IMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE **1119** IMEA NO. 4701

Application (Denied (Withdrawn 2 AUG 1957 Contract (Terminated - not Certified (Cancelled (Terminated - Certified (Royalty Agreement

(After disposition, delete items not applicable)

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
✓Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
✓Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
✓On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order) Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Rubin	
	Dwyer	
	App'd. Sol. Off.	
7/25	Ching	100
7/25	Lugue	200
7-25	Chambers	800
9/16	Selbrede	820
	Absent	110
16	Rutherford	100
9/17	C	220
9/18	B	215
		220

SEP 16 1958

Messrs. Wesley Anderson,
Allen Burns, J. Donald Burns,
and Bob Fleming
Bowman, North Dakota

Re: Docket DMEA-4701 (Uranium)
Contract Idm-E1119
Wesley Anderson, et al.,
Partnership
Harding County, South Dakota

Gentlemen:

The subject Contract required that you commence and complete three stages of exploration work during the month of September 1957. All efforts of this agency since that time in correspondence and conversations to obtain a specific proposal from you concerning the performance of Stage 1 work have been unsuccessful.

In these circumstances, it is not in the best interest of the Government to participate in the subject project and the Government hereby rescinds, revokes and cancels the subject Contract as of the date thereof.

Sincerely yours,

C. O. Mittendorf (for)

ACTING Director

Copies to:
Messrs. Burns, Burns, and Fleming

HCRubin/hm 7/23/58
cc: DMEA Docket
Admr. reading file
Operating Committee
Mr. Kiilsgaard, Rm. 5224
Mr. Bishop
DMEA chron.
Field Team (Reg. III) - 2 copies
Mr. Rubin
Mr. Dwyer
Mr. Chambers

8623

Extra copy

RESCISSION OF EXPLORATION PROJECT CONTRACT

It is agreed this 1st day of August, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming that Contract No. Idm-E1119 (Docket No. DMEA-4701), dated August 2, 1957 is rescinded, revoked and canceled as of the date of the Contract without obligation one party to the other the same as if the Contract had not been executed.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day ahd year first above written.

THE UNITED STATES OF AMERICA

By C P Mittendorf
Administrator, Defense Minerals
Exploration Administration

Wesley Anderson

Allen Burns

J. Donald Burns

Bob Fleming

see Harshman
letters 9/10/58 + 9/22/58

Kwarcl

August 1, 1958

Docket No. DMEA-4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson, et al.

Justification For Rescission Agreement

There was considerable delay in the execution of the subject contract by the Operator and a late start was made on the project work. Consequently, the completion date passed before Stage I work could be completed.

Despite a number of requests by the Field Team, the Operator failed to supply the necessary information for an amendment to provide for a recess period and extension of the completion date. To further complicate the situation the Operator did not follow contract specification in carrying out Stage I trenching, and failed to submit proper vouchers and progress reports.

On April 4, 1958, the Acting Executive Officer reported that progress on the project was at a standstill because of the Operator's lack of cooperation and requested that the Washington office attempt to resolve the matter.

Our letter of April 9 to the Operator reviewed the situation and again stated the Government's requirements before work could be resumed.

Some of the information required by the Government was supplied in a telegram from the Operator, dated May 12. However, the most essential information was not submitted and after several months further delay, the Alternate Acting Executive Officer requested the Washington office to rescind the contract.

Details of the work done in Stage I have not been made available to us. No payments have been made by the Government for the work done.

Under these circumstances rescission of the contract is in order. If such rescission cannot be obtained by agreement unilateral action would be necessary.

Michael Ching

Michael Ching, Mining Engineer
Division of Rare & Misc. Metals

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 13 1957

DATE	INITIALS	CODE

MF-200
(Revised June 1954)

Government's copy

Docket No. DMEA - 4701

Commodity Uranium

Contract No. Idm-E 1119

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 2 AUG 1957 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming, a partnership.

whose mailing address is Bowman, North Dakota

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, ~~and~~ Annex II, and map (Figure 2).

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of South Dakota, County of Harding, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] Location Notices, [7] recorded in Book See ~~Annex page~~ Annex I, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: .....

.....

.....

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of uranium. The work to be performed is described in Exhibit "A." The Operator on or before September 10, 1957 shall commence the work, and on or before September 30, 1957 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~or shall have incurred allowable costs (see Article 8) in a sum not less than the estimated total allowable cost set forth in Exhibit "A"~~, except as otherwise provided in Exhibit "A" with respect to stages of work. (See Annex II.)

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $6,700.00 .....
The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $5,025.00 .....: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; ~~but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated total allowable cost of the work.~~ **(See Annex II.)**

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums. **(See Annex II.)**

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9.8. **(See Annex II.)**

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value therof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—
See Annex II.

Appd. Sol. Off.
Ching
Ellis
Chambers
Martin
Johnson

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Wesley Anderson
Wesley Anderson

By Allen Burns
Allen Burns XXXXXX

By J. Donald Burns
J. Donald Burns

By Bob Fleming
Bob Fleming

By C. F. Mutterdorf
Administrator, Defense Minerals
Exploration Administration

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

EXPLORATION PROJECT CONTRACT
ANDERSON, BURNS, BURNS, AND FLEMING
DOCKET NO. DMEA-4701

ANNEX I

The land referred to in Article 2 of the contract consists of 23 unpatented lode mining claims situated in secs. 1, 2, 11, and 12, T. 21 N., R. 5 E., B.H.M. & B., Harding County, South Dakota. The land is shown on the map entitled "Figure 2. Recommended Exploration, Davis Draw Group of Claims, North Cave Hills, South Dakota, DMEA Docket 4701," attached hereto and made a part hereof.

The notices of location of the claims are recorded in the official records of Harding County, South Dakota, as follows:

Claim	Book	Page
Jill 1	15	178
Jill 2	15	173
Jill 3	15	178
Jill 4	15	172
Jill 5	15	203
Jill 6	15	172
Jill 7	15	178
Jack 7	15	179
Mike 1	15	172
Mike 2	15	193
Mile 3	15	203
Bob 2	15	187
Bob 4	15	188
Bob 6	15	189
Al 1	15	189
Al 2	15	189
Al 3	15	190
Al 4	15	190
Al 5	15	206
Al 6	15	191
Al 7	15	191
Burns 2	23	177
Burns 3	23	25

EXPLORATION PROJECT CONTRACT
ANDERSON, BURNS, BURNS, AND FLEMING
DOCKET NO. DMEA-4701

ANNEX II

ARTICLE 13. Changes and added provisions.--

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(c) Categories (2) through (7) of Article 6(a) are deleted.

(d) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the contract.

(e) In the last sentence of Article 6(c), the words "Article 8" are substituted for the words "Article 9."

(f) Notwithstanding any other provision of the contract, the allowable unit cost per foot of a drilling item is the average unit cost per foot computed on the basis of all the actual unit costs of said drilling item incurred by the Operator: Provided, That the Government will not contribute to any portion of an average unit cost of a drilling item that exceeds the estimated unit cost of said item set forth in the contract.

EXPLORATION PROJECT CONTRACT
ANDERSON, BURNS, BURNS, AND FLEMING
DOCKET NO. DMEA-4701

EXHIBIT "A"

Description of the Work

General Provisions

The work consists of exploration by bulldozer excavating along the inferred outcrop and auger drilling from the mesa above, to test the uranium-bearing "C" lignite bed of the Ludlow member of the Paleocene Fort Union formation. The locations of the work are indicated on the map, Figure 2, referred to in Annex I.

All bulldozing shall be done with a D-8 bulldozer or an equivalent unit of another make. The cuts along the inferred outcrop of the "C" lignite bed shall expose it sufficiently to permit the taking of representative channel samples completely across the bed. Such samples shall be taken at 50-foot intervals along each cut made under this contract, and also along the two existing cuts shown at location "A" on the map (Figure 2).

The auger holes shall completely penetrate the "C" lignite bed but shall not extend more than 5 feet below its lower contact. Drilling depths are expected to average not more than 125 feet. The cuttings from the entire thickness of the "C" bed shall be collected and these cuttings shall constitute the sample for each hole.

All samples from the bulldozer cuts and auger holes shall be checked for radioactivity and those indicating significant mineralization shall be split; one portion shall be analyzed chemically for uranium and one portion shall be properly labeled and stored for the use of the Government. The unmineralized samples also shall be labeled and stored for inspection by the Government. At the completion of the project, upon Government approval, all stored samples may be disposed of by the Operator.

All drill holes shall be logged geologically and probed radiometrically, and the record of such logging and probing, together with certified copies of all assay certificates, shall be submitted with the Operator's monthly progress reports.

No drill hole shall be drilled closer than 100 feet to the outer boundaries of the land described in Annex I.

The Government shall not contribute to the costs of an incompleted drill hole.

The project shall be supervised at all times by a competent geologist or mining engineer who shall devote full time to the project work.

The location, direction, inclination, and extent of all project work are subject to the approval of the Government.

The work is divided into three stages as hereinafter described. The Operator shall complete Stage I, and perform as much of Stages II and III as the Government approves in writing in advance.

Stage I

Make five bulldozer cuts along the inferred outcrop of the "C" lignite bed as indicated on the map (Figure 2), to completely expose the bed for the length of each cut. Cuts Nos. 1, 2, 3, and 4 shall be a minimum of 500 feet in length and Cut No. 5 shall be a minimum of 1,000 feet in length.

Stage II

Drill 16 auger holes aggregating not more than 2,000 feet of drilling, as indicated on the map (Figure 2). The holes shall be drilled back from the edge of the mesa and spaced 200 feet apart.

Stage III

Drill not more than 13 holes, aggregating not more than 1,625 feet of drilling, behind Stage II holes that show significant mineralization. The holes shall be spaced approximately 200 feet from Stage II holes and from each other as tentatively shown on the map (Figure 2).

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

32 hours bulldozing @ $16.00/hr.	$ 512.00

Categories (2) through (7)		
None		$ 512.00
Fixed Unit Costs (See Annex II)		
100 sample sacks @ $0.40/ea.	$ 40.00	
90 chemical analyses @ $4.00/ea. sample	360.00	
Incidental allowance 1/ for each hour of bulldozer work 32 hours @ $8.00/hr.	256.00	656.00
Estimated Total Cost of Stage I		$1,168.00

Stage II

Actual Costs		
Category (1) Independent Contracts		
2,000 feet auger drilling @ $1.25/ft.	2,500.00	
Categories (2) through (7)		
None		2,500.00
Fixed Unit Costs (See Annex II)		
16 sample sacks @ $0.40/ea.	6.40	
16 chemical analyses @ $4.00/ea. sample	64.00	
Incidental allowance 1/ for each foot of hole drilled 2,000 feet @ $0.24/ft.	480.00	550.40
Estimated Total Cost of Stage II		$3,050.40

Stage III

Actual Costs		
Category (1) Independent Contracts		
1,625 feet auger drilling @ $1.25/ft.	2,031.25	

Categories (2) through (7)		
None		$2,031.25
Fixed Unit Costs (See Annex II)		
13 sample sacks @ $0.40/ea.	5.20	
14 chemical analyses @ $4.00/ea. sample	56.00	
Incidental allowance 1/ for each foot of hole drilled 1,625 feet @ $0.24/ft.	390.00	451.20
Estimated Total Cost of Stage III		$2,482.45

SUMMARY OF COSTS

Estimated Total Cost of Stage I	$1,168.00	
Estimated Total Cost of Stage II	3,050.40	
Estimated Total Cost of Stage III	2,482.45	
Estimated Total Cost of Project (rounded)		$6,700.00
Government Participation @ 75%		$5,025.00

1/ Includes all costs that might otherwise be allowable costs of the project under Categories (1) through (7) of Article 6(a), except as otherwise scheduled in Exhibit "A".

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

March 25, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 28 1957

DATE	INITIALS	CODE

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Application for DMEA Aid (Uranium) Wesley Anderson; Allen Burns et al. (Davis Draw Group of Claims) Harding County, South Dakota

Enclosed are the original and two copies of the subject application. One copy is being retained in our file.

The applicant proposes to explore a uraniferous lignite bed by drilling and dozer stripping at a total estimated project cost of $24,975.00. No drilling bids were submitted with the application.

E. N. Harshman

By E. N. Harshman
Acting Executive Officer

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DMEA
DEPARTMENT OF THE INTERIOR
MAR 20 1957
REGION
DENVER, COLORADO

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. 4701
Metal or Mineral URANIUM
Date Received 3-28-57
Estimated Cost $24,975
Participation (Government %)

RECEIVED MAR 28 1957 D.M.E.A.

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: WESLEY ANDERSON; ALLEN BURNS; J. DONALD BURNS; and BOB FLEMING. The applicants are individuals, and the mailing address for each of them is Bowman, North Dakota.

(*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. Not applicable.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. Not applicable.

(*d*) If a partnership, add to the above statement the names and addresses of all partners. Not applicable.

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 Those certain unpatented mining claims in the North Cave Hills area of Harding County, South Dakota, which are listed on the accompanying paper attached hereto. These claims are outlined in red on the map attached as Exhibit No. 1.

(*b*) State any mine name by which the property is known. Davis Draw Group of Claims.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Locators and owners.

(*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. Not applicable.

(*e*) If you own the land, describe any liens or encumbrances on it There are no liens, encumbrances or adverse claims of any kind.

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

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

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

(*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. See accompanying paper.

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

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

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. See accompanying paper

(*c*) The work will start within sixty days and be completed within twelve 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. See accompanying paper

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: Separate sheet

(*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 15, 1957

Wesley Anderson (Applicant)

BY [illegible] (Applicant)

J Donald Burns (Applicant)

Bob Fleming (Applicant)

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 28

DATE	INITIALS	CO.

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOMPANYING PAPER RELATING TO DMEA APPLICATION OF:

Wesley Anderson, Allen Burns; J. Donald Burns; and Bob Fleming.

There being insufficient space on the printed form for all information required in the captioned application, the following additional information is given in connection with the respective instruction numbers indicated, to-wit:

3. There is no organized mining district in the vicinity of these claims. Their geographic location in relation to section, township and range numbers is indicated on the map attached as Exhibit No. 1. The names of said claims and the book and page numbers for the respective recorded location notices, in the Records of Harding County, South Dakota, are as follows:

Claim Name and No.	Book No. (Miscellaneous Records)	Page No.
Burns No. 2	23	177
Burns No. 3	23	25
Jill No. 1	15	178
Jill No. 2	15	173
Jill No. 3	15	178
Jill No. 4	15	172
Jill No. 5	15	203
Jill No. 6	15	172
Jill No. 7	15	178
Mike No. 1	15	172
Mike No. 2	15	172 ?
Mike No. 3	15	203
Jack No. 7	15	179
Bob No. 2	15	187
Bob No. 4	15	188
Bob No. 6	15	189
Al No. 1	15	189
Al No. 2	15	189
Al No. 3	15	190
Al No. 4	15	190
Al No. 5	15	206
Al No. 6	15	190
Al No. 7	15	190

4(a). There have been no mining, mine workings, or production facilities conducted on this property. The map attached as Exhibit No. 1 illustrates the exploratory operations, which consist of drill roads, drilling and dozer work, exposing the outcropping of a continuous uranium bearing vein of lignite. One can drive to any of these workings in a passenger automobile.

4(b). There has been no past or current production. No ore reserves have been established. However, the lignite beds carrying uranium are believed to be continuous, and the uranium has been found to be of a commercial grade.

4(c). The vein or bed to be explored is in the Fort Union Formation of the Tongue River member. It is the upper bench of the D bed or vein. As far as we have been able to determine, the mineralization is consistent throughout this vein, and the vein is also very consistent, excluding the locations that have faults or slides. The mineralization consists of a commercial grade of uranium, averaging 0.20% U_3O_8. We wish to explore more of the vein to determine the depth, thickness, and value of the vein. This will provide the basic data necessary to carry on further explorations, if then needed, and valuations to calculate for any subsequent development program.

4(d). This project is easily accessible by County and Forest Service roads, and by roads which we have built. Some of these roads are dirt, and chains are required after it rains. It is two miles from the black top to the beginning of the project site, with an additional ten miles of graded road to the far side of the project. It is 27 to 30 miles, mostly on black top, to Bowman, North Dakota, where there is ample shipping, supply and residence facilities.

4(e). Most of the manpower, materials, supplies, equipment, water and power will be obtained at Bowman, North Dakota, or Buffalo, South Dakota. These towns are equidistant from the project, and ample supplies are available at either. There is underground water on the project but no surface water, except for reservoirs.

5(b). We propose to build a drill road with a bulldozer, which will be just a simple path, so that the drilling equipment may follow and set up on the level at the site of each drill hole.

The first line of drilling and dozer road will be on top of the rim rock following the escarpment at an approximate distance of 50 to 100 feet from the edge. These test holes will be spaced 300 feet apart along this upper or first line of drilling. The holes will range from 130 to 150 feet deep. The reason for starting at the top and working down is to prevent the dozer operations from pushing dirt and rock on the workings below.

The second line of drilling and drill road will be below the escarpment or face on a horizontal plain, with exploratory holes drilled about 70 feet deep and 300 feet apart. The holes will be varied according to the contour or terrain. A horizontal or level line of drilling and drill road is less expensive, as it avoids drilling on the face of a cliff. Also, with a horizontal plain, drill holes will be started at approximately the same level, and ore will be encountered at the same depth in the various holes.

The next or third line of drilling will also be on a horizontal plain, with a depth of about 40 feet, placed 300 feet apart. The fourth line of drilling and dozer road will be on the D bed itself, exposing the vein. Drilling from that point will reach the lower bench of the D bed and will run as much as 25 feet below the vein. This lower bench will average over three feet in thickness. It is mineralized throughout. Again, drilling will be 300 feet apart. At this point we would also take samples along the exposed outcrop, at regular intervals, for chemical assay.

The next or fifth line of dozer work (without any drilling) will expose the lower portion or bench of the D vein. This dozer work should expose 50 feet of vein, then jump 100 feet, before exposing another 50 feet, and so on until the vein is completed. There will be some variations on this lower line. In places it will not be practical to follow a set pattern because of the large amount of overburden that must be removed, or because roads for reaching the vein would fall on cliffs and faces. Chemical assays will also be taken along the outcrop at regular intervals, where the outcrop is exposed. More chemical assays are necessary in this lignite area because the radiometric is not always exact.

This type of operation will disclose the depth, thickness and value of the vein. It will enable engineers to estimate the cost of removing overburden; to estimate the amount of overburden to be removed; to determine the best mining methods; and to map the course of commercial ore. Some of this type of work has been carried out on our properties, and on other properties in the lignite area. We can by-pass a few steps in the project as we come to the locations that have been worked, since some of this type of exploration has been completed on the area under this application.

The maps attached as Exhibit No. 1, Exhibit No. 2, Exhibit No. 3 and Exhibit No. 4 are intended to show how the contours and escarpments are to be followed, and how the drilling is to be done.

5(d). The applicant Allen Burns will supervise the operations. He has done surveying, road building, map making, building construction, installation of water and sewer systems and related work for 25 years. For the last 18 months he has been employed by a uranium company in this same area, and during that time he worked under an engineer with 35 years of practical experience in the mining and exploring field.

The applicant Bob Fleming owns a core drilling rig. He has done a lot of drilling and core drilling in the area. He is familiar with machinery of all kinds.

The other applicants operate dozers and all kinds of machinery. They have worked at drilling in the area. All of the applicants are familiar with the area and the nature of the formations.

6. The detailed estimate of the costs of the proposed work is as follows:

(a) Independent contracts.--Vertical drilling is to be contracted at $1.25 per foot. It is estimated that 10,560 feet will be drilled. Therefore, the estimated drilling cost is -$ 13,200

(b) Labor, supervision, consultants.--Supervision is to be paid for on the basis of 11% of all other costs. The total of such other costs is estimated at $22,500. Therefore, the total estimated supervision cost is - - - -$ 2,475

(c) Operating materials and supplies.--None.

(d) Operating equipment.--A D-8 dozer will be rented for $16 per hour, including operator, fuel and other expenses of running. It is estimated that 500 hours of dozing will be required. This would make the cost for a dozer amount to $8,000. The necessary testing equipment, such as geiger counters, reels and probers are to be rented for a flat rental of $3.00 per day. It is estimated that such equipment will be used 100 days, cost $300. Thus, the total estimated cost for operating equipment is - - - - $ 8,300

(e) Rehabilitation and repairs.--None.

(f) New buildings, improvements, installations.--None.

(g) Miscellaneous.--Chemical assays are expected to cost $4.00 each. We expect to have at least 250 such assays, or a total of $1,000 worth. Therefore, the estimated miscellaneous cost is - - - - - - - - - $ 1,000

(h) Contingencies.--None

ESTIMATED TOTAL COST OF PROJECT $ 24,975

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS EXPLORATION ADMINISTRATION~~
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
Sept. 22, 1958

CENTRAL FILE COPY
DMEA
RECEIVED SEP 25 1958
DATE | INITIAL | CODE
9-25 | C | 220
700

Memorandum

To: Office of Minerals Exploration, Washington, D. C.

From: Office of Minerals Exploration, Region III

Subject: Docket No. DMEA 4701 (Uranium) Rescinded Contract No. Idm-E1119, Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming, (A Partnership) (Jill et al. claims) Harding County, South Dakota - Proposed Rescission Agreement

Enclosed are the Operator's and two extra copies of the proposed Rescission Agreement, which were forwarded by your letter of August 1, 1958, for signature by the Operator. The Rescission Agreement is no longer required as the contract was rescinded unilaterally by letter from C. O. Mittendorf, dated September 16, 1958.

The Government's, Audit, Finance Office and Field Team copies of the proposed Rescission Agreement were forwarded to the Operator for signature by our letter of August 4, 1958, but have not been returned to the Government. If they are subsequently returned to this office we will forward them to you.

E. N. Harshman

E. N. Harshman

Enclosures

These 3 copies destroyed.
see copy under unilateral
rescission 9/16/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado
September 10, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 15 1958

DATE	INITIALS	CODE
9-15	C	220
"	Murphy	700
	(Chief)	

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4701 (Uranium), Contract No. Idm-E1119, Anderson, Burns, Burns, and Fleming, a Partnership (Jill et al. claims), Harding County, South Dakota

The proposed RESCISSION AGREEMENT which was forwarded to the Operator for signature by this office on August 4, 1958 has not been returned. Therefore, we recommend that further appropriate action be taken by your office as indicated in your letter of August 1, 1958.

E. N. Harshman

E. N. Harshman

See Admr's rescission letter notice left-hand side 9/16/58

224 New Customhouse
Denver 2, Colorado
August 4, 1958

CERTIFIED MAIL

Mr. Bob Fleming
1771 Newton Drive
Cheyenne, Wyoming

Re: Docket No. DMSA 4701 (Premium)
Contract No. Nbr-2119
Anderson, Burns, Burns and Fleming,
a Partnership (Jill et al. claims),
Harding County, South Dakota

Dear Mr. Fleming:

Reference is made to the letter to you, dated April 9, 1958, from C. O. Mittenhorf, Administrator, DMSA, regarding furnishing certain data if the contract is to be continued in force.

Since the data listed under items 4, 5, and 6 of the Administrator's letter, and which you mention in your telegram of May 18, 1958, have not been received, the contract can no longer be maintained in such an indefinite status. Therefore, enclosed are the Government's, Audit, Finance Office, and Field Team copies of a proposed RESCISSION AGREEMENT which has been prepared to rescind, revoke, and cancel the contract, effective its effective date.

All copies of the Rescission Agreement are to be signed by all four partners as indicated and all copies promptly returned to this office; upon receipt of which the "Operator's Copy" of the Rescission Agreement will be forwarded to you.

If the properly executed copies of the Rescission Agreement are not received in this office within thirty days from the date of this letter, or by September 4, 1958, the Government will be forced to take more drastic action to protect its interest.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

JWT:grl
cc: Chem. Op. Comm. (2)
Marshman
DMSA/DPC (Bizyon)
Centes. file
Cooper

cc: Mr. Ben Burns
Bowman, North Dakota

Chron.

DMSA
AUG 7 1958

INITIALS	DATE
8/7	325
8/7	800
	200

Form 7
(12-[illegible])

OFFICIAL FILE COPY

Date	Surname	Code
8/1/58	Ching	700
8/1-58	Kusuda	700
8-1	Chamlee	800
	Martin	130
8/1	Johnson	110
1	Whitesides	100
8/1	[illegible]	220
		700

AUG 1 1958

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

Dear Mr. Townsend:

In accordance with your memorandum of July 16, we are enclosing the original and four copies of a proposed rescission agreement between the Government and Wesley Anderson, et al., signed by the Administrator. Also enclosed are two extra copies of the agreement for the use of the Field Team.

If you and the Operator find the proposed agreement satisfactory, please have the Operator sign it as indicated and make the usual distribution thereafter.

If the Operator fails to execute and return the agreement within 30 days from the date of forwarding by you, please advise us. We will then take further appropriate action.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Enclosures

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

MChing/gla
8-1-58
cc to: Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224
Mr. Ching

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/29	Ching	700
7/29	Knouse	700
		140

RECEIVED
JUL 29 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

INTERIOR DEPT.
JUL 29 1958
SOLICITOR

July 29, 1958

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: F. L. Knouse, Acting Director
Division of Rare and Miscellaneous Metals

Subject: Recission Agreement

Docket No. DMEA-4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

You have prepared a document unilaterally rescinding the subject contract in accordance with our memorandum of July 21, 1958.

It is now thought that a recission by agreement should first be attempted. Will you kindly prepare such an agreement. We will hold the unilateral recission for use in the event the Operator refuses to cooperate.

F. L. Knouse

MChing/izm 7-29-58
cc: Mr. Ching

8623

DMEA Form 7
(12-56)

INTERIOR DEPT.
JUL 2 1 1958
SOLICITOR

OFFICIAL FILE COPY

Date	Surname	Code
7/21	Ching	700
7/21	Greene	700
		140

July 21, 1958

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: F. L. Knouse, Acting Director
Division of Rare and Miscellaneous Metals

Subject: Recission of Contract

Docket No. DMEA-4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

Please refer to Mr. J. W. Townsend's memorandum of July 16, 1958, and preceding correspondence regarding this project.

The Operator has failed to follow contract specifications and has shown little disposition to rectify the situation by suppling the necessary information for an amendment. Because of this lack of cooperation, it is doubtful that a recission of the contract can be secured by agreement.

Accordingly, if you agree that such procedure is in order, it is requested that the necessary document be prepared unilaterally rescinding the contract.

F. L. Knouse

MChing/izm 7-21-58
cc: Mr. Ching

RECEIVED
JUL 2 2 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 18 1958

DATE	INITIALS	CODE
7/18	C	220
"	~~MC~~	700

VIA AIR MAIL

July 16, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4701 (Uranium), Contract No. Idm-E1119, Wesley Anderson et al. (Jill et al. claims), Harding County, South Dakota

Reference is made to your letter of May 14, 1958 and prior communications relative to operations under the subject contract.

Our numerous attempts to obtain necessary data from the Operator so that the change in location of the Stage I work can be resolved have been unsuccessful. It appears useless to make further attempts in the matter. Therefore, it is strongly recommended that the contract be rescinded effective the date of the contract.

J. W. Townsend

J. W. Townsend

FILE COPY
DMEA
RECEIVED 28 1958
CODE

5/28	C	220
5/28		800
		700

224 New Customhouse
Denver 2, Colorado
May 26, 1958

Memorandum

To: E. H. Harshman - w/enclosure
DMEA/DFC (Kinyon) - " "

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

Subject: Docket No. DMEA 4781 (Uranium), Contract No. [illegible],
Wesley Anderson et al. (Jill et al. claims), Harding County,
South Dakota

Enclosed for your information is an advance copy of a map submitted by the Operator showing trenching performed under Stage I of the contract.

No action is required from you on the enclosed map, as the Operator will resubmit the map complete with justification for the proposed amendment to the contract to substitute the trenching in the location indicated in lieu of that originally proposed.

Original signed by
J. W. TOWNSEND
for E. H. Harshman

JWT:pcl

cc: Chron. Sp. Comm. (2)
Townsend
Course. file
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado
May 14, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1958
DATE
5/15 C 220
" " 700

VIA AIR MAIL

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4701 (Uranium), Contract No. Idm-E1119, Wesley Anderson et al. (Jill et al. claims), Harding County, South Dakota

Enclosed are two photo copies of a telegram received from the subject Operator pertaining to matter discussed in the Administrator's letter to him, dated April 9, 1958, and prior correspondence from this office.

for E. N. Harshman

Enclosures

See our letter of May 14
mc

WD

WESTERN UNION
TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

KA140

K LLD010 LONG NL PD=ABN CHEYENNE WYO MAY 12=

=DEFENSE MINERALS EXPLORATION ADMINISTRATION=

224 NEW CUSTOM HOUSE DVR=

1958 MAY 13 AM 5 50

TO E. N. HARSHAMN REGARDS DOCUT NO D. M. E. A. 4701 CONTACT NO. IDM E1119 TO C. O. MITTENDORF ADMINISTRATOR. THANK YOU FOR ADDITIONAL MAPS WHICH WERE MAILED MAY 6. I JUST RETURNED FROM BOWMAN AND FIND IN ANSWER TO YOUR LETTER. NO 1 CONFIRMED. NO. 2 JULY 1 1958. NO 3 SEP 15-958 NO 4 TAP LOCATION ARE BEING FORWARDED FROM BOWMAN. NO. 5 ASSAYS ARE BEING FORWARDED BOWMAN NO. 5.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

ASSAYS ARE BEING ANALIZED. NO. 6 THIS INFORMATION WILL BE FORWARDED FROM BOWMAN=

BOB FLEMMING==

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/14	Ching	700
5/14	Ching	700
5/14	GCS	130
"	Johnson	110
"	Bartender	100
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		700

MAY 14 1958

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

Dear Mr. Harshman:

Enclosed are two copies of a telegram which appear to be in answer to the Administrator's letter of April 9 to Mr. Bob Fleming. The telegram also appears to be directed to you and makes reference to additional maps mailed May 6 of which we know nothing.

The Operator evidently wishes to continue with the project. Upon receipt of the information promised in the telegram, it would be in order to amend the contract to enable the Operator to at least complete Stage I. We can then appraise the prospects for the project and either terminate the contract or continue with Stage II. Your recommendations regarding the amendment will be required if it is to be prepared in this office.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures
APPROVED:

Frank D. Lamb (GCS)
Member, Bureau of Mines

W. P. Williams (GCS)
Member, Geological Survey

MChing/izm 5-14-58
cc: Mr. Ching
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224

8623

Telefax — WESTERN UNION — Telefax

SAU12 [illegible]

1958 MAY 13 AM 8 25

(K LLD011) LONG NL PD=ADM CHEYENNE WYO MAY 12=

UNITED STATES DEPT OF INTERIOR DEFENSE= 1 OF 2

MINERAL EXPLORATION ADMN WASHDC=

TO E. N. HARSHMAN REGARDS DOCUT NO D. M. E. A. 4704 CONTACT NO IDM E1119 TO C. O. MITTENDORF ADMINISTRATOR. THANK YOU FOR ADDITIONAL MAPS WHICH WERE MAILED MAY 6. I JUST RETURNED FROM BOWMAN AND FIND IN ANSWER TO YOUR LETTER. NO 1 CONFIRMED. NO 2 JULY 1 1958. NO 3 SEPT

1270 (1-51)

Telefax — WESTERN UNION — Telefax

KLLD011/2 2 OF 2

15-958 NO 4 MAP LOCATION ARE BEING FORWARDED FROM BOWMAN. NO. 5 ASSAYS ARE BEING FORWARDED BOWMAN NO 5. ASSAYS ARE BEING ANALIZED. NO 6 THIS INFORMATION WILL BE FORWARDED FROM BOWMAN=

BOB FLEMING=

1958 MAY 13 AM 8 58

FAX

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1958

DATE	INITIALS	CODE
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DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
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"	Johnson	110
"	[illegible]	100
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		700

APR 9 1958

Mr. Bob Fleming
1771 Newton Drive
Cheyenne, Wyoming

Re: Docket No. DMEA-4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

Dear Mr. Fleming:

Our Executive Officer at Denver has requested us to write you because he has been unable to get a satisfactory response to a series of letters written to you and your partners beginning last September.

Our essential requirements were outlined in a letter, dated December 10, 1957, from Mr. King to you, and in a letter, dated December 12, 1957, from Mr. King to Mr. Allen Burns. You apparently understood some of these requirements since you referred to them in your letter of January 31, 1958. However, as far as we know, you have failed to submit any of the items mentioned in your letter except the letter requesting an extension of the completion date to April 30, 1958.

As you know, this contract has been in existence since last August, yet the first stage is still incomplete. Please advise promptly what your intentions are regarding the remaining work. If you wish to continue with the project it is necessary that you submit the above-mentioned information so that the contract can be amended accordingly. If you do not wish to continue, please so advise in order that we may terminate the contract. In the latter case, no payment can be expected by you for the work done to date since it was not completed in accordance with contract specifications. If we do not hear from you within 30 days from the date of this letter, we shall take whatever action we deem necessary to protect the Government's interest.

In order to avoid any possible misunderstanding, the following information must be submitted if you wish to continue with the project:

1. The date work was suspended. (Please confirm if this date is November 19, 1957.)

2. The date on or before which you will resume work under the contract.

3. The date on or before which you would complete all three stages of the contract if Stages II and III were approved by the Government.

4. Submit five copies of a map (based on Figure 2 of the contract) showing the locations of the trenches completed to date and the numbers and locations of the channel samples taken in accordance with contract specifications.

5. Submit any assay certificates resulting from the channel samples referred to in item 4.

6. If the locations of any of the completed trenches are different from those shown on Figure 2 of the contract, explain the necessity for the changes.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Copy to:
Wesley Anderson
Bowman, North Dakota

MChing/gla
4-8-58
cc to: Admr.'s Reading File
THKiilsgaard, 5224
Mr. Ching
DMEA Field Team, Region III (2)

OFFICE FILE COPY
DMEA
RECEIVED APR 7 1958
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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado
April 4, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4701 (Uranium), Contract No. Idm-E1119, Anderson, Burns, Burns and Fleming, a Partnership (Jill et al. claims), Harding County, South Dakota

The Operator under the subject contract has been very negligent in replying to our letters and in furnishing information requested by this office, as copies of correspondence in your files will indicate. We have not received a reply to our letter of February 11,1958.

A portion of the Stage I trenching completed was not performed at locations indicated on the map attached to the contract because of land slide conditions at the originally proposed locations.

We recognized the necessity for a change in the location of a part of the trenches, and as a result of a discussion with Mr. Anderson during his visit to this office in October, 1957, he was to submit immediately for the Government's consideration a request for changes in locations of the trenches involved. Each copy of the Operator's request was to be complete with a map showing the actual locations of the trenches as excavated in relation to the locations originally proposed.

The data was never submitted by him and the matter resolved. Therefore, no payment was ever made to the Operator for any portion of the Stage I trenching completed.

It is recommended that the Operator be contacted by your office in an effort to obtain speedy resolution of the matter.

E. N. Harshman

E. N. Harshman

224 New Customhouse
Denver 2, Colorado

February 11, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 14 1958

DATE		CODE
2/14	C	220
2/14		800
11		700

CERTIFIED MAIL

Mr. Bob Fleming
1771 Newton Drive
Cheyenne, Wyoming

Re: Docket No. DMEA 4701 (Uranium)
Contract No. Idm-K1119
Anderson, Burns, Burns and Fleming,
a Partnership (Jill et al. claims)
Harding County, South Dakota

Dear Mr. Fleming:

Receipt is acknowledged of your special delivery letter, dated January 31, 1958, which was received in this office February 11, 1958.

In the opening paragraph of your letter, it is stated, "Enclosed please find narrative report and MF-104 and MF-104A."

We failed to find the material supposed to be enclosed. Therefore, we suggest that you review the matter and forward the referred to reports.

Very truly yours,

Original signed by
W. H. KING

W. H. King
Executive Officer
DMEA Field Team, Region III

JWT:prl

cc: Chmn. Op. Comm. (2)
Harshman
DMEA/DFC (Binyon)
Corres. file
Townsend
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 14 1958

DATE		CODE
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224 New Customhouse
Denver 2, Colorado

February 11, 1958

CERTIFIED MAIL

Mr. Bob Fleming
1771 Newton Drive
Cheyenne, Wyoming

Re: Docket No. DMEA 4701 (Uranium)
Contract No. Idm-81119
Anderson, Burns, Burns and Fleming,
a Partnership (Jill et al. claims)
Harding County, South Dakota

Dear Mr. Fleming:

Reference is made to your special delivery letter, dated January 31, 1958, received in this office February 11, 1958, that part concerning extension of the date presently fixed in the Contract on or before which work is to be completed.

If you will review our letter of December 19, 1957, a copy of which is enclosed, you will note that under item 2 we requested to be advised the specific date on or before which operations will be resumed.

As previously advised, action on your request of December 3, 1957 for an extension of the completion date cannot be taken until we learn the date on or before which operations will be resumed, so that the period of suspension of operations can be incorporated in the amendment.

Very truly yours,

Original signed by
W. H. KING

W. H. King
Executive Officer
DMEA Field Team, Region III

cc: Mr. Wesley Anderson, Bowman, N. Dak.
Mr. Allen Burns, Bowman, N. Dak.
Mr. J. Donald Burns, Bowman, N. Dak.

JWT:prl
cc: Chmn.Op.Comm.-2) w/copy of Fleming's letters
Harshman) of Dec. 3, 1957 and Jan. 31,
DMEA/DFC-Binyon) 1958.
Corres. file)
MP-104 file,)
(Cooper))
Townsend
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 14 1958

DATE	INITIALS	CODE

3716 WARREN AVENUE
CHEYENNE, WYOMING
DECEMBER 3, 1957

DMEA
DEPARTMENT OF THE INTERIOR
DEC 10 1957
REGION III
DENVER, COLORADO

MR. HARSHMAN
OFFICER, DMEA FIELD TEAM
REGION III
224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

RE: DOCKET NO. DMEA-470L (URANIUM)
CONTRACT NO. IDM-EL119
WESLEY ANDERSON, ET AL., A
PARTNERSHIP (JILL, ET AL CLAIMS)
HARDING COUNTY, SOUTH DAKOTA

DEAR SIR:

REFERENCE IS MADE TO YOUR LETTER OF OCTOBER 1, 1957, REQUESTING THAT WE MAKE AN APPLICATION FOR EXTENSION OF THE DATE FIXED FOR COMPLETION OF STAGES I, II, AND III.

PLEASE CONSIDER THIS AN APPLICATION FOR EXTENSION UNTIL APRIL 30, 1958 FOR COMPLETION. IT IS NECESSARY TO REQUEST THIS EXTENSION DUE TO EARLY SNOW AND FREEZING WEATHER WHICH HAS SLOWED DOWN PROGRESS ON THE FIRST STAGE. WE FEEL THAT THIS DATE SHOULD GIVE US AMPLE TIME.

IF YOU HAVE ANY QUESTIONS REGARDING THIS DELAY, PLEASE FEEL FREE TO CONTACT ME. THANK YOU.

VERY TRULY YOURS,

Bob Fleming

BOB FLEMING

1771 Newton Drive
Cheyenne, Wyoming
January 31, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 14 1958

DATE	INITIALS	CODE

W. H. King
Executive Officer
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

Re: Docket No. KMEA 4701 (Uranium)
Contract No. Idm-E1119
Anderson, Burns, Burns, and
Fleming, a Partnership
(Jill et al. claims)
Harding County, South Dakota

were not enclosed.
WC.

Dear Sir:

Enclosed, please find the narrative repoart and MF-104 and MF-104A. The map is being forwarded from Bowman by Mr. Burns, together with the billing from the bulldozing contractor.

Please giveconsideration to the enclosed carbon copy of a letter to your office of December 3, 1957, asking for an extension of time.

On or about September 26, 1957, D8 dozer operation commenced on phase 1 of contract Idm-E1119. This work was continued for sixteen consecutive days, exclusive of Sundays and shut down time for four other days due to snow. This part of the operation was completed on October 18, 1957, with 108 hours of outcrop dozing with a D8 dozer. At this shut down, the dozing on phase 1 was 65% completed.

Starting again on November 11, 1957, the dozer worked straight through until November 19, 1957, and at this time 169 hours of dozing had been completed. The results were the opening up and displaying the outcrop as was requested for on the original contract map. Also additional outcrop was opened up to justify or request for the change (or additional footage) for stage 1 sampling locations.

At this time nothing more has been done on phase No. 1, since on or about November 19, 1957. If the weather permits, it may be possible to have sample information, which would be forwarded to your office from Bowman, North Dakota. The revised locations of the bulldozer trenches will also be forwarded from Bowman, North Dakota.

Weather permitting and approval form your office received, it will then be possible to complete phase No. 1 and go ahead on phase No. 2 of this contract.

Very truly yours,

Bob Fleming

DMEA
DEPARTMENT OF THE INTERIOR
FEB 11 1958
REGION III
DENVER, COLORADO

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 24 1958
DATE | | AMT
1/24 C 220
1/24 800
" 700

224 New Customhouse
Denver 2, Colorado

January 21, 1958

Mr. Bob Fleming
3716 Warren Avenue
Cheyenne, Wyoming

Re: Docket No. DMEA 4701 (Uranium)
Contract No. Idm-E1119
Anderson, Burns, Burns and
Fleming, a Partnership
(Jill, et al claims)
Harding County, South Dakota

Dear Mr. Fleming:

Reference is made to the letter from this office, dated December 10, 1957, wherein we requested additional information in conjunction with extension of the date presently fixed in the contract on or before which work shall be completed.

The contract cannot be maintained in an indefinite status. If the information requested in our letter of December 10 is not in our hands by February 10, 1958, it will be necessary that we refer the entire matter to the Washington Office, DMEA, for such action as is indicated to protect the Government's interest.

Very truly yours,

Original signed by
W. H. KING
W. H. King
Executive Officer, DMEA
Field Team, Region III

cc: Mr. Wesley Anderson, Bowman, N.D.
Mr. Allen Burns, " "
Mr. J. Donald Burns, " "

Chairman, Op. Comm. (2)
Harshman
DMEA/DFC (Binyon)
Townsend
Corres. File
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 16 1957

DATE	INITIALS	CODE
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12/17	[illegible]	800
"	[illegible]	700

224 New Customhouse
Denver 2, Colorado
December 12, 1957

Mr. Allen Burns
Bowman
North Dakota

Re: Docket DMEA 4701 (Uranium)
Contract Idm-[illegible]
Wesley Anderson, et al.
a partnership
(Jill et al. claims)
Harding County, South Dakota

Dear Mr. Burns:

We are returning all copies of Form MF-104, Operator's Monthly Report and Voucher and Form MF-104A, Operator's Unit Cost and Progress Report, for November, 1957, because the forms have not been properly completed and the required supplemental information is not included, as indicated below:

1. The forms were submitted in the name of Allen Burns. The names of all of the partners must be inserted at the top of the forms under "Operator's Name.

2. As required under Article 7(c) of the contract form, and as further explained in the last paragraph, first page of our letter of September 10, 1957, whereby we forwarded your copy of the contract, the Operator must furnish to the Government a narrative report of the work performed during each period including adequate engineering-geological maps and sketches, and assay reports for samples taken concurrently with advance in mineralized ground. For the November progress report, the following items are required:

   a. <u>A signed Narrative Report</u> outlining the work performed and the results of the work.

   b. <u>An adequate Map or Maps</u> showing the locations of the trenches and the locations of the channel samples taken at 50 foot intervals along the trenches.

c. Assay Certificates for all samples for which returns have been received, with each assay identified with the corresponding sample location shown on the progress map.

3. Documentation of costs is required for all items of work performed under Category (1), Independent Contracts. For the November report the cost of bulldozing must be documented by signed copy or certified true copy of the billing from the bulldozing subcontractor.

Please make the indicated corrections and additions and resubmit the November 1957, Monthly Report and Voucher to this office as soon as possible.

Enclosed are six copies each of voucher and accounting Forms MF-104 and MF-104A, for your use in preparing the next monthly report. Prior to submitting any further monthly reports we request that you thoroughly review your Contract and our letter of September 10, 1957. If this is done, you should have no further difficulty in preparing the required reports or with any other matters concerning operations under the contract.

Yours very truly,

Original signed by
W. H. KING

W. H. King
Executive Officer, DMEA
Field Team, Region III

Enclosures

cc: Wesley Anderson, Bowman, North Dakota
J. Donald Burns, Bowman, North Dakota
Bob Fleming, 3716 Warren Ave., Cheyenne, Wyo.

JDC:hmh

cc: Chmn. Op. Comm. (2)
Harshman
DMEA, DFC (Binyon)
Townsend
Cooper
Corres. file, Reg. III
Chron

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 16 1957
CODE
12/16 C 220
12/16 EEF 8.00
12/17 700

224 New Customhouse
Denver 2, Colorado

December 10, 1957

Mr. Bob Fleming
3716 Warren Avenue
Cheyenne, Wyoming

Re: Docket No. DMEA 4701 (Uranium)
Contract No. Idm-21119
Anderson, Burns, Burns, and
Fleming, a Partnership
(Jill et al. claims)
Harding County, South Dakota

Dear Mr. Fleming:

Receipt is acknowledged of your letter of December 3, 1957, in reply to our letter of October 1, 1957, pertaining to an extension of the date fixed in the Contract on or before which the work shall be completed.

In reference to the matter of extending the date for completion of the work, had the instructions in the last paragraph of our letter of August 12, 1957 been complied with, the present difficulties would have been eliminated.

The contract provides that work shall be commenced on or before September 10, 1957, on which we were not advised as requested in our letters of September 10 and September 25, 1957. If work was not commenced by the date fixed therefor, failure to do so places the operating partners in default. An unauthorized suspension of operations, which involves an extension of the date fixed on or before which work shall be completed, also constitutes a default.

When Mr. Anderson was in this office some time ago, discussing the matter of relocation of the bulldozer trenches provided for under Stage I of the Contract, he was requested to submit for the Government's consideration a justification for moving the trenches and an accurate map showing their revised locations. To date, the requested data has not been received.

Before consideration can be given your request for extension of the date fixed for completion of the work to April 30, 1958, it is necessary that the following be supplied to this office:

1. The date work under Stage I was commenced.

2. Advice as to whether or not a suspension of operations is involved, and if so, the date the last work was performed under the Contract and the date on or before which operations will be resumed.

3. The material requested from Mr. Anderson pertaining to the revised locations of the bulldozer trenches.

4. Advice as to the exact status of work at this time; that is, the extent Stage I has been completed and your plans relative to proposing additional work under the Contract, as outlined on page 3 of our letter of September 10, 1957.

Failure of the operating partners to reply to our numerous letters or to furnish the information requested places the operation in an unfavorable light. We must be given assurance that the work will be pursued in the future in a more diligent manner than in the past.

Very truly yours,

Original signed by
W. H. KING

W. H. King
Executive Officer
DMEA Field Team, Region III

cc: Mr. Wesley Anderson, Bowman, North Dakota
Mr. Allen Burns, Bowman, North Dakota
Mr. J. Donald Burns, Bowman, North Dakota

JWT:prl

cc: Chmn. Op. Comm. (2)
Harshman
DMEA/DFC-Binyon
Townsend
Corres. file
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 29 1957

DATE	INITIALS	CODE
11/29	gb	220
11/29	[illegible]	800
12/2	[illegible]	700

224 New Customhouse
Denver 2, Colorado
November 25, 1957

Mr. Wesley Anderson
Bowman
North Dakota

Re: Docket DMEA-4701 (Uranium)
Contract Idm-81119
Wesley Anderson, et al.
a partnership
(Jill et al. claims)
Harding County, South Dakota

Dear Mr. Anderson:

Because of your failure to comply with our many requests for information concerning the contract you are presently in default under the terms of the contract for the following reasons:

1. Failure to inform this office in writing of the date on which project work was started. This information was requested in our letters to you of September 10, 1957, and September 25, 1957.

2. Failure to submit Accounting Reports and Vouchers on the forms supplied to you by the Government. You were informed of this requirement by our letter of September 10, 1957.

3. Failure to supply the information requested in our letter of October 1, 1957, relative to extension of the date fixed for completion of the contract work. The contract completion date expired September 30, 1957.

The contract cannot be maintained in its present indefinite status; therefore, if you do not proceed by return mail to correct the above causes of the default, the Government will take such action as is necessary to protect its interests in the matter.

Yours very truly,

Original signed by
E. N. HARSHMAN
E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JDC:hmh

cc: Chmn Op Comm. (2)
Harshman
DMEA/DFC
Corres.file, Reg. III
Townsend
Chron

224 New Customhouse
Denver 2, Colorado

September 25, 1957

9/30 C 220
9/30 800
" 700

CERTIFIED MAIL

Mr. Wesley Anderson
Bowman,
North Dakota

Re: Docket No. DMEA-4701 (Uranium)
Contract No. Idm-K1119
Wesley Anderson, et al., A
Partnership (Jill, et al Claims)
Harding County, South Dakota

Dear Sir:

Reference is made to our letter of September 11, 1957, concerning the date of September 30, 1957, fixed in the contract as the date on or before which work shall be completed.

It appears to this office that you will be unable to complete the work provided for in the contract by the date fixed therefor. Consequently, you should immediately request an amendment to the contract to extend the date fixed for completion of the work for such additional time you deem will be necessary.

We stress the fact that prompt attention should be given to this matter.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

JWT:bh
cc-Chairman, Op. Comm.(2)
DMEA/DFC (Binyon)
Townsend
Corres. File
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 16 1957

DATE		CODE
9-17	C	220
9/17	[illegible]	800
	[illegible]	700

224 New Customhouse
Denver 2, Colorado

September 11, 1957

Messrs. Wesley Anderson et al.
Bowman
North Dakota

Re: Docket No. DMEA 4701 (Uranium)
Contract No. Idm-E1119
Wesley Anderson et al., a
Partnership (Jill et al. claims)
Harding County, South Dakota

Gentlemen:

Reference is made to our letter of August 12, 1957, whereby we forwarded the Government's, Audit, Finance Office, and Field Team copies of proposed Exploration Project Contract No. Idm-E1119 to be signed and all copies returned to this office.

In the last paragraph of our letter, we called your attention to the fact that the completion date of September 30, 1957, may provide too short a time to enable you to complete the work provided for, in which case you were to advise this office of the additional time you deem will be necessary, so that a suitable amendment to the contract could be prepared to extend the completion date.

All copies of the contract were received in this office by mail on September 9, 1957 with no transmittal letter or advice relative to the completion date. The contract will expire on September 30, 1957 unless a suitable amendment is executed by the parties to extend the completion date. Therefore, if an extension will be necessary, you should advise this office immediately as to the additional time that will be required.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

JDC:prl

cc: Chmn. Op. Comm. - 2
Harshman
DMEA/DFC
Townsend
Corres. file
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 13 1957

DATE	INITIALS	CODE
9/13	C	220
9-17	B	215
18	Chuy	700

September 10, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4701 (Uranium), Contract No. Idm-E1119, Wesley Anderson et al. (Jill et al. claims), Harding County, South Dakota

Enclosed are the Government's and Audit copies of Exploration Project Contract No. Idm-E1119, which was forwarded by your letter of August 2, 1957, for the insertion of a suitable starting date under Article 3, insertion of the type of business association after the names in the first paragraph of the contract form, and signature by the Operator.

Also enclosed are three copies of a letter from this office, dated September 10, 1957, whereby we forwarded the "Operator's Copy" of the contract, blank report forms and instructions relative to reporting on work performed under the contract, and procedures to be followed in communicating with this office in all matters pertaining to the contract.

The contract, dated August 2, 1957, provides for work estimated to cost $6,700.00, toward which the Government will contribute 75%, or an amount not in excess of $5,025.00.

Copies of the contract have been distributed to the Finance Office, Region III, and to others concerned.

E. N. Harshman

E. N. Harshman

224 New Customhouse
Denver 2, Colorado

September 10, 1957

CERTIFIED MAIL

Messrs. Wesley Anderson et al.
Bowman
North Dakota

Re: Docket No. DMEA 4701 (Uranium)
Contract No. 1dm-K1119
Wesley Anderson, Allen Burns,
J. Donald Burns, and Bob
Fleming, a Partnership
(Jill et al. claims)
Harding County, South Dakota

Gentlemen:

Enclosed herewith is the "Operator's Copy" of Exploration Project Contract No. 1dm-K1119, Docket No. DMEA 4701.

Also enclosed are six copies of Form MF-104, "Operator's Monthly Report and Voucher," and six copies of Form MF-104A, "Operator's Unit Cost and Progress Report." At the end of the first calendar month after work is commenced, and monthly thereafter, you are required to submit the original and four copies of each form to the

Executive Officer
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado.

The extra copy is for your records.

Forms MF-104 and MF-104A are to be combined into five sets of one of each form. Each set of the combined forms is to be accompanied by a map or sketch showing the location and extent of work performed and a signed narrative report which describes the work performed, conditions encountered, and results of the work. The monthly accounting report will not be processed for reimbursement unless it is accompanied by a signed narrative report and other required or pertinent data. Additional copies of Forms MF-104 and MF-104A will be forwarded to you each month on receipt of your report for the prior month.

For your information and in reply to many questions that have been asked, after Forms MF-104 and MF-104A are received, an engineer will check progress on the project and review your accounts, after which the report forms will be forwarded to this office for administrative examination and vouchering. If the report is in order, a check will be issued by the Treasury Department for the Government's portion of the approved costs. If you have any difficulty in completing these forms and the reports, please call on this office for assistance.

In the matter of your claim for reimbursement of drilling costs under the terms of the contract, reimbursement to you will be on the basis of a hole or holes completed to the objective, which has, or have been drilled in compliance with the conditions under the "General Provisions" section of Exhibit "A" of the contract and the special conditions pertaining to the drilling under each stage. Therefore, your monthly report should include only such holes which are completed to that extent and the required records made a part of your claim for reimbursement.

The contract is prepared on form MF-200, and under its provisions and as outlined in Exhibit "A" of the contract, the allowable costs are a combination of actual costs with a maximum average unit cost established for work under Category (1) and fixed unit costs for performing the remaining items of work or services. Under the provisions of Exhibit "A", the work under Category (1) is to be performed by subcontract. The costs recorded under item (1) on Form MF-104 for such work must be supported each month by a signed or certified copy of the billing from the subcontractor. Amounts reported on the basis of the "Fixed Unit Costs" require no documentation, as they are otherwise verified.

In reference to ANNEX II (f) of the contract pertaining to the average unit cost of the drilling, if excess costs are suspended by reason of exceeding the maximum unit cost of the drilling described under Category (1), the excess costs will be held in suspense and be reinstated by this office, to the extent suspended funds are available, in the event the unit costs for any month should cause the average unit cost to fall below the maximum average unit cost established in the contract for the drilling.

In the event you desire to perform the work under Category (1) on company account instead of subcontracting it, as provided in the contract, it will be necessary that you request and obtain an appropriate amendment to the contract before reimbursement can be made to you for the Government's portion of the allowable incurred costs.

Your requests to this office for work approval, changes in the contract, or any other communications pertaining to operations under the contract, must be in writing, of which please supply the original and five copies, each copy complete with maps or other pertinent data. Each request for action by this office must pertain to one matter only. Such requests are not to be incorporated in your narrative report accompanying monthly progress report Forms NP-104 and NP-104A.

The location of the work to be performed under Stage I is indicated on the map, "Figure 2," attached to the contract. Should conditions encountered necessitate any appreciable change in the location or direction of any of the work, approval of this office for the change must be obtained prior to performance of the work. Otherwise, the work may not be acceptable for reimbursement to you under the terms of the contract.

Your attention is directed to the provision that work under both Stages II and XXI is contingent upon results of the work completed under the prior stage, and that performance of the work is subject to the prior written approval of the Government.

When the work under a stage has been completed, or sufficiently so to permit evaluation of results of the work, you must request approval from this office for the work you propose to perform under the next stage. Your request for the work approval must be in sextuplicate, each copy complete with a map showing the locations of holes previously drilled and the locations of the holes you propose to drill under the next stage. Your request should be complete with drill logs, results of radiometric probing, chemical analyses, and any other pertinent data concerned with the prior work which will be of value to the Government in appraising the work performed under the prior stage.

You should anticipate a suspension of operations between stages of work, to enable the Government geologist and engineer to evaluate the results of the work performed and make their recommendations to this office relative to the additional work you propose.

To eliminate as much delay to operations as possible, if that is of serious consideration, you should expedite forwarding of the results of the work completed and your request for the Government's approval of the additional work you propose.

No oral statement of any person shall be construed to modify or change the terms of the contract. Field representatives of the Government are not authorized to approve any changes in the work program or contract provisions. Such approval can only be given by the Washington Office, DMRA, or by the DMRA Field Team, Region III.

It is a regulation that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. It is a requirement and imperative that you notify this office in writing the date work actually commences under the contract.

Very truly yours,

Original signed by
E. N. HARSHMAN

Acting Executive Officer
DMRA Field Team, Region III

Enclosures

JWT:prl

cc: Chem. Op. Comm. - 3
Finance Office, Reg. III
Assessment file, Reg. III
Harshman
DMRA/DFC
Townsend
Corres. file
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 15 1957

DATE		CODE
8/15	Q	220
8/15	C&D	800
8/16	~~[illegible]~~	200
	J	

224 New Customhouse
Denver 2, Colorado

August 12, 1957

CERTIFIED MAIL

Messrs. Wesley Anderson et al.
Bowman, North Dakota

Re: Docket No. DMEA-4701 (Uranium)
Wesley Anderson, Allen Burns,
J. Donald Burns and Bob Fleming
(Jill et al claims)
Harding County, South Dakota
Proposed Exploration Project
Contract No. Idm-K1119

Gentlemen:

Enclosed are the Government's, Audit, Finance Office, and Field Team copies of Proposed Exploration Project Contract No. Idm-K1119, which has been prepared pursuant to your application for Government assistance in exploration work under the Defense Minerals Exploration Administration program.

If the contract is satisfactory, all copies are to be signed by the four partners, as indicated, and all copies promptly returned to this office.

In the event the Contract is not satisfactory, all copies are to be returned promptly to this office, together with your comments on or objections to the Contract.

Your attention is especially directed to three provisions in the Contract: -

1. The Government will not contribute to the costs of any of the work that is provided for in the Contract which is performed prior to the date of the Contract.

2. The Contract requires completion of the exploration work by the date fixed therefor. Approval must be obtained from this office for any suspension of work which may result in failure to complete the work by the date specified.

3. Royalty is due the Government on all production from the land described in the Contract, beginning on the date of the Contract.

If the Contract is satisfactory, and upon return of all copies properly signed, the "Operator's Copy" of the Contract will be forwarded to you, together with blank report forms and instructions relative to reporting on work performed under the Contract. Also, instructions will be given as to the procedure to be followed in corresponding with this office in matters concerning operations under the Contract.

We realize that the date of September 30, 1957 established in Article 3 may provide too short a time to enable you to complete the work provided for. Therefore, if you consider such to be the case, when you return the executed copies of the contract please advise the extent of additional time you deem will be necessary, and we will prepare a suitable amendment to the contract to extend the completion date and forward it to you for signature as soon as the amendment can be processed.

Very truly yours,

Original signed by
E. N. HARSHMAN
Acting Executive Officer,
DMEA Field Team, Region III

Encls.

JWT:bh

cc-Chairman, Op. Comm.(2)) w/copy of
Harshman) Operator's
DMEA/DFC) letter
Townsend) of
Docket) Aug. 9, 1957
Chron.

DMEA
PARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

Bowman, North Dakota
August 9, 1957

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

Re: Docket No. DMEA 4701 (Uranium)
Wesley Anderson, Allen Burns,
J. Donald Burns, and Bob Fleming
(Jill et al. claims)
Harding County, South Dakota-
Proposed Exploration Project
Contract No. Idm-E1119

Dear Mr. Harshman:

In regard to your letter of August 6, 1957, this is to advise you that our business association is a partnership.

You also inquired how soon after receipt of the Contract we would be able to commence work. We will commence work within fifteen (15) days after the receipt of the Contract.

Very sincerely yours,

Wesley Anderson

Wesley Anderson

WA:ob

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 16 1957
DATE TO ... CODE

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 8 1957

DATE	INITIALS	CODE
8/8	G.K.	220
		700

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

August 6, 1957

Messrs. Wesley Anderson et al.
Bowman
North Dakota

Re: Docket No. DMEA 4701 (Uranium)
Wesley Anderson, Allen Burns,
J. Donald Burns, and Bob Fleming
(Gill et al. claims)
Harding County, South Dakota
Proposed Exploration Project
Contract No. Idm-E1119

Gentlemen:

We have at hand a proposed Exploration Project Contract prepared pursuant to your Application for Government assistance under the Defense Minerals Exploration Administration program. However, before the proposed Contract can be released to you for signature, we have been instructed to ascertain the type of business association of the four individuals over whose names the Application was submitted.

Please advise by return mail the type of business association, whether it is a partnership, a joint venture, etc.

In addition to the foregoing information, please advise how soon after receipt of the Contract you will be able to commence work, as it is necessary that we insert a date in the Contract on or before which work will be commenced.

Very truly yours,

Original signed by
E. N. HARSHMAN

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

JWT:prl

cc: Chmn. Op. Comm. - 2
Harshman
DMEA/DFC
Townsend
Docket
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8-1	Ching	700
8-1	Ellis	700
8-1	Chambers	800
8/2	Martin	130
"	Johnson	110
"	Stettendorf	100
8/2	C	220
		700

AUG - 2 1957

B

Mr. William H. King
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4701 (Uranium)
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

Dear Mr. King:

Enclosed are the original and four copies of a proposed long-form contract between the Government and Wesley Anderson, et al., signed by the Administrator. The contract consists of Form MF-200, Annexes I and II, Exhibit "A" (4 pages), and a map (Figure 2). Also enclosed are two extra copies each of Annexes I and II, Exhibit "A," and the map (Figure 2) for the use of the Field Team.

The Associate Solicitor, Division of Mineral Resources, has advised that the type of business association of the four individual Applicants should be determined before the contract is executed. Therefore, please determine whether the association is a partnership, joint venture, etc., and insert the designation after the names in the first paragraph of the contract form. Otherwise, if you and the Operator find the proposed contract satisfactory, it is ready for the signature of the Operator, provided that a suitable final starting date is inserted under Article 3.

The costs used in the proposed contract are based upon the costs suggested in the Report of Examination, but some modifications have been made in the number of bulldozer hours, the cost of sample sacks, and in the incidental allowance per hour of bulldozer work and per foot of drilling.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (SLB)

Enclosures
APPROVED:

P. F. Yopes (SLB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SLB)
Member, Geological Survey

MChing/izm 8-1-57
cc to: Mr. Ching
Admr.'s Reading File
Operating Committee
THKiilsgaard, 5224

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

JUL 30 1957

Memorandum

To: Administrator, BMRA
Attention: Mr. R. W. Ellis

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. BMRA-4701, Anderson, Burns, Burns, and Fleming (Wrendum)

As requested in Mr. Ellis' memorandum of July 10, 1957, we have prepared the attached contract.

It will be noted that the Operator is designated in the contract form as a partnership, although the application describes four individuals as "applicant" and does not describe them as partners. The business association of these four individuals should be determined before the contract is executed, and if it is other than a partnership, the Operator's correct designation should be inserted in the first paragraph of the contract form.

Robert P. Dwyer

Attachments

HCRubin/emd
Copy to: Solicitor's Docket (2)
BMRA Docket
R. W. Ellis
R. P. Dwyer
H. C. Rubin
chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/10	Ching	700
"	Ellis	700

July 10, 1957

Memorandum

To: The File

From: Michael Ching, Mining Engineer
Division of Rare and Miscellaneous Metals

Subject: Proposed Contract Costs
Docket No. DMEA-4701 (Uranium)
Wesley Anderson, et al.
Jill, et al., Claims
Harding County, South Dakota

The following costs are based upon costs suggested in the Report of Examination, dated June 14, 1957. Some modifications have been made in the number of bulldozer hours, the cost of sample sacks, and in the incidental allowance per hour of bulldozer work and per foot of drilling.

Independent Contracts

32 hrs. bulldozing @ $16/hr.	$ 512.00	
3,625 feet auger drilling @ $1.25/ft.	4,531.25	$5,043.25

Incidental Allowance

Stage I Bulldozing

Supervision and sampling	$ 200.00	
Transportation allowance - 700 miles @ $0.07/mile	49.00	
Miscellaneous	7.00	
Total - 32 hrs. bulldozing @ $8/hr.		256.00

Stages II and III Drilling

Supervision 1-1/6 mos. @ $600/mo.	$ 700.00	
Transportation allowance - 1300 miles @ $0.07/mile	91.00	
Probing equipment rental, 24 days @ $3/day	72.00	
Miscellaneous	7.00	
Total - 3,625 feet drilling @ $0.24/ft.		870.00

8623

Fixed Unit Costs

129 sample sacks @ $0.40 each	$ 51.60	
120 chemical analyses @ $4 each	480.00	$ 531.60

Estimated total cost of the project (rounded)	$6,700.00
Government participation @ 75%	$5,025.00

Michael Ching

Michael Ching

DRAFT
7/10/57
MChing/gla

DOCKET COPY

MF-200
(Revised June 1954)

Docket No. DMEA -4701

Commodity Uranium

Contract No. Idm-E

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this ..... day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming, whose mailing address is Bowman, North Dakota, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and map (Figure 2)

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of South Dakota, County of Harding, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] Location Notices, [7] recorded in Books 15 to 23, page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: .....

.....

.....

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Uranium The work to be performed is described in Exhibit "A." The Operator on or before ..... shall commence the work, and on or before September 30, 1957 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A." See Annex II

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $ 6,700.00 The Government shall contribute 75 percent of the allowable costs as they are incurred in a total sum not in excess of $ 5,025.00 : *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work. **See Annex II**

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums. **See Annex II**

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9. **See Annex II**

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value therof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By .....

.....
(Operator)

By .....

.....

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

DRAFT
7/10/57
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ANNEX I

The land referred to in Article 2 of the Contract consists of 23 unpatented lode mining claims situated in secs. 1, 2, 11, and 12, T. 21 N., R. 5 E., B.H.M. & B., Harding County, South Dakota. The land is shown on the map entitled, "Figure 2. Recommended Exploration - - - - - - -," attached hereto and made a part hereof.

The notices of location of the claims are recorded at the office of the Registrar of Deeds, Harding County, South Dakota, as follows:

Claim	Book	Page	Date recorded
Jill 1	15	178	2-23-55
" 2	15	173	2-24-55
" 3	15	178	2-23-55
" 4	15	172	"
" 5	15	203	"
"" 6	15	172	"
" 7	15	178	"
Jack 7	15	179	"
Mike 1	15	172	"
" 2	15	193	2-24-55
" 3	15	203	"
Bob 2	15	187	"
" 4	15	188	"
" 6	15	189	"

Claim	Book	Page	Date recorded
Al 1	15	189	2-24-55
" 2	15	189	"
" 3	15	190	"
" 4	15	190	"
" 5	15	206	"
" 6	15	191	"
" 7	15	191	"
Burns 2	23	177	2-7-56
" 3	23	25	"

ANNEX II

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(c) Categories (2) through (7) of Article 6(a) are deleted.

(d) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

(e) In the last sentence of Article 6(c), the words "Article 8" are substituted for the words "Article 9."

(f) Notwithstanding any other provision of the Contract, the allowable unit cost per foot of a drilling item is the average unit cost per foot computed on the basis of all the actual unit costs of said drilling item incurred by the Operator: <u>Provided</u>, That the Government will not contribute to any portion of an average unit cost of a drilling item that exceeds the estimated unit cost of said item set forth in the contract.

EXHIBIT "A"

Description of the Work

General Provisions

The work consists of exploration by bulldozer excavating along the inferred outcrop and auger drilling from the mesa above, to test the uranium-bearing "C" lignite bed of the Ludlow member of the Paleocene Fort Union formation. The location of the work is indicated on the map (Figure 2) referred to in Annex I.

All bulldozing shall be done with a D-8 bulldozer or an equivalent unit of other make. The cuts along the inferred outcrop of the "C" lignite bed shall expose it sufficiently to permit the taking of representative channel samples completely across the bed. Such samples shall be taken at 50-foot intervals along each cut made under this contract and also along the two existing cuts shown at location "A" on the map (Figure 2).

The auger holes shall completely penetrate the "C" lignite bed but shall not extend more than 5 feet below its lower contact. Drilling depths are expected to average not more than 125 feet. The cuttings from the entire thickness of the "C" bed shall be collected and these cuttings shall constitute the sample for each hole.

All samples from the bulldozer cuts and auger holes shall be checked for radioactivity and those indicating significant mineralization shall be split; one portion shall be analyzed chemically for uranium and one portion shall be properly labeled and stored for the use of the Government.

The unmineralized samples also shall be labeled and stored for inspection by the Government. At the completion of the project, upon Government approval, all stored samples may be disposed of by the Operator.

All drill holes shall be logged geologically and probed radiometrically, and the record of such logging and probing, together with certified copies of all assay certificates shall be submitted with the Operator's monthly progress reports.

No drill hole shall be drilled closer than 100 feet to the outer boundaries of the land described in Annex I.

No payment shall be made by the Government for incompleted drill holes.

The project shall be supervised at all times by a competent geologist or mining engineer who shall devote full time to the project work.

The location, direction, inclination, and extent of all project work are subject to the approval of the Government.

The work shall be divided into three stages as hereinafter described. The Operator shall complete Stage I and perform as much of Stages II and III as the Government approves in writing in advance.

Stage I

Make five bulldozer cuts along the inferred outcrop of the "C" lignite bed as indicated on the map (Figure 2), to completely expose the bed for the length of each cut. Cuts Nos. 1, 2, 3, and 4 shall be a minimum of 500 feet in length and Cut No. 5 shall be a minimum of 1,000 feet in length.

Stage II

Drill 16 auger holes aggregating an estimated 2,000 feet as indicated on the map (Figure 2). The holes shall be drilled back from the edge of the mesa as shown, and spaced 200 feet apart.

Stage III

Drill not more than 13 holes aggregating not more than 1,625 feet back of Stage II holes wherever the latter show significant mineralization. The holes shall be spaced approximately 200 feet from Stage II holes and from each other as tentatively shown on the map (Figure 2)

Estimated Cost of the Project

Stage I

Actual Costs

Category (1) Independent Contracts		
32 hrs. bulldozing @ $16/hr.	$ 512.00	
Categories (2) through (7)	None	$ 512.00
Fixed Unit Costs (See Annex II)		
100 sample sacks @ $0.40 each	$ 40.00	
90 chemical analyses @ $4.00 each	360.00	
*Incidental allowance for each hour of bulldozer work - 32 hrs. @ $8.00/hr.	256.00	656.00
Estimated total cost of Stage I		$1,168.00

Stage II

Actual Costs

Category (1) Independent Contracts		
2,000 feet auger drilling @ $1.25/ft.	$ 2,500.00	
Categories (2) through (7)	None	$ 2,500.00
Fixed Unit Costs (See Annex II)		
16 sample sacks @ $0.40 each	$ 6.40	
16 chemical analyses @ $4.00 each	64.00	
*Incidental allowance for each foot of hole drilled - 2,000 feet @ $0.24/ft.	$ 480.00	$ 550.40
Estimated total cost of Stage II		$ 3,050.40

Stage III

Actual Costs

Category (1) Independent Contracts		
1,625 feet auger drilling		
@ $1.25/ft.	$2,031.25	
Categories (2) through (7)	None	$ 2,031.25
Fixed Unit Costs (See Annex II)		
13 sample sacks @ $0.40 each	$ 5.20	
14 chemical analyses @ $4.00 each	56.00	
*Incidental allowance for each foot of hole drilled - 1,625 feet @ $0.24/ft.	390.00	45~~0.00~~ 1.20
Estimated total cost of Stage III		$ 2,482.45

Summary of Costs

Estimated total cost of Stage I	$ 1,168.00
" " " " " II	3,050.40
" " " " " III	2,482.45
Estimated total cost of the project (rounded	$6,700.00
Government participation @ 75%	$5,025.00

* Includes all costs that might otherwise be allowable costs of the project under Categories (1) through (7) of Article 6 (a), except as otherwise scheduled in Exhibit "A."

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DMEA
RECEIVED JUN 28 1957

DATE	INITIALS	CODE
6 28	C	220
"	Ching	700

Comments
Complete

June 28, 1956

DMEA Report No. 4701
DMEA Contract No.
Commodity Uranium
Name of applicant Wesley Anderson et al
Name of property Jill et al., Claims
Location of property Harding County, S. Dak.
Estimated cost of project $7,021.95

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Member
Uranium Commodity Committee

Field Team Report

(Attach additional sheets, if need)

Date received 6/14/57 Date received by contractor: 6/26/57

Is the area of the property known to contain: Yes [ ] No [ ]

Is the area of the property ready to be reviewed: Yes [ ] No [ ]

Is there any available on this production: Yes [ ] No [ ]

Is there a different location than to advance: Yes [ ] No [ ]

Is the claim marked yes or no:

8. Advance reasons special consideration:
   a. Location [ ]
   b. Geology [ ]
   c. Evidence of mineralization [ ]
   d. Energy [ ]
   e. Proposed exploration method [ ]
   f. Alternate exploration method [ ]
   g. Costs [ ]
   h. _____ [ ]

9. Action checks:
   a. Obtain information from applicant [ ]
   b. Refer to Field Team [ ]
   c. Reject [ ]
   d. Agree with Field Team [x]
   e. Discuss with Field Team [ ]
   f. Request alternate plan [ ]
   g. Request another examination [ ]
   h. Approval [x]
   i. Consult with Mr. _____ at _____ NE office

10. Remarks: (Use back of page if necessary)

Attention is directed to the fact that uranium in lignite is presently not marketable and not amenable to existing milling methods.

IN REPLY REFER TO:

OFFICIAL FILE COPY. UNITED STATES
DME DEPARTMENT OF THE INTERIOR
RECEIVED JUN 27 1957 GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

DATE	INITIALS	CODE
6/27	C	220
"	Ching	700

June 26, 1957

Re: DMEA 4701
Wesley Anderson et al.
Jill etc. claims
Harding County, South Dakota
Applicants' Estimate $24,975 - Uranium
Recommended Estimate $ 7,021.95

Memorandum

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

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

Subject: Review of Field Team Report

The applicants requested assistance in exploring 3 lignite coal beds by bulldozing and auger drilling. The beds of coal occur in the Fort Union formation which contains uraniferous lignite beds of ore grade a few miles from the property.

The examiners and the Field Team recommend an alternative exploratory project consisting of bulldozing and auger drilling, the estimated cost of which is $7,021.95.

Sampling by the examiners, 3 samples, and by Holly Minerals Co., 51 samples, indicates the "C" lignite coal bed is uraniferous in spots. Two of the examiners' samples and 8 of the Holly Minerals' samples show ore grade material. The map does not show where the samples were taken, but discontinuity is suggested.

The examiners conclude a small amount of stripping and drilling is warranted and recommend a 3-stage work program consisting of:-

Stage I Bulldozing 30 hrs.	$1,296.30
Stage II & III Auger drilling 3,625 feet	5,725.65
	$7,021.95

The examiners make their qualified recommendation on geologic grounds noting the fact that as yet the uranium in lignite coal is not economically recoverable.

With the same qualification, I concur with their recommendation. Perhaps additional information concerning possible reserves is not now needed.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

June 21, 1957

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DMEA
RECEIVED JUN 25 1957

DATE	INITIALS	CODE
6/25	HBerry	130
6/26	C	220
"	[illegible]	700

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4701 (Uranium) Wesley Anderson et al., (Jill et al., Claims) Harding County, South Dakota

Enclosed are four gummed labels to be substituted for the ones appearing on the covers of the Joint Reports of Examination forwarded to your office by our memorandum of June 19, 1957.

The original label shows the property to be in Harding County, Arizona. The correct location is Harding County, South Dakota.

W. H. King

W. H. King

NOTE: 4 labels received. Placed label on original report; sent label with copy of memorandum to: Division, USBM, & USGS.

HBerry
6/25/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

June 19, 1957

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket DMEA 4701 (Uranium) Wesley Anderson et al., (Jill et al., Claims) Harding County, South Dakota

Enclosed are the original and three copies of the Joint Report of Examination on the subject property by E. O. Binyon, USBM, and Walden P. Pratt, USGS.

The field examiners conclude that the probability for making a significant discovery is sufficiently promising to justify Government participation. Accordingly they recommend that the Applicant's work proposal be approved as modified by them to which the Field Team concurs.

Also enclosed are nine extra copies of Figure 2 for possible use in the preparation of the contract.

W H King
W. H. King
Executive Officer

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DMEA
RECEIVED JUN 21 1957

DATE	INITIALS	CODE
6/21	JWS	220
		130
6/27	C	220
"	Chung	700

Reviewed by
DMEA OPERATING COMMITTEE
6-26-57
(date)

ON-SITE EXAM. REPORT

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
JUN 18 1957
REGION III
DENVER, COLORADO

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JUN 19 1957

June 18, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 4701 (Uranium), Wesley Anderson et al., (Jill et al., claims), Harding County, South Dakota

Enclosed are the original and nine copies of a joint examination report by Walden P. Pratt, U. S. Geological Survey, and E. O. Binyon, U. S. Bureau of Mines, covering their examination of the subject property.

Uranium is associated with lignite beds in the Fort Union formation. Assays on samples taken by the examining team and by Holly Minerals Company indicate that the area may be underlain by lignite beds containing significant amounts of uranium. The fact that uraniferous lignite is not amenable to treatment at the present time is not considered in the report.

The examining team recommends a modest program of bulldozing and drilling to explore the "C" bed. The estimated total cost of the proposed program is $7,021.95, Government participation 75 percent or $5,266.46.

I concur with the conclusions and recommendations of the examining team.

130 ~~HB~~
220

E. N. Harshman
E. N. Harshman
Member, Field Team

Enclosures (10)
ENHarshman:mp

Reviewed by
DMEA OPERATING COMMITTEE
6-26-57
(date)

FOR UNITED STATES GOVERNMENT USE ONLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

TRANSMITTED

JUN 19 1957

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

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DMEA 4701

Wesley Anderson et al.

Davis Draw group (Jill et al. claims)

Harding County, South Dakota

Uranium

Joint Engineering and Geologic Report

by

Walden P. Pratt, geologist
Geological Survey

E. O. Binyon, Mining Engineer
Bureau of Mines

June 14, 1957

Reviewed by
DMEA OPERATING COMMITTEE
6-26-57
(date)

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CODE

DMEA 4701

WESLEY ANDERSON et al.
DAVIS DRAW GROUP (JILL et al. CLAIMS)
HARDING COUNTY, SOUTH DAKOTA

SUMMARY

Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming, of Bowman, North Dakota, have applied for assistance in exploring for uranium in lignite on a group of 23 claims in the North Cave Hills, Harding County, South Dakota. The area is underlain by Cretaceous and Tertiary sedimentary rocks including the Ludlow member of the Fort Union formation (Paleocene), which contains uraniferous lignite beds known to be of ore grade within a few miles of the property.

The applicants propose to explore two of the lignite beds in a single-stage program consisting of auger drilling, bulldozing of side-hill drill roads, and bulldozing cuts in the beds; estimated cost of this program is $24,975.00. After visiting the property and discussing it with J. D. Vine and G. N. Pipiringos of the Geological Survey, the examining team concludes that the lateral continuity of the lignite and the uranium content of some of the samples from the area indicate a reasonable chance for a significant discovery, and recommends approval of a modified, three-stage exploration program consisting of bulldozing and auger drilling. Total estimated cost of the recommended program is $7,021.95; the Government's share at 75 percent is $5,266.46.

INTRODUCTION

Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming, all of Bowman, North Dakota, have applied to the Defense Minerals Exploration Administration for assistance in exploration of 23 unpatented lode mining claims for uranium. These claims, a contiguous group, are in secs. 1, 2, 11, and 12, T. 21 N., R. 5 E., Black Hills Meridian, Harding County, South Dakota.

The application is for a single-stage program consisting of auger drilling, and bulldozing of side-hill drill roads and bulldozer cuts along two beds of lignite. The estimated over-all cost of the exploration program is $24,975.00. The lignite is known to be uraniferous; the purpose of the program is to explore the lignite for ore-grade material. The property was examined April 24, 1957, by Walden P. Pratt, geologist, Geological Survey, and E. O. Binyon, mining engineer, Bureau of Mines, in company with Wesley Anderson, Allen Burns, and Bob Fleming, three of the owners of the property. The team was also accompanied by Stanley Kung, Point-4 trainee from Formosa.

This property has been discussed with representatives of the AEC.

ACKNOWLEDGEMENTS

The examining team was accompanied by Wesley Anderson, Allen Burns, and Bob Fleming, three of the four owners of the property. Special acknowledgement is due James D. Vine and George N. Pipiringos of the Geological Survey for discussion of North Cave Hills geology and uranium deposits.

LOCATION, TOPOGRAPHY, AND PHYSICAL FEATURES

The Davis Draw claims are in the North Cave Hills of South Dakota, 30 miles from Buffalo, South Dakota, and 32 miles from Bowman, North Dakota (fig. 1). The property included in the application consists of 23 claims and is in secs. 1, 2, 11, and 12, T. 21 N., R. 5 E., Black Hills Meridian, Harding County, South Dakota. The claims are related to the sections as shown in figure 2.

The property is reached from Buffalo by going 23 miles north on U. S. Highway 85 to Ludlow, South Dakota, turning left onto a dirt road and going 3.1 miles to a gate, then turning right and continuing 2.5 miles, taking the left fork at all junctions. At this point it is necessary to leave the road, going southwest about 0.3 mile and then south-southwest another 0.3 mile, onto Jill No. 3 claim, which is at about the center of the property.

The North Cave Hills appear to be a single mesa that rises 300 to 400 feet above the surrounding gently rolling plains, but the hills

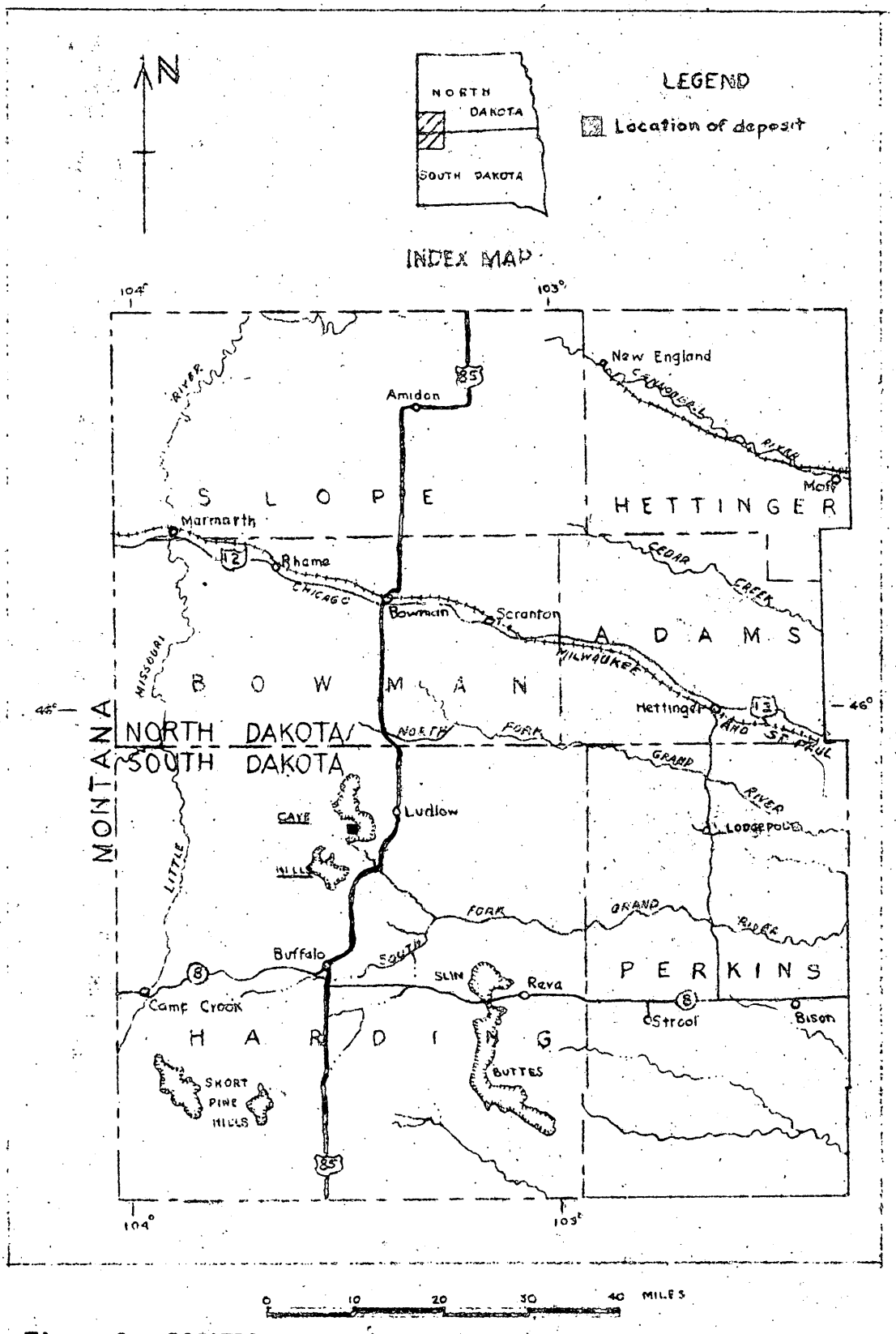

Figure 1 - LOCATION MAP, JILL ET AL CLAIMS, WESLEY ANDERSON ET AL, HARDING COUNTY, SOUTH DAKOTA - DMEA 4701.

are in reality made up of flat-topped ridges capped by sandstone which forms a rim that is indented and cut by deep canyons. The property included in the application is marked by such a rim; altitude of the claims at the rim is about 3,450 feet, and at the bottom of the canyon about 3,250 feet.

Vegetation in the area consists of grasses with a scattering of pine on parts of the mesas. Grazing is the principal industry.

The climate reaches the extremes; summer temperatures of higher than 100° are not unusual and in the winter the temperatures drop to -40°. The annual rainfall is less than 10 inches, most of it coming in the spring. Most of the dirt roads become difficult or impossible to travel following heavy rains.

There is no water on the property except in the reservoirs used for stock, and no power is available. Gasoline- or diesel-driven equipment will have to be used for drilling or mining.

Manpower and small supplies are obtainable at either Bowman, North Dakota, or Buffalo, South Dakota.

OWNERSHIP AND EXTENT

The applicants, Wesley Anderson, Allen Burns, J. Donald Burns, and Bob Fleming are the locators and owners of the 22 full and one fraction lode mining claims included in the application. This contiguous group, designated the Davis Draw group, is near the center of a large group comprising 152 claims, all owned by the applicants.

The claims included in the application were checked at the Register of Deeds office in Buffalo, South Dakota, and were found to be recorded as follows:

Claim & No.	Misc. Records Book	Page No.	Date Located	Date Recorded
Burns 2	23	177	12/23/55	2/7/56
Burns 3	23	25	12/23/55	2/7/56
Jill 1	15	178	1/23/55	2/23/55
Jill 2	15	173	1/17/55	2/24/55
Jill 3	15	178	1/23/55	2/23/55
Jill 4	15	172	do.	do.
Jill 5	15	203	do.	do.
Jill 6	15	172	do.	do.
Jill 7	15	178	do.	do.
Jack 7	15	179	do.	do.
Mike 1	15	172	do.	do.
Mike 2	15	193	do.	2/24/55
Mike 3	15	203	do.	do.
Bob 2	15	187	1/17/55	2/24/55
Bob 4	15	188	do.	do.
Bob 6	15	189	do.	do.
Al 1	15	189	do.	do.
Al 2	15	189	do.	do.
Al 3	15	190	1/17/55	2/24/55
Al 4	15	190	do.	do.
Al 5	15	206	do.	do.
Al 6	15	191	do.	do.
Al 7	15	191	do.	do.

The claims include an area of 464.08 acres.

HISTORY AND PRODUCTION

Most of the claims were located in January 1955 and were recorded in February of the same year; two of the claims were not located until December 1955. A minor amount of bulldozer work and auger drilling was done and it is reported that both the AEC and a private concern known as Holly Minerals Co. have sampled the dozer cuts.

PRESENT STATUS

Preliminary work done by the applicants consists of two dozer cuts on the "C" bed totaling about 1,400 feet, on the cliff that projects onto the Jill No. 3 and No. 5 claims, a cut on the "B" bed on the west side of this cliff, and a 50-foot side hill cut on the "C" bed about 1 mile east and just off the claims included in the application (fig. 2).

Except for this dozer work and the few auger drill holes mentioned, there has been no work on the property and there is no mining or milling equipment or other facilities.

GEOLOGY

General features

The North Cave Hills comprise several mesas or flat-topped ridges separated by narrow canyons and gullies. The hills are underlain by essentially flat-lying sedimentary rocks of Cretaceous and Tertiary age: the Hell Creek formation (Upper Cretaceous), the Ludlow and Tongue River

members of the Fort Union formation (Paleocene), and the White River group (Oligocene). The Tongue River member consists chiefly of massive sandstone, while the underlying Ludlow member varies laterally and consists mostly of sandstone, shale, and clay, minor siltstone, and several beds of lignite. The geology of the area is discussed in the following publications:

Denson, N. M., Bachman, G. O., and Zeller, H. D., 1954, Uranium-bearing lignite and its relation to the White River and Arikaree formations in northwestern South Dakota and adjacent states: U. S. Geol. Survey, TEIR 467, p. 60-64.

_____, 1955, Geologic map of Cave Hills and Table Mountain area, Harding County, South Dakota: U. S. Geol. Survey Coal Investigations Map C-34.

In the Davis Draw area the Tongue River member is the caprock of the mesa and forms a more-or-less continuous sheer cliff 20 to 40 feet high. From the foot of the cliff (in most places the base of the Tongue River member), a steep to moderate slope extends down to the bottom of the canyon, cut on the less resistant sandstones and clays of the Ludlow member. The Hell Creek formation is exposed only in the lowermost part of the canyon.

Ore deposits

The Tertiary sedimentary rocks of northwestern South Dakota and the adjoining parts of North Dakota and Montana, are known in several localities to contain ore-grade concentrations of oxidized uranium minerals. In the Cave Hills the uranium minerals are chiefly in lignite

beds, which have been arbitrarily designated the "A," "B," "C," "D," and "E" beds, from the base up. The nature of the ore bodies is not well known. The Riley Pass deposit, 2 miles north of the Davis Draw area, is estimated to contain over 1.5 million tons of lignite containing about 0.20 percent U (as meta-autunite) in a bed averaging 1.4 feet thick and covering 460 acres. This would seem to imply uniformity of both grade and thickness; yet in another area, 3 miles northwest of Riley Pass, the grade varies as much as 0.1 percent within a few tens of feet laterally, and it would be difficult under such conditions to evaluate a single sample analysis. The lignite beds vary considerably in thickness over the distance between measured sections--on the order of a mile--but do not vary greatly within the distance in which samples would be taken or holes drilled, so on this scale the thicknesses can be regarded as fairly uniform.

GEOLOGIC BASIS FOR EXPLORATION

Two of the five lignite beds of the North Cave Hills crop out in the Davis Draw area, lying about 95 and 70 feet below the base of the Tongue River member; they are respectively the "B" and "C" beds. The applicant refers to them as the "D" beds, but previous mapping has shown that bed "D" is not present in the North Cave Hills (Denson, Bachman, and Zeller, 1954, p. 64; 1955). Bed "E" has in this area been almost entirely eroded, and remains only as a few small, thin patches over the capping sandstone; it is not of sufficient extent in the claim area to be considered for exploration.

The "B" and "C" beds have been exposed in bulldozer cuts at several places (see Present Status). Bed "B" actually consists of two beds, averaging 3 and 4 feet thick, separated by about 1 foot of clay; these beds give low radiometric readings (maximum 0.05 percent), and a 5.3-foot sample taken by the examining team assayed 0.011 percent U_3O_8. Bed "C" ranges from 1 to 3 feet thick and in general gives a radiometric reading corresponding to 0.1 percent U_3O_8. Three samples from this bed were taken by the examining team and assayed as follows:

Sample No.	Thickness	Radiometric reading	U_3O_8 (percent)
1	1.6'	0.14%	0.499
3	1.4'	0.06%	0.021
5	3.0'	0.2 - 0.9%	0.169

Sample #1 was taken in a section containing abundant coatings and flakes of autunite on fractures and bedding planes; the other two samples did not contain visible uranium minerals.

These beds were sampled previously by Holly Minerals Co. (for International Resources); results of these samples are as follows:

Sample No.	Thickness (feet)	eU_3O_8 (percent)	U_3O_8 (percent)
403	1.0	0.007	--
420	1.3	0.03	--
413B	---	1.61	1.31
413A	---	0.08	0.09
424	1.1	0.02	--

Sample No.	Thickness (feet)	eU_3O_8 (percent)	U_3O_8 (percent)
411	1.7	0.02	--
419	1.6	0.02	--
414B	1.2	0.08	0.12
410	3.1	0.007	
408B	1.2	0.02	
426	1.3	0.02	
407A	1.0	0.08	0.14
434C	1.8	0.014	
408	1.4	0.11	0.22
416	1.4	0.02	
427	1.0	0.014	
409A	0.8	1.57	2.11
407B	1.6	0.02	
422	1.2	0.02	
406A	1.0	0.02	
409B	1.7	0.05	
405A	0.3	0.04	
404	1.1	0.008	
425B	0.2	0.04	
425C	0.5	0.014	
436	1.3	0.003	
434A1	1.2	0.17	0.21
442	2.0	0.007	
428	1.2	0.02	
441	1.3	0.008	
434A2	0.6	0.03	
415A	1.0	0.03	
423	1.3	0.02	
414A	--	0.03	
425A	1.3	0.02	
402	--	0.007	
418	0.9	0.01	
406B	0.7	0.007	
415	--	0.04	
434	1.2	0.08	0.11
443	2.0	0.007	

Sample No.	Thickness (feet)	eU_3O_8 (percent)	U_3O_8 (percent)
435	1.1	0.011	
405B	1.2	0.02	
430	1.3	0.02	
429	1.4	0.03	
412B	3.5	0.003	
437	2.9	0.02	
431	2.2	0.01	
440	1.4	0.008	
412A	0.9	0.03	
417	1.5	0.10	0.22

On June 10, 1957, a letter from John W. King, Chief, Rapid City Branch office of the AEC, stated that AEC field men had looked at the property, were unimpressed, and had not written a report. No assay data were available from them.

The examining team feels that the ore grade of the "C" bed, at least in places, indicated by the above analyses, plus the known presence of sizable deposits of uranium minerals in similar beds within a few miles, justify at least enough preliminary exploration to determine whether the grade is consistent enough over the minimum area necessary to constitute a minable ore body. If the results are favorable, then further exploration by drilling may be warranted to determine the extent more fully. The problem of economically extracting uranium from lignite is not considered in this report.

ORE RESERVES

There are no known ore reserves on the property.

APPLICANT'S PROJECT PROPOSAL

The applicants proposed a single-stage program which consisted of bulldozing cuts along the "B" and "C" beds, bulldozing drill roads at two levels on the slope above these beds, and auger drilling to cut the "B" and "C" beds from the drill roads and from the top of the mesa. A single line of holes about 25 feet back from the rim would be drilled first, then three other lines would be drilled from the cuts on the slope; the four lines of holes would thus be approximately parallel, separated by intervals of 35 to 50 feet, and the holes would be drilled at 300-foot intervals along each line (fig. 3). The net result would permit sampling (either drill or channel) at 300-foot intervals on five lines 35 to 50 feet apart and parallel to the edge of the rim. Depths of the drill holes would range from 150 feet (from the top of the mesa) to 40 feet (from the cuts on the "C" bed).

A breakdown of the estimated cost of the work is as follows:

Independent Contracts

Vertical drilling is to be contracted at $1.25 per foot. It is estimated that 10,560 feet will be drilled. Therefore the estimated cost of drilling is	$13,200.00

Labor, Supervision, Consultants

Supervision is to be paid for on the basis of 11% of all other costs. The total of such other costs is estimated at $22,500. Therefore the total estimated supervision cost is	2,475.00

Operating Materials and Supplies	none	
Operating Equipment		
A D-8 dozer (angle) will be rented for $16 per hour, including operator, fuel, and other expenses of running. It is estimated that 500 hours of dozing will be required. This would make the cost for a dozer amount to $8,000		
The necessary testing equipment such as Geiger counter, reels, and probers are to be rented for a flat rental of $3 per day. It is estimated that such equipment will be used for 100 days, cost $300.		
Thus the total estimated cost for operating equipment is	$ 8,300.00	
Rehabilitation and Repairs	none	
New Buildings, Improvements, Installations	none	
Miscellaneous		
Chemical assays are expected to cost $4 each. We expect to have at least 250 such assays or a total of $1,000 worth.		
Therefore the estimated miscellaneous cost is	1,000.00	
Contingencies	none	
Estimated total cost of project		$24,975.00
Government's share at 75 percent		$18,731.25

The applicant has not designated the total number of holes nor the total footage in the dozer cuts; however, in measuring from the claim map, 120 drill holes and approximately 45,500 feet of bulldozing would be required to explore the property as proposed.

In the application it is stated that work will start in 60 days and will be completed within 12 months.

RECOMMENDED PROJECT PROPOSAL

In the opinion of the examining team, the property can be adequately explored by a modified three-stage program of bulldozing and drilling. This program is designed to explore bed "C" only; the team feels that bed "B" does not warrant exploration.

Stage I of the recommended program consists of five side hill dozer cuts exposing the bed at the locations designated 1 through 5 on figure 2. 1/ Cuts nos. 1, 2, 3, and 4 are to be 500 feet in length, the cuts extending 250 feet around each projection from its approximate center. Cut no. 5 is to be 1,000 feet in length and located as shown.

Stage II, which would depend on the results of Stage I and would be done only with prior approval by the Government, consists of auger drilling of 16 holes, each approximately 115 feet deep, making a total aggregate depth of 1,840 feet. These holes shall be drilled to a maximum depth of 5 feet below the bottom of the "C" bed, and the maximum total aggregate depth shall not exceed 2,000 feet. The location of the holes shall be as shown on figure 2.

1/ The geology on this figure has been enlarged approximately 10 times from the most reliable available map (Denson, Bachman, and Zeller, 1955). Further enlargement would imply an accuracy that does not exist.

Stage III, offset drilling, would be dependent on the results of Stage II drilling and would require prior Government approval. Under this stage a maximum of 13 holes with a total aggregate depth of 1,625 feet shall be drilled at a spacing of 200 feet from holes of Stage II showing significant mineralization or ore grade material. The Stage III holes shall be located as shown on figure 2.

Sampling of cuts no. 1, 2, 3, 4, and 5, and of the two existing cuts on the projection marked "A" on figure 2, shall be done at 50-foot intervals along the cuts. In all a total of 87 samples are to be taken: 11 each for cuts 1, 2, 3, and 4; 21 for cut 5; and 22 for projection "A," 13 to be taken from the cut on the east and 9 from the cut on the west side of the projection. The samples shall be channeled through the entire thickness of the C bed, the channel having a minimum depth of 3 inches and width of 6 inches.

In sampling the auger drill holes the cuttings from the entire thickness of the C bed of lignite shall be collected and these cutting shall constitute the sample for the hole.

On the basis of a bulldozer making 150 (100) linear feet of side hill cut per hour, and one auger drill drilling 150 feet per hour (?) per shift, it will take 28 days to complete the work of the project. With an allowance of 11 days for preparation of the final report the total time for completion of the project is 1-1/2 months. mc.

The estimated cost of the work is as follows:

Stage I

Independent Contracts

Bulldozing side hill cuts with a D-8 caterpillar, 30 hours at $16 per hour	$ 480.00		
Total Independent Contracts		$	480.00
Incidental Allowances			
Labor, Supervision, Consultants			
Supervising Geologist			
10 days or 1/3 month at $600 per month	200.00		
Total Labor, Supervision, Consultants			200.00
Operating Material and Supplies			
100 sample sacks at $1.25 each	125.00		
Total Operating Materials and Supplies			125.00
Operating Equipment			
Transportation 700 miles at $0.07 per mile	49.00		
Total Operating Equipment			49.00
Rehabilitation and Repairs			none
New buildings, improvements, installations			none
Miscellaneous			
Accounting 1/4 month at $50 per month	12.50		
No tax or workman's compensation allowance. Owner of property is doing the supervision and geologic work.	---		
Shipping charges for samples-freight 1,400 pounds at $2.80 per cwt.	39.20		

Analyses U_3O_8 - 87 samples at $4.00 each	$ 348.00	
Total Miscellaneous		$ 399.70
Contingencies		
10% of $425.70 (less analyses) (rounded)	42.60	
Total Contingencies		42.60
Total Incidental Allowances (less analyses)		468.30
Total Incidental Allowances per hour - 30 hours		$15.61
Total Stage I (with analyses)		1,296.30
Government participation at 75 percent		972.23
Stage II and III		
Independent Contracts		
Auger drilling 3,625 feet (2,000 feet Stage II 1,625 feet Stage III) at $1.25 per foot	$ 4,531.25	
Total Independent Contracts		$ 4,531.25
Incidental Allowances		
Labor, Supervision, Consultants		
Supervising Geologist		
29 days or 1-1/6 months at $600 per month	700.00	
Total Labor, Supervision, Consultants		700.00
Operating Materials and Supplies		
30 sample sacks at $1.25 each	37.50	
Total Operating Materials and Supplies		37.50

Operating equipment		
Rental of probing equipment at $3.00 per day 24 days	$ 72.00	
Transportation 1,300 miles at $0.07 per mile	91.00	
Total Operating equipment		$ 163.00
Rehabilitation and repairs		none
New Buildings, improvements, installations		none
Miscellaneous		
Accounting 1-1/4 months at $50.00 per month	62.50	
No tax or workman's compensation allowance. Owner of property is doing the supervision and geologic work.	---	
Shipping charges for samples-freight 750 pounds at $2.80 per cwt.	21.00	
Analyses U_3O_8 28 samples at $4.00 each	112.00	
Total Miscellaneous		195.50
Contingencies		
10% of $984.00 (less analyses)	98.40	
Total Contingencies		98.40
Total Incidental Allowances (less analyses)		1,082.40
Total Incidental Allowances per foot for 3,625 feet $0.2986 (less analyses)		
Total Stage II and III		$ 5,725.65
Government's share at 75 percent		$ 4,294.24
Total cost of recommended project Stages I, II, and III		$ 7,021.95
Government participation at 75 percent		$ 5,266.46

Summary of Cost

Stage I - 30 hours bulldozing side hill cuts	$ 1,296.30
Stages II and III - Auger drilling 3,625 feet	5,725.65
Total	$ 7,021.95

The applicant was requested to submit three bids on the independent contracts, but they have not yet been received.

CONCLUSIONS AND RECOMMENDATIONS

The examining team concludes that the uranium content of the "C" bed of lignite, and the apparent persistence of the bed on the property, indicate a reasonable possibility of discovering a significant deposit of ore-grade uraniferous lignite. Processing of this type of ore is not considered in this report.

The team recommends approval of a modified exploration program of bulldozing and auger drilling, at a total estimated cost of $7,021.95.

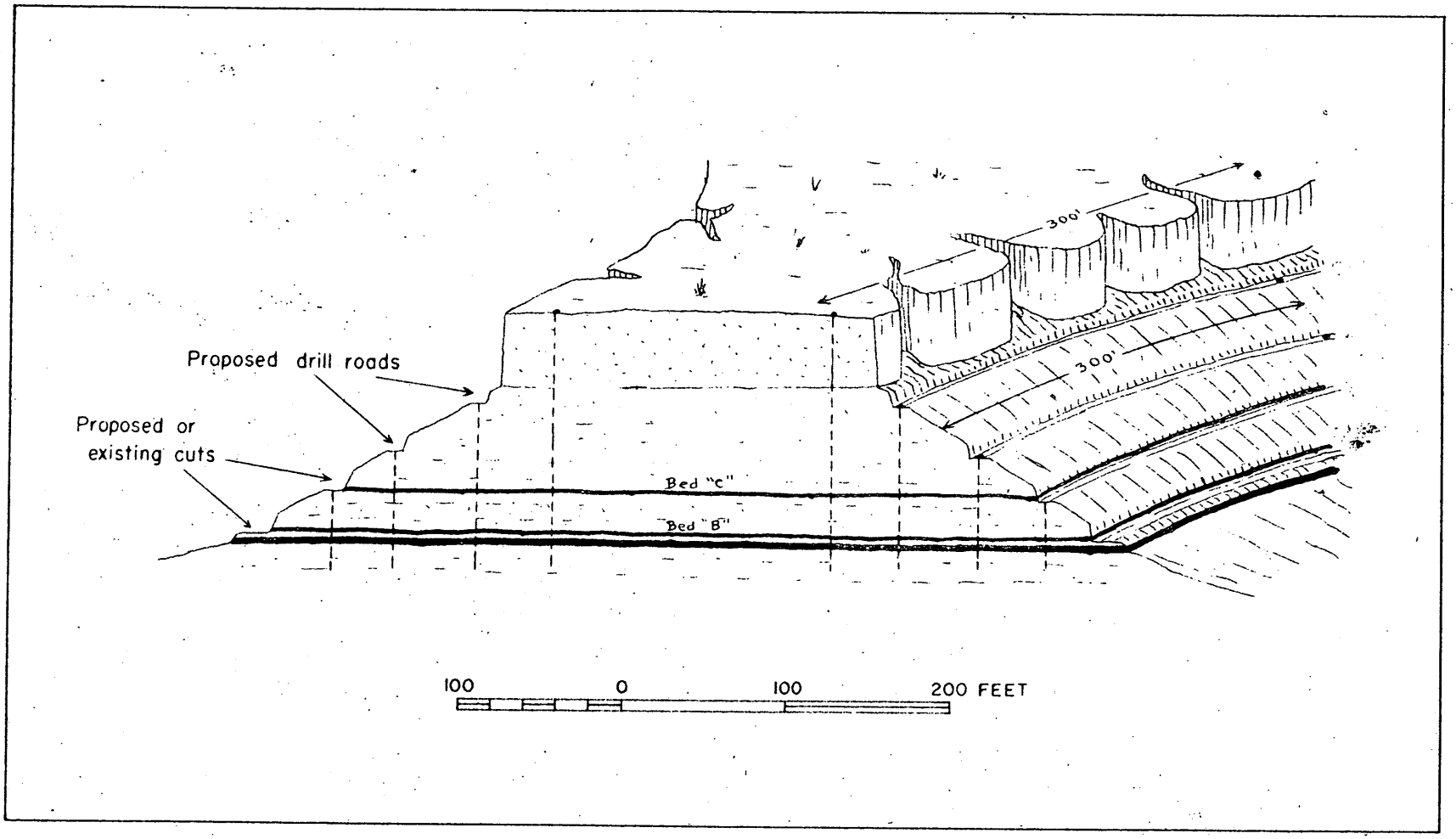

FIGURE 3. EXAMPLE OF APPLICANT'S EXPLORATION PROPOSAL

DAVIS DRAW GROUP OF CLAIMS

NORTH CAVE HILLS, SOUTH DAKOTA

DMEA DOCKET 4701

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DMEA
DEPARTMENT OF THE INTERIOR
APR 17 1957
REGION III
DENVER, COLORADO

April 16, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Reg. III

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4701 (Uranium) Wesley Anderson, et al., (Jill, et al, claims) Harding County, South Dakota

The application for Wesley Anderson, et al., Docket DMEA 4701, in the amount of $24,975.00 was received in this office on April 16, 1957.

A field examination will be made and suitable report prepared by an engineer from the Denver office.

W. H. KING

W. H. King

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cc: Executive Officer (2)
E. N. Marshman
J. F. Shaw

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" | 700

224 New Customhouse
Denver 2, Colorado

April 15, 1957

Memorandum

To: W. H. King) W/enclosures, Items 1-5 Below
E. N. Harshman)

From: DMEA Field Team, Region III

Subject: Docket DMEA-4701 (Uranium) Wesley Anderson, et al., (Jill, et al., Claims) Harding County, South Dakota

Enclosed is the following material relating to the subject docket.

1. Copy of application for Government assistance in exploration work under the DMEA program.
2. Memorandum of Review by James Paone, USGS.
3. Memorandum of Review by N. E. Nelson, USGS.
4. Letter of transmittal of the foregoing to this office, dated April 10, 1957, from the Chairman, Operating Committee, DMEA.
5. Routing control sheet.

A joint report of recommendations based on available information or a joint report of findings and recommendations based on a field examination is requested.

If the field examiners recommend Government participation in the proposed exploration program, please submit twelve extra copies of each map used in the joint report which show the land to be subordinated and the location and extent of recommended work, relative to property boundaries.

The Bureau of Mines' copy of the application should be returned to this office with the joint report of examination. Mr. Harshman will forward the Survey's copy of the application to the Washington office.

By E. N. Harshman
Acting Executive Officer

Enclosures
MBM:eh
cc: Sec. Op. Comm. (2)
King
Docket
Chron.

EXTRA COPY
D M E A
RECEIVED
DATE IN.
CODE

224 New Customhouse
Denver 2, Colorado

April 15, 1957

Memorandum

To: W. E. King) W/enclosures, Items 1-5 Below
E. N. Marshman)

From: DMEA Field Team, Region III

Subject: Docket DMEA-4701 (Uranium) Wesley Anderson, et al., (Jill, et al., Claims) Harding County, South Dakota

Enclosed is the following material relating to the subject docket.

1. Copy of application for Government assistance in exploration work under the DMEA program.
2. Memorandum of Review by James Paone, USGS.
3. Memorandum of Review by N. E. Nelson, USGS.
4. Letter of transmittal of the foregoing to this office, dated April 10, 1957, from the Chairman, Operating Committee, DMEA.
5. Routing control sheet.

A joint report of recommendations based on available information or a joint report of findings and recommendations based on a field examination is requested.

If the field examiners recommend Government participation in the proposed exploration program, please submit twelve extra copies of each map used in the joint report which show the land to be subordinated and the location and extent of recommended work, relative to property boundaries.

The Bureau of Mines' copy of the application should be returned to this office with the joint report of examination. Mr. Marshman will forward the Survey's copy of the application to the Washington office.

Enclosures
MEM:eh
cc: Sec. Op. Comm. (2)
King
Docket
Chron.

By E. N. Marshman
Acting Executive Officer

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-9	Ching	700
4-9	Ellis	700
4/10	Selfridge	130
"	Johnson	110
"	Mittendorf	100
		220
		220

APR 10 1957

Mr. Wesley Anderson, et al.

Bowman, North Dakota

Re: Docket No. DMEA-4701 (Uranium) 4/10 Lamb (130)
Jill, et al., Claims
Harding County, South Dakota 4/10 Nelson (130)

Gentlemen:

The application for assistance in exploring your claims, 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 to:

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

The Regional Office will contact you in regard to your project if additional information is required.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing/izm 4-9-57
cc to: Mr. Ching
Admr.'s Reading File
DMEA FT Reg. 3 (2)

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-9	Ching	700
4-9	Ching	700
4/10	Selfridge	130
"	Johnson	140
"	Chittenden	160
4/11	C	220
		700
		200

APR 10 1957

Mr. L. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-4701 (Uranium)
Wesley Anderson, et al.,
Jill, et al., Claims
Harding County, South Dakota

Dear Mr. Harshman:

The subject application is being referred to you for investigation, a field examination if warranted, and recommendations.

Enclosed for your information are memoranda, dated April 1 and 4, 1957, by James Paone, USBM, and N. E. Nelson, USGS, respectively, relating to the application. Also enclosed are two copies of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Enclosure

APPROVED:

Frank D. Lamb (JB)
Member, Bureau of Mines

N. E. Nelson (JB)
Member, Geological Survey

MChing/dlm 4-9-57
cc to: Mr. Ching
Admr.'s Reading File
DMEA Operating Committee
THKiilsgaard, 5224

8623

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 8 1957

DATE	INITIALS	CODE
4/8	C	220
"	~~Gabi~~	700
"	~~Chia~~	

April 4, 1957

Re: DMEA 4701
Wesley Anderson, et al
Davis Draw Group
Harding County, South Dakota
$24,975 - Uranium

comments complete

Memorandum

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

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

Subject: Review of application

The applicants request assistance in sampling by core drilling three lignite coal beds said to average about 0.20% U_3O_8.

The beds have the following thickness:

	Thickness	
	Beds	Strata
Lower Bench "D" Bed	48 inches	48"
(Clay parting 6" to 18")		12"
Middle Bench D Bed	36 inches	36"
(25 feet Beach sandstone)		25'
Top Bench D Bed	24 inches	24"
Total	9 feet	35 feet

Thus, if all suppositions are correct, in 35 feet of strata there is 9 feet of lignite coal in 3 beds the outcrops of which have been exposed for several hundred feet, perhaps thousands of feet as the mesa in which the coal beds occur is well dissected and many claims have been located along the rims. No record of sampling is given and it is left to surmise how the 0.20 U_3O_8 figure was arrived at.

The proposed drilling pattern should give an adequate sample of the area to be explored, affording as it does, with the rim cuts, 5 intersections in a total width, measured from the outcrops, of about 160 feet. As the row of deep holes from the mesa top is only about 35 feet from the holes of line 2, it could probably be dispensed with. A line equivalent to a line on center should suffice.

If "E" bed, shown in the section, is uranium bearing and reasonably continuous, it would appear to be a good prospect.

In case experience suggests the average grade given is approximately correct, an examination is warranted. Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

DMEA
RECEIVED APR 1
DMEA INITIALS CON
4/2 C 220
" Ellis 700

April 1, 1957

4701

Uranium

Wesley Anderson, Allen Burns

Davis Draw Group of Claims

Harding Co., South Dakota

$24,975.00

Ernest William Ellis, DMEA Member
Uranium Commodity Committee
James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Application

(Application, Field Team Report, [illegible])

[illegible] 3/15/57. [illegible] 3/29/57

[illegible] report been to evaluators: Yes [ ] No [ ]

[illegible] Yes [ ] No [ ]

[illegible] available on post reduction: Yes [ ] No [ ]

[illegible] been to evaluators: Yes [ ] No [ ]

[illegible] you above:

[illegible] general consideration:

a. Location [ ]
b. Geology [ ]
c. Evidence of mineralization [ ]
d. Geology [ ]
e. Proposed exploration method [ ]
f. Alternate exploration method [ ]
g. Costs [ ]
h. _____ [ ]

[illegible] action:

a. Obtain information from applicant [ ]
b. Refer to Field Team [X]
c. Denial [ ]
d. Agree with Field Team [ ]
e. Disagree with Field Team [ ]
f. Support alternate plan [ ]
g. Request another examination [ ]
h. Approval [ ]
i. Consult with Mr. _____ at _____ VEC office.

10. Remarks: (Use back of page if necessary)

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

March 28, 1957.

Mr. Wesley Anderson,
Bowman, North Dakota.

Subject: DMEA 4701

Dear Mr. Anderson:

Your application for exploration assistance, dated March 15, 1957, submitted to our office at Denver, Colorado has been assigned Docket Number DMEA 4701 and referred to the Rare & Misc. 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.

6416

U. S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1/46)

1. Use blocks consecutively, one
2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND
Mr. W. M. Chamberlain D. M. E. A	RUN STOP	R S
	RUN STOP	R S
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	RUN STOP	R S
	RUN STOP	R S
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	RUN STOP	

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	STOP	STOP

Use other side first

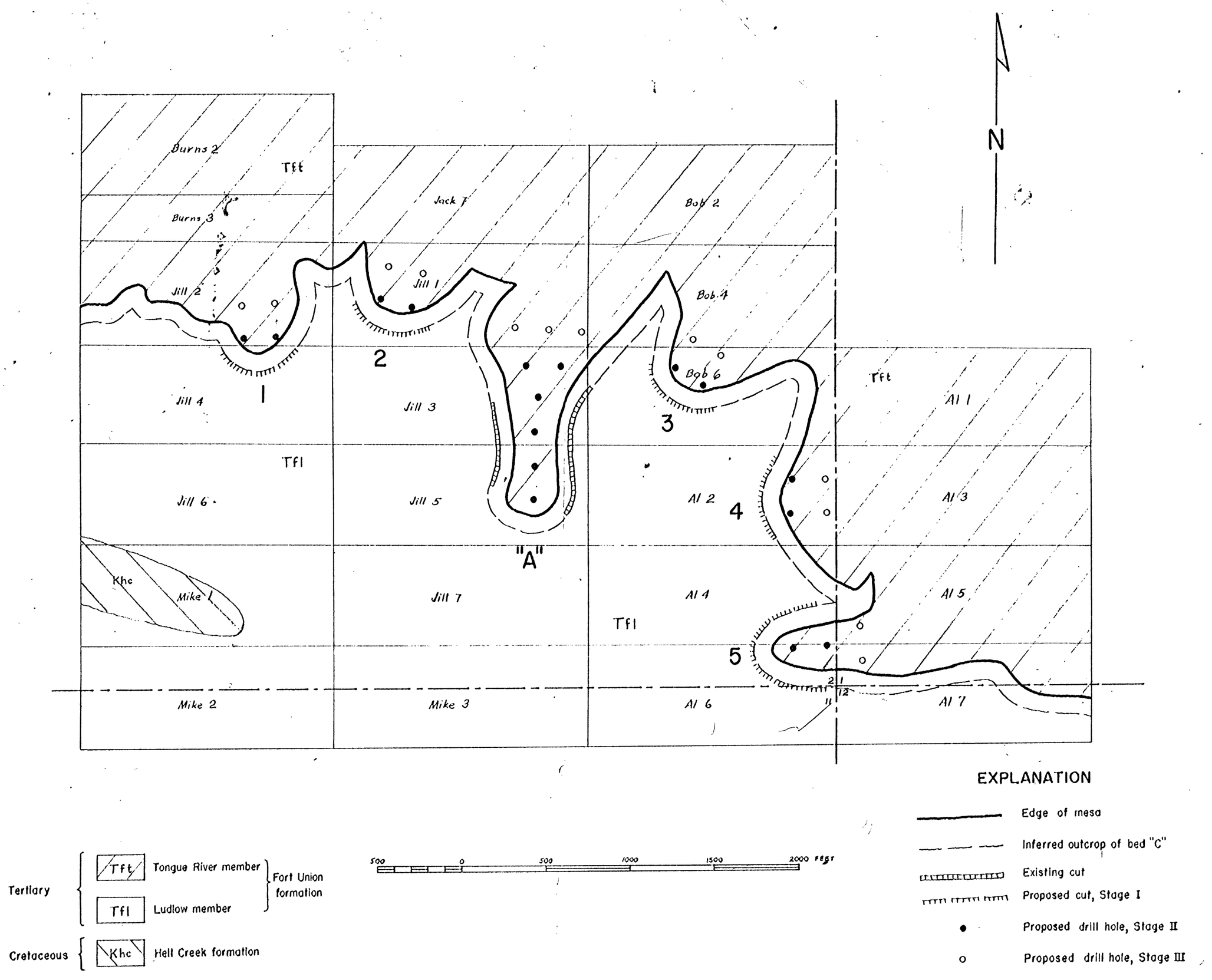


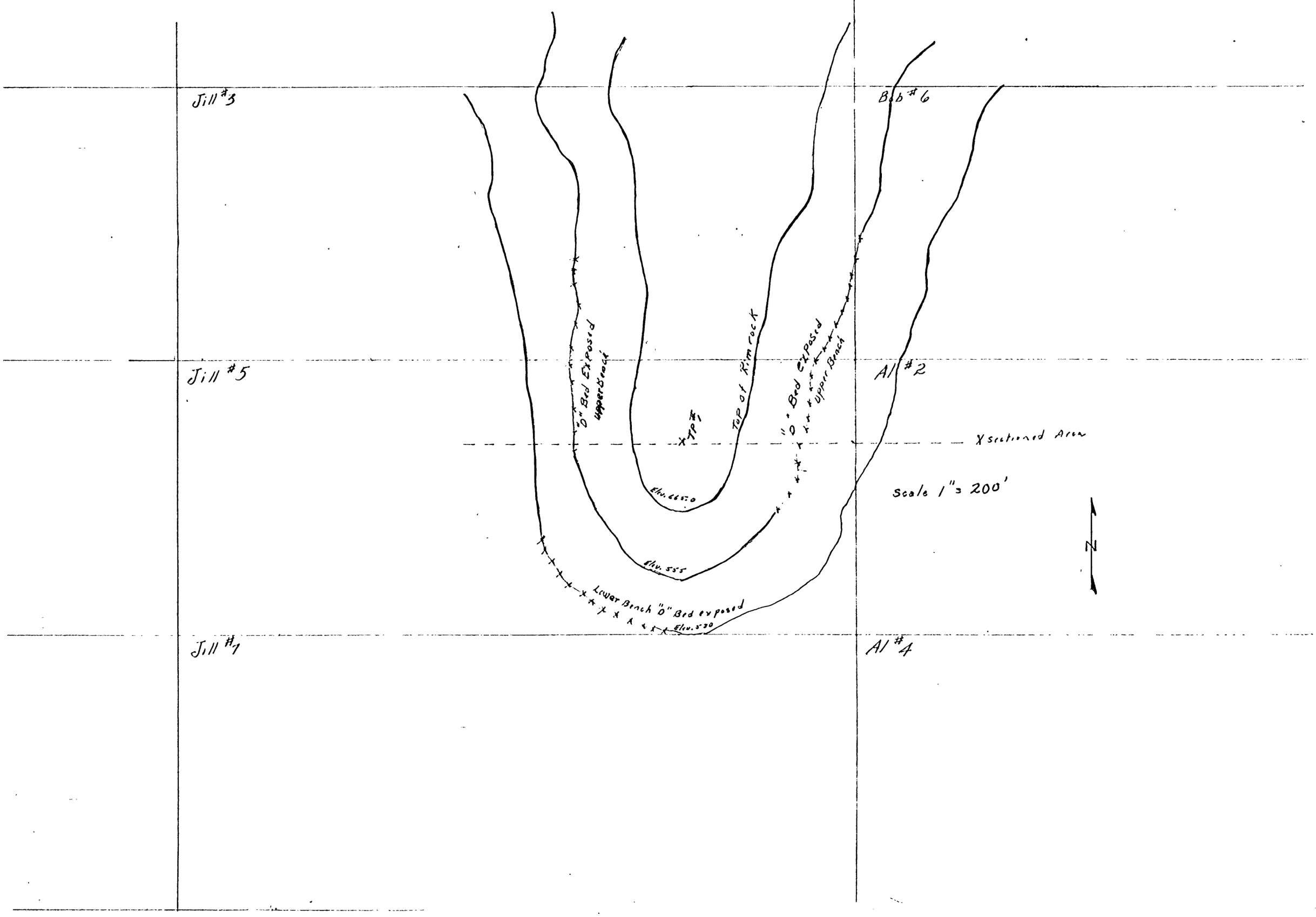
FIGURE 2. RECOMMENDED EXPLORATION
DAVIS DRAW GROUP OF CLAIMS
NORTH CAVE HILLS, SOUTH DAKOTA
DMEA DOCKET 4701

OFFICIAL FILE COPY
D M E A
RECEIVED MAR 25 1957
DATE | INITIALS | CODE

DMEA Application Of

Weslay Anderson	Bowman, N. Dak.
Allen Burns	" " "
J. Donald Burns	" " "
Bob Fleming	" " "

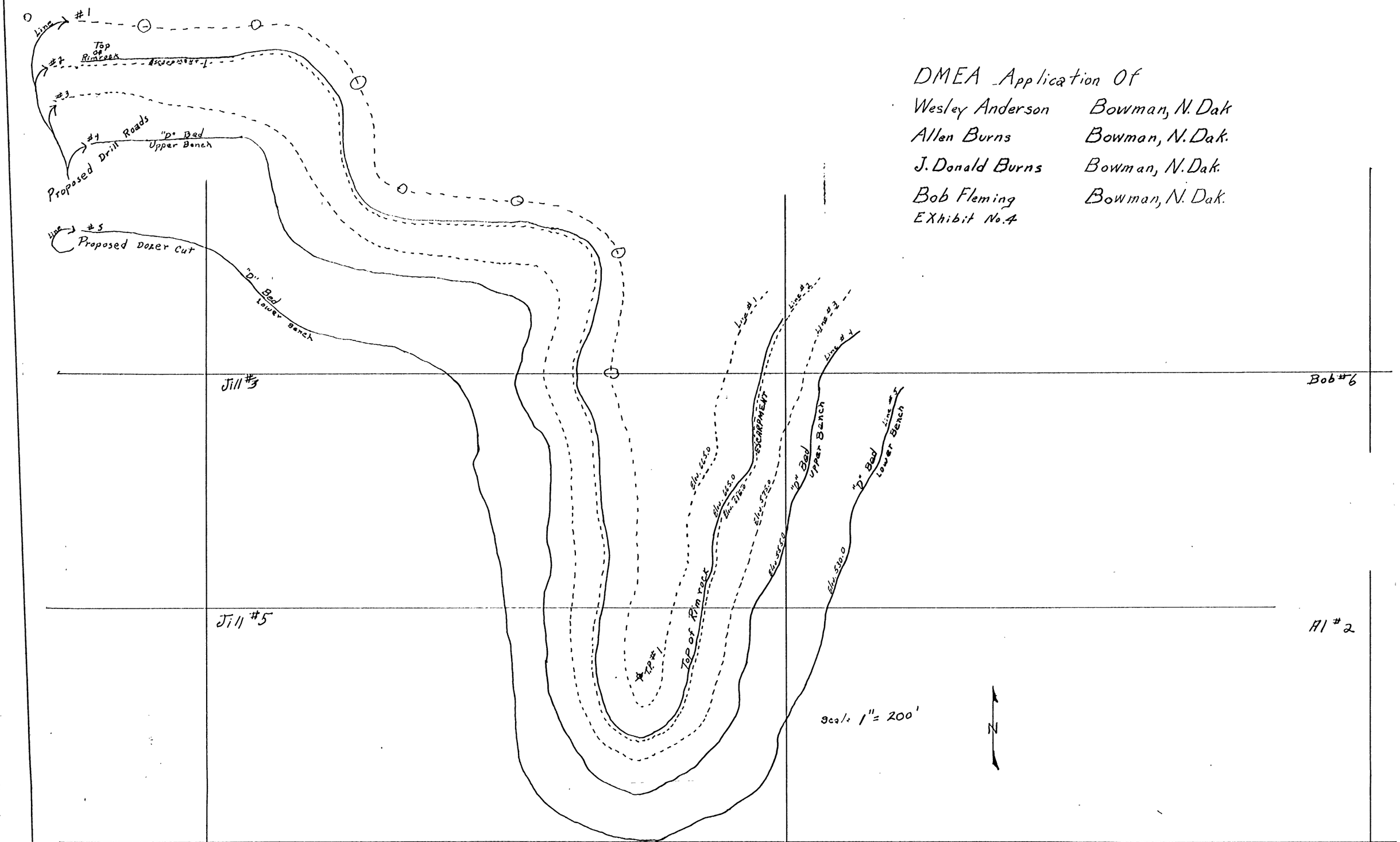
Exhibit No. 2



DMEA Application Of

Wesley Anderson	Bowman, N. Dak
Allen Burns	Bowman, N. Dak.
J. Donald Burns	Bowman, N. Dak.
Bob Fleming	Bowman, N. Dak.

EXhibit No. 4



Typical Top View

DMEA Application Of

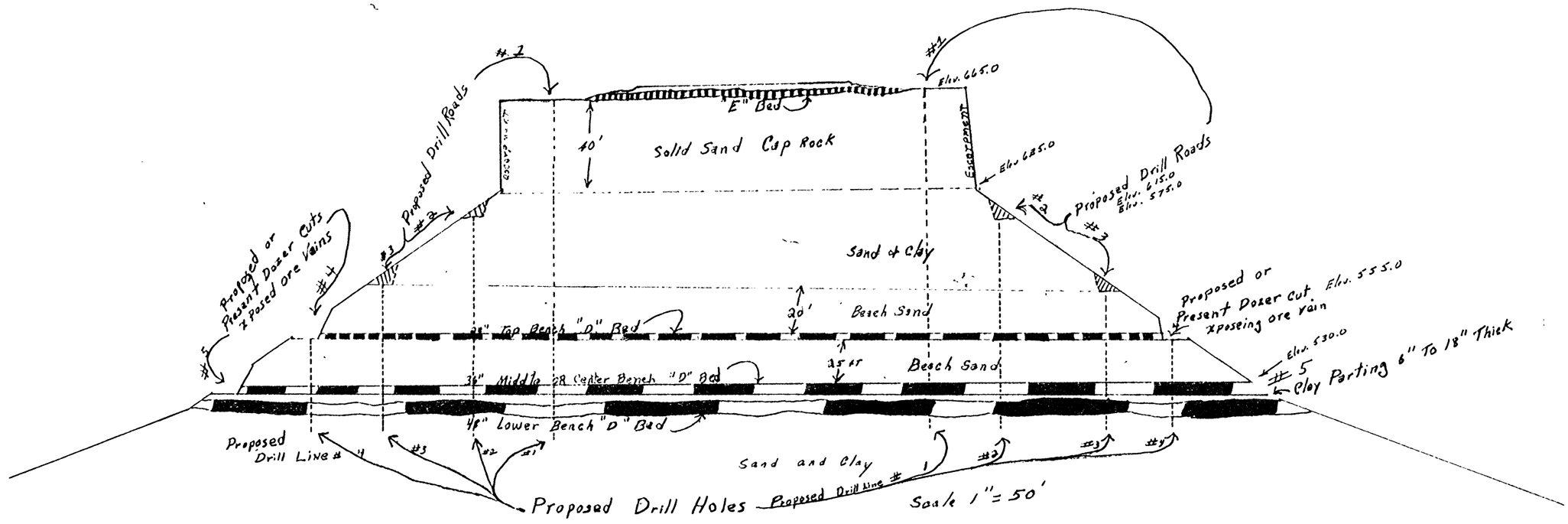
Wesley Anderson Bowman, N. Dak.

Allen Burns " "

J Donald Burns " "

Bob Fleming " "

Exhibit No. 3



Cross Section of Claims Jill #3 & 5;
Showing Typical Escarpment + Proposed Work

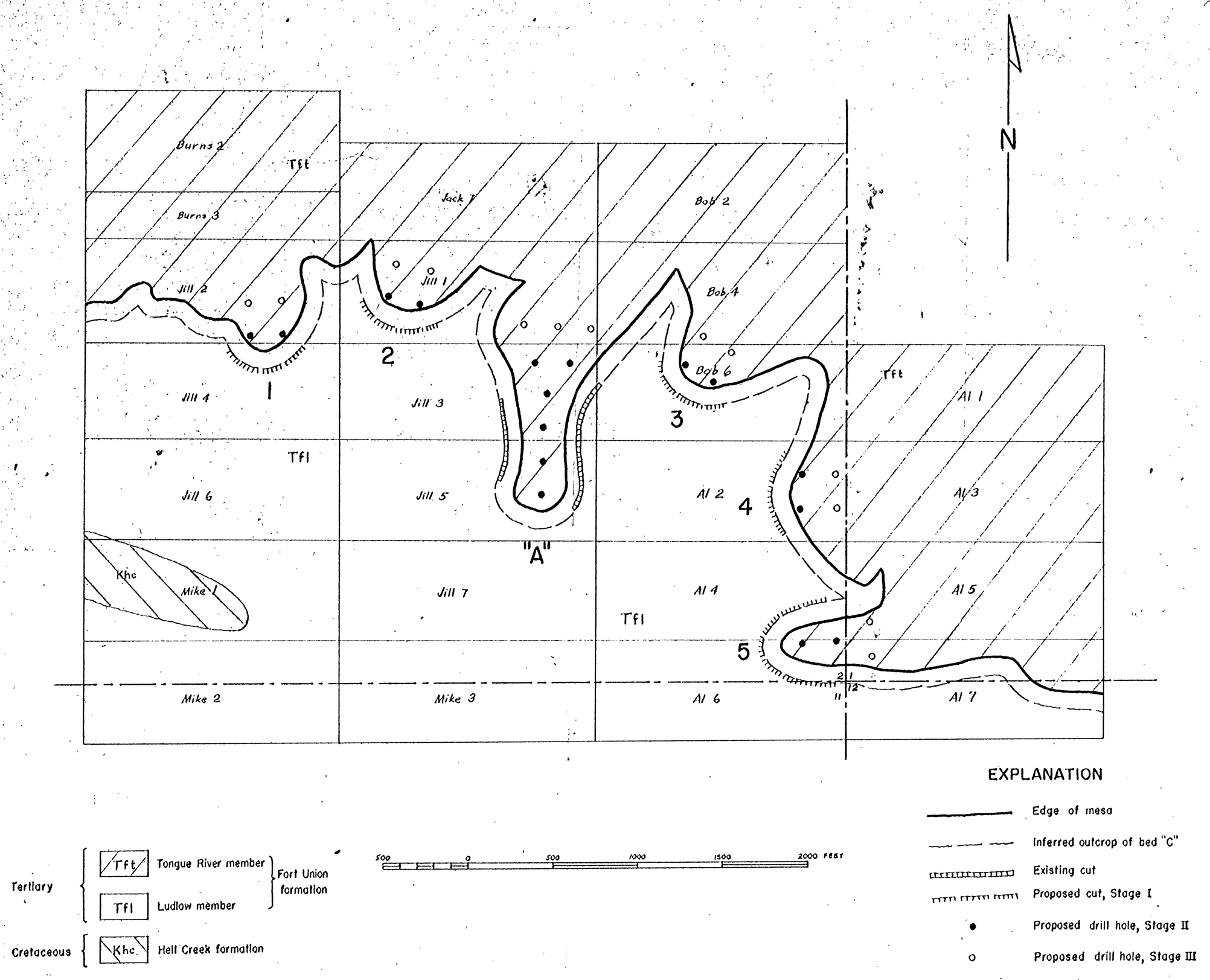
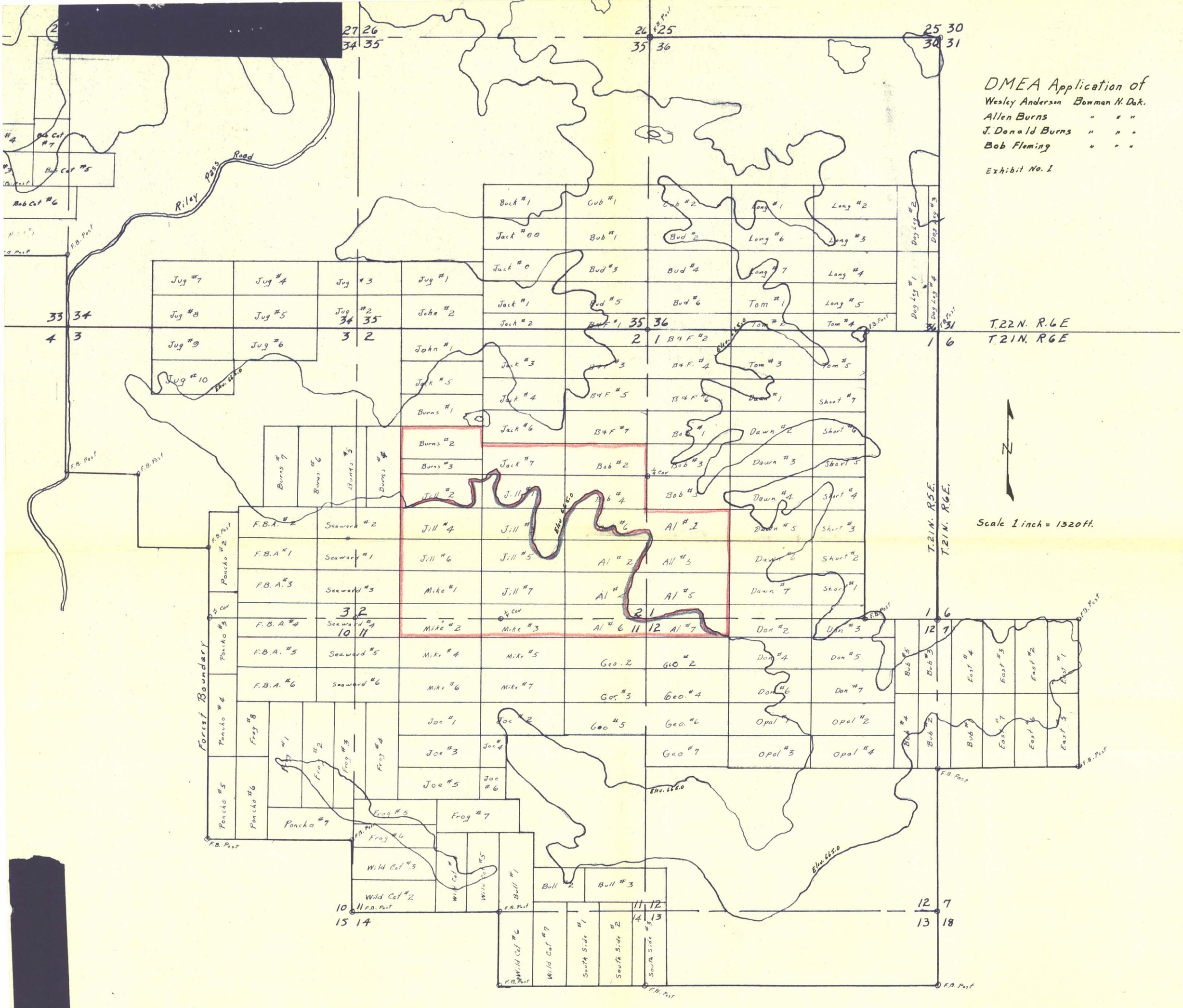


FIGURE 2. RECOMMENDED EXPLORATION
DAVIS DRAW GROUP OF CLAIMS
NORTH CAVE HILLS, SOUTH DAKOTA
DMEA DOCKET 4701

[redacted]



[redacted]