DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 2915

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One copy to USBM. & USGS. One copy retained in Region II.

Routing Slip

To:	Code 700, Room 4640	Date	3/4/53
To:	Open Com	Date	3-20-53
To:	Open Com	Date	7-8-53
To:	MdY	Date	7/9/53
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FILE COPY
SURNAME:

Docket
F.L. Knouse
Ellis
Cantrell
Wedgas
Lathrop
R. Brandon
Rec

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

JUL 8 1953

Mr. Sam Egbert, President
Hy-Mont Mining and Engineering Company
Powell, Wyoming

Re: Docket No. DMA-2915 (Thorium)
Hy-Mont Property
Madison County, Montana

Dear Mr. Egbert:

Reference is made to your application for Government aid on the proposed captioned project estimated to cost $37,000.00.

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

A careful study of your application and data available to this Agency and an examination of the property concerned reveal that the probability of disclosing minable ore reserves by your proposed exploration program is not believed to be sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

If future work at your property reveals evidence which could materially alter this opinion, please be assured we will be glad to consider a new application.

Sincerely yours,

C. O. Mittendorf

Administrator

FLKnouse/db
7-6-53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs: H.L.Keiser, Rm. 3641
A.P.Butler, Rm. 3206, GSA
Ellis
Knouse
DMEA Field Team, Region II (2)

R.C.G.
7-8-53

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

JULY 3, 1953

SUMMARY OF PROPOSED PROJECT

Docket No. DMEA-2915
Applicant: Wy-Mont Mining and Engineering Co., Powell, Wyoming
Subject: Denial of application

Commodity: Thorium
Location of property: Madison County, Montana Region II

Amount of application: $37,000.00
Date of Application: February 9, 1953

Outline of project:

1. Further bulldozing on the pegmatite to determine its width and length.

2. To be followed by an adit from the northwest that would intersect the pegmatite about 100 feet below the outcrop and would then drift on the pegmatitefor about 200 feet. An alternative to the second proposal would be to sink a shaft on the pegmatite and to drift on the pegmatite off the shaft.

Field Team Report: Dated May 29, 1953
by Gerald W. Fuller, Geologist, USGS Field Team, Region II, transmittal letter June 5, 1953.

Recommendations: Examining geologist is doubtful as to what might be accomplished by the exploration work proposed by the applicant. The pegmatite is small and the radioactive zones within the pegmatite are of limited extent. There is also little reason to expect the pegmatite will extend down dip to the proposed adit level. Analytical results from samples taken indicate that the pegmatite does not warrant further exploration. Field Team concurs with the recommendation that the application for DMEA assistance be denied.

Commodity Members comments:

Bureau of Mines: H. D. Keiser, June 26, 1953. Concurs in recommendation of Field Team that application be denied.

Geological Survey: D. M. Larrabee, June 18, 1953. Denial.

Rare & Misc. Metals Division Engineer: F. L. Knouse

Comments: Denial letter prepared on above recommendations.

Ernest Wm. Ellis, Chief
Rare and Misc. Metals Division

/db

JULY 3, 1953

SUMMARY OF PROPOSED PROJECT

Docket No. DMEA-2915
Applicant: Wy-Mont Mining and Engineering Co., Powell, Wyoming
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by Gerald W. Fuller, Geologist, USGS Field Team, Region II, transmittal letter June 5, 1953.

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Rare & Misc. Metals Division Engineer: F. L. Knouse

Comments: Denial letter prepared on above recommendations.

EWE

Ernest Wm. Ellis, Chief
Rare and Misc. Metals Division

/db

7/2/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C. June 26, 1953

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4640

From: H. D. Keiser, Bureau of Mines Member
Uranium Commodity Committee

Subject: Field Team Report, DMEA Docket 2915, Wy-Mont property, Madison County, Montana.

I have reviewed the subject report and discussed it with Andrew Brown, Acting Geological Survey Member, and Joseph O. Hosted, representative of the Atomic Energy Commission.

It is recommended that the report be approved, and that the application for an exploration loan be denied.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the routing slip attached thereto.

H D Keiser
H. D. Keiser

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

June 26, 1953

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4640

From: H. D. Keiser, Bureau of Mines Member
Uranium Commodity Committee

Subject: Field Team Report, DMEA Docket 2915, Wy-Mont property, Madison County, Montana.

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The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the routing slip attached thereto.

H. D. Keiser

6/22/53 gla

IN REPLY REFER TO:
G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

June 18, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA - 2915 (thorium)

To: L. G. Houk, Defense Minerals Exploration Administration

From: D. M. Larrabee, U. S. Geological Survey

Applicant: Wy-Mont Mining and Engineering Company, Powell, Wyoming.

Name of property: Wy-Mont Property

Location of property: SE¼ Sec. 15, T. 5 S, R. 4 W, Madison Co., Montana.

Date of field team report: May 29, 1953

Authorship of field team reports: A. E. Weissenborn, USGS, and H. E. Volin, USBM.

Field team's recommendation: Denial.

Comments: None

Action suggested: Follow field team's recommendation.

D M Larrabee

D. M. Larrabee

IN REPLY REFER TO:
G-MD-CNM

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

June 18, 1953

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Date of field team report: May 29, 1953

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Field team's recommendation: Denial.

Comments: None

Action suggested: Follow field team's recommendation.

D. M. Larrabee

IN REPLY REFER TO:
G-MD-CNM

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

June 18, 1953

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Field team's recommendation: Denial.

Comments: None

Action suggested: Follow field team's recommendation.

D. M. Larrabee

IN REPLY REFER TO:
G-MD-CMM

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

June 18, 1953

Memorandum

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Date of field team report: May 29, 1953

Authorship of field team reports: A. E. Weissenborn, USGS, and H. E. Volin, USBM.

Field team's recommendation: Denial.

Comments: None

Action suggested: Follow field team's recommendation.

D. M. Larrabee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
~~XXXXXXXXXXXXXXXXXX~~
~~XX~~ 15, Howard Street
Spokane 4, Washington

June 5, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2015 (thorium)
Wy-Mont property
Madison County, Montana

Dear Mr. Selfridge:

Enclosed are the original and three copies of a field examination report dated May 29, 1953, on the subject property prepared by Gerald W. Fuller, geologist, U. S. Geological Survey.

The Field Team concurs with the recommendation that the application for DMEA assistance be denied.

By DMEA Field Team, Region II

J. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. A. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: USBM (2)

Reviewed by
DMEA OPERATING COMMITTEE
6-17-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

May 29, 1953

Memorandum

To: DMEA Field Team, Region II

From: Gerald W. Fuller, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2915 (Thorium), Field examination of the Wy-Mont property, Madison County, Montana

INTRODUCTION

The examination resulted from a DMEA application submitted by the Wy-Mont Mining and Engineering Company, Powell, Wyoming on a thorium and rare earth prospect, Madison County, Montana. The examination was conducted on April 17 and 18, 1953. During the first day the writer was accompanied by Mr. Sam Egbert, President of the Wy-Mont company, who assisted in the cutting of three pegmatite samples; the second day was devoted to mapping and to study of the deposit.

RECOMMENDATIONS

It is recommended that the Wy-Mont application for DMEA assistance be denied. The pegmatite to be explored is small and analytical data obtained from samples taken indicate the material is too low grade to be economically recovered. Officials of the Atomic Energy Commission have also mapped and sampled the deposit and have stated that they are not particularly interested in further exploration of the deposit.

LOCATION AND ACCESSIBILITY

The Wy-Mont property is in the SE ¼ sec. 15, T. 5 S., R. 4 W., Madison County, Montana. It may be reached by following highway 34 south from Sheridan for 5.2 miles, thence east 0.9 of a mile to Copper Mountain road, thence east 0.5 of a mile to an irrigation ditch, thence southeast 0.3 of a mile to an old corral, thence 2.2 miles east across country to the property. The lack of an adequate road makes the property inaccessible during the winter; however, snowfall is

Reviewed by
DMEA OPERATING COMMITTEE
6-17-53
(date)

not too great in the region and if a road were built accessibility to the property could be maintained with a minimum amount of maintenance.

PROPERTY

The Wy-Mont property is on a section owned by the Northern Pacific Railroad. The applicant reports that he has a lease from the railroad company for a year's duration which will permit him to stake up to 8 claims; however, no claims have been staked to date. The lease agreement calls for a royalty payment to the railroad company of 10 percent of the net smelter returns from ore produced. According to the applicant, renewal of the lease and staking of the claims will await outcome of the subject application. The railroad company is reported to have informed the applicant that they will sign a Consent to Lien Agreement if one is needed.

The property between the railroad section and the nearest road is owned by a rancher who is reported to have informed the applicant that he would permit the construction of a road to the property across his land.

Exploration work on the Wy-Mont property to date consists of one bulldozer trench that has been dug along the strike of the pegmatite for a distance of 70 feet. The trenching was done during the past winter and at the conclusion of work Wy-Mont workers blasted most of the trench wall thereby obscuring most of the trench floor with broken rock. The partially filled condition of the trench greatly hampered detailed geologic mapping.

GEOLOGY

The geologic feature of chief interest to the applicant is a radioactive pegmatite dike. The pegmatite trends northeast following the crest of a rather prominent ridge; it is enclosed by schists and gneisses of the Cherry Creek series of pre-Cambrian age. The country rock is not well exposed, it weathers easily forming rather mature topography.

Where exposed in the trench the pegmatite ranges from 2.5 to 4 feet in thickness and is composed mostly of quartz, orthoclase, and some altered epidote. In three distinct areas there are noticeable occurrences of black allanite and brownish-orange-stained feldspar. These darker areas are radioactive, presumably because of the allanite. In two of the areas (the east and west end of the trench) the allanite occurs as rather sparsely disseminated, indistinct, small crystals. The central area contains much more allanite and stained feldspar (see sample location 605 on attached map). The central area, however, appears to be only 3 to 4 feet thick and at the most 5 feet long; the allanite content diminishes towards both the east and west ends of this area. Analytical data from the three samples that were taken are shown on the attached map.

Pegmatites crop out in surrounding areas but they are comprised chiefly of massive quartz and feldspar and do not appear to be radioactive.

PROPOSED EXPLORATION WORK

Exploration work proposed by the applicant includes the following:

1. Further bulldozing on the pegmatite to determine its width and length.
2. To be followed by an adit from the northwest that would intersect the pegmatite about 100 feet below the outcrop and would then drift on the pegmatite for about 800 feet.
3. An alternative to the second proposal would be to sink a shaft on the pegmatite and to drift on the pegmatite off the shaft.

The Wy-Mont Company is prepared to furnish all of the needed equipment, the depreciation allowance for the use of the equipment to constitute their share of the exploration costs.

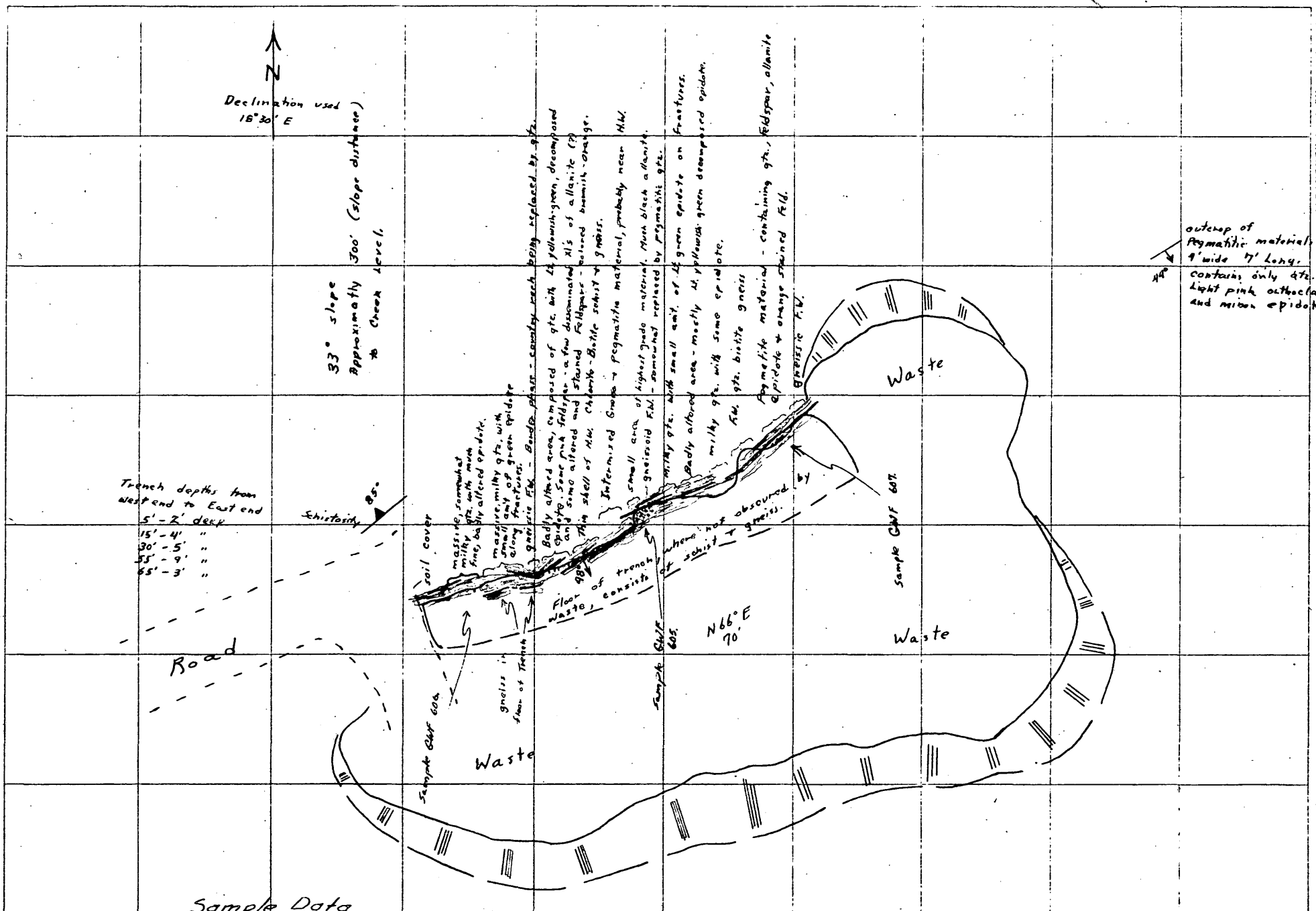
DISCUSSION OF PROPOSED WORK

The writer is doubtful as to what might be accomplished by the exploration work proposed by the applicant. The pegmatite is small and the radioactive zones within the pegmatite are of limited extent. There is also little reason to expect the pegmatite to extend down dip to the proposed drifting level. Analytical results from samples taken indicate that the pegmatite does not warrant further exploration.

COMPETENCY OF APPLICANT

The applicant claims to have had some mineral dressing and mining experience but has done little work with pegmatites. Plans are to finance the program by the sale of stock and depreciation allowance on equipment used, but no work is to be done unless Government assistance is supplied.

Enclosure 1
Distribution:
DMEA (Orig. & 3)
USBM (2)
USGS (SRO)
Docket



Sample Data

Sample No.	eU%	U%	$eThO_2$	ThO_2
605	0.10	0.013	0.49	0.50
606	0.007	0.002	0.03	
607	0.010	0.002	0.04	

Orange — Qtz. & feld. Pegmatite
Red — Allenite-bearing peg.
Green — Schist & Gneiss
Brown — Soil

82° qtz. Rutile schist

Wy-Mont Engineering Co.
April 18, 1952
Scale: 1" = 20'
G. W. Fuller

"ALBANENE" NO. 1 CUM. KEUFFEL & ESSER CO., N.Y. REG. U.S. PAT. OFF.

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

C O P Y

So. 157 Howard Street
Spokane 4, Washington

June 5, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2915 (thorium)
Wy-Mont property
Madison County, Montana

Dear Mr. Selfridge:

Enclosed are the original and three copies of a field examination report dated May 29, 1953, on the subject property, prepared by Gerald W. Fuller, geologist, U. S. Geological Survey.

The Field Team concurs with the recommendation that the application for DMEA assistance be denied.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geologican Survey)

H. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: USBM (2)

Reviewed by
DMEA OPERATING COMMITTEE
6-17-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

May 29, 1953

Memorandum

To: DMEA Field Team, Region II

From: Gerald W. Fuller, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2915 (Thorium), Field examination of the Wy-Mont property, Madison County, Montana

INTRODUCTION

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RECOMMENDATIONS

It is recommended that the Wy-Mont application for DMEA assistance be denied. The pegmatite to be explored is small and analytical data obtained from samples taken indicate the material is too low grade to be economically recovered. Officials of the Atomic Energy Commission have also mapped and sampled the deposit and have stated that they are not particularly interested in further exploration of the deposit.

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Reviewed by
DMEA OPERATING COMMITTEE
6-17-53
(date)

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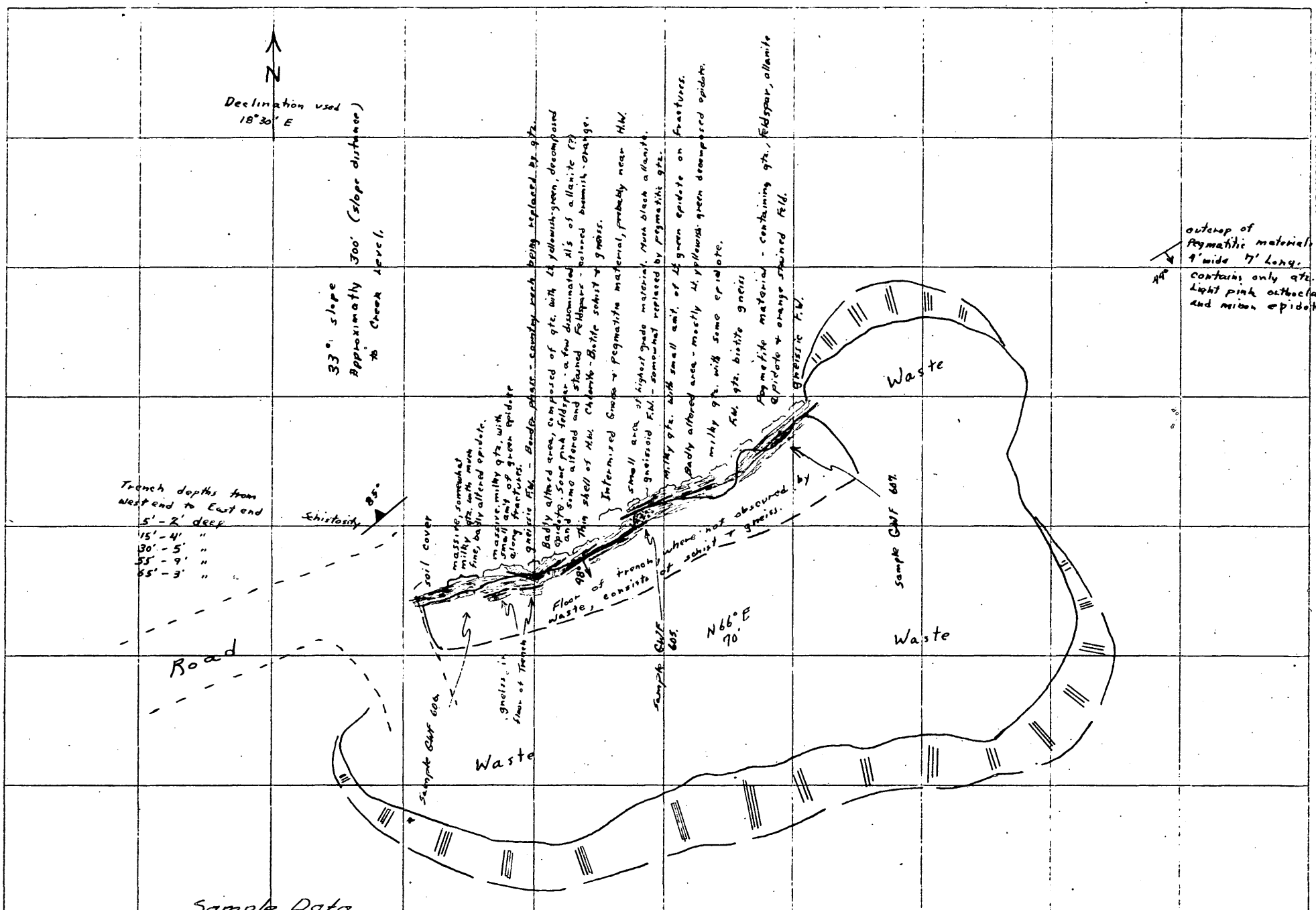
DMEA (Orig. & 3)
USBM (2)
USGS (SRO)
Docket



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82° qtz. Rutile schist

Wy-Mont Engineering Co.
April 18, 1952
Scale: 1" = 20'
G. W. Fuller

"ALBANENE" NO. 1009 K.G.L.C., N.Y. REG. U.S. PAT. OFF.

6/15/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

June 5, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2915 (thorium)
Wy-Mont property
Madison County, Montana

Dear Mr. Selfridge:

Enclosed are the original and three copies of a field examination report dated May 29, 1953, on the subject property, prepared by Gerald W. Fuller, geologist, U. S. Geological Survey.

The Field Team concurs with the recommendation that the application for DMEA assistance be denied.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: USBM (2)

Reviewed by
DMEA OPERATING COMMITTEE
6-17-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

gcf
7/8/53

May 29, 1953

Memorandum

To: DMEA Field Team, Region II

From: Gerald W. Fuller, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2915 (Thorium), Field examination of the Wy-Mont property, Madison County, Montana

INTRODUCTION

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RECOMMENDATIONS

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LOCATION AND ACCESSIBILITY

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Reviewed by
DMEA OPERATING COMMITTEE
6-17-53
(date)

not too great in the region and if a road were built accessibility to the property could be maintained with a minimum amount of maintenance.

PROPERTY

The Wy-Mont property is on a section owned by the Northern Pacific Railroad. The applicant reports that he has a lease from the railroad company for a year's duration which will permit him to stake up to 8 claims; however, no claims have been staked to date. The lease agreement calls for a royalty payment to the railroad company of 10 percent of the net smelter returns from ore produced. According to the applicant, renewal of the lease and staking of the claims will await outcome of the subject application. The railroad company is reported to have informed the applicant that they will sign a Consent to Lien Agreement if one is needed.

The property between the railroad section and the nearest road is owned by a rancher who is reported to have informed the applicant that he would permit the construction of a road to the property across his land.

Exploration work on the Wy-Mont property to date consists of one bulldozer trench that has been dug along the strike of the pegmatite for a distance of 70 feet. The trenching was done during the past winter and at the conclusion of work Wy-Mont workers blasted most of the trench wall thereby obscuring most of the trench floor with broken rock. The partially filled condition of the trench greatly hampered detailed geologic mapping.

GEOLOGY

The geologic feature of chief interest to the applicant is a radioactive pegmatite dike. The pegmatite trends northeast following the crest of a rather prominent ridge; it is enclosed by schists and gneisses of the Cherry Creek series of pre-Cambrian age. The country rock is not well exposed, it weathers easily forming rather mature topography.

Where exposed in the trench the pegmatite ranges from 2.5 to 4 feet in thickness and is composed mostly of quartz, orthoclase, and some altered epidote. In three distinct areas there are noticeable occurrences of black allanite and brownish-orange-stained feldspar. These darker areas are radioactive, presumably because of the allanite. In two of the areas (the east and west end of the trench) the allanite occurs as rather sparsely disseminated, indistinct, small crystals. The central area contains much more allanite and stained feldspar (see sample location 605 on attached map). The central area, however, appears to be only 3 to 4 feet thick and at the most 5 feet long; the allanite content diminishes towards both the east and west ends of this area. Analytical data from the three samples that were taken are shown on the attached map.

Pegmatites crop out in surrounding areas but they are comprised chiefly of massive quartz and feldspar and do not appear to be radioactive.

PROPOSED EXPLORATION WORK

Exploration work proposed by the applicant includes the following:

1. Further bulldozing on the pegmatite to determine its width and length.
2. To be followed by an adit from the northwest that would intersect the pegmatite about 100 feet below the outcrop and would then drift on the pegmatite for about 200 feet.
3. An alternative to the second proposal would be to sink a shaft on the pegmatite and to drift on the pegmatite off the shaft.

The Wy-Mont Company is prepared to furnish all of the needed equipment, the depreciation allowance for the use of the equipment to constitute their share of the exploration costs.

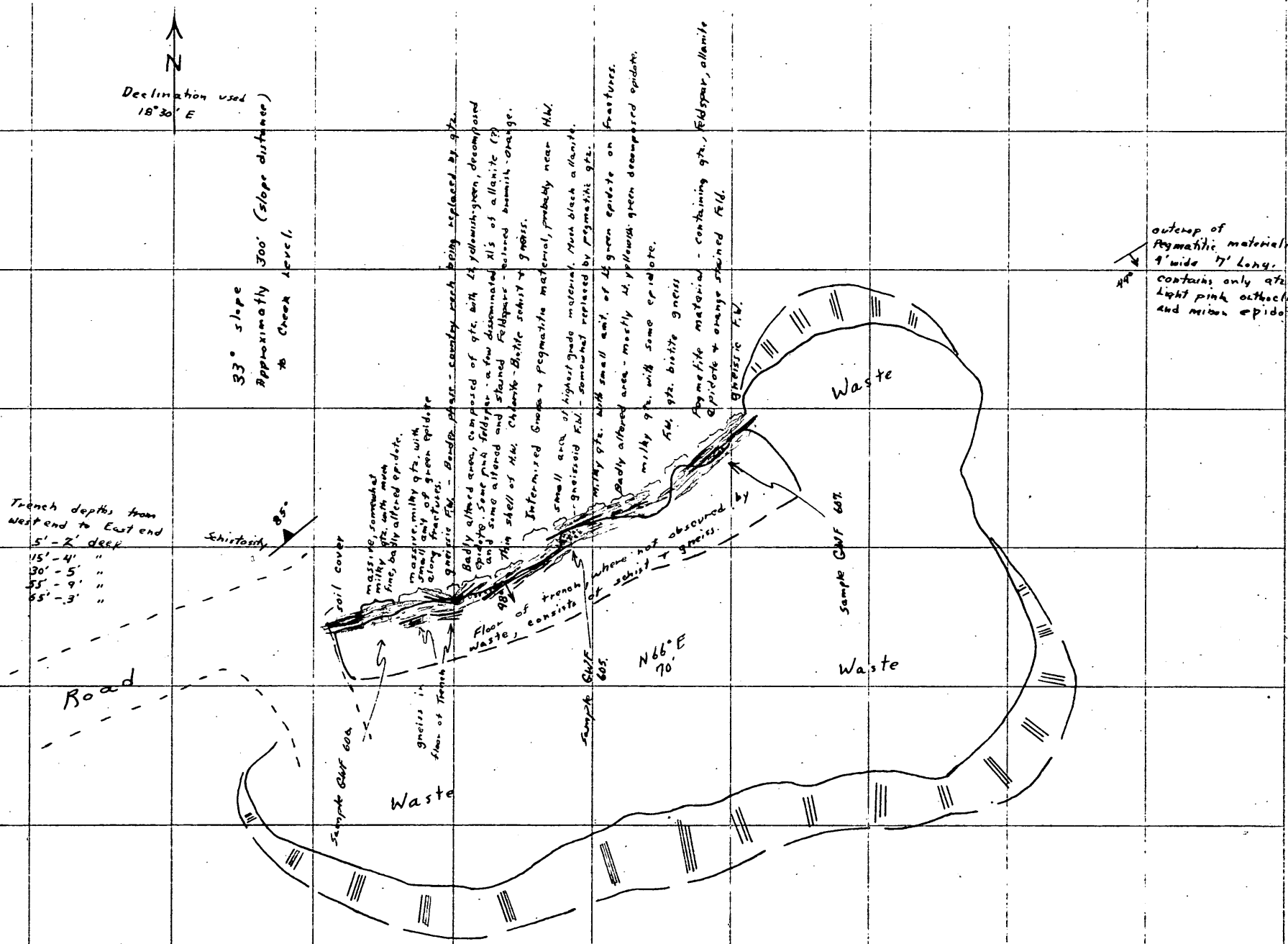
DISCUSSION OF PROPOSED WORK

The writer is doubtful as to what might be accomplished by the exploration work proposed by the applicant. The pegmatite is small and the radioactive zones within the pegmatite are of limited extent. There is also little reason to expect the pegmatite to extend down dip to the proposed drifting level. Analytical results from samples taken indicate that the pegmatite does not warrant further exploration.

COMPETENCY OF APPLICANT

The applicant claims to have had some mineral dressing and mining experience but has done little work with pegmatites. Plans are to finance the program by the sale of stock and depreciation allowance on equipment used, but no work is to be done unless Government assistance is supplied.

Enclosure 1
Distribution:
DMEA (Orig. & 3)
USBM (2)
USGS (SRO)
Docket



Sample Data

Sample No	eU%	U%	$eThO_2$	ThO_2
605	0.10	0.013	0.49	0.50
606	0.007	0.002	0.03	
607	0.010	0.002	0.04	

Orange — Qtz. & feld. Pegmatite
Red — Allenite-bearing peg.
Green — Schist & Gneiss
Brown — Soil

82° qtz. Rutile schist

Wy-Mont Engineering Co.
April 18, 1952
Scale: 1" = 20'
G.W. Fuller

"ALBANENE" NO. 100M ALBANY, N.Y. REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

April 7, 1953

Air Mail

Mr. Sam Egbert
Wy-Mont Mining and Engineering Co., Inc.
Powell, Wyoming

Re: Docket No. DMEA-2915
Madison Co., Montana

Dear Mr. Egbert:

I will be in Butte the 15th and 16th of April. If arrangements can be made to have someone familiar with the property meet me in Sheridan, I will be available to examine your property the 17th of April.

Please inform me as soon as possible who will meet me in Sheridan and where the meeting place will be.

Sincerely,

Gerald W. Fuller
Geologist

cc: DSW(2)
DMEA(2)
Fuller

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

April 7, 1953

Air Mail

Mr. Sam Egbert
Wy-Mont Mining and Engineering Co., Inc.
Powell, Wyoming

Re: Pocket No. MLA-2915
Madison Co., Montana

Dear Mr. Egbert:

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Sincerely,

Gerald W. Fuller
Geologist

cc: [illegible](2)
[illegible](2)
Fuller

FILE COPY
SURNAME:

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

MAR 23 1953

Mr. A. L. Weissenborn
Executive Officer
DMA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA-2915 (Uranium and Rare Earth Ores)
Ly-Mont Mining and Engineering Company
Madison County, Montana

Dear Mr. Weissenborn:

Reference is made to your letter under date of February 24, 1953, transmitting the original and two copies of the above-docketed application, dated February 9, 1953.

We note that you are writing the Applicant for more information which might assist DMA in arriving at a decision on the application; also that you will have an examining team visit the property at the first opportunity. Accordingly, we will take no further action on this application until we receive either a Field Team report on an examination of the property or your recommendations as to other action.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

(2/B) 3/23/53

cc: Ellis

J. H. Hedges (3/B)
Member, Bureau of Mines

A. R. Kinkel, Jr. (2/B)
Member, Geological Survey

GKAult/FLKnouse/eef 3/19/53
cc to: Adm. Reading Files
Docket
Operating Committee
Messrs. EJCarlson, Rm. 1347
APButler, Jr. Rm 3206 GSA
Mr. Ellis
Mr. Knouse

STANDARD FORM NO. 64

3/18/53 gla

Office Memorandum UNITED STATES GOVERNMENT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 17 1953

TO : E. Wm. Ellis, DMEA Member
Uranium Commodity Committee

DATE: March 13, 1953

FROM : Arthur P. Butler, Jr., USGS Member, Uranium Commodity Committee

SUBJECT: DMEA Application 2915 (Uranium), Wy-Mont Mining and Engineering Co., Applicant, Madison County, Montana.

The letter from the field team, which is attached to this application, indicates they have requested more information from the applicant. I shall hold the application before commenting on it, until further word is received from the field team, as our files have no information pertinent to it.

Arthur P. Butler, Jr.

Arthur P. Butler, Jr.

Copy to: E. Wm. Ellis (2)

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 17 1953

E. Wm. Ellis, DMEA Member
Uranium Commodity Committee
Arthur P. Butler, Jr., USGS Member, Uranium Commodity Committee

March 13, 1953

DMEA Application 2915 (Uranium), Wy-Mont Mining and Engineering Co., Applicant, Madison County, Montana.

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Copy to: E. Wm. Ellis (2)

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

E. Wm. Ellis, DMEA Member
Uranium Commodity Committee
Arthur P. Butler, Jr., USGS Member, Uranium Commodity Committee

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Arthur P. Butler, Jr.

Copy to: E. Wm. Ellis (2)

I see nothing
in this
worthy of
comment.

E. J. Carlson

dmea 2915

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 1953

February 24, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA assistance submitted by the Wy-Mont Mining and Engineering Company, Powell, Wyoming. The application concerns a uranium and thorium oxide property, Madison County, Montana.

The application is poorly prepared and incomplete. On the strength of data submitted, the application warrants denial; however, we are writing the applicant for more information which might assist DMEA in arriving at a decision on the application.

Inasmuch as we have DMEA contracts in that part of Montana, we shall have an examining team visit the property at the first opportunity.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. E. Volin Member
(U. S. Bureau of Mines)

Enclosure

cc: USBM (2)
Myers

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
FEB 12 1953
U. S. G. S.
SPOKANE, WASH.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 1953

Not to be filled in by applicant

Docket No. dmea 2915
Metal or Mineral
Date Received 3-3-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: a. Hy-Mont Mining and Engineering Co., a corporation. b. Incorporated in Wyoming with a permit to do business in Montana.
c. Sam Egbert, President, Powell, Wyoming William Mauch, Vice President, Powell, Wyoming
Merle Barnhart, Secretary-Treasurer, Powell, Wyoming

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
SW¼ Section 15, Township 5 South, Range 4 West of the 3[illegible]th Principal Meridian
Madison County, Montana. (See attached copy of permit and option for lease.)

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it

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

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

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

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

16—66551-1

A cut 100 feet long has been opened on the line of strike to a depth of 6 feet and sample taken. See attached copy of complete quantititative analysis of sample submitted indica a deposit of useful material. The property is located about 2 miles from a County road and 5 miles from the State highway and about 8 miles from town and shipping point. Manpower material supplies equipment and power are available.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Rare earths, including [illegible] and [illegible]

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

(*c*) The work will start within 30 days and be completed within 12 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

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

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

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

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

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

☐ Money ☒ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated February 9, 1953, 195__

Ly-Mont Mining and Engineering Company
(Applicant)

By Sam Epstein

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

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

6-d

List of Equipment Owned by Corporation

Le Roi 210 G Compressor
Chicago Pneumatic Stoper
Ingersoll Stoper
15 Horse Power Cushman Engine
800 Ft. Rail--8 lb.
One set stoper steel -1st, 2nd and 3rd
One set of hammer steel
2-8" mine ventilation blowers with pulley
250' air and water hose-High pressure
1 Doz n picks
Miscellaneous pipe fittings
Willys Jeep with front end winch & hoist
One Worthington Jack Hammer
200' 2" Pipe (New)
100' 1" Pipe (Used)
Blacksmith unit
1 0' Air Hose (High Pressure) 50' Water hose
Two Submarine tanks and fittings
Miscellaneous bars, steel and hand tools, chains, etc.
One 300 gal. Fuel tank
One new slusher block
New Pipe threader 1" to 2" reamer, cutter
Chain blocks
400 Ft. new 3/8" cable
Suction hose for air pump
One Mine Car
One Model 160 Worthington Air Compressor
One Model HD7W Allis Chalmers Tractor with Dozer
One Ingersoll Drifter with Steel
One 350 Amp. electric D.C. Welder
One 2" water pump with motor
Miscellaneous hand tools

C O P Y

4-C

THE COLORADO ASSAYING COMPANY
Denver, Colorado

Report on complete analysis submitted by Wy-Mont Mining & engineering Co., Powell, Wyo.

ELEMENTS PRESENT	PERCENTAGES
Combined Water	1.31
Silica	50.82
Aluminum Oxide	17.05
Iron Oxide	5.50
Calcium Oxide	8.05
Magnesium Oxide	.65
Sodium and Potassium Oxides	6.85
Thorium Oxide	.75
Cerium and other Rare Earths Oxides	7.43
Uranium Oxide	.13
Manganese Oxide	.89
Titanium Dioxide	.20
Phosphorous Pentoxide	.06
	99.89

Gold trace
Silvert trace
Barium, Nickel, Zirconium, Chromium, Vanadium-traces
Platinum and Platinum Group Metals - none.

REMARKS: This sample consists chiefly of pink Feldspar (potassium, sodium, calcium aluminum silicate) and black Allanite (complex Silicate of Calcium, Iron, Aluminum, Cerium and other Rare Earths, some Thorium, etc.).
The bits of Feldspar that are quite red will contain some Rare Earth Oxides.
The green mineral is Epidote (calcium iron aluminum silicate) and is closely related to the Allanite.
This material is valuable mostly for the Cerium and other Rare Earths contained in the Allanite.

C O P Y

4-c. We would like to explore this lead to determine if a commercial quantity of material is available in this deposit. See brief sketch of proposed work. See copy of assay report.

5-d. Several years experience in actual mining analyzing and dressing ore.

6-a. Estimated cost of part to be contracted--$8000.00
b. Estimated cost of remaining work to be performed--$10,000.00
c. Estimated cost for supplies and materials--$4000.00
d. See attached sheet for itemized list of equipment owned by Company
e. Estimated repairs to equipment--$1000.00
f. Estimated cost for necessary storage shelter and fixtures--$5000.00
g. Estimated cost for normal repairs--$1200.00, $800.00 for analytical work, $1800.00 for accounting, $1600.00 for workments compensation and employer's liability insurance, and payroll taxes.
h. Estimated cost for contingencies--$3600.

7 We would like to furnish the equipment on a rental or some agreeable basis to cover our costs.

March 4, 1953

Mr. Sam Egbert, President
Wy-Mont Mining and Engineering Company
Powell, Wyoming

Subject: DMEA-2915
Re: Exploration Assistance

My dear Mr. Egbert:

The receipt of your application dated February 9, 1953 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2915 and referred to the Rare and Miscellaneous Metals Division.

Kindly refer to DMEA-2915 in any future correspondence relating to your application.

Sincerely yours,

R. E. ADAMS

Robert E. Adams
Chief, Operations Control
and Statistics Division

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

March 4, 1953

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA - 2915 Wy-Mont Mining and Engineering Company

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

33980

dmea 2915

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 1953

February 24, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Dear Mr. Selfridge:

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The application is poorly prepared and incomplete. On the strength of data submitted, the application warrants denial; however, we are writing the applicant for more information which might assist DMEA in arriving at a decision on the application.

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By DMEA Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: USBM (2)
Myers

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
FEB 12 1953
U. S. G. S.
WASH.
Defense Minerals
MAR 3 1953

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

Not to be filled in by applicant

Docket No. dmea 2915
Metal or Mineral
Date Received 3-3-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: a. Wy-Mont Mining and Engineering Co., a corporation. b. Incorporated in Wyoming with a permit to do business in Montana.
c. Sam Egbert, President, Powell, Wyoming William Mauch, Vice President, Powell, Wyoming
Merle Barnhart, Secretary-Treasurer, Powell, Wyoming

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

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16—66551-1

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Rare earths, including uranium and thorium

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(*c*) The work will start within 30 days and be completed within 12 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

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

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

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

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

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

☐ Money ☒ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated February 9, 1953, 195

Wy-Mont Mining and Engineering Company
(Applicant)

By Sam Eyfert

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

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

4-c. We would like to explore this lead to determine if a commercial quantity of material is available in this deposit. See brief sketch of proposed work. See copy of assay report.

5-d. Several years experience in actual mining analyzing and dressing ore.

6-a. Estimated cost of part to be contracted--$8000.00
b. Estimated cost of remaining work to be performed--$10,000.00
c. Estimated cost for supplies and materials--$4000.00
d. See attached sheet for itemized list of equipment owned by Company
e. Estimated repairs to equipment--$1000.00
f. Estimated cost for necessary storage shelter and fixtures--$5000.00
g. Estimated cost for normal repairs--$1200.00, $800.00 for analytical work, $1800.00 for accounting, $1600.00 for workments compensation and employer's liability insurance, and payroll taxes.
h. Estimated cost for contingencies--$3600.

7 We would like to furnish the equipment on a rental or some agreeable basis to cover our costs.

6-d

List of Equipment Owned by Corporation

Le Roi 210 G Compressor
Chicago Pneumatic Stoper
Ingersoll Stoper
15 Horse Power Cushman Engine
800 Ft. Rail--8 lb.
One set stoper steel-1st, 2nd and 3rd
One set of hammer steel
2-8" mine ventilation blowers with pulley
250' air and water hose-High pressure
1 Dozen picks
Miscellaneous pipe fittings
Willys Jeep with front end winch & hoist
One Worthington Jack Hammer
200' 2" Pipe (New)
100' 1" Pipe (Used)
Blacksmith unit
100' Air Hose (High Pressure) 50' Water hose
Two Submarine tanks and fittings
Miscellaneous bars, steel and hand tools, chains, etc.
One 300 gal. Fuel tank
One new slusher block
New Pipe threader 1" to 2" reamer, cutter
Chain blocks
400 Ft. new 3/8" cable
Suction hose for air pump
One Mine Car
One Model 160 Worthington Air Compressor
One Model HD7W Allis Chalmers Tractor with Dozer
One Ingersoll Drifter with Steel
One 350 Amp. electric D.C. Welder
One 2" water pump with motor
Miscellaneous hand tools

4-C

C O P Y

THE COLORADO ASSAYING COMPANY
Denver, Colorado

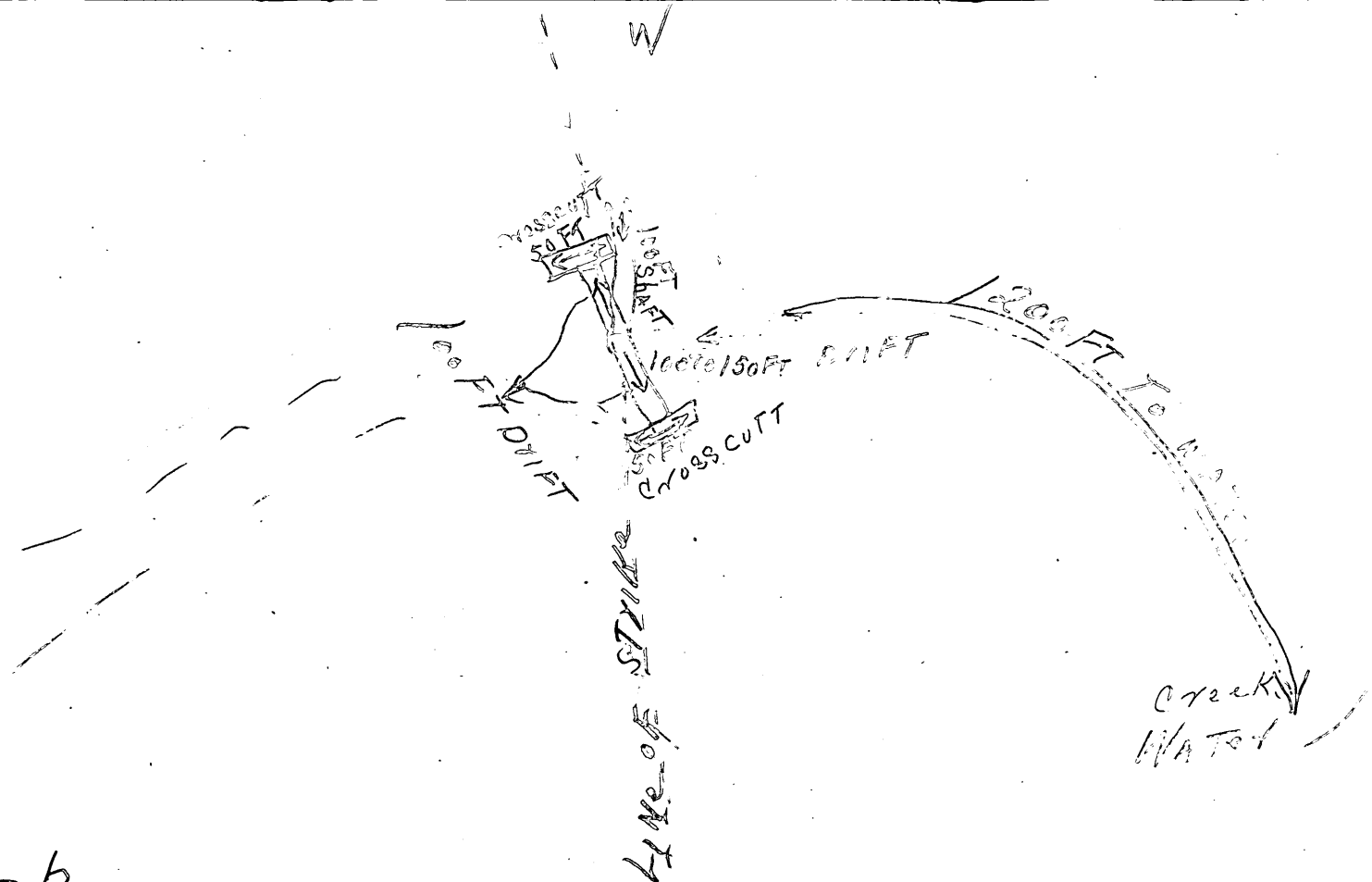
Report on complete analysis submitted by Wy-Mont Mining & engineering Co., Powell, Wyo.

ELEMENTS PRESENT	PERCENTAGES
Combined Water	1.31
Silica	50.82
Aluminum Oxide	17.05
Iron Oxide	5.50
Calcium Oxide	8.25
Magnesium Oxide	.65
Sodium and Potassium Oxides	6.85
Thorium Oxide	.75
Cerium and other Rare Earths Oxides	7.43
Uranium Oxide	.13
Manganese Oxide	.89
Titanium Dioxide	.20
Phosphorous Pentoxide	.06
	99.89

Gold trace
Silvert trace
Barium, Nickel, Zirconium, Chromium, Vanadium-traces
Platinum and Platinum Group Metals - none.

REMARKS: This sample consists chiefly of pink Feldspar (potassium, sodium, calcium aluminum silicate) and black Allanite (complex Silicate of Calcium, Iron, Aluminum, Cerium and other Rare Earths, some Thorium, etc.).
The bits of Feldspar that are quite red will contain some Rare Earth Oxides.
The green mineral is Epidote (calcium iron aluminum silicate) and is closely related to the Allanite.
This material is valuable mostly for the Cerium and other Rare Earths contained in the Allanite.

C O PY


W
50 FT
100 FT
100 FT
100 FT
150 FT
DRIFT
CROSS CUTT
LINE OF STRIKE
200 FT
Creek
WATER
N

5-b

NORTHERN PACIFICE RAILWAY COMPANY

Montana Division

T&M Contract No. 3521

CONTRACT made this 21st day of November, 1952, between the NORTHERN PACIFIC RAILWAY COMPANY, a corporation of Wisconsin, grantor, and WY-MONT MINING AND ENGINEERING COMPANY, a corporation of Wyoming, grantee.

The grantor in consideration of the sum of One Dollar ($1.00) to it paid, the receipt whereof is acknowledged, hereby grants unto the grantee during the term of one (1) year commencing with the date of this contract, the right to prospect form, mine and remove all valuable metalliferous minerals except such as are recoverable by placer mining methods, which may be contained in the following described land situate in Madison County, State of Montana, to-wit:

All of Section Fifteen (15), In Township Five (5) South, Range Four (4) West of the Montana Principal Meridian, subject to the rights of the grantee of the premises under a deed from the grantor which contains the following exception and reservation:

> "excepting and reserving unto the grantor, its successors and assigns, forever, all minerals of any nature whatsoever, including coal, iron, natural gas or oil, upon or in said land, together with the use of such of the surface as may be necessary for exploring for and mining or otherwise extracting and carrying away the same; but the grantor, its successors and assigns, shall pay to the grantee, or to his heirs or assigns, the market value at the time mining operations are commenced of such portion of the surface as may be used for such operations, including any improvements thereon."

The grantee hereby assumes and agrees to discharge all the obligations of the grantor, its successors and assigns, as set forth in the foregoing exception and reservation, and will save and hold harmless the grantor from the grantee's operations hereunder, and the performance of this covenant is made a condition of this contract.

The land covered by this contract is subject to easements in the public for any public roads heretofore laid out or established or now existing over and across any pay of the premises, and to a right of way for ditches or canals constructed by authority of the United States.

Should title to the premises fail, the grantor shall not be liable for more than the amount received hereunder with interest at four (4) per cent per annum; should title to a portion of the premises fail, such liability is limited to the amount received from or on account of the portion as to which title fails.

The grantee forthwith (weather conditions permitting) will commence explorations upon the premises and will diligently and continuously prosecute such work during the term (unless temporarily interrupted by causes beyond grantee's control) or until valuable minerals are earlier discovered in paying quanitites; the grantee will expend the sum of Five Hundred Dollars ($500.00) in such exploration work during the term of said contract.

The grantee will furnish to the grantor monthly reports showing the progress and results of all explorations upon the premises as well as upon adjoining lands controlled by the grantee.

Should the grantee discover minerals in paying quantities within the term of this permit, it may within thirty (30) days after such discovery demand and the grantor will execute and deliver to it a lease in the form hereto attached marked Exhibit "A" covering four (4) forty-acre tracts designated by the grantee in compact form.

For all ores or concentrates, except uranium bearing or radio active ores, shipped from the premises during the term of this contract, the grantee will pay to the grantor at its office in St. Paul, Minnesota , a royalty of fifteen (15) per cent of the net smelter returns, and for all uranium bearing or radio active

ores or concentrates a royalty of fifteen (15) per cent of the net selling price, as such terms are defined in said "Exhibit A".

The grantor shall have the right by its agents and servants to enter upon the premises or upon the premises where the ore is being treated, at any time for the purpose of inspection and checking the operations of the grantee, not unnecessarily or unreasonable hindering or interrupting such operations, and shall have access at all times to all books and accounts of the grantee or other persons carrying on operations on the premises, or handling the ore removed therefrom, relative to the quantity and quality of ore mined or the value thereof.

Should the grantee fail to diligently and continuously prosecute the work contemplated by this contract or should it fail to carry out any other agreement by it to be performed, this contract shall become null and void and the grantor may re-enter the premises and exclude therefrom the grantee and all persons claiming under it.

The rights hereby granted are personal and are not assignable.

IN WITNESS WHEREOF the parties have executed this instrument in duplicate.

Attest:

/s/ L. A. Bertelsen
Assistant to the Land Commissioner

NORTHERN PACIFIC RAILWAY CO.

By /s/L. L. Schwarm
Land Commissioner

Attest:

/s/ Merle Barnhart (Sec.)

WY-MONT MINING AND ENGINEERING COMPANY

By /s/ Sam Egbert

EXHIBIT "A"

NORTHERN PACIFICE RAILWAY COMPANY

Montana Division

T&M Contract No. 3521

CONTRACT made this_____day of_____195__, between NORTHERN PACIFIC RAILWAY COMPANY, a corporation of Wisconsin, lessor, and WY-MONT MINING AND ENGINEERING COMPANY, a corporation of Wyoming, lessee.

The lessor in consideration of the sum of One Dollar ($1.00) to it paid by the lessee, the receipt whereof is acknowledged, and in further consideration of the covenants herein contained to be performed by the lessee, hereby grants unto the lessee for the term of ten (10) years commencing with the date of this contract, the right to mine and remove all valuable metalliferous minerals except such as are recoverable by placer mining methods, which may be contained in the following described land situate in Madison County, State of Montana, to-wit:

> (Here to be inserted the four(4) forty-acre subdivisions selected by the lessee in accordance with the provisions of contract dated November 21, 1952)

Subject to the rights of a grantee of the premises under a deed from the lessor which contains the following exception and reservation:

> "excepting and reserving unto the grantor, its successors and assigns, forever, all minerals of any nature whatsoever, including coal, iron, natural gas or oil, upon or in said land, together with the use of such of the surface as may be necessary for exploring for and mining or otherwise extracting and carrying away the same; but the grantor, its successors and assigns, shall pay to the grantee, or to his heirs or assigns, the market value at the time mining operations are commenced of such portion of the surace as may be used for such operations, including any improvements thereon."

The lessee hereby assumes and agrees to discharge all obligations of the lessor, its successors and assigns, as set forth in the foregoing exception

and reservation, and will save and hold harmless the lessor from the lessee's operations hereunder, and the performance of this covenant is made a condition of this contract.

The land covered by this contract is subject to easements in the public for any public roads heretofore laid out or established or now exisiting over and across any part of the premises, and to a right of way for ditches or canals constructed by authority of the United. States.

1. The lessee forthwith will enter upon the premises and mine and remove therefrom the valuable metalliferous minerals contained therein, except such as are recoverable by placer mining methods, and will diligently and continuously pursue such work during the term.

2. The lessee will pay to the lessor as rental royalties on all ores produced from the premises, as follows:

For all direct shipping ores which shall contain a commercial amount of uranium bearing or radio active ores for which the net selling price shall be Ten Dollars ($10.) per ton or less, the royalty shall be ten (10) per cent of such net selling price; where the net selling price shall be in excess of Ten Dollars ($10.) per ton, the royalty shall be increase one (1) percent for each increase of Ten Dollars ($10.) per ton or fraction thereof of the net selling price of said uranium bearing or radio active ores, but in no event shall the royalty exceed twenty-five (25) per cent of such net selling price.

For all uranium bearing or radio active concentrates shipped from the premises, the lessee will pay a royalty of ten (10) per cent of the net selling price.

For all direct shipping ores other than uranium bearing or radio active ores, where the net smelter returns shall be Fifteen Dollars ($15.) per

ton or less, the royalty shall be ten (10) per cent of such returns; where the net smelter returns shall be in excess of Fifteen Dollars ($15.) per ton, the royalty shall be increase one (1) per cent for each increase of Two Dollars ($2.) per ton or fraction thereof of such returns, but in no event shall the royalty exceed thirty (30) per cent of such returns.

The lessee will pay a royalty of ten (10) per cent of the net smelter returns upon all concentrates, except uranium bearing or radio active concentrates, and a royalty of ten (10) per cent of the net bullion returns upon all gold and/or silver preciptates and gold and/or silver bullion produced from ores from the premises milled by them.

The value of concentrates or bullion shall not be added to the value of smelter returns so as to increase the royalty rate dependent upon the amount of such returns.

"Net selling price" as referred to herein shall be defined as the amount received by the lessee for such uranium bearing or radio active ores or concentrates less a reasonable trucking charge for transporation of such ores from the mine to the nearest railway point, and less railway freight charges for the transportation of such ores or concentrates consigned to a purchaser at some point of destination within the State of Montana. "Net smelter returns" shall be the amount paid by the smelter after deducting the charges for railway freight and treatment and also charges for trucking ores and concentrates from the mine to the railway. "Net bullion returns" shall be defined as the amount received by the lessee from the mint or other lawful purchaser of gold and for all gold and/or silver bullion and gold and/or silver precipitates produced from milling ores from the premises milled by it. "Concentrates" shall be defined as any other material resulting from the treatment of ores ffom the premises which shall be removed.

Royalty payments shall be made to the lessor at St. Paul, Minnesota, on the 15th day of each month covering all operations of the preceding calendar month and shall be accompanied with a report of all such operations and duplicate copies of smelter, refinery, mint or other statements relating to the sale of valuable metalliferous minerals produced from the premises.

The lessee will pay to the lessor semi-annually in advance a rental at the reate of One Dollar ($1.) per acre per annum, which rental shall be in addition to the royalties payalbe to the lessor under the provisions of this contract.

3. Commencing with those for the year of the date of this lease, the lessee agrees to pay all taxes of every kind levied or assessed against the mineral rights excepted and reserved in the premises; for the calendar year that this lease expires or in the event of earlier termination thereof, the lessee will pay such proportion of the taxes and assessments for that year as the number of months of the year the lease is in effect bears to twelve. The lessee will also pay all taxes levied or imposed upon improvements place by it on the premises and upon the minerals produced, including all net proceeds taxes, and will refund and repay to the lessor any taxes which the lessor may be require to pay to the State of Montana on royalty received; it being the intention that the lessor shall be relieved from the payment of any and all taxes upon the excepted and reserved mineral rights, improvements of the lessee, net proceeds, and all other State and local taxes on account of any mining operations by the lessee hereunder.

4. Promptly on demand from time to time the lessee will furnish to the lessor maps and plats based on actual survey showing its workings on the premises and adjoining lands.

5. The lessee will conduct all mining and other operations in such manner only as is usual and customary in skillful and proper operations of similar

character to produce the largest possible recovery of the metals, and so as not to cause or permit any unnecessary or unusual permanent injury to the mines or inconvenience or hindrance to subsequent operation of same, and will deposit all earth, rocks and other useless material in such places and in such manner as will not conflict with or embarrass future mining operations.

6. The lessor shall have the right by its agents and servants to enter upon the premisies at any time for the purpose of inspection and checking the operations of the lessee, not unnecessarily or unreasonably hindering or interrupting such operations, and shall have access at all times to all books and accounts of the lessee and other persons carrying on operations on the premises, or handling the ore removed therefrom, relating to the quantity and quality of ore mined or the value thereof.

7. The lessee shall not assign this lease or any interest therein, or sublet the right to work said mines or any part therefore, without the written consent of the lessor.

8. The uninterrupted right of the lessee to take, use and carry away the ore shall continue unsuspended notwithstanding any disagreement between the parties, provided payment, according to the terms herof shall be duly made for all and any ore removed from the premises.

9. At the expiration of the term or upon the earlier termination of this agreement, the lessee shall have ninety (90) days in which to remove all engines, tools, machinery and structures, but shall not remove or impair any supports placed in the mines or any timbers or frameworks necessary to the use and maintenance of the shafts or other approaches to the mines not any tramways within the mines.

10. The lessee may at any time surrender this lease upon six (6) months

written notice to the lessor served by mail addressed to it at St. Paul, Minnesota.

11. If the rent hereby reserved (the royalty being treated as rent), or any part thereof, shall remain unpaid after the time when same should be paid, or if the lessee shall fail to keep or perform any other covenant herein expressed to be performed on its part and such default shall continue for ten (10) days, the lessor at its option after thirty (30) days written notice, served by mail addressed to the lessee at Powell, Wyoming, may enter upon the premises and and exclude therefrom the lessee and all persons claiming under it, unless such payments shall be made or the default complained of shall be corrected within said notice period; the lessor on like notice may terminate this lease if mining operations upon the premises shall at any time cease for the period of six (6) consecutive months, for any reason other than strikes or accidents.

12. When this lease shall for any cause terminate, the lessee will cause to be entered a certificate of that fact upon the proper books of record, provided this lease shall have been recorded.

13. The lessor shall at all times have a lien upon all ore mined and upon all improvements of the lessee, as security for any unpaid balances due under this contract, such balances being treated as purchase money, which lien may be enforced in like manner as liens conferred by chattel mortgage under the laws of Montana or in any other proper and lawful manner.

14. Should title to the premises fail, the lessor shall not be liable for more than the amount received hereunder with interest at four (4) per cent per annum; should title to a portion of the premises fail such liability is limited to the amount received from or on account of the portion as to which title fails.

15. A material consideration moving to the lessor, without which this lease would not be made is the covenant by the lessee for itself, its successors

and assigns, that all minerals and ores shipped from the premises shall be shipped over such railroad line as the lessor may designate, provided that the rates charged by such railroad, its available facilities and the service furnished by ti shall be equal in all respects to those which could be furnished by any other competing railroad line; and provided that the cost per ton of haulage and shipment from the premises to the smelter is not greater than that of any other route.

16. Each obligation herof shall be binding upon and every benefit hereof shall inure to the respective successors and assigns of the parties.

IN WITNESS WHEREOF, the parties have executed this instrument in duplicate.