Mr. Julian E. Simpson, Agent
Hamilton et al. and Simpson Mining Co.
Post Office Box 127
304 Main Street
Grand Junction, Colorado

SEP 3 1957

Re: Docket No. DMEA-3649 (Uranium)
Hamilton, Harris, McDavid, Phillips,
Ladd, and Simpson Mining Company,
a joint venture
Rajah Group of Claims
Mesa County, Colorado
Contract No. Idm-E812

Dear Mr. Simpson:

Under the above-cited contract for exploration for uranium the Government agreed to share 75 percent of the cost, not in excess of $36,004.00, as approved and accepted by this Administration. The accepted cost was determined to be $31,996.40 and the Government's share at 75 percent participation to be $23,997.31.

As the exploration work resulted in a discovery the Government was to receive a royalty percentage for a period of 10 years, or until the amount advanced by the Government was liquidated, whichever occurred first. As a result of the production from the land under this contract the Government's advance was repaid considerably before the expiration of the ten year repayment period provided for in the contract.

Under this contract, therefore, the Government retains no claim or lien against the land or any future production therefrom. However, three of the claims under this contract, Rajah Nos. 61, 62, and 63, also are included under Contract No. Idm-E987, Docket No. DMEA-4073, which has been certified, and the Government cannot release its lien thereon until that contract has been paid in full or the royalty period provided in that contract has expired.

I wish to congratulate you for a successful exploration and to thank you for the payment of your account under the contract. It has been a pleasure to participate in this very fine undertaking.

AMAlley/ama
August 29, 1957

Sincerely yours,

C. O. Mittendorf

Administrator

Copy to: Docket
Admr. Read. File
Administrator
Mr. Johnson
Mr. Ellis
Mr. Chambers
Field Team, Region III (2)
Mr. Crawford, USBM
Mr. Kiilsgaard, USGS
Kathleen P. Ladd, c/o
Graham B. Ladd, 918 Milam
Bldg., San Antonio, Texas

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 26 1957

DATE	INITIALS	CODE
8/26	Q	220
		800

22h New Customhouse
Denver 2, Colorado

August 22, 1957

Memorandum

To: J. W. Townsend, Alternate Acting Executive Officer, DMEA Field Team, Region III

From: Donald T. Finch, DMEA Auditor

Subject: Docket No. DMEA-3649 (Uranium), Contract Idm-E812 Hamilton, Harris, McDavid, Phillips, Ladd, and Simpson Mining Company

Pursuant to your request in memorandum dated August 21, 1957, I have reviewed the subject royalty files and the Finance Office records.

According to a Report of Review dated December 16, 1955, the total accepted costs of Contract Idm-E812 amounted to $31,996.40 with the Government's contribution on a 75 percent basis being $23,997.31.

On August 21, 1957, the records of the Finance Office at Certificate of Deposit No. 58-22 reflected total royalty payments received and credited to Contract Idm-E812 as $23,997.31, which repays the Government's contribution in full.

Donald T. Finch
Donald T. Finch, Auditor

DTF:bh
cc-J. L. Chambers
Subject
Chron.

Denver, Colo.

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 14-23-040-22

For credit of 9013 Treasury Regional Office, Denver, Colo. 8/21/57

(Name, title, and disbursing [illegible]her identification symbol of accountable officer) [illegible] (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.

(Name and location of depositary)

$ 407.48

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		407.48

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

8/21/57 (Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO.

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

E-812 Simpson Mining 407.48

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 26 1957

DATE	INITIALS	CODE
8/26	C	220
		800

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 9013 Treasury Regional Office, Denver, Colo. 7/11/57
(Name, title, and disbursing [illegible] other identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.
(Name and location of depositary)

DEPOSIT N
14-23-040-

$ 1,699.72

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		1,699.72

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

L Fonder
(Authorized signature)

7/11/57
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

E-877 Uran Prosp.	173.53
E-812 Hamilton, Harris,	1,526.19
	1,699.72

1957 JUL 11 AM 11-49

9013 Treasury Regional Office, Denver, Colo.

THIS DEPOSIT IS NOT SUBJECT TO CHECK

7/10/57

Denver, Colo.

DEPOSIT N

14-23-040-4

For credit of Federal Reserve Bank of Kansas City, Mo. Denver, Colo.

(Name, title, and disbursing other identification symbol of accounting office) (Date sent)

deposited with

(Name and location of depositary)

$ 1,615.28

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		1,615.28

(Depositor will insert below his name, title, Department or Agency concerned, and his address.)

Bureau of Mineral Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

L Jones

7/10/57 (Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

E-812 Hamilton Harris, etc. 1,615.28

E-812

For Certificate of Deposit No. 173, dated June 27, 1957, giving royalty payment of $149.31, see E-440.

Denver, Colo.

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 14-23-040-171

For credit of 9013 Treasury [redacted]gional Office, Denver, Colo. [redacted]4/57
(Name, title, and disbursing [redacted]ther identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.
(Name and location of depositary)

$ 68.73

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	E 312	68.73

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Bennett
(Authorized signature)

6/24/57
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

E-812 Hamilton, Harris, etc. 68.73

1957 JUN 24 PM 12 30

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 9013 Treasury Regional Office, Denver, Colo. June 6, 1957 14-23-040-154 DEPOSIT NO.

(Name, title, and disbursing [illegible]ther identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo. 9.21 $

(Name and location of depositary)

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		9.21

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

Bennett
(Authorized signature)

JUN 6 - 1957 JUN 6 - 1957
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

E-812 Hamilton, Harris, etc. 9.21

1957 JUN 6 PM 12 24

E-812

For Certificate of Deposit No. 155, dated May 14, 1957, giving royalty payment of $2,590.55, see E-440.

E-812

For Certificate of Deposit No. 143, dated April 15, 1957, giving royalty payment of $2,977.02, see E-452.

E-812

For Certificate of Deposit No. 131, dated March 21, 1957, giving royalty payment of $8.23, see E-791.

E-812

For Certificate of Deposit No. 125, dated March 13, 1957, giving royalty payment of $3,059.98, see E-408.

For Certificate of Deposit No. 124, dated March 12, 1957, giving royalty payment of $648.88, see E-440.

For Certificate of Deposit No. 111, dated February 18, 1957, giving royalty payment of$64.29, see E-791.

For Certificate of Deposit No. 108, dated February 13, 1957, giving royalty payment of $2,599.48, see E-395.

For Certificate of Deposit No. 92, dated January 10, 1957, giving royalty payment of $746.10, see E-395.

For Certificate of Deposit No. 91, dated January 15, 1957, giving royalty payment of $674.50, see E-53.

For Certificate of Deposit No. 83, dated December 17, 1956, giving royalty payment of $862.75, see E-422.

For Certificate of Deposit No. 80, dated December 11, 1956, giving royalty payment of $527.42, see E-53.

For Certificate of Deposit No. 65, dated November 14, 1956, giving royalty payment of $955.93, see E-36.

For Certificate of Deposit No. 59, dated October 26, 1956, giving royalty payment of $21.24, see E-53.

For Certificate of Deposit No. 5~~3~~7, dated October ~~16~~23, 1956, giving royalty payment of $210.16, see E-53.

E-812

For Certificate of Deposit No. 51, dated October 11, 1956, giving royalty payment of $1,385.88, see E-317.

E-812

For Certificate of Deposit No. 36, dated September 12, 1956, giving royalty payment of $279.52, see E-445.

For Certificate of Deposit No. 35, dated September 11, 1956, giving royalty repayment of $115.03, see E-33.

For Certificate of Deposit No. 166, dated June 11, 1957, giving royalty payment of $2,494.15, see E-791.

FIRST ROYALTY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

FIRST ROYALTY AUDIT CERTIFICATE

I have examined the production records and sales documents pertaining to the sale of Uranium ores for the period June 8, 1955, through May 3, 1957, by

Hamilton, Harris, McDavid, Phillips, Ladd and
Simpson Mining Company
304 Main Street,
Grand Junction, Colorado

produced from the Rajah group of claims, located in the Gateway Mining District, Mesa County, Colorado, on which royalties are due the U. S. Government under terms of Contract Idm-E812, Docket No. DMEA-3649 (Uranium) dated June 8, 1955.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of such ores for this period, subject to DMEA royalties, to be $354,723.25. Royalty due the Government at the contract rate of 5% is $17,736.17. The royalty paid and balance due are as follows:

Total Royalties Due	$17,736.17
Total Royalties Paid	17,736.17
Balance of Royalties Due	$ 0.00

June 25, 1957

Donald T. Finch

Donald T. Finch, Auditor

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 5 1957

DATE	INITIALS	CODE

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 15 1957
DATE CODE

FIRST ROYALTY AUDIT REPORT

I INTRODUCTION

On June 12, 1957, an audit was made of the production, sales, and royalty accounts and records of

Hamilton, Harris, McDavid, Phillips, Ladd and
Simpson Mining Company
304 Main Street
Grand Junction, Colorado

pertaining to the sale of uranium ore during the period June 8, 1955 through May 3, 1957, produced from property known as Rajah Group of claims, Gateway Mining District, Mesa County, Colorado, on which royalties are due the U. S. Government under the terms of Contract Idm-2812, Docket No. DMEA-3649 (Uranium), dated June 8, 1955.

The operator's records of production and sales, consisting of an integrated set of books, and copies of liquidation settlement sheets issued by Union Carbide Nuclear Company, purchaser, were examined at the office of the Simpson Mining Company at 304 Main Street, Grand Junction, Colorado. Mr. Simpson, representative of the operator, was consulted as necessary during the course of the audit. His cooperation greatly facilitated the audit work.

II GENERAL INFORMATION

The exploration contract provides that should the Government make a certification of discovery or development, the operator, either as principal or surety, shall pay to the Government a percentage royalty based on the gross proceeds of all production of minerals obtained from the land described in Annex I, Article 2 of the contract, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Certificate of Discovery or Development was issued on May 25, 1956.

According to a Report of Review dated December 16, 1955, prepared by Mr. T. H. Breding, DMEA Auditor, the total accepted costs of the exploration amounted to $31,996.40, with the Government's contribution on a 75 per cent basis being $23,997.31.

III SCOPE OF AUDIT AND FINDINGS

A. Conference with Examining Engineer

The Examining Engineer was not available for conference. Review of the Check Sheet of Examining Engineer, dated June 24, 1957, indicates the Operator stockpiles low grade ores subject to DMEA royalties, but that adequate records are maintained on such material to protect the Government's interests. This check sheet also indicates the Operator does not commingle production subject to DMEA royalties with exempt production, and assay controls are considered adequate.

B. Audit of Settlement Statements

A considerable amount of preaudit work was accomplished in the DMEA office, Region III, Denver, Colorado, prior to the field audit. During this preaudit work a statement of royalties received was prepared from copies of liquidation settlement sheets furnished by the ore purchaser in support of royalty payments made by such purchaser directly to the regional DMEA Executive Officer. The royalty receipts were verified with deposits made by the regional Finance Officer. All data included in the statement were confirmed by detailed recomputation. This statement, which is filed as a part of my audit work papers, was reconciled with the production and sales records in the operator's office during the on-site audit.

Production of U_3O_8 during the period June 8, 1955 through May 3, 1957, was reconciled by correspondence and personal interview with the Field Operations Office of the Atomic Energy Commission at Grand Junction, Colorado. This office also confirmed the fact that the Rajah Group of claims had been certified for production bonus payments under D.U.P. C 6-C-622, which included 25 other claims. The first 10,000 lbs. of U_3O_8 produced under this certification came from the J.W.L. Fraction No. 1 Claim, which is not covered by the exploration contract. As a result of the foregoing production, there has been no production bonus available for the Rajah Group of Claims.

IV CONCLUSIONS

A summary analysis of the operator's production and sales subject to DMEA royalties follows:

	Sales to Union Carbide Nuclear Co. 6/8/55 through 5/3/57
A.E.C. License No. P 2856	
Claims: Rajah 67 and 68	
Wet Weight, Pounds	19,642,920.00
Dry Weight, Pounds	18,286,133.07
Dry Weight, Tons	9,143.07
Settlement Assays (Averages)	
U_3O_8	.29
V_2O_5	.98
Pounds U_3O_8	53,236.08
Base Payment U_3O_8	$185,232.12
Development Allowance @ 50¢	$26,618.10
Premiums: U_3O_8	
Excess of 4 lbs. per ton	
Pounds U_3O_8	16,903.63
Amount @ 75¢	$12,677.72
Haulage Allowance	
Per Wet Ton (Average)	7.61
Wet Tons	9,821.46
Amount	$74,771.31
Pounds V_2O_5	178,787.15
Amount @ 31¢	$55,424.00
Total Receiving Station Payment	$354,723.25
A.E.C. Production Bonus	None
Total Value Subject to Royalty	$354,723.25

Average Value per Ton	$38.80
IMEA Royalty Percentage	5%
IMEA Royalty Due	$17,736.17
IMEA Royalty Received	17,736.17
Balance of IMEA Royalty Due	$ 0.00

Foregoing data includes U.C.N. Co. Liquidation Settlement No. 7314 dated May 3, 1957, and Finance Officer's Certificate of Deposit No. 57-164 dated June 6, 1957.

The audit has confirmed the accuracy and propriety of the royalty payments received by the regional Finance Officer, which are applicable to ore sales during the period June 8, 1955 through May 3, 1957. It has also determined that all indicated sales of ores during the subject period have been properly accounted for.

June 25, 1957

Donald T. Finch

Donald T. Finch, Auditor

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DMEA
RECEIVED JUL 5 1957

DATE	INITIALS	CODE

Check Sheet of Examining Engineer

Operator's Name Simpson Mining Company

Address 304 Main Street

Grand Junction, Colorado

Exploration Contract No. Idm-E812

Docket No. DMEA-3649

	Check One Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?	✓	
(b) If so, is segregation and identification procedure adequate?	✓	
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		✓
(b) If so, do you consider the allocation of the comingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?	✓	
(b) If so, are adequate records maintained on such material to protect the Government's interest?	✓	
4. Do you consider the assay controls in effect are adequate?	✓	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	✓	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	✓	
7. Does the Operator buy from or sell to other Operators?		✓
8. Comment on any item 2 (b) to 6 if answer is No.		

Date 6-24-57

M. U. Salsbury
Mining Engineer

Mr. Donald T. Finch
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: Royalty Audit Report
Idm-E812, DMEA-3649
Hamilton, Harris, McDavid,
Phillips, Ladd and Simpson
Mining Company

Dear Mr. Finch:

Receipt is acknowledged of your First Royalty Audit Certificate and Report covering the above-cited project.

The report is acceptable and normal distribution may be effected.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

CEFisher/wb
July 5, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

224 New Customhouse
Denver 2, Colorado

June 17, 1957

EXTRA COPY
RECEIVED
DATE 1957
CODE

Mr. J. L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. Chambers:

I have just returned from Grand Junction, Colorado, where I made two on-site royalty audits covering E-791, W. A. Greer, and E-812, Simpson Mining Company, et al.

Both of these audits show there are no additional royalties due, but both the Operator's records and the records of the A.E.C. Operation's Office were in a confused state, which could not have been straightened out by phone or mail. This confusion was caused by "sloppy" settlement sheets issued by the receiving station at Durango, which is operated by the Vanadium Company of America.

While at Grand Junction I expressed your and Mr. Mittendorf's appreciation for A.E.C. cooperation to Mr. Jones, Manager of the station.

Enclosed is my expense voucher for your approval.

Sincerely yours,

Donald T. Finch

Donald T. Finch, Auditor

Enc.

224 New Customhouse
Denver 2, Colorado

June 4, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 7 1957
DATE | INITIALS | CODE
800

Mr. J. E. Simpson
Simpson Mining Company
P. O. Box 127
Grand Junction, Colorado

Re: Docket DMEA-3649 (Uranium)
Contract Idm-E812
Simpson Mining Company, et al.
(Roger Group of claims)
Mesa County, Colorado

Dear Mr. Simpson:

In conjunction with a royalty audit on the captioned contract now in progress, please advise us by return mail if it will be convenient for an auditor from the Contract Administration and Audit Division, DMEA, to inspect your production records the afternoon of June 12, 1957 and the following day.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

MHM:jy
cc: Royalty File E812
Corresp. File
Sec. Op. Comm. (2)
Konselman (2)
Salsbury
Finch
Marshall
Chron.

REPORT
OF REVIEW

[illegible] ATOMIC ENERGY COMMISSION
GENERAL MANAGER'S OFFICE AND AUDIT DIVISION

RECEIVED
DEC 19 1955

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company, a joint venture comprised of the members named in Annex II, with Julian Simpson designated to act as their agent.
P. O. Box 127, 304 Main Street
Grand Junction, Colorado

pertaining to Exploration Project Contract No. [illegible], Docket No. DMEA-3649, for the months of August, 1955 to November, 1955, inclusive, covering a project for the exploration of Uranium on property known as Ralph Claims located in Mesa County, Colo.

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

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

(a) The administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;

(b) The Monthly Reports were supported by documentary proof of the costs claimed under the contract provisions for contribution by the Government on the basis of actual costs incurred;

(c) A major portion ($25,139.00) of the costs incurred covered work performed at unit rates under independent contract; and

(d) The balance ($6,857.40) of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs for work actually performed.

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

Total cost as billed by Contractor:		$31,996.40
Exceptions: By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$31,996.40

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty-three thousand, nine hundred ninety-seven and 31/100ths Dollars or $23,997.31 is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

December 16, 1955

T. H. Bradley, Auditor.

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

DEC 28 1955

Mr. Thomas H. Breding
DMEA Auditor
224 New Customhouse
Denver 2, Colorado

Re: Report of Review
I6m-X512, DMEA-3649
Hamilton, et al
and Simpson Mining Co.

Dear Tom:

Receipt is acknowledged of your Report of Review covering the above-cited exploration project contract.

The Report is acceptable and normal distribution may be effected.

Sincerely yours,

C. E. Z.

for Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
December 28, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

RECEIVED
DEC 19 1955

224 New Customhouse
Denver 2, Colorado

December 16, 1955

Mr. J. L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D . C.

Re: Simpson Mining Company, et al.
Contract Idm-E812, Docket No. DMEA-3649

Dear Mr. Chambers:

Attached are three copies of Report of Review covering subject contract for your approval.

Attention is directed to statement by Examining Engineer Glen Walker in his narrative report dated November 22, 1955, as follows:

> "It should be pointed out that although the total footage estimated in the contract was exceeded by 302 feet, the total expenditure was well within the limits of the contract."

The contract provides, in general, as follows:

Stage I 13 holes aggregating not in excess of 5,619 feet shall be drilled.
Stage II 13 holes aggregating not in excess of 5,619 feet shall be drilled.
Total footage allowed: 11,238 Total cost: ~~$18,001.19~~ $18,001.90

Under "Estimated Costs of the Project" Actual Costs Stage I
Plug Drilling 4,249 feet @ $2.00 per foot $8,498.00
Actual Costs Stage II
Plug Drilling 4,249 feet @ $2.00 per foot $8,498.00

Schedule attached shows final results of all drilling allowed by the contract and claimed by the Operator. In other words, the Operator actually claimed 459 feet less than allowed, as follows:

	ALLOWED	CLAIMED	DIFFERENCE
Plug Drilling	8,498	8,800	302
Core Drilling	2,740	1,979	(761)
Net	11,238	10,779	(459)

I discussed the matter in detail with Mr. E. N. Harshman, Acting Executive Officer, who stated that inasmuch as the types of footage allowed were estimates and that neither the total footage nor total cost authorized were exceeded, that the performance as shown was approved by him, without amending the contract.

Sincerely yours,

T. H. Brading, Auditor

Enc.

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 12-19

REFERRED TO:

1. 800
2. ~~700~~
3.
4.

OK

FOR:

- Action
- Approval
- Comment
- Conference
- Consideration
- Filing
- Instructions
- Investigation
- Initials
- Mailing
- Previous correspondence
- Recommendation
- Record of
- Referring to
- Reply for signature of
- Rewriting
- Signature
- Suggestions
- Your information

REMARKS: Tell Jay Chambers about this.

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

RECEIVED
DEC 19 1955

SIMPSON MINING COMPANY, ET AL.
Contract Idm-E812, Docket No. DMEA-3649

Comparison of Results of Holes Drilled with Contract:

	STAGE I Contract	Actual	Over	Under
Plug Drilling	4,249'	4,305'	56'	
Core Drilling between depths of 200-300 feet	150'	40'		110'
" " " " " 300-400 "	920'	704'		216'
" " " " " 400-500 "	300'	227'		73'
TOTAL FOOTAGE STAGE I	5,619'	5,276'	56'	389'

	STAGE II			
Plug Drilling	4,249'	4,495'	246'	
Core Drilling between depths of 200-300 feet	150'	-		150'
" " " " " 300-400 "	920'	647'		273'
" " " " " 400-500 "	300'	361'	61'	
TOTAL FOOTAGE STAGE II	5,619'	5,503'	307'	423'

	TOTALS			
Plug Drilling	8,498'	8,800'	302'	
Core Drilling between depths of 200-300 feet	300'	40'		260'
" " " " " 300-400 "	1,840'	1,351'		489'
" " " " " 400-500 "	600'	588'		12'
	11,238'	10,779'	302'	761'
	- 10,779			- 302
	459'			459'

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

RECEIVED
FEB 8 1956

FINAL DISTRIBUTION
MADE FEB 16 1956

224 New Customhouse
Denver 2, Colorado

January 6, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: FINAL PAYMENT - Docket DMEA-3649 (Uranium), Contract Idm-E812, Hamilton et al. and Simpson Mining Co., Rajah Claims, Grand County, Utah and Mesa County, Colorado

Reference is made to our memorandum dated November 28, 1955 whereby we transmitted the final Form MF-104, Operator's Monthly Progress Report and Voucher for the period October-November, 1955 and requested that you withhold an amount of $500.00 pending receipt of the Operator's Final Report, and release of the Report of Review of contract expenditures by the Contract Administration and Audit Division, DMEA.

The Operator's Final Report has been received, therefore we recommend that final payment to the Operator be made on the following basis which is in conformance with the Report of Review by the Contract Administration and Audit Divison dated December 16, 1955 which was released to this office January 5, 1956.

Basis for Final Payment

Total accepted cost- - - - - - - - - - - - - - -	$31,996.40
Government Participation at 75 percent- - -	23,997.31
Total prior payments- - - - - - - - - - - - - -	23,497.31
Recommended Final Payment- - - - - - - - - - - $	500.00

$500.00
Immediate
1/16/56 DMA 56-92

W. M. Traver
W. M. Traver

Enclosures

JDC:jy
cc: MF-104 File E812
Sec. Op. Comm. (2)
Chron.
Shaw (2)
Townsend

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED
DEC 19 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct. - Nov., 1955 Docket No. DMEA 3649 Contract No. Idm-E812
Operator's Name Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company Minerals Uranium
Address
Contract Amount, $ 36,004.00 Government Participation: 75 % Amount, $ 27,003.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	9,510.00	14,464.00	23,974.00			
Bulldozing	516.00	649.00	1,165.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	84.00	306.00	390.00			
Payroll Taxes						
Liability Insurance						
Incidental Allowance	2,558.40	3,909.00	6,467.40			
(8) Contingencies (specify):						
TOTALS	12,668.40	19,328.00	31,996.40	12668.40	19328.00	31,996.40

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov. 9, 1955 *Payee Hamilton, Harris, McDavid, Phillips, Ladd & Simpson Mining Company
Per Julian E. Simpson Title Agent

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

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

(Instructions on reverse)

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

$ 9001.30

Signature RRC
(Authorized Certifying Officer)

Date 12-14-55 Vou. No. DMA-56-48
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E812 in accordance with the terms of the contract.

Signature Walter F. 9501 20 Title Manager Date 11/18/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for Wm. Trawar Title Executive Officer Date NOV 28 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF0104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
DEC 19 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct.-Nov. 1955 Docket No. DMEA 3649 Contract No. Idm-E812

Operator's Name Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company Minerals Uranium

Address

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core (200-300)	Foot	None	None	110.00	40	2.75	300	2.75
[redacted] (300-400)	Foot	1461.00	487	4,053.00	1351	3.00	1840	3.00
[redacted] (400-500)	Foot	1057.00	302	2,058.00	588	3.50	600	3.50
[redacted] Plug	Foot	6950.00	3475	17,600.00	8800	2.00	8498	2.00
[redacted] Standby Time	Hour	42.00	3.5	153.00	1275	12.00	20	12.00
[redacted] Analysis	Sample	84.00	14	390.00	65	6.00	130	6.00
Roads and Trails	Day	516.00	5.625	1,165.00	13	89.615	28	100.00
Incidental Costs	Foot	2558.40	4264	6,467.40	10,779	0.60	11238	0.60
TOTAL DISTRIBUTED COSTS		12,668.40		31,996.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		12,668.40		31,996.40				

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

Date Nov. 9, 1955 Operator Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company

Per Julian E. Simpson Title Agent

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

REMARKS: To save on the overall cost of the project, unnecessary coring above the ore bearing sandstone lens was eliminated and the footage plugged instead. As a result of this, the total plug footage (8800) exceeds the amount authorized by the contract (8498) by 302 feet.

(Instructions on reverse)

(For Government use only)

Jr

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
DEC 19 1955

Administrative Audit Difference Statement

Date: [illegible]
Payee's Reference:

[illegible]
[illegible]
[illegible], Colorado

Dear [illegible]

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

Amount Claimed $ [illegible]

Difference $ 0

Amount Approved $ [illegible]

The reason for the difference was due to:

- [illegible] of the Final Audit is [illegible] of [illegible] by the [illegible] and [illegible].

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

Very sincerely yours,

N.E.Stokes
Audit Section

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

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

RECEIVED
DEC 19 1955

224 New Customhouse
Denver 2, Colorado

November 28, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3649, (Uranium) Contract Idm-E812, Simpson Mining Co., et al., Rajah Claims; Grand County, Utah and Mesa County, Colorado - Operator's Monthly Progress Report, for the period October-November, 1955

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions:

Withhold an amount of $500.00 pending receipt of the Operator's Final Report, and release of the Final Audit or Report of Review by the Contract Administration and Audit Division, DMEA

Remarks

Date of Report- - - - - - - - - - - - - - - - - -November 9, 1955
Date Received in Field Office- - - - - - - - -November 10, 1955
Date Received in Region Office- - - - - - - - -November 22, 1955

JDC:jy
cc: MF-104 File E812
Sec. Op. Comm. (2)
Shaw (2)
Townsend w/copy engr's report
Chron.
Enclosures

W. M. Traver

By J. W. Townsend
J. W. Townsend

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
November 22, 1955

RECEIVED
DEC 19 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: John F. Shaw, Supervising Mining Engineer

Subject: DMEA 3649, Contract Idm-5012, Simpson Mining Co., et al., Rajah claims, Grand County, Utah and Mesa County, Colorado
Monthly progress report for October and November 1955

The examining engineer visited the project on November 1, 1955, when the last hole, KR-84, was just beginning to be cored at 360 feet. Approval for 360 feet of non-core drilling and 85 feet of core drilling in this hole is based on the drillers daily logs and the certified invoice for this work submitted by Sprague & Henwood, Inc. the contract drillers.

John F. Shaw
Supervising Mining Engineer

JFS:ph

cc 6
Idm-5012
Chron.

RECEIVED

DEC 19 1955

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
November 22, 1955

Memorandum

To: John P. Shaw, Supervising Mining Engineer

From: Glen Walker

Subject: DMEA 3649, Contract I6s-2612, Simpson Mining Co., et al., Rajah claims, Grand County, Utah and Mesa County, Colorado
Monthly progress report for October and November 1955

The project was visited November 1, 1955, when the last hole, NR-24, was just beginning to be cored at 360 feet. The operator is requesting participation in the cost of the following holes drilled during the period: NR-17, 18, 19, 20, 21, 22, 23, 24, 25 and 26. On the basis of the field inspection and the substantiating evidence presented with the MF-104's, 3,475 feet of plugging and 789 feet of coring are approved.

The work done during the period finished Stage II and the project as stipulated by the contract. Of the ten holes completed in October and November 1955 one, NR-21, can be interpreted as an ore hole; however all the holes showed some mineralization.

The amounts and extensions shown on the MF-104's appear correct and are approved as shown. It should be pointed out that although the total footage estimated in the contract was exceeded by 302 feet, the total expenditure was well within the limits of the contract.

Payment in the amount of $9,501.30 is recommended.

It is recommended that $250.00 be withheld from the amount of $9,501.30 due the operator pending receipt of a final report.

Glen Walker
Mining Engineer

GW:ph

cc 6
I6s-2612
Chron.

RECEIVED
DEC 19 1955

U. S. Government Docket No. DMEA 3649
Contract No. Idm-E812 - Rajah Claims

NARRATIVE FOR OCTOBER - NOVEMBER, 1955 - REPORT

November 9, 1955

Work under the contract was continued during October and completed early in November, 1955.

The September Progress Report was mailed to U. S. Bureau of Mines on October 5, 1955, and contained all pertinent information regarding holes HR 9, HR 10, HR 11, HR 12, HR 13, HR 14, HR 15 and HR 16 which were completed in September.

By November 3, 1955 the remaining 10 holes of Stage II (HR 17, HR 18, HR 19, HR 20, HR 21, HR 22, HR 23, HR 24, HR 25 and HR 26) were completed. This completes all of the work authorized under the contract. All of the holes were drilled non-core to the inferred Brushy Basin-Salt Wash contact whereupon the remainder of each hole was cored AX in size through the uppermost sandstone lens (which ranged from 42 to 53 feet thick in these 10 holes) and the lower gray-green mudstones. Each of the holes was bottomed after they had penetrated (from 3 to 12 feet) into the underlying red mudstone. All holes were completed with excellent core recovery.

Seven of the holes (HR 17, HR 18, HR 19, HR 21, HR 23, HR 25 and HR 26) were mineralized and 3 of the holes (HR 20, HR 22, HR 24) were barren. The mineralized portions of the core were split, the Operator used one-half for assay purposes and a total of 14 samples were taken which were assayed for % U_3O_8, % V_2O_5, and % $CaCO_3$. Where feasible the length of core used for an individual sample was limited to 12 inches. Only one (Sample No. 63) of the 14 samples assayed exceeded 12 inches in length. It was not practicable to break this sample into smaller units because of its uniform character. The other half of the mineralized core was stored for Government use along with the rest of the core in boxes properly labelled as to hole number and depth. The Geologist at the U.S.G.S. Beaver Mesa Camp was kept informed of the drilling progress.

Drill hole information for the 10 holes completed in October-November is in the tables that follow.

DRILL HOLE INFORMATION

Drill Hole No.	HR 17	HR 18	HR 19	HR 20
Claim	Rajah No. 67	Rajah No. 67	Rajah No. 67	Rajah No. 67
Date Completed	10/25	10/21	10/21	10/29
Plug	350	330	315	390
Core	84	85	69	70
Total Depth	434	415	384	460
Mineralized	Yes	Yes	Yes	No
Ore Sand	Favorable	Favorable	Favorable	Favorable

Drill Hole No.	HR 21	HR 22	HR 23	HR 24
Claim	Rajah No. 67	Rajah No. 67	Rajah No. 67	Rajah No. 67
Date Completed	10/19	10/25	10/15	11/3
Plug	340	320	360	360
Core	85	58	77	85
Total Depth	425	378	437	445
Mineralized	Yes	No	Yes	No
Ore Sand	Favorable	Favorable	Favorable	Favorable

Drill Hole No.	HR 25	HR 26
Claim	Rajah No. 67	Rajah No. 67
Date Completed	10/17	10/11
Plug	350	360
Core	99	77
Total Depth	449	437
Mineralized	Yes	Yes
Ore Sand	Favorable	Favorable

LIST OF SAMPLES AND ASSAYS

Sample No.	Hole No.	Sampled From	Sampled To	Thickness of Sample Feet	% U_3O_8	% V_2O_5	% $CaCO_3$
52	HR 26	406.3	407.0	0.7	0.02	0.38	0.93
53	HR 26	422.3	422.7	0.4	0.00	0.30	9.48
54	HR 23	422.3	423.2	0.9	0.01	0.37	8.66
55	HR 23	423.2	424.0	0.8	0.00	0.30	11.51
56	HR 25	421.0	421.4	0.4	0.06	4.97	1.32
57	HR 25	424.3	424.9	0.6	0.03	0.59	23.13
58	HR 21	404.5	405.3	0.8	0.25	4.53	3.37
59	HR 21	405.3	406.3	1.0	0.01	0.09	5.61
60	HR 21	406.3	407.3	1.0	Tr	Tr	5.77
61	HR 19	351.6	352.3	0.7	0.14	0.60	8.00
62	HR 19	355.8	356.3	0.5	0.12	0.51	1.37
63	HR 19	362.1	364.1	2.0	Tr	Tr	1.75
64	HR 18	387.8	388.8	1.0	0.05	1.28	3.56
65	HR 17	418.4	419.0	0.6	0.05	0.26	3.07

Attached are one print each of 10 Drill Hole Logs (HR 17, HR 18, HR 19, HR 20, HR 21, HR 22, HR 23, HR 24, HR 25 and HR 26) certified copies of assay results and a map showing the location of the 26 holes drilled under the contract.

HAMILTON, HARRIS, McDAVID, PHILLIPS,
LADD and SIMPSON MINING COMPANY

BY Julian E. Simpson
Julian E. Simpson

Form MF-134 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

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

RECEIVED
NOV - 7 1955

Month of September, 1955 Docket No. DMEA 3649 Contract No. Idm-E812
Operator's Name Hamilton, Harris, McDavid, Phillips, Ladd Minerals Uranium
Address and Simpson Mining Company
Contract Amount, $36,004.00 Government Participation: 75 % Amount, $27,003.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	7277.50	$ 7186.50	14,464.00			
Bulldozing	None	649.00	649.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	132.00	174.00	306.00			
Payroll Taxes						
Liability Insurance						
Incidental Allowance	1958.40	1950.60	3909.00			
(8) Contingencies (specify):						
TOTALS	9367.90	9960.10	19,328.00	9367.90	9960.10	19,328.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct. 5, 1955 *Payee Hamilton, Harris, McDavid, Phillips, Ladd & Simpson Mining Company

Per Julian E. Simpson Title Agent

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

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

(Instructions on reverse)

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

$7,025.93

Signature RRC
(Authorized Certifying Officer)

Date 10/28/55 Vou. No. DMA 56-39
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E812 in accordance with the terms of the contract.

Signature Gwalter 7025 93 Title Mngenger Date 10/7/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Davey Title Executive Officer Date OCT 17 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED
NOV - 7 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1955 Docket No. DMEA 3649 Contract No. Idm-E812

Operator's Name Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company Minerals Uranium

Address

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core (200-300)	Foot	None	None	110.00	40	2.75	300	2.75
(300-400)	Foot	1,380.00	460	2,592.00	864	3.00	1840	3.00
(400-500)	Foot	451.50	129	1,001.00	286	3.50	600	3.50
Plug	Foot	5,350.00	2675	10,650.00	5325	2.00	8498	2.00
Standby Time	Hour	96.00	8	111.00	9.25	12.00	20	12.00
Analysis	Sample	132.00	22	306.00	51	6.00	130	6.00
Roads and Trails	Day	None	None	649.00	7.375	88.00	28	100.00
Incidental Costs	Foot	1,958.40	3264	3,909.00	6515	0.60	11238	0.60
TOTAL DISTRIBUTED COSTS		9,367.90		19,328.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		9,367.90		19,328.00				

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

Date Oct. 5, 1955 Operator Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company

Per Julian E. Simpson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Gwalku

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
OCT - 1955

224 New Customhouse
Denver 2, Colorado

October 17, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3649, (Uranium) Contract Idm-E812, Simpson et al Mining Company, Rajah Claims, Mesa County, Colorado. Operator's Monthly Progress Report, for the period September, 1955

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Breakdown of Contract Work for September

Item	Stage I	Stage II	Total
Plug Drilling	1,655 ft.	1,020 ft.	2,675 ft.
Core Drilling, 300' to 400'	300 ft.	160 ft.	460 ft.
Core Drilling, 400' to 500'	70 ft.	59 ft.	129 ft.
Standby Time	4 hrs.	4 hrs.	8 hrs.
Incidental Allowance	2,025 ft.	1,239 ft.	3,264 ft.
Chemical Analyses	10	12	22

Remarks
Date of Report- October 5, 1955
Date Received in Field Office- - - - - - - - - - - October 6, 1955
Date Received in Region Office- - - - - - - - - - October 11, 1955

W. M. Traver
W. M. Traver

Enclosures

JDC:jy
cc: MF-104 File E812
Sec. Op. Comm. (2)
Shaw (2)
Chron.

REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
October 10, 1955

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Glen Walker

Subject: DMEA 3649, Contract Idm-8812, Simpson Mining Co., et. al., Bajah group, Beaver Mesa, Montrose County, Colorado
Monthly Progress Report - September 1955

The project was visited on October 4, 1955, and found inactive awaiting approval of additional Stage II holes. Stage I was completed during this period and 3 Stage II holes were also drilled.

Two Stage I holes, No. 9 and No. 10, encountered ore, the other 3 were barren. Likewise 2 Stage II holes, No. 14 and No. 16, hit ore and the third was slightly mineralized. Stage I was completed by the drilling of 13 holes totaling 5,876 feet as authorized by the contract.

The amounts and extension shown on the MF-104's appear correct and are approved.

It is recommended that payment to the Operator be made in the amount of $7,025.93, which is 75 percent of the cost claimed for the month.

Glen Walker
Mining Engineer

GW:ph

cc 6
Glen Walker
Idm-8812
Chron.

SPRAGUE & HENWOOD INC.

CONTRACTORS FOR

DIAMOND CORE DRILLING.

WASH BORINGS & SOUNDINGS.

~~XXXXXXXX~~ 645

~~SCRANTON XXXXXXX~~

Grand Junction, Colorado

OUR INVOICE NO. Simpson
OUR ORDER NO. BV - 2
YOUR ORDER NO.

TERMS: NET CASH

CHURN DRILL BORINGS
6" TO 48"
IN DIAMETER

CORE BORINGS
1½" TO 36"
IN DIAMETER

RECEIVED
NOV 7 1955

TO Simpson Mining Company
P. O. Box 52
Grand Junction, Colorado

October 4, 1955

To invoice drilling completed in the Beaver Mesa area during period September 1, 1955 through September 30, 1955.

Hole No.	Non-Core	Core	Total	Standby	Cost per hole
HR - 9	335.0	90.0	425.0	1 ⅛	$ 970.50
HR - 10	320.0	80.0	400.0	1 ¼	895.00
HR - 11	315.0	60.0	375.0	0	810.00
HR - 12	370.0	75.0	445.0	1 ¼	1,002.50
HR - 13	315.0	65.0	380.0	0	825.00
HR - 14	370.0	80.0	450.0	1	1,017.00
HR - 15	340.0	69.0	409.0	1	903.50
HR - 16	310.0	70.0	380.0	2	854.00
TOTALS	2,675.0	589.0	3,264.0	8	$7,277.50

RECAP:

Non-Core
Item 1 - A total of 2,675.0 feet at $2.00 per ft. $5,350.00

Core
Item 2 - A total of 460.0 feet at $3.00 per ft. 1,380.00
Item 3 - A total of 129.0 feet at $3.50 per ft. 451.50
3,264.0

Delays
Item 5 - A total of 8 hours at $12.00 per hour. 96.00
Total Invoice $7,277.50

CERTIFIED TRUE COPY

BY: Julian E. Simpson
Julian E. Simpson

RECEIVED
NOV - 7 1955

U. S. Government Docket No. DMEA 3649
Contract No. Idm-5812 - Rajah Claims

NARRATIVE FOR SEPTEMBER, 1955 - REPORT

October 5, 1955

Work under the contract was continued during September, 1955.

The August Progress Report was mailed to U. S. Bureau of Mines on September 9, 1955, and contained all pertinent information regarding the first 8 holes (HR 1 through HR 8) which were completed in August.

On September 15, 1955 a written request for approval of location of 3 of the 13 holes of Stage II under the contract was mailed to DMEA Field Team.

On September 22, 1955 a written request for 5 more of the 13 holes of Stage II was mailed to DMEA Field Team.

On September 26, 1955 a written request for approval of the location of the remaining 5 holes of Stage II was mailed to DMEA Field Team.

By September 23, 1955, hole Nos. HR 9, HR 10, HR 11, HR 12 and HR 13 had been drilled. These 5 holes along with the first 8 holes drilled in August completed Stage I of the contract.

Verbal approval from the DMEA was received for location of HR 14, HR 15, and HR 16 requested under the letter of September 15, 1955, and by September 30, these 3 holes had been completed.

During September 8 holes (HR 9, HR 10, HR 11, HR 12, HR 13, HR 14, HR 15 and HR 16) were completed. All of the holes were drilled non-core to the inferred Brushy Basin-Salt Wash contact whereupon the remainder of each hole was cored AX in size through the uppermost sandstone lens (which ranged from 42 to 53 feet thick in these 8 holes) and the lower gray-green mudstones. Each of the holes was bottomed after they had penetrated (from 4 to 12 feet) into the underlying red mudstone. All holes were completed with excellent core recovery.

Five of the holes (HR 9, HR 10, HR 14, HR 15, HR 16) were mineralized and 3 of the holes (HR 11, HR 12, HR 13) were barren. The mineralized portions of the

core were split, the Operator used one-half for assay purposes and a total of 22 samples were taken which were assayed for % U_3O_8, % V_2O_5, and % $CaCO_3$. Where feasible the length of core used for an individual sample was limited to 12 inches. Eleven of the 22 samples assayed exceeded 12 inches in length where it was impracticable to break them into smaller units. The other half of the mineralized core was stored for Government use along with the rest of the core in boxes properly labelled as to hole number and depth. The Geologist at the U.S.G.S. Beaver Mesa Camp was kept informed of the drilling progress.

Although not required under the contract, the Operator contracted with Century Geophysical Corporation to probe one of the holes (HR 9). Included with this report is a radioactivity log of this hole.

Drill hole information for the 8 holes completed in September is summarized in the tables as follows:

DRILL HOLE INFORMATION

Drill Hole No.	HR 9	HR 10	HR 11	HR 12
Claim	Rajah No. 67	Rajah No. 67	Rajah No. 68	Rajah No. 67
Date Started	9/1	8/26	8/26	8/13
Date Completed	9/12	9/14	9/13	9/23
Plug	335	320	315	370
Core	85	75	60	75
Total Depth	425	400	375	445
Mineralized	Yes	Yes	No	No
Ore Sand	Favorable	Favorable	Semi Favorable	Favorable

Drill Hole No.	HR 13	HR 14	HR 15	HR 16
Claim	Rajah No. 67	Rajah No. 67	Rajah No. 67	Rajah No. 68
Date Started	9/14	9/19	9/19	9/26
Date Completed	9/17	9/26	9/26	9/30
Plug	315	370	340	310
Core	65	80	69	70
Total Depth	380	450	409	380
Mineralized	No	Yes	Yes	Yes
Ore Sand	Semi Favorable	Favorable	Favorable	Favorable

LIST OF SAMPLES AND ASSAYS

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NOV - 7 1955

Sample No.	Hole No.	Sampled From	Sampled To	Thickness of Sample Feet	% U_3O_8	% V_2O_5	% $CaCO_3$
30	HR 9	405.0	406.3	1.3	0.04	0.13	2.45
31	HR 9	406.3	406.9	0.6	0.52	1.15	3.34
32	HR 9	406.9	407.5	0.6	0.16	4.87	0.77
33	HR 9	407.5	408.9	1.4	0.09	2.02	3.23
34	HR 9	408.9	409.7	0.8	0.82	5.88	3.12
35	HR 10	377.0	377.7	0.7	0.21	0.13	6.93
36	HR 10	377.7	379.1	1.4	1.36	1.58	4.93
37	HR 10	379.1	380.0	0.9	0.13	0.26	2.36
38	HR 10	380.0	381.1	1.1	0.34	0.53	8.06
39	HR 10	381.1	382.5	1.4	0.15	0.51	9.00
40	HR 14	411.2	412.2	1.0	0.12	8.62	4.88
41	HR 14	412.2	412.8	0.6	0.37	4.43	13.70
42	HR 14	412.8	413.7	0.9	0.35	3.63	15.89
43	HR 14	413.7	415.3	1.6	0.08	16.88	8.22
44	HR 14	419.5	420.5	1.0	0.62	2.75	7.34
45	HR 15	389.4	390.9	1.5	0.00	0.47	1.86
46	HR 16	345.6	346.8	1.2	0.02	1.61	1.86
47	HR 16	346.8	348.0	1.2	0.02	2.48	1.62
48	HR 16	350.0	351.6	1.6	1.57	3.94	Trace
49	HR 16	351.6	352.3	0.7	0.08	2.92	Trace
50	HR 16	352.3	354.4	2.1	0.02	0.36	0.22
51	HR 16	354.4	355.4	1.0	0.08	0.29	2.30

Attached are one print each of 8 Drill Hole Logs (HR 9, HR 10, HR 11, HR 12, HR 13, HR 14, HR 15, HR 16), 1 Radioactivity Log for HR 9, certified copies of assay results and a map showing the location of the first 16 holes drilled and the position of the remaining 10 holes to be completed under Stage II.

HAMILTON, HARRIS, McDAVID, PHILLIPS
LADD and SIMPSON MINING COMPANY

BY Julian E. Simpson
Julian E. Simpson

Form MF-101 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED
OCT 10 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1955 Docket No. DMEA 3649 Contract No. Idm-E812
Operator's Name Hamilton, Harris, McDavid, Phillips, Ladd Minerals Uranium
Address And Simpson Mining Company
Contract Amount, $36,004.00 Government Participation: 75 % Amount, $27,003.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	$7186.50	None	$ 7186.50			
Bulldozing	649.00	None	649.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	174.00	None	174.00			
Payroll Taxes						
Liability Insurance						
Incidental Allowance	1950.60	None	1950.60			
(8) Contingencies (specify):						
TOTALS	9960.10	None	9960.10	9960.10		9960.10

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

Date ..... *Payee Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company
Per [illegible] Title Agent

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

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

(Instructions on reverse)

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

$ 7470.08

Signature RRC
(Authorized Certifying Officer)

Date 9-26-55 Vou. No. DMA-56-29
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E812 in accordance with the terms of the contract.

Signature Gwalter 7470 R8 Title Manager Date 9/16/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Jones Title Executive Officer Date SEP 22 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

GPO 872893

DF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 10 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 5 Docket No. DMEA 3649 Contract No. Idm-E812
Operator's Name Hamilton, Harris, McDavid, Phillips, Ladd, Minerals Uranium
Address And Simpson Mining Company

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core (200-300)	Foot	110.00	40	$ 110.00	40	2.75	300	2.75
(300-400)	Foot	1212.00	404	1212.00	404	3.00	1840	3.00
(400-500)	Foot	549.50	157	549.50	157	3.50	600	3.50
Plug	Foot	5300.00	2650	5300.00	2650	2.00	8498	2.00
Stanby Time	Hour	15.00	1.25	15.00	1.25	12.00	20	12.00
Analysis	Sample	174.00	29	174.00	29	6.00	130	6.00
Roads and Trails	Day	649.00	7.375	649.00	7.375	88.00	28	100.00
Incidental Costs	Foot	1950.60	3251	1950.60	3251	0.60	11238	0.60
TOTAL DISTRIBUTED COSTS		9960.10		9960.10				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		9960.10		9960.10				

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

Date Sept. 9, 1955 Operator Hamilton, Harris, McDavid, Phillisp, Ladd and Simpson Mining Company

Per Julian E. Simpson Title Agent

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

REMARKS:

(Instructions on reverse)

(For Government use only)

gwalker

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
OCT 10 1955

224 New Customhouse
Denver 2, Colorado

September 22, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3649, (Uranium) Contract, Idm-E812, Simpson Mining Company, et al., Rajah Claims, Mesa County, Colorado - Operator's Monthly Progress Report, for the period July-August, 1955.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks

Date of Report- September 9, 1955
Date Received in Field Office- - - - - - - - - - - September 13, 1955
Date Received in Region Office- - - - - - - - - - September 21, 1955

W. M. Traver

W. M. Traver

Enclosures

JDC:jy

cc: MF-104 File E812
Sec. Op. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.

SEP 21 1955

BUREAU OF MINES
Denver, Colorado

RECEIVED

OCT 10 1955

Building 20
Denver Federal Center
Denver 2, Colorado
September 19, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw JFS
Supervising Mining Engineer

From: Glen Walker

Subject: DMEA 3649, (Uranium), Contract Idm-5812, Simpson Mining Company et al., Mesa County, Colorado - Monthly progress report for August 1955

The project was visited on September 13, 1955, and work was in progress on holes 10, 12, and 13. Ten of the first stage holes had been finished; therefore the footage of the 8 claimed on the Operator's MF-104 forms are approved as drilled.

The data supporting the claim appears to be authentic and does not exceed the estimates for the work stipulated in the contract. The U.S.G.S. geologist assigned to DMEA who logged 4 of the first 8 holes drilled concurrs with the Operator's geologic interpretations of the core. The work is now progressing more rapidly than initially, because the difficulty of caving near the surface has been overcome by casing. The upper 30-50 feet of holes in the west row near the toe of the bluff is in a talus of very large boulders which caused caving.

The figures and extensions shown on the MF-104's are reasonable and correct; therefore it is recommended that payment be made to the Operator in the amount of $7,470.08 which is 75 percent of $9,960.10, the amount claimed.

Incidentally, the unit cost for this period is $0.14 per foot less than estimated in the contract and includes all the dozer work for Stage I.

Glen Walker
Mining Engineer

GW:ph

cc 6 ✓
Glen Walker
Idm-5812
Chron.

RECEIVED
OCT 10 1955

U. S. Government Docket No. DMEA 3649
Contract No. Idm-E812 - Rajah Claims

NARRATIVE FOR AUGUST, 1955 - REPORT

September 9, 1955

The work under the contract was started July 19, 1955, when engineers spotted the 13 holes of Stage I on the ground and flagged out locations for drill roads.

A bulldozer contracted from the Cooper Construction Company started construction of the 13 drill sites on July 25 and completed the sites on August 11.

Two core drill rigs contracted from Sprague and Henwood, Inc. started drilling Hole Nos. HR-1 and HR-5 on July 26. A third rig started on HR-6 on July 27. By the end of August the three drill rigs had completed 8 holes (HR-1 thru HR-8) of Stage I. All of the holes were drilled noncore to the inferred Brushy Basin-Salt Wash contact whereupon the remainder of each hole was cored AX in size through the uppermost sandstone lens (which ranged from 46 to 52 feet thick in the first 8 holes) and the lower gray-green mudstones. Each of the holes was bottomed after they had penetrated (from 4 to 14 feet) into the underlying red mudstone. All holes were completed with excellent core recovery.

All of the 8 holes completed were mineralized and the mineralized portions of the core were split, the Operator used one-half for assay purposes and a total of 29 samples were taken which were assayed for $\%U_3O_8$, $\%V_2O_5$, and $\%CaCO_3$. Where feasible the length of core used for an individual sample was limited to 12 inches. Eight of the 29 samples assayed exceeded 12 inches in length where it was impracticable to break them into smaller units. The other half of the mineralized core was stored for Government use along with the rest of the core in boxes properly labelled as to hole number and depth. The Geologist at the U.S.G.S. Beaver Mesa Camp was kept informed of the drilling progress.

Although not required under the contract, the Operator contracted with Century Geophysical Corporation to probe two of the holes, HR-2 and HR-6. Included with this report are the two radioactivity logs for these holes along with a report on same by Century.

Drill hole information for the first 8 holes is summarized in the tables as follows:

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

OCT 31 1956

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. Brading:

Reference is made to your letter of October 15, 1956, one part of which dealt with Contract No. Idm-E812, Hamilton, et al and Simpson Mining Company.

Apparently you think a "Memorandum of Explanation" should be attached to the contract because the Operator apparently did approximately 300 feet more of one type of drilling than the contract called for, but did less of the other type of drilling. Our regular Contract Form MF-200 permits this interchange of items under Category (1), but it does not permit the total amount appearing in the category to be exceeded. It is my understanding that taking this into consideration no explanatory memorandum will be required. Will you please confirm this understanding.

Sincerely yours,

(Signed) Jay L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
October 31, 1956

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

224 New Customhouse
Denver 2, Colorado

October 15, 1956

Mr. J. L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. Chambers:

In reply to your letter of October 8, 1956 regarding certain contracts in Region III, my findings are as follows:

E-778, Golden Cycle Corporation: - Invoice shows stand-by time as a separate item. Stand-by time is not shown in the contract. However, with the exception of Hole 18, if stand-by time is prorated, costs are less than maximum allowable but on Hole 18 prorating stand-by time on basis of total footage results in a cost of $3.335 per foot with a maximum allowable contract of $3.25 per foot.

E-812, Hamilton, et al and Simpson Mining Company: - Schedule showing that plug drilling exceeded that allowed in the contract by 302 ft. is attached. This schedule was attached to Report of Review, and apparently with the explanation in my transmittal letter was accepted. However, as the performance did not exactly agree with terms of the contract, this item was included under Item 4 in my letter of October 3, 1956.

E-827, Gaddis Mining Company: - Total non-core drilling costs of $1.15 per foot were exceeded in both August and September.

Please advise if above explanations are satisfactory; or if you wish additional information, please advise me.

Sincerely yours,

T. H. Brading, Auditor

Enc.

SIMPSON MINING COMPANY, ET AL.
Contract Idm-1812, Docket No. DMEA-1649

Comparison of Results of Holes Drilled with Contract:

	STAGE I Contract	Actual	Over	Under
Plug Drilling	4,249'	4,305'	56'	
Core Drilling between depths of 200-300 feet	150'	40'		110'
" " " " " 300-400 "	920'	704'		216'
" " " " " 400-500 "	300'	227'		73'
TOTAL FOOTAGE STAGE I	5,619'	5,276'	56'	389'

	STAGE II			
Plug Drilling	4,249'	4,495'	246'	
Core Drilling between depths of 200-300 feet	150'	-		150'
" " " " " 300-400 "	920'	647'		273'
" " " " " 400-500 "	300'	361'	61'	
TOTAL FOOTAGE STAGE II	5,619'	5,503'	307'	423'

	TOTAL			
Plug Drilling	8,498'	8,800'	302'	
Core Drilling between depths of 200-300 feet	300'	40'		260'
" " " " " 300-400 "	1,840'	1,351'		489'
" " " " " 400-500 "	600'	588'		12'
	11,238'	10,779'	302'	761'
	- 10,779			- 302
	459'			459'

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

SEP - 7 1956

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

Re: Docket No. DMEA-3649 (Uranium)
Hamilton, Harris, McDavid,
Phillips, Ladd, and Simpson
Mining Company
Rajah group of claims
Mesa County, Colorado
Contract 14n-E812

Dear Mr. Traver:

Your memorandum dated August 27, 1956, transmitted copies of an Agreement dated July 18, 1956, and a Mining Contract dated November 7, 1955, both between the subject Operator and Beaver Mesa Uranium, Inc., which were obtained by you pursuant to your letters dated July 10, July 16, and August 15, 1956, to the Operator.

Your letter of July 10 quite properly inquired of the Operator as to the interest in the Rajah No. 67 claim held by Beaver Mesa Uranium, Inc. The copy of the Mining Contract between the Operator and Beaver Mesa Uranium, Inc., submitted to you with the Operator's letter dated July 13, 1956, appears to be an independent contract for mining purposes, and, therefore, it does not violate the provisions of Article 3(d) of the contract concerning the transfer of land. Accordingly, the agreement of July 18, 1956, executed by the Operator and Beaver Mesa Uranium, Inc., pursuant to the urging of the Government, and designating Union Carbide Nuclear Company, the "purchaser of all the ore," as agent of the Operator and the mining contractor for payment of the Government's royalty, merely formalizes the type of arrangement contemplated by Article 8(h) of the contract form concerning notice to purchasers of the royalty due the Government.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Copy to: DMEA Docket
Adm. Banking File
Operating Committee
Mr. Gordon, E.M.
Mr. Hillegeard, G.S.
J. L. Chambers
E. W. Ellis
E. F. Bryan
E.C. Rubin

Rev

Schedule/end
8/31/56

Contract Adm. & Audit Div.

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

To: Arthur Hamilton,
John W. Harris,
W. D. McDavid,
Otis Phillips, Jr.,
Rex Phillips,
Graham B. Ladd, and
Simpson Mining Company,
a joint venture,
c/o Julian E. Simpson, Agent
P. O. Box 127
304 Main Street
Grand Junction, Colorado

Pursuant to the provisions of Exploration Project Contract No. Idm-E812, dated June 8, 1955, (Docket No. DMEA-3649), hereinafter called the "Contract," between Arthur Hamilton, John W. Harris, W. D. McDavid, Otis Phillips, Jr., Rex Phillips, Graham B. Ladd, and Simpson Mining Company, a partnership comprised of Julian E. and Alan M. Simpson, and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor 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:

Widespread drilling performed under the contract resulted in the discovery of a significant deposit of uranium-vanadium ore in sandstone of the Salt Wash member of the Jurassic Morrison formation.

Dated: MAY 2 5 1956

UNITED STATES OF AMERICA

By [signature]
Administrator, Defense Minerals Exploration Administration

Operator's agent (original)
Kathleen P. Ladd, c/o Graham B. Ladd,
918 Milam Building, San Antonio, Texas
contract Adm.' Audit Div.
DMEA Field Team, Regi. III (2)
Finance Office
Docket
Rare & Misc. Metals Div.
Admr.'s Reading File
Operating Committee
Robert W. Geehan, Rm. 3608
THKiilsgaard, Rm. 5224
F. E. Johnson
Mr. Murphy

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

MAY 28 1956

Mr. Julian K. Simpson, Agent
Post Office Box 127
304 Main Street
Grand Junction, Colorado

Re: Contract No. DMEA-3649 (Uranium)
Contract No. Ida-1812
Hamilton, Harris, McDavid,
Phillips, Lane, and Simpson Mining
Company, a joint venture
Kajah Group of Claims
San Juan County, Colorado

Dear Mr. Simpson:

Enclosed is a "Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract." This certification covers all the land described in Article 2 of the subject contract.

By the terms of the Exploration Project Contract, and of the certification, all uranium and other valuable minerals produced from the claims described in Article 2 of the contract, from June 8, 1955, the date of the contract, are subject to the Government's percentage royalty as set forth in the contract until the sum of $23,977.31 is repaid, or until June 8, 1965, whichever occurs first.

Payments should be made to Mr. W. M. Trover, Executive Officer, DMEA Field Team, Region III, 22k New Customhouse Building, Denver 2, Colorado. Checks should be payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the check directly to the Executive Officer. Any bonus payments or allowances received by you from the sale of ore are considered to be a part of the purchase price to which the Government's royalty applies. Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify Mr. Trover of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period, please notify Mr. Trover at six-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Field Team, Reg. III (2)
Contract Adm. & Audit Div.
F. L. Johnson
Mr. Murphy

Kathleen P. Lewis, c/o Gordon R. Lewis, San Antonio, Texas
Adm. & Reading File
TWHillingsworth, Rm. 522A
Operating Committee
Robert W. Gordon, Rm. 3008
Mars & Mins. Metals Div.

E MMurphy/zzm 5-17-56

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

MAY 28 1956

Miss Kathleen P. Ladd
c/o Graham B. Ladd
918 Milam Building
San Antonio, Texas

Re: Docket No. DMEA-3649 (Graham)
Contract No. Eda-5812
Hamilton, Harris, Malvick,
Phillips, Ladd, and Simpson Mining
Company, a joint venture
Rajah Group of Claims
Mesa County, Colorado

Dear Miss Ladd:

For your information, a certification of discovery or development has been issued to the Operator as a result of the exploration program under the above-referenced contract.

The property as set forth in the contract is the same property referred to in the Owner's Consent to Lien, dated June 24, 1955, which was signed by you:

We are enclosing the following for your records:

1. A copy of a "Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract."

2. A copy of the transmittal letter to Mr. Julian A. Simpson, designated to act as agent for Arthur Hamilton, John W. Harris, W. B. Malvick, Otis Phillips, Jr., Ben Phillips, Graham B. Ladd, and Simpson Mining Company, a partnership comprised of Julian A. and Alan M. Simpson.

Sincerely yours,

C. G. Mittenbühler

Administrator

F. M. Murphy/lam 5-17-56
cc to: Admr.'s Reading File
Operating Committee
Robert W. Graham, Rm. 3608
T. H. Killegsard, Rm. 5224
Docket
Rare & Misc. Metals Div.
Field Team, Reg. III (2)
Contract Adm. & Audit Div.
F. K. Johnson
Mr. Murphy

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

224 New Customhouse
Denver 2, Colorado

November 3, 1955

Mr. J. E. Simpson
Simpson Mining Company
P. O. Box 187
Grand Junction, Colorado

Re: Docket DMEA 3649 (Uranium),
Contract DMe-2812

Dear Mr. Simpson:

In reference to your letters of September 15, September 22, September 26, and October 21, 1955, this constitutes confirmation of the Government's verbal approval of September 26, October 5, and October 12, 1955, for the drilling of Stage II drill holes Nos. SM-24 to SM-26.

The locations of the holes are shown on the map Figure I, "Map of Stage I, Proposed Stage II Drill Holes, Ralph 65, 67, and 68 Claims, Hamilton, Harris, McDavid, Phillips, Ladd, and Simpson Mining Company, Gateway Mining District, Mesa County, Colorado," which is attached hereto and made a part of this work authorization.

Nothing in this work approval shall be construed to increase the estimated total cost of the project, the amount of the Government's contribution, nor the agreed unit cost of any item of work.

Very truly yours,

For W. E. Trever

E. M. Hardman

E. M. Hardman

DMEA Field Team, Region III

Enclosures

JWT:pri
cc: Chairman, Oper. Comm. (4)

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3649
OCTOBER 1955

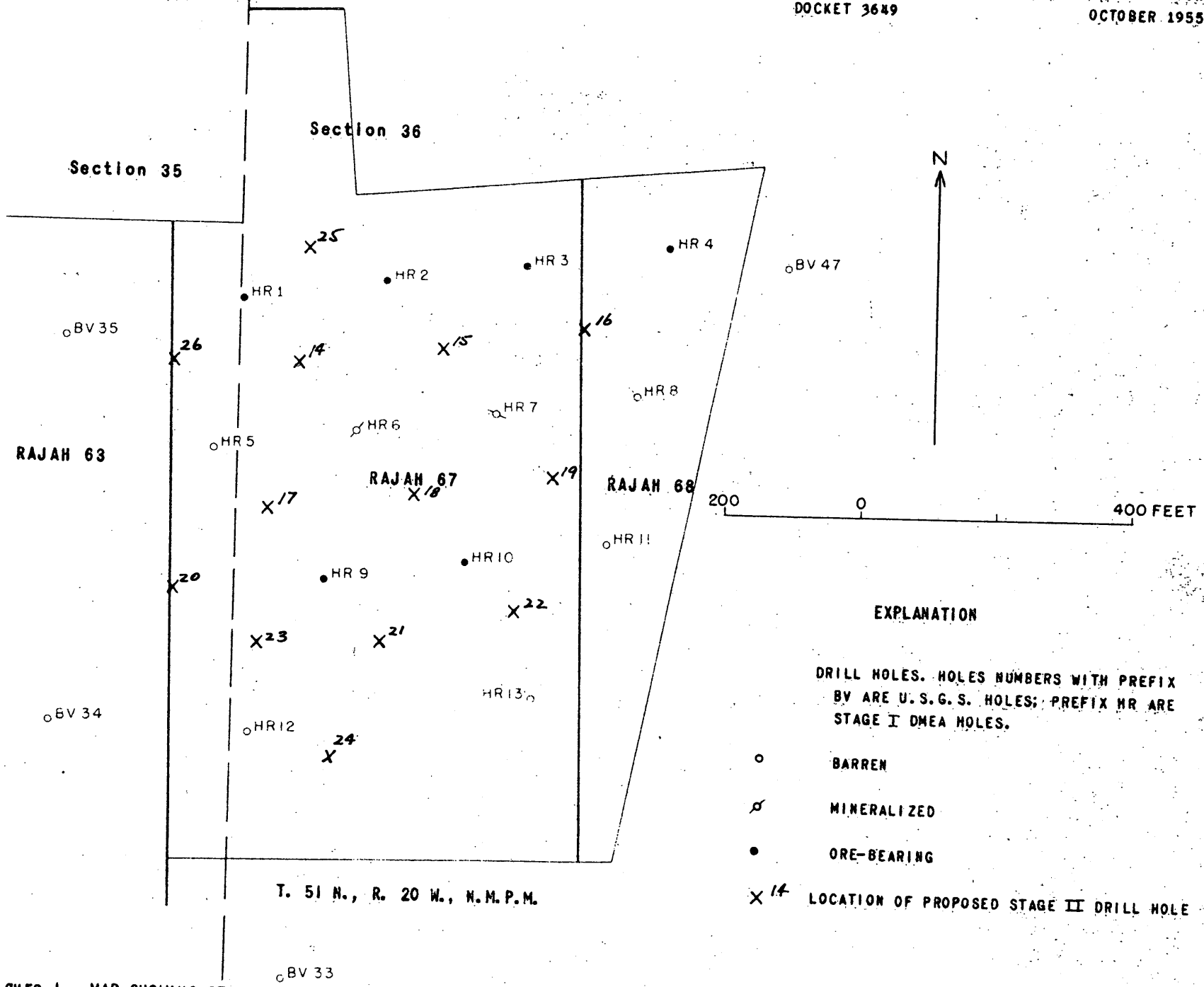

Figure 1. MAP SHOWING STAGE I, PROPOSED STAGE II DRILL HOLES, RAJAH 63, 67, AND 68 CLAIMS, HAMILTON, HARRIS, MCDAVID, PHILLIPS, LADD AND SIMPSON MINING COMPANY, GATEWAY MINING DISTRICT, MESA COUNTY, COLORADO

MINERAL DEPOSITS
DMEA
RECEIVED
NOV 2 1955
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

IN REPLY REFER TO:

November 1, 1955

Memorandum

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

From: J. William Hasler and M. H. Salsbury

Subject: DMEA 3649 (Uranium) contract Idm-2 312,
Simpson Mining Company, Rajah claims, Beaver Mesa, Colo.

The applicant has requested that proposed stage II diamond-drill hole HR-24 be drilled under the contract. Stage II holes 14 through 23 had been previously approved by the Region III Field Team, however, HR-24, as previously proposed, was held in abeyance pending results of diamond-drill hole HR-21 and HR-23.

Holes HR-21 and HR-23 have been discussed with the applicant, both in the office and in the field, and results have proven to be encouraging. It is, therefore, recommended that the proposed stage II hole HR-24 be drilled under the subject contract.

Verbal approval was given by the Field Team, Region III, on October 31, 1955, and the Operator so notified as of the same date.

J. William Hasler
J. William Hasler,
Geologist, USGS

M. H. Salsbury
M. H. Salsbury,
Engineer, USBM

JWH/alr

~~Enclosure~~

DMEA
Date Rec'd.

OCT 24 1955

BUREAU OF MINES
Denver, Colorado

Oct. 21, 1955

Mr. [illegible] M. Traver
Executive Officer, Region III
DMEA Field Team
224 New Customhouse Building
Denver 2, Colorado

RECEIVED
[illegible]

Re: Docket DMEA 3649
Contract Idm-[illegible]312
Rajah Claims

Dear Mr. Traver:

On October 5, 1955, we received the following message from Mr. J. W. Hasler:

> "You have verbal authority on Stage II to drill HR 17 to HR 26 inclusive, except HR 24. Authority for HR 24 only if results of HR 21 and HR 23 indicate it should be drilled."

We have now finished HR 21 and HR 23. Both of these holes are mineralized and both have very favorable geology. Attached herewith are drill hole and assay logs for HR 21 and HR 23.

The purpose of this letter is to again request permission to drill HR 24 at the location indicated on our request dated September 26, 1955.

HR 24, at this location, will be an offset to three (3) favorable holes, two (2) of which are mineralized.

Very truly yours,

SIMPSON MINING COMPANY

J. E. Simpson

J. E. Simpson

JES:jb
Incl. Drill Log HR 21 & HR 23
cc: (5) W. M. Traver
(1) J. W. Hasler

COPY

DRILL HOLE LOG

Type of Drill Diamond (AX)

Logged For
Simpson Mining Co.
DHEA 3649-Idm-E812

Drill-hole No. HR-21
Total depth 425.0
Collar elev. 7222 T P
Area Beaver Mesa

COORDINATES
North East
Tie

Claim Rajah #67
Date started 10/10/55
Date completed 10/19/55
Logged by A.M.S.

Summary of log Favorable ; OBSS 365-410 Thick 45 ; SS color Wh ; MS under OBSS Gn, 7.6' ; Cbn. A

RECEIVED
NOV - 9 1955

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	340.0					Plug Bit No Core
340.0	363.2	MS	R		N	
363.2	364.5	MS	Gn		N	
364.5	383.2	SS	Wh	M	S	A Gn Int MS P & Sm
383.2	383.5	MS	Gn		N	
383.5	390.1	SS	Wh	MF	S	
390.1	391.8	SS	Wh	MF	S	Cbn Stks; A Gn MS Sm
391.8	392.6	SS	Wh	MF	S	20% Gn MS Sm & P
392.6	403.9	SS	Wh	MF-F	S	A Gn Int MS
403.9	404.5	SS	Wh	M	S	A R & Gn MS P
404.5	405.3	SS	Bk	MF	A	Sample #58
405.3	406.3	SS	Gy	MF	A	Sample #59
406.3	407.3	SS	L Gy	MF	A	Sample #60
407.3	409.5	SS	L Gy	MF	A	A Cbn Fks
409.5	417.1	MS/ST	Gn		N	
417.1	425.0	MS/ST	R			

γ-Ray Log 0 1000

	SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
#58	405.3	0.8	0.25	4.53		
#59	406.3	1.0	0.01	0.09		
#60	407.3	1.0	Tr	Tr		

CACO3
3.37
5.61
5.77

Abbreviations

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

Hole No. HR-21

DRILL HOLE LOG

Type of Drill Diamond (AX)

Logged For: Simpson Mining Co. DMEA 3549-Tom-7812

Drill-hole No. HR-23

Total depth 437.0

Collar elev. T P

Area Beaver Mesa

COORDINATES

North East

Tie

Claim Kajah No. 37

Date started

Date completed 10/15/55

Logged by A. S.

Summary of log Favorable ; OBSS 376-426 Thick 50 ; SS color Wh, Gy MS Gn, 54 under OBSS ; Cbn. F

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	360.0					Plug Bit No Core
360.0	376.0	MS/ST	R			
376.0	378.4	SS	Gn	MF	N	A Gn MS Int
378.4	415.3	SS	Wh	MF	S	S Gn MS P & Sm
415.3	415.9	MS	Gn		N	
415.9	422.3	SS	Wh	MF	S	S Gn MS Sm
422.3	423.2	SS	Gy	MF	A	Sample #54
423.2	424.0	SS	L Gy	MF	S	Sample #55
424.0	425.9	SS	Wh	MF	N	
425.9	431.3	MS	Gn		N	
431.3	437.0	MS	R		N	

DESCRIPTION

γ-Ray Log 0 1000

SAMPLE	BASE	THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
#54	423.2	0.9	0.01	0.37		
55	424.0	0.8	0.00	0.30		

CACO 3
8.66
11.51

Abbreviations

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

Hole No. HR-23

MINERAL DE... DME
RECEIV.
OCT 11 19.
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES DEPARTMENT OF THE INTERIOR
P. O. BOX 360
GRAND JUNCTION, COLORADO

October 10, 1955

Memorandum

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

E.N.H.
JJ

From: J. William Hasler and M. H. Salsbury

Subject: DMEA 3649 (Uranium), contract Idm-E 812, Hamilton, Harris, McDavid, Phillips, Ladd and Simpson Mining Company. Application for approval of proposed stage II work.

The applicant requested authorization to complete stage II drilling as provided in the contract Idm-E 812, on three separate dates. This was done in an attempt to decrease the time lag between the two stages of drilling.

The first request, dated September 15, 1955, was made for three stage II holes designed to offset stage I holes HR-1 to 8, inclusive, (fig. 1 attached). These holes, HR-14, 15, and 16, were approved verbally by the Region III Field Team September 26, 1955, since holes HR-1 to 8 were all either in ore, mineralized ground, or favorable ore-bearing Salt Wash sandstone.

The second request, dated September 23, was for five stage II holes to offset stage I holes between HR-5, 6, 7, 8 and Hr-9, 10, and 11 as well as HR-12 and 13. A third request dated September 26, 1955, was for five stage II holes to bring the total number of stage II holes to 13 as specified in the contract.

Request for the first three holes was made before stage I was completed, although enough data were available to evaluate that part of stage I drilling, and recommend these holes.

The first eight stage II holes were laid out on a diagonal pattern between the fences of stage I holes to test the intervening ground for extensions of previously discovered ore or mineralized ground. The holes are all in excess of 70 feet from any previously drilled hole as stipulated under the contract. Stage II holes will average about 430 feet in depth.

Proposed holes HR-22, 23, 24, 25, and 26 are designed to test a southwesterly trend of minerlization across the Rajah 68, 67, and 63 claims (fig. 1).

A resume of results of stage I drilling and the first three stage II holes is shown in the following table:

Company data		Laboratory assays		Depth of mineralization (feet) Min. being >0.02% U_3O_8 or 70.50% V_2O_5
Hole no.	Thickness (feet)	% U_3O_8	% V_2O_5	Base
ϕ HR-1	0.3	0.01	0.67	435.7
● HR-2	0.7	0.31	2.13	381.7
	1.0	0.03	0.06	382.7
	2.1	0.02	1.45	390.0
	3.6	0.03	1.46	393.6
● HR-3	0.6	0.08	1.12	358.4
	1.5	0.04	0.04	559.9
	0.7	0.39	0.18	360.6
	1.1	0.04	0.71	361.7
	0.8	0.03	2.51	362.5
	1.1	0.03	0.87	369.2
● HR-4	1.0	0.54	1.37	305.0
	0.7	0.09	2.06	305.7
o HR-5	Barren, sandstone favorable			
● HR-6	1.0	0.04	0.12	417.0
	1.0	0.04	0.04	418.0
	1.0	0.23	0.10	419.0
	1.0	0.05	0.29	420.0
● HR-7	1.0	0.03	0.06	381.7
	1.0	0.12	3.11	382.7
	1.0	0.04	0.08	383.7
ϕ HR-8	1.9	0.02	0.11	340.2
● HR-9	1.3	0.04	0.13	406.3
	0.6	0.52	1.15	406.9
	0.6	0.16	4.87	407.5
	1.4	0.09	2.02	408.9
	0.8	0.82	5.88	409.7

Company data		Laboratory assays		Depth of mineralization (feet) Min. being > 0.02% U_3O_8 or > 0.50 V_2O_5
Hole no.	Thickness (feet)	% U_3O_8	% V_2O_5	Base
• HR-10	0.7	0.21	0.13	377.7
	1.4	1.36	1.58	379.1
	0.9	0.13	0.26	380.0
	1.1	0.34	0.53	381.1
	1.4	0.15	0.51	382.5
o HR-11	Barren			
o HR-12	Barren			
o HR-13	Barren			
		Stage II		
• HR-14	1.0	0.12	8.62	412.2
	0.6	0.37	4.43	412.8
	0.9	0.35	3.63	413.7
	1.6	0.08	16.88	415.3
	1.0	0.62	2.75	420.5
o HR-15	Barren			
• HR-16	1.2	0.02	1.61	346.8
	1.2	0.02	2.48	348.0
	1.6	1.57	3.94	351.6
	0.7	0.08	2.92	352.3
	2.1	0.02	0.36	354.4
	1.0	0.08	0.29	355.4

An analyses of the accompanying data shows that stage I drilling has proven very encouraging and that the likelihood of finding ore bodies of commercial size and grade on the Rajah 68, 67, 63 claims is good.

It is recommended that the following proposed stage II holes be approved: HR 14 to 26 inclusive with exception of HR 24. The area in the vicinity of HR 24 should first be tested by holes HR 21 and 23. If these holes prove favorable, then HR 24 may be drilled.

Verbal approval for the above recommended drilling was given by the Region III Field Team October 5, 1955, and the applicant was notified of this approval.

Enclosed are the required number of maps (fig. 1) for inclusion in the work authority.

D. D. Haynes for
J. William Hasler
Geologist, USGS

M. H. Salsbury
M. H. Salsbury
Engineer, USBM

DMEA
Date Rec'd.
SEP 29 1955
BUREAU OF MINES
Denver, Colorado

Sept. 26, 1955

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

Re: Docket DMEA 3649
Contract Idm-E812
Rajah Claims

Dear Mr. Traver:

Hole No. HR 12 of Stage I of the above captioned contract has been completed and we enclose herewith a geologic drill hole log of same. This hole was barren but favorable and completes all of Stage I.

We have previously requested approval from your office for the location of 8 of the 13 holes of Stage II (See our letters of September 15 and 23, 1955).

The purpose of this letter is to request approval from your office for the 5 remaining holes of Stage II.

The suggested location for these last 5 holes (HR 22, HR 23, HR 24, HR 25, HR 26) of Stage II part of the contract are shown in red on the attached map.

The request as given above and the attached map and drill hole log for HR 12 are submitted for approval of the following listed last 5 drill holes for Stage II drilling.

COPY

Drill Hole No.	Claim	Estimated Collar Elevation	Estimated Depth	Estimated Plug Bit Depth
HR 22	Rajah No. 67	7196	400	335
HR 23	Rajah No. 67	7254	457	393
HR 24	Rajah No. 67	7248	448	380
HR 25	Rajah No. 67	7224	436	363
HR 26	Rajah No. 67	7237	448	370

Very truly yours,

SIMPSON MINING COMPANY

J. E. Simpson

JES:jb
Encl. Drill Log HR 12
Drill Map
CC: (5) W. M. Traver

COPY

DRILL HOLE LOG

Logged For: Simpson Mining Co.
DMEA 3649-Idm-E812

Type of Drill: Diamond (AX)

Drill-hole No.: HR-12
Total depth: 445.0
Collar elev.: 7241 T P
Area: Beaver Mesa

COORDINATES
North: East:
Tie:

Claim: Rajah No. 68
Date started: Sept 13, 1955
Date completed: Sept. 23, 1955
Logged by: A. M. S.

Summary of log: Favorable; OBSS 378-431 Thick 53; SS color Wh; MS under OBSS 4.7-Gn; Cbn. S

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	365.0					Plug Bit --- No Core
365.0	370.0	MS/ST	R			Core Plug
370.0	377.7	MS/ST	R		N	
377.7	379.1	SS	Wh	F	N	S Int Gn MS
379.1	381.0	SS	Gn	MF	N	A Int Gn MS
381.0	422.9	SS	Wh	M-MF	S	S Gn MS Stks, P & Int
422.9	423.2	MS	Gn		N	
423.2	425.2	SS	Wh	M	S	A Gn MS P & Stks
425.2	427.0	SS/MS	Wh, Gn	MF	S	Trashy, 60% MS in SS
427.0	431.2	SS	Wh	MF	S-A	S Gn MS
431.2	435.9	ST	Gn		N	
435.9	445.0	ST/MS	R		N	

γ-Ray Log: 0 — 1000

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

Abbreviations

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

Hole No. HR-12

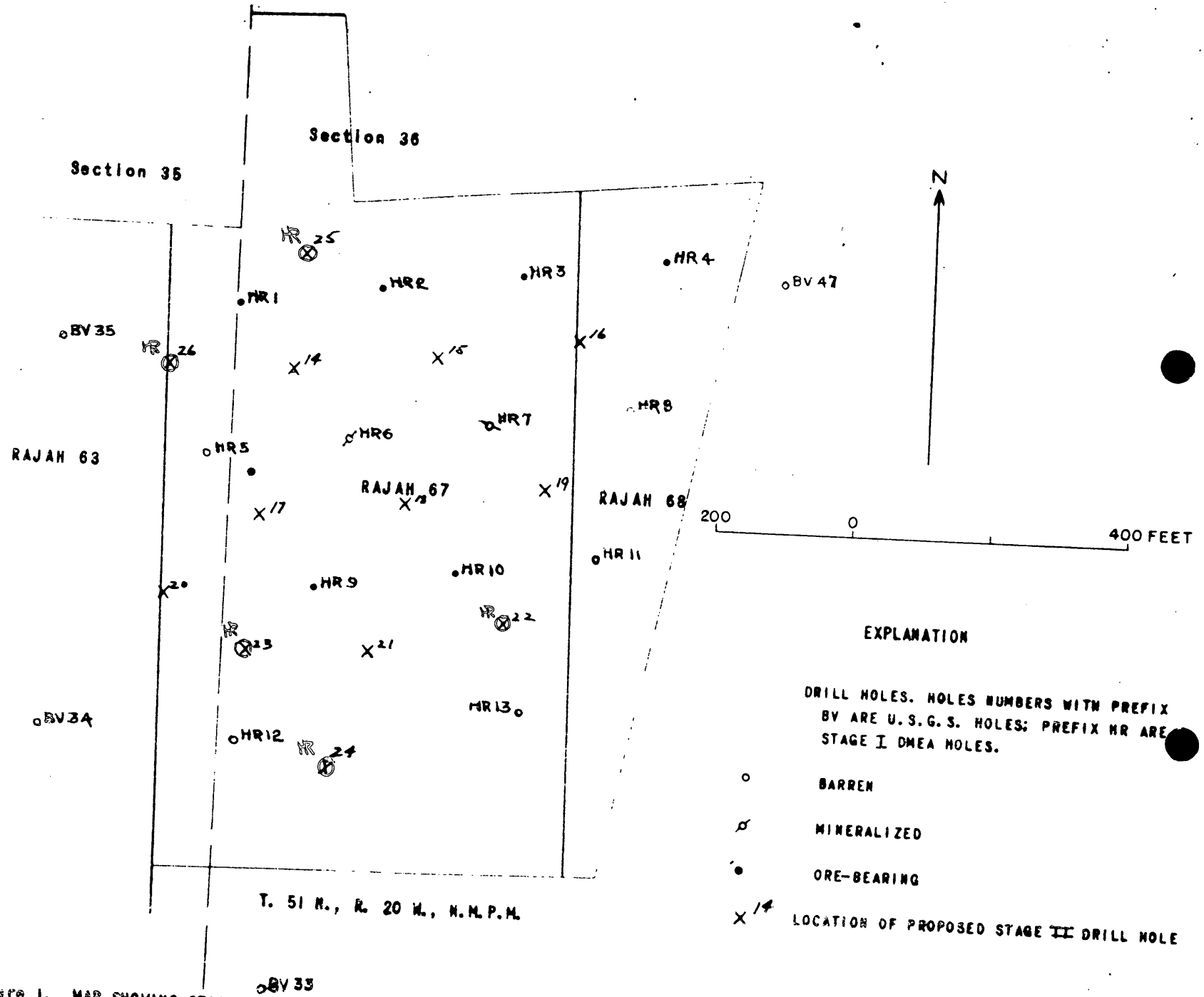

Figure 1. MAP SHOWING STAGE I, PROPOSED STAGE II DRILL HOLES, RAJAH 63, 67, AND 68 CLAIMS, HAMILTON, HARRIS, MCDAVID, PHILLIPS, LADD AND SIMPSON MINING COMPANY, GATEWAY MINING DISTRICT, MESA COUNTY, COLORADO

DMEA
Date Rec'd.

SEP 23 1955

BUREAU OF MINES
Denver, Colorado

Sept. 22, 1955

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

DMEA
Date Rec'd.

OCT 21 1955

BUREAU OF MINES
Denver, Colorado

Re: Docket DMEA 3649
Contract Idm-5,812
Rajah Claims

Dear Mr. Traver:

Since our letter of September 15, 1955, and request for approval of the location of 5 holes of the 13 which we propose to drill under Stage II of the captioned contract, we have completed 4 additional holes (HR 9, HR 10, HR 11 and HR 13) of Stage I.

Of the 13 holes of Stage I (HR 1 - HR 13) 12 of them are now complete, leaving only HR 12 which is presently being drilled.

We are enclosing geologic and assay logs for hole Nos. HR 9, HR 10, HR 11 and HR 13. Hole Nos. HR 9 and HR 10 are strongly mineralized and HR 11 and HR 13 are barren.

The purpose of this letter is to request approval from your office for 5 more of the 13 holes we propose to drill under Stage II.

The suggested location for these additional 5 holes (HR 17, HR 18, HR 19, HR 20 and HR 21) of Stage II part of the contract are shown in red on the attached map.

In this letter along with the one of September 15 we have requested approval of 8 of the 13 holes of Stage II. The suggested location for the remaining 5 holes of Stage II will be submitted at a later date.

The request as given above and the attached map and drill logs is submitted for approval of the following listed drill holes for a part of Stage II drilling.

COPY

Drill Hole No.	Claim	Estimated Collar Elevation	Estimated Depth	Estimated Plug Bit Depth
HR 17	Rajah No. 67	7240	432	364
HR 18	Rajah No. 67	7207	418	349
HR 19	Rajah No. 67	7184	389	326
HR 20	Rajah No. 67	7265	392	464
HR 21	Rajah No. 67	7217	346	410

Very truly yours,

SIMPSON MINING COMPANY

J. E. Simpson

JES:jb
Enclosures

COPY

DRILL HOLE LOG

Type of Drill: Diamond-AX

Logged For: Simpson Mining Co.-DMEA 3649-Idm-E812

Drill-hole No. HR-9
Total depth 425.0
Collar elev. 7221 T P
Area Beaver Mesa

COORDINATES
North East
Tie

Claim Rajah No. 67
Date started Sept. 1, 1955
Date completed Sept. 12, 1955
Logged by A. M. S.

Summary of log: Favorable; OBSS 364-412 Thick 48; SS color Wh; MS under OBSS Gn, 6.4; Cbn. S, A

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	340.0					Plug Bit----No Core
340.0	364.5	MS	R		N	10% Gn MS
364.5	367.8	SS	Gn	M-F	N	A Gn MS Int
367.8	404.0	SS	Wh	M	S	S Gn MS Stks & Pbls
						S Lim Spks
404.0	405.0	SS	Gy	MF	A	A Cbn Stks
405.0	406.3	SS	L Gy	MF	A	Sample #30
406.3	406.9	SS	Gy, Bk	MF-F	A	Bk Spots in Gy SS " #31
406.9	407.5	SS	DGy, Bk	F	A	" #32
407.5	408.9	SS	Gy, Bk	MF-F	A	Bk Spots in Gy SS " #33
						A Bk MS Pbls
408.9	409.7	SS	DGy, Bk	MF	A	" #34
409.7	412.3	SS	LGy, Wh	MF	S	S Gn MS Pbls & Stks
412.3	414.5	MS	Gn		N	
414.5	418.7	ST	Gn		N	
418.7	425.0	MS/ST	R, Gn		N	

γ-Ray Log 0 1000

	SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5	$CACO_3$
#30	406.3	1.3	0.04	0.13			2.45
#31	406.9	0.6	0.52	1.15			3.34
#32	407.5	0.6	0.16	4.87			0.77
#33	408.9	1.4	0.09	2.02			3.23
#34	409.7	0.8	0.82	5.88			3.12
Comp.		3.4	0.35	3.28			

Abbreviations

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

Hole No. HR-9

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COLORADO PRINTING CO., GRAND JUNCTION

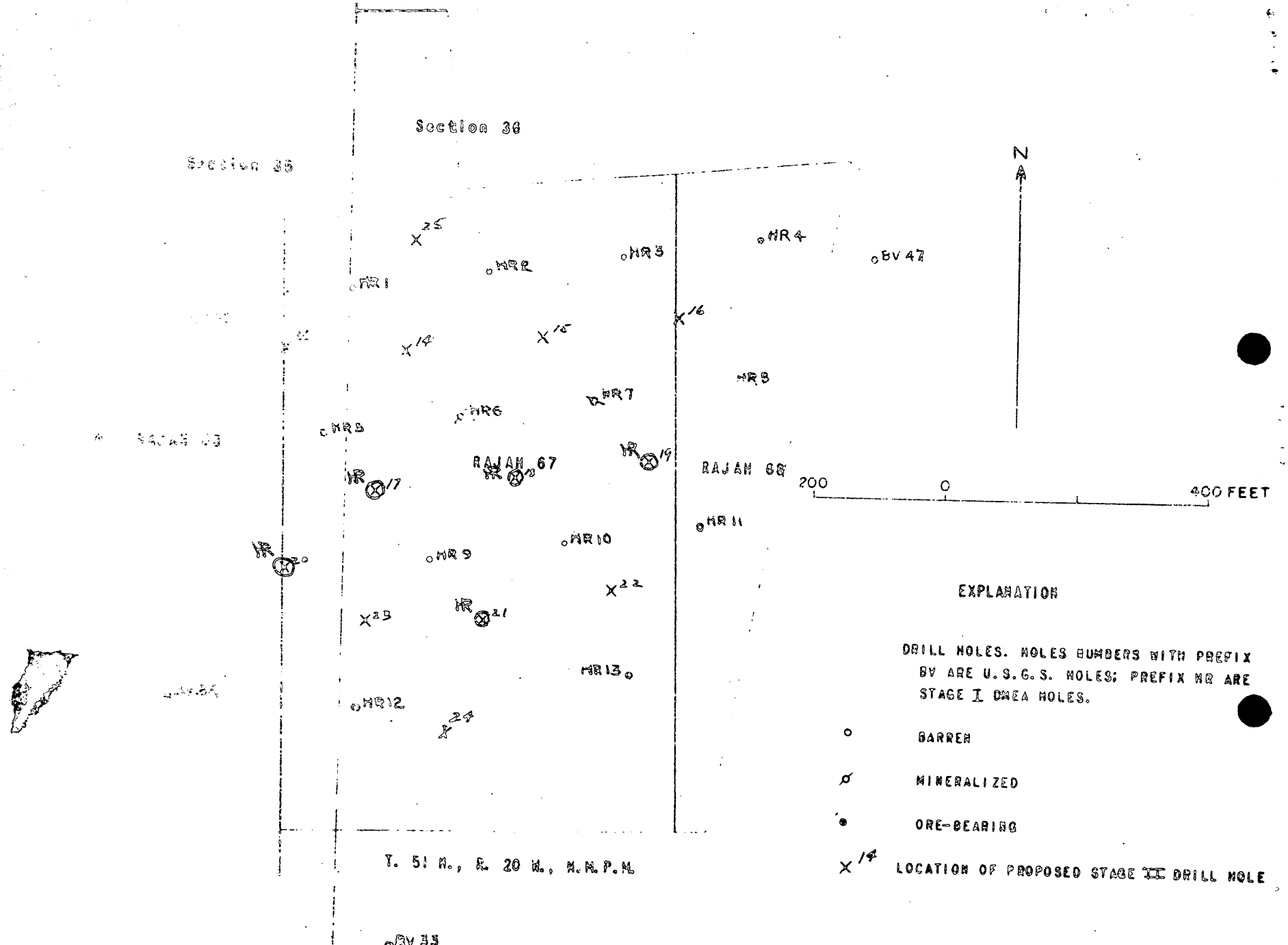

FIGURE 1. MAP SHOWING STAGE I, PROPOSED STAGE II DRILL HOLES, RAJAH 63, 67, AND 68 CLAIMS, HAMILTON, HARRIS, MCDAVID, PHILLIPS, LUND AND SIMPSON MINING COMPANY, GATEWAY MINING DISTRICT, MESA COUNTY, COLORADO.

Sept. 15, 1955

RECEIVED
NOV - 9 1955

DMEA
Date Rec'd.
SEP 16 1955

BUREAU OF MINES
Denver, Colorado

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

Re: Docket DMEA 3649
Contract Idm-3812
Rajah Claims

Dear Mr. Traver:

Eight holes (HR 1 thru HR 8) of Stage I of the above captioned contract have been completed.

The August Progress Report which contains all pertinent data concerning these eight holes was mailed to Mr. John F. Shaw on September 9, 1955.

The results to date have been very encouraging and we shall wish to drill all 13 holes of Stage II.

The purpose of this letter is to request approval from your office for 3 of the 13 holes we propose to drill under Stage II.

A study of the data compiled from the first 8 holes (HR 1 - HR 8) of Stage I has been evaluated as follows.

Hole Nos. HR 1, HR 2, HR 3, HR 4, HR 5, HR 6, HR 7, and HR 8 are all mineralized and favorable.

Refer to drill hole logs and assay sheets submitted with the August 1955 Report on the first 8 holes of Stage I for basis of above evaluation.

The suggested location for 3 of the 13 holes of Stage II part of the contract are shown on the attached map. The 3 holes (HR 14, HR 15 and HR 16) are shown in red at the intersection of diagonals of the first 8 holes drilled under Stage I.

COPY

The suggested location for the remaining 10 holes of Stage II will be submitted at a later date.

The request as given above and the attached map, together with reference to the first 8 holes completed under Stage 1 reported in Progress Report for August, 1955, is submitted for approval of the following listed drill holes for a part of Stage II drilling:

Drill Hole No.	Claim	Estimated Collar Elevation	Estimated Depth	Plug Bit Depth
HR 14	Rajah No. 67	7231	445	375
HR 15	Rajah No. 67	7197	412	349
HR 16	Rajah No. 68	7165	380	316

Very truly yours,

SIMPSON MINING COMPANY

J. E. Simpson

JES:jb
Enclosure

COPY

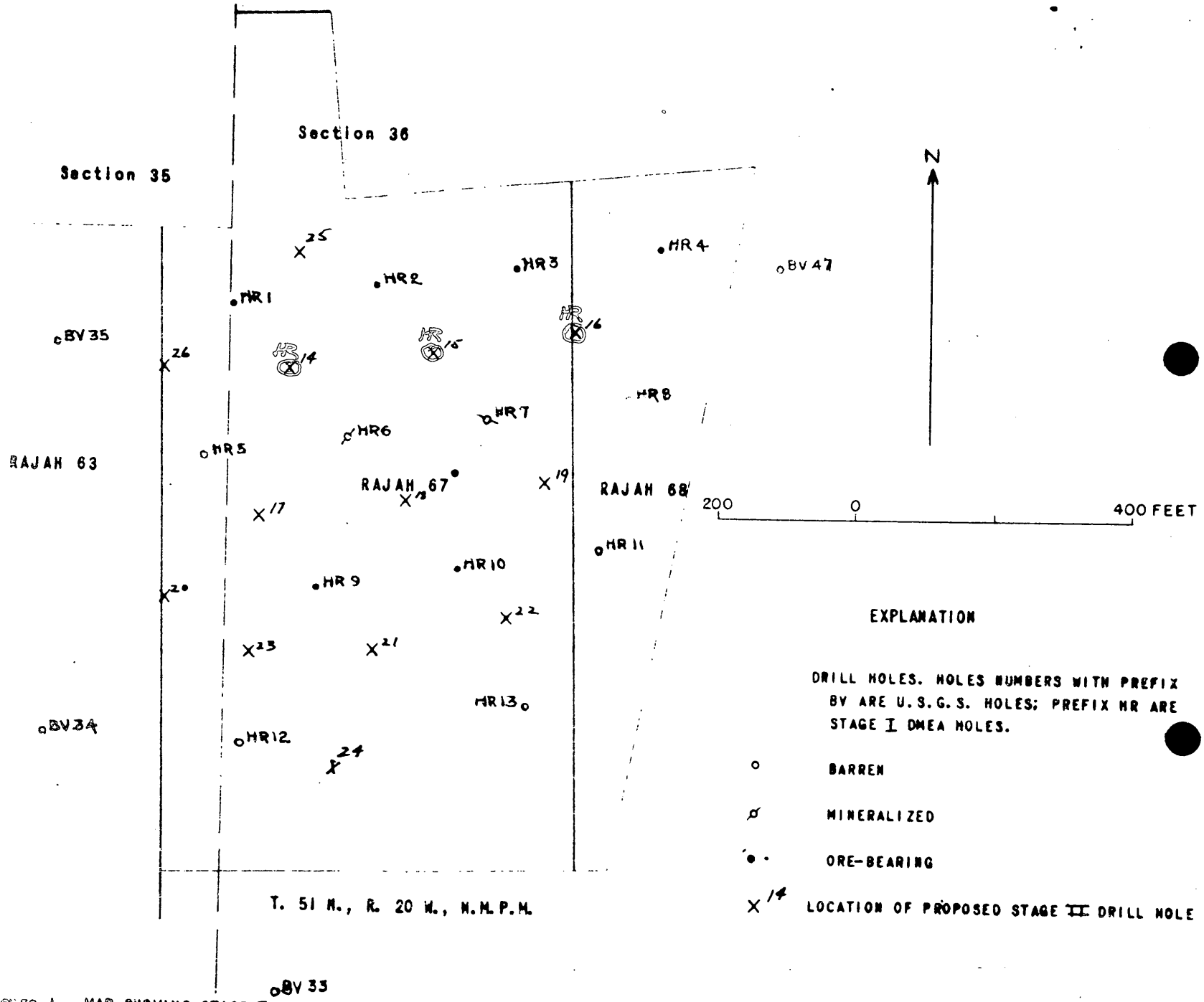

Figure 1. MAP SHOWING STAGE I, PROPOSED STAGE II DRILL HOLES, RAJAH 63, 67, AND 68 CLAIMS, HAMILTON, HARRIS, MCDAVID, PHILLIPS, LADD AND SIMPSON MINING COMPANY, GATEWAY MINING DISTRICT, MESA COUNTY, COLORADO.

Docket No. 3640

Commodity Uranium

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 812

Date of Contract ~~or Amendment~~ June 8, 1955

Name and Address of Operator:

Hamilton et al and
Simpson Mining Co.
P. O. Box 127, 304 Main Street
Grand Junction, Colorado

Amount of Government participation $ 27,003.00

Percent of Government participation 75 %

Region: III State: Colorado

Note: Please release $ 3,005.69. Contract terminated.

E. N. Talbert
(Name)

for J. L. Chambers, Chief
Contract Administration and
Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. 1/4/56

54458

Government's copy

DMEA
Date Rec'd
JUL 8 1955
BUREAU OF MINES
Denver, Colorado

DMEA
Date Rec'd
JUN 10 1955
BUREAU OF MINES
Denver, Colorado

RECEIVED
JUL 13 1955

MF-200
(Revised June 1954)

Docket No. DMEA -3649

Commodity Uranium

Contract No. Idm-E 812

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 8th day of June, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Hamilton, Harris, McDavid, Phillips, Ladd, and Simpson Mining Company, a joint venture comprised of the members named in Annex II, ~~with Julian E. Simpson designated to act~~ as their agent,

whose mailing address is P. O. Box 127, 304 Main Street
Grand Junction, Colorado,

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, ~~and~~ Annex II, ~~and~~ a map, and Power of Attorney designating Julian E. Simpson, Agent.

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Colorado, County of Mesa, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] the entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ~~See Annex IX~~, [7] recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none.

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: ~~none.~~ Owner's Consent to Lien signed by Kathleen P. Ladd

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of uranium. The work to be performed is described in Exhibit "A." The Operator on or before August 15, 1955 shall commence the work, and on or before March 1, 1956 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A."

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

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

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $36,004.00. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $27,003.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.
and see Article 13.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

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

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

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

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

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

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—
To the extent that costs are set forth in Exhibit "A" as "Fixed Unit Costs" they are in lieu of the actual costs that would otherwise be allowable under Article 6 of the contract.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

HAMILTON, HARRIS, MCDAVID, PHILLIPS,
LADD, AND SIMPSON MINING COMPANY
(Operator)

By Julian E. Simpson

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

EXPLORATION PROJECT CONTRACT
HAMILTON, HARRIS, McDAVID, PHILLIPS, LADD,
AND SIMPSON MINING COMPANY
DOCKET NO. DMEA-3649

ANNEX I

The land referred to in Article 2 of the contract form consists of five (5) unpatented lode mining claims, which are recorded in the office of the County Recorder, Mesa County, Colorado, as follows:

Claim	Book No.	Page No.
Rajah No. 61	576	343
Rajah No. 62	576	495
Rajah No. 63	576	496
Rajah No. 67	576	345
Rajah No. 68	576	346

These claims are in secs. 35 and 36, T. 51 N., R. 20 W., New Mexico Principal Meridian, and are shown on the map entitled "Figure 3. Map Showing Rajah Claims, and proposed Stage I Hole Locations, . . .," attached hereto and made a part hereof.

RECEIVED
JUL 18 1975

EXPLORATION PROJECT CONTRACT
HAMILTON, HARRIS, McDAVID, PHILLIPS, LADD, AND SIMPSON MINING COMPANY

ANNEX II

The members of the joint venture are as follows:

Arthur Hamilton	1410 1st. Nat. Bank Bldg., Dallas, Texas
John W. Harris	918 Milam Building, San Antonio, Texas
W. D. McDavid	918 Milam Building, San Antonio, Texas
Otis Phillips, Jr.	1410 1st. Nat. Bank Bldg., Dallas, Texas
Rex Phillips	918 Milam Building, San Antonio, Texas
Graham B. Ladd	918 Milam Building, San Antonio, Texas
Simpson Mining Company a partnership comprised of Julian E. and Alan M. Simpson	Box 127, 304 Main St., Grand Junction, Colorado

RECEIVED
JUL 18 1955

POWER OF ATTORNEY

Docket DMEA- 3649

We, the undersigned, do hereby designate Julian E. Simpson, a partner in the Simpson Mining Company, to act as the agent of a Joint Venture consisting of:

> "Arthur Hamilton, John W. Harris, W. D. McDavid, Otis Phillips, Jr., Rex Phillips, Graham B. Ladd, and the Simpson Mining Company"

in all affairs pertaining to a proposed Defense Minerals Exploration Project Contract between the Joint Venture and the Government, such affairs to include: signing of the Contract and any Amendments thereto, rendering of monthly and final reports as required by the Contract, receipt of monies due the Joint Venture under the terms of the Contract, and payment to the Government of any and all royalties due under the terms of the Contract.

Executed this 25 th day of June, 1955.

Signed Arthur Hamilton
Arthur Hamilton

Signed John W. Harris
John W. Harris

Signed W. D. McDavid
W. D. McDavid

Signed Otis Phillips, Jr.
Otis Phillips, Jr.

Signed Rex Phillips
Rex Phillips

Signed Graham B. Ladd
Graham B. Ladd

Signed SIMPSON MINING COMPANY

By Julian E. Simpson
Partnership designated as Agent

RECEIVED
JUL 1 5 1955

POWER OF ATTORNEY

We, the undersigned, do hereby designate Julian E. Simpson, a partner in the Simpson Mining Company, to act in behalf of the Simpson Mining Company in all matters pertaining to a proposed Defense Minerals Exploration Project Contract Docket DMEA-3649 between the Government and a Joint Venture in which the Simpson Mining Company is a participant.

Executed this 25th day of June, 195 5.

SIMPSON MINING COMPANY

Signed Julian E. Simpson
Julian E. Simpson

Signed Alan M. Simpson
Alan M. Simpson

Verbal approval for the above recommended drilling was given by the Region III Field Team October 5, 1955, and the applicant was notified of this approval.

Enclosed are the required number of maps (fig. 1) for inclusion in the work authority.

D. D. Haynes for
J. William Hasler
Geologist, USGS

M. H. Salsbury
M. H. Salsbury
Engineer, USBM

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3649
OCTOBER 1955

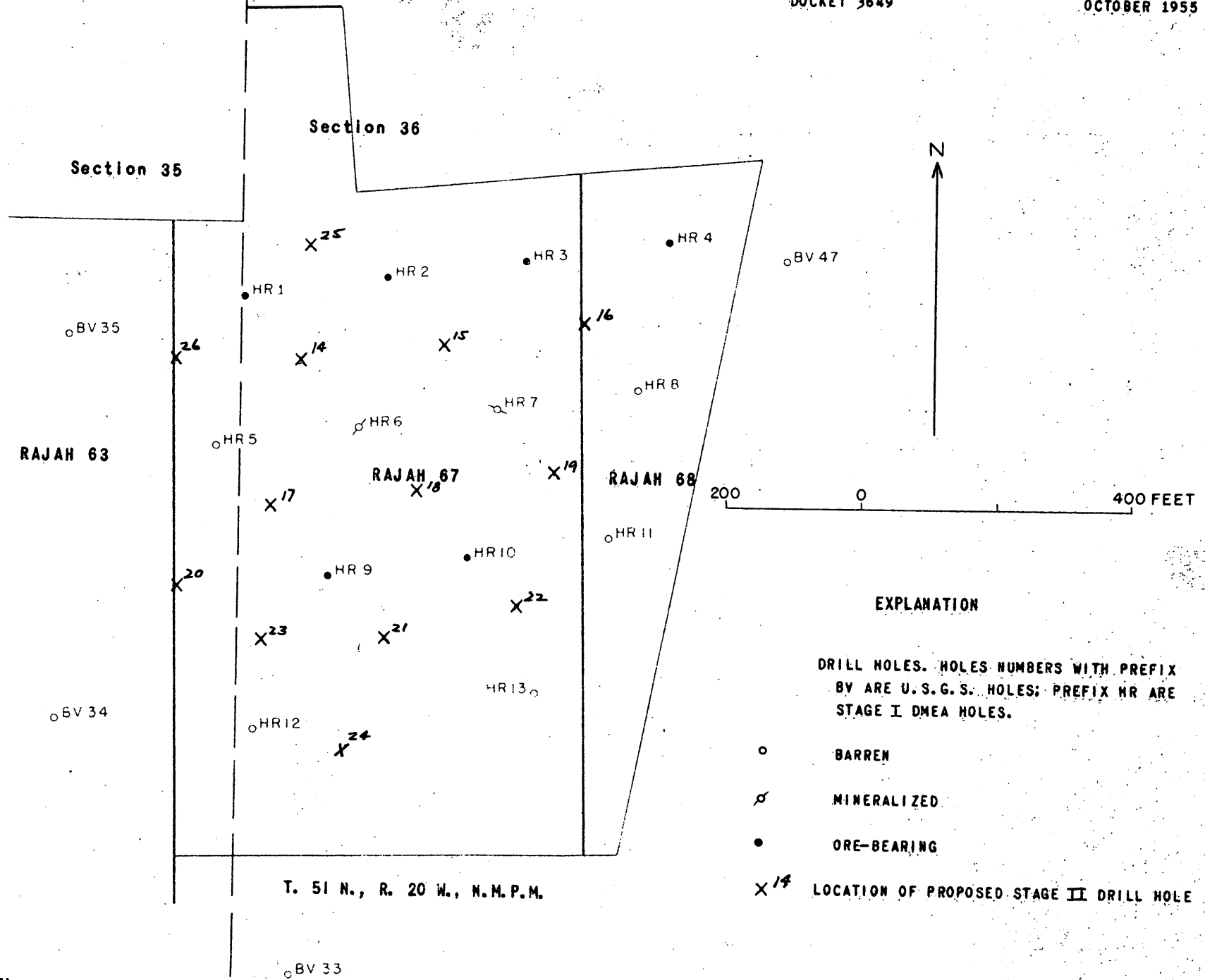

Figure 1. MAP SHOWING STAGE I, PROPOSED STAGE II DRILL HOLES, RAJAH 63, 67, AND 68 CLAIMS, HAMILTON, HARRIS, MCDAVID, PHILLIPS, LADD AND SIMPSON MINING COMPANY, GATEWAY MINING DISTRICT, MESA COUNTY, COLORADO.

DRILL HOLE LOG

SIMPSON & WOODARD
EXPLORATION CO.

Type of Drill: Diamond (AX)

Logged For: Simpson Mining Co.
DMEA 3649-IDm-E812

Drill-hole No.: HR-10
Total depth: 400.0
Collar elev.: 7192 T P
Area: Beaver Mesa

COORDINATES
North: East:
Tie:

Claim: Rajah No. 67
Date started: Aug. 26, 1955
Date completed: Sept. 14, 1955
Logged by: A. M. S.

Summary of log: Favorable; OBSS 336-382 Thick 46; SS color Wh; MS under OBSS 8.5, Gn; Cbn. A

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	320.0					Plug Bit----No Core
320.0	325.0	MS/ST	R, Gn			Core Plug
325.0	336.3	MS	R		N	ST Rib less than 2.0' thick
336.3	337.2	SS	L Gn	M	N	
337.2	355.1	SS	Wh	M	S	S Gn MS Sm
355.1	355.7	SS	Gn	M	S	A Gn MS Sm & P
355.7	357.2	SS	Wh	M	S	S Gn MS Stks
357.2	362.0	SS	Gy	F	S	A Gn MS Sm & Int; A Cross Bdng
362.0	368.8	SS	Wh	MF	N	A Gn MS Int; Cross Bedding
368.8	377.2	SS	Wh	MF	S	S Gn MS Int
377.2	377.7	SS	Gy	MF	A	Sample #35
377.7	379.1	SS	Gn, Bk	MF	A	Salt & Pepper App.; Samp. #36
379.1	380.0	SS	L Gy	MF	S	Samp. #37
380.0	381.1	SS	Gy-Bk	MF	A	Samp. #38
381.1	382.5	SS	L Gy	MF	A	Dark Stks Samp. #39
382.5	387.7	MS	Gn		N	
387.7	391.0	ST	Gn			
391.0	400.0	MS/ST	R, Gn			

γ-Ray Log: 0 — 1000

SAMPLE	BASE	THICK	LAB ASSAYS (%) U_3O_8	LAB ASSAYS (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5	$CaCO_3$
#35	377.7	0.7	0.21	0.13			6.93
#36	379.1	1.4	1.36	1.58			4.93
#37	380.0	0.9	0.13	0.26			2.36
#38	381.1	1.1	0.34	0.53			8.06
#39	382.5	1.4	0.15	0.51			9.00
Comp.		5.5	0.50	0.70			

Abbreviations

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

Hole No. HR-10

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COLORADO PRINTING CO., GRAND JUNCTION

DRILL HOLE LOG

Type of Drill: Diamond-AX

Logged For: Simpson Mining Co.-DMEA 3649-Idm-E812

Drill-hole No.: HR-11

Total depth: 375.0

Collar elev.: 7178 T. P

Area: Beaver Mesa

COORDINATES

North: East:

Tie:

Claim: Rajah No. 67

Date started: Aug. 26, 1955

Date completed:

Logged by: A. M. S.

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

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0.0	315.0					Plug Bit----No Core
315.0	321.0	MS	R			
321.0	322.0	SS	L Gn	M	N	A Int Gn MS
322.0	347.1	SS	Wh	M	S	S Gn MS Pbls & Seams
347.1	347.7	MS	Gn		N	
347.7	350.7	MS	R			
350.7	351.3	MS	Gn		N	
351.3	351.9	SS	Gn	M	N	A Gn MS Int
351.9	366.7	SS	Wh	M	S	S Gn MS Sm
366.7	367.9	SS	Wh	MF	A	A Cbn Stks 367.5-367.9
						A Gn MS Pbls
367.9	375.0	MS	R		N	10% Gn

γ-Ray Log (0 – 1000)

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

Abbreviations

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

Hole No. HR-11

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COLORADO PRINTING CO., GRAND JUNCTION

DRILL HOLE LOG

SIMPSON & WOODARD
EXPLORATION CO.

Type of Drill Diamond (AX)

Logged For
Simpson Mining Co.
DMEA 3649-Idm-E812
Claim Rajah No. 67

Drill-hole No. HR-13
Total depth 380.0
Collar elev. 7188 T P
Area Beaver Mesa

COORDINATES
North East
Tie

Date started Sept. 14, 1955
Date completed Sept. 17, 1955
Logged by A.M.S.

Summary of log Unfavorable OBSS 326-346 Thick 20 ; SS color Wh ; MS R ; Cbn. S
Semi-Fav. 352-368 16 Wh, Gn under OBSS R S

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	DESCRIPTION REMARKS
0.0	315.0					Plug Bit----No Core
315.0	325.7	MS	R			
325.7	345.7	SS	Wh	M	S	S Gn MS P & Sm
345.7	351.0	MS/ST	R		N	5% Gn MS
351.0	352.0	MS	Gn		N	
352.0	368.0	SS	Wh, Gn	MF	S	A Gn MS Int & Sm
368.0	380.0	MS/ST	R, Gn		N	30% Gn

γ-Ray Log
0 1000

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

Abbreviations

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

OBSS—ore bearing sandstone

Hole No. HR-13

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COLORADO PRINTING CO., GRAND JUNCTION

MF-203
Revised March 24, 1955

RECEIVED
JUL 18 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Simpson Mining Co., et al.
Docket No. DMEA-3649
Contract No. Idm-E
Contract Date

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Mesa, State of Colorado, described as follows:1/ and recorded in the official records of said county

Claim	Mining District	Date of Discovery	Date of Location	Date Recorded	Book	Page
Rajah 67	Gateway	11-8-52	11-8-52	12-30-52	576	345
Rajah 68	Gateway	11-8-52	11-8-52	12-18-52	576	346
Rajah 61	Gateway	11-8-52	11-8-52	12-17-52	576	343
Rajah 62	Gateway	11-8-52	11-8-52	12-17-52	576	495
Rajah 63	Gateway	11-8-52	11-8-52	12-17-52	576	496

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

None

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this 24th day of June, 1955.

✓ Kathleen P. Ladd [Seal]

_____ [Seal]

_____ [Seal]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
HAMILTON, HARRIS, McDAVID, PHILLIPS, LADD,
AND SIMPSON MINING COMPANY
DOCKET NO. DMEA-3649

EXHIBIT "A"

Description of the Work

The object of this project is to explore the uppermost sandstone lens of the Salt Wash member of the Morrison formation for uranium ore deposits. To penetrate this member will require drill holes ranging from 330 to 460 feet in depth.

The work shall be performed in two successive stages. The Operator shall perform all the work under Stage I, and shall perform so much of Stage II as may be approved in advance in writing by the Government; such approval to be based upon the results of the completed work under Stage I.

Stage I

Stage I shall consist of:

(1) Bulldozing to recondition existing access roads, construct new roads to 13 drill sites, and prepare these 13 drill sites. The approximate locations of the drill sites are indicated on map entitled Figure 3.

(2) From the indicated sites 13 holes, aggregating not in excess of 5619 feet, shall be drilled. The holes shall not be closer than 200 feet to any other drill hole or closer than 100 feet to the outer boundaries of the claims mentioned in Annex I of this contract.

(3) Not in excess of 65 chemical analyses for the U_3O_8, V_2O_5, and $CaCO_3$ content of samples obtained during Stage I work shall be made.

Stage II

Stage II, shall consist of:

(1) Bulldozing access roads and preparing 13 drill sites in the vicinity of favorable and/or mineralized holes drilled during Stage I.

(2) Not in excess of 13 holes, aggregating not in excess of 5619 feet, shall be drilled in this Stage II. The holes shall not be closer than 70 feet to any other hole or closer than 100 feet to the outer boundaries of the claims mentioned in Annex I of this contract.

(3) Not in excess of 65 chemical analyses for the U_3O_8, V_2O_5, and $CaCO_3$ content of samples obtained during Stage II work shall be made.

GENERAL PROVISIONS

The location of drill holes and access roads, the method of drilling, and the method of taking and storing samples shall be subject to Government approval.

A supervising engineer or geologist shall be employed full time while work under this contract is being performed.

Mineralized portions of the core shall be split, the Operator using one-half for assay purposes. The other half shall be stored for Government use, with the rest of the core in boxes and properly labelled as to hole number, with markers in the core sections indicating the depths represented. If feasible, the length of core used for an individual sample should not exceed 12 inches.

The holes in both Stage I and Stage II shall be minimum AX size at their bottoms. No uncompleted hole shall be paid for by the Government.

All holes shall be drilled noncore to the inferred Brushy Basin-Salt Wash contact. On entering the Salt Wash member the holes shall be cored through the uppermost sandstone lens (which ranges from 15 to 80 feet in thickness) and the lower gray-green mudstones. The holes shall bottom when they have penetrated into the underlying red mudstone which indicates the lower horizon of the upper ore-bearing lens of the Salt Wash member of the Morrison formation.

If the footage allowed under Stage I of this contract is not sufficient to complete the thirteen (13) holes authorized for this stage, with previous written Government approval, a part of the footage authorized for Stage II may be used to complete the Stage I drilling.

In Stage II no hole shall be started unless there is sufficient footage remaining to complete the hole through the upper sandstone lens of the Salt Wash member of the Morrison formation.

Estimated Costs of the Project
Actual Costs
Stage I

Category (1) Independent Contracts

Bulldozing to recondition existing access roads, construct new roads to and prepare 13 drill sites, 14 days @ $100.00/day 1/	$ 1,400.00	
Plug bit (noncore) drilling: 4,249 feet @ $2.00/ft.	8,498.00	
Core drilling, AX-size: between depths of 200 feet - 300 feet 150 feet @ $2.75/ft.	412.50	
between depths of 300 feet - 400 feet 920 feet @ $3.00/ft.	2,760.00	
between depths of 400 feet - 500 feet 300 feet @ $3.50/ft.	1,050.00	
Stand-by time for drill contractors to log holes, etc. 10 hours @ $12.00/hr.	120.00	$14,240.50

Stage II

Category (1) Independent Contracts

Bulldozing to recondition existing access roads, construct new roads to and prepare 13 drill sites, 14 days @ $100.00/day 1/	1,400.00	

1/ Includes moving bulldozer on and off property.

Plug bit (noncore) drilling: 4,249 feet @ $2.00/ft.	$ 8,498.00	
Core drilling, AX-size: between depths of 200 feet - 300 feet 150 feet @ $2.75/ft.	412.50	
between depths of 300 feet - 400 feet 920 feet @ $3.00/ft.	2,760.00	
between depths of 400 feet - 500 feet 300 feet @ $3.50/ft.	1,050.00	
Stand-by time for drill contractors to log holes, etc. 10 hours @ $12.00/hr.	120.00	$14,240.50

The Government will contribute to the requirements set forth below on the basis of the "Fixed Unit Costs" specified therefor, as these costs accrue, in lieu of actual costs. These costs include all costs of the project whatsoever except those costs of bulldozing, drilling, and stand-by time scheduled above under the category "Independent Contracts." No other categories of actual costs referred to in Article 6 are allowable.

Fixed Unit Costs

Stage I

65 chemical analyses for U_3O_8, V_2O_5, and $CaCO_3$ @ $6.00/each sample	390.00	
Incidental allowance 2/ for each foot of drilling completed - 5,619 feet @ $0.60/ft.	3,371.40	$ 3,761.40

2/ The "incidental allowance" includes all costs of the project whatsoever that are not included in the estimates for bulldozing, drilling, stand-by time, and the fixed unit cost for analyses, and is in lieu of Categories (2) through (7) of actual costs under Article 6(a) of the contract. It includes such items as supervision, engineering, equipment, materials and supplies, compensation insurance, etc.

Stage II

65 chemical analyses for U_3O_8, V_2O_5, and $CaCO_3$ @ $6.00/each sample	$ 390.00	
Incidental allowance 3/ for each foot of drilling completed - 5619 feet @ $0.60/ft.	3,371.40	$ 3,761.40

S U M M A R Y

Estimated Total Costs, Stage I	$18,001.90	
Estimated Total Costs, Stage II	18,001.90	
Estimated Total Cost of Project (rounded to)		$36,004.00
Government Participation @ 75%		$27,003.00

3/ Same as footnote 2/.

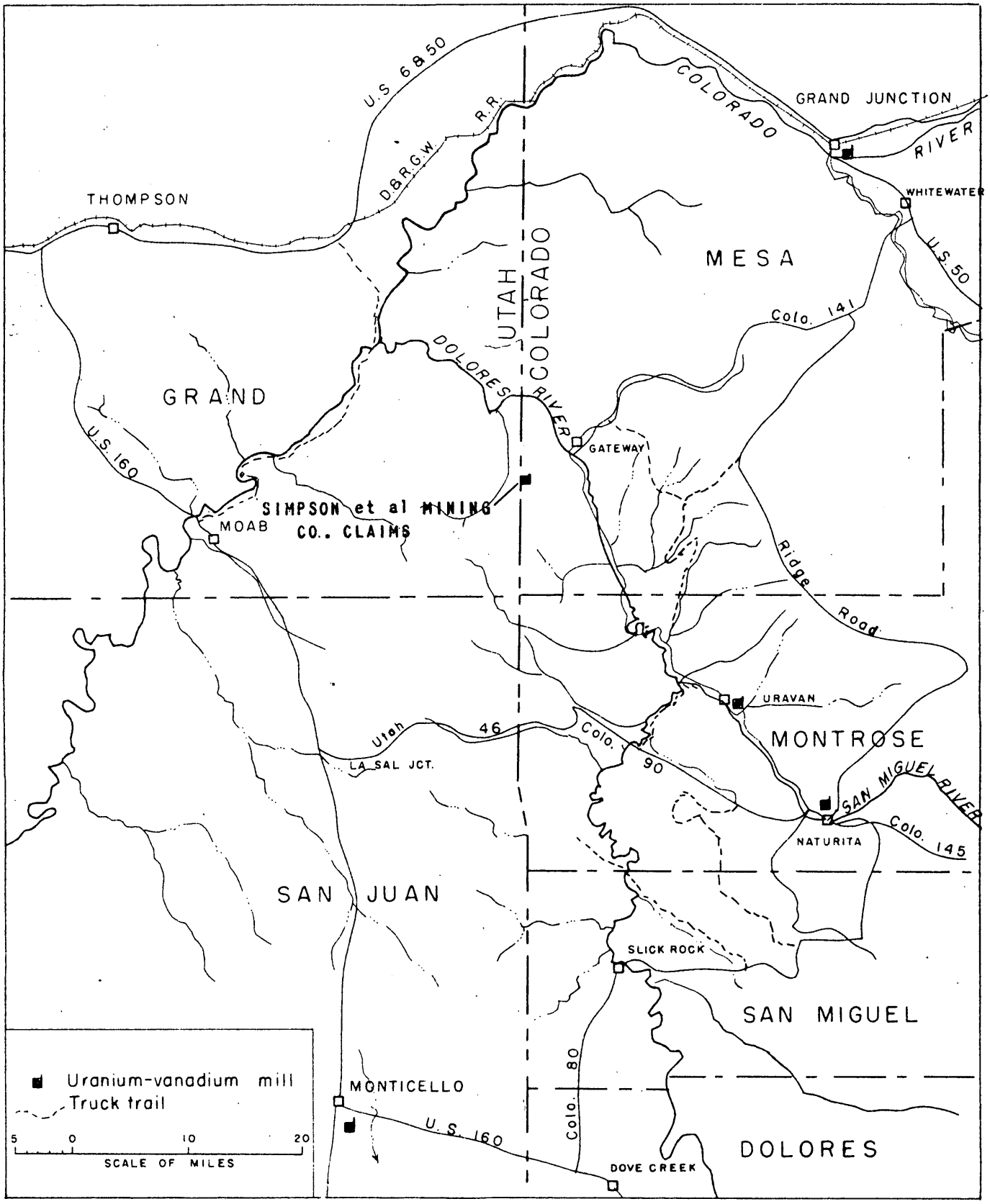


Figure 1. INDEX MAP OF PART OF COLORADO PLATEAU SHOWING LOCATION OF THE RAJAH GROUP OF CLAIMS, SIMPSON et al MINING CO., BEAVER MESA, MESA COUNTY, COLORADO

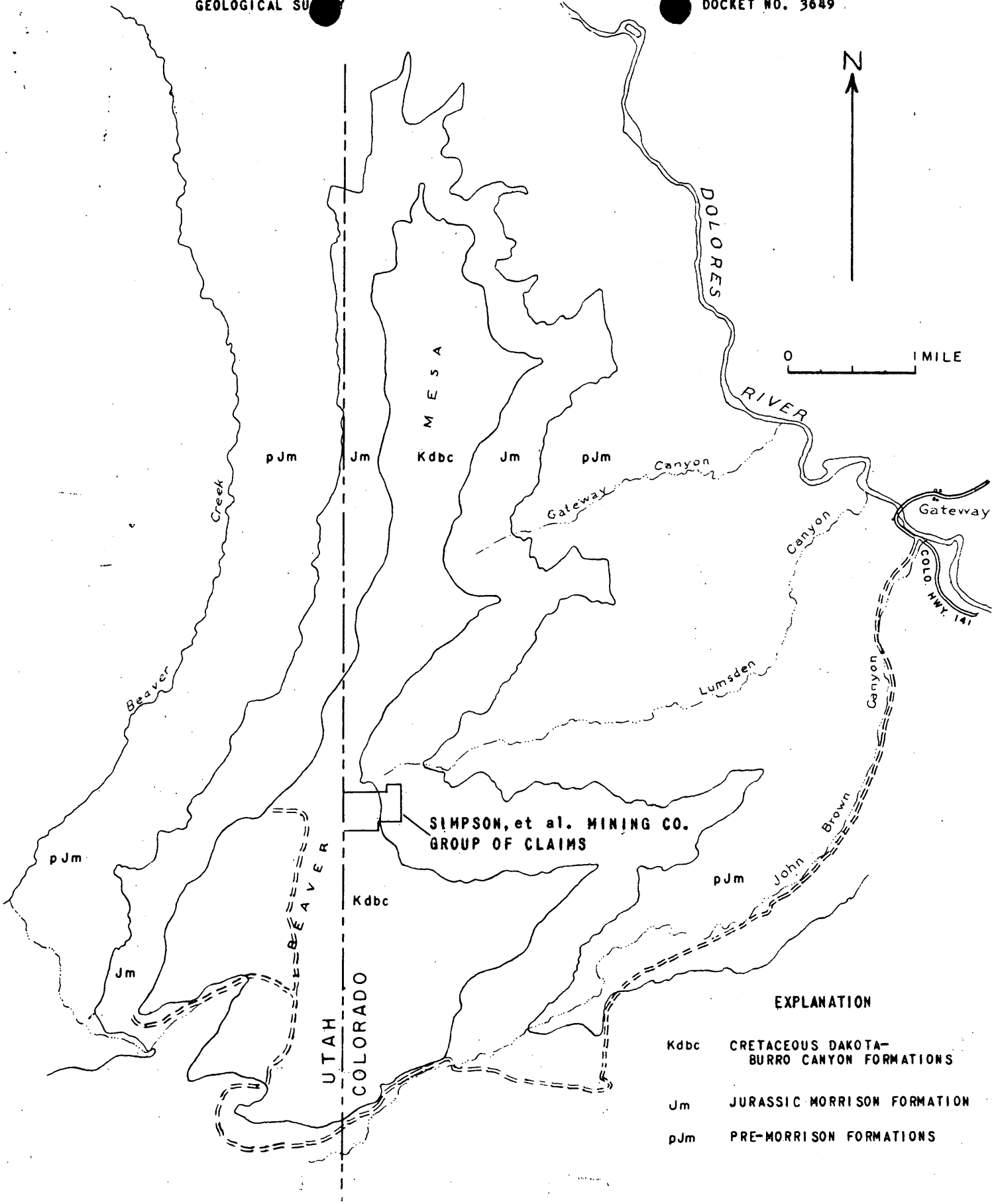
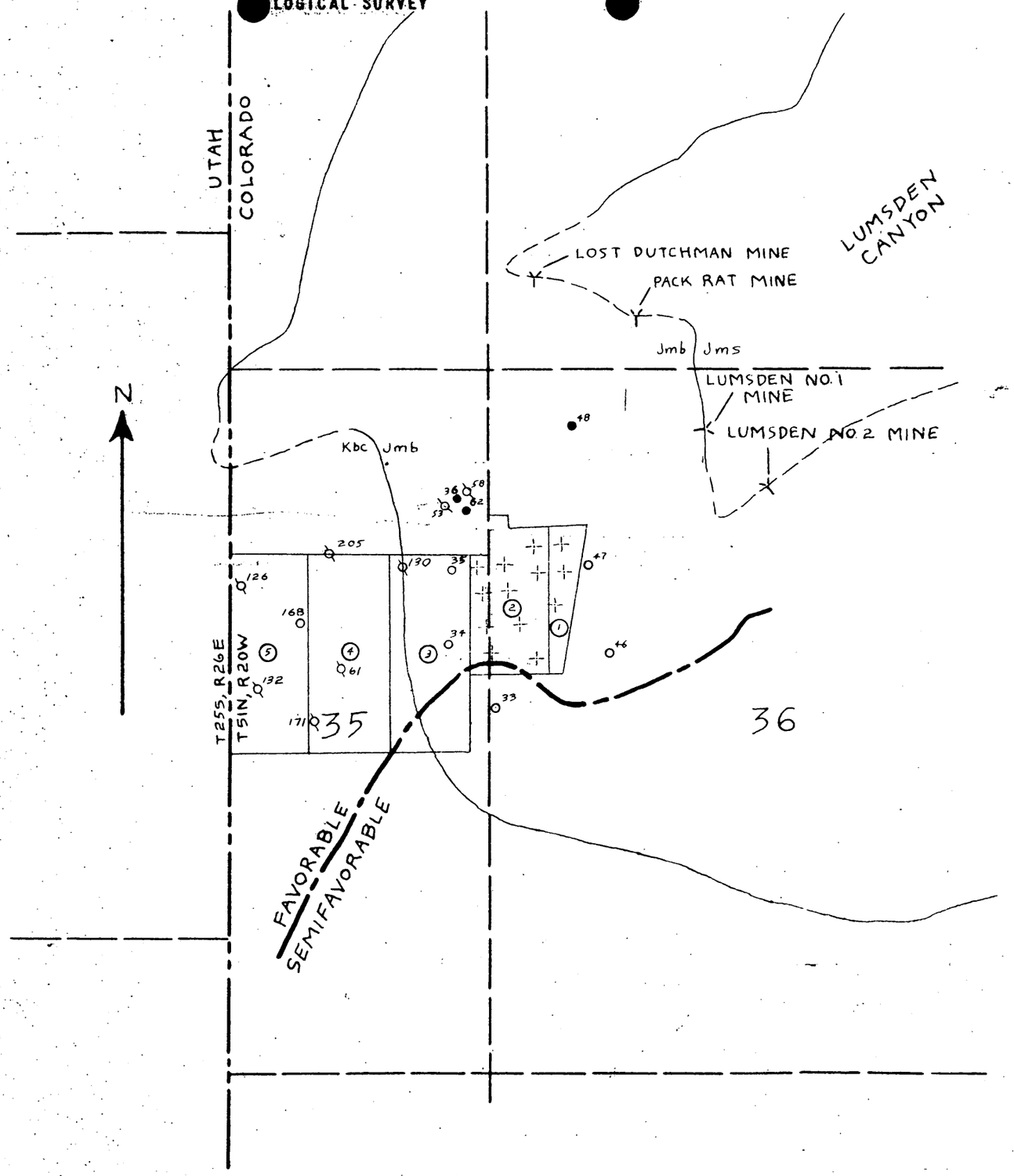


Figure 2. INDEX MAP SHOWING LOCATION OF THE RAJAH 61-63 AND RAJAH 67,68 GROUPS OF CLAIMS SIMPSON, et al. MINING CO., BEAVER MESA, MESA COUNTY, COLORADO

UNITED STATES DEPARTMENT OF THE INTERIOR
LOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET NO. 3649



CLAIM INDEX

1. RAJAH NO. 68
2. RAJAH NO. 67
3. RAJAH NO. 63
4. RAJAH NO. 62
5. RAJAH NO. 61

EXPLANATION

Kbc / Jmb — FORMATION CONTACT BETWEEN CRETACEOUS BURRO CANYON FORMATION (Kbc) AND BRUSHY BASIN MEMBER OF THE JURASSIC MORRISON FORMATION (Jmb): DASHED WHERE CONCEALED

Jmb / Jms — FORMATION CONTACT BETWEEN THE BRUSHY BASIN (Jmb) AND SALT WASH (Jms) MEMBERS OF THE JURASSIC MORRISON FORMATION

MINE

④ — CLAIM BOUNDARY, LOCATED APPROXIMATELY, AND INDEX NUMBER

36 — LAND SECTION NUMBER, LAND LINES LOCATED APPROXIMATELY

DIAMOND-DRILL HOLES, U.S.GEOLOGICAL SURVEY

o47 — BARREN (NOS. 33,38 SEMIFAVORABLE ALL OTHERS FAVORABLE)

58 — WEAKLY MINERALIZED

•48 — ORE-BEARING

LOCATION OF PROPOSED HOLE, STAGE I

1000 0 2000 FEET

Figure 3. MAP SHOWING RAJAH CLAIMS, AND PROPOSED STAGE I HOLE LOCATIONS, SIMPSON, et al MINING COMPANY, MESA COUNTY, COLORADO

Docket No. ~~DMEA - 3649~~

Commodity ~~Uranium~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E812

Date of Contract ~~or Amendment~~: June 8, 1955

Name and Address of Operator:

Hamilton et al and
Simpson Mining Co.
P. O. Box 127, 304 Main Street
Grand Junction, Colorado

Amount of Government participation $27,003.00

Percent of Government participation 75 %

Region: 111 State: Colorado

E. H. Talbut
(Name)
for J. L. Chambers
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. 6/8/55

54458