DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 1181 — DMEA NO. 4026

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab) Folder 1-A
- [x] Operator's Final Report (Tab) Folder 1-A
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Folder No. 1 - Correspondence to Dec. 31, 1958
Folder No. 1-A " from Jan. 1, 1959 to present

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. 3 : Settlement Sheets + Reports on Certified Projects

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/16/62	Murphy	500
	[illegible]	500
1/17	Talbot	800
1/17	Selfridge	120
"	Johnson	110
1-18	Fumich	100
		220

JAN 18 1962

New Idria Mining and Chemical Company
and
Beaver Mesa Uranium, Inc., a Joint Venture
New Idria Mining and Chemical Company, Agent
P. O. Box 311
Grand Junction, Colorado

Re: DMEA-4826 (Uranium)
New Idria Mining and Chemical Company, Agent
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Contract Idm-E1181

Gentlemen:

As a result of the repayment of the Government's participation of $66,808.20 in the subject contract, the Government retains no lien against the property or on any future production therefrom.

We appreciate your interest and participation in the DMEA exploration program.

Sincerely yours,

George Fumich, Jr.

Director

FMMurphy/gla
1-16-62
cc to: Director's Reading File
Frank E. Johnson
Div. of Contract Adm. & Audit
Region III (2)
Docket
Code 500

43683

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OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E1181, Docket No. DMEA-4826 (Uranium), dated March 27, 1958, with

New Idria Mining and Chemical Company
and
Beaver Mesa Uranium, Inc., (Joint Venture)
P. O. Box 511
Grand Junction, Colorado

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Hubbard Homestead, Pack Rat, et al., claims located in Mesa County, Colorado, during the period February 4, 1959, through October 31, 1960.

A certification of discovery or development was issued on May 15, 1959, and, in accordance with Article 8 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review in lieu of final audit dated April 23, 1959, indicated accepted costs under the exploration contract amounting to $89,077.59 with the Government's contribution, on a 75 percent basis, being $66,808.20.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established the total sales of uranium ore for the period to be $725,734.55. Royalty due the Government at rates specified in the contract is $36,186.86.

A prior Report of Royalty Review found the sales subject to Government royalty through February 3, 1959, to be $410,214.37 which added to the sales for this subsequent period make a total of $1,133,950.92. The royalty account as of February 3, 1959, was:

Total Royalty Due	$20,510.73
Total Royalty Paid	20,510.73
Balance of Royalty Due	$ -0-

At October 31, 1960, the royalty account of this project was found to be:

Total Royalty Due	$56,697.59
Total Royalty Paid	56,697.59
Balance of Royalty Due	$ -0-

C. E. Fisher

December 5, 1960 C. E. Fisher, OME Auditor

Idm-51181 New Idris-Beaver Mesa Joint Venture DMSA-4826

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

Mining operations were conducted at this property during the period covered by this review and are continuing. Royalty due the Government has been paid promptly after settlements are made by the purchasers of the ore.

My review included the recomputation and tabulation of copies of liquidation statements furnished in support of royalty payments. This tabulation is filed with my audit work papers and is summarized on the attached Exhibit "A".

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Inspection reports by field representatives of the Government and other information in the Washington office files indicate that all production subject to Government royalty has been reported and proper royalty has been paid; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Exhibit "A"

Idm-21181 New Idria-Beaver Mesa Joint Venture DMSA-4826

Summary of Production, Sales and Royalty
March 27, 1958, through October 31, 1960

Production

Ore - Short Wet Tons	31,280.50
Ore - Short Dry Tons	29,761.31
U_3O_8 - Pounds	175,873.54
U_3O_8 - Pounds excess 4#/SDT	58,724.05
U_3O_8 - Pounds excess 10#/SDT	2,148.42
V_2O_5 - Pounds	756,125.57

Sales

U_3O_8 - Base payments	$ 608,689.34
U_3O_8 - Excess 4#/SDT	44,043.14
U_3O_8 - Excess 10#/SDT	537.10
Development allowance	87,956.87
Haulage allowance	158,345.34
V_2O_5	234,398.93
Total Receiving Stations	$1,133,950.92
AEC Production Bonus	Not eligible
Total Subject to Royalty	$1,133,950.92
Royalty Due	$ 56,697.59
Royalty Paid	56,697.59

Note:

The last settlement included in the above tabulation is Union Carbide Nuclear Company liquidation No. 10837 for the period ending October 31, 1960, on which royalty received was deposited on November 15, 1960.

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name New Idria Mining & Chemical Co.

Address P. O. Box 311

Grand Junction, Colorado

Exploration Contract No. Idm-E1181 Docket No. DMEA 4826

			Check One Yes	Check One No
1.	(a)	Does the Operator stockpile ore subject to royalty repayment?		X
	(b)	If so, is segregation and identification procedure adequate?		
2.	(a)	Does Operator commingle production subject to DMEA or OME royalties with exempt production?		X
	(b)	If so, do you consider the allocation of the commingled production equitable?		
3.	(a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		X
	(b)	If so, are adequate records maintained on such material to protect the Government's interest?		
4.		Do you consider the assay controls in effect are adequate?	X	
5.		Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6.		Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?	X	
7.		Does the Operator buy from or sell to other Operators?		X
8.		Comment on any item 2 (b) to 6 if answer is No.		

11-28-60
Date

Hugh M. Connors
Mining Engineer
Hugh M. Connors

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. Mr. Frank E. Johnson	JEJ	2/13
2. Mr. George C. Selfridge		
3. Mr. F. L. Knouse		
4.		
5.		
FROM: Jay L. Chambers JLC		2/12

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions XXX Your information

REMARKS:

EXTRA COPY
O. M. E.
RECEIVED FEB 12 1959

DATE	INITIALS	CODE

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Tm-8181, Docket No. MMA 4025 (Uranium) dated March 27, 1958, including Amendment No. 1, with

New Idria Mining and Chemical Company
P. O. Box 31
Grand Junction, Colorado

for the purpose of determining the amount of royalties due the United States Government on the sale of Uranium bearing ores produced from the Hubert Homestead, Jack Rat, et al. claims located in Mesa County, Colorado, during the period March 27, 1958 through February 3, 1959.

The status of the project, scope of the review and reasons therefor are stated on Page 2.

My review established the total sales of Uranium bearing ores for this period to be $410,214.77. (See Schedule No. 1 attached.) Royalty due the United States Government at the contract rate of 5 percent is $20,510.73. The royalty paid and the balance due are as follows:

Total Royalty Due	$20,510.73
Total Royalty Paid	20,510.73
Balance Due	$ 0.00

Donald T. Finch
Donald T. Finch
OME Auditor

February 10, 1959

STATUS OF THE PROJECT, DESCRIPTION OF REVIEW AND REASON THEREFOR

CONTRACT NO. [illegible]-[illegible]101 DOCKET NO. [illegible]-[illegible]

The exploration work under the contract is in the process of being completed. Total costs are not available at present. The OME Field Team, Region III, had approved (subject to final audit or review) total costs through November, 1958, of $[illegible],493.66, Government participation on this amount on a 75 percent basis being $61,870.25. The Exploration Contract authorizes total costs up to $102,620.00, with Government participation up to $76,965.00. Pending completion of the exploration work, no Certificate of Discovery or Development has been issued. According to the terms of the contract, royalty is payable on all minerals mined or produced from the land described in Annex I, Article 2 of the contract from the date of the contract until the lapse of time within which the Government may issue a Certificate of Discovery or Development (Viz. within six months from the date the Operator has rendered a sufficient final report and final account) or the net amount contributed by the Government without interest is fully repaid, whichever occurs first.

My review included a tabulation and recomputation of all are settlement sheets in the files of the Executive Officer, OME Field Team, Region III, for the period March 27, 1958 through February 3, 1959, and correspondence with the Chief of Accounting Branch, Finance Division, Field Operations Office, Atomic Energy Commission, Grand Junction, Colorado.

The producer's reported sales were reconciled with the production records maintained by the A.E.C. Royalties paid were reconciled with the OME Finance Office, Denver, Colorado.

The review was made in lieu of an on-site audit of the producer's accounts for the following reasons:

(a) All reported production was reconciled with records of the Atomic Energy Commission.

(b) The Mining Engineer is of the opinion all sales of production are accounted for.

(c) The administrative cost to the Government of an on-site audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Schedule No. 1

NEW MEXICO MINING AND CHEMICAL COMPANY

CONTRACT NO. 14n-[illegible] **MONTH NO. [illegible]**

SUMMARY OF PRODUCTION, SALES AND ROYALTIES
[illegible] THROUGH [illegible] 3, 1959

(All Sales to Union Carbide Nuclear Company)

Gross Weight, Pounds	22,856,700
Dry Weight, Pounds	21,797,383
Dry Weight, Tons	10,898.66
Average Assays:	
U_3O_8	.0857
V_2O_5	1.[illegible]
Pounds U_3O_8	64,279.21
Gross Payment U_3O_8	$[illegible]
Development Allowance	$ 32,135.18
Premiums	
Excess of 4 pounds V_2O_5 per ton	
Excess pounds V_2O_5	18,923.18
Amount at 75¢ per excess pound	$ 14,192.41
Excess of 16 pounds V_2O_5 per ton	
Excess pounds V_2O_5	187.61
Amount at 25¢ per excess pound	$ 46.90
Haulage Allowance	
Number of Wet Tons	11,468.35
Per Ton (Average)	5.76
Amount	$ 65,870.99
Pounds V_2O_5	263,720.31
Payment V_2O_5 at 31¢ per pound	$ 81,753.81
Total Value Subject to Royalty	$410,814.57
Average Value per Dry Ton	$ 37.64
Royalty Percentage	5%
Total Royalty Due	$ 20,510.73
Total Royalty Paid	20,510.73
Balance of Royalty Due	$ 0.00

The last liquidation settlement sheet in above date is No. 6082 dated December 16, 1958.

The last Certificate of Deposit in above date is No. 59-97 dated January 16, 1959.

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name New Idria Mining and Chemical Company

Address P. O. Box 311

Grand Junction, Colorado

Exploration Contract No. Idm-E 1181 Docket No. DMEA 4826

(Hubbard Homestead, Pack Rat, et al claims)

	Check One	
	Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		✓
(b) If so, is segregation and identification procedure adequate?	—	—
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		✓
(b) If so, do you consider the allocation of the commingled production equitable?	—	—
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		✓
(b) If so, are adequate records maintained on such material to protect the Government's interest?	—	—
4. Do you consider the assay controls in effect are adequate?	✓	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	✓	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	✓	
7. Does the Operator buy from or sell to other Operators?		✓
8. Comment on any item 2(b) to 6, if answer is No.	—	—

Date 2/9/59

H. F. Robertson
Mining Engineer

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/8	Ching	700
5/8	Kuelac	700
5/12	J. Lynch	140
	Hoffland	140
5/15	Jaffeit	800
5/15	Sellendge	130
5/15	Johnson	130
5/15	Kilsgaard	130
		~~110~~
		220
		700

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: New Idria Mining and Chemical Company
and
Beaver Mesa Uranium, Inc., a Joint Venture
New Idria Mining and Chemical Company, Agent
P. O. Box 311
Grand Junction, Colorado

INTERIOR DEPT.
MAY 11 1959
SOLICITOR

Pursuant to the provisions of Exploration Project Contract No. Idm-E1181, dated March 27, 1958, (Docket No. DMEA-4826), hereinafter called the "contract," between the New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc., a Joint Venture, and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Exploratory drilling in the project area resulted in the discovery of deposits of uranium ore in the upper sandstone unit of the Salt Wash member of the Jurassic Morrison formation.

Dated: MAY 15 1959

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

MChing:GMcC
May 1, 1959

cc: Docket
Div. of Contract Adm. & Audit
Finance Office
OME Field Team, Region III (2)
Director's Reading File
Mr. Frank E. Johnson
Operating Committee
Frank D. Lamb
T. H. Kiilsgaard
Mr. Ching(2)

24

43683

cc: Operator
signed all 3 → Mr. Alan M. Simpson, Pres.
Beaver Mesa Uranium, Inc.
Box 567
Grand Junction Colo.
Mr. J. L. Thompson
P. O. Box 364
Danbury, Conn.
Mr. Bert Hubbard
Delta, Colo.
Mr. Lyman Hubbard
Gateway, Colo.
Mr. Carter W. Elliott
201 Vereda Del Norte
Palm Springs, Calif.
~~Mr. Murrin~~
Mr. Lee Murrin and Mrs. Winifred Murrin
822 Tremaine St.
Los Angeles 5, Calif.
Mr. J. B. Crowley
P. O. Box 1192
Grand Junction, Colo. and Miss Delcie M. Crowley
P. O. Box 1135
Grand Junction, Colo.
signed 2 → Mr. L. R. Baker, Trustee
132 North 6th
Grand Junction, Colo.
Mr. Cecil S. Haynie
P. O. Box 896
Grand Junction, Colo.
Mr. Jesse C. Johnson
Director, Div. of Raw Materials
Washington 25, D. C.
Mr. Elton A. Youngberg
AEC, Grand Junction, Colo.

Above signed three different Consent to Lease and Subordination Agreements, dated April 3, 1958,
Simpson: signed all three for Beaver Mesa, Inc.
Baker, trustee " two { Lot 1 Packrat 1-2-3 Jenene May 1-3

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Rio Grande Mining and Smelting Company
and
Denver Mine Development, Inc., (A Joint Venture)
P. O. Box 30
Grand Junction, Colorado

APR 27 1959
O.M.E.

pertaining to Exploration Project Contract No. 14n-2187, Item No. 4886, including Amendment No. 1, and Termination Agreement dated February 27, 1959, for the period March 27, 1958, to January 28, 1959, inclusive, covering a project for the exploration of Uranium on property known as Bulmont Homestead and Park Rat Group of Claims, located in Mesa County, Colorado.

My review included an examination of the Monthly Reports (Form RF-104) and supporting documents attached hereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reasons given on the attachment to this report.

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

Total cost as billed by Contractor		$89,077.99
Exceptions:		
Prior to this review	$0.00	
Less: Reinstatement by review	0.00	
Herewith	0.00	0.00
Total Accepted Cost		$89,077.99

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Sixty Six Thousand, Eight Hundred Eight and 20/100ths Dollars is valid and proper, provided that the Regional Executive Officer, the Director, or other competent official has charged or will accept the project as having observed all the terms of the contract.

Amount payable to Operator	$66,808.20
Amount reimbursed	66,808.20
Balance due Operator	$ 0.00 - Pd. 5/5/59

Donald T. Finch
Donald T. Finch
OME Auditor

April 23, 1959

REASONS FOR RETURN OF REVIEW IN LIEU OF FINAL AUDIT

KIN TERIA MINING AND CHEMICAL COMPANY

CONTRACT NO. Ldn-31181 DOCKET NO. NRDA 4565

(a) The monthly reports were supported by documentary proof of that portion ($21,688.43) of the costs which covered work performed at unit rates under independent contract and that portion ($785.00) which covered other costs for contribution by the Government on the basis of actual costs; (see Summary attached).

(b) The balance ($6,604.14) of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed; and

(c) The administrative cost to the Government of an Audit would be expensive in relation to the estimated amount of possible disallowances thereunder.

SUMMARY OF DOCUMENTED COSTS

NEW JERSEY MINING AND CHEMICAL COMPANY

CONTRACT NO. Ida-X1181 | VOUCHER NO. NMCA 4886

	Project No. 1	Project No. 2	Total
Independent Contracts			
Bulldozing			
95 hours at $12.00/hr.	$ 1,140.00		
124 hours at $11.9415/hr.		$ 1,480.75	$ 2,620.75
Non-Core Drilling			
0 - 300 Feet			
15,755 feet at $2.40/ft.	21,510.00		
8,957 feet at $2.00/ft.		17,914.00	
300 - 600 Feet			
3,873 feet at $2.10/ft.	8,133.30		
3,075 feet at $2.10/ft.		6,457.50	54,014.80
Core Drilling			
0 - 300 Feet			
1,429 feet at $4.40/ft.	6,446.00		
1,292 feet at $4.40/ft.		5,684.80	
300-600 Feet			
1,233 feet at $4.90/ft.	6,041.70		
896 feet at $4.90/ft.		4,390.40	
600 - 800 Feet			
135 feet at $6.00/ft.	810.00		
53 feet at $6.00/ft.		318.00	23,690.90
Standby Time			
40 hours at $12.00/hr.	480.00		
735 hours at $12.00/hr.		8,820.00	9,300.00
Total Independent Contracts	$44,561.00	$57,177.45	$101,738.45
Miscellaneous			
Sample Analyses			
83 at $5.00/each	$ 415.00		
62 at $5.00/each		$ 310.00	$ 725.00
Total Documented Costs	$45,976.00	$57,487.45	$103,463.45
Fixed Unit Costs			
Incidental Allowance			
17,[illegible] feet of acceptable Drilling at 21¢/ft.	$ 3,666.81		
14,873 feet of acceptable Drilling at 21¢/ft.		$ 2,973.73	$ 6,640.14
Total Accepted Costs	$49,642.81	$60,461.18	$109,103.59

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O. M. E.
RECEIVED MAR 16 1959

DATE	INITIALS	CODE
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		700

Government's copy

(2)

Ryan
Kanger
Ching
Kuoche
Chambers
Selfridge

TERMINATION AGREEMENT

It is agreed this 27th day of February, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc., a Joint Venture, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1181, Docket No. DMEA-4826, dated March 27, 1958, as amended, hereinafter called the "Contract," that:

1. Effective January 28, 1959, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall not contribute to the cost of any work performed after January 28, 1959.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government respecting certification of discovery or development, percentage royalty and liens to secure the payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims and demands under or arising out of said Contract, except as otherwise provided in this Termination Agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of Minerals Exploration

NEW IDRIA MINING AND CHEMICAL COMPANY, AGENT

By Arthur W. Goring

Title ARTHUR W. GORING SEC.-TREAS.

22

February 18, 1959

Docket No. DMEA-4826 (Uranium)
Contract No. Idm-E1181
New Idria Mining and Chemical Company, Agent
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

JUSTIFICATION FOR TERMINATION AGREEMENT

The subject contract provides for not more than 40 core and non-core holes in Stage I and not more than 40 core and non-core holes in Stage II to explore the top sandstone unit of the Salt Wash member of the Morrison formation. Total footage authorized by the contract was 36,640. The contract completion date is January 31, 1959.

The Operator actually completed 40 holes in Stage I and 33 offset holes in Stage II, for a total of approximately 32,760 feet. While the results of the last four holes drilled have not been received, 15 holes are known to have penetrated ore-grade material. Indications are that a significant discovery has been made by the project drilling.

The field examiners are of the opinion that the ore bodies on the property have been reasonably delineated by the work completed to date and that further drilling is not justified. The Operator apparently is in agreement and by letter, dated January 29, 1959, requested termination of the contract in its present status.

Under the foregoing circumstances, termination of the subject contract by agreement is in order.

Michael Ching
Michael Ching

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 27 1958
DATE | INITIALS | CODE

A G R E E M E N T

THIS AGREEMENT, Made and entered into this 29th day of November, 1957, by and between NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada corporation, hereinafter referred to as first party, and BEAVER MESA URANIUM, INC., a Nevada corporation, hereinafter referred to as second party,

WITNESSETH:

WHEREAS, the first party is the owner of the following described unpatented lode mining claims, situate in the Gateway (unorganized) Mining District, in Mesa County, Colorado, to-wit:

Pack Rat Nos. 1, 2 and 3
Shakin Quakie Fraction
Johnnie Mae No. 3
West 100 feet of Johnnie Mae No. 1

and the lessee of the following described land situate in the County of Mesa, and state of Colorado, to-wit:

Lot One (1) of Section 35,
Township 51 North, Range 20
West of the New Mexico Principal
Meridian;

and

WHEREAS, the second party has heretofore leased from the first party said mining claims and sub-leased from the first party said patented ground; and

WHEREAS, the first party has heretofore filed with the Defense Minerals Exploration Administration its application for exploration assistance in conducting exploratory drilling upon said mining claims, and

WHEREAS, it is the mutual wish and desire of the parties hereto to make said loan application a joint application, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, For and in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows, to-wit:

1. The second party agrees that it will join with the first party in its present application (Docket D.M.E.A. No. 4826 - Uranium) for exploration assistance from the Defense Minerals Exploration Administration in exploratory drilling upon the mining claims and patented ground hereinabove described.

2. It is agreed by and between the parties hereto that any payment of royalty due the Government on ores produced from said lands will be made from the first party's share of return from ore shipments.

3. First party agrees that it will pay all costs of such exploratory drilling project conducted upon said mining claims not furnished and paid by the Defense Minerals Exploration Administration, and first party does agree to hold and save the second party free and harmless from the obligation to pay any part of the cost of said project.

4. The parties agree that they shall jointly instruct the Defense Minerals Exploration Administration to make all advances paid by it, under the terms and conditions of any contract made with the Defense Minerals Exploration Administration for said project, direct to the first party.

5. The parties agree that the first party shall be responsible for the management, direction and conduct of said drilling project. First party agrees that it will furnish all reports required by the Defense Minerals Exploration Administration, and send copies of same to second party, and the second party shall have no responsibility in the management of said drilling project or in making reports to the Defense Minerals Exploration Administration as required by it. That should first party receive any Notices of forfeiture, either oral or written, from the D.M.E.A. it will immediately notify second party of same, and should first party decide to abandon or relinquish said D.M.E.A. contract, it will first offer to assign same to second party subject to approval of D.M.E.A.

6. Second party agrees to execute any consents to lien required by the Government.

7. Insofar as this program of exploration is concerned, Paragraph 16 of the Agreement of June 1, 1956, between the parties hereto, shall have no force or effect.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

NEW IDRIA MINING AND CHEMICAL COMPANY

ATTEST: M A Burgess
Secretary

By [signature]
President

BEAVER MESA URANIUM, INC.

ATTEST: Mark Holloway

By Alan M Simpson
President

Recorded at _____ o'clock _____M., _____

Reception No. _____ _____Recorder

THIS INDENTURE, Made this 16th day of May, in the year of our Lord one thousand nine hundred fifty-seven, between LESLIE C. ARMSTRONG, LYLE F. CAMPBELL, CENTURY MINING AND DEVELOPMENT CORPORATION, a Deleware corporation, and C. T. WARD, parties of the first part, and NEW IDRIA MINING & CHEMICAL CO., a Nevada corporation, party of the second part;

WITNESSETH, That the parties of the first part, for and in consideration of the sum of Ten Dollars and other valuable consideration, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, remised, released and forever quit-claimed, and by these presents do grant, bargain, sell, remise, release and forever quit-claim, unto the said parties of the second part, their heirs and assigns, the following described property, situate, lying and being in Gateway Mining District, in the County of Mesa, and State of Colorado, to wit:

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DMEA
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DATE	INITIALS	CODE

All that part of the following described mining claims:

NAME OF CLAIM	RECORDED BOOK	RECORDED PAGE
Lost Dutchman No. 10	507	411
Lost Dutchman No. 16	627	570
Shakin Quakie Fraction	589	54
Pack Rat No. 2	415	329
Pack Rat No. 3	549	366

lying South and East of the following described line: Beginning at a point A, which is the common corner of Sections 25, 26, 35 and 36, Township 51 North, Range 20 West, New Mexico Principal Meridian; thence North 55° East 980 feet to Point B; thence North 35° West 368 feet to Point C; thence Easterly along the North line of Pack Rat No. 3 mining claim to Point D, all as is shown in a map attached hereto, marked Exhibit A, and by this reference made a part hereof.

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all the singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, its heirs and assigns forever.

IN WITNESS WHEREOF The said parties of the first part have hereunto set their hands and seals the day and year first above ~~written~~.

Leslie C. Armstrong

Lyle F. Campbell

CENTURY MINING AND DEVELOPMENT CORPORATION

Attest: Jean Ellis Secretary

By _____ President

Ralph L. Ward
EXECUTOR of C. T. Ward ESTATE, DECEASED

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DMEA
RECEIVED JAN 27 1958

DATE	INITIALS	CODE

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this 16th day of May, 1957, by Leslie C. Armstrong. Witness my official seal.

My commission expires:
JESSIE A. ELLIS
NOTARY PUBLIC, State of New York
Qualified in New York County
No. 31-6175500
Certificate filed in New York County
Commission Expires March 30, 1958

Jessie A. Ellis
Notary Public

STATE OF COLORADO)
: ss.:
COUNTY OF M E S A)

The foregoing instrument was acknowledged before me this 21st day of Jan, 1958, by Lyle F. Campbell. Witness my official seal.

My commission expires:
Sep 10, 1960

James Goodson
Notary Public

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this 16th day of May, 1957, by Leslie C. Armstrong, as President of Century Mining and Development Corporation. Witness my official seal.

My commission expires:
JESSIE A. ELLIS
NOTARY PUBLIC, State of New York
Qualified in New York County
No. 31-6175500
Certificate filed in New York County
Commission Expires March 30, 1958

Jessie A. Ellis
Notary Public

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this 17 day of May, 1957, by Jessie A. Ellis, as Secretary of Century Mining and Development Corporation. Witness my official seal.

My commission expires:
ADELE SAMUELS
Notary Public, State of New York
No. 41-3461800
Qualified in Queens County
Certs. filed with N. Y. Co. Clks. Off.
Commission expires March 30, 1959

Adele Samuels
Notary Public

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DATE	INITIALS	CODE

STATE OF COLORADO)
: ss.:
COUNTY OF M E S A)

The foregoing instrument was acknowledged before me this 31st day of December, 1957, by C. T. Ward. Witness my official seal.
RALPH L. WARD, EXECUTOR of C.T. WARD ESTATE

My commission expires: August 17, 1958

Notary Public

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION • 2618 N. 12TH ST. • CHAPEL 3-2762
GRAND JUNCTION, COLORADO

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CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1764

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Assignment of Lease

No. 647249 as it appears on record in my office in Book 661 at Page 99.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31 day of December, 1957.

Issued to A. Gowing

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 2.50

By
Deputy

Recorded at 3:25 o'clock P.M. Sep 16, 1955 Book 661 Page 99
Reception No 647249 Annie M. Dunston, Recorder

THIS ASSIGNMENT OF LEASE, Made and entered into on this 14 day of May, A.D., 1955, by and between DON DANVERS and DOROTHY DANVERS, his wife, of San Antonio, Texas, parties of the first part, and NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada corporation, party of the second part,

W I T N E S S E T H :

WHEREAS, Bert Hubbard and Lyman Hubbard did, by written agreement dated the 16th day of December, 1952, lease unto Forrest Cochran the following described property, to-wit:

> Lot One, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian, in the County of Mesa, State of Colorado; RESERVING AND EXCEPTING, However, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of DP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

which agreement is recorded in the records of the county clerk and recorder of Mesa County, Colorado in Book 621, at page 540; and

WHEREAS, the said Forrest Cochran did, by written assignment dated the 4th day of September, 1953, assign his leasehold interest to the parties of the first part, said assignment being recorded in the records of the county clerk and recorder of Mesa County, Colorado in Book 592, at page 554; and

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DATE CODE

WHEREAS, it is the mutual wish and desire of the parties hereto that the parties of the first part assign, sell, transfer and set over unto the party of the second part all of their right, title and interest in and to said property;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements of the parties hereto herein contained, IT IS AGREED as follows:

1. That the parties of the first part do hereby sell, transfer, set over and assign unto the party of the second part all of their right, title and interest in and to the property above described by virtue of the lease agreement and sublease agreement hereinabove referred to, together with the right in the party of the second part to exercise the option contained in said lease for an additional five (5) year period.

C3A

2. The party of the second part agrees to abide by and comply with all of the terms, covenants, conditions and agreements contained in said lease agreement of the 16th day of December, 1952, and the sublease agreement of September 4, 1953, to be kept and performed by the lessee and sublessee of said premises, the same as though all of the terms, covenants, conditions and agreements to be kept by said lessee and sublessee were fully copied herein.

3. The party of the second part covenants and warrants that it will keep in good standing the aforesaid lease agreement dated the 16th day of December, 1952, and

the sublease agreement dated the 4th day of September, 1953, and will not permit a forfeiture or cancellation of said original lease.

4. The party of the second part agrees that it will pay to Bert Hubbard and Lyman Hubbard, their heirs, personal representatives or assignees, as the case may be, all royalties to be paid to them in accordance with the terms of said agreement of December 16, 1952, and the party of the second part further agrees that it will pay to Forrest Cochran, his heirs, personal representatives or assigns, as the case may be, the royalty payments as required by the terms of said sublease agreement of September 4, 1953.

5. The party of the second part agrees that it will pay to John I. Schumacher 2½% of the values of all ores, metals and minerals from the premises above described, including 2½% of any production bonus paid by the United States Atomic Energy Commission for the production of ores from said premises; all in accordance with the requirements of the agreement executed by the parties of the first part hereto to the said John I. Schumacher, dated the 15th day February, 1954 and recorded on the 11th day of August, 1954 in the office of the county clerk and recorder of Mesa County, Colorado, in Book 613, at page 145.

6. The party of the second part hereto further agrees to instruct the buyer or buyers of ores, metals or minerals mined and sold from said premises to pay to the said Bert Hubbard and Lyman Hubbard and the said Forrest

Cochran and the said John I. Schumacher the royalties from ores mined and sold from said premises, including any production bonus in accordance with the terms of the lease agreement of December 16, 1952, the sublease agreement of September 4, 1953, and the agreement of February 15, 1954.

IT IS MUTUALLY AGREED by and between the parties hereto that upon the violation of any covenant or condition herein contained, or upon a violation of any of the covenants or conditions in the original lease agreement dated December 16, 1952, and the sublease agreement dated September 4, 1953, this agreement shall, at the option of the parties of the first part, expire and terminate, and the premises, with all improvements thereon, shall be and become forfeited to the parties of the first part and the parties of the first part or their agent, may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law; or, at the option of the parties of the first part, the party of the second part and all persons found occupying said premises, or any part thereof, may be proceeded against as guilty of unlawful detainer; it being understood by and between the parties hereto that time is of the essence of this agreement and each and every clause of this agreement and all covenants and conditions contained herein shall extend to and be binding upon the heirs, successors, administrators and lawful assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year first above written.

DON DANVERS

DOROTHY DANVERS

NEW IDRIA MINING AND CHEMICAL COMPANY

BY _____
Chairman of the Board

ATTEST:

_____
SECRETARY.

STATE OF New York)
COUNTY OF ~~Manhattan~~ New York) : ss.

Personally appeared before me this 20 day of May, A. D., 1955, Don Danvers and Dorothy Danvers, who acknowledged to me that they executed the foregoing instrument as their free and voluntary act and deed.

Witness my hand and notarial seal.

My commission expires _____

STANLEY S. BERNHANG
NOTARY PUBLIC, State of New York
NO. 03-5294300
Qualified in Bronx County
Term Expires March 30, 1956

Stanley S. Bernhang
NOTARY PUBLIC.

STATE OF NEW YORK)
: ss.
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this 15 day of Aug, A.D., 1955, by DAVID VAN ALSTYNE, JR. as Chairman of the Board of New Idria Mining and Chemical Company.

Witness my hand and notarial seal.

My commission expires March 30, 1956.

Clarence J. Westermeier
NOTARY PUBLIC.

CLARENCE J. WESTERMEIER
NOTARY PUBLIC, State of New York
No. 24-9526300
Qualified in Kings County
Term Expires March 30, 1956

Letter 1/4/58 ①

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1770

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mineral Deed No. 655207 as it appears on record in my office in Book 670 at Page 230.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Goring

Annie M. Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By _____
Deputy

Book 670 Page 230 Recorded at 11:46 o'clock A. M. Dec 13, 1955
Reception No. 655207 Annie M. Ranston, Recorder

MINERAL DEED

KNOW ALL MEN BY THESE PRESENTS that MARGIE MORIN, of Palm Springs, California, Grantor, for the consideration of Ten Dollars and other valuable considerations in hand paid, has granted, bargained, sold, conveyed, assigned and delivered and by these presents do grant, sell, bargain, convey, assign and deliver

To CARTER W.ELLIOTT of 201 Vereda Del Norte, Palm Springs, California an undivided one hundred fifty five -eight hundredths (155/800) interest:

Grantee, in and to an undivided one-half interest in all the oil, gas and other minerals in and under and which may be produced or obtained from the following described lands situate in Mesa County, Colorado, to-wit:

Lot 1 of Section 35, Township 51, North, Range 20 West, N.M.P.M., containing 59.22 acres, more or less, together with the right of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing the same therefrom. It is the intent hereof to convey to Grantee the equivalent of 29.61 mineral acres, more or less.

Said land being now under a mining lease with Forrest Cochran, dated December 16, 1952, and recorded in Book 621, Page 540 of the Mesa County records; and a sublease thereof with Don Danvers, dated September 4, 1953, and recorded in Book 592, Page 554 of the Mesa County records; that thereafter a Mining Lease was entered into with the Lost Dutchman Mining Company, to become effective only in the event the said lease with Cochran became terminated or forfeited. It is understood and agreed that this sale and deed is made subject to the terms of said leases, but covers and includes an undivided one-half interest therein and a similar interest in and to all rentals, royalties and other benefits to which the Grantor herein may be entitled under said leases, such rentals, royalties and benefits to be paid directly by the mineral buyers or mills to the Grantee herein. There is also hereby conveyed to Grantee an undivided one-half of Grantor's interest in which is known as Danver's Tunnel being now built through adjoining properties for the purpose of mining the above lands.

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RECEIVED JAN 7 1958
DATE CODE

3

TO HAVE AND TO HOLD the [illegible] mortgage, together with all and singular the rights and appurtenances thereto, in anywise belonging, to the said Grantee herein, his heirs and assigns forever. The Grantor does hereby bind herself and her heirs, [illegible] and administrators to warrant and forever defend all and singular the said property unto the said Grantee herein, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. The Grantor further warrants that the said property is free and clear of all liens and encumbrances, except as above specified.

The Grantee herein shall have the right at any time to redeem for Grantor by payment, any existing mortgage or other lien on the above described land, upon default in payment and be thereon subrogated to the right of the holder thereof.

WITNESS my hand this 15th day of April, 1955

Margie Morin
MARGIE MORIN

State of California)
) SS
County of Los Angeles)

The foregoing instrument was acknowledged before me this 15th day of April, 1955, by MARGIE MORIN, who is the one and the same person.

Witness my hand and official seal.

NOTARY PUBLIC IN AND FOR THE SAID COUNTY AND STATE

My Commission expires:

655207

STATE OF COLORADO)
)SS.
COUNTY OF MESA)

I hereby certify that this instrument was Filed for record.....
DEC 13, 1955
at 11:46 o'clock A.M. and recorded in Book 670 Page 230
Annie M. Dunston, Recorder

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No 1768

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mineral Deed No. 655197 as it appears on record in my office in Book 670 at Page 210.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Goring

Fee: $ 25¢

Annie M Dunston
County Clerk and Recorder, Mesa County

By _____
Deputy

Book 670 Page 210 Recorded at 11:36 o'clock A. M., Dec 13, 1955
Reception No. 655197 Annie M. Dunston, Recorder

MINERAL DEED

KNOW ALL MEN BY THESE PRESENTS that BETTY BISSON of Palm Springs, California, Grantor, for the consideration of Ten Dollars and other valuable considerations in hand paid, has granted, bargained, sold, conveyed, assigned and delivered and by these presents does grant, sell, bargain, convey, assign and deliver

To CARTER W.ELLIOTT of 201 Vereda Del Norte, Palm Springs, California, an undivided one hundred -- eight hundredths (100/300) interest;

Grantee, in and to an undivided one-half interest in all the oil, gas and other minerals in and under and which may be produced or obtained from the following described lands situate in Mesa County, Colorado, to-wit:

Lot 1 of Section 35, Township 51 North, Range 20 West, N.M.P.M. containing 59.22 acres, more or less, together with the right of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing the same therefrom. It is the intent hereof to convey to said Grantee the equivalent of 29.61 mineral acres, more or less.

Said land being now under a mining lease with Forrest Cochran, dated December 16, 1952, and recorded in Book 621, Page 540 of the Mesa County records; and a sublease thereof with Don Danvers, dated September 4, 1953, and recorded in Book 592, Page 554 of the Mesa County records; that thereafter a Mining Lease was entered into with the Lost Dutchman Mining Company, to become effective only in the event the said lease with Cochran became terminated or forfeited. It is understood and agreed that this sale and deed is made subject to the terms of said leases, but covers and includes an undivided one-half interest therein and a similar interest in and to all rentals, royalties and other benefits to which the Grantor herein may be entitled under said leases, such rentals, royalties and benefits to be paid directly by the mineral buyers or mills to the Grantee herein. There is also hereby conveyed to Grantee an undivided one-half of all Grantor's interest in what is known as Danver's Tunnel being built through adjoining properties for the purpose of mining the above lands.

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Page 2

[illegible] TO HOLD [illegible] together [illegible] the rights [illegible] and appurtenances thereunto in anywise belonging, to the said Grantee herein, his heirs and assigns forever. The Grantor does hereby bind herself and her heirs, executors and administrators to warrant and forever defend all and singular the said property unto the said Grantee herein, his heirs and assigns, against any person whomsoever lawfully claiming or to claim the same or any part thereof. The Grantor further warrants that the said property is free and clear of all liens and encumbrances, except as above specified.

The Grantee herein shall have the right at any time to redeem for Grantor by payment, any existing mortgage or other lien on the above described land, upon default in payment and be thereon subrogated to the right of the holder thereof.

WITNESS my hand this 15th day of April, 1955

Betty Sisson
BETTY SISSON

State of California)
) SS
County of Los Angeles)

The foregoing instrument was acknowledged before me this 15th day of April, 1955 by BETTY SISSON.

[illegible]
NOTARY PUBLIC IN AND FOR THE SAID COUNTY AND STATE

My Commission Expires

Letter 1/4/58 (3)

CERTIFIED COPY

No. 1769

STATE OF COLORADO }
COUNTY OF MESA } ss.

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mineral Deed No. 65520 as it appears on record in my office in Book 670 at Page 218.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Gaming

Fee: $ 25¢

Annie M Dunston
County Clerk and Recorder, Mesa County

By _____
Deputy

Book 670 Page 218 Recorded at 11:40 o'clock A. M. Dec 13, 1955
Reception No. 655201 Annie M. Dunston, Recorder

MINERAL DEED

KNOW ALL MEN BY THESE PRESENTS that SHIRLEY ELLIOTT of Palm Springs, California, Grantor, for the consideration of Ten Dollars and other valuable considerations in hand paid, has granted, bargained, sold, conveyed, assigned and delivered and by these presents does grant, sell, bargain, convey, assign and deliver

To CARTER W.ELLIOTT of 201 Vereda Del Norte, Palm Springs, California, an undivided one hundred -- eight hundredths (100/800) interest;

Grantee, in and to an undivided one-half interest in all the oil, gas and other minerals in and under and which may be produced or obtained from the following described lands situate in Mesa County, Colorado, to-wit:

Lot 1 of Section 35, Township 51 North, Range 20 West, N.M.P.M., containing 59.22 acres more or less, together with the right of ingress or egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing the same therefrom. It is the intent hereof to convey to said Grantee the equivalent of 29.61 mineral acres, more or less.

Said land being now under a mining lease with Forrest Cochran, dated December 16, 1952, and recorded in Book 621, Page 540 of the Mesa County records; and a sublease thereof with Don Danvers, dated September 4, 1953, and recorded in Book 592, Page 554 of the Mesa County records; that thereafter a Mining Lease was entered into with the Lost Dutchman Mining Company, to become effective only in the event the said lease with Cochran became terminated or forfeited. It is understood and agreed that this sale and deed is made subject to the terms of said leases, but covers and includes an undivided one-half interest therein and a similar interest in and to all rentals, royalties and other benefits to whicb the Grantor herein may be entitled under said leases, such rentals, royalties and benefits to be paid directly by the mineral buyers or mills to the Grantee herein. There is also hereby conveyed to Grantee an undivided one-half of all Grantor's interest in what is known as Danver's Tunnel being now built through adjoining properties for the purpose of mining the above lands.

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TO HAVE AND TO HOLD the [illegible] together with all and [illegible] the rights [illegible] appertaining thereto in anywise belonging, to the said Grantee herein, his heirs and assigns forever. The Grantor does hereby bind herself and her heirs, executors and administrators to warrant and forever defend all and singular the said property unto the said Grantee herein, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. The Grantor further warrants that the said property is clear and free of all liens and encumbrances, except as above specified.

The Grantee herein shall have the right at any time to redeem for Grantor by payment, any existing mortgage or other lien on the above described land, upon default in payment and be thereon subrogated to the right of the holder thereof.

WITNESS my hand this 15th day of April, 1955

Shirley Elliott
SHIRLEY ELLIOTT

State of California)
) ss
County of Los Angeles)

The foregoing instrument was acknowledged before me this 15th day of April, 1955, by SHIRLEY ELLIOTT

[illegible]
NOTARY PUBLIC IN AND FOR THE SAID COUNTY AND STATE

My Commission Expires: My Commission Expires May 23 1958

Letter 1/4/58 (4)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No 1775

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mineral Deed

No. 652110 as it appears on record in my office in Book 667 at Page 72.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 3 day of January, 1958.

Issued to A. Gerding

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By
Deputy

Book 667 Page 72 Recorded at 11:29 o'clock A. M., Nov 4, 1955
Reception No. 672110 Annie M. Dunston, Recorder

MINERAL DEED

KNOW ALL MEN BY THESE PRESENTS that MARGIE MORIN, of Palm Springs, California, Grantor, for the consideration of Ten Dollars and other valuable considerations in hand paid, has granted, bargained, sold, conveyed, assigned and delivered and by these presents does grant, sell, bargain, convey, assign and deliver

To:

LEE MURRIN and WINIFRED MURRIN, not in tenancy in common, but in joint tenancy, with right of survivorship, an undivided twenty - eight hundredths (20/800) interest:

Grantees, in and to an undivided one-half interest in all the oil, gas and other minerals in and under and which may be produced or obtained from the following described lands situate in Mesa County, Colorado, to-wit:

Lot 1 of Section 35, Township 51 North, Range 20 West, N.M.P.M., containing 59.22 acres, more or less, together with the right of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing the same therefrom. It is the intent hereof to convey to said Grantees the equivalent of 29.61 mineral acres, more or less.

Said land being now under a mining lease with Forrest Cochran, dated December 16, 1952, and recorded in Book 621, Page 540 of the Mesa County records; and a sublease thereof with Don Danvers, dated September 4, 1953, and recorded in Book 592, Page 554 of the Mesa County records; that thereafter a Mining Lease was entered into with the Lost Dutchman Mining Company, to become effective only in the event the said lease with Cochran became terminated or forfeited. It is understood and agreed that this sale and deed is made subject to the terms of said leases, but covers and includes an undivided one-half interest therein and a similar interest in and to all rentals, royalties and other benefits to which the Grantor herein may be entitled under said leases, such rentals, royalties and benefits to be paid directly by the mineral buyers or mills to the Grantees herein. There is also hereby conveyed to Grantees an undivided one-half of all Grantor's interest in what is known as Danver's Tunnel being now built through adjoining properties for the purpose of mining the above lands.

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RECEIVED JAN 7 1958
DATE | CODE

4A

TO HAVE AND TO HOLD the undivided interest [illegible] conveyed, together with all and singular the rights and appurtenances [illegible] in anywise belonging, to the said Grantees herein, their heirs and assigns forever, except to the survivor of the said LEE MURRIN and WINIFRED MURRIN, and the heirs and assigns of such survivor, forever. The Grantor does hereby bind herself and her heirs, executors and administrators to warrant and forever defend all and singular the said property unto the said Grantees herein, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. The Grantor further warrants that the said property is clear and free of all liens and encumbrances, except as above specified.

The Grantees herein shall have the right at any time to redeem for Grantor by payment, any exisiting mortgage or other lien on the above described land, upon default in payment and be thereon subrogated to the right of the holder thereof.

WITNESS my hand this 15th day of April, 1955

Margie Morin
MARGIE MORIN

State of California)
)SS
County of Los Angeles)

The foregoing instrument was acknowledged before me this 15th day of April, 1955, by MARGIE MORIN.
Witness my hand and official seal.

NOTARY PUBLIC IN AND FOR THE SAID COUNTY AND STATE

My Commission Expires [illegible]

Letter 1/4/08 (5)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1780

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed

No. 709707 as it appears on record in my office in Book 724 at Page 236.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 3 day of January, 1958.

Issued to R. W. Gooding

Annie M. Dunston
County Clerk and Recorder, Mesa County

Fee: $ 1.25 #5

By Helen L. Piper
Deputy

BOOK 724 PAGE 236 Recorded at 1:07 o'clock P. M., Dec 31, 1957 State of Colorado County of Mesa

Reception No. 709707 Annie M. Dunston Recorder.

Annie M. Dunston

THIS INDENTURE, Made this 27th day of December, in the year of our Lord one thousand nine hundred fifty-seven, between

J. B. CROWLEY

of the County of Mesa and State of Colorado, party of the first part, and

NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada Corporation,

of the County of and State of Colorado, party of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of - - - - Ten Dollars and other valuable consideration - - - - ~~Dollars~~, 100

to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, its ~~successors~~ and assigns, the following described property, situate, lying and being in the Gateway (unorganized) Mining District, in the County of Mesa, and State of Colorado, to-wit:

Johnnie Mae No. 3, Recorded in Book 415, at Page 120 of the Mesa County Records RESERVING, and excepting, however, unto the party of the first part, his heirs and assigns forever, twenty per cent (20%) of the gross values of all ores, metals and minerals mined and sold from said mining claim including twenty per cent (20%) of all premiums paid on ores and twenty per cent (20%) of all production bonuses, but not including any haulage or development allowances paid by any agency

(Consideration less than $100.00)

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part its successors ~~heirs~~ and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

J B Crowley [SEAL]

[SEAL]

[SEAL]

STATE OF COLORADO, } ss.
County of Mesa

The foregoing instrument was acknowledged before me this 27th day of December A. D. 19 57 by J. B. Crowley

My commission expires July 15, 1961. Witness my hand and official seal.

Notary Public.

#5

Letter 1/4/58 (6)

7

Book 724 page 211
Mesa County, Colo

#6

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, That I, JOHN I. SCHUMACHER, for and in consideration of Ten Dollars and other good and valuable consideration, do hereby sell, transfer, remise, release and forever quit-claim unto SAHARA URANIUM CORP., a Utah corporation, its successors and assigns, a 2½% royalty interest in and to all ores, metals and minerals mined and sold from the following described unpatented mining claim, located in the Gateway (unorganized) Mining District in Mesa County, Colorado, to-wit:

NAME	BOOK	PAGE
Shakin Quakie Fraction	589	54

and a 2½% royalty on all ores mined and sold from the following described patented ground located in Mesa County, Colorado, to-wit:

Lot One (1) in Section Thirty-Five (35),
Township 51 North, Range 20 West of the
New Mexico Principal Meridian;

said assignment includes 2½% of any production bonus paid by the United States Atomic Energy Commission for ores mined and sold from said premises, but excludes any moneys paid by any agency for haulage and development allowances paid for ores mined and sold from said premises.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 7th day of March, 1956.

John I. Schumacher (SEAL)

STATE OF COLORADO)
) ss.
COUNTY OF M E S A)

The foregoing instrument was acknowledged before me this 7th day of March, A. D. 1956, by John I. Schumacher.

Witness my hand and official seal.

My commission expires July 15, 1957.

Jane B. Hagyard
Notary Public

#6

Letter 1/4/58 (7)

CERTIFIED COPY

No. 1772

STATE OF COLORADO }
COUNTY OF MESA } ss.

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Conveyance of Royalty No. 696115 as it appears on record in my office in Book 710 at Page 521.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Gowings

Fee: $ 25¢

Annie M Dunston
County Clerk and Recorder, Mesa County

By _____
Deputy

State of Colorado)
County of Mesa) ss. Recorded at 9:15 o'clock A.M. Jan 8, 1957
Reception No. 696115 Annie M. Dunston
Annie M. Dunston
Recorder

CONVEYANCE OF ROYALTY BOOK 710 PAGE 531

---oooOooo---

KNOW ALL MEN BY THESE PRESENTS:

THAT SAHARA URANIUM CORPORATION, a Utah corporation, with its principal place of business at Salt Lake City, Salt Lake County, State of Utah, for and in consideration of the sum of Ten ($10.00) Dollars, and other good and valuable consideration, receipt whereof is hereby acknowledged, does hereby sell, transfer, release and forever quit-claim unto BEAVER MESA URANIUM, INC. a Nevada corporation, the following:

A 2½% royalty interest in and to all ores, metals and minerals mined and sold from the following described unpatented mining claim, located in the Gateway (unorganized) Mining District in Mesa County, Colorado, to-wit:

NAME	BOOK	PAGE
Shakin Quakie Fraction	589	54

and a 2½% royalty on all ores mined and sold from the following described patented ground located in Mesa County, Colorado, to-wit:

Lot One (1) in Section Thirty-Five (35), Township 51 North, Range 20 West of the New Mexico Principal Meridian;

said assignment includes 2½% of any production bonus paid by the United States Atomic Energy Commission for ores mined and sold from said premises, but excludes any moneys paid by any agency for haulage and development allowances paid for ores mined and sold from said premises.

The grantor, for itself, successors or assigns, represents that it has not encumbered or alienated its interest in the above property, and does hereby warrant title to said property as against, but only against, any person or persons lawfully claiming the whole or any part of such property through or under grantor.

OFFICIAL FILE COPY
DMEA
RECEIVED 1 1958
DATE CODE

IN WITNESS WHEREOF, the said SAHARA URANIUM CORPORATION has caused this instrument to be executed by its duly authorized

7

BOOK 710 PAGE 532

officers, and its seal to be hereunto affixed this 30th day of April, 1957.

SAHARA URANIUM CORPORATION,
A Corporation

By Fred J. Harvey
President

ATTEST:

Zeke Snyder
Secretary

STATE OF UTAH)
: ss
COUNTY OF SALT LAKE)

On the 30th day of April, 1957, A.D. personally appeared before me FRED J. HARVEY and ZEKE SNYDER, who being by me duly sworn did say, each for himself, that he, the said FRED J. HARVEY is the president, and he, the said ZEKE SNYDER is the secretary of SAHARA URANIUM CORPORATION, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and said FRED J. HARVEY and ZEKE SNYDER each duly acknowledged to me that said corporation executed the same and that the seal affixed is the seal of said corporation.

Louis D. Kennedy
NOTARY PUBLIC, residing at
Salt Lake City, Utah

NOTARY PUBLIC COMMISSION EXPIRES JUNE 14, 1960 STATE OF UTAH

#7

Letter 1/4/58 (8)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1767

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed No. 638071 as it appears on record in my office in Book 650 at Page 68.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Gooding

Annie M. Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By _____
Deputy

Recorded at 9:20 o'clock A.M. Jun 16, 1955
Reception No 630071 Annie M. Burston, Recorder

MINING DEED

DON DANVERS and DOROTHY DANVERS, his wife, of San Antonio, Texas, Grantors, hereby grant, bargain, sell, remise, release and forever quitclaim to New Idria Mining and Chemical Company, a Nevada corporation, Grantee, for the sum of Ten Dollars and other good and valuable consideration, the following described unpatented lode mining claim, situated in the Gateway (unorganized)Mining District, Mesa County, Colorado, to wit:

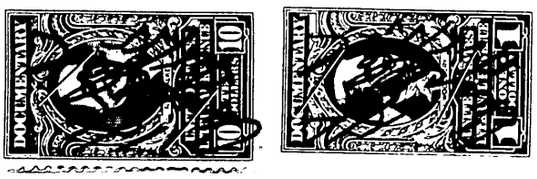
> Shakin Quakie Fraction, location certificate recorded in Book 589 at page 54, Mesa County, Colorado.

Subject to a royalty of Twenty Per Cent (20%) of the gross value of all ores, metals and minerals mined and sold from said claim including any production bonuses but excluding any haulage or development allowances, said royalty being reserved by John I. Schumacher, Grantor, under that certain deed dated February 15, 1954 and recorded December 20, 1954 in Book 628, Page 119.

Together with all dips and spurs, rights, privileges and franchises, tenements, hereditaments and appurtenances thereto incident or belonging, or therewith used and enjoyed, and all the estate, right, title, interest, property, claim and demand whatsoever, legal and equitable, as well in possession as in expectancy, of the Grantors, of, in or to said premises, and every part thereof; and

Together with and including all buildings, improvements, equipment and tools presently located and used upon said mining claims.

WITNESS the hands of said Grantors this 20th day of May, 1955.



Don Danvers

Dorothy Danvers

STATE OF NEW YORK)
)
County of New York)

On the 23rd day of May, 1955, personally appeared before me, DON DANVERS and DOROTHY DANVERS, signers of the above instrument, who duly acknowledged to me that they executed the same.

#8

Clarence J. Westermeier
Notary Public
Residing at:

CLARENCE J. WESTERMEIER
Notary Public State of New York
No. 03-0920360
Qualified in Kings County
Term Expires March 30, 1956

My Commission Expires:

State of New York }
County of Kings } ss.:

No. 53837

Form 1

I, FRANCIS J. SINNOTT, Clerk of the County of Kings and also Clerk of the Supreme Court for the said County, the same being a Court of Record having a seal, DO HEREBY CERTIFY, That

whose name is subscribed to the deposition, certificate of acknowledgment or proof of the annexed instrument, was at the time of taking the same a NOTARY PUBLIC in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commission, or a certificate of his appointment and qualifications, and his autograph signature, have been filed in my office; that as such Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proof of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County this day of 19

Clerk

94

#6

Letter 1/4/58 (9)

CERTIFIED COPY.

STATE OF COLORADO }
COUNTY OF MESA } ss.

No 1771

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed

No. 631776 as it appears on record in my office in Book 640 at Page 589.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Fanning

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By _____
Deputy

Recorded at 3:41 o'clock P M., Apr. 19, 1955

Reception No. 631776 Annie M. Dunston Recorder

THIS INDENTURE, Made this 23rd day of March, in the year of our Lord one thousand nine hundred fifty-five, between J. B. CROWLEY, of the County of Mesa and State of Colorado, party of the first part, and DON DANVERS, of the County of Bexar and State of Texas, party of the second part,

WITNESSETH, That the said party of the first part, for and in consideration of the sum of Ten Dollars and other valuable consideration, to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, his heirs and assigns, the following described property, situate, lying and being in Gateway (unorganized) Mining District, in the County of Mesa and State of Colorado, to-wit:

Claim	Recorded in Book	Page
Pack Rat No. 2	415	329
Pack Rat No. 3	549	366

And all that part of the following described mining claims lying South and West of the following described line: beginning at a point from whence the Southeast corner of Section 36, Township 51 North, Range 20 West, New Mexico Principal Meridian bears South 12° 53' East 4875 feet, thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest corner of said Section 36 bears South 73° 16' West 1365 feet; location certificates for said claims being recorded in the records of the County Clerk and Recorder of Mesa County, Colorado, as follows:

Johnnie Mae No. 1	415	42
Johnnie Mae No. 2	415	120
Johnnie Mae No. 4	415	329
Johnnie Mae No. 5	415	330
Johnnie Mae No. 6	415	330
Pack Rat No. 1	415	329

RESERVING AND EXCEPTING, However, unto the first party, his heirs and assigns, 10% of the gross proceeds realized from the sale of ores, metals and minerals mined and sold from the premises above-described, including 10% of all bonus or premium payments paid by the United States Atomic Energy Commission or any governmental agency or ore buyer, but excluding any sums paid for haulage or development allowance for ores mined from said property, until the first party has been paid the total sum of $1,000,000 from said ore payments; then said payments to cease and terminate.

ORIGINAL FILE COPY
DMEA
RECEIVED APR 1 1958
DATE

The second party shall drill, or have drilled, upon said premises, 20,000 feet of rotary type drilling where cores are saved from all ore-bearing sands during the period beginning with March 1, 1955 and ending March 1, 1956, and 5,000 feet of said drilling during each year following March 1, 1956; provided, however that the second party shall be relieved from the drilling of 10 feet of said rotary

#9

type drilling during any period as set forth herein for each ton of ore mined from the premises herein described.

The second party shall proceed with reasonable diligence to mine and sell ores discovered upon said property of commercial quantity and quality.

The first party shall be entitled to all geological information obtained by second party in prospecting, exploring, developing and mining said property, said information to be furnished to first party upon demand.

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, his heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

J B Crowley (SEAL)

STATE OF COLORADO,)
: ss.
COUNTY OF M E S A,)

The foregoing instrument was acknowledged before me this 23rd day of March, A. D. 1955, by J. B. Crowley.

My commission expires July 15, 1957.

Witness my hand and official seal.

Notary Public

Letter 1/4/58 (10)

State of Colorado)
County of Mesa) ss. Recorded at 9:10 o'clock A.M. Dec 16 1957
Reception No. 708646 Annie M Dunston
Annie M. Dunston
Recorder BOOK 723 PAGE 357

A S S I G N M E N T

KNOW ALL MEN BY THESE PRESENTS, That I, DON DANVERS, of Bexar County, Texas, for and in consideration of the sum of Ten Dollars ($10.00) and other valuable considerations to me in hand paid, do hereby sell, transfer, set over, assign and quit-claim unto J. L. THOMPSON of Danbury, Connecticut five per cent (5%) of the gross values of all ores, metals and minerals mined and sold from the following described unpatented lode mining claims, situate in the Gateway(unorganized) Mining District in the County of Mesa and State of Colorado, to-wit:

Pack Rat #1, recorded in Book 415, Page 329 of the public records of the County Clerk and Recorder of Mesa County, Colorado.

Pack Rat #2, recorded in Book 415, Page 329, of the public records of the County Clerk and Recorder of Mesa County, Colorado.

Pack Rat #3, recorded in Book 549, Pages 365, 6, 7, of the public records of the County Clerk and Recorder of Mesa County, Colorado.

Johnnie Mae #3, recorded in Book 415, Page 120 of the public records of the County Clerk and Recorder of Mesa County, Colorado.

All those parts of Johnnie Mae #1, recorded in Book 415, Page 42; Johnnie Mae #2, recorded in Book 415, Page 120; Johnnie Mae #4, recorded in Book 415, Page 329; Johnnie Mae #5, recorded in Book 415, Page 330; and Johnnie Mae #6, recorded in Book 415, Page 330, lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West of the New Mexico Principal Meridian, bears South 12° 53' East 4875 feet; thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest corner of said Section 36 bears South 73° 16' West 1365 feet.
T
Together with any and all other right, title and interest of the Grantor in and to said above named claims.

including five per cent (5%) of any production bonus paid for the production of ores mined and sold from said premises, but excluding any haulage or development allowances paid by any agency, as the result of mining of ores, metals and minerals from said mining claims.

IN WITNESS WHEREOF, I do hereunto set my hand and seal

*10

Letter 1/4/58 (11)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1776

I, Annie M. Dunaton

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed

No. 691641 as it appears on record in my office in Book 706 at Page 451.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 3 day of January, 1958.

Issued to A. Golding

Annie M. Dunaton
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By _____
Deputy

State of Colorado County of Mesa

Recorded at 11:42 o'clock A. M., Apr 6, 1957

Reception No. 691641 Annie M Dunston Recorder. BOOK 706 PAGE 451

Annie M. Dunston

THIS INDENTURE, Made this 28th day of March, in the year of our Lord one thousand nine hundred Fifty-Six, between

JOHN B. CROWLEY

of the County of Mesa and State of Colorado, party of the first part, and

DELSIE M. CROWLEY

of the County of Mesa and State of Colorado, party of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of Ten Dollars and other valuable consideration - - - - - - - - - - - - - ~~Dollars~~ 100

to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, her heirs and assigns, ~~the following described property, together with all the rights and benefits and appurtenances thereunto belonging, situate, lying and being in the County of~~ an undivided 5% of the gross values of all ores mined and sold from the following described mining claims located in the Gateway (Unorganized) Mining District, Mesa County, Colorado, to-wit:

NAME OF CLAIM	BOOK	PAGE
Pack Rat No. 1	415	329
Pack Rat No. 2	415	329
Pack Rat No. 3	549	366

(CONSIDERATION less than $100.00)

And all that part of the following described mining claims lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West, New Mexico Principal Meridian bears South 12° 53' East 4875 feet, thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest Corner of said Section 36 bears South 73° 16' West 1365 feet; location certificates for said claims being recorded in the records of the County Clerk and Recorder of Mesa County, Colorado, as follows:

Johnnie Mae No. 1 recorded in Book 415, Page 42
Johnnie Mae No. 2 recorded in Book 415, Page 120
Johnnie Mae No. 4 recorded in Book 415, Page 329
Johnnie Mae No. 5 recorded in Book 415, Page 330
Johnnie Mae No. 6 recorded in Book 415, Page 330

INCLUDING bonuses, but not including haulage and development allowances; said sum to be paid until the purchase price of said claims has been paid in full, as per Danvers Agreement, a portion of which has already been paid.

OFFICIAL FILE COPY

RECEIVED JAN 2 1959 MESA

DATE

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part his heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

John B. Crowley [SEAL]

[SEAL]

[SEAL]

STATE OF COLORADO,
County of MESA } ss.

The foregoing instrument was acknowledged before me this 28th day of March A.D. 19 57 by John B. Crowley.

My commission expires September 16, 19 58 Witness my hand and official seal.

NOTARY PUBLIC MESA COUNTY, COLORADO

#11

Notary Public.

No. 37. MINING DEED.—Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado

Letter 1/4/58

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 7 1958

DATE	INITIALS	CODE

#12

A S S I G N M E N T

KNOW ALL MEN BY THESE PRESENTS, That I, DON DANVERS, of Bexar County, Texas, for and in consideration of the sum of Ten Dollars ($10.00) and other valuable considerations to me in hand paid, do hereby sell, transfer, set over, assign and quit--claim unto J. L. THOMPSON of Danbury, Connecticut eight and three-quarters per cent (8 &3/4%) of the gross values of all ores, metals and minerals mined and sold from the following described unpatented lode mining claim, situate in the Gateway (unorganized) Mining District in the County of Mesa and State of Colorado, to-wit:

> Shakin Quakie Fraction - location certificate of which is recorded in Book 589 at Page 54 of the records of the County Clerk and Recorder of Mesa County, Colorado,

including eight and three-quarters per cent (8 & 3/4%) of any production bonus paid for the production of ores mined and sold from said premises but excluding any haulage or development allowances paid by any agency, as the result of mining of ores, metals and minerals from said mining claims [redacted]

IN WITNESS WHEREOF, I do hereunto set my hand and seal this 11th day of January, 1956.

Don Danvers (SEAL)

STATE OF COLORADO)
COUNTY OF MESA) ss

The foregoing instrument was acknowledged before me this 11th day of January A.D., 1956 by DON DANVERS.
Witness my hand and official seal.

Notary Public
My Commission expires July 15, 1957

#12

Letter 1/4/58 (13)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1778

I, Annie M. Dunston County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed No. 709706 as it appears on record in my office in Book 724 at Page 235.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 3 day of January, 1958.

Issued to A. Gobing

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

#13

By _____
Deputy

State of Colorado
County of Mesa

Recorded at 1:46 o'clock P. M., Dec. 31, 19[illegible] BOOK 724 PAGE 235

Reception No. 9706 Annie M. Dunston Recorder.
Annie M. Dunston

THIS INDENTURE, Made this 27th day of December, in the year of our Lord one thousand nine hundred fifty-seven, between

J. B. CROWLEY

of the County of Mesa and State of Colorado, party of the first part, and

L. R. BAKER, TRUSTEE

of the County of Mesa and State of Colorado, party of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of - - - - - - - Ten Dollars and other valuable consideration - - - - - - - [redacted], to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, his heirs and assigns, the following described property, situate, lying and being in Gateway (unorganized) Mining District, in the County of Mesa, and State of Colorado, to-wit:

An undivided four and five-tenths per cent (4.5%) of the gross values of all ores, metals and minerals mined and sold from the following described mining claim:
Johnnie Mae No. 3, Recorded in Book 415 at Page 120 of the Mesa County Records,
including 4.5% of all production bonuses and premiums paid on ores mined and sold from said premises, but not including any haulage or development allowances paid by any agency.

(Consideration less than $100.00)

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part his heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

J B Crowley [SEAL]
[SEAL]
[SEAL]

STATE OF COLORADO,
County of Mesa } ss.

The foregoing instrument was acknowledged before me this 27th day of December A. D. 19 57, by J. B. Crowley.

My commission expires July 15, 19 61. Witness my hand and official seal.

Cecil S. Hayes
Notary Public.

CECIL S. HAYES NOTARY PUBLIC MESA COUNTY, COLO.

#13

Letter 1/4/58 (14)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1777

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed

No. 109705 as it appears P on record in my office in Book 724 at Page 234.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 3 day of January, 1958.

Issued to G. Gourley

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

#14

By
Deputy

BOOK 724
PAGE 234

Recorded at 1:45 o'clock P. M., Dec 31, 1957 State of Colorado County of Mesa

Reception No. 709705 Annie M. Dunston Recorder.

THIS INDENTURE, Made this 27th day of December, in the year of our Lord one thousand nine hundred fifty-seven, between

J. B. CROWLEY

of the County of Mesa and State of Colorado, party of the first part, and

CECIL S. HAYNIE

of the County of Mesa and State of Colorado, party of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of - - - - Ten Dollars and other valuable consideration - - - - [redacted], 100

to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, his heirs and assigns, the following described property, situate, lying and being in Gateway (unorganized) Mining District, in the County of Mesa, and State of Colorado, to-wit:

An undivided five-tenths per cent (.5%) of the gross values of all ores, metals and minerals mined and sold from the following described mining claim:
Johnnie Mae No. 3, Recorded in Book 415 at Page 120 of the Mesa County Records,
including .5% of all production bonuses and premiums paid on ores mined and sold from said premises, but not including any haulage or development allowances paid by any agency.

(Consideration less than $100.00)

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part his heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

J B Crowley [SEAL]

[SEAL]

[SEAL]

STATE OF COLORADO, }
County of Mesa, } ss.

The foregoing instrument was acknowledged before me this 27th day of December A. D. 19 57, by J. B. Crowley.

My commission expires Sep 10, 19 60. Witness my hand and official seal.

Dennis Green
Notary Public.

TYNES HOOD NOTARY PUBLIC MESA COUNTY, COLORADO

#14

letter 4/4/58 (15)

Recorded at ..... o'clock ..... M., ...

Reception No. .... Recorder.

#15

THIS INDENTURE, Made this 2nd day of January, in the year of our Lord one thousand nine hundred fifty-eight between

L. R. BAKER, TRUSTEE

of the County of Mesa and State of Colorado, party of the first part, and

CECIL S. HAYNIE

of the County of Mesa and State of Colorado, party of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of TEN DOLLARS and other valuable consideration ----------~~Dollars,~~ 100

to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, his heirs and assigns, the following described property, situate, lying and being in Gateway (unorganized) Mining District, in the County of Mesa, and State of Colorado, to-wit:

An undivided 0.25% of the gross values of all ores, metals and minerals mined and sold from the following described mining claims:

Johnnie Mae No. 1, recorded in Book 415 at Page 42;
Johnnie Mae No. 2, recorded in Book 415 at Page 120;
Johnnie Mae No. 3, recorded in Book 415 at Page 120;
Johnnie Mae No. 4, recorded in Book 415 at Page 329;
Johnnie Mae No. 5, recorded in Book 415 at Page 330; and
Johnnie Mae No. 6, recorded in Book 415 at Page 330;

including 0.25% of all production bonuses and premiums paid on ores mined and sold from said premises, but not including any haulage or development allowances paid by any agency.

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 7 1958
DATE INITIALS CODE

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises there~~to incident, appendant~~ and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part his heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

L. R. Baker Trustee [SEAL]

..... [SEAL]

..... [SEAL]

STATE OF COLORADO, }
County of MESA } ss.

The foregoing instrument was acknowledged before me this 2nd day of January A. D. 1958, by L. R. Baker, Trustee.

My commission expires Sep 10, 1960. Witness my hand and official seal.

James Gordon
Notary Public.

#15

Letter 1/4/58 (16)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1760

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Assignment

No. 708648 as it appears on record in my office in Book 723 at Page 357.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 20 day of December, 1957.

Issued to A. W. Goring

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $1.25

#10

By _____
Deputy

CERTIFIED COPY

No. 1779

STATE OF COLORADO }
COUNTY OF MESA } ss.

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed

No. 709708 as it appears on record in my office in Book 724 at Page 237.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 3 day of January, 1958.

Issued to A. Gosling

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

#16

By
Deputy

State of Colorado
County of Mesa

Recorded at 1:48 o'clock P. M., Dec 31, 1957 BOOK 724 PAGE 237

Reception No. 709708 Annie M. Dunston Recorder.
Annie M. Dunston

THIS INDENTURE, Made this 27th day of December, in the year of our Lord one thousand nine hundred fifty-seven, between

J. B. CROWLEY

of the County of Mesa and State of Colorado, party of the first part, and

J. L. THOMPSON

of the Danbury, Connecticut party of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of - - - - Ten Dollars and other valuable considerations - - - - 100, to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed, and by these presents does grant, bargain, sell, remise, release and forever quit-claim, unto the said party of the second part, his heirs and assigns, the following described property, situate, lying and being in Gateway (unorganized) Mining District, in the County of Mesa, and State of Colorado, to-wit:

An undivided five per cent (5%) of the gross values of all ores, metals and minerals mined and sold from the following described mining claim:
Johnnie Mae No. 3, Recorded in Book 415 at Page 120 of the Mesa County Records,
including five per cent (5%) of all production bonuses and premiums paid on ores mined and sold from said premises, but not including any haulage or development allowances paid by any agency.

(Consideration less than $100.00)

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part his heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

J. B. Crowley [SEAL]
[SEAL]
[SEAL]

STATE OF COLORADO,
County of Mesa } ss.

The foregoing instrument was acknowledged before me this 27th day of December 1957 by J. B. Crowley.

My commission expires July 15, 1960. Witness my hand and official seal.

Annie B. Haynie
Notary Public.

No. 37. MINING DEED.—Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado

#16

Letter 1/4/58 (17)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1766

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Assignment No. 647251 as it appears on record in my office in Book 661 at Page 108.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Goring

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By _____
Deputy

Book 661 Page 108 Recorded at 3:27 o'clock P.M. Sep 16, 1955
Reception No 647251 Annie M. Dunston,
Recorder

KNOW ALL MEN BY THESE PRESENTS:

That I, FORREST COCHRAN, for and in consideration of the sum of One Dollar and other valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by me, DO HEREBY CONSENT To the assignment by Don Danvers to New Idria Mining & Chemical Co. of all of the said Don Danvers' right, title and interest in and to that certain lease agreement dated the 16th day of December, 1952, whereby I leased from Bert Hubbard and Lyman Hubbard the following described property, situate in the County of Mesa and State of Colorado, to-wit:

Lot One of Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian,

for mining purposes in accordance with the terms and conditions of said lease agreement.

I DO HEREBY CERTIFY That I assigned, with the consent of the lessor, my interest as lessee in and to said lease agreement and the property described therein to Don Danvers, in writing, on the 4th day of September, 1953.

Dated at Grand Junction, Colorado, this 3rd. day of March, 1955.

Forrest Cochran (SEAL)

ORIGINAL FILE COPY
DMRA
RECEIVED JAN 7 1958

and conditions of said lease agreement.

IN WITNESS WHEREOF, The parties have hereunto set their hands and seals as of this 15th day of March, 1955.

Lyman L. Hubbard (SEAL)

Bert Hubbard (SEAL)

Lessors

Jon McKay (SEAL)

Lessee

APPROVED

Martin W. Gilbert

two shifts of men working a minimum of 40 8-hour man days per month on the tunnel now being driven by Sublessee across the Pack Rat mining claims Nos. 1, 2 and 3 for the purpose of mining ores from the above-described property, and shall continue to employ two shifts working a minimum of 40 8-hour man days per month until said tunnel is completed. The parties agree that the lease agreement of December 16, 1952, is hereby supplemented as provided for in this paragraph and this provision shall be construed to have the same force and effect as if specifically provided for in said lease of December 16, 1952.

2. Sublessee agrees to install an air operated trammer in said tunnel and keep and maintain the same in operation during the driving of said tunnel.

3. The Lessors consent to the assignment by Sublessee, at his election, of all of his right, title and interest in and to the lease agreement dated the 16th day of December, 1952 and the assignment thereof dated the 4th day of September, 1953, to New Idria Mining & Chemical Co., subject, however, to the action now pending in the District Court of Mesa County, Colorado, wherein the Lessors instituted an action against the Sublessee and Forrest Cochran to cancel and terminate the lease agreement of December 16, 1952.

4. The Sublessee agrees to furnish to the Lessors a copy of any assignment as herein provided, duly executed by the Sublessee and accepted by his assignee.

5. The consent to said lease as herein provided, shall not and does not authorize further assignment or subleases without the prior written consent and approval of Lessors.

6. The Sublessee has obtained the written consent and approval of the said Forrest Cochran to the assignment of said lease agreement as herein provided.

7. Any assignment of said lease agreement of December 16, 1952 shall obligate the assignee to strictly comply with all of the terms

Recorded at 3:26 o'clock P.M. Sep 16, 1955
Reception No 647250 Annie M. Dunston,
Recorder

A G R E E M E N T

THIS AGREEMENT, Made and entered into by and between BERT HUBBARD and LYMAN HUBBARD, parties of the first part, hereinafter referred to as Lessors, and DON DANVERS, party of the second part, hereinafter referred to as Sublessee,

WITNESSETH:

WHEREAS, The Lessors leased to Forrest Cochran the following described property, situate in the County of Mesa and State of Colorado, to-wit:

Lot One of Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian,

by written agreement dated the 16th day of December, 1952, said property having been leased for mining purposes in accordance with the terms and conditions of said agreement; and

WHEREAS, The said Forrest Cochran assigned, with the consent of the Lessors, all of his interest in and to said agreement and the property above-described to Don Danvers by written instrument dated the 4th day of September, 1953; and

WHEREAS, IT IS THE MUTUAL WISH AND DESIRE Of the parties hereto that the Lessors consent to the assignment of the interest of the Sublessee in and to said written agreements and the property above-described to New Idria Mining & Chemical Co., should the Sublessee so elect to assign his said interest on terms and conditions hereinafter contained; and

WHEREAS, The Lessors have entered into an agreement with Carter W. Elliott to assign a one-half interest in and to said lease agreement of December 16, 1952;

NOW, THEREFORE, For and in consideration of the premises and the sum of One Dollar and other valuable considerations paid to the Lessors by the Sublessee, the receipt and sufficiency whereof is hereby acknowledged by the Lessors, THE PARTIES AGREE As follows:

1. That the Sublessee and his assignee shall hereafter employ

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1765

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Agreement No. 647250 as it appears on record in my office in Book 661 at Page 105.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 31st day of December, 1957.

Issued to A. Gerings

Annie M. Dunston
County Clerk and Recorder, Mesa County

Fee: $ 25¢

By _____
Deputy

Letter 1/4/58 (18)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1715

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Location Certificate No. 585477 as it appears on record in my office in Book 589 at Page 524.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to A. Gavenings

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $1.25

By _____
Deputy

Book 589 Page 54 Recorded at 3:20 o'clock P. M. Sep 9, 1953
1274 LOCATION CERTIFICATE Reception No 585477 Annie [illegible] Dunston, Recorder

State of Colorado
County of ~~Montrose~~ MESA } ss.

Know all Men by these Presents: That JOHN I SCHUMACHER

the undersigned, has this 4TH day of SEPTEMBER, 1953 located and claimed, and by these presents do locate and claim, by right of discovery and location, in compliance with the Mining Acts of Congress approved May 10, 1872, and all subsequent acts, and with local customs, laws and regulations, 1500 x 600 linear feet and horizontal measurements on the SHAKIN QUAKIE FRACTION lode, vein, ledge or deposit, along the vein thereof, with all its dips, angles and variations, as allowed by law, together with 300 feet on each side of the middle of said vein at the surface so far as can be determined from present developments; and all veins, lodes, ledges or deposits and surface ground with the lines of said claim 750 feet running NORTH from center of discovery CUT and 750 feet running SOUTH from center of discovery CUT, said discovery CUT being situate upon said lode, vein, ledge or deposit, and within the lines of said claim in (BEAVER MESA) GATEWAY Mining District, County of MESA, and State of Colorado, described by metes and bounds as follows, to-wit:

Beginning at SW Corner No. 1 PROCEED NORTH 750 FT TO SIDE CENTER STAKE
THENCE NORTH 750 FT TO CORNER No 2
THENCE EAST 600 FT TO COR No 3
THENCE SOUTH 750 FT TO SIDE CENTER COR.
THENCE SOUTH 750 FT TO COR No 4
THENCE WEST 600 FT TO COR No 1

THIS CLAIM WHICH INCLUDES A FRACTION OF OPEN GROUND (FRACTION) IS BORDERED ON THE WEST BY HUBBARDS HOMESTEAD, ON THE EAST BY THE PACK RAT No 2, ON THE SOUTH BY THE RAJAH No 67.

OFFICIAL FILE COPY
OMEA
RECEIVED NOV 28 1997
DATE

Said lode was discovered the 4TH day of SEPTEMBER, A.D. 19 53

Attest:

Date of Location 4TH SEPTEMBER A. D. 19 53

Date of Certificate A. D. 19

John I Schumacher (Seal)
(Seal)
(Seal)
(Seal)
(Seal)
(Seal)
(Seal)

Letter 11/23/57 ①

CERTIFIED COPY

STATE OF COLORADO } ss.
COUNTY OF MESA

№ 1716

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Agreement

No. 609212 as it appears on record in my office in Book 613 at Page 145.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to A. Gonings

Annie M. Dunston
County Clerk and Recorder, Mesa County

Fee: $1.25

By _____
Deputy

Recorded at 4:10 o'clock P.M. Aug. 11, 1954
Reception No. 609212 Annie M. Dunston, Recorder

A G R E E M E N T

THIS AGREEMENT Made and entered into on this the 15th day of February, A.D. 1954, by and between JOHN I. SCHUMACHER, party of the first part, and DON DANVERS, party of the second part,

WITNESSETH:

WHEREAS the first party is the owner of the following described unpatented lode mining claim located in the Gateway Mining District (Unorganized), Mesa County, Colorado, towit:

Shakin Quakie Fraction, Location Certificate recorded in Book 589 at page 54, Mesa County, Colorado

and,

WHEREAS the second party is the sub-lessee of one F. M. Cochran who had leased from Bert Hubbard and Lyman Hubbard the following described patented land, to-wit:

> Lot 1, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian; RESERVING AND EXCEPTING, however, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of DP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

that said patented land is adjacent to the above described unpatented lode mining claim and the parties hereto believe that it would be advantageous to extract ore from both the said properties from a common opening;

NOW THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained to be kept and performed by the parties hereto, they agree as follows:

1. That the first party hereto shall, contemporaneously with the execution of this agreement, make, execute and deliver to the second party a good and sufficient mining deed conveying all of his right, title and interest in and to the above described unpatented lode mining claim to the second party hereto.

2. That in consideration of the conveyance of the said mining claim to the second party, the second party agrees to pay to the first party DD. 2½% JIS. ~~25~~ of the value of all ores extracted from

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DATE | INITIALS | CODE

Note: Copies of this Agreement came with original application.
M. Ching

said unpatented lode mining claim and 2½% of the values of all ores extracted from the patented property above described, and shall pay ~~2½~~ DD- 2½% of any production bonuses for ores mined from said mining claim and 2½% of all production bonuses paid from ores mined from said patented ground. Any haulage allowance received by the second party for ores mined from said premises shall be kept and retained by second party. The parties mutually agree that any buyer or buyers of ores extracted from either of said properties shall be instructed to pay to the first party hereto the royalties hereinabove mentioned and this agreement shall constitute the authority of any buyer or buyers of ores to so pay said royalties.

3. The second party hereto does hereby agree to re-convey to said first party the said mining claim to the first party in the event of the termination of said lease agreement between the second party and the said F. M. Cochran. Said re-conveyance of said property from second party to first party shall be made by good and sufficient mining deed and shall be immediately executed and delivered by the second party to the first party upon the termination of said lease agreement.

This agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of all the parties hereto.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

John A. Schumacher (SEAL)
First Party

Don Damey (SEAL)
Second Party

STATE OF COLORADO } ss
County of Ouray
I hereby certify that this instrument was filed for record
at 10:00 o'clock A.M. the 27 day of April 1954
and recorded in Book 613 at page 146
of the records of Ouray County.
WAYNE M. DONALDSON, County Clerk and Recorder
By _____ Deputy
Fee $ 3.00

Indexed
Indexed
Indexed

15 + 16

Letter 11/23/57 (2)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1720

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Assignment

No. 658823 as it appears on record in my office in Book 674 at Page 197.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to G. Goring

Annie M. Dunston
County Clerk and Recorder, Mesa County

Fee: $1.25

By Helen L. Ryer
Deputy

Recorded at 12:01 O'clock P.M., Jan 21, 1956 Book 674 Page 197
Reception No. 658823 Annie M. Dunston, Recorder

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, That I, DON DANVERS, of the County Bexar, State of Texas, and for and in consideration of the sum of Ten Dollars and other valuable consideration, the receipt and sufficiency whereof is hereby confessed and acknowledged by me, paid to me by L. R. McBride, I do hereby sell, transfer, grant, bargain and quit-claim unto the said L. R. McBride, an undivided .25% of all ores, metals and minerals mined and sold from the following described mining claims located in the Gateway (unorganized) Mining District, County of Mesa, State of Colorado, to-wit:

Name of Claim	Recorded in Book	Page
Pack Rat No. 2	415	329
Pack Rat No. 3	549	366

and all that part of the following described mining claims lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West, New Mexico Principal Meridian bears South 12° 53' East 4875 feet, thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest Corner of said Section 36 bears South 73° 16' West 1365 feet; location certificates for said claims being recorded in the records of the County Clerk and Recorder of Mesa County, Colorado, as follows:

Johnnie Mae No. 1	415	42
Johnnie Mae No. 2	415	120
Johnnie Mae No. 4	415	329
Johnnie Mae No. 5	415	330
Johnnie Mae No. 6	415	330
Pack Rat No. 1	415	329

and .4375% of all ores, metals and minerals mined and sold from the following described mining claim located in the Gateway (unorganized) Mining District, County of Mesa, State of Colorado, to-wit:

Name of Claim	Recorded in Book	Page
Shakin Quakie Fraction	589	54

including .4375% of any production bonuses paid for ores produced from the said Shakin Quakie Fraction, but excluding any haulage or development allowances paid for ores produced from the above described mining claims.

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DATE INITIALS CODE

The said L. R. McBride may require any buyer or buyers of ores mined and sold from said premises to make the payment due under this instrument, payable direct to him, and this shall constitute the authority of said buyer or buyers of ores mined and sold from said claims to pay to the said L. R. McBride the percentages above set forth.

Dated at San Antonio, Texas this 19th day of January, A. D. 1956.

Don Danvers

STATE OF TEXAS)
) ss.
COUNTY OF BEXAR)

The foregoing instrument was acknowledged before me this 19th day of January, A. D. 1956, by Don Danvers.

Witness my hand and official seal.

My commission expires June 1st, 1957.

Frances Bogy (Frances Bogy)
Notary Public

Letter 11/23/57 (3)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No. 1719

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Assignment

No. 685725 as it appears on record in my office in Book 701 at Page 313.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to A. Gonzing

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $ 1.25

By
Deputy

State of Colorado)
County of Mesa) ss. Recorded at 3:10 o'clock P.M. Jan. 15 1957
Reception No. 685225 Annie M. Dunston
Annie M. Dunston
Recorder

BOOK 701 PAGE 313

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, That I, L. R. McBRIDE, of the County of Mesa, State of Colorado, and for and in consideration of the sum of Ten Dollars and other valuable consideration, the receipt and sufficiency whereof is hereby confessed and acknowledged by me, paid to me by CECIL S. HAYNIE, I do hereby sell, transfer, grant, bargain and quit-claim unto the said Cecil S. Haynie, an undivided .25% of all ores, metals and minerals mined and sold from the following described mining claims located in the Gateway (unorganized) Mining District, County of Mesa, State of Colorado, to-wit:

NAME OF CLAIM	Recorded in BOOK	PAGE
Pack Rat No. 2	415	329
Pack Rat No. 3	549	366

and all that part of the following described mining claims lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West, New Mexico Principal Meridian bears South 12° 53' East 4875 feet, thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest Corner of said Section 36 bears South 73° 16' West 1365 feet; location certificates for said claims being recorded in the records of the County Clerk and Recorder of Mesa County, Colorado, as follows:

Johnnie Mae No. 1	415	42
Johnnie Mae No. 2	415	120
Johnnie Mae No. 4	415	329
Johnnie Mae No. 5	415	330
Johnnie Mae No. 6	415	330
Pack Rat No. 1	415	329

and .4375% of all ores, metals and minerals mined and sold from the following described mining claim located in the Gateway (unorganized) Mining District, County of Mesa, State of Colorado, to-wit:

NAME OF CLAIM	Recorded in BOOK	PAGE
Shakin Quakie Fraction	589	54

including .4375% of any production bonuses paid for ores produced from the said Shakin Quakie Fraction, but excluding any haulage or development allowances paid for ores produced from the above described mining claims.

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The said Cecil S. Haynie may require any buyer or buyers of ores mined and sold from said premises to make the payment due under this instrument, payable direct to him, and this shall constitute the authority of said buyer or buyers of ores mined and sold from said claims to pay to the said Cecil S. Haynie the percentages above set forth.

Dated at Grand Junction, Colorado, this 14th day of January, 1957.

L. R. McBride

STATE OF COLORADO)
) ss.
COUNTY OF M E S A)

The foregoing instrument was acknowledged before me this 14th day of January, A. D. 1957, by L. R. McBride.

Witness my hand and official seal.

My commission expires September 10, 1960.

NOTARY PUBLIC

James Golden
Notary Public

Letter 11/23/57 (4)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No 1721

I, Annie M. Dunaston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mineral Deed

No. 631430 as it appears on record in my office in Book 640 at Page 366.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to A. Gunning

Annie M. Dunaston
County Clerk and Recorder, Mesa County

Fee: $1.25

By Helen L. Cyler
Deputy

Recorded at 9:33 o'clock A.M. Apr. 15, 1955
Reception No. 631430 Annie M. Dunston, Recorder

MINERAL DEED

KNOW ALL MEN BY THESE PRESENTS that LYMAN L. HUBBARD, who is one and the same person as LYMAN LEWIS HUBBARD, and BERT HUBBARD of Mesa County, State of Colorado, Grantors, for the consideration of Ten Dollars and other valuable considerations in hand paid, have granted, bargained, sold, conveyed, assigned and delivered and by these presents do grant, sell, bargain, convey, assign and deliver

To Noah Dietrich, of 700 Romaine Street, Los Angeles, California, an undivided three hundred seventy-five -- eight hundredths (375/800) interest;

To Margie Morin an undivided one hundred seventy-five -- eight hundredths (175/800) interest;

To Betty Sisson an undivided one hundred -- eight hundredths (100/800) interest;

To Shirley Elliott an undivided one hundred -- eight hundredths (100/800) interest; and

To Lee Murrin and Winifred Murrin, not in tenancy in common, but in joint tenancy, with right of survivorship, an undivided fifty -- eight hundredths (50/800) interest;

(All of above of 201 Vereda Norte, Palm Springs, except Noah Dietrich)

Grantees, in and to an undivided one-half interest in all the oil, gas and other minerals in and under and which may be produced or obtained from the following described lands situate in Mesa County, Colorado, to-wit:

Lot 1 of Section 35, Township 51 North, Range 20 West, N.M.P.M., containing 59.22 acres, more or less, together with the right of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas, and other minerals and removing the same therefrom. It is the intent hereof to convey to all the Grantees the equivalent of 29.61 mineral acres, more or less.

Said land being now under a mining lease with Forrest Cochran, dated December 16, 1952, and recorded in Book 621, Page 540 of the Mesa County records; and a sublease thereof with Don Danvers, dated September 4, 1953, and recorded in Book 592, Page 554 of

RECEIVED NOV 27 1957

DATE	INITIALS	CODE

the Mesa County records; that thereafter a Mining Lease was entered into with the Lost Dutchman Mining Company, to become effective only in the event the said lease with Cochran became terminated or forfeited. It is understood and agreed that this sale and deed is made subject to the terms of said leases, but covers and includes an undivided one-half interest therein and a similar interest in and to all rentals, royalties and other benefits to which the Grantors herein may be entitled under said leases, such rentals, royalties and benefits to be paid directly by the mineral buyers or mills to the Grantees herein. There is also hereby conveyed to Grantees an undivided one-half of all Grantors' interest in what is known as Danver's Tunnel being now built through adjoining properties for the purpose of mining the above lands.

TO HAVE AND TO HOLD the undivided interest above conveyed, together with all and singular the rights and appurtenances thereto in anywise belonging, to the said Grantees herein, their heirs and assigns forever, except to the survivor of the said Lee Murrin and Winifred Murrin, and the heirs and assigns of such survivor, forever. The Grantors do hereby bind themselves and their heirs, executors and administrators to warrant and forever defend all and singular the said property unto the said Grantees herein, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. The Grantors further warrant that the said property is free and clear of all liens and encumbrances, except as above specified.

The Grantees herein shall have the right at any time to redeem for Grantors by payment, any existing mortgage or other lien on the above described land, upon default in payment and be thereon subrogated to the right of the holder thereof.

WITNESS our hands this 14th day of April, 1955.

Lyman L. Hubbard
Lyman L. Hubbard

Also known as:

Lyman Lewis Hubbard
Lyman Lewis Hubbard

Bert Hubbard
Bert Hubbard

State of Colorado)
) ss.
County of Mesa)

The foregoing instrument was acknowledged before me this 14th day of April, 1955, by Lyman L. Hubbard, who is one and the same person as Lyman Lewis Hubbard, and Bert Hubbard.

Witness my hand and official seal.

Anthony W. Williams
Notary Public

ANTHONY W. WILLIAMS NOTARY PUBLIC MESA COUNTY, COLORADO

My Commission expires July 22, 1956.

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DATE	INITIALS	CODE

Letter 11/13/57 (5)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

No 1718

I, Annie M. Dunston County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mineral Deed No 690588 as it appears on record in my office in Book 705 at Page 448.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to A. Gruenig

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $1.25

By _____
Deputy

[illegible] the [illegible] of [illegible] consideration [illegible] paid, have granted, [illegible] do [illegible] present [illegible]

[illegible]

Grantees, an undivided three [illegible] of [illegible] of a one half (1/2) [illegible] of their interest, in and to all the oil, gas and other minerals in and under and that may be [illegible] from the following described lands situated in said County [illegible]

[illegible] containing [illegible] acres, more or less, [illegible] with the rights of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing same therefrom.

This Deed is made subject to any and all oil, gas and/or mineral leases covering the above property or any part thereof, which may be, on the date of execution hereof, in effect and of record in the said [illegible] County, Colorado, but covers and includes an undivided three hundred seventy-five eight hundredths (375/800) of a one half (1/2) [illegible] and to all rentals, royalties and other benefits to which Grantors may be entitled under said leases or leases.

TO HAVE AND TO HOLD the undivided interest above conveyed, together with all and singular the rights and appurtenances thereto in anywise belonging, to the said Grantees herein, their heirs and assigns forever.

WITNESS our hands this 14th day of December, [illegible]

Noah Dietrich
Noah Dietrich

Paul L. Dietrich
Paul Dietrich

We hereby consent to the execution of the foregoing Mineral Deed.

Mary S. Dietrich
Mary S. Dietrich
(Mrs. Noah Dietrich)

Gloria P. Dietrich
Gloria P. Dietrich
(Mrs. Paul Dietrich)

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DMEA
RECEIVED NOV 27 1957

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS

On this [illegible] day of December, 19[illegible] before me, a Notary Public in and for said County and State, personally appeared Noah Dietrich and [illegible] Dietrich, husband and wife, known to me to be two of the persons [illegible] whose names are subscribed to the within instrument, and acknowledged to [illegible] they executed the same.

John L. Hodge
Notary Public in and for said County of Los Angeles, State of California.
My Commission Expires Oct. 19, 1959

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS

On this 14th day of December, 19[illegible] before me, a Notary Public in and for said County and State, personally appeared Raul Dietrich and [illegible] Dietrich, husband and wife, known to me to be two of the [illegible] whose names are subscribed to the within instrument, and acknowledged to [illegible] they executed the same.

John L. Hodge
Notary Public in and for said County of Los Angeles, State of California.
My Commission Expires Oct. 19, 1959

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DMEA
RECEIVED NOV 27 1957
DATE INITIAL CODE

Letter 11/23/57 (6)

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1717

I, Annie M. Dunston, County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Mining Deed No. 70586 as it appears on record in my office in Book 720 at Page 317.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 22 day of November, 1957.

Issued to A. Gorenz

Fee: $ 1.25

Annie M Dunston
County Clerk and Recorder, Mesa County

By _____
Deputy

State of Colorado County of Mesa

Recorded at 11:44 o'clock A. M. Oct 19, 1957

Reception No. 705086 Annie M. Dunston Recorder
Annie M. Dunston

MINING DEED

THIS INDENTURE, Made this 11th day of October, in the year of our Lord One Thousand Nine Hundred Fifty-Seven, between DON DANVERS and DOROTHY DANVERS, of the County of Bexar, and State of Texas, parties of the first part, and L. R. BAKER, Trustee, of the County of Mesa, and State of Colorado, party of the second part;

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of Ten Dollars and other valuable consideration to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold remised, released and forever quit-claimed and by these presents do grant, bargain, sell, remise, release and forever quit-claim unto the said party of the second part, his heirs and assigns, the following described property, situate, lying and being in the Gateway (unorganized) Mining District, in the County of Mesa, and State of Colorado, to-wit:

An undivided 4.75% of the gross values of all ores, metals and minerals mined and sold from the following described unpatented lode mining claims, including any premium or production bonus, but excluding haulage and development allowances:

AMT. OF FEE IMPOSED 2.75
COLLECTED ✓
EXCUSED
PROTESTED

Name of Claim	Location Certificate Recorded In BOOK	PAGE
Pack Rat #1	415	329
Pack Rat #2	415	329
Pack Rat #3	549	366
Johnnie Mae #3	415	120

All those parts of Johnnie Mae #1, recorded in Book 415, Page 42; Johnnie Mae #2, recorded in Book 415 at Page 120; Johnnie Mae #4, recorded in Book 415 at Page 329; Johnnie Mae #5, recorded in Book 415, at Page 330; and Johnnie Mae #6, recorded in Book 415 at Page 330, lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West of the New Mexico Principal Meridian, bears South 12° 53' East 4875 feet, thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest Corner of said Section 36 bears South 73° 16' West 1365 feet;

AND an undivided 8.3125% of the gross values of all ores, metals and minerals mined and sold from the following described unpatented lode mining claim, including any premium or production bonus, but excluding haulage and development allowances:

Shakin Quakie Fraction	589	54

The first parties, for themselves, their legal representatives, successors or assigns, represent that they have not encumbered or alienated any of the above property, and first parties do hereby warrant their title to said property as against, but only against, any person or persons lawfully claiming the whole or any part of such property through or under grantors.

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, fold and silver-bearing quartz, rock and earth therein, and all the rights , privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part,

of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Don Danvers (SEAL)

Dorothy Danvers (SEAL)

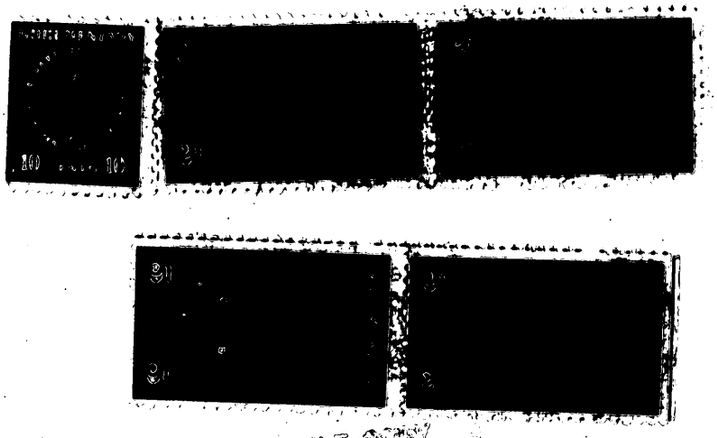
STATE OF TEXAS)
) ss.
COUNTY OF BEXAR)

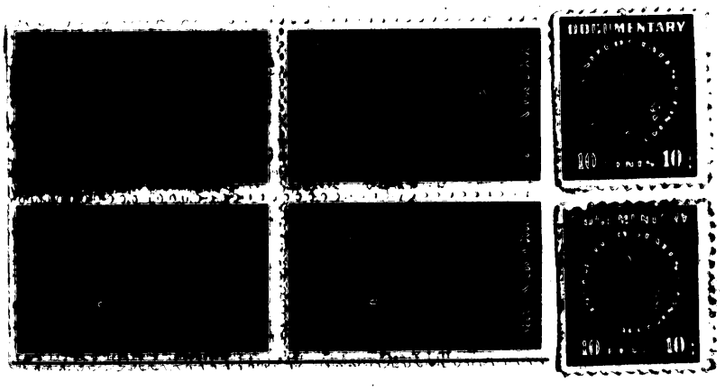
[illegible] foregoing instrument was acknowledged before me this 14th day of [illegible] 1957, by Don Danvers and Dorothy Danvers.

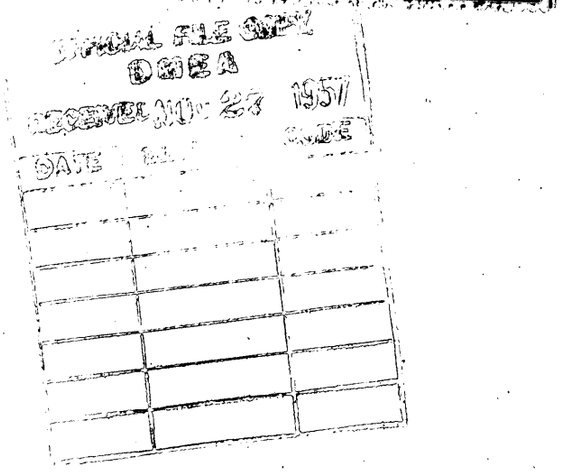
[illegible] my hand and official seal.

[illegible] commission expires June 1, 1959.

Lou Hartness LOU HARTNESS
Notary Public, Bexar County, Texas







Letter 11/23/57 (7)

Government's Copy

RECEIVED 22 1958
DATE CODE

EXPLORATION PROJECT CONTRACT

NEW IDRIA MINING AND CHEMICAL COMPANY
AND BEAVER MESA URANIUM, INC., A JOINT VENTURE

DOCKET NO. DMEA 4826
CONTRACT NO. Idm-E1181

AMENDMENT NO. 1

It is agreed this 11th day of December, 1958 between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and New Idria Mining and Chemical Company, and Beaver Mesa Uranium, Inc., A Joint Venture, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1181, Docket No. DMEA 4826, dated March 27, 1958, hereinafter called the "Contract," that:

The date fixed in Article 3 of the contract form, on or before which the Operator shall have completed the work, is extended from November 30, 1958, to January 31, 1959.

This amendment shall not be construed to increase the extimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Executed in quintuplicate the day and year first above written.

NEW IDRIA MINING AND
CHEMICAL COMPANY, AGENT

By [signature]

Title President

UNITED STATES OF AMERICA

By [signature]
Executive Officer, OME
Field Team, Region III

Official COPY
DMEA
RECEIVED JAN 27 1958
DATE | INITIALS | CODE

POWER OF ATTORNEY

We, the undersigned, NEW IDRIA MINING AND CHEMICAL COMPANY and BEAVER MESA URANIUM, INC., jointly do hereby appoint New Idria Mining and Chemical Company to act as our Agent in all matters connected with an application on Form MF-103, "Application for Aid in an Exploration Project," under the United States Department of the Interior, Defense Minerals Exploration Administration Program which has been docketed DMEA No. 4826, and should the Applicant enter into a contract with the Government as a result of said application, said Agent is authorized to sign the contract, submit all necessary reports and information required, to receive, and to receipt for, any moneys that are now or may hereafter become due to us by reason of said Docket No. DMEA 4826.

Executed this 14 day of January, 1958.

NEW IDRIA MINING AND CHEMICAL COMPANY

By C. Hyde Lewis
President

ATTEST:
Malcolm Burgess
Secretary

BEAVER MESA URANIUM, INC.

By Alan M. Simpson
President

ATTEST:
Mark Holloway
Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BENITO)

The foregoing instrument was acknowledged before me this 14 day of January, 1958, by C. Hyde Lewis as President, and Malcolm Burgess as Secretary of New Idria Mining and Chemical Company, a corporation.
Witness my notarial seal.
My commission expires _____.

Virginia Shadduck
Notary Public
My Commission Expires Nov. 4, 1961

STATE OF COLORADO)
) ss.
COUNTY OF M E S A)

The foregoing instrument was acknowledged before me this 8th day of January, 1958, by Alan M. Simpson as President, and Mark Holloway, as Secretary, of Beaver Mesa Uranium, Inc., a corporation.
Witness my notarial seal.
My commission expires My Commission expires July 1, 1959

Kathryn A. Hogge
Notary Public

Government's copy

RECEIVED MAY 16 1958

MF-200
(Revised June 1954)

Docket No. DMEA 4826

Commodity Uranium

Contract No. Idm-E 1181

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 27 MAR 1958 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] New Idria Mining and Chemical Company, a Nevada corporation, and Beaver Mesa Uranium, Inc., a Nevada corporation, comprising a Joint Venture,

whose mailing address is New Idria Mining and Chemical Company, Agent P.O. Box 311 ~~2618 North 12th Street~~, Grand Junction, Colorado, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, ~~and~~ xxx Annex II, ~~and map (Figure 3)~~

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Colorado, County of Mesa, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] See Annex I of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of an assignment of lease recorded in Book --, page --, official records of said County; and and deeds

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Interests of Beaver Mesa Uranium, Inc., J.L. Thompson, L. R. Baker, Trustee, Cecil S. Haynie, Lyman Hubbard, Bert Hubbard, Carter W. Elliott, Lee Murrin, Winifred Murrin, J.B. Crowley and Delsie M. Crowley

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consents to Lien and Subordination Agreements of the parties listed in Article 2(b)(2)

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Uranium. The work to be performed is described in Exhibit "A." The Operator on or before May 12, 1958 shall commence the work, and on or before November 30, 1958 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~or shall have incurred allowable costs (see Article 8) in a sum not less than the estimated total allowable cost set forth in Exhibit "A"~~ except as otherwise provided in Exhibit "A" with respect to stages of work. See Annex II.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $102,620.00. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $76,965.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; ~~but except for any such necessary excesses in categories, subcategories or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated total allowable cost of the work~~ See Annex II.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums. See Annex II.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9. See Annex II.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

See Annex II.

Printing Department
App'd. Sol. Off.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

NEW IDRIA MINING AND CHEMICAL CO.
(Operator)
By C. Hyde Lewis
~~By~~ Title President

BEAVER MESA URANIUM, INC.
By C. Hyde Lewis Agent.
Title President.

I, ARTHUR W. GORING, certify that I am the Treasurer and secretary of the corporation named as Operator herein; that C. Hyde Lewis who signed this contract on behalf of the Operator, was then PRESIDENT of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Arthur W. Goring

[CORPORATE SEAL]

Ching
Ellis
Chambers
Selfridge
Johnson

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

8

EXPLORATION PROJECT CONTRACT
NEW IDRIA MINING AND CHEMICAL COMPANY ET AL.
DOCKET NO. DMEA-4826

ANNEX I

The land referred to in Article 2 of the Contract is situate in Mesa County, Colorado, and consists of the Hubbard Homestead, a patented homestead comprising 59.33 acres, more or less, described as lot 1, Section 35, Township 51 North, Range 20 West, N.M.P.M.; and all or portions of six unpatented lode mining claims, located in Sections 25 and 36, Township 51 North, Range 20 West, N. M. P. M. & B., as follows:

> All of the Pack Rat No. 1 and the Johnnie Mae No. 3; the western 100 feet of the Johnnie Mae No. 1; and those portions of the Shakin Quakie Fraction, Pack Rat No. 2 and Pack Rat No. 3 claims lying south and east of the following described line:
>
> Beginning at a point which is the common corner of Sections 25, 26, 35 and 36, T. 51 N., R. 20 W., N. M. P. M.; thence North 55° East 980 feet; thence North 35° West 368 feet; thence easterly along the north boundary line of Pack Rat No. 3 mining claim to the junction with its east end line.

The notices of location of the claims are recorded in the official records of Mesa County and the descriptions therein are incorporated herein by reference. The recording data are as follows:

Claim	Original Book	Original Page	Amended Book	Amended Page
Pack Rat No. 1	415	329	696	364
Pack Rat No. 2	415	329	696	365
Pack Rat No. 3	549	366	696	366
Shakin Quakie Fraction	589	54	--	--
Johnnie Mae No. 1 (Western 100 ft.)	415	42	697	510
Johnnie Mae No. 3	415	120	697	512

The land is shown on the map entitled "Figure 3 - Previous and Proposed Drilling on the Hubbard Homestead and Adjoining Claims, New Idria Mining and Chemical Company, Mesa County, Colorado," attached hereto and made a part hereof.

The Operator is the lessee of the Hubbard Homestead, and is owner of the unpatented mining claims.

MF-203
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator New Idria Mining & Chem. Co.
Docket No. DMEA- 4826
Contract No. Idm-E
Contract Date

DMEA
DEPARTMENT OF THE INTERIOR
APR 21 1958
REGION III
DENVER, COLORADO

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Mesa, State of Colorado, described as follows: 2/

Unpatented lode mining claim, Shakin Quakie Fraction, located in Section 36, Township 51 North, Range 20 West, N.M.P.M., consisting of 2.41 acres, more or less

, which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

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

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

15

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 3rd day of April, 1958.

Alan M. Simpson Beaver Mesa Uranium, Inc.	[Seal]	Box 567, Grand Junction, Col.	[Address]
J. L. Thompson J. L. Thompson	[Seal]	P.O. Box 364, Danbury, Conn.	[Address]
L. R. Baker, Trustee L. R. Baker, Trustee	[Seal]	132 No. 6th Grand Junction, Colo.	[Address]
Cecil S. Haynie Cecil S. Haynie	[Seal]	P. O. Box 896, Grand Jct., Colo.	[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, Mark Holloway certify that I am the Secretary-Treasurer (Secretary, etc.) of the corporation named herein; that Alan M. Simpson who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Mark Holloway

Beaver Mesa Uranium, Inc. [Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

DMEA
DEPARTMENT OF THE INTERIOR
APR 4 - 1958
REGION III
DENVER COLORADO

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator New Idria Mining & Chem. Co.
Docket No. DMEA- 4826
Contract No. Idm-E
Contract Date

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Mesa, State of Colorado, described as follows: 2/

Lot 1, Section 35, Township 51 North, Range 20 West, New Mexico Principal Meridian, a patented homestead consisting of 59.33 acres, more or less.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

Trust Deed or mortgage to The Prudential Insurance Company of America covering one-half of the mineral rights on said Lot One.

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

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

//

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 3rd day of April, 1958

Alan M. Simpson	[Seal]	Box 567, Grand Junction Colo.	[Address]
Beaver Mesa Uranium, Inc.			
Hert Hubbard	[Seal]	Delta, Colo.	[Address]
Lyman Hubbard			
Lyman L. Hubbard	[Seal]	Gateway, Colo.	[Address]
Hert Hubbard			
Carter W. Elliott	[Seal]	701 Vereda Norte, Palm Springs, Cal.	[Address]
Carter W. Elliott			
Lee Murrin	[Seal]	822 Tremaine St. L.A. 5	[Address]
Lee Murrin			
Winifred Murrin	[Seal]	Ditto	[Address]
Winifred Murrin			

I, Mark Holloway certify that I am the Secretary-Treasurer (Secretary, etc.) of the corporation named herein; that Alan M. Simpson who signed this agreement was then president (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Mark Holloway

Beaver Mesa Uranium, Inc. [Corporate Seal]

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By _____

Address:
3175 Federal Boulevard
Denver, Colorado

I, _____, certify that I am the secretary of The Prudential Insurance Company of America; that _____ who signed this agreement was then _____ of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
Corporate Seal

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator New Idria Mining & Chem. Co.
Docket No. DMEA- 4826
Contract No. Idm-E
Contract Date

DMEA
DEPARTMENT OF THE INTERIOR
APR 4 - 1958
REGION III
DENVER, COLORADO

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Mesa, State of Colorado, described as follows: 2/

Unpatented lode mining claims, Pack Rat Nos. 1, 2, and 3, Johnnie Mae No. 3, and western 100 feet of Johnnie Mae No. 1, located in Sections 25 and 36, Township 51 North, Range 20 West, N.M.P.M.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

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

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

13

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 3rd day of April, 1958.

Alan M. Simpson Beaver Mesa Uranium, Inc.	[Seal]	Box 567 Grand Jct, Colo [Address]
J. B. Crowley J. B. Crowley	[Seal]	P.O. #1192 Grand Junction Colo [Address]
Delsie M. Crowley Delsie M. Crowley	[Seal]	P.O. Box 1135 Grand Junction Colo [Address]
J. L. Thompson J. L. Thompson	[Seal]	P. O. Box 364, Danbury, Conn. [Address]
L. B. Baker, Trustee L. B. Baker, Trustee	[Seal]	132 No 6th, Grand Junction Colo [Address]
Cecil S. Haynie Cecil S. Haynie	[Seal]	P.O. Box 896, Grand Junction, Colorado [Address]

I, Mark Holloway certify that I am the Secretary-Treasurer (Secretary, etc.) of the corporation named herein; that Alan M. Simpson who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Mark Holloway

Beaver Mesa Uranium, Inc. [Corporate Seal]

EXPLORATION PROJECT CONTRACT
NEW IDRIA MINING AND CHEMICAL COMPANY ET AL.
DOCKET NO. DMEA-4826

ANNEX II

Article 13. Changes and added provisions

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(c) Categories (2) through (6) of Article 6(a) are deleted.

(d) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

(e) In the last sentence of Article 6(c), the words "Article 8" are substituted for the words "Article 9."

(f) Notwithstanding any other provision of the Contract, the allowable unit cost per foot of a drilling item is the average unit cost per foot computed on the basis of all the actual unit costs of said drilling item incurred by the Operator: Provided, That the Government will not contribute to any portion of an average unit cost of a drilling item that exceeds the estimated unit cost of said item set forth in the Contract; and Provided Further, that the costs of each stage of work shall be computed separately.

EXPLORATION PROJECT CONTRACT
NEW IDRIA MINING AND CHEMICAL COMPANY ET AL.
DOCKET NO. DMEA-4826

EXHIBIT "A"

Description of the Work

General Provisions

The work consists of exploration for uranium by core and noncore drilling to test the top sandstone unit of the Salt Wash member of the Jurassic Morrison formation.

Each hole shall be drilled noncore through the upper formations to a point approximately 5 feet above the Brushy Basin-Salt Wash contact, and then core drilled through the uppermost Salt Wash sandstone unit, through any green mudstone lying immediately below and into the underlying red mudstone for not more than 10 feet. Drilling depths are expected to range from 240 to 655 feet and to average 458 feet. Noncore drilling is expected to average approximately 383 feet per hole and core drilling approximately 75 feet per hole.

The minimum size of core shall be BX. All core and cuttings from the cored sections of drill holes shall be checked for radioactivity. Sections indicating significant mineralization shall be split; one-half shall be analyzed chemically for uranium and vanadium and the other half shall be properly labeled and stored for inspection by the Government. The unmineralized core shall also be labeled and stored for inspection by the Government. The Operator may dispose of any stored samples after approval by the Government.

All cuttings and core from the drill holes shall be logged geologically, the holes probed radiometrically, and the record of such logging and probing, together with certified copies of all assay certificates, shall be submitted with the Operator's monthly progress report.

No hole shall be drilled closer than 100 feet to the outer boundaries of the land described in Annex I, or to underground stopes.

The Government will not contribute to any costs of an incompleted drill hole.

Access roads and drill sites shall be prepared with a D-7 bulldozer, or an equivalent unit of the same or another make.

The project shall be supervised at all times by a geologist or mining engineer, who shall devote full time to the project work.

The location, direction, inclination, and extent of all project work are subject to the approval of the Government.

The work is divided into two stages as hereinafter described. The Operator shall complete Stage I, and shall perform as much of Stage II as the Government approves in writing in advance.

Stage I

Prepare access roads and drill sites, and drill not to exceed 40 holes, aggregating an estimated 18,320 feet of drilling, at the locations indicated on the attached map (Figure 3). (The proposed hole on the Shakin Quakie claim located 180 feet southwest of completed hole BD-115 shall be omitted.) As indicated, the holes are located in an irregular drilling pattern, with spacing ranging from 200 to 400 feet, and with previously completed holes fitted into the overall pattern. If the 40 holes require more than 18,320 feet of drilling to reach the desired horizon, the additional footage and funds required may, with the written approval of the Government, be transferred and deducted from Stage II.

Stage II

Prepare access roads and drill sites and drill

not more than 40 holes, aggregating not more than 18,320 feet of drilling, as offsets to previously drilled holes that show significant mineralization. Offset holes on the Hubbard Homestead shall be not less than 150 feet from any previously completed hole with the following exception: Where the spacing in Stage I does not permit such a minimum offset distance, a lesser spacing may be used if approved in advance by the Government.

Offset holes on land other than the Hubbard Homestead shall be not less than 100 feet from any previously completed hole.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

11,175 feet noncore drilling, 0-300 foot depths @ $2/ft.	$22,350.00	
4,145 feet noncore drilling, 300-600 foot depths @ $2.10/ft.	8,704.50	
1,515 feet core drilling, 0-400 foot depths @ $4.40/ft.	6,666.00	
1,280 feet core drilling, 400-600 foot depths @ $4.90/ft.	6,272.00	
205 feet core drilling, 600-800 foot depths, @ $6/ft.	1,230.00	
40 hours drill crew standby time @ $12/hr.	480.00	
80 hours bulldozing @ $12/hr.	960.00	$46,662.50

Categories (2) through (6)

None

Category (7) Miscellaneous

None except:

300 cardboard core boxes @ $1/each	$300.00	

100 chemical sample analyses @ $5/sample	$500.00	$800.00	
		$47,462.50	
Fixed Unit Costs (See Annex II-d)			
Incidental allowance 1/ for each foot of hole drilled, 18,320 feet @ $0.21/ft.		$3,847.20	
Estimated Total Cost of Stage I			$51,309.70

Stage II

Estimated Costs of Stage II are identical to those of Stage I	$51,309.70

Summary of Costs

Estimated Total Cost of Stage I	$51,309.70	
Estimated Total Cost of Stage II	$51,309.70	
Estimated Total Cost of the Project (rounded)		$102,620.00
Government Participation @ 75 percent		$76,965.00

1/ Includes all allowable costs of the project under Categories (1) through (7) of Article 6(a), except as otherwise scheduled in Exhibit "A."

2/

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

September 6, 1957

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DATE	INITIALS	CODE

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid, (Uranium) New Idria Mining & Chemical Company (Hubbard Homestead, Shakin Quakie Fraction, Pack Rat No's. 1, 2, & 3, Johnnie Maie No. 3 and west 100 ft. - Johnnie Mae No. 1 Claims) Mesa County, Colorado

Enclosed are the original and one copy of the subject application. One copy of the application is being forwarded to the Grand Junction Office, DMEA. One copy of the application is being retained in our file.

The Applicant proposes to explore a mineralized target area by 36,600 feet of core and non-core drilling at a total estimated project cost of $113,983.00.

The land proposed for subordination was included under dockets DMEA 2391 and 3310. Both dockets were "closed" incidentally, owing to the Applicants' failure to submit required information. Cursory inspection indicates the subject application is well prepared.

The western 100 ft. of the Johnnie Mae No. 1 Claim is already subordinatd to the Government under Contract Idm-E1074.

E. N. Harshman

E. N. Harshman
Acting Executive Officer

Form MF–103
Revised Feb. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR

Budget Bureau No. 42–R1035.3
Approval expires June 30, 1958

DEFENSE MINERALS EXPLORATION ADMINISTRATION

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

NAME OF APPLICANT (Full legal name and mailing address as it should appear on contract if one is executed)

New Idria Mining & Chemical Company
Uranium Division - 2618 North 12th Street
Grand Junction, Colorado

Home Office - Idria, San Benito County, California

APPLICANT NOT TO USE THIS BLOCK

Docket Number

Date Received

Government Participation %

Region

Division Code

BUSINESS ORGANIZATION (Check one)

Individual [ ]
Corporation [X]
Partnership [ ]
Other (Specify) [ ]

State in which firm is organized: Nevada

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
See Annex I		

DMEA
DEPARTMENT OF THE INTERIOR
SEP 5 - 1957
REGION III
DENVER, COLORADO

Mineral(s) for which you wish to explore: Uranium

Estimated Cost of Project: $ 113,983.00

LOCATION OF PROPERTY

Name	County	State
Hubbard, Shakin Quakie, Pack Rat	Mesa	Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order–I, Amended, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *Office this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

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.

August 30, 1957
Dated

BY (Signature)

President
Title

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

(a) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state). SEE ANNEX II & V

(b) State all the names by which you know the property. ANNEX II

(c) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property. SEE ANNEX II & III

(d) Describe all liens, mortgages, or other encumbrances on the property. SEE ANNEX IV

2. *Physical Description:*

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the lands, including existing mine workings. Describe all production facilities. SEE ANNEX VI

(b) State your interest, if any, in operations stated in 2*(a)*.

(c) State, as far as you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available. SEE ANNEX VII

(d) Describe known ore reserves on the property giving quantities and grades and sampling methods used, supporting your statement with copies of assay certificates and assay maps if available. ANNEX VII

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.). ANNEX VIII

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates. ANNEX VIII

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you may have, indicating on each whether you require its return to you. ANNEX VIII

3. *Accessibility of Project:*

(a) To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings. SEE ANNEX IX

(b) Name the shipping and supply points and places where employees reside and state the distances between them and the property. SEE ANNEX IX

4. *The Exploration Project:*

(a) Describe fully the proposed exploration project giving individual footages and sizes of openings *for each item of work*. Use narrative, maps, plans, and longitudinal and cross sections as necessary. Show the location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *property boundaries* or to the closest identifiable corner. ANNEX X, also Map B

(b) If an access road to the project must be built, show the location on the property map and state the length, type, and construction methods proposed. None

(c) In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work. START - 30 days, Finish - 12 Months 2500 ft. per month

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

SEE ANNEX XI

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*. SEE ANNEX XIV

(a) Independent contracts. State the cost of any proposed independent contract for the performance of all or any part of the work, expressed in units of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved. Cost estimates should be supported by bids from three contractors, if possible. *(Note* — If none of the work is to be contracted, write "none" after this item.) SEE ANNEX XII

(b) Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available. SEE ANNEX XIII

(c) Operating materials and supplies. List items of material and supplies with their cost. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each. None

(d) Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired — i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value. None

(e) Initial rehabilitation and repairs. Describe the type and the cost of necessary *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant, which will be used on the exploration project. None

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration project stating specifications and cost including labor, materials and supervision. None

(g) Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. SEE ANNEX XIII

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)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order-I, Amended. We are prepared to furnish our share

(b) Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise. By Money

* * * * *

TABLE OF CONTENTS

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DATE	INITIALS	CODE

	PAGES
A. DMEA Application Form, MF-103	1
B. Table of Contents	2
C. Annex I - Officers of the Corporation	3
D. Annex II - Property Map A	In rear folder 7
E. Annex III - Leases, Agreements & Deeds	8-40
F. Annex IV - Royalty and Lease Interests	41,42
G. Annex V - Recordings of Unpatented Claims	43
H. Annex VI - Mining & Exploration Operations	44,45
I. Annex VII - Past and Current Production	46-62
J. Annex VIII - Geologic Report	63-69
K. Annex IX - Location of Claims, Manpower and Supply Availibility, etc.	70
L. Annex X - Proposed Work and Drilling Estimates ..... (Refer to Map B - in rear folder)	71-73
M. Annex XI - Supervision Experience & Background	74
N. Annex XII - Bulldozer & Drilling Contracts, with copies of Drilling Bids	75-78
O. Annex XIII - Labor, Supervision & Miscellaneous Costs	79
P. Annex XIV - Summary of Costs	80

New Idria Mining & Chemical Company, Uranium Div., ~~Gateway~~ Grand Junction, Colo.

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ANNEX I

1 (c)

Titles, names and addresses of all officers:

Chairman of the Board ----------	David Van Alstyne, Jr. Van Alstyne, Noel & Co. 52 Wall Street New York, 5, New York
President ----------	C. Hyde Lewis Idria, San Benito County, California
~~Vice-President~~ ----------	~~T. F. Vandenbaan~~ ~~185 Meadows Building~~ ~~Dallas, Texas~~
Secretary-Treasurer ----------	Malcolm A. Burgess Idria, San Benito County, California

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ANNEX II

1 (a)

Hubbard Homestead - Lot 1, Section 35, Township 51 North, Range 20 West, N.M.P.M.; a patented homestead consisting of 59.33 acres, more or less.

Shakin Quakie Fraction - An unpatented lode mining claim, located in Section 36, Township 51 North, Range 20 West, N.M.P.M., consisting of 2.41 acres, more or less.

Pack Rat Nos. 1, 2, & 3 - Three unpatented lode mining claims, located in Sections 25 & 36, Township 51 North, Range 20 West, N.M.P.M., consisting of 52.40 acres, more or less.

Johnnie Mae No. 3 - An unpatented lode mining claim, located in Section 36, Township 51 North, Range 20 West, N.M.P.M., consisting of 20.66 acres, more or less.

Johnnie Mae No.1 (Western 100 feet) - An unpatented lode mining claim, located in Section 36, Township 51 North, Range 20 West, N.M.P.M., consisting of 3.44 acres, more or less. The remainder of this claim is under Docket D.M.E.A. 4494, Johnnie Mae claim group.

The total acreage in this application is 138.24 acres, more or less.

Please refer to Property Map A, in rear folder.

1 (b) Names by which property is known:

Pack Rat, Shakin Quakie, and Hubbard Homestead.

1 (c) Lessee of the Hubbard Homestead, and owner of the above listed six claims. Please refer to Annex III.

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ANNEX III

8

No. 90-A. MINING LEASE (Long Form) The Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, Denver.

This Agreement of Lease, Made and entered into this 16th day of December A. D. 19 52, by and between BERT HUBBARD and LYMAN HUBBARD

of Gateway, Colorado, hereinafter called the lessors, and FORREST COSTRAS, of Grand Junction, Colorado hereinafter called lessee;

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WITNESSETH, That the said lessors for and in consideration of the rents, royalties, covenants and agreements hereinafter expressed to be paid, kept and performed by the said lessee, has leased, let and demised and by these presents do lease, let and demise unto said lessee the following described mining property and premises, situate in the Gateway Mining District, Mesa County, State of Colorado, to-wit: Lot 1, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian; RESERVING AND EXCEPTING, However, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of DP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

TO HAVE AND TO HOLD the above described premises for the purposes of mining, from the 16th day of December, A. D. 19 52, to the 16th day of December, A. D. 19 57, unless sooner forfeited or terminated through the violation of any of the covenants and conditions herein contained, with no power to assign this lease or any part thereof or to sublet the whole or any part of said leased premises without the written consent of the said lessors first had and obtained.

The said lessee in consideration of the premises has covenanted, contracted and agreed and by these presents do covenant, contract and agree to and with the said lessors, their executors, administrators and assigns:

(1) To enter upon said leased premises and to work the same in mine fashion in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the development and preservation of said mine or mining premises, as a workable mining property, and to the special covenants herein contained.

(2) To work and mine said premises as aforesaid, steadily and continuously during the period of this lease and in doing said work to perform at least 20 man shifts of mining labor per month each and every month during the life of this lease.

(3) To repair all old timbering wherever it may become necessary, and to well and sufficiently timber said mine and mining premises at all points where proper and necessary in accordance with good and safe mining; continuing the timbering in the working shafts now upon said premises with timber of the same dimensions as heretofore used, unless it becomes necessary for safety to use larger timber, in which event timber of sufficient size for safety and permanent mining shall be used.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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(4) To allow the lessor.....or their.....agent from time to time to enter upon and descend into all parts of said leased premises, for the purpose of inspection, surveys or taking samples therefrom, and to render to said parties proper assistance in making such inspection, surveys or examination.

(5) To occupy and hold as the property of the lessor.....all cross and parallel lodes, spurs and mineral deposits of every kind which may be uncovered, disclosed or discovered within said leased ground by the said lessee.....or any person or persons under or in privity with.....him....., with privilege to said lessee.....to work and mine the same as part and parcel of said premises.

(6) To keep at all times the drifts, shafts, tunnels and other workings thoroughly drained and clear of loose rock and rubbish, unless prevented by extraordinary mining casualty.

(7) To stow no waste underground except with the consent and under the direction of the lessor.....

(8) To do no underhand stoping below the bottom of any main working level or winze and to do no stoping or breaking of ore rock within..... .....feet of any working shaft.

(9) Not to adulterate or mix any ores broken or mined without the consent of the lessor.....; it being understood that all ores mined which are too low grade for present shipment shall remain the property of and be subject to the control and disposition of the lessor.....

(10) To make all working shafts at least four (4) feet by eight (8) feet in the clear; all drifts and tunnels at least three and one-half (3½) feet by six and one-half (6½) feet in the clear, and all winzes and raises at least three and one-half (3½) feet by seven (7) feet in the clear.

(11) It is expressly understood and agreed that the lessor.....reserve.....the property and right of property in and to all ores extracted from said premises during the period of this lease, and the said lessee.....covenant.....and agree.....to pay and allow the lessor.....as royalty upon all ores mined, shipped or sold from said leased premises in any manner during the life of this lease, as follows, to-wit: Fifteen per cent (15%) of the value of all ores mined and sold from said premises; all buyer or buyers of ore mined from said premises shall be instructed to pay 15% of the value of ores so purchased directly to the lessors at Gateway, Colorado, and this agreement shall constitute authority for any such ore buyer or buyers to so pay such royalty. All bonuses, bonlage and development allowances received by lessee from operating said premises shall be and remain his sole and separate property.

It is understood and agreed by and between the parties that the lessee shall have the right and option to extend this agreement for an additional period of five years from the termination hereof upon giving written notice addressed to lessors by United States Registered mail at Gateway, Colorado, at least 30 days prior to the expiration hereof by limitation of time. Said right and option to so extend this agreement may be exercised by lessee only in the event he has complied with all the terms and provisions hereof at the time he exercises his option to so renew this agreement.

This agreement shall terminate on the 15th day of June, 1953, in the event the lessee has not commenced exploratory drilling of said premises by said date.

[redacted]

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

(12) The lessee.....shall and hereby do.....assume all responsibility in case of accident to..... or any of.....employees in or about said property.

(13) All taxes assessed against said demised premises for ores mined and shipped under this lease shall be paid by the less.....

(14) All bills and expenses incurred by the lessee.....or those in privity with.....shall be promptly paid by the lessee....., and by said prompt payment said lessee.....shall prevent the filing of any and all liens of miners, mechanics or material men, against said demised premises; and, if by reason of the failure of said lessee.....to pay such bills or expenses, any lien or liens shall be filed against said premises the said lessor.....may forthwith pay off and discharge the same, and the said lessee.....hold..... bound to pay to said lessor.....all sums so advanced or paid to clear said premises from liens which may be filed as aforesaid, and the said lessor.....may also at.....election declare a forfeiture of this lease.

(15) Said lessee.....further covenant.....that no person not in privity with the parties hereto shall be allowed to hold possession of said premises or any part thereof under any pretext whatever.

(16) Further, that.....will deliver to said lessor.....quiet and peaceable possession of said demised premises in good order and condition with all drifts, tunnels and other passages thoroughly drained and cleared of loose rock and rubbish and said premises ready for immediate continued working, without demand or further notice, on the.....day of.....A. D. 19....., at noon, or at any time previous thereto, upon demand for forfeiture, and it is mutually understood that all machinery and tools which may be placed upon said premises by the said lessee.....may be removed therefrom within ten days after the termination of this lease; provided, however, that no such tools or machinery shall be so removed while the said lessee.....may be in any manner indebted to the said lessor..... under any obligation incurred under this lease.

(17) Upon the violation of any covenant or condition herein contained, this lease shall, at the option of said lessor....., expire and terminate, and the said premises with the appurtenances and all buildings and other improvements shall become forfeited to the lessor....., and the said lessor..... or..... agent may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force, and with or without process of law, or at the option of the lessor.....the said lessee.....and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful detainer.

Time is of the essence of this agreement, and each and every clause of this indenture and all the covenants and conditions contained herein, expressed or implied, shall extend to the successors, heirs, executors, administrators and lawful assigns of all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names the day and year first above written.

Bert Hubbard [SEAL]

Lyman L. Hubbard [SEAL]

Forest Cochran [SEAL]

.....[SEAL]

.....[SEAL]

.....[SEAL]

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NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

Book 592 Page 554
Recorded at 9:45 o'clock A.M. Nov. 19, 1953
Reception No. 589362 Annie M. Dunston, Recorder

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A G R E E M E N T

THIS AGREEMENT Made and entered into on this the 4th day of september, 1953, by and between Forrest Cochran, party of the first part, and Don Danvers, party of the second part;

WITNESSETH:

WHEREAS the first party leased from Bert Hubbard and Lyman Hubbard by written agreement dated the 16th day of December, 1952, the following described real property situate in the county of Mesa, State of Colorado, to-wit:

> Lot 1, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian; RESERVING AND EXCEPTING, however, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of DP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

for a period beginning on the 16th day of December, 1952 and ending on the 16th day of December, 1957, with an option to extend said agreement upon the same terms and conditions for an additional five (5) year period with a rental for said premises of 15% of the value of all ores mined and sold from said premises; and

WHEREAS, it is the mutual wish of the parties hereto that the first party sub-lease said premises to the second party on the terms and conditions hereinafter set forth;

NOW, THEREFORE, for and in consideration of Ten Dollars ($10.00) and other valuable consideration and the mutual covenants and agreements of the parties hereto, it is agreed as follows:

That the first party does hereby sub-lease unto the second party the above described real property for a period beginning on the date first above written and ending on the 16th day of December, 1957, unless sooner terminated through a violation of any of the

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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SEP 9 1957
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covenants of the agreement herein contained or a violation of the terms and conditions of said lease agreement between the first party and said Hubbards, with the right in the second party to exercise the option for an additional five year period as contained in said lease agreement.

That the mining lease above referred to between the first party and the said Hubbards is inclosed herein and made a part of this agreement by reference as fully as though copied herein.

The second party agrees to carry on and conduct his mining operations upon the leased premises in strict accordance with the terms and conditions of said original lease between the said first party and the said Hubbards and to indemnify and save harmless the first party of and from any and all damages which ma7 accrue to the first party on account of the failure by the second party to keep and perform any of the terms and conditions of the aforesaid original lease.

The second party covenants and warrants that he willkeep in good standing the aforesaid original lease from the said Hubbard to the first party and agreed that he will prevent a forfeiture or cancellation of said original lease.

The second party agrees to pay to Bert Hubbard and Lyman Hubbard 15% of the value of all ores mined and sold from said premises and agrees to authorize and instruct the ore buyer or buyers of ores mined from said premises to pay to Bert Hubbard and Lyman Hubbard 15% of the Value thereof and this agreement shall constitute and authorize said ore buyer or buyers to so pay the royalty due the said Hubbards under the terms and conditions of said original lease.

The second party agrees to pay to the first party over and above the royalty paid to the said Hubbards 12½% of the value of all ores mined and sold from said premises.having a value of less than $50.00 per ton and 15% of the value of all ores mined and sold from said premises having a value of $50.00 per ton or more.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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SEP 9 1957
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The ore buyer or buyers of ore mined from said premises shall be authorized and instructed to pay to the first party the royalty herein provided. The second party agrees to pay to the first party 30% of any bonus received by him from the production of ores from said premises. Said 30% of any such bonus shall be paid to the first party within 10 days after the receipt thereof by second party. All haulage and development allowance paid for the production and transportation of ores from said premises shall be kept and retained by second party.

The second party agrees to go upon the premises above described immediately, and after doing certain core drilling for exploration and development purposes, to thereafter commence mining activities upon the same as soon as possible and to mine ore located upon the premises above described having due regard for the preservation of said property and economical mining and to continue mining ore therefrom solong as ore can be produced and mined at a reasonable profit.

Second party agrees that in the event he desires tosurrender or terminate this lease that he notify the first party of his intention before any default or breach of any covenant of the original lease has occurred so as to permit the first party to go upon said premises and keep and maintain covenants and agreements to be kept and maintained by him as provided in said original lease.

Upon the violation of any covenant or condition herein contained or violation of any covenants or conditions contained in the original lease dated December 16, 1952, this sub-lease shall at the option of the first party expire and terminate and the premises with all improvements thereon shall become forfeited to the first party, and the first party or his agent may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same with or without force and with or without process of law. Or at the option of the first party, the

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

second party and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful retainer.

It being understood by and between the parties hereto that time is of the essence of this agreement and each and every clause of this agreement and all covenants and conditions contained herein and the covenants and conditions contained in said original lease shall extend to the heirs, executors, administrators and lawful assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

Forrest M Cochran (SEAL)
Party of the first part

Don Danvers (SEAL)
Party of the second part

We, the lessors in the lease agreement dated the 16th day of December, 1952, between the undersigned as lessors and Forrest Cochran as lessee do hereby consent to the sub-lease of the premises as contained in this instrument and the assignment of the interest of the said Forrest Cochran in and to said agreement of December 16, 1952 to Don Danvers.

Dated at Gateway, Colorado,nthis 4th day of September, 1953.

Bert Hubbard (SEAL)
Bert Hubbard

Lyman Hubbard (SEAL)
Lyman Hubbard

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NEW IDRIA MINING AND CHEMICAL COMPANY
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GRAND JUNCTION, COLORADO

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17

ASSIGNMENT OF ROYALTY

KNOW ALL MEN BY THESE PRESENTS, That I, FORREST COCHRAN, for and in consideration of the sum of Ten Dollars and other valuable consideration to me in hand paid, receipt and sufficiency thereof being hereby acknowledged by me, do hereby sell, transfer, convey, set over and assign unto _____ BERTHA I. LUPTON _____, an undivided one- half interest in and to all of my royalties in and to the ores, metals and minerals mined and sold from the following described premises, situate in the County of Mesa, State of Colorado, to-wit:

> Lot 1, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian; RESERVING AND EXCEPTING, however, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of DP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

said royalties constituting 12½% of the value of all ores mined and sold from said premises having a value of $50.00 per ton and 15% of all ores mined and sold having a value of $50.00 per ton, but not including any of my interest in and to any bonus paid for the production of ores from said premises, and neither does said royalties include any haulage or development allowances paid for the production and transportation of ores from said premises; said royalties having been reserved by me in that certain Lease Agreement dated the 4th day of September, 1953, between me, as sub-lessor, and Don Danvers, as sub-lessee.

Dated at Grand Junction Colorado this _____ day of May, 1954.

_____ (SEAL)

STATE OF COLORADO }
COUNTY OF M E S A } ss.

The above and foregoing instrument was acknowledged before me this _____ day of May, 1954, by Forrest Cochran.

My commission expires July 15, 1957.

_____
Notary Public

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NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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18

AGREEMENT

THIS AGREEMENT, Made and entered into on this the 18th day of May, 1955, by and between BERTHA I. LUPTON of Wichita, Kansas, hereinafter referred to as seller, and DON DANVERS of San Antonio, Texas, hereinafter referred to as buyer,

WITNESSETH:

WHEREAS, Forrest Cochran has heretofore assigned, sold and transferred to the seller an undivided one-half interest in and to all of his royalties of the ores, metals and minerals mined and sold from the following described premises situate in the County of Mesa, State of Colorado, to-wit:

> Lot 1, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian; But not including any of the said Forrest Cochran's interest in and to any bonus paid for the production of ores from said premises;

and

WHEREAS, it is the mutual wish and desire of the parties hereto that the seller shall sell and the buyer shall purchase all of seller's royalty interest in and to all ores, metals and minerals mined and sold from the above described premises on the terms and conditions hereinafter set forth.

NOW, THEREFORE, For and in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

1. The seller will sell and the purchaser will purchase all of the seller's royalty interest in and to all ores, metals and minerals mined and sold from the premises above described.

2. That buyer will pay and purchaser will accept as payment for seller's royalty interest in and to said property the sum of $7500.00 in cash, 3000 shares of the common stock in Vanadium Queen Uranium Corporation and 1875 shares of the common stock of New Idria Mining and Chemical Company. The parties agree that the stock of the Vanadium Queen Uranium Corporation may be non-negotiable.

3. The payment of said money and the delivery of said stock shall be paid and delivered as follows:

> (A) The seller acknowledges receipt of the sum of $7500, cash in hand paid to her by seller
>
> (B) The Common stock of New Idria Mining and Chemical Company shall be delivered to seller within 60 days from the date hereof

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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SEP 9 1957
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(C) The common stock of Vanadium Queen Uranium Corporation shall be delivered to the seller within 10 days after the Securities and Exchange Commission authorizes the sale of said stock to the public

4. The parties agree that the seller shall contemporaneously with the execution of this agreement, make, execute and deliver a good and sufficient Deed conveying her royalty interest in and to the above described property to the buyer, which Deed shall be placed in escrow, along with a copy of this agreement with Haynie & Hotchkiss, Attorneys at Law, Grand Junction, Colorado, with instructions to said escrow agent to deliver said deed to purchaser upon proof that the said purchaser has delivered the common stock hereinabove described to seller, and with further instructions to said escrow agent to deliver said Deed to seller in the event the purchaser fails, neglects or refuses to deliver said common stock to seller as provided herein.

5. The parties agree that in the event the purchaser fails, neglects or refuses to deliver said common stock to seller as herein provided, the seller may, at her election, terminate this agreement upon giving thirty (30) days written notice of her intention so to do to purchaser. This agreement shall thereupon become null and void and of no further force or effect at the end of said thirty day period after notice has been delivered to seller, unless the purchaser, during that period, has delivered said stock to the seller. It being understood and agreed by and between the parties that time is of the essence of this agreement. The notice above referred to shall be sent to the purchaser by United States Registered Mail, return receipt requested, with postage prepaid, at the purchaser's address:

104 Uranium Center
Grand Junction, Colorado

and shall be deemed to have been given upon the date of the mailing thereof.

This Agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

Bertha I. Lyston (SEAL)
SELLER

(SEAL)
PURCHASER

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2618 N. 12th Street
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A G R E E M E N T

THIS AGREEMENT, Made and entered into by and between BERT HUBBARD and LYMAN HUBBARD, Parties of the first part, hereinafter referred to as Lessors, and DON DANVERS, party of the second part, hereinafter referred to as Sublessee,

WITNESSETH:

WHEREAS, The Lessors leased to Ferrest Cochran the Following described property, situate in the County of Mesa and State of Colorado, to-wit:

> Lot One of Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian,

by written agreement dated the 16th day of December, 1952, said property having been leased for mining purposes in accordance with the terms and conditions of said agreement; and

WHEREAS, The said Forrest Cochran assigned, with the consent of the Lessors, all of this interest in and to said agreement and the property above-described to Don Danvers by written instrument dated the 4th day of September, 1953; and

WHEREAS, IT IS THE MUTUAL WISH AND DESIRE, of the parties hereto that the Lessors consent to the assignment of the interest of the Sublessee in and to said written agreements and the property above-described to New Idria Mining & Chemical Co., should the Sublease so elect to assign his said interest on terms and conditions hereinafter contained; and

NOW THEREFORE, For and in consideration of the premises and the sum of One Dollar and other valuable considerations paid to the Lessors by the Sublessee, the receipt and sufficiency whereof is hereby acknowledged bythe Lessors, THE PARTIES AGREE As follows:

1. That the Sublessee and his assignee shall hereafter employ

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

two shifts of men working a minimum of 40 8-hour man days per month on the tunnel now being driven by Sublessee across the Pack Rat Mining claims Nos. 1, 2 and 3 for the purpose of mining ores from the above-described property, and shall continue to employ two shifts working a minimum of 40 8-hour man days per month until said tunnel is completed. The parties agree that the lease agreement of December 16, 1952, is hereby supplemented as provided for in this paragraph and this provision shall be construed to have the same force and effect as if specifically provided for in said lease of December 16, 1952.

2. Sublessee agrees to install an air operated trammer in said tunnel and keep and maintain the same in operation during the driving of said tunnel.

3. The Lessors consent to the assignment by Sublessee, at his election, of all of this right, title and interest in and to the lease agreement dated the 16th day of December, 1952 and the assignment thereof dated the 4th day of September, 1953, to New Idria Mining & Chemical Co., subject, however, to the action now pending in the District Court of Mesa County, Colorado, wherein the Lessors instituted an action against the Sublessee and Forrest Cochran to cancel and terminate the lease agreement of December 16, 1952.

4. The Sublease agrees to furnish to the Lessors a copy of any assignment as herein provided, duly executed by the Sublessee and accepted by his assignee.

5. The consent to said lease as herein provided, shall not and does not authorize further assignment or subleases without the prior written consent and approval of Lessors.

6. The Sublessee has obtained the written consent and approval of the said Forrest Cochran to the assignment of said lease agreement as herein provided.

7. Any assignment of said lease agreement of December 16, 1952 shall obligate the assignee to strictly comply with all of the terms and conditions of said lease agreement.

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NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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IN WITNESS WHEREOF, The parties have hereunto set their hands and seals as of this _____ day of March, 1955.

_____ (SEAL)

) _____ (SEAL)
Lessors

_____ (SEAL)
Lessee

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NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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ASSIGNMENT OF LEASE

THIS ASSIGNMENT OF LEASE, made and entered into on this the _____ day of _____, A. D. 1954, by and between [illegible] SHEPHERD, party of the first part, and RED TRAIL MINING & CHEMICAL CO., a Nevada corporation, party of the second part,

WITNESSETH:

WHEREAS, Bert Hubbard and Lyman Hubbard did, by written agreement dated the 16th day of December, 1952, lease unto Forrest Cochran the following-described property, to-wit:

> Lot One, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian, in the County of Mesa, State of Colorado; RESERVING and SHEPHERD, however, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of HP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

which agreement is recorded in the records of the county clerk and recorder of Mesa County, Colorado, in Book 621 at page 340; and

WHEREAS, The said Forrest Cochran did, by written assignment dated the 4th day of September, 1953, assign his leasehold interest to the first party, said assignment being recorded in the records of the county clerk and recorder of Mesa County, Colorado in Book 592 at page 354; and

WHEREAS, It is the mutual wish and desire of the parties hereto that the first party assign, sell, transfer and set over unto second party all of his right, title and interest in and to said property;

NOW, THEREFORE, For and in consideration of the premises and the mutual covenants and agreements of the parties hereto herein contained, IT IS AGREED as follows:

1. That the first party does hereby sell, transfer, set over and assign unto the second party all of first party's right, title and interest in and to the property above-described by virtue of the lease agreement and sublease agreement hereinabove referred to.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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2. The second party agrees to abide by and comply with all of the terms, covenants, conditions and agreements contained in said lease agreement of the 16th day of December, 1952 and the sublease agreement of September 4, 1953 to be kept and performed by the lessee and sublessee of said premises, the same as though all of the terms, covenants, conditions and agreements to be kept by said lessee and sublessee were fully copied herein.

3. The second party covenants and warrants that it will keep in good standing the aforesaid lease agreement dated the 16th day of December, 1952 and the sublease agreement dated the 4th day of September, 1953 and will not permit a forfeiture or cancellation of said original lease.

4. The second party agrees that it will pay to Bert Hubbard and Lyman Hubbard, their heirs, personal representatives or assignees, as the case may be, all royalties to be paid to them in accordance with the terms of said agreement of December 16, 1952, and second party further agrees that it will pay to Forrest Cochran, his heirs, personal representatives or assigns, as the case may be, the royalty payments as required by the terms of said sublease agreement of September 4, 1953.

5. The second party agrees that it will pay to John I. Schumacher 2½% of the values of all ores, metals and minerals from the premises above-described, including 2½% of any production bonus paid by the United States Atomic Energy Commission for the production of ores from said premises; all in accordance with the requirements of the agreement executed by the first party hereto to the said John I. Schumacher, dated the 15th day of February, 1954 and recorded on the 11th day of August, 1954 in the office of the county clerk and recorder of Mesa County, Colorado, in Book 613 at page 141.

6. The second party hereto further agrees to instruct the buyer or buyers of ores, metals or minerals mined and sold from said premises to pay to the said Bert Hubbard and Lyman Hubbard and the

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NEW LERIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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said Forrest Cochran and the said John I. Schumacher the royalties from ores mined and sold from said premises, including any production bonus in accordance with the terms of the lease agreement of December 15, 1952, the sublease agreement of December 4, 1953 and the agreement of February 15, 1954.

IT IS MUTUALLY AGREED by and between the parties hereto that upon the violation of any covenant or condition herein contained, or upon a violation of any of the covenants or conditions in the original lease agreement dated December 16, 1952 and the sublease agreement dated September 4, 1953, this agreement shall, at the option of the first party, expire and terminate, and the premises, with all improvements thereon, shall be and become forfeited to the first party, and the first party, or his agent, may thereupon, after demand in writing for possession, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law, or, at the option of the first party, the second party and all persons found occupying said premises, or any part thereof, may be proceeded against as guilty of unlawful detainer; it being understood by and between the parties hereto that time is of the essence of this agreement and each and every clause of this agreement and all covenants and conditions contained herein shall extend to and be binding upon the heirs, successors, administrators and lawful assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the day and year first herein written.

_____ (SEAL)
First Party

NEW LRIA MINING & CHEMICAL CO.

By _____
President
Second Party

ATTEST:

_____
Secretary

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NEW LRIA MINING AND CHEMICAL COMPANY
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Recorded at ..... o'clock ..... M., ...
Reception No. ....Recorder.

26

THIS DEED, Made this 27th day of July in the year of our Lord one thousand nine hundred and Fifty-Five between FORREST M. COCHRAN of the County of Mesa and State of Colorado, of the first part, and NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada corporation of the County of and State of Colorado, of the second part,

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WITNESSETH, That the said party of the first part, for and in consideration of the sum of Ten Dollars and other valuable consideration - - - - - - - - - - - - - - - DOLLARS to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, has remised, released, sold, conveyed and QUIT CLAIMED, and by these presents does remise, release, sell, convey and QUIT CLAIM unto the said party of the second part, its heirs, successors and assigns, forever, all the right, title, interest, claim and demand which the said party of the first part has in and to the following described situate, lying and being in the County of Mesa and State of Colorado, to-wit:

A royalty interest in and to the ores, metals and minerals mined and sold from the following described premises situate in the County of Mesa, State of Colorado, to-wit:

Lot One (1) in Section Thirty-Five (35), Township 51 North, Range 20 West of the New Mexico Principal Meridian

Said royalty interest consisting of 6¼% of the value of all ores mined and sold from said premises having a value of $50.00 or less per ton, and 7½% of all ores mined and sold from said premises having a value of $50.00 or more per ton, and 15% of any production bonus paid by the United States Atomic Energy Commission for the production of ores from said premises but excluding (not including) any haulage or development allowances paid for the transportation or production of ores from said premises.

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part, its heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, Sealed and Delivered in the Presence of

..... [SEAL]
..... [SEAL]
..... [SEAL]
..... [SEAL]

STATE OF COLORADO,
County of MESA } ss.

The foregoing instrument was acknowledged before me this 27th day of July A. D. 1955, by* Forrest M. Cochran.

My commission expires July 15, 1957. Witness my hand and official seal.

.....
Notary Public.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

*If by natural person or persons here insert name or names; if by person acting in representative or official capacity or as attorney-in-fact, then insert name of person as executor, attorney-in-fact or other capacity or description; if by officer of corporation, then insert name of such officer or officers, as the president or other officers of such corporation, naming it.—*Statutory Acknowledgment, Session 1927.*

No. 933. QUIT CLAIM DEED.—Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado.

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Recorded at.....o'clock.....M., ...

Reception No..... .....Recorder.

27

THIS INDENTURE, Made this day of , in the year of our Lord one thousand nine hundred fifty-six , between

DON DANVERS

of the County of Bexar and State of ~~Colorado~~, part of the first part, and NEW IDRIA MINING AND CHEMICAL COMPANY

of the County of San Benito and State of ~~Colorado~~ California, part y of the second part;

WITNESSETH, That the said party of the first part, for and in consideration of the sum of - - - TEN DOLLARS and other valuable considerations - - - - - - - - - - - - 100

to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, ha ve granted, bargained, sold, remised, released and forever quit-claimed, and by these presents do es grant, bargain, sell, remise, release and forever quit-claim, unto the said part y of the second part, its heirs and assigns, the following described property, situate, lying and being in Mining District, in the County of Mesa , and State of Colorado, to-wit:

All of my royalty interest in and to the ores, metals and minerals mined and sold the following described premises situate in the County of Mesa, State of Colorado, to-wit:

Lot One (1) in Section Thirty-Five (35), Township 51 North, Range 20 West of the New Mexico Principal Meridian;

Said royalties consisting of 6¼% of the value of all ores mined and sold from said premises having a value of $50.00 per ton and 7½% of all ores mined and sold from said premises having a value of $50.00 per ton or more, EXCLUDING, however, any part of the production bonus paid by the United States Atomic Energy Commission, and excluding any haulage or development allowances paid for the transportation and production of ores from said premises;

TOGETHER with all the dips, spurs, and angles, and all the metals, ores, gold and silver-bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said part y of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said part y of the second part its heirs and assigns forever.

IN WITNESS WHEREOF, The said part y of the first part ha s hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of

.....[SEAL]

.....[SEAL]

.....[SEAL]

STATE OF ~~COLORADO~~ TEXAS
County of BEXAR } ss.

The foregoing instrument was acknowledged before me this day of A. D. 19 56, by Don Danvers.

My commission expires , 19 . Witness my hand and official seal.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

.....
Notary Public.

No. 37. MINING DEED. – Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado

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MINING DEED

DON DANVERS and DOROTHY DANVERS, his wife, of San Antonio, Texas, Grantors, hereby grant, bargain, sell, remise, release and forever quitclaim to New Idria Mining and Chemical Company, a Nevada corporation, Grantee, for the sum of Ten Dollars and other good and valuable consideration, the following described unpatented lode mining claims, situated in the Gateway (unorganized) Mining District, Mesa County, Colorado, to wit:

Pack Rat #1, recorded in Book 415, Page 329 of the public records of the County Clerk and Recorder of Mesa County, Colorado.

Pack Rat #2, recorded in Book 415, Page 329, of the public records of the County Clerk and Recorder of Mesa County, Colorado.

Pack Rat #3, recorded in Book 549, Pages 365, 6, 7, of the public records of the County Clerk and Recorder of Mesa County, Colorado.

Johnnie Mae #3, recorded in Book 415, Page 120, of the public records of the County Clerk and Recorder of Mesa County, Colorado.

All those parts of Johnnie Mae #1, recorded in Book 415, Page 42; Johnnie Mae #2, recorded in Book 415, Page 120; Johnnie Mae #4, recorded in Book 415, Page 329; Johnnie Mae #5, recorded in Book 415, Page 330; and Johnnie Mae #6, recorded in Book 415, Page 330, lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West of the New Mexico Principal Meridian, bears South 12° 53' East 4875 feet; thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest corner of said Section 36 bears South 73° 16' West 1365 feet.

Together with any and all other right, title, and interest of the Grantors in and to said above named claims.

Subject to the payment of One Million Dollars ($1,000,000.) to J. B. Crowley to be paid out of Ten Per Cent (10%) of the gross value of all ores, metals and minerals mined and sold from said property including production bonuses, but not including haulage or development allowances, and subject further to the other conditions contained in the Quitclaim Deed from J. B. Crowley to Don Danvers dated March 23, 1955 and recorded April 19, 1955 at Book 640, Page 589.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

Subject to an additional royalty of Ten Per Cent (10%) of the gross value of all ores, metals and minerals mined and sold from said property including any production bonuses, but not including any haulage or development allowances.

Together with all dips and spurs, rights, privileges and franchises, tenements, hereditaments and appurtenances thereto incident or belonging, or therewith used and enjoyed, and all the estate, right, title, interest, property, claim and demand whatsoever, legal and equitable, as well in possession as in expectancy, of the Grantors, of, in or to said premises, and every part thereof; and

Together with and including all buildings, improvements, equipment and tools presently located and used upon said mining claims.

WITNESS the hands of said Grantors this 20 day of May, 1955.

Don Danvers

Dorothy Danvers

STATE OF NEW YORK)
)
County of New York)

On the 23rd day of May, 1955, personally appeared before me, DON DANVERS and DOROTHY DANVERS, signers of the above instrument, who duly acknowledged to me that they executed the same.

Notary Public
Residing at:

CLARENCE J. WESTERMEIER
NOTARY PUBLIC State of New York
No. 30-0000
Qualified in Kings County
Term Expires March 30, 1956

My Commission Expires:

State of New York } ss.:
County of Kings }

NO. 53836

Form 1

I, FRANCIS J. SINNOTT, Clerk of the County of Kings, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, having a seal, DO HEREBY CERTIFY, That Clarence J. Westermeier whose name is subscribed to the deposition, certificate of acknowledgment or proof of the annexed instrument, was at the time of taking the same a NOTARY PUBLIC in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commission, or a certificate of his appointment and qualification, and his autograph signature, have been filed in my office; that as such Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proof of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County this 24 day of May 1955

Francis J. Sinnott
Clerk

URANIUM DIVISION
NEW [illegible] GRAND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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Recorded at ..... o'clock ..... M., ...

Reception No. ..... Recorder.

30

Recorder's Stamp

KNOW ALL MEN BY THESE PRESENTS: That

BERTHA I. LUPTON

of the County of Sedgwick, and State of ~~Colorado~~ Kansas,

for the consideration of - - - - Ten Dollars and other valuable consideration - - - - - - - - - - - - - - ~~Dollars~~

in hand paid, hereby sell and convey to

DON DANVERS

of the County of Bexar, and State of ~~Colorado~~ Texas, the following real property, situate in the County of Mesa and State of Colorado, to-wit:

All of my royalty interest in and to the ores, metals and minerals mined and sold from the following described premises situate in the County of Mesa, State of Colorado, to-wit:

Lot One (1) in Section Thirty-Five (35), Township 51 North, Range 20 West of the New Mexico Principal Meridian;

Said royalties consisting of 6¼% of the value of all ores mined and sold from said premises having a value of $50.00 per ton and 7½% of all ores mined and sold from said premises having a value of $50.00 per ton or more, EXCLUDING, however, any part of the production bonus paid by the United States Atomic Energy Commission, and excluding any haulage or development allowances paid for the transportation and production of ores from said premises;

with all its appurtenances, and warrant the title to the same, subject to

Signed and delivered this 18 day of May, A. D. 19 55.

in the presence of

Myrtle A. Smit

x Bertha I. Lupton (SEAL)

..... (SEAL)

..... (SEAL)

STATE OF ~~COLORADO~~ KANSAS
County of Sedgwick } ss.

The foregoing instrument was acknowledged before me this 20th day of May 19 55, by* Bertha I. Lupton.

Witness my hand and official seal.

My commission expires april 21 1956

URANIUM PRODUCTS
AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

Clarence P. Grogan
Notary Public.

*If by natural person or persons here insert name or names; if by person acting in representative or official capacity or as attorney-in-fact, then insert name of person as executor, attorney-in-fact or other capacity or description; if by officer of corporation, then insert name of such officer or officers, as the president or other officers of such corporation, naming it.—*Statutory Acknowledgment, Session 1937.*

No. 897. WARRANTY DEED—Statutory Form.—Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado

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ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, That I, JOHN I. SCHUMACHER, for and in consideration of Ten Dollars and other good and valuable consideration, do hereby sell, transfer, remise, release and forever quit-claim unto SAHARA URANIUM CORP., a Utah corporation, its successors and assigns, a 2½% royalty interest in and to all ores, metals and minerals mined and sold from the following described unpatented mining claim, located in the Gateway (unorganized) Mining District in Mesa County, Colorado, to-wit:

NAME	BOOK	PAGE
Shakin Quakie Fraction	589	54

and a 2½% royalty on all ores mined and sold from the following described patented ground located in Mesa County, Colorado, to-wit:

Lot One (1) in Section Thirty-Five (35),
Township 51 North, Range 20 West of the
New Mexico Principal Meridian;

said assignment includes 2½% of any production bonus paid by the United States Atomic Energy Commission for ores mined and sold from said premises, but excludes any moneys paid by any agency for haulage and development allowances paid for ores mined and sold from said premises.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 7th day of March, 1956.

_____ (SEAL)

STATE OF COLORADO)
COUNTY OF M E S A) ss.

The foregoing instrument was acknowledged before me this 7th day of March, A. D. 1956, by John I. Schumacher.

Witness my hand and official seal.

My commission expires July 13, 1957.

_____
Notary Public

NEW LINA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of June, 1956, by and between NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada corporation, hereinafter called the "Lessor", and BEAVER MESA URANIUM, Inc., a Nevada corporation, hereinafter called the "Lessee",

WITNESSETH:

That the Lessor did, under date of June 1, 1955, enter into a certain lease agreement with Ventures, Inc., a Colorado corporation, whereunder and whereby the following described unpatented lode mining claims situated in the Gateway Mining District, Mesa County, Colorado, to-wit:

PACK-RAT 1, 2 and 3
SHAKIN-QUAKIE
JONNIE MAE 1, 2, 3, 4, 5, & 6
AND THE FEE LANDS COMMONLY KNOWN OF AS HUBBARD HOMESTEAD

were leased to Ventures, Inc., and thereafter, Ventures, Inc. merged with Lessee and Lessee is now the owner and holder of said lease, entitled to enjoy all the rights and privileges thereunder and obligated to perform all of the undertakings specified therein, and

WHEREAS, the parties hereto by this agreement wish to amend said lease agreement so that hereafter the terms and conditions of said lease shall be as follows:

WITNESSETH:

That the Lessor for and in consideration of the covenants hereinafter reserved and by the Lessee to be kept and performed has leased and demised to said Lessee the following described mining properties situated in the Gateway Mining District, Mesa County, Colorado, to-wit:

PACK-RAT 1, 2 and 3
SHAKIN-QUAKIE
JONNIE MAE No. 3 and a strip 100 feet in width on Jonnie Mae No. 1. This strip is to run parallel and adjoining the west side line of Jonnie Mae No. 1 and extending the full length of said claim. HUBBARD HOMESTEAD, which is more particularly described in the lease running to Lessor, copy of which is attached hereto as Exhibit A.

The rights hereby granted are limited to the area within the vertical planes of the boundary lines of the above described premises. The Lessor does not grant any right he may have in law or equity to cross

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NEW IDRIA MINING AND CHEMICAL COMPANY
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GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

the subsurface of any property owned by Lessor or others adjoining the leased premises, but the Lessee shall have the right to cross any of the vertical planes of the boundary lines of said described premises to enter upon, explore, develop and mine any properties which Lessee may be entitled to explore, develop or mine, which adjoins or abuts any of the above described property.

To have and to hold the demised premises for a term of six (6) years from date hereof and so long thereafter as commercial ore is being mined, unless sooner terminated as hereinafter provided.

In consideration of said lease, said Lessee does hereby agree with the Lessor as follows:

1. The Lessee has examined the leased property and accepts the same in its present condition and agrees that Lessor shall not be liable for any expenses incurred by Lessee in operations upon the demised premises.

2. To enter upon said demised premises and to commence work thereon immediately.

3. To work and mine said premises steadily and continuously during the term of this lease, with not less than four hundred (400) shifts of work on said premises during each and every calendar month of the term of this lease.

The foregoing work requirement shall be suspended during work stoppages caused by strikes, wars, fires, floods, or in compliance with the order of any governmental agency having jurisdiction to make an order which may require the stoppage of work.

4. All property of the Lessee used upon said premises, whether attached to the demised property or not, shall be and remain the property of the Lessee and the Lessee shall have sixty (60) days after the termination of this lease in which to remove such property. Any property not so removed within sixty (60) days shall become the property of the Lessor. It is agreed between the parties hereto that all property, whether personal or affixed to the demised premises now located thereon, shall for the purpose of this agreement be considered the property of the Lessee, it being understood that all property which belongs to the Lessor shall be maintained by the Lessee during the course of this lease and returned to Lessor upon termination. The Lessor shall have the option to buy the affixed property of the Lessee upon termination of this lease.

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NEW IDRIA MINING AND CHEMICAL COMPANY
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DATE | INITIALS | CODE

5. Lessee shall perform all work upon the demised premises in a good and workmanlike manner.

6. Lessee agrees that during the term of this lease, it will refrain from any act which would constitute a violation of the Hubbard Homestead Lease attached hereto, or would give the Lessors of said lease the right to forfeit or cancel same.

7. The Lessor shall have the right (a) to enter and inspect all parts of the leased premises and take samples therefrom; (b) to take samples from ore mined or removed from the demised premises, and (c) to make surveys of the work done by the Lessee.

All of the foregoing to be done at such times and in such manner as not to interfere with the operations being conducted by the Lessee. Lessee agrees to furnish copies of surveys, maps, and drill hole logs made by the Lessee of the demised premises.

8. Lessee shall have the right to use any of the tunnels, shafts, inclines and other workings upon the demised premises for the purpose of transporting ores and waste materials from adjoining or adjacent properties, provided that the Lessee shall not use said tunnels and workings so as to interfere with its ability to perform the obligations to the Lessor as herein set forth.

9. The Lessee agrees to supply the Lessor within thirty (30) days after the close of any calendar month, a statement showing the number of man-hour shifts worked under and pursuant to this agreement.

10. To keep said premises and every part thereof at all times free and clear of all mechanics' or miners' liens or other liens, encumbrances or liabilities; to settle, pay and discharge all indebtedness and liabilities incurred by the said Lessee, and to forthwith post, and at all times keep posted in some conspicuous place upon the premises hereby leased, a notice that said premises are leased to the Lessee and that the interest of the Lessor therein shall not be subject to any lien for services, labor or material furnished upon or used in connection with this lease, or said leased premises, said notice to be on behalf and in the name of the Lessor Company with the signature of the Lessee also attached.

11. Lessee agrees not to assign or sublease any of the properties covered by this indenture without the written consent of the Lessor first had and obtained.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

12. To assume all responsibility for and save the Lessor harmless from any and all accidents to himself or any of his employees, licensees, agents, associates or visitors, upon the property of the Lessor, as herein leased and to forthwith post and at all times keep posted at the main workings upon the premises hereby leased, a conspicuous notice in the name and on behalf of the Lessor, with the name of the Lessee also attached, stating in substance that the premises are leased to the Lessee and that the Lessor will not be liable for damages on account of any such accident. The Lessor shall under no circumstances be liable to the Lessee or his agents, servants, employees, licensees, sublessees, associates, visitors or any other person, on account of any such accident.

13. Lessee agrees to ship all ore removed from the demised premises within a reasonable time, said ores to be shipped to whom and under such terms and conditions as the Lessee shall arrange and the buyer being willing, upon the direction of the Lessor, to provide for the payment of the amounts due hereunder to the Lessor by the buyer of said ore.

14. All saleable ores mined from said property shall be shipped separate and apart from any other ores and shall not be mixed in such manner as to reduce the values for determining royalty payments, but shall be mixed and shipped in such manner as to give a fair valuation of all ores mined.

15. The Lessee agrees to pay and deliver to the Lessor as rental or royalty upon all ores extracted or shipped or sold from the premises, a royalty of forty-five percent (45%) of the gross value of the ore, including vanadium content, including thirty-two and one-half percent (32½%) of the initial production bonus and excluding haulage and development payments, the same to be the property of the Lessee. Lessor agrees that, if the Atomic Energy Commission sends notice that they are not going to certify the Hubbard Homestead property for initial production bonus, Lessor will within 30 days after receipt of said notice, pay Lessee the sum of $23,625.00.

16. Lessee shall pay all taxes that may be levied or assessed against leased premises and any other taxes or charges that may be payable or arise in connection with the Lessee's operations, including, but not limited to, mining, development and exploration costs, workmen's compensation premiums, social security and unemployment contributions, it being the intent of the parties that the Lessor shall be liable for no expense, charges, taxes or other levies.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

17. Wherever and whenever it becomes necessary to segregate the ores produced from any parts of the demised premises, the Lessee agrees to keep said ores separate and to dump the same into ore bins so as to keep said ore separate and to provide for the haulage of said ores to the mill or buying station in such manner as not to intermingle the same.

18. It is agreed that a short form of notice of this agreement shall be recorded as a public record, the form being attached hereto as Exhibit B and by this reference made a part hereof.

19. It is mutually agreed that upon violation by the Lessee of any of the covenants of the foregoing lease, that said lease may, at the option of Lessor, be terminated and the Lessor may enter upon the said demised premises and dispossess all persons occupying the same. The Lessor may at its option proceed against all persons found in possession thereof, provided, however, that if this agreement is forfeited upon the election of Lessor for failure of the Lessee to perform any of the covenants hereunder, Lessor shall, at least thirty (30) days prior to such forfeiture, notify Lessee in writing by registered mail, addressed to the Lessee at its office in Grand Junction, Colorado, setting forth in particular the violations of this lease claimed by the Lessor, and if the Lessee shall fail or refuse to correct such violations within thirty (30) days of the receipt of said notice, then the Lessee shall surrender and deliver up possession of said mining claims and all of its rights under this agreement shall cease and terminate.

It is further mutually agreed that Lessee shall have the right to surrender this lease at any time, giving Lessors at least thirty (30) days, written notice of such intention to surrender, sent by registered mail to New Idria Mining and Chemical Company, Idria, California, and upon such surrender, Lessee shall have the right, within a reasonable time, to remove all of its machinery, equipment, and personal property from said claims.

20. All of the operations of the Lessee under this lease shall be so conducted as to fully comply in every respect with the laws of the State of Colorado and of the United States Government.

21. Lessee agrees to carry adequate workmen's compensation and public liability insurance, in the same manner and amounts as they are now carrying, and to furnish the Lessor with a copy of the same.

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NEW IDRIA MINING AND CHEMICAL COMPANY
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DATE	INITIALS	CODE

22. This agreement shall be binding and enforceable by the respective successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed by its duly authorized officers this day and year first above written.

NEW IDRIA MINING AND CHEMICAL CO.

By _____ President

LESSOR

ATTEST:

_____ Secretary

BEAVER MESA URANIUM, INC.

By _____ President

LESSEE

_____ Secretary

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

AGREEMENT

THIS AGREEMENT, made and entered into this 31st day of December, 1956, between BERT HUBBARD, LYMAN HUBBARD, BOB DIETRICH, PAUL DIETRICH, LOE MURIN and CARLER W. ELLIOTT, hereinafter called "Lessors", and NEW IDRIA MINING AND CHEMICAL COMPANY, hereinafter called "Lessee",

WITNESSETH:

WHEREAS, Bert Hubbard and Lyman Hubbard as lessors entered into a mining lease with Forest Cochran under date of December 16, 1953, for certain lands known as the Hubbard Homestead; and

WHEREAS, the Hubbards sold and conveyed an undivided one-half interest in and to the minerals in the Hubbard Homestead and an undivided one-half interest in and to the lease, to Bob Dietrich, Paul Dietrich, Loe Murin and Carler W. Elliott; and the said Forest Cochran assigned his interest in said lease to one Don Lerwere, who thereafter assigned to the New Idria Mining and Chemical Company, lessee herein; and

WHEREAS, on September 19, 1956, the lessors herein served Notice to terminate the lease for the reasons set out in said notice; and the parties hereto desire to compromise their differences on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, it is hereby mutually agreed as follows:

1. The lessee agrees to provide a separate bin for the Hubbard Homestead ores, and the Hubbard Homestead ores shall not be co-mingled with other ores and shall be dumped only in the bin provided for such ores.

2. Beaver Park Uranium, Inc., sublessee of lessee, shall discontinue using the Hubbard Homestead tunnel for the hauling of ore, except from the Hubbard Homestead, Pack Rat and Shaft Quality mining claims, on or before March 1, 1957, and thereafter shall not use the Hubbard Homestead tunnel for ores other than from the properties above described without written consent of lessors.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

3. Upon the termination of the lease between lessors and lessee herein, the easement granted pursuant to Court Order in Civil Action 5611 in the District Court of Mesa County, Colorado, shall be in full force and effect, and the lessee hereby recognizes the validity thereof.

4. Beaver Mesa Uranium, Inc., or the lessee herein, shall furnish monthly the information which the latter agreed to furnish in the letter dated November 27, 1956, addressed to Smith & Nelson and signed by Haynie D Hotchkiss. In addition to the information to be furnished, lessors shall be furnished with duplicates of tickets showing the number of mine cars and truckloads of ore taken from the Hubbard Homestead Mine; said tickets to be furnished within 15 days after the calendar month in which said ore is shipped.

5. It is contemplated that so long as Beaver Mesa Uranium, Inc. operates the leased premises, the lessee will require them to perform not less than 400 man shifts of work on the Hubbard Homestead claims and the other claims involved in the lease between the lessee and Beaver Mesa Uranium, Inc., dated June 1, 1956, subject to the right to suspend work under the conditions set forth in said lease; and that an equitable amount of such shifts of work shall be performed on the Hubbard Homestead property, taking into consideration the potential ore reserves on the respective properties and all other factors which have a reasonable bearing on the matter. In the event that the Beaver Mesa Uranium, Inc., lease is terminated, then the lessee agrees to employ sufficient man-shifts to mine and develop and explore the Hubbard Homestead property with reasonable diligence with the general plan in mind of removing all blocked out ore or developed ore prior to the termination of its lease.

6. In consideration of the execution of this agreement by lessee, lessors hereby approve the sub-lease above mentioned to Beaver Mesa Uranium, Inc. No further sub-leases shall be made without the consent of the lessors. Lessors further hereby withdraw their notice to terminate the lease.

7. The provisions of this agreement shall, insofar as applicable be considered as additional terms and conditions of the said lease of December 16, 1952. The said lease, except as supplemented hereby, shall in all respects remain in full force and effect.

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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DATE	INITIALS	CODE

This agreement shall be binding upon and inure to the benefit of the heirs, representatives and assigns of the lessors and the successors and assigns of the lessee.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Bert Hubbard

Lyman L. Hubbard

[illegible]

BERT HUBBARD, PAUL HUBBARD & LYMAN HUBBARD

By [illegible]
Their Agent

Lessors

NEW IDRIA MINING & CHEMICAL COMPANY

By [illegible]
President

ATTEST:

[illegible]
Secretary

Lessee

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
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DATE	INITIALS	CODE

ANNEX IV

1 (d)
~~3 (e)~~

Hubbard Homestead - Lot 1, Sec. 35, T51N, R20W, N.M.P.M., containing 59.33 acres, more or less.

Royalties: L.L. & Bert Hubbard ---------- 7.5%
Gateway, Colorado

Carter Elliott ---------- 7.5%
201 Vereda Del Norte
Palm Springs, California

Sahara Uranium ---------- 2.5%
345 South State Street
Salt Lake City, Utah

Operating Lease Agreement:

Beaver Mesa Uranium, Inc. ------55.0%
Box 567, Grand Junction, Colo.

Total 72.5%

To: New Idria Mining & Chemical Company -- 27.5%

Shakin Quakie Fraction - An unpatented claim in Sec. 36, T51N, R20W, N.M.P.M., containing 2.6 acres, more or less.

Royalties: Jack Thompson ---------- 8.75%
Danbury, Conn.

Don Danvers ---------- 8.3125%
Milam Building
San Antonio, Texas

Sahara Uranium ---------- 2.5%
345 South State Street
Salt Lake City, Utah

Cecil Haynie ---------- 0.4375%
200 North Sixth St.
Grand Junction, Colo.

Operating Lease Agreement:

Beaver Mesa Uranium, Inc.
Box 567, Grand Junction, Colo. 55.0%

Total 75.0%

To: New Idria Mining & Chemical Company 25.0%

New Idria Mining & Chemical Company Co., Uranium Div., ~~Gateway~~ Grand Jct., Colo.

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DATE	INITIALS	CODE

ANNEX IV (Continued)

1 (d)
~~3 (e)~~

Pack Rat Nos. 1, 2, and 3, and Johnnie Mae No. 3 - Four unpatented mining claims, each containing 20 acres, more or less, with Pack Rat Nos. 1 and 2, and Johnnie Mae No. 3 in Sec. 36, and Pack Rat No. 3 in Sec. 25, all in T51N, R20W, N.M.P.M., also the western 100 feet of Johnnie Mae No. 1.

Royalties:	Jack Thompson ---------- Danbury, Conn.	5.0%
	J. B. Crowley ---------- Box 1649 Grand Junction, Colo.	10.0%
	Don Danvers ---------- Milam Building San Antonio, Texas	4.75%
	Cecil Haynie ---------- 200 North Sixth St. Grand Junction, Colo.	0.25%
Working Lease Agreement:		
	Beaver Mesa Uranium, Inc. Box 567, Grand Junction, Colo.	55.0%
	Total	75.0%
To:	New Idria Mining & Chemical Company	25.0%

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1. (a)
~~3. (f)~~

ANNEX V

The original location certificates and any subsequent amended location certificates for the unpatented lode mining claims are all listed below. All of these instruments are recorded in the Office of the County Clerk and Recorder for Mesa County, Colorado, located in Grand Junction, Colorado.

Claim	Original Location		Amended Location	
	Book	Page	Book	Page
Shakin Quakie Frac.	589	54	--	--
Pack Rat No. 1	415	329	696	364
Pack Rat No. 2	415	329	696	365
Pack Rat No. 3	549	366	696	366
Johnnie Mae No. 3	415	120	697	512
Johnnie Mae No. 1	415	42	697	510

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2. ~~4.~~ (a)

MINING & EXPLORATION OPERATIONS

Hubbard Homestead

The Hubbard orebody was found by Government drilling in the southeast corner of the Homestead in July and August of 1953. A long tunnel (1725 feet long) was driven from the Pack Rat No. 3 in the direction of approximately South 47 West to this body of ore. Please refer to Map "B" in rear folder of this report. The first shipments from this property were made in February, 1956. Mining is continuing as of the date of this report from the southern part of this orebody.
There is approximately 2,000 feet of drift in this mine, and entry can be made into this mine from the previously mentioned Hubbard Tunnel or from the Lumsden No. 1 through the Pack Rat and the Rajah 67 & 68.
At the present time two ore faces are being mined on the Hubbard Homestead, but no calculations can be given as to reserves because more drilling is necessary.

Pack Rat Mine

The present workings in this mine are in the extreme Southwest corner of the Pack Rat No. 2 claim, from which area ore is being shipped and moved through the Rajah claims.
The Pack Rat mine has been worked since 1951 when the mining was done in the area known as the North Pack Rat, and these workings are located in the north end of Pack Rat No. 1 claim. Mining started in the South Pack Rat mine in 1954, with mining through the Lumsden No. 1 mine by virtue of an easement from Union Carbide Nuclear Co.(then United States Vanadium Co.). All of these workings are shown on Map "B", in rear folder.
There is approximately 4300 feet of drift on the Pack Rat No, 1 claim.
On the Johnnie Mae No. 3 claim there is approximately 360 feet of drift; and the ore from this claim was shipped as Pack Rat mine ore, because the ownership and royalties were the same for both.
On the Pack Rat No. 2 claim there is approximately 340 feet of drift, and it is on this claim that all of the mining has been done during the past two months.
The normal entry to the Pack Rat mine is through the Lumsden No. 1 portal, except for the workings in the North Pack Rat which are reached by their own portal, which lies just above the Hubbard Tunnel portal.

Shakin Quakie Fraction

This fraction lies between the Pack Rat No. 2 claim and the Hubbard Homestead and is mined through the Hubbard Tunnel. No mining has been conducted on this fraction during the past two months.

Michael Reese
D.R.T.
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2. (a) Continued

Production Facilities

These properties of New Idria Ming & Chemical Company are leased to Beaver Mesa Uranium, Inc. P. O. Box 567, Grand Junction, Colorado. Under this agreement Beaver Mesa must perform 400 manshifts of work each calendar month on these properties.

Ore is trammed through the Hubbard Tunnel by a battery trammer, and through the Pack Rat by Diesel trammer. At the Hubbard portal ther is two fifty ton ore bins and one thirty ton bin. At the Lumsden No. 1 portal there are three thirty ton bins.

All of the ore from these properties is hauled by small trucks (8-15 ton) to the ore pads at the foot of John Brown Canyon. From these pads the ore is loaded into larger trucks (23-28) tons and sent to Union Carbide Nuclear mills in either Rifle or Uravan, Colorado.

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ANNEX VII

2. (b & c)
~~4 (b)~~

All of New Idria Mining & Chemical Companies records since taking over these properties on July 1, 1955 are attached hereto as part of Annex VII. The only property worked prior to the above date was the Pack Rat. Listed below is the production record of the Pack Rat prior to July 1, 1955 as shown in Mr. C. C. Sterns report of May, 1954, and the production of May and June, 1955 taken from Mr. L. R. McBrides report.

PRODUCTION RECORD

Pack Rat Mine

Date	Gross Tons Produced	U308	V205	
1951	911.92	0.20	1.13	(9 months)
1952	2047.83	0.23	1.01	
1953	1876.30	0.325	1.36	
1954	No records available			
Jan. to April, 1955	- No records available			
May, 1955	774.67 dry tons	0.26	1.43	
June, 1955	166.00 dry tons	0.40	1.64	

Ore Reserves - There are several faces of ore being worked on both the Pack Rat and Hubbard Homestead, but at the present time no reserves could be estimated as there are no blocked out ore reserves in these mines.

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Uranium Division
New Idria Mining & Chemical Company
2618 N. 12th St. Grand Junction, Colo.

June, 1957

ITEM	Pack Rat	Hubbard Homestead	Shakin Quakie	Johnnie Mae	Totals
Dry tons	326.02	572.33	---	---	898.35
Assay U308	0.22	0.30	---	---	0.27
V205	0.92	1.40	---	---	1.23
Content U308	1469.64	3426.58	---	---	4896.22
Pounds V205	5998.52	16043.23	---	----	22041.75
Dollar U308	5143.74	11993.04	---	---	17136.78
Value V205	1859.54	4973.40	---	---	6832.94
Premium	124.18	852.94	---	---	977.12
Dev. Allowance	734.82	1713.30	---	---	2448.12
Haulage	37/07/133	266/07/133			
$ per net ton	301/5.35 T	335/5.35 T			
Dollars	1953.11	4272.46	---	---	6225.57
Cost Haulage	1968.28	4381.52			6349.80
Difference	15.17	109.06	---	---	124.23
U308+Prem+V205	7127.46	17819.38	---	---	24946.84
J. B. Crowley	712.75	-----	---	---	712.75
Hubbard, et. al.	-----	2672.91	---	---	2672.91
Don Danvers	338.55	-----	---	---	338.55
Jack Thompson	356.37	-----	---	---	356.37
Sahara Uranium	-----	445.48	---	---	445.48
Cecil Haynie	17.82	-----	---	---	17.82
Ralph Hickman	-----	-----	---	---	------
Beaver Mesa	3920.10	9800.66	---	---	13720.76
Dev. Allowance	734.82	1713.30	---	---	2448.12
Haulage Diff.	15.17	109.06	---	---	124.23
Total-B.M.	4670.09	11623.02	---	---	16293.11
New Idria	1781.87	4900.33	---	---	6682.20
New Idria (to date)	145850.40	63595.26	16372.03	44046.13	269863.82
Wet tons	337.71	601.47	---	---	939.18
% Moisture	3.5	4.9	---	---	4.3
U308+Prem+V205+ Dev. Allowance	7862.28	19532.68	---	---	27394.96
B.M.-per wet ton	13.82	19.34	---	---	17.35

New Idria Mining & Chemical Co., Uranium Div., Grand Junction, Colo.

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URANIUM DIVISION
New Idria Mining & Chemical Company
Box 214 Gateway, Colorado

May, 1957

ITEM	Pack Rat	Hubbard Homestead	Shakin Quakie	Johnnie Mae	Totals
Dry tons	504.09	669.98	0	0	1174.07
Assay U308	0.22	0.18	-	-	0.196
V205	0.97	0.71	-	-	0.82
Content U308	2189.55	2455.64			4645.19
Pounds V205	9914.26	9600.65			19514.91
Dollar U308	7033.80	7662.89			14696.69
Value V205	3073.43	2976.20			6049.63
Premium	257.81	24.50			282.31
Dev. Allowance	1094.78	1227.83			2322.61
Haulage	212/07/133	685/06/51			
$ per net ton	321/06/51	25/07/133			
Dollars	2954.82	2330.88			5285.70
Cost Haulage	3468.42	3683.13			7151.55
Difference	513.60	1352.25			1865.85
U308+Prem.+V205	10365.04	10663.59			21028.63
J. B. Crowley	1036.50	----			1036.50
Hubbard, et. al.	---	1599.54			1599.54
Don Danvers	492.24	----			492.24
Jack Thompson	518.25	----			518.25
Sahara Uranium	---	266.59			266.59
Cecil Haynie	25.91	----			25.91
Ralph Hickman					-----
Beaver Mesa	5700.77	5864.97			11565.74
Dev. Allowance	1094.78	1227.83			2322.61
Haulage Diff.	513.60	1352.25			1865.85
Total - B.M.	6281.95	5740.55			12022.50
New Idria	2591.26	2932.49			5523.75
New Idria (to date)	144068.53	58694.93	16372.03	44046.13	263181.62
Wet tons	532.23	709.93			1242.16
% Moisture	5.3	5.6			5.5
U308+Prem.+V205+ Dev. Allowance	11459.82	11891.42			23351.24
B.M.-per wet ton	11.81	8.09			9.68

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
GRAND JUNCTION, COLORADO

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URANIUM DIVISION
New Idria Mining & Chemical Company
Box 214 Gateway, Colorado

April, 1957

ITEM	Pack Rat	Hubbard Homestead	Shakin Quakie	Johnnie Mae	Totals
Dry tons	50.09	468.82	None	None	518.91
Assay U308	0.39	0.29	--	--	0.30
V205	0.87	1.26	--	--	1.22
Content U308	395.23	2729.25	--	--	3124.48
Pounds V205	874.35	11771.75	--	--	12646.10
Dollar U308	1383.31	9552.38	--	--	10935.69
Value V205	271.05	3649.25	--	--	3920.30
Premium	146.15	640.48	--	--	786.63
Dev. Allowance	197.62	1364.63	--	--	1562.25
Haulage	54/6/133	103/6/133			
$ per net ton		394/5.35/ton			
Dollars	429.64	2928.41	--	--	3358.05
Cost Haulage	443.64	2955.12	--	--	3398.76
Dufference	14.00	26.71			40.71
U308+Prem.+V205	1800.51	13842.11	--	--	15642.62
J. B. Crowley	180.05	---	--	--	180.05
Hubbard, et. al.	---	2076.32	--	--	2076.32
Don Danvers	85.53	---	--	--	85.53
Jack Thompson	90.03	---	--	--	90.03
Sahara Uranium	---	346.05	--	--	346.05
Cecil Haynie	4.50	---	--	--	4.50
Ralph Hickman	----	-----	--	--	-----
Beaver Mesa	990.28	7613.16	--	--	8603.44
Dev. Allowance	197.62	1364.63	--	--	1562.25
Haulage Diff.	14.00	26.71			40.71
Total-B.M.	1173.90	8951.08	--	--	10124.98
New Idria	450.13	3806.58	--	--	4256.71
New Idria (to date)	141477.27	55762.44	16372.03	44046.13	257657.87
Wet tons	53.84	496.86	--	--	550.70
% Moisture	7.0	5.68	--	--	5.80
U308+Prem.+V205+ Dev. Allowance	1998.13	15206.74	--	--	17204.87
B.M.-per wet ton	21.74	18.01	--	--	18.38

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New Idria Mining & Chemical Company
Box 214 Gateway, Colorado

March, 1957

ITEM	Pack Rat	Hubbard Homestead	Shakin Quackie	Johnnie Mae	Totals
Dry tons	247.12	237.29	33.27	72.37	590.05
Assay U308	0.29	0.28	0.20	0.32	0.28
V205	1.42	0.99	0.51	2.78	1.36
Content U308	1414.10	1295.51	133.04	469.75	3312.40
Pounds V205	7038.27	4672.45	337.26	4021.68	16069.66
Dollar U308	4895.37	4534.29	465.64	1644.13	11539.43
Value V205	2181.86	1448.46	104.55	1246.72	4981.59
Premium	331.88	259.77	0.00	135.21	726.86
Dev. Allowance	707.05	647.76	66.52	234.88	1656.21
Haulage	241/07/133	47/07/133			
$ per net ton	22/565/ton	203/565/ton	35/07/133	77/07/133	
Dollars	2366.12	1587.92	326.87	719.01*	4280.91
Cost Haulage	2109.18	1533.72	289.30	687.29*	3932.20
Difference	256.94	54.20	37.57	31.72*	348.71
U308+Prem.+V205	7409.11	6242.52	570.19	3026.06	17247.88
J. B. Crowley	740.91	------	------	302.61	1043.52
Hubbard, et. al.	------	936.38	------	------	936.38
Don Danvers	351.94	------	47.40	136.17	535.51
Jack Thompson	370.46	------	49.89	151.30	571.65
Sahara Uranium	------	156.06	14.25	------	170.31
Cecil Haynie	18.52	------	2.49	15.13	36.14
Ralph Hickman	-----	-----	-----	1345.76	1345.76
Beaver Mesa	4075.01	3433.39	313.60	1075.09*	7822.00
Dev. Allowance	707.05	647.76	66.52	234.88*	1421.33
Haulage Diff.	256.94	54.20	37.57	31.72*	348.71
Total - B.M.	5039.00	4135.35	417.69	1341.69*	9592.04
New Idria	1852.28	1716.70	142.55	1341.69	5053.22
New Idria (to date)	141027.14	51955.86	16372.03	44046.13	253401.16
Wet tons	262.73	250.33	35.11	77.23	625.50
% Moisture	5.9	5.2	5.2	6.3	5.67
U308+Prem.+V205+ Dev. Allowance	8116.16	6890.28	636.71	3260.94	18904.09
B.M. - per wet ton	19.12	16.54	11.93	17.42*	17.50

* - New Idria - not included in totals

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URANIUM DIVISION
New Idria Mining & Chemical Company
Box 214 Gateway, Colorado

February, 1957

ITEM	Pack Rat	Hubbard Homestead	Shakin Quackie	Johnnie Mae	Totals
Dry tons	281.14	88.12	----	57.65	426.91
Assay U308	0.44	0.45		0.67	0.47
V205	1.61	0.99		3.22	1.70
Content U308	2465.42	796.90		767.37	4029.69
Pounds V205	9068.71	1740.77		3711.40	14520.88
Dollar U308	8628.97	2789.15		2685.80	14103.92
Value V205	2811.30	539.64		1150.53	4501.47
Premium	1005.65	333.32		450.30	1789.27
Dev. Allowance	1232.71	398.45		383.69	2014.85
Haulage					
$ per net ton	$0.077	$5.35/wet ton		$0.084	
Dollars	3074.66	505.68		682.50*	3580.34
Cost Haulage	2551.96	482.05		543.70	3034.01
Difference	522.70	23.63		138.80	546.33
U308+Prem.+V205	12445.92	3662.11		4254.93**	20362.96
J.B.Crowley	1244.59			425.49	1670.08
Hubbard, et. al.		549.32			549.32
Don Danvers	591.18			191.48	782.66
Jack Thompson	622.30			212.75	835.05
Sahara Uranium		91.55			91.55
Cecil Haynie	31.12			21.27	52.49
Ralph Hickman				1984.77	1984.77
Beaver Mesa	6845.26	2014.16		1419.17*	8859.42
Dev. Allowance	1232.71	398.45		383.69*	1631.16
Haulage Diff.	522.70	23.63		138.80*	546.33
Total- B.M.	8600.67	2436.24		1941.66*	11036.91
New Idria	3111.48	1007.08		1941.66	6060.22
New Idria (to date)	139174.86	50239.16	16229.48	42704.44	248347.94
Wet tons	300.23	94.52		61.09	455.84
% Moisture	6.4	6.8		5.6	6.35
U308+Prem.+V205+ Dev. Allowance	13678.63	4060.56		4670.32	22409.51
B.M.-per wet ton	28.65	26.83		31.78*	27.90

* - New Idria - not included in totals
** - Lime penalty of $31.70 on 1st Half Shipment

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New Idria Mining & Chemical Company
Box 214 Gateway, Colorado

January, 1957

ITEM	Pack Rat	Hubbard Homestead	Shakin Quackie	Johnnie Mae	Totals
Dry tons	266.19	109.56	129.97	104.67	610.39
Assay U308	0.37	0.17	0.27	0.618	0.35
V205	2.10	0.60	0.60	3.65	1.78
Content U308	1953.34	378.88	700.56	1292.46	4325.24
Pounds V205	11177.30	1306.49	1567.83	7648.80	21700.42
Dollar U308	6836.69	1140.09	2451.96	4523.61	14952.35
Value V205	3464.96	405.01	486.02	2371.13	6727.12
Premium	666.44	---	135.51	716.78	1518.73
Dev. Allowance	576.67	189.44	350.28	646.23	1762.62
Haulage		98/7/133	85/7/133		
$ per net ton	$0.07	20/5/ton	54/5/ton	$0.084	
Dollars	2653.35	916.85	791.72	1253.27*	4361.92
Cost Haulage	2348.40	813.52	706.14	998.40*	3868.06
Difference	304.95	103.33	85.58	254.87*	493.86
U308+Prem.+V205	10968.09	1545.10	3073.49	7611.52	23198.20
J. B. Crowley	1096.81			761.22	1858.03
Hubbard, et.al.		231.77			231.77
Don Danvers	521.00		255.48	342.55	1119.03
Jack Thompson	548.42		268.93	380.62	1197.97
Sahara Uranium		38.63	78.64		117.27
Cecil Haynie +	27.42		13.45	38.06	78.93
Ralph Hickman				3517.92	3517.92
Beaver Mesa	6032.45	849.81	1690.42	2571.85*	8572.68
Dev. Allowance	576.67	189.44	350.28	646.23*	1116.39
Haulage Diff.	304.95	103.33	85.58	254.87*	493.86
Total- B.M.	6914.07	1142.58	2126.28	3472.95*	10182.93
New Idria	2742.02	424.91	786.37	3472.95	7426.25
New Idria(to date)	136063.38	49232.08	16229.48	40762.78	242287.72
Wet tons	285.00	118.90	139.12	112.18	655.20
% Moisture	6.6	7.8	6.6	6.7	6.78
U308+Prem.+V205+ Dev. Allowance	11544.76	1734.54	3423.77	8257.75	23960.82
Beaver Mesa- per wet ton	24.26	9.60	16.02	31.01*	18.75

*- New Idria- not included in totals
+- Purchased interest from L.R. McBride 1-1-57

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NEW IDRIA MINING AND CHEMICAL COMPANY
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URANIUM DIVISION
New Idria Mining & Chemical Co.
Box 214 Gateway, Colo.

All properties to Dec. 31, 1956

ITEM		Pack Rat	Hubbard Homestead	Shakin Quackie	Johnnie Mae	Totals
Dry tons		8530.84	6294.82	1930.35	978.68	17734.69
Assay	U308	0.383	0.275	0.301	0.791	0.358
	V205	1.894	0.860	0.846	3.102	1.480
Content Pounds	U308	65331.27	34626.43	11618.67	15478.58	127054.95
	V205	323262.03	108490.38	32641.46	60708.94	524922.81
Dollar Value	U308	227914.37	120404.81	40400.48	54175.05	442894.71
	V205	100211.25	33632.02	10118.85	18819.78	162781.90
Premium		23967.11	7265.41	2972.82	10203.60	44408.94
Dev. Allowance		32665.72	17313.25	5809.37	7739.31	63527.65
Haulage						
Dollars paid		85194.97	59043.12	16908.39	11319.98*	161146.48
Cost Haulage		74015.35	53402.10	15901.06	9231.47*	143318.51
Difference		11179.62	5641.02	1007.33	2088.51*	17827.97
U308+Prem.+V205		352092.73	161302.24	53492.15	83029.71	649916.83
J. B. Crowley		35209.28			8302.98	43512.26
Hubbard, et. al.			24195.35			24195.35
Don Danvers		15844.18		4446.53	3736.35	24027.06
Jack Thompson		17604.68		4680.56	4151.49	26436.73
Sahara Uranium			4032.57	1337.33		5369.90
L. R. McBride		1760.50		234.03	415.17	2409.70
						125951.00 Total
Ralph Hickman Contractor					38961.72	38961.72
Beaver Mesa		148352.87	84255.23	27325.87	27462.01*	259933.97
Dev. Allowance		32665.72	17313.25	5809.37	7739.31*	55788.34
Haulage Diff.		11179.62	5641.02	1007.33	2088.51*	17827.97
Total-Beaver Mesa		192198.21	107209.50	34142.57	37289.83*	333550.28
New Idria		133321.36	48807.17	15443.11	37289.83	234861.47
Wet tons		9117.67	6736.14	2064.57	1037.36	18955.74
% Moisture		6.43	6.50	6.50	5.65	6.44
U308+Prem.+V205+ Dev. Allowance		384758.45	178615.49	59301.52	90769.02	713444.48
Beaver Mesa-per wet ton		21.08	15.91	16.53	35.95*	18.61

* New Idria- not included in totals

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 N. 12th Street
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SHAKIN QUAKIE FRACTION

1st Half, 1956

ITEM	APRIL	MAY	JUNE
Dry tons	214.49	303.25	None
Assay U308	0.32	0.25	
V205	1.20	0.90	
Content U308	1384.82	1494.57	
Pounds V205	5127.08	5457.44	
Dollar U308	4846.87	5231.00	
Value V205	1589.39	1691.81	
Premium	395.15	211.18	
Dev. Allowance	692.41	747.29	
HAULAGE			
$ per net ton	$0.06/100	$0.07	
Dollars	1383.24	3051.72	
Cost haulage	1899.65	2701.00	
Difference	516.41	350.72	
U308+Prem.+V205	6831.41	7133.99	
Don Danvers	567.86	593.01	
Sahara Uranium	170.79	178.35	
Jack Thompson	597.75	624.22	
L. R. McBride	29.89	31.21	
Beaver Mesa	2732.56	2853.60	
Dev. Allowance	692.41	747.29	
Haulage Diff.	516.41	350.72	
Total-Beaver Mesa	2908.56	3951.61	
New Idria	2732.56	2853.60	
New Idria(to date)	2732.56	5586.16	
Wet Tons	230.54	327.79	
% Moisture	7.0	7.5	
U308+Prem.+V205+ Dev. Allowance	7523.82	7881.28	

Owned by: New Idria Mining & Chemical Company; Leased to: Beaver Mesa Uranium Inc., 40% Jan.-May, 55% June-December

Royalties: Don Danvers- 8.3125%; Sahara Uranium- 2.5%; Jack Thompson- 8.75%; L. R. McBride- 0.4375%; Total- 20%

Beaver Mesa-per wet ton	12.59	12.05

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DATE	INITIALS	CODE

SHAKIN QUAKIE FRACTION 2nd Half, 1956

ITEM	July	August	Sept.	Oct.	Nov.	Dec.
Dry tons	103.86	524.19	251.34	61.22	331.05	140.95
Assay U308	0.31	0.39	0.31	0.23	0.25	0.18
V205	0.95	0.88	0.73	0.74	0.73	0.52
Content U308	644.05	4095.65	1574.97	282.27	1642.20	500.14
Pounds V205	1976.99	9232.19	3666.20	911.88	4804.29	1465.39
Dollar U308	2254.18	14334.78	5512.40	987.95	5747.70	1485.60
Value V205	612.87	2861.98	1136.52	282.68	1489.33	454.27
Premium	171.46	1499.17	427.21	28.04	238.50	2.11
Dev. Allowance	322.03	2047.83	787.49	141.14	821.10	250.08
Haulage		105/5/ton	120/5/ton			15/7/133
$ per net ton	$0.07	455/7/133	146/7/133	$0.07	$0.07	135/5/ton
Dollars	1026.06	4761.00	1957.13	605.24	3312.96	811.04
Cost Haulage	908.13	4289.71	1819.19	535.68	2932.20	815.50
Difference	117.93	471.29	137.94	69.56	380.76	4.46
U308+Prem.+V205	3038.51	18695.93	7076.13	1298.67	7475.53	1941.98
Don Danvers	252.58	1554.09	588.21	107.95	621.40	161.43
Sahara Uranium	75.97	467.40	176.91	32.47	186.89	48.55
Jack Thompson	265.87	1635.89	619.18	113.63	654.11	169.92
L. R. McBride	13.29	81.80	30.96	5.68	32.71	8.49
Beaver Mesa	1671.18	10282.76	3891.87	714.27	4111.54	1068.09
Dev. Allowance	322.03	2047.83	787.49	141.14	821.10	250.08
Haulage Diff.	117.93	471.29	137.94	69.56	380.76	4.46
Total-Beaver Mesa	2111.14	12801.88	4817.30	924.97	5313.40	1313.71
New Idria	759.88	4673.99	1744.03	324.67	1868.88	485.50
New Idria(to date)	6346.04	11020.03	12764.06	13088.73	14957.61	15443.11
Wet Tons	110.21	559.87	265.79	65.01	355.85	149.51
% Moisture	5.8	6.4	5.4	5.8	7.0	5.7
U308+Prem.+V205+ Dev. Allowance	3360.54	20743.76	7863.62	1439.81	8296.63	2192.06
Beaver Mesa-per wet ton	19.19	22.86	18.11	14.23	14.92	8.76

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SHAKIN QUAKIE FRACTION Totals& Averages, 1956

ITEM		
Dry tons	1930.35	
Assay U308	0.301	
V205	0.846	
Content U308	11618.67	
Pounds V205	32641.46	
Dollar U308	40400.48	
Value V205	10118.85	
Premium	2972.82	
Dev. Allowance	5809.37	
Haulage		
$ per net ton	Average paid-$8.14/ton, cost est. at $7.70	
Dollars	16908.39	
Cost Haulage	15901.06	
Difference	1007.33	
U308+Prem.+V205	53492.15	
Don Danvers	4446.53	
Sahara Uranium	1337.33	
Jack Thompson	4680.56	
L. R. McBride	234.03	Total Royalty- $ 10,698.45
Beaver Mesa	27325.87	
Dev. Allowance	5809.37	
Haulage Diff.	1007.33	
Total-Beaver Mesa	34142.57	
New Idria	15443.11	
New Idria (to date)	15443.11	
Wet Tons	2064.57	
% Moisture	6.5	
U308+Prem.+V205+ Dev. Allowance	59301.52	
Beaver Mesa-per wet ton	16.53	

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HUBBARD HOMESTEAD 1st Half, 1956

Leased from L.L. Hubbard & Bert Hubbard to New Idria Mining & Chemical Co.
Lease expires December 16, 1957, renewable for 5 more years.

Royalties: Hubbards, et. al.,-15%; Sahara Uranium- 2.5%

Leased to Beaver Mesa Uranium,Inc. - Jan.-May, 40%; June - Dec., 55%

ITEM	FEB.	MARCH	APRIL	MAY	JUNE
Dry tons	93.15	224.30	286.50	327.05	1438.55
Assay U308	0.46	0.40	0.27	0.30	0.26
V205	1.20	1.35	0.91	1.02	0.89
Content U308	858.43	1781.27	1533.69	1992.68	7460.07
Pounds V205	2241.82	6037.95	5208.30	6664.26	25715.13
Dollar U308	3004.51	6234.45	5367.92	6974.38	26110.25
Value V205	694.96	1871.76	1614.57	2065.92	7971.69
Premium	364.37	663.05	290.77	513.36	1279.40
Dev. Allowance	429.22	890.64	766.85	996.34	3730.04
HAULAGE					
$ per net ton	$0.077	0.07	0.06/100	0.07	0.07
Dollars	1057.38	2248.46	1861.14	3284.38	14215.35
Cost Haulage	850.78	1990.04	2555.97	2906.91	12581.57
Difference	206.60	258.42	- 694.83	377.47	1633.78
U308+Prem.+V205	4063.84	8769.26	7273.26	9553.66	35361.34
Hubbard, et.al.	609.58	1315.39	1090.99	1433.05	5304.20
Sahara Uranium	101.60	219.23	181.83	238.84	884.03
Beaver Mesa	1625.54	3507.70	2909.30	3821.46	19448.74
Dev. Allowance	429.22	890.64	766.85	996.34	3730.04
Haulage Diff.	206.60	258.42	694.83	377.47	1633.78
Total Beaver Mesa	2261.36	4656.76	2981.32	5195.27	24812.56
New Idria	1727.13	3726.94	3091.14	4060.31	9724.39
New Idria(to date)	1727.13	5454.07	8545.21	12605.52	22329.91
Wet Tons	103.25	241.51	310.19	352.78	1526.89
% Moisture	9.8	7.1	7.6	7.3	5.8
U308+Prem.+V205+ Dev. Allowance	4493.06	9659.90	8040.11	10550.00	39091.38
Beaver Mesa-per wet ton	21.95	19.24	9.62	14.72	16.25

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HUBBARD HOMESTEAD

2nd Half, 1956

ITEM	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.
Dry tons	844.96	867.15	522.90	461.38	622.79	606.09
Assay U308	0.23	0.28	0.24	0.22	0.39	0.23
V205	0.78	0.61	0.68	0.83	1.24	0.70
Content U308	3867.95	4928.50	2462.45	2057.22	4829.63	2854.54
Pounds V205	13182.00	10747.66	7112.88	7692.39	15436.48	8451.51
Dollar U308	13537.83	17249.75	8618.58	6412.54	16903.71	9990.89
Value V205	4086.42	3331.78	2205.00	2384.64	4785.31	2619.97
Premium	366.08	1094.93	278.14	338.82	1753.85	322.64
Dev. Allowance	1933.98	2464.25	1231.23	1028.61	2414.82	1427.27
HAULAGE						
$ per net ton	$0.07	843/07/133 24 at 5.00	354/7/133 202/5.00	168/7/133 323/5.00	$0.07	573/7/133 85/5.00
Dollars	8365.50	8548.64	4304.20	3176.72	6225.78	5755.57
Cost Haulage	7396.05	7453.65	3955.98	3045.52	5510.25	5155.38
Difference	969.45	1094.99	348.22	131.20	715.53	600.19
U308+Prem.+V205	17990.33	21676.46	11101.72	9136.00	23442.87	12933.50
Hubbard, et.al.	2698.55	3251.47	1665.26	1370.40	3516.43	1940.03
Sahara Uranium	449.76	541.91	277.55	228.41	586.07	323.34
Beaver Mesa	9894.68	11922.06	6095.95	5024.80	12893.58	7113.42
Dev. Allowance	1933.98	2464.25	1231.23	1028.61	2414.82	1427.27
Haulage Diff.	969.45	1094.99	348.22	131.20	715.53	600.19
Total Beaver Mesa	12798.11	15481.30	7675.40	6184.61	16023.93	9140.88
New Idria	4947.34	5961.03	3052.98	2512.41	6446.79	3556.71
New Idria(to date)	27277.25	33238.28	36291.26	38803.67	45250.46	48807.17
Wet Tons	898.55	930.35	555.89	490.64	668.72	657.37
% Moisture	6.0	6.8	5.9	6.0	6.9	7.8
U308+Prem.+V205+ Dev. Allowance	19924.31	24140.71	12332.95	10164.61	25857.69	14360.77
Beaver Mesa-per wet ton	14.24	16.65	13.80	12.60	23.95	13.91

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HUBBARD HOMESTEAD Totals & Averages, 1956

ITEM		
Dry tons	6294.82	
Assay U308	0.275	
V205	0.860	
Content U308	34626.43	
Pounds V205	108490.38	
Dollar U308	120404.81	
Value V205	33632.02	
Premium	7265.41	
Dev. Allowance	17313.25	
HAULAGE		
$ per net ton	Rifle-$0.07/ton mile/133 miles, cost est. at $8.24/ton,	
Dollars	59043.12	Uravan-$5.00/ton, cost $5.15/ton
Cost Haulage	53402.10	
Difference	5641.02	
U308+Prem.+V205	161302.24	
Hubbard, et.al.	24195.35	
Sahara Uranium	4032.57	Total Royalty- $ 28,227.92
Beaver Mesa	84255.23	
Dev. Allowance	17313.25	
Haulage Diff.	5641.02	
Total Beaver Mesa	107209.50	
New Idria	48807.17	
New Idria(to date)	48807.17	
Wet Tons	6736.14	
% Moisture	6.5	
U308+Prem.+V205+ Dev. Allowance	178615.49	
Beaver Mesa-per wet ton	15.91	

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PACK RAT

1st Half, 1956

Owned by: New Idria Mining & Chemical Co. Leased to: Beaver Mesa Uranium, Inc

Royalties: J. B. Crowley- 10%; Don Danvers- ~~4.5%~~ 4.75%; Jack Thompson- 5.0%; L. R. McBride- ~~0.5%~~ 0.25%; Total- 20%. Beaver Mesa-40% Jan-May, 55% June-December.

ITEM	JAN.	FEB.	MARCH	APRIL	MAY	JUNE
Dry tons	710.92	814.86	666.27	116.73	210.40	312.62
Assay U308	0.28	0.51	0.31	0.24	0.46	0.35
V205	1.96	2.48	1.82	2.06	2.54	1.80
Content U308	3933.79	8308.60	4187.42	549.01	1915.67	2206.24
Pounds V205	27852.58	40412.05	24203.87	4809.38	10686.63	11250.10
Dollar U308	13768.27	29080.11	14655.97	1921.54	6704.85	7721.84
Value V205	8634.30	12527.74	7503.20	1490.91	3312.86	3487.53
Premium	817.58	3853.64	1141.76	61.57	805.55	716.82
Dev. Allowance	1966.90	4154.31	2093.71	274.51	957.84	1103.12
Haulage						
$ per net ton	$0.06/100	$0.081	$0.07	$0.06/100	$0.07	$0.07
Dollars	4602.24	9456.16	6715.02	772.02	2097.26	3089.24
Cost Haulage	6320.41	7273.78	5943.26	1060.24	1856.22	2734.20
Difference	1718.17	2182.38	771.76	288.22	241.04	355.04
U308+Prem.+V205	23220.15	45461.49	23300.93	3474.02	10823.26	11926.19
J. B. Crowley	2322.02	4546.15	2330.09	347.40	1082.33	1192.62
Don Danvers	1044.91	2045.77	1048.54	156.33	487.05	536.68
Jack Thompson	1161.02	2273.07	1165.05	173.70	541.17	596.31
L. R. McBride	116.11	227.30	116.51	17.37	54.12	59.63
Beaver Mesa	9288.08	18184.59	9320.36	1389.60	4329.32	6559.40
Dev. Allowance	1966.90	4154.31	2093.71	274.51	957.84	1103.12
Haulage Diff.	1718.17	2182.38	771.76	288.22	241.04	355.04
Total-Beaver Mesa	9536.81	24521.28	12185.83	1375.89	5528.20	8017.56
New Idria	9288.08	18184.59	9320.36	1389.60	4329.32	2981.55
New Idria(to date)	87571.20	105755.79	115076.15	116465.75	120795.07	123776.62
Wet tons	767.04	882.74	721.27	128.67	225.27	331.82
% Moisture	7.3	7.65	7.6	9.3	6.6	5.8
U308+Prem.+V205+ Dev. Allowance	25187.05	49615.80	25394.64	3748.53	11781.10	13029.31
Dev. Allowance as % of U308+Prem.+V205	12.43	27.78	16.90	10.67	24.57	24.15

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PACK RAT 2nd Half. 1956

ITEM	JULY	AUG	SEPT	OCT	NOV	DEC
Dry tons	369.03	339.32	357.24	261.19	109.22	55.10
Assay U308	0.17	0.20	0.32	0.34	0.23	0.36
V205	1.10	1.20	1.13	1.41	1.22	1.30
Content U308	1241.94	1343.15	2254.81	1815.67	505.36	396.84
Pounds V205	8085.44	8141.90	8042.37	7374.37	2677.98	1431.62
Dollar U308	3601.63	4701.03	7891.84	6354.85	1768.77	1388.94
Value V205	2506.49	2523.98	2493.14	2286.06	830.17	443.80
Premium	0	6.93	619.39	578.18	51.36	132.33
Dev. Allowance	620.97	671.58	1127.41	907.84	252.69	198.42
Haulage		48/5/ton	147/5/ton	73/5/ton	45/5/ton	
$ per net ton	$0.07	309/7/133	226/7/133	202/7/133	71/7/133	$0.07
Dollars	3633.60	3116.74	2841.24	2243.10	882.36	550.50
Cost Haulage	3215.99	2793.40	2620.89	2038.37	813.51	487.23
Difference	417.61	323.34	220.35	204.73	68.85	63.27
U308+Prem.+V205	6108.12	7231.94	11004.37	9219.09	2650.30	1965.07
J. B. Crowley	610.81	723.19	1100.44	921.91	265.03	196.51
Don Danvers	274.87	325.44	495.20	414.86	119.26	88.42
Jack Thompson	305.41	361.60	550.23	460.96	132.52	98.25
L. R. McBride	30.54	36.16	55.03	46.10	13.26	9.83
Beaver Mesa	3359.47	3977.57	6052.40	5070.50	1457.67	1080.79
Dev. Allowance	620.97	671.58	1127.41	907.84	252.69	198.42
Haulage Diff.	417.61	323.34	220.35	204.73	68.85	63.27
Total-Beaver Mesa	4398.05	4972.49	7400.16	6183.07	1779.21	1342.48
New Idria	1527.03	1807.99	2751.09	2304.78	662.58	491.27
New Idria(to date)	125303.65	127111.64	129862.73	132167.51	132830.09	133321.36
Wet tons	390.29	357.05	373.03	274.84	115.58	59.13
% Moisture	5.4	5.0	4.23	4.97	5.48	6.8
U308+Prem.+V205+ Dev. Allowance	6729.09	7903.52	12131.78	10126.93	2902.99	2163.49
Beaver Mesa- per wet ton	11.27	13.92	19.84	22.49	15.39	22.70

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PACK RAT

Totals & Averages
July 1-Dec. 31, 1955 & 1956

ITEM	July 1, 1955 to December 31, 1955	1956	1955 & 1956
Dry tons	4207.94	4322.90	8530.84
Assay U308	0.436	0.332	0.383
V205	2.00	1.79	1.894
Content U308	36672.77	28658.50	65331.27
Pounds V205	168293.74	154968.29	323262.03
Dollar U308	128354.73	99559.64	227914.37
Value V205	52171.07	48040.18	100211.25
Premium	15182.00	8785.11	23967.11
Dev. Allowance	18336.42	14329.30	32665.72
Haulage			
Paid per ton	10.04	8.64	9.34
Cost per ton	8.21	8.03	8.12
Dollars	45195.49	39999.48	85194.97
Cost Haulage	36857.85	37157.50	74015.35
Difference	8337.64	2841.98	11179.62
U308+Prem.+V205	195707.80	156384.93	352092.73
J. B. Crowley	19570.78	15638.50	35209.28
Don Danvers	8806.85	7037.33	15844.18
Jack Thompson	9785.39	7819.29	17604.68
L. R. McBride	978.54	781.96	1760.50
Beaver Mesa	78283.12	70069.75	148352.87
Dev. Allowance	18336.42	14329.30	32665.72
Haulage Diff.	8337.64	2841.98	11179.62
Total-Beaver Mesa	104957.18	87241.03	192198.21
New Idria	78283.12	55038.24	133321.36
New Idria(to date)	78283.12	133321.36	133321.36
Wet tons	4490.94	4626.73	9117.67
% Moisture	6.3	6.6	6.43
U308+Prem.+V205+ Dev. Allowance	214044.22	170714.23	384758.45
Beaver Mesa-per wet ton	23.37	18.85	21.08

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63

ANNEX VIII

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GEOLOGIC REPORT

GEOLOGIC SETTING

The Uravan and Gateway Mining Districts are in a broad shallow syncline between the northwestward-trending Uncompahgre Plateau on the northeast and the northwestward-trending Paradox Valley and Sinbad Valley anticlines on the Southwest.
The area is a deeply dissected, rugged highland ranging from 5,000 to 7,000 feet in altitude. Rocks ranging in age from Permian to Cretaceous are exposed. The Morrison formation of Late Jurassic age is about 700 feet thick and is composed of two members, the upper Brushy Basin member and the lower Salt Wash member. Uranium deposits are found mostly in the Salt Wash member.

STRATIGRAPHY - BEAVER MESA AREA

The formations exposed in this area are of the upper Jurassic or lower Cretaceous age with the Burro Canyon formation forming the tops of the high flat mesas. This hard massive sandstone has protected the softer underlying Morrison formation from erosion except where faults and fractures occurred. Along these faults and fracture zones erosion has been very active and has formed deep canyons exposing the various horizons of the Morrison formation which are locally known as "rims".

The Burro Canyon formation of lower Cretaceous age in this area is about 50 to 100 feet thick. This formation is a white, brown fine-grained sandstone, containing chert grains, scours, and often coarse-grained and conglomeratic at the base. It is massive, semi-friable, and forms cliffs in most places.

The Morrison formation of late Jurassic age is composed of two members, the upper Brushy Basin member and the lower Salt Wash member. The Brushy Basin member in this area is about 400 feet thick and is composed of varicolored shales or mudstones, with some sandstone lenses, and generally forms slopes.
The Salt Wash member is about 300 feet thick in this area and is composed of about equal parts of sandstone and mudstone strata. On fresh exposures, the color of sandstone ranges from white to gray, yellow, and reddish brown. Limonite occurs in places as specks in the sandstone, and limonite diffusion bands are prominent in some exposures of the sandstone. The sandstone is composed dominantly of fine-to-medium-grained clear quartz with minor amounts of white and pink chert, clear feldspar, and interstitial clay. The quartz grains are subrounded to rounded and are well sorted, though in a few places, the textural range is from fine to coarse. Chert grains are angular and their modal diameter is larger than the modal diameter of the quartz grains. Calcite is the principal cementing material. Fossil logs occur in places and are composed of one or more of the following substances: Carbon, silica, limonite, calcite, dolomite, gypsum, and carnotite.

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2. (e, f & g)
~~4. (c)~~ Continued

ANNEX VIII (Cont'd)

GEOLOGY OF BEAVER MESA

On Beaver Mesa the principal ore-bearing sandstone is not persistent but where present the sandstone beds are highly lenticular and, in places, unusually thick. The sandstone is generally reddish brown, friable, and seems to contain more fossil wood material than the upper sandstone stratum of the Salt Wash elsewhere. Limonite and manganese oxide diffusion banding also seems to be more abundant and occurs in both reddish-brown and light-colored sandstone. The top of the mudstone underlying the upper sandstone zone on Beaver Mesa is red except in the immediate vicinity of ore deposits.

All of the good ore-bodies on Beaver Mesa lie in a peripheral belt, and this belt is shown in Figure 3. The exception to this theory is the Corvusite mine, which appears to be a saucer shaped ore-body that seems to indicate no direct relationship to the other deposits on the Mesa. There are, as can be seen by examination of Figure 3, some ore-bodies outside of this belt. These ore-bodies have been smaller in size and lower in grade than those included within the zonal area. The ore-bodies within the peripheral belt area tend to be perpendicular to the trend of the belt itself. The ore occurs in "rolls" or channels which are very often quite thick and are no doubt windrows of driftwood and organic material which have piled up as a backwash from the flooded stream. It occurs also in bedded planes which were no doubt small swamps or shallow depressions that were filled with organic material by flood action.

GEOLOGY IN THE VICINITY OF THE HUBBARD & PACK RAT MINES

Reference is hereby made to Figure 2, which shows that the area represented in this application, namely the Hubbard Homestead, Shakin Quakie, Pack Rat Nos. 1, 2, & 3 and the Johnnie Mae No. 3, have the Lumsden No. 1 & 2 mines on the east, the Rajah Nos. 67 & 68 and the recent Simpson Mining Company drilling on the south, the Lost Dutchman properties to the north. The writer of this report has no definite information as to the ground west of the Hubbard Homestead, though he has been informed that several ore holes were drilled in that area.

The recent drilling by the Simpson Mining Company south of the Hubbard Homestead indicates that the ore trends in that area quite possibly extend northward into the Homestead. In addition, the ore blocked out the Rajah Nos. 67 & 68 could easily extend onto the Pack Rat No. 2 and the Johnnie Mae No. 3 claims.

Reference is hereby made to Map "B", which shows the previous drilling on the properties in this application, a summary of this drilling follows:

Hubbard Homestead

BV # 124	Favorable, very low count in hole. (Gamma ray) OBSS- 68'
BV - 55	Favorable OBSS- 51'

New Idria Mining & Chemical Company, Uranium Div., ~~Gateway~~ Grand Jct., Colo.

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2. (e, f & g) ANNEX VIII (Cont'd)

~~4. (e)~~ Continued

BV-154	Favorable, OBSS- 67'	
BV-128	Favorable, OBSS- 39', Tr. gamma ray count in hole.	
BV-37	Favorable, OBSS- 42.1'	
BV-53	Strongly Mineralized, OBSS- 37'	0.5' at 0.19 U308 & 0.48 V205 3.0' at 0.01 U308 & 0.05 V205 0.3' at 0.07 U308 & 1.32 V205 1.2' at 0.02 U308 & 0.23 V205
BV-58	Ore Grade, Not mineable thickness OBSS- 45'	0.1' at 0.07 U308 & 3.07 V205 0.4' at 0.33 U308 & 0.63 V205 3.9' at 0.02 U308 & 0.07 V205 1.2' at 0.11 U308 & 0.11 V205 0.6' at 0.04 U308 & o.10 V205
BV-62	Ore Hole OBSS*- 37'	0.3' at 0.04 U308 & 0.41 V205 2.6' at 0.46 U308 & 0.36 V205 2.8' at 0.04 U308 & 0.10 V205 0.8' at 0.20 U308 & 0.15 V205 0.8' at 0.04 U308 & 0.10 V205
BV-36	Ore Hole OBSS- 37'	2.1' at 0.04 U308 & 0.32 V205 7.8' at 0.57 U308 & 1.15 V205 1.7' at 0.03 U308 & 0.24 V205 1.7' at 0.00 U308 & 0.10 V205
Cochran Hole- Mineralized (No other data available)		Sample # 1 ? at 0.12 U308 & 0.04 V205 Sample # 2 1.0' at 0.02 U308 & 0.62 V205

Danvers Drilling - Hole Nos. 1, 2, & 4 - no data available except the report that 1 & 2 were blank holes and No. 4 was an ore hole.

Shakin Quakie Fraction

No drill holes on this Fraction.

Pack Rat No. 2

BD-113	Ore Hole OBSS- 50'	2.8' at 0.20 U308 & 0.45 V205
BD-114	Weakly Mineralized OBSS- 59'	3.0' at 0.01 U308 & 0.11 V205 3.7' at 0.04 U308 & Tr. V205
BD-115	Ore Hole OBSS- 52'	1.3' at 0.06 U308 & 0.06 V205 3.4' at 0.23 U308 & 0.11 V205
BD-116	Weakly Mineralized OBSS- 54'	1.9' at 0.01 U308 & 0.06 V205

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ANNEX VIII (Cont'd)

2. (e, f & g)
~~4. (c)~~ Continued

Pack Rat No. 3

No drill holes on this claim.

Pack Rat No. 1

C-1	Ore Hole	0.5' at 0.00 U3O8 & 0.54 V2O5
		2.0' at 3.09 U3O8 & 5.76 V2O5
	OBSS- 35'	1.7' at 0.08 U3O8 & 0.98 V2O5
C-2	Weakly Mineralized OBSS- 43'	1.4' at 0.06 U3O8 & 0.29 V2O5
C-3	Strongly Mineralized	1.6' at Tr. U3O8 & 0.66 V2O5
	OBSS- 26'	0.6' at Tr. U3O8 & 0.25 V2O5
C-4	Ore Hole	1.0' at 1.60 U3O8 & 1.65 V2O5
	OBSS- 39'	1.0' at 0.63 U3O8 & 0.23 V2O5
C-5	Ore Hole	0.8' at 0.55 U3O8 & 2.91 V2O5
	OBSS- 35'	0.4' at 0.02 U3O8 & 0.12 V2O5
C-6	Weakly Mineralized OBSS- 36'	1.1' at 0.00 U3O8 & 0.11 V2O5
C-7	Strongly Mineralized	1.3' at 0.00 U3O8 & 0.48 V2O5
		1.3' at 0.01 U3O8 & 0.58 V2O5
	OBSS- 26'	0.2' at 0.04 U3O8 & 0.09 V2O5
C-8	Strongly Mineralized	0.5' at 0.00 U3O8 & 2.42 V2O5
	OBSS- 41'	0.7' at 0.00 U3O8 & 0.92 V2O5
C-9	Favorable	1.3' at Tr. U3O8 & 0.00 V2O5
	OBSS- 57'	2.5' at 0.00 U3O8 & Tr. V2O5
H-11	Ore Hole	1.0' at Nil U3O8 & 0.06 V2O5
		1.0' at Nil U3O8 & 0.35 V2O5
	OBSS- 44'	1.7' at 0.62 U3O8 & 1.78 V2O5
H-12	Strongly Mineralized	1.0' at 0.03 U3O8 & 0.51 V2O5
	OBSS- 42'	5.1' at 0.02 U3O8 & 0.15 V2O5
H-13	Favorable OBSS- 48'	
H-14	Weakly Mineralized OBSS- 48'	3.0' at Nil U3O8 & 0.30 V2O5
H-15	Weakly Mineralized OBSS- 39'	3.6' at 0.03 U3O8 & 0.21 V2O5
H-16	Semi-Favorable OBSS- 46'	
H-17	Ore Hole	1.0' at 0.00 U3O8 & 0.12 V2O5
		1.3' at 0.15 U3O8 &11.47 V2O5
	OBSS- 48'	1.0' at 0.00 U3O8 & 0.26 V2O5

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ANNEX VIII (Cont'd)

2. (e, f & g)
~~4. (c)~~ Continued

H-18	Ore Grade, not mineable thickness OBSS- 45'	1.4' at 0.20 U308 & 0.05 V205
H-19	Ore Hole OBSS- 42'	2.2' at 0.36 U308 & 1.92 V205 4.0' at 0.02 U308 & 0.38 V205 1.0' at 0.46 U308 & 0.59 V205 3.0' at 0.01 U308 & 0.25 V205
H-20	Favorable OBSS- 30'	
H-21	Ore Hole OBSS- 32'	2.5' at 0.05 U308 & 3.66 V205
H-22	Strongly Mineralized OBSS- 25'	0.5' at 0.10 U308 & 0.62 V205
H-23	Strongly Mineralized OBSS- 14'	1.5' at 0.01 U308 & 0.28 V205 0.5' at 0.12 U308 & 0.14 V205
H-24	Strongly Mineralized OBSS- 31'	1.2' at 0.02 U308 & 0.59 V205
H-25	Ore Hole OBSS- 23'	4.0' at 0.45 U308 & 1.20 V205 2.2' at 0.02 U308 & 0.94 V205
H-26	Ore Grade, not mineable thickness OBSS- 17'	0.7' at 0.03 U308 & 2.42 V205
H-27	Favorable OBSS- 21'	6.0' slight probe count
H-28	Ore Hole OBSS- 16'	3.5' at 0.34 U308 & 1.61 V205
D-1	Weakly Mineralized OBSS- 63'	1.3' at 0.03 U308 & 0.38 V205
D-2	Weakly Mineralized OBSS- 56'	1.0' at 0.00 U308 & 0.05 V205
D-3	Strongly Mineralized OBSS- 66'	0.9' at 0.02 U308 & 1.13 V205
D-4	Strongly Mineralized OBSS- 49'	1.6' at 0.01 U308 & 0.64 V205
D-5	Ore Hole OBSS- 49'	3.5' at 0.68 U308 & 0.80 V205
D-6	Weakly Mineralized OBSS- 16'	2.3' at 0.01 U308 & 0.10 V205
D-7	Weakly Mineralized OBSS- 47'	0.5' at 0.02 U308 & 0.42 V205

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ANNEX VIII (Cont'd)

2. (e, f & g)
~~4. (c)~~ Continued

D-8	Weakly Mineralized OBSS- 55'	1.8' at 0.02 U308 & 0.10 V205
D-9	Ore Hole OBSS- 39'	1.7' at 0.84 U308 & 8.67 V205 3.7' at 0.52 U308 & 1.56 V205
D-10	Ore Grade, not mineable thickness OBSS- 42'	0.7' at 0.04 U308 & 0.15 V205 1.5' at 0.21 U308 & 0.06 V205
D-11	Weakly Mineralized OBSS- 43'	2.0' at 0.01 U308 & 0.05 V205 1.3' at Tr. U308 & 0.48 V205
BD-111	Strongly Mineralized OBSS- 50'	2.3' at 0.01 U308 & 0.62 V205
BD-112	Ore Grade, not mineable thickness OBSS- 46'	4.1' at 0.01 U308 & 0.05 V205 1.2' at 0.02 U308 & 2.03 V205 2.0' at 0.04 U308 & 0.09 V205
USV H-25	No data on this hole	

Johnnie Mae No. 3

BV-47	Favorable - no other data on this hole	
BD-104	Weakly Mineralized OBSS- 47'	0.9' at 0.01 U308 & 0.34 V205
BV-46	Semi-Favorable - no other data on this hole	
BD-120	Ore Hole OBSS- 42'	3.2' at 0.02 U308 & 0.05 V205 1.0' at 0.34 U308 & 3.08 V205 0.9' at 0.00 U308 & 0.10 V205
BD-118	Ore Hole OBSS- 52'	0.8' at 0.01 U308 & 0.10 V205 2.1' at 0.48 U308 & 4.75 V205 2.0' at 0.02 U308 & 0.13 V205
BD-107	Weakly Mineralized OBSS- 45'	0.2' at 0.00 U308 & 0.09 V205 0.7' at 0.00 U308 & 0.04 V205
BD-119	Ore Grade, not mineable thickness OBSS- 41'	1.0' at Tr. U308 & 0.16 V205 1.4' at 0.01 U308 & 2.23 V205 0.3' at Tr. U308 & 0.16 V205

Johnnie Mae No. 1 (Western 100 feet of this claim)

BD-106	Ore Hole OBSS- 44'	0.4' at 0.31 U308 & 2.22 V205 2.7' at 0.08 U308 & 1.69 V205
BD-117	Favorable OBSS- 46'	

1957

2. (e, f & g) ANNEX VIII (Cont'd)
~~4. (c)~~ Continued

SUMMARY OF PREVIOUS DRILLING

	Ore	Half Ore	Strongly Mineral.	Weakly Mineral.	Favorable	Semi-Fav.	No data
Hubbard Homestead	3	1	2	-	7	-	-
Shakin Quakie	-	-	-	-	-	-	-
Pack Rat 2	2	-	-	2	-	-	-
Pack Rat 3	-	-	-	-	-	-	-
Pack Rat 1	11	4	10	10	4	1	1
Johnnie Mae 3	2	1	4	2	1	1	-
Johnnie Mae 1 (west 100')	1	-	-	-	1	-	-
Totals	19	6	10	14	13	2	1

CONCLUSIONS

This area is especially favorable for further exploration because of past and present production, its strategic location, and success of previous drilling programs.

As stated previously in Annex VII, no reserves can be calculated at the present time due to lack drilling and exploratory information.

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ANNEX IX

3 (a) ~~4 (d)~~

The Hubbard Homestead, Pack Rat Nos. 1, 2 & 3, Shakin Quakie Fraction, and Johnnie Mae No. 3 claims are located in the Lumsden area of Beaver Mesa, 69 miles from Grand Junction, 12 miles from Gateway, 47 miles from Uravan and 133 miles from Rifle, Colorado.

3 (b) ~~4 (e)~~

Manpower, materials, supplies and equipment are available in Gateway or Grand Junction, Colorado. Water is available at DP springs, located on the Northeast corner of the Hubbard Homestead. Power is furnished by either diesel or gasoline engines.

ANNEX X

4 (a)
~~5. (b)~~

The proposed drilling pattern is divided by using a 300 foot pattern (staggered) on the deep drilling on the Hubbard Homestead, and using a 250 foot pattern (staggered) on the rest of the area. This pattern should give a reasonable delineation for the 1st Stage.

Reference is hereby made to Map B (in folder at the back of this report), which illustrates the following:

Map B - Present underground workings, previously drilled holes, and proposed 1st Stage drilling.

Stage I

Prepare access roads and drill sites, and drill 43 holes aggregating approximately 19,192 feet of drilling, 15,732 feet of non-core and 3,460 feet of core drilling.

Stage II

Prepare access roads and drill sites, and drill not more than 21,248 feet of drill hole, 17,408 feet of non-core and 3,840 feet of core drilling, as off-set holes to any previously drilled hole that penetrated significant mineralization. Not more than four holes shall be drilled surrounding any previously drilled hole, at a spacing on the higher ground of 150 feet, and at a spacing of 100 feet for the rest of the drilling.

Stage I Drill Holes

The approximate locations of Stage I drill holes are indicated by an x and numbered 1 to 43, on the attached map entitled "Map B-- Map showing Existing Drill Holes, and Proposed Stage I Drill Holes.

Following is the pertinent data on each of the drill holes, i.e., approximate collar elevation, non-core depth, core interval, total footage, and approximate elevation of the bottom of the hole.

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4 (a) ANNEX X (Cont'd)

~~5. (b)~~ Continued

Hole No.	Approx. Collar Elev.	Non-core	Core	Total	Elev. Bottom Hole
1	7375	410	100	510	6865
2	7394	534	100	634	6760
3	7410	534	100	634	6776
4	7410	534	100	634	6776
5	7404	528	100	628	6776
6	7416	540	100	640	6776
7	7415	539	100	639	6776
8	7357	395	100	495	6862
9	7403	543	100	643	6760
10	7412	554	100	654	6758
11	7408	548	100	648	6760
12	7424	566	100	666	6758
13	7432	574	100	674	6758
14	7427	569	100	669	6758
15	7370	405	100	505	6865
Totals		7773	1500	9273	
Average		518.2	100	618.2	

Hole Nos. 1 to 15, incl., are located on the western two-thirds of the Hubbard Homestead, and drilling will start in the Dakota formation. The drilling pattern for this area is a 300 foot pattern (staggered), with off-set holes in Stage II to be drilled not closer than 150 feet.

16	7203	352	70	422	6781
17	7202	351	70	421	6781
18	7208	357	70	427	6781
19	7216	365	70	435	6781
20	7232	381	70	451	6781
21	7230	379	70	449	6781
22	7158	318	70	388	6770
23	7005	180	70	250	6755
24	7004	194	70	264	6740
25	7055	220	70	290	6765
26	7148	308	70	378	6770
27	7060	225	70	295	6765
28	7203	365	70	435	6768
29	7230	392	70	462	6768
30	7173	335	70	405	6768
31	7125	285	70	355	6770
32	7024	189	70	259	6765
33	7158	300	70	370	6788
34	7105	260	70	330	6775
35	7168	310	70	380	6788
36	7025	160	70	230	6795
37	7140	288	70	358	6782

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4 (a)
~~5. (b)~~ Continued

Hole No.	Approx. Collar Elev.	Non-core	Core	Total	Elev. Bottom Hole
38	7039	187	70	257	6782
39	7020	165	70	235	6785
40	7143	291	70	361	6782
41	7163	303	70	373	6790
42	7081	221	70	291	6790
43	7138	278	70	348	6790
	Totals	7959	1960	9919	
	Average	284.3	70	354.3	

Stage II Drill Holes

The estimated footage for the Stage II drilling was calculated by assuming that four of the deep holes, i.e., Hole Nos. 1-15 would show significant mineralization, and the same assumption was made that eight of the remaining 28 holes would also show significant mineralization.

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5 (X) Operating experience and background of Arthur W. Goring, Manager, Uranium Division, New Idria Mining & Chemical Company, who will supervise the operations.

ARTHUR WILLIAM GORING

Age - 42 yrs. Weight- 204 lbs. Height - 6' 0"

B.S. in Mining Engineering (Univ. of Wash.) - 1943

M.S. in Mining Engineering (Univ. of Wash.) - 1947
(minor in geology)

1947-1953	Mining Engineer, Surveyor, Mining Geologist and Development Engineer - Kennecott Copper Corp., Nevada Mines Division, Ruth, Nevada.
1953-1954	Mining Geologist - U.S. Vanadium Co., Uravan, Colo.
1954-1955	Chief Engineer, - U.S. Vanadium Co., Uravan, Colo.
1955-1956	Mining Engineer & Geologist - Kane Creek Uranium Corp., Dove Creek, Colorado.
1-1-56 to 9-1-56	Superintendent, Uranium Division, New Idria Mining & Chemical Company, Box 214, Gateway, Colorado.
9-1-56 to present	Manager, Uranium Division, New Idria Mining & Chemical Company, Box 214, Gateway, Colorado.

Member - AIME

Registered Professional Engineer

State of Colorado - No. 2533

State of Nevada - No. 742

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6 (a)

- C O P Y -

ROBERT J. COLQUITT
Drilling Contractor
1363 North Eighteenth Street
Grand Junction, Colorado

July 9, 1957

Mr. Arthur W. Goring
Manager, Uranium Division
New Idria Mining & Chemical Co.
Box 214
Gateway, Colorado

Dear Mr. Goring:

This letter represents our Drilling prices on your proposed D.M.E.A. Drilling program on your Johnnie Mae 3, Packrats 1 and 2, Shaking Quakie Fraction and Hubbard Homestead mining claims in the Gateway mining district in Mesa County, Colorado.

Our prices for the Initial Stage I portion of your D.M.E.A. program consisting of approximately 19,192 feet will be as follows:

0' - 300'	at	$2.00 per foot
300' - 600'	at	$2.10 per foot
Core		
0' - 400'	at	$4.40 per foot
400' - 600'	at	$4.90 per foot
600' - 800'	at	$6.00 per foot
Stand by time	at	$12.00 per hour

Casing will be furnished by us if needed, however, if any casing is lost in the hole it will be replaced by New Idria at the fair market value.

These prices are based upon our experience of drilling in this area in the past three years, and a thourough examination of the results of our work and adjusted according to the present price increases of operating materials, and seasonal operations in this particular area.

If this proposal meets with your approval, we will have our equipment prepared and in all readiness to move on to your project with all compliance to your contract.

Thank you very much for the oppertunity to submit this bid.

Very truly yours,

/s/ Robert J. Colquitt

Robert J. Colquitt
Drilling Contractor

RJC;ekb

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6 (a)

- C O P Y -

KAO Company, Drilling Division
2679 B1/2 Road
Grand Junction, Colorado

July 9, 1957

New Idria Mining & Chemical Co.
Uranium Division
Box 214
Gateway, Colorado

Gentlemen:

I would like to submit this bid for the drilling program under D.M.E.A. exploration funds on your mining properties on Beaver Mesa, Mesa County, Colorado.

We have done drilling in this Colorado area and have considerable experience in the uranium exploration drilling field and we feel we can do you a satisfactory job.

My bid price per foot for the first stage of your D.M.E.A. contract is as follows:

1. Non-core:
   0 ft. to 300 ft. - $2.05 per foot
   300 ft. to 600 ft. - $2.25 per foot

2. Core:

   0 ft. to 300 ft. - $4.50 per foot
   300 ft. to 500 ft. - $5.00 per foot
   500 ft. to 700 ft. - $6.00 per foot

3. Standby time for probing holes, Dozer work, etc., will be:

   $15.00 per hour

4. Drill logs and samples will be kept in accordance with your wishes.

5. We will submit any certification required as to equipment and insurance coverage.

It is hoped we may be able to conduct business with your organization.

Respectfully submitted,

KAO Company

/s/ By H. Oliver Hayashi
H. Oliver Hayashi, Owner

6 (a)

C O P Y

Grand Junction-Phone CH 3-0493 Moab, Utah-Phone 3-4343

BUSH DRILLING CO.
190 Hall Avenue
Grand Junction, Colorado

July 7, 1957

Mr. Arthur W. Goring
New Idria Mining and Chemical Company
Gateway, Colorado

Dear Mr. Goring:

I wish to submit this bid for your proposed D.M.E.A. drilling program. Prices are as follows:

Plug

0 - 600 feet at $2.10 per foot

Core

0 - 400 feet at $4.50 per foot
400 - 600 feet at $6.00 per foot

Standby Time - $15.00 per hour

In the event that casing is lost, it is to be replaced by New Idria at cost.

Sincerely yours,

/s/ William G. Bush

William G. Bush
BUSH DRILLING COMPANY

WGB/cc

C O P Y

6 (a)

Summary of Drilling Costs per Attached Bids:

1. Robert J. Colquitt, Drilling Contractor, 1363 North 18th St., Grand Junction, Colorado.

1st Stage	$ 49,493.90	
2nd Stage	$ 53,689.60	
Total	$103,183.50	$103,183.50

2. Bush Drilling Company, 190 Hall Avenue, Grand Junction, Colo.

1st Stage	$ 50,113.20	
2nd Stage	$ 56,956.80	
Total	$107,070.00	$107,070.00

3. KAO Company, Drilling Division, 2679 B1/2 Road, Grand Junction, Colorado.

1st Stage	$ 51,404.40	
2nd Stage	$ 57,582.40	
Total	$108,986.80	$108,986.80

Estimated Cost of Bulldozer Work:

1st Stage	90 hours at $12.00/hr.	$1,080.00	
2nd Stage	100 hours at $12.00/hr.	$1,200.00	
	Total	$2,280.00	$ 2,280.00

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ANNEX XIII

6. (b)

Supervision and Engineering

(1) Supervisor - 6 months at $650 per month	$ 3,900.00
(1) Geologist - 6 months at $450 per month	$ 2,700.00
Total Cost	$ 6,600.00

6. (g)

Miscellaneous - Stage I

A. Cardboard ~~core boxes~~	
350 boxes at $0.75 each	$ 262.50
B. Analytical Work	
130 Sample Analyses at $5.00/each	$ 650.00
Total Miscellaneous	$ 912.50

Stage II

A. Cardboard core boxes	
384 boxes at $0.75 each	$ 288.00
B. Analytical Work	
144 Sample Analyses at $5.00/each	$ 720.00
Total Miscellaneous	$ 1008.00

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6 (a through g) SUMMARY OF COSTS

1st Stage:

Drilling	$49,493.90	
Bulldozer Work	1,080.00	
Supervision & Engineering	3,300.00	
Miscellaneous	912.50	
Total	$54,786.40	$54,786.40

2nd Stage:

Drilling	$53,689.60	
Bulldozer Work	1,200.00	
Supervision & Engineering	3,300.00	
Miscellaneous	1,008.00	
Total	$59,197.60	$59,197.60
Total Both Stages	$113,983.00	$113,983.00

* * * * * * * * * * * * * *

D.M.E.A. participation at 75%:

1st Stage	$ 41,089.80
2nd Stage	$ 44,398.20
Total	$ 85,488.00

New Idria participation at 25%:

1st Stage	$ 13,696.60	
2nd Stage	$ 14,799.40	
Total	$ 28,495.00	$113,983.00

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DMEA
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DATE	INITIALS	CODE

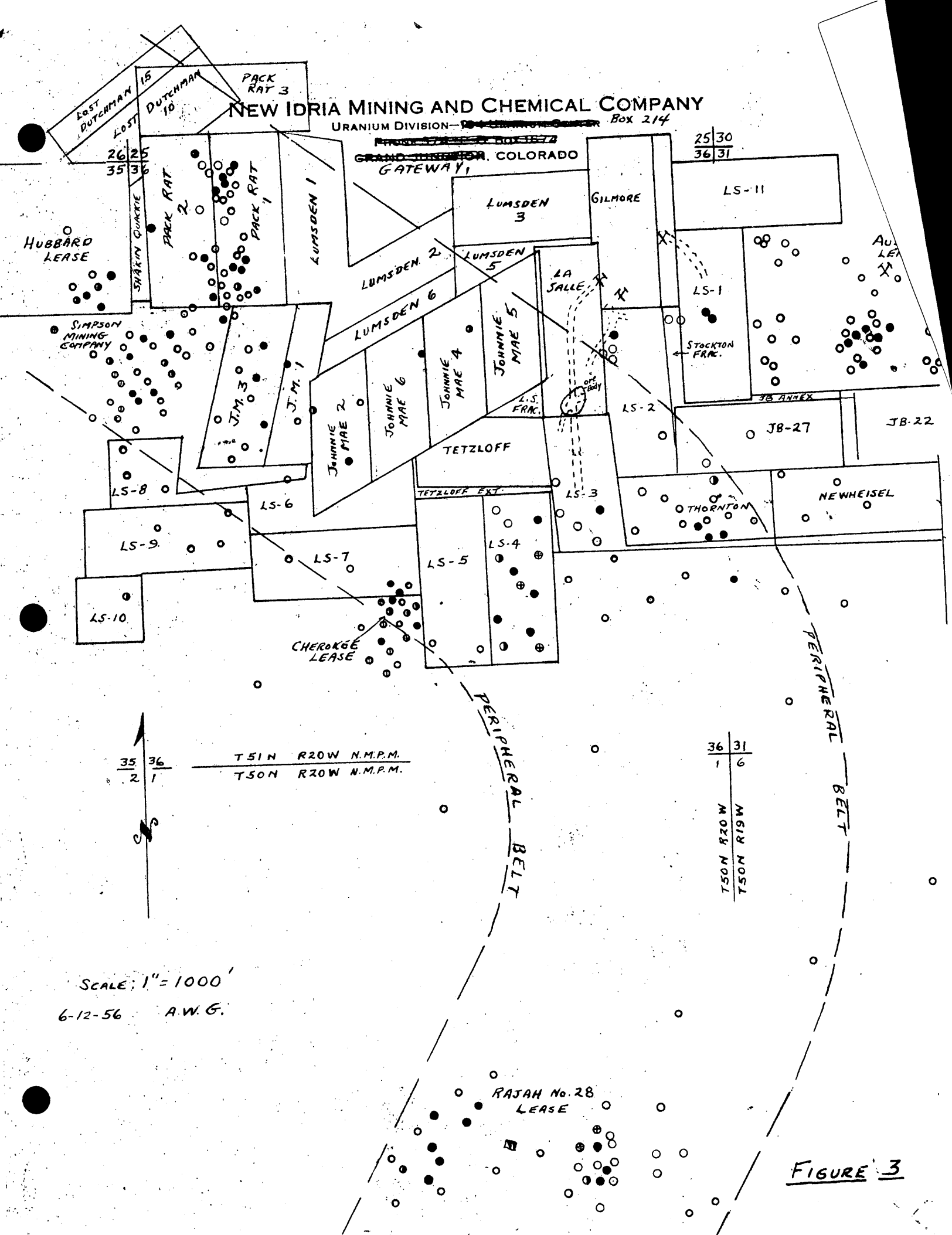
NEW IDRIA MINING AND CHEMICAL COMPANY
URANIUM DIVISION— Box 214
COLORADO
GATEWAY
LOST DUTCHMAN 15
LOST DUTCHMAN 10
PACK RAT 3
PACK RAT 2
PACK RAT 1
LUMSDEN 1
LUMSDEN 2
LUMSDEN 3
LUMSDEN 5
LUMSDEN 6
GILMORE
LS-11
HUBBARD LEASE
SHAKIN QUICKIE
SIMPSON MINING COMPANY
J.M. 3
J.M. 1
JOHNNIE MAE 2
JOHNNIE MAE 6
JOHNNIE MAE 4
JOHNNIE MAE 5
LA SALLE
L.S. FRAC.
ore body
LS-1
STOCKTON FRAC.
LS-2
JB ANNEX
JB-27
JB-22
TETZLOFF
TETZLOFF EXT.
LS-3
THORNTON
NEWHEISEL
LS-8
LS-6
LS-9
LS-7
LS-5
LS-4
LS-10
CHEROKEE LEASE
PERIPHERAL BELT
T51N R20W N.M.P.M.
T50N R20W N.M.P.M.
T50N R20W
T50N R19W
SCALE: 1" = 1000'
6-12-56 A.W.G.
RAJAH No. 28 LEASE

FIGURE 3

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DATE	INITIALS	CODE

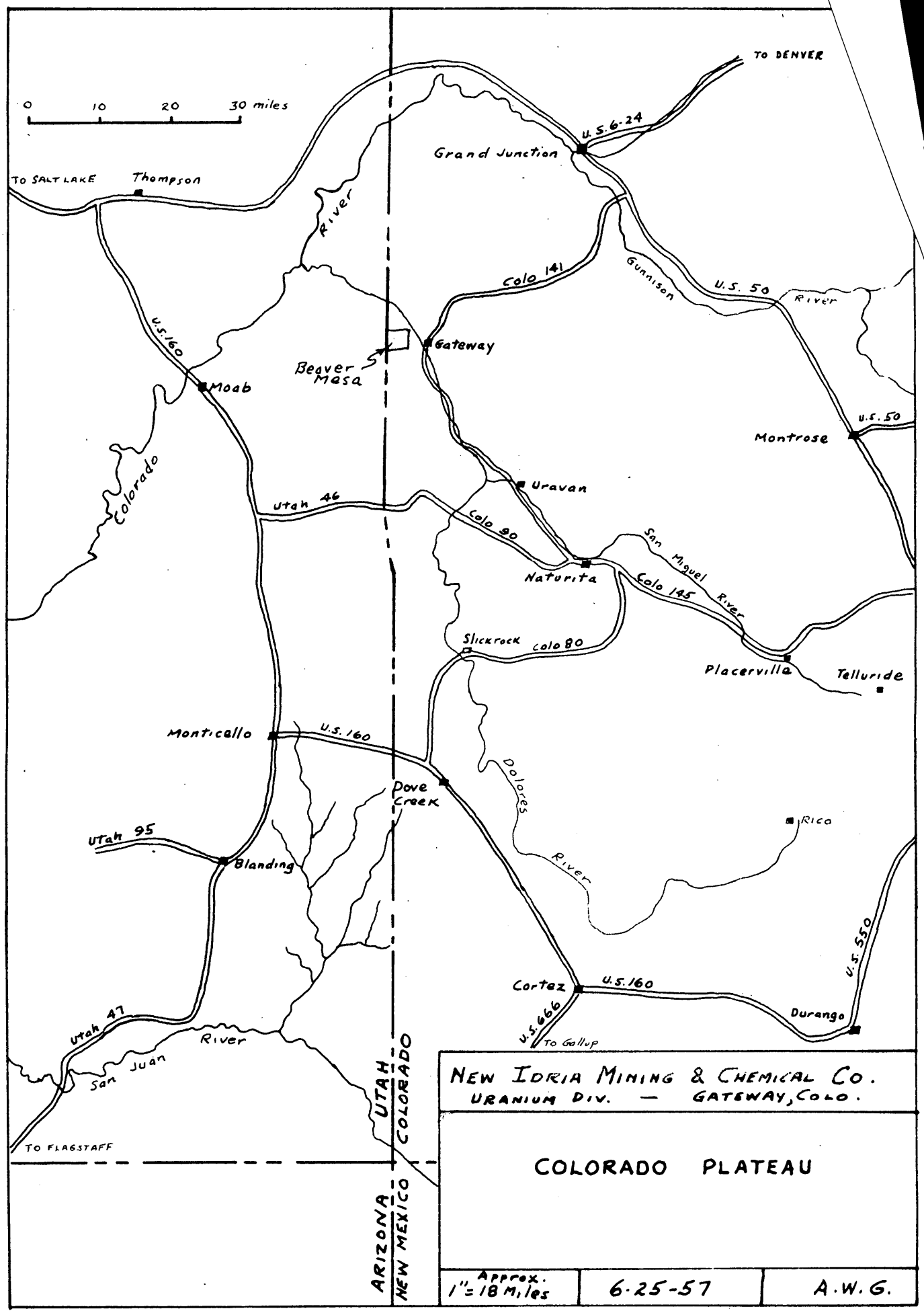
0 10 20 30 miles
TO DENVER
U.S. 6-24
Grand Junction
TO SALT LAKE
Thompson
River
Colo 141
Gunnison
U.S. 50
River
U.S. 160
Gateway
Beaver Mesa
Moab
U.S. 50
Montrose
Colorado
Uravan
Utah 46
Colo 90
San Miguel River
Naturita
Colo 145
Slickrock
Colo 80
Placerville
Telluride
Monticello
U.S. 160
Dove Creek
Dolores River
Rico
Utah 95
Blanding
U.S. 550
Cortez
U.S. 160
Durango
U.S. 666
To Gallup
Utah 47
San Juan River
TO FLAGSTAFF
UTAH
COLORADO
ARIZONA
NEW MEXICO
NEW IDRIA MINING & CHEMICAL CO.
URANIUM DIV. — GATEWAY, COLO.
COLORADO PLATEAU
Approx. 1" = 18 Miles
6-25-57
A.W.G.

FIGURE 1

OFFICIAL FILE COPY
D M E A
RECEIVED SEP 9 1957

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[redacted]

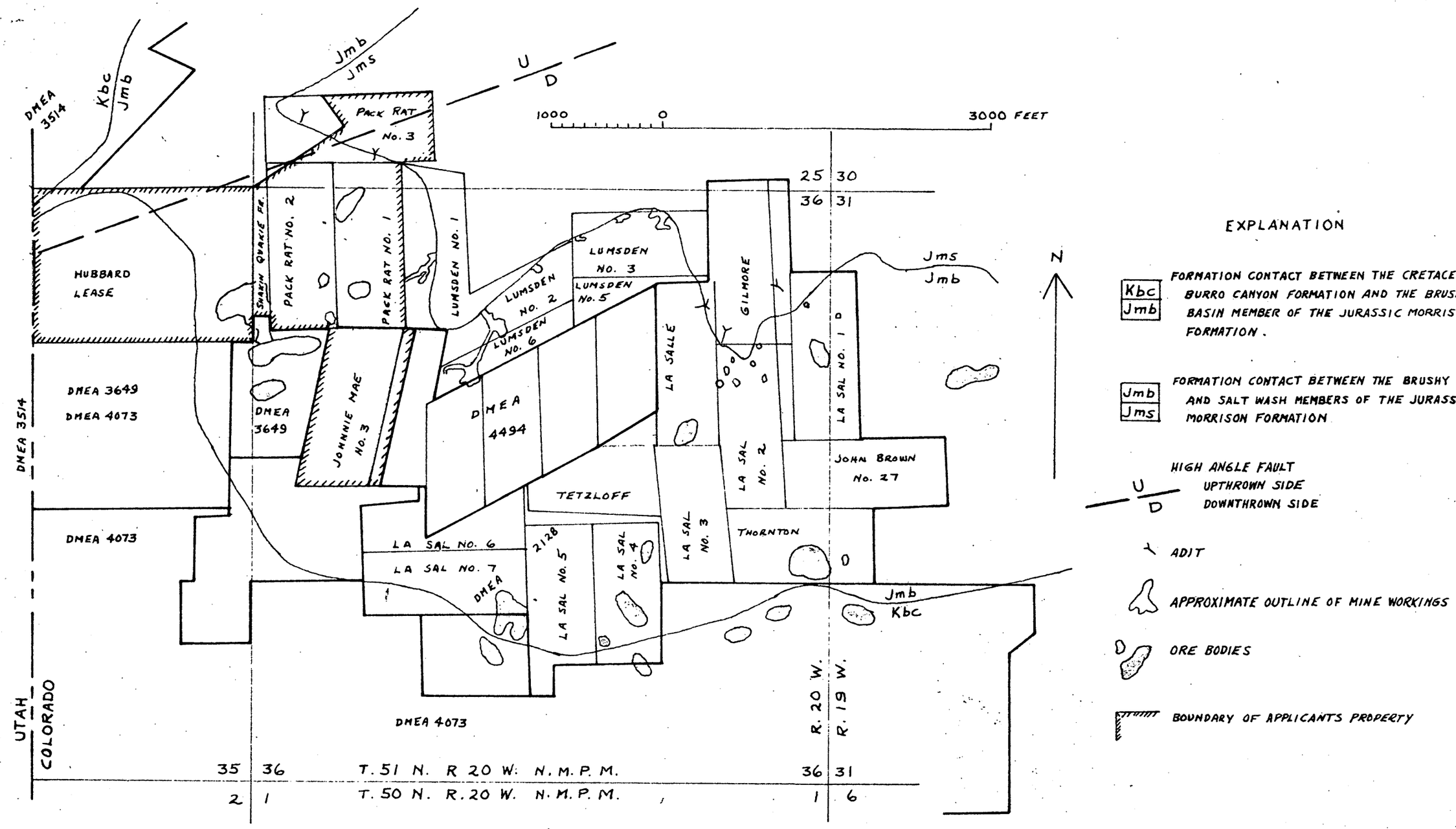


FIGURE 2.--GEOLOGIC MAP SHOWING APPLICANTS CLAIMS RELATIVE TO SURROUNDING ORE BODIES, MINES AND CLAIMS, HUBBARD LEASE, SHAKIN QUAKIE & PACK RAT NO. 2, NEW IDRIA MINING AND CHEMICAL COMPANY, BEAVER MESA AREA, MESA COUNTY, COLORADO

application
DMEA 1-4826

OFFICIAL FILE COPY
D M E A
RECEIVED SEP 9 1957

DATE	INITIALS	CODE

OFFICIAL FILE COPY
D M E A
RECEIVED SEP 9 1957

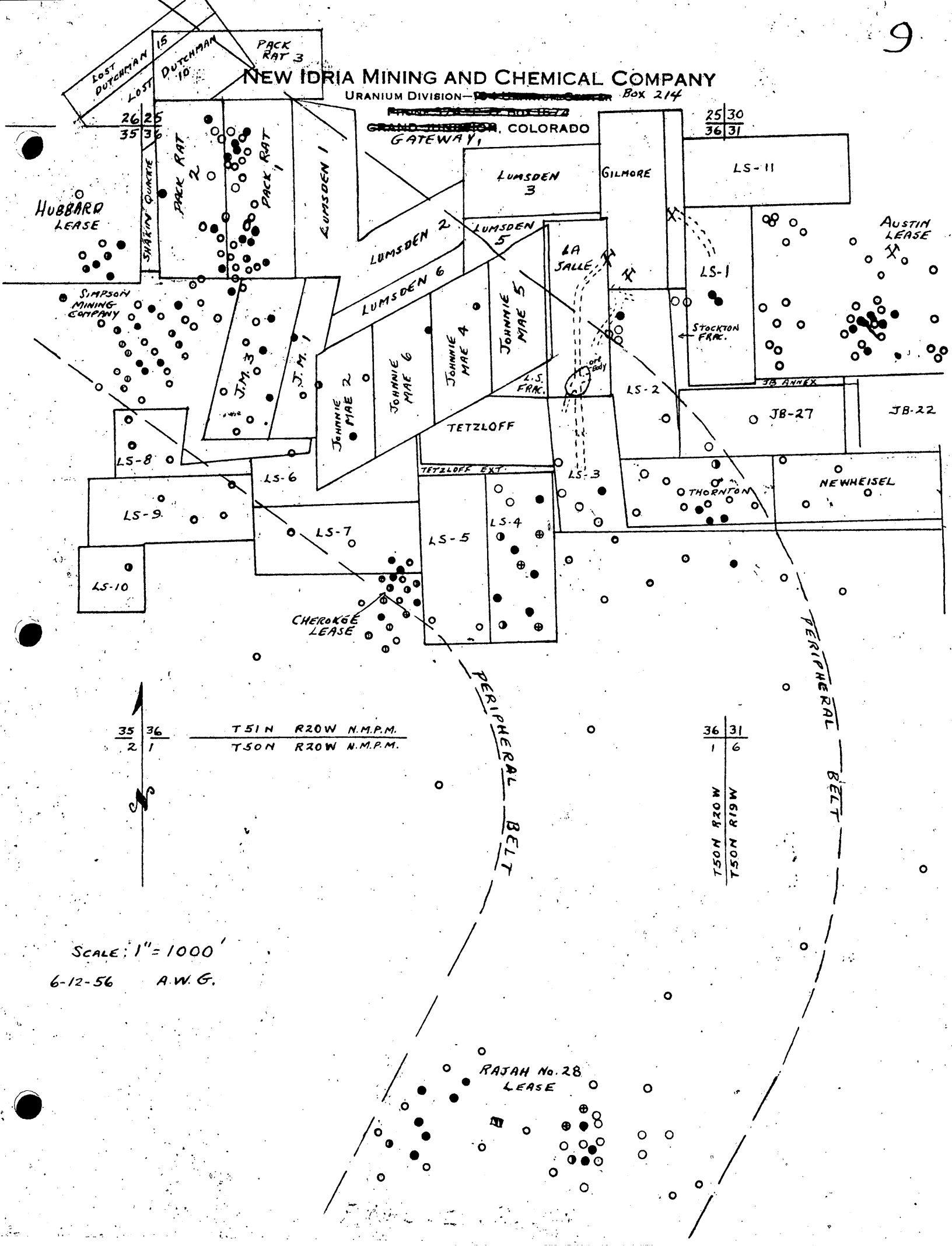
DATE	INITIALS	CODE

NEW IDRIA MINING AND CHEMICAL COMPANY

URANIUM DIVISION— [redacted] Box 214

[redacted], COLORADO

GATEWAY,



SCALE: 1" = 1000'

6-12-56 A.W.G.

22,000 N
21,000 N
20,000 N
111,000 E
112,000 E
113,000 E
PACK RAT 1
LUMSDEN 1
LUMSDEN 2
LUMSDEN 3
LUMSDEN 5
LUMSDEN 6
CABINS
JOHNNIE MAE 1
JOHNNIE MAE 2
JOHNNIE MAE 3
JOHNNIE MAE 4
JOHNNIE MAE 5
JOHNNIE MAE 6
BEAVER MESA NEW IDRIA
100'
LEGEND
ORE = + 1.24 V_2O_5 - + 0.14 U_3O_8
1/2 ORE
+ 0.49 V_2O_5 or + 0.09 U_3O_8
- 0.49 V_2O_5 or - 0.09 U_3O_8
PROPERTY DIVISION LINE
AREA OF ALTERATION - GREATER THAN 5 FT.
NEW IDRIA MINING & CHEMICAL CO.
URANIUM DIVISION
GATEWAY, COLO.
MAP SHOWING ORE & ORE TRENDS -
JOHNNIE MAE & LUMSDEN CLAIMS
SCALE: 1" = 200' 6-16-56 A.W. GORING

EA Form 7
12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/15	Ching	700
		700

PROJECT SUMMARY REPORT

By: Michael Ching May 14, 1959

1. Docket No. DMEA-4826 (Uranium)
Contract No. Idm-E1181

Operator - New Idria Mining and Chemical Company and
Beaver Mesa Uranium, Inc., a Joint Venture.
New Idria Mining and Chemical Company, Agent
P.O. Box 311
Grand Junction, Colorado

Property - The Hubbard Homestead (Lot 1, Sec. 35, T. 51 N., R. 20 W.) and all or portions of 6 unpatented lode mining claims, Pack Rat 1-3, Shakin Quakie Fraction, and Johnny Mae 1 and 3, situated in Secs. 25 and 36, T. 51 N., R. 20 W., N.M.P.M.&B.

Operator's Property Rights -

Lessee of the Hubbard Homestead and owner of the unpatented claims. Consents to Lien and Subordination Agreements dated April 3, 1958, signed by Beaver Mesa Uranium, Lyman Hubbard, Bert Hubbard, Carter W. Elliott, Lee Murrin, Winifred Murrin, J. B. Crowley, Delsie M. Crowley, J. L. Thompson, L. R. Baker, Trustee, and Cecil S. Haynie.

2. Contract (Long Form) - dated March 27, 1958

Final starting date - May 12, 1958
Actual starting date - May 12, 1958
Contract completion date - Jan. 31, 1959
Termination Agreement - dated Feb. 27, 1959, effective Jan. 28, 1959

Work Authorized

Test the top sandstone unit of the Salt Wash member of the Morrison formation for uranium by core and non-core drilling in two stages, as follows:

8623

Stage I (Not more than 40 holes)

Actual Costs

11,175	feet non-core drilling, 0-300 ft. depths, @ $2.00/ft.	$22,350.00
4,145	feet non-core drilling, 300-600 ft. depths, @ $2.10/ft.	8,704.50
1,515	feet core drilling, 0-400 ft. depths, @ $4.40/ft.	6,666.00
1,280	feet core drilling, 400-600 ft. depths, @ $4.90/ft.	6,292.00
205	feet core drilling, 600-800 ft. depths, @ $6.00/ft.	1,230.00
40	hrs. drill crew standby @ $12.00/hr.	480.00
80	hrs. bulldozing @ $12.00/hr.	960.00
300	cardboard core boxes @ $1.00 each	300.00
100	chemical sample analyses @ $5.00/sample	500.00

Fixed Unit Costs

18,320 feet @ $0.21/ft. incidental allowance	3,847.20	$51,309.70

Stage II (Not more than 40 holes)

Estimated costs of Stage II are identical to those of Stage I	51,309.70
Estimated total cost of the project	$102,620.00
Government participation @ 75%	$ 76,965.00

Amendments

No. 1 - dated Dec. 11, 1958. Extends completion date from Nov. 30, 1958 to Jan. 31, 1959.

Work Completed

Stage I (40 holes)

10,755	feet non-core drilling, 0-300 ft. depths, @ $2.00/ft.	$21,510.00
3,873	feet non-core drilling, 300-600 ft. depths, @ $2.10/ft.	8,133.30
1,465	feet core drilling, 0-400 ft. depths, @ $4.40/ft.	6,446.00
1,233	feet core drilling, 400-600 ft. depths, @ $4.90/ft.	6,041.70
135	feet core drilling, 600-800 ft. depths, @ $6.00/ft.	810.00

40 hrs. drill crew standby @ $12.00/hr.	480.00	
95 hrs. bulldozing @ $12.00/hr.	1,140.00	
83 sample analyses @ $5.00/sample	415.00	
17,461 feet @ $0.21/ft. incidental allowance	3,666.81	$48,642.81

Stage II (33 holes)

8,957 feet non-core drilling, 0-300 ft. depths, @ $2.00/ft.	$17,914.00	
3,075 feet non-core drilling, 300-600 ft. depths, @ $2.10/ft.	6,457.50	
1,292 feet core drilling, 0-400 ft. depths, @ $4.40/ft.	5,684.80	
896 feet core drilling, 400-600 ft. depths, @ $4.90/ft.	4,390.40	
53 feet core drilling, 600-800 ft. depths, @ $6.00/ft.	318.00	
73.5 hrs. drill crew standby @ $12.00/hr.	882.00	
124 hrs. bulldozing @ $11.9415/hr.	1,480.75	
62 sample analyses @ $5.00/sample	310.00	
14,273 feet @ $0.21/ft. incidental allowance	2,997.33	40,434.78
Total cost of the project		$89,077.59
Government participation @ 75%		$66,808.20

Final Reports Received

Operator's - undated, received April 15, 1959

FieldTeam's - dated April 1959, received April 27, 1959

3. Auditor's Report of Review - dated April 23, 1959

Total cost as billed by Operator	$89,077.59
Exceptions	0.00
Total accepted cost	$89,077.59
Government participation @ 75%	$66,808.20

4. Certification of Discovery - dated May 15, 1959 ?

5. Results and Comments

The 40 holes drilled under Stage I were located in an irregular drilling pattern, with spacing ranging from 200 to 400 feet, and with previously completed holes fitted into the overall pattern. Six were ore holes and a number were strongly mineralized, indicating the various specific areas warranting closer spaced drilling under Stage II.

Under Stage II, 33 offset holes were drilled. Those on the Hubbard Homestead were offset approximately 150 feet from previously drilled

holes, while those on the remaining claims were offset approximately 100 feet. Ten of the offset holes penetrated material of ore grade and thickness.

The foregoing work resulted in the discovery of one group of two ore bodies on the Hubbard Homestead and a second group of six ore bodies on the Pack Rat 1 and 2 claims. Existing underground workings near the latter group will permit ready extraction of this ore. Some further developmental drilling may be necessary before mining plans are formulated for the first group of ore bodies.

Reserves are estimated as 22,889 tons of indicated ore averaging 0.66 percent U_3O_8 and 6,283 tons of inferred ore averaging 0.46 percent U_3O_8. Total reserves amount to 29,172 tons of indicated and inferred ore averaging 0.61 percent U_3O_8.

No unusual difficulties were encountered in carrying out the project. The work was done efficiently under capable supervision. Two drill rigs were used in drilling a total of 26,660 feet of non-core and 5,074 feet of core holes between May 12, 1958, and January 28, 1959, indicating a drilling rate of approximately 75 feet per drill per shift. Average depths of the holes was 435 feet.

A certification of discovery is fully justified by the results of this project.

Michael Ching
Michael Ching

MChing/fw-5/14/59
cc: Docket
Dir. Read. File
Mr. Johnson
Mr. Ching

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

X Certified — After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator: New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc., (A Joint Venture)

Actual Cost: X

State: Colorado

Agreed Unit Cost:

Final Report of Audit:

Commodity: Uranium

Docket No.: DMEA-4826

Final Report of Review: X

Contract No.: Idm-E1181

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) D.D. Non-core	30,640'	$69,023.00	26,660'	60,294.00	60,294.00
D.D. Core	6,000'	30,696.00	5,074'	25,438.00	25,438.00
Surface Excavation					
Underground Excavation					
Roads and Trails		1,920.00		2,621.00	2,621.00
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) Chem. Analyses		1,000.00		725.00	725.00
Totals		$102,620.00		$89,078.00 ? 2/	$89,078.00 ?
				77.59 ?	77.59 ?

1/ Round off to dollars.
2/ Net cost total must agree with final report of audit or review.

Prepared by Michael Ching Date 4-29-59

52616

SEE FOLDER NO. 1-A for CORRESPONDENCE

BEGINNING JANUARY 1, 1959

December 24, 1958

Memorandum

To: Hazel Berry, Operating Committee

From: Grace L. Ault
Division of Rare and Miscellaneous Metals

Subject: Amendment to contract

Mr. Ching has reviewed and approved Amendment No. 1, dated December 11, 1958, to Contract No. IGM-E1181, Docket No. DMRA-4826, New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc., which was executed in Region III. No further review of the amendment is necessary by the Legal Division.

/s/ Grace L. Ault

Grace L. Ault

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
December 18, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 22 1958

DATE	INITIALS	CODE
12/22	C	220
12/22	NB	130
		700

Memorandum

TO: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) Contract Idm-E1181, New Idria Mining and Chemical Company, (Hubbard Homestead, Pack Rat et al claims) Mesa County, Colorado

Enclosed are the following items pertaining to extension of the contract completion date, and approval for additional Stage II drilling:

1. Government's and Audit's copies of Amendment No. 1 to the subject contract, which has been executed in accordance with the "Special Notice" contained in the Minutes, Operating Committee, No. 11, dated October 24, 1958.

2. Three copies of work approval issued by the OME Field Team for the drilling of four additional holes under Stage II of the contract.

3. Three copies of a Joint memorandum, dated December 9, 1958, by J. W. Hasler, Geologist, Geological Survey, and H. F. Robertson, Mining Engineer, Bureau of Mines, pertaining to extension of the contract completion date and approval for the four additional Stage II holes.

Two copies each of the Operator's two relative letters of December 4, 1958, with attachments, were forwarded to you with copies of our memorandum of December 5, 1958, to the field examiners.

Copies of the amendment and work approval have been distributed to the Operator, the Finance Office, and others concerned in Region III.

J. W. Townsend

224 New Customhouse
Denver 2, Colorado
December 17, 1958

Mr. Ross Nicholson
New Idria Mining and Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Docket No. DMEA 4826 (Uranium)
Contract Idm-K1181
New Idria Mining and Chemical Company
(Hubbard Homestead, Pack Rat et al. claims)
Mesa County, Colorado

Dear Mr. Nicholson:

In reference to your request by letter of December 4, 1958, this constitutes approval by the Government for the drilling of four (4) additional holes under the provisions of Stage II of the captioned contract. The locations of the four (4) approved holes are indicated by the symbol X on the map entitled, "Map Showing Drill Holes on Hubbard Homestead, and Proposed Additional Stage II Holes," which is attached hereto and made a part of this work approval.

Nothing in this work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum".

Very truly yours,

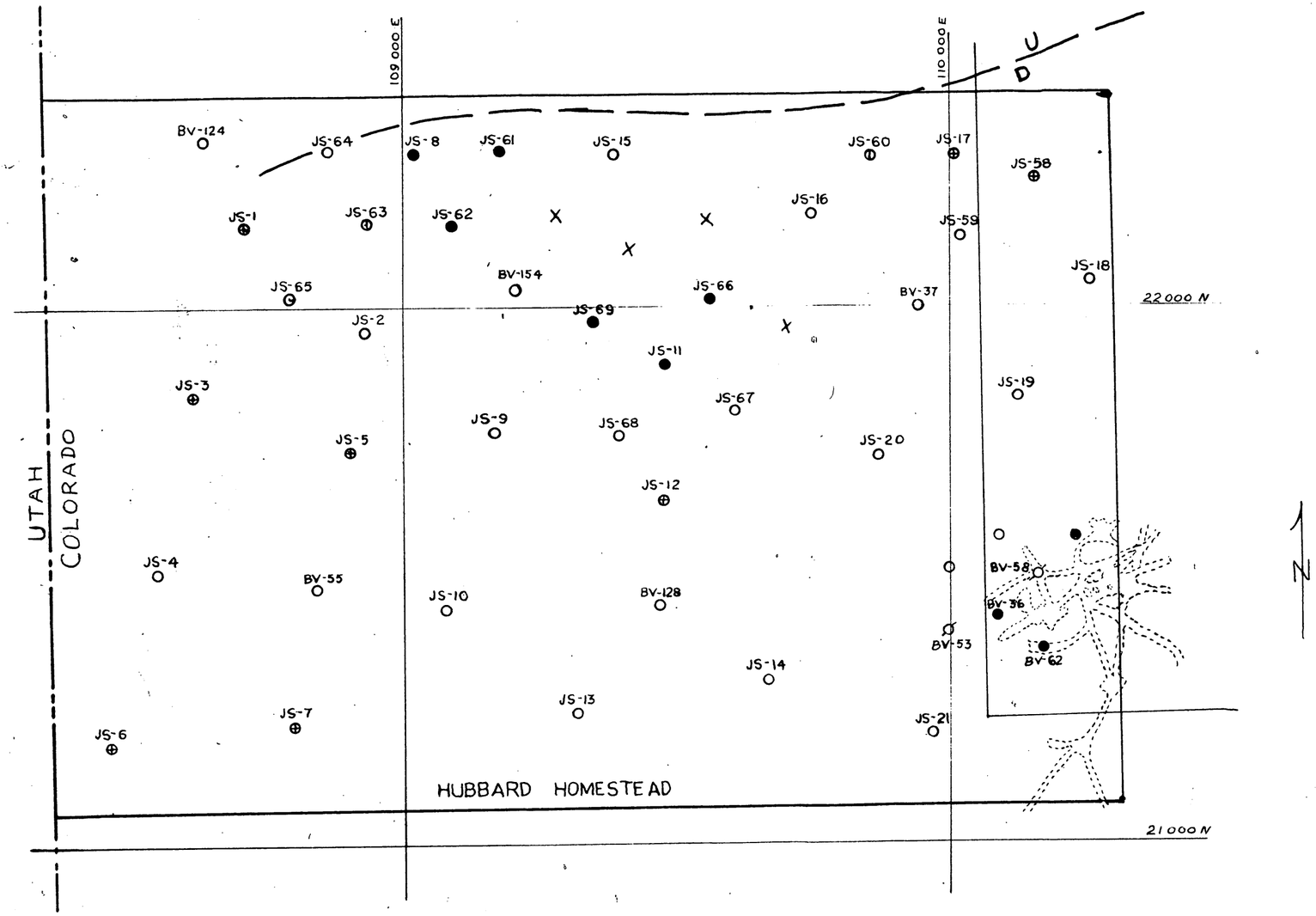
OME Field Team, Region III

By J. W. Townsend
J. W. Townsend

By E. N. Harshman
E. N. Harshman

JDC:hmh

cc: Chmn. Op. Comm. (3)
Finance Office, Reg.III
Amendment File, Reg.III
Harshman
Hasler
Robertson, OME/GJ
Corres.file, Reg.III
Cooper
Chron



LEGEND

- FAULT
- UNDERGROUND WORKINGS
- ○ BARREN HOLES
- ⊘ PREVIOUSLY DRILLED MINERALIZED HOLES
- ⦶ JS SERIES WEAKLY MINERALIZED HOLES
- ⊕ JS SERIES STRONGLY MINERALIZED HOLES
- ● ORE HOLES
- × PROPOSED ADDITIONAL STAGE II DRILLING

NEW IDRIA MINING & CHEMICAL CO.
DMEA NO. 4826, CONTRACT NO. Idm-E1181

SCALE: 1" = 200'

HFR - 12/8/58

MAP SHOWING DRILL HOLES ON HUBBARD HOMESTEAD AND PROPOSED ADDITIONAL STAGE II DRILLING

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 22 1958
DATE | INITIALS | CODE

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

OME
DEPARTMENT OF THE INTERIOR
DEC 10 1958
REGION III
DENVER, COLORADO

IN REPLY REFER TO:
MINERAL DEPOSITS
O M E
RECEIVED
DEC 10 1958
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

December 9, 1958

Memorandum

To: Executive Officer, OME Field Team, ~~Region III~~

Through: E. N. Harshman

From: J. W. Hasler
H. F. Robertson

Subject: Docket DMEA 4826 (Uranium), Contract Idm-E 1181, New Idria Mining and Chemical Company (Hubbard Homestead, Pack Rat, et al., claims), Mesa County, Colorado. Recommendations concerning additional Stage II drilling

The New Idria Mining and Chemical Company has completed a total of 69 Stage I and Stage II holes under terms of the current DMEA contract Idm-E 1181. Twelve of the 29 Stage II holes were recommended to test favorable ground indicated by the results obtained by first stage drilling on the Hubbard Homestead. These recommended Stage II holes have been completed with encouraging results and the operator has requested that four additional Stage II holes be drilled as offsets to ore holes. An extension of the expiration date to January 31, 1959, has also been requested to allow time for the additional drilling.

A detailed study of Stage II drilling on the Hubbard Homestead has been made and the following table shows the results:

Stage II hole No.	Thickness ore/or mineralized	Depth of mineralization	Percent U_3O_8	Thickness O.B.S.S.
JS-58	1.0'	373'	0.11	--
JS-59	--	--	Barren	--
JS-60	1.0'	357'	0.04	--
JS-61	1.5'	523'	0.17	54'
JS-62	1.1'	--	0.22	60'
JS-63	1.0'	--	0.02	55'
JS-64	--	Barren	--	(penetrated fault zone)
JS-65	--	--	Barren	--
JS-66	8.6'	531'	0.30	51'
JS-67	--	--	Barren	36'
JS-68	--	--	Barren	--
JS-69	1.4'	570'	0.21	57'

Four of the Stage II holes recently completed (JS-61 and JS-62, offsetting Stage I hole JS-8; JS-66 and JS-69, offsetting Stage I hole JS-11) penetrated ore-grade material. The map accompanying the operator's request dated December 4, 1958, shows a probable ore body trending southeast between holes JS-8 and JS-11. Consequently, the operator proposes drilling 3 Stage II holes, spaced 150 feet apart, to test the continuity of the ore between holes JS-61, JS-62, and JS-66, and 1 Stage II hole to test a possible southeastward extension from hole JS-66. The operator has requested 3 Stage II holes to test the continuity of the ore found on 150-foot centers between the ore discovered in holes JS-61, JS-62, and JS-66 and 1 Stage II hole to test the possible southeastward extension of ore from hole JS-66.

The examining team has inspected the results of coring of the Stage II holes, and has discussed the proposed offset drilling with the operator's representative, Dean Nicholson.

It is the opinion of the examining team that the four holes as requested by the operator should be drilled to more thoroughly delineate the southeasterly trending ore body on the Hubbard Homestead since the results of the previous drilling have proven so encouraging. Therefore, it is recommended that the four proposed Stage II holes be drilled as shown on the attached map.

The proposed holes are located such that ore holes JS-61 and JS-69 will be offset by one hole each and ore hole JS-66 will be offset by two holes. Stage I holes JS-15 and JS-16 were essentially barren but penetrated good thicknesses of favorable sandstone.

It is also recommended that the operator be granted an additional 60-day extension or until January 31, 1959, in order to complete the four recommended Stage II holes.

J. William Hasler

J. William Hasler
Geologist

H. F. Robertson by JWH

H. F. Robertson
Mining Engineer

Map will be sent under separate cover

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 15 1958		
DATE	INITIALS	CODE
12/15	C	220
12/15	[illegible]	800
12/16	Chicky	700

224 New Customhouse
Denver 2, Colorado

December 11, 1958

Mr. Dean Nicholson
New Idria Mining and Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Docket No. DMEA 4826 (Uranium)
Contract No. Idm-R1181
New Idria Mining and Chemical
Company, Agent
(Hubbard Homestead)
Mesa County, Colorado

Dear Mr. Nicholson:

Enclosed are the Government's, Operator's, Audit, Finance Office, and Field Team copies of proposed Amendment No. 1 which has been prepared in reference to your letter of December 4, 1958 to extend the contract completion date from November 30, 1958 to January 31, 1959.

If the proposed amendment is satisfactory, all copies are to be signed by an official of New Idria Mining and Chemical Company authorized to sign such an instrument, the signer's title inserted, the corporate seal affixed, and all copies promptly returned to this office; upon receipt of which and after signature by a representative of the Government, the "Operator's Copy" will be forwarded to you.

Very truly yours,

K. M. Emmons

for/ J. W. Townsend
Executive Officer
DMEA Field Team, Region III

JDC/ad
Enclosures
cc: Chm. Op. Comm. (2)
Harshman
Hasler
Robertson, OME/G.Jct.
Corres. File
Cooper
Chron.

OFFICIAL FILE COPY
O. M. E. X
RECEIVED DEC 9 1958

DATE	INITIALS	CODE
12/9	C	220
12/9	UDT	800
12/10	MCL	700

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado

December 5, 1958

Memorandum

TO: Mr. E. N. Harsiman

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium), Contract No. Idm-E1181
New Idria Mining and Chemical Company (Hubbard Homestead, Pack Rat, et al., claims) Mesa County, Colorado

Enclosed are copies of the Operator's two letters of December 4, 1958, one with drill logs and map attached which constitute a request for the Governments approval for the drilling of four additional holes under Stage II of the contract, and a 60-day extension of the completion date.

The Operator indicates that copies of both letters with attached data were forwarded directly to J. W. Hasler, Grand Junction; therefore, we assume that a Joint Memorandum Report containing the field examiners recommendations will be forth coming at an early date.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JWT:ltm

cc: Chmn. Op. Comm. (2)) w/copies
Robertson, OME/GJ) of enclosures
Corres. File)
Hasler
Cooper
Chron.

RECEIVED DEC 9 1950

DATE	INITIAL	CODE

[illegible]

[illegible]

Dear Mr. [illegible]

Enclosed please find one copy of a proposal for [illegible] on the above numbered contract.

A copy of this proposal is being delivered [illegible] office here in [illegible].

Yours truly,

Owen Nicholson

Owen Nicholson

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 9 1958
DATE | INITIALS | CODE

NEW IDRIA MINING & CHEMICAL COMPANY

URANIUM DIVISION - BOX 311, GRAND JUNCTION, COLORADO

December 4, 1958

OME
DEPARTMENT OF THE INTERIOR
DEC 5 - 1958
REGION III
DENVER, COLORADO

Mr. J. W. Townsend
Executive Officer
OME Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Contract No. Idm-E1181
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Additional Stage II Drilling

Dear Mr. Townsend:

The approved portions of Stage I and Stage II totalling 69 holes of the above numbered contract were completed on the 26th of November, 1958.

The total contract allowance was 80 holes, 40 Stage I and 40 Stage II, and, at the present time, 11 Stage II holes remain unused.

The latter part of the Stage II approved drilling indicated the desirability of some additional offset holes and we wish to submit for your approval a request for four additional Stage II offset holes.

This proposal for four additional holes located on the Hubbard Homestead as shown on the accompanying map comprises 2,245 feet of drilling of which 1,980 feet is non-core drilling and 265 feet core drilling as follows:

Hole	Plug	Core	Total	No. Offsets	Plug	Core	Total
*JS-61	485	87	572	1	500	87	587
*JS-66	510	55	565	2	940	110	1050
JS-69	540	68	608	1	540	68	608
Totals	1535	210	1745	4	1980	265	2245

*Estimate of requested footage allows for change in collar elevation.

The four proposed additional offsets are located about ore holes and are not closer than 150 feet to a previously drilled hole.

Adequate reserve remains in the various categories to cover the drilling of these

NEW IDRIA MINING & CHEMICAL COMPANY
Uranium Division - Box 311, Grand Junction, Colorado

Continued - Letter to Mr. J. W. Townsend re additional second stage drilling, Docket No. DMEA-4826 (Uranium), Contract No. Idm-E1181, Hubbard Homestead, Pack Rat, et al., Claims, Mesa County, Colorado.

four proposed additional offsets.

Two of the proposed offsets are below the level of the rim and, undoubtedly, dozer work in excess of the contract allowance of two hours per hole will be required.

Accompanying this proposal is a map of the subordinated area showing the proposed locations and all previous drilling. Also accompanying are the drill logs of holes JS-61 and JS-62 which are pertinent to the request for offsets and have not yet reached your office as a portion of the monthly report for November, 1958.

We would be pleased to supply any additional information you might request.

Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Dean Nicholson

Dean Nicholson

Enclosures: 3

DRILL HOLE LOG

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 9 1958

New Idria Mining & Chemical Company

Docket DMEA 4826
Contract Idm E-1181
Beaver Mesa

Drill-hole No. JX JS 61
Total depth 572.0
Collar elev. 7349.9T

Claim Hubbard Homestead
Date started Nov. 10, 1958
Date completed Nov. 11, 1958

DATE	CONTRACTOR	CODE
North		
East		

Summary of log	OBSS	Thick	SS Color	MS	Cbn
Favorable	496.8-534.8	38.0	Wh/Gy	Under OBSS 9.9 Gn	A
Favorable	544.7-560.9	16.2	Wh/Gy	3.1 Gn	M

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	485.0						Plug	
485.0	493.5	8.5	MS	R		N	A itbd. LGy. & Pp. Qtzc. SS	
493.5	496.8	3.3	MS/ST	Gn		N	S itbd. LGy. Qtzc. SS	
496.8	512.4	15.6	SS	Wh	F-M	S	A Alt. Vol.; S int. Gn. MS; S Gn. MS fms. & incls.; Cbn. fks. near bottom; Mostly massive	
512.4	515.2	2.8	SS	Wh	M	N	A Alt. Vol.; S Gn. MS fms.	
515.2	520.8	5.6	SS	Wh/LGy	F-M	N	A Alt. Vol.; A Gn. MS fms.; Lam. X-bedded	
520.8	522.3	1.5	SS	Gy	F	S	A Alt. Vol.; Lam.; U spots	129
522.3	523.8	1.5	SS	Gy/Bk	F	S	A Alt. Vol.; A U spots; Friable	130
523.8	533.0	9.2	SS	LGy/Wh	F	N	A Alt. Vol.; S Gn. MS incls.; Massive	
533.0	534.8	1.8	SS	LGy	VF-F	A	Trashy zone; Lam.; 0.2 Bk. MS at top	131
534.8	544.7	9.9	MS/ST	Gn		N	A itbd. Wh/LGy qtzc. SS	
544.7	560.9	16.2	SS	Wh/LGy	F-M	M	A Alt. Vol.; A Gn. MS fms.; A int. Gn. MS; Lam.; X-bedded; Cbn. fks. & fms. at 550.5	
560.9	564.0	3.1	MS	Gn		N	Itbd. Gy. Qtzc. SS at bottom	
564.0	572.0	8.0	MS	R/Gn		N	Mot.; S itbd. LR Qtzc. SS	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
129	520.8	522.3	1.5	0.07	0.04	
130	522.3	523.8	1.5	0.17	0.12	
131	533.0	534.8	1.8	0.01	0.07	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

Hole No. JX JS61

DRILL HOLE LOG

OFFICIAL FILE COPY
RECEIVED DEC 9 1958

New Idria Mining & Chemical Company

Type of Drill Rotary

Docket DMEA 4826
Contract Idm E-1181
Beaver Mesa

DATE	INITIALS	CODE
COORDINATES		

Drill-hole No. JS 62
Total depth 584.0
Collar elev. 7361.7T

North
East

Claim Hubbard Homestead
Date started Nov. 12, 1958
Date completed Nov. 14, 1958

Summary of log; OBSS; Thick; SS Color; MS; Cbn

Favorable	509.8-516.2	30.4	Wh/Gy	Under OBSS 4.1 Gn.	A
Semi-Favorable	553.3-573.9	20.6		0.3 Gn.	M

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	DESCRIPTION / REMARKS	Sample
0.0	500.0						Plug	
500.0	508.0	8.0	MS	R/Gn		N	Mot.; M itbd. LGy. Qtzc. SS	
508.0	509.8	1.8	MS/ST	Gn		N	Sandy	
509.8	516.5	6.7	SS	Wh/LGy	F-M	N	A Alt. Vol.; S int. Gn. MS; Semi Qtzc. at top; Massive	
516.5	531.7	15.2	SS	Wh	F	S	A Alt. Vol.; S Gn. MS fms.; Partly Lam.	
531.7	532.8	1.1	SS	DGy/Bk	F-M	A	A Alt. Vol.; Trashy at top and bottom; Greenish tinge; Lam.; S U fms.	132
532.8	533.8	1.0	SS	Gy	F-M	N	A Alt. Vol.; S Gn. MS fms.; Lam.	133
533.8	540.8	7.0	SS	Wh/LGy	F&M	N	A Alt. Vol.; S Gn. MS fms.	
540.8	549.2	8.4	SS	Wh	F-M	S	A Alt. Vol.; A Gn. & Br. MS incls.; Speckled	
549.2	553.3	4.1	ST/MS	Gn		N	A itbd. Wh. Qtzc. SS	
553.3	571.1	17.8	SS	Wh/LGy	F-M	M	A Alt. Vol.; S Gn. MS fms.; 0.2 Gn. MS at 552.0; 0.2 Gn. MS at 558.8; Trashy zone at 569.0	
571.1	571.4	0.3	SS	Wh	F-M	M	A Alt. Vol.; Trashy zone; Lam.; Fossil wood w/ pyrite	134
571.4	573.9	2.5	SS	Wh	F-M	N	A Alt. Vol.; S Gn. MS fms.; Semi-Qtzc. at bottom	
573.9	574.2	0.3	MS	Gn		N		
574.2	584.0	9.8	MS	R/Gn		N	Mot.; S itbd. Wh. Qtzc. SS	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
132	531.7	532.8	1.1	0.22	2.75	
133	532.8	533.8	1.0	0.01	0.08	
134	571.1	571.4	0.3	Trace	0.05	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled
OBSS—ore bearing sandstone		
Int—interstitial		
Itbd—interbedded		

FATHER COPY
C. M. E.
RECEIVED JUL 2 1953

DATE	INITIALS	DATE

Carmen Rodriguez

NEW IDRIA MINING & CHEMICAL COMPANY

URANIUM DIVISION - BOX 311, GRAND JUNCTION, COLORADO

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O. M. E.
RECEIVED DEC 9 1958

DATE	INITIALS	CODE

December 8, 1958

OME
DEPARTMENT OF THE INTERIOR
DEC 5 - 1958
REGION III
DENVER COLORADO

Mr. J. W. Townsend
Executive Officer
OME Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA 1826 (Uranium)
Contract No. Idm-E1181
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Additional Stage II Drilling Time

Dear Mr. Townsend:

Further to our request of the above date for additional holes on the above numbered contract, we wish to request 60 additional days or until January 31, 1959, for the completion of these additional four holes.

This period of time is requested due to the fact that the holiday season will interrupt the period and the possibility of inclement weather which would slow the drilling program.

Very truly yours,

NEW IDRIA MINING & CHEMICAL COMPANY

Dean Nicholson

Dean Nicholson

L FILE COPY
M E.
DEC 5 1958
INITIALS
C 220
800
700

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION • [illegible]
GRAND JUNCTION, COLORADO

November 24, 1958

OME
DEPARTMENT OF THE INTERIOR
DEC 1 - 1958
REGION III
DENVER, COLORADO

[illegible] Vanadium Corp.
[illegible], Colorado

Docket No. DIAL 6826 (Uranium)
Contract No. [illegible]
New Idria Mining & Chemical Co.
(Hubbard Homestead, Rock Hat, Co. Ol., [illegible])
Mesa County, Colorado

Dear Mr. Townsend:

The approved drilling on Stage I and Stage II of the above numbered contract totalling 39 holes was completed on November 26, 1958, prior to the completion date as fixed in the contract which was November 30, 1958.

In answer to yours of November 26, 1958, we wish to submit for your approval a request for a few additional holes thought to be desirable as a result of the latter portion of the Stage II drilling.

The formal request for this additional work with supporting data and maps will be submitted to your office at the earliest possible date.

Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Dean Nicholson

Dean Nicholson

cc: New Idria Mining & Chemical Co.
Idria, San Benito County
California

Copies distributed to:
Chan. Op. Comm (2) ✓
Hartmann
Hooker
Dickson, OME/G.C.
[illegible] File, Reg III

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 5 1958		
DATE	INITIALS	CODE
12/5	C	220
12/5	[illegible]	800
12/5	[illegible]	700

Dear Mr. Townsend:

Thank you for your letter of November [illegible] in connection with the above subject.

We are reasonably sure that the Hubbard Homestead, Pack Pot, etc. claims are not eligible for the AEC's bonus and memo was applied for.

However, in July, 1956, we received an Initial Production Bonus for the Hubbard Homestead. We do not have a copy of the AEC 1954 Act, but it appears that only one bonus is payable on any one claim. If we are mistaken, and if you can enlighten us we shall certainly appreciate it.

We have written for a copy of the Atomic Energy Act of 1954 and perhaps that will clarify the matter for us. As soon as we can determine definitely whether we are entitled to any bonus, we will forward our opinion to you.

Thank you for your courtesy.

Very truly yours,

C.F. Glos
Accountant

CFG/eck

Copies To
Chairman [illegible] Committee
Hugh [illegible]
Ramsey [illegible]
Hoe [illegible]

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 1 1958

DATE	INITIALS	CODE
12/1	C	220
12/1	[illegible]	800
1	[illegible]	700

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
November 26, 1958

Mr. Dean Nicholson
New Idria Mining and Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Docket No. DMEA 4906 (Uranium)
Contract Idm-K1181
New Idria Mining and Chemical Company
(Hubbard Homestead, Pack Rat
et al. claims)
Mesa County, Colorado

Dear Mr. Nicholson:

The date fixed in Article 3 of the contract form, on or before the project work is to be completed, is November 30, 1958.

If you have completed all of the work which you plan to perform, or will have completed the work on or before November 30, 1958, you should immediately submit to this office for consideration by the Government, the original and five copies of a request for Government approval to terminate the contract in its present status without requiring performance of the balance of work originally provided for by the contract. In this event, please also advise as to the date the last work was performed under the contract.

If for reasons beyond your control you will be unable to complete all of the work which you plan to perform, by November 30, 1958, you should immediately submit to this office for consideration by the Government, the original and five copies of a request for an amendment to the contract, to provide for such specific additional time as will be required. If Government approval for additional work is to be requested, the original and five copies of your request for additional work should also be submitted at the earliest possible date, together with the necessary supporting data, and maps.

Please give the above matter your immediate attention.

Very truly yours,
Original signed by
J. W. TOWNSEND

J. W. Townsend
Executive Officer, OME
Field Team, Region III

JDC:hmh
cc: Chmn. Op. Comm. (2)
Harshman
Hasler
Robertson, OME/GJ
Corres.file, Reg.III
Cooper
Chron

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O. M. E.
RECEIVED NOV 28 1958

DATE	INITIALS	CODE
11-28	C	220
11/28	[illegible]	800
	[illegible]	[illegible]

OFFICE OF MINERALS EXPLORATION
[illegible] New Customhouse
Denver 2, Colorado
November 24, 1958

Mr. Ryan Nicholson
New Idria Mining and Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Docket No. [illegible] (Proposed)
Contract Ia-[illegible]
New Idria Mining and Chemical Company
(Peck Mat et al. claims)
Mesa County, Colorado

Dear Mr. Nicholson:

Form MF-10b, Operator's Monthly Report and Voucher, for October 1958, has been received in this office, but cannot be processed for payment because all units and costs to date are not included on the forms as required.

Enclosed is a sample copy of Form MF-10b which we have prepared to include all reported costs to date, and a sample copy of Form MF-10bA which shows the reported units and costs for Stage I. Also enclosed are eight blank copies of each form for your use in preparing revised forms.

Please prepare revised forms, using the sample forms as a guide, and forward the original and four signed copies of each form to the Grand Junction office of OME for review and acceptance by the inspecting engineer, who will in turn forward them to this office.

Form MF-10bA which you submitted, covering Stage II units and costs is properly prepared and will be incorporated with the above revised forms when they are received in this office.

Very truly yours

Original signed by
J. W. TOWNSEND
J. W. Townsend
Executive Officer, OME
Field Team, Region III

JDC:hmb

cc: Chron. Op. Comm. (2)
Marshman
Hasler
Robertson, OME/GJ
Cooper
Corres.file, Reg. III
Chron

FINAL DISTRIBUTION

MADE NOV 19 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 21 1958

DATE	INITIALS	CODE
11/21	C	220
11/24	[illegible]	700

cy sent to 800

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
November 17, 1958

Memorandum

To: F. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) Contract Idm-Mi181, New Idria Mining and Chemical Company, (Pack Rat et al. claims) Mesa County, Colorado - ~~REINSTATEMENT~~

Enclosed are the original and four copies of a letter dated October 20, 1958, from the subject Operator, requesting reinstatement of bulldozing costs previously disallowed in processing Form MF-104 for June 1958, and the original and four copies of a relative memorandum dated October 29, 1958, from K. F. Robertson, Mining Engineer, Bureau of Mines.

The engineer states that the bulldozing was necessary to performance of the project work; therefore, as Stage I has been completed, and the total estimated cost for Subagency 1, Independent Contracts, has not been exceeded, the previously disallowed cost of bulldozing is to be reinstated as follows:

Reinstate, previously disallowed costs of bulldozing, 15 hours at $12.00 per hour---------- $180.00

Government participation at 75 percent---------- 135.00

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JBC:mah

Paid $135.00
RKC
Randel K. Cooper
Authorized Certifying Officer
11-18-58 DMEA-59-62

cc: Chem. Op. Comm. (2)
Robertson, OME/JC
MF-104 file, Reg. III
Barshman
Hasler
Cooper
Chron

} w/copy of Oper. letter of 10/20/58 and Robertson's memo. of 10/29/58

Official

EXTRA COPY
O. M. E.
RECEIVED NOV 21 1958

DATE	INITIALS	CODE

OME
DEPARTMENT OF THE INTERIOR
OCT 21 1958
REGION III
DENVER COLORADO

OME
DEPARTMENT OF THE INTERIOR
OCT 30 1958
REGION III
DENVER COLORADO

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION
GRAND JUNCTION, COLORADO

October 20, 1958

Mr. E. N. Harshman
Acting Executive Officer
OME Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Contract No. Idm-E1181
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Reclaim of June, 1958, disallowance

Dear Mr. Harshman:

As per your enclosed original of Administrative Audit Difference Statement, we wish to reclaim the disallowance of 15 hours of bulldozing at $12.00 per hour for a total of $180.00 on the above numbered contract.

Stage I drilling has been completed on this contract and, as will be noted on Form MF-104A for the month of September, the total cost of this stage was $48,642.81 as compared with a total contract allowance of $51,309.70 for an excess in the contract allowance of $2,666.89.

This excess of 15 hours of bulldozer work was of absolute necessity to prepare the drill sites on the south end of the Johnnie Mae No. 3 Claim. Most difficult topographical conditions were encountered in this area and it was impossible to complete the locations as approved by your office without this excess work. In addition to this excess bulldozer work New Idria has assumed for its own account compressor rental, rock drilling time and dynamite in order to complete these drill sites.

We would appreciate your consideration of this reclaim.

Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Vera Nicholson

Vera Nicholson

Pat New Idria Mining & Chemical Co.
Idria, San Benito County, Calif.

OME
DEPARTMENT OF THE INTERIOR
OCT 30 1958
REGION III
DENVER, COLORADO

P. O. Box 360
Grand Junction, Colorado

Office Copy

October 29, 1958

O. M. E.
RECEIVED NOV 21 1958

DATE	INITIALS	CODE

Memorandum

To: Acting Executive Officer, OME Field Team, Region III

From: H. F. Robertson

Subject: Docket No. [illegible] (Urandum), Contract I[illegible] 11[illegible], New Idria Mining and Chemical Co. ([illegible], Peck Ext, et al. claims), Mesa County, Colorado

The subject operator, on October 20, 1958, resubmitted the reported cost of 15 hours of bulldozing time previously disallowed from the June 1958 voucher. The disallowance was made because the reported bulldozing time exceeded the total number of bulldozing units authorized under Stage I of the contract.

In support of the reclaim, the operator states that the excess work was necessary due to extremely difficult preparation of drill sites on the south end of the Johnnie Mae No. 3 claim. The examining engineer concurs with the operator's statement as to the necessity of the bulldozing work in excess of that authorized by the contract. The specified sites for Stage I holes Nos. J8-25, J8-26, and J8-29 are located on a steep, rocky hillside and access to the sites required much more work than was anticipated when the original bulldozing requirements were estimated.

In conclusion, since the unit cost of the reclaimed work is reasonable and does not exceed the maximum unit cost for bulldozing established in the contract, the examining engineer recommends that the previous disallowance of $180.00 (15 hours at $12.00 per hour) be reversed, and that Government participation in the total cost of Stage I bulldozing, as reported by the operator, be approved. Payment of $135.00 (75 percent of $180.00) would be necessary for Government participation in the total cost of bulldozing as claimed.

H. F. Robertson

H. F. Robertson
Mining Engineer

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O. M. E.
RECEIVED NOV 20 1958

DATE	INITIALS	CODE
11/20	C	220
11/20	[illegible]	800
"	[illegible]	700

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
OFFICE OF MINERALS EXPLORATION
244 New Customhouse
Denver 2, Colorado
November 17, 1958

Mr. C. F. Glom
New Idria Mining & Chemical Company
Idria, San Benito County
California

Re: Docket No. DMMA 4826 (Uranium)
Contract No. 14n #1181
(Hubbard Homestead, Pack Rat,
et al claims), Mesa County,
Colorado

Dear Mr. Glom:

Will you please advise if the captioned property is eligible to receive bonus payments? If so, have you made application to the Atomic Energy Commission for such payments?

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Executive Officer
OME Field Team, Region III

HMC/ff
cc: Chmn. Op. Comm. (2)
Harshman
Robertson
Hasler
Royalty file -E1181
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

224 New Customhouse
Denver 2, Colorado
September 30, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 3 1958

DATE	INITIALS	CODE
10/3	C	220
	Jane	700

Memorandum

To: Chairman, Operating Committee, OME

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

Subject: Docket No. DMEA 4826 (Uranium), Contract No. ~~Idm-E1181~~, New Idria Mining and Chemical Company (Hubbard Homestead et al. claims), Mesa County, Colorado

Enclosed are three copies of confirmation of verbal work approval, issued by the OME Field Team, Region III, for the drilling of twelve holes under the provisions of Stage II of the subject contract.

Also enclosed are three copies of a joint memorandum, dated September 23, 1958, from J. William Hasler, Geologist, Geological Survey, and H. F. Robertson, Mining Engineer, Bureau of Mines, pertaining to the matter.

Two copies of the Operator's request, dated September 15, 1958, were forwarded with copies of our memorandum of September 17, 1958 to the field examiners.

Copies of the confirmation of work approval have been distributed to the Operator, the Finance Office, and others concerned in Region III.

E. N. Harshman

E. N. Harshman

Enclosures

MINERALS IN REPLY REFER TO:
DMEA
RECEIVED
SEP 25 1958
U.S. GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Grand Junction, Colorado

OME
DEPARTMENT OF THE INTERIOR
SEP 25 1958
REGION III
DENVER, COLORADO

O. M. E.
OCT 3 1958

DATE	INITIALS	CODE

September 23, 1958

Memorandum

To: Office of Minerals Exploration, Region III

Through: E. H. Burnham

From: J. W. Hamler
H. F. Robertson

Subject: Request for additional 14 Stage II holes.
Docket DMEA 4826 (Uranium), Contract 14m-E 1181,
New Idria Mining & Chemical Company (Hubbard Homestead et al claims),
Mesa County, Colorado

The operator in a letter dated September 15, 1958, to the Acting Executive Officer, DMEA, Field Team, Region III, requested approval to drill an additional 14 Stage II holes on the Hubbard Homestead, Peak Hat, et al, claims. Of the 14 holes, 11 holes would be deep holes collaring on the Dakota formation. The 14 requested holes will require about 7,818 feet of drilling of which 6,795 feet will be measure drilling and 1,023 feet will be core drilling. All of the proposed holes will be no closer than 100 feet from the limits on the Hubbard Homestead nor closer than 150 feet from any previously drilled hole.

The following table shows the number of offset Stage II holes to be drilled with respect to each Stage I hole containing significant mineralization or ore-grade material:

Table 1.

Stage I hole	Number of offsets
JH- 1	2
JH- 7	1
JH- 8	4
JH-11	4
JH-17	3
	14

A detailed review of the drilling completed to date on the Hubbard Homestead shows that of 23 holes drilled all were classified as having penetrated ground considered favorable for the occurrence of uranium ore, according to the thickness of ore-bearing sandstone present, its color, grain size, amount of carbon and the ratio between gray-green sandstone and sandstone. The ore-bearing sandstone ranges from 32-72 feet in thickness and averages 52.5 feet. Thirty feet is considered a good average thickness for the usual ore-bearing sandstone.

Complete results have not yet been received from the applicant on 5 of the 20 Stage I holes specified in the contract, however, 2 holes penetrated material of ore grade and thickness and 5 holes contained mineralized material in significant enough quantities to warrant further investigation by offsetting with Stage II drilling.

The operator, as shown in Table 1, has requested 14 Stage II holes to be drilled as offset holes to Stage I holes found to contain either ore-grade material or significant mineralization. The following recommendations are made relative to additional testing of favorable ground on the Hubbard Homestead.

Stage I hole JB-1 penetrated 2.8 feet of radioactive material that averaged 0.13 percent U_3O_8 at a depth of 548 feet, and JB-3 was a strongly mineralized hole containing about 0.6 foot of material that averaged 0.07 percent U_3O_8. The applicant has proposed two offset holes NW and NE of JB-1 to test the area between JB-1 and JB-6, but the holes shall be offset from JB-1. Stage I holes JB-6 and JB-7 were classified as strongly mineralized holes by the applicant. Hole JB-6 penetrated 0.3 of a foot of material that averaged 0.09 percent U_3O_8 and JB-7 penetrated 0.6 of a foot of material that averaged 0.11 percent U_3O_8. It is recommended that one Stage II hole be drilled to offset hole JB-7 and to test the mineralized area between JB-6 and JB-7 in the southwest corner of the Hubbard Homestead.

Stage I hole JB-8 penetrated a thickness of favorable ore-bearing sandstone totaling 75 feet, and 1.3 feet of ore-grade material that averaged 1.75 percent U_3O_8, at a depth of about 588 feet. It is recommended that 4 Stage II offset holes be drilled to test the extent of ore-grade material around this hole as shown on the map accompanying this memorandum. Stage I hole JB-11 penetrated a thickness of 30 feet of favorable ore-bearing sandstone as well as a hot spot of 0.5 of a foot of material that averaged 3.88 percent U_3O_8 and 15.27 percent V_2O_5 at a depth of 580.8 feet. The next hole south of JB-11 on the Hubbard Homestead, JB-18 penetrated 41.7 feet of favorable ore-bearing sandstone as well as 1.8 feet of material that averaged 0.04 percent U_3O_8, therefore, the 4 requested Stage II holes are recommended for drilling.

Stage I hole JB-17 penetrated 67.5 feet of favorable ore-bearing sandstone and an intermittent zone of mineralized material over a thickness of 6 feet that averaged 0.05 percent U_3O_8. One zone, within the 6 feet averaged 0.06 percent over a thickness of 3 feet. It is recommended that 3 Stage II holes be drilled as offsets to JB-17 to more thoroughly test the thick zone of mineralization around JB-17.

The counting team recommends a total of 14 Stage II holes, as requested by the applicant, to be drilled as offsets to Stage I holes JB-1, JB-7, JB-8, JB-11, and JB-17 as shown in the accompanying figure. In order to expedite the work, as the applicant presently has a bulldozer in the area and can prepare the sites for the requested holes, it is requested that approval for such holes as the Field Team deems advisable be given immediately to the operator through the counting team at Grand Junction, Colorado.

J. William Hesler
J. William Hesler
Geologist

H. F. Robertson
H. F. Robertson
Mining Engineer

[illegible] Ave Continuous
Denver 2, Colorado
September 30, 1958

Mr. Ryan Hutchison
Ray Mills Mining and Chemical Company
Reynolds Division
P. O. Box 313
Grand Junction, Colorado

Re: Project No. [illegible] (Vanadium)
Contract No. [illegible]
Ray Mills Mining and Chemical Company
(Hillcrest Exploration et al. claims)
Mesa County, Colorado

Dear Mr. Hutchison:

In reference to your letter of September 15, 1958, the constitution continuation of verbal work approval given September 16, 1958 for you to drill twelve (12) holes under the provisions of Stage II of the exploration contract. The locations of the holes approved below are shown by the symbol X on the map entitled, "Grand Stage Drilling, Reynolds Division, Ray Mills Mining & Chemical Company," which is attached hereto and made a part of this continuation of work approval.

The remaining two holes for which approval was requested are at locations which are not considered sufficiently promising to warrant the Government's approval. Therefore, your request for approval for the remaining two holes is denied.

Nothing in the verbal approval or this confirmation thereof shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "unlimited".

JEO:pd
cc: Chm., Op. Comm. (3)
Finance Office, Region III
Accountant file, Region III
Surplus
Mailer
Inspection and/or
Chf/Ord
Comm. file
Copyr
Chron.

Hutchinson (pmg)

Very truly yours,

GSA Field Team, Region III

By E. H. Kirschman
E. H. Kirschman

By G. V. Kimmel
G. V. Kimmel

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1958

DATE	INITIALS	CODE
9/19	C	220
9/19	[illegible]	800
9/22	[illegible]	700

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
OFFICE OF MINERALS EXPLORATION
924 Bar Building
Denver 2, Colorado
September 17, 1958

Memorandum

To: J. William Mosher - w/enclosure
R. F. Schumann, OME/GJ

From: Office of Minerals Exploration, Region III

Subject: Robert M. Bain and (Trustee), Contract No. [illegible], Ken Ikris Mining & Chemical Company (Robert Bennett et al. claim), Mesa County, Colorado

Enclosed is a copy of the Operator's letter of September 13, 1958, with attached data, which constituted a request for the Government's approval for the drilling of thirteen (13) holes under the provisions of Stage II of the contract.

Please submit a joint recommendation report containing your recommendations to the editor.

Original signed by
J. W. TOWNSEND

J. W. Townsend

JWT:grl

cc: Chem. Op. Chief (2) } w/copy of
Contr. File } enclosure
Northern
OME/HQ
Denver
Admin.

NEW IDRIA MINING & CHEMICAL COMPANY

URANIUM DIVISION - BOX 311, GRAND JUNCTION, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1958

DATE	INITIALS	CODE

September 15, 1958

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Contract No. Idm-E1181
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Second Stage Drilling

Dear Mr. Harshman:

With the completion the first part of September of holes JS-11 and JS-15 the first stage of forty holes, JS-1 to JS-40, inclusive, of the above numbered contract was concluded.

The geology in all forty holes is favorable and the holes are distributed as follows:

Ore holes	5
Strongly mineralized holes	9
Weakly mineralized holes	4
Barren holes	22
	40

A total of 17,461 feet of drilling was done distributed as follows:

	Non Core		Core			
Month	0'-300'	300'-600'	0'-400'	400'-600'	600'-800'	Total
May	1770	22	512			2304
June	3935	431	840	222		5428
July	2950	1950	108	438	88	5534
August	1500	1000	5	452	38	2995
September	600	470		121	9	1200
Totals	10755	3873	1465	1233	135	17461

In all the above categories the footage totals are less than the contract provisions and, therefore, no transfer of footage from stage two to stage one will be required.

NEW IDRIA MINING & CHEMICAL COMPANY
Uranium Division - Box 311, Grand Junction, Colorado

Continued - Letter to Mr. E. N. Harshman re second stage drilling, Docket No. DMEA-4826 (Uranium), Contract No. Idm-E1181, Hubbard Homestead, Pack Rat, et al., Claims, Mesa County, Colorado.

The dozer work to prepare drill sites on the first stage required 95 hours for an excess of 15 hours over the contract provisions.

A total of 83 assays was required which was within the provisions of the contract.

In July a Proposal for First Portion of Second Stage Drilling covering 23 holes was submitted and, of these, 17 holes were approved in yours of August 22, 1958. Three of the 17 approved holes were drilled during August, 1958, and the remainder of the series are currently being drilled.

With the completion of the first stage drilling we wish to submit for approval an additional 14 second stage holes. These 14 proposed holes are all located on the Hubbard Homestead and 11 of the 14 holes would be deep holes collaring on the Dakota Formation.

The 14 holes will total 7,818 feet of drilling of which 6,795 will be non-core drilling and 1,023 feet will be core drilling as follows:

Hole	Plug	Core	Total	No. Offsets	Plug	Core	Total
JS-1	510	76	586	2	1020	152	1172
JS-7	535	60	595	1	535	60	595
*JS-8	395	181	576	4	1940	364	2304
JS-11	555	54	609	4	2220	216	2436
JS-17	360	77	437	3	1080	231	1311
Totals				14	6795	1023	7818

*Hole JS-8 was over-cored by 90 feet due to lack of definite knowledge of the position of the fault in this area and allowance was made for this in estimating the footage totals for the second stage proposal.

Of these five holes JS-8 and JS-11 are ore holes and JS-1, JS-7 and JS-17 are strongly mineralized.

As the 14 proposed offsets are all on the Hubbard Homestead, they are not closer than 100 feet from the limits of the Homestead or closer than 150 feet to any other hole.

Accompanying this proposal are the drill logs of JS-11 and JS-15 which holes were completed during the month of September and, therefore, have not yet been submitted as a part of a monthly report.

NEW IDRIA MINING & CHEMICAL COMPANY
Uranium Division - Box 311, Grand Junction, Colorado

Continued - Letter to Mr. E. N. Harshman re second stage drilling, Docket No. DMEA-4826 (Uranium), Contract No. Idm-E1181, Hubbard Homestead, Pack Rat, et al., Claims, Mesa County, Colorado.

As a part of this proposal there is an accompanying map showing the entire area as covered in the contract with all first stage holes, approved first portion of second stage drilling and the offsets as proposed in this submittal.

Should any additional information be required we would be pleased to forward it to you.

Very truly yours,

NEW IDRIA MINING & CHEMICAL COMPANY

Dean Nicholson

Dean Nicholson

9/13/58

Minerals Assay Laboratory

Noland Avenue -:- Grand Junction, Colorado

L#5527

Phone CH 2-8021

E New Idria Mining & Chemical Co. ADDRESS Box #311 Grand Jct. Colo.

SAMPLE RECEIVED 9/12/58

	Sample #	Hole #	Depth	Thickness	PERCENT URANIUM % U_3O_8	PERCENT VANADIUM % V_2O_5	PERCENT LIME % $CaCO_3$	PERCENT TUNGSTEN OXIDE % WO_3	PERCENT MOLY % MO
06	88	JS-11	580.2-580.8	0.6	0.00	0.02			
507	89	JS-11	580.8-581.4	0.6	8.88	15.27			
1508	90	JS-11	581.4-582.1	0.7	0.03	0.62			

TOTAL CHARGES $ $15.00

R. E. Brown

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA ~~[illegible]~~ 4826
Contract Idm E-~~[illegible]~~ 1181
Beaver Mesa ~~[illegible]~~

Type of Drill Rotary

Drill-hole No. ~~JK~~ JS 11
Total depth 609.0
Collar elev. 7416.7T

COORDINATES
North
East

Claim Hubbard Homestead
Date started Sept. 4, 1958
Date completed Sept. 9, 1958

Summary of log	OBSS	Thick	SS Color	MS	Cbn
Favorable	570.1-600.1	30.0	Wh/Gy	Under OBSS 5.6 Gn	A

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	555.0						Plug	
555.0	566.4	11.4	MS	R/Gn		N	Mot.; S itbd. Wh. Qtzc. SS	
566.4	570.1	3.7	MS	Gn		N		
570.1	576.2	6.1	SS	Wh	F-M	N	A Alt. Vol.; M int. Gn. MS; S Gn. MS incls.; Jointed at base; Massive	
576.2	578.3	2.1					Lost	
578.3	580.2	1.9	SS	Wh	F-M	S	A Alt. Vol.; S int. Gn. MS; Mass.	
580.2	580.8	0.6	SS	LGy	F-M	N	A Alt. Vol.; S int. Gn. MS; Mass.	88
580.8	581.4	0.6	Coal ?	Bk	Amorph	?	S Pyrite & Clausthalite incls.; S F SS Blebs.; Conchoidal Frac.; Metallic luster; Coal-like appearance	89
581.4	582.1	0.7	SS	LGy	F-M	S	A Alt. Vol.; Mass.	90
582.1	585.4	3.3	SS	Wh	F-M	N	A Alt. Vol.; S Gn. MS incls.; Massive	
585.4	588.3	2.9	SS	Wh/LGy	F-M	A	A Alt. Vol.; S Gn. MS Fms.; Lam.; X-bedded	
588.3	595.5	7.2	SS	Wh/LGy	M-F	N	A Alt. Vol.; A Gn. MS incls.; Massive	
595.5	600.1	4.6	SS	Wh/LGy	F-M	S	A Alt. Vol.; S int. Gn. MS; Semi Qtzc.; Massive	
600.1	605.7	5.6	MS	Gn		N	A itbd. Wh. Qtzc. SS	
605.7	609.0	3.3	MS	R/Gn		N	Mot.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
88	580.2	580.8	0.6	0.00	0.02	
89	580.8	581.4	0.6	8.88	15.27	
90	581.4	582.1	0.7	0.03	0.62	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA 4826
Contract Idm E- 1181
Beaver Mesa

Type of Drill Rotary

Drill-hole No. JS 15
Total depth 591.0
Collar elev. 7375.5T

COORDINATES
North
East

Claim Hubbard Homestead
Date started Sept. 2, 1958
Date completed Sept. 4, 1958

Summary of log	OBSS	Thick	SS Color	MS	Cbn
Favorable	515.0-580.2	65.2	Wh/Gy/Gn	Under OBSS 0.7 Gn	M

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	515.0						Plug	
515.0	520.2	5.2	SS	Wh/LGn	F-M	N	A Alt. Vol.; M int. Gn. MS	
520.2	526.0	5.8	SS	Wh/LGy	F	N	M Alt. Vol.; S int. Gn. MS	
526.0	554.5	28.5	SS	Wh/LGy	F-M	M	A Alt. Vol.; Cbn. fks. & fms.;	
							S Gn. MS fms. & incls.; Lam.;	
							Vert. jointing	
554.5	557.5	3.0	MS/ST	Gn		N		
557.5	560.0	2.5	SS	LGy	VF-F	N	Qtzc.; Partly Lam.	
560.0	561.6	1.6	SS	LGy/Gn	VF-F	N		
561.6	562.0	0.4	MS	Bk		?		87
562.0	564.4	2.4	SS	LGy	VF-F	N	A int. Gn. MS	
564.4	565.0	0.6	SS	Wh	M	N		
565.0	565.6	0.6	SS	LGn	VF-F	N	Lam.; Contorted	
565.6	578.4	12.8	SS	Wh/LGy	F-M	S	A Alt. Vol.; S int. Gn. MS; M Gn.	
							MS fms.; Lam.; X-bedded	
578.4	580.2	1.8	SS	Wh	M	N	A Alt. Vol.; A Gn. MS incls.;	
							S Ls. & Bentonite incls.; C Gns.	
580.2	580.9	0.7	MS	Gn		N		
580.9	591.0	10.1	MS/ST	R		N	S itbd. Gy. Qtzc. SS	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
87	561.6	562.0	0.4	None	0.01	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled
OBSS—ore bearing sandstone		
Int—interstitial		
Itbd—interbedded		

cy to 800

DMEA
RECEIVED AUG 29 1958
8/29 C 220
700

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado
August 26, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4826 (Uranium), Contract No. Idm-E1181, New Idria Mining and Chemical Company, Agent (Hubbard Homestead, Pack Rat et al. claims), Mesa County, Colorado

Reference is made to your letter of August 22, 1958, wherein you advised that from your interpretation, the hours of bulldozing under Stage I are not considered as maximum, and that we should not have disallowed excesses above units established in Exhibit "A" in processing the Operator's accounting report for the month of June, 1958.

A review of your letter and of the "Audit Procedure for Exploration Work Under DMEA Exploration Contracts," by the Contract Administration and Audit Division, DMEA, indicates that we have misinterpreted the instructions on Contract Form MF-200 (Revised June 1954) pertaining to work under Category (1). We have interpreted the form to be, in essence, the same as that for Contract Form MF-200 (Revised February 1952).

In processing the Operator's accounting report, we have interpreted the instructions under Category (1) "the estimated cost of each unit of work" to mean "the estimated total cost of each unit or item of work." Thus, since the "unit cost" and the "estimated total cost" of each item of work were considered to be maximums, the reported excesses of units of work have been disallowed.

For clarification in the matter, it is suggested that if Form MF-200, or similar form, is used in the future that the instructions under Category (1) be changed to read, "The estimated total amount of this category and the estimated unit cost of each item of work for performance under an independent contract are maximums."

Because of the lack of control of expenditures for such items of work as bulldozing, standby time, probing time, etc., under Category (1), we would prefer that it be as we have interpreted. It is difficult,

on the once a month inspections by the examining engineer, to determine whether or not overexpenditures were actually necessary, especially in bulldozing and standby time, or were due to inefficient operation by the operator. In addition, too great an overexpenditure, even though possibly necessary, in any minor item or items of work under Category (1), could throw the major items of work out of balance, thereby disrupting the intent of the exploration program.

In the future, we will process operators' accounting reports on the basis of the instructions in your letter of August 22, unless the total cost of each item of work is specifically designated as "maximum" or the recitation in the descriptive part of Exhibit "A" limits the units of work to be performed.

J. W. Townsend

J. W. Townsend

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado
August 22, 1958

DMEA
RECEIVED AUG 25 1958

DATE	INITIALS	CODE
8/25	C	220
		700

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4826 (Uranium), Contract No. Idm-E1181, New Idria Mining and Chemical Company (Hubbard Homestead, Pack Rat et al. claims), Mesa County, Colorado

Enclosed are three copies of project work approval, issued by the DMEA Field Team, Region III, for the drilling of seventeen (17) holes under Stage II of the contract.

Also enclosed are three copies of a joint memorandum, dated August 18, 1958, from J. William Hasler, Geologist, Geological Survey, and H. F. Robertson, Mining Engineer, Bureau of Mines, pertaining to the matter.

Two copies of the Operator's letter, dated July 23, 1958, with attached drilling data and map, were forwarded to you with copies of our memorandum of July 30, 1958 to the field examiners.

Copies of the work approval have been distributed to the Operator, the Finance Office, and others concerned in Region III.

J. W. Townsend

Enclosures

RECEIVED AUG 25 1958
DATE INITIALS CODE

20th Ave Contractors
Denver 2, Colorado
August 22, 1958

Mr. Dean Mahlstrom, Manager
New Idria Mining and Chemical Company
Uranium Division
P. O. Box 311
Grand Junction, Colorado

Re: Project No. DMA 1066 (Freedom)
Contract No. AEC-31182
New Idria Mining and Chemical Company
(Ruthard Reservoir, Tuck Rat et al. Claims)
Mesa County, Colorado

Dear Mr. Mahlstrom:

In reference to your letter of July 23, 1958, this constitutes the Government's approval for the drilling of seventeen (17) holes under the provisions of Image II of the contract at the locations indicated by the symbol * on the map entitled, "Uranium Division, New Idria Mining & Chemical Co. Proposed First Portion Ruthard Stage Drilling," as revised August 18, 1958, which is attached hereto and made a part of this work approval. Partial approval for the drilling of thirteen (13) of the seventeen (17) approved holes was given August 1, 1958.

Six of the holes requested in your letter of July 23, 1958 are not considered warranted by the Government. Therefore, Government approval for drilling of the six holes is denied. The holes which will not be approved for drilling are indicated by the symbol X on the map referred to above.

Nothing in this work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is separately designated "maximum."

JEC:pfl

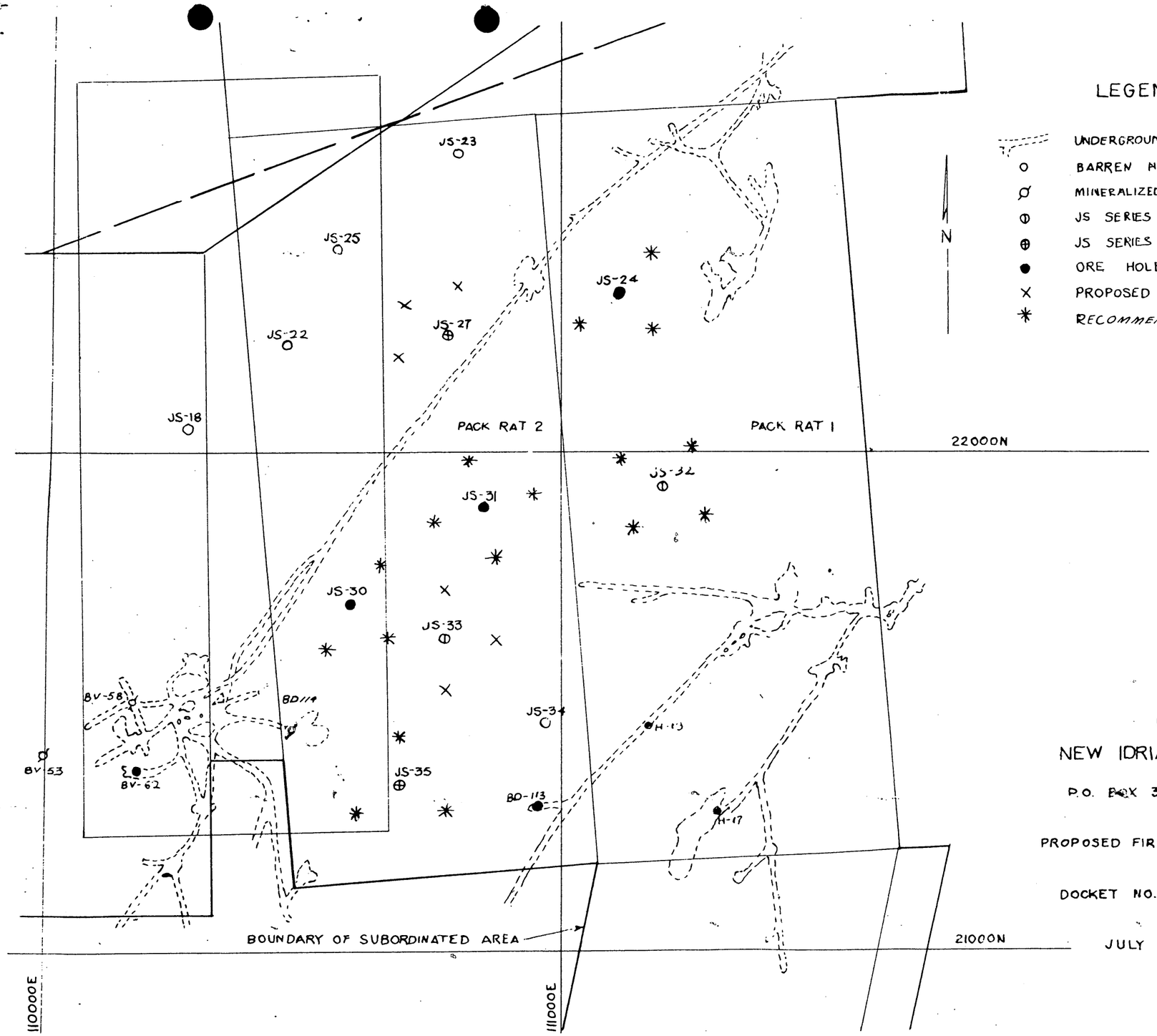
Very truly yours,

DMA Field Team, Region III

By J. V. Kennard

By E. L. Hershberger

cc: Chem. Op. Comm. (3)
Finance Office, Region III
Assistant File, Region III
Hershberger
Hasler
Robertson DMA/GJ
DMA/DPC
Central File
Cooper
Chem.



LEGEND

- UNDERGROUND WORKINGS
- BARREN HOLES
- MINERALIZED HOLES
- JS SERIES WEAKLY MINERALIZED HOLES
- JS SERIES STRONGLY MINERALIZED HOLES
- ORE HOLES
- PROPOSED FIRST PORTION SECOND STAGE OFFSETS
- RECOMMENDED SECOND STAGE II HOLES

URANIUM DIVISION

NEW IDRIA MINING & CHEMICAL CO

P.O. BOX 311, GRAND JUNCTION, COLORADO

PROPOSED FIRST PORTION SECOND STAGE DRILLING

DOCKET NO. 4826 CONTRACT NO. IDM-E1181

JULY 1958 BY: D.N. ADAPTED BY J.W.H. AUG 18, 1958.

SCALE 1" = 200'

IN REPLY REFER TO:
DMEA
DEPARTMENT OF THE INTERIOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 30E
Grand Junction, Colorado

AUG 20 1958
REGION III
DENVER, COLORADO

RECEIVED AUG 25 1958
INITIALS

August 18, 1958

Memorandum

To: Alternate Acting Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman Ellt

From: J. W. Hesler
H. F. Robertson

Subject: Recommendation for Stage II drilling on the Shaking Quakie, Pack Rat Nos. 1 and 2 claims, New Idria Mining & Chemical Company, DMEA Docket 4826, (Uranium) Contract Idm-E 1181, Mesa County, Colorado

The operator requested approval on July 23, 1958, to drill 23 Stage II holes as offsets to 7 holes considered favorable during Stage I drilling.

Verbal approval for 13 Stage II holes to offset Stage I holes JS-24, JS-30, JS-31, and JS-35 was given the operator on August 1, 1958, by the DMEA Field Team Region III, through J. W. Hesler.

A detailed study of the core, logs, and assay data shows there is justification for the approval of the following holes (see table I):

Number of holes recommended	Hole being offset
3	JS-24
3	JS-30
4	JS-31
4	JS-32
3	JS-35
Total 17	

Holes JS-24, JS-30, and JS-31 penetrated good ore-grade material assaying from 0.546 percent U_3O_8 to 1.12 percent U_3O_8 and having a maximum thickness of 3.6 feet. It is recommended to drill the 10 holes requested around holes JS-23, JS-30, and JS-31. Hole JS-32 although only mineralized (3.8 feet of 0.037 percent U_3O_8) penetrated a very favorable sandstone with a thickness of 66.5 feet, possessing a good color and altered mudstone underlying the sandstone. It is advisable to recommend the 4 offset holes requested by the operator to further test the ground around hole JS-32. These 4 offset holes were not included in the verbal approval as the core had not yet been inspected.

Hole JS-35 penetrated mineralized material and contained a fairly good thickness of sandstone and lies in a transition zone between two areas containing ore-grade material, consequently it is recommended that the 3 holes requested as offsets from JS-35 be completed.

Holes JS-33 and JS-27 penetrated thickened portions of favorable sandstone, but were not mineralized sufficiently enough to warrant offsetting at this time. It is, therefore, recommended that the request for offsetting holes JS-27 and JS-33 be denied.

In summary, therefore, it is recommended that 17 Stage II holes, offsetting Stage I holes JS-24, JS-30, JS-31, JS-32, and JS-35 be drilled, approximately as shown on the map accompanying the operator's request. The 17 holes will average about 326 feet and will total approximately 4,245 feet of plug bit (noncore) drilling, 1,286 feet of core drilling for a total footage of 5,531 feet.

Table I.

Hole No.	Thickness OBSB	Depth of Mineralization	Thickness Mineral	Percent U_3O_8	Percent V_2O_5
JS-24	77.8	196.9-198.8	1.9	0.93	1.82
JS-27	58.4	256.2-256.5	0.3	0.07	0.05
JS-30	40.0	335.4-339.0	3.6	0.346	2.66
JS-31	51.7	380.5-381.6	1.1	1.118	10.48
JS-32	66.5	217.8-221.6	3.8	0.037	0.04
JS-33	46.1	342.2-342.3	0.1	0.05	0.53
JS-35	32.3	348.9-349.6	0.7	0.09	1.11

J. William Hasler

J. William Hasler
Geologist

H. F. Robertson

H. F. Robertson
Engineer

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/19	Talbert	800
8-19	Chambers	800
8/19	Ching	700
8/19	Kroome	700
8/22	[illegible]	130
"	[illegible]	110
"	Butterworth	100
8/25	[illegible]	220
		700

AUG 22 1958

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA-4826 (Uranium)
New Idria Mining & Chemical Co., Agent
(Hubbard Homestead, Pack Rat, et al. claims)
Contract No. Idm-E1181

Dear Mr. Townsend:

By letter of August 13, 1958, you advised the referenced Operator that the cost of 15 hours of Stage I bulldozing in excess of the contractual maximum was being disallowed in the processing of the June 1958 MF-104.

Article 6 of the contract provides that only to the extent specified in that article or in Exhibit "A" are any elements maximums. Neither the number of hours nor the total cost of bulldozing are specified as maximums in Article 6 of the contract form. Likewise they are not specified as maximums in either the description of work or estimates of cost portions of Exhibit "A".

Accordingly, it appears that the cost of the 15 hours of bulldozing is allowable unless the Field Team determines that the cost is not reasonable or necessary or the total estimate for the category (which is a maximum) is exceeded.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/6)

APPROVED:

P. F. Yopes (2/6)
Member, Bureau of Mines

N. E. Nelson (2/6)
Member, Geological Survey

cc: Docket
Admr. Reading File
Operating Committee
Mr. Chambers
THKiilsgaard
OMBishop

EDTalbert/GMcC
August 19, 1958

8623

Official

8/22 ~~Chang~~ 700

[illegible] Bldg
Denver 2, Colorado
August 19, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region XII

Subject: Gamma-ray log interpretations

Enclosed are four copies each of gamma-ray log interpretations for the following DMEA prospects:

Project DMEA 3066 (Uranium) Contract 14s-2117, Pay Lode Mining and Chemical Company and Denver Rare Uranium, Inc., A Joint Venture, (Pay Lode Mining and Chemical Company, Agent), (Bilbert Homestead, Fern Ann et al. claims), Rio Grande, Colorado

Project DMEA 4035 (Uranium) Contract 14s-2117, Shenandoah-Dives Mining, Inc., (Fine Fly et al. claims), San Juan County, Utah

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JWT:bmh

cc: Central Files: 2117, 2169

Enclosure
DMEA/DFO
DMEA/S.Jet.
Author
Chron

} w/copy of Gamma-ray logs

New Idria Mining & Chemical Company
Hubbard Homestead, et al claims
Mesa County, Colorado
DMEA Docket 4826

GAMMA-RAY LOG INTERPRETATION

Hole No.	Depth Drilled	Depth Cased	Depth Logged From* To	Anomaly Detected From* To	Anomaly Thickness	Counts per minute	CPM Corrected for Casing	CPM Corrected for G-M Tube	Grade $\%_eU_3O_8$	Remarks
JS-24	-	None	124.9-225.1	189.5-190.2	0.7	1400			.045	
				195.6-197.0	1.4	24000			.74	
				198.2-199.2	1.0	1200			.029	
				199.2-200.5	1.3	600			.014	
				200.5-202.5	2.0	800			.018	
				202.5-203.4	0.9	1250			.030	
				203.4-205.0	1.6	480			.010	
				205.0-205.8	0.8	1150			.029	
				224.3-225.1	0.8	940			.036	
JS-30	405.0	None	262.1-386.0	339.5-401.2	1.7	960			.023	
				401.2-403.1	1.9	990			.024	
				357.7-359.0	1.3	30000			.95	
				359.0-361.9	2.9	600			.012	
				361.9-362.8	0.9	1300			.031	
JS-31	355.0	None	260.5-332.6	315.7-316.6	0.9	26000			.90	
				330.2-331.1	0.9	3800			.14	
JS-32	259.0	None	154.4-254.5	215.6-216.8	1.2	1600			.040	
				216.8-218.0	1.2	2000			.052	
				218.9-220.1	1.2	460			.010	
				220.1-221.1	1.0	300			< .010	
JS-18	429.0	None	306.2-406.2	Barren						
JS-27	310.0	None	202.5-302.5	220.1-221.3	1.2	370			< .010	
				248.2-249.5	1.3	580			.014	
				253.5-254.3	0.8	1300			.034	
				254.3-255.0	0.7	800			.033	
				255.0-256.0	1.0	1900			.055	
				256.0-257.4	1.4	800			.021	
JS-19	422.0		Caved							
JS-20	440.0		Caved							
JS-34	293.0	-	Caved							

* From top to bottom depths

New Idria Mining & Chemical Company
Hubbard Homestead, et al claims
Mesa County, Colorado
DMEA Docket 4826

GAMMA-RAY LOG INTERPRETATION

Hole No.	Depth Drilled	Depth Cased	Depth Logged From*	Depth Logged To	Anomaly Detected From*	Anomaly Detected To	Anomaly Thickness	Counts per minute	CPM Corrected for Casing	CPM Corrected for G-M Tube	Grade $\%_eU_3O_8$	Remarks
JS-16	Caved											
JS-17	Caved											
JS-21	Caved											
JS-22	Caved											
JS-23	248.0	None	144.8	245.0	152.1	152.9	0.8	210			< .005	
					156.7	157.8	1.1	270			< .010	
					182.4	183.0	0.6	300				
					186.4	187.3	0.9	230			< .010	
					194.1	195.0	0.9	200			< .010	
					207.4	208.4	1.0	320			< .010	
JS-25	325.0	None	232.0	304.0	263.2	264.2	1.0	240			< .010	
					278.0	278.9	0.9	300				
					279.8	280.8	1.0	360				
					285.2	286.0	0.8	700				
					287.0	288.0	1.0	300				
					289.8	291.4	1.6	360			< .010	
					291.4	292.4	1.0	530				
					293.5	294.4	0.9	710				
					300.7	301.4	0.7	240				
JS-36	215.0	None	113.3	213.4	196.2	197.2	1.0	860				
JS-38	220.0	None	123.6	195.8	Barren							

* From top to bottom depths

224 New Customhouse
Denver 2, Colorado

August 13, 1958

RECEIVED		CODE
8/15	N.g.	225
8/15		800
		700

Mr. Arthur W. Goring,
Secretary-Treasurer
New Idria Mining and Chemical Company, Agent
P. O. Box 311
Grand Junction, Colorado

Re: Docket DMEA-4826 (Uranium)
Contract Ida-E1181
New Idria Mining and Chemical Co., Agent
(Hubbard Homestead, Pack Rat et al. claims)
Mesa County, Colorado

Dear Mr. Goring:

Form MF-104, Operator's Monthly Report and Voucher, for the month of June 1958, is being processed for payment.

The total number of hours reported for Stage I bulldozing has exceeded the maximum by 15 hours; therefore, the reported cost for excess bulldozing is disallowed.

You will be further advised of the difference by means of an Administrative Audit Difference Statement, which will be forwarded to you by the Finance Office, Region III.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

MHM:jy
Corres. File E1181
cc: Chm. Op. Comm. (2)
DMEA, DFC
Harshman
Hasker
DMEA, G.Jct.
Cooper
Chron.

224 New Customhouse
Denver 2, Colorado
July 30, 1958

8/5/58 J.g. 225

700

Memorandum

To: E. N. Harshman - w/enclosure
DMEA/G.Jet (Robertson) - w/enclosure

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

Subject: Docket No. DMEA 4826 (Uranium) Contract Idm-E1181
New Idria Mining & Chemical Company, (Hubbard Homestead, Peak Rat, et al. claims) Mesa County, Colorado

Enclosed is a copy of a letter from the subject Operator, dated July 23, 1958, with attached map, and Stage I drilling data, wherein the Operator requests the Government's approval to drill 23 holes under Stage II of the contract, with an estimated total of 7,577 feet of drilling, of which 5,901 feet will be non-core drilling and 1,676 feet will be core drilling.

Please review the Operator's request and submit to this office a joint memorandum containing your recommendations in the matter.

Original signed by
W. TOWNSEND

J. W. Townsend

JDC:hmh

cc: Comm. Op. Comm. (2)) w/copy of Operator's
Corres.file, Reg. III) letter of 7/23/58, map and
Kesler drilling data
Cooper
Chron

NEW IDRIA MINING & CHEMICAL COMPANY

URANIUM DIVISION, BOX 311, GRAND JUNCTION, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 4 1958
DATE | REMARKS | CODE

July 23, 1958

DMEA
DEPARTMENT OF THE INTERIOR
JUL 30 1958
REGION III
DENVER, COLORADO

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Contract No. Idm-E1181
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Proposal for First Portion of Second Stage Drilling

Dear Mr. Harshman:

We wish to propose at this time for approval the First Portion of the Second Stage Drilling on the above numbered project.

A total of 32 holes have been drilled on the First Stage Drilling (total 40 holes) and we feel it is desirable at this time to propose this portion of the Second Stage.

This proposal comprises 23 holes located on the Pack Rat Nos. 1 and 2 and offsetting 7 holes of the First Stage. Due to the proximity of workings and other drill holes, it is not possible to place four offsets about each hole.

These 23 holes will total 7,577 feet of drilling of which 5,901 feet will be non-core drilling and 1,676 feet will be core drilling as follows:

Hole	Plug	Core	Total	No. Offsets	Plug	Core	Total
JS-24	175	81	256	3	525	243	768
JS-27	250	60	310	3	750	180	930
JS-30	315	74	389	3	945	222	1167
JS-31	280	75	355	4	1120	300	1420
JS-32	185	74	259	4	740	296	1036
JS-33	302	70	372	3	906	210	1116
JS-35	305	75	380	3	915	225	1140
Totals				23	5901	1676	7577

NEW IDRIA MINING & CHEMICAL COMPANY
Uranium Division - Box 311, Grand Junction, Colorado

Continued - Letter to Mr. E. N. Harshman re proposal for first portion of second stage drilling, Docket No. DMEA-4826 (Uranium), Contract No. Idm-E1181, Hubbard Homestead, Pack Rat, et al., Claims, Mesa County, Colorado.

Of these seven holes JS-24, JS-30 and JS-31 are ore holes, JS-27 and JS-35 are strongly mineralized, JS-32 weakly mineralized over a large area and JS-33 weakly mineralized.

The accompanying map showing Pack Rat Nos. 1 and 2 Claims shows the mine workings, drill holes and the proposed offset locations. None of the proposed offsets are less than 100 feet from other drill holes or mine workings.

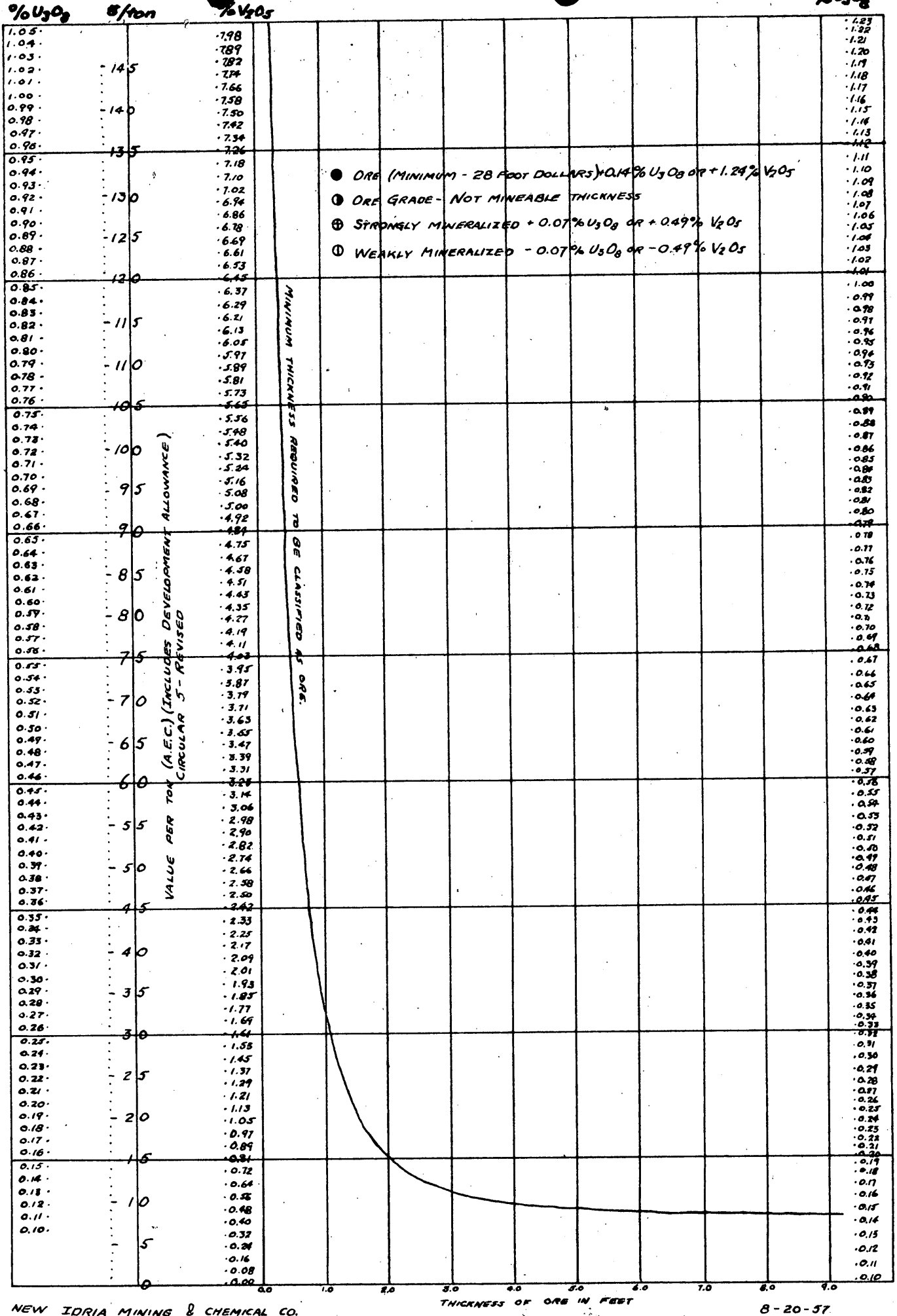
Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Dean Nicholson

Dean Nicholson

GRAPH FOR VALUE PER TON OF ORE (A.E.C.)



NEW IDRIA MINING & CHEMICAL CO.
URANIUM DIVISION

8-20-57

FROM A.W.G.

NEW IDRIA MINING & CHEMICAL COMPANY
Uranium Division - P.O. Box 311
Grand Junction, Colorado

August 20, 1957

EXPLANATION AND EXAMPLES FOR USING:

"GRAPH FOR VALUE PER TON OF ORE (A.E.C.)"

1. To determine the value per ton of ore: Place a straight edge on the U308 grade in the left hand % U308 column and place the other end of the straight edge on the V205 grade in the %V205 column, then read the value per ton where the straight edge crosses the left hand $/ton column.

   Example: 0.30% U308 and 2.50% = $41.00/ton (Incl. Dev. Allow.)

2. to determine whether a drill hole can be classified as an ore hole: Place one end of the straight edge on the U308 grade in the right hand % U308 column and the other end of the straight edge on the V205 grade in the %V205 column and note where the straight edge crosses the right hand $/ton column. Place the straight edge horizontal so that one end is on the value in the $/ton column and mark the point where the straight edge intersects the line marked "Minimum thickness required to be classified as ore", then by dropping vertically the thickness required may be determined.

   Example: Using 0.18% U308 and 1.37% V205, a thickness of 1.6 feet is needed.

   A minimum of 28 foot dollars is required to make an ore hole.

DRILL HOLE LOG

New Idria Mining & Chemical Company

Type of Drill Rotary

Docket DMEA 4826
Contract Idm E-1181
Beaver Mesa Johnnie Mae Group

Drill-hole No. JS 24
Total depth 256.0
Collar elev. 7013.2T 7010.51P

COORDINATES
North 22317.48
East 111110.39

Claim Pack Rat No. 1
Date started May 30, 1958
Date completed May 31, 1958

Summary of log	OBSS	Thick	SS Color	MS	Cbn
Favorable	175.0-252.8	77.8	Wh/Br	Under OBSS 2.2	A

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	175.0						Plug	
175.0	180.1	5.1	SS	Wh/LBr	F	N	Mod. alt. vol.; Semi-qtzc.	
180.1	180.3	0.2	MS	Gn		N		
180.3	187.5	7.2	SS	LGy	VF-F	N	Semi-qtzc.; Silty; Partly contorted.	
187.5	188.1	0.6	SS	LGy	F	N	Qtzc.	
188.1	188.3	0.2	ST	Bk		?		19
188.3	190.7	2.4	SS	Gy	F	M	S itbd. Bk. MS Sm.; Cbn. fms.; Semi-qtzc.	20
190.7	191.0	0.3	MS/ST	Bk		?		21
191.0	192.0	1.0	SS	LGy	F	N	Lim. filled joint.	
192.0	195.3	3.3	SS	Wh	M	N	A alt. vol.; A lim. spks.	
195.3	196.9	1.6	SS	LGy	F	A	Trashy at top.	22
196.9	198.8	1.9	SS	Gy/Bk	F	A	A itbd. Bk & Gn. MS at base; S R R MS (Se?); Mod. U fms.	23
198.8	201.0	2.2	SS	Gy	F	M	A Gn. MS incls. from 198.8 to 199.9; S U spks & Pp. cast from 199.9 to 201.0.	24
201.0	205.4	4.4	SS	Gy	F	N	Lim. & carnotite in joint; 0.4 Gn. MS w/ Se (?) at base.	25
205.4	208.3	2.9	SS	LGy	F	N	A alt. vol.; Qtzc. at base.	26
208.3	210.2	1.9	SS	LBr	F	A	Trashy	27
210.2	210.5	0.3	SS	LGy	F	N	Qtzc.	
210.5	213.6	3.1	SS	LGn	VF-F	N	Lim. filled joint.	
213.6	216.6	3.0	SS	Wh	F-VF	N		
216.6	219.0	2.4	SS	Wh	F	N	Alt. vol.	
219.0	228.3	9.3	MS/ST	Gn		N	S itbd. Gy. qtzc. SS.	
228.3	229.0	0.7	ST	Bk/Gn		A		28
229.0	235.0	6.0	SS	Wh/LBr	F	N	A alt. vol.; A lim. spks.	
235.0	244.2	9.2	SS	Wh	F	N	A alt. vol.; A lim. spks.	
244.2	249.1	4.9	SS	LGy	F	N	A alt. vol.; A Gn. MS incls.; Semi-qtzc.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
19	188.1	188.3	0.2	0.01	0.36	
20	188.3	190.7	2.4	0.02	0.15	
21	190.7	191.0	0.3	0.13	4.77	
22	195.3	196.9	1.6	Tr	0.27	
23	196.9	198.8	1.9	0.93	1.82	
24	198.8	201.0	2.2	0.03	0.10	
25	201.0	205.4	4.4	0.04	0.23	
26	205.4	208.3	2.9	0.02	0.11	
27	208.3	210.2	1.9	0.02	0.03	
28	228.3	229.0	0.7	Tr	0.02	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA [redacted] 4826
Contract Idm E-[redacted] 1181
Beaver Mesa [redacted]

Type of Drill.....

Drill-hole No. JK JS 24
Total depth.....
Collar elev.....

COORDINATES
North.....
East.....

Claim.....
Date started.....
Date completed.....

Summary of log.....; OBSS.....; Thick.....; SS Color.....; MS.....; Cbn.....
.....; .....; .....; .....; Under OBSS.....; .....
.....; .....; .....; .....; .....; .....

DEPTH		DESCRIPTION						
From	To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
249.1	249.5	0.4	MS	Gn		N		
249.5	252.8	3.3	SS	LBr	F	N	Qtzo.	
252.8	255.0	2.2	MS	Gn		N		
255.0	256.0	1.0	MS	R/Gn		N	Mot. A itbd. Gy. qtzo. SS.	

SAMPLE				Chemical Assay (%)		
Number	From	To	Thick	U_3O_8	V_2O_5	$CaCO_3$

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA [redacted] 4826
Contract Idm E-[redacted] 1181
Beaver Mesa [redacted]

Type of Drill Rotary

Drill-hole No. [redacted] JS 27
Total depth 310.0
Collar elev. 7084.6T 7066.83P

COORDINATES
North 22238.64
East 110764.00

Claim Pack Rat No. 2
Date started June 4, 1958
Date completed June 5, 1958

Summary of log; OBSS; Thick; SS Color; MS; Cbn

Summary of log	OBSS	Thick	SS Color	MS	Cbn
Favorable	250.0-308.4	58.4+	Wh/Lgy	Under OBSS 0.6	A

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	250.0						Plug	
250.0	256.2	6.2	SS	Wh	F-M	N	A Alt. Vol.; S Gn. MS Fms.; X-bedded	
256.2	256.5	0.3	SS	Wh	F-M	A	A Alt. Vol.; Trashy; A Gn. MS Fms.; S U Fms.	29
256.5	258.7	2.2	SS	LGy	F	A	A Alt. Vol.; Trashy; S U Fms.	30
258.7	263.3	4.6	SS	Wh/Lgy	F	N	A Alt. Vol.; A Gn. MS incls. at base	
263.3	274.5	11.2	SS	Wh	F-M	N	A Alt. Vol.; A Lim. spks.; S Gn. MS incls.	
274.5	274.7	0.2	MS	Gn		N		
274.7	280.8	6.1	SS	Wh	F	N	A Alt. Vol.; A Lim. spks.; S Gn. MS incls.	
280.8	281.3	0.5	MS	Gn		N		
281.3	286.4	5.1	SS	Wh	VF-F	N	Lam.; Partly contorted	
286.4	299.8	13.4	MS/ST	Gn		N	A itbd. LGy. Qtzc.; 0.2 R MS at 294.4	
299.8	308.4	8.6	SS	Wh	M-F	N	A Alt. Vol.; S Gn. MS incls.	
308.4	309.0	0.6	MS	Gn		N		
309.0	310.0	1.0	MS	R/Gn		N	Mot.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
29	256.2	256.5	0.3	0.07	0.05	
30	256.5	258.7	2.2	0.01	0.02	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

Hole No. [redacted] JS27

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA [redacted] 4826
Contract Idm E-[redacted] 1161
Beaver Mesa [redacted]

Type of Drill Rotary

Drill-hole No. [redacted] JS 30
Total depth 389.0
Collar elev. 7168.3T 7169.05P

COORDINATES
North 21703.53
East 110576.59

Claim Pack Rat No. 2
Date started May 28, 1958
Date completed: May 29, 1958

Summary of log: Favorable; OBSS: 339.0-379.5; Thick: 40.0; SS Color: Wh/Gy; MS Under OBSS: 6.2; Cbn: A

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	315.0						Plug	
315.0	336.7	21.7	MS	R/Gn		N	Mot.; S itbd. Gy. Qtzc. SS	
336.7	339.0	3.3	MS	Gn		N		
339.0	340.7	1.7	SS	DGn/Bk	F	?	Pet. Res. (?).	5
340.7	341.3	0.6	SS	Bk	F	?	Pet. Res. (?).	6
341.3	341.7	0.4	SS	Gy	F	N		7
341.7	355.4	13.7	SS	Wh	F-M	S	A Alt. Vol.; M Gn. MS fms. & incl.	
355.4	357.0	1.6	SS	Gy	F	M	A Gn. & Bk. MS sms.; S U Spks	
							at top.	8
357.0	359.0	2.0	SS	Gy/Bk	F	A	A itbd. Gn. & Bk. MS; Contorted	9
359.0	361.0	2.0	SS	Gy	F	M	X-bedded; M U spots & fms.	10
361.0	362.5	1.5	SS	LGy	F	A	Cbn. fms.; A Alt. Vol.	11
362.5	379.5	17.0	SS	LGy	F-M	S	A Alt. Vol.; Mod Gn. MS fms. &	
							incls.; X-bedded.	
379.5	385.7	6.2	MS/ST	Gn		N	A itbd. Gy. qtzc. SS.	
385.7	389.0	3.3	MS	R/Gn		N	Mot.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
5	339.0	340.7	1.7	0.02	0.29	
6	340.7	341.3	0.6	0.05	0.47	
7	341.3	341.7	0.4	0.07	0.10	
8	355.4	357.0	1.6	0.10	0.26	
9	357.0	359.0	2.0	0.90	4.59	
10	359.0	361.0	2.0	0.06	0.74	
11	361.0	362.5	1.5	0.01	0.05	

Abbreviations

Wh—White
Br—brown
R—red
Gy—gray
Bl—blue
Gn—green
Yw—yellow
Bk—black
Pp—purple
Cbn—carbon
OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

CG—conglomerate
SS—sandstone
MS—mudstone
ST—siltstone
F—fine
M—medium
C—coarse
N—none
S—sparse
A—abundant

CH—chert
Lim—limonite
Qtz—quartzite
Fk—flakes
Sm—seams
P—pebbles
L—light
D—dark
Ls—limestone
Mot—mottled

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA 4826
Contract Idm E 1181
Beaver Mesa Johnson Mac Group

Type of Drill Rotary

Drill-hole No. JX JS 31
Total depth 355.0
Collar elev. 7119.2T 7122.73P

COORDINATES
North 21884.64
East 110835.54

Claim Pack Rat No. 2
Date started May 26, 1958
Date completed May 27, 1958

Summary of log	OBSS	Thick	SS Color	MS	Cbn
Favorable	290.4-342.1	51.7	Wh	Under OBSS 3.5	A

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	280.0						Plug	
280.0	289.3	9.3	MS	R/Gn		N	Mot.; Intbd. Ls.	
289.3	290.4	1.1	MS/ST	Gn		N		
290.4	292.4	2.0	SS	Gn	F	N	A Alt. Vol.; A int. Gn. MS.	
292.4	310.0	17.6	SS	Wh/LBr	F-M	N	A Alt. Vol.; S Gn. MS incls.;	
							A lim. spks.	
310.0	320.0	10.0	SS	Wh	M-C	S	A Alt. Vol.; S Gn MS incls.;	
							Cbn. fks. @ 312.6	
320.0	320.5	0.5	SS	Gy	M	N	Semi-qtzc at base.	2
320.5	321.3	0.8	SS	Bk	F-M	A	A U fms.; A Gn. SS incls.;	3
							Partly contorted at base.;	
							Silty.	
321.3	321.6	0.3	SS	Gy	F	S	S U spks at top.	4
321.6	326.6	5.0	SS	Wh	F-M	S	A Alt. Vol.; M Gn. MS fms. and	
							incls.; Cbn. fks.	
326.6	328.6	2.0	SS	Wh/LGy	F	A	Cbn fks. and fms.; Trashy; M Gn.	
							MS fms.; Partly x-bedded.	
328.6	333.2	4.6	SS	Wh	F-M	S	A Alt. Vol.; S Gn. MS fms.	
333.2	342.1	8.9	SS	Wh	F	N	A Alt. Vol.; S Gn. MS incls.;	
							Silty at top; S calcite filled	
							joints.	
342.1	345.6	3.5	MS/ST	Gn		N	A itbd. Gy. qtzc. SS	
345.6	355.0	9.4	MS	R/Gn		N	Mot.; A itbd. Gy. Qtzc. SS.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
2	320.0	320.5	0.5	0.01	0.45	
3	320.5	321.3	0.8	1.45	14.36	
4	321.3	321.6	0.3	0.19	0.14	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

Hole No. JX JS31

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA 4826
Contract Idm E- 1181
Beaver Mesa

Type of Drill Rotary

Drill-hole No. JS 32
Total depth 259.0
Collar elev. 7018.2T 7020.30P

COORDINATES
North 21941.07
East 111188.56

Claim Pack Rat No. 1
Date started May 30, 1958
Date completed May 30, 1958

Summary of log: Favorable; OBSS 185.0-251.5; Thick 66.5; SS Color Wh/Br/Gy; MS Under OBSS 0.3; Cbn S

DEPTH From	DEPTH To	Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	185.0						Plug	
185.0	203.8	18.8	SS	Wh/LBr	F	N	M Alt. Vol.; A Lim. spks.; Lim. in joints.	
203.8	203.9	0.1	MS	Gn		N		
203.9	217.2	13.3	SS	Wh/LBr	M-F	N	A Alt. Vol.; S Gn. MS incls.	
217.2	217.4	0.2	MS	Gn		N	Sandy	
217.4	217.8	0.4	MS	DGn		N	S bright R MS incls. (Se?).	15
217.8	219.2	1.4	SS	Gy	F	N	Semi-qtzcic.; A Lim. spks.; Lim. filled joints.	16
219.2	220.5	1.3	SS	Gy Pp cast	F	S	0.1 Gn. MS w/ bright R MS (Se?) at 219.5.; S U spks.	17
220.5	221.6	1.1	SS	LGy	F	S	S U spks.; Pp Sm @ 221.3 (Se?)	18
221.6	228.3	6.7	SS	LGy	F	N	A Alt. Vol.; A Lim. spks.; S Gn. MS incls.	
228.3	231.5	3.2	SS	Wh	VF-F	N	A Gn. MS ints.	
231.5	237.0	5.5	SS	Wh/LGy	F	N	A Lim. spks.; Qtzic.	
237.0	237.8	0.8	MS	Gn		N		
237.8	251.5	13.7	SS	Gn/Wh	VF	S	x-bedded.; contorted; A intbd. qtzc SS.	
251.5	251.8	0.3	MS	Gn		N		
251.8	259.0	7.2	MS	R/Gn		N	Mot.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
15	217.4	217.8	0.4	0.03	0.80	
16	217.8	219.2	1.4	0.02	0.04	
17	219.2	220.5	1.3	0.06	0.05	
18	220.5	221.6	1.1	0.03	0.04	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled
OBSS—ore bearing sandstone		
Int—interstitial		
Itbd—interbedded		

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA [redacted] 4826
Contract Idm E-[redacted] 1181
Beaver Mesa [redacted]

Type of Drill Rotary

Drill-hole No. [redacted] JS 33
Total depth 372.0
Collar elev. 7156.0T 7157.74P

COORDINATES
North 21621.19
East 110764.64

Claim Pack Rat No. 2
Date started May 25, 1958
Date completed May 26, 1958

Summary of log	OBSS	Thick	SS Color	MS Under OBSS	Cbn
Favorable	319.9-366.0	46.1	Wh/Gy	4.0	A

DEPTH From	DEPTH To	DESCRIPTION Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	302.0						Plug	
302.0	306.5	4.5	MS	R/Gn		N	Mot.	
306.5	306.9	0.4	SS	LGn	VF-F	N		
306.9	311.6	4.7	SS	Gy/LR	VF-F	N	Qtzc.; S R MS incls.	
311.6	318.7	7.1	MS/ST	R/Gn		N	Mot.; S intbd. Gy. qtzc. SS; S intbd. Pp. SS (Mn?).	
318.7	319.9	1.2	MS/ST	Gn		N	Sandy	
319.9	322.9	3.0	SS	Wh/LGn	F-VF	N	Mod. Gn. MS incls.; Mod. Alt. Vol.; calcite.	
322.9	324.0	1.1	MS/SS	Gn		N	Intbd.	
324.0	339.3	15.3	SS	Wh/LGy	M-F	S	A Alt. Vol.; S Gn. MS Fms. and Cbn. Fks.; C at base.	
339.3	339.7	0.4	MS	DGn		N		
339.7	342.2	2.5	SS	Wh	M-C	N	A Alt. Vol.; S Gn. MS Fms.; Partly x-bedded.	
342.2	342.3	0.1	MS/ST	DGn		A	Cbn trash; S U Fms.; ST DGy.	1
342.3	343.0	0.7	SS	LGn/Wh	F	N	M int. Gn. MS.	
343.0	359.0	16.0	SS	Wh	F	N	A Alt. Vol.; M Gn. MS Fms. and incls.; Cbn. Fks.	
359.0	362.6	3.6	SS	Wh	F-M	S	A Alt. Vol.; S Gn MS Fms.	
362.6	362.8	0.2	MS	Gn		A	Trashy	
362.8	366.0	3.2	SS	Wh	F	N	A Alt. Vol.; Cbn. Fks. at 363.9.	
366.0	370.0	4.0	MS/ST	Gn		N	A intbd. VF Wh. SS	
370.0	372.0	2.0	MS	R/GN		N	Mot.	

SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
1	342.2	342.3	0.1	0.05	0.55	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

Hole No. [redacted] JS33

DRILL HOLE LOG

New Idria Mining & Chemical Company

Docket DMEA [redacted] 4826
Contract Idm E-[redacted] 1181
Beaver Mesa [redacted]

Type of Drill: Rotary

Drill-hole No. [redacted] JS 35
Total depth: 380.0
Collar elev. 7160.4T 7163.29P

COORDINATES
North: 21324.54
East: 110674.18

Claim: Pack Rat No. 2
Date started: May 22, 1958
Date completed: May 25, 1958

Summary of log: Favorable; OBSS: 317.0-369.3; Thick: 52.3; SS Color: Wh/Gy; MS: Under OBSS 6.1; Cbn: M

DEPTH From	DEPTH To	DESCRIPTION Thick	Rock	Color	Grain	Carbon	REMARKS	Sample
0.0	305.0						Plug	
305.0	317.0	12.0	MS	R/Gn		N	Mot.; A intbd. Gy. Qtzc. SS	
317.0	322.7	5.7	SS	Gn	F	N	A Int. Gn. MS.	
322.7	348.9	26.2	SS	Wh	F-M	N	A Alt. Vol.; Gn. at top.; A Gn. MS Fms. and incls.	
348.9	349.6	0.7	SS	Gy	F	M	X-bedded; S U Fms.	13
349.6	350.1	0.5	SS	LGy	F	N	A Alt. Vol.	14
350.1	367.6	17.5	SS	Wh	F-M	M	A Alt. Vol.; Cbn. Fks.; Mod. Gn. MS Fms. and incls.	
367.6	369.3	1.7	SS	Wh	F-VF	S	A Alt. Vol.; A Gn. MS Fms.	
369.3	375.4	6.1	MS/ST	Gn		N	S intbd. Gy Qtzc. SS.	
375.4	380.0	4.6	MS	R/Gn		N	Mot.	

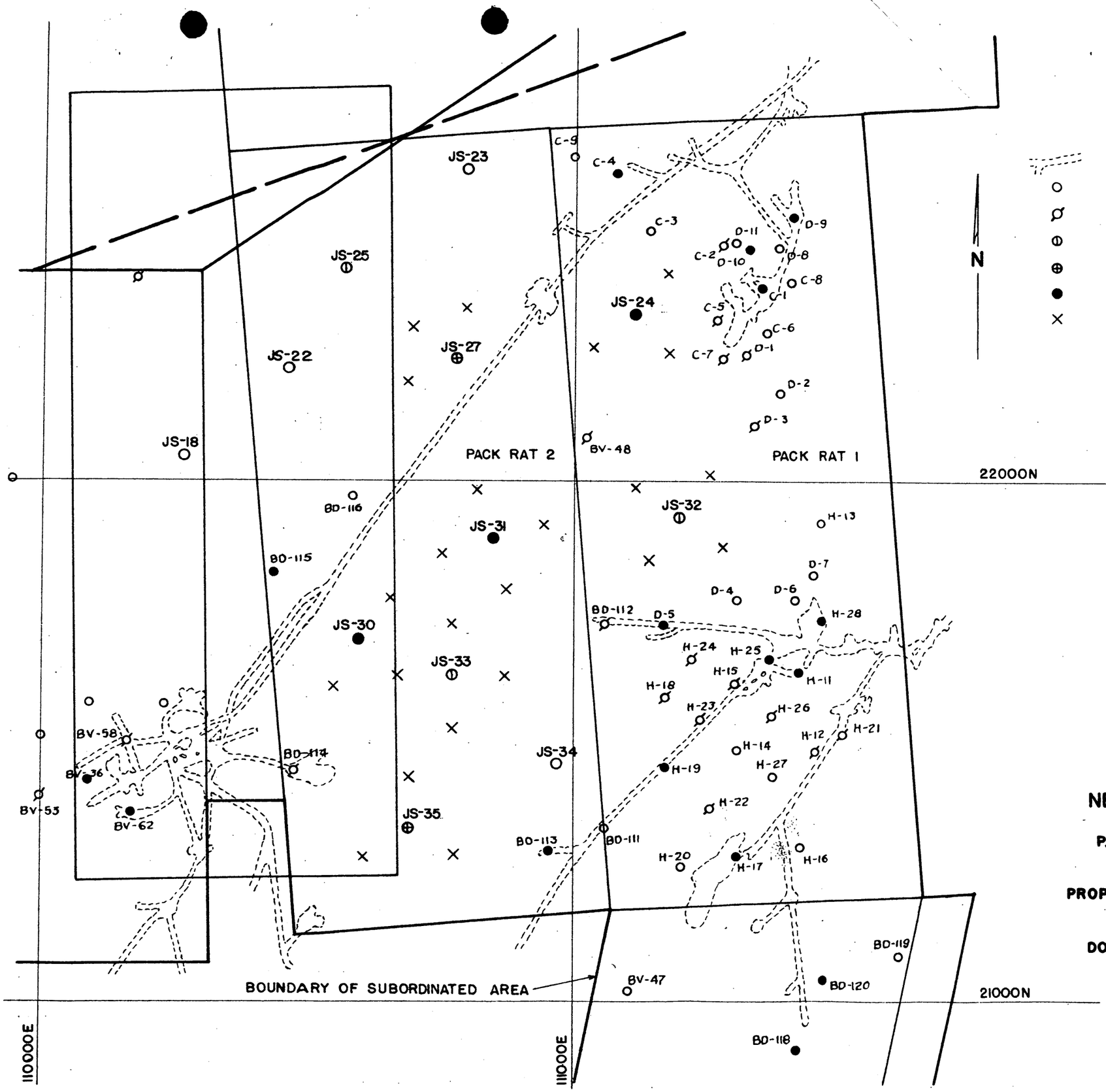
SAMPLE Number	From	To	Thick	Chemical Assay (%) U_3O_8	V_2O_5	$CaCO_3$
13	348.9	349.6	0.7	0.09	1.11	
14	349.6	350.1	0.5	Tr	None	

Abbreviations

Wh—White	CG—conglomerate	CH—chert
Br—brown	SS—sandstone	Lim—limonite
R—red	MS—mudstone	Qtz—quartzite
Gy—gray	ST—siltstone	Fk—flakes
Bl—blue	F—fine	Sm—seams
Gn—green	M—medium	P—pebbles
Yw—yellow	C—coarse	L—light
Bk—black	N—none	D—dark
Pp—purple	S—sparse	Ls—limestone
Cbn—carbon	A—abundant	Mot—mottled

OBSS—ore bearing sandstone
Int—interstitial
Itbd—interbedded

Hole No. [redacted] JS35



LEGEND

- UNDERGROUND WORKINGS
- BARREN HOLES
- PREVIOUS MINERALIZED HOLES
- JS SERIES WEAKLY MINERALIZED HOLES
- JS SERIES STRONGLY MINERALIZED HOLES
- ORE HOLES
- PROPOSED FIRST PORTION SECOND STAGE OFFSETS

URANIUM DIVISION

NEW IDRIA MINING & CHEMICAL CO.

P.O. BOX 311, GRAND JUNCTION, COLORADO

PROPOSED FIRST PORTION SECOND STAGE DRILLING

DOCKET NO. 4826 CONTRACT NO. IDM-E1181

JULY 1958 BY: D. N.

SCALE 1" = 200'

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado
June 24, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 26 1958
DATE | INITIAL | CODE
6/26 | H.F. | 225
700

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Gamma-ray log interpretations

Enclosed are four copies each of gamma-ray log interpretations for the following DMEA contracts:

Docket No. DMEA 4826 (Uranium) Contract Idm-E1181, New Idria Mining and Chemical Company, (Hubbard Homestead, Pack Rat et al. claims) Mesa County, Colorado

Docket No. DMEA 4835 (Uranium) Contract Idm-E1169, Stocks-Gramlich, Inc., (Fire Fly et al. claims,) San Juan County, Utah

Docket No. DMEA 4845 (Uranium) Contract Idm-E1167, Food Machinery and Chemical Corporation, (Sec. 17, T 13 N, R 9 W) McKinley County, New Mexico

Docket No. DMEA 4858 (Uranium) Contract Idm-E1180, Rex Uranium Corporation, (Renegade et al.claims), Montrose County, Colorado

J. W. Townsend

J. W. Townsend

Enclosures

New Idria Mining & Chemical Company
Hubbard Homestead, et al claims
Mesa County, Colorado
DMEA Docket 4826

GAMMA-RAY LOG INTERPRETATION

Hole No.	Depth Drilled	Depth Cased	Depth Logged From*	Depth Logged To	Anomaly Detected From*	Anomaly Detected To	Anomaly Thickness	Counts per minute	CPM Corrected for Casing	CPM Corrected for G-M Tube	$\%_eU_3O_8$	Remarks
33	372.0	none	270.1	370.0	360.8	361.4	0.6	340			.010	
35	380.0		261.5	361.5	347.7	348.6	0.9	2200			.064	
					354.8	355.7	0.9	320			<.010	
					356.3	357.4	1.1	400			<.010	

* From top to bottom depths

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado
May 14, 1958

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DATE	INITIALS	CODE
5-16	C	220
5/16	B	215
5/19	MC	700

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4826 (Uranium), Contract No. Idm-E1181, New Idria Mining & Chemical Company, Agent (Hubbard Homestead, Pack Rat, et al. claims), Mesa County, Colorado

Enclosed are the Government's and Audit copies of Exploration Project Contract No. Idm-E1181, which was forwarded by your letter of March 27, 1958 for insertion of a suitable starting date in Article 3, attachment of three executed Consent to Lien forms, and signature by the Operator.

The contract was signed by an official of New Idria Mining and Chemical Company for itself and as Agent for Beaver Mesa Uranium, Inc., the other member of the joint venture. In addition, the signer inserted a new mailing address in the heading of the contract form.

Also enclosed are two copies of the Operator's letter by which the executed copies of the contract were returned to this office, and three copies of a letter from this office, dated May 14, 1958, whereby we forwarded the "Operator's Copy" of the contract, blank report forms, instructions relative to reporting on work performed under the contract, and procedures to be followed in communicating with this office in all matters pertaining to the contract.

The contract, dated March 27, 1958, provides for exploration work estimated to cost $102,620.00, toward which the Government shall contribute 75 percent, or not in excess of $76,965.00.

Copies of the contract have been distributed to the Finance Office and others concerned in Region III.

E. N. Harshman

E. N. Harshman

OFFICIAL FILE COPY
DMEA
RECEIVED 16

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

MAY 14 1958

New Idria Mining & Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Docket No. DMEA 4826 (Uranium)
Contract No. Idm-E1181
New Idria Mining & Chemical Company, Agent
(Hubbard Homestead, Pack Rat et al. claims)
Mesa County, Colorado

Gentlemen:

Enclosed is the "Operator's Copy" of Exploration Project Contract No. Idm-E1181, Docket No. DMEA 4826.

Also enclosed are six copies of Form MF-104, "Operator's Monthly Report and Voucher," and six copies of Form MF-104A, "Operator's Unit Cost and Progress Report." At the end of the first calendar month after work is commenced, and monthly thereafter, you are required to submit the original and four copies of each form to the

Defense Minerals Exploration Administration
P. O. Box 360
Grand Junction, Colorado.

The extra copy is for your records.

Forms MF-104 and MF-104A are to be combined into five sets of one of each form. Each set of the combined forms is to be accompanied by a map or sketch, showing the location and extent of work performed, and a signed narrative report which describes the work performed, conditions encountered, and results of the work. The monthly accounting report will not be processed for reimbursement unless it is accompanied by a signed narrative report and other required or pertinent data. Additional copies of Forms MF-104 and MF-104A will be forwarded to you each month on receipt of your report for the prior month.

The U. S. Geological Survey and the U. S. Bureau of Mines maintain a field office in the A.E.C. Compound at Grand Junction. DMEA representatives of the two Services can be contacted as follows:

J. W. Hasler, Geologist, Geological Survey;

M. H. Salsbury, Mining Engineer, Bureau of Mines;

Telephone: Grand Junction, Chapel 3-2110,
Extension 272 or 282.

P. O. Box 360, Grand Junction, Colorado.

For your information, and in reply to many questions that have been asked, after Forms MF-104 and MF-104A are received, an engineer will check progress on the project and review your accounts, after which the report forms will be forwarded to this office for administrative examination and vouchering. If the report is in order, a check will be issued by the Treasury Department for the Government's portion of the approved costs. If you have any difficulty in completing these forms and the reports, please call on either the field representatives or this office for assistance.

In the matter of your claim for reimbursement of drilling costs under the terms of the contract, reimbursement to you will be on the basis of a hole or holes completed to the objective, which has, or have been, drilled in compliance with the conditions under the "General Provisions" section of Exhibit "A" and the special conditions pertaining to the drilling under each stage. Therefore, your monthly report should include only such holes which are completed to that extent, and the required records made a part of your claim for reimbursement.

The contract is prepared on form MF-200, and under its provisions and as outlined in Exhibit "A" attached to the contract, the allowable costs are a combination of "Actual Costs" and "Fixed Unit Costs," with established maximum average unit costs for the drilling and maximum unit costs which cannot be exceeded for the other items of work under Category (1). Under the provisions of Article 6 of the contract, the work outlined in Exhibit "A" under Category (1) is to be performed by an independent contractor. The actual costs of the work completed under Category (1) are to be recorded under item (1) on Form MF-104 and must be supported and documented by a signed or certified true copy of the billing from the subcontractor. The costs of core boxes and sample analyses under Category (7) are to be recorded under item(7)on Form MF-104. In reference to core boxes, you are to report only the quantity used in each reporting period, and the charge must be documented by copy of the original invoice for the purchase of the core boxes. The number of sample analyses reported must be documented by a copy of the assay return and a signed or certified true copy of the billing from the assayer. Amounts reported on the basis of the "Fixed Unit Costs" require no documentation, as they are otherwise verified. However, costs on a "Fixed Unit Cost" basis are to be recorded on Form MF-104 under item (1). The foregoing applies to both stages of work described in Exhibit "A". For further information relative to documentation of costs, please refer to instructions on the reverse side of Form MF-104. Also, please refer to instructions on the reverse side of Form MF-104A regarding preparation of that form.

In reference to the drilling work under "Category (1)" of Exhibit "A", please refer to item (f) of Annex II attached to the contract pertaining to the average unit cost. If costs incurred any month cause the average unit cost to be in excess of the maximum allowable average unit cost, such excess costs will be suspended, subject to reinstatement at a later date within the aggregate of such suspensions, should the costs incurred any subsequent month cause the average unit cost to fall below the maximum allowable average unit cost. The foregoing applies to each separate class of drilling under each work Stage.

In the event you desire to perform the work under Category (1) on company account instead of subcontracting it, as provided in the contract, it will be necessary that you request and obtain an appropriate amendment to the contract before reimbursement can be made to you for the Government's portion of the allowable incurred costs.

Your requests to this office for work approval, changes in the contract, or any other communication pertaining to operations under the contract, must be in writing, of which please supply the original and five copies, each copy complete with maps or other pertinent data. Each request for action by this office must pertain to one matter only. Such requests are <u>not</u> to be incorporated in your narrative report accompanying monthly progress report Forms MF-104 and MF-104A.

The location of the work to be performed under Stage I is indicated on the map, "Figure 3," attached to the contract. Should conditions encountered necessitate any appreciable change in the location or direction of any of the work, approval must be obtained from this office for the change prior to performance of the work. Otherwise, the work may not be acceptable for reimbursement to you under the terms of the contract.

Your attention is directed to the provision that Stage II work is contingent on results obtained from Stage I, and performance of the work under Stage II is subject to the prior written approval of the Government.

When work under Stage I has been completed, or sufficiently so to permit evaluation of the results of the work, you must request approval from this office for the work you propose to perform under the next stage. Your request for the work approval must be in sextuplicate, each copy complete with a map showing the location and extent of the work completed and the location of the additional work proposed. Your request must also include an evaluation of the work completed and include assay returns and any other pertinent data which will be of value to the Government in appraising the results of the work.

If the work under Stage I is completed in its entirety before you request approval for work under Stage II, you should anticipate a suspension of operations between stages of work, to enable the Government

geologist and engineer to evaluate the results of the work performed and make recommendations to this office relative to the additional work you propose.

To eliminate as much delay to operations as possible, if that is of serious consideration, you should expedite forwarding of the results of work completed and your request for the Government's approval of the additional work you propose.

No oral statement of any person shall be construed to modify or change the terms of the contract. Field representatives of the Government are not authorized to approve any changes in the work program or contract provisions. Such approval can only be given by the Washington Office, DMEA, or by the DMEA Field Team, Region III.

It is a regulation that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. It is a requirement and imperative that you notify this office in writing the date work actually commences under the contract.

Very truly yours,

Original signed by
E. N. HARSHMAN

Acting Executive Officer, DMEA
Field Team, Region III

Enclosures

JWT:prl

cc: Chmn. Op. Comm. (3)
Finance Office, Region III
Amendment file, Region III
Harshman
DMEA/DFC
DMEA/Gr.Jct.
Hasler
Corres. file
Townsend
Chron.

NEW IDRIA MINING AND CHEMICAL COMPANY

IDRIA, SAN BENITO COUNTY, CALIFORNIA

Telephone: New Idria Toll Station

May 10, 1958

DMEA
DEPARTMENT OF THE INTERIOR
MAY 14 1958
REGION III
DENVER, COLORADO

United States
Department of The Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Attention: Mr. E.N. Harshman
Acting Executive Officer

Subject: Docket No. DMEA 4826 (Uranium)
New Idria Mining & Chemical Co.,
Agent (Hubbard Homestead, Pack Rat,
et al. claims) Mesa County, Colorado -
Proposed Exploration Project Contract
No. Idm-E1181

Gentlemen:

We enclose executed copies of the Government's, Audit, Finance Office, and Field Team subject contract.

The insertion date for Article 3 will be May 12, 1958.

Thank you for your courtesy.

Very truly yours,

Arthur W. Goring

Arthur W. Goring
Secretary-Treasurer

Enclosures

AWG/eck

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 8 1958
DATE | INITIALS | CODE
5/8 | C | 220
" | | 700

May 5, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4826 (Uranium), New Idria Mining and Chemical Company, Agent (Hubbard Homestead, Pack Rat, et al. claims), Mesa County, Colorado - Proposed Exploration Project Contract No. Idm-E1181

In conjunction with matters discussed in your teletype of April 9, 1958, enclosed are the following pertaining to the subject docket:

1. The original and one copy of a letter dated April 26, 1958 from Dean Nicholson, forwarding certified and recorded copies of the Release from Trusteeship of the Hubbard Homestead by the Prudential Insurance Company. Also enclosed are two copies of the referred to Release.

2. The original and one copy of a letter dated April 28, 1958 from Charles Holmes, Attorney at Law, regarding the details of Prudential's agreement with Hubbard.

3. The original and one copy of a memorandum dated May 1, 1958 from Scott A. Pfohl of the Regional Solicitor's Office, Denver Federal Center, advising that the Release under item 1 above is legally sufficient.

4. Two copies of a letter from this office to the Applicant dated May 5, 1958, whereby we forwarded copies of the contract for signature.

E. N. Harshman

E. N. Harshman

Enclosures

OMAHA
RECEIVED 8
DATE

[illegible] New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

MAY 5 1958

Mr. Ross Nicholson
New Idria Mining and Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Contract No. [illegible] (Uranium)
New Idria Mining and Chemical Company, Agent
(Robert Homestead, Park Hat, et al. claims)
Mesa County, Colorado -
Proposed Exploration Project Contract
No. [illegible]

Dear Mr. Nicholson:

Enclosed are the Government's, Audit, Finance Office, and Field Team copies of proposed Exploration Project Contract No. [illegible], which has been prepared pursuant to your application for Government assistance in exploration work under the Defense Minerals Exploration Administration program.

If the contract is satisfactory, all copies are to be signed, first, by an official of New Idria Mining and Chemical Company authorized to sign such an instrument, the signer's title inserted, the corporate seal affixed, and, secondly, resigned as indicated by an official of New Idria Mining and Chemical Company as Agent for Beaver Mesa Uranium, Inc., the signer's title inserted, the signatures attested to by the Secretary of New Idria Mining and Chemical Company in the space provided thereafter, and all copies promptly returned to this office.

In the event the contract is not satisfactory, all copies are to be returned promptly to this office, together with your comments on or objections to the contract.

Your attention is especially directed to these provisions in the contract:

1. The Government will not participate in the costs of any of the work that is provided for in the contract which is performed prior to the date of the contract.

2. The contract requires completion of the exploration work by the date fixed therefor. Approval must be obtained from the Government for any suspension of work which may result in failure to complete the work by the date specified.

3. Royalty is due the Government on all production from the land described in the contract, beginning on the date of the contract.

If the contract is satisfactory, and upon return of all copies properly signed, the "Operator's Copy" of the contract will be forwarded to you, together with blank report forms and instructions relative to reporting on work performed under the contract. Also, instructions will be given as to the procedure to be followed in corresponding with this office in matters concerning operations under the contract.

When the signed copies of the contract are returned, please advise us the date on or before which work will be commenced, for our insertion in Article 3 of the contract form.

Very truly yours,

Original signed by
E. N. HARSHMAN

Acting Executive Officer
NMEA Field Team, Region XII

Enclosures

JFT:pr1

cc: Chem. Op. Contr. (2)
Harshman
NMEA/Gr.Jct.(Salsbury)
Healer
NMEA/RPC
Hughes
Tyrkalski
Chrest.

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION • ~~XXXXXXXXXXXXXXXXXXXXXXXX~~ P.O. Box 311
GRAND JUNCTION, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 8 1958

DATE	INITIALS	CODE

DMEA
DEPARTMENT OF THE INTERIOR
APR 29 1958
REGION III
DENVER, COLORADO

April 26, 1958

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al., Claims
~~Mesa County, Colorado~~
Release of Hubbard Homestead

Dear Mr. Harshman:

Enclosed please find four certified true photostats of the recorded release from trusteeship of the Hubbard Homestead by the Prudential Insurance Co.

Also enclosed is an original and three copies of a letter by Mr. Charles Holmes, attorney for the Hubbards, describing the transaction between the Hubbards and the Prudential Insurance Co. that necessitated the release.

Should any additional items be required, we would be pleased to furnish them immediately upon advice.

Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Dean Nicholson

Dean Nicholson

Enclosures

cc: Mr. Arthur W. Goring, Sec'y-Treas.
New Idria Mining & Chemical Co.
Idria, San Benito County, Calif.

CERTIFIED COPY

STATE OF COLORADO }
COUNTY OF MESA } ss.

№ 1886

I, Annie M. Dunston

County Clerk and Recorder in and for said County and State, do hereby certify that the within and foregoing is a full, true and correct copy of Partial Release of Trust Deed

No. 717331 as it appears on record in my office in Book 730 at Page 547.

WITNESS my hand and offical seal at Grand Junction, Colorado, this 25th day of April, 1958.

Issued to Dean Nicholson

Annie M Dunston
County Clerk and Recorder, Mesa County

Fee: $1.25

By _____
Deputy

State of Colorado
County of Mesa

Received at 2:26 o'clock P. M., Apr 21, 1958 lh

Loan No. 2 023 092

Reception No. 717331 Annie M. Dunston Recorder.

Annie M. Dunston

RECORDER'S STAMP
BOOK 730 PAGE 547

KNOW ALL MEN BY THESE PRESENTS, That, Whereas, Lyman L. Hubbard, a/k/a Lyman Lewis Hubbard & Mildred Hubbard and Bert Hubbard and Daphna Ann Hubbard of Mesa County by their Deed of Trust dated the 29th day of May, 19 53, and duly recorded in the office of the County Clerk and Recorder of the County of Mesa, in the State of Colorado, on the 2nd day of June, 19 53, in Book 584 at page 305 conveyed to the Public Trustee in said Mesa County, certain property in said Deed of Trust described in trust to secure to the order of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey Corporation the payment of the indebtedness mentioned therein.

~~AND WHEREAS said indebtedness has been partially paid and the purposes of said trust have been partially satisfied~~

NOW, THEREFORE, at the request of the legal holder of the indebtedness secured by said Deed of Trust, and in consideration of the premises, and in further consideration of the sum of Two Dollars to me in hand paid, the receipt whereof is hereby acknowledged, I, as the Public Trustee in said Mesa County, do hereby remise, release and quit-claim unto the present owner or owners of the property hereinafter described and unto the heirs, successors and assigns of said owner or owners forever, all the right, title and interest which I, as such Public Trustee have in and to that part and portion of the property, set forth and described in the aforesaid Deed of Trust, described as follows, to-wit:

Lot 1, Section 35, TWP 51 North, Range 20 West, New Mexico Principal Meridian, a patented homestead consisting of 59.33 acres more or less.

situate, lying and being in the County of Mesa and State of Colorado.

TO HAVE AND TO HOLD THE SAME, Together with all and singular the privileges and appurtenances thereto belonging forever. And further, that, as to the above described property, the said Trust Deed is to be considered as fully and absolutely released, cancelled and forever discharged.

WITNESS my hand and seal this 21st day of April, A. D. 19 58.

Burrell C. Reynolds (SEAL)
As the Public Trustee in said County of Mesa

STATE OF COLORADO,
County of Mesa } ss.

The foregoing instrument was acknowledged before me this 21st day of April, 19 58, by Burrell C. Reynolds as the Public Trustee in said County of Mesa, Colorado.

Witness my hand and Official seal.

My commission expires Sept 6, 1961.

Lena A. Williams
Notary Public.

To the Public Trustee in said County of Mesa, Colorado April 2, 1958

Please execute this release, the indebtedness secured by the above mentioned Deed of Trust having been partially paid as stated.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA
By Harold G. Pafe
Vice President
The legal holder of the indebtedness secured by said Deed of Trust.
Harold G. Pafe

Reg. Office APPROVED
Home Office CHECKED
APPROVED

No. 927. PARTIAL RELEASE OF DEED OF TRUST BY THE PUBLIC TRUSTEE.
—Bradford-Robinson Ptg. Co., Mfrs. Robinson's Legal Blanks, 1824-46 Stout St., Denver, Colorado

717331

STATE OF COLORADO)
)SS.
COUNTY OF MESA)

I hereby certify that this instrument was Filed for record.....

Apr 21, 1958

at 2:26 o'clock P.M. and recorded in Book 730 Page 547
Annie M. Dunston, Recorder

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 8 1958

DATE	INITIALS	CODE

DMEA
DEPARTMENT OF THE INTERIOR
APR 29 1958
REGION III
DENVER, COLORADO

SMITH, HOLMES & WILLIAMS

ATTORNEYS AT LAW

RASO BUILDING - P. O. BOX 366

GRAND JUNCTION, COLO.

TEL. CHAPEL 2-6262

SILMON SMITH
CHARLES HOLMES
ANTHONY W. WILLIAMS

April 28, 1958

DMEA
DEPARTMENT OF THE INTERIOR
APR 29 1958
REGION III
DENVER, COLORADO

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Custom House Building.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al
Claims, Mesa County Colorado
Release of Hubbard Homestead

Dear Mr. Harshman:

At the time the Subordination Agreement with reference to the above matter was executed by the Hubbards, the Prudential Insurance Company had a Trust Deed, which is the same as a mortgage, against several thousand acres belonging to the Hubbards, which included Lot 1, Section 35, Township 1 North, Range 20 West, commonly called the Hubbard Homestead.

The Subordination Agreement was submitted to the Denver office, and the Agent there advised that the home office would not be familiar with the Subordination Agreement and that their loan would be adequately secured without the Hubbard Homestead.

He said that the quickest way of getting action would be to entirely release the Hubbard Homestead from their Trust Deed or mortgage. The way this is done is by a partial release whereby the beneficiary requests the Public Trustee to make a partial release. This has been done by the instrument recorded on April 21, 1958, four photostatic copies of which are being sent to you. This eliminates the necessity of Prudential Insurance Company of America executing the Subordination Agreement.

The surface rights of the Hubbard Homestead are now owned by Lyman L. Hubbard, and the mineral rights are owned by the persons who signed the Subordination Agreement.

If there is any further information that we can furnish you, please advise us.

Yours very truly,

SMITH, HOLMES & WILLIAMS

By Charles Holmes

CH:dg
cc:Dean Nicholson

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
Denver Regional Office
Room 21, Building 53
Denver Federal Center
Denver, Colorado

MAY 1 - 1958

DMEA
DEPARTMENT OF THE INTERIOR
MAY 2 - 1958
REGION III
DENVER, COLORADO

Memorandum

To: Executive Officer, Defense Minerals Exploration Administration, Room 224, New Customhouse, Denver 2, Colorado

From: Regional Solicitor

Subject: Partial release of Deed of Trust--Prudential Insurance Company--Hubbard properties

Pursuant to your oral request of May 1, 1958, we have examined for legal sufficiency the partial release of the Deed of Trust by the Public Trustee covering Lot 1, sec. 35, T. 51 N., R. 20 W. of the New Mexico Principal Meridian, a patented homestead consisting of 59.33 acres, more or less, executed by the Prudential Insurance Company of America. This release covers that certain Deed of Trust dated May 29, 1953, and recorded in the office of the County Clerk and Recorder of Mesa County, in the State of Colorado, on June 2, 1953, in Book 584 at page 305.

From our examination we have concluded that subject release is in proper form, legally sufficient, and releases from the Deed of Trust stated therein the lands described.

Scott A. Pfohl
Scott A. Pfohl
For the Regional Solicitor
Denver Region

Enclosure
(Release)

Personal Files COPY
DMEA
RECEIVED MAY 8 1958

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION · ~~XXXXXXXXXXXXXXXXXXXX~~ P.O. Box 311
GRAND JUNCTION, COLORADO

April 20, 1958

4/25 H.H. 22 700
" ~~Cherry~~

DMEA
DEPARTMENT OF THE INTERIOR
APR 21 1958
REGION III
DENVER, COLORADO

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Subordination of Lien Agreements

Dear Mr. Harshman:

Enclosed please find the completed original of one set of Forms MF-205 which was returned the 7th inst. for the signature of J. L. Thompson.

We shall forward to you immediately upon receipt the completed and recorded formal release executed by the Prudential Insurance Co. covering the Hubbard Homestead. We have made every effort to impress upon the Prudential Insurance Co. the urgency of this matter and it is hoped that we shall receive the formal release during the coming week.

In addition, we shall have Mr. Charles Holmes of Grand Junction, attorney for the Hubbards, prepare a letter outlining the transaction between the Hubbards and the Prudential Insurance Co.

Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Dean Nicholson

Dean Nicholson

Encl: 1

cc: Mr. Arthur W. Goring, Sec'y-Treas.
New Idria Mining & Chemical Co.
Idria, San Benito County, Calif.

4-21-58
Copies sent to:
Chairman (2)
Harshman
DMEA | DFC
HASLER
DMEA | Gr. Jct.
Thompson

DMEA Form 7
(12-56)

APR 11 1958

OFFICIAL FILE COPY

Date	Surname	Code
4/11	Ching	700
4/11	Kasuda	700
4/11	[illegible]	130
4/11	Mason	110
"	[illegible]	100
		JHB
4/11	[illegible]	220
		700

Dept. of the Interior

DMEA

14X4401(01) Revolving Fund
Defense Production Act, Interior
(Transfer to Office of the Secretrary)

T E L E T Y P E

E. N. HARSHMAN
ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER, COLORADO

REURTT APRIL 10 NEW IDRIA MINING AND CHEMICAL COMPANY, AGENT, DOCKET 4826. CONTRACT SHOULD BE SIGNED BY NEW IDRIA FIRST FOR ITSELF AND SECONDLY AS AGENT FOR BEAVER MESA.

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE (JHB)

MChing/izm 4-11-58
cc: Mr. Ching
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
Confirmation

8623

Mr. G. Selfridge

OFFICIAL FILE COPY
DMEA

RECEIVED APR 11 1958

DATE	INITIALS	CODE
4/11	C	220
4/11	[illegible]	700

DN 235 BUR MINES 4-10-5,8 12-58

CHAIRMAN, OPERATING COMMITTEE, DMEA

RE DOCKET DMEA 4826, NEW IDRIA MINING AND CHEMICAL CO. PROPOSED CONTRACT IDM-E1181 PREPARED FOR SIGNATURE OF BOTH NEW IDRIA AND BEAVER MESA. HOWEVER, COP XX COPY OF POWER OF ATTORNEY FORWARDED BY YOUR LETTER OF 2-13-58 AUTHORIZED NEW IDRIA TO SIGN CONTRACT. UNDER CIRCUMSTANCES, IS BEAVER MESA SIGNATURE ON CONTRACT NECESSARY /Q/ PLEASE TELETYPE ADVICE.

E N HARSHMAN, ACT. EXEC. OFFICER

Denver, Colo.

APR 11 7 47 AM '58

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/9	Ching	700
4/9	Ellis	700
4/9	[illegible]	130
"	[illegible]	110
"	Gutenson	100
4/11	[illegible]	220
		700

APR 9 1958

Dept. of the Interior

DMEA 4/9 Kilsgaard 130

14X4401(01) Revolving Fund
Defense Production Act, Interior
(Transfer to Office of Secretary)

4/9 Lamb 130

T E L E T Y P E

L. N. HARSHMAN
ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION 3
224 NEW CUSTOMHOUSE BUILDING
DENVER, COLORADO

REURMEM APRIL 7 NEW IDRIA MINING AND CHEMICAL COMPANY, AGENT, DOCKET 4826. WE HAVE NO INFORMATION ON NATURE OF PRUDENTIAL'S INTEREST IN HUBBARD HOMESTEAD. THEREFORE CANNOT ADVISE ON RELEASE. SUGGEST YOU CONSULT REGIONAL SOLICITOR ACCORDANCE OPERATING COMMITTEE MEMORANDUM NO. 34. IF RELEASE SATISFACTORY TO HIM AND IS RECORDED, CONTRACT MAY BE PRESENTED TO OPERATOR FOR SIGNATURE. IN ANY EVENT WE DESIRE DETAILS OF PRUDENTIAL'S AGREEMENT WITH HUBBARD. CHANGE IN DATE OF CONSENTS NOT NECESSARY.

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE (GCS)

MChing/izm 4-9-58
cc: Mr. Ching
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
April 7, 1958

APR 8 1958

VIA AIR MAIL

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4826 (Uranium), New Idria Mining & Chemical Company, Agent (Hubbard Homestead, Pack Rat et al. claims), Mesa County, Colorado

In reference to matter discussed in your letter of March 27, 1958, enclosed are two copies of the Operator's letter of April 3, 1958 and two copies of the letter referred to therein from the Prudential Insurance Company of America, pertaining to release of their interest in the property to be subordinated under the contract, in lieu of signing Consent to Lien forms.

Please teletype advice as to whether or not we should forward the Release to you when received, for review by the Legal Section prior to release of the contract to the Operator for signature.

The Consent to Lien forms returned by the Applicant are all dated April 3, 1958. However, the contract is dated March 27, 1958. Please advise if there should be any change in the execution date of the Consent to Lien forms.

E. N. Harshman

E. N. Harshman

Enclosures

DMEA
8 1958
CODE

224 New Customhouse
Denver 2, Colorado
April 7, 1958

CERTIFIED MAIL

Mr. Dean Nicholson
New Idria Mining & Chemical Company
P. O. Box 311
Grand Junction, Colorado

Re: Docket No. 4826 (Uranium)
New Idria Mining & Chemical Company, Agent
(Hubbard Homestead, Pack Rat et al. claims)
Mesa County, Colorado

Dear Mr. Nicholson:

Enclosed is the original of one set of Forms MF-205, Consent to Lien and Subordination Agreement, which were returned to this office by your letter of April 3, 1958.

The enclosed form is returned to you for signature by J. L. Thompson.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

Enclosure

cc: Mr. Arthur W. Goring
Secretary-Treasurer
New Idria Mining and Chemical Company
Idria, San Benito County, California

JWT:prl

cc: Chmn. Op. Comm. (2)
Harshman
Docket
Townsend
Chron.

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION · ~~XXXXXXXXXXXXXXXXXXXX~~ P.O. Box 311
GRAND JUNCTION, COLORADO

April 3, 1958

DMEA
DEPARTMENT OF THE INTERIOR
APR 4 - 1958
REGION III
DENVER, COLORADO

Mr. E. N. Harshman
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado
Subordination of Lien Agreements

Dear Mr. Harshman:

Enclosed please find three completed sets of Subordination of Lien forms as requested by your office, however, with the exception of the required signature of the Prudential Insurance Co.

Also enclosed is an original and copies of a letter from the Prudential Insurance Co. stating that they will release the property concerned which, I trust, will be satisfactory.

We shall forward to you immediately upon receipt the executed copy of the formal release.

Very truly yours,

NEW IDRIA MINING & CHEMICAL CO.

Dean Nicholson

Dean Nicholson

Enclosures

cc: Mr. Arthur W. Goring, Sec'y-Treas.
New Idria Mining & Chemical Co.
Idria, San Benito County
California

The Prudential
INSURANCE COMPANY OF AMERICA

DMEA
RECEIVED APR 8 1958
DATE

ROCKY MOUNTAIN MORTGAGE LOAN OFFICE
SWAN McDONALD, JR., REGIONAL MANAGER
SUITE 600, 1726 CHAMPA STREET
DENVER 2, COLORADO
TELEPHONE: ACOMA 2-5801

Mr. Charles Holmes
Smith, Holmes & Williams
Box 366
Grand Junction, Colorado

April 1, 1958

DMEA
DEPARTMENT OF THE INTERIOR
APR 4 - 1958
REGION III
DENVER, COLORADO

Partial Release, Loan No. 2 023 092
Mesa County, Colorado, and
Grand County, Utah

Dear Mr. Holmes:

I am enclosing the Subordination Agreements you sent us on Lot 1, Sec. 35, Twp. 51N, Rge. 20W, as requested by you over the telephone. Rather than go through the long processing in our Home Office of this particular form, we prefer to make the transaction as an outright release of the above captioned description containing approximately 59.33 acres.

I have the authority to approve such a release, and you may consider this letter as our commitment to do so. The release itself, however, must be signed by a Vice President and Secretary in our Western Home Office located in Los Angeles. This ordinarily requires from 2 to 3 weeks, but because of the circumstances involved in this case I will ask for them to rush the actual partial release. The partial release will be forwarded to you the day it is received by us.

There will be a service charge for the partial release of $25.

In order to keep our records straight, will you please have Mr. Hubbard sign the enclosed partial release blank. We will go ahead and process it but must have a signed copy in our file before the release can be completed.

Sincerely yours,

Swan McDonald Jr.

Swan McDonald, Jr.
Regional Manager

SM:km

DMEA F
(12-5

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Ching	[illegible]
3/31	Ellis	[illegible]
"	Johnson	[illegible]
4/1	Selby	[illegible]
4/1	Mittendorf	100
4/1		220
		700

APR 1 1958

Dept. of Interior

DMEA
14X4401(01) Revolving Fund
Defense Production Act,
Interior (Transfer to Office of
Secretary)

ARTHUR W. GORING
NEW IDRIA MINING AND CHEMICAL COMPANY
IDRIA, SAN BENITO COUNTY, CALIFORNIA

RE DOCKET 4326 IF EXECUTED CONSENT TO LIEN FORMS REQUESTED OURLET FEBRUARY 13 NOT YET MAILED PLEASE SEND TO E. N. HARSHMAN, 224 NEW CUSTOMHOUSE BUILDING, DENVER 2, COLORADO. WESTERN UNION UNABLE DELIVER THIS SAME MESSAGE YOUR GRAND JUNCTION OFFICE.

(sgd)

C. O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION
ADMINISTRATION

MChing/izm 3-31-58
cc: Mr. Ching
Admr.'s Reading File
DMEA FT Reg. III (2)
Confirmation Copy

8623

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International Letter Telegram

MAR 29 PM 3 48

1201

time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

DATE	INITIALS	CODE
3/31	C	236
"	Cleng	7

RB172 DH COLL 52 CENTS DELIVERY CHGS

WASHDC MAR 29 1958

ERNEST WM ELLIS DIRECTOR

DEPT INTERIOR WASH DC

YOUR TELEGRAM 28 ARTHUR GORING GRAND JUNCTION COLO IS STILL UNDELIVERED PHONE DISCONNECTED TRIED TO DELIVER NOT HOME NOTICE LEFT WE CHARGE YOUR ACCOUNT 52 CENTS DELIVERY CHGS

WUTELCO NA 8 0100 EX 263

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

MAR 31 6 50 AM '58
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

MAR 28 PM 7 32

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/27/58	Ching	700
3/28	Ellis	700
"	Nottenden	100
3/28		220
		700

MAR 27 1958

~~14X4401(01)xRevolvingxFund~~
Department of the Interior
DMEA

14X4401(01) Revolving Fund, Defense Production Act, Interior, (Transfer to Office of Secretary)

ARTHUR W. GORING
NEW IDRIA MINING AND CHEMICAL COMPANY
2618 NORTH 12TH STREET
GRAND JUNCTION, COLORADO

RE DOCKET 4826 IF EXECUTED CONSENT TO LIEN FORMS REQUESTED OURLET FEBRUARY 13 NOT YET MAILED PLEASE SEND TO W. H. KING, 224 NEW CUSTOMHOUSE BUILDING, DENVER 2, COLORADO.

MChing/gla
3-27-58
cc to: Admr.'s Reading File
THKiilsgaard, 5224
Mr. Ching
Confirmation to Region III

ERNEST WM. ELLIS, DIRECTOR
DIVISION OF RARE AND
MISCELLANEOUS METALS

8623

Form 7
(56)

OFFICIAL FILE COPY

Date	Surname	Code
3/24/58	Ching	700
"	Ellis	700
3-25	Chambers	800
3/26	[illegible]	130
"	Jones	110
"	Butterday	100
4/7	[illegible]	220
		700

MAR 2[illegible]

B

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

Re: Docket No. DMEA-4826 (Uranium)
New Idria Mining & Chemical Co., Agent
Hubbard Homestead, Pack Rat, et al.,
claims
Mesa County, Colorado

Dear Mr. King:

Enclosed are the original and four copies of a proposed long-form contract between the Government and a Joint Venture composed of New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc. The contract has been signed by the Administrator. It consists of Form MF-200, Annexes I and II, Exhibit "A" (4 pages), and a map (Figure 3). Also enclosed are two extra copies each of Annexes I and II, Exhibit "A," and the map (Figure 3) for the use of the Field Team.

If you and the Applicant find the proposed contract satisfactory, it is ready for the signature of the Applicant, provided that the following requirements are met:

1. A suitable final starting date is inserted under Article 3.

2. Three Consent to Lien and Subordination Agreement forms, as made out by this office and forwarded to the Applicant, are received and attached to the contract. The parties listed in Article 2 (b) (2) of the contract must sign the three forms in accordance with their interests. We will advise the Applicant to forward the executed forms directly to you if they have not already been forwarded to this office.

You will note that we have added the western 100 feet of the Johnnie Mae No. 1 claim to the map (Figure 3) and to the land description in Annex I. The maps attached to Contract Idm-E1074 (Docket No. DMEA-4494) do not include this area, and Annex I of that contract recites that the land is shown on the pertinent maps attached thereto. Accordingly, since the area in question is not shown on the map attached to that contract it should not be considered as land in that contract.

The costs suggested by the examiners have been used with only minor variations. The principal change resulted from elimination of one hole in Stage I as recommended by the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures

MChing/gla
3-24-58

cc to: Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
Mr. Ching

APPROVED:

P. F. Yopes (GCS)

Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)

Member, Geological Survey

Spr. Com., DMEA, Interior Bldg., Wash. 25, D.C.

NEW IDRIA MINING AND CHEMICAL COMPANY

IDRIA, SAN BENITO COUNTY, CALIFORNIA

Telephone: New Idria Toll Station

DATE	INITIAL	CODE
3/21	C	2C
"	Gotting	7CC

March 21, 1958

R 3/25/58

~~United States~~
Department of the Interior
Defense Minerals Exploration Administration
1605 Evans Avenue
Reno, Nevada

Subject: Secretary-Treasurer of the
New Idria Mining and Chemical Company

Gentlemen:

We wish to advise that Mr. M.A. Burgess is no longer affiliated with this Company.

The Secretary-Treasurer of the New Idria Mining and Chemical Company is Mr. Arthur W. Goring.

Please correct your records accordingly.

Thank you for your attention and courtesy in this matter.

Very truly yours,

C. Hyde Lewis
President

CHL/eck

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

MAR 21 1958

TO: Administrator, DMEA
ATTENTION: Director, Division of Rare and Miscellaneous Metals

FROM: Associate Solicitor, Defense Minerals Exploration Administration

SUBJECT: Proposed Contract
Docket No. DMEA-4826 (Uranium)
New Idria Mining and Chemical Company, Agent
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

As requested in Mr. Ellis' memorandum dated February 13, 1958, we have prepared the attached Contract, subject to attachment of the Consents to Lien and Subordination Agreements of the parties listed in Article 2(b)(2).

With respect to the western 100 feet of the Johnnie Mae No. 1 claim, Mr. Ellis' memorandum points out that the maps attached to Contract Idm-E1074 do not include this area. Annex I of that Contract recites that the land is shown on the pertinent maps attached thereto. Accordingly, since the area in question is not shown on the map attached to that Contract it should be not considered as land in that Contract.

Robert P. Dwyer

Robert P. Dwyer

NEW IDRIA MINING AND CHEMICAL COMPANY

IDRIA, SAN BENITO COUNTY, CALIFORNIA

Telephone: New Idria Toll Station

March 21, 1958

Special

DMEA
DEPARTMENT OF THE INTERIOR
MAR 24 1958
REGION III
DENVER, COLORADO

~~Chang~~ 3-27 700

United States
Department of the Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

4826

Subject: Secretary-Treasurer of the
New Idria Mining and Chemical Company

Gentlemen:

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The Secretary-Treasurer of the New Idria Mining and Chemical Company is Mr. Arthur W. Goring.

Please correct your records accordingly.

Thank you for your attention and courtesy in this matter.

Very truly yours,

C. Hyde Lewis
President

CHL/eck

Copies distributed to:
Chm. Op. Comm (2)
Harshman
Hasler
DMEA, DFC
DMEA, G. Jet.
Townsend
Corres. File, Reg III

Form 7
-56)

OFFICIAL FILE COPY

Date	Surname	Code
3-13	Ching	700
3-13		140

INTERIOR DEPT.
MAR 14 1958

February 13, 1958

Memorandum

SOLICITOR

To: Associate Solicitor, Division of Mineral Resources

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

Subject: Proposed Contract
Docket No. DMEA-4826 (Uranium)
New Idria Mining and Chemical Company, Agent
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

Please prepare a long-form contract between the Government and the captioned Applicant in accordance with the attached draft.

Attached are eight copies of a map (Figure 3) for use with the contract. A contemplated revision is shown in pencil on the top copy.

The Applicant has been requested to secure consents to lien from the parties listed in Article 2(b)(2). They will be forwarded to you when received or attached to the contract at a later date.

The field examiners believe that the western 100 feet of the Johnnie Mae No. 1 claim was included under Contract Idm-E1074 (Docket No. DMEA-4494). However, all pertinent maps connected with that contract and Annex I itself, appear to exclude that area. Mr. Rubin has advised Mr. Ching that the area may be considered as excluded from Docket 4494. We are therefore including it under the subject Docket 4826.

Ernest Wm. Ellis

Attachments

MChing/izm 3-13-58
cc: Mr. Ching

RECEIVED
MAR 14 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

8623

DRAFT
MChing/izm
3-13-58

MF-200
(Revised June 1954)

Docket No. DMEA 4826

Commodity Uranium

Contract No. Idm-E

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] New Idria Mining and Chemical Company, a Nevada corporation, and Beaver Mesa Uranium, Inc., a Nevada corporation, comprising a Joint Venture.

, whose mailing address is New Idria Mining and Chemical Company, Agent
2618 North 12th Street, Grand Junction, Colorado,
hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, ~~and~~ Annex II, and map (Figure 3)

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Colorado, County of Mesa, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Owner and Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of an assignment of Lease & 2 Deeds [6], [7] recorded in Book 661, page 99; " 650 " 68; " 650 " 70, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Interests of Beaver Mesa Uranium, Inc., J.L. Thompson, L.R. Baker, Trustee, Cecil S. Haynie, Lyman Hubbard, Bert Hubbard, Carter W. Elliott, Lee Murrin, Winifred Murrin, J.B. Crowley and Delsie M. Crowley

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien and Subordination Agreement of the foregoing parties.

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Uranium The work to be performed is described in Exhibit "A." The Operator on or before ..... shall commence the work, and on or before November 30, 1958 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A." See Article 13

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $102,620.00 The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $76,965.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work. **See Article 13**

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums. **See Article 13**

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9. **See Article 13**

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except*, that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer*, sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

See Annex II

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By .....

.....
(Operator)

By .....

.....

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

ANNEX I

The land referred to in Article 2 of the contract consists of the Hubbard Homestead, a patented homestead consisting of 59.33 acres, more or less, described as Lot 1, Section 35, Township 51 North, Range 20 West, N.M.P.M.; and to unpatented lode mining claims, in whole or in part, located in sections 25 and 36, Township 51 North, Range 20 West, N.M.P.M.&B., all in Mesa County, Colorado.

The land is shown on the map entitled "Figure 3 - Previous and Proposed Drilling on the Hubbard Homestead and Adjoining Claims, New Idria Mining and Chemical Company, Mesa County, Colorado", attached hereto and made a part hereof.

The notices of location of the claims are recorded in the official records of Mesa County as follows:

Claim	Original Book	Original Page	Amended Book	Amended Page
Pack Rat No. 1	415	329	696	364
Pack Rat No. 2	415	329	696	365
Pack Rat No. 3	549	366	696	366
Shakin Quakie Fraction	589	54	-	-
Johnnie Mae No. 1 (Western 100 ft.)	415	42	697	510
Johnnie Mae No. 3	415	120	697	512

Limitation on certain claims: Only those portions of the claims described hereinafter are included in the land referred to in Article 2; the western 100 feet of the Johnnie Mae No. 1 claim and those portions of the Shakin Quakie Fraction, Pack Rat No. 2, and Pack Rat No. 3 claims lying south and east of the following described line:

Beginning at a point which is the common corner of sections 25, 26, 35 and 36, T. 51 N., R. 20 W., N.M.P.M.; thence North 55° East 980 feet; thence North 35° West 368 feet; thence easterly along the north boundary line of Pack Rat No. 3 mining claim to the junction with its east end line.

ANNEX II

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(c) Categories (2) through (6) of Article 6(a) are deleted.

(d) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

(e) In the last sentence of Article 6(e), the words "Article 8" are substituted for the words "Article 9."

(f) Notwithstanding any other provision of the Contract, the allowable unit cost per foot of a drilling item is the average unit cost per foot computed on the basis of all the actual unit costs of said drilling item incurred by the Operator: Provided, That the Government will not contribute to any portion of an average unit cost of a drilling item that exceeds the estimated unit cost of said item set forth in the contract.

EXHIBIT "A"

Description of the Work

General Provisions

The work consists of exploration for uranium by core and non-core drilling to test the top sandstone unit of the Salt Wash member of the Jurassic Morrison formation.

Each hole shall be drilled non-core through the upper formations to a point approximately 5 feet above the Brushy Basin-Salt Wash contact and then core drilled through the uppermost Salt Wash sandstone unit, any green mudstone lying immediately below, and not more than 10 feet of underlying red mudstone. Drilling depths are expected to range from 240 to 655 feet and to average 458 feet. Non-core drilling is expected to average approximately 383 feet per hole and core drilling approximately 75 feet per hole.

The minimum size of core shall be BX. All core and cuttings from the cored section of drill holes shall be checked for radioactivity. Sections indicating significant mineralization shall be split. One half shall be analyzed chemically for uranium and vanadium and the other half shall be properly labeled and stored for inspection by the Government. The unmineralized core shall also be labeled and stored for inspection by the Government. Any stored samples may be disposed of by the Operator upon approval by the Government.

All cuttings and core from the drill holes shall be logged geologically and the holes probed radiometrically, and the record of such logging and probing, together with certified copies of all assay certificates, shall be submitted with the Operator's monthly progress reports.

No hole shall be drilled closer than 100 feet to the outer boundaries of the land described in Annex I, or to underground stopes.

The Government will not contribute to any costs of an incompleted drill hole.

Access roads and drill sites shall be prepared with a D-7 bulldozer, or an equivalent unit of the same or another make.

The project shall be supervised at all times by a geologist or mining engineer, who shall devote full time to the project work.

The location, direction, inclination, and extent of all project work are subject to the approval of the Government.

The work is divided into two stages as hereinafter described. The Operator shall complete Stage I, and shall perform as much of Stage II as the Government approves in writing in advance.

Stage I

Prepare access roads and drill sites, and drill approximately 40 holes, aggregating an estimated 18,320 feet of drilling at the locations indicated on the map (Figure 3) referred to in Annex I. The proposed hole on the Shakin Quakie claim located 180 feet southwest of completed hole RD-115 shall be omitted. As indicated, the holes are located in an irregular drilling pattern. with spacing ranging from 200 to 400 feet, and with previously completed holes fitted into the overall pattern. If the 40 holes require more than 18,320 feet of drilling to reach the desired horizon, the additional footage and funds required may, with the written approval of the Government, be transferred and deducted from Stage II.

Stage II

Prepare access roads and drill sites and drill not more than 40 holes aggregating not more than 18,320 feet as offsets to previously drilled holes that show significant mineralization. Offset holes on the Hubbard Homestead shall be not less than 150 feet from any previously

completed hole with the following exception: Where the spacing in Stage I does not permit such a minimum offset distance, a lesser spacing may be used if approved in advance by the Government.

Offset holes on land other than the Hubbard Homestead shall be not less than 100 feet from any previously completed hole.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

11,175 ft. non-core drilling, 0.300 ft. depths @ $2/ft.	$22,350.00	
4,145 ft. non-core drilling, 300-600 ft. depths @ $2.10/ft.	8,704.50	
1,515 ft. core drilling, 0-400 ft. depths @ $4.40/ft.	6,666.00	
1,280 ft. core drilling, 400-600 ft. depths @ $2.90/ft.	6,272.00	
205 ft. core drilling, 600-800 ft. depths, @ $6/ft.	1,230.00	
40 hrs. drill crew standby time @ $12/hr.	480.00	
80 hrs. bulldozing @ $12/hr.	960.00	
Categories (2) through (6)	None	
Category (7) Miscellaneous		
300 cardboard core boxes @ $1/each	300.00	
100 chemical sample analyses @ $5/sample	500.00	$47,462.50

Fixed Unit Costs (See Annex II-d)

Incidental allowance[1] for each foot of hole drilled, 18,320 ft. @ $0.21/ft.	3,847.20

Estimated Total Cost of Stage I $51,309.70

Stage II

Estimated Costs of Stage II are identical to those of Stage I

Summary of Costs

Estimated Total Cost of Stage I	$51,309.70
Estimated Total Cost of Stage II	$51,309.70
Estimated Total Cost of the Project (rounded)	$102,620.00
Government Participation @ 75%	$76,965.00

1/ Includes all allowable costs of the project under Categories (1) through (7) of Article 6(a), except as otherwise scheduled in Exhibit "A."

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

February 26, 1958

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DMEA
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DATE	INITIALS	CODE
3/3	C	220
3/7	2/B	130
3/10	C	220
		708

Memorandum

To: Secretary to the Operating Committee DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) New Idria Mining and Chemical Company (Hubbard Homestead and Pack Rat group of claims) Mesa County, Colorado - Joint Report of Examination

Enclosed are the original and two copies of the Joint Report of Examination on the subject property.

The Field Examiners conclude that the probability for making a significant discovery is sufficiently promising to justify Government participation. They recommend that the Applicant's work proposal be approved, as modified by them.

Please refer to Figure 3 of this report. We questioned the Examiners regarding the advisability of drilling the following proposed holes:

1. The hole on the Pack Rat No. 2 which is located 50 feet northwest of the adit approximately 900 feet from the portal at an altitude of approximately 7060 feet.

2. The hole on the Shakin Quakie claim located 80 feet southeast of the adit approximately 1400 feet from the portal at an altitude of approximately 7175 feet.

3. The hole on the Shakin Quakie claim which is located 70 feet northwest of the adit approximately 1600 feet from the portal at an altitude of approximately 7225 feet and lies between two ore holes, one of which is BD-115. This hole would be within 90 feet of a stope.

We discussed with them the possibilities of drilling from underground stations. They advised us that the adit is driven approximately 30 feet above the ore horizon. The Examiners stated

ON-SITE EXAM. REPORT

Reviewed by
DMEA OPERATING COMMITTEE
3-7-58
(date)

that costs of cutting underground drill stations and furnishing air lines had been considered and it is as economical to drill from the surface. We concur with them in drilling holes 1 and 2 above mentioned from the surface. We recommend that the third hole, the one lying between the two ore holes, be deleted.

Also enclosed are eight extra copies of Figure 3 for use in the preparation of the contract.

W. H. King

W. H. King

E. N. Harshman

E. N. Harshman

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEPARTMENT OF THE GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

February 20, 1958

IN REPLY REFER TO:
MINERAL DEPOSITS
DMEA
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DMEA
FEB 24 1958
REGION III
DENVER, COLORADO

U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

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RECEIVED MAR 3 1958

	INITIALS	CODE
Through: E. E. Burchman	DMA	
3/7		130
		220

Memorandum

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

Through: E. E. Burchman

From: J. William Hasler

Subject: Transmittal of joint geologic and engineering report of examination on DMEA docket 4886 (Uranium), New Idria Mining and Chemical Company, Hubbard Homestead and Park Rat group of claims, Mesa County, Colorado.

The New Idria Mining and Chemical Company of Idria, California, C. Hyde Lewis, President, applied for Government assistance on September 5, 1957 to explore for uranium on property in the Beaver Mesa area of Mesa County, Colorado. The property consists of 6 located claims or portions of claims and 59.33 acres of adjoining deeded land; the 59.33 acres is patented land and is known as the Hubbard Homestead, described as Lot 1, Sec. 35, T. 5S N., R. 20 W., NMPM.

The application was referred to the field and an examination was made on September 23, 1957 by a DMEA examining team composed of M. E. Salsbury, U. S. Bureau of Mines and D. A. Phoenix, U. S. Geological Survey, while they were in the area on other DMEA business. They were accompanied by Mr. Arthur W. Goring, manager of the applicant company's Uranium division, Grand Junction, Colorado. Later, Phoenix was transferred from DMEA work; Mr. E. L. Archbald, U. S. Geological Survey, was then assigned to the project on December 27, 1957 when it was released for a field examination, and visited the property with Mr. Goring on January 20, 1958. During the original field examination it was found that the ownership and royalty interests on the property are complicated. The matter was not fully explained in the original DMEA application but additional documentation, in the form of a narrative description of transactions involved in various parcels of land and copies of legal documents pertaining to property and royalty transfers has since been furnished. An agreement for joint operation of the proposed DMEA project considered to be necessary by the Washington DMEA office in view of the large working interest of the Beaver Mesa Uranium Company in the property has also been tentatively considered.

Reviewed by
DMEA OPERATING COMMITTEE
3-7-58
(date)

The applicant holds a lease on the deeded land and has purchased the claims; however, the claims as well as the leased property are subject to royalty on production. Boundary agreements have been made with owners of claims overlapping the property, and Mr. Goring states that all holders of royalty interests will sign subordination agreements. The mining operation on the property is carried on by Beaver Mesa Uranium, Inc. under a lease whereby the lessee receives approximately 55 percent of the net mill returns as compensation. The applicant therefore has only 25 to 27½ percent interest in ore returns but does retain control of the property. An agreement between the applicant and Beaver Mesa Uranium, Inc. for joint operation of the proposed project has been suggested by the Washington DMEA office because of Beaver Mesa's large interest. Such an agreement has been drawn up and is being considered.

Most of the large uranium deposits on Beaver Mesa occur in the top sandstone unit of the Salt Wash member of the Morrison formation, and are concentrated along a fault which cuts the east-central part of the mesa.

The proposed exploration area is in a geologically favorable area and adjoins a number of properties which have been extensively explored by drilling and underground workings. The applicant's claims have been partially explored and a mining operation is being carried on at the present time. Production has been substantial, but ore bodies found by previous development drilling have been nearly exhausted. There remain areas which have been determined to be favorable for uranium occurrences by wide-spaced Geological Survey drilling. These are the areas which the applicant proposes to explore.

Eight other DMEA projects have been proposed and considered in the immediate area. Six of them, Docket Nos. DMEA 2128, 3514, 3649, and 4073, 4494, and 4363 have been completed and certified as discoveries. Two early applications, DMEA 2391 and DMEA 3310, covering the ground in the present application, were considered favorably and would probably have gone to contract except for litigation and a problem of obtaining owner's consent to lien.

Production from Beaver Mesa as a whole, totals more than 100,000 tons of ore averaging about 0.35 percent U_3O_8 and 1 to 2 percent V_2O_5. Production from claims in the proposed project and from other properties in the immediate vicinity amounts to about 55,500 tons of ore that will average 0.35 percent U_3O_8 and about 1.89 percent V_2O_5.

A cursory examination of the underground workings on the Hubbard Homestead and Pack Rat No. 1 and Shakin Quakie claims indicates that ore occurs largely as irregular, discontinuous lenticular pods, and that the typical "roll" type ore bodies are rather uncommon. These pods of ore may range up to 100 feet in diameter and up to 8 feet in thickness. Two or more pods may be superposed, but separated by several feet of barren sandstone. Individual pods may or may not be laterally connected by thin layers of mineralized rock.

Areal distribution of the deposits on Beaver Mesa suggests that the deposits are related to the Lumsden Canyon fault and to thick, southwesterly trending zones in the host sandstone--features which facilitated the lateral movement of ore fluids. This is not meant to imply that the Lumsden Canyon fault existed previous to mineralization, as evidence in other areas indicates that faults are definitely post-ore. Rather, it is probable that in pre-ore time a zone of fracturing existed along the present site of the Lumsden Canyon fault, and this fracture zone served as a permeable channel-way for lateral movement of fluids.

Because of favorable lithology and inferred structural ore controls, significant uranium deposits may occur anywhere on the subject property; though the Pack Rat No. 2 claim and the northeastern corner of the Hubbard Homestead appear to be the most likely areas for the occurrence of large deposits. The examining team concludes there is a good possibility of finding two or three ore deposits, each containing about 10,000 tons of average grade ore on unexplored parts of the Hubbard Homestead, Pack Rat, Shakin Quakie and Johnnie Mae claims.

The average grade of ore mined on and in the vicinity of the applicant's property is about 0.38 percent U_3O_8 and 1.69 percent V_2O_5, with a value of about $42.00 per ton. There is a reasonable possibility that a sufficient tonnage of this grade of ore occurs on the property to return the $1,500,000 in gross production which would be necessary to return the Government's cost in the proposed exploration in royalty.

A slightly modified exploration program, which has been agreed to by the applicant's representative, is recommended for approval. This program consists of a maximum of 21 holes to be drilled in two stages with an estimated total 37,075 feet, of which 31,000 feet will be non-core drilled and 6,075 feet core drilled. Maximum estimated cost of the project is $104,023.75 with the Government's share at 75 percent being $78,017.81.

It is concluded that the possibilities of discovering several ore deposits in the 10,000 ton class are good and I therefore concur with the conclusions and recommendations of the examining team that a contract be prepared to carry out the program herein outlined.

Enclosed are ten copies each of figure 1, index map of part of the Colorado Plateau showing location of Hubbard Homestead, Pack Rat, Johnnie Mae and Shakin Quakie claims, New Idria Mining and Chemical Company, Mesa County, Colorado; figure 2, structure contours on base of top Salt Wash sandstone, Hubbard Homestead and adjoining claims, New Idria Mining and Chemical Company, Mesa County, Colorado; figure 4, geology and known ore deposits in the vicinity of the Hubbard Homestead, New Idria Mining and Chemical Company, Mesa County, Colorado. Enclosed are 21 copies of figure 3, previous and proposed drilling on the Hubbard Homestead and adjoining claims, New Idria Mining and Chemical Company, Mesa County, Colorado, the

additional 11 copies to be used for inclusion in the possible preparation of a contract. Enclosed also is the applicant's brochure. The Atomic Energy Commission did not have additional geological information on the area, although production and reserve figures were obtained from them. However, they were contacted relative to the appraisal of the property. Results of previous DMEA and Geological Survey drilling were made available to the examining team.

J. William Hasler

J. William Hasler,
Geologist

JWH/bh
Enclosures

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DATE	INITIALS	CODE
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		220

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY EXAMINING TEAM
REGION III

DMEA 4826

New Idria Mining and Chemical Company

Hubbard Homestead and Pack Rat group of claims

Mesa County, Colorado

Uranium

Joint Geologic and Engineering Report

by

N. L. Archbold
U. S. Geological Survey

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

February 1958

Reviewed by
DMEA OPERATING COMMITTEE
3-7-58
(date)

DMEA 4826
NEW IDRIA MINING AND CHEMICAL COMPANY
HUBBARD HOMESTEAD AND PACK RAT GROUP OF CLAIMS
MESA COUNTY, COLORADO

CONTENTS

Joint Geologic and Engineering Report

	Page
Introduction and Summary	1
Acknowledgments	3
Location,Topography, and Physical Features	4
History and Production	5
Ownership and Extent	6
Present Status	
Exploration and development	12
Mining equipment and other facilities	13
General Geology	13
Ore Deposits	17
Proposed Exploration	19
Cost estimate	22
Breakdown and summary of costs	24
Conclusions and Recommendations	28

TABLES

Number		
1.	Sedimentary formations exposed in the vicinity of Beaver Mesa	14

ILLUSTRATIONS

Figure		Follows page
1.	Index map of part of the Colorado Plateau showing location of Hubbard Homestead, et al. claims, New Idria Mining and Chemical Company, Mesa County, Colorado	29
2.	Structure contours on base of top Salt Wash sandstone, Hubbard Homestead, et al. claims, New Idria Mining and Chemical Company, Mesa County, Colorado	29
3.	Previous and proposed drilling on the Hubbard Homestead and adjoining claims, New Idria Mining and Chemical Company, Mesa County, Colorado	29
4.	Geology and known ore deposits in the vicinity of the Hubbard Homestead, New Idria Mining & Chemical Company, Mesa County, Colorado	29

DMEA 4826
NEW IDRIA MINING AND CHEMICAL COMPANY
HUBBARD HOMESTEAD AND PACK RAT GROUP OF CLAIMS
MESA COUNTY, COLORADO

INTRODUCTION AND SUMMARY

The New Idria Mining and Chemical Company of Idria, California, C. Hyde Lewis, President, applied for Government assistance on September 5, 1957 to explore for uranium on property in the Beaver Mesa area of Mesa County, Colorado. The property consists of 6 located claims or portions of claims and 59.33 acres of adjoining deeded land.

The applicant proposed a project in two stages requiring an estimated 33,140 feet of non-core drilling and 7,300 feet of core drilling in a maximum of 91 holes at a cost of $113,983.00 in which Government participation at 75 percent would be $85,488.00.

A field examination was made on September 23, 1957 by a DMEA examining team composed of M. H. Salsbury and D. A. Phoenix. They were accompanied by Arthur W. Goring, 2618 North 12th Street, Grand Junction, Colorado, manager of the applicant company's Uranium Division. The examination was made when DMEA personnel were in the Beaver Mesa area on other business, and before the Washington DMEA office released the application for examination. Later Phoenix was transferred from DMEA work; N. L. Archbold was then assigned to the project and visited the property with Mr. Goring on January 20, 1958.

The applicant holds a lease on the deeded land and has purchased the claims; however, the claims as well as the leased property are subject to a royalty on production. Boundary agreements have been made with owners of claims overlapping the property, and Mr. Goring states that all holders of royalty interests will sign subordination agreements. The mining operation on the property is carried on by Beaver Mesa Uranium, Inc. under a lease whereby the lessee receives approximately 55 percent of the net mill returns as compensation. The applicant therefore has only a 25 to 27½ percent interest in ore returns but does retain control of the property. An agreement between the applicant and Beaver Mesa Uranium, Inc. for joint operation of the proposed project has been suggested by the Washington DMEA office because of Beaver Mesa's large interest. Such an agreement has been drawn up and is being considered.

Most of the large uranium deposits on Beaver Mesa occur in the top sandstone unit of the Salt Wash member of the Morrison formation, and are concentrated along a fault which cuts the east-central part of the mesa. Sedimentary and tectonic structures appear to have had some influence over the localization of ore deposits.

The proposed exploration area is in a geologically favorable area and adjoins a number of properties which have been extensively explored by drilling and underground workings. The applicant's claims have been partially explored and a mining operation is being carried on at the present time. Production has been substantial, but ore bodies found by previous development drilling have been nearly exhausted. There remain

areas which have been determined to be favorable for uranium occurrences by wide-spaced Geological Survey drilling. These are the areas which the applicant proposes to explore.

Eight other DMEA projects have been proposed and considered in the immediate area. Six of them, Docket Nos. DMEA 2128, 3514, 3649 and 4073, 4494, and 4363 have been completed and certified as discoveries. Two early applications, DMEA 2391 and DMEA 3310, covering the ground in the present application, were considered favorably and would probably have gone to contract except for litigation and a problem of obtaining owner's consent to lien.

A two-stage program requiring an estimated 31,000 feet of non-core drilling and 6,075 feet of core drilling in a maximum of 81 holes at an estimated cost of $104,023.75 is recommended for approval. Government participation at 75 percent would be $78,017.81.

ACKNOWLEDGMENTS

The applicant submitted a brochure with data on claim ownership, previous exploration, and geologic features. A drilling proposal with cost estimate, and three bids from drilling contractors were included. Ownership data was incomplete and the applicant later furnished complete documentation on property and royalty transfers.

The results of Geological Survey and previous DMEA drilling on Beaver Mesa, were available and were considered. The Atomic Energy Commission did not have additional geologic information on the area,

though production and reserve figures were obtained from the Commission.

An attempt has been made in this report to clarify the points which have been raised by the Washington office on matters related to the complicated royalty structure.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Hubbard homestead is in section 35, T. 51 N., R. 20 W. The Pack Rat Nos. 1, 2 and 3, Johnnie Mae No. 3 claims, the west 100 feet of the Johnnie Mae No. 1, and the Shakin Quakie Fraction are in parts of unsurveyed sections 25, 26 and 36, T. 51 N., R. 20 W., New Mexico Principal Meridian. They lie at an altitude of about 7,000 feet on the top of Beaver Mesa and a bench flanking the east-central portion (fig. 3). The claims are in Mesa County, Colorado, 13 miles west of Gateway, Colo. over a graded access road. Gateway is 60 miles southwest of Grand Junction, Colorado over improved and partially black-topped State Highway 141. There are no unusual problems of access, ore marketing, labor, supply, water or power.

Precipitation is moderate in the Beaver Mesa area in normal years, although excessive precipitation in the winter and spring of 1956-1957 caused drilling operations to be shut down for several months. Preparation of drill sites both on the mesa top and the adjoining bench is relatively easy and inexpensive.

HISTORY AND PRODUCTION

Mining for vanadium and radium in the Beaver Mesa area dates from before World War I, though intensive activity did not begin until 1948 when the Atomic Energy Commission established a uranium buying program. Geological Survey drilling, followed by extensive private and DMEA exploration, has been highly successful and has resulted in discovery of large deposits which are now being mined at a substantial rate.

Six DMEA projects have been completed in the immediate vicinity of the subject property (fig. 2). All of them have been or will be certified as discoveries. Two other applications were made but not carried to contract for reasons other than geologic favorability.

A listing of the projects follows:

Docket No. DMEA	Contract No.		Claims
2128	E408	Gateway Mining and Development Co (Flanders Mining Company)	La Salle, et al.
2391 1/	--	Velma and Tom Crowley	Pack Rat and Johnnie Mae
3310 1/	--	Don Danvers	Hubbard homestead
3514	E823	Climax Uranium Company	La Sal group
3649	E812	Simpson Mining Company, et al.	Rajah
4073	E987	Simpson Mining Company, et al.	Rajah & Urantah
4494	E1074	New Idria Mining & Chemical Co.	Johnnie Mae claims
4363	E1065	Lisbon Uranium Corporation	John Brown claims

1/ Dockets No. DMEA 2391 and 3310, covering areas included in the subject application, were not carried to contract because of title difficulties which have since been clarified.

A considerable amount of drilling and underground work has been done on the subject property since earlier dockets covering the same property were closed.

Production from Beaver Mesa, as a whole, totals more than 100,000 tons of ore averaging about 0.35 percent U_3O_8 and 1.0 to 2.0 percent V_2O_5. Production from claims in the proposed project and from other properties in the immediate vicinity is as follows:

Claim	Tons	% U_3O_8	% V_2O_5
Johnnie Mae claims 1/	1,213.37	0.74	3.14
Pack Rat claims	17,220.05	0.34	1.59
Shakin Quakie Fraction	2,281.37	0.31	0.98
Hubbard Homestead	8,628.06	0.27	0.92
Rajah claims Nos. 67 and 68 2/	10,928.34	0.28	0.98
La Sal group 3/	14,163.15	0.37	1.29
Lost Dutchman claims	998.74	0.25	0.81
Totals	55,443.08		

1/ Royalties being paid under Docket 4494, contract E-1074.

2/ Royalties being paid under Docket 3649, contract E-812.

3/ Royalties being paid under Docket 2128, contract E-408.

Production figures were obtained from AEC records and include production through June 30, 1957.

OWNERSHIP AND EXTENT

The ownership and royalty interests on the property in the subject DMEA proposal are complicated. The matter was not fully explained in the original DMEA application but additional documentation, in the form of a

DI-28
(Approved July 1942)

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE DIRECTORY

NAME .....
(Surname first)

BRANCH, DIVISION, AND SECTION .....

OFFICIAL DESIGNATION .....

ROOM NO. .....

HOUSE ADDRESS .....

HOUSE TELEPHONE .....

....., 19.....

The Chief Clerk MUST be kept informed of addresses, and this form should be filled out as often as necessary for that purpose.
One name only should be written on a card.

16—30661-1 U. S. GOVERNMENT PRINTING OFFICE

narrative description of transactions involving various parcels of land and copies of legal documents pertaining to property and royalty transfers, has since been furnished. An agreement for joint operation of the proposed DMEA project, considered to be necessary by the Washington DMEA office in view of the large working interest of Beaver Mesa Uranium, Inc. in the property, has also been tentatively considered.

The property included in the proposal consists of 6 claims of varied ownership and 59.33 acres of patented land known as the Hubbard Homestead.

The Hubbard Homestead carries both surface and mineral rights, and is better described as Lot 1, sec. 35, T. 51 N., R. 20 W., NMPM. It is owned by Bert Hubbard and Lyman Hubbard, ranchers, Gateway, Colorado, who have retained surface rights and leased mineral rights. Through various transactions, the minerals leases have passed from the original lessee, Forrest M. Cochran, Grand Junction, Colorado, through Don Danvers of San Antonio, Texas, to New Idria Mining and Chemical Company of Idria, California. The original lease has been extended 5 years to December 16, 1962 according to a notice dated October 9, 1957 and given the owners by New Idria in accordance with lease provisions. A copy of this notice and other documents were furnished with the brochure.

When the Hubbard Homestead was examined under Docket No. DMEA 3310, the Hubbards had instigated court proceedings to break Danvers' lease but were unsuccessful. The matter was settled by compromise and there has been no further litigation.

The Pack Rat Nos. 1, 2 and 3 claims; Johnnie Mae No. 3 claim; and the west 100 feet of the Johnnie Mae No. 1 claim are part of a larger group located by J. B. and Velma Crowley and J. T. Ward. The claims have all been acquired by New Idria Mining and Chemical Company. A series of transactions covering transfer of ownership and royalty interests are documented in material furnished by the applicant.

The Shakin Quakie claim, a fraction covering 2.41 acres of open ground between the west sideline of the Pack Rat No. 2 claim and the Hubbard Homestead was located by John I. Schumacher of Grand Junction, sold to Dan Danvers, and has since been acquired by New Idria. It is also subject to divided royalty interests. The recording data on located claims in the proposed DMEA project are as follows:

Claims	Original location			Amended location	
	book	page	date	book	page
Pack Rat No. 1	415	329	7-15-43	696	364
Pack Rat No. 2	415	329	7-15-43	696	365
Pack Rat No. 3	549	366	4-23-51	696	366
Johnnie Mae No. 3	415	120	4-5-43	697	512
Johnnie Mae No. 1	415	42	2-27-43	697	510
Shakin Quakie Fraction	589	54	9-9-53	--	--

The foregoing claims appear to be valid and are so considered by the Atomic Energy Commission which has certified them for initial production bonus (Certification No. 162). The full initial production bonus has already been claimed on both the located claims and the Hubbard Homestead.

There are areas of conflict between the Pack Rat Nos. 2 and 3 claims and the Lost Dutchman Nos. 2, 10 and 16 adjoining on the north, and between the Johnnie Mae Nos. 1 and 3 claims and the La Sal Nos. 6 and 8 claims adjoining on the south and west.

The Pack Rat--Lost Dutchman conflict has been adjusted by a compromise agreement which establishes the boundary shown in figure 3. Copies of this agreement and a map have been furnished DMEA.

The Johnnie Mae--La Sal conflict has also been established by compromise. The boundary is as shown in figure 3. This conflict was explained to the Government's satisfaction by a letter and map furnished by the Flanders Mining Company on March 22, 1957 in connection with Docket No. DMEA 4494, Contract Idm-E 1074. Boundary lines between the Pack Rat Nos. 1 and 3 and Johnnie Mae No. 1 claims and Union Carbide Nuclear Company's Lumsden No. 1 claim have been established by agreement, satisfactory evidence of which was furnished, so far as the Johnnie Mae No. 1 claim is concerned, in data furnished in connection with Docket No. DMEA 4494.

The Rajah Nos. 67 and 68 claims overlap the Pack Rat Nos. 1 and 2 claims and the Johnnie Mae No. 3 claims but the priority of the latter claims has been established. The boundary as shown in figure 3 agrees with that in figure 3 of the examination report on Docket No. DMEA 3649, which was acceptable to the Government.

The applicant has included in the subject proposal the western 100 feet of the Johnnie Mae No. 1 which was to have been excluded from the area subordinated under Docket DMEA 4494, Contract Idm-E 1074. Through an oversight, the entire Johnnie Mae No. 1 claim was subordinated under Contract Idm-E 1074 although the contract map shows the western boundary of the claim at a point 100 feet east of its true position. The matter is discussed in a memorandum from Salsbury to the Executive Officer, Region III dated October 3, 1957 and a memorandum from the Executive

Officer to the Chairman, Operating Committee, dated October 8, 1957. In view of this error it is recommended that the Johnnie Mae No. 1 claim not be included in the subject property unless it is considered preferable to do so, amending Contract Idm-E 1074 to conform. No holes are planned on the 100-foot strip and the only difficulty which might arise later would be in connection with location of possible offset drill holes on the Johnnie Mae No. 3 claim within 100 feet of the eastern boundary. Inasmuch as all the ground would be subordinated under one contract or the other, it is believed that the usual 100-foot minimum distance requirement could be waived. The matter has been discussed with the operator's representative, A. W. Goring, who is agreeable to handling it either way.

The documentation of ownership and royalty transfers which has been furnished is considered by the examining engineer to be adequate to establish the applicant's property rights.

Consents to Lien would have to be executed by various individuals and Beaver Mesa Uranium, Inc. In addition, a working agreement between New Idria and Beaver Mesa satisfactory to the Government is required.

The New Idria Mining and Chemical Company retains a 27.50 percent interest in production from the Hubbard Homestead and a 25.00 percent interest in production from the located claims. Beaver Mesa Uranium, Inc. has a 55 percent interest in the production from the entire property by virtue of an operating agreement. Beaver Mesa holds an additional royalty interest as shown in the following list:

Royalty holders from whom consents to lien are required

			Amount of Royalty
Hubbard Homestead			
Lyman and Bert Hubbard			7.50 percent
Carter W. Elliott	730/800)	of	7.50 percent
Lee and W. Murrin	70/800)		
Beaver Mesa Uranium, Inc.			2.50 percent
Shakin Quakie claim			
Jack Thompson			8.75 percent
L. R. Baker			8.3125 percent
C. S. Haynie			0.4375 percent
Beaver Mesa Uranium, Inc.			2.50 percent
Pack Rat Nos. 1, 2 and 3 claims			
J. B. Crowley			5.00 percent
Delsie B. Crowley			5.00 percent
Jack Thompson			5.00 percent
L. R. Baker			4.75 percent
C. S. Haynie			0.25 percent
Johnnie Mae No. 3			
J. B. Crowley			10.00 percent
J. L. Thompson			5.00 percent
L. R. Baker			4.50 percent
Cecil S. Haynie			0.50 percent
Johnnie Mae No. 1 claim			
J. B. Crowley			5.00 percent
Delsie B. Crowley			5.00 percent
J. L. Thompson			5.00 percent
L. R. Baker			4.50 percent
Cecil S. Haynie			0.50 percent

In the foregoing listing, Cecil S. Haynie is the same as C. S. Haynie. The royalty interests shown are the same as those listed by the applicant in a letter to the DMEA Administrator dated January 4, 1958, except that a 2.5 percent interest in the Shakin Quakie claim in addition to the

working interest of Beaver Mesa Uranium, Inc. was omitted in the summary of royalty holders on page 4 of the letter.

PRESENT STATUS

Exploration and Development

A substantial amount of drilling exploration has been done on the property as well as extensive underground development through 2 adit tunnels driven from portals on the outcropping ore-bearing Salt Wash rim (fig. 3).

These workings have developed two ore deposits on the Pack Rat No.1 claim and a third in the southeast corner of the Hubbard Homestead and the Shakin Quakie Fraction. Other ore bodies on the Rajah claims to the south and the Lumsden No. 1 claim have also been mined through the same tunnels.

In addition to exploratory and development drilling in the vicinity of the known ore bodies, there have been 10 wide-spaced holes drilled on the Pack Rat No. 2 and Johnnie Mae No. 3 claims and the Hubbard Homestead. Seven of these were drilled by the Geological Survey. Drilling results have given evidence of conditions favorable for the occurrence of uranium deposits in otherwise unexplored areas.

Present operations are centered in the Hubbard Homestead-Shakin Quakie ore body, and the adjoining Rajah ore body. The known ore bodies on the Pack Rat No. 1 claim are nearly exhausted but some development toward mineralized drill holes is being continued.

Mining Equipment and Other Facilities

The applicant's mining operations on the Colorado Plateau are all being carried on by contractors who furnish their own equipment. The Pack Rat--Hubbard Homestead--Rajah operation, carried on by Beaver Mesa Uranium, Inc., is fully equipped with battery powered track haulage, air-powered loading and drilling equipment. A new connection to improve access to the Hubbard Homestead area which has heretofore been reached through a steep incline from the Pack Rat tunnel has just been completed. Much of the original Pack Rat tunnel was driven above the ore horizon.

The applicant proposes to employ a drilling contractor for the exploration project.

GENERAL GEOLOGY

The Hubbard Homestead and the Pack Rat, Shakin Quakie, and Johnnie Mae claims are on Beaver Mesa in the Gateway mining district. Beaver Mesa lies on the northeast flank of the LaSal Mountains where sedimentary formations dip as much as 3 degrees northeastward. The Sagers Wash syncline, a very shallow fold, trends northwesterly across the northern end of Beaver Mesa and plunges gently to the northwest. One fault is present on Beaver Mesa (fig. 4). This fault trends northeasterly across the central part of the mesa, cutting the northern part of the subject property, and splitting into two closely parallel branches on the western end. The north side is displaced about 90 feet upward relative to the south side.

Igneous rocks are exposed in the LaSal Mountains, about 9 miles southwest of Beaver Mesa, but no igneous rocks are exposed in the vicinity of the subject property. Sedimentary formations, exposed in the vicinity of Beaver Mesa, range in age from Permian to Upper Cretaceous; they are briefly described in table 1. All known uranium deposits in the Gateway district occur in the Morrison formation of Jurassic age; thus the Morrison formation will be considered in greater detail.

Table 1.--Sedimentary formations exposed in the vicinity of Beaver Mesa.

Age	Formation	Approximate Thickness	Description
Upper Cretaceous	Dakota	80+	Light red and brown sandstone with interbedded carbonaceous shale. Occurs as remnants on mesa tops.
		Unconformity	
Lower Cretaceous	Burro Canyon	200	Varicolored sandstone and conglomerate with interbedded red and green mudstone and minor lenses of gray cherty limestone. Caps mesas.
Upper Jurassic	Morrison	400	Brushy Basin member.-reddish brown and greenish gray bentonitic mudstone with minor lenses of conglomeratic sandstone. Forms steep slopes.
		300	Salt Wash member.-reddish brown mudstone with interbedded lenses of light red, light brown and light gray sandstone. Forms series of alternating benches and slopes.

Age	Formation	Approximate Thickness	Description
	Summerville	100	Thinly bedded, reddish brown, silty and sandy, shale. Forms cliffs or steep slopes.
Middle Jurassic	Entrada	180	Orange to buff, crossbedded sandstone. Forms bare, rounded cliff.
	Carmel	35	Reddish brown, massive silty sandstone. Forms bare cliff.
		Unconformity	
Lower Jurassic (?)	Navajo	120	Buff to gray crossbedded sandstone. Forms bare, rounded slopes and cliffs.
	Kayenta	200	Irregularly bedded lavender sandstone with interbedded shale seams. Forms ledges and cliffs.
	Wingate	300-400	Fine-grained, brown to reddish brown sandstone. Thickly bedded, massive, and crossbedded. Forms smooth vertical cliffs.
Upper Triassic	Chinle	300	Red siltstone with minor lenses of conglomerate and sandstone, particularly at base. Forms smooth, steep slopes.
		Unconformity	
Lower Triassic	Moenkopi	500	Brown to red-brown and red shale and sandstone with local gypsum beds. Ripple marks are common in top part.
Permian	Cutler	5000+	Maroon, red, and purple conglomerate and arkose with thin mudstone layers.

The Morrison formation consists of two members, the Brushy Basin member and the underlying Salt Wash member. The Brushy Basin member is about 400 feet thick and is composed of reddish brown and greenish gray, bentonitic mudstone with minor lenses of sandstone and conglomerate which are more numerous toward the base of the member. Locally, the rocks are thoroughly cemented with silica and classed as sedimentary quartzites. The contact between the Brushy Basin and the underlying Salt Wash member is interfingering as Brushy Basin mudstone is intercalated with sandstone lenses forming the top layer of the Salt Wash member. Locally, conglomeratic sandstone lenses of the Brushy Basin member may lie directly on the non-conglomeratic sandstone lenses in the top part of the Salt Wash member.

The Salt Wash member of the Morrison formation consists of interbedded reddish brown mudstone and broadly lenticular light red to buff or light gray, quartzose sandstones. Locally the sandstone contains abundant carbonaceous material and clay pebbles. At the top and bottom of the member, individual sandstone lenses are concentrated so as to overlap and coalesce forming continuous, though highly irregular, layers of sandstone containing thin layers of mudstone. These layers of sandstone range from about 40 to 85 feet in thickness. The central part of the Salt Wash member is dominantly reddish brown mudstone with scattered broad lenses of sandstone.

Crossbedding and scour and fill features in the Salt Wash member indicate that it had a fluvial origin. Locally, thick elongate lenses of sandstone, which probably represent sand fillings of ancient stream

channels can be traced for short distances. Such a thickening or "channel", in the top sandstone unit, seems to trend northeastward across the center of the subject property (fig. 2), though as yet there is not sufficient control for a complete understanding of the sedimentary structure involved.

ORE DEPOSITS

All known uranium deposits on Beaver Mesa occur in the Morrison formation. Small deposits are scattered in conglomeratic sandstone lenses at the base of the Brushy Basin member and in sandstone lenses in the bottom two units of the Salt Wash member, but all large deposits are in the top sandstone unit of the Salt Wash member. Most of the deposits are clustered in the vicinity of Lumsden Canyon where Beaver Mesa is traversed by a fault (fig. 4). In the vicinity of Lumsden Canyon, deposits seem to be strung out along the fault and in lines trending southeastward from the fault (fig. 4).

A cursory examination of the underground workings on the Hubbard Homestead and Pack Rat No. 1 and Shakin Quakie claims indicates that ore occurs largely as irregular, discontinuous lenticular pods, and that the typical "roll" type ore bodies are rather uncommon. These pods of ore may range up to 100 feet in diameter and up to 8 feet in thickness. Two or more pods may be superposed, but separated by several feet of barren sandstone. Individual pods may or may not be laterally connected by thin layers of mineralized rock.

Vanadium and uranium minerals occur mainly as fillings at interstices and as replacements of carbonaceous material. On the whole, the ore bodies appear to be partly oxidized and intermediate between the oxidized, or carnotite type, and the unoxidized, or uraninite type. The dominant ore minerals are probably corvusite, vanadium clay and doloresite with significant amounts of the relatively unoxidized minerals uraninite, coffinite, and montroseite. The ratio of vanadium oxide to uranium oxide in the ore is approximately 4 to 1.

In the vicinity of ore deposits, the host sandstone is bleached from its normal light red color to light brown or light gray and the mudstone within and underlying the sandstone is bleached to greenish gray. Ore deposits tend to occur close to the thicker parts of the host sandstone and are intimately associated with zones of abundant carbonaceous material. Thus, areas of bleached sandstone and mudstone and of thick sandstone containing carbonaceous material are considered favorable for the occurrence of uranium deposits. The subject property is such an area.

Areal distribution of the deposits on Beaver Mesa suggests that the deposits are related to the Lumsden Canyon fault and to thick, southwesterly trending, zones in the host sandstone--features which facilitated the lateral movement of ore fluids. This is not meant to imply that the Lumsden Canyon fault existed previous to mineralization, as evidence in other areas indicates that faults are definitely post-ore. Rather, it is probable that in pre-ore time a zone of fracturing existed along the present site of the Lumsden Canyon fault, and this fracture zone served as a permeable channel-way for lateral movement of fluids.

Because of favorable lithology and inferred structural ore controls, significant uranium deposits may occur anywhere on the subject property; though the Pack Rat No. 2 claim and the northeastern corner of the Hubbard Homestead appear to be the most likely areas for the occurrence of large deposits.

PROPOSED EXPLORATION

The applicant has proposed drilling exploration in two stages. Stage I would require an estimated 15,732 feet of non-core drilling and 3,460 feet of core drilling in 43 holes. On the Hubbard Homestead hole spacing is 300 feet on a staggered pattern. On the Pack Rat Nos. 1 and 2 and the Johnnie Mae No. 3 claim staggered holes on 250-foot spacing are proposed.

Stage II would require an estimated maximum of 17,408 feet of non-core drilling and 3,840 feet of core drilling. The number of holes in Stage II is not stipulated. Hole depths would range from 240 to 655 feet, with the deeper holes being on the Hubbard Homestead.

The applicant's proposal is reasonable and is considered by the examining team to be suitable for the proposed exploration. It is also in line with experience on the applicant's recently completed adjoining project under Docket No. DMEA 4494, Contract Idm-E 1074, where a similar plan was found to be adequate under similar conditions. Examination of the applicant's plan, however, indicated that a slightly different arrangement of drill holes utilizing previous drill holes to better advantage

could be employed with a reduction of Stage I drilling from 43 to 41 holes without sacrificing coverage. The applicant's representative, Arthur W. Goring, agreed to a revision of the program as suggested and described as follows:

Stage I.--41 holes on 250-to 300-foot centers at the approximate locations shown in figure 3. Holes are estimated to average 458 feet in depth and to require an average of 75 feet of coring per hole or a total of 15,700 feet of non-core drilling and 3,075 feet of core drilling. The footage estimates are based on control obtained from the previous drilling on the property.

Stage II.--A maximum of 40 holes requiring an estimated 15,300 feet of non-core drilling and 3,000 feet of core drilling offsetting previously drilled holes that penetrate significant mineralization. Not more than 4 offset holes should be drilled surrounding any previously drilled hole. No Stage II hole on the Hubbard Homestead should be less than 150 feet from any other hole. No Stage II hole on the Pack Rat Nos. 1, 2, or Johnnie Mae No. 3 claims should be less than 100 feet from any other hole.

Holes should be drilled non-core from surface to a point approximately 5 feet above the Brushy Basin-Salt Wash contact and core drilled through the upper sandstone layer of the Salt Wash member and any green mudstone immediately below the upper sandstone layer, and not more than 10 feet into red mudstone which underlies the green mudstone. Full penetration of the green mudstone, which may be as much as 12 feet thick, is desirable from a geologic standpoint because this thickness enters

into evaluation of the hole.

The applicant's proposal was supported by bids from 3 drilling contractors. The following bid by Robert J. Colquitt, 1363 North 18th St., Grand Junction, Colorado was clearly the lowest and has been used in the DMEA cost estimate.

Drilling - non-core

0-300 foot range	$2.00/ft.
300-600 foot range	2.10/ft.

Drilling - core

0-400 foot range	$4.40/ft.
400-600 foot range	4.90/ft.
600-800 foot range	6.00/ft.

Standby time - $12.00/hr.

Operator to pay for lost casing at market value. The foregoing bid is appreciably higher than the contract prices for drilling in Contracts Idm-E 1074 and Idm-E 987, both of which were carried out under conditions similar to those expected in the present proposal.

The following estimate assumes employment of 2 rigs drilling 100 feet per shift each. The estimated time for completion including preliminary surveying and suspension of operations between stages is 6.5 months.

Cost Estimate

Number of drill rigs	2
Estimated time for completion	6.5 months
Maximum number of holes	81
Estimated non-core footage	31,000 feet
Estimated core footage	6,075 feet

(1) Independent Contracts

Bulldozing for roads and drill sites 160 hours with D-7 tractor-dozer or equivalent at $12.00/hr.		$ 1,920.00	
Non-core drilling			
0-300 ft range			
22,600 ft at $2.00/ft.	$45,200.00		
300-600 ft range			
8,400 ft at $2.10/ft.	17,640.00		
Total non-core drilling	$62,840.00		
Core drilling			
0-400 ft range			
3,030 ft at $4.40/ft.	$13,332.00		
400-600 ft range			
2,640 ft at $4.90/ft.	12,936.00		
600-800 ft range			
405 feet at $6.00/ft.	2,430.00		
Total core drilling	$28,698.00		
Total all drilling		$91,538.00	
Standby time-81 hours for probing at $12.00/hr.		972.00	
Total independent contracts			$94,430.00

(2) Labor, Supervision and Technical Services

Labor none		
Supervision, 1 supervisor 6.5 mo. at $650.00/mo.	$ 4,225.00	
Technical services, 1 sampler, 6.5 mo. at $350.00/mo.	2,275.00	
Total labor, supervision and technical services		$ 6,500.00

(3) Operating Materials and Supplies

Gasoline, oil and repairs for 1 vehicle for field use, 6.5 mo. at $50/mo.	$325.00	
608 core boxes for 6,075 feet of core at $1.00 each	608.00	
Office, drafting and surveying supplies and reproduction of maps and reports, 6.5 mos. at $25.00/mo.	162.50	
Total operating materials and supplies		$ 1,095.50

(4) Operating Equipment

Rented or purchased	none		
Depreciation on equipment furnished by operator:			
1 G.M. 4-wheel drive pickup	$2,500.00		
1 Babbel counter & probe	800.00		
1 Transit	500.00		
Total value	$3,800.00		
Depreciation, 60 month basis $63.33/mo. 6.5 months		$411.65	
Total operating equipment			$ 411.65

(7) Miscellaneous

Accounting 6.5 months at $25/mo.	$162.50	
Sampling and analyses, 3 samples per hole, maximum of 240 samples analyzed for U_3O_8 and V_2O_5 at $5.00 e.	1,200.00	
Compensation insurance, payroll taxes, etc. on salary of supervisor at 6% of $6,500.00	390.00	
Total Miscellaneous		$ 1,752.50
Total for Project		$104,189.65

Breakdown and Summary of Costs

Cost Item	No. Units	Unit	Unit Cost	Sub total	Total	Distributed as to type of drilling 40% non-core	60% core
(1) Independent contracts							
Bulldozing for roads and drill sites	160	hours	$12.00		$ 1,920.00	$ 768.00	$ 1,152.00
Non-core drilling							
0-300 ft. range	22,600	feet	2.00		45,200.00	45,200.00	
300-600 ft. range	8,400	feet	2.10		17,640.00	17,640.00	
Core drilling							
0-400 ft. range	3,030	feet	4.40		13,332.00		13,332.00
400-600 ft. range	2,640	feet	4.90		12,936.00		12,936.00
600-800 ft. range	405	feet	6.00		2,430.00		2,430.00
Standyby time for probing	81	hours	12.00		972.00	388.80	583.20
(2) Labor, supervision and technical services	6.5	mos.	650.00	$6,500.00	6,500.00	2,600.00	3,900.00
(3) Operating materials and supplies							
Gasoline, oil and repairs to vehicle	6.5	mos.	50.00	325.00	325.00	130.00	195.00
Core boxes	608	each	1.00		608.00		608.00
Office, drafting and surveying supplies	6.5	mos.	25.00	162.50	162.50	65.00	97.50
(4) Operating Equipment							
Depreciation	6.5	mos.	63.33	411.65	411.65	164.66	246.99

Cost Item	No. Units	Unit	Unit Cost	Sub Total	Total	Distributed as to type of drilling 40% non-core	60% core
(7) Miscellaneous							
Accounting	6.5	mos.	$25.00	$ 162.50	$ 162.50	$ 65.00	$ 97.50
Chemical analyses	240	each	5.00		1,200.00		1,200.00
Compensation ins. & payroll taxes, etc.				390.00	390.00	156.00	234.00
Totals					$104,189.65	$67,177.46	$37,012.19

Sub-total (items (2),(3),(4), and (7) less chemical analyses and core boxes) $7,951.65

Calculated overall cost of drilling 37,075 feet $\frac{\$104,189.65}{37,075 \text{ ft.}}$ = $2.81 per foot

Calculated cost for items 2,3,4,5 less chemical analyses and core boxes Incidental allowance $\frac{\$7,951.65}{37,075 \text{ ft.}}$ = $0.21 per foot

The following listing is suggested for contract use:

Stage I

Actual Costs

Category (1) Independent Contracts		
Bulldozing roads and drill sites with D-7 tractor-dozer or equivalent 80 hours at $12.00/hr.	$ 960.00	
Non-core drilling		
0-300 ft. range, 11,475 ft at $2.00/ft.	22,950.00	
300-600 ft.range, 4,225 ft at $2.10/ft.	8,872.50	
Core drilling		
0-400 ft.range, 1,535 ft at $4.40/ft.	6,754.00	
400-600 ft.range,1,335 ft at $4.90/ft.	6,541.50	
600-800 ft.range, 205 ft at $6.00/ft.	1,230.00	
Standby time for hole probing 41 hours at $12.00/hr.	492.00	
Total independent contracts		$47,800.00

Fixed Unit Costs

Incidental allowance for each foot of drilling completed-18,775 ft at $0.21/ft.	$ 3,942.75	
Analyses of 120 samples for U_3O_8 and V_2O_5 at $5.00 per sample	600.00	
308 core boxes for 3,075 ft. of core at $1.00 each	308.00	
Total fixed unit costs		$ 4,850.75
Total estimated cost Stage I		$52,650.75

Stage II

Actual Costs

Category(1) Independent Contracts		
80 hours bulldozing for roads and drill sites at $12.00/hr.	$ 960.00	
Non-core drilling		
0-300 ft.range,11,125 ft at $2.00/ft.	22,250.00	
300-600 ft.range, 4,175 ft at $2.10/ft.	8,767.50	

Core drilling		
0-400 ft.range, 1,495 ft at $4.40/ft.	$6,578.00	
400-600 ft.range, 1,305 ft at $4.90/ft.	6,394.50	
600-800 ft.range, 200 ft at $6.00/ft.	1,200.00	
Standby time for hole probing		
40 hours at $12.00/hr.	480.00	
Total independent contracts		$ 46,630.00

Fixed Unit Costs

Incidental allowance for each foot of drilling completed-18,300 ft at $0.21/ft.	$3,843.00	
120 samples analyzed for U_3O_8 and V_2O_5 at $5.00 per sample	600.00	
300 core boxes for 3,000 ft. of core at $1.00 each	300.00	
Total fixed unit costs		$ 4,743.00
Total estimated cost Stage II		$ 51,373.00

Summary

Total estimated cost Stage I	$ 52,650.75
Total estimated cost Stage II	$ 51,373.00
Total estimated cost of Project	$104,023.75
Government participation at 75 percent	$ 78,017.81

CONCLUSIONS AND RECOMMENDATIONS

The examining team concludes there is a good possibility of finding two or three ore deposits, each containing about 10,000 tons of average grade ore, on unexplored parts of the Hubbard Homestead and Pack Rat, Shakin Quakie and Johnnie Mae claims.

The average grade of ore mined on and in the vicinity of the applicant's property is about 0.38 percent U_3O_8 and 1.69 percent V_2O_5 with a value of $42.00 per ton. There is a reasonable possibility that a sufficient tonnage of this grade of ore occurs on the property to return the $1,500,000 in gross production which would be necessary to return the Government's cost in the proposed exploration in royalty.

A slightly modified exploration program, which has been agreed to by the applicant's representative, is recommended for approval. This program consists of a maximum of 81 holes to be drilled in two stages with an estimated total 37,075 feet, of which 31,000 feet will be non-core drilled and 6,075 feet core drilled. Maximum estimated cost of the project is $104,023.75 with the Government's share at 75 percent being $78,017.81.

The general provisions of the Description of the Work in Exhibit "A" of Contract Idm-E 1074 would be suitable for a contract on the subject project, including transfer of drilling footage from Stage II to Stage I, between core and non-core footages, and between depth ranges, if authorized by the Government. A revision is recommended however, in

the description of hole-bottoming requirements. Holes should be bottomed in not more than 10 feet of red mudstone underlying the uppermost Salt Wash sandstone layer. This would permit full penetration of any green mudstone immediately under the sandstone. Thickness of this green mudstone is a factor in evaluating the favorability of the hole

The unit prices for drilling used in this report are those quoted in the lowest contract bid submitted by the applicant. They are higher than the contract prices in previous DMEA projects in the Beaver Mesa area, including the applicant's previous project under Docket No. DMEA 4494, Contract Idm-E 1074. The low bidder on the present project, Robert J. Colquitt, did the drilling under Contract Idm-E 1074. He had considerable difficulty, partly due to the extremely wet summer, and probably made little or no profit on the job. Whether or not lower bids could be obtained at the present time is problematical. However, it is believed that a request for the applicant to furnish further bids from independent contractors may be in order, even though the requirement of three bids to accompany the application has been met.

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
FEBRUARY 1958
DOCKET 4826

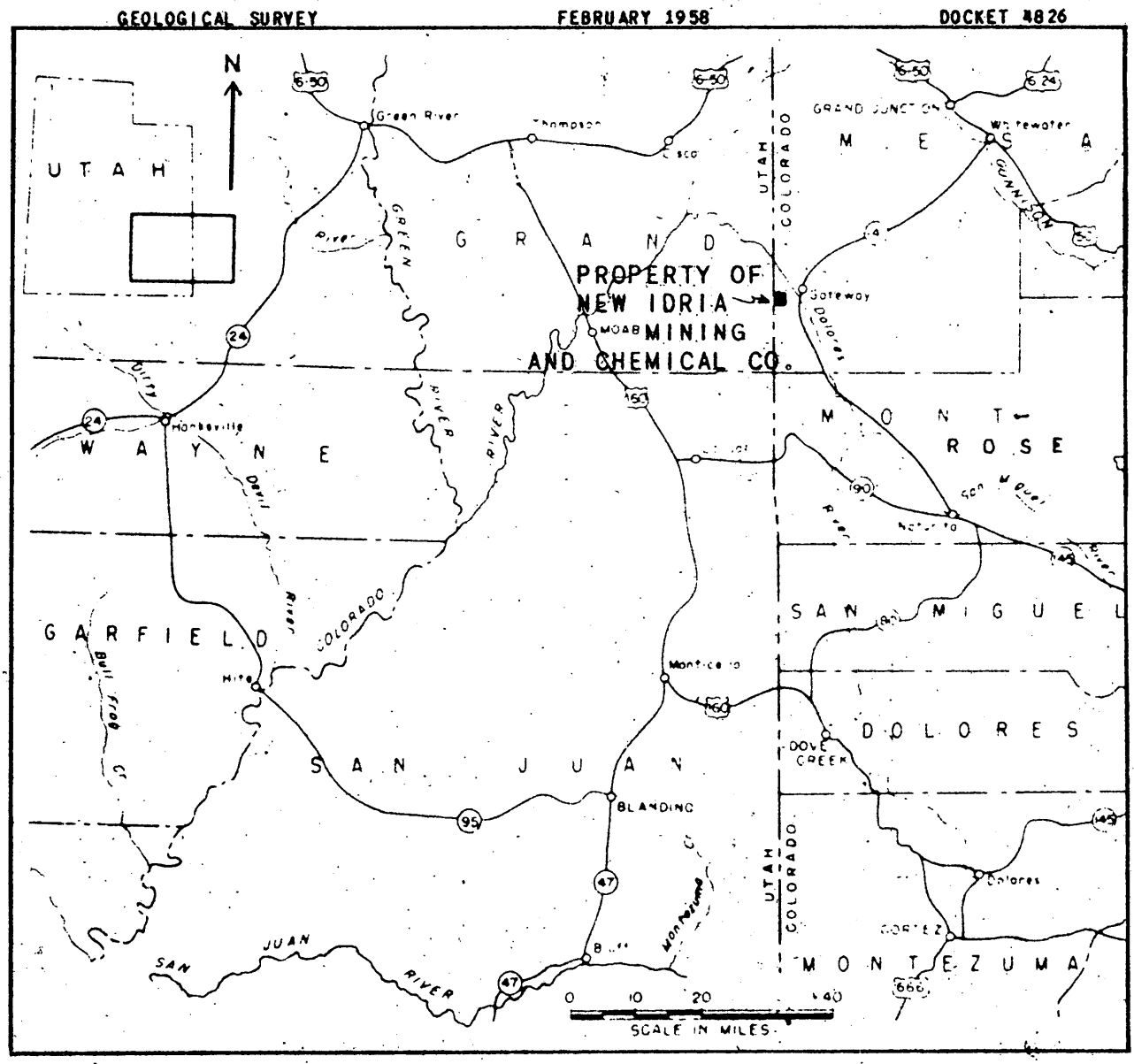

FIGURE 1.--INDEX MAP OF PART OF THE COLORADO PLATEAU SHOWING LOCATION OF HUBBARD HOMESTEAD AND JOHNNIE MAE, PACK RAT AND SHAKIN QUAKIE CLAIMS, NEW IDRIA MINING AND CHEMICAL CO., MESA COUNTY, COLORADO.

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U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
FEBRUARY 1958
DOCKET 4828

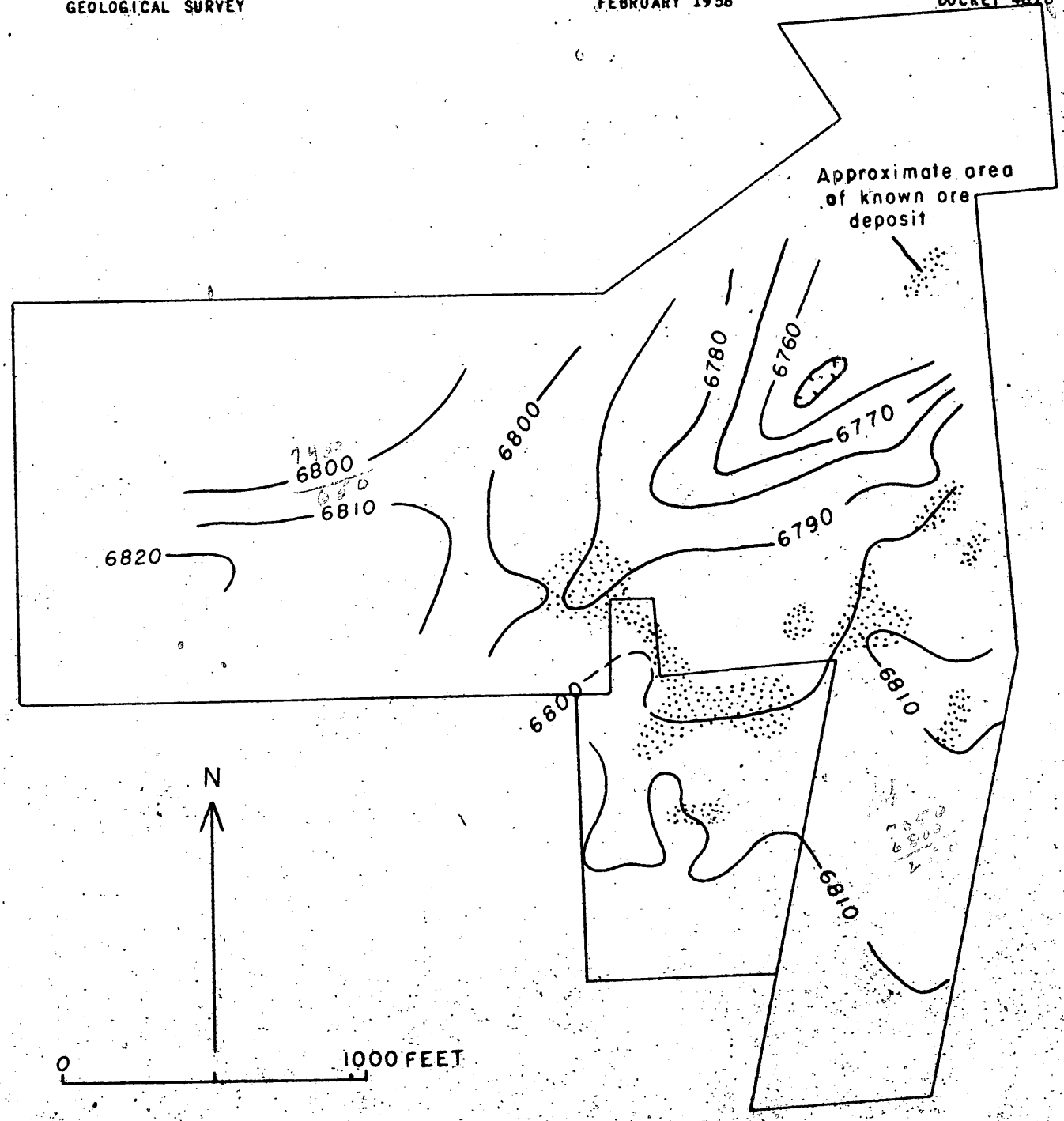

FIGURE 2.--STRUCTURE CONTOURS ON BASE OF TOP SALT WASH SANDSTONE, HUBBARD HOMESTEAD AND ADJOINING CLAIMS, NEW IDRIA MINING AND AND CHEMICAL CO., MESA COUNTY, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 3 1958

DATE	INITIALS	CODE

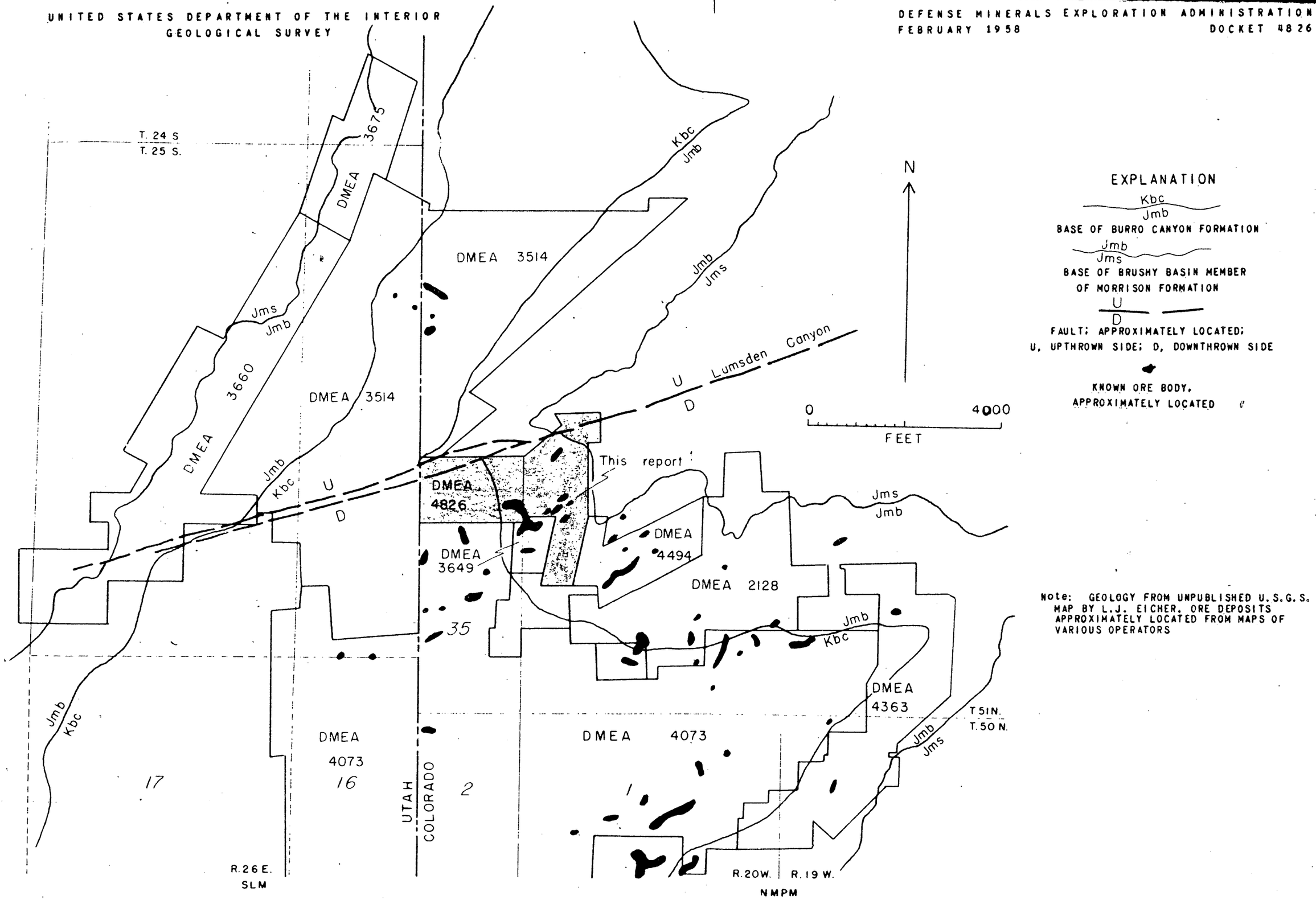

FIGURE 4.--GEOLOGY AND KNOWN ORE DEPOSITS IN THE VICINITY OF THE HUBBARD HOMESTEAD, NEW IDRIA MINING AND CHEMICAL CO., MESA COUNTY, COLORADO.

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
DENVER MAR 11 1958

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	Ching	700
Completed		

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

March 10, 1958
Re: DMEA 4826
New Idria Mining & Chemical Co.
Hubbard Homestead and Pack Rat Group
Mesa County, Colorado
Appl. Est. $113,983.00 - Uranium
Rec'd. Est. $104,023.75

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 doing fill in drilling on claims located on Beaver Mesa, north and west of several producing mines and drill indicated orebodies.

Seven or eight scattered widely spaced and barren holes have been drilled in the area it is proposed to drill more closely.

In the opinion of the examiners, orebodies totaling about 38,000 tons of $42.00 rock (0.38% U_3O_8 and 1.69% V_2O_5) is a reasonable expectancy and they recommend a slightly altered and less costly drilling program.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 10 1958

DATE	INITIALS	CODE
3-11	C	220
11	Cheng	700

March 10, 1958

Field Report No. 4826
File Reference No.
Commodity Uranium
Name of applicant: New Idria Mining & Chemical Co.
Name of property: Hubbard Homestead and Pack Rat group
Location of property: Mesa County, Colo.
Estimated cost of project: $113,983.00

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

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

Subject: Review of Field Team Report- Joint report of Examination
(Application, Field Team Report, etc.)

1. Date of subject document: 2/26/58 2. Date received by reviewer: 3/7/58

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

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

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

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

7. Explain items marked yes above:

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

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

10. Remarks: (Use back of page if necessary) Concur in recommendation that the hole on the Shakin Quakie claim that lies between two ore holes, one of which is Bd-115, be deleted from the proposed exploration.

DMEA
RECEIVED MAR 3 1958
DATE | CODE
3-3

[illegible] New Customhouse
Denver 2, Colorado

February 27, 1958

[illegible]

To: Secretary to the Operating Committee DMEA

From: Executive Officer, DMEA Field Office, Region III

Subject: Project No. DMEA 1456 (Uranium) Contract No. [illegible]
(Colorado Mac claim group)

and

Project No. DMEA 1456 (Uranium) Natural Reservoir, Fault [illegible], et. al. claims, Mesa County Colorado. Ken Kirin Mining and Chemical Company

Enclosed are two copies of a mining deed conveying an interest in the land covered by the subject Contract and the subject DMEA Project.

Also enclosed are three copies of the applicant's letter of transmittal.

Original signed by
W. H. KING

W. H. King
Executive Officer

[illegible]

Enclosure:

[illegible] Spec. Comm. (3) w/2 copies of deed
[illegible]
[illegible]
[illegible]
Contract [illegible] } w/copy of deed
DMEA 1456 }
Property File }
[illegible]

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION • 2618 N. 12TH ST. • CHAPEL 3-2762
GRAND JUNCTION, COLORADO

February 25, 1958

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

DMEA
DEPARTMENT OF THE INTERIOR
FEB 26 1958
REGION III
DENVER, COLORADO

Re: Docket No. DMEA 4494(Uranium
Contract No. Idm-E1074
(Johnnie Mae claim group)
and
Docket No. DMEA 4826(Uranium
Hubbard Homestead, Pack Rat;
et. al. claims, Mesa County,
Colorado.
New Idria Mining & Chem. Co.

Dear Mr. King:

I am enclosing five (5) photo copies of the instrument transferring two (2) percent royalty from J. B. Crowley to New Idria Mining & Chemical Company on the Johnnie Mae Nos. 2, 4, 5, 6, and all of the Johnnie Mae No. 1, except the western 100 feet, which claims were covered by Docket No. 4494(Uranium), Contract No. Idm-E1074, Mesa County, Colorado.

The same instrument also transfers two (2) percent royalty from J. B. Crowley to New Idria Mining & Chemical Company of the Pack Rat Nos. 1, 2, and 3, Johnnie Mae No. 3, and the western 100 feet of the Johnnie Mae No. 1, which claims are covered in Docket No. DMEA 4826(Uranium), and which application is pending.

Very truly yours,

Arthur W. Goring

Arthur W. Goring
Manager, Uranium Division

Encls.

State of Colorado County of Mesa

Recorded at 2:55 o'clock P. M. Feb 14, 1958

Reception No. 712691 Annie M. Dunston Recorder

Annie M. Dunston

MINING DEED

THIS INDENTURE, Made this 7th day of February, in the year of our Lord One Thousand Nine Hundred Fifty-Eight, between J. B. CROWLEY, of the County of Mesa, State of Colorado, party of the first part, and NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada corporation, of the County of San Benito, State of California, party of the second part,

WITNESSETH, that the said party of the first part, for and in consideration of the sum of Ten Dollars and other valuable consideration to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, remised, released and forever quit claimed, and by these presents does grant, bargain, sell, remise, release and forever quit claim unto the said party of the second part, its successors and assigns, the following described property, situate, lying and being in the Gateway (unorganized) Mining District, in the County of Mesa, State of Colorado, to-wit:

AMT. OF FEE IMPOSED 10/
COLLECTED ✓
EXCUSED
PROTESTED

An undivided 2% of the gross values of all ores, metals and minerals mined and sold from the following described unpatented lode mining claims, including any premium or production bonus, but excluding haulage and development allowances:

NAME OF CLAIM	Location Certificate Recorded In BOOK	PAGE
Pack Rat #1	415	329
Pack Rat #2	415	329
Pack Rat #3	549	366
Johnnie Mae #3	415	120

All those parts of Johnnie Mae #1, recorded in Book 415, Page 42; Johnnie Mae #2, recorded in Book 415 at Page 120; Johnnie Mae #4, recorded in Book 415 at Page 329; Johnnie Mae #5, recorded in Book 415 at Page 330; and Johnnie Mae #6, recorded in Book 415 at Page 330, lying South and West of the following described line: Beginning at a point from whence the Southeast Corner of Section 36, Township 51 North, Range 20 West of the New Mexico Principal Meridian, bears South 12° 53' East 4875 feet, thence South 62° 26' West 2950 feet, thence North 08° East 290 feet, thence North 12° 50' East 430 feet, thence North 85° 50' West 315 feet, thence North 03° 40' West 1560 feet to a point from whence the Northwest Corner of said Section 36 bears South 73° 16' West 1365 feet;

The first party, for himself, his legal representatives, heirs or assigns, represent that he has not encumbered or alienated any of the above property, and first party does hereby warrant his title to said property as against, but only against, any person or persons lawfully claiming the whole or any part of such property through or under the grantor.

Together with all the dips, spurs, and angles, and all the metals, ores, gold and silver bearing quartz, rock and earth therein, and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

DATA
RECEIVED

DATE	INITIALS	CODE

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part.

IN WITNESS WHEREOF, The said party of the first party has hereunto set his hand and seal the day and year first above written.

J B Crowley (SEAL)

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 8th day of February, A. D. 1958, by J. B. Crowley.

Witness my hand and official seal.

My commission expires July 15, 1961.

Notary Public

EXTRA COPY
DMEA
RECEIVED MAR 3 1958

DATE	INITIALS	CODE

DMEA
RECEIVE FEB 21 1958
2/21
220
700

224 New Customhouse
Denver 2, Colorado

February 17, 1958

Memorandum

To: DMEA/G.Jct. - J. William Hasler, w/enclosure
Mel Salsbury, w/enclosure

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) New Idria Mining and Chemical Company (Hubbard Homestead, Pack Rat, et. al. claims) Mesa County, Colorado

Enclosed are one copy each of the following:

1. Power of Attorney dated January 14, 1958.

2. Agreement, dated November 29, 1957, between Idria Mining and Chemical Company and Beaver Mesa Uranium Inc.

3. Agreement, dated May 16, 1957, to settle the conflict between the Lost Dutchman and Pack Rat claims.

4. Copy of a letter dated February 13, 1958 from Ernest Wm. Ellis to the subject applicant.

Original signed by
W. H. KING

W. H. King
Executive Officer

WHC:dp

cc: Sec. Oper. Comm (2)
Harshman
DMEA/DFC
Docket
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/10	Ching	700
2/11	Ellis	700
2/12	Selfridge	130
2/13	Edwards	110
"	Mattendorf	100
		220
		700
2/13	Kilgore	130
2/12	Lamb	630

FEB 13 1958

Mr. Arthur W. Goring
Manager, Uranium Division
New Idria Mining and Chemical Company
2618 North 12th Street
Grand Junction, Colorado

Re: Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

Dear Mr. Goring:

Enclosed are three sets of Consent to Lien and Subordination Agreement forms made out for execution by the parties holding an interest or claim against the land which is the subject of a proposed exploration project contract.

In each case please have Article 4 filled out, a date inserted, and the signatures and addresses affixed as indicated on the forms. The original and four copies of each set should be returned to this office. The extra copies are for the signers.

The above-requested action is in no way an assurance that an exploration contract will be granted. Your application is still being processed, and we are initiating this action now to avoid later delays in the event that a contract is approved.

Sincerely yours,

SIGNED

Ernest Wm. Ellis, Director
Division of Rare and
Miscellaneous Metals

Enclosures
MChing/izm 2-10-58
cc: Mr. Ching
Admr.'s Reading File
DMEA FT Reg. 3 (2)

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/10	Ching	700
2/11	Ellis	700
2/12	GCS	130
"	Johnson	110
"	Montenbach	100
		246
2/13	C	220
		700

FEB 13 1958

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

Re: Docket No. DMEA-4826 (Uranium)
New Idria Mining and Chemical Company
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

Dear Mr. King:

Further to our referral letter of December 24, 1957, we are enclosing three copies each of the following documents:

1. Power of Attorney, dated January 14, 1958;

2. Agreement, dated November 29, 1957, between New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc.; and

3. Agreement, dated May 16, 1957, to settle the conflict between the Lost Dutchman and Pack Rat claims.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (246)

Enclosures

APPROVED:

Frank D. Lamb (246)
Member, Bureau of Mines

Thor H. Kiilsgaard (246)
Member, Geological Survey

MChing/izm 2-10-58
cc: Mr. Ching
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

February 3, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 6 1958

DATE	INITIALS	CODE
2-6	C	220
"	Ching	700

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) New Idria Mining and Chemical Company (Hubbard Homestead and Pack Rat, et al. claims) Mesa County, Colorado

Enclosed are the original and one copy of a memorandum from the Field Examiners stating that a joint report of examination is in preparation and will recommend approval of the subject application.

The numerous interests in the land shown in the applicant's letter to the Administrator, dated January 4, 1958, and the Field Examiners' advice that it is further complicated by Beaver Mesa Uranium, Inc., holding a 2.50 percent royalty interest in addition to a 55 percent working interest indicates that legal advice in the preparation of Consent to Lien is desirable. It is recommended that the Consent to Lien and Subordination forms be prepared by your office.

W H King
W. H. King

Enclosures

IN REPLY REFER TO:

JAN 29 WHK HMC

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

January 28, 1958

Memorandum

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

Through: E. N. Harshman ENH
J. William Hasler JWH

From: M. H. Salsbury
N. L. Archbold

Subject: Docket No. DMEA 4826 (Uranium), New Idria Mining and Chemical Co. (Hubbard Homestead and Pack Rat, et al. claims), Mesa County, Colorado.

The DMEA examiners of the subject property are recommending approval of an exploration project. If the project should go to contract, Consents to Lien from all royalty holders will be required. The lists of royalty holders in the applicant's letter of January 4 to the DMEA Administrator appear to include everyone from whom Consents to Lien should be requested with one exception: the "Summary of present royalty holders on the Shakin Quakie Fraction" on page 4 of the applicant's letter omits mention of Beaver Mesa Uranium, Inc. as holder of a 2.50 percent royalty interest in addition to a 55.00 percent working interest.

M. H. Salsbury
M. H. Salsbury,
Mining Engineer

N. L. Archbold
N. L. Archbold,
Geologist

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 6 1958

DATE	INITIALS	CODE

MHS/bh

DMEA
DEPARTMENT OF THE INTERIOR
JAN 30 1958
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

JAN 31 1958

Memorandum

To: Administrator, DMEA
Attention: Mr. Ellis

From: Associate Solicitor, Division of Mineral Resources

Subject: New Idria Mining and Chemical Company
DMEA-4826

As requested in Mr. Ching's reference slip dated January 29, 1958, we have reviewed the Power of Attorney executed January 14, 1958, by the joint applicants in the subject docket, and find that it authorizes New Idria to act as agent for the joint venture in connection with the matters relating to the application and a contract if one is executed.

Robert P. Dwyer

HCRubin:ar
Jan. 30, 1958
Copy to: Sol. Docket (2)
DMEA Docket
HCRubin
RPDWyer
Chron file

NEW IDRIA MINING AND CHEMICAL COMPANY

IDRIA, SAN BENITO COUNTY, CALIFORNIA

Telephone: New Idria Toll Station

January 22, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 27 1958

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"	Chuy	700

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

Attention: Mr. C.O. Mittendorf

Subject: Docket DMEA No. 4826 of Uranium Division
Claims Pack Rat No. 1, 2, 3;
Shaken Quakie Fraction;
Johnnie Mae No. 3; West 100 feet of
Johnnie Mae No. 1

Power of Attorney for MF 103
Dated January 14, 1958
Agreement for Docket No. 4826

Gentlemen:

We have executed and enclose original and four copies of each of subject documents, power of attorney and agreement.

Thank your for your attention.

Very Truly yours,

M.A. Burgess

M.A. Burgess
Treasurer

Encl: 5

cc: Beaver Mesa Uranium, Inc.
Cecil Haynie
Uranium Division
Charles Traylor

MAB/eck

Documents left-hand side

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION • 2618 N. 12TH ST. • CHAPEL 3-2762
GRAND JUNCTION, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 27 1958

DATE	INITIALS	CODE
1/27	C	R20
"	C Goring	700

January 22, 1958

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

Attn: Mr. C. O. Mittendorf, Administrator

Re: Docket No. DMEA 4826 (Uranium); Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Dear Mr. Mittendorf:

I am enclosing with this letter five (5) copies of the settlement agreement between the Lost Dutchman and the Pack Rat claims. I mentioned this agreement in my letter to you dated January 4, 1958.

This instrument will be in Book 725, pages 314-318, incl., of the records of the County Clerk & Recorder, Mesa County, Colorado, and was filed for record January 22, 1958.

Very truly yours,

Arthur W. Goring

Arthur W. Goring
Manager, Uranium Division

Encls.

Document left-hand side

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 16 1958
DATE | INITIALS | CODE
1-16 | | 220
" | | 700

224 New Customhouse
Denver 2, Colorado

January 14, 1958

Memorandum

To: M. H. Salsbury
J. W. Hasler

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) New Idria Mining & Chemical Company (Hubbard Homestead, Pack Rat, et al., Claims) Mesa County, Colorado

Enclosed are a copy of a letter from the Chairman of the Operating Committee dated January 10, 1958, a copy of a letter from the Applicant to the Administrator dated January 4, 1958, and a set of legal documents listed in the Applicant's letter to the Administrator.

Will you please place all of the attached correspondence and legal documents with your copy of the application. Should you recommend a contract, early advice to this office will be appreciated so that we may prepare the required Consent to Lien and Subordination Agreement forms.

Original signed by
W. H. KING

W. H. King

Enclosures

HMC:eh

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

AEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1-9	Ching	700
1-9	[illegible]	700
1/10	[illegible]	130
"	Johnson	110
		~~140~~ ~~210~~
1-10	gb	220
		700

JAN 10 1958

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

Re: Docket No. DMEA-4826 (Uranium)
New Idria Mining and Chemical Company
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

Dear Mr. King:

Further to our referral letter of December 24, 1957, we are enclosing 3 copies of a letter, dated January 4, 1958, from the Applicant, which clarifies the status of the property rights and royalty claims. Three sets of the legal documents listed in the letter are also enclosed.

In the event a contract is recommended, the Applicant should be advised that Consent to Lien and Subordination Agreement forms must be executed by all the present owners and royalty holders listed in the letter, except New Idria Mining and Chemical Company.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GLB)

Enclosures

APPROVED:

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

Thor H. Kiilsgaard (GLB)
Member, Geological Survey

MChing/izm 1-9-58
cc: Mr. Ching
Admr.'s Reading File
Operating Committee
THKiilsgaard, 524

8623

NEW IDRIA MINING & CHEMICAL COMPANY
Uranium Division - 2618 North 12th Street
Grand Junction, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 7 1958

DATE	INITIALS	CODE
1/7	gb	220
		700

January 4, 1958

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

Re: Docket No. DMEA 4826
(Uranium), Hubbard
Homestead, Pack Rat,
et. al., claims
Mesa County, Colorado

Attn: Mr. C. O. Mittendorf, Administrator

Dear Sir:

The following is an narrative explanation of how each interest in the subject lands were acquired and disposed of, with appropriate comments where necessary, as requested in your letter of December 24, 1957.

Hubbard Homestead

A. A patented homestead issued to Lyman and Bert Hubbard of Gateway, Colorado, with all oil and mineral rights, and having the following description:

Lot 1 of Section 35, Township 51 North, Range 20 West, N.M.P.M., containing 59.22 acres, more or less.

B. Lyman and Bert Hubbard leased this property to Forest M. Cochran(pages 8, 9, & 10 of application) on Dec. 16, 1952 for five (5) years, renewable for an additional five (5) years. This lease was renewed by registered letter dated October 9, 1957. (Encl # 1) The Hubbards were given a 15% royalty by this lease.

C. Forest M. Cochran sold this lease to Don Danvers (pages 11-14 of application), and withheld in addition to the 15% to the Hubbards, the following:

12.5% for ores with value less than $50/ton
15% for ores with values greater than $50/ton
Also 30% of the initial production bonus.(This money was paid).

Forest M. Cochran sold one-half (1/2) of this royalty interest to his sister, Bertha I. Lupton (page 17 of application).

All documents on application side. (1) Thru (18)

JAN 4 1958

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Hubbard Homestead (Continued)

D. Don Danvers sold this lease to New Idria Mining & Chemical Company (pages 23-25 of application, also Encls. #2 and #2A, approved by the Hubbards (pages 20-22 of application), withholding the 15% to the Hubbards, plus an additional 2.5% to John I. Schumacher (Item #2 submitted with my letter of November 23, 1957).
Quit claim deed from Forest M. Cochran to New Idria Mining & Chemical Company of his royalty in (C) above (page 26 of application).
Quit claim deed from Bertha I. Lupton to Don Danvers of her royalty in (C) above(pages 18, 19 & 30 of application).
Quit claim deed from Don Danvers to New Idria Mining & Chemical Company of Bertha I. Luptons interest(page 27 of application).

To this point there is the following interest:

1. New Idria Mining & Chemical Company ---------- 82.50%
2. Lyman & Bert Hubbard ---------- 15.00% 7½
3. John I. Schumacher ---------- 2.5%

E. Lyman and Bert Hubbard sold one-half (1/2) of their 15% royalty to the following with their percentage interests: (Item #5 submitted with my letter of November 23, 1957).

Noah Dietrich ---------- 375/800 of the 7.5%
Margie Morin* ---------- 175/800 of the 7.5%
Betty Sisson* ---------- 100/800 of the 7.5%
Shirley Elliott* ---------- 100/800 of the 7.5%
Lee & Winifred Murrin** ---------- 50/800 of the 7.5%

* - Daughters of Carter W. Elliott
** - Business associate of Carter W. Elliott

Subsequently Noah Dietrich's interest (375/800 of the 7.5%) was sold to Carter W. Elliott (Item #6 submitted with my letter of November 23, 1957). Also the interest of Carter W. Elliott's daughters were sold as follows:

Margie Morin to Carter W. Elliott 155/800 of the 7.5% (Encl. #3)
Betty Sisson to Carter W. Elliott 100/800 of the 7.5% (Encl. #3A)
Shirley Elliott to Carter W. Elliott 100/800 of the 7.5% (Encl. #4)
Margie Morin to Lee & Winifred Murrin 20/800 of the 7.5% (Encl. #4A)

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

F. John I. Schumacher received his 2.5% royalty in the Hubbard Homestead from Don Danvers (Item #2 enclosed with my letter of November 23, 1957).

Mr. John I. Schumacher sold this 2.5% royalty to Sahara Uranium Corp. (Encl. #6).

Sahara Uranium Corp. sold this 2.5% royalty to Beaver Mesa Uranium, Inc. (Encl. #7)

Summary of present royalty holders - Hubbard Homestead

1. New Idria Mining & Chemical Company		27.50%
2. Working Mining Agreement- Beaver Mesa Uranium, Inc.		55.00%
3. Lyman and Bert Hubbard		7.50%
4. Carter W. Elliott	730/800 of 7.5%	7.50%
Lee & W. Murrin	70/800 Of 7.5%	
5. Beaver Mesa Uranium, Inc.		2.50%
Total		100.00%

Shakin Quakie Fraction

A. Staked by John I. Schumacher Sept. 4, 1953 (Book 589, page 54). Submitted as Item #1 with my letter of November 23, 1957.

B. John I. Schumacher sold this claim to Don Danvers, reserving 2.50% royalty interest (Book 613, pages 145-146). Submitted as Item #2 with my letter of November 23, 1957.

C. Don Danvers sold this claim to New Idria Mining & Chemical Company, reserving 17.50% royalty interest, in addition to the 2.50% listed in "B" above. (Encl. #8).

D. John I. Schumacher sold his 2.50% royalty interest to Sahara Uranium Corp. (Encl. #6)

E. Sahara Uranium Corp. sold this 2.50% royalty interest to Beaver Mesa Uranium, Inc. (Encl. #7).

JAN 4 1958

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Shakin Quakie Fraction (Continued)

F. The 17.50% royalty interest reserved by Don Danvers was further divided as follows:

1. Don Danvers to Jack Thompson*(Encl. #12) ----- 8.75%
2. Don Danver to L. R. McBride (Item 3 submitted with my letter of November 23, 1957) --------- 0.4375%
3. Don Danvers ---------- 8.3125%

Total 17.50%

The royalty interests Nos. 2 and 3 above were later sold as follows:

4. L. R. McBride to C. S. Haynie* (Item #4 submitted with my letter of November 23, 1957). ---------- 0.4375%
5. Don Danvers to L. R. Baker* 132 - North 6th St., Grand Junction, Colo. (Item #7 submitted with my letter of November 23, 1957) ---------- 8.3125%

* - Present royalty holders.

Summary of present royalty holders - Shakin Quakie Fraction

1. New Idria Mining & Chemical Company ---------- 25.00%
2. Working Mining Agreement - Beaver Mesa Uranium, Inc. ---------- 55.00%
   " " " " 2.50
3. Jack Thompson ---------- 8.75%
4. L. R. Baker, Trustee ---------- 8.3125%
5. C. S. Haynie ---------- 0.4375%

Total 100.0000%

Pack Rat Nos. 1, 2, and 3 claims

A. Staked by J. B. Crowley (refer to page 43 for book and page in application).

B. J. B. Crowley sold these claims to Don Danvers, reserving a 10% royalty until $1,000,000 was paid. (Encl. #9).

JAN 4 1958

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Pack Rat Nos. 1, 2, and 3 claims (Continued)

C. Don Danvers sold these claims to New Idria Mining & Chemical Company., reserving 10% royalty, in addition to the 10% reserved for J. B. Crowley in "B" above. (See pages 28-29 of application).

D. The 10% reserved by Don Danvers was later divided as follows:

1. Don Danvers to Jack Thompson*(Encl. #10) ------ 5.00%
2. Don Danvers to L. R. McBride (Item #3 submitted with letter of November 23, 1957) ---------- 0.25%
3. Don Danvers ---------- 4.75%

Total 10.00%

The royalty interests Nos. 2 and 3 above were later sold as follows:

4. L. R. McBride to C. S. Haynie*(Item #4 submitted with my letter of November 23, 1957) ---------- 0.25%
5. Don Danvers to L. R. Baker* (Item #7 submitted with my letter of November 23, 1957). ---------- 4.75%

* - Present royalty holders.

E. J. B. Crowley to Delsie M. Crowley one-half of his 10% royalty interest. (Encl. #11). ---------- 5.00%

Summary of present royalty holders - Pack Rat Nos. 1, 2 & 3.

1. New Idria Mining & Chemical Company ---------- 25.00%
2. Working Mining Agreement - Beaver Mesa Uranium, Inc. ---------- 55.00%
3. J. B. Crowley ---------- 5.00% 2%
4. Delsie M. Crowley ---------- 5.00%
5. Jack Thompson ---------- 5.00%
6. L. R. Baker ---------- 4.75%
7. C. S. Haynie ---------- 0.25%

Total 100.00%

2-2-58

JAN 4 1958

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Johnnie Mae No. 3 & the western 100 ft. of Johnnie Mae No. 1

A. Staked by J. B. Crowley (Book & page on page 43 of application)

? B. J. B. Crowley sold these claims to Don Danvers, reserving 10% royalty until $1,000,000 was paid. (Encl. #9). (No. 3 not included) MC.

C. Don Danvers sold these claims to New Idria Mining & Chemical Company, reserving 10% royalty in addition to the 10% reserved for J. B. Crowley in "B" above. (See pages 28-29 of application). #3 Included Incorrectly

D. The 10% reserved by Don Danvers was divided as follows:

1. Don Danvers to J. L. Thompson*(Encl. #10) -------- 5.00% #3 Included

2. Don Danvers to L. R. McBride(Item #3 submitted with letter of November 23. 1957) ---------- 0.25% (No. 3 omitted)

3. Don Danvers ---------- 4.75%

The royalty interests Nos. 2 and 3 were later sold as follows:

1. L. R. McBride to C. S. Haynie*(Item #4 submitted with letter of Nov. 23, 1957) ---------- 0.25% #3 not included

2. Don Danvers to L. R. Baker* (Item #7 submitted with letter of November 23, 1957) ---------- 4.75% #3 Included

3. L. R. Baker to C. S. Haynie (Encl. #15) ---------- 0.25% #3 Included

E. J. B. Crowley to Delsie M. Crowley one-half of his 10% royalty interest (Encl. #11). Due to omission of the Johnnie Mae No. 3 claim in this instrument, Delsie M. Crowley does not have a 5% interest in this one claim.**

F. The Johnnie Mae No. 3 claim was omitted in the instrument shown under "B" above (Encl. #9), but has been covered by the following: (Quit claim deeds)

1. J. B. Crowley to New Idria Mining & Chemical Company (Encl. #5) ---------- #3 Reserve 20%

2. J. B. Crowley to L. R. Baker Trustee (Encl. #13). 4.50% on #3

3. J. B. Crowley to Cecil S. Haynie (Encl. #14). 5% " "

4. J. B. Crowley to J. L. Thompson (Encl. #16). 5.0% " "

JAN 4 1958

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Johnnie Mae No. 3 and the western 100 ft. of Johnnie Mae No. 1 (Continued)

Summary of present royalty holders - Johnnie Mae No. 3

1.	New Idria Mining & Chemical Company	25.00%
2.	Working Mining Agreement - Beaver Mesa Uranium, Inc.	55.00%
3.	J. B. Crowley	10.00%** 2%
4.	J. L. Thompson	5.00%
5.	L. R. Baker, Trustee	4.50%
6.	Cecil S. Haynie	0.50%
	Total	100.00%

2-7-58

Summary of present royalty holders - Johnnie Mae No. 1

1.	New Idria Mining & Chemical Company	25.00%
2.	Working Mining Agreement (The western 100 ft. of Johnnie Mae No. 1 claim). Beaver Mesa Uranium, Inc.	55.00%
3.	J. B. Crowley	5.00% 2%
4.	Delsie M. Crowley	5.00%
5.	J. L. Thompson	5.00%
6.	L. R. Baker	4.50%
7.	Cecil S. Haynie	0.50%
	Total	100.00%

2-7-58

** - Please refer to comment under "E" above.

Enclosed with this letter are the following previously cited legal forms:

Encl No.

1. Secretary copies of letter renewing Hubbard lease. (5)

2. & 2A. One (1) certified copy and four (4) secretary copies of sale of Hubbard lease by Bon Danvers to New Idria.

JAN 4 1958

Continued - Letter to Mr. C. O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Encl. No. (Continued)

3. One (1) certified copy and four (4) secretary copies of transfer of 155/800 of 7.5% interest in the Hubbard Homestead from Margie Morin to Carter W. Elliott.

3A. One(1) certified copy and four (4) secretary copies of transfer of 100/800 of 7.5% interest in the Hubbard Homestead from Betty Sisson to Carter W. Elliott.

4. One (1) certified copy and four (4) secretary copies of transfer of 100/800 of 7.5% interest in the Hubbard Homestead from Shirley Elliott to Carter W. Elliott.

4A. One (1) certified copy and four (4) secretary copies of transfer of 20/800 of 7.5% interest in the Hubbard Homestead from Margie Morin to Lee & Winifred Murrin.

5. One (1) certified copy and four (4) secretary copies of quit claim deed of all but 20% on the Johnnie Mae No. 3 from J. B. Crowley to New Idria Mining & Chemical Co.

6. Five (5) true copies of assignment of 2.5% royalty on the Hubbard Homestead and Shakin Quakie Fraction from John I. Schumacher to Sahara Uranium Corp.

7. One (1) certified copy and four (4) secretary copies of assignment of 2.5% royalty on the Hubbard Homestead and Shakin Quakie Fraction from Sahara Uranium Corp. to Beaver Mesa Uranium, Inc.

8. One (1) certified copy and four (4) secretary copies of mining deed of sale of Shakin Quakie Fraction from Don Danvers to New Idria Mining & Chemical Company.

9. One (1) certified copy and four secretary copies of mining deed of sale of Pack Rat and Johnnie Mae claims, except Johnnie Mae No. 3, from J. B. Crowley to Don Danvers.

10. One (1) certified copy and four (4) secretary copies of assignment of 5% royalty on the Pack Rat and Johnnie Mae claims from Don Danvers to J. L. Thompson.

11. One (1) certified copy and four (4) secretary copies of assignment of 5% royalty on the Pack Rat and Johnnie Mae claims, except Johnnie Mae No. 3, from J. B. Crowley to Delsie M. Crowley.

12. Five (5) true copies of assignment of 8.75% royalty on the Shakin Quakie Fraction from Don Danvers to J. L. Thompson.

Continued - Letter to Mr. C.O. Mittendorf, re Docket No. DMEA 4826 (Uranium), Hubbard Homestead, Pack Rat, et. al., claims, Mesa County, Colorado.

Encl. No. (Continued)

13. One (1) certified copy and four (4) secretary copies of quit claim deed of 4.5% interest in the Johnnie Mae No. 3 claim from J. B. Crowley to L. R. Baker.

14. One (1) certified copy and four (4) secretary copies of quit claim deed of 0.5% interest in the Johnnie Mae No. 3 claim from J. B. Crowley to Cecil S. Haynie.

15. Five (5) true copies of quit claim deed of 0.25% interest in the Johnnie Mae Nos. 1-6, incl., from L. R. Baker to Cecil S. Haynie.

16. One certified copy and four (4) secretary copies of quit claim deed of 5% interest in the Johnnie Mae No. 3 claim from J. B. Crowley to J. L. Thompson.

The only other legal instrument needed, in my opinion, is the settlement agreement of the conflict between the Lost Dutchman No. 10 claim and the Pack Rat No. 3 claim. This settlement line is shown on Map "B" in the original application. This settlement line has been executed by all parties involved in the Pack Rat claims, and all parties involved in the Lost Dutchman claims, except C. T. Ward (the original locator and a royalty holder) who passed away. We are endeavoring to get the executor of his estate to complete this instrument at the present time. Copies of this instrument will be forwarded to your office as soon as this instrument is completed.

Please advise me if you wish any further information in regard to this application.

Respectfully yours,

Arthur W. Goring

Arthur W. Goring
Manager, Uranium Division

Enclosures - As noted

OFFICIAL FILE COPY
DME
RECEIVED JAN 7 1958
DATE | INITIALS | CODE

#1

NOTICE

TO: BERT HUBBARD, LYMAN HUBBARD and CARTER ELLIOTT

PLEASE TAKE NOTICE That New Idria Mining and Chemical Company, the successor in interest to Forrest Cochran, Lessee named in that certain Lease Agreement, dated the 16th day of December, 1952, whereby Bert Hubbard and Lyman Hubbard leased unto Forrest Cochran the following described mining property, situate in the Gateway Mining District, Mesa County, Colorado, to wit:

> Lot 1, Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian; RESERVING AND EXCEPTING, However, unto the lessors, their heirs and assigns, the use of the surface of said premises and the use of DP Springs located upon said premises for livestock, it being understood and agreed by and between the parties that the lessee shall use only so much of said surface as shall be reasonably necessary in his mining operations upon said premises;

for mining purposes, has elected to exercise its option to extend said lease agreement for an additional period of five years from December 16, 1957, the termination date of said lease agreement.

This notice to exercise the option to renew the lease agreement for a period of five years is given in accordance with the terms and provisions of paragraph 11 of said agreement.

Dated at Idria, San Benito County, California, this 9th day of October, 1957.

NEW IDRIA MINING AND CHEMICAL COMPANY

By Floyd Lamb PRESIDENT

Attest M A Burgess

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 30 1957
DATE | BY | FILE
12/30 | C | 220
1/ | Chang | 700

224 New Customhouse
Denver 2, Colorado

December 27, 1957

Memorandum

To: M. N. Salsbury) W/enclosures, Items 1-13 Below
J. W. Hasler) " " ~~1-13~~ "

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 4826 (Uranium) New Idria Mining & Chemical Company (Hubbard Homestead, Pack Rat, et al., Claims) Mesa County, Colorado

Enclosed is the following material relating to the subject docket:

1. Copy of application for Government assistance in exploration work under the DMEA program.
2. Memorandum of Review by James Faone, USBM.
3. Memorandum of Review by N. E. Nelson, USGS.
4. Letter of transmittal of the foregoing to this office, dated December 24, 1957, from the Chairman, Operating Committee, DMEA.
5. Location Certificate, dated September 4, 1953, signed by John I. Schumacher.
6. Assignment, dated January 19, 1956, from Don Danvers, to L. R. McBride.
7. Assignment, dated January 14, 1957, from L. R. McBride to Cecil S. Magnie.
8. Mineral Deed, dated April 14, 1955, to Noah Dietrich, et al., from Lyman L. Hubbard and Bert Hubbard.
9. Mineral Deed, dated December 14, 1956, to Carter W. Elliott from Noah Dietrich and Paul Dietrich.

10. Mining Deed, dated October 11, 1957, to L. R. Baker, Trustee, from Don Danvers and Dorothy Danvers.

11. Copy of a letter from the Administrator to Haynie & Hotchkiss, Attorneys at Law, dated December 24, 1957.

12. Copy of a letter from the Administrator to the Applicant company dated December 24, 1957.

13. Routing Control Sheet.

A field examination of the property and a joint report of findings and recommendations pertaining to the Applicant's work proposal are requested.

If the field examiners recommend Government participation in the proposed exploration program, please submit eleven extra copies of each map used in the joint report which show the land to be subordinated and the location and extent of recommended work, relative to property boundaries.

The Bureau of Mines' copy of the application should not be returned to this office, but is to be kept for the Examining Engineer's file. The Routing Control Sheet, however, is to be completed, detached from the application, and forwarded to the Executive Officer with the Joint Examination Report. The Survey's copy of the application is to be returned to Mr. Harshman's office.

W. H. King
Executive Officer

Enclosures

HMC:eh

cc: Sec. Op. Comm. (2)
Harshman W/enclosures, Items 2,3,4, 11 & 12
DMEA/DPC
Docket
Chron.

HAYNIE & HOTCHKISS
ATTORNEYS AT LAW
200 NORTH SIXTH STREET
GRAND JUNCTION, COLORADO

CECIL S. HAYNIE
NORMAN B. HOTCHKISS
JAMES GOLDEN

TELEPHONE
CH-2-7322

December 24, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 30 1957

DATE	INITIALS	CODE
12/30	gb	220
"	[illegible]	700

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Attention: Mr. Frank E. Johnson, Administrator

Re: Docket DMEA 4826 (Uranium)
Mesa County, Colorado

Dear Sir:

We wrote you concerning the above-captioned loan application on November 22, 1957. We know that your office must be extremely busy, but we are very anxious to proceed with our proposed drilling project at the earliest date possible.

Thinking perhaps that you may need additional information, we thought we would write you this letter to advise you that we would be most happy to cooperate with your office in any way in obtaining any additional information that you may desire in order to process the loan as early as possible.

It may be that you have not received our last communication, because of the Christmas rush. If you have not received it, we can furnish you the same information in a later communication should you so desire.

May we hear from you at your early convenience?

Yours truly,

HAYNIE & HOTCHKISS

By Cecil S. Haynie

CSH:ma

No reply necessary.
See our letter of Dec. 24.
mc.

OFFICIAL FILE COPY

Date	Surname	Code
12/20	Ching	700
"	Flis	700
12/23	Jeffrey	130
		~~110~~
"	Mittendorf	100
12/2		220
		700

DEC 24 1957

Mr. Arthur W. Goring
Manager, Uranium Division
New Idria Mining & Chemical Company
2618 North 12th Street
Grand Junction, Colorado

Re: Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat,
et al., Claims
Mesa County, Colorado

12/23 Lamb (130
12/23 Nelson (130

Dear Mr. Goring:

Your letter of November 23, 1957, together with the seven documents listed therein, have been received. Your application is now being referred to Mr. W. H. King, Executive Officer, DMEA Field Team, Region III, 224 New Customhouse Building, Denver 2, Colorado, for further consideration.

The Regional Office will contact you at an early date if additional information is required.

Sincerely yours,

C. O. Mittendorf

Administrator

cc: Mr. C. Hyde Lewis
President
New Idria Mining & Chemical Company
Idria, San Benito County,
California

MChing/gla
12-20-57
cc to: Admr.'s Reading File
Mr. Ching
DMEA Field Team, Region III (2)

8623

EA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/20	Chiang	700
"	Ellis	700
12/23	[illegible]	130
		~~110~~
23	Wednesday	100
12/24	[illegible]	220
		700

DEC 24 1957

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

Re: Docket No. DMEA-4826 (Uranium)
New Idria Mining & Chemical Company
Hubbard Homestead, Pack Rat, et al.,
Claims
Mesa County, Colorado

Dear Mr. King:

The subject application is being referred to you for investigation, a field examination if warranted, and recommendations.

Enclosed for your information are memoranda, dated September 10 and 11, 1957, by James Faone, USBM, and N. E. Nelson, USGS, respectively, relating to the application. Also enclosed is one copy of the original application, for the use of the Field Team, and three copies each of the following legal documents for attachment to the applications in the field:

1. Location Certificate, dated September 4, 1953, signed by John I Schumacher.

2. Assignment, dated January 19, 1956, from Don Danvers, to L. R. McBride.

3. Assignment, dated January 14, 1957, from L. R. McBride to Cecil S. Haynie.

4. Mineral Deed, dated April 14, 1955, to Noah Dietrich, et al., from Lyman L. Hubbard and Bert Hubbard.

5. Mineral Deed, dated December 14, 1956, to Carter W. Elliott from Noah Dietrich and Paul Dietrich.

6. Mining Deed, dated October 11, 1957, to L. R. Baker, Trustee, from Don Danvers and Dorothy Danvers.

The exact status of the property rights and royalty claims require some further clarification. New Idria and Beaver Mesa Uranium, Inc., are preparing to execute an

8623

agreement and a separate power of attorney so that the Operator will clearly be designated in the event a contract is entered into. Copies of letters of even date to New Idria and Haynie & Hotchkiss, Attorneys at Law, from the Administrator, are being forwarded to you to keep you informed concerning these matters.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Enclosures

MChing/gla
12-20-57
cc to: Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
MChing

APPROVED:

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

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

rm 7

OFFICIAL FILE COPY

Date	Surname	Code
	Rubin	
	[illegible]	
12/20	Ching	700
"	Ellis	700
12/23	Selfridge	120
		FTA
"	Hubbard	100
		220
		700

DEC 24 1957

New Idria Mining & Chemical Company
2618 North 12th Street
Grand Junction, Colorado

Re: Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat
et al. claims
Mesa County, Colorado

12/23 Lamb (130
12/23 Nelson (130

Gentlemen:

We have reviewed the documents submitted to us with a letter dated November 23, 1957, from Mr. Arthur W. Goring in connection with the questions respecting your interests in land contained in our letter to your company dated November 1, 1957.

Annex IV of your application sets forth the outstanding royalty interests in land, owned and leased by your company, which is the subject of your application. However, it is difficult for us to verify these interests by reviewing the copies of legal instruments submitted (some unexecuted copies) by your company. After reviewing the 7 instruments attached as Annex III to the application, it is not clear how Danvers acquired title in the Pack Rat and Johnnie Mae claims. Apparently, J. B. Crowley granted these claims to Danvers subject to payment of $1,000,000 and other conditions, but no copy of this agreement or any other agreement disposing of Crowley's interest appears in the group of instruments submitted to us. Also, the Agreement of April 14, 1955, by the Hubbards with H. Dietrich et al., conveyed portions of a one-half interest of 15 percent in the Hubbard Estate to Margie Morin, Betty Sisson, Shirley Elliott, and Lee and Winifred Murrin, but we do not find any instrument by which Margie Morin and Betty Sisson disposed of their interests and they are not named in Annex IV as having any interest in the Hubbard Homestead. Moreover, it is not clear that Carter Elliott acquired 7½ percent interest in the Hubbard Homestead.

Mr. Goring's letter also stated that we would receive a copy of the J. L. Thompson papers, when they are available.

In view of the extremely complex factual situation concerning the land, we suggest that you submit to us a narrative explanation of how each interest in the land was acquired and how disposed of, and containing comments on the questions we have raised. In the meantime, we will continue to process your application from the engineering point of view, so that no time will be lost by our request.

8623

A Consent to Lien and Subordination Agreement will be required from each holder of an interest in the land that is the subject of the application, if a contract is approved for this project.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

HCRubin/emd
12/19/57

Copy to: DMEA Docket
Adm. Reading File
Operating Committee
Field Team, Reg. III (2)
E. W. Ellis
R. P. Dwyer
H. C. Rubin
chron.
pending

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Pontin	140
	Smyre	140
12/16	Ching	700
12/20	Ellis	700
	Selfridge	120
		~~140~~

DEC 24 1957

Haynie & Hotchkiss
Attorneys at Law
200 North Sixth Street
Grand Junction, Colorado

(Uranium)
Re: Docket No. DMEA-4826
New Idria Mining & Chemical Co.
Hubbard Homestead, Pack Rat
et al. Claims
Mesa County, Colorado

Dear Mr. Haynie:

As requested in your letter dated November 22, 1957, we have reviewed the drafts of an Agreement and Power of Attorney enclosed therewith in connection with the subject application.

We suggest the elimination of the fourth recital on the first page of the Agreement, as this agency's letter of November 1, 1957, did not request it; but rather inquired as to whether the applicant was a Joint Venture.

We also suggest eliminating from paragraph numbered 5 on page 2 of the Agreement the words "and the Defense Minerals Exploration Administration", as the Government takes no part in the actual management of exploration projects.

In the event that a contract is executed, checks would be made payable to both companies as a Joint Venture, and the Power of Attorney should be sufficiently broad to permit cashing of checks by New Idria, if that continues to be your interest.

Sincerely yours,

C. O. Mittendorf

Administrator

HCRubin:ar
Dec. 12, 1957
Copy to: DMEA Docket
Adm. Reading file
Mr. Ellis
Oper. Comm.
Field Team, Reg. III (2)
R. P. Dwyer
H. C. Rubin
Chron
Pending

8623

7

OFFICIAL FILE COPY

Date	Surname	Code
11-27	Ching	700
		140

November 27, 1957

ERIOR DEPT.
OV 27 1957
SOLICITOR

Memorandum

To: Associate Solicitor, Division of Mineral Resources

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

Subject: Docket No. DMEA-4826 (Uranium)
New Idria Mining & Chemical Company
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

Will you kindly review the drafts of an Agreement and a Power of Attorney, involving the Applicant and Beaver Mesa Uranium, Inc., and determine whether these documents, when executed, will satisfy our requirements in this case.

Your attention is called to the covering letter, dated November 22, 1957, from the Applicant's attorneys, requesting suggestions for any necessary changes in the drafts.

/s/ Ernest Wm. Ellis

Ernest Wm. Ellis

MChing/izm 11-27-57
cc: Mr. Ching

862

HAYNIE & HOTCHKISS
ATTORNEYS AT LAW
200 NORTH SIXTH STREET
GRAND JUNCTION, COLORADO

CECIL S. HAYNIE
NORMAN B. HOTCHKISS
JAMES GOLDEN

TELEPHONE
CH 2-7322

November 22, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 25 1957
DATE | INITIALS | CODE
11/25 | gb | 220
" | Chrny | 700

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Attention: Mr. Frank E. Johnson, Administrator

Re: Docket DMEA 4826 (Uranium) Mesa County, Colorado

Gentlemen:

At the request of New Idria Mining and Chemical Company, we have prepared an agreement between New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc. in connection with the above numbered application. We enclose a copy of that agreement for your study and any suggestions you may have concerning the same.

We have also prepared a Power of Attorney, whereby Beaver Mesa Uranium, Inc. appoints New Idria Mining and Chemical Company its attorney to conduct any exploration that may be conducted upon the land, subject to the above numbered application. We believe that this will facilitate the management and conduct of any exploratory drilling that may be done.

We are sending you both these instruments for your study, and in the event you want any changes, alterations or amendments made to either of them, we would like to have your suggestions concerning that. The agreements have not been executed by the parties as yet, but both New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc. have indicated that they will execute the same if the agreement and power of attorney are approved by you.

May we hear from you at your convenience.

Yours truly,

HAYNIE & HOTCHKISS

By Cecil S. Haynie
chr

CSH/lkr
Encs.

COPY
DMEA
RECEIVED NOV 25 1957

A G R E E M E N T

THIS AGREEMENT Made and entered into this _____ day of November, 1957, by and between NEW IDRIA MINING AND CHEMICAL COMPANY, a Nevada corporation, hereinafter referred to as first party, and BEAVER MESA URANIUM, INC., a Nevada corporation, hereinafter referred to as second party,

WITNESSETH:

WHEREAS, the first party is the owner of the following described unpatented lode mining claims, situate in the Gateway (unorganized) Mining District, in Mesa County, Colorado, to wit:

Pack Rat Nos. 1, 2 and 3
Shakin Quakie Fraction
Johnnie Mae No. 3
West 100 feet of Johnnie Mae No. 1

and the lessee of the following described land situate in the County of Mesa and State of Colorado, to wit:

Lot One (1) of Section 35, Township 51 North, Range 20 West of the New Mexico Principal Meridian;

and

WHEREAS, the second party has heretofore leased from the first party said mining claims and sub-leased from the first party said patented ground; and

WHEREAS, the first party has heretofore filed with the Defense Minerals Exploration Administration its application for exploration assistance in conducting exploratory drilling upon said mining claims; and

WHEREAS, the Defense Minerals Exploration Administration officials have requested that the application be made a joint application between the parties hereto; and

WHEREAS, it is the mutual wish and desire of the parties hereto to make said loan application a joint application, upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, For and in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows, to wit:

1. The second party agrees that it will join with the first party in its present application (Docket D.M.E.A. No. 4826 - Uranium) for exploration assistance from the Defense Minerals Exploration Administration in exploratory drilling upon the mining claims and patented ground hereinabove described.

2. It is agreed by and between the parties hereto that any payment of royalty due the Government on ores produced from said lands will be made from the first party's share of return from ore shipments.

3. First party agrees that it will pay all costs of such exploratory drilling project conducted upon said mining claims not furnished and paid by the Defense Minerals Exploration Administration, and first party does agree to hold and save the second party free and harmless from the obligation to pay any part of the cost of said drilling project.

4. The parties agree that they shall jointly instruct the Defense Minerals Exploration Administration to make all advances paid by it, under the terms and conditions of any contract made with the Defense Minerals Exploration Administration, for said project, direct to the first party.

5. The parties agree that the first party and the Defense Minerals Exploration Administration shall be responsible for the management, direction and conduct of said drilling project. First party agrees that it will furnish all reports required by the Defense Minerals Exploration Administration, and the second party shall have no responsibility in the management of said drilling project or in making reports to the Defense Minerals Exploration Administration as required by it.

6. Second party agrees to execute any Consents to Lien required by the Government.

7. Insofar as this program of exploration is concerned, paragraph 16 of the agreement of June 1, 1956, between the parties hereto, shall have no force or effect.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

NEW IDRIA MINING AND CHEMICAL COMPANY

Attest _____ By _____
Secretary President
First Party

BEAVER MESA URANIUM, INC.

Attest _____ By _____
Secretary President
Second Party

POWER OF ATTORNEY

We, the undersigned, members of a Joint Venture, consisting of NEW IDRIA MINING AND CHEMICAL COMPANY and BEAVER MESA URANIUM, INC., do hereby appoint New Idria Mining and Chemical Company to act as the Agent of said Joint Venture in all matters connected with an application on Form MF-103, "Application For Aid In An Exploration Project", under the United States Department of the Interior, Defense Minerals Exploration Administration Program which has been docketed DMEA No. 4826, and should the Applicant enter into a contract with the Government as a result of said application, said Agent is authorized to sign the contract, submit all necessary reports and information required, to receive, and to receipt for, any monies that are now or may hereafter become due to said Joint Venture by reason of said Docket No. DMEA 4826.

Executed this _____ day of November, 1957.

NEW IDRIA MINING AND CHEMICAL COMPANY

Attest_____ By_____
Secretary President

BEAVER MESA URANIUM, INC.

Attest_____ By_____
Secretary President

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BENITO)

The foregoing instrument was acknowledged before me this _____ day of _____, 1957, by C. Hyde Lewis as President, and Malcolm Burgess as Secretary of New Idria Mining and Chemical Company, a corporation. Witness my notarial seal.

My commission expires:

_____
Notary Public

STATE OF COLORADO)
) ss
COUNTY OF M E S A)

The foregoing instrument was acknowledged before me this _____ day of _____, 1957, by Alan M. Simpson as President, and D. Howe Moffat as Secretary of Beaver Mesa Uranium, Inc., a corporation. Witness my notarial seal.

My commission expires:

_____
Notary Public

NEW IDRIA MINING & CHEMICAL COMPANY
URANIUM DIVISION • 2618 N. 12TH ST. • CHAPEL 3-2762
GRAND JUNCTION, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 27 1957

DATE	INITIALS	CODE
11/27	gb	220
"	C King	700

November 23, 1957

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington, 25, D. C.

Attn: Mr. Frank E. Johnson, Administrator

DMEA: 4826

Dear Mr. Johnson:

Enclosed please find one (1) certified copy by the County Clerk and Recorder of Mesa County, Colorado and four (4) secretary copies of:

1. Location certificate for Shakin Quakie Fraction by John I. Schumacher. ~~see "15+16" with application~~

see "15+16" replaced with application

2. Agreement conveying 97 1/2 (100%) percent of the Shakin Quakie Fraction to Don Danvers and giving John I. Schumacher 2 1/2 percent of the Hubbard Homestead royalty, and 2½% royalty on Shakin Quakie Fraction. mc.

3. Don Danvers to L. R. McBride - 0.25% of the Pack Rat claims and 0.4375% of the Shakin Quakie Fraction.

4. L. R. McBride to Cecil S. Haynie - transfer of (3) above.

5. L. L. & Bert Hubbard to Noah Dietrich, et. al., one-half interest in the Hubbard's 15% royalty.

6. Noah Dietrich and Paul Dietrich - their 375/800 interest of one-half of Hubbards interest to Carter W. Elliott.

7. Don and Dorothy Danvers to L. R. Baker - their royalty interest in the Pack Rat and Shakin Quakie Fraction.

? I have written to J. L. Thompson to obtain papers showing how he obtained his interest from Don and Dorothy Danvers, but as yet have not received them. As soon as I obtain these papers, I will forward them to you.

RECEIVED
DEC - 2 1957
ASSOC. SOLICITOR
MINERAL RESOURCES

Very truly yours,

Arthur W. Goring

Arthur W. Goring
Manager, Uranium Division

Enclosures-

all documents on application side ① thru ⑦

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Rubin	
	Dwyer	
11/1	Chirlig	700
11/1	Ellis	700
		~~110~~
11/4	C	220

700

NOV 1 1957

New Idria Mining & Chemical Co.
Uranium Division
2618 North 12th Street
Grand Junction, Colorado

Re: Docket No. DMEA-4826 (Uranium)
Mesa County, Colorado

Gentlemen:

We have reviewed your application and, in connection therewith, a letter dated October 16, 1957, from Beaver Mesa Uranium, Inc., to the effect that this Company "will join in the application for the DMEA loan with the New Idria Mining & Chemical Co. . ." The letter also stated that Beaver would subordinate its interest in the land to the Government's royalty, but contemplates that payment of the Government's royalty would be out of New Idria's share of the production.

In the light of this letter, we are not clear as to whether New Idria is an individual applicant or whether Beaver Mesa Uranium, Inc., is joining in the application and contemplates signing the contract as a joint venture with New Idria. Until we know Beaver Mesa's status with respect to the application, we cannot further process it.

With respect to the interest in land required of an applicant, that is possession of the land with the right to continued possession for the purposes of a contract, we have reviewed the legal instruments attached to the application and note that your Company does not have the right to possession unless joined in the contract by Beaver Mesa. Also, from our review, we are not clear as to how Carter Elliott received an interest in the Hubbard Homestead (possibly by conveyance from Bert and Lyman Hubbard); how Jack Thompson acquired an 8-3/4% interest in Shakin Quakie; and how Don Danvers obtained an 8.3125% interest in Shakin Quakie.

Clarification of these matters will facilitate further processing of the application.

Sincerely yours,

Frank E. Johnson (for)

ACTING Administrator

HCRubin:ar
10-31-57

Copy to: DMEA Docket, Adm. Reading file, Mr. Ellis, Oper. Comm., R. P. Dwyer, Field Team Region III (2), H. C. Rubin, Chron, Pend.

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/24	Ching	700
"	Ellis	700
		140

October 24, 1957

Memorandum

To: Associate Solicitor,
Division of Mineral Resources

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

Subject: Applicant's Property Rights
New Idria Mining & Chemical Company
Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

INTERIOR DEPT.
OCT 24 1957
SOLICITOR

New Idria Mining & Chemical Company is the Applicant and prospective Operator under an exploration project. While the land involved has been leased by New Idria to Beaver Mesa Uranium, Inc., the latter, by letter of October 16, 1957, has advised that it is willing to "join in the application for the DMEA loan with New Idria Mining and Chemical Company ... ," under certain conditions. Since New Idria is to be recognized as the Applicant, it would seem that a solution to the problem could be brought about by some form of agreement between New Idria and Beaver Mesa. Kindly review the subject docket and determine what the Government's requirements would be under the existing circumstances.

It would be appreciated if you would prepare the necessary letter to Beaver Mesa and/or New Idria, if you find such a letter appropriate.

A separate problem is posed by M. H. Salsbury's memorandum, dated October 3, 1957, to the Executive Officer and the latter's memorandum, dated October 8, to the Chairman of the Operating Committee. The problem here lies in whether the western 100 feet of the Johnny Mae No. 1 claim should or should not be considered as covered by Contract Idm-E1074 (Docket No. DMEA-4494). The intent appears to have been to exclude this area, but Annex I of the contract appears to have included it. Kindly advise whether we can justifiably exclude the area by amendment.

MChing/gla
cc to: Mr. Ching
cc - Docket No. DMEA-4494
Attached - 2 dockets

Ernest Wm. Ellis
Ernest Wm. Ellis

8623

BEAVER MESA URANIUM, INC.
P. O. BOX 567
GRAND JUNCTION, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 21 1957

DATE	INITIALS	CODE
10/21	C	220
21	Chrany	700

October 16, 1957

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

Re: Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat, et al., Claims
Mesa County, Colorado

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

Gentlemen:

Your letter of September 17, 1957, addressed to Mr. C. Hyde Lewis, President of New Idria Mining and Chemical Company, has been referred to us. As you know, the property in question, subject to the above numbered application, has been leased by Beaver Mesa Uranium, Inc.

We will join in the application for the DMEA loan with New Idria Mining and Chemical Company, if this will facilitate the consideration of the proposed exploration project. We do this with the understanding that any moneys later payable to you out of ore production will be paid out of the interest of New Idria Mining and Chemical Company, and not chargeable to the interest of Beaver Mesa Uranium, Inc.

New Idria Mining and Chemical Company and Beaver Mesa Uranium, Inc. have agreed that all moneys payable to the Government out of ores mined from the property, the subject matter of the loan application, will be paid out of the New Idria interest. We will not be adverse to signing a subordination certificate, and we are confident that the moneys which may be later payable to the Government, if the loan is granted, will be paid by New Idria Mining and Chemical Company out of its royalty interest in the mining property.

We also are fully aware of the fact that if the loan is granted, all production thereafter would be subject to royalty payments to the Government. We

are now producing ores from the property, and understand that if the contract is signed, the royalty on any ores thereafter produced, whether before or after the exploration program is commenced, will be subject to a royalty payment of the Government.

Yours truly,

BEAVER MESA URANIUM, INC.

Alan M. Simpson

Alan M. Simpson, President

AMS:kah

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 11 1957

DATE	INITIALS	CODE
10/11	C	220
"	Chrng	700

October 8, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket DMEA 4494 (Uranium) Contract Idm-E1074; Docket DMEA 4826 (Uranium) New Idria Mining and Chemical Company (Johnnie Mae Claims) Mesa County, Colorado

Enclosed are the original and one copy of a memorandum from M. H. Salsbury on the subject dockets.

A review of both dockets by this office reveal the following:

1. The map on page 14, of the application on DMEA-4494, shows a 100 foot strip along the western side line of Johnnie Mae No. 1, as belonging to Beaver Mesa. Map A, in Annex II, of this application clearly shows that the western 100 feet of Johnnie Mae No. 1, is west of the "Property Division Line." However, no mention of this exclusion of the 100 foot strip is made in the text of the application.

2. The report of examination, January 1957, on DMEA-4494, makes no mention of the 100 foot strip along the western side line. Figure 2 of this report shows no exclusion of the 100 foot strip.

3. The Chairman's letter to the field, March 12, 1957, requested clarification of boundaries between the Johnnie Mae claims and La Salle, La Salle Extension, Tetzloff and La Sal No. 6 claims. The applicant presented two letters dated March 22, 1957, each with a map captioned Exhibit "A", which show Johnnie Mae No. 1, as a full claim with no 100 foot strip excluded.

4. Annex I, of Contract Idm-E1074, DMEA-4494, shows Johnnie Mae No. 1, original location recorded in Book 415, page 42; Amended location recorded in Book 697, page 510. A consent to Lien on the Johnnie Mae No. 1, was signed by Don Danvers and Dorothy Danvers, on April 3, 1957, and a Consent to Lien on the same claim was signed by J. B. Crowley on April 3, 1957. Neither of these Consents to Lien show any exclusion.

5. An application dated August 30, 1957, from the same New Idria Mining and Chemical Company, was docketed DMEA-4826. This application includes among other claims, "The western 100 feet of the Johnnie Mae No. 1."

It is our belief, without legal consultation, that the entire Johnnie Mae claim has been subordinated to the Government, under Contract Idm-E1074, regardless of whether or not Docket DMEA-4826 goes to contract.

We have a copy of the Ernest Wm. Ellis letter to Mr. Lewis, Applicant on DMEA 4826, dated September 17 in which the Applicant was requested to furnish proof of sufficient interest in the land.

We recommend that no action be taken at this time pending receipt of the Applicant's answer to the above-mentioned letter from Mr. Ellis.

E. N. Harshman

E. N. Harshman

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
P. O. Box 360
Grand Junction, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
OCT 4 - 1957
REGION III
DENVER, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 11 1957

DATE	INITIALS	CODE

October 3, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: M. H. Salsbury

Subject: Docket No. DMEA 4494 (Uranium), contract Idm-E 1074, New Idria Mining and Chemical Company (Johnny Mae claims), Mesa County, Colorado

In reviewing material submitted by the subject ~~operator in~~ a new application (docket No. DMEA 4826), it was noted that a portion of one claim included in the new application has already been subordinated under the subject contract, according to Annex I thereto. (See the Acting Executive Officer's letter to the Secretary of the Operating Committee, DMEA, dated September 6, 1957.)

Annex I of contract Idm-E 1074 lists the Johnny Mae No. 1 claim as one of the subordinated claims without reserving the western 100 feet. The western boundary shown for the claim in figures 2 and 3 attached to this contract is 100 feet east of the actual boundary as shown in the applicant's brochure, which agrees with a claim map of the Beaver Mesa area compiled by the Geological Survey. It corresponds instead to the western boundary of the ground which the applicant intended to subordinate. The discrepancy in the contract is derived from the DMEA report of examination on Docket No. DMEA 4494 which fails to note that the western 100 feet of the Johnny Mae No. 1 claim was to be excluded, although the maps with the report show the boundary of the claim where the applicant intended to place the western limit of the project area (figures 2 and 3).

Actually the Johnny Mae No. 1, Johnny Mae No. 3, Pack Rat No. 1, and Lumsden claims have a common claim corner as shown in the map furnished by the applicant. Also the Johnny Mae No. 3, Pack Rat No. 1, and Pack Rat No. 2 claims have a common corner. The DMEA report on docket No. DMEA 4494 shows the Johnny Mae No. 3 claim in a position 100 feet east of its true position. Also, there is no strip of open ground between the western boundary of the Johnny Mae claim and the adjoining Rajah group (DMEA 3649) as shown in figure 2 with docket No. DMEA 4494.

To avoid possible difficulties later because of ore deposits which may be found in the 100-foot strip of ground, it is recommended that an amendment be approved correcting the discrepancy which is in no way the fault of the operator.

Assuming that this is done, the 100-foot strip will be subordinated under docket No. DMEA 4826, if it should go to contract.

M. H. Salsbury
Mining Engineer

MHS/mlr

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9-13	Ching	700
9-17	Grandon	110
9/17	Selfridge	
9/18	C	220
		700

Mr. C. Hyde Lewis, President
New Idria Mining & Chemical Company SEP 17 1957
Uranium Division
2618 North 12th Street
Grand Junction, Colorado

Re: Docket No. DMEA-4826 (Uranium)
Hubbard Homestead, Pack Rat,
et al., Claims
Mesa County, Colorado

Dear Mr. Lewis:

A review of the subject application reveals that the property involved has been leased to Beaver Mesa Uranium, Inc., by an Agreement, dated June 1, 1956.

As the operator under the proposed exploration project you must have, preserve, and maintain a sufficient interest in the land for the purposes of the proposed contract.

In view of the fact that the property is now in the possession of Beaver Mesa, we cannot see where you have the necessary interest in the land for the purposes of an exploration project. Consequently, we shall hold your application in abeyance until we hear from you on this matter.

Incidentally, since Beaver Mesa is currently producing from the property, all such production would be subject to royalty payments to the Government the moment an exploration contract is signed, unless the areas from which the production is coming are specifically excluded from the exploration contract.

Sincerely yours,

Ernest Wm. Ellis, Director
Division of Rare and
Miscellaneous Metals

MChing/izm9-13-57
cc: Mr. Ching
Admr.'s Reading File
DMEA FT Reg. 3 (2)
THKiilsgaard, 5224

8623

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 12 1957
DATE | INITIALS | CODE
9/12 | Q | 220
" | ~~Ellis~~ | 700
" | Cherry
complete

September 11, 1957
Re: DMEA 4826
New Idria Mining & Chemical Co.
Hubbard Homestead, Shakin Quakie etc. claims
Mesa County, Colorado
$113,983.00 - Uranium

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in doing fill in drilling on claims located on Beaver Mesa, north and west of several producing mines and drill indicated orebodies.

Mining has been done in all but one of the 6 claims and homestead included in the project area, and mining is being done in 2 faces on the Hubbard Lease and in the southwest corner of the Pack Rat 2 claim. There are no calculable reserves, but production figures for June 1957 show:-

Mine	Tons	Grade U_3O_8%	Grade V_2O_5%	Value
Pack Rat	326.02	0.22	0.92	$ 7,127.46
Hubbard	572.33	0.30	1.40	17,819.38

Past production figures suggest the best days are behind the operation unless new ore is found.

In 1955 the applicant under DMEA 4073, Hamilton, et al, said the Pack Rat-Hubbard reserves were 50,000 tons. Only 20,700 tons have been mined but there are now no calculable reserves. Liberal estimates are suggested.

The data show that of the 52 holes drilled on the Pack Rat 1 and 2 and Johnnie 1 and 3 claims 16 are ore holes. According to Map "B" probably all but one or two have been investigated and mined out, having produced not over 11,418.86 tons or less than 700 tons per hole. Separate figures for production in the southwest corner of Pack Rat 2 are not available.

The 3 Hubbard ore holes have done better, they having produced 10,534.51 tons or at the rate of about 3,500 tons per hole and production is continuing.

Value wise the overall showing is, as of July 1, 1957:-

Ore holes 18	Value $772,343.96
Value per hole	$ 42,908.00

The assistance requested is 75% of $113,983.00 or $85,487.25. To care for that amount at 5% royalty, a future production of $1,709,745 would be required, that is, on average, 40 of the requested holes need to be average Pack Rat-Hubbard ore holes.

Drilling under DMEA 4073, immediately to the south of the Hubbard Lease, resulted in 2 ore holes,

Z 10	Tons ascribed	11,400	0.29%	U_3O_8	1.10%	V_2O_5
Z 13	" "	4,076	0.01%	"	4.53%	"

5 holes of ore grade but not minable thickness, and 7 holes mineralized to barren.

Scattered drilling under DMEA 3514 immediately to the west of the Lease and close drilling to the north of the northwest corner of the Lease failed to find ore, but a small orebody 6,020 tons (Area I) was found some distance to the west of north of the Lease.

In view of the small production obtained from orebodies indicated by ore holes and the results of drilling on adjoining properties, it appears unlikely the ore needed to meet the inferred royalty will be found by the proposed drilling, though small orebodies are to be expected. Perhaps information not reducible to figures provides a larger measure of justification.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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DMEA
RECEIVED SEP 11 1957

DATE	INITIALS	CODE
9/11	C	220
"	Ellis	700
"	Ching	"

Sept. 10, 1957

4826

Uranium
New Idria Mining & Chem. Co.
Hubbard Homestead, Shakin Quakie Frac.
Mesa County, Colo. etc.
$113,983.00

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Member
Uranium Commodity Committee

Application

9/6/57 9/9/57

x

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

September 9, 1957

New Idria Mining & Chemical Co.
Uranium Division
2618 North 12th Street
Grand Junction, Colorado

Subject: DMEA 4826

Gentlemen:

Your application for exploration assistance, dated August 30, 1957 submitted to our office at Denver, Colorado has been assigned Docket Number 4826 and referred to the Division of Rare & Miscellaneous Metals in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

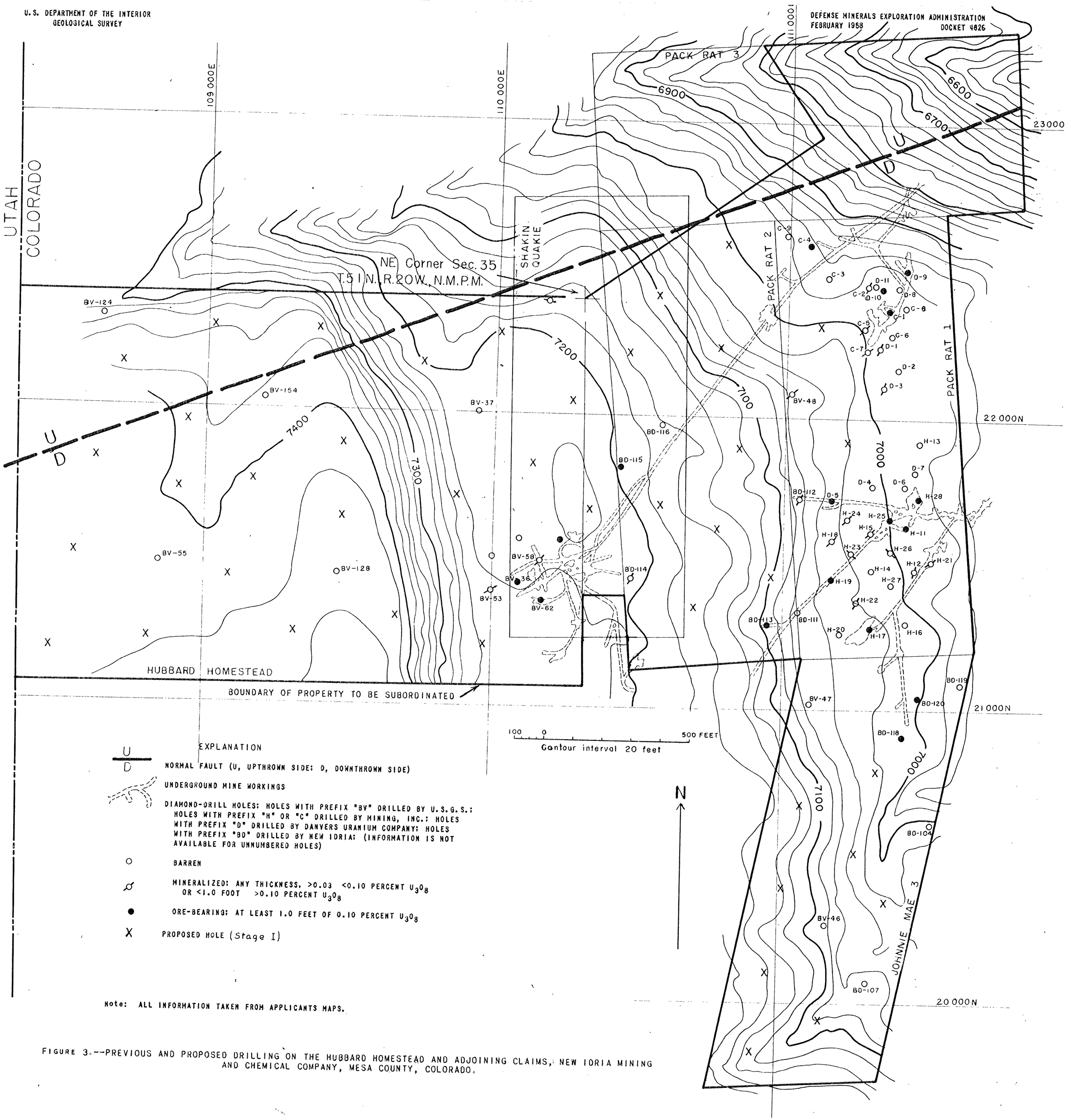
Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:
Region III

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
FEBRUARY 1958
DOCKET 4826



EXPLANATION

U/D — NORMAL FAULT (U, UPTHROWN SIDE; D, DOWNTHROWN SIDE)

UNDERGROUND MINE WORKINGS

DIAMOND-DRILL HOLES: HOLES WITH PREFIX "BV" DRILLED BY U.S.G.S.; HOLES WITH PREFIX "H" OR "C" DRILLED BY MINING, INC.; HOLES WITH PREFIX "D" DRILLED BY DANVERS URANIUM COMPANY; HOLES WITH PREFIX "BD" DRILLED BY NEW IDRIA; (INFORMATION IS NOT AVAILABLE FOR UNNUMBERED HOLES)

○ BARREN

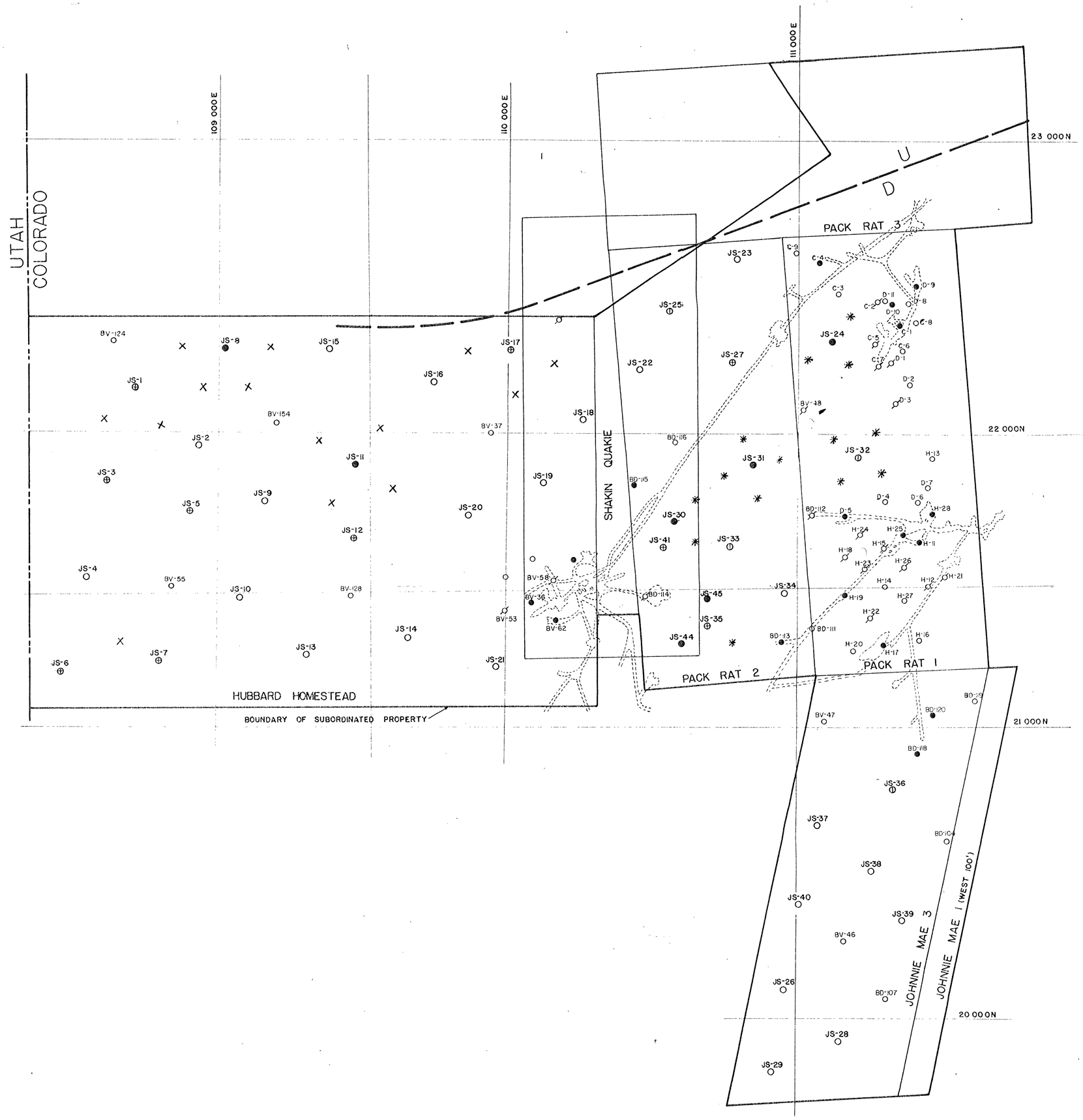
MINERALIZED: ANY THICKNESS, >0.03 <0.10 PERCENT U_3O_8 OR <1.0 FOOT >0.10 PERCENT U_3O_8

● ORE-BEARING; AT LEAST 1.0 FEET OF 0.10 PERCENT U_3O_8

X PROPOSED HOLE (Stage I)

Note: ALL INFORMATION TAKEN FROM APPLICANTS MAPS.

FIGURE 3.--PREVIOUS AND PROPOSED DRILLING ON THE HUBBARD HOMESTEAD AND ADJOINING CLAIMS, NEW IDRIA MINING AND CHEMICAL COMPANY, MESA COUNTY, COLORADO.



LEGEND

- FAULT
- UNDERGROUND WORKINGS
- BARREN HOLES
- PREVIOUSLY DRILLED MINERALIZED HOLES
- JS SERIES WEAKLY MINERALIZED HOLES
- JS SERIES STRONGLY MINERALIZED HOLES
- ORE HOLES
- APPROVED SECOND STAGE HOLES
- PROPOSED ADDITIONAL SECOND STAGE HOLES

NOTE:

FIRST STAGE: JS-1 TO JS-40, INCL.

SECOND STAGE: JS-41 TO JS-

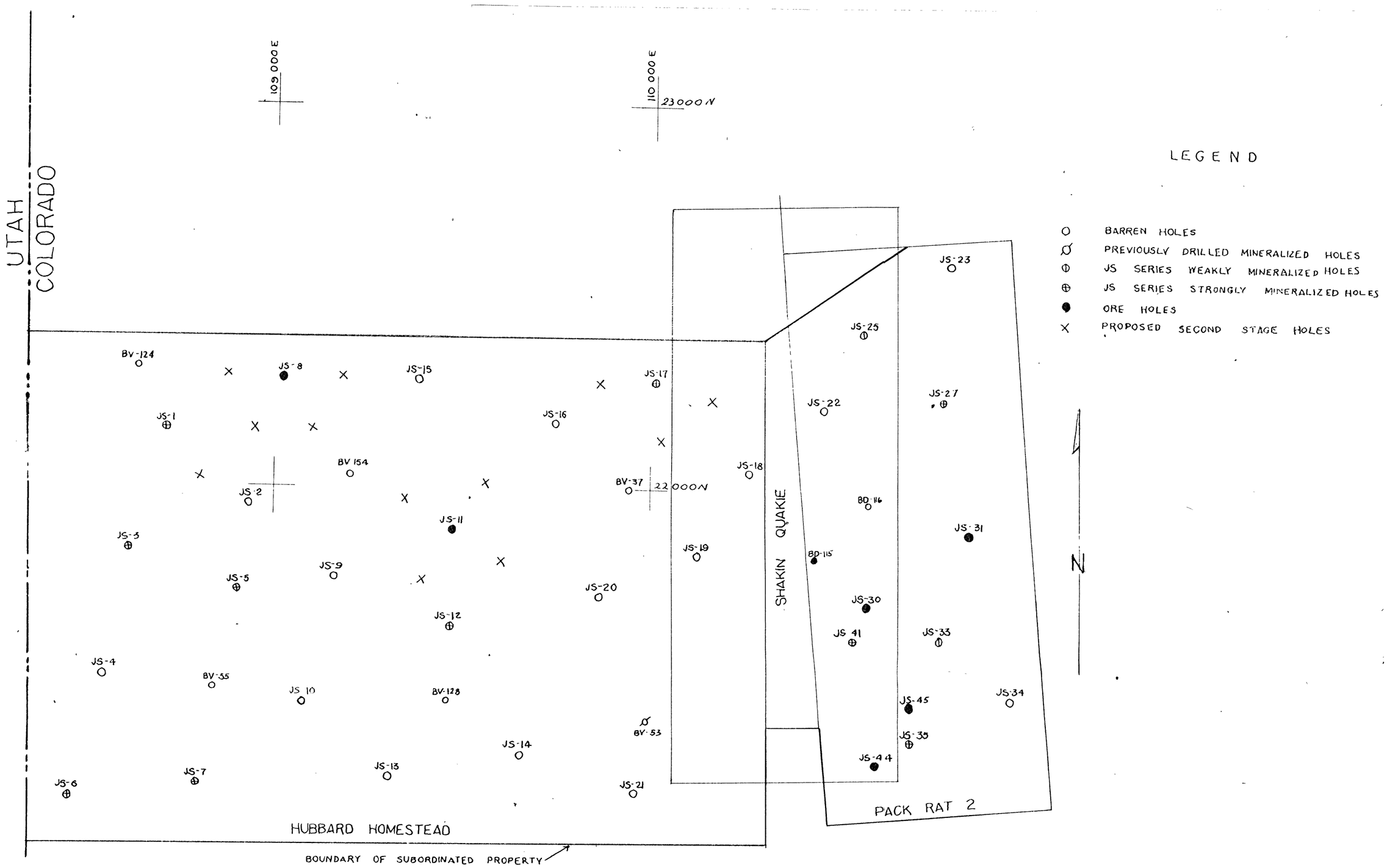
SECOND STAGE DRILLING

URANIUM DIVISION
NEW IDRIA MINING & CHEMICAL COMPANY

P.O. BOX 311, GRAND JUNCTION, COLORADO

DMEA DOCKET NO. 4826 (URANIUM)
CONTRACT NO. IDM-E1181
HUBBARD HOMESTEAD, PACK RAT, ET AL., CLAIMS
MESA COUNTY, COLORADO

SCALE: 1" = 200'
BY: D.N.
SEPTEMBER 1958



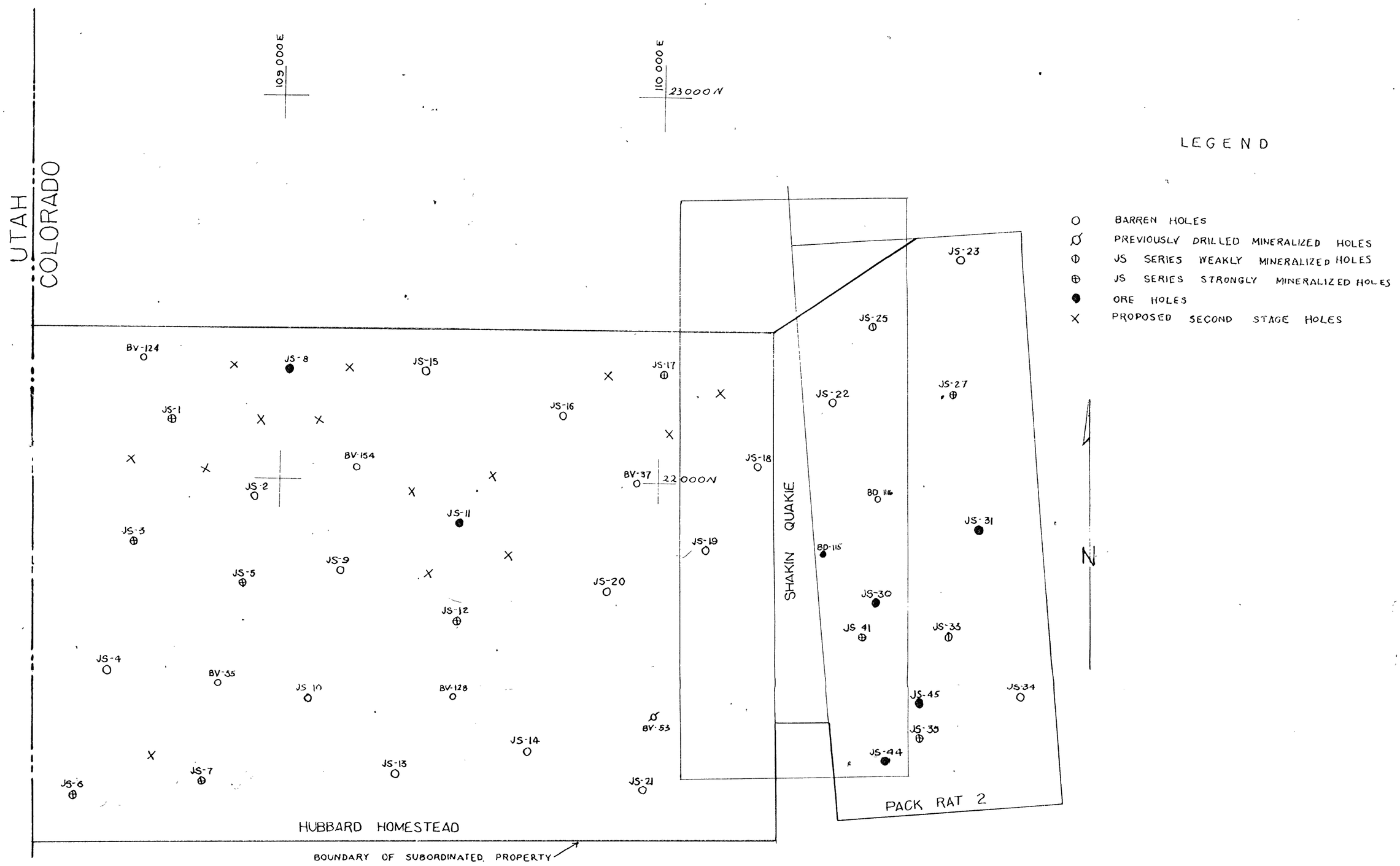
SECOND STAGE DRILLING

URANIUM DIVISION

NEW IDRIA MINING & CHEMICAL COMPANY

DMEA DOCKET NO 4826 (URANIUM)
CONTRACT NO IDM-E1181
HUBBARD HOMESTEAD, PACK RAT, ET AL., CLAIMS
MESA COUNTY, COLORADO

SCALE: 1" = 200'
BY: D. N. ADAPTED BY J. W. H.
SEPTEMBER 1958



SECOND STAGE DRILLING

URANIUM DIVISION

NEW IDRIA MINING & CHEMICAL COMPANY

DMEA DOCKET NO 4826 (URANIUM)
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HUBBARD HOMESTEAD, PACK RAT, ET AL., CLAIMS
MESA COUNTY, COLORADO

SCALE: 1" = 200'
BY: D. N. ADAPTED BY J. W. H.
SEPTEMBER 1958

LEGEND

- FAULT
- UNDERGROUND WORKINGS
- BARREN HOLES
- PREVIOUSLY DRILLED MINERALIZED HOLES
- JS SERIES WEAKLY MINERALIZED HOLES
- JS SERIES STRONGLY MINERALIZED HOLES
- HALF ORE HOLES; ORE GRADE, NOT MINEABLE THICKNESS
- ORE HOLES
- PROPOSED ADDITIONAL STAGE II DRILLING

NOTE:

STAGE I: JS-1 TO JS-40, INCL.

STAGE II: JS-41 TO

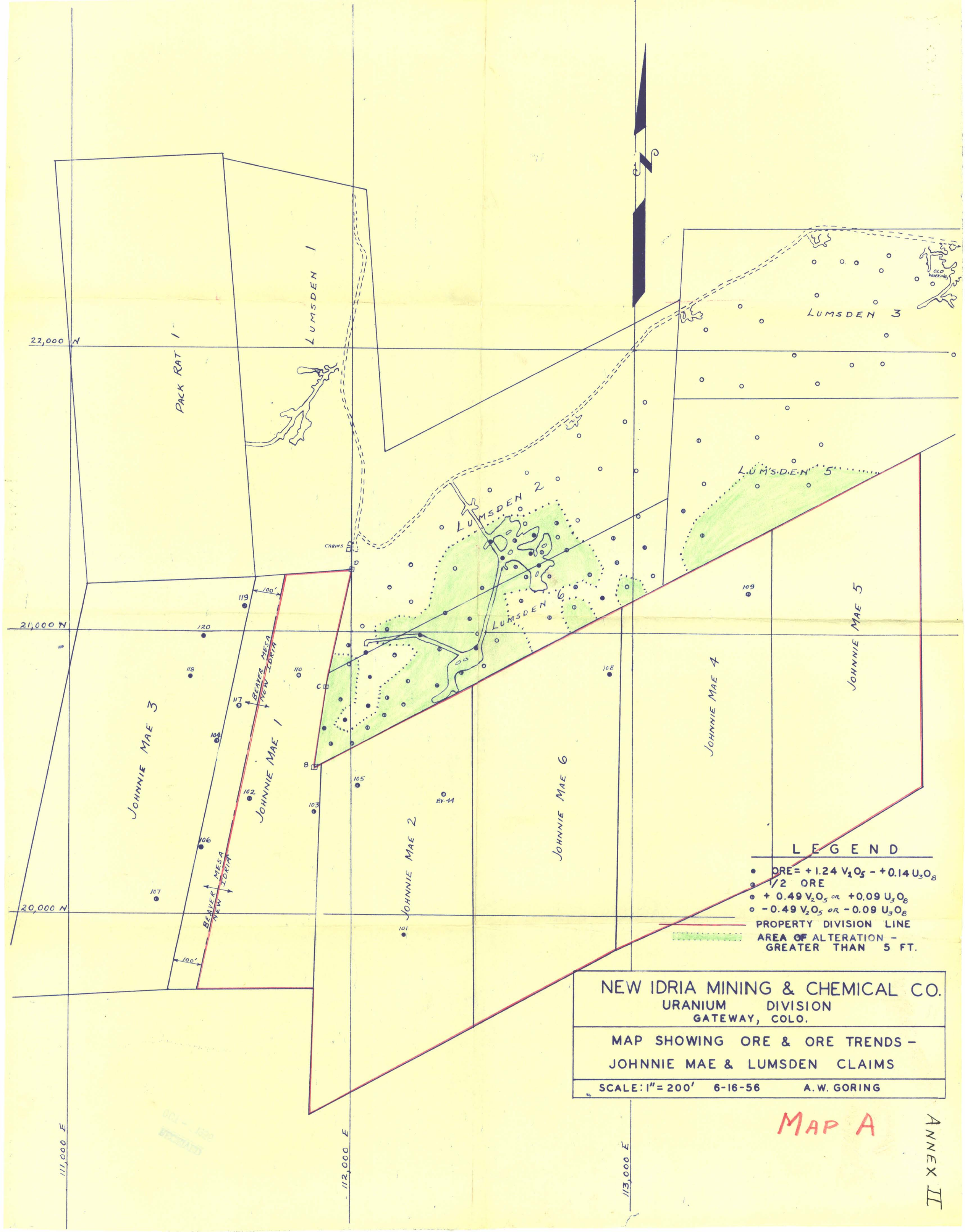
ADDITIONAL STAGE II DRILLING

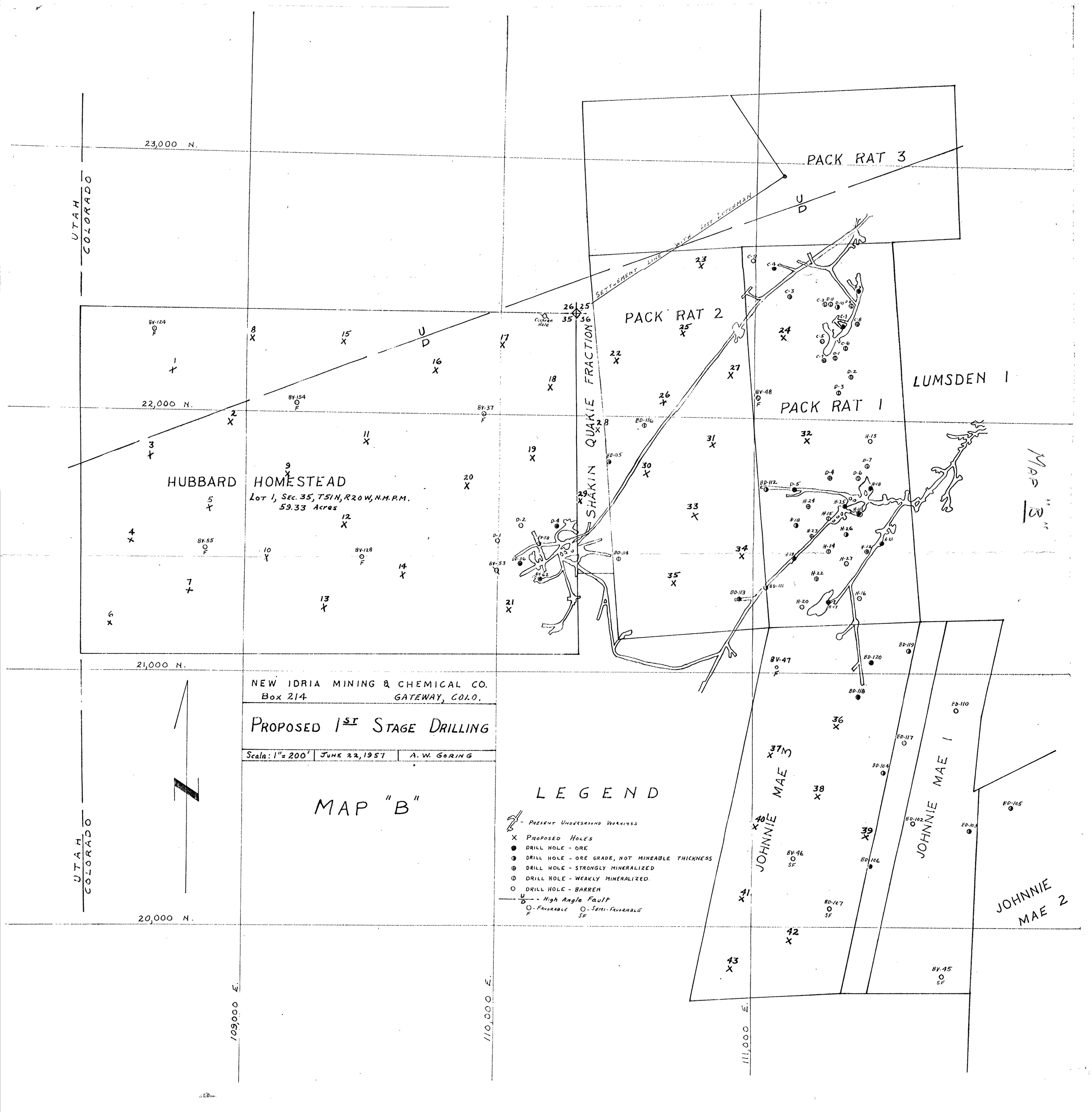
URANIUM DIVISION
NEW IDRIA MINING & CHEMICAL COMPANY

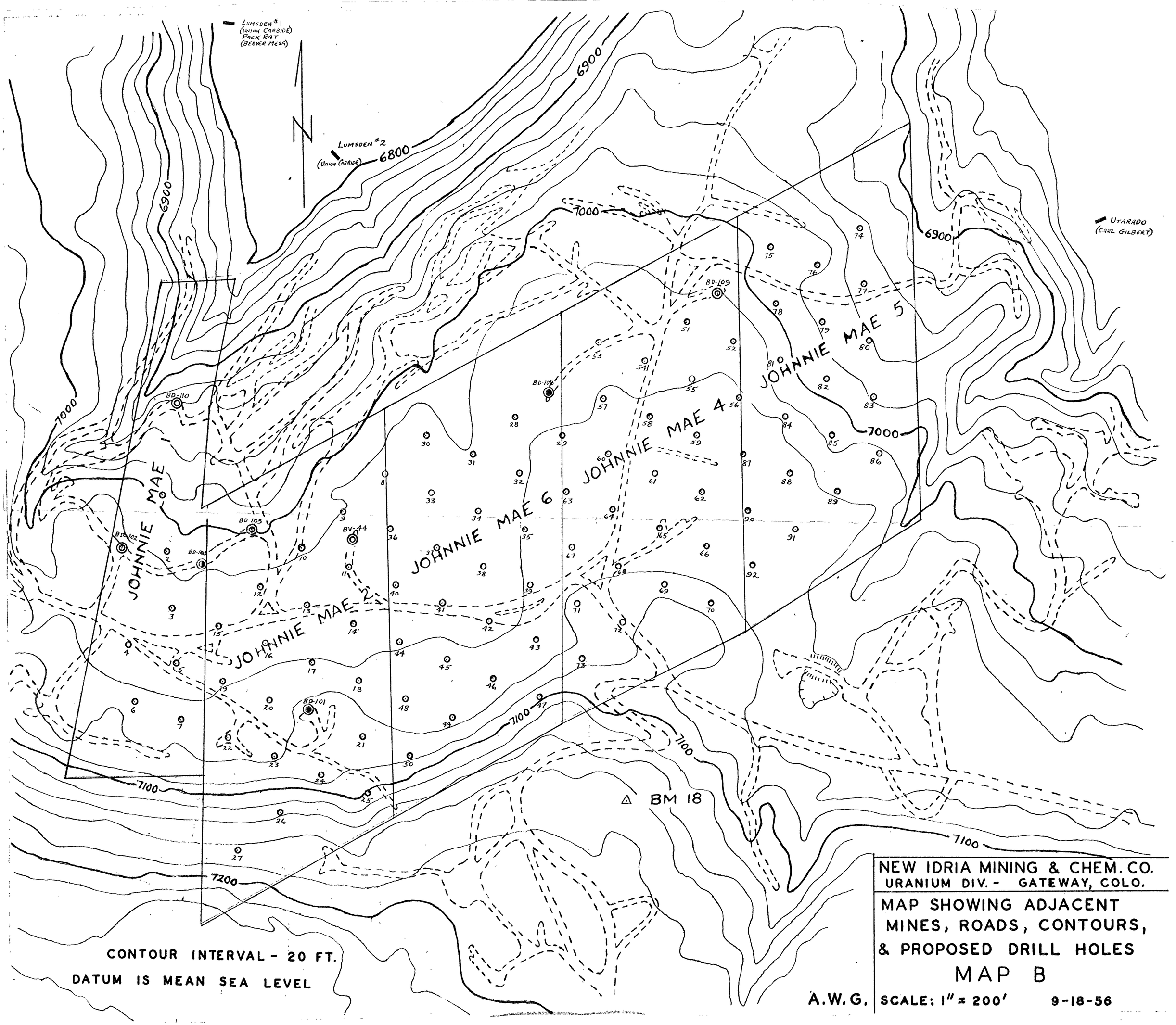
P.O. BOX 311, GRAND JUNCTION, COLORADO

DMEA DOCKET NO. 4826 (URANIUM)
CONTRACT NO. IDM-E1181
HUBBARD HOMESTEAD, PACK RAT, ET AL., CLAIMS
MESA COUNTY, COLORADO

SCALE: 1" = 200'
BY: D.N.
DECEMBER 1958


N
PACK RAT 1
LUMSDEN 1
LUMSDEN 2
LUMSDEN 3
LUMSDEN 5
LUMSDEN 6
OLD WORKINGS
CABINS
D
C
B
100'
22,000 N
21,000 N
20,000 N
111,000 E
112,000 E
113,000 E
JOHNNIE MAE 3
JOHNNIE MAE 1
JOHNNIE MAE 2
JOHNNIE MAE 6
JOHNNIE MAE 4
JOHNNIE MAE 5
BEAVER MESA
NEW IDRIA
119
120
118
117
110
104
102
103
105
106
107
101
108
109
BY-44
LEGEND
ORE = + 1.24 V_2O_5 - + 0.14 U_3O_8
1/2 ORE
+ 0.49 V_2O_5 OR + 0.09 U_3O_8
- 0.49 V_2O_5 OR - 0.09 U_3O_8
PROPERTY DIVISION LINE
AREA OF ALTERATION - GREATER THAN 5 FT.
NEW IDRIA MINING & CHEMICAL CO.
URANIUM DIVISION
GATEWAY, COLO.
MAP SHOWING ORE & ORE TRENDS -
JOHNNIE MAE & LUMSDEN CLAIMS
SCALE: 1" = 200'
6-16-56
A.W. GORING
MAP A
ANNEX II


23,000 N.
22,000 N.
21,000 N.
20,000 N.
109,000 E.
110,000 E.
111,000 E.
UTAH
COLORADO
PACK RAT 3
PACK RAT 2
PACK RAT 1
LUMSDEN 1
HUBBARD HOMESTEAD
Lot 1, Sec. 35, T51N, R20W, N.M.P.M.
59.33 Acres
SHAKIN QUAKIE FRACTION
SETTLEMENT LINE WITH LEST LUTCHMAN
Cochran Hole
JOHNNIE MAE
JOHNNIE MAE 1
JOHNNIE MAE 2
U
D
NEW IDRIA MINING & CHEMICAL CO.
Box 214 GATEWAY, COLO.
PROPOSED 1ST STAGE DRILLING
Scale: 1" = 200' | JUNE 22, 1957 | A. W. GORING
MAP "B"
LEGEND
- PRESENT UNDERGROUND WORKINGS
X PROPOSED HOLES
DRILL HOLE - ORE
DRILL HOLE - ORE GRADE, NOT MINEABLE THICKNESS
DRILL HOLE - STRONGLY MINERALIZED
DRILL HOLE - WEAKLY MINERALIZED.
DRILL HOLE - BARREN
U/D - High Angle Fault
F - FAVORABLE
SF - SEMI-FAVORABLE
MAP "B"

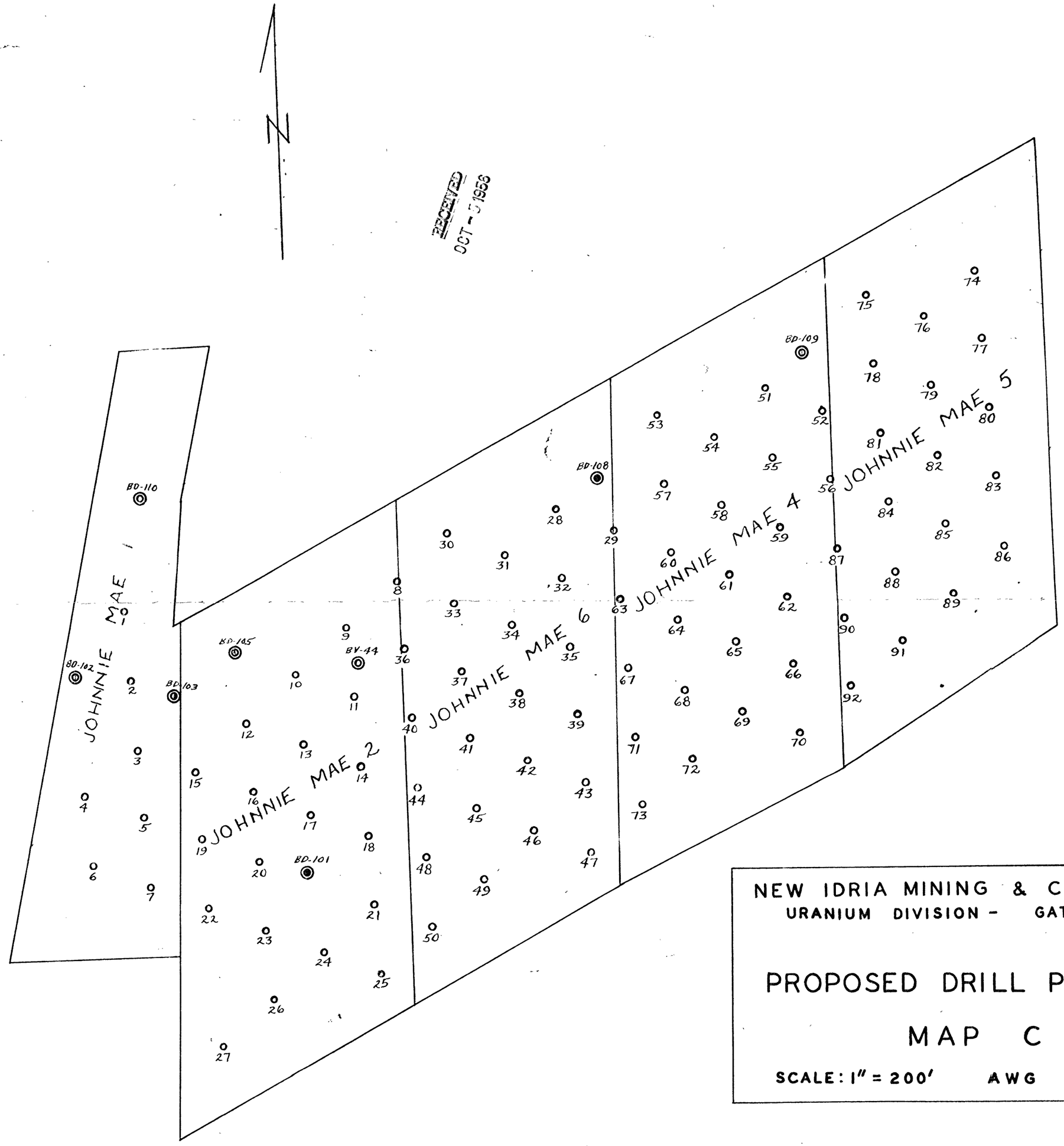


NEW IDRIA MINING & CHEM. CO.
URANIUM DIV. - GATEWAY, COLO.

MAP SHOWING ADJACENT MINES, ROADS, CONTOURS, & PROPOSED DRILL HOLES

MAP B

SCALE: 1" = 200' 9-18-56



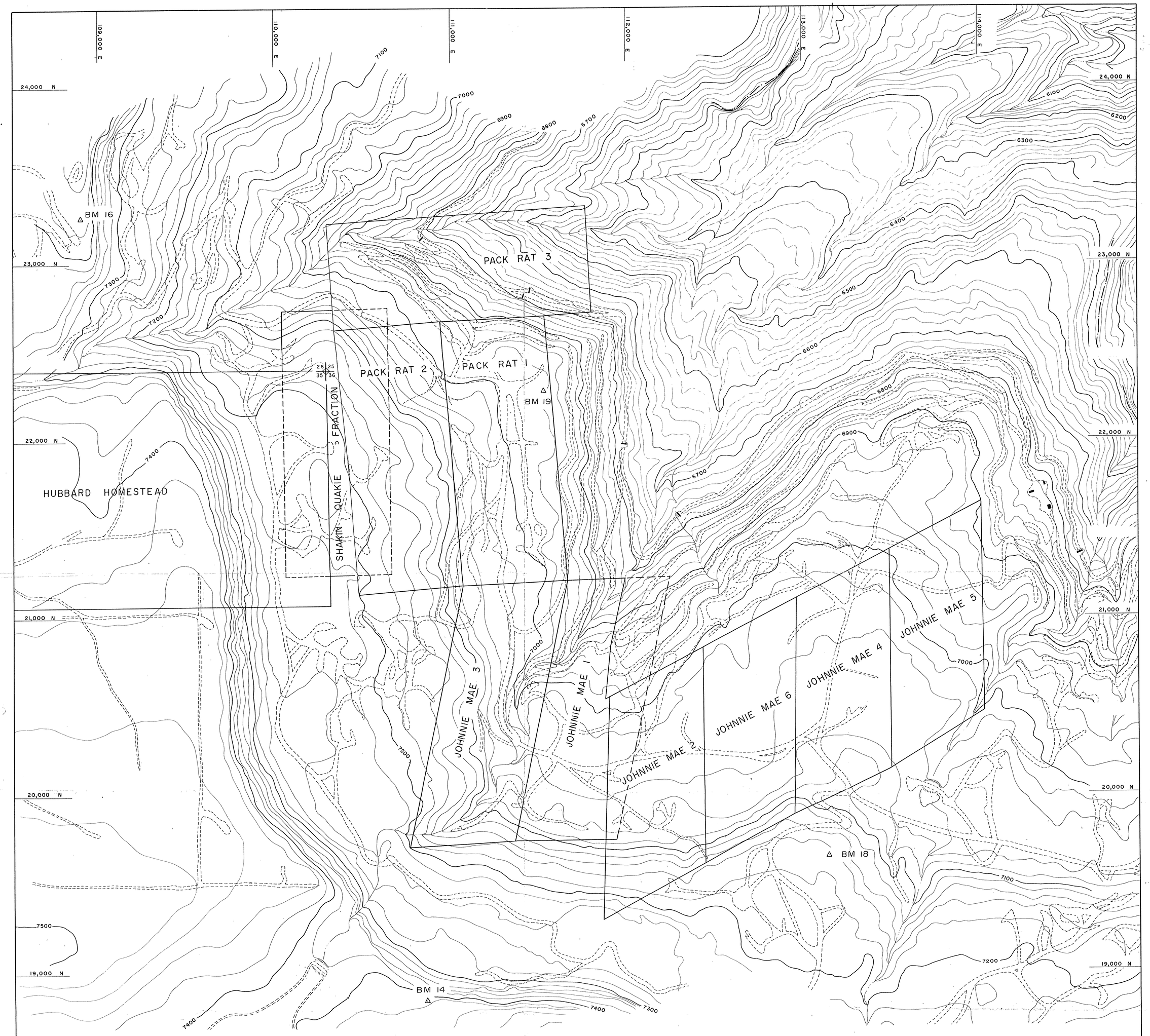
RECEIVED
OCT - 5 1956

NEW IDRIA MINING & CHEMICAL CO.
URANIUM DIVISION - GATEWAY, COLO.

PROPOSED DRILL PATTERN

MAP C

SCALE: 1" = 200' AWG 9-17-56



N

0 100 200 400 600 800

Contour interval 20 feet
Datum is mean sea level

Topography and claim locations by Kelsh Plotter from aerial photographs taken June 18, 1956 by N. B. Platt

Control: U.S.G.S. triangulation stations.

Mapped by Norman B Platt

NEW IDRIA MINING & CHEMICAL COMPANY

~~Box 214~~ ~~Gateway, Colorado~~

URANIUM DIVISION
BEAVER MESA GROUP

URANIUM DIVISION
NEW IDRIA MINING AND CHEMICAL COMPANY
26'8 N. 12th Street
GRAND JUNCTION, COLORADO

Map "A"

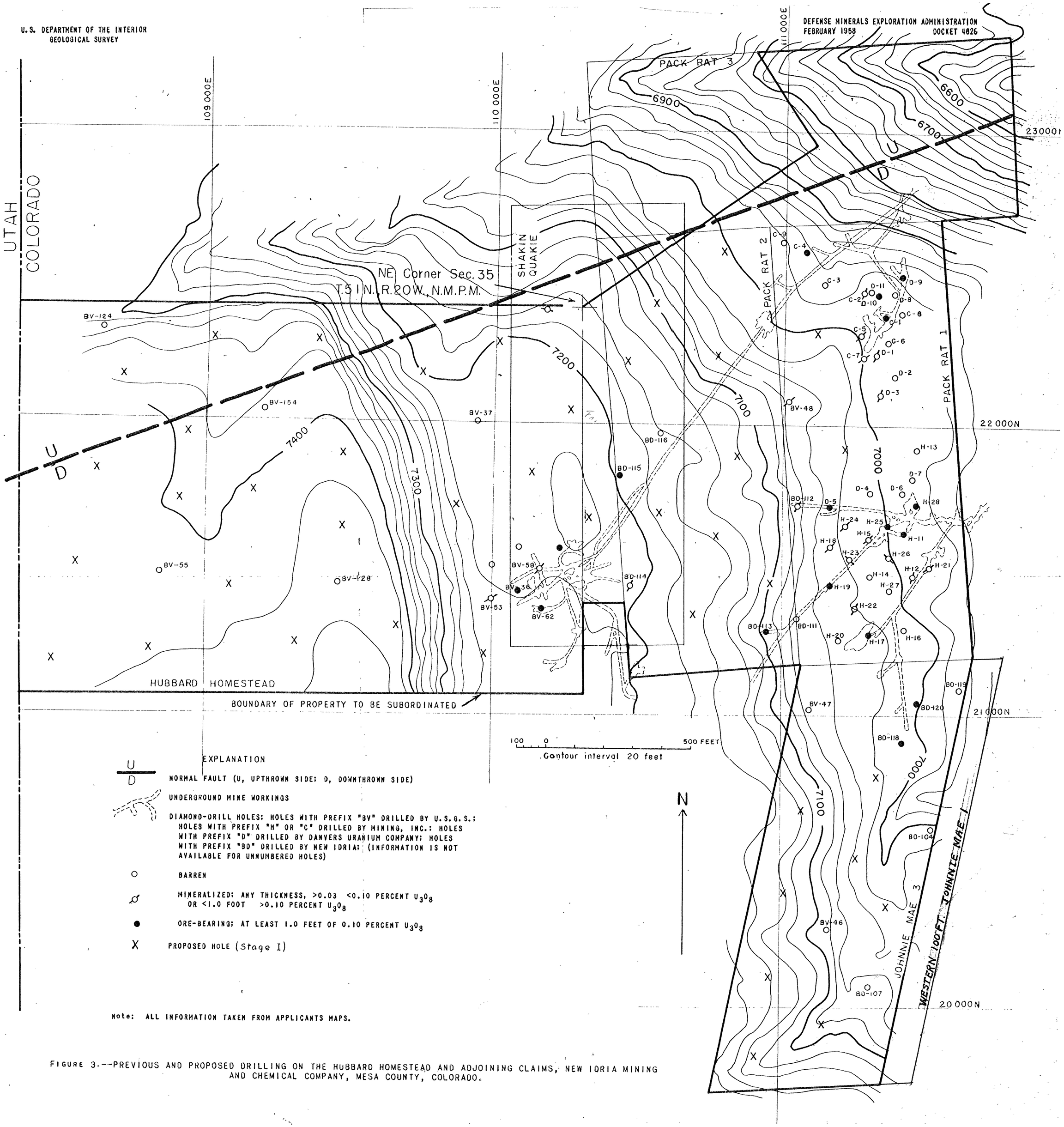
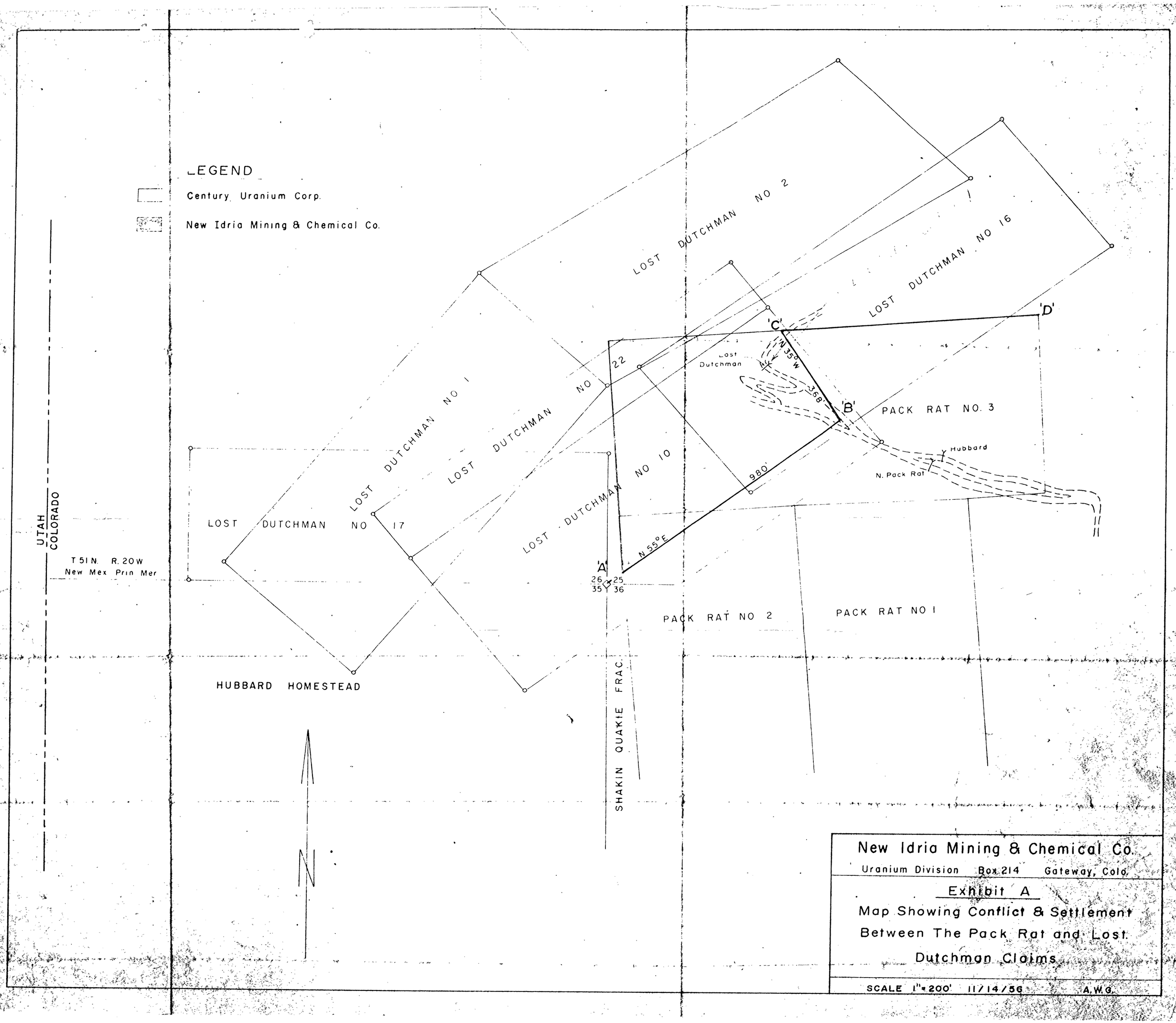


FIGURE 3.--PREVIOUS AND PROPOSED DRILLING ON THE HUBBARD HOMESTEAD AND ADJOINING CLAIMS, NEW IDRIA MINING AND CHEMICAL COMPANY, MESA COUNTY, COLORADO.


LEGEND
Century Uranium Corp.
New Idria Mining & Chemical Co.
LOST DUTCHMAN NO 2
LOST DUTCHMAN NO 16
LOST DUTCHMAN NO 1
LOST DUTCHMAN NO 22
LOST DUTCHMAN NO 10
LOST DUTCHMAN NO 17
LOST DUTCHMAN
'C'
'D'
'B'
'A'
N 35° W
368'
980'
N 55° E
PACK RAT NO. 3
Hubbard
N. Pack Rat
PACK RAT NO 2
PACK RAT NO 1
26
35
25
36
UTAH
COLORADO
T 51 N. R. 20 W
New Mex Prin Mer
HUBBARD HOMESTEAD
SHAKIN QUAKE FRAC.
N
New Idria Mining & Chemical Co.
Uranium Division Box 214 Gateway, Colo.
Exhibit A
Map Showing Conflict & Settlement
Between The Pack Rat and Lost
Dutchman Claims
SCALE 1" = 200' 11/14/56 A.W.G.