800

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RESCISSION OF EXPLORATION PROJECT CONTRACT

To: Jimtown Uranium Company
A. J. Busley, partner
Clark H. Clark, partner
P. O. Box 214
Jamestown, Colorado

This is to notify you that the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereby rescinds, revokes, and cancels, effective as of April 18, 1956, the Exploration Project Contract No. Idm-E944 (Docket No. DMEA-4058), dated April 18, 1956, for the reason that the Operator thereunder (Jimtown Uranium Company), a partnership composed of A. J. Busley and Clark H. Clark, did not, as required by said Contract, commence the work on or before June 1, 1956, did not complete the said work on or before November 1, 1956, and has not performed any of said work to date. The Government will not contribute to any costs incurred by the Operator under or in connection with said Contract. This rescission is effective pursuant to the terms of the last sentence of Article 8(b) of said Contract.

THE UNITED STATES OF AMERICA

By C. Whitehead
Administrator, Defense Minerals
Exploration Administration

Dated: January 23, 1957

Contract No. Idm-E944

Docket No. 4058

DEPARTMENT OF THE INTERIOR

Cancelled contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
April 18, 1956	III	Colorado	Uranium

Name and Address of Operator: Jimtown Uranium Company
P. O. Box 214
Jamestown, Colorado

	Reserve	Obligation
Prior Amount	0	$12,000.00
Increase	0	0
Decrease	0	$12,000.00
Revised Amount	0	0

Remarks:

ALLEN S. DAKAN
(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 1/24/57

98963

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

140

Mr. V. M. Trover, Executive Officer
DMEA Field Team, Region XII
[illegible] New Customhouse
Denver 2, Colorado

DEC 11 1956

Re: Docket No. DMEA-[illegible] (Uranium)
Jimtown Uranium Company
Victory, Lode B., and Gold Leaf Lode Claims
Boulder County, Colorado
Contract No. [illegible]

Dear Mr. Trover:

Reference is made to the following three letters which you sent to the Operator (Jimtown Uranium Company):

Letter of July 23, 1956, saying that the Government would not participate further in the contract work until the question of possessory rights was settled, unless a performance bond was provided.

Letter of July 25, 1956, saying that submission of a performance bond could be deferred pending the outcome of current litigation and asking whether the Operator would be willing to substitute a drilling program for the drifting as presently outlined.

Letter of September 26, 1956, requesting the Operator to advise you as to the status of the litigation and its plans concerning a drilling program.

Could you please ask the Operator to advise (1) whether the issue of possessory rights has been resolved, and, if not, what is the status of the litigation; and (2) does the Operator intend to agree to the proposed modified exploration program and, if the issue of possessory rights is not yet settled, would the Operator furnish a performance bond to protect the Government if it participates in such program. Your letter to the Operator should state that unless you hear from him within 30 days, it will be assumed that the Company is no longer interested in proceeding with the project and the Government will terminate its obligation under the Contract as authorized in Article 8(b) of the Contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Director, Bureau of Mines

Thor H. Kiilsgaard

Director, Geological Survey

P. Interim Banking Comm.
R.H. Ellis (2)
J.L. Gardner
R.P. Dwyer
T.E. Ellingwood/Am. [illegible]
J.E. Gardner/Am. [illegible]
J.O. Bartel/Am. [illegible]
Chron. File
Copy to: Mr. Bartel
Admin. Banking File
Operating Committee

Contract No. Idm-E944

Docket No. DMEA-4058

Executed contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
April 18, 1956	**III**	**Colorado**	**Uranium**

Name and Address of Operator: **Jimtown Uranium Company**
P. O. Box 214
Jamestown, Colorado

	Reserve	Obligation
Prior Amount	$12,000.00	
Increase		$12,000.00
Decrease	$12,000.00	
Revised Amount		$12,000.00

Remarks:

(Name)
Robert E. Adams, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 5/7/56

98963

Governmen[illegible]s Copy

RECEIVED

MAY 7 - 1956

MF-200A
(Revised June 1954)

Docket No. DMEA 4058

Commodity Uranium

Contract No. Idm-E 944

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this APR 18 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] Jimtown Uranium Company, a partnership composed of A. J. Busley and Clark H. Clark, whose mailing address is P. O. Box 214 Jamestown, Colorado, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and one 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 Boulder, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] Bond and Lease, [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 as set forth in the Bond and Lease.

(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 of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to Lien, dated March 29, 1956, of H. Elmer Rhoades and Pearl Brown.

[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."

16—70618-1

(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 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(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 June 1, 1956, shall commence the work, and on or before November 1, 1956 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

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) *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.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $16,000.00 The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $12,000.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(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. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of 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. 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.

(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 a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit 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 the unit costs thereof.

(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 7. *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 6) 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 thereof 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 8. *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 the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further 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 the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and 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 8 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 9. *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 10. *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 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

JIMTOWN URANIUM COMPANY
(Operator)

By A. J. Busley
A. J. Busley, Partner

Clark H. Clark
Clark H. Clark, Partner

THE UNITED STATES OF AMERICA

By C. Mitchendorf
Administrator, Defense Minerals
Exploration Administration

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—70618-1

RECEIVED
MAY 7 - 1956

EXPLORATION PROJECT CONTRACT
JIMTOWN URANIUM COMPANY
DOCKET NO. DMEA-4058

ANNEX I

The land referred to in Article 2 of the Contract consists of the Victory, Lulu B. and Gold Leaf unpatented lode mining claims situated in sections 19 and 30, T. 2 N. R. 71 W., 6th P.M., Boulder County, Colorado, and more particularly described in Notices of Location, to which reference is hereby made for a full and adequate description, recorded in the office of the Official Recorder of Boulder County, Colorado, as follows:

Name of claim	Location Notice Recorded in Book	at Page
Victory	721	559
Lulu B.	500	98
Lulu B. (amended location)	320	327
Gold Leaf	500	99
Gold Leaf (amended location)	320	326

The location of these claims is shown on the map entitled "Figure 2 - Map of the Victory Claim Group, Boulder County, Colo., Showing Location and Extent of Proposed Exploration. (Jimtown Uranium Co. DMEA 4058)", attached hereto and made a part hereof.

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Jimtown Uranium Company
Docket No. DMEA- 4058
Contract No. Idm-E 944
Contract Date APR 18 1956

RECEIVED
APR 4 - 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Boulder, State of Colorado, described as follows:1/

Unpatented lode mining claims, Victory, recorded in Book 721 Page 559; Lulu B, original location recorded in Book 500 Page 98, amended location recorded in Book 320 Page 327; Gold Leaf, original location recorded in Book 500 Page 99, amended location recorded in Book 320 Page 326,

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

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

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

None

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

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

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

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

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

5. Added provision: None

Dated this 29th day of March, 1956.

H. Elmer Rhoades [Seal]

Pearl Brown [Seal]

[Seal]

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

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
JIMTOWN URANIUM COMPANY
DOCKET NO. DMEA-4058

RECEIVED
MAY 5 - 1956

EXHIBIT "A"

Description of the Work

General Provisions

The purpose of the work is to explore for the downward projection of a surface uranium-bearing ore exposure by means of an adit crosscut to the mineralized zone, and drifting, crosscutting, and/or raising in the zone. The location of the adit portal and the approximate direction in which the adit crosscut shall be driven are shown on the attached map referred to in Annex I.

Before the adit crosscut is started, the adit portal area shall be cleared and leveled with a Model D-6 Caterpillar tractor with dozer or an equivalent size unit. A compressor, change, and repair building having a floor area not less than 10 feet by 20 feet, and a truck loading pocket for waste disposal (size 10 feet by 10 feet by 20 feet), shall be constructed. The compressor building shall be constructed of wood frame, plank roof, floor, and siding, and the roof shall be covered with tar paper. Fifty feet of mine track from the waste pocket to the adit portal, and a compressor and shop equipment shall be installed.

The drifting, crosscutting, and/or raising consists in the aggregate of not more than 500 feet. The location, direction, inclination, and extent of the crosscut, drift, and/or raise is subject to the approval of the Government. Cross-sectional dimensions of the drift and/or crosscut shall be not less than 5 feet by 7 feet in the clear of timber and the raise shall be not less than 3.5 feet by 6.5 feet in the clear of timber. The crosscut and drift shall be adequately timbered as necessary with not less than 8 inch by 8 inch drift set timbers on 5-foot centers, and 2 inch by 12 inch side and back lagging. The raise shall be two-compartment and timbered with either cribbing or raise sets its entire length.

The Operator shall furnish the Government with such samples as the Government specifies. The method of all sampling

and sample determinations are subject to the approval of the Government. Not more than 50 samples shall be analyzed chemically for U_3O_8.

The project shall be directed by a supervisor, approved by the Government, who shall be employed on a full-time basis, and who shall do the required surveying, mapping, and sampling, and shall prepare all required reports.

Estimated Cost of the Project

Fixed Unit Cost

1.	16 hours of actual operating time, tractor with dozer, including operator and all necessary costs, @ $10.00/hr.	$ 160.00	
2.	Construct combination compressor, change and repair building, size not less than 10 feet by 20 feet (floor area)	500.00 1/	
3.	Construct truck loading pocket, size 10 feet by 10 feet by 20 feet	105.00 1/	
4.	Install 50 feet of track from truck loading pocket to adit portal @ $1.00/ft.	50.00 1/	
5.	Install compressor	25.00	
6.	Install shop equipment	10.00	
7.	Not more than 500 feet of drifting, crosscutting, and/or raising @ $29.10/ft.	14,550.00 1/	
8.	Not more than 75 feet of timbering in drift, crosscut, and/or raise @ $6.00/ft.	450.00	
9.	Not more than 50 chemical analyses for U_3O_8 @ $3.00/each sample	150.00	
	Estimated Total Cost of Project		$16,000.00
	Government Participation @ 75%		$12,000.00

1/ The estimated salvage value of these facilities has been deducted from the estimated cost.

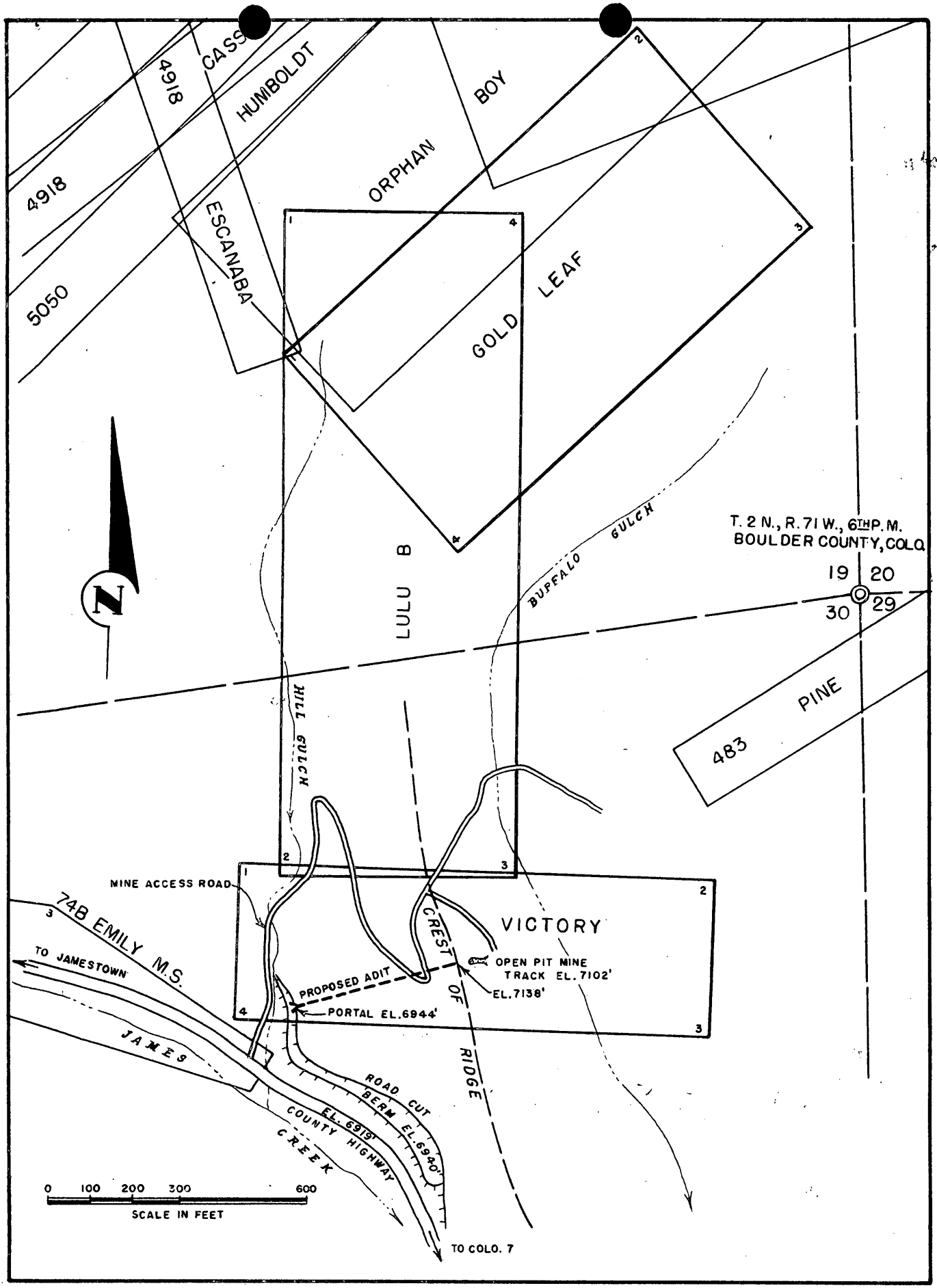

FIGURE 2 - MAP OF THE VICTORY CLAIM GROUP, BOULDER COUNTY, COLO., SHOWING LOCATION AND EXTENT OF PROPOSED EXPLORATION. (JIMTOWN URANIUM CO. DMEA 4058)

RECEIVED
MAY 8 - 1956

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that we, A. J. BUSLEY and CLARK H. CLARK, doing business as Jimtown Uranium Company, of the City and County of Denver and the County of Boulder respectively, State of Colorado, have made, constitute and appointed and by these presents do make, constitute and appoint A. J. Busley ——— to act as the agent of said partnership in all matters connected with the United States Department of the Interior, Defense Minerals Exploration Administration, Contract Idm-E 944, Docket No. DMEA 4058, and in behalf of said partnership 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 partnership by reason of said contract Idm-E 944.

Executed this fourth day of May, A. D. 1956.

A J Busley

Clark H. Clark

Docket No. 4058

Commodity Uranium

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 944

Date of Contract ~~or Amendment~~: April 18, 1956

Name and Address of Operator:

Jimtown Uranium Company
P. O. Box 214
Jamestown, Colorado

Amount of Government participation ____ $2,000.00

Percent of Government participation 75 %

Region: III State: Coldrado

E. H. Talbert

(Name)

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

(Title)

Date Delivered to Bureau of Mines, Washington. 4/19/56

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