STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

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

DATE: September 25, 1953

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

SUBJECT: Final Field Team Report, DMEA Docket 2761 (uranium) Beaver Uranium Co., Applicant; HBH, KO, Canary, and H & H claim groups, North Creek Area, Secs. 9, 10, 15, 16, 21, and 22, T. 28 S., R. 6 W., Beaver Co., Utah.

The Field Team Report on results of examination of the property identified in the subject above recommended denial of the application, and it was denied by the Field Team in Region IV. The report has been reviewed and discussed with H. D. Keiser, Bureau of Mines Member, Uranium Commodity Committee, and J. O. Hosted, Atomic Energy Commission.

The applicant proposed building an access road, ground and aerial radioactivity surveys, and bulldozer trenching to prospect for uranium.

Uranium minerals occur in volcanic rocks. In part the distribution is related to cross-cutting structures such as faults and in part to layers of different kinds of volcanic rocks. Samples show that rock of commercial grade occurs locally and in very small amounts near a fault cutting latite (?) porphyry on the KO claim. This showing has been explored by a small incline. Elsewhere samples taken from surface trenches and other adits contain a maximum of 0.04 percent U_3O_8.

The Field Team believes that the amount of ore exposed in the KO incline is insignificant and that the generally small uranium content of samples from the best showings in other parts of the claims indicate that the chance of finding uranium ore bodies of minable tonnage and grade is not good. They therefore recommend denial of the loan.

Geologic aspects of the application were discussed with a representative of the Salt Lake Exploration Branch, Division of Raw Materials, AEC.

Conclusion

I concur with the recommendation of the Field Team that Government assistance for exploration be denied.

Arthur P. Butler, Jr.

Copies to: E. Wm. Ellis (2)

original to Docket

IN REPLY REFER TO:

913

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

September 25, 1953

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

Final Field Team Report, DMEA Docket 2761 (uranium) Beaver Uranium Co., Applicant; HBH, KO, Canary, and H & H claim groups, North Creek Area, Secs. 9, 10, 15, 16, 21, and 22, T. 28 S., R. 6 W., Beaver Co., Utah.

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Geologic aspects of the application were discussed with a representative of the Salt Lake Exploration Branch, Division of Raw Materials, AEC.

Conclusion

I concur with the recommendation of the Field Team that Government assistance for exploration be denied.

Copies to: E. Wm. Ellis (2)

AB

IN REPLY REFER TO:

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

Grand Junction Operations Office
RECEIVED
SEP 28 1953

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

September 25, 1953

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

Final Field Team Report, DMEA Docket 2761 (uranium) Beaver Uranium Co., Applicant; HBH, KO, Canary, and H & H claim groups, North Creek Area, Secs. 9, 10, 15, 16, 21, and 22, T. 23 S., R. 6 W., Beaver Co., Utah.

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Geologic aspects of the application were discussed with a representative of the Salt Lake Exploration Branch, Division of Raw Materials, AEC.

Conclusion

I concur with the recommendation of the Field Team that Government assistance for exploration be denied.

Copies to: E. Wm. Ellis (2)

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

Orig. in Docket

September 23, 1953

Memorandum

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

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

Subject: Final Report, DMEA Docket 2761, Gerald Gidwitz - Beaver Uranium Co., Beaver County, Utah

I have reviewed the subject report and discussed it with Arthur P. Butler, Geological Survey Member.

I concur with the Field Team in denial of the application involved under the subject docket.

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

Signed
H. D. Keiser

9/21/53

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

224 New Customhouse
Denver 2, Colorado

September 9, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2761 (Uranium), Gerald Gidwitz-Beaver Uranium Company, Beaver County, Utah.

Enclosed are four copies of the final report on the subject docket, a copy of the letter of denial to the applicant and two copies of Form 3b.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

DENIED

Reviewed by
DMEA OPERATING COMMITTEE
9-21-53
(date)

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

224 New Customhouse
Denver 2, Colorado

September 9, 1953.

Mr. Gerald Gidwitz - Beaver Uranium Company
628 Rood Avenue
Grand Junction, Colorado

Re: Docket No. DMEA-2761

Dear Mr. Gidwitz:

Reference is made to your application for Government aid on the North Creek Area.

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

A careful study of your property and data available to this agency reveals that the probability of disclosing mineable reserves of uranium by your proposed exploration program is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

W. H. King

W. H. King
Field Team, Region IV

HMC:cwm

cc: Subject
SRWilson
Administrator, DMEA
Ralph Roberts
Ernest E. Thurlow
AHKoschmann (2)
Chron.

A. H. Koschmann

A. H. Koschmann
Field Team, Region IV

Reviewed by
DMEA OPERATING COMMITTEE

9-21-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

September 9, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2761 (Uranium), Gerald Gidwitz - Beaver Uranium Company, Beaver County, Utah.

Enclosed are eleven copies of a final geologic and engineering report on the subject docket.

The applicant requested $20,834.50 for an access road, bulldozer trenching and a scintillometer survey. The field examiners concur that this work is not warranted because the chance of finding uranium ore bodies is not good.

The field examiners recommend that the application be denied. We concur in this recommendation.

W. H. King
W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
9-21-53

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

August 31, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2761, Beaver Uranium Company, North Creek area, Beaver County, Utah

Enclosed are 11 copies of a final geologic and engineering report by C. G. Tillman of the U. S. Geological Survey and J. W. Haynes of the U. S. Bureau of Mines covering the above docket.

It has been recommended that the loan be denied.

The brochure is enclosed.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (11)

Reviewed by
DMEA OPERATING COMMITTEE
9-21-53
(date)

Room 206, 222 So. West Temple
Salt Lake City 1, Utah
August 27, 1953

Memorandum

To: A. M. Kaschmann
Field Team, Region IV

From: C. G. Tillman, for R. J. Roberts
Utah-Nevada District Office

Subject: DMEA Docket 2761, Beaver Uranium Company
North Creek area, Beaver County, Utah

Enclosed are eleven copies of a final geologic and engineering report on the Beaver Uranium Company claims in the North Creek area, Beaver County, Utah by C. G. Tillman, U. S. Geological Survey and J. W. Haynes, U. S. Bureau of Mines.

The Beaver Uranium Company applied for a DMEA loan to aid in exploration for uranium on claims in the Tushar Range, 11 miles northeast of Beaver, Utah.

Abnormal radioactivity in the North Creek area occurs mainly in alteration zones in latite of the Tertiary Bullion Canyon series of volcanic rocks. Samples taken in areas showing greatest radioactivity yield, except on the RO claim, assays of less than 0.04 percent U_3O_8. The amount of ore exposed in the RO claims appears to be insignificant.

In view of the extremely low grade of the uranium bearing material and the poor chance of discovering ore bodies of significant tonnage and grade it is recommended that the application for a DMEA loan be denied.

The brochure is included with the report.

for - Ralph J. Roberts

Reviewed by
DMEA OPERATIONS COORDINATOR

9-21-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA DOCKET 2761 (Uranium), Beaver Uranium Company

North Creek Area, Beaver County, Utah

By

C. G. Tillman
U. S. Geological Survey

August 27, 1953

Reviewed by
DMEA OTTAWA [illegible]
9-21-53
(Date)

DMEA Docket 2761

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Fig. 1 - Index Map of Utah
2 - Sketch Map of Beaver Uranium Company Claims
North Creek Area, Beaver County, Utah
3 - Geologic Sketch Map of MMM No. 4 Claim
North Creek Area, Beaver County, Utah

FINAL GEOLOGIC REPORT

DMEA DOCKET 2761 (Uranium), Beaver Uranium Company

North Creek Area, Beaver County, Utah

INTRODUCTION

The Beaver Uranium Company applied for a DMEA loan on work costing $20,824.50, docket 2761, to aid in the exploration for uranium on claims in the North Creek area, Beaver County, Utah. A field examination was made on April 7, 1953 by John F. Hayman, mining engineer, U. S. Bureau of Mines, accompanied by H. E. Marsh, resident engineer for the company. The property was examined by C. E. Tillman, A. G. Taylor, and J. F. Powers, geologists, U. S. Geological Survey on August 11, 1953. Mr. Louis Lemming and Mr. Tom Harris accompanied the examining geologists. Mr. Stephen Steinhauser, geologist, A. E. C., Richfield, Utah, provided additional information and was consulted on the geologic aspects of the applicant's exploration program.

LOCATION AND PHYSICAL FEATURES

The Beaver Uranium Company's claims are situated approximately eleven miles northeast of Beaver, Utah (fig. 1). They are reached by a good hard surface road as far as the farming community of North Creek, a distance of about five miles, thence some six miles by a rough bulldozer road to the claims at the head of the North Fork of North Creek. The last half of the road is extremely rough, and is passable only by four-wheel drive vehicles.

The North Creek area lies to the southeast of Railroad Mountain, a prominent point in the Tushar Mountains. The topography is not sharp and the ridges are well rounded. Altitudes vary from approximately 7,000 feet to 9,500 feet within the limits of the claims.

Vegetation in the area consists of brush and small trees of cedar and scrub oak. Most mine timber can be purchased from sawmills in the general vicinity

at a reasonable price.

Water is reported to be plentiful in North Fork throughout the entire year and therefore presents no problem from the standpoint of supply for mining.

Labor is available in Beaver, Utah or nearby farming communities. Mining equipment and supplies not obtainable locally can be purchased in Cedar City, 50 miles south of Beaver. Power is available from the farming community at the head of North Creek Canyon.

OWNERSHIP AND EXTENT

The property in the North Creek area consists of 57 unpatented lode claims in the Newton mining district near Beaver, Utah (Fig. 2). The claims are situated at the head of North Fork of North Creek in sections 9, 10, 15, 16, 21, and 22, T. 28 S., R. 6 W., SLB&M.

The owners of the claims are Louis Lessing, I. Lessing, William H. Baldwin, Thomas Morris, and La Mar Hedges of Beaver, Utah. They have leased their claims to the applicant, the Beaver Uranium Company. A copy of the lease was included in the application for the exploration loan.

The claims are recorded in the office of the County Recorder in Beaver, Beaver County, Utah.

HISTORY AND PRODUCTION

No ore has been produced from the claims.

GEOLOGY

The Tushar Range is a north striking structure bounded on the east by Sevier Valley and on the west by Beaver Valley. The range is transitional, both in breadth and in the amount of block faulting it has experienced, between the Plateaus to the east and the Basin Ranges to the west.

The North Creek area of the Tushar Range is underlain by intrusive and extrusive rocks of Tertiary age. The extrusive volcanic rocks include the older

Bullion Canyon series of latite flows, tuffs, and breccias and the younger Mount Belknap series of rhyolite flows, tuffs, and breccias. The Bullion Canyon series has been intruded locally by rhyolite vitrophyre dikes. Uranium mineralization is found primarily in the older volcanic rocks.

ORE DEPOSITS

Uranium minerals in the North Creek area are found in an alteration zone in latite, in latite near its contact with a tuff bed, along a weak fault in latite (?) porphyry, and in latite along a silicified rhyolite vitrophyre dike.

On the KO claim uranium minerals are found in latite (?) porphyry along a weak fault which strikes N. 20° W. and dips vertically. A narrow gouge zone is developed along the fault and the porphyry has been bleached for a foot or more on each side. The minerals autunite and torbernite were observed in this zone. Samples no. 1 and 2 taken in a 20-foot inclined adit on the KO claim contain 0.225 percent U_3O_8 and 0.095 percent U_3O_8 respectively. Sample no. 3 taken from stacked ore at the portal assayed 0.190 percent U_3O_8. Sample no. 4 taken in a 9-foot adit about 10 feet above the incline on the KO claim assayed 0.038 percent U_3O_8. Sample no. 5 which is a composite grab sample along a 37-foot trench about 15 feet above and 80 feet west of the 9-foot adit assayed 0.009 percent U_3O_8.

Three bulldozer cuts on the Canary No. 4 claim have exposed weakly mineralized zones of alteration in tuff and latite. The only area showing sufficient radioactivity to merit sampling was previously sampled by the A. E. C. with the assay yielding 0.026 percent U_3O_8. Autunite occurs here as a coating on cracks in altered latite.

The bulldozer cuts in altered latite on the HRH No. 4 claim were previously sampled by the A. E. C. with the following results (fig. 3):

A. E. C. Sample No.	Length in feet	Percent U_3O_8
6991	4.0	0.012
6993	5.0	0.017
6995	5.0	0.019
6996	4.0	0.016
6997	4.0	0.012

A bulldozer cut on the HRH No. 9 claim which exposed altered latite showed no appreciable radioactivity and no samples were taken for assay.

On the HRH claims abnormal radioactivity was found in a bulldozer cut. Traces of autunite occur in chalcedonic quartz veinlets and with one silicified rhyolite vitrophyre dike two inches wide which cuts latite of the Bullion Canyon series. Maximum radioactivity observed was twice background. No samples were taken for assay.

Thus, except for samples from the KO incline, all of the assays are less than 0.04 percent U_3O_8. The amount of ore exposed in the KO incline appears to be insignificant.

Less than one ton of ore averaging 0.10 percent U_3O_8 is indicated on the KO claim.

PROPOSED EXPLORATION

The applicant proposes to concentrate his exploratory work on the Canary group of claims, particularly in the area of the bulldozer cuts. The project consists of building all-weather access roads, a scintillometer survey on a 50-foot grid, aerial reconnaissance of the area, and additional bulldozer trenching, at an estimated total cost of $20,834.50. A supplemental project permitting drilling and/or drifting would be proposed later if the results of the above mentioned work were encouraging.

CONCLUSIONS AND RECOMMENDATIONS

Although the lessee has done insufficient exploratory work on these claims to provide information on which to base an intelligent exploration program, the general low level of observed radioactivity and the low uranium content of even the best showings indicate that the chances of finding uranium ore bodies of minable tonnage and grade is not good. It is recommended, therefore, that the requested loan be denied.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The Beaver Uranium Company, DMEA docket 2761, applied for a loan on work totalling $20,834.50 to aid in exploration for uranium ore on claims in the North Creek area, Beaver County, Utah. The claims have produced no ore.

The North Creek claims are on the west side of the Tushar Range about eleven miles northeast of Beaver, Utah. The area of the claims is underlain mainly by Tertiary extrusive volcanic rocks of the older Bullion Canyon series and the younger Mount Belknap series. A few rhyolitic dikes intrude the volcanic rocks.

Uranium minerals in the North Creek area occur mostly in altered latite. The only uranium minerals observed were autunite and torbernite. Low levels of observed radioactivity were observed on several of the applicant's claims but both radiometric readings and assays of the better showings yield very low grades.

The applicant wishes to concentrate exploratory work on the Canary group of claims, and, after building an access road, to carry on a scintillometer survey, aerial reconnaissance, and bulldozer trenching.

Although the lessee has done insufficient exploratory work on these claims to provide information on which to base an intelligent exploration program, the

general low level of abnormal radioactivity and the low uranium content of even the best showings indicate that the chances of finding uranium ore bodies of minable tonnage and grade is not good. It is recommended therefore that the requested loan be denied.

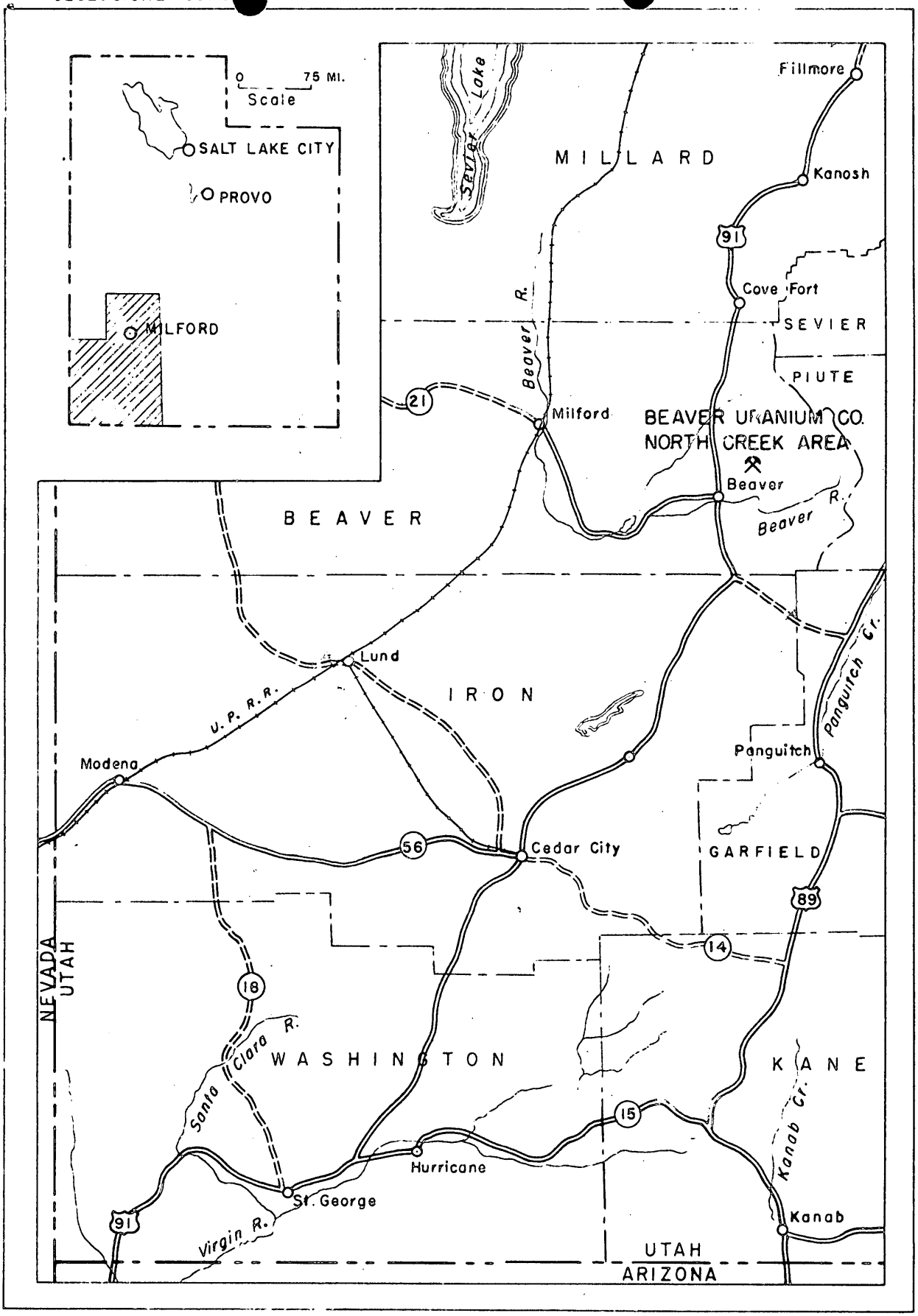

FIG. 1 INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale

AB

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

224 New Customhouse
Denver 2, Colorado

September 9, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2761 (Uranium), Gerald Gidwitz - Beaver Uranium Company, Beaver County, Utah.

Enclosed are four copies of the final report on the subject docket, a copy of the letter of denial to the applicant and two copies of Form 3b.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

DENIED

OFFICE OF THE ADMINISTRATOR

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED 9/9/53

224 New Customhouse
Denver 2, Colorado

September 9, 1953

Mr. Gerald Gidwitz - Beaver Uranium Company
628 Rood Avenue
Grand Junction, Colorado

Re: Docket No. DMEA-2761

Dear Mr. Gidwitz:

Reference is made to your application for Government aid on the North Creek Area.

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

A careful study of your property and data available to this agency reveals that the probability of disclosing mineable reserves of uranium by your proposed exploration program is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

/s/ W. H. King
Field Team Region IV

/s/ A. H. Koschmann
Field Team, Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Mining Division
Region IV

September 9, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2761 (Uranium), Gerald Gidwitz - Beaver Uranium Company, Beaver County, Utah.

Enclosed are eleven copies of a final geologic and engineering report on the subject docket.

The applicant requested $20,834.50 for an access road, bulldozer trenching and a scintillometer survey. The field examiners concur that this work is not warranted because the chance of finding uranium ore bodies is not good.

The field examiners recommend that the application be denied. We concur in this recommendation.

W. H. King

W. H. King

Enclosures

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

August 31, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 2761, Beaver Uranium Company, North Creek area, Beaver County, Utah

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It has been recommended that the loan be denied.

The brochure is enclosed.

A. H. Koschmann

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (11)

Room 208, 222 So. West Temple
Salt Lake City 1, Utah
August 27, 1953

Memorandum

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

From: C. G. Tillman, for R. J. Roberts
Utah-Nevada District Office

Subject: DMEA Docket 2761, Beaver Uranium Company
North Creek area, Beaver County, Utah

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The Beaver Uranium Company applied for a DMEA loan to aid in exploration for uranium on claims in the Tushar Range, 11 miles northeast of Beaver, Utah.

Abnormal radioactivity in the North Creek area occurs mainly in alteration zones in latite of the Tertiary Bullion Canyon series of volcanic rocks. Samples taken in areas showing greatest radioactivity yield, except on the KO claim, assays of less than 0.04 percent U_3O_8. The amount of ore exposed in the KO incline appears to be insignificant.

In view of the extremely low grade of the uranium bearing material and the poor chance of discovering ore bodies of significant tonnage and grade it is recommended that the application for a DMEA loan be denied.

The brochure is included with the report.

for - Ralph J. Roberts

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA DOCKET 2761 (Uranium), Beaver Uranium Company

North Creek Area, Beaver County, Utah

By

C. G. Tillman
U. S. Geological Survey

August 27, 1953

DMEA Docket 2761

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ILLUSTRATIONS

Fig. 1 - Index Map of Utah
2 - Sketch Map of Beaver Uranium Company Claims North Creek Area, Beaver County, Utah
3 - Geologic Sketch Map of HBH No. 4 Claim North Creek Area, Beaver County, Utah

FINAL GEOLOGIC REPORT

DMEA DOCKET 2761 (Uranium), Beaver Uranium Company

North Creek Area, Beaver County, Utah

INTRODUCTION

The Beaver Uranium Company applied for a DMEA loan on work costing $20,834.50, docket 2761, to aid in the exploration for uranium on claims in the North Creek area, Beaver County, Utah. A field examination was made on April 7, 1953 by John F. Haynes, mining engineer, U. S. Bureau of Mines, accompanied by H. E. Marsh, resident engineer for the company. The property was examined by C. G. Tillman, A. O. Taylor, and J. F. Powers, geologists, U. S. Geological Survey on August 11, 1953. Mr. Louis Lessing and Mr. Tom Harris accompanied the examining geologists. Mr. Stephen Steinhauser, geologist, A. E. C., Richfield, Utah, provided additional information and was consulted on the geologic aspects of the applicant's exploration program.

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The Beaver Uranium Company's claims are situated approximately eleven miles northeast of Beaver, Utah (fig. 1). They are reached by a good hard surface road as far as the farming community of North Creek, a distance of about five miles, thence some six miles by a rough bulldozer road to the claims at the head of the North Fork of North Creek. The last half of the road is extremely rough, and is passable only by four-wheel drive vehicles.

The North Creek area lies to the southwest of Belknap Mountain, a prominent point in the Tushar Mountains. The topography is not sharp and the ridges are well rounded. Altitudes vary from approximately 7,000 feet to 9,500 feet within the limits of the claims.

Vegetation in the area consists of brush and small trees of cedar and scrub oak. Most mine timber can be purchased from sawmills in the general vicinity

at a reasonable price.

Water is reported to be plentiful in North Fork throughout the entire year and therefore presents no problem from the standpoint of supply for mining.

Labor is available in Beaver, Utah or nearby farming communities. Mining equipment and supplies not obtainable locally can be purchased in Cedar City, 50 miles south of Beaver. Power is available from the farming community at the head of North Creek Canyon.

OWNERSHIP AND EXTENT

The property in the North Creek area consists of 57 unpatented lode claims in the Newton mining district near Beaver, Utah (Fig. 2). The claims are situated at the head of North Fork of North Creek in sections 9, 10, 15, 16, 21, and 22, T. 28 S., R. 6 W., SLB&M.

The owners of the claims are Louis Lessing, I. Lessing, William H. Baldwin, Thomas Harris, and La Mar Hodges of Beaver, Utah. They have leased their claims to the applicant, the Beaver Uranium Company. A copy of the lease was included in the application for the exploration loan.

The claims are recorded in the office of the County Recorder in Beaver, Beaver County, Utah.

HISTORY AND PRODUCTION

No ore has been produced from the claims.

GEOLOGY

The Tushar Range is a north striking structure bounded on the east by Sevier Valley and on the west by Beaver Valley. The range is transitional, both in breadth and in the amount of block faulting it has experienced, between the Plateaus to the east and the Basin Ranges to the west.

The North Creek area of the Tushar Range is underlain by intrusive and extrusive rocks of Tertiary age. The extrusive volcanic rocks include the older

Bullion Canyon series of latite flows, tuffs, and breccias and the younger Mount Belknap series of rhyolite flows, tuffs, and breccias. The Bullion Canyon series has been intruded locally by rhyolite vitrophyre dikes. Uranium mineralization is found principally in the older volcanic rocks.

ORE DEPOSITS

Uranium minerals in the North Creek area are found in an alteration zone in latite, in latite near its contact with a tuff bed, along a weak fault in latite (?) porphyry, and in latite along a silicified rhyolite vitrophyre dike.

On the KO claim uranium minerals are found in latite (?) porphyry along a weak fault which strikes N. 20° W. and dips vertically. A narrow gouge zone is developed along the fault and the porphyry has been bleached for a foot or more on each side. The minerals autunite and torbernite were observed in this zone. Samples no. 1 and 2 taken in a 20-foot inclined adit on the KO claim contain 0.225 percent U_3O_8 and 0.095 percent U_3O_8 respectively. Sample no. 3 taken from sacked ore at the portal assayed 0.190 percent U_3O_8. Sample no. 4 taken in a 9-foot adit about 10 feet above the incline on the KO claim assayed 0.038 percent U_3O_8. Sample no. 5 which is a composite grab sample along a 37-foot trench about 15 feet above and 80 feet west of the 9-foot adit assayed 0.009 percent U_3O_8.

Three buldozer cuts on the Canary No. 4 claim have exposed weakly mineralized zones of alteration in tuff and latite. The only area showing sufficient radioactivity to merit sampling was previously sampled by the A. E. C. with the assay yielding 0.028 percent U_3O_8. Autunite occurs here as a coating on cracks in altered latite.

The bulldozer cuts in altered latite on the HRH No. 4 claim were previously sampled by the A. E. C. with the following results (fig. 3):

A. E. C. Sample No.	Length in feet	Percent U_3O_8
6591	4.0	0.012
6593	5.0	0.017
6595	5.0	0.019
6596	4.0	0.016
6597	4.0	0.012

A bulldozer cut on the HRH No. 9 claim which exposed altered latite showed no appreciable radioactivity and no samples were taken for assay.

On the H&H claims abnormal radioactivity was found in a bulldozer cut. Traces of autunite occur in chalcedonic quartz veinlets and with one silicified rhyolite vitrophyre dike two inches wide which cuts latite of the Bullion Canyon series. Maximum radioactivity observed was twice background. No samples were taken for assay.

Thus, except for samples from the KO incline, all of the assays are less than 0.04 percent U_3O_8. The amount of ore exposed in the KO incline appears to be insignificant.

Less than one ton of ore averaging 0.10 percent U_3O_8 is indicated on the KO claim.

PROPOSED EXPLORATION

The applicant proposes to concentrate his exploratory work on the Canary group of claims, particularly in the area of the bulldozer cuts. The project consists of building all-weather access roads, a scintillometer survey on a 50-foot grid, aerial reconnaissance of the area, and additional bulldozer trenching, at an estimated total cost of $20,834.50. A supplemental project permitting drilling and/or drifting would be proposed later if the results of the above mentioned work were encouraging.

CONCLUSIONS AND RECOMMENDATIONS

Although the lessee has done insufficient exploratory work on these claims to provide information on which to base an intelligent exploration program, the general low level of abnormal radioactivity and the low uranium content of even the best showings indicate that the chance of finding uranium ore bodies of mineable tonnage and grade is not good. It is recommended, therefore, that the requested loan be denied.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The Beaver Uranium Company, DMEA docket 2761, applied for a loan on work totalling $20,834.50 to aid in exploration for uranium ore on claims in the North Creek area, Beaver County, Utah. The claims have produced no ore.

The North Creek claims are on the west side of the Tushar Range about eleven miles northeast of Beaver, Utah. The area of the claims is underlain mainly by Tertiary extrusive volcanic rocks of the older Bullion Canyon series and the younger Mount Belknap series. A few rhyolitic dikes intrude the volcanic rocks.

Uranium minerals in the North Creek area occur mostly in altered latite. The only uranium minerals observed were autunite and torbernite. Low levels of abnormal radioactivity were observed on several of the applicant's claims but both radiometric readings and assays of the better showings yield very low grades.

The applicant wishes to concentrate exploratory work on the Canary group of claims, and, after building an access road, to carry on a scintillometer survey, aerial reconnaissance, and bulldozer trenching.

Although the lessee has done insufficient exploratory work on these claims to provide information on which to base an intelligent exploration program, the

general low level of abnormal radioactivity and the low uranium content of even the best showings indicate that the chance of finding uranium ore bodies of mineable tonnage and grade is not good. It is recommended therefore that the requested loan be denied.

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

224 New Customhouse
Denver 2, Colorado

November 6, 1952

Mr. Jack O. Jones, Mgr.
Beaver Uranium Co.
628 Rood Ave.
Grand Junction, Colorado

Re: DMEA-2761

Dear Mr. Jones:

A check of the records in the Bureau of Land Management indicates that much of your property in the North Creek Area is covered by a Federal Power Site withdrawal dated February 16, 1926. This Federal Power Site withdrawal constitutes a withdrawal of land from the Public Domain and mining claims located on this land are not valid.

It is suggested that you check these records in the office of the Bureau of Land Management in Salt Lake City to determine which claims are valid. If you then wish to revise your application for exploration aid on the claims to which you hold valid title, we will be pleased to process your revised application.

Very truly yours,

John F. Shaw

John F. Shaw for
W. H. King
Executive Officer, DMEA
Field Team, Region IV

HMC:oc
cc: SNWilson
Administrator, DMEA, 210
Subject
Chron.
AHKoschmann (2)

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

Denver 2, Colorado

October 31, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 210

From: Executive Officer, Field Team, Region IV

Subject: Docketing for Exploration Assistance

Enclosed herewith in duplicate is DMA Form 3a and Form MF-103 in triplicate and supporting data pertaining to the following applications for Government assistance in exploration work.

Charles M. Taylor
P. O. Box 1710 dmea 2758
Tucson, Arizona

Lupton Mining Co., Inc. dmea 2759
P. O. Box 498
Georgetown, Colorado

Jack L. Neal and D. E. Green Mining Co.
651 East Kline St. dmea 2760
Globe, Arizona

Gerald Gidwitz dba Beaver Uranium Co.
688 Rood Ave.
Grand Junction, Colorado dmea 2761

W. H. King
W. H. King

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. dmea 21761
Metal or Mineral
Date Received 11-3-52
Estimated Cost
Participation (Government %)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FILED
NOV 3 1952

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: [illegible] MINING COMPANY
629 Rood Avenue
Grand Junction, Colorado

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
See attached Supplement No. 1

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

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

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

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

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

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

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

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

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

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.
See attached Supplement No. 2

16—66551-1

5. *The exploration project.*—(*a*) [redacted]te the mineral or minerals for which you wi[redacted]o explore uranium

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

(*c*) The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

☒ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated Dec. 23, 1952, 195[illegible]

[illegible] GRANT COUNTY

By Jack O. [illegible]

(Applicant) Manager.

By

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

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

S U P P L E M E N T S

to Form MF-103

LOAN APPLICATION FOR BEAVER URANIUM COMPANY

Supplement No. 1

Legal description is available at the County Court House, Beaver, Utah.

Supplement No. 2

4. Physical Description

a. During the spring of 1952, rough access roads over existing trails were bulldozed into this area for prospecting and general evaluation.

Four groups of claims were staked as a result of high scintillometer readings taken during the previous fall season. The relative locations are displayed in the attached Exhibit No. II, though no comprehensive surveys have been made. These groups are made up as follows:

	No. claims
H. B. H. Group No. 1 through No. 11	11
K. O. Group, K. O. through K. O. No. 17	18
Canary Group No. 1 through No. 10	10
H & H Group No. 1 through No. 16	16
Black Bird and Black Bird No. 1	2
Total	57

These claims are located in Range 6 West, Township 28 South, Sections 9, 10, 15, 16, 21, and 22; and the center of interest is approximately 3½ miles due south from the Indian Creek exploration which is being carried on by this same Company.

These claims are leased by the Beaver Uranium Company from a group of owners calling their organization the Lucky Strike Mining Company, a copy of the lease agreement being attached to this application.

In addition to the access roads, a sizable open pit has been stripped by the bulldozer on the H. B. H. claim No. 4. This has been investigated by the A. E. C. field parties, and a copy of the results of a scintillometer survey is attached as Exhibit No. III.

Additional hand-dug pits are scattered over the various groups of claims, and are evidence of the required assessment work. The pits on the Canary Group have revealed an altered zone of good mineralization and high counter readings, striking in a general northeast direction, and this can be traced for several hundred feet in a strong formation. It is planned to concentrate the primary efforts of the proposed project at this location.

b. No production, current or past, has been made from this area.

c. The North Creek Area is traversed by the North Fork of the North Creek which comprises a section of the drainage system to the southwest from Belknap Mountain. The gradient of the stream is rather steep, but the topography is not sharp and the ridges are well rounded. Elevations range from 7,000 feet to 9,500 feet in the claimed limits. The entire area is well covered with brush and low trees of cedar and scrub oak. Mineralization is frequent, but confined to zones of alteration which strike in about the same general northeast direction as the Indian Creek discoveries. Autunite and torbernite are the only minerals identified to date.

The regional geology is a part of the same Tertiary Bullion Canyon volcanic series which underlies most of the area at least as far as Marysvale. Numerous intrusions of quartz monzonite are exposed, but the dense cover makes ground reconnaissance or aerial study of the region most difficult.

It is planned with the work of this project to determine the extent of the alteration zones on the surface and to intersect and explore the zones at depth by diamond drilling or drifting.

d. The present access road follows the stream bed generally, and is interrupted by frequent crossings. The properties are reached by traveling east out of Beaver on County Road No. 153 to the city limits. A hard-surfaced road leads north about 5 miles to the North Creek settlement, a farming community at the head of North Creek Canyon. The left fork or North Fork branch from here leads up the canyon about 6 miles to the claimed area.

Shipments from the area would undoubtedly be routed to Marysvale over U. S. 91 and Utah No. 13 and 89, a total of almost 70 miles.

An all-weather access road is a part of this proposal, since the present road is badly eroded in places and can be traversed only by four-wheel drive vehicles.

Supplies of limited nature are available at Beaver. Mining equipment and tools can be secured from Cedar City about 50 miles south of Beaver.

e. Local manpower has proved adequate to date for all the labor work required by the company. Contract services for bulldozer work are available at Beaver. Contract drilling would naturally be imported.

Water is plentiful in North Fork the year around, and the distance to any proposed drilling sites would not exceed two miles.

Electric power lines serve the farming community at the head of North Creek Canyon.

Supplement No. 3

5. The Exploration Project

a. Uranium

b. The proposed work for a complete project is outlined briefly in the following stages:

1. All-weather access road.
2. Scintillometer survey
   Aerial reconnaissance.
3. Bulldozer trenching.
4. Drifting
   Drilling.

Abnormally high scintillometer readings have been observed in numerous places throughout the area. Due to the frequency of these occurrences, there is a strong possibility that the best showings may not have been discovered. Only a minimum amount of exploration work has been accomplished in this area. Rather than expend available funds on what might be a minor occurrence, it is felt that a complete scintillometer survey is needed throughout the area. This will proceed using the known anomalies as nuclei and extending outward on co-ordinates of 50-foot centers. Overburden varies considerably; but on anamolies investigated so far, two or three feet is maximum. Hand pits will be dug at the co-ordinate junctions, and all work will be recorded on a surveyed map. The mineralized trends or system of zones should be revealed by this survey.

As the survey takes form or when an occurrence indicates a definite formal trend, bulldozer trenches will be cut normal to the strikes to define the limits and evaluate by sampling.

Pending the processing of this application and in order to fulfill the terms of this contract, the company is employing two men to dig hand pits. This work began on the Canary Group at the end of September. A typical occurrence is exemplified on the first pit with the following results: surface count with scintillometer, 110 c.p.s.; bottom of pit, 650 c.p.s. This pit which showed some autunite mineralization was sampled by the A. E. C., and returned .028 on the north wall and .016 on the south wall.

Supplemental to the ground work with the scintillometer, it is

proposed to conduct an aerial reconnaissance with the use of the company airplane, a PA-18 Super Cub. Though all of the area cannot be thoroughly scanned from the air due to the topography, parts of the territory can be checked very rapidly; and this will effect a savings in time and money.

Final steps of exploration will be proposed as a supplemental project in the form of drifting and/or drilling on those localities that show most promise.

* See page 7.

Supplement No. 4

6. Estimate of Costs:

Stage I All-weather access road (25 days' time, or 1 month)

a. Independent Contracts

Bulldozer for road 25 days @ $10.00/hr.	$2,000.00

b. Supervision:

One-fourth time for mgr.	($750/mo.)	187.50
One-fourth time for area supt.	($500/mo.)	125.00
Expenses: Room, board, travel		200.00
Labor: One man for brushwork & clearing $1.375/hr.		275.00

c. Mileage and transportation (1 Jeep Wagon) 200.00

d. Operating equipment furnished by the company includes:
One four-wheel drive Jeep Wagon,
and charges for 25 days are included in (c) above.

e.) No repairs, rehabilitation, or installations
)
f.) are planned.

g. Miscellaneous:

Analytical work can be arranged for through the A. E. C. Accounting - 3 days @ $14.00	42.00

h. Contingencies:

Pay roll taxes, liability insurance, workmen's compensation	100.00
Snowplow contract, 5 days @ $8/hr.	320.00
	$3,449.50

Stage II Scintillometer Survey - Aerial Reconnaissance
(100 days' time or 4 months)

a. Independent Contracts:

None

b. Supervision:

One-half time for mgr.	($750/mo.)	$ 1,500.00
One-half time for area supt.	(500/mo.)	1,000.00
Expenses: Room and board		400.00
Labor: One working foreman @ $1.625/hr. 100 days @ $13.00		1,300.00
Two helpers @ $1.375/hr. each 100 days @ $22.00		2,200.00

c. Mileage and transportation:
(1 Jeep Wagon - 1 Four-speed pickup) 1,600.00

Fuel: 300 gal. kerosene for heating 65.00

d. (1) Operating equipment furnished by the company will be:

One Jeep wagon and one pickup--above charges are estimated at $200.00/mo. for each vehicle.

(2) Use of scintillometer:

Rented from company @ $5.00/day, or $500.00 for the project 500.00

(3) Use of airplane and pilot:

10 days, 4 hrs./day @ $20.00/hr.	800.00
Expense for pilot: 10 days @ $12.00/day	120.00

e. No rehabilitation

f. New building to be erected:

Office and tool shack equipped with stove. 1,200.00

g. Miscellaneous:

Analytical work can be arranged for through A. E. C.
Accounting & Bookkeeping, 30 days @ $14 420.00

h. Contingencies:

Pay roll taxes, liability insurance, workmen's compensation	$ 1,000.00
Snow plow: 20 days @ $8.00/hr.	1,280.00
	$13,385.00

Stage III Bulldozer Trenching

This stage is contingent upon the results of the preceding stages, and the full program cannot be planned definitely at this time. However, the results of the work to date do indicate that a certain amount of trenching is justified.

Based on this preliminary appraisal, we should like to propose a limited amount of trenching that might be supplemented later.

Fifty days of trenching:

Independent contract, $10.00/hr.	$ 4,000.00

No other charges are contemplated in this stage.

Summary

Stage I	Access Road	$ 3,449.50
Stage II	Scintillometer Survey Aerial Reconnaissance	13,385.00
Stage III	Bulldozer Trenching	4,000.00
		$20,834.50

J. O. Jones/hjl-10/22/52(6)

*

5. The Exploration Project

d. This operation is currently being sponsored by Gerald Gidwitz, an individual doing business as a company under the name of Beaver Uranium Company.

The interests of Mr. Gidwitz are being personally supervised by Mr. Jack O. Jones, Mining Engineer, graduate of Ohio State University, B. E. M., 1936. The experience of Mr. Jones embraces a wide variety of mining supervision since 1936. For the past two years, Mr. Jones has conducted the drilling program by the A. E. C. as Supervisor of Exploration for the Grand Junction Exploration Branch.

EXHIBIT IV

No. 12

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

CHEMICAL LABORATORY REPORT

Report to Mr. Harry E. Nelson

Date Received July 30, 1952 Date reported

Description	Lot No.	eU308	Width	
Canary #4, Beaver Co., Utah Highly alt. lat. min. autunite-torbernite	F-6589	0.028	6.0	N. Wall
"	F-6590	0.016	6.0	S. Wall
H. B. H. Claim #4, Beaver Co. Utah Highly Alt. latite	F-6591	0.013	4.0	
"	F-6593	0.017	5.0	
"	F-6595	0.019	5.0	
"	F-6596	0.016	4.0	
"	F-6597	0.012	4.0	
K. O. Discovery	F-6016	0.018		
"	F-6017	0.001		
H. & H. No. 2	F-6018	0.026		
"	F-6019	0.026		

COPY

EXHIBIT V

C O P Y

MINING LEASE AGREEMENT

THIS MINING LEASE AGREEMENT, made and entered into this 21 day of JUNE, 1952, by and between Louis Lessing, I. Lessing, William H. Bladwin, Thomas Harris, and LaMar Hodges, D. B. A. the Lucky Strike Mining Company of Beaver, Utah, hereinafter designated as party of the first part and Beaver Uranium Company, hereinafter designated as party of the second part,

WITNESSETH:

That the said party of the first part, who certify that they are the sole owners of the unencumbered mining claims hereinafter named, for and in consideration of the sum of One ($1.00) Dollar, receipt of which is hereby acknowledged, and of the royaltics, covenants, and agreements hereinafter reserved, and by the said party of the second part to be paid, kept and performed, has granted, demised and let unto the said party of the second part the following described unpatented mining claims situate in Newton Mining District of Beaver County, State of Utah, as follows, to-wit:

Canary No. 1
Canary No. 2
Canary No. 3
Canary No. 4
Canary No. 5
Canary No. 6
Canary No. 7
Canary No. 8
Canary No. 9
Canary No. 10

H. & H. No. 1
H. & H. No. 2
H. & H. No. 3
H. & H. No. 4
H. & H. No. 5
H. & H. No. 6
H. & H. No. 7
H. & H. No. 8
H. & H. No. 9
H. & H. No. 10
H. & H. No. 11
H. & H. No. 12
H. & H. No. 13
H. & H. No. 14
H. & H. No. 15
H. & H. No. 16

Black Bird
Black Bird No. 1

H. B. H. No. 1
H. B. H. No. 2
H. B. H. No. 3
H. B. H. No. 4
H. B. H. No. 5
H. B. H. No. 6
H. B. H. No. 7
H. B. H. No. 8
H. B. H. No. 9
H. B. H. No. 10
H. B. H. No. 11

K. O.
K. O. No. 1
K. O. No. 2
K. O. No. 3
K. O. No. 4
K. O. No. 5
K. O. No. 6
K. O. No. 7
K. O. No. 8
K. O. No. 9
K. O. No. 10
K. O. No. 11
K. O. No. 12
K. O. No. 13
K. O. No. 14
K. O. No. 15
K. O. No. 16
K. O. No. 17

TO HAVE AND TO HOLD unto the said party of the second part for the term of Ten (10) years from and after date hereof, unless sooner forfeited through the violation of any covenant hereinafter against the said party of the second part reserved; and expressly granting to the party of the second part the exclusive right of extending this lease of an additional term of Twenty-five (25) years if at the end of the first term hereof the said lease is then in good standing;

And in consideration of the said demise, the said party of the second part does COVENANT and AGREE to and with the said party of the first part as follows, to-wit:

1. The said party of the second part will do all work upon said premises with due regard to the safety, development, and preservation of the said mining claims and premises as a workable mine, and to securely and properly timber all openings made, where timbering shall be necessary and proper, in accordance with good mining.

2. To keep at all times the drifts, shafts, tunnels, and other workings being worked by said party of the second part thoroughly drained and clear of loose rock and rubbish, unless so prevented by extraordinary mining casualty.

3. That said party of the second part shall be solely responsible for all labor, materials, and supplies purchased by the said party of the second part and used in the operations herein contemplated, and will indemnify and save harmless said party of the first part from any and all liability by reason of this lease, and will notify all persons with whom said party of the second part incurs any obligation, of such responsibility, and will post a notice at all said workings relieving the party of the first part of all responsibility for the same, and will take any and all steps necessary and prescribed by law to give notice to creditors of such responsibility.

4. To carry and pay for compensation on all persons employed by said party of the second part when required to do so by the laws of the State of Utah, and to carry and pay all social security taxes and assessments required by the laws of the State of Utah or the United States Government.

5. To pay whatsoever personal property taxes are assessed against the personal property and mining machinery and equipment placed upon the premises by the party of the second part, and that the party of the first part will pay and real estate taxes assessed against said mining claims.

6. To allow the party of the first part or his agents at any and all reasonable times to enter upon the demised premises, and any and all parts thereof, for the purpose of inspection.

7. To do all necessary assessment work etc., on or before Oct. 1, 1952, and thereafter to do and perform not less than Fifty (50) one-man shifts of labor or the monetary equivalent in development by heavy equipment each calendar month or to pay to the first party the sum of $100.00 per month in lieu of such labor or development until July 1, 1953, and thereafter to do and perform not less than Fifty (50) one-man shifts of labor each calendar month during the term of this lease. Each one-man shift of labor is to be evaluated for comparative purposes with work by heavy equipment at $24.00 per 8-hour day.

8. To pay and deliver to the party of the first part as royalty for all ores marketed from said premises, 10% on all ores having a Net Value of less than $50.00, and 15% on all ores having a Net Value of over $50.00. "Net mill or smelter return Value" is defined as the mill or smelter schedule value per dry ton, less treatment, freight, drayage, control assaying and sampling charges. The said royalty to be paid on all ores of every kind and nature that is recovered from the said premises; that the same percent of royalty shall be paid out of premium and bonus payments that may be paid under government regulations.

9. That the purchasing mill or smelter shall be advised and notified of the royalty interest of the said party of the first part in all ores shipped, and party of the second part shall direct said purchaser to remit all royalties directly to the said party of the first part, together with a copy of all settlement sheets.

10. That all mining equipment and machinery brought upon the said premises by the party of the second part shall constitute and remain personal property, which may be removed from the said premises at the option of the

party of the second part, at any time during the term of this lease, or within ten days thereafter, upon notice from the party of the first part so to do; that any buildings or other improvements placed upon the said premises, upon the surface thereof, shall constitute and remain personal property, and shall be subject to removal as hereinsetforth; and that timber, rails, pipe or other property placed underground and in any mine workings and permanently affixed thereto shall constitute a part and portion of the realty, and may not be thereafter removed by the party of the second part without written consent of the party of the first part.

11. That it is expressly agreed, understood and declared by all parties hereto that the relationship of the parties is and shall continue to be that of lessor and lessee, and not that of employer and employee; and that such lessee is customarily engaged in the independent established trade, occupation and business of mining under leases for his own profit and benefit.

12. That it is further specifically agreed, understood and declared by all parties hereto that the party of the first part does not control or direct the work of said party of the second part, and that the party of the second part is free from control or direction over the performance of the work, or any work, which he may choose to do by virtue of and under this lease, excepting that such work must be done as hereinabove stated, that is to say, in a good and workmanlike manner, and as particularly hereinbefore stipulated; and that a failure to comply with each and every term and condition in this lease, hereinbefore more particularly set forth, shall constitute a breach of this lease.

13. The party of the second part reserves the right upon thirty (30) days notice in writing to the first party to cancel the within lease and further reserves the right to cease operations as outlined in paragraph number seven on the date such notice is served.

15. And it is further understood and agreed that this lease shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors or assigns of the respective parties hereto.

COPY

16. That time is of the essence of this Lease Agreement.

17. Any performance by the party of the second part herein stated is hereby suspended for acts arising out of causes beyond the control and without the fault or negligence of the second party. Such causes include, but not restricted to acts of God, or of the public enemy, acts of the Government, unauthorized acts of owner, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and default of sub-contractor due to any of such causes.

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

LUCKY STRIKE MINING CO.

By /s/ Louis Lessing--power of atty.
PARTY OF THE FIRST PART

BEAVER URANIUM CO.

By /s/ John E. O'Fallon - Atty-in fact
PARTY OF THE SECOND PART

* Section before slash appended in original.

COPY/hjl-10/23/52(6)

STATE OF UTAH)
) SS.
COUNTY OF BEAVER.)

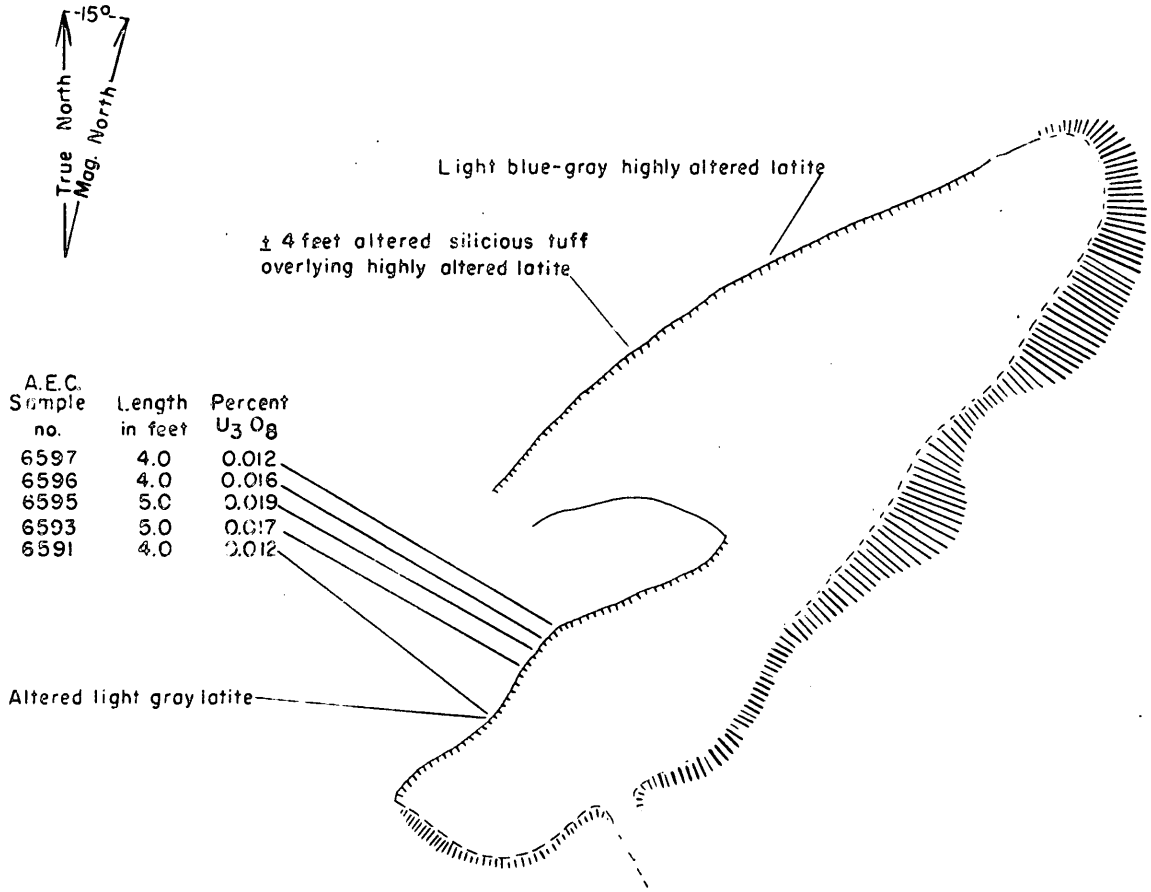
On this 21 day of June, 1952, personally appeared before me, Louis Lessing and John E. O'Fallon the signers of the foregoing instrument, who duly acknowledged to me that they executed the same.

My Commission Expires:
Sept. 2, 1955

/s/ C. Victor Smith

(S E A L)

COPY



A.E.C. Sample no.	Length in feet	Percent U_3O_8
6597	4.0	0.012
6596	4.0	0.016
6595	5.0	0.019
6593	5.0	0.017
6591	4.0	0.012

FIG. 3

After A. E. C. map
August 1953

GEOLOGIC SKETCH MAP OF HBH NO. 4 CLAIM
NORTH CREEK AREA
BEAVER COUNTY, UTAH

0 50 100 150 ft.
Scale

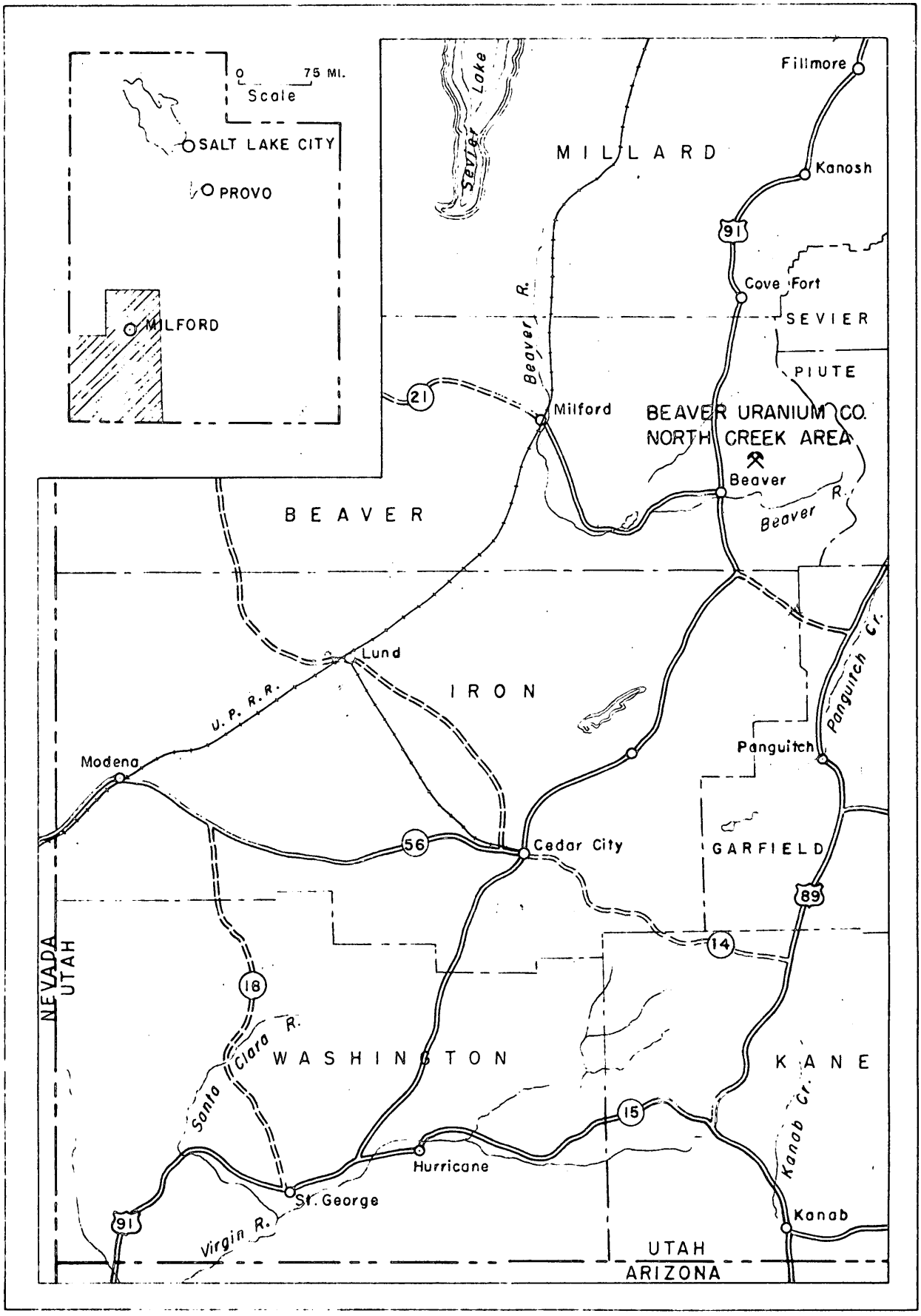
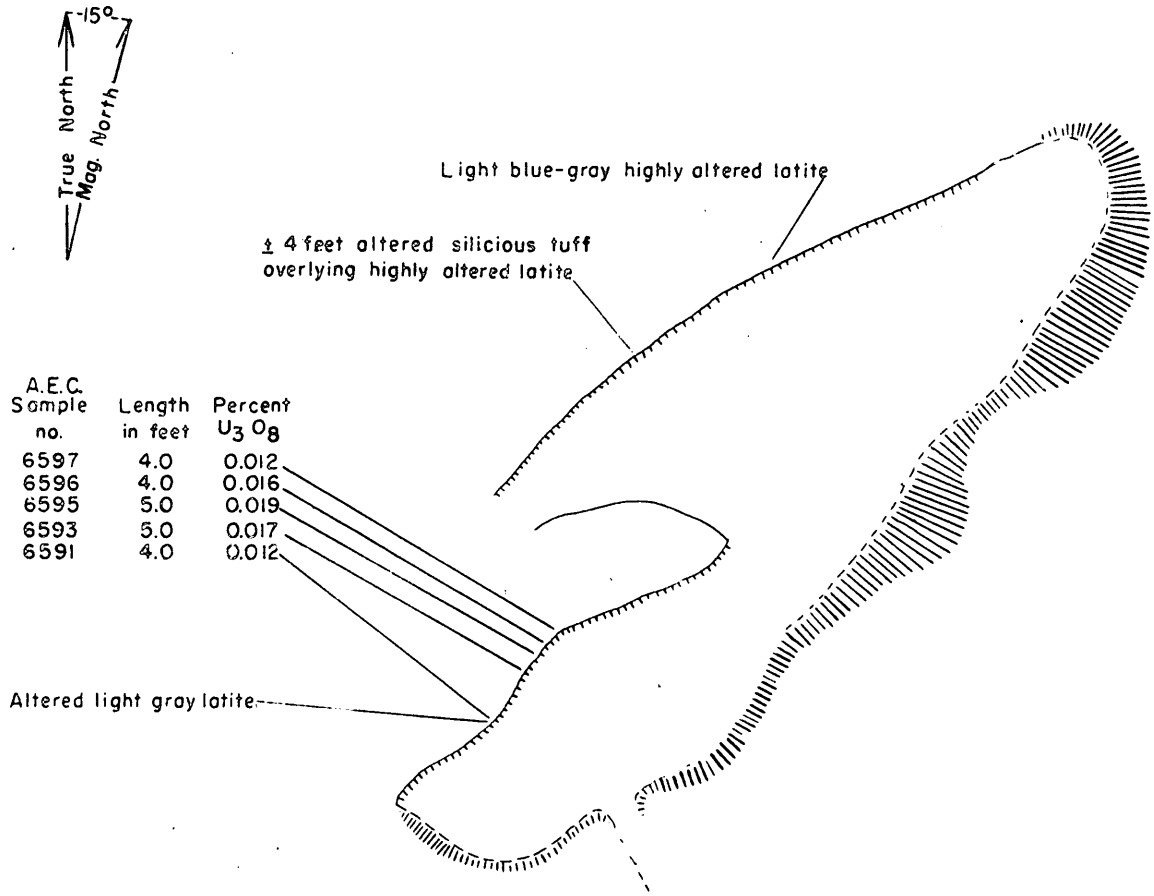


FIG. 1 INDEX MAP OF UTAH

0 5 10 15 20 MILES
Scale



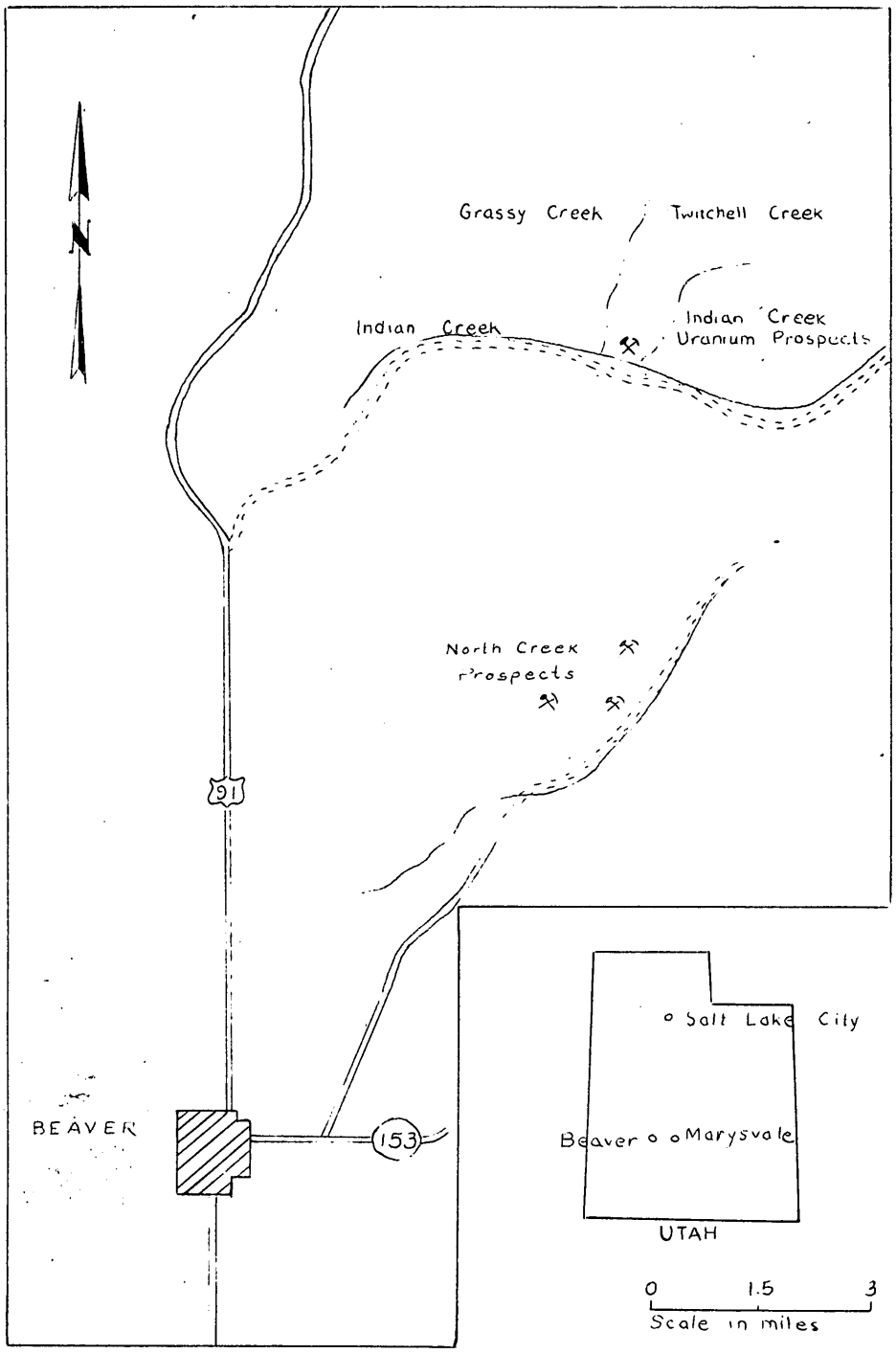
A.E.C. Sample no.	Length in feet	Percent U_3O_8
6597	4.0	0.012
6596	4.0	0.016
6595	5.0	0.019
6593	5.0	0.017
6591	4.0	0.012

FIG. 3

After A. E. C. map
August 1953

GEOLOGIC SKETCH MAP OF HBH NO. 4 CLAIM
NORTH CREEK AREA
BEAVER COUNTY, UTAH

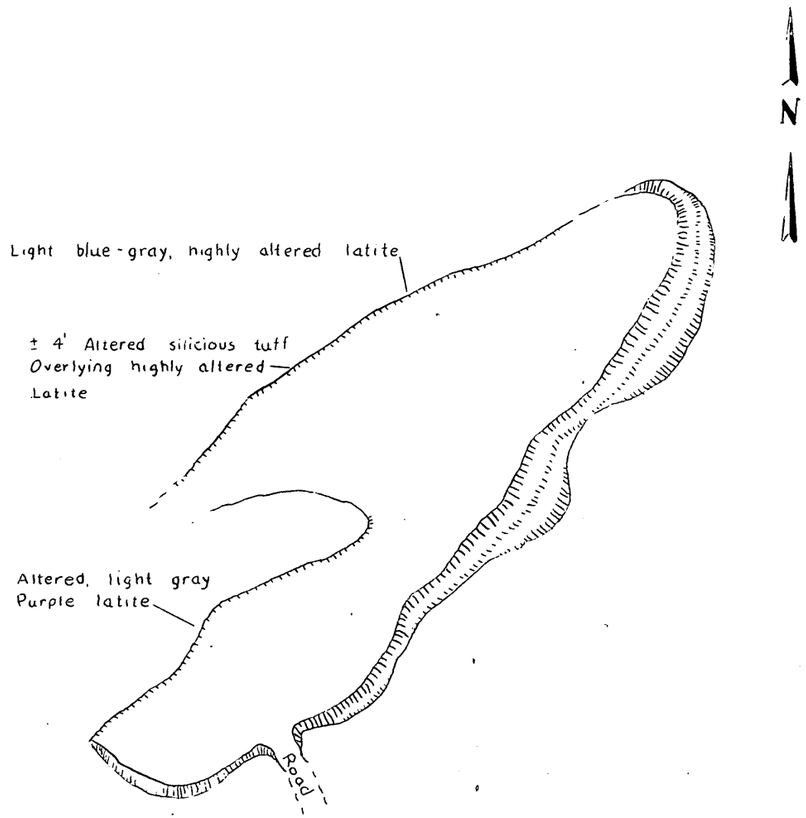
0 50 100 150ft.
Scale



INDEX MAP OF UTAH
AND THE
BEAVER URANIUM COMPANY PROSPECTS

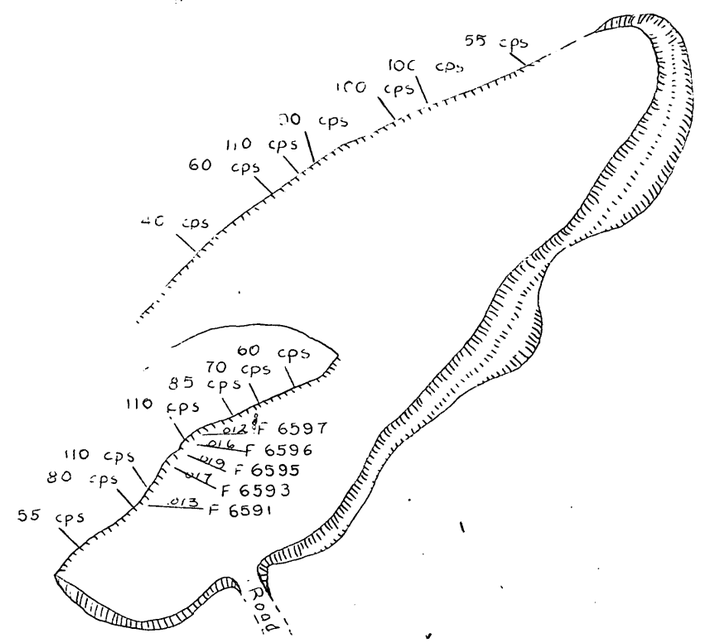
EXHIBIT I

dmea 2761



NORTH CREEK AREA - BEAVER COUNTY, UTAH
PLAN SHOWING DOZER CUT
H. B. H. No. 4 Claim
Scale 1" = 50'

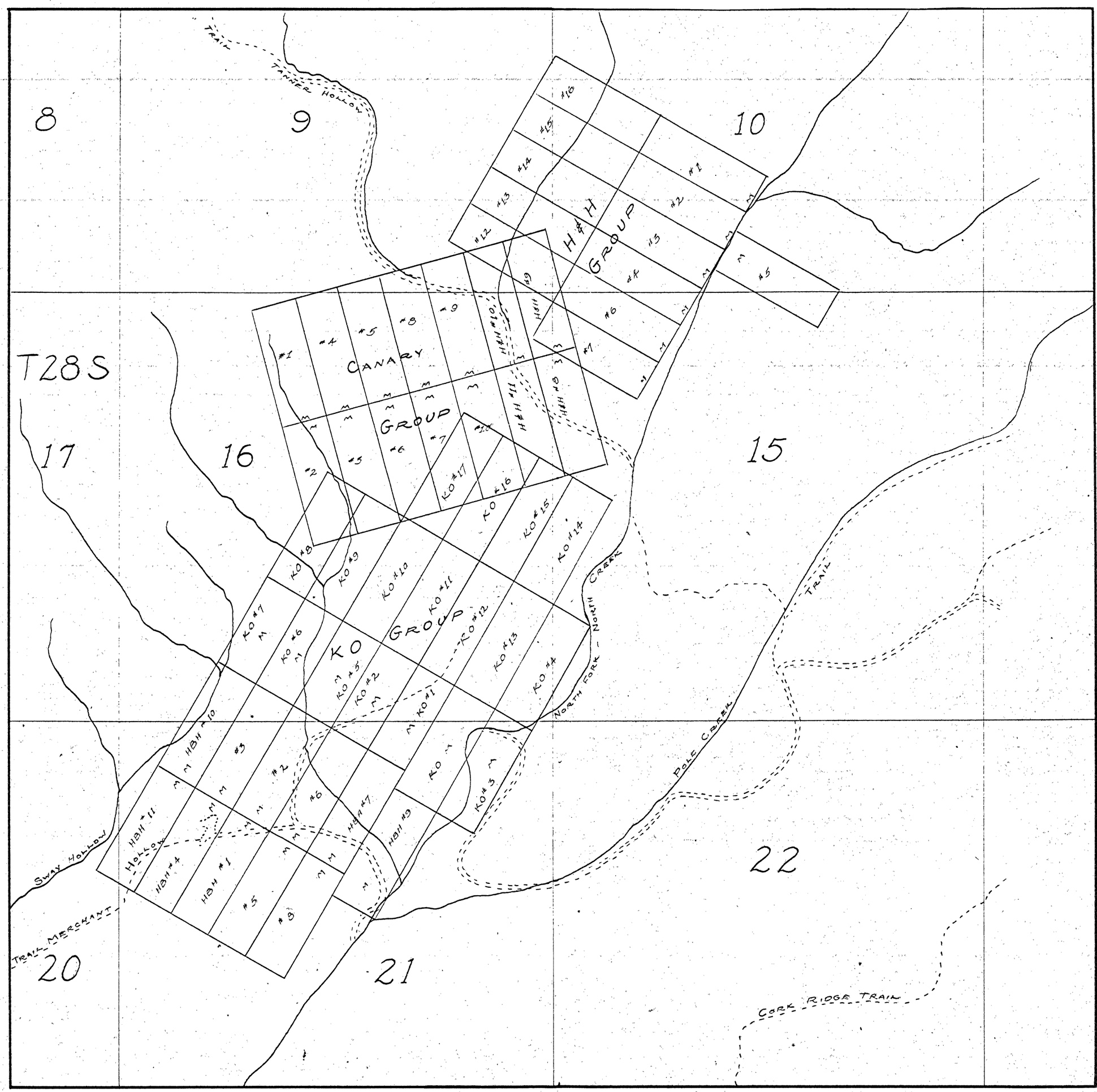
July, 1952



NORTH CREEK AREA - BEAVER COUNTY, UTAH
PLAN SHOWING SAMPLE LOCATIONS
AND
SCINTILLOMETER SURVEY
Scale 1" - 50'

PAYMENT OF POSTAGE, $300
(PMGC)

CHAIRMAN TO THE OPERATING COMMITTEE
DEFENSE MINERALS EXPLORATION ADMINISTRATION
INTERIOR BUILDING
WASHINGTON 25, D. C.



1/4 1/2 3/4 1
MILES

1000 2000 3000 4000 5000
FEET

NORTH CREEK CLAIMS
BEAVER URANIUM COMPANY

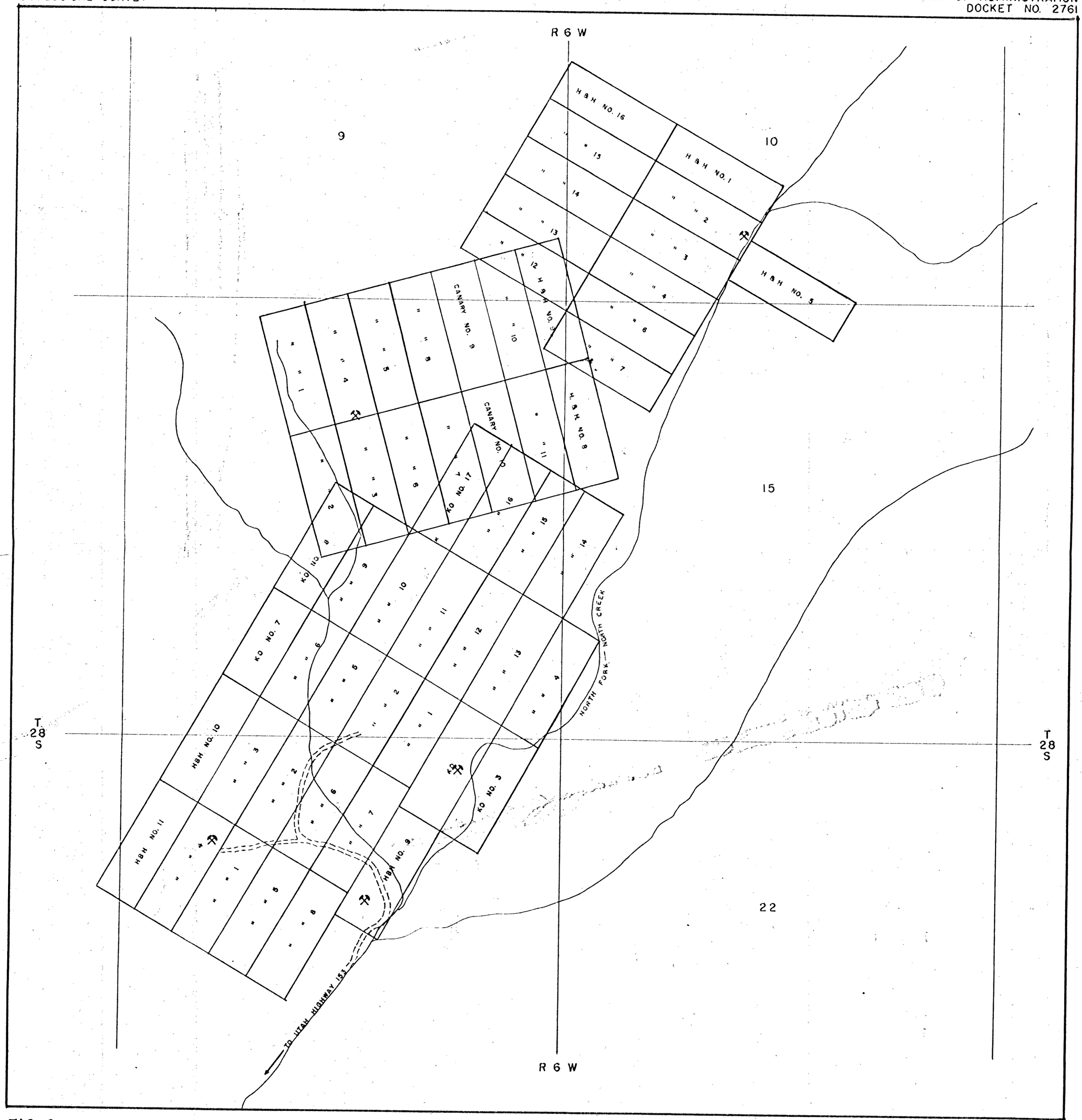


FIG. 2

After Company map August 1953

SKETCH MAP OF BEAVER URANIUM COMPANY CLAIMS
NORTH CREEK AREA
BEAVER COUNTY, UTAH

0 1,000 2,000 3,000 ft.
Scale