Surname copy

700

Murphy
Ellis
Guehon
Kiilsgaard
Selfridge
Hofstetter

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

(Actually denied 12.30.55 letter dated 1-3-56)

JAN 3 1956

Mr. Preston M. Neilson
418 Atlas Building
Salt Lake City 1, Utah

Re: Docket No. DMEA-3754 (Uranium)
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Neilson:

Reference is made to your application for Government aid in an exploration project on the above-named group of claims.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite premise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting a small amount of uranium mineralization on your property, indicates to us that the probability of disclosing minable ore reserves is not sufficiently promising to warrant Government participation in an exploration program. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

FNMurphy/gla
12-29-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Murphy
DMEA Field Team, Region II (2)

DOCKET COPY 700

Murphy
Ellis

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

December 29, 1955

Summary of Proposed Project

Object: Denial of application for exploration aid.

Docket No.: DMEA-3754

Commodity: Uranium

Applicant: Preston M. Neilson
418 Atlas Building
Salt Lake City 1, Utah

Property: Option to purchase claims Prince Nos. 1 through 22, in secs. 16, 17, 20, and 21, T. 44 N., R. 66 E., M.D.B. & M., Elko County, Nevada.

Date of application: March 28, 1955. Additional information requested.

Referred to Field Team: October 3, 1955

Field Team Report received: December 12, 1955

Amount of application: $22,900.00

Work Proposed and Costs:

6,000 feet drilling @ $1.75/ft.	$10,500.00	
100 feet shaft sinking @ $100/ft.	10,000.00	
Purchase 2 camp trilers	2,400.00	
		$22,900.00

Excerpts from Field Team report:

The sedimentary rocks in the claim area consist principally of irregular bedded, silty limestones with minor amounts of chert occurring locally throughout the exposed section. In fault contact with the silty limestone at two places on Prince No. 1 claim is a greenish arkose. The uranium mineralization appears to be confined to the footwalls of two intersecting faults.

The uraniferous area forms a southeasterly-raking, pipe-like deposit approximately 20 square feet in cross-sectional area. The field examiners could not postulate its vertical dimension, as its origin (supergene or hypogene) could not be determined. However, five samples taken by the examiners indicated the deposit was not commercially minable. Assays of the samples indicate values ranging from trace to 0.07 percent eU_3O_8.

The Field Team and examiners recommended that the subject application be denied on the grounds that the only known mineralized exposure is too low grade to be of interest in view of its extremely limited areal extent. There is no geological basis for postulating increased grade or a larger mineralized area at depth.

Commodity Members' comments:

U. S. Geological Survey - N. E. Nelson - December 13, 1955

Concurs in Field Team's recommendation.

U. S. Bureau of Mines - John E. Crawford - December 27, 1955

Concurs in recommendation that the application be denied.

Rare and Miscellaneous Metals Division:

The Field Team's conclusion that there is little possibility of finding uranium ore on the subject property is well substantiated; therefore, this Division concurs in the recommended denial of the application for exploration aid.

Ernest Wm. Ellis

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

12-28-55-cbm

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

RECEIVED
DEC 28 1955

December 27, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 3754, Preston M. Neilson, Prince Group Mining Claims, Elko County, Nevada

I have reviewed the report of examination of the Prince Group Mining Claims, DMEA Docket 3754, dated December 8 and received in this office December 13. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The applicant requested Federal participation in the amount of $30,000.00 to explore for uranium at the Prince group of mining claims, Elko County, Nevada.

An examination of the subject property by the DMEA Field Team was conducted on October 19, 1955.

The examiners concluded that the mineralization encountered was insignificant and very limited in extent and they therefore recommend denial of the application.

We concur in the recommendation that the application be denied.

In accordance with the routing slip attached thereto, the report is being forwarded to the Chief, Division of Minerals.

John E Crawford

John E. Crawford

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

RECEIVED
DEC 28 1955

December 27, 1955

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BUREAU OF MINES
WASHINGTON 25, D. C.

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John E.

John E. Crawford

12/14/55 glc

IN REPLY REFER TO:

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

RECEIVED
DEC 14 1955

December 13, 1955

Re: DMEA 3754
Preston M. Neilson
Prince Group
Elko Co., Nevada
$30,000 - Uranium

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team report.

Aid was requested to explore a radioactive "spot." Two applications were submitted, one for $30,000 and a later revised application for aid in order to do $22,900 worth of work.

The examiners found that little work had been done, that the mineralized area is small and low grade and restricted to the intersection of two faults. The uraniferous material occurs in a pipelike form in which there may be 33 tons of 0.06% U_3O_8 material. That it extends downward is quite possible but there is no reason for thinking the grade increases as depth is gained.

The examiners and Field Team conclude that aid is not justified and recommend denial of the application. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED
DEC 14 1955

December 13, 1955

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The examiners found that little work had been done, that the mineralized area is small and low grade and restricted to the intersection of two faults. The uraniferous material occurs in a pipelike form in which there may be 33 tons of 0.05% U_3O_8 material. That it extends downward is quite possible but there is no reason for thinking the grade increases as depth is gained.

The examiners and Field Team conclude that aid is not justified and recommend denial of the application. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-12/13/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Nosted, 3210

12/12/55 gh

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

RECEIVED
DEC 12 1955

1605 Evans Avenue
Reno, Nevada

December 8, 1955

Memorandum

To: Operating Committee, DMEA, Interior Building, Washington 25, D.C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-3754 (Uranium)
Preston M. Neilson
Prince Group Mining Claims
Elko County, Nevada

Reference is made to your letter of October 3, 1955 in which a field examination was requested on subject property.

Attached are four copies of a report by H. W. Jones, Bureau of Mines and R. W. Osterstock, Geological Survey, in which it is recommended that application for DMEA financial aid be denied.

Roscoe Smith and I concur in the recommendations.

S. Ricker

Attach.

SRicker:gh
cc: R. M. Smith
File

Reviewed by
DMEA OPERATING COMMITTEE
12-14-55
(date)

RECEIVED
DEC 12 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA 3754 (Uranium)
Preston M. Neilson
Prince Group Mining Claims
Elko County, Nevada

by

Henry W. Jones
Mining Engineer
U. S. Bureau of Mines

R. W. Osterstock
Geologist
U. S. Geological Survey

December 6, 1955

Received for
DMEA CLEARING COMMITTEE
12-14-55
(date)

CONTENTS

	Page
Introduction	1
Conclusions and Recommendations	1
Location, Accessibility, Local Resources	2
Property and Ownership	2
General Geology	3
Ore Deposits	4
Ore Reserves	5

ILLUSTRATIONS

Figure 1 . . . . . Index map of Nevada

2 . . . . . Geologic sketch map

INTRODUCTION

Mr. Preston M. Neilson, 418 Atlas Bldg., Salt Lake City 1, Utah, applied for Government assistance in a $30,000 program under the Defense Minerals Exploration Administration, docket DMEA-3754, to explore for uranium at the Prince Group mining claims, Elko County, Nevada. The original proposed exploration consisted of diamond drilling for the extensions of a small pipe-like uranium-bearing plug at the intersection of two fault planes. A supplemental letter submitted at a later date proposed exploration of the area by a bulldozing, diamond drilling and shaft sinking program at a cost of $22,900.

A field examination was requested by the Operating Committee, and was made by Henry W. Jones, U. S. Bureau of Mines, and R. W. Osterstock, U. S. Geological Survey, on October 19, 1955, accompanied by L. W. Allred, the applicant's representative.

The immediate area surrounding the uranium exposure was remapped and five representative samples were taken.

CONCLUSIONS AND RECOMMENDATIONS

The field examination of the exploratory work done thus far revealed that the uranium mineral is confined to a small pipe-like deposit at the intersection of two faults. Radiometric equivalents range from a trace to 0.07 percent U_3O_8.

The exploration program, as proposed, appears to be development in the mineralized area, and concentrated wildcat prospecting away from the known mineralized zone.

It is recommended that the application for Government assistance be denied on the grounds that the only known mineralized exposure is too low grade to be of interest in view of its extremely limited areal extent. There is no geological basis for postulating increased grade or mineralized area in depth.

Conclusions reached have been discussed with and concurred in by E. E. Thurlow and B. J. Sharp of the Salt Lake Exploration Branch of the Atomic Energy Commission.

LOCATION, ACCESSIBILITY, LOCAL RESOURCES

The claims are in sections 16, 17, 20, and 21, T. 44 N., R. 66 E., M.D.B.&M., unnamed mining district, southeast of, and adjacent to, the Salmon River mining district, Elko County, Nevada. They are about 12 miles southeast of Contact, Nevada, in the lower east slopes of the Independence Range.

From Contact travel 7 miles north along U. S. Highway 93 to the San Jacinto turnoff, then turn right and pass between old ranch buildings and continue on an unimproved dirt road 15.5 miles. At this point turn left across a bridge and in 1 mile turn left for 2.2 miles, then right along the main travelled route 3.8 miles to a small flat summit, then right 1.3 miles to the outcrop.

PROPERTY AND OWNERSHIP

The claims, Prince Nos. 1 to 22 inclusive, are unpatented and are held by Mr. Preston H. Neilson under option to purchase from the Montgomery Bros., Twin Falls, Idaho. Montgomery Bros. retain an overriding royalty interest. At the time of the examination, the original owners were threatening legal proceedings against the applicant.

Mr. Weilson has been connected with the oil industry for many years and has not had much practical mining experience.

With the exception of a minor amount of trenching, there has been no exploration or development work. The work only emphasized the small dimension of the mineralized area.

GENERAL GEOLOGY

The 21 claims comprising the Prince Group are in an area of moderately deformed Tertiary (?) sediments and extrusives.

The sedimentary rocks in the claim area consist principally of irregularly bedded, silty limestones with minor amounts of chert occurring locally throughout the exposed section. In fault contact with the silty limestone at two localities on the Prince No. 1 claim (see sketch) is a greenish arkose. The relative age and normal position of the arkose have not been determined exactly, although it, too, is believed to be Tertiary.

Most of the rocks in the area have been thoroughly altered to a rotten, pulverulent silty limestone and a distinctly clay-like arkose. Alteration is much more pronounced in the rocks adjoining the faults. Here bleaching is very marked and an ochre-like iron deposit occurs in the hanging wall of the north-striking fault.

No regional structural pattern was observed in the claim area. The silty limestone, however, appears to maintain a fairly persistent northerly strike and a gentle westerly dip. On the Prince No. 1 claim two faults were noted, one striking northerly and dipping easterly truncated by the other which strikes northeast and dips southeast. The relative movement and displacement of the faults is unknown. By far the greatest amount of brecciation occurs in the hanging wall of the north-striking fault.

ORE DEPOSITS

Uranium mineralization on the Prince No. 1 claim appears to be confined to the footwalls of two intersecting faults.

The origin of the uranium has been inferred by Lyman Moore (see consulting geologist's report accompanying the application) to be hydrothermal inasmuch as he believes the mineralization to be related to silicification in the fault zone. Examination of the more completely exposed outcrop by SMEA personnel reveals most of the uranium minerals to be restricted to fracture surfaces of the brecciated silicified fault zone in the silty limestone and not to be an integral part of the host rock. The uranium-carrying mineral has been tentatively identified as uranophane, an alteration product of gummite, which has its origin in the breakdown of uraninite. Thus the deposit may have been formed either by upward hydrothermal action from an undisclosed source or by downward precipitation by ground waters. In either case, there is no reason to presume that any grade increase will appear with additional depth.

The uraniferous area in the footwall zone of the intersecting faults forms a southeasterly raking pipe-like deposit approximately 20 square feet in cross-sectional area. Except for the 20 feet of vertical exposure of the pipe in the wall of the lower bulldozer trench, no vertical dimension of the uraniferous zone may be postulated as it is not presently known whether the uranium has its origin at depth by hydrothermal action or from deposition by reprecipitation following solution of surface or near surface deposits.

ORE RESERVES

In the wall of the lower bulldozer trench a pipe-like body of uraniferous material has been exposed over a vertical distance of about 20 feet. The pipe is estimated to have a cross-sectional area of 20 square feet. Using a factor of 12 cubic feet per ton and U. S. Bureau of Mines sample data, the Prince No. 1 claim is estimated to contain the following reserves:

Class	Tons	Percent
Measured	33	.06
Indicated	—	—
Inferred	—	—
Total	33	.06

There is no data for the computation of ore reserves on any of the other claims of the Prince Group.

The following samples (fig. 2) were taken:

Sample No.	Width, ft.	U_3O_8 Equivalent, %	Description
263 (1)	5.5	0.07	North edge, bottom cut across alteration zone.
264 (2)	8.0	0.03	West wall, bottom cut, mudstone and altered material.
265 (3)	15.0	0.06	South edge, cut directly under uranium-bearing outcrop, in altered fault material.
266 (4)	9.0	Trace	West fault zone, little count.
267 (5)	General	0.06	Grab samples of radioactive material across silicified knob between bulldozer cuts.

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET NO. 3754

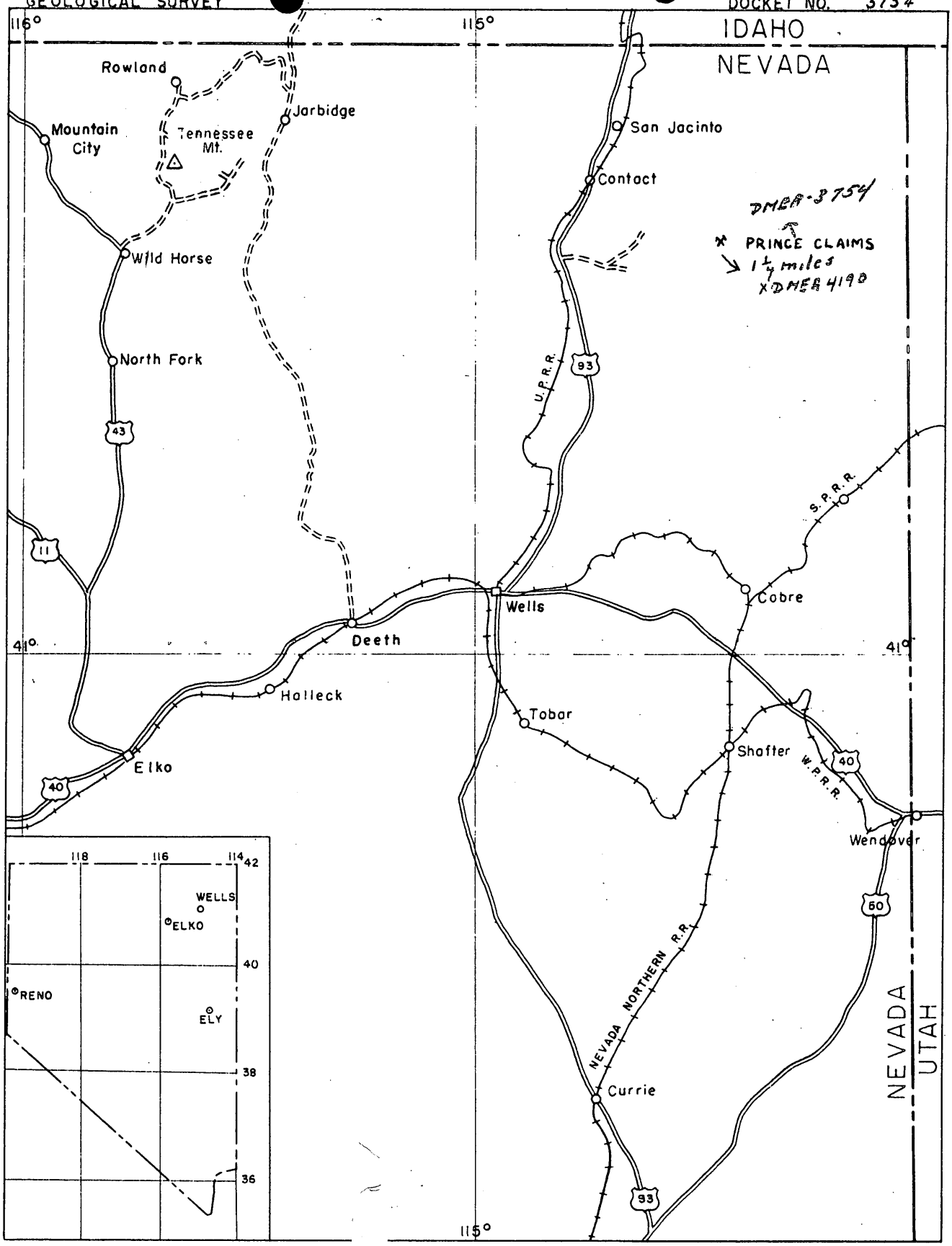

FIG. I INDEX MAP OF NEVADA

0 10 20 30 40 Miles

Scale 1:1,000,000

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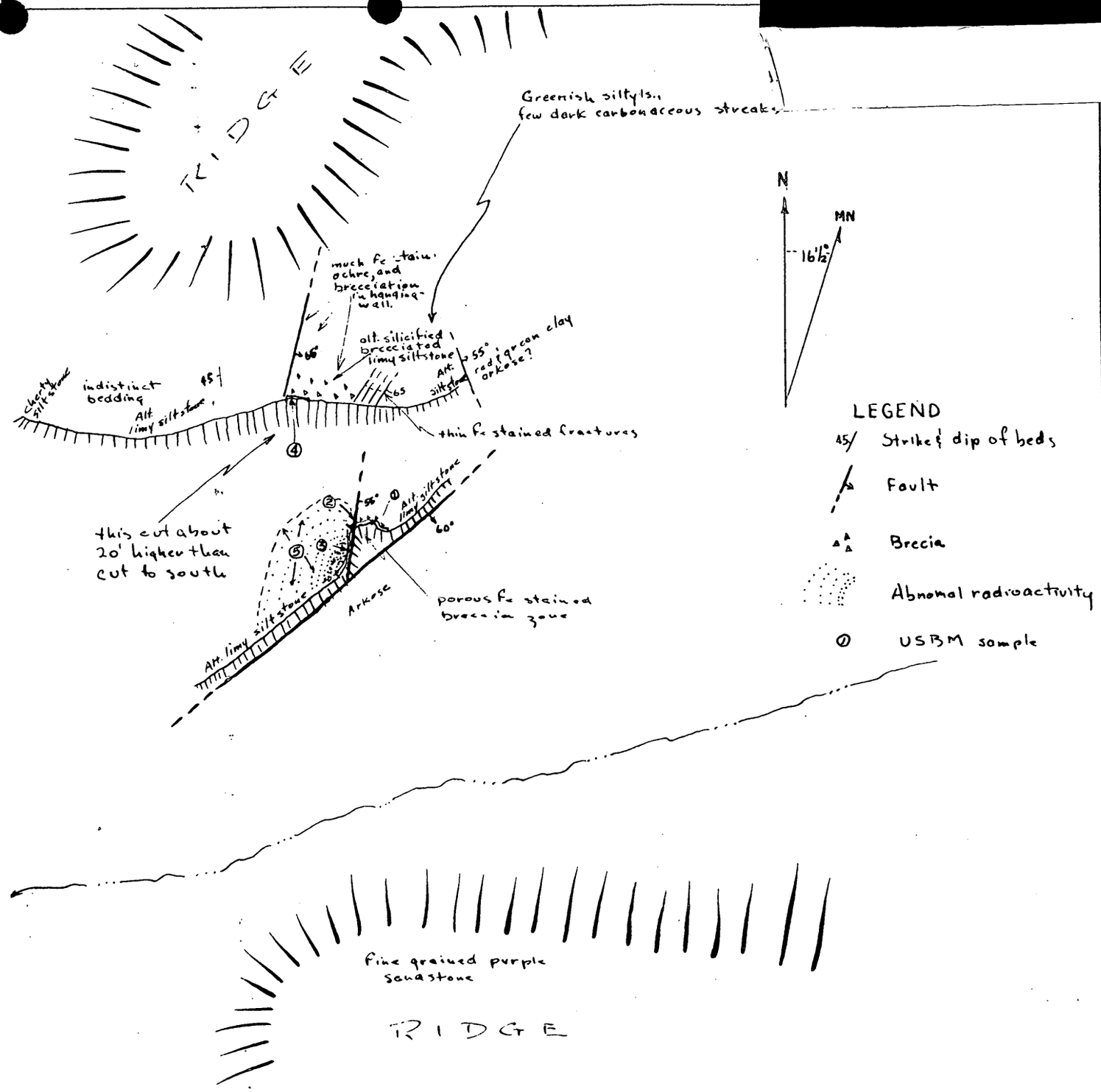
U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINE [redacted]



GEOLOGIC SKETCH MAP OF PRINCE NO. 1 CLAIM
ELKO COUNTY, NEVADA

Scale

0 40 80 120 ft.

Fig 2

RECEIVED
DEC 12 1955

12 m Ea 12/15/55 gla

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

RECEIVED
DEC 12 1955

1605 Evans Avenue
Reno, Nevada

December 8, 1955

Memorandum

To: Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-3754 (Uranium)
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Prince Group Mining Claims
Elko County, Nevada

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Attach.

Reviewed by
DMEA OPERATING COMMITTEE
12-14-55
(date)

BUREAU OF MINES
WASHINGTON, D. C.
DEC 12 9 41 AM '55

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

RECEIVED
DEC 12 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA 3754 (Uranium)
Preston M. Neilson
Prince Group Mining Claims
Elko County, Nevada

by

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U. S. Bureau of Mines

R. W. Osterstock
Geologist
U. S. Geological Survey

December 6, 1955

Reviewed by
DMEA OPERATING COMMITTEE
12-14-55
(date)

CONTENTS

	Page
Introduction	1
Conclusions and Recommendations	1
Location, Accessibility, Local Resources	2
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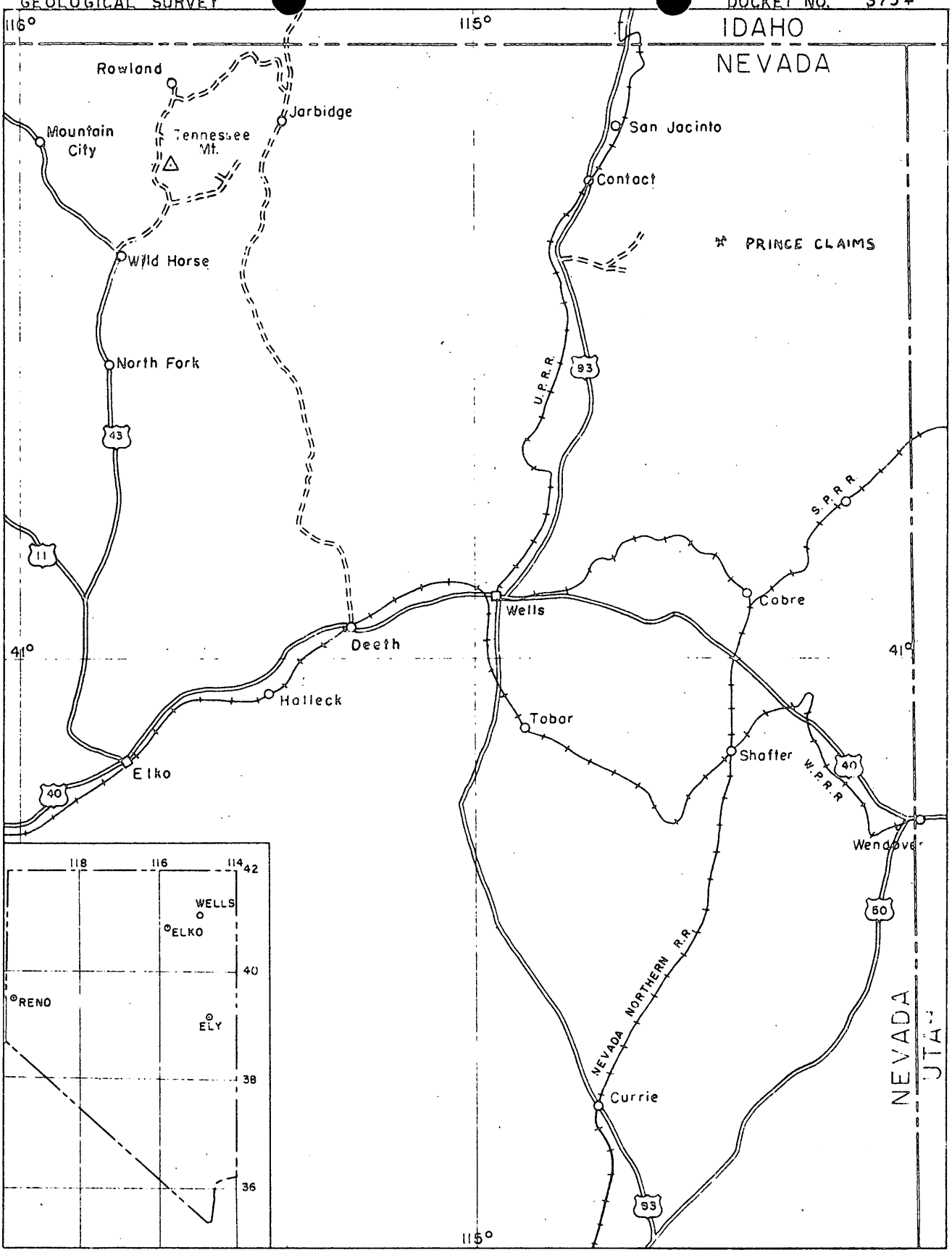

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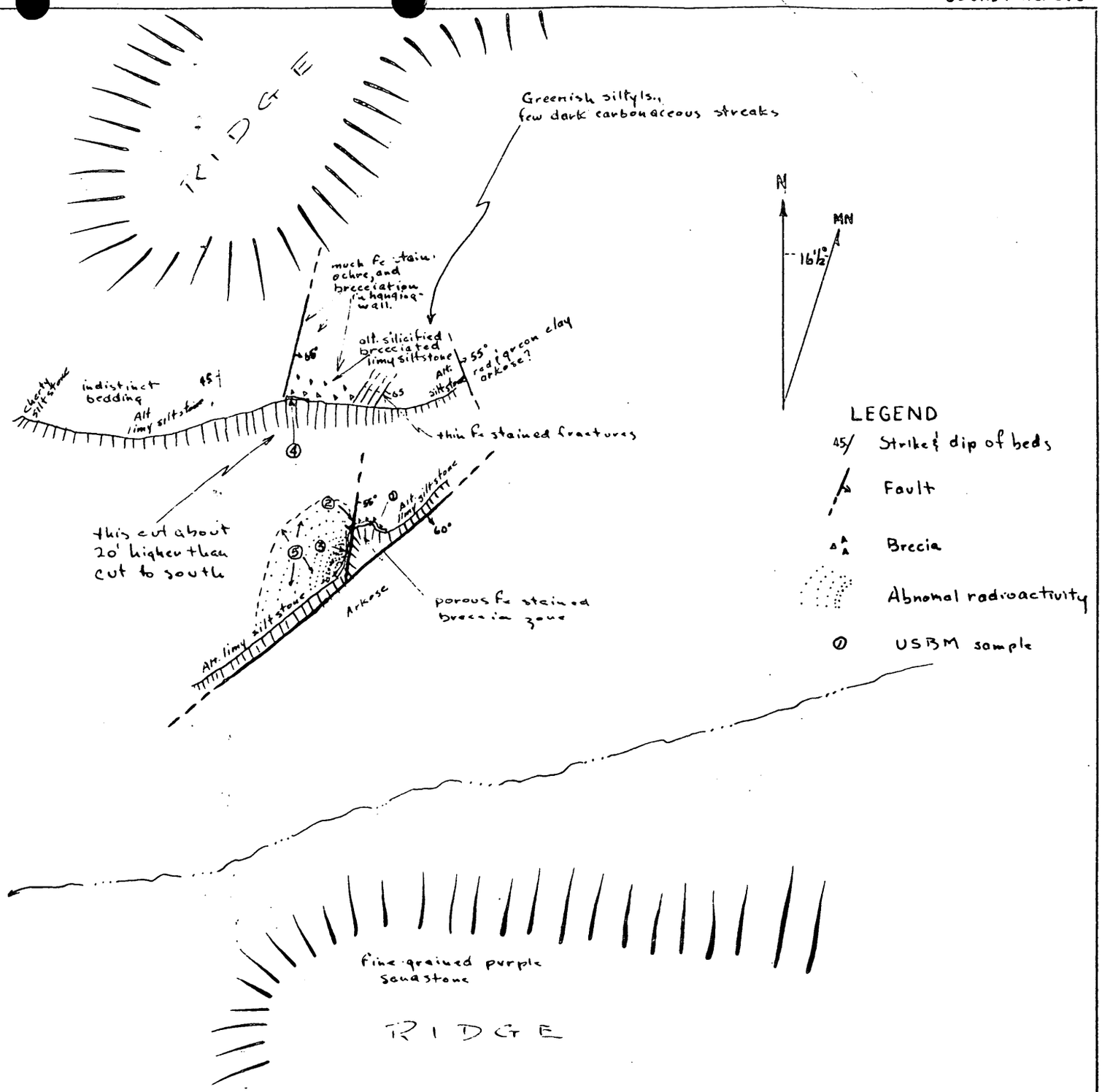
Scale 1:1,000,000



GEOLOGIC SKETCH MAP OF PRINCE NO. 1 CLAIM
ELKO COUNTY, NEVADA

Scale

0 40 80 120 ft.

Fig 2

RECEIVED
DEC 12 1955

PRESTON M. NEILSON
ATLAS BUILDING
SALT LAKE CITY, UTAH

RECEIVED
OCT 10 1955

October 7, 1955

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
United States Department of the Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

Thanks very much for your letter of October 3, 1955, re your Docket No. DMEA-3754 (Uranium) Prince Group Mining Claims, Elko County, Nevada.

We shall look forward to hearing from Mr. Spangler in the near future.

Very truly yours,

Preston M. Neilson

Surname copy 700

Murphy
Ellis
Geehan
Nelson
Selfridge
Johnson

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

OCT 3 - 1955

Mr. Preston M. Neilson
418 Atlas Building
Salt Lake City 1, Utah

Re: Docket No. DMEA-3754 (Uranium)
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Neilson:

The application for assistance in exploring your property in Elko County, Nevada, under the captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for a field examination to the Executive Officer of Region II at the following address:

Mr. Spangler Ricker
Executive Officer
DMEA Field Team, Region II
U. S. Bureau of Mines
1605 Evans Avenue
Reno, Nevada

The Regional Office will contact you in regard to your project at the earliest opportunity.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

cc: Mr. L. W. Allred
1433 Hollywood Avenue
Salt Lake City, Utah

FMMurphy/gla
9-28-55
cc to: Admr.'s Reading File
Docket
Code 700
Mr. Murphy
DMEA Field Team, Region II (2)

R.C.S.

Surname copy 700

Murphy
Ellis
Selfridge
JEGilmore

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

Mr. Spangler Richer
Executive Officer
DMEA Field Team, Region II
Bureau of Mines
1665 Evans Avenue
Reno, Nevada

OCT 3 - 1955

Re: Docket No. DMEA-3754 (Uranium)
Preston M. Neilson
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Richer:

The captioned application is referred to Region II Field Team for investigation, a field examination, and recommendation. A copy of the application was retained by your office.

Enclosed are copies of memoranda from J. E. Crawford, dated April 18, E. L. Hancock, dated April 15, and N. E. Nelson, dated September 26, members of the Uranium Commodity Committee. Mr. Nelson's memorandum was written after a review of Mr. L. W. Allred's letter of September 17, which was in response to a letter from Mr. Ellis, dated April 22, 1955, requesting additional information. We are enclosing two copies of Mr. Allred's letter. Copies of Mr. Ellis' letter have been previously forwarded to your office.

The location and extent of the work proposed in the subject application are vague; moreover, the maps and other data requested by Washington have not been submitted. However, we note that Mr. Neilson is now doing some surface bulldozing, which indicates that he is making an attempt to explore the property.

The subject application is referred to your office with the thought that, if justified, the field examiners might possibly work out an exploration program agreeable to the Government and the Applicant.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures

APPROVED:

/s/ Robert W. Geehan (RWG)
Director, Bureau of Mines

N. E. Nelson (NEN)
Director, Geological Survey

FMMurphy/gla 9-28-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKiilsgaard, Rm. 5224
JOHosted, Rm. 3210, GSA
Code 700
Mr. Murphy

R.L.H.

IN REPLY REFER TO:

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

RECEIVED
SEP 28 1955

September 26, 1955

Re: DMEA 3754
Preston Neilson
Prince Group
Elko County, Nevada
$30,000 - Uranium

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of letter supplementing application.

The application dated March 28, 1955, was lacking in specific information supporting the request. The letter of J. W. Allred tends to define the spacing of the drill holes estimated to cost $20,000 in the application but now placed at $10,500. A 100-foot shaft is expected to cost $10,000, and trailer camps $2,400. The total of the specified costs as in the letter are, therefore, $22,900. No figures are given for cost of supervision and consultants, put down at $10,000 in the application.

The Allred letter says the applicant is doing stripping at his own expense but does not say whether new disclosures have been made since the application was submitted and it may be assumed that the showing remains the same. As described in a report by Lyman Moore, a mining engineer, radioactivity is marked in a 4-foot diameter plug and in a trench or open cut leading to the plug. It is to be regretted that more work has not been done. However, an appraisal of the information afforded by the letter and the application by the Field Team is needed. Perhaps an examination is warranted.

Referral to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
SEP 28 1955

September 26, 1955

Re: DMEA 3754
Preston Nelson
Prince Group
Elko County, Nevada
$30,000 - Uranium

Memorandum

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

From: H. E. Nelson, U. S. Geological Survey

Subject: Review of letter supplementing application.

The application dated March 28, 1955, was lacking in specific information supporting the request. The letter of J. W. Allred tends to define the spacing of the drill holes estimated to cost $20,000 in the application but now placed at $10,500. A 100-foot shaft is expected to cost $10,000, and trailer camps $2,400. The total of the specified costs as in the letter are, therefore, $22,900. No figures are given for cost of supervision and consultants, put down at $10,000 in the application.

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Referral to the Field Team is recommended.

H. E. Nelson

HENelson:iml
G-9/26/55

H. E. Nelson

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641
J. O. Hosted, 3210

September 17, 1955

Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Defense Minerals Exploration Administration
United States Department of the Interior
Washington 25, D. C.

RECEIVED
SEP 27 1955

Dear Mr. Ellis:

This letter supplements the Application for Aid in an Exploration Project, Docket No. DMEA-3754 (Uranium), submitted by Preston M. Neilson, for the exploration of the Prince Group Mining Claims in Elko County, Nevada, and is pursuant to your request, under date of April 22, 1955, for further information concerning this application.

There are, altogether, twenty-one claims in the Prince group, each comprising 20 acres, or a total of 420 acres. The Tertiary rocks are exposed on the surface throughout most of the area covered by these claims. A radiometric count can be obtained over a major portion of the area covered by these claims.

The principal discovery is situated in the brecciated zone in which iron oxide stains are abundant. Uranium mineralization in this area is carried in a pipe-shaped deposit at the confluence of two fissures. This mineralization occurs throughout the silicified breccia in this zone. The mineralization on the surface occurs in the form of carnotite, and it is believed that at depth the mineralization will turn to primary ore. Surface occurrences have been assayed with results running up to 1.38 in U_3O_8.

Preston M. Neilson proposes the exploration of this deposit by three separate means:

First. By stripping parts of the surface with a bulldozer which Mr. Neilson is now doing at his own expense.

Second. By drilling the area immediately surrounding the primary outcropping of ore described above at fairly close centers, to be extended with the centers spread further apart as the claims extend beyond the main exposure.

Mr. Neilson believes that the area within a radius of 300 feet of the main exposure should be drilled on four-foot centers, each to a depth of 25 feet, with every fifth hole being drilled to a depth of 50 feet and every tenth hole to a depth of 100 feet.

The claims, other than the one on which the primary exposure occurs, should be drilled at 100-foot centers, unless drilling on such centers shall disclose the existence of a commercial ore body, in which event closer drilling for the purpose of delineating such body would be necessary. Mr. Neilson recommends total drilling of 6,000 lineal feet, the probable cost of which is estimated to be $1.75 per foot, making a total approximate cost of $10,500. He also recommends that the proposed drilling program commence immediately northwest of the discovery site and should be confined initially to the mineralized zone which parallels the fault line extending through the area which strikes north 45 degrees east and, where exposed, has a dip of 50 to 60 degrees. The hanging wall of this fault consists of a soft shale dike 20 feet thick and the foot-wall of this fault consists of a crystalline limestone. The drilling program outlined above should determine the subsurface attitude of the deposit comprising the main outcrop on the property, and will also assist in the determination of the due course of such outcrop.

Third. Direct sinking operation by way of a shaft to a depth of 100 feet to explore the deposit at the intersection of the fissures is advisable and judging from surface samples, enough ore could be saved to pay much of the development expense. Mr. Neilson estimates that the cost of sinking such shaft will be $100 per foot, making a total cost for the shaft of $10,000.

The property is located about 20 miles from any habitation and Mr. Neilson proposes to purchase two trailer camps in order to provide living quarters for those who are conducting such exploration program. The cost of such trailer camps would be $1,200 each, or a total cost of $2,400.

The following-described equipment would be necessary for such an exploration program:

(1) Operating Equipment, Materials and Supplies: Shovels, picks, jack-hammer, powder, fuse, caps, timber, A-frame for hoisting, air compressor, and a bulldozer for additional stripping.

(2) Exploratory Equipment: Geiger counter with 50 to 150-foot probe, core sample containers for complete log on drill holes.

(3) Drilling Equipment: The necessary drilling might be let to an independent contractor, or the drilling equipment might be rented.

(4) Structures or Installations: Two trailer camps to house workers, and an ore bin for stockpiling and loading ore.

Sincerely,

L. W. Allred

9/22/55 gla

September 17, 1955

Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Defense Minerals Exploration Administration
United States Department of the Interior
Washington 25, D. C.

Dear Mr. Ellis:

This letter supplements the Application for Aid in an Exploration Project, Docket No. DMEA-3754 (Uranium), submitted by Preston M. Neilson, for the exploration of the Prince Group Mining Claims in Elko County, Nevada, and is pursuant to your request, under date of April 22, 1955, for further information concerning this application.

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(2) Exploratory Equipment: Geiger counter with 50 to 150-foot probe, core sample containers for complete log on drill holes.

(3) Drilling Equipment: The necessary drilling might be let to an independent contractor, or the drilling equipment might be rented.

(4) Structures or Installations: Two trailer camps to house workers, and an ore bin for stockpiling and loading ore.

Sincerely,

L. W. Allred

surname 700 Murphy Ellis Mittendorf

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

JUL 20 1955

Mr. Preston M. Neilson
418 Atlas Building
Salt Lake City 1, Utah

Re: Docket No. DMEA-3754 (Uranium)
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Neilson:

This will acknowledge your letter of July 15, with reference to the captioned application.

In accordance with your request, we will hold the subject docket open for a reasonable period of time in order to permit you to compile and submit the additional information.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

FMurphy:am
7-19-55
cc to: Admr. Reading File
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5222
J. O. Hosted, Rm. 3210, GSA
Code 700
Mr. Murphy
DMEA Field Team, Region II (2)

R.C.L.

7/18/55 gla

SKYLINE OIL COMPANY

ATLAS BUILDING
SALT LAKE CITY 1, UTAH

RECEIVED
JUL 18 1955

July 15, 1955

United States Department of the Interior
Defense Minerals Exploration Administration
Ernest William Ellis, Chief
Rare and Miscellaneous Metals Division
Washington 25, D. C.

Dear Mr. Ellis:

Referring to your letter of June 24, 1955, re your Docket No. DMEA-3754 (Uranium), Prince Group Mining Claims, Elko County, Nevada, we are in the course of preparing additional information regarding these claims.

As soon as this information is prepared, we will forward it to your office, until which time we shall appreciate it if you will keep our application in your active files.

Sincerely,

Preston M. Nielson

O.K. Foy M.

cc: L. W. Allred
1433 Hollywood Avenue
Salt Lake City, Utah

Surname 700
Murphy
Ellis
Matheson

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

JUN 24 1955

Mr. Preston L. Neilson
418 Atlas Building
Salt Lake City, Utah

Re: Docket No. DMEA-3754 (Uranium)
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Neilson:

Reference is made to our letter under date of April 22, 1955, requesting additional information required to process the captioned application. On April 28 Mr. Robert Gordon advised that the data was being assembled and would be submitted in a short time.

Inasmuch as we have received no further response, we assume that you no longer desire to proceed with the application. We wish to cooperate with you in the matter of allowing ample time, but if the needed data has not been received within thirty days from the date of this letter, we will then consider the docket closed.

Sincerely yours,

SIGNED

Ernest M. Ellis, Chief
Rare and Miscellaneous
Metals Division

Copy to: Robert Gordon
Attorney at Law
156 East 3rd South
Salt Lake City, Utah

FMurphy:am
6-23-55
cc to: Admr. Reading File
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Kiilsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, GSA
Code 700
Mr. Murphy
DMEA Field Team, Region II(2)

R.G.G.

5/2/55-gla

ROBERT GORDON
ATTORNEY AT LAW
156 EAST 3RD SOUTH
SALT LAKE CITY, UTAH
TELEPHONE 5-1385

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 2 - 1955

April 28, 1955

Mr. Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Div.
U. S. Dept. of Interior, D. M. E. A.
Washington 25, D. C.

Re: Docket No. DMEA-3754 (Uranium)
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Ellis:

In reply to your letter of April 22, 1955 in regards to the above captioned application for DMEA aid. You request more information in regards to the proposed drilling program and the target areas etc., you further stated that you would hold the application in abeyance for a reasonable period of time in order that the suggested data may be submitted.

I am writingaat this time to request that you do hold the matter in abeyance for a short time until we can assemble the necessary information to comply with your request. We shall make every effort to be expedient.

Very truly yours,

Robert Gordon

ROBERT GORDON

Surname
Murphy
Ellis

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

APR 22 1955

Mr. Preston M. Neilson
418 Atlas Building
Salt Lake City, Utah

Re: Docket No. DMEA-3754 (Uranium)
Prince Group Mining Claims
Elko County, Nevada

Dear Mr. Neilson:

The captioned application for Federal assistance has been received by this Division.

We note in Mr. Lyman Moore's report on the subject property that uranium ore was found in a hard silicified fault-breccia outcrop. Also, that a surface trench 10 feet long and 9 feet wide was cut to this small (4 foot diameter) outcrop.

The subject application proposes a drilling program, estimated to cost $30,000, to further explore the Prince claims. However, the tentative location and depth of the drill holes are not given. Furthermore, with the exception of the above-mentioned outcrop no specific drilling target is described.

Without specific targets that are justified with pertinent geologic data the proposed drilling might be termed prospecting, a form of search for ore deposits not contemplated under our exploration program.

Perhaps your Company may wish to perform some preliminary prospecting work to delinate specific geologic targets and then submit the results of this work together with a definite proposal for an exploration project. This data should include four copies of maps showing the locations of outcrops, veins, faults, joints, type of rock formations, and the tentative location of drill holes.

In the event you wish to modify the method of exploration proposed in the subject application, the above data should be submitted, except that the location and character of the new work should be shown on the map. Also, a supporting narrative justifying the new work should be submitted to assist us in making a fair appraisal of the merits of the exploration proposal.

R.C.S.

If advised, we will hold the subject application in abeyance for a reasonable period of time, in order that the above suggested data may be submitted.

Sincerely yours,

Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

FMMurphy:am
4-21-55
cc to: Admr. Reading File
Docket
Messrs. J. E. Crawford, Rm. 3641
T.H. Kiilsgaard, Rm. 5224
J. O. Hosted, Rm. 3210, GSA
Code 700
Mr. Murphy
DMEA Field Team, Region II (2)

4/19/55 gla

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

April 18, 1955

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: Bureau of Mines Member
Uranium Commodity Committee

Subject: DMEA Docket 3754, Preston M. Nielsen, Prince group, Elko County, Nevada

I have reviewed the attached application of Preston M. Nielsen, DMEA Docket 3754, and have discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

We suggest that the application be referred to the Field Team for examination and report, and that the Field Team be requested to discuss the application with Ernest Thurlow, Atomic Energy Commission, Salt Lake City, Utah.

John E. Crawford

John E. Crawford

Attachment

Copy to: Division of Minerals
Branch of Rare & Precious Metals
J. O. Hosted (2)
J. E. Crawford (2)

4/18/55 gla

IN REPLY REFER TO:

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

April 15, 1955

Re: DMEA-3754
Preston M. Nielson
(Prince Claims)
Elko Co., Nevada
$30,000 - Uranium

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of application

The applicant has proposed an unspecified amount of drilling to explore a property which at present is only a prospect. It can be assumed that total drilling will involve 7,000 feet to 20,000 feet. Where this work will be done is not stated or shown in the application.

In contradiction to the drilling proposed by the applicant, the operator's consultant has suggested sinking on an outcrop which by one assay has been proven to be uranium bearing.

We do not have any information on the uranium potentialities of this Elko County property. However, further prospecting appears to be required before serious consideration of the proposals is undertaken by DMEA.

I recommend further information be requested from the applicant. It should be pointed out that if necessary data is not yet available, then steps should be taken to prospect, sample and gather pertinent geological data for presentation to DMEA.

E. L. Newcomb
E. L. Newcomb

IN REPLY REFER TO:

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

April 15, 1955

Re: DMEA-3754
Preston M. Nielson
(Prince Claims)
Elko Co., Nevada
$30,000 - Uranium

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of application

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I recommend further information be requested from the applicant. It should be pointed out that if necessary data is not yet available, than steps should be taken to prospect, sample and gather pertinent geological data for presentation to DMEA.

E. L. Newcomb

ELNewcomb:hlm
G-4/15/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3641 Interior

April 5, 1955
Subject: DMEA 3754
Re: Exploration Assistance
Prince Group Mining
Claims Nos. 1 to 22

Mr. Preston M. Neilson
418 Atlas Building
Salt Lake City, Utah

Dear Mr. Neilson:

The receipt of your application dated March 28, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3754 and referred to the Rare and Miscellaneous Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

April 5, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region II.

DMEA - 3754 Preston H. Neilson

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved
Budget Bureau No. 42-R1038.2.

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

Not to be filled in by applicant

Docket No. 3754
Metal or Mineral Uranium
Date Received 4-4-55
Estimated Cost $30,000
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

PRESTON M. NIELSEN
418 Atlas Building
Salt Lake City, Utah

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

Sections 16, 17, 20, and 21, T. 44 N., R. 66 E., M.D.B. & M. in Elko County Nevada.

(*b*) State any mine name by which the property is known. Prince Group Mining Claims, Nos. 1 to 22, located in Salmon River Mining Dist. of Elko County, Nevada

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owner

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it Property is subject to an overriding royalty interest in favor of Montgomery Bros., Twin Falls, Ida.

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

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations.. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(a) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes.

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 28, 1955

Preston M. Nelson
(Applicant)

By

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

4. Physical Description.

(a). There are no mining or exploration operations being conducted upon the property. The extent of mining or exploration activity upon the property has been limited to preliminary discovery work conducted under the applicant's supervision.

(b). There is no current production, and there has been no past production, of ore upon the property. Ore reserves are undetermined, as indicated by the attached mining engineer's report.

(c). The land appears to have excellent possibilities for containing commercial quantities of high grade uranium ore. The geologic features, mineralization and type of deposit are fully explained in the attached engineering report, assay report, and sketch of the ore deposit. The engineering report and sketch of the ore deposit were prepared by Lyman Moore, a prominent local mining engineer who has had considerable experience in the uranium exploration and development field and is currently engaged in that type of work. The assay report was prepared by the United States Bureau of Mines and is based on their findings of an ore sample taken from the property and submitted to them for an assay.

(d). The property is located in the Northeastern part of Nevada and the entire area can be easily reached by automobile. The ore outcrop referred to in the engineering report is located 200 ft. from a dirt road on the property. It would not be necessary to construct special bridges or access roads in order to reach the property. There are no dugways or steep grades. The claims could be worked the year around.
The property is located approximately 38 miles from Montello, Nevada and 22 miles from the Union Pacific Railroad tracks. U. S. Highways 40 and 93, both hard surfaced, are in close proximity to the property. The distance from Twin Falls, Idaho to the property is 77 miles, consisting of 55 miles of hard surfaced road and 22 miles of dirt road. Wells and Elko, Nevada and Salt Lake City, Utah are all within reasonable driving distance from the property.

(e). The location of the property, and its easy accessability to towns, cities, major highways and a railroad, assure the availability of necessary materials, equipment and supplies, as well as manpower. An artesian spring is located two miles from the ore deposit; it contains good water and can be readily utilized for the needs of the project.

5. The Exploration Project.

(b). The proposed work to be performed on the property will involve

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

core drilling and sampling to determine the extent and quality of ore deposits. The work will include any operations related and necessary to the core drilling process. Exploratory operations will be directed to the area which is the subject matter of the attached engineer's report and sketch of the ore deposit.

(d). The applicant has had many years experience in oil exploration and development work and, more recently, in the uranium exploration field. At present he is an officer of an independent exploration and development company. He is financially able and prepared to furnish his share of the costs required for this project.

6. Estimate of Costs.

(a). The applicant will secure a reliable and competent independent contractor to perform the actual drilling operation, under the supervision and control of the applicant. Said contractor would be obligated to undertake every phase of the drilling operation and would furnish his own labor, materials and equipment necessary to perform the work, as well as make any necessary installations or improvements required for the completion of the project. The contractor will be paid an agreed amount per foot of core drilling and said amount will include all of the costs incurred by the contractor in the performance of the project. The unit price, per foot of drilling, to be paid to the contractor will be from $1.00 to $3.00 per foot. The estimated total amount to be paid to the contractor is $20,000.00.

(b). The applicant will retain control and supervision of the project. The estimated cost of supervision for the period covered by the contract is $5,000.00
Engineering and geological consultants will be utilized by the applicant throughout the performance of the contract. The estimated cost of engineering and geological consultant fees is $5,000.00
The total estimated cost of the project is as follows:

Amount paid to drilling contractor	$20,000.00
Amount necessary for supervision	5,000.00
Amount necessary for consulting engineers and geologists	5,000.00
TOTAL COST OF PROJECT	$30,000.00

(c), (d), (e), (f), (g) and (h). All costs of materials, equipment, supplies and labor, repairs, improvements and installations, are to be included in the unit price, per foot of drilling, to be paid to the independent contractor and all such items are to be

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

furnished and paid for by the drilling contractor, as provided by the terms of a drilling agreement to be executed between the applicant and the drilling contractor.

7. (a) and (b). The applicant is prepared to furnish his share of the costs of this project and such share shall be furnished in money in accordance with the requirements of the exploration project contract.

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

APR 4 1955

Salt Lake City, Utah

March 23, 1955

Mr. Jack Allred
1433 Hollywood Avenue
Salt Lake City, Utah

Dear Mr. Allred:

Following is a brief account of the uranium deposition the Prince Uranium Company property, which we visited on December 17th, 1954.

No attempt was made to study the general geology of the area. The deposit is about 12 miles southeast of the Contact Mining District, which has had a moderate production of copper and other non ferrous metals.

The ore outcrops on the side of a low hill only 200 ft. off a fair dirt automobile road. The outcrop consists of a plug of silicified fault breccia about 4 ft. in diameter. The rock is hard and stands up a few feet above the surrounding limestone and shale. A 2 ft. sample on this plug assayed chemically 0.83% U308 and gave a reaction on the geiger counter of 20 on the 20 scale.

A surface trench 10 ft. long and 9 ft. wide has been cut to this outcrop along an irregular northwest striking and steep dipping fault fissure. This fault has offset a bedding fissure which is exposed in the northeast side of the trench. An 8 ft. cut made across this intersection and containing a proportional amount of the afore sampled plug assayed 0.38% U308.

On the northeast side of the trench where the bedding fissure is exposed it has a limestone footwall and a soft shale hanging wall. The southwest side of the trench, on the other side of the fault is all lime, and the displacement on the fault is unknown.

The ore has been deposited in a pipe shaped deposit at the intersection of the 2 fissures. A common structural condition for ore deposition. There are some small areas nearby in the limestone that give some count but they seem minor.

The ore itself is very interesting. The good ore occurs in a hard silicified fault breccia and the joints in the limestone contain only much lower grade ore. If this deposit were of a superficial nature caused by a circulation of recent near surface ground waters I would expect the mineralization to be in the joints and not in the hard massive silicified breccia.

The fact that the ore is in the hard breccia makes me believe that the uranium was introduced into it at the same time the silicious fine grained minerals that form the matrix of the silicified breccia were deposited and the ore may be considered primary with later processes of secondary concentration having little to do with it.

This occurrence should surely be investigated to determine if enough tonnage underlies the outcrop to support a profitable mining venture. Most small occurrences of ore are isolated and fail to develop into valuable deposits but still plenty of now large mining ventures have started from outcrops no better than this one and I believe that this mineralization is the type that could go down.

To explore this deposit I would recommend direct sinking operations at the intersection of the fissures and judging from the surface samples enough ore might be saved to pay much of the development expense.

Enclosed is a sketch of the deposit.

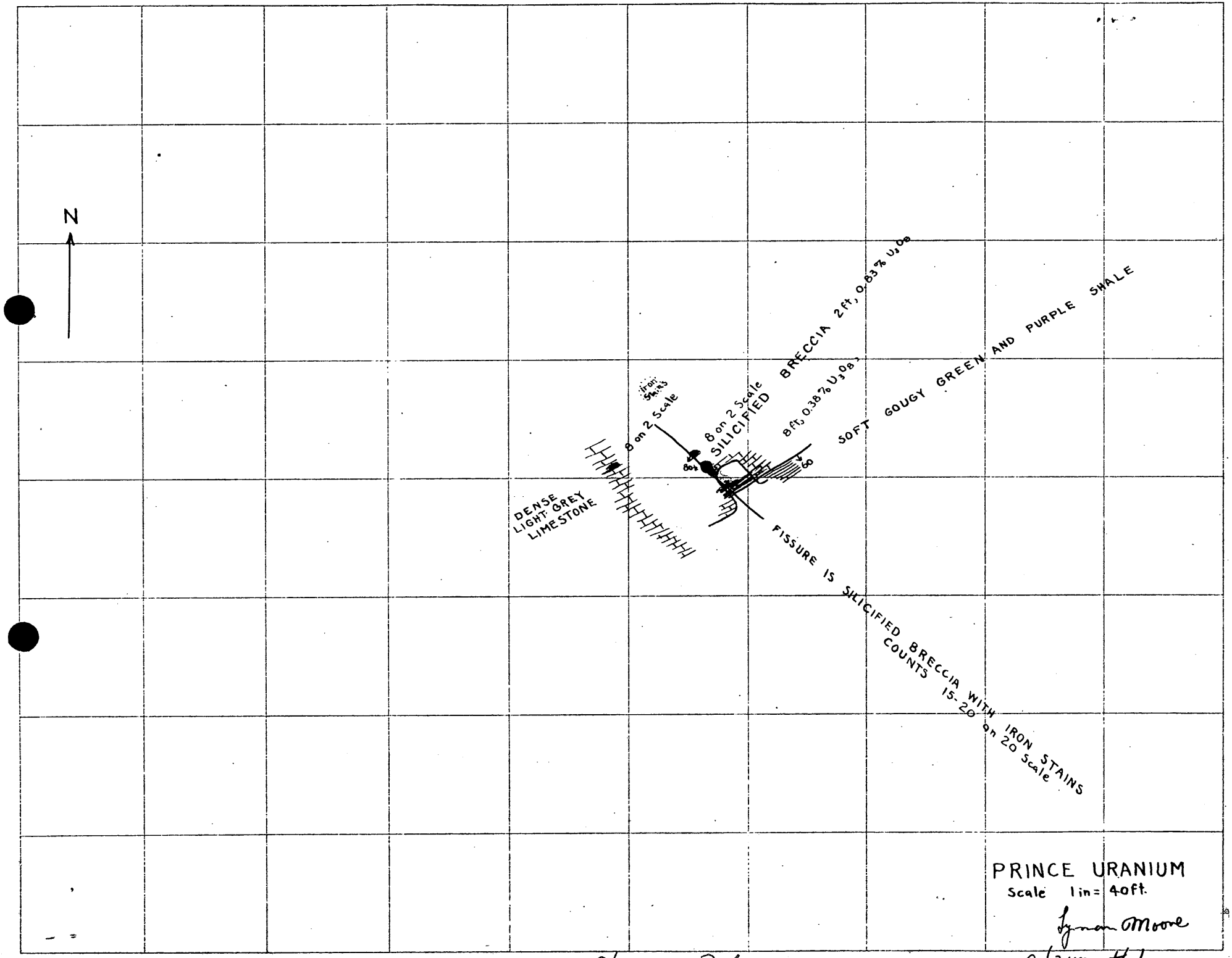
Yours truly,

Lyman Moore

Lyman Moore
Mining Cny.

LM:em

Preston M. Nielsen, 418 Atlas Bldg., Salt Lake City, Utah



Please Return

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

6-303
(March 1947)

AEC No. 1110
Date to BOM 9/21/54

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Salt Lake City, Utah

No. 646

Report to Mr. E. E. Thurlow (PLH)

Chemical Laboratory Report
1095

Date received September 30, 1954

Date reported October 4, 1954

Serial No.	DESCRIPTION	Lot No.	eU_3O_8	eU_3O_8
34022	Fe stained silicate (Montgomery)	F2434	1.3	1.58
	Taxpayer Sample			

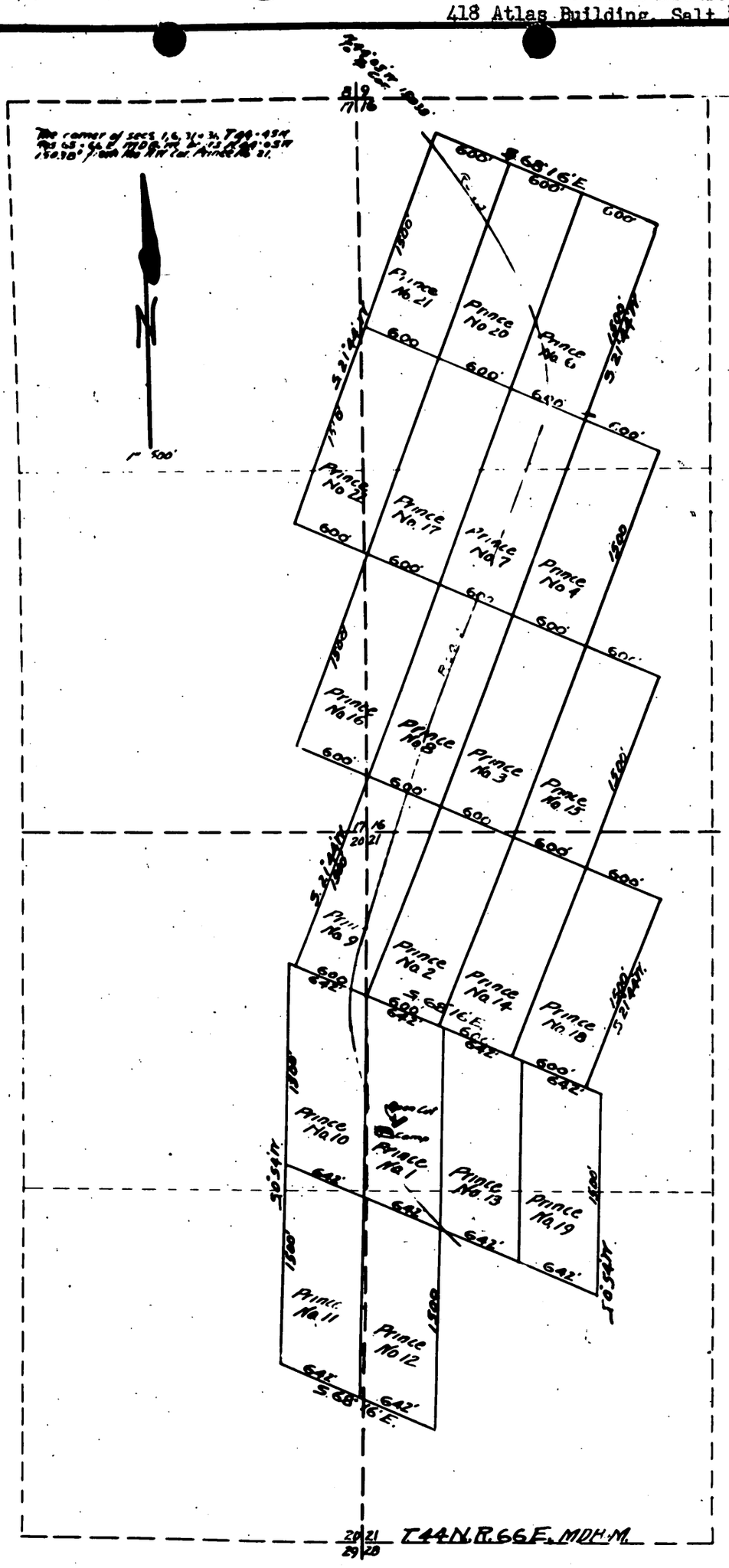
RECEIVED
OCT 1954
AEC
SALT LAKE CITY
UTAH

U. S. GOVERNMENT PRINTING OFFICE 16—83553-6

Signed Heber E. Peterson

Montgomery Brothers file

Preston M. Nielsen
418 Atlas Building, Salt Lake City, Ut.



"PRINCE GROUP MINING CLAIMS."
SALMON RIVER MINING DISTRICT
IN T. 44N., R. 66E. MDB&M.
ELKO COUNTY, NEVADA.

1" = 500'

I hereby certify that this map correctly represents the Montgomery Brothers Prince Group of Mining Claims which are located in the Salmon River Mining District, in Sections 16, 17, 20 and 21, T44N, R66E, MDB&M, in Elko County, Nevada. That the location is carried from a point 1170 feet bearing S 65° 46' E. from the corner of Sec. 16, 17, 20, 21, T44N, R66E, MDB.&M. That the claims were staked by Montgomery Brothers in 1934 and were marked by substantial posts. That I have examined the claims and find the corners in place as indicated. That horse or road trails have been provided. That it is impossible to locate the local stakes or corners until snow covering has vanished.

J. S. Kane
R. E. Hayes, C.E.
Twin Falls, Idaho.
March 19, 1935.

1/1
1/1955
3/12/55

DMEA

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

1605 Evans Avenue
Reno, Nevada

March 31, 1955

Memorandum

To: Operating Committee, DMEA, Interior Building
Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (uranium)
Prince Group Mining Claims
Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

Attached are three sets of MF-103, Application for Aid forms relative to above subject. The fourth set has been retained in our files.

S. Ricker

Attach.

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

1605 Evans Avenue
Reno, Nevada

March 31, 1955

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Subject: Loan Application (uranium)
Prince Group Mining Claims
Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

Attached are three sets of MF-103, Application for Aid forms relative to above subject. The fourth set has been retained in our files.

S. Ricker

Attach.

SRicker:gh
cc: H. C. Miller
R. M. Smith
File

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3754
Metal or Mineral Uranium
Date Received 4-4-55
Estimated Cost $30,000
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

PRESTON M. NIELSEN
418 Atlas Building
Salt Lake City, Utah

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

Sections 16, 17, 20, and 21, T. 44 N., R. 66 E., M.D.B. & M. in Elko County Nevada.

(*b*) State any mine name by which the property is known. Prince Group Mining Claims, Nos. 1 to 22, located in Salmon River Mining Dist. of Elko County, Nevada

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owner

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it Property is subject to an overriding royalty interest in favor of Montgomery Bros., Twin Falls, Ida.

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

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Uranium

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes.

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 28, 1955

Preston M. Nelson
(Applicant)

By

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

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APR - 4 1955

4. Physical Description.

(a). There are no mining or exploration operations being conducted upon the property. The extent of mining or exploration activity upon the property has been limited to preliminary discovery work conducted under the applicant's supervision.

(b). There is no current production, and there has been no past production, of ore upon the property. Ore reserves are undetermined, as indicated by the attached mining engineer's report.

(c). The land appears to have excellent possibilities for containing commercial quantities of high grade uranium ore. The geologic features, mineralization and type of deposit are fully explained in the attached engineering report, assay report, and sketch of the ore deposit. The engineering report and sketch of the ore deposit were prepared by Lyman Moore, a prominent local mining engineer who has had considerable experience in the uranium exploration and development field and is currently engaged in that type of work. The assay report was prepared by the United States Bureau of Mines and is based on their findings of an ore sample taken from the property and submitted to them for an assay.

(d). The property is located in the Northeastern part of Nevada and the entire area can be easily reached by automobile. The ore outcrop referred to in the engineering report is located 200 ft. from a dirt road on the property. It would not be necessary to construct special bridges or access roads in order to reach the property. There are no dugways or steep grades. The claims could be worked the year around.
The property is located approximately 38 miles from Montello, Nevada and 22 miles from the Union Pacific Railroad tracks. U. S. Highways 40 and 93, both hard surfaced, are in close proximity to the property. The distance from Twin Falls, Idaho to the property is 77 miles, consisting of 55 miles of hard surfaced road and 22 miles of dirt road. Wells and Elko, Nevada and Salt Lake City, Utah are all within reasonable driving distance from the property.

(e). The location of the property, and its easy accessability to towns, cities, major highways and a railroad, assure the availability of necessary materials, equipment and supplies, as well as manpower. An artesian spring is located two miles from the ore deposit; it contains good water and can be readily utilized for the needs of the project.

5. The Exploration Project.

(b). The proposed work to be performed on the property will involve

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

core drilling and sampling to determine the extent and quality of ore deposits. The work will include any operations related and necessary to the core drilling process. Exploratory operations will be directed to the area which is the subject matter of the attached engineer's report and sketch of the ore deposit.

(d). The applicant has had many years experience in oil exploration and development work and, more recently, in the uranium exploration field. At present he is an officer of an independent exploration and development company. He is financially able and prepared to furnish his share of the costs required for this project.

6. Estimate of Costs.

(a). The applicant will secure a reliable and competent independent contractor to perform the actual drilling operation, under the supervision and control of the applicant. Said contractor would be obligated to undertake every phase of the drilling operation and would furnish his own labor, materials and equipment necessary to perform the work, as well as make any necessary installations or improvements required for the completion of the project. The contractor will be paid an agreed amount per foot of core drilling and said amount will include all of the costs incurred by the contractor in the performance of the project. The unit price, per foot of drilling, to be paid to the contractor will be from $1.00 to $3.00 per foot. The estimated total amount to be paid to the contractor is $20.000.00.

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The total estimated cost of the project is as follows:

Amount paid to drilling contractor	$20,000.00
Amount necessary for supervision	5,000.00
Amount necessary for consulting engineers and geologists	5,000.00
TOTAL COST OF PROJECT	$30,000.00

(c), (d), (e), (f), (g) and (h). All costs of materials, equipment, supplies and labor, repairs, improvements and installations, are to be included in the unit price, per foot of drilling, to be paid to the independent contractor and all such items are to be

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

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7. (a) and (b). The applicant is prepared to furnish his share of the costs of this project and such share shall be furnished in money in accordance with the requirements of the exploration project contract.

Preston M. Nielsen
418 Atlas Building
Salt Lake City, Utah

Salt Lake City, Utah

March 23, 1955

Mr. Jack Allred
1433 Hollywood Avenue
Salt Lake City, Utah

Dear Mr. Allred:

Following is a brief account of the uranium deposition the Prince Uranium Company property, which we visited on December 17th, 1954.

No attempt was made to study the general geology of the area. The deposit is about 12 miles southeast of the Contact Mining District, which has had a moderate production of copper and other non ferrous metals.

The ore outcrops on the side of a low hill only 200 ft. off a fair dirt automobile road. The outcrop consists of a plug of silicified fault breccia about 4 ft. in diameter. The rock is hard and stands up a few feet above the surrounding limestone and shale. A 2 ft. sample on this plug assayed chemically 0.83% U308 and gave a reaction on the geiger counter of 20 on the 20 scale.

A surface trench 10 ft. long and 9 ft. wide has been cut to this outcrop along an irregular northwest striking and steep dipping fault fissure. This fault has offset a bedding fissure which is exposed in the northeast side of the trench. An 8 ft. cut made across this intersection and containing a proportional amount of the afore sampled plug assayed 0.38% U308.

On the northeast side of the trench where the bedding fissure is exposed it has a limestone footwall and a soft shale hanging wall. The southwest side of the trench, on the other side of the fault is all lime, and the displacement on the fault is unknown.

The ore has been deposited in a pipe shaped deposit at the intersection of the 2 fissures. A common structural condition for ore deposition. There are some small areas nearby in the limestone that give some count but they seem minor.

The ore itself is very interesting. The good ore occurs in a hard silicified fault breccia and the joints in the limestone contain only much lower grade ore. If this deposit were of a superficial nature caused by a circulation of recent near surface ground waters I would expect the mineralization to be in the joints and not in the hard massive silicified breccia.

The fact that the ore is in the hard breccia makes me believe that the uranium was introduced into it at the same time the silicious fine grained minerals that form the matrix of the silicified breccia were deposited and the ore may be considered primary with later processes of secondary concentration having little to do with it.

This occurrence should surely be investigated to determine if enough tonnage underlies the outcrop to support a profitable mining venture. Most small occurrences of ore are isolated and fail to develop into valuable deposits but still plenty of now large mining ventures have started from outcrops no better than this one and I believe that this mineralization is the type that could go down.

To explore this deposit I would recommend direct sinking operations at the intersection of the fissures and judging from the surface samples enough ore might be saved to pay much of the development expense.

Enclosed is a sketch of the deposit.

Yours truly,

Lyman Moore

Lyman Moore
Mining Eng.

LM:em

Please Return

PRESTON M. NIELSEN
418 Atlas Building
Salt Lake City, Utah

6-808
(March 1947)

AEC No. 1110
Date to BOM 9/21/54

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Salt Lake City, Utah

No. 646

Report to Mr. E. E. Thurlow (FLH)

Chemical Laboratory Report
1095

Date received September 30, 1954

Date reported October 4, 1954

Serial No.	DESCRIPTION	Lot No.	aU_3O_8	cU_3O_8
34022	Fe stained silicate (Montgomery)	F2434	1.3	1.58
	Taxpayer Sample			

OCT 1954
RECEIVED
SALT LAKE CITY
AEC
UTAH

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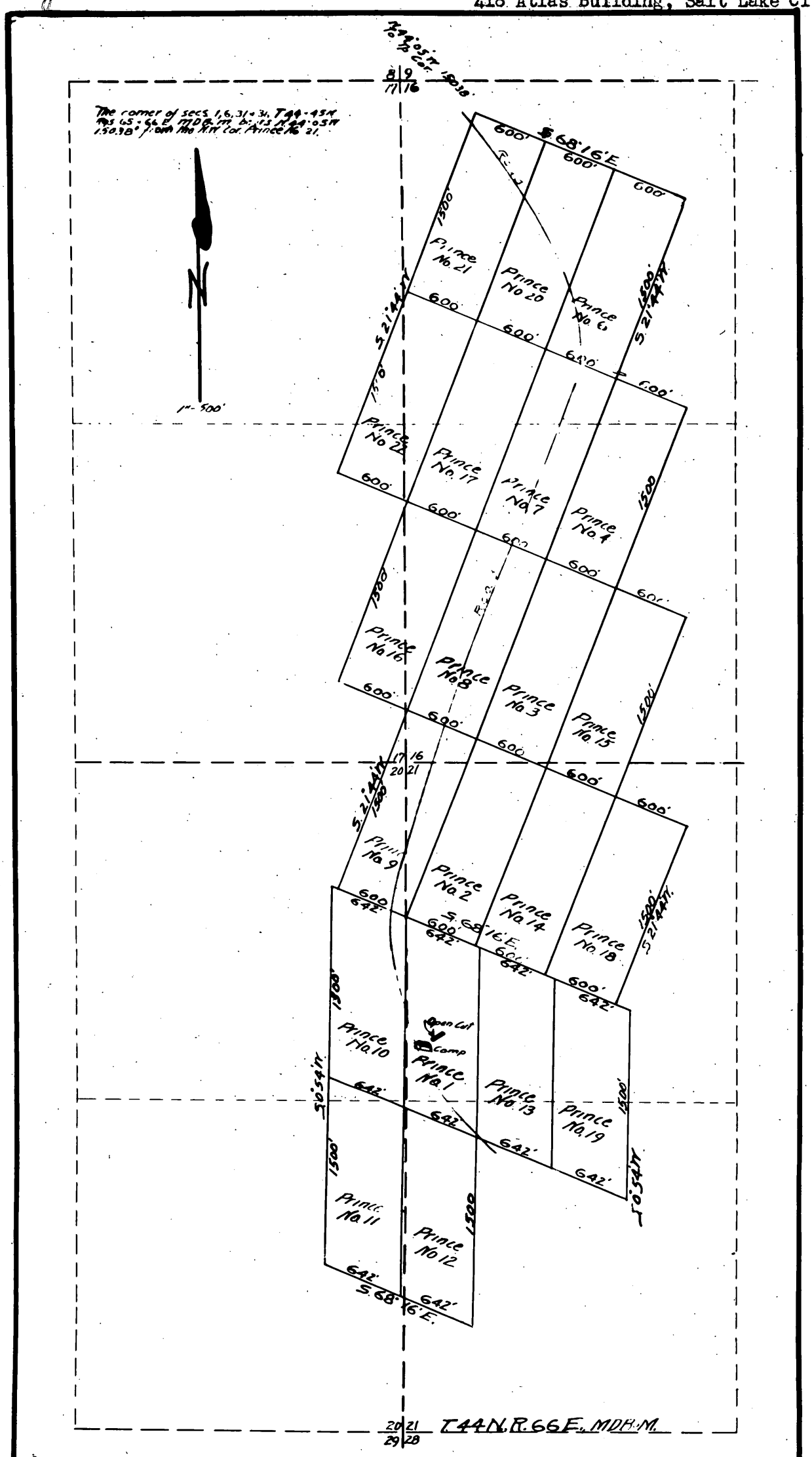
Signed Heber E. Peterson

Montgomery Bro. Nielsen

Preston M. Nielsen
418 Atlas Building, Salt Lake City, Ut.



"PRINCE GROUP MINING CLAIMS."
SALMON RIVER MINING DISTRICT
IN T.44N., R.66E. M.D.B.&M.
ELKO COUNTY, NEVADA.

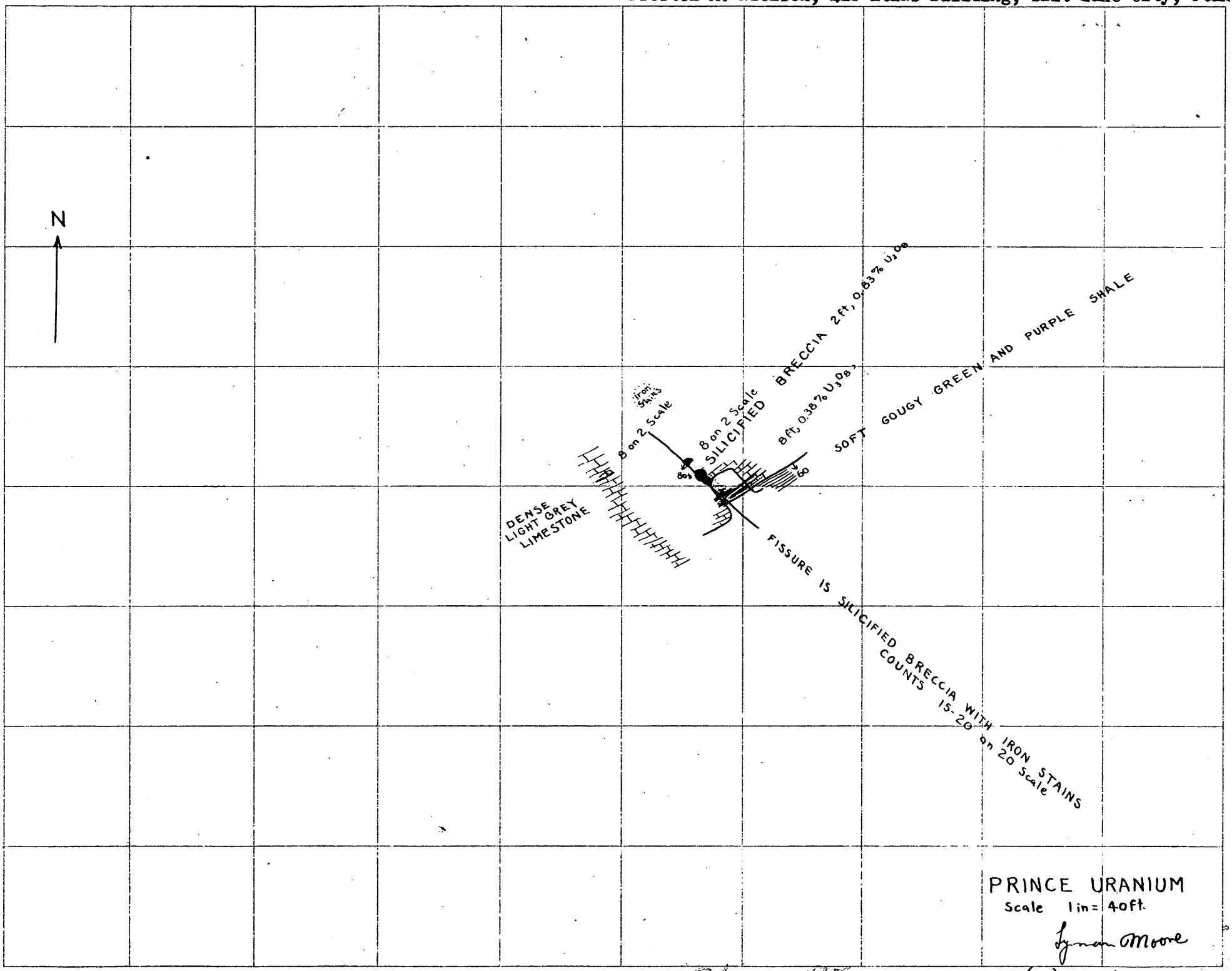
1" = 500'

I hereby certify that this map correctly represents the Montgomery Brothers "Prince Group Mining Claims" which are located in the Salmon River Mining District, in sections 16, 17, 20 and 21, T44N, R66E, MDB&M in Elko County, Nevada; That the location is derived from a tie to the corner of Tps. 44-45 N. Rgs. 65-66 E. MDB&M; That the claims were staked by Montgomery Brothers in 1954 and were marked by substantial posts; That I have resurveyed the claims and find the corners in place as indicated; That access roads have been provided; That it is impractical to locate the local section corners until snow covering has vanished.

J. E. Hayes
Twin Falls, Idaho.
March 14, 1955.

Please Return

Preston M. Nielsen, 418 Atlas Building, Salt Lake City, Utah



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Claim #1

BUREAU OF MINES
~~1012 Flood Building~~
~~870 Market Street~~
~~San Francisco 2, Calif.~~

OFFICIAL BUSINESS

~~420 CUSTOM HOUSE~~
~~525 BATTERY STREET~~
~~SAN FRANCISCO 11, CALIF.~~

Maps

Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.

FIRST CLASS

maps