Surname 700

Ching
Ellis
Nelson
Yoss
Selfridge

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

SEP - 7 1955

Mr. Kenneth O. Weaver
Uncompahgre Uranium, Inc.
P. O. Box 114
Grand Junction, Colorado

Re: Docket No. DMEA-3672 (Uranium)
Guy Stanley Claims
Rio Blanco County, Colorado

Dear Mr. Weaver:

Your application for aid in an exploration project and other information available to us in Washington concerning your above-named 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, although noting a small amount of uranium mineralization on your property, indicates to us that the probability of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied. Such denial, however, is made without prejudice. In the event further work on your part discloses new and more favorable evidence of ore deposition on the property, we shall be pleased to consider a new application.

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

Sincerely yours,

E. O. Mittendorf

Administrator

MChing:am
9-2-55
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5222
J. O. Hosted, Rm. 3210, GSA
Code 700 - Mr. Ching
DMEA Field Team, Region III(2)

(Docket Copy) 700

Chyng Ellis

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

September 2, 1955

Summary of Proposed Project

Object: Denial of application for an exploration project.

Docket No.: DMEA-3672

Commodity: Uranium

Applicant: Uncompahgre Uranium, Inc.
P. O. Box 114
Grand Junction, Colorado

Property: Guy Stealey Claims, consisting of 23 lode mining claims situated in Sec. 7, T. 1N., R. 90W. and Secs. 12 and 13, T. 1N., R. 91W., 6th P.M., Rio Blanco County, Colorado. Applicant is the Lessee.

Date of Application: Undated - Received in Washington February 7, 1955.

Amount of Application: $45,290.00

Work Proposed: Test the Triassic Chinle formation by core drilling.

Independent Contracts

170 hrs. bulldozing access roads	$3,060.00
Phase 1 core drilling	
8,600 ft. (86 holes) @ $2.25/ft.	19,350.00
Phase 2 core drilling	
6,400 ft. (64 holes) @ $2.25/ft.	14,400.00
All other costs	8,480.00
Total cost	$45,290.00
Government participation @ 75%	$33,967.50

Field Team Report: August 5, 1955 - C. M. Harrer, U.S.B.M.
R. T. Chew, III, U.S.G.S.

Exploration by the Applicant has been limited to rim stripping on the Crystal Spring claim. This stripping indicates the possibility of a Shinarump-like channel, about 400 feet wide and 30 feet thick, near the base of the Chinle formation, and trending in a northwesterly direction across part of the Crystal Spring, Joker and Good Deed claims. Second-

ary uranium-vanadium minerals are exposed in four lenses 3 to 10 feet long and 0.5 to 1.0 foot thick in the channel. These lenses showed insufficient radioactivity to be considered of ore grade, but selected samples of high-grade material were found in them.

There has been no production of uranium from Triassic formation in this area to date other than 6 tons reportedly shipped to France in 1906. The nearest production is 5 miles distant at Uranium Peak and is from the upper Jurassic Morrison formation.

While the subject property has some limited possibilities some additional preliminary work to define the trend and limits of the channel would be desirable.

On April 19, 1955, the Applicant granted a sublease to Lloyd Watts, et al., on the eight most favorable claims, effective until September 4, 1957, or as long thereafter as active mining is carried on. Under its terms the sublessee is to explore and mine on the 8 claims and drill 18 core drill holes at designated points on the remaining 15 claims.

In view of the foregoing arrangement it is recommended that the subject application be denied without prejudice.

Commodity Committee Members' Comments:

Bureau of Mines - John E. Crawford - August 23, 1955

Discussed project with representative of the AEC. Agrees with Field Team recommendation of denial without prejudice.

Geological Survey - W. P. Williams - August 30, 1955

This is the first application from this area which promises to become a new uranium-producing district. The examining team noted the presence of uranium mineralization on the property but reserved judgment of the ore-producing potentialities of the property until preliminary drilling by the sublesse has been completed. The Applicant is aggressively commencing exploration on his own account. Concurs with the Field Team recommendation that final action by DMEA be deferred until the results of the preliminary drilling are known.

Rare and Miscellaneous Metals Division -
Michael Ching September 2, 1955

The subject property appears to have some favorable possibilities. Whether or not the field examiners would have recommended an exploration project on the basis of the information now available is not clear. In any event, the action of the Applicant in subleasing 8 of the most favorable claims and making independent arrangements to drill on the remaining 15 claims suggests that the most logical move on our part is to deny the application without prejudice, and await further developments.

Conclusions and Recommendations:

The property may warrant an exploration project, but, since the most favorable claims are no longer controlled by the Applicant and preliminary drilling is scheduled on the remaining claims, it is recommended that the application be denied without prejudice.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

8/31/55 gla

IN REPLY REFER TO:

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

RECEIVED
AUG 30 1955

August 30, 1955

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, DMEA Docket No. 3672, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado.

This is the first application that has been processed from an area which promises to become a new uranium-producing district.

The examining team has noted the presence of uranium mineralization on the property but is reserving judgment of the ore-producing potentialities of the property until preliminary drilling, by sublessee, has been completed by the applicant. The examining team, accordingly, recommends denial of the application without prejudice.

This applicant is aggressively commencing exploration on his own account. I concur with the recommendation that final action by DMEA be deferred until the results of the preliminary drilling are known. In this instance, and probably many others, the applicant should be informed in as discreet a manner as possible that although DMEA assistance is not forthcoming at this time the subject property is by no means being removed from DMEA consideration. (It is unfortunate that the word "denial" or any of its connotations appears in the communication to the applicant in a situation of this type.)

WPWilliams

W. P. Williams

IN REPLY REFER TO:

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

RECEIVED
AUG 30 1955

August 30, 1955

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, DMEA Docket No. 3672, Encompahgre Uranium, Inc., Rio Blanco County, Colorado.

This is the first application that has been processed from an area which promises to become a new uranium-producing district.

The examining team has noted the presence of uranium mineralization on the property but is reserving judgment of the ore-producing potentialities of the property until preliminary drilling, by sublessee, has been completed by the applicant. The examining team, accordingly, recommends denial of the application without prejudice.

This applicant is aggressively commencing exploration on his own account. I concur with the recommendation that final action by DMEA be deferred until the results of the preliminary drilling are known. In this instance, and probably many others, the applicant should be informed in as discreet a manner as possible that although DMEA assistance is not forthcoming at this time the subject property is by no means being removed from DMEA consideration. (It is unfortunate that the word "denial" or any of its connotations appears in the communication to the applicant in a situation of this type.)

WPW

W. P. Williams

WPWilliams:iml
G-8/30/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

IN REPLY REFER TO:

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

RECEIVED
AUG 30 1955

August 30, 1955

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, DMEA Docket No. 3672, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado.

This is the first application that has been processed from an area which promises to become a new uranium-producing district.

The examining team has noted the presence of uranium mineralization on the property but is reserving judgment of the ore-producing potentialities of the property until preliminary drilling, by subleases, has been completed by the applicant. The examining team, accordingly, recommends denial of the application without prejudice.

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cc: Director's reading, 4212
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DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

IN REPLY REFER TO:

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

RECEIVED
AUG 30 1955

August 30, 1955

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, DMEA Docket No. 3672, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado.

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WPWilliams:iml
G-8/30/55

W. P. Williams

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)✓
Docket file
J. E. Crawford, 3641
J. O. Kosted, 3210

8/24/55-gla

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

August 23, 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 3672, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado

I have reviewed the Field Team report of examination, Uncompahgre Uranium, Inc., DMEA Docket 3672; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We agree with the Field Team's recommendation of denial of the application without prejudice. Should the drilling of the sublessee prove encouraging, the Uncompahgre Uranium, Inc., may wish to submit a new DMEA application.

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

John E. Crawford
John E. Crawford

RECEIVED
AUG 2 3 1955

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

August 23, 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 3672, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado

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We agree with the Field Team's recommendation of denial of the application without prejudice. Should the drilling of the sublessee prove encouraging, the Uncompahgre Uranium, Inc., may wish to submit a new DMEA application.

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

John E. Crawford

RECEIVED
AUG 23 1955

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

August 23, 1955

Memorandum

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

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

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We agree with the Field Team's recommendation of denial of the application without prejudice. Should the drilling of the sublessee prove encouraging, the Uncompahgre Uranium, Inc., may wish to submit a new DMEA application.

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

John E. Crawford

RECEIVED
AUG 2 2 1955

8/22/55 gla

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

224 New Customhouse
Denver 2, Colorado

August 10, 1955

Memorandum

RECEIVED
AUG 15 1955
DMEA

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Report of Examination, DMEA Docket 3672 (Uranium), Uncompahgre Uranium, Inc., Rio Blanco County, Colorado

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

The applicant has sub-leased the most favorable part of this group of claims. The sub-lease specifies core drilling 18 holes within a six-month period.

We recommend denial of the application without prejudice. Upon completion of the drilling by the sub-lessee, a new DMEA application would receive proper consideration.

DMEA Field Team, Region III

W. M. Traver

E. N. Harshman

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

DMEA
Date Rec'd.

AUG 8 1955

BUREAU OF MINES
Denver, Colorado

TRANSMITTED

AUG 10 1955

Building 20
Denver Federal Center
Denver 2, Colorado
August 8, 1955

Region III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw

Subject: Examination report, Docket No. DMEA 3672, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado

Enclosed are the original and ten copies of a Joint Summary, Conclusions and Recommendations by C. M. Harrer, Mining Engineer and R. T. Chew, III, Geologist and the original and ten copies of an Engineering Report by C. M. Harrer covering Docket No. DMEA 3672.

Uncompahgre Uranium, Inc. applied for exploration assistance on the Guy Stealey Group of 14 lode claims by 15,000 feet of diamond drill holes at an estimated cost of $45,290.00.

A field examination was made on June 8, 1955. The applicant has sub-leased the most favorable part of his group of claims to a lessee who will begin exploration and mining. The sub-lease specifies core drilling 18 holes on the applicant's remaining claims within a six months period.

It is recommended that the application for exploration assistance be denied because the applicant has sub-leased the most favorable area and the terms of the sub-lease require core drilling on the claims involved in the application.

John F. Shaw
John F. Shaw
Supervising Mining Engineer

JFS:jw

cc: 10/w orig. ✓
EWHarshman
DMEA 3672
Chrom.

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 3672

Uncompahgre Uranium, Inc.

Guy Stealey Claims

Rio Blanco County, Colorado

Uranium

Joint Engineering and Geologic Report

by

C. M. Harrer, Mining Engineer
Bureau of Mines

R. T. Chew, III, Geologist
Geological Survey

August 5, 1955

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

DMEA 3672

UNCOMPAHGRE URANIUM, INC.
GUY STEALEY CLAIMS
RIO BLANCO COUNTY, COLORADO

Joint Summary, Conclusions, and Recommendations

By

C. M. Harrer
Mining Engineer
Bureau of Mines

R. T. Chew, III
Geologist
Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

TRANSMITTED
AUG 10 1955

DMEA 3672

UNCOMPAHGRE URANIUM, INC.
GUY STEALEY CLAIMS
RIO BLANCO COUNTY, COLORADO

JOINT SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

By C. M. Harrer and R. T. Chew III

Uncompahgre Uranium, Inc., of Grand Junction, Colorado, has applied for Defense Minerals Exploration Administration assistance to explore 14 lode claims, known as the Guy Stealey group, for uranium. They propose a two stage drilling program at an overall cost of $45,290.00.

A field examination of the property was made by a joint Bureau of Mines and Geological Survey team for the Defense Minerals Exploration Administration on June 8, 1955.

Exploration by the applicant has been limited to work on the Crystal Spring claim and consists essentially of rim stripping.

Secondary uranium-vanadium minerals are discontinuously exposed in 4 lenses 3 to 10 feet long and 0.5-to 1-foot thick in a Triassic, Shinarump-like channel about 400 feet wide and 30 feet thick, near the base of the Chinle formation.

There has been no production of uranium from Triassic formations in this area to date other than 6 tons reported shipped to France in 1906. The nearest production is 5 miles distant and is from the upper Jurassic Morrison formation.

Outcrops in the area are poorly exposed although rim stripping on the Crystal Spring claim indicates the possibility of a Shinarump-like channel, about 400 feet wide, trending across part of the Crystal Spring, Joker and Good Deed claims.

The applicant has subleased the most favorable part of his group of claims to a lessee who will begin active exploration and mining thereon. These claims are the site of all past exploration and production. The sub-lease specifies core drilling 18 holes on the applicant's remaining claims within 6 months, and at sites designated by him.

Uncompahgre Uranium, Incorporated's application for exploration assistance is denied without prejudice because:

(a) The most favorable area included in the Guy Stealey group of claims has been sub-leased and the sublessees will begin active exploration and mining thereon in the immediate future.

(b) A term of the sublease specifies the drilling of 18core drill holes through the ore bearing horizon on property retained by Uncompahgre Uranium, Inc., and at sites designated by him, within 6 months.

(c) The only exposures and projections of favorable channel structure, outcrops of uranium-vanadium minerals, and the sites of rim stripping exploration and all past production are on the Crystal Spring, Joker and Good Deed claims which are held by the sub-lessee.

If the results of the sublessees work and the above mentioned core drilling prove encouraging, it is further recommended that the applicant re-submit his application for exploration assistance. He should be so notified.

DMEA 3672

UNCOMPAHGRE URANIUM, INC.
GUY STEALEY CLAIMS
RIO BLANCO COUNTY, COLORADO

Engineering Report

By C. M. Harrer
Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

DMEA 3672

UNCOMPAHGRE URANIUM, INC.
GUY STEALEY CLAIMS
RIO BLANCO COUNTY, COLORADO

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Project proposals and costs	8
Proposed financing	10
Conclusions	10
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ILLUSTRATIONS

Figure	Follows Page
1. Location map, Guy Stealey claims, Uncompahgre Uranium, Inc. Rio Blanco County, Colorado	1
2. Map showing property and exploration, Guy Stealey claims, Uncompahgre Uranium, Inc., Rio Blanco County, Colorado	1

DMEA 3672

UNCOMPAHGRE URANIUM, INC.
GUY STEALEY CLAIMS
RIO BLANCO COUNTY, COLORADO

ENGINEERING REPORT

By C. M. Harrer

INTRODUCTION

Uncompahgre Uranium, Inc., P. O. Box 114, Grand Junction, Colorado, has applied to the Defense Minerals Exploration Administration for assistance to explore their group of unpatented lode locations, known as the Guy Stealey claims, for uranium. They propose a two stage exploration program consisting of 15,000 feet of core drilling at an overall cost of $45,290.00.

A field examination of the property was made by a joint Geological Survey and Bureau of Mines team for the Defense Minerals Exploration Administration on June 8, 1955.

ACKNOWLEDGEMENTS

Mr. Kenneth O. Weaver, vice president of Uncompahgre Uranium, Inc., represented the company and accompanied the examining team over the property. Messrs. F. J. Kleinhampl and D. D. Schultz of the Geological Survey also accompanied the examining team.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Uncompahgre Uranium, Inc., property (figs. 1 and 2) is in the

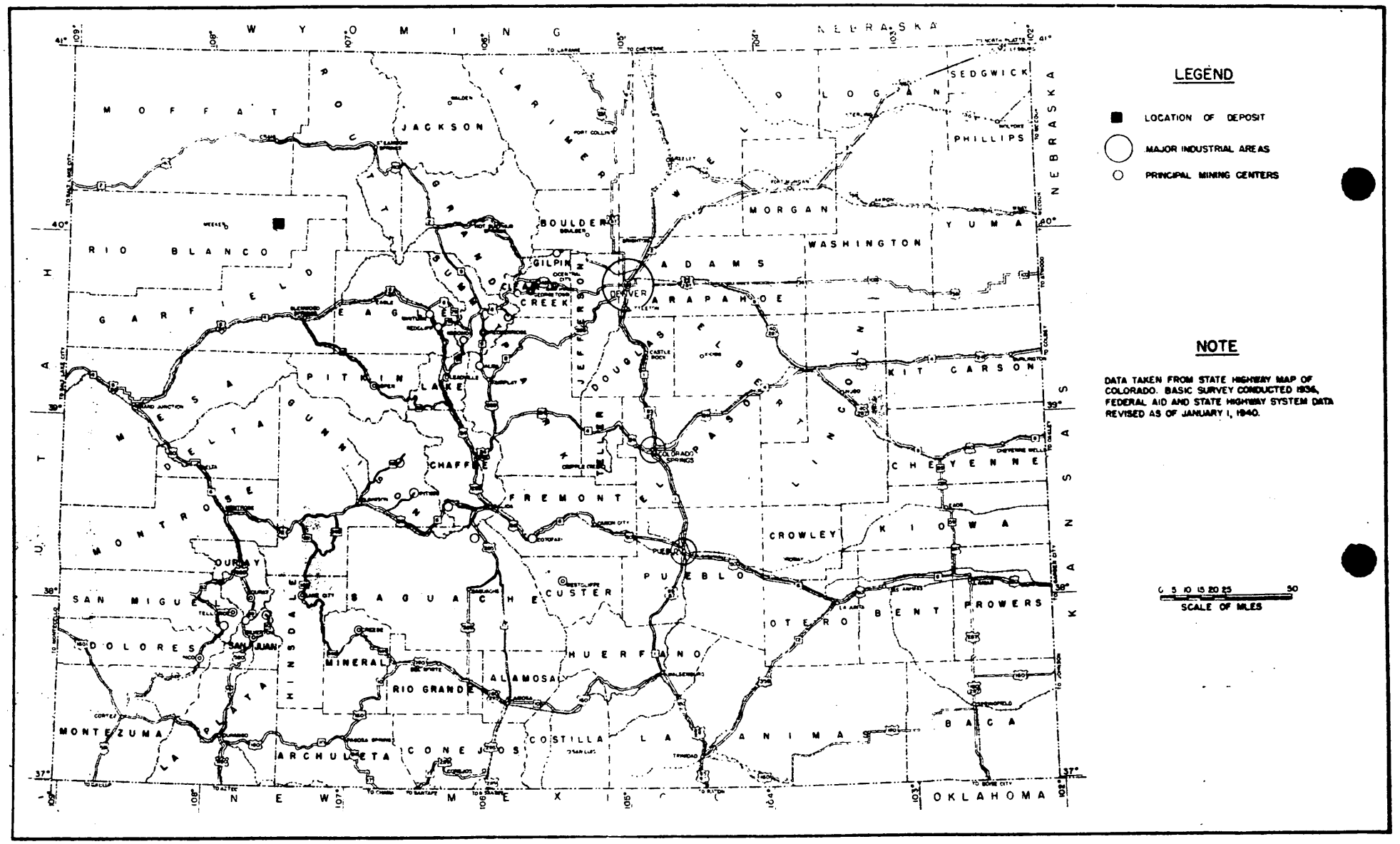

FIGURE 1 - LOCATION MAP, GUY STEALEY CLAIMS, UNCOMPAHGRE URANIUM, INC., RIO BLANCO COUNTY, COLO. DMEA 3672

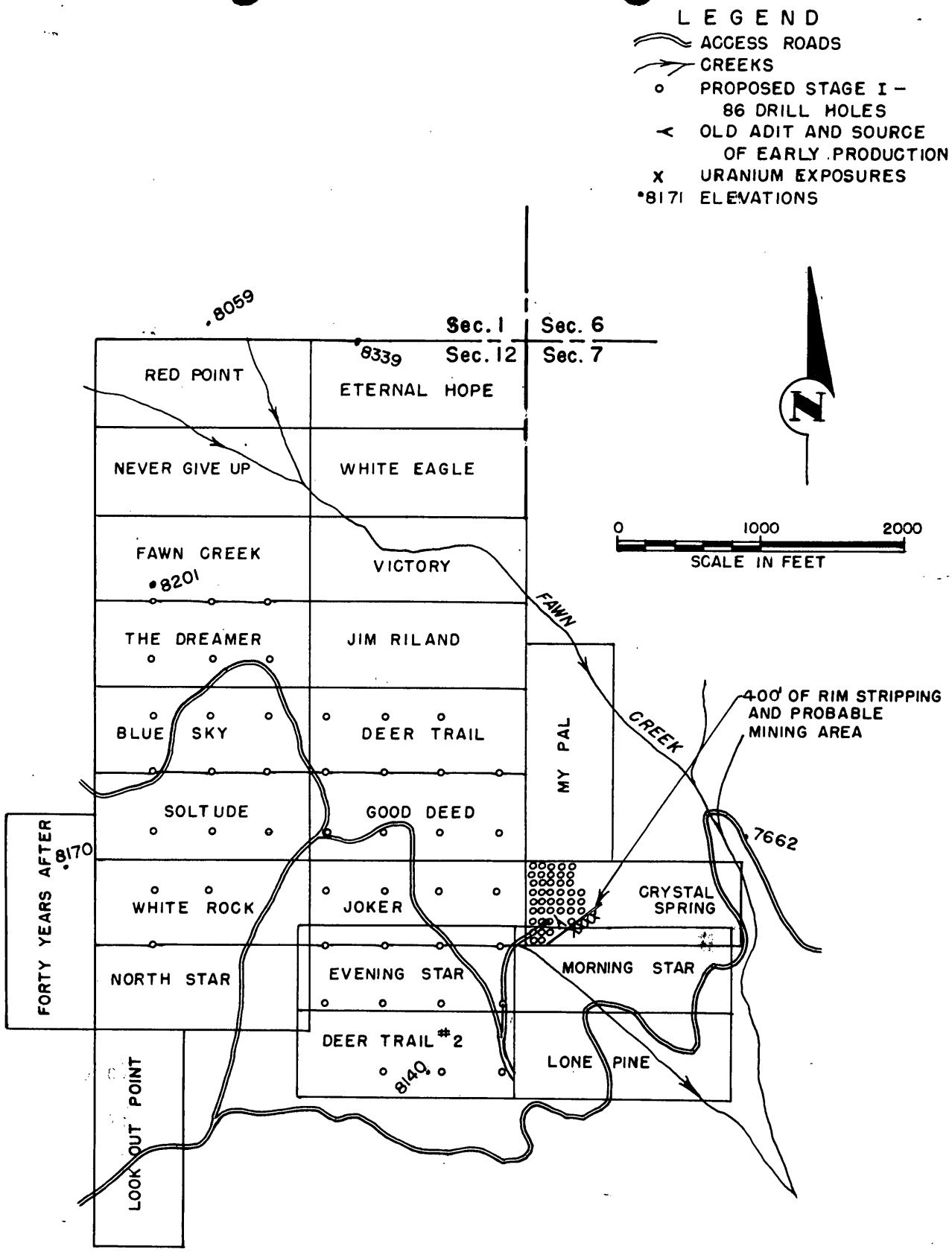

FIGURE 2 - PROPERTY AND EXPLORATION MAP, GUY STEALEY, CLAIMS, UNCOMPAHGRE URANIUM, INC., RIO BLANCO COUNTY, COLO. DMEA 3672

Fawn Creek area of the White River uplift in sec. 7, T. 1 N., R. 90 W., and secs. 12 and 13 in T. 1 N., R. 91 W., Sixth Principal Meridian, in Rio Blanco County, Colorado. The property is reached by driving 29.5 miles easterly from Meeker, over Colorado state highway 132 to the access road leading to the property; thence 7.5 miles northerly over a very steep and rough access road to the property. Altitudes on the claims range between 8,000 and 8,400 feet above sea-level. The nearest ore purchasing depot of the Atomic Energy Commission is at Rifle, Colorado, about 81 miles distant. Water for drilling and mining purposes can be hauled from Fawn Creek which crosses the property. The nearest source of electric energy is about 4 miles distant. Labor and materials can be obtained from Meeker, the nearest town. Ore would be trucked from the property to the nearest purchasing depot at which it would be acceptable.

HISTORY AND PRODUCTION

Uranium was known in the area in the early 1900's and 6 tons were reported shipped to France from the Crystal Spring claim during 1906. This shipment was from a shallow adit still in existence. Small bodies of yellow and green uranium minerals and orange colored vanadium minerals were noted in recent rim stripping adjacent to this adit. The Uranium Peak area, 5 miles northwest, has produced over 10,000 tons of uranium ore from the upper Jurassic (Salt Wash), however, there is no production from Triassic formations to date.

OWNERSHIP AND EXTENT

The property of Uncompahgre Uranium, Inc., consists of 23 unpat-

ented lode location (fig. 2) acquired by lease on September 20, 1954. The lease was granted by the seven owners as partners and residents of Rio Blanco County. Their names and interest are as follows:

Partners	Interest in claims
Guy M. Stealey	1/6
Wm. M. Gentry	1/6
Milton Murray	1/6
C. D. Smith	1/6
Frank Delaney	1/6
Marcelle Smith	1/12
Pierre E. Parker	1/12

The group of claims held under lease are listed below, together with their history as determined from a search of the Rio Blanco county courthouse records at Meeker, Colorado.

Name of Claim	Locator	Type of Instrument	Date of Instrument	Date Recorded	Book	Page
Morning Star	G. M.Stealey	Lode location	1-13-49	1-18-49	124	291
	G.M. Stealey	Amended lode location	5-15-51	6-15-51	137	433
Evening Star	G.M. Stealey	Lode location	1-18-49	1-18-49	124	289
	G.M. Stealey	Amended lode location	5-15-51	6-15-51	137	435
Deer Trail #1	G.M. Stealey	Lode location	4-27-49	4-27-49	125	478
	G.M. Stealey	Amended lode location	5-15-51	6-15-51	137	431
Lone Pine		Lode location	4-27-51	4-29-49	125	488
		Amended lode location	5-26-51	6-27-51	137	489
Good Deed	C.D. Smith G.M. Stealey W.M. Gentry M. Smith P.E. Parker	Lode location	10-30-53	1-20-54	147	155
		Amended lode location	1-25-54	1-25-54	152	220
Deer Trail #2	G.M. Stealy M. Murray D. Smith	Lode location	6-22-53	6-22-53	148	209
	"	Amended lode location	1-20-54	1-25-54	152	238
Jim Riland	"	Lode location	6-22-53	6-22-53	148	210
		Amended lode location	1-20-54	1-25-54	152	237

Name of Claim	Locator	Type of Instrument	Date of Instrument	Date Recorded	Book	Page
Victory	G.M. Stealey M. Murray D. Smith	Lode location	6-22-53	6-22-53	148	211
		Amended lode location	1-20-54	1-25-54	152	236
White Eagle	"	Lode location	6-22-54	6-22-54	148	212
		Amended lode location	1-20-54	1-25-54	152	235
Eternal Hope	"	Lode location	6-22-54	6-22-54	148	214
		Amended lode location	1-20-54	1-25-54	152	234
Red Point	"	Lode location	6-22-53	6-22-53	148	213
		Amended lode location	1-20-54	1-25-54	152	233
Never Give Up	M. Murray) G.M. Stealey) D. Smith)	Lode location	6-22-53	6-22-53	148	215
	D. Smith) G.M. Stealey) M. Murray) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	232
Fawn Creek	M. Murray) G. M. Stealey) D. Smith)	Lode location	6-22-53	6-22-53	148	200
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	226
The Dreamer	M. Murray) G.M. Stealey) D. Smith)	Lode location	6-22-53	6-22-53	148	201
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	231
Blue Sky	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	202
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	230

Name of Claim	Locator	Type of Instrument	Date of Instrument	Date Recorded	Book	Page
Solitude	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	203
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	229
White Rock	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	204
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	228
North Star	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	205
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	227
Forty Years After	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	206
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker)	Amended lode location	1-20-54	1-25-54	152	228
My Pal	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	207
	G.M. Stealey) M. Murray) D. Smith) P.E. Parker))	Amended lode location	1-20-54	1-20-54	152	221
Lookout Point	G.M. Stealey) M. Murray) D. Smith)	Lode location	6-22-53	6-22-53	148	208

Name of Claim	Locator	Type of Instrument	Date of Instrument	Date Recorded	Book	Page
Lookout Point	G.M. Stealey M. Murray D. Smith P.E. Parker	Amended lode location	1-20-54	1-20-54	152	224
Joker	G.M. Stealey W.M. Gentry M. Murray C.D. Smith M. Smith P.E. Parker	Lode location	10-30-53	1-25-54	152	222
Crystal Springs	G.M. Stealey W. M. Gentry M. Murray C.D. Smith M. Smith P.E. Parker	Lode location	10-30-53	1-25-54	152	223

The applicant's lease is dated September 20, 1954 and runs for 3 years and as long thereafter as mining operations are active.

On April 19, 1955, Uncompahgre Uranium, Inc., granted a sub-lease to Messrs. Lloyd Watts, Howard Skillings and Clarence Mastin on the My Pal, Crystal Spring, Morning Star, Lone Pine, Deer Trail No. 2, Evening Star, Joker and Good Deed claims. The sub-lease is in affect until September 4, 1957 or as long thereafter as active mining is carried on.

Besides certain royalties, the sub-leasees agree to drill 18 holes with their core drilling equipment upon sites designated by the lessor on property retained by the lessor and said drilling is to be completed through ore bearing horizons within six months of the signing of the contract.

The sub-lessees also have an option to purchase agreement on the above claims, recorded May 4, 1955 in book 163, on page 176.

DESCRIPTION OF THE DEPOSITS

Secondary yellow and green uranium minerals and orange colored vanadium minerals occur as coatings in conglomerate and sandstone lenses near the base of the Triassic Chinle formation. The above mentioned minerals are discontinuously exposed in four lenses 3 to 10 feet long and 0.5-to 1-foot thick. The mineralized lenses are part of a poorly exposed channel, about 400 feet wide, which has the characteristics of a Triassic Shinarump channel although there has been no correlation of the Triassic in this area. The above occurrence of uranium-vanadium was exposed with 400 feet of rim stripping on the Crystal Spring claim, figure 2. Scintillometer readings were made on the above exposures. With a background count of 0.02 to 0.2 MR/hr, radioactivity was noted in the mineralized lenses as 3 to 9 times background count. The channel sediments contain a calcareous cement and any ore from the property will probably be high in lime.

MINABLE ORE RESERVES

Although uranium exposures occur on the Crystal Spring claim, there is no basis on which to estimate ore reserves.

PRESENT STATUS

Exploration and Development

A 30-foot adit (fig. 2) was driven into a rim rock exposure on the Crystal Spring claim about 1906. During 1954-55, about 400 feet of rim was stripped by bulldozing and 4 small lenses of sandstone con-

taining uranium and vanadium minerals were exposed. Six holes were reported wagon-drilled to depths of 35 feet. These holes are believed to have been barren of uranium.

Mining, Milling, and Other Facilities

There are no mining, milling or other facilities on the property. Sub-leasers expect to move drilling and mining equipment on their sub-lease in the immediate future.

PROJECT PROPOSALS AND COSTS

Uncompahgre Uranium, Inc., proposes to explore their Guy Stealey group of claims (fig. 2) with 15,000 feet of diamond drill holes at an overall cost of $45,290.00. Their program is set up in two stages. Stage I would consist of 86 holes totaling 8,600 feet at a cost of $25,966.12. Stage II would consist of 64 holes totaling 6,400 feet at a cost of $19,323.88. Stage II would be dependent upon the results obtained from stage I drilling, and would consist of closer spaced holes in the event that a channel trend is developed. Their costs are distributed as follows:

Independent Contracts	Cost
15,000 feet of core drilling at $2.25 per foot 8,600 feet is assigned to stage I and 6,400 feet to stage II.	$33,750.00
Constructing access roads and preparing 150 drill sites. TD-24 bulldozer 170 hours, At $18 per hour.	3,060.00
Total	$36,810.00

Labor, Supervision and Consultants	Costs
Consulting geologist, part time over 5 months.	$ 1,000.00
Supervisor-engineer, 5 months at $400 per month.	2,000.00
Sampler-field assistant, 150 days at $10.00 per day.	1,500.00
Total	$ 4,500.00
Operating Materials and Supplies	
Food and fuel for watchman for 5 months (not allowable).	$ 350.00
Operating Equipment	None
Rehabilitation and Repairs	
Cost to rehabilitate cabin for watchman (not allowable).	$ 100.00
New Buildings, Improvements and Installations	
Improving water supply to campsite and placing in pumping plant. (not allowable).	$ 2,500.00
Miscellaneous	
F.I.C.A.	30.00
Assays 150 samples for U_3O_8	500.00
Total	$ 530.00
Contingencies	$ 500.00

Total cost of drilling 150 holes in stages I and II, totaling 15,000 feet, is $45,290.00

Cost of stage I drilling pro rata on a drilling footage basis is $25,966.12.

Cost of stage II drilling pro rata on a drilling footage basis is $19,323.88.

Cost per foot of completed hole, without chemical anaylses is estimated at $2.99.

PROPOSED FINANCING

Uncompahgre Uranium, Ind., is prepared to furnish their part of the costs of exploration in cash.

CONCLUSIONS

Uranium and vanadium minerals have been exposed in conglomerate and sandstone near the base of the Triassic Chinle formation as the result of rim stripping by bulldozer. Four spotty occurrences of uranium-vanadium were exposed by bulldozer stripping on the Crystal Spring claim (fig. 2). The occurrences appeared as small and separated lenses 3 to 10 feet long and 0.5 to 1.0 feet thick.

There are indications of a northwest trending sandstone channel, about 400 feet wide, across part of the Crystal Spring, Joker and Good Deed claims. This channel may contain uranium.

There has been no production of uranium from Triassic formations in this area to date, other than 6 tons reported shipped to France during 1906. The nearest production, 5 miles distant is from the upper Jurassic Morrison formation.

Uranium in the area is associated with vanadium and is expected to contain in excess of 6 percent lime.

Outcrops in the area are generally poorly exposed.

The applicant has sub-leased the most promising part of his group of claims, including the Crystal Spring claim which contains the only observable outcrop of uranium and is the source of all past production in the area.

The sublease requires active exploration and mining on the designated group of claims and in addition, specifies that 18 holes shall be core drilled through the ore bearing horizon on property retained by Uncompahgre Uranium, Inc., and at sites designated by the company.

RECOMMENDATIONS

Since the applicant has subleased the most favorable part of his group of claims to a lessee who will begin active exploration and mining thereon, and since one of the terms of the sublease specifies the core drilling of 18 holes on the applicant's remaining claims within 6 months, and at sites designated by him, it is recommended that Uncomphagre Uranium, Incorporated's application be denied without prejudice.

If the results of the sub-lessees work and the above mentioned core drilling prove encouraging, it is further recommended that the applicant re-submit his application for exploration assistance. He should be so notified.

/jw

IN REPLY REFER TO:

DMEA
Date Rec'd.
JUL 28 1955
BUREAU OF MINES
Denver, Colorado

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

July 27, 1955

TRANSMITTED
AUG 10 1955

Memorandum

To: DMEA Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 3672 (Uranium), Uncompahgre Uranium, Inc., Guy Stealey claims, Rio Blanco County, Colorado

Enclosed are 10 copies of a report by R. T. Chew, III, U. S. Geological Survey, covering his examination of the subject property.

Uranium-bearing sandstone occurs on the Crystal Spring claim in an apparent channel in the lower sandy portion of the Chinle formation. Mineralization is discontinuous over a distance of about 150 feet but the trend, actual width, and physical characteristics of the channel are unknown at present. No other occurrences of uranium were noted on the claims.

The applicant has leased ground along the outcrop on the Crystal Spring, Deer Trail, Evening Star, Joker, and Good Deed claims, and the sub-lessee is now drilling the area. This drilling should furnish information needed for working out an efficient exploration program. Chew therefore recommends denial of the application without prejudice. Upon completion of the drilling by the sub-lessee, a new application for exploration assistance would receive favorable consideration.

I concur with Chew's conclusions and recommendations.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures (10)

ENHarshman:arh

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

MINERAL DEPOSITS
DMEA
RECEIVED
JUL 26 1955
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
COLORADO PLATEAU DISTRICT
P. O. BOX 360
GRAND JUNCTION, COLORADO

July 20, 1955

Memorandum

To: E. N. Harshman, Supervising Geologist, DMEA Field Team, Region III

From: J. William Hasler

Subject: DMEA 3672, Uncompahgre Uranium, Inc., Guy Stealey claims, Rio Blanco County, Colorado

Enclosed are the necessary number of copies of a geologic report and maps on the Uncompahgre Uranium, Inc., property, by R. T. Chew III. U. S. Geological Survey.

The reports and maps were written as result of a field examination of the Guy Stealey claims on the Uncompahgre Uranium, Inc., Rio Blanco County, Colorado The field examination was made June 8, 1955, by the examining team composed of C. M. Harrer, engineer, U. S. Bureau of Mines; R. T. Chew III, U. S. Geological Survey; K. O. Weaver, a representative of the applicant.

The area under consideration is underlain by sandstone, shale, siltstone and conglomerate of Triassic and Jurassic age. The mineralization in the area occurs in the lower sandy portion of the Chinle formation of Triassic age and occurs discontinuously along an area of about 150 feet in a channel-like area. Several radioactive zones as much as 10 feet long and 1 foot thick were observed throughout these channel sediments. None of the radioactive zones show sufficient radioactivity to be considered of ore grade, although many picked samples of high-grade material were found within these zones. One mineralized area on the Crystal Springs claim is the only known occurrence on the subject group of claims. A few tons of high-grade radium ore was produced from this property in 1926, but there has been no production since that time. The nearest producing area is the Uranium Peak, about 5 miles northwest of the Guy Stealey group of claims. Approximately 10,000 tons of uranium ore has been produced from the Salt Wash member of the Morrison formation in the Uranium Peak area.

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

The applicant proposes to drill approximately 150 feet of core drilling to test the subject area. The channel in which the exposed minerals occur is in a zone probably not more than 400 feet wide and may be much narrower. Ore bodies as now known are probably not over 10 feet across.

Because of considerable overburden in the area, preventing a more thorough geological examination, and that the channel trends are not definite until further geologic and exploration work have been completed, it is recommended that the application be denied without prejudice. The applicant has subleased claims and the results of exploration by the sublessor may enable a re-examination of the property, should the drilling prove encouraging.

I concur with the recommendations of the examining field team.

J. William Hasler

J. William Hasler,
Geologist

JWH/mlr

Enclosures

UNITED STATES DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

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

DMEA 3672, Uncompahgre Uranium, Inc., Guy Stealey claims
Rio Blanco County, Colorado

Uranium

Geologic Report

by

R. T. Chew, III
U. S. Geological Survey

July 22, 1955

Reviewed by
DMEA OPERATING COMMITTEE
8-19-55
(date)

INTRODUCTION

The Uncompahgre Uranium, Inc., (DMEA 3672) applied for assistance to explore the Guy Stealey claims, located in sec. 12, T. 1 N., R. 91 W., and sec. 7, T. 1 N., R. 90 W., Rio Blanco County, Colo., (fig. 1). Cost of the drilling program suggested by the applicant is estimated to be $45,290, of which the Government's share would be $33,967.50. The claims are accessible via bulldozer trail which leaves Colorado State Highway 132 about 6 miles east of Buford; thence 7 miles southeast to the claims.

A DMEA field team composed of C. M. Harrer, engineer, U. S. Bureau of Mines; R. T. Chew, III, F. J. Kleinhampl, and D. D. Schultz, geologist, U. S. Geological Survey; and K. O. Weaver representing the applicant, examined the property on June 8, 1955. William H. Boyer, AEC project geologist, has been consulted relative to the appraisal of this property.

Since the application for DMEA aid was submitted, the applicant has sub-leased five of the subject claims along the outcrop of the ore-bearing formation to Lloyd Watts et al of Grand Junction, Colo. This group will drill behind the uranium deposit on the Crystal Spring claim and also on the other claims along the rim. Exposures on the property are very poor and the program suggested by the applicant consists of both wide and close-spaced drilling which cannot now be based on geologic knowledge. Therefore, it is recommended that the application be denied without prejudice until the drilling by the sub-lessee has been completed. Results of this drilling may justify a more efficient drilling program or recommendation for denial.

GEOLOGY

Geology of the subject area is adequately discussed in the Union Mines report on the Sleepy Cat district. (Gruenerwald and Richardson, 1945).

The area under consideration in this report is underlain by sandstone, shale, siltstone, and conglomerate of Triassic and Jurassic age. The formations will be briefly described in ascending order. (Fig. 2).

The Moenkopi formation of lower Triassic age consists of undifferentiated lenses of brick-red to reddish purple, horizontally bedded sandstone and shale which are predominantly fine-grained and silty. The thickness of this unit in the Sleepy Cat area is unknown.

The sandstone at the base of the overlying Chinle, of upper Triassic age, is probably not strictly equivalent to the Shinarump conglomerate of the Colorado Plateau because the true Shinarump pinches out far to the south. The Mossback sandstone which replaces the Shinarump at the base of the Chinle in the Inter-river and Lisbon Valley areas of Utah also appears to be pinching out to the north. No positive correlation of the Triassic units has yet been attempted in this area except that the Gartra Grit of north central Utah has been correlated with the Shinarump by Kummel (1954). The basal Chinle at the subject property consists of interbedded sandstones and siltstones and is 10 to 20 feet thick. This is overlain by the Shinarump-like channel material containing the uranium deposit. The deposit is contained in interbedded conglomerate and sandstone. The conglomerate is well cemented with lime. Measurement of one cross-bed and one festoon indicated flow was about N. 45° W., but because only 2 measurements could be made, a large variation in average flow direction is possible.

Gruenerwald and Richardson report that the Chinle formation is about 450 feet thick. It forms moderate to very steep slopes, is barren of soil or mantle in a few places and consists of undifferentiated interbedded reddish-brown, fine-grained, argillaceous sandstones, shales, and siltstones becoming more sandy towards the top. The Chinle is overlain by the Jurassic Nugget sandstone.

The beds strike approximately N. 60° W., and dip from 5 to 7 degrees north, forming the northern limit of the White River uplift. A vertical fault along which the north side has dropped about 450 feet, occurs in the valley of West Fawn Creek and crosses the claims in the northern part of the subject group. Along the east valley wall of Fawn Creek this fault brings the Entrada sandstone into contact with the Shinarump conglomerate.

ORE DEPOSITS

Uranium mineralization occurs discontinuously along about 150 feet of the channel described earlier, the base of which is about 10 feet above the base of the Chinle. Several radioactive zones from 3 to 10 feet long and 6 inches to 1 foot thick were observed throughout the channel sediments. Yellow and green secondary uranium minerals and orange vanadium minerals coat some fractures and pebbles in the conglomerate lenses forming the only visible ore minerals. None of the radioactive zones showed sufficient radioactivity to be considered of ore grade though many hand samples of high-grade material were found within these zones. No unoxidized uranium or vanadium minerals have been identified. One mineralized area on the Crystal Springs claim is the only known occurrence on the subject claims.

A few tons of high-grade radium ore was produced from this property in 1906, but there has been no production since that time. The nearest producing area is the Uranium Peak area about 5 miles northwest of the subject claims where over 10,000 tons of uranium ore have been produced from the Salt Wash member of the Morrison formation, though no occurrences of ore are known from the Triassic formations in the Uranium Peaks area.

PROPOSED EXPLORATION

The applicant proposes to drill approximately 150 feet of core drilling as well as the necessary work to obtain access to the drilling sites. The total cost of the proposed project is estimated at $45,290, of which the Government's share would be $33,967.50. This program would consist of 42 holes drilled on 75-foot centers on the Crystal Spring claim which contains the known mineralized outcrop. The rest of the drilling program would consist of approximately 108 holes drilled on 400-foot centers over the rest of the subject claims.

The channel in which the exposed mineralization occurs is probably not more than 400 feet wide and may be much narrower. Ore bodies as now known are probably not over 10 feet across. The pattern of drilling suggested by the applicant is widely spaced to discover ore and probably too widely spaced to determine the trend of the channel and the existence of favorable ground except on the Crystal Spring claim where they appear to be more closely spaced than necessary to determine favorable ground.

The subject claims lie on a bench cut at approximately the top of the Shinarump-like channel. The bed rock is covered by as much as 30 feet of alluvium but all drilling depths would probably be less than 100 feet to the top of the Moenkopi. The applicant reports the water table to lie at about the base of the alluvium.

Although an exploration program on this property appears warranted, an efficient program can not now be set up because of the lack of definite evidence of the trend of the channel or the presence of a large area of favorable ground. Any drilling program suggested to obtain geological information should have the holes spaced more closely than the postulated width of the channel. The fences, or rows of holes should be oriented approximately normal to the postulated channel trend.

Lloyd Watts, et al., of Grand Junction, Colorado, has taken a sublease along the outcrop of the ore-bearing formation, on five of the claims, the Crystal Spring, Deer Trail, Evening Star, Joker, and Good Deed. The information obtained from this drilling will aid materially in planning an efficient exploration program to test the remaining claims.

CONCLUSIONS AND RECOMMENDATIONS

The uranium deposit exposed on the Crystal Spring claim is contained in a Shinarump-like channel about 400 feet wide with its base about 10 feet above the base of the Chinle formation and its top about 40 feet above the base of the Chinle. Because of poor exposure neither edge of the channel can be precisely located. The channel may trend in a N. 45° W. direction, in which case it would cross the claims in the northern part of the group.

Several radioactive zones as much as 10 feet long and 1 foot thick occur within this channel and contain small pods of high-grade material as well as abundant secondary uranium and vanadium minerals.

An exploration project appears warranted on this property because of the presence of uranium minerals, favorable stratigraphic horizon, small past production and fair proximity to a producing district. However, because of the poor exposure, lack of previous exploration in the area and sparsity of indications of the channel trend on the subject property, an efficient drilling program can not now be recommended. The program outlined by the applicant calls for holes on 75-foot centers on the Crystal Spring claim and on 400-foot centers on the other claims and would probably miss the intended target. Ore bodies as now known probably are not more than 10 feet across - too small to drill economically without good geologic information. The 400-foot spacing would not give sufficient geologic information to determine channel trend, amount of scour, or to allow adequate correlation between holes to determine favorable ground.

With more information on ore habits and geological trends a more efficient drilling program could be laid out covering less ground but probably using closer spaced holes.

Much of this needed additional information should be available upon completion of drilling by the sub-lessee. Therefore, it is recommended that the application be denied without prejudice pending completion of this drilling.

Published Reference

Kummel, Bernhard, Triassic Stratigraphy of Southeastern Idaho and adjacent areas, U. S. Geol. Sur. Prof. Paper 254-H, 1954.

Unpublished Reference

Gruenerwald, William and Richardson, Gilbert R. Report on Sleepy Cat Mtn. District, White River Uplift area, Colo. Union Mines Development Corp. 1945 (Secret).

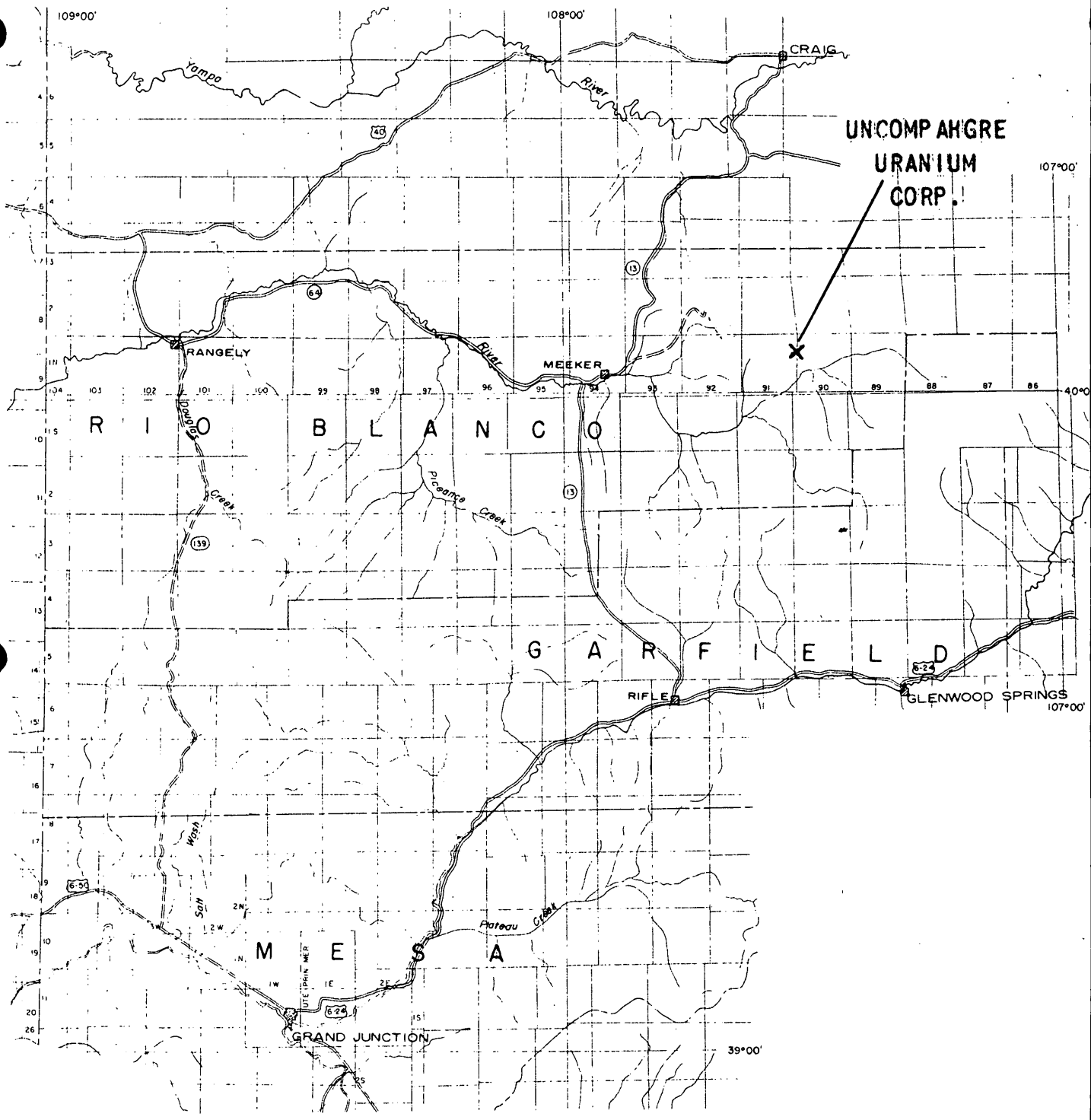

Figure 1. INDEX MAP SHOEING LOCATION OF THE UNCOMPAHGRE URANIUM CORPORATION CLAIMS, RIO BLANCO COUNTY, COLORADO

3/15/55 gl

224 New Customhouse
Denver 2, Colorado

March 11, 1955

Memorandum

To: J. F. Shaw W/Brochure
W. P. Williams

From: DMEA Field Team, Region III

Subject: DMEA Docket 3672 (Uranium), Uncompahgre Uranium, Inc., Guy Stealey Claims, Rio Blanco County, Colorado

Enclosed is the subject application in the amount of $45,290.00. Your attention is directed to the copy of the enclosed letter from the Chairman of the Operating Committee and memoranda from the Uranium Commodity Committee.

A field examination and suitable report are requested.

W. M. TRAVER

Enclosures

W. M. Traver

E. N. Harshman

MMC:pw

E. N. Harshman

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

224 New Customhouse
Denver 2, Colorado

March 11, 1955

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W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

BMC:pw

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

Dear Mr. [illegible]

[illegible]
[illegible]
[illegible] Application

As for a [illegible] D.A. [illegible] ADDITIONAL 13 CLAIMS IN THIS APPLICATION DESCRIBED IT [illegible] BE SATISFACTORY WITH [illegible] COMPANY. SINCE YOUR OFFICE HAS BEEN SUPPLIED WITH A COPY OF OUR HANDBOOK WE WOULD APPRECIATE YOUR USING ANY NECESSARY DATA FROM THAT INSTRUMENT. THIS WILL ELIMINATE THE NEED FOR US AT THIS BRANCH OFFICE TO ACQUIRE ANOTHER COPY FROM THE HOME OFFICE IN ORDER TO OBTAIN THIS INFORMATION.

THE CLAIM NAMES OF THE ADDITIONAL 13 HAVE BEEN ADDED TO THE REFERENCE MAP, ENCL. 1.

SINCERELY,

K. O. Weaver

3/7/55 gla

224 New Customhouse
Denver 2, Colorado

February 28, 1955

Mr. Kenneth O. Weaver
Uncompahgre Uranium, Inc.
P. O. Box 104
Grand Junction, Colorado

Re: Docket DMEA 3672 (Uranium), Uncompahgre Uranium, Inc., Rio Blanco County, Colo.

Dear Mr. Weaver:

Returned herewith for additional information is a copy of your application for DMEA assistance on the Guy Stealey claims.

Please enter under 1 (a) of Form MF-103, the name and address of the applicant corporation and under "Certification" have an authorized official of the corporation sign, date, and return the application to this office.

It is noted that 23 claims are included under the proposed project while only 10 claims seem to be covered by the application. Since the entire group of claims will be benefited by the proposed exploration, it is suggested that all 23 claims be covered by the application.

If you are unwilling to include and subordinate the entire group, many of your proposed drill hole locations must be changed.

Will you please advise so that we may continue to process your application.

Very truly yours,

W. M. TRAVER

W. M. Traver

E. N. Harshman

E. N. Harshman
DMEA Field Team, Region III

Enclosures

HMC:pw

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

224 New Customhouse
Denver 2, Colorado

February 28, 1955

Mr. Kenneth O. Weaver
Uncompahgre Uranium, Inc.
P. O. Box 104
Grand Junction, Colorado

Re: Docket DMEA 3672 (Uranium), Uncompahgre Uranium, Inc., Rio Blanco County, Colo.

Dear Mr. Weaver:

Returned herewith for additional information is a copy of your application for DMEA assistance on the Guy Stealey claims.

Please enter under 1 (a) of Form MF-103, the name and address of the applicant corporation and under "Certification" have an authorized official of the corporation sign, date, and return the application to this office.

It is noted that 23 claims are included under the proposed project while only 10 claims seem to be covered by the application. Since the entire group of claims will be benefited by the proposed exploration, it is suggested that all 23 claims be covered by the application.

If you are unwilling to include and subordinate the entire group, many of your proposed drill hole locations must be changed.

Will you please advise so that we may continue to process your application.

Very truly yours,

W. M. TRAVER

W. M. Traver

E. N. Harshman

E. N. Harshman
DMEA Field Team, Region III

Enclosures

EHC:pw

cc: Subject
Chron
Chaw
Williams
Harshman
Sec.Op.Comm. (2)

Surname 700
Ching
Ellis
Kilsgaard
Hedges
Selfridge
E Johnson

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

FEB 23 1955

Mr. Kenneth O. Weaver
Uncompahgre Uranium, Inc.
P. O. Box 114
Grand Junction, Colorado

Re: Docket No. DMEA-3672 (Uranium)
Guy Stanley Claims
Rio Blanco County, Colorado

Dear Mr. Weaver:

The application for assistance in exploring your property in Rio Blanco County, Colorado, under the above-captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred to the Executive Officer of Region III at the following address:

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

The Regional Office will contact you in regard to your project if additional information is required.

Sincerely yours,

C. O. Mittendorf
Administrator by ESJ

MChing:am
2-21-55
cc to: Admr. Reading File
Docket
Code 700
Mr. Ching
DMEA Field Team, Region III(2)

R.S.S.

Surname 700

Ching
Ellis
Selfridge
Johnson

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

FEB 23 1955

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

Re: Docket No. DMEA-3672 (Uranium)
Uncompahgre Uranium, Inc.
Guy Stealey Claims
Rio Blanco County, Colorado

Dear Mr. Traver:

The subject application is being referred to you for investigation, a field examination if warranted, and a report and recommendation. A copy of the application is already in your files. None of the applications received in Washington were dated or signed by the Applicant.

Enclosed are two copies each of comments and recommendations by R. D. Trace and John B. Crawford of the Uranium Commodity Committee, both dated February 16, 1955.

Please note that under 3(a) of the application 23 claims are included under the proposed project while under 3(f) only 10 claims are listed. The map (Enclosure 1) shows only 10 claims to be covered by the application. This matter should be clarified with the Applicant.

The Applicant should be advised that an Owner's Consent to Lien signed by all seven owners will be required in the event a contract is recommended by the Field Team.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Enclosures

APPROVED:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

MChing:am
2-21-55
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, GSA
Code 700
Mr. Ching

R.C.L.

FEB 9 1955

TO: Division 700

Re: DMEA Docket No. 3672

None of the three copies of this application sent to us from Region III were dated or signed by the operators.

2/17/55 gla

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 17 1955

February 16, 1955

Memorandum

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

From: Bureau of Mines Member
Uranium Commodity Committee

Subject: DMEA Docket 3672, Uncompahgre Uranium, Inc.,
P. O. Box 114, Grand Junction, Colorado

I have reviewed the application included in the subject docket and have discussed it with Joseph O. Hosted, representative of the Atomic Energy Commission.

We recommend that the attached application be referred to the Field Team for investigation and report, and that the Field Team be requested to discuss the application with Ernest R. Gordon, Atomic Energy Commission, Grand Junction, Colorado.

John E. Crawford

John E. Crawford

Attachment

Copy to: Branch of Rare and Precious Metals
Division of Minerals
J. O. Hosted (2)
J. E. Crawford

2/17/55 gh

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1955

February 16, 1955

Re: DMEA-3672
Uncompahgre Uranium, Inc.
Stealey claims
Rio Blanco Co., Colo.
Meeker area
$45,290 - Uranium

Memorandum

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

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

Subject: Review of application

I can find no evidence that the Survey has done any work in the area. Obviously, Union Mines reported on the area and the Commission probably has some information.

I understand that a small quantity of ore has been mined from the area, but the ore bodies have been small and access to the area is very difficult.

I recommend that the application be referred to the Field Team, in order to check the available Union Mines and Commission data.

Incidentally, the Pierre E. Parker that is mentioned in the application, lives in Paeonian Springs, Virginia.

Bob Trace

R. D. Trace

IN REPLY REFER TO:

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

February 16, 1955

Re: DMEA-3672
Uncompahgre Uranium, Inc.
Stanley claims
Rio Blanco Co., Colo.
Meeker area
$45,890 - Uranium

Memorandum

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

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

Subject: Review of application

I can find no evidence that the Survey has done any work in the area. Obviously, Union Mines reported on the area and the Commission probably has some information.

I understand that a small quantity of ore has been mined from the area, but the ore bodies have been small and access to the area is very difficult.

I recommend that the application be referred to the Field Team, in order to check the available Union Mines and Commission data.

Incidentally, the Pierre E. Parker that is mentioned in the application, lives in Paxonian Springs, Virginia.

R. D. Trace

RDTrace:hlm
G-2/16/55

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

February 9, 1955
Subject: DMEA 3672
Re: Exploration Assistance
Guy Stealey Claims and
Mine Site

Uncompahgre Uranium, Inc.
C/o Kenneth O. Weaver
P. O. Box 114
Grand Junction, Colorado

Gentlemen:

The receipt of your application dated (undated) for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3672 and referred to the Rare and Miscellaneous Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

February 9, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA - 3672 Uncompahgre Uranium, Inc.

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

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

Property of the Uranium Land Law's Information Received FEB 7 1955

224 New Customhouse
Denver 2, Colorado

February 4, 1955

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region III

Subject: (Uranium), Application for DMEA Assistance, Uncompaghre Uranium, Inc., 23 claims located in Sections 7, 12 and 13, T. 1 N., R. 90 and 91 W., Rio Blanco County, Colorado

Enclosed are three copies of the subject application in the amount of $45,290.00.

One signed copy of the lease was forwarded by the applicant with the application and it is attached to one of the copies of the application being forwarded to your office.

We are retaining one copy of the application in our files.

W. M. Traver

Enclosures

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

Department of the Interior
Lease Mining Administration
Received
FEB 7 1955

224 New Customhouse
Denver 2, Colorado

February 4, 1955

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region III

Subject: (Uranium), Application for DMEA Assistance, Uncompaghre Uranium, Inc., 23 claims located in Sections 7, 12 and 13, T. 1 N., R. 90 and 91 W., Rio Blanco County, Colorado

Enclosed are three copies of the subject application in the amount of $45,290.00.

One signed copy of the lease was forwarded by the applicant with the application and it is attached to one of the copies of the application being forwarded to your office.

We are retaining one copy of the application in our files.

W. M. Traver

W. M. Traver

Enclosures

EMC:ld

cus
chron

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

224 New Customhouse
Denver 2, Colorado

February 4, 1955

Mr. Kenneth O. Weaver
Uncompahgre Uranium, Inc.
P. O. Box 114
Grand Junction, Colorado

Dear Mr. Weaver:

This will acknowledge receipt of four copies of your application for exploration assistance on a group of 23 claims located in Sections 7, 12 and 13, T. 1 N., and R. 90 and 91 W., Rio Blanco County, Colorado.

The application has been placed in line for processing.

Yours very truly,

W. M. Traver

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

EMC:ld

Copy to: Dec. Opr. Coun.
Sub
Chron

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

W.O.

Date Rec'd. FEB 1 - 1955 BUREAU OF MINES Denver, Colorado

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. 3672
Metal or Mineral Uranium, Vanadium
Date Received 2-7-55
Estimated Cost $45,290
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: (See attached)

(*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 (See attached)

(*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 Lessee

(*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 Not applicable

(*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 [illegible] to explore Principally uranium and vanadium

(*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 60 days and be completed within 12 months from the date of an exploration project contract. (weather permitting)

(*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 _____, 195__

_____
(Applicant)

By _____

_____

_____

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

Uncompahgre Uranium, Inc.
c/o Ken Weaver
P.O. Box 114
Grand Junction, Colorado

1. (a) Kenneth O. Weaver and Donald R. Malleck
Uncompahgre Uranium, Inc.
P. O. Box 114
Grand Junction, Colorado

DEPARTMENT OF THE INTERIOR
Bureau of Land Management
RECEIVED
FEB 7 1973

(b) Corporation of Idaho

(c) President - John L. Gaskill
P. O. Box 457
Idaho Falls, Idaho

Vice President - Kenneth O. Weaver
P. O. Box 114
Grand Junction, Colorado

Vice President - Donald R. Malleck
P. O. Box 114
Grand Junction, Colorado

Secretary-Treasurer - Ruland Williams
P. O. Box 457
Idaho Falls, Idaho

(d) Not applicable

2. Have read.

3. (a) Group of 23 claims located in Sections 7, 12, and 13 of Township 1 North in Ranges 90 and 91W of 6th P.M. in county of Rio Blanco, State of Colorado. (See map)

(b) Guy Stanley Claims and Mine Site.

(d) See enclosure No. 3.

(f)

Name of Claim	Orig. Location Cert. Book	Orig. Location Cert. Page	Amended Location Cert. Book	Amended Location Cert. Page
Evening Star	124	289	137	435
Door Trail	125	478	137	431
Good Deed	147	155	152	220
Door Trail	148	209	152	238
The Dreamer	148	201	152	231
Blue Sky	148	202	152	230
The Solitude	148	203	152	229
White Rock	148	204	152	228
Joker (re-located)			152	222
Crystal Springs			152	223

Uncompah[illegible] Uranium, Inc.
c/o Ken Weaver
P. O. Box 114
Grand Junction, Colorado

4. (a) About two years ago there was a limited amount of exploration work done for the purpose of locating uranium on the property. A person by the name of Pierre E. Parker of Grand Junction proceeded upon the property under lease agreement and had a very limited number of holes wagon drilled. There were 6 holes drilled to a depth of about 35 feet. To the best of our knowledge, these holes were barren of ore deposit and the lease was forfeited when water was encountered during the drilling process. Under the present lease, the Uncompahgre Uranium Co., Inc. is presently engaged in building or developing more satisfactory access roads to the property. The road previously used as access entered from the highway near Buford and crossed private land, but has been closed temporarily. It has, therefore, been necessary to develop another route. Two alternative routes should be available at the time property is inspected. This would be to enter through the Livingston property just west of Buford, as aforementioned, or via Uranium Peak on the Sleepy Cat road. The first route is about 12 miles and follows Beaver Creek most of the way. A guide would be necessary since there are many small side roads which might be misleading. (This route enters via private property and may possibly be closed at the time entry is desired) The other route is about 22 miles and is mostly a jeep road requiring a guide also.

(b) About 6 tons of radium ore were shipped from this property in the early 1900's, but no current production is in progress. It is hoped the exploration program covered by this application will divulge ore reservoes of ample quantity and grade to mine.

(c) The property, known as the "Guy Stealey Claims", lies adjacent to Fawn Creek in the White River uplift area about 6 miles northeast of Buford, Colorado, as indicated on access map (enclosure No. 2) attached. It might also be noted that a great percentage of the claims lie within the Trs (Shinarump) formation of upper Triassic period. (See enclosure No. 1) It is the desire of the applicant to obtain this loam in order to help defray the expense of exploring (drilling, etc.) this area as shown on the map. There are definite mineralized areas on the property in the form of outcrops in both the conglomeritic sandstone known as the Shinarump formation and in a finer sandstone lense laying within the Shinarump.

Uncompahgre Uranium, Inc.
c/o Ken Weaver
P. O. Box 114
Grand Junction, Colorado

4. (c) cont'd

It appears as though the finer sandstone contains both vanadium and roscoelite. It has been mentioned by some of the lessors that samples taken from the location workings contained both vanadium and uranium and that the lime content was approximately 8 to 11%. These reports are not presently available but may be in the future. The applicant has hand picked uranium samples from the property that run as high as 35% U3O8.

(d) The property as shown on the small scale map (See encl. No. 2) is situated approximately 30 miles, by road up Beaver Creek, from Meeker, Colorado. The present forestry access road through Livingston's private property would entail prohibitive repair costs to place it in sufficient condition to sustain normal mining equipment use, and precludes the possibility that access via this road may be restricted, or not permitted. To better satisfy this situation, an alternate route for ore hauling and access is presently being worked out by the company and is shown on access map. The destination of ore, if found in quantity, will depend upon amenability test results. The U. S. V. mill at Rifle is about 70 miles. Presently, about 60 miles of this distance is first class highway. The lime content of the ore may require processing elsewhere. The property is not inhabited and the closest residence point of any size could be considered Meeker, Colorado.

(e). Manpower to manage and operate this property will be furnished by the applicant. If necessary there can be obtained two crews of approximately 6 men per crew to start operations immediately. This is in addition to any drill contractors or haulage requirements. Materials, supplies, and equipment will be furnished by the applicant where necessary, if possible. It is anticipated that during the exploration program most of the work requirements will be contracted to private interests, such as drilling, bulldozing, etc. Water in great quantity can be obtained, when necessary, from Fawn Creek which crosses the property. The stream flows all year. It is understood that electrical power, if required, can be supplied from the White River highway power line for both 115 volts and 220 volts. The distance from the highway to property for this purpose would be about 3 miles.

Uncompahgre Uranium, Inc.
c/o Ron Weaver
P. O. Box 114
Grand Junction, Colorado

5. (b) The proposed work basically includes the following:
   1. Core drilling
   2. Bulldozing
   3. See map for details. (enclosure No. 1) It will be necessary to build drill roads on portions of the property and perfect the access road from the White River highway.

(d) The applicant, Uncompahgre Uranium, Inc., has at its disposal two very well qualified persons to supervise such an exploration program:

1. Mr. Paul Ruhter of Idaho Springs, Colorado, has had approximately forty years of hard rock mining experience. He has built his own tungsten processing mill and supervised a crew to operate it. He presently supervises a crew of hard rock miners (14) for this company, at our "Highlander" mine near Idaho Springs, Colorado, which is presently mining uranium in the form of uraninite.

2. Mr. Donald Mallock, who is presently both a Vice President and General Manager of this corporation, has also had considerable mining experience (about 6 years of hard rock). He formerly supervised a group of construction men for a private construction company by the name of Haines Construction Company located at Idledale, Colorado.

Both Mr. Ruhter and Mr. Mallock are well versed in the operation of mining equipment in general and Mr. Mallock has personally operated core drills for the Federal Government while employed by the Bureau of Public Roads.

6. Estimate of Costs ($2.25/foot of drilling)

(a) Independent Contracts

		Cost
1.	Bulldozing - @ $18.00/hr (TD-24)	
	(a) Fawn Creek access road completion to junction of Polo Patch Road - 1 week	$1,260.00
	(b) Polo Patch Road to Mueller Creek Road - 3 days - junction of Fawn Creek Road	540.00
	(c) Drill rig access roads - 1 week	1,260.00
	Bulldozing Total	$3,060.00
2.	Drilling, core	
	15,000 ft - 10 claims(see map)	
	Phase 1 - 86 holes (100 ft deep)	$19,350.00
	Phase 2 - 64 holes (100 ft deep)	14,400.00
	Drilling Total	$33,750.00

Uncompah[illegible] Uranium, Inc.
c/o Ken Weaver
P. O. Box 114
Grand Junction, Colorado

6. (b) Estimate of Costs (continued)

Labor, Supervision and Consultants

1.	Geological consultants (Reports, etc.)	$1,000.00
2.	Labor - 1 man - General @ $10.00/day for 5 months	1,500.00
3.	Supervision - 1 man @ $400/month for 5 months	2,000.00
4.	Assays and map making	500.00

(c) Operating materials and Supplies

One man required at property during exploration period for 5 months - Food and fuel 350.00

(d) Operating Equipment: None -

(e) Rehabilitation and Repairs

Cost to put cabin in livable condition at property. (This includes repair of frame, steps, and interior) 100.00

(f) New Buildings, Improvements and Installations

Improvement of water supply to campsite which is 800 foot distance from Fawn Creek - including pumping station, reservoir and piping (about 500 ft vertical lift) 2,500.00

(g) Miscellaneous

FICA (for $1500) 30.00

(h) Contingencies 500.00

	8,480.00
Bulldozing total	3,060.00
Drilling total	33,750.00
TOTAL	$45,290.00

7. (a) Yes ($11,572.00)

(b) The required 25 % of the loan will be furnished by Uncompahgre Uranium, Inc., of Idaho Falls, Idaho. This money is allotted by approval of the board of directors of the corporation for such an expenditure.

Encls.
1. Geologic Map
2. Access Map
3. Lease

(ENCLOSURE 3)

MINING LEASE

THIS AGREEMENT, Made and entered into in duplicate this 20 day of Sept., 1954, between GUY M. STANLEY, WILLIAM W. GENTRY, MILTON MURRAY, C. D. SMITH, FRANK DELANEY, MARCELLE SMITH, and PIERRE M. PARKER, Lessors, residents of the Counties of Rio Blanco, Garfield and Mesa, State of Colorado, respectively, UNCOMPAHGRE URANIUM CO., INC., an Idaho corporation, whose post office address is Box 114, Grand Junction, Colorado, Lessee,

WITNESSETH:

That lessors in consideration of One Thousand Five Hundred ($1,500.00) Dollars in hand paid by lessee to lessors, the receipt of which is hereby acknowledged, and the royalties hereinafter reserved and the covenants and agreements hereinafter expressed, and by lessee to be kept and performed, hereby grant, demise and lease to lessee the following described lode mining claims, in the County of Rio Blanco, State of Colorado, described by reference to the name of the claims and the book and page where the location certificates or amended location certificates as to each appears of record in the office of the County Clerk and Recorder of said County, to-wit:

Name of Claim	Original Location Cert.		Amended Location Cert.	
	Book	Page	Book	Page
Morning Star	124	291	137	433
Evening Star	124	289	137	435
Deer Trail	125	478	137	431
Lone Pine	125	488	137	429
Good Deed	147	155	152	220
Deer Trail	148	209	152	238
Jim Hiland	148	210	152	237
Victory	148	211	152	236
White Eagle	148	212	152	235
Eternal Hope	142	214	152	234
Red Point	142	213	152	233
Never Give Up	148	215	152	232
Pawn Creek	148	200	152	226
The Dreamer	148	201	152	231
Blue Sky	148	202	152	230
The Solitude	148	203	152	229
White Rock	148	204	152	228
North Star	148	205	152	227
Forty Years After	148	206	152	225
My Pal	148	207	152	221
Lookout Point	148	208	152	224
Joker (re-located)			152	222
Crystal Springs			152	223

All of said claims are situate in Section 7, Township 1 North, Range 90 West of the 6th P.M., and Sections 12 and 13, Township 1 North, Range 91 West,

of the 6th P.M., Meeker Mining District, an unorganized Mining District in Rio Blanco County, Colorado.

The consideration paid in cash as recited above, is to be applied as advanced royalty on ore to be produced from the above described claims, provided, however, that said sum shall be forfeited to lessors in the event this lease is terminated by breach by lessee of any of the covenants and conditions hereinafter contained.

To have and to hold unto lessee for the term of three (3) years from the date hereof and as long thereafter as mining operations are being actively carried on, on any part of said property, and ores are being produced and marketed therefrom, unless sooner forfeited through the violation of any covenant herein required to be performed by lessee, but provided that lessee may surrender this lease as hereinafter set forth.

Lessors warrant that they have a good possessory title to each of said mining claims; that the corners thereof including side center stakes, are properly established and marked by them, and that if lessee deems it advisable, it may make and file amended location certificates upon any of said mining claims, all in the names of lessors.

Lessors further warrant that the annual labor required by law has been performed for the period ending June 30, 1954.

In consideration of such lease, lessee covenants and agrees with lessors as follows, to-wit:

1. To enter upon said mining claims and to commence explorations or mining operations within sixty (60) days from the date of this agreement, weather conditions permitting, to work the same in a mining fashion in a manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said mine or mining premises, as a workable mining property.

2. To cause to be paid to lessors a royalty of fifteen (15) per cent upon the gross mine value per dry ton of all ore shipped and marketed from said premises in accordance with the Atomic Energy Commission schedule of prices for such ore, less, however, haulage and development allowances of the Atomic Energy Commission, but included fifteen (15) per cent of any bonus payments

paid by said Commission on behalf of the ore shipped and on behalf of the operator.

3. Payments of said royalty shall be distributed by lessee among all lessors in accordance with the following schedule of interests:

Guy M. Stealey, one-sixth (1/6)
William W. Gentry, one sixth (1/6)
Milton Murray, one-sixth (1/6)
C. D. Smith, one-sixth (1/6)
Frank Delaney, one-sixth (1/6)
Marcelle Smith, one-twelfth (1/12)
Pierre E. Parker, one-twelfth (1/12)

4. To work and mine said premises as aforesaid, steadily and continuously during the period of this lease and in doing said work to perform at least forty (40) man shifts of mining labor per month, each and every calendar month, during the life of this lease, EXCEPT when prevented by weather conditions, unavoidable casualties or Acts of God.

5. To keep full and accurate records of all operations carried on hereunder including drilling records, maps and assays, open to inspection to lessors, or their agents, at all reasonable times and to permit lessors, or their agents, full and free access to said claims for the purpose of inspection and otherwise; all at their sole risk.

6. To carry on all mining operations in strict conformity with all rules and regulations pertaining to such operations; to carry Workman's Compensation Insurance, to pay all state and Federal Taxes and exactions under operations hereunder including any production taxes; and to save and keep harmless lessors from any and all liabilities of every kind and character arising out of its mining operations hereunder.

7. To perform all annual assessment work regularly, to keep said claims valid and shall file the necessary Proofs of Labor thirty (30) days in advance of the due date for such notices.

MUTUAL COVENANTS

It is mutually agreed that lessee shall have the right to surrender this lease at any time upon giving lessors at least thirty (30) days written notice of such intention to surrender, sent by registered mail to Frank Delaney at Glenwood Springs, Colorado, and upon such surrender or cancellation as

hereinafter provided, lessee shall have the right, within a reasonable time, to remove all of its machinery, equipment and personal property from said claims; excepting therefrom all permanent buildings attached to solid foundations, and it is specifically understood and agreed that lessee may remove from said premises all rails, pipes, ore bins and bunkers installed thereon by it, provided, however, that upon surrender, cancellation or default of this lease the lessee shall deliver to the said lessors the said premises in good order and condition, with the mine ready for immediate continued working (accidents not arising from negligence alone excusing); and provided further, that such right of lessee to surrender shall not be exercised less than sixty (60) days prior to the expiration of the period during which annual labor is to be performed and affidavits so stating have been filed by lessee.

All of the provisions herein contained shall inure to and be binding upon the heirs, and personal representatives of lessors and the successors and assigns of lessee, provided, however, that lessee agrees not to assign this lease without the written consent of Frank Delaney, acting on behalf of the other lessors, but such consent shall not be withheld for any capricious reasons, but shall be given in the event that the assignee presented is a proper and fit person or corporation with financial resources of sufficient amount to render the lessors safe in so consenting.

WITNESS their names.

K. O. Weaver
K. O. WEAVER
VICE PRESIDENT
GEN. MANAGER

Guy M. Stanley
Guy M. Stanley

William W. Gentry
William W. Gentry

Milton Murray
Milton Murray

C. D. Smith
C. D. Smith

Frank Delaney
Frank Delaney

Marcelle Smith
Marcelle Smith

Pierre E. Parker
Pierre E. Parker

LESSORS

UNCOMPAHGRE URANIUM CO., INC.

By John E. Foskett President

ATTEST:

Pierre E. Parker
Secretary

LESSEE

STATE OF COLORADO }
County of Rio Blanco } ss

The foregoing instrument was acknowledged before me this 30th day of August, A.D. 1954 by Guy M. Stanley, William W. Gentry, Milton Murray, and G. D. Smith.

Witness my hand and notarial seal.

My commission expires March 24, 1955.

Edward G. Jones
Notary Public

STATE OF COLORADO }
County of Garfield } ss

The foregoing instrument was acknowledged before me this 7th day of September, A.D., 1954 by Frank Delaney.

Witness my hand and notarial seal.

My commission expires Oct 11, 1954.

Ethel Delaney
Notary Public

STATE OF COLORADO }
County of Mesa } ss

The foregoing instrument was acknowledged before me this 14 day of September, A.D., 1954 by Marcelle Smith.

Witness my hand and notarial seal.

My commission expires My Commission expires October 17, 1957.

Frank M. Dunn
Notary Public

STATE OF }
County of } ss

The foregoing instrument was acknowledged before me this 17 day of Sept, A.D., 1954 by Pierre E. Parker.

Witness my hand and notarial seal.

My commission expires Jan 7, 1958.

John H. Speight
Notary Public

STATE OF ~~COLORADO~~ IDAHO }
County of ~~Mesa~~ BONNEVILLE } ss

The foregoing instrument was acknowledged before me this 20 day of

September, A.D. 1954 by John L. Gaskill and R. E. Williams, President and Secretary respectively of Uncompahgre Uranium Co., Inc., a corporation.

Witness my hand and notarial seal.

My commission expires March 12 - 1956.

Louise Keefer.
Notary Public

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 8-15-55

REFERRED TO:

1. ~~700~~
2. Mr. Olin
3. Mr. Olin
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: ----------

Check (X) before the items needing attention.

ROBERT E. ADAMS
Initials of sender.

GPO 16—63815-1

8-16-55
pm.

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

224 New Customhouse
Denver 2, Colorado

August 10, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Report of Examination, DMEA Docket 3672 (Uranium), Uncompahgre Uranium, Inc., Rio Blanco County, Colorado

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

The applicant has sub-leased the most favorable part of this group of claims. The sub-lease specifies core drilling 18 holes within a six-month period.

We recommend denial of the application without prejudice. Upon completion of the drilling by the sub-lessee, a new DMEA application would receive proper consideration.

DMEA Field Team, Region III

W. M. Traver

W. M. Traver

E. N. Harshman

E. N. Harshman

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 3672

Uncompahgre Uranium, Inc.

Guy Stealey Claims

Rio Blanco County, Colorado

Uranium

Joint Engineering and Geologic Report

by

C. M. Harrer, Mining Engineer
Bureau of Mines

R. T. Chew, III, Geologist
Geological Survey

August 5, 1955

The applicant has subleased the most favorable part of his group of claims to a lessee who will begin active exploration and mining thereon. These claims are the site of all past exploration and production. The sub-lease specifies core drilling 18 holes on the applicant's remaining claims within 6 months, and at sites designated by him.

Uncompahgre Uranium, Incorporated's application for exploration assistance is denied without prejudice because:

(a) The most favorable area included in the Guy Stealey group of claims has been sub-leased and the sublessees will begin active exploration and mining thereon in the immediate future.

(b) A term of the sublease specifies the drilling of 18core drill holes through the ore bearing horizon on property retained by Uncompahgre Uranium, Inc., and at sites designated by him, within 6 months.

(c) The only exposures and projections of favorable channel structure, outcrops of uranium-vanadium minerals, and the sites of rim stripping exploration and all past production are on the Crystal Spring, Joker and Good Deed claims which are held by the sub-lessee.

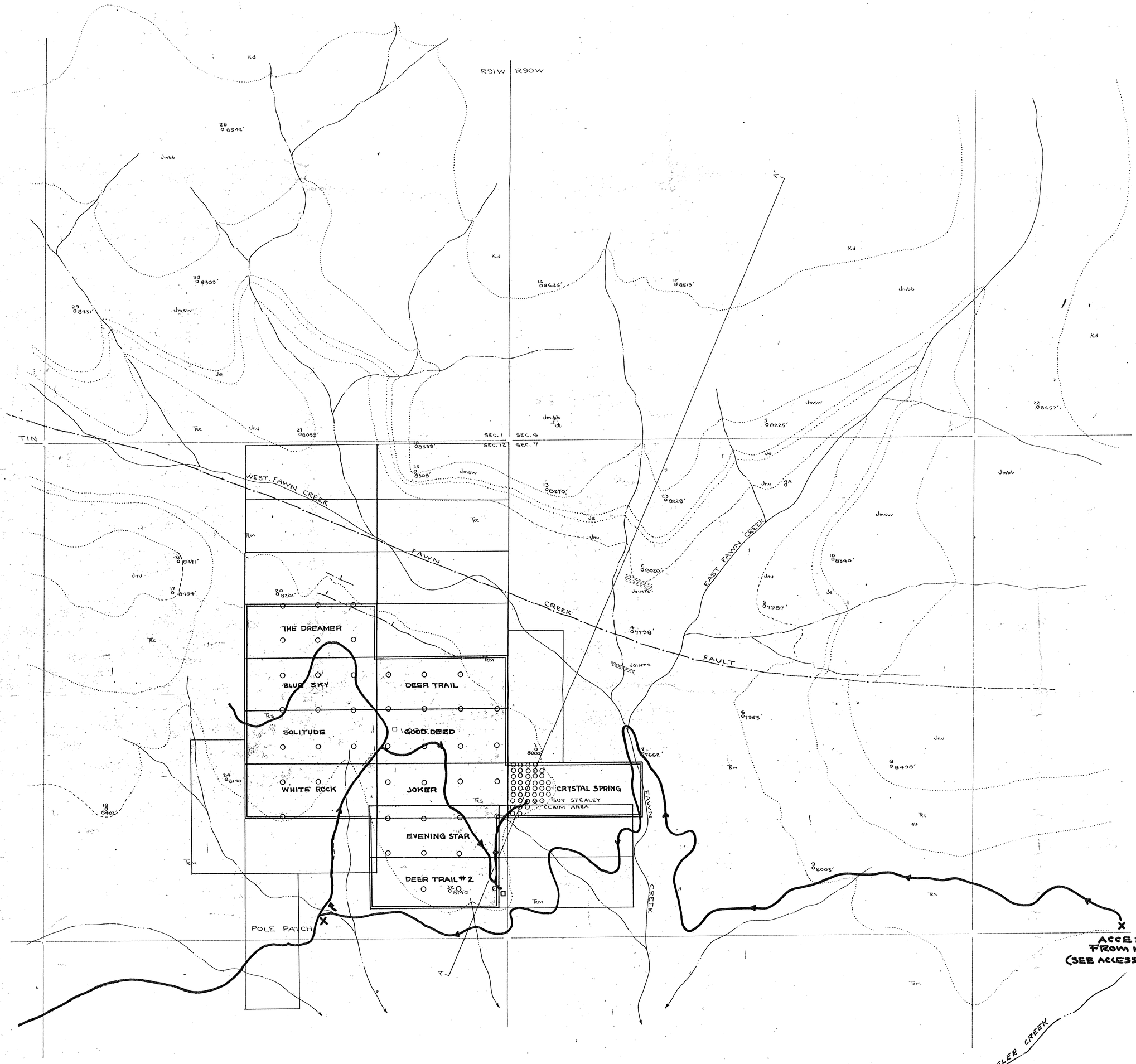
If the results of the sublessees work and the above mentioned core drilling prove encouraging, it is further recommended that the applicant re-submit his application for exploration assistance. He should be so notified.

DMSA 3672

UNCOMPAHGRE URANIUM, INC.
GUY STRALEY CLAIMS
RIO BLANCO COUNTY, COLORADO

Engineering Report

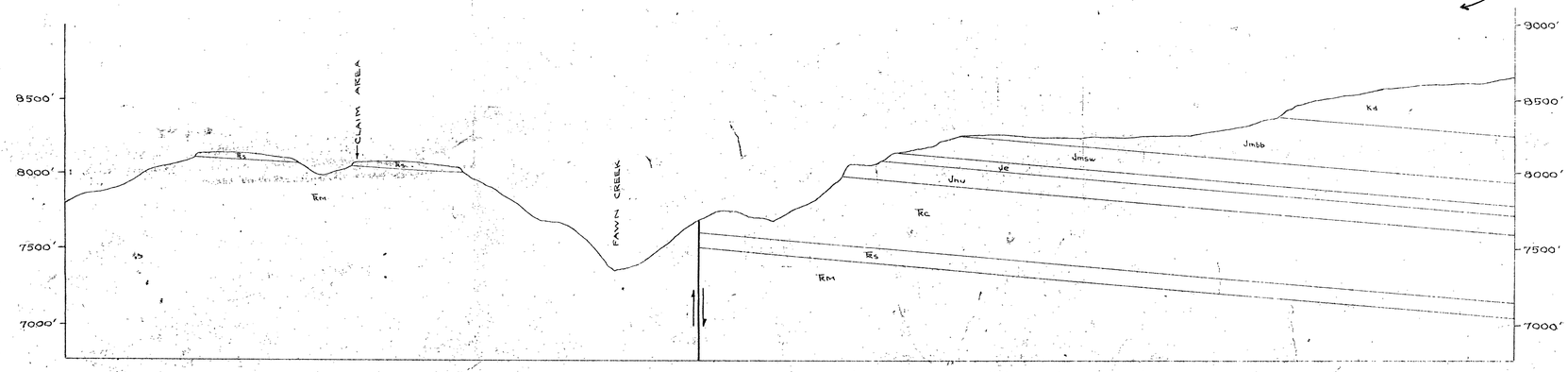
By C. M. Harrer
Mining Engineer
Bureau of Mines



LEGEND

CRETACEOUS	Kd	DAKOTA SANDSTONE (?)
		UNCONFORMITY
JURRASSIC		MORRISON FORMATION
	Jmbb	BRUSHY BASIN MEMBER
	Jmsw	SALT WASH MEMBER
	Je	ENTRADA SANDSTONE
	Jnu	NUGGET SANDSTONE (NAVAJO TIME EQIV.)
		UNCONFORMITY
UPPER TRIASSIC	Trc	CHINLE FORMATION (ANKAREH TIME EQIV.)
	Trs	SHINARUMP MEMBER OF THE CHINLE FORMATION
		UNCONFORMITY
LOWER TRIASSIC	Trm	MOENKOPI FORMATION

- FORMATIONAL CONTACT, OBSERVED
- FORMATIONAL CONTACT, INFERRED.
- FAULT, DIP OR RELATIVE MOVEMENT INDICATED
- SECTION CORNER (NOT FOUND)
- PERENNIAL STREAM
- INTERMITTANT STREAM
- SECONDARY ROAD
- TRAIL
- TRIANGULATION STATION
- CABIN
- X-X NEW ACCESS ROAD BUILT BY CO.
- DOUBLE BORDER - AREA COVERED BY DMEA APPLICATION
- PROPOSED DRILL HOLE



SECTION A-A'

NOTES:

1. NO CHANNELS ARE APPARENT IN THIS FORMATION IN THIS AREA.
2. THERE ARE NO KNOWN GEOLOGIC MAPS OF THIS AREA OTHER THAN THIS ONE.
3. ALL CLAIMS SHOWN ON THIS MAP ARE UNDER VALID LEASE TO THE APPLICANT.
4. ALL CLAIMS ARE SURVEYED.
5. PHASE 1 HOLES SHOWN (8600' OF DRILLING). PHASE 2 (6400' OF DRILLING) WILL CONSIST OF [redacted] REDUCING SPACING OF CENTERS TO 200' OR CLOSER IN THE EVENT A TREND DEVELOPS. [redacted]
6. IN THE AREA WHERE MINERALIZATION IS KNOWN TO EXIST (ON THE CRYSTAL SPRING CLAIM) HOLES WILL BE DRILLED ON 75' CENTERS.

(ENCLOSURE 1)

PLEASE RETURN TO
UNCOMPAHGRE URANIUM INC.
P.O. BOX 114
GRAND JUNCTION, COLO.

UNION MINES DEVELOPMENT CORP.
GRAND JUNCTION, COLO.
FIELD OFFICE

SLEEPY CAT MTN. DISTRICT
WHITE RIVER UPLIFT AREA
AREAL GEOLOGIC MAP

SCALE: 1" = 500' DATE: OCTOBER, 1944
DRAWN BY: W. GRUENERWALD, R. WALLS & G. RICHARDSON
TRACED BY: G. RICHARDSON
GEOLOGY & NOTES BY: W. GRUENERWALD, R. WALLS & G. RICHARDSON

COLO.-WR-31

GENERAL HIGHWAY MAP
RIO BLANCO COUNTY
COLORADO
PREPARED BY THE
COLORADO DEPARTMENT OF HIGHWAYS
PLANNING AND RESEARCH DIVISION
IN COOPERATION WITH THE
U. S. DEPARTMENT OF COMMERCE
BUREAU OF PUBLIC ROADS
SCALE OF MILES
1948
GENERAL LEGEND
ENTER VIA URANIUM PK., SLEEPY CAT ROAD AT YELLOWJACKET PASS, GO THRU AEC CAMP. DISTANCE ABOUT 18 MILES.
CO. BUILT ROAD ENTERING THRU WUNDERLY-BROWN PRIVATE PROPERTY. DISTANCE ABOUT 4 MILES.
ENTER THRU LIVINGSTON EAST GATE AT GRAVEL PIT ABOUT 1/2 MILE WEST OF BUFORD. DISTANCE ABOUT 12 MILES.
MOST DIRECT AND PRACTICAL ACCESS
ALTERNATE ACCESS
COMPANY ROAD IN CONSTRUCTION
X CLAIM AREA
MEEKER
MOFFAT COUNTY
ROUTT COUNTY
GARFIELD COUNTY
WHITE RIVER NATIONAL FOREST
NIELSEN BLUE PRINT CO., INC.
108 North 3rd St. Phone 2124
Grand Junction, Colorado
KEY TO COUNTY SHEETS
MODIFIED POLYCONIC PROJECTION
SHEET 3 OF 3 SHEETS
(ENCLOSURE 2)
PLEASE RETURN TO
UNCOMPAHGRE URANIUM, INC.
P.O. Box 114
GRAND JUNCTION, COLO.
GENERAL HIGHWAY MAP RIO BLANCO COUNTY COLORADO 49-3

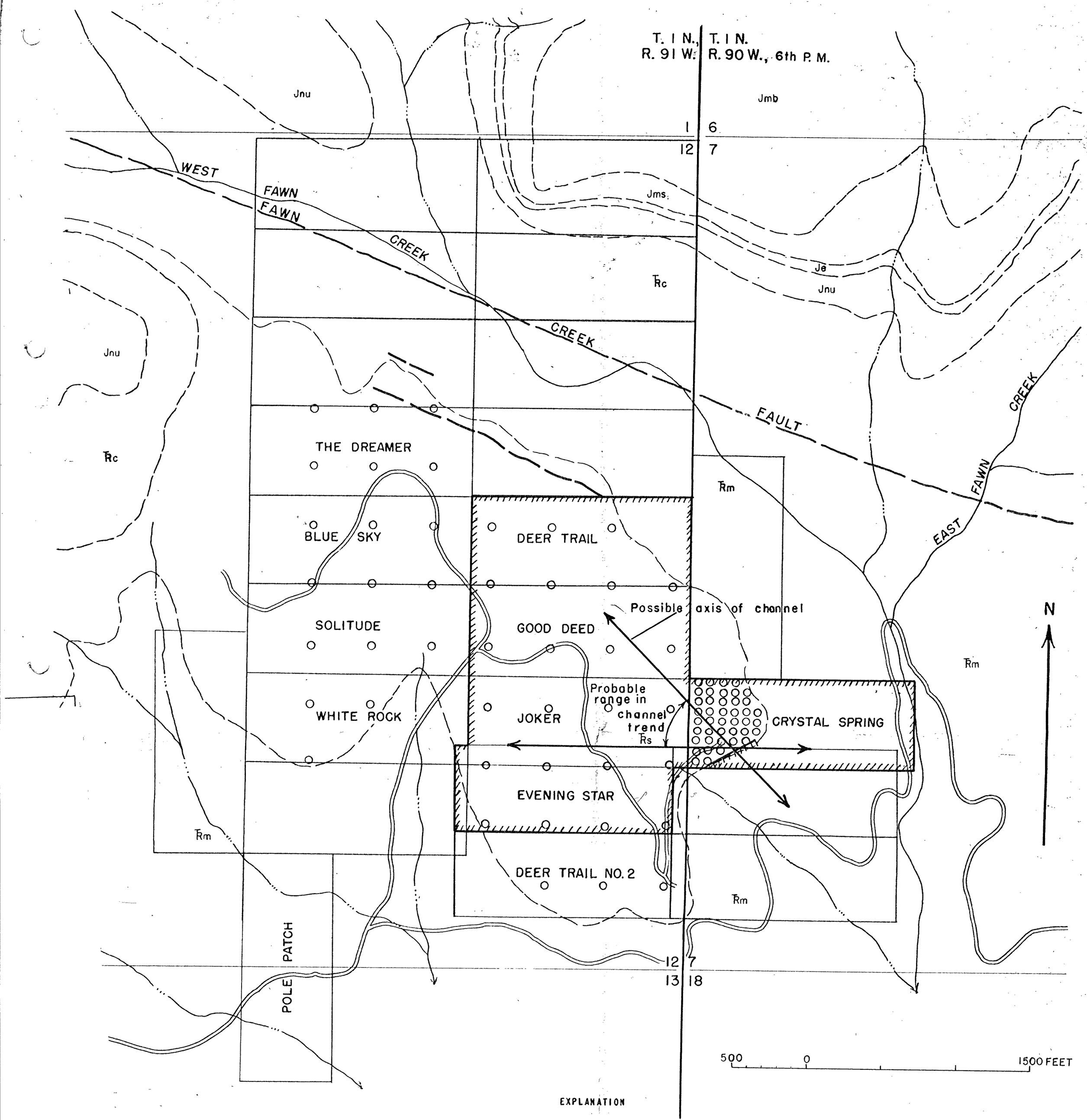


Figure 2. MAP SHOWING THE GUY STEALEY CLAIMS OF UNCOMPAHGRE URANIUM INC., RIO BLANCO COUNTY, COLORADO