Division Copy

TERMINATION AGREEMENT

It is agreed this 11th day of December, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jack S. Josey and Frank C. Roper, partners; Marmik Oil Company, an Arkansas corporation; and Amurex Oil Company, a Delaware corporation; a Joint Venture, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-K987, Docket No. DMEA-3786, dated March 29, 1956, hereinafter called the "Contract," that:

1. Effective as of September 14, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute to allowable costs incurred prior to said effective date; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the Contract, including the making and rendering of reports and accounts.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

5. All rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and lien for its payment, records, audit, and recovery of any overpayments, are preserved.

6. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By W. M. Graves
Executive Officer
DMEA Field Team, Region III

Jack S. Josey

Frank C. Roper

Frank C. Roper

MARMIK OIL COMPANY

By M. C. Lowman

Title Pres.

AMUREX OIL COMPANY

By [illegible]

Title Vice-Pres.

Chung
Ellis
Tackett
Selfridge
McBurney

5/24/56

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

RECEIVED
MAY 24 1956

224 New Customhouse
Denver 2, Colorado

May 22, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket DMEA 3786 (Uranium), Contract Idm-E907, Jack S. Josep and Frank C. Roper, Partners; Marmik Oil Company; and Amurex Oil Company; a joint venture (Big Bear et al. Claims), Fremont County, Colorado.

Enclosed are the original and two copies of a Power of Attorney, executed by the members of the joint venture, appointing Robert H. Park to act as the agent of the joint venture in all matters connected with Contract Idm-E907.

J. W. Townsend

J. W. Townsend

Enclosures

RECEIVED
MAY 24 1956

THE STATE OF TEXAS
COUNTY OF HARRIS

WE, the undersigned, members of a joint venture consisting of JACK S. JOSEY and FRANK C. ROPER, Individuals; and MARMIK OIL COMPANY, an Arkansas corporation, and AMUREX OIL COMPANY, a Delaware corporation, owners of an undivided interest in certain mining claims in Fremont County, Colorado, do hereby appoint ROBERT H. PARK, whose address is: 1706 C & I Life Building, Houston 2, Texas, to act as the Agent of said joint venture in all matters connected with the United States Department of the Interior, Defense Minerals Exploration Administration Contract Idm-E907, Docket No. DMEA 3736, and in behalf of said joint venture to submit to the Government all necessary reports and information required under said Contract; and said Agent is authorized to receive individually and to receipt for any monies that are now or may hereafter become due to said joint venture by reason of said Contract Idm-E907.

EXECUTED this the 27th day of April, 1956.

WITNESS:
1. [illegible]
2. [illegible]

JACK S. JOSEY

WITNESS:
1. [illegible]
2. [illegible]

FRANK C. ROPER

ATTEST:
[illegible]
Secretary

(CORPORATE SEAL)

MARMIK OIL COMPANY
By [illegible]
President

ATTEST:
[illegible]
Secretary

(CORPORATE SEAL)

AMUREX OIL COMPANY
By [illegible]
Vice - President

RHP:fr

Division copy

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APR 13 1956

MF-200
(Revised June 1954)

Docket No. DMEA -3786

Commodity Uranium

Contract No. Idm-E 907

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this MAR 29 1956 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Jack S. Josey and Frank C. Roper, partners; Marnik Oil Company, an Arkansas corporation; and Amurex Oil Company, a Delaware corporation -- a Joint Venture, whose mailing address is 1706-17 C & I Life Building Houston, Texas, 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 map (Figure 2).

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 Fremont, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] See Annex I of [5] ..... in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [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: Royalty claims.

(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: Consent to Lien by Leslie Taylor, Walter W. Higgins, Donald Higgins, M. N. Taylor, Alan Taylor, and M. N. Taylor, Jr. Subordination Agreements by Gordon Tolliver, C. C. Robison, and Elizabeth Zinghein.

(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 May 1, 1956 shall commence the work, and on or before November 30, 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 $39,386.55. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $29,489.91: *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. 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.)

(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)

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

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 otherwise would be allowable costs of the project under Article 6 of the contract.

Rubin
Dwyer
Appd. Sol. Off.
Ching
Ellis
Chambers
Selfridge

Executed in sextuplicate the day and year first above written.

JACK S. JOSEY and FRANK C. ROPER

Jack S. Josey (Partner)

Frank C. Roper (Partner)

THE UNITED STATES OF AMERICA

By

Administrator, Defense Minerals Exploration Administration

MARMIK OIL COMPANY

By M. C. Groner, Pres.

AMUREX OIL COMPANY

By

Vice-Pres.

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

Sarah Alice Harris

[CORPORATE SEAL]

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

H. Y. Rowe

[CORPORATE SEAL]

U.S. GOVERNMENT PRINTING OFFICE — 10—70017-1

EXPLORATION PROJECT CONTRACT
JACK S. JOSEY and FRANK C. ROPER, et al.
DOCKET NO. ERDA-3786

ANNEX I

The land referred to in Article 2 of the contract form consists of 15 unpatented lode mining claims situated in an unsurveyed area approximately in Sections 22 and 27, T. 18 S., R. 73 W., 6th P.M., Fremont County, Colorado. The claims are shown on the attached map (Figure 2); and Notices of Location of which are recorded in the office of the County Recorder as follows:

Name	Book	Page
Big Hole No. 1	338	219
Big Hole No. 2	338	222
Big Hole No. 3	338	222
Big Hole No. 4	338	221
Big Hole No. 7	338	443
Big Bear No. 1	338	221
Big Bear No. 2	338	218
Big Bear No. 3	338	218
Big Bear No. 4	338	220
Big Bear No. 5	338	220
Big Bear No. 6	338	219
Cactus	343	177
Cactus No. 1	343	207
Lee No. 1	342	18
Libby	342	18

The Operator is the owner of the Libby claim and lessee of all the other foregoing claims.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA- [redacted]
Contract No. Idm-E
Contract Date

RECEIVED
APR 18 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of [redacted], State of [redacted], described [redacted]

[redacted]

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/

[redacted]

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: [redacted]

Dated this 15 day of December, 1955.

Leslie Taylor [Seal] M.N. Taylor [redacted]
Leslie Taylor — M.N. Taylor

Walter W. Higgins [Seal] Alan Taylor [redacted]
Walter W. Higgins — Alan Taylor

Donald Higgins [Seal] M.N. Taylor Jr. [redacted]
Donald Higgins — M.N. Taylor, Jr.

[redacted]

[Corporate Seal]

RECEIVED
APR 18 1956

MF-201
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA-[redacted]
Contract No. Idm-E
Contract Date

SUBORDINATION AGREEMENT

To the United States of America:

Referring to that certain land in the County of [redacted], State of [redacted], described [redacted]

[redacted]

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. Subordinates whatever right, claim, lien or encumbrance the undersigned may have in or against the land to whatever interests, equities, and rights the Government may acquire under the contract (a) with respect to purchased property in or upon the land to the cost of which it has contributed, including the right to dismantle, sever, and remove it from the land; and (b) with respect to a percentage royalty on production from the land and a lien to secure the payment thereof; and

2. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Subordination Agreement; and (b) to give advance notice of this Subordination Agreement to any transferee of the right, claim, lien, or encumbrance hereby subordinated; and

3. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Subordination Agreement shall extend and apply thereto.

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.

(OVER)

Dated this 15th day of December, 1955.

Gordon Tolliver [Seal]
Gordon Tolliver

C. C. Robison [Seal]
C. C. Robison

[Seal]

[redacted]

[redacted]

[Corporate Seal]

RECEIVED

APR 18 1956

MF-201
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA- [redacted]
Contract No. Idm-E
Contract Date

SUBORDINATION AGREEMENT

To the United States of America:

Referring to that certain land in the County of [redacted], State of [redacted], described [redacted]

[redacted]

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. Subordinates whatever right, claim, lien or encumbrance the undersigned may have in or against the land to whatever interests, equities, and rights the Government may acquire under the contract (a) with respect to purchased property in or upon the land to the cost of which it has contributed, including the right to dismantle, sever, and remove it from the land; and (b) with respect to a percentage royalty on production from the land and a lien to secure the payment thereof; and

2. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Subordination Agreement; and (b) to give advance notice of this Subordination Agreement to any transferee of the right, claim, lien, or encumbrance hereby subordinated; and

3. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Subordination Agreement shall extend and apply thereto.

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.

(OVER)

Dated this 15 day of December, 1955.

X Elizabeth Ginghelm [Seal]
Elizabeth Ginghelm

[Seal]

[Seal]

[redacted]

[redacted]

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
JACK S. JOSEY and FRANK C. ROPER, et al.
DOCKET NO. ERDA-3786

EXHIBIT "A"

Description of the Work

The work consists of exploration by core and non-core drilling to test sedimentary beds of arkosic sandstone, shale and conglomerate, presumably of early Tertiary age. The first two stages of the work are indicated on the attached map entitled "Figure 2 - Map of Josey-Roper Claims . . .," which is attached hereto and made a part hereof.

Mineralization on the property referred to in Annex I occurs at various horizons. All holes shall be collared with a plug bit and drilled non-core to a point immediately above the estimated position of the first radioactive zone. Core drilling shall follow until the hole is bottomed. Drilling depths are estimated to range from 100 feet to 400 feet and to average 194 feet. The minimum size of core shall be AX. All holes shall be reamed and cased as necessary.

All core and cuttings from the cored section of drill holes shall be saved and properly stored for the use of the Government after being checked radiometrically for uranium. Samples indicating significant mineralization shall be analyzed chemically for uranium.

All drill holes shall be logged geologically and probed radiometrically, and the record of such logging and probing, together with certified copies of all assay certificates, shall be submitted with the Operator's monthly progress reports.

The project shall be supervised by a competent engineer-geologist who shall devote full time to the project work.

The work shall be divided into three successive stages. The Operator shall complete Stage I and perform as much of Stage II and Stage III as the Government considers justified by the results of the preceding work and which the Government approves in writing in advance.

The location, direction, inclination, and extent of all project work are subject to the approval of the Government.

Stage I

Prepare access roads and drill sites by a D-7 bulldozer or equivalent unit, and drill 16 holes aggregating not more than 3,120

feet. The positions of these holes are indicated on the attached map (Figure 2). There are five East-West fences with two to five holes in each fence, and a separate hole in the northeast corner of the property. The fences range from 950 feet to 1500 feet apart and the holes in the fences are approximately 600 feet apart except in the most southerly fence, and in the Big Bear No. 1 Claim. Drilling shall begin with the most southerly fence and work northward. If the 16 holes require more than 3,120 feet to reach the desired horizon, such amount of footage as the Government may approve in writing may be transferred from Stage III footage for work under this Stage I, and such transferred footage shall be deducted from Stage III.

Stage II

Prepare access roads and drill sites by a D-7 bulldozer or equivalent unit and drill 23 holes aggregating not more than 4,440 feet. The positions of these holes are tentatively indicated on Figure 2. They may be revised, following completion of Stage I, upon the written approval of the Government. If the 23 holes require more than 4,440 feet to reach the desired horizon, such amount of footage as the Government may approve in writing may be transferred from Stage III footage for work under this Stage II, and such transferred footage shall be deducted from Stage III.

Stage III

Prepare access roads and drill sites by a D-7 bulldozer or equivalent unit, and drill a maximum of 30 holes aggregating not more than 4,500 feet (minus any footage transferred to Stage I and Stage II) as offsets to Stage I and Stage II holes that show significant mineralization. The offset holes shall not be drilled closer than 100 feet from any previously drilled hole.

Estimated Cost of the Project

Actual Costs

Category (1) Independent contracts

3,965 feet non-core drilling @ $1.75/ft.	$ 6,938.75
8,095 feet core drilling @ $2.60/ft.	21,047.00
216 hours bulldozer work @ $12.50/hr.	2,700.00
Categories (2) through (7) None	
Estimated Total Actual Costs	$30,685.75

Fixed Unit Costs

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. The fixed unit costs include all costs of the project whatsoever except those actual costs scheduled above under the category Independent Contracts. No other categories of actual costs in Article 6 of the contract form are allowable costs under this contract.

200 chemical sample analyses @ $3.50/sample	$ 700.00	
Incidental allowance for each foot of core and non-core drilling completed:		
12,060 feet @ $0.68/ft.1/	8,200.80	
Estimated Total Fixed Unit Costs		$ 8,900.80

S U M M A R Y

Estimated total actual costs	$30,685.75	
Estimated total fixed unit costs	8,900.80	
Estimated total cost of the project		$39,586.55
Government participation @ 75%		$29,689.91

1/ Includes all costs of the project whatsoever that are not included under the actual-cost category, Independent Contracts, 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, supplies, accounting, etc.

Code 700

Project Summary Report

By: Michael Ching Date: July 24, 1957

1. Docket No. DMEA-3786 (Uranium)
   Contract No. Idm-E907

   Operator - A Joint Venture consisting of
   Jack S. Josey & Frank C. Roper, Partners
   Marmik Oil Company, an Arkansas corporation
   Amurex Oil Company, a Delaware corporation
   1706-17 C & I Life Building
   Houston, Texas

   Property: 15 unpatented lode mining claims, Big Hole Nos. 1-4 and 7, Big Bear 1-6, Cactus and Cactus No. 1, Zee No. 1, and Libby, situated in an unsurveyed area approximately in secs. 22 and 27, T. 18 S., R. 73 W., 6th P.M.&B., Fremont County, Colorado.

   Operator's Property Rights: Owner of the Libby claim and lessee of the remaining 14 claims. Consent to Lien, dated Dec. 15, 1955, by Leslie Taylor, Walter W. Higgins, Donald Higgens, M. N. Taylor, Alan Taylor, and M. N. Taylor, Jr. Subordination Agreements, dated Dec. 15, 1955 by Gordon Tolliver, C. C. Robinson and Elizabeth Zingheim.

2. Contract (Long Form), dated March 29, 1956
   Final starting date, May 1, 1956
   Actual starting date, May 1, 1956
   Contract completion date, Nov. 30, 1956
   Termination Agreement, dated Dec. 11, 1956, effective Sept. 14, 1956

   Work Authorized - Test potential uranium-bearing beds of Tertiary age by core and non-core drilling in three stages of 16, 23, and not more than 30 holes, respectively.

   Independent Contracts:

3,965 ft. non-core drilling @ $1.75/ft.	$6,938.75	
8,095 ft. core drilling @ $2.60/ft.	21,047.00	
216 hrs. bulldozing @ $12.50/hr.	2,700.00	$30,685.75
Fixed Unit Costs:		
200 chemical analyses @ $3.50/each	700.00	
Incidental allowance for each foot of drilling, 12,060 ft. @ $0.68/ft.	8,200.80	$8,900.80

   Estimated Total Cost of the Project $39,586.55
   Government Participation @ 75% $29,689.91

   Amendments - None

Work Completed:

Stage I - 16 holes:

735 ft. non-core drilling @ $1.75/ft.	$1,286.25	
2,284 ft. core drilling @ $2.50/ft.	5,710.00	
79 hrs. bulldozing @ $12/hr.	948.00	
2 chemical analyses @ $3.50/each	7.00	
Incidental expense, 3,019 ft. @ $0.68/ft.	2,052.92	$10,004.17

Stage II - 6 holes:

127 ft. non-core drilling @ $1.75/ft.	$222.25	
798 ft. core drilling @ $2.50/ft.	1,995.00	
32 hrs. bulldozing @ $12/hr.	384.00	
Incidental allowance, 925 ft. @ $0.68/ft.	629.00	$ 3,230.25

Total Cost of Project $13,234.42
Government Participation @ 75% ..... $ 9,925.81

Drilling was started on May 5 and completed on Sept. 13, 1956.

Final Reports Received:

Operator's - Undated report received - Dec. 13, 1956
Field Team's - dated July 10, 1957, received July 15, 1957

3. Auditor's Report of Review, dated Dec. 27, 1956

Total cost as billed by Operator	$13,424.42
Exceptions	190.00
Total accepted cost	$13,234.42
Government participation @ 75%	$ 9,925.81

4. Certification of Discovery - None

5. Results and Comments:

Uranium occurs on the subject property in thin-bedded, flat-lying, carbonaceous, arkosic sandstone interbedded with siltstone and mudstone. The rocks are of Tertiary age and terrestrial and fluviatile origin.

Of the 22 holes drilled under the contract, 16 recorded anomalous radioactivity. Only 5 of these showed radioactivity amounting to 0.1% to 0.20% eU. The radioactive zones were encountered at a number of different horizons, ranging from 5 feet to 290 feet below the surface. Thickness of the radioactive zones ranged from 6 inches to 3 feet. The zones are lentiçular in occurrence and very limited in horizontal dimensions. Correlation of assay data between holes is very difficult because of the rapid lateral lithologic change in the rocks. Although mineralization appears to be widespread on the property,

the occurrences are too low in grade and too limited in lateral extent to be of economic significance. No production has been made from the property and there are no known ore reserves.

The Operator agrees that the results of the drilling indicate that there is little possibility for the occurrence of significant ore deposits on the property. Termination of the contract was requested by the Operator and agreed to by the Government after 6 holes of Stage II had been drilled. Neither a certification of discovery nor further exploration is warranted on the property. Performance by the Operator was satisfactory.

Michael Ching, Mining Engineer
Div. of Rare & Misc. Metals

MChing/izm 7-24-57
cc to: Mr. Ching
Admr.'s Reading File
Code 700

[X] Audited

[ ] Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of July 24, 1957
Incl. Voucher for _____

[X] Actual Cost

[ ] Agreed Unit Costs

Name Josey and Roper

Docket No. 3786

State Colorado

Commodity Uranium

Idm-E No. 907

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Non-core	3965	9,634.95	862	2,094.66	2,094.66
Core	8095	26,551.60	3,082	9,800.76	9,800.76
Surface Excavation					
Underground Excavation					
Roads and Trails		2,700.00		1,332.00	1,332.00
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) Chem. Analyses		700.00		7.00	7.00
Totals		$ 39,586.55		$ 13,234.42	$ 13,234.42

Prepared by Michael Ching

71626

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July 24, 1957
Re: DMEA 3786 Idm-8907
Jossy & Roper et al
Big Bear Claims
Fremont County, Colo.
Uranium

Memorandum

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

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

Subject: Review of Field Team Final Report

The contract, awarded March 29, 1956, approved the expenditure of $39,586.55 on exploration by core and non-core drilling of a property underlain by rocks of terrestrial and fluviatile origin, probably of Tertiary age. The sedimentary rocks, conglomerate, arkosic sandstone, mudstone and sandy carbonaceous shale occur in a V-shaped basin surrounded by granite and lava.

Uranium-bearing material had been found in 4 widely spaced places and drilling had been done at 2 localities. The uranium-bearing material is found in thin-bedded flat-lying arkosic sandstone interbedded with siltstone and mudstone.

Radioactivity logging of 6 holes drilled by a previous operator on the Big Hole No. 3 claim had indicated, according to the application, a uranium content of as much as 0.1% as U_3O_8 in 5 of the 6 holes and the applicant reported a uranium content of 0.12% in core from 2 of the holes.

Except for a 1-foot channel sample taken on the Cactus claim by an A.E.C. representative cut samples of the outcrops had not assayed over 0.08% U_3O_8. Four grab samples taken by the applicant from the outcrop on the Cactus claim showed up to 0.93% U_3O_8 but the only check sample, that cut by the A.E.C. across 1 foot assayed only 0.16% U_3O_8.

The drilling done under the contract showed widespread distribution especially north and south and up and down, of low-grade uranium mineralization. Holes nearest the known deposits failed to extend the low-grade showings and Hole BB 23 near the old drilling

showed a maximum of 4 feet of 0.095% e U_3O_8. The highest foot-percent sample, 2 feet at 0.20% e U_3O_8 came from Holes 35 and 35A.

The contract was terminated at the request of the applicant after 22 holes had been drilled at a cost of $13,234.42, of which the Government's share is $9,925.81.

The examiners conclude the group was adequately explored and further exploration is not likely to discover ore bodies significantly larger or higher in grade than those already found. Certification is not recommended.

N. E. Nelson

N. E. Nelson

cc: DMEA (3)
James Paone
Jack Kratchman
Director's reading
Branch reading
Chron. file
Docket file
NENelson/mm

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

Date: July 17, 1957

DMEA Docket No. 3786
DMEA Contract No. Idm-E907
Commodity Uranium
Name of applicant Josey & Roper et al
Name of property Big Bear et al claims
Location of property Fremont County, Colo.
Estimated cost of project $13,234.42

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Member
Uranium Commodity Committee

Subject: Review of Final Report
(Application, Final Report, etc.)

1. Date of project document: 7/11/57 2. Date received by reviewer: 7/16/57

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

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

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

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

7. Explain items marked yes above:

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

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

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

FT report (original only needed.) in docket file

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1-15-57 | | 700

224 New Customhouse
Denver 2, Colorado

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket DMEA 3786 (Uranium) Contract Idm-E907, Josey and Roper, et al (Big Bear, et al claims) Fremont County, Colorado

Enclosed are two copies of a memorandum to T. A. Christensen, dated January 7, 1957, relative to final payment under terms of the subject contract.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

ewa

cc: MF-104 File E907
Shaw (2)
Chron.

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

224 New Customhouse
Denver 2, Colorado

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DATE	INITIALS	CODE

January 7, 1957

Memorandum

To: T. A. Christensen

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

Subject: Docket DMEA-3786 (Uranium), Contract Idm-E907
Josey and Roper, et al (Big Bear, et al claims)
Fremont County, Colorado

Reference is made to our memorandum to you dated December 10, 1956, whereby we transmitted the final Form MF-104, Operator's Monthly Report and Voucher for September, 1956, and requested that you withhold the amount of $500.00 from reimbursement to the Operator pending resolution of matters relative to closing the account.

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 of reported project costs by the Contract Administration and Audit Division, dated December 27, 1956, which was released to this office January 3, 1957: -

Basis for Final Payment

Total cost as billed by Contractor - - - - -	$13,424.42
Disallowance by Contract Administration and Audit Division -	190.00
Total Accepted Cost - - - - - - -	$13,234.42
Government participation at 75 percent - - - -	$ 9,925.81
Total prior payments - - - - - - -	9,568.31
Balance due the Operator - - - - - -	$ 357.50

$357.50
231
1/10/57 DMA 57-74

Original signed by
E. N. HARSHMAN

JDC:bh
cc-Chairman, Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Corres. File E-907
MF-104 File E-907
Chron.

E. N. Harshman

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

DATE		CODE
January 8, 1957		
1-11-57		700

224 New Customhouse
Denver 2, Colorado

Mr. Robert C. Park, Agent
Josey and Roper, et al
1706 C. & I. Life Building
Houston, Texas

Re: Docket No. DMEA-3786 (Uranium),
Contract No. Idm-E907
Josey & Roper, et al, a Joint Venture
(Big Bear, et al Claims)
Fremont County, Colorado

Dear Mr. Park:

Final payment under Contract Idm-E907 is being processed by the Government.

During the review of reported project costs by the Contract Administration and Audit Division it was determined that the cost of moving the bulldozer on and off the job is not allowable under the terms of the contract. The following amounts have been disallowed and the Government's percentage of the cost has been deducted from the amount withheld from the final Form MF-104, Operator's Monthly Report and Voucher for September, 1956: -

Month	Amount Disallowed
May, 1956	$ 30.00
June, 1956	100.00
August, 1956	60.00
Total Amount Disallowed	$190.00

If you have any question regarding the disallowance, please feel free to contact this office.

Very truly yours,

Original signed by
W. M. TRAVER

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

JDC:bh
cc-Chm. Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Finance Office, Reg. III
Corres. File E-907
Chron.

1-7-56

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Jack G. Josey and Frank C. Roper, Partners,
Marmik Oil Company, an Arkansas Corporation, and Amurex
Oil Company, a Delaware Corporation, a Joint Venture.
1706-17 C. and I. Life Building
Houston, Texas

pertaining to Exploration Project Contract No. Idm-E907, Docket No. DMEA-3786, and Termination Agreement dated December 11, 1956, for the months of May, 1956, to September, 1956, inclusive, covering a project for the exploration of Uranium on property known as Big Bear, et al claims located in Fremont County, Colorado.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer, 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 ($10,545.50) of the costs incurred covered work performed at unit rates under independent contract; and

(d) the balance ($2,688.92) 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		$13,424.42
Exceptions: (Schedule attached)		
By DMEA Finance Officer	$ .00	
Herewith	190.00	190.00
Total Accepted Cost		$13,234.42

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 Nine thousand, nine hundred twenty-five and 81/100ths Dollars

** $9,925.81 **

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 27, 1956

T. H. Brading, Auditor

Audit Report of Review

SCHEDULE OF EXCEPTIONS

JOSEY AND ROPER, ET AL

CONTRACT IDM-E907 DOCKET DMRA-3786

Moving Dozer

May, 1956	3 hours at $10.00 per hour	$ 30.00
June, 1956	10 " " " " "	100.00
August, 1956	6 " " " " "	60.00
Total Disallowed		$190.00

No provision in the contract for moving dozer; therefore amount shown above is disallowed.

12-13-56

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

224 New Customhouse
Denver 2, Colorado

December 11, 1956

RECEIVED 18

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 3786 (Uranium), Contract No. Idm-3907, Josey-Roper et al., a Joint Venture (Big Bear et al. claims), Fremont County, Colorado

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

The report was received by the Bureau of Mines Office at Denver Federal Center on September 24, 1956, as a part of the Operator's final accounting report. Therefore, forwarding copies of the report has been delayed pending resolution of matters with the Operator which were a prerequisite to processing the accounting report.

The Field Team final report will be submitted as soon as the engineering and geologic sections are available.

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures

DMEA
DEPARTMENT OF THE INTERIOR
OCT 10 1956
REGION III
DENVER, COLORADO

FINAL REPORT

JOSEY-ROPER CORE DRILLING PROJECT

BIG HOLE AREA, FREMONT COUNTY, COLORADO

Period from May 5, 1956 to September 13, 1956

Docket DMEA 3786 (Uranium)
Contract Idm-E907

Drilling Data

Drilling operations on the Josey-Roper Project were completed at 5:00 p.m., September 13, 1956. Four core holes were drilled during the period from September 1 to September 13, 1956. Schedule of holes drilled is as follows:

Hole No.	Date Commenced	Date Completed	Total Depth	Footage Non-Core	Footage Cored	Core Rec.
35&35A*	8-27-56	9-1-56	100'	28'	72'	10.2%
41	9-4-56	9-7-56	200'	25'	175'	10.0%
43	9-7-56	9-12-56	275'	17'	258'	21.0%
42	9-12-56	9-13-56	150'	20'	130'	13.5%

* Data on core hole Nos. 35 and 35A is combined as follows: C. H. No. 35 was commenced on August 27, 1956, drilled to 28', cored to 55', and abandoned August 28, 1956 at 55' with a diamond bit in the hold. C. H. No. 35A, located 20' south of No. 35, was commenced on September 1, 1956, drilled to 55', and cored to 100', and completed the same date.

Anomalous radioactivity was recorded by gamma ray log as follows:

C. H. #35	.075% Ue	49-50'	.065%Ue	52-53'
	.20 % Ue	68-70'.		

Operator's
final report

C. H. #41	.16%Ue	52-53';	.075%Ue	178-179'
C. H. #42	.05%Ue .055%Ue	81-82'; 141-142'.	.085%Ue	130-132;
C. H. #43	None			

A total of 22 holes were drilled on the project. Total footage drilled and cored during Stage I is as follows:

Calendar Month	Total Footage	Footage Drilled	Footage Cored	Percent Cored
May	692	455	237	34.2
June	1,086	91	995	91.6
July	652	90	562	86.2
August (12)	590	100	490	83.0
	3,020	736	2,284	75.6

Total footage drilled and cored during Stage II is as follows:

August	200	37	163	82.0
September	725	90	635	87.5
	925	127	798	86.3

Total footage drilled and cored during the project period is as follows:

Stage	Total Footage	Footage Drilled	Footage Cored	Percent Cored
I	3,020	736	2,284	75.6
II	925	127	798	86.3
	3,945	863	3,082	78.3

Anomalous radioactivity was found by gamma ray log in 16 of the 22 holes drilled. Radioactivity recorded as 0.2%Ue or above was found in 2 holes, Nos. 39 and 35. Radioactivity recorded in the range from 0.10%Ue to 0.19%Ue was found in 3 holes, Nos. 12, 37, and 41.

No core recovery of a radioactive zone was effected, so no core

analyses were made. The gamma ray logging equipment was calibrated in the test hole at the AEC laboratory in Grand Junction, Colorado.

Area Geology

Information gained from drilling outlined the presence of a narrow, elongate, north-south trending sedimentary basin which widens and deepens in the northern part of the project area. The basin is ringed by steep, mountainous ridges formed of granite and feldspathic rocks.

Sediments in the narrow portion of the basin reflect proximity to granitic source rocks by the character of the coarse-grained, angular, quartz and arkosic sandstone and conglomerate, and thick, poorly-cemented, boulder and pebble beds. The northern part of the project area is underlain by fine-grained, well-sorted clastic sediments. Fine-to-medium grained quartz and arkosic sandstone, shaley and argillaceous sandstone, and sandy shale characterize deposits in this part of the basin.

Correlation of stratigraphic horizons from hole to hole is difficult due to the rapid lateral changes present in the deposits; however, a general correlation may be made of the contact between the distinctive upper, brown and yellow, iron-oxide stained, coarse arkosic and boulder conglomerate horizon and the lower, finer-grained, gray, arkosic sandstone and conglomerate.

Normal dip of the sediments is to the north, while dip of the topographic slope is to the south at 450' per mile. This reversal of dip direction gives evidence of relatively recent uplift of the

basin on the north end.

Mineralization

Uranium mineralization is present in the outcrop within the project area and on adjoining claims in thin, brown and maroon, trashy mudstone lentils and pods located in areas of lacustrine and fluviatile cross-bedding and ancient stream channels in the arkosic sediments. The mineralization is associated with the carbonaceous material present in the mudstone lentils, and since both carbon content and formation porosity is relatively low within the mudstone host rock, uranium mineralization is correspondingly low in concentration.

As discovered by drilling, numerous thin, low-grade radioactive zones are present throughout the sedimentary basin. This feature is a reflection of the highly erratic depositional history of the basin. Sedimentary formations present were deposited under varied conditions of climate, topography, and repeated uplift and degradation of the surrounding highland area. Geologic conditions conducive to deposition of small mudstone lentils and pods were repeated many times throughout the depositional history of the basin. The mudstone lentils and pods are small in areal extent and do not connect laterally.

Conclusion

Uranium mineralization in sediments underlying the Josey-Roper project area is present in the numerous, small, carbonaceous mudstone lentils and pods associated with cross-bedded arkosic sediments and ancient stream channels. The lentils are low in carbon content and

formation porosity, and the uranium mineralization is correspondingly low in concentration.

Information received from the drilling program conducted on the Jossy-Roper Project indicates that there is little possibility for the occurrence of uranium ore deposits of commercial grade or size within the project area.

Respectfully submitted,

Jack Q. Frizzell

Jack Q. Frizzell, Geologist
Project Supervisor

JQF:mer

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

224 New Customhouse
Denver 2, Colorado

December 11, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 3786 (Uranium), Contract No. Idm-E907, Josey-Roper et al., a Joint Venture (Big Bear et al. claims), Fremont County, Colorado

Enclosed are the Government's, Division, and Docket copies of the TERMINATION AGREEMENT, which was forwarded by your letter of October 31, 1956 for signature by members of the joint venture and this office.

Three copies of the TERMINATION AGREEMENT have been forwarded to the Operator, a copy distributed to the Finance Office, Region III, and to others concerned.

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

December 11, 1956

RECEIVED DEC 13 1956

Mr. Robert H. Park
Josey-Roper et al.
1706-7 C. & I. Life Building
Houston 2, Texas

Re: Docket No. DMEA 3786 (Uranium)
Contract No. Idm-E907
Josey-Roper et al., a Joint Venture
(Big Bear et al. claims)
Fremont County, Colorado

Dear Mr. Park:

Enclosed are three Operator's Copies of executed TERMINATION AGREEMENT, which terminated Contract No. Idm-E907, effective as of September 14, 1956.

Final payment to the Operator under the provisions of the Contract will be processed upon release to this office of a Report of Review of reported project costs by the Contract Administration and Audit Division, DMEA, which we expect to have in our hands within this week.

Very truly yours,

Original signed by
W. M. TRAVER

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

JWT:prl

cc: Chairman, Op. Comm. (2)
Townsend
Corres. file
Chron.

12-13-56

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

224 New Customhouse
Denver 2, Colorado

December 10, 1956

RECEIVED DEC 13 1956 DMEA

Messrs. Frank C. Roper and
Jack S. Josey
1706-7 C. & I. Life Building
Houston, Texas

Re: Docket No. DMEA 3786 (Uranium)
Contract No. Idm-E907
Jack S. Josey and Frank C. Roper
et al., a Joint Venture
(Big Bear et al. claims)
Fremont County, Colorado

Gentlemen:

Form MF-104, Operator's Monthly Report and Voucher, for September, 1956, has been received in this office and is being processed for payment. An amount of $500.00 is withheld from reimbursement pending resolution of matters relative to closing the account, which includes:

1. Return to this office of the original and seven properly executed copies of a proposed TERMINATION AGREEMENT which was forwarded to you November 6, 1956.

2. Release to this office of a Report of Review of contract expenditures by the Contract Administration and Audit Division, DMEA.

Very truly yours,

Original signed by
W. M. TRAVER

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

JDC:ewa

cc: Chairman, Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Corres. E907
Chron.

12-11-56

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

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

December 6, 1956

Messrs. Frank C. Roper
and Jack S. Josey
1706-17 C. & I. Life Building
Houston, Texas

Re: Docket No. DMEA 3786 (Uranium)
Contract No. Idm-2907
Josey & Roper et al., a joint
venture (Big Bear et al. claims),
Fremont County, Colorado

Gentlemen:

By letter of November 6, 1956, we forwarded to you the original and seven copies of a proposed TERMINATION AGREEMENT for signature by the parties concerned and requested that after signature all copies be returned to us.

Inasmuch as considerable time has elapsed and we have not received the executed copies of the TERMINATION AGREEMENT, we will appreciate advice by return mail as to the reasons for the delay and advice as to the date on or before which we can expect to receive the executed copies of the TERMINATION AGREEMENT.

Very truly yours,

Original signed by
W. M. TRAVER

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

JWT:prl

cc: Chairman, Op. Comm. (2)
Marshman
Shaw
Townsend
Corres. file
Chron.

11-17-56

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

RECEIVED NOV 16 1956

224 New Customhouse
Denver 2, Colorado

November 14, 1956

Mr. Robert H. Park, Agent
Josey and Roper, et al., a joint venture
1706-7 C & I Life Building
Houston 2, Texas

Re: Docket DMEA 3786 (Uranium)
Contract Idm-E907
Josey and Roper, et al., a joint venture
(Big Bear, et al claims)
Fremont County, Wyoming

Dear Mr. Park:

Reference is made to our letter to you dated October 12, 1956 and your reply of October 22, 1956 to this office, relative to the Accounting Report for August, 1956 and the Progress Report and Accounting Report for September, 1956.

These reports have not yet been received by the Government, therefore we will appreciate advice by return mail as to when we may expect to receive them.

Very truly yours,

Original signed by
W. M. TRAVER

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

Copy to:
Jack C. Frisell,
Consulting Geologist
7114 Central Ave., S.E.
Albuquerque, N. M.

JDC:jy

cc: Corresp. E907
Chm. Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Chron.

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

OCT 31 1956

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

Re: Docket No. DMEA-3786 (Uranium)
Contract No. Idm-2907
Josey and Roper, et al.
Big Bear, et al., Claims
Fremont County, Colorado

Dear Mr. Traver:

In accordance with our teletype of October 19, 1956, we are enclosing the original and seven copies of a proposed Termination Agreement between the Government and the subject Operator, to be executed by you. You will note that three of the copies are for the use of the Operator.

If you and the Operator find the agreement in order, please have it executed as specified, and make the indicated distribution thereafter. If the agreement is not satisfactory, please return all copies to this office together with the suggested changes.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

MChing/izm 10-25-56
cc to: Docket
Code 700
Mr. Ching
Admr.'s Reading File
Operating Committee
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

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

DEPARTMENT OF THE INTERIOR

DMEA

14X1401(01) Revolving Fund,
Defense Production Act,
Interior (Allocated Working Fund to the
Office of the Secy.)

OCT 19 1956

T E L E T Y P E

W. H. TRAVER
EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REFERENCE OCTOBER 11 JOBBY AND ROPER, ET AL. DOCKET 3786

CONTRACT E907. WE WILL PREPARE TERMINATION AGREEMENT FOR YOUR

SIGNATURE.

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE

MChing/izm 10-19-56
cc to: Docket
Code 700
Mr. Ching
Admr.'s Reading File
Operating Committee
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Confirmation to Reg. III

700

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

October 19, 1956

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division

Subject: Preparation of Termination Agreement
Docket No. DMEA-3786 (Uranium)
Contract No. Idm-E907
Josey & Roper, et al.
Big Bear, et al., Claims
Fremont County, Colorado

Will you kindly prepare a Termination Agreement between the Government and the subject Operator in accordance with the attached draft. The agreement should be prepared for the signature of the Executive Officer of Region III on behalf of the Government.

/s/ Ernest Wm. Ellis

Ernest Wm. Ellis

Attachment

MChing/izm 10-19-56
cc to: Docket
Code 700
Mr. Ching

Rough Draft
MChing/ism
10-19-56

TERMINATION AGREEMENT

It is agreed this _____ day of _____, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jack S. Josey and Frank C. Roper, partners; Marmik Oil Company, an Arkansas Corporation; and Amurex Oil Company, a Delaware Corporation; a Joint Venture, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E907, Docket No. DMEA-3786, dated March 29, 1956, hereinafter called the "Contract," that:

1. Effective as of September 14, 1956, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated;
2. The Government shall contribute to allowable costs incurred prior to said effective date; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the contract, including the making and rendering of reports and accounts;
3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account;

4. All rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and lien for its payment, records, audit, and recovery of any over-payments, are preceived; and

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

In Witness Whereof, these parties have executed this agreement as of the day and year first above written.

10/17/56

RECEIVED
OCT 15 1956

224 New Customhouse
Denver 2, Colorado

October 12, 1956

Messrs. Frank C. Roper
and Jack S. Josey
1706-17 C. & I. Life Building
Houston, Texas

Attention:

Robert C. Park, Agent

Re: Docket DMEA 3786 (Uranium)
Contract Idm-E907
Josey and Roper et al., a joint venture
Big Bear et al. claims
Fremont County, Wyoming

Gentlemen:

Receipt is acknowledged of the following reports, all signed by Mr. Jack C. Frizzell, Geologist.

1. "Final Report, Stage I Drilling Program"
2. "Final Report" covering work under Stages I and II
3. "Progress Report, August, 1956"

We have not as yet received the following reports, which should be forwarded to the Government at the earliest possible date.

1. Accounting Report for August, 1956, including the accounting forms and cost documentation
2. Operator's Progress Report and Accounting Report for September, 1956

The matter of terminating the contract in its present status, prior to completion of all work outlined in the contract has been referred to the Washington office for their consideration and appropriate action, on which you will be informed at a later date.

Very truly yours,

E. N. Harshman

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

JDC:jy
cc: Corresp. E907
Sec. Op. Comm. (2)
Harshman
Shaw (2)
Townsend Chron.

Copy to: Jack C. Frizzell,
Geologist

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

224 New Customhouse
Denver 2, Colorado

October 11, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 3786 (Uranium), Contract No. Idm-E907, Josey & Roper et al. (Big Bear claims et al.), Fremont County, Colorado.

Enclosed is the following material pertaining to termination of the subject contract:

1. The original and three copies of a letter dated September 14, 1956 from Jack Q. Frizzell, Geologist for the joint ventufe.

2. The original and three copies of a joint memorandum report from W. D. McMillan, Mining Engineer, Bureau of Mines, and Robert U. King, Geologist, Geological Survey.

The Operator drilled twenty-two holes under the contract, aggregating 3,945 feet, which is only about one-third of the total work outlined under the contract.

Because of the results obtained from drilling, the examining team recommends termination of the contract in its present status without issuing a Certificate of Discovery or Development, in which this office concurs.

Please advise if the Termination Agreement will be prepared in your office or if it is to be prepared by this office.

E. N. Harshman

E. N. Harshman

Enclosures

DMEA
DEPARTMENT OF THE INTERIOR
SEP 17 1956
REGION III
DENVER, COLORADO

September 14, 1956

Re: Docket DMEA 3786 (Uranium
Contract Idm E-907
Termination of Project

Mr. W. M. Traver
224 New Customhouse Bldg.
Denver 2, Colorado

Dear Mr. Traver:

Drilling on the Josey-Roper Project, Big Hole Area, Fremont County, Colorado, was terminated at 5:00 P. M., September 13, 1956, with the completion of core hole #42. Core hole #39 was not drilled under Stage II drilling since it was decided that drilling of the hole in an alternate location, as requested by me on August 28, 1956, would not be beneficial to the project. This decision was made after examination of the site in the field by W. D. McMillan, U. S. Bureau of Mines representative, and telephone conversation held with Josey and Roper.

A final report of findings is being prepared at present and will be forwarded to Mr. Shaw as soon as possible.

Sincerely yours,

Jack Q. Frizzell

Jack Q. Frizzell, Geol.

September 14, 1956

Re: Docket DMEA 3786 (Uranium
Contract Idm E-907
Termination of Project

Mr. J. M. Traver
224 New Customhouse Bldg.
Denver 2, Colorado

Dear Mr. Traver:

Drilling on the Josey-Roper Project, Big Hole area, Fremont County, Colorado, was terminated at 5:00 P. M., September 13, 1956, with the completion of core hole #42. Core hole #30 was not drilled under Stage II drilling since it was decided that drilling of the hole in an alternate location, as requested by me on August 28, 1956, would not be beneficial to the project. This decision was made after examination of the site in the field by W. D. McMillan, U. S. Bureau of Mines representative, and telephone conversation held with Josey and Roper.

A final report of findings is being prepared at present and will be forwarded to Mr. Thaw as soon as possible.

Sincerely yours,

Jack L. Frizzell, Col.

DMEA
DEPARTMENT OF THE INTERIOR
OCT 9 1956
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
October 8, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: W. D. McMillan
Robert J. King

Through: John F. Shaw
E. H. Harshman

Subject: Docket DMEA 3786 (Uranium) Contract Idm-4007,
Jack G. Josey and Frank C. Roper,
(Big Bear, Big Hole claim Group)
Fremont County, Colorado -- Termination of Contract

Jack Q. Frizzell, geologist for Josey-Roper, requested in a letter to the Executive Officer, Region III, dated September 14, 1956, that drilling under the subject contract be terminated. He stated that in his opinion further drilling would not result in significant discoveries of uranium deposits.

Results of DMEA exploratory drilling on the subject property have not been encouraging. From May 5, 1956, to September 13, 1956, 16 Stage I holes and 6 Stage II holes, totaling 3945 feet were completed. Holes were drilled on rows from 400 to 500 feet apart, the holes being spaced along the fences at 400- to 600-foot intervals (fig. 1). The drilling program was designed to explore for uranium deposits in sedimentary, arkosic sandstones, shales and conglomerates, presumably of early Tertiary age and of terrestial and fluviatile origin. The beds have an easterly strike, and dips range from 20° N. to 25° NE. Of the 22 holes completed, anomalous radioactivity was found in 16 holes. Radioactivity that recorded 0.20% U_3O_8 or above was found in Holes 35 and 39, and radioactivity that recorded from 0.10% to 0.19% U_3O_8 was found in Holes 12, 37 and 41.

The radioactive anomalies were found in thin beds ranging in depth from 7.0 to 250 feet, but could not be correlated from hole to hole. They were mainly in sandstone where no samples were taken.

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

224 New Customhouse
Denver 2, Colorado

September 19, 1956

Mr. Jack Q. Frizzell, Consulting Geologist
Jack S. Josey and Frank C. Roper, Partners;
Marmik Oil Company; and Amurex Oil Company;
A Joint Venture
Room 12, Queen's Rest Court
Highway 115
Canyon City, Colorado

Re: Docket DMEA 3786 (Uranium)
Contract Idm-E907
Josey and Roper, et al.
Big Bear claims, et al.
Fremont County, Colorado

Dear Mr. Frizzell:

Enclosed herewith are all copies of the Monthly Narrative Progress Report for the above contract for July, 1956 which have not been signed.

Please sign and return all copies as soon as possible in order that the July voucher may be processed for payment.

Very truly yours,

W. M. TRAVER

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

Enclosures

Copy to:
Robert H. Park, Agent
1706 C & I Life Building
Houston 2, Texas

JDC:jy
cc: Corresp. E907
Sec. Op. Comm. (2)
Shaw (2)
Townsend
Cooper
Chron.

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

RECEIVED
SEP 21 1956

224 New Customhouse
Denver 2, Colorado

September 18, 1956

Mr. Robert H. Park, Agent
1706 C. & I. Life Building
Houston, Texas

Re: Docket DMEA 3786 (Uranium)
Contract Idm-E907
Josey & Roper et al.
(Big Bear et al. claims)
Fremont County, Colorado

Dear Mr. Park:

We have a letter dated August 31, 1956 over the signature of Jack Q. Frizzell, Project Supervisor of the captioned contract, which requests relocation of core drill hole No. 30 as No. 30A, and abandonment of the original hole.

Mr. Frizzell, on September 14, 1956, wrote further requesting that core drill hole No. 30 not be drilled either at the original location or at a new alternative location, and that the project be terminated.

Accordingly, we are disregarding the request of August 31, 1956, and have referred the request for termination, dated September 14, 1956, to the field for recommendation.

You will be advised of the outcome.

Very truly yours,

W. M. TRAVER

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

cc: Mr. Jack Q. Frizzell
Project Supervisor
Josey & Roper et al.
Room 12, Queen's Rest Court
Highway 115
Canon City, Colorado

WMT:prl
cc: Sec. to Oper. Comm. (2)
Corres. E907
Shaw (2)
Harshman
Townsend
Chron.

9/19/56 gla

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

RECEIVED
SEP 19 1956

224 New Customhouse
Denver 2, Colorado

September 17, 1956

Memorandum

To: John F. Shaw (2) - w/one copy of Operator's letter
H. H. Hardman - " " " " " "

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3786 (Uranium), Contract Idn-E907, Jack S. Josey and Frank C. Raper et al. (Big Bear et al. claims), Fremont County, Colorado.

Attached is a copy of a letter from the Operator of the subject contract, wherein he requests termination of the contract.

Please let us have a joint memorandum of your recommendations, returning at that time the attached copy of the letter.

W. M. TRAVER

W. M. Traver

WMT:pr1

cc: Sec. to the Op. Comm. (2)
Corres. E907
Townsend
Chron

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

RECEIVED
SEP 1 2 1956

224 New Customhouse
Denver 2, Colorado

September 10, 1956

Mr. Robert H. Park, Agent
Jack S. Josey and Frank C. Roper, Partners
Marmik Oil Company and Amurex Oil Company;
a joint venture
1706 C & I Life Building
Houston, Texas

Re: Docket DMEA 3786 (Uranium)
Contract Idm-E907
Josey and Roper, et al.
Big Bear claim group
Fremont County, Colorado

Dear Mr. Park:

Form MF-104, Operator's Monthly Report and Voucher, for the month of June, 1956 has been received in this office and is being processed for payment with the following deductions.

Bulldozing

A total of 52 1/2 hours of bulldozing time was consumed during June, 1956 in the preparation of access roads and drill hole sites. The sites were prepared for

1. Stage I and Stage II holes which have been approved by the Government for drilling.

2. Tentative Stage II holes which have not been requested for drilling.

3. Proposed Stage II holes which have been denied by the Government.

Costs for the above bulldozing are approved, suspended and disallowed according to the following table.

		Drill Sites Prepared For			Prorated Bulldozing Time		
Date	Hours	Holes Approved	Holes Not Yet Requested	Holes Denied	Hours Approved	Hours Suspended	Hours Denied
6-5-56	8	2	0	0	8	0	0
6-6-56	7	0	3	3	0	3 1/2	3 1/2
6-7-56	8	1	3	0	2	6	0
6-8-56	8	0	0	3	0	0	8
6-9-56	7 1/2	0	0	2	0	0	7 1/2
6-10-56	7	7	0	0	7	0	0
6-12-56	7	0	1	1	0	3 1/2	3 1/2
Totals	52 1/2	--	--	--	17*	13	22 1/2

* 10 hours moving time at $10.00 per hour is also approved.

Suspended

13 hours bulldozing time at $12.00 per hour. The suspended costs will be subject to reclaim to the extent that the holes involved are subsequently approved for drilling.

Disallowed

22 1/2 hours bulldozing at $12.00 per hour.

You will note that the hours of bulldozing time approved, suspended and disallowed is prorated according to the number of drill hole sites prepared. If you have a breakdown of the actual time consumed in preparation of the individual drill hole sites, we request that you submit it to this office in order that we may make a more proper analysis of the time to be approved, suspended and disallowed.

Please delete on subsequent reporting Forms MF-104 and MF-104A, the units of work and costs which have been suspended and disallowed.

We note that on Form MF-104A in the column headed "Unit Costs to Date" you are entering the total costs to date for each item of work. The average cost to date per unit of work is to be entered in that column.

Very truly yours,

W. M. TRAVER

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

JDC:jy
cc: Corresp. E907
MF-104 File E907
Sec. Op. Comm. (2)
Shaw (2)
Townsend
Chron.

9-5-56

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

RECEIVED
SEP - 4 1956

224 New Customhouse
Denver 2, Colorado

August 31, 1956

Mr. Robert H. Park, Agent
Jack S. Josey and Frank C. Roper, Partners
Marmik Oil Company, an Arkansas Corporation
Amurex Oil Company, a Delaware Corporation -
A Joint Venture
1706 C & I Life Building
Houston, Texas

Re: Docket DMEA 3786 (Uranium)
Contract Idm-E907
Josey and Roper, et al
Big Bear claim group
Fremont County, Colorado

Dear Mr. Park:

Form MF-104, Operator's Monthly Report and Voucher, for May, 1956 has been received in this office and is being processed for payment.

A disallowance has been made for the cost of one foot of non-core drilling and the incidental allowance for one foot of drilling in hole No. 38. The geologic and radiometric logs indicate that only 84 feet was drilled in this hole, whereas the cost of 85 feet was reported on Forms MF-104 and MF-104A.

We note that incidental allowance for the footage drilled was entered in the wrong space on Form MF-104A. Incidental allowance should be entered on the upper section of the form, in any of the spaces provided, by crossing out one of the items which is not applicable and substituting "Incidental Allowance." It is necessary that the units as well as costs for this item be entered on the form.

You are correct in your determination that documentation is not required for the items listed under "Fixed Unit Costs" in Exhibit "A" of the contract.

With the exception of the above statement relative to incidental allowance, the May, 1956 report was properly completed and documented.

Very truly yours,

W. M. TRAVER

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

JDC:jy

cc: Corresp. E907
Sec. Op. Comm. (2)
Shaw (2)
Townsend
Chron.

8/13/56 glu

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

RECEIVED
AUG 13 1956

224 New Customhouse
Denver 2, Colorado

August 10, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3786 (Uranium), Contract Km-E907, Jack S. Josey and Frank C. Roper, Partners; Marmik Oil Company and Amurex Oil Company, a joint venture (Big Bear et al. claims), Fremont County, Colorado.

Enclosed are four copies of project work approval issued by the DMEA Field Team, Region III.

Also enclosed are three copies of the Operator's request for the work approval and four copies of a joint memorandum, dated August 6, 1956, from W. D. McMillan, Mining Engineer, Bureau of Mines, and R. U. King, Geologist, Geological Survey, pertaining to the Operator's request.

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

W. M. Traver

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL
AIR MAIL

August 10, 1956

Mr. Frank C. Roper
Jenny & Roper et al.
1706-17 C. & I. Life Building
Houston, Texas

RECEIVED
AUG 13 1956

Re: Docket DMEA 3786 (Uranium)
Contract IDm-2907
Jack S. Jenny and Frank C.
Roper, Partners; Harmik Oil
Company and Amurex Oil Company,
a Joint Venture
(Big Bear et al. claims)
Fremont County, Colorado

Dear Mr. Roper:

In reference to your request of July 9, 1956, and consistent with provisions in the contract, the Government's approval relative to drilling under Stage II of the contract is as follows:

Stage II Drill Holes Nos. 2-A, 3, 5, 7, 8, 10, 11, 26, 27, 33, and 29, as shown on the map, "Figure 2", attached to the contract, will not be drilled.

The Government approves the following holes for drilling under Stage II:

Hole No.	Recommended depth	Remarks
37	75 ft.	Depth based on information in adjacent holes.
35	100 ft.	Depth based on information in adjacent holes.
30	225 ft.	Depth based on information in adjacent holes.
40	125 ft.	Substituted for holes 33 & 29.

IN REPLY REFER TO:
DMEA
Date Rec'd.
AUG 10 1956
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

August 6, 1956

RECEIVED
AUG 13 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: John F. Blair
L. E. Harshman

From: W. D. McMillan
R. U. King

Subject: DMEA Docket 3/56 (Uranium), Contract Idm-[illegible]07, Jack A. Josey and Frank J. Roper, Big Hole-Big Bear claim group, Fremont County, Colorado. Application for Stage II drilling.

An examination of the subject property was made on August 2, 1956, accompanied by Jack A. Frizell, Geological Project Supervisor for the operator.

At the time of the examination core hole 1[illegible] had reached a depth of 310 feet. This hole had found indications of uranium mineralization that possibly can be correlated with uranium-bearing beds found in hole nos. 12 and 2[illegible]. Hole no. 1[illegible] will be continued to a depth of 400 feet. The only remaining Stage I holes not completed are nos. 1[illegible] and 19.

Uranium mineralization has been recorded by gamma-ray logs in 11 of the 13 holes completed to date, with hole no. [illegible] showing ore-grade material.

Because of the relatively low and uniform grade of uranium mineralization encountered (0.04 - 0.11 percent eU_3O_8) in the 13 holes at depths between 3 and 291 feet, it is recommended that exploration under Stage II be modified and reduced as follows:

Recommended Stage II exploration

(1) Hole No.	Recommended depth	Remarks
37	75 ft.	Depth based on information in adjacent holes.
35	100 ft.	Depth based on information in adjacent holes.
30	225 ft.	Depth based on information in adjacent holes.
40	125 ft.	Substituted for holes 33 & 29
41	200 ft.	Substituted for holes 7 & 8
42	150 ft.	Substituted for holes 27 & 26
43	275 ft.	Substituted for holes 10 & 11

(2) It is recommended that the applicant's request to eliminate holes 2a, 3, and 5 from Stage II drilling, due to their proximity to underlying granite, be approved.

(3) The applicant's proposal to drill offset holes around existing hole no. 39 should be considered only under Stage III exploration.

(4) The applicant's request to retain one undrilled location (out of holes 2a, 3, and 5) to offset Stage II drilling should be denied and should be considered only under Stage III exploration.

The location of recommended Stage II holes are shown on the accompaning map (fig. 2 - DMEA Docket 3786).

Note: Exploration of the northwest part of the property under Stage II will have to be consequent to completion of Stage I holes 15, 18, and 19.

F. H. Everett for
W. D. McMillan
Mining Engineer

R. U. King
R. U. King
Geologist

DMEA
Date Rec'd.

JUL 27 1956

BUREAU OF MINES
Denver, Colorado

RECEIVED
AUG 15 1956

REPLY ADDRESS
1706 C & I Life Bldg
Houston, Texas,
July 9, 1956.

Mr. John F. Shaw
U. S. Bureau of Mines
Room 137, Building 80
Denver Federal Center
Denver 2, Colo.

Re: Contract Idm E-907
Docket DMEA 3706 Uranium
Big Bear et al Claims
Fremont County, Colo.

Dear Mr. Shaw:

Application is hereby being made to subject contract for Stage No. 2 core drilling.

Proper maps, charts, logs, radiometric probing and chemical assays are enclosed as requested by Mr. W. H. Traver in his communication of April 16, 1956 directed to Jack S. Josey, Frank C. Roper et al.

I trust that the enclosed meets with your requirements and approval.

Thanking you very much for an early reply, I am

Very truly yours,

Jack S. Josey, Frank C. Roper, Darnik Oil Company; and Amurex Oil Company

BY: Frank C. Roper

Frank C. Roper

Encls.

JOSEY-ROPER CORE DRILLING PROJECT

BIG HOLE AREA, FREMONT COUNTY, COLORADO

Recommendation for Stage II Drilling Program

Docket DMEA 3786 (Uranium)
Contract Idm-E907

Drilling during Stage I on the Josey-Roper Project revealed the presence of a relatively deep sedimentary basin underlying the northern portion of the Project area with a shallower, less well-defined basin flanking to the south and east. Sandstone, shale, argillaceous sandstone, and arkosic conglomerates are the predominant sedimentary deposits in the deeper basin to the north, while heavy boulder beds, course conglomerates, and fragmental arkosics, characteristic of outwash-plain deposition, are present in the shallower structure.

Outcrop uranium mineralization is present in bedded deposits at several occurrences within the project area. The deposits are usually found in the thin, dark gray, brown, and maroon mudstone beds deposited at localities of ancient stream cross-bedding and in scour-and-fill structures. Laminated and disseminated carbon trash generally is associated with the mineralized deposits. Mineralization also occurs in arkosic sandstones which are in contact with mudstone lentils, or which contain thin, silty carbonaceous laminae.

Anomalous subsurface mineralization was recorded by

gamma-ray log in all of the holes drilled with the exception of holes #4 and #6. Mineralized zones encountered ranged from 5' to 250' in depth, 1' to 3' in thickness, and 0.03%Ue to 0.23%Ue in grade. Commercial mineralization was recorded in C. H. #39 and in experimental hole #39b, located 10' north of #39. The mineralization, which occurred from 17' to 19' in a dark gray, silty, carbonaceous mudstone, was recorded as 0.2%Ue in #39 and 0.23%Ue in #39b. Chemical analysis of a 4 inch section of core recovered from #39b assayed 0.07% U308. Core recovery through the zone was very poor and it is probable that the 4 inch section assayed represented fringe mineralization overlying or underlying the main zone. (Examine accompanying map for depth, thickness, and mineralization data for holes drilled to date).

Definite stratigraphic or gamma-ray correlations are not evident from drilling information as yet received. Additional drilling at locations between Stage I holes probably will reveal stratigraphic relationships from hole to hole, particularly in the northern part of the area.

Conclusions and recommendations

Uranium mineralization has been recorded by gamma-ray log on ten of the twelve core holes completed to date. Commercial mineralization occurs in C. H. #39, and below commercial grade deposits are present in the nine other mineralized holes. Drilling has revealed the presence of a sedimentary basin under-

lying the north part of the area in which fine-grained clastic sediments are deposited, thus being more favorable geologically for the concentration of uranium mineralization than the shallower basin on the south.

The relatively abundant occurrence of uranium-bearing zones plus the presence of favorable sedimentary conditions present sufficient cause for further drilling to be carried out in order to supplement exisiting information and to more thoroughly explore the productive potential of the project.

I recommend that the drilling program for State II be carried out as designated in Contract Idm-E907 with the following exceptions:

1. Core holes #2a, #3, and #5 not be drilled due to their being located in proximity to the granitic intrusives dipping under the valley fill on the southwest side of the project area.
2. Two of the undrilled locations be moved to positions 150' south and north on a bearing of S15°30'W of core hole #39. Since this is the only hole in which commercial mineralization has been found, an attempt should be made to ascertain the extent of the uranium-bearing horizon underlying that locality.
3. Retain one undrilled location unassigned as to location in the event that drilling now in progress

reveals any condition to which an offset core hole would be beneficial to Stage II information.

Respectfully submitted,

Jack Q. Frizzell

Jack Q. Frizzell, Geologist
Project Supervisor

JQF:mer

Uranium mineralization is found in small carbonaceous mudstone lentils and pods associated with cross-bedded arkosic sediments. The examining team concludes that there is little possibility that additional drilling will discover uranium deposits of commercial grade and size, and recommend that the contract be terminated without a Certificate of Discovery.

A.A. Kruschevan for
W. D. McMillan
Mining Engineer

Robert U. King
Robert U. King
Geologist

WDM/mw
cc: 9
Idaho-8987
Chron
AAKruschevan

Hole No.	Recommended depth	Remarks
41	200 ft.	Substituted for holes 7 & 8.
42	150 ft.	Substituted for holes 27 & 26.
43	175 ft.	Substituted for holes 10 & 11.

The locations of the above approved Stage II drill holes are shown on the map entitled, "Figure 2. - Map of Jessy-Roper Claims Showing Location of Existing and Proposed Drill Holes, Fremont County, Colorado," which is attached hereto and made a part of this work approval.

The Government's approval of additional drilling under Stage II will depend upon the results of Stage I drill holes Nos. 13, 18, and 19.

Action on Stage III drilling will not be taken until all Stage I and Stage II drilling has been completed and the results thereof made available to the Government.

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

Very truly yours,

BMA Field Team, Region III

W. M. Fraver

E. M. Harrington

Enclosure

cc: Mr. Jack Q. Frizzell, Geologist
Project Supervisor
Room 12, Canon's Rest Court
Highway 115
Canon City, Colorado

JWFigrl

cc: Chairman, Op. Comm. (4)
Finance Office, Reg. III
Amendment file, Reg. III

Harshman
Shaw (2)
Townsend
Corres. file Chron.

5-18-56

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

224 New Customhouse
Denver 2, Colorado

May 15, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 5786 (Uranium), Contract DMe-2907, Jack S. Josey and Frank C. Roper, Partners; Nurmik Oil Company and Amurex Oil Company, a joint venture (Big Bear et al. Claims), Fremont County, Colorado

Enclosed are four copies of approval from this office for the moving of two Stage I drill holes from the locations as shown on the map, Figure 2, attached to the contract.

Also enclosed are four sets of data, consisting of the Operator's letters of May 8 and May 12, 1956.

W. M. Traver

W. M. Traver

Enclosures

RECEIVED
MAY 17 1956

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

[illegible] New Customhouse
Denver 2, Colorado

May 15, 1956

Mr. Jack G. Frizzell, Geologist
Project Supervisor
Jussy and Roper et al.
Room 18, Queen's Court Court
Highway 115
Canon City, Colorado

RECEIVED
MAY 17 1956

Re: Docket DMEA 3786 (Uranium),
Contract 16m-2907,
Jack S. Jussy and Frank C. Roper,
Partners; Marsak Oil Company and
Amurex Oil Company; a joint venture
(Big Bear et al. Claims)
Fremont County, Colorado

Dear Mr. Frizzell:

In reference to your letters of May 8 and May 12, 1956, this constitutes the Government's approval for you to move Stage I drill holes from the locations shown on the map, Figure 2, attached to the Contract, as follows:

1. Drill hole No. 38 will be moved South 74° 30' West a distance of 35 feet.

2. Drill hole No. 34 will be moved due West a distance of 45 feet.

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

Very truly yours,

JWT:prl
cc: Chairman, Oper. Comm. (4)
Finance Office, Region III
Amendment file
Barahman
Shaw
Townsend
Corres. file
Chron.

DMEA Field Team, Region III

By W. M. Trever
W. M. Trever
Executive Officer

DMEA
Data Rec'd.
MAY 14 1956
BUREAU OF MINES
Denver, Colorado

May 12, 1956

Mr. W. M. Traver
Executive Officer
Field Team, Region III
D. M. E. A.
224 New Customhouse
Denver 2, Colorado

Re: Contract Idm E907
Docket DMEA 3786

Dear Mr. Traver:

Due to Core Hole #34 being located on a steeply sloping creek bank underlain by massive boulders I request that the following relocation be made:

Move due West a distance of 45 feet. Elevation will be increased 7.5 feet, from 5678.2 to 5685.7.

Approximately 10 days time lapse is anticipated before this hole will be drilled.

Sincerely yours,

Jack Q. Frizzell

Jack Q. Frizzell, Geol.
Project Supervisor

Room 12
Queen's Rest Court
Highway 115
Canon City, Colorado

DMEA
Date Rec'd

MAY 11 1956

BUREAU OF MINES
Denver, Colorado

May 8, 1956

Mr. W. M. Traver
Executive Officer
Field Team, Region III
D. M. E. A.
224 New Customhouse
Denver 2, Colorado

Re: Contract Idm E907
Docket DMEA 3786

Dear Mr. Traver:

Due to Core Hole #38 being located on a steeply sloping creek bank underlain by massive boulders I request that the following relocation be made:

Move easterly on a bearing of S74°30'E a distance of 35 feet. Elevation will be increased 11.2 feet, from 5561.6 feet to 5572.8 feet.

I would appreciate approval of this request as soon as possible.

Sincerely yours,

Jack Q. Frizzell

Jack Q. Frizzell, Geol.
Project Supervisor

Room 12
Queen's Rest Court
Highway 115
Canon, City, Colorado

Phone 0418-J1

5-4-56

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

224 New Customhouse
Denver 2, Colorado

May 1, 1956

RECEIVED
MAY 4 - 1956

Messrs. Frank C. Roper
and Jack S. Josey
1706-17 C. & I. Life Building
Houston, Texas

Re: Docket DMEA 5786 (Uranium),
Contract Idm-2907,
Jack S. Josey and Frank C. Roper,
partners; Marmik Oil Company; and
Amurex Oil Company; a joint venture,
(Big Bear et al. Claims),
Fremont County, Colorado

Gentlemen:

Reference is made to the fourth paragraph of our letter to you of April 3, 1956, relative to a power of attorney designating some one person to act as the agent of the joint venture to conduct affairs with the Government in conjunction with the administration of Contract Idm-2907.

If you are intending to execute the power of attorney, prompt attention should be given the matter so that the power of attorney will be on file in this office when your first accounting reports pertaining to work completed under the Contract are received.

If you are not intending to have a power of attorney executed for the purpose outlined, we will appreciate advice from you to that effect by return mail.

Very truly yours,

W. M. TRAVER

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

JSF:prl
cc: Chairman, Oper. Comm. (2)
Hartmann
Shaw
Townsend
Corres. file
Chron.

4-18-56

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

APR 18 1956

224 New Customhouse
Denver 2, Colorado

April 16, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3786 (Uranium), Contract Idm-E907, Jack S. Josey and Frank C. Roper, partners; Marmik Oil Company; and Amurex Oil Company; a joint venture, (Big Bear et al. Claims) Fremont Co., Colorado

Enclosed are the Government's, Division, and Docket copies of Exploration Project Contract Idm-E907, which were forwarded by your letter of March 29, 1956, for signature by the Applicants.

Also enclosed are two copies of a letter, dated April 16, 1956, by which we forwarded the Operator's copy of the contract, forms and instructions relative to reporting on work performed under the contract.

W. M. Traver

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

April 16, 1956

Messrs. Frank C. Roger
and Jack S. Josey
1706-17 C. & I. Life Building
Houston, Texas

Re: Docket DMEA 3786 (Uranium),
Contract Idm-2907,
Jack S. Josey and Frank C.
Roger, partners; Marwik Oil
Company; and Amarex Oil
Company; a joint venture
(Big Bear et al. Claims)
Fremont County, Colorado

Gentlemen:

Enclosed herewith is your copy of Exploration Project Contract Idm-2907, Docket DMEA 3786.

Also enclosed are six copies of form MF-104, "Operator's Monthly Report and Voucher," and six copies of form MF-104A, "Operator's Unit Cost and Progress Report." At the completion of the first calendar month of operations and monthly thereafter, you are required to submit five copies of the forms to Mr. John F. Shaw, U. S. Bureau of Mines, Room 137, Building 20, Denver Federal Center, Denver 2, Colorado, each copy complete with all pertinent and supporting data. The sixth form is for your records.

Form MF-104, "Operator's Progress Report and Voucher," must be accompanied by maps or sketches showing the location and extent of work performed and a narrative report describing the work performed and conditions encountered. The monthly accounting report will not be processed for payment unless it is accompanied by a signed narrative report and other pertinent data. Additional copies of forms MF-104 and MF-104A will be forwarded to you each month on receipt of your report for the prior month.

For your information and in reply to many questions that have been asked, after forms MF-104 and MF-104A are received an engineer will check progress and approve your accounts, after which they will be sent

to the Regional Office, Region III, U. S. Bureau of Mines, 224 New Customhouse, Denver 2, Colorado, for auditing and vouchering. If the report is in order, a check will be issued by the Treasury Department for the Government's portion of the costs. If you have any difficulty in completing these forms and the reports, please call on either Mr. Shaw or this office for assistance.

In the matter of your claim for reimbursement of drilling costs under the terms of the contract, reimbursement to you will be on the basis of a hole or holes completed to the objective in compliance with conditions in Exhibit "A" attached to the contract, under the heading, "Description of the Work," and as described under the applicable stage. Therefore, your monthly report should include only such holes that are completed to that extent, and the required records made a part of your claim for reimbursement.

The contract is prepared on form MF-200 and under the provisions of Exhibit "A", which is a part of the contract, the allowable costs are a combination of actual incurred costs, with an allowable maximum unit cost established for the work under Category (1) on all stages and fixed unit costs for performing the remaining items of work or service. Under the provisions of the contract the work under Category (1) is to be performed by subcontract. Your claim for reimbursement for such work must be supported each month by a copy of the billing from the independent contractor, or submit for our records a copy of the subcontract agreement.

In the event you desire to perform the work under Category (1) on company account, instead of subcontracting it as provided in the contract, it will be necessary that you obtain written approval from this office prior to commencing any of the work.

Your requests to this office for work approval, changes in the contract, or any other communication pertaining to operations under the contract, must be in writing, of which please supply the original and five copies, each copy complete with maps or other pertinent data.

The location of the holes to be drilled under Stage I are indicated on the map, Figure 2, attached to the contract. Should terrain or other conditions require any material change in the location of any of the drill holes, approval of this office for the change must be obtained prior to the performance of the work. Otherwise, the work may not be acceptable for reimbursement to you under the terms of the contract.

Your attention is directed to the provision that work under both Stages II and III is contingent on the results of the work completed under the prior stage and that performance of the work is subject to the prior written approval of the Government.

When the work under a stage is completed, you must request approval from this office for the work you propose to perform under the next stage. Your request for the work approval must be in sextuplet, each copy complete with a map showing the location of holes previously drilled and the location of the holes you propose to drill under the next stage. Your request should be complete with drill logs, results of radiometric probing, chemical analysis returns, and any other pertinent data which will be of value to the Government in appraising the work performed under the prior stage.

You should anticipate a suspension of operation between stages of work to enable the Government geologist and engineer to evaluate the results of the work performed and make their recommendations to this office relative to the additional work you propose.

To eliminate as much delay to operations as possible, if that is of serious consideration, you should expedite forwarding of the results of the work completed and your request for the Government's approval of the additional work you propose.

No oral statement of any person shall be construed to modify or change the terms of the contract. Field representatives of the Government are not authorized to approve any changes in the work program or contract provisions. Such approval can only be given by the Washington Office, DMEA, or by the DMEA Field Team, Region III.

It is a regulation that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. It is a <u>requirement and imperative that you notify this office in writing the date work actually commences under the contract</u>, with a copy to Mr. Shaw.

Very truly yours,

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

Enclosures
JWT:prl
cc: Chairman, Oper. Comm. (2)
Finance Office, Region III
Amendment file
Harshman
Shaw
Townsend
Corres. file
Chron.

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

MAR 29 1956

Mr. W. M. Trever
Executive Officer
DMEA Field Team, Region III
22h New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA-3786 (Uranium)
Jack S. Juncy and Frank C. Reper, et al.
Big Bear, et al., claims
Fremont County, Colorado

Dear Mr. Trever:

Enclosed are the original and five copies of a long-form contract between the Government and the subject Applicant, signed by the Administrator. You will note that Form MP-800 has been rewritten and that Exhibit "A," Annex I and the map (Figure 2) remain unchanged from the original contract recently returned by you. Two extra copies each of the last three items were forwarded to you with our letter of December 15, 1955.

Since we have inserted a final starting date and a completion date, and the required Consent to Lien and Subordination Agreements are attached to the contract, it is ready for forwarding to the Applicant for signature if you find it in order.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosures

APPROVED:

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

N. E. Nelson
Member, Geological Survey

MChing/gla
3-27-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKillsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Ching

Division copy

MF-200
(Revised June 1954)

Docket No. DMEA #3785

Commodity Uranium

Contract No. Idm-E 907

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this DEC 15 1955 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Jack S. Josey and Frank C. Roper, partners,

whose mailing address is 210 McBurnett Building
P. O. Box 1185, San Angelo, Texas,

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 map (Figure 2).

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 Fremont, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] See Annex I of [5] ..... in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [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: Royalty claims.

(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: Consent to Lien by Leslie Taylor, Walter W. Higgins, Donald Higgins, M. W. Taylor, Alan Taylor, and M. W. Taylor, Jr. Subordination Agreements by Gordon Tolliver, C. C. Robison, and Elizabeth Zinghein.

(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 ..... shall commence the work, and on or before ..... (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 $ 39,586.55. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $ 29,689.91: *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

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.

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(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.

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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 otherwise would be allowable costs of the project under Article 6 of the contract.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals
Exploration Administration

JACK B. JONEY and FRANK C. ROPER
(Operator)

By Jack B. Joney, (Partner)

Frank C. Roper (Partner)

Indrity 12/7/55
Dunyan
"Appr. Sol. Off."

Ching
Ellis
Chambers
Selfridge

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

Government's copy

MF-200
(Revised June 1954)

Docket No. DMEA -3786

Commodity Uranium

Contract No. Idm-E 907

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DEFENSE MINERALS EXPLORATION ADMINISTRATION

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Note change of address for Mr. Roper, dated February 21, 1956, in the file

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

JACK S. JOSEY and FRANK C. ROPER
(Operator)

By Jack S. Josey
Jack S. Josey, (Partner)

Frank C. Roper
Frank C. Roper (Partner)

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

Operator's copy

MF-200
(Revised June 1954)

Docket No. DMEA -3786

Commodity Uranium

Contract No. Idm-E 907

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Administrator, Defense Minerals
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JACK S. JOSEY and FRANK C. ROPER
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By
Jack S. Josey, (Partner)

Frank C. Roper (Partner)

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[CORPORATE SEAL]

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

Finance Office copy

MF-200
(Revised June 1954)

Docket No. DMEA -3786

Commodity Uranium

Contract No. Idm-E 907

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this DEC 1 5 1955 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Jack S. Josey and Frank C. Roper, partners,

whose mailing address is 210 McBurnett Building
P. O. Box 1185, San Angelo, Texas,
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 map (Figure 2).

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 Fremont, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] See Annex I of [5] ..... in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [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: Royalty claims.

(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

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[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.
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of the land (lessor, seller, optionor, etc.) are attached, as follows: Consent to Lien by Leslie Tayler, Walter W. Higgins, Donald Higgins, M. M. Tayler, Alan Tayler, and M. M. Tayler, Jr. Subordination Agreements by Gordon Tolliver, C. C. Robison, and Elizabeth Zingheim.

(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 ..... shall commence the work, and on or before ..... (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 $39,586.55. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $29,689.91: *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

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.

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(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 otherwise would be allowable costs of the project under Article 5 of the contract.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By .....
Administrator, Defense Minerals
Exploration Administration

JACK S. JOSEY and FRANK C. ROPER
(Operator)

By .....
Jack S. Josey, (Partner)

.....
Frank C. Roper (Partner)

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

DMEA
Date Rec'd.

Field Team copy

FEB 16 1956

BUREAU OF MINES
Denver, Colorado

MF-200
(Revised June 1954)

Docket No. DMEA -3786

Commodity Uranium

Contract No. Idm-E 907

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THE UNITED STATES OF AMERICA

By O P Mitchenor
Administrator, Defense Minerals
Exploration Administration

JACK S. JOSEY and FRANK C. ROPER
(Operator)

By Jack S. Josey
Jack S. Josey, (Partner)

Frank C. Roper
Frank C. Roper (Partner)

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.....

[CORPORATE SEAL]

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

Extra copy

MF-200
(Revised June 1954)

Docket No. DMEA -3786

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Contract No. Idm-E 907

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Administrator, Defense Minerals Exploration Administration

JACK S. JOHEY and FRANK C. KOPLA
(Operator)

By Jack S. Johey, (Partner)

Frank C. Kopla (Partner)

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.....

[CORPORATE SEAL]

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

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

MAR 23 1956

Memorandum

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

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-3786 (Uranium), Contract No. Idm-5907
Jenny and Roper

As requested in Mr. Ellis' memorandum dated March 20, 1956, we have reviewed the documents and correspondence attached to Mr. Traver's memorandum dated March 14, 1956, concerning the subject contract executed by the Partnership of Jenny and Roper.

It appears that the Operator is to be a joint venture composed of Jenny and Roper, a partnership, Amurex Oil Company, and Marmik Oil Company, and the contract form now so provides. In this regard, the signature page of the contract form has been redrafted for signature by the joint venturers and all copies of the original signature page, which have been signed by the partners only, should be voided.

In our view, it is not clear whether the instrument dated July 22, 1955, from the partners to M. C. Meyer and Amurex Oil Company conveys an interest in any claims other than Big Hole Claims Nos. 3, 4, and 8 which are not included in Annex I, or a one-fourth interest each forall of the land listed in Annex I of the contract. The parties seem to have intended the latter. In any event, the interests of the Government will not be affected by the ambiguity of said instrument when the contract is signed by all the parties listed as joint venturers.

Robert P. Dwyer

Attachments
HCRubin/cmd

Copy to: Solicitor's Docket (2)
DMEA Docket
M. W. Ellis (2)
H. C. Rubin
R. P. Dwyer
chron.

March 20, 1956

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division

Subject: Docket No. DMEA-3786 (Uranium)
Contract No. Idm-E907
Jack S. Josey and Frank C. Roper, Partners
Big Bear, et al., claims
Fremont County, Colorado

Will you kindly review the documents and correspondence attached to Mr. Traver's memorandum, dated March 14, 1956, in the file, and take the action you deem necessary under the circumstances. All copies of the contract have been signed by the Administrator and the Operator except the Operator's copy, which has been signed by the Administrator only. The starting and completion dates were not inserted by the Field Team pending resolution of the question regarding the parties that will constitute the "Operator."

Ernest Wm. Ellis

Attachments

MChing/gla
cc to: Code 700
Mr. Ching
Docket

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

RECEIVED
MAR 19 1956

224 New Customhouse
Denver 2, Colorado

March 14, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3786 (Uranium), Jack S. Josey and Frank C. Roper, Big Bear et al. Claims, Fremont County, Colorado.

In compliance with your teletype of March 5, 1956, we are returning the original and five copies of the proposed Exploration Project Contract Idm-E907.

The Government's, Division, Docket, Finance Office, and Field Team copies of the Contract were signed by Josey and Roper and returned to this office, advising at the same time that one-half interest in the property had been disposed of, which was the first knowledge we had of the probable necessity for revising the contract.

In addition, we are enclosing the following material:

1. Original and one copy of a letter, dated March 5, 1956, from Robert H. Park for Frank C. Roper and Jack S. Josey.

2. Original and one copy of a letter, dated February 28, 1956, from M. C. Hoover, President, Marmik Oil Company.

3. Original and one copy of a letter, dated February 28, 1956, from the Vice President, Amurex Oil Company.

4. One copy of "Assignment of Mining Lease" from Jack S. Josey and Frank C. Roper to M. C. Hoover and Amurex Oil Company.

5. One copy of "Assignment of Mining Lease" from M. C. Hoover to Marmik Oil Company.

6. One copy of "Quit Claim of Mining Claim" between M. C. Hoover and Marmik Oil Company.

We have been advised by Josey and Roper that the Contract is to be made out as a joint venture consisting of Jack E. Josey and Frank C. Roper, Partners, Marmik Oil Company, and Amurex Oil Company; with the latter two companies being inactive in the management of the operations under the BMRA contract.

Josey and Roper advised us that they planned on starting work on or before April 1, 1956. However, we advised them in return that they should defer plans for commencing work until the matter of the revision of the contract has been resolved.

W. M. Traver

W. M. Traver

Enclosures

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

MAR - 5 1956

DEPARTMENT OF THE INTERIOR

DMEA
14X4401(01) Revolving Fund,
Defense Production Act,
Interior, (Allocated Working Fund to the
Office of the Secy.)

T E L E T Y P E

W. M. TRAVER, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
[illegible] NEW CUSTOMHOUSE BUILDING
DENVER 17, COLORADO

REFERENCE FEBRUARY 28 JOSEY AND ROPER DOCKET 3766. RETURN ALL COPIES CONTRACT TOGETHER WITH COMPLETE REPRESENTATIONS OF TWO OIL COMPANIES. ROPER LETTER FEBRUARY 24 DOES NOT STATE SPECIFICALLY THAT OPERATOR WILL BE THREE PARTY JOINT VENTURE. PLEASE CLARIFY.

George C. Selfridge

GEORGE C. SELFRIDGE
CHAIRMAN, OPERATING COMMITTEE

MChing/izmm 3-2-56
cc to: Docket
Code 700
Admr.'s Reading File
Operating Committee
Mr. Ching
Confirmation to Region III

Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA

T
T
C
D

Note Address Change

Frank C. Roper

GEOLOGIST - PRODUCER
P. O. BOX 1185
SAN ANGELO, TEXAS

RECEIVED
MAR 19 1956

DMEA
Date Rec'd.
FEB 23 1956

BUREAU OF MINES
Denver, Colorado

Feb. 21, 1956.

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

Re: Change of Address

Dear Mr. Traver:

Effective March 1, 1956, please change my mailing address from P. O. Box 1185, San Angelo, Texas, to

Frank C. Roper
Jack S. Josey
1706-17 C & I Life Bldg.
Houston, Texas.

It will be greatly appreciated to send all future correspondence to the aforementioned address.

Thanking you very much, I am

Very truly yours,

Frank C. Roper

Frank C. Roper

Department of the Interior

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

DMEA
14X1.01(OL) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to the Office of the Secy.)

FEB 20 1956

TELETYPE

W. M. TRAVER, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REGRETTEL FEBRUARY 16 JOSEY AND ROPER DOCKET 3786 WE REQUIRE COPY INSTRUMENT SALE TO MARMIK OIL COMPANY AND INFORMATION ON NATURE OF COMPANY. IF CORPORATION WERE INCORPORATED. DOES IT HAVE RIGHT TO BECOME MEMBER OF A PARTNERSHIP THIS COULD BE JOINT VENTURE INSTEAD OF PARTNERSHIP. REQUEST COMPLETE REPRESENTATION FROM MARMIK.

W. S. Martin

ACTING CHAIRMAN, OPERATING COMMITTEE

MChing/gla
2-20-56
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Ching
Confirmation to Region III

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

RECEIVED
FEB 17 1956

224 New Customhouse
Denver 2, Colorado

AIR MAIL
SPECIAL DELIVERY

February 16, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3786 (Uranium), Jack S. Josey and Frank C. Roper, Big Bear et al. Claims, Fremont County, Colorado, Proposed Exploration Project Contract Idm-E907

Enclosed are the original and two copies of a letter from the applicants, dated February 8, 1956, and two copies of a letter from this office, dated February 16, 1956, acknowledging their letter.

The letters are in reference to the addition of a third party to the DMEA Contract, and are self-explanatory.

We are holding all copies of the Contract in this office pending receipt of advice from you as to the requirements and as to how we should proceed.

W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
FEB 17

224 New Customhouse
Denver 2, Colorado

February 16, 1956

Messrs. Jack S. Josey
and Frank C.Roper
210 McBurnett Building
P. O. Box 1185
San Angelo, Texas

Re: Docket DMEA 3786 (Uranium),
Big Bear et al. Claims,
Fremont County, Colorado
Proposed Exploration Project
Contract Idm-E907

Gentlemen:

Reference is made to your letter of February 8, 1956, whereby you returned the executed copies of proposed Exploration Project Contract Idm-E907, and advised that you had sold one-half interest in the claims involved with the contract to the Marmik Oil Company and inquired as to the necessary procedures to make that company a party to the Agreement.

We assume from you request that it is your intent that Marmik Oil Company becomes an active third partner in the DMEA Contract, and on that basis we have requested advice from our Washington Office as to the requirements and how we should proceed in the matter.

We will hold the Operator's copy of the proposed Contract in this office until the matter has been resolved.

Very truly yours,

W. M. TRAVER

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

JWT:prl
cc: Chairman, Oper. Comm. (2)
Harshman
Shaw
Townsend
Corres. file
Chron.

LENOIR M. JOSEY, INC.
1706-7 C & I LIFE BUILDING
HOUSTON 2, TEXAS

RECEIVED
FEB 17 1956

8 February 1956

DMEA
Date Rec'd.
FEB 16 1956
BUREAU OF MINES
Denver, Colorado

Mr. W.M. Tarver
Executive Office, DMEA
Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-3786 (Uranium) Big Bear et al Claims, Fremont County, Colorado, Proposed Exploration Project Contract Idm-E907.

Dear Mr. Tarver:

Enclosed are the executed copies of the Exploration Project Contract Idm-E907.

We have made arrangements with Marine Exploration Company of Houston, Texas to begin this work on April 1, 1956 if this starting date is agreeable to you.

We are presently in the process of having a contract drawn up with Marine Exploration Company which will conform with requirements in price structure in our contract with the United States Government.

We, Frank C. Roper and Jack S. Josey, have sold a one-half interest in these claims to Marmik Oil Company, whose home office is in Eldorado, Arkansas and whose President is M.C. Hoover. We, the operators, feel that this association makes a stronger union financially for the development of this claim and Marmik Oil Company will join in or ratify our agreement with the government or will file with you whatever is necessary to become a party to this agreement.

We know in the contract that we must have the government's written permission and we would appreciate you telling us what is necessary to complete this transaction.

continued-

RECEIVED
FEB 17 1956

LENOIR M. JOSEY, INC.
1706-7 C & I LIFE BUILDING
HOUSTON 2, TEXAS

8 February 1956

Mr. W.M. Tarver
Executive Officer, DMEA
Region III
224 New Customhouse
Denver 2, Colorado

We are sorry that these executed contracts have not been returned to you sooner but Jack Josey has been out of town and we needed to check the contract with the people who we intended to have help us to this work.

Very truly yours,

Jack S. Josey

Frank C. Roper

RHP:m
Encl.

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

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

January 4, 1956

Messrs. Jack S. Josey and Frank C. Roper, Partners
210 McBurnett Building, P. O. Box 1185
San Angelo, Texas

Re: Docket DMEA-3786 (Uranium) Big Bear et al. Claims, Fremont County, Colorado, Proposed Exploration Project Contract Idm-E907

Gentlemen:

Enclosed are the Government's, Division, Docket, Finance Office, and Field Team copies of proposed Exploration Project Contract Idm-E907, which was prepared pursuant to your application, and has been signed by the Administrator, DMEA, for the Government, to authorize Government participation in the cost of exploration work under the Defense Minerals Exploration Administration program.

If the contract is satisfactory to you, all copies are to be signed by both partners as indicated, and all copies returned to this office. Upon receipt of the properly executed copies of the contract, the "Operator's" copy will be forwarded to you, together with forms and instructions relative to reporting on the work performed under the contract.

Because of uncertain weather conditions, a starting date and date for completion of the project have been left blank under Article 3 of the contract form. Therefore, when the executed copies of the contract are returned to this office, please advise of the date on or before which you contemplate you will be able to commence work under the contract. We will then allow a seven month period subsequent to that date for completion of the work, if you deem that to be adequate; otherwise, please advise of any additional time necessary.

You are cautioned that work performed prior to the date of the contract is not an allowable cost to the project.

Very truly yours,

W. M. Traver

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

Encls.
JMM:bh
cc-Chair. Op. Comm. (2)
Harshman
Shaw
Townsend
Docket File 3786
Chron.

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

DEC 1 5 1955

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

Re: Docket No. DMEA-3786(Uranium)
Jack S. Josey and Frank C. Roper
Big Bear, et al., claims
Fremont County, Colorado

Dear Mr. Traver:

Enclosed are the original and five copies of a long-form contract between the Government and Jack S. Josey and Frank C. Roper, signed by the Administrator. Also enclosed are two extra copies of Exhibit "A", Annex I, and map (Figure 2).

If you find the contract in order, it is ready for forwarding to the Applicant for signature, subject to the following requirements:

1. Insertion of suitable final starting and completion dates under Article 3.

2. Receipt by you of the Consent to Lien and Subordination Agreements referred to in our letter to you, dated November 28, 1955.

It has been our practice to insert the completion date under Article 3, but, because of winter weather conditions, we are leaving the determination of that date, as well as of the final starting date, to the Field Team. A working period of seven months is suggested.

Estimated costs as detailed in the Report of Examination were adhered to rather closely in the contract, except that the incidental allowance for each foot of drilling does not include provisions for a surveyor and assistant, draftsman, and stenographer.

MChing/gla 12-9-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Code 700
Mr. Ching

Sincerely yours,

/S/ George C. Selfridge

Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHessland, Rm. 3130, GSA
Operating Committee

Enclosures

APPROVED:

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

Thor H. Kiilsgaard
Member, Geological Survey

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

(Uranium)

DEC 12 1955

TELETYPE

DEPARTMENT OF THE INTERIOR

DMEA

14X1.01(01) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to the Office of the Secy.)

W. M. TRAVER, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REFERENCE DECEMBER 6 JOINT AND PROFER DOCKET 3786 FOURTEENTH CLAIM CACTUS NUMBER 1 COVERED BY LEASE DATED MARCH 24, 1955, AND ASSIGNMENT DATED MARCH 25, 1955. TO YOUR LANGUAGE IN CONNECTION TO LIEN AND FIRST SUBORDINATION AGREEMENT ADD "AND DESCRIBED IN THE LOCATION CERTIFICATE FOR THE CACTUS NO. 1 CLAIM FILED FOR RECORD APRIL 16, 1955, IN BOOK 345 PAGE 307, OFFICIAL RECORDS OF SAID COUNTY." IN SECOND SUBORDINATION AGREEMENT RECITE "DESCRIBED IN THE LOCATION CERTIFICATE FOR THE LIBBY CLAIM FILED FOR RECORD NOVEMBER 10, 1954, IN BOOK 342 PAGE 18 OFFICIAL RECORDS OF SAID COUNTY."

George C. Selfridge

GEORGE C. SELFRIDGE
CHAIRMAN, OPERATING COMMITTEE

MChing/gla
12-9-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Ching
Confirmation to Region III

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

RECEIVED
DEC 16 1955

AIR MAIL

December 12, 1955

224 New Customhouse
Denver 2, Colorado

Mr. Frank C. Roper
210 McBurnett Building
P. O. Box 1185
San Angelo, Texas

Re: Docket DMEA 3786 (Uranium),
Fremont County, Colorado

Dear Mr. Roper:

This has further reference to our telephone conversation of this date. Please destroy the Owner's Consent to Lien and Subordination Agreements forwarded you with our letter of December 6, 1955. The Washington DMEA office advises that certain changes are necessary. These changes have been incorporated in the enclosed Owner's Consent to Lien and Subordination Agreement forms. The enclosed forms should be signed as follows:

1. The original and five copies of Form MF-203, Owner's Consent to Lien should be signed by Leslie Taylor, Walter W. Higgins, Donald Higgins, M. H. Taylor, Alan Taylor and M. H. Taylor, Jr.

2. The original and five copies of Form MF-201, Subordination Agreement to be signed by Gordon Telliver and C. C. Robison who hold royalty rights in the Agreement of Operation.

3. The original and five copies of Form MF-201, Subordination Agreement on the Libby Lode Mining claim to be signed by Elizabeth Lingheim.

When all the above signatures have been obtained, please return all signed copies to this office.

We hope this change will cause you a minimum of inconvenience.

Enclosures
HMC:ab

cc: Chair. Op. Comm. (2)
Harshman
Docket 3786
Chron.
Enclosures

Very truly yours,

E. M. Harshman

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

MF-200
(Revised June 1954)

Docket No. DMEA -3766

Commodity Uranium

Contract No. Idm-E

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this ..... day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Jack S. Josey and Frank C. Roper,

whose mailing address is 210 McBurnett Building
P. O. Box 1185, San Angelo, Texas,

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 Map (Figure 2)

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 Fremont, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Owner in part and Lessee in part of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [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: Royalty claims

(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: Consent to Lien by Leslie Taylor, Walter W. Higgins, Donald Higgins, M.N. Taylor, Alan Taylor & M.N. Taylor, Jr. Subordination Agreements by Gordon Tolliver, C.C. Robison & Elizabeth Zingheim

(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 ..... shall commence the work, and on or before ..... (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 $ 39,580.00. The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $ 29,685.00: *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

See ~~[illegible]~~Cron dated 11-25-55 copy for memo to the Associate Solicitor that accompanies this contract.

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.

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.)

(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)

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

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 otherwise would be allowable costs of the project under Article 6 of the contract.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By .....

.....
(Operator)

By .....

.....

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

.....

[CORPORATE SEAL]

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

DRAFT
11/25/55
MChing/iam

ANNEX I

The land referred to in Article 2 of the contract consists of 15 lode mining claims situated in an unsurveyed area approximately in Sections 22 and 27, T. 18 S., R. 73 W., 6th P.M., Fremont County, Colorado. The claims are shown on the attached map (Figure 2) and are recorded in the office of the County Recorder as follows:

Name	Book	Page
Big Hole No. 1	338	219
" " " 2	"	222
" " " 3	"	222
" " " 4	"	221
" " " 7	"	443
Big Bear No. 1	"	221
" " " 2	"	218
" " " 3	"	218
" " " 4	"	220
" " " 5	"	220
" " " 6	"	219
Cactus	343	177
Cactus No. 1	345	207
Zee No. 1	342	18
Libby	342	18

DRAFT
11/25/55
MChing/lsm

EXHIBIT "A"

Description of the Work

The work consists of exploration by core and non-core drilling to test sedimentary beds of arkosic sandstone, shale and conglomerate, presumably of early Tertiary age. The first two stages of the work are tentatively indicated on the attached map entitled, "Figure 2 - Map of Josey-Roper Claims ------," which is made a part hereof.

Mineralization on the subject property occurs at various horizons. All holes shall be collared with a plug bit and drilled non-core to a point immediately above the estimated position of the first radioactive zone. Core drilling shall follow until the hole is bottomed. Drilling depths are expected to range from 100 feet to 400 feet and to average 194 feet. The minimum size of core shall be AX. All holes shall be reamed and closed as necessary.

All core and cuttings from the cored section of drill holes shall be saved and properly stored for the use of the Government after being checked radiometrically for uranium. Samples indicating significant mineralization shall be analyzed chemically for uranium.

All drill holes shall be logged geologically and probed radiometrically, and the record of such logging and probing, together with certified copies of all assay certificates, shall be submitted with the Operator's monthly progress reports.

The project shall be supervised by a competent engineer-geologist who shall devote full time to the project work.

The work shall be divided into three successive stages. The Operator shall complete Stage I and perform as much of Stages II and III as the Government considers justified by the results of the preceding work and which the Government approves in writing in advance.

The location, direction, inclination, and extent of all project work are subject to the approval of the Government.

Stage I

Prepare access roads and drill sites by a D-7 bulldozer or equivalent unit and drill 16 holes aggregating 3,120 feet, more or less. The positions of these holes are indicated on the attached map (Figure 2). There are five East-West fences with two to five holes in each fence, and a separate hole in the northeast corner of the property. The fences range from 950 feet to 1500 feet apart and the holes in the fences are approximately 600 feet apart except in the most southerly fence, and in the case of two holes in the Big Bear No. 1 Claim. Drilling shall begin with the most southerly fence and work northward. If the 16 holes require more than 3,120 feet to reach the desired horizon the deficient footage may be transferred and deducted from Stage III footage upon the written approval of the Government.

Stage II

Prepare access roads and drill sites by a D-7 bulldozer or equivalent unit and drill 23 holes aggregating 4,440 feet, more or less. The positions of these holes are tentatively indicated on Figure 4. They may be revised, following completion of Stage I, upon the written approval of the Government. If the 23 holes require more than 4,440 feet to reach the desired horizon the deficient footage may be transferred

and deducted from Stage III footage upon the written approval of the Government.

Stage III.

Prepare access roads and drill sites by a D-7 bulldozer or equivalent unit, and drill a maximum of 30 holes aggregating not more than 4,500 feet as offsets to Stage I and Stage II holes that show significant mineralization. The offset holes shall not be drilled closer than 100 feet from any previously drilled hole.

Estimated Cost of the Project

Actual Costs

Category (1) - Independent Contracts	
3,965 ft. non-core drilling @ $1.75/ft.	$6,938.75
8,095 ft. core drilling @ $2.60/ft	21,047.00
216 hrs. bulldozer work @ $12.50/hr.	2,700.00
Categories (2) through (7)	None
Estimated Total Actual Costs	$30,685.75

Fixed Unit Costs

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 actual costs sheduled above under the category "Independent Contracts." No other categories of actual costs in Article 6 of the contract form are allowable costs under this contract.

200 chemical sample analyses @ $3.50/sample	$ 700.00
*Incidental allowance for each foot of core and non-core drilling completed 12,060 ft. @ $0.68/ft.	8,200.80
Estimated Total Fixed Unit Costs	$8,900.80

Summary

Estimated total actual costs	$30,685.75
Estimated total fixed unit costs	8,900.80
Estimated total cost of the project - rounded to	$39,580.00
Government participation @ 75%	$29,685.00

*Includes all costs of the project whatsoever that are not included under the actual cost category "Independent Contracts" 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, supplies, accounting, etc.

700

Department of the Interior

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

DMEA
14X1101(01) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to the Office of the Secy.)

TELETYPE

NOV 2 1955

W. N. TRAVER, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
7th ST. CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REFERRED NOVEMBER 1 JOSEY AND HOPER DOCKET 3786. DESCRIPTION OF LIBBY CLAIM PLACES IT WEST OF BIG BEAR NUMBER 6 NOT BETWEEN ZEE NUMBER 1 AND BIG BEAR NUMBER 5. IS LIBBY CLAIM SUPPOSED TO BE SAME AS ZEE CLAIM REFERRED TO IN WIRE SEPTEMBER 28?

George C. Selfridge

GEORGE C. SELFRIDGE
CHAIRMAN, OPERATING COMMITTEE

MChing/ism
11/8/55
cc to: Admr.'s Reading File
Operating Committee
Docket
Code 700
Mr. Ching
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHested, Rm. 3210, GSA
Confirmation to Region III

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

September 29, 1955

224 New Customhouse
Denver 2, Colorado

RECEIVED
OCT 1 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Report of Examination, DMEA Docket 3786 (Uranium), Jack S. Josey and Frank C. Roper, Big Hole-Big Bear groups, Fremont County, Colorado

Enclosed are the original and three copies of the report pertaining to the above application.

We concur with the recommendations of the field examiners providing the subordination of the Zee claim is obtained.

Copies of a letter to the applicant suggesting that he obtain the right to mine and remove ore from the Zee claim have been forwarded your office.

We have not forwarded the applicant the Owner's Consent to Lien and Subordination Agreement requested in your letter of May 6, 1955 because if the applicant is unable to lease the Zee claim, you may wish to exclude the surrounding claims from the exploration project.

Nine extra copies of Figure 2 are attached for possib use in the contract.

W. M. Traver
W. M. Traver

Reviewed by Operating Committee 10/7/55

D R Macharen
for R. E. Marshall

Enclosures

IN REPLY REFER TO:

DMEA
Date Rec'd.
SEP 26 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

September 23, 1955

TRANSMITTED
SEP 28 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: E. N. Harshman
John F. Shaw

Subject: DMEA Docket 3786 (Uranium), Jack S. Josey and Frank C. Roper, Big Hole-Big Bear claim group, Fremont County, Colorado

Enclosed are the original and nine copies of a joint geologic and engineering report by R. U. King, U. S. Geological Survey, and W. D. McMillan, U. S. Bureau of Mines, covering their examination of the subject property.

The examination was made on July 7, 1955, and on August 12, 1955, the applicants submitted a revised exploration program and supplemental data.

The original request was for a 56-hole drilling program (later revised downward to 39 holes) at an estimated cost of $42,156.00, Government participation 75 percent or $31,617.00. The examining team recommends a three-stage drilling program with 16, 23, and 30 holes, respectively, in Stages 1, 2, and 3. The total estimated cost of the program is $43,194.65, Government participation 75 percent, or $32,395.99.

We concur with this recommendation.

E. N. Harshman
E. N. Harshman
Member, Field Team

John F. Shaw
John F. Shaw
Supervising Mining Engineer

Enclosures (10)

ENHarshman:arh

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION XII

DMEA Docket 3786

Jack S. Josey and Frank C. Roper

Big Bear-Big Hole Claim Group

Echo Canyon Area

Fremont County, Colorado

Uranium

Joint Engineering and Geologic Report

by

W. D. McMillan
U. S. Bureau of Mines

R. U. King
U. S. Geological Survey

September 22, 1955

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DMEA DOCKET 3786
JACK S. JOSEY AND FRANK C. ROPER
BIG BEAR-BIG HOLE CLAIM GROUP
ECHO CANYON AREA, FREMONT COUNTY, COLORADO

INTRODUCTION

Jack S. Josey and Frank C. Roper, lessees, applied for Defense Minerals Exploration Administration assistance to explore for uranium on their leased Big Bear-Big Hole group of 13 claims in the Echo Canyon area of Fremont County, Colorado. Their proposal was for a single stage exploration program of plug-bit and core-bit drilling consisting of 56 holes in a staggered pattern of 4 holes per claim, with a hole spacing of from 300 to 600 feet. The estimated amount of drilling was 9,100 feet at an estimated cost of $42,156.00. Government participation at 75 percent would be $31,617.00.

An examination was made on July 7, 1955, by a DMEA examining team consisting of W. D. McMillan of the Bureau of Mines and Robert U. King of the Geological Survey. They were accompanied by Frank C. Roper and Robert H. Park, a lawyer associate of Josey and Roper, and Earl Green who has claims in the same area.

The examining team found that the proposed program of exploration was not well founded and that the map lacked topography and the locations of holes drilled by New World Exploration Corporation. On August 12, 1955, supplemental data were received from the applicant along with a revised application requesting 39 stage I drill holes and an unspecified number of stage II holes.

Uranium ore has been found on the subject claims in thick-bedded arkosic, coarse- to fine-grained sandstone with occasional layers of siltstone and mudstone. The rocks are Tertiary in age and of terrestrial and fluviatile origin. Associated with the uranium is carbonized fossil plant material. The beds are essentially flat-lying. However, in the northwestern part of the area the beds dip 25° to the northeast, and in the southern part they dip 20° to the north.

The examining team recommends a three-stage program of exploration at a total estimated cost of $43,194.65 (Government participation $32,395.99). Stages 1, 2, and 3 consist of 16, 23, and 30 holes, respectively, for an estimated total of 12,060 feet of drilling.

ACKNOWLEDGMENTS

M. N. and Earl Taylor, the original discoverers of the radioactive deposits in Echo Canyon, provided horses for emergency transportation of the examining team across the Arkansas River, and Earl Green, who owns claims adjacent to the applicants' property provided jeep transportation. Messrs. Frank C. Roper, geologist for the applicants, and Robert Park, an associate of the applicant, accompanied the examining team. Alberto Manrique, a graduate student in geology at Stanford University and a Point IV working trainee on assignment to DMEA, assisted in collecting samples for analysis and mineralogic study and in making radioactivity surveys of the applicant's claims. Mr. Larry Frankell of the U. S. Atomic Energy Commission examined the subject area at a subsequent date and made available to DMEA additional geologic and assay data.

LOCATION, TOPOGRAPHY, PHYSICAL FEATURES, AND MARKETS

The Big Hole-Big Bear group consists of 13 claims located in an unsurveyed area approximately in sections 22 and 27, T. 13 S., R. 73 W., N.M.P.M. (unsurveyed), Fremont County, Colorado (Figure 1).

The claims are the Big Hole Nos. 1, 2, 3, 4, 7, the Big Bear Nos. 1, 2, 3, 4, 5, 6, the Cactus, and the Zee. They include an area of about 240 acres and cover the eastern part of a basin formed by erosion of Echo Damyon and its tributaries. The basin is 2 miles northwest of Echo Station on the D & RG W RR and is reached by an unimproved dirt road and several truck trails. Canon City, 20 miles east, and Salida 40 miles west are the nearest sources of major supplies.

The area covered by the claims is dissected by four north-trending canyons with elevations of 6,300 feet at the southern end and 6,750 feet at the northern end. Between these canyons the surface is flat to gently rolling. There is a sparse cover of pinon pine and cedar, interspersed with cactus and sage brush. Mobile access to the property at present is only by 4-wheel drive equipment. Drilling sites and access roads can be prepared at a reasonable cost.

The climate of the area is semi-arid. Summers are hot and winters moderate with heavy storms of short duration throughout the year. Surface drilling and underground mining operations are feasible throughout the year.

The closest market for uranium ore from the Big Hole-Big Bear claim group is at Grand Junction, Colorado, 270 miles from Echo Station on the Denver and Rio Grande Western Railroad.

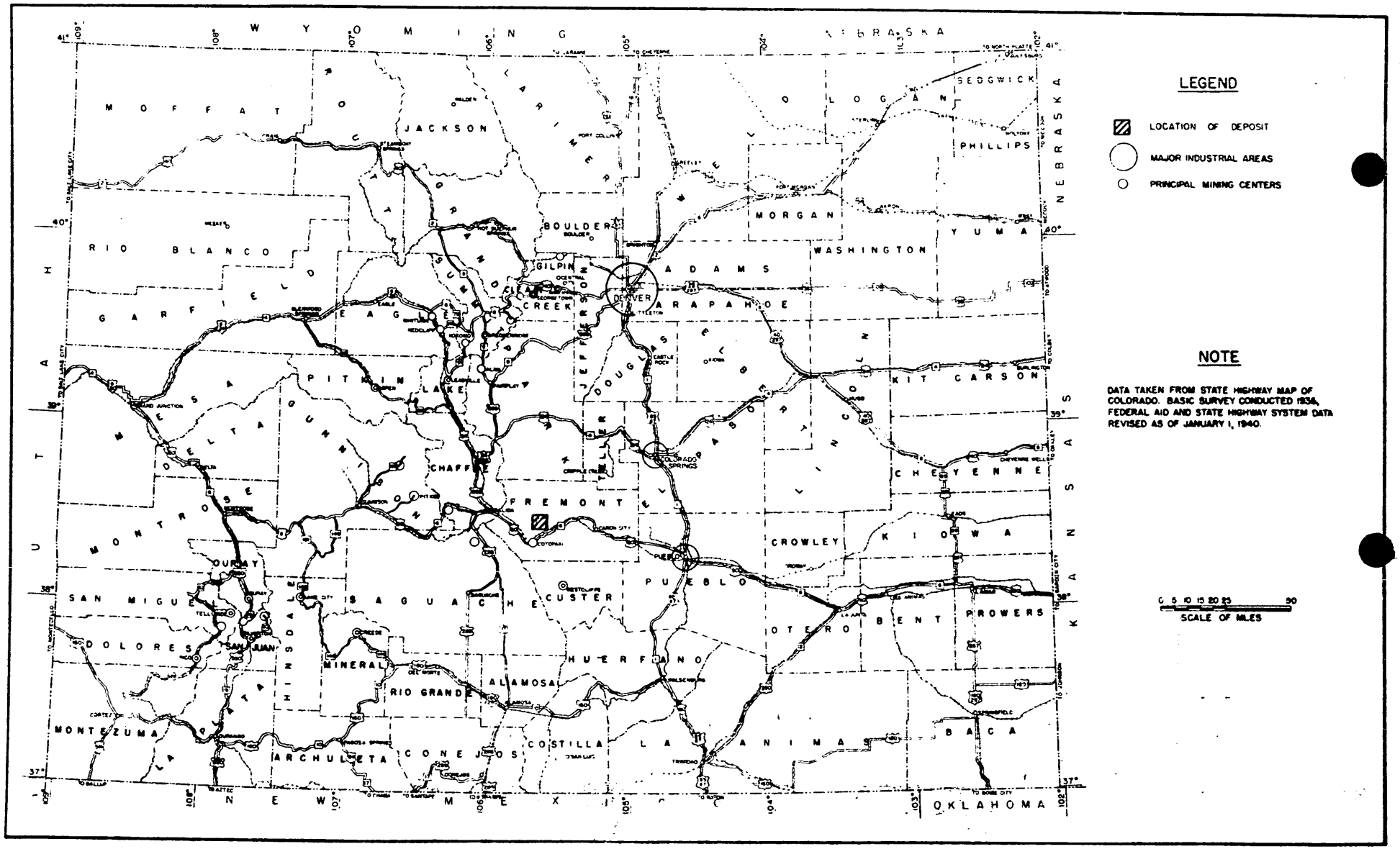


FIGURE 1 - LOCATION MAP, BIG HOLE AND BIG BEAR CLAIM GROUP, JOSEY AND ROPER, FREMONT COUNTY, COLO. DMEA 3786

Mining timber and lumber are available at local sawmills, and there is an ample supply of wood on the claims for domestic use. Power must be furnished by gasoline or diesel driven units. Water for drilling can be obtained from either Echo Canyon or the Arkansas River, within 1 to 2 miles from the property. Domestic water can be obtained from a spring at Echo Station.

LABOR AND LIVING CONDITIONS

The proposed exploration program would be executed by a drilling contractor who would furnish all labor. Other labor can be obtained from the neighboring towns of Parkdale, Texas Creek, and Cotopaxi. There are adequate accommodations in these towns for housing such personnel.

HISTORY, PRODUCTION, AND OWNERSHIP

The original discovery of uranium deposits in the Echo Canyon area was made by M. N. Taylor and associates of Cotopaxi, Colorado, in the early part of 1954. They located the Big Bear, Big Hole, Cactus, and Zee claims, and submitted samples of uranium-bearing sandstone to the U. S. Geological Survey in May of 1954.

The mining history of the district dates from the location of the claims in March 1954 to December 1954. During the spring and summer of 1954 New World Exploration Corporation secured a lease on part of the claims and core-drilled nine holes on two claims. The location of these holes is shown on Figure 2. Uranium ore was found

in five holes. Due to a lack of funds, New World Exploration Corporation dropped its lease in 1954. There has been no production from the claims.

Data on the claims of the subject application were obtained from records at Canon City and are given in Table 1.

On February 24, 1955, Ronald Higgins, Walter Higgins, and the Taylor family gave a mining lease on all the above claims except the Cactus No. 1 to Gordon Tolliver and C. N. Robinson of Socorro, New Mexico, who in turn on March 7, 1955, assigned their mining lease, with an Agreement for Operation, to the applicants, Jack B. Jessy and Frank C. Roper. Tolliver and Robinson on March 24, 1955, negotiated a Mining Lease from M. N. Taylor and Leslie Taylor on the Cactus No. 1 claim, which was in turn assigned to Jack B. Jessy and Frank C. Roper on March 25, 1955, with an Agreement for Operation.

No evidence of conflicting locations was found on the ground, although the Cactus claim invades the southern parts of the Cactus No. 1 claim and the Big Hole No. 1 claim, which are earlier locations, and the Big Bear No. 3 and 4 claims cover the same ground. The field check and examination of records at the Fremont County Courthouse in Canon City indicate that the locations are valid.

GEOLOGY AND DESCRIPTION OF THE DEPOSITS

The uranium deposits of the Echo Canyon area are in sedimentary rocks, presumably of early Tertiary age, that are capped in places by indurated gravel wash and are underlain by Precambrian granite.

Table 1.--Claim data - Big Bear-Big Hole Claim Group - DMRA 3786

Name	Book No.	Page No.	Certificate No.	Date of recording	Locators	Date of location
Big Hole No. 1	338	219	288,516	6/15/54	Leslie Taylor, Alan Taylor, M. N. Taylor, M.N.Taylor, Jr.	3/30/54
" " No. 2	338	222	288,525	6/15/54		3/30/54
" " No. 3	338	222	288,524	6/15/54	Taylors	3/30/54
" " No. 4	338	221	288,523	6/15/54	Taylors	3/30/54
" " No. 7	338	443	238,711	8/20/54	Donald Higgins, Walter W. H. Higgins, Lester & M.N.Taylor	7/31/54
Big Bear No. 1	338	221	288,522	6/15/54	Taylors	4/20/54
" " No. 2	338	218	288,521	6/15/54	Taylors	4/20/54
" " No. 3	338	218	288,520	6/15/54	Taylors } Same location	4/20/54
" " No. 4	338	220	288,519	6/15/54	Taylors }	
" " No. 5	338	220	288,518	6/15/54	Taylors	4/20/54
" " No. 6	338	219	288,517	6/15/54	Taylors	4/20/54
Zee No. 1	342	18	291,083	11/10/54	Taylors	8/14/54
Cactus	343	177	293,121	2/15/55	Taylors	12/26/54
Cactus No. 1	345	207	294,744	4/10/55	M.N.Taylor & Leslie Taylor	3/23/55

Bordering the area on the north and overlying the granite are late Tertiary volcanic flow rocks.

The sedimentary rocks occupy a depressed basin-like structure that is enclosed on the east and west sides by high ridges of Precambrian granite, and on the north side by a high plateau formed of volcanic flow rocks. The sedimentary rocks pinch out southward exposing granite in the floor of the basin. The thickness of the sedimentary rocks in the northern part of the claim group is not known but may be as much as 300 to 400 feet.

The sedimentary rocks are chiefly gray to brown, thin- to thick-bedded arkosic sandstones, shales, and conglomerates. The shale and sandstone beds contain in places much carbonized fossil plant material. Crossbedding is common in the sandstone strata that are for the most part flat-lying but may have a small regional southward dip.

The Echo Canyon area is probably a graben that is bounded on the north and west by normal faults. The presence of an east-trending fault north of the claims is indicated by an abrupt change in topography; from a gently rolling surface cut by steep walled gullies, the ground rises steeply to a high plateau. A north-northeast trending fault that is approximately along the west boundary of the claims is inferred both from a marked change in topography and from the trellis drainage pattern that has developed west of the claims.

On the Big Bear No. 1 claim along an outcrop on the east wall of a gully, a 2-foot bed of carbonaceous shale and sandy shale is abnormally radioactive for a distance of 50 feet. The strata strike

northwest and dip 25° NE at this place. The average uranium content of four samples collected from this bed amounts to 0.008 percent. Analyses are shown in Table 2.

Six holes were drilled by the New World Exploration Corporation on the Big Hole No. 3 claim (fig. 2). Radioactivity amounting to as much as 0.1 percent equivalent uranium oxide was measured in five of the six holes. As many as four separate radioactive beds with an average thickness of 5 feet were detected by radioactivity logging. The applicant reports a uranium content of 0.12 percent in drill core from the most radioactive zone in two of the drill holes. The five drill holes cover an area of about 25,000 square feet.

Radioactive deposits that contain in places secondary uranium minerals, occur in coarse micaceous and arkosic sandstone and carbonaceous shale in the Echo Canyon area. The deposits are tabular and follow the bedding. They are as much as 7 feet thick, but more commonly range from 1 to 5 feet thick.

In most of the radioactive deposits the uranium minerals are not visible, but in the discovery cut on the Cactus claim (fig. 2) a secondary uranium mineral identified as schoepite, a hydrated uranium oxide, occurs with gypsum disseminated in weathered sandstone and shale. Analyses of four samples collected by the applicant from this locality are shown on Table 2; the average of the four analyses is 0.77 percent U_3O_8.

A lens of carbonaceous shale in flat-lying sandstone beds that is abnormally radioactive crops out along the east wall of a gully on

Table 2.--Radioactivity and uranium content of samples of uraniferous sandstone and shale, Big Hole-Big Bear group of claims and other claims in the Echo Canyon area

Material sampled	Sample No. and source	Equivalent uranium (percent)	Uranium (percent)	Location of sample	Type
Carbonaceous shale and sandstone containing disseminated yellow radioactive mineral.	231862 (USGS)	0.16	0.085	Discovery cut, Cactus claim.	Grab.
Gray shale at base of 2-foot bed of carbonaceous shale and sandstone.	231863	0.023		Near cut, 50 feet east of west side line center post, Big Bear No. 1 claim.	6-inch channel.
Micaceous sandstone with carbonaceous plant fossils.	231864	0.005	0.002	do.	6-inch channel above sample No. 231863.
Shaly sandstone.	231865	0.008	0.010	do.	6-inch channel above sample No. 231864.
White sandstone.	231866	0.007	0.005	do.	6-inch channel above sample No. 231865.
Black carbonaceous shale.	231867	0.036	0.055	Face of 10-foot adit on High No. 1 claim.	1-foot channel.
Carbonaceous shale bed.	1 (AEC)	0.122	0.160	Discovery cut, Cactus claim.	1-foot channel.
Sandstone and carbonaceous shale.	2	--	0.080	do.	2-1/2 foot channel across exposure.
Carbonaceous shale.	3	0.010	--	Big Hole No. 4 claim.	Grab.
Carbonaceous shale and sandstone with secondary uranium minerals.	1-c (applicant)	--	0.355	Cactus claim.	Grab (?).
Do.	2-c	--	0.540	do.	do.
Do.	3-c	--	0.935	do.	do.
Do.	4-c	--	0.780	do.	do.
Weathered conglomerate.	RW-6159 (M.N.Taylor)	--	0.040	Echo Canyon area.	do.
Shale and siltstone with carbonaceous	RW-6160 (M.N.Taylor)	--	0.14	do.	do.

the Big Hole No. 4 claim. Three holes drilled by the New World Exploration Corporation behind this outcrop are from 95 to 100 feet deep and showed only weak radioactivity in the radioactivity logs of the holes.

MINABLE RESERVES

None.

PRESENT STATUS

Exploration and Development

To date exploration and development consist of nine diamond drill holes on the Big Hole Nos. 3 and 4 claims by a former lessee, and rim stripping by the applicants on the Cactus, Big Hole No. 4, and Big Bear No. 1 claims.

Mining and Milling Equipment and Other Facilities

There are no buildings, equipment, or other facilities on the property.

PROJECT PROPOSALS WITH COSTS

The applicants proposed a single stage plug- and core-bit drilling program consisting of 56 holes. The holes were in a staggered pattern and spaced on 300-to 600-foot centers. The total estimated drilling amounted to 9,100 feet at an estimated total cost of $42,156.00. Government participation at 75 percent would be $31,617.00.

The examining team found that the proposed program of exploration was more extensive than warranted by the known geologic conditions and that the map submitted by the applicant lacked topography and the locations of holes drilled by New World Exploration Corporation. This information was subsequently received, accompanied by a revised application for a two-stage drilling program; stage I to consist of 39 holes and stage II to consist of an unspecified number of offset holes.

The examining team considers that the revised proposal is still too extensive and recommends a program of exploration consisting of three stages as follows: Stage I - 16 holes totalling 3,120 feet; Stage II - 23 holes totalling 4,440 feet; and Stage III - 30 holes totalling 4,500 feet. The positions of Stage I and tentative positions of Stage II holes are shown on figure 2. The positions of Stage III holes are to be determined upon completion of Stage I and Stage II drilling.

Stage I holes should be drilled in fences from south (Cactus claim) to north (Big Bear Nos. 1 to 3 and Big Hole No. 4 claim) in the sequence given in Table 3; the order of drilling within each fence is optional.

Table 3 shows the recommended distribution of plug-bit drilling, core-bit drilling, and the total depth of the holes for Stage 1 drilling. The depths of Stage I holes correspond in general with the depths of holes drilled by the New World Exploration Company and are sufficient to intersect the known uranium-bearing beds. Hole No. 9

Table 3.-- First Stage Drilling (estimated)

Fence No.	Hole No.	Claim	Approximate collar elevation (feet)	Plug-bit drilling (feet)	Core-bit drilling (feet)	Total depth (feet)
				1/	2/	
1	1	Cactus.	6,308	25	75	100
	38	Cactus.	6,325	25	95	120
	39	Cactus.	6,412	50	155	205
2	4	Cactus No. 1	6,405	100	135	235
	36	Big Hole No. 1	6,350	50	130	180
3	6	Big Bear No. 6	6,477	75	125	200
	34	Big Hole No. 2	6,450	50	125	175
4	9	Big Bear No. 5	6,562	50	350	400
	28	Big Hole No. 3	6,554	25	175	200
	31	Big Hole No. 7	6,675	140	180	320
5	19	Big Bear No. 1	6,675	25	75	100
	18	Big Bear No. 1	6,682	35	75	110
	15	Big Bear No. 2	6,700	50	150	200
	12	Big Bear No. 3	6,700	50	150	200
	25	Big Hole No. 4	6,675	25	150	175
6	24	Big Hole No. 4	6,725	25	175	200
Totals 16		Range	417	800	2,320	3,120

1/ Plug-bit drilling is from collar of hole.

2/ Core-bit drilling is from bottom of plug-bit drilled hole.

on the Big Bear No. 5 claim will reach the lowest elevation and is designed to explore lower strata that may contain uranium.

Although the positions of Stage II holes are shown on figure 2 and drilling data are given in Table 4, the positions of the holes and other data are to be considered tentative and subject to revision following the completion of Stage I exploration. Stage II exploration should be started only after written authorization by the Government.

Stage III consists of 30 holes with a total estimated depth of 4,500 feet. These holes are intended for offset drilling around favorable Stage I and II holes. They should not be drilled closer than within 100 feet of any pre-existing hole and should be approved by the Government prior to being drilled.

Table 4.--Second stage drilling
(estimated footage)

Fence No.	Hole No.	Claim	Approximate collar elevation (feet)	Plug-bit drilling (feet)	Core-bit drilling (feet)	Total depth (feet)
	2A	Cactus	6,312	25 1/	75 2/	100
	3	Cactus No. 1	6,371	50	100	150
	37	Big Hole No. 1	6,325	50	100	150
	5	Big Bear No. 6	6,433	80	125	205
	35	Big Hole No. 2	6,400	50	125	175
	7	Big Bear No. 6	6,505	50	125	175
	33	Big Bear No. 2	6,525	70	125	195
	23	Zee No. 1	6,490	50	125	175
	8	Big Bear No. 5	6,525	75	125	200
	29	Big Hole No. 3	6,537	85	125	210
	30	Big Hole No. 7	6,687	230	125	355
	22	Zee No. 1	6,550	50	125	175
	21	Zee No. 1	6,600	55	125	180
	10	Big Bear No. 5	6,602	55	125	180
	27	Big Hole No. 3	6,600	55	125	180
	32	Big Hole No. 7	6,685	135	125	260
	20	Big Bear No. 1	6,645	70	125	195
	16	Big Bear No. 2	6,645	80	125	205
	11	Big Bear No. 3	6,650	80	125	205
	26	Big Hole No. 4	6,629	50	125	175
	17	Big Bear No. 1	6,700	50	125	175
	14	Big Bear No. 2	6,725	80	125	205
	13	Big Bear No. 3	6,745	90	125	215
Total	23		Range 433	1,665	2,775	4,440

1/ Plug-bit drilling is from collar of hole.

2/ Core-bit drilling is from bottom of plug-bit drilled hole.

The following drilling cost estimates are based on current costs on the Colorado Plateau.

COST ESTIMATES

Stage I

Estimated time for completion - 2 months.

1. Independent contracts		
Bulldozing to prepare 16 drill sites estimated time 64 hrs. at $12.50 per hour	$ 800.00	
Plug-drilling 16 holes with a maximum of 800 feet at $1.75 per foot	1,400.00	
Core-drilling 16 holes with a maximum of 2,320 feet at $2.65 per foot	6,148.00	
Total independent contracts		$8,348.00
2. Labor and supervision:		
Supervising Geologist, 2 months at $650 per month	1,300.00	
Surveyor and Assistant, 8 days at $50.00 per day	400.00	
Sampler and Field Assistant, 2 months at $350 per mo.	700.00	
Draftsman, 120 hours at $3.00 per hour	360.00	
Stenographer, 60 hours at $2.00 per hour	120.00	
Total Labor and Supervision		2,880.00
3. Operating Supplies		
Office - $100 per month	200.00	
Field - $20.00 per month	40.00	
Total Operating Supplies		240.00
4. Operating Equipment		
1 House trailer at $25.00 per month	50.00	
1 Hole probing unit at $100.00 per month	200.00	
1 Universal Jeep at $100.00 per month	200.00	
Total Operating Equipment		450.00
5. Miscellaneous		
Accounting expense - $100 per month	200.00	
Insurance and Payroll Taxes - $50.00 per month	100.00	
Sampling and analyses, 80 samples at $5.00 each	400.00	
Total Miscellaneous		700.00
Total cost Stage I		$12,618.00

Estimated overall cost per foot $\frac{12,618.00}{3,120} = 4.04$

Estimated cost per foot, less analyses $\frac{12,218.00}{3,120} = 3.91$

other than drilling costs 1.625/ft

Stage II

Estimated time for completion - 2 months.

1. Independent contracts

Bulldozing to prepare 23 drill sites, estimated time 92 hours at $12.50 per hour	$1,150.00	
Plug-drilling 23 holes with a maximum of 1,655 feet at $1.75 per foot	2,896.25	
Core-drilling 23 holes with a maximum of 2,775 feet at $2.60 per foot	7,215.00	
Total Independent Contracts		$11,261.25

2. Labor and Supervision

Supervising Geologist, 2 months at $650 per month	1,300.00	
Surveyor and Assistant, 10 days at $50 per day	500.00	
Sampler and Field Assistant, 2 mo. at $350 per month	700.00	
Draftsman, 150 hours at $3.00 per hour	450.00	
Stenographer, 80 hours at $2.00 per hour	160.00	
Total Labor and Supervision		3,110.00

3. Operating Supplies

Office - $100 per month	200.00	
Field - $20.00 per month	40.00	
Total Operating Supplies		240.00

4. Operating Equipment

1 House trailer at $25.00 per month	50.00	
1 Hole probing unit at $100.00 per month	200.00	
1 Universal Jeep at $100.00 per month	200.00	
Total Operating Equipment		450.00

5. Miscellaneous

Accounting expense, $100.00 per month	200.00	
Insurance and Payroll Taxes at $50.00 per month	100.00	
Sampling and analyses, 100 samples at $5.00 each	500.00	
Total Miscellaneous		800.00
Total Cost Stage II		$15,861.25

Estimated overall cost per foot - $\frac{\$15,861.25}{4,440} = 3.57$

Estimated cost per foot less analyses - $\frac{\$15,361.25}{4,440} = 3.46$

other than drilling costs = $1.30/ft

Stage III

Estimated time for completion - 1.5 months

1. Independent Contracts

Bulldozing to prepare sites for 30 offset holes, estimated time 60 hours at $12.50 per hour	$ 750.00	
Plug-drilling 30 holes with a maximum of 1,500 feet at $1.75 per foot	2,625.00	
Core-drilling 30 holes with a maximum of 3,000 feet at $2.60 per foot	7,800.00	
Total Independent Contracts		$11,175.00

2. Labor and Supervision

Supervising Geologist, 1.5 months at $650 per mo.	975.00	
Surveyor and Assistant, 5 days at $50 per day	250.00	
Sampler and Field Assistant, 1-1/2 mo. at $350 per mo.	525.00	
Draftsman, 80 hours at $3 per hour	240.00	
Stenographer, 60 hours at $2 per hour	120.00	
Total Labor and Supervision		2,110.00

3. Operating Supplies

Office, $100 per month	150.00	
Field, $20 per month	30.00	
Total Operating Supplies		180.00

4. Operating Equipment

1 House trailer at $25 per month	37.50	
1 Hole probing Unit at $100 per month	150.00	
1 Universal Jeep at $100 per month	150.00	
Total Operating Equipment		337.50

5. Miscellaneous

Accounting expense, $100 per month	150.00	
Insurance and Payroll Taxes, $50 per month	75.00	
Sampling and analyses, 120 samples at $5 each	600.00	
Total Miscellaneous		825.00
Total Cost Stage III		$14,627.50

Estimated overall cost per foot $= \frac{\$14,627.50}{4,500} = \$3.25$

Estimated cost per foot, less analyses $= \frac{\$14,027.50}{4,500} = \$3.12$

Other than drilling cost = $0.93

Drilling Stages I, II, and III

Estimated cost per foot of drilling only (Stages I, II, and III) = $\frac{\$41,606.75}{12,060} = \$3.45$

CONCLUSIONS

Uranium deposits of economic grade have been found in the southern, eastern, and western parts of the project area. Although the attitude of the strata and continuity of the uranium-bearing beds are obscure, it is concluded that the exploratory drilling outlined in this report will intersect the projections of the favorable beds.

The 16 holes recommended for Stage I drilling should be sufficient to determine the presence of economic uranium deposits in the carbonaceous shale and arkosic sandstone beds underlying the Big Bear-Big Hole claim group. The drilling in Stage II and Stage III is designed to explore in greater detail intervening areas where favorable results are obtained from Stage I exploration.

RECOMMENDATIONS

It is recommended that a short form contract be approved at a unit cost for exploratory drilling that amounts to $43,194.65 (Government participation at 75 percent is $32,395.99). A summary of the costs of this recommended project, with plug-bit and core-bit costs segregated, is shown on Table 5.

It is also recommended that if a contract is approved a subordination agreement be obtained to include the open area (Zee claim) between the Big Bear No. 5 and the Zee No. 1 claims. The Zee claim was located by M. H. Taylor and family in 1954 and assigned to the Zinghaim family of Canon City.

Table 5.--Summary Cost of Project
(Plug-bit and Core-bit Segregated)

	Stage I		Stage II		Stage III	
	Plug 800 ft.	Core 2,320 ft.	Plug 1,665 ft.	Core 2,775 ft.	Plug 1,500 ft.	Core 3,000 ft.
1. Independent Contracts	$1,600.00	$6,738.00	$3,155.25	$8,106.00	$3,000.00	$8,175.00
2. Labor and Supervision	648.00	2,232.00	672.25	2,437.75	474.75	1,635.24
3. Operating Supplies	54.00	186.00	54.00	186.00	40.50	139.50
4. Operating Equipment	101.25	348.75	101.25	348.75	76.05	261.45
5. Miscellaneous (less analyses)	67.50	232.50	67.50	232.50	50.62	174.38
Totals 2 to 5	870.75	2,999.25	895.00	3,205.00	641.92	2,210.58
Grand totals	$2,480.75	$9,737.25	$4,050.25	$11,311.00	$3,641.92	$10,385.58
Total per stage	$12,218.00		$15,361.25		$14,027.50	
Cost of Sample analyses	400.00		500.00		600.00	
	$12,618.00		$15,861.25		$14,627.50	
Estimated total cost of project			$43,106.75			
Calculated overall cost per foot, less analyses	3.10	4.20	2.46	4.09	2.43	3.46

Cost figures for contract use

Stage I

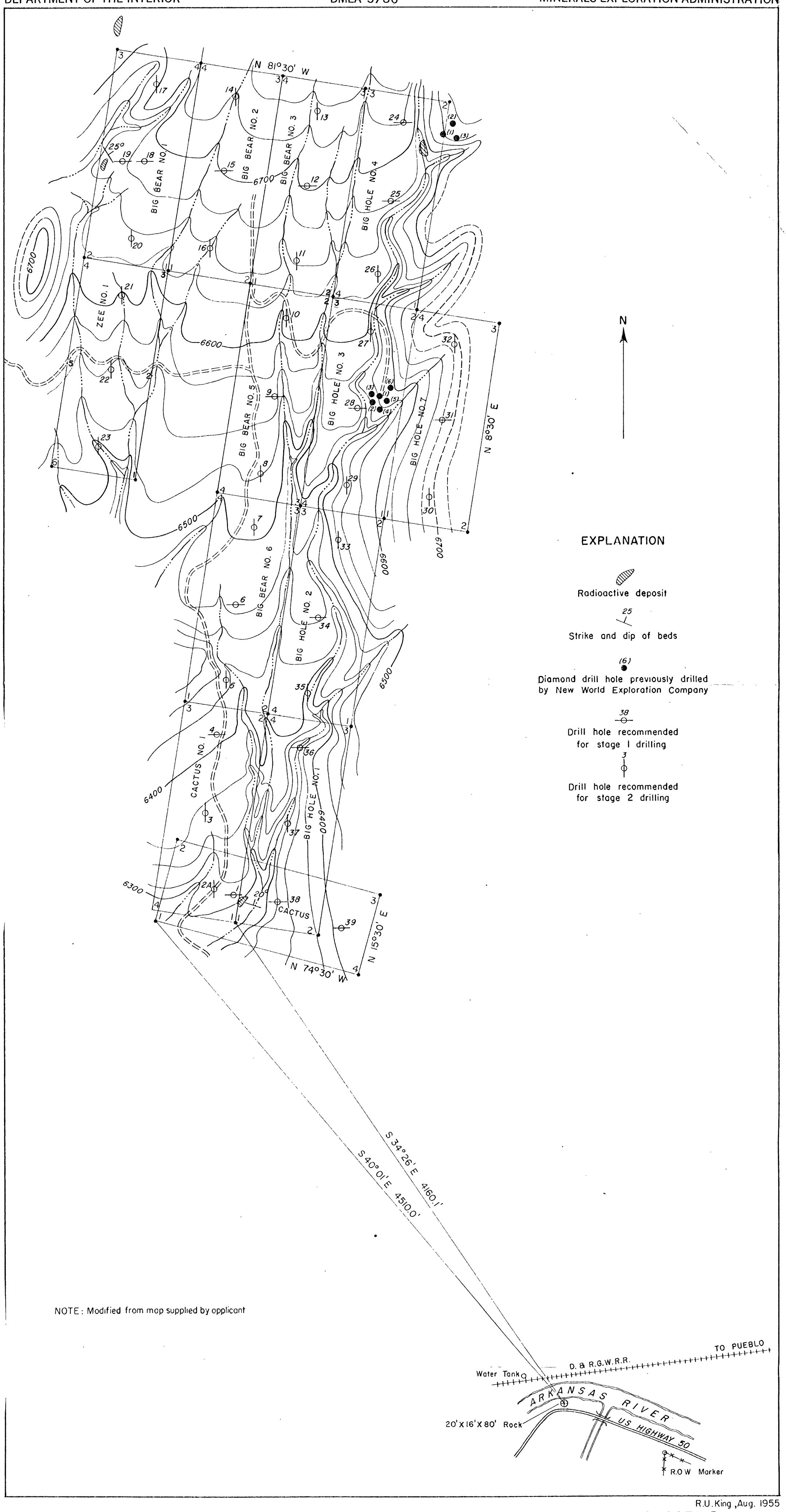
800 feet of plug drilling at $3.10 per foot	$ 2,480.00	
2,320 feet of core drilling at $4.20 per foot	9,744.00	
80 analyses at $5.00 each	400.00	
Total Stage I		$12,624.00

Stage II

1,665 feet of plug drilling at $2.46 per foot	4,095.90	
2,775 feet of core drilling at $4.09 per foot	11,349.75	
100 analyses at $5.00 each	500.00	
Total Stage II		15,945.65

Stage III

1,500 feet of plug drilling at $2.43 per foot	3,645.00	
3,000 feet of core drilling at $3.46 per foot	10,380.00	
120 analyses at $5.00 each	600.00	
Total Stage III		14,625.00
Total estimated cost of project		$43,194.65
Government participation at 75%		32,395.99

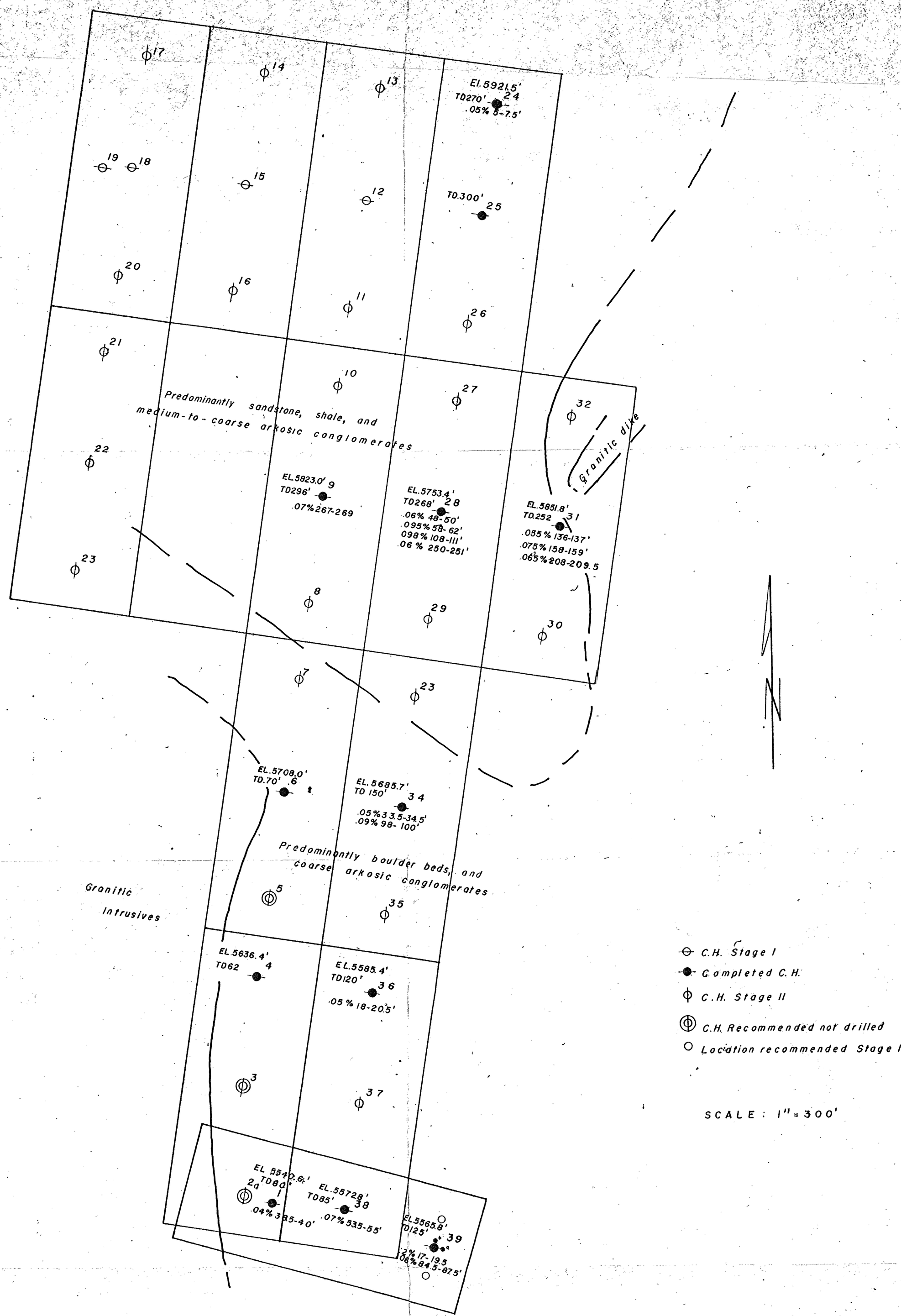


NOTE: Modified from map supplied by applicant

R.U. King, Aug. 1955

FIGURE 2.- MAP OF JOSEY-ROPER CLAIMS SHOWING LOCATION OF EXISTING AND PROPOSED DRILL HOLES, FREMONT COUNTY, COLORADO

500 0 500 1000'



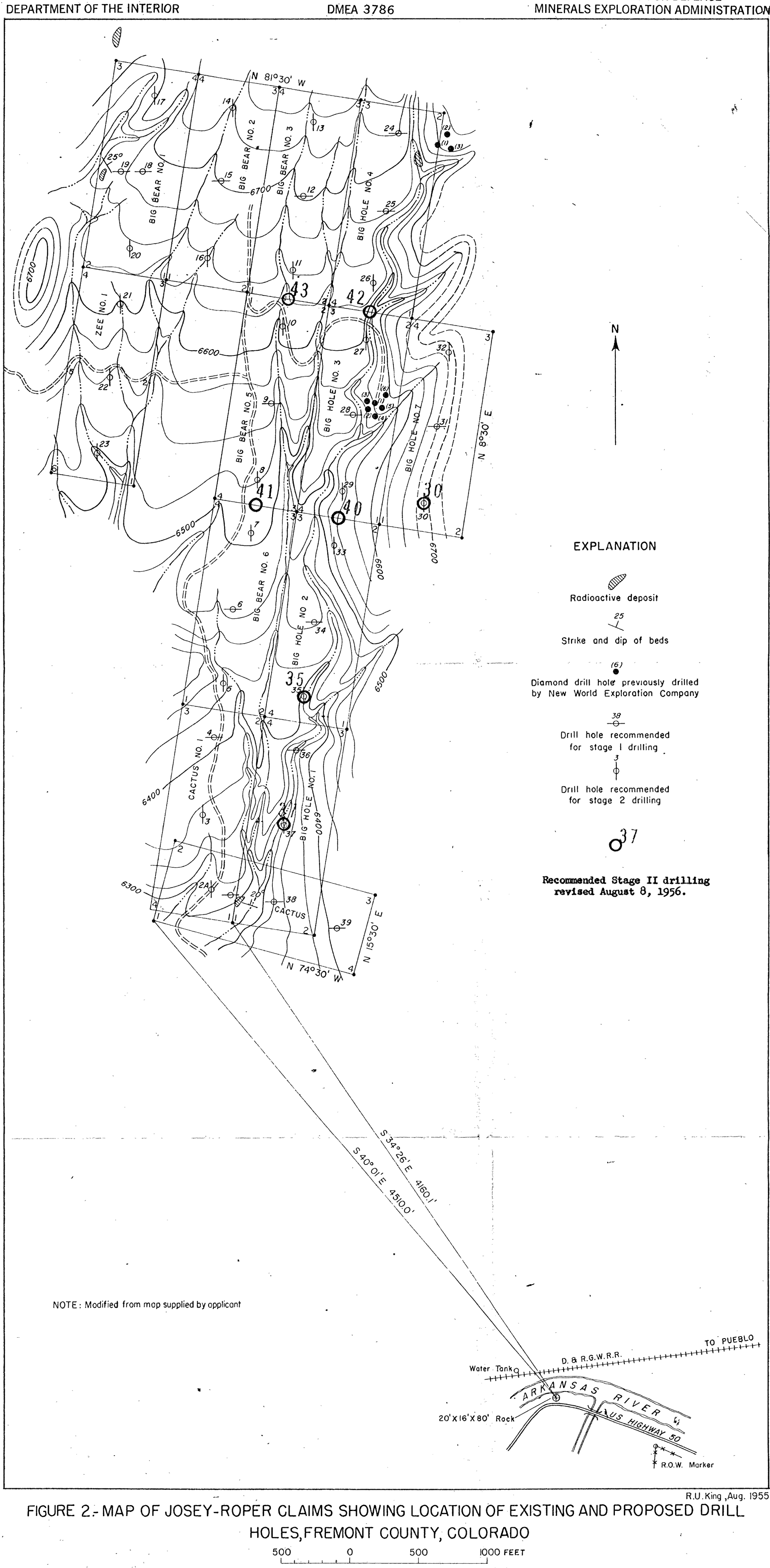
JOSEY-ROPER PROJECT

BIG HOLE AREA

FREMONT COUNTY, COLORADO

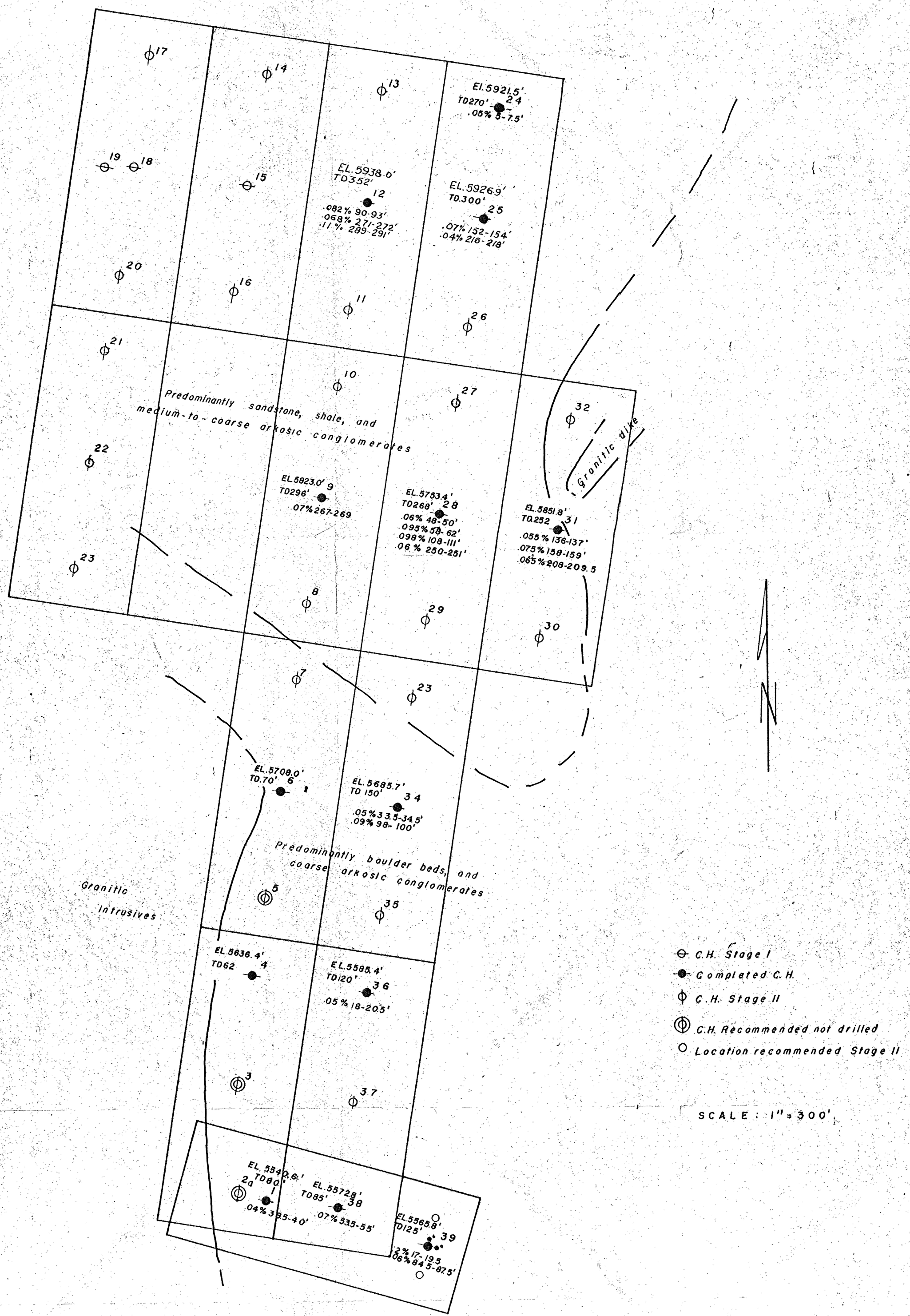
Jack Q. Frizzell
7-10-56

RECEIVED
AUG 13 1956



R.U. King, Aug. 1955

FIGURE 2.- MAP OF JOSEY-ROPER CLAIMS SHOWING LOCATION OF EXISTING AND PROPOSED DRILL HOLES, FREMONT COUNTY, COLORADO



JOSEY-ROPER PROJECT

BIG HOLE AREA

FREMONT COUNTY, COLORADO

Jack Q. Frizzell

7-10-56

8-1-56

MARINE EXPLORATION CO.

5115 Westheimer Rd.
HOUSTON 19, TEXAS

COMPANY Josey-Roper

CORE HOLE No. 25

CLAIM No. Big Hole #4

LOCATION Big Hole Area

SECTION ____ TOWNSHIP 18 S RANGE 73 W

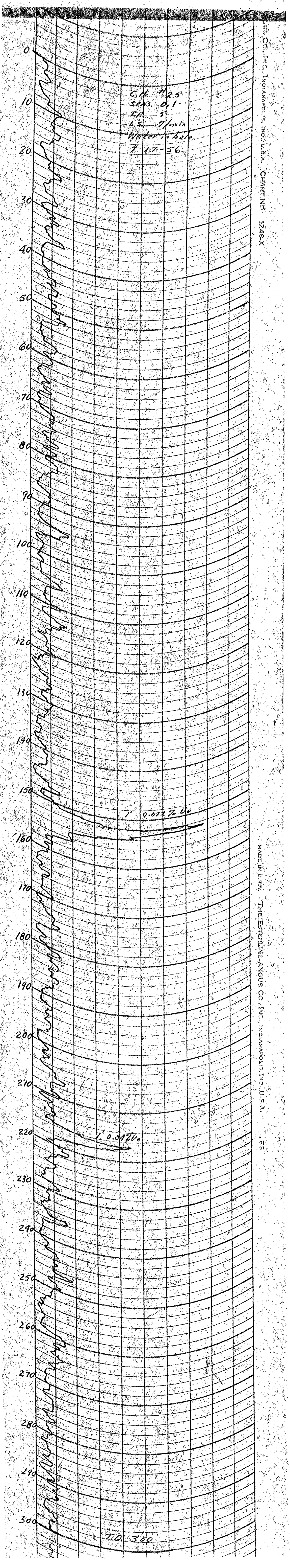
SURVEY 1 ELEVATION 5926.7 DATE 7-17-56

TYPE OF LOG Gamma Ray

HOLE DEPTH 300'

OPERATOR Baldwin - Jernigan

REMARKS Hole uncased - Filled with water L.S. 7/min.



MARINE EXPLORATION CO.
5115 Westheimer Rd.
HOUSTON 19, TEXAS

COMPANY Josey-Roper
CORE HOLE No. 12
CLAIM No. Big Bear #3
LOCATION Big Hole Area
SECTION ___ TOWNSHIP 18 S RANGE 73 W
SURVEY 1 ELEVATION 5938.0 DATE 7-27-56
TYPE OF LOG Gamma Ray
HOLE DEPTH 352'
OPERATOR Baldwin-Jernigan
REMARKS Hole uncased. Filled with water. L.S. 7'/min.

Oper: Josey Roper
Proj: Big Hole Area
C.H.: #25 | Fremont Co., Colo.
Loc: Center of Big Hole #4
T.D.: 300' Comp. Date: 7-17-56
Core Data: cored 30' to 300'
Recovery 42%

Gamma Log Data: .072% Ue
152' - 153' .043% Ue
217 - 218'

Casing: No casing
Remarks:
El. 5926.7

	.1	.2	.3
10			
20			
30 comm. coring			
grn. c.q. argillaceous ss. 40			
dk. gry. f.-m.q. shly. ss. dk. gry. f.-m.q. qtz. ss. 50			
gry. shale 60			
c.q. ark. cong. FeO, stn. c.q. qtz. ss. 70 blk. shale			
dk. brn. to choc. brn. argillaceous ss. dk. gry. med. gr. argill. 80 qtz. ss.			
dk. gry. to dk. brn. argill. ss. dk. brn. m.q. angular 90 shly. ss.			
Soft, gry. shly. ss. 100			
Soft, gry. shly. ss. & pebble cong. 10			
dk. grn. to dk. gry. argill. qtz. ss. 20			
pebble cong. & c.q. ss. 30 gry. shale			
dk. brn. f.q. argill. ss. dk. brn. f.q. shaley ss. 40			
dk. gry. shly. ss gry. shly ss. 50 gry. sdy. shale			
dk. gry. shale 60			
dk. gry. sdy. shale 70			
gry. f.q. shaley ss. choc. brn. to dk. brn. 80 shaley ss.			
dk. brn. shaley ss. dk. brn. sdy sh. 90			
lt. gry. arkosic ss. Abund. FeMg minerals shly. ark. ss. 200			
f.q. silty ss. thin carbon streaks 210			
gry. soft, qtz. & ark. ss. blk. sdy sh. lt. gry. sdy. sh. 220			
c.q. ark. ss. dk. gry. m.q. ss. 230 dk. gry. to blk. sh., ark. cong.			
ark. cong. 240			
gry. sdy. sh. 250			
ark. cong., interbedded gry. shale. 260			
brn. f.q. shly. ss. soft dk. brn. sh. brn & gry. shly. ss. 270 soft. choc. brn sh. gry sh.			
gry. shly. ss. gry. ark. ss. 280			
dk. gry. ark. cong. gry shly. ss. 290			
qtz. & ark. cong. 300 T.D.			

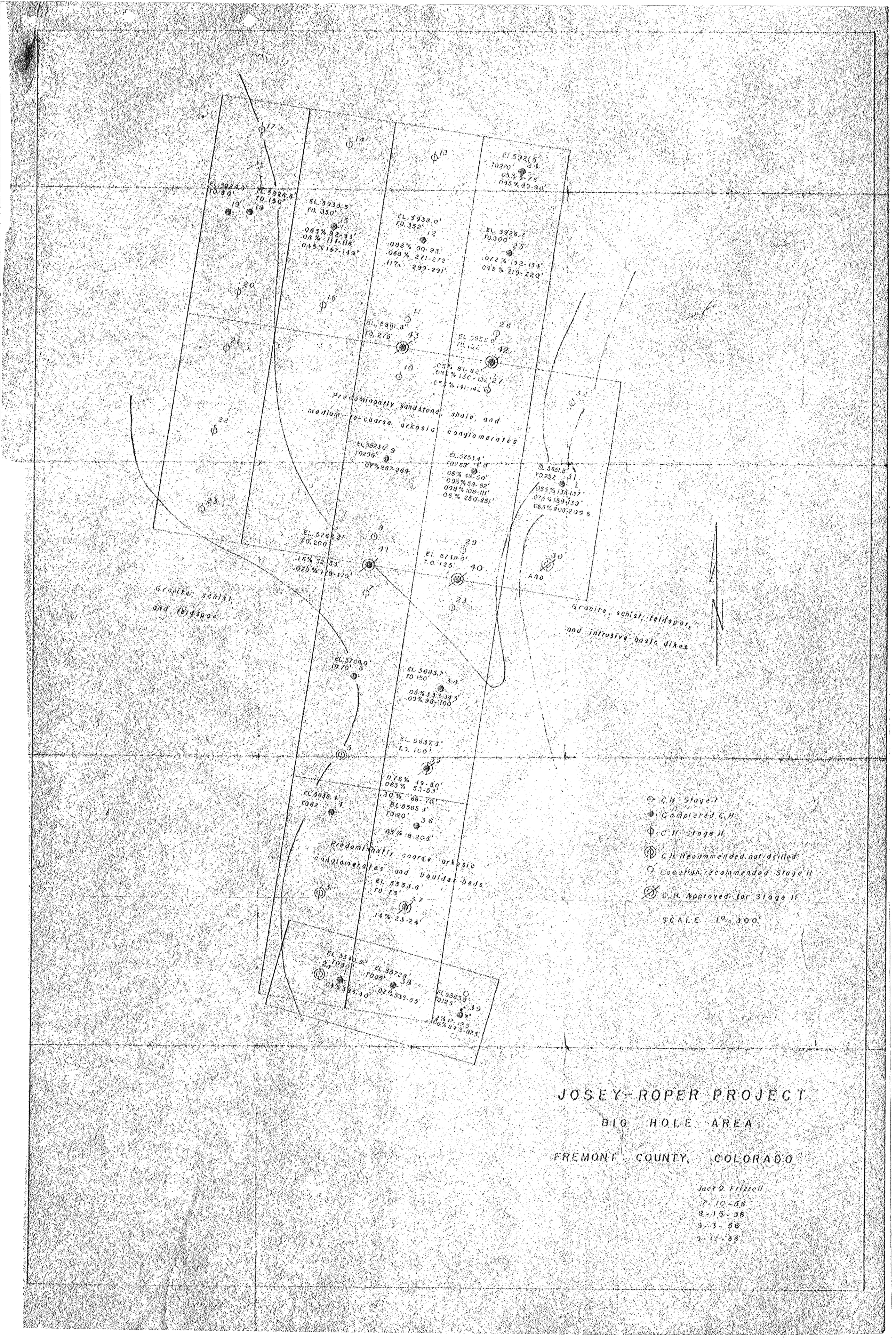
July, 1956 MF-104
DMEA-3786 - E907
Uranium
Jack S. Josey & Frank C. Roper

Oper: Josey Roper
Proj: Big Hole Area
C.H: #12 | Fremont Co., Colo
Loc: Center of Big Bear #3 & 4
T.D: 352' Comp Date: 7-27-56
Core Data: Cored 60' to 352'
Recovery 24%.

Gamma Log Data: .082% Ue
90-93'; .068% Ue 271-272';
.11% Ue 289½-291.

Casing: Uncased
Remarks: Left core head in hole.
El. 5938.0

		1	2	3
	10			
	20			
	30			
	40			
	50			
	Shly. conq. FeOistn. 60 Comm. coring			
	pebble conq. 70 gry. shale			
	gry. m-c.q. ss.. 80 shly. ss.			
	gry. med.gr. ss. 90 gry. to blk. shly. ss.			
	dk. gry. shly. ss. c.q. qtz. ss. 100			
	gry. shly. qtz. ss. 10			
	dk. brn. shly. ss. 20 dk brn. shale			
	conq. 30			
	dk. brn. sh. gry. f.q. shly. ss. 40 dk. gry to blk. sh.			
	gry. f.q. ss. gry. c.q. ss. 50			
	gry. conq. gry. f.q. ss. 60 granite pebbles			
	conq. granite boulders 70			
	pebble conq. 80			
	granite pebbles dk. gry. sh. 90 gry. sdy. sh.			
	gry. ark. sd. gry. shly ss. 200 soft dk. gry. sh.			
	dk. red to brn shly. ss. choc. brn. shale 210			
	dk. brn. shly. ss. choc. brn. sh. 220			
	choc. brn. sh. gry. f.q. shly. ss. 230			
	gry. f.q. ss 240 gry. shly. ss.			
	gry. to brn. argill. ss. 250			
	c.q. to m.q. ss. 260 dk. gry. sh.			
	gry. f.q. to m.gr. ss. 270			
	dk. gry. sdy sh. granite pebbles 280 dk. gry. sh.			
	pebble conq. 290 dk. gry sh.			
	dk. gry. shly ss. pebble conq. 300			
	ark. conq.			
	310 gry. sh.			
	granite boulders 320			
	gry. m. to c.q. qtz. ss. 330			
	gry. ss. blk. sh. 340 gry. ss.			
	c.q. qtz. ss. & conq. c.q. ss. & carbon trash 350			
	T.D. 352' 360			


Predominantly sandstone, shale, and medium-to-coarse arkosic conglomerates
Granite, schist, and feldspar
Granite, schist, feldspar, and intrusive basic dikes
Predominantly coarse arkosic conglomerates and boulder beds
C.H. Stage I
Completed C.H.
C.H. Stage II
C.H. Recommended, not drilled
Location recommended Stage II
C.H. Approved for Stage II
SCALE 1" = 300'
N
JOSEY-ROPER PROJECT
BIG HOLE AREA
FREMONT COUNTY, COLORADO
Jack O. Fitzsell
7-10-56
8-15-56
9-3-56
9-17-56

Recd interior 12-18-56

MARINE EXPLORATION CO.

5115 Westheimer Rd.
HOUSTON 19, TEXAS

COMPANY Josey-Roper

CORE HOLE No. 35A

CLAIM No. Big Hole #2

LOCATION Big Hole Area

SECTION ..... TOWNSHIP 18S RANGE 73W

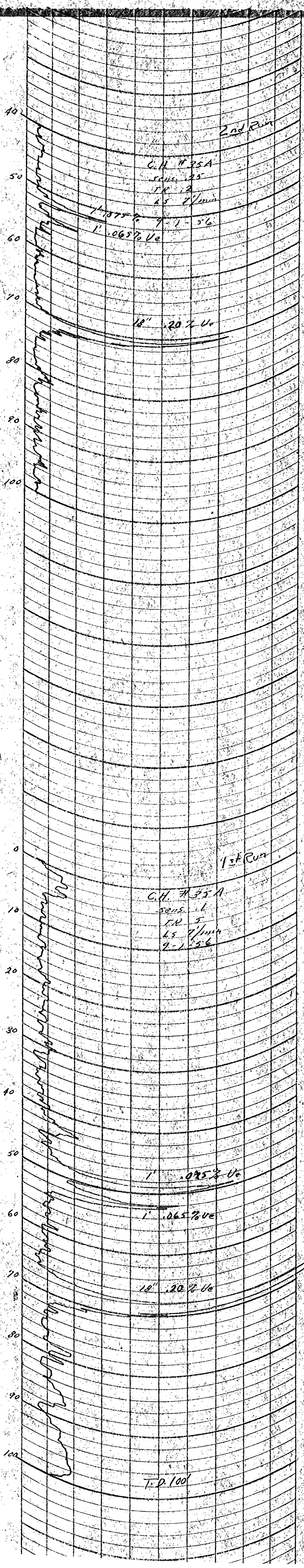
SURVEY 1 & 2 ELEVATION 4637.5 DATE 9-1-56

TYPE OF LOG Gamma Ray

HOLE DEPTH 100'

OPERATOR Baldwin-Frizzell

REMARKS Set 84' of 1½" pipe



MADE IN U.S.A. THE ESTERLINE-ANGUS CO., INC., INDIANAPOLIS, IND., U.S.A.

Recd out 12-13-56

MARINE EXPLORATION CO.

5115 Westheimer Rd.
HOUSTON 19, TEXAS

COMPANY Josey Roper

CORE HOLE No 41

CLAIM No Center between Big Bear #5 & #6

LOCATION Big Hole Area

SECTION ____ TOWNSHIP 18S RANGE 73W

SURVEY 1 ELEVATION 5766.22 DATE 9-7-56

TYPE OF LOG Gamma Ray

HOLE DEPTH 200'

OPERATOR Baldwin - Jernigan

REMARKS set 63' of 2½" casing

Recd. Int.
12-13-56

MARINE EXPLORATION CO.

5115 Westheimer Rd.
HOUSTON 19, TEXAS

COMPANY Josey Roper

CORE HOLE No. 42

CLAIM No. Big Hole # 4

LOCATION Big Hole Area, Fremont Co., Colo.

SECTION ____ TOWNSHIP 18 S RANGE 73 W

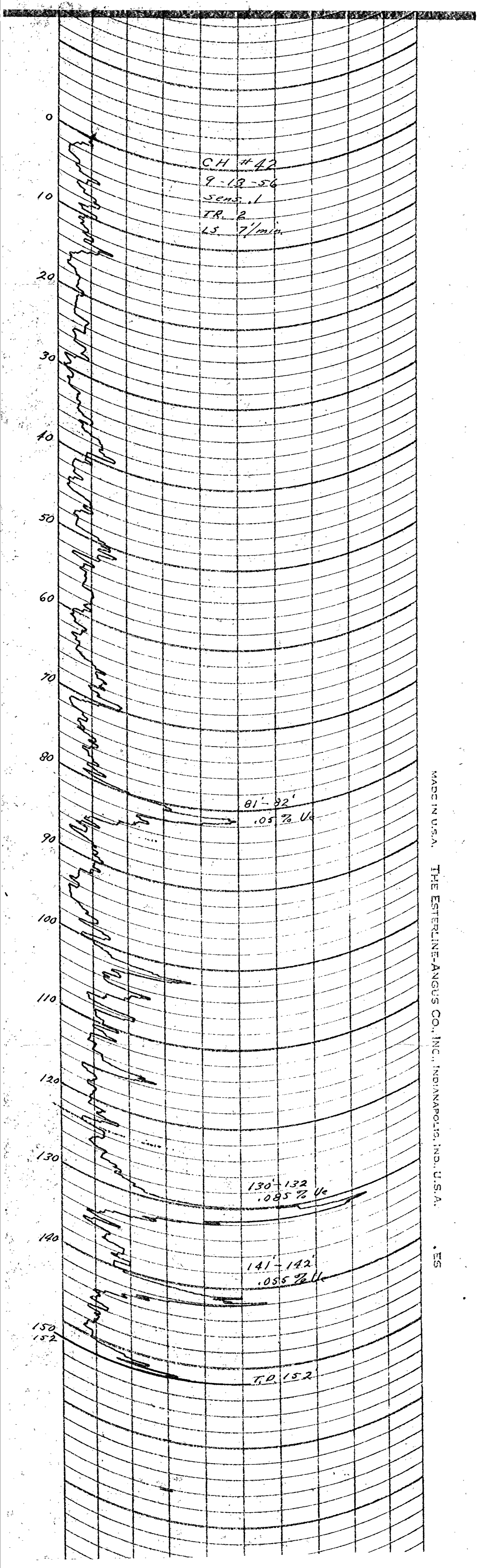
SURVEY 1 ELEVATION 5855.0 DATE 9-13-56

TYPE OF LOG Gamma Ray

HOLE DEPTH 150'

OPERATOR Baldwin - Frizzell

REMARKS Hole filled with water



MARINE EXPLORATION CO.

5115 Westheimer Rd.
HOUSTON 19, TEXAS

RECEIVED DEC 18 1956 D.M.E.A.

COMPANY Josey Roper

CORE HOLE No. 43

CLAIM No. Big Bear #3

LOCATION Big Hole Area Fremont co, Colo

SECTION ____ TOWNSHIP 18S RANGE 73 W

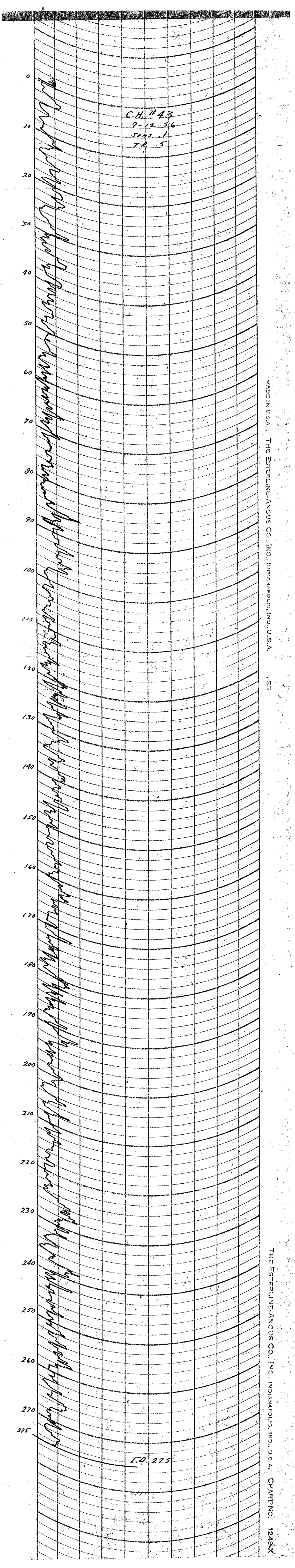
SURVEY 1 ELEVATION 5861.8 DATE 9-12-56

TYPE OF LOG Gamma Ray

HOLE DEPTH 275'

OPERATOR Baldwin - Frizzell

REMARKS Hole Filled with Water



Oper: Josey Roper
Proj: Big Hole Area
C.H. #35A | Fremont Co, Colo.
Loc: South End Center Big Hole #2
TD: 100' Comp Date: 9-1-56
Core Data: cored from 28' to 100'
Recovery was 102 %

Gamma Log Data:
1' of .065 % Ue at 50'
18' of .20 % Ue at 71'
1' of .075 % Ue at 49½'
Casing: set 84' of 1½" gal.
Remarks: #35 to 55' #35A to 100'
El. GL. 5632.5

		.1	.2	.3
	10			
	20			
	30			
	boulders 40			
	boulders 50			
	ark. cong. 60			
	gray sand & shale carbon trash 70			
	gry. sand & shale 80			
	granite pebbles 90			
	granite boulders 100 T.D.			
	10			
	20			
	30			
	40			
	50			
	60			
	70			
	80			
	90			
	200			

Oper. Josey Roper
Proj: Big Hole Area
C.H. # A1 | Fremont Co., Colo.
Loc: End center between Big Bear 5 & 6
T.D. 200' Comp Date
Core Data: Cored from 25' to 200'
Recovery was 10%

Gamma Log Data:
2' of .16% Ue at 52'
16" of .075% Ue at 177'

Casing: set 63' of 2½" black
Remarks:
El. Ground Level 5766.22'

		.1	.2	.3
	10			
	20			
	30			
	40			
	50			
	Yellow fine grained sand stone argil. ss & conq. 60	[redacted]		
	yell. iron stn. conq. 70			
	yell. iron stn. conq. 80			
	yell. sdy conq. 90			
	yell. iron stn. ss. granite boulders 100			
	yell. c.g. ss. 10			
	yell. conq. 20 grv. c.g. ss			
	yell. iron stn. conq. 30			
	40 conq.			
	50			
	granite boulder & frag. 60			
	sdy. conq. 70			
	grv. sd. yellow-stained sandy pebble conglomerate 80	[redacted]		
	granite boulders & sdy. conq. 90			
	grv. c.g. ss & granite boulder frags. 200 T.D.			

Oper: Josey - Roper
Proj: Big Hole Area
C.H: #4 Z Co.,
Loc: South end Center Big Hole #4
T.D: 152' Comp Date: 9-13-56
Core Data: Cored 20-152'
Recovery 13.5%

Gamma Log Data: Anomalous Radioactivity: 81-82' .05% Ue 130-132 .085% Ue, 141-142' .055% Ue
Casing: Uncased
Remarks: G.L. Elev. 5855.0'

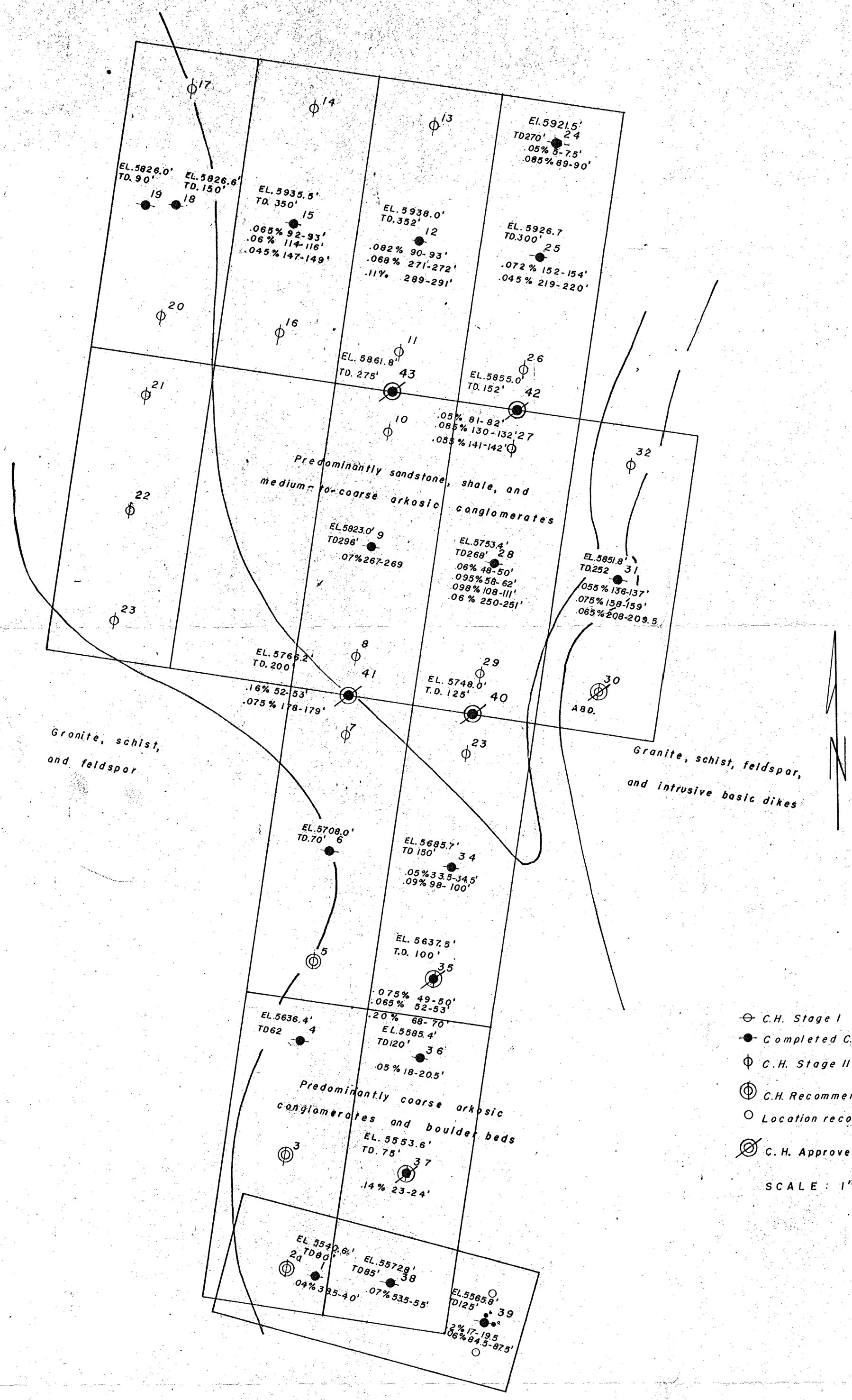
10	Soil & gravel
20	gry sh.
30	gry. ark sd. Ark & conq. iron stn.
40	gry & grn. gf. sd. sli. iron. stn.
50	gry sh.
60	gry & brn. sli sdy sh.
70	gry ark. gry & brn. sh.
80	brn shly. sd. shly sd.
90	soft. gry. c.g. angular ark. sd.
100	
10	
20	med. gry. soft. ark. sd.
30	
40	gry. friable c.g. ark-ss.
50	blk f.g. sd.
60	T.D. 152'
70	
80	
90	
200	

Oper: Josey Roper
Proj: Big Hole Area
C.H: #43 | Fremont Co, Colo.
Loc: S. End Center Big Bear #3
T.D: 275' Comp. Date: Sept. 12
Core Data: Cored from 17 ft. to 275'
Recovery 21%

Gamma Log Data:
No significant radioactivity

Casing: No casing
Remarks:
El. 5861.8

10	
brn. argill. ss. 20	
gry. argill. ss. 30	
gry f.g. ss. 40	
yell & gry. f.g. ss. 50	
c.g. yell. qtz. sd. 60	
" 70	
gry & yell. conq. 80	
90	
argill. ss. 100	
gry. f.g. ss. 10	
pebbles & ss. 20	
pebbles & ss. 30	
gry. sdy. conq. 40	
gry sdy & shly. conq. 50	
gry shly. ss. 60	
gry. sdy. conq. 70	
gry. conq. 80	
gry. sdy. conq. 90	
gry. 200	
gry. argill. ss. 10	
c.g. ss. conq. 20	
gry shly ss 30	
gry. soft. med. grss. 40	
blk. soft. sh. gry. shly. ss 50	
gry. med. gr. conq. 60	
c.g. grk. ss. 70	
c.g. grk. ss. T.D. 275 280	



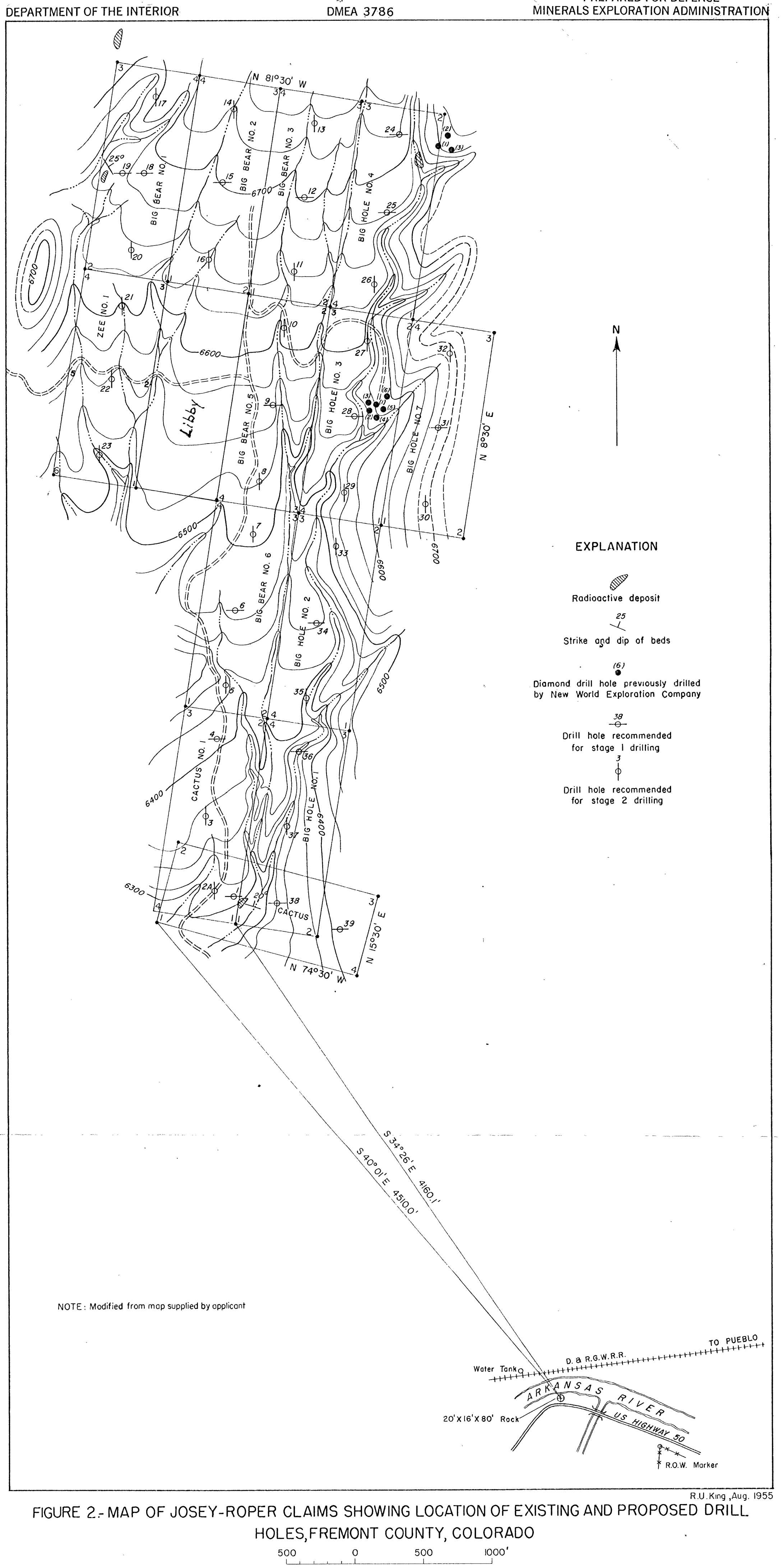
JOSEY-ROPER PROJECT

BIG HOLE AREA

FREMONT COUNTY, COLORADO

Jack Q. Frizzell

7-10-56
8-15-56
9-3-56
9-17-56



R.U.King, Aug. 1955

FIGURE 2.- MAP OF JOSEY-ROPER CLAIMS SHOWING LOCATION OF EXISTING AND PROPOSED DRILL HOLES, FREMONT COUNTY, COLORADO