MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6746

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports

- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration
Building 53 Room 203

July 22, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 25 1968
INITIALS | CODE

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Transmitted herewith is an application for financial assistance in minerals exploration on the above-stated subject. One copy has been retained for the Region III field office files.

J. William Hasler
mc

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

MME Form 40
Jan. 65

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

OFFICIAL COPY O. M. E. RECEIVED JUL 2 1968 INITIAL CODE

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

Champion Ventures, Inc.
230 W. 6th Ave.
Denver, Colorado 80204

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6746

DATE RECEIVED 4/25/68

REGION III

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL [ ]
CORPORATION [x]
PARTNERSHIP [ ]
OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED Colorado

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
H. A. Hackathorn	228 W. 6th Ave., Denver, Colo.	President
R. H. Pearson	2075 Routt St., Denver, Colo.	Chairman
D. F. McDermott	230 W. 6th Ave., Denver, Colo.	Sect.-Treas

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE
Uranium

ESTIMATED COST OF PROJECT
$ 45,890.00

PROPERTY NAME: L.G.O. lode mining locations No. 11-13

LOCATION COUNTY: Fremont

LOCATION STATE: Colorado

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington 25, D. C., or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

May 23, 1968
DATED

H. A. Hackathorn
BY *(Signature)*

President
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C

Champion Ventures, Inc.
230 W. 6th Ave.
Denver, Colorado 80204

OME Application

1. Financial Eligibility

(a) The following are attached:

(1) Letter to First National Bank of Denver requesting loan.
(2) Reply from First National Bank of Denver.
(3) Letter to Denver U. S. National Bank requesting loan.
(4) Reply from Denver U. S. National Bank.

(b) Applicant has no parent or controlling company or organization. Applicant owns 40% of the outstanding stock of Hackathorn New Zealand Oil Ltd., a Delaware corporation.

(c) Applicant will supply its share of cost of exploration work in cash.

2. Applicant's Rights in Land

(a) Applicant owns 18 lode mining locations by assignment from locator.

(b) The claims are located in Section 34, Township 48 North, Range 11 East, NMPM, in the Coaldale Cotapaxi Mining District, Fremont County, Colorado, and are recorded in the office of the County Clerk and Recorder of Fremont County, Colorado, in Book 498, Pages 186 through 220. The proposed exploration program is suggested for the L.G.O. claims Nos. 11, 12 and 13, but any of the remainder of the 18 claims could be subject to government royalty if an expanded program were indicated and carried out under an OME contract.

(c) All mineral rights are owned by Applicant without encumbrance.

3. Physical Description

(a) The claims included in this application, as well as the total claim block noted above, have been developed in years past by roads and open cuts made with a bulldozer (See map marked Exhibit No. 1). The map shows the general layout of roads as well as areas covered by radiometric readings. Roads constructed on the property have a total length of 1.3 miles, and a number of benches were cut at the terminus of some stub roads and along the line of other roads. There are no underground mine workings or other production facilities.

3. (b) Applicant had no interest or participation in the operations described in (a) above.

(c) There has been no production from the property.

(d) See geologic report dated December 9, 1967, of G. L. Fairchild.

(e) Same as (d)

(f) Same as (d)

(g) Two copies of Fairchild report attached. Return not required.

4. Accessibility of Property

(a) Person who will meet OME representative is Gerard L. Fairchild, 230 W. 6th Ave., Denver, Colorado.

The property is reached by driving from Denver, Colorado, on U.S. Highway 285 to Salida, Colorado, a distance of 148 miles; thence south east from Salida on U.S. Highway 50 a distance of 21 miles to Coaldale, Colorado, which is the location of the L.G.O. claims (i.e. northeast $\frac{1}{4}$ mile across the Arkansas River from Coaldale). The property is accessible by truck road up the hillside on the claim block and all exposures can be reached easily.

(b) Supply points are Salida, Colorado, 21 miles northwest, and Canon City, Colorado, 26 miles southeast. There is a railroad siding over $\frac{1}{2}$ mile long at Pleasanton (see Exhibit No. 3) which is at the southwest corner of the claim block. This is the closest shipping point.

5. Exploration Work

(a) The proposed exploration would consist of the drilling of thirty holes, each 200 feet deep, with a diameter of four inches, as shown on the map marked Exhibit No. 2. Collection of all cuttings from each hole will be effected and these will be assayed chemically from a representative sample of each five-foot hole. After chemical assaying of the first few holes,

5. assaying may or may not be replaced by radiometric methods on the representative samples and by probing of the drill holes.

The aim of the proposed exploration program is to show the continuity of the presently exposed uranium mineralization, both over the surface and to a depth of 200 feet. Such continuity would indicate a body of very large tonnage of low grade uranium ore that would be amenable to open pit mining operation and to upgrading processes.

(b) No access roads need be built to carry out the proposed exploration.

(c) If an OME contract is executed, work would begin within ninety days thereafter and be completed within 120 days of the start of operations.

6. Experience

The Applicant has no operating experience or background to conduct this type of work, but has retained competent and experienced people to plan and supervise the exploration.

Work will be supervised by Gerard L. Fairchild, Consulting Geologist. He is a graduate of St. Louis University with a B.S. in geology and geophysics. Prior to and during his university work he gained experience as a miner, mill operator and engineering assistant. From 1948 to 1955 he was Resident Mine Geologist with American Smelting & Refining Co. From 1955 to the present he has worked as a Consulting Geologist. His experience has included evaluation, exploration, development and operation of mineral properties in the western United States.

Champion Ventures, Inc.
230 W. 6th Ave.
Denver, Colorado 80204

7. Estimate of Costs

(a) Boyles Bros. (bid attached)	
Drilling (6,000 feet @ $3.95)	$23,700
Standby time (Est. 30 hours @ $16.00)	1,440
Casing (Estimated)	1,500
Mobilization of men & equipment	350
Bulldozer work (Est. 100 hours @ $15.00)	1,500
(b) One supervisor (6 weeks @ $500)	3,000
One laborer (240 hours @ $3.75)	900
(Services available)	
(c) None	
(d) None	
(e) None	
(f) None	
(g) Sample preparation, containers & transportation	
(1,200 samples @ $3.75)	4,500
Chemical assaying (cost schedule attached)	
(1,200 samples @ $7.50)	9,000
Total	$45,890

May 13, 1968

The First National Bank of Denver
17th Street and Welton
Denver, Colorado 80202

Gentlemen:

This Company owns eighteen lode mining claim locations (L.G.O. No. 1-18) situated in Section 34, Township 48 North, Range 11 East, Fremont County, Colorado.

We have examined several of these claims by open cuts and radiometric means, and feel that three of them deserve to be prospected by drilling a total of thirty holes to a depth of 200 feet as there is the possibility of developing a large low-grade uranium mine. The total cost of the prospecting program will be $45,890.00.

We now ask if your bank has a department that could loan this Company one-half of the above amount. We would supply the balance of the capital needed.

Not possible Tim

Should a discovery be made, the Bank would be paid back the money it advanced, plus interest charges, from a five per cent royalty on ore sales. Should no ore body be discovered, repayment could not be made. ?

Would you please advise us as soon as possible whether or not your bank could participate in such a program.

Very truly yours,

CHAMPION VENTURES, INC.

H. A. Hackathorn, President

HAH:dfm

THE FIRST NATIONAL BANK OF DENVER

P. O. Box 5808 TELEPHONE • 303 • 266-2211

DENVER, COLORADO 80217

DONALD R. RICHARDS
VICE PRESIDENT

May 17, 1968

Mr. H. A. Hackathorn, President
Champion Ventures, Inc.
230 West Sixth Avenue
Denver, Colorado 80204

Dear Mr. Hackathorn:

I wish to acknowledge receipt of your letter of May 13, advising that your company owns 18 lode mining claim locations in Fremont County, Colorado. As mentioned in your letter, we understand that you desire to further prospect these properties, and the cost of said program will total $45,890, and that your company could furnish one-half of this sum and would like to borrow the difference.

Inasmuch as repayment of this type of a note would depend entirely upon the success of an economic discovery, our Bank would not be interested in financing this type of venture. As mentioned in your letter, if the discovery was not successful, you would be unable to repay the debt, and rather than bank borrowings, your company should seek risk capital.

We trust that you will be successful in this venture, and perhaps at a future date we could be of help to your good firm.

Very truly yours,

D. R. Richards

Vice President

DRR/sh

Raymond P. Heon, Inc.
LAND & MINE SURVEYS CORE DRILLING
CONSULTING GEOLOGISTS & ENGINEERS

Phones: 567-2403
569-2304

P. O. Box 280
Hanchett Bldg.
Idaho Springs, Colo.

March 25, 1968

Champion Ventures Inc.
c/o Mr. Gary Fairchild
228 West 6th
Denver, Colorado 80204

Dear Sir:

With reference to the proposed drilling program in Pikes Peak formation below Salida. After careful consideration in review of the field trip I made with you on March 23rd, 1968, in which you contemplated approximately 6000 linear feet of AX core drilling, the majority of holes being drilled to 200' depth, my estimate is as outlined in the following six categories.

1. We will drill the above described holes for $10.00 per foot from 0' to 200' depths. From 200' to 400' depths, the charge will be $12.50 per foot.

2. Casing will be charged at our cost plus 20% for handling. This total should amount to $1.20 per foot.

3. Down Time - Any down time incurred in the course of moving the rigs between drill site locations or move in - move out time, cementing the holes or any other down time incurred either for your convenience or to facilatate maximum recovery or to assure that the hole will remain open after said drilling is completed will be charged you at the rate of $14.00 per hour.

4. Water - If it should develope that water has to be hauled to the rigs, then said water supplied will be charged you at our cost plus 20%.

5. Miscellaneous - It is expected that you will supply all core boxes, necessary engineering, adequate roadway and drill pad facilities. You will also supply all cement and other ingredients used in stabilizing the holes.

Field analysis of the rock involved in drilling program suggests that drilling with air track or rotary rigs is impractical as the joint density is less than one half foot and the in situ rock is badly decomposed by both chemical and mechanical alteration. The proposed drilling sites are, for all practical purposes, on top of the mountain and it is doubtful that the character of the rock will improve with depth.

6. The above estimates are based on the following assumptions:

   A. That there will be a minimum of 4000' of drilling.

   B. That the contract will be let within the next 2 months.

   C. That we will be informed that the enclosed bid is acceptable or not within the next 2 weeks, if acceptable to you, contingent upon OME participation or any other contingencies.

   D. That a sufficient amount of drilling is laid out in advance and both, at the letting of the contract and during the contract period, to keep at least one rig drilling continuously, that is, 5 days a week - 20 hours a day. It is further assumed that all holes will be either vertical or within 5 degrees of the vertical.

Yours truly,

RAYMOND P. HEON INC.

Raymond P. Heon
President

RPH:mh

L.G.O. MINING CLAIMS

Fremont County, Colorado

Geologic Report

December 9, 1967

INTRODUCTION

The following is a summary of the information that I have in hand as concerns the L.G.O. Claims. The information includes the results of work done in 1957, 1958 and 1967. There is not an attempt here to give a complete geologic report, but rather to summarize available information and to note its significance as it applies to the economic development of the property.

PROPERTY AND LOCATION

The property consists of eighteen contiguous claims covering approximately 360 acres of ground located in Section 34, Township 48 North, Range 11 East of the New Mexico Principal Meridian, in Fremont County, Colorado. The claims are locations that have been properly staked and have good legal status at this time. The attached map shows the relation of the claims to the Section noted (34) and their position in that section.

The elevation of the claims ranges from a low of 6,450 feet to a high of 7,700 feet and the climate makes possible year around operation. The claims lie within a quarter-mile of U.S. Highway 50, a paved all-weather highway. A truck road from U.S. 50 is constructed to various points on the claims. The D & RG Western Railroad parallels the highway, with over a half-mile of siding adjacent to the claims.

GEOLOGIC SETTING

The claims lie in the Arkansas Valley, a topographic feature that is the result of erosion of the prevailing geologic structure of the region. The only rocks exposed on the claims are composed of granite. This granite is part of the Pikes Peak batholith, a large intrusive mass of acidic rock that occupies a great part of the Front Range of Colorado. This granite is Precambrian in age and has been shown by radioactive isotope study to be at least one billion years old. There are other rocks exposed in the general area that range in age from Cambrian to Tertiary but they are of no pertinence to the uranium mineralization on the claims. Structurally, the claims lie in a complex area, but again these relations have no bearing on the occurrence of the uranium mineralization. Detailed knowledge of the structure of the granite is not at hand at the present time.

MINERALIZATION

As noted above, the rock type exposed on the claims is granite. The occurrence of the uranium mineralization is found to be an integral part of the granite. This means that the uranium minerals are found to be accessory minerals of the granite and were formed in conjunction with the other minerals that constitute the composition of the granite. The uranium bearing minerals found on the claims have been tentatively identified by the writer as davidite, allanite, brannerite, xenotime, and perhaps the association of some uranium with the mineral zircon. The determinations of these minerals is based upon megascopic examination of rock containing the minerals and study of the individual minerals after their isolation from the enclosing rock.

Examination of the granitic rocks exposed on the claims shows that the above-noted minerals are disseminated throughout considerable portions of the mass of the rock. The minerals are in the form of small crystals, not over a fourth of an inch long, and in irregular small masses scattered among the crystals of quartz and feldspar that constitute the bulk of the granite. In addition there are small amounts of biotite, mica, hornblende and other minor accessory minerals.

The attached map shows the extent of the mineralization thus far exposed on the claims by means of scintillometer and geiger counter survey coupled with some chemical assays. Reference to this map will aid in understanding the basis for the ore tonnage estimate.

ORE ESTIMATE

The following ore estimate is based on the examination of the outcropping shows of uranium ore and the correlation of the radiometric survey data with chemical assay data. Radiometric and chemical assay results showed comparable values. The results of both the radiometric work and the chemical assaying indicate that the expected grade of the ore on the claims will be from 0.05% to 0.12% U_3O_8. It is probable that the average grade will be 0.085% U_3O_8. With adequate recovery in a concentrating process this grade would be sufficient to make a profit on an open pit operation.

The areas that contain mineralization are in part covered with alluvium that is barren of any radiometric count or mineralization. This barren alluvium which gave no reading has been included in the average grade based upon the radiometric determinations. Therefore it is likely that the underlying solid

rock will contain mineralization in much of the areas of barren alluvium and some testing has confirmed this. The writer considers that the mineralization will be continuous under the cover of much of this barren material. The following estimate of "possible ore" is based only on the areas tested as shown on the attached map.

The mineralization extends 400 feet vertically as measured along the known slope exposure. Without further exploration there is no way of being certain of the ultimate depth of mineralization, but in the tabulation immediately below a factor of 200 feet of thickness is used. The mineralization could easily be much thicker than 200 feet and this can only be confirmed by exploration work. A factor of twelve cubic feet per ton of ore is used, which is standard for granite.

Area A and Area C (combined)

$$1{,}200' \times 400' \times 200' = 96{,}000{,}000 \text{ cu. ft.}$$

$$\frac{96{,}000{,}000}{12} = 8{,}000{,}000 \text{ tons}$$

Area B

$$1{,}000' \times 250' \times 200' = 50{,}000{,}000 \text{ cu. ft.}$$

$$\frac{50{,}000{,}000}{12} = 4{,}166{,}667 \text{ tons}$$

Total: 12,166,667 tons

The possible extension of the known zones of mineralization, or the discovery of additional similar zones could greatly increase ore reserves. The exposed mineralization discussed in this report is found on three contiguous

claims out of the block of eighteen. The remaining fifteen claims have been subjected to only cursory examination and afford prospecting potential for additional discoveries.

MINING METHODS

The character of the mineral occurrence on the L.G.O. claims lends itself well to the application of open pit methods of mining. The overburden, consisting of mantle rock and alluvium, generally does not exceed eight feet in thickness and approaches an average of four feet or less. The topography of the area allows for open pit development by the cutting of benches at right angles to the trend of the mineral-bearing zone and affords adequate area for disposal of alluvial and pit waste rock.

UPGRADING

There has been sufficient test work done on the mineralized material from the claims to show that it can be upgraded in part by means of magnetic methods. The mineral davidite is sufficiently magnetic to be recovered by this method. However, the other uranium minerals present are non-magnetic and would have to be recovered by other means.

It is not within the scope of this report to discuss beneficiation in detail, but any one of several methods of concentration could be used successfully. Of particular interest are recent developments in high tension separation.

CONCLUSIONS

The L.G.O. Claims contain descrete uranium minerals tentatively identified as davidite, allanite, brannerite, xenotime and perhaps uranium-rich zircon as an integral part of the granitic country rock.

The minerals, found on three of the eighteen claims, constitute significant mineralization.

The mineralization as observed and studied on the three claims indicates an occurrence of more than 12,000,000 tons of "possible ore" of a grade averaging 0.085% U_3O_8.

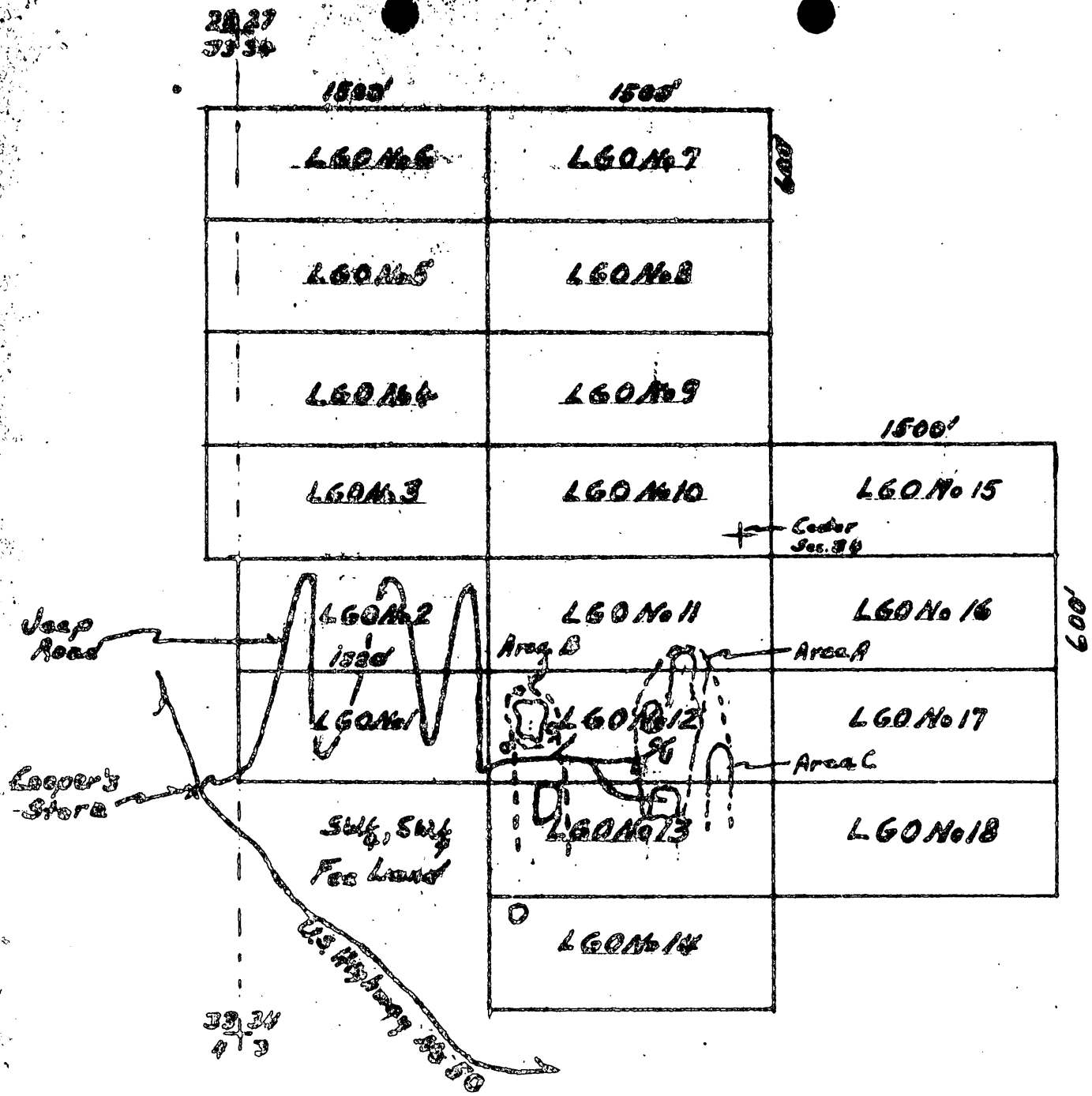
Unexplored claims in the group afford the possibility of the discovery of substantial additional reserves.

The uranium occurrence is such that it will allow for development of the area by open pit methods of mining.

The study of the mineralization to date indicates that these minerals can be subjected to a successful upgrading process that will make a saleable concentrate with an adequate percentage of recovery.

Gerard L. Fairchild

Gerard L. Fairchild
Consulting Geologist



Note: Road position not based on survey but on field sketch

U_3O_8 mineralization based on radiometric survey and claim survey

General outline of mineral area used for [illegible] and [illegible] calculations

LGO Mining Claims

Sec. 34, T48N, R.11E., NMPM

Cooldale-Cotopaxi Mining District

Fremont County, Colorado

Scale: 1" = 800'

G.L. Farnsworth 10-5-69

May 13, 1968

Denver U. S. National Bank
17th and Broadway
Denver, Colorado 80202

Gentlemen:

This Company owns eighteen lode mining claim locations (L.G.O. No. 1-18) situated in Section 34, Township 48 North, Range 11 East, Fremont County, Colorado.

We have examined several of these claims by open cuts and radiometric means, and feel that three of them deserve to be prospected by drilling a total of thirty holes to a depth of 200 feet as there is the possibility of developing a large low-grade uranium mine. The total cost of the prospecting program will be $45,890.00.

We now ask if your bank has a department that could loan this Company one-half of the above amount. We would supply the balance of the capital needed.

Should a discovery be made, the Bank would be paid back the money it advanced, plus interest charges, from a five per cent royalty on ore sales. Should no ore body be discovered, repayment could not be made.

Would you please advise us as soon as possible whether or not your bank could participate in such a program.

Very truly yours,

CHAMPION VENTURES, INC.

H. A. Hackathorn, President

HAH:dfm

DENVER UNITED STATES NATIONAL BANK

DENVER U. S. CENTER • DENVER, COLORADO 80217 • 244-8811

JOHN H. FERRY
VICE PRESIDENT

May 21, 1968

Mr. H. A. Hackathorn, President
Champion Ventures
230 West Sixth Avenue
Denver, Colorado 80204 -

Attention: Mr. Dominick McDermott
Secretary-Treasurer

Dear Mr. Hackathorn:

Thank you very much for your letter of May 13, 1968, requesting a loan in the amount of $22,945 for a development program on mining claims situated in Section 34, Township 48 North, Range 11 East, Fremont County, Colorado.

We appreciate very much your giving us the opportunity to consider this application. We do make loans predicated on mine ore production. These loans usually are term loans based on an economic feasibility study (1) demonstrating that a fully explored deposit can be developed and placed in production; or (2) a current record of profitable mining operations. In both instances the feasibility study should be supported by details of thorough exploration showing beyond any reasonable doubt that there are blocked out reserves sufficient to amortize a production loan over its contemplated term. In addition, we require conclusive evidence of ability to market all mineral products under contracts which minimize or effectively eliminate price-fluctuation risks. We also expect any operation to be carried on by a management team which has a demonstrated history of competence in running an integrated exploration, mine development, mining, milling, transportation, and sales organization.

In instances where we provide funds for carrying on new exploratory or development work, or for expansion of plant or milling facilities, we are concerned with a going operation which has at least a year to 18 months of current operating history providing a cash flow which can be used for loan amortization. If the mine is not a going operation and exploratory funds are needed, then the program does not qualify on its own merits for commercial bank debt; instead, this type of financing requirement is better met in other ways.

From your application it appears that other methods of financing would be more appropriate. If you wish a commercial bank to provide funds, then the basis would have to be either other sources of income and/or the offering of collateral to secure the bank. Such collateral must be securities of easily determined value and quality and should be readily marketable. This can normally be accomplished through pledging of high-quality, listed stocks and bonds (of a

noncontrol person or noninvestment status), or through the guaranty of an individual or corporate entity acceptable to us. Subsequently if, in fact, your mine operation does demonstrate a profitable history, then it would be possible for us to consider the transfer of the collateral base from the security position of marketable securities or guaranty, as indicated, to a straight mine production term loan.

We would suggest that at this time you pursue either equity or subordinated debt type of financing, or perhaps contact one of several Federal Government agencies which provide semi-risk type financing. For your convenience, I am enclosing an application form for financing mineral exploration through the Office of Minerals Exploration, Geological Survey, Department of the Interior. Also, I am enclosing a check-list type form containing suggested information to be covered in evaluation reports submitted to the Denver United States National Bank by applicants for mine production loans.

We trust these suggestions will be of some help to you, and we look forward to following your activities and the progress of your mining program with much interest.

Very truly yours,

John H. Ferry
mlj

John H. Ferry
Vice President

JHF/mlj

Enclosures

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
DRAFT DINKING
TUNNEL DRIVING
DIRE PLANT DEIGN
AND FABRICATION

Boyles Bros.
DRILLING COMPANY
CONTRACTORS-ENGINEERS-GEOLOGISTS
15855 West 5th Avenue
GOLDEN, COLORADO 80401
Phone (303) 279-7913

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY, UTAH 84110
Phone 487-7595

BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
NEVADA (SPARKS)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

April 16, 1968

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80203

Attention: Mr. Jerry Fairchild

Dear Sir:

The following rates and conditions would apply to rotary drilling, approximately 6000 feet, for dust samples on your property near Coaldale, Colorado.

Mobilization of men and equipment.	$ 350.00
1. Drilling:	
0 to 200 feet, per linear foot.	$ 3.95
200 to 350 feet, per linear foot.	$ 4.20
2. Standby time and delays, per hour.	$ 16.00

3. Lost casing will be charged at our cost, at the job site.

This schedule is for rotary drilling. Should it not be feasible to drill with this method, the quotation would not apply.

Thank you for your consideration.

Very truly yours,
BOYLES BROS. DRILLING COMPANY

George E. Lensch

George E. Lensch, District Manager

RECEIVED
APR 22 1968

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros.
DRILLING COMPANY
CONTRACTORS-ENGINEERS-GEOLOGISTS
15865 West 5th Avenue
GOLDEN, COLORADO 80401
Phone (303) 279-7913

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY, UTAH 84110
Phone 487-7595

BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
NEVADA (SPARKS)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

May 2, 1968

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80203

Attention: Mr. McDermott

Dear Sir:

I have been asked by Mr. Fairchild to clarify the last paragraph in my letter of April 16, 1968.

It appears to be practical to drill with a rotary type drill, however, should it not be and diamond drilling becomes necessary because of the hardness of the Granite, these prices would not apply.

Very truly yours,
BOYLES BROS. DRILLING COMPANY

George E. Lensch

George E. Lensch, District Manager

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/29/70	Peterson	120
		120
4/29	Case	220

APR 29 1970

AIRMAIL

Mr. H. A. Hackathorn, President
Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Dear Mr. Hackathorn:

This is in reply to your inquiry of April 21 regarding the funding outlook for the OME program.

Since our letter of September 3, 1969, we have continued to operate under severe budget restrictions. Although we have recently resumed processing of applications, our current funds are fully committed for the balance of the fiscal year ending June 30, 1970. It is expected that all applications received will be processed; however, final decisions will not be made on those which may warrant further consideration until additional funds are available.

Under these conditions, should you wish to continue with your application, please furnish the additional information previously requested, including new bank correspondence. Upon receipt of the material we will continue the processing as explained above. Nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

Harold Kirkemo (glc)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region III w/copy of incoming ltr. dtd 4/21/70
Mr. Peterson

ECPeterson/bsl 4/29/70

CHAMPION VENTURES

230 West Sixth Avenue
Denver, Colorado 80204

RECEIVED
APR 24
120
HK 120
120 P

April 21, 1970

Mr. Harold Kirkemo
Office of Minerals Exploration
U. S. Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: OME - 6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Dear Mr. Kirkemo:

This is a belated reply to your letter of September 3, 1969 with reference to your rejection of our application made by Mr. Fairchild for an OME Loan to explore our Fremont County uranium properties.

You stated at the time that you were postponing action on all pending applications awaiting availability of funds. We would still like to explore the Fremont County properties and also other properties which we own. These would include gold, silver, uranium and copper prospects. Are funds now available or expected to be available for OME Loans?

Very truly yours,

CHAMPION VENTURES, INC.

H. A. Hackathorn

HAH:cjc

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/2/69	Kirkemo	120
		120
		220

October 3, 1969

Memorandum

To: The File

From: Edward C. Peterson

Subject: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

The Applicant has not replied to our letter of September 3, 1969. Accordingly, the subject docket is referred to the inactive file and the application considered as having been withdrawn.

Edward C. Peterson

Edward C. Peterson

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Region III
Mr. Peterson

ECPeterson/bsl 10/3/69

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/3/69	Peterson	120
		120
9/3	cal	220
		120M

SEP 3 1969

AIRMAIL

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Gentlemen:

We have not heard from you since Mr. Fairchild's letter of June 4 concerning the subject application for financial assistance.

For your information, it has recently become necessary for us to postpone action on pending applications until we have received definite information regarding availability of funds for the fiscal year beginning July 1, 1969. Although appropriations have not yet been made for the current year, we understand that funds will be much less than were available for the year that ended June 30, and we are authorized to operate only at the level of the anticipated reduced funds. Under this situation, action on pending applications must be postponed, as proposed contracts already drafted and awaiting execution will require more funds than are available. When we can again process applications, first priority will be given to those offering the best opportunities for making significant discoveries.

We regret that we must take this action; however, if you wish to submit the additional information requested, and when circumstances permit, we will continue to process your application within the limitations stated above.

If we do not receive a reply from you within 30 days from the date of this letter, we will assume that you are no longer interested in your application and shall consider it as having been withdrawn.

Sincerely yours,

Harold Kirkemo (gla)
Harold Kirkemo, Chief
Office of Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Region III
Mr. Peterson

Peterson/bwl 9/3/69

CHAMPION VENTURES

230 West Sixth Avenue
Denver, Colorado 80204

June 4, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 6 1969
INITIALS CODE
130
gla 120 M
HK 120
120 P

Mr. Harold Kirkemo
Chief
Office of Minerals Exploration
U. S. Geological Survey
Washington, D. C. 20242

Dear Mr. Kirkemo:

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. Lode Mining
Locations No. 11-13
Fremont County, Colorado

I am sorry for the long delay in hearing from me in reference to the application noted herein. I have been in the field consistently and have been waiting for further word on the metallurgical work being done by Cotter Corporation at Canon City, Colorado.

Since my letter of February 18 Cotter has done some work on the possible upgrading of the ore minerals and presently plans to have Colorado School of Mines do some further work.

I shall send this data to you as soon as it is received from Cotter Corporation.

Thank you for your patience in this matter.

Sincerely yours,

Gerald L. Fairchild

Gerald L. Fairchild
Consulting Geologist

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/12/69	Peterson	120
		120
5/12	Cal	220
		120M

AIRMAIL

MAY 12 1969

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Gentlemen:

We have not heard from you since Mr. Fairchild's letter of February 18. Will you please advise us when we may expect to receive the necessary data so that we may continue processing your application. If you have decided not to pursue it further, please so inform us.

We wish to cooperate fully in allowing you ample time to obtain the requested information; however, we cannot indefinitely postpone action on an application.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo, Chief
Office of Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region III
Mr. Peterson

ECPeterson/bsl 5/12/69

CHAMPION VENTURES

230 West Sixth Avenue
Denver, Colorado 80204

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 24 1969
INITIALS | CODE
130
/20
/10
/30

February 18, 1969

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Geological Survey
Washington, D. C. 20242

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. Lode Mining
Locations No. 11-13
Fremont County, Colorado

Dear Mr. Johnson:

We have your letter of February 11 requesting the status of the data you need with respect to our loan application.

We have submitted a representative sample for metallurgical testing to the Cotter Corporation at Canon City, Colorado. We have requested that tests be conducted to determine if the ore is amenable to one or several methods of beneficiation.

Mr. Clyde Osborne, of Cotter Corporation, stated yesterday that this test works is in progress and we should have the results in the near future.

We shall forward this information to you as soon as it is received.

Sincerely yours,

Gerard L. Fairchild

Gerard L. Fairchild
Consulting Geologist

GLF:pys

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/11/69	Peterson	120
2/11/69	Kishemo	120
		110
2/11	cac	220
		120M

FEB 11 1969

AIRMAIL

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.C.O. lode mining locations No. 11-13
Fremont County, Colorado

Gentlemen:

We have not heard from you since Mr. McDermott's letter of December 12. Will you please advise us when we may expect to receive the requested data.

We wish to cooperate fully in allowing you ample time to secure this material; however, we cannot indefinitely postpone action on an application.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region III
Mr. Peterson

ECPeterson/bsl 2/11/69

CHAMPION VENTURES

230 West Sixth Avenue
Denver, Colorado 80204

December 12, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
DEC 16 1968
INITIALS CODE
120
120
170
120

Mr. Frank E. Johnson
Chief, Office of Minerals Exploration
U. S. Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. Lode mining locations No. 11-13
Fremont County, Colorado

Dear Mr. Johnson:

With reference to your letter of December 3, 1968, we are working on the compilation of the data requested in your letter of October 1 and will forward it to your office as soon as possible.

Sincerely yours,

CHAMPION VENTURES, INC.

D. F. McDermott

D. F. McDermott
Secretary

DFM:hs
Copy to OME Denver office

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
12/3/68	Peterson	120
12/3/68	Kirkham	120
		110
12/3		220
		120M

DEC 3 1968

AIRMAIL

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Gentlemen:

On October 1 we wrote you outlining certain information which was necessary to continue the processing of your application. To date, we have not received these data. Will you please inform us of your plans regarding the application. If you have decided not to pursue it further, will you please so inform us.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

dc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region III
Mr. Peterson

ECPeteson/bsl 12/3/68

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration
Building 53 Room 203

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 8 1968

INITIALS	CODE
	130
bal	130
	110
	130

REFER TO:

September 30, 1968

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Subject: OME-6746 (Uranium)
Champion Ventures, Inc.
L. G. O. lode mining locations Nos. 11-13
Fremont County, Colorado

Transmitted herewith is Exhibit No. 5 showing the approximate location of chemical samples taken from L.G.O. Nos. 11, 12 and 13 sample locations shown in red. This map was furnished in response to our request of September 24, 1968.

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosure

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/30/68	Peterson	120
		120
		110
		220
		120M

OCT 1 1968

AIRMAIL

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Gentlemen:

This will acknowledge receipt of the additional information you recently submitted in support of the subject application for financial assistance.

Further review of the application indicates that not enough data has been furnished for us to evaluate the commercial possibilities of the potential deposit. Therefore, before we can proceed further, please provide the following information.

Furnish details regarding past beneficiation tests performed on the granitic rock from your property. In particular the nine ton shipment to the USV Mill at Rifle. We note Mr. Fairchild's statement in his report that some portions of the material can be upgraded by magnetic means, but nothing was mentioned concerning the upgrading of non-magnetic uranium minerals present. In this connection, please comment on whether the granitic rock can be processed successfully by local mills.

We shall be pleased to continue the processing of your application upon receipt of the requested information, including the assay map previously requested; however, nothing in this letter should be considered as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading
Econoimc Geology File
OME Docket
OME Reading
R-III
Mr. Peterson

ECPeterson/bsl
9/30/68

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

Office of Minerals Exploration
Building 53 Room 203

September 24, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 26 1968
INITIALS

Memorandum

To: Chief, Office of Minerals Exploration

From: Jacques F. Robertson

Subject: OME-6746 (Uranium)
Champion Ventures, Inc.
L. G. O. lode mining locations Nos. 11-13
Fremont County, Colorado

Forwarded herewith are copies of letters to 2 banks by the subject applicant with respect to loans for exploration and letters of reply from the banks, as requested in your letter to the applicant of July 31, 1968. Also enclosed are assays from samples taken from the claims, with a map of the claims and another showing the grid and locations of proposed exploratory drill holes. A copy of a letter dated June 28, 1968 from Mr. Gerard L. Fairchild that accompanied the assay returns is also enclosed. This material was being held until the bank letters and a map showing the sample locations was received from the applicant. The sample map has not yet been received, but is again being requested of the applicant by telephone today.

It is my opinion that the applicant should determine the practicability of mineral beneficiation and extraction of uranium from the granitic country rock through tests by a reliable operating uranium mill, before a loan for exploration assistance should be considered by the OME. ?

Sincerely,

Jacques F. Robertson

Jacques F. Robertson, Geologist
Office of Minerals Exploration

GERARD L. FAIRCHILD
CONSULTING GEOLOGIST
741 PENNSYLVANIA STREET
DENVER 3, COLORADO
~~KEYSTONE 4-4000~~
266-0867

OME Region III
RECEIVED
JUL 3 - 1968
Denver, Colorado

June 28,1968

Mr. J. William Hasler
Field Officer - Region III
USGS - Office of Mineral Exploration
Denver Federal Center
Denver, Colorado

Dear Mr. Hasler:

Enclosed please find the four maps (two copies of each) that are to accompany the proposed exploration project of Champion Ventures in the Coaldale-Cotopaxi Mining District, Fremont County, Colorado. The additions which we discussed have been put on the maps.

Also enclosed are the assay results, with copies of the certificates, which I did not have with me when I was in your office today.

I believe that the enclosed information will complete the data for the proposal.

Sincerely yours,

Gerard L. Fairchild

Gerard L. Fairchild

GLF/glf
encl. ten (10)

TEL. 244-3223

ROOT & SIMPSON, Inc.

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
Champion Ventures	No. 1 Fines & No. 2 Coarse

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	V_2O_5 PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
					No. 1	0.043		
					No. 2	0.040		

DATE 6/22/68 CHARGES $ 16.00

Root & Simpson, Inc.

ROOT & SIMPSON, Inc.

TEL. 244-3223

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
G. L. Fairchild	

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	V_2O_5 PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
					#1a	0.142		
					#2a	0.084		

DATE 6/22/68 CHARGES $

Root & Simpson, Inc

ROOT & SIMPSON, Inc.

TEL. 244-3223

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
G. L. Fairchild	

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	V_2O_5 PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
					#1	0.122		
					#2	0.122		
					#3	0.185		
					#4	0.128		

DATE 6/22/68 CHARGES $

Root & Simpson, Inc.

ROOT & SIMPSON, Inc.

TEL. 244-3223

METALLURGICAL CHEMISTS AND ASSAYERS

DENVER, COLORADO 80218

P. O. BOX 18329

SPECIMEN ASSAY

ASSAYED FOR	MARKS
G. L. Fairchild	

GOLD OZS. PER TON	SILVER OZS. PER TON	WET LEAD PER CENT	COPPER PER CENT	ZINC PER CENT	V_2O_5 PER CENT	U_3O_8 PER CENT	PER CENT	PER CENT
					#5	0.043		
					#6	0.170		
					#7	0.130		
					#8	0.034		

DATE 6/22/68 CHARGES $

Root & Simpson, Inc

ASSAY RESULTS

The following assay results are from twelve samples taken from L G O Claims Nos. 11, 12, and 13. The samples are composite in that they are the combination of chip and grab sampling from all of the exposed areas of mineralization. The attempt was made to take a number of samples that would give an average of the values to be found over a large area.

SAMPLE No.	U308 Per Cent
No. 1 Fines	0.043
No. 2 Coarse	0.048
No. 1 a	0.142
No. 2 a	0.084
No. 1	0.122
No. 2	0.122
No. 3	0.185
No. 4	0.128
No. 5	0.043
No. 6	0.170
No. 7	0.130
No. 8	0.034

Assay certificates are attached for these samples

Each of the samples was of the same approximate weight and volume and the arithmetic average of the twelve is 0.103 % U308

When the first work was done on the claims in 1956-57 a 25 pound sample was sent to the USV Mill at Rifle, Colorado which ran 0.19% U308

A 20 pound sample for mill test work cut from over 200 pounds of material ran 0.11% U308

A nine ton shipment gathered from several faces exposed by dozer work was shipped to the USV Mill at Rifle, Colorado. This shipment settled on a content of 0.09% U308.

I have personal knowledge of these results and have them recordrd in my notes but I do not have assay certificates or a copy of the settlement sheet.

Gerard L. Fairchild

Gerard L. Fairchild
Consulting Geologist

CHAMPION VENTURES

230 West Sixth Avenue
Denver, Colorado 80204

September 23, 1968

OME Region III
RECEIVED
SEP 23 1968
Denver, Colorado

Mr. J. William Hasler, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
Denver Federal Center
Building 53, Room 203
Denver, Colorado 80225

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Dear Mr. Hasler:

In reply to a letter dated July 31, 1968, from Mr. Frank E. Johnson, Chief, Office of Minerals Exploration, Washington, D. C., we are sending herewith copies in duplicate of new loan request letters to the First National Bank of Denver and the U. S. National Bank together with their replies.

Other information requested in the letter has been supplied to your office by Mr. G. L. Fairchild

We will appreciate your forwarding the necessary information to Washington.

Very truly yours,

CHAMPION VENTURES, INC.

D. F. McDermott, Secretary

DFM:hs
Enclosures

CHAMPION VENTURES

OME Region I
RECEIVED
SEP 23 1968
Denver, Colorado

230 West [illegible] Avenue
Denver, Colorado 80204

September 4, 1968

Denver U. S. National Bank
17th and Broadway
Denver, Colorado 80202

Gentlemen:

This Company owns eighteen lode mining claim locations (L.G.O. No. 1-18) situated in Section 34, Township 48 North, Range 11 East, Fremont County, Colorado.

We have examined several of these claims by open cuts and radiometric means, and feel that three of them deserve to be prospected by drilling a total of thirty holes to a depth of 200 feet as there is the possibility of developing a large low-grade uranium mine. The total cost of the prospecting program will be $45,890.00.

Champion Ventures is in a position to finance up to half of the cost of this project and is seeking a loan to make up the balance. Repayment would be made from Company income and/or the sale of assets not connected with this exploratory venture.

Would you please advise us whether or not your bank would be interested in making this type of loan.

Very truly yours,

CHAMPION VENTURES, INC.

H. A. Hackathorn

H. A. Hackathorn, President

HAH:dfm

DENVER UNITED STATES NATIONAL BANK

DENVER U. S. CENTER • DENVER, COLORADO 80217 • 244-8811

JOHN H. FERRY
VICE PRESIDENT

SBA Region III
RECEIVED
SEP 28 1968
Denver, Colorado

September 6, 1968

Mr. H. A. Hackathorn, President
Champion Ventures
230 West Sixth Avenue
Denver, Colorado 80204

Dear Mr. Hackathorn:

Referring to your letter of September 4, 1968, requesting a reassessment of your original loan request, this is to advise that we believe that the circumstances surrounding your request of May 13 and of September 4 have not materially changed our view toward the financing of this program. I, therefore, would refer you back to our letter of May 21, 1968, as containing in substance our continuing position on your request.

Yours very truly,

John H. Ferry

John H. Ferry

JHF/mlj

OME Region III
RECEIVED
SEP 23 1968
Denver, Colorado

CHAMPION VENTURES

230 West Sixth Avenue
Denver, Colorado 80204

September 10, 1968

Mr. D. R. Richards, Vice President
The First National Bank of Denver
17th Street and Welton
Denver, Colorado 80202

Dear Mr. Richards:

Pursuant to our loan request of May 13, 1968, for exploration of three lode mining claims located in Section 34, Township 48 North, Range 11 East, Fremont County, Colorado, we realize that the terms we suggested could not be acceptable to you. We would therefore appreciate your reconsideration of our previous loan request on the following terms:

Repayment of the loan from Company income over a period of five years, with the right to retire the note earlier should Company assets be sold. However, we do not wish to guarantee that the loan would be repaid from the sale of assets inasmuch as there could be a need of these funds for other Company expansion.

We enclose a copy of our balance sheet of August 31, 1968. Income up to this time has been very small, but oil production from recently drilled wells should produce sufficient income to retire the note within five years.

Very truly yours,

CHAMPION VENTURES, INC.

H. A. Hackathorn, President

HAH:dfm
Enclosure

THE FIRST NATIONAL BANK OF DENVER

P. O. BOX 5808 TELEPHONE 303-296-2211

DENVER, COLORADO 80217

DONALD R. RICHARDS
VICE PRESIDENT

Region 1
RECEIVED
SEP 23 1968
Denver, Colorado

September 19, 1968

Mr. H. A. Hackathorn, President
Champion Ventures
230 West Sixth Avenue
Denver, Colorado 80204

Dear Mr. Hackathorn:

I wish to acknowledge receipt and thank you for your letter of September 10, pursuing further your loan request of May 13, 1968 for exploration of three mining claims in Fremont County, Colorado, and requesting that our Bank entertain a loan for this purpose.

Once again I must advise that we are not in a position to make the loan as requested inasmuch as, at the present time, we are not seeking five-year term loans. Also, as mentioned in your letter, this loan would be retired from oil production which has been recently found. In order for us to make any loan based on income from oil production, we would insist the production be old enough that it could be properly engineered and the income stream assured to the Bank in an amount to well cover our loan.

I trust that the above explains our position, and I do hope that you obtain the financing so that your program can be carried forward successfully.

Very truly yours,

D. R. Richards

Vice President

DRR/sh

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/31/68	Peterson	120
7/31/68	Kirkham	120
		110
7/31	CAC	220
		120M

AIRMAIL

JUL 31 1968

Champion Ventures, Inc.
230 West 6th Avenue
Denver, Colorado 80204

Re: OME-6746 (Uranium)
Champion Ventures, Inc.
L.G.O. lode mining locations No. 11-13
Fremont County, Colorado

Gentlemen:

A preliminary review of your application for exploration assistance indicates that the following additional information is required to continue its processing.

Information needed includes evidence that eligible minerals occur in the areas proposed for exploration. We suggest that representative samples be taken of the mineralized surface showings mentioned in the application and assayed. The sample information should include the location of samples taken, how sampled, sample widths, and copies of the assay certificates. In addition, the location of the proposed drill holes, and the geologic justification for their location should be furnished. Exhibit No. 2 mentioned in your narration was not received.

Under OME regulations, Government participation in exploration projects is not authorized without evidence furnished by the Applicant that he is unable to obtain a loan from commercial sources on reasonable terms. The statement in your letters to the banks that you will repay the loan only from the proceeds of ore discovered by the proposed work would be unacceptable to any bank. Therefore, additional evidence that funds are not obtainable should be furnished which include new letters to two banks indicating terms within the Company's capacity which may be acceptable to the banks, and their replies.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall continue to hold the application pending receipt of the data.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region III
Mr. Peterson

ECPeterson/bsl 7/31/68

July 25, 1968

Champion Ventures, Inc.
230 W. 6th Avenue
Denver, Colorado 80204

Subject: OME-6746

Gentlemen:

Your application for exploration assistance, dated May 23, 1968, submitted to our office at Denver, Colorado, has been assigned Docket No. OME-6746.

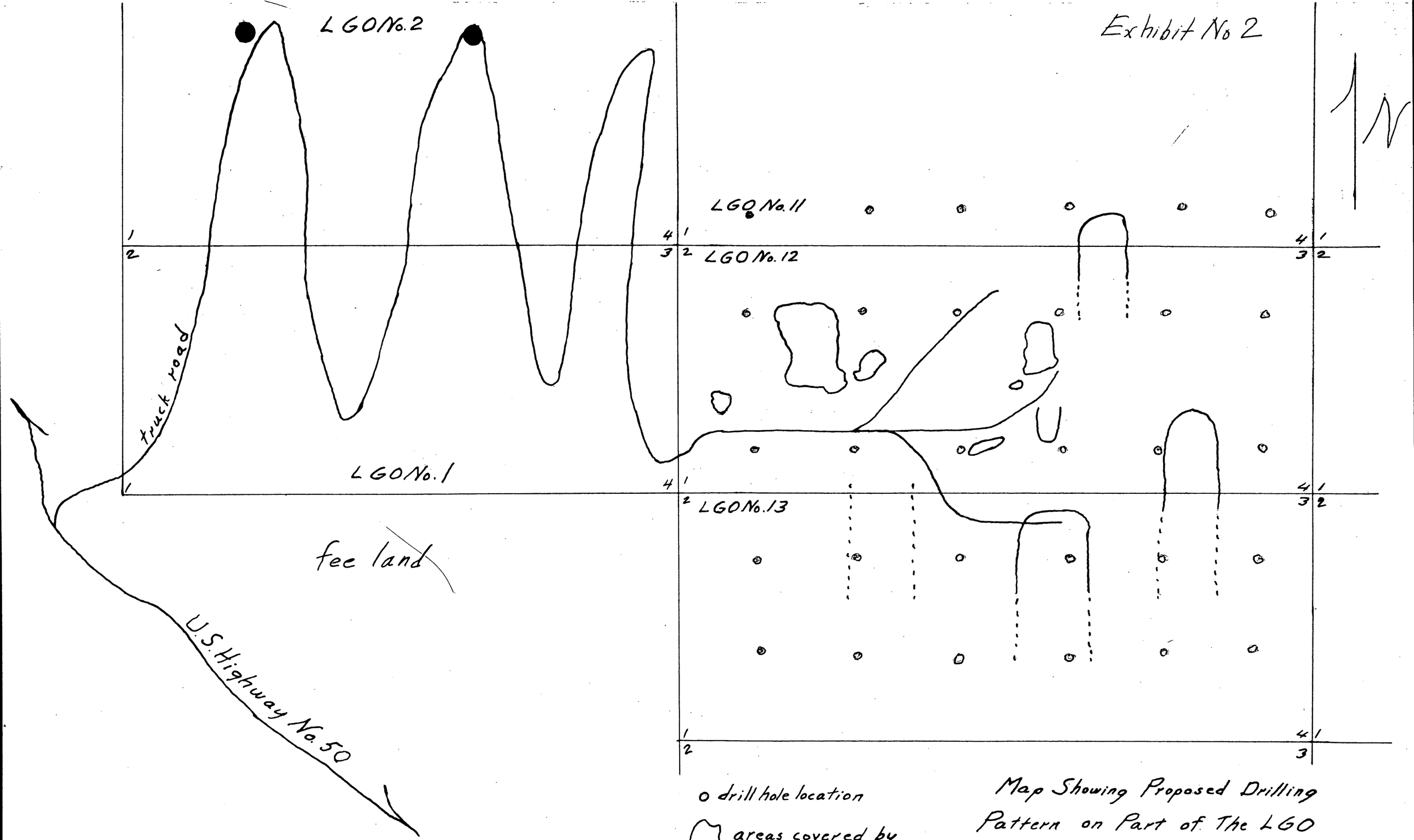
Please identify all future correspondence relating to your application by this Docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region III

Exhibit No 2

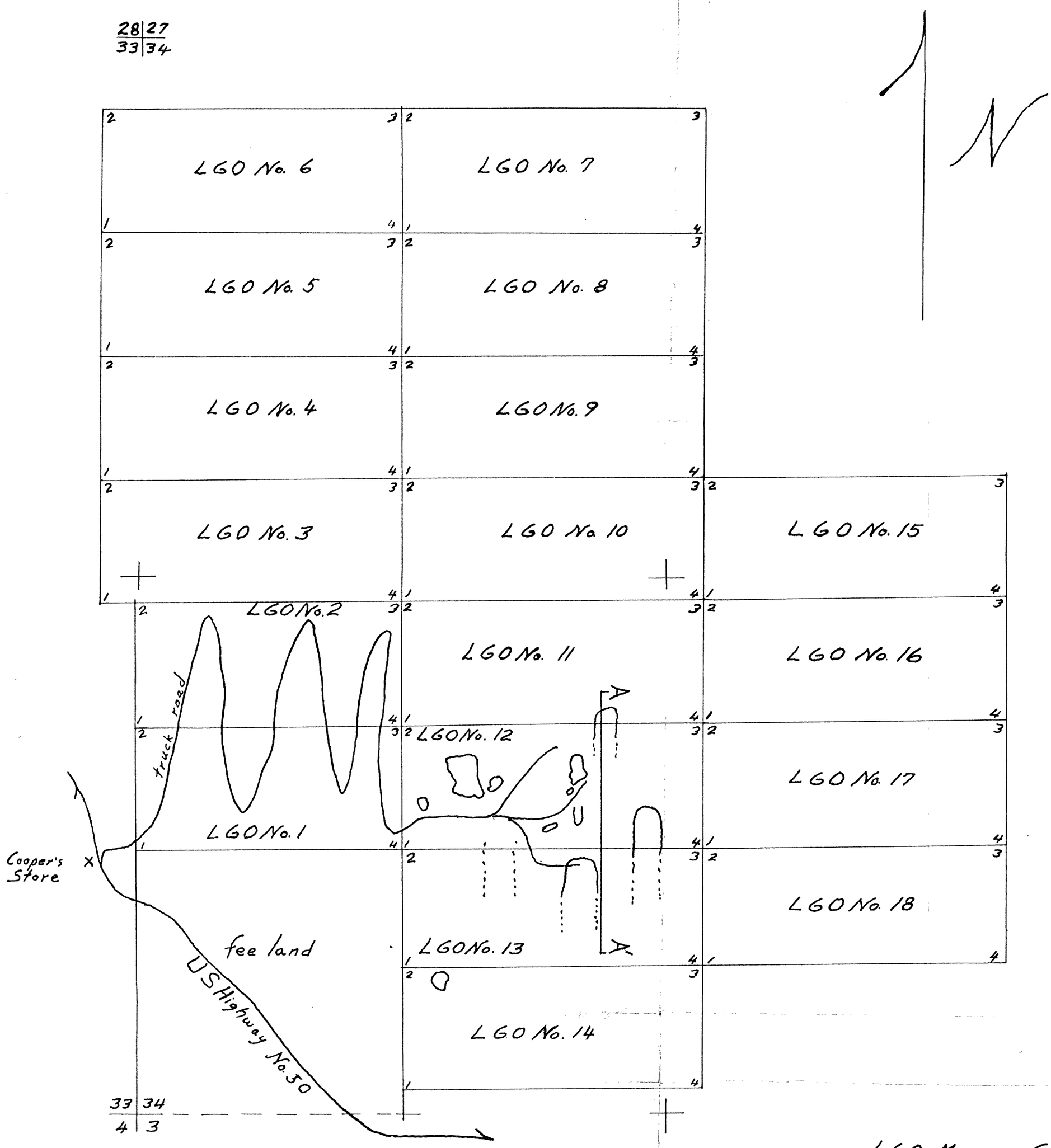


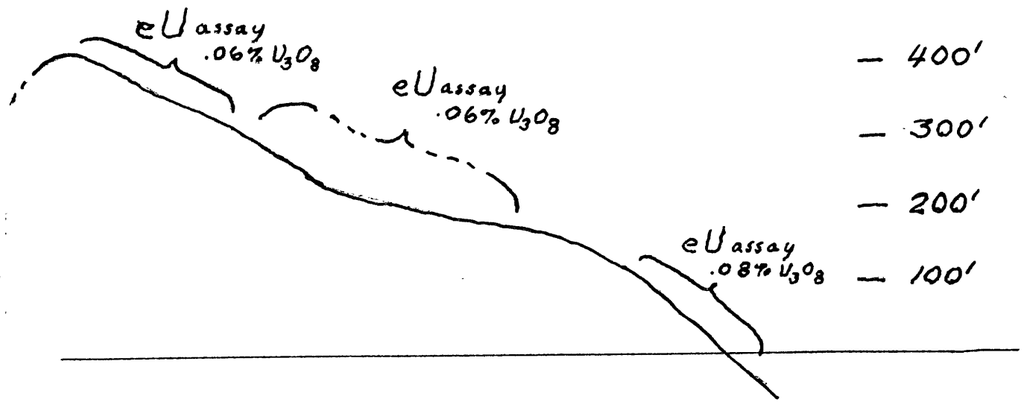
Map Showing Proposed Drilling Pattern on Part of The LGO Group of Claims. Fremont Co., Colo.

Scale: 1" = 200'

G.L. Fairchild
3-1-68

Exhibit #1





Section A-A' looking east

Scale: 1" = 200'

eU = equivalent U_3O_8

based on radiometric survey

by locators in 1956

LGO Mining Claims

Sec. 34, T. 48N., R. 11E., NMPM

Coaldale-Cotopaxi Mining District

Fremont County, Colorado

Scale: 1" = 400'

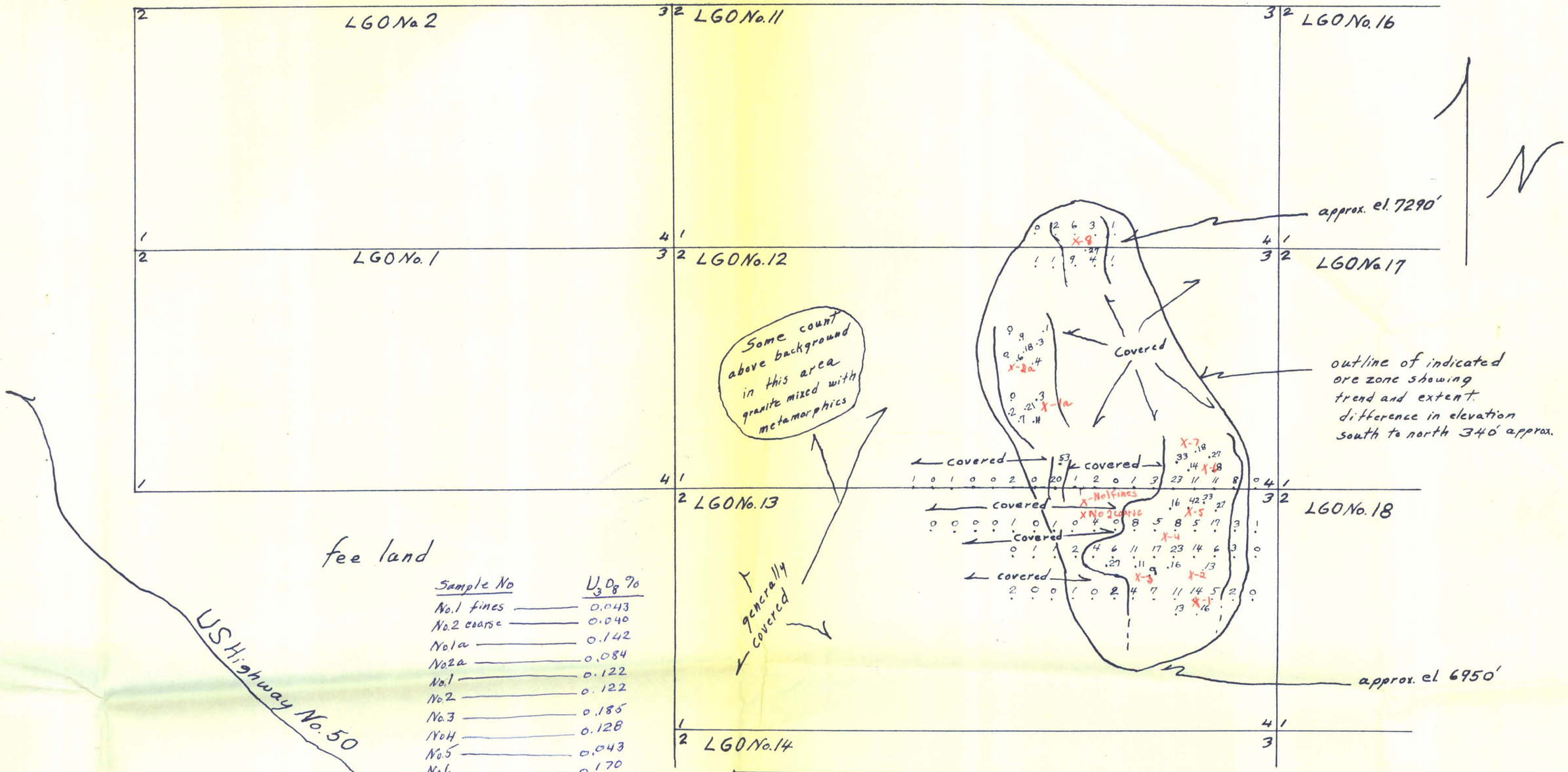
G. L. Fairchild 2-27-68

areas covered by scintillator survey

truck road position not based on survey but on field sketch

Exhibit No. 5

This map shows the approximate location of chemical samples taken from LGO Nos. 11, 12, + 13
Sample location shown in red



Sample No	U_3O_8 %
No.1 fines	0.043
No.2 coarse	0.040
No.1a	0.142
No.2a	0.084
No.1	0.122
No.2	0.122
No.3	0.185
No.4	0.128
No.5	0.043
No.6	0.170
No.7	0.130
No.8	0.034

Map Showing Results of Radiometric Work on a Portion of the LGO Claims - Fremont County, Colo.
Scale: 1" = 200'

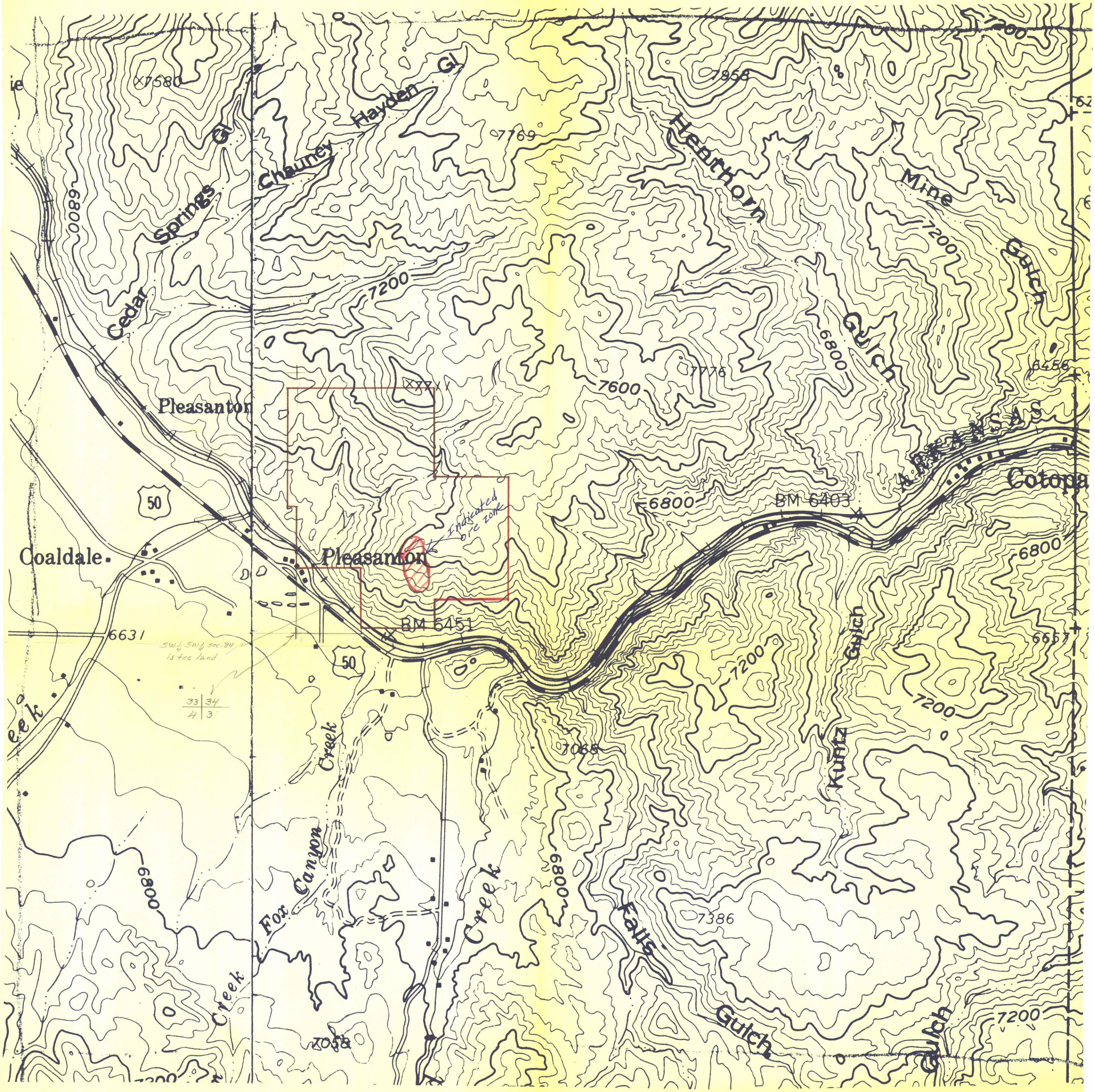
Instrument used - Mt. Sopris, Model SC129-3
Values posted are mR/hr. on .025 Range after subtraction of background count

In areas that are covered alluvium is 1 to 5 feet thick

G.L. Fairchild
6-23-68

12 17 9 20 14 8 → areas of above background count where granite is well exposed

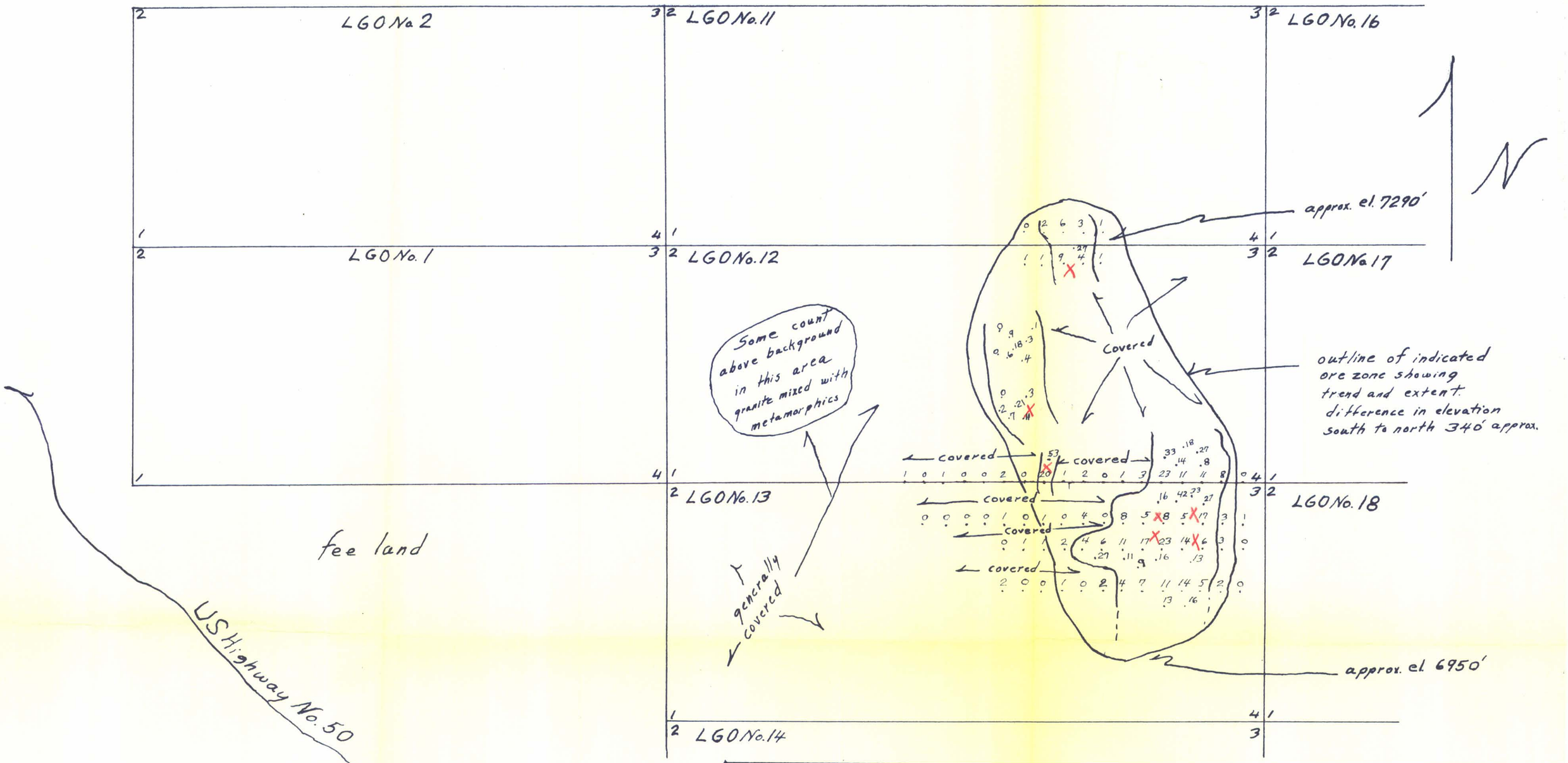
Exhibit #3



L.G.O. Claim Block outlined in red.

Scale: 1" = 1320' Contour Interval 80 feet

Exhibit No. 4



Map Showing Results of Radiometric Work
on a Portion of the LGO Claims - Fremont County, Colo.
Scale: 1" = 200'

Instrument used - Mt. Sopris, Model SC129-3
Values posted are mR/hr. on .025 Range after subtraction of background count

In areas that are covered alluvium is 1 to 5 feet thick

G.L. Fairchild
6-23-68

12 17 9 20 10 8 → areas of above background count where granite is well exposed

X — areas from which 9 ton shipment was gathered
shipment settled 0.09% U_3O_8