DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4482

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
✓Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order) Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9771

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

RECEIVED
SEP 28 1956

224 New Customhouse
Denver 2, Colorado

September 27, 1956

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA Aid (uranium-molybdenum) Zion Uranium (Hangover, Desert Rat, Buck, and Jacobsen claims), Moffat County, Colorado

Enclosed are three copies of the subject application in the amount of $125,000. One copy of this application is being retained in our files.

Your attention is invited to the fact that this is the first application Region III has received on a lignite deposit.

The Applicant states that Hangovers 1, 2, 3, and 9; Desert Rats 1, 2, 3, and 4; Bucks 1, 2, and 3, and Ivan O. Jacobsen are the only claims covered by this DMEA application. The Applicant's claim map shows Hangover claims 1, 2, 5, 7, 9; approximately one-half of the Desert Rat claims 1 and 2; and all of Desert Rats 3 and 4; Buck claims 1, 2 and 3; and Jacobson No. 1. The Applicant should be asked to clarify the difference between his statement of the land to be subordinated and that shown on the claim map; and we are wondering why the Applicant did not include the Bishop claims 2, 3, 4, and 5; the Rodney claims 1, 2, 3, and 4; the Best claims 1, 2, 3, and 4; and the Buck claims 4 and 5.

W. M. Traver

W. M. Traver

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
SEP 28 1956
DMEA
DEPARTMENT OF THE INTERIOR

SEP 25 1956
REGION III
DENVER, 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. 4482
Metal or Mineral Uranium
Date Received 9-28-56
Estimated Cost $125,000
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: ZION URANIUM, 567 EAST 3RD SOUTH, SALT LAKE CITY, UTAH AND GENERAL DELIVERY, ARTEGIA, 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. (SEE ATTACHED PAGE)

(*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 REGISTERED SURVEY OF THE CLAIMS IS ATTACHED WITH THE AREA UNDER CONSIDERATION OUTLINED IN RED AND COLORED GREEN. ALL EXTENSIONS OF THE PROPERTY IS HELD BY THE APPLICANT OR THE PEOPLE HE REPRESENTS BUT IS NOT A PART OF THIS D.M.E.A. APPLICATION. (SEE ATTACHED SURVEY MAP)

(*b*) State any mine name by which the property is known. (SHOWN ON THE MAP)

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise OWNER OR REPRESENT THE OWNER BY POWER OF ATTORNEY AND CONTRACT.

(*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.

(*e*) If you own the land, describe any liens or encumbrances on it NONE

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

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. (SEE ATTACHED SHEET)

(*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 (SEE ATTACHED SHEET)

(*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. (SEE ATTACHED SHEET)

(*c*) The work will start within 45 days and be completed within 6 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. (SEE ATTACHED SHEET)

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.). (SEE ATTACHED SHEET)

(*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. (SEE ATTACHED SHEET)

(*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. (SEE ATTACHED SHEET)

(*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. (SEE ATTACHED SHEET)

(*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)?

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

☐ 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 SEPTEMBER 26, 196

ZION URANIUM
(Applicant)

By Lloyd B. Lyon

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

RECEIVED
SEP 28 1956

1. (A) ZION URANIUM, 467 EAST 3RD SOUTH, SALT LAKE CITY, UTAH.

(B) THE APPLICANT HAS POWER OF ATTORNEY FROM THE GROUP AND WAS THE GRUB STAKER FOR THE DEVELOPMENT OF THE PROPERTY TO ITS PRESENT STATE. CONTRACTS EXIST COVERING ALL OF THE PROPERTIES SHOWN ON THE LARGE PROPERTY MAP BUT ONLY THE HANGOVERS 1, 2, 3 AND 9, DESERT RATS 1, 2, 3 AND 4, AND BUCKS 1, 2 AND 3 AND THE IVAN O. JACOBSEN ARE PART OF THIS D.M.E.A. APPLICATION.

THE CLAIM OWNERS HAVE CONTRACTS COVERING THEIR PARTICULAR PROPERTY. FORM MF-205 WILL BE FORWARDED AS SOON AS EACH PROPERTY HOLDER HAS SIGNED IT.

3. (F) AFFIDAVIT OF LABOR AND IMPROVEMENTS HAS AN ATTACHED SHEET GIVING BOOK AND PAGE OF ORIGINAL LOCATIONS AND PROOF OF LABOR AS RECORDED IN MOFFAT COUNTY, COLORADO.

4. PHYSICAL DESCRIPTION

(A) THE UNPATENTED CLAIMS UNDER CONSIDERATION HAVE BEEN EXPLORED BY AN ADIT APROX. 180' LONG AND ALSO BY THREE INCLINED SHAFTS APPROX. 80', 35' AND 30' DEEP RESPECTIVELY AND NUMEROUS TEST PITS. ALL OF THESE WORKINGS HAVE BEEN SAMPLED. THE LOCATION AND SAMPLE RESULTS OF SOME OF THESE EXPLORATORY WORKINGS ARE SHOWN ON THE ATTACHED SKETCHS. ALL WORKINGS AT THE PRESENT ARE OPEN AND AVAILABLE FOR INSPECTION NEEDING NO REHABILITATION.

(B) THERE HAS BEEN NO PRODUCTION FROM THE PROPERTY WHICH IS AT PRESENT A PROSPECT. EXPLORITORY WORK TO DATE IS NOT SUFFICIENT TO INDICATE TONAGES OF ORE OR THE GRADE THEREOF.

(C) A BRIEF GEOLOGICAL DESCRIPTION OF THE PROPERTY FOLLOWS: URANIUM MINERALIZATION HAS BEEN FOUND IN FIVE TO SIX LIGNITE SEAMS WHICH MAY CARRY COMMERCIAL AMOUNTS OF URANIUM. AN IDEALIZED CROSS SECTION OF THE GEOLOGY IS SHOWN ON THE ATTACHED CROSS SECTION.

ACCORDING TO REPORTS PREPARED BY THE U.S.G.S. THE SEAM UNDER CONSIDERATION OCCURS IN THE ILES MEMBER OF THE MESAVERDE FORMATION. THEY ARE CLOSELY ASSOCIATED WITH HARD SANDSTONE MEMBERS OF THE FORMATION AND DIP STEEPLY TOWARD THE SOUTH. ALL THE SURFACE DIPS VARY FROM 52° TO 75°. THE URANIUM BEARING SEAMS IN THE AREA IN WHICH IT IS PROPOSED TO CARRY OUT EXPLORATION VARY IN WIDTH FROM A FEW INCHES TO OVER THREE FEET AND ARE SEPARATED ONE FROM THE OTHER BY, FROM ONE HUNDRED TO ONE THOUSAND FEET OF APPARENTLY BARREN SANDSTONES. THE SEAM CAN BE TRACED FOR SEVERAL MILES, BUT AT PRESENT IT IS PROPOSED TO CONFINE EXPLORATION TO A STRIKE LENGTH OF APPROXIMATELY TWO MILES IN AN AREA WHICH UP TO THE PRESENT TIME HAS SHOWN THE BEST MATERIAL.

THE MAIN, NO. 2 SEAM, AS PRESENTLY EXPOSED, APPEARS TO VARY FROM 20" TO OVER 36" IN WIDTH. IT CONSISTS OF LIGNITE POSSIBLE GRADING INTO SOFT BITUMINOUS COAL AT DEPTH. THE ENTIRE SEAM MAY CARRY URANIUM IN COMMERCIAL QUANTITIES. IT IS THE PURPOSE OF THIS PROPOSED EXPLORATION TO VERIFY THIS SUPPOSITION BY EXPLORING AT DEPTH.

THE DEPOSITS IN QUESTION DIFFER FROM THE WYOMING AND DAKOTA LIGNITES, WHICH ARE PRESENTLY BEING INVESTIGATED BY THE OHIO OIL COMPANY AND INTERNATIONAL RESOURCE CORP., IN THE FOLLOWING RESPECTS: 1ST, THE MINERALIZED PORTION OF THE SEAM SEEMS TO BE WIDER VARYING FROM 25" TO 36"; 2ND, THE SEAM DIPS STEEPLY AND WILL HAVE TO BE MINED BY UNDERGROUND METHODS; 3RD, THE HANGING WALL IS A HARD STRONG SANDSTONE AND SHOULD STAND WELL WITH LITTLE SUPPORT.

IT IS BELIEVED THAT THE DEPOSITS UNDER DISCUSSION ARE SUFFICIENT MINERALIZED TO WARRANT FURTHER EXPLORATION AT DEPTH TO DETERMINE WHETHER THEY ARE OF SUFFICIENT SIZE AND QUALITY TO BE WORKED.

(D) THE PROJECT IS LOCATED 85 MILES WEST OF CRAIG, COLORADO ON U.S. HIGHWAY 40, HENCE SOUTH FOR APPROXIMATELY 1½ MILES BY DIRT ROAD. ALL PRESENT DEVELOPMENT WORKINGS CAN BE REACHED BY DIRT ACCESS ROADS OVER WHICH MOTOR VEHICLES CAN BE DRIVEN.

CRAIG, COLORADO IS THE NEAREST RAIL SHIPPING POINT. SUPPLY POINTS WOULD BE VERNAL, UTAH, 46 MILES DISTANCE, CRAIG, COLORADO, RANGELY, COLORADO, 15 MILES DISTANCE AND ARTESIA, COLORADO, 16 MILES DISTANCE.

RESIDENT POINTS WOULD BE BLUE MOUNTAIN 8 MILES, SKULL CREEK 8 MILES AND ARTESIA 16 MILES, ALL LOCATED ON HIGHWAY 40 OR RANGELY 15 MILES AWAY ON HIGHWAY 64.

(E) MANPOWER, MATERIAL AND SUPPLIES APPEAR AMPLE. EQUIPMENT WILL PROBABLY HAVE TO BE PURCHASED OR RENTED. WATER MUST BE PIPED AND PUMPED 1½ MILES FROM AN EXISTING ARTESIAN WELL. POWER MUST BE GENERATED OR CONNECTED WITH AN EXISTING POWER LINE 5 MILES AWAY.

5. THE EXPLORATION PROJECT.

(A) URANIUM, MOLYBDENUM AND VANADIUM.

(B) IT IS THOUGHT THAT THE SIMPLIST AND MOST ECONOMICAL METHOD FOR EXPLORING THE PROPERTY IS TO SINK THE PRESENT SHAFT AT THE ADDIT FOR AN ADDITIONAL 200' AND THEN DRIFT IN THE BED FROM THE SHAFT EACH WAY. THE DRIFTING CAN BE ALL AT THE BOTTOM OF THE SHAFT OR AT TWO LEVELS. IN ADDITION IT IS PROPOSED TO SINK SEVERAL 24" DRILL HOLES FOR THE PURPOSE OF VENTILATION AND COMPOSITE SAMPLING. THESE HOLES WOULD BE SPACED 250 TO 500' FROM THE ADIT. ALSO IT IS PROPOSED TO CUT THE SEAM FOR A DISTANCE OF ONE MILE FROM THE ADIT BY BULLDOZER CUTS 500' APART. IT IS PLANED TO SAMPLE ALL OF THE ABOVE WORK AT 5' INTERVALS. THE METHOD OF SAMPLING AND ANALYSIS IS TO BE DETERMINED IN CONFERENCE WITH D.M.E.A. ENGINEERS.

(C) 45 DAYS AND 6 MONTHS.

(D) GROUP OWNERS OF THE CLAIMS ARE MINING PEOPLE HAVING SPENT MOST OF THEIR LIVES MINING. SIX OF THE MEN HAVE HAD A LONG BACKGROUND IN MINING GILSONITE WHICH HAS SIMILAR MINING PROBLEMS TO A STEEPLY PITCHING COAL SEAM. THE APPLICANT, A FUEL TECHNOLOGIST WITH A MINOR IN GEOLOGICAL ENGINEERING HAS A BACKGROUND IN GILSONITE AND HAS BEEN DEVELOPING URANIUM PROPERTIES SINCE 1949. OTHER MEN WITH SUFFICIENT EXPERIENCE ARE AVAILABLE IN THE AREA TO FINISH OUT THE PROPOSED NEED UNDER 6A AND 6B.

6A	INDEPENDENT CONTRACTS		
1.	POWER LINE - 5 MILES	$ 5,000.00	
2.	WATER WELL AND LINE	3,470.00	
3.	GRADING OF WORKING AREA	500.00	
4.	SHAFT SINKING - 200' DEEP	6,000.00	
5.	PRIMING CONTRACT - APPROX. 1500'	22,500.00	
6.	LARGE DIA. DRILL HOLES - 6-26" 200' DEEP	8,000.00	
7.	BULLDOZER CUTS - 30 CUTS	2,100.00	
			47,570.00
6B	LABOR		
1.	1 LABOR @ $16.00/DAY @ 22 DAYS/MONTH FOR 6 MONTHS	2,376.00	
	1 MECHANIC @ $25.00/DAY " " " "	3,300.00	
	1 SAMPLER @ $20.00/DAY " " " "	2,640.00	
	1 INSPECTOR @ $25.00/DAY " " " "	3,300.00	
	1 CLERK @ $500.00/MONTH	3,000.00	
	1 MECHANICS HELPER @ $21.00/DAY @ 22 DAYS/MONTH - 6 MTS.	2,778.00	
			17,394.00
2.	SUPERVISION		
	PROJECT MANAGER @ $750.00/MONTH	4,550.00	
	FOREMAN @ $600.00/MONTH	3,600.00	
	ENGINEER @ $600.00/MONTH	3,600.00	
	GEOLOGIST PART TIME $500.00/MONTH	1,500.00	
3.	CONSULTANT FEES @ $600.00/MONTH	3,600.00	
			17,550.00
6C	OPERATING MATERIALS AND SUPPLIES		
	POWDER 2 TONS	1,400.00	
	FUSE AND CAPS	259.00	
	TINDER EST.	2,000.00	
	PIPE AIR 250' OF 2"	152.00	
	PIPE AIR 1,000' OF 1½"	370.00	
	PIPE WATER 1200' OF ¾"	180.00	
	DIESEL OIL 2,000 GALS.	340.00	
	GASOLINE 2500 GALS.	375.00	
	LUBE OIL & GREASE 10 CASES OF NO 6 & 100 LBS. GREASE	70.00	
	AIR VENT TUBE 18" 250'	375.00	
	WATER PUMP AND MOTOR	250.00	
	SAMPLE SACKS 500 @ 25¢	125.00	
	PICKS 10	38.00	
	SHOVELS 10	36.00	
	DRILL STEEL & BITS	25.00	
	AUGER STEEL	60.00	
	TICS 500	200.00	
	BARS 4	21.00	
	CHIPPING HAMMER HAUL	15.00	
	FREIGHT EST.	200.00	
	HAULAGE EST.	150.00	
			5,431.00

6D OPERATING EQUIPMENT			
HOIST RENTAL	1,500.00		
HEAD FRAME	1,200.00		
DUMP BIN	250.00		
SKIPS	1,000.00		
RAIL 600' OF 25 LB. RAIL	600.00		
LINE ROPE 500' OF 1/2" AND 700' OF 3/8"	205.00		
SPIKES ONE KEG	25.00		
COMPRESSOR RENTAL	1,800.00		
3 AUGER MOTORS	600.00		
1 JACK HAMMER	360.00		
AIR HOSE 4-50' LINES	100.00		
4 OILERS	40.00		
RAIL 2000' OF 16LBS.	1,000.00		
WATER TANK 1600 GAL.	700.00		
WATER TANK JACK HAMMER	50.00		
SIGNAL LINE 500'	60.00		
VENTILATION EXHAUST FAN 7.5 HP	350.00		
PICKUP TRUCK	1,500.00		
WELDING EQUIPMENT ELECT. & ACETYLENE	1,000.00		
BLACK SMITH TOOLS	200.00		
TOOLS ASSORTED	150.00		
SAWS, AXES AND WRENCHES	100.00		
WHEEL BARROW	25.00		
AIR TUGGER AND SLUSHER	350.00		
4 - STEEL PLATES FOR MUCKING	40.00		
2 CHIPPING HAMMERS	240.00		
3 18 CUBIC FOOT MINE CARS	2,250.00		
MISC.	500.00		
6E REHABILITATION AND REPAIRS		16,595.00	
TRUCKS	500.00		
DRILL	300.00		
6F BUILDINGS			
HOIST HOUSE, OFFICE AND SHOP	1,500.00		
6G MISCELLANEOUS			
MAINTENANCE & REPAIRS	1,000.00		
OLD AGE BENEFITS	495.00		
WORKMAN'S COMP.	1,736.00		
STATE UNEMPLOYMENT	1,042.00		
WELFARE FUND	347.00		
ANALYTICAL COST 600	2,400.00		
PROXIMATE ANALYSIS 100	400.00		
		9,920.00	
6H CONTINGENCIES		11,000.00	
			$125,000.00
TOTAL ESTIMATE			$125,000.00

128062

RECEIVED

SEP 28 1956

BOOK 229 PAGE 109

RECEPTION NO. ..... FILED FOR RECORD July 18, 1956 AT 3:15 P.M.

[redacted]

SALT LAKE CITY, UTAH • LAS VEGAS, NEVADA

July 18, 1956

To Whom It May Concern:

This letter will give legal notice that Lloyd B. Lyon has grubstaked the development of Uranium bearing organic seams, shales and sandstones in Western Moffat County, Colorado more particularly described as follows:

Township 3 North, Range 103 West to Range 100 West.
The Claims names are as follows:

Alberts 1-16 inclusive
Broken-hubs 1-6 inc.
Standards 7 claims
Black Streak 1-5 inc.
Skylines 6 claims
Rodneys 1-4 inc.
Bests 1-4 inc.
Ivan O. Jacobsen 1 claim

Apex 11 claims
Freedons 5 claims
Hermosa 1-10 claims inc.
Hangovers 5 claims ✓
Bishops 1-5 inc.
Desert Rats 4 claims ✓
Bucks 1-6 inc. ✓

Section 16: Township 3 North, Range 101 West 6th P. M.
M&N 1-5 inc.
Lucky Bugs 6 claims
Inlaws 1-7 inc.
Cavere 1-125 inc.

This grubstaking was for the purpose of doing develoment work such as developments of shafts, roads, drill holes and putting all claims in a legal condition. Notice is also hereby made of Affidavit of Labor and Improvements recorded June 22, 1956, 11:17 A. M. in Book 226 at page 433 of the records in said Moffat County, Colorado. Mr. Lyon has also financed and helped with the research on 2 milling processes for the extraction of uranium from the organic seams located on the above mentioned claims. This grubstaking was started in July 1955 and is still continuing as of the present date.

This Notice is posted and filed the 18th day of July A. D. 1956 Craig, Moffat, County, Colorado.

Signed Lloyd B. Lyon

My commission expires June 5, 1960.

The foregoing instrument was acknowledged before me this 18th day of July, 1956.

Notary Public

RECEIVED
SEP 28 1956

RECEPTION NO. 127138 FILED FOR RECORD June 22 1956 AT 11:17 A.M.

BOOK 226 PAGE 433

[redacted]

SALT LAKE CITY, UTAH • LAS VEGAS, NEVADA

AFFIDAVIT OF LABOR AND IMPROVEMENTS

STATE OF COLORADO,)
) ss.
MOFFAT COUNTY.)

DESERT RATS, HANGOVERS, RODNEY'S, SKYLINE, STANDARD, LUCKY BUG, BLACK STREAK, BROKEN HUB, ALBERTS, BUCKS, APEX AND IVAN O. JACOBSENS LODE

BEFORE ME, THE SUBSCRIBER, PERSONALLY APPEARED LLOYD B. LYON OF SALT LAKE CITY, UTAH, WHO BEING DULY SWORN, SAITH THAT AT LEAST $30,000 (THIRTY THOUSAND) DOLLARS WORTH OF WORK, IMPROVEMENTS, ROADS, DEVELOPMENT AND MINING WERE PERFORMED OR MADE UPON THE LIGNITE, SANDSTONE, SHALE AND LIGNETIC SHALES (ABOVE NAMED) LODE, SITUATED IN THE SKULL CREEK OR JACOBSEN MINING DISTRICT, COUNTY OF MOFFAT, STATE OF COLORADO, AS RECORDED IN BOOK AND PAGE (ATTACHED LIST) OF THE RECORDS OF SAID MOFFAT COUNTY, SUCH EXPENDITURE MADE BY OR AT THE EXPENSE OF LLOYD B. LYON, WAYDE STRIEGEL, IVAN O. JACOBSEN, MAX HARTLE, GLEN BURNS, FRANK O. PINNEO WHO REPRESENT THE OWNERS OF SAID CLAIM, FOR THE YEAR ENDING JULY 1, 1956, AND FOR THE PURPOSE OF HOLDING SAID CLAIMS. SUCH EXPENDITURE MADE BETWEEN 1ST DAY OF JULY, 1955, AND THE 30TH DAY OF JUNE, 1956.

Lloyd B. Lyon
LLOYD B. LYON

SUBSCRIBED AND SWORN TO BEFORE ME, THIS 22nd DAY OF June A.D. 1956.

My Commission Expires
Public 1959

Notary Public

RECEIVED
SEP 28 1956

Name of Claim	Book	Page
✓ Lucky Bug	198	8
	"	9
	"	10
	"	
	"	11
	"	12
	"	13
✓ Standard	193	8
	"	9
	"	10
	"	11
	"	12
	"	13
		1
✓ Skyline	193	3
	"	4
	"	5
	"	6
	"	7
✓ Rooney's	196	8
	"	9
	"	10
	"	11
✓ Hangovers	193	470
	"	471
	"	472
	"	473
	"	474
✓ Black Streak	192	306
	"	307
	"	308
	"	309
	"	310
✓ Desert Rat	195	120
	"	121
	"	122
	"	123
✓ Buck	192	321
	"	322
	193	481
Ivan O. Jacobsen	134	92

Proof of Labor	Book	Page
✓ Apex 1 to 17	208	165
✓ Bucks	208	255
		256
		257
✓ Ivan O. Jacobsen	208	254

POWER OF ATTORNEY

THIS POWER OF ATTORNEY MADE AND ENTERED INTO THIS 20TH DAY OF JULY, 1956, IS FOR THE PURPOSE OF APPOINTING LLOYD B. LYON AS ATTORNEY FOR THE URANIUM PROPERTIES IN MOFFAT COUNTY, COLORADO NOW UNDER CONTRACT.

THIS POWER OF ATTORNEY IS TO SUPPLEMENT THESE CONTRACTS ENTERED INTO AND TO ABIDE BY THE VARIOUS CLAUSES OF THESE CONTRACTS, IN PARTICULAR THE SHARE EQUITIES CONTAINED IN THESE CONTRACTS.

THE TERM OF THIS POWER OF ATTORNEY WILL BE 90 DAYS.

THIS POWER OF ATTORNEY GIVEN TO LLOYD B. LYON WHO HAS GRUBSTAKED THE DEVELOPMENT WORK OF THE ABOVE MENTIONED URANIUM PROPERTIES, GIVES HIM THE POWER TO LET OPTIONS, ENTER INTO WORKING AGREEMENTS AND SALES AGREEMENTS ON THE PROPERTIES FROM SECTION 16 T - 3 N., R - 105 W TO R - 100 W. AS COVERED IN THE CONTRACTS ABOVE MENTIONED.

THIS POWER OF ATTORNEY IS LIMITED TO THE FOLLOWING CLAIMS: APEX, STANDARDS, SKYLINE, FREEDOM, BLACK STREAK, ALBERT, BROKEN HUB, HERMOSA, DESERT RATS, HANGOVERS, BUCKS, IVAN O. JACOBSEN, LUCKY BUG, BISHOPS, BESTS, M & N, AND INLAWS, AND IS NOT IN EFFECT WHEN THE OTHER CLAIM OWNERS OR TRUSTEES ARE PRESENT.

ANY CONTRACT OR AGREEMENT ENTERED INTO HAS TO BE ALONG THE LINES PREVIOUSLY AGREED UPON BY THE HOLDERS OF THE PROPERTY AND TRUSTEES OF THE GROUP.

IN WITNESS WHEREOF THIS POWER OF ATTORNEY IS DULY EXECUTED THIS 20TH DAY OF JULY, 1956.

Ivan O. Jacobsen	Glen Burns
Harold J. Friegel	Harold Jacquette
Frank Tinsley	Jerry Hall
Robert E. Covington	May Nartle

ACKNOWLEDGEMENT

STATE OF COLORADO)
) SS.
COUNTY OF MOFFAT)

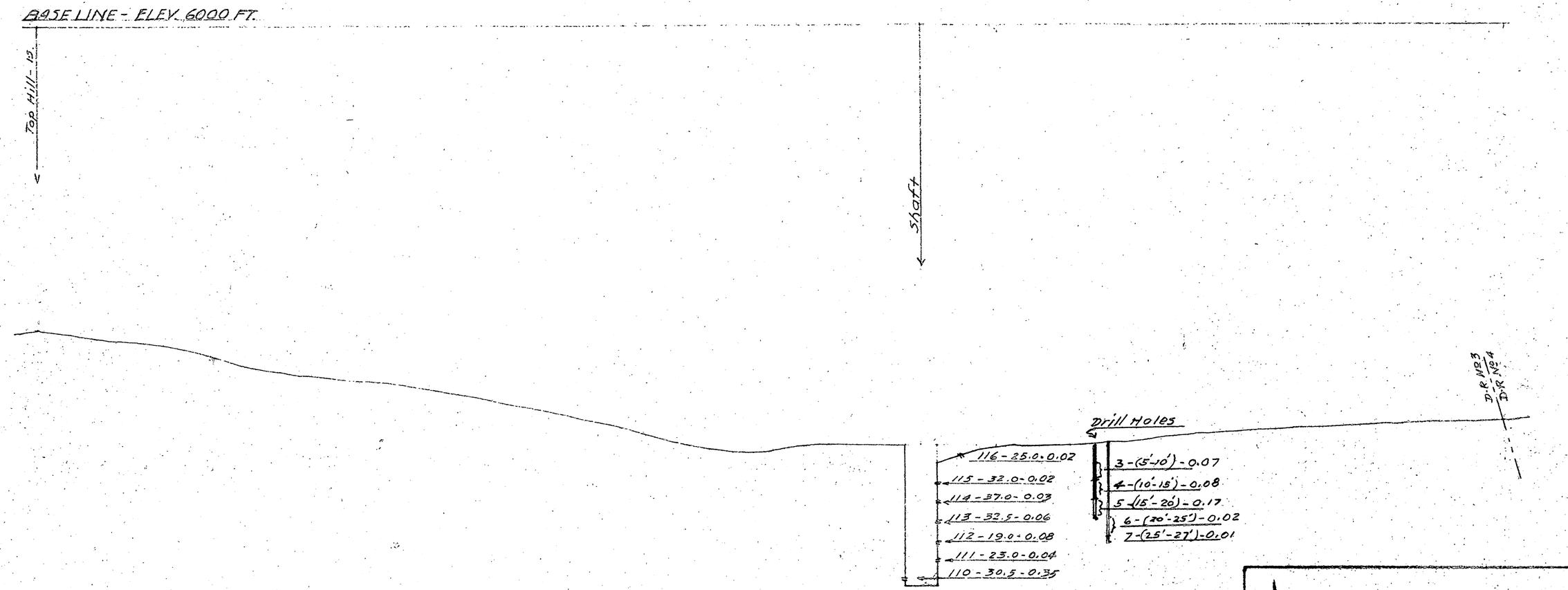
THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 20TH DAY OF JULY, 1956, BY THE ABOVE.

WITNESS MY HAND AND OFFICIAL SEAL.

MY COMMISSION EXPIRES Commission Expires October 27, 1957

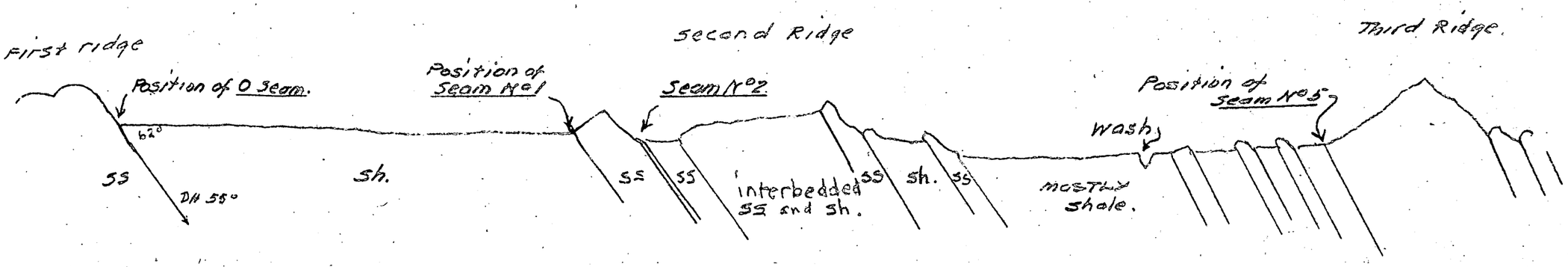
NOTARY PUBLIC SEAL MOFFAT COUNTY, COLORADO

Russel L. Fisher
NOTARY PUBLIC
RESIDING AT ARTESIA, COLORADO



ZION URANIUM
ARTESIA - COLORADO.
ASSAY MAP - SECT. - A-1.

SCALE 10 20 30



TYPICAL CROSS SECTION.

Scale. 0 — 100

ZION URANIUM
ARTESIA - COLORADO.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/20	Knouse	700
"	Ellis	700
"	Johnson	110
"	Mittendorf	100
3/21	C	220

MAR 20 1957

Mr. Lloyd B. Lyon
Zion Uranium Inc.
467 East 3rd South
Salt Lake City, Utah

Re: Docket No. DMEA-1482 (Uranium)
Zion Uranium
Hangover Claims, et al.
Moffat County, Colorado

Dear Mr. Lyon:

This is with reference to your letter of January 2, 1957, and our letters of January 28 and February 20, 1957, concerning additional information needed to process the subject application.

As we have not received any reply to our letters, we are considering your application as having been withdrawn and are placing it in our inactive files.

We regret the necessity of taking such action, however, it is taken without prejudice to your proposed project. If at some future time you desire to reopen this case, you may do so by filing a new application, referring to the subject application by the DMEA docket number, and furnishing the information previously requested, together with any other information that you think might be helpful.

Sincerely yours,

C. O. Mittendorf

Administrator

FIKnouse/gla
3-20-57
cc to: Admr.'s Reading File
Mr. Knouse, Code 700
THKiilsgaard, 5224
Jack Kratchman - AEC
DMEA Field Team, Region III (2)

C

8623

DMEA Form 7
(12-56)

700

OFFICIAL FILE COPY

Date	Surname	Code
2-20	FLKnouse	700
2-20	Ellis	700
"	Johnson	110
		~~100~~
2-21	C	225

700

FEB 20 1957

Mr. Lloyd B. Lyon
Zion Uranium Inc.
467 East 3rd South
Salt Lake City, Utah

Re: Docket No. DMEA-4482 (Uranium)
Hangover Claims, et al.
Moffat County, Colorado

Dear Mr. Lyon:

The information requested in our letter of November 13, 1956 was expected by February 2, as was indicated in your letter of January 2, 1957.

We wish to cooperate with you fully in allowing ample time to supply the requested information; however, we cannot indefinitely postpone action on an application. Therefore, if we do not receive the requested information within 30 days from the date of this letter, we will assume that you are no longer interested in proceeding with your application, and we will consider it as having been withdrawn.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Mr. Traver: This is in answer to your memo of Feb. 15, 1957.

FLKnouse/izm 2-20-57
cc to: Code 700 - Mr. Knouse
Admr.'s Reading File
THKiilsgaard, 5224
JKratchman, AEC
DMEA FT Reg. 3 (2)

C

8623

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

224 New Customhouse
Denver 2, Colorado

February 15, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 18 1957

DATE	INITIALS	CODE
2-18	C	220
2-18	Knouse	700

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4482 (Uranium) Zion Uranium (Hangover claim, et al.) Moffat County, Colorado

F. L. Knouse's letter of January 23, 1957 addressed to Mr. Lloyd B. Lyon regarding the subject application stated that further action would be deferred until February 2, 1957, when he agreed to furnish information required to process the application.

Please advise the present status of the application and if we should continue to carry it in the active files.

Wm. Traver

W. M. Traver

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

OFFICIAL BUSINESS

WASHINGTON 7 D.C. JAN 28 8-PM 1957

U.S. POSTAGE 3¢ LIBERTY

~~Roll 1475~~

Mr. Lloyd B. Lyon
Zion Uranium Inc.
467 East 3rd South
Salt Lake City, Utah

RETURN TO WRITER

FEB 1 4 PM 1957 UTAH

Letter of 1-28-57 to Ap. returned to world 2-4-57. Have addressed new envelope w/same address & re-mail letter as other letters to this address have been received by applicant (2-4-57)

DMEA Form 7
(12-56)

700

OFFICIAL FILE COPY

Date	Surname	Code
1/23/57	Keppler	700
1-24	Selfridge	130
1/25	[illegible]	110
"	Whitlendor	100
		~~130~~
		~~100~~
1-28	c	220 700

JAN 28 1957

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

Re: Docket No. DMEA-4482 (Uranium)
Zion Uranium
Hangover Claims, et al.
Moffat County, Colorado

Dear Mr. Traver:

In response to your inquiry of January 17, we are enclosing two copies of a letter, dated January 2, 1957, from Zion Uranium Inc., which was in response to our letters of November 13 and December 17, 1956. Also enclosed for your information are two copies of our letter of even date to the Applicant.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

NOTE:
The name of the Applicant on MF-103 is "Zion Uranium" and this has been used in letter caption to the region. However, since the letter from Mr. Lyon of Jan. 2, 1957, is on letterhead "Zion Uranium Inc." we have used that name in replying to his letter.

8623

DMEA Form 7
(12-56)

700

OFFICIAL FILE COPY

Date	Surname	Code
1/23/57	Knouse	700
1/25	Selfridge	120
"	Johnson	110
"	Matthews	100
1-28	C	220

700

JAN 28 1957

Mr. Lloyd B. Lyon
Zion Uranium Inc.
467 East 3rd South
Salt Lake City, Utah

Re: Docket No. DMEA-4482 (Uranium)
Hangover Claims, et al.
Moffat County, Colorado

Nelson Lamb

Dear Mr. Lyon:

Since you indicate in your letter of January 2, 1957, that you expect to have all of the information requested in our letter of November 13, 1956, by February 2, 1957, we will take no further action on your application until then.

Sincerely yours,

SIGNED
F. L. Knouse
For: Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

FLKnouse/gla
1-23-57
cc to: Admr.'s Reading File
DMEA Field Team, Region III (2)
Messrs. JECrawford, 3643
THKiilsgaard, 5224
AEC - Jack Kratchman
Code 700, Mr. Knouse

R.C.S.

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 22 1957

DATE	INITIALS	CODE
1-22	CW	220
1-22	Knowe	700

224 New Customhouse
Denver 2, Colorado

January 17, 1957

Memorandum

To: Secretary to the Operating Committee

From: DMEA Field Team, Region III

Subject: Docket DMEA 4482 (Uranium) Zion Uranium (Hangover Claims, et al) Moffat County, Colorado.

This is to advise that none of the information requested from the subject Applicant, in your letters dated November 13, 1956 and December 17, 1956, has been received by this office.

Will you please advise the present status of this application.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

ZION URANIUM INC.

SALT LAKE CITY, UTAH • LAS VEGAS, NEVADA

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 4 1957

DATE	INITIALS	CODE
1-7-57		700
1/11/57		700

JANUARY 2, 1957

MR. ERNEST WM. ELLIS, CHIEF
RARE & MISCELLANEOUS METALS DIVISION
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RE: DOCKET NO. DMEA-4482 (URANIUM)
HANGOVER CLAIMS, ET AL.
MOFFAT COUNTY, COLORADO

DEAR MR. ELLIS:

WITH REFERENCE TO YOUR NOV. 13, 1956, CORRESPONDENCE, I AM WRITING THIS LETTER TO ANSWER THE VARIOUS QUESTIONS SET FORTH.

IN ANSWER TO WHAT CLAIMS SHOULD BE INCLUDED ON THE APPLICATION, BE ADVISED THAT THE APPLICATION INCLUDES THE FOLLOWING AS SET FORTH IN THE LAST PARAGRAPH OF YOUR LETTER: HANGOVERS NOS. 1, 2, 5, 7 AND 9; DESERT RATS NOS. 1, 2, 3 AND 4; BUCKS NOS. 1, 2, 3, 4 AND 5; IVAN O. JACOBSEN NO. 1; BEST NOS. 1, 2, 3 AND 4; BISHOP NOS. 2, 3, 4 AND 5; RODNEY NOS. 1, 2, AND 3. ALL OF THESE CLAIMS ARE UNDER MY CONTROL AND ARE PART OF THE CONTIGUOUS CLAIMS REFERRED TO.

REFERRING TO YOUR DECEMBER 17TH LETTER, WE WANT THE APPLICATION TO CONTINUE TO BE PROCESSED AND WILL TRY TO FURNISH YOU THE INFORMATION ASKED FOR AS SOON AS THE VARIOUS MEMBERS OF OUR GROUP CAN BE CONTACTED AND AGREEMENTS DRAFTED TO GIVE ZION URANIUM POSSESSORY RIGHTS IN THE PROPERTY. THIS WILL MEAN THE FORMING OF A CORPORATION AND THE DISTRIBUTION OF EQUITIES UNDER EXISTING CONTRACTS NOW HELD BY ME. I HAVE BEEN TRYING TO ARRANGE A MEETING WITH THE VARIOUS MEMBERS TO FINISH THIS WORK, BUT DUE TO THE HOLIDAY SEASON THIS COULD NOT BE ACCOMPLISHED. I FEEL IT WILL TAKE THIRTY DAYS FOR US TO FINISH THIS WORK.

ALTHOUGH I HAVE BEEN THE MAJOR SOURCE OF FINANCE, I FEEL THERE ARE TOO MANY CONTINGENT LIABILITIES TO OPERATE A MINING PROPERTY OF THIS TYPE AS A PROPRIETORSHIP SO THE DECISION WAS MADE TO INCORPORATE.

THANKING YOU FOR YOUR PATIENCE IN PROCESSING THIS APPLICATION, I REMAIN

SINCERELY YOURS,

Lloyd B. Lyon

LBL/AMG

Surname copy

700

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

DEC 17 1956

Mr. Lloyd B. Lyon
Zion Uranium
467 East 3rd South
Salt Lake City, Utah

Re: Docket No. DMEA-4482 (Uranium)
Hangover Claims, et al.
Moffat County, Colorado

Dear Mr. Lyon

Reference is made to your letter, dated November 1, 1956, and our reply of November 13.

Action on your application is pending receipt of the information requested in our above-mentioned letter. If you are no longer interested in the processing of this application, please advise us.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

FIKnouse/gla
12-17-56
cc to: Admr.'s Reading File
-- Docket
Messrs. JECrawford, 3643
THKiilsgaard, 5224
JCHosted, 3210, CSA
Code 700
Mr. Knouse
DMEA Field Team, Region III (2)

Surname copy

700

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

NOV 13 1956

Mr. Lloyd B. Lyon
Zion Uranium
467 East 3rd South
Salt Lake City, Utah

Re: Docket No. DMEA-4482 (Uranium)
Hangover Claims, et al.
Moffat County, Colorado

Dear Mr. Lyon:

This is with reference to your letter and attachments, dated November 1, 1956.

1. We assume from your letter that the application should be in your name as an individual, doing business under the name of Zion Uranium. Please advise which name is correct.

2. Your Power of Attorney is an insufficient basis upon which to make a contract because it was valid for only 90 days from July 20, 1956, and thus expired on October 18, 1956. We require a possessory interest, such as a lease, fee ownership, or possessory option, etc., for at least five years, or for a minimum period of two years, containing a renewal provision.

3. Your application lists the following claims:

Hangover 1, 2, 3, and 4;
Desert Rat 1, 2, 3, and 4;
Buck 1, 2, and 3; and
Ivan O. Jacobsen.

You attached a map showing certain claims colored green. However, the green coloring covers only the following:

Hangover Nos. 1, 2, 5, 7, and 9;
Parts of Desert Rat Nos. 1 and 2;
Desert Rat Nos. 3 and 4;
Buck Nos. 1, 2, 3, and 4; and
Jacobson No. 1.

Thus, your map omits Hangover 3, and parts of Desert Rat 1 and 2, which are included in the application. Moreover, the green coloring on your map includes Hangover 5 and 7 which are not listed in your application.

If a contract is awarded, we will require, as a minimum area for a proper mining exploration project, that the following claims as shown on your map be included:

Hangover Nos. 1, 2, 5, 7, and 9;
Desert Rat Nos. 1, 2, 3, and 4;
Buck Nos. 1, 2, 3, 4, and 5;
Best Nos. 1, 2, 3, and 4;
Bishop Nos. 2, 3, 4, and 5;
Rodney Nos. 1, 2, and 3; and
Jacobson No. 1.

If you do not control all of these claims, please advise us.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

Knouse
~~MChing~~/gla
11-9-56
cc to: Admr.'s Reading File
Docket
Messrs. JECrawford, 3643
THKiilsgaard, 5224
JOHosted, 3210, GSA
Code 700
Mr. Knouse
DMEA Field Team, Region III (2)

ZION URANIUM INC.

SALT LAKE CITY, UTAH • LAS VEGAS, NEVADA

NOVEMBER 1, 1956

RECEIVED NOV 7 1956

MR. ERNEST WM. ELLIS, CHIEF
RARE AND MISCELLANEOUS METALS DIVISION
UNITED STATES DEPT. OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RE: DOCKET NO. DMEA-4482
URANIUM CLAIMS
MOFFAT COUNTY, COLORADO

DEAR SIR:

WITH REFERENCE TO YOUR LETTER OF OCTOBER 12, 1956, THE FOLLOWING LETTER IS IN ANSWER TO THE QUESTIONS ASKED.

ZION URANIUM IS THE NAME WE HAVE CALLED OUR COLORADO LIGNITE OPERATION. I STARTED IN JULY 1955 TO GRUBSTAKE AND MANAGE THE OPERATION FOR A HETEROGENEOUS GROUP OF CLAIM OWNERS. WE HAVE NOT FILED PARTNERSHIP OR CORPORATION PAPERS BUT HAVE BEEN OPERATING ON MY FINANCES IN THE CURRENT DEVELOPMENT PROGRAM. (ZION URANIUM INC. IS THE NAME OF A CLOSED CORPORATION THAT I PERSONALLY OWN).

THE POWER OF ATTORNEY WAS GIVEN ME SO THAT I COULD MAKE SUCH APPLICATIONS FOR ALL CONCERNED OR ON THAT PART OF THE PROPERTY NOW BEING DEVELOPED. IT WAS FELT BY THE GROUP THAT WE WOULD TAKE THE GROUP OF CLAIMS NOW WITH DEVELOPMENT ON THEM FOR THE DMEA LOAN AND THAT ONLY THOSE INDIVIDUALS OWNING THESE PARTICULAR CLAIMS WOULD SIGN THE CONSENT TO LIEN AND SUBORDINATION AGREEMENT.

THE CONTRACT REFERRED TO IN THE APPLICATION IS A CONTRACT OF THE HETEROGENEOUS GROUP BINDING THEM TOGETHER SO THAT THE PROPERTY IS KEPT IN ONE CONTIGUOUS GROUP OF CLAIMS.

THE VARIOUS CLAIM OWNERS WERE GRUBSTAKED BY ME AND THE PROPERTY WAS PUT IN LEGAL ORDER. ROADS WERE BUILT THROUGHOUT THE ENTIRE PROPERTY AND DEVELOPMENT WORK WAS CONFINED TO PARTICULAR GROUPS OF CLAIMS, MAINLY THE CLAIMS INCLUDED IN THE APPLICATION.

MY RELATIONSHIP TO THE GROUP IS A GRUBSTAKER, MANAGER AND AGENT.

WE FELT THAT AT THIS TIME THE CLAIMS OUTLINED ON THE MAP WOULD BE SUFFICIENT FOR THE DMEA LOAN.

THE POWER OF ATTORNEY COVERS ALL OF THE CLAIMS, BUT DOES NOT LIMIT ME FROM SECURING FEDERAL AID ON PART OF THE CLAIMS.

SEE THE ATTACHED PAGE FOR A COMPLETE LIST OF NAMES AND FILING DATES, AMENDMENTS AND AFFIDAVITS OF LABOR AND IMPROVEMENTS OF THE CLAIMS OUTLINED ON THE MAP IN THE ORIGINAL APPLICATION.

SINCERELY YOURS,

Lloyd B. Lyon

LLOYD B. LYON

LBL/AMG

RECEIVED 1956

Name	Book	Page	Date of Filing	Date of Amendment
Desert Rat No. 2	195	121	Oct. 13, 1954	
Desert Rat No. 3	195	122	Oct. 13, 1954	
Desert Rat No. 1	193	120	Oct. 13, 1954	
Desert Rat No. 4	195	123	Oct. 13, 1954	
Buck No. 2	197	304		Dec. 11, 1954
Buck No. 3	197	305		Dec. 11, 1954
Ivan O. Jacobsen	197	302		Dec. 11, 1954
Ivan O. Jacobsen	184	92	Oct. 9, 1953	
Buck No. 2	192	322	Aug. 3, 1954	
Hangover No. 1	193	470	Sept. 13, 1954	
Hangover No. 2	193	471	Sept. 13, 1954	
Hangover No. 5	193	472	Sept. 13, 1954	
Hangover No. 7	193	473	Sept. 13, 1954	
Hangover No. 9	193	474	Sept. 13, 1954	
Buck No. 1	192	321	Aug. 3, 1954	
Buck No. 1	197	303		Dec. 11, 1954
Buck No. 5	228	317	July 12, 1956	
Buck No. 4	228	316	July 12, 1956	

Affidavits of Labor and Improvements

Ivan O. Jacobsen	208	254	July 1, 1955
Buck No. 3	208	255	July 1, 1955
Buck No. 2	208	256	July 1, 1955
Buck No. 1	208	257	July 1, 1955
Claims listed below	226	433	June 22, 1956
(See list below)	226	434	June 22, 1956

Name of Claim	Book	Page
Lucky Bug	198	8
	"	9
	"	10
	"	11
	"	12
	"	13
Standard	193	8
	"	9
	"	10
	"	11
	"	12

Proof of Labor	Book	Page
Apex 1 to 17	208	165
Bucks	208	255
	"	256
	"	257
Ivan O. Jacobsen	208	254

700

FILE COPY

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

Mr. Lloyd B. Lyon
Zion Uranium
467 East 3rd South
Salt Lake City, Utah

OCT 1 2 1956

Re: Docket No. DMEA-4482 (Uranium)
Hangover Claims, et al.
Moffat County, Colorado

Dear Mr. Lyon:

This is with reference to your application for Government aid to explore the subject property.

In order that we may continue to process your application, please clarify and furnish the following:

1. The application lists "Zion Uranium " as the Applicant, and the application is signed by you. If the Applicant is a partnership, corporation, etc., please advise the state in which it was incorporated or organized, and state the names of the officers or names and addresses of all partners;

2. With your application there was submitted a Power of Attorney to you (personally) from all the owners of the claims you propose to explore, which authorizes you, together with other powers, until October 20, 1956, to enter into working agreements. In addition, it is stated in the application, "The claim owners have contracts covering their particular property. Form MF-205 will be forwarded as soon as each property owner has signed it." In this connection, it is not clear how the interest in the land is held by the Applicant, "Zion Uranium." Therefore, we will require evidence, i.e., lease, assignment, etc., that describes the Applicant's interest in the land; and

3. The claims you propose to explore, as listed in your application and shown on the claim map attached thereto, are in two separate groups.

However, the Power of Attorney, referred to above, and the claim map list and show a contiguous group of claims. Therefore, for the purpose of the proposed exploration project, the following additional claims should be included in the application:

Hangover Nos. 5 and 7;
Bishop Nos. 2, 3, 4, and 5;
Bests Nos. 1, 2, 3, and 4; and
Buck Nos. 4 and 5.

Also, the Rodney claims Nos. 1, 2, 3, and 4 should be included if they are controlled by the Applicant. In this connection, we note that the recording data of each claim to be included in the project does not show the complete recorded name; therefore, you should furnish the recorded name of the claim and the book and page number of each claim to be included in the application.

Two copies of the lease or other documents referred to in Item 2 together with the additional information in quadruplicate should be furnished in order that your application may be processed with a minimum of delay. One copy of the lease or other documents and one copy of the additional information should be sent to Mr. W. M. Traver, Executive Officer, DMEA Field Team, Region III, 224 NewCustomhouse Building, Denver 2, Colorado, and the remaining copies to this office.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

FLKnouse/izm 10-12-56
cc to: Docket
Code 700
Mr. Knouse
Admr.'s Reading File
DMEA Field Team, Region III (2)
Messrs. JECrawford, Rm. 3643
THKiilsgaard, Rm. 5224
Johosted, Rm. 3210, GSA

OCT 11 1956

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

RECEIVED
OCT 11 1956

Date 10/10/56

DMEA Docket No. 4482
DMEA Contract No.
Commodity Uranium
Name of applicant Zion Uranium
Name of property Hangover, Desert Rat, etc. Claims
Location of property Moffat County, Colorado
Estimated cost of project $125,000

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee
From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee
Subject: Review of Application
(Application, Field Team Report, etc.)

1. Date of subject document: 9/22/56. 2. Date received by reviewer: 10/2/56.

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

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

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

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

7. Explain items marked yes above:

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

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

10. Remarks: (Use back of page if necessary)
Uraniferous lignites are not marketable at present. Consideration should be given the fact that unmarketable material cannot be defined as an ore.
Mr. J. O. Hosted, Washington representative of the Atomic Energy Commission, assisted in the review.

10/8/56 gla

IN REPLY REFER TO:

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

RECEIVED
OCT - 8 1956

October 5, 1956

Memorandum

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

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

Subject: Review of application, DMEA Docket 4482, Zion Uranium, Moffat County, Colorado.

The applicant proposes to explore a lignite bed by shaft sinking, drifting, and bulldozing, the aggregate cost of which is estimated at $125,000.00.

Uranium mineralization in lignite and coal seams is fairly widespread in many of the western states. Occurrences of this type have been extensively studied by geologists of the Survey and the AEC. In all of these reports that have been studied by the writer the conclusions as to the origin of the uranium ores are the same: they were derived from erosion of overlying rocks, particularly volcanic rocks, the uranium being taken into solution by migrating vadose waters and subsequently deposited in the reducing atmosphere offered by the carbonaceous rocks. Where flat, the uranium ores are usually found concentrated in the top layer, the underlying lignites becoming increasingly impoverished with depth. In tilted lignites the upper sections also are usually of a better grade but not always. Descriptions of uraniferous coals and lignites are in the many TEM and TEI reports of N. M. Denson, USGS, written for AEC. TEI 281, by J. D. Vine and G. W. Moore, USGS, gives a very brief description of uraniferous lignites in Moffat County, Colorado, pointing out the deposits are so inconsequential that they do not warrant further study.

Other problems confronting uraniferous lignites concern the extraction of the uranium. Mr. Joe Hosted, AEC, advises that AEC has bought or will buy 2,000 tons of lignite or coal for metallurgical purposes, under the present program, but does not intend to buy any more. To recover the uranium the lignite is burned, which of course wastes the fuel energy. It is also understood that in burning there is a tendency for the uranium to associate with the shale or clay in the lignite forming clay "balls" or "pellets" which are glazed by the heat thereby making the uranium all the more difficult to take into solution. None of the western uraniferous lignite deposits are known to be productive at the present time.

As presented, the application is very weak. The assays are low and the exploration costs for the information to be obtained is high. DMEA would be justified in denying the application without field examination; however, as this is the first application from Region III concerning a lignite deposit it would probably be advantageous for the Field Team to get some first hand data on this type of deposit; therefore, I recommend the application be referred to the field for an examination and report.

T. H. Kiilsgaard

T. H. Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

September 28, 1956

Zion Uranium
467 East 3rd. South
Salt Lake City, Utah

Subject: DMEA-4482
Re: Exploration Assistance
Hangover, et al.

Gentlemen

Your application for exploration assistance, dated September 22, 1956 submitted to our office at Denver, has been assigned Docket Number DMEA-4482 and referred to the Rare and Miscellaneous Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to:

Region III. Denver 2, Colorado

Code 700

3571

NAM

D ROOM

	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP
	RUN
	STOP

Use other side first

☆ U. S. GOVERNMENT PRINTING OFFICE : 1951 16—889

U. S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1/46)

1. Use blocks consecutively, one at a time.
2. Fill previous block.
3. Write clearly.

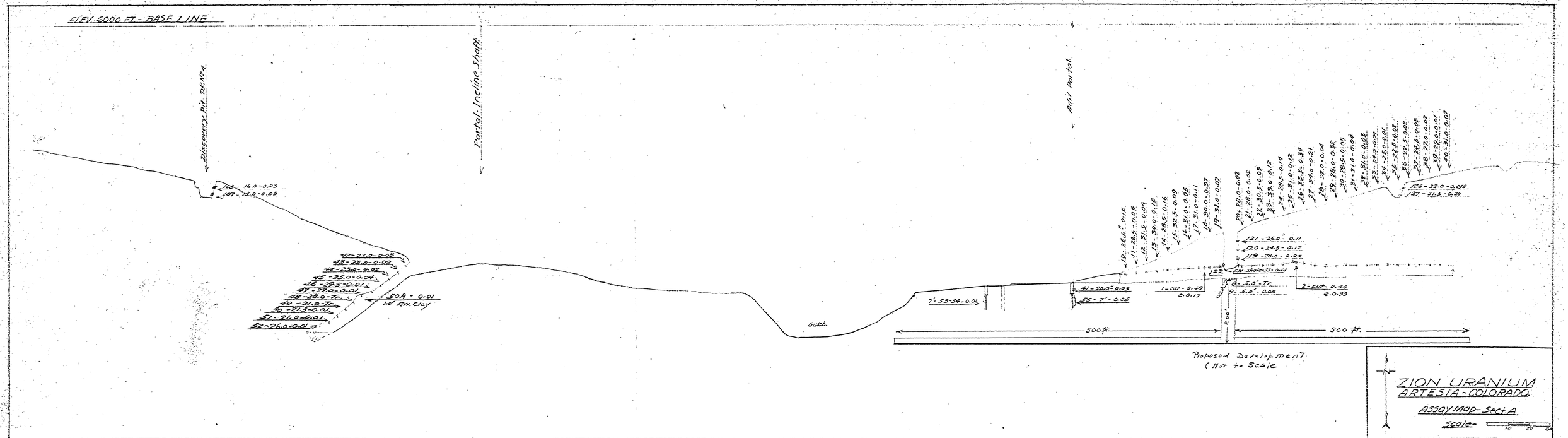
NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
ASRPA/ADMIN. CODE 45 FISCAL & STATISTICAL SERVICES 1 COPY 5/16/5	RUN STOP	~~Esper Larsen~~ GSC Gerard Flor.	RUN STOP
HIEF OF ENGINEERS 5/54 DEPT. OF THE ARMY LDG. T-7 ASHINGTON 25, D.C. TTN: CIVIL WORKS SERVICES	RUN STOP 107	Mr. Irving 3264 G.S.A.	RUN STOP
~~Mrs. McLaughlin~~	RUN STOP	~~Mr. Potter~~ ~~Lloyd Hess~~ ~~Julia Dot~~	RUN STOP
Director Fish & Wild Life Service Department of the Interior Washington 25, D. C.	RUN STOP 43	ACCOUNTS	RUN STOP
Edmore - Fish Hatcheries	RUN STOP	~~Mrs. Williamson~~ ~~Room 5012 Interior~~	RUN STOP
Mr. Carlins Fishery Biology	RUN STOP	Mr. Ellis 4443 Int.	RUN STOP
Fish Hatcheries	RUN STOP		RUN STOP
~~Mr. Joseph Stein~~ ~~Room 5012~~ ~~Int. Bldg.~~	RUN STOP		RUN STOP
~~Louise A. Hoffs~~ ~~Room 5211 GSA~~	RUN STOP		RUN STOP
~~Esper Larsen~~ ~~Legal Div. Int.~~	RUN STOP		RUN STOP

Send surplus envelopes to supply room for reissue.

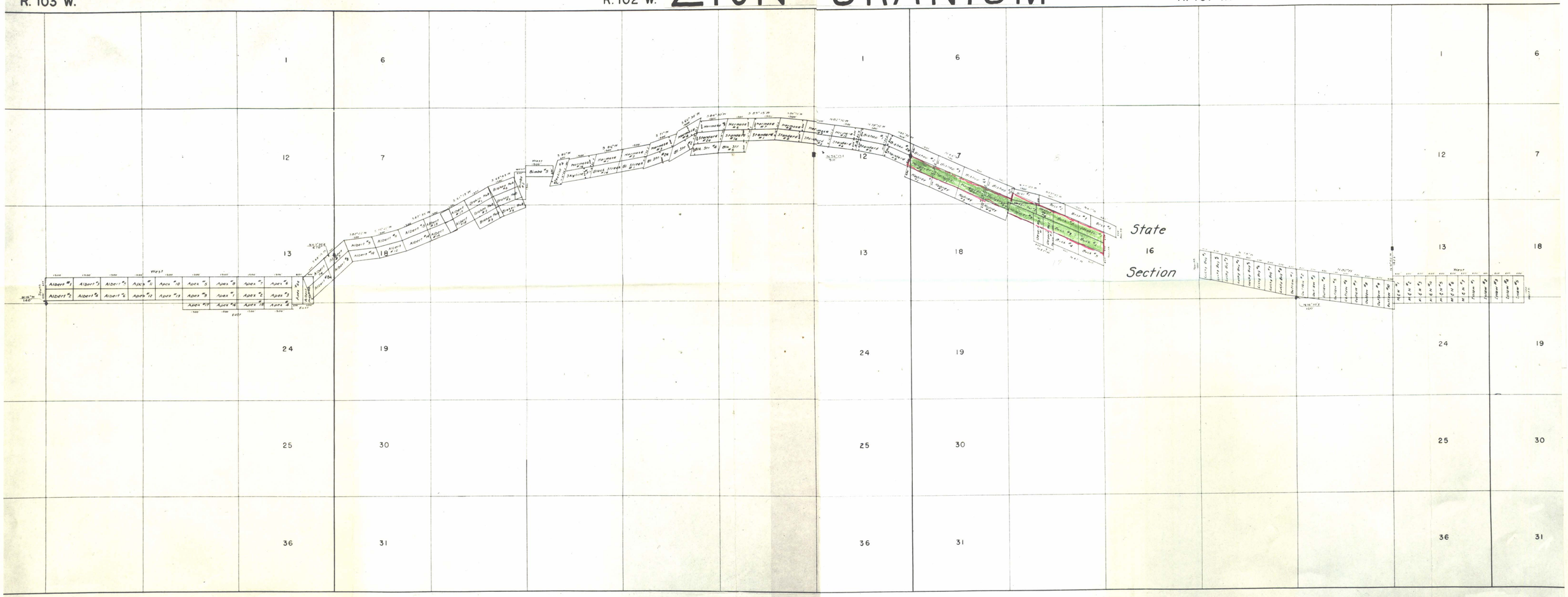
Use other side

16—38949a-2

Use RUN and STOP only when messenger service between Government buildings in Washington is required. Your mail room has RUN and STOP information.


ELEV. 6000 FT - BASE LINE
Discovery Pit. DRAFT.
Portal. Incline Shaft.
Adit Portal.
100 - 16.0 - 0.25
107 - 18.0 - 0.05
42 - 23.0 - 0.03
43 - 23.0 - 0.02
44 - 23.0 - 0.02
45 - 23.0 - 0.04
46 - 28.5 - 0.01
47 - 23.0 - 0.01
48 - 28.0 - Tr.
49 - 21.0 - Tr.
50 - 21.5 - 0.01
51 - 21.0 - 0.01
52 - 26.0 - 0.01
50A - 0.01
10" Fw. Clay
Gulch.
7' - 53 - 54 - 0.01
41 - 20.0" 0.03
35 - 7' - 0.05
1 - CUT - 0.49
0.17
2 - CUT - 0.44
0.33
0 - 5.0' - Tr.
9 - 5.0' - 0.05
22
24 - 34.0 - 31 - 0.01
10 - 28.5 - 0.13
11 - 28.5 - 0.05
12 - 31.5 - 0.09
13 - 30.0 - 0.15
14 - 28.5 - 0.16
15 - 32.5 - 0.09
16 - 31.0 - 0.05
17 - 31.0 - 0.11
18 - 30.0 - 0.37
19 - 31.0 - 0.07
20 - 28.0 - 0.02
21 - 28.0 - 0.02
22 - 30.5 - 0.03
23 - 31.0 - 0.12
24 - 28.5 - 0.14
25 - 31.0 - 0.12
26 - 32.5 - 0.34
27 - 34.0 - 0.21
28 - 32.0 - 0.04
29 - 28.0 - 0.32
30 - 28.5 - 0.08
31 - 31.0 - 0.04
32 - 31.0 - 0.02
33 - 34.5 - 0.01
34 - 25.0 - 0.01
35 - 22.5 - 0.02
36 - 32.5 - 0.02
37 - 24.5 - 0.08
38 - 27.0 - 0.02
39 - 28.0 - 0.01
40 - 31.0 - 0.07
126 - 22.0 - 0.058
127 - 21.5 - 0.20
121 - 25.0" - 0.11
120 - 24.5 - 0.12
119 - 28.0 - 0.04
200
500 ft.
500 ft.
Proposed Development
(Not to Scale
ZION URANIUM
ARTESIA - COLORADO.
Assay Map - Sect A.
Scale -
10
20
30

—ZION URANIUM—



ENGINEER'S CERTIFICATE

I, JOHN PAUL STORRS, Mining Engineer and Registered Land Surveyor, Salt Lake City, Utah do hereby certify under Certificate No. 1620 that this map was correctly drawn to the designated scale from field notes and plane table sheets of a survey made by J. P. STORRS, LLOYD B. LYON and ORAL B. BIRCH, Engineers, between the 1st day of August and 20th day of August, 1956; that the survey was made under the supervision of J. P. Storrs.

John Paul Storrs

John Paul Storrs
Registered Land Surveyor
Certificate No. 1620

0 1,000 2,000 3,000 4,000 5,000 6,000 7,000 8000 9,000 10,000

Scale: 1" = 2,000'