DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

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DMA Docket No. 4131

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Exploration

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Cys. GS

Routing Slip

To:	700	Date	1/17/56
To:	Mr. Crawford	Date	1-30-56
To:	Operating Com.	Date	2-10-56
To:	F.E. Johnson	Date	2-13-56
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CONTROLLED DOCUMENT

Surname copy

700

Murphy
Ellis
Yager
Kittleson and
Selfridge
Fjelmon

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

FEB 13 1956

Urado Uranium Corporation
304 Main Street
Grand Junction, Colorado

Re: Docket No. DMEA-4131 (Uranium)
Ilena and La Preal groups
San Juan County, Utah

Gentlemen:

Reference is made to your application for Government aid in an exploration project on the above-named groups of claims.

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

Careful study of all our information indicates to us that the probability of disclosing significant ore reserves on your property is not sufficiently promising to justify Government participation in an exploration program. We regret to advise you that, under these circumstances, your application for exploration assistance is denied. However, this denial is made without prejudice. If future limited drilling on your property reveals evidence which could materially alter this opinion, be assured we will be pleased to consider a new application.

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

Sincerely yours,

C. O. Mittendorf

Administrator

FTMurphy/gla
2-10-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Murphy
DMEA Field Team, Region III (2)

R.C.L.

DOCKET COPY

Murphy
Ellis
Yopes

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

February 10, 1956

Object: Denial of application for exploration aid.

Docket No.: DMEA-4131

Commodity: Uranium

Applicant: Urado Uranium Corporation
304 Main Street
Grand Junction, Colorado

Property: Owner: Pathfinder Uranium Corp.
Urado Uranium Corporation has working agreement with that corporation on Ilena claims Nos. 1 to 15, inclusive, 5A, 9A, and10A, and La Preal claims Nos. 10 to 20, inclusive, all situated in Secs. 26, 27, 33, 34, and 35, T. 30 S., R. 24 E., S.L.M., San Juan County, Colorado.

Date of Application: January 3, 1956

Grand Junction memorandum received: January 30, 1956; recommends denial without field examination.

Amount of Application: $188,020.00

Work Proposed: Stage I: 9 holes, each averaging about 1211 feet in depth.

Stage II: 20 holes, each averaging about 1220 feet in depth.

Estimated Costs: Independent Contracts:

Stage I:	
9,000 feet non-core @ $3.50/ft.	$31,500.00
1,000 " " " @ $6.50/ft.	6,500.00
900 " core drilling @ $9.50/ft.	8,550.00
Stage II:	
2,000 feet non-core @ $3.50/ft.	70,000.00
2,400 " " " @ $6.50/ft.	15,600.00
2,000 " core drilling @ $9.50/ft.	19,000.00
Bulldozer, 4 days @ $100/day	400.00
Labor, Supervision, Consultants	17,520.00
Operating Materials	1,900.00
Miscellaneous	1,900.00
Contingencies	15,150.00
Total	$188,020.00

Grand Junction joint memorandum (excerpts):

The potential ore-bearing horizon, if present, lies at a depth of about 1200 feet in the area of the subject claims. As the claims lie far back from the nearest rim exposure of the Chinle ore-bearing formation, no inference can be made as to the favorability of the potential ore-bearing horizon. Diamond drilling by private companies nearest these groups of claims have found no ore and have suggested that the area was unfavorable for the occurrence of large ore deposits. Geologists of the USGS, AEC, and Phillips Petroleum Co., who have worked in the area, are of the same opinion.

It is concluded that the chances are not likely of finding ore bodies large enough to mine.

The Grand Junction office recommended the subject application be denied without a field examination.

Commodity Members' comments (excerpts):

U. S. Geological Survey - W. P. Williams, January 31, 1956.

Almar Minerals, DMEA-3424, adjacent to the south of the subject property, was denied after a field examination for the same reasons as outlined in the above joint memorandum.

The Applicant states 5 holes have been drilled on the subject property. According to drill logs furnished by the Applicant, none of the holes encountered ore.

While deeply buried ore bodies, possibly of large size, probably exist back from the southwest rim of Lisbon Valley, the present lack of knowledge of the geologic and of the lithologic characteristics of the rocks lying there at great depths increase the element of risk to the point where such properties do not, at this time, appear to represent an appropriate DMEA project.

Recommends, with the Grand Junction office, that the application be denied.

U. S. Bureau of Mines, John E. Crawford, February 6, 1956.

Concurs in recommendation to deny the application. His summary of reasons for this action are similar to those outlined in the Grand Junction memorandum.

Rare and Miscellaneous Metals Division, F. M. Murphy, February 10, 1956.

Private drilling in the area has not disclosed a

favorable uranium mineralization trend which could be projected into the subject groups of claims. The proposed first stage drilling is considered to be primarily a search for geologic information.

The cost of the proposed project, about $6,480 per hole, is very high. A review of the data relating to the immediate area of the claims indicates there is no specific justification for the proposed costly drilling. Therefore, this Division concurs in the Grand Junction recommendation to deny the application.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

2-1-56 -lgm

IN REPLY REFER TO:

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

RECEIVED
FEB - 1 1956

January 31, 1956

Memorandum

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

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

Subject: Review of application, DMEA 4131, Urado Uranium Corporation, Ilena and La Preal claims, Dry Valley area, San Juan County, Utah.

The area involved in the present application was also submitted under DMEA 3646, Pathfinder Uranium Corporation. The property is adjacent to the Almar Minerals, Inc., property to the south which was submitted under DMEA 3424.

Almar Minerals, 3424, was denied after field examination on the grounds that drilling depths would average about 1,200 feet to reach the top of the Cutler formation, and geologic characteristics of the ore zone in the lower part of the Chinle formation would have to be projected from the nearest rim exposures which are 2 to 3 miles to the east. The applicant states 5 holes have been drilled on the property. According to drill logs furnished by the applicant none of the holes encountered ore.

While deeply buried ore bodies, possibly of large size, probably exist back from the southwest rim of Lisbon Valley, the present lack of knowledge of the geologic and lithologic characteristics of the rocks lying there at great depth increase the element of risk to the point where such properties do not, at this time, appear to represent appropriate DMEA projects.

I recommend, with the Grand Junction office, that the application be denied.

W P Williams

W. P. Williams

IN REPLY REFER TO:

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

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I recommend, with the Grand Junction office, that the application be denied.

WPWilliams:iml
G-1/31/56

W. P. Williams

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

IN REPLY REFER TO:

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

RECEIVED
FEB - 1 1956

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G-1/31/56

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J. E. Crawford, 3641
J. O. Nosted, 3210

2/7/56 gla

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

RECEIVED
FEB - 7 1956

February 6, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

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

Subject: Application for assistance, DMEA Docket 4131, Urado Uranium Corporation, Ilena and La Preal group, Montrose County, Colo.

I have reviewed the attached application, DMEA Docket 4131, Urado Uranium Corporation, Ilena and La Preal group, Montrose County, Colo., dated January 26, 1956, and received in this office January 30. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The Chinle formation in the subject area and at the indicated depth is not considered to be necessarily favorable for uranium deposition. Should the ore-bearing horizon be present on the Ilena and La Preal group of claims, it would probably be at a depth of about 1,200 feet.

The Urado Uranium Corporation apparently has found no uranium mineralization of significance as a result of drilling five holes on the claims, and owing to the depth of the Chinle formation on the property a deposit would have to be large to warrant the expenditures necessary to recover the ore present.

The proposed exploration project would consist of 9 Stage-I drill holes and 20 Stage-II drill holes, each hole averaging about 1,210 feet. The last 100 feet of every hole would be cored. The cost of the project is estimated at $141,015.

We recommend that the application be denied for lack of evidence that uranium may exist on the subject claims.

John E. Crawford
John E. Crawford

Attachment

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

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FEB - 7 1956

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John E. Crawford

Attachment

1/30/56 gla

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

RECEIVED
JAN 30 1956

January 26, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 4131 (Uranium), Urado Uranium Corporation, Ilena and LaPreal group of claims, San Juan County, Utah

Enclosed are the original and three copies of a joint memorandum of review of the subject application by members of the Grand Junction office.

We concur in the recommendation that this application be denied without a field examination.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

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

January 26, 1956

224 New Customhouse
Denver 2, Colorado

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DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

IN REPLY REFER TO:
DMEA
Date Rec'd.
JAN 26 1956
BUREAU OF MINES
Denver, Colorado

January 24, 1956

RECEIVED
JAN 30 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: J. William Hasler
M. H. Salsbury

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

Subject: DMEA 4131, Urado Uranium Corporation, Ilena and La Preal group of claims, Big Indian area, San Juan County, Utah

The Urado Uranium Corporation has applied for aid in exploring the Ilena and La Preal groups of claims, San Juan County, Utah. The potential ore-bearing horizon, if present, lies at a depth of about 1200 feet in the area of the Ilena and La Preal claims. As the claims lie far back from the nearest rim exposure of the Chinle ore-bearing formation, no inference can be made as to the favorability of the potential ore-bearing horizon. Diamond drilling by private companies nearest these groups of claims have found no ore and have suggested that the area was unfavorable for the occurrence of large ore deposits. Geologists of the Geological Survey, Atomic Energy Commission, and the Phillips Petroleum Company, who have worked in the area, are of the same opinion.

As the potential ore-bearing horizon lies in a depth of about 1200 feet, ore bodies of considerable size and grade would have to be discovered for a profitable mining operation to exist. An application, DMEA docket 3424, Almar Minerals, Inc., on the Surital claims which lie adjacent to the La Preal claims, was denied in the field.

It is concluded that the chances of finding ore bodies large enough to mine over a distance of 1200 feet vertically are not likely, and it is recommended that the application be denied without a field examination.

J. William Hasler by M.H.S.
J. William Hasler,
U. S. Geological Survey

M. H. Salsbury
M. H. Salsbury,
U. S. Bureau of Mines

JWH/mlr
Enclosures

IN REPLY REFER TO:
DMEA
Date Rec'd.
JAN 26 1956
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

January 24, 1956

RECEIVED
JAN 30 1956

Memorandum

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J. William Hasler by MHS
J. William Hasler
U. S. Geological Survey

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U. S. Bureau of Mines

JWH/mlr

Enclosures

IN REPLY REFER TO:
DMEA
Date Rec'd.
JAN 26 1956
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 300
Grand Junction, Colorado

January 24, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

RECEIVED
JAN 30 1956

From: J. William Hasler
M. H. Salsbury

Through: E. N. Harshman EMH
J. F. Shaw JFS

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J. William Hasler,
U. S. Geological Survey

M. H. Salsbury
M. H. Salsbury,
U. S. Bureau of Mines

JWH/mlr

Enclosures

January 17, 1956

Subject: DMEA-4131
Re: Exploration Assistance
Ilena & LaPreal Group

Urado Uranium Corporation
304 Main Street
Grand Junction, Colorado

Gentlemen:

The receipt of your application dated January 3, 1956, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4131 and referred to the Rare & Misc. Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

January 17, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA - 4131 Urado Uranium Corporation

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

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

RECEIVED
JAN 16 1956

January 12, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Urado Uranium Corporation, Ilean and LaPreal group, San Juan County, Utah

Enclosed are two copies of the subject application in the amount of $188,020.00. One copy of the application has been forwarded to the Grand Junction office for review and one copy is being retained in our file.

The ground covered in this application is a portion of that covered in Docket DMEA 3646. Mr. Ernest William Ellis' letter to the former applicant dated November 30, 1955 stated in part, "Upon receipt of the new application the current application will be considered withdrawn." We are therefore showing on our records that Docket DMEA 3646 is withdrawn.

W. M. Traver

W. M. Traver

Enclosures

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

January 12, 1956

224 New Customhouse
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Memorandum

To: Secretary to the Operating Committee, DMEA

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WASHINGTON 25, D. C.

RECEIVED
JAN 1 8 1956

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224 New Customhouse
Denver 2, Colorado

Memorandum

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Enclosed is a copy of the subject application in the amount of $188,020.00.

Will you please discuss the application with the Bureau of Mines representative in the Grand Junction office and the Atomic Energy Commission and forward this office eight copies of the memorandum of review on the subject application.

W. M. TRAVER,
W. M. Traver

Enclosure

HMC:ab

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

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

RECEIVED
JAN 16 1956

January 12, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Hasler

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Urado Uranium Corporation, Ilena and LaPreal group, San Juan County, Utah

Enclosed is a copy of the subject application in the amount of $188,020.00.

Will you please discuss the application with the Bureau of Mines representative in the Grand Junction office and the Atomic Energy Commission and forward this office eight copies of the memorandum of review on the subject application.

W. M. TRAVER,

W. M. Traver

Enclosure

HMC:ab

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

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

RECEIVED
JAN 16 1956

January 12, 1956

224 New Customhouse
Denver 2, Colorado

Mr. M. E. Newlove
President, Urado Uranium Corporation
304 Main Street
Grand Junction, Colorado

Re: Application for DMEA Aid,
(Uranium), Ilena and LaPreal
claims, San Juan County, Utah

Dear Mr. Newlove:

This will acknowledge receipt of five copies of your application for DMEA aid on the Ilena and LaPreal groups of claims in San Juan County, Utah.

This application has been placed in line for further processing.

Very truly yours,

W. M. TRAVER,

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

HMC:ab

cc: Sec. Op. Comm. (2)
Subject
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Subject
Chron.

See 3646 letter 7/11/30

URADO URANIUM CORPORATION
304 MAIN STREET • ROOM 15 • PHONE 3663
GRAND JUNCTION, COLORADO

January 10, 1956

DMEA
Date Rec'd.
JAN 11 1956
BUREAU OF MINES
Denver, Colorado

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

RECEIVED
JAN 16 1956

Dear Mr. Traver:

Enclosed are five copies of a DMEA Application on the Ilena - LaPreal Group of claims in the Big Indian Area of San Juan County, Utah.

Pathfinder Uranium Corporation tendered an application on a large group of these claims and Docket No. DMEA 3646 (Uranium) was assigned to this application.

URADO URANIUM CORPORATION has a working agreement on a block of the claims covered under Docket No. 3646. We are submitting a new application on this block of claims.

Respectfully submitted,

URADO URANIUM CORPORATION

By M. E. Newlove
M. E. Newlove,
President

MEN/m

cc: Pathfinder Uranium Corporation
Treasure Uranium & Resources Inc.
→ Louis P. Gaggini

See 3646 letter 7/11/30

URADO URANIUM CORPORATION
304 MAIN STREET • ROOM 15 • PHONE 3663
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M. E. Newlove,
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MEN/m

cc: Pathfinder Uranium Corporation
Treasure Uranium & Resources Inc.
→ Louis P. Gaggini

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. OMEA-4131
Metal or Mineral Uranium
Date Received 1-16-56
Estimated Cost ~~$141,015.00~~
Participation (Government %)

RECEIVED
JAN 16 1956
$188,020.00

DMEA
Date Rec'd
JAN 11 1956
BUREAU OF MINES
Denver, Colorado

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: Urado Uranium Corporation
304 Main Street
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 Ilena claims numbered 1 to 15, inclusive, 8A, 9A and 10A and LaPreal claims numbered 10 to 20 inclusive.

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Working agreement between owner (Pathfinder Uranium Corp.) and Urado Uranium Corporation.

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

(*e*) If you own the land, describe any liens or encumbrances on it No liens or encumbrances.

(*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.

5. *The exploration project.*—State the mineral or minerals for which you wish to explore Uranium

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[X] 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 January 3, 1956

URADO URANIUM CORPORATION
(Applicant)

By M. E. Newlove

M. E. Newlove, President

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

RECEIVED
JAN 16 1956

APPLICATION FOR DMEA PROJECT

ON THE

ILENA AND LaPREAL GROUP

January 3, 1956

Prepared by

URADO URANIUM CORPORATION

304 MAIN STREET

GRAND JUNCTION, COLORADO

APPLICATION FOR DMEA PROJECT OF THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

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APPLICATION FOR DMEA PROJECT OF THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

LIST OF SCHEDULES

Title	Schedule No.
DRILLING SUMMARY	1
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Title	Plate No.
PROPOSED DRILL HOLES ON CLAIM MAP	1

LIST OF FIGURES

Title	Figure No.
PROPERTY LOCATION	1

LIST OF EXHIBITS

Title	Exhibit No.
DMEA FORM MF-103	1
WORKING AGREEMENT, URADO URANIUM - PATHFINDER URANIUM	2
DRILL HOLE LOG BIP No. 1	3
DRILL HOLE LOG BIP No. 2	4
DRILL HOLE LOG BIP No. 3	5
DRILL HOLE LOG BIP No. 4	6
DRILL HOLE LOG BIP No. 5	7
ESTIMATE OF DRILLING COSTS	8
ESTIMATE OF DRILLING COSTS	9
ESTIMATE OF DRILLING COSTS	10

RECEIVED
JAN 16 1956

APPLICATION FOR DMEA PROJECT ON THE ILENA AND LaPREAL GROUP
Prepared by
URADO URANIUM CORPORATION
304 Main Street
Grand Junction, Colorado

INTRODUCTION

This report, on the Ilena and LaPreal Group of claims in the Big Indian Area of San Juan County, Utah (see Figure 1), is written for the purpose of applying for a DMEA loan on the claims leased by Urado Uranium Corporation from Pathfinder Uranium Corporation.

A DMEA Docket Number (DMEA-3646 Uranium) was granted for an application submitted by Pathfinder Uranium Corporation for their claims in the Big Indian Area. Later, blocks of these claims were leased to various uranium companies, of which Urado Uranium Corporation was one.

Urado Uranium Corporation is submitting a request (see Exhibit 1) for a loan of $188,020 for 35,300 feet of coring and non-coring drilling on their block of claims. Twenty-five percent of the $188,020 or $47,005 will be paid by Urado Uranium Corporation.

1. NAME OF APPLICANT

a. Urado Uranium Corporation, 304 Main Street, Grand Junction, Colorado.

b. Urado Uranium Corporation is a Colorado Corporation with offices at the above address.

c. The company officers are:

President and Director
M. E. Newlove
304 Main Street
Grand Junction, Colorado

Vice-President and Director
Louis P. Gaggini
433 North Seventh Street
Grand Junction, Colorado

APPLICATION FOR DMEA PROJECT OF THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

Secretary-Treasurer and Director
A. M. Echternach
Palisade,
Colorado

d. Omitted - Not a partnership.

2. APPLICANT'S PROPERTY RIGHTS

a, b, c and d. Legal Description and Interest

Urado Uranium Corporation has leased 18 Ilena and 11 LaPreal claims from the Pathfinder Uranium Corporation, 901 Walker Bank Building, Salt Lake City 1, Utah (see Exhibit 2). The group of claims are in Sections 26, 27, 34 and 35, Township 30 South, Range 24 East, S.L.M., San Juan County, Utah.

e. There are no outstanding liens on the Ilena and LaPreal Group of of claims.

f. The Ilena and LaPreal claims are recorded in the office of the County Recorder of San Juan County at Monticello, Utah (see Exhibit 2).

3. PHYSICAL DESCRIPTION OF PROPERTY

a. Urado Uranium Corporation has drilled five holes on the group and the logs are shown as Exhibits 3, 4, 5, 6 and 7. The cores from these holes are available for DMEA examination at Grand Junction, Colorado. Hole BIP No. 1 on Ilena No. 3 claim showed one foot of 0.06% V_2O_5 at the contact of the lower Chinle formation and the older base formation. Hole BIP No. 4 showed a slight radioactive mineralization on the probe reading (see Exhibit 6).

b. There are no ore reserves nor is there any ore production.

c. Uranium ore is found in the lower Chinle formation to the northeast of this group at the Little Beaver, Utex, etc., properties. The exploration under this application would be for the purpose of extending the mineralization found from Urado Uranium Corporation's former drilling

to determine if ore bodies, similar to the Utex one, could be found under the Ilena and LaPreal Group.

d. The entire group is readily accessible. Ore would be shipped about 30 miles to the Monticello, Utah, mill.

e. Manpower and materials are readily available at Monticello and Moab, Utah.

4. THE EXPLORATION PROJECT

a. The mineral for which this project will explore is uranium.

b. The proposed work consists of nine (9) Stage 1 drill holes and twenty (20) Stage 11 holes. The holes will average about 1,210 feet. The bottom 100 feet will be cored while the rest of each hole will be non-cored. The proposed Stage 1 holes are shown on Plate 1.

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

d. Urado Uranium Corporation, who has done the prior exploratory drilling, will be in charge of the exploration subject to the DMEA Field Team decisions.

5. ESTIMATE OF COSTS

Schedules I thru IV cover the items under this heading. Exhibits 8, 9 and 10 show drilling estimates of three drill contractors.

6. APPLICANT'S SHARE OF COST

a and b. Urado Uranium Corporation will perform all necessary work and will pay for all labor, materials and supplies. Reimbursement by DMEA will be in accordance with Schedule IV of this application less the 25% to be paid by Urado Uranium Corporation.

Respectfully submitted,

URADO URANIUM CORPORATION

M. E. Newlove, President

APPLICATION FOR DMEA PROJECT ON THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

SCHEDULE 1

DRILLING SUMMARY

Hole No.	Estimated Depth	Estimated 0-1000 Non-Coring	Estimated 1000-1200 Non-Coring	Estimated 1000-1250 Coring
BIP 6	1,200	1,000	100	100
BIP 7	1,240	1,000	140	100
BIP 8	1,250	1,000	150	100
BIP 9	1,220	1,000	120	100
BIP 10	1,200	1,000	100	100
BIP 11	1,190	1,000	90	100
BIP 12	1,180	1,000	80	100
BIP 13	1,220	1,000	120	100
BIP 14	1,200	1,000	100	100
Total Footages	10,900	9,000	1,000	900
Price Per Foot		$ 3.50	$ 6.50	$ 9.50
Costs		$31,500.00	$6,500.00	$8,550.00

Total for Stage 1 - 10,900 feet @ $4.271 per foot - $46,550.00

DRILLING SUMMARY

SCHEDULE 1

APPLICATION FOR DMEA PROJECT ON THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

SCHEDULE II

ESTIMATE OF AMOUNTS TO BE PAID TO INDEPENDENT CONTRACTORS

Explanation	Unit	No. of Units	Cost Per Unit	Total cost each Item	Grand Total
Drilling Contractors					
Stage I Drilling	Feet	10,900	$ 4.271	$46,550	$ 46,550
Stage II Drilling					
20 Holes @ 1,220 feet					
Non-coring 0-1000	Feet	20,000	3.50	70,000	
Non-coring 1000-1200	Feet	2,400	6.50	15,600	
Coring 1000-1200	Feet	2,000	9.50	19,000	
Total Stage II Drilling		24,400	$ 4.286		$104,600
Bulldozer Contractor	Day	4	100.00		400
Total		35,300	$ 4.293		$151,550

ESTIMATE OF AMOUNT TO BE PAID TO INDEPENDENT CONTRACTORS

SCHEDULE II

APPLICATION FOR DMEA PROJECT ON THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

SCHEDULE III

ESTIMATED COSTS UNDER MF-103 HEADINGS 6b, 6c, 6g and 6h

	Explanation	Cost Per Day	Cost Per Month	Cost Per Project	Cost Per Foot
6 b	Labor, Supervision & Consultants				
	Geologist & Helpers Fees		$1,000.00	$12,000.00	
	Geologists Expenses	$10.00	250.00	3,000.00	
	Draftsman		150.00	1,800.00	
	Typist		60.00	720.00	
	Total for 35,300 feet			$17,520.00	$0.496
6 c	Operating Materials & Supplies				
	Office supplies, map & drill log reproductions and other correspondence with DMEA		150.00	1,800.00	
	Survey stakes & field supplies			100.00	
	Total for 35,300 feet			$ 1,900.00	$0.054
6 g	Miscellaneous				
	Accounting & other office Expenses		100.00	1,200.00	
	Estimated Payroll Taxes			500.00	
	Analytical work for 30 holes			200.00	
	Total for 35,290 feet			$ 1,900.00	$0.054
6 h	Contingencies				
	10% of Stage I & II Costs			15,150.00	
	Total for 35,290 feet			$15,150.00	$0.043

ESTIMATED COSTS UNDER MF-103 HEADINGS 6b, 6c, 6g and 6h

SCHEDULE III

APPLICATION FOR DMEA PROJECT ON THE ILENA AND LaPREAL GROUP, PREPARED BY URADO URANIUM CORPORATION, 304 MAIN STREET, GRAND JUNCTION, COLORADO

SCHEDULE IV

SUMMARY OF COSTS

Explanation	Units	No. of Units	Cost Per Unit	Total Cost Per Item	Grand Total
6a-Independent Contractors (Schedule 2)	Feet	35,300	$4.293	$151,550.00	
6b-Labor, Supervision, etc. (Schedule 3)	Feet	35,300	0.496	17,520.00	
6c-Operating Materials, etc. (Schedule 3)	Feet	35,300	0.054	1,900.00	
6d-Operating Equipment, etc.	None				
6e-Rehabilitation, etc.	None				
6f-New Buildings, etc.	None				
6g-Miscellaneous (Schedule 3)	Feet	35,300	0.054	1,900.00	
6h-Contingencies (Schedule 3)	Feet	35,300	0.429	15,150.00	
Calculated Unit Cost per Foot	Feet	35,300	$5.326		$188,020.00
Cost of Project during DMEA Participation					$188,020.00
Less 25% to be paid by Urado Uranium Corporation					47,005.00
AMOUNT OF DMEA LOAN REQUESTED					$141,015.00

SUMMARY OF COSTS

SCHEDULE IV

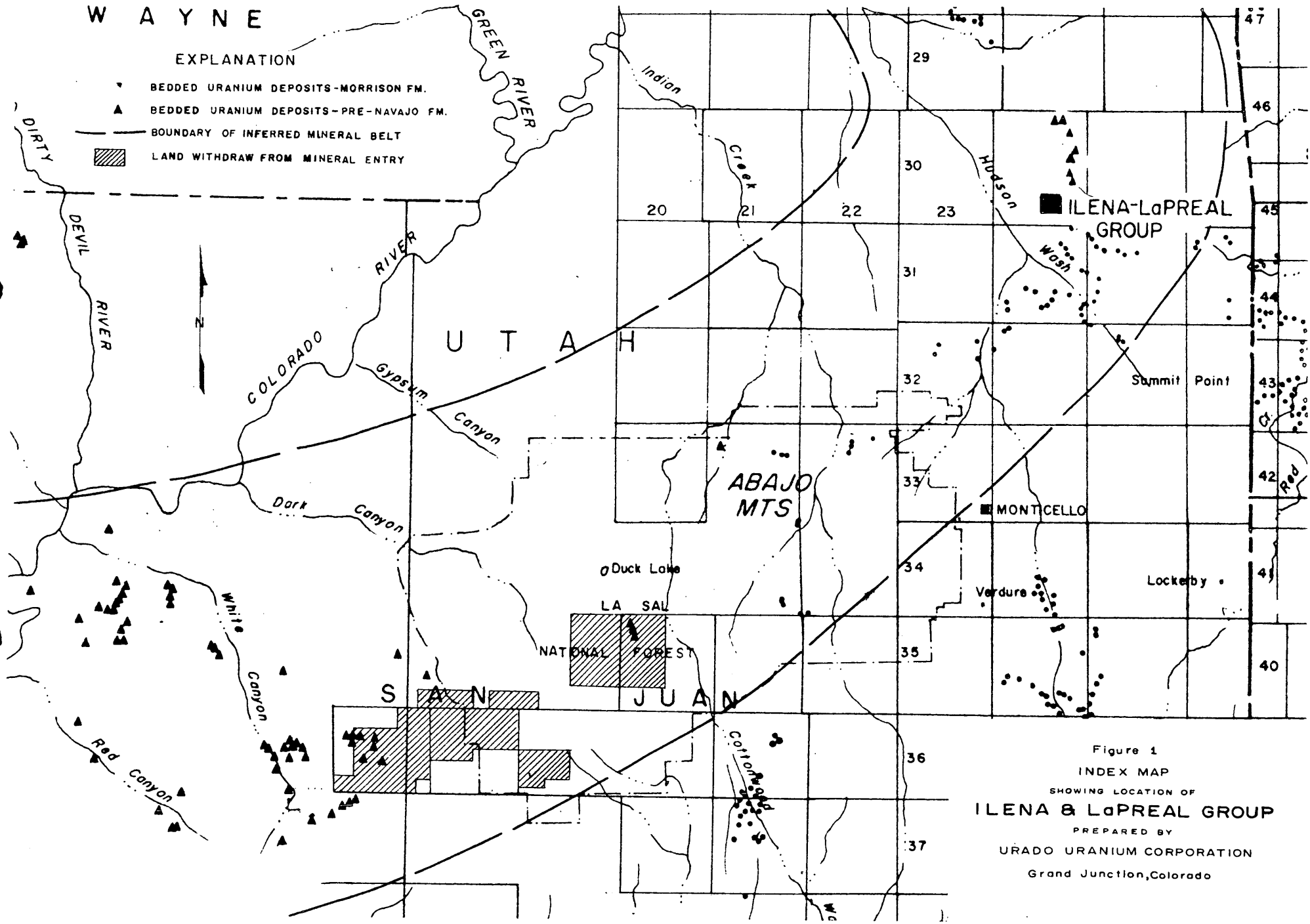

Figure 1
INDEX MAP
SHOWING LOCATION OF
ILENA & LaPREAL GROUP
PREPARED BY
URADO URANIUM CORPORATION
Grand Junction, Colorado

WORKING AGREEMENT

RECEIVED
JAN 16 1956

This Agreement made and entered into this 9th day of June, 1955, by and between URADO URANIUM CORPORATION, A Colorado Corporation, of 304 Main Street, Grand Junction, Colorado, First Party, (hereinafter referred to as Urado), and PATHFINDER URANIUM CORPORATION, a Utah Corporation, licensed to do business and owning properties in the State of Colorado, of 901 Walker Bank Building, Salt Lake City, Salt Lake County, State of Utah, Second Party, (hereinafter referred to as Pathfinder).

W I T N E S S E T H :

WHEREAS, Pathfinder is the owner of the following described unpatented lode mining claims located in the County of San Juan, and State of Utah, and consisting of twenty-six (26) claims located in Sections 26, 27, 33, 34 and 35, Township 39 30 South, Range 24 East, SLM, as follows:

> Ilena Claims numbered 1 to 15 8A; 9A; 10A, both inclusive, Location Certificates of which are recorded in Book 37, at pages 124 to 134, and pages 193 to 195, of the Mining Records of the Office of the County Recorder of said San Juan County, Utah.
>
> LaPreal Claims numbered 10 to 20, both inclusive, Location Certificates of which are recorded in Book 37, at pages 135 to 154, both inclusive, of the Mining Records of the Office of the County Recorder of said San Juan County, Utah.

Which claims are also described in that certain Special Warranty Deed wherein Pathfinder is named Grantee, and which date is recorded in Book 133, at Page 264 of the said San Juan County Recorder's Office, and

WHEREAS, Urado is in a position to perform certain exploratory and development work on said mining claims, and it is the desire of the parties hereto to enter into a Working Agreement for the purpose of developing said claims and mining and removing any ore which may be found, and

WHERAS, it is the intention of the parties hereto that Urado shall drill two (2) holes, at points to be selected by it, through the ore

horizon and in the event Urado elects to proceed further hereunder within six (6) months from the date of this Working Agreement, Urado will drill eight (8) additional holes at such additional points which it may determine on said claims all through the ore horizon. This latter requirement of eight (8) additional holes, however, to be subject to Urado's right to surrender and cancel this agreement as hereinafter set forth, and

WHEREAS, it is understood that Pathfinder is presently under an obligation to pay John A. Soelberg and Associates, of Grand Junction, Colorado, an overriding royalty on the production from these mining claims of twelve and one-half per cent (12½%), and that this Working Agreement shall be terminated and have no force or effect in the event Pathfinder is unable to reduce said royalties from twelve and one-half per cent (12½%) to a five per cent (5%) royalty, and

WHEREAS, this Working Agreement is predicated on Pathfinder's interest in seeing to it that the above described unpatented lode mining claims are explored and developed as an operating uranium-vanadium mine, and is willing to appoint Urado as operator of the above described premises for the purposes of exploration, development and mining of the above described premises upon Urado's performing certain acts and covenants which are below described, and retain unto itself the title to said premises and receive from Urado thirty per cent (30%) of the net profits from all ores, metals and minerals mined and/or shipped from said premises, and

WHEREAS, Urado is skilled in exploration, operation and mining business and is willing in good faith to enter upon the above described premises and perform certain acts and covenants which are below described, and receiving back all funds expended in the exploratory drilling out of the first net profits realized from the mining operation, and retaining thereafter seventy per cent (70%) of the net profits realized from all ores, metals and minerals mined and/or shipped from said premises, and

WHEREAS, Pathfinder is to receive the first ten (10) holes above referred to free and clear without any financial obligation whatsoever on its part to be had or performed,

NOW, THEREFORE, in consideration of Ten Dollars ($10.00) paid by Urado to Pathfinder and the mutual covenants, acts and agreements hereinbelow set out, it is agreed as follows, to-wit:

PATHFINDER AGREES:

1. To appoint, and by these presents does appoint Urado active operator of the above described premises for purposes of exploration, development and mining, upon Urado's fulfilling the drilling requirements mentioned above and set out in particular below.

2. That Urado shall first receive back out of any profits realized from mining said ores, metals and minerals, all costs of exploratory drilling which are to be expended by Urado on behalf of the above described premises. Said return of cost to be realized by Urado prior to any payment by Urado to Pathfinder of the Working Agreement basis herein--above and hereinafter described, which is the nature of thirty per cent (30%) of the net profits realized from the mining operations contemplated.

3. That Urado shall retain severty per cent (70%) of the net profits realized from all ores, metals and minerals mined and/or shipped from the property.

4. That it will furnish to Urado a description of the claims, together with all information such as pertains to the notice of locations, any drilling logs, assay results and general geological information which may be available at this time.

5. Pathfinder acknowledges that it is under an obligation to pay to John A. Soilberg and Associates, of Grand Junction, Colorado, an overriding royalty on the production from the mining claims covered by this agreement in the amount of twelve and one-half per cent (12%).

Pathfinder, however, has obtained an agreement reducing said royalty to five per cent (5%)conditioned upon the drilling of the two (2) holes above specified.

6. Pathfinder is to assume no financial responsibility whatsoever for the first ten (10) holes to be drilled upon the above described properties. Said drilling to be done at the sole risk and expense of Urado.

URADO AGREES:

1. To enter the property on or before June 20, 1955 and with reasonable diligence drill two (2) holes at points to be selected by Urado which holes shall be bottomed at sufficient depth to intersect the probable ore horizon.

2. Within six (6) months of the date of this agreement, in the event Urado elects to proceed further under the terms hereof, it shall drill an additional eight (8) holes upon the property at points selected by Urado and of depth sufficient to intersect the probable ore horizon.

3. Upon performance of the obligations set forth in paragraph 1 and 2 above Urado shall be entitled to retain for a period of five years from the date hereof its rights created hereunder with respect to the operation of said property by the performance of the annual assessment works required thereon for the retention of possessory rights under the mining laws. In addition, the term of this agreement shall extend beyond said five year period as long thereafter as Urado shall conduct a program of exploration, mining and development upon the property with reasonable diligence and continuity.

4. To pay to Pathfinder thirty per cent (30%) of the net profits realized from the sale of all ores, metals and minerals mined and/or shipped from the above described premises. All payments from said net profits shall be made quarterly upon the basis of estimated net profits for the quarter, less ten per cent (10%). As soon after the end of each calendar year as

is feasible, a readjustment in such payments may be made upon the basis of net profits for said year as finally determined, taking into account the ten per cent (10%) previously withheld. Payment will be made to Pathfinder, and in order to constitute good payment a check, draft or money order shall be mailed postage prepaid to Pathfinder Uranium Corporation, 904 Walker Bank Building, Salt Lake City, Utah. Urado may make payment elsewhere upon written instructions being given to it by Pathfinder.

5. That all work performed within the above described premises shall be done in accordance with good mining practice so as to take out the greatest amount of ore possible, with due regard to the development and preservation of the premises as a workable mining property.

6. That it shall pay in full for all labor performed upon or material furnished to said premises at the instance or request of Urado as pertains to the first ten (10) holes above referred to and shall keep the whole thereof free and clear from any and all liens of mechanics or materialmen. Urado shall post and keep posted upon the premises notice to the effect that the owner is Pathfinder Uranium Corporation and that the owner is not, nor will the said premises be liable for any labor performed upon or materials furnished to the said premises at the instance or request of Urado, as pertains to the drilling of the exploratory ten (10) holes, and that any further expenses in connection with exploration, development and mining shall be paid on a basis of seventy per cent (70%) by Urado and thirty per cent (30%) by Pathfinder.

7. That it shall at all times comply in all respects with the law, rules and regulations relating to the performance of such work within the above described premises, and that it shall provide adequate Workmen's Compensation Insurance.

IT IS MUTUALLY AGREED:

1. That Urado will be the sole and exclusive operator for purposes of exploration, development and mining of the above described

premises upon completion of the ten (10) hole drilling program above described, or a lesser number as might be mutually agreed to in writing by the parties hereto, and all phases of management and direction of the operation shall be vested exclusively in Urado.

2. That the parties hereto will do nothing to jeopardize or in any way cloud the title to the premises by any act or deed, but will perform in good faith and do every act or deed necessary and proper to protect the titles to the above described premises.

3. That the definition of net profit as used in this agreement shall be described and defined as follows, to-wit: "Net Profit" shall be construed to mean what monies remain after deducting all expenses incurred in the operation of the properties, including without limiting the generality of the foregoing, costs of exploration, other than the ten (10) hole drilling program described above, prospecting, mining, development, treatment, handling or shipment, transportation and/or removal, sorting and/or processing, equipment rental, all labor, supplies, materials, services and sampling, assaying and treatment charges, assessment work, patent applications, patent surveys, attorney's fees, upkeep and repair of any kind and nature, insurance interest charges, general and special taxes and assessments, State taxes of every kind and nature (including County taxes, Utah Corporation Franchise Tax, and any so-called severance tax now in existence or that may hereafter be enacted by the State of Utah, or any taxes which might be imposed upon unpatented lode mining claims by the State of Utah or its Counties), judgments, liens or claims, engineering services, all salaries and expenses of technical and operating personnel, assigned by Urado to the properties, and who actually perform and render services on the properties, and allowances for depreciation and expenditures for amortization for exploration and development, and costs of all equipment purchased as amortized over a period of four (4) years. Allowance for administrative expenses shall be included herein

as deductible items from "net profit" not to exceed $1000.00 per month unless hereinafter agreed to in writing. Urado as Operator assumes responsibility for tax payments to be made at proper times and to be charged to expenses in calculating "net profit".

It is further agreed and understood that the depletion (including per cent depletion) allowable for Federal Income Tax purposes as now in existence or as may hereafter be amended or determined shall not be considered as an expense of the operation in determining "net profit". Such allowance for tax purposes shall be allocated between Urado and Pathfinder on a 70-30 basis, and said seventy-thirty per cent (70-30%) being determined on the part of both parties by this working agreement.

5. That the term ores, metals or minerals as may be used in this agreement shall specifically include all uranium (U_3O_8) and/or vanadium(V_2O_5) ores, metals or minerals of any type of description whatsoever.

6. That nothing herein contained shall be construed to mean that Pathfinder and Urado are agents or employees of the other in any capacity whatsoever, nor are they partners, but are mainly engaged in a joint working agreement.

7. No modification, alteration, addition to or change in any of the terms, conditions or covenants in this agreement contained shall be valid or binding upon either party hereto unless made in writing and executed on behalf of each of the parties hereto by a duly authorized person.

8. Urado at its sole election may terminate this agreement by giving Pathfinder thirty (30) days notice of its intention to do so, and Urado in such event agrees to surrender the premises to Pathfinder in a peaceful manner. Urado, it is agreed, shall have the right to remove any equipment owned by it within a reasonable time not to exceed sixty (60) days.

9. That this working agreement, may not be sold or assigned, without first having the written consent of all the parties hereto, provided, however, that Urado shall have the privilege of performing any of its obligations by arrangements as specified in paragraph 17 below. In the event both parties determine that a sale of the above described premises to a third party would be in the interests of the parties hereto, then in that event it is agreed that both parties must mutually consent to the terms of the sale and that the profits realized from the long term capital gain will be enjoyed seventy (70%) by Urado and thirty (30%) by Pathfinder.

10. That at the expiration of the mine operation herein contemplated, all tools, machinery and equipment purchased, including track, pipe, receivers and cables, and used in the operation of the mine shall have been purchased and paid for out of the profits of the mining operation which is the subject of this agreement, shall be sold to either parties to this agreement who expresses a desire for the same. Said sale shall be on the basis of the then reasonable market value, or in the event of a dispute among the parties hereto then the sale shall be to a third party highest bidder, and the proceeds realized distributed to both parties to this agreement on the working agreement basis of seventy per cent (70%) to Urado and thirty per cent (30%) to Pathfinder.

11. If Urado shall fail to perform any term or condition on Urado's part to be performed, Pathfinder may give Urado notice in writing specifying such failure; and Urado shall have thirty (30) days thereafter to remedy such default. Upon failure or refusal by Urado within such thirty (30) day period to remedy and correct such default, all of Urado's rights, titles and interests hereunder shall terminate.

12. Whenever the time for performance of any acts hereunder is limited and the performance thereof is hindered, prevented or delayed by any factor or circumstances beyond the reasonable control of the party

obliged to perform, excepting and excluding specifically the payment by Urado to Pathfinder of their working agreement basis of thirty per cent (30%) of the net profits, and the said party could not have avoided by the use of due diligence, then the time for the performance of any such act or obligation shall be extended for a period equal to the extent of such delay.

13. That Urado will make available to Pathfinder all information on results obtained from drilling operations and mining, such as tonnage of ore blocked, or mined; also, mill receipts and grade of ore; and it is agreed that Pathfinder will have the exclusive use of this information only, and may use the same in its reports to stockholders and/or for purposes of future corporation financing.

14. That the Officers of Pathfinder may at any reasonable time enter upon the properties and the mine for purposes of inspection, and that they do so at their sole risk.

15. That Pathfinder, by its Officers and agents and auditors, may have the privilege and right of inspecting Urado's reports and books covering the cost of this operation at any reasonable time upon a written order of the President.

16. Notices hereunder shall be deemed sufficiently given when deposited in the United States mail, postage prepaid, and addressed as follows:

If to Pathfinder:
Pathfinder Uranium Corporation
904 Walker Bank Building
Salt Lake City 11, Utah

If to Urado:
Urado Uranium Corporation
304 Main Street
Grand Junction, Colorado

17. It is agreed that Urado shall have the right to perform any of the duties and obligations proposed and set out above by this working agreement through contracts, sub-contracts, leases, work agreements, split check arrangements or any other type of agreement usual and customary in the working and development of mining claims, including the right to lease any of said claims to a lessee on a royalty basis.

18. This agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

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

PATHFINDER URANIUM CORPORATION

By /s/ W. H. H. Cranmer
W. H. H. CRANMER, President

Attest:

/s/ Robert L. Cranmer
Robert L. Cranmer, Secretary

URADO URANIUM CORPORATION

By /s/ M. E. Newlove
M. E. Newlove, President

Attest:

/s/ A. M. Echternach
A. M. Echternach, Secretary

STATE OF UTAH)
) SS.
COUNTY OF SALT LAKE)

On the 9th day of June, 1955, personally appeared before me W. H. H. CRANMER, who being by me duly sworn, did say that he is the President of PATHFINDER URANIUM CORPORATION, and that said instrument was signed in behalf of said Corporation by resolution of its Board of Directors, and said W. H. H. CRANMER acknowledged to me that said Corporation executed the same.

/s/ Clare C. Spurs
Notary Public

Residing in Salt Lake City, Utah

My commission expires:

8-11-58

STATE OF COLORADO)
) SS.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 16th day of June, 1955, by M. E. Newlove, President of URADO URANIUM CORPORATION.

/s/ Patty Lou Nisley
Notary Public

My commission expires:

July 17, 1955

MINERALS ENGINEERING COMPANY
P. O. BOX 1951
GRAND JUNCTION, COLORADO

December 9, 1955

RECEIVED
JAN 16 1956

Urado Uranium Corporation
304 Main Street
Grand Junction, Colorado

Attention Lewis D. Anderson

Gentlemen:

In reply to your inquiry regarding your D.M.E.A. drilling project for a minimum of 20,000 feet of plug and core drilling in Dry Valley, Big Indian Area, San Juan County, Utah, please accept the following quotations as our proposal.

	Price per Foot	
Depth	Plug Bit	BX Core
0-200 feet	$ 2.15	$ 2.65
200-400 feet	2.45	3.25
400-600 feet	2.95	4.50
600-800 feet	4.50	5.95
800-1000 feet	5.45	7.65
1000-1200 feet	6.50	9.50

We bid stand-by time at the rate of $12.00 per hour.

It would be our understanding that you would furnish all access and drill roads for 2-wheel drive equipment.

Very truly yours,

MINERALS ENGINEERING COMPANY

Edson Foster

Edson Foster
Assistant Drill Superintendent

EF/k

EXHIBIT NO. 7

MANUFACTURERS OF
DIAMOND DRILLS
DRILLING EQUIPMENT
DIAMOND BITS

BRANCH OFFICES
NEW YORK · PITTSBURGH
PHILADELPHIA
GRAND JUNCTION, COLO.

EXECUTIVE OFFICES & PLANT
221 W OLIVE STREET
SCRANTON, PA.

SINCE 1883

SPRAGUE & HENWOOD, INC.

CONTRACTORS FOR
DIAMOND DRILLING
SHOT DRILLING · SOIL SAMPLING · PRESSURE GROUTING
WATER WELLS & CHURN DRILLING

PLEASE REPLY TO
P. O. BOX 645
GRAND JUNCTION, COLO.
TELEPHONE 834

December 21, 1955

Urado Uranium Corp.
304 Main St.
Grand Junction, Colorado

Attn: Mr. Lewis D. Anderson

Gentlemen:

In compliance with your request, we herewith submit our proposal for exploratory drilling in T 30 S, R 24 E, San Juan County, Utah.

PROPOSAL:

Non-Core Drilling:

Item 1.	From 0 to 400 ft. depth.	$1.60 per ft.
Item 2.	From 400 ft. to 600 ft. depth. . . .	$1.85 per ft.
Item 3.	From 600 ft. to 800 ft. depth. . . .	$2.50 per ft.
Item 4.	From 800 ft. to 1000 ft. depth . . .	$3.25 per ft.
Item 5.	From 1000 ft. to 1200 ft. depth. . .	$4.00 per ft.

Core Drilling:

Item 6.	From 0 to 400 ft. depth.	$2.75 per ft.
Item 7.	From 400 ft. to 600 ft. depth. . . .	$3.50 per ft.
Item 8.	From 600 ft. to 800 ft. depth. . . .	$4.75 per ft.
Item 9.	From 800 ft. to 1000 ft. depth . . .	$6.00 per ft.
Item10.	From 1000 ft. to 1200 ft. depth. . .	$7.50 per ft.
Item11.	From 1200 ft. to 1400 ft. depth. . .	$9.00 per ft.

Delays:

Item 12.	Delays for radiometric logging or for any other reason required by customer.	$12.00 per hr.

This proposal is based on the following provisions:

1. All drill hole locations and access roads to drill sites will be constructed and maintained to accommodate Sprague & Henwood, Inc. truck mounted drills and water trucks. Any bulldozer work required for preparation of sites and roads will be furnished by the customer at no cost to Sprague & Henwood, Inc.

2. Cores will be delivered at drill hole locations, and storage and preservation of cores will be the responsibility of the customer.

Grand Junction, Colorado
December 21, 1955

(Continued Page -2-)

3. Upon completion of a hole to the specified bottom depth and prior to moving the drill rig, if the drill and crew are required to stand by while the customer logs said hole with subsurface logging equipment, or if the drill and crew are required to perform additional work in the hole for use of subsurface logging equipment, Sprague & Henwood, Inc. will be paid at the rate per hour specified under Item 12. of proposed schedule above.

4. In the event the customer does not have logging equipment available at the time the hole is completed to specified depth, the customer may require that the casing be left in the hole and the drill moved to another site. Sprague & Henwood, Inc. shall be paid at the rate per hour under Item 12. for the time required to return, set up on hole, and pull the casing. If such casing should be impossible to recover after diligent effort on the part of Sprague & Henwood, Inc., using such equipment normally capable of performing the operation efficiently, then the casing left in the hole will be paid for by the Urado Uranium Corporation at the fair market value.

5. All work shall be performed in such a manner as to secure maximum core recovery from each hole drilled and to deliver as complete and accurate core samples as are consistent with good drilling practice.

6. Prior to commencement of drilling of each hole, the non-core depth will be established by the Owner. This depth may be changed by the Owner at any time prior to commencement of coring. Once coring has begun, any drilling beyond the depth where coring commenced, will be paid for at coring prices.

7. All holes will be located in the field by the customer.

8. All rights of entry to and exit from the property will be obtained by the customer.

9. Payments are to be made monthly based on completed holes, within 15 days after date of invoice. Should payments not be made within the specified period then Sprague & Henwood, Inc. reserves the right to terminate operations. Credit arrangements satisfactory to Sprague & Henwood, Inc. must be made prior to commencement of work.

We thank you for the opportunity of submitting this proposal.

Very truly yours,

SPRAGUE & HENWOOD, INC.

R. R. Carver
West. Mgr.

RRC:bc
CC: Scranton
File

B. H. MOTT & SONS, INC.

CONTRACTORS

BIRMINGHAM, ALA.
PLANT AND OFFICE
2512 8 COURT N.
PHONE 7-7500

AIR, ELECTRIC, GASOLINE
INSIDE MINE DRILLING
LARGE DIAMETER HOLES
AIR ROTARY

DIAMOND CORE DRILLING
COAL, FIRE-CLAY, MINERALS, FOUNDATION TESTING
URANIUM-VANADIUM

FIRST NATIONAL BANK BUILDING
ROOM 210 PHONE 2512

GRAND JUNCTION, COLORADO

HUNTINGTON, W. VA.
PLANT AND OFFICE
830 EIGHTH AVENUE
PHONE 20288

PRESSURE-GROUTING
MINE SHAFTS PRE-GROUTED
DAMS, TUNNELS, BLDGS.
MFG. CORE DRILLS

DECEMBER 27, 1955

URADO URANIUM CORPORATION
304 MAIN STREET
GRAND JUNCTION, COLORADO

GENTLEMEN:

FOR YOUR DMEA APPLICATION WE SUBMIT THE FOLLOWING TENTATIVE PRICES. DRILLING IN THE DRY VALLEY, BIG INDIAN AREA, UTAH.

NON CORE

0	-	200	$2.30
200	-	400	2.85
400	-	600	3.50
600	-	800	5.00
800	-	1000	6.00
1000	-	1200	7.50

CORE DRILLING

600	-	800	$6.00
800	-	1000	7.50
1000	-	1200	8.50
1200	-	1400	11.00

YOURS VERY TRULY,
John C. McEldowney
JOHN C. MCELDOWNEY

Exhibit 9

RECEIVED
JAN 1 6 1956

DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: CORE

Logged For: Urado

Drill-hole No.: BIP #1
Total depth: 1185.0
Collar elev.: ..... T 5982.8 P
Area: DAY VALLEY - UTAH

COORDINATES
North 65,609.7 East 98,396.4
Tie 750' North of South End
Center of ILENA #3

Claim: ILENA #2
Date started: 6-17-55
Date completed: 7-9-55
Logged by: AUSMUS

Summary of log.....; OBSS.....Thick.....; SS color.....; MS under OBSS.....; Cbn.....

P.B 1020.0 — DESCRIPTION TD 1185.0

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	1020.0	Plug	Blk			Plug Set Depth - 1 2.5 ft.
1020.0	1035.0	MS	R			
1035.0	1042.0	R	ST-S SS	Very Fine		
1042.0	1045.0	Gy	MS-CG			MS & LSS Pebbles CG
1045.0	1048.0	R-GY	MS-SS-CG			Red MS Granules
1048.0	1056.0	R	MS-SS			
1056.0	1064.0	GY	MS			
1064.0	1064.5	GY	MS-CG			Pebbles
1064.5	1065.0	R	MS			
1065.0	1075.0	R	SS	Very Fine		Some Gy SS INTERBEDDED
1075.0	1085.0	LTR	MS-SS	F to M		Some Red MS Splits
1085.0	1106.0	pp-Red	MS			Mica Abundant
1106.0	1108.0	GY	MS SS	Coarse		Pebbles
1108.0	1111.0	R & GY	STS-CG			
1111.0	1114.0	GY	SS	Coarse		
1114.0	1123.0	GY	[illegible]	[illegible]		Some Asphalt & Seams
1123.0	1127.0	GY	SS	F Med		
1127.0	1134.0	GY	SS	Coarse		
1134.0	1136.5	GY	MS			
1136.5	1140.0	GY	SS	CG		Hard Quartzite - Small pebbles
1140.0	1142.0	R	MS			
1142.0	1145.0	GY	CG MS		A	[illegible]
1145.0	1147.0	GY R	CG			
1147.0	1148.0	MS	R		Some	Flakes of CBN
1148.0	1150.0	GY	CG		Sparse	
1150.0	1152.0	GY	SS	FINE	A	Some Sulphides
1152.0	1155.5	R-GY	STS-MS			ALTERNATING Seams
1155.5	1161.0	LT-GY		FING	S-	Sparse Flakes of CBN.
1161.0	1175.0	R-GY	SS	F-VF		GY STS & Fine SS
1175.0	1179.0	GY	SS	Med	A	Mica Flakes
1179.0	1185.0	R	MS			Bottom of hole

Gamma Ray Log: 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
1179	1'	0.00	Trace		
1180	1'	0.00	0.06		
Composite Lime					
1177 To 1180		37.63%			

Abbreviations

Wh—white	CG—conglomerate
Br—brown	SS—sandstone
R—red	MS—mudstone
Gy—gray	ST—siltstone
Bl—blue	F—fine
Gn—green	M—medium
Yw—yellow	C—coarse
Bk—black	N—none
Pp—purple	S—sparse
Cbn—carbon	A—abundant

OBSS—ore bearing sandstone
LT-light
DK-dark

Hole No. BIP #1

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EXHIBIT NO. 3

COLORADO PRINTING CO., GRAND JUNCTION

DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Core

Logged For: Urado

Drill-hole No.: BIP #2

Total depth: 1165

Collar elev.: ..... T. 6071.7 P

Area: [illegible]

COORDINATES

North 66,280 East 102,8881

Tie: S 31° E – 1500' from

Sec. Sec. 26-27-- T30S R24E

Claim: Ilena #10

Date started: 7-10-55

Date completed: 7-23-55

Logged by: [illegible]

Summary of log: ; OBSS: ; Thick: ; SS color: ; MS under OBSS: ; Cbn:

PB - 1000.0 – TD 1165

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	1000.0					Plug Bit 44
[illegible]	1028.0	MS	R		N	[illegible]
1029.0	[illegible]	[illegible]	R			[illegible]
[illegible]	[illegible]	MS	Br			[illegible]
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	1034.0	[illegible]	[illegible]			
1034.0	1036.0	C.G.	[illegible]			[illegible]
1036.0	[illegible]	[illegible]	W-Gy			[illegible]
1041.0	[illegible]	SS	Gy-Bk		A	Carbon [illegible]
1044.0	1050.0	SS-CG	[illegible]		A	Wood - [illegible] Abundant
[illegible]	1060.0	SS-MS	Gy-Br Bl		Some	[illegible] - Bl-MS-
[illegible]	[illegible]	[illegible]	[illegible]			[illegible]
[illegible]	1120.0	MS	Bl			[illegible]
[illegible]	[illegible]	CG-MS	[illegible]			Conglomerate [illegible]
1081.0	[illegible]	MS	Bl			
1089.0	[illegible]	MS	Bl			
1110.0	[illegible]	SS	R Br.			
[illegible]	1120.0	SS	[illegible]			Very hard
1120.0	1130.0	[illegible] MS	Bl-Gy			Siltstone - Mudstone
1130.0	[illegible]	MS	[illegible]			
1135.0	[illegible]	[illegible]	Gy		A	Wood & Carbon present
1137.5	1140.0	MS-SS	Bl-Gy		Some	Bl-MS - Gy SS with wood
1140.0	1150.0	SS	Br-Bl		Sparse	Bl-MS splits - Carbon sparse
1150.0	1151.8	SS	Br			
1151.8	1152.6	SS-CG	Gy-Bk		A	Carbon and Asphalt
1152.6	1160.0	SS MS	W-Bl			SS & MS Mixed Some MS-CG
1160.0	1165.0	SS-MS	Br-Bl-R			Bl & Red. S on last 3 ft.
						Hole lost [illegible] from
						1034.0 [illegible]

γ-Ray Log: 0 – 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
		Barren			
Composite Lime					
1161 to 1163			15.09 %		

Abbreviations

Wh—white	CG—conglomerate
Br—brown	SS—sandstone
R—red	MS—mudstone
Gy—gray	ST—siltstone
Bl—blue	F—fine
Gn—green	M—medium
Yw—yellow	C—coarse
Bk—black	N—none
Pp—purple	S—sparse
Cbn—carbon	A—abundant
OBSS—ore bearing sandstone	

Hole No. BIP #2

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EXHIBIT NO. 4

COLORADO PRINTING CO., GRAND JUNCTION

DRILL HOLE LOG

GEO ENGINEERING

Logged For: Urado

Type of Drill: Core

Drill-hole No. BIP-3
Total depth: 1195.0
Collar elev. ..... T. 6111.5 P
Area: Big Indian Wash-Utah

COORDINATES
North 64,985.3 East 103,088.0
Tie: N84°E, 1046 from
See Cor 27/34 26/35

Claim: Ilena 16
Date started: 7/23/55
Date completed: 8/31/55
Logged by: Geo Eng - Ausmus

Summary of log: ; OBSS 1084-1119 Thick 25 ; SS color Bl-Bk-Gy ; MS Bl-R ; Cbn. ABUND - A
under OBSS Bl-R Pp

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	1080.0					PLUG BIT
1080.0	1084.0	MS	R		N	
1084.0	1087.5	ST	Bl		N	
1087.5	1087.7	MS	R		N	
1087.7	1097.6	SS	R-B+R	F-MF	S	Cross seams of dk Red - Carbon Fl.
1097.6	1101.4	SS-ST	Bl	F	N	
1101.4	1102.0	MS	Bl & R		N	AIT [illegible]
1102.0	1116.0	MS	R		N	
1116.0	1117.9	ST	Bl R		S	Iron Pyls Flakes - B [illegible] PP.ST
1117.9	1118.4	MS	R		N	
1118.4	1119.0	MS	Bl		N	
1119.0	1111.0	ST	Bl	F	S	CBN Flecks
1111.0	1111.5	MS	Bl		N	
1111.5	1111.8	MS	Bl		A	CBN And Asphalt
1111.8	1115.0	SS	Bl-Gy	F	A	CBN - Asp. wood - Bl MS Splots
1115.0	1119.8	SS-MS	Bl-Gy	F	S	CG MS bottoms in SS
1119.8	1126.4	MS	Bl		N	
1126.4	1129.0	MS	R		N	
1129.0	1130.0	MS	Bl		N	
1130.0	1155.0	MS	R-Pp		N	
1155	1156	MS	Bl			
1156	1157.8	MS	Pp			
1157.8	1167.0	MS	Bl			
1167.0	1172.0	MS	Bl-Gy			Bluish ~ Grey MS
1172.0	1175.0	MS	Bl			
1175.0	1185.0	MS	Bl		S	CBN Flecks
1185.0	1185.4	MS	Bl			
1185.4	1186.3	MS	Gy			
1186.3	1187.5	MS	Bl		S	CBN Flecks
1187.5	1190.5	MS	Gy			
1190.0	1195.0	MS	R			with blue spots

y-Ray Log: 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5

Abbreviations

Wh—white	CG—conglomerate
Br—brown	SS—sandstone
R—red	MS—mudstone
Gy—gray	ST—siltstone
Bl—blue	F—fine
Gn—green	M—medium
Yw—yellow	C—coarse
Bk—black	N—none
Pp—purple	S—sparse
Cbn—carbon	A—abundant
OBSS—ore bearing sandstone	

Hole No. BIP-3

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EXHIBIT NO. 5

COLORADO PRINTING CO., GRAND JUNCTION

DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Core

Logged For: Urus Uranium

Drill-hole No. BIP 4

Total depth 1134.0

Collar elev. ..... T 6043.9 P

Area Big Indian Wash Utah ¼ Cor sec 26 & 27, T30S, R24E

COORDINATES

North 67,483.3 East 101,986.5

Tie 590'N, 50' from

Claim Ilena 9A

Date started 8/10/55

Date completed 8/24/55

Logged by Geo Eng. Ausmus

Summary of log ..... ; OBSS 1090-1123.4 Thick 33.4 ; SS color Bl-Gy Br-TAN? under OBSS RED ; MS RED Bl ; Cbn. ABUNDANT + ASPH.

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	1035.0					Plug Bit Depth
1035.0	1043.4	MS	Blue		Sparse	CBN sprinkled throughout core
1043.4	1044.4	CG	Black	Coarse	Abund	CBN and/or Asphault in hard CG
1044.4	1046.5	MS	Blue		A	" " " " " MS
1046.5	1048.0	CG	Gy-Bk	"	"	" " " " " hard CG
1048.0	1051.0	MS	Bl		N	Very dk Bl MS
1051.0	1054.2	MS	R		N	
1054.2	1055.0	MS	R-Bl		N	R+Bl MS Alternating
1055.0	1063.0	MS	R		N	
1063.0	1064.0	MS	Bl		N	
1064.0	1077.0	MS	R-R&Bl		N	Mostly Red with some Bl. spots
1077.0	1090.0	MS	Bl		N	
1090.0	1095.0	STS-SS	Blue-Gy		S	STS or fine SS with CBN specks
1095.0	1097.6	STS-SS	" "		"	" " " " " " "
1097.6	1108.4	MS	Bl		N	
1108.4	1110.0	MS	Bl		N	Very hard - Shiny where fractured
1110.0	1114.0	MS	Bl		N	
1114.0	1114.7	SS-MS	Bl-BK	FINE	A	CBN and/or Asphalt
1114.7	1115.0	MS	BK-Bl		N?	Asphault - Iron Pyts. Wh. Spots
1115.0	1117.3	MS&CG	Bl & BK		?	CGMS with Asphault & wood
1117.3	1118.7	MS	Bl		N	
1118.7	1120.0	MS	dk Bl		N	dark Bl MS
1120.0	1122.7	SS	Gy	Med. fine	A	Iron Pts - CBN Seams of CG
1122.7	1123.4	STS	Br. TAN	" "	N	With Pp Spots. CG
1123.4	1134.0	MS	RED		N	Small splotches of Green MS

Y-Ray Log: 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
1077.8	2.3			TR	

Abbreviations

Wh—white	CG—conglomerate
Br—brown	SS—sandstone
R—red	MS—mudstone
Gy—gray	ST—siltstone
Bl—blue	F—fine
Gn—green	M—medium
Yw—yellow	C—coarse
Bk—black	N—none
Pp—purple	S—sparse
Cbn—carbon	A—abundant

OBSS—ore bearing sandstone

Hole No. BIP 4

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EXHIBIT NO. 6

COLORADO PRINTING CO., GRAND JUNCTION

DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Core

Logged For: Urado Uranium

Drill-hole No. BIP 5
Total depth: 1165.0
Collar elev. ..... T. 6063.1 P
Area: Big Indian, Utah

COORDINATES
North 66,002.7 East 101,922.8
Tie: 350' South of North End Center of Ilena 8

Claim: Ilena 8
Date started: 9-1-55
Date completed: 9-16-55
Logged by: Geo Eng Co. Ausmus

Summary of log ..... ; OBSS ..... Thick ..... ; SS color ..... ; MS (under OBSS) ..... ; Cbn. .....

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	1090.0					Pluc Bit
1090.0	1117.5	MS	R·Bl			Alt Rd BlMS with ST Ribs (Blue)
1117.5.0	1119.4	MS	Bl	CG		CG MS
1119.4	1122.8	MS	Bl			
1122.8	1130.0	MS	Bl			with BlMS CG Seams
1130.0	1135.3	MS	Bl		S	Asphault flakes & CBN Spots
1135.3	1136.4	MS	Bl		S	Asphault flakes - CG MS seams
1136.4	1140.5	MS	Bl			
1140.5	1142.3	MS	Bl	CG-Med	N	Med Gr CG MS
1142.3	1149.7	MS	Bl			
1149.7	1158.0	MS	Bl			
1158.0	1165.0	MS	Red			

Not Deep Enough

y-Ray Log 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
				Barren	

Abbreviations

Wh—white	CG—conglomerate
Br—brown	SS—sandstone
R—red	MS—mudstone
Gy—gray	ST—siltstone
Bl—blue	F—fine
Gn—green	M—medium
Yw—yellow	C—coarse
Bk—black	N—none
Pp—purple	S—sparse
Cbn—carbon	A—abundant

OBSS—ore bearing sandstone
Alt - Alternating

Hole No. BIP 5

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EXHIBIT NO. 7

COLORADO PRINTING CO., GRAND JUNCTION

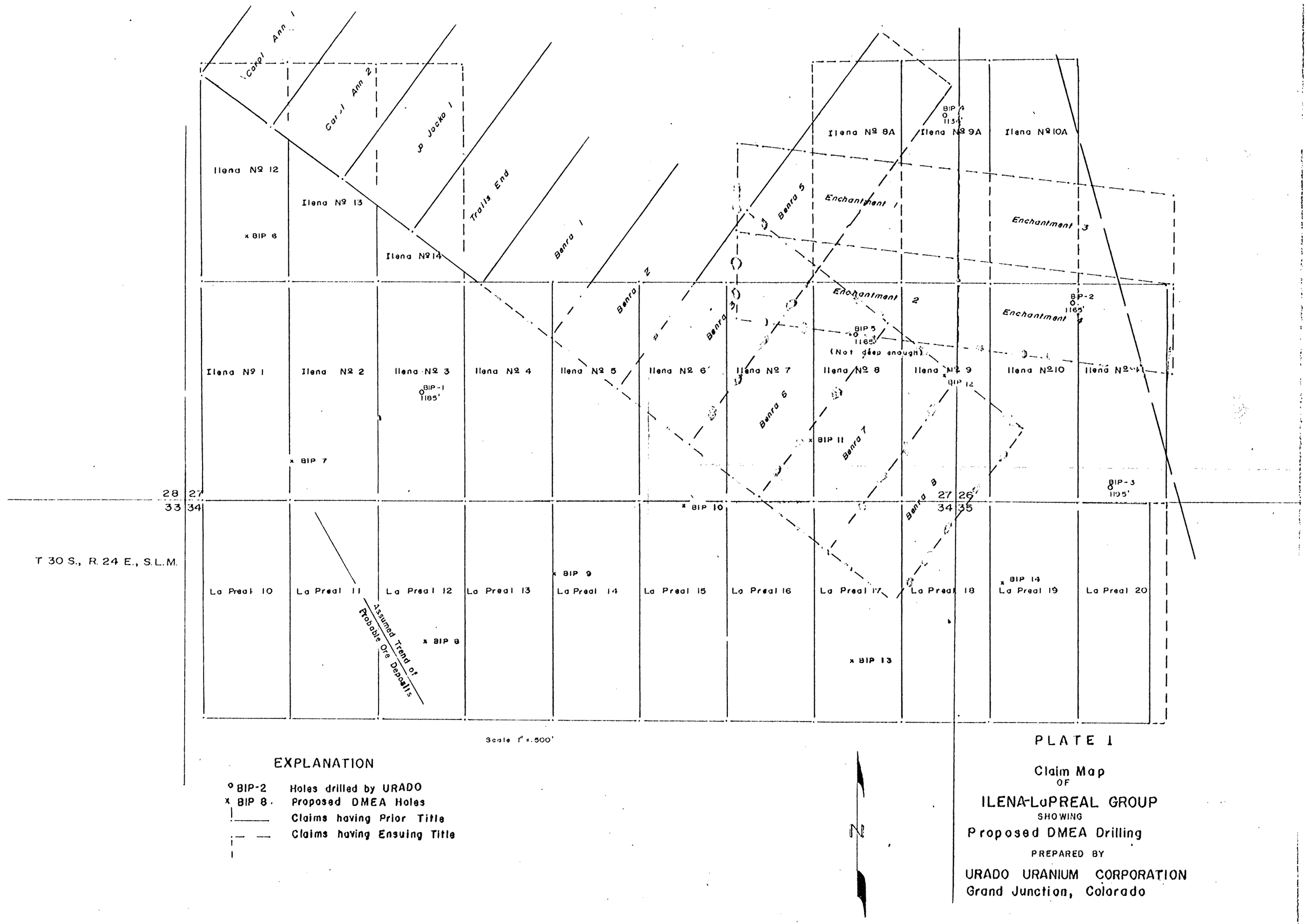

PLATE 1

Claim Map
OF
ILENA-LaPREAL GROUP
SHOWING
Proposed DMEA Drilling
PREPARED BY
URADO URANIUM CORPORATION
Grand Junction, Colorado