Marshall, Texas
July 16, 1955

The Defense Minerals Exploration Administration
Rare and Miscellaneous Minerals
4449 Department of Interior
Washington 25, D. C.

3903

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Attention Mr. Ernest Wm. Ellis

Gentlemen:

Attached is application for aid in an uranium exploration project. The claims relative to this application have been properly validated in compliance with Federal and New Mexico laws. Roads have been completed and discovery holes dug on each claim, and the claims have been properly surveyed. Geological surveys have been made by competant consulting geologists as per enclosures No. 1 & 2.

Government geologists, Mr. Brown and Mr. Werts, from the A.E.C. office, Grand Junction, Colorado have checked the claims and have indicated that they merit further exploration; such as drilling and probing or coring. They have explained this is the only way we will know what is causing the high readings (Encl. No.4) The attached assays of samples are very low, however, we have had them made at the sug estion of your representative, Mr. Rex Storms of Tucson, Ariz., as he advised that an assay should be sent in regardless of the assay to show that it is uranium that is causing the high count. (Encl. No. 3).

The cost of exploration is as near as we can figure it at this time. Mr. Storms also advised that the estimate may be altered one way or another when the government men examine the claims. At the time the government geologists and engineers examine the claims and find they merit government support we can and will have the figures exact before executing the contract.

I sincerely hope that the attached papers are found to be in order, and I will greatly appreciate the application being expedited as soon as possible due to the fact we have such a short working period in this particular area.

Yours very truly

R. M. Matson

R. M. Matson
Box 991
Marshall, Texas

RMM:bm

ENCL:
1 - O. A. Larrazolo geologist report.
2 - Photostatic copy of Hatfield & Enyart geological report.
3 - Assays
4 - Photostatic copy of U.S.A.E.C. letter
5 - Photostatic copy of mining lease assignment to R. M. Matson
6 - Photostatic copy of assignment of R. M. Matson to E.B.Sealey & E.E. Marshall
7 - Grid map by O.A. Larrazolo - Geologist
8 - Surveyor's plat of 10 mining claims.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

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Not to be filled in by applicant

Docket No. 3903
Metal or Mineral Uranium
Date Received 7-22-55
Estimated Cost $13,460
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: R. M. Matson, et al (Partnership - Texas - R. M. Matson - 75%
Box 991 E. B. Sealey)
Marshall, Texas &) 25%
E. E. Marshall)

(*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.

(*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 Ten claims in Sections 30 and 31, Township 23 North, Range 1 East, Rio Arriba County, New Mexico as shown in attached map by Mr. G. G. Price, an licensed surveyor for New Mexico.

(*b*) State any mine name by which the property is known. Known only by above designated claims.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise National Forest Lands.

(*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. Photostatic copy of mineral lease.

(*e*) If you own the land, describe any liens or encumbrances on it Land owned by Federal Government.

(*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 paper)

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.

(*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 uranium.

(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.

(c) The work will start within as soon as possible 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.

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.).

(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.

(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.

(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.

(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)? Yes

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

[X] Money [X] 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 July 16th, 1955

R. M. Matson et al.
(Applicant)

By By R. M. Matson
E. E. Marshall
E. B. Sealy

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

3. Applicant's property rights. - -

f. LAREINA CLAIMS 1 thru 6 Recorded Tierra Amarilla, Rio Arriba Cty, New Mexico

1. Notice of Claim No. 1 dated 9/24/54 by Rosenaldo Chacon, Ubaldo (Pete) Jacquez, Gabriel Maestas Sr. and Jose Ramon Chacon recorded Vol. 19, Page 63 of Mining Claim Records.

2. Notice of Claim No. 2 dated 9/24/54 by same parties recorded Vol. 19, Page 63 of Mining Claim Records.

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3. Notice of Claim No. 3 dated 9/24/54 by same parties recorded Vol. 19, Page 64, of Mining Claim Records.

4. Notice of Claim No. 4 dated 9/24/54 by same parties recorded Vol. 19, Page 64, of Mining Claim Records.

5. Notice of Claim No. 5 dated 9/24/54 by same parties recorded Vol. 19, Page 65, of Mining Claim Records.

6. Notice of Claim No. 6 dated 9/24/54 by same parties recorded Vol. 19, Page 65, of Mining Claim Records.

7. Original Mining lease dated 9/25/54 by Rosenaldo Chacon and Rosaura J. Chacon, his wife; Ubaldo (Pete) Jaquez and Atilianita C. Jacques, his wife; Gabriel Maestas, Sr., and Eloisa J. Maestas, his wife; and Jose Ramon Chacon and Lucy S. Chacon, his wife to Carl B. Butler, covering La Reina Mining Claims 1 thru 6 above mentioned and recorded Vol. 18, Page 245.

8. Assignment of said mining lease of La Reina Claims 1 thru 6 from Carl B. Butler to R. M. Matson dated 5/6/55 and recorded Vol. 18, Page 595.

PAJARO AZUL MINING CLAIMS NOS.1 & 2:

1. Notice of Claim No. 1 dated 9/24/54 by Willie Chavez and recorded in Vol. 19, Page 61 of Mining Claim Records.
2. Notice of Claim No. 2, dated 9/24/54 by Willie Chavez and recorded in Vol. 19, Page 61.

3. Original lease dated 9/24/54 executed by Willie Chavez and wife Teresita Chavez covering said Pajaro Azul Claims 1 & 2 to Carl B. Butler, recorded Vol. 18, Page 240.

4. Assignment of said lease from Carl B. Butler to R. M. Matson dated 5/6/55, recorded in Vol. 18, Page 599.

PAJARO COLORADO MINING CLAIMS NOS. 1 & 2:

1. Notice of Claim #1, dated 9/24/54 by Isaias Martinez and recorded in Vol. 19, Page 62.

2. Notice of Claim #2, dated 9/24/54 by Isaias Martinez and recorded in Vol. 19, Page 62.

3. Original lease dated 9/24/54 from Isaias Martinez to Carl B. Butler recorded in Vol. 18, Page 251 covering said Pajaro Colorado Mining Claims 1 & 2.
4. Assignment dated 5/6/55 from Carl B. Butler to R. M. Matson assigning said lease dated 9/24/54, recorded in Vol. 18, Page 597.

R. M. Matson et al - Box 991 - Marshall, Texas

Page Two attached to Federal Government Form No. MF-103: Application for Aid in an Exploration Project, Pursuant to DMEA Order 1, Under the Defense Production Act of 1950, as Amended.

4. Physical description:

(a) No exploration operations now being carried out. Roads have been constructed and discovery holes dug in accordance with New Mexico and Federal Law.

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(b) There has been no production from these claims.

(c) See enclosures Nos. 1 & 2 (Geologist's Reports) No. 3 (Assay)

(d) See enclosure No. 1 . Nearest shipping point Anac. Copper Cor,
B Bluewater, New Mexico. Nearest supply and residence points four miles.

(e) There is an ample source of manpower, materials, supplies, equipment, water and power.

5. The exploration project:

(a) Uranium.

(b) See enclosed Geologist's reports (Enclosures No. 1 & 2).

(c) The work will start as soon as possible and will be completed within approximately 6 months.

(d) The operating experience and background of the applicant is nil, however, the supervisor of operations is a capable Consultant Geologist who is familiar with the area.

6. Estimate of costs.

(a) 1 - Drilling 3000' @ $1.50 per ft.	$4,500.00	
2 - Bulldozer work (Clearing drilling sights 30 hrs. @ $10.00 per hr.	300.00	
3 - Probing (approx. 30 days @ $50.00 per day).	1,500.00	
4 - Reserve for coring(should it be found advisable 500' @ $4.00 per ft.	2,000.00	$8,300.00
(b) 1 - Geological examination, drilling supervision, sampling, etc. 30 days @ $112.00 per day.	$3,360.00	
2- Surveying offset locations 2 days @ $150.00 per day	300.00	3,660.00
(c) Included in drilling estimate.		
(d) Rental on Jeep 50 Days @ $20.00 per day	$1,000.00	1,000.00
(e) None		
(f) None		
(g) None		
(h) Assaying	$ 500.00	500.00
TOTAL		$13,460.00

R. M. Matson et al - Box 991 - Marshall, Texas

Page Three attached to Federal Government Form No. MF-103; Application for Aid in an Exploration Project, Pursuant to DMEA Order 1, Under the Defense Production Act of 1950, as Amended.

7. (b) Explanation in detail:

If we desire to have the work all contracted we are in position to pay our one-fourth (1/4) in cash. However, we are contemplating purchasing a drilling machine and entering into the contracting business, naturally we would do our own work. We have consulted several contractors and the prices are standard; $1.50 per ft. for drilling, and $4.00 per ft. for coring. There are a few contractors that will do the work for less, but they require a guaranteed amount of footage; not less than 8000', which is more than we are applying for on this particular project.

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