DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE Idm-E 986 DMEA NO. 4244

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
✓Contract Amendments (latest on top)
✓Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
✓Application and attachments
(3) Envelope for maps

Right Side

✓Project summary
✓Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

✓Final Field Team Report (Tab)
✓Operator's Final Report
(2R) ✓Interim Reports
(2R) ✓Operator's monthly reports and all attachments (latest on top)
✓On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

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

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9776

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

EXTRA COPY
DMEA

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DATE		CODE
9-16	JK	800
76	Dony	100
9/19	[illegible]	180
		120
		700

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Adams Uranium Company
P. O. Box 360
Helper, Utah.

pertaining to Exploration Project Contract No. Idm-2986, Docket No. DMEA-4244, including Amendments Nos. 1 to 3, for the months of October, 1956 to May, 1957, inclusive, covering a project for the exploration of Uranium on property known as Red Butte Claims located in Emery County, Utah.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs for work actually performed.

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

Total cost as billed by Contractor		$16,235.00
Exceptions: (Schedule attached)		
By DMEA Finance Officer	$4.00	
Herewith	0.00	4.00
Total Accepted Cost		$16,231.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twelve thousand, one hundred seventy-three and 28/100ths Dollars

** $12,173.28 **

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

August 13, 1957

T. H. Brading, Auditor

SCHEDULE OF EXCEPTIONS

ADAMS URANIUM COMPANY.

Docket No. DMEA-4244 Contract No. Idm-E986

Operator claimed 2 samples assayed at $5.00 each	$10.00
Fixed unit cost under contract 2 samples at $3.00 each	6.00
Disallowed	$ 4.00

Disallowance made by Finance Officer is approved by Auditor.

Government's Copy

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DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMEA-4244
CONTRACT NO. Idm-E986

Amendment No. 3

It is agreed this 12th day of April, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Adams Uranium Company, Inc., hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E986, Docket No. DMEA-4244, dated August 7, 1956, hereinafter called the "Contract," that the contract as amended, is further amended effective March 1, 1957, as follows:

1. On page 2 of Exhibit "A," Description of the Work under Stage II:

(a) The first paragraph is revised to read:

"Stage II work shall be subject to previous written Government approval, which will not be granted unless the Stage I crosscut encounters a channel or indications of a channel containing uranium mineralization considered to be significant by the Government."

(b) The second paragraph is deleted and in lieu thereof there is substituted:

"The work shall consist of crosscutting to approximately the center of the channel and drifting along the channel course in either or both directions. The total crosscutting and drifting shall not exceed 200 feet."

2. On page 2 of Exhibit "A," under the heading Fixed Unit Costs, under Stage II, the first line is deleted and there is substituted:

"200 feet of drifting and/or
crosscutting @ $29.50/ft. $5,900.00"

Long
Dwyer
Murphy
Ellis
Talbutt
Selfridge
Johnson

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O Mitchendry
Administrator, Defense Minerals
Exploration Administration

ADAMS URANIUM COMPANY, INC.

By Gilbert Adams

Title President

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DATE | INITIALS | CODE

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMEA 4244
CONTRACT NO. 14s-2986

Amendment No. 2

It is agreed this 1st day of March, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Adams Uranium Company, Inc., hereinafter called the "Operator," parties to that certain Exploration Project Contract No. 14s-2986, Docket No. DMEA 4244, dated August 7, 1956, hereinafter called the "Contract," that:

1. The period fixed in Article 1, within which the work shall be completed, is increased from "7" months to "14" months from the date of the Contract.

2. The maximum period for payment of royalty and lien for payment thereof, provided for in the Contract, is increased to eleven (11) years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in counterparts the day and year first above written.

ADAMS URANIUM COMPANY, INC.

By Gilbert Adams
Gilbert Adams, President

UNITED STATES OF AMERICA

By E. H. Harshman
Acting Executive Officer, DMEA
Field Team, Region III

(SEAL)

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMSA 4244
CONTRACT NO. 16m-2986

AMENDMENT NO. 1

It is agreed this 19th day of October, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Adams Uranium Company, Inc., hereinafter called the "Operator," parties to that certain Exploration Project Contract No. 16m-2986, Docket No. DMSA 4244, dated August 7, 1956, hereinafter called the "Contract," that the contract is amended as follows, effective August 7, 1956:

1. Referring to Exhibit "A" attached to Exploration Project Contract Form DP-200A (Rev. April 1956), subheading "Stage I," delete the first paragraph, beginning with the words, "Stage I work shall consist of"; also delete the map, "Figure 3", referred to therein and which is attached to the contract. In lieu of the deleted paragraph, substitute the following:

   "Stage I work shall consist of driving a crosscut in an approximate direction of N. 80° W. for a distance not to exceed 350 feet, to explore for an inferred ore-bearing channel. The work will start from the face of an existing crosscut at a point 124 feet westerly of survey station No. 6".

   The location of the proposed crosscut is shown on the map, No. 1900-488-F, dated Oct. 9, 1956, which is attached hereto and made a part of this amendment, also the map is incorporated in the contract in lieu of the map, "Figure 3," by reference herein.

2. All drifting or crosscutting performed prior to October 1, 1956, will be at the Operator's sole cost and expense without contribution by the Government.

3. The date of September 15, 1956, fixed in Article 1 as the date on or before which the Operator shall begin work is extended to October 1, 1956.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

ADAMS URANIUM COMPANY, INC.

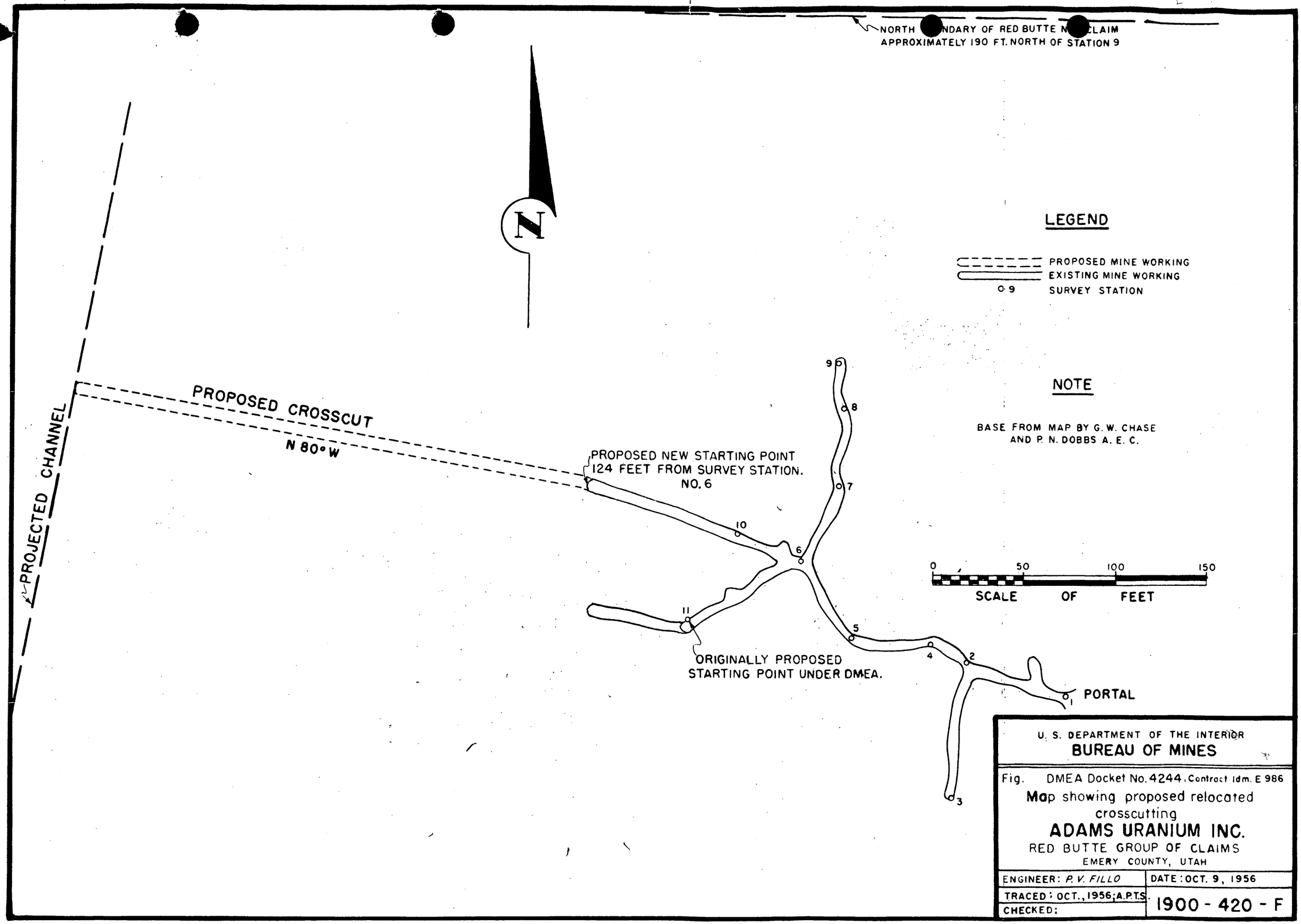
By Gilbert Adams

Title President

UNITED STATES OF AMERICA

By W. M. Davey

Executive Officer, RMEA
Field Team, Region III


NORTH BOUNDARY OF RED BUTTE NO. CLAIM
APPROXIMATELY 190 FT. NORTH OF STATION 9
N
LEGEND
PROPOSED MINE WORKING
EXISTING MINE WORKING
SURVEY STATION
NOTE
BASE FROM MAP BY G. W. CHASE
AND P. N. DOBBS A. E. C.
PROJECTED CHANNEL
PROPOSED CROSSCUT
N 80° W
PROPOSED NEW STARTING POINT
124 FEET FROM SURVEY STATION.
NO. 6
ORIGINALLY PROPOSED
STARTING POINT UNDER DMEA.
PORTAL
1
2
3
4
5
6
7
8
9
10
11
0
50
100
150
SCALE OF FEET
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. DMEA Docket No. 4244. Contract Idm. E 986
Map showing proposed relocated crosscutting
ADAMS URANIUM INC.
RED BUTTE GROUP OF CLAIMS
EMERY COUNTY, UTAH
ENGINEER: P. V. FILLO
DATE: OCT. 9, 1956
TRACED: OCT., 1956; A.P.T.S.
CHECKED:
1900 - 420 - F

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D.M.E.A.

Docket Copy

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

RECEIVED
AUG 23 1956

DMEA No.	*Commodity*	*Contract No.* *Idm–E*	*County*	*State*
4244	Uranium	986	Emery	Utah

It is agreed AUG 7 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Adams Uranium Company, Inc., a Utah corporation

whose mailing address is 397 Second East Street P. O. Box 360 Helper, Utah

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before September 15, 1956, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 7 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $16,675.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $12,500.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: None

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

.....

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.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

ADAMS URANIUM COMPANY, INC.
(Operator)

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

By Gilbert Adams

Title President

I, Helen Adams, certify that I am the Assistant Secretary of the corporation named as Operator herein; that Gilbert Adams, who signed this contract on behalf of the Operator, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Gilbert Adams

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

Indrity 8/1/56
Dwyer
"Appd. Sol. Off."
Murphy
Ellis
Chandler
Martin
J E Johnson

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMEA-4244

ANNEX I

The land referred to in Article 2 of the contract is owned by the Operator and consists of eight (8) contiguous unpatented lode mining claims situated in Red's Canyon, Temple Mtn. Mining District, Emery County, Utah, within or in the vicinity of unsurveyed sec. 20, T. 24 S., R. 9 E., S.L.B.M. The claims have also been located as placer claims. The notices of location of these claims are recorded in the office of the Recorder, Emery County, Utah, as follows:

	Lode		Placer	
	Book	Page	Book	Page
Red Butte No. 1	J-38	119	J-54	54
Red Butte No. 2	J-38	120	J-54	55
Red Butte No. 3	J-38	121	J-54	56
Red Butte No. 4	J-38	122	J-54	57
Red Butte No. 5	J-38	123	J-54	58
Red Butte No. 6	J-38	124	J-54	59
Red Butte No. 7	J-38	125	J-54	60
Red Butte No. 8	J-54	61	J-43	152

The locations of the claims in relation to the rock formations in the area are shown on the map entitled "Figure 2. Geologic Map Showing the Red Butte Group of Claims, Adams Uranium Company, Emery County, Utah," attached hereto and made part hereof.

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMSA-4244

EXHIBIT "A"

Description of the Work

General Provisions:

The object of this project is to explore the Moss Back member of the Chinle formation by means of crosscutting to an inferred uranium ore-bearing channel, and drifting along the channel if it is encountered and is found favorable.

The work shall be divided into two stages. The Operator shall perform all the Stage I work and as much of the Stage II work as is approved in advance in writing by the Government.

The project shall be supervised by one geologist and one engineer, who shall devote a minimum of 15 days and 8 days, respectively, to the Stage I work. In the event Stage II work is approved by the Government, the geologist and engineer shall devote a minimum of 10 days and 4 days, respectively, to the Stage II work.

The crosscut and drifts shall be adequately sampled at intervals of not less than five feet through mineralized areas encountered. Also, a composite sample shall be taken from each round broken in mineralized sections of the crosscut and drifts. All samples shall be split, the Operator using one-half of each sample for assay purposes. The other half of each sample shall be properly identified and stored in a suitable container for Government use.

The crosscut and drifts shall be timbered as necessary and shall be not less than 5 feet by 7 feet in cross section in the clear of timber.

The location, direction, and extent of the crosscut and drifts shall be subject to Government approval.

Stage I

Stage I work shall consist of driving a crosscut in an approximate direction of N. 80° W. for a distance not to exceed 350 feet from survey station 11 shown on the map entitled, "Figure 3. Map Showing Mine and Location of Proposed Crosscut, ..." attached hereto and made part hereof.

Not in excess of 100 samples shall be chemically analyzed for their U_3O_8 content under this Stage I of the contract.

Stage II

Stage II work shall be subject to previous written Government approval, which will not be granted unless the Stage I crosscut encounters a channel containing uranium mineralization considered to be significant by the Government.

The work shall consist of drifting not in excess of 200 feet along the channel in either or both directions from the crosscut.

Not in excess of 50 samples shall be chemically analyzed for their U_3O_8 content under this Stage II of the contract.

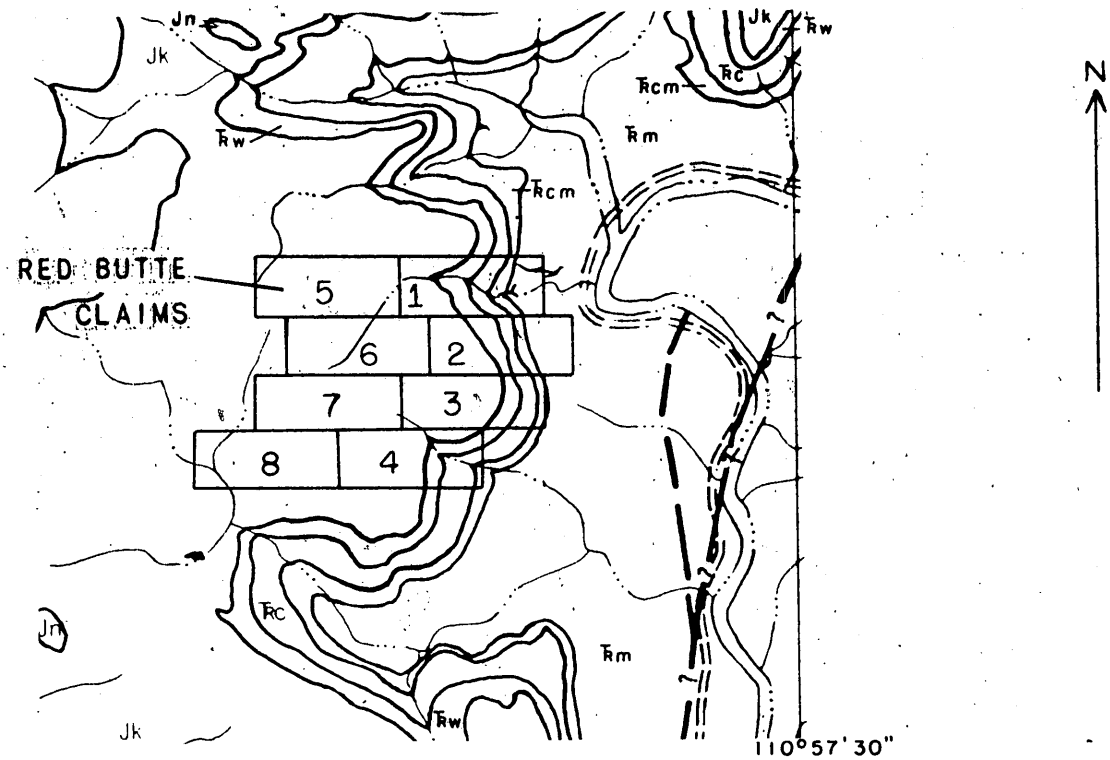
Estimated Cost of the Project

Fixed Unit Costs

Stage I		
350 feet of crosscutting @ $29.50/ft.	$10,325.00	
100 Samples chemically analyzed for U_3O_8 content @ $3.00/sample	300.00	$10,625.00
Stage II		
200 feet of drifting @ $29.50/ft.	$ 5,900.00	
50 Samples chemically analyzed for U_3O_8 content @ $3.00/sample	150.00	6,050.00

S U M M A R Y

Estimated Cost of Stage I	$10,625.00
Estimated Cost of Stage II	6,050.00
Estimated Cost of Project	$16,675.00
Government Participation @ 75% (rounded)	$12,506.00



EXPLANATION

Jn	JURASSIC & JURASSIC(?) NAVAJO SANDSTONE
Jk	JURASSIC(?) KAYENTA FORMATION
Ŧw	TRIASSIC WINGATE SANDSTONE
Ŧc	TRIASSIC CHINLE FORMATION
Ŧcm	MOSS BACK MEMBER OF THE TRIASSIC CHINLE FORMATION
Ŧm	TRIASSIC MOENKOPI FORMATION
—?—	FAULT, DASHED WHERE INFERRED
⊀	MINE ADIT

Note: BASE MODIFIED FROM U.S. GEOLOGICAL SURVEY PHOTOGEOLOGIC MAP, STINKING SPRING CREEK 12, CLAIM BOUNDARIES FROM APPLICANTS MAP.

2000 0 8000 FEET

FIGURE 2. GEOLOGIC MAP SHOWING THE RED BUTTE GROUP OF CLAIMS, ADAMS URANIUM COMPANY, EMERY COUNTY, UTAH.

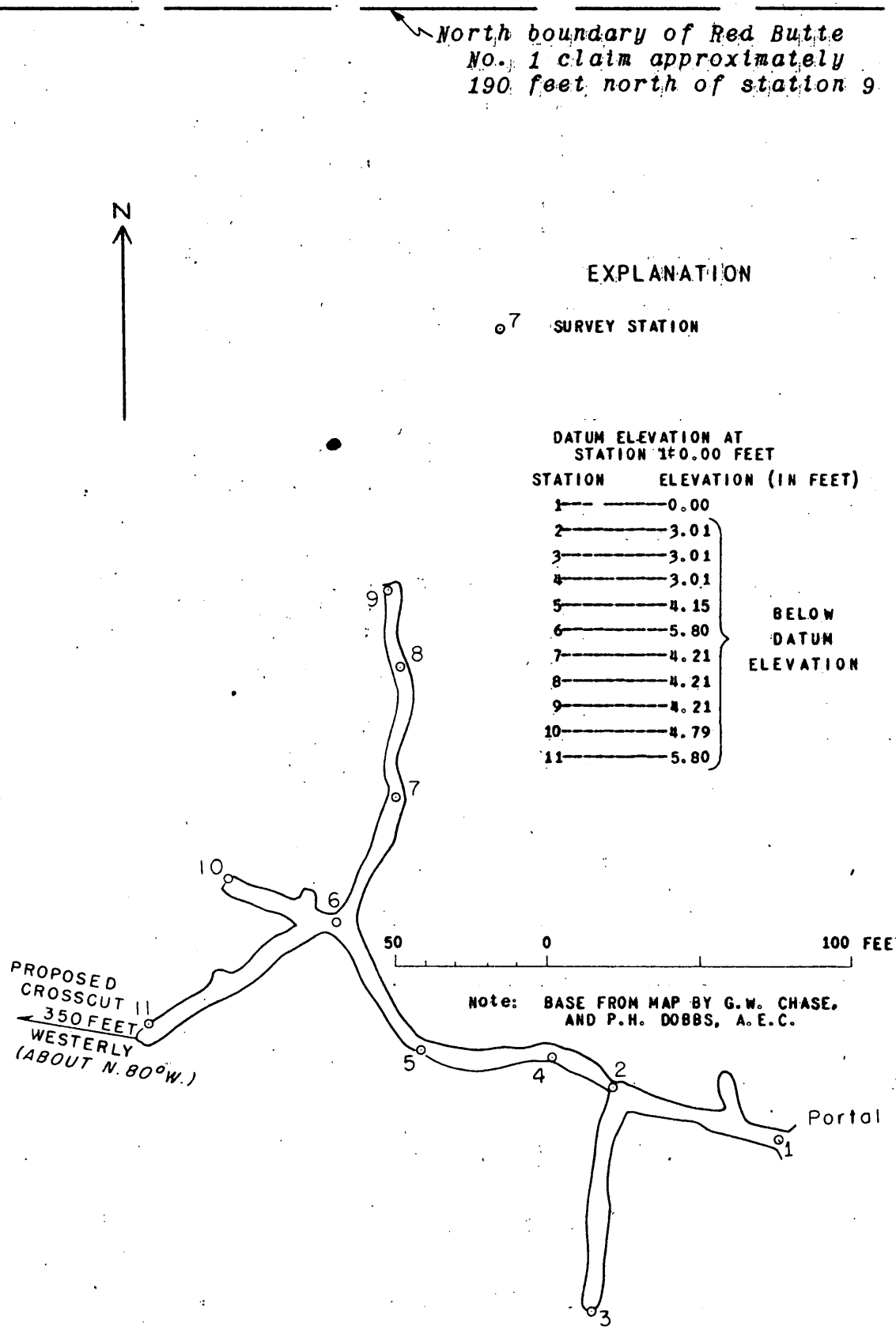


FIGURE 3. MAP SHOWING MINE AND LOCATION OF PROPOSED CROSSCUT, RED BUTTE GROUP OF CLAIMS, ADAMS URANIUM COMPANY, EMERY COUNTY, UTAH.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the Adams Uranium Company, a Utah Corporation, with its principal place of business at Helper, Carbon County, State of Utah, has made, constituted and by these presents does make, constitute and appoint [illegible] of Salt Lake [illegible] Utah, its true and lawful attorney for the [illegible] purpose of signing the [illegible] AND MF-104 FORMS G.A. N.A. [illegible] Contract No. Ldm.-8986 G.A. N.A. on behalf of said corporation, and [illegible] purposes.

IN WITNESS WHEREOF, the said corporation has [illegible] presents to be [illegible] and its corporate [illegible] 1st day of [illegible], [illegible].

Adams Uranium Company
By [illegible]
President

[illegible]
Secretary

STATE OF UTAH }
County of Carbon } ss.

[illegible]

me Helen Adams, who being by me duly sworn, did say that she is the Secretary of Adams Uranium Company, a Utah Corporation, and that said instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors, and said Helen Adams acknowledged to me that said Corporation executed the same.

Joseph Bonacci Jr.
Notary Public
Residing at Helper, Utah

My commission expires:

Jan. 14, 1960

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

RECEIVED
APR 9 - 1956

April 5, 1956

224 New Customhouse
Denver 2, Colorado

DMEA-4244

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium), Adams Uranium Company, Inc., (Red Buttes claims), Emery County, Utah

Enclosed are two copies of the subject application in the amount of $21,801.50. The application was submitted to the Grand Junction office and one copy of the application was retained by them. One copy of the application is being retained in this office.

Also enclosed are the original and three copies of an appraisal of this application by members of the Grand Junction office with their recommendation that a field examination is warranted. We concur in the recommendation that a field examination be made.

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 369
Grand Junction, Colorado

MINERAL DEPOSITS
IN REPLY REFER TO:
RECEIVED
APR 4 1956
RECEIVED
APR 9 1956
U.S. GEOLOGICAL SURVEY
DENVER, COLORADO

DMEA-4244

April 3, 1956

DMEA
Date Rec'd.
APR 5 1956
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: J. William Hasler
M. H. Salsbury

Through: E. N. Harshman

Subject: Adams Uranium Company, Inc., 399 Second East Street, Helper, Utah

The Adams Uranium Company, Inc., of Helper, Utah, has applied to the Defense Minerals Exploration Administration for aid in exploring a group of unpatented mining claims in Redd's Canyon, Temple Mountain Mining District, Emery County, Utah.

The applicant submitted the application for DMEA aid to this office. We felt it expedient to appraise the application in transmitting it to Washington relative to the advisability of a field examination. The application was reviewed by Mr. H. B. Dyer, geologist, U. S. Geological Survey, as Mr. Dyer had mapped in the area last summer. The applicant proposes drifting to intersect the Conrad channel which may project under their claims. The Conrad mine has produced 51 tons of 0.14 percent U_3O_8. They have submitted assay data that indicates presence of mineralization. It is, therefore, recommended that the property be examined in the field.

Enclosed are three applications. We will retain one copy of the application in this office until you receive further instructions from Washington.

J. William Hasler
J. William Hasler,
U. S. Geological Survey

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

JWH/mlr
Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1052.

DMEA
Date Rec'd
APR 5 1956

RECEIVED
APR 9 - 1956
BUREAU OF MINES
Denver, Colorado

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-4244
Metal or Mineral Uranium
Date Received 4-9-56
Estimated Cost $21,881.50
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: ADAMS URANIUM COMPANY, INC.
399 Second East Street P. O. Box 360
Helper, Utah
A Utah Corporation, incorporated in State of Utah, May 9, 1955.

(*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. See above.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. See Schedule 1C

(*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 8 unpatented mining claims known as Red Buttes 1 to 8 inclusive, located in Red's Canyon, Temple Mt. Mining Dest. Emery County, Utah. See Quitclaim Deed Nos. 62 and 70, marked Schedule 3.

(*b*) State any mine name by which the property is known. Adams Uranium Company Mine.

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

(*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 None.

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. See Schedule 3.

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.*—(a) State the mineral or minerals for which you [redacted] to explore Uranium and Vanadium.

(*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. See map of mine and projected exploration, schedule 5b.

(*c*) The work will start within 5 days and be completed within 9 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.). None

(*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. None

(*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. None

(*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. See Schedule 6g.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above None

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?

☒ 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 March 22, 1956

ADAMS URANIUM COMPANY, INC.
(Applicant)

By Gilbert Adams

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

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APR 9 - 1956

A P P L I C A T I O N

for

D. M. E. A. LOAN

-oOo-

SUBMITTED TO REGION 4, D. M. E. A. OFFICE

Grand Junction, Colorado

by

ADAMS URANIUM COMPANY, INC.

399 Second East Street
Post Office Box 360
Helper, Utah.

S C H E D U L E 1C

-oOo-

TITLES, NAMES, AND ADDRESSES OF OFFICERS

of

ADAMS URANIUM COMPANY, INC.

NAME:	ADDRESS:	TITLE:
GILBERT ADAMS	399 Second East St. Helper, Utah	President and Director.
JOHN THIERHEIMER	323½ Second Avenue Chula Vista, California	Vice President and Director.
HELEN ADAMS	399 Second East St. Helper, Utah	Secretary and Treasurer, and Director.
EDWARD SHEYA	34 South Fourth East Price, Utah	Director
B. L. DART	163 North Second East Price, Utah	Director
JOHN SKERL	Helper, Utah	Director
A. L. MINER	40 D Street Helper, Utah	Director

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah.

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S C H E D U L E 4a.

-oOo-

As of March 15, 1956, some 360 feet of drifting has been accomplished by Adams Uranium Company, Inc., on Claim No. 1, and the company has complete mining equipment, camp equipment, and all facilities to continue the present exploration program.

The property is located twenty-four miles Southwest of Temple Mountain and about two miles North of Muddy River. Good roads pass within three hundred yards of the mine portal.

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 4b.

-oOo-

See accompanying assays marked "Schedule 4b".

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 4c

-oOo-

See preliminary report submitted by RUDOLPH W. FEKETE and ROBERT H. CLIFTON, Engineers, as of April 1, 1955, and geological report of HENRY S. FLORENCE, JR., as submitted August 26, 1955, and marked "Schedule 4c".

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 4d

-oOo-

The property lies approximate twenty-four miles Southwest of Temple Mountain via the road to the Hidden Splendor and Tomsic Mountain properties, and is an excellent road in and out. It is located approximately sixty-eight miles from Green River, Utah, nearest shipping point.

Mine supplies are obtained from Temple Mountain and Green River, Utah, approximately twenty-four miles and sixty-eight miles from the mine, respectively and it is approximately 134 miles to the home of the President and other officers of the company, which is Helper, Utah.

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 4e.

-oOo-

Manpower is plentiful to meet our needs. Materials, supplies, equipment, and water are obtainable within seventy miles of the mine. Power is obtained through gasoline operated equipment, and is, therefore, brought to the mine when materials, supplies, and equipment are hauled thereto.

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 5

-oOo-

The mineral or minerals for which the company wishes to explore is Uranium and Vanadium.

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 5b

-oOo-

It is proposed that the exploration work shall be as follows: 1. A continuation of the main drift running 10° North of West 350 feet. 2. A proposed drift as shown on the map running 10° West of South 250 feet. 3. A continuation of the drift now running 10° West of North to be turned and continue 100 feet 10° North of West.

A continuation of this drifting program is set up according to the best geological advice we can obtain, and is designed to cross cut what is commonly known as the Conrad Channel.

See map marked Schedule 5b.

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah.

S C H E D U L E 5d

-oOo-

Mr. Gilbert Adams has had two years of experience in the uranium mines, and is presently completing eleven months actual work on the drifting and exploration that has already been done on this property. He has a certificate from the State of Utah, No. 2085, showing that he has passed an approved examination and is qualified to act as a fire boss in the coal and hydrocarbon mines in the State of Utah. See certificate marked "Schedule 5d".

Also see the report of Mr. George B. Jackson, State Uranium Mine Inspector, on the condition of the mine as submitted to the Industrial Commission of the State of Utah on November 29, 1955.

Mr. Gilbert Adams has had about twenty-five years of experience as a coal miner.

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah

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S C H E D U L E 6b

-oOo-

Labor and Supervision - Cost per foot. . . .	$15.20
Geologists - Cost per foot.	1.60
Engineer - Cost per foot	.96
	$17.76

S C H E D U L E 6c

-oOo-

Powder fuse and caps - Cost per foot. . . .	$ 2.20
Bits and Steel - " " "	.85
Fuel, Water, and Power " " "	.90
8" Air vent pipe, 700 feet " "	.88
2" Black air pipe, 700 feet " "	.65
No. 6 Electric light wire, 700 feet, Cost per ft.	.18
	$ 5.66

S C H E D U L E 6d

-oOo-

<u>Rental Equipment:</u>

1 No. 105 Denver Gardner Compressor, Cost per ft.	$ 1.83
1 Shuttle Buggy - Cost per foot.	1.20

<u>Company Owned Equipment:</u>

1 Homelite Power Plant and Fan, Cost per foot. .	1.20
1 3/4 ton Truck, 1955 Ford, Cost per foot. . . (832 miles per month @ 12¢, $99.85)	.80
	$ 3.03

ADAMS URANIUM COMPANY, INC.
Second East Street
Post Office Box 360
Helper, Utah

S C H E D U L E 6g

-oOo-

	Cost per foot:
State Insurance Fund, $14,850.00 payroll, 4.7% . .	.99
F. I. L. A. $14,850. payroll, rate 2%	.42
D. E. S. $14,850.00 payroll, rate 2.7%	.59
Assaying - 18 samples @ $5.00 each	.12
Bookkeeping - 9 months @ $50.00 per month . . .	.06
Miscellaneous and petty cash	.14
	$ 2.32

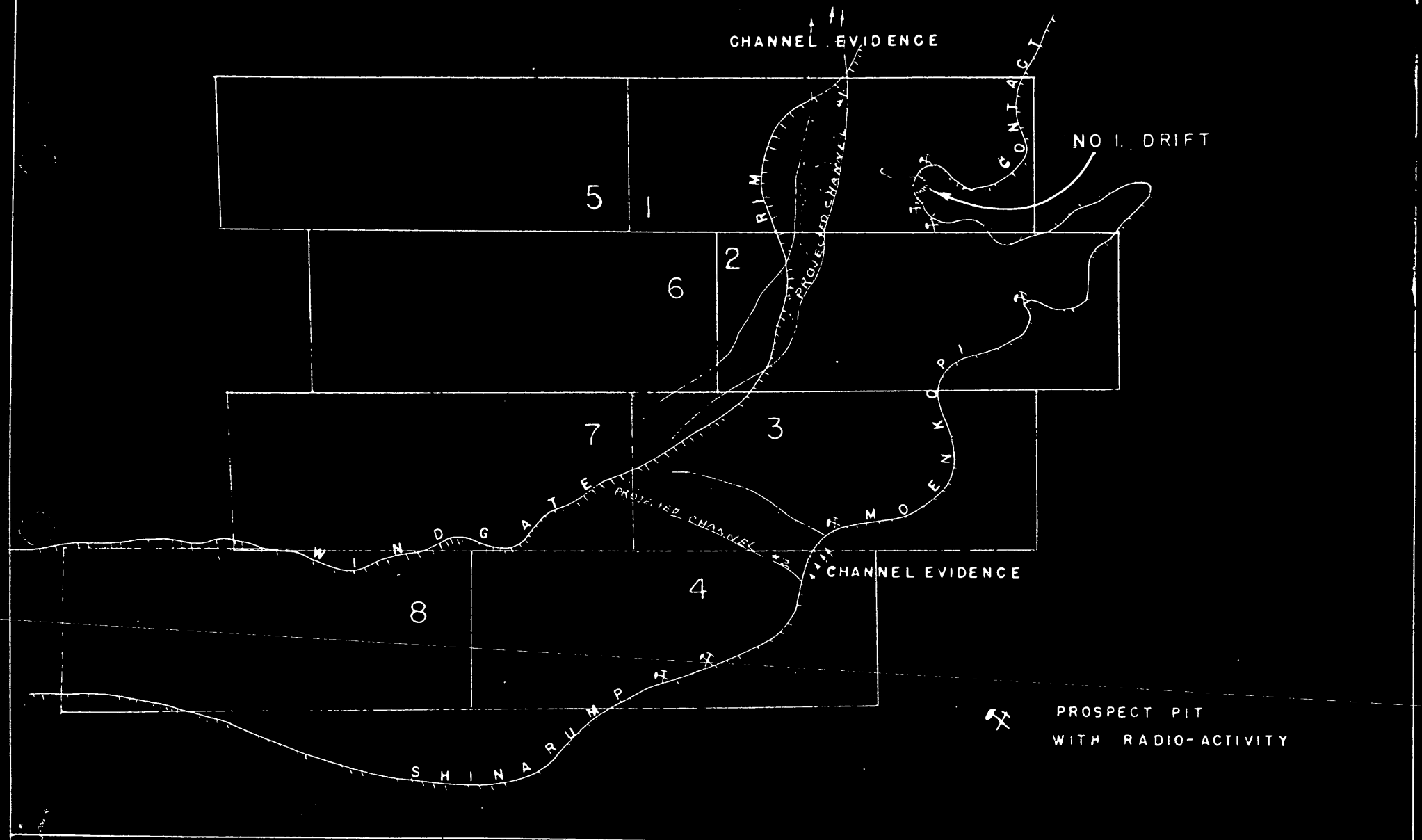
Total of Schedules 6b, 6c, 6d, and 6g	$30.77

* * * * * * *

Contract 700 feet Drifting 5" X 7" (See Map)	$21,539.00
350 feet Top Holes and Probe, one hole 10' deep every 20 feet,	262.50
	$21,801.50

D.M.E.A. 75%	$16,351.02
Adams Uranium Co. Inc.	5,450.48

ADAMS URANIUM COMPANY, INC.
399 Second East Street
Post Office Box 360
Helper, Utah



RED BUTTE CLAIMS OF ADAMS URANIUM CORPORATION SHOWING PRESENT DRIFT, PROJECTED CHANNELS AND GEOLOGY (MAP AFTER JOHN BENE C.E. SURVEY)

August 26, 1955

GEOLOGIC REPORT ON THE ADAMS URANIUM CORPORATION PROPERTIES IN EMERY COUNTY, UTAH

Introduction

The examination of the Adams Uranium Corporation properties in Emery County, Utah was made during August, 1955. My examination was undertaken (1) to determine the extent and general relationships of the sedimentary deposits in the area, (2) to study the channels in the Shinarump conglomerate and attempt to map their attitude with reference to the Red Butte claims, (3) to map the present drift and show its relationship favorable or otherwise with the discovered channels, (4) to determine what relationship the nearby uranium mines have to the Red Butte claims, (5) to study the Sun Down and Rose Mary claims in the Morrison formation near Woodside to determine the best procedure to further explore these claims. The Adams Uranium Corporation properties can be divided into two major groups, the Red Butte-Big Bluff claims in the Shinarump conglormerate and the Sundown-Rose Mary claims in the Morrison formation. For sake of clarity each group will be reported separately.

Shinarump Conglomerate Group

Properties and Location:

Claims staked in the Shinarump conglomerate consists of eight Red Butte claims that have been surveyed and are full legal sized claims, one adjoining mill sight claim and one claim staked on a prominent butte in the valley near the Red Butte claims. The latter claim is known as the Big Bluff claim. These ten claims are all located in Reds Canyon approximately 65 miles from Greenriver, Utah. The claims are on unsurveyed government ground but by extending the present Township and Range lines on a map of this area the locality of the claims would fall in section 7 of T. 24 S., R. 8 E., S.L.M. These claims are owned outright by the company with no outstanding royalties or interests due anyone else. Good dirt roads lead to the claims from Greenriver via the Temple Mt. mining area. Water for mine operations can be had in the vicinity of the properties but culinary water must be hauled from Greenriver.

Reds Canyon is quite prominent for uranium production that has taken place during the past two or three years. The largest of the uranium mines in the vicinity is the old Lucky Strike mine. It was mined for more than a year producing several hundred thousand dollars worth of uranium ore. The government mine inspectors found, however, that the operators had not left sufficient rock supports to keep the back up and so the mine was closed for that reason. Efforts to remedy the situation are being planned so operations in a new drift can be renewed. Another mine that has shipped uranium ore is the Conrad mine that adjoins the Red Butte claims on the north. The same channel existing in this mine extends onto the Adams properties.

Geology:

Wingate sandstone, Chinle formation, Shinarump conglomerate and Moenkopi formations all crop out on the surface of the claims in this group. (see claim map fig. 4) The Wingate formation is approximately 300 feet thick in this area. It is composed of well lithified eolian sandstone. The claims existing high up on this ridge were staked to back up the claims existing on the Lower Chinle formation and Shinarump conglomerate. This is a usual procedure. The claims would have little value in and of themselves but whereby joining the other claims they then become valuable. Below the Wingate sandstone lies the Chinle formation consisting of red colored silt and mud stone. This formation is over 100 feet thick. Below the Chinle formation lies the Shinarump conglomerate, which varies in thickness from approximately 40 feet to 65 feet measured at the main drift adit. This is an exceptionally thick section for the locality and should prove to be a good sign. The Shinarump grades from conglomerate on the bottom to a medium grained sandstone near the center to a fine sandstone and mudstone near the top. A thick green mudstone separates the conglomerate from the underlying Moenkopi formation. The presence of the mudstone below the Shinarump as well as above is a good indication as pointed out in several government publications. Many things have been mapped and studied in the sandstone where uranium ore is mined. One of the good indicators correlated from one mine to another is the presence of a thick mudstone above and below the ore bearing sandstone as present in the sandstone of the Red Butte claims. Below the Shinarump conglomerate lies the Moenkopi formation. Red canyon bottoms in the Moenkopi formation and it is here in the canyon that the mill sight claim was staked to provide access and a camp ground on Adams Uranium Corporation property. All of the above mentioned formations strike generally N. 80 W. and dip 6 degrees to the north-east.

Two large channels were found on the Red Butte claims. One enters theproperties from the north and the other from the east. (see fig.4). The north channel labeled No. 1 is apparently an extension of the channel exposed in the sandstone near the adit of the Conrad mine north of the Red Butte claims. Neigher of these channels show any particular high or abnormal radioactivity where they are exposed on the face of the Shinarump ledge on the Red Butte claims. However, channel No. 1 is well pregnated with organic trash and fossilized wood as well as exhibiting high radioactivity where it enters the Conrad properties to the north. With this indication it is not improbably that the radioactivity in the channel may increase as over burden and depth from the loached zones increase from the surface of the Red Butte claims.

A drift is being driven in a westerly direction on the Red Butte No. 1 claim. It is expected to intersect the No. 1 channel. If uranium ore exists on the property it is likely to be in the channel. Iron minerals are very abundantly impregnated in the sandstone in the drift which compared with other localities is a good feature. Considerable radioactivity if found in numerous placed in the drift. The radioactivity has increased steadily as the depth of the drift has increased. Radioactivity is also evident in numerous places along the Shinarump ledge on the other Red Butte claims as well. (see fig. 4).

APR 5 - 1955

INTRODUCTION

A reconnaissance of the Red Butte Claims-San Rafael Swell area was undertaken during the latter part of March, 1955. The objective of the preliminary reconnaissance were:

1. To examine and study the outcorps of the Tirassic Shinarump Conglomerate;

2. To determine possible evidence of mineralization and whether or not mineralized trends could be projected into this area from surrounding favorable areas;

3. To specifically examine the group of claims known as:

CLAIM GROUP	NUMBER OF CLAIMS
Red Butte - Nos. 1-8, inclusive	8

4. To evaluate the above-named claims in terms of the possible presence of uranium ore bodies of commercial size;
and

5. To evaluate the property in terms of recommended further exploration by drifting, should favorable criteria be found.

Present Mining and Exploration Activity (Private and Government)

Active exploration work is now being preformed by Mr. Gilbert Adams, et al, owners of the Red Butte claims. Tow drifts, Nos. 1 and 2, have been dug in the Triassic Shinarump for 20 feet and 10 feet, respecitvely. Both drifts are located on the Red Butte No. 1 claim; scattered mineralization was noted on the 'ribs' and on the 'face' of Drifts Nos. 1 and 2.

Several mines, such as, the Commonwealth & (Lucky Stride) Mine, Vernon Pick's mine, Emery-Cutler Uranium, Dexter Uranium, and the Red Canyon Mines are actively engaged in either exploration, development, or production. These mines are located within an approximate 5 mile radius of the Red Butte group of claims.

Local A.E.C. personnel, near Temple Mountain, have made several priliminary visits to the property under discussion and appear favorable toward the area with regard to possible mineralization.

GEOLOGY AND TECTONIC STRUCTURE

Geology

The Triassic Moenkopi formation, Shinarump Conglomerate, and Chinle formation are exposed along the canyon rim in the Red Butte Claims area. The Moenkopi is generally found in the creek bottom. The Shinarump forms a pronounced rim and bench that extends outward from the canyon wall for a few feet to several hundreds of feet. The Chinle forms the slopes below the Wingate sandstone.

A pronounced variation in the thickness of the Shinarump was noted, and sufficient evidence exsists to confirm the theory of "channeling" -- Channels being sedimentary deposits which have scoured down into, and are nonconformable upon the Triassis Moenkopi.

These channels or scours are often mineralized as was observed on the Red Butte No. 1 claim. The importance of these channels and scours obviously depends upon the relation to mineralization. The association between the two has been well established in the Colorado Plateau area.

The trends of the channels and scours around the area under discussion appear to be oriented in a north to northwesterly direction. The "Conrad Channel" (See Photogeologic Map) appears to trend northward and could reasonable be projected approximately 2000 feet south onto the Red Butte group of claims. The"Conrad" Channel" has been recorded by the A.E.C. field office near Temple Mountain. While additional field work is needed to definitely establish the channel trends, such channels do exsist on the property. Several claims are mineralized and offer promise for development.

Tectonic Structure

The property under discussion is located slightly northwest of the San Rafael Swell and the entire area has been cut by numerous faults. The nearest of these shows considerable copper mineralization which the local A.E.C. feels is important to further possible mineralization. The local fractures trend N10W and are closely spaced.

ECONOMIC GEOLOGY

The mineralization occurs at the base of the Shinarump in a gray-brown, medium-grained sandstone that fills lenses and scours in the Moenkopi formation. Traces of secondary uranium minerals were noted at a few points, but no attempt was made to sample them. The owners of the property have recorded assays of 0.15% U_3O_8. The sandstones in many places have been saturated with limonite and some hematite was observed.

Normal background count in the area is approximately .02 mr/hr/

Favorable readings were obtained along portions of the Shinarump rim and recorded counts of 0.15 mr/hr were obtained.

The top few feet of the Moenkopi formation has been altered to a gray-green color and appears to indicate alteration by solutions.

CONCLUSIONS AND RECOMMENDATIONS

Several conclusions were reached during the course of the reconnaissance of the Red Butte group of claims. These are:

1. The property under discussion is favorably located relative to mineralized outcrops;

2. Trends of "channels and scours" can be predicted to a degree that would make a program of development feasible;

3. On several of the claims examined, all favorable criteria for mineral deposition have been observed;

4. Active exploration, development, and production is under way on near-by properties; and

5. The top of the Moenkopi has been altered to a marked degree. Alteration (color change) of sediments indicates the movement of solution; probably hydrothermal solutions. The association of alteration and mineralization is classic in many of the producing areas on the Colorado Plateau.

Based on the foregoing conclusions, the following recommendations are presented for consideration.

It is recommended that:

1. Prior to the institution of the development program geologic studies should be continued to further delineate channel trends and scours;

2. A development program (by drifting) be commenced on those claims considered geologically favorable; and

3. Drifts Nos. 1 and 2 should be continued in order to reach the projected trend of the "Conrad Channel" - Drift heading should be in a northwesterly direction.

Signed by: Rudolph W. Fekete Geologist-Mine Engineer

Signed by: Robert H. Clifton Engineer April 1, 1955

Telephone 9-9962

Reported Feb. 24th.

DEASON & NICHOLS
ASSAYERS & CHEMISTS
C. Ivan Nichols Wm. J. Deason
160 So. West Temple Street
Salt Lake City 1, Utah

Mrs. Gilbert Adams
399 2nd East St.
Helper, Utah

ASSAY PER TON OF 2000 POUNDS

February 18, 1955

DESCRIPTION	NO.	GOLD OUNCES	SILVER OUNCES	WET LEAD %	COPPER %	ZINC %	INSOL %	Uranium %	Vanadium %	Tungsten %	%
								U3O8	V2O5	WO3	
								0.15	None	None	

CHARGES $ 8.00

C. Ivan Nichols

UNION CARBIDE NUCLEAR COMPANY

UNITED STATES VANADIUM COMPANY

UNIT OF UNION CARBIDE AND CARBON CORPORATION

Rifle, Colorado

To:

Adams Uranium Company

Preliminary analytical results on ores delivered to our sampling station follow:

	Date	Ticket No.	% U_3O_8	% V_2O_5	% $CaCO_2$
RedButte 1-8	12-7	T13854	0.06	0.02	30.9

Telegram 10-16-54 10M

CLI-10

PRAIRIE PUBLISHING CO.—57321

CHEMICAL & GEOLOGICAL LABORATORIES

521 South Center St. P. O. Box 279
Casper, Wyoming

ANALYTICAL REPORT

From Adams Uranium Company Product Uranium Ore
Address P. O. Box 360, Helper, Utah Date October 10, 1955
Other Pertinent Data

Analyzed by GAW Date October 12, 1955 Lab No. 10121

MINERAL ANALYSIS

U_3O_8, % by weight

Radiometric	0.461
Chemical	0.440

HENRY S. FLORENCE, JR.
CONSULTING GEOLOGIST
SALT LAKE CITY 1, UTAH
11 36 So. Alton Way

August 26, 1955

Mr. & Mrs. Gilbert Adams
399 2nd East
Helper, Utah

Dear folks,

Just a note to tell you I have finished up the report. Am enclosing a copy to you for your own keeping. The assay came out .09 uranium which wasn't quite good enough to print so I didn't include it in the report. When I get the sample sheet back from Vitro I will mail same to you. I got the information over the phone. I suppose there was more wall rock or gang in the sample than we supposed which no doubt pulled the assay down.

Thanks again for the opportunity to serve you and if I can be of further service to you please feel free to call upon me.

Best wishes

Henry.

P.S. Enclosed is the negative for one of the maps if you wish to ever reproduce this map keep the negative for that purpose.

6-303
(March 1947)

AEC No. 1108
Date to BOM 1/17/56

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Salt Lake City, Utah

No. 725

Report to Mr. E. E. Thurlow (GH)

Chemical Laboratory Report
1095

Date received January 23, 1956

Date reported January 24, 1956

Serial No.	DESCRIPTION	Lot No.	eU_3O_8	cU_3O_8
56720	#1 carbonaceous material	104268	0.37	0.388
56721	#2 ss w/carb. material	104268A	0.09	0.095
	(Mathews)			
	TAKEN INTO SALT LAKE			
	BY ADAMS URANIUM			
	BY CARVIL MATHEWS			
	Taxpayer Samples			

U. S. GOVERNMENT PRINTING OFFICE 16—33553-3

Signed Helen F. Peterson

FORM 101

THE STATE OF UTAH

INDUSTRIAL COMMISSION

SALT LAKE CITY

July 12, 1943

Mr. Gilbert J. Adams
National, Utah

Dear Sir:

You will find attached your certificate indicating qualification and authorization to act as Fire Boss in the coal and hydrocarbon mines in the State of Utah. This certificate has been prepared for you and signed by Chief Coal Mine Inspector C.A.Carlson as a result of your having satisfactorily passed the examination held in Price on June 28, 29, 30, 1943.

We wish to take the opportunity to express our appreciation of your interest in accident prevention work and to compliment you on your ability to satisfy the requirements of the examining board.

Yours truly,

H. R. Mays

H. R. Mays
Safety Inspection Supervisor

HRM:rh
Enc.

GLORIA B. HANNI, Secretary

THE STATE OF UTAH

INDUSTRIAL COMMISSION
AND
UTAH LABOR RELATIONS BOARD
SALT LAKE CITY

COMMISSION
OTTO A. WIESLEY, Chairman
C. S. CARROLL
L. L. TAYLOR

November 29, 1955

"SCHEDULE 5d"

Adams Uranium
399 Second East
Helper, Utah

Attention: Mr. Gilbert Adams

Gentlemen:

Our safety engineer, Mr. George B. Jackson, reports that on November 23, 1955, he made an inspection of your mine and found it to be in good condition; also that it was clean and orderly.

We appreciate your efforts to maintain safe working conditions and invite you to call on us whenever you require assistance in matters pertaining to the safe operation of your property.

Very truly yours,

THE INDUSTRIAL COMMISSION OF UTAH

By_____
Otto A. Wiesley, Chairman

OAW/b

cc: George B. Jackson
650 North 1st East
Price, Utah

QUITCLAIM DEED

* *

GILBERT ADAMS and HELEN ADAMS, husband and wife, FRANK SCAVO and MARY SCAVO, husband and wife, TOM PERRERO and ROSE PERRERO, husband and wife, all of Helper, Carbon County, State of Utah, and ROLAND SMITH and MARGARET SMITH, husband and wife, of Sorrento, California, and JOHN THIERHIEMER and BETTY L. THIERHIEMER, husband and wife, of Chula Vista, California, Grantors, hereby quitclaim to ADAMS URANIUM COMPANY of Helper, Carbon County, State of Utah, Grantee, for the sum of One Dollar and other good, valuable and sufficient considerations, an undivided nine-tenths (9/10) interest in the following described mining claims and one mill site, all located in Emery County, State of Utah, and more particularly described as follows, to-wit:

ROSEMARY #1, located June 30, 1954, by Frank Scavo and Tom Perrero, and Recorded in Book J26, Page 416, in the office of the County Recorder of Emery County.

SUNDOWN #1, SUNDOWN #2, and SUNDOWN #3, located in the names of Gilbert Adams, Tom Perrero, Frank Scavo and Roland Smith on July 9, 1954, and Recorded in Book J27, pages 446, 447 and 448, in office of County Recorder, Emery County.

SUNDOWN #4, SUNDOWN #5, and SUNDOWN #6, located in the names of Gilbert Adams, Tom Perrero, Frank Scavo, and Roland Smith, on July 12, 1954, and Recorded in Book J28, Pages 49, 50, and 51, in the office of the County Recorder of Emery County.

SUNDOWN #7, SUNDOWN #8, SUNDOWN #9, SUNDOWN #10, SUNDOWN #11, SUNDOWN #12, SUNDOWN #13, and SUNDOWN #14, located in the names of Gilbert Adams, Tom Perrero, Frank Scavo, and Roland Smith, on July 13, 1954, and Recorded in Book J28, Pages 52, 53, 54, 55, 56, 57, 58, and 59, in the office of the County Recorder of Emery County.

SUNDOWN #15, SUNDOWN #16, and SUNDOWN #17, located in the names of Gilbert Adams, Tom Perrero, Frank Scavo and Roland Smith, on July 18, 1954, and Recorded in Book J29, Pages 1, 2, and 3, in the office of the County Recorder of Emery County.

RED BUTTE #1, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 119,

in the office of the County Recorder of Emery County. Also Placer Claim on Red Butte #1, located in the names of Gilbert Adams and John Thierhiemer, on September 29, 1954, and Recorded in Book J54, Page 54, in the office of the County Recorder of Emery County.

RED BUTTE #2, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 120, in the office of the County Recorder, Emery County. Also Placer Claim located in the names of Gilbert Adams and John Thierhiemer on Red Butte #2, on September 29, 1954, and Recorded in Book J54, Page 55, in the office of the County Recorder, Emery County.

RED BUTTE #3, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 121, in the office of the County Recorder of Emery County. Also Placer Claim on Red Butte #3, located in the names of Gilbert Adams and John Thierhiemer, on September 29, 1954, and Recorded in Book J54, Page 56, in the office of the County Recorder, Emery County.

RED BUTTE #4, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 122, in the office of the County Recorder of Emery County. Also Placer Claim located in the names of Gilbert Adams and John Thierhiemer, on Red Butte #4, on September 29, 1954, and Recorded in Book J54, Page 57, in the office of the County Recorder of Emery County.

RED BUTTE #5, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 123, in the office of the County Recorder of Emery County. Also Placer Claim located in the names of Gilbert Adams and John Thierhiemer on Red Butte #5, on September 29, 1954, and Recorded in Book J54, Page 58, in the office of the County Recorder of Emery County.

RED BUTTE #6, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 124, in the office of the County Recorder of Emery County. Also Placer Claim on Red Butte #6, located by Gilbert Adams and John Thierhiemer on September 29, 1954, and Recorded in Book J54, Page 59, in the office of the County Recorder of Emery County.

RED BUTTE #7, located in the names of John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on August 22, 1954, and Recorded in Book J38, Page 125, in the office of the County Recorder of Emery County. Also Placer Claim on Red Butte #7, located in the names of Gilbert Adams and John Thierhiemer, Recorded in Book J54, Page 60, in the office of the County Recorder of Emery County, located September 29, 1954.

RED BUTTE #8, located in the names of Gilbert Adams and John Thierhiemer, on October 4, 1954, and Recorded in Book J54, Page 61, in the office of the County Recorder of Emery County. Also Placer Claim on Red Butte #8, located

in the names of Gilbert Adams, Helen Adams, John Thierhiemer and Betty Thierhiemer, and Recorded in Book J43, Page 152, in the office of the County Recorder of Emery County. Located August 22, 1954.

RED BUTTE CAMP AND MILL SITE, located by Gilbert Adams and John Thierhiemer, on October 4, 1954, and Recorded on October 5, 1954, in Book J54, Page 51, in the office of the County Recorder of Emery County.

BIG BLUFF #1, located by Gilbert Adams, Roland Smith and John Thierhiemer, on July 14, 1954, and Recorded on July 19, 1954, in Book J28, Page 351, in the office of the County Recorder of Emery County.

SUNDOWN #18, SUNDOWN #19, SUNDOWN #20, and SUNDOWN #21, located in the names of Gilbert Adams, Tom Perrero, Frank Scavo and Roland Smith, on November 29, 1954, and Recorded on December 4, 1954, in Book J68, Pages 64, 65, 63 and 62 in the office of the County Recorder of Emery County.

RED BUTTE #5, RED BUTTE #6, RED BUTTE #7, and RED BUTTE #8, located by John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on December 18, 1954, and Recorded in Book J71, Pages 352, 353, 354, and 355, in the office of the County Recorder of Emery County.

WITNESS the hands of the said Grantors this 20th day of April, A.D., 1955.

John Thierhiemer

Betty J. Thierhiemer

Roland Smith

Margaret Smith

STATE OF UTAH)
:ss.
County of Carbon)

On this 20th day of April, A.D., 1955, personally appeared before me GILBERT ADAMS and HELEN ADAMS, husband and wife, FRANK SCAVO and MARY SCAVO, husband and wife, TOM PERRERO and ROSE PERRERO, husband and wife, signers of the above and foregoing instrument, who duly acknowledged to me that they executed the same.

Notary Public, Residing at Price, Utah.

My Commission Expires:

Dec. 2, 1957

STATE OF CALIFORNIA)
:ss.
County of San Diego)

On this 20th day of April, A.D., 1955, personally appeared before me JOHN THIERHIEMER and BETTY L. THIERHIEMER, husband and wife, signers of the above and foregoing instrument, who duly acknowledged to me that they executed the same.

Subscribed and sworn to before me this
20th day of April, 1955.
NOTARY PUBLIC
In and for the County of San Diego, State of California

Notary Public,
Residing at

My Commission Expires:

My Commission Expires Nov. 3, 1957

STATE OF CALIFORNIA)
:ss.
County of SAN DIEGO)

On this 22nd day of April, A.D., 1955, personally appeared before me ROLAND SMITH and MARGARET SMITH, husband and wife, signers of the above and foregoing instrument, who duly acknowledged to me that they executed the same.

Notary Public,
Residing at 1212 Chalcedony St. San Diego 9, Calif.

My Commission Expires:

130362

7.60

QUITCLAIM DEED

* *

EDWARD SHEYA and ANNA SHEYA, husband and wife, and B. L. DART and ELVINA DART, husband and wife, all of Price, Carbon County, State of Utah, Grantors, hereby quitclaim to ADAMS URANIUM COMPANY of Helper, Carbon County, State of Utah, Grantee, for the sum of One Dollar and other good, valuable and sufficient considerations, an undivided one-tenth (1/10) interest in the following described mining claims and one millsite, all located in Emery County, State of Utah, and more particularly described as follows, to-wit:

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RED BUTTE #5, RED BUTTE #6, RED BUTTE #7, and RED BUTTE #8, located by John Thierhiemer, Betty Thierhiemer, Gilbert Adams and Helen Adams, on December 18th, 1954, and Recorded in Book J71, Pages 352, 353, 354, and 355, in the office of the County Recorder of Emery County.

WITNESS the hands of the said Grantors this 30th day of April, A.D., 1955.

Anna Sheya

B. L. Dart

Elvina Dart

STATE OF UTAH)
:ss.
County of Carbon)

On this 13th day of April, A. D., 1955, personally appeared before me Edward Sheya and Anna Sheya, husband and wife, and B. L. Dart and Elvina Dart, husband and wife, signers of the above and foregoing instrument, who duly acknowledged to me that they executed the same.

Notary Public, Residing at Price, Utah

My Commission Expires:

April 21, 1957

. Government Messenger Envelope

Form No. 65 (Rev. 1/46)

1. e blocks consecutively, one at a time.
2. Void previous block.
3. Write clearly.

AME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
. Griswold om 4444, Int. EA	RUN STOP		RUN STOP
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plus envelopes to
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Use RUN and STOP only when messenger service between Government buildings in Washington is required.
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Project Summary Report

By: F. M. Murphy October 2, 1957

1. Docket No. DMEA-4244 (Uranium)
Contract No. Idm-E986

Operator: Adams Uranium Company, Inc.
P. O. Box 360
Helper, Utah

Operator's Property Rights:

Owner of Red Butte~~s~~ claims Nos. 1 to 8 inclusive. The claims appear to be in T. 24 S., R. 9 E., S.L.B.M., Emery County, Utah.

2. Contract dated: August 7, 1956.

Amendment No. 1, October 19, 1956, changes the location of the starting point of the crosscut.

Amendment No. 2, March 1, 1957, advances completion date to 14 months and adds one year to time of royalty payments.

Amendment No. 3, April 12, 1957, allows use of 200 feet of drifting under Stage II to continue the crosscut if needed.

3. Work under the contract started October 4, 1956, and was completed June 6, 1957.

4. Certification: Not recommended.

5. Work authorized: (2 stages)

Drifting and crosscutting, 550 feet @ $29.50/ft.	$16,225.00
Chemical analyses for U_3O_8 content of 150 samples @ $3.00/sample	450.00
Total estimated cost of project	$16,675.00

Work completed:

Crosscutting 550 feet @ $29.50/ft.	$16,225.00
Chemical analyses for U_3O_8 content of 2 samples @ $3.00/sample	6.00
Total cost of project	$16,231.00

6. Audit Report of Review: August 13, 1957

Total Cost as Billed by Contractor	$16,235.00
Exceptions (analyses)	4.00
Total Accepted Cost	$16,231.00
Government Participation @ 75%	$12,173.28

7. Operator's final report: received August 9, 1957, is complete and acceptable by DMEA.

Field Team's final report: received September 23, 1957.

8. Excerpts from Field Team's final report:

> The claims lie on the western flank of the San Rafael Swell about 35 miles southwest from Temple Mountain.
>
> Known ore deposits in the area are restricted to the Moss Back member of the Chinle formation in places where channels or scours have cut through the Monitor Butte member to the Moenkopi formation or within a few feet of it.
>
> Previous to the contract the Adams Uranium Company had been crosscutting to the Conrad channel that is exposed in three places at about 1200 feet, 2000 feet, and 2800 feet, respectively, from the mine adit.
>
> At the start of the contract the main adit was in 297 feet. A small pod of ore (10 tons, assaying 0.34% U_3O_8) was found in a side crosscut to the south at a point about 180 feet in from the portal.
>
> Under the contract the main adit was continued in a N. 80° W. direction. Although the crosscut continued for its total distance in the potential ore-bearing Moss Back, no channel, scour, or ore occurrences were encountered.
>
> The Field Team recommended that the project should not be certified and stated that further exploration of the claims with Government assistance is not warranted.

9. Comments:

F. M. Murphy, Division of Rare and Miscellaneous Metals, October 2, 1957:

> Since over 850 feet of crosscut has failed

to encounter the inferred channel, it appears that the Conrad channel does not continue through the claim area. Therefore, additional work on the claims is not warranted. I agree with the Field Team that a certification of discovery should not be issued.

Commodity Members' Comments:

In memoranda, dated September 27 and November 29, 1957, James Paone, USBM, and N. E. Nelson, USGS, respectively, concur in the Field Team's recommendations relating to additional work and certification.

F. M. Murphy

F. M. Murphy

[X] Audited

[ ] Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 10/2/57
Incl. Voucher for May 1957

[ ] Actual Cost

[X] Agreed Unit Costs

Name Adams Uranium Company, Inc.

Docket No. 4244

State Utah

Commodity Uranium

Idm-E No. 986

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	550'	16,225.00	550	16,225.00	16,225.00
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) 1/3 of analyses		450.00		6.00	6.00
Totals		$16,675.00		$16,231.00	$16,231.00 *

* Audit accepted cost

Prepared by F M Murphy

71626

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/3	Murphy	700
12/4	Ellis	700
1-27-58	Chandler	800
1/28	Lebedeff	120
"	Johnson	110
"	Mittendorf	100
1/28	gb	220
		700

Rec. Jan 27, 58

JAN 28 1958

Mr. Gilbert Adams, President
Adams Uranium Company, Inc.
399 Second East Street
P. O. Box 360
Helper, Utah

Re: Docket No. DMEA-4244 (Uranium)
Contract No. Idm-E986
Red Butte Claims
Emery County, Utah

Dear Mr. Adams:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

FMMurphy/gla
12-3-57
cc to: Admr.'s Reading File
Contract Adm. & Audit Division
FMMurphy
DMEA Field Team, Region III (2)

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IN REPLY REFER TO:

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

November 29, 1957

Re: DMEA 4244 Idm-E986
Adams Uranium Co.
Red Butte Claims
Emery County, Utah
Uranium

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Final Field Team Report

The contract, entered upon, August 7, 1956, approved the expenditure of $16,675.00 for the purpose of locating a somewhat hypothetical Mossback-Moenkopi uranium-bearing channel. The existance of such a feature was suggested by the somewhat favorable geological conditions, showings of radioactive material, and the reported presence of a pod of material from which 10 tons of 9.34% U_3O_8 was shipped.

The location of the pod is not marked on any of the several maps at hand and due to a change in the numbering of the survey stations, it is not easy to fit some of the descriptive matter of the report to the maps. (See pg 5 Final Report, Par. 2 and Par. 3 page 6). I suspect the pod occurred in the indentation shown on the northwest side of 'D' drift of Fig. 3 of the examination report, on which map no stations are shown.

The 840-foot adit appears to explore, more or less at right angles to the 'grain', an undulating Mossback-Moenkopi contact zone, but without revealing a pronounced scour. Slightly to moderately radioactive carbonaceous trash, logs, and asphalt are common throughout the inner 670 feet of the crosscut. The reported ore pod probably occurs in line with the most easterly row of logs.

Presumedly, everything possibly favorable has been 'read into' the observations depicted on the maps of the interim reports.

As the work which cost $16,731.00 failed to find ore, the examiners and Field Team recommend that assistance on further work not be extended and no certificate of discovery be issued.

I concur with the conclusions.

N. E. Nelson

N. E. Nelson

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

Date September 27, 1957

DMEA Docket No. 4244
DMEA Contract No. Idm-E986
Commodity Uranium
Name of applicant Adams Uranium Company, Inc.
Name of property Red Butte Claims
Location of property Emery County, Utah
Estimated cost of project $16,231.00

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee
From: James Paone, Bureau of Mines Member
Uranium Commodity Committee
Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document: 9/19/57. 2. Date received by reviewer: 9/26/57

3. Prior reports on this property known to reviewer: Yes ☐ No ☐

4. Prior reports on nearby properties known to reviewer: Yes ☐ No ☐

5. Information available on past production: Yes ☐ No ☐

6. Other pertinent factors known to reviewer: Yes ☐ No ☐

7. Explain items marked yes above:

8. Factors needing special consideration:
a. Location ☐
b. Ownership ☐
c. Evidence of mineralization ☐
d. Geology ☐
e. Proposed exploration method ☐
f. Alternate exploration method ☐
g. Costs ☐
h. _____ ☐

9. Action advised:
a. Obtain information from applicant ☐
b. Refer to Field Team ☐
c. Denial ☐
d. Agree with Field Team ☒
e. Disagree with Field Team ☐
f. Suggest alternate plan ☐
g. Request another examination ☐
h. Approval ☐
i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary) f Certification not recommended.

3 transmittal memos

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

September 19, 1957

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DMEA
RECEIVED SEP 23 1957

DATE	INITIALS	CODE
9/23	C	220
9/24	RJ	160
	esf	130
10/1	FMM	220

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah - FINAL REPORT

Enclosed are the original and two copies of a joint Final Engineering and Geologic Report, dated September 1957, by Paul V. Fillo, Mining Engineer, Bureau of Mines, and J. W. Hasler, Geologist, Geological Survey; and transmittal thereof, dated September 13, 1957, from J. William Hasler, pertaining to work completed under the subject contract.

The original and one copy of the Operator's Final Report were forwarded by memorandum of August 7, 1957.

Acceptable units of work or service completed under the contract consist of 550 feet of crosscutting and the chemical analysis of 2 samples for U_3O_8 content; all at a total accepted cost of $16,231.00, toward which the Government contributed 75%, or an amount of $12,173.28.

Final payment to the Operator was processed by this office August 13, 1957 in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, DMEA, dated August 13, 1957.

The exploration work completed did not disclose a significant quantity of uranium ore; therefore, the issuing of a Certification of Discovery or Development is not recommended.

J. W. Townsend
J. W. Townsend
Alternate Acting Executive Officer

Reviewed by
DMEA OPERATING COMMITTEE
9/27/57
(Date)

FINAL F.T. REPORT

IN REPLY REFER TO:

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1957
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 360
Grand Junction, Colorado

DEPOSITS
DMEA
RECEIVED
SEP 16 1957
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

September 13, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman

From: J. William Hasler

Subject: DMEA 4244 (contract Idm-E 986), Adams Uranium Company, Inc., Red Butte claims, Emery County, Utah. Transmittal of joint final report.

Enclosed are 10 copies of joint final engineering and geologic report on the above referenced contract, prepared by Paul V. Fillo, Bureau of Mines, and J. William Hasler, Geological Survey.

Figures 1, 2, and 3 are attached to the reports.

D P Elston

For J. William Hasler,
Geologist

DPE/mlr

Enclosures
Reports (10)
Figs. 1, 2, 3

Reviewed by
DMEA OPERATING COMMITTEE
9/27/57

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DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT BY EXAMINING TEAM
REGION III

DMEA 4244

Contract Idm-E 986

Adams Uranium Co., Inc.

Red Butte claims

Emery County, Utah

Uranium

Final Engineering and Geologic Report

by

Paul V. Fillo
Bureau of Mines

J. W. Hasler
Geological Survey

September 1957

Reviewed by
DMEA OPERATING COMMITTEE
9/27/57
(date)

DMEA 4244
CONTRACT Idm-E 986
ADAMS URANIUM CO., INC.
RED BUTTE CLAIMS
EMERY COUNTY, UTAH

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Final Engineering and Geologic Report

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ILLUSTRATIONS

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1. Location map showing Red Butte claims, Adams Uranium Co., Inc., Emery County, Utah	10
2. Geologic map of the Red Butte claims, Adams Uranium Co., Inc., Emery County, Utah	10
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DMEA 4244
CONTRACT Idm-E 986
ADAMS URANIUM CO., INC.
RED BUTTE CLAIMS
EMERY COUNTY, UTAH

INTRODUCTION AND SUMMARY

The Adams Uranium Company, Inc. made application to Defense Minerals Exploration Administration in April 1956 for assistance to explore for uranium ore on the Red Butte claims, Emery County, Utah. The application was referred to the Field Team and an examination was made May 9, 1956, by W. E. Young, Bureau of Mines, and June 6, 1956 by Howard F. Albee, Geological Survey.

The sedimentary rocks in the area of the Red Butte claims consist of the Moenkopi, Chinle, and Wingate formations of Triassic age. The Monitor Butte, Moss Back, and Church Rock member of the Chinle formation are prominently exposed on the claims. The Moss Back sandstone is the ore host, and significant ore deposits are restricted to channels or scours where most or all of the Monitor Butte member has been eroded and Moss Back sandstone lies on or within a few feet of the base of the Monitor Butte member.

The property consists of eight claims held by right of location. The applicant originally proposed a project consisting of 700 feet of drifting and crosscutting and 350 feet of drilling estimated to cost $21,801.50. The examining team believed the applicant's proposals to

be more extensive than warranted by the geologic evidence. A revised proposal submitted by the applicant lowered the estimated cost to $10,639.18.

A short-form contract in an amount of $16,675.00 was executed August 7, 1956. The contract allows 350 feet of crosscutting, with 100 samples chemically assayed under Stage I, and, under Stage II, 200 feet of drifting, with 50 samples chemically assayed. Work under the contract was started October 4, 1956, and a total of 550 feet of crosscutting was completed June 6, 1957. The operator was reimbursed on the basis of 550 feet of crosscutting and two sample analyses.

Actual expenditures under the contract totaled $16,231.00. The Government's share of the expenditure, at 75 percent participation, is $12,173.25.

No ore was found as a result of the contract work and a Certificate of Discovery or Development will not be issued.

LOCATION AND ACCESSIBILITY

Adams Uranium Company, Inc. property is located on the west flank of the San Rafael Swell. The claims appear to be in T. 24 S., R. 9 E., SLB and M, approximately 35 miles southwest from Temple Mountain. A new asphalt road, approximately 40 miles in length, has been constructed from Temple Mountain to Green River, Utah, the nearest shipping point.

The mine is located at an altitude of approximately 4,500 feet in an area of irregular relief. An adequate camp has been established on the property. Water for camp operation is obtained from Green River, Utah.

HISTORY AND PROPERTY OWNERSHIP

Property encumbered under the contract consists of eight unpatented lode-mining claims as listed below.

The claims were located in 1954. Exploration completed prior to execution of the DMEA contract consisted of three crosscuts totaling 395 feet. An attempt was made to ship mineralized rock excavated during the crosscutting, but the grade was too low to be minable ore.

The recorded production from the Adams Uranium Co. property totals approximately eight tons assaying 0.11 percent U_3O_8.

Claim Name	Book	Page
Red Butte No. 1	J-33	119
Red Butte No. 2	J-33	120
Red Butte No. 3	J-33	121
Red Butte No. 4	J-33	122
Red Butte No. 5	J-33	123
Red Butte No. 6	J-33	124
Red Butte No. 7	J-33	125
Red Butte No. 8	J-54	61

GEOLOGY

The Red Butte claims lie on the western flank of the San Rafael Swell, which is a huge, northerly trending, asymmetric dome and the rocks in the vicinity of the claims strike N. 30°-40° E. and dip about 2° northwest. The general area contains many faults but none were noted on the claims.

The oldest rocks exposed in the area are those of the Moenkopi formation of Triassic age which consists of regularly bedded, ripple marked red siltstone. The Moenkopi is overlain by the Chinle formation also Triassic in age, which is divided into three members. The lowest member is the Monitor Butte which consists of purple and red mudstone. The Monitor Butte is overlain by the Moss Back member which consists of poorly sorted sandstone and conglomerate. The Moss Back grades into the red shale of the overlying Church Rock member. The Triassic Wingate sandstone forms a sheer cliff immediately above the Chinle formation.

The Moss Back sandstone is the ore host and significant ore deposits are restricted to channels or scours where most or all of the Monitor Butte member has been eroded and Moss Back sandstone lies on or within a few feet of the base of the Monitor Butte member.

ORE DEPOSITS

The Adams Uranium Company has been crosscutting in the Moss Back for about a year, with most of the work being done alone by Gilbert Adams, the company president. The objective was to crosscut into the Conrad channel which is exposed in three places at about 1,200 feet, 2,000 feet, and 2,800 feet, respectively, from the mine adit. Projection of the alignment of the exposures, however, would place the channel east of the present east facing escarpment.

The main tunnel was in 212 feet to station 10 at the time of the initial field examination. 30 feet back from station 10 a crosscut trending southwest had been driven a few feet past station 11 at 67 feet. A scour or channel appeared to be developed to the west of stations 10 and 11. A pod of uranium ore was discovered 30 feet back of station 11 from which a grab sample assayed 0.72 percent U_3O_8, 0.05 percent V_2O_5, and 5.5 percent $CaCO_3$. Ten tons of ore shipped from the pod to Moab, Utah was reported to assay 0.34 percent U_3O_8.

Ore bodies in the area range from a few tons to over 8,000 tons. The Dirty Devil No. 4 and No. 6 mines, about 2 miles south of the Red Butte group, have produced over 4,000 tons each, but the production has been from several closely spaced small ore bodies. The Lucky Strike mine, about 2 miles north of Red Butte group, has produced over 8,000 tons of uranium ore from one ore body and is in a channel that is estimated by U.S. Geological Survey resource appraisal personnel to contain 25,000

tons of inferred reserves. The Conrad channel, about 2,800 feet north of the Red Butte group, has produced about 41 tons of low-grade uranium ore.

The uranium minerals in the area are contained in or closely associated with asphaltic material. Carbonaceous material and fossil logs are present but do not show as much radioactivity on a scintillation counter as the asphaltic material.

ORE RESERVES

No ore of any significance was found as a result of the DMEA work, consequently there are no reserves and no Certification of Discovery is recommended.

APPLICANT'S PROPOSED EXPLORATION PROGRAM

The applicant proposes to crosscut a total of 700 feet, the footage to be expended at three different locations as follows (fig. 3): (1) crosscut 250 feet southwesterly starting from a point near station 5, (2) crosscut 350 feet N. 80° W. starting at station 10, and (3) crosscut 100 feet N. 80° W. starting from a point near station 9.

The applicant also proposes 350 feet of "top holes", one hole 10 feet deep at intervals of 20 feet.

The cost was estimated for 700 feet of 5' x 7' crosscutting at $30.77 per foot for a total of $21,539.00. The "top holes" and probing were estimated to cost $0.75 per foot for a total of $262.50. The total program was estimated to cost $21,801.50. DMEA participation at 75 percent would be $16,351.02.

REVISED EXPLORATION PROGRAM

A northerly trending mineralized channel or scour is indicated in the area west of the present mine workings. The examining team believes that one crosscut is sufficient to disprove or establish the presence of a channel.

The cross cut should be started from station 11 on a bearing of N. 80° W. and driven as much as 350 feet. If a channel is found with less than 350 feet, the remaining footage should be used to explore along the channel. The channel should be explored with not less than 200 feet of drifting, thus the footage allowed could vary but could not exceed 550 feet. The company should be allowed a maximum of 550 feet of crosscutting and drifting.

Stage I. Crosscut from station 11 on a bearing of about N. 80° W. until a channel is penetrated, but not to exceed 350 feet.

Stage II. Drift in the channel for a maximum of 200 feet. The location of the drift and the direction must be agreed upon by a representative of the government and the company. The footage may be expended in one direction or part of the footage may be expended in both directions from the crosscut.

THE CONTRACT

A short-form contract covering exploration by crosscutting and drifting was made effective August 7, 1956. The contract was prepared to permit work in two stages as follows:

Fixed Unit Cost

Stage I

350 feet of crosscutting at $29.50 a foot	$10,325.00	
100 samples chemically analyzed for U_3O_8 content at $3.00 a sample	300.00	
Estimated total cost of crosscutting		$10,625.00

Stage II

200 feet of drifting at $29.50 a foot	$ 5,900.00	
50 samples chemically analyzed for U_3O_8 content at $3.00 a sample	150.00	
Estimated total cost of drifting		$ 6,050.00
Estimated total cost of project		$16,675.00
Government participation at 75 percent		$12,506.00

Under Stage I, work specified that crosscutting shall start from survey station 11 shown on figure 3. The allowable crosscutting shall not exceed 350 feet in approximate direction of N. 80° W.

Work under Stage II consists of drifting not in excess of 200 feet along the channel in either or both directions from the crosscut.

Three amendments were executed during the life of the contract.

DESCRIPTION OF THE PROJECT WORK

The contract was executed with effective date, August 7, 1956. Work was started under Stage I October 4, 1956. The authorized footage of 350 feet was completed March 30, 1957. Two chemical assays were made during Stage I program. Stage II work was started April 6, 1957, and a total of 200 feet of cross cutting authorized by Amendment No. 3, was completed June 6, 1957. This completed all authorized contract work.

Three amendments were granted during the life of the contract. Amendment No. 1 changed the location of the work to be performed under Stage I of the contract, due to company crosscut heading being farther advanced toward the objective channel, and uranium mineralization was exposed. Amendment No. 2 increased the contract period from 7 to 14 months, or August 7, 1956 to September 7, 1957. Amendment No. 3 allows crosscutting instead of drifting to approximately the center of the channel and then drifting along the channel course. The total crosscutting and drifting shall not exceed 200 feet.

Reimbursement to the operator on work meeting contract terms and amendments Nos. 1, 2, and 3 should be made on the basis presented below:

Stage I

350 feet of crosscutting at $29.50 a foot	$10,325.00	
2 samples chemically analyzed for U_3O_8 content at $3.00 a sample	10.00	
Cost of Stage I		$10,335.00

Stage II

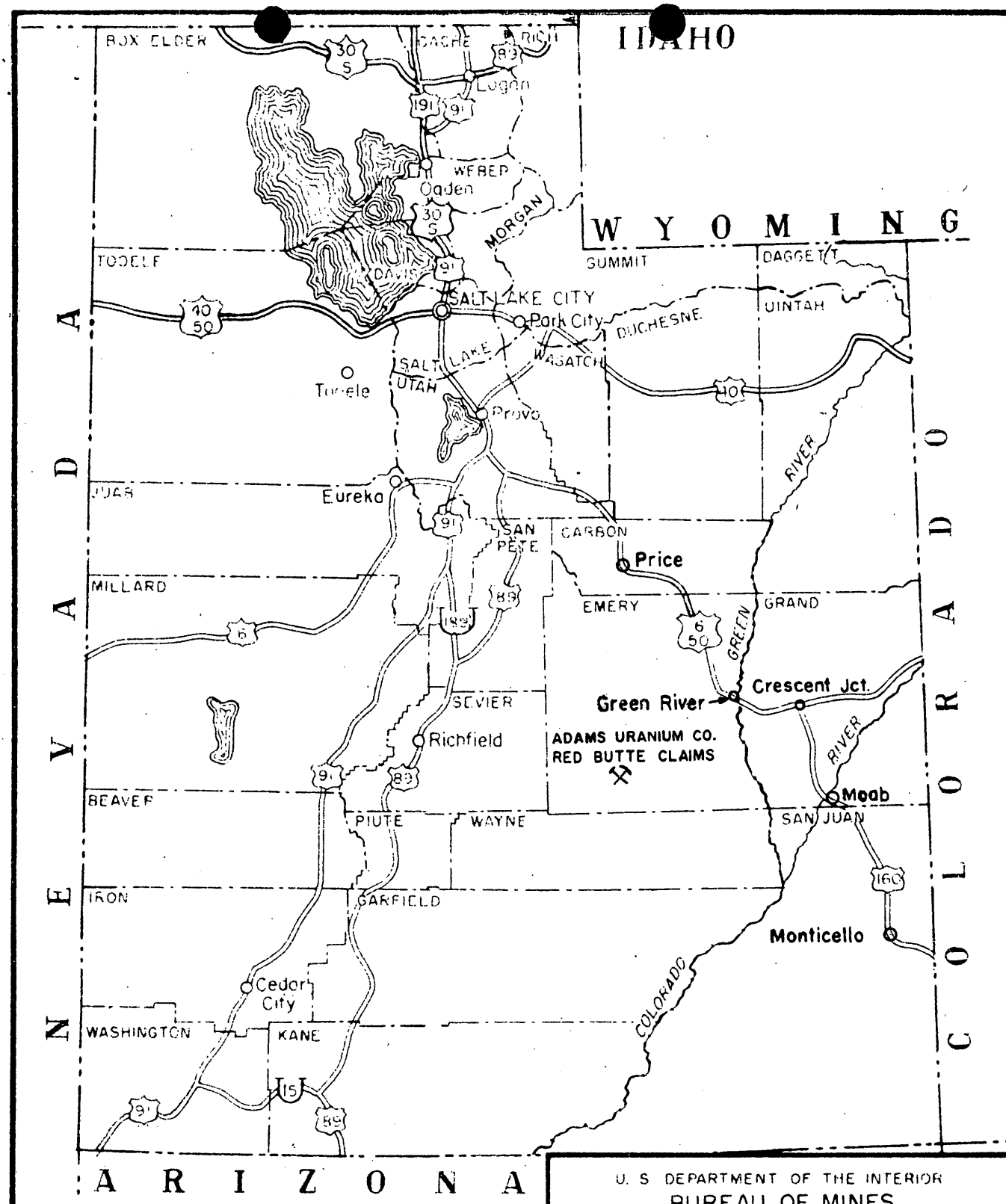
200 feet of crosscutting at $29.50 a foot	$ 5,900.00	
Total cost of Stage II		$ 5,900.00
Total cost of project work		$16,235.00
Disallowance a part of 2 assay samples for exceeding allowable cost at $2.00 per assay		$ 4.00
Adjusted total cost of project work		$16,231.00
Government participation of 75 percent		$12,173.25

As of this date no Report of Review was made by the Contract Administration and Credit Division showing reimbursement to the operator on the work meeting contract terms.

CONCLUSIONS AND RECOMMENDATIONS

Exploration on the Adams Uranium Company, Inc. property, conducted under Contract Idm-E 986, disclosed unfavorable geologic conditions. No uranium mineralization of significance was encountered and Certification of Discovery or Development is not recommended. Further exploration with Government participation is not warranted.

The Government has no equity in equipment or supplies on the property.



U. S DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMEA Docket No. 4244

Location Map

ADAMS URANIUM CO.
RED BUTTE CLAIMS
EMERY COUNTY, UTAH

ENGINEER: P. V. FILLO	DATE: AUG. 28, 1957
TRACED: AUG., 1957; A.P.T.S.	1900-440-G
CHECKED:	

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AUG 20 1957

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11	[illegible]	700

224 New Customhouse
Denver 2, Colorado

August 16, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4244 (Uranium) Contract Idm-2986
Adams Uranium Company, Inc. (Red Butte claims)
Emery County, Utah - FINAL PAYMENT

Enclosed are two copies of a memorandum to T. A. Christensen, dated August 13, 1957, relative to final payment under the terms of the subject contract.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JDC:hmh
cc: DMEA/SLC
MF-104 file, Reg. III
Corres. file, Reg. III
Chron.

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DMEA
RECEIVED AUG 9 1957

DATE	INITIALS	CODE
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8/9		800
8/19		700

224 New Customhouse
Denver 2, Colorado

August 7, 1957

Memorandum

To: T. H. Breding, DMEA Auditor

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4044 (Uranium), Contract No. [illegible], Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

The Operator has completed all work provided for under the subject contract and a final report and final accounting have been submitted as required by the contract. Therefore, final payment of the Operator's account is in order, contingent on release to this office of a Report of Review of reported project costs.

The exploration work completed under the contract on a Fixed Unit Cost basis consists of 550 feet of crosscutting and chemical analysis of two samples.

The amount of $500.00 was withheld from reimbursement to the Operator in processing the final accounting report for the month of May, 1957, which actually covered the period May 1 through June 6, 1957.

Original signed by
E. N. HARSHMAN

E. N. Harshman

JHT:pr1

cc: Chief. Op. Comm. - 2
Harshman
Townsend
Corres. file
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

August 7, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Enclosed are the original and one copy of a final engineering and geologic report submitted by the Operator pertaining to work completed under the subject contract.

E. N. Harshman

E. N. Harshman

Enclosures

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DMEA
RECEIVED AUG 9 1957

DATE	INITIALS	CODE
8/9	G.K.	220
8/9		800

EAKLAND & OSTERSTOCK
MINING GEOLOGISTS
700 XXI NEWHOUSE BUILDING
SALT LAKE CITY, UTAH
TELEPHONE ELGIN 9-6185

July 26, 1957

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

Mr. Paul Fillo, DMEA Field Team
United States Bureau of Mines
1600 East First South Street
Salt Lake City, Utah

Dear Paul:

Enclosed are five copies of the Final Report on the Adams Uranium Co's operations at the Red Butte No. 1, under DMEA Docket 4244, Contract No. Idm E-986. As you are aware, the exploration work did not develop any ore nor were any favorable prospects for further exploration indicated at the completion of the project, excluding the mineralized carbon in the face. I have dicussed the future of the property with the Adams and there are no plans for any further work at the present time.

In some respects it is fortunate that the work was completed when it was. I was at the property yesterday, helping to pick up some of the equipment, and the road is in bad shape from the heavy rains of last week. It is hard to believe, but the rain, coming down the canyon above the mine portal, has washed away all of the central portion of the dump and there is now barely room to drive a car past the portal, if lyou could get up there.

Very truly yours,

E. H. Eakland, Jr.

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RECEIVED AUG 9 1957

DATE	INITIALS	CODE

OP's Final Report

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DMEA
RECEIVED AUG 9 1957
DATE | INITIALS | CODE

FINAL REPORT

Exploration work by the Adams Uranium Company, Inc., on its Red Butte No. 1 claim under DMEA Docket 4244, Contract No. Idm E-986 (as amended) was halted ~~June 6~~, 1957, with the completion of the authorized footage.

THE CONTRACT

The short form contract was awarded during August 1956 and was activated during October 1956 with Amendment No. 1. This amendment effected a delay in the starting date and fixed the Point-of-Beginning of the exploration work as Station 16 (see Attached Map). The contract, as amended, provided for 350 feet of crosscutting (and 100 assays) designed to intersect the projection of the Conrad channel, and 200 feet of drifting (and 50 assays) for exploration within the channel. On completion of the authorized 350 feet of crosscutting during March 1957 without intersection of the channel, a request was granted with Amendment No. 2 for transfer of the unexpected 200 feet of drift footage to cross-cut footage. Thus, the entire 550 feet of authorized footage was expended in an effort to intersect the Conrad channel.

All phases of the work were in accord with contractual stipulations.

THE PROJECT

During the life of the contract the monthly advances and expenses were as follows:

Month,	Year	Advance	- Costs	Assays	- Cost
October,	1956	87' (X-cut)	2566.50	--	--
November,	1956	78' "	2301.00	--	--
December,	1956	45' "	1327.50	2	10.00
January,	1957	44' "	1298.00	--	--
February,	1957	47' "	1386.50	--	--

Month, Year		Advance - Costs		Assays - Cost	
March,	1957	49' (X-cut)	1445.50	--	--
April,	1957	95' "	2802.50	--	--
May,	1957	105' "	3097.50	--	--
TOTALS		550	16,225.00	2	10.00*

* The agreed unit cost per assay is $3.00, thus only $6.00 is entered for government participation.

The total expense of the project is $16,231.00, of which 75%, or $12,173.25 is claimed for compensation.

GEOLOGY

The Red Butte No. 1 claim lies in the Muddy River District on the southwest flank of the San Rafael Swell. Sedimentary rocks exposed in the claim area include from top to bottom, the Jurassic Wingate formation, the Triassic Chinle formation (with its basal Mossback sandstone member), and the Triassic Moenkopi formation.

Uranium deposits in this section of the San Rafael Swell are characteristically localized within channels or scours in the Moenkopi formation and filled with detritus of the Mossback sandstone member of the Chinle formation. The target of this exploration program was the projection of such a structure (the Conrad channel) from its exposure on the Staker property about one-half mile north of the Red Butte No. 1 portal. Intersection of the projected channel was not accomplished nor is it likely that additional crosscutting would reveal the presence of this structure which is now believed to have veered southeasterly from its exposure on the Staker property and consequently projects into an area in which erosion has removed all strata above the Moenkopi.

Prior to the inception of the DMEA project, the Red Butte No. 1 Workings had been driven about 290 feet westerly from the portal. Maps of these workings, on which the

regional dip correction had been applied, indicated that the Moenkopi-Mossback contact was gradually ascending a gentle, though somewhat irregular, slope. Regional dip was determined about 600 feet east of the portal and is applied as a correction factor simply by rotating the contact upward to a horizontal plane.

The DMEA crosscut continued to expose the contact, generally at about sill level, throughout its entire length. Briefly, the contact appears to exhibit an irregular but persistent upward trend although the reliability of the dip correction is certainly questionable at so great a distance from it point of determination.

Despite the apparent ascendency of the contact, certain favorable indications warranted continuation of the crosscut. For example, the Moenkopi mudstone immediately underlying the Mossback continued to exhibit the pale green discoloration attributed to the alteration characteristic of known mineralized channels in the region. In addition, carbonized vegetal remains were almost constantly present to some degree and not infrequently fragments of this material showed considerable radioactivity. The only two samples taken during the life of the project were across carbon trash zones on both walls of the crosscut at Station 17 plus 50 feet (see attached map).

Sample No. 1	1.3' cut	0.079% U_3O_8
Sample No. 2	0.8' cut	0.025% U_3O_8

The Mossback member of the Chinle, because of its terrestrial origin, displays rapid lensing of its various beds and equally rapid facies changes within particular beds. Thus, although no reliable representative section may be given, a generalized section from top to bottom is as follows:

(1) Soft, friable, gently crossbedded, fine-to medium grained grayish brown sandstone, with abundant interstitial black hydrocarbon and occasional spots of black viscous asphaltum.

(2) Coarse-to medium grained, grayish brown calcareous sandstone with occasional lenses of grit and pea-size conglomerate. May have up to 30% gray-green clay in blebs and stringers. Carbonized vegetal trash frequently marks the base of this interval.

(3) Hard, medium-grained, calcareous sandstone with intercalated lenses of grit and pebble-size conglomerate and occasional lenses of dense, gray clay. In some areas this interval takes on the characteristics of clay conglomerate with much carbon trash.

(4) Hard, silicified, fine-grained sandstone, generally less than 2 inches thick. Abundant disseminated fine pyrite and marcasite.

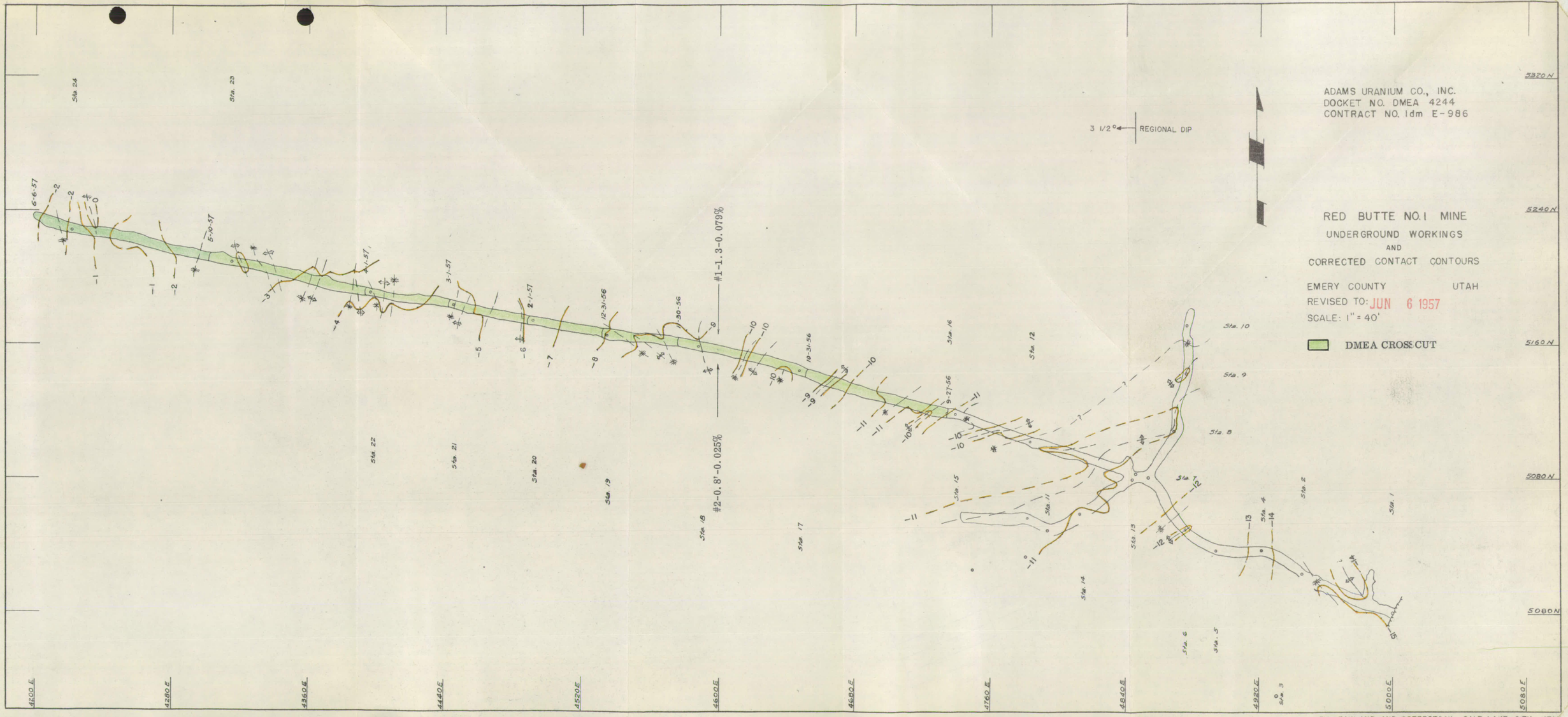
The exploration crosscutting accomplished under the auspices of DMEA encountered no concentrations of uranium minerals of sufficient grade or thickness to constitute a mineable ore body. There are no reserves of any classification in the mine. One shipment of development ore, made before the DMEA program started, proved to be too low grade to warrant continued stockpiling of even this hand sorted material. The Adams Uranium Company, Inc., has no plans for future work on the Red Butte No. 1 claim. Corporation activities in this area have been suspended.

Perhaps the major contribution of the DMEA project has been the negative discovery that the Conrad channel probably projects east of the Red Butte No. 1 portal into an area where all of the strata above the Moenkopi formation have been removed by erosion.

EAKLAND & OSTERSTOCK

E. H. Eakland, Jr.

E. H. Eakland, Jr.


ADAMS URANIUM CO., INC.
DOCKET NO. DMEA 4244
CONTRACT NO. Idm E-986
RED BUTTE NO. 1 MINE
UNDERGROUND WORKINGS
AND
CORRECTED CONTACT CONTOURS
EMERY COUNTY UTAH
REVISED TO: JUN 6 1957
SCALE: 1" = 40'
DMEA CROSS CUT
3 1/2° REGIONAL DIP
#1-1.3-0.079%
#2-0.8'-0.025%
6-6-57
5-10-57
3-1-57
2-1-57
12-31-56
10-31-56
9-27-56
Sta. 24
Sta. 23
Sta. 22
Sta. 21
Sta. 20
Sta. 19
Sta. 18
Sta. 17
Sta. 16
Sta. 15
Sta. 14
Sta. 13
Sta. 12
Sta. 11
Sta. 10
Sta. 9
Sta. 8
Sta. 7
Sta. 6
Sta. 5
Sta. 4
Sta. 3
Sta. 2
Sta. 1
4200 E
4280 E
4360 E
4440 E
4520 E
4600 E
4680 E
4760 E
4840 E
4920 E
5000 E
5080 E
5320 N
5240 N
5160 N
5080 N
5080 N
BY: EAKLAND AND OSTERSTOCK SALT LAKE CITY, UTAH

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 31 1957

DATE		
7/31	C	220
7/31	4200	800
4	~~Supply~~	~~100~~

224 New Customhouse
Denver 2, Colorado

July 29, 1957

Memorandum

To: J. W. Hasler - w/copy of Operator's Narrative Report

DMEA-HLC - w/copy of Operator's Narrative Report

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4244 (Uranium) Contract Ida-2986
Adams Uranium Co., Inc. (Red Butte claims)
Emery County, Utah

As of June 6, 1957, all authorized work under the subject contract has been completed. The Operator's narrative report for the period from May 1, 1957, through June 6, 1957, a copy of which is enclosed, includes the following statement:

> "With completion of the authorized footage under the contract, the main crosscut has encountered no such structure as might be correlated with the target "Conrad channel". It is interesting to note that only in the final 40 feet of crosscutting did the contact show a gradual depression; this feature is not of sufficient magnitude, however, as to warrant continued crosscutting."

Please submit to this office a joint interim report concerning the significance of the gradual depression which was encountered in the last 40 feet of crosscutting and containing the following:

1. Recommendations regarding possible additional work to explore for and drift on the indicated scour or channel.

2. Recommendations regarding certification of the project as a discovery or development of the work completed under the contract.

It is suggested that an inspection be made to determine whether additional work should be performed and also to determine whether the Operator is continuing, or plans to continue the exploration work. In the event the Operator is or plans to continue with the crosscut to further explore for the channel it appears that consideration should be given toward the Government's participating in the additional work in order to more fully protect the present investment.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JDC:hmh
cc: Chmn. Op. Comm. (2)
Harshman
Townsend
Corres. file, Reg. III
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 29 1957

DATE	INITIALS	CODE
7/29	C	220
7/29	[illegible]	800
"	~~FMM~~	~~700~~

224 New Customhouse
Denver 2, Colorado

July 26, 1957

Mr. Gilbert Adams, President
Adams Uranium Company, Inc.
P. O. Box 360
Helper, Utah

Re: DMEA Docket 4244 (Uranium)
Contract Idm-E986
Adams Uranium Company, Inc.
(Red Butte claims)
Emery County, Utah

Dear Mr. Adams:

Form MF-104, Operator's Monthly Report and Voucher, for May, 1957, has been received in this office and has been processed for payment.

The amount of $500.00 is withheld from reimbursement to your company pending release to this office of an Audit Report or Report of Review of reported project expenditures by the Contract Administration and Audit Division, DMEA.

Yours very truly,

Original signed by
W. H. KING

W. H. King
Executive Officer, DMEA
Field Team, Region III

JDC:hmh
cc: Chmn. Op. Comm. (2)
Harshman
DMEA, SLC
Townsend
Corres. file, Rg. III
Chron.

FINAL DISTRIBUTION

MADE JUL 31 1957

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III
[redacted]
Administrative Audit Difference Statement

[redacted]

Date: [redacted]
Payee's
Reference: [redacted]

[redacted]

DMEA-4244

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ [redacted]

Difference $

Amount Approved $ [redacted]

The reason for the difference was due to:

[redacted]

EXTRA COPY DMEA RECEIVED AUG 5 1957		
DATE	INITIALS	CODE
8/5	FEJ	110
"	~~[illegible]~~	~~[illegible]~~

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-III-B & F Form No. 4
4-15-52 D

EXTRA COPY DMEA RECEIVED AUG 5 1957		
DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

July 26, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket-4244, (Uranium) Contract Idm-E986, Adams Uranium Company, Inc. (Red Butte claims) Emery County, Utah - Operator's Monthly Progress Report, for the month of May, 1957

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 75 percent of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report, except for the following deduction:

<u>Withhold</u> an amount of $500.00 from reimbursement to the Operator pending release to this office of an Audit Report or Report of Review of the reported project expenditures, by the Contract Administration and Audit Division, DMEA.

Remarks:

Date of Report----------July 11, 1957
Date Received in Field Office---------- -------
Date Received in Region Office----------July 23, 1957

Enclosures
JDC:hmk
cc: Chmn. Op. Comm. (2)
DMEA, SLC
Harshman) w/copy of Engr's
Townsend) report
MF-104 file, Reg. III
Chron.

Original signed by
W. H. KING
W. H. King

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
JUL 23 1957
REGION III
DENVER, COLORADO

July 22, 1957

Memorandum

To: W. E. King, Executive Officer, DMEA Field Team, Region III

From: P. V. Fillo

Subject: Docket No. DMEA-4244 (Uranium), Contract Ida-2224, Adams Uranium Co., Inc., Emery County, Utah. Progress report for May 1957

An inspection of the project was made June 18, 1957.

The work reported by the operator for May and 6 days of June consists of 105 feet of DMEA crosscutting. This completes the authorized footage under the subject contract. The reported footage was verified by measurement on the date of inspection; the work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and MF-104A agree as to project costs for the month of May 1957.

The crosscut continues to follow the contact in a westerly direction along the Moenkopi mudstone and the overlying Moss Back sandstone. No significant change has been noted in the structure of the final advance.

This completes the authorized footage under the subject contract. The main crosscut has encountered no structure that might be correlated with the target "Conrad channel." In the final 40 feet of crosscutting the contact showed a gradual depression. Very little change in radioactivity was noted, with amounts ranging from .03 to .05 mr/hr. This would not warrant continuing the crosscutting.

It is recommended that the operator be reimbursed by $2,232.13, or 75 percent of $2,977.50, the cost of the project for May 1957, as computed for 105 feet of crosscutting at the contract unit price of $28.50.

P. V. Fillo
P. V. Fillo

DATA CONTROL
DMEA
RECEIVED JUL 8 1957

DATE	INITIALS	CODE

Enclosure
cc: J. B. Clemmer

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1957 Docket No. DMEA 4244 Contract No. Idm E-986

Operator's Name ADAMS URANIUM CO. INC. Minerals Uranium

Address 399 2nd East Street, Helper, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	None	None	None	None	None	0	
Crosscutting	Foot	3097.50	105	16,225.00	550	29.50	550*	29.50
Raising								
Shafts Assaying (Dr)	Assay	None	None	None	None	None	50	3.00
Winzes Assaying (X-cut)	Assay	None	None	10.00	2	5.00	100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3097.50		16,235.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3097.50		16,235.00				

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

REMARKS: * As Amended

Date July 11, 1957 Operator ADAMS URANIUM CO., INC.

Per Edward H. Eakland, Jr. Title Power-of-Attorney

Edward H. Eakland, Jr.

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

(Instructions on reverse)

(For Government use only)

P.V. Gillo 7/22/57
Mining Engr.

RECEIVED AUG 5 1957 D.M.E.A.

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 1957 Docket No. DMEA 4244 Contract No. Idm E-986
Operator's Name ADAMS URANIUM CO., INC. Mineral Uranium
Address 399 2nd East Street, Helper, Utah
Contract Amount, $ 16,675.00 Government Participation: 75 % Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	3097.50	13,127.50	16,225.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	None	10.00	10.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3097.50	13,137.50	16,235.00	3097.50	13,137.50	16,235.00
				4-00	4.00	4.00
					13,133.50	16,231.00
					$1823.13	

RECEIVED AUG 5 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 11, 1957 *Payee ADAMS URANIUM CO., INC.
Per Edward H. Eakland, Jr. Title Power-of-Attorney
Edward H. Eakland, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

Note: Withhold 500.00 (Instructions on reverse)
4- Previously Disallowed

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$1823.13
Signature (Authorized Certifying Officer)
Date 7/30/57 Vou. No. 58-10
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 186 in accordance with the terms of the contract.

Signature Paul W. Fillo Title Mining Engr. Date 7/22/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature W. H. Kung Title Executive Officer Date JUL 26 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

SUMMARY REPORT

This narrative report briefly covers the work accomplished during the period May 1 - June 6, 1957, by the Adams Uranium Company, Inc., on its Red Butte No. 1 claim under DMEA Docket 4244, Contract Idm E-986, Amendment No. 2.

As illustrated on the attached 40-scale map, the main crosscut was advanced 105 feet during the 37 day period covered by this report. Inasmuch as the final 105 feet of crosscutting completes the authorized footage under the contract, it was not deemed expedient to file a separate progress report covering the 6 day interval in June. This report may therefore be considered as corresponding to the May 1957 narrative and claim for compensation.

The crosscut continued in a northwesterly direction along the Moenkopi-Mossback contact. A series of very gentle "highs and lows" exposed during the advance indicate no trends which are sufficiently sharp to suggest proximity to a major "scour". The contours, as corrected for regional attitude, show a gradually climbing contact, except for the final 40 feet of the crosscut.

The cross cut has exposed the Moenkopi-Mossback contact at or near sill level. The Moenkopi is altered, soft, gray-green, semi-plastic clay with infrequent nodules and stringers of dark chert immediately beneath the contact. The lowest Mossback beds consist of about 2 feet of pea-size chert pebble conglomerate, interfingering with coarse-grained sand and grit and intermittent layers of dense, gray clay. A thin (2 to 8 inch) irregular band of small carbonized vegetal material about 6 inches above the contact contains the only anomalous radioactivity in the section. Small amounts of finely crystalline marcasite and pyrite, and some creamy colored calcite, may be noted in association with a few of the larger carbonized fragments; small grains of pyrite are also generally disseminated throughout this basal section. Overlying the conglomeratic unit and extending into the back of the drift is medium to coarse-grained gray-brown sandstone with a few scattered chert pebbles and gray-green clay fragments. This interval carries abundant interstitial hydrocarbons. Faint crossbedding is occasionally made visible by slight variations in grain size of the sand.

Highly viscous asphaltic material emerges from nearly vertical, very thin fractures in a few places on the drift walls. Carbonized vegetal trash constitutes only a very minor part of the Mossback section exposed, and this is principally confined to a narrow zone just above the contact.

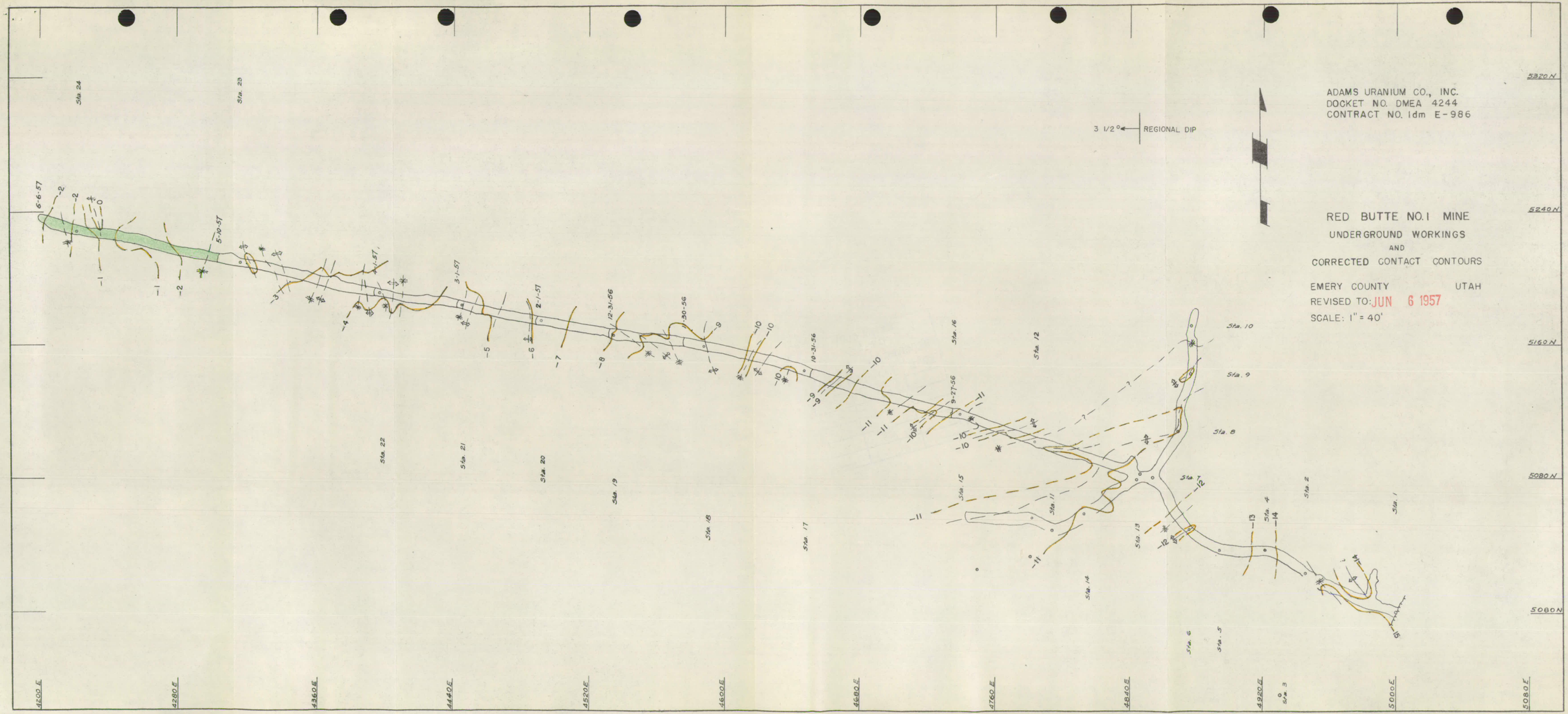
Although a few small carbonized logs show radioactivity in amounts ranging from .03 - .05 mr/hr, there are no sections in which the count extends far enough in any dimension to constitute a mineable concentration of uranium.

EXTRA COPY
DMEA
RECEIVED JUN 5 1957
DATE | INITIALS | CODE

The regional attitude of the Moenkopi beds was determined nearly 1500 feet from the present face, consequently the correction applied to the contours is of doubtful value. As was pointed out in the April narrative, errors in regional dip correction would not substantially change the indicated relief of the contact.

With completion of the authorized footage under the contract, the main crosscut has encountered no such structure as might be correlated with the target "Conrad channel". It is interesting to note that only in the final 40 feet of crosscutting did the contact show a gradual depression; this feature is not of sufficient magnitude, however, as to warrant continued crosscutting.

Edward H. Eakland, Jr.
EDWARD H. EAKLAND, JR.



BY: EAKLAND AND OSTERSTOCK, SALT LAKE CITY, UTAH

FINAL DISTRIBUTION
MADE JUN 4 1957

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

Administrative Audit Difference Statement

Adams Construction Co., Inc.
P. O. Box 300
Helper, Utah

Date: June 3, 1957
Payee's Reference: April 1957

DMEA-4244

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 2,002.50

Difference $

Amount Approved $ 2,002.50

The reason for the difference was due to:

Explanation: $500.00 withheld from the March 1957 voucher. The contract has been amended to allow additional overmatching under Stage II, and this work is in process.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

EXTRA COPY
D M E A
RECEIVED JUN 7 1957

DATE	INITIALS	CODE
6/11	[illegible]	110
6/12	Murphy	700

R-III-B & F Form No. 4
4-15-52 D

COPY
CODE

224 New Customhouse
Denver 2, Colorado
May 27, 1957

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket-4244, (Uranium) Contract Ldm-2986
Adams Uranium Company, Inc. (Red Butte claims)
Emery County, Utah - Operator's Monthly Progress
Report, for the month of April, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made on the following basis, contingent on your verification of arithmetical accuracy within the report.

Reinstate the amount of $500.00 which was withheld from the March, 1957 voucher. The contract has been amended to allow additional crosscutting under Stage II, and this work is in process. Please advise the Operator of the reinstatement by means of an Administrative Audit Difference Statement.

Reconciliation with Amount Reported by the Operator on Form MF-104 for April, 1957

Amount Reported on Form MF-104 for April, 1957	$2802.50
Government participation at 75 percent	2101.88
Amount to be reinstated	500.00
Recommended payment to the Operator	$2601.88

Remarks: Date of Report ---------- May 13, 1957
Date Received in Field Office ---------- May 16, 1957
Date Received in Region Office ---------- May 27, 1957

Enclosures
JBC:hmh
cc: Chem Op. Comm. (2)
Wilson
Harshman } w/copy of Engr's
Townsend } report
MF-104 file, Reg. III
Chron

Original signed by
E. N. HARSHMAN
E. N. Harshman

DMEA
MAY 27 1957
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

May 23, 1957

Memorandum

To: E. H. Harshman, Acting Executive Officer, DMEA Field Team, Region III

From: Supervising Mining Engineer

Subject: Docket No. DMEA-4244 (Uranium), Contract Ida-2066, Adams Uranium Co., Inc., Emery County, Utah. MF-194 forms for April 1957

Enclosed are the original and four copies of a report submitted by Adams Uranium Co., Inc., covering contract work completed during April 1957. The project site was inspected by P. V. Fille April 5, 1957.

Work reported by the contractor consists of 55 feet of crosscutting toward the objective channel. The footage was verified by the inspecting engineer and conforms with the contract and amendments thereto. No significant change has transpired in the structure over the current advance. The crosscut continues to follow the contact of the Naughpi sandstone and the overlying Moenkopi sandstone. Minor radioactivity may be noted in the areas of trash.

It is recommended that the operator be reimbursed by 75 percent of the reported costs for the month.

The operator's report was received in this office May 16, 1957.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

cc: J. D. Clemmer

EXTRA COPY
DMEA
RECEIVED JUN 7

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

May 21, 1957

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-3986, Adams Uranium Co., Inc., Emery County, Utah. Progress report for April 1957

An inspection of the project was made April 5, 1957.

The work reported by the operator for April consists of 95 feet of advance in the DMEA crosscut. The reported footage was verified by measurement on the date of inspection; the work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and 104-A agree as to project costs for the month of April 1957.

The crosscut continues to follow the contact in a westerly direction along the Moenkopi mudstone and the unconformably overlying Mesa Back sandstone. On the date of inspection the project crosscut had been driven a total distance of 463 feet.

The radioactive trash occurs near the contact in a zone 1 foot thick. Viscous asphaltum oozes from small cracks in local areas in the crosscut.

It is recommended that the operator be reimbursed by $2,101.86, or 75 percent of $2,802.50, the cost of the project for April 1957, as computed for 95 feet of crosscutting at the contract unit price of $30.50.

P. V. Fillo
P. V. Fillo

EXTRA COPY
DMEA
RECEIVED JUN 7 1957

DATE	INITIALS	CODE

Form MF-104 (Rev.)
(April 1952)

U. S. BUREAU OF MINES
RECEIVED (C)
Budget Bureau No. 42-R1036.5

MAY 16 1957

SALT LAKE CITY, UTAH

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1957 Docket No. DMEA 4244 Contract No. Idm E-986
Operator's Name Adams Uranium Co., Inc. Minerals Uranium
Address 399 Second East Street, Helper, Utah
Contract Amount, $ 16,675.00 Government Participation: 75 % Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	2802.50	10,325.00	$13,127.50			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	None	10.00	10.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2802.50	10,335.00	13,137.50	2,802.50	10,335.00	13,137.50
				11-	4.00	4.00

RECEIVED JUN 7 1957 DMEA

I certify that the above bill is correct and just and that payment therefor has not been received.

Date May 13, 1957 Payee ADAMS URANIUM CO., INC.

Per Everard H. Eakland, Jr. Title

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

Note: Reinstate 500.00 (Instructions on reverse)
1 Previous Disallowance

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 10,331.00 13,133.50
$2601.88

Signature (Authorized Certifying Officer)

Date 6/3/57 Vou. No. DMA 57-130

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Ilm-E 986 in accordance with the terms of the contract.

Signature Paul C. Gillespie Title Mining Engr. Date 5/21/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hanrahan Title acting Executive Officer Date MAY 27 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1957 Docket No. DMEA 4244 Contract No. Idm E-986
Operator's Name ADAMS URANIUM CO., INC. Minerals Uranium
Address 399 Second East Street, Helper, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	None	None	None	None	None	0	
Crosscutting	Foot	$2802.50	95	13,127.50	445	29.50	550*	29.50*
Raising								
Shafts Assaying (Drift)	Assay	None	None	None	None	None	50	3.00
Winzes Assaying (X-Cut)		None	None	10.00	2	5.00	100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2802.50		13,137.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2802.50		13,137.50				

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

Date May 13, 1957 Operator ADAMS URANIUM CO., INC.

Per Ernest V. Cahlanff Jr. Title Power-of-attorney

REMARKS: *As amended.

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

(Instructions on reverse)

(For Government use only)

Paul V. Fillo 5/21/57
Mining Eng.

RECEIVED JUN 7 1957 D.M.E.A.

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

SUMMARY REPORT

This narrative report briefly covers the work accomplished and the geologic conditions encountered during the month of April, 1957, by the Adams Uranium Co., Inc., on its Red Butte No. 1 claim under DMEA Docket 4244, Contract Idm-E-986, Amendment No. 2.

As illustrated on the accompanying map, the main crosscut was advanced a distance of 95 feet during April, 1957. Under the original contract, this footage was to have been used in drifting on an inferred channel. Inasmuch as no strong channel structure has been encountered, the drift footage was transferred to crosscut footage and the crosscut continued.

The crosscut continued in a north-northwesterly direction, traversing a series of very minor lows and highs. As corrected, the contouring shows that original attitude of the Moenkopi-Mossback contact is climbing slightly. The determination of regional dip and strike, on which the corrections are based, was made at a point about 600 feet east of the portal of the Red Butte prospect. No data has been found to change this regional attitude, but it is likely that the regional attitude may have changed slightly in the interval from the point of determination to the present face of the cross-cut. However, any such change would not materially alter the relief along the contact.

The crosscut continues to carry the Moenkopi-Mossback contact in the lower few inches of the workings. The Moenkopi still consists of altered, pale gray-green mudstone with occasional nodules and small masses of brown chert. As exposed in the cross-cut, the lower portion of the Mossback sandstone consists, from top to bottom, of the following typical units:

0.8' Red-brown, coarse-grained sandstone and 20-50%, gray-green mudstone grading into pea-size conglomerate in back.

2.5' Red-brown, medium to coarse-grained sandstone with scattered, small clay galls and clay matrix.

3.0' Pea-size conglomerate with calcite cement. Weakly disseminated sulfides associated with scattered carbonized trash and as interstitial filling. Sulfides somewhat stronger in lower 5". Irregular blebs of hard hydrocarbon occur infrequently. The conglomerate is tight and well-cemented with very minor porosity. Sulfides consist of marcasite (usually with the carbon), pyrite, (associated with the sand grains), and rarely chalcopyrite and galena.

SUMMARY REPORT (cont.)

In addition to the solid hydrocarbon noted in the section above, very viscous asphaltum is oozing from minute cracks along the crosscut walls in several places. Carbonized trash is a minor constituent of the zone exposed in April, and is usually confined to thin, discontinuous areas of compacted "branches". At Sta. 22 plus 27', a large tree, two feet in diameter and showing none of the usual effects of compaction, is exposed on the north wall of the cross-cut. The woody material has been completely replaced by dark brown, fine-grained silica, as have many of the small fragments of vegetal material.

Radioactivity, equivalent to 0.15-0.20% uranium, occurs in several of the thin ($\frac{1}{2}$ - 2") carbonized zones, but in no case does the radioactivity extend over a thickness or a length that approaches a mineable unit. The radioactive trash usually occurs in the upper one foot of the lower unit of conglomerate.

The contouring indicates that the general trend of the Mossback drainage is still northeasterly-southwesterly; although the trend of the contours cannot be precisely determined over the narrow width of the cross-cut. The general trend is substantiated by the orientation of the buried log at Sta. 22 plus 27' and of the shallow "bar" exposed 20 feet back of the face. Both of these sedimentary features are oriented at right angles to the apparent drainage.

As of May 10, 105 feet of authorized crosscutting remained to be completed. This remaining footage should be completed on or about June 15, 1957.

Edward H. Eakland, Jr.

EDWARD H. EAKLAND, JR.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE
5/1	C	220
5/1	[illegible]	700

April 29, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Enclosed are the Government's, Division, and Audit copies of Amendment No. 3 to Contract No. Idm-E986, which was forwarded by your letter of April 12, 1957 for signature by the Operator.

Copies of the Amendment have been distributed to the Operator, the Finance Office, Region III, and to others concerned.

E. N. Harshman

E. N. Harshman

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE
5/1	C	220
~~5/1~~	~~Murphy~~	~~700~~

April 29, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Enclosed are four copies of confirmation of work approval, issued by the DMEA Field Team, Region III, which is consistent with the provisions of the Contract as amended by Amendment No. 3.

Copies of the confirmation of work approval have been distributed to the Finance Office, Region III, and to others concerned.

E. N. Harshman

E. N. Harshman

Enclosures

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

April 29, 1957

Mr. Gilbert Adams, President
Adams Uranium Company, Inc.
P. O. Box 360
Helper, Utah

Re: Docket No. DMEA 4244 (Uranium)
Adams Uranium Company, Inc.
Contract No. 14m-1906
(Red Butte claims)
Emery County, Utah

Dear Mr. Adams:

Consistent with provisions in the Contract, as amended by Amendment No. 3, relative to approval for Stage II work, this confirms verbal approval by the Government to extend the crosscut driven under Stage I not to exceed an additional 200 feet under the provisions of Stage II, to further explore for an indicated mineralized scour or channel.

If the channel or mineralized scour is encountered before the entire 200 feet of additional crosscutting herein approved is expended, the work shall be stopped and the Government advised of the situation, so that the project can be examined and results of the work appraised prior to the granting of approval for drifting in the channel.

Nothing in this confirmation of work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the fixed unit cost of any item of work, nor any item of allowable cost which is expressly designated "maximum."

Very truly yours,

DMEA Field Team, Region III

By R. N. Harshman
R. N. Harshman
Acting Executive Officer

JWT:prl

cc: Chairman, Op. Comm. (4)
Finance Office, Reg. III
Amendment file, Reg. III
Harshman
Wilson
Hasler
Townsend
Corres. file
Chron.

orm 7
56)

OFFICIAL FILE COPY

Date	Surname	Code
4/10	Murphy	700
"	Ellis	700
4/10	Fasbyt	800
4/12	Selfridge	130
"	Johnson	110
"	Mattenday	100
4/15	C	220
		700

APR 12 1957

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4244 (Uranium)
Contract No. Idm-E986
Adams Uranium Company, Inc.
Red Butte Claims
Emery County, Utah

Dear Mr. Harshman:

In accordance with our teletype of April 2, 1957, enclosed are the original and five copies of the proposed Amendment No. 3 signed by the Administrator for the Government. Also enclosed for Field Team use are two extra copies of the amendment.

If you and the Operator find the amendment in order, have an authorized representative of the company sign the original and all copies. Thereafter, kindly distribute the copies in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (243)

Enclosures

APPROVED:

Frank D. Lamb (246)
Member, Bureau of Mines

Thor H. Kiilsgaard (243)
Member, Geological Survey

FMMurphy/gla
4-10-57
cc to: Admr.'s Reading File
Operating Committee
Dode 700, Mr. Murphy
THKiilsgaard, 5224

8623

OFFICIAL FILE COPY DMEA RECEIVED APR 15 1957		
DATE	REMARKS	CODE
4/15	C	220
4/15	[illegible]	800
4/11	[illegible]	700

224 New Customhouse
Denver 2, Colorado

April 11, 1957

Mr. Gilbert Adams, President
Adams Uranium Company, Inc.
P. O. Box 360
Helper, Utah

Re: Docket DMEA-4244 (Uranium)
Contract Idm-E986
Adams Uranium Company, Inc.
(Red Butte claims)
Emery County, Utah

Dear Mr. Adams:

Form MF-104, Operator's Monthly Report and Voucher for March, 1957, has been received in this office and is being processed for payment.

All authorized Stage I work has been completed, therefore an amount of $500.00 is withheld from reimbursement to you pending execution of an amendment to the contract to allow a change in the Stage II work program.

Yours very truly,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JDC:hh
cc: Chmn. Op. Comm. (2)
Harshman
Wilson
Townsend
Corres. File, Reg.III
Chron.

Code 700

April 3, 1957

Memorandum

To: The Files

From: F. M. Murphy, Mining Engineer
Rare and Miscellaneous Metals Division

Subject: Docket No. DMEA-4244
Contract No. Idm-E986
Adams Uranium Co., Inc.
Red Butte Claims
Emery County, Utah

Justification for Amendment No. 3

In the Field Team's report recommending the project, it was stated that a well-defined channel appeared to be striking into the subject property; channel exposures on the rim outcrops on adjoining properties indicated the existance of ore grade mineralization; and that an extension of the West crosscut in the Adams mine would probably intersect this channel.

The field examiners projection indicated that the channel would be cut within 350 feet from the starting point of the project crosscut. However, after 350 feet of crosscut it now appears that the crosscut is just approaching the rim of the inferred channel. As the target Conrad channel is projected over a considerable distance even a slight miscalculation might place it beyond the reach of the initially approved crosscutting.

In the last 150 feet of the DMEA crosscut there is a gentle but regular descendence, which appears to indicate a topographic low. Also there is an increasing amount of carbon trash and more abundant logs near the present crosscut face.

In view of the improved showings in the face of the crosscut, I agree with the field team that the crosscut should be continued. As Stage II work was confined to drifting along the channel, it is recommended that part of the drifting footage be used to allow the crosscut to penetrate the target channel.

F M Murphy

F. M. Murphy

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-2	Murphy	700
4-2	Ellis	700
4/2	Selfridge	130
"	Jackson	110
"	Matthews	100
4/3	C	225

APR 2 - 1957

Department of the Interior

DMEA
14X4401(01) Revolving Fund,
Defense Production Act,
Interior (Transfer to Office of Secretary)

T E L E T Y P E

E. N. HARSHMAN, ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REURMEMO MARCH 28, DOCKET DMEA-4244, CONTRACT IDM-E986,

ADAMS URANIUM CO. WASHINGTON MILL PHIPPS AMENDMENT NO. 3,

ALLOWING CHANGE FROM DRIFTING TO CROSSCUTTING AND DRIFTING UNDER

STAGE II.

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE

FMMurphy/izm 4-2-57
cc to: Mr. Murphy
Code 700
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
Confirmation, Region 3

8623

Dma 57-112

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

FINAL DISTRIBUTION
MADE APR 12 1957

Administrative Audit Difference Statement

Adams Uranium Co., Inc.
P. O. Box 360
Helper, Utah

Date: April 12, 1957
Payee's
Reference: March 1957

DMEA-4244

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 1,445.50

Difference $

Amount Approved $ 1,445.50

The reason for the difference was due to:

Withhold: $500.00 pending execution of an amendment to allow continued crosscutting to intersect the inferred ore-bearing channel and issuing a work approval for Stage II work.

EXTRA COPY
D M E A
RECEIVED APR 17 1957

DATE	INITIALS	CODE
4/17		110
4/18		700

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

RRC

N. E. Stokes
Audit Section

Randal R. Cooper
Fiscal Officer, Region III

R-III-B & F Form No. 4
4-15-52 D

224 New Customhouse
Denver 2, Colorado

April 11, 1957

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket-4244, (Uranium) Contract Idm-E986, Adams Uranium Company, Inc. (Red Butte claims) Emery County, Utah - Operator's Monthly Progress Report, for the month of March, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except for the following deduction.

<u>Withhold</u> an amount of $500.00 pending execution of an amendment to allow continued crosscutting to intersect the inferred ore-bearing channel, and issuing a work approval for Stage II work. All authorized Stage I work has been completed.

Remarks

Date of Report——————————April 6, 1957
Date Received in Field Office——April 8, 1957
Date Received in Region Office——April 10, 1957

Enclosures
JDC:hh
cc: Chmn. Op. Comm. (2)
Wilson
Harshman } w/copy Engr's.
Townsend } report
MF-104 File E966
Chron.

Original signed by
E. N. HARSHMAN
E. N. Harshman

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
APR 10 1957
REGION III
DENVER, COLORADO

April 8, 1957

Memorandum

To: E. N. Marshman, Acting Executive Officer, DMEA Field Team, Region III

From: Supervising Mining Engineer

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-8986, Adams Uranium Co., Inc., Emery County, Utah. MF-104 forms for March 1957

The attached copies of MF-104 forms submitted by Adams Uranium Co., Inc., reflect the costs for work accomplished during March 1957. The project site was inspected by P. V. Fillo April 5, 1957. A total of 49 feet of crosscutting, reported by the operator for March, was verified by the inspecting engineer. This completes the total of 380 feet of crosscutting allowed by contract. Inasmuch as the projected Conrad channel has not been intersected, the operator has requested transfer of 200 feet of allowable drifting to crosscutting to permit additional advance toward the projected channel. On the date of inspection the operator was awaiting approval of the request before proceeding with the work.

Advance reported for March 1957 conforms with contract terms. It is recommended that the operator be reimbursed by 75 percent of the costs as shown in the inspecting engineer's memorandum.

The operator's report was received in this office April 8, 1957.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

cc: J. R. Clemmer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

April 8, 1957

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. EMEA-4244 (Uranium), Contract Idm-E986, Adams Uranium Co., Inc., Emery County, Utah. Progress report for March 1957

An inspection of the project was made April 5, 1957.

The work reported by the operator for March consists of 49 feet of advance in the EMEA crosscut. The reported footage was verified by measurement on the date of inspection; the work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and 104A agree as to project costs for the month of March 1957.

On the date of inspection the project crosscut had been driven a total distance of 350 feet. This completes Stage I of the authorized crosscut footage as shown in the contract. The crosscut continues to follow the contact in westerly direction along the Moenkopi mudstone and the unconformably overlying Moss Back sandstone.

The heading showed fair amount of radioactivity confined to the zones of carbon trash.

It is recommended that the operator be reimbursed by $1,084.13, or 75 percent of $1,445.50, the cost of the project for March 1957, as computed for 49 feet of crosscutting at the contract unit price of $29.50.

P. V. Fillo

P. V. Fillo

F-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

APR 8 1957

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1957 Docket No. DMEA 4244 Contract No. Idm E-986
Operator's Name Adams Uranium, Inc. Minerals Uranium
Address 399 Second East Street, Helper, Utah
Contract Amount, $ 16,675.00 Government Participation: 75% Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	1445.50	8879.50	10,325.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	None	10.00	10.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1445.50	8889.50	10,335.00	1445.50	8,889.50	10,335.00
				4.00	4.00	4.00
					8,885.50	10,331.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date April 6, 1957 *Payee Adams Uranium, Inc.

Per Edward H. Cullard, Jr. Title Power-of-attorney

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: $

Signature (Authorized Certifying Officer)

Date Vou. No. (See other side)

RECEIVED APR 17 1957 DATE INITIALS CODE

Previous Disallowance
Note: Withhold 500.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idaho-E 986 in accordance with the terms of the contract.

Signature Paul V. Fillo Jr. Title Mining Engr. Date 4/8/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature R. M. Hendemann Title acting Executive Officer Date APR 11 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

[redacted]104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 9 Docket No. DMEA 404 Contract No. [illegible]

Operator's Name Adams Uranium, Inc. Minerals Uranium

Address 399 [illegible] East Street, Salina, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	None	None	None	None	None	200	29.50
Crosscutting	Feet	2449.50	99	20,399.00	990	29.90	990	29.50
Raising								
Shafts Accessing (Per)	Linear	None	None	None	None	None	50	5.00
Winzes Accessing (Per)	Linear	None	None	10.00	2	5.00	100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2449.50		20,399.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2449.50		20,399.00				

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

REMARKS:

Date April 6, 1959 Operator Adams Uranium, Inc.

Per Edward H. Eckland Jr. Title Power-of-attorney

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

(Instructions on reverse)

(For Government use only)

P.V. Gillo 4/8/59
Mining Engr. SRW

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

SUMMARY REPORT

This narrative briefly covers the work accomplished during the month of March, 1957, by the Adams Uranium, Inc., on its Red Butte No. 1 claim under DMEA Docket 4244, Contract Idm E-986, Amendment No. 1.

As illustrated on the accompanying map, the main crosscut was advanced 49 feet during the March, 1957 work, thus completing the 350 feet of crosscutting authorized by the existing contract. The request for transfer of the authorized 200 feet of drifting to crosscut footage has been approved and the exploration project will thus be permitted to resume operations.

The crosscut continues to be driven westerly along the Moenkopi-Mossback contact. The Moenkopi consists of altered, pale grayish-green mudstone with occasional nodules of black and brown chert. Unconformably overlying the Moenkopi is the Mossback sandstone whose underground exposures exhibit the following typical section from top to bottom:

4.6' Medium to coarse-grained, finely cross-bedded, calcareous sandstone with occasional quartz and chert pebbles up to 1" in diameter. The color grades from gray at the base to a reddish brown at the top. The reddish brown color is due to finely disseminated ferric oxide. The bottom one foot of this interval contains discontinuous, thin seams of carbon with associated, white to tan, coarsely crystalline calcite and films and clusters of finely crystalline pyrite. Green to gray clay galls and stringers may constitute up to 30% of this section.

1.7' Gray-green, sandy limestone with abundant blebs of white, crystalline calcite and thin, coarse to fine-grained, gray sandstone lenses. A few scattered carbonized logs, generally less than 6" in diameter and random smaller carbonized trash pockets are noted in this section. Green clay blebs are minor consituents.

0.2' Hard, gray pyritic shaly sandstone. This basal unit of the Mossback has been a fairly persistent feature over the last 100 feet of the crosscut.

Sporadic small patches of highly viscous asphaltum may be noted in a few places, emerging from minute cracks along the walls of the crosscut. A series of nearly vertical fractures with weak iron oxide staining roughly parallel the course of the crosscut.

Contours corrected for regional attitude indicate that the crosscut continues to climb along the Moenkopi contact; although much of the March advance appears to roughly parallel the -4' contour (see attached map). Minor ridges and scours evident underground are too slight to affect the one-foot contour intervals.

High radioactivity is limited to the zones of carbon trash, which show counts of .03-.07 mr/hr, with occasional spots up to 0.10 mr/hr. In no instance does this trash constitute a mineable width.

Edward H. Eakland, Jr.

EAKLAND & OSTERSTOCK
SALT LAKE CITY, UTAH

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
4/1	C	220
		225

March 29, 1957

(VIA AIR MAIL)

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Enclosed are four sets of data pertaining to transfer of drifting footage to crosscutting under the subject Contract, consisting of the original and three copies of the following:

1. Letter from the Operator, dated March 15, 1957.

2. Memorandum dated March 19, 1957, from P. V. Fillo, Mining Engineer, Bureau of Mines.

3. Memorandum in transmittal of the foregoing, dated March 20, 1957, from Stephen R. Wilson.

Through an oversight, the enclosed material was omitted from the material forwarded to you by our air mail letter of March 28, 1957.

J W Townsend
J. W. Townsend

W.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
MAR 22 1957
REGION III
DENVER, COLORADO

March 20, 1957

Memorandum

To: E. N. Harshman, Acting Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-E986, Adams Uranium Co., Inc., Emery County, Utah

Attached are the original and eight copies of a letter received from Gilbert Adams, president of Adams Uranium Co., Inc. The letter, dated March 15, 1957, requests an amendment to Contract Idm-E986 to transfer 200 feet of authorized drifting footage to crosscutting footage.

The contract allows 350 feet of crosscutting to reach the projection of the Conrad channel. Inasmuch as the channel has not been intersected with 301 feet of crosscutting, it appears that additional footage may be necessary to reach the channel.

The inspecting engineer, P. V. Fillo, recommends, in the attached memorandum, that the contractor's request be granted. I concur with this recommendation.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

cc: J. B. Clemmer

ORIGINAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE

March 19, 1957

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-E986, Adams Uranium Co., Inc., Emery County, Utah

Reference is made to Mr. Adams' letter of March 15, 1957, concerning the transfer of the authorized 200 feet of drift footage, as shown in Stage II of Exhibit "A", to Stage I of Exhibit "A" of the subject contract. Stage I work consists of driving a crosscut in an approximate direction of N. 80° W. for a distance not to exceed 350 feet.

As of March 1, 1957, 301 feet of the authorized 350 feet of crosscutting had been completed, but had not yet intersected the Conrad channel.

During the past month an increasing amount of carbon trash and logs was encountered, and it is noted that a greater radioactivity is present with this change.

It is recommended that the operator's request for amendment be allowed. It is also recommended that when the Conrad channel is intersected, the balance of the allowed footage of crosscutting be applied to drifting in the channel.

P. V. Fillo

P. V. Fillo

March 1, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE

Subject: DMEA Docket 4244,
Contract Idm-E986

Mr. S. R. Wilson
Mining Division
U. S. Bureau of Mines
Salt Lake City, Utah

Dear Mr. Wilson:

Inasmuch as the 350 feet of crosscutting authorized under the subject contract will shortly be completed, we hereby request transfer of the authorized 200 feet of drift footage to crosscut footage. As of March 1, 1957, 301 feet of crosscutting had not yet intersected the target Conrad channel. Although such an intersection is fervently desired within the remaining 49 feet of authorized crosscutting, it seems prudent to arrange for additional crosscutting. Although this action must be at the expense of the drifting, which will certainly be desirable upon intersection of the target, we contend that the intersection itself is of paramount importance.

In the last 150 feet of the DMEA heading, a gentle but regular descendence along the Moenkopi-Mossback contact is indicated by contours, corrected for regional dip. This would suggest that the heading is approaching a topographic low. Further encouragement is offered by the increasing amount of carbon trash and more abundant logs encountered near the present crosscut face. It might also be noted that the logs show proportionately greater radioactivity than those exposed in the earlier workings.

It is unlikely that this request for transfer of drift footage is totally unexpected, for the target Conrad channel is projected over a considerable distance and even very slight miscalculations place it beyond the reach of the initially approved crosscutting. It is perhaps needless to mention a subordinate, but obvious, point in favor of the transfer; premature termination of the contract without target intersection will have expended 350 feet of crosscutting uselessly.

The requested transfer of footage as well as the more compelling factors in favor of this action were discussed with the DMEA field examiners.

Very truly yours,

Gilbert Adams

Gilbert Adams
Adams Uranium, Inc.
399 Second East Street
Helper, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
4/1	C	220
		225

March 28, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

In reference to our teletype of March 25, 1957, and your teletype reply of March 26, enclosed are the original and ~~three~~ 2 copies of a memorandum report, dated March 26, 1957, from Howard F. Albee, Geologist, Geological Survey, pertaining to the transfer of drifting footage to crosscutting.

The present drift is being driven along the bottom of the Mossback member, which has a normal thickness of about 60 feet. There are no local exposures to indicate whether or not the member is increasing in thickness. However, there is an indication that the bottom of the Mossback is dropping slightly toward the west, which may or may not indicate the beginning of a channel or thickening of the member. The increase in radioactive trash is a definite factor in favor of continuation of the crosscut, and in general it is deemed to be in the interest of the Government to continue the crosscut; otherwise, the present expenditure would be an entire loss.

We have contacted the Grand Junction office and they report that no other information is available.

E. N. Harshman

E. N. Harshman

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DMEA
RECEIVED APR 1 1957
DATE | INITIALS | CODE

MINERAL DEPOSITS
DMEA
RECEIVED
MAR 27 1957
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 360
Grand Junction, Colorado

March 26, 1957

Memorandum

To: ~~Acting~~ Executive Officer, DMEA Field Team, Region III

Through: J. William Hasler

From: Howard F. Albee

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E 986, Adams Uranium Co., Inc. (Red Butte Claims), Emery County, Utah.

The above captioned property was visited March 19, 1957, while in the vicinity on other DMEA work.

The crosscut was at about 330 feet with a continued gentle westerly dip. Abundant carbonaceous trash, mostly as logs, is present at the heading and increasingly abundant small black fragments of radioactive material are disseminated in the sandstone. The logs consist of two types of black material. A dull black material makes up a large part of the center and is low to non-radioactive. The dull black material is enclosed in a shell of shiny black that is highly radioactive and constitutes ore grade material.

The operator requests that drifting footage be transferred to crosscutting to provide additional crosscut footage for use to further explore for an inferred channel. Approval of the request is recommended and it is also recommended that if a channel is intersected any remaining footage be applied to drifting in the channel.

Howard F. Albee
Howard F. Albee
Geologist

HFA/bh

cc: DMEA file
" chron.

DMEA
DEPARTMENT OF THE INTERIOR
MAR 28 1957
REGION III
DENVER, COLORADO

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/26	Murphy	700
"	Ellis	700
3/28	Selfridge	130
"	Johnson	110
"	Mittenwey	100
3/27	C	220
		225

MAR 26 1957

Department of the Interior

DMEA

14X1401(01) Revolving Fund,
Defense Production Act, Interior (Transfer to Office of Secretary)

T E L E T Y P E

E. N. HARSHMAN, ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REURTT MARCH 25, DOCKET DMEA-424b, CONTRACT IDM-E986,

ADAMS URANIUM CO. WE REQUIRE ADDITIONAL INFORMATION JUSTIFYING

SUGGESTED AMENDMENT. WHAT IS AVERAGE THICKNESS OF MOOSRACK MEMBER

AND IS IT INCREASING IN THICKNESS WESTWARD?

FMMurphy/gla
3-26-57
cc to: Admr.'s Reading File
Operating Committee
Code 700
Mr.Murphy
THKiilsgaard, 5224
Confirmation, Region III

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE (GCS)

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/26	Murphy	700
"	Ellis	700
		130
		110
		100
		220

Department of the Interior

DMEA

14X1401(01) Revolving Fund, Defense Production Act, Interior (Transfer to Office of Secretary)

t e l e t y p e

E. N. HARSHMAN, ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REURTT MARCH 25, DOCKET DMEA-4244, CONTRACT IDM-E986,

ADAMS URANIUM CO., ~~WE WILL PREPARE AMENDMENT SUGGESTED~~. We require additional information justifying suggested amendment. What is average thickness of blanket overburden and is it necessary to thickness mentioned?

CHAIRMAN, OPERATING COMMITTEE

FMMurphy/gla
3-26-57
cc to: Admr.'s Reading File
Operating Committee
Code 700
THKiilsgaard, 5224
Confirmation, Region III
Mr. Murphy

8623

STANDARD FORM NO. 14
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM Department of the Interior

BUREAU DMEA

CHG. APPROPRIATION 14X4401(01) Revolving Fund, Defense Production Act, Interior (Transfer to Office of Secretary)

U. S. GOVERNMENT PRINTING OFFICE 10—1723

t e l e t y p e

E. N. HARSHMAN, ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REURTT MARCH 25, DOCKET DMEA-4244, CONTRACT IDM-E986,

ADAMS URANIUM CO., WE WILL PREPARE AMENDMENT SUGGESTED.

CHAIRMAN, OPERATING COMMITTEE

DMEA

DN 235 BUR MINES 3-25-57 4-23

CHAIRMAN½ OPERATING COMMITTEE, DMEA

RE DOCKET DMEA 4244, CONTRACT IDM-E987, ADAMS URANIUM CO.

CROSSCUT ADVANCED 330 FEET WITHOUT ENCOUNTERING CHANNEL. HOWEVER, LOGS AND RADIO ACTIVE TRASH ON THE INCREASE. OPERATOR REQUESTS, FIELD AND THIS OFFICE RECOMMEND TRANSFER OF DRIFTING FOOTAGE TO CROSSCUTTING WITH PROVISION THAT IF AND WHEN CHANNEL ENCOUNTERED, UNUSED CROSSCUTTING FOOTAGE BE USED FOR DRIFTING ALONG CHANNEL IN DIRECTION AS APPROVED IN ADVANCE BY THE GOVERNMENT. AMENDMENT DEEMED NOT WITHINOUR AUTHORITY. PLEASE TELETYPE ADVICE AS TO YOUR DECISION TO AVOID DELAY TO OPERATIONS.

E N HARSHMAN

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RECEIVED MAR 26 1957

DATE	INITIALS	CODE
3/26	C	220
		225

Denver, Colorado

MAR 26 7 48 AM '57
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

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

March 25, 1957

Memorandum

To: Hazel Berry, Operating Committee

From: Irene Z. Mainster, Rare and Miscellaneous Metals Div.

Subject: Amendment to contract

Mr. Murphy has reviewed and approved Amendment No. 2, dated March 1, 1957, to Contract No. Idm-E986, and has indicated no further review of the amendment is required by the Legal Division.

Irene Z. Mainster

Date [illegible]-22-57

Commodity Uranium

To: Mr. Murphy

Docket No. DMEA- 4244

Contract No. Idm-E 986

Attached is Amendment No. 2, dated 3-1-57

to be reviewed.

Approved Murphy

Other action None

Please return this slip to me for my records.

Grace Ault

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 22 1957

DATE	INITIALS	CODE
3/22	C	220
		130
4/2	C	220

March 20, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Enclosed are the original and two copies of Amendment No. 2 to Contract No. Idm-E986, which has been executed to extend the period fixed within which the work is to be completed from seven months to fourteen months, and extends the maximum period for payment of royalties and lien for payment thereof to eleven years from the date of the Contract.

Also enclosed are four sets of data relative to the Amendment.

Copies of the Amendment have been distributed to the Operator, the Finance Office, Region III, and to others concerned.

E. N. Harshman

E. N. Harshman

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
FEB 28 1957
REGION III
DENVER, COLORADO

February 26, 1957

Memorandum

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-E986, Adams Uranium Co., Inc. (Red Butte claims), Emery County, Utah

Enclosed are the original and eight copies of a letter received from the subject operator, wherein a request is made to extend the contract completion date. The letter is dated February 19, 1957. Copies of a memorandum prepared by F. V. Fillo are also included.

The operator requests an extension of 7 months in the contract period, from the present expiration date, March 7, 1957, to October 7, 1957. He lists the unforeseen difficulties involved in the operation.

The inspecting engineer believes the additional period will be sufficient to complete allowable exploration. The engineer recommends that the operator's request for time extension be granted. I concur with this recommendation.

Stephen R Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

EXTRA COPY
DMEA
RECEIVED MAR 22 1957

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

EXTRA COPY
D M E A
RECEIVED MAR 22 1957

DATE	INITIALS	CODE

February 26, 1957

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-2956, Adams Uranium Co. Inc. (Red Butte claims), Emery County, Utah

Reference is made to Mr. Traver's letter of February 13, 1957, concerning the completion date for all authorized work under Contract Idm-2956. A letter of explanation prepared by Mr. Gilbert Adams is attached, requesting an extension of the contract completion date.

In consideration of the unforeseen equipment breakdowns and the difficulties that are encountered in a small mining operation, it is the recommendation of the inspecting engineer that the operator be allowed the request for extension of the contract completion date to October 7, 1957.

P. V. Fillo

P. V. Fillo

Enclosure

February 19, 1957

DMEA
DEPARTMENT OF THE INTERIOR
FEB 28 1957
REGION III
DENVER, COLORADO

EXTRA COPY
DMEA
RECEIVED MAR 22 1957

DATE	INITIALS	CODE

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

Dear Mr. Traver:

In response to your letter dated Feb. 13, 1957, we hereby request an extension of the contract completion date from Mar. 7, 1957 to Oct. 7, 1957. The additional 7 month interval will afford adequate time for completion of all authorized work.

The original contract,(Idm E-986) dated Aug. 7, 1956, provided only 7 months for the completion of all authorized work which was to have been started on or before Sept. 15, 1956. Amendment No. 1 (dated Oct. 19, 1956) to the subject contract provided, in part, that the operator might begin the authorized work on or before Oct. 1, 1956. As a result of this action a period of nearly two months (Aug. 7 to Oct. 1) working time was lost to the operator.

Further delays have been caused by unforeseen equipment breakdowns, difficulties in obtaining dependable labor, and general isolation of the mine area which thus hampers delivery of supplies and equipment requisite to the operation. Unpredictable changes in rock type encountered in the crosscut have many times produced only short rounds. It might also be noted that as the crosscut face progresses, waste disposal becomes a more time consuming operation.

If the contract is terminated at this time, no good purpose will have been served by the funds already expended inasmuch as the exploration objectives have not yet been encountered.

We believe that the above listed extenuating circumstances could not have been foreseen entirely at the date of signing of the contract and that the additional time requested for contract completion is justified.

Gilbert Adams

Gilbert Adams
Adams Uranium Co.

FINAL DISTRIBUTION
MADE APR 3 1957

224 New Customhouse
Denver 2, Colorado

March 29, 1957

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket-4244, (Uranium) Contract Idm-E986, Adams Uranium Company, Inc. (Red Butte claims) Emery County, Utah - Operator's Monthly Progress Report, for the month of February, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report——————————March 25, 1957
Date Received in Field Office————March 26, 1957
Date Received in Region Office————March 29, 1957

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosures
JDC:hh
cc: Chmn. Op. Comm. (2)
Wilson
Harshman) w/copy of Engr's. report
MF-104 File E986
Chron.

EXTRA COPY
DMEA
RECEIVED

DATE	INITIALS	CODE
4/5/57		110
~~4-8~~		~~700~~

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DEPARTMENT OF THE INTERIOR
DMEA
MAR 29 1957
REGION III
DENVER, COLORADO

March 27, 1957

Memorandum

To: E. N. Marshman, Acting Executive Officer, DMEA Field Team, Region III

From: Supervising Mining Engineer

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-2906, Adams Uranium Co., Inc., Emery County, Utah. MF-104 forms for February 1957

Attached are the necessary copies of a monthly report submitted by Adams Uranium Co., Inc., to cover exploration completed under contract during February 1957. The property was inspected by P. V. Fille March 5, 1957, and the advance reported by the operator was verified by measurement.

Advance during the period consisted of 47 feet of crosscutting in a northwesterly direction to intersect the projection of the Conrad channel. The crosscut follows the contact of the Masuksapi mudstone and the overlying Moss Back sandstone. A total of 301 feet of crosscutting has been completed to March 1, 1957.

The reported work meets terms of the contract. It is recommended that the operator be reimbursed by 75 percent of the costs reported for February 1957.

The operator's report was originally received March 15, 1957. However, because of improper signature on the narrative and MF-104 forms, the report was returned to the operator's representative. The report was resubmitted March 27, 1957.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

EXTRA COPY
DMEA
RECEIVED
DATE | INITIALS | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

March 27, 1957

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. [illegible]-4844 (Uranium), Contract Idm-[illegible], Adams Uranium Co., Inc., Emery County, Utah. Progress report for February 1957

An inspection of the project was made March 5, 1957.

The work reported by the operator for February consists of 47 feet of advance in the [illegible] crosscut. The reported footage was verified by measurement on the date of inspection.

The work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and 104-A agree as to project costs for the month of February 1957.

On the date of inspection the project crosscut had been driven a total distance of 391 feet. The crosscut continues to follow the contact of the Moenkopi mudstone with the unconformably overlying Moenkopi sandstone.

The mineralization at the heading showed good radioactivity, which is confined to carbon trash and logs, as shown on the accompanying map.

It is recommended that the operator be reimbursed by $1,039.88, or 75 percent of $1,386.50, the cost of the project for February 1957, as computed for 47 feet of crosscutting at the contract unit price of $29.50.

P. V. Fillo

P. V. Fillo

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DATE | INITIALS | CODE

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 7, 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing	[illegible]	[illegible]	[illegible]			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	[illegible]	[illegible]	[illegible]			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	1,386.50	7503.00	9,889.50

RECEIVED APR 5 1957 DMEA

I certify that the above bill is correct and just and that payment therefor has not been received. [illegible]

Date [illegible] *Payee [illegible]

Per Edward H. Eckland Jr. Title [illegible]

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 9,885.50

1499.00 88

$1039

Signature [illegible]
(Authorized Certifying Officer)

Date 4/2/57 Vou. No. DMA 57-107

(See other side)

1 Previous Disallowance

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 986 in accordance with the terms of the contract.

Signature Paul V. Fillebrew Title Mining Engr. Date 3/27/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hardman Title acting Executive Officer Date MAR 29 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form 24F-104A
(Apr. 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1952 Docket No. DMEA 9246 Contract No. [illegible]
Operator's Name Adams Brandon, Inc. Minerals Uranium
Address 300 Second Foot Street, Ogden, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	None	None	None	None	None	200	20.50
Crosscutting	Foot	2386.50	47	9020.50	301	20.50	500	20.50
Raising								
Shafts Sinking (Foot)	Assay	None	None	None	None	None	50	3.00
Winzes Sinking (Foot)	Assay	None	None	10.00	2	5.00	100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2386.50		9030.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2386.50		9030.50				

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

Date March 25, 1952 Operator Adams Brandon, Inc.

Per Edward S. Eakland Jr. Title Secretary-Attorney

REMARKS:

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

(Instructions on reverse)

(For Government use only)

P. V. Fillo 3/27/57
Mining Engr.

RECEIVED
APR 5 1957
D.M.E.A.

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

SUMMARY REPORT

This narrative report briefly covers the work accomplished during the month of February, 1957, by the Adams Uranium Co., Inc., on its Red Butte No. 1 property under DMEA Docket 4244, Contract Idm E-986, Amendment No. 1.

As illustrated on the accompanying map, the main crosscut was advanced a total of 47 feet during the period, giving an overall advance of 301 feet of the 350 feet of crosscutting authorized under the DMEA contract.

The crosscut continues to be driven westerly along the contact of the altered, pale grayish-green Moenkopi mudstone with the unconformably overlying Mossback beds. The Mossback beds exposed in the February advance are as follows: a thin, lensatic, fine-grained, silified basal sandstone occasionally supplanted by a 4"-6" thick zone of well-rounded, brown chert pebbles in a gray-green clayey matrix; not infrequently a dense gray clay lies immediately above the altered Moenkopi beds. These lower zones are overlain by 1 to 3 feet of gray and brown, medium to coarse-grained, calcareous sandstone with blebs of gray-green clay, comprising up to 40% of the section. It is this unit which contains the bulk of the carbon trash and logs. Overlying this zone is a series of poorly sorted, grit, conglomerate, and sandstone beds with abundant fine, black hydrocarbons in the interstices. The uppermost beds exposed in the crosscut are uniform, fine-grained, gray sandstone sub-laminated with gray siltstone.

Pyrite and marcasite in fine crystalline aggregates form prominent envelopes around some of the carbonized logs. Frequently these logs have their central area irregularly replaced by coarsely crystalline tan calcite. Hackly fractures in the basal silicified sandstone exhibit a nearly white sulfide tentatively identified as arsenopyrite. Fossiliferous limestone is present as thin blocks and slivers bounded by nearly vertical iron oxide stained fractures.

Contours, corrected fro regional attitude, indicate that the crosscut is continuing its upward course along the Moenkopi contact. Ridges and scours evident underground are too gentle to make prominent appearance on the attached map with one-foot contour intervals.

Anomalous high radioactivity is essentially confined to the carbon trash zones. At Sta. 20 + 23 feet, on the left wall, a 6" diameter log shows .05-.07 mr/hr; at Sta. 20+32 feet an 8" log extending from wall to wall shows 0.18-0.20 mr/hr; at Sta. 20+40 feet on the left wall a 10" logs shows .05-.07 mr/hr; at Sta. 20+43', on the right wall, a group of 6" logs show .07 mr/hr; at Sta. 20+46', on the left wall, a 6" zone of fine carbon trash shows .07-.09 mr/hr; at Sta. 21+47', along the left wall, an 8" diameter log shows .10-.15 mr/hr, and in the center of the face a 1' log shows 0.15-0.25 mr/hr. Background ranges from 0.02-0.04 mr/hr.

Edward H. Eakland Jr.

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RECEIVED AUG 5 1957

DATE	INITIALS	CODE

OFFICIAL FILE COPY
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DATE		
2-15	C	220
2/18		800
		225

224 New Customhouse
Denver 2, Colorado

February 13, 1957

Mr. Gilbert Adams, President
Adams Uranium Company, Inc.
P. O. Box 360
Helper, Utah

Re: Docket DMEA-4244 (Uranium)
Contract Idm-E986
Adams Uranium Company, Inc.
(Red Butte claims)
Emery County, Utah

Dear Mr. Adams:

The completion date for all authorized work under Contract Idm-E986 is March 7, 1957. If, for reasons beyond your control, the contract work cannot be completed by March 7, 1957, you should immediately submit to this office for consideration by the Government, the original and five copies of a request for an extension of the completion date for such specific additional time as will be required to complete all of the authorized contract work.

Yours very truly,

Original signed by
W. M. TRAVER

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

JDC:hh

cc:
Chmn. Op. Comm. (2)
Harshman
Wilson
Hasler
Townsend
Corres. E986
Chron.

FINAL DISTRIBUTION
FEB 28 1957
MADE

EXTRA COPY DMEA RECEIVED MAR 4 1957		
DATE	INITIALS	CODE
3/4/57	[illegible]	110
3-5	[illegible]	700

224 New Customhouse
Denver 2, Colorado

February 25, 1957

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4244, (Uranium) Contract Idm-8986, Adams Uranium Company, Inc. (Red Butte claims) Emery County, Utah - Operator's Monthly Progress Report, for the month of January, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of report——————————February 15, 1957
Date Received in Field: Office——————February 16, 1957 (Approx)
Date Received in Region Office——————February 21, 1957

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

JEC:bh
cc: Chem. Op. Comm (2)
Wilson
Harshman)w/copy of engr's report
MF-104 File E986
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
FEB 21 1957
REGION III
DENVER, COLORADO

February 19, 1957

Memorandum

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4344 (Uranium), Contract Idm-2066, Adams Uranium Co., Emery County, Utah. MF-104 forms for January 1957

The attached report submitted by Adams Uranium Co. describes exploration completed under the contract during the period January 1957. F. V. Fille inspected the project February 5, 1957, and verified the crosscut advance reported by the operator. During the period a total of 44 feet was driven in the main crosscut. A total of 354 feet has been accomplished since the DMEA work was started.

The objective projected channel has not been encountered in the work accomplished to date. The crosscut continues to follow the contact between the Moenkopi mudstone and the overlying Moenkopi sandstone. A series of shallow seeps have been crosscut in the advance.

Work reported by the operator conforms with contract terms. Recommendation is made that the contractor be reimbursed by 75 percent of the reported costs as shown in the inspecting engineer's memorandum.

The operator's report was received in this office February 18, 1957.

Stephen R. Wilson
Stephen R. Wilson

EXTRA COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE

Enclosure
cc: J. B. Clemmer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

February 15, 1957

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-2986, Adams Uranium Co., Emery County, Utah. Progress report for January 1957

An inspection of the project was made February 5, 1957.

The work reported by the operator for January consists of 44 feet of advance in the DMEA crosscut. The reported footage was verified by measurement on the date of inspection. The work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and 104A agree as to project costs for the month of January 1957.

On the date of inspection the DMEA project crosscut had been driven a total distance of 254 feet. The advance continues to follow the contact of the Moenkopi mudstone with the unconformably overlying Mossback sandstone. The crosscut continues to traverse a series of shallow scours.

The mineralization in the last 30-foot advance showed more carbonaceous material and a stronger radioactivity.

It is recommended that the operator be reimbursed by $973.50, or 75 percent of $1,298.00, the cost of the project for January 1957, as computed for 44 feet of crosscutting at the contract unit price of $22.50.

P. V. Fillo

P. V. Fillo

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DATE | INITIALS | COPY

Form DMEA F-104 (Rev.) (April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1957 Docket No. DMEA 4244 Contract No. Idm E-986

Operator's Name Adams Uranium, Inc. Minerals Uranium

Address 399 2nd East Street, Helper, Utah

Contract Amount, $ 16,675.00 Government Participation: 75 % Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$1298.00	$195.00	$7493.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	None	$10.00	$10.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1298.00	$6205.00	$7503.00	1298.00	6,205.00	7,503.00
				1	4.00	4.00
					6,201.00	7,499.00
					$973.50	

RECEIVED MAR 4 1957 DMEA

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 2/15/57 Payee Adams Uranium, Inc.

Per E. W. Earland, Jr. Title Power-of-Attorney

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and ~~proper for payment~~ in the amount of:

Signature _____ (Authorized Certifying Officer)

Date 3/27/57 Vou. No. 6MA 57-94

(See other side)

H Previous Disallowance

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 286 in accordance with the terms of the contract.

Signature Paul V. Gillo, SRW Title Mining Engr. Date 2/18/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hershman Title Acting Executive Officer Date FEB 25 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-164A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1957 Docket No. DMEA 4244 Contract No. I dn F-936

Operator's Name Adams Uranium, Inc. Minerals Uranium

Address 399 2nd East Street, Helper, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	foot	none	none	none	none	none	200	$29.50
Crosscutting	foot	$1290.	44	$7493.00	254	$29.50	350	$29.50
Raising								
Shafts Assaying (Dr)	ea.	none	none	none	none	none	50	3.00
Winzes Assaying (X-cut)		none	none	10.00	2	5.00	100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,290		$7,503.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1290.00		$7,503.00				

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

Date 2/15/57 Operator Adams Uranium, Inc.

Per E. V. Eubland Jr. Title Power-of-Attorney

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

REMARKS:

(Instructions on reverse)

(For Government use only)

P. V. Fillo 2/18/57
Mining Engr.

RECEIVED MAR 4 1957 D.M.E.A.

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

SUMMARY REPORT

This narrative report briefly covers the work accomplished during the month of January 1957, by the Adams Uranium Co. Inc., on its Red Butte No. 1 property under DMEA Docket 4244, Contract Idn E-986, Amendment No. 1.

As illustrated on the accompanying map, the main crosscutt was advanced a total of 44 feet during the January 1957 work, giving an overall total advance of 254 feet of the 350 total feet of crosscutting authorized under the DMEA project.

The crosscut continues to be driven westerly along the contact of the altered bluish to grayish green Moenkopi mudstone with the unconformably overlying Mossback sandstone. The Mossback beds exposed during January are dominantly gray to mottled green and tan, medium to coarsed grained calcareous sandstone with intercalated thin zones of grit and pea-size conglomerate. Formless stringers and blebs of greenish clay are sporadically situated within the Mossback sandstone. Fine black hydrocarbons are frequently noted in the interstices of the poorly sorted sandstone, and small seepages of highly viscous asphaltum occasionally emerge from semi-open fractures. A hard silicified sandstone immediately overlying the Moenkopi contact, carries abundant fine pyrite on its hackly fracture surfaces. The back of the crosscut is carried at the contact of the Mossback sandstone with overlying gray siltstone.

The dark gray, dense clay "roll", described in the December 1956 narrative report, subsided from its axial high but persisted to Station 20 minus 3' where it ended abruptly.

One of the more interesting features exposed during the January advance is a block (or possibly two blocks) of fossiliferous limestone. This material makes its first appearance at Station 20 on the right wall of the crosscut. A wedge of identical material appears on the left wall at Station 20 plus 1'. In both exposures the fossiliferous material is bounded by nearly vertical, iron-stained fractures which die out in the overlying sandstone. Green Moenkopi clays mark the lower limit of the zone. There is yet insufficient exposure of the material to provide information regarding its appearance of being bounded by weak, discontinuous fractures.

Contours, corrected for regional attitude, indicate that the crosscut is traversing an area of gentle irregularities along the Moenkopi contact. Although no distinct trends are apparent

in the last 100 feet of advance, it is encouraging to note that the overall advance continues "downslope" on the eroded Moenkopi surface and therefore, may be approaching a sharper channel-like depression.

Two large (8"-10" dia.) fossil logs were intersected by the crosscut at Station 19 plus 10' and plus 17' on the left wall and Station 19 plus 17' and plus 23' respectively on the right wall. The westernmost of these silicified and carbonized logs shows moderate radioactivity (.06-.09 mr/hr). Other small logs with similar orientation show only minor radioactivity. A thin (4"-6") carbon trash zone about 1.5' above the contact on the left side of the face shows moderate radioactivity (.06 - .08 mr/hr, .01 - .03 mr/hr background).

E. V. Eakland Jr.

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

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DATE	INITIALS	CODE
1/31	Com	100
1-31	C	225

224 New Customhouse
Denver 2, Colorado

January 29, 1957

Memorandum

To: Chairman of the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4244 (Uranium) Contract Idm-E986
Adams Uranium Company, Inc. (Red Butte claims)
Emery County, Utah. (Interim Report)

Enclosed are four copies of an interim report, dated January 25, 1957, from Howard F. Albee, Geologist, U. S. Geological Survey, covering drifting progress under the subject contract to January 15, 1957.

W. M. Traver

W. M. Traver

Enclosures

MINE IN REPLY REFER TO:

DMEA
RECEIVED
JAN 25 1957
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
DEPARTMENT OF THE INTERIOR
JAN 28 1957
REGION III
DENVER, COLORADO

P. O. Box 360
Grand Junction, Colorado

January 25, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: J. William Hasler JWH
E. N. Harshman ENH

From: Howard F. Albee

Subject: Interim examination, Docket No. DMEA 4244 (Uranium), contract No. Idm-E 986, Adams Uranium Company, Inc., (Red Butte claims), Emery County, Utah

I visited the above captioned property while in that vicinity January 15, 1957. Mr. Adams was continuing to drive the drift westerly and was about 220 feet beyond the point of beginning with DMEA participation.

Mr. Adams is doing a very good job of keeping a clean, safe drift and of staying on the contact between the Moss Back and the underlying shale beds. No ore has been encountered, although numerous small hot spots are found in the rock. At a few places asphalt was seeping or dripping from the ribs and ceiling but at other places material of asphaltic appearance was solid. Much carbonaceous debris is present and part of such material and part of the solid asphaltic material shows a good count. The rock in the drift face is coarse-grained to conglomeratic and contains films and very thin lenses of green mudstone. The underlying mudstone is also green. The rock has a favorable aspect and megascopically is similar to the type of rock found in the drift at the Twentieth Century Fuels Company Dirty Devil property and which is ore bearing.

Howard F. Albee
Howard F. Albee,
Geologist

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RECEIVED JAN 31 1957

DATE	INITIALS	CODE

HFA/mlr

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA
DEPARTMENT OF THE INTERIOR
JAN 28 1957
DIVISION

ORIGINAL FILE COPY
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RECEIVED JAN 28 1957

DATE	INITIALS	CODE

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

Administrative Audit Difference Statement

Date: January 25, 1957

Payee's Reference: December 1956

Adams Uranium Company, Inc.
P. O. Box 360
Helper, Utah

FINAL DISTRIBUTION

MADE JAN 25 1957

DMEA - 4244

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed	$	1,337.50
Difference	$	4.00
Amount Approved	$	1,333.50

The reason for the difference was due to:

Disallowance: Assaying

Claimed 2 samples @ $5.00 Each	$10.00
Fixed unit cost, 2 samples @ $3.00 Each	6.00
Disallow	$ 4.00

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

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DATE	INITIALS	CODE
1/28/57	[illegible]	
	Docket	

R-III-B & F Form No. 4
4-15-52 D

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

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RECEIVED JAN 28 1957

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

January 23, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4244 (Uranium) Contract Idm-E986
Adams Uranium Company, Inc. (Red Butte claims)
Emery County, Utah. Operator's Monthly Progress
Report, for the month of December, 1956.

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except for the following deduction:

Disallowance, Assaying:

Reported cost, two samples
assayed at $5.00 each---------- $10.00

Fixed unit cost, two samples
assayed at $3.00 each----------6.00
Disallow----------$ 4.00

Remarks:

Date of Report	January 11, 1957
Date Received in Field Office	January 14, 1957
Date Received in Region Office	January 21, 1957

Enclosures

Original signed by
W. M. TRAVER
W.M. Traver

JDC:ytl
cc: Chm. Op.Comm. (2)
Storms
Harshman w/copy engr's. report
Townsend w/copy engr's. report
MF-104 File E986
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
JAN 21 1957
REGION III
DENVER, COLORADO

January 17, 1957

Memorandum

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-5986, Adams Uranium Co., Inc., Emery County, Utah. MF-104 forms for December 1956

Enclosed are five copies of the subject operator's report covering exploration completed during December 1956. The operator has reported a crosscut advance of 45 feet during the period. This footage was verified by F. V. Fillo by measurement January 8, 1957.

Advance in the crosscut follows the contact of the Moenkopi mudstone with the overlying Mossback sandstone. A thin zone of uranium mineralization is present near the face as of the date of inspection. No detailed evidence is present to indicate that the crosscut is near the area of the projected channel structure.

Work accomplished conforms with terms of the contract. It is recommended that the operator be reimbursed by 75 percent of $1,232.50, which represents the cost of two determinations for U_3O_8 at $3.00 each and 45 feet of crosscutting at $29.50 per foot.

The operator's report was received in this office January 14, 1957.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

EXTRA COPY
DMEA
RECEIVED JAN 28 1957

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

January 16, 1957

EXTRA COPY
DMEA
RECEIVED JAN 28 1957
DATE | INITIALS | CODE

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. DMEA-4344 (Uranium), Contract Idm-2986, Adams Uranium Co., Inc., Emery County, Utah. Progress report for December 1956

An inspection of the project was made January 8, 1957.

The work reported by the operator for December consists of 45 feet of advance in the DMEA crosscut. The reported footage was verified by measurement on the date of inspection. The work meets contract specification. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and MF-104A agree as to project costs for the month of December 1956.

On the date of inspection the DMEA project crosscut had been driven a total distance of 210 feet. The advance continues to follow the contact of the Moenkopi mudstone with the unconformably overlying Navajo sandstone. The crosscut continues to traverse a series of shallow seeps.

A thin zone of uranium mineralization of moderate radioactivity was revealed near the 210-feet mark.

It is noted that the receipt attached to the original MF-104-form report shows two samples were chemically assayed at $5.00 per sample. This exceeds the allowable cost per sample as shown in the contract.

It is recommended that the operator be reimbursed by $1,000.13, or 75 percent of $1,333.50, the cost of the project for December 1956, as computed for two assay samples and 45 feet of crosscutting at the contract unit price of $29.50.

P. V. Fillo

P. V. Fillo

(Form [illegible] 10 Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Salt Lake City, Utah

Month of December, 1956 Docket No. DMEA 4244 Contract No. Idm E-986
Operator's Name Adams Uranium, Inc. Minerals Uranium
Address 399 2nd East Street, Helper, Utah
Contract Amount, $ 16,675.00 Government Participation: 75 % Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	1327.50	4867.50	6195.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	10.00	----------	10.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1337.50	4867.50	6205.00	1,333.50	4,867.50	6,201.00

RECEIVED JAN 28 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Jan 11, 1957 *Payee Adams Uranium, Inc.

Per Edward H. Eakland, Jr. Title Power-of-Attorney

Edward H. Eakland, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1000 13

Signature [illegible] (Authorized Certifying Officer)

Date 1/25/57 Vou. No. LDM 57-81

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA-986 in accordance with the terms of the contract.

Signature Paul O. Zillo Title Mining Engr. Date 1/15/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Sawyer Title Executive Officer Date JAN 23 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

FORM MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1956 Docket No. DMEA 4244 Contract No. Idm E-986
Operator's Name Adams Uranium, Inc. Minerals Uranium
Address 399 2nd East Street, Helper, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	None	None	None	None	None	200	29.50
Crosscutting	Foot	1327.50	45	6195.00	210	29.50	350	29.50
Raising								
Shafts Assaying (Dr)	Assay	None	None	None	None	None	50	3.00
Winzes Assaying (X-cut)	Assay	10.00	2	10.00	2	3.00	100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1337.50		6205.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1337.50		6205.00				

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

REMARKS:

Date Jan 11, 1957 Operator Adams Uranium, Inc.

Per Edward H. Eakland, Jr. Title Power-of-Attorney

Edward H. Eakland, Jr.

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

(Instructions on reverse)

(For Government use only)

Paul V. Fillo 1/15/57
Mining Engr.

RECEIVED JAN 28 1957 D.M.E.A.

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc.". The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

EXTRA COPY
DMEA
RECEIVED JAN 28 1957

DATE	INITIALS	CODE
1/28/57	[illegible]	

SUMMARY REPORT

This narrative report briefly covers the work accomplished during the month of December 1956, by the Adams Uranium Co., Inc., on its Red Butte #1 property under DMEA Docket 4244, Contract Idm E-986, Amendment No. 1.

As illustrated on the accompanying map, the main crosscut was advanced a total of 45 feet during December 1956 giving an overall advance of 210 feet under the DMEA project.

The crosscut has followed the contact of the altered greenish-gray Moenkopi mudstone with the unconformably overlying Mossback sandstonw. The Mossback beds exposed are composed principally of tan to mottled brown and gray, medium grained calcareous sandstone with interbedded lenses of coarse grained sand and grit and occasional thin pea-size conglomerates. Irregular fragments and stringers of greenish clay are sporadically located throughout the sandstone unit. Highly viscous asphaltum(?) is not infrequently noted emerging from fractures generally near the top of the sandstone. The back of the crosscut is carried at the contact of the sandstone with overlying well bedded, grayish-brown siltstone.

At Station 18 plus 35' on the left wall and Station 18 plus 44' on the right wall, a dark gray, dense clay "roll" begins to rise from the contact. This steep flanked structural feature reaches its maximum thickness of 3.2' at Station 18 plus 42' on the left wall and Station 18 plus 53' on the right wall. Beyond these points the "roll" subsides and is less than 2.0' thick at the face.

Contours, corrected fro regional attitude, indicate that the crosscut is traversing a series of minor "topographic" irregularities, shallow scours and low ridges with diverse trends. Maximum corrected relief along the contact exposed during December is 2.3'.

A thin (0.5'-0.8') zone of carbon trash in a gray clay or mudstone conglomerate caps the northwesterly trending dark gray clay "roll". Intermittent weak to moderate(0.1-0.3 mr/hr) radioactivity indicates sub-ore grade uranium mineralization in this zone. Very fine grained pyrite is disseminated throughout the high carbon zone.

R. W. Osterstock

R. W. Osterstock

Edward H. Eakland Jr.

FINAL DISTRIBUTION
DEC 21 1956
MADE

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

224 New Customhouse
Denver 2, Colorado

RECEIVED
DEC 26 1956
D.M.E.A.

December 20, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4244, (Uranium), Contract Idm-E986, Adams Uranium Company, Inc., (Red Butte Claims) Emery County, Utah - Operator's Monthly Progress Report for the month of November, 1956

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

REMARKS

Date of Report - - - - - - - - - - - - - - -	December 2, 1956
Date Received in Field Office - - - - - - -	December 11, 1956
Date Received in Region Office - - - - - -	December 14, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
JDC:ewa
cc: Chm. Op. Comm. (2)
Wilson
Harshman, w/copy engr's. report
MF-104 File E986
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
DEC 14 1956
REGION III
DENVER, COLORADO

December 13, 1956

Memorandum

To: W. H. Trever, Executive Officer, DMEA Field Team, Region III

From: Stephen R. Wilson

Subject: Docket No. DMEA-4344 (Uranium), Contract Idm-[illegible], Adams Uranium Co., Inc., Emery County, Utah

Enclosed are five copies of the subject operator's report covering contract work during November 1956. The operator has reported a crosscut advance of 78 feet during the period. The footage was verified by F. V. Fillo by measurement December 3, 1956.

Minor uranium mineralization has been disclosed by the work to date. Most of the advance has been made in fairly hard sandstone and conglomerate. No evidence is present to indicate that the objective channel is near the present face. Work accomplished during the period conforms with contract terms. It is recommended that the operator be reimbursed by 75 percent of the costs reported for the month.

The operator's report was received in this office December 11, 1956.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Climmer

RECEIVED
DEC 26 1956
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

December 12, 1956

RECEIVED
DEC 26 1956
D.M.E.A.

Memorandum

To: S. K. Wilson

From: F. V. Fillo

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-2886, Adams Uranium Co., Inc., Emery County, Utah. Progress report for November 1956

An inspection of the project was made December 3, 1956.

The work reported by the operator for November consists of 78 feet of advance in the DMEA crosscut. The reported footage was verified by measurement on the date of inspection. The work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and 104A agree as to project costs for the month of November.

On the date of inspection the project crosscut had been driven a total distance of 168 feet. The advance has been in fairly hard sandstone, with 2 feet of poorly sorted sandstone and conglomerate present in the heading.

The crosscut continues to cross several minor scours with a general strike of N. 60° E. In one of the scours a 16-inch mineralized zone showed a favorable radioactive count, and it pinched out the following round.

Two samples were taken for chemical analysis, but the returns are not yet available.

It is recommended that the operator be reimbursed by $1,725.75, or 75 percent of $2,301.00, the cost of the project for November 1956, as computed for 78 feet of crosscutting at the contract unit price of $29.50.

F. V. Fillo

F. V. Fillo

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R0036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

U.S. Bureau of Mines
RECEIVED
DEC 14 1956
Salt Lake City, Utah

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1956 Docket No. DMEA 4244 Contract No. [redacted]
Operator's Name Adams Uranium, Inc. Minerals Uranium
Address 399 2nd East St., Helper, Utah
Contract Amount, $ 16,675.00 Government Participation: 75 % Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) [redacted] Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	2301.00	2566.50	4867.50			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2301.00	2566.50	4867.50	2,301.00	2,566.50	4,867.50

RECEIVED DEC 26 1956 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 12/2/56 *Payee Adams Uranium, Inc.

Per E. H. Eakland, Jr. Title Power-of-Attorney

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1725.75

Signature [illegible]
(Authorized Certifying Officer)

Date 12/30/56 Voucher DMA 57-71

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IdmE 986 in accordance with the terms of the contract.

Signature Paul V. Fillo Jr. Title Mining Engr. Date 12/12/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Paver Title Executive Officer Date DEC 20 1956

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1181.2

RECEIVED
DEC 26 1956
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1956 Docket No. DMEA 4244 Contract No. Idm-E986
Operator's Name Adams Uranium, Inc. Minerals Uranium
Address 399 2nd East St., Helper, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	None	None	None	None		200	29.50
Crosscutting	Foot	2301.00	78	4867.00	165	29.50	350	29.50
Raising								
Shafts Assaying (Dr.)	Assay	-	None	-	None		50	3.00
Winzes Assaying (X-cut)	"	-	None	-	None		100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2301.00		4867.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2301.00		4867.00				

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

Date December 5, 1956 Operator Adams Uranium, Inc.

Per E. H. Eakland, Jr. Title Power-of-Attorney
E. H. Eakland, Jr.

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

(Instructions on reverse)

REMARKS:

(For Government use only)

Paul V. Gillo
Mining Engr.

12/13/56 GRW

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

SUMMARY REPORT

This report briefly covers the work completed by the Adams Uranium Co., Inc., on its Red Butte #1 property, under DMEA contract Idm - E 986, Amendment No. 1, during the month of November, 1956.

As shown on the accompanying map (1" = 20'), the main cross-cut was driven a distance of 78 feet northwesterly from the face on November 1, 1956.

The cross-cut has followed the contact of the Moenkopi mudstone and Mossback sandstone. The sandstone exposed in the cross-cut consists of reddish-brown to light gray-brown, fine to medium-grained, calcareous sandstone with a thin (o.5 - 2.0) zone of coarse-grained sandstone and fine conglomerate about three feet above the floor.

Contours, corrected for regional altitude, show that the cross-cut continues to traverse, almost at right angles, a series of minor scours and ridges which trend northeasterly. Maximum corrected relief along the contact is 1.2 feet.

A thin (0.2' - 1.3') zone of carbonized vegetal material, lying directly on the Moenkopi mudstone contact, is exposed on both sides of the cross-cut, from Sta. 17 + 40' to Sta. 17 + 52'. The zone has a maximum thickness, at Sta. 17 + 52', of 1.3' and then pinches down abruptly. Moderate radiometric counts indicate uranium mineralization in the general range of 0.10 - 0.20%. Assay returns on two samples (#1 and #2) are not yet available. Pyrite or marcasite, in finely disseminated specks and small masses, is a minor constituent of the areas of carbonized trash and the immediate contact zone.

E. H. Eakland, Jr.

E. H. Eakland, Jr.

RECEIVED
DEC 26 1956
D.M.E.A.

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

RECEIVED NOV 29 1956 D.M.E.A.

224 New Customhouse
Denver 2, Colorado

November 26, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4244 (Uranium) Contract Idm-E986, Adams Uranium Company, Inc. (Red Butte Claim) Emery County, Utah - Power of Attorney

Enclosed are the original and two copies of a Power of Attorney executed November 1, 1956 by the president and secretary of Adams Uranium Company to permit Ned Eakland the limited power only to sign narrative reports and accounting reports for the subject contract.

Also enclosed are three copies of a memorandum of transmittal from Stephen R. Wilson, Supervising Mining Engineer.

W. M. Traver

W. M. Traver

Enclosures

COPY

RECEIVED 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 East First South Street
Salt Lake City 12, Utah

November 16, 1956

Memorandum

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-E986,
Adams Uranium Co., Inc., Emery County, Utah

Attached is the original of a document, "Power of Attorney," issued by Gilbert Adams and Helen Adams, officers of Adams Uranium Co., to permit Ned Eakland to sign the MF-104 forms and narrative report under the subject contract. The insertions in ink have been initialed by Gilbert Adams and Helen Adams. The document was submitted to this office with the monthly report covering October 1956.

/S/ STEPHEN R. WILSON

Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

November 7, 1956

Memorandum

To: Hasal Barry, Operating Committee

From: Grace L. Ault, Rare and Miscellaneous Metals Division

Subject: Amendment to contract

Mr. Murphy has reviewed and approved Amendment No. 1, dated October 19, 1956, to Contract No. Idm-E986, Docket No. DMEA-424, Adams Uranium Company, Inc., and has indicated that no further review is required by the Legal Division.

/s/ Grace L. Ault

Grace L. Ault

Date November 7, 1956

Commodity

To: Mr. Murphy

Docket No. DMEA- 4244, Adams Uranium Company, Inc.

Contract No. Idm-E986

Attached is Amendment No. 1, dated Oct. 19, 1956

to be reviewed.

Approved Murphy

Other action None

Please return this slip to me for my records.

Grace Ault

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

RECEIVED NOV 7 1956 D.M.E.A.

224 New Customhouse
Denver 2, Colorado

November 5, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4244 (Uranium), Contract No. Idm-E986, Adams Uranium Company, Inc., Emery County, Utah

Enclosed are the original and two copies of Amendment No. 1 to Contract No. Idm-E986, which has been executed to change the location of the work to be performed under Stage I of the Contract.

Also enclosed are four sets of data relative to the Amendment.

Copies of the Amendment have been distributed to the Operator, the Finance Office, Region III, and to others concerned.

W. M. Traver

W. M. Traver

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 360
Grand Junction, Colorado

IN REPLY REFER TO:

DMEA

DEPARTMENT OF THE INTERIOR
OCT 29 1956
REGION III
DENVER, COLORADO

October 26, 1956

RECEIVED
OCT 7 1956
D.M.E.A.

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Howard F. Albee

Through: J. W. Hasler
E. N. Harshman

Subject: Request for amendment, Docket DMEA-4244 (Uranium), Adams Uranium Company, Inc., Red Butte claims, Emery County, Utah.

The request by the Adams Uranium Company to amend their contract to allow relocation of the allowable crosscutting appears well founded. The proposed change will in no way alter the effectiveness of the program and will likely reduce the total cost of the program.

We concur with the recommendations of Mr. Fillo in his memorandum of October 10, 1956.

Howard F. Albee

Howard F. Albee,
Geologist

HFA/mlr

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

October 10, 1966

RECEIVED NOV 7 1966 D.M.E.

Memorandum

To: W. H. Trevor, Executive Officer, DMEA Field Team, Region III

From: S. R. Wilson

Subject: Docket No. DMEA-4344 (Uranium), Adams Uranium Co., Inc., Red Butte claims, Emery County, Utah.

Enclosed are the original and nine copies of a letter received from the subject operator. The letter requests an amendment to the contract to change the position of allowable crosscutting. The project site was inspected by Paul V. Fille October 4, 1966. The original and eight copies of the inspecting engineer's memorandum are also enclosed. A plan map of the underground workings, illustrating the requested change in the work, is attached to the inspecting engineer's memorandum.

It appears that the objective channel will be intersected with less expenditure of contract funds if a change is made in the contract as requested by the operator. There are no known disadvantages to the Government involved in the proposed work change. The inspecting engineer recommends that an amendment be drawn as requested. The amendment should be made effective October 1, 1966. I am in accord with the recommendation of the inspecting engineer.

S. R. Wilson
S. R. Wilson

SRW/jb

cc: J. W. Hazlar
U. S. Geological Survey
P. O. Box 200
Grand Junction, Colo.

Files
RF

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

RECEIVED
NOV 7 1956
D.M.E.A.

October 10, 1956

Memorandum

To: Stephen R. Wilson

From: Paul V. Pillo

Subject: Docket No. DMEA-4244 (Uranium), Adams Uranium Inc., Red Butte claims, Emery County, Utah. Request for an amendment to release crosscutting

In a letter dated October 4, 1956 the operator requests that the subject contract be amended to permit crosscutting to the objective channel by extending an existing company crosscut, in lieu of the present DMEA heading. The proposed change in the work is illustrated on the accompanying sketch map.

The project was visited by the inspecting engineer October 4, 1956.

The contract specifies exploration in two stages. Stage I consists of crosscutting in an approximate direction of N. 80° W., for a distance not to exceed 330 feet from survey station No. 11. The position and bearing of the objective channel was established by projection from an exposure several hundred feet north of the project area. Stage II consists of drifting not in excess of 200 feet along the channel, in either or both directions.

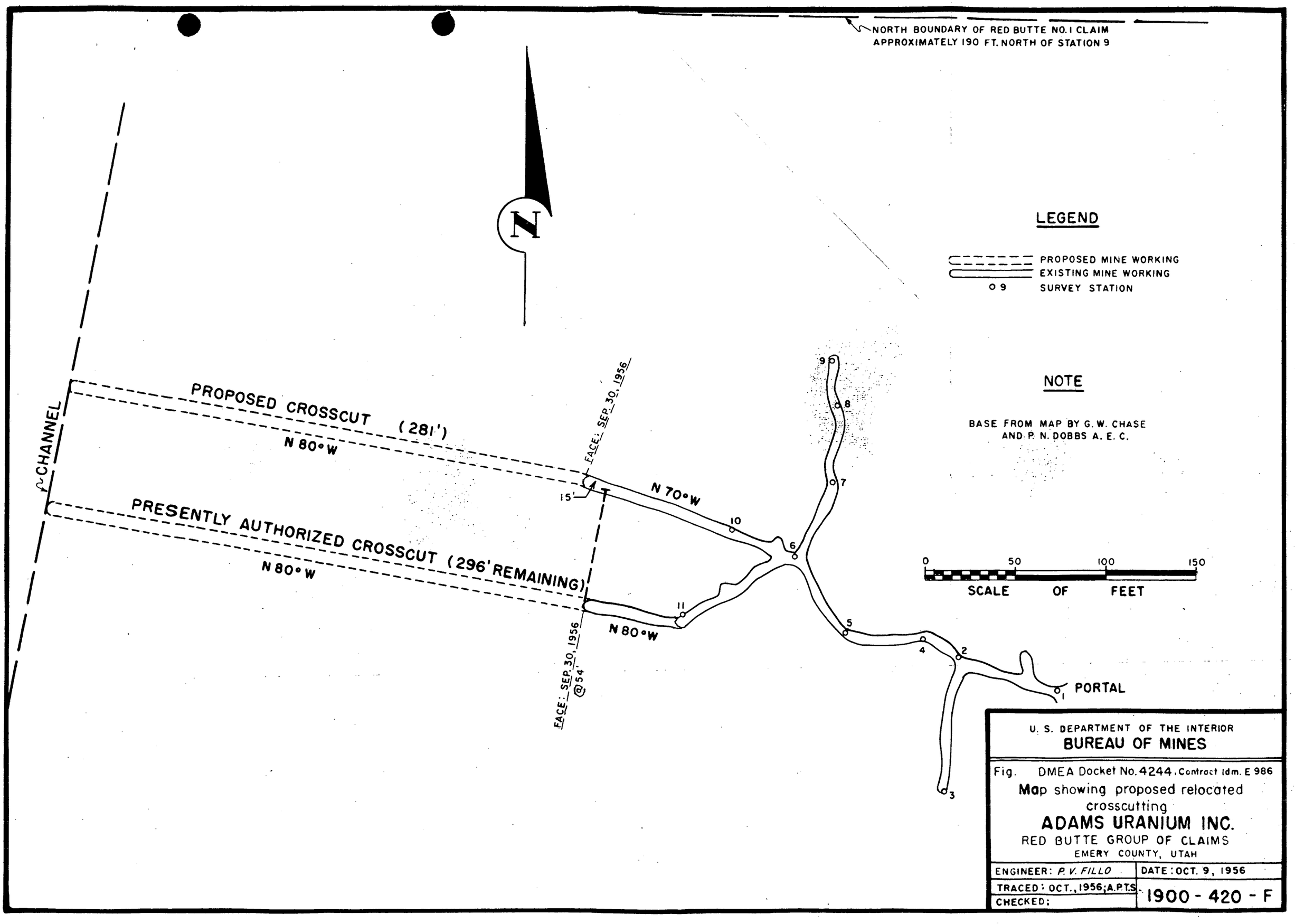
Project work began September 15, 1956. The DMEA crosscut was advanced a total distance of 34 feet from survey station No. 11 as of September 30. This footage will be reported for reimbursement on the MP-104 forms for September. Remaining footage authorized for Stage I is 296 feet as of October 1, 1956.

The operator requests permission to complete Stage I by extending the company crosscut already advanced 124 feet from survey station No. 6. The face of this heading is approximately 15 feet (the operator states 20 feet) farther advanced toward the projected channel than the presently authorized crosscut. Encouraging uranium mineralization is exposed in the last 15 to 20 feet of the company crosscut. The mineralization occurs in scattered, small, fossil trees, near the lower contact of the Moss Back member of the Chinle formation. In the authorized heading no radioactivity was noted.

Inasmuch as the objective apparently will be intersected with less expenditure, and with no known disadvantages involved, it is recommended that the contract be amended to allow the relocation of crosscutting as requested by the operator. The amendment should be made effective October 1, 1956.

Paul V. Fillo

Paul V. Fillo


NORTH BOUNDARY OF RED BUTTE NO. 1 CLAIM
APPROXIMATELY 190 FT. NORTH OF STATION 9
N
LEGEND
PROPOSED MINE WORKING
EXISTING MINE WORKING
O 9 SURVEY STATION
NOTE
BASE FROM MAP BY G. W. CHASE
AND P. N. DOBBS A. E. C.
PROPOSED CROSSCUT (281')
N 80° W
CHANNEL
FACE: SEP. 30, 1956
15'
N 70° W
PRESENTLY AUTHORIZED CROSSCUT (296' REMAINING)
N 80° W
N 80° W
FACE: SEP. 30, 1956
@ 54'
0 50 100 150
SCALE OF FEET
PORTAL
1
2
3
4
5
6
7
8
9
10
11
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. DMEA Docket No. 4244, Contract Idm. E 986
Map showing proposed relocated crosscutting
ADAMS URANIUM INC.
RED BUTTE GROUP OF CLAIMS
EMERY COUNTY, UTAH
ENGINEER: P. V. FILLO
DATE: OCT. 9, 1956
TRACED: OCT., 1956; A.P.T.S.
CHECKED:
1900 - 420 - F

C O P Y

ADAMS URANIUM CO.
399 Second East
Helper, Utah

October 4, 1956

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

Dear Sir:

Subject: Request for amendment to change work description
Contract Idm-8966, DMEA-4244

After applying for the subject DMEA loan, and prior to the execution of the contract, we continued work in the proposed project area. The work accomplished during this period consists of about 100 feet of advance in a westerly crosscut situated approximately 50 feet north of the specified DMEA crosscut. This choice was made for operational reasons including ventilation, haulage, and ground conditions.

The present face of this crosscut is 124 feet west of survey station No. 6, or approximately 20 feet closer to the projected objective channel, than the present face of the crosscut specified in the contract. In the last 15 feet of advance in the 124-foot crosscut, encouraging mineralization is exposed. An estimated 2 tons of 0.50 percent U_3O_8 from this 15-foot interval is stockpiled on the mine dump.

Inasmuch as the purpose of the project work can apparently be accomplished to the best advantage by extending the 124-foot crosscut rather than the presently authorized crosscut, we request that the project contract be amended to allow this change.

Yours truly,

/s/ Gilbert Adams

President

12-1236

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

224 New Customhouse
Denver 2, Colorado

November 26, 1956

FINAL DISTRIBUTION
MADE DEC 6 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4244 (Uranium) Contract Idm-E986, Adams Uranium Company, Inc. (Red Butte claims) Emery County, Utah - Operator's Monthly Progress Report for the month of October, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report - - - - - - - - - - - - November 7, 1956
Date Received in Field Office- - - November 13, 1956
Date Received in Region Office- - November 19, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E986
Chm. Op. Comm. (2)
Wilson
Harshman w/copy engr's report
Chron.

RECEIVED
DEC 10 1956
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
NOV 19 1956
REGION III
DENVER, COLORADO

November 16, 1956

Memorandum

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4244 (Uranium), Contract Idm-2936, Adams Uranium Co., Inc., Emery County, Utah. MF-104 forms for October 1956

Enclosed are the original and four copies of a monthly report submitted by Adams Uranium Co., Inc., covering contract work accomplished during October 1956. The project was inspected by F. V. Fillo, mining engineer, and Walter Bonk, geologist. The progress report was prepared by F. V. Fillo.

The operator has reported an advance of 87 feet of crosscutting during the period. The advance was verified by the engineer and conforms with contract terms. A small amount of mineralization was noted during the period, principally in one fossil log.

It is recommended that the operator be reimbursed by 75 percent of the allowable expenditures for 87 feet of crosscutting. The operator's report was received in this office November 14, 1956.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

cc: J. B. Clemmer

RECEIVED
DEC 10 1956
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

November 16, 1956

Memorandum

To: S. R. Wilson

From: P. V. Fillo

Subject: Docket No. EMEA-4244 (Uranium), Contract 14m-1956, Adams Uranium Co., Inc., Emery County, Utah. Progress report for October 1956

EMEA project work at the mine was begun October 4, 1956. An inspection of the project was made November 14, 1956, accompanied by Walter Bank, geologist, Bureau of Mines.

The work reported by the operator for October consists of 87 feet of advance in the EMEA crosscut. The reported footage was verified by measurement on the date of inspection. The work meets contract specifications. An adequate narrative report and progress map accompany the MF-104 forms.

Forms MF-104 and 104A agree as to project costs for the month of October.

On the date of inspection the project crosscut had been driven a total distance of 87 feet. All of the advance was in fairly hard sandstone. The crosscut adit crosses a series of minor scours with a general strike of N. 80° E. No mineralization was encountered, except for one fossil log that showed a strong radioactivity, during the month of October. No samples were taken during this period.

It is recommended that the operator be reimbursed by $1,924.88, or 75 percent of $2,566.50, the cost of the project for October 1956, as computed for 87 feet of crosscutting at the contract unit price of $29.50.

P. V. Fillo

P. V. Fillo

RECEIVED
DEC 10 1956

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1956 Docket No. DMEA 4244 Contract No. Idm-1986
Operator's Name Adams Uranium, Inc. Minerals Uranium
Address 399 2nd East St., Helper, Utah
Contract Amount, $ $16,675.00 Government Participation: 75 % Amount, $ 12,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	2566.50	None	2566.50			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2566.50	None	2566.50	2566.50	—	2566.50

RECEIVED DEC 10 1956 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 11/7/56 *Payee Adams Uranium Co. Inc.

Per Helen Adams Title Sec. + Treas.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1924.88

Signature [illegible]
(Authorized Certifying Officer)

Date 11/30/56 Vou. No. DMA 57-60

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Edm. E-986 in accordance with the terms of the contract.

Signature Paul C. Fillo Jr. Title Mining Engr. Date 11/16/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Jarver Title Executive Officer Date NOV 26 1956

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1956 Docket No. DMEA 4244 Contract No. Idu-2986

Operator's Name Adams Uranium, Inc. Minerals Uranium

Address 399 2nd East St., Helper, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	None	None	None	None		200	29.50
Crosscutting	Foot	2566.50	87	2566.50	87	29.50	350	29.50
Raising								
Shafts Assaying (drift)	assay	----	None	----	None		50	3.00
Winzes Assaying X-cut	"	----	None	----	None		100	3.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2566.50		2566.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2566.50		2566.50				

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

Date 11/7/56 Operator Adams Uranium Co. Inc.

Per Helen Adams Title Sec. & Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Paul V. Gillespie
Mining Engr. 11/16/56

RECEIVED DEC 10 1956 D.M.E.A.

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

SUMMARY REPORT

This report briefly covers the work completed by the Adams Uranium Co., Inc., on its Red Butte #1 property, under an amended D.M.E.A. contract, for the month of October, 1956, being Amendment Number 1 of Contract Idm-1986.

As shown on the accompanying map, the main cross-cut was driven a distance of 87 feet northwesterly from station 16 to the present face. Station 16 was set at the face existing prior to the start of the work under the D.M.E.A. contract.

The cross-cut has followed the contact of the Moenkopi mudstone and Moenkopi sandstone. The Moenkopi sandstone exposed in the cross-cut consists of red-brown to purple-brown, gently cross-bedded, medium to fine-grained calcareous sandstone with 10-20% light green, fragments and irregular lenses of clay. The upper half of the sandstone exposed is friable and the lower half is hard and well cemented. The original brick-red color of the Moenkopi mudstone has been altered to a light gray-green just below the contact. The total thickness of the zone of color alteration is not exposed underground.

The accompanying map shows, by one foot contour intervals, the relief on the Moenkopi-Moenkopi contact, corrected for the regional attitude of the sedimentary beds in the vicinity of the Red Butte Mine. Three determinations show that the sedimentary beds strike approximately due north and dip 3½° to the west. The base elevation for the contouring is 0.0 feet at station #1 at the portal of the mine. The map was prepared from a Brunton and tape survey and elevations carried to the nearest one-tenth of a foot with a hand-level.

The contouring shows that the main cross-cut is obliquely traversing a series of minor scours with a general N.60°E. strike. Maximum relief of the shallow scours and low ridges is less than 3 feet. The scour direction is further substantiated by the orientation of fossil logs.

No appreciable amounts of radio-active minerals have been noted in the present workings. One fossil log, orientated N.40°W., at station 15, contains strong radio-activity. This log is largely carbonized, in contrast to the other logs which have been largely replaced by fine-grained silica. Pyrite and minor amounts of chalcopyrite occur disseminated in the lower part of the Moenkopi sandstone and in the upper few inches of the Moenkopi mudstone.

E. N. EAKLAND, JR.

E. N. Eakland Jr.

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

224 New Customhouse
Denver 2, Colorado

August 20, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4244 (Uranium), Contract Idm-E986, Adams Uranium Company, Inc., Emery County, Utah.

Enclosed are the Government's, Division, and Docket copies of exploration project contract Idm-E986, which were forwarded by your letter of August 7, 1956, for signature by the applicant and insertion of an appropriate starting date under Article 1 of the contract form.

Also enclosed are two copies of a letter from this office, dated August 20, 1956, whereby we forwarded the "Operator's Copy" of the contract, MF-104 and MF-104A forms, and instructions relative to reporting on work completed under the contract.

Copies of the contract have been distributed to the Operator, the Finance Office, Region III, and others concerned.

W. M. Traver

W. M. Traver

Enclosures

RECEIVED
AUG 23 1956

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

[illegible] New Customhouse
Denver 2, Colorado

August 20, 1956

Mr. Gilbert Adams
Adams Uranium Company, Inc.
P. O. Box 360
339 Second East Street
Helper, Utah

RECEIVED
AUG 23 1956

Re: Docket DMEA [illegible] (Uranium)
Contract [illegible]
Adams Uranium Company, Inc.
Emery County, Utah

Dear Mr. Adams:

Enclosed herewith is your copy of Exploration Project Contract [illegible], Docket DMEA [illegible].

Also enclosed are six copies of form MP-104, "Operator's Monthly Report and Voucher," and six copies of form MP-104A, "Operator's Unit Cost and Progress Report." At the end of the first calendar month after work is commenced, and monthly thereafter, you are required to submit the original and four copies of each form to Mr. S. R. Wilson, U. S. Bureau of Mines, 1600 East First South Street, Salt Lake City 1, Utah. The extra copy is for your records.

Forms MP-104 and MP-104A are to be combined into five sets of one of each form, each set of the combined forms is to be accompanied by a map or sketch showing the location and extent of work performed, and a signed narrative report which describes the work performed, conditions encountered, and results of the work. The monthly accounting report will not be processed for reimbursement to you unless it is accompanied by a signed narrative report and other required or pertinent data. Additional copies of forms MP-104 and MP-104A will be furnished to you each month on receipt of your report for the prior month.

The United States Geological Survey maintains a field office in the A.E.C. Compound at Grand Junction, Colorado. The DMEA representative of the Geological Survey can be contacted as follows:

Mr. J. W. Hasler
U. S. Geological Survey
P. O. Box 340
Grand Junction, Colorado.

Telephone: Grand Junction 3000, Ext. 602.

For your information and in reply to many questions that have been asked, after forms RF-104 and RF-104a are received, an engineer will check progress and approve your accounts, after which they will be sent to the Regional Office, Region III, U. S. Bureau of Mines, 20th Ave Customhouse, Denver 2, Colorado, for auditing and vouchering. If the report is in order, a check will be issued by the Treasury Department for the Government's portion of the costs. If you have any difficulty in completing these forms and the reports, please call on Mr. Wilson or this office for assistance.

The contract is prepared on form RF-550A and under its provisions the work is to be performed at "Fixed Unit Costs," as outlined in Exhibit "A" of the contract, which will be the basis of reimbursement to you as units of work are completed and reported on forms RF-104 and RF-104a.

Your requests to this office for work approval, changes in the contract, or any other communication pertaining to operations under the contract, must be in writing, of which please supply the original and five copies, each copy complete with maps or other pertinent data.

The location of the work to be performed under Stage I is indicated on the map, "Figure 3", attached to the contract. Should conditions encountered necessitate any appreciable change in the indicated location or direction of the work, approval of this office for the change must be obtained prior to the performance of the work. Otherwise, the work may not be acceptable for reimbursement to you under the terms of the contract.

Your attention is directed to the provisions that Stage II work is contingent on the results obtained from Stage I and performance of the work under Stage II is subject to the prior written approval of the Government.

When work under Stage I has been completed, you must request approval from this office for the work you propose to perform under the next stage. Your request for the work approval must be in sextuplicate, each copy complete with a map showing the location and

extent of the work completed and the location of the additional work proposed; also, your request must include an analysis of the work completed, including assay returns and any other pertinent data which will be of value to the Government in appraising the results of the work.

You should anticipate a suspension of operation between stages of work to enable the Government geologist and engineer to evaluate the results of the work performed and make their recommendations to this office relative to the additional work you propose.

To eliminate as much delay to operations as possible, if that is of serious consideration, you should expedite forwarding of the results of the work completed and your request for the Government's approval of the additional work you propose.

No oral statement of any person shall be construed to modify or change the terms of the contract. Field representatives of the Government are not authorized to approve any changes in the work program or contract provisions. Such approval can only be given by the Washington Office, DMEA, or by the DMEA Field Team, Region III.

It is a regulation that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. It is a requirement and imperative that you notify this office in writing the date work actually commences under the contract, with a copy of your letter to Mr. Wilson.

Very truly yours,

W. M. Traver

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

Enclosures

JWT:prl

cc: Chairman, Oper. Comm. (2)
Amendment file, Reg. III
Finance Office, Reg. III
Hartshorn
Wilson
Hasler
Townsend
Corres. file
Chron.

Surname copy

700

Murphy
Ellis
Chambers
Martin
Fitzwater
Mottendorf

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

Mr. N. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

AUG - 7 1956

Re: Docket No. DMEA-4244 (Uranium)
Adams Uranium Company, Inc.
Red Butte Claims
Emery County, Utah

Dear Mr. Traver:

Enclosed are the original and five copies of a proposed short-form contract between the Government and the above-named applicant, signed by the Administrator. Also enclosed for Field Team use are two extra copies each of Annex I, Exhibit "A," and two maps, relating to the contract.

Attached to each contract form, MF-200A, are Annex I (1 page), Exhibit "A" (2 pages), and two maps (Figure 2 and Figure 3).

If you and the Applicant find the proposed contract in order, please insert in Article 1 of the contract form the date work shall begin, then have an authorized representative of the company sign the original and all copies. Thereafter, kindly distribute the copies in the usual manner.

If any part of the proposed contract does not meet with your or the Applicant's approval, then the original and all copies are to be returned to this office with the proposed changes for consideration.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (JB)

Enclosures

APPROVED:

FRANK D. LAMB (JB)
Member, Bureau of Mines

N. E. Nelson (JB)
Member, Geological Survey

FMMurphy:ai 8-3-56
cc to: Docket
Admr. Reading File
Operating Committee
Code 700
Mr. Murphy
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

7/24/56

IN REPLY REFER TO:

RECEIVED

JUL 24 1956

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

July 24, 1956

Memorandum

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

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

Subject: Review of field examination report, DMEA 4244, Adams Uranium Company, Inc., Red Butte claims, San Rafael Swell, Emery County, Utah.

The examining team concludes that further exploration, with DMEA participation, is warranted on the property because a Moss Back channel structure seems to be present on the property and strong uranium mineralization has also been found.

The examining team recommends a downward revision of the applicant's original proposal. The examining geologist recommends 350 feet of crosscutting to intersect the channel, then 200 feet of drifting along the channel. The examining engineer recommends only 350 feet of crosscut to intersect the channel.

Provision should be made in a DMEA contract for drifting along the channel. Drifting will serve to protect the Government's interest by greatly increasing the chances for making a discovery. Terminating Government participation just as the target area is reached by the crosscut would be contrary to DMEA objectives.

Drifting along the channel could constitute Stage II of the contract and should not be commenced without prior Government approval.

I agree with the examiners' and Field Team's recommendations for a DMEA contract on the subject property.

W. P. Williams

W. P. Williams

7/24/56

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

RECEIVED
JUL 24 1956

July 23, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 4244 (Uranium) Adams Uranium Company, Inc., Red Butte claims, Emery County, Utah

I have reviewed the report of examination, DMEA Docket 4244, Adams Uranium Company, Inc., Red Butte claims, Emery County, Utah, dated June 15 and received in this office July 19, 1956. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The examining engineer considers the chances of developing ore bodies of economic importance on the subject area are good, and he recommends for approval an exploration project consisting of 350 feet of crosscutting and drifting at a total estimated cost of $10,639.18.

The Field Team recommend that the exploration program be conducted in two stages. Stage I would consist of 350 feet of drifting and Stage II would provide for a maximum of 200 feet of drifting in the channel.

We concur in the recommendations of the Field Team that a two-stage exploration project be approved.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

James Paone
James Paone

DRAFT
FMMurphy/ai
7-19-56

DOCKET
Murphy

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.* *Idm–E*	*County*	*State*
4244	**Uranium**		**Emery**	**Utah**

It is agreed ....., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and ....Adams Uranium Company, Inc., a Utah corporation....

whose mailing address is ...399 Second East Street P. O. Box 360
Helper, Utah...
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before ....., and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within ....7.... months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $.16,675.00..... The Government will contribute .75..... percent of the fixed unit cost of the work performed, not exceeding $.12,506.00....., in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: ...None...

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: ...None...

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

.....
(Operator)

By .....

By .....

.....

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

DRAFT
FMMurphy/si
7-19-56

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMEA-4244

ANNEX I

The land referred to in Article 2 of the contract consists of eight (8) contiguous lode mining claims, which have also been recorded as placer claims, in the office of the Recorder, Emery County, Utah, as follows:

	Lode		Placer	
Claim	Book	Page	Book	Page
Red Butte No. 1	J-38	119	J-54	54
Red Butte No. 2	J-38	120	J-54	55
Red Butte No. 3	J-38	121	J-54	56
Red Butte No. 4	J-38	122	J-54	57
Red Butte No. 5	J-38	123	J-54	58
Red Butte No. 6	J-38	124	J-54	59
Red Butte No. 7	J-38	125	J-54	60
Red Butte No. 8	J-54	61	J-43	152

The area is unsurveyed, however, the claims appear to lie approximately in sec. 20, T. 24 S., R. 9 E., S.L.B.M. The locations of the claims in relation to the rock formations in the area are shown on the map entitled "Figure 2. Geologic Map Showing the Red Butte Group of Claims, Adams Uranium Company, Emery County, Utah," attached hereto and made part hereof.

DRAFT FMMurphy/ai
7-19-56

EXPLORATION PROJECT CONTRACT
ADAMS URANIUM COMPANY, INC.
DOCKET NO. DMEA-4244

EXHIBIT "A"

Description of the Work

General Provisions:

The object of this project is to explore the Moss Back member of the Chinle formation by means of crosscutting to an inferred uranium ore-bearing channel, and drifting along the channel if encountered and found favorable.

The project shall be supervised by one geologist and one engineer, who shall devote a minimum of 15 days and 8 days, respectively, to the Stage I work. In the event work under Stage II is approved by the Government the geologist and engineer shall devote a minimum of 10 days and 4 days, respectively, to the work under this stage.

The crosscut and drifts shall be adequately sampled at intervals of not less than five feet through mineralized areas encountered. Also, a composite sample shall be taken from each round broken in mineralized sections of the crosscut and drifts. All samples shall be split, the Operator using one-half for assay purposes. The other half shall be properly identified and stored in a suitable container for Government use.

The crosscut and drifts shall be not less than 5' x 7' in cross-section and shall conform to the mining laws of the state of Utah in regard to safety and proper ventilation.

The location, direction, and extent of the crosscut and drifts shall be subject to Government approval.

The work shall be divided into two stages. The Operator shall perform all the work in Stage I and so much of Stage II work as is approved in advance in writing by the Government.

Stage I

Stage I shall consist of driving a crosscut in an approximate direction of N. 80° W. for a distance not to exceed 350 feet from survey station 11 shown on the map entitled, "Figure 3. Map Showing Mine and Location of Proposed Crosscut, ..." attached hereto and made part hereof. Not in excess of 100 samples shall be chemically analyzed for their U_3O_8 content under this stage I of the contract.

Stage II

Stage II work shall be subject to previous written Government approval, and will be dependent on the Stage I crosscut encountering a channel containing uranium mineralization considered to be significant by the Government.

The work shall consist of drifting not in excess of 200 feet along the channel in either or both directions from the crosscut.

Not in excess of 50 samples shall be chemically analyzed for their U_3O_8 content under this Stage II of the contract.

Estimated Cost of the Project

Fixed Unit Costs

Stage I

350 feet of crosscutting @ $29.50/ft.	$10,325.00	
100 samples chemically analyzed for U_3O_8 content @ $3.00/sample	300.00	
		$10,625.00

Stage II

200 feet of drifting @ $29.50/ft.	$5,900.00	
50 samples chemcially analyzed for U_3O_8 content @ $3.00/sample	150.00	
		$6,050.00

S U M M A R Y

Estimated Cost of Stage I	$10,625.00
Estimated Cost of Stage II	$ 6,050.00
Estimated Cost of Project	$16,675.00
Government Participation @ 75% (rounded)	$12,506.00

7/23/56

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

RECEIVED
JUL 23 1956

July 19, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Docket DMEA 4244 (Uranium) Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Enclosed are nine extra copies each of Figures 2 and 3 which accompanied the engineering Report of Examination, which was transmitted to your office July 16, 1956. These extra copies are for possible use in the contract.

DMEA Field Team, Region III

By W. M. Traver
Executive Officer

Enclosures

Duplicate of [illegible]

See maps in pocket

7-23-56

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

RECEIVED
JUL 13 1956

July 16, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Report of Examination, Docket DMEA 4244 (Uranium) Adams Uranium Company, Inc., Red Butte claims, Emery County, Utah

Enclosed are the original and three copies of an engineering and geologic report on the subject property.

The field examiners agree that some exploration work is justified but are not in complete agreement as to the amount of work.

The Field Team concurs that exploration is warranted and recommends that the contract provide for a two-stage program. Stage I to allow lateral work to intersect the channel, 350 feet maximum or until channel is intersected, whichever occurs first. In the event that the channel is not intersected within 350 feet, provision should be made for the field to make a reexamination and submit their recommendations. Stage II to provide for a maximum of 200 feet of drifting in the channel in either direction with prior Government approval.

Nine extra copies of Figures 2 and 3 accompanying the engineering report have been requested from the field and will be forwarded you for possible use in the contract. Enclosed are nine extra copies of Figures 2 and 3 accompanying the geologic report for possible use in the contract.

DMEA Field Team, Region III

Reviewed by
DMEA OPERATING COMMITTEE
7-20-56
(date)

W. M. Traver
W. M. Traver

E. N. Harshman
E. N. Harshman

Enclosures

ON-SITE EXAM.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
Date Rec'd,
JUN 20 1956
BUREAU OF MINES
Denver, Colorado

TRANSMITTED

June 18, 1956

RECEIVED
JUL 18 1956

Memorandum

JUL 16 1956

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4244 (Uranium), Adams Uranium Co., Inc., Red Butte claims, Emery County, Utah

Enclosed are the original and 10 copies of an engineering report covering examination of property of Adams Uranium Co., Inc., Emery County, Utah. An examination of the claims was made May 9, 1956, by W. E. Young with N. F. Albee of the Geological Survey. Also included is one copy of the brochure.

The applicant has requested a loan of $21,801.50 to conduct exploration consisting of 700 feet of underground work and a moderate amount of drilling. The applicant's property includes eight unpatented mining claims known as the Red Butte group.

Uranium mineralization in the area is found in the Moss Back member of the Chinle formation. This member is chiefly fine- to coarse-grained sandstone with local lenses of mudstone. The average thickness ranges from 5 to 50 feet, but may be as much as 90 feet because of channel fills. Underground work completed by the applicant to date has disclosed small bodies of uranium ore. It is believed that a channel may be projected into the area a short distance west of the underground workings. The objective of the applicant's exploration is to crosscut to the west to intersect this channel.

The examining engineer believes that a total of 350 feet of lateral work will be sufficient to explore the channel area. The engineer believes that chances for discovery of ore bodies containing commercial amounts of uranium are good. Recommendation is made that a loan be granted to complete 350 feet of underground work. I concur in the recommendation of the engineer.

The application of Adams Uranium Co., Inc., was discussed with geologists of the Atomic Energy Commission.

Reviewed by
DMEA OPERATING COMMITTEE
7-20-56
(Date)

The Red Butte claims lie in an area which is unsurveyed. The geologic report attached to the brochure indicates that the property lies in sec. 7, T. 24 S., R. 8 E. A map also attached to the brochure shows the location to be in T. 23 S., R. 9 E. The examining engineer believes the proper location is approximately sec. 20, T. 24 S., R. 9 E.

Stephen R. Wilson

Stephen R. Wilson

Enclosures

cc: J. B. Clemmer

ADAMS URANIUM CO., INC.
RED BUTTE CLAIMS
EMERY COUNTY, UTAH
DMEA-4244
Uranium

TRANSMITTED
JUL 16 1956

Engineering Report

By W. E. Young
Mining Engineer
Bureau of Mines

June 15, 1956

Reviewed by
DMEA OPERATING COMMITTEE
7-20-56
(date)

JUL 16 1955

ADAMS URANIUM CO., INC.
RED BUTTE CLAIMS
EMERY COUNTY, UTAH

CONTENTS

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Summary	2
Introduction	2
Location, topography and physical features	3
Ownership, history and production	4
Description of the deposits	5
Proposed exploration	6
Project costs	6
Conclusions and recommendations	8

ILLUSTRATIONS

Fig. 1 Location map, Adams Uranium Co., Inc., Red Butte claims, Emery County, Utah
Fig. 2 Claim map
Fig. 3 Plan of mine workings and proposed crosscut

enclosed in envelope pocket

SUMMARY

Adams Uranium Co., Inc. has applied for a loan under docket No. DMEA-4244 to explore for uranium ores on property in the Red's Canyon area, Emery County, Utah. The owners have completed 480 feet of drifting and crosscutting during the past year. Known uranium ore bodies of economic importance in the area occur in channel structures in the Moss Back sandstone. Rim exposures on adjoining properties disclose the existence of a well-defined channel which appears to be striking into the property of Adams Uranium Co., Inc. The applicant proposes to further explore the property by extending a crosscut west from the present face to intersect the channel. It appears that this can be accomplished by an additional 350 feet of work. In the event the channel is intersected in a shorter distance, the remaining footage could be utilized in drifting along the channel structure.

The cost of this work is estimated at $10,639.18 for 350 feet of crosscutting and drifting, equivalent to $30.39 per foot.

The chances of developing ore bodies of economic importance are considered good. It is believed by the examining team that the applicant's claims have sufficient merit to justify Government participation in exploration.

INTRODUCTION

The Red Butte group of claims, owned by the Adams Uranium Co., Inc., was examined May 9, 1956, by a geologist of the Geological Survey and

an engineer of the Bureau of Mines. Examination was made at the request of the Regional Field Team to determine the advisability of granting a Government-assistance loan. Gilbert Adams, president of the company, accompanied the examining personnel during the period.

The applicant has completed approximately 480 feet of drifts and plans to further explore the area. A project consisting of 700 feet of drifting and crosscutting and 350 feet of drilling is proposed. A loan of $21,801.50 is requested to complete the work.

LOCATION, TOPOGRAPHY AND PHYSICAL FEATURES

The claim group which the applicant proposes to explore lies on the west flank of the San Rafael Swell. The claims are located in Red's Canyon, approximately 68 miles from Green River, Utah (fig. 1). (The area is unsurveyed, but the claims appear to lie in T. 24 S., R. 9 E., S.L.B. and M.) Good dirt roads lead from Temple Mountain, Utah, to the property, a distance of 33 miles. A paved highway extends from Temple Mountain to Green River.

The mine is located on a steep, erosional escarpment some distance above the canyon bottom. A good access road has been constructed to the mine portal.

A suitable camp has been established on the property. Water for camp use must be hauled from Green River.

OWNERSHIP, HISTORY AND PRODUCTION

Eight unpatented mining claims, known as the Red Butte group, are included. They are listed as Red Butte 1 to 8, inclusive, and are recorded in the office of the Emery County Recorder, Castle Dale, Utah (fig. 2).

Claim	Book	Page
Red Butte No. 1	J-38	119
" " No. 2	"	120
" " No. 3	"	121
" " No. 4	"	122
" " No. 5	"	123
" " No. 6	"	124
" " No. 7	"	125
" " No. 8	J-54	61

The claims were located in 1954 and are held by right of location. Exploration by drifting and crosscutting has been carried on during the past year. An attempt was made to ship mineralized rock excavated in drifting, but the grade was too low to pay handling charges. Two small pods of ore were recently encountered. These were mined separately from the waste, and the ore is presently stockpiled on the dump.

The applicant is capable of completing the proposed work.

DESCRIPTION OF THE DEPOSITS

The mine is situated on the west side of Red's Canyon, high above the canyon bottom. The canyon cuts through Wingate sandstone, Chinle sandstones and shales, and deep into the Moenkopi shale. Known uranium mineralization in the area occurs in the Moss Back member of the Chinle formation. This is a fine- to coarse-grained sandstone which contains local lenses of mudstone. The unit has an average thickness of 5 to 50 feet, but because of the presence of channel fills, thickness may increase to 90 feet. Uranium ore usually occurs in concentrations in the low areas of larger channels which have cut into the underlying Monitor Butte member of the Chinle formation. The existing mine workings are in the Moss Back member. Rim exposures show this formation to have a normal thickness along the west side of Red's Canyon. At a point a few hundred feet north of the mine, a small side canyon on the west exposes a well-developed channel which has a width of 175 to 200 feet and which cuts deep into the Monitor Butte member. Exposures on the north and south sides of the small canyon indicate the channel has a north-south trend. The objective of the applicant is to crosscut west from the rim exposure and intersect this channel. The occurrence of small pods of mineralization encouraged the applicant to drive drifts from the main crosscut. Significant ore bodies have not been encountered, but indications are that mineralization is increasing as the channel is approached. The distance from the rim to the channel

cannot be determined accurately. Indications in each of the two westernmost faces are that bedding dips at the base of the sandstone are increasing. Also, some indication of crossbedding was noted in the face of "D" crosscut.

PROPOSED EXPLORATION

The applicant is presently drifting west and southwest in two headings. Proposals are made to continue the main crosscut N. 10° W. for a distance of 350 feet, to extend the "D" drift southwest 250 feet, and to crosscut 100 feet west from the face of "C" drift. The applicant requests assistance to complete a total of 700 feet of lateral work. It is recommended that the work be confined to extending one heading in a westerly direction to intersect channeling (fig. 3). Although the distance cannot be predicated with certainty, it is believed 350 feet of lateral work is sufficient. In the event less footage is required to intersect the channel, the remaining footage may be used for drifting along the channel. Drifting in either direction along the channel will have the same merit.

PROJECT COSTS

The applicant's proposals have been revised to include only 350 feet of lateral work in place of 700 feet of drifting and 350 feet of drilling. It is estimated that 100 days will be required to complete the revised program. Costs are estimated as shown below:

Labor and Supervision

Labor

1 miner, 100 days at $20 per day -----	$2,000.00		
1 trammer, 100 days at $16 per day ---	1,600.00		
1 mucker, 100 days at $16 per day ----	1,600.00		
Total labor ----------		$ 5,200.00	

Supervision

1 geologist, 15 days at $50 per day---	$ 750.00		
1 engineer, 8 days at $50 per day ----	400.00		
Total supervision ----------		$1,150.00	
Total labor and supervision ----------			$ 6,350.00

Operating Materials and Supplies

Explosives (powder, detonators, etc.) 350 feet at $2.10 per foot ----------	$ 735.00	
Pipe, 2-inch, black, 350 feet at $0.36 per foot ----	126.00	
Vent pipe, 8-inch, 700 feet at $0.76 per foot ------	532.00	
Steel and bits, 350 feet at $2.25 per foot ---------	787.50	
Other supplies, 350 feet at $1.00 per foot ---------	350.00	
Total operating materials and supplies ----------		$ 2,530.50

Operating Equipment

Depreciation	Present value
1 Gardner-Denver 105-cubic-foot compressor ----	$ 2,400.00
1 shuttle car, 1-ton ----------	3,600.00
1 Jackdrill and leg ----------	600.00
1 100-gallon tank ----------	100.00
1 mucking machine ----------	2,500.00
1 Homelight power plant ----------	1,100.00
Total ----------	$10,300.00

Depreciation over 4 months at $171.67 per month ---------- $ 686.68

Miscellaneous

Repairs to equipment, estimated 4 months at $50 per month	$ 200.00	
Analyses, 100 samples at $3 each	300.00	
Payroll taxes and liability insurance, 11 percent of $5,200	572.00	
Total miscellaneous		$ 1,072.00
Total estimated cost of project		$10,639.18
Crosscut cost per foot, 350 feet		$ 30.39

CONCLUSIONS AND RECOMMENDATIONS

Uranium mineralization occurs in the Moss Back member of the Chinle formation in the Red's Canyon area of the San Rafael Swell. Most of the known production has occurred in channel structures. A well-defined channel appears to be striking into the property of the Adams Uranium Co., Inc. Channel exposures on the rim outcrops on adjoining properties indicate the existence of mineralization of ore grade. It appears that an extension of the west crosscut in the Adams mine will intersect this channel. The chances of developing ore bodies of economic importance are considered good. Recommendation is made that the applicant be granted a loan to complete 350 feet of crosscutting to explore the Red Butte claims.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 360
Grand Junction, Colorado

MINERAL DEPOSITS
DMEA
RECEIVED
JUL 10 1956

U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

TRANSMITTED
JUL 16 1956

DMEA
Date Rec'd.
JUL 11 1956

July 6, 1956

BUREAU OF MINES
Denver, Colorado

Memorandum

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

From: J. William Hasler

Through: E. N. Harshman

Subject: Transmittal of a geologic report of examination, Adams Uranium Company, Inc. DMEA docket 4244 (Uranium), Red Butte Group of Claims, Emery County, Utah

The Adams Uranium Company, Inc. applied to the Defense Minerals Exploration Administration for aid to explore for uranium on the Red Butte group of claims in Emery County, Utah. The property was examined June 6, 1956, by W. E. Young, U. S. Bureau of Mines and Howard Albee, U. S. Geological Survey. Mr. Gilbert Adams, President of the Company accompanied the team.

The property lies on the western flank of the San Rafael Swell about 38 miles southwest of Temple Mountain. The oldest rocks exposed in the area are those of the Moenkopi of Triassic Age. And these rocks are overlain by rocks of the Chinle formation, also of Triassic Age. The Moss Back member of the Chinle is the main ore-bearing unit on the property. Orebodies in the area range from a few tons to over 8,000 tons and the chances of discovering orebodies ranging in size from a few tons to as much as 8,000 tons are fair.

The applicant proposed an underground exploration program which seemed somewhat ambitious, consequently a revised program is herein proposed and has been agreed upon by the applicant.

It is proposed that the exploration program herein outlined be executed. I concur with the conclusions and recommendations of the examining team. The Atomic Energy Commission was contacted relative to the appraisal of this property. Enclosed are the required number of maps and figures for inclusion in the accompanying report.

J. William Hasler
J. William Hasler,
Geologist

Enclosures

JWH/dm

cc: Harshman
DMEA FILE
Chron file

Reviewed by
DMEA OPERATING COMMITTEE
7-20-56
(date)

TRANSMITTED

JUL 16 1956

UNITED STATES
DEPARTMENT OF INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY EXAMINING TEAM
REGION III

RECEIVED
JUL 18 1956

DMEA 4244

ADAMS URANIUM COMPANY, INC.
Red Butte Group
Emery County, Utah

Uranium

Geologic Report

by

Howard F. Albee
U. S. Geological Survey

July 5, 1956

Reviewed by
DMEA OPERATING COMMITTEE
7-20-56
(date)

ADAMS URANIUM COMPANY, INC.
RED BUTTE GROUP
EMERY COUNTY, UTAH

CONTENTS

Geologic report	Page
Introduction and summary	2
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Applicant's proposed exploration program	5
Revised exploration program	6
Conclusions and Recommendations	7

ILLUSTRATIONS

Fig. 1 Index map of Utah showing location of Red Butte Group of claims, Adams Uranium Company, Inc., Emery Co., Utah
Fig. 2 Geologic map showing Red Butte Group of Claims
Fig. 3 Map showing mine and location of proposed crosscut

on contact

INTRODUCTION AND SUMMARY

Adams Uranium Company, Incorporated (DMEA docket 4244), 399 Second East Street, Helper, Utah has applied to Defense Minerals Exploration Administration for assistance to explore for uranium on their Red Butte group of claims in Emery County, Utah.

The applicant proposes a total of 700 feet of crosscutting to be started at three places, and 350 feet of "top holes" to be drilled 10 feet deep at 20-foot intervals. The total cost is estimated at $21,801.50.

The Red Butte group of claims is located in Redds Canyon on the west flank of the San Rafael Swell. The property is accessible from Greenriver, Utah by way of Utah State Highway 24 to Temple Mountain, then southwesterly about 38 miles by way of an improved access road. The property is accessible throughout the year except for short periods of heavy rains in the summer and possible heavy snow in the winter.

The property was examined June 6, 1956 by W. E. Young, U. S. Bureau of Mines, and Howard F. Albee, U. S. Geological Survey, in company with Gilbert Adams, President of the company.

The company has crosscut westerly about 212 feet. About 40 feet back from the heading of the main crosscut they have crosscut northerly about 113 feet and back from the face about 30 feet. They have crosscut southwesterly about 70 feet. Indications of scouring are developing near station 10 in the main drift and near station 11 in

the southwest crosscut (fig. 3) and the first ore pod was discovered in the southwest crosscut 40 feet from station 6. The company stated that 10 tons of ore from this pod assayed 0.34 percent U_3O_8. A grab sample from this pod assayed 0.72 percent U_3O_8, 0.05 percent V_2O_5, and 5.5 percent $CaCO_3$. Strong uranium mineralization was noted by the field examiners at the working face of the crosscut near station 11. Since the date of the examination Atomic Energy personnel have inspected and mapped the mine, and have found that uranium mineralization is increasing a short distance beyond station 11.

The examining team believes that an ore-bearing scour or channel may be penetrated a short distance west of the present workings and recommends that the application be approved.

GEOLOGY

The property lies on the western flank of the San Rafael Swell, which is a huge, northerly trending, assymetric dome. The rocks in the vicinity of the claims strike N. 30°-40° E. and dip about 2° northwest. The general area contains many faults but none were noted on the claims.

The oldest rocks exposed in the area are those of the Moenkopi formation of Triassic age which consists of regularly bedded, ripple marked red siltstone. The Moenkopi is overlain by the Chinle formation also Triassic in age, which is divided into three members. The lowest member is the Monitor Butte which consists of purple and red mudstone. The Monitor Butte is overlain by the Moss Back member which

consists of poorly sorted sandstone and conglomerate. The Moss Back grades into the red shale of the overlying Church Rock member. The Triassic Wingate sandstone forms a sheer cliff immediately above the Chinle formation, (fig. 2).

The Moss Back sandstone is the ore host and significant ore deposits are restricted to channels or scours where most or all of the Monitor Butte member has been eroded and Moss Back sandstone lies on or within a few feet of the base of the Monitor Butte member.

ORE DEPOSITS

The Red Butte group of claims, originally staked in 1954, is now held by the Adams Uranium Company by quitclaim deed from the original locator.

The Adams Uranium Company has been crosscutting in the Moss Back for about a year, with most of the work being done alone by Gilbert Adams, the company president. The objective was to crosscut into the Conrad channel which is exposed in three places at about 1,200 feet, 2,000 feet, and 2,800 feet, respectively, from the mine adit. Projection of the alignment of the exposures, however, would place the channel east of the present east facing escarpment.

The main tunnel is in 212 feet to station 10 (fig. 3). 30 feet back from station 10 a crosscut trending southwest has been driven a few feet past station 11 at 67 feet. A scour or channel appears to be developing to the west of stations 10 and 11. A pod of uranium ore was discovered 30 feet back of station 11 from which a

grab sample assayed 0.72 percent U_3O_8, 0.05 percent V_2O_5, and 5.5 percent $CaCO_3$. Ten tons of ore shipped from the pod to Moab, Utah was reported to assay 0.34 percent U_3O_8. This shipment is too recent to be on the Atomic Energy Commission production records and could not be checked.

Ore bodies in the area range from a few tons to over 8,000 tons. The Dirty Devil No. 4 and No. 6 mines, about 2 miles south of the Red Butte group, have produced over 4,000 tons each, but the production has been from several closely spaced small orebodies. The Lucky Strike mine, about 2 miles north of Red Butte group, has produced over 8,000 tons of uranium ore from one orebody and is in a channel that is estimated by U. S. Geological Survey resource appraisal personnel to contain 25,000 tons of inferred reserves. The Conrad channel, about 2,800 feet north of the Red Butte group, has produced about 41 tons of low-grade uranium ore.

The uranium minerals in the area are contained in or closely associated with asphaltic material. Carbonaceous material and fossil logs are present but do not show as much radioactivity on a scintillation counter as the asphaltic material.

APPLICANT'S PROPOSED EXPLORATION PROGRAM

The applicant proposes to crosscut a total of 700 feet, the footage to be expended at three different locations as follows (fig.3): (1) crosscut 250 feet southwesterly starting from a point near station 5, (2) crosscut 350 feet N. 80° W. starting at station 10, and (3) crosscut 100 feet N. 80° W. starting from a point near station 9.

The applicant also proposes 350 feet of "top holes", one hole 10 feet deep at intervals of 20 feet.

The cost was estimated for 700 feet of 5' x 7' crosscutting at $30.77 per foot for a total of $21,539.00. The "top holes" and probing were estimated to cost $0.75 per foot for a total of $262.50. The total program was estimated to cost $21,801.50. D.M.E.A. participation at 75 percent would be $16,351.02.

REVISED EXPLORATION PROGRAM

A northerly trending mineralized channel or scour is indicated in the area west of the present mine workings. The examining team believes that one crosscut is sufficient to disprove or establish the presence of a channel.

The crosscut should be started from station 11 on a bearing of N. 80° W. and driven as much as 350 feet. If a channel is found with less than 350 feet, the remaining footage should be used to explore along the channel. The channel should be explored with not less than 200 feet of drifting, thus the footage allowed could vary but could not exceed 550 feet. The company should be allowed a maximum of 550 feet of crosscutting and drifting.

Stage I. Crosscut from station 11 on a bearing of about N. 80° W. until a channel is penetrated, but not to exceed 350 feet.

Stage II. Drift in the channel for a maximum of 200 feet. The location of the drift and the direction must be agreed upon by a representative of the government and the company. The footage may

be expended in one direction or part of the footage may be expended in both directions from the crosscut.

CONCLUSIONS AND RECOMMENDATIONS

The Red Butte claims are in an area favorable for the occurrence of orebodies. Crosscutting on the Red Butte No. 1 claim shows that a mineralized channel seems to be developing west of the working faces in the main and the southwest crosscuts. The working face in the southwest crosscut shows strongly mineralized material. The examining team therefore recommends that the application as modified be approved.

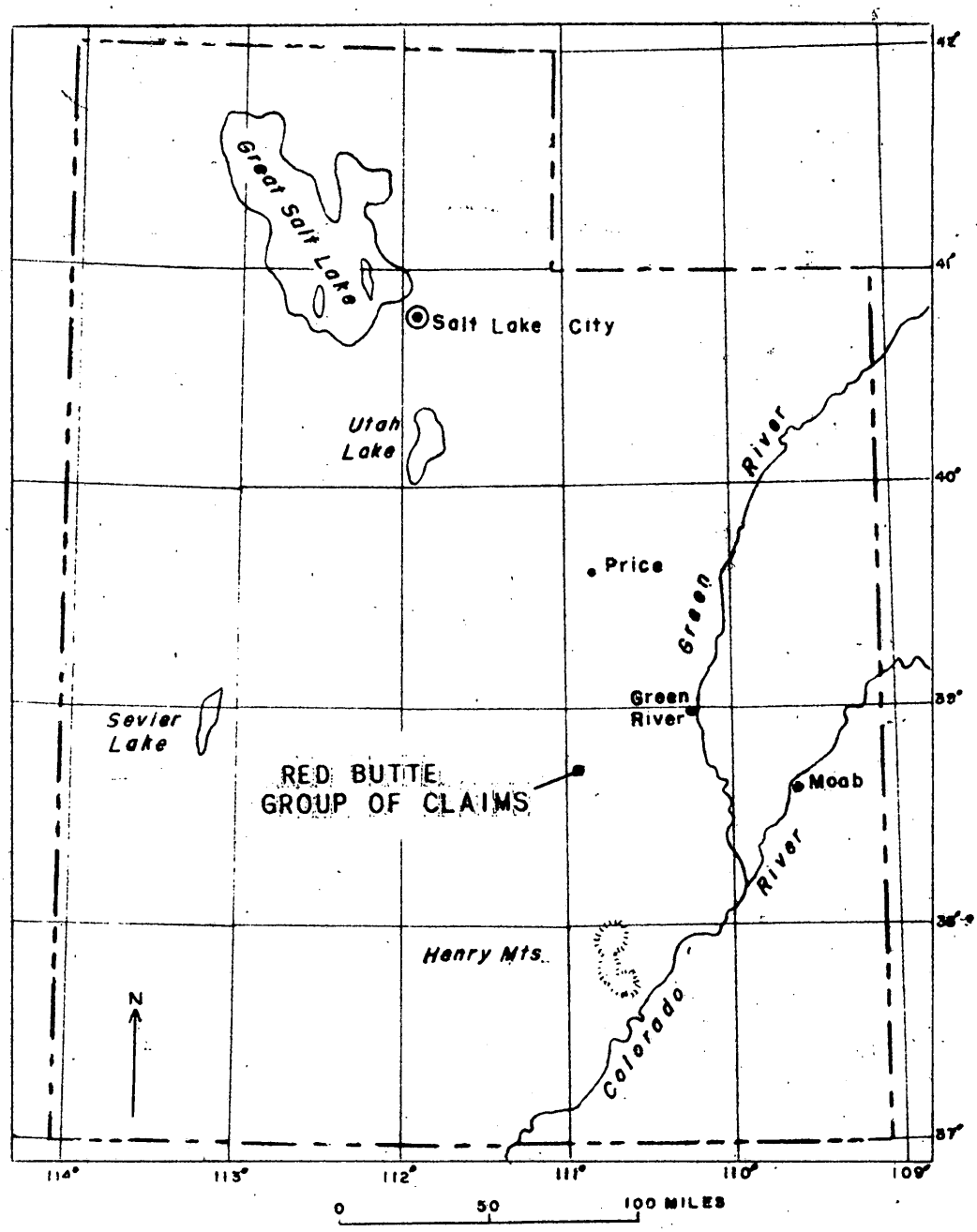


FIGURE 1. INDEX MAP OF UTAH SHOWING LOCATION OF RED BUTTE GROUP OF CLAIMS, ADAMS URANIUM CONPANY, INC., EMERY COUNTY, UTAH.

7-1856

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

July 13, 1956

RECEIVED
JUL 18 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: S. R. Wilson

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4244 (Uranium) Adams Uranium Company, Inc. (Red Butte claims), Emery County, Utah

Please forward this office 12 copies each of Figures 2 and 3 which were included in the engineer's Report of Examination on the subject property. These maps will be needed by the Washington Office for possible use in the contract.

W. M. TRAVER,

W. M. Traver

WMC:ab

cc: Sec. Op. Comm. (2)
Harshman
Docket 4244
Chron.

5-3-56

RECEIVED
MAY 2 - 1956

April 27, 1956

Memorandum

To: S. R. Wilson

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4244 (Uranium), Adams Uranium Company, Inc. (Red Buttes Claims), Emery County, Utah

Enclosed please find the subject application in the amount of $21,801.50.

A field examination and suitable report are required. The completed report should be forwarded directly to the Executive Officer, with a copy of the memorandum of transmittal to this office.

JOHN F. SHAW

John F. Shaw

Enclosure

cc: W. M. Traver (3)
E. H. Harshman
J. W. Hasler
M. K. Salsbury
See Op. Com. (2)

4-30-56

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

April 26, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. F. Shaw (2) (With brochure)
J. W. Hasler

From: Field Team, Region III

Subject: Docket DMEA 4244 (Uranium) Adams Uranium Company, Inc. (Red Buttes Claims), Emery County, Utah

Enclosed is the subject application in the amount of $21,801.50. A field examination and suitable report are required.

For your information attached are a copy of a letter from the Chairman, Operating Committee and memoranda of review of the application by members of the Uranium Commodity Committee.

Will you please return the brochure with the Report of Examination.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

DMC:ab

cc: Chair. Op. Comm. (2)
Docket 4244
Marshman
Charon.

RECEIVED
APR 30 1956

700

FILE COPY
Surname:
Murphy
Selfridge

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

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

APR 23 1956

Re: Docket No. DMEA-424 (Uranium)
Adams Uranium Company, Inc.
Red Butte Claims
Emery County, Utah

Dear Mr. Traver:

In accordance with the Grand Junction and your memoranda, dated April 3 and 5, 1956, respectively, the captioned application is referred to Region III Field Team for a field examination and recommendation.

Copies of memoranda dated April 13 and 20, 1956, by James Paone, USBM, and W. P. Williams, USGS, respectively, relating to the application are enclosed.

The Applicant states that the above-mentioned claims are owned outright, and are not subject to any royalty or other outside interest.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GHB)

Enclosures

APPROVED:

/s/ Robert W. Geehan (GHB)
Member, Bureau of Mines

N. E. Nelson (GHB)
Member, Geological Survey

FMMurphy.izm 4-23-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
Operating Committee
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

RCS.

700

FILE COPY
Surname:

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

APR 23 1956

Mr. Gilbert Adams, President
Adams Uranium Company, Inc.
Post Office Box 360
399 Second East Street
Helper, Utah

Re: Docket No. DMEA-4244 (Uranium)
Red Butte Claims
Emery County, Utah

Dear Mr. Adams:

The application for assistance in exploring your property, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for a field examination to:

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

The Regional Office will contact you at the earliest opportunity in regard to your project.

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/izm 4-23-56
Copy to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
DMEA Field Team, Region III (2)

4-20-56

IN REPLY REFER TO:

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

RECEIVED
APR 20 1956

April 20, 1956

Memorandum

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

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

Subject: Review of application, DMEA 4244, Adams Uranium Company, Inc., Red Butte claims, Temple Mountain district, Emery County, Utah.

The applicant proposes to explore for uranium ore on eight unpatented mining claims on the west flank of the San Rafael Swell. The contemplated work would consist of driving a total of 700 feet of drift off an existing adit to intersect a channel structure in the Shinarump Conglomerate. The present adit is 360 feet long. Total estimated cost of the project is $21,802.00.

The application is documented with assay certificates for samples that purportedly came from the subject property. Two of the assays gave values of 0.39 and 0.44 percent U_3O_8.

From the maps submitted by the applicant it does not appear that the proposed work would pass under the Wingate rim. If that is true then perhaps the area could be explored more cheaply by drilling from the surface. This question could be answered by visiting the property. A field examination would also verify the "channel evidence" noted on the applicant's maps.

I recommend that the application be referred to the Field Team for field examination and report.

W. P. Williams

W. P. Williams

4-16-56

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

RECEIVED
APR 16 1956

April 13, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Application for assistance, DMEA Docket 4244, Adams Uranium Company, Inc., Emery County, Utah

I have reviewed the attached application, Adams Uranium Company, Inc., DMEA Docket 4244, dated March 22 and received in this office April 11. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The Adams Uranium Company has requested DMEA assistance to explore for uranium on eight unpatented mining claims located in Redd's Canyon, Temple Mountain Mining District, Emery County, Utah. The proposed project includes 700 feet of drifting, at a unit cost of $30.77, designed to crosscut the Conrad channel which may project under the subject claims. The total estimated cost is $21,801.50.

The subject property has produced some ore-grade material and assay reports contained in the application appear sufficiently promising. We recommend the application be referred to the field for recommendation and possible examination.

James Paone

James Paone

Attachment

April 11, 1956
Subject: DMEA-4244
Re: Exploration Assistance
Adams Uranium Company, Inc.

Adams Uranium Company, Inc.
P. O. Box 360
399 Second East Street
Helper, Utah

Gentlemen:

The receipt of your application dated March 22, 1956, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4244 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

April 11, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Chief, Operation's Control and Statistics Division

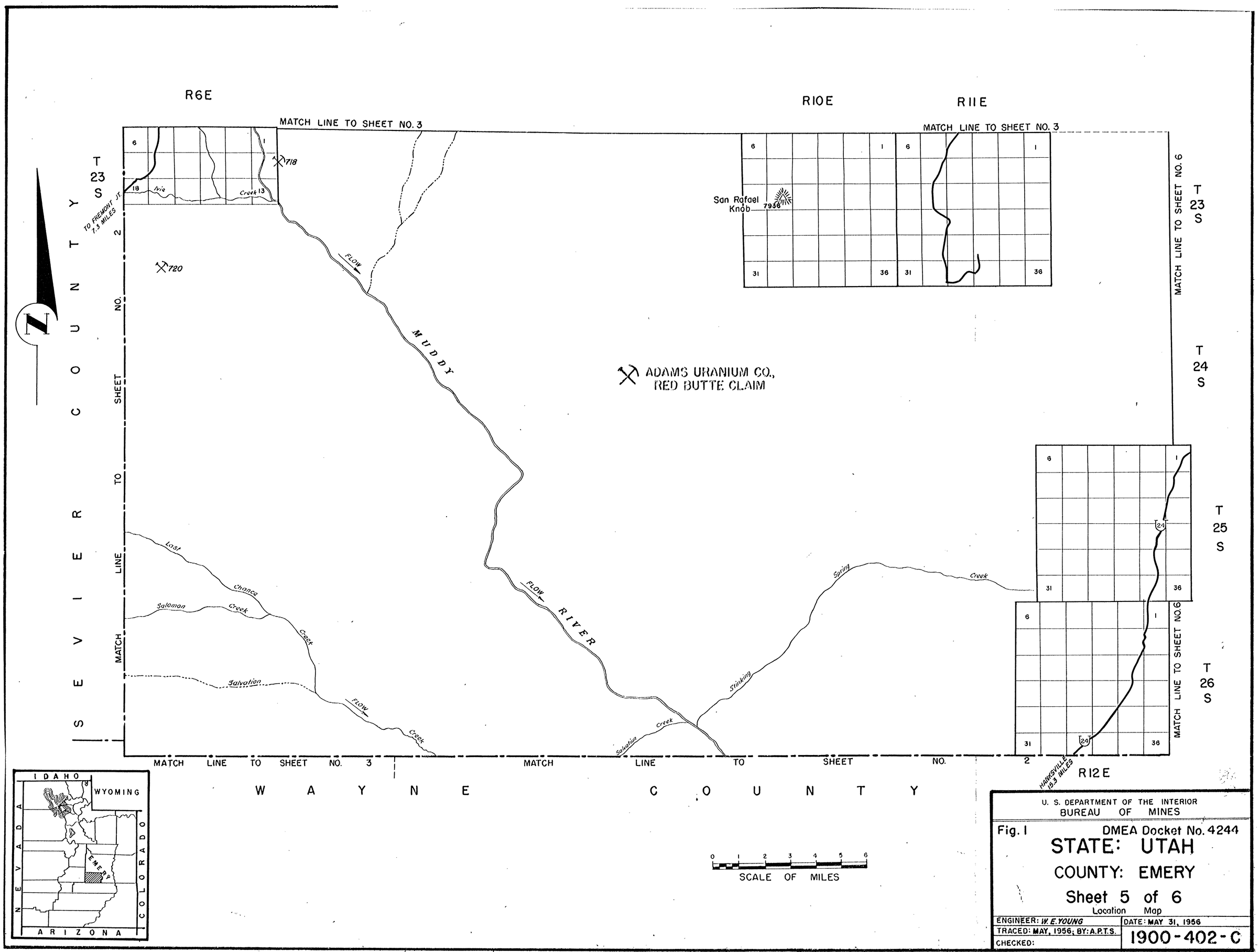
Subject: Assignment of Docket Number

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

DMEA - 4244 Adams Uranium Company, Inc.

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

Recd w/ Reg. 3's memo of 7-16-56.



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMEA Docket No. 4244

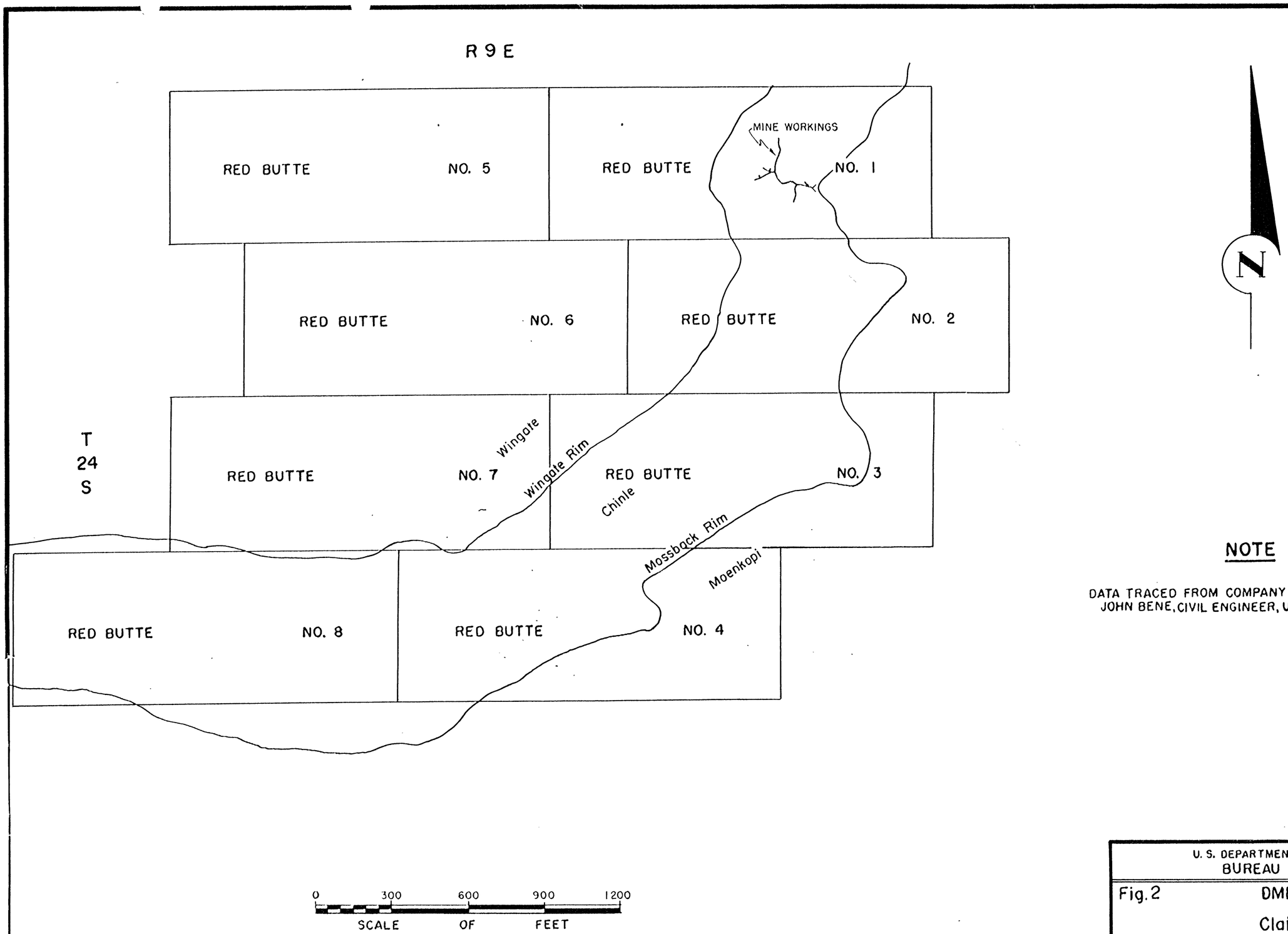
STATE: UTAH

COUNTY: EMERY

Sheet 5 of 6

Location Map

ENGINEER: W. E. YOUNG	DATE: MAY 31, 1956
TRACED: MAY, 1956; BY: A.P.T.S.	1900-402-C
CHECKED:	



NOTE

DATA TRACED FROM COMPANY MAP SURVEYED BY:
JOHN BENE, CIVIL ENGINEER, UTAH, MAR. 2, 1956.

U. S. DEPARTMENT ON THE INTERIOR
BUREAU OF MINES

Fig. 2 DMEA Docket No. 4244

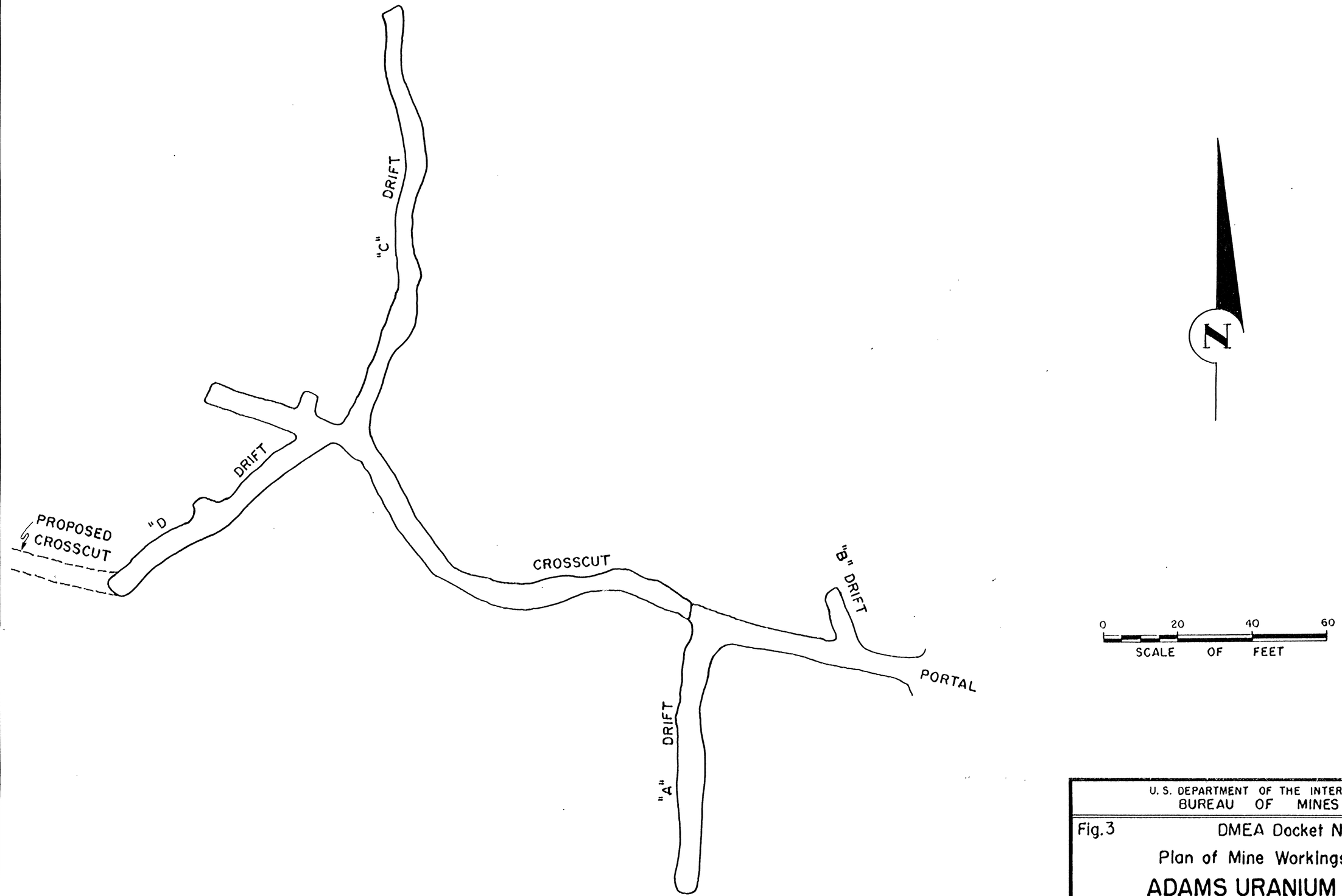
Claim Map

ADAMS URANIUM CO.

RED BUTTE CLAIMS

EMERY COUNTY, UTAH

ENGINEER: *W. E. YOUNG*	DATE: JUNE 13, 1956
TRACED: JUNE, 1956; BY: A.P.T.S.	1900 - 403 - E
CHECKED:	



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

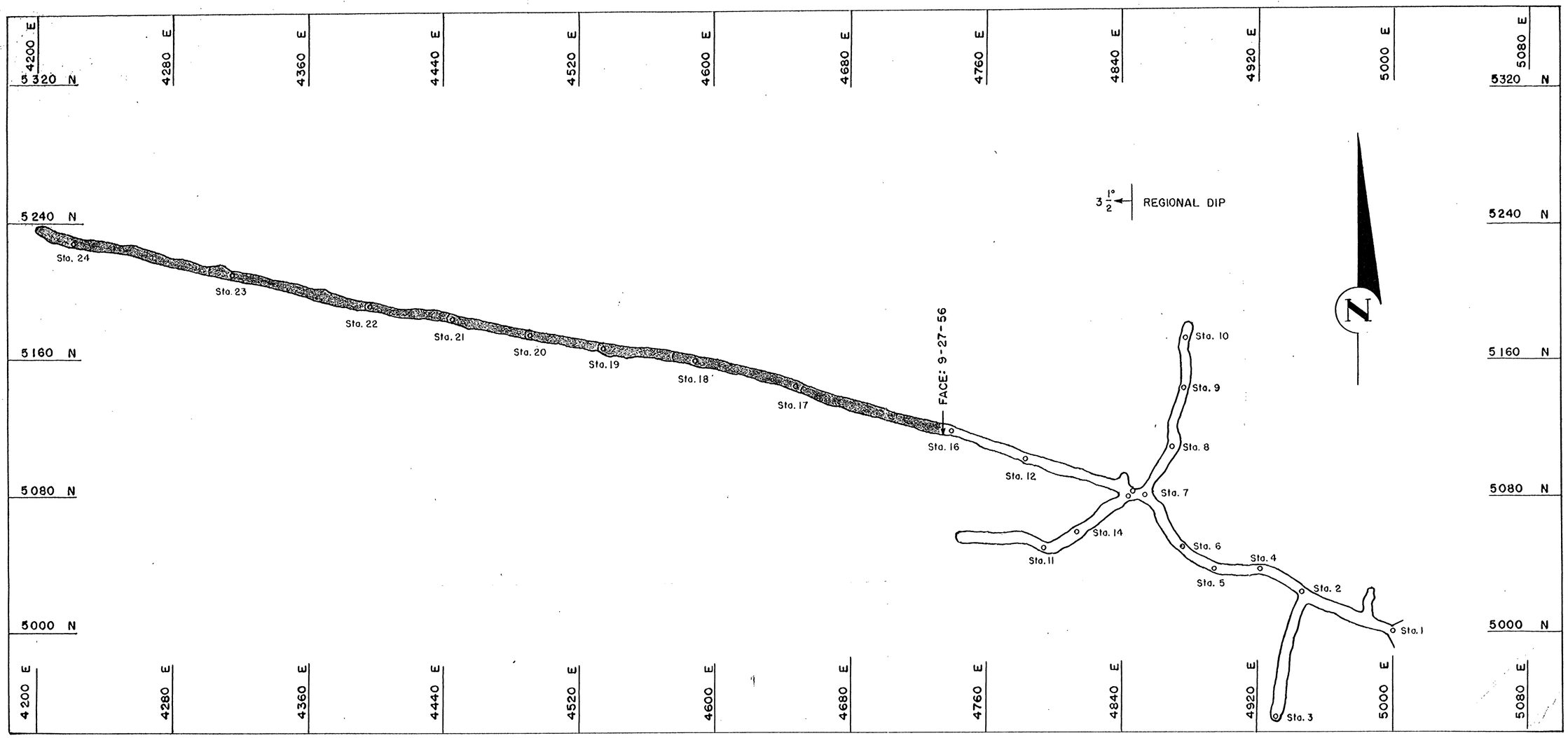
Fig. 3 DMEA Docket No. 4244

Plan of Mine Workings

ADAMS URANIUM CO.
RED BUTTE NO. 1 CLAIM

EMERY COUNTY, UTAH

ENGINEER: *W. E. YOUNG*	DATE: JUNE 12, 1956
TRACED: JUNE, 1956; BY: A.P.T.S.	1900 - 404 - E
CHECKED:	



LEGEND

DMEA WORK

NOTE

TRACED FROM EAKLAND & OSTERSTOCK MAP, 1957

0 40 80 120 160

SCALE OF FEET

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 3 DMEA Docket No. 4244

DMEA Crosscut and Old Workings

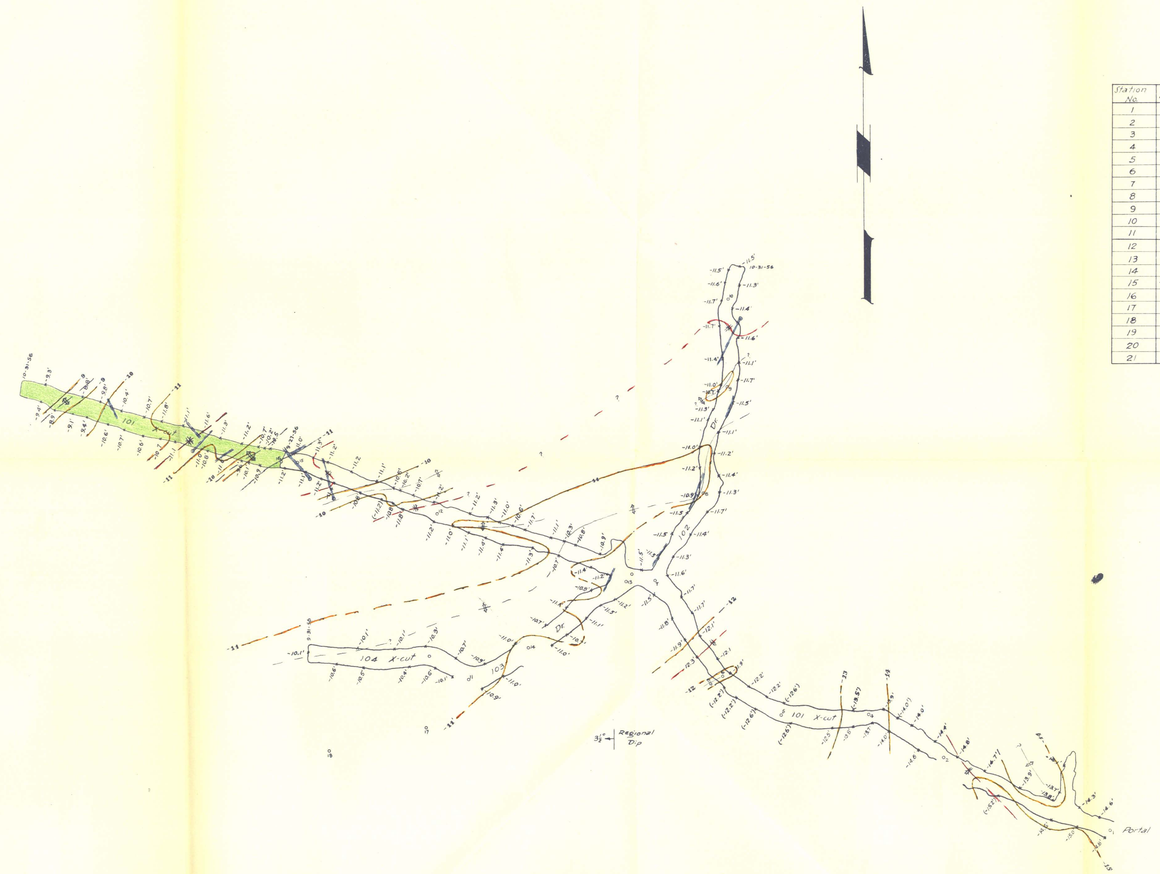
ADAMS URANIUM CO.

RED BUTTE CLAIMS

EMERY COUNTY UTAH

ENGINEER: P. V. FILLO	DATE: AUG. 31, 1957
TRACED: AUG., 1957; BY: A.P.T.S.	1900 - 442 - D
CHECKED:	

Station No.	Elevn
1	0.0'
2	-2.1'
3	
4	-1.6'
5	-1.7'
6	-2.6'
7	-4.3'
8	-3.4'
9	-3.7'
10	-3.2'
11	-7.6'
12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	
18	
19	
20	
21	



5240 N

5160 N

5080 N

5000 N

4920 N

4840 N

4360 E

4440 E

4520 E

4600 E

4680 E

4760 E

4840 E

4920 E

5000 E

Axis of "channel scour"

Axis of "channel ridge"

Contour line on Moenkopi-Mossback contact

Fossil log, with larger end indicated

Tape-Brunton Survey Station

Workings completed prior to DMEA contract

DMEA Work completed during month of OCT 1955

DMEA work previously reported

RECEIVED
DEC 20 1956
D.M.E.A.

ADAMS URANIUM CO., INC.
RED BUTTE No. 1 MINE
UNDERGROUND WORKINGS
AND
CORRECTED CONTACT CONTOURS

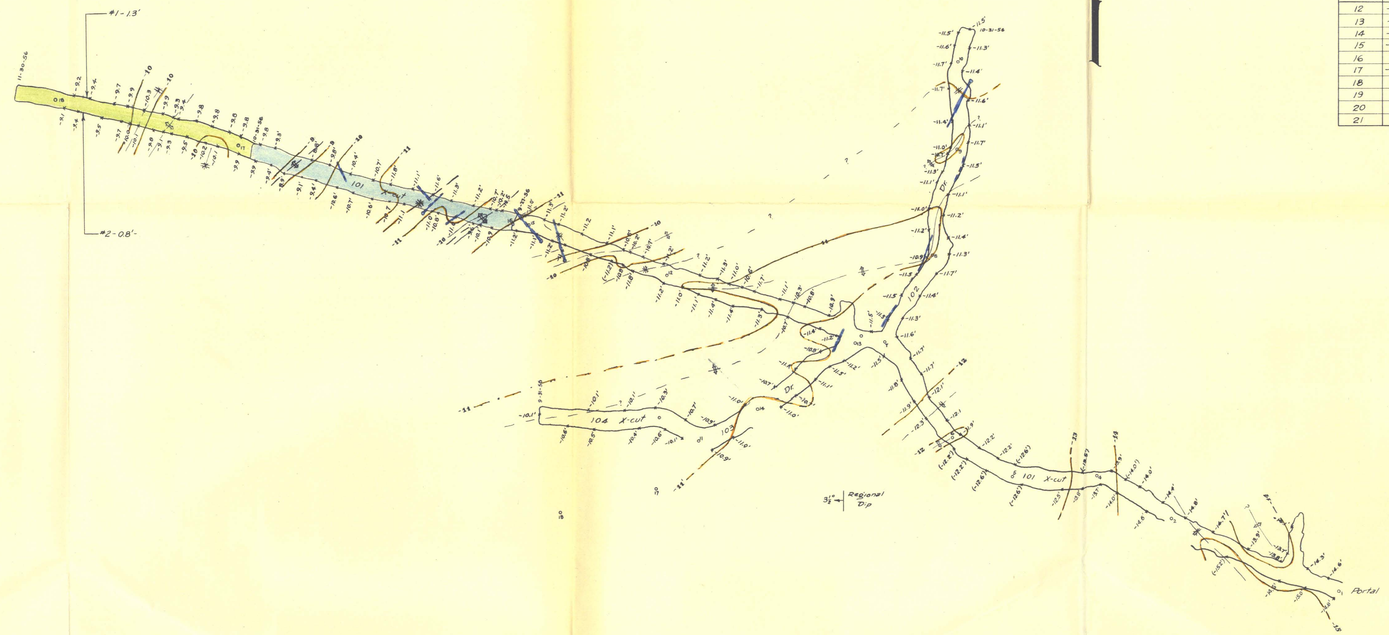
EMERY COUNTY UTAH
REVISED TO: OCT 31 1955 SCALE: 1" = 20'

Prepared By: E.H. Eakland, Jr, Salt Lake City, Utah

Eakland

4840 N

Station No.	Elev'n
1	0.0'
2	-2.1'
3	
4	-1.6'
5	-1.7'
6	-2.6'
7	-4.3'
8	-3.4'
9	-3.7'
10	-3.2'
11	-7.6'
12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	-14.6'
18	
19	
20	
21	



Axis of "channel scour"

Axis of "channel ridge"

Contour line on Moenkopi-Mesaback contact

Fossil log, with larger end indicated

Tape-Brunton Survey Station

Workings completed prior to DMEA contract

DMEA Work completed during month of NOV 1956

DMEA work previously reported

Array order - Sample No - Length of cut - % U3O8 (c).

ADAMS URANIUM CO., INC.

RED BUTTE No. 1 MINE

UNDERGROUND WORKINGS AND CORRECTED CONTACT CONTOURS

EMERY COUNTY, UTAH

REVISED TO: DEC 3 1956 SCALE: 1" = 20'

Prepared By: E.H. Eakland, Jr., Salt Lake City, Utah.

5240 N

5160 N

5080 N

5000 N

4920 N

4840 N

4360 E

4440 E

4520 E

4600 E

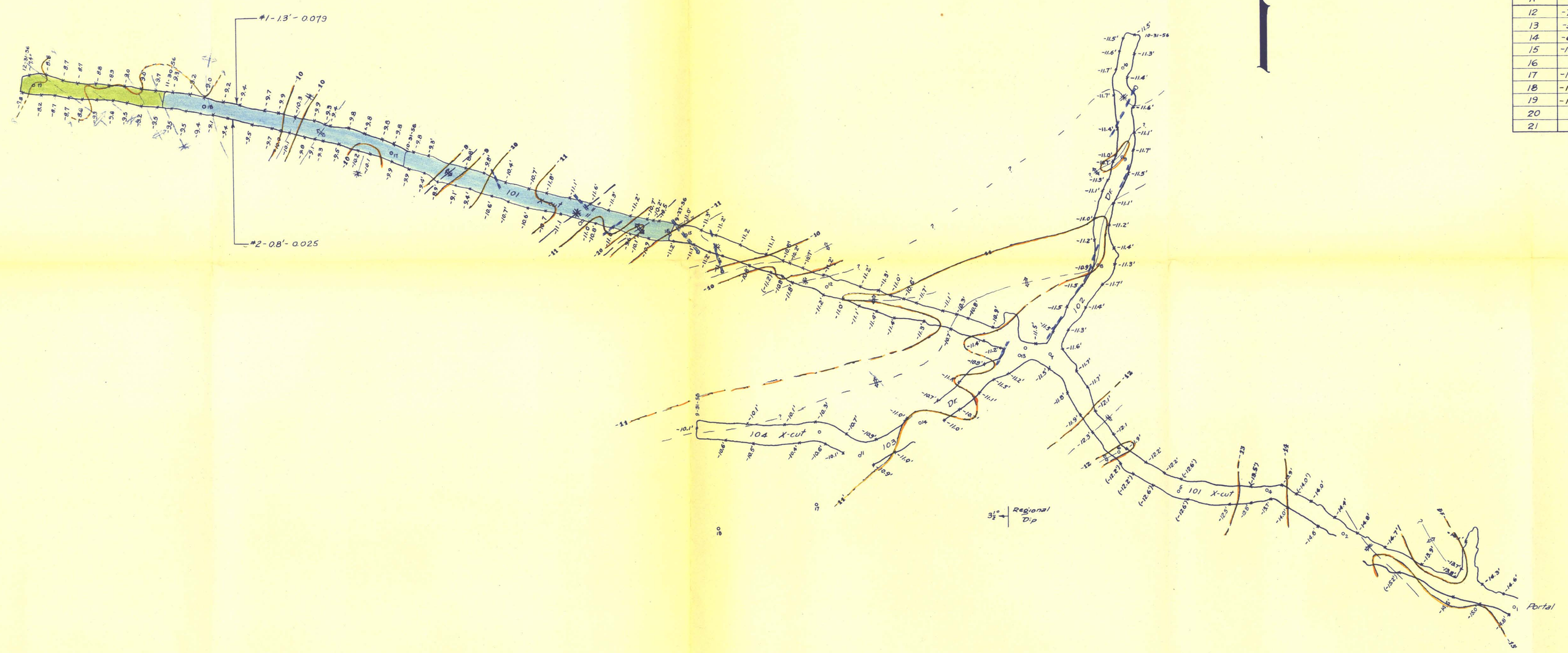
4680 E

4760 E

4840 E

4920 E

5000 E



Station No.	Elev'n
1	0.0'
2	-2.1'
3	
4	-1.6'
5	-1.7'
6	-2.6'
7	-4.3'
8	-3.4'
9	-3.7'
10	-3.2'
11	-7.6'
12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	-14.6'
18	-17.9'
19	-19.5'
20	
21	

Axis of "channel scour"

Axis of "channel ridge"

Contour line on Moenkopi-Moitback contact

Fossil log, with larger end indicated

Tape-Brunton Survey Station

Workings completed prior to DMEA contract

DMEA Work completed during month of

DMEA work previously reported

Array order - Sample No - Length of cut - % U_3O_8 (c).

ADAMS URANIUM CO., INC.

RED BUTTE No. 1 MINE

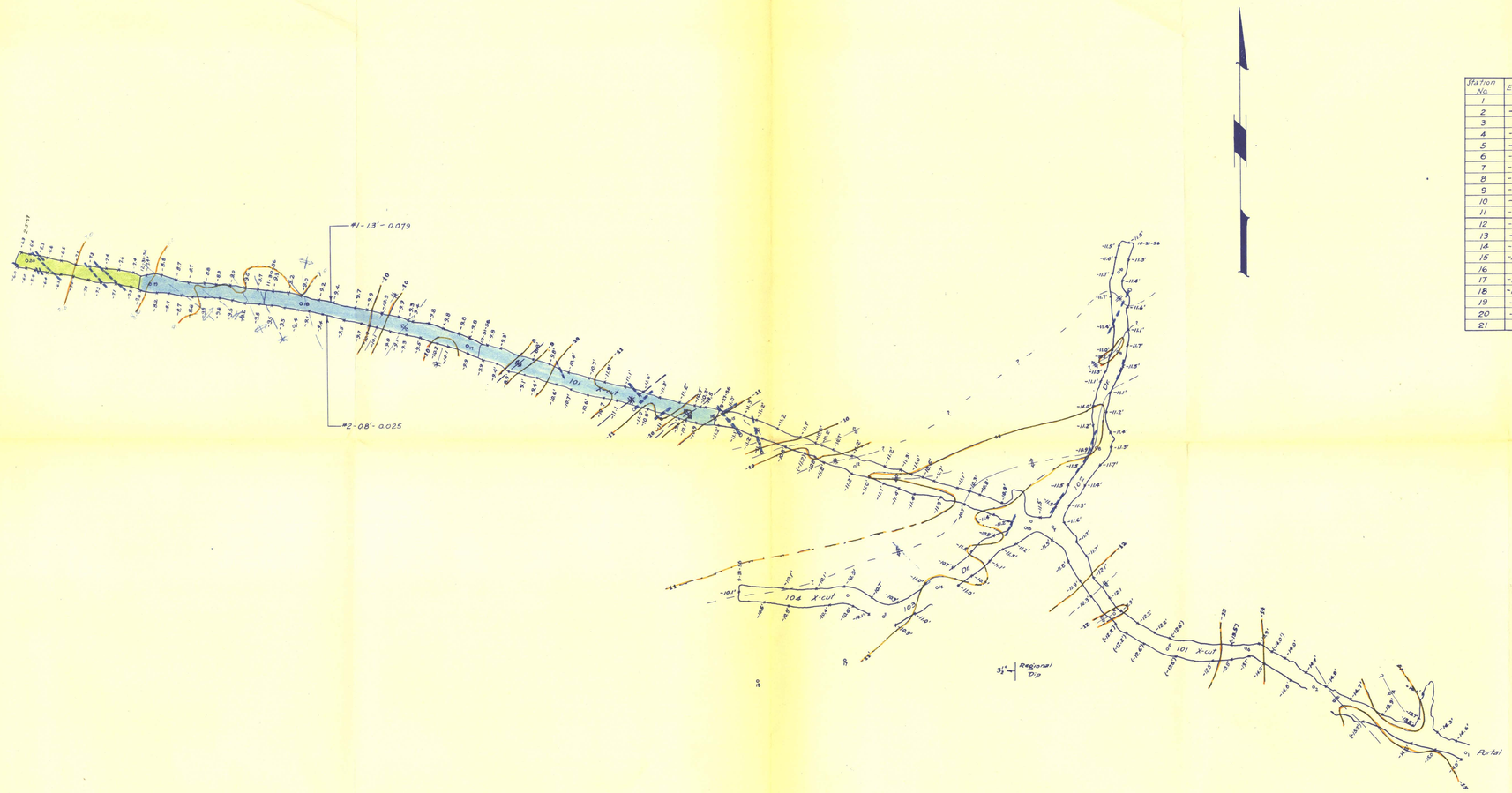
UNDERGROUND WORKINGS AND CORRECTED CONTACT CONTOURS

EMERY COUNTY, UTAH

RECEIVED TO: JAN 2 1957

SCALE: 1" = 20'

Prepared By: E.H. Eakland, Jr., Salt Lake City, Utah



Station No.	Elev'n
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10	-3.2'
11	-7.6'
12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	-14.6'
18	-17.9'
19	-19.5'
20	-20.2'
21	

Axis of "channel scour"

Axis of "channel ridge"

Contour line on Moenkopi-Mossback contact

Fossil log, with larger end indicated

Tape-Brunton Survey Station

Workings completed prior to DMEA contract

DMEA Work completed during month of JAN 1957

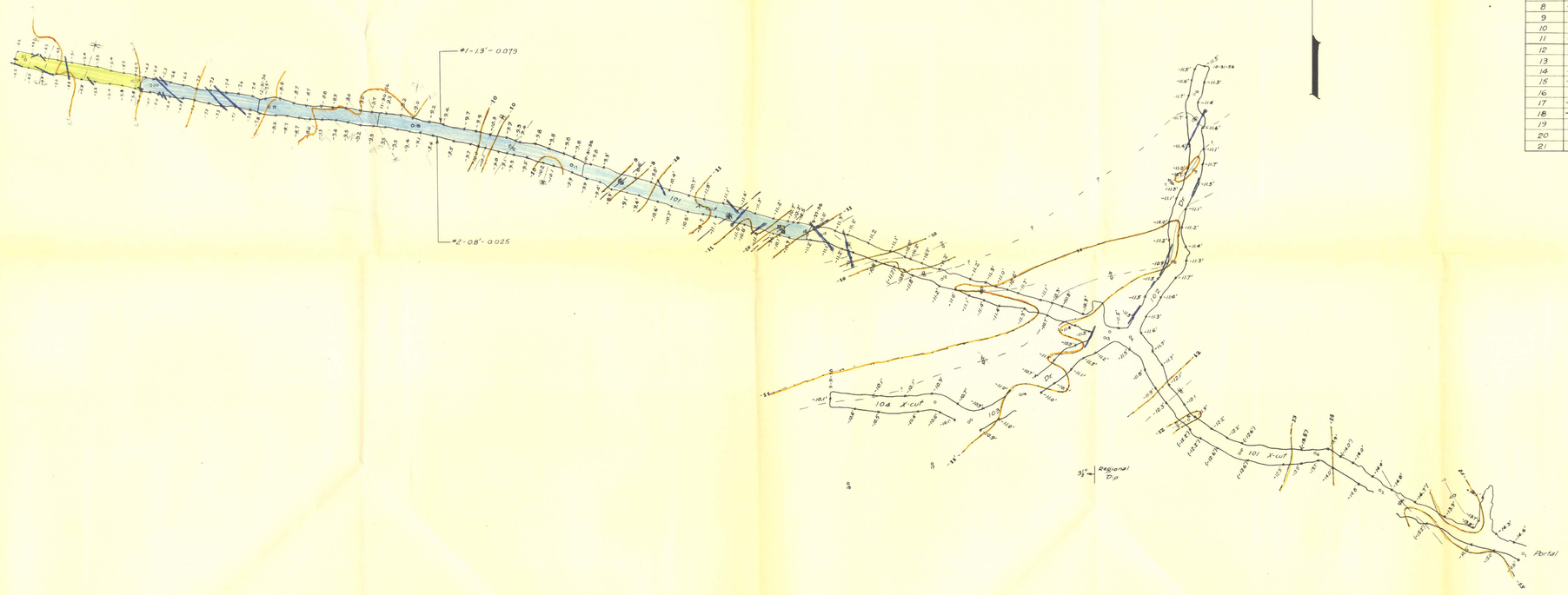
DMEA work previously reported

Assay order - Sample No - Length of cut - % U_3O_8 (c).

ADAMS URANIUM CO., INC.
RED BUTTE No. 1 MINE
UNDERGROUND WORKINGS AND CORRECTED CONTACT CONTOURS

EMERY COUNTY UTAH
REVISED TO: FEB 5 1957 SCALE: 1" = 20'

Prepared By: E.H. Eskland, Jr, Salt Lake City, Utah



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12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	-14.6'
18	-17.5'
19	-19.5'
20	-20.2
21	-21.1'

Axis of "channel scour"

Axis of "channel ridge"

Contour line on Moenkopi-Mossback contact

Fossil log, with larger end indicated

Tape-Brunton Survey Station

Workings completed prior to DMEA contract

DMEA Work completed during month of FEB 1957

DMEA work previously reported

Array order - Sample No - Length of cut - % U_3O_8(%).

EXTRA COPY
D M E A
RECEIVED APR 5 1957
DATE | INITIALS | CODE

ADAMS URANIUM CO., INC.

RED BUTTE No. 1 MINE

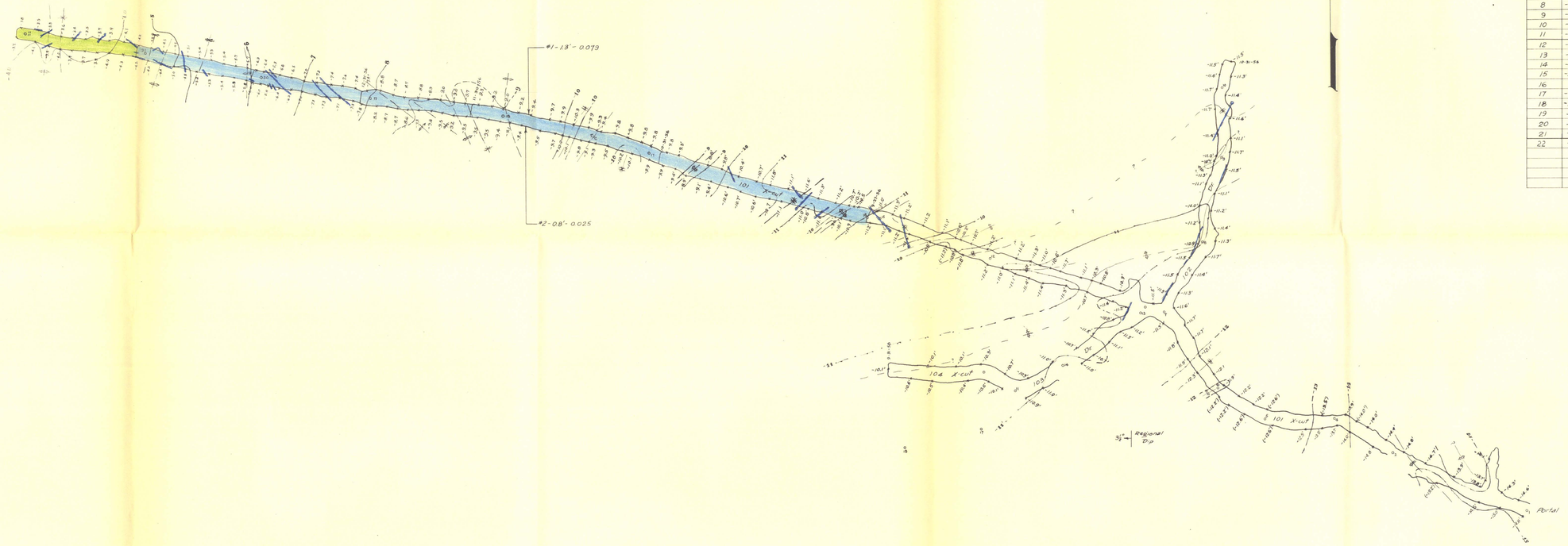
UNDERGROUND WORKINGS
AND
CORRECTED CONTACT CONTOURS

EMERY COUNTY, UTAH

RECEIVED TO: MAR 4 1957

SCALE: 1" = 20'

Prepared By: E.H. Eakland, Jr., Salt Lake City, Utah



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12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	-14.6'
18	-17.9'
19	-19.5'
20	-20.2'
21	-21.1'
22	-24.0

Axis of "channel scour"

Axis of "channel ridge"

Contour line on Moenkopi-Mossback contact

Fossil log, with larger end indicated

Tape-Brunton Survey Station

Workings completed prior to DMEA contract

DMEA Work completed during month of MAR 1957

DMEA work previously reported

Array order - Sample No - Length of cut - % U_3O_8(c).

ADAMS URANIUM CO., INC.

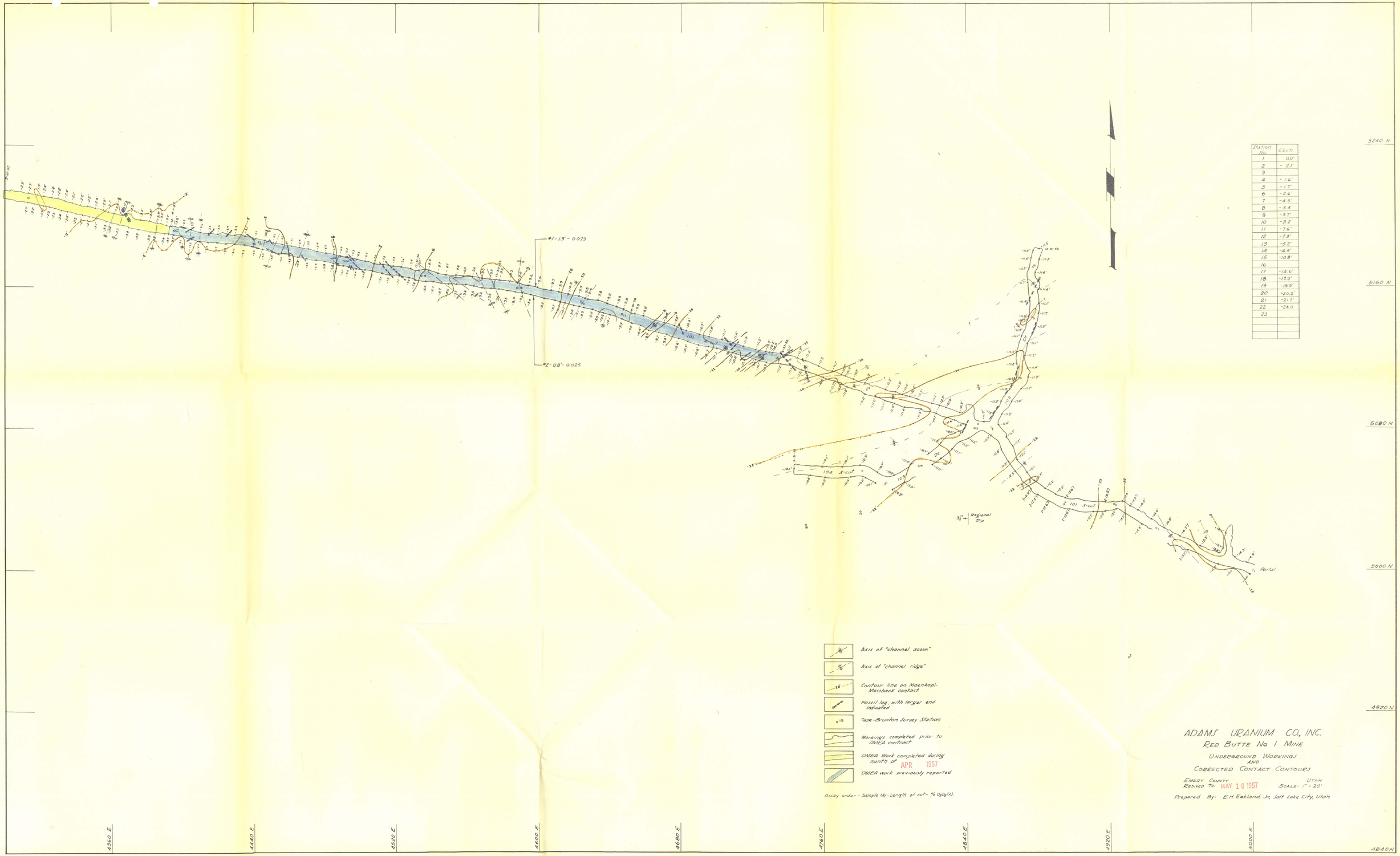
RED BUTTE No. 1 MINE

UNDERGROUND WORKINGS AND CORRECTED CONTACT CONTOURS

EMERY COUNTY UTAH

REVISED TO APR 1 1957 SCALE: 1" = 20'

Prepared By: E.H. Eakland, Jr, Salt Lake City, Utah



Station No.	Elev'n
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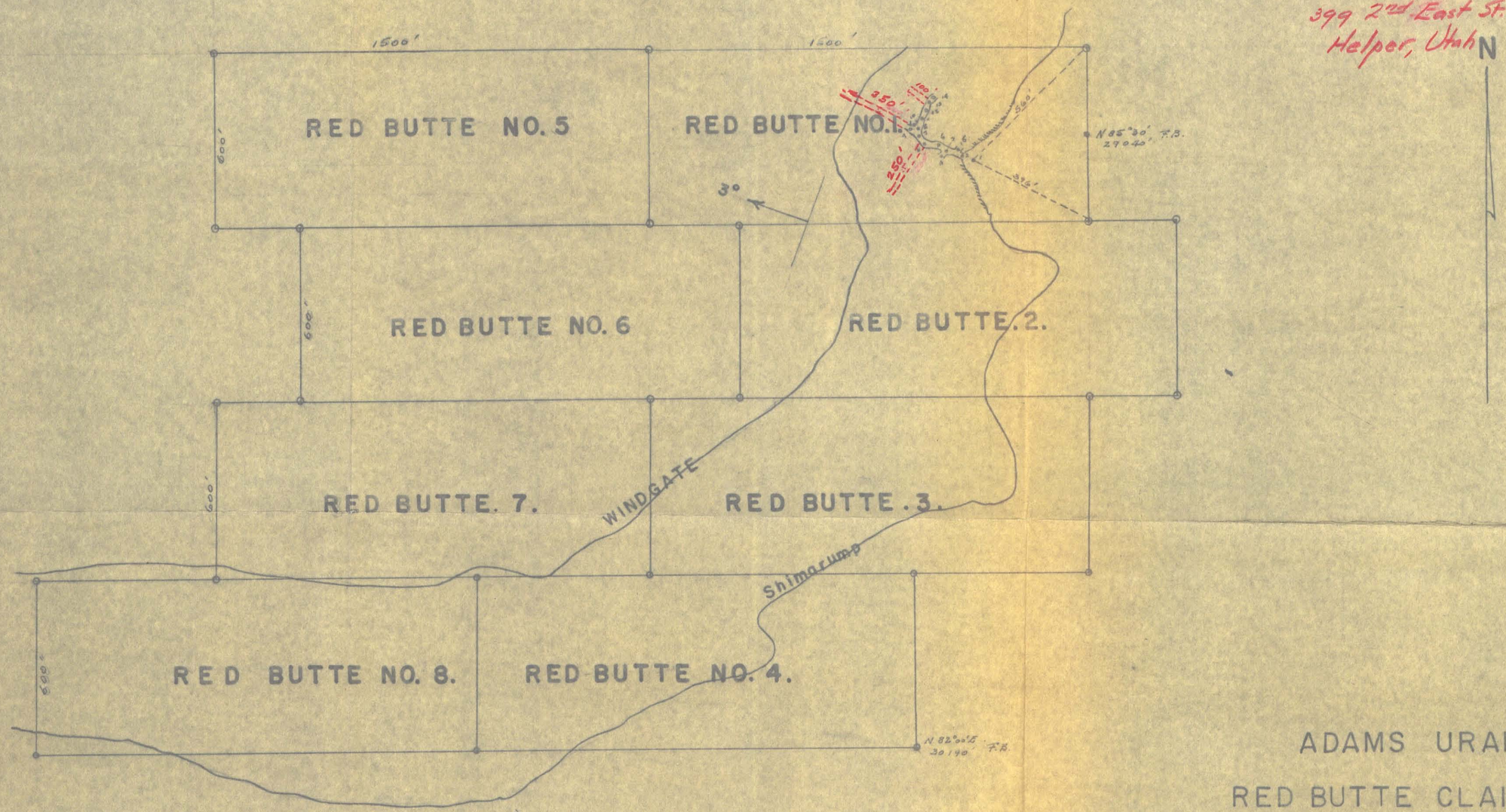
9	-3.7'
10	-3.2'
11	-7.6'
12	-7.3'
13	-5.2'
14	-6.5'
15	-10.8'
16	
17	-14.6'
18	-17.9'
19	-19.5'
20	-20.2'
21	-21.7'
22	-24.0
23	

Please return to
ADAMS URAN. Co
399 2nd East St.
Helper, Utah

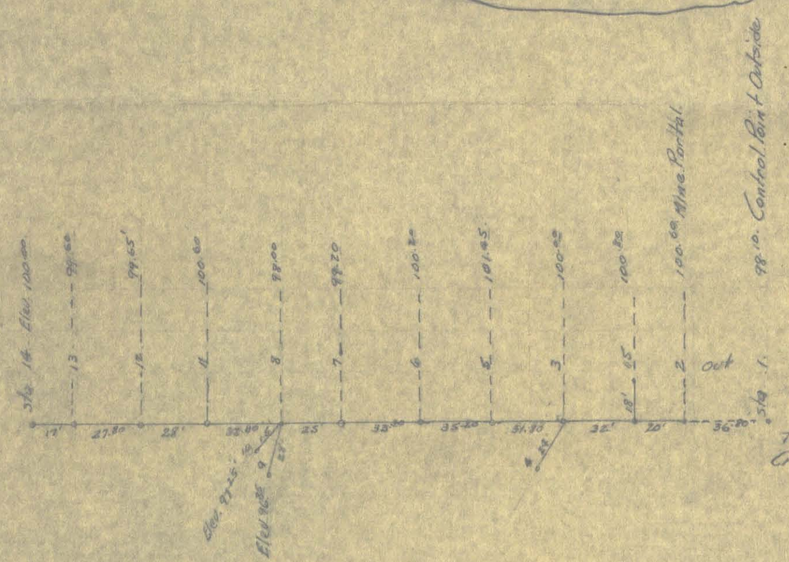
SCHEDULE
5B.



ADAMS URANIUM CO.

RED BUTTE CLAIMS
TWP 23 S, R 9 E S.L.M.
EMERY COUNTY, UTAH
Scale 1" = 300'

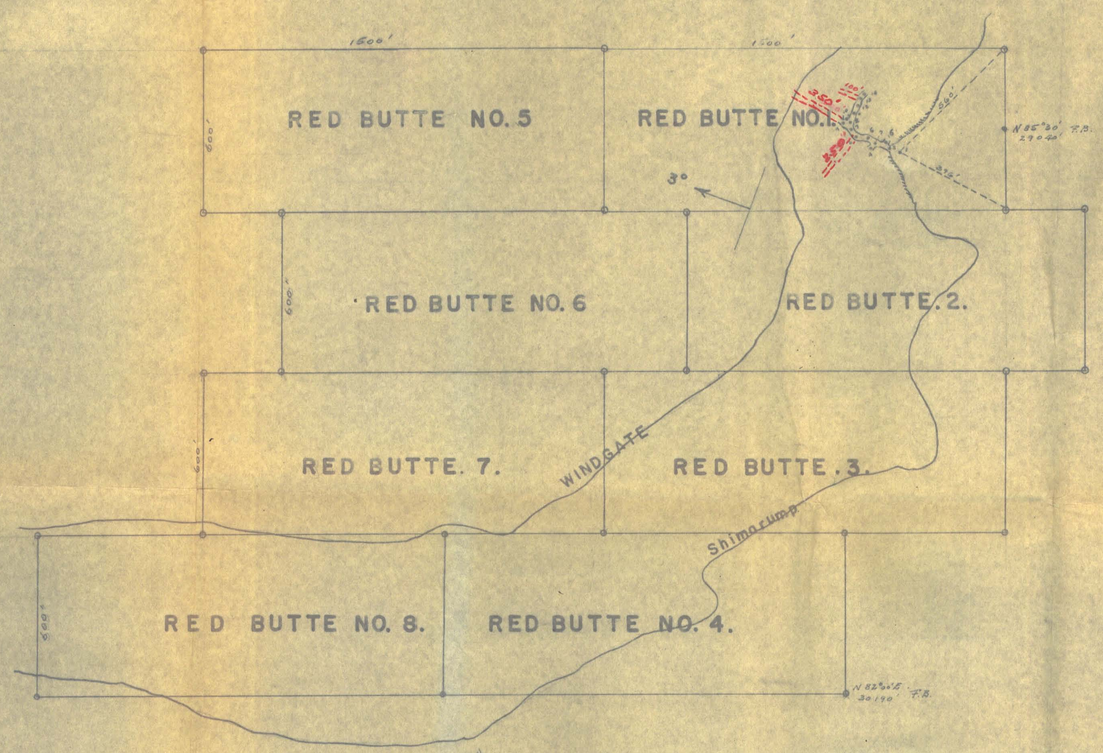
Survey by John Bene. C.E.
UTAH. 1050
3/2/56



Total Tunnel Footage 363.90
Cross-Sectional Area Tunnel 30.00 sq. ft.
Height. 6'0"
Width. 5'0"

ELEVATIONS & STATIONS IN MINE
Scale 1" = 50'

— Proposed Tunnel 700'



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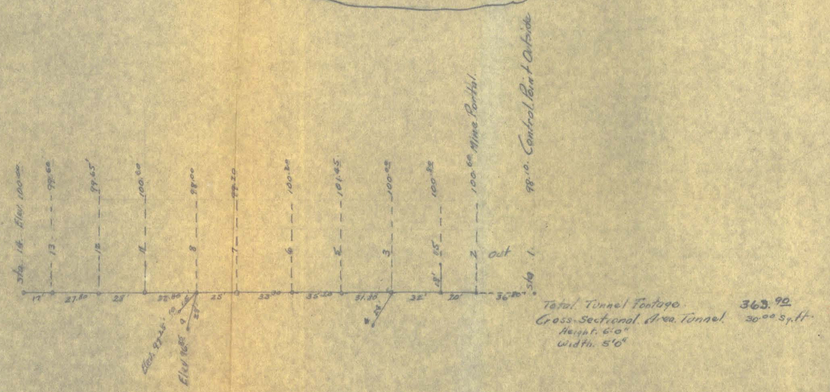
ADAMS URANIUM CO.

RED BUTTE CLAIMS
TWP 23 S, R 9E S.L.M.
EMERY COUNTY, UTAH
Scale 1" = 300'

Survey by John Bene. C.E.
UTAH. 1050
3/2/56



ELEVATIONS & STATIONS IN MINE
Scale 1" = 50'

— Proposed Tunnel - 700'