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

REGIONAL DIRECTOR'S OFFICE
REGION IV
AUG 23 1951
BUREAU OF MINES
DENVER, COLORADO

AUG 20 1951

Mr. G. R. Kennedy, Vice-President
Navajo Uranium Company
P. O. Box 608
Cortez, Colorado

Re: Uranium - Shiprock,
New Mexico
DMA docket - 1005

Dear Mr. Kennedy:

Your letter of August 11 concerning Certificate of Necessity, DA-7921 has been referred to this office for a reply. Your tax amortization application is also on file in this office.

In reply to your question concerning the status of this application I wish to call to your attention statement made in the March 16 letter of intent from the Atomic Energy Commission to the effect that you are negotiating a lease with the Navajo Indians for a mill-site. In the absence of definite information from you that the lease has been obtained we have held this application in abeyance; also we have not received a confirmation of your contract with the Atomic Energy Commission. I am sure you appreciate why it is necessary to clarify these points before proceeding further.

At such time as you complete your contract with the A.E.C. and are in a position to supply data on the new mill I would suggest you prepare in detail the necessary exhibits under appendix A. This would include a flow sheet and drawings of the proposed plant; also a complete list of the major items of equipment for the various installations.

While tax amortization requests are normally directed to Mr. Byron G. Woodside, of the Defense Production Administration, I would suggest that in this instance you send the material directly to this office since we now hold the file. The D.M.A. in turn will then forward the file to the D.P.A.

In reply to your letter of August 6 we have duly noted in our records the change from F. A. Sitton, Inc., to Navajo Uranium Company.

Yours very truly,

Tom Lyon

Tom Lyon, Director
Supply Division

WDourret/ch 8-16-51
Adm. Read. File
Reports and Records
Lyon
Dourret
Keiser
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Field Team IV
DMA docket file