DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE Idm-E NO._____ DMEA NO. 4995

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- [ ] Withdrawn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 Comoleted analysis (final)

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

- [ ] Field Team Semi-Annual 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 Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado
April 25, 1958

Memorandum

To: Secretary to the Operating Committee

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

Subject: Application for DMEA aid (Uranium) San Mateo Dome Project Properties (E. ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Enclosed are the original and one copy of the subject application in the amount of $73,800.00. One copy of the application is being forwarded the Grand Junction Office, DMEA and one copy is being retained in our file.

Only one drilling bid is submitted with the application, but the Applicant stated he would obtain two more drilling bids.

The Applicant proposes work consisting of two stages of plug drilling. Stage I, to consist of a total of nine holes averaging 2100 feet depth per hole. Stage II, to embrace a total of 16,800 feet of drilling in eight holes.

The DMEA field examiners in the Grand Junction Office are well conversant with the area in which the property is located and it is possible that they will complete the report of examination before the deadline.

E. N. Harshman

E. N. Harshman

Official

294 New Customhouse
Denver 2, Colorado
April 25, 1958

Memorandum

To: J. W. Nasler
M. H. Salsbury

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

Subject: Application for DMEA aid (Uranium) San Mateo Dome Project Properties (E. ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Enclosed is the subject application in the amount of $73,800.00. A field examination of the property and a joint report of findings and recommendations pertaining to the Applicant's work proposal are requested.

Original signed by
E. N. HARSHMAN
E. N. Harshman

EMC:dp

cc: Sec. Op. Comm. (2)
Harshman
DMEA/DFC
Docket
Chron.

Form MF—103
Revised Feb. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42—R1035.3
Approval expires June 30, 1958

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

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

SAN MATEO DOME PROJECT (of McKinley County, N.M.)
Addressed: OWNERS COMMITTEE
Messrs. Allan B. Grady and Raymond Hartz
c/o Mineral Projects-Venture B. Ltd.
55 Green Village Road, P. O. Box 390
Madison, New Jersey

Messrs. A. P. Kibbe and Max B. Lewis
c/o Lisbon Uranium Corporation
310 First Security Bank Building
Salt Lake City, Utah

APPLICANT NOT TO USE THIS BLOCK

Docket Number: DMEA-4995
Date Received: 4-28-58
Government Participation %:
Region: III
Division Code: 700

BUSINESS ORGANIZATION (Check one)

Individual ☐
Corporation ☐
Partnership ☒
Other (Specify) ☐

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title

DMEA
DEPARTMENT OF THE INTERIOR
APR 25 1958
REGION III
DENVER, COLORADO

The Owners Committee (addressed as shown above)

State in which firm is organized: New Jersey & Utah

Mineral(s) for which you wish to explore: Uranium

Estimated Cost of Project: $ 73,800.00

LOCATION OF PROPERTY

Name	County	State
San Mateo Dome Project	McKinley	New Mexico

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order—I, Amended, "Government Aid in Defense Exploration Projects." 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 four 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 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. 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 2(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 Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA 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.

E. J. LONGYEAR COMPANY

April 23, 1958
Dated

BY *(Signature)* D. M. Davidson

Vice 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.

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

ORIGINAL FILE COPY
DMEA
RECEIVED APR 28 1958
DATE

DMEA
APPLICATION FOR AID IN A
URANIUM EXPLORATION PROJECT

ON THE E 1/2 SECTION 32, T. 14 N., R. 8 W.

SAN MATEO DOME PROJECT PROPERTIES

Grants - Mt. Taylor Mining District
McKinley County, New Mexico

Prepared for

SAN MATEO DOME PROJECT

By

E. J. Longyear Company
416 Colorado Building
Denver, Colorado

DMEA
APPLICATION FOR AID IN A
URANIUM EXPLORATION PROJECT
on the
E 1/2 Section 32, T.14 N., R.8 W.
SAN MATEO DOME PROJECT PROPERTIES
Grants - Mt. Taylor Mining District
McKinley County, New Mexico

E. J. LONGYEAR COMPANY
April, 1958

Longyear

E. J. LONGYEAR COMPANY
General Offices, Foshay Tower
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 2-2447 • CABLE LONGCO

ADDRESS REPLY TO
416 COLORADO BUILDING
DENVER 2, COLORADO
AMHERST 6-1941
CABLE ADDRESS
"LONGCODENVER"

April 23, 1958

RECEIVED APR 28 1958

DATE		

United States Dept. of the Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Attention: E. N. Harshman, Acting Executive Officer
DMEA Field Team, Region III

DMEA
APPLICATION FOR AID IN A
URANIUM EXPLORATION PROJECT
on the
E ½ Section 32, T.14 N., R.8 W.
SAN MATEO DOME PROJECT PROPERTIES
Grants - Mt. Taylor Mining District
McKinley County, New Mexico

Gentlemen:

We are pleased to submit and attach subject application in four copies with all substantiating data believed pertinent thereto.

Instruments of Powers of Attorney for the E. J. Longyear Company, acting as agent for applicant herein, will be submitted to you immediately upon our receipt of your Docket number for this application.

The documents on Consents to Lien will be in readiness upon your request for them.

Faithfully yours,

E. J. LONGYEAR COMPANY

R. C. Gebhardt

RCG:msb

FORM 602 5M 10-56

E. J. LONGYEAR COMPANY

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28 1958
DATE

TABLE OF CONTENTS

	Page No.
INTRODUCTION	1
NAME OF APPLICANT	1
GENERAL	1
1. APPLICANT'S PROPERTY RIGHTS	3
(a) Legal Description of Property	3
(b) Name of Property	4
(c) Interest	5
(d) Liens and Encumbrances	7
2. PHYSICAL DESCRIPTION	8
(a) Previous Exploration	8
(b) Interest in Previous Operations	8
(c) Production	8
(d) Ore Reserves	8
(e) General Geologic Features	9
(f) Favorability	9
(g) Supplemental Reports	10
3. ACCESSIBILITY OF PROJECT	11
(a) Location and Accessibility	11
(b) Operating Headquarters	11
4. THE EXPLORATION PROJECT	12
(a) Proposed Work	12

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

Page No.

(b) Access Roads and Drill Site Preparations 13

(c) Time Required 14

5. EXPERIENCE 15

6. ESTIMATE OF COSTS 18

(a) Independent Contracts 18

(b) Personal Services 18

(c) Operating Materials and Supplies. 18

(d) Operating Equipment 19

(e) Initial Rehabilitation and Repairs 19

(f) New Buildings, Fixtures, Installations 19

(g) Miscellaneous 19

7. APPLICANT'S SHARE OF COSTS 20

(a) & (b) Meeting Costs 20

FORM 602 5M 10-56

E. J. LONGYEAR COMPANY

ORIGINAL FILE COPY
DMEA
RECEIVED APR 28 1958
DATE

LIST OF SCHEDULES

Title	Schedule No.
Stage I - Drill Hole Locations.....	1
Stage II - Drill Hole Locations.....	2
Estimated costs of the Project.....	3

LIST OF APPENDICES

Title	Appendix No.
Tabulation showing claim names and recorded book and page numbers.....	I
Mining Lease between Yucca Uranium Inc., and G. R. Kennedy and Henry C. Adams, (October 29, 1956) and an Amendment to the Mining Lease.....	II
Mining Lease between Yucca Uranium Inc., and G. R. Kennedy and Henry C. Adams, (November 24, 1956), and an Addendum to this Mining Lease.....	III
Quitclaim deed from H. B. & S. Uranium Company to Fred Pool (September, 1955). Quitclaim deed from Fred Pool to G. R. Kennedy and Henry C. Adams, (April, 1957)	IV
Mining Lease between Parador Mining Company and Donald J. Dufford (June, 1957); Amendment to Lease between Parador Mining Company and Donald J. Dufford (June, 1957), and Assignment from Donald J. Dufford to Lisbon Uranium Corporation and Mineral Projects, Inc.	V
Agreement between G. R. Kennedy, Henry C. Adams, and E. J. Longyear Company....	VI
Assignment from E. J. Longyear Company to Mineral Projects - Venture B, Ltd., and Lisbon Uranium Corporation.....	VII

FORM 602 5M 10-56

E. J. LONGYEAR COMPANY

LIST OF EXHIBITS

Title	Exhibit No.
Claims in E 1/2 Section 32, T. 14 N., R. 8 W., McKinley County, New Mexico	A
District Index Map.....	B
Claim Location Map..... San Mateo Dome Project	C
E. J. Longyear Company Report of December 21, 1957, on Results of Offset Drilling for Uranium Ore in Section 32, T. 14 N., R. 8 W., San Mateo Dome Project.....	D
Proposed Drill Hole Locations.....	E
Drilling Contractor Bid.....	F

INTRODUCTION

This report, together with Application Form MF-103 revised February 1957, is an application for a Defense Minerals Exploration Administration project contract of the unit cost type. A $73,800.00 exploration program is recommended for drilling in an area comprised of some 26 unpatented lode mining claims. The claims are situated within a favorable area on the San Mateo Dome in the Grants-Mt. Taylor Mining District, McKinley County, New Mexico. A two stage drilling program, to be completed by independent contractors, is recommended.

NAME OF APPLICANT

The name of the applicant is San Mateo Dome Project. This project is financed and controlled by LISBON URANIUM CORPORATION, a corporation organized and existing under the laws of the State of Utah, with principal offices at Salt Lake City, Utah, and MINERAL PROJECTS - VENTURE B, LTD., a limited partnership organized under the laws of the State of New Jersey, with principal place of business at Madison, New Jersey.

GENERAL

This report, together with the attached completed Form MF-103, is an application for a DMEA loan under a

unit cost form contract and has been prepared in accordance with DMEA Order No. 1, Amended. It is to be submitted in quadruplicate to the Executive Officer, Region IV, DMEA, New Customhouse Building, Denver 2, Colorado.

Sufficient space is not available on Application Form MF-103. Therefore the necessary information is supplied in this report with reference to each case by number and letter to the item which is referred to on Form MF-103.

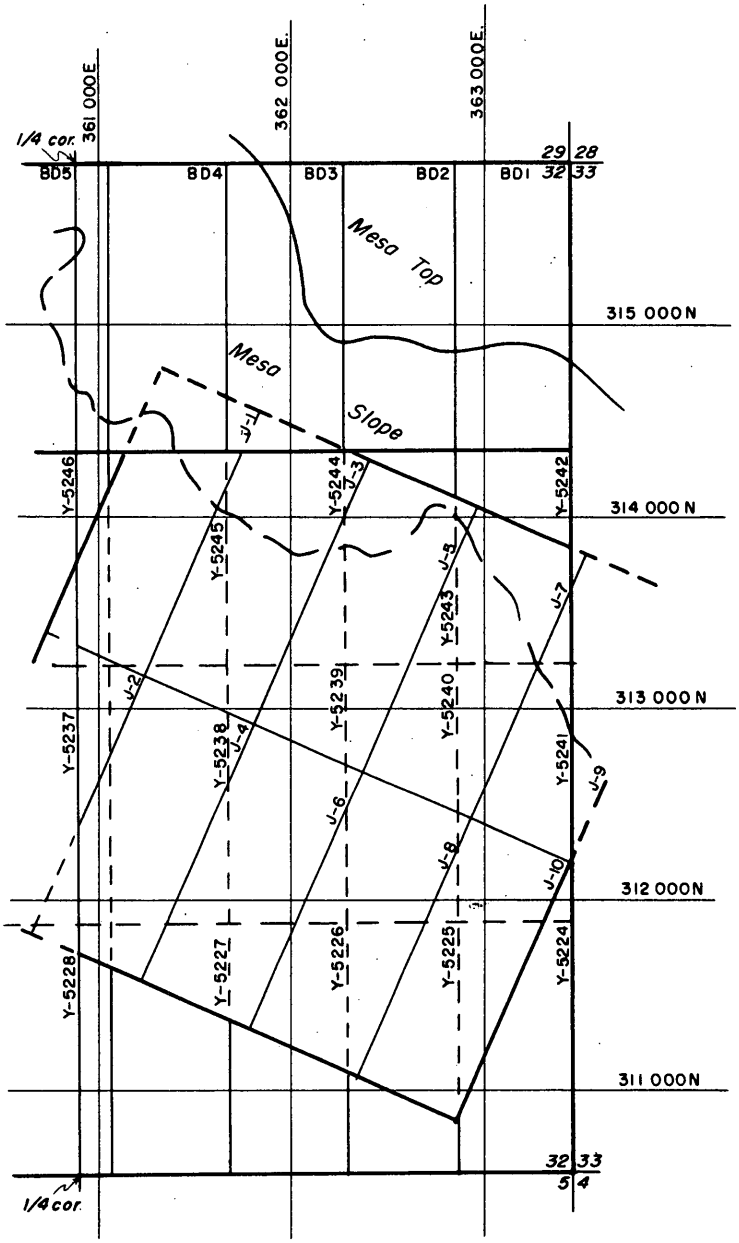
(1) APPLICANT'S PROPERTY RIGHTS

(a) Legal Description of Property

The area consists of 26 full and fractional mining claims, all contiguous, covering all of the East 1/2 of section 32, T. 14 N., R. 8 W., New Mexico Principal Meridian, McKinley County, New Mexico (see Exhibit A).

This area is within the Grants-Mt. Taylor Mining District, being a part of 21 full and 5 partial sections of land held under lease by the San Mateo Dome Project (see Exhibit B). The claims are unpatented mining claims and all have been surveyed under the supervision of a New Mexico Registered Engineer. The location notices, or amended notices, are posted and copies are recorded in the McKinley County Courthouse, Gallup, New Mexico. The book and page numbers of all the recordings are tabulated and attached hereto under Appendix I. The claims outlines, with reference to the public land survey and adjacent claims, are as shown on Exhibit C, Claim Location Map.

It being specifically understood that the lands which are to be security for this loan and subject to the government's lien for royalty payments are only those lands described and designated above, under Exhibit A and Appendix I.



EXPLANATION

J	John claims
BD	Bulldog claims
Y	Yucca claims

EXHIBIT A

SHOWING

CLAIMS IN E 1/2 OF SECTION 32

T. 14 N., R. 8 W.

McKINLEY COUNTY, NEW MEXICO

SCALE: 1" = 1000'

1000 500 0 1000

FEET

E. J. LONGYEAR APRIL 15, 1958

N

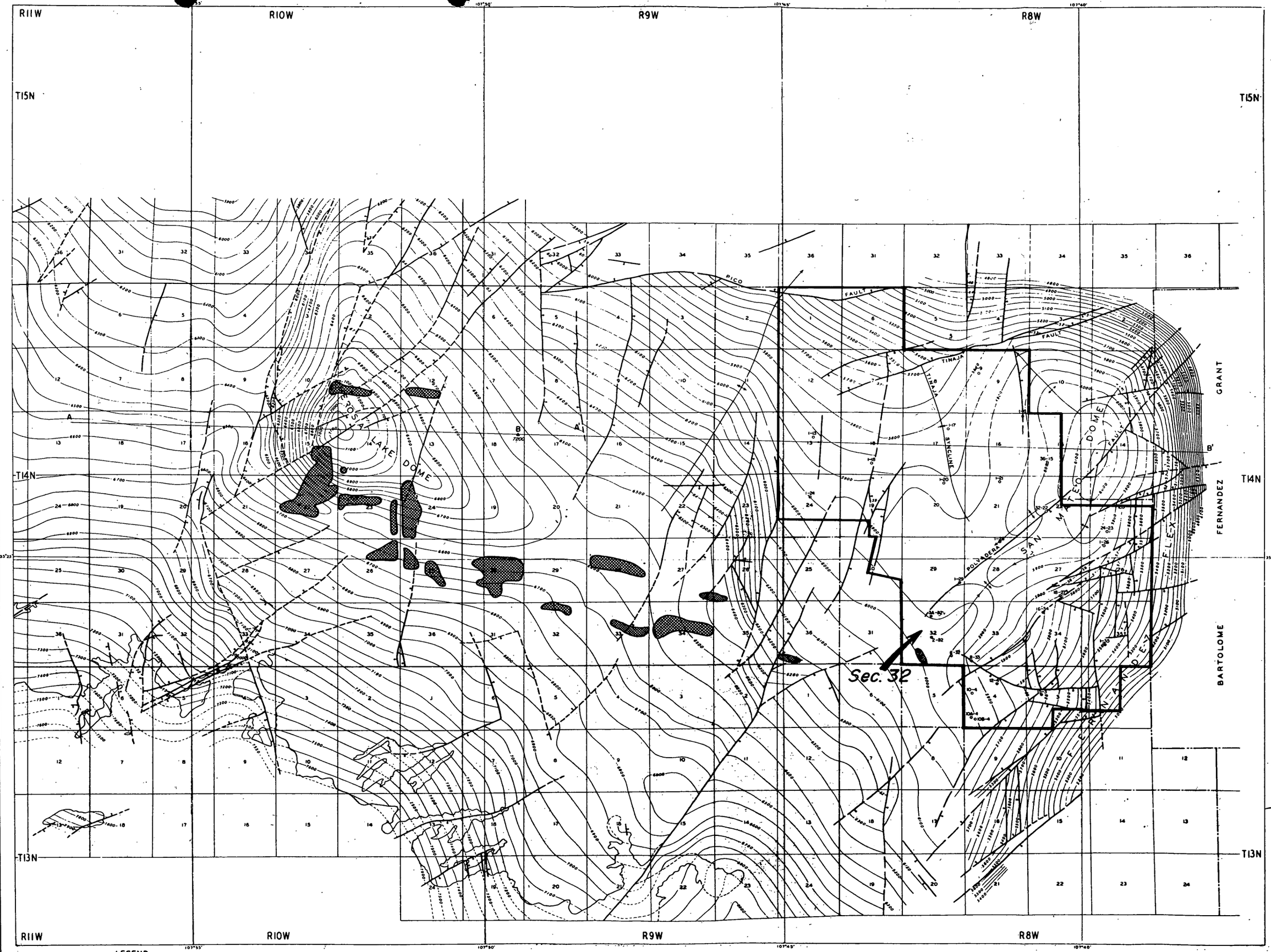


FIGURE 4

Exhibit B

The following lands, although part of the project lands and workings of the applicant, are specifically excluded from any liens arising from loans obtained through this application:

Township 14 North, Range 9 West, NMPM

Sec. 12: All
Sec. 13: All
Sec. 24: N 1/2, N 1/2, S 1/2

Township 14 North, Range 8 West, NMPM

Sec. 7:	All	Sec. 22:	S 1/2, NW 1/4
Sec. 8:	All	Sec. 23:	S 1/2
Sec. 9:	All	Sec. 26:	All
Sec. 15:	W 1/2	Sec. 27:	All
Sec. 16:	All	Sec. 28:	All
Sec. 17:	All	Sec. 29:	All
Sec. 18:	All	Sec. 30:	Portion of NE 1/4 shown on Exhibit B.
Sec. 19:	N 1/2, SE 1/4, N 1/2 SW 1/4	Sec. 33:	All
Sec. 20:	All	Sec. 34:	All
Sec. 21:	All	Sec. 35:	All

Sec. 32: W 1/2

Township 13 North, Range 8 West NMPM

Sec. 2: All
Sec. 3: All
Sec. 4: All

(b) Name of Property

The area is part of the property referred to as the San Mateo Dome Project. The area applied for herein, (E 1/2 Sec. 32) is covered by the following claims: Yucca claims, John claims and Bulldog claims.

(c) Interest

The Applicant's interest is as Lessee. The Yucca claims were originally staked by Yucca Uranium Inc., who in October, 1956, leased the property to G. R. Kennedy and Henry C. Adams. Subsequently, G. R. Kennedy and Henry C. Adams leased the properties to E. J. Longyear Company who assigned them to Mineral Projects - Venture B, Ltd., and Lisbon Uranium Corporation in April, 1957. The Bulldog claims were originally staked by H. B. and S. Uranium Company, a Co-partnership composed of L. G. Shaw, Roy B. Shaw, and K. B. Baird, and their wives, who in September of 1955, quitclaimed the claims to Fred Pool. Subsequently, Fred Pool quitclaimed to G. R. Kennedy and Henry C. Adams (April, 1957) who leased the properties to E. J. Longyear Company, who assigned them to Mineral Projects - Venture B, Ltd., and Lisbon Uranium Corporation, in April, 1957.

The John claims were originally staked by Parador Mining Company, Inc., who, in June, 1957, leased the claims to Donald J. Dufford. Subsequently, Donald J. Dufford assigned the claims to Mineral Projects - Venture B, Ltd., and Lisbon Uranium Corporation.

Copies of substantiating documents of ownership are included as part of this application under the

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

following appendices.

Appendix I - Tabulation showing claim names and recorded book and page numbers.

Appendix II - Mining Lease between Yucca Uranium Inc., and G. R. Kennedy and Henry C. Adams, (October 29, 1956), and an Amendment to the Mining Lease

Appendix III - Mining Lease between Yucca Uranium Inc., and G. R. Kennedy and Henry C. Adams, (November 24, 1956), and an Addendum to this Mining Lease.

Appendix IV - Quitclaim deed from H. B. & S. Uranium Company to Fred Pool (September, 1955). Quitclaim deed from Fred Pool to G. R. Kennedy and Henry C. Adams, (April, 1957).

Appendix V - Mining Lease between Parador Mining Company and Donald J. Dufford (June, 1957). Amendment to Lease between Parador Mining Company and Donald J. Dufford (June, 1957), and Assignment from Donald J. Dufford to Lisbon Uranium Corporation and Mineral Projects, Inc.

Appendix VI - Agreement between G. R. Kennedy, Henry C. Adams, and E. J. Longyear Company.

Appendix VII - Assignment from E. J. Longyear Company to Mineral Projects - Venture B, Ltd., and Lisbon Uranium Corporation.

(d) Liens, mortgages or other encumbrances on the property.

A royalty of 10% of the gross value of all ores mined from Yucca claims is payable to the Lessor, Yucca Uranium Company, Inc.

A royalty of 10% of the gross value of all ores mined from the John claims is payable to the Lessor, Parador Mining Company.

A (4%) overriding royalty on the sale price on any and all ore produced from the Bulldog claims is payable to Roy C. Shaw, and a (4%) overriding royalty on the sale price on any and all ore produced from the Bulldog claims is payable to L. G. Shaw.

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

(2) PHYSICAL DESCRIPTION

(a) Previous Exploration

The San Mateo Dome Project has leased some 700 lode mining claims on the San Mateo Dome, which are shown on the Claim Location Map, Exhibit C. On April 8, 1957, a reconnaissance drilling program was initiated and 26 holes were drilled as of July 15, 1957. Of the total holes drilled, one was an ore hole, three were mineralized, two showed radio-activity over twice background, and twenty were barren. Because the one ore hole and the two other mineralized holes were in the W 1/2 of section 32, T. 14 N, R. 8 W, indicating favorable ground in at least that area, it was decided that offset drilling was warranted in that 1/2 section.

Reference is made to Exhibit D, herein attached, which fully describes the exploration carried out in the W 1/2 of section 32.

(b) Interest in Previous Operations

All previous exploration on the property has been carried out by the applicant.

(c) Production

There has been no production from the property.

(d) Ore Reserves

A drilling program was carried out in the W 1/2

of section 32 in an attempt to block out ore reserves. Reference is made to Exhibit D, herein attached, which fully describes resulting ore-reserve calculations.

(e) General Geologic Features

Reference is made to Exhibit D, herein attached, in which the general geologic features are discussed.

(f) Favorability

The center of the San Mateo Dome Project lies ten miles directly east of the Ambrosia Lake Dome and is adjacent to its easternmost known extremities of mineralization. This mineralized area, stretching eight miles west to east is authoritatively estimated to contain uranium ore reserves of 47,000,000 tons---over 50% of the total U. S. reserves. One section (640 acres) alone of this area, is said to contain reserves worth on the order of $200,000,000.

In area the San Mateo Dome Project covers about 24 sections. All of the features (structural and sedimentary) which are believed to have controlled the deposition of ore in the Ambrosia Lake area are known to continue into this Project area.

Recent exploration has proven the existence of ore-grade mineralization in the southern part of the San Mateo Dome Project area.

Ore has been blocked out in the W 1/2 of section 32 and mineralization is shown to exist over a 4000 foot north-south distance. To date sufficient drilling has not been completed to determine the limit of the mineralization in any direction.

For further details and substantiating data see Exhibit D, here attached.

(g) Supplemental Reports

1. Exhibit D - E. J. Longyear Company Report of December 31, 1957, on Results of Offset Drilling for Uranium Ore on Section 32, T 14 N, R 8 W, San Mateo Dome Project, Grants-Mt. Taylor Mining District, McKinley County, New Mexico.

(3) ACCESSIBILITY OF PROJECT

(a) Location and Accessibility

The San Mateo Dome Project area lies in Township 13 and 14 North, Ranges 8 and 9 West, McKinley County, New Mexico. The center of the project area lies about 10 miles east of the Ambrosia Lake District. Section 32 is in the southwest quarter of T. 14 N., R. 8 W., and approximately 7 miles northwest of the village of San Mateo. The area can be reached from U. S. Highway 66 north about 35 miles from Grants, New Mexico.

(b) Operating Headquarters

Manpower, materials and equipment are available in Grants, New Mexico. Office facilities are maintained in Milan, just west of the Grants City limits. All operating personnel reside in Grants.

(4) THE EXPLORATION PROJECT

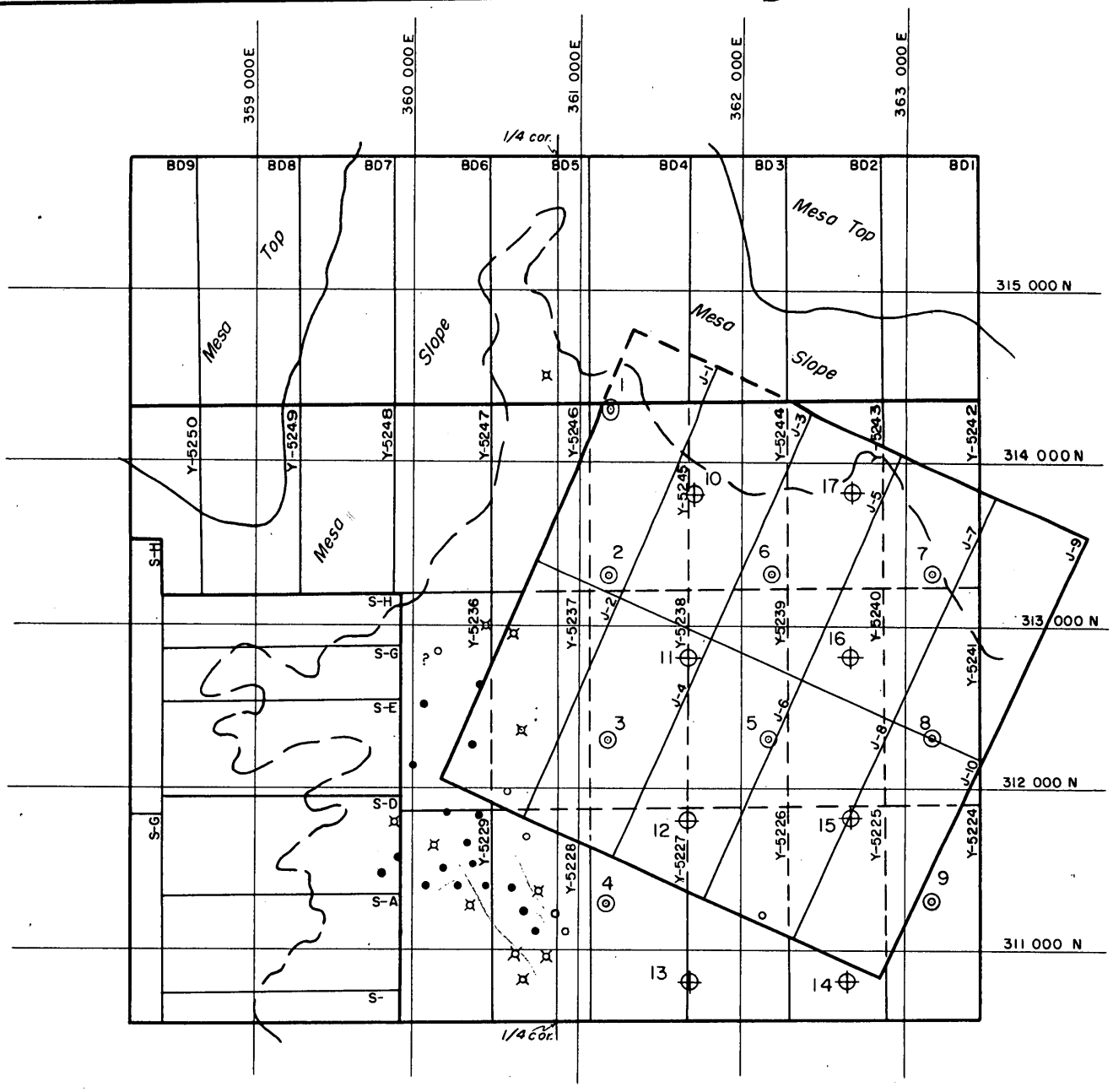
(a) Proposed Work

The proposed work will be carried out in two stages of drilling. Drill holes will be of a sufficient depth to penetrate the upper 20 feet of the Recapture member of the Morrison formation. The holes will be plug drilled in all cases. All hole locations will be surveyed and elevations run to drill sites.

It is recommended that 17 holes be drilled, averaging 2100 feet each for a total of 35,700 feet. The holes are planned on a staggered 1000-500 foot grid covering an area in the E 1/2 of section 32, bounded by the section lines on the south and east, and the base of the Mesa slope on the north. The locations of the holes are shown on Exhibit E.

Stage I: A total of 9 holes (18,900 feet) are proposed, averaging 2100 feet per hole. The holes are planned on a 1000-foot grid spacing. This stage of drilling is aimed at orienting the second-stage drilling for more favorable results.

Stage II: Drilling in Stage II would follow the pattern shown on Exhibit E, unless the data accumulated should show that the holes might be more advantageously used on a different pattern. However, it is understood



EXPLANATION

Proposed Drilling

- ⊙ Stage I holes
- ⊕ Stage II holes

Previous Drilling

- • Ore holes
- ⌑ Mineralized holes
- ○ Barren holes

J John claims

BD Bulldog claims

Y Yucca claims

S Sophie claims

N

EXHIBIT E

PROPOSED DRILL HOLE LOCATIONS

McKINLEY COUNTY, NEW MEXICO

SCALE: 1" = 1000

1000 500 0 1000

FEET

E. J. LONGYEAR APRIL 15, 1958

that no holes will be drilled which could be construed as "blocking" ore, and a hole spacing of greater than 200 feet will be used in offsetting ore or mineralized holes.

We recommend 16,800 feet of Stage II drilling. This would embrace a total of 8 holes averaging 2100 feet per hole.

It is expected that two truck-mounted Failing-1500 Drill Rigs will be used for the job. Sludge samples will be taken from every 10 feet of hole drilled, and logged by a geologist. Through the Westwater horizon, and through any other horizon that may be favorable or mineralized, samples of the sludge from 10-foot intervals will be sacked and saved for possible future study.

All holes will be probed, and recorded gamma ray, resistivity, and self-potential readings on geophysical strip logs will be provided.

(b) Access Roads and Drill Site Preparation

Only maintenance work will be required, as access roads are now in existence. An RD-6 Bulldozer, provided by private contractors, will be available for this work.

Each drill hole location will require bulldozer work to prepare slush pits and to level off an area for the drill rig.

(c) Time Required for Project

The work can start within 30 days and be completed within three months from the date of an exploration project contract. This estimate is based on a 2-rig operation.

Time estimates by stages as follows:

Stage I	1.5 months
Stage II	1.5 months
Total	3 months

(5) EXPERIENCE

On the participants in the joint venture, San Mateo Dome Project:

Lisbon Uranium Corporation was organized in December, 1953. The Company has been engaged in the acquisition, exploration and development of mining properties (principally uranium). The Company's original acquisition was in the Big Indian Mining District, San Juan County, Utah, on which several orebodies of major size have been established. An extensive exploratory and development program has been and is being conducted on these properties. Production is now in progress. Lisbon is also maintaining an aggressive program in the examination of uranium properties in relatively new areas of interest.

Mineral Projects - Venture B, Ltd. was organized in 1955, to undertake mineral projects, either as principal agent, partner, stockholder, syndicate member, associate, joint venturer, participant, managing agent, or in any other capacity; to invest funds in and to raise funds to be invested in mineral properties, and to organize, create, own, operate, lease, mortgage, pledge, sell, and dispose of properties and any interest therein and to do any and all things necessary or

incident thereto.

During 1956, an intensive program of property search and examination was carried out in the western United States. This program culminated in the present interest in San Mateo Dome Project.

The proposed exploration program would be managed by the E. J. Longyear Company in conjunction with other duties and responsibilities assigned to it for adjacent exploration work within the boundaries of the San Mateo Dome Project.

The E. J. Longyear Company has had over sixty years' experience in the exploration and mining business and has a staff of seasoned and trained engineers. In its varied activities the E. J. Longyear Company has been closely associated with a number of successful explorations including the discovery and development of the Falconbridge nickel-copper orebody in Ontario, Canada. In recent years its contract drilling division has been engaged in extensive work in the uranium fields of Canada and the southwestern United States. Similarly, its consulting and appraisal staff has been engaged to an increasing degree in the preparation of appraisals and reports of uranium property. In one capacity or another the company's staff has had contract with most

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

of the large uranium properties now in operation in this hemisphere.

(6) ESTIMATE OF COSTS

(a) Independent Contracts

All drilling, bulldozer work necessary in preparation of sites, road, maintenance, etc., and probing, will be performed by independent contractors.

Drilling is to be in two stages. Locations for Stage I drill-hole sites are tabulated in Schedule 1. Stage II drilling is tabulated in Schedule 2 (locations are tentative). The cost estimates of drilling, bulldozer work, and probing are summarized in Schedule 3. Drilling bid is attached as Exhibit F. There has been no great change in current per foot drilling prices and as we have a drilling program now in force, we feel that it would be economically advantageous to use the same contractor on the work presently proposed.

(b) Personal Services

E. J. Longyear Company will supervise this program and furnish geological and engineering services. An estimate of costs is included in Schedule 3 under incidental allowances.

(c) Operating Materials and Supplies

Estimated costs of office supplies incidental to this project; maps and drill log reproductions; and field supplies, such as location stakes, flagging, etc.,

are included in Schedule 3 under incidental allowances.

(d) Operating Equipment

To be furnished by independent contractors.

(e) Initial Rehabilitation and Repairs

Not applicable.

(f) New Buildings, Fixtures, Installations

Not applicable.

(g) Miscellaneous

Schedule 3 lists estimates of cost for chemical assays, under category (g).

(7) APPLICANT'S SHARE OF COSTS

(a) and (b) Meeting the Costs

The San Mateo Dome Project will complete this exploration project for uranium and make such payments as will be required to allow completion and will be reimbursed by DMEA. Total cost of this project is estimated at $73,800.00 as summarized in Schedule 3, Summary of Costs. Reimbursement by DMEA will be at the rate of 50% of the allowable costs as stated in DMEA Order No. 1, Amended: The San Mateo Dome Project will contribute $36,900.00, which is 50% of the estimated cost of the project.

Respectfully submitted,

E. J. LONGYEAR COMPANY

R. C. Gebhardt
Senior Geologist and
Mining Engineer

Date: April 22, 1958
Denver, Colorado
416 Colorado Building

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

SCHEDULES

1 Through 3

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

SCHEDULE 1

STAGE I DRILL HOLE LOCATIONS

Hole No.	Coordinates (1) Feet North	Feet East
1	314,300	561,200
2	313,300	561,200
3	312,300	561,200
4	311,300	561,200
5	312,300	562,200
6	313,300	562,200
7	313,300	563,200
8	312,300	563,200
9	311,300	563,200

(1) A.E.C. Net

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

SCHEDULE 2

STAGE II DRILL HOLE LOCATIONS (TENTATIVE)

Hole No.	Coordinates(1) Feet North	Feet East
10	313,800	561,700
11	312,800	561,700
12	311,800	561,700
13	310,800	561,700
14	310,800	562,700
15	311,800	562,700
16	312,800	562,700
17	313,800	562,700

(1) A.E.C. Net

FORM 602 5M 10-56

E. J. LONGYEAR
COMPANY

SCHEDULE 3

ESTIMATED COSTS OF THE PROJECT

Stage I

Actual Costs

Category (a) Independent Contracts		
13,500 feet non-core drilling, 0-1,500 ft. depths @ $1.50/ft.	$20,250.00	
5,400 feet non-core drilling, 1,500-2,200 ft. depth @ $2.25/ft.	12,150.00	
9 hrs. drill crew stand-by time @ $15.00/hr.	135.00	
18,900 feet probing and logging @ $0.115/ft. . . .	2,173.50	
9 hrs. logging crew stand-by time @ $10.00 hr.	90.00	
9 holes @ $40.00/hole for cost of circulation materials in excess of $100.00 per hole	360.00	
27 hrs. bulldozing @ $15.00/hr.	405.00	
Categories (b) through (f)		
None		
Category (g) Miscellaneous		
15 chemical analyses @ $5.00 each	75.00	
		$35,638.50

Fixed Unit Costs

Incidental allowance(1) for each foot of hole drilled, 18,900 feet @ $0.18/ft	3,402.00
Estimated total cost of Stage I	$39,040.50

(1) Includes all allowable costs of the project under Categories (a) through (g) of Article 6, except as otherwise scheduled above.

Stage II

Actual Costs

Category (a) Independent Contracts

12,000 feet non-core drilling, 0-1,500 ft. depths @ $1.50/ft.	$18,000.00	
4,000 feet non-core drilling, 1,500-2,200 ft. depths @ $2.25/ft.	10,800.00	
8 hrs. drill crew stand-by time @ $15.00/hr.	120.00	
16,800 feet probing and logging @ $0.115/ft. . . .	1,932.00	
8 hrs. logging crew stand-by time @ $10.00/hr.	80.00	
8 holes @ $40.00/hole for cost of circulation materials in excess of $100.00 per hole	320.00	
24 hrs. bulldozing @ $15.00/hr.	360.00	
Categories (b) through (f)		
None		
Category (g) Miscellaneous		
20 chemical analyses @ $5.00 each	100.00	
		$31,712.00

Fixed Unit Costs

Incidental allowance(1) for each foot of hole drilled, 16,800 @ $0.18/ft.	3,024.00
Estimated total cost of Stage II	$34,736.00

(1) Includes all allowable costs of the project under Categories (a) through (g) of Article 6, except as otherwise scheduled above.

Summary of Costs

Estimated Total Cost of Stage I	$39,040.50
Estimated Total Cost of Stage II	$34,736.00
Estimated Total Cost of the Project (rounded)	$73,800.00
Government participation @ 50%	$36,900.00

FILE COPY
DMEA
RECEIVED APR 28 1958
DATE

EXHIBIT C

Claim Location Map

(in Pocket)

FILE COPY
DMEA
RECEIVED
DATE 28

EXHIBIT D

E. J. Longyear Company Report of December 31, 1957, on Results of Offset Drilling for Uranium Ore on Section 32, T. 14 N., R. 8 W., San Mateo Dome Project, Grants - Mt. Taylor Mining District, McKinley County, New Mexico.

TO BE RETURNED TO:
E. J. LONGYEAR COMPANY
416 COLORADO BUILDING
DENVER 2, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28 1958
DATE

RESULTS OF

SECTION

TO BE RETURNED TO:
E. J. LONGYEAR COMPANY
416 COLORADO BUILDING
DENVER 2, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED 28

CONTENTS

RESUME 1

INTRODUCTION 3

GENERAL GEOLOGY 6

EXPLORATION 8

ORE RESERVE ESTIMATION 19

APPENDIX 23

LIST OF ILLUSTRATIONS

Figure 1. -- Index map 5

Figure 2. -- Correlation Chart 22

PLATE 1. (in pocket) -- Section 32 showing drill hole locations and areas of influence.

PLATE 11. (in pocket) -- Cross-sections through the ore zone.

DMEA

RESUME

Conclusions

Reconnaissance drilling on the San Mateo Dome Project showed the presence of uranium mineralization in Section 32.

Geophysical drill hole logs indicate the mineralization to be in a tongue of the Westwater sandstone locally referred to as the Poison Canyon sand. The mineralization is not in the main body of the Westwater sandstone.

Chemical assays of split-core samples from hole SM 1-32 have proven the mineralization to be of ore grade.

Close-spaced offset drilling shows this mineralization to be comparatively low-grade ore occurring in a worm-shaped body.

Drill hole information shows shaly beds overlying and underlying the ore-bearing sand in all locations. The ore occurs in discontinuous flat-lying beds or pods at depths that range from 1850 to 1950 feet.

Drift Surveys in several holes show the holes to penetrate the rock formations in cork-screw fashion, deviating approximately 50 to 70 feet to the southwest in 2000 feet of hole.

A total of 35 holes have been drilled in Section 32, amounting to 4 reconnaissance holes and 31 offset holes.

Preliminary ore reserve calculations, based on 16 ore holes, show an estimated 166,000 tons of indicated ore at a thickness of 8.8 feet and grade of 0.287% eU_3O_8. Another 161,000 tons of inferred ore is estimated having a thickness of 5.5 feet and a grade of 0.23% eU_3O_8.

Drilling commitments, assessment work requirements, and rental payments will be relatively costly for the coming year (1958), and, in the light of exploration results to date, necessitate a re-evaluation of certain parts of the property.

Ore habits, indicated by the exploration, and indicated mining problems, require an analysis for intelligent decisions regarding the extent of future explorations.

Recommendations

Re-evaluate the San Mateo Dome Project properties, incorporating drill hole data not previously known, and drop those sections that appear unfavorable based upon economic facts.

Make a cost estimate of expected mining problems in Section 32, based upon ore habits indicated by the exploratory drilling. Estimate ore reserve requirements needed for an economic venture based upon the mining studies. Evaluate the results in Section 32 by the results of mining studies and tonnage requirements.

ORIGINAL FILE COPY
DMEA
RECEIVED 28

INTRODUCTION

Between April 8 and July 15, 1957, a reconnaissance drilling program was carried out on the San Mateo Dome Project in the Grants-Mt. Taylor Mining District, McKinley County, New Mexico. A total of 26 reconnaissance holes were drilled within an area covering 21 full and 8 partial land sections. Of the total holes drilled, one was an ore hole, three were mineralized, two showed radioactivity over twice background, and twenty were barren. Because the one ore hole and two other mineralized holes were in Section 32, T. 14 N., R. 8 W., indicating favorable ground in at least that area, it was decided that offset drilling was warranted in that section.

This report covers the offset drilling in Section 32, recommended in the E. J. Longyear Company Report of July 15, 1957, on Results of Reconnaissance Drilling on the San Mateo Dome Project, Grants-Mt. Taylor Mining District, McKinley County, New Mexico.

Location and Accessibility

The San Mateo Dome Project area lies in Townships 13 and 14 North, Ranges 8 and 9 West, McKinley County, New Mexico. The center of the prospect area lies about 10 miles east of the Ambrosia Lake district. Section 32 is in the southwest quarter of T. 14 N., R. 8 W., and approximately 7 miles northwest of the village of San Mateo

(see Fig. 1).

The area can be reached from U. S. Highway 66 north about 35 miles from Grants, New Mexico.

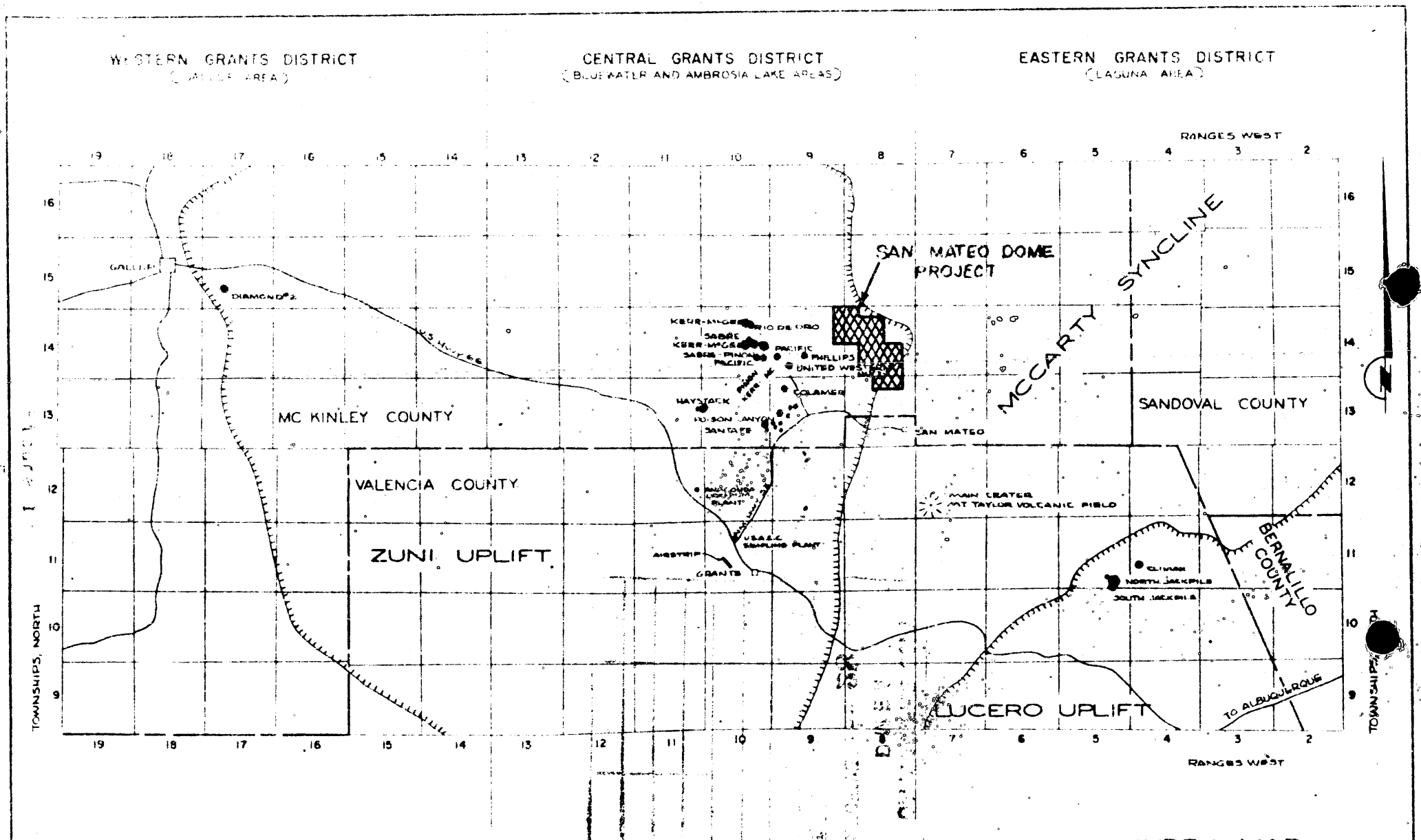
Topography

The San Mateo Dome Project area is a region of cliffs and mesas with relief of about 500 feet. Elevations range from 7200 to 8200 feet above sea level. Section 32 is situated in a broad valley hemmed in by high, steep cliffs over the north one-third of the section and cut off on the west and south by steep canyons.

Ownership

Section 32 is part of the San Mateo Dome Project, being held in part by actual ownership and in part by lease agreements. Four different claim groups exist in the section. They are the Bulldog claims, the John claims, the Yucca claims, and the Sophie claims (locations shown on Plate I, in pocket).

The Bulldog claims were purchased by the San Mateo Dome Project. The John claims are held by a lease from Parador Mining Company. The Yucca claims are a part of the original San Mateo Dome Project properties and are held by a lease from Messrs. Kennedy and Adams. The Sophie claims are owned jointly by Yucca and John Jebsen and are now in the final stages of being leased to the San Mateo Dome Project.


WESTERN GRANTS DISTRICT
(ALICE AREA)
CENTRAL GRANTS DISTRICT
(BLUEWATER AND AMBROSIA LAKE AREAS)
EASTERN GRANTS DISTRICT
(LAGUNA AREA)
RANGES WEST
TOWNSHIPS, NORTH
SAN MATEO DOME PROJECT
MCCARTY SYNCLINE
MC KINLEY COUNTY
VALENCIA COUNTY
SANDOVAL COUNTY
BERNALILLO COUNTY
ZUNI UPLIFT
LUCERO UPLIFT
GALLUP
DIAMOND 2
US HWY 66
KERR-MCGEE
RIO DE ORO
SABRE
KERR-MCGEE
SABRE-PINNACLE
PACIFIC
PHILLIPS
UNITED WESTERN
COLAMCO
HAYSTACK
POISON CANYON
SANTA FE
SAN MATEO
MAIN CRATER
MT TAYLOR VOLCANIC FIELD
UMETCO LOCATION PLANT
UMETCO SAMPLING PLANT
AIRSTRIP
GRANTS
CLIMAX
NORTH JACKPILE
SOUTH JACKPILE
TO ALBUQUERQUE
MAJOR URANIUM DEPOSITS
INFORMATION AND DESIGN: THOMAS W. MITCHAM, mining geologist
DRAFTING: R.M. MILLER
COPYRIGHT: MINERAL MAP COMPANY 1956
P.O. BOX 1414
FLAGSTAFF, ARIZONA
MAP NO 1
INDEX MAP
GRANTS DISTRICT
NEW MEXICO
MILES

GENERAL GEOLOGY

Reference is made to the E. J. Longyear Company Report of March 15, 1957, on Recommended Exploration on the San Mateo Prospect, for details of stratigraphy and structures in the area of which the San Mateo Dome Project is a part.

Stratigraphy - Section 32

The rocks exposed in Section 32 are the Mesaverde group of Upper Cretaceous age. The broad valley in the center of the section and the steep canyons on the west and south are in the Mulatto shale member of the Crevasse Canyon formation. On the north, covering the north one-third of the section, steep cliffs occur, composed in ascending order, of the flat-lying Dalton sandstone and Gibson coal members of the Crevasse Canyon formation, and capped by the Point Lookout sandstone. Unexposed but lying below the Mulatto shale, in descending order, are the Dilco coal members of the Crevasse Canyon formation, Gallup sandstone, Mancos shale, and Dakota sandstone (Upper Cretaceous); Brushy Basin member of the Morrison formation (Jurassic), the Westwater Canyon member of the Morrison (an upper Westwater Canyon sandstone lens intertongues with the overlying Brushy Basin shale in this area and is locally known as the Poison Canyon sandstone); and the Recapture Creek member of the Morrison.

The uranium ore deposits of the Ambrosia Lake area

occur in the main body of the Westwater Canyon member of the Morrison formation and also in the Poison Canyon sand-tongue. In Section 32, mineralization has been noted only in the Poison Canyon sand-tongue. (See cross-sections, Plate II, in pocket).

Structure

Reconnaissance drilling on the San Mateo Dome Project confirms the existence of an asymetrical dome of post-Cretaceous age. The offset drilling in Section 32 suggests that the axis of the dome passes through the center of the section in a northeast direction. The dome is broken by numerous northeast-trending faults, some of which pass through Section 32. Several other faults, not apparent on the surface, are indicated by drill hole information. This also suggests folding in the Morrison formation which pre-dates Cretaceous time.

EXPLORATION

Procedure

As recommended in E. J. Longyear Company Report of July 15, 1957, on Results of Reconnaissance Drilling on The San Mateo Dome Project, an offset, plug and core drilling program was set up for Section 32. (Offset holes 3-32 and 4-32 were drilled previous to this.) It was recommended that 7 to 12 holes be drilled in a three month period with one drill rig operating. We planned 25,000 feet (12 holes) of plug drilling with allowance made for some coring, if warranted; hole locations to be on 150-200 foot centers, offsetting from hole SM 1-32.

By September 15, 1957, nine of the proposed holes were completed and six were estimated to have penetrated ore-grade mineralization. It appeared that an ore trend had developed along a N 65°W line through hole SM 1-32. Ore had been encountered along this trend over a length of 1000 feet.

On September 18, 1957, an Owners Committee meeting was held in Albuquerque and progress of the offset drilling program discussed. It was decided that the success of previous drilling warranted additional expenditure for exploration in Section 32, and that the pace be speeded up by the addition of another drill rig.

A second rig was added to the Project on October 15,

and to date (December 31) the combined efforts of [illegible] have added 20 holes (42,312 feet) since September 1[illegible].

At this writing, 35 holes have been drilled in Section 32, (see Table I). Of this total, thirty-one are offset holes, the other four being completed under the initial reconnaissance program and not considered offset holes. Probing results indicate that sixteen of the offset holes have penetrated ore-grade mineralization, three have encountered strong mineralization, seven are considered mineralized, four are barren, and one has not yet been probed. (See Plate I for hole locations).

Plug Drilling

All offset holes, with the exception of 71 feet in hole SM 17-32 were plug-drilled. Average advance per calendar day for the 65,680 feet of offset plug drilling was 262 feet per rig.

Core Drilling

An attempt was made to core the ore horizon in hole SM 17-32 and 71 feet of hole were cored. Core recovery was 70 per cent. No other offset holes were cored.

TABLE I

Holes Drilled on Sec. 32, T14N, R8W, San Mateo Dome Project

Hole No.	Co-ordinates (ft.) North	East	Collar Elevation (Ft.)	Drilled Depth (feet)	Date of Completion
SM 1-32*	311 438.17	560 276.88	7566.5	2150	5/14/57
2-32*	312 960.89	560 648.06	7531.9	2174	6/19/57
3-32	311 542.90	560 220.96	7563.5	2165	6/28/57
3A-32*	314 517.66	560 811.23	7538.0	1993	4/25/57
4	311 554.35	560 390.12	7548.3	2150	7/14/57
5	311 672.16	560 158.10	7564.5	2020	7/18/57
6*	311 278.00	562 142.00	7473.5	1920	4/17/57
6A	311 305.52	560 348.76	7567.9	2140	7/25/57
7	311 690.22	560 317.12	7546.5	2120	8/1/57
8	311 425.90	560 457.60	7558.7	2140	8/6/57
9	311 425.74	560 109.59	7585.1	2120	8/14/57
10	311 409.65	560 622.96	7564.6	2140	8/18/57
11	311 394.03	560 792.53	7538.6	2150	8/28/57
12	311 273.50	560 695.33	7547.6	2120	9/4/57

* Holes drilled under initial Reconnaissance Program.

TABLE I (Continued)

Hole No.	Co-ordinates (Ft.) North	East	Collar Elevation (Ft.)	Drilled Depth (feet)	Date of Completion
13	311 609.11	559 952.70	7624.9	2174	9/16/57
14	311 132.10	560 927.66	7555.1	2131	9/25/57
15	311 246.35	560 873.25	7540.6	2108	10/1/57
16	311 114.63	560 762.43	7565.8	2128	10/11/57
17	310 975.84	560 819.72	7608.9	2021	10/21/57
18	311 826.78	559 917.73	7544.4	2100	10/22/57
19	310 837.08	560 731.67	7606.4	2148	10/28/57
20	311 624.84	559 816.90	7606.0	2150	10/28/57
21	310 967.55	560 662.80	7604.34	2168	11/14/57
22	311 474.19	559 889.72	7632.7	2160	11/8/57
23A	311 865.08	560 392.57	7532.3	2085	11/29/57
24	311 859.87	560 225.97	7549.9	2093	11/15/57
25	311 989.99	560 551.82	7523.8	2100	12/4/57
26	312 254.13	560 297.43	7537.5	2090	11/22/57
27	312 645.02	560 375.12	7535.9	2110	11/26/57
28	313 042.97	560 446.06	7542.6	2160	12/7/57

TABLE I (Continued)

Hole No.	Co-ordinates (Ft.) North	East	Collar Elevation (Ft.)	Drilled Depth (feet)	Date of Completion
29	312 389.71	560 625.55	7522.4	2090	12/9/57
30	312 505.58	560 028.81	7512.7	2100	12/11/57
31	311 734.81	560 700.38	7531.3	2100	12/13/57
32	312 869.09	560 117.52	7512.8	2180	Drilled but not probed
33	312 110.76	559 962.31	7526.1	2090	12/21/57
Totals: 35				73,988	

E. J. LONGYEAR COMPANY

Probing

All holes were probed by Century Geophysical Corporation of Tulsa, Oklahoma, using a truck-mounted Logging Control Unit, Model 2201. In each hole, three logs were recorded; gamma-ray, resistivity, and self-potential.

A total of 73,970 feet were logged in 35 drill holes (see Table II). Table II is a tabulation of probing results. Holes SM 1, 3, 4, 7, 8, 9, 10, 12, 13, 16, 22, 23A, 24, 26, 27, 30 and 33 are estimated to contain 5 or more feet of at least 0.15% eU_3O_8* and are considered ore holes. Holes 6A, 11, and 21 are estimated to contain 5 or more feet of at least 0.10% to 0.14% eU_3O_8 and are considered strongly mineralized holes. Holes 2, 3A, 5, 17, 18, 19, 20, 28, and 29 are weakly mineralized. Holes 6, 14, 15, 25, and 31 are considered barren. Hole SM 32-32 has not yet been probed.

The resistivity and self-potential logs indicate that the mineralization recorded on the gamma-ray log is located in a sandstone tongue of the Westwater within the Brushy Basin near its base. The sandstone tongue is locally termed the Poison Canyon sandstone. In Section 32 no mineralization has been recorded in the main body of the Westwater.

* Based upon the relationship derived by Rio de Oro for ore in Section 26, T. 14 N., R. 9 W.

TABLE II

Holes probed on Sec. 32, T. 14 N., R. 8 W., San Mateo Dome Project

Hole No.	Depth Probed (ft)	Mineralized Thick. (ft)	Average C.P.S.	Interval of Count (feet)	Est. eU3O8
SM 1-32*	2150	5	Chemical	1876 - 1881	0.30**
SM 2-32*	2174	1	195	1918 - 1919	0.05
		1	180	1926 - 1927	0.05
SM 3-32	2168	6	615	1864 - 1870	0.23**
		1	140	1888 - 1889	0.04
SM 3A-32*	2010	1	80	1899 - 1900	0.02
		1	90	1904 - 1905	0.02
		1	150	1915 - 1916	0.04
		1	80	1921 - 1922	0.02
SM 4-32	2131	5	510	1867 - 1872	0.18**
SM 5-32	2130	5	265	1853 - 1858	0.08
		1	300	1872 - 1873	0.09
SM 6-32*	1932	---	---	--- ---	barren
SM 6A-32	2083	5	336	1875 - 1880	0.12
		1	320	1885 - 1886	0.10
SM 7-32	2122	5	600	1859 - 1864	0.24**
		1	320	1884 - 1885	0.10
SM 8-32	2150	12	1075	1885 - 1897	0.49**
SM 9-32	2119	5	515	1883 - 1888	0.19**
		1	100	1903 - 1904	0.02
SM 10-32	2140	5	416	1904 - 1909	0.15**
SM 11-32	2142	2	325	1898 - 1900	0.10
		13	295	1909 - 1922	0.09
SM 12-32	2120	14	770	1891 - 1905	0.31**
SM 13-32	2150	5	450	1904 - 1909	0.15**
		7	465	1913 - 1920	0.16**

* Holes drilled under initial Reconnaissance Program.
** Holes considered as ore holes.

TABLE II (Continued)

Hole No.	Depth Probed (ft)	Mineralized Thick, (ft)	Average C. P. S.	Interval of Count (feet)	[illegible]
SM 14-32	2131	---	---	--- ---	barren
SM 15-32	2110	---	---	--- ---	barren
SM 16-32	2125	15	730	1901 - 1916	0.28**
SM 17-32	2000	5	160	1955 - 1960	0.04
SM 18-32	2090	1	150	1847 - 1848	0.04
SM 19-32	2152	1	190	1934 - 1935	0.05
		5	250	1948 - 1953	0.07
SM 20-32	2155	4	270	1915 - 1919	0.08
SM 21-32	2163	5	190	1920 - 1925	0.05
		7	405	1936 - 1943	0.13
SM 22-32	2151	5	480	1924 - 1929	0.17**
		5	420	1933 - 1938	0.14
		3	200	1940 - 1943	0.05
SM 23A-32	2080	23	820	1864 - 1887	0.32**
SM 24-32	2083	5	620	1848 - 1853	0.23**
		1	190	1870 - 1871	0.05
SM 25-32	2100	---	---	--- ---	barren
SM 26-32	2090	4	200	1876 - 1880	0.05
		7	580	1880 - 1887	0.21**
SM 27-32	2099	6	300	1888 - 1894	0.09
		6	450	1900 - 1906	0.15**
SM 28-32	2160	5	259	1946 - 1951	0.08
SM 29-32	2090	11	258	1895 - 1906	0.08
SM 30-32	2100	5	865	1851 - 1856	0.34**
		5	554	1872 - 1877	0.20**

* Holes drilled under initial Reconnaissance Program.
** Holes considered as ore holes.

TABLE II (Continued)

Hole No.	Depth Probed (ft)	Mineralized Thick, (ft)	Average C.P.S.	Interval of Count (feet)	est. U_3O_8
SM 31-32	2100	---	---	--- ---	barren
SM 32-32	(2180)----------	----------	----------	Not yet probed.	
SM 33-32	2090	5	630	1852 - 1857	0.23**
Totals:35	73,970				

* Holes drilled under initial Reconnaissance Program.
** Holes considered as ore holes.

Sampling

During all drilling operations sludge samples have been collected from every 10 feet of hole drilled. The samples were laid out on the ground near the drill holes and logged by a geologist. After the samples were logged and contacts picked, representative samples were taken and stored for future study. Only one or two samples were taken for storage from each formation above the Brushy Basin. Through most of the Brushy Basin and Westwater, samples were collected at 20 foot intervals and saved. Where mineralization was indicated on the geophysical logs, samples were saved from every 10 foot interval through the mineralized zone. Because of heavy dilution from the overlying Mancos shale none of the sludge samples from the mineralized zone were deemed worthy of chemical assay.

In holes where cores were taken and geophysical logs indicate mineralization, the core covering that interval was split and one-half saved and the other one-half assayed chemically.

In Section 32, parts of 3 holes have been cored (two in the reconnaissance program, one in the offset program). During the reconnaissance program, a total of 24 samples were assayed chemically, twenty from hole SM 1-32 and four from hole SM 2-32. In hole SM 1-32 chemical assays showed the presence of 8.4 feet of 0.23% U_3O_8 and confirmed the

indication of ore recorded on the geophysical log of the hole. The assays from hole SM 2-32 showed the presence of uranium mineralization and, although below ore-grade, did confirm the grade of mineralization indicated on the geophysical log of the hole (see assay sheets under Appendix I).

During the offset drilling program, core was recovered through the Poison Canyon sand in hole SM 17-32 and 4 samples were assayed chemically. Results showed the hole to contain below ore-grade mineralization; however the chemical assays checked closely (.046 chemically and .043 from the gamma-ray log) with the estimates from the gamma-ray log and strengthen the belief that grade estimates from gamma-ray logs are very close to actual uranium content as determined by chemical assay, and serve very well for preliminary grade-value determinations and ore reserve calculations.

Hole-Drift Surveys

Drift surveys were run in holes SM 4-32, 9-32, 12-32, 19-32 and 20-32. Maximum drift recorded was less than 65 feet and is not considered serious. In all cases the holes cork-screwed their way down and bottomed with a resultant drift to the southwest. The surveys all indicate a 40-65 foot southwesterly drift. Therefore, no adjustments have been made for ore reserve calculation purposes.

ORE RESERVES ESTIMATION

Revised Summary

Reference is made to E.J. Longyear Company Report of September 5, 1957, on San Mateo Dome Project Preliminary Estimates and Interim Report of Indicated Ore reserves in Section 32, T14N, R8W, McKinley County, New Mexico, for ore reserve figures to that date. The following is a revision of those figures including the drilling results to date.

The weighted estimates of in-place grade and tonnage follow (in round figures):

	Mineralized Thickness	Short Tons Crude Ore	Per cent eU_3O_8
Indicated Ore*(1)	8.8 ft.	166,000	0.29
* 950,000 pounds of U_3O_8			
Inferred Ore(2)	5.5 ft.	161,000	0.23
Inferred Low-Grade A(3)	6.3 ft.	32,000	0.12
Inferred Low-Grade B(4)	6.8 ft.	177,000	0.07

(1) Using 5 ft. of 0.15% eU_3O_8 cut-off, after dilution.

(2) 5 ft. of 0.15% eU_3O_8 cut-off.

(3) 0.10% through 0.14% eU_3O_8.

(4) 0.05% through 0.09% eU_3O_8.

Explanation

Grade and Thickness. -- With the exception of holes SM 1-32 and 17-32, all values of grade and thickness are based on interpretation of gamma-ray strip logs. The interpretations are based upon relationships between chemical and radiometric assays derived by Rio de Oro for ore in Sec. 26, T. 14 N., R. 9 W., about 2½ miles to the northwest.

Areas of Influence. -- Ore was assumed to extend between adjacent ore holes, but never more than 100 feet.

Ore was extended halfway to an adjacent mineralized hole but never more than 100 feet.

Ore was extended halfway toward an adjacent barren hole but no more than 75 feet.

Ore was assumed to extend 75 feet outward into untested ground.

Isolated holes are given a 75-foot radius of influence.

(These rules were strictly observed in estimating the "indicated" reserves, but were more liberally interpreted in estimating the "inferred" ore.)

Since experience has shown that barren holes exist within 150 feet of some of our best ore holes, all ore in areas where the spacing is greater than 200 feet is inferred, regardless of grade.

Within the ore body, the areas of influence are bounded by lines drawn midway between adjacent ore holes forming polygons.

The area of each polygon was measured by planimeter. See Plate I.

Mining factors used. -- No hole was considered to be an ore hole unless the mineralized interval, when diluted to a minimum mining thickness of 5 feet, if mineralized for less than 5 feet, had a minimum grade of 0.15% eU_3O_8 (See Grade estimation below). A mineralized interval of more than 5 feet was diluted with the addition of 1 foot at both top and bottom. In figuring the grade of the diluted zone, the actual grade of the diluting material was used.

Tonnages were estimated using a factor of 15 cubic feet per ton of ore.

Grade estimation. -- Radiometric values were obtained from the interpretation of the gamma-ray logs. Average counts per second for each 1-foot interval through the indicated mineralized section (including dilution) were calculated and the corresponding value in % eU_3O_8 picked from the correlation chart (see Figure 2). A total weighted average for the mineralized interval was then calculated.

All low-grade reserves are classified as "inferred" because of inaccuracies of radiometric assays in the lower ranges of metal content. However, no mineralized rock was considered as low-grade ore unless in direct contact with top, bottom, or margins of ore (indicated or inferred).

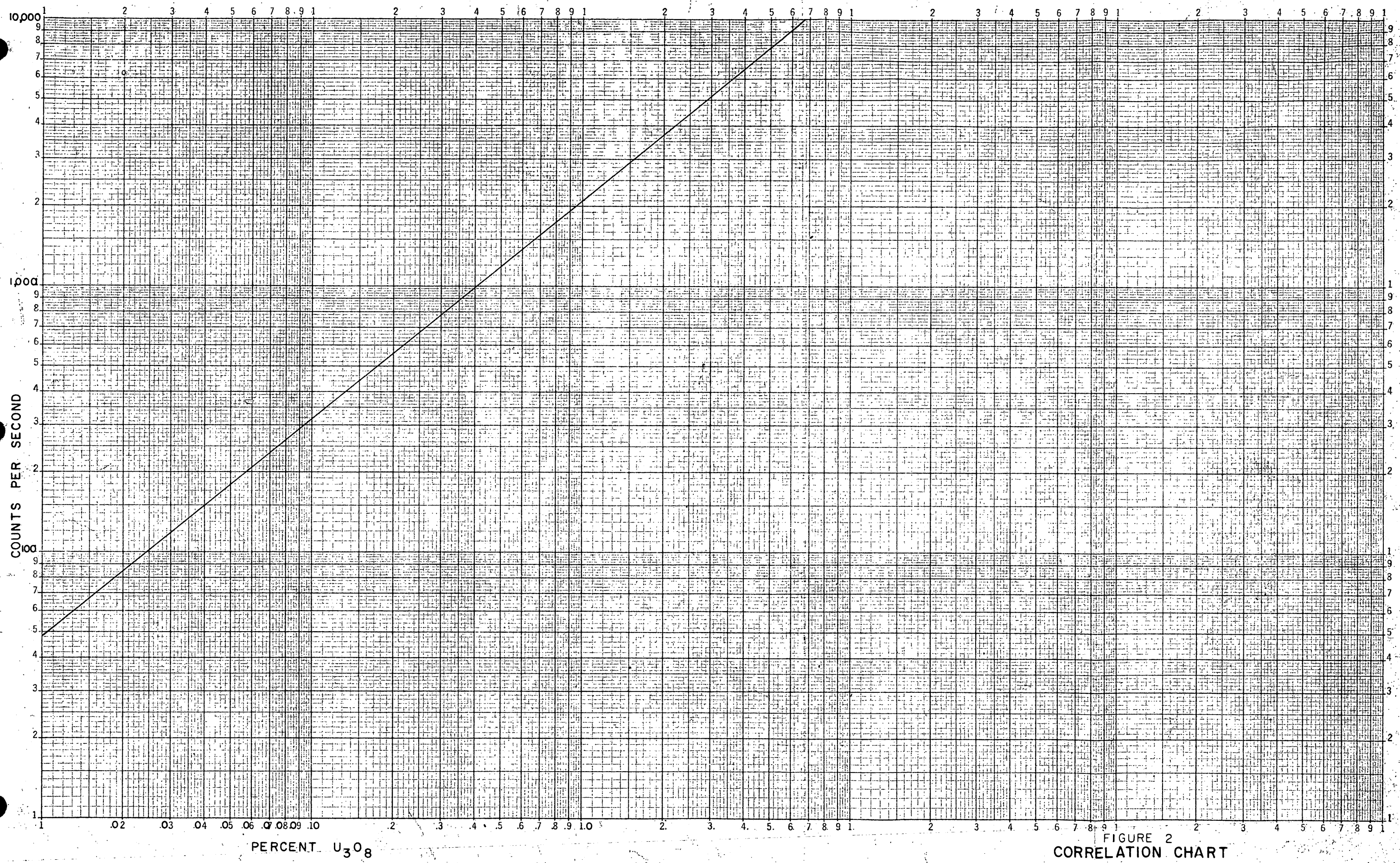


FIGURE 2

CORRELATION CHART

PERCENT U_3O_8 US COUNTS PER SECOND

(GAMMA RAY)

FROM ORIGINAL BY RIO DE ORO URANIUM MINES

APPENDIX I

(Assay Results)

REPORT OF [illegible]

E. J. Longyear Company

SAN MATEO DOME

NO.: SM 1-32

Sec. 32 T. 14 R. 8

McKinley

New Mexico

This Is Revised Report No. 2

TYPE OF SAMPLE: Split Core

CORE RUN: From 1872 To 1888

CORE RECOVERED: Ft. 15

% RECOVERY: 75

HOLE INTERVAL SAMPLED: Ft. 15.4

(From 1872.0 To 1887.4)

WEIGHTED AVERAGE % U_3O_8: 0.238

Ft. 8.4 (From 1877.6 To 1886.0)

[illegible] No.	HOLE INTERVAL REPRESENTED From	To	Interval	CORE RECOVERED & SAMPLED (FT.)	ASSAY CHEMICAL % U_3O_8	ASSAY RADIOMETRIC % eU_3O_8	ASSAY % CaC (Lime)
17	1872.0	1873.4	1.4	1.1	0.012	0.024	
[illegible]	1873.4	1874.7	1.3	1.0	0.046	0.042	
19	1874.7	1876.3	1.6	1.2	0.070	0.055	
[illegible]	1876.3	1877.6	1.3	1.0	0.089	0.080	
[illegible]	1877.6	1878.3	0.7	0.5	0.109	0.090	
[illegible]	1878.3	1879.0	0.7	0.5	0.095	0.073	
[illegible]	1879.0	1879.7	0.7	0.5	0.127	0.182	
[illegible]	1879.7	1880.5	0.8	0.6	0.099	0.099	
[illegible]	1880.5	1881.4	0.9	0.7	0.110	0.106	
[illegible]	1881.4	1882.2	0.8	0.6	0.089	0.100	
[illegible]ued)							

REVISED FROM: Longyear Denver Office

BY: R. C. Gebhardt

DATE: June 27, 1957

COPIES TO:
[illegible]lar Grady, Madison, N. J.
Payne Kibbe, Salt Lake City
E. T. Montgomery, Mpls.
[illegible]. M. Nelson, Mpls.
[illegible]. L. Merritt, N.Y.C.
Longyear-Grants
Longyear-Denver ✓

SAMPLER: R. J. Cronk
May 15, 1957 (#1-9)
May 28, 1957 (#10-16)
Date: June 7, 1957 (#17-20)

ASSAYER: Chapman Wood & Griswold
No. 2960, May 20, 1957
No. 3011, June 4, 1957
Certificate: No. 3043, June 12, 19[illegible]

HOLE INTERVAL REPRESENTED From	To	Interval	[illegible] RECOVERED & SAMPLED (Ft.)	[illegible] OF [illegible] % U_3O_8	[illegible]
1882.2	1883.0	0.8	0.7	0.113	[illegible]
1883.0	1883.6	0.6	0.5	0.353	[illegible]
1883.6	1884.0	0.4	0.35	0.258	[illegible]
1884.0	1884.7	0.7	0.5	0.400	[illegible]
1884.7	1885.2	0.5	0.4	0.629	[illegible]
1885.2	1885.6	0.4	0.35	0.636	[illegible]
[illegible]	1886.0	0.4	[illegible]	0.584	[illegible]
1886.0	1886.8	0.8	[illegible]	0.004	[illegible]
1886.8	1887.3	0.5	0.4	0.002	[illegible]
1887.3	1887.9	0.6	0.5	0.004	[illegible]

REPORT ON ASSAY RESULTS

E. J. Longyear Company

PROJECT: San Mateo Dome

DRILL HOLE NO.: SM 2-32

LOCATION: Sec. 32 T. 14N R. 8W

COUNTY: McKinley

STATE: New Mexico

TYPE OF SAMPLE: Split core ½

CORE RUN: From 1914.5 To 1931

CORE RECOVERED: Ft. 6

% RECOVERY: 35

HOLE INTERVAL SAMPLED: Ft. 9.6

(From 1921.4 To 1931)

WEIGHTED AVERAGE % U_3O_8: All below cutoff grade

Ft. _____ (From _____ To _____)

SAMPLE NO.	HOLE INTERVAL REPRESENTED From	To	Interval	CORE RECOVERED & SAMPLED (FT.)	ASSAY CHEMICAL %U_3O_8	ASSAY RADIOMETRIC % eU_3O_8	ASSAY % CaCo3 (lime)
21	1921.4	1924	2.6	1	0.013	0.015	
22	1934	1925.4	1.4	2.5	0.087	0.071	
23	1925.4	1928.2	2.8	1	0.003	0.009	
24	1928.2	1931	2.8	1	0.003	0.007	

RELEASED FROM: Longyear Grants Office

BY: B. F. Sorensen

DATE: 7/8/57

COPIES TO:

SAMPLER: Sorensen & Cronk

Date: June 23, 1957

ASSAYER: Chapman & Wood

Certification Date: No. 3099 7/5/57

EXHIBIT F

Drilling Contractor Bid

APPENDICES

I Through VII

APPENDIX I

List of claims owned or leased by the
San Mateo Dome Project in E 1/2 Section 32
T. 14 N., R. 8 W., McKinley County, New Mexico.

List of claims [illegible] on [illegible] by the [illegible]
Project in E 1/2 Section [illegible] T. 14 N., R. [illegible]
McKinley County, New Mexico.

Name of claim	Filing Date	Book and page
Yucca 5225-5228	[illegible]	13 MC [illegible]
Yucca 5237-5246	[illegible]	13 MC [illegible]
Bulldog 1-5	6-13-55	7 MCR 127-129 ✓ 4% A. shows
John 1-10	8-1-55	10 MCR [illegible]

APPENDIX II

MINING LEASE

between

YUCCA URANIUM, INC.

and

G. R. KENNEDY AND HENRY C. ADAMS

(OCTOBER 29, 1956)

and an

AMENDMENT TO THE MINING LEASE

MINING LEASE

THIS AGREEMENT made and entered into this 24th day of October, 1956, by and between YUCCA URANIUM, INC., Party of the First Part, hereinafter referred to as Lessor, and G. R. KENNEDY, as his sole and separate property, and HENRY C. ADAMS, as his sole and separate property, Parties of the Second Part, hereinafter referred to as Lessees,

WITNESSETH:

WHEREAS, Lessor herein is the owner of unpatented lode mining claims located in McKinley County, New Mexico, as follows, to-wit:

> 8620 Acres of land located in Sections 6, 16, 17, 18, 19, 20, 21, 22, 27, 28, 29, and 32, Township 14 North, Range 8 West, N.M.P.M., and
>
> Section 1, Township 14 North, Range 9, West, N.M.P.M., and
>
> Sections 2, 3, and 4, Township 13 North, Range 8 West, N.M.P.M.,

and

WHEREAS, Lessor has expended approximately Twenty Thousand Dollars ($20,000.00) in assessment work for staking and road-building and other work on said claims, and

WHEREAS, Lessor is willing to lease to Lessees herein, their heirs, executors, administrators, and assigns, all of said claims herein, subject to the terms and conditions

hereinafter set out and for the purpose of exploring for, mining, extracting, milling, selling and disposing of uranium ore and any other ore or ores of any kind or character.

NOW, THEREFORE, in consideration of the sum of Ten Dollars ($10.00) in hand paid by Lessees to Lessor, receipt whereof is hereby acknowledged by Lessor, and in consideration of the payments to be made as herein set forth, and the covenants and agreements hereinafter set forth, to be kept and performed by all of the parties herein, the said Lessor hereby demises, leases and lets, and by these presents, does demise, lease and let unto Lessees, in the proportions of an undivided One-Half (1/2) interest to G. R. Kennedy and an Undivided One-Half (1/2) interest to Henry C. Adams, all of that certain land, mining claims, minerals and mineral rights situated in the following Townships and Ranges in McKinley County, New Mexico, as follows, to-wit:

> 2620 Acres of land located in Sections 6, 18, 17, 16, 15, 19, 20, 21, 22, 27, 28, 29 and 32, Township 14 North, Range 8 West, N.M.P.M., and
>
> Section 1, Township 13 North, Range 8 West, N.M.P.M., and
>
> Sections 2, 3 and 4, Township 13 North, Range 8 West, N.M.P.M., also including any and all

right, title and interest of said Lessor in and to any and

all veins, lodes or mineral deposits contained in property or any part thereof, and including all rights-of-way, easements, water and water rights, developed either by Lessor or Lessees, including all rights of every kind and nature which are useful, convenient and necessary for the Lessees in the operation and mining of those contained in this lease.

TO HAVE AND TO HOLD said premises unto Lessees, their executors, administrators and assigns, in the proportions set out above, for the primary term of two (2) years beginning with the date of execution of this lease, and continuing thereafter as long as mining or exploration operations are diligently prosecuted or minerals are produced in commercial quantities, provided, however, said lease is not sooner terminated or forfeited as herein provided.

In consideration of such leasing and of the liabilities, covenants, agreements and payments to be made as hereinafter set forth, to be kept and performed by the parties hereto, and all of them, to-wit:

1. Lessees shall forthwith have and are hereby granted by Lessor the exclusive right and privilege to enter into and upon said property, and to drill and excavate

therein and thereon, [illegible]
and other excavation, a[illegible]
and surveys, exploration, [illegible]
metallurgical work and [illegible]
similar, as Lessees in their [illegible]
may desire for the purpose of ascertaining, in [illegible]
that lessees in their judgment and discretion may [illegible]
know, any and all facts relative to the geology [illegible]
in, upon or under said demised property, and [illegible]
milling and marketing thereof. All such work [illegible]
conducted by Lessees as they in their judgment [illegible]
tion deem best and in a [illegible]
the event such minerals are material and [illegible]
said demised property in quantities which in [illegible]
lessees make it desirable to mine, treat, [illegible]
sell the same, then said lessees shall be and are [illegible]
given the exclusive right, license and privilege of [illegible]
mining, mining, extracting, processing, treating, [illegible]
marketing and selling the same at such time, at such [illegible]
and in such manner as lessees shall deem best.

2. In addition to all other rights and [illegible]
leges herein granted to Lessees, it is agreed that [illegible]
shall also forthwith have and are hereby granted by [illegible]
Lessor the right and privilege to do all things which

[illegible]

part of or incidental to [illegible]

[illegible] property for [illegible]

rights and privileges shall [illegible]

limited to the construction [illegible]

easements and rights-of-way, wire lines, telephone [illegible]

and other utilities, transportation facilities [illegible]

drilling and using water wells, [illegible]

plants, mining facilities, [illegible]

kind and nature and such other rights and privileges [illegible]

are incident to mining said minerals [illegible] and

processing and disposing of the same.

[illegible] Lessees shall [illegible]

fail or possible under the [illegible]

shall apply as annual [illegible] work [illegible]

on or near or then as to which such work [illegible]

applicable, and Lessees shall [illegible]

as not when required in [illegible] and [illegible]

the [illegible]. Lessees, however, shall perform the [illegible]

assessment work required [illegible]

the work of the Lessees [illegible]

States and the local mining [illegible]

shall further make such [illegible]

[illegible] or otherwise, as may be required by law, [illegible]

hereafter enacted, whereby it may be relieved from performing annual assessment work, if the same shall be necessary or desirable.

4. Lessees shall and hereby agree to indemnify, protect and save harmless said Lessor from and against the following specific claims, demands and damages, and none other, arising out of Lessees' negligence or actionable faults in connection with Lessees' work and operations hereunder, to-wit:

(a) For damage to property of and injury or death to third persons;

(b) Injury to or destruction of livestock and damage to permanent buildings and structures of Lessor situated on the demised property, but to no other property or property interests of Lessor whatsoever, and:

(c) Liens or lien claims on account of labor performed upon or material furnished to the demised property at instance of Lessees.

Lessees agree to carry such insurance covering all persons working in or on said demised property for Lessees as will fully comply with the provisions of the statutes of the State of New Mexico covering workmen's compensation and occupational disease, as are now in force or as they may hereafter be changed or amended.

5. Lessor covenants and warrants that [illegible] has made no prior conveyance of said property and [illegible].

6. Lessees, as further consideration for this mining lease, hereby agree to pay to Lessors the sum of Fifteen Thousand Dollars ($15,000.00) payable in the following manner, to-wit:

(a) Five Thousand Dollars ($5,000.00) upon the execution and acceptance of this agreement by the parties herein.

(b) Ten Thousand Dollars ($10,000.00) to be placed in escrow at FIRST NATIONAL BANK IN ALBUQUERQUE, Albuquerque, New Mexico, and to be delivered to Lessor when drilling has commenced in any of the above mining claims or on January 2, 1957, whichever event occurs earlier.

7. Lessees also agree to pay Lessor as royalty ten percent (10%) of all minerals produced, saved and sold from said claims, said payments to be made on or before the 15th day of the next succeeding calendar month after shipment and removal of ore. If six or more parties become entitled to royalty hereunder, lessees may withhold payment thereof unless and until furnished with a [illegible] instrument executed by all such parties designating an agent to receive payment for all. In the event of [illegible] failure of title, it is agreed that if lessee [illegible]

[illegible] interest in [illegible] rentals and royalties shall [illegible]

8. All abstract [illegible] lands herein leased is to be done at the [illegible] However, Lessor agrees to furnish personnel to assist in checking location of claims, location notices and all stakes and corners of all claims included within this lease.

9. Commencing July 1, 1967, and each succeeding year thereafter during the term of this lease, Lessee shall pay or tender to Lessor or to the credit of Lessor in the First National Bank in Albuquerque, Albuquerque, New Mexico, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of $1.00 per acre for each acre of land retained and held under this lease. The payment or tender of rentals may be made by check or draft of Lessee mailed or delivered to said bank, or Lessor, on or before date of payment. If such bank or any successor bank should fail, liquidate or [illegible] or for any reason fail or [illegible] shall not be held in default [illegible] ment or tender of rental until thirty (30) days after

Lessor shall deliver to Lessees a proper recordable instrument naming another bank as agent to receive such payments or tenders. Any royalty payments received by Lessor under the terms of this lease during any twelve (12) month period commencing July 1st shall be credited to the gross amount of the rental due Lessor on July 1st of the succeeding year. However, Lessees agree that if Lessor's royalty revenue from the production of ore does not equal the annual rental of $1.50 per acre, Lessees will pay to Lessor, or to Lessor's credit as provided for above, a sum of money which when added to Lessor's royalty revenue will equal $1.50 per acre for each acre of land retained and held under this lease as of July 1st of the then current year.

10. Lessees also agree to do all necessary assessment work prior to April 1, 1957, and hereby specifically agree to notify Lessor by registered mail, how much and what assessment work has been done by April 1, 1957. Likewise, on or before May 1, 1957, by registered letter, Lessees agree to notify Lessor of the amount expended in the performance of the assessment work and what assessment work remains to be completed, and to advise if they are able or unable to complete said assessment work. If Lessees are unable to complete said assessment work, Lessees agree that the Lessor shall have the right to

obtain other parties to aid the Lessees in completing the assessment work, all at Lessees' expense, provided, however, Lessees may, at any time prior to April 1st of any year, execute and deliver to Lessor a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases. In this connection, however, it is further provided and agreed that no release or releases shall cover a tract of land containing less than 160 acres of land.

11. Any and all core drilling to be done shall be at a depth sufficient to test the Westwater formation or at a lesser depth only if ore is found in commercial quantities at a lesser depth.

12. Lessees agree to drill a minimum footage of 25,000 feet annually during the term of this lease or until all necessary drilling has been completed, as provided for in paragraph one (1) of this lease.

13. Lessees further agree that in the event ore in commercial quantities is discovered, operations for the mining of such ore will commence within ninety (90) days

[illegible] the blocking out [illegible]

[illegible] agree to the [illegible]

blocking out of said [illegible] the [illegible]

mine it in a diligent workmanlike manner as is the custom.

14. Lessees agree to set up proper records and accounts and to allow Lessor, its officers, agents, employees and attorneys, the right to examine said records and accounts, and to, at all times, have the right to inspect and examine all of said properties included within this lease, all of said examinations and inspections to be made at reasonable hours and times, and at the sole risk of Lessor, its officers, agents, employees and other representatives. At the same time Lessees agree to furnish to Lessor, if requested, all drilling information, logs, assays, core information and any and all other pertinent information concerning the claims herein, on or before the 15th day of each succeeding month.

15. The breach by Lessees of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part save as herein expressly provided. In the event Lessor considers that any covenant or agreement contained herein has been breached, Lessor

shall notify Lessees, in writing, by registered mail, of the facts relied upon as constituting a breach hereof, and Lessees, if in default, shall have thirty (30) days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. If steps to cure such default have not been initiated within said period of thirty (30) days, this lease shall be terminated and all Lessees' right hereunder will be forfeited, excepting only the right to remove their property from said premises.

16. Lessees may at any time during the term of this lease, install upon or remove from said demised property, any tools, machinery, equipment, supplies or facilities owned by them; if by forfeiture or otherwise the rights of Lessees hereunder are terminated and Lessees quit possession of said demised property, then Lessees, their agents, employees and attorneys, may remove such property so installed or stocked upon said demised property; such removal to be at the cost of Lessees and to be accomplished within 120 days following the surrender of said demised property.

17. Lessor further represents that it has done approximately Twenty Thousand Dollars ($20,000.00) worth of assessment work on the property herein leased and it is

agreed and understood that Lessees shall have the right to include the said Twenty Thousand Dollars ($20,000.00) for assessment work during the year 1956 and 1957, and to include said Twenty Thousand Dollars ($20,000.00) in assessment work to be done by Lessees under the terms of this lease.

18. The parties hereto agree that all claims, when patented, will be done so in the name of the Lessor.

19. The parties also agree herein that in the event that the parties hereto engage in obtaining a mill for the processing of ore owned by the parties herein or any other ore owned by others, that Lessor reserves the right to participate in said mill to the extent of no more than Twenty-five Percent (25%) of Lessees' equity and that Lessor reserves the right to ship ore for milling purposes from other property other than that leased herein and belonging to Lessor.

20. Lessor hereby represents also that it is the owner of other lands totaling 6400 acres in the following sections in McKinley County, New Mexico, to-wit:

> Sections 7, 8, 9 and the South Half of Section 23, the South 480 acres of Section 33 and all of Sections 35, 26, 34; Township 14 North, Range 8 West, N.M.P.M.
>
> North 480 Acres of Section 24, Sections 12, 13, Township 14 North, Range 9 West, N.M.P.M.

all of which lands are presently held under lease, valid or otherwise, by other parties. It is understood that all of these lands will be released or quitclaimed to I herein. In that event and upon that occurence, these lands shall be included in and become a part of this lease, subject, however, to the following and added covenants and agreements and payments.

Lessees agree to pay Ten Thousand Dollars ($10,000.00) for these additional lands to be paid in the following manner, to-wit:

(a) $5,000.00 upon the assignment of lease of said land to Lessees herein, and

(b) $5,000.00 to be placed in escrow with First National Bank in Albuquerque, to be paid when drilling is commenced on any one of the sections hereinabove set out, or within a period of ninety (90) days, whichever is sooner.

Lessor and Lessees agree that if only part of the above described 6400 acres are released and quitclaimed to Lessor, and thereby shall be included in and become a part of this lease, then and in that event, the Ten Thousand Dollar ($10,000.00) payment provided for above shall be reduced proportionately.

21. It is expressly agreed that Lessees may at any time hereafter terminate this agreement and be freed from any and every liability and obligation hereunder or

in any manner arising out of any term, covenant or condition herein, excepting only the following obligations for which the express provisions hereof have then accrued and become fixed and unconditional for the following to-wit:

(a) Lessees' obligation to pay percentage royalty on ores mined and sold.

(b) Lessees' obligation to keep the demised property free from liens or encumbrances occasioned by the acts of default of Lessees.

(c) Lessees' obligation to pay taxes due by them in the operation of these lands.

(d) Lessees' obligation to do all discovery work and assessment work except as provided in Paragraph 22 herein.

Said termination by Lessees may be effected by written notice mailed to Lessor at 1115 4th Street, N. W., Albuquerque, New Mexico, setting forth such intention.

22. Regardless of the other provisions of any of the other paragraphs herein, Lessees will not be relieved of their obligation to do annual assessment work unless written notice of termination is mailed on or before the first day of April of the year in which the assessment work is to be done.

23. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge

[illegible] or diminish the rights of Lessees. Any change or division in said ownership shall be binding on Lessees until thirty (30) days after Lessees shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of the correct instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder.

24. Lessor hereby agrees that Lessees at their option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessees do so shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same.

[illegible]. All of the terms, conditions and covenants of this lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors

and assigns of the parties hereto.

IN WITNESS WHEREOF the parties have set [illegible] hands and seals this day and year hereinabove set [illegible]

YUCCA URANIUM, [illegible]

ATTEST:

By [illegible]
[illegible]

William Horabin /s/
William Horabin, Sec'ty.-Treas.
Lessor

Lindsey J. Green /s/
Lindsey J. Green, Vice [illegible]
Lessor.

Frank Farkas /s/
Frank Farkas, Director, [illegible]

A. Ray Barker /s/
A. Ray Barker, Director, [illegible]

G. R. Kennedy /s/
G. R. Kennedy [illegible]

Henry C. Adams /s/
Henry C. Adams [illegible]

DMEA
RECEIVED ADD
DATE

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 29th day of [illegible] personally appeared MELVIN [illegible] known who being by me duly sworn, [illegible] President of YUCCA UPANDY [illegible] to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said MELVIN E. RICHARDS acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal on this, the day and year in this certificate above written.

Evelyn Harris
Notary Public

My Commission Expires Nov. [illegible]

STATE OF NEW MEXICO:
COUNTY OF BERNALILLO:

On this 29th day of October, [illegible] personally appeared WILLIAM NOVABIL, to me known to be the person described in and who executed the [illegible] ment, and acknowledged that he executed the [illegible] free act and deed.

In witness whereof, I have hereunto [illegible] and affixed my official seal the day and year in [illegible] tificate above written.

Evelyn Harris
Notary Public

Post Office

My Commission Expires [illegible]

RECEIVED
DATE

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 29th day of October, 1956, before me personally appeared LINDSEY J. GREEN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Evelyn Harris /s/
Notary Public

Post Office

My Commission Expires Nov. 5, 1958

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 29th day of October, 1956, before me personally appeared FRANK FARKAS, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Evelyn Harris /s/
Notary Public

Post Office

My Commission Expires Nov. 5, 1958

D M E A
RECEIVED APR 28
DATE INIT.

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 29th day of October, 1956, before me personally appeared A. RAY BARAB, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Evelyn Harris
Notary Public

Post Office

My Commission Expires Nov. 5, 1958

THE STATE OF TEXAS:
COUNTY OF HARRIS:

Before me, the undersigned authority, on this day personally appeared G. B. KENNEDY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the 29th day of October, A. D. 1956.

Martha J. Reilly
Notary Public in and for
Harris County, Texas

THE STATE OF TEXAS:
COUNTY OF HARRIS:

Before me, the undersigned authority, [illegible] personally appeared HENRY C. ADAMS, known to me [illegible] person whose name is subscribed to the foregoing [illegible] ment, and acknowledged to me that he executed [illegible] the purposes and consideration therein [illegible] the capacity therein stated.

Given under my hand and seal of office, this the 29th day of October, A. D. 1966.

Martha J. Rettig
Notary Public in and for
Harris County, Texas

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28 1967
ATTN

[illegible] Original of this [illegible] has been executed by all parties [illegible] permitted. This Amendment should include, or another Amendment should be executed, which should include claims in Sec. 30, T14N, R8W. Yucca agrees to this. /s/ J. C. Da[illegible]

OFFICE COPY
DMEA
RECEIVED APR 28 [illegible]
DATE | INIT.

AMENDMENT TO MINING LEASE

THIS AGREEMENT made and entered into this 10th day of December, 1956, by and between YUCCA URANIUM, INC., hereinafter referred to as Lessor, and G. R. KENNEDY and HENRY C. ADAMS, hereinafter referred to as Lessees,

WITNESSETH:

WHEREAS, Lessor is the owner of certain unpatented lode mining claims located in McKinley County, New Mexico, which Lessor has heretofore leased to Lessees by virtue of Mining Leases dated October 29, 1956 and November 24, 1956, which claims are situated in the following described sections, to wit:

> Sections 6, 18, 17, 16, 15, 19, 20, 21, 22, 27, 28, 29, and 32, Township 14 North, Range 8 West, N.M.P.M.,
>
> Section 1, Township 14 North, Range 9, West, N.M.P.M.,
>
> Sections 2, 3 and 4, Township 13 North, Range 8 West, N.M.P.M.
>
> Sections 7, 8, 9 and the South Half of Section 23, the South 480 acres of Section 33 and all of Sections 25, 26, 34; Township 14 North, Range 8 West, N.M.P.M.
>
> North 480 acres of Section 24, Sections 12, 13, Township 14 North, Range 9 West, N.M.P.M.

and

WHEREAS, Lessor and Lessees desire to amend said Mining Leases;

NOW, THEREFORE, in consideration of the sum of Ten Dollars ($10.00) in hand paid by Lessees to Lessor, receipt whereof is hereby acknowledged by Lessor, it is agreed as follows:

1. Paragraph 7 of the Mining Lease of October 29, 1946 is amended to read as follows:

"7. Lessees also agree to pay Lessor as royalty, ten percent (10%) of the mine value per dry ton of all ore produced from said claims. Said royalty shall be paid on or before the 15th day of the next succeeding calendar month following the sale of the ore or minerals by the Lessees. 'Mine Value per dry ton', as used herein, means the dollar value per dry ton of crude ores at the mine as determined by the application to the valuable metal content of such ore of the price schedules for such ores established and currently in effect by the Atomic Energy Commission or other government authorized agency before allowances for transportation and development and excluding any bonuses. However, if at any time hereafter no government agency shall have in effect a price

NOW, THEREFORE, in consideration of the sum of Ten Dollars ($10.00) in hand paid by Lessees to Lessor, receipt whereof is hereby acknowledged by Lessor, it is agreed as follows:

1. Paragraph 7 of the Mining Lease of October 29, 1946 is amended to read as follows:

"7. Lessees also agree to pay Lessor as royalty, ten percent (10%) of the mine value per dry ton of all ore produced from said claims. Said royalty shall be paid on or before the 15th day of the next succeeding calendar month following the sale of the ore or minerals by the Lessees. "Mine Value per dry ton", as used herein, means the dollar value per dry ton of crude ores at the mine as determined by the application to the valuable metal content of such ore of the price schedules for such ores established and currently in effect by the Atomic Energy Commission or other government authorized agency before allowances for transportation and development and excluding any bonuses. However, if at any time hereafter no government agency shall have in effect a price

schedule for the purchase of such ores on a fixed or scheduled dollar value per dry ton of crude ores at the time, or in the event (and to the extent) that said ores contain valuable minerals, some or all of which are disposed of to or subjected to treatment by a custom treatment plant, mill, or smelter for the treatment and beneficiation of uranium-bearing ores, then mine value per dry ton of said crude ores shall be the gross value per dry ton of said crude ores as paid for by the Atomic Energy Commission or other Government authorized agency, or mill or other buyer, less any allowances, costs and reimbursements for the following specific items:

(1) Transportation of ores;

(2) Allowances paid to lessee by the Atomic Energy Commission or other Government authorized agency for exploration for or development of ores;

(3) Treatment or beneficiation of ores;

which specific items shall, in such event, be deducted from the gross sale price received from the metal content of said ores by the seller before said percentage royalty is

calculated and paid.

2. Paragraph 19 of the Mining Lease of October 29, 1956 is hereby revoked and eliminated.

3. It is hereby agreed that Schedule A attached hereto contains a full listing of the unpatented lode mining claims covered by the above-described Mining Leases.

4. The amendments herein made shall be applicable to both the Mining Lease of October 29, 1956 and the Mining Lease of November 24, 1956.

5. All of the terms, conditions and covenants of this Amendment and of the aforementioned Mining Leases shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year hereinabove set out.

YUCCA URANIUM, INC.

By Melvin E. Richards, President

ATTEST:

William Horabin /s/
William Horabin, Sec'ty-Treas. Lessor

Melvin E. Richards, President
Lessor

Lindsay J. Green /s/
Lindsay J. Green, Vice Pres
Lessor

Frank Barker
Frank Barker, Director, Lessor

A. Ray Barker /s/
A. Ray Barker, Director, Lessor

G. R. Kennedy /s/
G. R. Kennedy Lessor

Henry C. Adams /s/
Henry C. Adams Lessee

OFFICIAL FILE COPY
DMEA
RECEIVED APR 09

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 12th day of December, 1956, before me personally appeared MELVIN E. RICHARDS, to me personally known who being by me duly sworn, did say that he is the President of YUCCA URANIUM, INC. and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said MELVIN E. RICHARDS acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal on this, the day and year in this certificate above-written.

Frederic George Comstock /s/
Notary Public

My Commission Expires:
September 30, 1959

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 12th day of December, 1956, before me personally appeared WILLIAM HORABIN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Frederic George Comstock /s/
Notary Public

My Commission Expires:
September 30, 1959

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 12th day of December, 1956, before me personally appeared LINDSEY [illegible] GREEN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Frederic George Comstock
Notary Public

My Commission Expires:
September [illegible] 1959

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 12th day of December, 1956, before me personally appeared FRANK PARKAS, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Frederic George Comstock /s/
Notary Public

My Commission expires:
September 30, 1959

OFFICIAL FILE COPY
DMPA
[illegible]

-67-

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28 1958

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 12th day of December, 1956, before me personally appeared A. RAY BARKER, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Frederic George Comstock /s/
Notary Public

My Commission expires:
September 30, 1959

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

Before me, the undersigned authority, on this day personally appeared G. R. KENNEDY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the 10th day of December, A. D. 1956.

Ann S. Costello /s/
Notary Public

My Commission Expires
May 28, 1958

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

Before me, [illegible] personally appeared [illegible], [illegible] known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he [illegible] the purposes and consideration therein [illegible] in the capacity therein stated.

Given under my hand and seal of office this [illegible] 11th day of December, A. D. [illegible].

[illegible]
Notary Public

My Commission Expires
May 23, 1958

ORIGINAL FILE COPY
DMEA

EXHIBIT NO. 28

[illegible]

It is agreed that the following constituent unpatented lode mining claims leased to the Lessee under the Mining Leases dated October 29, 1966 and November [illegible], 1966, notices (and amended notices) of location of said claims are duly filed for record in the office of the County Recorder of McKinley County, New Mexico, to which records reference is hereby made for more accurate, complete and detailed descriptions of said respective claims, and the descriptions of which as set forth in said records are hereby adopted and made a part hereof, as though fully incorporated herein at length:

Name of Claim	Notice Recorded in Book	Page	Amended Notice Recorded in Book	Page

THIS SCHEDULE BEING PREPARED AND CHECKED

[illegible] COPY
DMEA
[illegible]

FILE COPY
RECEIVED SEP 28

APPENDIX III

MINING LEASE

between

YUCCA URANIUM, INC.

and

G. R. KENNEDY AND HENRY C. ADAMS

(NOVEMBER 24, 1956)

and an

ADDENDUM TO THE MINING LEASE

MINING LEASE

THIS AGREEMENT made and entered into this 8th day of November, 1956, by and between YUCCA URANIUM, INC., Party of the First Part, hereinafter referred to as Lessor, and G. R. KENNEDY, as his sole and separate property, and HENRY C. ADAMS, as his sole and separate property, Parties of the Second Part, hereinafter referred to as Lessees,

WITNESSETH:

WHEREAS, Lessor herein, by virtue of Mining Lease dated October 29th, 1956, has heretofore leased to Lessees herein unpatented lode mining claims located in McKinley County, New Mexico, covering 0620 acres of land more particularly described in said Mining Lease, and

WHEREAS, Lessor herein is the owner of unpatented lode mining claims located in McKinley County, New Mexico, covering 6400 acres of land, more or less, in the following described sections, to-wit:

> Sections 7, 8, 9 and the South Half of Section 23, the South 480 acres of Section 33 and all of Sections 35, 26, 34; Township 14 North, Range 8 West, N. M. P. M.
>
> North 480 acres of Section 24, Sections 12, 13, Township 14 North, Range 9 West, N. M. P. M.

said unpatented lode mining claims having been previously leased to Mercury Uranium and Oil Corporation, a New Mexico

corporation, by virtue of leases dated March 26, 1956, which leases have been cancelled and are not now in force and effect, and

WHEREAS, Paragraph twenty (20) of the Mining Lease dated October 29th, 1956, between YUCCA URANIUM, INC., and G. R. KENNEDY and HENRY C. ADAMS provides for and states that upon return to YUCCA URANIUM, INC. of the leases covering the above described 5400 acres of land, more or less, said lands shall be included in and become a part of the lands covered by the aforementioned Mining Lease dated October 29th, 1956, between Lessor herein and Lessees herein, subject to the payment of certain additional cash consideration, which consideration is fully set out in said Paragraph twenty (20).

NOW, THEREFORE, Lessor, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby Demise, Lease and Let unto Lessees, in the proportion of an undivided one-half (1/2) to G. R. KENNEDY and an undivided one-half (1/2) to HENRY C. ADAMS, all of the abovementioned land, mining claims, minerals and mineral rights situated in the following section in McKinley County, New Mexico, to-wit:

> Sections 7, 8, 9 and the South Half of Section 23, the South 480 acres of Section 33 and all of Sections 35, 26, 34; Township 14 North, Range 8 West, N.M.P.M.

North 480 Acres of Section 24, Sections [illegible],
Township 14 North, Range 9 West, N.M.P.M.

This lease is subject to all the terms, covenants, conditions and agreements of that certain [illegible] Mining Lease dated October 29th, 1956, by and between [illegible] herein and Lessees herein, it being the intention of the parties hereto, and they do hereby agree to combine and consolidate the 8620 acres described herein under the terms of one lease as provided for in Paragraph 20 of the aforementioned Mining Lease dated October 29th, 1956, by and between the parties hereto. It is further agreed by and between the parties hereto that this Mining Lease and the aforementioned Mining Lease of October 29th, 1956, may be amended by the addition of the more particular description of the mining claims covered by said Mining Leases.

All of the terms, conditions and covenants of this lease shall be binding upon and inure to the benefit of the heirs, executors, administators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this day and year hereinabove set out.

YUCCA URANIUM, INC.

ATTEST:

By Melvin E. Richards /s/
Melvin E. Richards, President
Lessor

William Horabin /s/
William Horabin, Sec'ty-Treas.
Lessor

Lindsey J. Green /s/
Lindsey J. Green, Vice Pres.
Lessor

Frank Farkas /s/
Frank Farkas, Director, Lessor

Ray Barker /s/
A. Ray Barker, Director
Lessor

G. R. Kennedy /s/
G. R. Kennedy Lessee

Henry C. Adams /s/
Henry C. Adams Lessee

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 27th day of November, 1956, before me personally appeared MELVIN E. RICHARDS, to me personally known who being by me duly sworn, did say that he is the President of YUCCA URANIUM, INC. and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said MELVIN E. RICHARDS acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal on this, the day and year in this certificate above written.

Fredric George Comstock /s/
Notary Public

My Commission Expires:

September 30, 1959

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 27th day of November, 1956, before me personally appeared WILLIAM HORABIN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Fredric George Comstock /s/
Notary Public

My Commission Expires:

September 30, 1959

DMEA

28

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 27th day of November, 1956, before me personally appeared LINDSEY J. GREEN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Fredric George Comstock /s/
Notary Public

My Commission Expires:

September 30, 1959

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 27th day of November, 1956, before me personally appeared FRANK FARRAS, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Fredric George Comstock /s/
Notary Public

My Commission Expires:

September 30, 1959

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 28 1958

STATE OF NEW MEXICO:

COUNTY OF BERNALILLO:

On this 27th day of November, 1956, before me personally appeared A. RAY BARKER, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Fredric George Comstock /s/
Notary Public

My Commission Expires:

September 30, 1959

STATE OF TEXAS:

COUNTY OF HARRIS:

Before me, the undersigned authority, on this day personally appeared G. R. KENNEDY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the 24th day of November. A. D. 1956.

J. C. Dawson, Jr. /s/
Notary Public

STATE OF TEXAS:

COUNTY OF HARRIS:

Before me, the undersigned authority, on this day personally appeared [illegible], known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this [illegible] day of November, A.D. [illegible].

[illegible]
Notary Public

Addendum has been executed by all parties, but it has not been recorded. [illegible] Jr.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28 1958
DATE | INIT

ADDENDUM

The within agreement shall be an addendum to and become a part of that certain Mining Lease, dated November 24th, 1956, by and between YUCCA URANIUM, INC., Party of the First Part, hereinafter referred to as Lessor, and G. B. KENNEDY, as his sole and separate property, and HENRY C. ADAMS, as his sole and separate property, Parties of the Second Part, hereinafter referred to as Lessees.

WITNESSETH:

WHEREAS, in the second recital of said mining lease the following is set forth:

"WHEREAS, Lessor herein is the owner of unpatented lode mining claims located in McKinley County, New Mexico, covering 6400 acres of land, more or less, in the following described sections, to-wit:

Sections 7, 8, 9 and the South Half of Section 23, the South 480 acres of Section 33 and all of Sections 35, 26, 34; Township 14 North, Range 8 West, N.M.P.M.

North 480 acres of Section 24, Sections 12, 13, Township 14 North, Range 9 West, N.M.P.M.

said unpatented lode mining claims having been previously leased to Mercury Uranium and Oil Corporation, a New Mexico corporation, by virtue of leases dated March 26, 1956, which leases have been cancelled and are not now in force and effect."

NOW, THEREFORE, Lessor does hereby warrant that it has endeavored to take all steps necessary to cancel and annul its lease agreements with Mercury Uranium and Oil Corporation, and that in the judgment of its officers and attorneys said leases are now annulled, terminated, and cancelled; that in the event that Mercury Uranium and Oil Corporation should take a contrary view, that is to say, contend that its leases are in full force and effect, then lessor and lessees shall, by joint and cooperative effort, exercise their best efforts to have a determination made as to the validity of said leases at the earliest possible date in a Court of New Mexico having jurisdiction of the matter; it is further understood that should lessor be found in error in its contention that said Mercury leases are no longer binding, then in such event lessee will not be entitled to claim or hold lessor for damages by reason of such error or by reason of the execution of the Mining Lease dated November 24th, 1956. Lessor, upon the occurrence of the latter contingency, does covenant that it will give and grant to lessor a prior and non-cancellable option to a lease to said 6,400 acres, as described in the aforesaid Mining Lease, at the earliest date that lessor can execute to lessee a valid mining lease covering said mining claims.

/s/
William Horabin, Sec

T. R. Kennedy Lessee

Henry C. Adams

Fra Parke , Di

MEA
28

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

On this day of November, 1956, before me personally appeared MELVIN E. RICHARDS, to me personally known, who being by me duly sworn, did say that he is the President of [illegible] URANIUM, INC. and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said MELVIN E. RICHARDS acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year in this certificate above written.

Notary Public

My Commission Expires _____

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

On this day of November, 1956, before me personally appeared WILLIAM HORABIN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Notary Public

My Commission Expires _____

OFFICE FILE COPY
RECEIVED APR 28 1958
DATE | INITIALS | CODE

STATE OF TEXAS)
) SS
COUNTY OF HARRIS)

Before me, the undersigned authority, on this day personally appeared G. R. KENNEDY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this, the ___ day of November, A. D., 1956.

Notary Public in and for Harris County, Texas

STATE OF TEXAS)
) SS
COUNTY OF HARRIS)

Before me, the undersigned authority, on this day personally appeared HENRY C. ADAMS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the ___ day of November, A.D., 1956.

Notary Public in and for Harris County, Texas

OFFICIAL COPY
DMS
RECEIVED 28
DATE

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

On this ___ day of November, 1956, before me personally appeared LINDSEY J. GREEN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

_____
Notary Public

My Commission Expires_____

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

On this ___ day of November, 1956, before me personally appeared FRANK FARKAS, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

_____
Notary Public

My Commission Expires_____

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

On this ___ day of November, 1956, before me personally appeared A. RAY BAKER, to me known to be the person described in an who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

_____
Notary Public

My Commission Expires_____

APPENDIX IV

Quitclaim deed from H. B. & S. Uranium Company to Fred Pool (September, 1955). Quitclaim deed from Fred Pool to G. R. Kennedy and Henry C. Adams, (April, 1957).

Book 9 Page 146

[illegible]

The North [illegible]
Section 34 in
TOWNSHIP 14 North, Range 8 [illegible]
County, N.M., protected [illegible]
Cranston, and being under the name of
F. B. & [illegible] Co., [illegible]
named [illegible]
47, 48 and [illegible]
which [illegible]
filed for record [illegible]
in Book [illegible]
136, 137, [illegible]
of the [illegible]
Clerk of [illegible] County, and, [illegible]
Claims, Amended Location [illegible]
ing filed by the [illegible]
order to [illegible]
[illegible]

[illegible]

DWCA
MAR 28 1952

APPENDIX V

Mining Lease between Parador Mining Company and Donald J. Dufford (June, 1957). Amendment to Lease between Parador Mining Company and Donald J. Dufford (June, 1957), and Assignment from Donald J. Dufford to Lisbon Uranium Corporation and Mineral Projects, Inc.

THIS LEASE, made and entered into this [illegible] day of June, 1957, by and between [illegible] COMPANY, INC., lessor, and [illegible] J. [illegible], lessee,

WITNESSETH:

WHEREAS, the lessor is the owner of the following described unpatented mining claims situate in McKinley County, New Mexico, the legal subdivisions of which are recorded in the book and on the pages set forth opposite the names of each claim in the records of the clerk and recorder of said county, to-wit:

Lode Claim	Book No.	Page
[illegible]	10	173
[illegible]	10	174
[illegible]	10	[illegible]
[illegible]	10	176
[illegible]	10	177
[illegible]	10	178
[illegible]	10	179
[illegible]	10	180
[illegible]	10	181
[illegible]	10	182

together with all improvements and appurtenances thereon; and

WHEREAS, lessee desires to lease the aforementioned claims to the lessee subject to the following terms and conditions:

[illegible] The [illegible]

[illegible] a gross [illegible]

[illegible] by prefixes [illegible]

[illegible] Commission.

2. [illegible]

[illegible] advance royalty [illegible]

[illegible] of [illegible]

[illegible] (60,000). [illegible]

[illegible] Lessee the [illegible]

(60,000) [illegible] by each [illegible]

[illegible] royalties. [illegible]

[illegible] royalties to Lessor [illegible]

until Lessee shall have [illegible]

[illegible] gross value [illegible]

[illegible] equal to the [illegible]

3. Lessee agrees [illegible]

[illegible] day of such [illegible]

per cent [illegible] of the gross value [illegible]

[illegible] from the lease [illegible]

[illegible] "Gross value" for the purpose of [illegible]

[illegible] payable shall [illegible]

value of ore mined, [illegible]

[illegible] including all [illegible]

[illegible] the United States of America [illegible]

but shall not include [illegible]

[illegible] So long as the [illegible]

[illegible] Commission's [illegible]

[illegible] gross value shall be the amount [illegible]

[illegible] to any such circular in effect at the time [illegible]

[illegible] and mined from the [illegible]

[illegible]

[illegible]

[illegible]

IN WITNESS WHEREOF, [illegible] hereunto set [illegible] hand this day and year first above written.

[illegible]

AMENDMENT [illegible]

THIS AMENDMENT [illegible] certain lease of [illegible] 1957, by and between [illegible] and DONALD J. DUFFORD, Lessee.

OFFICIAL FILE COPY
DMEA
RECEIVED [illegible] 28 [illegible]

W I T N E S S E T H

WHEREAS, the above [illegible] mining lease on June [illegible] those rentals unpatented [illegible] 1 to 15, inclusive;

WHEREAS, the parties [illegible] now desire to amend the [illegible] said lease as follows:

1. The first two [illegible] of paragraph 3 of said lease are hereby [illegible] as follows:

> Lessee agrees [illegible] 20th day of each month [illegible] royalty [illegible] equal to ten [illegible] of one mined and [illegible] lack during the [illegible] for the purpose [illegible] shall be deemed [illegible] mined and [illegible] including [illegible] are by the [illegible] thereof but [illegible] transportation [illegible]

2. The second [illegible] of the [illegible] lease is hereby amended [illegible] as follows:

> Lessee further [illegible] described herein [illegible] year for each [illegible] the 15th day [illegible] express to [illegible] of proof of such [illegible] law, except as to [illegible] and/or re-[illegible] visions hereof.

28

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 28

ASSIGNMENT

In consideration [illegible] $10.00 and other good [illegible] paid, the adequacy [illegible] receipt of which [illegible] hereby bargain, sell, [illegible] MUNFORD, his wife, hereinafter [illegible] hereby bargain, sell, and [illegible] CRAWFORD CORPORATION [illegible] capital stock of Bell [illegible] MINERAL PROJECTS, INC. [illegible] principal office at Houston [illegible] called "Assignors", all of [illegible] interest in and to that [illegible] 7, 1951, by and between [illegible] Lessor, and Donald J. [illegible] rights and powers to [illegible] oil, gas and other [illegible] as Lease [illegible] mineral, the location and [illegible] Book [illegible] at Pages [illegible] of the Records of [illegible] as said during Lease is [illegible] to Lease dated June 7, 1951 [illegible] Company, Inc., as Lessee, [illegible]

Assignors do [illegible] transfer and deliver to [illegible] title and interest in and to the [illegible] described in said lease as [illegible] other.

IN WITNESS WHEREOF, Mortgagors have set their hands this 23rd day of August, 1957.

STATE OF COLORADO }
COUNTY OF MESA } SS.

The foregoing instrument was acknowledged before me this 23rd day of August, 1957, by Donald J. Bufford and Jenny C. Bufford.

My Commission expires:
October 24, 1959

Notary Public

STATE OF COLORADO
COUNTY OF MESA

DUPLICATE
28

STATE OF CALIFORNIA } Book [illegible]
} ss.
City and County of San Francisco }

On this [illegible] day of June, 1957, before me, [illegible] a Notary Public in and for said City and County and State, personally appeared ELIZABETH ADCOR and [illegible] known by me to be President and Secretary, respectively, of PARADOR MINING COMPANY, [illegible] California corporation, who acknowledged to me that they executed the foregoing instrument for and on behalf of said corporation and that pursuant to authorization of the Board of Directors of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[illegible]
Notary Public in and for the City and County of San Francisco, State of California

STATE OF CALIFORNIA } ss.
City and County of San Francisco }

On this [illegible] day of June, 1957, before me, [illegible] a Notary Public in and for said City and County and State, personally appeared [illegible] J. DUFFORD, who acknowledged to me that he executed the foregoing instrument.

IN WITNESS THEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[illegible]
Notary Public in and for the City and County of San Francisco, State of California

ORIGINAL FILE COPY
DMEA
RECEIVED APR 28 1956

APPENDIX VI

Agreement between G. R. Kennedy, Henry C. Adams, and E. J. Longyear Company.

DMEA
RECEIVED NOV 28
DATE

IV. Kennedy-Adams Lease
Agreement

AGREEMENT

THIS AGREEMENT, made and entered into as of the 1st day of A[illegible] 1937 by and between G. R. KENNEDY and HENRY C. ADAMS, Parties of the First Part (hereinafter called "Kennedy and Adams"), of Houston, Texas and E. J. LONGYEAR COMPANY, a corporation organized under the laws of the State of Delaware, with its principal office at 1700 Foshay Tower, Minneapolis, Minnesota, Party of the Second Part (hereinafter called "Longyear"),

WITNESSETH:

WHEREAS, Kennedy and Adams represent that under date of October 29, 1956, a Mining Lease was entered into between Yucca Uranium, Inc., Lessor, and Kennedy and Adams, as Lessees, wherein the said Lessor demised, leased and let to Kennedy and Adams, in the proportions of an undivided one-half interest to each, all of that certain land, mining claims, minerals and mineral rights situated in the following sections, townships and ranges in McKinley County, New Mexico, as follows, to wit:

> 8620 acres of land located in Sections 6, 18, 17, 16, 15, 19, 20, 21, 22, 27, 28, 30 and 32, Township 14 North, Range 8 West, N. M. P. M. and
>
> Section 1, Township 14 North, Range 9 West, N. M. P. M., and
>
> Sections 2, 3, and 4, Township 13 North Range 8 West, N. M. P. M.

said Lease having been recorded [illegible] of McKinley County, State of New [illegible] copy of said Lease so recorded is herein referred to and made a part of this Agreement [illegible] "A" hereto; and

WHEREAS, Kennedy and Adams represent that under date of November 24, 1956, a Mining Lease was entered into between Yazzie Urannium [illegible] as Lessor, and Kennedy and Adams, as Lessees, wherein the said Lessor did demise, lease and let unto said Lessees, in the proportions of an undivided one-half interest to each, all of that certain land, mining claims, mineral claims, minerals and mineral rights situated in the following described sections in McKinley County, New Mexico, to-wit:

> Sections 7, 8 and 9, and the South Half of Section 23, the South 480 acres of Section 33 and all of Sections 35, 26, 34, Township 14 North, Range 8 West, N.M.P.M.
>
> Also, the North 480 acres of Section 24, Sections 12 and 13, Township 14 North, Range 9 West, N.M.P.M.

which Lease is recorded in Book 15, Pages 315, 319, Lease Records of McKinley County, New Mexico, and a copy of said Lease as so recorded is hereby referred to and made a part hereof, together with a copy of an addendum to said Lease executed by Lessor and Lessees dated November 24, 1956 as Exhibits "B-1" and "B-2", respectively; and

WHEREAS, an amendment dated December 10, 1956, to said Leases has been executed by the parties thereto, which has been recorded in Book

11, Pages 157-158, Lease Records of McKinley County, New Mexico, and a copy of said amendment, as so recorded, is hereby [illegible] a part hereof as Exhibit "C"; and

WHEREAS, Kennedy and Adams further represent that [illegible] March 12, 1957, a Mining Lease was entered into between John G. [illegible] as Lessor, and Kennedy and Adams, as Lessees, wherein the said John G. Jebsen did demise, lease and let unto Kennedy and Adams certain unpatented lode mining claims located in Sections 17, 18, 19 and 20, Township 14 North, Range 8 West, N.M.P.M., and Sections 13, 24 and 25, Township 14 North, Range 9 West, N.M.P.M., all in McKinley County, New Mexico, said Lease having been recorded in Book 17, Pages 469-471, Lease Records of McKinley County, State of New Mexico, and a copy of said Lease as so recorded is referred to and made a part of this Agreement as Exhibit "D" hereto; and

WHEREAS, Kennedy and Adams represent and confirm that the names of the mining claims covered by said Leases, and the recording data pertaining thereto are as shown on the "Schedule of Mining Claims" which is referred to in this Agreement and attached hereto as Exhibit "E"; and

WHEREAS, there is attached to this Agreement and made a part hereof by reference, as Exhibit "F" hereto, a Map prepared by Longyear and dated March 15, 1957, showing, among other things, the following:

(a) The areas of land covered by and included under the above described leases and amendments thereto, copies of which are hereunto annexed as Exhibits "A", "B-1", "B-2", "C" [illegible]

(b) A so-called "Area of Interest" [illegible] to be [illegible] Agreement to [illegible] the area of [illegible] the mineral rights and mining claims thereto, as shown on the [illegible] which is attached hereto as Exhibit "F" [illegible] used herein the term "Area of Interest" [illegible] mean that [illegible] on Exhibit "F"; and

WHEREAS, Kennedy and Adams do hereby represent [illegible] an inducement to have Longyear execute this Agreement [illegible] as amended, Exhibits "A", "B-1", "B-2", "C" and [illegible] and base Leases thereto, are all valid and subsisting and in full [illegible] effect, and all cash payments and other duties of [illegible] thereunder, to and including the date of this Agreement, have been [illegible] performed in full; and

WHEREAS, it is the desire of the parties that Kennedy and Adams shall assign to Longyear all of their right, title and interest in and to the Leases, as amended, Exhibits "A", "B-1", "B-2", "C" and "D" hereto and convey to Longyear all of Kennedy's and Adams' right, title and interest in, to and under the mining claims to which said Leases pertain, so to vest the full ownership of said Leases and rights of [illegible] thereunder in Longyear, subject only to the reservations expressly contained herein in favor of Kennedy and Adams.

NOW, THEREFORE, it is agreed by and between the parties [illegible] in consideration of the mutual covenants herein contained as follows:

1. <u>Assignment and Conveyance to Longyear.</u> Subject to the reservations hereinafter expressly set forth in this Agreement, [illegible]

Adams hereby bargain, sell, assign, transfer, convey and [illegible] Longyear

(a) All of Kennedy's and Adams' right, title and interest in, every type and description in, to and under said Leases, copies of said Leases and amendments thereto being attached as Exhibits "A", "B-1", "B-2", "C" and "D" to this Agreement, plus any and all right, title and interest now or hereafter acquired by Kennedy and Adams in, to or under said Leases, amendments, and all of the same, and any existing or new Leases or agreements which Kennedy and Adams, or either of them may acquire affecting the lands covered by Exhibits "A", "B-1", "B-2", "C" and "D";

(b) All of Kennedy's and Adams' right, title and interest in, to and under the mining claims listed in Exhibit "E", plus any and all right, title and interest which Kennedy and Adams may acquire in the future concerning said mining claims listed in Exhibit "E"; Kennedy and Adams warrant and represent to Longyear that the said Leases, as amended, Exhibits "A", "B-1, "B-2", "C" and "D", and the underlying or base Leases thereto, are valid, subsisting, in good standing and in full force and effect, and that all payments, work and duties required to be made or performed thereunder by the Lessees of said Leases have been paid and performed in full to the date of this Agreement; and

(c) Any and all right, title or interest [illegible] by any description, including but not restricted to leases, mining claims, [illegible] or mineral rights, which Kennedy and Adams may now have or hereafter acquire pertaining to any of the [illegible] shown as the "Leased Premises" on Exhibit "F" hereto. The lands, mining and mineral rights included in said leases and herein assigned shall herein sometimes be referred to as the "Leased Premises".

2. Provision for Recordable Assignment. Contemporaneously with execution of this Agreement, Kennedy and Adams will execute and deliver to Longyear a short form of assignment of their right, title and interest in leases in said leases, in accordance with foregoing paragraph 1. This provision shall not be construed as affecting the rights of Longyear to record this Agreement should it see fit to do so.

3. Examination and Clearing of Titles. Kennedy and Adams will furnish all documents and abstracts in their possession and provide legal opinions to facilitate such examination of titles of the Leased Premises as Longyear may from time to time deem necessary. It is understood that approximately ten per cent (10%) to twenty-five per cent (25%) of the mining claims located upon the Leased Premises are subject to adverse claims and that Kennedy and Adams in cooperation with the Lessors, have been endeavoring to clear title to said claims. Kennedy and Adams will cooperate with Longyear and lend their best efforts toward removal of such adverse claims by negotiation or legal action as may appear advisable to Longyear

[illegible] incurred to date of this [illegible]

[illegible] and therefore by [illegible]

required to comprehensive Kansas [illegible]

[illegible] of parties [illegible] under [illegible]

cent as expressly provided in this Agreement.

4. Covenants by Company. [illegible] covenants and agrees with Romney and Adams that it will:

(a) Exercise to perform such work and labor [illegible] respect to the Leased Premises, reasonably necessary to satisfy the strict requirements or statutory assessment work and to maintain the mining claims covered by the Leases, in force and effect.

(b) Drill, or cause to be drilled, such wells or other [illegible] required to be drilled on the Leased Premises, as provided herein during each annual period this Agreement is in effect, and to pay the [illegible] commencing with the rentals coming due on the 1st day of July, [illegible] required to be made under said Leases, [illegible] and after date of this Agreement in order to keep said Leases in force and effect.

(c) Make such additional expenditures [illegible] date of this Agreement and [illegible] hundred thousand ($100,000) Dollars [illegible] lands described in said Leases, [illegible] April 1, [illegible] that such requirement of one hundred thousand ($100,000) Dollars [illegible] in addition to, but will include or be included in the [illegible]

stipulated in subparagraph (b), above. The same drilling [illegible] locations as Longyear shall deem desirable;

(d) Accept and use its best efforts to discharge all obligations of the Lessee in the Leases hereby assigned;

(e) Provided, that notwithstanding anything in this Agreement to the contrary, it is understood and agreed that neither Longyear, nor its assigns, shall be subject to any liability, damages, cause or causes of action, or legal proceedings of any type in favor of Kennedy or Adams, any Lessor, or any others, for a failure to perform any of the matters or performance described in subparagraphs (a) to (d), inclusive, of this paragraph 4, or any other promise or obligation under this Agreement or under any of the said Leases; provided, that this subparagraph (e) shall not relieve Longyear from the obligations contained in paragraphs 5, 6, 8 and 9 of this Agreement; and, further, a default by Longyear under subparagraphs (a) to (d) of this paragraph 4 shall be grounds for termination of this Agreement, subject to the provisions of paragraph 13 (b), at the election of Kennedy and Adams, and if, at the time of such termination, no ore has been produced from the Leased Premises or any newly acquired property or interests under paragraphs 10 or 11 of this Agreement, the termination shall be considered an abandonment of the Leased Premises for the purposes of paragraph 8 of this Agreement; provided, further, that should Longyear release at one time or from time to time, or abandon any portion of the Leased Premises, less than the whole thereof, or should

predecessors in interest, bears to the entire mineral interest in said area. There shall not be included in gross receipts for purposes of calculating the production payment, the sales price or receipts from the sale of ores unless Longyear is the owner of such ores sold and is legally entitled to the sales price thereof, by virtue of the Leases being assigned hereunder. In other words, should there be a failure of title as to any portion of the Leased Premises, gross receipts from the sale of ores from the affected area shall not be considered gross receipts in determining the production payment. Longyear or its assigns, shall have the further right, in its sole discretion, if it acts in good faith, and if a genuine dispute as to title is imminent or exists, to escrow with any bank the amounts which Kennedy and Adams would otherwise have been entitled to receive, as payment on their production payment, so as to await the outcome of such dispute prior to the payment of the escrowed funds to Kennedy and Adams;

(e) Should a genuine title dispute occur as to any portion of the Leased Premises, Longyear, or its assigns, acting in good faith, shall have the right, in its sole discretion, to resolve and settle such title dispute by paying a monetary sum or other consideration to the other disputants; in such event, Longyear shall not be required to pay any production payment to Kennedy and Adams for ores sold from the area affected by the dispute, until Longyear, or its assigns, shall have recovered in full from ore sales from the affected area, all of its costs of settlement.

there be a title failure as to any portion of the Leased Premises, the obligations of Longyear to accomplish assessment work under subparagraph (a) and to pay rentals under subparagraph (b), shall be proportionately reduced in the same ratio as the acreage lost by title failures bears to the total acreage of the Leased Premises (in the case of title failure) or the total acreage retained bears to the total acreage of the Leased Premises (in the case of a release or abandonment of acreage). Should it be necessary to fix a date to apply the formulae in the preceding sentence, the date shall be as of June 1, in the case of subparagraph (a) and a date fifteen (15) days before rentals would otherwise be due in the case of subparagraph (c), applying to rental payments.

5. Reservation of Production Payment. Kennedy and Adams do hereby reserve to themselves and Longyear agrees to pay to Kennedy and Adams (one-half to each of them) a production payment, as hereinafter described and limited, relating to ores produced, mined and sold from the Leased Premises, determined, calculated and to be paid as hereinafter specified:

(a) The production payment reserved to and in favor of Kennedy and Adams shall amount to 37.5% of the gross receipts derived and received by Longyear from ores produced and sold from the Leased Premises, after payment of all royalties, commencing with the first of such ores produced and sold and continuing until the aggregate sum of Two Hundred and Fifty Thousand Dollars ($250,000.00) shall have been paid to Kennedy and Ad

(one-half, or One Hundred Twenty-Five Thousand Dollars ($125,000.00) to each of them); when the sum of Two Hundred Fifty Thousand Dollars ($250,000.00) has been paid to Kennedy and Adams (one-half, or One Hundred Twenty-Five Thousand Dollars ($125,000.00) to each of them) this production payment shall completely cease and terminate;

(b) The production payment shall be computed on the basis of the price at which ores are actually sold at the mouth of the mine, or the value thereof at such point if thereafter milled or processed before sale, without deduction of the cost of mining and delivery to the mouth of the mine;

(c) There shall not be included in gross receipts for purposes determining the amount of the production payment, any bonus, development, incentive payment, or transportation allowance granted or given by any governmental instrumentality, or others;

(d) On any area of the Leased Premises from which ores are removed and where Kennedy and Adams do not have, or it is later determined that Kennedy and Adams, or their predecessors in interest, did not have one hundred per cent (100%) ownership of the minerals and mineral rights, after payment of ten per cent (10%) royalty to the Lessors, then the rate to be applied in the computation of the production payment arising from the sale of ores from the affected area shall be reduced to the proportion thereof which the ownership by Kennedy and Adams, or their

o. Reservation of Net Profits Interest. Kennedy and Adams [illegible] by reserve to themselves, and Longyear agrees to pay to Kennedy and Adams (one-half to each of them) a net profits interest as to ores produced and marketed from the Leased Premises, and any newly acquired property within the Area of Interest, determined and calculated in the manner hereinafter specified:

(a) A sum equal to twenty-five per cent (25%) of the cumulative net profits actually realized by Longyear from ores produced, saved and sold from the Leased Premises and any newly acquired property within the Area of Interest, if the same is acquired by Longyear or its assigns;

(b) Longyear shall not be required to make any payment of net profits to Kennedy and Adams arising from the sale of ores from the Leased Premises, or otherwise, unless and until Longyear shall have been paid and reimbursed in full, out of net profits, for its entire cost in acquiring new interests or properties within the Area of Interest. Longyear's cost in acquiring such new interests or properties shall be its actual cost, if paid in money, or, the fair market value of stock or any other assets used for such acquisition. Should Longyear agree to pay royalties, ore payments, or other similar payments in connection with the acquisition of new interests or properties, any such amounts shall not be considered as sums received by Longyear in determining gross receipt or net profits for purposes of calculating the payment to be made to Kennedy and Adams;

(c) In determining the cumulative net profits for purposes of paragraph 6 of this Agreement, the following definitions shall be applicable and controlling:

(1) "Net Profits" shall mean the balance remaining after deducting from the gross receipts derived by Longyear from the sale of any ores produced, saved and sold, the following expenditures paid or incurred by Longyear with respect thereto:

A. All "Operating Costs" as hereinafter defined.

B. All royalties, ore payments or other similar payments payable to the respective Lessors under the Leases herein assigned, or others, exclusive, however, of the production payment to Kennedy and Adams.

C. All payments made and expenses incurred by Longyear, in good faith, to settle or resolve any title dispute, or to purchase or acquire title to any property, mining or mineral interest within the Area of Interest. Provided, that if Longyear receives reimbursement for such payments under subparagraph (b) of this paragraph 6, the amount of such reimbursement shall not be duplicated by treating the same as an item of deduction under this subparagraph to determine net profits.

D. All amounts retained by or reimbursed to Longyear as pre-production expenditures under paragraph 6 (c) (4) of this Agreement.

E. Any and all gross receipts, severance, gross production, production, mining taxes or any other taxes of any type, except individual or corporate income taxes or corporate franchise taxes.

(2) [illegible]

(not deductible under su[illegible] C, above) [illegible]

"production is begun" [illegible] with [illegible]

any and all investigations, [illegible], development, [illegible]

beneficiation, milling, [illegible]

ore, and sale of ores, [illegible]

on net income). None of the [illegible]

directly or indirectly [illegible] operations [illegible]

the costs of underground [illegible] exploration, but without allowance [illegible]

depletion. Without limiting the generality of the [illegible]

shall include the operating costs of [illegible]

tions, overhead expenses [illegible]

ted to operations, including [illegible]

ly accepted principles of [illegible] accounting, of business [illegible]

clerical salaries, supplies, telephone, telegraph and legal [illegible]

reasonable rental charges [illegible] equipment owned and used [illegible]

connection with operations, reasonable transportation expenses [illegible]

professional staff, materials and equipment to the site of the [illegible]

return of employees, staff and equipment on completion [illegible]

statutory assessment work performed to comply with the provisions [illegible]

the Leases.

(3) The expression "production is begun" shall [illegible]

[illegible]

[illegible] or date [illegible] to a particular [illegible] Langyear [illegible]

[illegible] a shaft into the ore body or a shaft [illegible]

depth of the ore bearing horizon.

(4) The expression "pre-production expenditures" [illegible] mean all costs and expenses incurred by Langyear after the date of this Agreement and before production [illegible] begins, in connection with [illegible] preparation for [illegible] paragraph [illegible] authorized by said Lessee [illegible] stricted to the costs of machinery, equipment and supplies, but without allowance for depletion or [illegible] on funds obtained to finance pre-production expenditures. Without limiting the generality of the foregoing, pre-production expenditures shall include home office overhead [illegible] and supervisory salaries which are directly or indirectly related to operations, including allocation in accordance with the usual and commonly accepted principles of Western Mine Accounting, or insurance, rent, clerical salaries, telephone, telegraph and legal services, the acquisition cost of items used in connection with any of such operations of Langyear, reasonable rental charges for equipment owned and used by Langyear in connection with such operations, reasonable transportation expenses of employees, professional staff, materials and equipment to the site of the work and for the return of the equipment and such employees and staff.

[illegible]

[illegible]

[illegible] pre-production expenditures [illegible] to Langyear [illegible]

[illegible] Three Hundred Thre[illegible] deduction pre-production expenditures [illegible]

incurred pre-production expenditures [illegible] Dollars ($[illegible],[illegible].00). Langyear [illegible] $100,000.[illegible]

expenditures; the remaining One Hundred Fifty Thousand Dollars ($150,000.00) would be divided as follows: One Hundred Twelve Thousand Five Hundred Dollars ($112,500.00), seventy-five per cent (75%) to Longyear, and Thirty Seven Thousand Five Hundred Dollars ($37,500.00) twenty-five per cent (25%) to Kennedy and Adams. During the ensuing quarter, additional pre-production expenditures were incurred, Longyear would be entitled to remunerate itself the same in similar manner out of the first fifty per cent (50%) of the profits thereafter realized. For purposes of this subparagraph (d), net profits shall be used in the computations without having first deducted therefrom the amounts provided hereinbefore for recovery by Longyear of pre-production expenditures.

7. Accounting Periods. Accounting for the royalty production payment, as described in paragraph 5, and the net profits interests as described in paragraph 6, shall be based upon a twelve month fiscal period to be determined by Longyear.

Tentative accountings shall be had for each three month period of such fiscal year selected by Longyear. Tentative payments of the royalty production payment and net profits interest shall be made to Kennedy and Adams within thirty (30) days after the close of each such three month period. At its option, Longyear may retain and hold forty per cent (40%) of the amount otherwise payable to Kennedy and Adams for each such

of each three month's period [illegible]

[illegible] accounting period.

At the end of each twelve month accounting period [illegible] at the option of Longyear, [illegible] net profits shall be [illegible] accounting period and any net loss [illegible] during one accounting period shall be [illegible] into account in succeeding accounting periods.

With respect to each separate ore body [illegible] production expenditures shall be [illegible] and shall include [illegible] all costs and expenses incurred by Longyear [illegible] incurred when the first production shall have been [illegible] body or to the depth of the pertinent ore body. All [illegible] expenses with respect to each such ore body shall be [illegible] as operating costs. A separate account shall be kept covering [illegible] production expenditures and operating costs [illegible] body, but reimbursement of pre-production expenditures [illegible] graph 9 (d) shall be based on gross receipts from all [illegible] it is not intended that pre-production expenditures [illegible] ore body shall be reimbursed only to the extent that net profits [illegible] from are sufficient for that purpose.

The accounting method to be utilized for all purposes [illegible]

sand Dollars ($100,000.00) , or year or assessment [illegible] ploration or development, shall be reduced to the [illegible] shall be required to expend annually only Six Dollars [illegible]

[illegible]

[illegible] owners' [illegible]

[illegible]

newly acquired property [illegible]

[illegible] and grant to Kennedy [illegible]

[illegible] purchase [illegible]

[illegible] interest, twenty [illegible]

[illegible]

[illegible] Kennedy [illegible]

[illegible]

[illegible] the interest [illegible]

[illegible] concerns the right [illegible]

[illegible]

[illegible] Kennedy [illegible]

the terms and conditions [illegible]

[illegible]

[illegible]

[illegible]

[illegible] rights [illegible]

[illegible] option rights [illegible]

conditions herein stipulated [illegible]

[illegible] instruments of [illegible]

[illegible] covering such [illegible]

[illegible]. Additional [illegible]

[illegible] Kennedy and Adams [illegible]

[illegible] to any mining claims [illegible]

in the Area described as all of Township 14 North, [illegible]

1, 2, 11, 12, 13, 14, [illegible] 21 [illegible] 36, [illegible]

West, and the North three tiers of East and West Sections [illegible]

2 through 18, inclusive) [illegible] Northern [illegible]

County, New Mexico, are acquired by Kennedy [illegible]

them at any time on [illegible]

[illegible] in writing [illegible]

you shall then have the [illegible]

[illegible] of such notice to acquire any such [illegible]

mining claims or mineral [illegible] from Kennedy [illegible]

cost thereof to them. Such cost will be set forth [illegible]

the notice of acquisition, and the option herein given [illegible]

notice in writing to Kennedy and/or Adams, and Lessee [illegible]

have reasonable time for examination of title and [illegible]

cost, which shall be made within forty-five [illegible]

receipt of the notice in any event. Upon tender of [illegible]

Kennedy and Adams shall execute and deliver [illegible]

ments of transfer of said mining claims and mineral rights [illegible]

acceptable to Longyear, and, thereafter, the claims and rights so transferred shall be treated between the parties hereto as if they were included within the Leased Premises, subject to the terms and conditions of this Agreement; provided, however, that no such lands, claims or mineral rights so acquired shall be taken into account in determining the production payment to be paid to Kennedy and Adams under paragraph 5, nor any royalty payment to the Lessor in the Leases herein assigned.

11. Additional Claims and Rights Acquired by Longyear. If, at any time prior to April 1, 1962, Longyear shall acquire any mining claims or mineral rights in the area described in paragraph 10, above, the same shall be considered as a part of the Leased Premises and shall be subject to the terms and conditions of this Agreement. Provided, that production from such mining claims or mineral rights shall not be taken into account in determining the production payment to be paid to Kennedy and Adams, pursuant to paragraph 5. Provided, that this paragraph 11 shall not apply to any of the following properties or interests acquired by Longyear or its assigns:

(a) Properties or interests already owned by Longyear, its assigns or any of their corporate affiliates, or

(b) Properties or interests acquired by means of a consolidation, merger or corporate reorganization.

12. Assignment. The rights of either party hereunder, including all leasehold rights, may be assigned in whole or in part, without the consent of the other party, and upon assignment all provisions hereof shall extend to and inure to the benefit of their heirs, successors and assigns;

upon any assignment hereof, all obligations of the assignor under this Agreement, except the obligations under paragraphs 1, 10 and 11, shall terminate as of the date of assignment, and each and every assignee of any interest herein shall be deemed to accept, undertake and assume the covenants and obligations of Longyear under this Agreement in proportion to the share assigned, during any period of ownership of the Leases herein assigned. All discretions, elections and other rights of every type or description herein given or granted to Longyear shall inure to the benefit of, be exercisable by and succeed to Longyear's assigns and their assigns.

13. Termination.

(a) Longyear shall be entitled to terminate this Agreement at any time by thirty (30) days' notice in writing to Kennedy and Adams. In the event of any such termination by Longyear, Longyear shall reassign to Kennedy and Adams all its right, title and interest in and to the Leases herein assigned by an appropriate recordable instrument in writing which shall be forthwith delivered to either Kennedy or Adams, and upon tender of such assignment all obligations, duties, and liabilities of Longyear hereunder shall terminate, provided that such termination shall not effect the obligation to pay to Kennedy and Adams the sum of Eighty Thousand Dollars ($80,000.00) if the same is required pursuant to paragraph 8 of this Agreement.

(b) Kennedy and Adams may terminate this Agreement at any time in the event Longyear shall abandon the Leased Premises, or shall breach or default any covenant or provision hereof; provided, that as concerns any asserted default under the entirety of this Agreement, Kennedy and Adams shall give notice of termination in writing setting forth the breach or default claimed as the basis of the termination, said notice shall be delivered to Longyear personally or by registered mail at its office in Minneapolis, Minnesota, and, if, thereafter, Longyear shall commence within thirty (30) days to remedy the default or breach and shall proceed thereafter with reasonable diligence to cure the breach or default, there shall be no termination. Longyear shall not be considered as having breached this Agreement nor defaulted hereunder if the operation of any mine shall be shut down temporarily because, and for the duration of controversy or litigation relating to title to the Leased Premises, Federal or State government restriction on operation or sale or disposal of the ore, lack of an available market for the ore, inability to process the ore in a mill, strikes, accidents in the mine, transportation embargoes, storms, floods, riots, Acts of God, War, or other conditions not within the control of Longyear; the time during which operations of the mine shall be interrupted for any of said causes shall not be taken into account in determining an annual period under this Agreement.

(c) Longyear may terminate this Agreement at any time

with respect to any portion of the Leased Premises by notice and recordable reassignment in writing to Kennedy and Adams of the interest herein assigned as to the portion of the Leased Premises as to which the Agreement is to be terminated. Notice of termination which is to be effective between April 1st and July 1st of any year will be given on or before March 15th in order to give Kennedy and Adams opportunity to terminate under applicable Leases.

14. Notices. Any notice provided by this Agreement to be given by any party to the other may be given in writing by personal delivery, or by registered mail. Any such notice shall be given to Longyear at its office at 1700 Foshay Tower, Minneapolis, Minnesota, or at such other address as it shall hereafter direct in writing. Any such notice shall be given to Kennedy and Adams at 506 First City National Bank Building, Houston 2, Texas. Any notice to any assignee shall be given at such place as shall be designated in writing by such assignee.

15. Examination of Records. Kennedy and Adams shall have the rights granted to the Lessor under paragraph 14 of the said Yucca Uranium, Inc., Leases herein assigned, to examine records and accounts relating to the Leased Premises and operations in connection therewith.

16. Previous Understandings. The parties do hereby acknowledge and confirm that this Agreement constitutes an integration and

complete statement of all of their agreements and understandings pertaining to the subject matter hereof and, further supplants and replaces that certain Agreement dated March 23, 1957, consisting of ten (10) typewritten pages, signed by the parties hereto and Allan B. Grady for Venture B.

17. Amendments to Leases. Kennedy and Adams agree not to amend or change any of said Leases or amendments thereto, Exhibits "A", "B-1", "B-2", "C" or "D", unless Longyear consents thereto; however, should Longyear give such consent, any and all benefits or rights moving to or acquired by Kennedy and Adams from such amendments shall succeed to and inure to the benefit of Longyear.

IN WITNESS WHEREOF, the parties of the First Part have set their hands and their respective wives have joined in execution hereof, and Second Party has caused this Agreement to be executed by its duly authorized officers, at _____ the day and year first above set out.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 28 1958
DATE | INITIALS | CODE

G. R. KENNEDY

ELIZABETH H. KENNEDY

HENRY C. ADAMS

MARY HELEN ADAMS
"PARTIES OF THE FIRST PART"

E. J. LONGYEAR COMPANY

By _____
Vice-President

ATTEST:

_____
Secretary

APPENDIX VII

Assignment from E. J. Longyear Company to Mineral Projects Venture B, Ltd., and Lisbon Uranium Corporation.

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 28 1958

III. Assignment from Longyear

THIS AGREEMENT ~~entered into as~~ of the 1st day of April, 1957, by and between E. J. LONGYEAR COMPANY, a Delaware corporation, with principal office at 1700 Foshay Tower, Minneapolis, Minnesota, party of the first part, hereinafter referred to as "Longyear", and MINERAL PROJECTS, INC., a Delaware Corporation with its principal office at Madison, New Jersey, and LISBON URANIUM CORPORATION, a Utah corporation with its principal office at Salt Lake City, Utah, parties of the second part and MINERAL PROJECTS-VENTURE B, LTD., a limited partnership organized and existing under the laws of the State of New Jersey, with its principal office at Madison, New Jersey, hereinafter sometimes referred to as "Venture B", party of the third part.

WITNESSETH:

WHEREAS, pursuant to an agreement between Longyear and Venture B dated January 1, 1956, Longyear has located, examined and recommended for acquisition by Venture B certain lands and mineral claims in McKinley County, New Mexico, which are more particularly described in paragraph 1 which follows and with approval of Venture B has negotiated and obtained assignment to it, as nominee for Venture B, of mineral leases covering said lands and claims, said assignment being subject to the terms of an agreement between Longyear and G. R. Kennedy and Henry C. Adams dated April 1, 1957, and

WHEREAS, Venture B desires that Longyear assign to Second

Parties said agreement and the leases and mineral claims therein assigned, therefore

IN CONSIDERATION of the assignments and mutual promises, covenants and agreements herein contained, the parties hereto agree as follows:

1. Subject to the reservations hereinafter expressly set forth, Longyear hereby bargains, sells, assigns, transfers and conveys unto Second Parties, an undivided one-half to each, all the right, title and interest of Longyear in and to the following described mineral leases and all its right, title and interest in and to the real estate and mining rights therein described and the mining claims located on said real estate:

A. Mining Lease recorded in Book 15, pp. 301-314, Lease Records of McKinley County, New Mexico, dated October 29, 1956, entered into between Yucca Uranium, Inc., as lessor and G. R. Kennedy and Henry C. Adams, as Lessees, wherein the said lessor demised, leased and let to said lessees all of that certain land, mining claims, minerals and mineral rights situated in the following sections, townships and ranges in McKinley County, New Mexico, as follows, to wit:

> 8620 acres of land located in Sections 6, 18, 17, 16, 15, 19, 20, 21, 22, 27, 28, 29 and 32, Township 14 North, Range 8 West, N. M. P. M. and
>
> Section 1, Township 14 North, Range 9 West, N. M. P. M. and Sections 2, 3 and 4, Township 13 North, Range 8 West, N. M. P. M.

together with the unpatented lode mining claims in Section 30, Township 14 North, Range 8 West, N. M. P. M. included in said lease by amendment thereof dated December 10, 1956, and recorded in Book 17, pp. 457-458, Lease Records of said McKinley County.

B. Mining Lease recorded in Book 15, pp. 315-319, Lease Records of McKinley County, New Mexico, dated the 24th day of November, 1956, entered into between Yucca Uranium, Inc. as lessor and G. R. Kennedy and Henry C. Adams as lessees, wherein said lessor demised, leased and let to said lessees all of that certain land, mining claims, minerals and mineral rights, situated in the following sections, townships and ranges in McKinley County, New Mexico, as follows, to-wit:

> Sections 7, 8 and 9 and the South Half of Section 23; the South 480 acres of Section 33 and all of Sections 35, 26, 34, Township 14 North, Range 8 West, N. M. P. M. Also North 480 acres of Section 24, Sections 12, 13, Township 14 North, Range 9 West, N. M. P. M.

C. Mining Lease recorded in Book 17, pp. 469-481, Lease Records of McKinley County, New Mexico, dated March 12, 1957, between John G. Jebsen as lessor and G. R. Kennedy and Henry C Adams, as lessees, wherein said lessor did demise, lease and let to the said lessees all of the unpatented lode mining claims located in Sections 17, 18, 19 and 20, Township 14 North, Range 8 West, N. M. P. M. and sections 13, 14 and 24, Township 14 North, Range 9 West, N. M. P. M., all in McKinley County, New Mexico, and which claims are listed in said lease.

shall be included from and after acquisition thereof in computation of cumulative net profits for the purpose of arriving at said 5% thereof payable to Longyear, provided this paragraph will not apply concerning properties which are, (a) already owned by affiliates of either parties, or (b) acquired through merger, consolidation, or corporate reorganization, or (c) not in said area of interest.

8. The second parties and third party, respectively, agree to save harmless and indemnify Longyear from and against any liability or obligation to G. R. Kennedy, Henry C. Adams, and their heirs and assigns, which may be imposed upon Longyear on account of, or may result from, its execution of said agreement dated April 1, 1957 with said Kennedy and Adams and which is herein assigned to second parties.

9. This agreement and assignment shall be binding upon the parties hereto and their respective successors, heirs and assigns, and the provisions thereof shall inure to the benefit of said parties and their respective successors, heirs and assigns, it being understood that the said 5% of net profits herein reserved to Longyear shall attach to the interests in lands and mining claims which are the subject of this assignment, provided, however, that if the second parties shall surrender or abandon any or all of said lands or mining claims to the lessor under the provisions of any lease herein assigned without any reservation or agreement for royalties, profits or other right to second parties, the 5% interest

2. Longyear also hereby assigns and transfers to second parties all its right, title and interest in and to said agreement dated April 1, 1957 between Longyear and Messrs. G. R. Kennedy and Henry C. Adams.

3. The assignment of the foregoing leases described in paragraph 1 hereof, and of the right, title and interest of Longyear in the said agreement dated April 1, 1957 assigned in paragraph 2 hereof, is hereby accepted by second parties and second parties undertake and assume all of the covenants and obligations of Longyear under said agreement between Longyear and Messrs. G. R. Kennedy and Henry C. Adams dated April 1, 1957.

4. Longyear makes this assignment in response to the direction of Venture B, and without warranty or representation of any kind as to the titles to the lands, minerals or mineral claims involved or as to the quantity or quality of minerals to be found therein.

5. Longyear also bargains, sells, transfers and conveys to Second Parties all possessory and discovery rights established and acquired by it by reason of occupation and discovery operations upon the lands described in all of said leases, it being the intention of Longyear that Second Parties shall have the benefit of all such operations by Longyear at any time.

6. Longyear reserves unto itself from the lands, minerals, mining claims and rights which are the subject of said leases which are herein assigned, a 5% share of all cumulative net profits derived from operations by the Second Parties from and upon the mining of the lands and mineral claims described in said leases, 3% thereof to be borne by Mineral Projects, Inc. and 2% thereof by Lisbon Uranium Corporation, which sums the said parties of the Second Part respectively covenant and agree shall be paid and accounted for to Longyear in the manner and at the times as follows: The cumulative net profits out of which said 5% is reserved by Longyear shall be determined on the same basis and manner as provided for computation of net profits under Paragraphs 6 and 7 of said agreement, which is herein assigned to second parties dated April 1, 1957 and which was entered into between G. R. Kennedy and Henry C. Adams as first parties and Longyear as second party, said Paragraphs 6 and 7 being hereby referred to and made a part hereof; provided that before computing said 5% of net profits payable to Longyear any sums paid to Messrs. Kennedy and Adams as a production payment under Paragraph 5 of said agreement of April 1, 1957, during any accounting period shall be first deducted as an item of cost. At the time of each quarterly or other accounting of net profits to be made to said G. R. Kennedy and Henry C. Adams by the provisions of said Paragraphs 6 and 7, Longyear shall be entitled to 5% of that portion of the cumulative

net profit, after making the adjustment for production payment provided above, which remains for allocation as net profits to second parties as assignees of Longyear under said agreement. For example, if at any accounting date net profits resulting from operations for the preceding accounting period as computed under said Paragraphs 6 and 7 are $10,000, 50% thereof, or $5,000, will be, by the terms of said Paragraph 6, allocated to second parties to apply on pre-production expenditures made by them, and the remaining 50%, or $5,000, will be allocated as net profit, 25% thereof, or $1,250, to Messrs. Kennedy and Adams, and 75% thereof, or $3,750, to second parties as their share of said net profits; assuming that production payments have been made under Paragraph 5 of said agreement during the preceding accounting period in the sum of $1,000, said amount would be deducted from $3,750 leaving $2,750 as the amount of net profits distributable to second parties for the purpose of this agreement and which shall be subject to the 5% payable to Longyear hereunder, and Longyear shall, therefore, be entitled to distribution of $137.50. The amount so distributed shall be charged to and payable by second parties in the proportion of 3/5ths thereof by Mineral Projects, Inc. and 2/5ths thereof by Lisbon Uranium Corporation.

7. Second parties agree that any lands and mining claims acquired by them subsequent to April 1, 1957 and which lie within the area of interest as described and set forth in said agreement of April 1, 1957

of Longyear in profits thereafter derived from operation on said lands or mining claims so abandoned and surrendered shall terminate with respect to the lessor and all persons other than second parties succeeding to lessor's title. Longyear will, upon request, execute and deliver an appropriate release to that effect in favor of the lessor or for his or its assigns.

10. Venture B hereby requests the assignment herein made to Mineral Projects, Inc. and consents thereto and agrees with Longyear and Lisbon Uranium Corporation that said Mineral Projects, Inc. shall hold the titles, rights and interests herein assigned and acquired by virtue hereof as nominee for Venture B; all covenants and obligations of Mineral Projects, Inc. under this Assignment and Agreement are hereby assumed and guaranteed by Venture B, and all moneys and property paid over or delivered to Mineral Projects, Inc. pursuant to this assignment and agreement shall be deemed paid for the account of Venture B, and Venture B shall account to the other parties hereto for any portion thereof due any such other party.

11. Contemporaneously herewith, Longyear will execute and deliver to Mineral Projects, Inc. and Lisbon Uranium Corporation a recordable assignment embodying paragraphs 1, 2, 3, 5, 6 and 9 hereof.

12. Longyear shall have the right to examine and copy all books and records at reasonable times kept by Second Parties and Third

Party relating to the receipts and disbursements which are the basis of computation of net profits under Paragraph 6 hereof.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective duly authorized representatives as of the day and year first above written.

E. J. LONGYEAR COMPANY

by R. D. Longyear /s/

ATTEST:

Rollin N. Dow /s/
Secretary

MINERAL PROJECTS-VENTURE B
Per Mineral Projects, Inc.

By Raymond E. Hartz /s/
Vice-President

Paul C. Hackett /s/
Ass't Secretary
General Partner

ATTEST:

Paul C. Hackett /s/
Ass't Secretary

MINERAL PROJECTS, INC.

By Raymond E. Hartz /s/
Vice-President

ATTEST:

Paul C. Hackett /s/
Ass't Secretary

LISBON URANIUM CORPORATION

By _____

ATTEST:

_____
Secretary

STATE OF MINNESOTA)
)SS.
COUNTY OF HENNEPIN)

On this 7th day of May, 1957, before me, a Notary Public, personally appeared R. D. Longyear and Rollin N. Dow, who being by me duly sworn did say that they are respectively the president and secretary of E. J. Longyear Company, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said R. D. Longyear and Rollin N. Dow acknowledged said instrument to be the free act and deed of said corporation.

In witness hereof I have hereunto set my hand and affixed my official seal on this day and year on this Certificate above written.

/S/ Edmund T. Montgomery

EDMUND T. MONTGOMERY
Notary Public, Hennepin County,
Minn.
My Commission Expires
June 17, 1957

State of New Jersey)
)ss
County of Morris)

Be it remembered that on this 11th day of May, 1957, before me the subscriber, a Notary Public in and for the County of Morris, State of New Jersey, personally appeared Raymond E. Hartz and Paul C. Hackett who, being by me duly sworn, deposed and said that they are the Vice-President and Ass't Secretary, respectively, of Mineral Projects, Inc. a corporation organized and existing under the laws of the State of Delaware; that Mineral Projects, Inc, is the general partner of a certain limited partnership known as Mineral Projects-Venture B, Ltd., with its principal office at Madison, New Jersey, and that as such it has authority to execute this agreement for and on behalf of said limited partnership; and that Raymond E. Hartz and Paul C. Hackett have been granted express authority from the Board of Directors of Mineral Projects, Inc. to execute this agreement on behalf of said corporation as the general partner of said limited partnership.

NOTARY PUBLIC

Residing at:

My Commission expires:

United States Department of the Interior
GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

December 13, 1977

Mr. James R. Toulouse
Attorney at Law
American Southwestern Plaza
2403 San Mateo NE, Suite 9 West
Albuquerque, New Mexico 87110

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Dear Mr. Toulouse:

This is in reply to your letter of November 10, 1977, to Mr. Marvin Mundy, Cooper-Trent Division, Keuffel & Esser Co., Arlington, Virginia, requesting drill logs which you state were not included in an earlier order. Mr. Mundy referred your request to us because we have the file on this project.

We are unable to find logs for all holes listed in your letter; however, we made xerox copies of poor quality thermofax prints of the following drill holes:

SM I-9	SM I-26
SM I-16	SM I-29
SM I-17	

Other logs from the SM series you listed may be in the file but the printing is illegible and useful copies cannot be made from them. In the event there may be information from any of these holes, we also made copies of Exhibits G and J which are cross sections through Drill Holes SM I-19, SM I-16, and SM I-26. Also, we made a copy of a 20-page report entitled "Report on Results of Reconnaissance Drilling on the San Mateo Dome Project" by B. F. Sorensen, July 15, 1957. This report was submitted by the E. J. Longyear Company in its application for DMEA assistance in further exploring the San Mateo Dome area.

Copies of the material described above are being mailed to Mr. Melvin E. Richards, 4039 Great Plains Way, Las Vegas, Nevada 89120, as you instructed in your letter.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Copy to: Mr. Richards w/enclosures only

cc: Marvin Mundy

TOULOUSE, KREHBIEL & DELAYO, P. A.
ATTORNEYS AT LAW
AMERICAN SOUTHWESTERN PLAZA
2403 SAN MATEO NE, SUITE 9 WEST
ALBUQUERQUE, NEW MEXICO 87110

JAMES R. TOULOUSE
PHIL KREHBIEL
LEONARD J. DELAYO, JR.
CHARLOTTE MARY TOULOUSE

TELEPHONE: 265-6742
AREA CODE 505

November 10, 1977

IN REPLY PLEASE REFER
TO OUR FILE NO.

Mr. Marvin Mundy
Cooper-Trent Division
Keuffel & Esser Co.
Wilson Boulevard at Danville Street
Arlington, Virginia 22201

Dear Mr. Mundy:

Several months ago you sent me certain logs on the San Mateo Project. Missing logs are as follows:

T14N R8W

Section 9 -- Log No. 1-9
Section 15 -- Log No. 1-36
Section 16 -- Log No. 1-16
Section 17 -- Log No. 1-17
Section 18 -- Log No. 1-10
Section 23 (S 1/2) -- Log No. 1-24
Section 26 -- Log No. 1-26
Section 35 -- Log No. 1-35
Section 13 -- Log No. 1-13 (T14N R9W)
Section 24 -- Log No. 1-24 (T14N R9W)
Section 19 -- Log No. 1-19
Section 20 -- Log No. 1-20
Section 21 -- Log No. 1-21
Section 28 -- Log No. 1-28
Section 27 -- Log No. 1-18
Section 34 -- Log No. 1-16
Section 29 -- Log No. 1-29
Section 30 -- Log No. 1-30

(These logs could also have "SM - (dash)" numbers.)

We enclose a copy of the blueprint map that you sent us so you can see and ascertain where these holes and logs are.

I would appreciate your immediate attention to this matter. Please bill me for any costs and I will promptly remit. Also, please mail the logs to Mr. Melvin E. Richards, 4039 Great Plains Way, Las Vegas, Nevada, 89120.

Your cooperation and assistance is appreciated.

Sincerely yours,

TOULOUSE, KREHBIEL & DeLAYO, P. A.

James R. Toulouse

JRT:mkt
Enclosure
cc: Mr. Melvin E. Richards

In Reply Refer To:
SGS-213651
Mail Stop 953

JUN 9 1977

Mr. James B. Toulouse
Attorney at Law
Suite 9 West
2403 San Mateo NE
Albuquerque, New Mexico 87110

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-81133

Dear Mr. Toulouse:

This is in reply to your letter of May 20, 1977, concerning information mentioned in our letter of May 4, 1977, to Senator Pete V. Domenici, and requesting copies of certain drill logs obtained from the DMEA contract on the San Mateo Dome Project.

Our DMEA contract files show that the DMEA contract referenced above, as amended by Amendment No. 1, was executed April 4, 1958, by the Government, acting through DMEA, and the Operator, San Mateo Dome Project, a Joint Venture comprised of Lisbon Uranium Corporation, a Utah corporation, and Mineral Projects - Venture 8, Ltd., a limited partnership, E. J. Longyear Company, agent. Because of their interests in the land described in the contract, the following parties signed Consent to Lien and Subordination Agreement documents which became a part of the DMEA contract:

Yucca Uranium, Inc. (Yucca Mining and Petroleum Company, Inc., Melvin E. Richards, President), G. E. Kennedy, Henry C. Adams, E. J. Longyear Company, Mineral Projects, Inc., Parador Mining Co., Roy B. Shaw, Belva L. Shaw, L. G. Shaw, and Elizabeth Shaw.

The Operator and signators of the Consent to Lien and Subordination Agreement documents were advised by the Government on September 15, 1959, that a certificate of discovery or development would not be issued on this project, and that the Government retained no claim or lien against the property subject to the contract or any future production therefrom.

Our remaining responsibility to this contract is to protect the right of the Operator, or successors in interest, in the proprietary information provided to the Government by the Operator. By a letter dated September 16, 1971 (copy enclosed), we were advised by the Operator that it had permitted its land rights, or position in the project, to expire, and subsequently we learned that Kerr-McGee Resources Corporation held claims in the land which had formerly been held by the Operator. In response to Senator Domenici's request on your behalf for the MMRA information, we contacted Kerr-McGee and were advised that it had no basis to agree or disagree to the release by the Government of the information furnished by the Operator to the Government. We, therefore, made this information available to you as explained in our letter of May 17, 1977, which we asked Senator Domenici to forward to you.

We have no responsibility or interest in any current disputes involving this property. We have acted on the basis of information provided by the parties concerned, and in accordance with procedures established for releasing proprietary information.

We advised you in our letter of May 17 that the available material on the San Mateo Dome Project could be ordered from a commercial printing firm (Cooper-Trent Division, Teuffel & Esser Co., Arlington, Va.). Enclosed is a copy of the letter and of the list of material we subsequently furnished to Cooper-Trent for this purpose. We listed the major elements of the file sent to Cooper-Trent in order to expedite an estimate of the cost of production. Should you decide to order specific items in the file, we will recall all of the material from Cooper-Trent, locate the items of interest to you, and return them to Cooper-Trent. This will delay transmittal of the material to you.

Please identify the specific items you want so that we can select them from the whole file. Your final order should be made with Cooper-Trent and not with our OMR office.

Sincerely yours,

D. E. McKelvey

Director

Enclosures 2

Copies to: Senator Pete V. Domenici's Home and Washington Offices

cc: General Files, MS114, Reston
Director's Chron, MS114, Reston
Division Files, MS911
MR Rdg.
OMR Files (3) MS953
Region File

ECS:GD:HKirkemo:gpw 6/6/77 860-6681

TOULOUSE, KREHBIEL & DeLAYO, P. A.
ATTORNEYS AT LAW
AMERICAN SOUTHWESTERN PLAZA
2403 SAN MATEO NE, SUITE 9 WEST
ALBUQUERQUE, NEW MEXICO 87110

JAMES R. TOULOUSE
PHIL KREHBIEL
LEONARD J. DeLAYO, JR.
BRIGGS F. CHENEY
CHARLOTTE MARY TOULOUSE

TELEPHONE: 265-6742
AREA CODE 505

May 20, 1977

IN REPLY PLEASE REFER
TO OUR FILE NO:

Mr. V. E. McKelvey
United States Department of the Interior
Geological Survey
Reston, Virginia 22092

Re: EGS 213161
Mail Stop 953

Dear Mr. McKelvey:

Senator Domenici referred us your letter of May 4, 1977, since we instigated the inquiry. Your letter is spaced with numerous inaccuracies and misstatements. The statement that Kerr McGee "shares" any interest in the property especially puzzles me. My clients have a direct 22-year interest in and to the property. Kerr McGee "jumped" some of the claims of my client and these will be litigated. Yet, Kerr McGee does not assert, or make any claim, on most of the land involved with the E. J. Longyear Co., Inc., exploration contract with the Defense Minerals Exploration Administration (DMEA).

E. J. Longyear Co., Inc., entered into the DMEA contract as a result of an agreement by and between Yucca Mining and Petroleum Co., Lisbon Uranium Company, Adams and Kennedy for the development of certain mining claims in Townships 13 and 14 N., R. 8 W. Litigation arose from the contract and as a result of the eventual settlement of the litigation, Longyear reassigned to Yucca all of the claimed interests in the two townships. Through foreclosure and court proceedings, these properties were eventually awarded to Melvin E. Richards. Mr. Richards has kept up the annual assessment work on all claims. Mr. Richards had copies of all logs. He still has the Longyear logs on Sections 9-10-3-4, Township 13 N., R. 8 W. Section 32, Township 14 N., R. 8 W., is leased to Homestake. The ore body on this section was expanded by Homestake and Homestake is now planning to sink a shaft on the same.

Houston Oil and Minerals has a long term lease for most of the remaining sections in Township 14 N., R. 8 W. Kerr McGee has no interest and claims no interest and never had any "proprietory" interest in most of these sections. There is a minor dispute in Sections 33 and 34.

Longyea

AIRMAIL

Mr. Harold Kirkemo, Chief
Office of Mineral Exploratio
U.S. Geological Survey
Interior Building - Room 44
Washington, D.C. 20242

Dear Mr. Kirkemo:

In the late 1950's, the Lon
a DMEA loan, participated i
Mateo Dome Project, McKinle

The San Mateo Dome Project
uranium mineralization of e
mitted its land rights, or

The Longyear Company reques
information developed by th
loan on the San Mateo Proje
The release of this informa
ficial to the public insofa
the knowledge of the region
expense in drilling of addi

LCA:V

Telex 2-9686

Mr. Richards loaned the remaining logs to a third company and this company has not been able to locate them.

The logs we request are all for drilling in Township 14 N., R. 8 W. Some of the sections listed do not indicate any drilling. I have tried to indicate sections where holes indicate drill holes from records furnished me by underlining the section. Sections 6, 7, 8, 9, 18, 17, 16, 19, 20, 21, 23, 30, 29, 28, 27, 26, 33, 34, 35.

In summation, and in comment to your letter, Longyear never "permitted its rights to the land to expire" since it conveyed by assignment and deed the property. Kerr McGee did not acquire these lands. My client has filed with the BMA, as required under the new law, its required fees on claims covered by this letter. My client's lessee is now drilling extensively on these claims; has spent over $100,000.00 re-staking all claims, filed all required notices, and in addition to drilling, is spending $400,000.00 or more over the next three months in extensive geological testing.

I would appreciate your correcting your records and would also appreciate copies of these logs. We will be agreeable to pay all costs for the reproduction.

Sincerely yours,

TOULOUSE, KREHBIEL & DeLAYO, P. A.

James R. Toulouse

JRT:mkt
cc: Mr. Melvin E. Richards
Mr. Paul Taylor, Houston Oil and Minerals

Mr. Richards loaned the remaining logs to a third company and this company has not been able to locate them.

The logs we request are all for drilling in Township 14 N., R. 8 W. Some of the sections listed do not indicate any drilling. I have tried to indicate sections where holes indicate drill holes from records furnished me by underlining the section. Sections 6, 7, 8, 9, 18, 17, 16, 19, 20, 21, 23, 30, 29, 28, 27, 26, 33, 34, 35.

In summation, and in comment to your letter, Longyear never "permitted its rights to the land to expire" since it conveyed by assignment and deed the property. Kerr McGee did not acquire these lands. My client has filed with the BMA, as required under the new law, its required fees on claims covered by this letter. My client's lessee is now drilling extensively on these claims; has spent over $100,000.00 re-staking all claims, filed all required notices, and in addition to drilling, is spending $400,000.00 or more over the next three months in extensive geological testing.

I would appreciate your correcting your records and would also appreciate copies of these logs. We will be agreeable to pay all costs for the reproduction.

Sincerely yours,

TOULOUSE, KREHBIEL & DeLAYO, P. A.

James R. Toulouse

JRT:mkt
cc: Mr. Melvin E. Richards
Mr. Paul Taylor, Houston Oil and Minerals

Longyear

E. J. LONGYEAR COMPANY
General Offices: 925 Delaware Street S. E.
Minneapolis, Minnesota 55414, USA
Mailing Address: Box 1368, Minneapolis, Minnesota 55440, USA
Telephone (612) 331-1331

ORIGINAL
COPY
SEP 20 1971
INITIALS | CODE
1 | 20

September 16, 1971

AIRMAIL

Mr. Harold Kirkemo, Chief
Office of Mineral Explorations
U.S. Geological Survey
Interior Building - Room 4461
Washington, D.C. 20242

Dear Mr. Kirkemo:

In the late 1950's, the Longyear Company, with the assistance of a DMEA loan, participated in exploration for uranium in the San Mateo Dome Project, McKinley County, New Mexico

The San Mateo Dome Project was abandoned without discovering any uranium mineralization of economic interest. Longyear has permitted its land rights, or position in the project, to expire.

The Longyear Company requests that all drilling and geological information developed by the Longyear Company under said DMEA loan on the San Mateo Project be made available to the public. The release of this information will, Longyear feels, be beneficial to the public insofar as such information will add to the knowledge of the region's geology and could save time and expense in drilling of additional barren drill holes.

Sincerely yours,

LONGYEAR COMPANY

Lee C. Armstrong

Lee C. Armstrong
Chief Geologist & Mining Engineer

LCA:V

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

June 2, 1977

Memorandum

To: C. L. Martin
Office of the Solicitor

From: Harold Kirkemo, Chief
Office of Minerals Exploration

Subject: Draft letter to Mr. James R. Toulouse
DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Please review the enclosed draft letter to Mr. Toulouse and phone your comments and suggestions to me as soon as possible. The letter is due in the Director's (USGS) office by June 10. Copies of correspondence relating to this problem are enclosed for your information.

I talked with a Mr. Farrington, a local representative of Kerr-McGee, on May 21 and June 1 about the letter from Mr. Toulouse, but I did not disclose the specific accusations about Kerr-McGee. I had talked by phone with Mr. Holmberg, Kerr-McGee, Albuquerque, on April 29, and mentioned Mr. Toulous's request at that time, so the Company is aware of possible legal problems.

Harold Kirkemo

Harold Kirkemo

Enclosures

TOULOUSE, KREHBIEL & DELA[illegible] P. A.
ATTORNEYS AT LAW
AMERICAN SOUTHWESTERN PLAZA
2403 SAN MATEO NE, SUITE 9 WEST
ALBUQUERQUE, NEW MEXICO 87110

JAMES R. TOULOUSE
PHIL KREHBIEL
LEONARD J. DELAYO, JR.
BRIGGS F. CHENEY
CHARLOTTE MARY TOULOUSE

TELEPHONE: 265-6742
AREA CODE 505

May 20, 1977

IN REPLY PLEASE REFER
TO OUR FILE NO:

Mr. V. E. McKelvey
United States Department of the Interior
Geological Survey
Reston, Virginia 22092

Re: EGS 213161
Mail Stop 953

Dear Mr. McKelvey:

Senator Domenici referred us your letter of May 4, 1977, since we instigated the inquiry. Your letter is spaced with numerous inaccuracies and misstatements. The statement that Kerr McGee "shares" any interest in the property especially puzzles me. My clients have a direct 22-year interest in and to the property. Kerr McGee "jumped" some of the claims of my client and these will be litigated. Yet, Kerr McGee does not assert, or make any claim, on most of the land involved with the E. J. Longyear Co., Inc., exploration contract with the Defense Minerals Exploration Administration (DMEA).

E. J. Longyear Co., Inc., entered into the DMEA contract as a result of an agreement by and between Yucca Mining and Petroleum Co., Lisbon Uranium Company, Adams and Kennedy for the development of certain mining claims in Townships 13 and 14 N., R. 8 W. Litigation arose from the contract and as a result of the eventual settlement of the litigation, Longyear reassigned to Yucca all of the claimed interests in the two townships. Through foreclosure and court proceedings, these properties were eventually awarded to Melvin E. Richards. Mr. Richards has kept up the annual assessment work on all claims. Mr. Richards had copies of all logs. He still has the Longyear logs on Sections 9-10-3-4, Township 13 N., R. 8 W. Section 32, Township 14 N., R. 8 W., is leased to Homestake. The ore body on this section was expanded by Homestake and Homestake is now planning to sink a shaft on the same.

Houston Oil and Minerals has a long term lease for most of the remaining sections in Township 14 N., R. 8 W. Kerr McGee has no interest and claims no interest and never had any "proprietory" interest in most of these sections. There is a minor dispute in Sections 33 and 34.

21365

Mr. Richards loaned the remaining logs to a third company and this company has not been able to locate them.

The logs we request are all for drilling in Township 14 N., R. 8 W. Some of the sections listed do not indicate any drilling. I have tried to indicate sections where holes indicate drill holes from records furnished me by underlining the section. Sections 6, 7, 8, 9, 18, 17, 16, 19, 20, 21, 23, 30, 29, 28, 27, 26, 33, 34, 35.

In summation, and in comment to your letter, Longyear never "permitted its rights to the land to expire" since it conveyed by assignment and deed the property. Kerr McGee did not acquire these lands. My client has filed with the BMA, as required under the new law, its required fees on claims covered by this letter. My client's lessee is now drilling extensively on these claims; has spent over $100,000.00 re-staking all claims, filed all required notices, and in addition to drilling, is spending $400,000.00 or more over the next three months in extensive geological testing.

I would appreciate your correcting your records and would also appreciate copies of these logs. We will be agreeable to pay all costs for the reproduction.

Sincerely yours,

TOULOUSE, KREHBIEL & DeLAYO, P. A.

James R. Toulouse

JRT:mkt
cc: Mr. Melvin E. Richards
Mr. Paul Taylor, Houston Oil and Minerals

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
EGS-213161
Mail Stop 953

MAY 18 1977

Honorable Pete V. Domenici
United States Senator
10013 New Federal Building
and U.S. Courthouse
Albuquerque, New Mexico 87101

Dear Senator Domenici:

This is in reference to our letter to you of May 4, 1977, concerning availability of drill log information resulting from an exploration project in 1958 under the Defense Minerals Exploration Administration (DMEA) program.

Kerr-McGee Resources Corporation, Albuquerque, New Mexico, present owner of the property explored under the DMEA contract, informs us that it does not assert proprietary right to the DMEA information. Accordingly, we will make this available to Mr. Jim Toulouse, Albuquerque, New Mexico, by the same procedure we release information from other DMEA contracts.

In lieu of a complete address for Mr. Toulouse, we enclose a letter to him from Mr. Harold Kirkemo, Chief of our Office of Minerals Exploration, describing the information available and instructing him on the procedure for obtaining the material he desires. We would appreciate it if you would forward this letter to Mr. Toulouse. The file material will be forwarded to Cooper-Trent Division, Keuffel and Esser Co., the commercial firm that can provide Mr. Toulouse with copies of the specific material he wishes to order. We expect that Mr. Toulouse will contact Cooper-Trent and that the two parties will communicate concerning prices and an order for copies.

Sincerely yours,

V.E. McKelvey

Director

Enclosure

Copy to your Washington Office

cc: General Files, MS114, Reston, Va.
AS/EM (2 copies)
Congressional Liaison
Director's Chron, MS114, Reston
Division, MS911
MR Rdg., MS913
OME (2 copies)
D. Bunevich

EGS:GD:HKirkemo:gpw 5/13/77 860-6681

Let's Clean Up America For Our 200th Birthday

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
EGS-213161
Mail Stop 953

Honorable Pete V. Domenici
United States Senator
10013 New Federal Building
and U.S. Courthouse
Albuquerque, New Mexico 87101

Dear Senator Domenici:

This is in reference to our letter to you of May 4, 1977, concerning availability of drill log information resulting from an exploration project in 1958 under the Defense Minerals Exploration Administration (DMEA) program.

Kerr-McGee Resources Corporation, Albuquerque, New Mexico, present owner of the property explored under the DMEA contract, informs us that it does not assert proprietary right to the DMEA information. Accordingly, we will make this available to Mr. Jim Toulouse, Albuquerque, New Mexico, by the same procedure we release information from other DMEA contracts.

In lieu of a complete address for Mr. Toulouse, we enclose a letter to him from Mr. Harold Kirkemo, Chief of our Office of Minerals Exploration, describing the information available and instructing him on the procedure for obtaining the material he desires. We would appreciate it if you would forward this letter to Mr. Toulouse. The file material will be forwarded to Cooper-Trent Division, Kauffel and Esser Co., the commercial firm that can provide Mr. Toulouse with copies of the specific material he wishes to order. We expect that Mr. Toulouse will contact Cooper-Trent and that the two parties will communicate concerning prices and an order for copies.

Sincerely yours,

Director

Enclosure

Copy to your Washington Office

cc: General Files, MS114, Reston, Va. Division, MS911
AS/EM (2 copies) MR Rdg., MS913
Congressional Liaison OME (2 copies)
Director's Chron, MS114, Reston D. Bunevich

EGS:GD:HKirkemo:gpw 5/13/77 860-6681

Let's Clean Up America For Our 200th Birthday

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

MAY 17 1977

In Reply Refer To:
Mail Stop 953

Mr. Jim Toulouse
Attorney at Law
Albuquerque, New Mexico

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Dear Mr. Toulouse:

This is in response to your recent request to Senator Pete V. Domenici, for information on the subject property resulting from the captioned DMEA contract. The available information resulting from this contract is listed on the enclosed sheet.

This material may be ordered by contacting:

Cooper-Trent Division
Keuffel & Esser Co.
Wilson Boulevard at Danville Street
Arlington, Virginia 22201
Attention: Mr. Marvin Mundy

Please send your address to Cooper-Trent so that the firm can contact you regarding the cost of reproductions; the minimum charge per order is $15.00. Upon selecting the material and deciding how many copies you want, send the enclosed copy of this letter and list to Cooper-Trent with your letter of instructions. All future correspondence relating to procurement of copies of the material should be with Cooper-Trent rather than with this office.

We are pleased to be of service to you.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure

San Mateo Dome project
List of available material

		Dimensions
Operator's final report		
Text	8 pages	8" x 10½"
1 Table - Drill hole data		11" x 21½"
1 Map - Claims and drill holes (scale: 1" = 1,000')		22" x 23"
Lithologic drill logs	32 pages	8½" x 11"
Geologic sections of drill holes	22 pages	8½" x 11"
Gamma ray logs, folded into 12" x 9" folds	22 log sheets	
	1	12" x 43"
	1	12" x 50"
	3	12" x 54"
	2	12" x 56"
	4	12" x 57"
	3	12" x 58"
	1	12" x 59"
	2	12" x 60"
	2	12" x 61"
	1	12" x 63"
	1	12" x 65"
	1	12" x 234"

Received
May 9, 1977

KERR-McGEE RESOURCES CORPORATION
5115 COPPER, N.E. • ALBUQUERQUE, NEW MEXICO 87108

May 5, 1977

Mr. Harold Kirkemo, Chief
OFFICE OF MINERALS EXPLORATION
United States Department of the Interior
Reston, Virginia 22092

Your reference: Mail Stop 953

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Dear Mr. Kirkemo:

Kerr-McGee Corporation had no contractual involvement in the exploration program performed in the DMEA project referred to above, and it is our conclusion that Kerr-McGee has no basis to agree or disagree to the release by you of the information contained in said DMEA-4842 file.

Very truly yours,
KERR-McGEE RESOURCES CORPORATION

Harold W. Holmberg

H. W. Holmberg
Regional Exploration Manager

HWH:azk

In Reply Refer To:
EGS-213161
Mail Stop 953

MAY 4 1977

Honorable Pete V. Domenici
United States Senator
10013 New Federal Building
and U.S. Courthouse
Albuquerque, New Mexico 87101

Dear Senator Domenici:

This is in further reply to your letter of April 4, 1977, to Mr. James B. Rhoads, Archivist of the United States, requesting information on certain drilling records resulting from an exploration project in McKinley County, New Mexico.

In the period between July 1, 1958, and October 23, 1958, the E. J. Longyear Co., Inc., conducted a uranium exploration drilling project on certain mining claims in Tps. 13 and 14 N., R. 8 W., in McKinley County. The work was done under an exploration contract with the Defense Minerals Exploration Administration (DMEA), Department of the Interior. Information furnished by an Operator under a DMEA contract is considered to be proprietary, and may be made available to other parties upon request with the permission of the Operator. In this case, the Operator was the E. J. Longyear Co., Inc.

We were advised in 1971 by the Longyear Company that it had permitted its rights to the land involved in the exploration contract to expire. In January 1972, we learned that Kerr-McGee Resources Corporation, Albuquerque, New Mexico, had acquired these lands, and on March 14, 1977, were informed that the firm still retained the property. The Government, therefore, shares interest with Kerr-McGee in the information furnished by the Operator of the DMEA project rather than with the Longyear Company. Accordingly, we are writing to Kerr-McGee Resources Corporation for permission to make the information available to Mr. Jim Toulouse, attorney, Albuquerque.

953

We will advise you of the availability of the drill log information as soon as we have a reply from the Kerr-McGee Resources Corporation.

Lisbon Uranium Company did not submit an application for DMEA assistance to explore for uranium in McKinley County, New Mexico, so we have no information to offer from this source.

Sincerely yours,

V.E. McKelvey

Director

Enclosure

Copy to your Washington office

cc:
General Files, MS114, Reston, Va.
AS/EM (2 copies)
Congressional Liaison
Director's Chron, MS114, Reston
Division, MS911
MR Rdg., MS913
OME (3 copies)
D. Bunevich, MS111

EGS:GD:HKirkemo:gpw 5/2/77 860-6681

UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION

National Archives and Records Service
Washington, D C 20408

APR 18 1977

Honorable Pete V. Domenici
United States Senator
10013 New Federal Building and
U. S. Courthouse
500 Gold Avenue, SW
Albuquerque, NM 87101

Dear Senator Domenici:

We have received your letter of April 4, 1977, on behalf of Mr. Jim Toulouse, who is seeking information for a client concerning drilling logs created as a result of a contract authorized by the Defense Minerals Exploration Administration.

Although certain records of the Defense Minerals Exploration Administration are stored in several of our Federal records centers around the United States, access to these records is governed by the successor agency which is the Geological Survey of the Department of the Interior. We, therefore, are referring your request to that agency asking them to take appropriate action.

We regret that we are unable to be of more direct assistance to you in this matter.

Sincerely,

James E. O'Neill

JAMES E. O'NEILL
Acting Archivist
of the United States

cc: Geological Survey

213161

EDMUND S. MUSKIE, MAINE, CHAIRMAN
WARREN G. MAGNUSON, WASH.
ERNEST F. HOLLINGS, S.C.
ALAN CRANSTON, CALIF.
LAWTON CHILES, FLA.
JAMES ABOUREZK, S. DAK.
JOSEPH R. BIDEN, JR., DEL.
J. BENNETT JOHNSTON, LA.
WENDELL R. ANDERSON, MINN.
JAMES R. SASSER, TENN.
HENRY BELLMON, OKLA.
ROBERT DOLE, KANS.
JAMES A. MC CLURE, IDAHO
PETE V. DOMENICI, N. MEX.
SAM I. HAYAKAWA, CALIF.
JOHN H. HEINZ III, PA.
JOHN T. MC EVOY, STAFF DIRECTOR
ROBERT S. BOYD, MINORITY STAFF DIRECTOR

United States Senate

COMMITTEE ON THE BUDGET
WASHINGTON, D.C. 20510

April 4, 1977

Received NA-N
APR 11 1977

Mr. James B. Rhoads
Archivist of the United States
National Archives and Records
Service
Washington, D.C. 20408

Dear Mr. Rhoads:

Mr. Jim Toulouse, an Albuquerque, New Mexico attorney, represents the successors of Henry C. Adams and G. R. Kennedy. Adams and Kennedy were agents for E.J. Longear Company Inc., and Lisbon Uranium Company, which had drilling contracts under authority granted by the Defense Minerals Exploration Administration. The drilling was performed at Township 14 North, Range 8 West, and Township 13 North, Range 8 West, all in McKinley County, New Mexico, during the period June 1957 through September 1957. Pursuant to regulations of the Defense Minerals Exploration Administration, drilling contractors were required to file copies of daily drilling logs with that agency.

Those drilling logs are of significant importance to Mr. Toulouse's clients. Therefore, I am soliciting your cooperation and assistance in locating copies of such documents. Please provide me with any information pertinent to this matter and direct your reply to me at my district office, 10013 New Federal Building and U.S. Courthouse, 500 Gold Avenue, S.W., Albuquerque, New Mexico 87101.

With best wishes and kindest regards, I am

Very truly yours,

Pete V Domenici

Pete V. Domenici
United States Senator

PVD:lgrw

UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION
National Archives and Records Service
Washington, D C 20408

APR 18 1977

Honorable Pete V. Domenici
United States Senator
10013 New Federal Building and
U. S. Courthouse
500 Gold Avenue, SW
Albuquerque, NM 87101

Dear Senator Domenici:

We have received your letter of April 4, 1977, on behalf of Mr. Jim Toulouse, who is seeking information for a client concerning drilling logs created as a result of a contract authorized by the Defense Minerals Exploration Administration.

Although certain records of the Defense Minerals Exploration Administration are stored in several of our Federal records centers around the United States, access to these records is governed by the successor agency which is the Geological Survey of the Department of the Interior. We, therefore, are referring your request to that agency asking them to take appropriate action.

We regret that we are unable to be of more direct assistance to you in this matter.

Sincerely,

James E. O'Neill

JAMES E. O'NEILL
Acting Archivist
of the United States

cc: Geological Survey

Keep Freedom in Your Future With U.S. Savings Bonds

213161

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

March 22, 1977

Mr. Don B. Robertson
Geologist
Kerr-McGee Resources Corporation
5115 Copper, N.E.
Albuquerque, New Mexico 87108

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Dear Mr. Robertson:

This is in response to your letter of March 14, 1977, requesting information on the subject property resulting from the captioned DMEA contract. You state that the information which had been received from this office sometime in the past is now partially missing. You should be able to identify this material from the enclosed list and order the copies you want.

The material listed may be ordered by contacting:

Cooper-Trent Division
Keuffel & Esser Co.
Wilson Boulevard at Danville Street
Arlington, Virginia 22201
Attention: Mr. Marvin Mundy

Cooper-Trent will contact you regarding the cost of reproductions; the minimum charge per order is $15.00. Upon selecting the material and deciding how many copies you want, send the enclosed copy of this letter and list to Cooper-Trent with your letter of instructions. All future correspondence relating to procurement of copies of the material should be with Cooper-Trent rather than with this office.

We are pleased to be of service to you.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure

Copy to Mr. Mundy

San Mateo Dome project
List of available material

		Dimensions
Operator's final report		
Text	8 pages	8" x 10½"
1 Table - Drill hole data		11" x 21½"
1 Map - Claims and drill holes (scale: 1" = 1,000')		22" x 23"
Lithologic drill logs	32 pages	8½" x 11"
Geologic sections of drill holes	22 pages	8½" x 11"
Gamma ray logs, folded into 12" x 9" folds	22 log sheets	
	1	12" x 43"
	1	12" x 50"
	3	12" x 54"
	2	12" x 56"
	4	12" x 57"
	3	12" x 58"
	1	12" x 59"
	2	12" x 60"
	2	12" x 61"
	1	12" x 63"
	1	12" x 65"
	1	12" x 234"

Rec'd 3/17/77

KERR-McGEE RESOURCES CORPORATION
5115 COPPER, N.E. • ALBUQUERQUE, NEW MEXICO 87108

March 14, 1977

Mr. Harold Kirkemo
Chief Officer of Metals Exploration
USGS NATIONAL CENTER
Mail Stop 953
12201 Sunrise Valley Drive
Reston, Virginia 22092

Dear Mr. Kirkemo:

Several years ago we requested information on our claims in Sections 33, 34, 27, T14N, R8W and Sections 3, 4, T13N, R8W, McKinley County, New Mexico. We still hold these claims, but the information wich we received for our files is now partially missing.

Would you again forward the information on the following:

Project:	San Mateo Dome
DMEA Docket #:	4842
Contract:	Idm - E1183
Agent:	Longyear
Approximate Date:	1957 - 1959

Please send above requested information and invoice to:

KERR-McGEE RESOURCES CORPORATION
5115 Copper Avenue NE
Albuquerque, New Mexico 87108

Thank you.

Very truly yours,

Donald B. Robertson

Don B. Robertson
Geologist

DBR:azk

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

Office of Minerals Exploration
Building 53 Room 28

IN REPLY REFER TO:

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 31 1972
MINERALS CODE
130
HK 120

January 27, 1972

Memorandum

To: Chief, Office of Minerals Exploration

Through: Assistant Chief, Office of Minerals Exploration

From: Field Officer, Region III, Office of Minerals Exploration

Subject: DMEA-Docket 4842 (Uranium)
E. J. Longyear Co.
San Mateo Dome Project
McKinley County, New Mexico
Contract Idm E-1183

During a telephone conversation with Mr. William Chenowith, Atomic Energy Commission, Grand Junction Operations Office, on January 21, 1972, I was informed that the sections of land encompassing the subject contract are presently owned by Kerr-McGee Corporation, Kerr-McGee Building, Oklahoma City, Oklahoma 73102. This information is on record at the AEC Grand Junction Office as of October 1971. The specific areas owned are as follows: all of sections 27, 33 and 34, and the E-1/2 of section 32 in T. 14 N., R. 8 W., and all of sections 3 and 4 in T. 13 N., R. 8 W.

Mr. Larry L. Werts is Manager of Uranium Exploration for the Kerr-McGee Corporation.

During my conversation with you, you indicated that you would inform the E. J. Longyear Co. of this ownership, and their relationship to the possible release of the data obtained under the DMEA contract.

J. William Hasler

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

OFFICIAL FILE COPY

Date	Surname	Code
1/25/72		120
		220

January 25, 1972

AIRMAIL

Mr. Lee C. Armstrong
Chief Geologist & Mining Engineer
E. J. Longyear Company
Box 1368
Minneapolis, Minnesota 55440

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Dear Mr. Armstrong:

This is to confirm our telephone discussion yesterday and our decision not to open file release the material on the San Mateo Dome DMEA project described in my letter to you dated December 15, 1971. As I mentioned to you, we learned yesterday that Kerr-McGee Corporation, Oklahoma City, Oklahoma, presently owns or controls this property. Unless Kerr-McGee also requests open file release of this material, we would not initiate such action at present.

Accordingly, the material will not be made available for release, but instead will be retained in our contract files. We appreciate the suggestion and request by the Longyear Company to release the material it developed on this contract. Under present circumstances, however, we cannot accommodate this request.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

2 copies to:
Norman L. Hatch, Jr.
Washington TRU, U. S. Geological Survey
1625 I Street, N. W.

cc: OME Region III
OME File
OME Reading File
Mr. Kirkemo

HKirkemo/gla 1-25-72

OFFICIAL FILE COPY

Date	Surname	Code
12/15/71		120
		220

December 15, 1971

Memorandum

To: Chief, Washington TRU

From: Chief, Office of Minerals Exploration

Subject: Request to open file material on San Mateo Dome Project, McKinley County, New Mexico

Please prepare for open file release the enclosed material which is identified in the following proposed draft of a press release. Permission to release this material is indicated in the enclosed letter from the E. J. Longyear Company.

The U. S. Geological Survey is releasing in open files the following report and material prepared by the E. J. Longyear Company under a Defense Minerals Exploration Administration contract in 1958 and 1959. Copies are available for inspection in the Geological Survey Libraries, 1033 GS Building, Washington, D. C. 20242, and 1012 Federal Building, Denver, Colorado 80202.

1. (a) Operator's final report on results of work completed on the San Mateo Dome Project, McKinley County, New Mexico, by E. J. Longyear Company, 1959. 8 p., 1 map (scale 1 inch equals 1,000 feet), 1 table.

   (b) Lithologic drill logs, 32 p.

   (c) Geologic sections of drill holes, 22 p.

   (d) Gamma ray logs, 22 sheets

Harold Kirkemo

Harold Kirkemo

Enclosures

Original and 1 copy to:
Norman L. Hatch, Jr.
Washington TRU, U. S. Geological Survey
1625 I Street, N. W.

cc: OME Region III w/cy EJLongyear letter 9/16/71
OME File
Mr. Kirkemo

HKirkemo/gla 12-15-71

P. S. One copy of this material will be furnished Denver TRU by our Denver office.

Operator's Final Report
San Mateo Dome Project
McKinley County, New Mexico

by

E. J. Longyear Company, Operator

under

DMEA Docket No. 4822 (Uranium)

Contract No. Idm-E1183

May-October 1958

Lithologic drill logs
San Mateo Dome Project
McKinley County, New Mexico

Drilling conducted by
B. J. Longyear Company, Operator
under
DMEA Docket No. 4822 (Uranium)
Contract No. Idm-E1183
May-October 1958

Geologic Sections of Drill Holes
San Mateo Dome Project
McKinley County, New Mexico

Drilling conducted by
E. J. Longyear Company, Operator
under
DMRA Docket No. 4822 (Uranium)
Contract No. Idm-E1183
May-October 1958

Gamma Ray Logs
San Mateo Dome Project
McKinley County, New Mexico

Drilling conducted by
E. J. Longyear Company, Operator
under
DMEA Docket No. 4822 (Uranium)
Contract No. Idm-E1183
May-October 1958

OFFICIAL FILE COPY

Date	Surname	Code
12/15/71		120
		220

AIRMAIL

DEC 15 1971

Mr. Lee C. Armstrong
Chief Geologist & Mining Engineer
E. J. Longyear Company
Box 1368
Minneapolis, Minnesota 55440

Re: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract Idm-E1183

Dear Mr. Armstrong:

In belated response to your letter of September 16, 1971, we have assembled for open file release the following material on the subject project:

1. (a) Operator's final report on results of work completed on the San Mateo Dome Project, McKinley County, New Mexico, by E. J. Longyear Company, 1959. 8 p., 1 map (scale 1 inch equals 1,000 feet), 1 table.

   (b) Lithologic drill logs, 32 p.

   (c) Geologic sections of drill holes, 22 p.

   (d) Gamma ray logs, 22 sheets

A press release announcing that this material will be available for inspection in Washington, D. C., and Denver, Colorado, will be issued soon. A copy of the announcement will be sent to you.

We hope this material will be useful to those interested in the geology of the district. Your authorization for the Government to release the information is appreciated.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
DMEA docket
OME Reading File
OME Region III
Mr. Kirkemo

HKirkemo/gla 12-15-71

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225
Office of Minerals Exploration
Building 53 Room 28

O. M.
RECEIVED
NOV 22 '71
INITIALS | CODE
gla | 120
HK | 120

November 18, 1971

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region III

Through: Assistant Chief, Office of Minerals Exploration

Subject: DMEA-4842 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico
Contract No. Idm. E-1183

Enclosed is a list of the data concerning the subject DMEA project that is filed in the archives at Denver Federal Center, Denver, Colorado.

Several pieces of correspondence dated September 15, 1959 to various owners concerning consent to Lien and Subordination Agreement signed by them under the DMEA Program, notifying them that the OME had succeeded the DMEA Program.

A letter dated September 14, 1959 to the Operator terminating contract without certification, and closing the Government's book and records on the project.

An interoffice memorandum dated March 25, 1959 concerning transmittal of final Form MF104, Operator's Monthly Voucher, for October 1958 and review for final payment, Report of Review for reports of June 1958 to October 1958, in lieu of final audit, and a Summary of Documented Costs.

A map showing location of Stage I and III drill holes as completed, and their classification as to degree of mineralization.

An Administrative Audit Difference statement of November 28, 1958. An interoffice memorandum from Executive Officer, to T. A. Christensen dated November 24, 1958 enclosing Operator's Monthly Progress Report of October 1958.

An interoffice memorandum from T. M. Romslo to Executive Officer transmitting Progress Report for October 1958.

The Operator's Monthly Progress Report for October 1958, includes a description of the holes completed, including lithologic, geologic and gamma ray logs for holes, G-18-32, G-19-32, G-20-32, G-21-32, G-22-32.

Operator's Monthly Progress Report, Narrative Report, and Engineers report for September 1958, which includes a description of Stage I hole Nos. G-9-27, and G-13-27, and Stage III hole Nos. G-14-32, G-15-32, G-16-32, G-17-32, G-18-32, G-19-32, map showing completed holes, lithologic, geologic and gamma ray logs and costs.

Operator's Monthly Progress Report for ~~June~~ Aug. 1958, narrative, costs, administrative audit difference statement including a description of drill holes Nos. G-6-4, G-7-3, G-8-3, G-9-27, G-10-27, G-11-34, G-12-27, a fence diagram, lithologic, geologic, and gamma ray logs; map and cross section A-A'.

Operator's Monthly Progress Report for July 1958, including a narrative report, costs, lithologic, geologic and radiometric logs for drill holes G-2-4, G-3-4, G-4-4, and G-5-4, a lithologic and geologic log of drill hole G-1-33 plus a map showing locations of the drill holes and their classification.
June 1958 report
gamma ray log.

J. William Hasler

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

E. J. LONGYEAR COMPANY
General Offices: 925 Delaware Street S. E.
Minneapolis, Minnesota 55414, USA
Mailing Address: Box 1368, Minneapolis, Minnesota 55440, USA
Telephone (612) 331-1331

OFFICIAL COPY
O. X. E.
RECEIVED
SEP 20 1971
INITIALS | CODE
HK | 120

September 16, 1971

AIRMAIL

Mr. Harold Kirkemo, Chief
Office of Mineral Explorations
U.S. Geological Survey
Interior Building - Room 4461
Washington, D.C. 20242

Dear Mr. Kirkemo:

In the late 1950's, the Longyear Company, with the assistance of a DMEA loan, participated in exploration for uranium in the San Mateo Dome Project, McKinley County, New Mexico.

The San Mateo Dome Project was abandoned without discovering any uranium mineralization of economic interest. Longyear has permitted its land rights, or position in the project, to expire.

The Longyear Company requests that all drilling and geological information developed by the Longyear Company under said DMEA loan on the San Mateo Project be made available to the public. The release of this information will, Longyear feels, be beneficial to the public insofar as such information will add to the knowledge of the region's geology and could save time and expense in drilling of additional barren drill holes.

Sincerely yours,

LONGYEAR COMPANY

Lee C. Armstrong

Lee C. Armstrong
Chief Geologist & Mining Engineer

LCA:V

(415) 771-2025

PARADOR MINING CO., INC.

1800 PACIFIC AVENUE
SUITE 702
SAN FRANCISCO, CALIFORNIA 94109

October 20, 1967

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 1 1967

INITIALS	CODE
gla	120
	~~120~~ 120 S
	110

Office Of Minerals Exploration
U. S. Dept. of The Interior
Washington 25, D. C.

Gentlemen:

Re: Docket No. DMEA-4842(Uranium)
San Mateo Dome Project
Contract No. Idm-E1183

Not certified

I hereby authorize you to allow Mr. John Bastanchury to examine the files and whatever right Parador Mining Co., Inc. may have pertaining to the above DMEA project drilled in 1958.

Sincerely yours,

Elizabeth Adoor

Elizabeth Adoor
President

EA:m

On this 20th day of October in the year one thousand nine hundred and sixty seven Elizabeth Adoor, known to me to be the person whose name is subscribed to the above instrument, and acknowledged to me that she executed the same.

In Witness Whereof I have hereunto set my hand and affixed my official seal in the City and County of San Francisco, State of California.

SUZANNE F. PINNEO
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO

My Commission Expires Sept. 3, 1971

Suzanne F. Pinneo

224 New Customhouse
Denver 2, Colorado
June 10, 1958

RECEIVED JUN 12 1958

6/12 C 220
Lease 700
(Chung)

Mr. R. C. Gebhardt
E. J. Longyear Company
416 Colorado Building
Denver 2, Colorado

Re: Docket No. DMEA 4995 (Uranium)
San Mateo Dome Project (E_2, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Dear Mr. Gebhardt:

This will confirm our telephone conversation today concerning the change in name of Yucca Uranium, Inc. to Yucca Mining and Petroleum Company, Inc.

Please forward this office a photostat of the certificate filed by Yucca Uranium, Inc. with the Secretary of State, which requested the change in name to Yucca Mining and Petroleum Company, Inc.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

HMC:dp

c: Chmn. Op. Comm. 2)w/cy
Harshman)Applicant's
Docket)ltr. 6-9-58
Chron.

FORM 311A 10M 8-56

DMEA
PARTMENT OF THE INTERIOR
JUN 10 1958
REGION III
DENVER, COLORADO

Longyear

E. J. LONGYEAR COMPANY
General Offices, Foshay Tower
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 2-2447 • CABLE LONGCO

ADDRESS REPLY TO
416 COLORADO BUILDING
DENVER 2, COLORADO
AMHERST 6-1941
CABLE ADDRESS
"LONGCODENVER"

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 12 1958
DATE

June 9, 1958

United States Dept. of the Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Attention: E. N. Harshman, Acting Executive Officer
DMEA Field Team, Region III

Re: Docket No. DMEA 4995 (Uranium)
San Mateo Dome Project (E ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Gentlemen:

Attached are seven completed forms, of the eight required, for the Consent to Lien and Subordination Agreement related to subject Docket number and application.

Inasmuch as we have not received response from Parador Mining Company we have decided to send to you what we have now in order to expedite matters if this is at all possible in view of the reported uncertain circumstances presently attaching to July 1st in Washington under this program.

Yours faithfully,

E. J. LONGYEAR COMPANY

R. C. Gebhardt

msb

sures

6-10-58

nce the preparation of this letter we have been telephoned ficial of Parador to say that their signed copy of subject o Lien had gone astray and would we send another set for nature. This is being done today.

RCG

DIAMOND CORE

RERS • MINING ENGINEERING AND GEOLOGICAL CONSULTANTS • CORE DRILLING CONTRACTORS

FORM 311A 10M 8-56

DMEA
PARTMENT OF THE INTERIOR
JUN 10 1958
REGION III
DENVER, COLORADO

Longyear

E. J. LONGYEAR COMPANY
General Offices, Foshay Tower
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 2-2447 • CABLE LONGCO

ADDRESS REPLY TO
416 COLORADO BUILDING
DENVER 2, COLORADO
AMHERST 6-1941
CABLE ADDRESS
"LONGCODENVER"

OFFICIAL FILE COPY

June 9, 1958

DMEA
RECEIVED JUN 12 1958
DATE

United States Dept. of the Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Attention: E. N. Harshman, Acting Executive Officer
DMEA Field Team, Region III

Re: Docket No. DMEA 4995 (Uranium)
San Mateo Dome Project (E ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Gentlemen:

Attached are seven completed forms, of the eight required, for the Consent to Lien and Subordination Agreement related to subject Docket number and application.

Inasmuch as we have not received response from Parador Mining Company we have decided to send to you what we have now in order to expedite matters if this is at all possible in view of the reported uncertain circumstances presently attaching to July 1st in Washington under this program.

Yours faithfully,

E. J. LONGYEAR COMPANY

R. C. Gebhardt

msb

sures

6-10-58

nce the preparation of this letter we have been telephoned ficial of Parador to say that their signed copy of subject o Lien had gone astray and would we send another set for ature. This is being done today.

RCG

DIAMOND CORE

urers • MINING ENGINEERING AND GEOLOGICAL CONSULTANTS • CORE DRILLING CONTRACTORS

FORM 311A 10M 8-56

DMEA
PARTMENT OF THE INTERIOR
JUN 10 1958
REGION III
DENVER, COLORADO

Longyear

E. J. LONGYEAR COMPANY
General Offices, Foshay Tower
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 2-2447 • CABLE LONGCO

ADDRESS REPLY TO
416 COLORADO BUILDING
DENVER 2, COLORADO
AMHERST 6-1941
CABLE ADDRESS
"LONGCODENVER"

OFFICE FILE COPY
DMEA
RECEIVED JUN 12 1958
DATE

June 9, 1958

United States Dept. of the Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Attention: E. N. Harshman, Acting Executive Officer
DMEA Field Team, Region III

Re: Docket No. DMEA 4995 (Uranium)
San Mateo Dome Project (E ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Gentlemen:

Attached are seven completed forms, of the eight required, for the Consent to Lien and Subordination Agreement related to subject Docket number and application.

Inasmuch as we have not received response from Parador Mining Company we have decided to send to you what we have now in order to expedite matters if this is at all possible in view of the reported uncertain circumstances presently attaching to July 1st in Washington under this program.

Yours faithfully,

E. J. LONGYEAR COMPANY

R. C. Gebhardt

RCG:msb

Enclosures

P. S. 6-10-58

Since the preparation of this letter we have been telephoned by an official of Parador to say that their signed copy of subject Consent to Lien had gone astray and would we send another set for their signature. This is being done today.

RCG

IN REPLY REFER TO:

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

RECEIVED MAY 27 1958
5/27 H.G. 223
700

Memorandum

May 23, 1958

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of field examination report, DMEA 4995 (uranium), San Mateo Dome Project, (E. J. Longyear Co.), McKinley County, New Mexico.

The examining team report that chances for a new discovery of ore on the applicant's property appear to be excellent. They point out that drilling on land adjacent, to the west, has resulted in the discovery of a significant ore deposit.

Previous drilling in the area has shown that a belt of large uranium deposits extends from the well-known Ambrosia Lake area to the property of the San Mateo Dome Project.

The examiners recommend that if the new proposal is approved by the Government that the new lands be incorporated into Contract Idm-E 1183.

I agree with the advice of the examining team for approval of the application.

W. P. Williams

W. P. Williams

DMEA
RECEIVED MAY 22 1958

DATE	INITIALS	CODE
5/22	C	220
5/23	[illegible]	700

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

Date May 22, 1958

DMEA Docket No. 4995
DMEA Contract No.
Commodity Uranium
Name of applicant San Mateo Dome Project
Name of property
Location of property McKinley County, N. Mex.
Estimated cost of project $73,371.50

From: Ernest William Ellis, DMEA Member
Uranium Commodity Specialist
Date: James Paone, Bureau of Mines Member
Uranium Commodity Specialist
Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document: 5/13/58. 2. Date received by reviewer: 5/21/58.

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. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

25A New Customhouse
Denver 2, Colorado
May 20, 1958

5/22 H.G. 225
700

Memorandum

To: J. W. Healer w/enclosures 1-4
M. E. Salsbury w/enclosures 1-5

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

Subject: Docket No. DMEA 4995 (Uranium) San Mateo Dome Project (M. J. Longyear Company, Agent) McKinley County, New Mexico

For your information, enclosed are the following:

1. Memorandum of Review of the application by James Pecne, USGS.

2. Memorandum of Review of the application by W. P. Williams, USGS.

3. Letter of transmittal of the foregoing from the Chairman, Operating Committee, dated May 15, 1958.

4. Routing control sheet.

5. Copy of the application.

Original signed by
E. N. HARSHMAN

E. N. Harshman

ENH:dp

cc: Sec. Op. Comm. 2
Harshman
DMEA/RPG
Docket
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1958

DATE	INITIAL	CODE
5/15	C	220
5/19	JB	130
"	Chang	220

224 New Customhouse
Denver 2, Colorado
May 13, 1958

Memorandum

To: Secretary to the Operating Committee

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

Subject: Docket No. DMEA 4995 (Uranium) San Mateo Dome Project (E. ½, S. 32, T. 14 N., R. 8 W., NMPM) McKinley County, New Mexico - Joint Report of Examination

Enclosed are the original and two copies of the joint report of examination on the subject property by M. H. Salsbury, USBM, and J. William Hasler, USGS.

The field examiners conclude that there is an excellent chance that the proposed exploration will find uranium ore bodies of significant size and grade. They recommend that the Applicant's work proposal be approved as modified by them, in which the field team concurs.

Owner's Consent to Lien and Subordination Agreements will be prepared by this office and forwarded the Applicant to obtain required signatures.

Enclosed are eight extra copies of Figure 1 for use in the preparation of the contract.

E. N. Harshman

E. N. Harshman

ON-SITE EXAM

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date)

IN REPLY REFER TO:
MINERAL DEPOSITS
DMEA
RECEIVED
MAY 12 1958
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY
P. O. Box 300
Grand Junction, Colorado
REGION III
DENVER, COLORADO

DMEA
MAY 12 1958

May 7, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1958
5/19 2/3 130 220

Memorandum

To: Acting Executive Officer, DMEA Field Team, Region III

Through: E. N. Harshman

From: J. William Hasler

Subject: Transmittal of a joint report of examination on an application for Government assistance by the San Mateo Dome Project on the East ½ sec. 32, T. 14 N., R. 8 W., NMPM, McKinley County, New Mexico.

Enclosed herewith are ten copies of a joint report of examination by J. W. Hasler and M. H. Salsbury on the East ½ sec. 32, T. 14 N., R. 8 W., NMPM, McKinley County, New Mexico as well as 21 copies of Figure 1, claims and proposed drilling on the East ½ sec. 32, T. 14 N., R. 8 W., NMPM, McKinley County, New Mexico.

The E. J. Longyear Company, P. O. Box 998, Grants, New Mexico, acting as agents for the "San Mateo Dome Project" applied to the Defense Minerals Exploration Administration on April 28, 1958 for assistance to explore for uranium ore bodies on the East half of the above mentioned section of ground in the San Mateo area of Grants Mining District, McKinley County, New Mexico.

A previous DMEA application (docket 4842) was made and a contract (Idm-E 1183) is currently in force on sections 33, 4 and 3, T. 14 and 13 N., R. 8 W., adjoining sec. 32 on the east and southeast to test the Poison Canyon and Westwater members of the Jurassic Morrison formation at depth for significant ore deposits.

Previous drilling on section 32 disclosed an ore body, and at the time of the field examination on DMEA docket 4842, section 32 was also examined. The discovery of the ore body in section 32 further established a southeasterly trend of the major ore belt from the Ambrosia Lake area and consequently resulted in the preparation of the present Contract Idm-E 1183.

Additional drilling in section 32, T. 14 N., R. 8 W. has disclosed an ore deposit calculated to contain 166,000 tons of indicated ore averaging 0.29 percent U_3O_8 with a thickness of 8.8 feet, and 161,000 tons of inferred ore averaging 0.23 percent U_3O_8 and having a thickness of 5.5 feet.

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date)

TRANSMITTED
MAY 13 1958

The DMEA examiners conclude that there is an excellent chance of finding substantial ore bodies by the proposed exploration which, together with the known ore body to the west, would constitute a minable reserve. The drilling program proposed by the applicant is recommended substantially as presented. It calls for two stages of drilling requiring an estimated 35,700 feet of non-core drilling in a maximum of 17 holes at an estimated cost of $73,371.50. Government participation at 50 percent would be $36,685.75.

To protect the Government's interest both in the new proposal and in the project on the adjoining land, it is recommended that the new proposal, if approved, be incorporated in Contract No. Idm-R 1183 with all lands subordinated as one unit.

I concur with the conclusions and recommendations of the examining team that the work herein proposed be prepared for a DMEA contract and that the chances for discovery of a significant tonnage of uranium ore on the East half of section 32, T. 14 N., R. 8 W. are favorable.

The Atomic Energy Commission was consulted relative to the appraisal of the area.

J. William Hasler

J. William Hasler,
Geologist

JWH/bh
Enclosures

FOR UNITED STATES GOVERNMENT USE ONLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA
DEPARTMENT OF THE INTERIOR
MAY 12 1958
REGION III
DENVER, COLORADO

REPORT OF EXAMINATION BY EXAMINING TEAM
REGION III

TRANSMITTED
MAY 13 1958

DMEA

San Mateo Dome Project

East ½ Sec. 32, T. 14 N., R. 8 W.

McKinley County, New Mexico

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1958

DATE	INITIALS	CODE
5/19	JHB	130
		220

Uranium

Joint Engineering and Geologic Report

by

J. William Hasler
U. S. Geological Survey

M. H. Salsbury
U. S. Bureau of Mines

May 1958

Reviewed by
DMEA OPERATING COMMITTEE
5-19-58
(date).

DMEA
SAN MATEO DOME PROJECT
EAST $\frac{1}{2}$ SEC 32, T. 14 N., R. 8 W.
McKINLEY COUNTY, NEW MEXICO

CONTENTS

Joint Engineering and Geologic Report

	Page
Introduction and Summary	1
Ownership	4
Geology and Ore Deposits	6
Proposed Exploration	8
Summary of costs suggested for contract use	11
Conclusions and Recommendations	13

ILLUSTRATIONS

Figure	Follows page
1. Claims and proposed drilling in areas II and III and East $\frac{1}{2}$ of Sec. 32, T. 14 N., R. 8 W., San Mateo Dome Project, McKinley County, New Mexico	14

DMEA
SAN MATEO DOME PROJECT
EAST ½ SEC. 32, T. 14 N., R. 8 W.
McKINLEY COUNTY, NEW MEXICO

INTRODUCTION AND SUMMARY

The E. J. Longyear Company, P. O. Box 998, Grants, New Mexico (field office) acting as agents for the "San Mateo Dome Project", applied on April 23, 1958 for Government assistance in exploration for uranium on mining claims adjacent to property on which a DMEA project by the same operator is in operation under Docket No. DMEA 4842, Contract No. Idm-E 1183. Exploratory drilling on the E½ Sec. 32, T. 14 N., R. 8 W., adjoining an area (W½ Sec. 32) where a substantial ore deposit has been partially defined by drilling is proposed in the present application. The estimated cost for 35,700 feet of non-core drilling in a maximum of 17 holes averaging 2,100 feet in depth is $73,800.00. Government participation at 50 percent would be $36,900.00.

The DMEA examiners did not make a field inspection of the project. Investigation under Docket No. DMEA 4842 provided all data which could be obtained in the field and no useful purpose would have been served by an additional visit. The applicant's representative in the Grant's area, Bryan F. Sorenson, had conferred with the Grand Junction, Colorado DMEA office before submitting the new application.

The rocks exposed on the property are the Mancos shale and the Mesa Verde group of Cretaceous age. Below the Mancos, but unexposed, are in descending order: the Dakota formation of Cretaceous age and the Morrison formation of Jurassic age. The potential ore-bearing formation is in the Westwater Canyon member of the Morrison formation which contains the major

portion of a large uranium reserve which has been developed in the Ambrosia Lake area 3 to 10 miles to the west. Reconnaissance drilling on the applicant's property followed by closer-spaced drilling on sec. 32, T. 14 N., R. 8 W., has indicated that a belt of large uranium deposits extends from the Ambrosia Lake area to the property of the San Mateo Dome Project. At the time of the initial field examination work was still in progress on the W.$\frac{1}{2}$ of sec. 32 with the hope of proving minable reserves of substantial tonnages in that section of ground. The examining team mentioned to Mr. Sorenson that it might be wise to include sec. 32 in the DMEA application; however, they were in the process of developing the section and did not feel that they would apply for DMEA aid at that time. However, sec. 32 was examined along with the other areas.

The land included in the present proposal is very favorably located because of its position in a favorable trend of mineralization and in close proximity to a known deposit recently discovered by the applicant's drilling. In fact, because of this proximity, the land is more favorably located than that adjoining on the east which covers the DMEA project in operation.

Economic ore deposits in the San Mateo Dome area must be of large size to justify exploration because of the depth of occurrence, 2000 feet or more. Such an ore body has been partially outlined next to the proposed project area where drilling has resulted in discovery of a reserve, conservatively calculated by the applicant as 166,000 tons of indicated ore with an average content of 0.29 percent U_3O_8 and thickness of 8.8 feet and 161,000 tons of inferred ore with an average content of 0.23 percent U_3O_8 and thickness of 5.5 feet. Additional inferred reserves of low grade ore (0.07 to 0.12 percent U_3O_8) have been calculated.

The applicant estimates that a minimum reserve of ore to be mined from one shaft would have to be in the neighborhood of 1,000,000 tons to justify development at a depth of 2000 feet.

Exploration of the area on which the present DMEA project is proposed was originally planned as a private project, a continuation of the work done on the other half of section 32. However, the applicant was obligated to explore other parts of the holdings to the north where DMEA exploration had been denied and capital to carry on work in both areas was not available. Consequently the additional application for Government assistance in exploration of a very favorable area has been made.

The DMEA examiners conclude that there is an excellent chance of finding substantial ore bodies by the proposed exploration which together with the known ore body to the west would constitute a minable reserve. The drilling program proposed by the applicant is recommended substantially as presented. It calls for two stages of drilling requiring an estimated 35,700 feet of non-core drilling in a maximum of 17 holes at a maximum cost of $73,371.50. Government participation at 50 percent would be $36,685.75.

To protect the Government's interest both in the new proposal and in the project on the adjoining land, it is recommended that the new proposal, if approved, be incorporated in Contract No. Idm-E 1183 with all lands subordinated as one unit.

The several sections of this report have been completed only to the extent not covered in the joint report on Docket No. DMEA 4842.

OWNERSHIP

DMEA reviewers are referred to Docket No. DMEA 4842 for additional title data pertinent to this application. The 34 contiguous located claims included in the present application, many of them overlapping, lie wholly or in part in E.½ sec. 32, T. 14 N., R. 8 W., NMPM (fig. 1). The effective area is the half section, or 320 acres, more or less. They are among mineral claims controlled by the applicant in 27 sections of land in the San Mateo Dome area, and adjoin on the west section 33, T. 14 N., R. 18 W., which is part of the project under Docket No. DMEA 4842. The claim maps submitted, Exhibit A on page 3A, and Exhibit C, claim map, differ slightly in detail. Exhibit C is taken as the more accurate map and has been used as the base for figure 1 with this report. The applicant lists 26 claims, disregarding small fractions of claims that are largely in section 33 to the east. These include the Tomcat No. 1, and Falcon Nos. 4113, 4114 and 4131 claims. Section 33 is already subordinated under Docket No. DMEA 4842. Following is a list of the claims in the east half of section 32.

Claims	Recording Data (Gallup, New Mex.) Date	Book	Page	Remarks
Yucca nos. 5224 thru 5228 1/	9-6-55	13MC	290-294	Junior to overlapping John claims.
Yucca nos. 5237 thru 5246 1/	9-6-55	13MC	303-312	" " "
Bulldog Nos. 1 thru 5	6-13-55	7MCR	123-127	
John Nos. 1 thru 10 2/	8-1-55	10MCR	173-182	Junior to overlapping Bulldog claims.
Tomcat No. 1 3/	6-13-55	007	132	Narrow strip only in sec. 32
Falcon Nos. 4113, 4114, and 4131 3/	9-6-55	14MC	191-217	Narrow strip only in sec. 32.

1/ Portions of Yucca Nos. 5228, 5237 and 5246 and Bulldog No. 5 claims are in the west $\frac{1}{2}$ of section 32 which will not be subordinated.

2/ Portions of John Nos. 1 and 9 claims are in section 33 which has been subordinated under Docket DMEA 4842. The part of the John Nos. 1 and 2 claims in the west $\frac{1}{2}$ of section 32 will not be subordinated.

3/ The Tomcat No. 1 and Falcon Nos. 4113, 4114, and 4131 claims are largely in section 33 which has been subordinated.

The Yucca claims were staked by Yucca Uranium, Inc., referred to in some documents as Yucca Mining and Petroleum Co., Inc. They were leased to G. R. Kennedy and Henry C. Adams, sub-leased to the E. J. Longyear Co., and assigned to Mineral Projects-Venture B Ltd., and the Lisbon Uranium Corporation, the partners in the present application.

The Bulldog claims were staked by the H. B. and S. Company, a co-partnership of L. G. Shaw, Roy B. Shaw, K. B. Baird and their wives, quit-claimed to Fred Pool, then quit-claimed to Kennedy and Adams. They were transferred to the applicant in the same transactions as the Yucca claims.

The John claims were staked by the Parador Mining Company, Inc., and leased to Donald D. Dufford who assigned the lease to the present applicant.

The Falcon and Tomcat claims are owned by Yucca Uranium, Inc. and were acquired by the applicant in the same transactions as were the Yucca claims.

Copies of quit-claim deeds, leases and assignments documenting the various transactions have been submitted by the applicant. The title appraisal made in connection with Docket No. DMEA, Contract Idm-E 1183, covered all the claims in the present application except the Bulldog claims and the applicant's title was satisfactory so far as that DMEA project was concerned. Consents to Lien from prior owners and lessees of the claims in the present application

will be required.

GEOLOGY AND ORE DEPOSITS

The San Mateo dome project is located in the Mt. Taylor mining district and lies in the folded and faulted area between the southern fringe of the San Juan Basin to the north and the Zuni uplift to the south. Sedimentary formations exposed in the district consist of marine and terrestrial rocks ranging in age from Pennsylvanian to late Cretaceous. The sediments dip gently northward into the San Juan Basin. South and east of the San Mateo dome project the sedimentary formations are colored by a late Tertiary sequence of acidic volcanics and basic flows. Precambrian rocks are exposed in the Zuni uplift.

The properties of the San Mateo dome project are centered on and around the San Mateo dome which lies about 9 miles east of the Ambrosia Lake dome. Large uranium deposits occur in the belt which extends between the southern edges of these two domes. Uranium deposits are known to occur in several formations in the district. Production is from mines in the Dakota, Todilto and Morrison formations. Known ore deposits in the Morrison formation occur in the main body of the Westwater Canyon member (Poison Canyon sandstone), which extends into the Brushy Basin member of the Morrison formation. The large deposits that are concentrated in a belt that extends southeastward from the Ambrosia Lake dome to the southern flank of the San Mateo dome and onto the southern part of the property held by the San Mateo Dome Project. This belt is at least 12 miles long. It is about 3 miles wide on the apex of the Ambrosia Lake dome and apparently narrows to the southeast, though the

southeast end is only partly explored. Individual deposits within this belt contain from a few tons to several million tons of ore, averaging 0.25 to 0.30 percent U_3O_8.

About 4 miles south of the main belt of ore deposits there appears to be a parallel belt in which the deposits occur in a lens of Westwater Canyon sandstone which extends into the overlying Brushy Basin member. Locally this sandstone is called the Poison Canyon sandstone. The belt of deposits in the Poison Canyon sandstone is about 1 mile wide. Individual deposits within the belt seem to be smaller and more scattered than those in the remaining part of the Westwater Canyon member. Mineralized rock in the Morrison formation consists mainly of sandstone impregnated with uranium and vanadium minerals. Individual ore bodies have irregular lenticular shapes and are flat lying. The deposits consist of a cluster of these lenticular bodies which commonly overlap and coalesce but may be separated by barren sandstone. The deposits range in thickness from less than a foot to 80 feet or more. They are as much as 2000 feet wide and up to 5000 feet long. Most commonly they are elongate parallel to the main belt of deposits. Because of their broad extent the deposits of the Westwater Canyon member make very good drilling targets.

The applicant has drilled and logged 73,993 feet in 35 holes on the southwest portion of sec. 32, T. 14 N., R. 8 W. Of the 35 holes drilled, the applicant reports 17 holes contained 5 or more feet of at least 0.15 percent eU_3O_8 and that 3 holes contained at least 5 feet or more of material ranging from 0.01 to 0.14 percent U_3O_8. A review of the applicant's exploration on sec. 32, shows that the chemical assays are somewhat higher in value than

gamma-ray estimates but the ratio is consistent and the uranium ore appears to be in equilibrium. The applicant has calculated a reserve of 900,000 pounds of indicated ~~ore~~ U_3O_8 equiv with an average thickness of 8.8 feet, 0.29 percent U_3O_8 and has inferred a tonnage of 161,000 tons averaging 5.5 feet in thickness, with an average grade of 0.23 percent U_3O_8. The tonnage for the indicated reserves is 166,000 tons. The results of the exploration drilling on the southwest portion of sec. 32, indicate that there is a good chance of finding additional ore at depths between 1800 and 2000 feet below the surface in the Poison Canyon sandstone member of the Morrison formation of Jurassic age.

PROPOSED EXPLORATION

The applicant has proposed a drilling project in two stages at an estimated cost of $73,800.00. Government participation at 50 percent would be $36,900.00. Stage I would consist of an estimated maximum of 18,900 feet of non-core drilling in 9 holes on 1000-foot centers averaging 2100 feet in depth (fig. 1 and Schedules 1 and 2). Stage II would require an additional 8 holes tentatively located at the center of 1000-foot squares formed by Stage I holes. Maximum non-core footage in Stage II would be 16,800 feet.

The 1000-foot minimum spacing proposed for Stage I is half of that specified in the project already in operation. This is considered to be justified even with drilling depths of 2000 feet because of the position of the area close to a known ore deposit and within the mineralized trend. The Stage II hole locations as tentatively proposed are approximately 700 feet from any previously drilled holes. This spacing would allow little flexibility. Stage II work is recommended by the examining team to offset Stage I holes which penetrate ore grade material. A minimum spacing of 500 feet from pre-

viously drilled holes would permit flexibility in locating holes. Stage II, if justified by Stage I results, would at least partially outline any ore bodies present and form some basis for a reserve calculation which could hardly be attempted with drill holes on 1000-foot centers.

SCHEDULE 1

Stage I Drill Hole Locations

Holes Nos. Applicant's Exhibit E	DMEA Fig. 1	Coordinates (1) Feet North	Feet East
1	14	314,300	561,200
2	15	313,300	561,200
3	16	312,300	561,200
4	17	311,300	561,200
5	18	312,300	562,200
6	19	313,300	562,200
7	20	313,300	563,200
8	21	312,300	563,200
9	22	311,300	563,200

(1) A.E.C. Net

SCHEDULE 2

Stage II Drill Hole Locations (Tentative)

10		313,800	561,700
11		312,800	561,700
12		311,800	561,700
13		310,800	561,700
14		310,800	562,700
15		311,800	562,700
16		312,800	562,700
17		313,800	562,700

The applicant's cost estimate was supported by the low bid by the Scott Brothers Drilling Company in connection with Docket No. DMEA 4842. Two other bids are to be submitted. The items in the applicant's estimate are calculated at the unit prices in effect in Docket No. DMEA 4842, Contract Idm-E 1183. The footage of non-core drilling in the 1500-2200 foot range listed in the Stage II estimate is wrongly stated as 4,000 feet instead of 4,800 feet, the amount which agrees with the computed cost of this item, $10,800.00; and the estimated total drilling footage.

The examining team recommends use of the drilling plan proposed by the applicant, with a reservation as to Stage II as outlined in Conclusions and Recommendations. Inasmuch as conditions will be similar to those on the adjoining ground being explored under Docket No. DMEA 4842, and inclusion of the new work under the same contract is being recommended, the applicant's cost estimate is considered to be satisfactory except for bulldozing allowances. The access road network has been completed to or very near 6 of the 9 Stage I holes and maximum bulldozing requirements for drillsites and access roads on 6 holes is estimated at 1 hour each and on 3 other holes at 2 hours each for a total of 12 hours instead of 27 hours. Similarily in Stage II maximum bulldozing time is estimated at 12 hours instead of 24 hours. The new project, if approved, will probably not be started until near the end of the work now in progress and it is not believed that a saving in supervisory costs should be assumed because of possible concurrent operation of the 2 projects. For this reason no change in the contract figure of $0.18 per foot of drilling for incidental allowance is made.

Following is a summary of costs suggested for contract use:

Stage I

Actual Cost Items:

Category (1) Independent Contracts

13,500 feet non-core drilling 0-1500 ft. depths at $1.50/ft.	$20,250.00	
5,400 feet non-core drilling 1500-2200 ft. depths at $2.25/ft.	12,150.00	
9 hours drill crew standby time at $15.00/hr.	135.00	
18,900 ft. probing and logging at $0.115/ft.	2,173.50	
9 hours logging crew standby time at $10.00/hr.	90.00	
9 holes at $40.00/hole for cost of circulative materials in excess of $100.00/hole	360.00	
12 hours bulldozing at $15.00/hr.	180.00	

Categories (2) through (6)

None

Category (7) Miscellaneous

15 chemical analyses at $5.00 each	75.00	

Fixed Unit Cost Items: (see Annex II (d))

Incidental allowance for each foot of hole drilled, 18,900 ft. at $0.18/ft.	3,402.00	
Estimated total cost of Stage I		$38,815.50

Stage II

Actual Cost Items:

Category (1) Independent Contracts

12,000 ft. non-core drilling 0-1500 ft. depth at $1.50/ft.	$18,000.00	
4,800 feet non-core drilling 1500-2200 ft. depth at $2.25/ft.	10,800.00	
8 hours drill crew standby time at $15.00/hr.	120.00	

16,800 feet probing and logging at $0.115/ft.	$ 1,932.00	
8 hours logging crew standby time at $10.00/hr.	80.00	
8 holes at $40.00/hole for cost of circulating materials in excess of $100.00/hole	320.00	
12 hours bulldozing at $15.00/hr.	180.00	

Categories (2) through (6)

None

Category (7) Miscellaneous

20 chemical analyses at $5.00 each	100.00	

Fixed Unit Cost Items: (see Annex II (d))

Incidental allowance for each foot of hole drilled, 16,800 feet at $0.18/ft.	3,024.00	
Estimated total cost of Stage II		$34,556.00

Summary of Costs

Estimated total cost of Stage I	$38,815.50
Estimated total cost of Stage II	$34,556.00
Estimated total cost of the Project	$73,371.50
Government participation at 50 percent	$36,685.75

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that there is an excellent chance of finding by the proposed exploration, uranium ore bodies of significant size and grade in the area of the east half of sec. 32, T. 14 N., R. 8 W., which lies within a mineralized trend east of a known deposit which has been partially outlined by drilling.

The recommended work has been set up in two stages as proposed by the applicant. The minimum hole spacing of 1,000 feet in Stage I and 700 feet in Stage II is half of the minimum spacing in the project under Docket No. DMEA 4842. This is believed to be justified because of the proximity of the proposed exploration to a known ore body. The maximum hole spacing which is possible in Stage II as proposed is 700 feet and there would be little flexibility in spotting holes with this limitation. A more practical minimum spacing would be 500 feet. Justification for drilling on 500-foot centers to a depth of 2100 feet is perhaps questionable. As the project is set up, Stage II could be eliminated without any necessity for making changes in Stage I work. However, it is recommended that Stage II be left in so that if mineralization indicating a significant ore occurrence is found in Stage I, enough additional drilling can be done to at least partially establish some reserves. The requirements for approval of Stage II could specify that Stage I holes, to be offset, must penetrate uranium mineralization of at least 0.20 percent U_3O_8 in thicknesses of 2.0 feet or more.

It is recommended that the proposed project in the east half of sec. 32 be made a part of Contract Idm-E 1183 by amendment. Specifications in Contract Idm-E 1183 would be applicable, even in regard to hole spacing.

A minimum of 500-foot spacing for Stage II holes is permitted by the contract under certain conditions. The general requirements for authorization of Stage II work are not rigid in Contract Idm-E 1183, however, and more definite limitations may be desirable. Thus approval of Stage II drilling might be limited to offsets of Stage I holes which penetrate uranium mineralization of at least 0.20 percent U_3O_8 in a thickness of 2.0 feet or more.

The estimated cost of the proposed work is $73,371.50 in which Government participation at 50 percent would be $36,685.75.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/13/58	Ching	700
5/13	Ellis	700
5/14	GLS	130
"	Johnson	110
"	Rothendorf	100
		220
		700

MAY 15 1958

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4995 (Uranium)
San Mateo Dome Project
E. J. Longyear Company, Agent
McKinley County, New Mexico

Dear Mr. Harshman:

Reference is made to your memoranda of April 25 to this and the Grand Junction offices which show that a field examination has been requested.

We will, therefore, hold this application in abeyance until the report and recommendations of the Field Team are received.

Enclosed for your information are copies of memoranda, dated May 8 and 12, 1958, from W. P. Williams, USGS, and James Paone, USBM, respectively, relating to the application. Also enclosed is a copy of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures

APPROVED:

Frank D. Lamb (FDL)
Member, Bureau of Mines

W. P. Williams (WPW)
Member, Geological Survey

MChing/gla
5-13-58
cc to: Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
Mr. Ching

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/13/58	Ching	700
5/18	[illegible]	700
5/14	Selfridge	130
"	Johnson	110
"	Mittendorf	100
5/15	[illegible]	220
		700
5/14	Lamb	130
5/14	Williams	130

MAY 15 1958

Mr. D. M. Davidson
Vice President
E. J. Longyear Company
416 Colorado Building
Denver 2, Colorado

Re: Docket No. DMEA-4995 (Uranium)
San Mateo Dome Project
McKinley County, New Mexico

Dear Mr. Davidson:

The application for assistance in exploring the subject property under the captioned docket number has been reviewed by the Division of Rare and Miscellaneous Metals.

The DMEA Field Team, Region III, Mr. E. N. Harshman, Acting Executive Officer, 224 New Customhouse Building, Denver 2, Colorado, will make a field examination if it has not already done so.

Any assistance you may give the members of the Field Team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

MChing/gla
5-13-58
cc to: Admr.'s Reading File
Mr. Ching
DMEA Field Team, Region III (2)

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado
May 14, 1958

Memorandum

To: Chairman, Operating Committee

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

Subject: Docket No. DMEA 4995 (Uranium) San Mateo Dome Project (E ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Enclosed is one copy each of eight sets of Consent to Lien and Subordination Agreement on the subject application, which have been forwarded the Applicant to obtain the required signatures.

Aid in preparing these Consent to Lien and Subordination Agreements was obtained from the Regional Solicitor's Office. Should your review of these forms indicate any error, will you please advise.

E. N. Harshman

E. N. Harshman

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 16 1958
DATE | | |
5/16 | C | 220
" | Chang | 700

224 New Customhouse
Denver 2, Colorado
May 14, 1958

Memorandum

To: Chairman, Operating Committee

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

Subject: Docket No. DMEA 4995 (Uranium) San Mateo Dome Project (E ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Enclosed is one copy each of eight sets of Consent to Lien and Subordination Agreement on the subject application, which have been forwarded the Applicant to obtain the required signatures.

Aid in preparing these Consent to Lien and Subordination Agreements was obtained from the Regional Solicitor's Office. Should your review of these forms indicate any error, will you please advise.

Original signed by
E. N. HARSHMAN

E. N. Harshman

EMC:dp

cc: Harshman
Hasler
Salsbury
Docket
Chron.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator _____
Docket No. DMEA- 6995
Contract No. Idm-E _____
Contract Date _____

RECEIVED
MAY 16

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of the E ½ of Section 32, T. 14 N., R. 8 W., N. M. P. M.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

B. F. Goodrich Co.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 4995
Contract No. Idm-E
Contract Date

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of E ½ of Section 32, T. 14 N., R. 8 W., N. M. P. M.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

Molson Uranium Corp.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator _____
Docket No. DMEA- 6995
Contract No. Idm-E _____
Contract Date _____

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of the E ½ of Section 32, T. 14 N., R. 8 W., NMPM

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: ~~None~~ (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

Powder Mining Co.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 4995
Contract No. Idm-E
Contract Date

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of the E ½ of Section 32, T. 14 N., R. 8 W., NMPM

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

Mineral Projects - Venture D, Ltd.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 4995
Contract No. Idm-E
Contract Date

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of E ½ of Section 32, T. 14 N., R. 8 W., NMPM

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

G. R. Kennedy

_____ [Seal] _____ [Address]

Henry C. Adams

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator _____
Docket No. DMEA-4999
Contract No. Idm-E _____
Contract Date _____

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of the E ½ of Section 32, T. 14 N., R. 8 W., NMPM

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

Texas Uranium Corporation

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

RECEIVED MAY 16 D.M.E.A.

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 4995
Contract No. Idm-E
Contract Date

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of the E ½ of Section 32, T. 14 N., R. 8 W., NMPM

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]
Roy D. Show

_____ [Seal] _____ [Address]
L. G. Show

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 6005
Contract No. Idm-E
Contract Date

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of McKinley, State of New Mexico, described as follows: 2/

All of the E ½ of Section 32, T. 14 N., R. 8 W., NMPM

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this _____ day of _____, 195__.

_____ [Seal] _____ [Address]

Mineral Projects, Inc.

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

DMEA
RECEIVED 16 1958

7/16 C 220
" chmy 200

224 New Customhouse
Denver 2, Colorado
May 14, 1958

Mr. R. C. Gebhardt
E. J. Longyear Co.
416 Colorado Bldg.
Denver 2, Colorado

Re: Docket No. DMEA 4995 (Uranium)
San Mateo Dome Project (E ½, S. 32, T. 14 N., R. 8 W.) McKinley County, New Mexico

Dear Mr. Gebhardt:

Enclosed are eight sets of Consent to Lien and Subordination Agreement on the captioned application as follows:

1. The original and five copies to be signed by the proper officials of the Yucca Uranium Corporation giving the address of their main office.

2. The original and five copies to be signed by the proper officials of Mineral Projects - Venture B, Ltd. giving the address of their main office.

3. The original and five copies to be signed by the proper officials of Mineral Projects, Inc. giving the address of their main office.

4. The original and five copies to be signed by the proper officials of E. J. Longyear Co. giving the address of their main office.

5. The original and five copies to be signed by the proper officials of the Lisbon Uranium Corp. giving the address of their main office.

6. The original and five copies to be signed by the proper officials of Paradar Mining Co. giving the address of their main office.

7. The original and six copies to be signed by G. R. Kennedy and Henry C. Adams giving their addresses.

8. The original and six copies to be signed by Roy E. Shaw and L. G. Shaw giving their addresses.

An extra copy in each of the above sets has been provided so that each signer may keep a copy if he so wishes, but in all cases the original and four signed copies must be returned to this office so that we may continue to process your application.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

HMC:dp

cc: Chmn. Op. Comm. 2
Harshman
Salsbury
Hasler
Docket
Chron.

OFFICIAL FILE COPY DMEA RECEIVED MAY 12 1958		
DATE	INITIALS	CODE
5/12	C	220
5/13	~~EWE~~	700
	MC	
Complete		

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

Date May 12, 1958

DMEA Docket No. 4995
DMEA Contract No.
Commodity Uranium
Name of Applicant
Name of property San Mateo Dome Project
Location of property McKinley, N. Mex.
Estimated cost of project 73,800.00

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: James Paone, Bureau of Mines Member
Uranium Commodity Committee

Subject: Review of Application
(Application, Field Team Report, etc.)

1. Date of subject document: 4/28/58. 2. Date received by reviewer: 5/9/58

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 meeting 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. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 8 1958

		CODE
5/8	C	220
11	Chang	700

Memorandum

May 8, 1958

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of application, DMEA 4995 (uranium), E. J. Longyear Co., San Mateo Dome Project, McKinley County, New Mexico.

The applicant proposes to explore for uranium ore deposits on 26 unpatented lode mining claims located on the San Mateo dome, McKinley County, New Mexico. The proposed project would consist of a total of 35,700 feet of drilling, in two stages, at a total estimated cost of $73,800.

The property seems to be located in a favorable area. On the other hand, drilling would be deep - an average of 2,100 feet per hole. Twenty-six holes have been drilled on the property of which only one penetrated ore.

Field personnel have first-hand knowledge of the area. I recommend that the application be referred to the Field Team for further processing.

W. P. Williams

W. P. Williams

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 9 1958

DATE	INITIALS	CODE
5/9	C	220
"	Cleary	700
	J	

224 New Customhouse
Denver 2, Colorado
May 7, 1958

Memorandum

To: Secretary to the Operating Committee

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

Subject: Docket No. DMEA 4995

We are in receipt of a copy of a form letter dated April 29, 1958, from Allen S. Dakan to

Messrs. Allan B. Grady and Raymond Hartz
c/o Mineral Projects-Venture B. Ltd.
55 Green Village Road, P. O. Box 390
Madison, New Jersey

The letter states that the subject application was submitted to the Denver DMEA Office.

We have no knowledge of the application, the mineral or minerals involved or the location of the property. Will you please advise.

E. N. Harshman

E. N. Harshman

Grace: I have answered this by sending region a corrected copy of acknowledgment letter.

C. C.

E. J. Longyear Company
416 Colorado Building
Denver 2, Colorado

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/5/58	Ching	700
5/6	Ellis	700
5/5	[illegible]	130
"	Johnson	110
"	Wittendorf	100
		220
5/5	Lamb	130
5/5	Kiilsgaard	130
		700

MAY 5 1958

Department of the Interior

DMEA

14X4401(01) Revolving Fund, Defense Production Act, Interior, (Transfer to Office of Secretary)

T E L E T Y P E

E. N. HARSHMAN, ACTING EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION III
224 NEW CUSTOMHOUSE BUILDING
DENVER 2, COLORADO

REURTT APRIL 30 SAN MATEO DOME PROJECT DOCKET 4995.

WOULD CONSIDER WORK ON SECTION 32 AS AMENDMENT TO CONTRACT

IDM-E1183, DOCKET 4842, AT 50 PERCENT PARTICIPATION.

MChing/gla
5-5-58

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE

cc to: Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
Mr. Ching

Confirmation to Region III

8623

Mr. G. Selfridge

RECEIVED APR 30 1958

DATE	INITIALS	CODE
4/30	C	220
"	Ellis	700
	Ching	

DN 235 BUR MINES 4-2XXXXX 4-30-58 8-26

CHAIRMAN OPERATING COMMITTEE

WE WILL RECOMMEND APPROVAL OF SAN MATEO DOME PROJECT APPLICATION ON SECTION 32 FORWARDED BY OUR MEMO APRIL 25, 1958. IF YOU CONCUR WITH OUR RECOMMENDATION, WILL YOU CONSIDER EXPLORATION ON SECTION 32 AS SEPARATE CONTRACT OR AS AMENDMENT TO CONTRACT IDME1183. OBVIOUS GOVERNMNE XXXX GOVERNMENT ADVANTAGES ON REPAYMENT IF WORK DONE UNDER SINGLE CONTRACT. PLEASE ADVISE SO WE MAY DISCUSS WITH APPLICANT.

E N HARSHMAN

Docket DOMEA-4842

Denver, Colo.

APR 30 12 43 PM '50
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

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

April 29, 1958

see 5/7/58 memo from Reg III

Messrs. Allan B. Grady and Raymond Hartz
% Mineral Projects-Venture B. Ltd.
55 Green Village Road, P. O. Box 390
Madison, New Jersey

Subject: DMEA-4995

Gentlemen:

Your application for exploration assistance, dated April 23, 1958 submitted to our office at Denver, Colorado has been assigned Docket Number DMEA-4995 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, Director
Operations Control and
Statistics Division

Copy to: Region III.

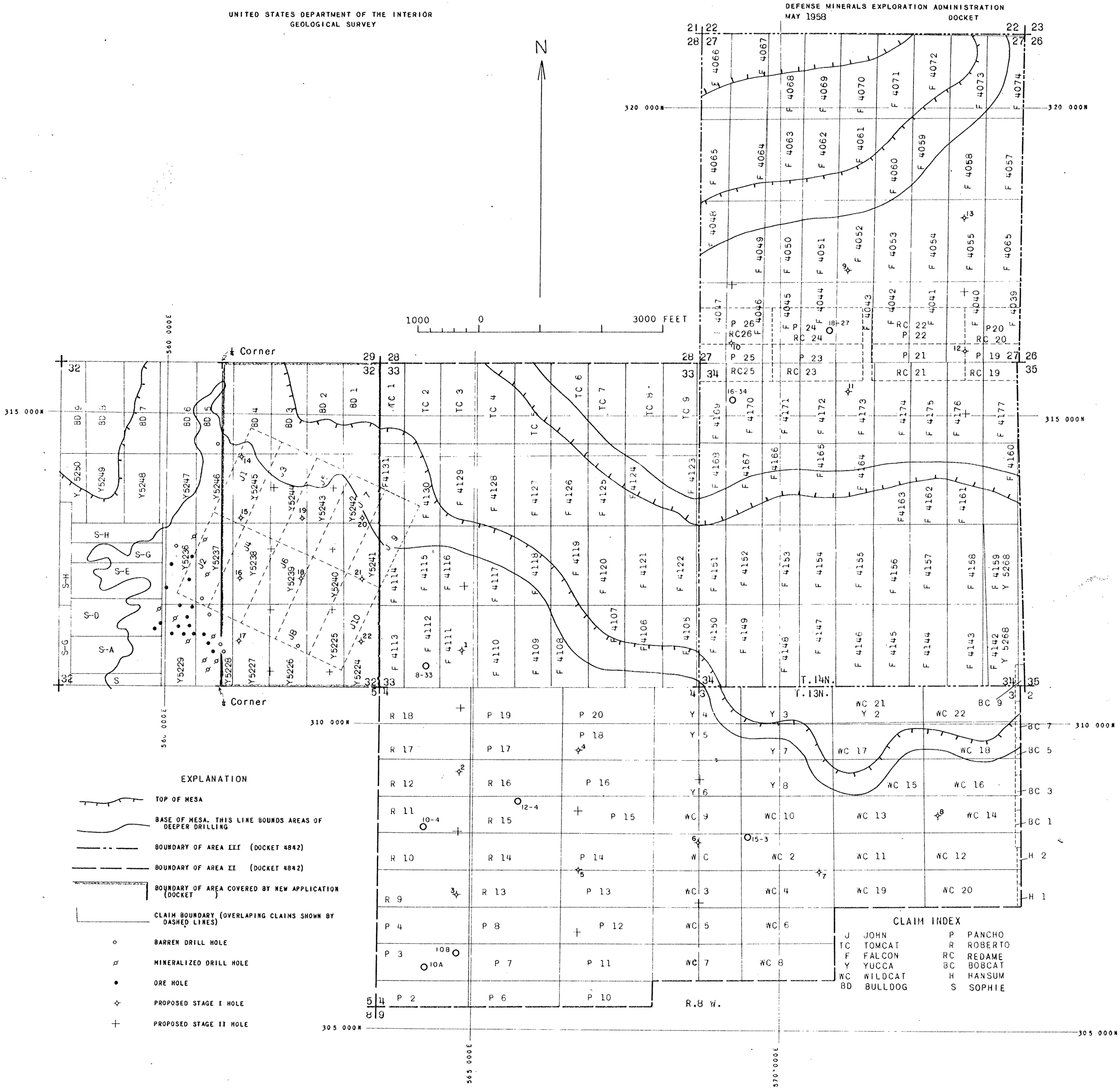
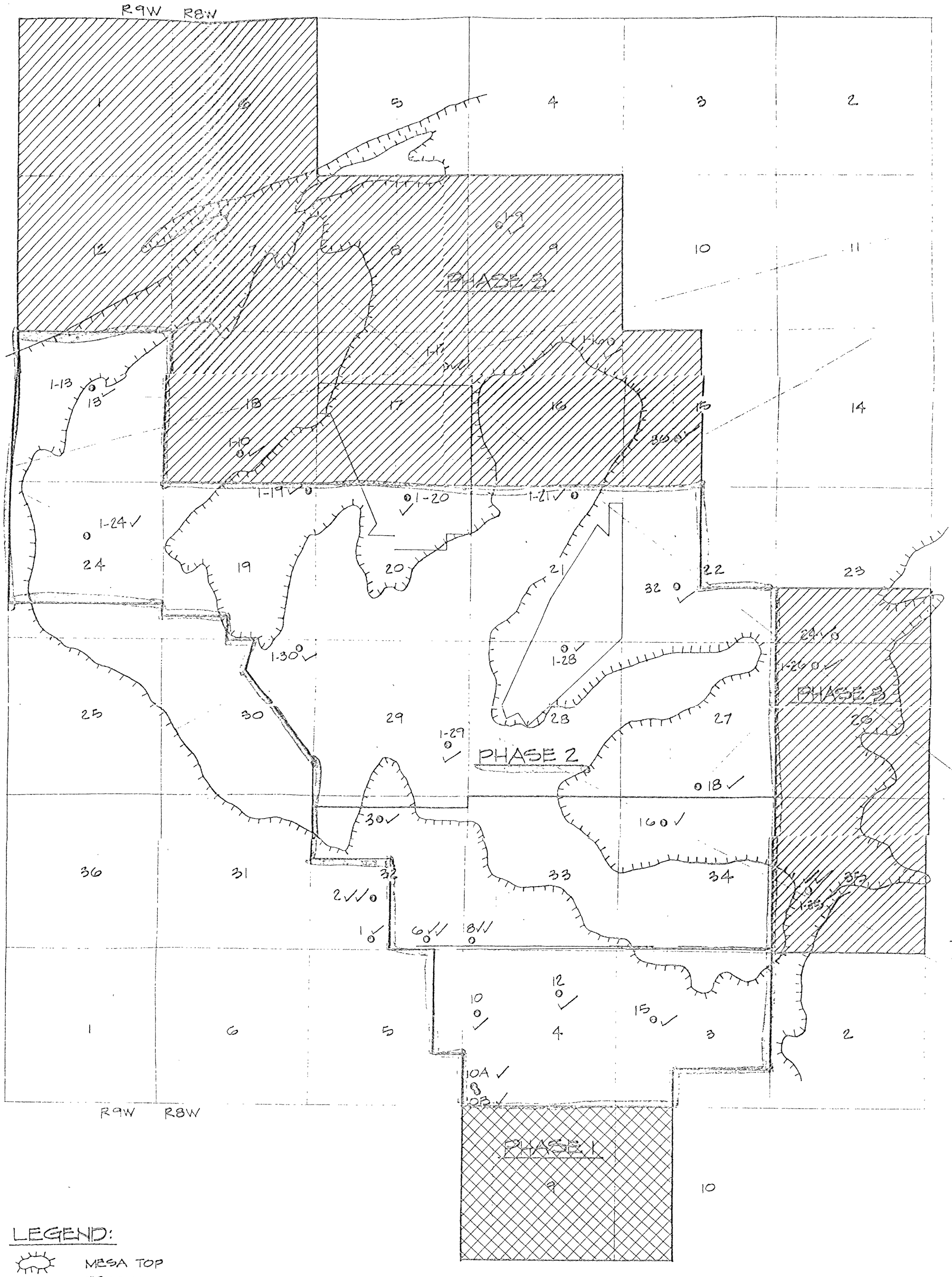


FIGURE 1.--CLAIMS AND PROPOSED DRILLING ON E½ SECTION 32, T.14 N., R.8 W., N.M.P.M., AND AREAS II AND III, SAN MATEO DOME PROJECT, McKINLEY COUNTY, NEW MEXICO.



LEGEND:

- MESA TOP
- PROSPECT BOUNDARY
- DRILL HOLE - DRILLED OR PROPOSED
- CROSS SECTION
- ✓ HOLES COMPLETED
- ✓✓ HOLES DRILLING

SKETCH MAP OF

SAN MATEO PROSPECT

SHOWING

PROPOSED DRILL HOLE

AND

FUTURE CROSS SECTIO

SCALE: 2" = 1 MILE

DRAWN BY: ED SANTOS