UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado
July 25, 1958

RECEIVED		
DATE		
7/28	C	220
"	FG	110
"	MC	700

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4136 (Uranium) Contract Idm-E995, Union Mines, Incorporated, (Ruth K. and Sylvia claims) Montrose County, Colorado - FINAL PAYMENT

Enclosed are two copies of a memorandum to T. A. Christensen, dated July 24, 1958, relative to final payment under the terms of the subject contract.

J. W. Townsend

J. W. Townsend

Enclosures

FILE COPY
DMEA
RECEIVED MAR 10 1958

3/10	C	220
"	Fg	110
"	~~ckbg~~	700

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

FINAL DISTRIBUTION
MADE MAR 7 1958

Administrative Audit Difference Statement

Mr. Louis P. Caggini
Vice President
Union Mines, Inc.
433 North Seventh St.
Grand Junction, Colorado

Date: March 6, 1958
Payee's Reference: August, September and October

DMEA - 4136

Dear Mr. Caggini:

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

Amount Claimed	$	5,993.63
Difference	$	11.91
Amount Approved	$	5,981.72

The reason for the difference was due to:

Disallowance, Core Drilling

Amendment No. 5 stipulates that the holes be drilled not to exceed 10 feet into the red mudstone underlying the Salt Wash member of the Morrison formation. Hole No. RX-16, which was drilled during the period, penetrated 13 feet into the red mudstone, therefore the reported cost, including Incidental Allowance for three feet of core drilling is disallowed as follows:

Disallowed reported cost of 3 feet of core drilling at $3.50 per foot	$10.50
Disallowed Incidental Allowance for 3 feet of core drilling at $0.47 per foot	1.41
Total amount disallowed	$11.91

Withheld an amount of $500.00, pending performance of additional work; or, if additional work is not approved by the Government and (CONTINUED BELOW *)

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

* performed by the Operator, the amount of $500.00 will continue to be withheld pending resolution of matters prerequisite to closing the account. A recess of operations has been requested by the Operator.

224 New Customhouse
Denver 2, Colorado
February 27, 1958

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4136 (Uranium) Contract Idm-E995, Union Mines, Inc., (Ruth K. and Sylvia claims) Montrose County, Colorado - Operator's Monthly Progress Report for the months of August, September, and October, 1957

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

The work is being performed partly under independent subcontract, and partly at fixed unit costs. The drilling rates are as low or lower than the rates contained in the lowest and best bid submitted with the application. Under the circumstances, the rates for the work performed under independent subcontract are considered to be reasonable.

Except as otherwise indicated below, we consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. Payment is recommended on the following basis contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

<u>Disallowance, Core Drilling</u>

Amendment No. 5 stipulates that the holes be drilled not to exceed 10 feet into the red mudstone underlying the Salt Wash member of the Morrison formation. Hole No. RK-16, which was drilled during the period, penetrated 13 feet into the red mudstone, therefore the reported cost, including Incidental Allowance for three feet of core drilling is to be disallowed as follows:

Disallow reported cost of 3 feet of core drilling at $3.50 per foot----------$ 10.50
Disallow Incidental Allowance for 3 feet of core drilling at $0.47 per foot---------- 1.41

Total amount to be disallowed----------$ 11.91

Withhold an amount of $500.00, pending performance of additional work; or, if additional work is not approved by the Government and performed by the Operator, continue to withhold the amount of $500.00, pending resolution of matters prerequisite to closing the account. A recess of operations has been requested by the Operator.

Reconciliation with Amount Reported by the Operator on Form MF-104 for August, September and October, 1957

Amount reported on Form MF-104 for August, September, and October, 1957----------$5,993.63
Amount to be disallowed---------- 11.91
Acceptable cost for August, September, and October 1957----------$5,981.72

Government participation at 75 percent---------- 4,486.29
Amount to be withheld---------- 500.00

Balance due the Operator----------$3,986.29

Remarks:

Date of Report----------February 17, 1958
Date Received in Field Office----------February 18, 1958
Date Received in Region Office----------February 21, 1958

Original signed by
W. H. KING

W. H. King

Enclosures

JDC:hmh

CC: Chmn. Op. Comm. (2)
DMEA/DFC
MF-104 file, Reg. III
Harshman }
Basler } w/copy of Engr/s report
DMEA/G.Jet }
Townsend }
Chron

DMEA
DEPARTMENT OF THE INTERIOR

FEB 21 1958
REGION III
DENVER, COLORADO

P. O. Box 360
Grand Junction, Colorado

February 20, 1958

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: H. F. Robertson

Subject: Docket No. DMEA 4136 (Uranium), Contract Idm-E 995, Union Mines, Inc. (Ruth K. and Sylvia claims), Montrose County, Colorado. Progress report for August, September, and October 1957.

The subject property was visited by a DMEA engineer on August 5, September 4, and October 9, 1957. Mr. Louis P. Gaggini, project supervisor for the operator, accompanied the engineer on each of the progress inspections. As of the October 9 inspection, five Stage I holes had been completed and the drilling contractor's equipment moved elsewhere. The operator claims payment for costs incurred during the period from July 30 through October 15, 1957 as follows:

Item	Units	Unit cost	Total costs
Actual Costs			
Core drilling	305.5 feet	$3.50	$1,069.25
Non-core drilling	2,140.0 feet	1.75	3,745.00
Fixed Unit Costs			
Incidental allowance	2,445.5 feet	0.47	1,149.38
Chemical analyses	6 each	5.00	30.00
Total claimed			$5,993.63

The claims for the above costs are supported by the drilling contractor's invoice and assay certificates.

The operator submitted geologic and radiometric logs of the five holes completed during the reporting period. The DMEA gamma-ray logging unit was able to probe the ore-bearing sandstone in only three of the five holes completed. However, the completed hole depths are verified by the geologic logs, driller's reports, and physical inspection of the core.

Table I.--Drill hole footage claimed and recommended for August-September-October 1957, Contract Idm-E 995, Union Mines, Inc.

Hole No.	Plug bit	Core above OBSS	Core OBSS*	Core below OBSS	Total Core feet	Total Depth hole	Coring recommended for payment above OBSS	Coring recommended for payment OBSS*	Coring recommended for payment below OBSS	Coring recommended for payment Total
RK-11	490.0	15.0	57.0	2.5	74.5	564.5	15.0	57.0	2.5	74.5
RK-12	420.0	0.0	49.0	4.0	53.0	473.0	0.0	49.0	4.0	53.0
RK-14	430.0	8.0	78.8	7.2	94.0	524.0	8.0	78.8	7.2	94.0
RK-16	400.0	20.0	17.0	13.0	50.0	450.0	20.0	17.0	10.0	47.0
RK-20**	400.0	0.0	34.0	0.0	34.0	434.0	0.0	34.0	0.0	34.0
Totals	2,140.0	43.0	235.8	26.7	305.5	2,445.5	43.0	235.8	23.7	302.5

* Note: OBSS in this instance includes underlying gray or green mudstone.

** Note: The OBSS in this hole was unrecognizable so the entire coring interval is lumped under the OBSS heading.

Recommended for disallowance:

Coring claimed - 305.5 feet
Coring approved- 302.5 feet
Disallowance 3.0 feet of coring

3.0 feet at $3.50 per foot = $10.50
3.0 feet at $0.47 per foot = $ 1.41 (incidental allowance)

Total disallowance $11.91

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAR 10 1958 D.M.E.A.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Aug. Sep. Oct. 195 7 Docket No. DMEA 4136 Contract No. Tom-E 995

Operator's Name Uranium Mines, Incorporated Minerals Uranium

Address 433 North 7th St., Grand Junction, Colorado

Contract Amount, $ 60,800.00 Government Participation: 75 % Amount, $ 45,600.00

ITEMS OF COSTS Stage I	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	4814.25	3613.75	8428.00			
Bulldozing	—	924.00	924.00			
Crosscutting						
Drifting						
Incidental Allowance	1149.38	848.35	1997.73			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Ore and Analysis	30.00	—	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	5993.63	5386.10	11379.73	5981.72	5386.10	11367.82

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

Date 7, 1958 *Payee Louis P. Gaggini

Louis P. Gaggini

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 3986.29

Signature _____
(Authorized Certifying Officer)

Date 3/3/58 Vou. No. DMA 58-94

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E995 in accordance with the terms of the contract.

Signature H. F. Robertson $4,486.29 Title Mining Engr. Date 2/20/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Checked for Engineering Allowability

Signature W S King Title Executive Officer Date FEB 27 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
[illegible]								
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Churn	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Auger	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stripping								
Trenching								
Test Pits								
Roads and Trails	[illegible]	—	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	6	[illegible]	6	5.00	20	[illegible]
Total Distributed Costs		[illegible]		[illegible]				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		[illegible]		[illegible]				

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

Date [illegible] Operator [illegible]

Per Louis P. Dappin Title [illegible]

Remarks: H.F.R. [illegible]

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

SECOND NARRATIVE REPORT
STAGE I

Docket No. DMEA 4136, Contract No. Idm-E995
Union Mines, Incorporated
(Ruth K and Sylvia Claims)
Montrose County, Colorado

Introduction

This report covers drilling and other work performed during the months of August, September and October, and since all of the drilling which it seems advisible to do under Stage I of the contract was completed by October 15th, it can be considered a final report for this stage. General plans for Stage II drilling are discussed herein under "Recommendations". This is not, however, to be construed as a formal request for Stage II drilling. At the present time it seems advisable to defer such a request until pending litigation involving lands south of the Ruth K and Sylvia Claims is resolved.

Results

Two of the five holes drilled last month penetrated favorable host rocks but none were mineralized. One of the unfavorable holes, RK 20, did not penetrate any sandstone; another, RK 12 penetrated 34 feet of sandstone but is considered to be in an unfavorable area because of the lack of basal alteration. Chemical assays for the two holes which penetrated significant mineralization last period are given in the Tabular Summary of Drilling attached to this report and on the assay certificates. The 0.17% U_3O_8 material indicated by probing in hole RK 21 must have been lost. This material should have been at the bit face on a run which was "blocked", and might have for this reason been crushed and washed away.

Hole Locations

All numbers between RK 11 and RK 21 originally assigned to Stage I drilling in the company's drill hole records have been accounted for with the exception of RK 13 which is at an inaccessable site. In the last progress report an additional hole, RK 22 was suggested, but is no longer necessary since the company has at it's disposal information on LC 6 and LC 10 drilled by the North Continent Company just south of Ruth K No. 4 (see map).

Drilling on Adjacent Land

North Continent's LC 6 penetrated 0.5 ft. of material containing 0.17% U_3O_8 and 0.61% V_2O_5. LC 10 penetrated weak vanadium mineralization.

Trail Building and Site Preparation

The trail to and preparation of the site for RK 12 consumed another 18 hours of bulldozer time. A request made April 18th that the company be allowed to charge 3.6 hours at $10.00 per hour against $36.00 appropiated, but unused funds allocated for Stage I bulldozer work resulted in the $36.00 being disallowed. The additional 18 hours work done this period was therefore paid for by the company without any government participation. Costs for bulldozer work thus absorbed now amount to $510.00, including moving charges.

Drilling

Drilling was resumed on July 31, 1957 but due to a continuation of wet weather and other problems confronting the contractor, progress was very slow. By September 6th, however, all holes but RK 11 and RK 12 had been drilled. Because the new locations for these holes had not yet been approved, the contractor moved his rig to another project and did not return until September 21st. By October 15th drilling and all other field work had been completed.

Recommendations

The company intends to recommend that the Stage I phase of the project be closed with the nine holes completed to date and that Stage II drilling be allowed as offsets to RK 17, RK 21 and North Continent's LC 6. A factor in delaying the request for approval of Stage II drilling is the legal status of the claim on which LC 6 is located. North Continent is presently in the process of concluding a quiet title action on its claims and it is anticipated that a favorable ruling will be handed down shortly. When this occurs the ground close to LC 6 will probably be conveyed to Union Mines, thus making it possible to drill offsets within 100 feet of that hole. The locations for these offsets as well as the offsets to RK 17 and 21 will be shown on the map attached to the request for Stage II drilling.

Consideration should also be given to the possibility of ammending the contract so as to permit more drilling in favorable areas where mineralized material has not as yet been encountered.

Union Mines Incorporated

By Louis P. Gaggini

Louis P. Gaggini

DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Mayhew

Logged For: Union Mines, Incorporated

Drill-hole No.: RK-11
Total depth: 564.5
Collar elev.: 6450 T. P
Area:

COORDINATES
North: East:
Tie: S 40° W 220'
From USGS Sta. DW-A

Claim: Sylvia No. 3
Date started: 9/25/57
Date completed: 10/7/57
Logged by: L.P.G.

Summary of log: Favorable; OBSS 505-555 Thick 50; SS color Gy; MS under OBSS 4-3 Gy; Cbn. S-A

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0	490.0					Plug bit
490.0	490.5	MS	R Bn			490-504 only 8' rec. due to pump
490.5	497.0	SS	Gy/R	F	N	failure.
497.0	505.0	MS	R Bn			Top JmSW 487?
505.0	505.5	MS	Gy			
505.5	507.0	SS	Gy	F	N	A Gn Ms bands & Galls
507.0	507.4	MS	Gy			
507.4	509.5	SS	Gy	F		Several Gypsum bands
509.5	511.0	MS	Gy			Includes blobs of carbonaceous material
511.0	525.0	SS	Gy	F	S	Gn Ms Interstitial
525.0	536.5	SS	Gy	M	S-A	Sulphides A locally numerous bands of dark V & U minerals A Gy clay galls & pebbles
536.5	537.0	MS	Gy			
537.0	555.0	SS	W	F-M-C	S	Gr size increase toward base. Instl Gn Cl & Gn Cl pebbles rare throughout becom A @ base and near Ms partings which occur at 550 and 551.3
555.0	559.3	MS	Gy			
559.3	562.0	MS	Gy			Red mottles increase toward base
562.0	564.5	MS	R			

γ-Ray Log: 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
0-564.5	Barren				

Abbreviations

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

Hole No.

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COLORADO PRINTING CO. GRAND JUNCTION

DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Mayhew

Logged For: Union Mines, Incorporated

Drill-hole No. RK-12
Total depth 473
Collar elev. 6325 T. P
Area Long Park

COORDINATES
North East
Tie N 30° E, 320' from USGS Sta DW-A

Claim Sylvia No. 3
Date started 9/21/57
Date completed 9/23/57
Logged by L.P.G.

Summary of log Unfavorable; OBSS 420-456 Thick 36'; SS color Gy; MS under OBSS R-Bn; Cbn N-S

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0	420.0					Plug Bit with Air
420.0	434.0	SS	L-Gy	VF	N	Some Gn Ms bands Numerous Gypsum bands
434.0	447.7	SS	W	M	N	Gn clay galls at top
447.7	448.0	MS/SS	Gy		S	Gn & Gy clay pebbles with c-grained SS
448.0	456.0	SS	Gy	F-M	S	S C Grains and Gn Cl pebbles @ base; several gyp bands
456.0	465.0	MS/Sts	R Bn			Gy mottles US; gyp bands in sts.
465.0	469.0	Sts	Gy-Gn			
469.0	473.0	MS	R-Bn			

γ-Ray Log 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
0 - 473		Barren			

Abbreviations

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

Hole No.

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DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Mahew

Logged For: UNION MINES, INC.

Drill-hole No.: RK-14
Total depth: 524
Collar elev.: 6485 T. P
Area: Long Park

COORDINATES
North: East:
Tie: N 70° W 480' from LR 538

Claim: Ruth K No. 4
Date started: 7/31/57
Date completed: 8/14/57
Logged by: LPD

Summary of log: Favorable; OBSS: 438-505 Thick: 67'; SS color: Gy; MS under OBSS: 9.9' Gy; Cbn: S

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0	430	Plug Bit Wet				
430	438.1	MS	R-Bn			
438.1	438.3	Ms/Sts	Gy-Gn			
438.3	442	SS	Gy-Gn	F	N	Several Thin Gy P Partings
442	444	Ms/Sts	Gy-Gn			
444	450	SS	Gy	M	S	Gn Ms Flks S
450	450.1	Ms	Gy-Gn			
450.1	460	SS	Gy	F-M	S	Gn Ms Flks &
460	461.8	Ms	Gy			
461.8	477.7	SS	L/Gy	F-M	S	Gy Gn Ms Flks S
477.2	477.2	SS	D Gy	M	S	Dk Gy Bn Matrix around grains Maybe V mineral
477.2	485.7	SS	Gy	M	S	Gy clay galls & Pebbles sparsely scattered throughout
485.7	487.2	MS	D Gy			Grades into SS below
487.2	504.8	SS	Gy	F	S	Gy Ms bands & instl. at top Gy Ms become less A twd base. Nil 1' from base. Gy Ms Flks reappear at base
405.8	415.7	MS	Gy			Some Sts
514.7	516.8	Ms	Gy			One Gy Bn band 0.1' @ top
516.8	520.0	Ms	Gy/Rbn			
520.0	524.0	Ms	R			

γ-Ray Log: 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
0 –	524' Barren				

Abbreviations

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

Hole No.

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DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Mahew

Logged For: UNION MINES, INC.

Drill-hole No.: RK-16
Total depth: 450'
Collar elev.: 6390 T. P
Area: Long Park

COORDINATES
North: East:
Tie: 415' N of LP 538

Claim: Sylvia
Date started: 8/16/57
Date completed: 9/1/57
Logged by: LPD

Summary of log: Unfavorable; OBSS 420-437 Thick 17'; SS color Gy; MS under OBSS R; Cbn. S

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0	400	Plug	Bit			
400	415.2	MS	R Br			
415.2	420.0	MS	GyGn			417-435 only 70% rel. upper 6' barrel was crushed & washed into sludge pit
420.0	425.0	SS	W	F		Ms flks Gy Gn V S
425.0	431	SS	WByGn	M-C	S	A Ms as galls bands & flks. Badly crushed at points where Ms partings probably occurred
425.0	435	SS	W	F		
435.0	437	SS	Mtld RBn Gy	VF		
437.0	450.0	MS/Sts	RBn			Some Gy Gn matter

γ-Ray Log 0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
0	450'	Barren			

Abbreviations

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

Hole No.

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DRILL HOLE LOG

GEO ENGINEERING

Type of Drill: Mayhew

Logged For: Union Mines, Incorporated

Drill-hole No.: RK-20
Total depth: 434'
Collar elev.: 6335 T. P
Area: Long Park

COORDINATES
North: East:
Tie: S 35° W, 480'
from LP's 37

Claim: Sylvia No. 3
Date started: 9/2/57
Date completed: 9/6/57
Logged by: L.P.G.

Summary of log: Unfavorable; OBSS: None Thick: 0'; SS color: -; MS under OBSS: -; Cbn: -

DEPTH From	DEPTH To	Rock	Color	Grain	Carbon	REMARKS
0	400.0	Plug bit wet				Barnaby log indicates Jmb-Jsw contact @ 390
400.0	416.0	Ms/Sts	Gy/R			Predominantely red
416.0	423.0	Sts	R Bn			
			Gy Gn			Contains some fine SS grains
423.0	431.5	Ms	R Bn			
431.5	433.4	Sts	Gy Gn			Some R Bn mottles
433.4	433.8	Ms	R Bn			
433.8	434.0	Sts	Gy Gn			

γ-Ray Log
0 — 1000

SAMPLE BASE	SAMPLE THICK	LAB ASSAY (%) U_3O_8	LAB ASSAY (%) V_2O_5	FIELD EST. (%) U_3O_8	FIELD EST. (%) V_2O_5
0	434'	Barren			

Abbreviations

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

Hole No.

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BRUNING COPYFLEX 289-8

Docket No. OMEA-4136 (Uranium) Contract No. IDM-E995

Tabular Summary of Drilling Completed as of February 15, 1958

Hole No. Prefix omitted	Date	Favorability	Depth Drilled Feet To-Date Total	Plug	Core	This Period Total	Plug	Core	OBSS From	To	Thk	Probe Depth Feet	@ cu%	Chemical Assays Sampled Base	Thk	U_3O_8	V_2O_5
11	10-7-57	Fav	564.5	490	74.5	564.5	490	74.5	505	555	50	Barren					
12	9-23-57	Un-Fav	473	420	53	473	420	53	420	456	36	Barren					
13	Undrilled Hole Site inaccessible																
14		Fav	524	430	94	524	430	94	438	505	67'	Barren					
15	Drilled by Co. before program was approved																
16		Un-Fav	450	400	50	450	400	50	420	437	17	Barren					
17		Min	416	357	29				396.7	404.5	3.8	397.5	0.05	397.2	0.5	0.03	0.23
														397.4	0.2	0.03	0.13
														397.9	0.5	0.02	0.07
18		Semi-Fav	437	377	60				415	432	17	Barren					
19		Fav	481	426	55				434	446	35	319.0	0.02				
20		Un-Fav	430	400	34	434	400	34	None		0'	Barren					
21		Min	471	455	116				410	462	52	276.8	0.02				
												279.2	0.02				
												454.8	0.17	454.6	0.4	Tr	0.03
														455.0	0.4	0.02	0.08
														455.2	0.2	0.04	0.13
Totals			4250.5	3695	555.5	2445.5	2140	305.5									

@ Depth is given as at point of maximum reading. cU_3O_8 given is maximum reading

224 New Customhouse
Denver 2, Colorado
July 24, 1958

Memorandum

To: T. A. Christensen

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

Subject: Docket No. DMEA 4136 (Uranium) Contract Idm-E995, Union Mines, Incorporated, (Ruth K. and Sylvia claims) Montrose County, Colorado - FINAL PAYMENT

Reference is made to our memorandum of February 27, 1958, whereby we transmitted final Form MF-104, Operator's Monthly Report and Voucher, for the period August, September, and October, 1957, and requested that you withhold the amount of $500.00 from reimbursement to the Operator, pending resolution of matters prerequisite to closing the account.

The Operator's final report has been received, therefore we recommend that final payment to the Operator be made on the following basis, which is in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, DMEA, dated July 14, 1958.

Basis for Final Payment

Total accepted cost----------	$11,324.94
Government participation at 75 percent----	8,493.71
Total prior payments----------	7,993.71
Balance due the Operator----------	$ 500.00

Original signed by
J. W. TOWNSEND

J. W. Townsend

JDC:bmh

cc; Chmn. Op. Comm. (2)
Harshman
DMEA/DFC
Hasler
DMEA/GJCT
MF-104 file, Reg. III
Corres.file, Reg. III
Cooper
Chren

$500.00

7/25/58 DMEA 59-7

DMEA geologist, Donald P. Elston, was consulted concerning coring intervals with respect to the top of the Salt Wash member of the Morrison formation and penetration of red mudstone underlying the ore-bearing sandstone. The core from the subject holes was logged by Mr. Elston during October 1957. In the opinion of the geologist and the inspecting engineer, the Salt Wash-Brushy Basin contact was picked by the operator within reasonable limits. With respect to penetration of red mudstone underlying the ore-bearing sandstone (based on the maximum penetration specified by Amendment No. 5), a disallowance of 3.0 feet of coring is recommended in hole no. RK-16 as inspection of the core reveals that 13.0 feet of red mudstone was penetrated below the ore-bearing sandstone.

Hole locations were checked during the inspections and are in accordance with the approved locations shown on the map.

The five holes completed during the subject period were barren of uranium mineralization. DMEA radiometric logging results verified those obtained by the operator in holes RK-12, RK-16, and RK-20. The other two holes, RK-11 and RK-14, were not probed by the Barnaby unit. However, the core was checked with a Geiger counter and no radiometric anomalies were noted.

Stage I of the subject contract is now essentially completed. One more hole, RK-13, is authorized but will probably never be drilled due to being at an inaccessible site and not justified by results obtained by the rest of the first stage drilling. The operator has requested a suspension of operations extending from October 15, 1957 to April 1, 1958. It is advisable, therefore, to withhold the usual amount pending resumption of operations.

The operator submitted in quintuplicate for the reporting period, a signed narrative report with map, lithologic and radiometric logs, Forms MF-104 and MF-104A, assay certificates, and one copy of the invoice for drilling. One copy of the driller's daily report was included with the documents. Other documentation to support this claim is not required by the contract.

Payment of $4,486.29 or 75 percent of the amount claimed, $5,993.63 less $11.91 for excess core drilling of the red mudstone underlying the ore-bearing sandstone, is recommended by the inspecting engineer.

H. F. Robertson

H. F. Robertson,
Mining Engineer

HFR/bh
Enclosure (table)

Date 8/2/57

Minerals Assay Laboratory

19 Noland Avenue -:- Grand Junction, Colorado

Phone CH 2-8021

144729

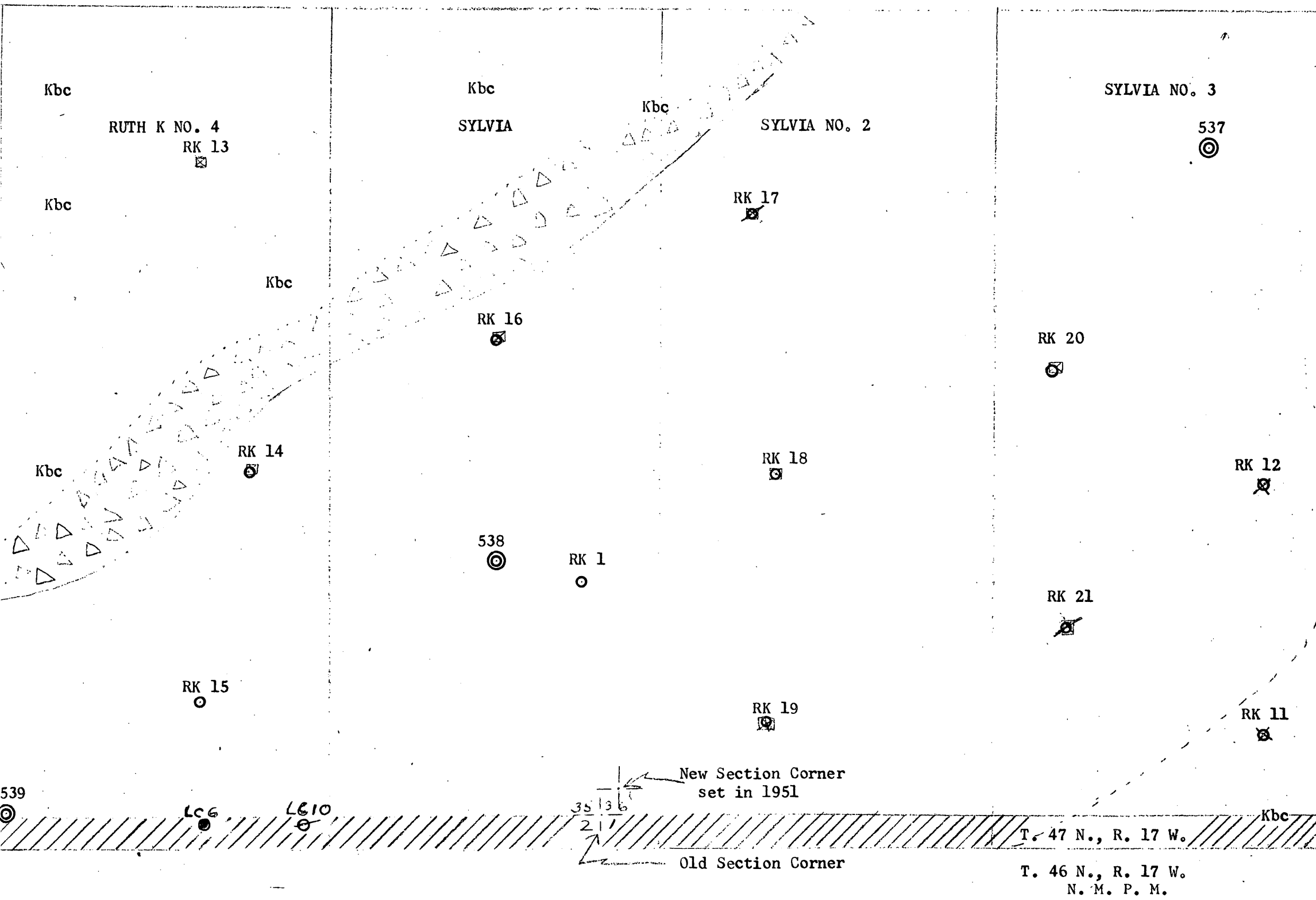
NAME Louie Gaggini

ADDRESS 433 North 7th St. Grand Jct. Colo.

SAMPLE RECEIVED 7/31/57

LAB No.					PERCENT URANIUM % U_3O_8	PERCENT VANADIUM % V_2O_5	PERCENT LIME % $CaCO_3$	PERCENT TUNGSTEN OXIDE % WO_3	PERCENT MOLY % MO
3178	Ruth K.	Project	RK-17	396.7-397.2	0.03	0.23			
3179	" "	"	RK-17	397.2-397.4	0.03	0.13			
3180	" "	"	RK-17	397.4-397.9	0.02	0.07			
3181	" "	"	RK-21	454.2-454.6	Trace	0.03			
3182	" "	"	RK-21	454.6-455.0	0.02	0.08			
3183	" "	"	RK-21	455.0-455.2	0.04	0.13			

TOTAL CHARGES $ 30.00 Paid



EXPLANATION

- Approved locations
- Holes drilled by applicant
- U. S. Geological Survey drill holes
- Conflict with Land withdrawn from Mineral Entry by P. L. O. 459, dated March 25, 1948
- Holes completed to date under DMEA 4136
- Proposed locations
- Kbc — Burro Canyon Formation
- Boulder strewn slope
- Mineralized Holes

FIGURE 1

MAP SHOWING PART OF THE RUTH K AND SYLVIA GROUP OF CLAIMS, PROPOSED HOLE LOCATIONS AND PREVIOUS DRILL HOLE LOCATIONS, UNION MINES, INCORPORATED, MONTROSE COUNTY, COLORADO DMEA 4136. TO ACCOMPANY REPORT DATED Feb., 17, 1958

Scale 1" = 200'

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