Surname copy

700

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

NOV 19 1956

Mr. O. R. Ivory
922 Shirecliff Road
Salt Lake City, Utah

Re: Docket No. DMEA-4403 (Uranium)
N½ sec. 35, N½ sec. 36, T. 17 N.,
R. 88 W.
Carbon County, Wyoming

Dear Mr. Ivory:

Reference is made to our letters, dated August 2, September 17, and October 17, 1956, requesting additional information needed to process the subject application.

As we have not received any reply to our letters, we are considering your application as having been withdrawn and are placing it in our inactive files.

We regret the necessity of taking such action, however, it is taken without prejudice to your proposed project. If at some future time you desire to reopen this case, you may do so by filing a new application, referring to the subject application by the DMEA docket number, and furnishing the information previously requested, together with any other information that you think might be helpful.

Sincerely yours,

C. O. Mittendorf

Administrator

EWEllis/gla
11-19-56
cc to: Admr.'s Reading File
Docket
Messrs. JECrawford, 3643
THKiilsgaard, 5224
JOHosted, 3210, GSA
Code 700
DMEA Field Team, Region III (2)

Surname copy

700

Ellis

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

Mr. O. R. Ivory
922 Shirecliff Road
Salt Lake City, Utah

Re: Docket No. DMEA-4403 (Uranium)
N½ sec. 35, N½ sec. 36, T. 17 N.,
R. 88 W.
Carbon County, Wyoming

Dear Mr. Ivory:

Reference is made to our letters, dated August 2 and September 17, 1956, requesting additional information concerning the subject application for exploration assistance.

We wish to cooperate with you fully in allowing ample time to supply the requested information; however, we cannot indefinitely postpone action on an application. Therefore, if we do not receive the requested information within 30 days from the date of this letter, we will assume that you are no longer interested in proceeding with your application, and we will consider it as having been withdrawn.

Sincerely yours,

G. O. Mittendorf

Administrator

EWEllis/gla
10-16-56
cc to: Admr.'s Reading File
Docket
Messrs. JECrawford, 3643
THKiilsgaard, 5224
JOHosted, 3210, GSA
Code 700
DMEA Field Team, Region III (2)

RCK.

Surname copy

700

Ellis
Mitterway

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

SEP 17 1956

Mr. O. R. Ivory
922 Shireoliff Road
Salt Lake City, Utah

Re: Docket No. DMEA-4403 (Uranium)
W½ sec. 35, W½ sec. 36, T. 17 N.,
R. 88 W.
Carbon County, Wyoming

Dear Mr. Ivory:

Reference is made to our letter, dated August 2, 1956, relating to the captioned docket.

Action on your application is pending receipt of the information requested in the above-mentioned letter. If you are no longer interested in the processing of this application, please advise us.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

EWEllis/gla
9-14-56
cc to: Docket
Code 700
Admr.'s Reading File
DMEA FieldTeam, Reg. III (2)
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

R.C.L.

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

FILE COPY
Surname:

Mr. O. R. Ivory
922 Shirecliff Road
Salt Lake City, Utah

AUG -2 1956

Re: Docket No. DMEA-4403 (Uranium)
N½ sec. 35, N½ sec. 36 T. 17 N.
R. 88 W.
Carbon County, Wyoming

Dear Mr. Ivory:

An examination of your above-docketed application for Government aid in an exploration project discloses that essential information which would enable us to process said application is lacking, namely:

1. A map or sketch, drawn to scale, whereon the following should be shown:

   (a) the locations where you discovered uranium ore;
   (b) the locations where any sampling was done, the width across which each sample was cut, and the assay results;
   (c) the extent and location of the proposed work; and
   (d) the geological features of the area you propose to explore in so far as you are able to supply such information.

2. A narrative report containing the following information:

   (a) an itemized estimate of the cost of each type of exploration you propose to do such as bulldozing, drilling, underground work, etc.; and
   (b) any additional information which would assist us in evaluating the worthiness of your proposed project.

Please note that all the above information should be supplied in quadruplicate.

Our regulations do not permit prospecting. Therefore, since the cost of your proposed project would not furnish sufficient funds to do justice to the relatively large area you propose to explore, it would be well to confine the work to areas of known mineralization.

The letter dated January 16, 1956, from the Great Basins Petroleum Company was not endorsed and dated by you. Furthermore, since

clause 3 of said letter specifically states that work on the property must start on or before June 1, 1956, and furthermore, that 40 tons of uranium type ore shall be shipped on or before July 15, 1956, it does not appear that you presently hold a valid title to the land you expect to explore. Consequently, it will be necessary for you to submit a properly executed document showing that you have a lease on the land for a sufficient length of time for the purpose of a contract. The lease should run for a minimum of five years or at least two years with a renewable clause stating unequivocally that the lease may be extended.

Upon receipt of all the information requested herein we will continue to process your application. It would be appreciated if you could inform us the approximate time within which we may expect to receive said information.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

EWEllis/izm 8-2-56
cc to: Docket
Code 700
Mr. Ellis
Admr.'s Reading File
DMEA Field Team, Reg. III (2)
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

August 1, 1956

Mr. O. R. Ivory
922 Shirecliff Road
Salt Lake City, Utah

Subject: DMEA-4403
Re: Exploration Assistance
Ivory Uranium

Dear Mr. Ivory

The receipt of your application dated August 1, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4403 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

August 1, 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

-4403 O. R. Ivory
Ivory Uranium

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

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

RECEIVED
AUG - 1 1956

July 30, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium) O. R. Ivory (Ivory Uranium), Carbon County, Wyoming

Enclosed are three copies of the subject application in the amount of $39,854.66. One copy of the application is being retained in our file.

This application is woefully lacking in information. No exploration program is outlined and no map or sketch of the property has been furnished. One copy of a letter from the Great Basins Petroleum Company to the Applicant dated January 16, 1956 accompanied the application and is enclosed with your copies of the application. Apparently the Applicant considers this letter as giving him the right to mine and remove ore from the subject property. But, in view of proviso 3 of this letter and the Applicant's statement that the material he sent to the Moab mill was not ore, it is questionable if the Applicant has met the terms of this Agreement.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

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

RECEIVED
AUG - 1 1956

July 30, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium) O. R. Ivory (Ivory Uranium), Carbon County, Wyoming

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This application is woefully lacking in information. No exploration program is outlined and no map or sketch of the property has been furnished. One copy of a letter from the Great Basins Petroleum Company to the Applicant dated January 16, 1956 accompanied the application and is enclosed with your copies of the application. Apparently the Applicant considers this letter as giving him the right to mine and remove ore from the subject property. But, in view of proviso 3 of this letter and the Applicant's statement that the material he sent to the Moab mill was not ore, it is questionable if the Applicant has met the terms of this Agreement.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
AUG - 1 1956

DMEA
Date Rec'd. JUL 30 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. 4403
Metal or Mineral Uranium
Date Received 8-1-56
Estimated Cost $39,854.66
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: O. R. Ivory
922 Shirecliff Road--Salt Lake City, Utah.

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract N 1/2 Sec. 35, N 1/2 Sec. 36
TN 17 North-Range 88 West

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

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

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

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

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

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

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you. No return

(*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 wish to explore Uranium.

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

(*c*) The work will start within 30/ days and be completed within 4 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money. ☒ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

## CERTIFICATION

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

Dated August 1, 1956

O. R. Irory
(Applicant)

By

922 Shinecliff Road
Salt Lake City Utah

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

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

RECEIVED
AUG - 1 1956

In Support of Application for aid in an Exploration Project, pursuant to DMEA Order 1, under the Defense Production Act of 1950m as Amended-- Made by O. R. Ivory 922 Shirecliff Road--Salt Lake City, Utah.

4. Physical Description--Have uncovered a large deposit of low-grade uranium ore, also some smaller deposits of high-grade ore. I attempted to go into production in April of 1956 and moved 7 1/2 tons to Moab mill. Some of this was good ore running as much as .50. This was mixed with too much low-grade so AEC paid nothing for it. Good road right to the property. Thirty miles out of Rawlins, Wyo. Water is one mile away. Assays accompanying.

5. Experience & Background--Self-owned ranching operations & employer of men many years--Own 10,000 acres of mineral rightso on owned lands a nd others--For this reason have studied mineral rights and methods of production for 6 years uranium for 2 years. Will have in consultaion Mr. Ed. Wilkins. He is a graduate geologist and mining engineer and an independent of uranium on the Colorado Plateau.

6. Estimate of Costs. (4 months, 100 working days--800 working hours).

| | |
|---|---|
| a. Independent contracts-- None | |
| b. Labor supervision, consultants. | |
| 1. Labor | |
| a. Machine operators--1600 hrs @ $2.50 hr. 4 men-----$ | 4000.00 |
| b. Subsistance | |
| 1. Cook -- 100 d ays @ $10.00 day | 1000.00 |
| 2. 5 men, 3 meals day @ $1.00 meal | 1500.00 |
| 3. Housing | |
| a. 1 bunk trailer | |
| b. 1 cook trailer | |
| c. beds | |
| d. stove, tables, untensils | |
| e. transportation & Misc. | 4000.00 |
| 2. Supervision | |
| a. O. R. Ivory | |
| 1. 100 days @ $20,00 per day | 2000.00 |
| 2. Transportation | 500.00 |
| 3. Misc.(travel Subsistance, telephones etc. | 750.00 |
| 3. Consultants | |
| a. Engineer--100 days @ $30.00 per day | 3000.00 |
| b. Expert geologist | |
| 1. 5 days @ $50.00 per day | 250.00 |
| 2. Transportation @ 10¢ mi.for 600 Mi. | |
| a. 3 trips @ $60.00 per trip | 180.00 |
| | $17,180.00 |

Application of O. R. Ivory--922 Shirecliff Road--Salt Lake City, Utah
Pursuant to DMEA Order 1,-- August 1, 1956.

6. Estimate of Costs

d. Operating Equipment.

| | |
|---|---|
| 1. Dozer-shovel combination (Rental purchase) | |
| a. Initial deposit | $ 1300.00 |
| b. 4 Mo. rental @ $650.00 per mo. | 2600.00 |
| 2. Wagon Drill, (Renatl Purchase) | |
| a. Initial deposit | 3000.00 |
| b. 4 Mo. rental @ $1500.00 per mo. | 6000.00 |
| 3. 105 Compressor (Rental Purchase.) | |
| a. Initial deposit | 400.00 |
| b. 4 months' payments | 800.00 |
| 4. Jack hammer, hoses, drill steel & bits | |
| a. Initial deposit ( 1/2 ) | 500.00 |
| b. 4 months' rental | 200.00 |
| 5. Transportation of equipment ( in & out) | |
| a. Lowboy hire | 600.00 |
| 6. Maintenance Vehicle (pick-up-4 wheel drive) | |
| a. Initial deposit | 866.66 |
| b. 4 months' payment | 600.00 |
| | $16,866.66 |

c. Operating Materials & Supplies

| | |
|---|---|
| 1. dynamite | |
| a. 50 cases @ $11.50 | 575.00 |
| b. Caps 1000 Ctn | 22.00 |
| 2. Fuel & Oil | |
| a. 800 hrs. dozer shovel diesel @ $1.25 per hr. | 1000.00 |
| b. 800 hrs wagon dril diesel @ $1.50 per hr. | 1200.00 |
| c. 400 hrs compressor gasoline @ $1.00 per hr. | 400.00 |
| d. Tanks (2) 300 Gal. @ $80.00 | 160.00 |
| 3. Hand tools, (picks, shovels, wrenches) | 200.00 |
| 4. Water tank (500 gal.) | 100.00 |
| 5. Water pump | |
| a. 2" centrifugal | 175.00 |
| b. hoses (suction & discharge) | $ 70.00 |
| | $ 3902.00 |

Application of O. R. Ivory--922 Shirecliff Road--Salt Lake City, Ut.
Pursuant to DMEA 1,--August 1, 1956.

6. Estimate of Costs

| | |
|---|---|
| g. Miscellaneous. | |
| 1. Drill steel replacement. | |
| a. 10--4' for Jackhammer @ $13.20 | 132.00 |
| b. 100' Extension $4.00 per ft.(wagon drill) | 400.00 |
| 2. Bits | |
| a. 500 Jackhammer @ 27¢ | 135.00 |
| b. 50 wagondrill @ 7.50 | 375.00 |
| 3. Analytical | 200.00 |
| 4. Accounting 4 months @ $50.00 mo. | 200.00 |
| 5. Workmans' Compensation | |
| a. Initial deposit | 100.00 |
| b. Monthly payment (state) | 44.00 |
| 6. Contractors' Liability | 60.00 |
| c. Payroll taxes | 260.00 |
| | $ 1906.00 |

Total Estimated Cost: according to attached figures: $39,854.66

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 East 1st South
Salt Lake City 1, Utah

6/22/56

F. J. Ivory
922 Shirecliff
Salt Lake City, Utah

RECEIVED
JUN - 1 1956

# RADIOACTIVE SAMPLE REPORT

Sample Reference No. UP-5932-4

Name and Location of Property: Rawlins, Wyoming District

Nature and Analysis of Sample:

No. 1 -- 0.43% $U_3O_8$ equivalent by radiometric analysis.

No. 12 -- 0.09% $U_3O_8$ equivalent by radiometric analysis.

No. 10 -- 0.08% $U_3O_8$ equivalent by radiometric analysis.

No. 20 -- 0.09% $U_3O_8$ equivalent by radiometric analysis.

Examined by:

Signed Harold L. Gibbs
Harold L. Gibbs
Metallurgist (General)

R. R. CASTO P. M. CRISMON ORRIN FISHER HAROLD E. CULVER

# CRISMON & NICHOLS

ASSAYERS AND CHEMISTS
229-231 SOUTH WEST TEMPLE STREET
PHONE 3-7417 P. O. BOX 1708

## REPORT OF ASSAY

AUG - 1 1956

SALT LAKE CITY, UTAH February 10, 1956

O. R. Ivory

WE HAVE ASSAYED YOUR one SAMPLES AND FIND it TO CONTAIN AS FOLLOWS:

| DESCRIPTION | NO. | PERCENT URANIUM OXIDE ($U_3O_8$) | PERCENT VANADIUM OXIDE ($V_2O_5$) | | | |
|---|---|---|---|---|---|---|
| | | 0.095 | | | | |

REMARKS:

CHARGES $ 5.00 Paid

CRISMON & NICHOLS
BY P. M. Crismon

Form No. 0-7
2/56 (1M)

WESTERN URANIUM PROJECT
Lucius Pitkin, Inc.
Ore Purchasing Agent for
U. S. Atomic Energy Commission
P. O. Box 1351
Grand Junction, Colorado

May 11, 1956

RECEIVED
AUG 1 1956

O.R. Ivory
% Verne Tarne
P.O. Box 875
Moab, Utah

REPORT OF ASSAY RESULTS

| LOT NO. | SCALE TICKET NO. | CLAIM | U308 | V205 | CaCO3 | CU |
|---|---|---|---|---|---|---|
| 481 | 3856 | N.E. 1/4 Sect. 36 | 0.07 | 0.11 | 44.6 | |

We regret to advise that the U308 is below the 0.10 percent minimum allowed under the U. S. Atomic Energy Commission schedule and cannot be paid for.

Yours very truly,

H. E. Rounds
Office Manager

GREAT BASINS PETROLEUM CO.
207 DENHAM BUILDING
1010 CALIFORNIA STREET
DENVER 2, COLORADO

RECEIVED
AUG - 1 1956

TELEPHONE: ACOMA 2-0660

January 16, 1956

Mr. O. R. Ivory
922 Shirecliff Road
Salt Lake City, Utah

Re: N/2 Section 35
N/2 Section 36
Township 17 North, Range 88 West
6th P.M., Carbon County, Wyoming

Dear Mr. Ivory:

This letter is written for the purpose of setting forth the terms upon which you will acquire an interest in and to certain uranium mining leases located in Carbon County, Wyoming. Upon your acceptance of this letter in the manner indicated below, the same shall constitute the written contract between us. Our understanding of our verbal agreement with you is as follows:

1. Great Basins Petroleum Co., Will Rodgers and Curtis Hankamer, hereinafter called the Lessor, whether one or more, are the owners of certain mining leases pertaining to and covering the following described lands:

| Township 17 North, Range 88 West, 6th P.M. | |
|---|---|
| Section 35: | N/2 |
| Section 36: | N/2 |

For convenience of reference, we shall hereinafter refer to the mining leases covering the above lands as the "Leases".

2. The Leases are subject to a 5% royalty interest reserved by the State of Wyoming and a 2% overriding royalty interest reserved by Jenkins & Hand of Casper, Wyoming, both of which, it is hereby agreed, you will assume and bear your proportionate burden.

3. On or before June 1, 1956, you shall commence or cause to be commenced, and diligently pursue operations on the Leases to excavate, save and ship to Riverton, Wyoming, 40 tons of uranium

type ore. The work necessary to remove, save and ship this ore to Riverton, Wyoming, shall be completed on or before July 15, 1956.

4. It is agreed that the cost of doing the work provided for in Paragraph 3 above shall be borne entirely by you and the Lessor shall not be liable in any way or manner for any cost associated with this undertaking.

5. You agree to keep accurate records relative to the cost of doing the work provided for in Paragraph 3 above and you further agree that the Lessor shall be entitled to and shall receive one-half (1/2) of any net profits received by you beyond a net profit of $2,000. It being specifically agreed that the Lessor shall not participate in any loss that might occur from this venture.

6. You agree to furnish the Lessor with copies of any assays or reports furnished you by the U. S. Government or other sources that pertain to the ore to be shipped as provided for in Paragraph 3 above.

7. Within ten (10) days after receiving the reports and/or assays provided for in Paragraph 6 above, you shall notify the Lessor in writing that you will either release any interest in and to the Lease or that you will enter into the Contract and Assignment of Lease attached hereto marked Exhibit A and by this reference made a part hereof.

8. You agree that our authorized agents are to at all times to have access to the Lease and to the records, logs, samples, assays and all other data pertaining thereto.

9. You agree that in the event any rentals become due and payable on the Lease prior to the release or contract and assignment provided for in Paragraph 7 above, same will be paid by us and you shall reimburse us the amount of such rental so paid by us.

10. It is agreed that time is the essence of this agreement and performance of the obligations herein contained are essential prerequisites to the execution of the Contract and Assignment of Lease provided for in Paragraph 7 above and in the event you fail to commence or cause to be commenced the work provided for in Paragraph 3 above, or to fully perform all of the terms and conditions of this agreement, then and in either of these events this contract shall thereupon, without notice, terminate and we shall be under no liability to you hereunder.

11. This agreement shall be binding upon the parties hereto, their successors and assigns; provided, however, that unless our prior written consent is obtained, no assignment by you in whole or

in part of your rights and obligations hereunder shall be made.

In the event that the foregoing correctly sets forth our understanding relating to the matters herein set forth, will you please sign two (2) copies of this letter in the manner indicated below and return one (1) executed copy to us before the 1st day of February, 1956.

Yours very truly,

GREAT BASINS PETROLEUM CO.

By _____

_____
Will Rodgers

_____
Curtis Hankamer

Accepted and approved this _____ day of _____, 1956.

O. R. IVORY

By _____