Surname Copy

Ellis
Adams

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

AUG - 4 1955

Mr. L. W. Hiser, Jr.
Uranium Enterprises, Inc.
2003 Forest Drive
Durango, Colorado

Re: Docket No. DMEA-3873 (Uranium)
Uranium Queen Group
LaPlata County, Colorado

Dear Mr. Hiser:

Reference is made to our letter dated July 1, 1955, in which we stated that the subject docket would be considered closed unless certain information required to process the captioned application had reached this office on or before August 1, 1955. No answer to our letter having been received, we therefore inform you that the subject docket is considered closed effective as of that date.

This is without prejudice to the merits of your proposed project. We regret the necessity of this action and express appreciation for your interest in the exploration program during the period your application has been under consideration.

Sincerely yours,

C. O. Mittendorf

Administrator

Copy to: S. F. Wadden, Esq.
Sifford and Wadden
750-760 Orpheum Electric Bldg.
Sioux City, Iowa

EWEllis:ai
8/2/55
cc to: Admr. Reading File
Docket
Code 700
DMEA Field Team, Region III (2)

R.L.G.

7/12/55-gla

IN REPLY REFER TO:

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

RECEIVED
JUL 11 1955

July 8, 1955

Memorandum

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

From: Thor H. Kiilsgaard, U. S. Geological Survey

Subject: Review of application submitted by Uranium Enterprises, Inc., LaPlata County, Colorado, DMEA Docket 3873.

The applicant controls approximately 34 acres under a lease agreement. He proposes to explore this property by an indefinite exploration program consisting of 300 feet of drifts and crosscuts and 600 feet of drilling. No maps showing location of the property or of the proposed work have been presented nor is there any estimate of the cost of the project. Uranium ore is supposed to outcrop on the property in the Dakota or Burro Canyon formation; however, assays taken indicate it is present in nil amounts.

The application was transmitted to the Denver office on January 18, 1955, but was received in such a poor state of preparation that the Executive Officer immediately wrote the applicant for more information. To date, only part of this requested information has been received.

The property is held under a very stiff lease and it may, in part, be this lease that has discouraged the applicant from supplying the requested information. It is believed, however, that adequate time has been given the applicant to present the data and it is therefore recommended that Mr. Traver's suggestion, in his letter of June 22, be be adopted. The DMEA office should write the applicant informing him that unless all requested information is on hand by August 1, the application will be placed in the inactive file. If the information is received, the application should then be transmitted to the field for a Field Team review.

Thor H. Kiilsgaard

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Thor H. Kiilsgaard

THKiilsgaard:iml
G-7/8/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

IN REPLY REFER TO:

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

RECEIVED
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J. E. Crawford, 3641
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7/7/55 gla

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

RECEIVED
JUL - 7 1955

July 6, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: Bureau of Mines Member
Uranium Commodity Committee

Subject: Application for assistance, DMEA Docket 3873, Uranium Enterprises, Inc., La Plata County, Colorado

I have reviewed the attached application for assistance, Uranium Enterprises, Inc., DMEA Docket 3873; and I have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We suggest that the application be held in abeyance for additional information. Uranium Enterprises, Inc., did not include the cost of the project, pertinent maps, and specific reasons to substantiate the belief that good ore will be encountered at depth. This information is vital for the proper evaluation of this application for assistance.

John E Crawford
John E. Crawford

Attachment

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

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JUL - 7 1955

July 6, 1955

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BUREAU OF MINES
WASHINGTON 25, D. C.

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JUL - 7 1955

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John E. Crawford

Attachment

Surname 700

Ellis
Mitchell

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

JUL - 1 1955

Mr. L. W. Hiser, Jr.
Uranium Enterprises, Inc.
2003 Forest Drive
Durango, Colorado

Re: Docket No. DMEA-3873 (Uranium)
Uranium Queen Group
LaPlata County, Colorado

Dear Mr. Hiser:

A review of your application, dated January 18, 1955, which was submitted to the DMEA Regional Office at Denver, Colorado, by letter of the same date from S. F. Madden, Attorney, Sioux City, Iowa, reveals that you have not supplied sufficient information to enable us to process this application. We refer specifically to Mr. Traver's letter of January 20, to Mr. Madden, and Mr. Madden's reply of January 25, advising that detailed information as to work to be done, costs, and location, as requested in paragraph 6 of Mr. Traver's letter, would be forwarded from Durango as soon as it was prepared.

We wish to cooperate with you in the matter of allowing ample time, but if the required data has not been received by August 1, 1955, we will then consider the docket closed.

For your information, the supplemental information should be submitted in quadruplicate, directly to this office in Washington.

Sincerely yours,

SIGNED

Earnest W. Ellis, Chief
Rare and Miscellaneous
Metals Division

Copy to: S. F. Madden, Esq.
Sifford and Madden
750-760 Orpheum Electric Bldg.
Sioux City, Iowa

EWEllis:am
6-30-55
cc to: Admr. Reading File
Docket
Code 700
DMEA Field Team, Region III (2)

R.C.B.

June 28, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region III.

DMEA-3873 Uranium Enterprises, Inc.

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

June 28, 1955
Subject: DMEA-3873
Re: Exploration Assistance
Uranium Queen Group

Uranium Enterprises, Inc.
2003 Forest Drive
Durango, Colo.

Gentlemen:

The receipt of your application dated January 18 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3873 and referred to the Rare and Miscellaneous Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

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

224 New Customhouse
Denver 2, Colorado

June 22, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA assistance (Uranium), Uranium Enterprises, Inc., Uranium Queen group, California Mining District, LaPlata County, Colorado

Enclosed are the original and two copies of the subject application for an unstated amount which was received in this office January 26, 1955. The application was very incomplete and copies are enclosed of our correspondence with the applicant, dated January 20, January 25 and March 22, 1955 in which we requested additional information, his reply which included a lease, and our letter to him requesting additional required data.

Since considerable time has elapsed without receiving the information requested, we recommend that a docket number be assigned and the applicant be informed that if requested information is not received by August 1, 1955 that the docket will be closed.

W. M. Traver

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

URANIUM ENTERPRISES, INC., A COLORADO CORPORATION
2003 Forest Drive, Durango, Colorado

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3873
Metal or Mineral Uranium
Date Received 6/27/55
Estimated Cost No amount
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: URANIUM ENTERPRISES, INC., a Colorado Corporation
2003 Forest Drive, Durango, Colorado

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Part of Lot 2, Section 6, Township 35 North, Range 9 West N.M.P.M., From steel stake in ledge true north to U.S. Forest Service Boundary; thence 600 feet east; thence south to the county road as it passes by the lake; thence 600 feet west; thence north to the place of beginning.

(*b*) State any mine name by which the property is known. URANIUM QUEEN GROUP

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

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

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

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

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

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium and or Thorium.

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

(*c*) The work ~~will~~ has start~~ed~~ ~~within XXXXXXXXXX days~~ will and be completed within 12 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated January 18, 1955

URANIUM ENTERPRISES, INC.
(Applicant)

By [signature], Jr.
President

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

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

SUPPLEMENT TO APPLICATION

FOR AID IN AN EXPLORATION PROJECT

1 (c) Titles, Names and Addresses of Officers

President - L. W. Hiser, Jr.
2003 Forest Drive, Durango, Colorado.
Vice President - Calvin H. Sanderson,
Monte Vista, Colorado.
Vice President - Raymond J. Cusack,
4401 Perry Way, Sioux City, Iowa.
Secretary - Treasurer - S. F. Wadden
750-760 Orpheum Electric Bldg.
Sioux City, Iowa.

4 (a) Mining or Exploration Operations.

A drift has been driven in about fifteen feet from the exposure on the surface.

4 (b) Past and Current Production and Ore Reserves.

The discovery is recent. All work is new. No production has been obtained as yet. No ore reserves have been determined.

4 (c) Geologic Features of the Property.

The ore outcrops on the surface in the Dakota or Burro Canyon formation is a carbonaceous material with some manganese and iron stains. It appears to be a bedded deposit with the main values following a fracture. The reason for wishing to explore this deposit is the high count obtained with a geiger counter or scintillator. This material according to radiametric analysis is of commercial grade. By chemical analysis, it does not seem to be too high in U_3O_8. It is felt that with depth good ore may be obtained. These statements are based upon the opinion of Duncan E. Harrison, Uranium Mine Consultant, 641 Fourth Avenue, Durango, Colorado. Assay reports attached.

4 (d) Accessibility of Project.

The property is about five miles northwest of Durango, Colorado. It is reached by county road. It is accessible and can be worked the year around.

4 (e) Availability of Man Power, etc.

Manpower, equipment, materials, supplies, and living accommodations are available in Durango, Colorado.

5 (b) Proposed Work.

It is proposed to drive in on the main outcropping following the fracture for a distance of at least 300 feet; then to cross-cut out on the better showings of ore to try to determine the extent of the ore body. It is also proposed to core drill at least 6 holes of 300 feet back of the cutting and at least 6 holes of 300 feet beyond the cutting in order to thoroughly explore the claim and to determine the existence of ore bodies thereon and their nature and extent.

5 (d) Duncan E. Harrison, Uranium Mine Consultant, 641 Fourth Avenue, Durango, Colorado, with 15 years or more actual Uranium mining experience with both U.S.V. and V.C.A. is the consultant over the work. Experienced miners have been hired to do the actual mining. Calvin Sanderson and L. W. Hiser, Jr., are working right with the miners. Both have some practical experience in the field and are able to direct the work under Mr. Harrison's supervision.

6. Estimate of Costs.

6 (a) No independent contract.

6 (b) Labor, supervision, consultants.

Miners	$2.00 per hour.
Muckers	1.75 per hour.
Supervisor	$600.00 per month.
Engineer & Consultant	$25.00 per day, part time basis.
Core Drilling	$ 2.00 per foot.

6 (c) Operating Materials and Supplies.

Gasoline and oil.
Mine Timbers
Lumber
Wheelbarrow
Picks and Shovels
Dynamite
Caps
Fuse
Drill steel and bits
Water and Air House.

6 (d) Operating Equipment

All the following equipment is on a rental lease basis:-

Compressor
Jack hammer
Jack leg
Jack tank
Oiler

6 (e) Rehabilitation and repairs.

None.

6 (f) New Buildings, improvements, installations.

Ore Bin and Chute might be needed.
Probable cost, $1000.00.

6 (g) Miscellaneous.

Analytical work, $3.50 per U_3O_8 Assay
Workman's Compensation
Accounting
Employers Liability Insurance
Pay Rolls Taxes.

6 (h) Contingencies.

15% set up or necessary allowance for contingencies.

MINING LEASE

THIS INDENTURE, Made this 22nd day of October in the year of our Lord one thousand nine hundred and fifty-four between ROSCOE T. SCHAFER and HAROLD FLORMAN, Lessors, and L. W. HISER, Jr., and RAYMOND J. CUSACK, Lessees or Tenants.

WITNESSETH; That the said Lessor for and in consideration of the Royalties, covenants and agreements hereinafter reserved, and by the said Lessee to be paid, kept and performed, have granted, demised and let, and by these presents do grant, demise and let unto the said Lessee all the following described MINE and mining property, situate in California Mining District, County of La Plata, State of Colorado, to-wit:

A Tract of land, by said parties mutually staked and marked on the ground, in Section 6, T 35 N, R 9 W, N.M.P.M. described as follows: From a steel stake in the ledge true North to U.S. Forest Service Boundary; thence 600 ft. East; thence South to county road as it passes by the lake; thence 600 ft. West; thence North to the point of beginning; Together with all appurtenances; RESERVING, However to the first parties all pine timber which shall be cut only upon the written consent of the first parties;

Immediate possession is hereby granted and thirty (30) days to commence drilling or mining operations.

TO HAVE AND TO HOLD Unto the said Lessee or Tenant from date hereof, for so long as said tenants, their heirs, executors, administrators and lawful assigns shall produce ore and work and operate said premises as hereinafter provided. IT IS EXPRESSLY UNDERSTOOD AND AGREED that this lease embraces uranium, vanadium and metal ores, other than oil and gas; that the title to all oil and gas remains in the lessors;

And in consideration of the said Demise, the said Lessee does covenant and agree with said Lessor as follows, to-wit:

To enter upon said MINE, or premises, and work the same MINE FASHION, in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises as a workable mine, and to the special covenants hereinafter reserved.

To work and mine said premises as aforesaid steadily and continuously from the date of this Lease; and that any failure to work said premises with at least five hundred (500) man hours per month shall be considered a violation of this lease.

To well and sufficiently timber said Mine at all points where proper in accordance with good mining, and to repair all old timbering wherever it may become necessary.

To allow said Lessors and their agents to enter upon and into all parts of said Mine for the purpose of inspection, with use of all passages,

ropes, windlass, ladderways, and all other means of ingress or egress for such purpose.

To not assign this Lease, or any interest thereunder, and to not sublet the said premises or any part thereof, without the written assent of said Lessor and to not allow any person or persons, except the said Lessees and their workmen to take or hold possession of said premises, or any part thereof, under any pretense whatever.

To occupy and hold all cross or parallel Lodes, Spurs, Feeders, Crevices or Mineral Deposits of any kind which may be discovered in working under this Lease, or in any Tunnel run to intersect said vein or by the said Lessees or any person or persons under them in any manner, as the property of said Lessors with privilege to said Lessee of working the same as parcel of said demised premises; and to not locate or record the same, or allow the same to be located or recorded, except in the name of said Lessors.

To keep at all times the Drifts, Shaft, Tunnels and other passages and workings of said demised premises thoroughly drained and clear of loose rock and rubbish of all kinds, unless prevented by extraordinary mining casualty. To comply with all regulations of the State Mine Inspector and at all times to provide Workman's Compensation Insurance on all employees and that a failure to carry such insurance shall automatically operate as a forfeiture of this lease.

To pay and deliver to said Lessors as Royalty, twenty (20%) per cent of all Ore to be extracted from said premises during said term, of like assay to that retained by said Lessee delivered at any mill or ore buying station as soon as mined, without offset, deduction or charge whatever. Further, that upon the execution of this lease, lessees have paid to the lessors the sum of $500.00, receipt whereof is hereby acknowledged; a further sum of $2,000.00 in consideration of this lease shall be paid on or before November 2, 1954; and a further sum of $2500.00 shall be paid to said lessors on or before December 15, 1954; payments to be made at Burns National Bank, Durango, Colorado;

To deliver to said Lessor the said premises, with the appurtenances and all improvements, in good order and condition, with all Shafts, Tunnels and other passages thoroughly clear of rubbish and drained, and the Mine ready for immediate continued working (accidents not arising from negligence alone excusing), without demand or further notice, upon the discontinuance of mining operations for a period of 30 days. The lessees further agree to pay to the lessors 50% of any and all bonuses paid by the Atomic Energey Commission or its subsidiaries or any government authority; any development and haulage allowance will be the property of the lessees.

And finally, that upon the violation of any covenant or covenants hereinbefore reserved, the term of this Lease shall at the option of said Lessors, expire and the same and said premises, with the appurtenances, shall become forfeit to said Lessor, and said Lessors or their agent may thereupon, after demand of possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law; or at the option of the said Lessor the said Tenant and all persons found in occupation may be proceeded against as trespassers from the beginning of said term, both as to the Realty and the Ore severed therefrom; or as guilty of unlawful detainer.

And the said Lessor expressly reserve to themselves the property and right of property in all minerals to be extracted from said premises during the term of this Lease. Each and every clause and covenant of this indenture shall extend to the heirs, executors and administrators of all parties hereto, and to the assigns of said Lessor; and as said Lessor may elect to the assigns of said Lessee.

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seals.

/s/ Roscoe T. Schafer

/s/ Harold Florman

/s/ Louis Wm. Hiser, Jr.

/s/ R. J. Cusack

ASSIGNMENT OF LEASE

In consideration of One Dollar and other valuable consideration, We, L. W. HISER, JR. and RAYMOND J. CUSACK do hereby sell, assign, trasfer and set over unto URANIUM ENTERPRISES, INC., a Colorado corporation, that certain lease entered into on the 22nd day of October, 1954, between ROSCOE T. SCHAFER and HAROLD FLORMAN, Lessors, and L. W. HISER, JR. and RAYMOND J. CUSACK, Lessees, covering mining claim of approximately 34.03 acres in California Mining District in La Plata County, Colorado, being a part of lot 2, Section 6, Township 35 North, Range 9 West N.M.P.M. as more fully appears in said lease, and all their right, title, interest and estate therein and thereto.

IN WITNESS WHEREOF, they have hereunto set their hands on this 18th day of January, 1955.

/s/ L. W. Hiser, Jr.
L. W. Hiser, Jr.

/s/ Raymond J. Cusack
Raymond J. Cusack

VW52-C9

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

December 16, 1954

Ray Cusack
~~Room 200~~
~~Strater Hotel~~
~~Durango, Colorado~~

REPORT OF ANALYSIS

Date	Lot No.	Name of Claim	$\%V_2O_5$	$\%U_3O_8$	$\%CaCO_3$
	4672		Nil.	.05 Chemical Analysis .435 Geiger	

Very Truly Yours,

VANADIUM CORPORATION OF AMERICA

VW52-C9

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

November29, 1954

Ray Cusack
Room 200
Strater Hotel
Durango, Colorado

REPORT OF ANALYSIS

Date	Lot No.	Name of Claim	$\%V_2O_5$	$\%U_3O_8$	$\%CaCO_3$
	4665		Nil.	0.12	1.40

Very Truly Yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

July 22, 1954

Mr. Roscoe T. Schafer
Box 313
Durango, Colorado

REPORT OF ASSAY RESULTS

Date	Lot No.	Name of Claim	Geiger	$\%V_2O_5$	$\%U_3O_8$	$\%CaCO_3$
	3152	#1 - Black	0.88	0.47	0.18	
	3153	#2 - Green	0.06	Nil	0.07	
	3154	#3 - Purple	0.10	0.09	0.12	

Very Truly Yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

June 26, 1954

Roscoe Schafer
Junction Creek
Durango, Colorado

REPORT OF ASSAY RESULTS

Date	Lot No.	Name of Claim	$\%V_2O_5$	$\%U_3O_8$	$\%CaCO_3$
	3004	10" rose colored streak - carbon buttons & stringers.	Nil.	.14	

Very Truly Yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

May 6, 1954

Roscoe T. Schafer
Box 313
Durango, Colorado

REPORT OF ASSAY RESULTS

Date	Lot No.	Name of Claim	$\%V_2O_5$	$\%U_3O_8$	$\%CaCO_3$
	2647	Ranch Sample	Nil.	0.25	

Very Truly Yours,

VANADIUM CORPORATION OF AMERICA

®

224 New Customhouse
Denver 2, Colorado

March 22, 1955

Mr. S. F. Wadde., Attorney at Law
250-260 Orpheum Electric Building
Sioux City, Iowa

Re: Application for DMEA assistance (Uranium)
Uranium Enterprises, Inc., Uranium Queen
group, California Mining District,
LaPlata County, Colorado

Dear Mr. Wadden:

Please advise us of the progress that has been made in obtaining the information requested in our letter of January 20, 1955.

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

FDB:pw

cc: Subject
Chron

B. L. SIFFORD
S. F. WADDEN
H. H. MILLER
FRANK JACOBS
D. W. THOMPSON

SIFFORD & WADDEN
ATTORNEYS AT LAW
750-760 ORPHEUM ELECTRIC BUILDING
SIOUX CITY, IOWA

January 25, 1955

Date Rec'd.
JAN 1955
BUREAU OF MINES
Denver, Colorado

AIR MAIL

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

Re: Uranium Enterprises, Inc.
Application

Dear Sir:

We answer your letter of January 20th, requesting additional information, as follows:-

1. The lease is upon land owned in fee simple by the lessors, Roscoe T. Schafer and Harold Florman.

2. Photostat of signed lease enclosed.

3. Photostat of signed assignment enclosed.

4. Signed copy of "Permission To Assign" will be forwarded you from Durango.

5. We certify the $5,000.00 called for by lease has been fully paid on or before the dates set for the various payments. We have requested Mr. Schafer and Mr. Florman to also so certify in "Permission To Assign." L. W. Hiser, Jr. will also certify directly to you that this has been done.

6. More detailed information as to work to be done, costs and location as requested in your paragraph 6 will

be forwarded to you from Durango as soon as prepared.

Thanking you for your trouble in outlining the information still needed, I remain,

Very truly yours,

S. F. Wadden

S. F. Wadden

SFW:ebj
encs.

ASSIGNMENT OF LEASE

In consideration of One Dollar and other valuable consideration, We, L. W. HISER, JR. and RAYMOND J. CUSACK do hereby sell, assign, transfer and set over unto URANIUM ENTERPRISES, INC., a Colorado corporation, that certain lease entered into on the 22nd day of October, 1954, between ROSCOE T. SCHAFER and HAROLD FLORMAN, Lessors, and L. W. HISER, JR. and RAYMOND J. CUSACK, Lessees, covering mining claim of approximately 34.03 acres in California Mining District in La Plata County, Colorado, being a part of Lot 2, Section 6, Township 35 North, Range 9 West N.M.P.M. as more fully appears in said lease, and all their right, title, interest and estate therein and thereto.

IN WITNESS WHEREOF, they have hereunto set their hands on this 18th day of January, 1955.

L. W. Hiser, Jr.

Raymond J. Cusack

2-23-55 DICK

These reports [illegible]
Company came [illegible]
are [illegible]
requested [illegible] Jan 28, 55

MC

224 New Customhouse
Denver 2, Colorado

January 20, 1955

Mr. S. F. Wadden, Attorney at Law
750-760 Orpheum Electric Building
Sioux City, Iowa

Re: Application for DMEA Assistance (Uranium)
Uranium Enterprised Inc., Uranium Queen
group, California Mining District,
LaPlata County, Colorado

Dear Mr. Wadden:

The subject application which you transmitted to this office by your letter of January 18, 1955 is not complete and the following additions must be made before it can be accepted.

1. If the land described under paragraph 3 (a) of Form MF-103 consists of unpatented mining claims we will require the book and page number for each recorded location notice. If land consists of patented claims or fee land, please so state. Refer to paragraph 3 (f) of Form MF-103.

2. We will require one signed copy or photostat of a signed copy of the lease dated October 22, 1954 by means of which L. W. Hiser, Jr. and Raymond J. Cusack obtained mining rights to the property.

3. We will also require one signed copy or photostat of a signed copy of an "Assignment of Lease" for the subject lease dated October 22, 1954 from L. W. Hiser, Jr. and Raymond J. Cusack to Uranium Enterprises, Inc.

4. According to page 2, paragraph 1, of the operating lease no assignment of the lease is allowable without the written permission of Lessors. Please send one copy of this "Permission to Assign" which has been signed by Roscoe T. Shafer and Harold Florman or a photostat of same.

5. Paragraph 4, page 2, of the above referred to lease requires that a total payment of $5,000.00 be made to Lessors on or before Dec. 15, 1954. The applicant company should certify that this total payment has been made.

6. Question 5 (b) of Form MF-103 must be answered as completely as possible. We need to know the extent of the exploration work you propose; as _____ feet of drifting and crosscutting and _____ feet of core

drilling. The true location of this work must be shown on a claim map which also shows the location and extent of all previous work on the property, the location and results of sampling, as well as the important geologic features of the area. We must know the location of the proposed work in relation to your property boundaries.

6. Estimate the cost of the _____ feet of drifting and crosscutting and the _____ feet of core drilling. The sum of these two will give the estimated total cost of your application. Each of these costs should include the items enumerated on Form MF-103, paragraph 6.

When the above information has been received in this office we will continue to process your application.

W. M. Traver

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

RDB:pw

cc: Subject
Chron

B. L. SIFFORD
S. F. WADDEN
H. H. MILLER
FRANK JACOBS
D. W. THOMPSON

SIFFORD & WADDEN
ATTORNEYS AT LAW
750-760 ORPHEUM ELECTRIC BUILDING
SIOUX CITY, IOWA

Date Rec'd.
JAN 19 1955
BUREAU OF MINES
Denver, Colorado

January 18, 1955

Defense Minerals Exploration Administration
Department of the Interior
224 New Custom House
Denver, Colorado

Attention: Mr. Burcancatter

Gentlemen:

Enclosed please find in quadruplet Application of Uranium Enterprises, Inc., a Colorado corporation, of Durango, Colorado, for aid in an exploration project, pursuant to DMEA Order 1, as amended.

If this application is incomplete in any regard, kindly advise the writer or Mr. L. W. Hiser, Jr., 2003 Forest Drive, Durango, Colorado. Mr. Hiser and Mr. Raymond Cusack directed the writer to send this to your attention.

We remain,

Very truly yours,

SIFFORD & WADDEN

By S. F. Wadden
S. F. Wadden

SFW:ebj
encs.

533 ... MINING LEASE Out West Printing and Stationery Co., Colorado Springs, Colo.

This Indenture, Made this 22nd day of October in the year of our Lord one thousand nine hundred and fifty-four between ROSCOE T. SCHAFER and HAROLD FLORMAN LESSOR S, and L.W. HISER, Jr., and RAYMOND J. CUSACK LESSEE S OR TENANTS

Witnesseth, That the said Lessor for and in consideration of the Royalties, covenants and agreements hereinafter reserved, and by the said Lessee to be paid, kept and performed, have granted, demised and let, and by these presents do grant, demise and let unto the said Lessee all the following described MINE and mining property, situate in California MINING DISTRICT, County of La Plata State of Colorado, to-wit:

A tract of land, by said parties mutally staked and marked on the ground, in Section 6, T 35 N, R 9 W, N.M.P.M. described as follows: From a steel stake in the ledge true North to U.S. Forest Service Boundary; thence 600 ft. East; thence South to county road as it passes by the lake; thence 600 ft. West; thence North to the point of beginning; Together with all appurtenances; RESERVING, However to the first parties all pine timber which shall be cut only upon the written consent of the first parties;

Immediate possession is hereby granted and thirty (30) days to commence drilling or mining operations.

To Have and to Hold Unto the said Lessee or Tenant from date hereof, for so long as said tenants, their hiers, executors, administrators and lawful assigns shall produce ore and work and operate said premises as hereinafter provided. IT IS EXPRESSLY UNDERSTOOD AND AGREED that this lease embraces uranium, vanadium and metal ores, other than oil and gas; that the title to all oil and gas remains in the lessors;

And in consideration of the said Demise, the said Lessee do covenant and agree with said Lessor as follows, to-wit:

To enter upon said MINE, or premises, and work the same MINE FASHION, in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises as a workable mine, and to the special covenants hereinafter reserved.

To work and mine said premises as aforesaid steadily and continuously from the date of this Lease; and that any failure to work said premises with at least five hundred (500) man hours per month shall be considered a violation of this lease.

To well and sufficiently timber said Mine at all points where proper in accordance with good mining, and to repair all old timbering wherever it may become necessary.

To allow said Lessor and their agents to enter upon and into all parts of said Mine for the purpose of inspection, with use of all passages, ropes, windlass, ladderways, and all other means of ingress or egress for such purpose.

To not assign this Lease, or any interest thereunder, and to not sublet the said premises or any part thereof, without the written assent of said Lessor and to not allow any person or persons, except the said Lessee and their workmen to take or hold possession of said premises, or any part thereof, under any pretense whatever.

To occupy and hold all cross or parallel Lodes, Spurs, Feeders, Crevices or Mineral Deposits of any kind which may be discovered in working under this Lease, or in any Tunnel run to intersect said vein or by the said Lessee or any person or persons under them in any manner, as the property of said Lessor with privilege to said Lessee of working the same as parcel of said demised premises; and to not locate or record the same, or allow the same to be located or recorded, except in the name of said Lessor.

To keep at all times the Drifts, Shaft, Tunnels and other passages and workings of said demised premises thoroughly drained and clear of loose rock and rubbish of all kinds, unless prevented by extraordinary mining casualty. To comply with all regulations of the State Mine Inspector and at all times to provide workman's Compensation Insurance on all employees and that a failure to carry such insurance shall automatically operate as a forfeiture of this lease.

To pay and deliver to said Lessor as Royalty, twenty (20%) per cent of all Ore to be extracted from said premises during said term, of like assay to that retained by said Lessee delivered at any mill or ore buying station as soon as mined, without offset, deduction or charge whatever. Further, that upon the execution of this lease, lessees have paid to the lessors the sum of $500.00, receipt whereof is hereby acknowledged; a further sum of $2,000.00 in consideration of this lease shall be paid on or before November 2, 1954; and a further sum of $2500.00 shall be paid to said lessors on or before December 15, 1954; payments to be made at Burns National Bank, Durango, Colorado;

To deliver to said Lessor the said premises, with the appurtenances and all improvements, in good order and condition, with all Shafts, Tunnels and other passages thoroughly clear of rubbish and drained, and the Mine ready for immediate continued working (accidents not arising from negligence alone excusing), without demand or further notice, upon the discontinuance of mining operations for a period of 30 days. The lessees further agree to pay to the lessors 50% of any and all bonuses paid by the Atomic Energy Commission or its subsidiaries or any government authority; any development and haulage allowances will be the property of the lessors.

And finally, that upon the violation of any covenant or covenants hereinbefore reserved, the term of this Lease shall at the option of said Lessors, expire and the same and said premises, with the appurtenances, shall become forfeit to said Lessor, and said Lessor S their agent may thereupon, after demand of possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law; or at the option of the said Lessor the said Tenant and all persons found in occupation may be proceeded against as trespassers from the beginning of said term, both as to the Realty and the Ore covered therefrom; or as guilty of unlawful detainer.

And the said Lessor expressly reserve to themselves the property and right of property in all minerals to be extracted from said premises during the term of this Lease. Each and every clause and covenant of this indenture shall extend to the heirs, executors and administrators of all parties hereto, and to the assigns of said Lessor; and as said Lessor may elect to the assigns of said Lessee.

In Witness Whereof, The said parties have hereunto set their hands and seals.

SEALED AND DELIVERED IN PRESENCE OF

Roscoe T. Schafer (Seal)

Harold Florman (Seal)

R. J. Cusack

RECEIVED

JUL - 7 1955

3873

224 New Customhouse
Denver 2, Colorado

March 22, 1955

Mr. S. F. Hodde, Attorney at Law
[illegible]-[illegible] Orpheum Electric Building
Sioux City, Iowa

re: Application for DMEA assistance (Uranium)
Uranium Enterprises, Inc., Uranium Queen
group, California Mining District,
[illegible] County, Colorado

Dear Mr. Hodde:

Please advise us of the progress that has been made in obtaining the information requested in our letter of January 20, 1955.

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

RDB:gw

cc: Subject
Chron

B. L. SIFFORD
S. F. WADDEN
H. H. MILLER
FRANK JACOBS
D. W. THOMPSON

SIFFORD & WADDEN
ATTORNEYS AT LAW
750-760 ORPHEUM ELECTRIC BUILDING
SIOUX CITY, IOWA

January 25, 1955

Date Rec'd.
JAN 1955
Bureau of Mines
Denver, Colorado

AIR MAIL

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

Re: Uranium Enterprises, Inc.
Application

Dear Sir:

We answer your letter of January 20th, requesting additional information, as follows:-

1. The lease is upon land owned in fee simple by the lessors, Roscoe T. Schafer and Harold Florman.

2. Photostat of signed lease enclosed.

3. Photostat of signed assignment enclosed.

4. Signed copy of "Permission To Assign" will be forwarded you from Durango.

5. We certify the $5,000.00 called for by lease has been fully paid on or before the dates set for the various payments. We have requested Mr. Schafer and Mr. Florman to also so certify in "Permission To Assign." L. W. Hiser, Jr. will also certify directly to you that this has been done.

6. More detailed information as to work to be done, costs and location as requested in your paragraph 6 will

be forwarded to you from Durango as soon as prepared.

Thanking you for your trouble in outlining the information still needed, I remain,

Very truly yours,

S. F. Wadden

S. F. Wadden

SFW:ebj
encs.

ASSIGNMENT OF LEASE

In consideration of One Dollar and other valuable consideration, We, L. W. HISER, JR. and RAYMOND J. CUSACK do hereby sell, assign, transfer and set over unto URANIUM ENTERPRISES, INC., a Colorado corporation, that certain lease entered into on the 22nd day of October, 1954, between ROSCOE T. SCHAFER and HAROLD FLORMAN, Lessors, and L. W. HISER, JR. and RAYMOND J. CUSACK, Lessees, covering mining claim of approximately 34.03 acres in California Mining District in La Plata County, Colorado, being a part of Lot 2, Section 6, Township 35 North, Range 9 West N.M.P.M. as more fully appears in said lease, and all their right, title, interest and estate therein and thereto.

IN WITNESS WHEREOF, they have hereunto set their hands on this 18th day of January, 1955.

L. W. Hiser, Jr.

Raymond J. Cusack

DICK

224 New Customhouse
Denver 2, Colorado

January 20, 1955

Mr. S. F. Wadden, Attorney at Law
750-760 Orpheum Electric Building
Sioux City, Iowa

Re: Application for DMEA Assistance (Uranium)
Uranium Enterprises Inc., Uranium Queen
group, California Mining District,
LaPlata County, Colorado

Dear Mr. Wadden:

The subject application which you transmitted to this office by your letter of January 18, 1955 is not complete and the following additions must be made before it can be accepted.

1. If the land described under paragraph 3 (a) of Form MF-103 consists of unpatented mining claims we will require the book and page number for each recorded location notice. If land consists of patented claims or fee land, please so state. Refer to paragraph 3 (f) of Form MF-103.

2. We will require one signed copy or photostat of a signed copy of the lease dated October 22, 1954 by means of which L. W. Hiser, Jr. and Raymond J. Cusack obtained mining rights to the property.

3. We will also require one signed copy or photostat of a signed copy of an "Assignment of Lease" for the subject lease dated October 22, 1954 from L. W. Hiser, Jr. and Raymond J. Cusack to Uranium Enterprises, Inc.

4. According to page 2, paragraph 1, of the operating lease no assignment of the lease is allowable without the written permission of Lessors. Please send one copy of this "Permission to Assign" which has been signed by Roscoe T. Shafer and Harold Florman or a photostat of same.

5. Paragraph 4, page 2, of the above referred to lease requires that a total payment of $5,000.00 be made to Lessors on or before Dec. 15, 1954. The applicant company should certify that this total payment has been made.

6. Question 5 (b) of Form MF-103 must be answered as completely as possible. We need to know the extent of the exploration work you propose; as _____ feet of drifting and crosscutting and _____ feet of core

drilling. The true location of this work must be shown on a claim map which also shows the location and extent of all previous work on the property, the location and results of sampling, as well as the important geologic features of the area. We must know the location of the proposed work in relation to your property boundaries.

6. Estimate the cost of the _____ feet of drifting and crosscutting and the _____ feet of core drilling. The sum of these two will give the estimated total cost of your application. Each of these costs should include the items enumerated on Form MF-103, paragraph 6.

When the above information has been received in this office we will continue to process your application.

W. M. Traver

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

RDB:pw

cc: Subject
Chron

RECEIVED
JAN - 7 1955

B. L. SIFFORD
S. F. WADDEN
H. H. MILLER
FRANK JACOBS
D. W. THOMPSON

SIFFORD & WADDEN
ATTORNEYS AT LAW
750 760 ORPHEUM ELECTRIC BUILDING
SIOUX CITY, IOWA

Land Rec'd
JAN 1955
BUREAU OF MINES
Denver, Colorado

January 18, 1955

Defense Minerals Exploration Administration
Department of the Interior
224 New Custom House
Denver, Colorado

Attention: Mr. Burcancatter

Gentlemen:

Enclosed please find in quadruplet Application of Uranium Enterprises, Inc., a Colorado corporation, of Durango, Colorado, for aid in an exploration project, pursuant to DMEA Order 1, as amended.

If this application is incomplete in any regard, kindly advise the writer or Mr. L. W. Hiser, Jr., 2003 Forest Drive, Durango, Colorado. Mr. Hiser and Mr. Raymond Cusack directed the writer to send this to your attention.

We remain,

Very truly yours,

SIFFORD & WADDEN

By S. F. Wadden
S. F. Wadden

SFW:ebj
encs.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

URANIUM ENTERPRISES, INC., A COLORADO CORPORATION
2003 Forest Drive, Durango, Colorado

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3873
Metal or Mineral Uranium
Date Received 6/27/55
Estimated Cost No amount
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: URANIUM ENTERPRISES, INC., a Colorado Corporation
2003 Forest Drive, Durango, Colorado

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract. Part of Lot 2, Section 6, Township 35 North, Range 9 West N.M.P.M., From steel stake in ledge true north to U.S.Forest Service Boundary; thence 600 feet east; thence south to the county road as it passes by the lake; thence 600 feet west; thence north to the place of beginning.

(*b*) State any mine name by which the property is known. URANIUM QUEEN GROUP

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

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

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

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

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

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium and or Thorium.

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

(*c*) The work ~~will~~ has started ~~XXXXXXXXXXXXXX~~ and will be completed within 12 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated January 18, 1955

URANIUM ENTERPRISES, INC.
(Applicant)

By [signature]
President

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

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

SUPPLEMENT TO APPLICATION

FOR AID IN AN EXPLORATION PROJECT

1 (c) Titles, Names and Addresses of Officers

President - L. W. Hiser, Jr.
2003 Forest Drive, Durango, Colorado.
Vice President - Calvin H. Sanderson,
Monte Vista, Colorado.
Vice President - Raymond J. Cusack,
4401 Perry Way, Sioux City, Iowa.
Secretary - Treasurer - S. F. Wadden
750-760 Orpheum Electric Bldg.
Sioux City, Iowa.

4 (a) Mining or Exploration Operations.

A drift has been driven in about fifteen feet from the exposure on the surface.

4 (b) Past and Current Production and Ore Reserves.

The discovery is recent. All work is new. No production has been obtained as yet. No ore reserves have been determined.

4 (c) Geologic Features of the Property.

The ore outcrops on the surface in the Dakota or Burro Canyon formation is a carbonaceous material with some manganese and iron stains. It appears to be a bedded deposit with the main values following a fracture. The reason for wishing to explore this deposit is the high count obtained with a geiger counter or scintillator. This material according to radiametric analysis is of commercial grade. By chemical analysis, it does not seem to be too high in U_3O_8. It is felt that with depth good ore may be obtained. These statements are based upon the opinion of Duncan E. Harrison, Uranium Mine Consultant, 641 Fourth Avenue, Durango, Colorado. Assay reports attached.

4 (d) Accessibility of Project.

The property is about five miles northwest of Durango, Colorado. It is reached by county road. It is accessible and can be worked the year around.

4 (e) Availability of Man Power, etc.

Manpower, equipment, materials, supplies, and living accommodations are available in Durango, Colorado.

5 (b) Proposed Work.

It is proposed to drive in on the main outcropping following the fracture for a distance of at least 300 feet; then to cross-cut out on the better showings of ore to try to determine the extent of the ore body. It is also proposed to core drill at least 6 holes of 300 feet back of the cutting and at least 6 holes of 300 feet beyond the cutting in order to thoroughly explore the claim and to determine the existence of ore bodies thereon and their nature and extent.

5 (d) Duncan E. Harrison, Uranium Mine Consultant, 641 Fourth Avenue, Durango, Colorado, with 15 years or more actual Uranium mining experience with both U.S.V. and V.C.A. is the consultant over the work. Experienced miners have been hired to do the actual mining. Calvin Sanderson and L. W. Hiser, Jr., are working right with the miners. Both have some practical experience in the field and are able to direct the work under Mr. Harrison's supervision.

6. Estimate of Costs.

6 (a) No independent contract.

6 (b) Labor, supervision, consultants.

Miners	$2.00 per hour.
Muckers	1.75 per hour.
Supervisor	$600.00 per month.
Engineer & Consultant	$25.00 per day, part time basis.
Core Drilling	$ 2.00 per foot.

6 (c) Operating Materials and Supplies.

Gasoline and oil.
Mine Timbers
Lumber
Wheelbarrow
Picks and Shovels
Dynamite
Caps
Fuse
Drill steel and bits
Water and Air House.

6 (d) <u>Operating Equipment</u>

All the following equipment is on a rental lease basis:-

Compressor
Jack hammer
Jack leg
Jack tank
Oiler

6 (e) Rehabilitation and repairs.

None.

6 (f) <u>New Buildings, improvements, installations.</u>

Ore Bin and Chute might be needed.
Probable cost, $1000.00.

6 (g) <u>Miscellaneous.</u>

Analytical work, $3.50 per U_3O_8 Assay
Workman's Compensation
Accounting
Employers Liability Insurance
Pay Rolls Taxes.

6 (h) <u>Contingencies.</u>

15% set up or necessary allowance for contingencies.

MINING LEASE

THIS INDENTURE, Made this 22nd day of October in the year of our Lord one thousand nine hundred and fifty-four between ROSCOE T. SCHAFER and HAROLD FLORMAN, Lessors, and L. W. HISER, Jr., and RAYMOND J. CUSACK, Lessees or Tenants.

WITNESSETH; That the said Lessor for and in consideration of the Royalties, covenants and agreements hereinafter reserved, and by the said Lessee to be paid, kept and performed, have granted, demised and let, and by these presents do grant, demise and let unto the said Lessee all the following described MINE and mining property, situate in California Mining District, County of La Plata, State of Colorado, to-wit:

A Tract of land, by said parties mutually staked and marked on the ground, in Section 6, T 35 N, R 9 W, N.M.P.M. described as follows: From a steel stake in the ledge true North to U.S. Forest Service Boundary; thence 600 ft. East; thence South to county road as it passes by the lake; thence 600 ft. West; thence North to the point of beginning; Together with all appurtenances; RESERVING, However to the first parties all pine timber which shall be cut only upon the written consent of the first parties;

Immediate possession is hereby granted and thirty (30) days to commence drilling or mining operations.

TO HAVE AND TO HOLD Unto the said Lessee or Tenant from date hereof, for so long as said tenants, their heirs, executors, administrators and lawful assigns shall produce ore and work and operate said premises as hereinafter provided. IT IS EXPRESSLY UNDERSTOOD AND AGREED that this lease embraces uranium, vanadium and metal ores, other than oil and gas; that the title to all oil and gas remains in the lessors;

And in consideration of the said Demise, the said Lessee does covenant and agree with said Lessor as follows, to-wit:

To enter upon said MINE, or premises, and work the same MINE FASHION, in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible, with due regard to the safety, development and preservation of said premises as a workable mine, and to the special covenants hereinafter reserved.

To work and mine said premises as aforesaid steadily and continuously from the date of this Lease; and that any failure to work said premises with at least five hundred (500) man hours per month shall be considered a violation of this lease.

To well and sufficiently timber said Mine at all points where proper in accordance with good mining, and to repair all old timbering wherever it may become necessary.

To allow said Lessors and their agents to enter upon and into all parts of said Mine for the purpose of inspection, with use of all passages,

ropes, windlass, ladderways, and all other means of ingress or egress for such purpose.

To not assign this Lease, or any interest thereunder, and to not sublet the said premises or any part thereof, without the written assent of said Lessor and to not allow any person or persons, except the said Lessees and their workmen to take or hold possession of said premises, or any part thereof, under any pretense whatever.

To occupy and hold all cross or parallel Lodes, Spurs, Feeders, Crevices or Mineral Deposits of any kind which may be discovered in working under this Lease, or in any Tunnel run to intersect said vein or by the said Lessees or any person or persons under them in any manner, as the property of said Lessors with privilege to said Lessee of working the same as parcel of said demised premises; and to not locate or record the same, or allow the same to be located or recorded, except in the name of said Lessors.

To keep at all times the Drifts, Shaft, Tunnels and other passages and workings of said demised premises thoroughly drained and clear of loose rock and rubbish of all kinds, unless prevented by extraordinary mining casualty. To comply with all regulations of the State Mine Inspector and at all times to provide Workman's Compensation Insurance on all employees and that a failure to carry such insurance shall automatically operate as a forfeiture of this lease.

To pay and deliver to said Lessors as Royalty, twenty (20%) per cent of all Ore to be extracted from said premises during said term, of like assay to that retained by said Lessee delivered at any mill or ore buying station as soon as mined, without offset, deduction or charge whatever. Further, that upon the execution of this lease, lessees have paid to the lessors the sum of $500.00, receipt whereof is hereby acknowledged; a further sum of $2,000.00 in consideration of this lease shall be paid on or before November 2, 1954; and a further sum of $2500.00 shall be paid to said lessors on or before December 15, 1954; payments to be made at Burns National Bank, Durango, Colorado;

To deliver to said Lessor the said premises, with the appurtenances and all improvements, in good order and condition, with all Shafts, Tunnels and other passages thoroughly clear of rubbish and drained, and the Mine ready for immediate continued working (accidents not arising from negligence alone excusing), without demand or further notice, upon the discontinuance of mining operations for a period of 30 days. The lessees further agree to pay to the lessors 50% of any and all bonuses paid by the Atomic Energey Commission or its subsidiaries or any government authority; any development and haulage allowance will be the property of the lessees.

And finally, that upon the violation of any covenant or covenants hereinbefore reserved, the term of this Lease shall at the option of said Lessors, expire and the same and said premises, with the appurtenances, shall become forfeit to said Lessor, and said Lessors or their agent may thereupon, after demand of possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without force and with or without process of law; or at the option of the said Lessor the said Tenant and all persons found in occupation may be proceeded against as trespassers from the beginning of said term, both as to the Realty and the Ore severed therefrom; or as guilty of unlawful detainer.

And the said Lessor expressly reserve to themselves the property and right of property in all minerals to be extracted from said premises during the term of this Lease. Each and every clause and covenant of this indenture shall extend to the heirs, executors and administrators of all parties hereto, and to the assigns of said Lessor; and as said Lessor may elect to the assigns of said Lessee.

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seals.

/s/ Roscoe T. Schafer

/s/ Harold Florman

/s/ Louis Wm. Hiser, Jr.

/s/ R. J. Cusack

ASSIGNMENT OF LEASE

In consideration of One Dollar and other valuable consideration, We, L. W. HISER, JR. and RAYMOND J. CUSACK do hereby sell, assign, transfer and set over unto URANIUM ENTERPRISES, INC., a Colorado corporation, that certain lease entered into on the 22nd day of October, 1954, between ROSCOE T. SCHAFER and HAROLD FLORMAN, Lessors, and L. W. HISER, JR. and RAYMOND J. CUSACK, Lessees, covering mining claim of approximately 34.03 acres in California Mining District in La Plata County, Colorado, being a part of Lot 2, Section 6, Township 35 North, Range 9 West N.M.P.M. as more fully appears in said lease, and all their right, title, interest and estate therein and thereto.

IN WITNESS WHEREOF, they have hereunto set their hands on this 18th day of January, 1955.

/s/ L. W. HISER, JR.
L. W. Hiser, Jr.

/s/ Raymond J. Cusack
Raymond J. Cusack

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

May 6, 1954

Roscoe T. Schafer
Box 313
Durango, Colorado

REPORT OF ASSAY RESULTS

Date	Lot No.	Name of Claim	%V205	%U308
	2647	Ranch Sample	Nil.	0.25

Very truly yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

June 26, 1954

Roscoe Schafer
Junction Creek
Durango, Colorado

REPORT OF ASSAY RESULTS

Date	Lot No.	Name of Claim	%V205	% U308
	3004	10" rose colored streak-carbon buttons & stringers.	Nil.	.14

Very truly yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

July 22, 1954

Mr. Roscoe T. Schafer
Box 313
Durango, Colorado

REPORT OF ASSAY RESULTS

Date	Lot No.	Name of Claim	Geiger	%V205	% U308	%CaCO3
	3152	#1 - Black	0.88	0.47	0.18	
	3153	#2 - Green	0.06	Nil	0.07	
	3154	#3 - Purple	0.10	0.09	0.12	

Very truly yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

November 29, 1954

Ray Cusack
Room 200
Strater Hotel
Durango, Colorado

REPORT OF ANALYSIS

Date	Lot No.	Name of Claim	%V_2O_5	%U_3O_8	%$CaCO_3$
	4665		Nil.	0.12	1.40

Very truly yours,

VANADIUM CORPORATION OF AMERICA

VANADIUM CORPORATION OF AMERICA

DURANGO, COLORADO

December 16, 1954

Ray Cusack

REPORT OF ANALYSIS

Date	Lot No.	Name of Claim	%V2O5	% U3O8	% CaCO3
	4672		Nil.	.05 Chemical Analysis .435 Geiger	

Very truly yours,

VANADIUM CORPORATION OF AMERICA