UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 2155

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

✓ Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

✓ Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

On-site Exam Report(s) ✓ (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

glc

Reviewer's Initials

7973

GOVERNMENT COPY

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 22nd day of September, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Abe Day, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E277, Docket No. DMEA 2155, dated March 17, 1952, that the said contract shall be and is hereby terminated as of the first date above written.

The Government hereby releases the Operator from any and all further obligations under the contract hereinabove mentioned in view of the fact that the Operator has repaid to the Government all monies advanced by the Government and the Government, by the termination of this contract and in consideration for the Operator's repayment to the Government of all monies advanced by the Government, releases any equity that the Government has by virtue of said contract hereinabove mentioned.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By W. H. King

ABE DAY

By Abe Day

Government Copy
Uranium

No. 1

AMENDMENT OF CONTRACT: No. Idm-E277

Contract Docket No. DMA 2155, dated March 17, 1952, between the United States of America and Abe Day is hereby amended as follows, effective April 15, 1952:

> Referring to "EXHIBIT A" attached to Exploration Project Contract Form MF-200, title "Operating Equipment", subtitle "To be purchased:", add the following: "1 - Ventilating fan, estimated cost $500.00".
>
> Referring to the same "EXHIBIT A", title "Labor and Supervision", following "1 Miner at", delete the figure "$13.50" and in lieu thereof substitute the figure "$16.00"; following "1 Mucker at", delete the figure "$12.00" and in lieu thereof substitute the figure "$13.00"; as an additional paragraph under "Labor and Supervision", add the following: Accounting is an allowable charge to the Project in an amount not to exceed $50.00 per month.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated June 23, 1952.

ABE DAY

Abe Day

UNITED STATES OF AMERICA

By [illegible] H. King
Executive Officer - DMEA

DEPARTMENT OF THE INTERIOR
DEPARTMENT OF THE INTERIOR

MF-200
(June 1951)

Docket No. DMA 2155
Commodity Uranium

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Idm-E277

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 17th day of March, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] one individual person: Abe Day
Moab, Utah

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of San Juan described as follows: [3] The Vanadium Queen Mining Claim (unpatented) in the S. W. ¼ Sec. 29, T. 28 S., R. 26 E., S.L.M. San Juan County, Utah. The notice of location is recorded in the office of the County Recorder of San Juan County, Utah, in Book T-2 of Miscellaneous Records, on Page 555.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

(*b*) ~~That he is the lessee in possession and entitled to possession and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for [5] Uranium; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Nine (9) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 9,810.00, which is 90 percent of the agreed estimated total cost of this project, $ 10,900.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

Abe Day
(Operator)

By Same

THE UNITED STATES OF AMERICA

By J. H. Ernst Jr.
Regional Director - Region IV
U. S. Bureau of Mines

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

EXHIBIT A

Exploration Project

The proposed exploration project consists of rehabilitating 50 feet of the third adit from the north on the Vanadium Queen Claim, extending the adit approximately 450 feet northeasterly, and drilling 650 feet of percussion drill holes at right angles to the tunnel where favorable indications for ore occurrence are encountered. The location of the proposed adit is shown on the attached maps. Figure 3 also shows the lateral extent to be explored by percussion drilling.

The estimated working time is 7 months.

The following costs are estimated:

Rental of equipment	$500.00
Purchase of equipment	300.00
Depreciation of equipment	700.00
Labor, supervision, compensation	5,500.00
Supplies	3,900.00
Total cost of project -	$10,900.00

Fixtures and Improvements

1 12-by 14-foot wooden frame cabin
1 10-by 12-foot tool and compressor house

Estimated cost $550.00*

*This cost is itemized under labor and supplies.

Operating Equipment

To be rented:

1 Air trammer @ $75.00 per month $500.00 maximum allowance*

* It is mutually agreed between the Government and the Operator that the Government will reimburse the Operator to a maximum of $450.00 for rental of the air trammer.

To be purchased:

2 Mine cars - 1-ton capacity @ $150.00 each $300.00

To be furnished by operator:

Item	Allowable Monthly Depreciation
1 Portable Jaeger 150 cu. ft. compressor	$ 60.00
1 IR S-49 jackhammer with jackleg	10.00
1 2-ton dump truck, 1950 model	60.00

The above depreciation is allowable only for months during which the item is used for the benefit of the project.

Total estimated depreciation $700.00

Labor and Supervision

1 Miner at $13.50 per day
1 Mucker at $12.00 per day
1 Miner-Supervisor at $14.00 per day

Total estimated cost of labor and supervision	$4,950.00
Compensation, insurance, payroll taxes	550.00

The above wage rate is based on an 8-hour day, 5-day week, with time and one-half for overtime.

Supplies

Gasoline, oil, grease	$1,250.00
Powder, caps, fuse	900.00
Timber	100.00
Drill steel	50.00
Drill bits	150.00
12-pound rail	450.00
2-inch pipe	175.00
Lumber, nails	150.00
Doors and windows	25.00
Roofing paper	50.00
Assaying	100.00
Transportation	400.00
Small tools	100.00

Total estimated cost of supplies - $3,900.00

Rehabilitation and Repairs

None

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. dma 21155
Metal or Mineral
Date Received 10-12-51
Amount $
Participation (Government %)

Name and address of applicant

ABE DAY
Moab, Utah

Date October 8, 1951

If you have already filed MF-100, give date filed None, type of assistance requested None,

DMA Docket Number (if available) None

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See attached sheet

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application. Applicant is owner of claim.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted. See attached map

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find? Uranium and vanadium (carnotite)

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

   See attached sheet.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)	By Abe Day (Signature of authorized official)
(Date)	Owner (Title)

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—64067-2

1(a) The following described property situate in La Sal Mining District, San Juan County, State of Utah:

The Vanadium Queen Mining Claim, situated approximately in the Southwest Quarter of Section 29, Township 28, South, Range 26 East, S.L.M., San Juan County, Utah, the Notice of Location duly recorded in the office of the County Recorder of San Juan County, Utah, under date of July 16, 1931, in Book T-2 of Miscellaneous Records, on Page 555, being as follows:

"Beginning 100 feet southwesterly of this location (Discovery) monument, at the southwest end center monument, and running thence northwesterly 300 feet to the Southwest corner monument No. 1; thence northeasterly 1500 feet to Northwest corner Monument No. 2; thence southeasterly 300 feet to Northeast end center monument; thence southeasterly 300 feet to Northeast corner Monument No. 3; thence southwesterly 1500 feet to Southeast corner monument No. 4; thence northwesterly 300 feet to place of beginning, including all dips, spurs, angles and variations."

2(b) The property applicant desires to develop has the three Morrison formations present. As is commonly known the vanadium and uranium ore deposits lie in pockets, rolls and small deposits. This particular piece of property in the past has produced both uranium and vanadium and for this type of mining the deposits have been relatively large. It is estimated that the mine has produced approximately 10,000 tons of ore. The ore has averaged about 30/100 in uranium and about 2% vanadium. Because of the overburdens it would be very expensive to diamond drill and as a substitute applicant proposes to make new tunnels and by-pass the ~~exploration~~ DESCENT MINE on the property by enabling drilling to be done on both sides and upwards from the new tunnel, thus reducing the expense.

3(a) I think we should drive two tunnels, one on either side of the mine as it is today, and approximately 200 feet apart. By test drilling between the tunnels we would be exploring an area of 70 feet between the tunnels. If the property showed possibilities, we could then run a cross cut. These cross cuts should be run at intervals of 100 feet on account of air, so it would be better to put in a cross cut from one to two hundred feet between the two tunnels or wherever the mineralization shows best. This should take about $15.00 a foot on the tunnel for breaking the rock and hauling. Rails, ties, ~~powder~~, etc. would be extra. $15.00 a foot would include powder, breaking and hauling the rock, with the exception of ~~hauling~~ ties and rails. The total cost would approximate $40,000, which would include the two 600 foot tunnels and six cross cuts.

(b) The project can be started immediately on approval of this application and would require approximately one year's time for completion.

4. The attached map will show veins and cross cuts. The rest of the information requested is unavailable.

5. There are no building or installations with the exception of compressor, three air drills, three cars, 1,000 feet of track and 1,000 feet of pipe together with all small ~~tunnels~~ TOOLS needed in this type of operation.

6. None anticipated at this time.

7(a) Applicant has one compressor and two will be needed. Applicant intends to rent one compressor. It is anticipated that the rental on this compressor will amount to approximately $160.00 per month.

(b) No purchase of equipment is anticipated at this time.

(c) Items listed in "6" above will be furnished by the applicant. The compressor owned by applicant will be depreciated out in five years' time and the original cost of this compressor was $3,500. All equipment owned in connection with this project will be depreciated on a five-year basis. The compressor owned by applicant is two years' old.

8. Applicant proposes to employ two minors and four muckers. The prevailing wage for minors is $15.00 per day and the prevailing wage for muckers is $12.50. The applicant proposed to do the supervisory work himself and intends to charge the operation with $450.00 per month for this service.

9(Applicant does not anticipate expenditures for anything other than materials which materials would be pipe and track at a cost of approximately $1,200. The expenditure for caps, fuse, powder, etc., is included in the $15.00 per foot figure provided above.

10(a) Applicant is prepared to invest $4,000.

(b) Yes. Applicant has been familiar with this area and has been mining carnotite ore since 1924. Due to the importance of uranium and vanadium under the present acquisition plans of the U. S. Government, applicant believes that the properties which are proposed for development, have excellent possibilities to the extent that applicant feels this property is one of the best properties in the area. As part of applicant's experience he has been employed as mine superintendent for U. S. Vanadium Corporation during the period of operation of the Metals Reserve Corporation, and has been employed directly by USV as a mine foreman. This property is accessible the year around. Applicant's property is located about a mile off of a state highway, thus the access road problem is solved due to the proximaty of the property to the State highway, which is kept open the year around. The property is located at a convenient distance to purchasing stations and mills.

8. Salary includes hauling men and supplys to and from job, supplys have to be hauled "twenty miles from rail head.

1(a) The following described property situate in La Sal Mining District, San Juan County, State of Utah:

The Vanadium Queen Mining Claim, situated approximately in the Southwest Quarter of Section 29, Township 28, South, Range 26 East, S.L.M., San Juan County, Utah, the Notice of Location duly recorded in the office of the County Recorder of San Juan County, Utah, under date of July 16, 1931, in Book T-2 of Miscellaneous Records, on Page 555, being as follows:

"Beginning 100 feet southwesterly of this location (Discovery) monument, at the southwest end center monument, and running thence northwesterly 300 feet to the Southwest corner monument No. 1; thence northeasterly 1500 feet to Northwest corner Monument No. 2; thence southeasterly 300 feet to Northeast end center monument; thence southeasterly 300 feet to Northeast corner Monument No. 3; thence southwesterly 1500 feet to Southeast corner monument No. 4; thence northwesterly 300 feet to place of beginning, including all dips, spurs, angles and variations."

2(b) The property applicant desires to develop has the three Morrison formations present. As is commonly known the vanadium and uranium ore deposits lie in pockets, rolls and small deposits. This particular piece of property in the past has produced both uranium and vanadium and for this type of mining the deposits have been relatively large. It is estimated that the mine has produced approximately 10,000tons of ore. The ore has averaged about 30/100 in uranium and about 2% vanadium. Because of the overburdens it would be very expensive to diamond drill and as a substitute applicant proposes to make new tunnels and by-pass the ~~exploration~~ PRESENT MINE on the property by enabling drilling to be done on both sides and upwards from the new tunnel, thus reducing the expense.

3(a) I think we should drive two tunnels, one on either side of the mine as it is today, and approximately 200 feet apart. By test drilling between the tunnels we would be exploring an area of 70 feet between the tunnels. If the property showed possibilities, we could then run a cross cut. These cross cuts should be run at intervals of 100 feet on account of air, so it would be better to put in a cross cut from one to two hundred feet between the two tunnels or wherever the mineralization shows best. This should take about $15.00 a foot on the tunnel for breaking the rock and hauling. Rails, ties, ~~powder~~, etc. would be extra. $15.00 a foot would include powder, breaking and hauling the rock, with the exception of ~~hauling~~ ties and rails. The total cost would approximate $40,000, which would include the two 600 foot tunnels and six cross cuts.

(b) The project can be started immediately on approval of this application and would require approximately one year's time for completion.

4. The attached map will show veins and cross cuts. The rest of the information requested is unavailable.

5. There are no building or installations with the exception of compressor, three air drills, three cars, 1,000 feet of track and 1,000 feet of pipe together with all small ~~tunnels~~ TOOLS needed in this type of operation.

6. None anticipated at this time.

7(a) Applicant has one compressor and two will be needed. Applicant intends to rent one compressor. It is anticipated that the rental on this compressor will amount to approximately $160.00 per month.

(b) No purchase of equipment is anticipated at this time.

(c) Items listed in "6" above will be furnished by the applicant. The compressor owned by applicant will be depreciated out in five years' time and the original cost of this compressor was $3,500. All equipment owned in connection with this project will be depreciated on a five-year basis. The compressor owned by applicant is two years' old.

8. Applicant proposes to employ two minors and four muckers. The prevailing wage for minors is $15.00 per day and the prevailing wage for muckers is $12.50. The applicant proposed to do the supervisory work himself and intends to charge the operation with $450.00 per month for this service.

9(Applicant does not anticipate expenditures for anything other than materials which materials would be pipe and track at a cost of approximately $1,200. The expenditure for caps, fuse, powder, etc., is included in the $15.00 per foot figure provided above.

10(a) Applicant is prepared to invest $4,000.

(b) Yes. Applicant has been familiar with this area and has been mining carnotite ore since 1924. Due to the importance of uranium and vanadium under the present acquisition plans of the U. S. Government, applicant believes that the properties which are proposed for development, have excellent possibilities to the extent that applicant feels this property is one of the best properties in the area. As part of applicant's experience he has been employed as mine superintendent for U. S. Vanadium Corporation during the period of operation of the Metals Reserve Corporation, and has been employed directly by USV as a mine foreman. This property is accessible the year around. Applicant's property is located about a mile off of a state highway, thus the access road problem is solved due to the proximaty of the property to the State highway, which is kept open the year around. The property is located at a convenient distance to purchasing stations and mills.

8. Note Salary includes hauling of supplys, and workmen to and from property, supplys have to be hauled ninty miles from rail head

1(a) The following described property situate in La Sal Mining District, San Juan County, State of Utah:

The Vanadium Queen Mining Claim, situated approximately in the Southwest Quarter of Section 29, Township 28, South, Range 26 East, S.L.M., San Juan County, Utah, the Notice of Location duly recorded in the office of the County Recorder of San Juan County, Utah, under date of July 16, 1931, in Book T-2 of Miscellaneous Records, on Page 553, being as follows:

"Beginning 100 feet southwesterly of this location (Discovery) monument, at the southwest end center monument, and running thence northwesterly 300 feet to the Southwest corner monument No. 1; thence northeasterly 1500 feet to Northwest corner Monument No. 2; thence southeasterly 300 feet to Northeast end center monument; thence southeasterly 300 feet to Northeast corner Monument No. 3; thence southwesterly 1500 feet to Southeast corner monument No. 4; thence northwesterly 300 feet to place of beginning, including all dips, spurs, angles and variations."

2(b) The property applicant desires to develop has the three Morrison formations present. As is commonly known the vanadium and uranium ore deposits lie in pockets, rolls and small deposits. This particular piece of property in the past has produced both uranium and vanadium and for this type of minin the deposits have been relatively large. It is estimated that the mine has produced approximately 10,000 tons of ore. The ore has averaged about 30/100 in uranium and about 2% vanadium. Because of the overburdens it would be very expensive to diamond drill and as a substitute applicant proposes to make new tunnels and by-pass the ~~exploration~~ PRESENT MINE of the property by enabling drilling to be done on both sides and upwards from the new tunnel, thus reducing the expense.

3(a) I think we should drive two tunnels, one on either side of the mine as it is today, and approximately 200 feet apart. By test drilling between the tunnels we would be exploring an area of 70 feet between the tunnels. If the property showed possibilities, we could then run a cross cut. These cross cuts should be run at intervals of 100 feet on account of air, so it would be better to put in a cross cut from one to two hundred feet between the two tunnels or wherever the mineralization shows best. This should take about $15.00 a foot on the tunnel for breaking the rock and hauling. Rails, ties, ~~powder~~, etc. would be extra. $15.00 a foot would include powder, breaking and hauling the rock, with the exception of ~~hauling~~ ties and rails. The total cost would approximate $40,000, which would include the two 600 foot tunnels and six cross cuts.

(b) The project can be started immediately on approval of this application and would require approximately one year's time for completion.

4. The attached map will show veins and cross cuts. The rest of the information requested is unavailable.

5. There are no building or installations with the exception of compressor, three air drills, three cars, 1,000 feet of track and 1,000 feet of pipe together with all small ~~tools~~ TOOLS needed in this type of operation.

6. None anticipated at this time.

7(a) Applicant has one compressor and two will be needed. Applicant intends to rent one compressor. It is anticipated that the rental on this compressor will amount to approximately $160.00 per month.

(b) No purchase of equipment is anticipated at this time.

(c) Items listed in "6" above will be furnished by the applicant. The compressor owned by applicant will be depreciated out in five years' time and the original cost of this compressor was $3,500. All equipment owned in connection with this project will be depreciated on a five-year basis. The compressor owned by applicant is two years' old.

8. Applicant proposes to employ two minors and four muckers. The prevailing wage for minors is $15.00 per day and the prevailing wage for muckers is $12.50. The applicant proposed to do the supervisory work himself and intends to charge the operation with $450.00 per month for this service.

9. Applicant does not anticipate expenditures for anything other than materials which materials would be pipe and track at a cost of approximately $1,200. The expenditure for caps, fuse, powder, etc., is included in the $15.00 per foot figure provided above.

10(a) Applicant is prepared to invest $4,000.

(b) Yes. Applicant has been familiar with this area and has been mining carnotite ore since 1924. Due to the importance of uranium and vanadium under the present acquisition plans of the U. S. Government, applicant believes that the properties which are proposed for development, have excellent possibilities to the extent that applicant feels this property is one of the best properties in the area. As part of applicant's experience he has been employed as mine superintendent for U. S. Vanadium Corporation during the period of operation of the Metals Reserve Corporation, and has been employed directly by USV as a mine foreman. This property is accessible the year around. Applicant's property is located about a mile off of a state highway, thus the access road problem is solved due to the proximaty of the property to the State highway, which is kept open the year around. The property is located at a convenient distance to purchasing stations and mills.

8. Note salary includes hauling of supplys, and workmen to and from their work. Materials have to be hauled thirty miles to property. From rail head

For Schedule of Collections No. DMA-C-34, dated December 16, 1952, giving ~~royalty repayments~~ REFUND of $929.83, see E-135.

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

224 New Customhouse
Denver 2, Colorado

June 20, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2155, Contract Idm-E277, Abe Day, San Juan County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of April, 1952, pertaining to DMEA Docket 2155, Contract Idm-E277, Abe Day.

W. H. King

W. H. King

Enclosures

jp
cc SRWilson
Contract
Chron
AHKoschmann (2)

Mining Division
Region IV

June 5, 1952

Memorandum

To: T. A. Christensen

From: Acting Chief, Mining Division, Region IV

Subject: DMEA Docket 2155, Contract Idm-E277, (Uranium) Abe Day, San Juan County, Utah - Operator's Monthly Progress Report for the period of April, 1952

Enclosed are the original and four copies of Form MF-104, Narrative Report and Engineer's Report for the above period.

Work accomplished is in accordance with the contract and payment is recommended for the amount of $929.83, which is 90 percent of the total of $1033.14.

Note: Public Liability Insurance on the truck in the amount of $1.92 is considered as an allowable cost to the project, therefore, is not deducted as recommended by the Engineer.

W. H. King

W. H. King

JWT:oc

cc: Secretary to the Oper. Comm. (2)
Contract
Chron.
SRWilson
AHKoschmann (2)

June 2, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA 2155, Contract Idm-E277, Abe Day, San Juan County, Utah. MF-104 forms for April 1952

Enclosed are MF-104 forms for the above period, with copies of a progress report prepared by R. L. Middleton. It is recommended that repayment to the operator be made as noted in the progress report.

Stephen R. Wilson

Stephen R. Wilson

Enclosures - 2

S. R. Wilson

May 28, 1952

R. L. Middleton

DMEA 2155, Contract Idm-E277, Abe Day, Moab, Utah. Progress report for April 1952.

The DMEA exploratory work on the Abe Day uranium property, San Juan County, Utah, began April 15, 1952.

The amount of work completed on the inspection date, May 7, 1952, consisted of a wood frame bunkhouse and 38 feet of 5 x 7-foot drift.

The sandstone strata of the Morrison formation, through which the drift is advancing, appears favorable for uranium deposition; however, no uranium mineralization was seen.

The work crew consists of two workers and a supervisor working one shift per day, five days per week. The drift advance is approximately 4 feet per shift.

Forms MF-104 submitted by Mr. Day for April 1952, have been reviewed. Under the contract terms, all charges are allowable excepting the amount for $1.92, item (b) under the heading 9, Insurance.

<u>Item 1(b)</u> Supplies for bunkhouse construction are correct and verified by invoices.

<u>Item 2(b)</u> Depreciation of operator's equipment is properly prorated for the period April 15 to April 30.

<u>Item 4</u> The payroll is calculated using two pay scales for the same job classification. The amount submitted for payment is calculated at the contract rates.

<u>Item 5</u> In accordance with the contract, supervision costs are calculated on a day's rate basis.

<u>Item 6</u> Timber, explosives, repair parts, and other supplies itemized under a separate schedule, are correct.

<u>Item 8</u> Transportation charges were verified.

<u>Item 9(b)</u> Public liability, insurance for a truck furnished to the project by the operator on a depreciation basis, should not be allowed.

<u>Item 9(c)</u> Social Security taxes are calculated at the pay rates allowed by the contract.

The work done is in accordance with the contract and payment is approved for 90 percent of $1,031.22 ($1,033.14 less $1.92).

The proposed contract amendments, as listed 1 through 5 by Mr. Day, are necessary and reasonable. I discussed Day's contention that the State of Utah would require ventilation in the drift, with V. G. Pett, inspector for the Safety Division, Utah State Industrial Commission. I learned that the Commission's recommendation for mechanical ventilation in uranium mines was due to the rather frequent occurrence of radon gas. The recommendation is advisory and not mandatory. The Abe Day property has not been examined for the presence of radon and thus far there has been no reason to believe it is present.

R. L. Middleton

R. L. Middleton

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 277

Name of Operator ADE DAY
Docket No. DMA 2155
Total Contract Amount $ 10,900
Government Participation: 90 % Amount, $ 9,810
Distribution of Expenditures for Month of April 1952

This report covers the period April 15 to 30, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 23 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

(Name of Company)

By Abe Day
(Signature of Authorized Official)

May 19, 1952
(Date)

Owner
(Title)

NOTE.—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.

16—64068-8

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
Cabin and compressor house	207.88	None	207.88	207.88	none	207.88
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2] Depraciation						
Compressor	30.00	None	30.00	30.00	none	30.00
Jackhammer	5.00	None	5.00	5.00	none	5.00
2 ton truck	30.00	None	30.00	30.00	none	30.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	260.25	None	260.25	260.25	none	260.25
5. Supervision	154.00	None	154.00	154.00	none	154.00
6. Supplies						
(a) Timber	19.75	None	19.75	19.75	none	19.75
(b) Explosives	74.59	None	74.59	74.59	none	74.59
(c) Repair Parts	10.12	None	10.12	10.12	none	10.12
(d) Other	193.76	None	193.76	193.76	none	193.76
7. Power						
8. Transportation	22.00	None	22.00	22.00	none	22.00
9. Insurance						
(a) Fire						
(b) Public Liability Truck	1.92	None	1.92	1.92	none	1.92
(c) Workmen's Compensation	12.93	None	12.93	12.93	none	12.93
Social security taxes	10.94	None	10.94	10.94	none	10.94
10. Contract Work						
11. Other (specify)						
Total	1,033.14	None	1,033.14	1,033.14	none	1,033.14
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by R. L. Middleton
Amount approved for payment
Remarks

SRW
1033.14

16—64068-3

Schedule DMA-52-596
June 16, 1952
$929.83

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF APRIL 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	214.25	65.00	298.22	25.79	603.26	feet	25	none	25	450
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) cabin	200.00		207.88	22.00	429.88		one	none	one	two
Totals	414.25	65.00	506.10	47.79	1,033.14					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Explanation of "Other" above

Insurance - public liability - truck	$ 1.92
Insurance - workmens' compensation	12.93
Social security taxes	10.94
Transportation	22.00
Total	$47.79

Narrative Report: Abe Day, contract Idm-E277, Docket DMA 2155

April 15 to April 30, 1952

Commenced work as of April 15th 1952. Weather conditions have been against us. Have completed building house and have made 25 feet of tunnel. Mineralization good but no ore as yet. Cars and trammer are supposed to be delivered as of May 5, 1952. Haven't needed them untill now, but will need them from now on.

ABE DAY, CONTRACT IDM-E277, DOCKET DMA 2155
COST SCHEDULES FOR APRIL 1952

COST OF MATERIALS USED IN CONSTRUCTING CABIN AND COMPRESSOR HOUSE

Lumber	$100.00
Doors and sash	30.90
Roofing	49.50
Nails	15.80
Latches and hinges	7.60
Sales tax	4.08
Total	$207.88

DETAILED LIST OF SUPPLIES, OTHER, LISTED ON FORM MF-104

Gasoline, oil and grease	$ 81.27
Drill bits	6.00
Rail	54.00
Pipe	37.49
Small Tools	7.45
Wire	7.55
Total	$193.76

Certified true copy
Abe Day
ABE DAY

ABE DAY, CONTRACT IDM-E277, DOCKET DNA 2155
PAYROLL FOR PERIOD APRIL 15 TO 30, 1952

Name	Classification	Hours Worked	Rate Per Hour	Wages	F.I.C.A. Tax	W.H. Tax	Net Check	Labor Costs Allowed Under the Contract Hours	Rate	Wages
F. Lee Cox	Miner	76	$2.00	$152.00	$2.28	$ 3.00	$146.72	76	$1.6875	$128.25
Lloyd Scharf	Mucker	88	1.625	143.00	2.15	17.30	123.55	88	1.50	132.00
Totals		164		$295.00	$4.43	$20.30	$270.27	164		$260.25

Workmens' Compensation Insurance

Allowed payroll subject to insurance	$260.25
Rate per $100.00 of payroll	4.97
Premium	$ 12.93

F.I.C.A. Tax

Allowed payroll subject to tax	$260.25	
Rate	3%	
Total Tax	$7.81	
Less employees share	3.90	
Employers share		$ 3.91

Utah Unemployment Insurance

Allowed payroll subject to tax	$260.25	
Contribution rate	2.7%	
Premium		7.03
Total social security taxes		$10.94

Mine Supervisors Salary

Abe Day	$14.00 per day for 11 days	$154.00

Certified true copy
Abe Day
ABE DAY

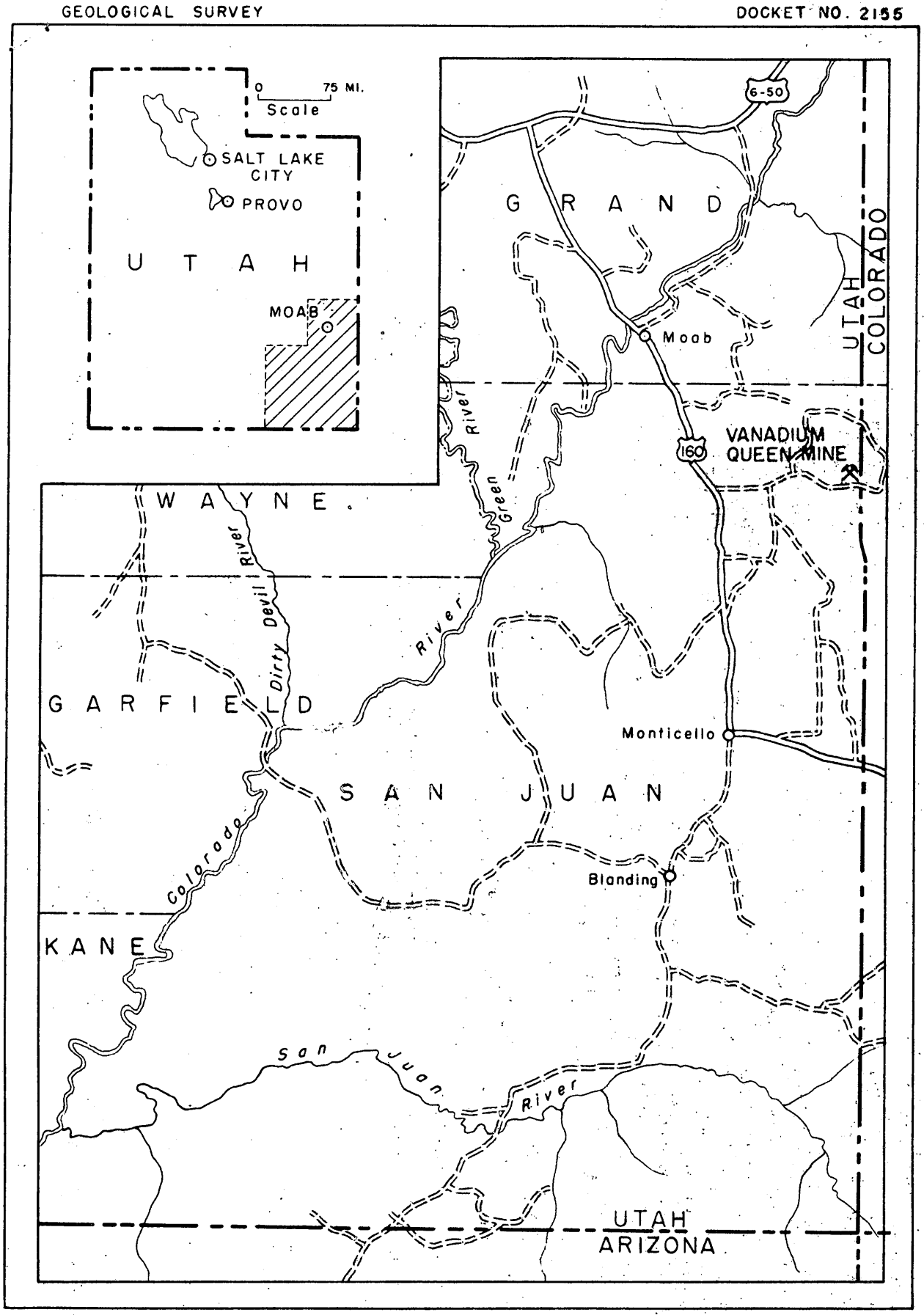


FIG. I INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

Geol. Surv. See contents page Field Team report 1/10/52 - Trans. with F.J. memo 6/9/52

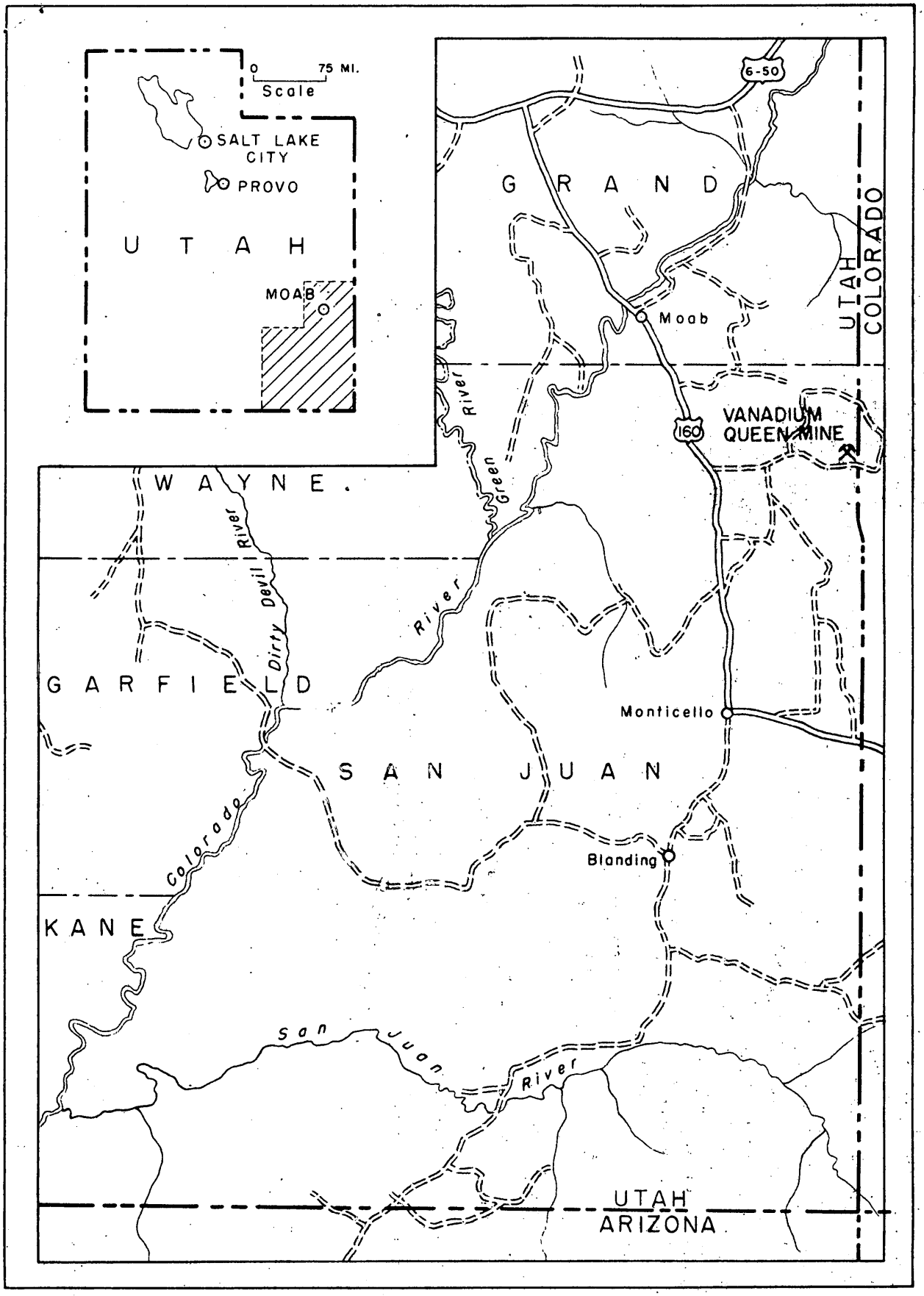


FIG. I INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

See contents page
Geol. Surv. Field Team report 1/10/52 - Trans. with F.J. memo 6/9/52

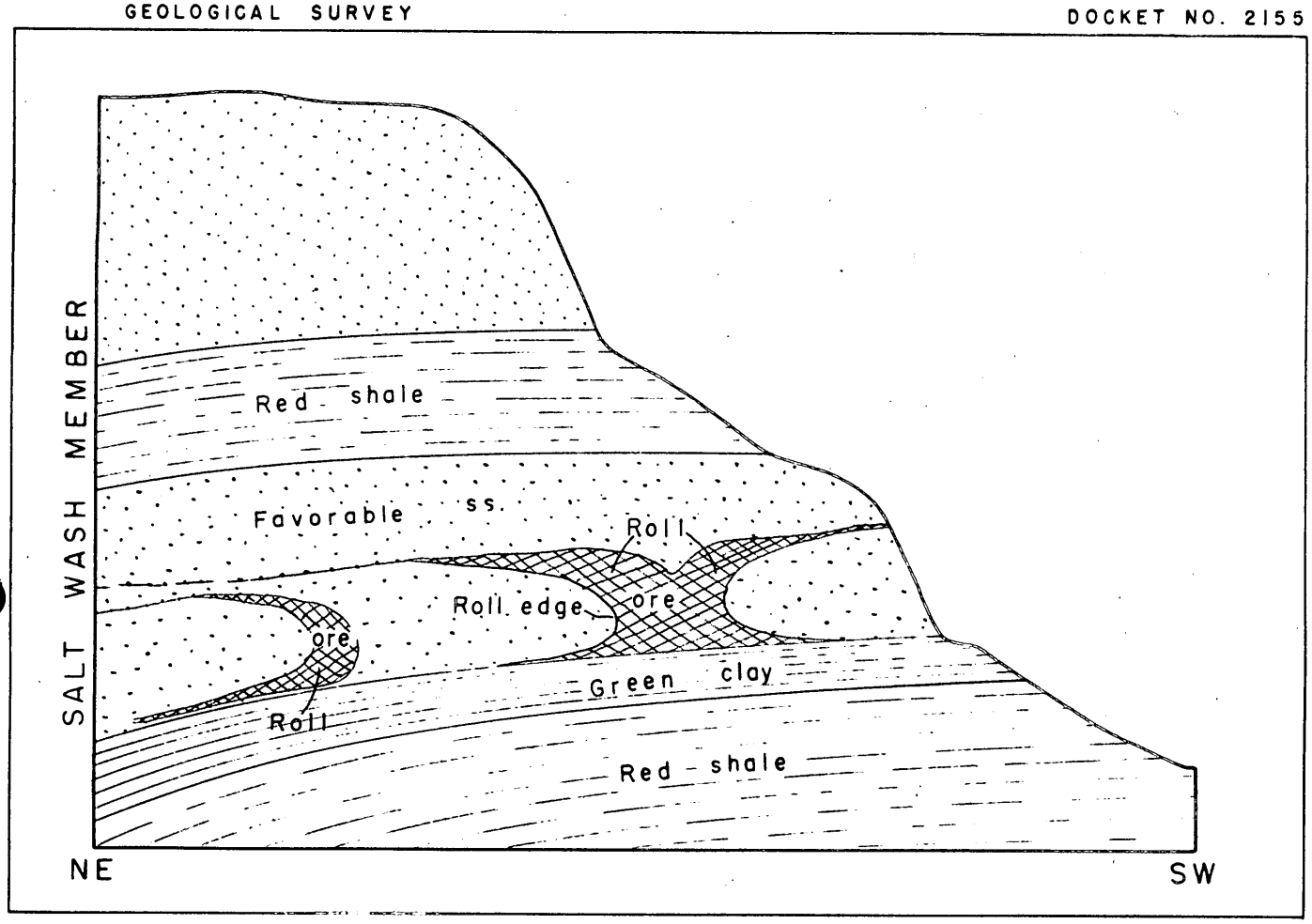
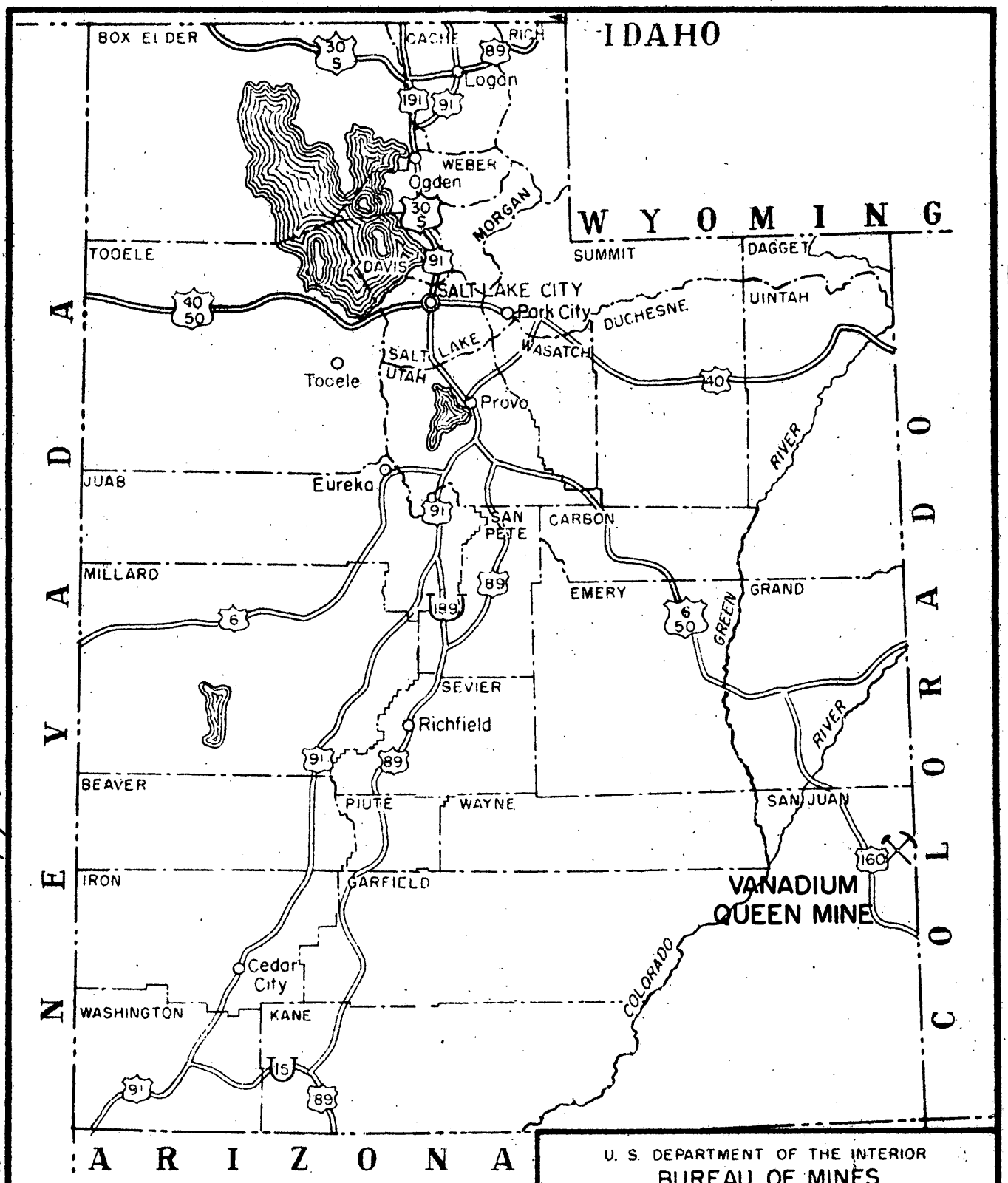


FIG. 3 DIAGRAMATIC CROSS SECTION OF MINERALIZED NORTHWEST TRENDING ROLLS AT THE VANADIUM QUEEN MINE, LA SAL MINING DISTRICT, SAN JUAN COUNTY, UTAH

See USGS portion field Team Report, R. L. Middleton - Texas, with F. J. memo 6/9/52



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMA Docket - 2155

Location Map

VANADIUM QUEEN MINE

SAN JUAN COUNTY, UTAH

ENGINEER: R.L. MIDDLETON	DATE: JAN. 10, 1952
TRACED: JAN., 1952, A.P.T.S.	1900-164-E
CHECKED:	

12/22/52 gla

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

224 New Customhouse
Denver 2, Colorado

December 16, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 19 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract Idm-E277, Docket DMEA 2155, Abe Day (Uranium)

Enclosed are the original and two copies of "Termination of Exploration Project Contract by Agreement After Commencement but Before Completion of the Work". Copies of this agreement have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

John F. Shaw
John F. Shaw
For W. H. King

Enclosures

cc 12-19

RECEIVED
DEC 29 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

FILE COPY
SURNAME:

140

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

AEKane
Hofflund
Ellis
Mittendorf

DEC 11 1952

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Contract Idm-E277
Docket No. DMEA-2155
Abe Day (Uranium)

Dear Mr. King:

Reference is made to your memorandum dated November 25 to Mr. Mittendorf, in which you enclose six copies of a termination agreement in the above-entitled case, signed by the Operator. This agreement as written is satisfactory to the Government in this particular case, and in accordance with your request, the copies are returned to you for your signature and the usual distribution.

Sincerely yours,

Chairman, Operating Committee

AEKane/ema/12/8/52
cc: Mails & Files
Adm. R. File
Op. Comm.
Mr. Hedges
Mr. Thayer
Mr. Ellis
J. L. Hofflund
A. E. Kane
Chron.
Pending

S.H.
12-11-52

Attachments

Approved:

Member, Bureau of Mines

Member, Geological Survey

12/2/52 gla

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
1952

224 New Customhouse
Denver 2, Colorado

November 25, 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract Idm-E277, Docket DMEA 2155, Abe Day (Uranium)

On September 12, 1952, Abe Day wrote this office offering to submit a check payable to the Treasurer of the United States in the amount of $929.83, which was the amount of reimbursement under Contract Idm-E277. We were authorized in your letter dated October 3, 1952 to accept this check and requested to send copies of "Termination of Exploration Project Contract by Agreement After Commencement but Before Completion of the Work" for Mr. Day's signature.

We have a check payable to the Treasurer of the United States signed by Abe Day, dated September 19, 1952; however, Mr. Day refused to sign our agreement inasmuch as it refers to "(a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings ..." and "(b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract". In lieu of this agreement Mr. Day has submitted a form which is the same as our form with the exception of the second paragraph. This paragraph has been revised to suit the conditions in this particular case.

Six signed copies of this form are enclosed. If this form is satisfactory kindly sign all six copies or return them to this office for the signature of the Executive Officer so that we may terminate this contract. If this form is not satisfactory please transmit a suitable form to be submitted to Abe Day for signature.

W. H. King
W. H. King

Enclosures

RECEIVED
DEC 3 - 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

FILE COPY
SURNAME:

800

Talbert
Ellis
Chambers

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

OCT 3 1952

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

Re: Docket 2155, Contract E277
Abe Day, Moab, Utah
Uranium

Dear Mr. King:

Reference is made to your memorandum regarding cancellation of the referenced contract and acceptance of Mr. Day's check in the amount of $929.83, payable to the Treasurer of the United States, covering full refund of all moneys paid to Mr. Day by the Government under this contract.

Under the circumstances cited in your memorandum it appears advisable for you to terminate the contract under the authority delegated to you as Executive Officer of a field team by Sec. 3 (e) of Order No. 2684 issued by the Secretary of Interior on April 25, 1952. This termination should be effected through the use of the form entitled "Termination of Exploration Project Contract By Agreement After Commencement But Before Completion of the Work", promulgated by DMEA Circular 22, dated May 19, 1952.

The check should be deposited with your Regional Disbursing Officer and credit for the collection treated in your accounts as a repayment of the loan rather than as a refund.

Sincerely yours,

C. O. Mittendorf (for) J.N. 10-3-52

Administrator

EDTalbert/wb
October 3, 1952

Copy to: Administrator
Mr. Ellis
Mr. Chambers
Docket File
Admr. Reading file

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

September 30, 1952

MEMORANDUM

To: Mr. J. L. Chambers, Chief
Contract Adm. & Audit Div.

From: Mr. Ernest Wm. Ellis, Chief
Rare and Misc. Metals Div.

Subject: Contract No. Idm-E277 Docket No.
DMEA-2155 Abe Day (Uranium)
Contract Settlement Payment

We are attaching a memorandum from the Executive Officer, DMEA Field Team Region IV, dated September 26, 1952, and a letter from Mr. Abe Day operator of the captioned project regarding the settlement payment and termination of the subject contract.

Will you please handle the mechanics of this settlement payment and contract termination and also advise the Executive Officer of Region IV accordingly.

Attachments

Ernest Wm. Ellis

9/30/52 jm
Contract file

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

224 New Customhouse
Denver 2, Colorado

September 26, 1952

SES 9/30/52

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract No. Idm-E277, Docket No. DMEA 2155, Abe Day (Uranium)

Enclosed are three copies of a letter dated September 12, 1952, from Abe Day requesting that Contract Idm-E277 be cancelled. Mr. Day has sent this office a check in the amount of $929.83 payable to the Treasurer of the United States which represents full payment for money paid him by the Government under Contract Idm-E277. Mr. Day desires to cancel the contract because of difficulties that have arisen regarding the interpretation of the contract.

The first monthly progress report submitted by Mr. Day was paid after the mine had been visited by an engineer from our Salt Lake City office and the accounts were checked. It was discovered, when a Bureau engineer visited the property a month later, that Mr. Day had been driving a parallel tunnel in addition to the work authorized by the contract. Mr. Day had not been prorating the expenses of the operation between the work authorized by the contract and the work done for his own benefit. He had also made several shipments of ore from the parallel tunnel and was of the opinion that he was not required to pay royalties for this ore shipped. We withheld payment of all future MF-104's pending settlement of this dispute.

The operation has progressed so far that it would be impossible to arrive at an equitable proration of the rental of items of equipment, supplies and labor. We believe that it would be in the best interests of the Government to accept Mr. Day's check in the amount of $929.83. Mr. Day has agreed to make no further claims against the Government under the contract, and the Government will not have any further claims against him. If this check were not accepted it would involve considerable time and expense attempting to reach an agreement with Mr. Day and we doubt if an agreement which would be mutually satisfactory could ever be reached.

We are requesting permission to accept this check and would appreciate your decision at your earliest convenience.

W. H. King

Enclosures

W. H. King

September 12, 1952

Mr. W. H. King
United States Department of the Interior
Defense Minerals Administration
224 New Customs House
Denver 2, Colorado

Re: DMSA 2155
Contract No. IDM-3277

Dear Mr. King:

Pursuant to our discussion on September 11, 1952 in your office concerning the above-reference loan to Mr. Abe Day, I am submitting herewith my check in the amount of $989.83 to reimburse the Government for its participation in the D.M.A. loan granted to me pursuant to our contract dated March 17, 1952. This check in the amount of $989.83 represents the amount which the Government has provided under the loan for work done in the month of April, 1952, and it is requested that subsequent reports which have been submitted by me be regarded as ineffective and null and void. By tendering this check in the amount of $989.83, I wish to reimburse the Government and to clear any and all obligations and claims now existing by and between myself and the Government, and I agree to make no further claim against the Government by virtue of this contract, and it is understood the Government will not make any further claim against me.

It is felt that the difficulties that have arisen involving this contract are difficulties that arose largely out of misunderstandings and cannot be attributed to the Government or to myself, and I wish to express my appreciation for the consideration that has been extended to me, and it is sincerely hoped that I will not be prejudiced in any future dealings with the Government because of the misunderstandings that have previously arisen.

It would be appreciated if a letter could be sent to me advising me that the loan has been released and that any and all claims or liens have also been released as a result of the payment of the loan and the cancellation of the contract, as requested above.

Very truly yours,

Abe Day

ABE DAY

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

224 New Customhouse
Denver 2, Colorado

September 2, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 1 - Contract Idm-E277 (Uranium), Docket No. DMA-2155, Abe Day

The operator was unable to hire miners at the rates given in the contract. Therefore it was necessary to amend the contract to increase the daily wage rates.

The Utah state law requires mechanical ventilation for drift 50 feet beyond any connection. Therefore it was necessary to amend the contract to provide for a ventilating fan.

A copy of a letter from the operator requesting this amendment is attached.

W. H. King

W. H. King

Enclosure

Moab, Utah
May 19, 1952

United States Department of the Interior
Bureau of Mines
1600 East First South Street
Salt Lake City 1, Utah

Attention Mr. Robert L. Middleton, Mining Engineer

Gentlemen:

Subject: DMA 2155 - Proposed Contract Amendments

I request that the below listed amendments be made to the exploration contract referred to above.

Amendment number 1

Labor - increase daily rates as follows:

1 miner from $13.50 per day to $16.00 per day.
1 mucker from $12.00 per day to $13.00 per day

I have been unable to hire labor at the present contract rates. The increased rates requested are my actual costs at present. This amendment will not increase the total estimated cost of labor as listed in the contract. I request this amendment to be made effective as of April 15, 1952.

Amendment number 2

Supplies:

Reduce "transportation" from $400 to $150.
Reduce "gasoline, oil, grease" from $1,250 to $1,000.
Increase "drill steel" from $50.00 to $300.
Add new item "repair parts" estimated cost $150.
Addnew item "miscellaneous" estimated to cost $100.

This amendment will allocate funds more in keeping with my actual expenses as estimated as of now. It does not increase the overall estimated cost of supplies as listed in the contract. I request this amendment to be made effective as of April 15, 1952.

Amendment number 3.

Purchase of Equipment:

2 mine cars 1-ton capacity - increase cost from $150.00 each to $193.80 each, total increase from $300.00 to $387.60, or an increase of $87.60.

I purchased one car from Western Mine Supply at Monticello, Utah on May 5, 1952. The actual cost was $190.00 plus 2% sales tax of $3.80, total cost $193.80. I request this amendment be made effective as of April 15, 1952.

Amendment number 4.

Purchase of Equipment:

Add one ventilating fan - estimated cost $500.00

Assoon as the drift gets in 50 feet beyond the old workings it will be necessary to install this fan for the safety of the men, and I will be compeled to do so by Utah State Law. I request this amendment be made effective as of May 1, 1952.

Amendment number 5.

Add new item - Accounting - $50.00 per month

The total estimated cost of accounting for this project is $350.00. I request that this item be added and a corresponding reduction be made in the estimated labor costs. I have retained a public accountant to do my bookkeeping work and prepare reports which are required. I request this amendment be made effective as of April 15, 1952.

Proposed amendments numbers 1, 3, and 4 were discussed with Mr. Shaw of your Denver office at the time the original contract was prepared. He Stated that the figures listed in the contract were only estimates, and that increases found to be necessary to complete the work would be allowed. All of the amendments requested are necessary in order to complete my contract with the Government.

Very truly yours,

/s/ Abe Day
ABE DAY

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

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

DATE: June 25, 1952

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

SUBJECT: Final Report, DM(E)A Docket 2155, Abe Day (Uranium) Vanadium Queen mine, La Sal Mining District, San Juan Co., Utah.

I concur with the recommendation made in the Field Team report that Government assistance for exploration be granted in proportion to a total cost of $11,304.

Arthur P. Butler, Jr.

Arthur P. Butler, Jr.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 26 1951

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

224 New Customhouse
Denver 2, Colorado

June 20, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2155, Contract Idm-E277, Abe Day, San Juan County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of April, 1952, pertaining to DMEA Docket 2155, Contract Idm-E277, Abe Day.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 23 1952

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

224 New Customhouse
Denver 2, Colorado

June 9, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration, Attention: Code 210

From: Field Team, Region IV

Subject: Final Report, DMA Docket 2155, (Uranium) Abe Day, Vanadium Queen Mine, San Juan County, Utah

Enclosed are the original and three copies of the final report on DMA Docket 2155.

The contract has been drawn and is in force.

W. H. King

W. H. King

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 12 1952

A. H. Koschmann

A. H. Koschmann

Enclosures

E-277 - contract executed within the delegation of authority of Region IV.

ON-SITE EXAM REPORT

Mining Division
Region IV

[illegible] Kan Gartenhouse
Denver 2, Colorado

February 6, 1952

Memorandum

To: Field Team, D.M.E.A., Region IV

From: Acting Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket [illegible], Abe Ray, (Uranium)
Vanadium Queen Mine, Lisbon Mining District, San Juan
County, Utah

Enclosed herewith are the original and nine copies of the Engineering Report by the Bureau of Mines and the same number of copies of the Section on Summary, Conclusions and Recommendations by the Geological Survey and Bureau of Mines examining team, pertaining to the subject application for Government assistance in exploration work estimated to cost $40,000.

The project has been recommended for approval on a revised basis estimated to cost $11,[illegible].

Government participation will be 90 per cent, or $10,173.60.

A copy of the application, Form MP-103, and a copy of the DMEA Report of Review are also attached.

W. H. King
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Received
JUN 12 1952

Reviewed by
DMEA OPERATING COMMITTEE
6-16-52
(date)

Mining Division
Date Rec'd.
JAN 1952
BUREAU OF MINES
Denver, Colorado

January 18, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 2155, Vanadium Queen Mine, San Juan County, Utah.

Enclosed are the original and 9 copies of the subject engineering report and Summary, Conclusions and Recommendations section. Copies of application and review are also attached.

Ten extra prints each of figures 2 and 3 have been mailed under separate cover.

Stephen R. Wilson

Stephen R. Wilson

Enclosures - 4

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

January 14, 1952

Memorandum

To: DMA Field Team, Region IV

From: A. H. Koschmann

Subject: DMA Docket 2156, Vanadium Queen Mine, LaSal Mining District, San Juan County, Utah.

Enclosed are ten copies of a geologic report by Byron J. Sharp of the U. S. Geological Survey covering the above docket. It has been recommended that the loan be approved.

The brochure will accompany this report.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (11)

Room 307, 320 South Main
Salt Lake City 1, Utah
11 January 1952

Memorandum

To: A. H. Koschmann, Field Team, Region IV

From: Ralph J. Roberts

Subject: DMA Docket 2155, Vanadium Queen Mine, LaSal Mining District, San Juan County, Utah.

Enclosed are ten copies of a geologic report on DMA Docket 2155, Vanadium Queen Mine, LaSal Mining District, Juab County, Utah.

The uranium ore at the Vanadium Queen Mine is localized in blanket-like deposits which thicken locally and form well defined rolls in sandstone lenses in the Salt Wash member of the Jurassic Morrison formation. The ore mined has averaged 2 percent V_2O_5 and 0.30 percent U_3O_8.

It is concluded that chances are good for the discovery of additional mineralized rolls by the exploration project outlined in the report. It is recommended that the Defense Minerals Administration enter into a contract with the applicant to do the proposed work. The government's share on a 90-10 participation basis will be $10,173.60.

The brochure will accompany this report and should be held in Denver pending arrival of the U. S. Bureau of Mines engineering report.

I concur with the recommendation of the examining geologist.

J. W. Hasler

for - Ralph J. Roberts

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

Docket DMA 2155, Vanadium Queen Mine

Lodal Mining District, San

Juan County, Utah

Byron J. Sharp, Geologist
U. S. Geological Survey

January 13, 1952

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By B. J. Sharp and R. L. Middleton

The Vanadium Queen mine in San Juan County, Utah, was examined during December 1951 for evaluation of a DMA exploratory loan. An application was submitted by the property owner, Abe Day, under docket DMA 2155. The mine has a record of production of uranium-vanadium ores.

The rocks in the area of the Vanadium Queen property are shales and sandstones of Jurassic and Cretaceous age. Uranium-vanadium mineralization is localized in blanket-like deposits which form rolls in sandstone lenses of the Salt Wash member of the Jurassic Morrison formation. The rolls attain lengths of 300 feet, and in some occurrences are 17 feet thick at the roll edge. Ores produced from the property since 1943 have averaged 2 percent V_2O_5 and 0.30 percent U_3O_8.

It is proposed that exploratory work on the project consist of 50 feet of adit rehabilitation, 450 feet of new adit, and 650 feet of underground percussion drilling. The adit is to be driven in a northeast direction with the objective being discovery of a repetition of roll structures. Favorable indications are to be explored by percussion drilling from the adit. The estimated total cost of the proposed project is $11,304.

The engineering and geologic aspects of the proposed exploratory project are sound. It is concluded that the possibilities for repetition of the mineralized rolls, within limits of the proposed drift, are good. It is recommended that a loan of $11,304 be granted to conduct the proposed exploration on the Vanadium Queen mine.

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ILLUSTRATIONS

Figure 1. Index map of Utah.

Figure 2. Detailed map of Vanadium Queen Mine, Lafal mining district, San Juan County, Utah.

Figure 3. Diagrammatic cross section of mineralized rolls at the Vanadium Queen Mine, Lafal mining district, San Juan County, Utah.

see maps in pocket under application

Docket DMA 2155, Vanadium Queen Mine

Lafal Mining District,

San Juan County, Utah

GENERAL

The rocks in the Lafal mining district are flat lying sandstones and shales of Jurassic and Cretaceous age. The Morrison formation of Jurassic age consists of two members: the basal Salt Wash sandstone which lies with apparent conformity upon the Summerville shales and sandstones, and the Brushy Basin shale which lies conformably upon the Salt Wash member. The Dakota sandstone of Cretaceous age rests conformably on the Brushy Basin shale.

The Vanadium Queen mine workings are in the lower portion of the Salt Wash member. This member consists largely of medium grained, buff to brown to grayish-white sandstone lenses interbedded with approximately an equal thickness of reddish-brown to grayish-green shale. The beds are essentially horizontal but dip as much as 3° to the north, and have been involved in very little structural deformation.

ORE DEPOSITS

Uranium and vanadium bearing ore is localized in blanket-like deposits which thicken locally and form well defined rolls in the sandstone lenses of Salt Wash member of the Morrison of Jurassic age. The rolls range from 50-300 feet in length and are as much as 17 feet thick at the roll edge (Fig. 3). Ore is also localized in stringers, and as local replacements

of some carbonaceous material. The ore minerals are carnotite, a potassium uranium vanadate, vanoxite, a hydrous vanadium oxide, and roscoelite, a vanadium mica.

In the Vanadium Queen Mine, the ore horizon is in the lowest sandstone lense of the Salt Wash member. Here the lense is about 45 feet thick and is underlain by several feet of green clay. The mineralized rolls trend in a northwest direction, and seem to be higher in grade where the rolls are in contact with the basal green clay.

A reported production of 10,000 tons of ore mined from these rolls by the applicant averaged .30 percent U_3O_8 and 2 percent V_2O_5.

ORE RESERVES

There is possibly a few hundred tons of ore assaying approximately 2 percent V_2O_5 and .30 percent U_3O_8 available in the present workings of the Vanadium Queen Mine.

No ore reserves have been blocked out, but, judging from the frequency of the mineralized rolls thus far mined, it is inferred that additional mineralized rolls may be discovered by exploration northeastward to crosscut the long axes of the rolls.

PROPOSED EXPLORATION

The applicant's original proposal was altered after a field conference with the examining geologist. Information obtained from the revised exploration program will be much the same as that outlined in the original exploration program.

The new program provides for a drift to be started at the main portal, and driven a distance of 500 feet N. 52° E. to crosscut the long axes of the mineralized rolls. (See fig. 2.) The drift should be driven just above the basal green clay which dips about 3° to the north. Eighteen drill holes, each 35 feet long, are to be allotted to explore favorable rolls or stringers exposed by the drift. The applicant estimates that the total cost of the program will be approximately $11,304.00.

The examining geologist believes this program to be geologically sound.

SUMMARY AND CONCLUSIONS

The uranium ore at the Vanadium Queen Mine, Lisbon mining district, Utah, is localized in blanket-like deposits which thicken locally and form rolls in sandstone lenses in the Salt Wash member of the Jurassic Morrison formation. The rolls are as much as 300 feet long and as much as 17 feet thick at the roll edge. The ore mined has averaged 2 percent V_2O_5 and .30 percent U_3O_8.

Measured ore reserves are small, but it is inferred that several additional mineralized rolls may be present in the block extending 500 feet in a northeast direction from the main portal.

It is concluded that the chances are good for the discovery of additional mineralized rolls by this exploration Project, and it is recommended that the Defense Minerals Administration enter into a contract with the applicant to do the proposed work. The government's share would be $10,173.60.

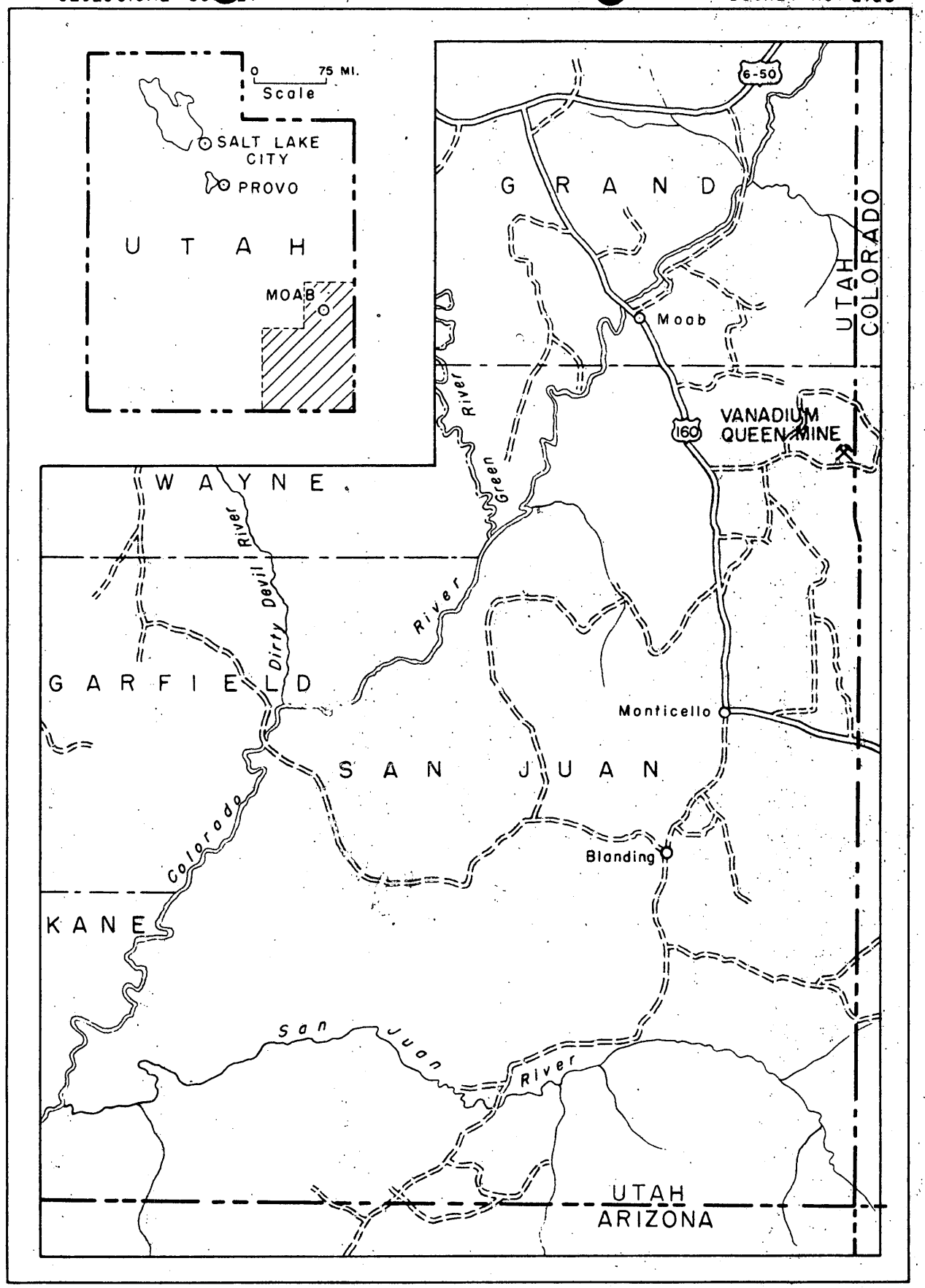

FIG. I INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

VANADIUM QUEEN MINE
SAN JUAN COUNTY, UTAH
DMA 2155
Uranium

Engineering Report

By R. L. Middleton
Mining engineer
Bureau of Mines

VANADIUM QUEEN MINE
SAN JUAN COUNTY, UTAH

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ILLUSTRATIONS

Fig. 1 Location map, Vanadium Queen Mine, San Juan County, Utah
Fig. 2 Property map
Fig. 3 Plan of underground workings

see maps in pocket under application

INTRODUCTION

A preliminary examination of the Vanadium Queen mine was made December 27, 1951, by Byron Sharp of the Geological Survey and R. L. Middleton of the Bureau of Mines, accompanied by Abe Day, the owner. The purpose of the examination was the evaluation of a DMA uranium exploratory loan application. The loan applicant has revised his exploratory program as originally submitted. Cost of the revised program is to be $11,304.00.

LOCATION AND PHYSICAL FEATURES

The Vanadium Queen mine is located in the La Sal mining district, northeastern San Juan County, Utah. The property lies within the La Sal National Forest, 10 miles east of La Sal, Utah, in Sec. 29, T. 28 S., R. 26 E., S.L.B.M. (fig. 1). The property is reached by traveling U. S. Highway 160 south 25 miles from Moab, thence east 22 miles by way of graveled State Highway U 46. From this point, a steep-graded, good-conditioned mountain road extends 1 mile north to the mine. Thompson, Utah, 38 miles north of Moab, is the nearest railroad shipping point. Ores mined from the Vanadium Queen property are shipped to the U. S. Vanadium Corp., uranium-vanadium ore-buying station at Thompson.

The mine area landscape of high mesas, cliffs, and deep canyons, is typical of the Colorado Plateau province. The mine is located on the north slope of La Sal Creek Canyon, which is steep, precipitous, and V-shaped. Though the altitude of the area is approximately 7,000 feet, winter conditions are not severe, and ordinarily the depth of

snow does not interfere with mining operations. La Sal Creek, which drains the south portion of the La Sal Mountains, affords a year-around water supply. Sawed timbers can be obtained from sawmills in the mine area.

HISTORY AND PRODUCTION

The Vanadium Queen mine production records prior to 1943 are not available, but it is reported the mine produced 20,000 tons of uranium-vanadium ores. In 1943, Abe Day purchased 6 lode claims, and since that year, 10,000 tons of ores containing 2 percent V_2O_5 and 0.30 percent U_3O_8 have been mined. The U. S. Atomic Energy Commission certified the property eligible for bonus payments. During the period April 1948 to October 1951, the mine produced 10,000 pounds of U_3O_8, and because of this production, the mine is no longer eligible for bonus payments. The mine has been idle since October 1951.

OWNERSHIP AND EXTENT

The Vanadium Queen underground workings are located on the Vanadium Queen No. 1 unpatented lode claim (fig. 2). This claim, together with five adjacent full-dimensioned, unpatented lode claims, comprises the property. Abe Day, Moab, Utah, is mine owner and operator.

DESCRIPTION OF THE DEPOSITS

The uraniferous deposits in the Vanadium Queen mine occur in the Morrison sandstone formation of Jurassic age. The Morrison is exposed beneath the Dakota formation, which forms the rim rock of La Sal Canyon. The lower member of the Morrison formation, the Salt Wash sandstone,

in which the uranium occurs, is approximately 15 feet in thickness, strikes generally east and west, and dips 2 to 3 degrees northward. The ore-bearing sandstone, which appears to be thinning to the east, is overlain and underlain by non-ore-bearing clay strata.

The uranium occurs chiefly as carnotite, with smaller quantities of vanoxite and roscoelite. These minerals impart a dark gray color to the sandstone, which darkens as the vanadium content increases. Ore bodies, as a whole, are erratic in size and dimension, but the distribution of carnotite within the mineralized beds in relatively uniform. The grade of ore selectively mined contains approximately 0.30 percent uranium oxide and 2 percent vanadium oxide. Limits of the tabular ore bodies generally grade into the enclosing sandstone, but occasionally the limits are clearly defined by concretion-like masses known as rolls. The rolls are recognized as a structure when an ore-bearing bed crosses the enclosing sandstone bedding in a smooth, curved surface. At the Vanadium Queen mine, the flanks of the roll and the area between intersecting rolls has been productive. Ore deposition indicators, other than the roll structure, are carbonaceous material, fossilized wood, altered limonitic-stained sandstone, and alteration of the clay underlying the ore-bearing sandstone. Although the 2- to 3-degree dip of the Morrison formation is generally uniform, there are minor undulations of the base of the ore-bearing sandstone. This, together with the adverse dip, precludes utilization of gravity for movement of loaded cars to the surface.

MINABLE ORE RESERVES

Ore reserves in the Vanadium Queen mine consist of a few hundred tons of ores in the form of support pillars. Mining of these pillars would probably necessitate abandonment of portions of the mine.

PRESENT STATUS

The Vanadium Queen mine workings consist of four adits driven from the outcrop of the ore-bearing sandstone. The adit portals are approximately at the same elevation and follow the ore down the dip at angles of 2 to 3 degrees (fig. 2). Drifts and crosscuts total approximately 1,400 feet. Stopes have been mined to widths of 15 to 20 feet and heights of 10 to 12 feet along the axis of several rolls. Present condition of the mine is poor, due to low backs along haulage-ways and lack of a systematic mining method.

PROJECT PROPOSALS, WITH COSTS

The proposed exploration project consists of 50 feet of adit rehabilitation, 450 feet of new adit, and 650 feet of underground percussion drilling. It is proposed an adit be driven in a northeast direction with the intention of discovering a repetition of roll structures (fig. 3). When favorable indications for ore occurrence are encountered, it is proposed to drill and sample these indications. It is estimated that percussion drilling, using a 45-pound jackhammer, will explore areas 35 to 40 feet from the drift. The estimated costs per foot of drift rehabilitation, drifting, and percussion drilling are $0.40, $18.92, and $7.60 respectively. A total of 150 working

days will be required to complete the project.

Cost of Drifting (4 feet of advance per day)

Labor: 1 miner	at $13.50 per shift	$ 39.50
1 mucker	at $12.00 per shift	
1 miner and supervisor	at $14.00 per shift	
Insurance, compensation, etc., payroll	at 10 percent of	3.95
Fuel - gasoline and oil for compressor		10.00
Explosives - powder, fuse and caps		8.00
Equipment depreciation (company owned)		4.30
Equipment maintenance		1.00
Transportation of supplies		1.50
Assaying		1.00
Pipe, 2-inch air		1.36
Rail, 12# with bolts, splice bars, and spikes		3.00
Steel		.40
Timber, ties only		.68
Miscellaneous		1.00
Total cost for 4-foot advance		$ 75.69

Cost per foot - $\frac{\$75.69}{4}$ = $18.92

It is estimated 50 feet of drift can be rehabilitated for $7.60 per foot.

Total cost for drift rehabilitation ---------- $380.00

It is estimated 650 feet of percussion drilling can be done for $0.40 per foot.

Total cost of percussion drilling ---------- $260.00

Operating Equipment (Mine owned)

	Fair Value
1 portable, Jaeger compressor, 150 cu. ft. per min.	$3,500
1 jackhammer, IR-S49, with jackleg	500
1 dump truck, 2-ton, 1950 model	3,600
50 feet 1-inch air hose	65
50 feet 3/8-inch water hose	35
1 water-pressure tank	50
Miscellaneous small tools	100
Total value	$7,850

Depreciated over 60 months -

$\frac{\$7850}{60}$ = $130.83 monthly depreciation

$4.30 daily depreciation

(365 working days per year)

Supplies (to be purchased)

550 feet 2-inch pipe at $0.31 per foot	$ 170.50
600 feet 12# rail with accessories	450.00
3 sets drill steel, 2-ft., 4-ft., 6-ft.	50.00
Timber, 4 x 6 ties	100.00
Powder, fuse and caps	900.00
Gasoline and lubricants	1,125.00
	$2,795.50

Operating Equipment (to be purchased)

2 mine cars, 1-ton, used	$ 300.00
1 Eimco locomotive, air operated	1,600.00
	$1,900.00

Facilities

Two wood-sided buildings will be required, one 12' x 14', tar paper-lined cabin to accommodate two workmen; and one 10' x 12' tool and compressor house.

3,000 bd. feet lumber at $50.00 M bd. feet	$ 150.00
Door and windows	25.00
Tar paper and roofing paper	50.00
Miscellaneous	25.00
	$ 250.00

Labor and Supervision

1 miner-supervisor	at $14.00 per 8-hr. shift
1 miner	at $13.50 per 8-hr. shift
1 mucker	at $12.00 per 8-hr. shift

SUMMARY OF PROJECT COSTS

450 feet of drift at $18.92	$8,514.00
50 feet of drift rehabilitation at $7.60	380.00
650 feet of percussion drilling at $0.40	260.00
Equipment purchase	1,900.00
Facilities	250.00
	$11,304.00

Due to the high cost and short project time, the purchase of a compressed-air-operated locomotive is not desirable. At present, this item apparently is not available on a rental basis; however, if a contract is signed for this project, it is possible a locomotive would be available at a later date.

The sandstone does not require timber supports, and with the exception of timber for ties, this cost has been intentionally omitted.

Sludge samples from the percussion drill holes will be collected by conventional methods.

Special detachable bits will be used in drilling. The operator has a sufficient supply of bits to complete the proposed work. The bits are obtained from a manufacturer at Monticello, Utah, and are low in cost.

CONCLUSIONS AND RECOMMENDATIONS

The engineering aspects of the proposed exploratory project are feasible. The possibilities of encountering a repetition of the uranium mineralized roll structures to the north, and within limits of the proposed drift, are good. Discovery of mineralization in this area could possibly equal the tonnage and grade of ores previously

mined from the property. It is recommended that a loan of $11,304 be granted for exploration on the Vanadium Queen mine, as outlined in this report.

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

224 New Customhouse
Denver 2, Colorado

April 15, 1952

REGISTERED MAIL

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract Idm-E277, Docket DMA 2155, Abe Day, Moab, Utah

Enclosed are the original and three copies of Contract Idm-E277, Docket DMA 2155. All copies have been signed by the applicant and by the Regional Director, Region IV.

One copy of this contract has been given to the operator and a copy has been retained for our files.

W. H. King
W. H. King, for
J. H. East, Jr.

Enclosures

RECEIVED
APR 23 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 10 1952

April 7, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Docket 2155, Contract Idm-E277, Abe Day, Moab, Utah, Uranium

Contract Idm-E277 has been corrected as suggested in your memorandum dated March 26, 1952. The Government's share in the cost has been changed from 86.8 percent to 90 percent. In calculating the total cost of the project you used $450.00 for the allowable rental on the trammer and arrived at a total of $10,850.00. The total allowable rental on the trammer as indicated in your letter would be $500.00 of which the Government would reimburse the operator for $450.00. This figure of $500.00 was used in calculating the total cost of the project which is $10,900. The total sum paid by the Government is $9,810, which is the original amount.

W. H. King
W. H. King, for
J. H. East, Jr.

Docket

FILE COPY
SURNAME:

Johnson

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

MAR 2 6 1952

AIR MAIL

Mr. J. H. East, Jr.,
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: DMA Docket No. 2155
Abe Day (Uranium)
Moab, Utah
Exploration Project
Contract Dma-E277

Dear Mr. East:

This will acknowledge receipt of your letter of March 17, 1952, and enclosed six executed copies of the subject contract.

We note that your office believes that the Operator should be reimbursed by the Government for rental of an air trammer for a maximum amount of $450.00, instead of the actual rental in the amount of $900.00, inasmuch as hand tramming would be satisfactory for the exploration project. We also note that in order to take care of this reduction in rental you have reduced the percentage of the Government's share in the cost of the project from 90% to 86.8%.

You of course realize that the ratio of the Government's contribution to the total cost depends upon the mineral or minerals which are the subject of exploration, and therefore, cannot be changed because of the presence of other factors not related to the minerals sought. The only cases where the percents stipulated in DMEA Order No 1 can be changed, are where two or more minerals occur together, towards each of which the Government will contribute a different percent for exploration; such as, in the case of copper and tungsten occurring together, or cobalt and lead. In such cases the percent of the Government's contribution would be prorated with respect to the value of each mineral.

The proper way to handle the situation referred to in your memorandum is to specify the maximum allowable rental of the air trammer for which the Government will contribute its share. In Exhibit "A", under the heading "Operating Equipment", sub-heading "To be Rented", you would insert "One air trammer at $75.00 per month - $500.00 maximum allowance". Thus, reimbursement to the Operator by the Government would be limited to 90% of $500.00, which is $450.00, the amount of rental intended to be repaid by the Government to the Operator.

It will be necessary to draft a new contract by correcting Form MF-200, changing the percent of Government participation from 86.8% to 90%, and the total amount of the contract from $11,300.00 to $10,850.00, and revising the first page of Exhibit "A" to correspond with the changes indicated above.

Pursuant to our discussion with you we are returning the six copies of the contract herewith. We have recorded the number of the contract as Idm-E277, and the date as March 17, 1952. The revised contract should show this contract number and date. It will not be necessary to return all six copies of the contract to this office after it is revised; but only the original and three copies.

Sincerely yours,

C. O. Mittendorf (fw)

Acting Administrator
Defense Minerals Exploration
Administration

S.N.
3-26-52

Enclosures (6)

FEJohnson/bih
3/25/52
cc to: Docket
Admr's Reading File
Operating Committee
Messrs. Ellis
FEJohnson

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

224 New Customhouse
Denver 2, Colorado

March 17, 1952

AIR MAIL

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 1 8 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract, DMA Docket 2155, Abe Day, Moab, Utah

Enclosed for a contract number are six copies of an exploration project contract which have been signed by Abe Day, Operator, and the Regional Director, Region IV, U. S. Bureau of Mines.

A controversy was involved in the preparation of this contract. The operator insisted that an air trammer was necessary for the successful operation of the project because the tunnel was to follow an irregular clay seam and it would be necessary to push loaded cars up a grade. This office felt that inasmuch as the length of the tram ranged from 50 feet to 500 feet the cars could be pushed by hand.

We arrived at a compromise with the operator which provided for an air trammer at a rental of $150.00 per month. It was mutually agreed between the Government and the operator that the Government would reimburse the operator for only 50 percent of the rental of the air trammer, or a maximum of $450.00. Accordingly, the Government will reimburse the operator for 86.8 percent of the approved costs incurred instead of 90 percent which is customary for uranium projects.

Kindly expedite the processing of this contract because if the operation has not been started before the spring thaw, it will involve additional expense.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

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

February 21, 1952

Memorandum

To: Mails and Files

From: Grace L. Ault, Secretary
Rare and Misc. Metals Division

Subject: Abe Day - Docket No. DMA-2155 (Uranium)
Moab, Utah

The above docket, which was included in material referred to this Division today with list dated February 20 showing dockets under the commodities of this Division which were transferred to Field Offices prior to January, 1952, is returned herewith for the following reason:

The attached carbon copy of memorandum dated February 7, 1952, by Region IV Field Team to the Operating Committee advises that the application has been approved on the basis of a revised work program estimated to cost $11,304 (whereas the application estimated the cost to be $40,000), with Government participation of 90 percent, or $10,173.60, thus bringing it within the authority delegated to the Field Team, Region IV, for processing applications not exceeding $25,000 Government participation. The original copy of this memorandum was not received by this Division.

Accordingly, we have closed our file on this docket.

Attachment - Docket file DMA-2155

Grace L. Ault

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 11 1952

February 7, 1952

86.6

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Field Team, DMEA, Region IV

Subject: Final Report, DMA Docket 2155, Abe Day (Uranium) Vanadium Queen Mine, LaSal Mining District, San Juan County, Utah

The subject application was for Government assistance in exploration work estimated to cost $40,000 with Government participation to be 90 per cent, or $36,000.

However, based on the recommendations of the examining team, the application has been approved on the basis of a revised work program estimated to cost $11,304.

Government participation will be 90 per cent, or $10,173.60, which brings it within the authority delegated to the Field Team, Region IV, for processing applications not exceeding $25,000 Government participation, therefore a contract is being prepared in this office.

A copy of the Final Report will be forwarded after the contract is processed.

J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Copy of this memo. to Rare & Mins. Metals Div.
2/13/52 - B.E.

330
FILE COPY
SURNAME:

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

Gordon
Bennett
Mom
Hayes

NOV 1 4 1951

Mr. Abe Day
Box 341
Moab, Utah

Re: Uranium
DMA-2155

Dear Mr. Day:

Your application, docket 2155, for an exploration project in the amount of $40,000.00, has been received by the Minor and Rare Metals Branch of the Supply Division.

Before a decision can be reached on your request we find it is necessary to obtain additional information on your property. Your application therefore is being referred to the office of the Executive Officer of DMA field team IV, Mr. J. H. East, 224 New Customhouse Building, Denver, Colorado, who will get in touch with you if necessary.

Yours very truly,

SIGNED
Ted Lyon, Director
Supply Division

cc 11/14

EGordon/mh 11-2-51
cc: Adm. Read. File
DMA docket file
Keiser, USGS
Hosted, USGS
Minor and Rare Metals Branch
Lyon

Abe Day.
Box 34I
Moab Utah.

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 30 1951
Defense Minerals Administration,
Production Expansion Division.

DMA- 2I 55

Subject: DMA-2I55
Re: Exploration
~~Oct.~~- Nov. 9- I95I

RARE + LIGHT METALS

Mr.Robert E. Adams.
DMA-docket#2I55
Was returned to me for signature I signed the same and returned it.
I am wondering if it has been lost in the mail or if it has been misplaced.
If you can give me any information on this I would be very mutch obliged,as I am very anxious to get this project under way.

Yours Truly.

Abe Day.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 14 1951

OFFICAL FILE COPY

To	Initials	Date

FILE COPY
SURNAME:

Gordon Bourret.

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

OCT 24 1951

A.E.C.

Mr. Abe Day
Moab, Utah

Re: DMA docket 2155
Uranium

Dear Mr. Day:

With reference to your application for an exploration project dated October 8, 1951, we herewith return the original applications for your signature on each copy.

Please return the application as promptly as possible.

Yours very truly,

Weston Bourret

Weston Bourret, Chief
Minor and Rare Metals

cc 10/24

EGordon/mh 10-19-51
cc: Adm. Read. File
DMA docket file
Minor and Rare Metals
Keiser, USGS
Hosted, USGS

[illegible]
[illegible]
[illegible]
[illegible]

Mr. J. H. East, Jr.
224 New Customhouse Building
Denver, Colorado

Dear Mr. [illegible]

We refer to "Review of Application for Prospecting Permit, [illegible]

Docket No. DMA-2155

Commodity Uranium

Applicant Abe Day

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Chairman
Coordinating Committee

For the Bureau of Mines

For the Geological Survey

October 15, 1951

Subject: DMA-2155
Re: Exploration

Abe Day
Moab, Utah

My dear Mr. Day:

This will acknowledge receipt of your application dated October 8, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA-2155 and referred to the Minor & Rare Metals Branch.

Kindly refer to DMA-2155 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

2463

dma 2155

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D.C.

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

OCT 12 8 44 AM '51

224 New Customhouse
Denver 2, Colorado

October 9, 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Application, Form MF-103

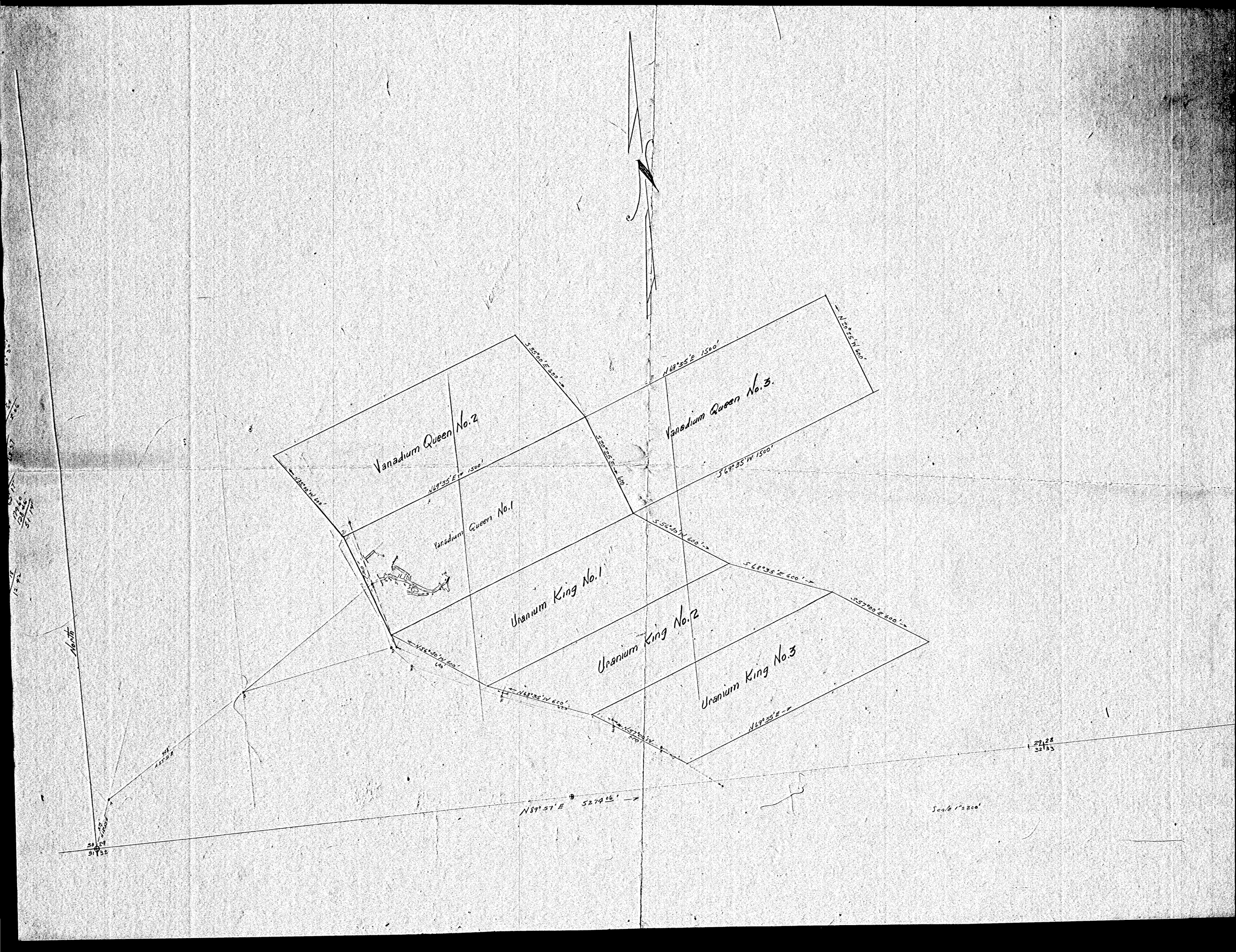
Enclosed herewith is application for exploration aid, Form MF-103, for the following:

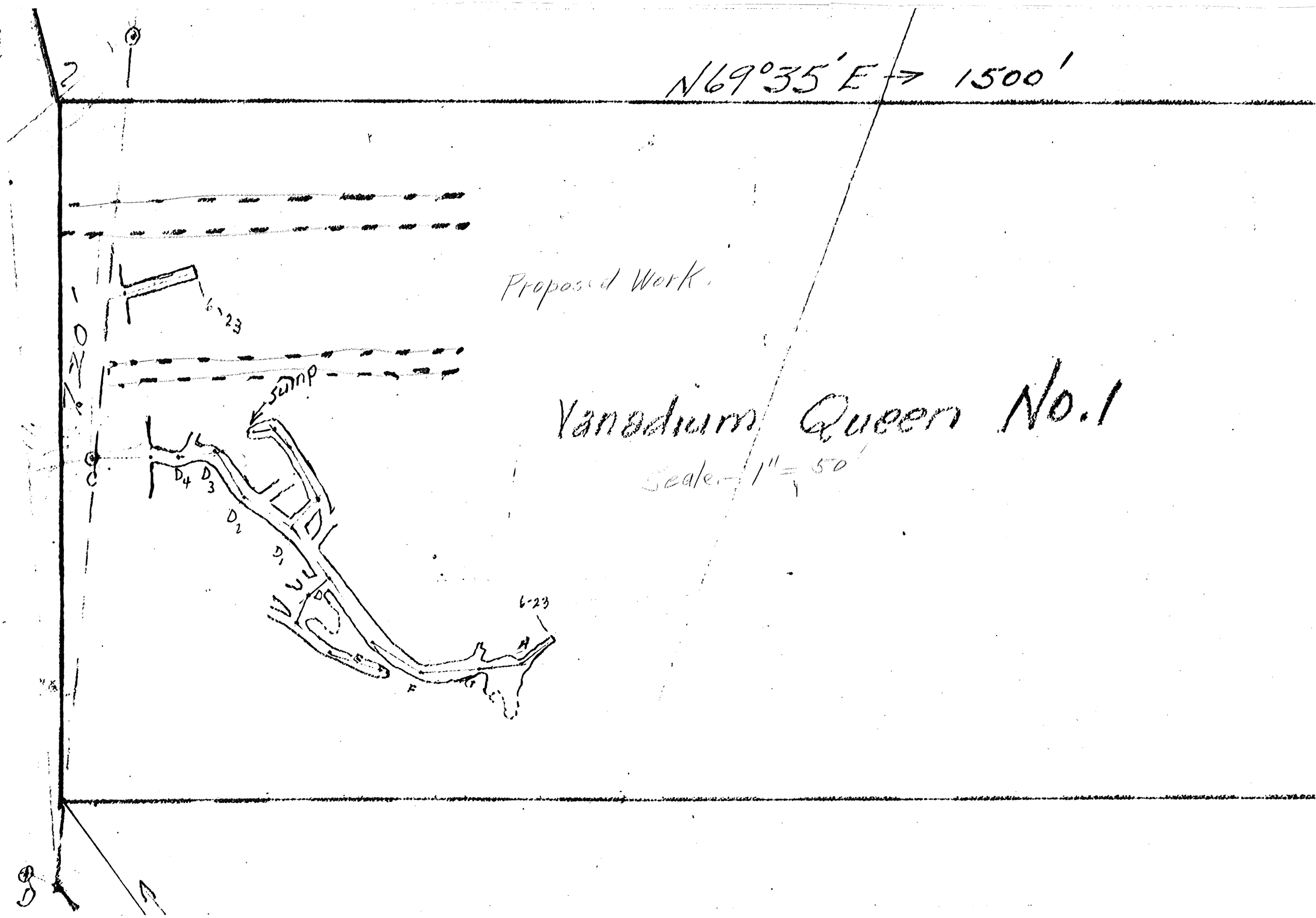
Abe Day
Moab, Utah

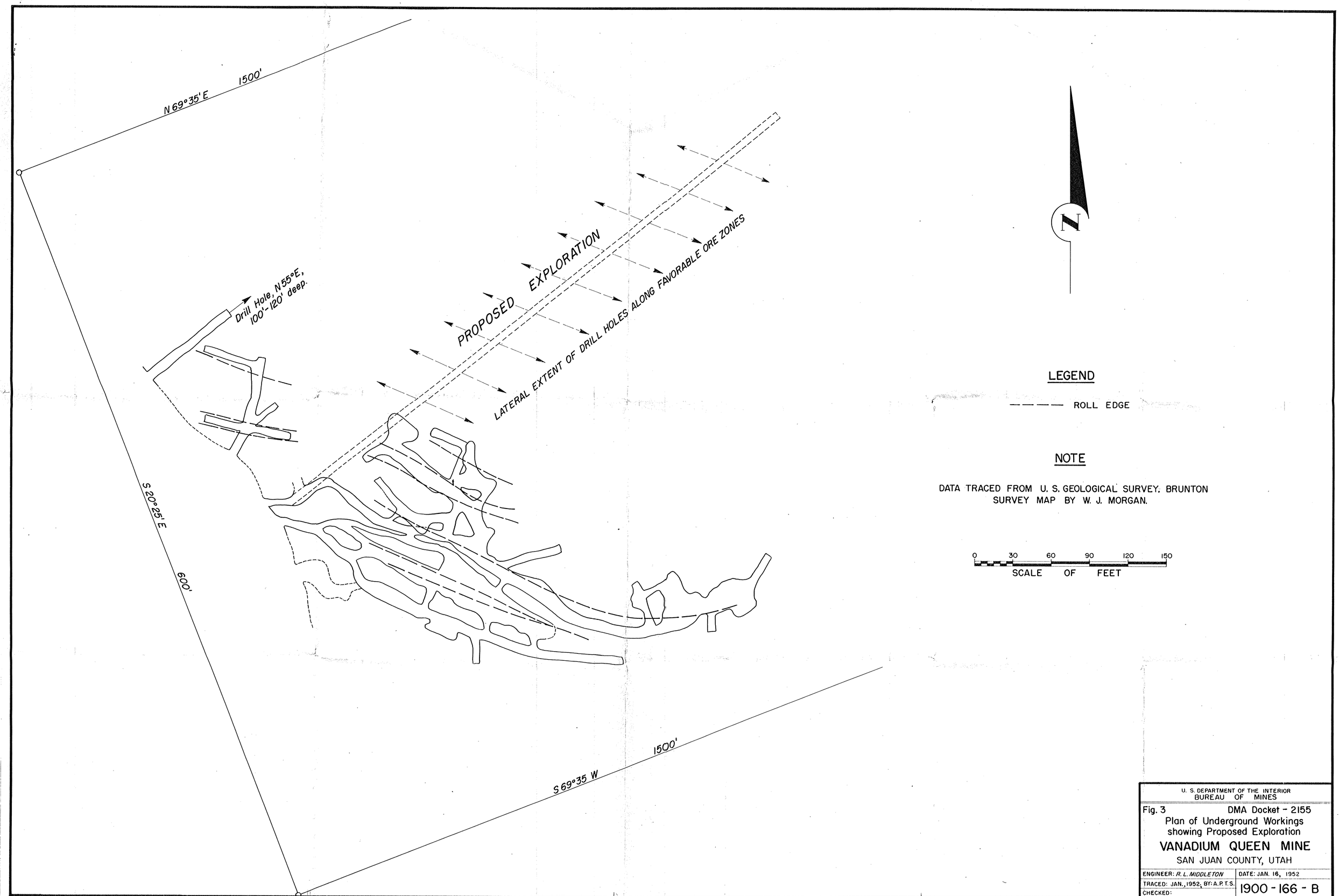
J. H. East, Jr.

J. H. East, Jr.

Enclosures


Vanadium Queen No.2
Vanadium Queen No.1
Vanadium Queen No.3.
Uranium King No.1
Uranium King No.2
Uranium King No.3
N69°35'E 1500'
S 35°00'E 600'
S 20°25'E 600'
N 20°25'W 600'
S 69°35'W 1500'
N 35°00'W 600'
S 56°40'W 600'
S 69°35'E 600'
S 57°00'E 600'
N 56°40'W 600'
N 69°35'W 600'
N 57°00'W 600'
N 69°35'E
N 87°57'E 5274.06'
Scale 1"=200'
North
30 29
31 32
27 28
32 33


N69°35'E → 1500'
Proposed Work.
Vanadium Queen No.1
Scale - 1" = 50'
N20°
swamp
6-23
6-23
D4
D3
D2
D1
A
E
F
G


N 69°35' E 1500'
Drill Hole, N 55°E, 100'-120' deep.
PROPOSED EXPLORATION
LATERAL EXTENT OF DRILL HOLES ALONG FAVORABLE ORE ZONES
S 20°25' E
600'
S 69°35 W
1500'
N
LEGEND
ROLL EDGE
NOTE
DATA TRACED FROM U. S. GEOLOGICAL SURVEY. BRUNTON SURVEY MAP BY W. J. MORGAN.
0 30 60 90 120 150
SCALE OF FEET
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. 3
DMA Docket - 2155
Plan of Underground Workings showing Proposed Exploration
VANADIUM QUEEN MINE
SAN JUAN COUNTY, UTAH
ENGINEER: R. L. MIDDLETON
DATE: JAN. 16, 1952
TRACED: JAN., 1952, BY: A. P. T. S.
CHECKED:
1900 - 166 - B

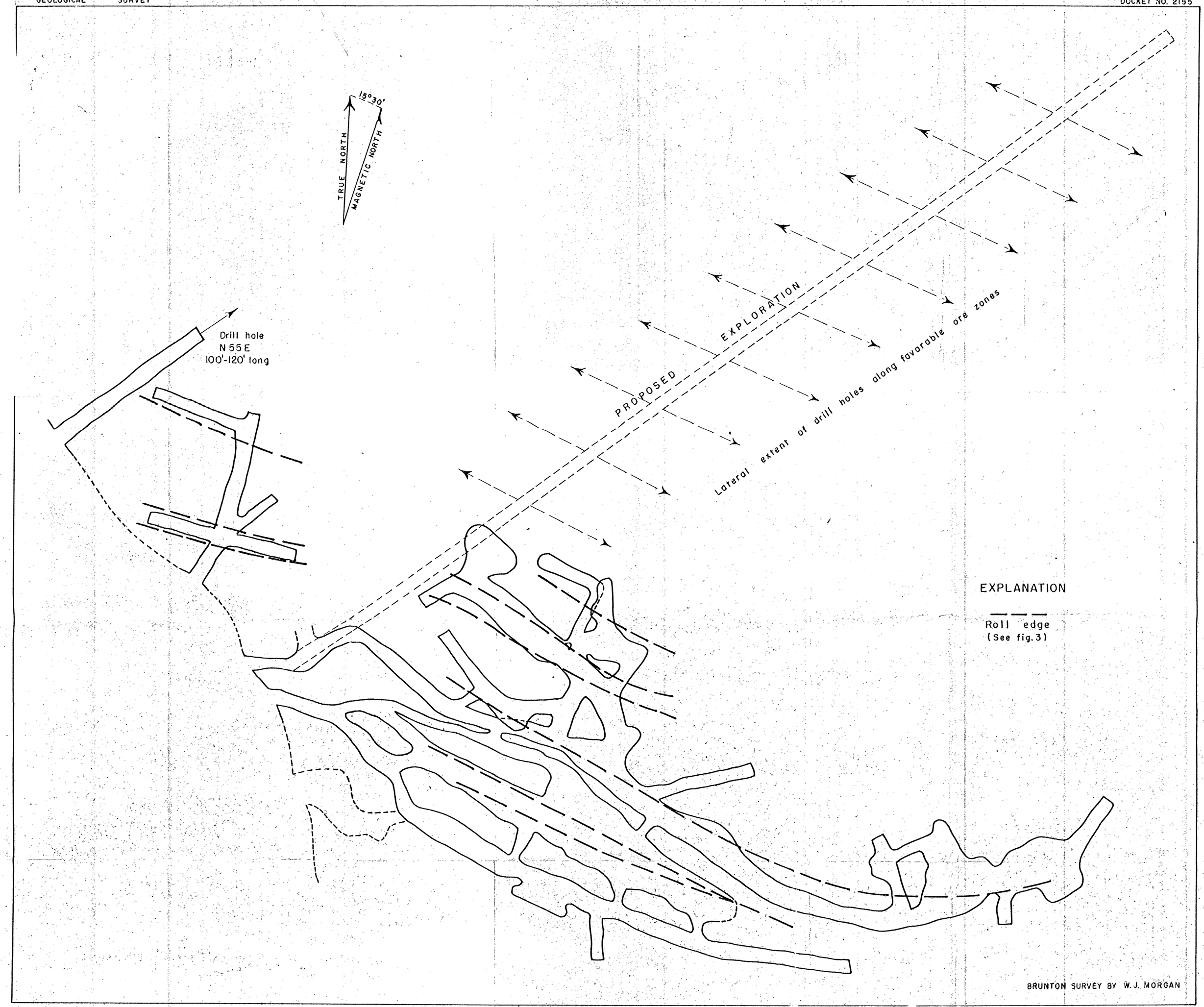


FIG. 2

VANADIUM QUEEN MINE
LaSal Mining District
San Juan Co., Utah

0 30 60 90 FEET
Scale

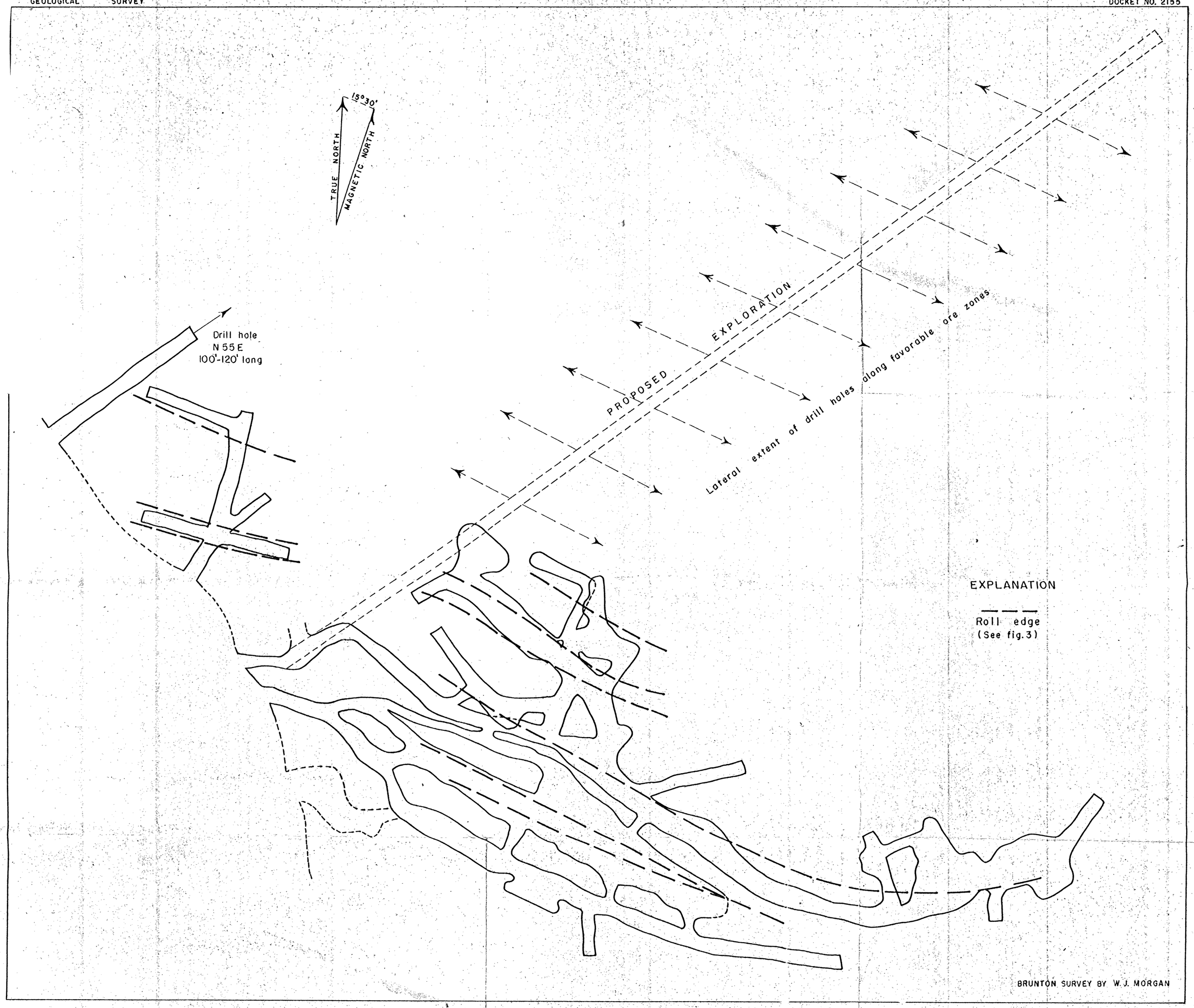
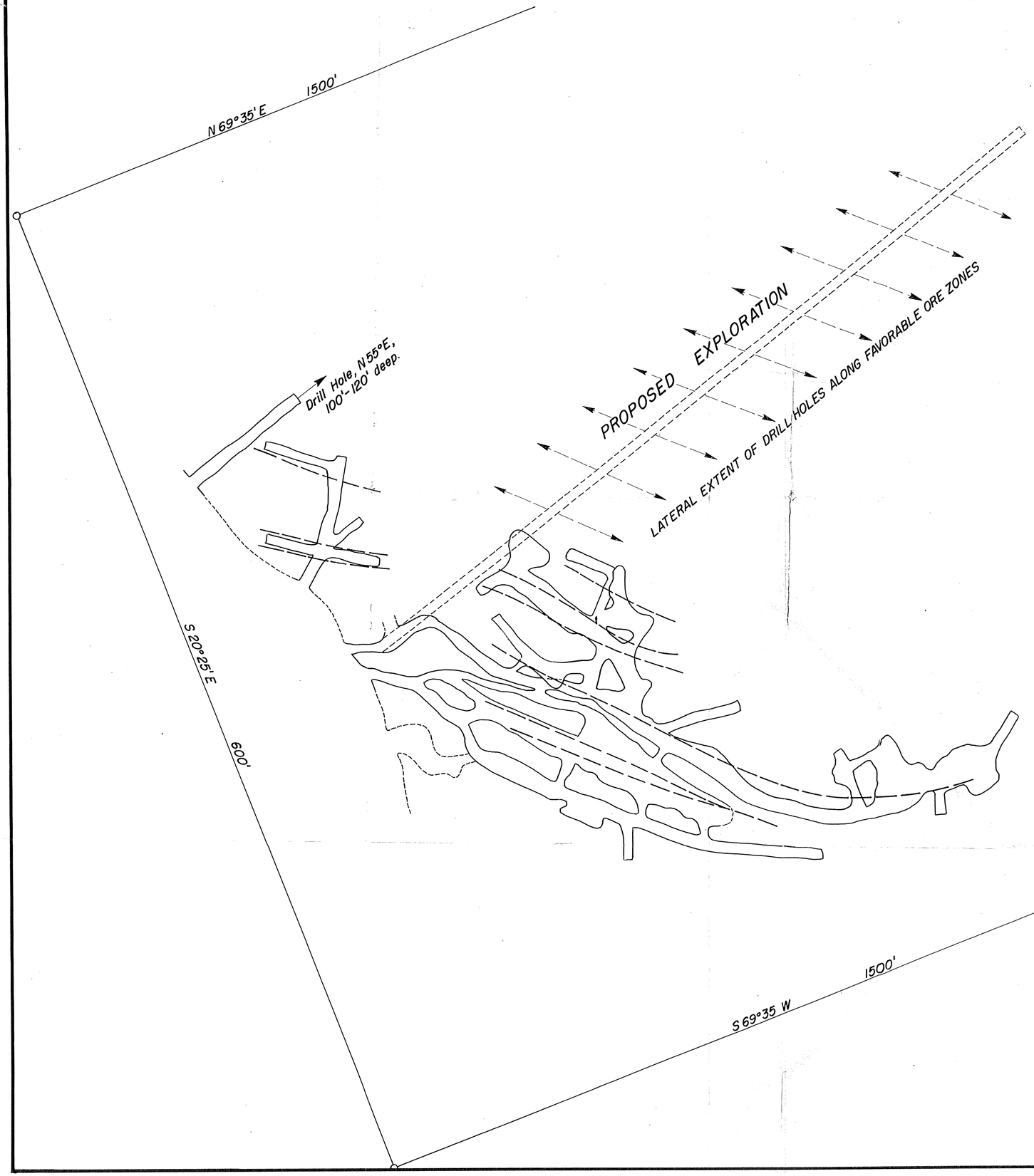


FIG. 2

VANADIUM QUEEN MINE
LaSal Mining District
San Juan Co., Utah

0 30 60 90 FEET
Scale



N

LEGEND

— — — — ROLL EDGE

NOTE

DATA TRACED FROM U. S. GEOLOGICAL SURVEY. BRUNTON SURVEY MAP BY W. J. MORGAN.

0 30 60 90 120 150
SCALE OF FEET

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

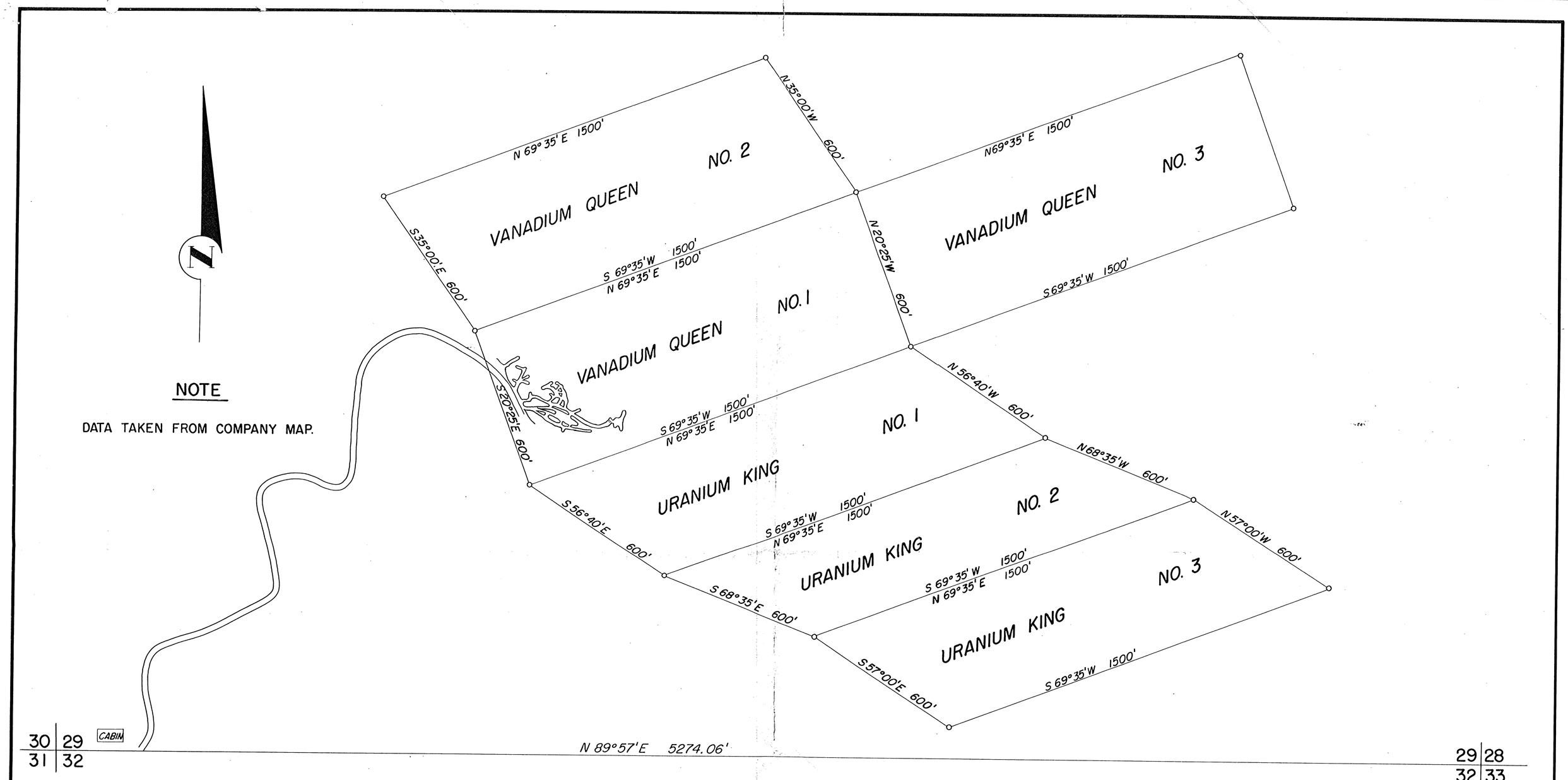
Fig. 3 DMA Docket - 2155

Plan of Underground Workings showing Proposed Exploration

VANADIUM QUEEN MINE

SAN JUAN COUNTY, UTAH

ENGINEER: *R. L. MIDDLETON*	DATE: JAN. 16, 1952
TRACED: JAN., 1952, BY: A. R. T. S.	1900 - 166 - B
CHECKED:	



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 2 DMA Docket - 2155

Claim Map

VANADIUM QUEEN MINE

SAN JUAN COUNTY, UTAH

ENGINEER: R. L. MIDDLETON	DATE: JAN. 15, 1952
TRACED: JAN., 1952, BY: A. P. T. S.	1900 - 165 - C
CHECKED:	