DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4289

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as Cy Rukgaard exploration

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	700	Date	5/11/56
To:	Crawford	Date	5/21/56
To:	Oper. Com	Date	6/1/56
To:	D. E. Johnson	Date	6-4-56
To:	C. Don	Date	6-4-56
To:	Operating Com.	Date	10-25-56
To:	Admin.	Date	10-26-56
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

INT.-DUP. SEC., WASH., D.C. 98868

Surname copy

700

Murphy
Lamb
Kilsgaard
Selfridge

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

Mr. Raymond Taylor
President and Director
Consumers Agency, Inc.
294 North University Ave.
P. O. Box 504
Provo, Utah

Re: Docket No. DMEA-4289 (Uranium)
Sam Group
Coconino County, Arizona

Dear Mr. Taylor:

Your application for aid in an exploration project and other information available to us in Washington concerning your above-named property have been reviewed.

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

Careful study of all our information, although noting some uranium mineralization on your property, indicates that the probability of disclosing significant ore reserves is not sufficiently promising to justify Government participation. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

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

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/gla
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, 3643
THKiilsgaard, 5224
JCHosted, 3210,GSA
Code 700
Mr. Murphy
DMEA Field Team, Region III (2)

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

DOCKET COPY

Murphy
2Ub

October 25, 1956

Summary of Proposed Project

Object: Denial of application for exploration aid.

Docket No.: DMEA-4289

Commodity: Uranium

Applicant: Consumers Agency, Inc.
294 North University Avenue
Provo, Utah

Property: Arizona State Mineral Lease #372 on Sam Group of 22 lode mining claims situated in sec. 2, T. 39 N., R. 6 E., G.S.R.M., Coconino County, Arizona.

Amount of application: $61,389.00

Date of application: April 28, 1956.

Rec'd in Washington: May 11, 1956

Referred to Reg.III: June 4, 1956

Field examinations made: USBM, June 27; USGS, July 25.

Field Team Report received: October 15, 1956

Work proposed: 14 shallow, close-spaced drill holes
10 deep holes on 500-foot centers

Estimated Costs: 6 months completion

Independent Contracts:

6,000 feet plug drilling @ $2.65/ft.	$15,900.00
1,500 " core " @ $4.12/ft.	6,180.00
1,950 " wagon " @ $0.85/ft.	1,657.50
Access roads, etc., bulldozer 30 days @ $120.00/day	3,600.00
Labor, supervision, etc.	8,025.00
Operating materials and supplies	2,700.00
Equipment depreciation and loss	5,500.00
Rehabilitation and repairs	1,020.00
New buildings, etc.	5,580.00

(continued)

Miscellaneous		$6,600.00
Contingencies		4,626.50
	Total	$61,389.00

Excerpts from Field Team report:

The property is located in the Vermilion Cliffs area, approximately 5 miles west of Navajo Bridge.

Rocks exposed on the property, in descending order, are: The Jurassic Navajo sandstone; the Jurassic or Triassic Kayenta and Moenave formations; and the Trassic Chinle formation. The Shinarump conglomerate, which is the base member of the Chinle formation, is not exposed on the claims.

Uranium mineralization occurs in a few thin pods in a lenticular, sandy bed exposed along a low cliff on Sam 7 claim. Sporadic mineral deposition in the Hartley member of the Chinle formation is indicated by negative results in four shallow test holes drilled on the ledge back of some of the best mineral occurrences exposed by a small amount of bulldozer rim-stripping.

The examiners conclude that discovery of commercial deposits of uranium ores on the Sam group by the proposed program is improbable, because of the sporadic occurrence of mineralized outcrops, the apparent lack of the Shinarump conglomerate, and the discouraging results of exploratory work already accomplished.

The examiners and the Field Team recommend denial of the application.

Commodity Members' comments:

U. S. Geological Survey, N. E. Nelson, October 19, 1956.

Mr. Nelson concurs in the Field Team's recommendation of denial because of the spotty distribution of the pods of uranium ore and because the potential ore-bearing Shinarump formation is either too thin, or entirely missing, in the claim area.

U. S. Bureau of Mines, J. E. Crawford, October 24, 1956.

Mr. Crawford concurs in Field Team's recommendation of denial.

Rare and Miscellaneous Metals Division, F. M. Murphy, October 25, 1956.

The report of examination indicates that because of the sporadic occurrence of uranium, the apparentlack of the Shinarump conglomerate, and the discouraging results of previous drilling, the subject claims have little uranium potential.

Conclusion and Recommendation:

This Division agrees with the conclusions of the field examiners and concurs in the Field Team's recommendation that the application should be denied.

Ernest Wm. Ellis

Ernest Wm. Ellis

10-25-56

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

RECEIVED
OCT 25 1956

Date 10/24/56

DMEA Docket No. 4289
DMEA Contract No.
Commodity Uranium
Name of applicant Consumers Agency Inc.
Name of property Sam Group
Location of property Cococino County, Arizona
Estimated cost of project $61,389

Memorandum

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

1. Date of subject document: 10/8/56. 2. Date received by reviewer: 10/18/56.

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)
Mr. J. O. Hosted, Washington representative of the Atomic Energy Commission, assisted in the review.

10-23-56

IN REPLY REFER TO:

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

RECEIVED
OCT 22 1956

October 19, 1956

Re: DMEA 4289
Consumers Agency, Inc.
Sam Group
Coconino Co., Arizona
$61,389.00 - Uranium

Memorandum

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

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

Subject: Review of Field Team report.

The applicant requested assistance in exploring by drilling the Chinle beds for uranium, rare earths, mercury, etc. etc. Specimens of uranium-bearing material taken from an outcrop show up to 0.30% U_3O_8. As determined by the examiners the mineralization occurs in a few thin pods or streaks in a lenticular, sandy bed exposed along a low cliff on the Sam 7 claim. Shallow drill holes 'behind' the exposure failed to extend the showing and blasting removed one of the pods.

Deep drill holes intended to search for and test the non-outcropping Shinarump member of the Chinle formation have no target. As shown at other places in the general area the Shinarump member (conglomerate) may be missing in the claim area. At any rate it is not known to be uranium-bearing.

Because of the spotty distribution of the pods of uranium ore and their small size the potential of the deposit is small and does not warrant the proposed work. Denial of the application is recommended by the examiners and the Field Team.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

10/22/56 gla

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

RECEIVED
OCT 1 1956

224 New Customhouse
Denver 2, Colorado

October 12, 1956

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Report of Examination Docket DMEA 4289 (Uranium) Consumers Agency Inc. (Sam Group) Cococino County, Arizona

Enclosed are the original and three copies of an Engineering and Geologic Report of Examination on the subject property.

The examiners conclude that discovery of significant deposits of uranium ore on the Sam Group is improbable, because of the sporadic occurrences of mineralized outcrops, the apparent lack of shinarump conglomerate, and the discouraging results of exploratory work already accomplished. They recommend that the application be denied. We concur in this recommendation.

DMEA Field Team, Region III

E. N. Harshman

By E. N. Harshman
Acting Executive Officer

Reviewed by
DMEA OPERATING COMMITTEE
10-19-56
(date)

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

TRANSMITTED
OCT 12 1956

RECEIVED
DMEA
DEPARTMENT OF THE INTERIOR
OCT 11 1956
REGION III
DENVER, COLORADO

October 9, 1956

Memorandum

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

From: Stephen R. Wilson

Subject: Docket No. DMEA-4289, Uranium, Consumers Agency, Inc., (Sam Group), Coconino County, Arizona

Enclosed are the original and 10 copies of an engineering report covering DMEA examination of the subject property. The claims were examined by M. M. Mowes, June 27, 1956. A subsequent examination was made by F. M. Byers, Jr. of the Geological Survey July 25, 1956. Also enclosed is one copy of the brochure.

The applicant has requested a loan of $61,389 to conduct a program consisting of drilling 14 shallow and 10 deep holes. The close-spaced, shallow holes are designed to explore the lateral extension of surface mineralization. The wide-spaced, deep holes have been planned to test the presence of the Shinarump conglomerate in the area of known mineralization.

Rocks exposed on the property consist of Jurassic Navajo sandstone, Jurassic or Triassic Kayenta and Moenave formations, and the Triassic Chinle formation. The Shinarump conglomerate is not exposed on the claims. Exposures in rims to the south indicate the Shinarump to be thin or entirely absent. Sporadic uranium mineralization on the property is found in a lenticular, sandy bed exposed along a cliff. Exploration completed by the applicant to date has shown no mineralization of significance.

The examining engineer recommends that the applicant's request for DMEA assistance be denied. He concludes that because of the sporadic occurrence of mineralization at the surface, the apparent lack of Shinarump conglomerate, and discouraging results of exploration completed to date, that little chance exists that additional work will result in discovery of uranium deposits of significance. I am in accord with the recommendation of the examining engineer.

Reviewed by
DMEA OPERATING COMMITTEE
10-19-56
(date)

The application and property of Consumers Agency, Inc. were discussed with members of the Atomic Energy Commission.

Stephen R. Wilson

Stephen R. Wilson

cc: J. Bruce Clemmer
W. M. King

FOR UNITED STATES GOVERNMENT USE ONLY

TRANSMITTED
OCT 12 1956

CONSUMERS AGENCY, INC.
SAM GROUP
COCONINO COUNTY, ARIZONA
DMEA-4289
Uranium

Engineering Report

By M. H. Howes
Mining Engineer
Bureau of Mines

October 8, 1956

Reviewed by
DMEA OPERATING COMMITTEE
10-19-56
(8080)

CONSUMERS AGENCY, INC.
SAM GROUP
COCONINO COUNTY, ARIZONA

CONTENTS

	Page
Engineering report	
Introduction	2
Location, topography and physical features	2
History and production	3
Ownership and extent	3
Description of the deposits	3
Minable ore reserves	4
Present status	4
Project proposals	4
Conclusions and recommendations	5

ILLUSTRATIONS

Fig. 1 Location map, Consumers Agency, Inc., (Sam group), Coconino County, Arizona

Fig. 2 Claim map showing proposed drill holes

INTRODUCTION

An application, dated April 28, 1956, was submitted by Consumers Agency, Inc., for Government aid in an exploratory project on the Sam group of claims, Coconino County, Arizona, under docket No. DMEA-4289. A program, consisting of 14 shallow and 10 deep drill holes, is proposed to explore for uranium ores in favorable horizons in the Chinle formation. The total estimated cost of the project is $61,389.

Field examinations of the property were made June 27, 1956, by M. H. Howes, Bureau of Mines, accompanied by Jay P. Mackenzie, representative of the applicant, and July 25, 1956, by F. M. Byers, Jr., Geological Survey, accompanied by Raymond Taylor, president of Consumers Agency, Inc.

LOCATION, TOPOGRAPHY AND PHYSICAL FEATURES

The property is located along the Vermilion Cliffs, approximately 3 miles north of Vermilion Cliffs Lodge and 5 miles west of Navajo Bridge, Coconino County, Arizona. The specific location is section 2, T. 39 N., R. 6 E., G.S.R.B. and M. The area is one of extremely rugged terrain, with altitudes ranging from 4,400 to 6,800 feet.

The climate is arid. Summers are hot and dry, and winters are moderately cold, with snow rarely accumulating. Vegetation consists of desert plants.

The claims are serviced by a steep dirt road approximately 3 miles long from highway U. S. 89 at the Vermilion Cliffs Lodge.

HISTORY AND PRODUCTION

This is a newly located property, with no production record.

OWNERSHIP AND EXTENT

Consumers Agency, Inc., is incorporated under the laws of Utah. The address of the company is:

294 North University Avenue, Provo, Utah.

Officers and directors of the company are as follows:

Raymond Taylor, president and director,
645 North 7th East Street, Provo, Utah.

Annie R. Taylor, vice president and director,
645 North 7th East Street, Provo, Utah.

Dee R. Taylor, secretary-treasurer and director,
460 East 2875 North Street, Provo, Utah.

The applicant holds, under Arizona Mineral Lease No. 372, 22 mining claims in section 2, T. 39 N., R. 6 E., G.S.R.B. and M., Coconino County, Arizona. These claims, named Sam 6 through 27 (fig. 2), are reported to be recorded in the Coconino County Recorder's Office at Flagstaff, Arizona.

In the past, consent to lien has been refused by Arizona on leases covering State-owned land.

DESCRIPTION OF THE DEPOSITS

Rocks exposed on the property, in decending order, are: the Jurassic Navajo sandstone; the Jurassic or Triassic Kayenta and Moenave formations; and the Triassic Chinle formation. The Shinarump conglomerate, which is the base of the Chinle formation, is not exposed on the claims. Rim exposures to the south show the Shinarump to be thin or entirely absent.

Uranium mineralization occurs in a few thin pods or streaks in a lenticular, sandy bed which is exposed along a low cliff on the Sam 7 claim. The showings contain a yellow mineral which is strongly radioactive. Sporadic mineral deposition is indicated by negative results in four shallow test holes drilled on the ledge back of some of the best mineral occurrences, and by the complete removal, in a few feet of excavation, of one of the best pods of ore.

MINABLE ORE RESERVES

There are no known ore reserves on the property.

PRESENT STATUS

Workings on the property include three pits, four shallow drill holes, and a small amount of bulldozer stripping.

One frame building large enough to house six men has been erected on a campsite near the mineralized outcrops.

The applicant reports that adequate and efficient labor can be obtained from the Indian reservation situated east of the Colorado River. Mine equipment and supplies are available in Kanab, Utah, and Flagstaff, Arizona.

Water can be developed in Badger Creek above the campsite. It will be necessary to generate power for use in any mining operation.

PROJECT PROPOSALS

In the geologic report attached to the application it is proposed to explore the property for uranium ores by drilling 14 close-spaced, shallow holes to a maximum depth of 50 feet each, and 10 deep holes, spaced

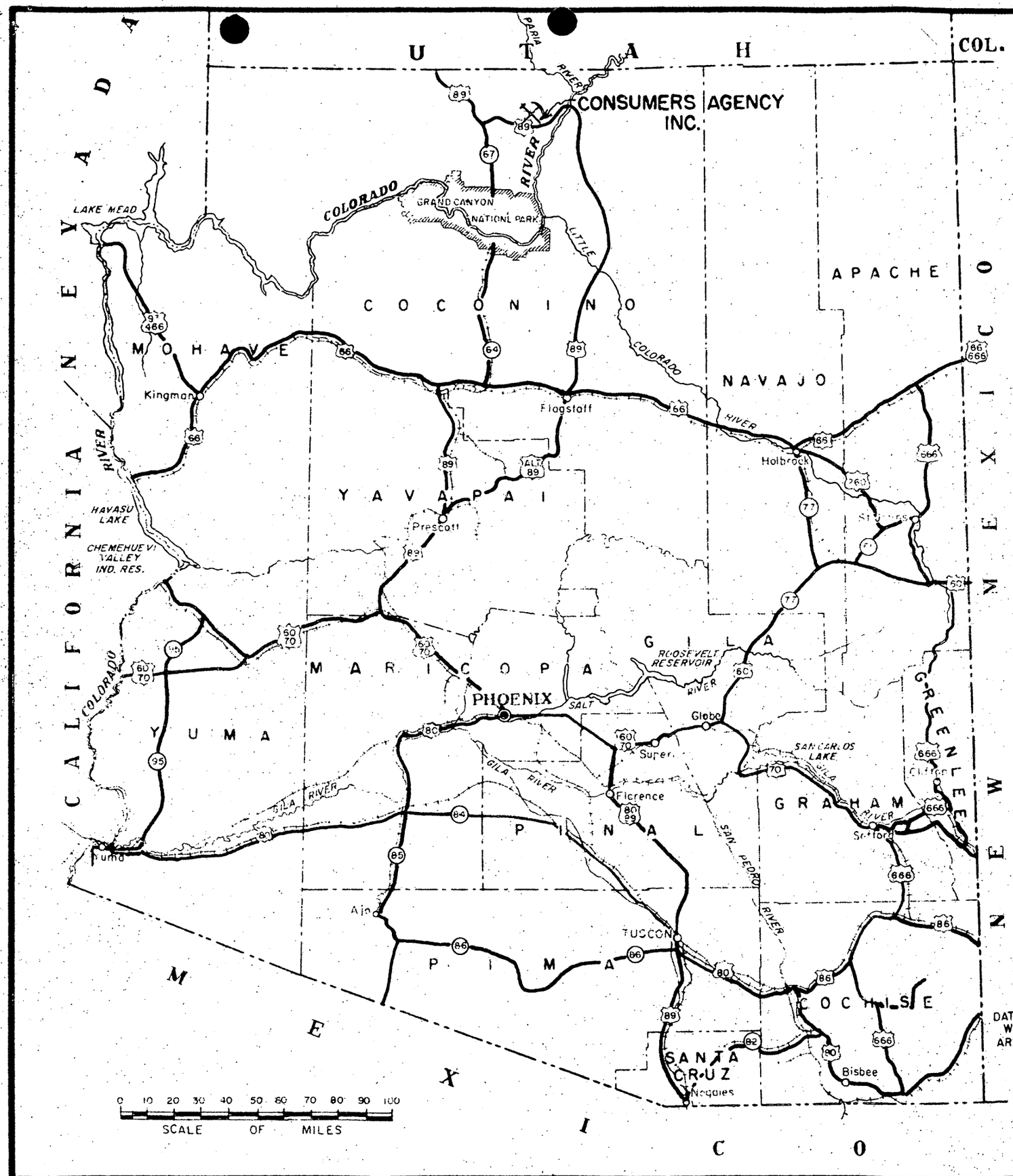
on 500-foot centers, to an average depth of from 150 to 200 feet. The close-spaced, shallow holes are designed to test the lateral extension of the mineralized outcrops, and the wide-spaced, deep holes are designed to test the presence of the Shinarump conglomerate in the vicinity of the known mineralization.

In section 5 of the application, "The Exploration Project," it is proposed to drill sufficient holes with close geologic control to adequately explore the Sam group for uranium and other strategic ores. This proposal more nearly conforms to the drilling listed in section 6, "Estimate of Costs," than the proposal in the geologic report.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that discovery of commercial deposits of uranium ores on the Sam group by the proposed program is improbable, because of the sporadic occurrence of mineralized outcrops, the apparent lack of the Shinarump conglomerate, and the discouraging results of exploratory work already accomplished.

Recommendation is made that the application of Consumers Agency, Inc., for Government aid in exploring the Sam group of claims for uranium ores, be denied.



NOTE

DATA TRACED FROM HAMMOND'S LIBRARY WORLD ATLAS. ROADS PLOTTED FROM ARIZONA TOURING MAP OF STANDARD OIL COMPANY OF CALIFORNIA, 1950.

U S DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMEA Docket No. 4289
Location Map
STATE OF ARIZONA
CONSUMERS AGENCY INC.
(SAM GROUP)
COCONINO COUNTY, ARIZONA

ENGINEER: M.H. HOWES	DATE: SEP. 26, 1956
DRAWN: SEP., 1956; BY: A.P.T.S.	1900 - 416 - G
CHECKED:	

DMEA
DEPARTMENT OF THE INTERIOR
SEP 11 1956
REGION III
DENVER, COLORADO

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

MINERAL DEPOSITS
IN REPLY REFER TO:
DMEA
RECEIVED
SEP 10 1956
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

TRANSMITTED
OCT 12 1956

September 5, 1956

RECEIVED
OCT 15 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman EMH

From: F. M. Byers, Jr.,

Subject: Transmittal of geologic report,
DMEA docket 4289 (Uranium), Consumers Agency, Inc.,
Sam group of claims, Coconino County, Arizona

Transmitted herewith is a geologic report by F. M. Byers, recommending denial of the DMEA loan application of Consumers Agency, Inc., Provo, Utah.

The Consumers Agency, Inc., has applied for DMEA assistance to drill the Sam group of claims in the Marble Canyon area, Coconino County, Arizona. The uranium ore deposits exposed on the Sam claims are in widely scattered small pods in the upper part of the Chinle formation. The Shinarump member is practically non-existent on the property. Although high-grade samples can be collected from the pods, the frequency of occurrence of the pods is such that any significant tonnage of rock would contain less than 0.01 percent of U_3O_8.

Because of the scattered distribution and small size of the pods, there appears little chance of making a significant discovery by further exploration on the claim. Therefore, the DMEA geologist recommends that the application of Consumers Agency, Inc., for DMEA assistance be denied. I concur with the recommendations of the examining DMEA geologist.

Enclosed are the required number of maps and the applicant's brochure.

F. M. Byers, Jr.
For J. William Hasler,
Geologist

FMB/mlr
Enclosures
cc: S. R. Wilson with attachments

Reviewed by
DMEA OPERATING COMMITTEE
10-19-56
(date)

FOR UNITED STATES GOVERNMENT USE ONLY

TRANSMITTED
OCT 12 1956

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

RECEIVED
OCT 15 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY EXAMINING TEAM
REGION III

DMEA 4289

Consumers Agency, Inc.,

Sam group of claims

Coconino County, Arizona

Uranium

Geologic report

by

Frank M. Byers, Jr.
U. S. Geological Survey

September 1956

Reviewed by
DMEA OPERATING COMMITTEE
10-19-56
(date)

DMEA 4289

RECEIVED
OCT 1 7 1958

INTRODUCTION AND SUMMARY

Consumers Agency, Inc., 294 North University Avenue, Provo, Utah, has applied for a DMEA loan of $46,041.75 to help finance the cost of drilling on their Sam group of claims, Coconino County, Arizona. The property is 3 miles by road north of U. S. Highway 89 and about 5 miles west of Navajo Bridge, Arizona (fig. 1).

The Shinarump member of the Triassic Chinle formation is practically non-existent in rim exposures just south of the property. The uranium-bearing host rock on the property is a 30-foot siltstone bed at the top of the Chinle Petrified Forest member, which is about 350 feet thick. Uranium ore is exposed in several small, scattered pods, not over 3 feet in length, over a total exposed outcrop length of 500 feet. Average grade of individual pods might be as high as 1 percent, but the overall average grade of any significant tonnage would certainly be less than 0.01 percent of U_3O_8.

Because the known small pods of uranium ore are rather wide-spaced, there appears little chance of making a significant discovery by drilling. It is, therefore, recommended that the DMEA application of Consumers Agency, Inc., under docket 4289 be denied.

LOCATION AND ACCESSIBILITY

The Sam group is reached by a poor dirt road, 3 miles in length, that leaves U. S. Highway 89 at the Vermilion Cliffs Lodge, 5 miles west of Navajo Bridge, Arizona (fig. 1). This road is traversable only with 4-wheel-drive vehicles.

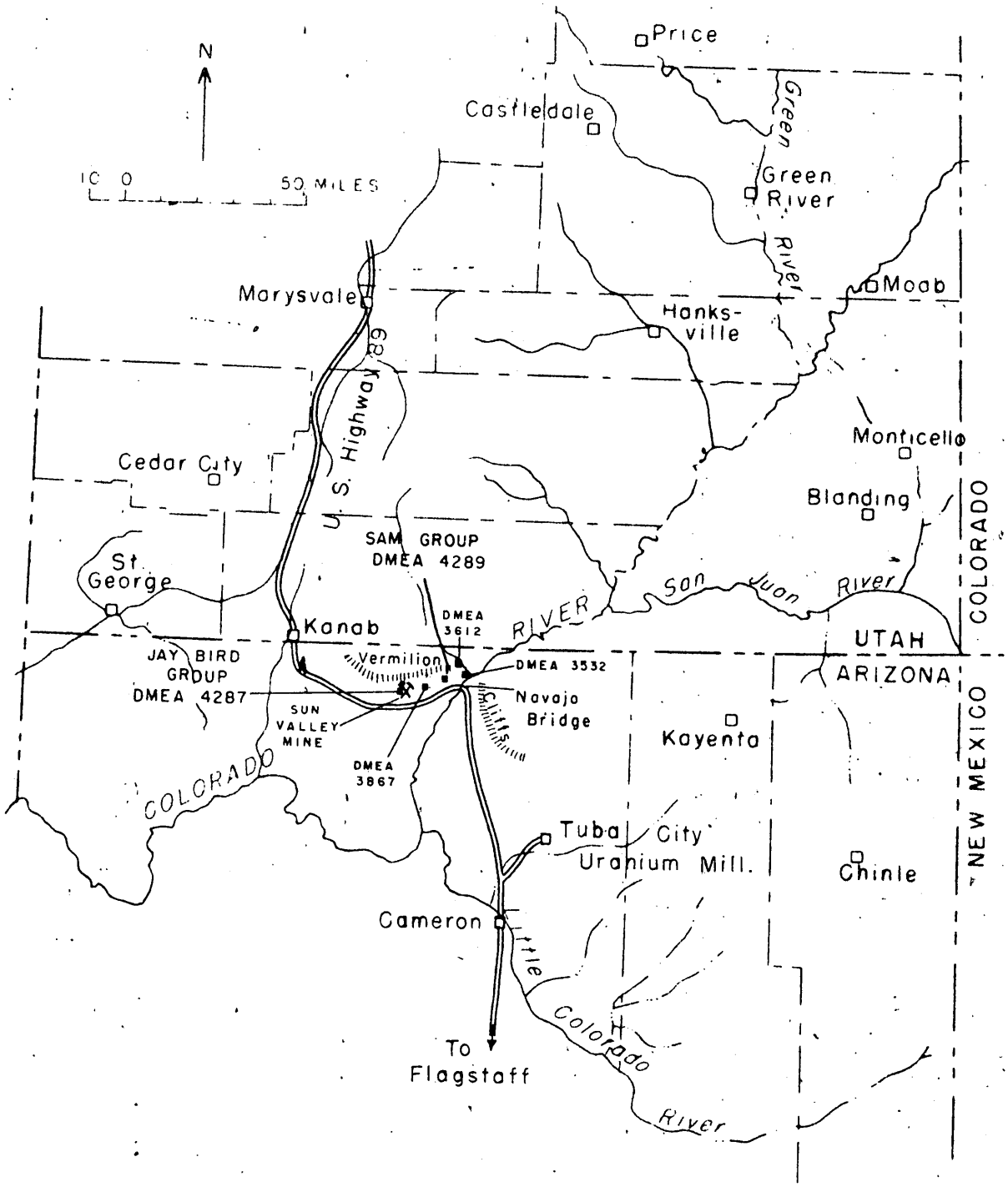


FIGURE 1.--INDEX MAP OF THE SOUTHWESTERN PART OF THE COLORADO PLATEAU REGION SHOWING LOCATION OF SAM GROUP OF CLAIMS, CONSUMERS AGENCY, INC., COCONINO COUNTY, ARIZONA.

RECEIVED
OCT 1 ..56

ACKNOWLEDGMENTS

R. G. Petersen, USGS party chief of the East Vermilion Cliffs project, accompanied the DMEA geologist on the examination. A. Richard Tagg, AEC geologist stationed at Kanab, was also consulted. Mr. Raymond Taylor, President, represented Consumers Agency, the applicant.

PRODUCTION

A total of 352 tons of uranium ore containing about 0.30 percent of U_3O_8; has been produced to date from a few properties in the Marble Canyon District. Most of this production has come from the Sun Valley mine about 10 miles to the west. No ore had been produced up to April 1, 1956, from the Sam group or any other property within 5 miles of the Sam group. A few tons of ore are reported to have been stockpiled on the McCary-Beacon property just east of the Sam group.

GEOLOGY

The Sam group covers a small part of the Vermilion Cliffs. Formations exposed in the vicinity of the property (fig. 2) are the Lower Triassic Moenkopi formation, the Upper Triassic Chinle formation, the Moenave and Kayenta formations of Triassic or Jurassic age, and the Navajo sandstone of Jurassic age. Surficial deposits, chiefly landslide debris, covers much of the area of the claims. Pertinent to this report is the Chinle formation, which contains the uranium deposits.

The lowermost member of the Chinle, the Shinarump, is essentially lacking in the vicinity of the Sam group, according to R. G. Petersen, chief of the U. S. Geological Survey party. Only a few feet or less of quartzite pebbles in claystone represent the Shinarump at the base of the Chinle formation. This unit is not a host rock for uranium ore. The Shinarump member mapped by the photogeologist on figure 2 is actually the Shnabkaib member of the underlying Moenkopi.

Most of the Chinle formation consists of the Petrified Forest member which is about 350 feet thick. This member is characterized by mottled grayish blue and grayish purple bentonite mudstone and siltstone. Poorly defined beds range from 5 to 20 feet in thickness. The uppermost 30 feet of the Petrified Forest member consists of pale to grayish red bentonitic siltstone mottled with light gray. The uranium ore pods occur in this unit.

The overlying Owl Rock, the uppermost member of the Chinle formation, ranges from 80 to 100 feet in thickness and consists of interbedded pale red mudstone and mottled pale red and gray freshwater limestone. The Owl Rock member was not recognized by the photogeologist and is therefore not shown on figure 2.

ORE DEPOSITS

The uranium ore is confined to small high-grade pods in the 30-foot bed of grayish red siltstone at the top of the Petrified Forest member. Seven or eight pods are exposed on the Sam group of claims in three prospect pits (fig. 2) and in outcrops between the pits for a horizontal distance of outcrop of about 500 feet. These pods may contain as much as one percent of

U_3O_8, as reported in the applicant's brochure and as checked by Geiger counter in the field, but they are small; the largest one observed was 1-1/2 feet by 3 feet in lenticular cross section. The longer dimension is parallel to the bedding. The uranium-bearing minerals, beta-zippeite and meta-torbornite, occur as stains and thin seams. The pods occur at any stratigraphic position within the lower 15 feet of the 30-foot bed of grayish red siltstone.

The 7 or 8 pods observed are not in themselves large enough targets for exploration and are not sufficiently abundant to carry the full 15-foot thickness and 500-foot length (area 7,500 square feet) as ore. If we assume an additional 7 or 8 pods were missed during the DMEA examination, about 15 pods whose average cross-sectional area is 1 by 3 feet and whose average grade is 1 percent of U_3O_8 may be present. Under these liberal assumptions a total cross-sectional area in ore of about 45 square feet is exposed. The overall grade beneath the surface area of 7,500 square feet, through which the pods occur, would be less than 0.01 percent (45 feet^2 x 1 percent divided by 7500 feet^2).

CONCLUSIONS AND RECOMMENDATIONS

The applicant has proposed drilling 15 close-spaced shallow holes averaging about 50 feet in depth behind the mineralized outcrops on the Sam 7 claim. Ten wide-spaced, deep drill holes between 150 and 200 feet in depth are designed to test the Shinarump as well as the ore zone at the

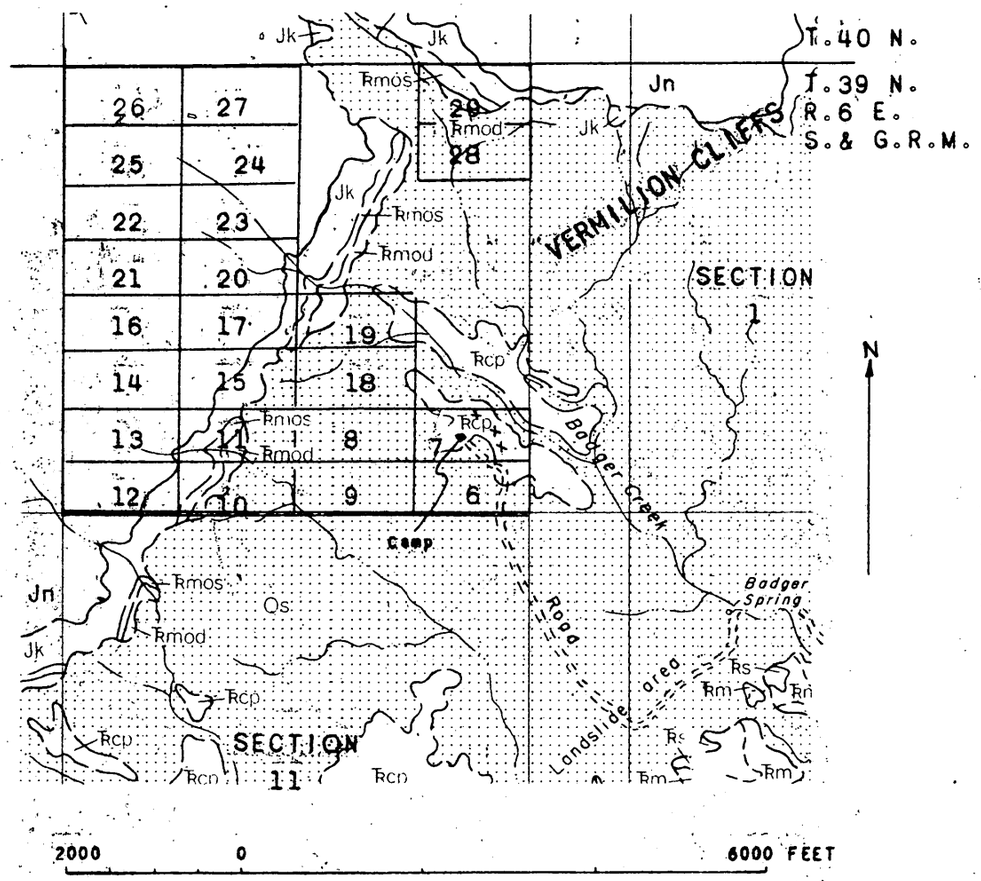
top of the Petrified Forest member. These holes would be spaced on 500-foot centers on the Sam 6, 7, 8, and 9 claims. Total cost of the project, including incidentals, would be $61,389.00 with DMEA participation (75 percent) at $46,041.75.

The small and scattered occurrence of the ore pods and the lack of any definite trends, such as channels, on the property are not such as to justify exploration of the property with DMEA funds. It is, therefore, recommended that the application of Consumers Agency, Inc., for DMEA assistance be denied.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
AUGUST 1956 DOCKET #289

RECEIVED
OCT 15 1956



Note: BASE FOR U.S.G.S. PHOTOGEOLOGIC MAP
LEE'S FERRY SW, ARIZ.

EXPLANATION

Qs	QUATERNARY SURFICIAL DEPOSITS
Jn	NAVAJO SANDSTONE (JURASSIC)
Jk	JURASSIC (?) KAYENTA FORMATION.
Rmos Rmod	TRIASSIC (?) MOENAVE FORMATION SPRINGDALE SANDSTONE MEMBER, Rmos DINOSAUR CANYON SANDSTONE MEMBER, Rmod
Rcp	PETRIFIED FOREST MEMBER OF THE TRIASSIC CHINLE FORMATION
Rs	SHINARUMP MEMBER OF TRIASSIC CHINLE FORMATION
Rm	TRIASSIC MOENKOPI FORMATION
~~	CONTACT DASHED WHERE APPROXIMATELY LOCATED
x	PROSPECT PIT

FIGURE 2.--PHOTOGEOLOGIC MAP SHOWING SAM CLAIMS 6 TO 27, ARIZONA STATE MINERAL LEASE 372, CONSUMERS AGENCY, INC., COCONINO COUNTY, ARIZONA

RECEIVED
JUN 13 1956 DMEA
Date Rec'd.

June 8, 1956 JUN 11 1956

BUREAU OF MINES
Denver, Colorado

Memorandum

To: S. R. Wilson

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4289 (Uranium), Consumers Agency, Inc., (Sam group), Coconino County, Arizona

Enclosed is the application for Consumers Agency, Inc., in the amount of $61,389.00.

A field examination and suitable report are required. The completed report should be forwarded directly to the Executive Officer with a copy of your memorandum of transmittal to this office.

JOHN W. SHAW

John W. Shaw

Enclosure

cc: W. M. Traver (3)
E. N. Harshman
J. W. Hasler
W. H. Salsbury
Sec. Gp. Com (2)

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

RECEIVED
JUN 11 1956

June 6, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. F. Shaw (2) (With brochure)
J. W. Mesler

From: Field Team, Region III

Subject: Docket DMEA 4289 (Uranium) Consumers Agency, Inc., (Sun group), Coconino County, Arizona

Enclosed is the subject application in the amount of $61,389.00. A field examination and suitable report are required.

Since the subject application is in the same area as Docket DMEA 4287, both properties should be examined at the same time by the field examiners.

Enclosed for your further information is a copy of a letter from the Chairman, Operating Committee dated June 4, 1956 with attached memoranda of review of the application by R. E. Nelson and John E. Crawford.

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
MM:sb
cc: Chair. Op. Comm. (2)
Docket 4289
Karshman
Chron.

700
FILE COPY
Surname:
Murphy
Ely
Gilbert
Kulsgaard
Martin
Johnson

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

JUN - 4 1956

Mr. Raymond Taylor, President
Consumers Agency, Inc.
294 North University Avenue
Provo, Utah

Re: Docket No. DMEA-4289 (Uranium)
Sam Group
Coconino County, Arizona

Dear Mr. Taylor:

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,

G. O. Mittendorf

Administrator

FMMurphy/izm 6-1-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
DMEA Field Team, Region III (2)

R.G.B.

700
Murphy
Martin
Johnson

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

JUN - 4 1956

Re: Docket No. DMEA-4289 (Uranium)
Consumers Agency, Inc.
Sam Group
Coconino County, Arizona

Dear Mr. Traver:

The captioned application is referred to Region III Field Team for a field examination and recommendation.

Enclosed are copies of memoranda, dated May 24 and 28, 1956, by N. A. Nelson, USGS, and J. E. Crawford, respectively, relating to the application.

The Applicant asserts that the State of Arizona will subordinate its 5 percent royalty on production from the subject group in the event a DMEA contract is approved. Our understanding is that no state will subordinate its interest in state land. Therefore it is likely that if a project is recommended, we will require other suitable guarantees.

We concur in the Field Team's recommendation that the Sam group and the Jay Bird claims (Docket No. DMEA-4267) should be investigated at the same time by the field examiners as both properties are in the same area.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Enclosures

APPROVED:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

FMMurphy/izm 6-1-56
cc to: Docket
Code 700
Mr. Murphy
Admr.'s Reading File
Operating Committee
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

R.C.S.

5/29/56 gfa

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

May 28, 1956

Memorandum

RECEIVED
MAY 29 1956

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

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

Subject: Application for Assistance, DMEA Docket 4289, Consumers Agency, Inc. (Sam group), Coconino County, Arizona

I have reviewed the attached application for assistance, DMEA Docket 4289, Consumers Agency, Inc. (Sam Group), Coconino County, Arizona, dated April 28, 1956, and received in this office May 22. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant is desirous of exploring for uranium with Federal participation on 440 acres in Coconino County, Arizona. Little basic work has been done on the property and it appears that the proposed project is of a prospecting nature.

The geologic setting is not encouraging and it is doubtful that additional information could be gained by a field examination. However, the field examiners probably should visit the subject property if they are in the area inasmuch as it is relatively close to the Uranium Petroleum Corporation property, DMEA Docket 4287, which appears to merit a field examination.

John E. Crawford
John E. Crawford

Attachment

29/56

IN REPLY REFER TO:

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

RECEIVED
MAY 25 1956

May 24, 1956

Re: DMEA 4289
Consumers Agency, Inc.
Sam Group
Coconino County, Arizona
$61,389.00 - Uranium

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring Chinle and lower beds for uranium, rare earths, mercury, etc. etc.

In a memorandum to the Executive Officer, Region III, the representatives of the Field Team recommend, (a) denial of the application without examination, or (b) that an examination be made when the Jay Bird group is examined.

Specimens of uranium-bearing material appear to have been taken from an outcrop but exactly what they mean is not clear. The application says "The 'show' at the face of the ledge does not approach shipping ore, but may thicken up and roll behind the ledge."

Fourteen shallow holes--not over 50 feet--are proposed for exploring this showing. Longer holes would be used to prospect the Shinarump beds which do not outcrop, but in which nearby mining is in progress.

If an examination can conveniently be made to coincide with that planned for the Jay Bird property, I recommend such be made.

DMEA-4289

N. E. Nelson

N. E. Nelson

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

RECEIVED
MAY 21 1956

May 18, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

From: Field Team, Region III

Subject: DMEA Docket 4289 (Uranium) Consumers Agency, Inc. (Sam group)
Coconino County, Arizona

Enclosed are the original and three copies of a joint review of the subject application by members of the Grand Junction office, DMEA. They recommend that the application be denied without a field examination.

We believe that a field examination should be made on this property on the same trip that the field examiners visit the Uranium Petroleum Corporation property, DMEA Docket 4287.

DMEA Field Team, Region III

By W. M. Traver
Executive Officer

Enclosures

DMEA
Date Rec'd
MAY 18 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MINERAL DEPOSITS
IN REPLY REFER TO:
DMEA
RECEIVED
MAY 17 1956
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

BUREAU OF MINES
Denver, Colorado

P. O. Box 360
Grand Junction, Colorado

RECEIVED
MAY 21 1956

May 14, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: J. William Hasler
M. H. Salsbury

Through: E. N. Harshman noted

Subject: Application for DMEA aid (Uranium), Consumers Agency, Inc., (Sam group), Coconino County, Arizona (4289)

The following information has been obtained relative to your request concerning a field examination on the Sam group of claims in Coconino County, Arizona.

The applicant's claims are in the general vicinity of the Sun Valley mine which has had some production, and Jay Bird group of claims, Coconino County, Arizona. However, the applicant's objectives, insofar as DMEA aid is concerned, are of a purely prospective nature. The applicant states that he intends to explore for uranium, rare earths, mercury, platinum group metals, and other strategic ores.

The applicant has a fairly well documented application, but assay results indicate that samples selected for assay appear to be hand picked. The mineralization found on the Sam group of claims is in a sandstone lens in the Chinle formation that is somewhat conglomeratic and contains some clay galls and intermixed mudstone with some areas of carbon trash. The mineralization does not appear to occur in a definite channel as is the usual requirement for occurrences of commercial ore normally found in the Moss Back member of the Chinle formation and the company's geologist reports that mineralization lenses out in a distance as much as 70 feet in each direction of the most prominent location of ore. Examination of other properties in the vicinity of Marble Canyon substantiates the lack of concentrations of ore-grade material. This was the case on the La Salle Mining Company's property in the same area. The Marble Canyon Uranium Company, operating at the present time under a DMEA contract, has not discovered enough ore to encourage further exploration. Because of the apparent negative results in the same general area, it is recommended that the application be denied without a field examination, but that the applicant be requested to drill the 14 diamond-drill holes on their own account as proposed by their consulting geologist, to test the mineralization found on the outcrop at some depth. The holes are relatively shallow and will not exceed much more than 50 feet per hole.

If the results of this preliminary drilling is promising, then the applicant may reapply. If in the interest of public relations, it is deemed advisable to examine this property in the field, it may be done at the same time as the field examination is made on the Jay Bird group of claims (Uranium Petr. Corp 4287)

It may again be pointed out that the Atomic Energy Commission's work in the area does not point to the discovery of any sizeable ore deposits.

J. William Hasler,
U. S. Geological Survey

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

JWH/mlr

May 11, 1956

Consumers Agency, Inc.
294 North University Avenue
Provo, Utah

Subject: DMEA 4289
Re: Exploration Assistance

Gentlemen:

The receipt of your application dated April 28, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 4289 and referred to the Rare and Miscellaneous 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

May 11. 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region

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
4289 Consumers Agency, Inc.

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
MAY 10 1956

May 7, 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) Consumers Agency, Inc., (Sam group) Coconino County, Arizona

Enclosed are two copies of the subject application in the amount of $61,389.00.

One copy of the application has been forwarded to the Grand Junction office, DMEA, for their review and comments regarding the advisability of a field examination.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

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

RECEIVED May 7, 1956

MAY 10 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. W. Hasler

From: Field Team, Region III

Subject: Application for DMEA Aid (Uranium) Consumers Agency, Inc., (Sam group) Coconino County, Arizona

Enclosed is the subject application in the amount of $61,389.00.

Please discuss this application with the Bureau of Mines representative in the Grand Junction office and the AEC and forward this office nine copies of your recommendations concerning the advisability of making a field examination.

DMEA Field Team, Region III

W. M. TRAVER,

By W. M. Traver
Executive Officer

Enclosures

WMC:ab

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

EXHIBIT I

DMEA
Date Rec'd

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
MAY 10 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. .....
Metal or Mineral .....
Date Received .....
Estimated Cost .....
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: CONSUMERS AGENCY, INC., Incorporated in the state of Utah
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah (See page I for officers of corporation)

(*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 Sam lode mineral claims 6 thru 27 of 20 acres each located in Sec. 2, T39N, R6-E, G&SRB and meridian, Marble Canyon mining district, Coconino County, Arizona.

(*b*) State any mine name by which the property is known. No Mine Name

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

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. See Figure 8 copy of lease from Arizona state land Dept.

(*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. Lease #372 - State Land Department - State of Arizona

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. None

(*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 wish to explore uranium, rare earths, mercury, platinum group metals and other strategic minerals.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated April 28, 1956, 195__

CONSUMERS AGENCY, INC.
(Applicant)

By Raymond Taylor
President and Director

Anne R Taylor
Vice President and Director

Lee R Taylor
Secretary-Treasurer and Director

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
MAY 10 1956

CONSUMERS AGENCY, INC.
294 NORTH UNIVERSITY AVE.
P.O. BOX 504 * PHONE FR3-8603
PROVO, UTAH

APPLICATION FOR DMEA PROJECT

ON

SAM GROUP OF LODE MINERAL CLAIMS

#6 TO 27 INCLUSIVE OF 20 ACRES EACH

TOTAL AREA 440 ACRES

ARIZONA STATE MINERAL LEASE # 372

CONSUMERS AGENCY, INC.
294 NORTH UNIVERSITY AVE.
PROVO, UTAH

April 28, 1956

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone Pr3-2604
Provo, Utah

INDEX

Heading No.		Page No.
1-	Name of Applicant	1
2-	General	1
3-	Property Rights	1
	(a) Legal Description	1
	(b) Name of Property	2
	(c) Interest in Land	2
	(d) Record of Ownership	2
	(e) Liens and Encumbrances	2
	(f) Record of Title	3
4-	Physical Description	3
	(a) Mining and Exploration Operations	3
	(b) Production and Ore Reserves	4
	(c) Geologic Features	4
	(d) Accessibility	4
	(e) Availability of Manpower, Equipment, etc.	4
5-	The Exploration Project	5
	(a) Minerals	5
	(b) Proposed Work	5
	Proposed Holes	5
	Logging and Sampling	6
	Geologic Control of Drilling	6
	Drilling Program	6
	(c) Beginning and Completion of Work	6
	(d) Ability of Applicant	6
6-	Estimate of Costs	7
	(a) Independent Contracts	7
	Drilling, Coring and Bulldozing	7
	Phase 1	7
	(b) Labor, Supervision, and Consultants	7
	(c) Operating Materials and Supplies	7
	(d) Equipment Depreciation and Loss	8
	(e) Rehabilitation and Repairs	8
	(f) New Buildings and Improvements	8
	(g) Miscellaneous	8
	(h) Contingencies	9
7-	Applicants Share of Costs	10

RECEIVED
MAY 1956

CONSUMERS AGENCY, INC.
294 NORTH UNIVERSITY AVE.
P. O. BOX 504 - PHONE FR3-8604
PROVO, UTAH

INDEX - CONTINUED

LIST OF EXHIBITS

1- Completed DMEA form Mf 103.

2- Geologic report on Sam group of claims.

LIST OF FIGURES

1- Topo. map showing school section # 2 Sam group of claim. — In Pocket

2- Claim map showing proposed drilling program Map #2A and #2B — In Pocket

3- Survey Map — In Pocket

4- Picked sample assay returns Asaary #4A - 4B - 4C - 4D

5-Letter of release of the Sam group of claims from Lisbon Valley Uranium Company.

6- Mineral rental receipt from state land office, Phoenix, Arizona.

7- Attorney's legal opinion of title

8- Copy of Arizona state lease acquired April 17, 1956 — In Pocket

9- Copy of state land department statement of transfer.

10- Copy of affidavit of Performance of annual assessment work filed March 27, 1956.

11- Lay-Out of claims.

12- Road Map showing general location of claims

13- Copy of Resolution of Board of Directors to apply for DMEA loan.

14- Grand Canyon Sectional Aeronautical Chart

15- Engineering - Surveying of mineralized channel in Sam #7 claim.

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone Fr3-8604
Provo, Utah

1- Name of Applicant. (See form Mf-103 attached as Exhibit 1)

(a) Consumers Agency, Inc., 294 North University Avenue, Provo, Utah

(b) A closed Corporation in the state of Utah

(c) Titles, names and addresses of officers as follows:

President and Director - Raymond Taylor, 645 North 7th East

Vice President and Director - Annie R. Taylor, 645 North 7th East, Provo, Utah

Secretary- Treasurer and Director - Dee R. Taylor, 460 East 2975 No., Provo, Utah

2- General

This report, together with form Mf-103, attached as exhibit1, is an application for a defense minerals exploration administration exploration project contract of the short form or unit cost type. A single phase exploration project has been proposed for exploring potential Uranium rare earths, mercury, Platuim group metals, and other strategic mineral lands in Coconino County, Arizona.

3- Property Rights

(a) Legal Description and name of property.

The land upon which the exploration work is to be preformed consists of 22 contiguous unpatented mining claims, known as the Sam group,

Consumers Agency, Inc.
294 North University Ave.
P. O. Box 504 - Phone FR3-8604
Provo, Utah

but specifically named and located as follows: Sam 6 thru 27 (contiguous), located in section 2 township 39 North, Range 6 East Coconino County, Arizona. These claims are located on and in an Arizona State School section, said school section falls in the Marble Canyon mining district of Coconino County, Arizona.

(b) Mine Name - No known mine exists on the Sam group of claims.

(c & d) Interest in lands and record of Ownership: Consumers Agency, Inc., has an Arizona State mineral lease #372 on the property, said lease was transfered to said corporation from Raymond Taylor by the Arizona State land board and Raymond Taylor. All records are on file at the State Land Board Pheonix, Arizona. In addition, the claims were staked and filed at the County Recorders office at Flagstaff in accordance with Arizona State Mining code. The claims all carry a 5% royalty to the state of Arizona. See Figure 8. The assessment work required by law has been completed for the year 1956 and affidvits filed with the County Recorders office Phoenix, Arizona. See Figure #10.

(e) Liens and Ecumbrances - The only obligation against the property is the royalty obligation mentioned above. The lien of the government, for money loaned by Dmea, is consented to by the lessors and is to remain in effect until the amount loaned is returned to

Consumers Agency, Inc.
294 North University Ave.
P. O. Box 504 - Phone FR3-8604
Provo, Utah

the government.

(f) Record of Title

All transactions affecting titles to the 22 claims are recorded in the County Recorders office of Coconino County, Flagstaff, Arizona. They are also recorded at State Land Board Office, Pheonix, Arizona, under mineral lease #372.

4- Physical Description of Property.

(a) Operations

As previously stated, a thin mineralized vein is exposed on Sam # 7 claim. A limited amount of work has been done up to date. This consisting of some powder work and 4 shallow holes drilled with a "Mighty Midget Drilling Rig". The powder work done to date has been for the defacing of the mineralized portion of the sandstone outcropping. The results of the four drill holes drilled by use of the "Mighty Midget Drilling Rig" were inconclusive.

(b) Production and Ore Reserves- There has been no production of ore up to date and no proven ore exists on the property at present.

Consumers Agency, Inc.
294 North University Ave.
P. O. Box 504 - Phone PH3-8604
Provo, Utah

(c) Geological Features - Refer to Geological report attached as exhibit #II.

(d) Accessibility - Drive to Mousorock Valley, Coconino County, Arizona, on U.S. Highway 89 through Flagstaff, Arizona on the South or Kanab, Utah, on the North, or land at the Cliff Dwellers air strip. From Art Green's Lodge, you drive east on Highway 89, 5 miles to Vermillion Cliffs Lodge. The claims under consideration are located North of this lodge approximately 3 miles. About 1/2 of this access road is fair dry weather road, the last half is passible only by jeep. Improvement on this 1/2 is being done at the present. See Road map Figure #12.

(e) Availability of Manpower, Equipment, etc.
Adequate and efficient labor could be drawn from the large Indian reservation located only a few miles south across the Colorado River. Also from Flagstaff to the South and Kanab to the north, both within 2 hours driving distance. Supplies such as food, gas and oil can be purchased at Vermillion Cliffs Lode, Art Green's Lodge and Marble

Consumers Agency, Inc.
24 North University Ave.
P.O. Box 504 - Phone PR3-3604
Provo, Utah

canyon lodge. These are all within a few miles of the property. Other supplies, machinery, etc., can be obtained from the supply houses at Salt Lake City, Utah or Phoenix, Arizona via Utah, Arizona truck lines.

Drilling contractors and Bulldozer Contractors are available in the area, at the rates set out in schedule I under estimates of cost.

5- The Exploration Project

(a) Minerals for which exploration is planned. It is planned to explore for all Uranium, rare earths, mercury, platinum group metals, and other strategic minerals.

(b) It is proposed to drill sufficient holes, together with close geological control, to adequately determine whether or not commercial Uranium, rare earths, mercury, platinum group metals and other strategic ores exists in the chinle (and underlying shinarump) members on the 22 Sam group of claims. The drills for the project will be supplies by local contracts. The estimated time required to complete the project is six months from approval date of this application. A single phase drilling program has been proposed.

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

Logging and sampling

A geologist will be furnished to supervise the drilling and logging of data obtained from the drill holes. The geologist will also be responsible for surveying in all drill sites.

The geologist will also keep an accurate and factual log of all drill cuttings and core samples.

A bunk house large enough to sleep six men will be built on the property, since there are no housing facilities in the area. Water for drilling and culinary purpose is available from a spring on the property, but will have to be piped 4,500 feet to the bunk house.

(c) Beginning and completion of work

All work will begin within thirty (30) days, weather permitting, and be completed within six (6) months.

(d) Ability of Applicant

Raymond Taylor, the President and General Manager of Consumers, Inc., has extensive background in organizing and directing activities of this nature. The Consumers Agency, Inc., although a new company in the

Consumers Agency, Inc.
294 North University Ave.
p.o. Box 504 - Phone FR3-0603
Provo, Utah

field of mineral exploration, has considerable experience in the field of Uranium exploration, having delt in Uranium claim staking and selling since 1952.

(d-1) Raymond Taylor- President and General Manager:

1932-- 1952	Private business (Taylor Garment Company, Provo, Utah.
1950 - 1954	Real Estate Business, Provo, Utah
1954 - 1956	Uranium Exploration and Prospecting

Dee R. Taylor - Secretary-Treasurer

1944-- 1946	U.S. Army Engineers (Staff Sargent)
1946 - 1949	Mission (L.D.S. Church) Spanish
1949 - 1951	Attended Brigham Young University
1951 - 1955	University of Southern California, B.S. Degree in Architecture
1955 - 1956	Architecture Consultant

Consultants- Mackenzie and Barrett, Provo, Utah

Jay P. Mackenzie

1951 -	B.S. Degree Geology Brigham Young University
1951 - 1952	U.S. Navy Bremerton Wash.
1952 - 1953	Poteroleoum Geologist El Paso Natural Gas Company.
1953 - 1954	Geologist Rare Metals Corp. of America

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

1954 - 1955	Consultant Geologist.
1955 - 1956	General Manager (Upetco)

Robert F. Barrett

1951-	B.S. Degree Geology Brigham Young University.
1951 - 1956	Metallurgist, U. S. Steel Company
1952 - 1956	Consultant Geologist Colorado Plateau.

Looking North, Badger Creek in background, compressor in foreground is for drilling explosive holes.

10 X 12 bunkhouse and kitchen has been built where picture taker is standing. The proposed expansion os this building to accomodate 6 men for eating and sleeping quarters is discribed under 6 (f) new buildings, improvements.

Consumers Agency, Inc.
24 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

6- Estimate of Costs

(a) Independent Contracts

1- Plug Drilling.
6000 ft. @ $2.65 per foot- - - - $15,900.00

2- Core Drilling
1500 ft. @ $4.12 per foot- - - - $ 6,180.00

3- Wagon Drilling
1,950 ft. @ .85¢ per foot - - - - $ 1,657.50

4- Bulldozing (Road Building and Drill

Site Location)
D8 Cat. $120.00 per day for
30 days - - - - - - - - - - - - - $ 3,600.00

Total Independent Contractor $27,337.50

(b) Labor, Supervision and Consultants

1- Geological Costs in making

Application - - - - - - - - - - - - $ 1,200.00

2- Drafting and Typing Costs - - - - $ 425.00

3- Geological Supervision and

Expenses of drilling - 6 months - $ 3,200.00

4- Sampler and Field Man -6 months - $ 3,200.00

Total 6 (b) $ 8,025.00

(c) Operating Materials and Supplies

1- Drill Log Reproduction and

Office Supplies - - - - - - - - - - $ 540.00

2- Core Boxes - - - - - - - - - - - - - $ 720.00

3- Fuel and Oil - - - - - - - - - - - - $ 840.00

(3a) Auto, supervisory $50/mo.

(3b) Auto, field assistant $75/mo.

(3c) Butane for Bunkhouse $15/mo.

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

4- Aquagel, Bran, etc. @ $20.00 hole- - - -$ 600.00

Total 6. (c) $2,700.00

6-(d) Equipment Depreciation and Lost

1- Auto, field assistant - $50/mo. - - - - $ 600.00

2- Auto, Supervision - $50/mo. - - - - - - - $ 600.00

3- Bunk House - $50/mo. - - - - - - - - - - $ 600.00

4- Radiometric Counter and Probe - - - - - $ 400.00

5- Loss and Depreciation
3000 ft. of 4 1/2" casing - - - - - - $3,000.00

6- Two sets 4 1/2" elevators, spiders
and slips - - - - - - - - - - - - - - - - $ 300.00

Total 6. (d) $5,500.00

6-(e) Rehabilitation and Repairs

1- Field Autos - - - - - - - - - - - - - - - $ 300.00

2- Rethread casing and trucking - - - - - -$ 720.00

Total 6. (e) $1,020.00

6-(f) New Buildings, Improvements

1- Bunk house to house 6 men and cook
440 square ft. @ $8.00 per ft. - - - -$4,550.00

2- 4,500 ft. of plastic pipe @ .20¢
per foot - - - - - - - - - - - - - - - - -$ 830.00

3- Labor to lay pipe, and install water
cistern at spring and Bunk House - - - -$ 200.00

Total 6. (f) $5,580.00

6-(g) Miscellaneous

1- Workmen's Compensation, etc. - - - - - - -$ 600.00

2- Accounting and Monthly reports - - - - -$ 600.00

3- Rig time 4 hrs. @ $15/hr. 1 hole
to run 4 1/2" casing, running
probe and pulling casing - - - - - - - -$5,400.00

Consumers Agency, Inc.
294 North University Ave.
P.O Box 504 - Phone FR3-8604
Provo, Utah

Total 6. (g) $6,600.00

6-(h) Contingencies

1.6. (b) Labor and supervision payments may be increased due to prolonging the completion of the project. 10% is added to cover such an increase- - - - - - - - - - - - - - - - $ 802.50

2.6.(c) Operating materials and supplies are estimated at a minimum. Unforseen consumption of supplies might increase such costs by 20% - $ 540.00

3.6. (d) Operating equipment loss, breakage, and depreciation may readily be increased 20% due to excessive loss of casing, counter breckage and probes- - - - - - - - - - - - - - $1,100.00

4.6.(e) Rehabilitation and repairs to field autos and to casing for holes could be increased by 20% - - $ 204.00

5.6. (g) Miscellaneous costs could possibly be increased as much as 30% due to contingency of considerable more rig time required in running and pulling casing and in probing the holes - - - - - - - - - - $1,980.00

Total 6. (h) $4,626.50

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

7- Applicants share of costs

In accordance with DMEA regulations, the Consumers Agency, Inc. is prepared to pay 25% of the costs of the project in the following manner:

The Consumers Agency, Inc. will preform all the necessary work and pay for all independent contracts, labor, materials and supplies used. Reimbursment by DMEA will be in accordance with schedule I, less 25%, on a unit basis and brought up to date at the end of each month; i.e., the amount to be loaned by the givernment for each unit of work performed will be 25% less than the amounts shown on schedule I. DMEA payments to Consumers Agency, Inc. will be made by the 15th of each month for footage of hole drilled and units of work accomplished during the previous month.

Respectfully submitted
Consumers Agency, Inc.

Annie R Taylor
Vice Pres.

Dee R Taylor
SEC- TREAS.

Raymond Taylor
Raymond Taylor, President
Jay P. Mackenzie
Robert Barrett
Consultant Services
Provo, Utah

Jay P. Mackenzie
Robert Barrett

Consumers Agency, Inc.
294 North University Ave.
p.o. Box 504 - Phone FR3-8604
Provo, Utah

Schedule I

Summary of Costs
Project Costs Per Foot of Hole

6- (a) Independent contract

1-	Drilling - - - - - - - - - - - - - - - - - -	$15,900.00
2-	Coring - - - - - - - - - - - - - - - - - - -	$ 6,180.00
3-	Wagon Drilling - - - - - - - - - - - - - - -	$ 1,657.50
4-	Road and Location Building - - - - - - - -	$ 3,600.00

(b)	Labor, Supervision, etc: - - - - - - - - - -	$ 8,025.00
(c)	Operating Materials and Supplies - - - - -	$ 2,700.00
(d)	Equipment Depreciation and Loss - - - - -	$ 5,500.00
(e)	Rehabilitation and Repairs - - - - - - - -	$ 1,020.00
(f)	New Buildings, etc. - - - - - - - - - - - - -	$ 5,580.00
(g)	Miscellaneous - - - - - - - - - - - - - - - -	$ 6,600.00
(h)	Contingencies - - - - - - - - - - - - - - - -	$ 6,626.50
	Total - - - - -	$61,389.00

D M E A, 75% Share Costs - - - - - - - - - - - - - -	$46,041.75
Consumers Agencys, Inc. 25% Share of Costs - - -	$15,347.25

Consumers Agency, Inc.
294 North University Ave.
P. O. Box 504 - Phone FR3-8604
Provo, Utah

RECEIVED
MAY 10 1956

EXHIBIT II

PRELIMINARY GEOLOGIC REPORT

SAM CLAIMS, COCONINO COUNTY, ARIZONA

Geology: The Sam group of claims are staked on the Jurassic Wingate Sandstone (massive cross-bedded buff to brownish red cliff forming 250 - 275 feet thick) occurs on the north western portion of the claims. The South eastern portion of the claims is exclusively Triassic Chinle Shale (irregularly bedded buff to red sandstone inter-bedded with variegated shale). No bed (or formation) below the Chinle outcrops on the Sam group of claims. Any projection of the Shinerump beneath the property with its ore bearing channels, would be purly in the realm of speculation and could only by proved by drilling.

Mineralization: The mineralization on the Sam group of claims occurs in the Chinle shales and sandstone. The mineralization occurs near the center of a sand-stone ledge and in a sugary sandstone, with Bontonite shales above and below. The host rock appears to be a slightly conglomeratic sand with clay galls and mudstones intermixed. Some carbon trash was in evidence, however, all spots containing carbon trash did not contain visable mineralization. The visable

mineralization was in the form of small pods and streaks that appear and disappear laterly from discovery point. Some beds of mineralization approximately six inches in width and containing visable carbon and secondary minerals could be traced laterly for six feet. The mineralization occurs near the thickest portion of a sandstone ledge that pinches out laterly in a distance of seventy feet in each direction.

Recommendation: A drilling program to examine the area immediately behind the mineralized outcrop should be carried out. The "show" at the face of the ledge does not approach shipping ore, but may thicken up and "roll" behind the ledge. At least 14 well spaced holes should be drilled behind the outcrop. (See plate I) This would require a minimum of drilling as the deepest holes would only be 50 feet. Should these holes prove to contain ore then additional holes should be drilled farther back and the ore body outlined.

The author's recommend at least ten deep holes be drilled to test the present of shinerump below the claims. These ten holes would have to be drilled between 150 and 200 feet. The holes should be well spaced (at least 500 feet centers) and accurate logs of the holes should be kept.

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

EVALUATION AND CONCLUSIONS

The Sam group of claims are located in a comparative new uranium producing destrict and little work has been done to date in development of mineral lands in this area.

One mine, Uranium Petroleum's sun valley mine, is presently producing in the immediate area, this mine produces from the Shinerump Formation, which may or may not underly the Sam group of claims. The Paria Uranium and Oil, Inc. is presently shipping small amounts of ore mined from the Hartley formation of the Chinle. Both the Hartley formation and the Shinerump formations may prove to be present beneath the Sam group of claims and if present may contain mineralized and ore bearing channels.

RARE METALS CORPORATION OF AMERICA
P. O. Box 306
Murray, Utah

FIGURE # 4-A

To: Mr. Raymond Taylor
P. O. Box 504
Provo, Utah

Consumers Agency, Inc.
294 North University Ave.
P.O Box 504 - Phone FR3-8604
February 22, 1956 Provo, Utah

Description	Chemical Assay %					Remarks
	U308	Hg	Rare Earth Oxides			
Vein 25' below hole#11 Sam#7Claim Section 2 T39N R6E	0.300	<0.1 (lbs/ton)	<0.1			

this applies to Hg assay only

Chief Chemist

X indicates area from which this sample was taken.

Looking North the mineralized area is shown by the white bank near the center of the picture.

Note the ruggedness of the country.

FIGURE # 4-B

Consumers Agency, Inc.
894 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

RECEIVED
MAY 10 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 East 1st South
Salt Lake City 1, Utah

February 21, 1956

Raymond Taylor
Consumers Agency, Inc.
Box 504
Provo, Utah

RADIOACTIVE SAMPLE REPORT

Sample Reference No. UP-5617-1

Name and Location of Property: Marble Canyon District, Badger Creek Area, Sam No. 7 Mining Claim, Sec2, T39N, R6E

Nature and Analysis of Sample: Coconino County, Arizona

Radiometric analysis gave 1.87% U_3O_8 equivalent.

Sample is an impure sandstone containing quartz, feldspar, clay, and calcite. Vanadium, copper, and manganese are present in the sample but no mercury or rare earths could be detected.

X indicates area from which this picked sample was taken.

Looking Northwest, white bank near center of picture is mineralized area, cliffs in back ground are wingate; all of area in forground is chinle; area beneath white area is highly bentonitic.

Examined by: R. G. Anderson
Petrographer

Harold L. Gibbs
Metallurgist (General)

FIGURE # 4-C

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

Submitted By **Flagstaff Chemical & Mineral Co.**
116 N. Verde
Flagstaff, Arizona

Lab. No. 11208-1 *Reference*

Marking: Raymond Taylor

ELEMENT	NOT LESS THAN	NOT MORE THAN	ELEMENT	NOT LESS THAN	NOT MORE THAN
Silicon	5.0 %	50.0 %	Barium	%	%
Aluminum	2.0	20.0	Columbium		
Magnesium	1.0	10.0	Nickel		
Iron	0.5	5.0	Beryllium		
Calcium	5.0	50.0	Molybdenum		
Sodium	0.3	3.0	Vanadium	0.1	1.0
Potassium	0.3	3.0	Yttrium	0.005	0.05
Tellurium			Cadmium		
Gold			Copper	0.01	0.1
Boron			Silver	0.0003	0.003
Mercury			Tantalum		
Phosphorus			Zinc		
Lithium			Titanium	0.05	0.5
Thallium			Zirconium		
Lead		0.03	Palladium		
Tin			Rhodium		
Chromium			Ruthenium		
Arsenic			Cobalt		
Antimony			Lanthanum		
Manganese	0.1	1.0	Strontium	0.01	0.1
Gallium			Rubidium		
Germanium			Tungsten		
Platinum			Indium		
Bismuth			Uranium	0.1	1.0

1. Percentage ranges represent the probable concentrations of the elements found to be present.

2. Fire assay is the method of choice for Gold and Platinum group elements; general spectrographic techniques are limited to ore concentrations greater than one or two ounces per ton.

3. Spectrochemical analysis is only one of several factors required for the complete evaluation of an ore sample; it should be regarded as a "Coarse Screen" used to estimate the advisability of additional study. Economic and minerological considerations are also necessary for a true appraisal of the specimen.

4. Special attention:

RECEIVED
MAY 1956

FIGURE # 4-D
Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

RARE METALS CORPORATION OF AMERICA

TEXAS STREET AT STANTON • POST OFFICE BOX 1492 • EL PASO, TEXAS

Cross-cut sample from channel

~~ADDRESS REPLY TO:~~
~~313 WEARNS BUILDING~~
SALT LAKE CITY 5, UTAH

March 9, 1956

Mr. Raymond Taylor
Consumers Agency, Inc.
P. O. Box 504
Provo, Utah

Dear Mr. Taylor:

The results of the chemical and spectrographic analysis on the sample that you submitted to this laboratory are as follows:

Chemical assay %

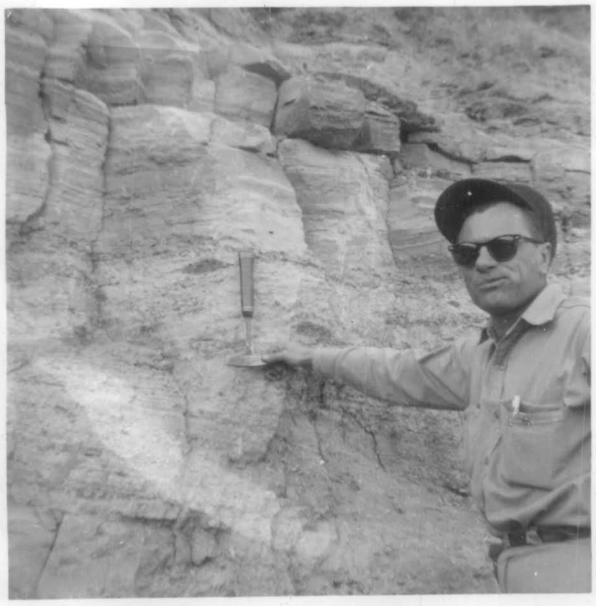
U308	Hg	Total rare earths including thorium
0.059	<0.005	<0.1

Complete X-Ray Spectrographic analysis

Arsenic	T	Manganese	0.5%	Thorium	T
Copper	0.1%	Nickel	0.2%	Uranium	0.05%
Iron	6.4%	Rubidium	T	Zirconium	T
Lead	T	Strontium	T		

In general, T refers to 0.01-0.1%.
If figures are reported, semiquantitative methods were used in analysis.

R. Kronstadt
R. Kronstadt
Chief Chemist



The man is holding hammer showing approximate width of mineralized outcrop from which a cross cut sample was taken. Note steam grading appearance of outcrop and cross bedding evident in forground.

FIGURE # 5

LISBON VALLEY URANIUM COMPANY
501 KITTREDGE BUILDING
DENVER, COLORADO

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

DENVER DEC 21 8 1955 7 30PM COLO.

DENVER DEC 21 55 COLO. U.S. POSTAGE 06 PB METER 127999

VIA AIR MAIL

Mr. Raymond Taylor
Consumers Agency, Inc.
655 North Seventh East
Provo, Utah

LISBON VALLEY URANIUM COMPANY
501 KITTREDGE BUILDING
DENVER, COLORADO
TELEPHONE: ACOMA 2-2848

December 21, 1955

Mr. Raymond Taylor
Consumers Agency, Inc.
655 North Seventh East
Provo, Utah

Dear Mr. Taylor:

This is to acknowledge receipt of your recent letter regarding lease rental due on the Sam Claims located in Coconino County, Arizona.

I have just talked with Mr. Wilder Brinton who stated that he had also been in touch with you and that you had informed him that lease rentals were due at this time on a group of claims known as the Badger Claims. We do not know if these two groups of claims are one and the same, or whether we have separate leases with the State of Arizona all of which are due at this time.

Mr. Brinton informed me that we should notify you that we are not interested in keeping up the Badger Claims and after some discussion this morning with Mr. Knowles and Mr. Fischer, it is their opinion that we should probably relinquish the Sam Claims also.

You may consider this your formal notification that we wish to abandon the claims mentioned above.

Yours very truly,

LISBON VALLEY URANIUM COMPANY

Melvin F. Schroeder

Melvin F. Schroeder
Secretary-Treasurer

MFS:a
AIRMAIL

DEC-27-55 25775 • •43015 Ck = — 330.00

STATE OF ARIZONA
STATE LAND DEPARTMENT
STATE OFFICE BUILDING
PHOENIX, ARIZONA

KIND ENTRY	LEASE OR C.P. REFERENCE NO.
11	00372

RAYMOND TAYLOR
645 N 7TH EAST
PROVO UTAH

SECTION	TOWNSHIP	RANGE

RECEIPT - PAYEE

ACCOUNT NO. GRANT FUND	SUB.	CARRYING CAPACITY OR STATIC WATER LEVEL	SEE OTHER SIDE FOR CODE DESCRIPTION: LAND CODE	CROP CODE	WATER CODE	BILLING DESCRIPTION	RATE	ACRES	$ AMOUNT
3004						MINERAL RENTAL		44.00	330.00
3004						MINERAL RENTAL			

PAID
DEC 27 1955

CERTIFICATE OF PURCHASE UNPAID BALANCE $	BILLING PERIOD FROM MO DAY YR	BILLING PERIOD TO MO DAY YR	DATE BILLED MO DAY YR	DATE DUE MO DAY YR	TOTAL ACRES	TOTAL AMOUNT $
	21656	021557	120155	21656	44.00	330.00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

SEE OTHER SIDE FOR { INTEREST CHARGE ON DELINQUENT CERTIFICATE OF PURCHASE PAYMENTS
LAW PERTAINING TO PENALTY AND INTEREST ON RENTAL - A.C. 1939 11-307

AMOUNT SUBJECT TO ADDITIONAL CHARGES IF NOT PAID ON OR BEFORE DATE DUE - - - - - - ($ 330.00)

5% PENALTY OF RENTAL AMOUNT - - - - - - $

TOTAL RENTAL AMOUNT PLUS PENALTY - - - - ($)

10% INTEREST PER ANNUM OF RENTAL AMOUNT AND PENALTY — NUMBER OF DAYS DELINQUENT ( ) $

TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST - - - - - $

CASH RECEIVED $

BALANCE DUE OR OVERPAYMENT $

PENALTY AND INTEREST	DISTRIBUTION
$	

TOTAL PENALTY AND INTEREST $

RECEIVED
MAY 20 1956
Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone Fr3-8604
Provo, Utah

FIGURE #6

RECEIVED
MAR 1 3 1956

THOMAS S. TAYLOR
ATTORNEY AT LAW
232 WEST CENTER STREET
PROVO, UTAH
FRANKLIN 3-3200

FIGURE #7

April 30, 1956

Consumers Agency Inc.
204 North University Ave.
P.O. Box 594
Provo, Utah
Phone FR3-3006

Gentlemen:

I have examined some of those certain unpatented lode mineral mining claims at random known as San Ros 0 through 27, located in Badger Creek Area, Marble Canyon, Mining District, Sec. 2, Township 30 North, Range 8 East of Gila and Salt River Base and Meridian, Moccasin Valley, Coconino County, Arizona, as specifically described in that certain State of Arizona, Land Mineral Lease #872 and as described in figure #11 of this application.

My physical inspection failed to disclose any necessary conflicts. The notices of location, location monuments and stakes appeared to be timely and properly performed.

The records disclose that the State of Arizona leased to Raymond Taylor the mineral rights in the above described property on February 10, 1950 for a period of 20 years and until February 10, 1970. This lease requires that all assessment work be performed annually in accordance with the general mining laws of the United States; that lessee pay State of Arizona annual rental of $10.00 per claim or fraction thereof and in addition to pay to the State of Arizona a royalty of 5% of the net value of minerals produced from said leased premises; said lease contains additional covenants as more particularly described in Figure 8 of this application which contains a copy of the lease; that this lease was assigned by Raymond Taylor and his wife Annie R. Taylor to Consumers Agency Inc., a Utah Corporation, on April 17, 1956, with the written consent of the State Land Department of the State of Arizona as more fully described in Figure #9 of the application.

The records disclose that the terms of this lease from the State Land Department of the State of Arizona have been complied with by both parties; including the rental payment for 1956; that annual assessment work has been performed to and including the year 1955; and that the said lease is in force and effect.

THOMAS S. TAYLOR
ATTORNEY AT LAW
232 WEST CENTER STREET
PROVO, UTAH
FRANKLIN 3-3200

CONSUMERS AGENCY, INC.
304 NORTH UNIVERSITY AVE.
P.O. BOX 304-PHONE FR3-0604
PROVO, UTAH

FIGURE #7 - Page 2

A physical inspection of the property and an inspection of the records disclose that the lessees have discovered ore in place on a mineralized chanel running through unpatented lode mining claim San #7 and adjacent claims.

The records disclose that there are no judgments or legal actions pending against Raymond Taylor or Consumers Agency Inc. The officers and directors of Consumers Agency Inc., and Raymond Taylor, have informed me that to the best of their knowledge there are no legal actions contemplated against them.

It is my opinion that Consumers Agency Inc. has a valid leasehold interest in the above described claims and that it has present valid possessory rights to the minerals in and on said claims. That there are no known or apparent possessory conflicts on said unpatented lode mineral claims.

Very truly yours,

Thomas S. Taylor

Thomas S. Taylor

TST/cb

FIGURE # 9

Consumers Agency, Inc.
294 N. University Ave.
P.O. Box 504 - Phone PH3-7604
Provo, Utah

STATE LAND DEPARTMENT
Phoenix, Arizona

April 17, 1956

Consumers Agency, Inc.

Box 504 - 294 N. University Ave.

Provo, Utah

We are enclosing herewith Lease No. M-372 which has been transferred from Raymond Taylor & Annie R. Taylor

to Consumers Agency, Inc.

Yours very truly,

Roger Ernst,
State Land Commissioner

RE: as

Encl.

Recorded April 2, 1956
9:00 A.M.
Book 88, Page 53

FIGURE #10
CONSUMERS AGENCY, INC.
294 NORTH UNIVERSITY AVE.
P. O. BOX 504 - PHONE FR3-8604
PROVO, UTAH

MAY 10 1956

AFFIDAVIT OF PERFORMANCE OF ANNUAL ASSESSMENT WORK

STATE OF UTAH :
: SS
COUNTY OF UTAH :

s/ Wayne D. Handy, being first duly sworn, deposes and says that he is a citizen of the United States and more than twenty-one years of age, resides at 6215 So. 3rd East, Murry in Salt Lake County, Utah, is personally acquainted with the mining claims known as:

Name of Claim	Legal Description	Mining District	Date Recorded
Same #6 to 27 inclusive	Sec. 2, Township 39 North Range 6 East G&SR	Marble Canyon	Nov. 7, 1954

That between the 1st day of February A.D. 1956, and the 28th day of March A.D. 1956, at least $3,000.00 worth of work and improvements were done and performed upon said claim, not including the location work of said claim. Such work and improvements were made by and at the expense of s/ Raymond Taylor owners of said claim, for the purpose of complying with the laws of the State of Arizona, pertaining to assessment or annual work, (at least One hundred Dollars worth of work for each claim) and:

(Give names of miners who work upon the claims in doing the work)

Wayne D. Handy, 6215 South 3rd East, Murry, Utah
Abe Bonham, Kanab, Utah
L. H. Overly, Provo, Utah
Virgil Jessop, Short Creek, Arizona
Bill Sidwill, Provo, Utah
Dell Tyler, Provo, Utah
Victor Forsyth, Provo, Utah
Karl T. Williams, Provo, Utah
Larry Conway, Houserock Valley
and others

were men employed by said owner and labored upon said claims, did said work and improvements, and same being as follows, to-wit:
(Here described work done)

In excess of 10,000 cubic feet of rock and earth blased from channel. In excess of 500 feet of drilling to depths of from 4 feet to 60 feet. Engineering work by Karl T. Greer registered Civil Engineer #999 State of Arizona. Mining Engineer Mr. Jay MacKengie, 836 South 11th West, Provo, Utah. Geologist Mr. Robert T. Barrett, 2286 West Center, Provo, Utah.

I certify that the foregoing is a true and correct statement of the work performed and improvements made, of my knowledge.

s/ WAYNE D. HANDY

STATE OF UTAH :

COUNTY OF UTAH :

Subscribed and sworn to before me this 27th day of March 1956.

My commission expires June 15, 1959

s/ PAYL A. BROWN
Notary Public

FIGURE # II

SAM [illegible]DE CLAIMS--6 to 27 Inclusive[illegible]

of 20 Acres Each--Total 440 Acres #

State of Arizona Land Mineral Lease #[illegible]372

Located in Badger Creek Area, Marble Canyon Mining District

Section 2, T39H, R6E, G&SR, Houserock Valley, Coconino County, Arizona

NW1/4 NW1/4 NW1/4	26	NE1/4 NW1/4 NW1/4	NW1/4 NE1/4 NW1/4	27	NE1/4 NE1/4 NW1/4	Consumers Agency, Inc. 294 North University Ave. P.O. Box 504 - Phone FR3-8604 Provo, Utah					
SW1/4 NW1/4 NW1/4	25	SE1/4 NW1/4 NW1/4	SW1/4 NE1/4 NW1/4	24	SE1/4 NE1/4 NW1/4						
NW1/4 SW1/4 NW1/4	22	NE1/4 SW1/4 NW1/4	NW1/4 SE1/4 NW1/4	23	NE1/4 SE1/4 NW1/4	GPWR					
SW1/4 SW1/4 NW1/4	21	SE1/4 SW1/4 NW1/4	SW1/4 SE1/4 NW1/4	20	SE1/4 SE1/4 NW1/4						
NW1/4 NW1/4 SW1/4	16	NE1/4 NW1/4 SW1/4	NW1/4 NE1/4 SW1/4	17	NE1/4 NE1/4 SW1/4	NW1/4 NW1/4 SE1/4	19	NE1/4 NW1/4 SE1/4			
SW1/4 NW1/4 SW1/4	14	SE1/4 NW1/4 SW1/4	SW1/4 NE1/4 SW1/4	15	SE1/4 NE1/4 SW1/4	SW1/4 NW1/4 SE1/4	18	SE1/4 NW1/4 SE1/4			
NW1/4 SW1/4 SW1/4	13	NE1/4 SW1/4 SW1/4	NW1/4 SE1/4 SW1/4	11	NE1/4 SE1/4 SW1/4	NW1/4 SW1/4 SE1/4	8	NE1/4 SW1/4 SE1/4	NW1/4 SE1/4 SE1/4	7	NE1/4 SE1/4 SE1/4
SW1/4 SW1/4 SW1/4	12	SE1/4 SW1/4 SW1/4	SW1/4 SE1/4 SW1/4	10	SE1/4 SE1/4 SW1/4	SW1/4 SW1/4 SE1/4	9	SE1/4 SW1/4 SE1/4	SW1/4 SE1/4 SE1/4	6	SE1/4 SE1/4 SE1/4

Scale 1" = 660 ft.

Consumer's Agency, Inc.
Division of Mineral
294 No. University Ave., Box 504
Provo, Utah

FIGURE # 12
CONSUMERS AGENCY, INC.
294 UNIVERSITY AVE.
BOX 504 * PHONE FR3-8604
PRovo, Utah
SAM CLAIMS
ORE BUYING STATION
MOUNTAIN STANDARD TIME
To Salt Lake City
UTAH
ARIZONA
NEVADA
GRAND CANYON NATIONAL PARK
GRAND CANYON NATIONAL MONUMENT
NAVAJO INDIAN RESERVATION
HUALPAI INDIAN RESERVATION
KAIBAB NATIONAL FOREST
COCONINO NATIONAL FOREST
PRESCOTT NATIONAL FOREST
Flagstaff
Prescott
Williams
Marble Canyon
Lees Ferry
Tuba City
Cameron
Kanab
Fredonia
Jacob Lake

FIGURE #13

RECEIVED MAY 1 1956

THE CONSUMERS NEWS LETTER

A PRIVATE NEWS LETTER TO THE CONSUMER

CONSUMERS AGENCY, INC.
655 NORTH SEVENTH EAST, PROVO, UTAH
294 No. University Ave. - Phone FR3-8604
P.O. Box 504

April 28, 1956

Resolution of Board of Directors
Passed Unanimous by
All members - All members were present

Be it resolved that whereas it is the opinion of our Corporation Consultants, Mackenzie and Barrett and other private Consultants, that an entensive exploration program should be consumated at our Sam mineral claims 6 thru 27 covered by our Corporation's Arizona state mineral Lease #372;

And whereas it is the opinion of the Board of Directors that such proposed exploration program is a sound speculative mining venture;

And where said consultants, Mackenzie and Barrett, have prepared a proposed DMEA project showing a total estimated cost of $61,389.00.

We the Board of Directors of Consumers Agency, Inc. do hereby approve said proposed application for a defense minerals exploration project contract of the short form or unit type not to exceed $46,041.75 and direct the Corporation president to apply for and expidite said proposed DMEA loan and to budget $15,347.25 of the Corporations working capital and provide same as the Corporations portion of said project, and expowers the Corporation president to negotiate any modification or changes in the proposed project with DMEA officials, and to enter into any contracts for the performance of work covered in any or all units of said DMEA project.

Raymond Taylor
Raymond Taylor, Director

Annie R. Taylor
Annie R. Taylor, Director

Dee R. Taylor
Dee R. Raylor, Director

QUOTATIONS NOT PERMITTED. MATERIAL MAY NOT BE REPRODUCED IN ANY FORM.

FIGURE #14
CONSUMERS AGENCY, INC.
294 NORTH UNIVERSITY AVE.
P. O. BOX 504 - PHONE FR3-8604
PROVO, UTAH

RECEIVED
MAY 1 [illegible] 56

FIGURE # 15

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

CARR F. GREER
ENGINEERING-SURVEYING

Feb. 5-56

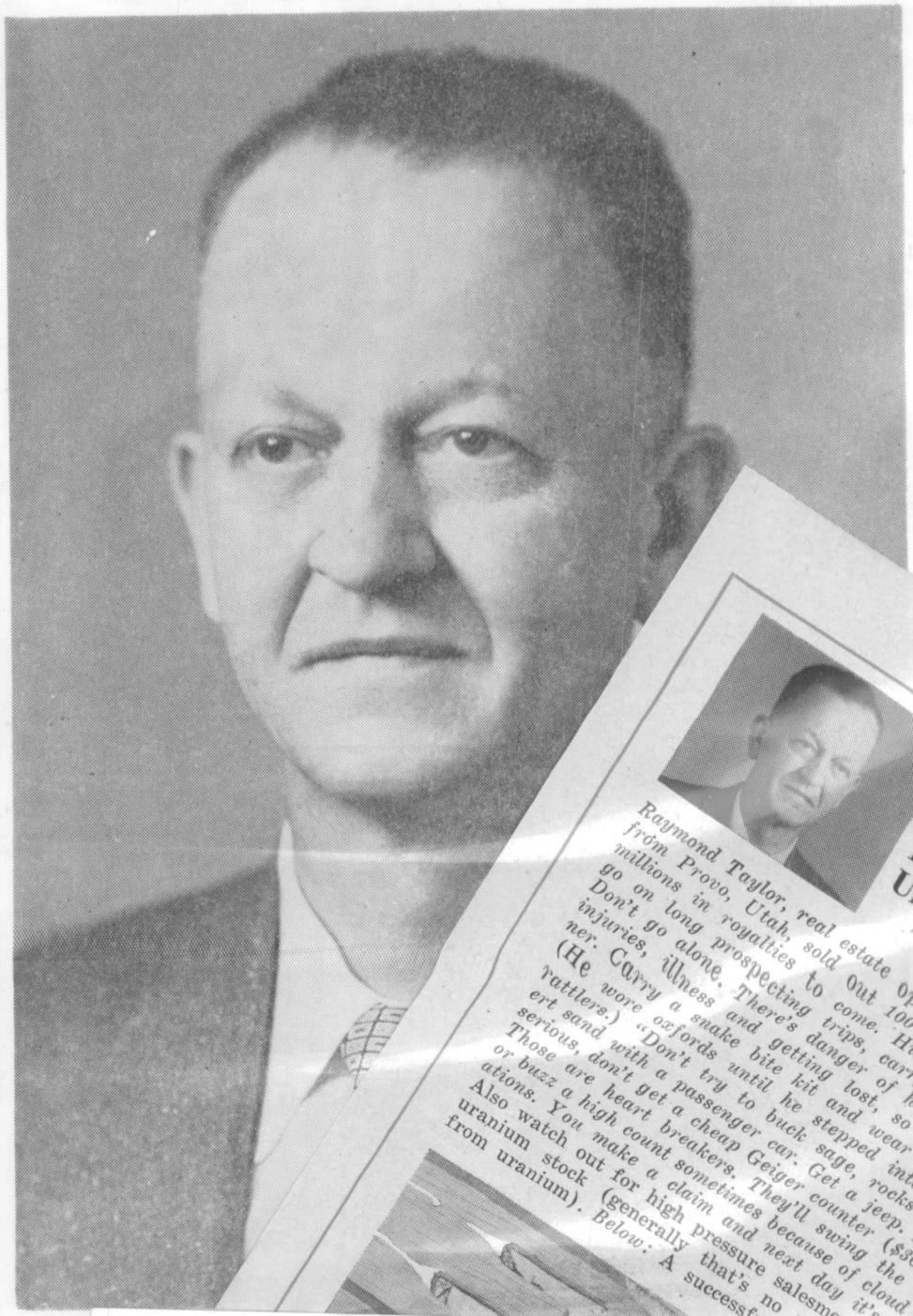
This is to Certify that I am a registered Civil Engineer in the State of Arizona by Certificate No 999, and that I have this date Surveyed the following described Mineralized Channel to be known as the Janet Maria, which is located in the NE1/4, of the SE1/4, of SE1/4 of Sec. 2, T-39-N, R-6-E, of the G&SRB&M. which is also in the East half of Sam No 7 Claim, and is located 1066.0 ft., North & 640.4 ft., west of the S.E. Corner to Sec. 2, T-39-N, R-6-E, of the G&SRB&Mer. The Section line on the East Side of the SE1/4 of Sec. 2 was used as a bearing Guide.

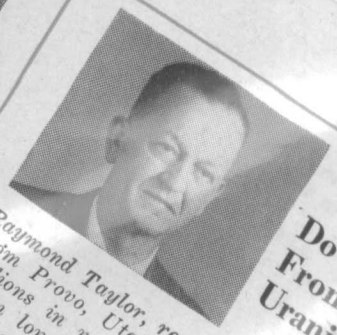
Signed C F Greer
C. F. Greer - Reg #999

CARR F. GREER
Reg. No. 999
State Ariz
REGISTERED CIVIL ENGINEER

RECEIVED
MAY 1 1956

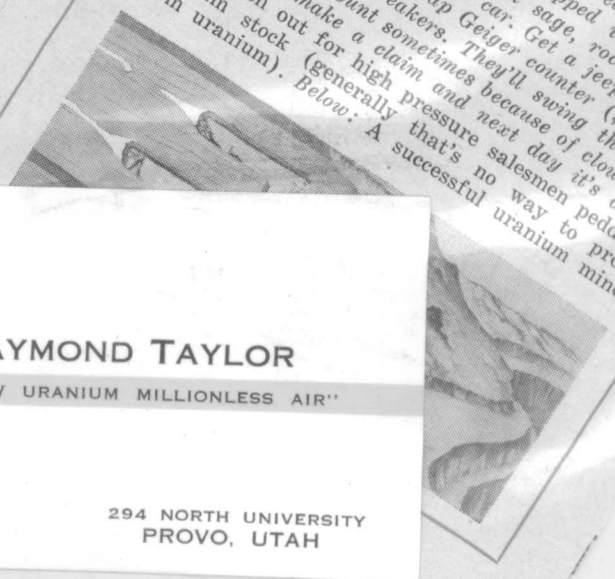
THE CONSUMERS NEWS LETTER
A PRIVATE NEWS LETTER TO THE CONSUMER
CONSUMERS AGENCY, INC.
655 NORTH SEVENTH EAST, PROVO, UTAH





Do's and Don'ts— From A Brand New Uranium Millionaire

Raymond Taylor, real estate operator and politician from Provo, Utah, sold out 100 claims for several millions in royalties to come. His advice: "If you go on long prospecting trips, carry enough water. Don't go alone. There's danger of heat prostration, injuries, illness and getting lost, so take a partner. Carry a snake bite kit and wear high boots." (He wore oxfords until he stepped into a bed of rattlers.) "Don't try to buck sage, rocks and desert sand with a passenger car. Get a jeep. If you're serious, don't get a cheap Geiger counter ($30-$100). Those are heart breakers. They'll swing the needle or buzz a high count sometimes because of cloud radiations. You make a claim and next day it's dead." Also watch out for high pressure salesmen peddling uranium stock (generally that's no way to profit from uranium). Below: A successful uranium mine.



MR. RAYMOND TAYLOR
"A BRAND NEW URANIUM MILLIONLESS AIR"

PHONE 135

294 NORTH UNIVERSITY
PROVO, UTAH

QUOTATIONS NOT PERMITTED. MATERIAL MAY NOT BE REPRODU

MAY 10 1956
RECEIVED
MAY 10 1956

THE CONSUMERS NEWS LETTER
A PRIVATE NEWS LETTER TO THE CONSUMER
CONSUMERS AGENCY, INC.
655 NORTH SEVENTH EAST, PROVO, UTAH

HOUSEROCK VALLEY

MR. RAYMOND TAYLOR

FAVORABLE PRESS

Mr. Taylor, president of Consumers Agency, Inc. has enjoyed a favorable press both locally and on a national scale relative to his mining activities.

URANIUM FEVER

Warner Bros. Featurette "Uranium Fever" was the story of Mr. Taylor's experiences as a prospector on the Colorado Plateau. It was shot in wide screen colored film and was released as a campanion picture with "Mr. Roberts" in movie theaters throughout the United States. It is currently running with unusual success for a short documentary film.

CURRENT PUBLICITY

Mr. Frank C. Robertson famous author of novels with true western backgrounds is currently engaged in writing a book and magazine serial based upon Mr. Taylor's mining experiences. Mr. Robertson has authored some 100 books and is recognized in "Who's Who in America."

PRESENT ACTIVITIES

Consumers Agency, Inc. under the management of Mr. Raymond Taylor has established a permanent seat in Houserock Valley to extensively explore their mineral property in this area.

QUOTATIONS NOT PERMITTED. MATERIAL MAY NOT BE REPRODUCED IN ANY FORM.

DIVISION OF MINERALS
CONSUMERS AGENCY
294 NO. UNIV. AVE, PROVO, UT.
BOX 504 FR 3-8604
RAYMOND TAYLOR, PRESIDENT

The Sunday Herald
SUNDAY FEBRUARY 26, 1956

Greater Central Utah Edition 1956

THE CHOPPING BLOCK

Touring Rugged Uranium Country

By FRANK C. ROBERTSON

For nearly a week I have been listening to full grown men ignoring every other topic and talking excitedly about "goodies." At first I thought they were crazy—now I'm sure of it. You can't eat the kind of goodies they were talking about unless you can masticate rocks, and if you could you'd likely become radio active. These goodies are hunks of uranium minerals. Everybody was talking it: geologists, tanned old prospectors, motel operators, cattlemen, tenderfeet and city slickers.

Mr. Robertson

My friend Raymond Taylor was kind enough to take me down to Houserock Valley where he seems to have made a substantial strike. At least the scintellator goes crazy every time you touch it against a rock, and every shot reveals more and more "goodies." I went through another mine nearby which is further developed and shows more and more prospects the deeper it gets, and from which they are actually shipping uranium. The owner, Abe Bonham, considerately offered to give me a chunk, but I felt that from all the talk I had heard it must already be running out of my ears.

The first night we drove over a sandy road for three or four miles and arrived at "the Bean Hole," just before dark. This is about twenty miles from Taylor's present operations, but was his base for a couple of years of prospecting. For me it was almost like coming home, for the Bean Hole shack is almost a replica of my homestead cabin up in Idaho. It is snug and warm, though I felt some apprehension lest it become too warm, as they have to leave a few inches of ashes on the floor to catch the fire that falls through a hole in the bottom of the stove. Inside, there is just about room enough to swing a cat.

First thing we did was get a milk can and drive a couple of miles through the sand to get water. Though the Bean Hole is a watering place for cattle, the water there is not considered fit for human consumption. When we got back Raymond showed me the axe and some cedar posts and advised me to get busy while he started supper. That was probably the dullest axe in the state of Utah.

We had just eaten when we heard a shout from the darkness and some boys from Short Creek who were working for Raymond moved in on us, so they had to have supper. Bedding down presented quite a problem, and there was quite a lot of hilarity as Taylor and I were assigned a bed in the far corner, where it would have been quite impossible for us to reach the door without danger of stepping in somebody's face.

Taylor, who knows them well, soon had the two young boys in an uproar as he told them they never would be able to obtain any wives until all their elders had died off, as the old boys monopolized all the available supply of women as plural wives. The boys had a sense of humor, and being good looking young fellows were sure they wouldn't have any difficulty.

I'm not sure any of them were polygamists. The two boys were, of course, unmarried, and one, a gentle, soft-voiced man of middle age, was a widower, though he had served some time once for having been a polygamist. The fourth didn't belong to the Short Creek colony.

I was reluctant to leave the Bean Hole, but next day we moved on to the Vermillion Cliffs Lodge, and went up to Taylor's claim. Raymond proudly showed us his road which was a mile high and eight feet wide. As it looked to me the dozer had merely taken off the surface down to the sand, and even the jeep had to be pulled by the cat, but Taylor was unperturbed and assured me that even if a vehicle couldn't get up to the mine it would have no difficulty getting down. I'm still pondering the question how it can get down if it can't get up there in the first place.

It took all day getting the boys' load of lumber up there by pulling it with a cat. It was Saturday night, and the boys were anxious to get back to Short Creek to the dance, which they courteously invited me to attend. I rode back to the motel with them, and they used my electric razor to slick up while they waited for the T-bone steaks Raymond had ordered for them, to cook. I haven't seen them since, except to pass Willie on the road, but I hope they made the dance.

A few days later Raymond and I stopped over a little while in Short Creek, and as I saw the drab surroundings I felt a little sad, until we found ourselves surrounded by a group of schoolboys who were as happy and keen-witted kids as I have ever encountered. Raymond, who considers himself something of a trader, tried to make a deal with one of the boys for a burro and a goat, but found himself outmaneuvered at every turn. The kids laughed and shouted and had themselves a time, and Taylor retreated in disorder.

Whatever else one may say or think about polygamy the kids down there are happy. I shall not forget the look of joy on one lad's face when we told him that his father, the widower, would be home that night. The kids are unusually intelligent, and they live full and complete lives.

DESERET NEWS AND TELEGRAM, Salt Lake Saturday, November 6, 1954

BUSINESS

The Uranium Field

Development Land Sold

This is the first of a weekly series of stories from the uranium fields. Routine stores of uranium companies will be carried on the Saturday Business Page of the Deseret News and Salt Lake Telegram if they are authorized by an officer of the firm. Other stories related to the uranium and other mining fields also will be used here.

PROVO — The purchase of some 21,000 acres of ranchland for uranium development in northern Arizona from a Provo businessman was announced Friday.

The three companies, Harquahala and Somind Mineral Corp., Salome, Ariz.; Amalgamated Uranium Corp., Salt Lake City, and Zion Uranium Inc., Salt Lake City, have signed contracts with Raymond Taylor, Provo, involving more than two million dollars in royalties and other considerations.

Harqualahal and Somind Minerals signed a lease with Mr. Taylor for 20,000 acres. The lease runs on a percentage basis of the ore taken from the property. The property is located in House Rock Valley near Navajo Bridge in northern Arizona. Drilling on the property will begin soon, according to Nelson T. Zuber, president.

Amalgamated Uranium, a new Utah corporation, purchased 840 acres and will move drill equipment into the property next week. The purchase price was one million dollars in royalties and other considerations, according to Frank Pinneo, president.

Zion Uranium Inc., purchased 1,440 acres in the same general area and will begin drilling operations within the near future. Purchase price for this property was reported at one million dollars in royalties plus other considerations including vice presidency in the corporation and a directorship.

The Western Mineral Survey, Salt Lake City, Utah

PLAN TO DRILL AT HOUSE ROCK VALLEY

Frank Pinneo, president of Amalgamated Uranium Corporation, 218 Atlas Building announced the company will move drilling equipment to its 840 acres of claims in House Rock Valley near Navajo Bridge, northern Arizona, recently bought from Raymond Taylor, of Provo. Zion Uranium, Inc., an affiliated company, also announced that a drilling program is to be started on 1,440 acres, in the same general locality, which it acquired recently.

FRIDAY, NOVEMBER 5, 1954
Utah County, Utah
DAILY HERALD

3 Uranium Firms Acquire Provoan's Arizona Claims In 'Million-Dollar' Deal

Raymond Taylor of Provo Thursday signed agreements with two uranium corporations running into millions of dollars in royalties and other considerations on 116 claims on a 30,000 acre tract he has "staked out" in House Rock Valley in Arizona.

Another company, Mr. Taylor disclosed, tentatively has agreed to lease 1000 claims and negotiations for lease of other claims are going forward with a fourth firm.

Zion Uranium, Inc. of Salt Lake City and Las Vegas, Nev. signed to buy 72 claims. Pres. Lloyd B. Lyon of the company, which has been operating since 1950, said Zion will start drilling on the site immediately. Mr. Taylor was made a stockholder and vice president of the company as part of the deal. Mr. Lyon said his company has 442 claims in Utah and Arizona, including those acquired from Mr. Taylor.

New Company

Amalgamated Uranium Corporation, a new company just approved by the Securities Exchange Commission, signed up to buy 43 claims. "We are putting a drill on the property this week and will go to work immediately," said Frank Pinneo, of Salt Lake City, president. Mr. Pinneo, a former Provoan, said his company has 118 other claims in Utah, one of them under production, and another being developed.

Nelson T. Zuver, of Los Angeles, president of the Harquahala Minerals Corporation of Salome, Ariz., also in Provo Thursday, said his company is leasing 1000 claims from Mr. Taylor, with the agreement "tentatively" reached but not signed.

In addition, Ralph Halm of Provo, president of the Diamond Uranium Corporation, which plans soon to file an application before the SEC, is negotiating with Mr. Taylor for 640 acres of his uranium claims. Mr. Halm said his firm also has 100 claims on a 2000-acre tract east and south of Moab.

Detectron Shot Up

Explaining how he first became interested in Mr. Taylor's Arizona claims, Pres. Zuver of Harquahala Corp. said he was driving through the area when a detectron in his car "went way up." He stopped, drove up a side road and there found Mr Taylor and others of his party around a campfire with their claims already staked out.

Mr. Taylor, local realtor and defeated Republican candidate for sheriff in the recent election, said he started prospecting "the hard way" after getting the uranium bug.

'Like most green prospectors," he said, "I did practically everything wrong. He started out without enough water. I carried no snake bite kit and wore oxfords until I got into a bed of rattlers."

Mr. Taylor said it is inviting death to go out alone. Dangers of heat prostration, injuries, illness and getting lost demand a partner. This he discovered after losing 30 pounds on his lone venture.

Another "don't" for greenhorns, he said, is not try to buck the sage, rocks and unmarked desert sand with a passenger car.

Mr. Taylor's claims are in Coconino County, Ariz. The closest town is Lee's Ferry. The property formerly was the site of the old Bar C Ranch, at one time owned by the LDS Church.

THE OGDEN (UTAH) STANDARD-EXAMINER

RECEIVED MAY 1 1956

Uranium Fever Soars at New Spot on Plateau; Provo Candidate for Sheriff Has Rich Strike

PROVO (INS) — Uranium fever has reached a new high at a new spot on the Colorado Plateau

Thousands of prospectors, both green and grizzled, are shifting from the Moab field in Eastern Utah, where some fabulous strikes were made, to House Rock Valley in Northern Arizona, just south of the Utah line

A few prospectors who braved the sizzling temperatures of summer, staking out claims on the shimmering mesas, cockscomb ridges and steep slopes of the vermillion cliffs, touched off the latest stampede.

Utah News

Prospectors from Short Creek, Ariz., site of a ploygamous colony, were first to uncover a "hot spot." They are holding tight, planning to develop their own claims with aid from the Atomic Energy Commission rather than accept several attractive offers from big-time operators.

Typical of so-called "lucky" green prospectors in House Rock Valley is Raymond Taylor of Provo. Taylor, a realtor and Republican candidate for sheriff in Utah County, took time out, after winning the primary election by four votes, to stake out claims totaling 30,000 acres.

Taylor said he had signed agreements with Amalgamated Uranium Corp. and Zion Uranium Corp. of Salt Lake City involving several million dollars in royalties and other considerations on 100 of his claims.

Taken Option

A group of Los Angeles oilmen has taken options on 20,000 acres of the Taylor holding after sending their own geologists over the area.

Taylor started prospecting the hard way after getting infected by the uranium bug.

Like most green prospectors, Taylor said he did practically everything wrong. He started out without enough water. He carried no snake bite kit, and more oxfords until he got into a bed of rattlers. After that high boots were the order.

According to Taylor, is is inviting sudden death to go out alone. Dangers of heat prostration, with temperatures ranging as high as 135 degrees, injuries or illness, getting lost, and just plain hard work, demand a partner. Taylor discovered this mistake after losing 30 pounds on his lone venture.

Another "don't" for greenhorns is not to try to buck the sage, rocks and unmarked desert sand with a passenger car.

Most prospectors try to equip themselves with a jeep or power wagon to buck the rough terrain and ravines. Amateurs generally are content to provide themselves with Geiger counters ranging in cost from $30 to $100.

They're Heartbreakers

These are the "heart breakers," Taylor said. "They will swing their needles and buzz a count at times because of cloud radiation. You mark a claim. The next day it's dead. Sometimes you come in contact with surface uranium contamination. You dig your claim hole and find nothing."

Discovery of uranium "hot spots" or "show" is only part of the prospecting grind, Taylor explained.

Marking of claims is not simple. If you want to make a claim on surveyed public domain land, you have to find the survey markers first. Then you drive your stakes, if you are in sand, or erect a monument of stones to mark your claim if the ground is rocky. The date of your claim stake is supposed to be put in a metal container, generally a can, at the discovery marker or monument.

Prudent prospectors, Taylor said, generally date their discovery as far back as possible to leave them just enough time to file at the county seat. You have 30 days to file after discovery has been made.

Taylor said big operators were content to let prospectors root out the claims and then investigate the better "shows" for purchase and development on a royalty basis. The small operator has difficulty holding claims because he must spend $100 per claim per year on development or see his claim vanish.

Big time prospectors use costly improved uranium spotters, which can record the gamma rays from low-flying airplanes, or while traveling in cars.

The AEC, charged with uranium development and procurement by the government, is the big spark plug for groups which want to develop their own claims. The AEC will advance 75 per cent of the operator's production costs if the AEC inspectors approve the venture.

The Western Mineral Survey, Salt Lake City, Utah

Amalgamated Proposes Public Offering After Clearing SEC

President Frank O. Pinneo, of the newly organized Amalgamated Uranium Company, said the company expects to make a public offering of 2,500,00 shares of stock at 10c a share, to purchasers throughout the United States. The company was recently organized with a 10,000,000 share capitalization. Offices are at 218 Atlas Building.

An application for approval of the new issue is in process of clearing the SEC. It is expected contacts with East Coast brokers will be made.

Pinneo has been active in uranium prospecting and production since 1948. He lives in Salt Lake City. Leland Shumway, vice-president, resides in Blanding. He has been in the production of vanadium and uranium since 1938. Lester Bai, of Salt Lake, another vice-president is interested in fur-ranching. Marvin Good, also a vice-president, is a Colonel in the Army Reserve, an electrical engineer, and resident of Salt Lake City.

Lloyd B. Lyon, secretary and treasurer, is a fuel technologist. He has been identified with uranium exploratory work since 1948.

Amalgamated has 118 claims included in the prospectus, and has added 200 more since, bringing the total to 318 claims. The Company also has drilling and prospecting rights on the Navajo Reservation in Arizona.

Location of 24 claims of the 118 mentioned, is in the Big Indian Mining District about 1½ miles from Steen's discovery. There also is one claim in East Canyon, San Juan County, three miles from Steen's, near Vanadium Corporation of America's former Sunset mine.

Amalgamated also has 15 claims in Montezuma Canyon, San Juan County and 31 claims in the San Rafael Swell, in Emery County.

There are four claims in West Water Canyon, San Juan County; six claims in Silver Reef Mining District in Washington County; 15 in the Thomas Mountains, Juab County; 31 claims in the Golden Mining District of Box Elder County; 30 claims in Elk Mountain, San Juan County; seven in McCracken Draw, San Juan County; four in Cottonwood Canyon, of San Juan County and 120 claims in Elaterite Basin, Wayne County.

Drilling has taken place in East Canyon of Dry Valley and mineralization encountered. A start has been made on developing a mine. The company has two mines open in Montezuma County. Both have shipped some ore. Shipping receipts indicate a 2½ per cent vanadium ore and from .15 to .30 per cent uranium. The property is regarded particularly desirable because of combined content of vanadium and uranium. "This was obtained by driving in a drift when doing development work, which is paying off," Pinneo said.

Amalgamated's main field of operation will be concentrated in San Juan County and the Navajo reservation.

Mr. H. M. Eller said Amalgamated is working on its own process for upgrading low grade uranium ores. He feels the company will come out with something sensational.

RECEIVED
MAY 10 1956

THE CONSUMERS NEWS LETTER
A PRIVATE NEWS LETTER TO THE CONSUMER

CONSUMERS AGENCY, INC.
655 NORTH SEVENTH EAST, PROVO, UTAH
Box 504

May 2, 1956

Department of The Interior
Defense Minerals Exploration Administration
Bureau of Mines,
224 New Customhouse Bldg.
Denver 2, Colo.

Gentlemen:

Please find enclosed our application under date of April 28, 1956, for a DMEA Project on our Sam Group of Lode mineral claims 6 through 27 of 20 acres each covering a total area of 440 acres and held by our corporation as leasee under Arizona state mineral lease #372.

Should you act favorably upon this application Consumers Agency, Inc. is interested in contracting the project.

Feel free to call upon us for any additional information, and I will be glad to come over to Denver to discuss details of this project at any time that may suit your convenience.

Thank you for this consideration.

Very truly yours,

Raymond Taylor

Raymond Taylor,
President

RT:da

QUOTATIONS NOT PERMITTED. MATERIAL MAY NOT BE REPRODUCED IN ANY FORM.

COPY

RECEIVED

MAY 1 0 1956

FIGURE 8

Consumers Agency, Inc.
294 North University Ave.
P.O. Box 504 - Phone FR3-8604
Provo, Utah

STATE LAND DEPARTMENT

PHOENIX, ARIZONA

SUPPLEMENT TO LEASE NO. 11 372

PROVO UTAH

Tr to: Consumers Agency, Inc.

SHEET ____ OF ____ SHEETS

GR.	DESCRIPTION	SEC.	TWP.	RANGE		ACREAGE	IMP.
004	LOTS 3 & 4 S2NW	2	39 N	6 E		440.00	
004	SW W2SE SESE	2	39 N	6 E		440.00	*

Raymond Taylor — SIGNATURE OF LESSEE

DATE

Kathryn Pitts — Acting Deputy STATE LAND COMMISSIONER

AUG 1 6 1955

Type of Lease ____ Lease No. 372

State Land Department

STATE OF ARIZONA

MINERAL LEASE

This lease made and entered into this 16th day of February, 19 55, by and between the State Land Department, party of the first part, hereinafter called the lessor, by reason of the authority vested in it by the Arizona Code Annotated, 1939, as amended, and Raymond Taylor party of the second part, hereinafter called the lessee.

W I T N E S S E T H :

The lessor has this day leased to the said lessee, for and in consideration of the rental, royalties, covenants, stipulations and conditions hereinafter contained, and hereby agreed to be paid, observed and performed by the said lessee, for the purpose of extracting and shipping ores and mineral substances from or under the following land to-wit:

Name & Number of Claim	Description	Section	Township	Range	Acreage	Grant	Amount
See insert sheets for	description						

containing 440 acres, more or less, with a total annual rental of THREE HUNDRED THIRTY AND 00/100

TO HAVE AND TO HOLD the same for the period ending the 15th day of February, 19 75

RIDER No. 1

This lease confers on the lessee the right:

1. To extract and ship minerals, mineral compounds and mineral aggregates, herein also called "minerals" or "ore", from the property above set forth located within planes drawn vertically downward through the exterior boundary lines of each claim, except if the mineral deposit be a vein, lode or ledge and located as a mineral claim according to locations on the public domain of the United States, the lessee is entitled, during the term of the lease, to extralateral rights in the discovery vein only;
2. To use so much of the surface as may be required for purposes incident to mining; and
3. Of ingress to and egress from other state lands, whether or not leased for purposes other than mining.

The lessee hereby agrees to pay or cause to be paid to the State Land Commissioner, annually in advance, a rental of $15.00 per annum for each claim or fraction thereof, which shall be credited upon the royalties hereinafter provided, which may become due during such year.

The lessee further agrees to pay as royalty 5% of the net value of the minerals produced from the leased premises, which net value shall be the gross value after processing, if processing is necessary for commercial use, less the actual cost of transportation from the place of production to the place of processing, less costs of processing and taxes, if any, levied and paid upon the production thereof. In the case of minerals not processed for commercial use, the net value shall be the gross proceeds, or gross value at the place of sale or use, less the actual cost of transportation from place of production to the place of sale or use, less taxes, if any, levied and paid upon the production thereof.

Provided that in the case of sand, rock and gravel, the royalty shall be at the rate of Five (5) Cents per cubic yard of sand, rock or gravel, removed from the land described herein.

The lessee shall keep an accurate account of said operations showing the amount of mineral mined or extracted and all mineral shipped, smelted, used, or disposed of, the cost of such operations, and the gross value of the output of the minerals at the mine. The State Land Commissioner and other proper representatives of the department shall have the right at all times during the existence of this lease, and for six months thereafter, to make such reasonable examinations of the papers and books of account of the said lessee and of the mines as may be necessary to obtain all information desired.

This lease confers the right to the lessee to construct necessary improvements, including the installation of necessary machinery and equipment, with the right to remove the same upon the expiration, termination, or abandonment of the lease, if all monies owing to the state under the terms of this lease have been paid. There is hereby created a lien on all implements, tools, movable machinery, and other personal chattels belonging to the lessee and used in the mining operations, and upon all minerals obtained from the land leased herein, as security for the payment of all monies owed the state under the terms of this lease.

The lessee agrees that, should he sell, mortgage, or assign this lease, it will be without prejudice to the state, and that such transaction shall not become effective until a copy thereof is filed with the State Land Commissioner and his written consent thereto secured.

The lessee may, however, surrender the lease for cancellation with the consent of the lessor, and all royalties and other obligations due and accrued to date of completion of application for cancellation, in addition to a fee of One ($1.00) Dollar, must be paid and discharged before such an applicantion for cancellation will be considered, provided that, if the lease has been recorded, the lessee or assignee shall execute a release, record the same in the proper recording office and file the release with the State Land Commissioner. An application for cancellation will be considered as completed on the date such application is filed in the office of the State Land Commissioner provided the foregoing requirements have been fully observed.

In the event of failure or neglect of the lessee to perform any obligation under this lease, the lessor shall have the right at any time to cancel this lease unless, within thirty (30) days after notice specifying the terms and conditions violated, the lessee shall correct such failure and make good any loss caused thereby.

The lessee agrees to perform the annual labor, as required by the laws of the United States, upon each claim, commencing at the expiration of one year from the date of location, and that he will furnish proof of such annual labor to the State Land Commissioner.

The lessee agrees to fence all shafts, prospect holes, adits, tunnels and other dangerous mine workings for the protection of livestock.

This lease is made and accepted subject to existing law and any laws hereafter enacted, also to the regulations relative to such leases heretofore or hereafter prescribed by the lessor; and in no event shall the state or the lessor be liable in damages or otherwise under the provisions hereof.

The lessee shall not keep livestock of any kind on the lands leased herein except by permission from the State Land Commissioner at such rates as may from time to time be established.

The lessee has the right, under this lease, to the cutting and use of timber and stone upon the claim, not otherwise appropriated, for fuel, construction of necessary improvements, or for drains, roadways, tramways, supports, or other necessary purposes; provided, that nothing herein contained shall be construed to permit the cutting of timber for any purpose without the written consent of the State Land Commissioner.

It is understood and agreed that this lease is made subject to all legally established rights of way herefore granted or that may hereafter be granted over and across such land; and the lessee agrees to respect the property rights of all persons lawfully upon the demised premises.

It is expressly understood and agreed that there is reserved to the state the right to lease, under existing law or laws hereafter enacted, so much of the surface of the lands covered by this lease as is not actually used or necessary for mining purposes.

The obligations and agreements hereinbefore expressed shall extend to and be binding upon the successors in interest of the parties hereto.

IN WITNESS WHEREOF, the lessor has caused these presents to be signed by the legal representative of the State Land Department, at Phoenix, Arizona, and the lessee has hereunto affixed his signature at the place and on the day and year first above written.

STATE LAND DEPARTMENT

By ..... State Land Commissioner.

(SEAL) By ..... Acting Deputy State Land Commissioner.

(Sign Here) Raymond Taylor

This lease is issued in duplicate.

..... Party of the Second Part

COPY

ASSIGNMENT OF LEASE

Phoenix, Arizona April 10, 1956

The application of Raymond Taylor and Annie R. Taylor, his wife for permission to assign Lease No. M-372 and the application of Consumers Agency, Inc. a corporation for the assumption of said Lease, having been duly considered this 10th day of April, 19 56 and without waiver of State rights which may exist against the lease assigned, and with this consent not to be construed as initiating any new rights in assignee of lease, consent is hereby given for the assignment applied for and it is ordered that the said Lease No. M-372 and all rights thereunder be and are hereby transferred to the said Consumers Agency, Inc. Box 504 - 294 N. University Ave. Provo, Utah

..... State Land Commissioner.

By ..... Acting Deputy State Land Commissioner.

ASSIGNMENT OF LEASE

Phoenix, Arizona

The application of ..... for permission to assign Lease No. ..... and the application of ..... for the assumption of said Lease, having been duly considered this ..... day of ....., 19..... and without waiver of State rights which may exist against the lease assigned, and with this consent not to be construed as initiating any new rights in assignee of lease, consent is hereby given for the assignment applied for and it is ordered that the said Lease No. ..... and all rights thereunder be and are hereby transferred to the said .....

..... State Land Commissioner.

By ..... Deputy State Land Commissioner.

ASSIGNMENT OF LEASE

Phoenix, Arizona

The application of ..... for permission to assign Lease No. ..... and the application of ..... for the assumption of said Lease, having been duly considered this ..... day of ....., 19..... and without waiver of State rights which may exist against the lease assigned, and with this consent not to be construed as initiating any new rights in assignee of lease, consent is hereby given for the assignment applied for and it is ordered that the said Lease No. ..... and all rights thereunder be and are hereby transferred to the said .....

..... State Land Commissioner.

By ..... Deputy State Land Commissioner.

ASSIGNMENT OF LEASE

Phoenix, Arizona

The application of ..... for permission to assign Lease No. ..... and the application of ..... for the assumption of said Lease, having been duly considered this ..... day of ....., 19..... and without waiver of State rights which may exist against the lease assigned, and with this consent not to be construed as initiating any new rights in assignee of lease, consent is hereby given for the assignment applied for and it is ordered that the said Lease No. ..... and all rights thereunder be and are hereby transferred to the said .....

..... State Land Commissioner.

By ..... Deputy State Land Commissioner.

4289

POCKET

FIGURE #1- Topo. map showing school section #2 Sam group of claims

FIGURE #2- Claim map showing proposed drilling program Map #2A and #2B.

FIGURE #3- Survey Map

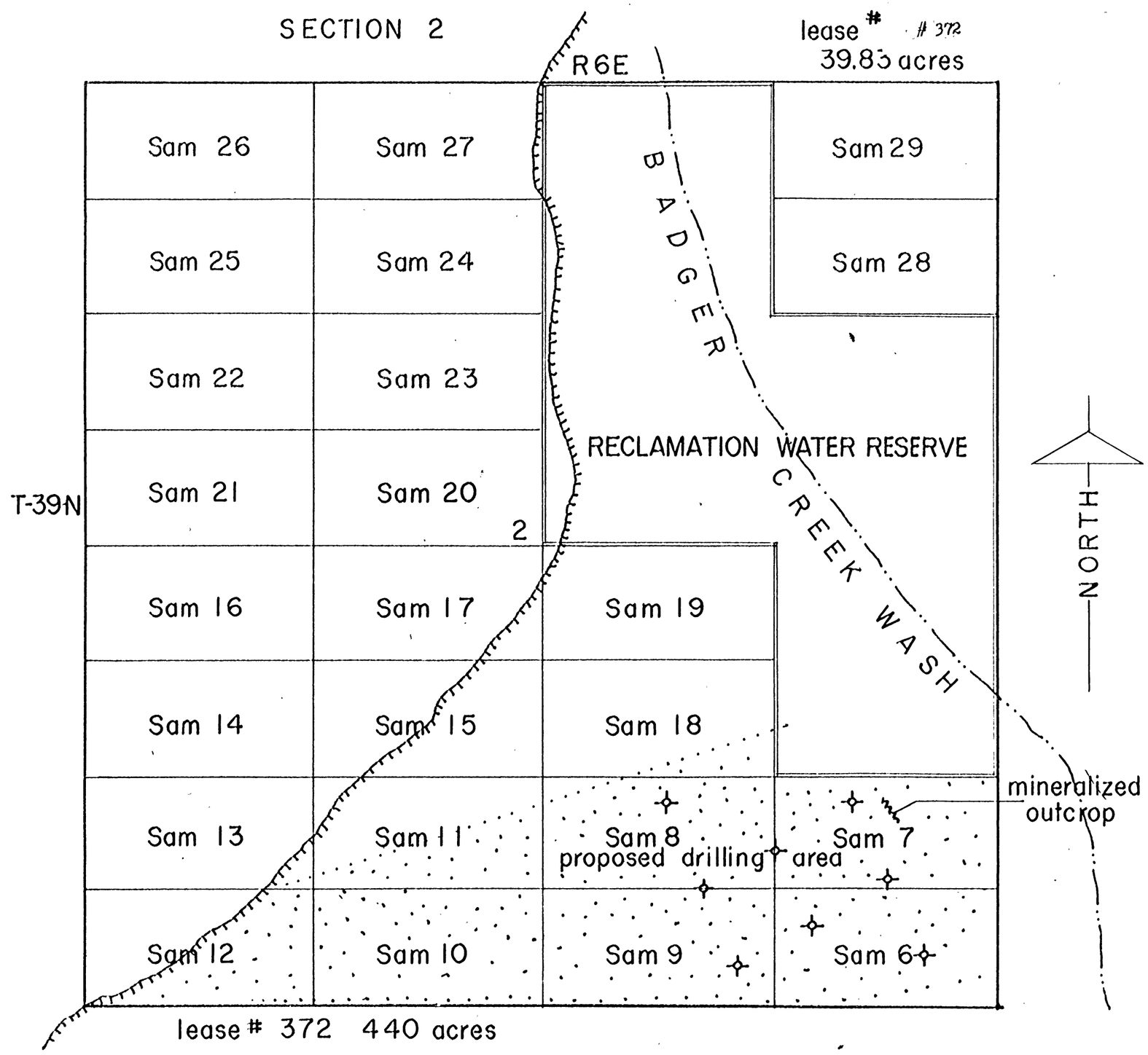
FIGURE #8- Copy of Arizona state lease acquired April 17, 1956

WILSON JONES
ANCHOR CLASP
H 75 7½ x 10½
MADE IN U. S. A.

FIGURE #2B

CONSUMERS AGENCY INC.

DIVISION OF MINERALS
294 North University Ave. Box 504 PHONE FR-3-8604
PROVO UTAH



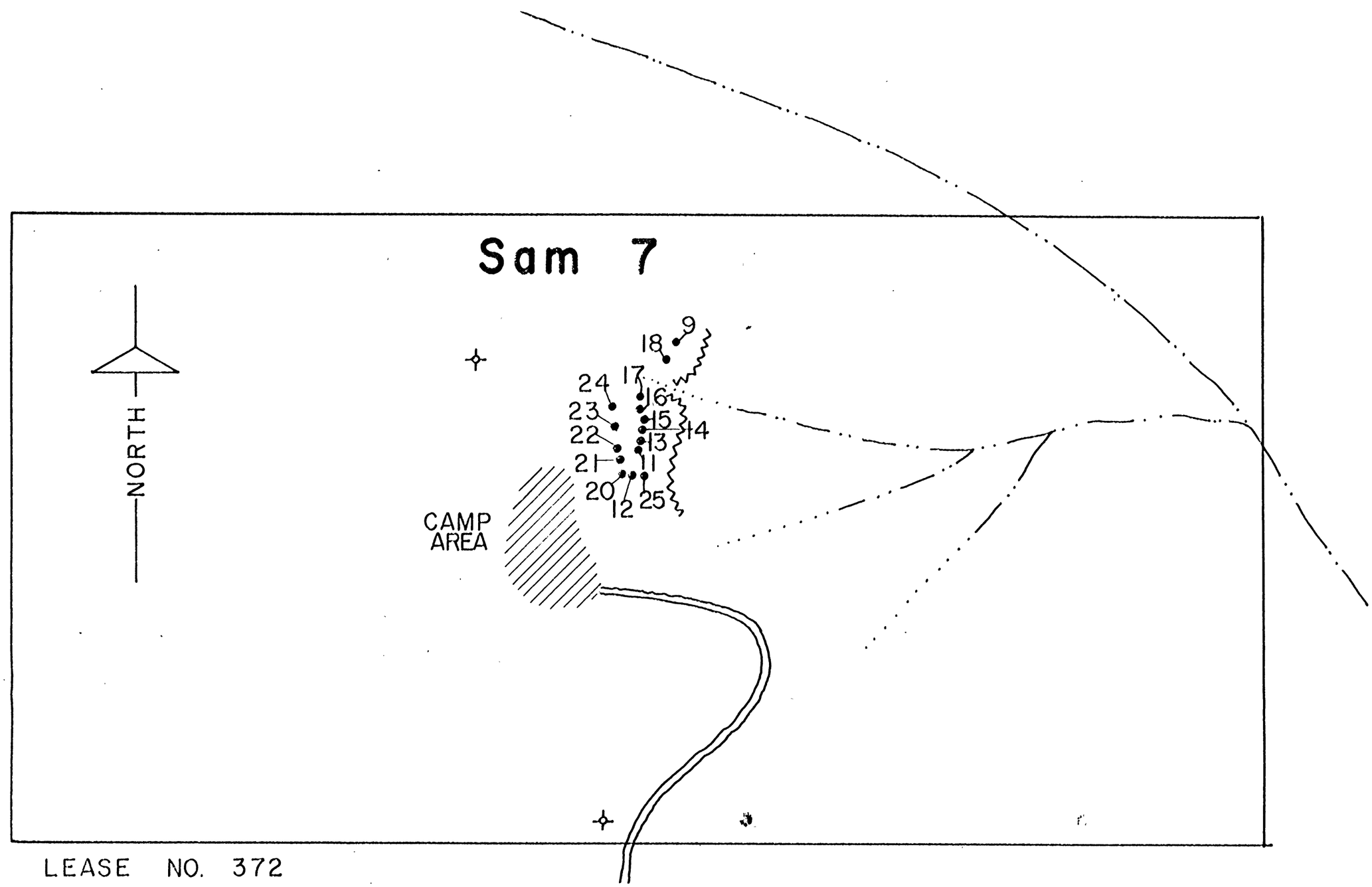
LEGEND

scale 1" = 500'
proposed deep drill holes.....
creek.....
outcrop.....
cliffs.....
Section no.2 Township 39 North
Range 6 East

FIGURE #2A

CONSUMERS AGENCY INC.

DIVISION OF MINERALS
294 North University Ave. Box 504 Phone FR-38604
PROVO, UTAH

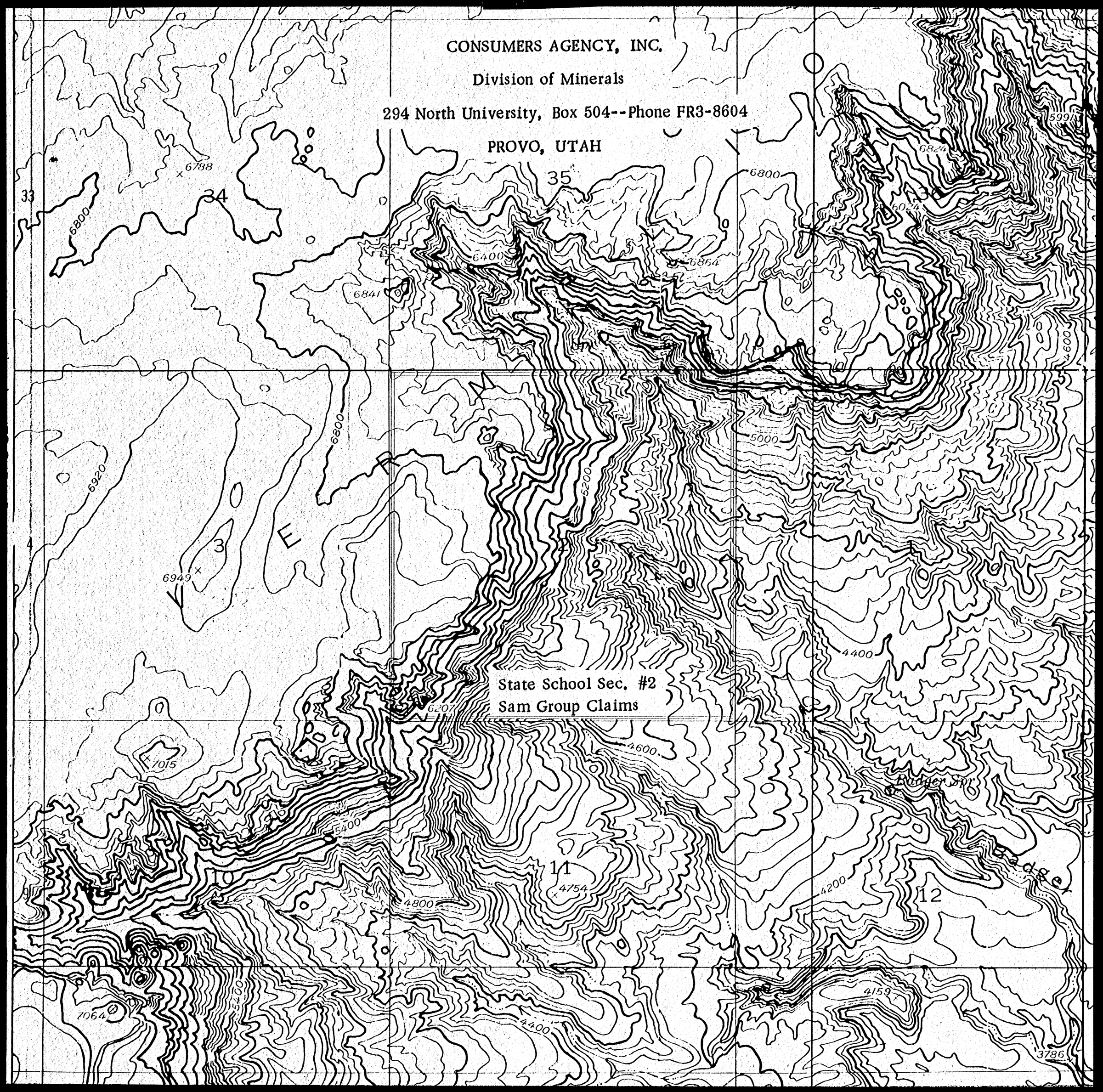


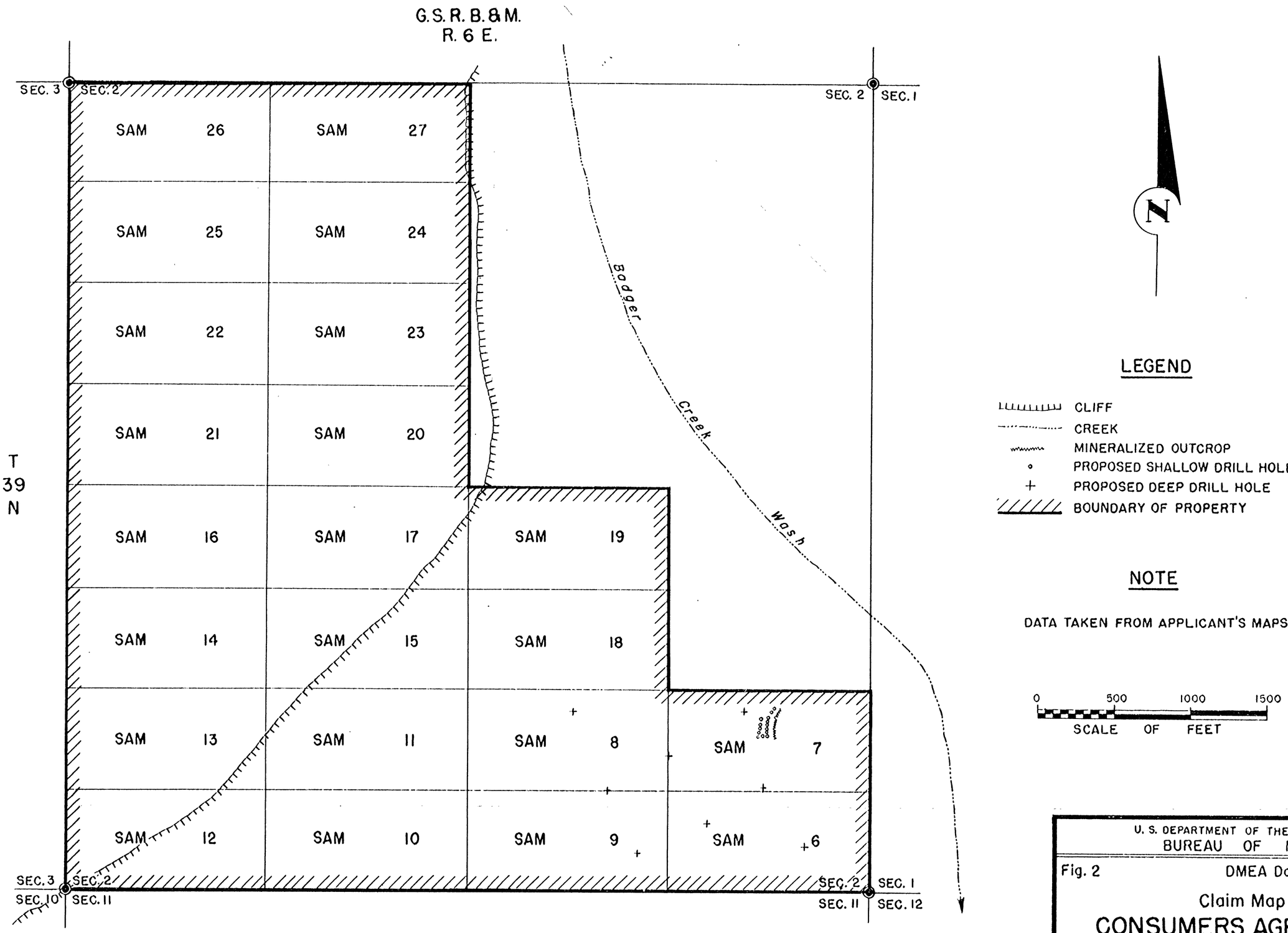
LEASE NO. 372

LEGEND

scale.....1"=500'
proposed deep drill holes.....
proposed shallow drill holes.....
outcrop, minerlized .....
access road .....
Section no.2 Township 39 North
Range 6 East

FIGURE #1


CONSUMERS AGENCY, INC.
Division of Minerals
294 North University, Box 504--Phone FR3-8604
PROVO, UTAH
State School Sec. #2
Sam Group Claims
35
34
33
3
10
11
12
6788
6800
6400
6864
6841
6824
6024
5997
4800
4600
5000
5200
6920
6949
4400
6207
7015
5400
4754
4200
4159
7064
3786
Badger Spr.



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 2 DMEA Docket No. 4289

Claim Map

CONSUMERS AGENCY, INC.
(SAM GROUP)

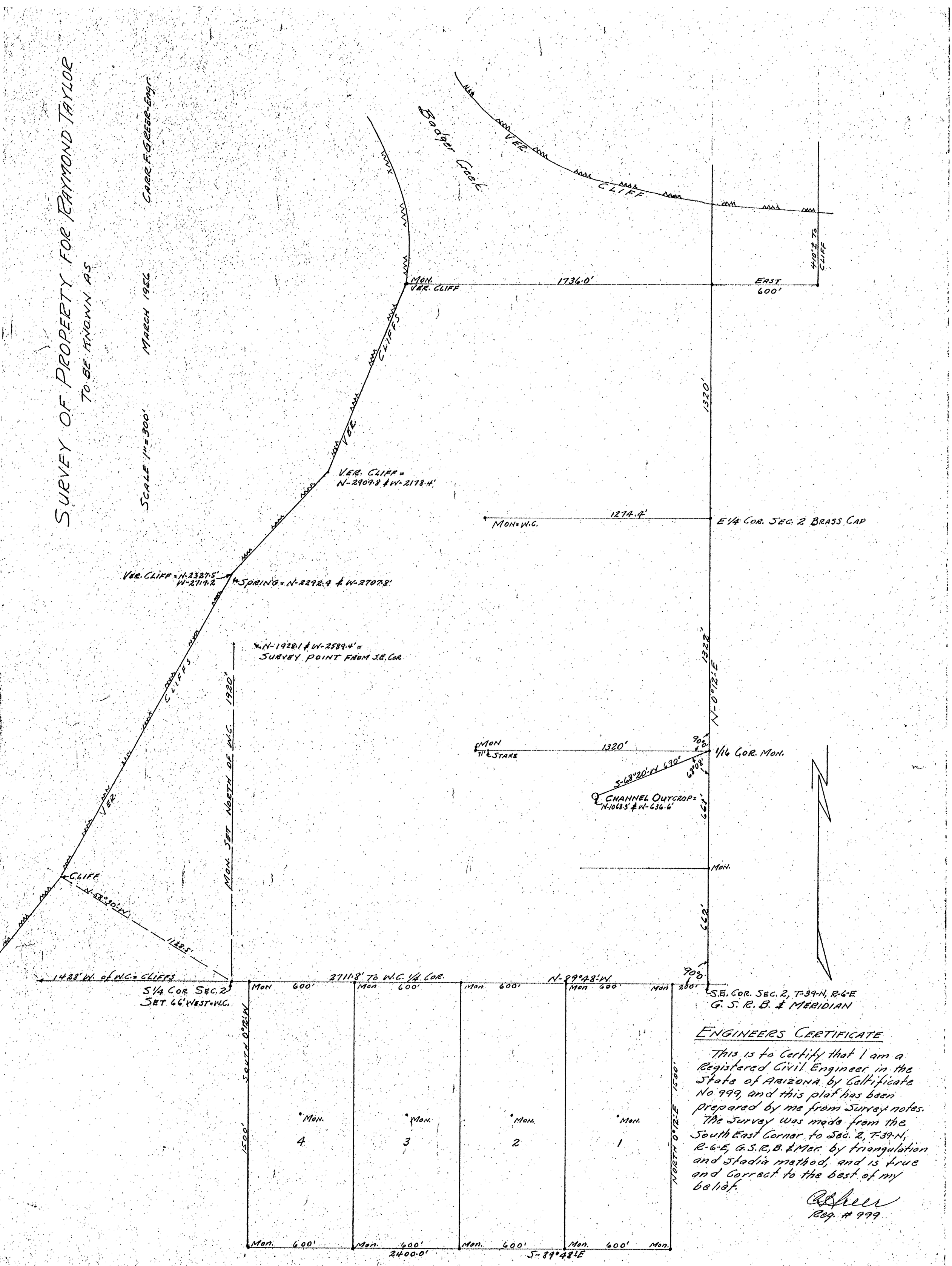
COCONINO COUNTY, ARIZONA

ENGINEER: *M. H. HOWES*	DATE: SEP. 28, 1956
TRACED: SEP., 1956; BY: A.P.T.S.	1900 - 417 - E
CHECKED:	

SURVEY OF PROPERTY FOR RAYMOND TAYLOR

TO BE KNOWN AS

SCALE 1" = 300' MARCH 1956 CARR F. GREER-ENGR.



ENGINEERS CERTIFICATE

This is to Certify that I am a Registered Civil Engineer in the State of ARIZONA by Certificate No 999, and this plat has been prepared by me from Survey notes.

The Survey was made from the South East Corner to Sec. 2, T-39-N, R-6-E, G.S.R.B. & Mer. by triangulation and Stadia method, and is true and Correct to the best of my belief.

C. F. Greer
Reg. # 999