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

OME
DEPARTMENT OF THE INTERIOR
MAR 9 - 1959
REGION III
DENVER, COLORADO

Mr. Benjamin L. Wright, Jr. MAR 4 1959
Attorney at Law
718 Symes Building
Denver 2, Colorado

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-E452 ← Contract correspondence
Uranium Development Corporation
Blackfoot Claims
Montrose County, Colorado

Dear Mr. Wright:

Reference is made to your letter of February 18, 1959, regarding the claims covered by the subject exploration project.

In a letter, dated October 2, 1952, to Mr. Claude W. Blake, attorney for the Uranium Development Corporation, the Grand Junction office of the Atomic Energy Commission pointed out that the subject claims appeared to be void because of conflict with Power Site Classification No. 110, effective June 25, 1925. Furthermore, the Department of the Interior, through Public Land Order 698 of February 12, 1951, withdrew from mineral entry sections 3, 10, 11, 14, and 15, T. 47 N., R. 17 W., N.M.P.M.& B., and reserved such land for the use of the AEC. It followed that any of the subject claims within the described area were invalid because of this order. However, the AEC stated that it would consider an application for a mining lease covering such claims.

As a result of the AEC letter and of a similar letter, dated December 18, 1952, from the DMEA Executive Officer of Region IV, Uranium Development Corporation proceeded to secure from the AEC Mining Lease No. AT(05-1)-00-61, Assignment N . 1.

You assumed that at this point something must have occurred to permit mining on property that was covered by Power Site Classification No. 110. It is possible that the power site withdrawal made the land not subject to location but did not conflict with the AEC's right to grant a lease for mining on the property.

We do not know what occurred after the granting of the AEC lease and completion of the DMEA project. It appears that the Mining Claims Rights Restoration Act of 1955 (Public Law 359) could apply to the subject claims. To determine the circumstances under which the AEC lease was granted and cancelled, we suggest that you write to the Grand Junction office of the AEC.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

MChing/gla
2-26-59
cc to: Director's Reading File
Mr. Ching
OME Field Team, Region III (2)

11/6/57

MR BLAKE ATTORNEY FOR URANIUM DEVELOPMENT CORP. CALLED 3:30 PM AND REQUESTED ~~NAME OF~~ COPY OF LEASE BETWEEN AEC AND URANIUM DEVELOPMENT CORP

I ADVISED MR BLAKE IF WE RECEIVED A WRITTEN REQUEST FROM URANIUM DEVELOPMENT CORP. IT WOULD BE CONSIDERED.

I TOLD HIM IT WOULD NOT LIKELY BE POSSIBLE TO BORROW THE LEASE BUT WE POSSIBLY COULD REPRODUCE IT FOR HIM.

URANIUM DEVELOPMENT CORPORATION
MILE HIGH CENTER
DENVER 2, COLORADO

November 30, 1956

DMEA
DEPARTMENT OF THE INTERIOR
DEC 5 1956
REGION III
DENVER, COLORADO

Mr. William H. Traver
224 New Customs House
Denver, Colorado

Dear Mr. Traver:

This is to advise that all of the A. E. C. bonus on the Blackfoot Property, Contract IDM-E452 was exhausted in 1953 and all bonus payments to the D. M. E. A. have been made.

Yours very truly,

URANIUM DEVELOPMENT CORPORATION

Richard S. Hunt

Richard S. Hunt
Vice President and Treasurer

PPK/tjr

PROCESSING TO:
CONTROL SP E452
J.F. SHAW (2)
SEC OPR CONTR (2)

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

NOV 30 1956

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-E452
Uranium Development Corporation
Blackfoot Claims
Montrose County, Colorado

Dear Mr. Traver:

In connection with your memorandum of November 21, 1956, regarding the acceptability of a Mining Contract between the captioned corporation and Glenn Berry, we are enclosing two copies of a memorandum, dated November 28, 1956, from the Associate Solicitor, Division of Mineral Resources, which is self-explanatory.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiltegaard

Member, Geological Survey

Correspondence E452

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

NOV 28 1956

Memorandum

To: The Administrator, DMEA
Attention: Chief, Rare and Miscellaneous Metals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-2618, Uranium Development Corporation
Contract No. Ida-2452 (Uranium)

The Mining Contract dated August 1, 1956, between the Operator and Mr. Glenn Berry of Grand Junction, Colorado, has been reviewed.

It is acceptable and complies with Article 7 of the DMEA contract, since the Company remains obligated to pay royalty and has retained its interest in the lease.

Robert P. Dwyer

RPDwyer/emd

Copy to: Solicitor's Docket (2)
DMEA Docket
E.W. Ellis (2)
R. P. Dwyer
chron.

COPY TO ROYALTY.

CORRESP E 452

224 New Customhouse
Denver 2, Colorado

November 21, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 2618 (Uranium), Contract Idm-E452, Uranium Development Corporation (Black Foot Claims), Montrose County, Colorado

Enclosed for your review as to its acceptability are two photocopies of a recorded Mining Contract between the Uranium Development Corporation and Glenn Berry, dated August 1, 1956. Paragraph "H" on page 3 of the instrument make provision for the preservation of the Government's interest. It appears that Uranium Development Corporation continues to assume responsibility for making DMEA royalty payments.

Enclosed for your information and files in this connection are two copies of the following:

1. Letter dated September 25, 1956 from Mr. Richard S. Hunt, enclosing four typwritten copies of the cited instrument.

2. Letter dated November 20, 1956 from Mr. Richard S. Hunt, enclosing four photostatic copies of the cited instrument and requesting return of copies previously submitted.

3. Certified letter dated November 21, 1956 acknowledging receipt of four photostatic copies of the recorded Mining Contract and returning therein the four typewritten copies previously submitted.

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
MHM/vj
cc: Royalty File E452 w/cys inst. & related Corres.
Corres. File E452 w/cys inst. & related corres.
J. F. Shaw (2) w/cy inst. & related corres
Fincance Office Reg. III w/cy instrument
Marshall
Chron.

MINING CONTRACT

THIS INDENTURE, Made and entered into this 1st day of August A. D. 1956, by and between THE URANIUM DEVELOPMENT CORPORATION, a corporation organized and existing under and by virtue of the laws of the State of Colorado, with offices at 1409 Mile High Center, Denver, Colorado, hereinafter referred to as Party of the First Part and GLENN BERRY of 831 24 Road, Grand Junction, Colorado, hereinafter referred to as Party of the Second Part,

WITNESSETH:

Party of the first part represents to the party of the second part that it has full right and authority to operate and extract ore from the following named unpatented mining claims which are situate in Montrose County, Colorado, in the Vixen Mining District; (Sections 3, 10, 11, 14 and 15, T47N, R17W, NMPM).

Gray Fox	Vanadium Beauty No. 2
*Rattlesnake	Vanadium Beauty No. 4
**Big Basin No. 1	Vanadium Beauty No. 5
Big Basin No. 2	Vanadium Beauty No. 6
Fairy King	Vanadium Rock No. 1
Red Fox	Vanadium Rock No. 2
Rimrock Queen	≠Full Moon No. 1
*Blackfoot	≠Full Moon No. 2
*Goodhope	≠Full Moon No. 3
Lookout	≠Full Moon No. 4
***Vanadium Beauty No. 1	≠Full Moon No. 5
***Vanadium Beauty No. 3	≠Full Moon No. 6

*Lease does not include that portion in Sec. 2 T47N R17W NMPM.

**Lease does not include that portion in SW$\frac{1}{4}$ Sec. 11 T47N R17W NMPM.

***Lease does not include that portion in NE$\frac{1}{4}$ Sec. 15 T47N R17W NMPM.

≠These claims were filed on after A.E.C. withdrawal; lease would not be in effect unless A.E.C. reverts this area to open territory.

Party of the first part desires to employ the party of the second part as its contractor to explore, drill, mine and extract ore from the aforementioned mining claims.

THEREFORE and in consideration of the covenants and agreements as hereinafter set forth, party of the first part agrees to employ the party of the second part for the above-mentioned purposes on said described properties on the terms and conditions hereinafter stated:

1. The primary term of this contract shall be for one year from and after the date of the execution hereof, subject to the following conditions:

A. Party of the second part shall commence mining operations on the aforementioned properties within thirty (30) days of the signing of this instrument and continue these operations for the life of this contract.

B. Party of the second part agrees to set apart and utilize the fifty (50) cents per pound (uranium oxide delivered to the mill) development incentive paid by the A. E. C. for drilling and prospecting on the aforementioned claims.

C. Party of the second part shall have the option to extend this contract from year to year after the end of the primary term of the contract upon the same terms and conditions as herein set forth, provided the party of the second part has fully complied with all the covenants and conditions set forth herein.

D. Party of the second part shall inform party of the first part in writing of his intention to extend this contract at least thirty (30) days prior to the termination date of the then existing annual term.

E. Party of the second part shall furnish and perform at his own expense any additional drilling upon said properties.

F. Party of the second part agrees to remove ore from said claims in good miner-like manner; to properly stope, sink shafts or prepare inclines, to properly support overburden with timber or waste fill, to ventilate all of said properties which may be mined in compliance with all safety laws and regulations now or hereafter prescribed by the United States of America or the State of Colorado.

G. Party of the second part agrees to furnish at his expense all necessary supplies, equipment, Workmen's Compensation Insurance and other costs of mining, and to incur no obligations or liabilities whatsoever which may obligate party of the first part; also to save the party of the first part harmless from any claims for debt or damages arising from injuries resulting from mining operations on said properties except as herein expressly set forth.

H. It is understood and agreed by and between the parties hereto that repayment of DMEA Loan No. 2618 to the United States Government provides that five per cent (5%) of total ore sales shall be set apart for the purpose of repaying said loan; and the party of the first part shall pay out of royalties reserved to it the said five per cent (5%) until said DMEA Loan shall have been fully discharged.

I. Party of the second part shall have the privilege hereunder to extract, remove and ship ores from pillars within said property boundaries prior to the abandonment of operations; it being understood that the purpose of this contract is to enable the party of the second part to remove the maximum amount of removable ore from said premises whether from ore bodies or pillars, so long as removal of said ore shall be done in a safe and prudent manner and in accordance with any laws pertaining thereto.

J. Party of the second part agrees to pay to the party of the first part the following gross royalty for all ores removed and shipped from said claims, except that any taxes lawfully levied upon said premises, whether real or personal, shall be the responsibility of the party of the first part, except that any taxes levies upon the properties of the party of the second part situate upon said premises shall be the responsibility of the party of the second part.

Ore Value ($/ton)		Royalty
From	To	%
$ .01	$10.00	10
10.01	20.00	11
20.01	30.00	12
30.01	40.00	13
40.01	50.00	14
50.01	60.00	15
60.01	70.00	16
70.01	80.00	17
80.01	90.00	18
90.01	100.00	19
100.01 and all over		20

The term "ore values" as used in the foregoing schedule is understood to mean the value paid for uranium and vanadium ores by the purchaser at the reducing mill, or buying station, together with all bonus payments, except development allowance, and transportation allowances which shall be paid to party of the second part and shall not be included in determining ore value. Ore from the claims above-described shall be shipped under Permit No. P-1044

which number belongs to the party of the first part and the buying station shall be informed of all royalty agreements and split checks accordingly sent to parties concerned.

K. It is agreed by the parties hereto that the party of the second part may, at his discretion, enter into contracts for mining, drilling, building and prospecting the aforementioned claims with third parties, so long as the contracts with said third parties conform in tenure with the covenants of this instrument and do at all times tend to promote ore production on aforementioned claims, second party being responsible to first party at all times for adherence to this contract.

L. It is understood that upon the failure on the part of the party of the second part to keep, observe, or perform any of the agreements or covenants hereinabove set forth, the term of this contract and the option to renew it shall terminate upon written notice to the party of the second part to that effect. Thereafter, party of the first part or its lawful agents or attorneys, may thereupon after demand of possession enter upon said property, dispossessing all persons thereon with or without process of law; provided, however, that before any forfeiture of this contract shall be declared or enforced, the party of the first part shall notify the party of the second part in writing, specifying the alleged breach of the agreements and covenants contained herein and setting forth in such notice a detailed outline of such breaches, and the party of the second part shall have thirty (30) days after receipt of said notice and specifications within which to correct or remedy said breach or breaches.

M. It is understood and agreed that this contract shall be subject to all the provisions of the lease on said property held by the party of the first part from the Atomic Energy Commission which lease is designated as Uranium Mining Lease No. AT(05-1)-OG-61, assignment No. 1, Blackfoot Group.

N. Party of the second part agrees that he will operate said properties at the rate of not less than fifty (50) man hours per week during the term of this contract or any extension thereof.

O. It is agreed that in the event this contract shall be terminated by expiration, nonrenewal of option, or otherwise, party of the second part shall pay to the party of the first part any and all sums which may be due to the party of the first part under the terms hereof, or because of the failure or neglect of the party of the second part or any person or persons acting under him to keep, observe or perform all or any part of the agreements or covenants herein. Upon the payment as herein provided, each of the parties shall be released from any further duty or obligation hereunder.

It is further understood that upon the termination of this contract for any reason, the party of the second part may remove from said premises his personal property, equipment and surface structures, including houses, office, surface and sub-surface machinery and equipment of every kind and character, except timbering; provided, however, the party of the first part has no further lawful claims of any nature against the party of the second part.

P. It is agreed that in the event either party feels that this contract is not being lived up to, then a hearing by a trio of referees will be called to hear the complaint. Party of the first part shall pick one referee, party of the second part shall pick one referee and the two referees thus picked shall pick the third referee and the decision of the majority of the referees shall be final.

IN WITNESS WHEREOF the said parties have caused this instrument to be executed the day and year above written.

THE URANIUM DEVELOPMENT CORPORATION

ATTEST

By /s/ Richard S. Hunt
Richard S. Hunt, Vice President
Party of the First Part.

/s/ Claude W. Blake
Claude W. Blake, Secretary.

/s/ Glenn Berry
Glenn Berry
Party of the Second Part.

STATE OF COLORADO)
) SS
CITY AND)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 1st day of August, 1956, by Richard S. Hunt, Vice President of The Uranium Development Corporation.

Witness my hand and official seal.

My commission expires April 2, 1958.

(SEAL)

/s/ Mary E. Ottersky
Notary Public.

STATE OF COLORADO)
) SS
County of Mesa)

The foregoing instrument was acknowledged before me this 4th day of August, 1956 by Glenn Berry.

Witness my hand and official seal.

My commission expires Dec. 3, 1958.

/s/ Helen C. Tomlinson.
Notary Public.

(SEAL)

URANIUM DEVELOPMENT CORPORATION
MILE HIGH CENTER
DENVER 2, COLORADO

September 25, 1956

U. S. Department of the Interior
Defense Minerals Exploration Administration
224 New Customs House
Denver 2, Colorado

Re: Docket D. M. E. A 2618 (Uranium)
Contract IDM-E452
Uranium Development Corporation
Black Foot Claims
Montrose County, Colorado

Attention Mr. J. W. Townsend, Acting Executive Officer
D. M. E. A. Field Team, Region 3

Dear Mr. Townsend:

My apologies for the delay in fulfilling the requirements set forth in your letter addressed to our attorney, Mr. Claude W. Blake and dated September 4, 1956.

Please be informed that I have notified Mr. Glen Berry, 831 24 Road, Grand Junction, Colorado, who is the contractor on this claim group, to fulfill all the requirements of your office insofar as settlement sheets and all pertinent data which concern the shipment of ore from these properties.

I have received this date in the mail from Mr. Claude Blake four copies of the mining contract executed by Uranium Development Corporation and Mr. Glen Berry dated August 1, 1956, which I am enclosing for your files. The original of the contract has been misplaced in our files and I had Mr. Berry secure from the records of the County Clerk's office at Montrose, Colorado, the enclosed typewritten copies, which I hope are sufficient to temporarily fulfill the requirement and upon receipt of the original, I will see that you are furnished with photostatic copies for your files.

Yours very truly,

URANIUM DEVELOPMENT CORPORATION

Richard S. Hunt

Richard S. Hunt

RSH/tjr
Encls.

URANIUM DEVELOPMENT CORPORATION
MILE HIGH CENTER
DENVER 2, COLORADO

November 20, 1956

DMEA
DEPARTMENT OF THE INTERIOR
NOV 21 1956
REGION III
DENVER, COLORADO

U. S. Department of the Interior
Defense Minerals Exploration Administration
224 New Customs House
Denver 2, Colorado

Re: Docket D. M. E. A. 2618 (Uranium)
Contract IDM-E452, Uranium Development Corp.
Black Foot Claims, Montrose County, Colorado

Attention Mr. J. W. Townsend, Acting Executive Officer
D. M. E. A. Field Team, Region 3

Dear Mr. Townsend:

As promised in our letter to you of September 25, 1956, you will find enclosed four photostatic copies of the recorded Mining Contract between The Uranium Development Corporation and Mr. Glenn Berry, dated August 1, 1956.

This instrument was recorded at 3:30 p. m. August 7, 1956, in Book 691 at page 334 in Mesa County, Colorado, as instrument No. 674932.

Upon receipt of these documents, please return to this office the four unrecorded copies mailed to your office under date of September 25, 1956.

Yours very truly,

URANIUM DEVELOPMENT CORPORATION

Richard S. Hunt

Richard S. Hunt
(TR)

RSH/tjr
Encls-4

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

November 21, 1956

Mr. Richard S. Hunt
Uranium Development Corporation
Mile High Center
Denver 2, Colorado

Re: Docket DMEA E618 (Uranium), Contract Idaho E 452, Uranium Development Corporation (Black Foot Claims), Montrose County, Colorado

Dear Mr. Hunt:

We have received four photostatic copies of the recorded Mining Contract between The Uranium Development Corporation and Mr. Glenn Berry enclosed with your letter of November 20, 1956.

Accordingly, we return herein the four unrecorded copies previously mailed to this office, as requested by your letter of November 20.

Yours very truly,

Original signed by
W. M. TRAVER

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

Enclosures

MHM/vj

cc: Royalty File E452
Corres. File E452
Sec. Opr. Comm. (2)
J. F. Shaw (2)
Marshall
Chron.

224 New Customhouse
Denver 2, Colorado

November 16, 1950

Mr. Claude W. Blake, Attorney
Uranium Development Corporation
Suite 620, Ernest & Cranmer Building
Denver 2, Colorado

Re: Docket DMEA 2618 (Uranium), Contract Idm-E452, Uranium Development Corporation (Blackfoot Claims), Montrose County, Colo.

Dear Mr. Blake:

To bring our royalty files current, you are requested to submit an original and six (6) copies of a statement regarding your status of eligibility to receive AEC bonus payments for production of the first 10,000 lbs of U_3O_8 from land subordinated to the Government by the terms of Contract Idm-E452.

Yours very truly,

Original signed by
W. M. TRAVER

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

MBM/vj

cc: Royalty File E452
Corres. File E452
Sec. Opr. Comm. (2)
J.F. Shaw (2)
Marshall
Chron.

700

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

DMEA
Date Rec'd
JAN 3 1956
BUREAU OF MINES
Denver, Colorado

DEC 29 1955

Mr. Claude W. Blake, Attorney
The Uranium Development Corporation
Suite 620
Ernest and Cranmer Building
Denver 2, Colorado

Re: Docket No. DMEA-2638 (Uranium)
Contract No. Idm-E452
Blackfoot Claims
Montrose County, Colorado

Dear Mr. Blake:

This is to thank you for your letter of December 20, 1955, regarding royalty payments under the subject contract.

We deeply appreciate the cooperation of The Uranium Development Corporation in making the necessary arrangements for bringing its royalty payments up to date.

Sincerely yours,

C. O. Ellingson

Administrator

MChing/gla
12-28-55
cc to: Admr.'s Reading File
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JCHosted, Rm. 3210, GSA
Code 700
Mr. Ching
DMEA Field Team, Region III (2)

Royalty File E 452

Berk

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

DEC 29 1955

DMEA
Date Rec'd.
JAN 3 1956
BUREAU OF MINES
Denver, Colorado

Mr. Claude W. Elkins, Attorney
The Uranium Development Corporation
Suite 620
Ernest and Cranmer Building
Denver 2, Colorado

Re: Docket No. DMEA-2628 (Grandum)
Contract No. Idm-2452
Blackfoot Claims
Montrose County, Colorado

Dear Mr. Elkins:

This is to thank you for your letter of December 20, 1955, regarding royalty payments under the subject contract.

We deeply appreciate the cooperation of The Uranium Development Corporation in making the necessary arrangements for bringing the royalty payments up to date.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing/gla
12-28-55
cc to: Admr.'s Reading File
Docket
Messrs. JECrawford, Rm. 3641
THKillegaard, Rm. 5224
JCHosted, Rm. 3210, OSA
Code 700
Mr. Ching
DMEA Field Team, Region III (2)

November 14, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Secretary, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2618 (Uranium), Contract Idm-2452, Uranium Development Corporation, Vixen Mining District, Montrose County, Colorado

This replies to your letter of October 24, 1955 which was received in answer to our memorandum dated September 23, 1955.

Replying to the recommendation contained in the quotation from the Associate Solicitor (paragraph 2 of your letter), please be advised as follows:

1. The question of deleting that portion of the Blackfoot claim from which uranium ore had previously been produced from the lands subordinated to the Government under Contract Idm-2452 did not arise while the contract was in preparation, or during the life of the contract.

2. Had the Uranium Development Corporation requested that the existing workings on the Blackfoot claim be omitted from their contract (and consequently that Government's claim to royalty payments from possible production from this area be waived), this office would not concur. Our recommendations would have been based on the following points which have constituted the policy of the DMEA Field Team, Region III in all cases and specifically in this one:

   a. Drill holes were proposed by the applicant on the Blackfoot claim and some in the near vicinity (100 ft.) of the existing workings.

   b. In case ore is shipped from the Blackfoot claim

each shipment would present a separate question as to whether or not DMEA royalty is due if a portion of this claim was excluded from the contract.

c. We look with disfavor on all proposals by DMEA applicants to withhold the known "hot spots" from subordination in proposed contracts where these "hot spots" should logically be included with a block of ground or group of claims.

3. Drill holes on the Blackfoot claim were approved by the Government; included in DMEA Contract Idm-E452; drilled at the proposed locations; and they did result in discovering ore and extending the known limits of the Blackfoot mine. The entire area therefore did benefit from the Government's assistance.

We believe the main question to be decided is the time element and not the land included in the contract as was stated by the Associate Solicitor. Our recommendations as to the lands to be included are fully covered above. We can make no recommendation to change the effective date of the contract as we believe this change can legally be made only by the Administrator. It is our opinion that Contract Idm-E452 is legally binding as written on both the Operator and the Government.

We request that Washington office personnel again review our September 24th memorandum and notify the Operator and this office of your official decision.

W. M. Traver

By J. W. Townsend
J. W. Townsend

Berk

RB:ab
cc: Roy. File E452
Corresp. File E452
J. W. Shaw (2)
D. Finch
Berk
Chron.

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

DMEA
Date R

OCT 2

BUREAU
Denver

Mr. W. H. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-E452
Uranium Development Corporation
Blackfoot Claims
Montrose County, Colorado

Dear Mr. Traver:

Reference is made to your memorandum of September 23, with enclosures, in connection with the subject project.

The Associate Solicitor has reviewed the docket and has concluded that the most pertinent question at present concerns the amount of land from which production is subject to the Government's royalty under the contract. The following is an excerpt from a memorandum, dated October 19, 1955, to the Administrator from the Associate Solicitor:

> "A written contract may be reformed when there has been a mutual mistake of the parties as to a substantial fact. It seems clear that, from the Operator's viewpoint, the producing mine area was included in the contract by mistake, as no drilling was to be performed in the producing area, and in fact none was performed there. However, the Government's position as to the production in question is not evident, as the docket does not disclose that the precise question has been considered previously. Accordingly, it is recommended that the question raised here be reviewed administratively. If such review indicates that, from the Government's viewpoint, the producing area was mistakenly included in the contract, an amendment deleting such area would be appropriate."

In accordance with the foregoing, it is requested that you review the Government's position with respect to land coverage at the time the contract was being negotiated. If, at the time, the Field Team had no occasion to indicate its position with respect to inclusion or exclusion of the producing mine area by reason of the fact that the question was never brought up by the Operator, it is suggested that the Field Team now indicate what its position would have been had the question arisen.

As you know, a number of DMEA contracts have been drawn or amended to exclude certain areas where existing ore bodies were known and production therefrom had been made prior to and during Government participation in the exploration projects. The present situation may warrant action of a similar nature.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

O. M. Bishop

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

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

DMEA
Date Rec'd.
SEP 20 1955
BUREAU OF MINES
Denver, Colorado

SEP 19 1955

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. Traver:

This will acknowledge your teletype of September 14, 1955, requesting a photostat copy of the reverse side of application form, MF-103, Docket No. 2618, filed by the Uranium Development Corporation.

In accordance with your request, there is enclosed herewith a photostat of the material requested.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosure

APPROVED:

Robert W. Geehan
Member, Bureau of Mines

R. E. Nelson
Member, Geological Survey

Correspondence File E452

Berk

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

DMEA
Date Rec'd.

SEP 20 1955

BUREAU OF MINES
Denver, Colorado

SEP 19 1955

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. Traver:

This will acknowledge your teletype of September 14, 1955, requesting a photostat copy of the reverse side of application form, MF-103, Docket No. 2618, filed by the Uranium Development Corporation.

In accordance with your request, there is enclosed herewith a photostat of the material requested.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

APPROVED:

/s/ Robert W. Geehan

Member, Bureau of Mines

/s/ N. E. Nelson

Member, Geological Survey

5. *The exploration project.*—(*a*) [illegible] the mineral or minerals for which you wis[illegible] xplore .....

.....

(*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 ..... days and be completed within ..... 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 or Government participation (Sec. 7, DMEA No. 1)?

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

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated ....., 195...

THE URANIUM DEVELOPMENT CORPORATION
(Applicant)

By Murphey Thomas

Jean Cortwindt

.....

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

DN 285 BUR MINES 9-14-55 4-19 PM

SECRETARY, OPERATING COMMITTEE, DMEA

DOCKET DMEA 261S CONTRACT IDM E452, URANIUM DEVELOPMENT CORP. URGENTLY NEED COPY OF ORIGINAL FORM MF-103 SHOWING SIGNATURE BY APPLICANT. PLEASE PHOTOSTAT REVERSE SIDE OF THIS FORM AND MAIL TO US AT YOUR EARLIEST OPPORTUNITY.

W M TRAVER

MD VT 4-21 PM

Correspondence File

(Copy in Royalty File)

E452

224 New Customhouse
Denver 2, Colorado

August 20, 1954

Mr. Claude W. Blake, Attorney
The Uranium Development Corporation
620 E. and C. Building
Denver 2, Colorado

Re: Contract Idm-E452

Dear Mr. Blake:

As per your telephone request of this date, we are enclosing photostatic copy of Exploration Contract Idm-E452 together with attachments.

Very truly yours,

W H King

W. H. King
Executive Officer
DMEA Field Team
Region IV

es

Enclosure

cc: Chron.
Contract

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

JAN 14 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration Bldg., Rm. 5002
7th and D Streets, S. W.,
Washington 25, D. C.

Mining Division
Date Rec'd.
JAN 13 1954
BUREAU OF MINES
Denver, Colorado

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-2452
Uranium Development Corporation
Blackfoot Group of claims
Montrose County, Colorado

Dear Mr. Gumbel:

This is with reference to our letter dated October 22, 1953, to you, at which time I advised that a copy of the final Field Team report on the captioned project would be forwarded as soon as it was received in Washington.

As the procedure of forwarding copies of the final Field Team report has been discontinued in favor of a brief description of the work provided for in the contract, and work and results accomplished, we are setting forth this information below:

The project contract was dated November 24, 1952, with Government participation to the extent of 90 percent in an exploration project estimated to cost $21,744.45, (Government share $19,570.00). Project work under the contract was completed on August 12, 1953. A final audit of the expenditures made during the life of the contract shows that the total amount of Government participation, or $19,570.00, was expended.

The contract authorized 16,107 feet of wagon drill holes at $1.35 per foot. The total footage allowed under the contract was completed.

The work resulted in a discovery of approximately 3,000 tons of ore averaging 0.15 to 0.18 percent U_3O_8.

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/gla 1/12/54

cc to: Adm. Reading File
Operating Committee
Docket
Messrs. HDKeiser, RM. 3641
APButler, Jr., Rm. 3212, GSA
Mr. Ellis
Mr. Murphy
DMEA Field Team, Region IV (2)

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

JAN 1 4 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration Bldg., Rm. 5002
7th and D Streets, S. W.,
Washington 25, D. C.

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-2452
Uranium Development Corporation
Blackfoot Group of claims
Montrose County, Colorado

Dear Mr. Gumbel:

This is with reference to our letter dated October 22, 1953, to you, at which time I advised that a copy of the final Field Team report on the captioned project would be forwarded as soon as it was received in Washington.

As the procedure of forwarding copies of the final Field Team report has been discontinued in favor of a brief description of the work provided for in the contract, and work and results accomplished, we are setting forth this information below:

The project contract was dated November 24, 1952, with Government participation to the extent of 90 percent in an exploration project estimated to cost $21,744.45, (Government share $19,570.00). Project work under the contract was completed on August 12, 1953. A final audit of the expenditures made during the life of the contract shows that the total amount of Government participation, or $19,570.00, was expended.

The contract authorized 16,107 feet of wagon drill holes at $1.35 per foot. The total footage allowed under the contract was completed.

The work resulted in a discovery of approximately 3,000 tons of ore averaging 0.15 to 0.18 percent U_3O_8.

Sincerely yours,

C. O. Mittendorf

Administrator

FMMurphy/gla 1/12/54
cc to: Adm. Reading File
Operating Committee
Docket
Messrs. HDKeiser, RN. 3641
APButler, Jr., Rm. 3212, GSA

Mr. Ellis
Mr. Murphy
DMEA Field Team, Region IV (2)

Final Engineer's and Geologist's reports transferred to royalty file.

Final narrative with MF-104's accepted as Operator's final report.

Mining Division
Date Rec'd
DEC 10 1953
BUREAU OF MINES
Denver, Colorado

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

224 New Customhouse
Denver 2, Colorado

December 15, 1953

Memorandum

To: W. H. King, Executive Officer
DMEA Field Team, Region IV

From: T. H. Brading, Auditor

Subject: Report of Review - Docket DMEA 2618, Contract Idm-E452, Uranium Development Corporation

Enclosed is your copy of Report of Review for Uranium Development Corporation pertaining to Exploration Project Contract Idm-E452, Docket DMEA 2618, for the period July and August, 1953.

T. H. Brading

Enclosure

Copy to: J. H. East, Jr.
T. A. Christensen
J. W. Townsend
W. M. Traver

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Uranium Development Corporation
620 E&C Building
Denver, Colorado

pertaining to Exploration Project Contract No. Idm-E452, Docket No. 2610, and Amendment No. 1, covering a project for exploration of Uranium, located in Montrose County, Colorado, commonly known as the Blackfoot Group of claims, for the months of July and August 1953.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

The contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor	$21,744.45
Exceptions:	
By DMEA Finance Officer (See attached) Herewith (memo)	None
Total Accepted Cost	$21,744.45

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Nineteen Thousand Five Hundred Seventy and no/100 Dollars

-$19,570.00-

is considered valid and proper.

Dated: October 23, 1953

T. H. Brading, Auditor

URANIUM DEVELOPMENT CORPORATION

Contract Idm-E452 Docket No. 2618

An amount of $500.00 was withheld by Finance Officer from August MF-104, pending final Report of Review.

Inasmuch as there were no differences developed in the examination of MF-104's by the auditor, this amount is reinstated.

October 23, 1953

T. H. Brading

T. H. Brading, Auditor

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

Mining Division
Date Rec'd.
NOV 6 - 1953
BUREAU OF MINES
Denver, Colorado
Region IV

NOV 3 1953

Mr. Murphy Thomas, President
The Uranium Development Corporation
620 E and C Building
Denver, Colorado

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-E452
Blackfoot group of claims
Montrose County, Colorado

Dear Mr. Thomas:

Reference is made to your above-named Exploration Project Contract for uranium. You are probably aware that in some similar cases it has been found that some part or all of the land which is the subject of the exploration project contract consists of claims located on land which was subject to prior Federal oil and gas leases. The validity of such claims is doubtful, and in some cases the Atomic Energy Commission has issued a lease to the land for whatever benefit that may afford in curing the invalidity as far as uranium is concerned.

By the recent act of Congress approved August 12, 1953 (Public Law 250, 83d Cong.), mining claims located between July 31, 1939, and January 1, 1953, on United States Lands which were then subject to oil and gas leases, may be validated by the owners of such claims, if, not later than December 10, 1953, they

> ".... post on such claim in the manner required for posting notice of location of mining claims and file for record in the office where the notice or certificate of location of such claim is of record an amended notice of location of such claim, stating that such notice is filed pursuant to the provisions of this Act and for the purpose of obtaining the benefits thereof."

If any of the land which is the subject of your Exploration Project Contract includes a located claim or claims, the validity of which might be questioned on account of a previous oil and gas lease, the statute cited is called to your attention so that you may validate your rights as above indicated, if you consider this to be in your interest. This Agency deems such validation to be desirable even though the land in question may be covered by a lease from the Atomic Energy Commission.

Sincerely yours,

C. A. Mittendorf

Administrator

FMMurphy/db
10-30-53
cc to: Docket file
Region IV (2)
Division Contract file

50811

224 New Customhouse
Denver 2, Colorado

October 27, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: Certification of Discovery-Uranium Development Corporation, Docket No. DMEA 2618 (Uranium), Contract No. Idm-E452.

Enclosed are copies of a Certification of Discovery under the provisions of Contract Idm-E452, a copy of a letter from the Administrator, DMEA, to the Operator, and a copy of a letter from the Administrator, DMEA to the Director of the Materials Division, Emergency Procurement Service.

W. H. King

W. H. King

Enclosures

JFS:es

cc: Contract
Chron.
Traver w/enc.
Koschmann w/enc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 2, 1953

Mining Division
Date Rec'd.
OCT 5 - 1953
BUREAU OF MINES
Denver, Colorado

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2618, Contract Idm-E452 (Uranium), Uranium Development Corporation (Blackfoot claims), Montrose County, Colorado - Certification of Discovery

Enclosed are the original and eight copies of W. L. Dare's memorandum covering certification of discovery on the Blackfoot group of claims of the Uranium Development Corporation in Montrose County, Colorado.

Wide-spaced wagon drilling resulted in the discovery of three separate ore bodies aggregating an estimated 3,000 tons of ore reserves, averaging from 0.15 percent U_3O_8 to 0.18 percent U_3O_8. The engineer considers it likely that additional closer-spaced drilling would develop more reserves with probably higher grade. He considers one of the bodies, which is only 15 or 20 feet below surface, could and probably will be mined immediately.

Certification of Discovery is recommended and three copies of form "B" with suggested description of the discovery are attached for your approval and submission to the Administrator.

W. M. Traver

W. M. Traver

Enclosures

cc: 8
E452
DMEA Chron

WMT/cb

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
October 2, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: W. L. Dare

Subject: DMEA 2618, Contract Idm-E452 (Uranium), Uranium Development Corporation (Blackfoot claims), Montrose County, Colorado - Certification of Discovery

Exploratory wagon drilling under Contract Idm-E452 has resulted in a significant ore discovery. The exploration program was initiated on July 10, 1953, and completed on August 12, 1953. The drilling was accomplished on the Blackfoot group of claims, Vixen Mining District, Montrose County, Colorado. The Blackfoot group, owned by Uranium Development Corporation, Denver, Colorado, consists of the following nine unpatented claims: Grey Fox, Rattlesnake, Big Basin No. 1 and No. 2, Fairy King, Red Fox, Rim Rock Queen, Blackfoot, and Good Hope.

Under the provisions of the short-form type contract, 16,107 feet of wagon drilling was completed at an agreed unit cost of $1.35 per foot. Total project costs, authorized by the contract and approved by the inspecting engineer, amounted to $21,744.45; Government participation, $19,570.00. The total footage was completed in 203 of the 235 holes spotted on an approved predetermined 100-150 foot grid pattern.

On this property, uranium-vanadium mineralization occurs in the Morrison formation in three known horizons, all of which were explored by the drilling. Most of past production has come from the lower or Blackfoot rim; however, the drilling encountered ore in the upper and lower Red Fox rims above the Blackfoot rim. Although uranium mineralization appears to be wide-spread in all horizons, the grade and thickness, with few exceptions, are low.

Three separate, small, tabular deposits averaging 2.2 feet in thickness were discovered. Referring to the coordinate system used by the operator, an estimated 1,000 tons, containing 0.18 percent U_3O_8, were encountered in the vicinity of coordinates 5400N and 2500E in a block of ground approximately 40 feet by 175 feet. In the vicinity of coordinates 6100N and 3250E, drilling results indicate an estimated 1,200 tons averaging 0.15 percent U_3O_8 in a block of ground roughly 40 feet by 210 feet. Mineralization encountered in the area of the ore hole at coordinates 5600N and 3150E indicate an estimated 800 tons, averaging 0.15 percent U_3O_8. As all holes completed were drilled on a 100-150-foot grid pattern, it is believed that company-financed offset holes undoubtedly will disclose additional limited tonnages of fairly high-grade ore and a considerable reserve of low-grade ore.

No production has resulted to date from deposits discovered under the exploration program. However, small operations have been conducted on some of the claims during the period that the exploration contract has been in effect, resulting in an unknown tonnage from which the Government is entitled to royalties.

Because a significant discovery has been made as a result of the exploration project, a Certification of Discovery is recommended.

W. L. Dare
Mining Engineer

cc: 8
E452
DMEA Chron.

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

FORM B

To:1/ Uranium Development Corporation - A Colorado Corporation

620 E and C Building, Denver, Colorado

Pursuant to the provisions of Exploration Project Contract No. Idm E452, dated November 24, 1952, (Docket No. DMEA 2618), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made, has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Uranium-vanadium ores within the three known ore-bearing horizons of the Morrison formation. Mineralization, for the most part, is widespread but low grade. Three small ore deposits were discovered and additional offset holes should prove additional tonnages of high-grade ore and a considerable reserve of low-grade ore, on the Blackfoot group of claims.

Dated: _____

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

1/ Insert full name of operator as it appears in the Exploration Project Contract

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

FORM A

To:1/ _____

_____

Pursuant to the provisions of Exploration Project Contract No. Idm _____, dated _____, (Docket No. _____), hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the mineral deposit which is the subject of the exploration project, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

_____

_____

_____

_____

_____

_____

Dated: _____

THE UNITED STATES OF AMERICA

BY _____
Administrator, Defense Minerals
Exploration Administration

1/ Insert full name of operator as it appears in the Exploration Project Contract.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
August 5, 1953

Mining Division
Date Rec'd.
AUG 6 1953
BUREAU OF MINES
Denver, Colorado

Uranium Development Corporation
620 E. and C. Building
Denver 2, Colorado

Attention: Mr. Paul H. Keating, Managing Director

Reference: DMEA 2618, Contract Idm-E452
Montrose County, Colorado

Gentlemen:

Receipt is acknowledged of your completed form MF-104, "Operator's Monthly Report and Voucher", and form MF-104A, "Operator's Unit Cost and Progress Report", for the month of July 1953, covering Contract Idm-E452.

Enclosed please find a set of six each of the above forms for use in submitting your next monthly report.

Very truly yours,

W. M. TRAVER

W. M. Traver, Chief
Mineral Resources Branch
Mining Division, Region IV

enclosures

cc: WHKing
E452
DMEA Chron

eb

OFFICERS:
MURPHY THOMAS, Pres.
RALPH W. BERNINZONI, V. P.
JEAN CORTVRIENDT, Secy-Treas.

The Uranium Development Corporation

620 E. AND C. BUILDING • DENVER 2, COLO.

DIRECTORS:
MURPHY THOMAS
RALPH W. BERNINZONI
JEAN CORTVRIENDT
CLAUDE W. BLAKE
JOSEPH W. EBERLY

July 14, 1953

Mining Division
Date Rec'd.
JUL 15 1953
BUREAU OF MINES
Denver, Colorado

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

RE: Docket No. DMEA-2618
Contract Idm-E452

Dear Mr. King:

This is to advise that operations on the Blackfoot Group under our contract in Docket 2618 began on July 10, 1953.

Mr. Traver of the Bureau of Mines has also been advised of the beginning of this operation.

~~Very truly~~ yours,

THE URANIUM DEVELOPMENT CORP'N

Recorded.

By: Paul H. Keating

Paul H. Keating,
Managing Director
mk

PHK:mk

224 New Customhouse
Denver 2, Colorado

July 10, 1953

Mr. Claude W. Blake, Attorney
The Uranium Development Corporation
620 E. and C. Building
Denver 2, Colorado

Re: Docket No. DMEA-2618
Contract Idm-E452

Dear Mr. Blake:

Enclosed is your copy of Amendment No. 1 to the referenced contract which establishes the starting date of work under the contract as prior to September 1, 1953, and extends the completion time from 8 months to 16 months.

Reference is made to your letter of July 8, 1953, the next to the last paragraph, relative to starting work under the contract. As stated in the second paragraph of our letter to you dated July 1, 1953, our question in the matter of property rights was cleared by your lease with the Atomic Energy Commission, therefore work under the terms of the contract may be commenced at your convenience any time prior to September 1, 1953.

Very truly yours,

W. H. King

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

Enclosure

JWT:jp
cc Contract
Chron
WMTraver
AHKoschmann
JWTownsend

224 New Customhouse
Denver 2, Colorado

July 10, 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 1 to Contract Idm-E452, Docket DMEA-2618, The Uranium Development Corporation (Uranium)

Enclosed are the original and two copies of Amendment No. 1 to Contract Idm-E452. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment.

W. H. King

W. H. King

Enclosures

JWT:jp
cc Contract
Chron
JWTownsend

224 New Customhouse
Denver 2, Colorado

July 10, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 1 to Contract Idm-E452, Docket DMEA-2618, The Uranium Development Corporation (Uranium)

Enclosed is your copy of Amendment No. 1 to Contract Idm-E452 which establishes the starting date of work under the contract as prior to September 1, 1953, and extends the completion time from 8 months to 16 months.

W. H. King

W. H. King

Enclosure

JWT:jp
cc Contract
Chron
WMTraver w/copy of amdt
AHKoschmann w/copies of amdt

OFFICERS:
MURPHY THOMAS, Pres.
RALPH W. BERNINZONI, V. P.
JEAN CORTVRIENDT, Secy-Treas.

The Uranium Development Corporation

620 E. AND C. BUILDING • DENVER 2, COLO.

DIRECTORS:
MURPHY THOMAS
RALPH W. BERNINZONI
JEAN CORTVRIENDT
CLAUDE W. BLAKE
JOSEPH W. EBERLY

July 8, 1953

Mining Division
Date Rec'd.
JUL 9 - 1953
BUREAU OF MINES
Denver, Colorado

Mining Division
Date Rec'd.
JUL 9 - 1953
BUREAU OF MINES
Denver, Colorado

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
U. S. Department of the Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

RE: Docket DMEA 2618, Contract Idm-E452.

Dear Mr. King:

Thanks very much for your letter of July 6th addressed to Mr. Murphy Thomas, President of The Uranium Development Corporation.

With your letter was enclosed the original and five copies of Amendment No. 1 to the contract above mentioned. This amendment and copies have been duly executed and seal of the corporation affixed thereto, and they are attached herewith.

For your information, we have already employed a very competent mining engineer who is a graduate of the Colorado School of Mines to do the actual day by day operations required under this contract. We have, however, still retained Professor Paul Keating of the faculty of the School of Mines as our General Supervisor, and the engineer that we have hired will work under Professor Keating. Professor Keating will make occasional trips to the location and make sure the contract is being fulfilled in every detail.

In view of the committments we are making, is it premature for you to advise me as to the approximate date when we can safely proceed to incur the necessary expenses occasioned by the exploration that is to be undertaken?

Thanking you for your very much appreciated cooperation in this matter, I am

Very truly yours,

THE URANIUM DEVELOPMENT CORPORATION

By: Claude W. Blake

Claude W. Blake, Attorney

CWB:mk
Encls.

THE URANIUM DEVELOPMENT CORPORATION

620 E. and C. Building • Denver 2, Colo.

June 25, 1953

COPY

Mr. W. H King, Executive Officer
DMEA Field Team, Region IV
U. S. Department of the Interior
224 New Customhouse
Denver 2, Colorado

RE: Exploration Project Contract Idm-E452

Dear Mr. King:

This letter is in response to your letter of June 10th, 1953, addressed to Mr. Murphy Thomas, President of The Uranium Development Corporation.

We note from your letter that "Article 3. Exploration Project" stipulates that work done pursuant to the execution of a proper contract is to be completed within 8 months of the date of the contract, or by July 24, 1953.

You are hereby advised that we have as yet been unable to establish our title to the claims listed in the above named contract but are still desirous of performing the exploration work under the terms thereof.

In view of this situation, it is necessary for us to obtain an amendment to the contract to extend the completion date of the work.

You are now advised that we have obtained a lease on said claims specified therein so that it is our understanding that we may now proceed to obtain the loan for which we applied. Copy of our lease is hereto attached which you may examine and make the necessary memoranda therefrom. If we require this copy of the lease for future use, I may need to request the return of the same. Anyway, may we please have the contract properly amended before it is too late so that we can obtain our exploration loan.

Very truly yours,

THE URANIUM DEVELOPMENT CORPORATION

By: /s/ Claude W. Blake

Claude W. Blake, Attorney

CWB:mk
Encl.

224 New Guaranty Bldg.
Denver 2, Colorado

July 6, 1953

Mr. Murphy Thomas, President
The Uranium Development Corporation
620 R & C Building
Denver, Colorado

Re: Docket AEC 2618
Contract I-[illegible]-492

Dear Mr. Thomas:

Enclosed are the original and five copies of Amendment No. [illegible] to the referenced contract, which will authorize extension of the starting date and completion date of work under the contract.

All six copies of the amendment should be signed by you, the corporate seal affixed, and returned to this office, leaving the date blank.

Yours very truly,

W. H. King

W. H. King
Executive Officer
DMA Field Team, Region IV

Enclosures

[illegible]

cc: Townsend
Kaschmann
Traver
Sub
Chron

224 New Customhouse
Denver 2, Colorado

July 1, 1953

Mr. Claude W. Blake, Attorney
Uranium Development Corporation
620 E. and C. Building
Denver 2, Colorado

Re: Docket No. DMEA 2618
Contract Idm-2452

Dear Mr. Blake:

Receipt is acknowledged of your letter of June 25, 1953 and the attached copy of the lease with the A.E.C. covering the ground described under "Article 2" of Exploration Project Contract Form MF-200(A).

The lease clears our question of property ownership, therefore, work may be commenced under the terms of the contract.

In compliance with your request of June 25, an Amendment to the contract will be prepared to establish the starting date of work as prior to September 1, 1953, and to extend the completion date of the contract work an additional eight months.

The A.E.C. Lease excludes those portions of the Blackfoot, Good Hope and Rattlesnake claims lying in Section 2, T. 47 N., R. 17 W., N.M.P.M., therefore, drilling in the section on Figure 2, northeast of the boundary formed by the junction of coordinate lines 3450 East and 6950 North will not be allowable as a cost of the project.

Your attention is directed to the stipulation in "EXHIBIT A" that any change of hole location from that shown on Figure 2 must have the prior written approval of the DMEA Representative. Please advise this office in writing the date you have commenced work under the contract.

Very truly yours,

W. H. King

W. H. King
Executive Officer
Field Team, Region IV

JWT:es

cc: Contract
Chron.
Townsend
Traver
Koschmann (2)

OFFICERS:
MURPHY THOMAS, Pres.
RALPH W. BERNINZONI, V. P.
JEAN CORTVRIENDT, Secy-Treas.

The Uranium Development Corporation

620 E. AND C. BUILDING • DENVER 2, COLO.

DIRECTORS:
MURPHY THOMAS
RALPH W. BERNINZONI
JEAN CORTVRIENDT
CLAUDE W. BLAKE
JOSEPH W. EBERLY

June 25, 1953

Mining Division
Date Rec'd
JUN 26 1953
BUREAU OF MINES
Denver, Colorado

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
U. S. Department of the Interior
224 New Customhouse
Denver 2, Colorado

RE: Exploration Project Contract Idm-E452

Dear Mr. King:

This letter is in response to your letter of June 10th, 1953, addressed to Mr. Murphy Thomas, President of The Uranium Development Corporation.

We note from your letter that "Article 3. Exploration Project" stipulates that work done pursuant to the execution of a proper contract is to be completed within 8 months of the date of the contract, or by July 24, 1953.

You are hereby advised that we have as yet been unable to establish our title to the claims listed in the above named contract but are still desirous of performing the exploration work under the terms thereof.

In view of this situation, it is necessary for us to obtain an amendment to the contract to extend the completion date of the work.

You are now advised that we have obtained a lease on said claims specified therein so that it is our understanding that we may now proceed to obtain the loan for which we applied. Copy of our lease is hereto attached which you may examine and make the necessary memoranda therefrom. If we require this copy of the lease for future use, I may need to request the return of the same. Anyway, may we please have the contract properly amended before it is too late so that we can obtain our exploration loan.

Very truly yours,

THE URANIUM DEVELOPMENT CORPORATION

By: Claude W. Blake

Claude W. Blake, Attorney

Lease filed in contract file

CWB:mk
Encl.

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

224 New Customhouse
Denver 2, Colorado

June 10, 1953

Mr. Murphy Thomas, President
The Uranium Development Corporation
620 E. & C. Building
Denver, Colorado

Dear Mr. Thomas:

Reference is made to the letter dated December 23, 1952, from Claude W. Blake, Attorney, which was in reply to our letter to you dated December 18, 1952, relative to the title of the claims involved in Exploration Project Contract Ida-6152. We will appreciate advice at your earliest convenience relative to the progress you have made in establishing title to the claims and advice as to the date on which you expect to commence operations under the contract.

Your attention is directed to the fact that "Article 3. Exploration Project" stipulates that work will be completed within 8 months from the date of the contract, or by July 24, 1953. If you have been unable to clear your title and are still desirous of performing the exploration work under the terms of the contract it will be necessary for you to obtain an amendment to the contract to extend the completion date of the work. Otherwise, you will be in default under the terms of the contract, effective July 24, 1953.

Unless we hear from you by that date, we will consider that you are no longer interested in performing the exploration work and will take the necessary steps toward terminating the contract.

Yours very truly,

W. H. King

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

JT:ld

cc: Claude W. Blake, Atty., 620 E. & C. Bldg., Denver.
Chairman, Operating Committee
Townsend
Koschmann
Traver
Subject
Chron.

OFFICERS:
MURPHY THOMAS, Pres.
RALPH W. BERNINZONI, V. P.
JEAN CORTVRIENDT, Secy-Treas.

The Uranium Development Corporation

620 E. AND C. BUILDING • DENVER 2, COLO.

DIRECTORS:
MURPHY THOMAS
RALPH W. BERNINZONI
JEAN CORTVRIENDT
CLAUDE W. BLAKE
JOSEPH W. EBERLY

December 23, 1952

Mining Division
Date Rec'd
DEC 24 1952
BUREAU OF MINES
Denver, Colorado

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

RE: Exploration Project Contract
Idm-E452 - The Uranium Development Corporation.

Dear Mr. King:

This will acknowledge receipt of your registered letter of December 18, 1952, addressed to Mr. Murphy Thomas, President of The Uranium Development Corporation.

Your letter states that it has recently been brought to your attention that we do not have clear title to the claims on which we propose to work under said exploration project contract.

It would probably be of no avail for me to enter into a discussion with your office pertaining to the titles to our claims. Suffice it to say now that we shall proceed immediately to obtain a title to the claims involved to your complete satisfaction.

We appreciate the willingness of your office to hold this matter in abeyance pending our efforts above indicated.

Very truly yours,

THE URANIUM DEVELOPMENT CORPORATION

By: Claude W. Blake
CLAUDE W. BLAKE, Attorney

CWB:mk

224 New Customhouse
Denver 2, Colorado

December 10, 1952

REGISTERED

Mr. Murphy Thomas, President
The Uranium Development Corporation
620 E and C Building
Denver, Colorado

Dear Mr. Thomas:

It has recently been brought to our attention that you do not have clear title to the claims on which you propose to do work under Exploration Project Contract Idm-2452.

We have been informed that all of Section 2, all of Section 3, the NE¼ and the NW¼ of the SE¼ of Section 10, and the N½ of Section 11 all in T 47 N., R 17 W., NMPM, Colorado were included in Power Site Classification No. 110, effective June 25, 1925. Two of your claims were located in 1929, the remainder in 1940. The Power Site withdrawal constituted a withdrawal of this land from the Public Domain; therefore any claims located in the above sections are not valid. All of Sections 10 and 11 in T 47 N., R 17 W. were withdrawn through Public Land Order 698, effective February 12, 1951. This order reserved these described public lands for the use of the Atomic Energy Commission.

You should not start work under the terms of Contract Idm-2452 until such time as you have clear title to the claims involved.

We will hold your Exploration Project Contract in abeyance for a reasonable length of time to enable you to perfect your title. Please inform this office regarding your plans.

Very truly yours,

John F. Shaw

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

JFS:fwo

cc COMittendorf
WMTraver, Jr., Contract, Shaw, Chron, Koschmann (2)

December 19, 1952

Mr. Sheldon P. Wimpfen
U. S. Atomic Energy Commission
P. O. Box 270
Grand Junction, Colorado

Refer: MI:JXC:CAR

Dear Mr. Wimpfen:

Recently the Defense Minerals Exploration Administration Field Team completed a contract with the Uranium Development Corporation, Montrose County, Colorado, DMEA Docket 2618, after investigation with the Bureau of Land Management regarding withdrawals. On November 25, Mr. Charles A. Rasor, geologist, advised the Administrator of the Defense Minerals Exploration Administration in Washington that the land in question had been withdrawn under Power Site Classification No. 110, effective June 25, 1925. We have advised the contractors that they must not start work until their title to the land has been cleared.

We will greatly appreciate your advising your personnel to address communications of this sort to this office or to send us a copy if you are required to write to the Administrator direct. Your cooperation in this will be greatly appreciated.

Very truly yours,

J. H. East, Jr.
Regional Director

JHEast:ftm

DMEA (3)
Chron

E452

December 19, 1952

Mr. Sheldon P. Wimpfen
U. S. Atomic Energy Commission
P. O. Box 270
Grand Junction, Colorado

Refer: MI:JXC:CAR

Dear Mr. Wimpfen:

Recently the Defense Minerals Exploration Administration Field Team completed a contract with the Uranium Development Corporation, Montrose County, Colorado, DMEA Docket 2618, after investigation with the Bureau of Land Management regarding withdrawals. On November 25, Mr. Charles A. Rasor, geologist, advised the Administrator of the Defense Minerals Exploration Administration in Washington that the land in question had been withdrawn under Power Site Classification No. 110, effective June 25, 1925. We have advised the contractors that they must not start work until their title to the land has been cleared.

We will greatly appreciate your advising your personnel to address communications of this sort to this office or to send us a copy if you are required to write to the Administrator direct. Your cooperation in this will be greatly appreciated.

Very truly yours,

J. H. East, Jr.
Regional Director

JHEast:ftm

DMEA (3)
Chron

FILE DMEA-2618

224 New Customhouse
Denver 2, Colorado

December 18, 1952

REGISTERED

Mr. Murphy Thomas, President
The Uranium Development Corporation
620 E and C Building
Denver, Colorado

Dear Mr. Thomas:

It has recently been brought to our attention that you do not have clear title to the claims on which you propose to do work under Exploration Project Contract Idm-2452.

We have been informed that all of Section 2, all of Section 3, the NE¼ and the NW¼ of the SE¼ of Section 10, and the N½ of Section 11 all in T 47 N., R 17 W., NMPM, Colorado were included in Power Site Classification No. 110, effective June 25, 1925. Two of your claims were located in 1929, the remainder in 1940. The Power Site withdrawal constituted a withdrawal of this land from the Public Domain; therefore any claims located in the above sections are not valid. All of Sections 10 and 11 in T 47 N., R 17 W. were withdrawn through Public Land Order 698, effective February 12, 1951. This order reserved these described public lands for the use of the Atomic Energy Commission.

You should not start work under the terms of Contract Idm-2452 until such time as you have clear title to the claims involved.

We will hold your Exploration Project Contract in abeyance for a reasonable length of time to enable you to perfect your title. Please inform this office regarding your plans.

Very truly yours,

John F. Shaw

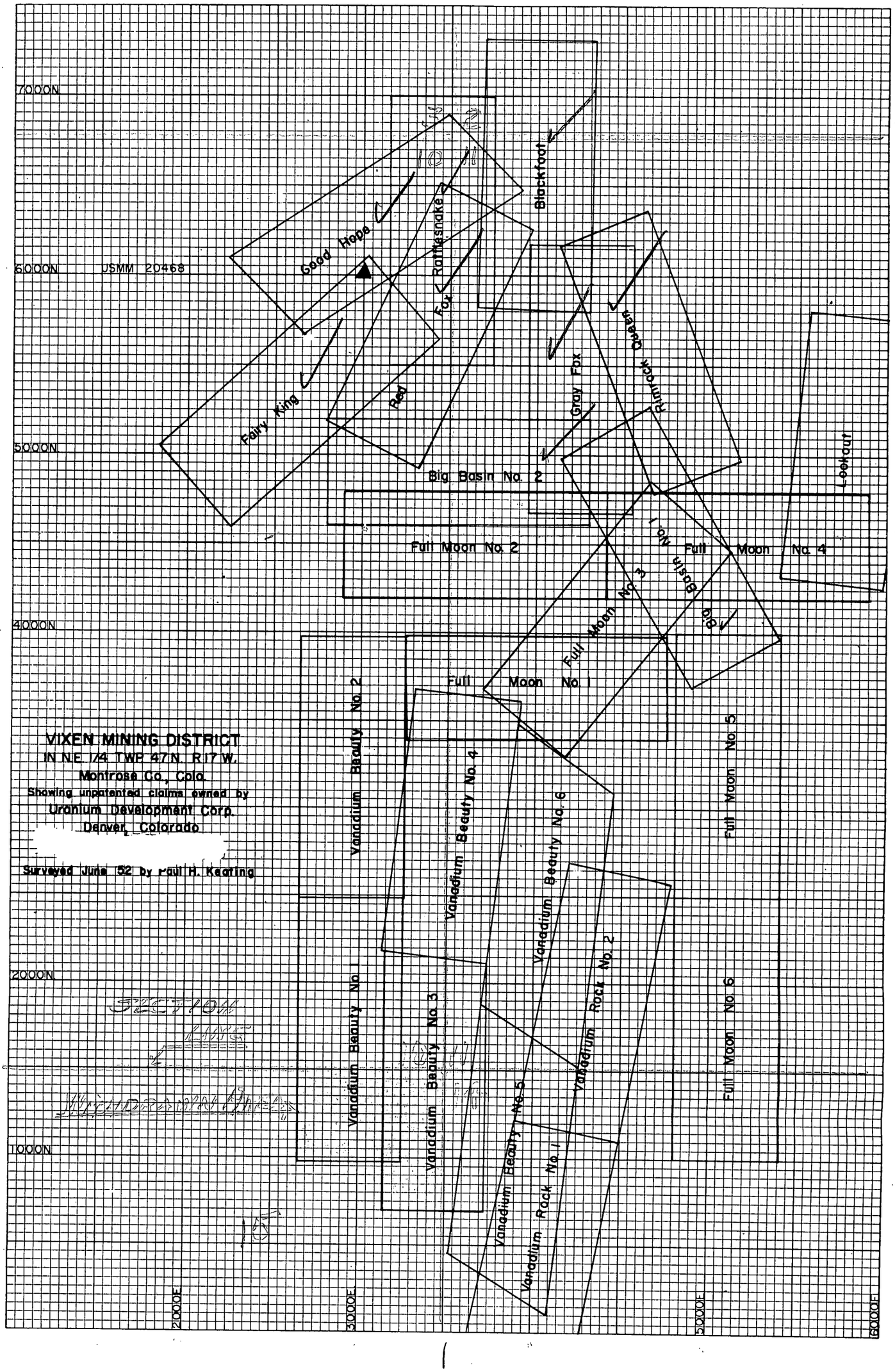
John F. Shaw, for
W. H. King
Executive Officer, DMEA Field Team
Region IV

JFS:fwo

cc COMittendorf

WMTraver, Jr., Contract, Shaw, Chron, Koschmann (2)

KEUFFEL & ESSER CO., N. Y. NO. 359-5L
10 X 10 to the Inch.
MADE IN U.S.A.



12-16-52
app. July 2

Uranium Development Corp

DMEA 2618
Idm E-452

Public Land Order 698 withdrew for A.E.C. 2/12/51 all of Secs 3, 10 + 11 T 47 N R 17 W.

Power Site Classification #110 effective June 24, 1925 withdrew
all of Sec 2
S 1/2 ~~all~~ of Sec 3
Sec. 10 NE 1/4, NW 1/4 of SE 1/4
Sec 11 N 1/2, N 1/2 of SE 1/4, SE 1/4 of SE 1/4

Fed Power Commiss.

Rattlesnake	7-4-29	date filed
Blackfoot	10-8-40	"
Good Hope	10-10-40	"
Fairy King	10-8-40	"
Red Fox	10-8-40	"
Gray Fox	7-4-29	"
Rimrock Queen	10-8-40	"
Big Basin #2	3-15-40	"

700

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

Mining Division
Date received
DEC 15 1952
BUREAU
Denver, Colorado

DEC 11 1952

Mr. W. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-E452
Uranium Development Corporation
Montrose County, Colorado

Dear Mr. King:

Enclosed for your information and file in the above-captioned docket are copies of letters received by this office from Mr. Charles A. Rasor, Geologist, Atomic Energy Commission, Grand Junction, Colorado, concerning the status of lands on which the Applicant-company's claims are located.

Sincerely yours,

Ernest M. Ellis

ACTING Chairman, Operating Committee

Enclosures

APPROVED:

A. N. Hedges
Member, Bureau of Mines

A R Kinkel Jr
Member, Geological Survey

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

Mr. W. H. King
Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

DEC 11 1952

Re: Docket No. DMEA-2618 (Uranium)
Contract No. Idm-E452
Uranium Development Corporation
Montrose County, Colorado

Dear Mr. King:

Enclosed for your information and file in the above-captioned docket are copies of letters received by this office from Mr. Charles A. Rasor, Geologist, Atomic Energy Commission, Grand Junction, Colorado, concerning the status of lands on which the Applicant-company's claims are located.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Enclosures

APPROVED:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

PAUL H. KEATING
MINING ENGINEER

Golden, Colo., Dec. 4, 1952.

Director,
Defense Minerals Exploration Adm.,
New Customs House, Denver, Colo.

Dear Sir:

Your Agency has recently approved a short-form contract with the Uranium Development Corp., of Denver.

As engineer and technical advisor of the applicant, I have had occasion to meet, in offices and on the ground, a number of men from DMEA, the USGS, and the US Bureau of Mines. Without exception, these contacts have been co-operative, courteous, and technically and administratively diligent.

It seems to me that as a matter of good citizenship, I should say for myself and on behalf of the Corporation, a sincere - "Thank you, Gentlemen".

In our complex structure of business-government relations, it is an important spiritual reassurance to find such consistent and constructive performance of duty as the following men have shown:-

The original inquiry and application was initiated through Mr. H. M. Connors, Room 224, New Customs House. Mr. W. M. King, in the adjoining office, has been of great help in explaining procedures. Mr. Connors has been exceedingly helpful and courteous.

Mr. Donald McLaren, of the USGS, and Mr. Russel McClelland of the U.S. Bur. of Mines, and also Mr. Scott Hazen of the U.S. Bur. of Mines, have all called at my office here at the Colo. School of Mines, to further explain the technical requirements of the application. McLaren and McClelland both met me on the property concerned. I was impressed by, and feel a sincere respect for the scientific competence of these two men; they took no short-cuts to avoid physically difficult hikes, climbing, or underground exploration.

Mr. W. M. Traver, of the US Bur. of Mines expedited the paper work promptly, and is at the moment awaiting my advice as to the date upon which actual exploration drilling will begin.

ALL of these individuals have been courteous, diligent, and business-like.

It is the purpose and hope that this memorandum be put through proper channels, and be ultimately filed on the credit-side of the records of the above men, on behalf of myself personally, and for my principals, the Uranium Development Corporation, of Denver. "Thank you", Gentlemen.

Sincerely yours,
Paul H. Keating
Paul H. Keating
(Assoc. Prof. of Geology,
Colo. School of Mines,
Golden, Colo.).

UNITED STATES
ATOMIC ENERGY COMMISSION
GRAND JUNCTION, COLORADO

ADDRESS REPLY TO:

MANAGER,
COLORADO RAW MATERIALS OPERATIONS
U. S. ATOMIC ENERGY COMMISSION
P. O. BOX 270
GRAND JUNCTION, COLORADO

November 25, 1952

AND REFER TO MI:JXC:CAR

Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Subject: DMEA Docket 2618 (Uranium) Uranium Development Corporation, Montrose County, Colorado

Dear Sir:

It has come to our attention that a final report on the subject application has been forwarded to you by the Field Team, Region IV, DMEA.

Enclosed herewith for your information, is a copy of a letter recently written by this office to Mr. Claude W. Blake, attorney for Uranium Development Corporation, concerning the status of the lands on which his company's claims are located.

Very truly yours,

Charles A. Rasor

Charles A. Rasor
Geologist

Enclosure:
As stated above

AIR MAIL

UNITED STATES
ATOMIC ENERGY COMMISSION
GRAND JUNCTION, COLORADO

COPY

COPY

ADDRESS REPLY TO:

MANAGER,
COLORADO RAW MATERIALS OPERATIONS
U. S. ATOMIC ENERGY COMMISSION
P. O. BOX 270
GRAND JUNCTION, COLORADO

October 2, 1952

AND REFER TO OC:JXC

Mr. Claude W. Blake, Attorney
The Uranium Development Corporation
620 E. and C. Building
Denver 2, Colorado

Dear Mr. Blake:

Reference is made to your letter of September 11, 1952 in which you state that your company has acquired twenty-four mining claims in Montrose County, Colorado.

The map prepared for you by Professor Keating in June, 1952 shows that these claims are located in Sections 2, 3, 10, 11, 14 and 15, Township 47 North, Range 17 West, N.M.P.M., Colorado. These claims, according to the contract of sale and purchase, a copy of which you forwarded to us with your letter of July 25, 1952, are as follows:

1. Vanadium Beauty No. 1
2. Vanadium Beauty No. 2
3. Vanadium Beauty No. 3
4. Vanadium Beauty No. 4
5. Vanadium Beauty No. 5
6. Vanadium Beauty No. 6
7. Vanadium Rock No. 1
8. Vanadium Rock No. 2
9. The Look Out
10. Rim Rock Queen
11. The Red Fox
12. The Fairy King
13. Big Basin No. 1
14. Big Basin No. 2
15. The Gray Fox
16. The Black Foot
17. The Good Hope
18. The Rattlesnake
19. The Full Moon No. 1
20. The Full Moon No. 2
21. The Full Moon No. 3
22. The Full Moon No. 4
23. The Full Moon No. 5
24. The Full Moon No. 6

These claims were located on various dates since 1929.

The public records of the Colorado Land Office, Bureau of Land Management in Denver, show that Section 2, S½ Section 3, NE¼ Section 10, N½ Section 11, Township 47 North, Range 17 West, N.M.P.M., Colorado, are included in Power Site Classification No. 110, effective June 25, 1925.

The Department of Interior, through Public Land Order 698 of February 12, 1951 (16 F.R. 1638) withdrew from all forms of appropriation under the public land laws, including the mining but not the mineral leasing laws, Sections 3, 10, 11, 14 and 15, Township 47 North, Range 17 West, N. M. P. M., Colorado, and reserved such described public lands for the use of the United States Atomic Energy Commission.

The Bureau of Land Management issued oil and gas lease Denver 055549 on February 1, 1949, covering all of Section 15 in the above mentioned township.

Section 24 of the Federal Power Act of June 10, 1920 (47 Stat. 1075, 49 Stat. 846, 62 Stat. 275; 16 U.S.C. 818), provides that, "any lands of the United States included in any proposed project under the provisions of this chapter shall from the date of filing of application therefor be reserved from entry, location, or other disposal under the laws of the United States until otherwise directed by the commission or by Congress." The courts have held that the filing of an application for a power site automatically withdraws the affected land from mineral location and that unpatented lode mining claims located thereon are void.

It appears from plotting the foregoing data on Professor Keating's map that the following ten claims would be void because of conflict with this power site classification:

Black Foot	Good Hope
Rattlesnake	Fairy King
Red Fox	Gray Fox
Rim Rock Queen	Big Basin No. 2
The Look Out	Big Basin No. 1 fraction

Under Section 24 of the Federal Power Act (supra), the regulations of the Federal Power Commission, 18 CFR Part 25 and the regulations of the Bureau of Land Management, 43 CRR Part 103, an application for a determination permitting restoration to entry of such lands reserved or classified as power sites, may be filed directly with the Federal Power Commission at its offices in Washington, D. C., at any of its regional or field representatives' offices, or at local land offices for forwarding to the Federal Power Commission. No form is prescribed for such an application, but the lands should be described by legal subdivisions, and the applicant should present a showing relative to the propriety of restoring such lands and the use to which it is proposed to put the lands if restored to entry.

In your letter of July 25, 1952, you state that, "Up to the present time I think all of the ore that has been shipped by our company is from the north end of the Black Foot Mine which you will observe lies in Section 2." It, therefore, appears that your prime consideration is the fraction of the Black Foot claim, which lies in Section 2. This section is covered by Power Site Classification No. 110 but not by Public Land Order 698.

It thus appears that your course of action as to your producing mine in Section 2 would be to file a petition in the manner described above, with the Federal Power Commission and if and when favorable action on your application is made, take up such ground by original locations. This course of action would not be available as to the other claims in conflict with the Power Site Classification because they are located on lands withdrawn as explained herein.

In your letter of July 25, 1952, you state that the Full Moon claims Nos. 1 through 6, inclusive, were located on February 17, 1951. Professor Keating's map shows that these claims are in Sections 10, 11 and 14, Township 47 North, Range 17 West, N.M.P.M., Colorado. As stated above, these lands were withdrawn from appropriation through Public Land Order 698 of February 12, 1951. This Land Order was filed at 8:47 a.m., February 15, 1951 and published in the Federal Register on February 16, 1951. Thus, these six claims appear to be void ab initio because they were located when the land was not open to mineral entry.

It follows that the sixteen claims enumerated above, i.e., Black Foot, Good Hope, Rattlesnake, Fairy King, Red Fox, Gray Fox, Rim Rock Queen, Big Basin No. 2, Look Out, Big Basin No. 1 fraction and Full Moon claims Nos. 1 through 6, were invalid on the date of Public Land Order 698 and, consequently, the land covered by such claims, except the fraction of Black Foot in Section 2, would be reserved for the use of the Atomic Energy Commission by this Land Order.

Should your company desire to conduct mining operations on any part of the lands withdrawn for the use of the Commission, this office will be pleased to receive and consider an application from your company for a mining lease from the Commission covering such lands. Application forms, copies of which are enclosed, should be filed with this office in duplicate.

According to Professor Keating's map the following eight claims are located in the SE¼ Section 10, SW¼ Section 11, NW¼ Section 14, NE¼ Section 15, Township 47 North, Range 17 West, N.M.P.M.Colorado:

Vanadium Beauty Nos. 1 through 6, inclusive, and Vanadium Rock Nos. 1 and 2. As the lands on which these claims are located are not withdrawn for power site purposes and as the claims were located prior to withdrawal of these lands through Public Land Order 698, there appears to be no question as to these claims (and the fraction of Big Basin No. 1 claim in the S½ Section 11), at this time, aside from the fractions of the Vanadium Beauty Nos. 1 and 3 in Section 15, which is covered by a prior oil and gas lease issued by the Department of Interior.

In your letter of September 11, 1952, you state " . . we cannot understand why we should be discriminated against upon the technicality that the territory upon which our claims are located was withdrawn from mining operations twenty-seven years ago, while at the same time another department of the government issues us a permit and encourages us to produce and sell the ore!" We presume that the permit to which reference is made is the AEC License to Transfer, Deliver or Receive Uranium Source Material. You state that you have been issued Permit No. P-1034 to produce and sell uranium ore. Such permits are issued upon information furnished the Atomic Energy Commission by the applicant, who certifies in his application that, "All information contained in this application is true and complete to the best of their knowledge and belief", on which basis the Commission is required to issue licenses.

Should you be in Grand Junction in the near future we would be happy to discuss these matters with you.

Very truly yours,

Charles A. Rasor
Geologist

Enclosures:
Mining Lease Application (3)

F-452

224 New Customhouse
Denver 2, Colorado

November 28, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 210

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2618 (Uranium) Uranium Development Corporation, Montrose County, Colorado

Enclosed are four copies of the final report on the subject docket.

The contract has been signed and is in effect.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

W.H.K
Enclosures
HMC:oc

cc: Contract
Chron.
AHKoschmann (2)

224 New Customhouse
Denver 2, Colorado

November 26, 1952

Memorandum

To: C. O. Mittendorf

From: Executive Officer, Field Team, Region IV

Subject: DMRA Docket 2618, Contract Idm-E452, Uranium Development Corporation (Uranium)

Enclosed are the original and two copies of Contract No. Idm-E452. Copies of the contract have been given to the Operator, the Fiscal Office of Region IV, and a copy has been retained for our files.

W. H. King
W. H. King

Enclosures

JFS:oc

cc: WMTraver
Contract
Chron.
AHKoschmann (2)

224 New Customhouse
Denver 2, Colorado

November 26, 1952

Uranium Development Corporation
620 E and C Building
Denver, Colorado

Gentlemen:

Enclosed herewith is your copy of Exploration Project Contract No. Idm-E452, Docket No. DMEA 2618.

Also enclosed are six copies of Form MF-104 "Operator's Monthly Report and Voucher" and six copies of Form MF-104A "Operator's Unit Cost and Progress Report". At the completion of the first full calendar month of operation and monthly thereafter, you are required to submit five copies of the forms to Mr. W. M. Traver, Jr., U. S. Bureau of Mines, Room 137, Building 20, Denver Federal Center, Denver 14, Colorado. The sixth form is for your records. Please note that the monthly report requires a narrative report which should be accompanied by maps and sketches. The narrative report must be signed by the operator. The monthly report will not be processed for payment unless accompanied by a narrative report. Additional copies of Forms MF-104 and 104A will be forwarded to you as required.

For your information and in reply to many questions that have been asked, after Forms MF-104 and 104A are received an engineer will check progress and approve your accounts, after which it will be sent to the Regional Office, Region IV, U. S. Bureau of Mines, 224 New Customhouse, Denver 2, Colorado, for auditing and vouchering. If the report is in order a check will be issued by the Treasury Department for the Government's portion of the costs.

Your attention is directed to the regulation that provides that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. Reimbursement for work performed under this contract is based on units of work actually performed, therefore you should not commence work under the terms of this contract until the starting point of the work is agreed upon by you and an engineer from Mr. Traver's office. Please advise this office in writing the date work actually starts under the contract.

If you have any difficulty in completing these forms and the reports, please call on Mr. Traver or this office for assistance.

Very truly yours,

W. H. King

W. H. King
Executive Officer
Field Team, Region IV

Enclosures

JFS:oc

cc: WMTraver w/copy of Contract
AHKoschmann w/2 copies of Contract
Contract
Chron.

224 New Customhouse
Denver 2, Colorado

November 26, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, Field Team, Region IV

Subject: DMEA Docket 2618, Contract Idm-E452, Uranium Development Corporation (Uranium)

Enclosed is your copy of Contract Idm-E452.

W. H. King

W. H. King

Enclosure

JFS:oc

cc: Contract
Chron.
AHKoschmann (2)

T
DN 235 BUREAU MINES GA PLS

WASH DC BU MINES 310 11-25-52 2-17 PM

U M KING,

SUBJECT..... ASSIGNMENT OF CO NTRACT NUMBERS

REURTEL 11-24-52 LUPTON MINING COMPANY, INC., DMEA 2759, CONTRACT NUMBER IDM-E-451 ASSIGNED THIS CONTRACT.

URANIUM DEVELOPMENT CORPORATION, DMEA 2618, CONTRACT NUMBER IDM-E-452 ASSIGNED THIS CONTRACT.

THIS IS A SPECIAL

CC MITTENDORF

2-20 PM END PLS ACK RT
MC RECD OK BMH

OFFICERS:
MURPHY THOMAS, Pres.
RALPH W. BERNINZONI, V. P.
JEAN CORTVRIENDT, Secy-Treas.

The Uranium Development Corporation

620 E. AND C. BUILDING • DENVER 2, COLO.

DIRECTORS:
MURPHY THOMAS
RALPH W. BERNINZONI
JEAN CORTVRIENDT
CLAUDE W. BLAKE
JOSEPH W. EBERLY

November 21, 1952

Mining Division
Date Rec'd.
NOV 24 1952
BUREAU OF MINES
Denver, Colorado

Mr. W. H. King, Executive Officer, DMEA
Field Team, Region IV
U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. King:

Enclosed are six copies of an Exploration Project Contract between the Government and the Uranium Development Corporation which have been signed by an authorized official of the company, the signature certified by the secretary, and the corporate seal affixed thereto.

I assume that one of these copies will be returned to us for our files.

Very truly yours,

CLAUDE W. BLAKE, Attorney for
The Uranium Development Corp.

CWB:mk
Encls.

224 New Customhouse
Denver 2, Colorado

November 19, 1952

Uranium Development Corporation
620 E and C Building
Denver, Colorado

Gentlemen:

Enclosed are six copies of an Exploration Project Contract between the Government and the Uranium Development Corporation.

If this contract is satisfactory all six copies should be signed by an authorized official of the company, the signature certified by the secretary, the corporate seal affixed, and returned to this office.

The effective date of this contract will be the date it is signed in this office by the Executive Officer.

Very truly yours,

W. H. King

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

Enclosures

JFS:JP
cc Subject
Chron
WMTraver
AHKoschmann (2)

224 New Customhouse
Denver 2, Colorado

November 12, 1952

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 210

From: Field Team, Region IV

Subject: DMEA Docket 2618 (Uranium), Uranium Development Corporation
Montrose County, Colorado

Attached is one copy of supplemental data on subject application, submitted by the applicant, which is for your files.

W. H. King

W.H.K.

A. H. Koschmann

Enclosure

HMC:jp
cc Subject
Chron

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

[redacted]

[redacted]

[redacted]

[redacted]

To: [redacted]

From: [redacted]

Subject: [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

W. H. King

HMC:oc

A. H. Koschmann

cc: [redacted]
Mining Div. w/copy of final report
Subject
Chron.
AHKoschmann (2)

Mining Division
Region IV

December 12, 1952

Memorandum

To: Field Team, Region IV

From: Acting Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2618, (Uranium) Uranium Development Corporation, Montrose County, Colorado

Enclosed are ten copies of the engineering report on DMEA-2618 by R. S. McMillan.

The applicant originally requested $20,000 but revised his drilling program which reduced the cost to $21,744.45, Government participation $19,570.

The proposed work will be done in an area which the examining engineer believes is favorable for the discovery of additional bodies of ore. He recommends the revised drilling project.

We concur in this recommendation.

W. H. King
W. H. King

Enclosures

HMC
HMC:oc

cc: Subject
Chron.
AHKoschmann (2)

Post Office Department

OFFICIAL BUSINESS

DENVER
NOV 28
7 30 PM
6
1952
COLO.

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

(GPO)

E452

POSTMARK OF DELIVERING OFFICE

Return to U.S.Bureau of Mines

(NAME OF SENDER)

Street and Number, or Post Office Box, 224 New Customhouse

REGISTERED ARTICLE

36642

NO.

INSURED PARCEL

NO.

16—12421-1

DENVER,

COLORADO.

16—12421-1

Form 3811
Rev. 1-52

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the number of which appears on the face of this Card

1 The Uranium Development Corp.
(Signature or name of addressee)

2 Claude W. Blake atty
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery NOV 28 1952, *19*

U. S. GOVERNMENT PRINTING OFFICE 16—12421-2

DMEA Form 3b
(Revised)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTROLLED DOCUMENT
Revised Abstract

DMEA Docket No. 2618

Name of Applicant Uranium Development Corporation

Change:	From		To		
	III 1	☐	III 1	☒	11-12-52
	III 2	☐	III 2	☐	
	III 3	☐	III 3	☐	
	III 4	☐	III 4	☐	
	III 5	☐	III 5	☐	

Add:

II 7 $ 26,000

II 8 $ 21,744.45

II 8a %

Remarks:

Initials of person preparing sheet H.M.C.

Date sheet prepared 11-12-52

17367

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

224 New Customhouse
Denver 2, Colorado

July 23,1952

Memorandum

To: W. M. Traver, Jr.

A. H. Koschmann (with brochure)

From: Field Team, Region IV

Subject: Docket DMEA-2618 (Uranium), The Uranium Development Corp., Montrose County, Colorado

- Enclosed herewith is the subject application for Government assistance in exploration work estimated to cost $26,000.00.

Please note the attached letter to the applicant.

W. H. King
W. H. King

Supplemental submitted by Keating Sept 1952

A. H. Koschmann
A. H. Koschmann

Enclosures

Don: call Keating for appointment
Golden 340

? short form cont.
dia drill
Wag drill

224 New Customhouse
Denver 2, Colorado

July 23, 1952

Memorandum

To: W. M. Traver, Jr.

A. H. Koschmann (with brochure)

From: Field Team, Region IV

Subject: Docket DMEA-2618 (Uranium), The Uranium Development Corp., Montrose County, Colorado

Enclosed herewith is the subject application for Government assistance in exploration work estimated to cost $26,000.00.

Please note the attached letter to the applicant.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

W.H.K

Enclosures

HMC:fwo

cc: Subject
Chron

224 New Customhouse
Denver 2, Colorado

July 23, 1952

Mr. Paul Keating
Uranium Development Corporation
620 E & C Building
Denver, Colorado

Re: DMEA-2618

Dear Mr. Keating:

A check of the records in the Bureau of Land Management indicates that an Oil & Gas Lease was issued on February 1, 1949 on the S. W. ¼ of Sec. 14 and all of Sec. 15, T. 47 N., R. 17 W.

Since your Vanadium Beauty, Vanadium Rock, and Full Moon Groups were located after February 1, 1949 and if they lie within the S. W. ¼ of Sec. 14 or Sec. 15 the claims are not valid. The other ten claims listed in your application are not in conflict with Oil & Gas Leases because of their early date of location.

Please tie in some section corners on the claim map which you submitted with your application so that we may ascertain the exact location of the claims in question.

Very truly yours,

W. H. King

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

HMC:fwo

cc: Koschmann
Traver
Subject
Chron

224 New Customhouse
Denver 2, Colorado

July 11, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration
Attention: Code 210

From: Executive Officer, Field Team, Region IV

Subject: Docketing for Exploration Assistance

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

Myton Mining Co.
Blanding, Utah

East Ridge Company
633 S. Shatto Place
Los Angeles 5, California

O. E. Smart
Box 465
Telluride, Colorado

U. S. Tungsten, Inc.
P. O. Box 500
Salida, Colorado

The Uranium Development Corp.
620 F. & C. Bldg.
Denver, Colorado

W. H. King
W. H. King

Enclosures

cc
cc: Code 210
Docket (Myton Mining Co.)
Docket (East Ridge Company)
Docket (O. E. Smart)
Docket (U. S. Tungsten, Inc.)
2618 Docket (The Uranium Development Corp.)
Chron.

Koschmann (2)

DMA Form 3a

DEFENSE MINERALS ADMINISTRATION

CONTROLLED DOCUMENT
Abstract

I. Check One:

1 ☐ 2 ☐ 3 ☒ 4 ☐ 5 ☐ 6 ☐

II. Fill in each item:

1. _____ 2. _____ 2a. _____

3. The Uranium Development Corp. 620 E. & C. Bldg.
Denver Colorado
_____ (Code) _____

4. Blackfoot Mine

5. Country U. S. State Colorado County Montrose
(Code) (Code)

6. Uranium

7. $ 26,000

8. $ _____ % 90

9. Est. Ann. Increase - _____ Unit of Measure - _____

10. $ _____

11. _____

III. Check one:

1 ☐ 2 ☐ 3 ☐ 4 ☒

Initials of person preparing sheet H.M.C.

Date sheet prepared 7-10-52

INT.-DUP. SEC., WASH., D.C.98685