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

DOCKET COPY

Murphey

June 26, 1956

Memorandum

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

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

Subject: Docket No. DMEA-4245 (Uranium)
Utah Construction Company
Danny Group of Claims
San Miguel County, Colorado

In accordance with the Applicant's letter, dated June 13, 1956, and Mr. Traver's acknowledgment to the Applicant and memorandum to the Operating Committee, both dated June 14, we have closed the subject docket on our Division records by withdrawal.

Kindly mark your records accordingly.

Ernest Wm. Ellis

Ernest Wm. Ellis

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6-18

REFERRED TO:

1. ~~700~~
2. ~~[illegible]~~
3. ~~Docket~~
4. M+ Files

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REMARKS: Application Withdrawn see Jones 6-14 memo in docket.

Check (X) before the items needing attention.

Initials of sender.

GPO 16—63815-1

6-18-56

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

RECEIVED
JUN 18 1956

June 14, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 4245 (Uranium) Utah Construction Company, (Danny group of claims Nos. 2-6, inclusive), San Miguel County, Colorado

Enclosed are the original and one copy of a letter from the Applicant requesting that the subject application be withdrawn. Also enclosed are two copies of our reply to the Applicant.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

(2)

Hmc
field + MO

ENGINEERS CONTRACTORS

RECEIVED
JUN 18 1956

UTAH CONSTRUCTION COMPANY

ONE HUNDRED BUSH STREET • SAN FRANCISCO 4, CALIFORNIA
CABLE ADDRESS: UTAHCONCO

DMEA
Date Rec'd.
JUN 14 1956
BUREAU OF MINES
Denver, Colorado

622 Commonwealth Bldg.
Denver 2, Colorado

June 13, 1956

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

Re: Docket No.DMEA-4245 (Uranium)
Danny Group of Claims
San Miguel County, Colorado

Dear Mr. Traver:

Utah Construction Company has decided to withdraw its application for assistance in exploring the property under the above Docket number. It would be appreciated if you would complete such action as may be necessary in closing the file on this Docket.

We have already notified, by telephone, Mr. J. W. Hassler in Grand Junction in order that he can cancel arrangements for the DMEA field team to examine the property.

Yours very truly,

H. A. Mann

H. A. Mann

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

RECEIVED
JUN 18 1956

June 14, 1956

224 New Customhouse
Denver 2, Colorado

Mr. H. A. Mann
Utah Construction Company
622 Commonwealth Building
Denver 2, Colorado

Re: Docket DMEA 4245 (Uranium) Benny group of claims, San Miguel County, Colorado

Dear Mr. Mann:

This will acknowledge receipt of your letter dated June 13, 1956 requesting that the captioned application be withdrawn. In accordance with your request we are closing our file on this docket.

Very truly yours,

W. M. TRAVER,

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

HMC:ab

cc: Chair. Op. Comm. (2)
Docket 4245
Harshman
Shaw (2)
Hasler
Chron.

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

RECEIVED
JUN 18 1956

June 14, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 4245 (Vrenium) Utah Construction Company, (Dummy group of claims Nos. 2-6, inclusive), San Miguel County, Colorado

Enclosed are the original and one copy of a letter from the Applicant requesting that the subject application be withdrawn. Also enclosed are two copies of our reply to the Applicant.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

ENGINEERS CONTRACTORS

RECEIVED
JUN 18 1956

UTAH CONSTRUCTION COMPANY

ONE HUNDRED BUSH STREET • SAN FRANCISCO 4, CALIFORNIA
CABLE ADDRESS: UTAHCONCO

DMEA
Date Rec'd.
JUN 14 1956
BUREAU OF MINES
Denver, Colorado

622 Commonwealth Bldg.
Denver 2, Colorado

June 13, 1956

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

Re: Docket No.DMEA-4245 (Uranium)
Danny Group of Claims
San Miguel County, Colorado

Dear Mr. Traver:

Utah Construction Company has decided to withdraw its application for assistance in exploring the property under the above Docket number. It would be appreciated if you would complete such action as may be necessary in closing the file on this Docket.

We have already notified, by telephone, Mr. J. W. Hassler in Grand Junction in order that he can cancel arrangements for the DMEA field team to examine the property.

Yours very truly,

H. A. Mann

H. A. Mann

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

RECEIVED
JUN 18 1956

June 14, 1956

224 New Customhouse
Denver 2, Colorado

Mr. H. A. Mann
Utah Construction Company
622 Commonwealth Building
Denver 2, Colorado

Re: Docket DMEA 4245 (Uranium) Bunny group of claims, San Miguel County, Colorado

Dear Mr. Mann:

This will acknowledge receipt of your letter dated June 13, 1956 requesting that the captioned application be withdrawn. In accordance with your request we are closing our file on this docket.

Very truly yours,

W. M. TRAVER,

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

HMC:ab

cc: Chair. Op. Comm. (2)
Docket 4245
Harshman
Shaw (2)
Hasler
Chron.

5-11-56

RECEIVED
MAY 11 1956

DMEA
Date Rec'd.
MAY 9 1956
BUREAU OF MINES
Denver, Colorado

May 8, 1956

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4245 (Uranium), Utah Construction Company, (Danny group of claims) San Miguel County, Colorado

The subject application in the amount of $28,132.00 was received in this office on May 8, 1956.

A field examination will be made and suitable report prepared by an engineer from the Denver or Grand Junction office.

JOHN F. SHAW

John F. Shaw

cc: W. M. Traver (2)
E. N. Harshman
J. W. Hasler
M. E. Salsbury
J. F. Shaw
Sec. Op. Com. (2)

RECEIVED
MAY 11 1956

DMEA
Date Rec'd.
MAY 9 1956
BUREAU OF MINES
Denver, Colorado

May 8, 1956

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4245 (Uranium), Utah Construction Company, (Danny group of claims) San Miguel County, Colorado

The subject application in the amount of $28,132.00 was received in this office on May 8, 1956.

A field examination will be made and suitable report prepared by an engineer from the Denver or Grand Junction office.

JOHN F. SHAW

John F. Shaw

cc: W. M. Traver (2)
E. N. Harshman
J. W. Kasler
M. H. Salsbury
J. F. Shaw
Sec. Op. Com. (2)

5-10-56

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

RECEIVED
MAY 10 1956

May 7, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. F. Shaw (2) (With brochure)
J. W. Hasler

From: Field Team, Region III

Subject: Docket DMEA 4245 (Uranium) Utah Construction Company, (Danny Group of Claims) San Miguel County, Colorado

Enclosed is the subject application in the amount of $28,132.00. A Field examination and suitable report are required.

Enclosed are a copy of a letter from the Chairman, Operating Committee dated May 3, 1956 with attached memoranda of review of the application by W. P. Williams and John E. Crawford.

Will you please return the brochure with the Report of Examination.

DMEA Field Team, Region III

W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

HMC:ab

cc: Chair. Op. Comm. (2)
Docket
Chron.

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

RECEIVED
MAY 10 1956

May 7, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. F. Shaw (2) (With brochure)
J. W. Hasler

From: Field Team, Region III

Subject: Docket DMEA 4245 (Uranium) Utah Construction Company, (Danny Group of Claims) San Miguel County, Colorado

Enclosed is the subject application in the amount of $25,132.00. A Field examination and suitable report are required.

Enclosed are a copy of a letter from the Chairman, Operating Committee dated May 3, 1956 with attached memoranda of review of the application by W. P. Williams and John E. Crawford.

Will you please return the brochure with the Report of Examination.

DMEA Field Team, Region III

W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

WMC:sh

cc: Chair. Op. Comm. (2)
Docket
Chron.

700

FILE C...
Surname:
Murphy
Hill
Lerhen
Stimpson
Selbridge

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

Mr. Allan D. Christensen, President
Utah Construction Company
100 Bush Street
San Francisco 4, California

May 1956

Re: Docket No. DMEA-4245 (Uranium)
Danny Group of Claims
San Miguel County, Colorado

Dear Mr. Christensen:

The application for assistance in exploring your property, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for a field examination to:

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/izm 5-2-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
DMEA Field Team, Region III (2)

C

700

FILE COPY
Surname:
Murphy
Selfridge

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

MAY 3 1956

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

Re: Docket No. DMEA-4245 (Uranium)
Utah Construction Company
Danny Group of Claims
San Miguel County, Colorado

Dear Mr. Traver:

The captioned application is referred to Region III Field Team for a field examination and recommendation.

Copies of memoranda dated April 23 and 30, 1956 by J. E. Crawford, USBM, and W. F. Williams, USGS, respectively, relating to the application are enclosed.

In the event the Field Team recommends a project on the subject group of claims, it should advise the Applicant that we will require six copies of the Owners' Consent to Lien, signed by Elwood L. Collins and Kathryn O. Collins, his wife; and also that we require copies of bids from three independent contractors on the proposed drilling.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (S/S)

Enclosures

APPROVED:

/s/ Robert W. Geehan (S/S)
Member, Bureau of Mines

Thor H. Kiilsgaard (S/S)
Member, Geological Survey

FMMurphy/izm 5-2-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
Operatiing Committee
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

5-1-56

IN REPLY REFER TO:

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

April 30, 1956

Memorandum

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

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

Subject: Review of application, DMEA 4245, Utah Construction Company, Danny claims, Slick Rock district, San Miguel County, Colorado.

The applicant proposes an exploration project consisting of 23 rotary drill holes aggregating about 6,500 feet of drilling and 3,000 feet of wagon drilling. The property involved consists of five unpatented mining claims. The total cost of the project, as estimated by the applicant, would be $28,132.00.

Five holes have been drilled on the property by the Geological Survey. Although no ore was found the claims are classed as favorable and semi-favorable for ore deposits on the basis of Government drilling on the property and other drilling in the vicinity.

Because of the favorable drilling results and because the property is not far from active mines it appears that an exploration project on the property may be warranted. I recommend that the application be referred to the Field Team for field examination and report.

WPWilliams

W. P. Williams

RECEIVED
MAY 1 - 1956

IN REPLY REFER TO:

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

April 30, 1956

Memorandum

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

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

Subject: Review of application, DMEA 4843, Utah Construction Company, Bunny claims, Slick Rock district, San Miguel County, Colorado.

The applicant proposes an exploration project consisting of 23 rotary drill holes aggregating about 6,500 feet of drilling and 3,000 feet of vugen drilling. The property involved consists of five unpatented mining claims. The total cost of the project, as estimated by the applicant, would be $28,132.00.

Five holes have been drilled on the property by the Geological Survey. Although no ore was found the claims are classed as favorable and semi-favorable for ore deposits on the basis of Government drilling on the property and other drilling in the vicinity.

Because of the favorable drilling results and because the property is not far from active mines it appears that an exploration project on the property may be warranted. I recommend that the application be referred to the Field Team for field examination and report.

W. P. Williams

WPWilliams:iml
G-4/30/56
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

RECEIVED
MAY 1 - 1956

4-25-56

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

RECEIVED
APR 24 1956

April 23, 1956

Memorandum

To: Ernest William Ellis, DMEA Docket
Uranium Commodity Committee

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

Subject: Application for Assistance, DMEA Docket 4245, Utah Construction Company (Danny claims Nos. 2-6 inclusive) San Miguel County, Colorado

I have reviewed the attached application, DMEA Docket 4245, Utah Construction Company, San Miguel County, Colorado, dated March 26, 1956 and received in this office April 19, 1956. I have also discussed it with Joseph O. Hosted, Washington representative at the Atomic Energy Commission.

The application for exploration assistance includes rotary drilling, wagon drilling, and site preparation on five mining claims located in the Spud Patch - Slick Rock district in T.43N., R.16 W., San Miguel County, Colorado, with total estimated costs at $28,132.

The U.S. Geological Survey drilled five holes within the area covered by the subject claims in 1951. The holes encountered semi-favorable to favorable ore-bearing structures but did not penetrate ore-grade material.

We recommend that the application be referred to the field for a possible examination of the subject property, and we suggest that the Field Team consult with E. R. Gordon, Atomic Energy Commission, Grand Junction, Colorado.

John E. Crawford

John E. Crawford

Attachment

4-19-56

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

April 17, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 4245 (Uranium) Utah Construction Company, (Danny claims Nos. 2-6 inclusive) San Miguel County, Colorado

Enclosed are four copies of a review of the subject application by members of the Grand Junction office, DMEA.

Because the area in the vicinity of the Danny group was classified as ranging from semi-favorable to favorable, we recommend that a field examination be made on the Danny group of claims.

DMEA Field Team, Region III

By W. M. Traver
Executive Officer

Enclosures

HWF

IN REPLY REFER TO:

MINERAL DEPOSITS
DMEA
RECEIVED
APR 16 1956
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
Rec'd.
APR 16 1956

P. O. Box 360
Grand Junction, Colorado

BUREAU OF MINES
Denver, Colorado

April 11, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman EMH

From: J. William Hasler
M. H. Salsbury

Subject: Application for DMEA aid (Uranium), Utah Construction Company, (Danny claims Nos. 2-6, inclusive), San Miguel County, Colo.

The application for DMEA aid from the Utah Construction Company, 100 Bush Street, San Francisco, California, has been referred to us to ascertain the advisability of a field examination.

The Danny group of claims are located in the Spud Patch area of the Slick Rock district, San Miguel County, Colorado. The ore deposits in the Slick Rock district occur in the various sandstone units of the Salt Wash member of the Morrison formation of Jurassic age. The Salt Wash sandstone member in the area consists of three prominent sandstone units interbedded with gray-green mudstone. The middle unit of the Salt Wash sandstone member has been a more prominent producer of uranium-vanadium ore. Total production from the Spud Patch-Snyder group, Slick Rock district, from 1937 to 1951 was 17,700 tons of ore that average 0.29 percent U_3O_8 and 2.6 percent V_2O_5. Of the five mines near the Danny group of claims; namely, the Effie, Bessie, Moqui Jug, May Day, and Norma Jean No. 1 mine, the Norma Jean mine has produced the bulk of the ore. It has produced 1,782 tons of ore assaying 0.52 percent U_3O_8 and 2.44 percent V_2O_5. The Moqui Jug produced 1,048 tons of 0.16 percent U_3O_8 and 2.10 percent V_2O_5, and the May Day mine produced six tons, all assaying 0.16 percent U_3O_8 and 0.1 percent V_2O_5. Production from the Norma Jean mine came from the middle sandstone unit and the Moqui Jug produced from the upper sandstone unit of the Salt Wash member.

During the consultation with D. R. Shaw, project geologist for the U. S. Geological Survey in the Slick Rock district, a review of the Survey drilling indicates that holes Sp-54 and SP-58 were drilled deep enough to penetrate the middle sandstone unit, contrary to the opinion of the applicant. The middle unit is about 50 feet thick; however, this thickness is not entirely sandstone but is frequently interspersed with red and gray-green mudstone. The area in the vicinity of the Danny group was classified as ranging from semifavorable to favorable by Geological

Survey drilling, and field work shows that the Salt Wash sandstone outcrops in the canyons west and northwest of the Danny group of claims is not too favorable.

The above data indicate, however, that a field examination on the Danny group of claims is warranted. We will retain the application in this office pending decision from Washington.

J. William Hasler
J. William Hasler,
U. S. Geological Survey

M. H. Salsbury
M. H. Salsbury
U. S. Bureau of Mines

JWH/mlr

IN REPLY REFER TO:
MINERAL DEPOSITS

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
RECEIVED
APR 16 1956
GEOLOGICAL SURVEY
DENVER, COLORADO

P. O. Box 360
Grand Junction, Colorado

April 11, 1956

APR 16 1956
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman

From: J. William Hasler
M. H. Salsbury

Subject: Application for DMEA aid (Uranium), Utah Construction Company, (Danny claims Nos. 2-6, inclusive), San Miguel County, Colo.

The application for DMEA aid from the Utah Construction Company, 100 Bush Street, San Francisco, California, has been referred to us to ascertain the advisability of a field examination.

The Danny group of claims are located in the Spud Patch area of the Slick Rock district, San Miguel County, Colorado. The ore deposits in the Slick Rock district occur in the various sandstone units of the Salt Wash member of the Morrison formation of Jurassic age. The Salt Wash sandstone member in the area consists of three prominent sandstone units interbedded with gray-green mudstone. The middle unit of the Salt Wash sandstone member has been a more prominent producer of uranium-vanadium ore. Total production from the Spud Patch-Snyder group, Slick Rock district, from 1937 to 1951 was 17,700 tons of ore that average 0.29 percent U_3O_8 and 2.6 percent V_2O_5. Of the five mines near the Danny group of claims, namely, the Effie, Bessie, Moqui Jug, May Day, and Norma Jean No. 1 mine, the Norma Jean mine has produced the bulk of the ore. It has produced 1,782 tons of ore assaying 0.52 percent U_3O_8 and 2.44 percent V_2O_5. The Moqui Jug produced 1,048 tons of 0.16 percent U_3O_8 and 2.10 percent V_2O_5, and the May Day mine produced six tons, all assaying 0.16 percent U_3O_8 and 0.1 percent V_2O_5. Production from the Norma Jean mine came from the middle sandstone unit and the Moqui Jug produced from the upper sandstone unit of the Salt Wash member.

During the consultation with D. R. Shaw, project geologist for the U. S. Geological Survey in the Slick Rock district, a review of the Survey drilling indicates that holes Sp-54 and SP-58 were drilled deep enough to penetrate the middle sandstone unit, contrary to the opinion of the applicant. The middle unit is about 50 feet thick, however, this thickness is not entirely sandstone but is frequently interspersed with red and gray-green mudstone. The area in the vicinity of the Danny group was classified as ranging from semifavorable to favorable by Geological

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The above data indicate, however, that a field examination on the Danny group of claims is warranted. We will retain the application in this office pending decision from Washington.

J. William Hasler
J. William Hasler,
U. S. Geological Survey

M. H. Salsbury
M. H. Salsbury
U. S. Bureau of Mines

JWH/mlr

April 11, 1956
Subject: DMEA-4245
Re: Exploration Assistance
Danny Claims Nos. 2-6

Utah Construction Company
100 Bush Street
San Francisco 4, California

Gentlemen:

The receipt of your application dated March 26, 1956, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4245 and referred to the Rare & Misc. 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

April 11, 1956

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 - 4245 Utah Construction Company

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

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

RECEIVED
APR 11 1956

April 9, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Utah Construction Company, (Danny Claims Nos. 2-6 inclusive), San Miguel County, Colorado

Enclosed are two copies of the subject application, two copies of our memorandum to J. W. Hasler, and two copies of our letter to the applicant.

DMEA Field Team, Region III

By W. M. Traver
Executive Officer

Enclosures

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

RECEIVED
APR 11 1956

April 9, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Hasler

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Utah Construction Company, (Danny Claims Nos. 2-6 inclusive), San Miguel County, Colorado

Enclosed is the subject application in the amount of $28,132.00.

Will you discuss this application with the Bureau of Mines representative in the Grand Junction office and the AEC and forward this office nine copies of your joint recommendations concerning the advisability of a field examination.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosure

HMC:ab

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

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

RECEIVED
APR 11 1956

April 9, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Hasler

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Utah Construction Company, (Danny Claims Nos. 2-6 inclusive), San Miguel County, Colorado

Enclosed is the subject application in the amount of $28,132.00.

Will you discuss this application with the Bureau of Mines representative in the Grand Junction office and the AEC and forward this office nine copies of your joint recommendations concerning the advisability of a field examination.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosure

HMC:ab

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

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

RECEIVED
APR 11 1956

April 9, 1956

224 New Customhouse
Denver 2, Colorado

Mr. H. A. Mann
Utah Construction Company
622 Commonwealth Building
Denver 2, Colorado

Re: Application for DMEA Aid (Uranium), (Danny Claims Nos. 2-6 inclusive), San Miguel County, Colorado

Dear Mr. Mann:

This will acknowledge receipt of your letter dated April 3, 1956 and four copies of the captioned application for DMEA aid. The application is being forwarded to the Washington office, DMEA, for further processing, and should they require additional information, they will request it.

Very truly yours,

W. M. TRAVER

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

HMC:ab

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

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

RECEIVED
APR 11 1956

April 9, 1956

224 New Customhouse
Denver 2, Colorado

Mr. H. A. Mann
Utah Construction Company
622 Commonwealth Building
Denver 2, Colorado

Re: Application for DMEA Aid (Uranium), (Danny Claims Nos. 2-6 inclusive), San Miguel County, Colorado

Dear Mr. Mann:

This will acknowledge receipt of your letter dated April 3, 1956 and four copies of the captioned application for DMEA aid. The application is being forwarded to the Washington office, DMEA, for further processing, and should they require additional information, they will request it.

Very truly yours,

W. M. TRAVER,

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

HMC:ab

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

DMEA
Date Rec'd

RECEIVED APR 9 1956

APR 11 1956 BUREAU OF MINES
Denver, Colorado

622 Commonwealth Bldg.
Denver 2, Colorado

April 3, 1956

Mr. W. H. Traver
Executive Officer
Defense Minerals Exploration Administration
Room 224 New Custom House
Denver, Colorado

Dear Mr. Traver:

Attached is an "Application for Aid in an Exploration Project, Pursuant to DMEA Order 1, under the Defense Production Act of 1950, as Amended."

The application is for an exploration contract, with costs estimated at $28,132, to include rotary drilling, wagon drilling and site preparation on five (5) mining claims located in the Spud Patch-Slick Rock District in T 43 N, R 18 W, in San Miguel County, Colorado. No mining operation has been conducted to date on this property. In the period from 1949 to 1951 the U. S. Geological Survey drilled 5 holes within the area covered by the mining claims included in this lease application, all of which encountered semi-favorable or favorable ore-bearing structures, without, however, encountering commercial uranium values. However, none of these holes penetrated below the uppermost or "third" rim of the Salt Wash formation.

Utah Construction Company plans to drill these mining claims in the near future. By the time the DMEA field team is prepared to make a field examination of the claims, it is believed that sufficient uranium mineralization will have been encountered to justify a favorable recommendation on this application. It is planned that the holes be drilled sufficiently deep to penetrate through the lowest sandstone horizon in the Salt Wash formation.

We anticipate hearing from you after you have had an opportunity to review our application.

Sincerely,

H. A. Mann

H. A. Mann

Encl.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA
Date Rec'd.
APR 9 1956

Form Approved.
Budget Bureau No. 42-R1036.2.

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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. OMEA-4245
Metal or Mineral Uranium
Date Received 4-11-56
Estimated Cost $28,132.00
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: Utah Construction Company, a corporation duly organized and exisiting under the laws of the State of Utah, Mailing Address: 100 Bush Street, San Francisco 4, California (For names, titles and addresses of officers, see Attachment No. 1) (Field office, 622 Commonwealth Bldg., Denver, Colorado)

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract "Danny Claims Nos. 2 through 6 inclusive, unpatented mining claims situated in Lower San Miguel Mining District, San Miguel County, Colorado, location notices filed in official records of San Miguel County Book 246, Pages 537 through 541, inclusive.

(*b*) State any mine name by which the property is known. See 3(a) above

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessee under mining lease from Elwood L. Collins dated March 21, 1955, recorded in official records of San Miguel County, Colo. Book 251, Page 21.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. See Attachment No. 2

(*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. See 3(a) above

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. See Attachment No. 3

(*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. (See Attachment 4)

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

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

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

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. See Attachment No. 5

(*c*) The work will start within 30 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. See attachment No. 5

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project: See Attachment No. 6

(*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)? See Attachment No. 7

(*b*) How do you propose to furnish your share of the costs? See Attachment No. 7

[x] Money [x] Use of equipment owned by you [x] 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 March 26, 1956

UTAH CONSTRUCTION COMPANY
(Applicant)

By Allen B. Christensen
President

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

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

Attachment No. 1 to DMEA Application of Utah Construction Company

RECEIVED
APR 1 1 1956

OFFICERS AND DIRECTORS

List of Names	Titles	Addresses
Marriner S. Eccles	Director, Chairman of the Board	100 Bush Street, San Francisco, Calif.
Allen D. Christensen	Director, President and General Manager	100 Bush Street San Francisco, Calif.
E. W. Littlefield	Director, Executive Vice President, Secretary and Treasurer	100 Bush Street San Francisco, Calif.
Marriner A. Browning	Director	First Security Bank Bldg., Ogden, Utah
L. S. Corey	Director	100 Bush Street, San Francisco, Calif.
L. T. Dee	Director	First Security Bank Bldg., Ogden, Utah
George S. Eccles	Director	First Security Bank Bldg., 79 S. Main St., Salt Lake City, Utah
W. H. Harris	Director	P.O. Box 187, Ogden, Utah
Shepard Mitchell	Director	Mitchell, Silberberg & Knupp, 6399 Wilshire Blvd., Los Angeles 48, Calif.
P. L. Wattis	Director	Wattis & Co. 220 Montgomery Street San Francisco 4, Calif.
~~G. R. Putnam~~	~~Vice President~~	~~142 E. 3rd South St. P.O. Box 1590 Salt Lake City, Utah~~
F. M. Keller	Vice President	100 Bush Street San Francisco, Calif.
C. S. Davis	Vice President	100 Bush Street San Francisco, Calif.
J. M. Horrigan	Assistant Treasurer, Assistant Secretary	100 Bush Street San Francisco, Calif.

Guy V. Sperry	Assistant Secretary	100 Bush Street San Francisco, Calif.
Peter Jacobsen	Assistant Secretary	100 Bush Street San Francisco, Calif.
Edgar White	Assistant Secretary	100 Bush Street, San Francisco, Calif.
J. K. Allen	Assistant Secretary	100 Bush Street San Francisco, Calif.
C. W. Robinson	Assistant Treasurer Assistant Secretary	100 Bush Street, San Francisco, Calif.
E. V. Reeves	Assistant Secretary	142 E. 3rd South St. P.O. Box 1590, Salt Lake City, Utah

Attachment No. 2 to DMEA Application of Utah Construction Company

MINING LEASE

THIS LEASE, made and entered into this ..... day of March 21, 1955, by and between Elwood L. Collins of Egnar, Colorado (address), hereinafter referred to as Lessor, and Utah Construction Company, a Utah corporation hereinafter referred to as Lessee;

WITNESSETH: I. RIGHTS GRANTED TO LESSEE—Lessor in consideration of the rents and royalties to be paid and the covenants to be observed, as hereinafter set forth, does hereby grant and lease to Lessee the property situated in the Lower San Miguel Mining District, in the County of San Miguel, State of Colorado, described in Exhibit A attached hereto and made a part hereof, with the exclusive right and privilege of prospecting and exploring for, and of mining, strip-mining, extracting and removing therefrom valuable minerals and ores, including all ores or materials containing uranium, thorium and any other fissionable material, and to construct all works, improvements, buildings, plants, structures, roads, spur tracks, power lines and other works and facilities upon the leased property and to make such other use of said property, including the use of water and timber thereon, and the dumping of waste and stockpiling and processing of ore thereon, as may be necessary or convenient in the mining, strip-mining, disposing, processing and marketing of valuable minerals and ores thereon and therefrom; together with rights of ingress and egress thereto and therefrom, insofar as Lessor can grant such rights;

TO HAVE AND TO HOLD unto Lessee for a term of 100 years commencing on the date of this lease, and so long thereafter as ore shall be produced from the leased property by Lessee, or Lessee shall continue exploration or mining operations on said property, subject to Lessee's right to terminate this lease as hereinafter provided.

II. EXPLORATION PERIOD—A. Lessee is hereby granted, for a period of one year from the date of this lease, the exclusive right to perform exploration work upon the leased property, including drilling, trenching, surveying, and any other such work as Lessee may deem necessary to carry out thereon, for the purpose of determining, to the satisfaction of Lessee, the location and extent of any deposits of valuable minerals and ores, including ores or materials containing uranium, thorium, or other fissionable material, lying within said property.

B. Lessee agrees to pay to Lessor an initial annual minimum royalty or rental at the rate of $50.00 dollars per year for each of the above described mining claims held by Lessee under this lease during the exploration period herein granted. Said minimum royalty or rental shall be paid annually in advance in accordance with the number of claims held under this lease at the time said minimum royalty or rental shall be due and payable. Lessor hereby acknowledges the receipt from Lessee of the first payment of said minimum royalty or rental as of the date of this lease in the total amount of $250.00 dollars. Successive payments of said minimum royalty or rental shall be made on each successive anniversary date of this lease.

C. Lessee shall have the privilege of mining ore from the leased property during the exploration period herein granted, subject to payment of actual royalties as provided in Article III (A) hereof.

D. It is understood that Lessee will commence exploration or mining operations upon the leased property as soon as may be practicable but not later than the termination of the exploration period herein granted. In the event Lessee has not commenced such exploration or mining operations prior to the expiration of the exploration period herein granted, Lessor may, at its election, terminate this lease, providing Lessee has not commenced exploration or mining operations within ninety days after receiving written notice from Lessor of Lessor's intention to so terminate this lease; and provided further that if Lessee shall commence such exploration or mining operations within such ninety-day period, or earlier, this lease shall, subject to the provisions of Article VI, remain in effect and continue for the full term hereof.

III. ROYALTIES—A. Actual Royalties— 1. Lessee shall pay Lessor an actual royalty on all minerals or ores, other than ores or materials containing uranium, thorium or other fissionable material, mined and shipped or removed by Lessee from the leased property of 1½ % of the net returns received by Lessee from any mint, smelter, treatment agency or other purchaser to which such minerals or ores are sold by Lessee.

2. Lessee shall pay Lessor an actual royalty on all ores or materials containing uranium, thorium, or other fissionable material mined and shipped or removed by Lessee from the leased property in accordance with the schedule of percentage rates, as set forth in Exhibit B attached hereto and made a part hereof, of the "mine value per dry ton", meaning the dollar value per dry ton (of 2,000 pounds) of crude ores at the mine as determined by the application to the valuable metal content of such ore of the base price schedules for such ores established and currently in effect by the Atomic Energy Commission or other government authorized agency before allowance for transportation and development. It is specifically understood that any initial production bonuses shall be included in "mine value per dry ton"; provided, however, that if the United States Government does not establish or have in effect a price schedule for the purchase of such ores on a fixed or scheduled dollar value per dry ton on crude ores at the mine, or if said ores contain salable materials, some or all of which are disposed of to a treatment plant or purchase depot for the treatment and benefication of uranium bearing ores, then "mine value per dry ton" shall be the value per dry ton of said crude ores as paid for by the Atomic Energy Commission or other government authorized agency, or privately operated mills or buyers who may hereafter not be subject to government control, less any allowances, reimbursements or costs for the following specific items: (a) transportation of ores; (b) any allowances paid to Lessee for exploration for or development of ores; (c) treatment or benefication of ores; which specific items shall, in such event, be deducted from the sale price received from the metal content of said ores by the seller before the percentage royalty as set forth in Exhibit B is calculated and paid.

3. Any amount due and payable to Lessor as actual royalty on ore mined and shipped or removed by Lessee from the leased property during any calendar month shall be paid by Lessee to Lessor on or before the 25th day of the next succeeding calendar month after such shipment or removal.

B. Minimum Royalty or Rent— 1. Lessee shall pay to Lessor, annually in advance, during the term of this lease, a minimum royalty or rental at the rate of $150.00 dollars each year for each mining claim held by Lessee under this lease. The first payment of such minimum royalty or rental shall be due and payable upon the expiration of the exploration period provided in Article II hereof and shall be paid in accordance with the amount of acreage then held by Lessee under this lease. Each successive payment of said minimum royalty or rental shall be due and payable annually thereafter on each successive anniversary date of the first payment of said minimum royalty or rental hereunder, in accordance with the amount of acreage which may be held by Lessee under this lease at the time such payment is due.

C. Royalty Credit— 1. Any minimum royalty or rental paid by Lessee under this agreement for any annual or other period shall apply toward and be a credit on the payment of any actual royalties due or thereafter becoming due during the term of this agreement.

2. In the event that actual royalties becoming due in any annual or other period shall exceed the amount of minimum royalty or rental paid by Lessee for such period, the excess amount of such actual royalties shall apply toward and be a credit on the payment of any minimum royalties or rentals thereafter due or becoming due during the term of this lease.

D. Royalty Payments— 1. All payments of royalties or rental due hereunder shall be mailed to Lessor at Egnar, Colorado (address) or to such other one person, firm or corporation as Lessor may from time to time designate by written notice to Lessee; [illegible] for the purpose of receiving any and all payments [illegible] of this lease.

IV. OPERATION OF LEASED PROPERTY—Lessee shall work and operate the leased property in a workmanlike manner and shall remove ore therefrom in accordance with recognized mining or strip mining methods and practices, but without any other restrictions upon the method employed. Lessee shall, at Lessee's own cost and expense, furnish such labor, material and supplies as Lessee may deem necessary for the proper development of the leased property and for the mining, processing and removing of ore therefrom. If Lessee stockpiles upon the leased property ore mined, therefrom, Lessee shall not be required to pay royalties upon such ore until the same shall have been actually shipped or removed from the leased premises. Lessee in the use, operation and development of the leased property shall comply with all applicable federal and state laws, including laws pertaining to employer's liability, workmen's compensation, and workmen's old age and unemployment insurance. Lessee shall not in any way be liable for surface damage caused by strip-mining. (See Rider 1 attached)

V. LESSOR'S RIGHT OF INSPECTION—Lessor or its duly authorized agents shall at all reasonable times have free access to the leased property and to all workings thereon for the purpose of inspecting Lessee's books and records pertaining to Lessee's operations on the leased property and for the purpose of determining whether Lessee is complying with the terms of this lease.

VI. TERMINATION— If at any time Lessee shall be in default in the performance of any of the terms and conditions of this lease to be performed by it, provided such default is not caused by casualties, strikes, litigation, storms, floods, Acts of God, or other causes or things beyond the control of Lessee, and if such default is continued for a period of ninety days after written notice of such default being given by Lessor to Lessee, then and in such event Lessor may terminate this lease by notice to Lessee.

Lessee may, at any time and from time to time during the term hereof, or any extension hereof, relinquish and surrender to Lessor any portion of the leased property not needed by Lessee for its operations under this lease, or may terminate this lease and surrender to Lessor the whole of the leased property upon giving Lessor thirty days' notice in writing and paying all sums due and payable to Lessor hereunder up to the effective date of such termination, without further liability on the part of Lessee with respect to the portion of the leased property so released and relinquished. In the event of termination of this lease by Lessee or relinquishment of any portion of the leased premises by Lessee, Lessee will execute and deliver to Lessor a quitclaim deed covering the property thereby affected.

In the event of termination of this lease by Lessee, Lessee will within a reasonable time thereafter furnish Lessor's agent, as designated under Article III hereof, with a copy of any drill logs and assay reports obtained by Lessee pertaining to the leased property. If this lease is terminated for any reason or a portion of the leased property is relinquished, or upon the expiration of this lease, Lessee shall have the right for a period of one year after such termination, release or expiration to enter upon and remove from the leased property affected all machinery, equipment, materials, buildings, structures, tracks, improvements, and other property of the Lessee placed or affixed upon said leased property by Lessee. Upon any release under, or any termination or expiration of, this lease, Lessee may sell or retain equity in ores in transit, in bins or in stockpiles, provided that such ores are removed from the leased property affected within ninety days after such release or after this lease is terminated or has expired, and provided that Lessee shall pay to Lessor royalty on such ores as is hereinbefore provided.

VII. INDEMNIFICATION OF LESSOR— Lessee shall indemnify and hold harmless Lessor from and against all claims or liability arising out of violation of any law, damage to property of, injuries to, or death of persons, other than Lessor, its agents or employees, where such violation, damage, injury or death is caused by the use, operation or development of the leased property by Lessee. (See Rider 2 attached)

VIII. TITLE TO LEASED PROPERTY— [redacted] Lessee shall have the right to do and perform any assessment work required to be done on said premises but shall not be obligated so to do, and Lessor hereby authorizes Lessee at Lessee's discretion to pay for Lessor's account for cost of patent surveying, filing fees, attorneys' fees, and all other costs in connection with perfecting title to the leased premises; it being understood that any expenses incurred by Lessee in performing any of the foregoing may be deducted by Lessee from any rentals or royalties payable to Lessor hereunder.

If Lessor owns less than the whole of the mineral rights in the leased property [redacted] the rental and royalties payable hereunder shall be proportionately reduced. Lessee shall not be deemed to be in default in payment of any royalties or rentals hereunder while the title of Lessor is challenged by any third person, or while any third person appears to have any right title or interest adverse to Lessor; provided, however, that if such adverse interest affects only a part of the leased property or a part of the interest of Lessor therein, the foregoing provision shall apply only if Lessee shall pay to Lessor such part of the total rental or royalty as is applicable to the land or interest not affected by such adverse claim. If Lessor hereafter acquires any additional interest or title in the leased property, then this lease shall cover such additional after-acquired interests or title.

IX. ASSIGNMENT— Lessee shall have the right to assign or sublet this lease or any portion of the acreage covered hereby and shall have the right to contract with others to work or operate any mine or mines which may be developed upon the leased property.

X. NOTICE—Any notice contemplated herein to be given to either party hereto shall be in writing and shall be sufficiently given if mailed in the United States Post office, postage prepaid and registered, if to Lessee, addressed to Lessee at 100 Bush Street, San Francisco, Calif., or such other address as Lessee may from time to time in writing designate; and if to Lessor, addressed to Lessor's agent as designated in Article III hereof.

XI. SUCCESSORS AND ASSIGNS— All covenants, terms, and conditions of this lease shall run with the land and shall be binding upon and inure to the benefit of the heirs, administrators, successors and assigns of the parties hereto respectively.

IN WITNESS WHEREOF, this lease has been executed by the parties hereto on the day and year first above written.

Lessor's wife joins in this lease for the purpose of releasing any right or interest, statutory or otherwise, in the leased property.

ELWOOD L. COLLINS

Elwood L. Collins

KATHRYN O. COLLINS,

Kathryn O. Collins, his wife

Lessor

ATTEST:

J. K. ALLEN
Assistant Secretary

Utah Construction Company

By: ALLEN D. CHRISTENSEN (Seal)
President

Lessee

RIDER 2: Lessor hereby warrants and agrees that the leased property is free from any liens, encumbrances and adverse claims made or suffered by Lessor or by any person claiming by, through or under Lessor; that it will defend, indemnify and hold harmless Lessee from and against any and all claims, cost, expense, or damage incurred or suffered by Lessee by reason of any dispute, controversy, litigation or settlement, judgment, or curative title work arising out of or necessitated by any such lien, encumbrance or adverse claim; that it will, at its own expense, defend the leased premises against all persons making any claim adverse thereto or to the interest of Lessor therein, and in the event Lessor fails so to do, Lessee may on its own behalf, or in the name of Lessor undertake such defense and deduct any cost and expense, including attorneys' fees, so incurred by Lessee, or incurred by Lessee on account of any dispute, controversy, litigation or curative title work affecting the leased property, from any royalties or rental due or which thereafter may become due under this lease. (See Article VIII).

ELC

RIDER 1: At and after the expiration of the exploration period hereinabove granted, Lessor agrees to perform annual assessment work in an amount not less than $100.00 per year for each claim retained by Lessee under this lease.

ELC

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

Five unpatented mining claims described respectively as ~~"Danny No. 1"~~ ELC "Danny No. 2", "Danny No. 3", "Danny No. 4", "Danny No. 5", and "Danny No. 6", the location notices for which are recorded in the official records of San Miguel County, Colorado, Book 246 . ELC Pages 537 through 541, inclusive, amending notices filed June 14, 1954

EXHIBIT B

PERCENTAGE ROYALTY SCHEDULE

Percent U_3O_8 per Dry Ton	Royalty Percentage of Mine Value Per Dry Ton
All	7½%

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APR 11 1956

STATE OF Colo.
County of Mesa } ss.

On this 28 day of March, in the year nineteen hundred and 55 before me, Nellie L. Jones, a Notary Public in and for the County of Mesa, State of Colorado, residing therein, duly commissioned and sworn, personally appeared Kathryn O. Collins

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Nellie L. Jones
Notary Public in and for the County of Mesa (Seal)
State of Colo
My Commission expires March 2, 1957

STATE OF California
City & County of San Francisco } ss.

On this 21 day of March, in the year nineteen hundred and fifty-five before me, Clara B. Hay, a Notary Public in and for the County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Elwood L. Collins

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Clara B. Hay
Notary Public in and for the County of San Francisco
State of California
My Commission expires April 17, 1956

No. 125180

LEASE

FROM
Elwood L. Collins
Lessor.

TO
Utah Construction Co.
Lessee.

RECORDED AT REQUEST OF
Utah Construction Co.

At 10:00 A.M. min. past A.M. in
Book 251 of Official Records, Page
21 of the Records of San Miguel
County,
Charles C. Carriere
Recorder.
By
Deputy Recorder.
When recorded return to

STATE OF California
City & County of San Francisco } ss.

On this 7 day of April, in the year nineteen hundred and fifty-five before me, Clara B. Hay, a Notary Public in and for the County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Allen D. Christensen and J. K. Allen, President and Assistant Secretary, respectively,

known to be to be the persons whose names subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Clara B. Hay
Notary Public in and for the County of San Francisco
State of California

Attachment No. 2 (cont'd)

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APR 1 1 1956

Supplemental information to Paragraph 3, d.

Status Report, Section 19, Township 43 North, Range 18 West, New Mexico Principal Meridian

1) Survey plat filed in United States Land Office, Montrose, Colorado, September 15, 1917, and approved by the Surveyor General on January 19, 1918. An extension survey plat, completing the survey of the township, was filed in the United States Land Office, Denver, Colorado, on February 3, 1954, and accepted on July 26, 1954.

2) Township was withdrawn as Ute Indian lands pursuant to Executive Order of September 19, 1934, General Land Office (66866). All Indian rights were terminated pursuant to the Congressional Act of June 28, 1938, by Department Order dated December 8, 1938.

3) Township was withdrawn pending classification under the Congressional Act of June 28, 1938, by EO of November 26, 1934, GLO (67335).

4) Section 19 and other lands of the Township were withdrawn from all forms of appropriation including those under the mining laws, but not including appropriations under the mineral leasing laws, for use by U.S. Atomic Energy Commission by Public Land Order No. 459, March 25, 1948. Public Land Order No.939, February 8, 1954, restored Section 19 and other lands to entry effective March 15, 1954.

5) On March 25, 1955 Raymond Goforth filed an Enlarged Homestead Entry Application, Colorado 010615, for S/2, Section 19. This application was rejected, subject to the right of appeal, on January 30, 1956 by the U. S. Land Office, Denver, Colorado.

6) Section 19 and other lands of this township were officially opened to entry to the general public on May 5, 1955, by Order of December 30, 1954.

7) The Danny Group of claims were staked under the provisions of Circular 7, U.S. Atomic Energy Commission, and recorded in San Miguel County, Colorado records in Book 246, Pages 537 through 541, inclusive, and an application for lease from the U.S. Atomic Energy Commission filed on June 14, 1954 by Elwood L. Collins.

8) Under the provisions of Public Law 285, Section 3(b), Elwood L. Collins filed a notice for withdrawal of lease application, U.S. Atomic Energy Commission. This withdrawal notice was filed for record in San Miguel County, Colorado records on December 2, 1954, Book 246, Page 536.

9) An Affidavit of Labor for Assessment Purposes on the Danny Group of claims was filed on July 1, 1955 in Book 254, Page 405, San Miguel County Records, Colorado.

Attachment No. 3 to DMEA Application of Utah Construction Company

Data for Paragraph Number 4, Form MF-103

4. Physical description:

(a) No mining operations have been conducted. The only exploration work to date consists of 5 drill holes put down by the U.S. Geological Survey several years ago. The location of these holes is shown on Map "E". Data have been obtained on two of these. Hole No. SP-95 went to a depth of 126 feet, was logged as barren, with alternating beds of sandstone and mudstone. Hole No. SP-58 went to a depth of 66 feet, and was logged as containing favorable ore-bearing sandstone at 57.7 feet, with grey-green mudstone at the base. Neither of these went beyond the uppermost, or "third" rim of the Salt Wash formation.

(b) Not applicable.

(c) See attachment No. 4 -- "General Geology"

(d) The property is accessible via Colorado State Highway No. 80, north of Dove Creek and Egnar. Access from Highway 80 is over 2 miles of graded road and 1-1/2 miles of unimproved road, both with gentle grades. The property is 5 miles from Egnar, Colorado, 12 miles from Dove Creek, Colorado, 45 miles from Cortez, Colorado, and approximately 37 miles from Monticello, Utah. The nearest uranium-vanadium processing mill is at Monticello.

(e) Manpower, materials, supplies, equipment, water, and power for the proposed exploration drilling will be supplied by a contractor. For mining of developed ore reserves, everything is available locally. It may be possible to develop water, sufficient for mining purposes, on the property.

ATTACHMENT NO. 4 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

RECEIVED
APR 1 1985

Data for Paragraph 4. c

GENERAL GEOLOGY

The Danny Group of claims is immediately underlain by the Salt Wash member of the Upper Jurassic Morrison formation and are located within the Golden Rod-Spud Patch mineral trench in the south half of unsurveyed Section 19, Township 43 North, Range 18 West, San Miguel County, Colorado. (See Maps "A" and "B" attached)

The Salt Wash member of the Morrison formation consists chiefly of interbedded brown and red sandstones, red shale, and blue clay. It is one of the chief ore-bearing strata of the Colorado Plateau region.

Mines and prospects in the vicinity indicate that there are three uranium-bearing zones or "rims" within the Salt Wash member in the area. The first, or lowest "rim," is reported to have spotty values, high in vanadium and low in uranium. The second "rim" tends to have thicker and more extensive ore-bodies than the other two "rims". The majority of the mines in the area are producing from the second "rim" sands. There are a large number of uranium ore occurrences in the third "rim" but they are mostly narrow and of small extent, although locally high-grade.

Structurally, the beds of the Salt Wash member of the Morrison formation within the Danny Group lie on the northeast limb of the asymmetrical Dolores anticline, which dips about two degrees to the northeast and plunges slightly to the northwest. The beds are generally flat-lying with only mild undulations locally. The sands are lensed rather strongly by red shale and blue clay producing widely varying lithologic sections within relatively short distances.

The ore-bearing sandstone lenses are dominantly pale to light yellow-brown, speckled with limonite stain, and are interbedded with mudstone, normally red in color. Near the ore deposits, however, the mudstone within the sandstone and the mudstone immediately beneath the ore-bearing sandstone is altered to a gray color.

The location of the Danny Group of claims within the recognized mineral trend, on the flanks of the Dolores anticline, within reasonable depths of favorable ore zones, and in proximity to producing uranium mines makes their exploration by drilling an attractive exploration venture. It is proposed that if ore is found Utah Construction Company will develop the ore as the basis of a possible uranium mining operation.

ATTACHMENT NO. 5 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

RECEIVED
APR 11 1966

Data for Paragraph 5, b, d, Form MF-103

5. The exploration project

(b) Description of proposed work:

Map "C", which is attached, shows a proposed drilling program of at least 23 rotary drill holes aggregating about 6500 feet of drilling. In addition it is proposed to drill about 3000 feet of wagon drill holes for close-spaced testing of mineral shows or ore that may be encountered in the shallow third "rim." Calculations, based on stratigraphic measurements made in nearby Bell Canyon, indicate the depths at which each drill hole should reach the base of each "rim." These figures are indicated at the right of the locations plotted on Map "C". The upper figure indicates the base of the third "rim", the middle figure indicates the base of the second "rim," and lower figure the base of the first "rim." Inasmuch as the second "rim" is perhaps the most favorable, all holes should prospect to its base. Some of the holes should continue deeper to prospect the first or lowest "rim."

Map "D" is an overlay which can be used to correlate topography and existing roads with the proposed drill-site locations.

(d) Operating experience and background, etc.

The Utah Construction Company has successfully conducted mining operations, including mineral exploration work, in iron, coal, copper, phosphate, and uranium deposits, during the past 50 years. The company is believed qualified to carry out this project because of its experienced personnel, adequate equipment and facilities, and a competent imaginative policy in the development of mineral resources.

ATTACHMENT NO. 6 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

RECEIVED
APR 1 1 1958

Data for Paragraph 6, Form MF-103

6. Estimate of Costs

(a) Independent contracts	
Rotary drilling, 6500 ft. @ $2.00/ft	$ 13,000.00
Wagon drilling, 3000 ft. @ $0.80/ft	2,400.00
Bulldozing, 20 hrs. @ $15.00/hr	300.00
(b) Labor, supervision, consultants	
Project geologist, 3 months @ $600/month	1,800.00
Assistant geologist, 3 months @ $400/month	1,200.00
Sampler (2), 3 months @ $400/month	1,200.00
Supervision	750.00
(c) Operating material and supplies	
Gas and oil for vehicles	100.00
Drafting material and supplies	50.00
Living expenses, food, etc. - geologist	500.00
Traveling expenses, geologists	500.00
Sample containers	50.00
(d) Operating equipment	
Four wheel drive, vehicles (2) 3 months @ $370/month	1,110.00
Drill hole probing equipment, 3 months @ $ 12/month	36.00
Geiger counters (2) - 3 months @ $12/month	36.00
Trailer for living, 3 months @ $150/month	450.00
(e) Rehabilitation and repairs	
None	
(f) New buildings, improvements, installations	
None	
(g) Miscellaneous	
Analytical work, 200 samples @ $5.00/sample	1,000.00
Accounting expenses	500.00
Payroll taxes, workmen's compensation, and liability insurance	500.00
Equipment repairs and maintenance	150.00
(h) Contingencies	
Contingency allowance @ 10 percent	2,500.00
Total Estimated Costs:	$ 28,132.00

ATTACHMENT NO. 7 TO D.M.E.A. APPLICATION

OF UTAH CONSTRUCTION COMPANY

Data for Paragraph 7, Form MF-103

7. Utah Construction Company is prepared to furnish its share of the cost of the proposed project in accordance with the regulations on Government participation by the use of its staff personnel, equipment, and by providing requisite money.

4/17/56

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

APR 1956

April 17, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 4245 (Uranium) Utah Construction Company, (Danny claims Nos. 2-6 inclusive) San Miguel County, Colorado

Enclosed are four copies of a review of the subject application by members of the Grand Junction office, DMEA.

Because the area in the vicinity of the Danny group was classified as ranging from semi-favorable to favorable, we recommend that a field examination be made on the Danny group of claims.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 4-19-56

REFERRED TO:

1. ~~Mr. Crawford~~ -3641
2. ~~Mr. Ellis~~ -4445
3.
4.

4245

FOR:

- ____ Action
- ____ Approval
- ✓ Comment
- ____ Conference
- ____ Consideration
- ____ Filing
- ____ Instructions
- ____ Investigation
- ____ Initials
- ____ Mailing
- ____ Previous correspondence
- ____ Recommendation
- ____ Record of ____
- ____ Referring to ____
- ____ Reply for signature of ____
- ____ Rewriting
- ____ Signature
- ____ Suggestions
- ____ Your information

REMARKS:

Check (X) before the items needing attention.

Ernest Wm. Ellis
Initials of sender.

GPO 16—63815-1

IN REPLY REFER TO:
MINERAL DEPOSITS

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA RECEIVED APR 16 1956
APR 16 1956
GEOLOGICAL SURVEY BURNS, COLORADO
DMEA Date Rec'd. APR 16 1956
BUREAU OF MINES Denver, Colorado

P. O. Box 360
Grand Junction, Colorado

April 11, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman

From: J. William Hasler
M. H. Salsbury

Subject: Application for DMEA aid (Uranium), Utah Construction Company, (Danny claims Nos. 2-6, inclusive), San Miguel County, Colo.

The application for DMEA aid from the Utah Construction Company, 100 Bush Street, San Francisco, California, has been referred to us to ascertain the advisability of a field examination.

The Danny group of claims are located in the Spud Patch area of the Slick Rock district, San Miguel County, Colorado. The ore deposits in the Slick Rock district occur in the various sandstone units of the Salt Wash member of the Morrison formation of Jurassic age. The Salt Wash sandstone member in the area consists of three prominent sandstone units interbedded with gray-green mudstone. The middle unit of the Salt Wash sandstone member has been a more prominent producer of uranium-vanadium ore. Total production from the Spud Patch-Snyder group, Slick Rock district, from 1937 to 1951 was 17,700 tons of ore that average 0.29 percent U_3O_8 and 2.6 percent V_2O_5. Of the five mines near the Danny group of claims, namely, the Effie, Bessie, Moqui Jug, May Day, and Norma Jean No. 1 mine, the Norma Jean mine has produced the bulk of the ore. It has produced 1,782 tons of ore assaying 0.52 percent U_3O_8 and 2.44 percent V_2O_5. The Moqui Jug produced 1,048 tons of 0.16 percent U_3O_8 and 2.10 percent V_2O_5, and the May Day mine produced six tons, all assaying 0.16 percent U_3O_8 and 0.1 percent V_2O_5. Production from the Norma Jean mine came from the middle sandstone unit and the Moqui Jug produced from the upper sandstone unit of the Salt Wash member.

During the consultation with D. R. Shaw, project geologist for the U. S. Geological Survey in the Slick Rock district, a review of the Survey drilling indicates that holes Sp-54 and SP-58 were drilled deep enough to penetrate the middle sandstone unit, contrary to the opinion of the applicant. The middle unit is about 50 feet thick, however, this thickness is not entirely sandstone but is frequently interspersed with red and gray-green mudstone. The area in the vicinity of the Danny group was classified as ranging from semifavorable to favorable by Geological

Survey drilling, and field work shows that the Salt Wash sandstone outcrops in the canyons west and northwest of the Danny group of claims is not too favorable.

The above data indicate, however, that a field examination on the Danny group of claims is warranted. We will retain the application in this office pending decision from Washington.

J. William Hasler
J. William Hasler,
U. S. Geological Survey

M. H. Salsbury
M. H. Salsbury
U. S. Bureau of Mines

JWH/mlr

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

RECEIVED
APR 11 1956

April 9, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Utah Construction Company, (Danny Claims Nos. 2-6 inclusive), San Miguel County, Colorado

Enclosed are two copies of the subject application, two copies of our memorandum to J. W. Hasler, and two copies of our letter to the applicant.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

DMEA
Date Rec'd.

APR 9 1956

BUREAU OF MINES
Denver, Colorado

622 Commonwealth Bldg.
Denver 2, Colorado

April 3, 1956

RECEIVED

APR 11 1956

Mr. W. M. Traver
Executive Officer
Defense Minerals Exploration Administration
Room 224 New Custom House
Denver, Colorado

Dear Mr. Traver:

Attached is an "Application for Aid in an Exploration Project, Pursuant to DMEA Order 1, under the Defense Production Act of 1950, as Amended."

The application is for an exploration contract, with costs estimated at $28,132, to include rotary drilling, wagon drilling and site preparation on five (5) mining claims located in the Spud Patch-Slick Rock District in T 43 N, R 18 W, in San Miguel County, Colorado. No mining operation has been conducted to date on this property. In the period from 1949 to 1951 the U. S. Geological Survey drilled 5 holes within the area covered by the mining claims included in this lease application, all of which encountered semi-favorable or favorable ore-bearing structures, without, however, encountering commercial uranium values. However, none of these holes penetrated below the uppermost or "third" rim of the Salt Wash formation.

Utah Construction Company plans to drill these mining claims in the near future. By the time the DMEA field team is prepared to make a field examination of the claims, it is believed that sufficient uranium mineralization will have been encountered to justify a favorable recommendation on this application. It is planned that the holes be drilled sufficiently deep to penetrate through the lowest sandstone horizon in the Salt Wash formation.

We anticipate hearing from you after you have had an opportunity to review our application.

Sincerely,

H. A. Mann

H. A. Mann

Encl.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1025.2.

RECEIVED
APR 11 1956
BUREAU OF MINES
Denver, Colorado

DMEA
Rec'd
APR 9 1956

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

Not to be filled in by applicant

Docket No. DMEA-4245
Metal or Mineral Uranium
Date Received 4-11-56
Estimated Cost $28,132.00
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: Utah Construction Company, a corporation duly organized and existing under the laws of the State of Utah, Mailing Address: 100 Bush Street, San Francisco, 4, California (For names, titles and addresses of officers, see Attachment No. 1) (Field office, 622 Commonwealth Bldg., Denver, Colorado)

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract "Danny" Claims Nos. 2 through 6 inclusive, unpatented mining claims situated in Lower San Miguel Mining District, San Miguel County, Colorado, location notices filed in official records of San Miguel County Book 246, Pages 537 through 541 inclusive.

(*b*) State any mine name by which the property is known. See 3(a) above

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. Lessee under mining lease from Elwood L. Collins dated March 21,1955, recorded in official records of San Miguel County, Colo. Book 251, Page 21.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. See attachment No. 2

(*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. See 3(a) above

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. See Attachment No. 3

(*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. (See Attachment 4)

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

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

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

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

(*c*) The work will start within 30 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. See attachment No. 5

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet) under the following headings. Add the totals under all headings to give the estimated total cost of the project: See Attachment No. 6

(*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)? See Attachment No. 7

(*b*) How do you propose to furnish your share of the costs? See Attachment No. 7

[x] Money [x] Use of equipment owned by you [x] 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 March 26, 1956

UTAH CONSTRUCTION COMPANY
(Applicant)

By Allen Johnstensen
President

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

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

RECEIVED
APR 1 1 1963

Attachment No. 1 to DMEA Application of Utah Construction Company

OFFICERS AND DIRECTORS

List of Names	Titles	Addresses
Marriner S. Eccles	Director, Chairman of the Board	100 Bush Street, San Francisco, Calif.
Allen D. Christensen	Director, President and General Manager	100 Bush Street San Francisco, Calif.
E. W. Littlefield	Director, Executive Vice President, Secretary and Treasurer	100 Bush Street San Francisco, Calif.
Marriner A. Browning	Director	First Security Bank Bldg., Ogden, Utah
L. S. Corey	Director	100 Bush Street, San Francisco, Calif.
L. T. Dee	Director	First Security Bank Bldg., Ogden, Utah
George S. Eccles	Director	First Security Bank Bldg., 79 S. Main St., Salt Lake City, Utah
W. M. Harris	Director	P.O. Box 187, Ogden, Utah
Shepard Mitchell	Director	Mitchell, Silberberg & Knupp, 6399 Wilshire Blvd., Los Angeles 48, Calif.
P. L. Wattis	Director	Wattis & Co. 220 Montgomery Street San Francisco 4, Calif.
~~G. R. Putnam~~	~~Vice President~~	~~142 E. 3rd South St. P.O. Box 1590 Salt Lake City, Utah~~
F. M. Keller	Vice President	100 Bush Street San Francisco, Calif.
C. S. Davis	Vice President	100 Bush Street San Francisco, Calif.
J. M. Morrigan	Assistant Treasurer, Assistant Secretary	100 Bush Street San Francisco, Calif.

Guy V. Sperry	Assistant Secretary	100 Bush Street San Francisco, Calif.
Peter Jacobsen	Assistant Secretary	100 Bush Street San Francisco, Calif.
Edgar White	Assistant Secretary	100 Bush Street, San Francisco, Calif.
J. K. Allen	Assistant Secretary	100 Bush Street San Francisco, Calif.
C. W. Robinson	Assistant Treasurer Assistant Secretary	100 Bush Street, San Francisco, Calif.
E. V. Reeves	Assistant Secretary	142 E. 3rd South St. P.O. Box 1590, Salt Lake City, Utah

Attachment No. 2 to DMEA Application of Utah Construction Company

RECEIVED

MINING LEASE

APR 11 1956

THIS LEASE, made and entered into this ..... day of March 21, 1955, by and between Elwood L. Collins of Egnar, Colorado (address), hereinafter referred to as Lessor, and Utah Construction Company, a Utah corporation hereinafter referred to as Lessee;

WITNESSETH: I. RIGHTS GRANTED TO LESSEE—Lessor in consideration of the rents and royalties to be paid and the covenants to be observed, as hereinafter set forth, does hereby grant and lease to Lessee the property situated in the Lower San Miguel Mining District, in the County of San Miguel, State of Colorado, described in Exhibit A attached hereto and made a part hereof, with the exclusive right and privilege of prospecting and exploring for, and of mining, strip-mining, extracting and removing therefrom valuable minerals and ores, including all ores or materials containing uranium, thorium and any other fissionable material, and to construct all works, improvements, buildings, plants, structures, roads, spur tracks, power lines and other works and facilities upon the leased property and to make such other use of said property, including the use of water and timber thereon, and the dumping of waste and stockpiling and processing of ore thereon, as may be necessary or convenient in the mining, strip-mining, disposing, processing and marketing of valuable minerals and ores thereon and therefrom; together with rights of ingress and egress thereto and therefrom, insofar as Lessor can grant such rights;

TO HAVE AND TO HOLD unto Lessee for a term of ten years commencing on the date of this lease, and so long thereafter as ore shall be produced from the leased property by Lessee, or Lessee shall continue exploration or mining operations on said property, subject to Lessee's right to terminate this lease as hereinafter provided.

II. EXPLORATION PERIOD—A. Lessee is hereby granted, for a period of one year from the date of this lease, the exclusive right to perform exploration work upon the leased property, including drilling, trenching, surveying, and any other such work as Lessee may deem necessary to carry out thereon, for the purpose of determining, to the satisfaction of Lessee, the location and extent of any deposits of valuable minerals and ores, including ores or materials containing uranium, thorium, or other fissionable material, lying within said property.

B. Lessee agrees to pay to Lessor an initial annual minimum royalty or rental at the rate of $50.00 dollars per year for each of the above described mining claims held by Lessee under this lease during the exploration period herein granted. Said minimum royalty or rental shall be paid annually in advance in accordance with the number of claims held under this lease at the time said minimum royalty or rental shall be due and payable. Lessor hereby acknowledges the receipt from Lessee of the first payment of said minimum royalty or rental as of the date of this lease in the total amount of $250.00 dollars. Successive payments of said minimum royalty or rental shall be made on each successive anniversary date of this lease.

C. Lessee shall have the privilege of mining ore from the leased property during the exploration period herein granted, subject to payment of actual royalties as provided in Article III (A) hereof.

D. It is understood that Lessee will commence exploration or mining operations upon the leased property as soon as may be practicable but not later than the termination of the exploration period herein granted. In the event Lessee has not commenced such exploration or mining operations prior to the expiration of the exploration period herein granted, Lessor may, at its election, terminate this lease, providing Lessee has not commenced exploration or mining operations within ninety days after receiving written notice from Lessor of Lessor's intention to so terminate this lease; and provided further that if Lessee shall commence such exploration or mining operations within such ninety-day period, or earlier, this lease shall, subject to the provisions of Article VI, remain in effect and continue for the full term hereof.

III. ROYALTIES—A. Actual Royalties— 1. Lessee shall pay Lessor an actual royalty on all minerals or ores, other than ores or materials containing uranium, thorium or other fissionable material, mined and shipped or removed by Lessee from the leased property of 7½% of the net returns received by Lessee from any mint, smelter, treatment agency or other purchaser to which such minerals or ores are sold by Lessee.

2. Lessee shall pay Lessor an actual royalty on all ores or materials containing uranium, thorium, or other fissionable material mined and shipped or removed by Lessee from the leased property in accordance with the schedule of percentage rates, as set forth in Exhibit B attached hereto and made a part hereof, of the "mine value per dry ton", meaning the dollar value per dry ton (of 2,000 pounds) of crude ores at the mine as determined by the application to the valuable metal content of such ore of the base price schedules for such ores established and currently in effect by the Atomic Energy Commission or other government authorized agency before allowance for transportation and development. It is specifically understood that any initial production bonuses shall be included in "mine value per dry ton"; provided, however, that if the United States Government does not establish or have in effect a price schedule for the purchase of such ores on a fixed or scheduled dollar value per dry ton on crude ores at the mine, or if said ores contain salable materials, some or all of which are disposed of to a treatment plant or purchase depot for the treatment and benefication of uranium bearing ores, then "mine value per dry ton" shall be the value per dry ton of said crude ores as paid for by the Atomic Energy Commission or other government authorized agency, or privately operated mills or buyers who may hereafter not be subject to government control, less any allowances, reimbursements or costs for the following specific items: (a) transportation of ores; (b) any allowances paid to Lessee for exploration for or development of ores; (c) treatment or benefication of ores; which specific items shall, in such event, be deducted from the sale price received from the metal content of said ores by the seller before the percentage royalty as set forth in Exhibit B is calculated and paid.

3. Any amount due and payable to Lessor as actual royalty on ore mined and shipped or removed by Lessee from the leased property during any calendar month shall be paid by Lessee to Lessor on or before the 25th day of the next succeeding calendar month after such shipment or removal.

B. Minimum Royalty or Rent— 1. Lessee shall pay to Lessor, annually in advance, during the term of this lease, a minimum royalty or rental at the rate of $150.00 dollars each year for each mining claim held by Lessee under this lease. The first payment of such minimum royalty or rental shall be due and payable upon the expiration of the exploration period provided in Article II hereof and shall be paid in accordance with the amount of acreage then held by Lessee under this lease. Each successive payment of said minimum royalty or rental shall be due and payable annually thereafter on each successive anniversary date of the first payment of said minimum royalty or rental hereunder, in accordance with the amount of acreage which may be held by Lessee under this lease at the time such payment is due.

C. Royalty Credit— 1. Any minimum royalty or rental paid by Lessee under this agreement for any annual or other period shall apply toward and be a credit on the payment of any actual royalties due or thereafter becoming due during the term of this agreement.

2. In the event that actual royalties becoming due in any annual or other period shall exceed the amount of minimum royalty or rental paid by Lessee for such period, the excess amount of such actual royalties shall apply toward and be a credit on the payment of any minimum royalties or rentals thereafter due or becoming due during the term of this lease.

D. Royalty Payments— 1. All payments of royalties or rental due hereunder shall be mailed to Lessor at Egnar, Colorado (address) or to such other one person, firm or corporation as Lessor may from time to time designate by written notice to Lessee;

IV. OPERATION OF LEASED PROPERTY—Lessee shall work and operate the leased property in a workmanlike manner and shall remove ore therefrom in accordance with recognized mining or strip mining methods and practices, but without any other restrictions upon the method employed. Lessee shall, at Lessee's own cost and expense, furnish such labor, material and supplies as Lessee may deem necessary for the proper development of the leased property and for the mining, processing and removing of ore therefrom. If Lessee stockpiles upon the leased property ore mined, therefrom, Lessee shall not be required to pay royalties upon such ore until the same shall have been actually shipped or removed from the leased premises. Lessee in the use, operation and development of the leased property shall comply with all applicable federal and state laws, including laws pertaining to employer's liability, workmen's compensation, and workmen's old age and unemployment insurance. Lessee shall not in any way be liable for surface damage caused by strip-mining. **(See Rider 1 attached)**

V. LESSOR'S RIGHT OF INSPECTION—Lessor or its duly authorized agents shall at all reasonable times have free access to the leased property and to all workings thereon for the purpose of inspecting Lessee's books and records pertaining to Lessee's operations on the leased property and for the purpose of determining whether Lessee is complying with the terms of this lease.

VI. TERMINATION— If at any time Lessee shall be in default in the performance of any of the terms and conditions of this lease to be performed by it, provided such default is not caused by casualties, strikes, litigation, storms, floods, Acts of God, or other causes or things beyond the control of Lessee, and if such default is continued for a period of ninety days after written notice of such default being given by Lessor to Lessee, then and in such event Lessor may terminate this lease by notice to Lessee.

Lessee may, at any time and from time to time during the term hereof, or any extension hereof, relinquish and surrender to Lessor any portion of the leased property not needed by Lessee for its operations under this lease, or may terminate this lease and surrender to Lessor the whole of the leased property upon giving Lessor thirty days' notice in writing and paying all sums due and payable to Lessor hereunder up to the effective date of such termination, without further liability on the part of Lessee with respect to the portion of the leased property so released and relinquished. In the event of termination of this lease by Lessee or relinquishment of any portion of the leased premises by Lessee, Lessee will execute and deliver to Lessor a quitclaim deed covering the property thereby affected.

In the event of termination of this lease by Lessee, Lessee will within a reasonable time thereafter furnish Lessor's agent, as designated under Article III hereof, with a copy of any drill logs and assay reports obtained by Lessee pertaining to the leased property. If this lease is terminated for any reason or a portion of the leased property is relinquished, or upon the expiration of this lease, Lessee shall have the right for a period of one year after such termination, release or expiration to enter upon and remove from the leased property affected all machinery, equipment, materials, buildings, structures, tracks, improvements, and other property of the Lessee placed or affixed upon said leased property by Lessee. Upon any release under, or any termination or expiration of, this lease, Lessee may sell or retain equity in ores in transit, in bins or in stockpiles, provided that such ores are removed from the leased property affected within ninety days after such release or after this lease is terminated or has expired, and provided that Lessee shall pay to Lessor royalty on such ores as is hereinbefore provided.

VII. INDEMNIFICATION OF LESSOR— Lessee shall indemnify and hold harmless Lessor from and against all claims or liability arising out of violation of any law, damage to property of, injuries to, or death of persons, other than Lessor, its agents or employees, where such violation, damage, injury or death is caused by the use, operation or development of the leased property by Lessee. **(See Rider 2 attached)**

VIII. TITLE TO LEASED PROPERTY— [redacted] Lessee shall have the right to do and perform any assessment work required to be done on said premises but shall not be obligated so to do, and Lessor hereby authorizes Lessee at Lessee's discretion to pay for Lessor's account for cost of patent surveying, filing fees, attorneys' fees, and all other costs in connection with perfecting title to the leased premises; it being understood that any expenses incurred by Lessee in performing any of the foregoing may be deducted by Lessee from any rentals or royalties payable to Lessor hereunder.

If Lessor owns less than the whole of the mineral rights in the leased property [redacted] the rental and royalties payable hereunder shall be proportionately reduced. Lessee shall not be deemed to be in default in payment of any royalties or rentals hereunder while the title of Lessor is challenged by any third person, or while any third person appears to have any right title or interest adverse to Lessor; provided, however, that if such adverse interest affects only a part of the leased property or a part of the interest of Lessor therein, the foregoing provision shall apply only if Lessee shall pay to Lessor such part of the total rental or royalty as is applicable to the land or interest not affected by such adverse claim. If Lessor hereafter acquires any additional interest or title in the leased property, then this lease shall cover such additional after-acquired interests or title.

IX. ASSIGNMENT— Lessee shall have the right to assign or sublet this lease or any portion of the acreage covered hereby and shall have the right to contract with others to work or operate any mine or mines which may be developed upon the leased property.

X. NOTICE—Any notice contemplated herein to be given to either party hereto shall be in writing and shall be sufficiently given if mailed in the United States Post office, postage prepaid and registered, if to Lessee, addressed to Lessee at 100 Bush Street, San Francisco, Calif., or such other address as Lessee may from time to time in writing designate; and if to Lessor, addressed to Lessor's agent as designated in Article III hereof.

XI. SUCCESSORS AND ASSIGNS— All covenants, terms, and conditions of this lease shall run with the land and shall be binding upon and inure to the benefit of the heirs, administrators, successors and assigns of the parties hereto respectively.

IN WITNESS WHEREOF, this lease has been executed by the parties hereto on the day and year first above written.

Lessor's wife joins in this lease for the purpose of releasing any right or interest, statutory or otherwise, in the leased property.

ELWOOD L. COLLINS

Elwood L. Collins

KATHRYN O. COLLINS,

Kathryn O. Collins, his wife

Lessor

ATTEST:

J. K. ALLEN
Assistant Secretary

Utah Construction Company

By: ALLEN D. CHRISTENSEN (Seal)
President

Lessee

RIDER 2: Lessor hereby warrants and agrees that the leased property is free from any liens, encumbrances and adverse claims made or suffered by Lessor or by any person claiming by, through or under Lessor; that it will defend, indemnify and hold harmless Lessee from and against any and all claims, cost, expense, or damage incurred or suffered by Lessee by reason of any dispute, controversy, litigation or settlement, judgment, or curative title work arising out of or necessitated by any such lien, encumbrance or adverse claim; that it will, at its own expense, defend the leased premises against all persons making any claim adverse thereto or to the interest of Lessor therein, and in the event Lessor fails so to do, Lessee may on its own behalf, or in the name of Lessor undertake such defense and deduct any cost and expense, including attorneys' fees, so incurred by Lessee, or incurred by Lessee on account of any dispute, controversy, litigation or curative title work affecting the leased property, from any royalties or rental due or which thereafter may become due under this lease. (See Article VIII).

ELC

RIDER 1: At and after the expiration of the exploration period hereinabove granted, Lessor agrees to perform annual assessment work in an amount not less than $100.00 per year for each claim retained by Lessee under this lease.

ELC

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

Five unpatented mining claims described respectively as ~~"Danny No. 1"~~ ELC
"Danny No. 2", "Danny No. 3", "Danny No. 4", "Danny No. 5", and
"Danny No. 6", the location notices for which are recorded in
the official records of San Miguel County, Colorado, Book 246 . ELC
Pages 537 through 541, inclusive, amending notices filed June 14, 1954

EXHIBIT B

PERCENTAGE ROYALTY SCHEDULE

Percent U_3O_8 per Dry Ton	Royalty Percentage of Mine Value Per Dry Ton
All	7½%

STATE OF Colo.
County of Mesa } ss.

On this 24 day of March, in the year nineteen hundred and 55 before me, Nellie L. Jones, a Notary Public in and for the County of Mesa, State of Colorado, residing therein, duly commissioned and sworn, personally appeared Kathryn O. Collins

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Nellie L. Jones
Notary Public in and for the County of Mesa (Seal)
State of Colo
My Commission expires March 2, 1957

STATE OF California
City & County of San Francisco } ss.

On this 21 day of March, in the year nineteen hundred and fifty-five before me, Clara B. Hay, a Notary Public in and for the County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Elwood L. Collins

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Clara B. Hay
Notary Public in and for the County of San Francisco
State of California
My Commission expires April 17, 1956

No. 125180

LEASE

FROM
Elwood L. Collins
Lessor.

TO
Utah Construction Co.
Lessee.

RECORDED AT REQUEST OF
Utah Construction Co.

At 10:00 A.M. min. past in
Book 251 April 19, 1955 of Official Records, Page 21 of the Records of San Miguel
County,
Charles C. Carriere
Recorder.
By
Deputy Recorder.
When recorded return to

STATE OF California
City & County of San Francisco } ss.

On this 7 day of April, in the year nineteen hundred and fifty-five before me, Clara B. Hay, a Notary Public in and for the County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Allen D. Christensen and J. K. Allen, President and Assistant Secretary, respectively,

known to be to be the person s whose name subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Clara B. Hay
Notary Public in and for the County of San Francisco
State of California

Attachment No. 2 (cont'd)

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Supplemental information to Paragraph 3, d.

Status Report, Section 19, Township 43 North, Range 18 West, New Mexico Principal Meridian

1) Survey plat filed in United States Land Office, Montrose, Colorado, September 15, 1917, and approved by the Surveyor General on January 19, 1918. An extension survey plat, completing the survey of the township, was filed in the United States Land Office, Denver, Colorado, on February 3, 1954, and accepted on July 26, 1954.

2) Township was withdrawn as Ute Indian lands pursuant to Executive Order of September 19, 1934, General Land Office (66866). All Indian rights were terminated pursuant to the Congressional Act of June 28, 1938, by Department Order dated December 8, 1938.

3) Township was withdrawn pending classification under the Congressional Act of June 28, 1938, by EO of November 26, 1934, GLO (67335).

4) Section 19 and other lands of the Township were withdrawn from all forms of appropriation including those under the mining laws, but not including appropriations under the mineral leasing laws, for use by U.S. Atomic Energy Commission by Public Land Order No. 459, March 25, 1948. Public Land Order No.939, February 8, 1954, restored Section 19 and other lands to entry effective March 15, 1954.

5) On March 25, 1955 Raymond Goferth filed an Enlarged Homestead Entry Application, Colorado 010615, for S/2, Section 19. This application was rejected, subject to the right of appeal, on January 30, 1956 by the U. S. Land Office, Denver, Colorado.

6) Section 19 and other lands of this township were officially opened to entry to the general public on May 5, 1955, by Order of December 30, 1954.

7) The Danny Group of claims were staked under the provisions of Circular 7, U.S. Atomic Energy Commission, and recorded in San Miguel County, Colorado records in Book 246, Pages 537 through 541, inclusive, and an application for lease from the U.S. Atomic Energy Commission filed on June 14, 1954 by Elwood L. Collins.

8) Under the provisions of Public Law 285, Section 3(b), Elwood L. Collins filed a notice for withdrawal of lease application, U.S. Atomic Energy Commission. This withdrawal notice was filed for record in San Miguel County, Colorado records on December 2, 1954, Book 246, Page 536.

9) An Affidavit of Labor for Assessment Purposes on the Danny Group of claims was filed on July 1, 1955 in Book 254, Page 405, San Miguel County Records, Colorado.

Attachment No. 3 to DMEA Application of Utah Construction Company

Data for Paragraph Number 4, Form MF-103

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4. Physical description:

(a) No mining operations have been conducted. The only exploration work to date consists of 5 drill holes put down by the U.S. Geological Survey several years ago. The location of these holes is shown on Map "E". Data have been obtained on two of these. Hole No. SP-95 went to a depth of 126 feet, was logged as barren, with alternating beds of sandstone and mudstone. Hole No. SP-58 went to a depth of 66 feet, and was logged as containing favorable ore-bearing sandstone at 57.7 feet, with grey-green mudstone at the base. Neither of these went beyond the uppermost, or "third" rim of the Salt Wash formation.

(b) Not applicable.

(c) See attachment No. 4 — "General Geology"

(d) The property is accessible via Colorado State Highway No. 90, north of Dove Creek and Egnar. Access from Highway 90 is over 2 miles of graded road and 1-1/2 miles of unimproved road, both with gentle grades. The property is 5 miles from Egnar, Colorado, 12 miles from Dove Creek, Colorado, 45 miles from Cortez, Colorado, and approximately 37 miles from Monticello, Utah. The nearest uranium-vanadium processing mill is at Monticello.

(e) Manpower, materials, supplies, equipment, water, and power for the proposed exploration drilling will be supplied by a contractor. For mining of developed ore reserves, everything is available locally. It may be possible to develop water, sufficient for mining purposes, on the property.

ATTACHMENT NO. 4 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

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Data for Paragraph 4. e

GENERAL GEOLOGY

The Danny Group of claims is immediately underlain by the Salt Wash member of the Upper Jurassic Morrison formation and are located within the Golden Rod-Spud Patch mineral trench in the south half of unsurveyed Section 19, Township 43 North, Range 18 West, San Miguel County, Colorado. (See Maps "A" and "B" attached)

The Salt Wash member of the Morrison formation consists chiefly of interbedded brown and red sandstones, red shale, and blue clay. It is one of the chief ore-bearing strata of the Colorado Plateau region.

Mines and prospects in the vicinity indicate that there are three uranium-bearing zones or "rims" within the Salt Wash member in the area. The first, or lowest "rim," is reported to have spotty values, high in vanadium and low in uranium. The second "rim" tends to have thicker and more extensive ore-bodies than the other two "rims". The majority of the mines in the area are producing from the second "rim" sands. There are a large number of uranium ore occurrences in the third "rim" but they are mostly narrow and of small extent, although locally high-grade.

Structurally, the beds of the Salt Wash member of the Morrison formation within the Danny Group lie on the northeast limb of the asymmetrical Dolores anticline, which dips about two degrees to the northeast and plunges slightly to the northwest. The beds are generally flat-lying with only mild undulations locally. The sands are lensed rather strongly by red shale and blue clay producing widely varying lithologic sections within relatively short distances.

The ore-bearing sandstone lenses are dominantly pale to light yellow-brown, speckled with limonite stain, and are interbedded with mudstone, normally red in color. Near the ore deposits, however, the mudstone within the sandstone and the mudstone immediately beneath the ore-bearing sandstone is altered to a gray color.

The location of the Danny Group of claims within the recognized mineral trend, on the flanks of the Dolores anticline, within reasonable depths of favorable ore zones, and in proximity to producing uranium mines makes their exploration by drilling an attractive exploration venture. It is proposed that if ore is found Utah Construction Company will develop the ore as the basis of a possible uranium mining operation.

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ATTACHMENT NO. 5 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

Data for Paragraph 5, b, d, Form MF-103

5. The exploration project

(b) Description of proposed work:

Map "C", which is attached, shows a proposed drilling program of at least 23 rotary drill holes aggregating about 6500 feet of drilling. In addition it is proposed to drill about 3000 feet of wagon drill holes for close-spaced testing of mineral shows or ore that may be encountered in the shallow third "rim." Calculations, based on stratigraphic measurements made in nearby Bell Canyon, indicate the depths at which each drill hole should reach the base of each "rim." These figures are indicated at the right of the locations plotted on Map "C". The upper figure indicates the base of the third "rim", the middle figure indicates the base of the second "rim," and lower figure the base of the first "rim." Inasmuch as the second "rim" is perhaps the most favorable, all holes should prospect to its base. Some of the holes should continue deeper to prospect the first or lowest "rim."

Map "D" is an overlay which can be used to correlate topography and existing roads with the proposed drill-site locations.

(d) Operating experience and background, etc.

The Utah Construction Company has successfully conducted mining operations, including mineral exploration work, in iron, coal, copper, phosphate, and uranium deposits, during the past 50 years. The company is believed qualified to carry out this project because of its experienced personnel, adequate equipment and facilities, and a competent imaginative policy in the development of mineral resources.

ATTACHMENT NO. 6 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

Data for Paragraph 6, Form MP-103

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6. Estimate of Costs

(a) Independent contracts	
Rotary drilling, 6500 ft. @ $2.00/ft	$ 13,000.00
Wagon drilling, 3000 ft. @ $0.80/ft	2,400.00
Bulldozing, 20 hrs. @ $15.00/hr	300.00
(b) Labor, supervision, consultants	
Project geologist, 3 months @ $600/month	1,800.00
Assistant geologist, 3 months @ $400/month	1,200.00
Sampler (2), 3 months @ $400/month	1,200.00
Supervision	750.00
(c) Operating material and supplies	
Gas and oil for vehicles	100.00
Drafting material and supplies	50.00
Living expenses, food, etc. - geologist	500.00
Traveling expenses, geologists	500.00
Sample containers	50.00
(d) Operating equipment	
Four wheel drive, vehicles (2) 3 months @ $370/month	1,110.00
Drill hole probing equipment, 3 months @ $ 12/month	36.00
Geiger counters (2) - 3 months @ $12/month	36.00
Trailer for living, 3 months @ $150/month	450.00
(e) Rehabilitation and repairs	
None	
(f) New buildings, improvements, installations	
None	
(g) Miscellaneous	
Analytical work, 200 samples @ $5.00/sample	1,000.00
Accounting expenses	500.00
Payroll taxes, workmen's compensation, and liability insurance	500.00
Equipment repairs and maintenance	150.00
(h) Contingencies	
Contingency allowance @ 10 percent	2,500.00
Total Estimated Costs:	$ 28,132.00

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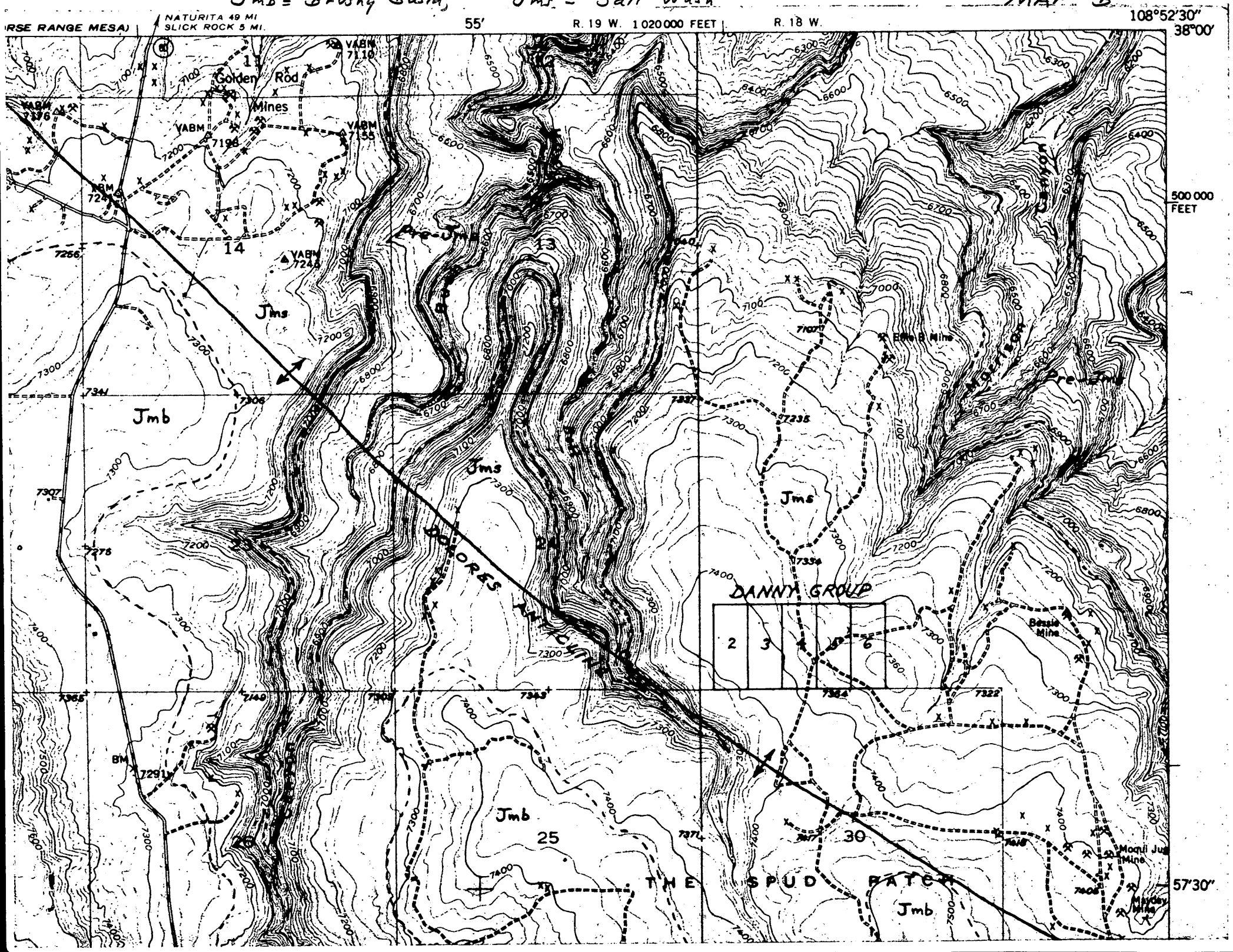
ATTACHMENT NO. 7 TO D.M.E.A. APPLICATION
OF UTAH CONSTRUCTION COMPANY

Data for Paragraph 7, Form MF-103

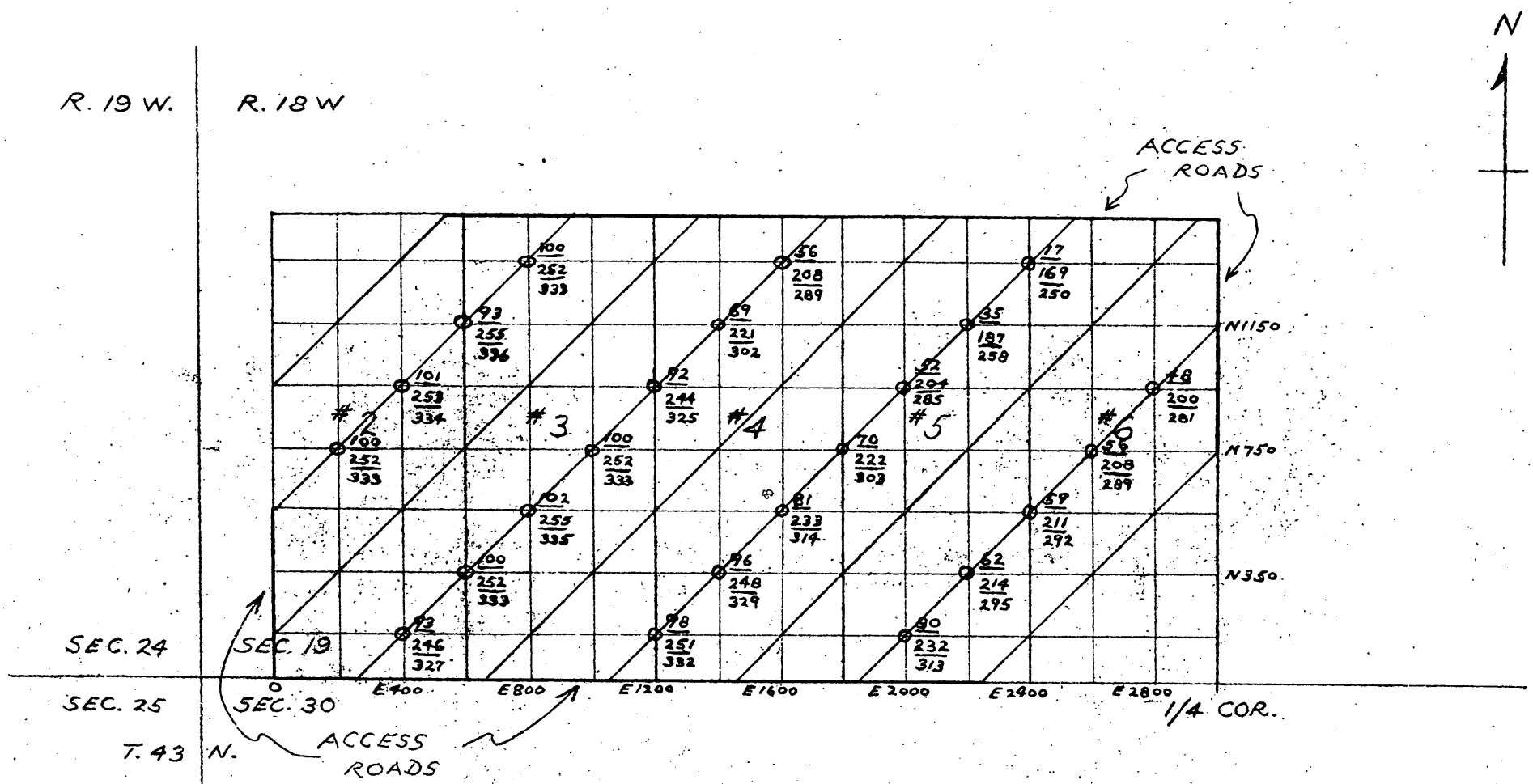
7. Utah Construction Company is prepared to furnish its share of the cost of the proposed project in accordance with the regulations on Government participation by the use of its staff personnel, equipment, and by providing requisite money.

Jmb = Brushy Basin, Jms = Salt Wash

MAP "B"



MAP "C"



DANNY GROUP OF CLAIMS
LEASED BY UTAH CONSTRUCTION CO.

SEC. 19, T.43 N., R.18 W., LOWER SAN MIGUEL MINING DISTRICT
SAN MIGUEL COUNTY, COLORADO

SCALE: 1 INCH = 500 FT.

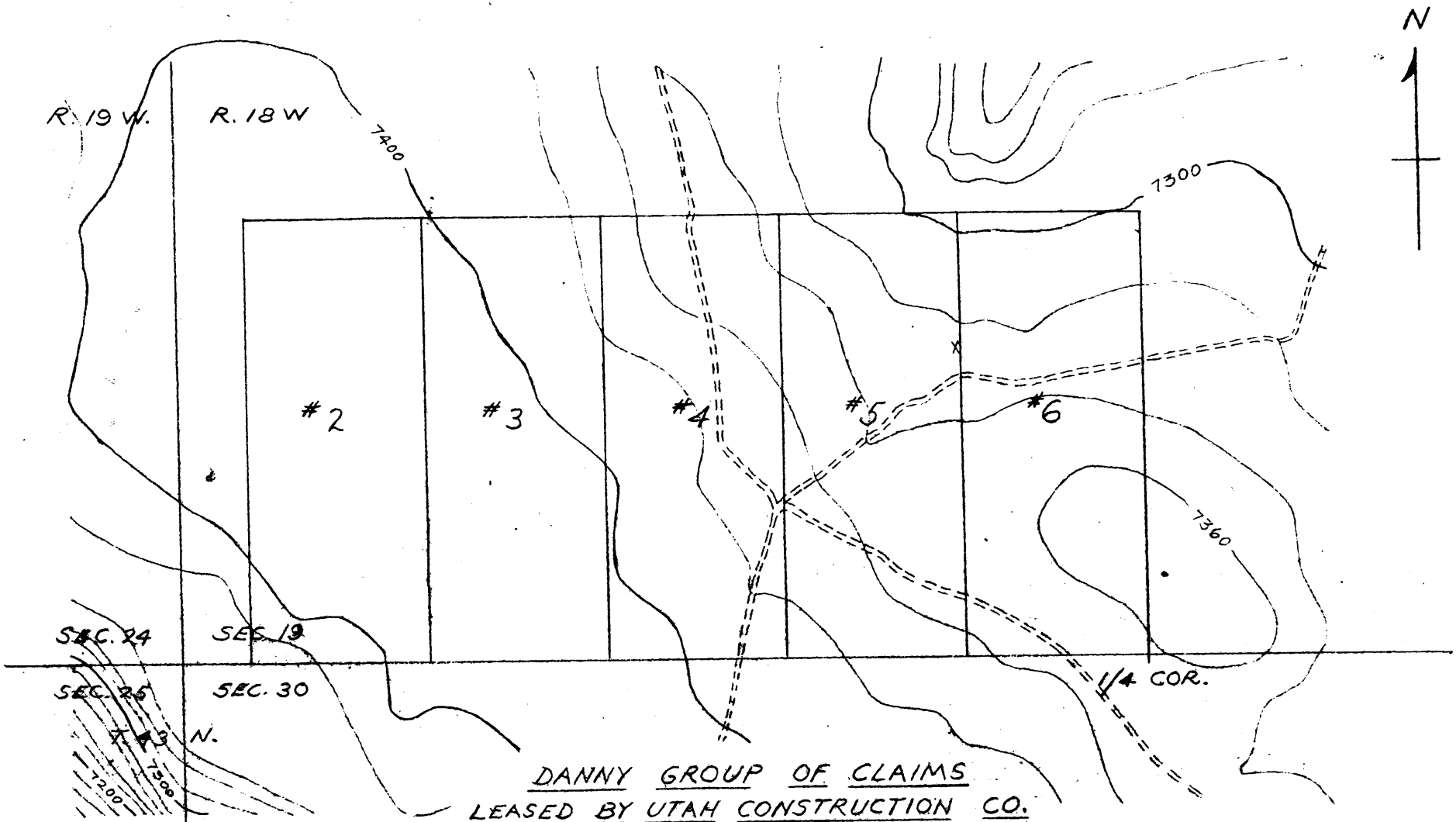
PROPOSED DRILLING PATTERN

EXISTING DRILL ROADS, BULLDOZED JUNE, 1955
INDICATED BY DIAGONAL LINES

WM. ROSS CABEEN & ASSOC.

B.E.T.
4/29/55

MAP "D"



DANNY GROUP OF CLAIMS
LEASED BY UTAH CONSTRUCTION CO.

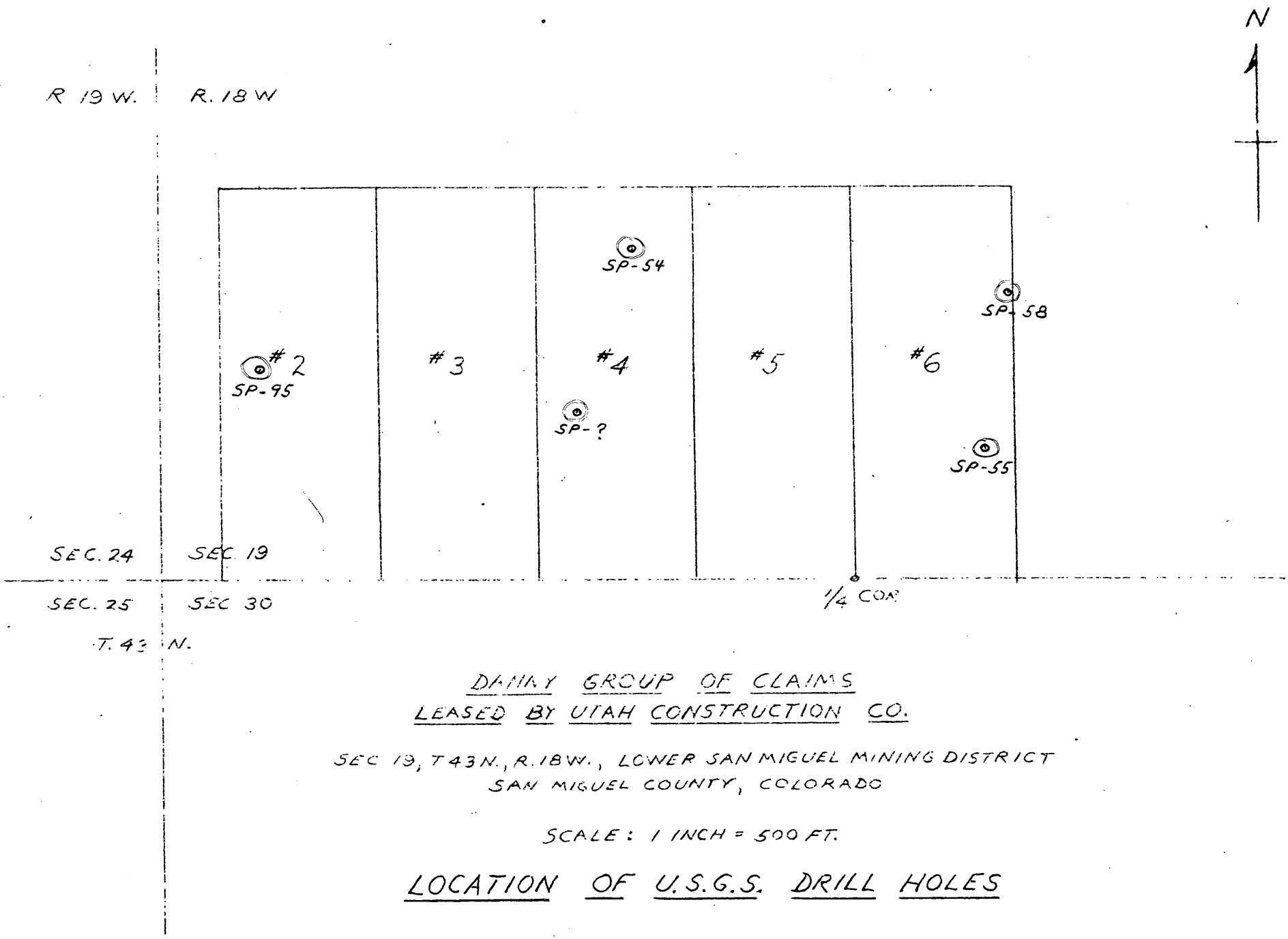
SEC. 19, T. 43 N., R. 18 W., LOWER SAN MIGUEL MINING DISTRICT
SAN MIGUEL COUNTY, COLORADO

SCALE: 1 INCH = 500 FT.

WM. ROSS CABEEN & ASSOC.

B.E.T.
4/29/55

MAP "E"



DANNY GROUP OF CLAIMS
LEASED BY UTAH CONSTRUCTION CO.

SEC 19, T43N., R.18W., LOWER SAN MIGUEL MINING DISTRICT
SAN MIGUEL COUNTY, COLORADO

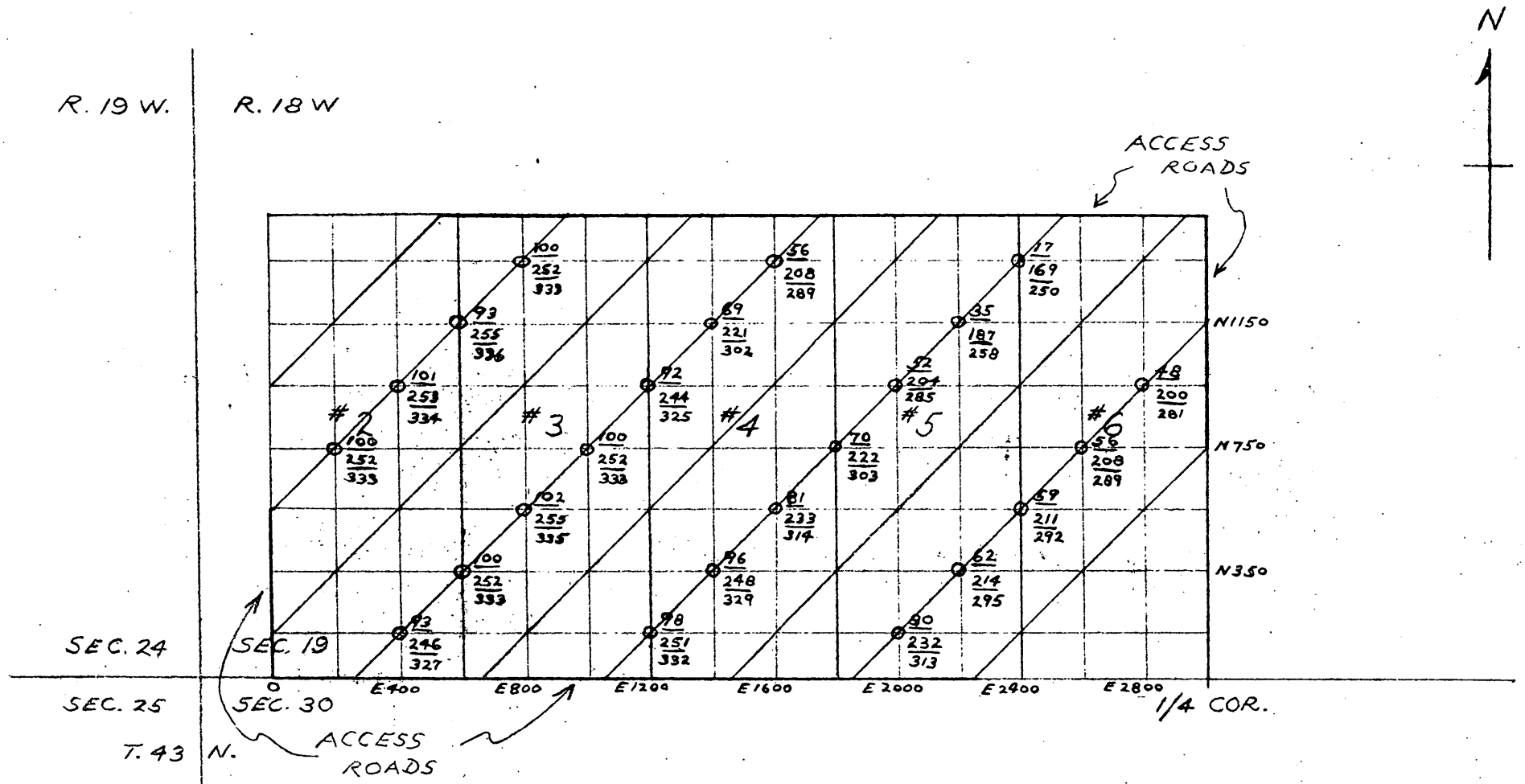
SCALE: 1 INCH = 500 FT.

LOCATION OF U.S.G.S. DRILL HOLES

ROSS CABEEN & ASSOC.

B.E.T.
4/29/55

MAP "C"



DANNY GROUP OF CLAIMS
LEASED BY UTAH CONSTRUCTION CO.

SEC. 19, T. 43 N., R. 18 W., LOWER SAN MIGUEL MINING DISTRICT
SAN MIGUEL COUNTY, COLORADO

SCALE: 1 INCH = 500 FT.

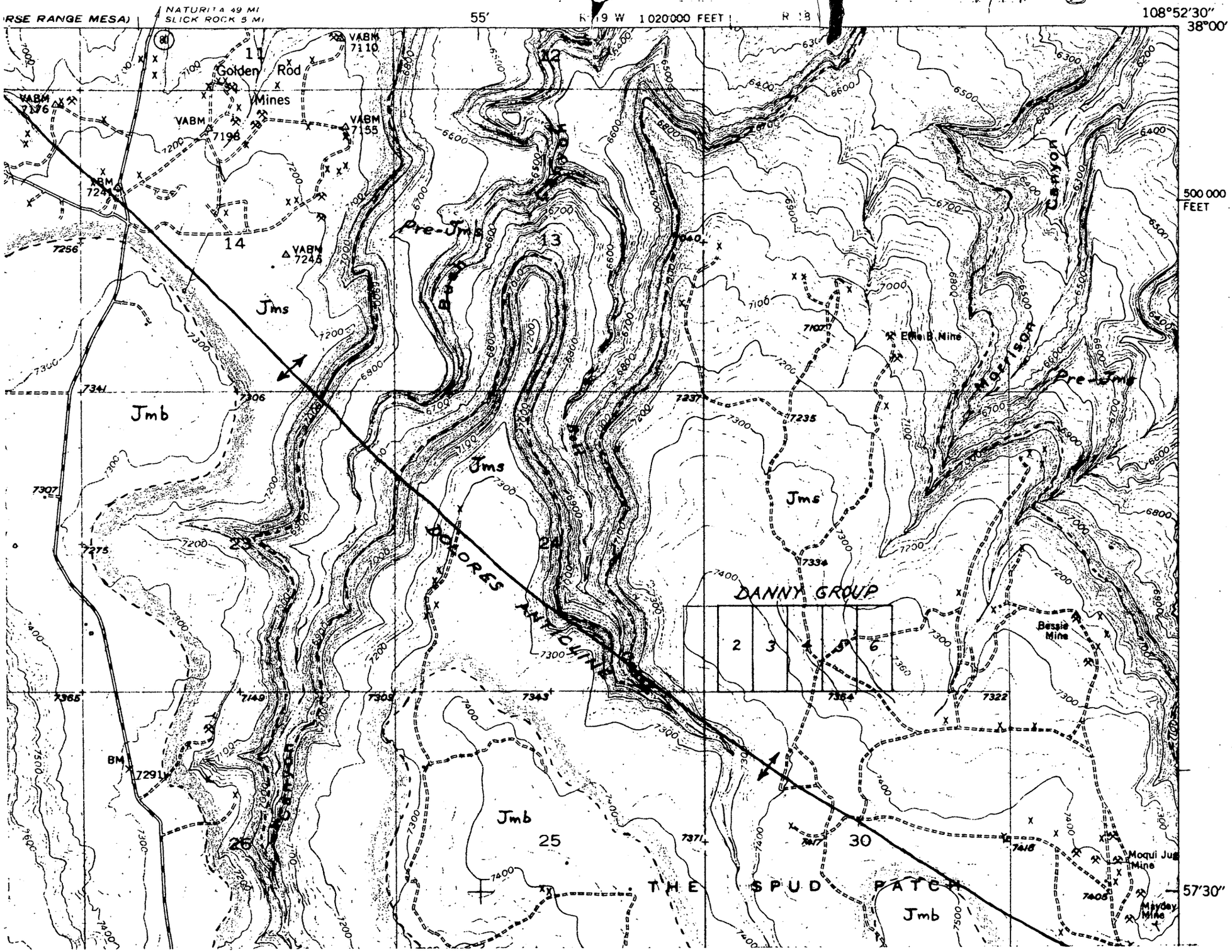
PROPOSED DRILLING PATTERN

EXISTING DRILL ROADS, BULLDOZED JUNE, 1955
INDICATED BY DIAGONAL LINES

Wm. ROSS CABEEN & ASSOC.

B.E.T.
4/29/55

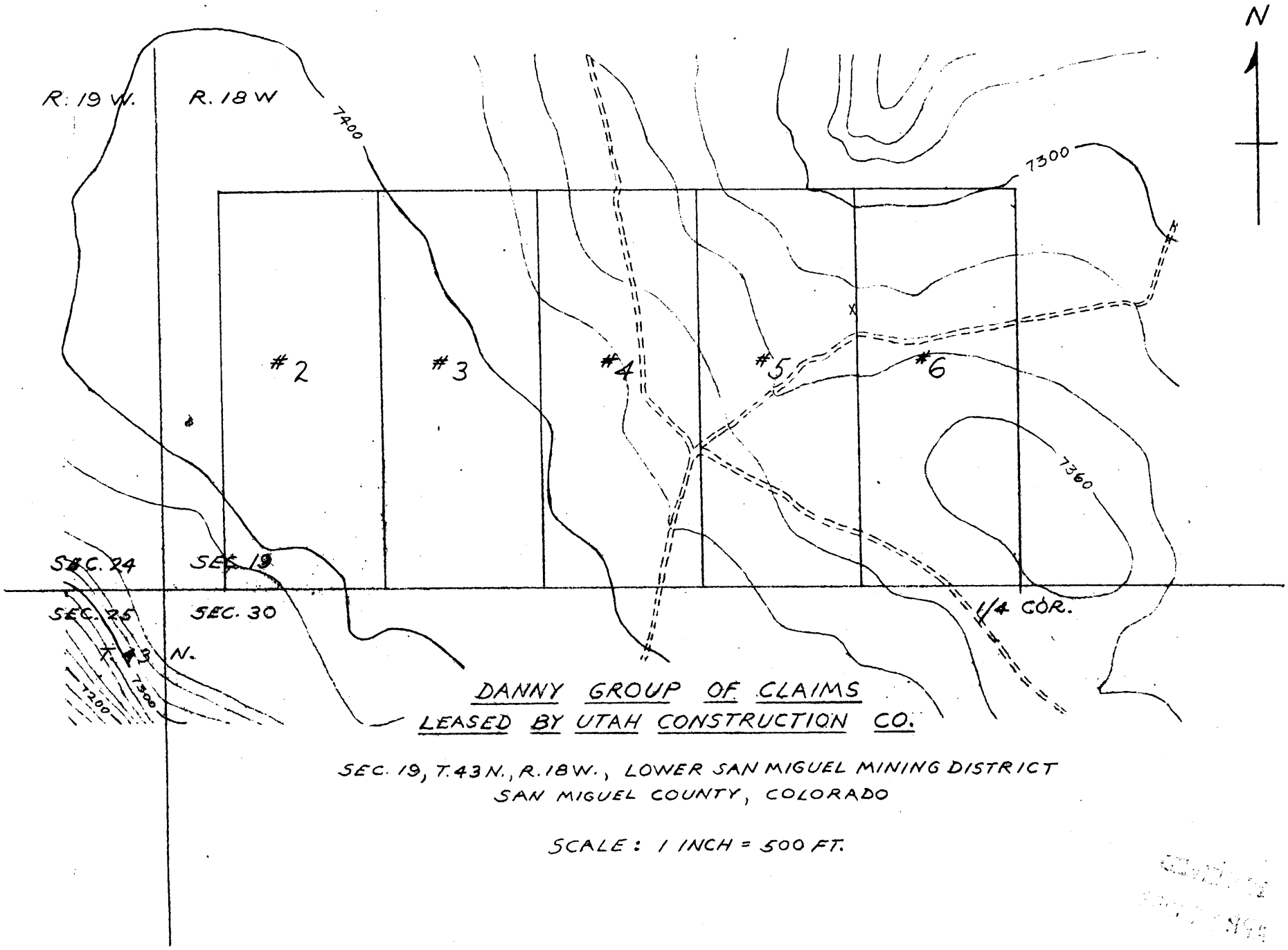
MAP "B"



Wm. Ross Cabeen + Assoc.

Jmb = Morrison, Brushy Basin
Jms = " Salt Wash

MAP "D"



DANNY GROUP OF CLAIMS
LEASED BY UTAH CONSTRUCTION CO.

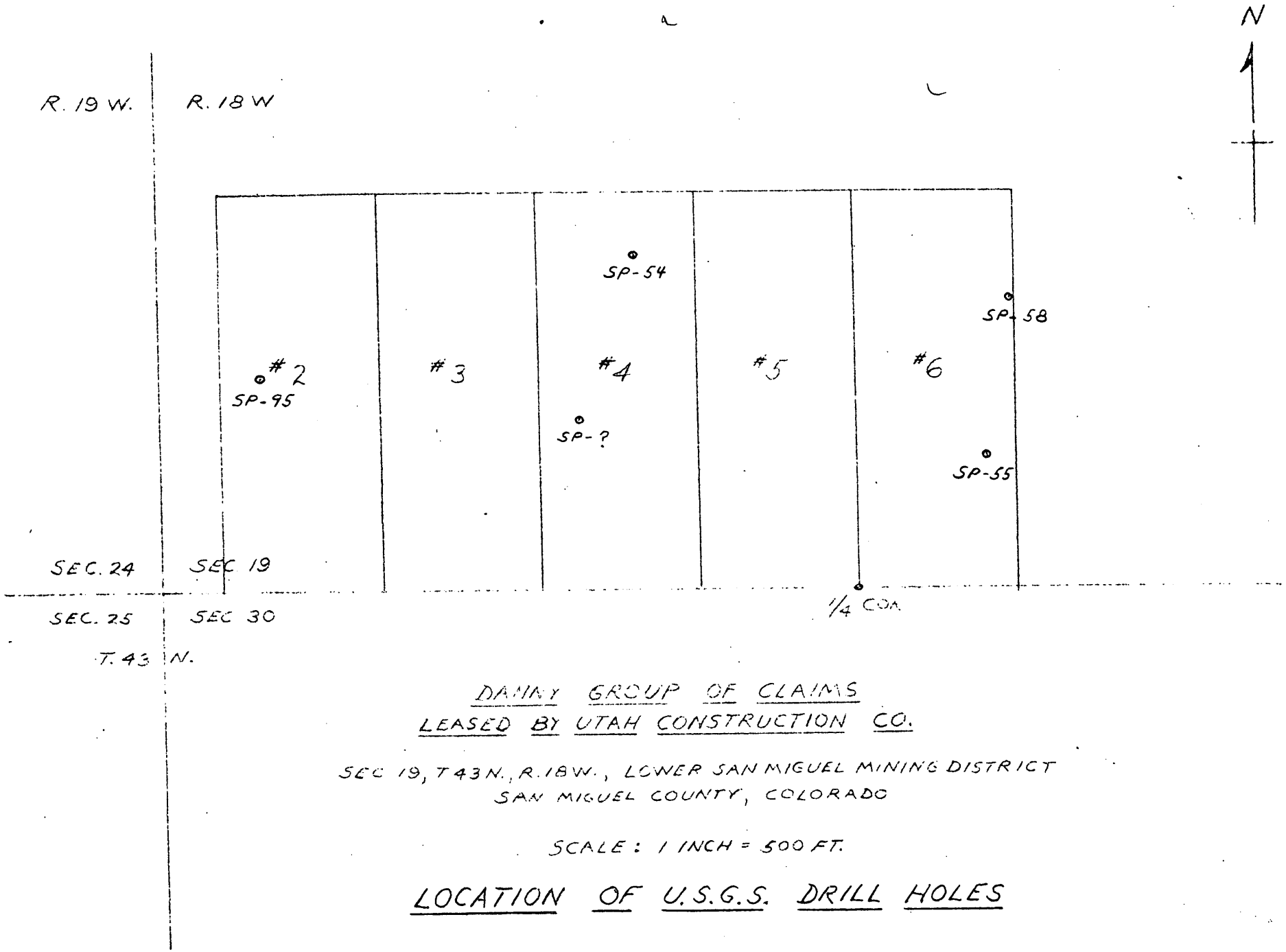
SEC. 19, T. 43 N., R. 18 W., LOWER SAN MIGUEL MINING DISTRICT
SAN MIGUEL COUNTY, COLORADO

SCALE: 1 INCH = 500 FT.

WM. ROSS CABEEN & ASSOC.

B.E.T.
4/29/55

MAP "E"



DAMAY GROUP OF CLAIMS
LEASED BY UTAH CONSTRUCTION CO.

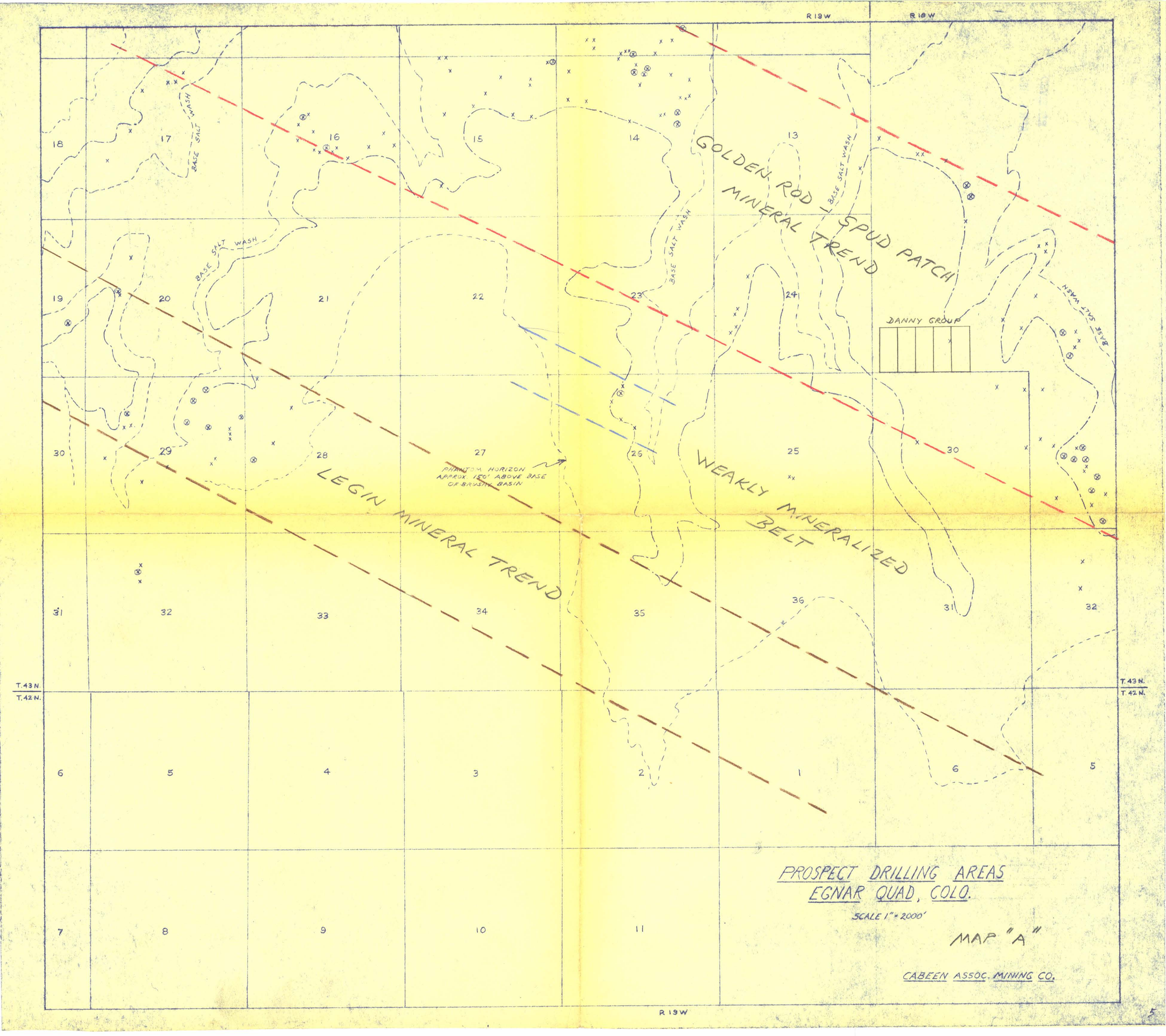
SEC 19, T 43 N., R. 18 W., LOWER SAN MIGUEL MINING DISTRICT
SAN MIGUEL COUNTY, COLORADO

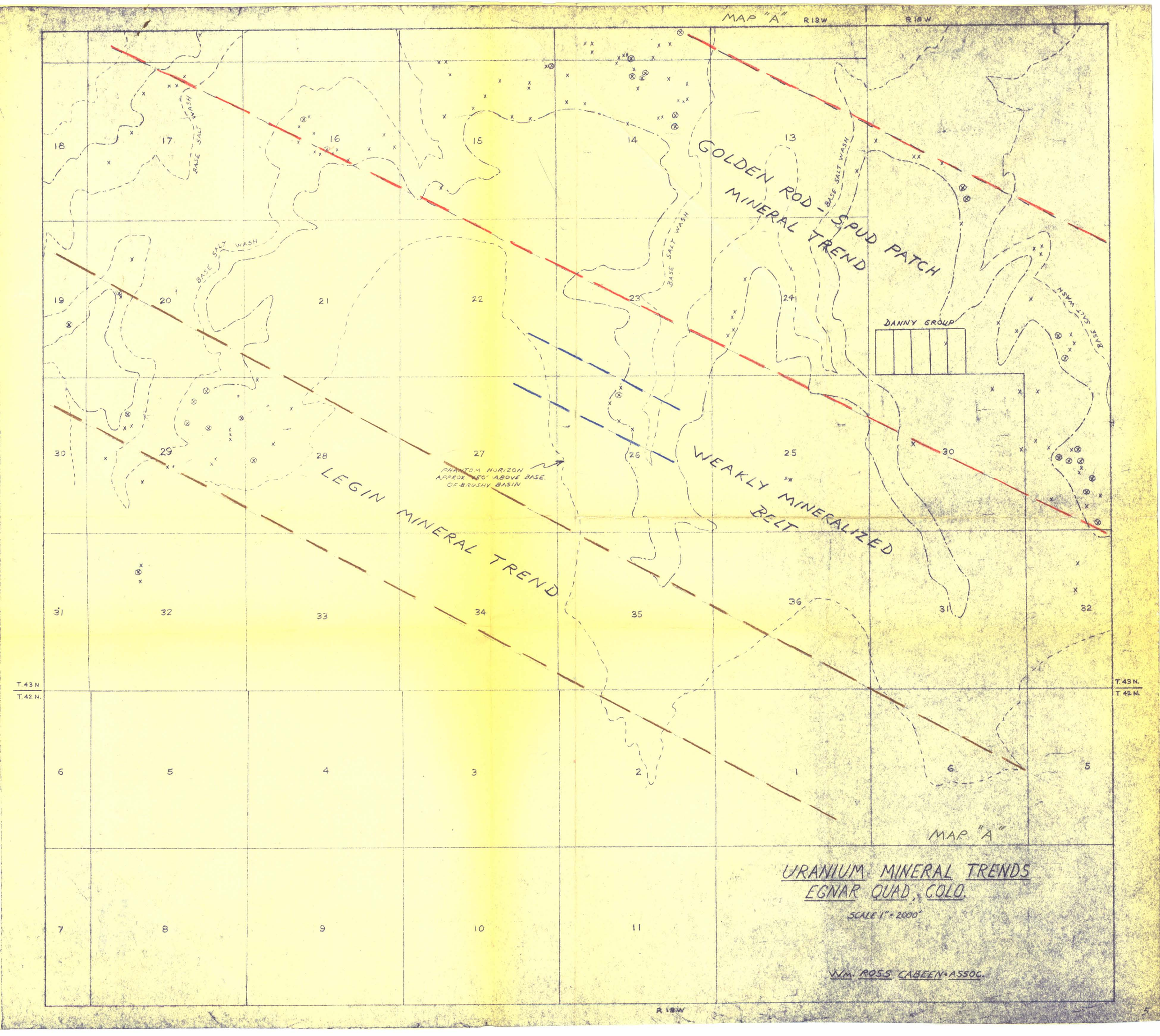
SCALE: 1 INCH = 500 FT.

LOCATION OF U.S.G.S. DRILL HOLES

WM. ROSS CABEEN & ASSOC.

B.E.T.
4/29/55


R19W
R19W
GOLDEN ROD SPUD PATCH
MINERAL TREND
BASE SALT WASH
BASE SALT WASH
BASE SALT WASH
BASE SALT WASH
BASE SALT WASH
DANNY GROUP
LEGIN MINERAL TREND
WEAKLY MINERALIZED BELT
PHANTOM HORIZON
APPROX. 150' ABOVE BASE
OF BRUSHY BASIN
T.43 N.
T.42 N.
T.43 N.
T.42 N.
R19W
PROSPECT DRILLING AREAS
EGNAR QUAD, COLO.
SCALE 1" = 2000'
MAP "A"
CABEEN ASSOC. MINING CO.


MAP "A"
R19W
R18W
GOLDEN ROD - SPUD PATCH
MINERAL TREND
BASE SALT WASH
DANNY GROUP
WEAKLY MINERALIZED
BELT
LEGIN MINERAL TREND
PHANTOM HORIZON
APPROX. 150' ABOVE BASE
OF BRUSHY BASIN
T. 43 N.
T. 42 N.
MAP "A"
URANIUM MINERAL TRENDS
EGNAR QUAD., COLO.
SCALE 1" = 2000'
WM. ROSS CABEEN + ASSOC.
R 19W