Atomic Energy Commission indicates that an additional 81.24 pounds of U_3O_8 must have been shipped at some other date prior to March 1, 1951. Copy of this letter is attached.

4(c) Flat Top Mesa on which the subject claims are found is a relatively small mesa, approximately three-fourths of a mile wide by two miles long. These claims are located on the southern half

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

4 (c) Continued

of the Mesa. The top of the mesa coincides closely with the top of the Salt Wash member of the Morrison formation, which is the most productive horizon in this area. The section to the top of the Entrada formation will approximate 400 feet. On the northern half of the mesa are located the group of claims operated by the Almar Mining Company, where early drilling, dating back to 1921, showed some good ore bodies. A map showing a plan of the Almar workings is attached. The mineralization of this area, as in most of the uranium producing areas of this region, is generally lying paralled to the bedding and consists primarily of carnotite and a gray micaceous vanadium mineral, which has not been definitely identified. Adjacent to Flat Top Mesa are some of the larger producing areas of the region. Tenderfoot Mesa to the north, Calamity and Outlaw Mesas to the east, are well known for the caliber of their mines. The bulk of the production from this general area to date has come from the upper part of the Salt Wash section, but more recently as deeper drilling progresses, ore is being found in the lower parts of the formation. For this reason, we have shown in our proposed plan a part of the holes dropping down to the top of the Entrada formation, which is next below the Salt Wash of the Morrison.

4 (d) Access roads to the property are now in use and are shown on the accompanying maps. On top of the mesa a network of trails has been cut, which will make the entire area easily available for drill rigs to move about. Two cabins are available on the property and may be used by the crews employed on this proposed project.

Flat Top Mesa is 66 miles by road from Grand Junction, Colorado, which would be the source of supply and the probable delivery point for ores produced at this property.

4 (e) For a mining operation at this location a camp should be constructed as living quarters for the crew as is customary in the area. Sufficient manpower, supplies and equipment would be readily available in the Grand Junction area.

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

5 (a) This proposed exploratiam project is a drilling program to develop the presence of uranium and vanadium ores.

5 (b) Attached to this report is a sketch map showing the location of 136 wagon drill holes 60 feet deep and 15 core drill holes 400 feet deep, placed on a 250-foot square grid to best cover the group of claims. Closer drilling might be desirable later in areas shown by this drilling to be mineralized, but we do not feel that this drilling could be properly planned at this time. The core drill holes are planned to reach the top of the Entrada formation and should be stopped when this occurs.

5 (c) The work will start within 30 days and be completed within six months from the date of an exploration contract.

5 (d) The drilling program will be carried out by one of the major drilling companies agreeable to both the Administrator and the Operator.

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

6 (a) Independent Contracts:

6,000 feet core drilling @ $3.00/ft.	$18,000.
8,160 feet wagon drilling @ $0.75/ft.	6,120.
Moving in charge	500.
Total estimated contracts	$24,620.

6 (b) Any supervision or consultation necessary will be furnished by Agnew, Smyth at their expense.

6 (c) Operating materials and supplies--none other than furnished under drilling contract.

6 (d) Operating equipment - None.

6 (e) Rehabilitation and repairs - None.

6 (f) New buildings, improvements, installations - None.

6 (g) Miscellaneous - None.

6 (h) Contingencies - None.

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

7 (a) Agnew, Smyth are prepared to furnish their share of the cost of the proposed project in accordance with the regulations on Government participation.

7 (b) The share of the cost will be furnished by Agnew, Smyth in money.

Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

TITLE OPINION

THIS IS TO CERTIFY that for the benefit of CHARLES D. AGNEW and THEODORE E. SMYTH, we have examined the status of the title to the following described unpatented lode mining claims in Mesa County Colorado, to wit:

NAME	ORIGINAL LOCATION BOOK	PAGE	DATE	AMENDED LOCATION BOOK	PAGE	DATE	SECOND AMENDED LOCATION BOOK	PAGE	DATE
Triangle	291	478	4/5/40	506	216	6/27/49	612	599	8/9/54
Trail	291	523	11/1/39	506	219	6/27/49	612	600	8/9/54
Agate	291	521	11/1/39	506	218	6/27/49	613	2	8/9/54
Arrow Head	291	522	11/1/39	506	217	6/27/49	613	4	8/9/54
Lookout	291	533	4/5/40	506	220	6/27/49	613	1	8/9/54
Big Ben	291	533	4/5/40	528	270	7/3/50	613	5	8/9/54
Big Indian	291	523	11/1/39	506	221	6/27/49	613	3	8/9/54
Big Maverick	370	53	1/23/39	528	269	7/3/50	612	595	8/9/54
Big Maverick No. 1	370	54	1/13/39	506	215	6/27/49	612	594	8/9/54
Big Maverick No. 2	528	265	7/3/50				612	595	8/9/54
Big Maverick No. 3	528	266	7/3/50				612	596	8/9/54
Big Maverick No. 4	528	267	7/3/50				612	597	8/9/54
Big Maverick No. 5	528	268	7/3/50				612	598	8/9/54

This opinion has been prepared from various sources of information plus personal examination of the records of the County Clerk and Recorder of Mesa County. Not available to us was an abstract of title prepared under an abstracter's bond, nor an engineer's or qualified geologist's report on the character of the ground. Available is a civil engineer's survey plat prepared by C. E. Lyman in May, 1950. Abstracts to mining claims in this county are extremely difficult to obtain and are seldom prepared, but the examiner has had unofficial access to the incomplete tract indexes of the Mesa County Abstract Company in preparing this opinion. The incompleteness of this index and the great prevalence of mining locations not tied to public land survey corners and which may possibly conflict make the determination of overlapping conflicts impossible from the record alone.

3 (a) Agnew, Smyth
c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

Several matters must be considered in determining the validity of the above described claims which will be discussed by sub-headings. Many of these matters rest solely on questions of fact and make it impossible for an attorney to determine the validity of a claim from an examination of the paper records alone.

LOCATION CERTIFICATES

We examined the records of each of the locations listed beside the claims under investigation. The 1935 Colorado Statutes Annotated, Chapter 110, Section 170, states that the discoverer of a lode within three months of discovery must record his claim location certificate showing name of lode, name of locator, date of location, number of feet claimed on each side of center of discovery shaft, and the general course of the lode.

We find that all the location certificates filed in 1939 and 1940 were substantially deficient in one respect or another. We examined particularly the Triangle and Trail certificates because of the conflicts with them as shown on John J. Allen's plat for Cal Uranium Company. The Triangle claim as originally located was, in fact, a triangle in shape and not at all as appears on the Nyman plat. The Trail claim staked out an improper number of feet north of the discovery and omitted one call in the description. None of the claims were tied to public land survey corners or even to any natural monument save reference to the east or west rims of Flat Top Mesa in Mesa County. In 1949 and 1950, when nine of the claims were revised by amended location certificates and four were located originally, very good descriptions of the claims were worked out and shown on the Nyman plat. These 1949 and 1950 locations and amendments as recorded, correspond precisely (with only few minor changes) to the Nyman plat. These certificates are excellently tied to each other, natural and permanent objects, and to the mineral

survey metal marker located on the Triangle claim. There is one lone but important defect and that was the locator's attempt to claim more than three hundred (300) feet on one or the other side of the discovery shafts on every one of the thirteen (13) claims. Colorado and Federal Statutes limit mining locations to three hundred feet (300') widths on each side of the discovery shaft. We note again in particular the Triangle and Trail claims where the Depression claims conflict. The discovery shaft and strike of the vein as shown on the plat and amended location certificate is less than 300 feet from the north side line of each of the Triangle and the Trail claims. Therefore, the Triangle and Trail conflicting land shown on the Allen plat, because of the Depression overlaps, would not be invalid for exceeding the 300 feet width above noted. The thirteen claims were all again amended in August, 1954 to correct these defects by revising the points of discovery to coincide with the center lines of each of the claims. Rights acquired by amendment will relate back to the date of original location, subject to valid intervening rights. This raises the question of the possibility that the Rim claims Nos. 1 through 5, as shown on the Allen plat, are valid intervening rights over the Triangle, Agate, Trail, Big Maverick No. 1, Arrow Head, Big Indian and Lookout claims, as to any portions of the latter claims which exceeded 300 feet in width at the time the Rim claims were located, and prior to the final amendment of the Thomas claims this month. This could only be decided on the basis of an engineer's or geologist's report. The case law (6 Colo. 393, 7 Colo.App. 308, 20 Colo.App. 474) is plain that the Rim claims could not be valid unless their discovery shafts wereloccated on either open ground or the excess ground claimed by Thomas. The Rim location certificates in Book 605, pages 43 to 47 inclusive, show that the discovery shafts are all located in the center of the NW end of each claim. Therefore, according to the Allen plat the Rim #1, #2 and #4 would be invalid locations if the Triangle and Trail and Depression #1 are valid location. These Rim claims must be valid locations in order to be valid intervening rights. According to Col Uranium Company's geologists Tolchman and McCallum in verbal conference on July 24, the Rim claims were specifically not located

3 (a) Agnew, Smyth, c/o Minerals Engineering Company
801 Fourth Avenue
Grand Junction, Colorado

to take precedence over any of the Thomas claims, but only to pick up the fractions of open ground lying between the Depressions and the Thomas claims. Such admissions might become quite material.

We find that the Agate, Arrow Head, Trail, Big Indian, Triangle, "Cook Feet", Big Ben, Big Maverick, and Big Maverick No. 1 were located by R. J. Harrison and F. J. Thomas. The amended locations of 1950 and 1949 were all made by Harvey Thomas. The original certificates for Big Maverick Nos. 2 through 5 filed at the same time were signed by Harvey Thomas for the benefit of himself 1/2 interest, Harold I. Harrison 1/4 interest, and Edward C. Harrison 1/4 interest. The "Cook Feet" was renamed Lookout when the amendments were filed.

DISCOVERY

The Colorado and United States mining laws are plain and unequivocal that no mining claim can be a valid location until there is a discovery of mineral. The Colorado statute which in substance includes the U. S. Code requirements, states: Chapter 110, Section 173: Before filing location certificates, the discoverer shall locate by:

First: Sinking a discovery shaft upon the lode to to a depth of at least 10 feet from the lowest part of the rim, or deeper, if necessary to show a well defined crevice.

Second: By Posting at point of discovery showing lode name, locator's name, and date of discovery.

Third: By marking the surface boundaries.

The discovery and discovery shaft are different, and discovery is not defined by statute. The courts say that to constitute discovery it is necessary that minerals be found under such circumstances and of such character that a reasonably prudent man, not necessarily a skilled miner, would be justified in expending time

and money developing the claims with the reasonable expectation of finding ore in paying quantities. Within sixty days of a discovery the discoverer must sink his discovery shaft as in the statute above set out. No Colorado decision has held that a drill hole is a discovery shaft, but drilling into ore may be a discovery. Based upon that discovery, it is our opinion that the discoverer may proceed with reasonable diligence to sink a shaft, and so long as he is so doing, he will be protected against trespassers.

In the situation commonly existing on the Colorado Plateau, it is important to know the status before a discovery is made. The Supreme Court in Colo -v- Ralph, 64 L.Ed. 567 says:

> "an explorer in actual occupation and diligently searching for mineral is treated as a licensee or tenant at will, and no right can be initiated or acquired through a forcible, fraudulent or clandestine intrusion upon his possession. If his occupancy be relaxed, or be merely incidental to something other than a diligent search for mineral and another enters peaceably and not fraudulently or clandestinely and makes a mineral discovery and location, the location so made is valid and must be respected accordingly."

Only an examination of the ground by a geologist can determine the extent of mineralization and the existence of a discovery.

We have substantiated evidence, verbal and written, that ore has been removed from or disclosed on the Big Maverick, Big Maverick No. 2, Trail and Big Maverick No. 1, constituting, of course, discoveries on these claims.

CONFLICTS

Because of the Allen plat indications we carefully examined the location certificates for the Depression Claims No.s. 1, 2 and 5 at Book 291, pages 463 and 465 filed 8/19/33. These certificates were drawn with some care as to the metes and bounds description of corners, but we note that none of them are tied in any way to any natural or permanent identifying monument, and further, carry no

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public land survey location. The only tie is a recital of location on the west rim of Flat Top Mesa facing Bull Canyon in Gateway Mining District. This, of itself, is quite vague and even the amended certificates filed 7/12/54 in Book 610, Page 266 are not a bit better. Furthermore, and quite important, is that the original certificates do not closely jibe with information shown on the Allen plat. The descriptions in the amended certificates of 1954 do coincide with the Allen plat, but there is no hint of any tie on certificates or plat as to how the starting points were located. It is our opinion that an amended location certificate cannot be used for the purpose of shifting the position of any of the corners on the ground, nor for the purpose of swinging a claim to take in ground subject to prior existing claims. Such shifting can be effective as a relocation as of the date of amendment, but can't be an amendment relating back to original location date. The direction of the center line of the Depression No. 1 on the plat and amended location certificate is shifted about 36° to the south and east from the original certificate. The Depression Nos. 2 and 5 are similarly shifted 60° in bearing. Again, only competent factual evidence can determine the boundaries of the Depression claims as originally located on the ground up to the dates of validity, if any, of the Triangle and Trail claims. The original ground locations, when traceable, always control over the location certificates. Again, it is important to say that none of the filings and stakings can have any real merit until a discovery is made on the ground.

ANNUAL LABOR

The records disclose the affidavits of labor or notices in lieu of annual labor were duly filed for every year except 1942 starting with 1939, and are set out as follows by date, book and page respectively: 1939 - 378 - 405, 1940 - 234 - 259, 1941 - 399 - 175, 1943 - 415 - 260, 1944 - 420 - 193, 1945 - 438 - 206, 1946 - 453 - 53, 1947 - 462 - 483, 1948 - 489 - 501, 1949 - 507 - 360, 1950 - 527 - 371, 1951 - 550 - 33, 1952 - 568 - 161 - 1953 - 585 - 468 and 480, 1954 - 608 - 575.

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The filing of an affidavit of labor creates prima facie evidence that the work was done and that status controls here. Where there is a late filing, as in 1945, or no filing at all, as in 1942, then it is still open to the owner to prove that the work was, in fact, done. Further, the filing of a timely and proper affidavit for the year following a lapse revives all former rights, unless some stranger during the lapse intervened with a valid location. The information we have shows no such intervention.

WITHDRAWALS

We have examined the records of A.E.C. withdrawals and find that the lands in question have never been withdrawn for uranium exploration. There are other types of government withdrawals, but a report from the Colorado Land and Survey Office of the Bureau of Land Management in Denver is necessary to determine that status. The area being the top of an arid mesa is not likely to be a federal power site, stock driveway, or national park, which are some of the usual other types of withdrawal. Likewise, a report from the same office should be obtained within 120 days of August 13, 1954 to determine the Mineral Leasing Act of 1920 status of the ground on the date of valid location. The new Public Law 585 might necessitate additional proceedings depending on this report.

LIENS

The judgment records of Mesa County show nothing against Harvey Thomas, Harold I. Harrison, Edward G. Harrison, F. J. Thomas or R. J. Harrison. The claims are all located on unpatented public domain. Further, we find no record of any liens for B.H.T.A. loans. The claims are not contained within any school sections.

CONCLUSION

Except as above noted, we find that the owners of the claims above described are Harvey Thomas 1/2, Harold I. Harrison 1/4 and

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Edward C. Harrison 1/4 as to Big Mavericks 2 through 5, and that Harvey Thomas is the sole owner as to the balance of the claims; and that such claims were located in accordance with the mining laws of the State of Colorado and the United States.

The possible conflict with the Depression claims numbered 1, 2 and 5 must be determined by locating on the ground the original corners of these claims and by learning the actual dates of discoveries made thereon. The Rim claim conflicts should present no issue because of the invalidity of same for having no discovery on open ground and the expressed intent of the locators that none of the Thomas ground was claimed.

This opinion is not to be used in any prospectus or other offering for sale of corporate stock by any corporations succeeding to the rights and interests of Harvey Thomas, Harold I. Harrison and Edward C. Harrison without previously obtaining the written consent of the undersigned.

Respectfully submitted,

ADAMS, BECKMAN & TRAYLOR
and WM. M. ELA

Wm. M. Ela

Wm. M. Ela

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A G R E E M E N T

THIS AGREEMENT, made and entered into this 22nd day of July, A.D. 1954, by and between HARVEY THOMAS of Price, Utah, party of the first part, and CHARLES D. AGNEW of Wilton, Connecticut, and THEODORE H. SMYTH of Santa Barbara, California, parties of the second part,

W I T N E S S E T H:

WHEREAS, the party of the first part and Harold I. Harrison and Edward C. Harrison, both of California, are the owners of certain unpatented mining claims in Township 50 North, Range 18 West, New Mexico Principal Meridian, in Mesa County, State of Colorado, and described as follows:

The Big Ben mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 528, page 270.

Also, the Big Indian mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 221.

Also, the Trail mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 219.

Also, the Agate mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 218.

Also, the Arrowhead mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 217.

Also, the Lookout mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 220.

Also, the Triangle mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 216.

Also, the Big Maverick mining claim as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 528, page 269.

Also, the Big Maverick mining claim No. 1 as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 506, page 215.

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Also, the Big Maverick mining claim No. 2 as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 528, page 265.

Also, the Big Maverick mining claim No. 3 as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 528, page 266.

Also, the Big Maverick mining claim No. 4 as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 528, page 267.

Also, the Big Maverick mining claim No. 5 as described and set forth in the records of the County Recorder of Mesa County, Colorado, in Book 528, page 268. and

WHEREAS, Harvey Thomas desires to grant the parties of the second part an option to purchase said mining claims and the parties of the second part desire to take an option to said mining claims, and

WHEREAS, Harvey Thomas has written to the State of California to Harold I. Harrison and Edward C. Harrison for their respective powers of attorney to enter into an agreement granting an option to the parties of the second part herein,

NOW, THEREFORE, for and in consideration of the mutual promises and agreements of the parties hereto, each to the others, it is hereby agreed as follows:

1. That if Harold I. Harrison and Edward C. Harrison refuse to give their consent to the provisions of this agreement, this agreement shall be void and of no further force and effect. In this connection it is understood and agreed that a power of attorney has been sent to each of said men with the request that they execute the same.

2. That the parties of the second part shall forthwith place the sum of Five Hundred Dollars ($500.00) in escrow in The First National Bank of Price, to be held there not longer than the 22nd day of August, A.D. 1954. That if Harvey Thomas is not successful within said period in getting the powers of attorney from the Harrisons, said money shall be returned to the parties of the second part. That it appears from the map of said mining claims that some of them are of a width greater than allowed by law. and in this transaction Harvey Thomas agrees to forthwith HJ

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re-survey and re-locate any excess ground within said 30-day period. That if it develops that anyone else has located said fractions, the parties of the second part shall have the option either to have said sum of $500.00 returned to them and have this agreement then terminated, or, at their option, be entitled to the remaining ground which can be held under the locations already made. In this connection, it is understood and agreed that in determining the purchase price for which these claims would be sold, the figure of $2,000.00 for each full claim was the figure agreed upon; that if only a fraction of a full claim can be held, that is, a claim 1500 feet by 600 feet, then the parties of the second part shall be required to pay only the fractional part of said sum of $2,000.00 for each claim as the amount of land which can be held under said location bears to the full size of the claim.

3. That if, on or before the 22nd day of August, 1954, Harvey Thomas has received the powers of attorney from the two Harrisons and has located such fractions as above set forth, Harvey Thomas agrees on behalf of himself and will agree on behalf of said Harrisons that the parties of the second part shall be granted, for the additional sum of Five Thousand Five Hundred Dollars ($5,500.00) an option to purchase said claims any time within six (6) months from the 22nd day of August, 1954, by paying an additional $20,000.00, payable to Harvey Thomas in Price, Utah, as follows: $10,000.00 upon exercising said option; an additional $5,000.00 within six months thereafter and an additional $5,000.00 within one year after said option is exercised.

4. That the parties of the second part shall immediately have the right upon Harvey Thomas receiving said powers of attorney, to drill said fractions, by which we mean ground within the survey of said claims but outside the limits of the legal size of the claims as set forth by law; however, it is understood by and between the parties hereto that if any fractions are located in the above described claims that require re-location or the filing of amended locations, that the same will be done by the party of the first part, and if

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same is not done by the party of the first part, the parties of the second part shall do so as agents for said party of the first part, but said party shall pay for the reasonable cost of the same. That upon paying the additional sum of $5,500.00 the parties of the second part shall be granted the exclusive possession of all of the above described mining claims with the right to drill the same and otherwise explore for ore, but without the right to mine or remove ore from said claims. That upon the parties of the second part exercising said option and paying the additional sum of $10,000.00, they shall then have the right to mine and remove ore from said property and dispose of the same as provided by law.

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5. That upon paying the full amount of the purchase price by the parties of the second part to the party of the first part as above set forth, the party of the first part and Harold I. Harrison and Edward C. Harrison shall convey said mining claims to the parties of the second part by a good and sufficient deed, free and clear of all encumbrances to the 22nd day of August, 1954, and thereafter due to any acts or neglect on the part of the sellers.

6. In the event of a failure to make any payments when the same shall become due by the parties of the second part, or within thirty (30) days thereafter, the party of the first part shall, at his option, be released from all obligations in law and equity to convey said property and all payments which have been made theretofore on this agreement by the parties of the second part shall be forfeited to the party of the first part as liquidated damages for the non-performance of this agreement.

7. The party of the first part and the parties of the second part each agree that should they default in any of the covenants and agreements contained herein, to pay all costs and expenses that may arise from enforcing this agreement or any rights growing herefrom, either by suit or otherwise, including a reasonable attorney's fee.

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8. It is understood that the provisions of this agreement are to apply to and bind the heirs, executors, administrators and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the said parties to this agreement have hereunto signed their names the day and year first above written.

Party of the First Part

Parties of the Second Part

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Grand Junction, Colorado

August 29, 1951

MI:MET

Mr. Dan S. Kelly
Route #4
Grand Junction, Colorado

Re: Certification of the Big Maverick Group

Dear Mr. Kelly:

Your application for certification of the above mining property has been examined by our engineers. In our opinion the mining property consists of the following list of claims as submitted in your application and our engineer's report, namely:

Big Maverick	Book 506, Page 215-221
Big Maverick 1-5	Book 528, Page 265-270
Trail	" " " "
Big Indian	" " " "
Lookout	" " " "
Big Ben	" " " "
Triangle	" " " "
Agate	" " " "
Arrow Head	" " " "

The above claims are located in the Flat Top Mesa, Calamity District, Mesa County, Colorado.

The certification number which you will use in making application for the bonus on the mining property covering the above claims is D.U.P.C6-C-5. A copy of an Application for Bonus Payment is enclosed.

The production from this group of claims previous to March 1, 1951, is recorded as 414.21 pounds of U_3O_8 CA accordingly, 9,585.79 pounds of U_3O_8 is eligible for the bonus from ores produced from this property on and after March 1, 1951, and delivered and paid for by either a station or mill.

Very truly yours,

Frank H. MacPherson,
Manager

Enclosure:
1. Application for Bonus Payment

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UNITED STATES VANADIUM CORPORATION

ORE SETTLEMENT

Receiving Station Rifle, Colorado — Grand Junction, Colorado, April 14, 1950
Liquidation No. 1007 — Lot No. See detail sheet — Shipper's Lot No. 25 & 26
Bought of Dan E. Kelly — A.E.C. License No. P-393
Address Grand Junction, Colorado
Type of Ore Carnotite — Date Received 4-1-50 Thru 4-15-50
Mining Claim Big Measure — Mining District Gateway — Pile No. 13 N

Lot No.	Wet Weight Pounds	% H_2O	Dry Weight Pounds	SETTLEMENT ASSAYS U_3O_8	SETTLEMENT ASSAYS V_2O_5	SETTLEMENT ASSAYS $CaCO_3$	CONTENTS POUNDS U_3O_8	CONTENTS POUNDS V_2O_5	CONTENTS POUNDS $CaCO_3$
[illegible]	[illegible]	[illegible]	[illegible]	1.79	9.05		332.97	1133.21	

Payment for Carnotite Ore

	POUNDS	PER LB	DRY SHORT TONS	PER TON	VALUE	TOTAL VALUE
U_3O_8 Payment	332.97	2.00	13.49	47.20	665.94	
Development Allowance	332.97	.50	13.49	11.80	166.49	
Crop [illegible] Policy 1950 (Pounds)	27200	.25	13.49	9.25	124.85	
Crop 100% [illegible] 1950 (Pounds)	19306	[illegible]	13.49	3.45	77.27	
Total U_3O_8 Payment						944.95
V_2O_5 Payment	1133.21	.30	13.49	25.10	351.50	
Total V_2O_5 Payment						351.50
Haulage Allowance 136 Miles @ .06 per wet ton mile 14.92 dry tons						121.15
Total U308, V205 and Haulage Payment						1423.00

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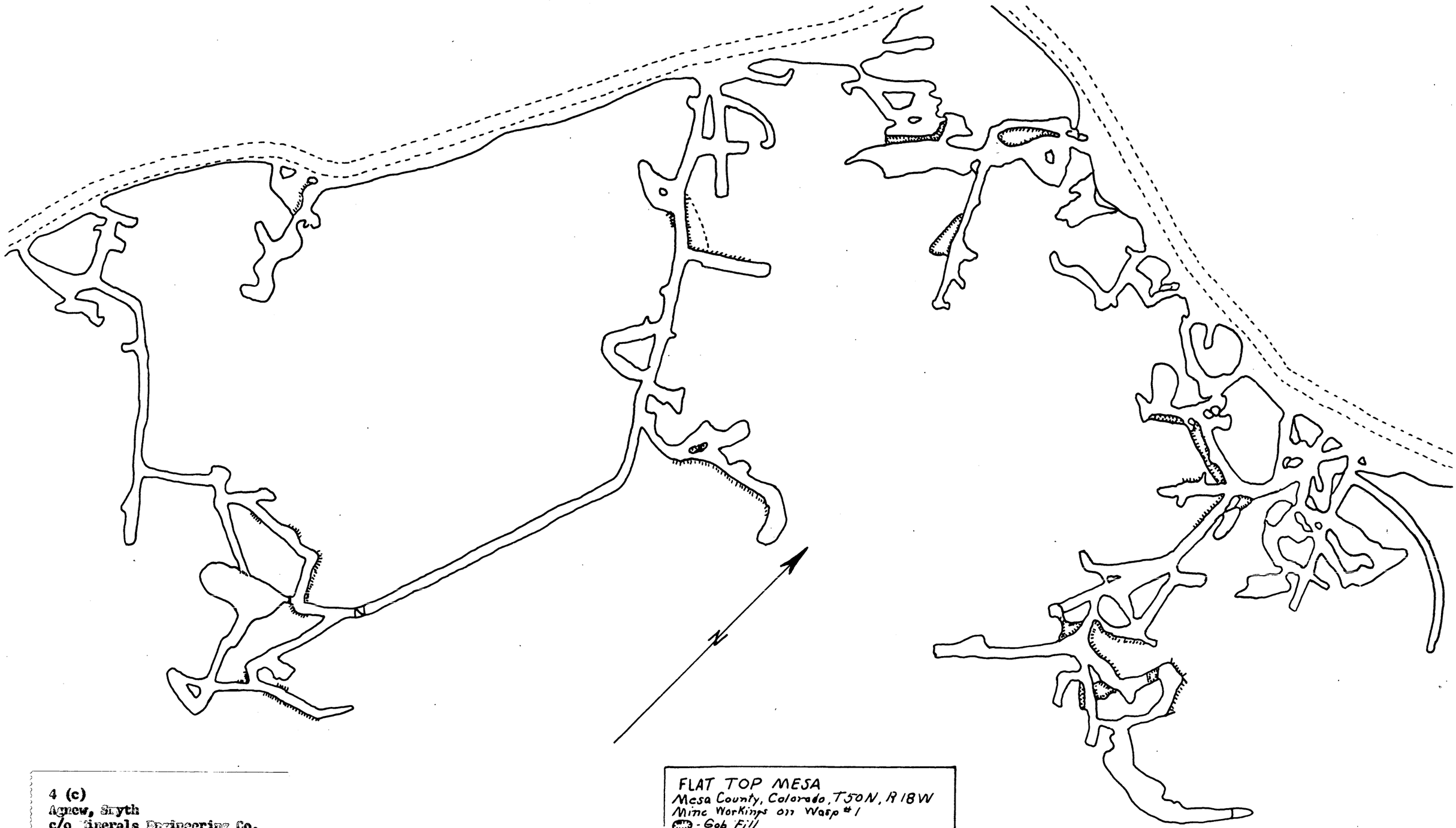

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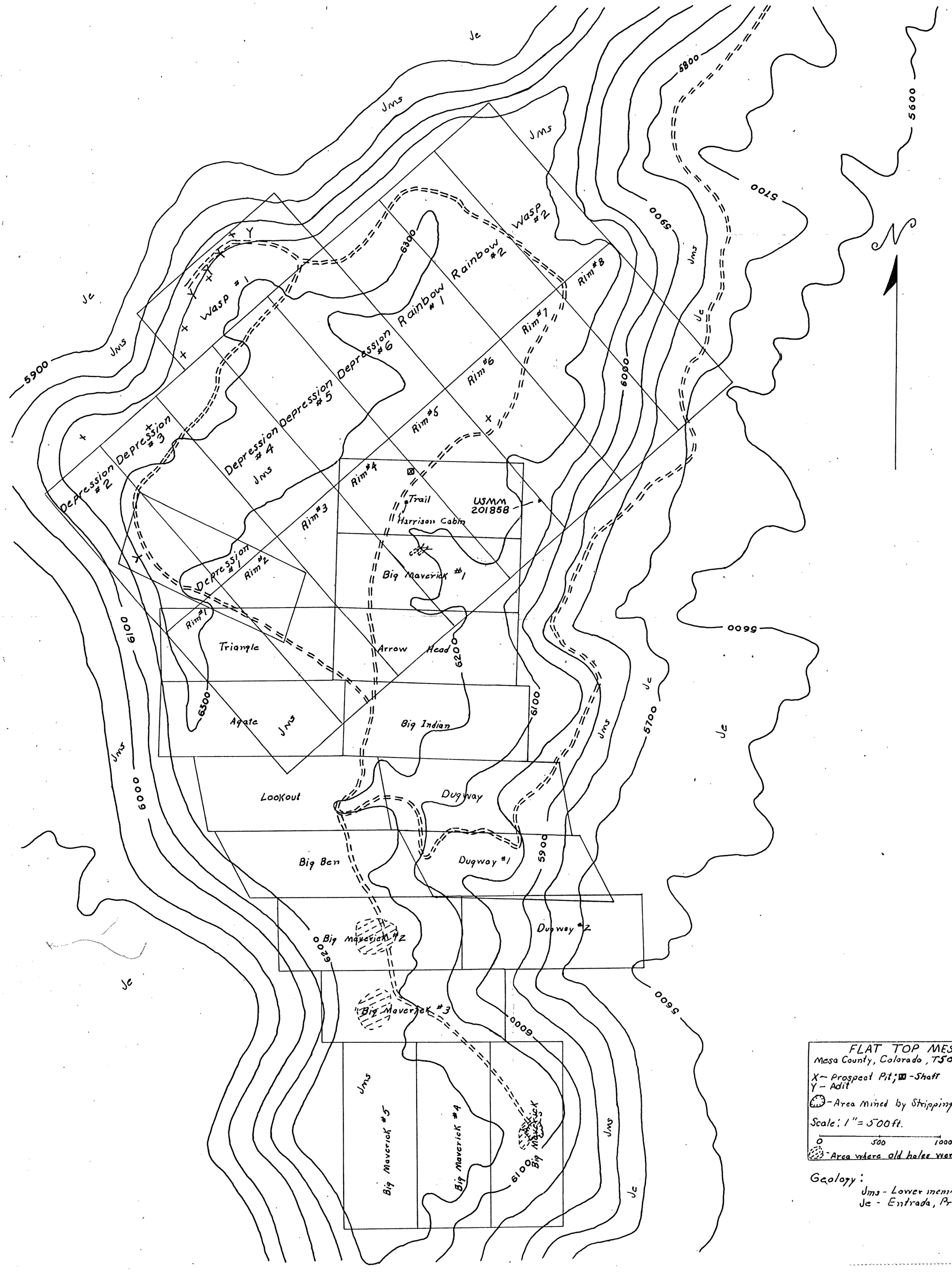
FLAT TOP MESA
Mesa County, Colorado, T50N, R18W
Mine Workings on Wasp #1
- Gob Fill
Scale: 1" = 50'
0 25 50 100
Almar Mining Co.

DEFENSE MINERALS
EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~

OFFICIAL BUSINESS

Mr. George C. Selfridge, Chairman
Operating Committee, D M E A
Dept. of the Interior
Washington 25, D. C.



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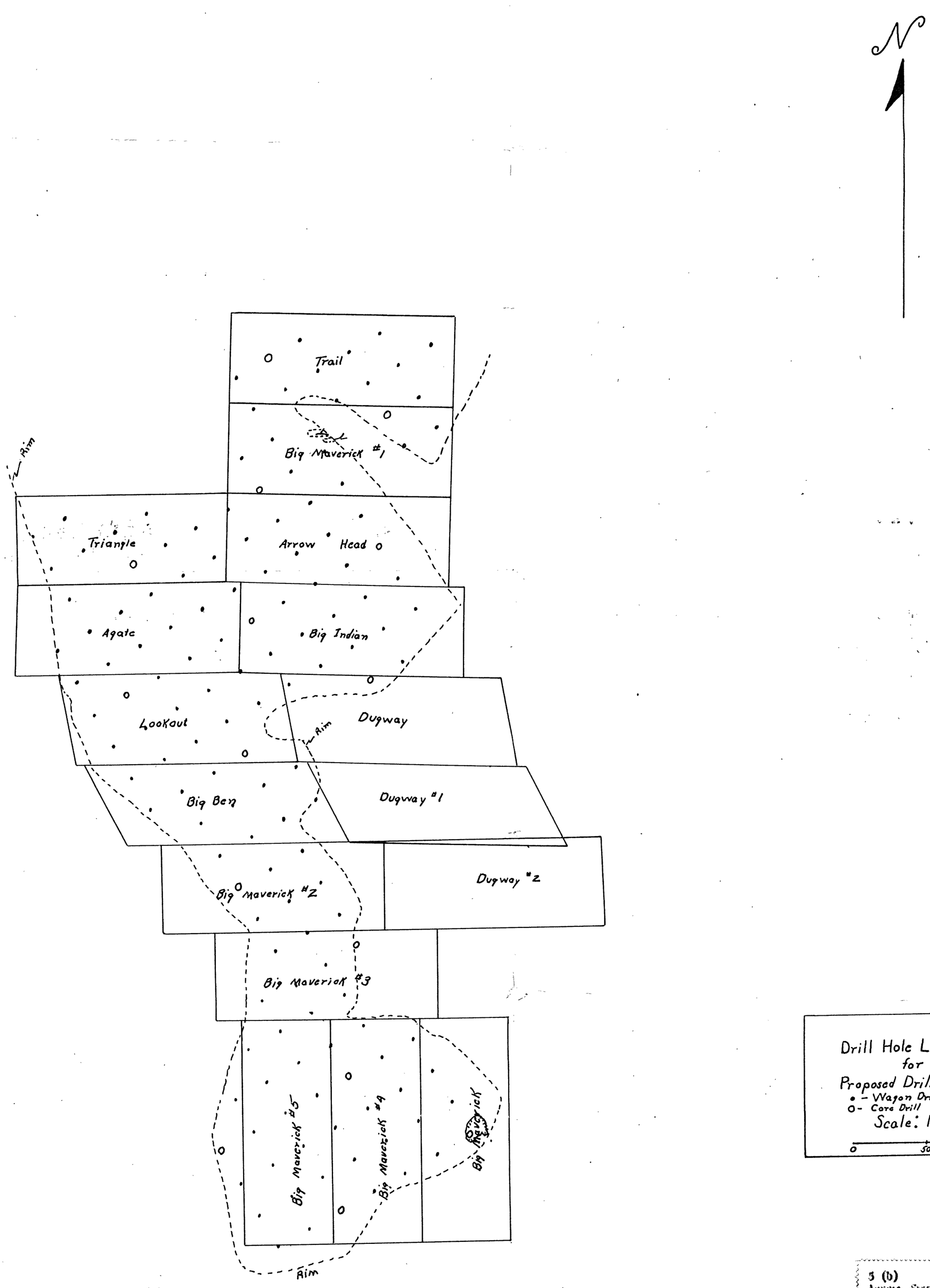

Drill Hole Location Map
for
Proposed Drilling Program
• - Wagon Drill Hole; Y - Adit
O - Core Drill Hole; [illegible] - Stripping Area
Scale: 1" = 500'
0 500 1000

5 (b)
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