DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4538

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
✓Application and attachments Bios
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
✓On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9775

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

RECEIVED NOV 13 1956 D.M.E.A.

224 New Customhouse
Denver 2, Colorado

November 8, 1956

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium) B & B Mining Company (Sundown et al claims) San Miguel County, Colorado

Enclosed are two copies of the subject application in the amount of $79,602.75. One copy of the application is being forwarded the Grand Junction Office, DMEA for their recommendations concerning the advisability of making a field examination on the subject property, and one copy is being retained in our files.

It is noted that the Applicant's estimate of costs is high. The application states that the B & B Mining Company (A Partnership) are owners of the property, but an agreement is attached to the Application for the sale of 15% of net profits to the Marshall & Wiskirchen Drilling Company, one of the firms which submitted drilling bids, as reimbursement for their furnishing the Applicant's share of the exploration costs.

One copy of a Geology and Engineer Report of the Sundown Claims by George T. McCall, Engineer, accompanied the application, and the Applicant requested that it be returned. We are forwarding this copy of the report to the Grand Junction Office, DMEA for their use in evaluating the application.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

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

224 New Customhouse
Denver 2, Colorado

November 8, 1956

RECEIVED NOV 13 1956 D.M.E.A.

Memorandum

To: J. W. Hasler

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium) B & B Mining Company (Sundown et al claims) San Miguel County, Colorado

Enclosed is the subject application in the amount of $79,602.75. Also enclosed is the only copy submitted by the Applicant of a Geology and Engineer Report of the Sundown Claims, by George T. McCall, Engineer. Will you please return this report to this office after it has served your purposes, so that we may return it to the Applicant.

Please discuss this application with the Bureau of Mines Representative in the Grand Junction Office, DMEA, and the AEC, and forward this office nine copies of your joint recommendations concerning the advisability of making a field examination on the subject property.

DMEA Field Team, Region III

Original signed by
W. M. TRAVER

W. M. Traver
Executive Officer

Enclosures

HMC:ytl
cc: Sec. Op. Comm. (2)
Harshman
Shaw (2)
Docket
Chron.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DMEA
DEPARTMENT OF THE INTERIOR

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

NOV 7 1956
REGION III
DENVER, COLORADO

Not to be filled in by applicant

Docket No. 4538
Metal or Mineral Uranium
Date Received 11-13-56
Estimated Cost $79,602.75
Participation (Government %)

RECEIVED NOV 13 1956 D.M.E.A.

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:

B & B Mining Company (A Partnership)
808 Adams N.E.
Albuquerque, N. Mexico

(*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. Colorado

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

(*d*) If a partnership, add to the above statement the names and addresses of all partners. Robert J. Burns, 808 Adams, N.E. Albuquerque, N.M. Vern L. Bagby, Box 182, Naturita, Colo. Barry L. Ward, *

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract See Attached Sheet

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Owner- Operator (Unpatented Mining Claims)

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. Not Applicable

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

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

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 Attached Sheet.

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

(*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 Attached Sheet & Geological Report.

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

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

See Attached Geological Report.

16—66551-1

* 7315 Gerrie, S.E. Albuquerque, New Mexico

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 Attached Sheet and Attached Map # 2, and 3.

(*c*) The work will start within 10 days and be completed within 3 1/2 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 Attached Sheet.

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 Att. Sheet.

(*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)? Yes

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

☐ Money ☐ Use of equipment owned by you ☒ Other See Attached Sheet

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 October 30, 1956

B & B Mining Company
(Applicant)

By Robert Burns
Robert J. Burns,
808 Adams, N.E.
Albuquerque, N.M.

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

MF-103
(Revised
April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Not to be filled in by applicant

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

Docket No._____
Metal or Mineral_____
Date Received_____
Estimated Cost_____
Participation(Government %_____

RECEIVED
NOV 13 1956
D.M.E.A.

INSTRUCTIONS

1. Name of applicant
   (a) See application.
   (b) See application blank.
   (c) Not applicable. See application blank.
   (d) See application blank.
2. General.
3. Applicant's property rights.
   (a)

Claims to Be In Exploration Program

Name of Claim	
Sundown	5
"	6
"	7
"	8
"	17
"	18
"	19
"	20
"	28
"	29
"	30
"	31
"	32
"	33
Freckles	1
"	2
"	3
"	4
Cornbread	1
"	2

Situate in Sec's 25, 26, 27 Twn 45 N Range 19 W N.M. P.M. San Miguel County, Colo.

Molasses

B & B Mining Co., 808 Adams, N.E. Albuquerque, N.M.

Claims to be Benefited by Exploration Program

Situate in Sec's 25, 26, 27, 34
Twn 45 N, Range 19 W N.M. P.M.
San Miguel, County, Colorado.

Name of Claim
Sundown 4
" 9
" 16
" 21
Sonora 1-Thru 10
" 11 thru 13

(b) Sundown Group.

(c) Owner-Operator (Unpatented Mining Claims).

(d) Not Applicable.

(e) None

(f)

Name of Claim	San Miguel County, Colorado Book	Page
Sundown 5 thru 8 4	224	11 thru 14
" 17 & 18 2	"	23 & 24
" 19 & 20 2	"	25 & 26
" 28 thru 33 6	"	34 & 39
Freckles 1	252	316
" 2 4	"	317
" 3 and 4	256	366 & 367
Cornbread 1 and 2 2	256	368 & 369
Molasses 1	256	363

4. Physical Description.

(a) Previous exploration and development work consists of surface prospecting and although the owner operator has completed a surface prospecting program on the claims the Quatenary landslide deposits and earth overburden has made said program difficult and largely ineffective.

Wagon drilling as indicated on Map I (attached) has been expedited and completed. However, excessive water encounted at varying depths and the equipment with which this exploration was attempted precluded further wagon drilling as an effective or practical method of exploration. Cuttings and samples taken from these wagon drill holes were of a submarginal quality.

Twelve (12) tons of surface ore has been taken from rim on Sundown # 5 (see map I attached and appendix "A" of Geological report). An adit of approximately 60 feet was driven on Sundown # 29 (see attached Map I.)

All exploration costs, labor and mining operations have been borne and conducted by owner-operator.

Property is located approximately twenty five miles east of Moab, Utah, via secondary roads. From Sundown # 17 on which V.L. Bagby's cabin is located, about 3 miles of steep grades lead down to the graveled road running along Gypsum Valley. From this point it is about 18 miles up the valley to Colorado State Highway 80. It is about 24 miles north on No. 80 to the junction with Colorado State Highway 145. It is then 4 miles west on an oiled road to VCA buying station in Naturita and 20 miles on hard surfaced road to the USV buying station in Uravan. It is a total of about 50 miles from Sundown # 17 to Naturita. A buying station is also available at Moab, Utah, approximately 25 miles from Sundown # 17.

(b) Twelve tons of surface ore has been taken from rim on Sundown # 5 (see map I attached and appendix "A" of geological report) six (6) tons of this ore was .20% U_3O_8 and six (6) tons was .28% U_3O_8.

(c) See attached Sheet and Geological and Engineering Report.

(d) See a. above.

Ore buying station and mill is located at Moab, Utah, approximately twenty-five miles from claims on accessible secondary roads. Buying station at Naturita, Colorado approximately fifty miles by secondary and hard surfaced roads. Buying station at Uravan, Colorado, approximately seventy miles from claims by secondary and hard-surfaced roads from property.

Residence points are Moab, Utah, Dove Creek and Naturita, Colorado. Supply points at Dove Creek, Colorado, approximately thirty-five miles and Naturita, Colorado, approximately fifty miles from property.

(e) Manpower available at Naturita, Colorado, Dove Creek, Colorado and Moab, Utah.

Materials, supplies and equipment available at Naturita, Colorado, and Moab, Utah.

Water for drilling available from the Dolores River approximately four miles from claims. It is believed that sufficient water can be obtained from wells drilled on the property for anticipated mining uses. Sufficient water is available from a year round artesian well located approximately ten miles from the property.

Power; No electrical power presently is available other than that which could be produced by field type units i.e. generators, power plants, etc.

5. The exploration project.

(a) See Application Form.

[redacted]

Stage I. (See map II attached).

Estimated 75 holes on a 500 foot grid pattern. If hole logs and assays indicate the presence of ore in a given hole of commercial quality, Stage II drilling to determine the ore and the deposit trends is to be initiated as follows.

Stage II. (See map III attached)

Stage II drilling will consist of a maximum of 60 holes, drilled on 100 foot centers from the 500 foot center original ore hole to establish the trend of the ore vein or deposit.

(c) See Application Form.

(d) Operating experience and background.

B & B Mining Companys' (a partnership, the constituent members of which are listed below) experience as a company has been confined thus far to the operation of the properties covered in this application. Said operations are described in detail under section (4) a. The ability and compentence of the members of the company to successfully initiate and expedite an exploration and development program on any given property or properties, lies in the ability and compentence of the component members working together as a team and company.

President- Robert J. Burns- Experience: Presently a Chief Warrant Officer, grade 4, U.S. Army, assigned to and on duty with the Army Engineer Corps at Sandia Base, Albuquerque, New Mexico. Mr. Burns has completed over eighteen and one-half years of continuous service in the U.S. Army. Duties for the past fifteen years have been in administrative and supply assignments. For the past three and one half years has filled the position of Engineer Supply Officer at Sandia Base which has entailed the procurement, storage and accounting of all Engineer type of supplies and equipment. Expenditures in this operation exceed four million dollars per annum. Mr. Burns is directly accountable and responsible for government real estate and property in excess of forty-five million dollars. Has at present the direct supervision of twenty-nine civil service employees in this assignment. Mr. Burns has in the past two years pursued night courses at the University of New Mexico studying geology and has studied and inspected uranium mining operations in the states of New Mexico and Colorado to further his knowledge of these operations. It is Mr. Burns intention to retire from active military service within the next two years for the purpose of devoting his full time to the operation of the B & B Mining Company.

Vice-President- Production & Mining- Vern L. Bagby- (Field Superintendent during Exploration Program). Experience: Has for the past twenty years been employed in the mining industry in the states of Colorado, Nevada and Montana. He has worked at all types of mining in all rock formations of these areas. He has at times operated his own mines as well as supervised other employees in mining operations. Mr. Bagby is well familiar with mine construction, operation and maintenance of all types of mining and drilling machinery and has been engaged in uranium mining in this area for the past 5 years on lease enterprises. He further can operate common type road building equipment. He will be in complete charge of explorations and development operations.

A partial list of the places of Mr. Bagby's employment is as follows: London Butte Mining Co., Alma, Colo., 1930-1935. Desert Silver Inc., Silverpeak, Nev., 1936-1944 as foreman. Idarado Mining Co., Ouray, Colo., 1948-1953 and since 1953 has operated various properties on lease basis.

Executive Vice President-Barry Ward
(General Manager during exploration program)
Graduate of Denver University; Major course of study, Political Science and Professional Law. Experience: Ass't Field Director American Red Cross, 1950-51
Unit Manger of large Financial Institution and company, Commercial Credit Company, Denver, Colo. 1951-52
Manager Local Finance Company, Laramie, Wyoming, 1952-53
Manger Chamber of Commerce, Burley, Idaho, 1953 to Apr 54
Joined Land Department Phillips Petroleum Company Apr 54
Resigned Sept 55 to form own Minerals Brokerage Concern, dealing in Oil, Gas and Uranium properties and leases.
Helped to form B and B Mining Company 1956 and now serving said company in capacity of Executive Vice-President.

Marshall & Wiskirchen Drilling Co., 2327 North Tejon, Colorado Springs, Colo. (Independent contractor to per orm drilling during exploration program). Twenty years experience in all fases of drilling, oil, gas and uranium. The company has drilled for numerous companys and individuals in the states of Colorado, Utah, Oklahoma, and New Mexico. In addition the company has drilled for several Colorado cities including the city of Colorado Springs in their water and watershed projects. The company has exercised a great deal of initiative and resourcefulness in designing some of their own specialized drilling equipment and accessories to do a better, faster and more accurate drilling job.

6. <u>Estimate of Costs</u>

(a) Independent Contractss. (See Bids attached)
Marshall & Wiskirchen Drilling Company of Colorado Springs, Colorado., approximately 135 holes estimated average depth 200 feet @ $2.00 per foot. First stage

75 holes	$30000.00
Second stage 60 holes	24000.00
(See Bid attached)	$54000.00
Move in charge	$ 185.00
Circulation material, loss of (Estimated cost)	
Stage I	$ 700.00
Stage II	565.00
	$ 1265.00
Marshall & Wiskirchen, Coring 250 ft (Estimate)@$4.15 per ft	
Stage I	$ 1037.50
Stage II (200 feet) @$4.15 per ft.	$ 830.00
	$ 1867.50
Marshall & Wiskirchen, bull-dozer work on roads, drill sites, etc., 100 hrs (Estimate) @$12.00 per hr operating time	$ 1200.00
	$58,517.50

Century Geophysical Corporation, 1333 North Utica, Tulsa, Oklahoma, hole probing and logging.

Stage I, 15,000 ft. at 10¢ per ft	$ 1,500.00
Stage II, 12,000 ft. @ 10¢ per ft	$ 1,200.00
	$ 2,700.00

Traveling time $10.00 per hr, estimated traveling time from Grants, N. M. to claims and return 16 hrs per trip.

Stage I, 8 trips, 128hrs	$ 1,280.00
Stage II, 7 trips, 102 hrs	$ 1,120.00
	$ 2,400.00

Standby time (Estimated 20 hrs)Stage I @ $10.00 per hr.	$ 200.00
Stage II (Estimated 16 hrs) @$10.00 per hr	$ 160.00
	$ 360.00
(b) Labor, supervision, consultants.	$ 5,460.00
B & B Mining Company, Engineering Survey (Drilling Grids)-Supervision	$ 1,000.00

V. L. Bagby, Field Supervisor (Drilling etc)

Stage I, 8 weeks at $150 per week plus $25.00 per week auto and expense allowances	$ 1,400.00
Stage II, 7 weeks at $150 per week plus $25.00 per week auto and expense allowance	$ 1,225.00
	$ 2,625.00

Audrey L. Burns, bookkeeper & accountant, @ $87.50 per week.

Stage I, 8 weeks	$ 700.00
Stage II, 7 weeks	$ 612.50
	$ 1,312.50

Barry L. Ward, General Manager @ $175.00 per week plus $25.00 per week auto and expense allowance.

Stage I, 8 weeks	$ 1,600.00
Stage II, 7 weeks	$ 1,400.00
	$ 3,000.00

Perry K. Hurlbut, 2406 General Bradley N. E., Albuquerque, New Mexico, Special Consultant, Geologist and Engineer Stage I & II $ 1,000.00

$ 10,337.50

(c) Operating materials and supplies

(Office supplies, bookkeeper supplies, record books etc)	$ 35.00
Sample sacks 25¢ each	
Stage I, 225 sacks	$ 56.25
Stage II, 108 sacks	$ 29.00
	$ 85.25
(d) Operating equipment	$ 120.25
Scintillator rent @12.50 per week.	
Stage I, 8 weeks	$ 100.00
Stage II, 7 weeks	$ 87.50
	$ 187.50
(e) Rehabilitation and repairs	None
(f) New buildings, improvements, installations	None

(g) Miscellaneous

Maintenance and repair of automotive equipment (vehicles owned by owner-operator	$ 425.00
Stenographic Services	$ 80.00
Telephone and Telegraph	$ 50.00
Bank Charges	$ 15.00
Gas and Oil for vehicles @ $32.00 per week, Stage I and Stage II, 15 weeks	$ 480.00
Travel expense	$ 250.00
Core analysis, 18 reports @ $5.00 each	$ 90.00
	$1,3[illegible]0.00

(h) Contingencies

Legal fees	$ 200.00
Additional accounting costs	$ 150.00
Damage to vehicles	$ 200.00
Tire replacement	$ 200.00
Bulldozer repair and replacement	$ 1,200.00
Additional bull-dozer time 100 hrs, @$12.00 per hour	$ 1,200.00
Standby bull-dozer time 200 hrs @ $2.00 per hour	$ 400.00
Additional traveling time hole logging unit $10.00 per hour- 9 trips of 16 hrs each from Grants, N.M. to claims, total of 144 hrs	$1,440.00
Circulation material, loss of, (estimate)	$ 600.00
	$3,590.00

Grand total $79,602.75

7. (a) Yes
   (b) Other.
   1. Sale of net profits interest in production. (See purchase agreement attached)
   2. Additional investment by this company of cash, labor and assets.

MARSHALL & WISKIRCHEN DRILLING CO.
2327 North Tejon Street
Colorado Springs, Colorado

RECEIVED NOV 13 1956 D.M.E.A

October 15, 1956

Mr. Barry Ward
% B & B Mining Company
Albuquerque, New Mexico

Dear Mr. Ward:

In regard to your request for bids for drilling to be done on your Sundown Claims located in Sec 25,26 in T 45 N, R 19 W, San Miguel County, Colorado we are pleased to quote the following;

Plugging (Air or Water)	$2.00 per foot
Coring	4.15 per foot
Moving (flat charge)	$185.00

We do not anticipate any loss of circulation problems. Howeverm if they should occur we would charge at the rate of $9.00 per hour plus the cost of circulation materials delivered to the field. This $9.00 per hour covers a portion of our cost of fighting circulation problems.

We would charge at the rate of $12.00 per hour for a D-7 Cat. As a matter of convience to you we would be willing to furnish a cat on a full time basis for $1,400 per month. This would allow the use of the cat a maximum of 100 hours per month or 30 day period. In other words it would cost $200.00 per month to have a cat at your disposal on a full time basis provided the work to be done would justify the use of 100 hours per month. I believe your drilling program will justify the use of a cat to this extent. Particularly, when you take into consideration that we may get some rain, sleet or snow in this area while the drilling program is in progress. It is pretty cheap insurance when you know you will be able to get from one location to another, as well as providing roads and leveling drill sites.

Certainly want to thank you for the opportunity of bidding on your program.

Sincerely yours

S/ Larry Wiskirchen
MARSHALL AND WISKIRCHEN DRILLING COMPANY
Larry Wiskirchen-Partner

Copy

THE FRITZ-ERICKSON MINING CO.
DRILLING CONTRACTORS
Phone 2042 Box 365

Dove Creek, Colorado

October 17, 1956

B & B Mining Company
Albuquerque, New Mexico

Dear Sirs:

This is our bid for drilling on Sundown Claims Located in Township 45 North Range 19 West N. M. P. M. Sections 25, 26,27 & 28--in San Miguel County.

Rotary Drilling	$2.10	per foot
Coring	$4.25	" "
Lost circulation time	$10.00 per hr plus all materials	
Moving Time	$200.00	
Dozer work	$10.00 per hour	

Respectfully submitted by

Fritz-Erickson Mining Company

S/ Clyde C. Fritz
t/ Clyde Fritz

Copy

B and B Mining Co.,
7315 Gerrish S. E.
Albuquerque,

In regards to your fifteen thousand feet, of drilling on Sections 25,26,27, and 28, in 45 N-19W. on 18 claims- I would like to submit my bid as follows.

Plugging-2.40 ft
Coring 5.50 ft
Lost circulation fighting 15.00 per hour-plus material
Cat work-15.00 per hr, 4.50 per for stand by time

Hoping to hear from you-thanks

Farris & Stewart Drilling Co.
2600 Vermont N.E.
Albuquerque,
New Mexico

by: S/ Eddie T. Stewart
Partner

COPY

Colorado Springs, Colo.
November 6, 1956.

PURCHASE AGREEMENT:

This agreement entered into this 7th day of November, 1956, by and between B and B Mining Company, here-in-after known as the party of the first part and Marshall & Wiskirchen Drilling Company, here-in-after known as part of the second part:

Witnesseth; Wheras the party of the first part is desirous of selling a fifteen (15%) per cent net profits interest as here-in-after described in and to the production taken, removed and sold from the following described property and party of the second part is desirous of purchasing a fifteen (15%) per cent net profits interest in the production taken, removed and sold from the following described property, party of the first part for and in consideration of twenty-five percent of the total cost of a minimum of 15,000 feet and a maximum of 27,000 feet of drilling (said cost to include all bulldozing and cat work necessary to effect the drilling) does herewith sell, convey and assign to the party of the second part a fifteen (15%) percent net profits interest in the production of all minerals of what so ever nature taken, produced and sold from the following described property:

Name of Claim	Book	Page	San Miguel Co. Colo.
Sundown 5 thru 8	224	11 thru 14	
" 17 & 18	224	23 & 24	
" 19 & 20	224	25 & 26	
" 28 thru 33	224	34 thru 39	
Freckles 1	252	316	
Freckles 2	"	317	
Freckles 3 and 4	256	366 & 367	
Cornbread 1 and 2	"	368 & 369	
Molasses	"	363	

Net profits shall be those profits remaining from the sale of minerals produced, mined and sold from the subject property after all costs of exploration, mining or removal (same to include payment of all taxes; state, local and Federal) have been deducted from the gross amount received from the sale of said minerals.

Witness our hands this 7th day of November, of the year first above written.

By Robert Burns (SEAL)
B. & B. Mining Company.
By Gerry Wiskirchen (SEAL)
Marshall & Wiskirchen Drilling Company

County of El Paso
State of Colorado

Betty Romano
Notary

mission expires Apr. 13, 1959

Government Messenger Envelope

rm No. 65 (Rev. 1/46)

1. Use blocks consecutively, one at a time.
2. Void previous block.
3. Write clearly.

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Treasury Dep. Branch	RUN / STOP	[illegible]	RUN / STOP
Postmaster 09 GSA	RUN / STOP	Counsel 5411 [illegible]	RUN / STOP
[illegible] 2656	RUN / STOP	Mr. Marden 6238-GS	RUN / STOP
Charles F. Fuechsel Graphic Division 6214, GSA Building	RUN / STOP	Mr. Marden Washington Auditorium	RUN / STOP
THOMPSON AGSM Geological Survey 013 GSA	RUN / STOP	Mr. Davey 6230 GSA	RUN / STOP
Mc Donald 6238 GSA.	RUN / STOP	Mr. Buckmaster Room G-20 GSA	RUN / STOP
[illegible] Jefferson 5334	RUN / STOP	Mr. R. H. Moriarty 1224	RUN / STOP
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Mr. DeCosta 2019	RUN / STOP	Mr. Simms Rm. 5-No 8	RUN / STOP
[illegible] 222	RUN / STOP	[illegible]	RUN / STOP

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n for reissue.

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NAME

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~~Miss Ida Holbrick~~ ~~Room 5719~~ ~~Interior Bldg~~	RUN	Mr. Martin 3538 Int.	RUN
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GOVERNMENT PRINTING OFFICE : 1951 16-

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DMEA
RECEIVED JUL 20 1957

DATE	INITIALS	CODE
7/18	C	220
		225

224 New Customhouse
Denver 2, Colorado

July 16, 1957

Mr. Barry L. Ward
Executive Vice President
B & B Mining Company
7315 Gerris Avenue, S.E.
Albuquerque, New Mexico

Re: Docket No. DMEA-4538 (Uranium)
Sundown Claims, et al
San Miguel County, Colorado

Dear Mr. Ward:

In accordance with your request of June 17, 1957, returned herewith are the documents you requested, which consists of a Geological report, aerial photo, and maps.

We regret the delay in returning this material to you and hope it has caused you no serious inconvenience.

Yours very truly,

Original signed by
W. H. KING

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

Enclosures

BMC:hmh
cc: Chmn. Op. Comm. (2)
Docket
Chron.

cc: Mr. W.S. Twenhofel
Resource Compilation Sec.,
TEPCO, USGS, Bldg.25
Denver Federal Center.

224 New Customhouse
Denver 2, Colorado

July 16, 1957

EXTRA COPY DMEA RECEIVED		
DATE	INITIALS	COPY

Mr. Barry L. Ward
Executive Vice President
B & B Mining Company
7315 Gerrie Avenue, S.E.
Albuquerque, New Mexico

Re: Docket No. DMEA-4538 (Uranium)
Sundown Claims, et al
San Miguel County, Colorado

Dear Mr. Ward:

In accordance with your request of June 17, 1957, returned herewith are the documents you requested, which consists of a Geological report, aerial photo, and maps.

We regret the delay in returning this material to you and hope it has caused you no serious inconvenience.

Yours very truly,

Original signed by
W. H. KING
W. H. King
Executive Officer, DMEA
Field Team, Region III

Enclosures

HMC:hmh
cc: Chum. Op. Comm. (2)
Docket
Chron.

cc: Mr. W.S. Twenhofel
Resource Compilation Sec.,
TEFCO, USGS, Bldg.25
Denver Federal Center.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/12	Murphy	700
"	Rubert	700
7/12	GLS	130
7/12	Johnson	110
12	Hutchinson	100
7/15	P.K.	220
		MAF

JUL 12 1957

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

Re: Docket No. DMEA-4538 (Uranium)
B & B Mining Company
Sundown, et al., Claims
San Miguel County, Colorado

Dear Mr. King:

This is to acknowledge your memorandum of July 8, 1957, in response to our letter of July 3, relating to material which the subject Applicant requested to be returned.

Mr. Thor H. Kiilsgaard's office has advised us that all their material was returned on May 14, 1957, to Mr. W. S. Twenhofel, Resource Compilation Section, TEPCO, U. S. Geological Survey, Federal Center, Denver, Colorado.

It is suggested that you contact Mr. Twenhofel and ask that the USGS file on the subject application be made available to your office to check and remove the material requested by the Applicant.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

O. M. Bishop (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

FMMurphy/gla
7-12-57

cc to: Admr.'s Reading File
Operating Committee
Code 700, Mr. Murphy
THKiilsgaard, Rm. 5224

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

July 8, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 10 1957

DATE	INITIALS	CODE
7-10	"	220
"	Murphy	700
		225

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket DMEA 4538 (Uranium) B & B Mining Company (Sundown, et al., Claims) San Miguel County, Colorado

We have rechecked our file on the subject docket and can conclude only that the material requested for return by the Applicant was enclosed with the Survey's copy of the application.

Mr. Harshman was unable to comment one way or the other, but did state that their copy of the application was returned to Thor H. Kilsgaard's office March 20, 1957.

W H King
W. H. King
Executive Officer

Kilsgaard's Office July 11 1957 — Murphy
Material Mailed May 14
to Resource Compilation Section, TEPCO
USGS
Federal Center
Den. Col
W. S. Twenhofel

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-1	Murphy	700
7-1	Ellis	700
7/3	GCS	130
7/3	Solmon	110
3	Matthewson	100
7/3	C D	220
		700

JUL - 3 1957

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

Re: Docket No. DMEA-4538 (Uranium)
B & B Mining Company
Sundown, et al., Claims
San Miguel County, Colorado

Dear Mr. King:

This is to acknowledge your memorandum of June 26 and the copy of Mr. Ward's letter of June 17, 1957.

We have none of the material requested by Mr. Ward, except the copies of the three maps labeled Map No. I, II, and III, which we will retain as part of the application.

In the Field Team's memorandum, dated November 8, 1956, transmitting the captioned application to the Operating Committee, mention was made that the Geological Report by George T. McCall had been forwarded to Grand Junction. Moreover, we have no record of having received an aerial photo.

If available, the material requested should be returned to the Applicant by the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

P. F. Yopes (GCS)
Member, Bureau of Mines

N. E. Nelson (GCS)
Member, Geological Survey

FMMurphy/izm 7-1-57
cc to: Mr. Murphy
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

June 26, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 28 1957

DATE		CODE
6/28	C	220
"	FMM	700
		225

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4538 (Uranium) B & B Mining Company (Sundown, et al., Claims) San Miguel County, Colorado

Enclosed for your consideration and appropriate action is a letter of June 17, 1957, from the Applicant, requesting the return of certain material attached to the application.

A check of our files indicates that the geologic report and aerial photo were attached to the original of the application, which was forwarded to your office for your files.

The copy of the application which we have in our file includes three maps labeled Map No. I, II, and III, respectively. We will be glad to return these maps to the Applicant but would first like to have instructions from you in that you have part of the requested material.

W H King
W. H. King

Enclosure

DMEA
DEPARTMENT OF THE INTERIOR

JUN 24 1957
REGION III
DENVER, COLORADO

Albuquerque, New Mexico
June 17, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 28 1957

DATE	INITIALS	CODE

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team
Region 3
Denver 2, Colorado

Re: Docket ~~No. DMEA~~-4538 (Uranium)
Sundown Claims, et al
San Miguel County, Colorado

Dear Mr. Townsend:

On October 30, 1956, there was submitted by our Company several documents including a geological report, aerial photo, maps and etc., relative to our application for assistance under the subject docket number. Pursuant to instructions contained on the instruction blank for applying for assistance, we indicated on most of the documents submitted that we would like them returned.

As of this date the documents have not been returned. We are wondering if you would be kind enough to check into this matter for us and have the documents returned at your earliest convenience to the address indicated below.

Very truly yours,

Barry L. Ward
Executive Vice-President
B & B Mining Company
7315 Gerris Avenue S.E.
Albuquerque, New Mexico

cc: Washington 25, D. C.

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 24 1957

DATE	INITIALS	CODE
6/24	C	220
"	~~EMM~~	~~700~~
		225

Albuquerque, New Mexico
June 17, 1957

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team
Region 3
Denver 2, Colorado

Re: Docket No. DMEA-4538 (Uranium)
Sundown Claims, et al
San Miguel County, Colorado

Dear Mr. Townsend:

On October 30, 1956, there was submitted by our Company several documents including a geological report, aerial photo, maps and etc., relative to our application for assistance under the subject docket number. Pursuant to instructions contained on the instruction blank for applying for assistance, we indicated on most of the documents submitted that we would like them returned.

As of this date the documents have not been returned. We are wondering if you would be kind enough to check into this matter for us and have the documents returned at your earliest convenience to the address indicated below.

Very truly yours,

Barry L. Ward
Executive Vice-President
B & B Mining Company
7315 Gerris Avenue S.E.
Albuquerque, New Mexico

cc: Washington 25, D. C.

See letters dated Nov. 8, 1956, by Field Team to J.W. Hasler, also, Field Team to Operating Co.

FMM

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/10	Murphy	700
4/11	Ellis	700
4/12	Selfridge	130
"	Johnson	110
"	Mittendorf	100
4/15	C	220
		225

APR 12 1957

Mr. Robert J. Burns
B & B Mining Company
808 Adams N. E.
Albuquerque, New Mexico

Re: Docket No. DMEA-4538 (Uranium)
Sundown, et al., Claims
San Miguel County, Colorado

4/12 Lamb (130)
4/12 Kilsgaard (130)

Dear Mr. Burns:

Your application for aid in an exploration project and other information available to us in Washington concerning your above-named property have been reviewed.

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

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

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

Sincerely yours,

C. U. Mittendorf
Administrator

FMMurphy/gla
4-10-57
cc to: Admr.'s Reading File
Operating Committee
Code 700, Mr.Murphy
THKiilsgaard, Rm. 5224
DMEA Field Team, Region III (2)

8623

Murphy
Ellis

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

April 10, 1957

Summary of Proposed Project

Object: Denial of application for exploration aid

Docket No.: DMEA-4538

Commodity: Uranium

Applicant: B & B Mining Co.
808 Adams N. E.
Albuquerque, New Mexico

Property: Owner of Sundown Group, comprising 21 claims, situate in secs. 25, 25, 27, T. 45 N., R. 19 W., NMPM, San Miguel County, Colorado.

Date of application: October 30, 1956

Amount of application: $79,602.75

Referred to Region III: December 6, 1956

Field examination made: February 28, 1957

Field Team report recd.: March 21, 1957

Work proposed: A first stage program consisting of drilling 75 holes on 500-foot centers, and a second stage of a maximum of 60 holes to offset mineralized holes previously drilled. The depth of the holes is estimated at 200-feet.

Estimated Costs:

27,000 feet non-core drilling @ $2.00/ft.	$54,000.00
450 " core " @ $4.15/ft.	1,867.50
200 hours bulldozing @ $12.00/hr.	2,400.00
Miscellaneous: probing, transportation, supervision, consultants, labor, material, supplies, rental of equipment, etc.	17,745.25
Contingencies	3,590.00
Total	$79,602.75

Excerpts from Field Team report:

The sundown claims are near the crest of the high ridge that bounds the south side of the western part of Gypsum Valley, a northwest trending collapsed salt anticline.

Strata of the Salt Wash member of the Morrison formation are exposed in the eastern and western parts of the claim group. The central part is covered by the Brushy Basin member.

The exposed strata are mostly red in color and are therefore classed as unfavorable for ore. A few small ore deposits have been found adjacent to the claims. One small (11 tons, Avg. 0.24 percent U_3O_8) deposit on Sundown No. 5 claim was mined out. No other indications of ore, or possible favorable structure, was noted on the claim area by the field examiners.

The Field Team and examiners recommend that the application be denied because:

1. The outcrops are unfavorable for ore.

2. The known ore deposits in the area are few, small, and erratically distributed.

3. The largest production in the area has been from the Brushy Basin. However, the chance of finding another such deposit is poor as the sandstone forms a relatively continuous layer that is moderately well exposed and such a repetition should probably have been discovered before this.

Commodity Members' comments:

U. S. Bureau of Mines, James Paone, March 27, 1957.

Mr. Paone concurred in the Field Team's recommendation.

U. S. Geological Survey, N. E. Nelson, April 9, 1957.

Mr. Nelson agrees with the conclusions of the field examiners and concurs in the Field Team's recommendation to deny the application.

Rare and Miscellaneous Metals Division, F. M. Murphy, March 25, 1957.

The data submitted by the field examiners indicates that

no favorable target area is evident in the claim area, and, moreover, the character of the Salt Wash and Brushy Basin in the area is generally unfavorable for significant uranium ore deposition.

Conclusion and Recommendations:

This Division agrees with the conclusions of the field examiners with respect to the proposed project and, therefore, concurs in the recommendation to deny the subject application.

Ernest Wm. Ellis

Ernest Wm. Ellis

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
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DATE	INITIALS	CODE
4/10	JWN	220
"	Murphy	700

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

April 9, 1957
Re: DMEA 4538
B & B Mining Company
Sundown Claims
San Miguel County, Colo.
$79,602.75 - uranium

Memorandum

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

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

Subject: Review of Field Team Report

The applicant requested assistance in exploring by drilling a property which, because of location and geologic environment, is taken to be unfavorably placed. Experience on the property and neighboring small mines and prospects indicates only small marginal orebodies, if any, are present in that particular setting.

In the opinions of the examiners, the outcrops of Salt Wash strata on and near the property are of the unfavorable type. The known ore deposits are few, small, and erratically distributed. The opinions are well supported and I consider the recommendation of denial apt.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY DMEA RECEIVED MAR 28 1957		
DATE	INITIALS	CODE
3/29	C	220
"	Murphy	700

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

Date March 27, 1957

DMEA Docket No. 4538
DMEA Contract No.
Commodity Uranium
Name of applicant B and B Mining Company
Name of property Sundown et. al. claims
Location of property San Miguel Co., Colorado
Estimated cost of project $79,602.75

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

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

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

1. Date of DMEA documents: 3/13/57. 2. Date received by reviewer: 3/25/57

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

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

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

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

7. Explain items marked yes above:

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

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

10. Remarks: (Use back of page if necessary)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

March 18, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 21 1957

DATE	INITIALS	CODE
3/21	C	220
		130
3/26	C	220
"	Murphy	700

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Joint Report of Examination, Docket DMEA 4538 (Uranium) B and B Mining Company (Sundown et al. Claims) San Miguel County, Colorado

Enclosed are the original and three copies of a Joint Report of Examination on the subject property by H. F. Robertson, USBM, and D. P. Elston, USGS.

The field examiners conclude that the geologic probability for making a significant discovery is not sufficiently promising to justify Government participation. Accordingly, they recommend that the application be denied to which the Field Team concurs.

DMEA Field Team, Region III

E. N. Harshman

By E. N. Harshman
Acting Executive Officer

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
3-25-57
(date)

ON-SITE EXAM. REPORT

TRANSMITTED

MAR 18 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

IN REPLY REFER TO:
MINERAL DEPOSITS
DMEA
RECEIVED
MAR 14 1957
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR
MAR 15 1957
REGION III
DENVER, COLORADO

P. O. Box 360
Grand Junction, Colorado

March 13, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 21 1957

DATE	INITIALS	CODE
	R.D.K. Forsmann	1302B
	JFSchaw	220

Memorandum

To: E. N. Harshman, Acting Executive Officer,
DMEA Field Team, Region III

Through: John F. Shaw

From: J. William Hasler

Subject: DMEA docket 4538 (Uranium), B and B Mining Company, Sundown, et al claims, San Miguel County, Colorado. Joint engineering and geologic report.

Enclosed are 12 copies of the joint engineering ~~and geologic~~ report on DMEA docket 4538, B and B Mining Company, Sundown, et al claims, San Miguel County, Colorado, by H. F. Robertson, U. S. Bureau of Mines, and D. P. Elston, U. S. Geological Survey, as well as 12 copies each of figures 1 and 2. The B and B Mining Company, 808 Adams N.E., Albuquerque, New Mexico, applied for DMEA assistance to explore the Sundown group of claims in sections 25, 26, and 27, T. 45 N., R. 19 W., NMPM, Gypsum Valley area, San Miguel County, Colorado. The application was referred to the field and an examination was made on February 28, 1957.

The Sundown claims are on the southwest dipping strata of the Morrison formation of Jurassic age near the crest of the high ridge that bounds the south side of the western part of Gypsum Valley, a northwest-trending collapsed salt anticline.

The Salt Wash member of the Morrison formation, which is the usual ore-bearing member of the Morrison formation, is largely red in color on the subject group of claims and is, therefore, considered generally unfavorable for ore. There are a few ore deposits in the immediate area, however, they are small and scattered and occur in the middle and upper parts of the Salt Wash member as well as in the basal sandstone of the overlying Brushy Basin member of the Morrison formation. From the field examination it is apparent that the size of targets for ore deposits of significant size and grade are small and that the area itself is unfavorable for the occurrence of any large bodies of ore. The chances, therefore, for discovery are poor and it is, therefore, recommended that the application be denied.

The Atomic Energy Commission was consulted relative to the appraisal of the area.

Enclosed is the applicant's brochure.

J. William Hasler
J. William Hasler,
Geologist

JWH/mlr
Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
3-25-57
(date)

FOR UNITED STATES GOVERNMENT USE ONLY

TRANSMITTED

MAR 18 1957

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

JOINT REPORT OF EXAMINATION BY EXAMINING TEAM
REGION III

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 21 1957

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		220

DMEA 4538

B and B Mining Company

Sundown, et al claims

San Miguel County, Colorado

Uranium

Joint Engineering and Geologic Report

by

H. F. Robertson
Bureau of Mines

D. P. Elston
Geological Survey

March 1957

Reviewed by
DMEA OPERATING COMMITTEE

3-25-57
(date)

B and B MINING COMPANY
SAN MIGUEL COUNTY, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 21 1957
DATE | INITIALS | CODE
130
220

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Location, Topography, and Physical Features 3

History and Production 4

Ownership and Extent 5

Present Status 6
  Exploration and Development 6
  Mining Equipment and other facilities 6

Geology 7

Ore Deposits 10

Proposed Exploration 13
  Applicant's proposed exploration program 13
  Recommended program 14

Conclusions and Recommendations 14

ILLUSTRATIONS

Figure | Follows page

1. Map of part of western Colorado and eastern Utah showing location of Sundown group of claims, B and B Mining Company, San Miguel County, Colo..... 15

2. Sketch map of the Sundown group of claims, B and B Mining Company, secs. 25, 26, and 27, T. 45 N., R. 19 W., N.M.P.M., San Miguel County, Colorado 15

DMEA 4538
B and B Mining Company
Sundown, et al claims
San Miguel County, Colorado

INTRODUCTION AND SUMMARY

On October 30, 1956, the B and B Mining Company, 808 Adams N. E., Albuquerque, New Mexico, made application for DMEA assistance for exploration drilling on the Sundown group of claims, sections 25, 26 and 27, T. 45 N., R. 19 W., N.M.P.M., Gypsum Valley area, San Miguel County, Colorado.

A two stage drilling program requiring a maximum of 27,000 feet of non-core and 450 feet of core drilling in 135 holes was proposed at an estimated cost of $79,602.75. Government participation at 75 percent would be $59,702.06. Holes averaging 200 feet in depth would be necessary to explore the inferred ore horizons on the property.

The application (DMEA 4538) was referred to the field and an examination was made on February 26, 1957. The examining team consisting of D. P. Elston, U. S. Geological Survey, and H. F. Robertson, U. S. Bureau of Mines, was accompanied by Messrs. Barry L. Ward and Vern L. Bagby, legal and mining representatives of the company.

The Sundown claims are on southwestward dipping strata of the Morrison formation of Jurassic age near the crest of the high ridge that bounds the south side of the western part of Gypsum Valley. The claims are accessible by motor vehicle and are about 18 miles west of

the junction of Colorado State Highway 80 and the road that traverses the length of Gypsum Valley.

Strata of the Salt Wash member of the Morrison formation are exposed in the eastern and western parts of the claim group and there are scattered exposures on the south portion. The exposed sandstone strata are mostly red in color and are therefore generally unfavorable for ore. The ore deposits are few, small and scattered, and occur in the middle and upper parts of the Salt Wash member and in the basal sandstone of the overlying Brushy Basin member of the Morrison formation. The sandstone, and the mudstone at the base of the upper sandstone layer of the Salt Wash member is altered gray-green for only short distances beyond the occurrence of ore minerals. The target size of the deposits and of altered ground surrounding the deposits is small.

Because of the lack of outcrop that can be classed as favorable for ore, it is unlikely that the upper sandstone layer of the Salt Wash member will be favorable for ore where covered in the central part of the claims. As chances for the discovery of significant and economic ore bodies are poor, it is recommended that this application for aid be denied.

ACKNOWLEDGMENTS

Daniel R. Shawe, U. S. Geological Survey, was consulted relative to the appraisal of the area and the ore reserves section of the Atomic Energy Commission was consulted for production and reserve data for the general area.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Sundown group of claims in the subject application are located in sections 25, 26 and 27, T. 45 N., R. 19 W., New Mexico Principal Meridian, San Miguel County, Colorado. More specificially, the claims are near the crest of the high ridge that forms the south side of the western part of Gypsum Valley. The claims are reached from Naturita, Colorado by traveling about 3 miles east on Colorado State Highway 145 to the junction with Colorado State Highway 80; thence about 24 miles south on Highway 80 to its junction with a graveled access road which traverses the length of Gypsum Valley; thence about 18 miles northwesterly on the access road, across the Dolores River, to a junction with a dirt access road (the junction is about 3 miles northwest of the river bridge); thence about 3 miles south on a steep, winding road to the claim area. The property is accessible by standard vehicles except during infrequent periods of excessive snow or rain.

The claims are staked in an area known as "Grassy Hills" and for the most part, lie on gently rolling hills sparsely covered by cactus, sagebrush, desert grasses, and pinon trees. The altitude of the area averages about 6,500 feet.

Water for drilling and mining purposes would probably have to be hauled from the Dolores River About 6 miles distant and domestic water from a well about 10 miles east of the subject property.

The climate of the area is semi-arid and surface operations are feasible throughout the year except for short, infrequent, periods of severe snow or rain. Access roads in the area sometimes become impassable due to local heavy rainfall but are easily repaired.

HISTORY AND PRODUCTION

Mining operations for vanadium and uranium have been carried on in the Gypsum Valley area since 1939, and the history of exploration and prospecting dates back to 1920. The Sundown claims were located in 1953. In 1955, the remaining 7 claims of the subject property were located to cover open areas between the Sundown group and the Grassy Hills group on the north.

The only ore produced from the subject property came from a small stripping operation on the Sundown No. 5 claim (fig. 2) during May 1955 and totals 11.3 tons averaging 0.24 percent U_3O_8 and 1.32 percent V_2O_5. Production from mines (fig. 2) in the vicinity of the Sundown claims has been relatively small as tabulated below.

Aztec Mine

Period	Tons	U_3O_8 percent	V_2O_5 percent	Remarks
Dec. 1952	41.46	0.15	1.33	--
March 1954	7.37	0.06	2.10	No payment
April, May June 1956	10.0	0.07	1.14	No payment

Note: No production since June 1956.

Prospectors Fortune

Period	Tons	U_3O_8 percent	V_2O_5 percent
July-Sept., 1955	144	0.31	0.86
Oct.-Dec., 1955	340	0.32	0.92
Jan.-Mar., 1956	1049	0.18	0.54
Apr.-June 1956	291	0.13	0.46
July-Sept., 1956	72	0.23	0.70
Total	1,896	0.21	0.63

Note: No production since September 1956.

OWNERSHIP AND EXTENT

The Sundown group of claims was originally located by M. E. Miller, E. G. Earle, Dave McClure, and V. L. Bagby on May 1, 1953. By means of quit-claim deeds during May 1954 the subject claims became wholy controlled by the applicant. In 1955 the Freckles 1, 2, 3, and 4, Cornbread 1 and 2, and Molasses claims were located to cover open ground between the Sundown claims and the Grassy Hills group. Recording data, from the San Miguel County Courthouse at Telluride, Colorado, is as follows:

Claim Name	Original location Date	Book	Page	Amended Date	Book	Page
Sundown 5 thru 8	5-1-53	224	11 thru 14	9-20-54	241	49 thru 52
Sundown 17 and 18	5-1-53	224	23 and 24	9-20-54	241	55 and 56
Sundown 19 and 20	5-1-53	224	25 and 26	12-3-54	247	7 and 8
Sundown 28 thru 33	5-1-53	224	34 thru 39	12-3-54	247	10 thru 15
Freckles 1 and 2	10-7-54	243	164 and 165	not amended		
(Relocation of	)					
(Freckles land2	) 3-4-55	252	316 and 317	7-1-55	256	364 and 365
Cornbread 1 and 2	3-4-55	252	314 and 315	7-1-55	256	368 and 369
Molasses	7-1-55	256	363	not amended		
Freckles 3 and 4	7-1-55	256	366 and 367	not amended		

A total of 21 claims is included in the applicant's proposed exploration program. The actual location of the claims on the ground is correctly marked by the required corner posts. The applicant's controlling interest appears to be valid.

PRESENT STATUS

Exploration and Development

Very little work of an exploratory nature has been done on the Sundown group of claims. Five wagon-drill holes were drilled on the Sundown No. 17 and three holes on the Sundown No. 29. The applicant considered the program as largely ineffective and did not submit any data as to results of the drilling. Other completed development work at the time of the examination consisted of a bulldozer cut on a hillside (Sundown No. 5) and an adit in barren ground about 60 feet in length (Sundown No. 29).

Mining Equipment and Other Facilities

The applicant had no mining equipment on the property at the time of the field examination. The equipment for exploration drilling would be furnished by the independent company doing the proposed work.

Facilities on the property consist of a small bunk house. There are access roads to various points on the property.

The required electrical power would be produced by a portable gasoline- or diesel-driven light plant.

GEOLOGY

The Sundown claims are in the Gypsum Valley area of southwestern Colorado. Gypsum Valley is one of the narrow elongate northwest trending, anticlinal "salt valleys" of western Colorado and eastern Utah. These valleys are characterized by relatively flat floors bordered by steep valley walls. Strata along the edges of the valley are commonly faulted. Unfaulted strata in the valley walls dip northeast and southwest away from the edges of the valleys. The Sundown claims are on strata that dip about 5° SW on the south side and near the western end of Gypsum Valley.

The strata on the claims are the Salt Wash and Brushy Basin members of the Morrison formation of Jurassic age. The underlying Entrada sandstone and Summerville formation of Jurassic age crop out in canyons west and south of the claims. East of the claims, the Burro Canyon formation of Cretaceous age caps the highest ridges which form a local divide between Gypsum Valley on the north and local tributary drainages to the Dolores River on the south.

The Morrison formation is divided into two members. The lower is the Salt Wash member which consists of fluviatile sandstone and interbedded mudstone. The upper member is the Brushy Basin member which consists mainly of mudstone with local strata of conglomeratic sandstone in the lower and middle parts of the member.

In the general area of the claims, the Salt Wash member ranges in thickness from about 260 to 300 feet and consists of persistent sandstone layers, one near the bottom and one near the top of the member, and intervening less persistent sandstone strata and interbedded mudstone. The uppermost sandstone layer is known as the "ore-bearing sandstone" and it ranges in thickness from about 30 to 65 feet. It is dominantly red to red-brown in color but locally is pale brown to white and freckled brown with limonitic spots. Grain size ranges from very fine- to medium-grained. The Salt Wash crops out mainly as a massive, blocky cliff. Festoon and planar cross-beds are only locally prominent. A prominent diastem, represented by a persistent bedding plane and a thin layer of red mudstone, separates a lower more massive sandstone unit from an upper more cross-bedded sandstone unit on much of the outcrop. Intergranular mudstone and interbedded mudstone seams are mostly red.

A unit of interbedded mudstone and thin non-persistent sandstone strata, about 25-40 feet thick overlies the ore-bearing sandstone.

The Brushy Basin member consists of red and gray-green mudstone, pale red-brown sandstone and conglomeratic sandstone, and thin, dark green, silty limestone. The thickness near the claims ranges from about 375 to 425 feet. Several prominent sandstone and conglomeratic sandstone strata crop out in the lower part of the member. The basal sandstone, where not conspicuously conglomeratic, is distinguishable from underlying sandstone in the Salt Wash member by the presence of small but distinct amounts of red and green chert. These strata also contain scattered fossilized bone fragments. The basal strata apparently form a continuous sandstone layer within and near the claims but landslide conceals the bed rock in the central part of the claims. Where exposed, this sandstone layer forms a cliff and ranges in thickness from about 20 to 50 feet. The upper part is commonly more conglomeratic and contains more abundant red and green chert than the lower part. Abundant sharp festoon crossbeds characterize these strata.

The landslide material is composed largely of debris derived from the Brushy Basin member and a few blocks of sandstone from the Burro Canyon formation. The topography of the landslide conforms with the attitude of the dipping strata. It is unlikely that the thicknesses of landslide are much in excess of 40 feet.

The strata on the claims have a prominent northwesterly fracture set that parallels the regional structure. There are no known faults on the claims but several high angle normal faults with perhaps 100-200 feet of displacement lie north and northeast of the claims.

ORE DEPOSITS

There are four small uranium-vanadium deposits known in the general area and they occur in three different stratigraphic units. The lowest deposit, stratigraphically, occurs near the base of a sandstone stratum in the middle part of the Salt Wash member. There is no known recorded production for this deposit but the workings are small and the ore that has been mined was transported by burro. Production perhaps totalled about 10 tons of ore although considerably more rock than this has been moved in drifting. A remnant of a blue-black pod of ore, probably corvusite, is all that remains. The claims name is reported to be the Blue-Black claim(fig. 2).

The next highest deposit stratigraphically is the Chipmunk deposit (DMEA 3993; referred to by the applicant as the Aztec mine; fig. 2). The ore minerals are localized in an interbedded sandstone and mudstone unit, 5 to 8 feet thick, that directly underlies the ore-bearing sandstone. The overlying sandstone layer is massive and partly cross-bedded, generally light red in color, and is about 65 feet thick. Minable ore was limited largely to an individual, festoon cross-bedded, fine- to medium-grained sandstone lense which contained carbonaceous material.

Mudstone above and below the ore minerals is colored gray-green. Red colored mudstone and sandstone is within 3 to 5 feet above and below the layer of ore minerals. The deposit is bounded within 15 to 25 feet on the west by deep red colored sandstone and mudstone. The red sandstone contains a series of concentric, C-roll, diffusion-like bands which have their open side to the west. The deep red coloration in mudstone is wrapped above and below the altered rock to the east and dies out, over and under the eastern part of the layer of ore minerals. Eastward, red-brown mudstone and sandstone bounds a gray-green 5 to 6 foot predominantly mudstone layer that is apparently devoid of ore minerals. Landslide conceals bedrock on the east. The length of exposure of altered rock is about 120 feet; the ore minerals are in the western 40 feet of this exposure and are adjacent to the deep red to purple-red stained rock. The deeply colored rock on the west grades into the common pale red-brown color in a distance of about 100 feet west of the ore deposit.

The ore minerals are almost completely oxidized and consist mainly of carnotite and vanadium silicates. Some eucairite (?) and chalcocite (?) have been reported (DMEA 3293). Locally abundant malachite is associated with a bed of gray-green mudstone stratigraphically above and peripherel to the ore minerals on the west and north. This same bed of mudstone grades into a dark gray mudstone but here no malachite is present.

The direction of paleo-stream flow as measured from festoon cross-beds in the workings ranges from S 40° W to S 35° E with the dominant direction south to southeast.

The target size of mineralized ground, with dimensions of about 50 feet, and of altered ground, with dimensions perhaps as great as 150 feet, does not offer a very large drilling target. The Chipmunk mine, about 1/4 mile south of the Sundown No. 16 claim as of December 1952, produced 41.46 tons averaging 0.15 percent U_3O_8 and 1.33 percent V_2O_5. No-pay shipments of 7 tons in 1954 and 10 tons in 1956 were made. In both cases the V_2O_5 content was above 1.0 percent, but U_3O_8 ranged between 0.06 and 0.07 percent.

The habit of the ore here, and its position in a discrete stratigraphic unit just below, rather than within the ore-bearing sandstone, suggest that if there are other such occurrences they probably would be sporadically distributed, small, and except for surface and near surface occurrences, would be uneconomic.

Altered ground at the base of the ore-bearing sandstone, similar to that of the Chipmunk mine, was observed on outcrop northwest of the Blue-black claim. A small partly mineralized boulder was also observed in this vicinity. The sedimentary relations and the limited extent of altered ground, suggest that another Chipmunk type of deposit may be present in the area. This area, however, is not on the applicants' claims.

The highest stratigraphic occurrence of ore minerals is in the basal sandstone layer of the Brushy Basin member. The production from the Prospector's Fortune surface operations and the production from mineralized Brushy Basin landslide debris in the Sundown No. 5 claim came from this stratigraphic unit. The Prospector's Fortune has been the largest producer in the area with a production total of 1,897 tons averaging 0.21 percent U_3O_8 and 0.63 percent V_2O_5. The AEC lists about 300 tons of inferred ore remaining but operations have been halted and no reserves were apparent to the examining team. The production from the Sundown No. 5 claim totaled 11 tons averaging 0.24 percent U_3O_8 and 1.32 percent V_2O_5. The mined area consists of a bulldozer road cut in landslide material along the side of a hill. Reserves here are nil.

An adit in barren ground was driven at the base of a 50-foot thick sandstone layer in the Brushy Basin member on the Sundown No. 29 claim.

PROPOSED EXPLORATION

Applicant's Proposed Exploration Program

The applicant proposed a non-core and core drilling program in two stages requiring a maximum of 27,000 feet of non-core and 450 feet of core drilling in 135 holes at an estimated cost of $79,602.75. Government participation at 75 percent would be $59,702.06. The proposed program was to explore for economic ore bodies on the Sundown group of claims.

The program as outlined in the application would entail the drilling of a series of fences or rows of diamond drill holes which would test the ground for ore deposits and possibly establish a trend for subsequent exploratory drilling. The drill-hole pattern of the first stage would explore the property on 500-foot centers and would consist of a total of 75 holes. The second stage of the applicant's proposed program would consists of 100-foot offsets of holes which penetrated ore-grade material. A maximum of 60 holes would be required for the second stage.

Previous holes drilled on the claims were not considered as an integral part of the plan since no records exist of the results of the drilling.

Recommended Program

No revision of the applicant's proposed exploration program is submitted by the examining team.

CONCLUSIONS AND RECOMMENDATIONS

Outcrops of Salt Wash strata on and near the Sundown claims are classed as generally unfavorable for ore. The known ore deposits are few, small and erratically distributed. The small-size and the presence of copper in the one known ore deposit at the base of the ore-bearing sandstone is more or less typical of the deposits which lie just west of the Uravan mineral belt. The largest production has come from sandstone in the Brushy Basin member. The chance of finding another such deposit is poor as the sandstone forms a relatively continuous layer

that is moderately well exposed and such a repetition should probably have been discovered before this.

The chance of finding a significant uranium-vanadium deposit in these strata is considered to be very poor. It is recommended that the application for DMEA assistance for exploration be denied.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
MARCH 1957 DOCKET 4538

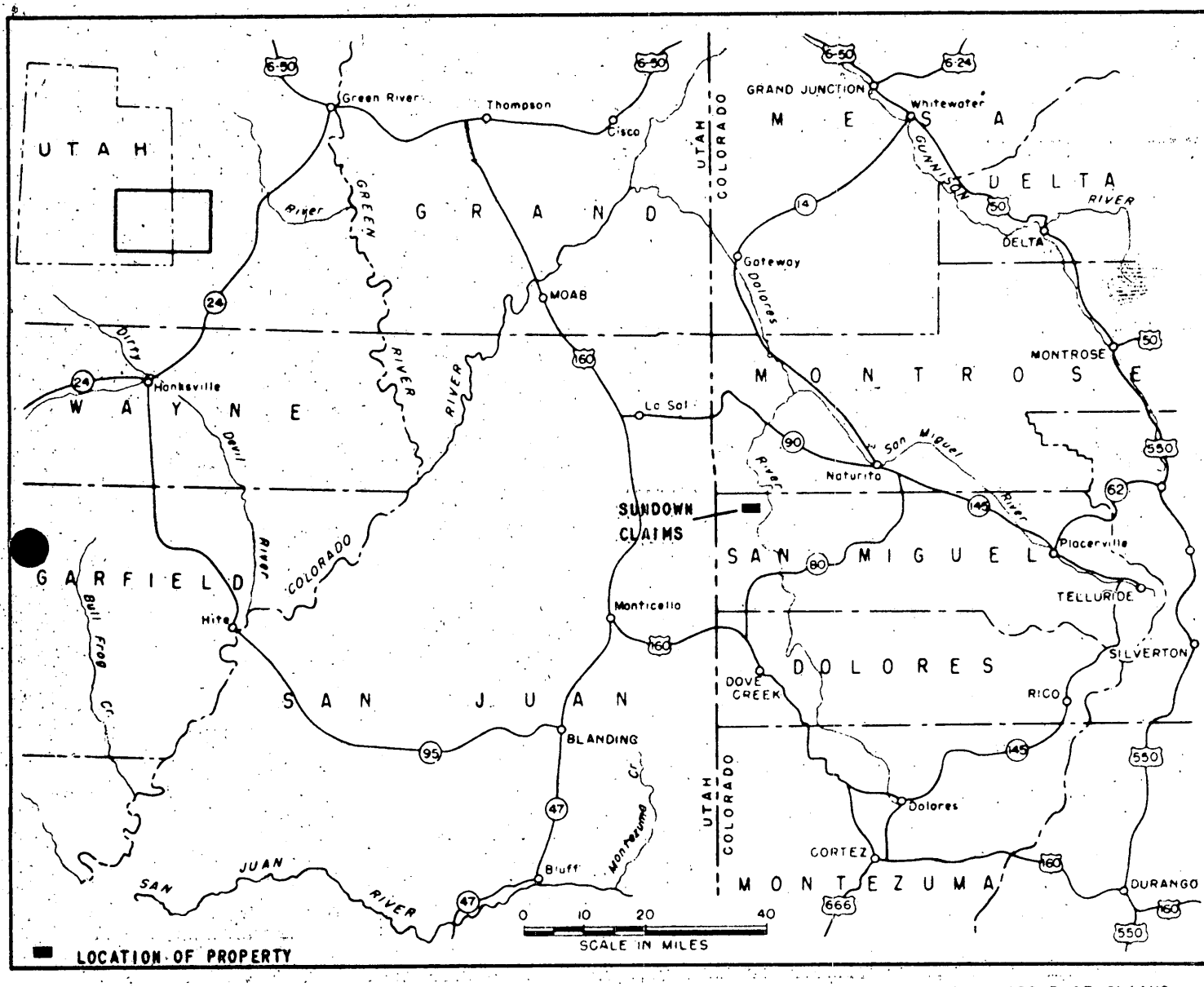
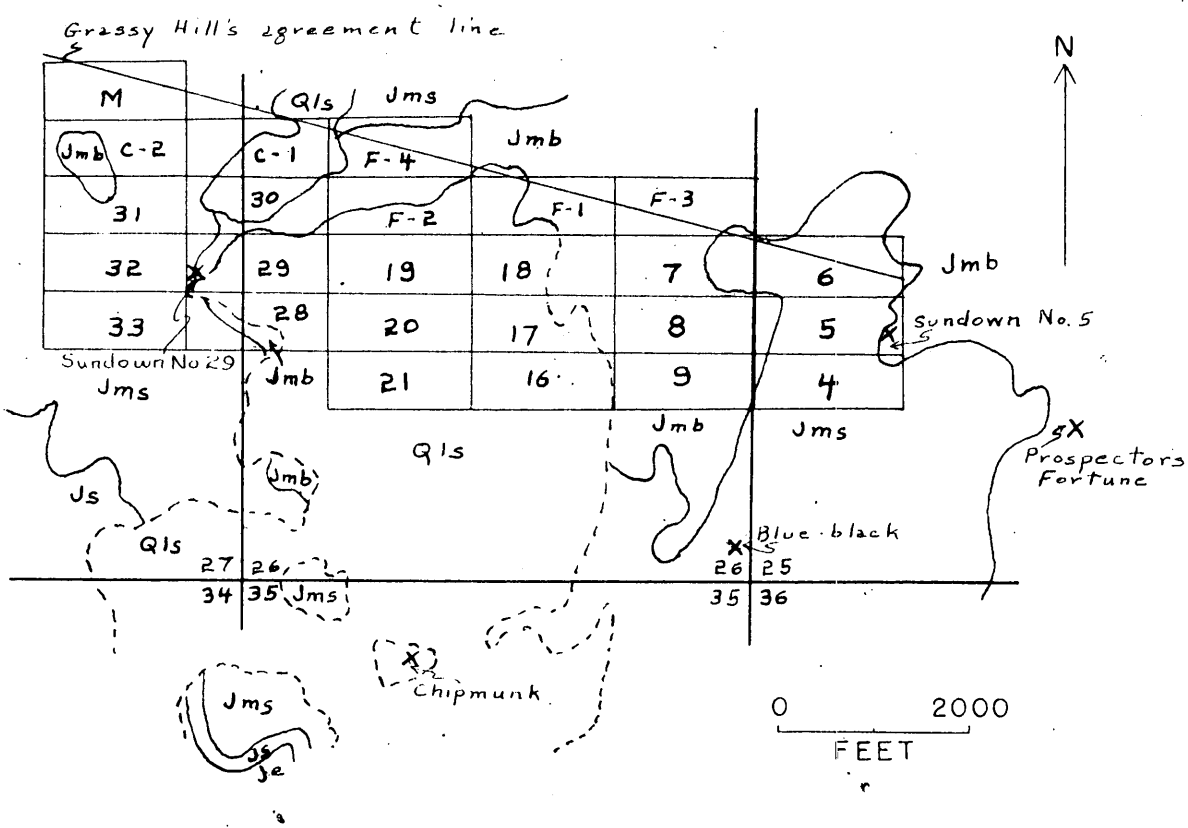


Figure 1.—MAP OF PART OF WESTERN COLORADO AND EASTERN UTAH SHOWING LOCATION OF SUNDOWN GROUP OF CLAIMS, B AND B MINING COMPANY, SAN MIGUEL COUNTY, COLORADO.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
MARCH 1957 DOCKET 4538



EXPLANATION

Qls QUATERNARY LANDSLIDE
Jmb BRUSHY BASIN MEMBER OF JURASSIC MORRISON FORMATION
Jms SALT WASH MEMBER OF JURASSIC MORRISON FORMATION
Js SUMMERVILLE FORMATION OF JURASSIC AGE
Je ENTRADA SANDSTONE OF JURASSIC AGE
× PROSPECT, ADIT, OR PIT
MAP ADAPTED FROM U.S. GEOLOGICAL SURVEY GEOLOGICAL MAPS OF THE HORSE RANGE MESA AND ANDERSON MESA QUADRANGLE, 1955.

Figure 2.--SKETCH MAP OF THE SUNDOWN GROUP OF CLAIMS, B AND B MINING COMPANY, SECTIONS 25, 26, AND 27, T.45N., R.19W., N.M.P.M., SAN MIGUEL COUNTY, COLORADO.

Region III

Building 20
Denver Federal Center
Denver 2, Colorado

DMEA
DEPARTMENT OF THE INTERIOR

December 13, 1956

DEC 14 1956
REGION III
DENVER, COLORADO

Memorandum

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

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4538 (Uranium) B & B Mining Company (Sundown, et al claims) San Miguel County, Colorado

The application for B & B Mining Company, Docket DMEA 4538 in the amount of $79,602.75 was received in this office on December 13, 1956.

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

W. H. KING

W. H. King

cc: W. M. Traver (2)
E. N. Marshman
J. W. Hasler
M. H. Salsbury
J. F. Shaw
Sec. Op. Con (2)

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

224 New Customhouse
Denver 2, Colorado

December 12, 1956

RECEIVED DEC 17 1956 D.M.E.A.

Memorandum

To: W. H. King (2) (w/brochure)
J W. Hasler

From: DMEA Field Team, Region III

Subject: Docket DMEA 4538 (Uranium) B & B Mining Company (Sundown, et al claims) San Miguel County, Colorado

Enclosed is the subject application in the amount of $79,602.75. A field examination and suitable report are requested.

Enclosed for your further information is a copy of a letter from the Chairman of the Operating Committee, dated December 6, 1956, together with memoranda of review of the application by W. P. Williams and John E. Crawford.

In the event that the field examiners recommend an exploration project, early advice to this office will be appreciated so that we may prepare the required Consent to Lien and Subordination Agreements.

Please return the boruchure with your report of examination.

DMEA Field Team, Region III

Original signed by
J. W. TOWNSEND

By W. M. Traver
Executive Officer

Enclosures

BMC:ytl
cc: Sec. Op. Comm. (2)
Harshman
Docket 4538
Chron.

7
800

FILE COPY
Surnamer
Murphy
Ellis
Kilegaard
Lovett
Sellardze
K J Green

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

DEC - 6 1956

Mr. Robert J. Burns
B & B Mining Company
808 Adams N.E.
Albuquerque, New Mexico

Re: Docket No. DMEA-4538 (Uranium)
Sundown, et al., Claims
San Miguel County, Colorado

Dear Mr. Burns:

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 (for)

Administrator

FMMurphy/izm 12-3-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
DMEA Field Team, Region III (2)

RJ.

700

FILE COPY
Surname:
Murphy
Selfridge

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

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

DEC - 6 1956

Re: Docket No. DMA-4538 (Uranium)
B & B Mining Company
Sundown, et al., Claims
San Miguel County, Colorado

Dear Mr. Traver:

The above-referenced application is referred to Region III Field Team for investigation, a field examination, and recommendation.

Enclosed are copies of memoranda, dated November 28 and 30, 1956, by J. E. Crawford, USBM, and W. P. Williams, USGS, respectively, relating to the application. Also enclosed is an extra copy of the application for Field Team use.

In the event the Field Team considers a project to explore the subject claims is warranted, it should advise the Applicant that we will require six copies of a Consent to Lien and Subordination Agreement signed by Marshall and Wiskirchen Drilling Company, who have a 15 percent interest in the net profits of the applicant company according to a Purchase Agreement, dated November 7, 1956.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures

APPROVED:

Frank D. Lamb (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

FMMurphy/izm 12-3-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
Operating Committee
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

R.C.S.

12/3/56

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

IN REPLY REFER TO:

RECEIVED NOV 30 1956 D.M.E.A.

November 30, 1956

Memorandum

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

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

Subject: Review of application, DMEA 4538, B & B Mining Company, Sundown claims, Slick Rock district, San Miguel County, Colorado, (uranium)

The applicant proposes to explore for uranium ore deposits on a group of 26 mining claims located on the southwest flank of Gypsum Valley.

From available information, and as pointed out by Grand Junction personnel, the property is not located particularly well with respect to favorability for large ore deposits.

The applicant proposes an extensive drilling project that would cost an estimated $80,000. Past exploration work consists of eight wagon drill holes, a 60-foot adit, and some surface trenching. A total of 11 tons of ore have been shipped from the property.

I recommend that the application be referred to the Field Team for field examination and report. It appears possible that a modified, reduced, drilling project may be warranted on some of the most favorable areas of the property.

W. P. Williams

W. P. Williams

11/29/56

RECEIVED NOV 29 1956 D.M.E.A.

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

Date November 21, 1956

DMEA Docket No. 4538
DMEA Contract No.
Commodity uranium
Name of applicant F B & B Mining Company
Name of property Sundown et al claims
Location of property San Miguel County, Colorado
Estimated cost of project $79,602.75

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

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

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

1. Date of subject document: 11/13/56 2. Date received by reviewer: 11/26/56.

3. Prior reports on this property known to reviewer: Yes [ ] No [X]

4. Prior reports on nearby properties known to reviewer: Yes [ ] No [X]

5. Information available on past production: Yes [ ] No [X]

6. Other pertinent factors known to reviewer: Yes [ ] No [X]

7. Explain items marked yes above:

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

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

10. Remarks: (Use back of page if necessary) Mr. J. O. Hosted, Washington representative of the Atomic Energy Commission, assisted in the review.

11/23/56

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

RECEIVED NOV 23 1956 D.M.E.A.

224 New Customhouse
Denver 2, Colorado

November 20, 1956

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Docket DMEA No. 4538 (Uranium) B & B Mining Company, (Sundown et al claims), San Miguel County, Colorado

Enclosed are the original and three copies of a joint review and recommendation on the subject application, by the members of the Grand Junction Office, DMEA.

They recommend that a field examination of the property be made and we concur in this recommendation.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

MINERAL DEPOSITS
IN REPLY REFER TO:
DMEA
RECEIVED
NOV 19 1956
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 360
Grand Junction, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
NOV 20 1956
REGION III
DENVER, COLORADO

November 16, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: J. William Hasler
E. N. Harshman
J. F. Shaw

RECEIVED
NOV 23 1956

From: W. B. Gazdik
M. H. Salsbury

Subject: Recommendations for field examination, DMEA docket No. 4538 (Uranium), B. & B. Mining Company, (Sundown et al claims), San Miguel County, Colorado

The B. & B. Mining Company applied to the Defense Minerals Exploration Administration for aid in exploring the Sundown group of claims in secs. 25, 26, and 27, T. 45 N., R. 19 W., N.M.P.M., San Miguel County, Colorado. The applicant's proposed project consists of 450 feet of core drilling and 26,550 feet of non-core drilling costing an estimated total of $79,602.75.

The Sundown group of claims is located in the northwestern part of the Slick Rock mining district on the southwest flank of the Gypsum Valley Salt anticline. Most of the significant uranium deposits in the Slick Rock district occur in the upper part of the Salt Wash member of the Jurassic Morrison formation. However, in Gypsum Valley significant uranium deposits are generally found in the middle and lower sandstone units of the Salt Wash member and appear to be concentrated along the axis of the Gypsum Valley Salt anticline. Deposits found some distance away from the anticlinal axis, such as those in the general vicinity of the Sundown group of claims, are small and consist of small tabular masses of mineralized rock that range in size from a few tons to several hundred tons.

The applicant reportedly drilled 11 wagon drill holes on the Sundown Nos. 17 and 29 claims but the project was ineffectual because excessive ground water was encountered. The results of this drilling, therefore, are not available.

The relatively small amount of production from mines and claims in the immediate vicinity of the applicant's claims is an indication of the small size and scattered nature of known ore bodies. According to AEC

shipping records 11.26 tons of ore averaging 0.24 percent U_3O_8 and 1.32 percent V_2O_5 were shipped from the Sundown No. 5 claim, included in the application. Production from several other properties adjoining the Sundown group of claims on the south and east is given below:

Property	Tons	$\%U_3O_8$	$\%V_2O_5$
Aztec mine	45.5	0.26	1.34
Chipmonk mine	58.8	0.13	1.39
Prospector's Fortune	1680.0	0.45	1.47

Although the applicant's property is located in an area where known ore bodies are small and scattered, a field examination is probably warranted because a small amount of uranium ore was produced from and in the general vicinity of the Sundown group of claims. It is recommended that a field examination be made.

W. B. Gazdik,
Geological Survey

M. H. Salsbury
Bureau of ~~Mines~~

WBG/mlr

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

November 13, 1956

B & B Mining Company
808 Adams N. E.
Albuquerque, N. M.

Subject: DMEA-4538
Re: Exploration Assistance
Sundown Group

Gentlemen

Your application for exploration assistance, dated October 30, 1956 submitted to our office at Denver, has been assigned Docket Number DMEA-4538 and referred to the Rare and Miscellaneous Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to:

Region III. Denver 2, Colorado

Code 700

3571

RECEIVED NOV 13 19 D.M.E.A.

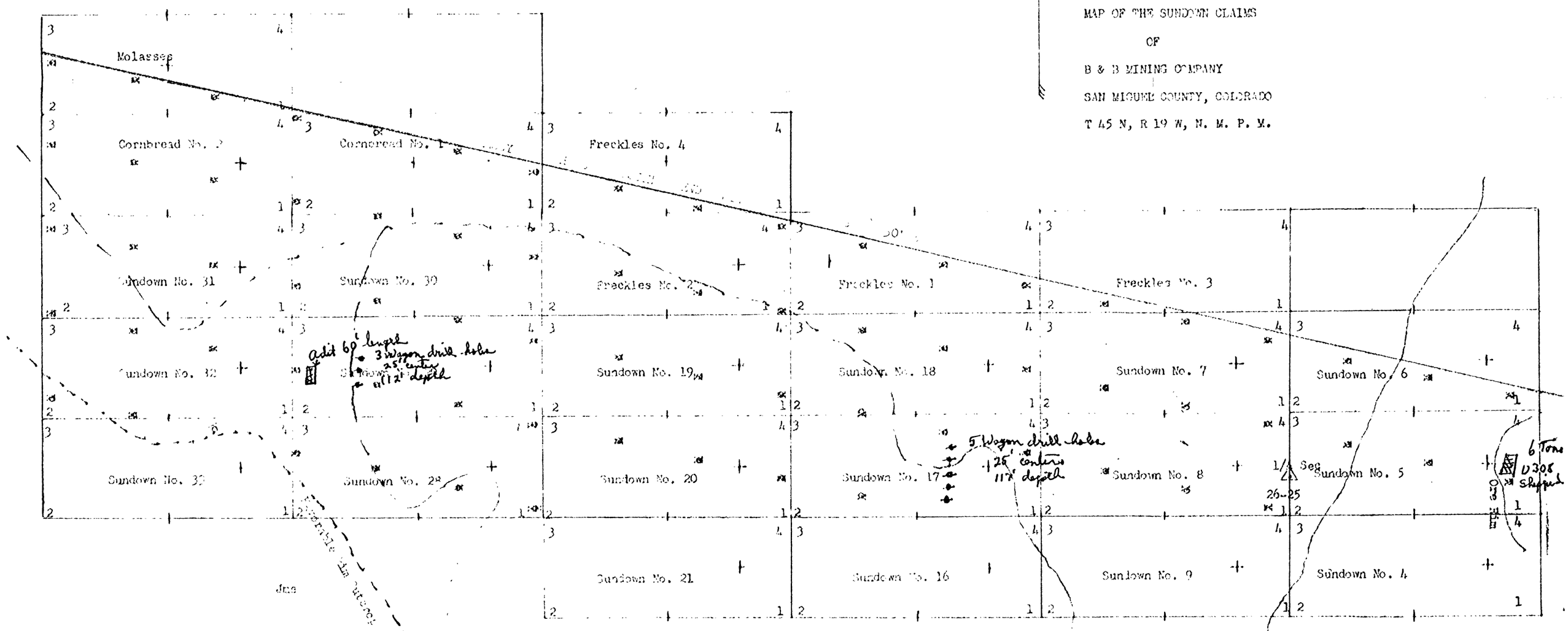
MAP OF THE SUNDOWN CLAIMS

OF

B & B MINING COMPANY

SAN MIGUEL COUNTY, COLORADO

T 45 N, R 19 W, N. M. P. M.



All Claims are 600' x 1500'

All Sundown Discovery Monuments are 1200' W, 200' S.

Proposed Drilling Pattern indicated by ⊠ on 500' centers

Jls Lansrieder

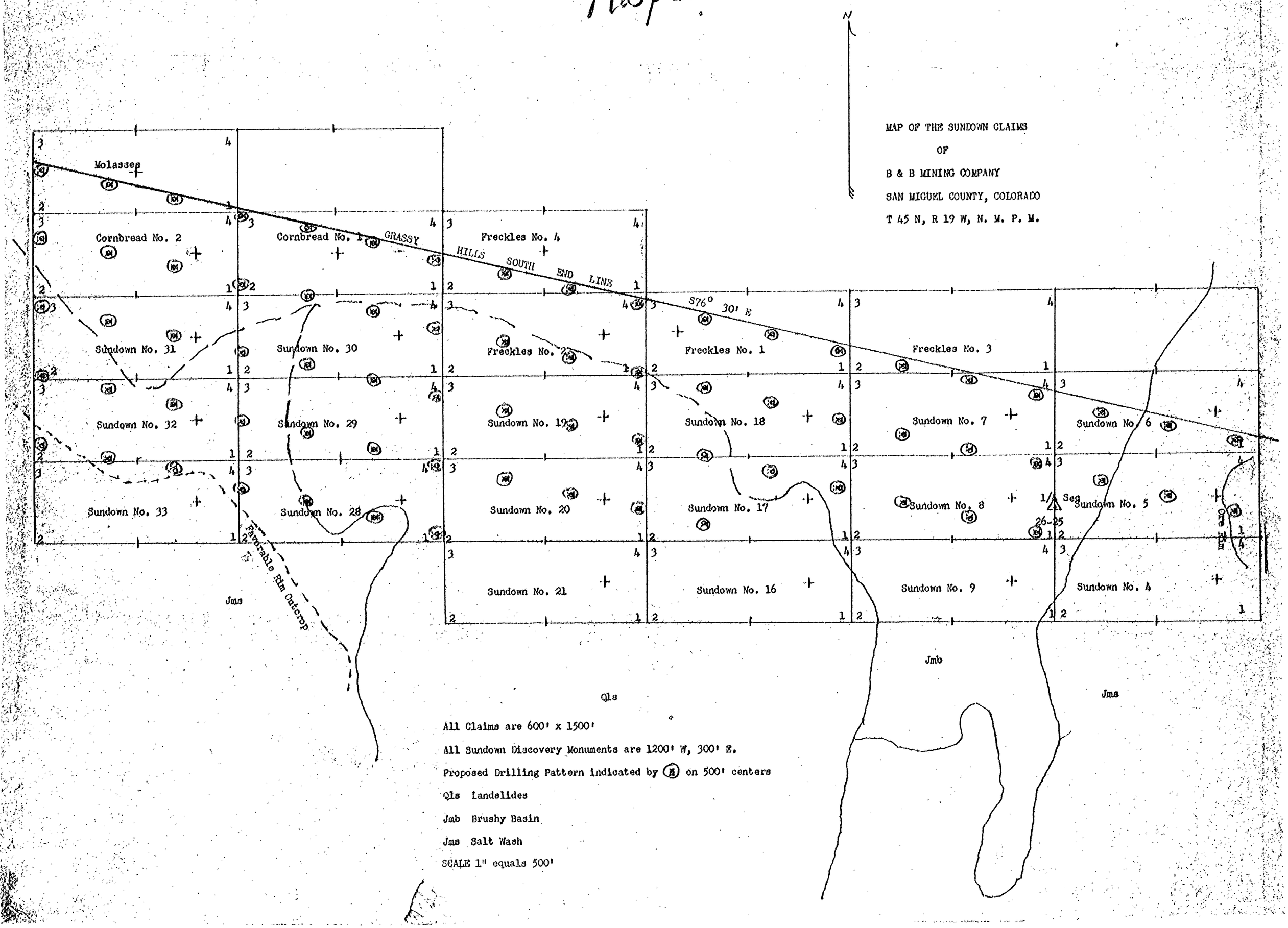
Jmb Brushy Basin

Jms Salt Wash

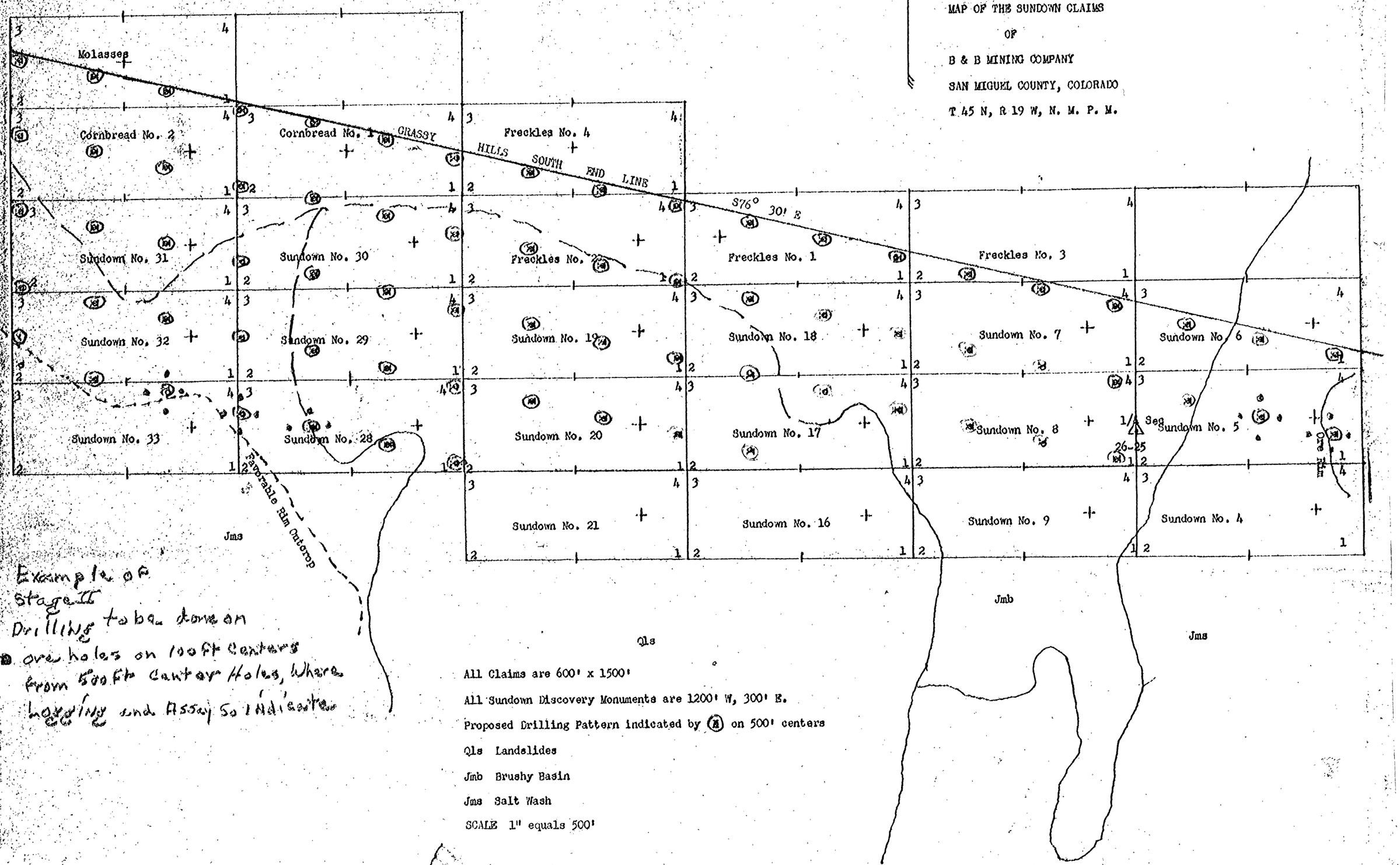
SCALE 1" equals 500'

Previous Exploration & Drilling Map #1

Map II.


N
MAP OF THE SUNDOWN CLAIMS
OF
B & B MINING COMPANY
SAN MIGUEL COUNTY, COLORADO
T 45 N, R 19 W, N. M. P. M.
Molasses
Cornbread No. 2
Cornbread No. 1
GRASSY HILLS SOUTH END LINE
Freckles No. 4
S76° 30' E
Sundown No. 31
Sundown No. 30
Freckles No. 2
Freckles No. 1
Freckles No. 3
Sundown No. 32
Sundown No. 29
Sundown No. 19
Sundown No. 18
Sundown No. 7
Sundown No. 6
Sundown No. 33
Sundown No. 28
Sundown No. 20
Sundown No. 17
Sundown No. 8
Sec 26-25
Sundown No. 5
Sundown No. 21
Sundown No. 16
Sundown No. 9
Sundown No. 4
Favorable Rim Outcrop
Jms
Jmb
Qls
Jms
All Claims are 600' x 1500'
All Sundown Discovery Monuments are 1200' W, 300' E.
Proposed Drilling Pattern indicated by on 500' centers
Qls Landslides
Jmb Brushy Basin
Jms Salt Wash
SCALE 1" equals 500'

Map III



MAP OF THE SUNDOWN CLAIMS

OF

B & B MINING COMPANY

SAN MIGUEL COUNTY, COLORADO

T 45 N, R 19 W, N. M. P. M.

All Claims are 600' x 1500'

All Sundown Discovery Monuments are 1200' W, 300' E.

Proposed Drilling Pattern indicated by (X) on 500' centers

Qls Landslides

Jmb Brushy Basin

Jms Salt Wash

SCALE 1" equals 500'

Example of Stage III Drilling to be done on ore holes on 100 ft Centers from 500 ft Center Holes, where Logging and Assay So Indicates